1st Half-Year Report 2005

- Results for the period slightly below last year
- Increased price competition as a result of persistently weak consumer confidence
- As expected, market-related downtime at MM Karton in the second quarter
- Positive business trend in cartonboard converting
- Cost-cutting and rationalization intensified
- Forecast horizon remains short-term

Mayr-Melnhof Group Key Indicators

(in accordance with IFRS, unaudited)

(consolidated, in millions of EUR)	1st - 2nd Quarter Jan. 1 - June 30, 2005	Jan. 1 – June 30, 2004	+/–
Sales	715.4	709.0	+0.9%
EBITDA	117.2	122.3	-4.2%
EBITDA margin (%)	16.4%	17.2%	
Operating profit	70.6	75.9	-7.0%
Operating margin (%)	9.9%	10.7%	
Profit before tax	73.0	75.9	-3.8%
Income tax expense	(23.7)	(23.6)	
Profit for the period	49.3	52.3	-5.7%
Net profit margin (%)	6.9%	7.4%	
Basic and diluted earnings per share (in EUR)	4.36	4.68	
Cash earnings	93.1	98.4	-5.4%
Cash earnings margin (%)	13.0%	13.9%	
Capital expenditures	39.6	30.0	+32.0%
Depreciation and amortization	44.1	46.5	-5.2%

	Balance sheet date June 30, 2005	Dec. 31, 2004
Total equity (in millions of EUR)	726.2	716.0
Total assets (in millions of EUR)	1,281.3	1,279.4
Total equity to total assets (%)	56.7%	56.0%
Net debt (in millions of EUR)	(85.0)	(121.8)
Enterprise value (in millions of EUR)	1,275.2	1,393.5
Employees	7,450	7,580

Group Report

Dear Shareholders,

Persistently weak consumer confidence in Western Europe has been the determining factor on the cartonboard and folding carton markets since the beginning of this year, resulting in significantly increased competition. Nevertheless, your Company was able to achieve good period results for the first half of 2005 due to targeted market development and focused cost management. The profit for the period reached EUR 49.3 million and was therefore EUR 3.0 million or -5.7 % below last year's figure.

In the cartonboard processing segment, MM Packaging, the path of expansion was continued according to schedule. Growth in the first six months resulted both from last year's acquisitions as well as new business. In cartonboard production, selective downtime was pursued in line with strategy, due to a considerable increase of price pressure. However, the price increase realized at the end of last year could not be sustained due to a lack of demand. Therefore, the earnings contribution from the cartonboard division decreased significantly compared with the corresponding period for the previous year.

Statement of Income

Sales of the Mayr-Melnhof Group rose by EUR 6.4 million or 0.9 % to EUR 715.4 million. Significant growth at MM Packaging was more than able to compensate for the decline at MM Karton.

Operating profit reached EUR 70.6 million, and was therefore EUR 5.3 million or 7.0 % below last year's figure (1st half of 2004: EUR 75.9 million). This difference resulted essentially from lower capacity utilization in the cartonboard division. The increase in other operating income to EUR 6.2 million (1st half of 2004: EUR 2.8 million) is mainly attributable to last year's impairment in connection with the fire damage at the Eerbeek mill and a sale of land at MM Packaging UK. Consequently, the operating margin came to 9.9 % (1st half of 2004: 10.7 %).

Profit before tax amounted to EUR 73.0 million. This corresponds to a decrease of 3.8 % compared with last year's figure. Income tax expense of EUR 23.7 million stood largely at the previous year's level (1st half of 2004: EUR 23.6 million). After the discontinuation of non-recurring deferred tax income from last year, the group tax rate rose from 31.1 % to 32.5 %.

The profit for the period therefore reached EUR 49.3 million (1st half of 2004: EUR 52.3 million), resulting in basic earnings per share of EUR 4.36 (1st half of 2004: EUR 4.68).

Assets, Capital Resources, Liquidity

The Group's balance sheet total as of June 30, 2005 came to EUR 1,281.3 million (December 31, 2004: EUR 1,279.4 million). The rise in equity from EUR 716.0 million to EUR 726.2 million was particularly juxtaposed by a drop in non-current liabilities.

Financial liabilities decreased by EUR 4.1 million to EUR 176.3 million (December 31, 2004: EUR 180.4 million). Total funds available to the Group amounted to EUR 261.3 million (December 31, 2004: EUR 302.2 million). Therefore, the Group continues to have no net debt.

At EUR 683.8 million, non-current assets remained nearly unchanged (December 31, 2004: EUR 682.4 million). Intangible assets amounted to EUR 35.6 million (December 31, 2004: EUR 34.9 million), of which EUR 31.5 million (December 31, 2004: EUR 31.3 million) were accounted for goodwill. Current assets remained constant at EUR 597.5 million (December 31, 2004: EUR 597.0 million).

Cash Flow

Cash flow from operating activities amounted to EUR 48.4 million. The noticeable difference compared to EUR 81.2 million for the first half of 2004 can be mainly attributed to an increase in working capital resulting from the resumption of production at the Eerbeek mill, following a corresponding release of working capital in 2004 caused by the damage related downtime. Further funds tied down resulted from the acquisition of folding carton companies in the previous year.

Cash flow from investing activities amounted to EUR -43.3 million (1st half of 2004: EUR -54.9 million). This change particularly results from a lower outflow of funds for acquisitions compared with the previous year. Net expenditures on investments in tangible and intangible assets rose however from EUR -30.8 million to EUR -39.9 million, mainly being related to new buildings as well as modernizations in both divisions.

Cash flow from financing activities essentially rose as a result of the increased dividend payment from EUR -37.7 million to EUR -48.2 million.

Development in the second quarter

As expected, it was also necessary to adjust cartonboard production according to demand in the second quarter. Capacity utilization at MM Karton amounted to 94 % (Q1 2005: 93 %, Q2 2004: 99 %). In line with the overall market situation, European prices of recovered paper remained however largely stable.

MM Packaging was able to further stand its ground very well on the highly competitive folding carton market. However, due to non-recurring expenses relating to the relocation at MM Packaging Iberica and rationalization measures, operating profit was lower than for the previous quarter.

The Group's operating profit totaled EUR 34.2 million after EUR 36.4 million for the first quarter of 2005 (Q2 2004: EUR 36.0 million). The profit for the period reached EUR 24.0 million (Q1 2005: EUR 25.3 million, Q2 2004: EUR 25.7 million).

Outlook

With further increasing uncertainty on the economic development and the existing over-capacities on the supply side, no pick up in the main Western European markets can be expected in the near future. For now, Eastern European markets remain attractive, with sluggish demand in Western Europe imposing increasing restraint here, too. The main focus of the cartonboard division is on retaining our market shares under the highest price discipline possible. In accordance with selectively necessary production downtime, special focus is laid on cost-cutting measures. In the folding carton business, further market penetration is at the forefront, backed by continuing increases in productivity. On the recovered paper markets, we expect no significant changes from a present-day perspective. The upward trend of energy and input factors dependent on crude-oil prices will nevertheless continue. In view of the short-term nature of the business, forecasting possibilities remain significantly limited. For the third quarter of 2005, our expectations are at least based on continuity. The acquisition strategy will be retained, and applies equally to both MM Karton and to MM Packaging.

Report on the Divisions

The previously separately managed divisions MM-Packaging (general packaging) and MM-Graphia (cigarettes and confectionary packaging) have been merged into a single cartonboard converting segment, as from January 1, 2005. With the adoption of IFRS reporting, two divisions, MM Karton und MM Packaging, are reported as from the first quarter of 2005 onwards. Reference figures for the 2004 financial year have been adjusted accordingly.

Mayr-Melnhof Karton

Due to a lack of demand stimulation from Western Europe and increasing volume pressure on cartonboard markets outside Europe, resulting from massive capacity expansion in Asia, price competition has significantly intensified since the beginning of the year. In this way, customer planning has become noticeably more short-term. The average order backlog for the first six months was at approximately 60,000 tons after approximately 80,000 tons in the first half of 2004.

As a result of the ramp-up of the modernized machine at the Eerbeek mill and rebuilding at the Nikopol mill in the first quarter as well as market-related downtime in the second quarter, cartonboard production of 762,000 tons was around 3.6 % lower than in the previous year (1st half of 2004: 790,000 tons). Capacity utilization therefore leveled at 94 % after 97 % for the comparative period. Cost-cutting measures were enhanced on a broad scale.

Cartonboard sales reached 744,000 tons (1st half of 2004: 783,000 tons), of which approximately 78 % were accounted for Europe and 22 % for non-European markets (1st half of 2004: 76 %, 24 %).

While recovered paper price remained largely constant, a continued rising trend was noted in energy prices.

In line with the volume development, sales declined by 5.9 % to EUR 375.9 million. At the same time operating profit decreased from EUR 41.7 million to EUR 33.4 million. The operating margin consequently amounted to 8.9 % (1st half of 2004: 10.4 %).

Divisional Indicators MM Karton (in accordance with IFRS, unaudited)

	1st - 2nd Quarter		
(in millions of EUR)	**2005**	2004	+/-
Sales[1]	375.9	399.4	-5.9%
Operating profit	33.4	41.7	-19.9%
Operating margin (%)	8.9%	10.4%	
Tonnage produced (in thousands of tons)	762	790	-3.6%

[1] including interdivisional sales

Mayr-Melnhof Packaging

In consistency with the overall economic situation in Western Europe, sales of many consumer-goods producers have become sluggish. For the folding carton industry with existing overcapacity this means an overall weak and uneven level of country specific demand as well as high competitive pressure.

Due to the concentration on high-performance facilities with state-of-the-art technology and ongoing increases in productivity, MM Packaging was able to stand its ground very well also in the first half of 2005. Growth was delivered by both the acquisitions of the previous year as well as deepened market penetration. Cigarette packaging registered an unbroken positive development and continued to profit from sustained growth in Eastern Europe.

The tonnage processed totaled 250,000 tons. This corresponds to a rise of 14.2 % compared with the first half of 2004 (219,000 tons). Sales increased by 8.4 % from EUR 366.7 million to EUR 397.4 million, with approximately 60 % of this growth resulting from acquisitions. Operating profit was increased by 8.8 % to EUR 37.2 million, leading to an operating margin of 9.4 % (1st half of 2004: 9.3 %).

Divisional Indicators MM Packaging (in accordance with IFRS, unaudited)

	1st - 2nd Quarter		
(in millions of EUR)	**2005**	2004	+/-
Sales[1]	397.4	366.7	+8.4%
Operating profit	37.2	34.2	+8.8%
Operating margin (%)	9.4%	9.3%	
Tonnage processed (in thousands of tons)	250	219	+14.2%

[1] including interdivisional sales

Site optimization continued

Rationalization measures for necessary improvements in efficiency and competitiveness are being pursued with top priority. In this connection, production ceased at the smallest site in Germany, MM Packaging Behrens Berlin, as scheduled for the middle of the year, and the business volume was transferred to high efficient MM Packaging facilities. In Romania, the offset business of Rodata S.A. acquired last year was concentrated at the Ploesti site. Furthermore, production of MM Packaging France will be closed down at the Seignelay site in the second half of 2005 and transferred to the neighboring sister operation in Moneteau.

Investment in rotogravure for expansion in cigarette packaging

With the investment decision to acquire three rotogravure printing machines for the sites in Trier (Germany), Izmir (Turkey) and Cherkassy (Ukraine), expansion in cigarette packaging will be further accelerated. The new machines will commence operation at the beginning of next year.

Consolidated Income Statements

(in accordance with IFRS, unaudited)

(all amounts in thousands of EUR, except per share data)	2nd Quarter **Apr. 1 - June 30, 2005**	2nd Quarter Apr. 1 - June 30, 2004	1st - 2nd Quarter **Jan. 1 - June 30, 2005**	1st - 2nd Quarter Jan. 1 - June 30, 2004
Sales	358,313.0	341,948.5	715,444.7	709,031.5
Cost of sales	(275,878.0)	(255,646.2)	(547,328.5)	(533,811.2)
Gross margin	**82,435.0**	**86,302.3**	**168,116.2**	**175,220.3**
Other income	4,177.3	837.3	6,233.2	2,813.1
Selling and distribution expenses	(33,556.2)	(33,766.1)	(66,769.7)	(67,490.3)
Administrative expenses	(18,395.9)	(17,380.9)	(35,958.6)	(34,539.6)
Other expenses	(457.4)	(23.7)	(1,010.8)	(113.1)
Operating profit	**34,202.8**	**35,968.9**	**70,610.3**	**75,890.4**
Financial expenses	(1,518.1)	(1,350.7)	(3,007.5)	(2,807.8)
Financial income	1,530.6	1,427.5	2,975.5	2,919.1
Share of profit (loss) of associates	216.7	65.2	560.3	65.2
Other - net	1,145.3	(116.7)	1,873.2	(172.3)
Profit before tax	**35,577.3**	**35,994.2**	**73,011.8**	**75,894.6**
Income tax expense	(11,541.6)	(10,375.3)	(23,675.0)	(23,628.8)
Profit for the period	**24,035.7**	**25,618.9**	**49,336.8**	**52,265.8**
Attributable to:				
Equity holders of the Company	23,440.6	25,365.7	48,016.9	51,561.6
Minority interests	595.1	253.2	1,319.9	704.2
Profit for the period	**24,035.7**	**25,618.9**	**49,336.8**	**52,265.8**
Earnings per share for the profit attributable to the equity holders of the Company during the period:				
Basic and diluted (in EUR)	2.13	2.30	4.36	4.68

Consolidated Balance Sheets

(in accordance with IFRS, unaudited)

ASSETS (all amounts in thousands of EUR)	**End of 2nd Quarter June 30, 2005**	Year End Dec. 31, 2004
Property, plant and equipment	531,299.9	534,256.5
Investment property	2,621.8	2,703.8
Intangible assets including goodwill	35,606.9	34,928.2
Investments in associates accounted for using the equity method	11,759.8	10,454.9
Available-for-sale financial assets	75,868.0	74,552.8
Other financial assets	5,277.4	5,498.3
Other assets	1,088.4	1,023.1
Deferred income taxes	20,214.4	19,044.8
Non-current assets	**683,736.6**	**682,462.4**
Inventories	174,637.7	169,473.1
Trade receivables	189,769.0	155,902.4
Income tax receivables	9,959.3	10,284.1
Prepaid expenses and other current assets	37,734.8	33,734.0
Cash and cash equivalents	185,420.3	227,582.4
Current assets	**597,521.1**	**596,976.0**
TOTAL ASSETS	**1,281,257.7**	**1,279,438.4**

EQUITY AND LIABILITIES (all amounts in thousands of EUR)		
Share capital	87,240.0	87,240.0
Additional paid-in capital	169,213.4	169,213.4
Treasury shares	(53,100.8)	(53,100.8)
Retained earnings	501,757.2	496,734.5
Other reserves	8,208.8	3,665.2
Equity attributable to equity holders of the Company	**713,318.6**	**703,752.3**
Minority interests	12,906.9	12,228.2
Total equity	**726,225.5**	**715,980.5**
Interest bearing loans and borrowings	86,857.6	94,914.5
Financial lease obligations	1,186.5	4,474.6
Provisions for other long-term liabilities and charges	80,937.0	79,770.6
Deferred income taxes	45,522.1	44,350.5
Non-current liabilities	**214,503.2**	**223,510.2**
Interest bearing loans and borrowings	78,730.6	73,454.9
Financial lease obligations	9,552.8	7,540.9
Income tax payable	18,795.9	15,207.3
Trade payables	105,674.2	113,258.7
Deferred income and other short-term payables	39,470.9	50,223.9
Provisions for other short-term liabilities and charges	88,304.6	80,262.0
Current liabilities	**340,529.0**	**339,947.7**
Total liabilities	**555,032.2**	**563,457.9**
TOTAL EQUITY AND LIABILITIES	**1,281,257.7**	**1,279,438.4**

Consolidated Statements of Changes in Equity

(Condensed version in accordance with IFRS, unaudited)

(all amounts in thousands of EUR)	1st - 2nd Quarter							
	Equity attributable to equity holders of the Company							
	Share capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves	Total	Minority interests	Total equity
Balance at January 1, 2005	**87,240.0**	**169,213.4**	**(53,100.8)**	**496,734.5**	**3,665.2**	**703,752.3**	**12,228.2**	**715,980.5**
Profit for the period				48,016.9		**48,016.9**	1,319.9	**49,336.8**
Fair value gains (losses), net of tax					4,543.6	**4,543.6**	97.0	**4,640.6**
Total profit for the period				**48,016.9**	**4,543.6**	**52,560.5**	**1,416.9**	**53,977.4**
Dividends paid				(42,994.2)		**(42,994.2)**	(738.2)	**(43,732.4)**
Balance at June 30, 2005	**87,240.0**	**169,213.4**	**(53,100.8)**	**501,757.2**	**8,208.8**	**713,318.6**	**12,906.9**	**726,225.5**
Balance at January 1, 2004	**87,240.0**	**169,213.4**	**(53,100.8)**	**417,035.0**	**2,613.7**	**623,001.3**	**13,643.9**	**636,645.2**
Profit for the period				51,561.6		**51,561.6**	704.2	**52,265.8**
Fair value gains (losses), net of tax					1,247.0	**1,247.0**	9.4	**1,256.4**
Total profit for the period				**51,561.6**	**1,247.0**	**52,808.6**	**713.6**	**53,522.2**
Dividends paid				(24,253.1)		**(24,253.1)**	(812.0)	**(25,065.1)**
Balance at June 30, 2004	**87,240.0**	**169,213.4**	**(53,100.8)**	**444,343.5**	**3,860.7**	**651,556.8**	**13,545.5**	**665,102.3**

Consolidated Cash Flow Statements

(Condensed version in accordance with IFRS, unaudited)

(all amounts in thousands of EUR)	1st - 2nd Quarter	
	Jan. 1 – June 30, 2005	Jan. 1 - June 30, 2004
Cash flow from operating activities	48,412.5	81,171.5
Cash flow from investing activities	(43,266.0)	(54,866.9)
Cash flow from financing activities	(48,163.5)	(37,683.3)
Effect of exchange rate changes on cash and cash equivalents	854.9	593.0
Net change in cash and cash equivalents (< 3 months)	**(42,162.1)**	**(10,785.7)**
Cash and cash equivalents (< 3 months) at the beginning of the period	**227,582.4**	**167,375.9**
Cash and cash equivalents (< 3 months) at the end of the period	**185,420.3**	**156,590.2**
Adjustments to reconcile cash and cash equivalents to total funds available to the Group:		
Current and non-current available-for-sale financial assets	75,868.0	72,788.6
Total funds available to the Group	**261,288.3**	**229,378.8**

Quarterly Overview

(in accordance with IFRS, unaudited)

Mayr-Melnhof Group

(consolidated in millions of EUR)	1st Quarter 2004	2nd Quarter 2004	3rd Quarter 2004	4th Quarter 2004	1st Quarter 2005	**2nd Quarter 2005**
Sales	367.1	341.9	364.7	348.5	357.1	**358.3**
EBITDA	62.1	60.2	64.8	56.0	60.1	**57.1**
EBITDA margin (%)	16.9%	17.6%	17.8%	16.1%	16.8%	**15.9%**
Operating profit	39.9	36.0	42.2	31.8	36.4	**34.2**
Operating margin (%)	10.9%	10.5%	11.6%	9.1%	10.2%	**9.5%**
Profit before tax	39.9	36.0	41.9	31.6	37.4	**35.6**
Income tax expense	(13.3)	(10.3)	(12.8)	(6.4)	(12.1)	**(11.6)**
Profit for the period	26.6	25.7	29.1	25.2	25.3	**24.0**
Net profit margin (%)	7.2%	7.5%	8.0%	7.2%	7.1%	**6.7%**
Earnings per share (basic and diluted in EUR)	2.38	2.30	2.56	2.19	2.23	**2.13**

Divisions

MM Karton

(in millions of EUR)	1st Quarter 2004	2nd Quarter 2004	3rd Quarter 2004	4th Quarter 2004	1st Quarter 2005	**2nd Quarter 2005**
Sales[1)]	206.8	192.6	193.9	184.6	185.5	**190.4**
Operating profit	21.8	19.9	21.9	16.2	16.9	**16.5**
Operating margin (%)	10.5%	10.3%	11.3%	8.8%	9.1%	**8.7%**
Tonnage produced (in thousands of tons)	401	389	386	341	373	**389**

MM Packaging

(in millions of EUR)	1st Quarter 2004	2nd Quarter 2004	3rd Quarter 2004	4th Quarter 2004	1st Quarter 2005	**2nd Quarter 2005**
Sales[1)]	188.9	177.8	200.9	188.5	200.8	**196.6**
Operating profit	18.1	16.1	20.3	15.6	19.5	**17.7**
Operating margin (%)	9.6%	9.1%	10.1%	8.3%	9.7%	**9.0%**
Tonnage processed (in thousands of tons)	107	112	126	125	125	**125**

[1)] including interdivisional sales

Explanatory Report IFRS

1. Legal framework

The European Parliament and the Council have passed regulation (EC) No. 1606/2002, the so-called "IAS-regulation" (International Accounting Standards), which requires mandatory application of International Financial Reporting Standards ("IFRS") within European Union law for consolidated financial statements of listed corporations as from the fiscal year 2005. Therefore, Mayr-Melnhof Karton AG is obligated to prepare consolidated financial statements for the fiscal year 2005 according to IFRS including reference figures for the fiscal year 2004. According to the standard IFRS 1 "First-time Adoption of International Financial Reporting Standards", which is relevant to the IFRS transition, the Standards and Interpretations enacted as of the date of first-time reporting (December 31, 2005) shall be applied to the consolidated financial statements.

IAS/IFRS Standards are adopted into Community law on the basis of IAS-regulations with the European Commission having limited rights of inspection before standards are announced in the official journal of the European Communities and thus become law for the companies affected ("endorsement"). Neither the process of generating and completing the standards to be applied in 2005, nor its adoption by the European Commission has been finalized. For this reason the Standards and Interpretations valid for 2005 have not yet been determined. Therefore, any announced new Standard, Interpretation and amendment within the process of adoption by the European Commission may require further adjustments in the future.

2. Adaptation of financial reporting in accordance with IFRS

The report on the first half-year of 2005 has for the first time been prepared in accordance with the IFRS valid as of the reporting date. The reference figures for the previous years have been prepared and adapted accordingly by applying the same accounting principles. The adjustments made in this regard have no significant impact on the presentation of the financial position and financial performance of the Group and the Divisions.

The first-time adoption leads to deviations from the respective US GAAP reference figures for the consolidated statements of changes in equity and the consolidated income statements, which are from now on presented in accordance with IFRS. These deviations result from the adjustment of the reference values made for the previous year, which were generated in this regard as if IFRS had always been applied. The resulting differences between the balance sheet values of the IFRS opening balance as of January 1, 2004, and the consolidated balance sheets as of December 31, 2003, prepared under US GAAP were included in equity, and therefore did not affect profit.

2.1. Reconciliation of equity

According to IFRS 1 "First-time Adoption of International Financial Reporting Standards", the following table presents the transition of consolidated total equity from US GAAP to IFRS for the previous periods' reporting dates included in this half-year report:

Reconciliation of Equity

(in accordance with US GAAP/IFRS, quarterly figures unaudited)

	Balance sheet date		
(all amounts in thousands of EUR)	**Jan. 1, 2004**	**Dec. 31, 2004**	**June 30, 2004**
Equity including minority interests in accordance with US GAAP	**646,473.0**	**725,867.9**	**679,896.3**
Full consolidation of C.P. Schmidt companies from January 1, 2004, onwards	4,575.2	0.0	0.0
Pensions and other post-employment benefits	(23,637.6)	(16,920.9)	(24,385.8)
Provisions for pre-retirement programs	(2,306.1)	(2,925.5)	(2,306.1)
Other adjustments	(216.1)	1,112.4	9.5
Deferred taxes	11,756.8	8,846.6	11,888.4
Total equity in accordance with IFRS	**636,645.2**	**715,980.5**	**665,102.3**

2.2. Reconciliation of profit for the period

The effects of the IFRS adjustments on the consolidated income statements for the comparison periods within this quarterly report are as follows:

Reconciliation of Profit for the Period

(in accordance with US GAAP/IFRS, quarterly figures unaudited)

(all amounts in thousands of EUR)	Period Jan. 1 - Dec. 31, 2004	 Jan. 1 - June 30, 2004
Profit for the period including minority interests in accordance with US GAAP	**105,918.1**	**52,240.7**
Pensions and other post-employment benefits	1,489.1	(228.9)
Provisions for pre-retirement programs	(619.4)	0.0
Other adjustments	290.0	207.6
Deferred taxes	(481.8)	46.4
Profit for the period in accordance with IFRS	**106,596.0**	**52,265.8**

2.3. Explanations

By adopting IFRS, differences to financial accounting and valuation principles applied up to now according to US GAAP, arise particularly for the financial accounting and valuation of the following positions:

2.3.1. Provisions for severance and pensions

In accordance with IFRS 1, the “fresh start”-method has been applied and all actuarial gains and losses accumulated until the IFRS transition date (January 1, 2004) have been accounted for in consolidated total equity not affecting profit. Furthermore, prepaid pension costs have been qualified as plan assets and netted with the corresponding liabilities. A minimum pension liability, unlike in US GAAP, has not been accounted for. Surpluses are measured according to their economic benefit.

2.3.2. Differences from foreign currency translation

Regarding accumulated differences resulting from the foreign currency translation of financial statements of foreign subsidiaries, the option to reset the values accounted for in other reserves to zero as of the IFRS transition date (January 1, 2004) by netting this position with retained earnings has been exercised. Overall, consolidated total equity therefore remains unchanged.

2.3.3. Acquisitions

Regarding the financial accounting and reporting for business combinations, the option to retain the initially and thereafter applied accounting and valuation principles for acquisitions made before the IFRS transition date (January 1, 2004) has been exercised.

2.3.4. Pre-retirement programs

According to US GAAP, provisions for pre-retirement programs have to be made on the date when an individual contractual pre-retirement agreement is concluded. According to IFRS provisions for pre-retirement agreements have to be made for all employees qualifying for future pre-retirement programs due to factory or labour agreements.

2.3.5. Deferred taxes

The changes in deferred taxes essentially result from the adjustments of provisions for seve-rance and pensions as well as for provisions for pre-retirement programs.

2.3.6. Other adjustments

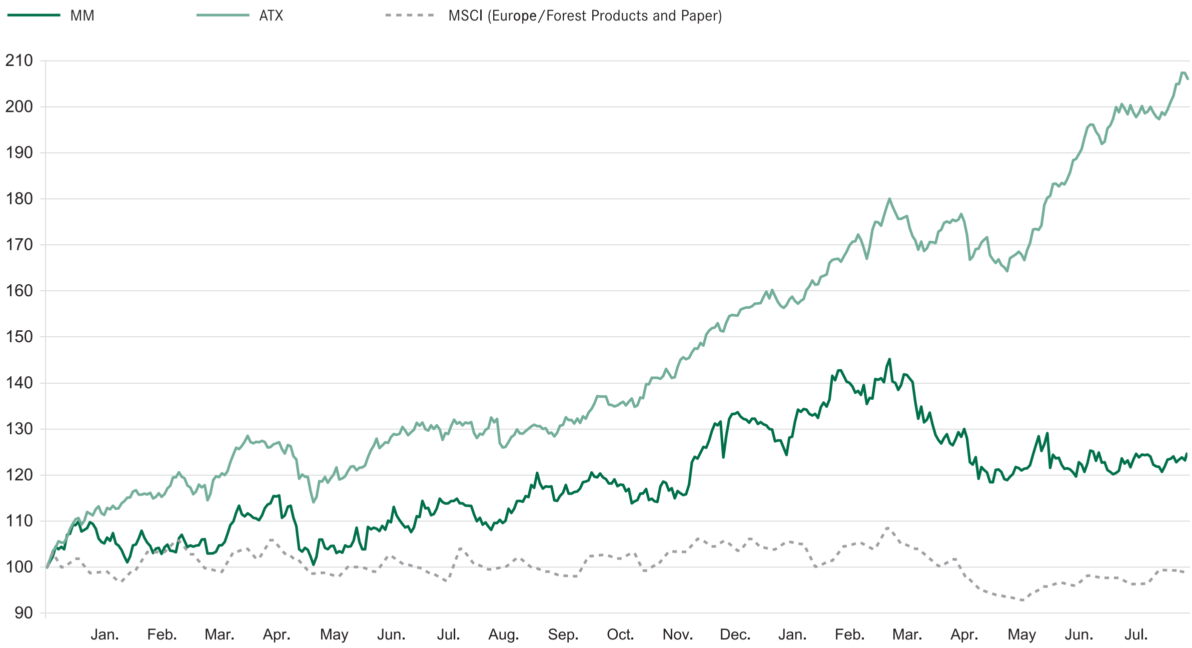
Other adjustments basically comprise valuation adjustments for inventory and other provisions.

The Management Board
of Mayr-Melnhof Karton AG

Results for the third quarter 2005 will be released on November 22, 2005.

Mayr-Melnhof Shares

Relative Performance of MM Shares 2004 / 2005 (December 30th, 2003 = 100)



Share price (closing price)	
as of August 5, 2005	118.40 EUR
2005 High	138.36 EUR
2005 Low	112.88 EUR
Stock performance (Year-end 2004 until August 5, 2005)	- 5.5%
Number of shares issued	12 million
Market capitalization as of August 5, 2005 (in millions of EUR)	1,305
Trading volume (daily average HY 2005 in millions of EUR)	3.53

Editorial information
Editor (publisher):
Mayr-Melnhof Karton AG
Brahmsplatz 6
1041 Vienna, Austria

For further information, please contact:

Stephan Sweerts-Sporck
Investor Relations
Tel.: +43/ 1 50136 1180
Fax: +43/ 1 50136 1195

e-mail: investor.relations@mm-karton.com
Website: http://www.mayr-melnhof.com