



# 1 – 3Q|2012

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## Report for the first three quarters of 2012

- Sustainable profitability maintained in the first three quarters
- Remarkable profit improvement in the 3<sup>rd</sup> quarter
- Good capacity utilization in the course of the year - quantity dynamics flattening off
- No sign of relief for input prices - increasing pressure on margins
- Continued path of expansion

# Mayr-Melnhof Group

## Key Indicators

(according to IFRS for interim financial reporting, unaudited)

(consolidated, in millions of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter		
	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011	+/-
Sales	1,467.2	1,498.8	-2.1 %
EBITDA	192.5	195.6	-1.6 %
EBITDA margin (%)	13.1 %	13.1 %	
Operating profit	130.0	135.4	-4.0 %
Operating margin (%)	8.9 %	9.0 %	
Profit before tax	124.2	128.3	-3.2 %
Income tax expense	(33.3)	(36.4)	
Profit for the period	90.9	91.9	-1.1 %
Net profit margin (%)	6.2 %	6.1 %	
Basic and diluted earnings per share (in EUR)	4.53	4.58	
Cash earnings	153.1	151.6	+1.0 %
Cash earnings margin (%)	10.4 %	10.1 %	
Capital expenditures	70.6	82.0	-13.9 %
Depreciation and amortization	64.6	62.1	+4.0 %

	Balance sheet date	
	Sep. 30, 2012	Dec. 31, 2011
Total equity (in millions of EUR)	1,065.4	1,005.9
Total assets (in millions of EUR)	1,627.6	1,566.6
Total equity to total assets (%)	65.5 %	64.2 %
Net liquidity (in millions of EUR)	160.4	208.6
Enterprise value (in millions of EUR)	1,461.8	1,321.0
Employees	8,716	8,882

# Group Report

## Dear Shareholders,

Your Company closed the third quarter of 2012 with a clear profit improvement compared to the previous quarters. In the reporting period from January to September 2012, we thus managed to maintain the previous year's high-level earnings despite non-recurring expenses in connection with the closure of a folding carton plant in Great Britain and increasingly challenging market conditions. Due to the economic downturn, the demand in our European main markets remained volatile and restrained. However, our focus on packaging for convenience goods and the wide geographical distribution of sales permitted a good capacity utilization in the first three quarters.

With the acquisition of Plegacol, another major Columbian folding carton manufacturer, Mayr-Melnhof Packaging has become the market leader in folding carton packaging in Columbia. Moreover, additional growth momentum is being provided particularly by the new plants in Poland and Turkey as well as by selected cartonboard export markets.

## Income statement

The consolidated sales of the Group totaled EUR 1,467.2 million and were therefore 2.1 % or EUR 31.6 million below the previous year's figure (1-3Q 2011: EUR 1,498.8 million). An increase in MM Packaging's average sales prices is offset by a slight decline in the cartonboard sales volume.

Consolidated sales by destination (according to IFRS for interim financial reporting, unaudited)

(in %)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter	
	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011
Western Europe	62.1 %	64.5 %
Eastern Europe	25.3 %	23.4 %
Asia	4.4 %	3.9 %
Latin America	4.2 %	3.7 %
Other	4.0 %	4.5 %
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>

Operating profit amounted to EUR 130.0 million, and was thus 4.0 % or EUR 5.4 million down from the previous year's value (1-3Q 2011: EUR 135.4 million), whereby non-recurring expenses of around EUR 9 million relating to the closure of the English packaging plant in Liverpool also had to be accounted for. However, the Group's operating margin of 8.9 % almost reached the previous year's level (1-3Q 2011: 9.0 %).

Financial income of EUR 2.2 million (1-3Q 2011: EUR 3.1 million) was offset by financial expenses of EUR -4.2 million (1-3Q 2011: EUR -5.1 million).

Profit before tax totaled EUR 124.2 million compared to EUR 128.3 million in the first three quarters of the previous year. The income tax expense amounted to EUR 33.3 million (1-3Q 2011: EUR 36.4 million), resulting in an effective Group tax rate of 26.8 % (1-3Q 2011: 28.4 %).

Thus, the profit for the period came in at EUR 90.9 million, which was slightly below the previous year's figure (1-3Q 2011: EUR 91.9 million). In the reporting period, a simple weighted average of 19,984,740 shares was outstanding, resulting in earnings per share of EUR 4.53 (1-3Q 2011: EUR 4.58).

### Assets, capital and liquid funds

The Group's total assets of EUR 1,627.6 million as of September 30, 2012 were EUR 61.0 million up on the figure as of the end of 2011 (December 31, 2011: EUR 1,566.6 million). The Group's total equity rose from EUR 1,005.9 million as of December 31, 2011 to EUR 1,065.4 million. This rise primarily resulted from the profit for the period, which is offset by the dividend payment for 2011 and the increase in participations as deductible items.

Financial liabilities went up by EUR 25.7 million to EUR 166.6 million compared to the end of 2011 as a result of a take up of low-interest loans. Total funds available to the Group were at EUR 327.0 million below the value as of December 31, 2011 (EUR 349.5 million), reducing the net liquidity to EUR 160.4 million (December 31, 2011: EUR 208.6 million). Payments made for an increase in participations and a seasonal rise in working capital were the main reasons for this.

Non-current assets went up from EUR 695.1 million (December 31, 2011) to EUR 718.1 million, primarily due to investing activities, while current assets amounting to EUR 909.5 million were up on the comparative figure as of the end of 2011 (December 31, 2011: EUR 871.5 million), particularly due to the seasonally higher amount of receivables.

## Cash flow development

Cash flow from operating activities totaled EUR 107.3 million following EUR 123.7 million in the first three quarters of the previous year. This difference is mainly attributable to an increase in working capital and higher income tax payments.

Cash flow from investing activities went up primarily due to higher payments for the acquisition and increase in participations from EUR -98.4 million to EUR -112.4 million.

Cash flow from financing activities changed from EUR -30.4 million to EUR -22.7 million, mostly due to the raising of low-interest loans.

## Development in the third quarter

Against the background of the continuing economic downturn and the customers' clearly more cautious ordering behavior, the Group's overall performance was still very successful in the third quarter.

MM Karton managed to maintain both the volumes and average prices of the second quarter. A capacity utilization of 99 % was achieved compared to a utilization of 97 % in the first two quarters of the year (3Q 2011: 91 %). At the same time, prices for fibers have fallen from a high in the first half of the year. MM Karton's operating margin therefore rose to 8.5 % after 5.5 % in the second quarter of 2012 and 5.6 % in the third quarter of 2011.

MM Packaging was able to maintain the high profit level of the second quarter, which was affected by the non-recurring expenses relating to the closure of the folding carton plant in Liverpool. The operating margin reached 10.9 % (2Q 2012: 8.9 %; 3Q 2011: 9.9 %). The solid development in the cigarette packaging area constituted a particularly important contribution in this connection.

The Group's operating profit amounted to EUR 50.9 million and thus exceeded both the figure of the comparative period in 2011 (3Q 2011: EUR 42.7 million) and the value of the second quarter of the current year (2Q 2012: EUR 37.0 million). The Group's operating margin reached 10.3 % (2Q 2012: 7.7 %; 3Q 2011: 8.4 %).

The profit for the period amounted to EUR 39.7 million (2Q 2012: EUR 22.7 million, 3Q 2011: EUR 27.9 million).

### Further information

At the beginning of April 2012, the division MM Packaging acquired a 20 % share in the largest Colombian folding carton manufacturer, Gráficas Los Andes S.A., located in Santiago de Cali. MM Packaging has the right to acquire the remaining share of 80 %. The company generates annual sales of around EUR 17 million.

In June 2012, the division MM Packaging acquired the remaining 30 % share in the Chilean folding carton manufacturer Marinetti S.A., located in Santiago de Chile, and now holds 100 % of the shares.

Also in June 2012, the division MM Packaging acquired the remaining 49 % share in the Tunisian folding carton manufacturer TEC MMP SARL, based in Sfax, and now holds 100 % of the shares.

In the first half of 2012, MM Packaging discontinued packaging production at the Liverpool site in Great Britain due to the economic conditions and recent market developments. The European production network ensures the customers' supply with packaging products.

In mid-September 2012, the division MM Packaging acquired Plegacol, another leading Colombian folding carton manufacturer, located in Santiago de Cali. The company generates annual sales of around EUR 15 million. The merger of Plegacol and Gráficas Los Andes S.A., Cali, will lead to the creation of Columbia's largest folding carton producer.

In September 2012, the division MM Packaging acquired the remaining 24.975 % share in the Russian folding carton manufacturer MM Polygrafoformlenie, based in St. Petersburg, and now holds 100 % of the company's shares .

## Outlook

The latest forecasts confirm our mid-year outlook. Our main sales market Europe is still dominated by a continuing recession. Pressure on volumes and competition will therefore continue to increase. The order backlog and visibility will remain short-term, as the demand for cartonboard and folding cartons continues to be characterized by a cautious ordering behavior.

On the other hand, there is still no sign of a relief for input prices, as the recent fall in prices for fibers is no longer sustainable and the costs of personnel, energy, logistics and chemicals remain at a high level.

In the short run, the stabilization of profitability at a high level achieved in the current year will therefore be faced with both challenging cost developments and a continued market consolidation. Preserving a sound basis for the Group built on a healthy position and the goal of maintaining the best possible margins remain the orders of the day.

We will continue to pursue our growth strategy with determination, focusing primarily on the future markets outside Western Europe.

## Divisions

### MM KARTON

After a short-term upturn in demand at the beginning of the year, which mainly resulted from a restocking of the supply chain, the development of demand for the rest of the year was characterized by caution and orders at short notice. Against this background, the average order backlog of MM Karton in the first three quarters of 2012 amounted to 71,000 tons and was thus significantly lower than the average in the comparative period of the previous year (1-3Q 2011: 105,000 tons), as customers in Europe, our main market, are increasingly planning in the short run.

Due to the high flexibility in production and sales, MM Karton's capacity was, however, almost fully utilized at 98 % in the first three quarters of 2012 (1-3Q 2011: 96 %).

Although there were signs of relief in the development of waste paper prices from mid-year, following a sharp rise at the beginning of the year, the main focus was placed on maintaining the average sales prices as best as possible in line with the sustained high input costs of energy, chemicals and logistics.

1,186,000 tons were produced in the first three quarters, slightly more than in the comparative period of the previous year (1-3Q 2011: 1,169,000 tons). In contrast, the volume sold fell by 34,000 tons or 2.9 % from 1,184,000 tons to 1,150,000 tons. Thereof, 81 % were sold in Europe and 19 % in markets outside Europe (1-3Q 2011: 79 %; 21 %).

The decline in the volume sold also led to a decline in sales by 4.1 % from EUR 733.8 million to EUR 703.7 million. Operating profit reached EUR 49.6 million, which is EUR 7.1 million or 12.5 % below the previous year's record result (1-3Q 2011: EUR 56.7 million), primarily due to costs. The operating margin therefore amounted to 7.0 % (1-3Q 2011: 7.7 %).

Divisional indicators MM Karton (according to IFRS for interim financial reporting, unaudited)

(in millions of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter		
	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011	+/-
Sales <sup>1)</sup>	703.7	733.8	-4.1 %
Operating profit	49.6	56.7	-12.5 %
Operating margin (%)	7.0 %	7.7 %	
Tonnage sold (in thousands of tons)	1,150	1,184	-2.9 %
Tonnage produced (in thousands of tons)	1,186	1,169	+1.5 %

<sup>1)</sup> including interdivisional sales

## MM PACKAGING

The European folding carton markets have also been characterized by a continued downturn in the course of the year, which is due to customers significantly reducing their stocks and the general downturn in consumption. Market activities are thus increasingly determined by orders at short notice, the volatility in incoming orders and intensified competition.

MM Packaging is facing these growing challenges by continually improving its highly efficient production and by placing an intense focus on customers. As a result, the division managed to maintain its profitability at a high level in the first three quarters of this year.

On the whole, the division's capacity utilization was resilient in the reporting period. There is, however, a growing heterogeneity among the individual plants as they focus on different regions and sales segments. The performance in the cigarette packaging segment was particularly remarkable, while in the food segment increasing consolidation in Europe is becoming noticeable.

Amounting to around 490,000 tons, the tonnage processed in the first nine months of 2012 was 5.2 % down from the previous year's figure (1-3Q 2011: 517,000 tons). This reduction is primarily the result of material savings due to an improved efficiency and changes in the product mix.

At EUR 842.5 million, sales almost reached the previous year's level (1-3Q 2011: EUR 850.6 million). Despite high non-recurring expenses relating to the closure of the English packaging plant in Liverpool, operating profit increased slightly from EUR 78.7 million to EUR 80.4 million. Thus, the operating margin amounted to 9.5 % (1-3Q 2011: 9.3 %).

Divisional indicators MM Packaging (according to IFRS for interim financial reporting, unaudited)

(in millions of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter		
	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011	+/-
Sales <sup>1)</sup>	842.5	850.6	-1.0 %
Operating profit	80.4	78.7	+2.2 %
Operating margin (%)	9.5 %	9.3 %	
Tonnage processed (in thousands of tons)	490	517	-5.2 %

<sup>1)</sup> including interdivisional sales

### New folding carton plant in Poland

As a result of the dynamic growth of MM Packaging in Poland, we are currently establishing a third state-of-the-art Polish folding carton plant in Bydgoszcz. The plant is scheduled to commence operations in January 2013.

### Development center for packaging gravure in Trier

In Trier, the worldwide most modern development center for packaging gravure has been built with the aim of exploiting new growth opportunities in this technology sector in close collaboration with our customers.

# Consolidated Balance Sheets

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	Notes	End of 3 <sup>rd</sup> Quarter	Year-end
		Sep. 30, 2012	Dec. 31, 2011
<b>ASSETS</b>			
Property, plant and equipment	2	606,778	594,585
Intangible assets including goodwill	2	88,251	86,027
Securities and other financial assets		11,709	5,397
Deferred income taxes		11,334	9,126
<b>Non-current assets</b>		<b>718,072</b>	<b>695,135</b>
Inventories		254,126	244,503
Trade receivables		289,799	235,859
Income tax receivables		13,411	11,225
Prepaid expenses and other current assets		30,529	31,105
Cash and cash equivalents		321,619	348,755
<b>Current assets</b>		<b>909,484</b>	<b>871,447</b>
<b>TOTAL ASSETS</b>		<b>1,627,556</b>	<b>1,566,582</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		80,000	80,000
Additional paid-in capital		172,658	172,658
Treasury shares	4	(904)	(904)
Retained earnings		823,651	773,160
Other reserves		(15,962)	(30,768)
<b>Equity attributable to shareholders of the Company</b>		<b>1,059,443</b>	<b>994,146</b>
Non-controlling (minority) interests		5,926	11,795
<b>Total equity</b>		<b>1,065,369</b>	<b>1,005,941</b>
Interest-bearing financial liabilities	5	105,901	65,591
Financial lease liabilities	5	0	2,541
Provisions for other non-current liabilities and charges		72,784	72,442
Deferred income taxes		16,211	16,526
<b>Non-current liabilities</b>		<b>194,896</b>	<b>157,100</b>
Interest-bearing financial liabilities	5	60,726	72,160
Financial lease liabilities	5	0	638
Liabilities and provisions for income taxes		10,140	13,234
Trade liabilities		146,711	146,865
Deferred income and other current liabilities		50,330	88,101
Provisions for other current liabilities and charges		99,384	82,543
<b>Current liabilities</b>		<b>367,291</b>	<b>403,541</b>
<b>Total liabilities</b>		<b>562,187</b>	<b>560,641</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,627,556</b>	<b>1,566,582</b>

# Consolidated Income Statements

(according to IFRS for interim financial reporting, unaudited)

	3 <sup>rd</sup> Quarter		1 <sup>st</sup> - 3 <sup>rd</sup> Quarter	
	Jul. 1 -Sep. 30, 2012	Jul. 1 -Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011
<small>(all amounts in thousands of EUR, except per share data)</small>				
Sales	492,278	510,602	1,467,233	1,498,775
Cost of sales	(378,236)	(408,251)	(1,154,123)	(1,186,459)
<b>Gross margin</b>	<b>114,042</b>	<b>102,351</b>	<b>313,110</b>	<b>312,316</b>
Other operating income	2,536	1,667	9,799	6,784
Selling and distribution expenses	(42,925)	(41,870)	(126,534)	(123,522)
Administrative expenses	(22,646)	(19,066)	(66,037)	(59,580)
Other operating expenses	(150)	(288)	(352)	(549)
<b>Operating profit</b>	<b>50,857</b>	<b>42,794</b>	<b>129,986</b>	<b>135,449</b>
Financial income	717	1,096	2,230	3,146
Financial expenses	(1,222)	(2,421)	(4,229)	(5,122)
Other income (expenses) - net	1,972	(1,963)	(3,782)	(5,207)
<b>Profit before tax</b>	<b>52,324</b>	<b>39,506</b>	<b>124,205</b>	<b>128,266</b>
Income tax expense	(12,663)	(11,528)	(33,327)	(36,321)
<b>Profit for the period</b>	<b>39,661</b>	<b>27,978</b>	<b>90,878</b>	<b>91,945</b>
<b>Attributable to:</b>				
Shareholders of the Company	39,629	27,959	90,553	91,481
Non-controlling (minority) interests	32	19	325	464
<b>Profit for the period</b>	<b>39,661</b>	<b>27,978</b>	<b>90,878</b>	<b>91,945</b>
<b>Earnings per share for the profit attributable to the shareholders of the Company during the period:</b>				
Basic and diluted earnings per share (in EUR)	1.98	1.40	4.53	4.58

# Consolidated Comprehensive Income Statements

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	3 <sup>rd</sup> Quarter		1 <sup>st</sup> - 3 <sup>rd</sup> Quarter	
	Jul. 1 - Sep. 30, 2012	Jul. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011
<b>Profit for the period</b>	<b>39,661</b>	<b>27,978</b>	<b>90,878</b>	<b>91,945</b>
<b>Profit (loss) directly recognized in equity:</b>				
Foreign currency translations	4,267	(7,306)	14,767	(20,560)
<b>Total profit (loss) directly recognized in equity - net:</b>	<b>4,267</b>	<b>(7,306)</b>	<b>14,767</b>	<b>(20,560)</b>
<b>Total profit for the period</b>	<b>43,928</b>	<b>20,672</b>	<b>105,645</b>	<b>71,385</b>
<b>Attributable to:</b>				
Shareholders of the Company	43,944	20,174	105,359	71,114
Non-controlling (minority) interests	(16)	498	286	271
<b>Total profit for the period</b>	<b>43,928</b>	<b>20,672</b>	<b>105,645</b>	<b>71,385</b>

# Consolidated Statements of Changes in Equity

(condensed version according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	Notes	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter					Non-controlling (minority) interests	Total equity	
		Equity attributable to shareholders of the Company							
		Share capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves <sup>1)</sup>	Total		
<b>Balance at January 1, 2012</b>		<b>80,000</b>	<b>172,658</b>	<b>(904)</b>	<b>773,160</b>	<b>(30,768)</b>	<b>994,146</b>	<b>11,795</b>	<b>1,005,941</b>
Total profit for the period					90,553	14,806	105,359	286	105,645
Dividends paid	4				(41,968)		(41,968)	(436)	(42,404)
Increase in majority interests					1,906		1,906	(5,719)	(3,813)
<b>Balance at September 30, 2012</b>		<b>80,000</b>	<b>172,658</b>	<b>(904)</b>	<b>823,651</b>	<b>(15,962)</b>	<b>1,059,443</b>	<b>5,926</b>	<b>1,065,369</b>
<b>Balance at January 1, 2011</b>		<b>80,000</b>	<b>176,453</b>	<b>(904)</b>	<b>721,873</b>	<b>(19,659)</b>	<b>957,763</b>	<b>25,356</b>	<b>983,119</b>
Total profit for the period					91,481	(20,367)	71,114	271	71,385
Dividends paid					(38,970)		(38,970)	(548)	(39,518)
Increase in majority interests			(20,107)				(20,107)	(16,046)	(36,153)
<b>Balance at September 30, 2011</b>		<b>80,000</b>	<b>156,346</b>	<b>(904)</b>	<b>774,384</b>	<b>(40,026)</b>	<b>969,800</b>	<b>9,033</b>	<b>978,833</b>

<sup>1)</sup> Other reserves comprise the profit (loss) directly recognized in equity from foreign currency translations.

# Consolidated Cash Flow Statements

(condensed version according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	Notes	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter	
		Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011
Cash flow from operating activities	6	107,270	123,689
Cash flow from investing activities		(112,401)	(98,423)
Cash flow from financing activities		(22,697)	(30,421)
Effect of exchange rate changes on cash and cash equivalents		692	(825)
<b>Net change in cash and cash equivalents</b>		<b>(27,136)</b>	<b>(5,980)</b>
Cash and cash equivalents at the beginning of the period		348,755	332,004
<b>Cash and cash equivalents at the end of the period</b>		<b>321,619</b>	<b>326,024</b>
<b>Adjustments to reconcile cash and cash equivalents to total funds available to the Group:</b>			
Current and non-current securities		5,361	498
<b>Total funds available to the Group</b>		<b>326,980</b>	<b>326,522</b>

## Notes to the Consolidated Quarterly Financial Statements

### (1) General

These condensed consolidated quarterly financial statements and notes thereto of Mayr-Melnhof Karton AG and its subsidiaries have been prepared in accordance with IFRS for interim financial reporting as adopted by the European Union and were neither voluntarily audited nor reviewed by an auditor.

The present condensed consolidated quarterly financial statements have been prepared using the same accounting principles as for the consolidated financial statements as of December 31, 2011. The amendments to existing standards as published in the Official Journal of the European Union and effective since January 1, 2012 have not shown significant impact on the Group's financial statements and financial position.

## (2) Development of fixed assets

The Group spent a total of thous. EUR 70,579 (1-3Q 2011: thous. EUR 82,001) on acquiring property, plant and equipment and intangible assets in the first three quarters of 2012.

Depreciation and amortization on “Property, plant and equipment” and “Intangible assets including goodwill” amounted to thous. EUR 64,609 (1-3Q 2011: thous. EUR 62,064).

Net book values of “Property, plant and equipment” and “Intangible assets including goodwill” are composed as follows:

	End of 3 <sup>rd</sup> Quarter	Year-end
(all amounts in thousands of EUR)	Sep. 30, 2012	Dec. 31, 2011
Lands, similar land rights and buildings	239,905	237,298
Technical equipment and machines	285,391	295,966
Other equipment, fixtures and fittings	35,933	36,091
Payments on account and construction in progress	45,549	25,230
<b>Property, plant and equipment</b>	<b>606,778</b>	<b>594,585</b>

	End of 3 <sup>rd</sup> Quarter	Year-end
(all amounts in thousands of EUR)	Sep. 30, 2012	Dec. 31, 2011
Concessions, licenses and similar rights, and payments on account	5,512	4,460
Goodwill	66,264	64,666
Other intangible assets	16,475	16,901
<b>Intangible assets including goodwill</b>	<b>88,251</b>	<b>86,027</b>

## (3) Purchase commitments

On September 30, 2012 purchase obligations for fixed assets regarding planned capital expenditures maturing within one year amounted to thous. EUR 35,867 (December 31, 2011: thous. EUR 30,753).

## (4) Equity

### TREASURY SHARES

As of September 30, 2012, the Group held 15,260 treasury shares, which is equivalent to 0.08 % of the capital stock. The last share repurchase program was terminated according to schedule on November 7, 2010.

### DIVIDEND

By the 18<sup>th</sup> Ordinary Shareholder's Meeting, a dividend of EUR 2.10 per voting share was resolved for the year 2011 (2010: EUR 1.95) and was due on May 7, 2012. By September 30, 2012 the Group distributed to the shareholders a total of thous. EUR 41,968 (September 30, 2011: thous. EUR 38,970).

## (5) Financial liabilities

Financial liabilities of the Group are as follows:

(all amounts in thousands of EUR)	End of 3 <sup>rd</sup> Quarter	Year-end
	Sep. 30, 2012	Dec. 31, 2011
Non-current interest-bearing financial liabilities	105,901	65,591
Current interest-bearing financial liabilities	60,726	72,160
<b>Interest-bearing financial liabilities</b>	<b>166,627</b>	<b>137,751</b>
Non-current financial lease liabilities	0	2,541
Current financial lease liabilities	0	638
<b>Financial lease liabilities</b>	<b>0</b>	<b>3,179</b>
<b>Total financial liabilities</b>	<b>166,627</b>	<b>140,930</b>

## (6) Cash flow from operating activities

The cash flow from operating activities and income taxes paid are as follows:

(all amounts in thousands of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter	
	Jan. 1 - Sep. 30, 2012	Jan. 1 - Sep. 30, 2011
Cash flow provided by operating activities excluding interest and taxes paid	149,033	160,914
Income taxes paid	(41,763)	(37,225)
<b>Cash flow from operating activities</b>	<b>107,270</b>	<b>123,689</b>

## (7) Disclosure on transactions with related parties

In the first three quarters of 2012 and 2011 no material business transactions were concluded between the Group and related parties. Transactions are carried out on an arm's length basis. Sales, receivables and payables are not of material significance.

## (8) Segment reporting information

The Group's operating segments can be illustrated as follows:

(all amounts in thousands of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter 2012			
	MM Karton	MM Packaging	Eliminations	Consolidated
Sales to external customers	625,440	841,793	0	1,467,233
Intersegment sales	78,262	687	(78,949)	0
<b>Total sales</b>	<b>703,702</b>	<b>842,480</b>	<b>(78,949)</b>	<b>1,467,233</b>
Operating profit	49,560	80,426	0	129,986

(all amounts in thousands of EUR)	1 <sup>st</sup> - 3 <sup>rd</sup> Quarter 2011			
	MM Karton	MM Packaging	Eliminations	Consolidated
Sales to external customers	650,031	848,744	0	1,498,775
Intersegment sales	83,788	1,838	(85,626)	0
<b>Total sales</b>	<b>733,819</b>	<b>850,582</b>	<b>(85,626)</b>	<b>1,498,775</b>
Operating profit	56,725	78,724	0	135,449

## (9) Further information

In April 2012, MM Packaging acquired an interest of 20 % in the folding carton producer Gráficas Los Andes S.A., located in Santiago de Cali, Colombia, for thous. EUR 1,500. The inclusion into the balance sheet will be effected according to the equity method.

In June 2012, the division MM Packaging acquired the remaining share of 30 % in the Chilean folding carton producer Marinetti S.A., located in Santiago de Chile, for thous. EUR 22,730 and thereby holds a participation of 100 % of the company. For the correspondent purchase option a liability was recorded and the changes of the annual valuation were recognized in other income (expenses). The last expense resulting from this issue in 2012 amounts to thous. EUR 4,178.

In September 2009, the non-controlling (minority) shareholder of the Tunisian folding carton producer TEC MMP SARL based in Sfax exercised the put option concerning the 49 %-interest. The correspondent arbitration was closed on July 7, 2011. In June 2012, the division MM Packaging acquired the remaining shares after completion of the local approval process for a price of thous. EUR 3,924 and thereby holds a participation of 100 % of the company.

In September 2012, the division MM Packaging acquired the remaining share of 24.975 % in the Russian folding carton producer MM Polygrafoformlenie Packaging LLC, located in St. Petersburg, for thous. EUR 14,273 and thereby holds a participation of 100 % of the company. For the purchase option a liability was recorded and the changes of the annual valuation were recognized in other income (expenses). The valuation carried out in 2012 for the last time results in an income of thous. EUR 3,825.

In September 2012, the division MM Packaging acquired Plegacol, another leading Columbian folding carton producer, located in Santiago de Cali. The completion of the transaction and thus the inclusion into the Group and the division is planned in the fourth quarter 2012.

## (10) Subsequent events

No events that require disclosure took place between the balance sheet date September 30, 2012 and the publication approval on November 14, 2012.

# Quarterly Overview

(according to IFRS for interim financial reporting, unaudited)

## Mayr-Melnhof Group

(consolidated, in millions of EUR)	1 <sup>st</sup> Quarter 2011	2 <sup>nd</sup> Quarter 2011	3 <sup>rd</sup> Quarter 2011	4 <sup>th</sup> Quarter 2011	1 <sup>st</sup> Quarter 2012	2 <sup>nd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2012
Sales	494.7	493.5	510.6	460.8	494.9	480.1	492.2
EBITDA	70.7	62.5	62.4	56.2	62.6	59.2	70.7
EBITDA margin (%)	14.3 %	12.7 %	12.2 %	12.2 %	12.6 %	12.3 %	14.4 %
Operating profit	50.0	42.7	42.7	35.5	42.1	37.0	50.9
Operating margin (%)	10.1 %	8.7 %	8.4 %	7.7 %	8.5 %	7.7 %	10.3 %
Profit before tax	48.5	40.3	39.5	33.5	39.6	32.3	52.3
Income tax expense	(13.1)	(11.7)	(11.6)	(6.7)	(11.1)	(9.6)	(12.6)
Profit for the period	35.4	28.6	27.9	26.8	28.5	22.7	39.7
Net profit margin (%)	7.2 %	5.8 %	5.5 %	5.8 %	5.8 %	4.7 %	8.1 %
Earnings per share (basic and diluted in EUR)	1.76	1.42	1.40	1.33	1.40	1.15	1.98

## Divisions

### MM KARTON

(in millions of EUR)	1 <sup>st</sup> Quarter 2011	2 <sup>nd</sup> Quarter 2011	3 <sup>rd</sup> Quarter 2011	4 <sup>th</sup> Quarter 2011	1 <sup>st</sup> Quarter 2012	2 <sup>nd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2012
Sales <sup>1)</sup>	243.4	249.1	241.3	213.4	231.4	235.1	237.2
Operating profit	24.3	19.0	13.4	11.7	16.6	12.9	20.1
Operating margin (%)	10.0 %	7.6 %	5.6 %	5.5 %	7.2 %	5.5 %	8.5 %
Tonnage sold (in thousands of tons)	399	404	381	327	378	387	385
Tonnage produced (in thousands of tons)	390	407	372	322	390	398	398

<sup>1)</sup> including interdivisional sales

### MM PACKAGING

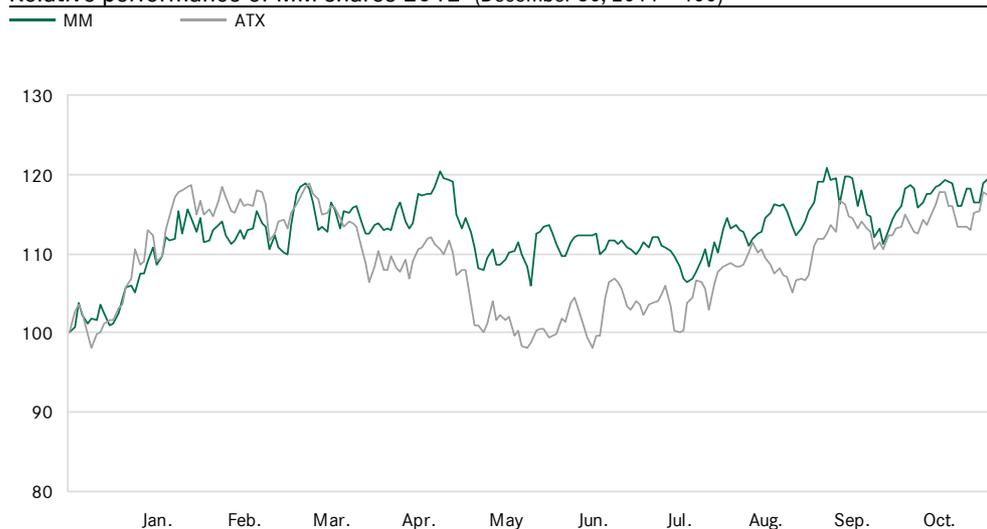
(in millions of EUR)	1 <sup>st</sup> Quarter 2011	2 <sup>nd</sup> Quarter 2011	3 <sup>rd</sup> Quarter 2011	4 <sup>th</sup> Quarter 2011	1 <sup>st</sup> Quarter 2012	2 <sup>nd</sup> Quarter 2012	3 <sup>rd</sup> Quarter 2012
Sales <sup>1)</sup>	281.2	272.8	296.6	274.3	289.3	271.3	281.9
Operating profit	25.7	23.7	29.3	23.8	25.5	24.1	30.8
Operating margin (%)	9.1 %	8.7 %	9.9 %	8.7 %	8.8 %	8.9 %	10.9 %
Tonnage processed (in thousands of tons)	177	168	172	163	166	157	167

<sup>1)</sup> including interdivisional sales

**The Management Board  
of Mayr-Melnhof Karton AG**

# Mayr-Melnhof Shares

## Relative performance of MM shares 2012 (December 30, 2011 = 100)



Share price (closing price)

as of November 8, 2012	78.00
2012 High	79.13
2012 Low	66.02
Stock performance (Year-end 2011 until November 8, 2012)	+19.07 %
Number of shares issued	20 million
Market capitalization as of November 8, 2012 (in millions of EUR)	1,558.81
Trading volume (average per day 1-3Q 2012 in millions of EUR)	0.89

### EXCHANGE AND CANCELLATION OF EFFECTIVELY ISSUED SHARE CERTIFICATES

In accordance with legal regulations, Mayr-Melnhof Karton AG is obliged to replace all bearer share certificates still in circulation (effective share certificates) with a collective instrument and, if necessary, to declare as void any bearer share certificates that have not been presented pursuant to Austrian Stock Corporation Act. With September 27, 2012, the respective process of exchange was completed in time. 2,082 shares have not been presented for exchange and have been declared as void.

With cancellation effectively issued share certificates lose their status as securities. The property position as shareholder remains unaffected. Remaining owners of share certificates can demand for a credit note on their securities deposit any time at the UniCredit Bank Austria AG, 1010 Vienna, Schottengasse 6-8, as tender agent or at the custodian bank during ordinary business hours by the submission of effective share certificates declared void.

As of September 28, 2012 only those shares designated as ISIN AT0000938204 that are securitized in collective certificates will be listed and traded as common shares on the Vienna Stock Exchange.

## Financial Calendar 2013

March 14, 2013	Financial results for 2012
April 24, 2013	19 <sup>th</sup> Ordinary Shareholders' Meeting - Vienna
April 30, 2013	Ex-dividend day
May 7, 2013	Dividend payment date
May 15, 2013	Results for the 1 <sup>st</sup> quarter of 2013
August 14, 2013	Results for the 1 <sup>st</sup> half-year of 2013
November 14, 2013	Results for the first three quarters of 2013

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