



Mayr-Melnhof Karton AG

Results 2007

March 13, 2008



Group

Key Indicators

MM Karton

MM Packaging

Highlights 2007

- **A further record year**
- **Expansion continued**
- **Sales and earnings increase in both segments**
- **At EUR 116.6 million, profit for the year was up + 8,7 %**
- **Dividend increase from EUR 1.40 to EUR 1.70 per share**



Mayr-Melnhof Group

36 plants in 15 countries, ~8,657 employees

Group

Key Indicators

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MM Packaging



- The worldwide leading producer of recycled fiber based cartonboard



- Europe's largest manufacturer of folding cartons



Group

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MM Packaging

Strategic Position

- ✓ **Concentration on core competences**
Cartonboard and Folding Carton production
- ✓ **Market AND cost leadership**
- ✓ **Long-term profit orientation**
- ✓ **Expansion**



Group Results 2007



Consolidated Results 2007

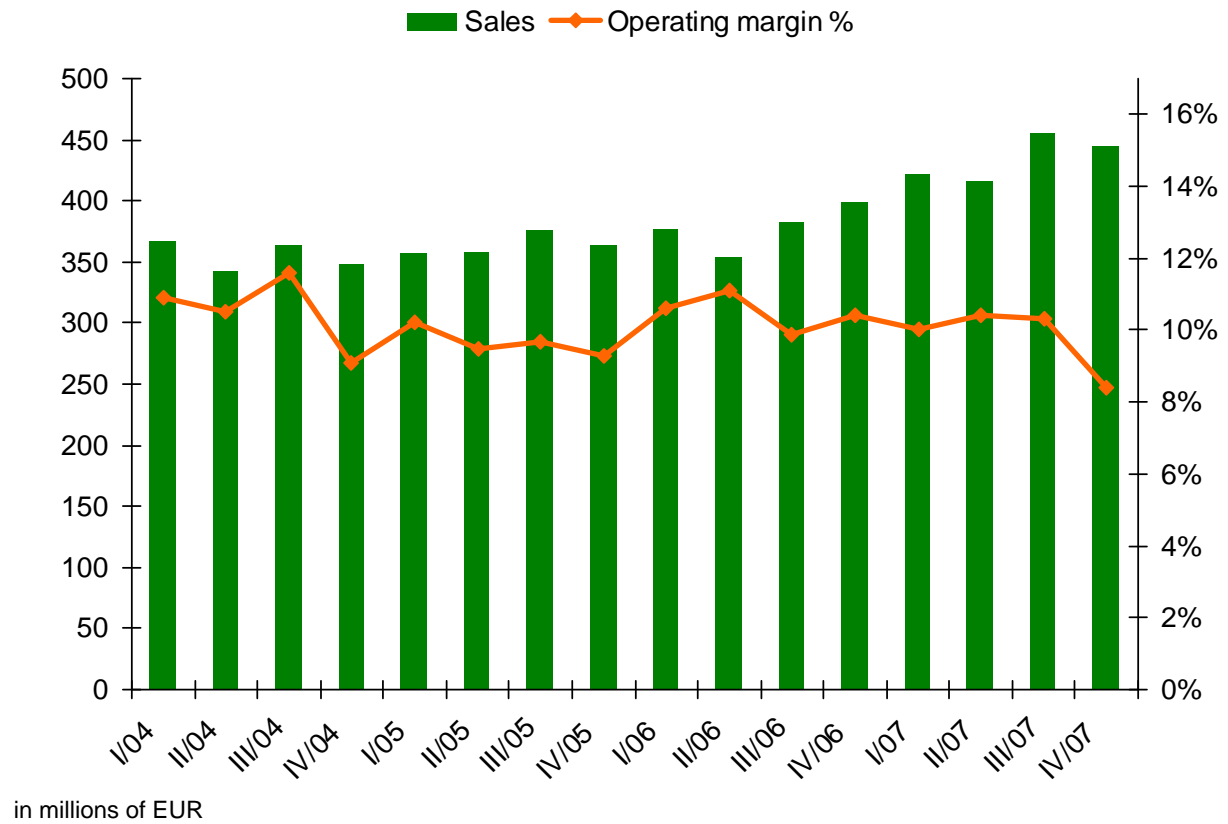
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consolidated in millions of EUR, IFRS	2007	2006	+/-
Sales	1,737.0	1,512.5	+14.8%
Operating profit	169.4	158.6	+6.8%
Operating margin	9.8%	10.5%	
Profit before tax	170.9	159.2	+7.3%
Income tax expense	(54.3)	(51.9)	
Profit for the year	116.6	107.3	+8.7%
% Sales	6.7%	7.1%	
Cash earnings	206.7	191.4	+8.0%
% Sales	11.9%	12.7%	



MM Group – Quarters

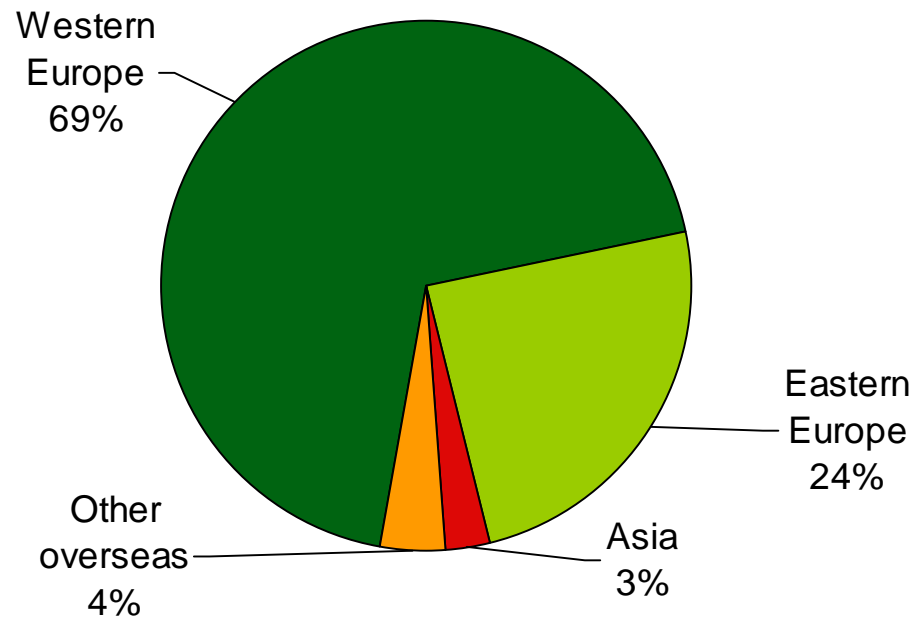
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Sales by Region

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(2007)



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Consolidated Balance Sheets

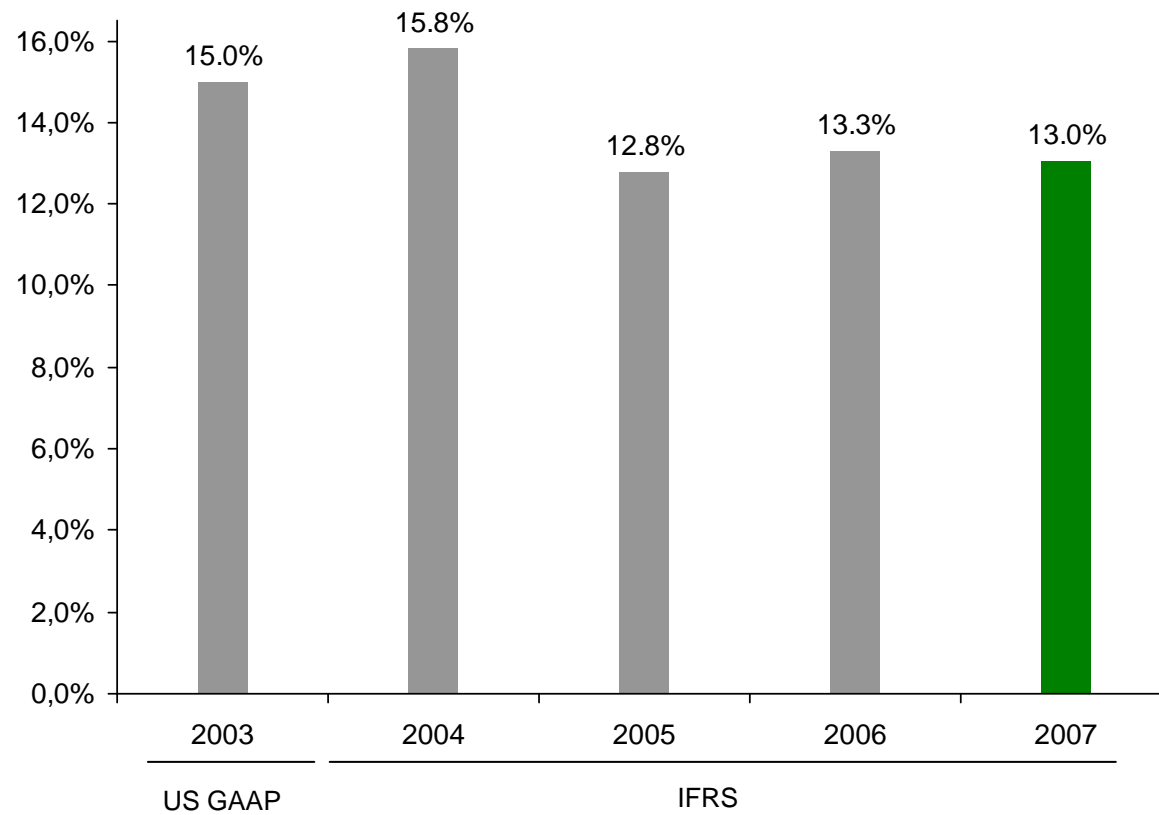
	Dec. 31, 2007	Dec. 31, 2006
consolidated in millions of EUR, IFRS		
Non-current assets	675.8	750.5
Current assets	857.7	745.5
Total assets	1,533.5	1,496.0
Equity	933.9	851.5
Liabilities	599.6	644.5
Total equity and liabilities	1, 533.5	1,496.0
Total funds available to the Group	355.0	366.9

→ Net Cash Position



MM Group: Return on Equity

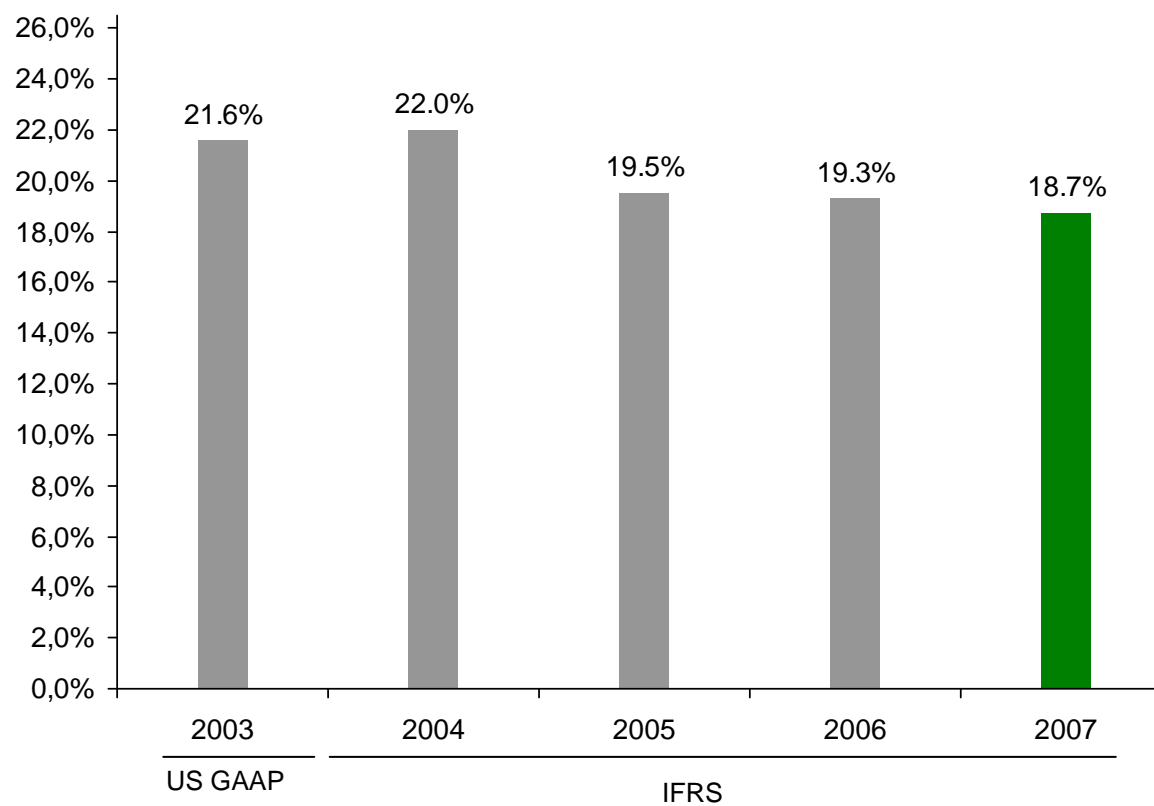
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MM Group: ROCE

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Consolidated Cash Flow Statement

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consolidated in millions of EUR, IFRS	2007	2006
Cash Flow from operating activities	138.8	154.7
Cash Flow from investing activities	(4.7)	(127.4)
Cash Flow from financing activities	(75.2)	2.3
Cash and cash equivalents beg. of year	292.4	263.0
Net increase in cash and cash equivalents	58.1	29.4
Cash and cash equivalents end of year	350.5	292.4
Available-for-sale financial assets	4.5	74.5
Total funds available to the Group	355.0	366.9

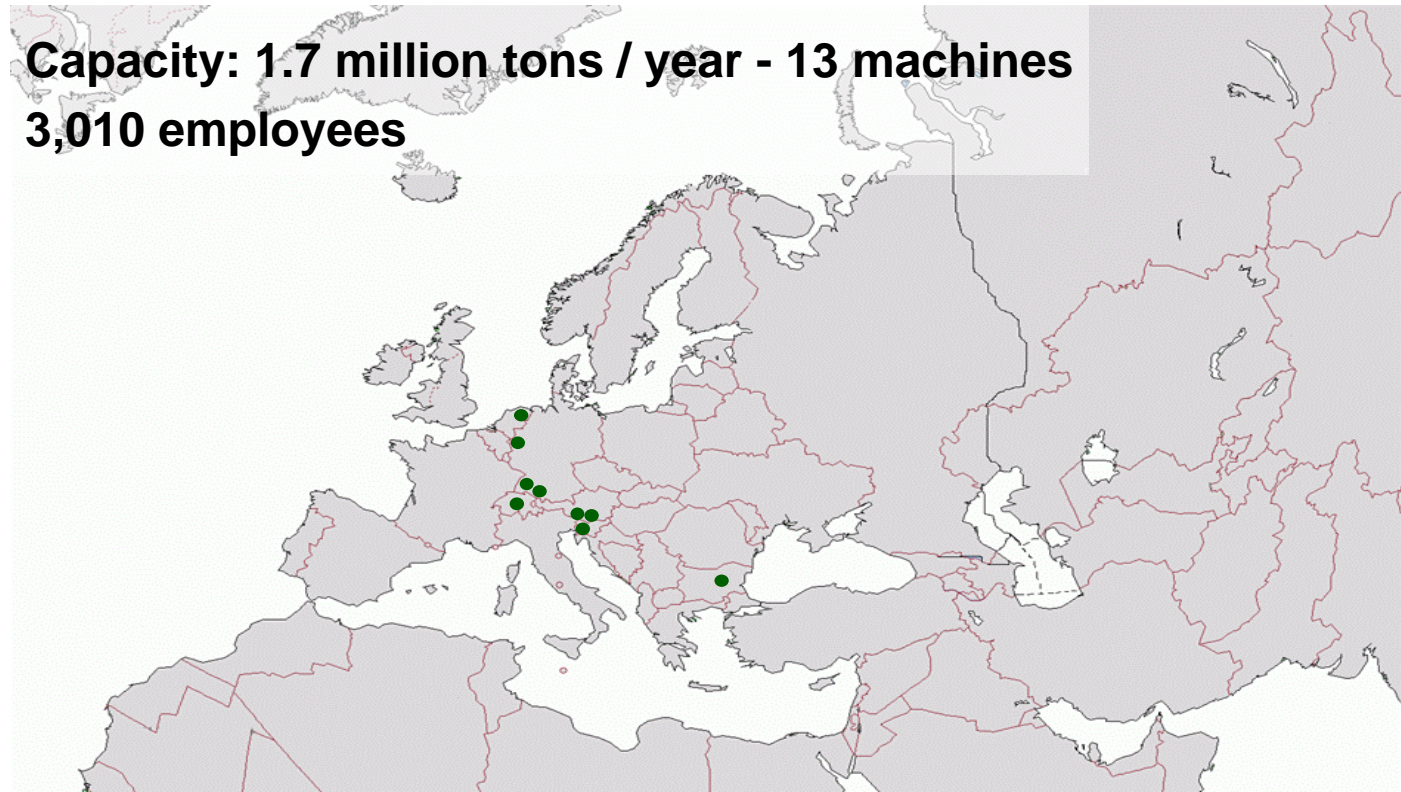


MM KARTON



MM Karton: Mills

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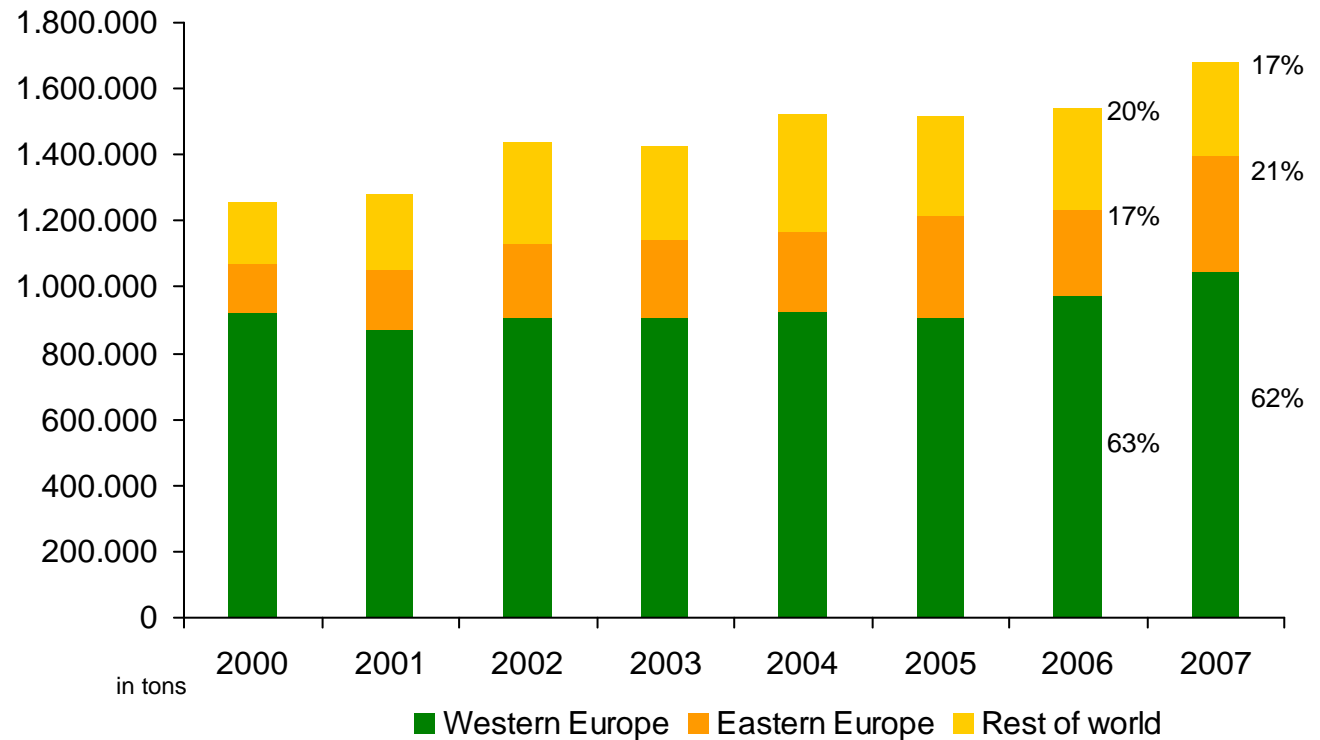


● 9 mills in 6 countries



MM Karton: Sales

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MM Karton: Overview 2007

- **Good order situation**
- **Price increase compensates rise in recovered paper prices**
- **New record production**
 - **97 % capacity utilization (2006: 92 %)**
- **Investment focus: Increase of energy efficiency**



MM Karton: Results 2007

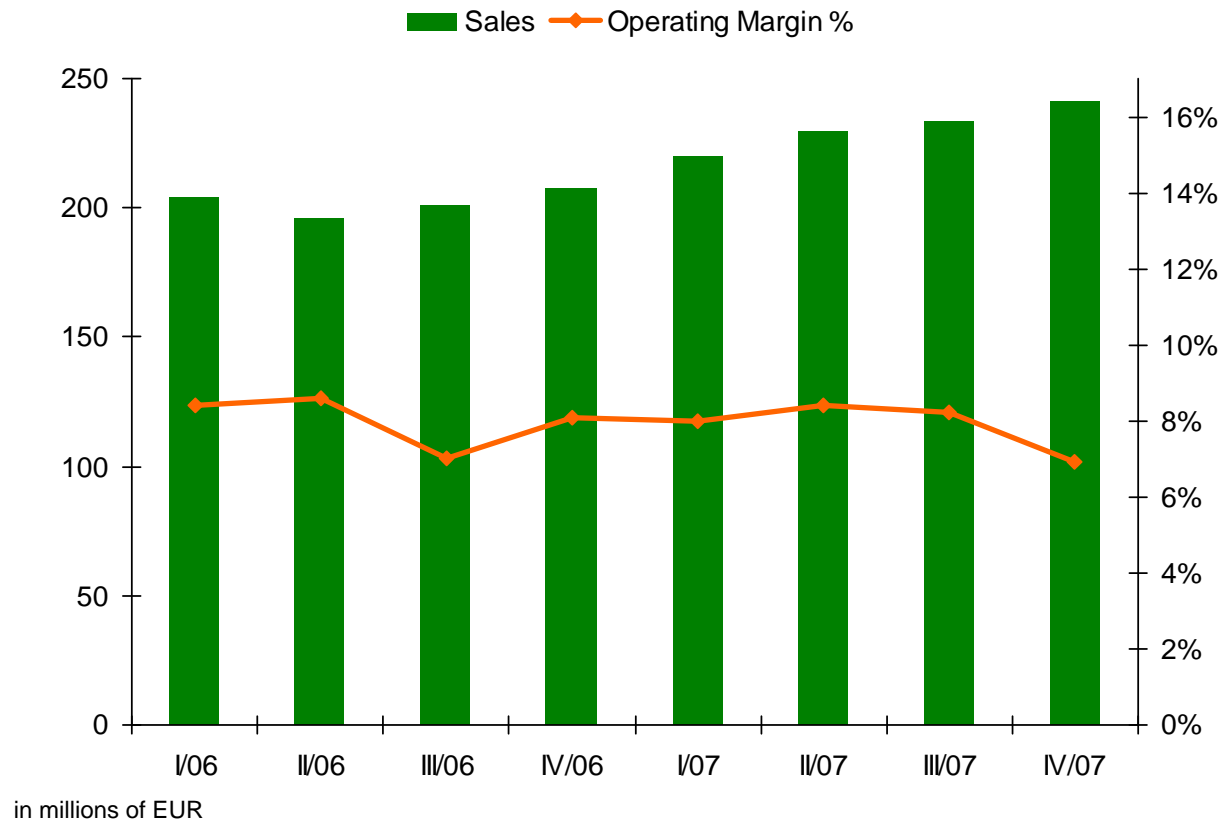
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	2007	2006	+/-
in millions of EUR, nach IFRS			
Sales	924.4	808.8	+14.3%
Operation profit	72.6	65.0	+11.7%
Operating margin	7.9%	8.0%	
Return on capital employed	12.6%	12.3%	
Tonnage produced (in 1,000 t)	1,682	1,553	+8.3%
Employees	3,010	2,848	
Capex	38.1	38.9	



MM Karton – Quarters

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MM Karton: Start 2008

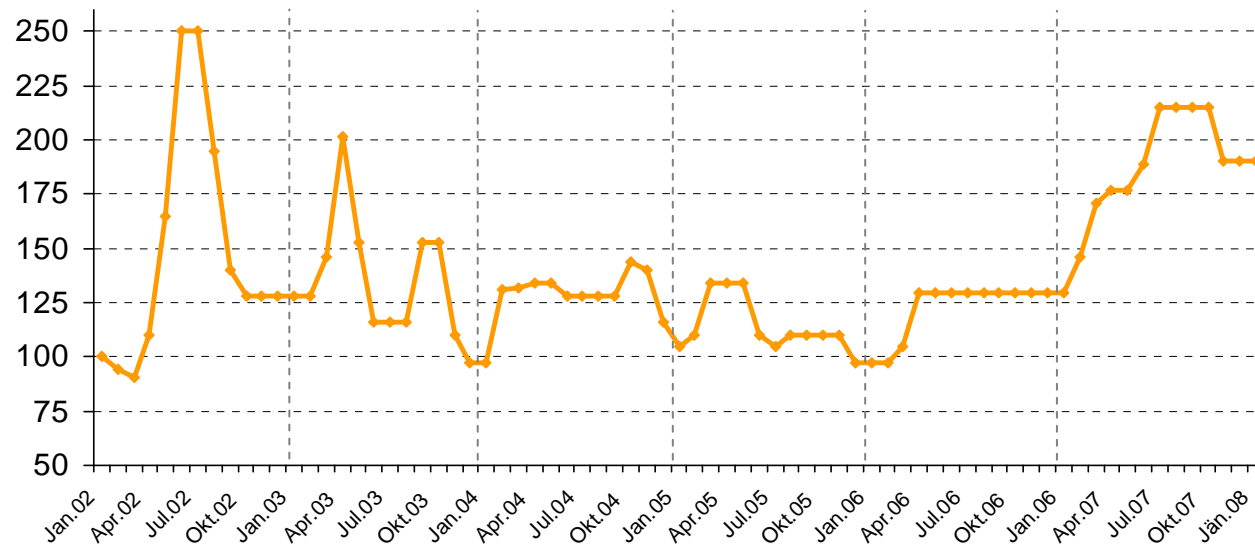
- **Order Backlog on long-year level**
- continuous flow of business
- **High costs remain challenge**



Price – Recovered Paper

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Mixed waste in EUR/t
Index: Jan 2002 = 100



Source: EUWID



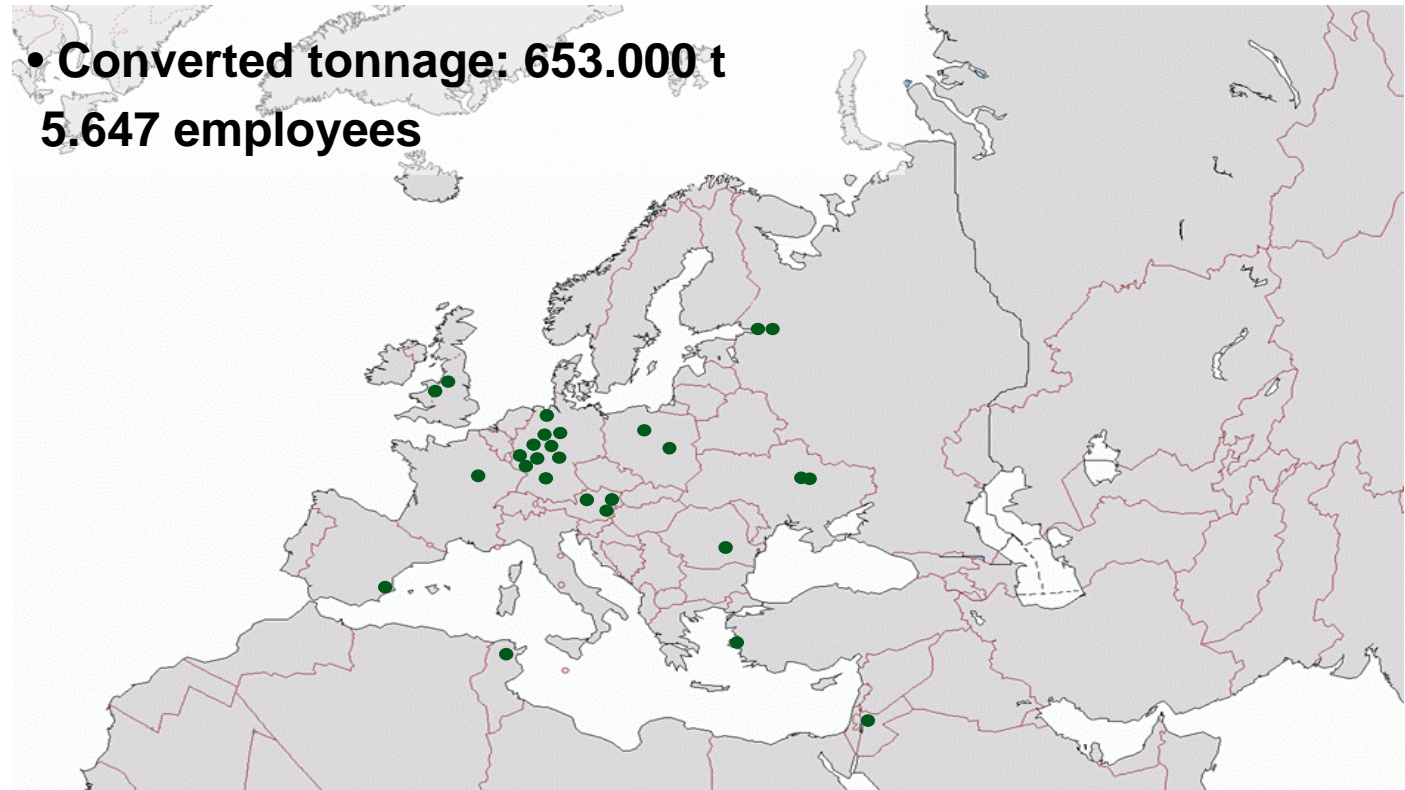
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MM Packaging: Sites

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• **Converted tonnage: 653.000 t**
5.647 employees

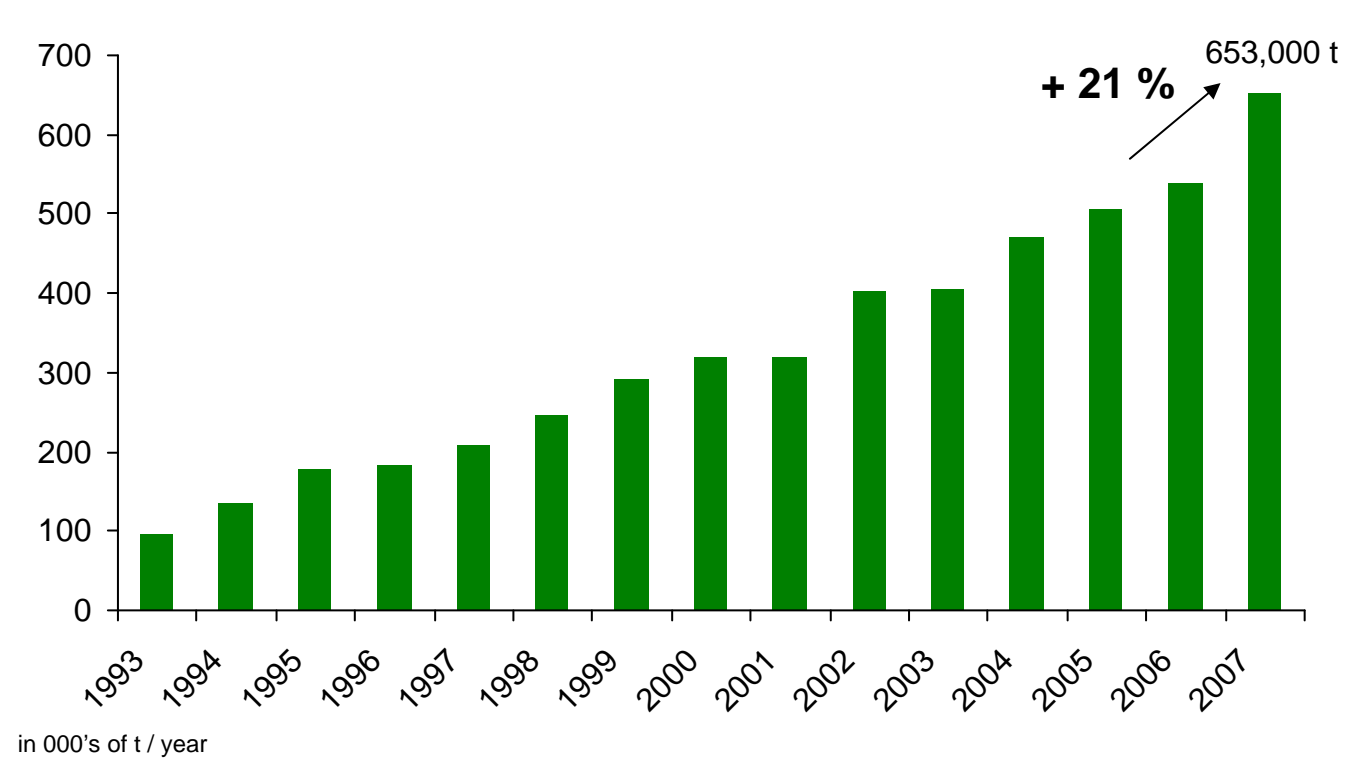


27 plants in 12 countries



MMP: Tonnage processed

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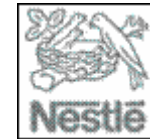


MMP Top Customers

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DANONE



P&G

JTI



Unilever

RECKITT
BENCKISER





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MM Packaging: Overview 2007

- **Important growth steps / gains in market share**
- **Capacity expansions:**
 - *Second rotogravure lines in Cherkassy (UA), Izmir (TK)*
 - *Expansion in Poland*
- **Acquisitions:**
 - *New sites: Amman (JO), Sfax (TN) and Bremen (DE)*
- **MMP industrializes processes**
- **Improvement in profit and volume**



MM Packaging: Results 2007

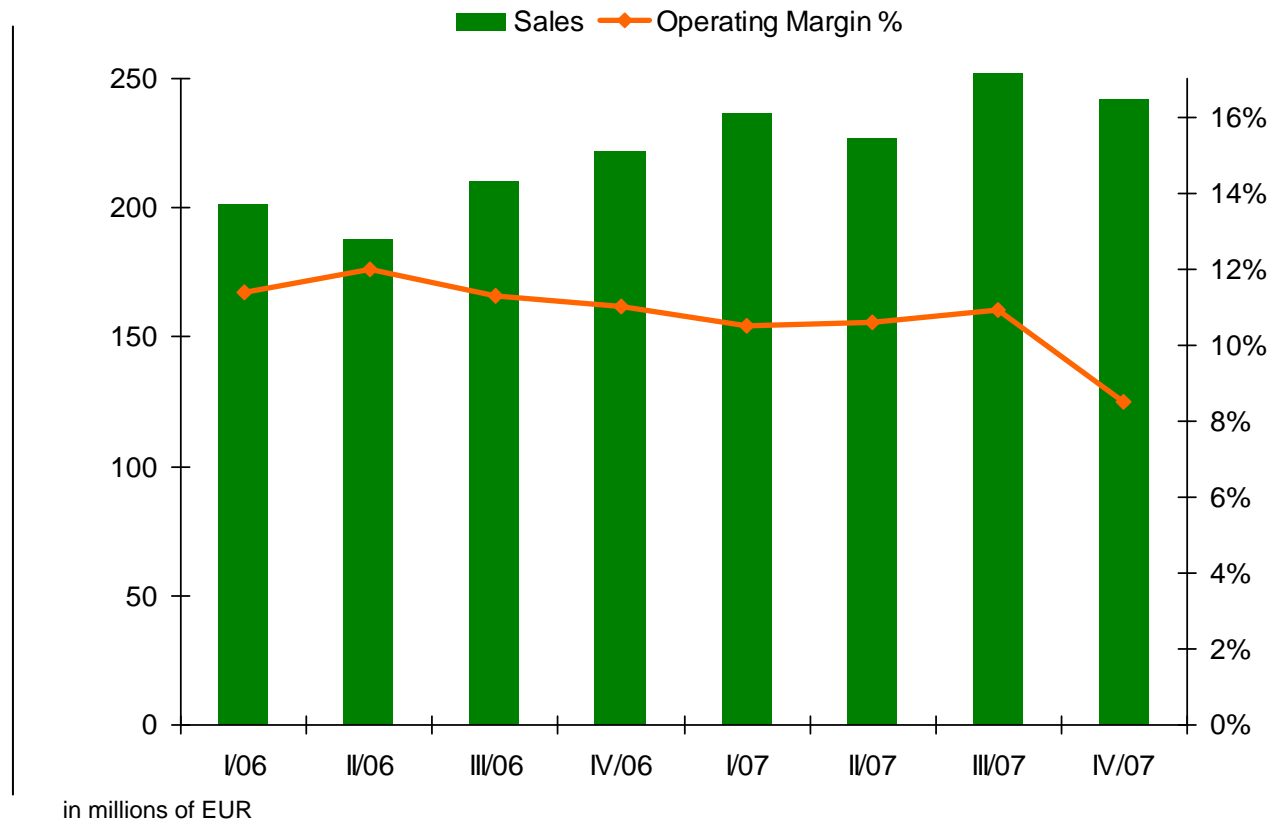
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in millions of EUR, IFRS	2007	2006	+/-
Sales	958.6	821.6	+16.7%
Operation profit	96.8	93.6	+3.4%
Operating margin	10.1%	11.4%	
Return on capital employed	23.6%	29.1%	
Tonnage processed (in 000's of t)	653	538	+21.4%
Employees	5,647	5,121	
Capex	57.6	72.2	



MM Packaging – Quarters

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MM Packaging: Start 2008

- **Positive order situation at the beginning of the year**
- **Further growth and gain in market share**



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Outlook

- **Order intake at normal level**
- **First months 2008 – solid demand and cap.-utilization**
- **Economic sentiment - clearly diminished**
 - *Inflation weighs on spending power*
 - *High raw material prices*
- **High costs and demand driven price pressure to mark first half-year of 2008**
- **MMP - Further gain in market share and productivity**
- **MMK - Price stabilization**