



# MAYR-MELNHOF GROUP

1<sup>st</sup> – 3<sup>rd</sup> Quarter Results 2014

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November 13, 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

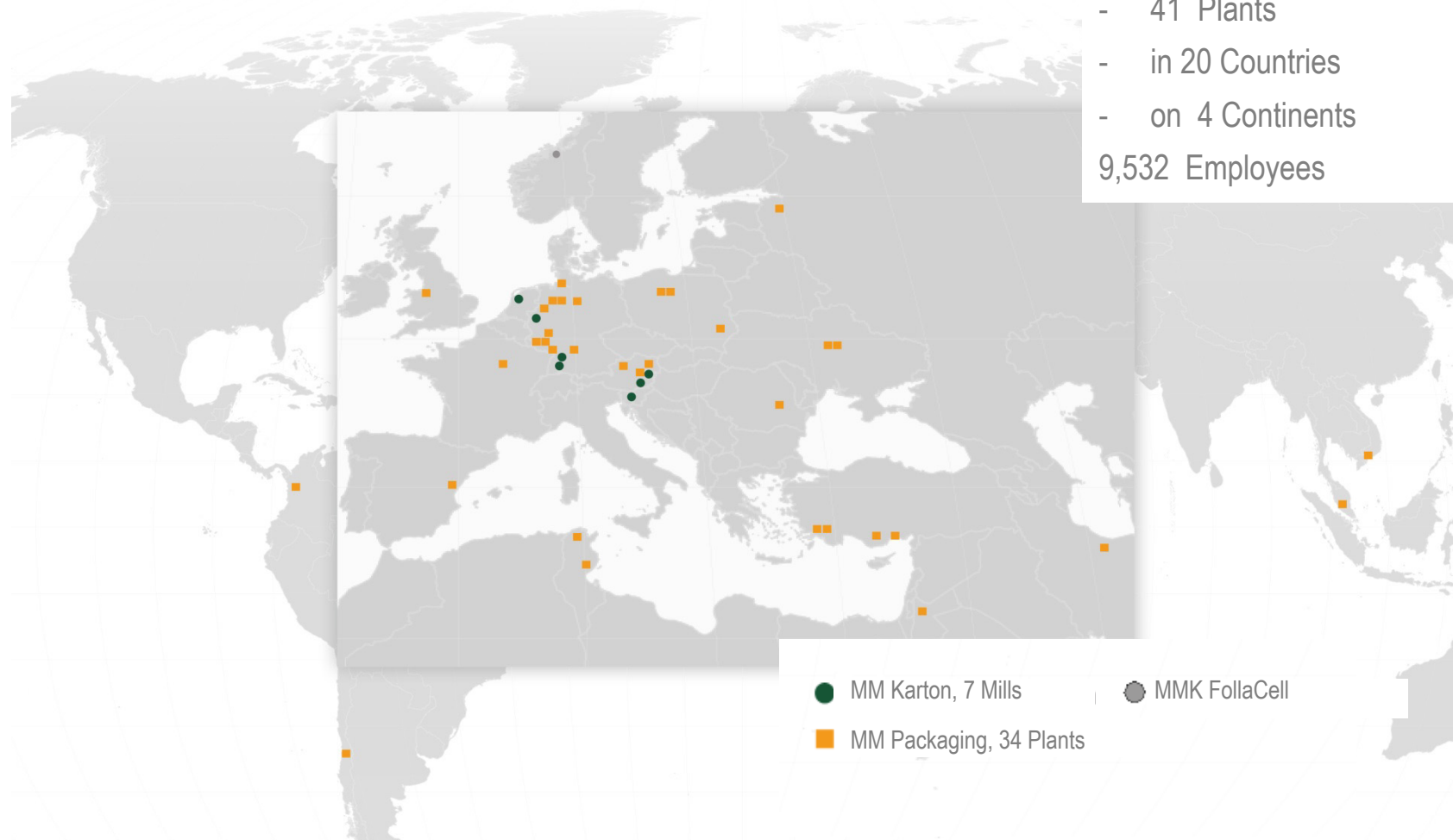
Leading European folding carton producer with growing presence outside of Europe





# 41 Production Sites

- 41 Plants
  - in 20 Countries
  - on 4 Continents
- 9,532 Employees



- MM Karton, 7 Mills
- MM Packaging, 34 Plants
- MMK FollaCell



# Headlines 1<sup>st</sup> - 3<sup>rd</sup> Quarter 2014

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- Growth in sales and profit
- Solid volume development
- Increasingly restrained demand

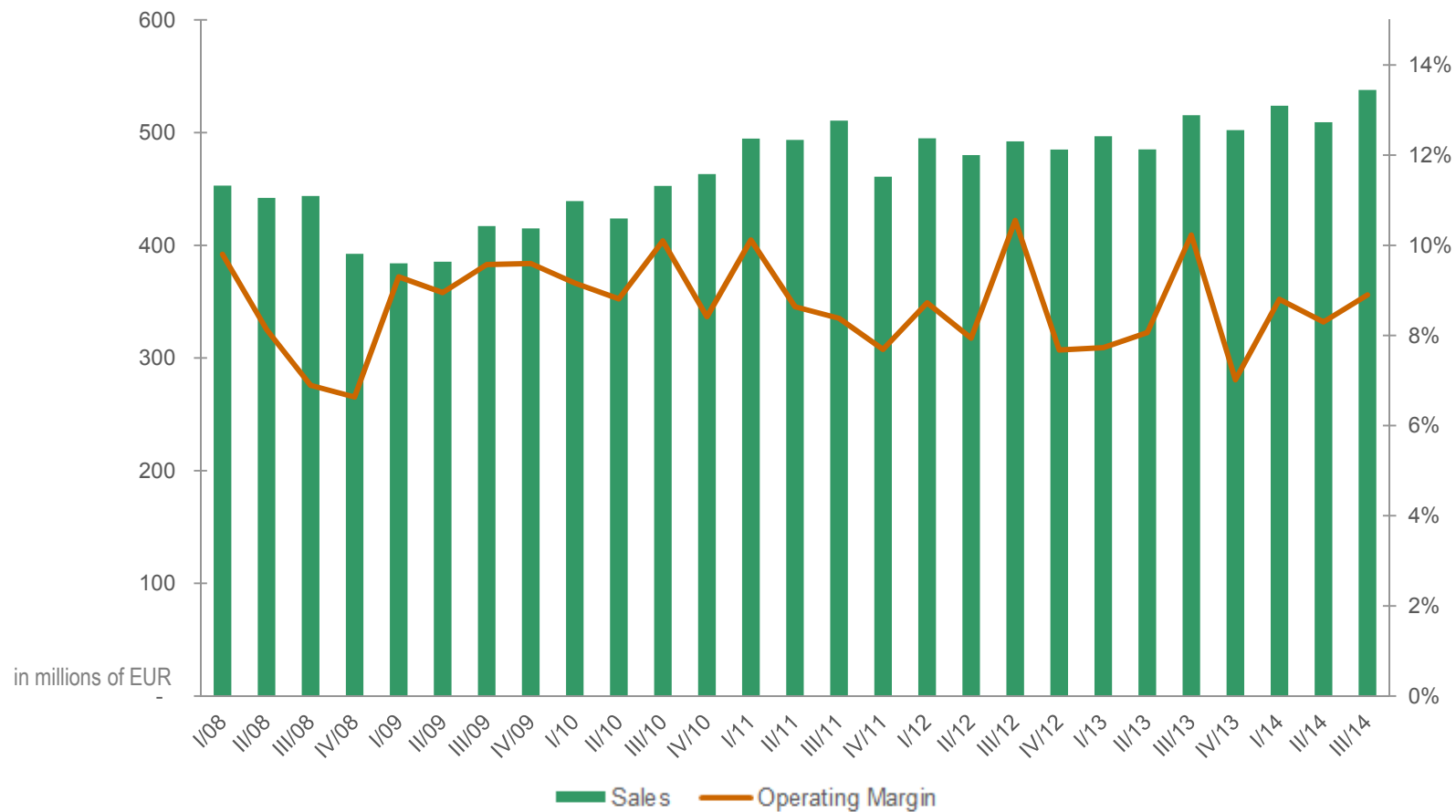


# Group Results 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2014

consolidated in millions of EUR, IFRS	1-3Q/2014	1-3Q/2013	+/-
<b>Sales</b>	<b>1,571.0</b>	1,497.1	+4.9 %
<b>Operating profit</b>	<b>136.5</b>	130.2	+4.8 %
<b>Operating margin (in %)</b>	<b>8.7 %</b>	8.7 %	
<b>Profit before tax</b>	<b>131.5</b>	122.2	+7.6 %
Income tax expense	(34.0)	(29.4)	
<b>Profit for the period</b>	<b>97.5</b>	92.8	+5.1 %
Net profit margin (in %)	6.2 %	6.2 %	
<b>Cash earnings</b>	<b>167.4</b>	160.0	+4.6 %
Cash earnings margin (in %)	10.7 %	10.7 %	
Earnings per share (in EUR)	4.86	4.62	+5.2 %
<b>Capital expenditures</b>	<b>97.3</b>	79.4	
<b>Depreciation and amortization</b>	<b>69.6</b>	68.2	



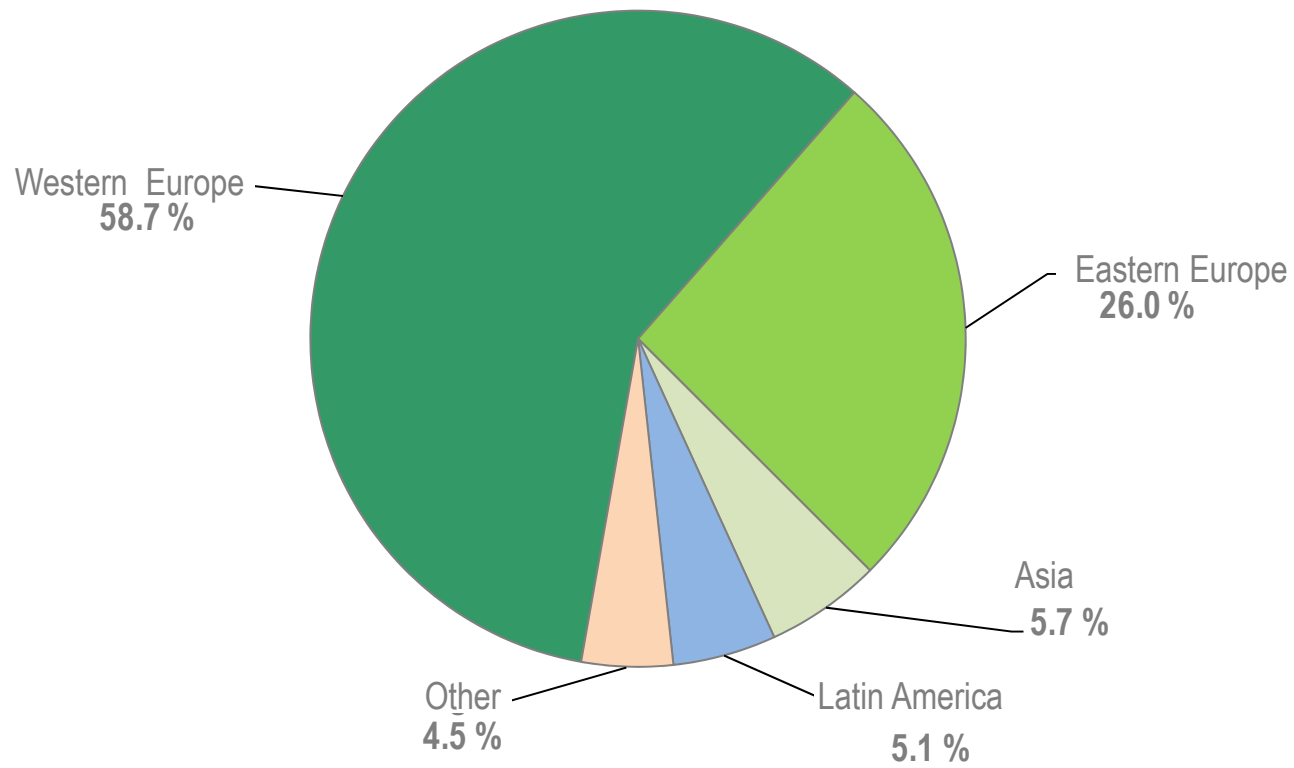
# MM Group – Quarterly Overview





# Sales by Destination

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# Consolidated Balance Sheet

consolidated in millions of EUR, IFRS	Sep. 30, 2014	Dec. 31, 2013
<b>Non-current assets</b>	<b>812.3</b>	791.3
<b>Current assets</b>	<b>863.6</b>	911.2
<b>Total assets</b>	<b>1,675.9</b>	1,702.5
<b>Equity</b>	<b>1,092.8</b>	1,111.8
<b>Liabilities</b>	<b>583.1</b>	590.7
<b>Total equity and liabilities</b>	<b>1,675.9</b>	1,702.5
<b>Total funds available to the Group</b>	<b>183.8</b>	303.5
<b>Total equity to total assets (in %)</b>	<b>65.2 %</b>	65.3 %
<b>Net liquidity</b>	<b>20.6</b>	133.9



# Mayr-Melnhof Karton

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# MM Karton Overview 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2014

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- Continuous short-term visibility
- Capacity utilization 1-3Q 2014: 98% (1-3Q 2013: 99%)
- Extended product mix (inclusion pulp mill MMK FollaCell) and optimized prices
- Stability on raw materials markets, lower energy prices
- Rise in sales and earnings



# MMK Results 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2014

in millions of EUR, IFRS	1-3Q/2014	1-3Q/2013	+/-
<b>Sales</b>	<b>767.9</b>	726.2	+5.7 %
<b>Operating profit</b>	<b>58.9</b>	52.6	+12.0 %
<b>Operating margin</b> (in %)	<b>7.7 %</b>	7.2 %	
<b>Tonnage sold</b> (in thousands of tons)	<b>1,218</b>	1,213	+0.4 %
<b>Tonnage produced</b> (in thousands of tons)	<b>1,213</b>	1,212	+0.1 %
<b>Employees</b>	<b>2,644</b>	2,537 <sup>1)</sup>	
<b>Investments</b>	<b>53.8</b>	29.2	
<b>Depreciation and amortization</b>	<b>29.1</b>	28.8	

<sup>1)</sup>as of December 31, 2013



# MMK – Quarterly Overview

in millions of EUR, IFRS	1Q/2013	2Q/2013	3Q/2013	4Q/2013	1Q/2014	2Q/2014	3Q/2014
<b>Sales</b>	237.6	239.1	249.5	238.4	259.4	252.0	256.5
<b>Operating profit</b>	11.3	15.6	25.7	12.7	18.8	20.2	19.9
<b>Operating margin (in %)</b>	4.8 %	6.5 %	10.3 %	5.3 %	7.2 %	8.0 %	7.8 %
<b>Tonnage sold (in thous. of tons)</b>	404	399	410	386	408	398	412
<b>Tonnage produced (in thous. of tons)</b>	391	413	408	392	401	404	408



# MM Karton **FOODBOARD™**

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Cartonboard-Novelty for optimum protection of food

**F**OODBOARD™

Major investment at Austrian Frohnleiten board mill (~ EUR 50 million)

Implementation focus in 4<sup>th</sup> quarter of 2014

# Mayr-Melnhof Packaging

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# MMP Overview 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2014

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- Lack of impulses from private consumption in Europe
- Intensified competition
- Gain in volume and market share
- Further efficiency and productivity increases
- Expansion in particular at plants in Poland, Romania, Turkey and Vietnam
- Continuity in earnings



# MMP – 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2014

in millions of EUR, IFRS	1-3Q/2014	1-3Q/2013	+/-
<b>Sales</b>	<b>882.0</b>	849.5	+3.8 %
<b>Operating profit</b>	<b>77.6</b>	77.6	+0.0 %
<b>Operating margin</b> (in %)	<b>8.8 %</b>	9.1 %	
<b>Tonnage processed</b> (in thous. of tons)	<b>530</b>	502	+5.6 %
<b>Sheet equivalent</b> (in millions)	<b>1,514.2</b>	1,400.8	+8.1 %
<b>Employees</b>	<b>6,888</b>	6,940 <sup>1)</sup>	
<b>Investments</b>	<b>43.5</b>	50.2	
<b>Depreciation and amortization</b>	<b>40.5</b>	39.4	

<sup>1)</sup>as of December 31, 2013





# MMP – Quarterly Overview

in millions of EUR, IFRS	1Q/2013	2Q/2013	3Q/2013	4Q/2013	1Q/2014	2Q/2014	3Q/2014
<b>Sales</b>	285.6	271.9	292.0	289.2	290.4	282.6	309.0
<b>Operating profit</b>	27.1	23.5	27.0	22.5	27.4	22.3	27.9
<b>Operating margin</b> (in %)	9.5 %	8.6 %	9.2 %	7.8 %	9.4 %	7.9 %	9.0 %
<b>Tonnage processed</b> (in thous. of tons)	168	166	168	169	178	173	179
<b>Sheet equivalent</b> (in millions)	465.7	459.2	475.9	472.9	501.8	484.8	527.6



# Outlook

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- Weakening European economy effects also packaging demand
- If trend continues increased pressure on prices will arise
- Focus on productivity and volume gain
- Target – Keep up high level profitability
- 4Q profit below 3Q due to rebuild-related downtime



# Appendix

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# MM Group – Quarterly Overview

consolidated in millions of EUR, IFRS	1Q/2013	2Q/2013	3Q/2013	4Q/2013	1Q/2014	2Q/2014	3Q/2014
<b>Sales</b>	<b>496.7</b>	<b>485.1</b>	<b>515.3</b>	<b>502.3</b>	<b>523.9</b>	<b>509.2</b>	<b>537.9</b>
<b>EBITDA</b>	<b>60.3</b>	<b>61.8</b>	<b>73.5</b>	<b>56.7</b>	<b>68.5</b>	<b>65.0</b>	<b>70.1</b>
EBITDA margin (in %)	12.1 %	12.7 %	14.3 %	11.3 %	13.1 %	12.8 %	13.0 %
<b>Operating profit</b>	<b>38.4</b>	<b>39.1</b>	<b>52.7</b>	<b>35.2</b>	<b>46.2</b>	<b>42.5</b>	<b>47.8</b>
<b>Operating margin (in %)</b>	<b>7.7 %</b>	<b>8.1 %</b>	<b>10.2 %</b>	<b>7.0 %</b>	<b>8.8 %</b>	<b>8.3 %</b>	<b>8.9 %</b>
<b>Profit before tax</b>	<b>36.2</b>	<b>37.2</b>	<b>48.8</b>	<b>34.2</b>	<b>43.3</b>	<b>39.4</b>	<b>48.8</b>
Income tax expense	(9.2)	(9.5)	(10.7)	(4.1)	(11.2)	(10.5)	(12.3)
<b>Profit for the period</b>	<b>27.0</b>	<b>27.7</b>	<b>38.1</b>	<b>30.1</b>	<b>32.1</b>	<b>28.9</b>	<b>36.5</b>
Net profit margin (in %)	5.4 %	5.7 %	7.4 %	6.0 %	6.1 %	5.7 %	6.8 %
<b>Earnings per share (in EUR)</b>	<b>1.35</b>	<b>1.37</b>	<b>1.90</b>	<b>1.49</b>	<b>1.59</b>	<b>1.44</b>	<b>1.83</b>
<b>Cash Earnings</b>	<b>49.5</b>	<b>50.7</b>	<b>59.8</b>	<b>44.1</b>	<b>55.3</b>	<b>52.2</b>	<b>59.9</b>
Cash earnings margin (in %)	10.0 %	10.5 %	11.6 %	8.8 %	10.6 %	10.3 %	11.1 %