



# MAYR-MELNHOF GROUP

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Annual Results 2013

March 18, 2014



# Market Position

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## MM KARTON

World's largest producer of recycled fiber based cartonboard with a rising position in virgin fiber based board



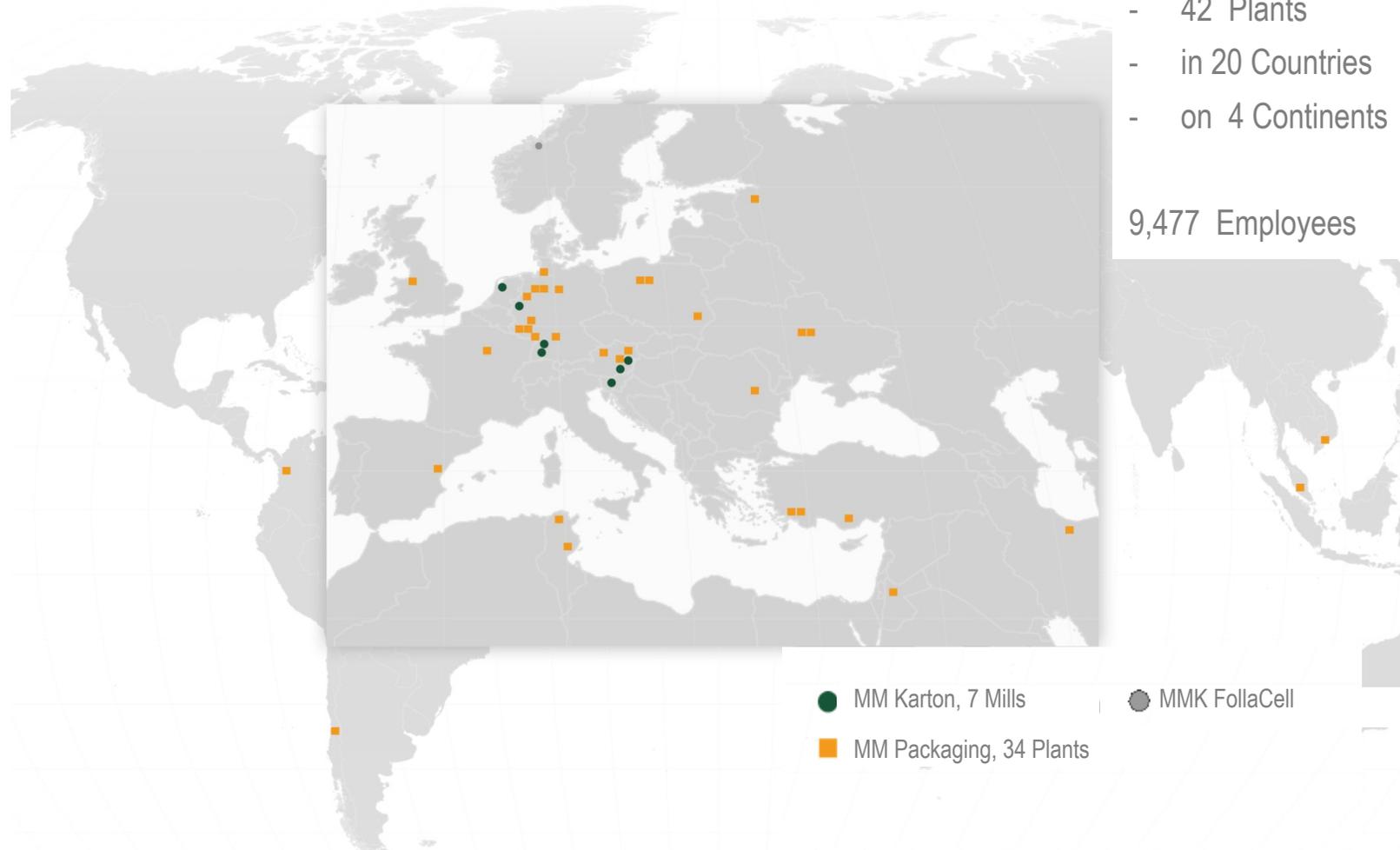
## MM PACKAGING

Leading European folding carton producer with growing presence outside of Europe





# 42 Production Sites





# Highlights 2013

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- Continuation of long-term course of success
- Leading market position competitively affirmed
- Growth in volume and high machine utilization
- Further record result – profit for the year EUR 123 million
- Expansion continued
  - Vietnam, Poland, Turkey, Colombia
- Mechanical wood pulp plant MMK FollaCell, Norway
- Payout EUR 4.80 / share (thereof EUR 2.40 anniversary bonus)



# Group Results 2013

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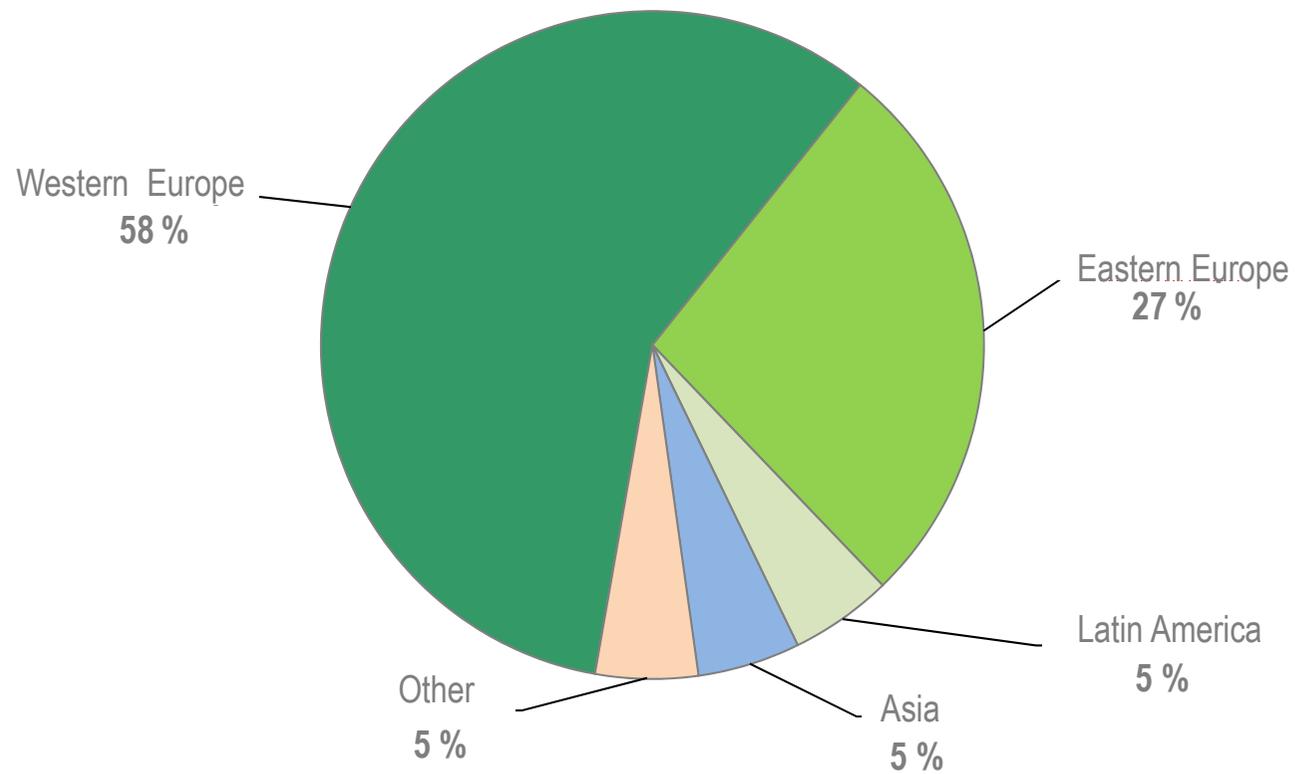
# Group Results

consolidated in millions of EUR, IFRS	2013	2012	+/-
<b>Sales</b>	<b>1,999.4</b>	1,952.2	+2.4 %
<b>Operating profit</b>	<b>165.4</b>	170.5	-3.0 %
<b>Operating margin (in %)</b>	<b>8.3 %</b>	8.7 %	
<b>Profit before tax</b>	<b>156.4</b>	161.3	-3.0 %
Income tax expense	(33.5)	(41.0)	
<b>Profit for the year</b>	<b>122.9</b>	120.3	+2.2 %
Net profit margin (in %)	6.1 %	6.2 %	
<b>Cash earnings</b>	<b>204.1</b>	204.8	-0.3 %
Cash earnings margin (in %)	10.2 %	10.5 %	
Earnings per share (in EUR)	6.11	6.00	+1.8 %
<b>Capital expenditures</b>	<b>116.2</b>	102.7	
Depreciation and amortization	89.6	85.8	



# Sales by Destination

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# Consolidated Balance Sheet

<small>consolidated in millions of EUR, IFRS</small>	Dec. 31, 2013	Dec. 31, 2012
Non-current assets	791.3	730.3
Current assets	911.2	898.8
<b>Total assets</b>	<b>1,702.5</b>	1,629.1
Equity	1,111.8	1,067.1
Liabilities	590.7	562.0
<b>Total equity and liabilities</b>	<b>1,702.5</b>	1,629.1
Total funds available to the Group	303.5	335.4
<b>Total equity to total assets</b> (in %)	<b>65.3 %</b>	65.5 %
<b>Return on equity</b> (in %)	<b>11.3 %</b>	11.7 %
<b>Net liquidity</b>	<b>133.9</b>	178.0

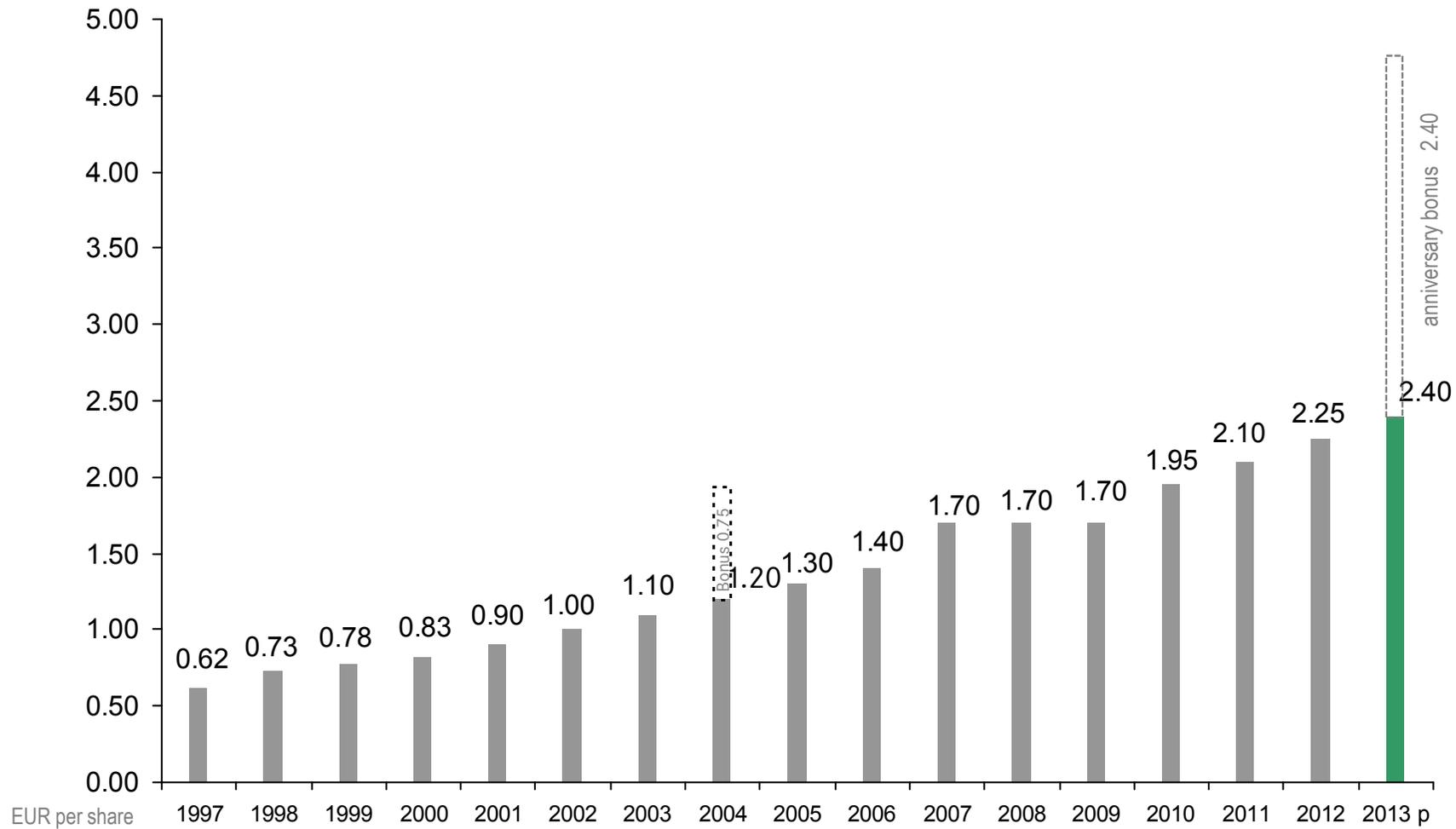


# Consolidated Cash-flow Statement

	2013	2012
<small>consolidated in millions of EUR, IFRS</small>		
<b>Cash flow from operating activities</b>	<b>142.1</b>	167.4
<b>Cash flow from investing activities</b>	<b>(137.3)</b>	(154.1)
<b>Cash flow from financing activities</b>	<b>(35.7)</b>	(32.1)
<b>Cash and cash equivalents beg. of the year</b>	<b>330.1</b>	348.8
Net change in cash and cash equivalents	(32.2)	(18.7)
<b>Cash and cash equivalents end of the year</b>	<b>297.9</b>	330.1
Securities	5.6	5.3
<b>Total funds available to the Group</b>	<b>303.5</b>	335.4



# Dividend Development





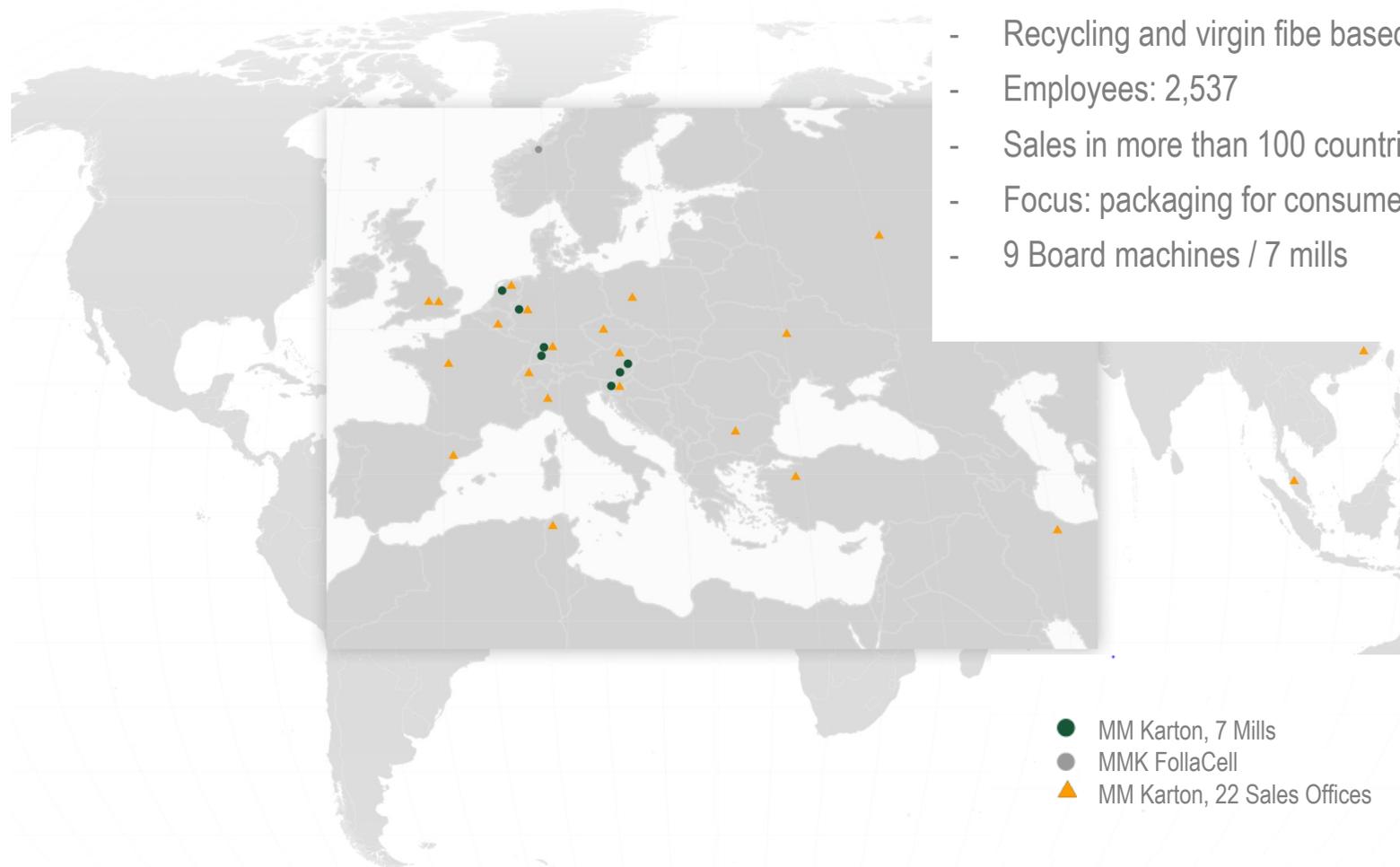
# Mayr-Melnhof Karton

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# MM Karton

- Capacity: ~ 1.6 million tons / year
- Recycling and virgin fiber based board
- Employees: 2,537
- Sales in more than 100 countries
- Focus: packaging for consumer goods
- 9 Board machines / 7 mills





# MMK Overview 2013

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- Weak impulses from private consumption / high competitive pressure and short-term visibility
- Market share strengthened or extended
- Capacity utilization 98 % (2012: 97 %)
- Prices gradually improved
- Sales increased – margin affirmed



# MMK Results 2013

in millions of EUR, IFRS	2013	2012	+/-
<b>Sales</b>	964.6	936.9	+3.0 %
<b>Operating profit</b>	65.3	66.6	-2.0 %
<b>Operating margin (in %)</b>	6.8 %	7.1 %	
<b>Tonnage sold (in thousands of tons)</b>	1,599	1,534	+4.2 %
<b>Tonnage produced (in thousands of tons)</b>	1,604	1,572	+2.0 %
<b>Employees</b>	2,537	2,413	
<b>Investments</b>	44.4	44.4	
<b>Depreciation and amortization</b>	36.4	34.6	



# MMK - Quarters

in millions of EUR, IFRS	4Q/2012	1Q/2013	2Q/2013	3Q/2013	4Q/2013
<b>Sales</b>	<b>233.2</b>	<b>237.6</b>	<b>239.1</b>	<b>249.5</b>	<b>238.4</b>
<b>Operating profit</b>	<b>15.1</b>	<b>11.3</b>	<b>15.6</b>	<b>25.7</b>	<b>12.7</b>
<b>Operating margin</b> (in %)	<b>6.5 %</b>	<b>4.8 %</b>	<b>6.5 %</b>	<b>10.3 %</b>	<b>5.3 %</b>
<b>Tonnage sold</b> (in thousands of tons)	<b>384</b>	<b>404</b>	<b>399</b>	<b>410</b>	<b>386</b>
<b>Tonnage produced</b> (in thousands of tons)	<b>386</b>	<b>391</b>	<b>413</b>	<b>408</b>	<b>392</b>



# MMK Start 2014

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- Oder intake after turn of year slightly increased
- Sustainability still to be proved / short-term visibility
- Large investment in main board mill Frohnleiten

**F**OODBOARD™ (~ EUR 50 million)



# Mayr-Melnhof Packaging

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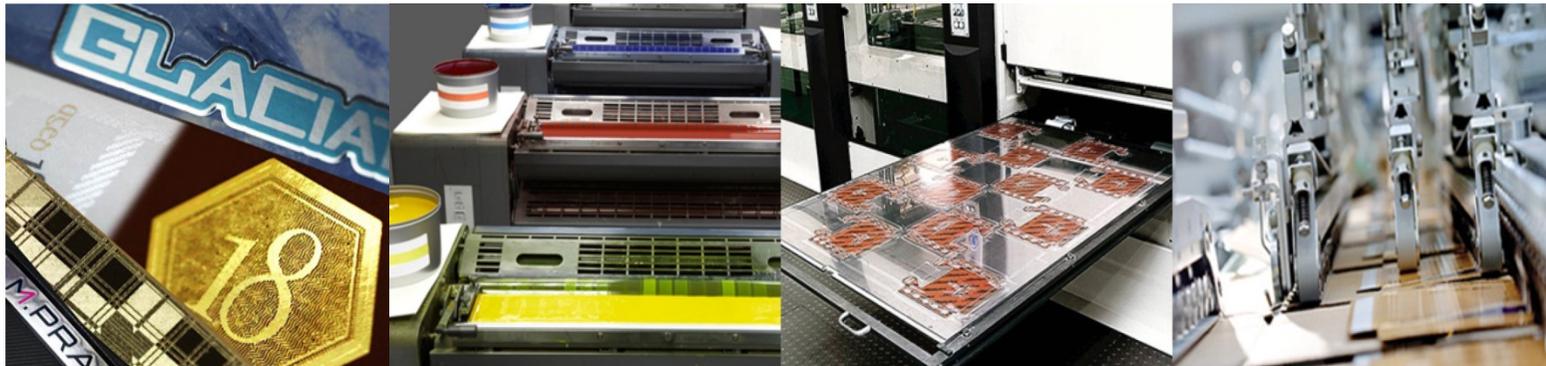
# MMP 34 Plants



- > 50 billion packages / year
- Main market: Europe + Emerging Markets
- 34 Plants in 17 Countries
- Employees: 6,940

■ MMPackaging, 34 Plants

# Wide Technological Basis



- > 100 Printing presses (offset, rotogravure and flexo printing)
- > 120 Die-cutting machines
- > 120 Gluing machines
- + Large number of special machinery in preprint & finishing



# MMP Overview 2013

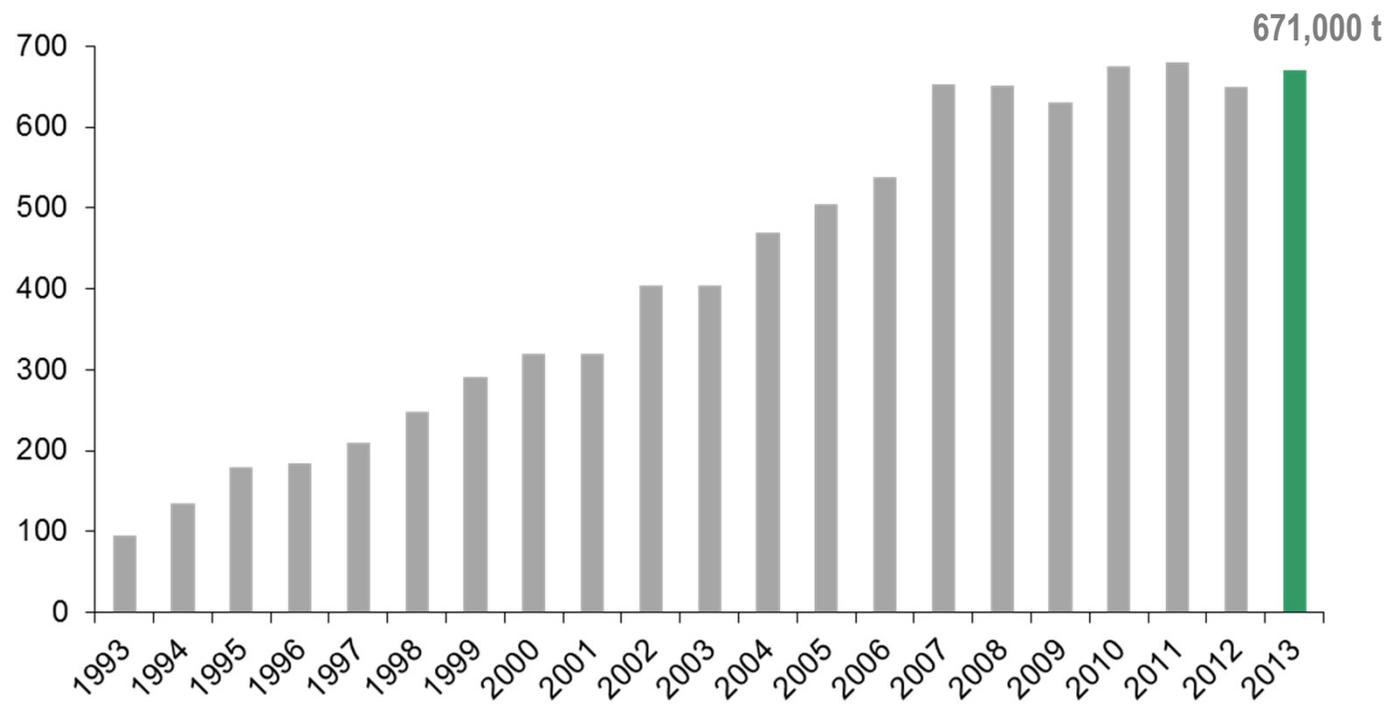
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- Heterogeneous European market / since 2<sup>nd</sup> HY rising tendency
- High competition intensity
- Improvement in efficiency and volume



# MMP Tonnage Processed

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# MMP Overview 2013

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- Heterogeneous European Market / since 2<sup>nd</sup> HY rising tendency
- High competition intensity
- Efficiency- and Volume improvement
- High machine utilization
- Profitability affirmed on high level



# MMP Results 2013

in millions of EUR, IFRS	2013	2012	+/-
<b>Sales</b>	1,138.7	1,120.7	+1.6 %
<b>Operating profit</b>	100.1	103.9	-3.7 %
<b>Operating margin (in %)</b>	8.8 %	9.3 %	
<b>Tonnage processed (in thousands of tons)</b>	671	650	+3.2 %
<b>Sheet equivalent (in thousands)</b>	1,873,713	1,801,934	+4.0 %
<b>Employees</b>	6,940	6,423	
<b>Investments</b>	71.8	58.3	
<b>Depreciation and amortization</b>	53.2	51.2	



# MMP - Quarters

in millions of EUR, IFRS	4Q/2012	1Q/2013	2Q/2013	3Q/2013	4Q/2013
<b>Sales</b>	<b>278.2</b>	<b>285.6</b>	<b>271.9</b>	<b>292.0</b>	<b>289.2</b>
<b>Operating profit</b>	<b>22.1</b>	<b>27.1</b>	<b>23.5</b>	<b>27.0</b>	<b>22.5</b>
<b>Operating margin</b> (in %)	<b>7.9 %</b>	<b>9.5 %</b>	<b>8.6 %</b>	<b>9.2 %</b>	<b>7.8 %</b>
<b>Tonnage processed</b> (in thousands of tons)	<b>160</b>	<b>168</b>	<b>166</b>	<b>168</b>	<b>169</b>



# New High-Performance Plant in Poland

in operation since spring 2013



# 4<sup>th</sup> Packaging Plant built in Turkey

Start of production in Gaziantep, March 2014

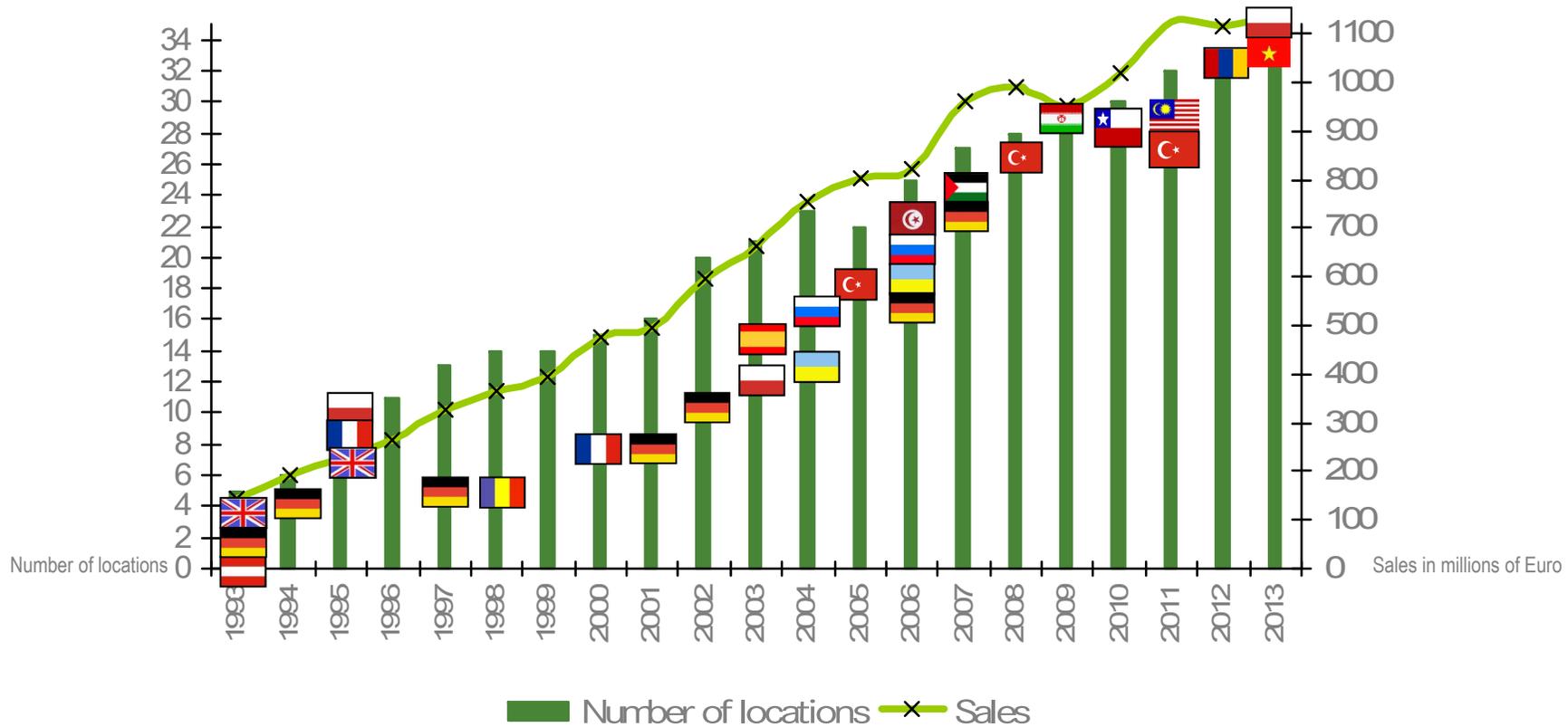


# Expansion Vietnam

Acquisition of leading folding carton producer, Vidon



# MMP - Regional Growth Path





# MMP Start 2014

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- Stable market development without impulses in Europe
- Intensive competition
- Course of expansion with customers in Emerging Markets pursued further on



# Outlook 2014

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- Stable consumption expectations
- Intensity of competition remains high
- Continuation of growth path – organic and via acquisitions
- Focus on productivity, volume increase, optimization of product portfolio
- Target – Stabilization of earnings
- Continuous investment



# Appendix

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# MM Group - Quarters

consolidated in millions of EUR, IFRS	4Q/2012	1Q/2013	2Q/2013	3Q/2013	4Q/2013
<b>Sales</b>	<b>485.0</b>	<b>496.7</b>	<b>485.1</b>	<b>515.3</b>	<b>502.3</b>
<b>EBITDA</b>	<b>59.0</b>	<b>60.3</b>	<b>61.8</b>	<b>73.5</b>	<b>56.7</b>
<b>EBITDA margin (in %)</b>	<b>12.2 %</b>	<b>12.1 %</b>	<b>12.7 %</b>	<b>14.3 %</b>	<b>11.3 %</b>
<b>Operating profit</b>	<b>37.2</b>	<b>38.4</b>	<b>39.1</b>	<b>52.7</b>	<b>35.2</b>
<b>Operating margin (in %)</b>	<b>7.7 %</b>	<b>7.7 %</b>	<b>8.1 %</b>	<b>10.2 %</b>	<b>7.0 %</b>
<b>Profit before tax</b>	<b>36.3</b>	<b>36.2</b>	<b>37.2</b>	<b>48.8</b>	<b>34.2</b>
<b>Income tax expense</b>	<b>(7.4)</b>	<b>(9.2)</b>	<b>(9.5)</b>	<b>(10.7)</b>	<b>(4.1)</b>
<b>Profit for the period</b>	<b>28.9</b>	<b>27.0</b>	<b>27.7</b>	<b>38.1</b>	<b>30.1</b>
<b>Net profit margin (in %)</b>	<b>6.0 %</b>	<b>5.4 %</b>	<b>5.7 %</b>	<b>7.4 %</b>	<b>6.0 %</b>
<b>Earnings per share (in EUR)</b>	<b>1.44</b>	<b>1.35</b>	<b>1.37</b>	<b>1.90</b>	<b>1.49</b>
<b>Cash Earnings</b>	<b>50.8</b>	<b>49.5</b>	<b>50.7</b>	<b>59.8</b>	<b>44.1</b>
<b>Cash earnings margin (in %)</b>	<b>10.5 %</b>	<b>10.0 %</b>	<b>10.5 %</b>	<b>11.6 %</b>	<b>8.8 %</b>