



PRESS RELEASE

May 13, 2002

RESULTS FOR THE 1ST QUARTER OF 2002

- High capacity utilization in the Cartonboard and Packaging Divisions
- Good earnings development
- EUR 21.9 million net income as expected below last year's record level
- Rising waste paper prices - increase of cartonboard price in the 2nd quarter
- Positive outlook for the 2002 1st half-year

Group Key Indicators

US GAAP, unaudited

| in EUR millions | 1-3/2002 | 1-3/2001 | +/- |
|---|----------|----------|-------|
| Sales | 294.4 | 277.8 | +6.0% |
| Operating profit | 34.5 | 36.9 | -6.5% |
| Operating margin | 11.7% | 13.3% | |
| Net interest expense | (0.3) | (0.6) | |
| Income before income taxes and minority interests | 34.2 | 37.0 | -7.6% |
| Income taxes | (12.2) | (13.0) | |
| Net income | 21.9 | 23.6 | -7.2% |
| in % of sales | 7.4% | 8.5% | |

The Mayr-Melnhof Group remained strong during the first quarter of 2002 within an environment which was characterized by uncertainties concerning an economic turnaround. Due to a significant expansion of non-European cartonboard sales as well as better than expected demand in Europe, a high level of capacity utilization was experienced by both the Cartonboard and Packaging Divisions.

Due to the acquisitions in the previous year consolidated sales increased by 6.0 % to EUR 294.4 million (Q1 2001: EUR 277.8 million) despite lower average cartonboard prices.

At EUR 34.5 million, the operating profit nearly reached the previous year's record level (EUR 36.9 million). However, the Group's operating margin declined to 11.7 % (Q1 2001: 13.3 %) principally resulting from the lower profitability in the Cartonboard Division's overseas business.

Income before income taxes and minority interests totaled EUR 34.2 million (Q1 2001: EUR 37.0 million). The Group's corporate tax rate was approximately 36 % (Q1 2001: approximately 35 %).

A net income of EUR 21.9 million was achieved for the first quarter of 2002 (Q1 2001: EUR 23.6 million).

The current repurchase program resulted in a weighted average number of shares of 11,047,866 which were in circulation during the period under review. This resulted in an earnings per share of EUR 1.98 (Q1 2001: EUR 1.97).

DIVISIONS

Good capacity utilization in the Cartonboard Division

Resulting from the positive development of sales in the overseas markets as well as better than expected demand in Europe, the Cartonboard Division's production capacities could be utilized at approximately 97 % in the 2002 first quarter after some downtime at the beginning of the year. At 80,000 tons, the average order backlog for the first three months of 2002 was at a satisfactory level (Q1 2001: 55,000 tons).

Cartonboard production and shipments amounting to 362,000 and 364,000 tons, respectively, exceeded the previous year's levels of 311,000 and 309,000 mainly due to the acquisition of the Gernsbach Mill in May 2001. Approximately 79 % of the volume dispatched was sold in Europe and 21 % to overseas markets.

As raw material prices remained stable, European cartonboard prices could be maintained. Due to a market decrease of the price level in the overseas markets the average sales price declined significantly in comparison with the previous year. For this reason, sales only increased by 6.8 % from EUR 177.5 million to EUR 189.5 million despite a higher sales volume.

At EUR 25.4 million, the operating profit fell below the previous year's record high (EUR 29.3 million), largely due to the lower profitability of the overseas business. This led to an operating margin of 13.4 % after 16.5 % in the first quarter of 2001.

Positive earnings development in the Packaging Division

Due to good demand from Western and Eastern Europe, the Packaging Division recorded an on-going positive development of business during the first quarter of 2002.

At 88,000 tons, the tonnage processed during the first three months of 2002 was slightly more than the previous year's level (Q1 2001: 87,000 tons). This demonstrates that the volume reduction which resulted from the sale of a subsidiary in 2001 could be more than compensated by the integration of the German packaging facility Schilling.

Sales increased by 3.1 % from EUR 127.0 million to EUR 130.9 million.

Attributable to increased sales in the high-quality segment and continuous optimizations, operating profit improved by 19.7 % to EUR 9.1 million. This led to an operating margin of 7.0 % (Q1 2001: 6.0 %).

OUTLOOK

In line with good demand from Europe and overseas, on-going satisfactory capacity utilization can also be expected in the second quarter of 2002 for both the Cartonboard and Packaging Divisions. At approximately 120,000 tons at the beginning of May, the Cartonboard Division's order backlog was significantly above the average level in the first quarter of 2002 (approximately 80,000 tons).

Waste paper prices have considerably risen since the beginning of April 2002 due to higher requirements and demand in Europe as well as increased exports to Asia. An end to this upward trend is not yet foreseeable. In order to compensate for this rise in costs up until now, a 10 % cartonboard price increase was necessary for all orders as of May 17, 2002 and all customers were notified.

The implementation of the necessary price increases will represent the Cartonboard and Packaging Divisions' primary objective in the coming months.

From a current perspective, and despite a positive outlook regarding capacity utilization in both Divisions, the Group's result for the first half-year of 2002 is expected to fall below last year's level due to lower profitability of the overseas business and higher raw material prices.

Forthcoming results:

August 28, 2002 Results for the 1st half -year of 2002

For further information please contact:

Stephan Werba, Investor Relations

Tel.: +43/ 1 50136 1180, Fax. +43/ 1 50136 1195; Mayr-Melnhof Karton AG, Brahmplatz 6, A-1041 Vienna

e-mail: investor.relations@mm-karton.com; Web Site: <http://www.mayr-melnhof.com>