UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

January 30, 2013
Date of Report

AVERY DENNISON CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**1 -7685**	**95-1492269**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

150 North Orange Grove Boulevard Pasadena, California	**91103**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code **(626) 304-2000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 - Financial Information

Item 2.02 Results of Operations and Financial Condition.

Avery Dennison Corporation's (the "Company") press release, dated January 30, 2013, announcing its preliminary, unaudited financial results for fourth quarter and full-year 2012, and its guidance for the 2013 fiscal year, is attached hereto as Exhibit 99.1 and is being furnished (not filed) with this Form 8-K.

The Company's supplemental presentation materials, dated January 30, 2013, regarding its preliminary, unaudited financial review and analysis for fourth quarter and full-year 2012, and its guidance for the 2013 fiscal year, is attached hereto as Exhibit 99.2 and is being furnished (not filed) with this Form 8-K. The press release and presentation materials are also available on the Company's website at www.investors.averydennison.com.

The Company will discuss its preliminary, unaudited financial results during a webcast and teleconference today, January 30, 2013, at 2:00 p.m. ET. To access the webcast and teleconference, please go to the Company's website at www.investors.averydennison.com.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press release, dated January 30, 2013, announcing preliminary, unaudited fourth quarter and full-year 2012 results.
99.2	Supplemental presentation materials, dated January 30, 2013, regarding the Company's preliminary, unaudited financial review and analysis for fourth quarter and full-year 2012.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995

Certain statements contained in this report on Form 8-K and in Exhibits 99.1 and 99.2 are “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements and financial or other business targets are subject to certain risks and uncertainties. Actual results and trends may differ materially from historical or anticipated results depending on a variety of factors, including but not limited to risks and uncertainties relating to the following: fluctuations in demand affecting sales to customers; the financial condition and inventory strategies of customers; changes in customer order patterns; worldwide and local economic conditions; fluctuations in cost and availability of raw materials; ability of the company to generate sustained productivity improvement; ability of the company to achieve and sustain targeted cost reductions; impact of competitive products and pricing; loss of significant contract(s) or customer(s); collection of receivables from customers; selling prices; business mix shift; changes in tax laws and regulations, and uncertainties associated with interpretations of such laws and regulations; outcome of tax audits; timely development and market acceptance of new products, including sustainable or sustainably-sourced products; investment in development activities and new production facilities; fluctuations in foreign currency exchange rates and other risks associated with foreign operations; integration of acquisitions and completion of pending dispositions; amounts of future dividends and share repurchases; customer and supplier concentrations; successful implementation of new manufacturing technologies and installation of manufacturing equipment; disruptions in information technology systems; successful installation of new or upgraded information technology systems; volatility of financial markets; impairment of capitalized assets, including goodwill and other intangibles; credit risks; ability of the company to obtain adequate financing arrangements and maintain access to capital; fluctuations in interest and tax rates; fluctuations in pension, insurance and employee benefit costs; impact of legal and regulatory proceedings, including with respect to environmental, health and safety; changes in governmental laws and regulations; changes in political conditions; impact of epidemiological events on the economy and the company’s customers and suppliers; acts of war, terrorism, and natural disasters; and other factors.

The Company believes that the most significant risk factors that could affect its financial performance in the near-term include (1) the impact of economic conditions on underlying demand for the Company’s products; (2) competitors’ actions, including pricing, expansion in key markets, and product offerings; and (3) the degree to which higher costs can be offset with productivity measures and/or passed on to customers through selling price increases, without a significant loss of volume.

For a more detailed discussion of these and other factors, see Part I, Item 1A. “Risk Factors” and Part II, Item 7. “Management’s Discussion and Analysis of Results of Operations and Financial Condition” in the Company’s 2011 Form 10-K, filed on February 27, 2012 with the Securities and Exchange Commission (“SEC”), and subsequent quarterly reports on Form 10-Q. The forward-looking statements included in this Form 8-K are made only as of the date of this Form 8-K, and the Company undertakes no obligation to update these statements to reflect subsequent events or circumstances.

The financial information presented in the press release and supplemental presentation materials attached as exhibits to this Form 8-K is preliminary and unaudited.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVERY DENNISON CORPORATION

Date: January 30, 2013

By: /s/ Mitchell R. Butier
Name: Mitchell R. Butier
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT LIST

Exhibit No.	Description
99.1	Press release, dated January 30, 2013, announcing preliminary, unaudited fourth quarter and full-year 2012 results.
99.2	Supplemental presentation materials, dated January 30, 2013, regarding the Company’s preliminary, unaudited financial review and analysis for fourth quarter and full-year 2012.

Exhibit 99.1

AVERY DENNISON

Inspired Brands. Intelligent World.™

Miller Corporate Center

For Immediate Release

AVERY DENNISON ANNOUNCES FOURTH QUARTER AND FULL-YEAR 2012 RESULTS

- Ø 4Q12 Reported EPS (including discontinued operations) of $0.48
  - Ø Adjusted EPS (non-GAAP, continuing operations) of $0.54
- Ø 4Q12 Net sales grew approx. 5 percent to $1.53 billion
  - Ø Net sales up approx. 7 percent on organic basis
- Ø FY12 Reported EPS (including discontinued operations) up approx. 17 percent
  - Ø Adjusted EPS (non-GAAP, continuing operations) up approx. 20 percent on 4 percent organic sales growth
- Ø Returned $346 million of cash to shareholders, with increased dividend and repurchase of approx. 7 percent of outstanding shares in FY12
- Ø Restructuring program on track to achieve more than $100 million in annualized savings by mid-2013
- Ø Expect 2013 growth in adjusted EPS (non-GAAP, continuing operations) of 15 to 35 percent

PASADENA, Calif., January 30, 2013 – Avery Dennison Corporation (NYSE:AVY) today announced preliminary, unaudited fourth quarter and full-year 2012 results. All non-GAAP financial measures referenced in this document are reconciled to GAAP in the attached tables. Unless otherwise indicated, the discussion of the company's results is focused on its continuing operations, and comparisons are to the same period in the prior year.

"Avery Dennison delivered strong earnings improvement in 2012," said Dean Scarborough, Avery Dennison chairman, president and CEO. "Both Pressure-sensitive Materials and Retail Branding and Information Solutions delivered solid sales growth and expanded margins, and we returned $346 million of cash to shareholders through share repurchases and an increased dividend.

"We also took actions that position us well for significant profit growth in 2013, even in a soft economic environment," Scarborough said. "We remain committed to delivering on our long-term goals, including double-digit earnings growth and higher returns."

For more details on the company's results, see the summary table accompanying this news release, as well as the supplemental presentation materials, "Fourth Quarter and Full-Year 2012 Financial Review and Analysis," posted on the company's website at www.investors.averydennison.com, and furnished on Form 8-K with the SEC.

Fourth Quarter 2012 Results by Segment

All references to sales reflect comparisons on an organic basis, which exclude the estimated impact of currency translation, acquisitions and divestitures. Adjusted operating margin refers to earnings before interest expense and taxes, excluding restructuring costs and other items, as a percentage of sales.

Prior period amounts have been realigned to reflect the company's new operating structure, which includes a new corporate expense allocation methodology.

Pressure-sensitive Materials (PSM)

The PSM segment now includes the Performance Tapes business, previously reported in other specialty converting businesses.

- PSM segment sales increased approximately 6 percent. Within the segment, Label and Packaging Materials sales increased mid-single digits, as did the combined sales for other product lines (Graphics, Reflective, Performance Tapes).

- Operating margin improved 100 basis points to 7.8 percent as the benefit of higher volume and productivity initiatives more than offset the impact of changes in product mix and higher employee-related expenses. Adjusted operating margin improved 100 basis points.

Retail Branding and Information Solutions (RBIS)

The RBIS segment now includes all of the radio-frequency identification (RFID) business, previously reported in other specialty converting businesses.

- Sales increased approximately 10 percent compared to prior year driven by increased demand from U.S. and European retailers and brands, including accelerating RFID adoption.

- Operating margin improved 120 basis points to 3.0 percent as the benefit of higher volume and productivity initiatives more than offset higher employee-related expenses and an impairment charge. Adjusted operating margin improved 270 basis points.

Other specialty converting businesses

As indicated above, other specialty converting businesses no longer include the Performance Tapes and RFID businesses.

- Sales increased approximately 15 percent due to higher volume.

- Operating margin declined 70 basis points to 2.3 percent due to the impact of a prior year gain on sale of a product line, as well as current year costs associated with exiting product lines and restructuring, partially offset by the benefit of higher volume. Adjusted operating margin improved by more than 12 points to 6.4 percent.

Other

Share Repurchases

The company repurchased 7.9 million shares during 2012 at an aggregate cost of $235 million (approximately 7 percent of shares outstanding).

Results of Discontinued Operations

Earnings from OCP and certain costs associated with its anticipated divestiture are reported as income or loss from discontinued operations (net of tax) in the consolidated income statement. Designed and Engineered Solutions (DES) results are currently reported in other specialty converting businesses, but will be reclassified as discontinued operations as of the first quarter of 2013.

Earnings per share from discontinued operations increased from $(0.06) to $0.15. Adjusted earnings per share from discontinued operations increased from $0.03 to $0.17, primarily due to an adjustment in the tax rate for discontinued operations in the fourth quarter of 2011.

Income Taxes

The full-year adjusted tax rate was approximately 34 percent, in line with expectations and comparable to 2011.

Cost Reduction Actions

In the first half of 2012, the company began a restructuring program to reduce costs across all segments of the business. The company currently anticipates more than $100 million in annualized savings from this program by mid-2013. To implement these actions, the company incurred restructuring costs and other items of approximately $56 million in 2012, and expects to incur $25 million in 2013.

Outlook

In the company's supplemental presentation materials, "Fourth Quarter and Full-Year 2012 Financial Review and Analysis," the company provides a list of factors that it believes will contribute to its 2013 financial results. Based on the factors listed and other assumptions, the company expects 2013 earnings per share from continuing operations of $2.23 to $2.63. Excluding an estimated $0.17 per share for restructuring costs and other items, the company expects adjusted (non-GAAP) earnings per share from continuing operations of $2.40 to $2.80. The company expects free cash flow from continuing operations in the range of $275 million to $325 million. The company's guidance includes operating results from DES and excludes the impact of share repurchase using net proceeds from divestitures.

Note: Throughout this release and the supplemental presentation materials, amounts on a per share basis reflect fully diluted shares outstanding.

About Avery Dennison

Avery Dennison (NYSE:AVY) helps make brands more inspiring and the world more intelligent. For more than 75 years the company has been a global leader in pressure-sensitive technology and materials and retail branding and information solutions. A FORTUNE 500 company with sales of $6 billion from continuing operations in 2012, Avery Dennison is based in Pasadena, California and has employees in over 50 countries. For more information, visit www.averydennison.com.

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The company believes that the most significant risk factors that could affect its financial performance in the near-term include (1) the impact of economic conditions on underlying demand for the company's products; (2) competitors' actions, including pricing, expansion in key markets, and product offerings; and (3) the degree to which higher costs can be offset with productivity measures and/or passed on to customers through selling price increases, without a significant loss of volume.

For a more detailed discussion of these and other factors, see “Risk Factors” and “Management’s Discussion and Analysis of Results of Operations and Financial Condition” in the company’s 2011 Form 10-K, filed on February 27, 2012 with the Securities and Exchange Commission, and subsequent quarterly reports on Form 10-Q. The forward-looking statements included in this document are made only as of the date of this document, and the company undertakes no obligation to update these statements to reflect subsequent events or circumstances.

For more information and to listen to a live broadcast or an audio replay of the quarterly conference call with analysts, visit the Avery Dennison website at www.investors.averydennison.com

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Fourth Quarter Financial Summary - Preliminary

(in millions, except per share amounts)

	4Q 2012	4Q 2011	% Change vs. P/Y Reported	% Change vs. P/Y Organic (a)
Net sales, by segment:				
Pressure-sensitive Materials	$1,060.1	$1,024.1	4%	6%
Retail Branding and Information Solutions	406.6	370.5	10%	10%
Other specialty converting businesses	65.5	60.0	9%	15%
Total net sales	$1,532.2	$1,454.6	5%	7%

	As Reported (GAAP)					Adjusted Non-GAAP (b)				
	4Q 2012	4Q 2011	% Change Fav(Unf)	% of Sales 2012	% of Sales 2011	4Q 2012	4Q 2011	% Change Fav(Unf)	% of Sales 2012	% of Sales 2011
Operating income before interest and taxes, by segment:										
Pressure-sensitive Materials	$82.7	$69.2		7.8%	6.8%	$92.2	$79.0		8.7%	7.7%
Retail Branding and Information Solutions	12.1	6.6		3.0%	1.8%	25.3	12.9		6.2%	3.5%
Other specialty converting businesses	1.5	1.8		2.3%	3.0%	4.2	(3.7)		6.4%	-6.2%
Corporate expense	(23.2)	(22.6)				(20.3)	(17.3)			
Total operating income before interest and taxes / operating margin	$73.1	$55.0	33%	4.8%	3.8%	$101.4	$70.9	43%	6.6%	4.9%
Interest expense	17.9	17.9				17.9	17.9			
Income from operations before taxes	$55.2	$37.1	49%	3.6%	2.6%	$83.5	$53.0	58%	5.4%	3.6%
Provision for income taxes	$21.8	$8.1				$28.9	$14.9			
Net income from continuing operations	$33.4	$29.0	15%	2.2%	2.0%	$54.6	$38.1	43%	3.6%	2.6%
Income (loss) from discontinued operations, net of tax	$15.6	($6.8)	n/m	1.0%	-0.5%	$16.8	$3.1	442%	1.1%	0.2%
Net income	$49.0	$22.2	121%	3.2%	1.5%	$71.4	$41.2	73%	4.7%	2.8%
Net income (loss) per common share, assuming dilution:										
Continuing operations	$0.33	$0.27	22%			$0.54	$0.36	50%		
Discontinued operations	$0.15	($0.06)	n/m			$0.17	$0.03	467%		
Total Company	$0.48	$0.21	129%			$0.71	$0.39	82%		

(a) Percentage change in sales excluding the estimated impact of foreign currency translation, acquisitions and divestitures.
(b) Excludes restructuring costs and other items (see accompanying schedules A-2 and A-5 for reconciliation to GAAP financial measures).

Previously reported segment results and corporate expense have been realigned to reflect new operating structure.

Full Year Financial Summary - Preliminary

(in millions, except per share amounts)

	FY 2012	FY 2011	% Change vs. P/Y Reported	% Change vs. P/Y Organic (a)
Net sales, by segment:				
Pressure-sensitive Materials	$4,255.5	$4,260.7	0%	4%
Retail Branding and Information Solutions	1,534.1	1,510.0	2%	3%
Other specialty converting businesses	246.0	255.6	-4%	5%
Total net sales	$6,035.6	$6,026.3	0%	4%

	As Reported (GAAP)					Adjusted Non-GAAP (b)				
	FY 2012	FY 2011	% Change Fav(Unf)	% of Sales 2012	% of Sales 2011	FY 2012	FY 2011	% Change Fav(Unf)	% of Sales 2012	% of Sales 2011
Operating income before interest and taxes, by segment:										
Pressure-sensitive Materials	$362.9	$352.2		8.5%	8.3%	$396.1	$372.1		9.3%	8.7%
Retail Branding and Information Solutions	54.5	42.7		3.6%	2.8%	79.1	60.4		5.2%	4.0%
Other specialty converting businesses	(2.9)	3.4		-1.2%	1.3%	3.0	(1.3)		1.2%	-0.5%
Corporate expense	(86.2)	(94.4)				(80.5)	(80.7)			
Total operating income before interest and taxes / operating margin	$328.3	$303.9	8%	5.4%	5.0%	$397.7	$350.5	13%	6.6%	5.8%
Interest expense	72.8	71.0				72.8	71.0			
Income from operations before taxes	$255.5	$232.9	10%	4.2%	3.9%	$324.9	$279.5	16%	5.4%	4.6%

Provision for income taxes	$86.4	$78.5				$109.8	$94.2			
Net income from continuing operations	$169.1	$154.4	10%	2.8%	2.6%	$215.1	$185.3	16%	3.6%	3.1%
Income from discontinued operations, net of tax	$46.3	$35.7	30%	0.8%	0.6%	$58.2	$45.1	29%	1.0%	0.7%
Net income	$215.4	$190.1	13%	3.6%	3.2%	$273.3	$230.4	19%	4.5%	3.8%
Net income per common share, assuming dilution:										
Continuing operations	$1.63	$1.45	12%			$2.08	$1.74	20%		
Discontinued operations	$0.45	$0.33	36%			$0.56	$0.42	33%		
Total Company	$2.08	$1.78	17%			$2.64	$2.16	22%		
						2012	***2011***			
Estimated Free Cash Flow from Continuing Operations (c)						*$312.2*	*n/a*			
Free Cash Flow (including discontinued operations) (c)						*$352.6*	*$292.0*			

(a) Percentage change in sales excluding the estimated impact of foreign currency translation, acquisitions and divestitures.
(b) Excludes restructuring costs and other items (see accompanying schedules A-2 and A-5 for reconciliation to GAAP financial measures).
(c) Free cash flow refers to cash flow from operations, less net payments for property, plant, and equipment, software and other deferred charges, plus (minus) net proceeds from sales (purchases) of investments, plus discretionary contributions to pension plan utilizing proceeds from divestitures. Free cash flow excludes uses of cash that do not directly or immediately support the underlying business (such as discretionary debt reductions, dividends, share repurchases, and certain effects of acquisitions and divestitures).

Previously reported segment results and corporate expense have been realigned to reflect new operating structure.

AVERY DENNISON
PRELIMINARY CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)

	(UNAUDITED)			
	Three Months Ended		Twelve Months Ended	
	Dec. 29, 2012	Dec. 31, 2011	Dec. 29, 2012	Dec. 31, 2011
Net sales	$ 1,532.2	$ 1,454.6	$ 6,035.6	$ 6,026.3
Cost of products sold	1,134.5	1,096.0	4,458.5	4,504.9
Gross profit	397.7	358.6	1,577.1	1,521.4
Marketing, general & administrative expense	296.3	287.7	1,179.4	1,170.9
Interest expense	17.9	17.9	72.8	71.0
Other expense, net (1)	28.3	15.9	69.4	46.6
Income from continuing operations before taxes	55.2	37.1	255.5	232.9
Provision for income taxes	21.8	8.1	86.4	78.5
Income from continuing operations	33.4	29.0	169.1	154.4
Income (loss) from discontinued operations, net of tax	15.6	(6.8)	46.3	35.7
Net income	$ 49.0	$ 22.2	$ 215.4	$ 190.1
Per share amounts:				
Net income (loss) per common share, assuming dilution				
Continuing operations	$ 0.33	$ 0.27	$ 1.63	$ 1.45
Discontinued operations	0.15	(0.06)	0.45	0.33
Net income per common share, assuming dilution	$ 0.48	$ 0.21	$ 2.08	$ 1.78
Average common shares outstanding, assuming dilution	101.2	106.8	103.5	106.8

(1) "Other expense, net" for the fourth quarter of 2012 includes severance and related costs of $16.4, asset impairment and lease cancellation charges of $3.1, indefinite-lived intangible asset impairment charges of $7, and costs associated with exiting product lines of $1.8.

"Other expense, net" for the fourth quarter of 2011 includes severance and related costs of $11, asset impairment and lease cancellation charges of $5.3, certain transaction costs of $4.5, and loss on debt extinguishments of $.7, partially offset by gain on sale of product line of $5.6.

"Other expense, net" for fiscal year 2012 includes severance and related costs of $49.6, asset impairment and lease cancellation charges of $6.8, indefinite-lived intangible asset impairment charges of $7, costs associated with exiting product lines of $3.9, and certain transaction costs of $2.7, partially offset by gain on sale of product line of $.6.

"Other expense, net" for fiscal year 2011 includes severance and related costs of $35.5, asset impairment and lease cancellation charges of $9, certain transaction costs of $8.2, and loss on debt extinguishments of $.7, partially offset by gain on sale of product line of $5.6, and legal settlement of $1.2.

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Reconciliation of Non-GAAP Financial Measures in Accordance with SEC Regulations G and S-K

Avery Dennison reports financial results in conformity with accounting principles generally accepted in the United States of America, or GAAP, and herein provides some non-GAAP financial measures. These non-GAAP financial measures are not in accordance with, nor are they a substitute for or superior to, the comparable GAAP financial measures. These non-GAAP financial measures are intended to supplement the company's presentation of its financial results that are prepared in accordance with GAAP. Based upon feedback from investors and financial analysts, the company believes that supplemental non-GAAP financial measures provide information that is useful to the assessment of the company's performance and operating trends, as well as liquidity.

The company's non-GAAP financial measures exclude the impact of certain events, activities or strategic decisions. The accounting effects of these events, activities or decisions, which are included in the GAAP financial measures, may make it difficult to assess the underlying performance of the company in a single period. By excluding certain accounting effects, both positive and negative, of certain items (e.g., restructuring costs, asset impairments, legal settlements, certain effects of strategic transactions and related costs, loss from debt extinguishments, loss from curtailment and settlement of pension obligations, gains or losses on sale of certain assets and other items), the company believes that it is providing meaningful supplemental information to facilitate an understanding of the company's core operating results and liquidity measures. These non-GAAP financial measures are used internally to evaluate trends in the company's underlying business, as well as to facilitate comparison to the results of competitors for a single period. While some of the items excluded from GAAP financial measures may recur, they tend to be disparate in amount, frequency, and timing.

The company uses the following non-GAAP financial measures in the accompanying news release and presentation:

Organic sales change refers to the increase or decrease in sales excluding the estimated impact of currency translation, acquisitions and divestitures;

Adjusted EBITDA refers to earnings before interest expense, taxes, depreciation, and amortization, excluding restructuring cots and other items;

Adjusted operating margin refers to earnings before interest expense and taxes, excluding restructuring costs and other items, as a percentage of sales;

Adjusted tax rate refers to the anticipated full year GAAP tax rate adjusted for certain discrete events;

Adjusted net income refers to reported net income adjusted for the tax-effected restructuring costs and other items;

Adjusted EPS refers to as reported net income per common share, assuming dilution, adjusted for the tax-effected restructuring costs and other items; and

Free cash flow refers to cash flow from operations, less net payments for property, plant, and equipment, software and other deferred charges, plus (minus) net proceeds from sales (purchases) of investments, plus discretionary contributions to pension plan utilizing proceeds from divestitures. Free cash flow excludes uses of cash that do not directly or immediately support the underlying business (such as discretionary debt reductions, dividends, share repurchases, and certain effects of acquisitions and divestitures).

The reconciliation set forth below and in the accompanying presentation is provided in accordance with Regulations G and S-K and reconciles the non-GAAP financial measures with the most directly comparable GAAP financial measures.

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AVERY DENNISON
PRELIMINARY RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, except % and per share amounts)

	(UNAUDITED)			
	Three Months Ended		Twelve Months Ended	
	Dec. 29, 2012	Dec. 31, 2011	Dec. 29, 2012	Dec. 31, 2011
Reconciliation of Operating Margins:				
Net sales	$ 1,532.2	$ 1,454.6	$ 6,035.6	$ 6,026.3
Income from continuing operations before taxes	$ 55.2	$ 37.1	$ 255.5	$ 232.9
Income from continuing operations before taxes as a percentage of sales	**3.6%**	**2.6%**	**4.2%**	**3.9%**
Adjustment:				
Interest expense	$ 17.9	$ 17.9	$ 72.8	$ 71.0
Operating income from continuing operations before interest expense and taxes	$ 73.1	$ 55.0	$ 328.3	$ 303.9
Operating Margins	**4.8%**	**3.8%**	**5.4%**	**5.0%**
Income from continuing operations before taxes	$ 55.2	$ 37.1	$ 255.5	$ 232.9
Adjustments:				
Restructuring costs:				
Severance and related costs	16.4	11.0	49.6	35.5
Asset impairment and lease cancellation charges	3.1	5.3	6.8	9.0
Other items (1)	8.8	(0.4)	13.0	2.1
Interest expense	17.9	17.9	72.8	71.0
Adjusted operating income from continuing operations before interest expense and taxes (non-GAAP)	$ 101.4	$ 70.9	$ 397.7	$ 350.5
Adjusted Operating Margins (non-GAAP)	**6.6%**	**4.9%**	**6.6%**	**5.8%**
Reconciliation of GAAP to Non-GAAP Net Income from Continuing Operations:				
As reported net income from continuing operations	$ 33.4	$ 29.0	$ 169.1	$ 154.4
Non-GAAP adjustments, net of tax:				
Restructuring costs and other items (2)	21.2	9.1	46.0	30.9
Adjusted Non-GAAP Net Income from Continuing Operations	$ 54.6	$ 38.1	$ 215.1	$ 185.3
Reconciliation of GAAP to Non-GAAP Net Income from Discontinued Operations:				
As reported net income (loss) from discontinued operations	$ 15.6	$ (6.8)	$ 46.3	$ 35.7
Non-GAAP adjustments, net of tax:				
Restructuring costs and other items (2)	1.2	9.9	11.9	9.4
Adjusted Non-GAAP Net Income from Discontinued Operations	$ 16.8	$ 3.1	$ 58.2	$ 45.1
Reconciliation of GAAP to Non-GAAP Net Income:				
As reported net income	$ 49.0	$ 22.2	$ 215.4	$ 190.1
Non-GAAP adjustments, net of tax:				

Restructuring costs and other items [2]	22.4	19.0	57.9	40.3
Adjusted Non-GAAP Net Income	$ 71.4	$ 41.2	$ 273.3	$ 230.4

A-3
(continued)

AVERY DENNISON
PRELIMINARY RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, except % and per share amounts)

	(UNAUDITED)			
	Three Months Ended		Twelve Months Ended	
	Dec. 29, 2012	Dec. 31, 2011	Dec. 29, 2012	Dec. 31, 2011
Reconciliation of GAAP to Non-GAAP Net Income per Common Share from Continuing Operations:				
As reported net income per common share from continuing operations, assuming dilution	$ 0.33	$ 0.27	$ 1.63	$ 1.45
Non-GAAP adjustments per common share, net of tax:				
Restructuring costs and other items [2]	0.21	0.09	0.45	0.29
Adjusted Non-GAAP Net Income per Common Share from Continuing Operations, assuming dilution	$ 0.54	$ 0.36	$ 2.08	$ 1.74
Reconciliation of GAAP to Non-GAAP Net Income per Common Share from Discontinued Operations:				
As reported net income (loss) per common share from discontinued operations, assuming dilution	$ 0.15	$ (0.06)	$ 0.45	$ 0.33
Non-GAAP adjustments per common share, net of tax:				
Restructuring costs and other items [2]	0.02	0.09	0.11	0.09
Adjusted Non-GAAP Net Income per Common Share from Discontinued Operations, assuming dilution	$ 0.17	$ 0.03	$ 0.56	$ 0.42
Reconciliation of GAAP to Non-GAAP Net Income per Common Share:				
As reported net income per common share, assuming dilution	$ 0.48	$ 0.21	$ 2.08	$ 1.78
Non-GAAP adjustments per common share, net of tax:				
Restructuring costs and other items [2]	0.23	0.18	0.56	0.38
Adjusted Non-GAAP Net Income per Common Share, assuming dilution	$ 0.71	$ 0.39	$ 2.64	$ 2.16
Average common shares outstanding, assuming dilution	101.2	106.8	103.5	106.8

[1] Includes indefinite-lived intangible asset impairment charges, costs associated with exiting product lines, certain transaction costs, loss on debt extinguishments, gain on sale of product line, and legal settlement.
[2] Reflects the full year estimated tax effect of restructuring costs and other items.

	(UNAUDITED)	
	Twelve Months Ended	
	Dec. 29, 2012	Dec. 31, 2011
Reconciliation of GAAP to Non-GAAP Free Cash Flow:		
Net cash provided by operating activities	$ 513.4	$ 422.7
Purchases of property, plant and equipment, net	(95.0)	(105.0)
Purchases of software and other deferred charges	(59.1)	(26.0)
(Purchases of) proceeds from sales of investments, net	(6.7)	0.3
Free Cash Flow	$ 352.6	$ 292.0
Estimated free cash flow from continuing operations	$ 312.2	
Estimated free cash flow from discontinued operations	40.4	
Free Cash Flow	$ 352.6	

	(UNAUDITED)	
	Twelve Months Ended	
	Dec. 29, 2012	
Reconciliation Non-GAAP Net Debt to Adjusted EBITDA (Non-GAAP):		
Adjusted operating income from continuing operations before interest expense and taxes (Non-GAAP)	$	397.7
Adjustments:		
Depreciation		150.1
Amortization		70.5
Adjusted EBITDA (Non-GAAP)	$	618.3
Total Debt as of Dec. 29, 2012	$	1,222.4
Less: Cash and cash equivalents as of Dec. 29, 2012		(235.4)
Net Debt	$	987.0
Net Debt to Adjusted EBITDA (Non-GAAP)		1.6

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AVERY DENNISON
PRELIMINARY SUPPLEMENTARY INFORMATION
(In millions)
(UNAUDITED)

	Fourth Quarter Ended					
	NET SALES		OPERATING INCOME		OPERATING MARGINS	
	2012	2011	2012 [1]	2011 [2]	2012	2011
Pressure-sensitive Materials	$ 1,060.1	$ 1,024.1	$ 82.7	$ 69.2	7.8%	6.8%
Retail Branding and Information Solutions	406.6	370.5	12.1	6.6	3.0%	1.8%
Other specialty converting businesses	65.5	60.0	1.5	1.8	2.3%	3.0%
Corporate Expense	N/A	N/A	(23.2)	(22.6)	N/A	N/A
TOTAL FROM CONTINUING OPERATIONS	$ 1,532.2	$ 1,454.6	$ 73.1	$ 55.0	4.8%	3.8%

(1) Operating income for the fourth quarter of 2012 includes severance and related costs of $16.4, asset impairment and lease cancellation charges of $3.1, indefinite-lived intangible asset impairment charges of $7, and costs associated with exiting product lines of $1.8. Of the total $28.3, the Pressure-sensitive Materials segment recorded $9.5, the Retail Branding and Information Solutions segment recorded $13.2, the other specialty converting businesses recorded $2.7, and Corporate recorded $2.9.

(2) Operating income for the fourth quarter of 2011 includes severance and related costs of $11, asset impairment and lease cancellation charges of $5.3, certain transaction costs of $4.5, and loss on debt extinguishments of $.7, partially offset by gain on sale of product line of $5.6. Of the total $15.9, the Pressure-sensitive Materials segment recorded $9.8, the Retail Branding and Information Solutions segment recorded $6.3, the other specialty converting businesses recorded $(5.5), and Corporate recorded $5.3.

Previously reported segment results and corporate expense have been reclassified to reflect new operating structure.

RECONCILIATION OF GAAP TO NON-GAAP SUPPLEMENTARY INFORMATION

	Fourth Quarter Ended			
	OPERATING INCOME		OPERATING MARGINS	
	2012	2011	2012	2011
Pressure-sensitive Materials				
Operating income and margins, as reported	**$ 82.7**	**$ 69.2**	**7.8%**	**6.8%**
Adjustments:				
Restructuring costs:				
Severance and related costs	8.6	4.4	0.8%	0.4%
Asset impairment and lease cancellation charges	0.9	5.4	0.1%	0.5%
Adjusted operating income and margins (non-GAAP)	**$ 92.2**	**$ 79.0**	**8.7%**	**7.7%**
Retail Branding and Information Solutions				
Operating income and margins, as reported	**$ 12.1**	**$ 6.6**	**3.0%**	**1.8%**
Adjustments:				

Restructuring costs:						
Severance and related costs		4.3		6.3	1.0%	1.7%
Asset impairment and lease cancellation charges		1.9		---	0.5%	---
Indefinite-lived intangible asset impairment charges		7.0		---	1.7%	---
Adjusted operating income and margins (non-GAAP)	**$**	**25.3**	**$**	**12.9**	**6.2%**	**3.5%**
Other specialty converting businesses						
Operating income and margins, as reported	**$**	**1.5**	**$**	**1.8**	**2.3%**	**3.0%**
Adjustments:						
Restructuring costs:						
Severance and related costs		0.9		0.1	1.4%	0.1%
Gain on sale of product line		---		(5.6)	---	(9.3%)
Costs associated with exiting product lines		1.8		---	2.7%	---
Adjusted operating income (loss) and margins (non-GAAP)	**$**	**4.2**	**$**	**(3.7)**	**6.4%**	**(6.2%)**

-more-

AVERY DENNISON
PRELIMINARY SUPPLEMENTARY INFORMATION
(In millions)
(UNAUDITED)

	Twelve Months Year-to-Date									
	NET SALES				OPERATING INCOME				OPERATING MARGINS	
		2012		2011		2012 (1)		2011 (2)	2012	2011
Pressure-sensitive Materials	$	4,255.5	$	4,260.7	$	362.9	$	352.2	8.5%	8.3%
Retail Branding and Information Solutions		1,534.1		1,510.0		54.5		42.7	3.6%	2.8%
Other specialty converting businesses		246.0		255.6		(2.9)		3.4	(1.2%)	1.3%
Corporate Expense		N/A		N/A		(86.2)		(94.4)	N/A	N/A
TOTAL FROM CONTINUING OPERATIONS	$	6,035.6	$	6,026.3	$	328.3	$	303.9	5.4%	5.0%

(1) Operating income for fiscal year 2012 includes severance and related costs of $49.6, asset impairment and lease cancellation charges of $6.8, indefinite-lived intangible asset impairment charges of $7, costs associated with exiting product lines of $3.9, and certain transaction costs of $2.7, partially offset by gain on sale of product line of $.6. Of the total $69.4, the Pressure-sensitive Materials segment recorded $33.2, the Retail Branding and Information Solutions segment recorded $24.6, the other specialty converting businesses recorded $5.9, and Corporate recorded $5.7.

(2) Operating income for fiscal year 2011 includes severance and related costs of $35.5, asset impairment and lease cancellation charges of $9, and certain transaction costs of $8.2, and loss on debt extinguishments of $.7, partially offset by gain on sale of product line of $5.6, and legal settlement of $1.2. Of the total $46.6, the Pressure-sensitive Materials segment recorded $19.9, the Retail Branding and Information Solutions segment recorded $17.7, the other specialty converting businesses recorded $(4.7), and Corporate recorded $13.7.

Previously reported segment results and corporate expense have been reclassified to reflect new operating structure.

RECONCILIATION OF GAAP TO NON-GAAP SUPPLEMENTARY INFORMATION

	Twelve Months Year-to-Date					
	OPERATING INCOME				OPERATING MARGINS	
		2012		2011	2012	2011
Pressure-sensitive Materials						
Operating income and margins, as reported	**$**	**362.9**	**$**	**352.2**	**8.5%**	**8.3%**
Adjustments:						
Restructuring costs:						
Severance and related costs		31.2		11.9	0.7%	0.3%
Asset impairment and lease cancellation charges		2.6		7.6	0.1%	0.1%
Gain on sale of product line		(0.6)		---	---	---
Legal settlement		---		0.4	---	---
Adjusted operating income and margins (non-GAAP)	**$**	**396.1**	**$**	**372.1**	**9.3%**	**8.7%**
Retail Branding and Information Solutions						
Operating income and margins, as reported	**$**	**54.5**	**$**	**42.7**	**3.6%**	**2.8%**
Adjustments:						
Restructuring costs:						
Severance and related costs		14.2		18.0	0.9%	1.2%
Asset impairment and lease cancellation charges		3.4		1.3	0.2%	0.1%
Indefinite-lived intangible asset impairment charges		7.0		---	0.5%	---

Legal settlement	---	(1.6)	---	(0.1%)
Adjusted operating income and margins (non-GAAP)	**$ 79.1**	**$ 60.4**	**5.2%**	**4.0%**
Other specialty converting businesses				
Operating (loss) income and margins, as reported	**$ (2.9)**	**$ 3.4**	**(1.2%)**	**1.3%**
Adjustments:				
Restructuring costs:				
Severance and related costs	1.5	0.8	0.6%	0.3%
Asset impairment charges	0.5	0.1	0.2%	---
Gain on sale of product line	---	(5.6)	---	(2.1%)
Costs associated with exiting product lines	3.9	---	1.6%	---
Adjusted operating income (loss) and margins (non-GAAP)	**$ 3.0**	**$ (1.3)**	**1.2%**	**(0.5%)**

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AVERY DENNISON
PRELIMINARY CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	(UNAUDITED)	
ASSETS	**Dec. 29, 2012**	**Dec. 31, 2011**
Current assets:		
Cash and cash equivalents	$ 235.4	$ 178.0
Trade accounts receivable, net	972.8	877.1
Inventories, net	473.3	475.1
Assets held for sale	472.2	454.9
Other current assets	258.0	233.7
Total current assets	2,411.7	2,218.8
Property, plant and equipment, net	1,015.5	1,079.4
Goodwill	764.4	759.3
Other intangibles resulting from business acquisitions, net	125.0	161.2
Non-current deferred income taxes	331.6	322.3
Other assets	457.1	431.7
	$ 5,105.3	$ 4,972.7

LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term and current portion of long-term debt	$ 520.2	$ 227.1
Accounts payable	804.3	736.5
Liabilities held for sale	160.5	154.5
Other current liabilities	589.5	529.0
Total current liabilities	2,074.5	1,647.1
Long-term debt	702.2	954.2
Other long-term liabilities	747.7	712.9
Shareholders' equity:		
Common stock	124.1	124.1
Capital in excess of par value	801.8	778.6
Retained earnings	1,910.8	1,810.5
Accumulated other comprehensive loss	(278.0)	(263.2)
Treasury stock at cost	(977.8)	(791.5)
Total shareholders' equity	1,580.9	1,658.5
	$ 5,105.3	$ 4,972.7

-more-

AVERY DENNISON
PRELIMINARY CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	(UNAUDITED) Twelve Months Ended	
	Dec. 29, 2012	**Dec. 31, 2011**
Operating Activities:		
Net income	$ 215.4	$ 190.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	150.1	168.0
Amortization	70.5	78.5
Provision for doubtful accounts	19.5	16.8
Indefinite-lived intangible asset impairment charges	7.0	---
Asset impairment and net loss on sale and disposal of assets	11.7	9.9
Loss from debt extinguishments	---	0.7
Stock-based compensation	38.9	39.6
Other non-cash expense and loss	41.8	38.1
Other non-cash income and gain	---	(2.0)
Changes in assets and liabilities and other adjustments	(41.5)	(117.0)
Net cash provided by operating activities	513.4	422.7
Investing Activities:		
Purchases of property, plant and equipment, net	(95.0)	(105.0)
Purchases of software and other deferred charges	(59.1)	(26.0)
Proceeds from sale of product line	0.8	21.5
(Purchases of) proceeds from sales of investments, net	(6.7)	0.3
Other	---	5.0
Net cash used in investing activities	(160.0)	(104.2)
Financing Activities:		
Net increase (decrease) in borrowings (maturities of 90 days or less)	42.3	(146.4)
Payments of debt (maturities longer than 90 days)	(1.8)	(1.5)
Dividends paid	(110.4)	(106.5)
Share repurchases	(235.2)	(13.5)
Proceeds from exercise of stock options, net	10.2	3.9
Other	(2.7)	(7.5)
Net cash used in financing activities	(297.6)	(271.5)
Effect of foreign currency translation on cash balances	1.6	3.5
Increase in cash and cash equivalents	57.4	50.5
Cash and cash equivalents, beginning of year	178.0	127.5
Cash and cash equivalents, end of year	$ 235.4	$ 178.0

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Exhibit 99.2

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Fourth Quarter and Full-Year 2012 Financial Review and Analysis

(preliminary, unaudited)

Supplemental Presentation Materials

Unless otherwise indicated, the discussion of the company's results is focused on its continuing operations, and comparisons are to the same period in the prior year.

Previously reported segment results and corporate expense have been realigned to reflect new operating structure.

January 30, 2013

Certain statements contained in this document are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements and financial or other business targets are subject to certain risks and uncertainties. Actual results and trends may differ materially from historical or anticipated results depending on a variety of factors, including but not limited to risks and uncertainties relating to the following: fluctuations in demand affecting sales to customers; the financial condition and inventory strategies of customers; changes in customer order patterns; worldwide and local economic conditions; fluctuations in cost and availability of raw materials; ability of the company to generate sustained productivity improvement; ability of the company to achieve and sustain targeted cost reductions; impact of competitive products and pricing; loss of significant contract(s) or customer(s); collection of receivables from customers; selling prices; business mix shift; changes in tax laws and regulations, and uncertainties associated with interpretations of such laws and regulations; outcome of tax audits; timely development and market acceptance of new products, including sustainable or sustainably-sourced products; investment in development activities and new production facilities; fluctuations in foreign currency exchange rates and other risks associated with foreign operations; integration of acquisitions and completion of pending dispositions; amounts of future dividends and share repurchases; customer and supplier concentrations; successful implementation of new manufacturing technologies and installation of manufacturing equipment; disruptions in information technology systems; successful installation of new or upgraded information technology systems; volatility of financial markets; impairment of capitalized assets, including goodwill and other intangibles; credit risks; ability of the company to obtain adequate financing arrangements and maintain access to capital; fluctuations in interest and tax rates; fluctuations in pension, insurance and employee benefit costs; impact of legal and regulatory proceedings, including with respect to environmental, health and safety; changes in governmental laws and regulations; changes in political conditions; impact of epidemiological events on the economy and the company's customers and suppliers; acts of war, terrorism, and natural disasters; and other factors.

The company believes that the most significant risk factors that could affect its financial performance in the near-term include (1) the impact of economic conditions on underlying demand for the company's products; (2) competitors' actions, including pricing, expansion in key markets, and product offerings; and (3) the degree to which higher costs can be offset with productivity measures and/or passed on to customers through selling price increases, without a significant loss of volume.

For a more detailed discussion of these and other factors, see "Risk Factors" and "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the company's 2011 Form 10-K, filed on February 27, 2012 with the Securities and Exchange Commission, and subsequent quarterly reports on Form 10-Q. The forward-looking statements included in this document are made only as of the date of this document, and the company undertakes no obligation to update these statements to reflect subsequent events or circumstances.

Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures as defined by SEC rules. These non-GAAP financial measures are not in accordance with, nor are they a substitute for or superior to, the comparable GAAP financial measures. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, including limitations associated with these non-GAAP financial measures, are provided in the financial schedules accompanying the earnings news release for the quarter. (See Attachments A-2 through A-5 to news release dated January 30, 2013.)

The company's non-GAAP financial measures exclude the impact of certain events, activities or strategic decisions. The accounting effects of these events, activities or decisions, which are included in the GAAP financial measures, may make it difficult to assess the underlying performance of the company in a single period. By excluding certain accounting effects, both positive and negative, of certain items (e.g., restructuring costs, asset impairments, legal settlements, certain effects of strategic transactions and related costs, loss from debt extinguishments, loss from curtailment and settlement of pension obligations, gains or losses on sale of certain assets and other items), the company believes that it is providing meaningful supplemental information to facilitate an understanding of the company's core operating results and liquidity measures. These non-GAAP financial measures are used internally to evaluate trends in the company's underlying businesses, as well as to facilitate comparison to the results of competitors for a single period. While some of the items excluded from GAAP financial measures may recur, they tend to be disparate in amount, frequency, and timing.

The company uses the following non-GAAP financial measures in this presentation:

- *Organic sales change* refers to the increase or decrease in sales excluding the estimated impact of currency translation, acquisitions and divestitures;
- *Adjusted EBITDA* refers to earnings before interest expense, taxes, depreciation, and amortization, excluding restructuring costs and other items;
- *Adjusted operating margin* refers to earnings before interest expense and taxes, excluding restructuring costs and other items, as a percentage of sales;
- *Adjusted tax rate* refers to the anticipated full year GAAP tax rate adjusted for certain discrete events;
- *Adjusted net income* refers to reported net income adjusted for the tax-effected restructuring costs and other items;
- *Adjusted EPS* refers to as reported net income per common share, assuming dilution, adjusted for the tax-effected restructuring costs and other items; and
- *Free cash flow* refers to cash flow from operations, less net payments for property, plant, and equipment, software and other deferred charges, plus (minus) net proceeds from sales (purchases) of investments, plus discretionary contributions to pension plan utilizing proceeds from divestitures. Free cash flow excludes uses of cash that do not directly or immediately support the underlying business (such as discretionary debt reductions, dividends, share repurchases, and certain effects of acquisitions and divestitures).

This document has been furnished (not filed) on Form 8-K with the SEC and may be found on the company's website at www.investors.averydennison.com.

Full Year Overview

Delivered solid full year results; strong second-half momentum

- Sales grew approx. 4% on organic basis driven by higher volume
- Operating margin, as reported, improved 40 basis points
  - Adjusted operating margin improved 80 basis points
- Reported EPS (including discontinued operations) up approx. 17%
  - Adjusted EPS (non-GAAP, continuing operations) up approx. 20%
- Free cash flow, including discontinued operations, of $353 mil.
  - Free cash flow from continuing operations estimated at $312 mil.

Initiated restructuring program to achieve more than $100 mil. in annualized savings by mid-2013

Maintained healthy balance sheet while returning $346 mil. of cash to shareholders

- Repurchased approx. 7% of outstanding shares for $235 mil.
- Paid $110 mil. in dividends, reflecting 8% increase in dividend rate

4th Quarter Overview and 2013 Outlook

Strong quarter across all segments

- Sales up approx. 7% on organic basis driven by higher volume
- Operating margin, as reported, improved 100 basis points as the benefit of higher volume and productivity initiatives more than offset higher employee-related expenses, unfavorable changes in product mix, an impairment charge, and the impact of a prior year gain on sale of a product line.
  - Adjusted operating margin improved 170 basis points
- Reported EPS (including discontinued operations) of $0.48
  - Adjusted EPS (non-GAAP, continuing operations) of $0.54

2013 Outlook

- Adjusted EPS growth of 15% to 35% with solid free cash flow on modest organic sales growth
- Maintain strong balance sheet (net debt/adjusted EBITDA <2.0x)
- Continued focus on returning cash to shareholders
- Anticipate mid-year close of sale of Office and Consumer Products (OCP) and Designed and Engineered Solutions (DES) businesses to CCL Industries Inc.
  - Expected net proceeds of approx. $400 mil.
  - Majority of net proceeds to be used for share repurchases and an additional pension contribution

Realigned segment reporting to reflect new operating structure *(see Appendix slides 16-19)*

- Consolidated operations, streamlined corporate center, and realigned organizational structure and accountabilities
- These actions reflected in new corporate expense allocation methodology and movement of Performance Tapes and RFID inlay manufacturing businesses into reportable segments

	OLD	NEW
PSM	Label & Packaging Materials Graphics & Reflective Solutions	Label & Packaging Materials Graphics & Reflective Solutions Performance Tapes
RBIS	Retail branding and information solutions	Retail branding and information solutions RFID inlay manufacturing
Other Specialty Converting	Designed and Engineered Solutions Vancive Medical Technologies (formerly Medical Solutions) Performance Tapes RFID inlay manufacturing	Designed and Engineered Solutions* Vancive Medical Technologies (formerly Medical Solutions)

* Anticipate reclassification to discontinued operations during first quarter of 2013

New corporate expense allocation methodology

- Compared to previous methodology, Corporate Expense reflects a reduction in costs allocated to the operating segments
- Under new methodology, costs meeting the following criteria are fully allocated to the business segments:
  - Significant portion of benefit derived from activity directly relates to operating unit performance
  - Operating unit decisions can impact level of resourcing / cost
- Corporate Expense reflects costs associated with:
  - Public company management (e.g., CEO/Board, CFO, Controller, General Counsel)
  - Other headquarter and functional expense (e.g., tax compliance, corporate treasury, internal audit, etc.)
- Although there is potential for increased volatility compared to previous allocation methodology, 2012 represents good approximation of future Corporate Expense (excluding deal-related costs and restructuring charges)

Sales Trend Analysis

	4Q11	1Q12	2Q12	3Q12	4Q12
Organic Sales Change	***0.7%***	***(0.9%)***	***3.7%***	***5.9%***	***7.1%***
Product Line Divestitures	**(0.2%)**	**(0.4%)**	**(0.3%)**	**(0.4%)**	**(0.2%)**
Currency Translation	**(1.0%)**	**(1.6%)**	**(4.2%)**	**(6.4%)**	**(1.5%)**
Reported Sales Change*	**(0.5%)**	**(2.8%)**	**(0.8%)**	**(0.8%)**	**5.3%**

*Totals may not sum due to rounding.

Segment Sales and Margin Analysis

	4Q12	
	Reported	Organic
Net Sales Growth:		
Pressure-sensitive Materials	4%	6%
Retail Branding and Information Solutions	10%	10%
Other specialty converting businesses	9%	15%
Continuing Operations	5%	7%

	As Reported		Adjusted (Non-GAAP)	
	4Q12	4Q11	4Q12	4Q11
Operating Margin:				
Pressure-sensitive Materials	7.8%	6.8%	8.7%	7.7%
Retail Branding and Information Solutions	3.0%	1.8%	6.2%	3.5%
Other specialty converting businesses	2.3%	3.0%	6.4%	(6.2)%
Continuing Operations	4.8%	3.8%	6.6%	4.9%

4th Quarter Segment Overview

PRESSURE-SENSITIVE MATERIALS (PSM)

- Reported sales of $1.06 bil., up approx. 4% compared to prior year
  - Sales up approx. 6% on organic basis
- Label and Packaging Materials sales up mid-single digits on organic basis
- Combined sales for other product lines (Graphics, Reflective, Performance Tapes) up mid-single digits on organic basis
- Operating margin improved 100 basis points to 7.8% as the benefit of higher volume and productivity initiatives more than offset the impact of changes in product mix and higher employee-related expenses. Adjusted operating margin improved 100 basis points.

4th Quarter Segment Overview (continued)

RETAIL BRANDING AND INFORMATION SOLUTIONS (RBIS)

- Reported sales of $407 mil., up approx. 10% compared to prior year
  - Sales up approx. 10% on organic basis
- Operating margin improved 120 basis points to 3.0% as the benefit of higher volume and productivity initiatives more than offset higher employee-related expenses and an impairment charge. Adjusted operating margin improved 270 basis points.

OTHER SPECIALTY CONVERTING BUSINESSES

- Reported sales of $66 mil., up approx. 9% compared to prior year
  - Sales up approx. 15% on organic basis
- Operating margin declined 70 basis points to 2.3% due to the impact of a prior year gain on sale of a product line, as well as current year costs associated with exiting product lines and restructuring, partially offset by the benefit of higher volume. Adjusted operating margin improved by more than 12 points to 6.4%.

Company Results vs Long-Term Targets (2012 – 2015)*

	LONG-TERM TARGETS	2012 RESULTS
Organic Sales Growth	3% – 5%	4%
Adjusted Net Income Growth	10% – 15%	16%
Adjusted EPS Growth	15% – 20%+	20%
Annual Free Cash Flow	$300 mil.+	$312 mil.
Net Debt to Adjusted EBITDA	< 2x	1.6x

* All long-term target percentages reflect compound annual growth rates, with 2011 as the base period.

AVERY DENNISON Inspired Brands. Intelligent World.

Segment Results vs Long-Term Targets (2012 – 2015)

	ORGANIC SALES GROWTH		ADJ. OPERATING MARGIN	
	Long-Term Target (4-Yr CAGR)	2012 Results	Long-Term Target* (by 2015)	2012 Results
Pressure-sensitive Materials	3 - 5%	4.1%	9 - 10%	9.3%
Retail Branding and Information Solutions	3 - 5%	3.1%	8.5 - 9.5%	5.2%
Other specialty converting	5 - 8%	4.8%	> 5%	1.2%

* Adjusted to reflect new segment reporting. Prior to the realignment, targets were 8.5 - 9.5% for PSM, 8 - 9% for RBIS, and > 5% for Other Specialty Converting.

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Contributing Factors to 2013 Guidance*

- Organic sales growth of 1% to 4%
- At recent rates, currency translation has modest positive benefit to reported sales growth and EBIT
- Incremental pre-tax benefit from restructuring actions ~ $70 mil.
- Tax rate comparable to 2012
- Restructuring costs and other items (adjustments to GAAP results) of ~$25 mil. pre-tax
- Capital expenditures (including IT) of ~$175 mil.
- Pension contributions of at least $60 mil.
- Average shares outstanding (assuming dilution) of approx. 100 mil. before use of net proceeds from divestiture

* Guidance includes DES; anticipate reclassification to discontinued operations during first quarter of 2013.

2013 EPS and Free Cash Flow Guidance (continuing operations)*

Reported EPS	$2.23 - $2.63
Add Back:	
Estimated Restructuring Costs and Other Items	~ $0.17
Adjusted EPS (non-GAAP)	$2.40 - $2.80
Free Cash Flow	$275 mil. - $325 mil.

1Q13 earnings expected to be 20% to 25% of full year earnings

* Includes operating results from DES; excludes impact of share repurchase from net proceeds of divestitures.

Appendix: Realigned results reflecting new operating structure

Dollars in millions	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
Pressure-sensitive Materials											
Reported Sales	$4,000.8	$1,083.3	$1,082.7	$1,070.6	$1,024.1	$4,260.7	$1,064.8	$1,080.2	$1,050.4	$1,060.1	$4,255.5
Organic Sales Change	11%	9%	1%	2%	2%	3%	0%	5%	6%	6%	4%
Adjusted Operating Income (non-GAAP)	$365.6	$99.8	$103.2	$90.1	$79.0	$372.1	$102.9	$102.5	$98.5	$92.2	$396.1
Adjusted Operating Margin (non-GAAP)	9.1%	9.2%	9.5%	8.4%	7.7%	8.7%	9.7%	9.5%	9.4%	8.7%	9.3%
Retail Branding and Information Solutions											
Reported Sales	$1,534.2	$377.6	$398.8	$363.1	$370.5	$1,510.0	$360.1	$390.9	$376.5	$406.6	$1,534.1
Organic Sales Change	16%	9%	-6%	-7%	-4%	-3%	-4%	0%	7%	10%	3%
Adjusted Operating Income (non-GAAP)	$66.4	$11.9	$26.0	$9.6	$12.9	$60.4	$11.2	$24.0	$18.6	$25.3	$79.1
Adjusted Operating Margin (non-GAAP)	4.3%	3.2%	6.5%	2.6%	3.5%	4.0%	3.1%	6.1%	4.9%	6.2%	5.2%
Other specialty converting businesses											
Reported Sales	$247.0	$65.6	$63.3	$66.7	$60.0	$255.6	$58.4	$61.2	$60.9	$65.5	$246.0
Organic Sales Change	6%	13%	-2%	0%	7%	5%	-1%	5%	1%	15%	5%
Adjusted Operating Income (loss) (non-GAAP)	$0.2	$2.6	$0.2	($0.4)	($3.7)	($1.3)	($1.2)	$0.0	$0.0	$4.2	$3.0
Adjusted Operating Margin (non-GAAP)	0.1%	4.0%	0.3%	-0.6%	-6.2%	-0.5%	-2.1%	0.0%	0.0%	6.4%	1.2%
Corporate Expense (non-GAAP)	($97.3)	($29.7)	($16.3)	($17.4)	($17.3)	($80.7)	($21.8)	($19.4)	($19.0)	($20.3)	($80.5)

Appendix: Realigned results reflecting new operating structure

(Reconciliation of GAAP to Non-GAAP Measures)

Dollars in millions

Pressure-sensitive Materials Reconciliation of Operating Margins:	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
Net Sales	$4,000.8	$1,083.3	$1,082.7	$1,070.6	$1,024.1	$4,260.7	$1,064.8	$1,080.2	$1,050.4	$1,060.1	$4,255.5
Operating income, as reported	$356.6	$96.1	$101.7	$85.2	$69.2	$352.2	$100.7	$94.5	$85.0	$82.7	$362.9
Non-GAAP Adjustments:											
Severance and related costs	6.5	1.8	1.5	4.2	4.4	11.9	1.2	8.3	13.1	8.6	31.2
Asset impairment and lease cancellation charges	1.3	1.9	-	0.3	5.4	7.6	1.0	0.3	0.4	0.9	2.6
Other items	1.2	-	-	0.4	-	0.4	-	(0.6)	-	-	(0.6)
Adjusted operating income (non-GAAP)	$365.6	$99.8	$103.2	$90.1	$79.0	$372.1	$102.9	$102.5	$98.5	$92.2	$396.1
Operating Margin	8.9%	8.9%	9.4%	8.0%	6.8%	8.3%	9.5%	8.7%	8.1%	7.8%	8.5%
Adjusted Operating Margin (non-GAAP)	9.1%	9.2%	9.5%	8.4%	7.7%	8.7%	9.7%	9.5%	9.4%	8.7%	9.3%

Retail Branding and Information Solutions Reconciliation of Operating Margins:	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
Net Sales	$1,534.2	$377.6	$398.8	$363.1	$370.5	$1,510.0	$360.1	$390.9	$376.5	$406.6	$1,534.1
Operating income (loss), as reported	$60.2	$11.6	$24.6	($0.1)	$6.6	$42.7	$6.2	$23.1	$13.1	$12.1	$54.5
Non-GAAP adjustments:											
Severance and related costs	3.0	0.7	1.2	9.8	6.3	18.0	4.5	0.9	4.5	4.3	14.2
Asset impairment and lease cancellation charges	1.3	1.2	0.2	(0.1)	-	1.3	0.5	-	1.0	1.9	3.4
Other items	1.9	(1.6)	-	-	-	(1.6)	-	-	-	7.0	7.0
Adjusted operating income (non-GAAP)	$66.4	$11.9	$26.0	$9.6	$12.9	$60.4	$11.2	$24.0	$18.6	$25.3	$79.1
Operating Margin	3.9%	3.1%	6.2%	0.0%	1.8%	2.8%	1.7%	5.9%	3.5%	3.0%	3.6%
Adjusted Operating Margin (non-GAAP)	4.3%	3.2%	6.5%	2.6%	3.5%	4.0%	3.1%	6.1%	4.9%	6.2%	5.2%

Appendix: Realigned results reflecting new operating structure

(Reconciliation of GAAP to Non-GAAP Measures)

Dollars in millions

Other specialty converting businesses Reconciliation of Operating Margins:	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
Net Sales	$247.0	$65.6	$63.3	$66.7	$60.0	$255.6	$58.4	$61.2	$60.9	$65.5	$246.0
Operating (loss) income, as reported	($0.6)	$2.4	$0.1	($0.9)	$1.8	$3.4	($1.3)	($0.9)	($2.2)	$1.5	($2.9)
Non-GAAP adjustments:											
Severance and related costs	0.4	0.2	0.1	0.4	0.1	0.8	0.1	0.5	-	0.9	1.5
Asset impairment and lease cancellation charges	0.1	-	-	0.1	-	0.1	-	0.4	0.1	-	0.5
Other items	0.3	-	-	-	(5.6)	(5.6)	-	-	2.1	1.8	3.9
Adjusted operating income (loss) (non-GAAP)	$0.2	$2.6	$0.2	($0.4)	($3.7)	($1.3)	($1.2)	$0.0	$0.0	$4.2	$3.0
Operating Margin	-0.2%	3.7%	0.2%	-1.3%	3.0%	1.3%	-2.2%	-1.5%	-3.6%	2.3%	-1.2%
Adjusted Operating Margin (non-GAAP)	0.1%	4.0%	0.3%	-0.6%	-6.2%	-0.5%	-2.1%	0.0%	0.0%	6.4%	1.2%

Reconciliation of Corporate Expense:	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
Corporate expense, as reported	($100.9)	($29.8)	($21.6)	($20.4)	($22.6)	($94.4)	($22.2)	($21.1)	($19.7)	($23.2)	($86.2)
Non-GAAP adjustments:											
Severance and related costs	0.1	0.1	4.3	0.3	0.1	4.8	-	0.1	-	2.6	2.7
Asset impairment and lease cancellation charges	-	-	-	-	-	-	-	-	-	0.3	0.3
Other items	3.5	-	1.0	2.7	5.2	8.9	0.4	1.6	0.7	-	2.7
Corporate expense (non-GAAP)	($97.3)	($29.7)	($16.3)	($17.4)	($17.3)	($80.7)	($21.8)	($19.4)	($19.0)	($20.3)	($80.5)

Appendix: Realigned results reflecting new operating structure

(Reconciliation of GAAP to Non-GAAP Measures)

Pressure-sensitive Materials **Estimated change in sales due to:**	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
As reported sales change	11%	9%	7%	9%	1%	7%	-2%	0%	-2%	4%	0%
Foreign currency translation	1%	0%	6%	7%	-1%	3%	-2%	-5%	-8%	-2%	-4%
Acquisitions, net of divestitures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Extra week in fiscal year	-1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Organic sales change [1]	11%	9%	1%	2%	2%	3%	0%	5%	6%	6%	4%

Retail Branding and Information Solutions **Estimated change in sales due to:**	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
As reported sales change	15%	9%	-4%	-5%	-5%	-2%	-5%	-2%	4%	10%	2%
Foreign currency translation	1%	0%	2%	3%	-1%	1%	-1%	-2%	-3%	0%	-2%
Acquisitions, net of divestitures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Extra week in fiscal year	-1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Organic sales change [1]	16%	9%	-6%	-7%	-4%	-3%	-4%	0%	7%	10%	3%

Other specialty converting businesses **Estimated change in sales due to:**	FY10	1Q11	2Q11	3Q11	4Q11	FY11	1Q12	2Q12	3Q12	4Q12	FY12
As reported sales change	6%	13%	-1%	2%	0%	4%	-11%	-3%	-9%	9%	-4%
Foreign currency translation	1%	-1%	1%	2%	0%	1%	0%	-1%	-2%	-1%	-1%
Acquisitions, net of divestitures	0%	0%	0%	0%	-7%	-3%	-9%	-7%	-8%	-5%	-7%
Extra week in fiscal year	-1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Organic sales change [1]	6%	13%	-2%	0%	7%	5%	-1%	5%	1%	15%	5%

[1] Totals may not sum due to rounding.

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