



FINANCIAL RESULTS 2002

April 23, 2003



HIGHLIGHTS 2002

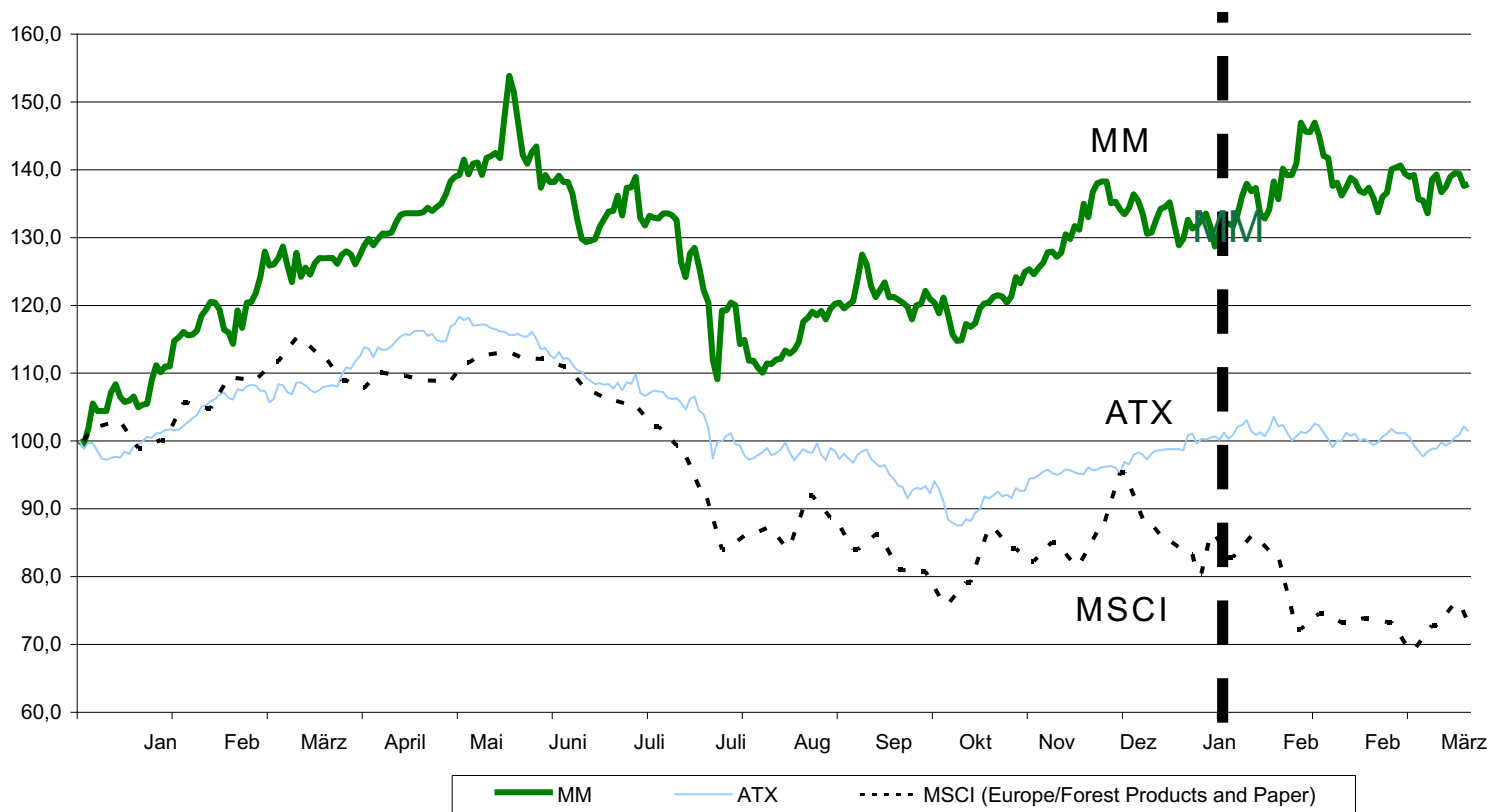
- **Previous year's record result outperformed once again**
Net income for the year increased 7% to EUR 83 million
- **Increase of dividend from 1.80 to 2.00 EUR / share**
- **Successful expansion**
- **Share price increased by 33 %**



MM SHARES

Relative Performance of MM Shares 2002 / 2003

Dec. 28, 2001 = 100



MARKET POSITION - SEGMENTS



- the worldwide leading producer of recycled fiber based cartonboard (1.6 million tons)



- Europe's largest manufacturer of folding cartons (330,000 t)



- a leading European packaging producer for cigarettes and confectionary (85,000 t)



STRATEGIC POSITION

- **Concentration on core competences**

(Cartonboard production and processing)

- **Market AND Cost Leadership**

- **Long-term profit orientation**

- **Expansion**

- Karton, Packaging und Graphia

- Focus: Southern- & Eastern Europe, Asia (China)

- ***Increase of customer utility***

- ***Increase of the Company's value***



2002 FINANCIAL RESULTS



CONSOLIDATED RESULTS 2002

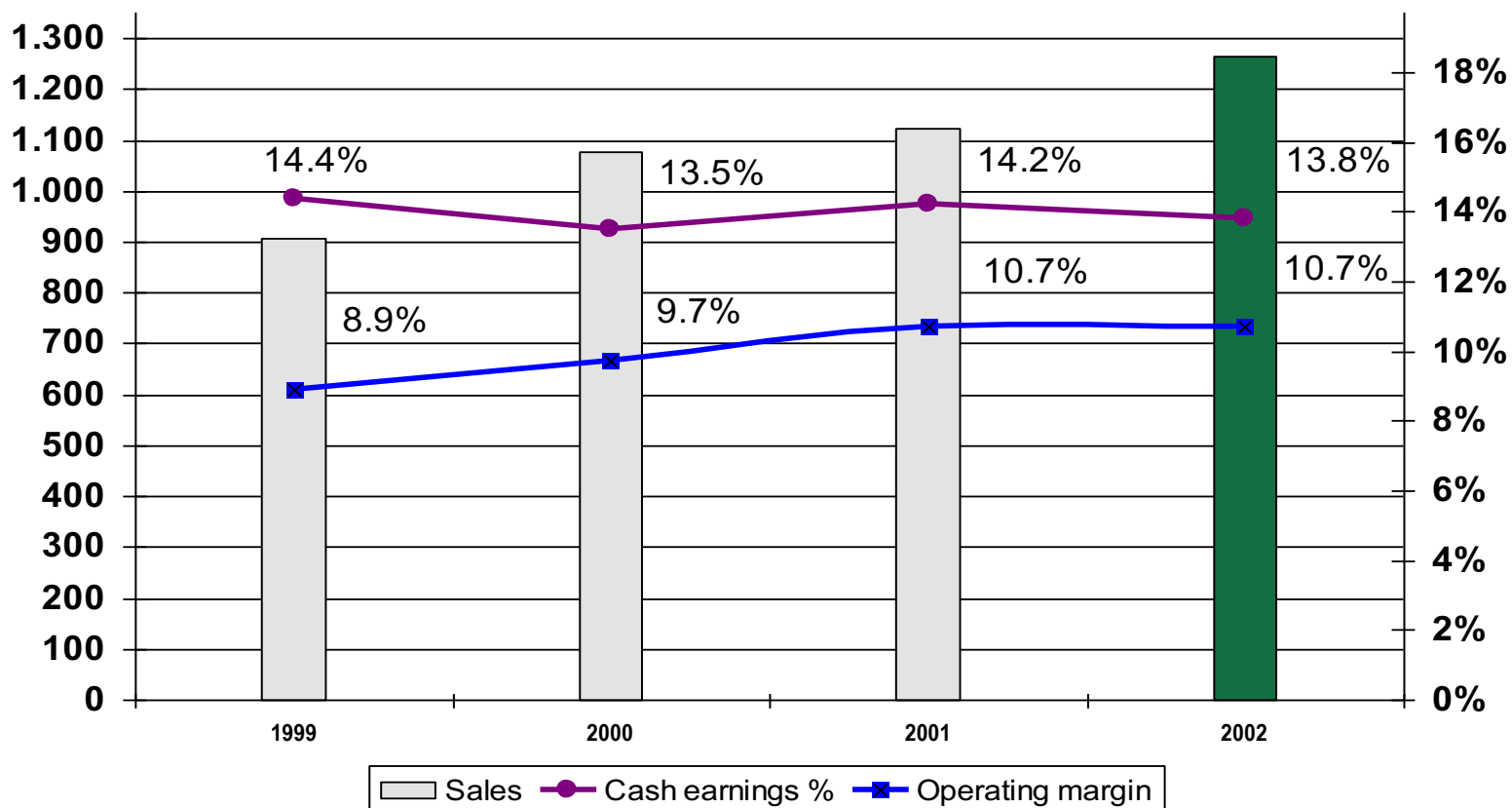
Consolidated in EUR millions, US GAAP	2002	2001	+/-
Sales	1,265.7	1,122.9	+12.7%
Operating profit	135.7	120.2	+12.9%
Operating margin	10.7%	10.7%	
Income before taxes	132.8	123.2	+7.7%
Net income	83.3	77.9	+6.9%
% of sales	6.6%	6.9%	
Earnings per share (in EUR)	7.57	6.66	
Cash earnings	174.7	159.7	+9.4%
% of sales	13.8%	14.2%	



SALES AND MARGINS

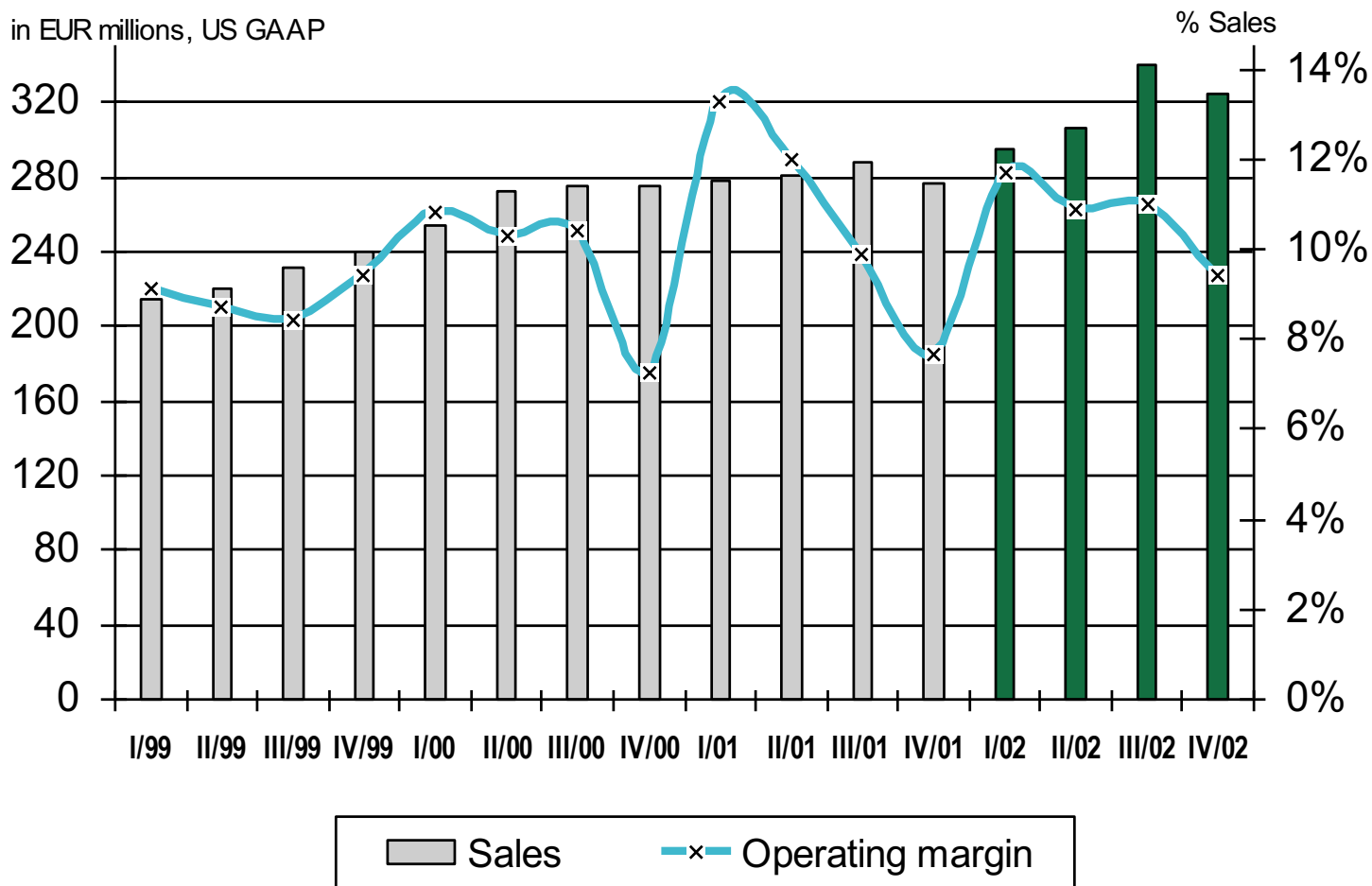
In EUR millions

% of sales



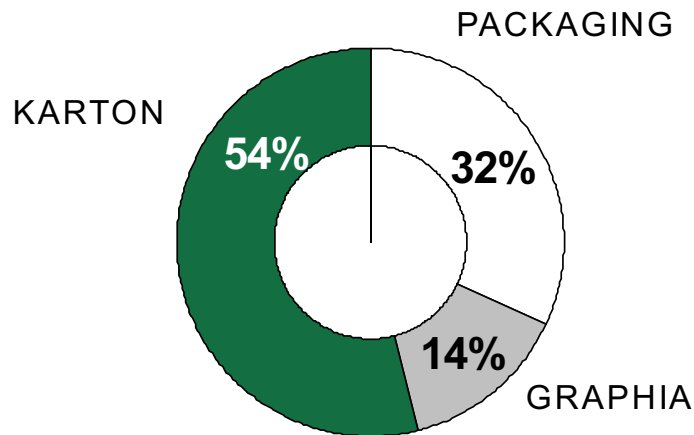


GROUP - QUARTERS

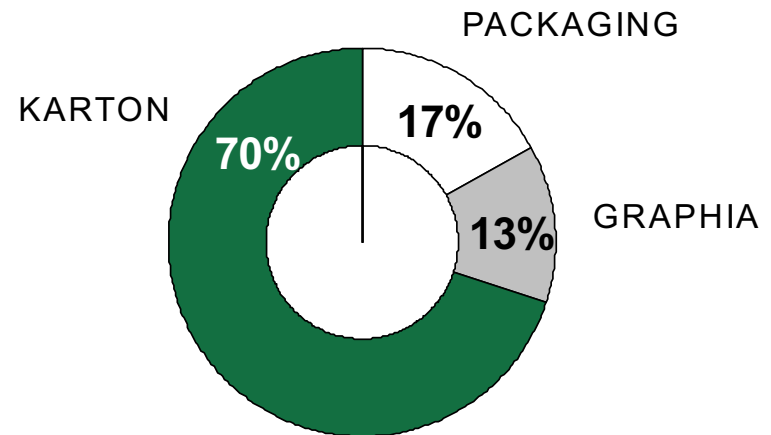




SALES AND OPERATING PROFIT BY DIVISION



Sales

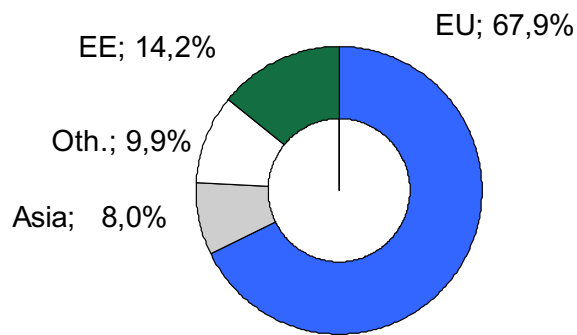


Operating profit

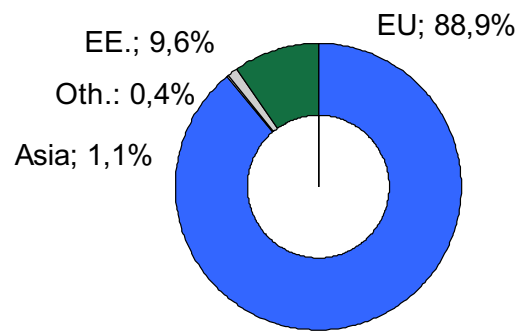
(2002)



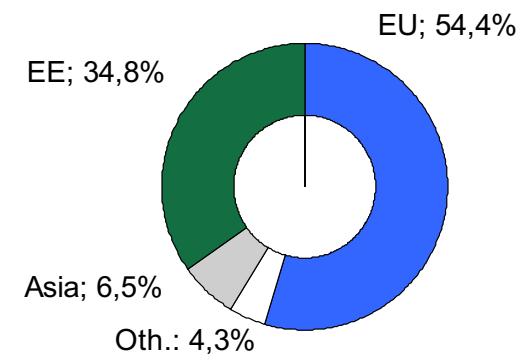
DIVISIONAL SALES BY REGION



MM-KARTON



MM-PACKAGING



MM-GRAPHIA



GROUP BALANCE SHEETS

Consolidated in EUR millions, US GAAP	31.12.2002	31.12.2001
Current assets	518,2	498,6
Non-current assets	657,0	577,3
Total assets	1.175,2	1.075,9
Current liabilities	354,7	315,2
Non-current liabilities	240,2	233,5
Minority interests	8,3	3,7
Stockholders' equity	572,0	523,5
Total liabilities and stockholders' equity	1.175,2	1.075,9
Cash and cash equivalents + available-for-sale securities	225,5	247,0

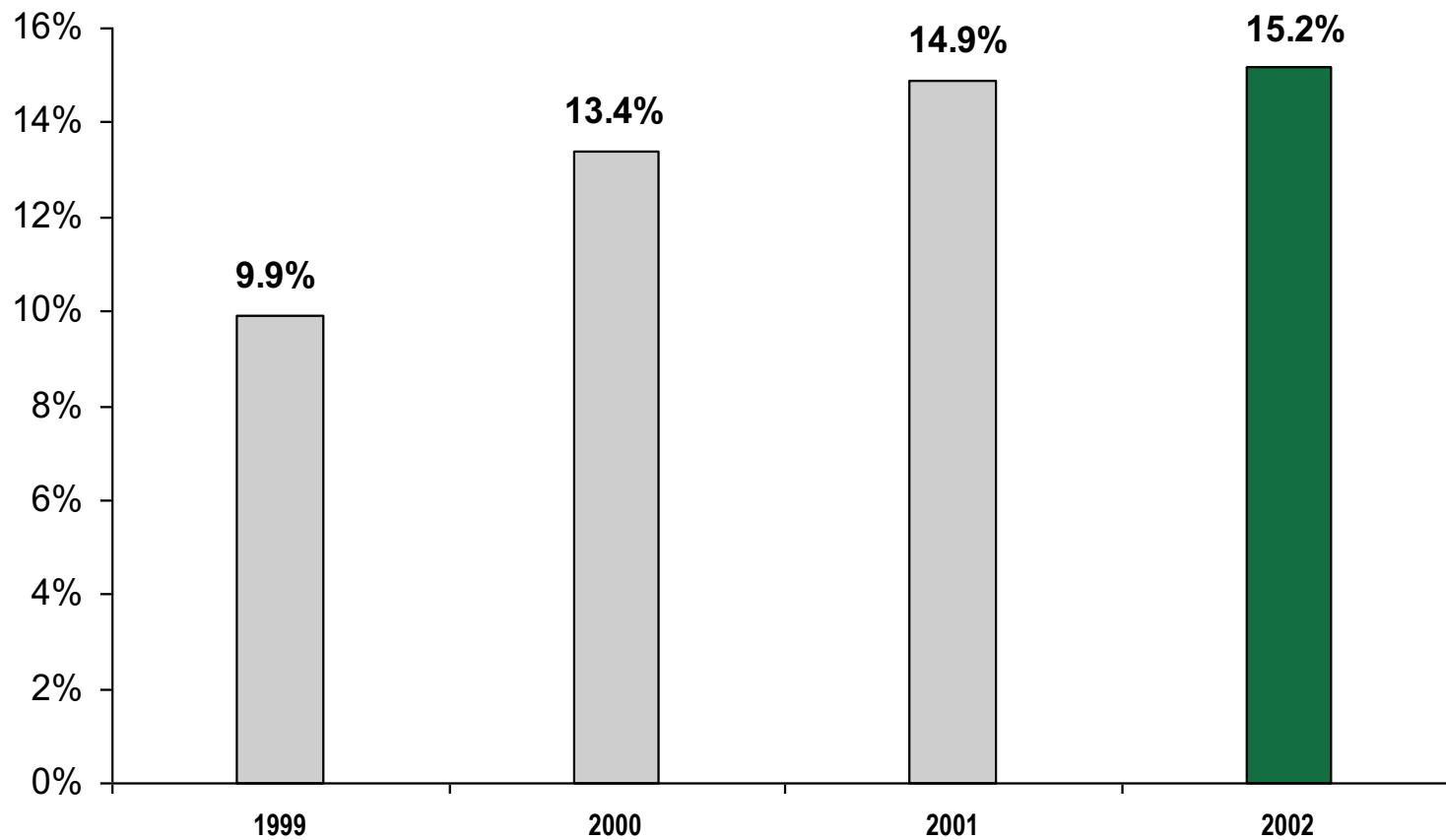


CONSOLIDATED STATEMENTS OF CASH FLOWS

in Mio. EUR, US GAAP	2002	2001
Net cash provided by operating activities	173.8	179.7
Net cash used in investing activities	(119.1)	(68.1)
Net cash used in financing activities	(71.1)	(112.8)
Exchange rate changes	(0.5)	0.5
Net increase in cash and cash equivalents	(17.5)	(0.7)
Cash and cash equivalents at year-end	149.1	166.6
„Available-for-sale securities“	76.4	80.4
Total resources available to the Group	225.5	247.0



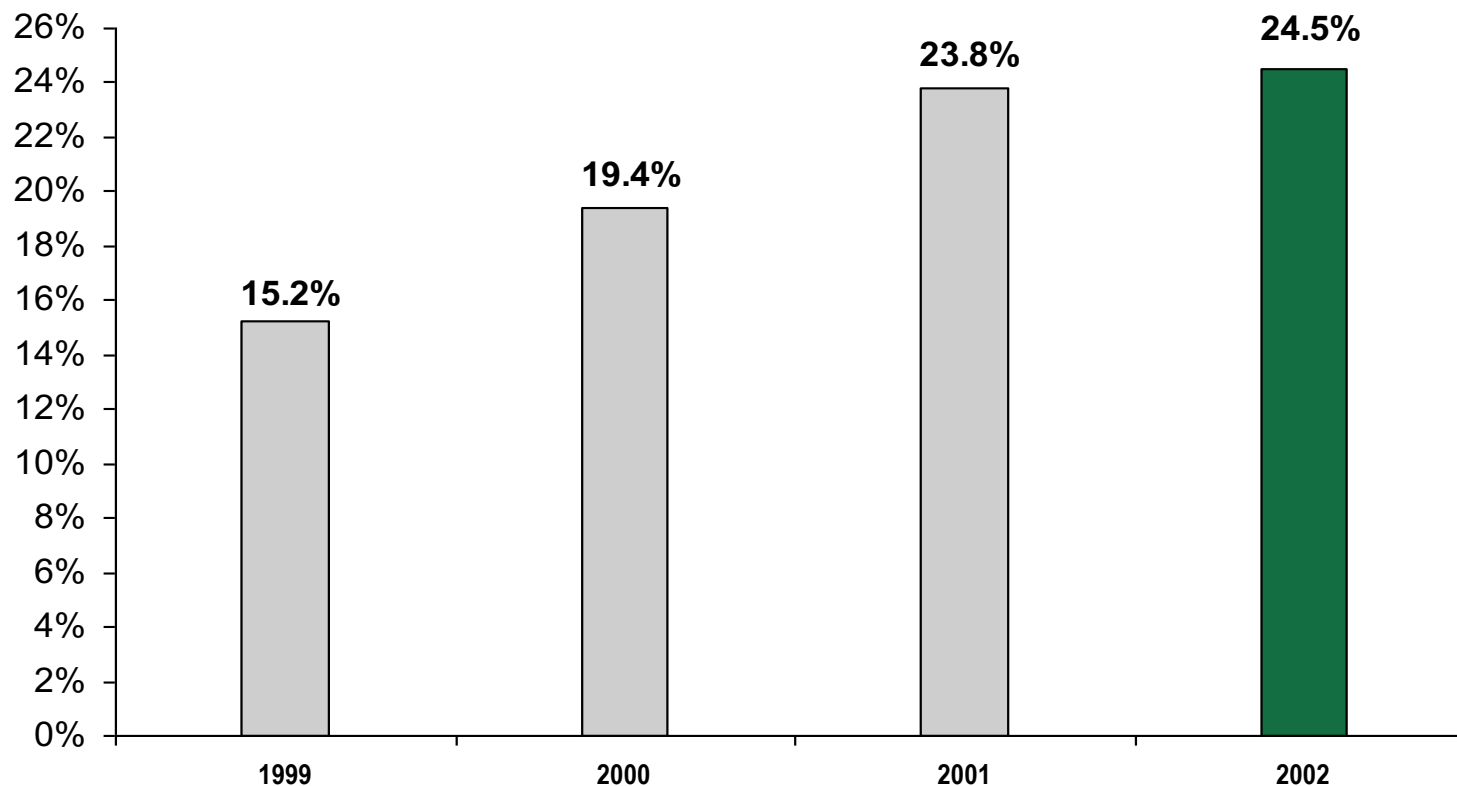
DEVELOPMENT - ROE



Defined: Net income / average stockholders' equity



DEVELOPMENT - ROCE



Defined: $\text{Net income before minority interests, income taxes and net interest expense} / \text{average stockholders' equity, minority interests and net debt (only if the interest bearing liabilities are greater than cash and cash equivalents)}$



MAYR-MELNHOF KARTON

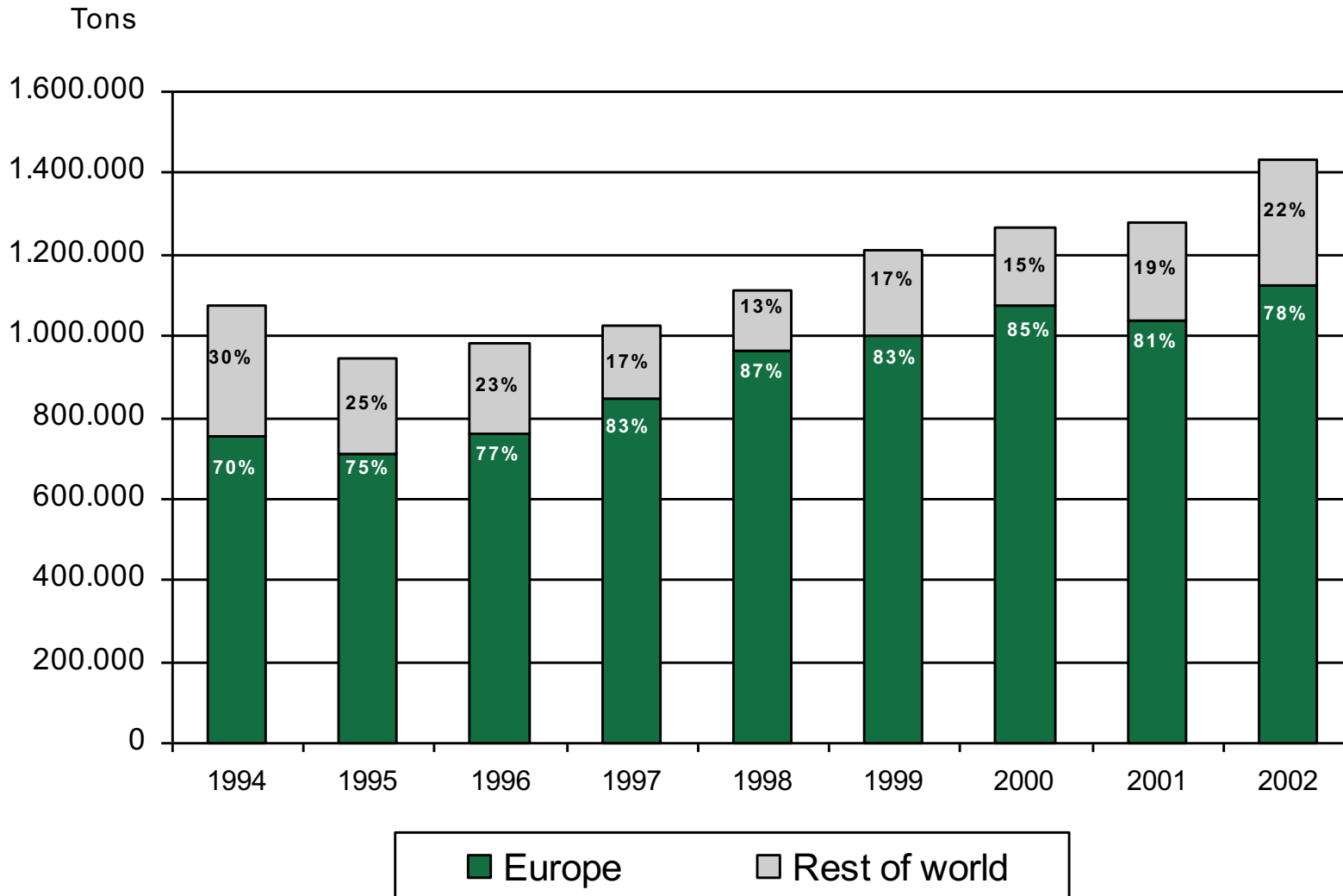


MM-KARTON - Overview 2002

- **Strong demand in 1st half-year followed by weaker dynamics in the second half-year**
- **Successful increase of cartonboard prices after drastic surge of waste paper prices**
- **Capacity utilization clearly exceeded the previous year's level despite selective production curtailments during 2nd HY**
 - 93% in 2002 after 89% in 2001
 - Significant increase in the non-European business



CARTONBOARD SOLD





MM-KARTON: Results 2002

In EUR millions, US GAAP

	2002	2001	+/-
Sales	778.7	724.1	+7.5%
Operating profit	94.4	90.4	+4.4%
Operating margin	12.1%	12.5%	
Tonnage produced in 000's of tons	1,435	1,275	+12.5%
Employees	2,952	2,453	
Capex	46.9	42.5	



„Best in Business“

COMPETENCE LEADER

- **Taylor-made cartonboard solutions**
- **Co-operation with customers on the basis of state of the art communications tools**
- **High flexibility in production planning**
- **Continuous exploitation of cost reduction potential**
- **Expansion of the own sales organization**



MAYR-MELNHOF PACKAGING



MM-PACKAGING: Overview 2002

- **15 facilities in 7 countries**
- **Tonnage processed 324,000 tons**
- **> 55 % multinational customers**
- **Positive development of sales**



MM-PACKAGING: Results 2002

In EUR millions, US GAAP

2002

Sales

421.3

Operating profit

23.7

Operating margin

5.6%

Tonnage converted

in 000's of tons

324

Employees

2,652

Capex

12.7



DECESIVE FACTORS IN PACKAGING

- **Speed (“Time to Market“)**
- **Individualization**
- **Change of customer structure**
- **Buying decision increasingly made at “Point of Sale“ (POS)**



MMP – Solutions / Focus

- **European innovation-network**
- **Creativity center**
- **Integrated processes (supplier – customer)**
- **Site optimization**



MMP - Specialization



Food

Detergents



Pet Food

Display / P.O.S.

Microflute



Pharma



Multipack



MAYR-MELNHOF GRAPHIA



MM-GRAPHIA - Overview 2002

- **Solid development of business**
- **Integration according to schedule**
- **Strong technological position**
 - Three technologies (Rotogravure, Offset, Flexo),
 - Wide Know-how in high-grade finishing technologies
- **International customer base**
- **Consequent further expansion**
 - Priority Eastern Europe



MM-GRAPHIA: Results 2002

In EUR millions, US GAAP

2002

Sales

177.1

Operating profit

17.6

Operating margin

9.9%

Tonnage converted

in 000's of tons

59

Employees

1,182

Capex

8.3



1st QUARTER 2003

- **High utilization of capacities**
 - **MM-Karton continued to pursue best possible price stability**
 - **Healthy development of business at MM-Packaging and MM-Graphia**
- ***Positive development of earnings***

Results will be released by May 12, 2003

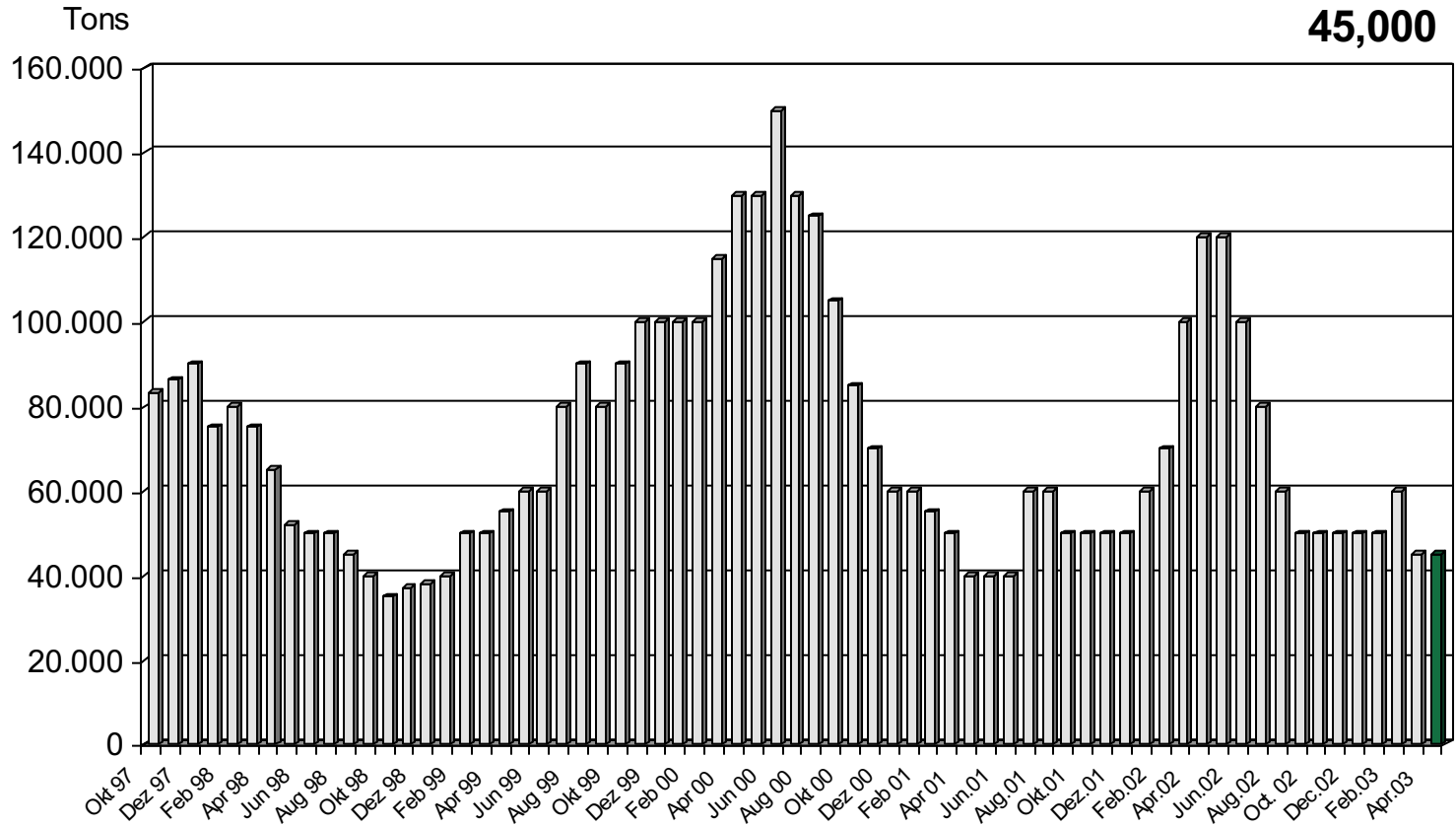


OUTLOOK

- **Cartonboard business remains short-term**
- **Pressures on cartonboard prices is increasing**
 - *As in the past, MM-Karton will take selective downtime*
- **Increasing raw material costs**



MM-KARTON: Order Backlog





OUTLOOK

- **Consequent continuation of cost-cutting programs**
- **Sustained positive development at MM-Packaging and MM-Graphia**
- **Unbroken investment activity**