



PRESS RELEASE

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RESULTS FOR THE FIRST THREE QUARTERS 2013

- Sales and profit for the period above the previous year
- Solid capacity utilization
- Lower average prices weigh on operating profit
- Course of expansion continued

The Mayr-Melnhof Group was able to stand up firmly during the first three quarters of 2013 despite of unaltered restrained private consumption and increased competition in the main market Europe. At EUR 92.8 million, the profit for the period was slightly above the comparative value of the previous year (1-3Q 2012: EUR 91.5 million), whereby a negative goodwill from the acquisition of the pulp mill MMK FollaCell, Norway, had to be recorded as non-recurring income in the third quarter. With high capacity utilization MM Karton as well as MM Packaging succeeded in increasing volumes and sales.

The most current agreement on the acquisition of two folding carton sites in Russia and a high-performance plant in Germany opens up further expansion with attractive value creation potential.

There are still no signs for a recovery of demand. Hence, short-term planning of our customers and persistent price pressure can be expected also in the following months. The MM Group's focus remains on the continuation of a sustainably profitable development.

GROUP KEY INDICATORS – IFRS

consolidated, in millions of EUR, IFRS	1-3Q/2013	1-3Q/2012	+/-
Sales	1,497.1	1,467.2	+2.0 %
Operating profit	130.2	133.2	-2.3 %
Operating margin (in %)	8.7 %	9.1 %	
Profit before tax	122.2	125.0	-2.2 %
Profit for the period	92.8	91.5	+1.4 %
Net profit margin (in %)	6.2 %	6.2 %	
Earnings per share (in EUR)	4.62	4.56	
Employees	9,055	8,836 ¹⁾	
Capital expenditures	79.4	70.6	
Depreciation and amortization	68.2	64.6	

¹⁾ as of December 31, 2012

The Group's consolidated sales totalled EUR 1,497.1 million and thus were 2.0 % or EUR 29.9 million above the value for the previous year (1-3Q 2012: EUR 1,467.2 million). This rise mainly results from increased volumes in both divisions.

At EUR 130.2 million, an operating profit of 2.3 % or EUR 3.0 million below the previous year's value (1-3Q 2012: EUR 133.2 million) was achieved. As a result of first-time consolidation of the Norwegian pulp producer MMK FollaCell, a preliminary negative goodwill of around EUR 10 million had to be recognized as a non-recurring income. Thus, the Group achieved an operating margin of 8.7 % (1-3Q 2012: 9.1 %).

In line with the decreased interest level, financial income went down to EUR 1.0 million (1-3Q 2012: EUR 2.2 million) and financial expenses to EUR -2.8 million (1-3Q 2012: EUR -4.2 million).

Profit before tax totalled EUR 122.2 million after EUR 125.0 million in the first three quarters of the previous year. Income tax expense decreased from EUR 33.5 million to EUR 29.4 million, which resulted in an effective Group tax rate of 24.1 % (1-3Q 2012: 26.8 %).

Profit for the period rose slightly by 1.4 % to EUR 92.8 million (1-3Q 2012: EUR 91.5 million). In the reporting period, a basic weighted average of 20,000,000 shares was outstanding, resulting into earnings per share of EUR 4.62 (1-3Q 2012: EUR 4.56).

DEVELOPMENT IN THE THIRD QUARTER

Despite a continuing lack of stimulus from the economy as a whole, the MM Group was able to maintain its position successfully with a solid development in volume and income throughout the third quarter.

MM Karton succeeded in improving average prices as well as sales volumes compared to the second quarter. Capacity utilization reached 99 % (3Q 2012: 99 %), subsequent to full capacity utilization already in the first two quarters of the year. At the same time the largely stable development on the input markets continued. The operating margin of MM Karton including the non-recurring income from the acquisition MMK FollaCell amounted to 10.3 % following 6.5 % in the second quarter 2013 and 8.7 % in the third quarter 2012.

With good capacity utilization, MM Packaging achieved an operating margin of 9.2 % (2Q 2013: 8.6 %; 3Q 2012: 11.1 %).

At EUR 52.7 million, the Group's operating profit was above the value of the second quarter 2013 (EUR 39.1 million) and above the previous year's value (3Q 2012: EUR 51.9 million). The Group's operating margin amounted to 10.2 % (2Q 2013: 8.1 %; 3Q 2012: 10.5 %).

The profit for the period reached EUR 38.1 million (2Q 2013: EUR 27.7 million; 3Q 2012: EUR 39.9 million).

OUTLOOK

Recent forecasts confirm our mid-year outlook. General conditions in our main European markets for cartonboard and folding cartons will continue to be marked by, at best, a constant level of demand for fast-moving consumer goods in the coming months. Accordingly, customer planning and visibility can be expected to continue on a short-term level.

At the same time, indicators also point out continuity on the raw material markets for the foreseeable future, especially for recovered paper. Hence, intensified competitive pressure will remain a significant challenge. Continuous efficiency improvements and market development are therefore directed at increasing and/or maintaining our margins and market shares as best as possible. Our growth strategy will be consistently further pursued.

DEVELOPMENT IN THE DIVISIONS

MM KARTON

in millions of EUR, IFRS	1-3Q/2013	1-3Q/2012	+/-
Sales¹⁾	726.2	703.7	+3.2 %
Operating profit	52.6	51.5	+2.1 %
Operating margin (in %)	7.2 %	7.3 %	
Tonnage sold (in thousands of tons)	1,213	1,150	+5.5 %
Tonnage produced (in thousands of tons)	1,212	1,186	+2.2 %

¹⁾ including interdivisional sales

The development of demand on the European cartonboard markets during the first three quarters of 2013 was marked by short-term visibility resulting from cautious customer planning and high competitive pressure. MM Karton nevertheless succeeded in achieving a capacity utilization of 99 % (1-3Q 2012: 98 %) in the reporting period with an attractive range of recycling and virgin fiber-based cartonboard. The average order backlog amounted to 82,000 tons (1-3Q 2012: 71,000 tons).

With continuing stable prices on procurement markets, pressure on selling prices remains unabated. MM Karton could not stay neutral to this development. However, since the beginning of the year MM Karton has managed to gradually raise average sales prices through systematic optimization measures while safeguarding market shares.

Both production as well as tonnage sold, at 1,212,000 tons and 1,213,000 tons respectively, were above the comparable figures of the previous year (1-3Q 2012: 1,186,000 tons and 1,150,000 tons respectively). Around 82 % of the quantity sold was in Europe and 18 % in markets outside Europe (1-3Q 2012: 81 %; 19 %).

Sales rose simultaneously to the quantity sold from EUR 703.7 million to EUR 726.2 million. The operating profit including the non-recurring income from the acquisition MMK FollaCell amounted to EUR 52.6 million (1-3Q 2012: EUR 51.5 million). The operating margin was therefore 7.2 % (1-3Q 2012: 7.3 %).

MM PACKAGING

in millions of EUR, IFRS	1-3Q/2013	1-3Q/2012	+/-
Sales¹⁾	849.5	842.5	+0.8 %
Operating profit	77.6	81.8	-5.1 %
Operating margin (in %)	9.1 %	9.7 %	
Tonnage processed (in thousands of tons)	502	490	+2.4 %

¹⁾ including interdivisional sales

While demand on the European folding carton markets was marked by gradual weakening in consumption during the first half of 2013, the development has become more stable again since the middle of the year. However, existing overcapacity and high level of tender activities of major customers are continuing to intensify competitive pressures among suppliers. A small number of plant closures in the industry have therefore brought hardly noticeable relief.

Nevertheless, a large range of efficiency improvement measures and service initiatives are ensuring that our sites remain highly competitive and attractive even in more tightened overall conditions. Thus, it was possible to operate our folding carton production plants again at an overall high capacity utilization in the first three quarters of 2013. However, permanent price pressure and high volatility in planning of our customers remain major challenges.

The tonnage processed went up from 490,000 tons (1-3Q 2012) to 502,000 tons, with material efficiency also increasing at the same time.

In contrast, sales at EUR 849.5 million remained almost stable (1-3Q 2012: EUR 842.5 million), whereby a solid operating margin of 9.1 % (1-3Q 2012: 9.7 %) could be reached again. At EUR 77.6 million, the operating profit for the first three quarters came in below the comparative value of the previous year (1-3Q 2012: EUR 81.8 million), which was affected by non-recurring expenses related to the closure of a folding carton plant in England.

Course of expansion continued

In November 2013, the division MM Packaging entered into an agreement to acquire three A&R Carton sites, St. Petersburg, Timashevsk, Southern Russia, and Augsburg, Germany. The operations concentrate on rotogravure printing, particularly for tobacco packaging and general packaging for consumer goods manufacturers in Russia respectively.

QUARTERLY OVERVIEW

MAYR-MELNHOF GROUP

consolidated, in millions of EUR, IFRS	1Q/2012	2Q/2012	3Q/2012	4Q/2012	1Q/2013	2Q/2013	3Q/2013
Sales	494.9	480.1	492.2	485.0	496.7	485.1	515.3
EBITDA	63.7	60.3	71.8	59.0	60.3	61.8	73.5
EBITDA margin (in %)	12.9 %	12.6 %	14.6 %	12.2 %	12.1 %	12.7 %	14.3 %
Operating profit	43.2	38.2	51.9	37.2	38.4	39.1	52.7
Operating margin (in %)	8.7 %	8.0 %	10.5 %	7.7 %	7.7 %	8.1 %	10.2 %
Profit before tax	39.9	32.5	52.6	36.3	36.2	37.2	48.8
Income tax expense	(11.2)	(9.7)	(12.7)	(7.4)	(9.2)	(9.5)	(10.7)
Profit for the period	28.7	22.8	39.9	28.9	27.0	27.7	38.1
Net profit margin (in %)	5.8 %	4.7 %	8.1 %	6.0 %	5.4 %	5.7 %	7.4 %
Earnings per share (in EUR)	1.41	1.16	1.99	1.44	1.35	1.37	1.90

DIVISIONS

MM Karton

in millions of EUR, IFRS	1Q/2012	2Q/2012	3Q/2012	4Q/2012	1Q/2013	2Q/2013	3Q/2013
Sales¹⁾	231.4	235.1	237.2	233.2	237.6	239.1	249.5
Operating profit	17.2	13.6	20.7	15.1	11.3	15.6	25.7
Operating margin (in %)	7.4 %	5.8 %	8.7 %	6.5 %	4.8 %	6.5 %	10.3 %
Tonnage sold (in thousands of tons)	378	387	385	384	404	399	410
Tonnage produced (in thousands of tons)	390	398	398	386	391	413	408

¹⁾ including interdivisional sales

MM Packaging

in millions of EUR, IFRS	1Q/2012	2Q/2012	3Q/2012	4Q/2012	1Q/2013	2Q/2013	3Q/2013
Sales¹⁾	289.3	271.3	281.9	278.2	285.6	271.9	292.0
Operating profit	26.0	24.6	31.2	22.1	27.1	23.5	27.0
Operating margin (in %)	9.0 %	9.1 %	11.1 %	7.9 %	9.5 %	8.6 %	9.2 %
Tonnage processed (in thousands of tons)	166	157	167	160	168	166	168

¹⁾ including interdivisional sales

The detailed Interim Report for the first three quarters of 2013 is available on our website <http://www.mayr-melnhof.com>.

Forthcoming results:

March 18, 2014 Financial Results 2013

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