

**PRESS RELEASE**

November 13, 2008

RESULTS FOR THE FIRST THREE QUARTERS OF 2008:

- *Profit for the period 14.7 % below previous year*
- *Significant decline in profit of MM Karton due to high cost pressure and increasing downtime*
- *MM Packaging stands its grounds*
- *Forecasting possibilities considerably limited by customers' short-term and volatile planning*
- *Confirmation of dividend increase for current financial year*
- *Growth path will be continued*

As forecasted development of Mayr-Melnhof Group's third quarter results was characterized by continued cost pressure resulting from a further price increase of crude oil related input factors, especially natural gas, as well as from significantly increasing market-related downtime in cartonboard production. Thus, the market slowdown which has already been documented for four quarters was continuing under extremely high cost pressure as expected. At EUR 78.4 million the profit for the period of the first three quarters of 2008 came in 14.7 % below last year's level.

MM Packaging succeeded in stabilizing the profit through increased sales and gains in productivity, which however was not possible for MM Karton mainly due to downtime cost in the third quarter and increased energy prices. Since this fall MM Karton has therefore been pursuing an increase in cartonboard prices, of which the overall effect will not be assessable before the first quarter of 2009.

Due to the generation of persistently high cash flows we confirm the continuation of the dynamic dividend policy for the current year.

For the forthcoming period of further economic slowdown our focus will center on safeguarding our assets as well as maintaining our growth path. The strength of our balance sheet and of our market position opens up good prospects for new opportunities.

GROUP KEY INDICATORS (in accordance with IFRS)

| consolidated in millions of EUR, IFRS | 1-3Q/2008 | 1-3Q/2007 | +/- |
|---------------------------------------|------------------|---------------------|---------|
| Sales | 1,338.8 | 1,292.5 | +3.6 % |
| Operating profit | 110.9 | 132.2 | -16.1 % |
| Operating margin (%) | 8.3 % | 10.2 % | |
| Profit before tax | 113.7 | 134.3 | -15.3 % |
| Profit for the period | 78.4 | 91.9 | -14.7 % |
| Net profit margin (%) | 5.9 % | 7.1 % | |
| thereof minority interest | 1.7 | 1.4 | |
| Employees | 8,274 | 8,657 ¹⁾ | |

¹⁾ as of December 31, 2007

The Group recorded an increase in consolidated sales by 3.6 % to EUR 1,338.8 million (1-3Q 2007: EUR 1,292.5 million) resulting from slight volume gains in both divisions. The operating profit decreased by 16.1 % to EUR 110.9 million (1-3Q 2007: EUR 132.2 million). This decline is attributable to considerably lower profit contribution from cartonboard production due to significant increases in input factor costs and decreasing capacity utilization in the third quarter as well as the lacking profit contribution from the recovered paper companies sold.

In the first quarter, expenses of EUR 22.6 million were recorded for the closure of the Bulgarian board mill MM Nikopol, while proceeds in the amount of EUR 20.0 million were realized from the sale of the recovered paper company Joh. Spiels and the recovered paper companies "Papyrus Group" and Parek.

Profit before tax reached EUR 113.7 million compared to EUR 134.3 million in the first three quarters of the previous year. Income tax expense decreased from EUR 42.4 million to EUR 35.3 million. At 31.0 %, the effective Group tax rate was only slightly below the previous year's level (1-3Q 2007: 31.6 %) despite a lower German corporate tax rate. This effect results mainly from taxation of non-recurrent income from the sale of companies in the first quarter.

The profit for the period amounted to EUR 78.4 million compared to EUR 91.9 million in the reference period of the previous year. With a basic weighted average of 21,751,850 shares outstanding, the earnings per share amounted to EUR 3.53 (1-3Q 2007: EUR 4.11).

Development in the 3rd Quarter

The development of MM Karton in the third quarter was affected by a sharp increase in energy prices and high downtime cost while selling prices remained largely stable. At 86 % the average capacity utilization was clearly lower than in the previous quarter (2Q 2008: 96 %; 3Q 2007: 99.5 %). The easing on the fibers markets, particularly for recovered paper, continued only on a very slow pace. Despite maximal price discipline the operating margin of MM Karton declined to 2.0 % compared to 5.3 % in the second quarter (3Q 2007: 8.2 %).

The development of MM Packaging was steady as expected, with an operating margin attaining 10.1 % (2Q 2008: 9.6 %; 3Q 2007: 10.9 %).

The Group's operating profit amounted to EUR 30.6 million after EUR 35.9 million in the second quarter (3Q 2007: EUR 46.7 million). The profit for the period decreased from EUR 28.1 million to EUR 23.0 million compared to the previous quarter (3Q 2007: EUR 32.7 million).

OUTLOOK

Against a backdrop of anticipated deflation we see extremely short-term and volatile planning of our customers. Thus, an estimate of the results for the full year is currently still not possible. Due to seasonality we expect fourth quarter order intake to be lower than in the previous quarters. Consequently comprehensive temporary downtime throughout the Group is planned for the second half of December. However, we already see the trend reversal of costs which we forecasted for the turn of the year getting confirmed for recovered paper and energy. This may temporarily cushion the effect on results from an increasingly tightening demand situation.

The Group has adjusted itself for a decline in consumption in the next periods and has prepared appropriate measures. Our investing activity remains focused on cost cutting measures and growth in new markets bordering Europe.

The prospects for bringing in new business and acquisitions are good. We have adequate funds and resources to use these prospects at the right moment. MM will continue its growth path.

DIVISIONS

MM Karton

Against a backdrop of declining demand the planning horizon of our customers has become considerably shorter in the course of this year. The average order backlog in the first three quarters of 2008 stood at 54,000 tons compared to an atypically high level of 188,000 tons a year earlier. Nevertheless, MM Karton was successful in maintaining its market shares in spite of maximal price discipline.

Due to the highly satisfactory sales performance in the first half of this year the tonnage sold amounted to 1,240,000 tons for the first three quarters and was thus still slightly above prior-year level (1-3Q 2007: 1,230,000 tons). Approximately 80 % of this volume was sold in Europe and 20 % in non-European markets (1-3Q 2007: 85 %; 15 %). In contrast, the volume produced decreased slightly by 3.3 % to 1,228,000 tons (1-3Q 2007: 1,270,000 tons), resulting in an average capacity utilization at MM Karton of 93 % (1-3Q 2007: 98 %). While downtime was limited to smaller mills before the summer months, all mills have been affected by selected downtime since mid-year.

On the procurement side, further significant price increases were recorded most notably for energy, especially natural gas, and other crude oil related input factors. The expected easing in prices for recovered paper has developed only very haltingly so far.

Sales increased just slightly from EUR 683.1 million to EUR 687.2 million due to volume while average prices remained largely constant. The operating profit, however, decreased significantly by 37.9 % from EUR 56.0 million to EUR 34.8 million as a result of the surging costs. Hence, the operating margin declined to 5.1 % (1-3Q 2007: 8.2 %).

MM Packaging

Parallel to the accelerating economic slowdown, also European folding carton markets are increasingly facing more cautious planning by customers. A large number of our accounts from the consumer goods industry is already noticing – to a varying extent – a beginning reluctance in consumer spending.

Due to the capture of new market shares, particularly the new business procured in the previous year, MM Packaging continued recording a growth rate disproportionate to the market in the reporting period. The tonnage processed increased to 505,000 tons, up 3.1 % (1-3Q 2007: 490,000 tons).

Based on the encouraging increase in volume and continuous gains in productivity, MM Packaging so far largely stabilized results, despite ongoing challenges from cost and price pressure. Further savings and optimizations within site network will however be demanded.

In this connection the production of the Russian folding carton plant MM Packaging St. Petersburg will be transferred to the larger affiliated site of MM Polygrafoformlenie Packaging, St. Petersburg, in December 2008.

Sales rose by EUR 38.8 million to EUR 755.3 million, which represents a growth of 5.4 %. Due to increases in costs and shifts in the sales mix the operating profit amounting to EUR 76.1 million (1-3Q 2007: EUR 76.2 million) remained at the previous year's level. The operating margin was therefore 10.1 % (1-3Q 2007: 10.6 %).

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The report for the first three quarters of 2008 is available on the Company website <http://www.mayr-melnhof.com>. The financial results for 2008 will be released on March 18, 2009.

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