MM KARTON AG

HALF-YEAR FINANCIAL REPORT 2007

Best ever half-year results

Good order intake and high capacity utilization

Ongoing price increase on procurement markets

Positive outlook for 2nd half-year

MAYR-MELNHOF GROUP KEY INDICATORS

(according to IFRS for interim financial reporting, unaudited)

	1st – 2nd Quarter		
(consolidated, in millions of EUR)	Jan. 1 – Jun. 30, 2007	Jan. 1 – Jun. 30, 2006	+/–
Sales	837.2	731.1	+14.5 %
EBITDA	129.2	119.4	+8.2 %
EBITDA margin (%)	15.4 %	16.3 %	
Operating profit	85.5	79.5	+7.5 %
Operating margin (%)	10.2 %	10.9 %	
Profit before tax	87.7	79.0	+11.0 %
Income tax expense	(27.9)	(24.5)	
Profit for the period	59.8	54.5	+9.7 %
Net profit margin (%)	7.1 %	7.5 %	
Basic and diluted earnings per share (in EUR)	2.66 [1]	2.43 [1]	
Cash earnings	101.5	95.2	+6.6 %
Cash earnings margin (%)	12.1 %	13.0 %	
Capital expenditures	43.8	45.3	-3.3 %
Depreciation and amortization	43.6	41.3	+5.6 %

[1] adapted to number of shares after share split 1:2

	Balance sheet date	
	Jun. 30, 2007	Dec. 31, 2006
Total equity (in millions of EUR)	884.7	856.7
Total assets (in millions of EUR)	1,501.9	1,496.0
Total equity to total assets (%)	58.9 %	57.3 %
Net debt (in millions of EUR)	(139.3)	(149.9)
Enterprise value (in millions of EUR)	1,880.8	1,592.0
Employees	8,360	7,969

HALF-YEAR MANAGEMENT REPORT

DEAR SHAREHOLDERS,

Your Company benefited as expected from the positive economic climate in the Euro zone as well as the ongoing economic dynamics in Eastern Europe and neighboring regions during the first half of 2007. Both cartonboard production and converting registered strong order intake and high capacity utilization. Based on new records in production and sales performance, the Group has so far participated in the positive environment above market average.

With a 9.7 % increase in the profit for the period to EUR 59.8 million, the Group attained its best ever half-year result. Due to the price drive on procurement markets lasting already for several months, this earnings improvement was primarily volume induced.

Due to a significant rise in recovered paper prices, MM Karton sells at higher prices since mid-year, which should allow for compensation of the preceding increase. At MM Packaging, passing on this rise in cartonboard prices to customers constitutes a top priority.

General forecasts for the coming months are still positive. Nevertheless we rather expect a slow-down in the economic environment on our European main markets with a continuing price rise on the procurement markets.

STATEMENT OF INCOME

Consolidated sales increased by EUR 106.1 million or 14.5 % to EUR 837.2 million. Volume gains in both divisions as well as higher cartonboard prices contributed mainly to this growth. Approximately 21 % of this rise was attributable to the most recent acquisitions of MM Packaging in the previous year.

Consolidated Sales per Region (according to IFRS for interim financial reporting, unaudited)

	1st – 2nd Quarter	
(in %)	**Jan. 1 – Jun. 30, 2007**	Jan. 1 – Jun. 30, 2006
Western Europe	70.0 %	72.3 %
Eastern Europe	24.2 %	20.2 %
Asia	2.5 %	4.0 %
Other Overseas	3.3 %	3.5 %
Total	**100.0 %**	**100.0 %**

The operating profit increased by 7.5 % to EUR 85.5 million (1st half of 2006: EUR 79.5 million). This improvement resulted from higher earnings in both divisions. At 10.2 %, however, the operating margin stood below the previous year's level (1st half of 2006: 10.9 %) mainly as a result of a marked rise in raw material costs, particularly in recovered paper, and start-up costs for full capacity utilization at the three newly built rotogravure plants.

Financial expenses stood at EUR 4.5 million (1st half of 2006: EUR 3.0 million), while financial income totaled EUR 6.8 million (1st half of 2006: EUR 3.9 million). Profit before tax reached EUR 87.7 million (1st half of 2006: EUR 79.0 million), thus registering an increase by 11.0 %. Income tax expense amounted to EUR 27.9 million (1st half of 2006: EUR 24.5 million). Thus, the Group tax rate levels at 31.8 % (1st half of 2006: 31.0 %).

At EUR 59.8 million, the profit for the period attained a new peak level, increasing by 9.7 % compared to the previous year (1st half of 2006: EUR 54.5 million).

ASSETS, CAPITAL AND LIQUID FUNDS

Total assets of the Group increased between year-end 2006 and June 30, 2007, from EUR 1,496.0 million to EUR 1,501.9 million.

Financial liabilities amounted to EUR 193.8 million (December 31, 2006: EUR 217.0 million). Total funds available to the Group, which are composed of cash and financial assets, decreased by EUR 33.8 million compared to year-end 2006 reaching EUR 333.1 million. Non-current assets declined to EUR 724.9 million (December 31, 2006: EUR 750.5 million) mainly due to the regrouping of financial assets into money market instruments. Current assets registered an increase by EUR 31.5 million to EUR 777.0 million, which was particularly induced by the higher business volume.

CASH FLOW DEVELOPMENT

The cash flow from operating activities totaled EUR +52.7 million. Compared to EUR +71.3 million in the first half-year of 2006, the decline resulted mainly from higher working capital due to the increase in business volume.

The cash flow from investing activities changed from EUR -81.2 million to EUR -15.3 million. This difference is particularly attributable to acquisition expenditures in the previous year and the divestment of securities in 2007.

Net payments for investments in tangible and intangible fixed assets amounted to EUR -43.3 million (1st half of 2006: EUR -46.1 million). Investments centred mainly on the expansion of the machinery of MM Packaging.

The cash flow from financing activities was EUR -56.9 million after EUR +10.8 million in the previous year's period. This difference was essentially due to net redemptions in the current year and a net inflow of funds in the previous year related to an increase of financial liabilities.

DEVELOPMENT IN THE SECOND QUARTER 2007

Ongoing strong demand in all sales areas marked the development in both divisions also during the second quarter.

At 99 %, capacity utilization of MM Karton exceeded the level of the first quarter (Q1 2007: 96 %, Q2 2006: 92 %), as plasterboard production was progressively taken up at the Bulgarian board mill MM Nikopol.

The trend of price increases on procurement markets continued in response to the sales dynamic. A continuous price rise was particularly observable in recovered paper, the most important raw material. Accordingly, cartonboard has been sold at higher prices since mid-year. At 8.4 %, the operating margin of MM Karton was above the previous quarter (Q1 2007: 8.0 %, Q2 2006: 8.6 %).

MM Packaging attained an operating margin of 10.6 % after 10.5 % in the first quarter of 2007. The previous year's second quarter level of 12.0 % was elevated, mainly due to the divestment of the real estate of the Hungarian folding carton plant, which was closed in 2005.

Overall, the MM Group realized the best ever period profit in the second quarter of 2007. Group operating profit amounted to EUR 43.3 million after EUR 42.2 million in the first quarter of 2007 (Q2 2006: EUR 39.4 million). The profit for the period reached EUR 30.8 million (Q1 2007: EUR 29.0 million, Q2 2006: EUR 27.1 million).

OUTLOOK

Considering the high order backlog and the ongoing sound market environment, we expect at least for the third quarter a continuation of the good capacity utilization and volume development in cartonboard production as well as converting.

In line with the positive economic situation and ongoing strong demand, price increase tendencies in several of our input factors continue. In addition to increasing recovered paper prices, great attention will have to be paid to the development of the crude oil price and related costs.

According to plan, cartonboard is sold at higher prices since mid-year, which should allow for a compensation of the cost increases which have so far accrued in cartonboard production. In cartonboard converting, the focus lies in passing on the cartonboard price increases to the customers.

In both divisions we will continue to pursue an expansion course.

DIVISIONS

MM KARTON

Due to continuous strong demand, the average order backlog of MM Karton reached a new record high of 181,000 tons in the first half-year of 2007 (1st half of 2006: 83,000 tons). Sound production and a high dispatch performance made it possible to translate the strong order base into new all-time records in production and sales.

The cartonboard production was increased by approximately 58,000 tons or 7.5 % to 830,000 tons (1st half of 2006: 772,000 tons), resulting in a 97 % capacity utilization of MM Karton during the first half-year of 2007 (1st half of 2006: 93 %).

At 820,000 tons, cartonboard volumes sold were 6.8 % above the previous year's level (1st half of 2006: 768,000 tons). Of this amount, Europe accounted for approximately 86 % and non-European markets for 14 % (1st half of 2006: 79 %; 21 %).

Sales rose by 12.2 % to EUR 449.3 million as a result of higher sales volume and implemented price increases. Due to the recent cost increase, particularly with regard to recovered paper, the operating profit grew with 8.2 % to EUR 36.8 million more moderately than sales, leading to an operating margin of 8.2 % after 8.5 % in the previous year.

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

	1st – 2nd Quarter		
(in millions of EUR)	**Jan. 1 - Jun. 30, 2007**	Jan. 1 – Jun. 30, 2006	+/–
Sales[1]	449.3	400.3	+12.2 %
Operating profit	36.8	34.0	+8.2 %
Operating margin (%)	8.2 %	8.5 %	
Tonnage sold (in thousands of tons)	820	768	+6.8 %
Tonnage produced (in thousands of tons)	830	772	+7.5 %

[1] including interdivisional sales

Plasterboard – new focus of MM Nikopol

The reorientation of the Bulgarian cartonboard mill MM Nikopol to the production of technical cartonboard (plasterboard) continues according to schedule. Continuous production can therefore be expected for the second half-year.

MAYR-MELNHOF PACKAGING

Against the backdrop of the continued positive demand development in all market areas and high capacity utilization of the plants, MM Packaging converted approximately 319,000 tons of cartonboard during the first half of 2007. This is equivalent to an increase of about 24 % compared to the first half of 2006 (257,000 tons). This dynamic growth in volume resulted from the new rotogravure plants, the recent acquisitions in Russia and Tunisia as well as new business.

The strong sales growth by 18.9 % or EUR 73.7 million to EUR 463.1 million is mainly attributable to higher volume. The latest acquisitions contributed about one third to this increase. Due to non-recurring operating income in the previous year from a real estate divestment and start up costs at the new rotogravure plants as well as higher cartonboard prices, the operating income could not fully match the sales growth, with an increase of 7.0 % to EUR 48.7 million. As a result, the operating margin declined from 11.7 % to 10.5 %.

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

	1st - 2nd Quarter		
(in millions of EUR)	**Jan. 1 – Jun. 30, 2007**	Jan. 1 – Jun. 30, 2006	+/–
Sales[1]	463.1	389.4	+18.9 %
Operating profit	48.7	45.5	+7.0 %
Operating margin (%)	10.5 %	11.7 %	
Tonnage processed (in thousands of tons)	319	257	+24.1 %

[1] including interdivisional sales

Expansion of rotogravure capacities

In line with high demand, rotogravure capacities in the Ukraine and Turkey were doubled by adding a second printing line to each plant. In Tunisia, the production basis has been broadened by a newly built plant for microflute cartons, which are primarily used in detergent packaging.

CONSOLIDATED INCOME STATEMENTS

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR, except per share data)	2nd Quarter Apr. 1 – Jun. 30, 2007	2nd Quarter Apr. 1 – Jun. 30, 2006	1st – 2nd Quarter Jan. 1 – Jun. 30, 2007	1st – 2nd Quarter Jan. 1 – Jun. 30, 2006
Sales	415,859.9	354,088.3	837,207.2	731,089.8
Cost of sales	(314,766.5)	(266,941.2)	(637,145.7)	(552,746.6)
Gross margin	**101,093.4**	**87,147.1**	**200,061.5**	**178,343.2**
Other operating income	2,018.0	6,145.8	4,188.1	8,217.4
Selling and distribution expenses	(42,676.4)	(35,380.4)	(83,177.7)	(70,471.4)
Administrative expenses	(16,873.8)	(17,697.7)	(35,142.9)	(35,601.4)
Other operating expenses	(199.3)	(842.8)	(384.5)	(1,024.5)
Operating profit	**43,361.9**	**39,372.0**	**85,544.3**	**79,463.3**
Financial expenses	(2,328.4)	(1,742.8)	(4,506.5)	(2,969.9)
Financial income	3,365.3	2,006.8	6,753.5	3,864.2
Share of profit (loss) of associated companies	144.6	(551.8)	144.6	(628.5)
Other income (expenses) - net	(33.9)	(411.1)	(206.5)	(699.2)
Profit before tax	**44,509.5**	**38,673.1**	**87,729.6**	**79,029.9**
Income tax expense	(13,751.0)	(11,655.7)	(27,955.7)	(24,573.1)
Profit for the period	**30,758.5**	**27,017.4**	**59,773.9**	**54,456.8**
Attributable to:				
Shareholders of the Company	30,124.0	26,562.6	58,507.1	53,504.4
Minority interests	634.5	454.8	1,266.8	952.4
Profit for the period	**30,758.5**	**27,017.4**	**59,773.9**	**54,456.8**
Earnings per share for the profit attributable to the shareholders of the Company during the period:				
Basic and diluted (in EUR)	1.37[1)]	1.21[1)]	2.66[1)]	2.43[1)]

[1)] adapted to number of shares after share split 1:2

CONSOLIDATED BALANCE SHEETS

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	Notes	End of 2nd Quarter Jun. 30, 2007	Year End Dec. 31, 2006
ASSETS			
Property, plant and equipment	2	588,449.5	588,456.7
Investment property		1,990.0	2,067.1
Intangible assets including goodwill	2	53,600.6	53,791.6
Investments in associated companies		74.5	187.9
Available-for-sale financial assets		60,333.7	74,507.6
Other financial assets	2	5,448.1	14,663.7
Deferred income taxes		15,064.7	16,764.1
Non-current assets		**724,961.1**	**750,438.7**
Inventories		228,298.3	202,426.5
Trade receivables		238,242.6	199,673.1
Income tax receivables		4,568.6	16,133.6
Prepaid expenses and other current assets		33,054.7	34,875.1
Cash and cash equivalents		272,806.0	292,427.2
Current assets		**776,970.2**	**745,535.5**
TOTAL ASSETS		**1,501,931.3**	**1,495,974.2**
EQUITY AND LIABILITIES			
Share capital	4	96,000.0	87,240.0
Additional paid-in capital	4	160,453.4	169,213.4
Treasury shares	4	(56,759.0)	(54,477.3)
Retained earnings	4	650,869.1	623,189.5
Other reserves		3,267.4	3,504.4
Equity attributable to shareholders of the Company		**853,830.9**	**828,670.0**
Minority interests		30,848.6	28,023.5
Total equity		**884,679.5**	**856,693.5**
Interest bearing financial liabilities	5	107,304.2	115,701.4
Financial lease liabilities	5	338.7	1,825.5
Provisions for other non-current liabilities and charges		82,014.1	82,300.1
Deferred income taxes		40,570.1	45,841.8
Non-current liabilities		**230,227.1**	**245,668.8**
Interest bearing financial liabilities	5	84,460.8	98,828.0
Financial lease liabilities	5	1,678.9	685.0
Liabilities and provisions for income tax		16,529.0	22,419.5
Trade liabilities		152,150.2	158,432.0
Deferred income and other current liabilities		37,424.5	37,918.2
Provisions for other current liabilities and charges		94,781.3	75,329.2
Current liabilities		**387,024.7**	**393,611.9**
Total liabilities		**617,251.8**	**639,280.7**
TOTAL EQUITY AND LIABILITIES		**1,501,931.3**	**1,495,974.2**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

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

(all amounts in thousands of EUR)	Notes	1st – 2nd Quarter: Equity attributable to shareholders of the Company: Share capital	Additional paid-in capital	Treasury shares	Retained earnings	Other reserves[1]	Total	Minority interests	Total equity
Balance at January 1, 2007		**87,240.0**	**169,213.4**	**(54,477.3)**	**623,189.5**	**3,504.4**	**828,670.0**	**28,023.5**	**856,693.5**
Profit for the period					58,507.1		**58,507.1**	1,266.8	**59,773.9**
Profit (loss) directly recognized in equity, net of tax						(237.0)	**(237.0)**	(200.3)	**(437.3)**
Total profit for the period		**0.0**	**0.0**	**0.0**	**58,507.1**	**(237.0)**	**58,270.1**	**1,066.5**	**59,336.6**
Dividends paid	4				(30,827.5)		**(30,827.5)**	(527.7)	**(31,355.2)**
Capital contribution by minority shareholders							**0.0**	2,696.4	**2,696.4**
Business combinations							**0.0**	(410.1)	**(410.1)**
Capital increase funded from the Company's own resources	4	8,760.0	(8,760.0)				**0.0**		**0.0**
Purchase of treasury shares	4			(2,281.7)			**(2,281.7)**		**(2,281.7)**
Balance at June 30, 2007		**96,000.0**	**160,453.4**	**(56,759.0)**	**650,869.1**	**3,267.4**	**853,830.9**	**30,848.6**	**884,679.5**
Balance at January 1, 2006		**87,240.0**	**169,213.4**	**(53,100.8)**	**546,252.9**	**7,848.1**	**757,453.6**	**12,230.5**	**769,684.1**
Profit for the period					53,504.4		**53,504.4**	952.4	**54,456.8**
Profit (loss) directly recognized in equity, net of tax						(6,859.4)	**(6,859.4)**	(31.6)	**(6,891.0)**
Total profit for the period		**0.0**	**0.0**	**0.0**	**53,504.4**	**(6,859.4)**	**46,645.0**	**920.8**	**47,565.8**
Dividends paid					(28,662.8)		**(28,662.8)**	(503.4)	**(29,166.2)**
Business combinations							**0.0**	(2,512.9)	**(2,512.9)**
Purchase of treasury shares				(1,376.5)			**(1,376.5)**		**(1,376.5)**
Balance at June 30, 2006		**87,240.0**	**169,213.4**	**(54,477.3)**	**571,094.5**	**988.7**	**774,059.3**	**10,135.0**	**784,194.3**

[1] Other reserves comprise the profit (loss) directly recognized in equity from the valuation of available-for-sale financial assets and derivative financial investments as well as differences from foreign currency translation.

CONSOLIDATED CASH FLOW STATEMENTS

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

(all amounts in thousands of EUR)	Notes	1st – 2nd Quarter: Jan. 1 – Jun. 30, 2007	Jan. 1 – Jun. 30, 2006
Cash flow from operating activities	6	52,747.9	71,272.9
Cash flow from investing activities		(15,346.9)	(81,249.2)
Cash flow from financing activities		(56,892.9)	10,791.4
Effect of exchange rate changes on cash and cash equivalents		(129.3)	(288.3)
Net change in cash and cash equivalents (< 3 months)		**(19,621.2)**	**526.8**
Cash and cash equivalents (< 3 months) at the beginning of the period		292,427.2	262,993.8
Cash and cash equivalents (< 3 months) at the end of the period		**272,806.0**	**263,520.6**
Adjustments to reconcile cash and cash equivalents to total funds available to the Group:			
Current and non-current available-for-sale financial assets		60,333.7	74,040.5
Total funds available to the Group		**333,139.7**	**337,561.1**

NOTES TO THE CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

(1) BASIC ACCOUNTING PRINCIPLES

The condensed half-year consolidated 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.

These condensed half-year consolidated financial statements have been prepared using the same accounting principles as for the consolidated financial statements as of December 31, 2006. The application of new standards and interpretations as adopted by the European Union since January 1, 2007, has 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 43,785.9 (1st half of 2006: thous. EUR 45,301.7) on acquiring property, plant and equipment and intangible assets in the 1st half of 2007.

Net book values of property, plant and equipment and intangible assets are composed as follows:

(in thousands of EUR)	End of 2nd Quarter Jun. 30, 2007	Year End Dec. 31, 2006
Lands, similar land rights and buildings	204,930.4	205,083.8
Technical equipment and machines	304,029.1	309,292.6
Other equipment, fixtures and fittings	29,338.8	29,136.2
Payments on account and construction in progress	50,151.2	44,944.1
Property, plant and equipment	**588,449.5**	**588,456.7**

(in thousands of EUR)	End of 2nd Quarter Jun. 30, 2007	Year End Dec. 31, 2006
Concessions, licenses and similar rights, and payments on account	3,354.7	3,624.7
Goodwill	50,222.8	50,128.8
Other intangible assets	23.1	38.1
Intangible assets including goodwill	**53,600.6**	**53,791.6**

Depreciation and amortization on "Property, plant and equipment" and "Intangible assets including goodwill" amounted to thous. EUR 43,584.2 (1st half of 2006: thous. EUR 40,012.7).

As a result of repayments, "Other financial assets" declined from thous. EUR 14,663.7 at year-end 2006 to thous. EUR 5,448.1 as of June 30, 2007.

(3) PURCHASE COMMITMENTS

On June 30, 2007, purchase obligations for fixed assets regarding planned capital expenditures maturing within one year amounted to approximately thous. EUR 34,876.2 (December 31, 2006: thous. EUR 29,027.4).

(4) EQUITY

INCREASE OF SHARE CAPITAL / SHARE SPLIT

The 13th Ordinary Shareholders' Meeting of Mayr-Melnhof Karton AG held on April 25, 2007, resolved to increase the share capital of the Company from EUR 87,240,000.00 to EUR 96,000,000.00 via conversion of a respective amount of the appropriate additional paid-in capital without issuing new shares, and to carry out a two-for-one share split. This has doubled the number of shares from 12 million to 24 million no-par bearer shares. Each share now represents EUR 4.00 of the issued share capital. The corresponding amendment to the articles of association was entered into the company register at the commercial court in Vienna on June 15, 2007. Conversion on the Vienna Stock Exchange took place on July 16, 2007.

SHARE REPURCHASE PROGRAM

Since March 2001, the Mayr-Melnhof Group has repurchased own shares. The share repurchase program limits the maximum repurchase volume to 10 % of the capital stock of Mayr-Melnhof AG. The current repurchase program has been running since December 18, 2006, and will be concluded by October 25, 2007, at the latest. The 13th Ordinary Shareholders' Meeting has authorized the Management Board to buy back own shares until October 25, 2008. In the financial year 2007, the Group has repurchased 27,304 own shares (after share split) for thous. EUR 2,281.7. Therefore, the Group held 2,000,000.00 own shares at June 30, 2007. This is equivalent to 8.33 % of the capital stock. All transactions are published on the Internet at www.mayr-melnhof.com.

CANCELLATION OF TREASURY SHARES / REDUCTION OF SHARE CAPITAL

The 13th Ordinary Shareholders' Meeting further resolved on a simplified reduction of share capital by EUR 8,000,000.00 from EUR 96,000,000.00 to EUR 88,000,000.00 by cancellation of 2,000,000 treasury shares in the pro-rata amount of EUR 8,000,000 of the share capital. The entry into the company register at the commercial court in Vienna has been applied for.

DIVIDEND

A dividend of EUR 2.80 per voting share (before share split) was resolved for the year 2006 (2005: EUR 2.60) and was due on May 9, 2007. By June 30, 2007, the Group distributed to the shareholders a total of thous. EUR 30,827.5 (2006: thous. EUR 28,662.8).

(5) FINANCIAL LIABILITIES

Financial liabilities of the Group are as follows:

(in thousands of EUR)	End of 2nd Quarter Jun. 30, 2007	Year End Dec. 31, 2006
Non-current interest bearing financial liabilities	107,304.2	115,701.4
Current interest bearing financial liabilities	84,460.8	98,828.0
Interest bearing liabilities	**191,765.0**	**214,529.4**
Non-current financial lease liabilities	338.7	1,825.5
Current financial lease liabilities	1,678.9	685.0
Financial lease liabilities	**2,017.6**	**2,510.5**
Total financial liabilities	**193,782.6**	**217,039.9**

(6) CASH FLOW FROM OPERATING ACTIVITIES

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

	1st - 2nd Quarter	
(in thousands of EUR)	Jan. 1 – Jun. 30, 2007	Jan. 1 – Jun. 30, 2006
Cash flow provided by operating activities excluding interest and taxes paid	76,874.5	97,413.6
Income taxes paid	(24,126.6)	(26,140.7)
Cash flow from operating activities	**52,747.9**	**71,272.9**

(7) DISCLOSURE ON TRANSACTIONS WITH RELATED PARTIES

In the first half-year of 2007 and 2006, respectively, no material business transactions were concluded between the Group and related parties. Transactions are carried out on an arm's length basis. The respective sales, receivables and liabilities are not of substantial importance.

(8) SUBSEQUENT EVENTS

No events that require disclosure took place between the balance sheet date June 30, 2007, and the publication approval on August 14, 2007.

(9) OBLIGATORY DISCLOSURE RELATED TO WAIVER OF REVIEW

This half-year financial report was neither audited nor reviewed by an auditor.

(10) STATEMENT OF THE MANAGEMENT BOARD ACCORDING TO REGULATION 87 OF THE AUSTRIAN STOCK EXCHANGE ACT

The Management Board declares that this condensed half-year consolidated financial statements prepared in accordance with IFRS for interim financial reporting, as adopted by the EU, and the half-year Group management report with regard to the information required by regulation 87 paragraph 4 of the Austrian Stock Exchange Act present fairly, in all material respects, the financial position of the Group comprising Mayr-Melnhof Karton AG and its subsidiaries for the purpose of the requirements of the Austrian Stock Exchange Act.

Vienna, August 14, 2007

The Management Board

Wilhelm Hörmanseder m.p.
Chairman of the Management Board

Andreas Blaschke m.p.
Member of the Management Board

Franz Rappold m.p.
Member of the Management Board

Results for the first three quarters 2007 will be published on November 15, 2007.

QUARTERLY OVERVIEW

(according to IFRS for interim financial reporting, unaudited)

MAYR-MELNHOF GROUP

(consolidated, in millions of EUR)	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006	**1st Quarter 2007**	**2nd Quarter 2007**
Sales	377.0	354.1	382.6	398.8	421.3	415.9
EBITDA	59.8	59.6	58.4	61.0	63.7	65.5
EBITDA Margin (%)	15.9 %	16.8 %	15.3 %	15.3 %	15.1 %	15.7 %
Operating profit	40.1	39.4	37.8	41.3	42.2	43.3
Operating Margin (%)	10.6 %	11.1 %	9.9 %	10.4 %	10.0 %	10.4 %
Profit before tax	40.4	38.6	38.9	42.4	43.2	44.5
Income tax expense	(13.0)	(11.5)	(12.8)	(14.6)	(14.2)	(13.7)
Profit for the period	27.4	27.1	26.1	27.8	29.0	30.8
Net profit margin (%)	7.3 %	7.7 %	6.8 %	7.0 %	6.9 %	7.4 %
Earnings per share (basic and diluted in EUR)	1.22[1)]	1.21[1)]	1.15[1)]	1.21[1)]	1.29[1)]	1.37[1)]

[1)] adapted to number of shares after share split 1:2

DIVISIONS

MM Karton

(in millions of EUR)	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006	**1st Quarter 2007**	**2nd Quarter 2007**
Sales[1)]	204.0	196.3	201.1	207.4	219.7	229.6
Operating profit	17.1	16.9	14.1	16.9	17.5	19.3
Operating Margin (%)	8.4 %	8.6 %	7.0 %	8.1 %	8.0 %	8.4 %
Tonnage sold (in thousands of tons)	388	380	384	390	403	417
Tonnage produced (in thousands of tons)	388	384	400	381	407	423

[1)] including interdivisional sales

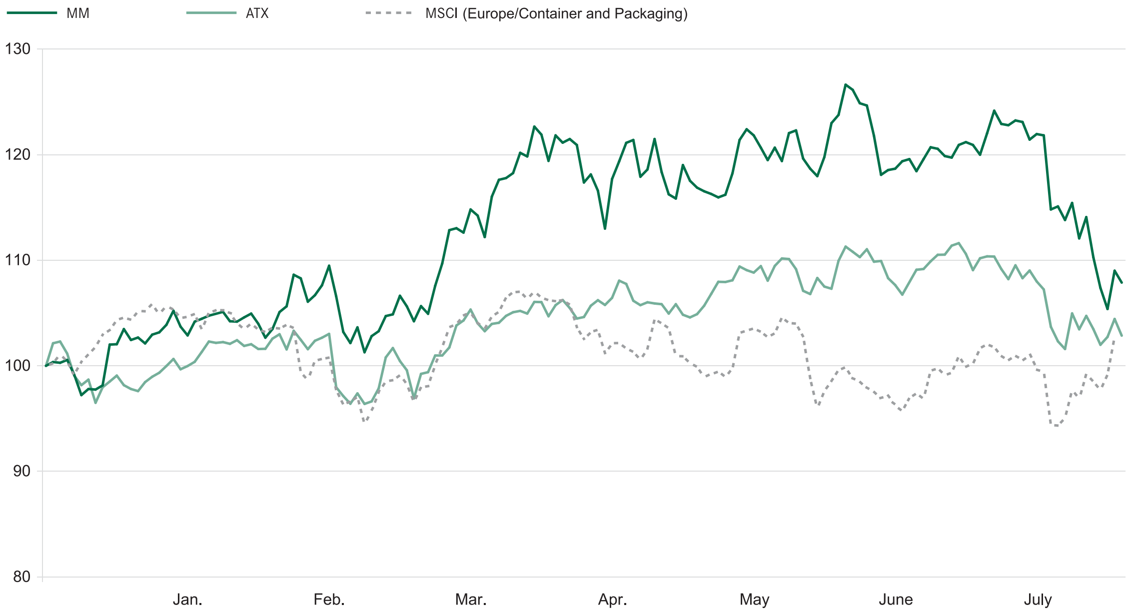
MM Packaging

(in millions of EUR)	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006	**1st Quarter 2007**	**2nd Quarter 2007**
Sales[1)]	201.3	188.1	210.5	221.7	236.0	227.1
Operating profit	23.0	22.5	23.7	24.4	24.7	24.0
Operating Margin (%)	11.4 %	12.0 %	11.3 %	11.0 %	10.5 %	10.6 %
Tonnage processed (in thousands of tons)	130	127	138	143	162	157

[1)] including interdivisional sales

MAYR-MELNHOF SHARES

Relative Performance of MM Shares 2007 (December 28, 2006 = 100)



Share price (closing price)	
as of August 9, 2007	76.60
2007 High	89.90
2007 Low	69.03
Stock performance (Year-end 2006 until August 9, 2007)	+7.89 %
Number of shares issued	24 million
Market capitalization as of August 9, 2007 (in millions of EUR)	1,685.20
Trading volume (average per day 1st HY 2007 in millions of EUR)	5.57

EDITORIAL INFORMATION

Editor (publisher):
Mayr-Melnhof Karton AG
Brahmsplatz 6
1041 Vienna
Austria

FOR FURTHER INFORMATION, PLEASE CONTACT:

Stephan Sweerts-Sporck
Investor Relations
Phone: +43/ 1 50136 91180
Fax: +43/ 1 50136 91195
e-mail: investor.relations@mm-karton.com
Website: http://www.mayr-melnhof.com