



MAYR-MELNHOF GROUP

Annual Results 2016

March 21, 2017

Market Position



MM KARTON

Worldwide largest producer of coated recycled fiber based board with important position in virgin fiber based board



MM PACKAGING

Europe's largest folding carton producer with leading market position in several countries outside Europe

45 Production Sites

- 45 Plants
- in 18 Countries
- on 4 Continents

9,927 Employees



Highlights 2016

- Continuation of long term success course
- Growth in sales and profit – new record year
- High capacity utilization
- Growth driver MM Packaging
- Rise in recovered paper prices weighs on MM Karton margin
- Dividend increase to EUR 3.00 / share (after EUR 2.80 for 2015)



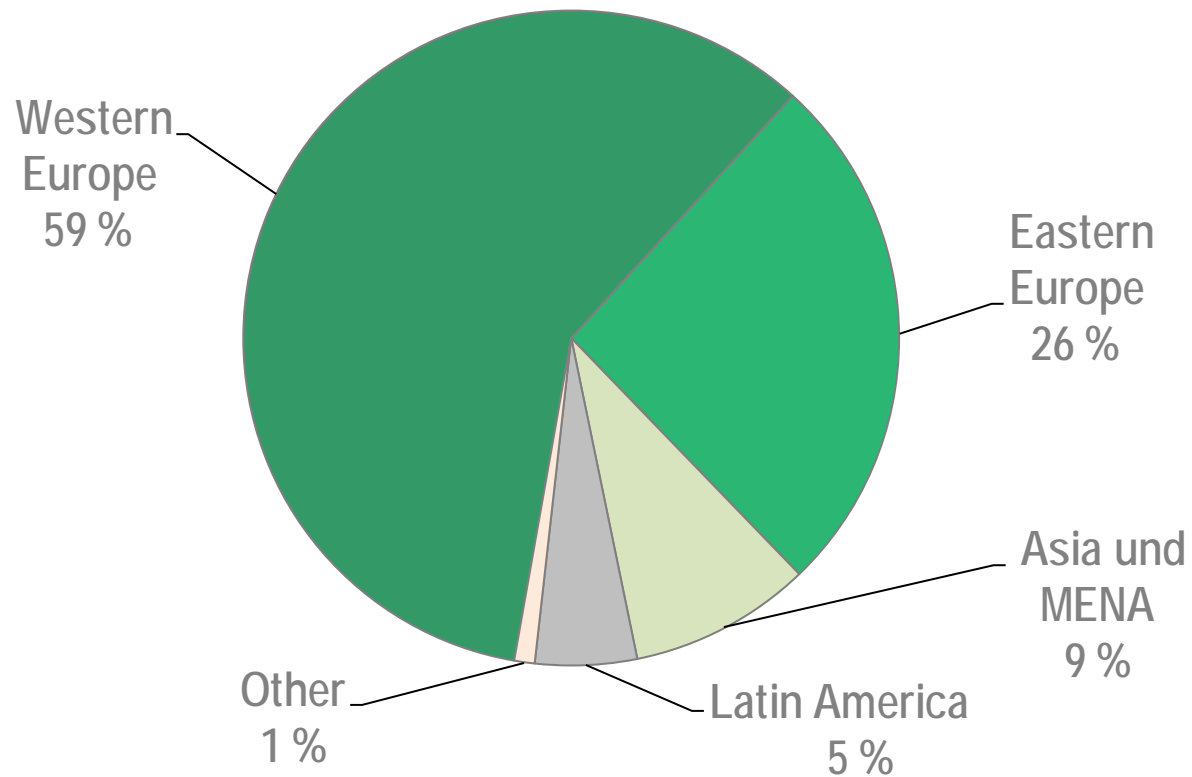
Group Results 2016

Group Results 2016

consolidated in millions of EUR, IFRS	2016	2015	+/-
Sales	2,272.7	2,181.5	+4.2 %
Operating profit	213.7	199.9	+6.9 %
Operating margin (in %)	9.4 %	9.2 %	
Profit before tax	209.2	190.6	+9.8 %
Income tax expense	(55.8)	(48.5)	
Profit for the year	153.4	142.1	+8.0 %
Net profit margin (in %)	6.7 %	6.5 %	
Cash earnings	256.3	238.4	+7.5 %
Cash earnings margin (in %)	11.3 %	10.9 %	
Earnings per share (in EUR)	7.67	7.08	+8.3 %
Capital expenditures (CAPEX)	144.2	128.0	
Depreciation and amortization ¹⁾	99.1	99.6	

¹⁾ incl. impairment of property, plant and equipment, and intangible assets

Sales by Destination



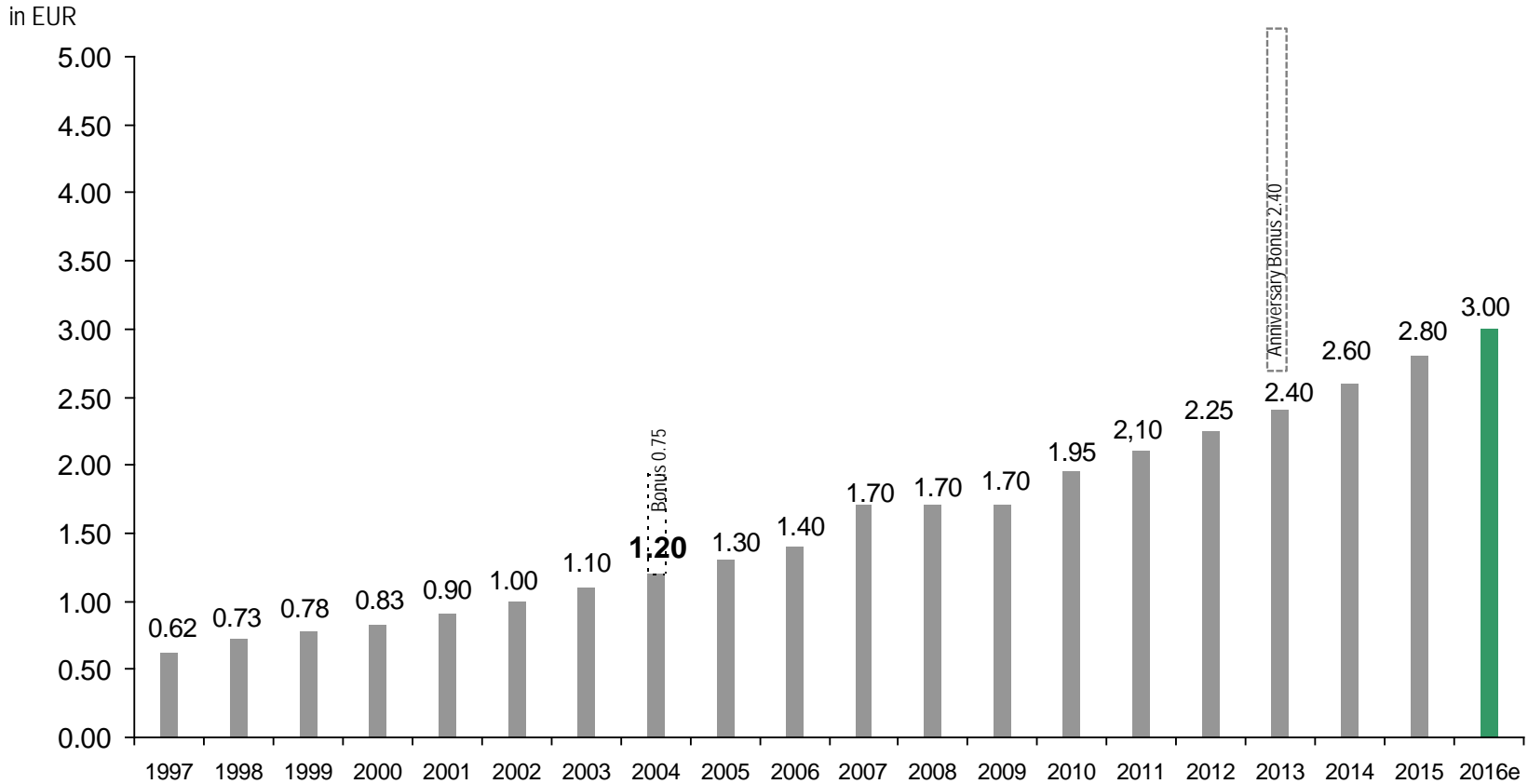
Consolidated Balance Sheet

consolidated in millions of EUR, IFRS	Dec. 31, 2016	Dec. 31, 2015
Non-current assets	954.1	928.1
Current assets	1,027.8	972.2
Total assets	1,981.9	1,900.3
Equity	1,259.2	1,144.2
Liabilities	722.7	756.1
Total equity and liabilities	1,981.9	1,900.3
Total funds available to the Group	253.7	258.3
Total equity to total assets (in %)	63.5 %	60.2 %
Return on equity (in %)	12.8 %	12.7 %
Net debt	(7.2)	(35.0)

Consolidated Cash Flow Statement

consolidated in millions of EUR, IFRS	2016	2015
Cash flow from operating activities	219.4	206.7
Cash flow from investing activities	(144.6)	(198.0)
Cash flow from financing activities	(79.8)	(70.6)
Cash and cash equivalents beg. of the year	254.9	320.1
Net change in cash and cash equivalents	(3.8)	(65.1)
Cash and cash equivalents end of the year	251.1	255.0
Securities	2.6	3.3
Total funds available to the Group	253.7	258.3

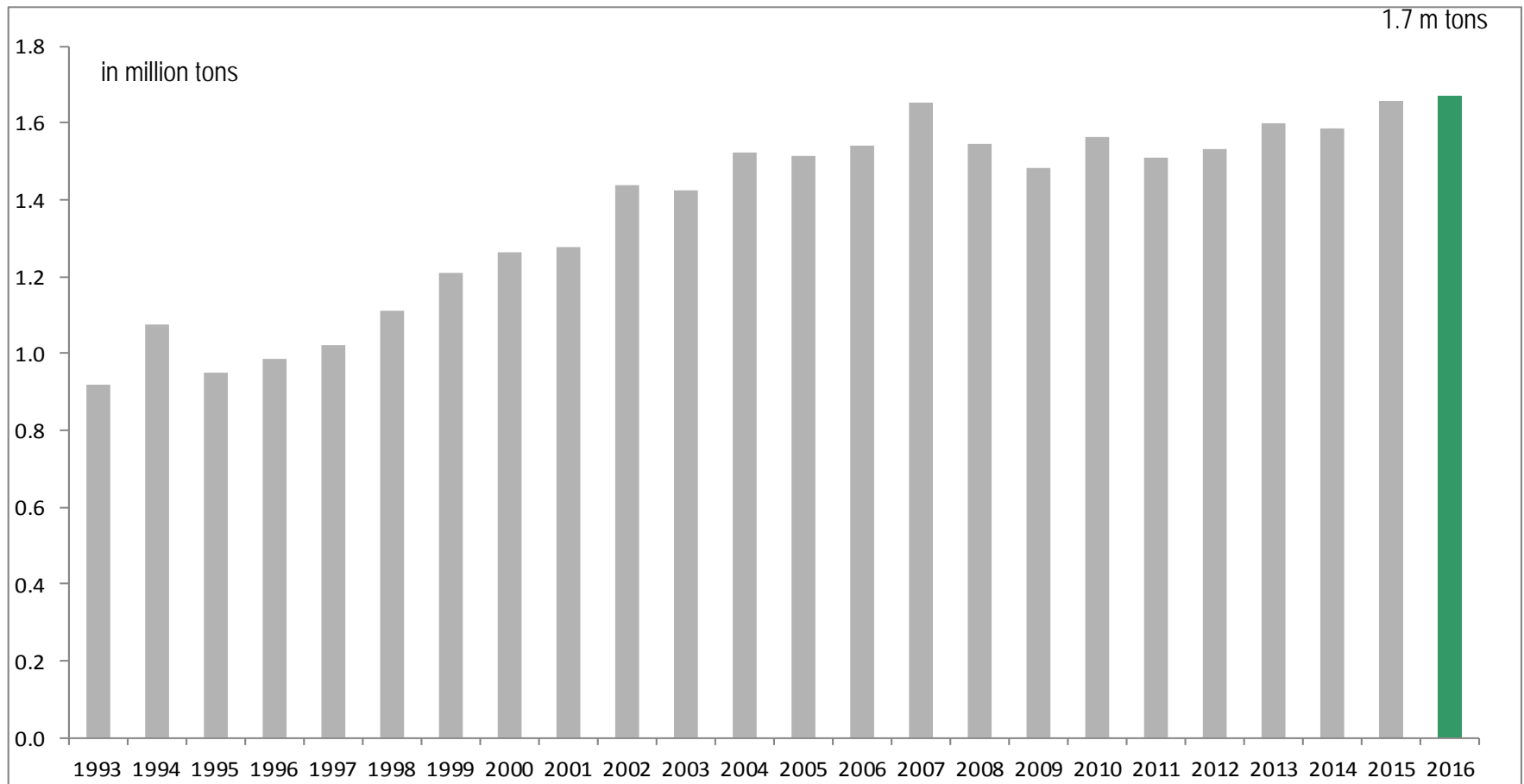
Dividend Development





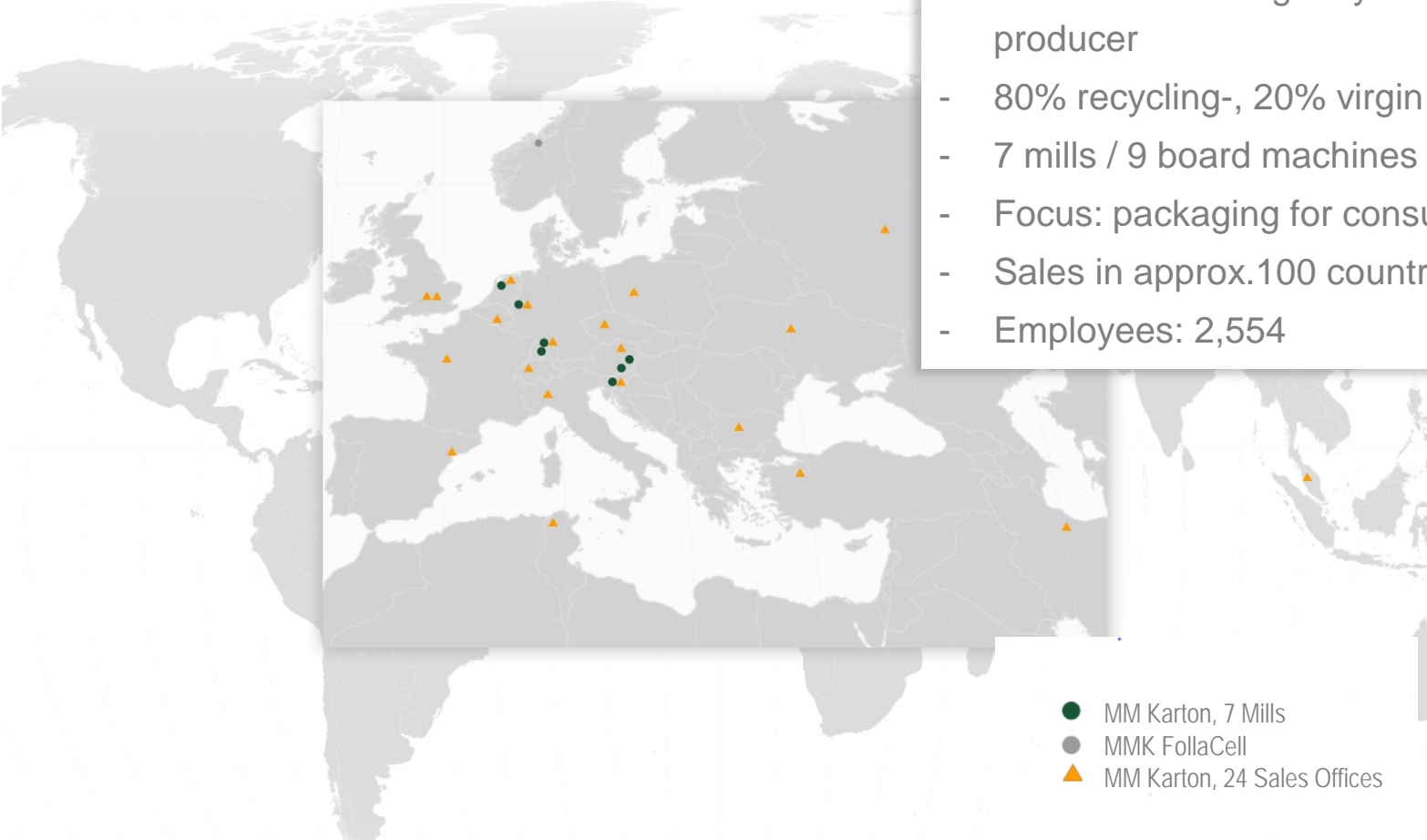
Mayr-Melnhof Karton

MM Karton – Tonnage Sold



MM Karton

- Worldwide leading recycled board producer
- 80% recycling-, 20% virgin fiber board
- 7 mills / 9 board machines
- Focus: packaging for consumer goods
- Sales in approx. 100 countries
- Employees: 2,554

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- A world map showing the global presence of MM Karton. The map is light gray with a white grid. A semi-transparent white box is overlaid on the map, containing a list of facts and a legend. The legend identifies three types of markers: green circles for mills, gray circles for FollaCell, and orange triangles for sales offices. The map shows a high concentration of markers in Europe and Asia, with a few scattered in other regions.
- MM Karton, 7 Mills
 - MMK FollaCell
 - ▲ MM Karton, 24 Sales Offices

MMK Overview 2016

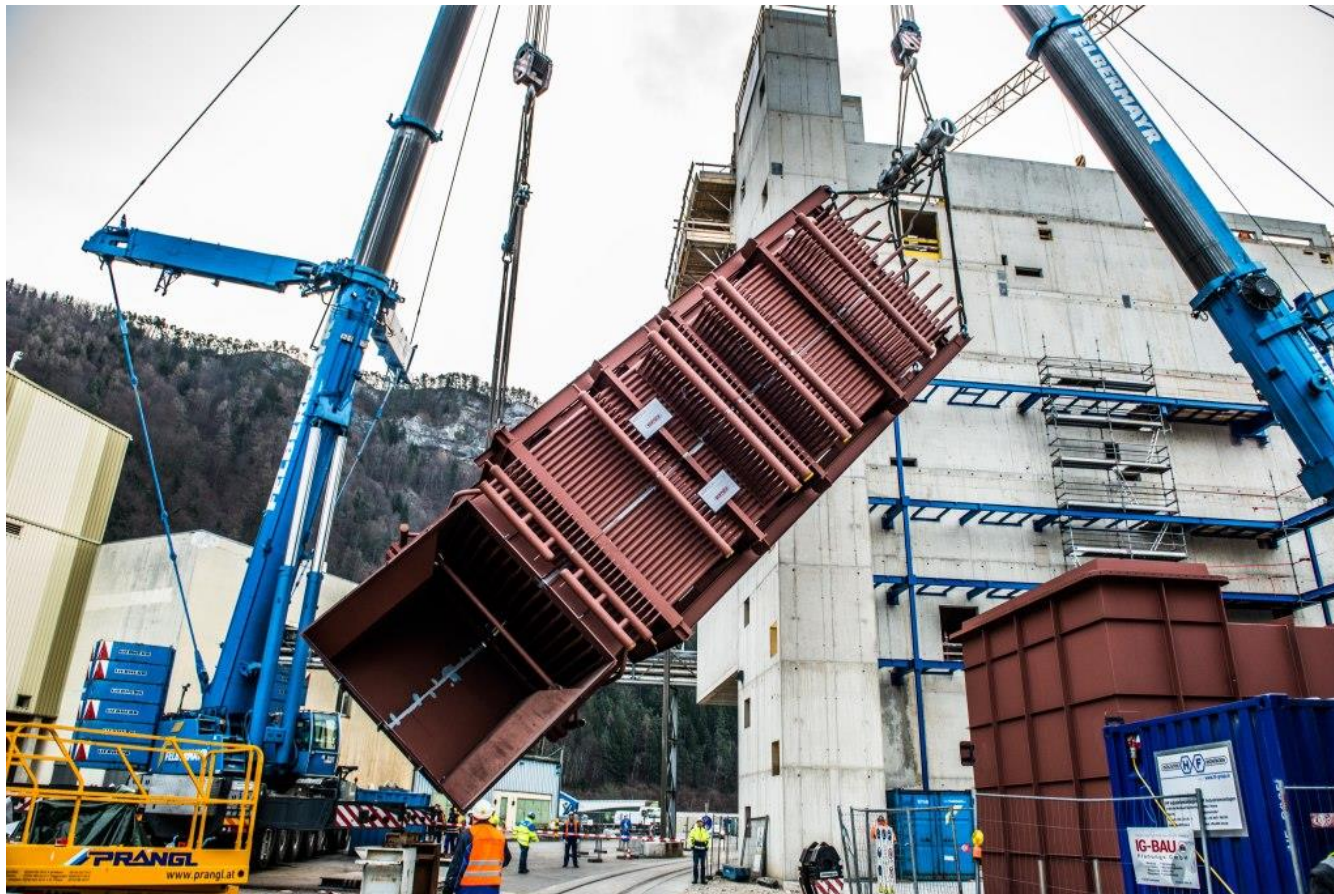
- Market shares defended in a more restraint main European market
- Consequent pricing policy continued
- Capacity utilization 97% (2015: 98 %)
- More export to non-European markets
- Sharp increase of recovered paper prices since mid-year weighs of operating margin
- Cartonboard price increase first priority

MMK - Results 2016

in millions of EUR, IFRS	2016	2015	+/-
Sales¹⁾	1,023.0	1,046.7	-2.3 %
Operating profit	68.1	82.6	-17.6 %
Operating margin (in %)	6.7 %	7.9 %	
Tonnage sold (in thousands of tons)	1,671	1,660	+0.7 %
Tonnage produced (in thousands of tons)	1,669	1,677	-0.5 %
Employees	2,554	2,546	
Investments	83.7	72.6	
Depreciation and amortization	40.6	38.8	

¹⁾ incl. interdivisional Sales

MMK Frohnleiten – New Power Station



FOODBOARD™ on Supermarket Shelves

FOODBOARD™ PROTECTS FOOD AGAINST MINERAL OILS

Cartonboard with functional barrier

- ✓ protects against mineral oils and other defined unintended substances
- ✓ protects against cross-contamination during transport, storage and at the point of sale
- ✓ is recyclable, bio-degradable and available with FSC® or PEFC™ certification

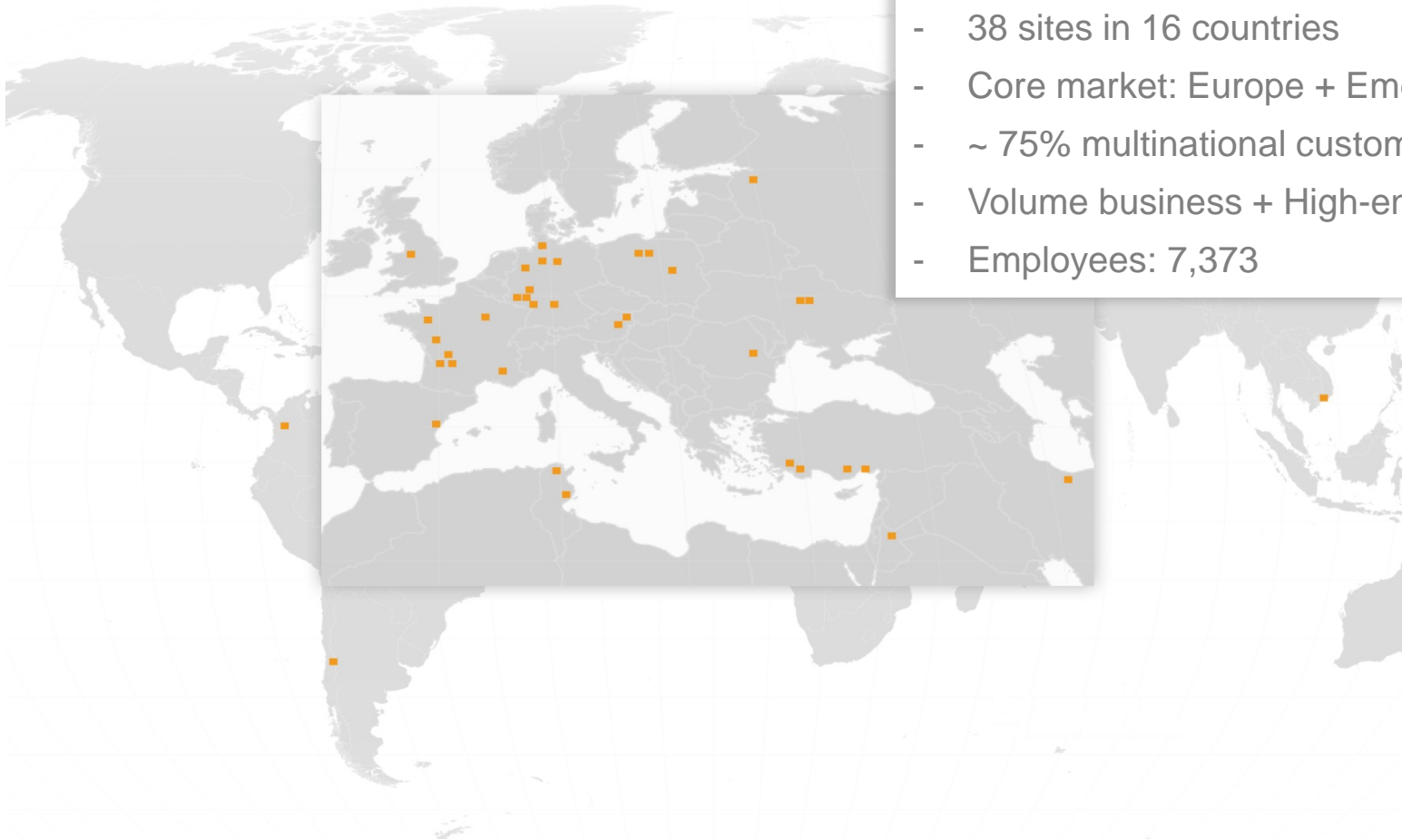




Mayr-Melnhof Packaging

„Shaping the World of Cartons“

- ~ 60 bn. cartons / year
- 38 sites in 16 countries
- Core market: Europe + Emerging markets
- ~ 75% multinational customers
- Volume business + High-end-packaging
- Employees: 7,373



MMP - Markets

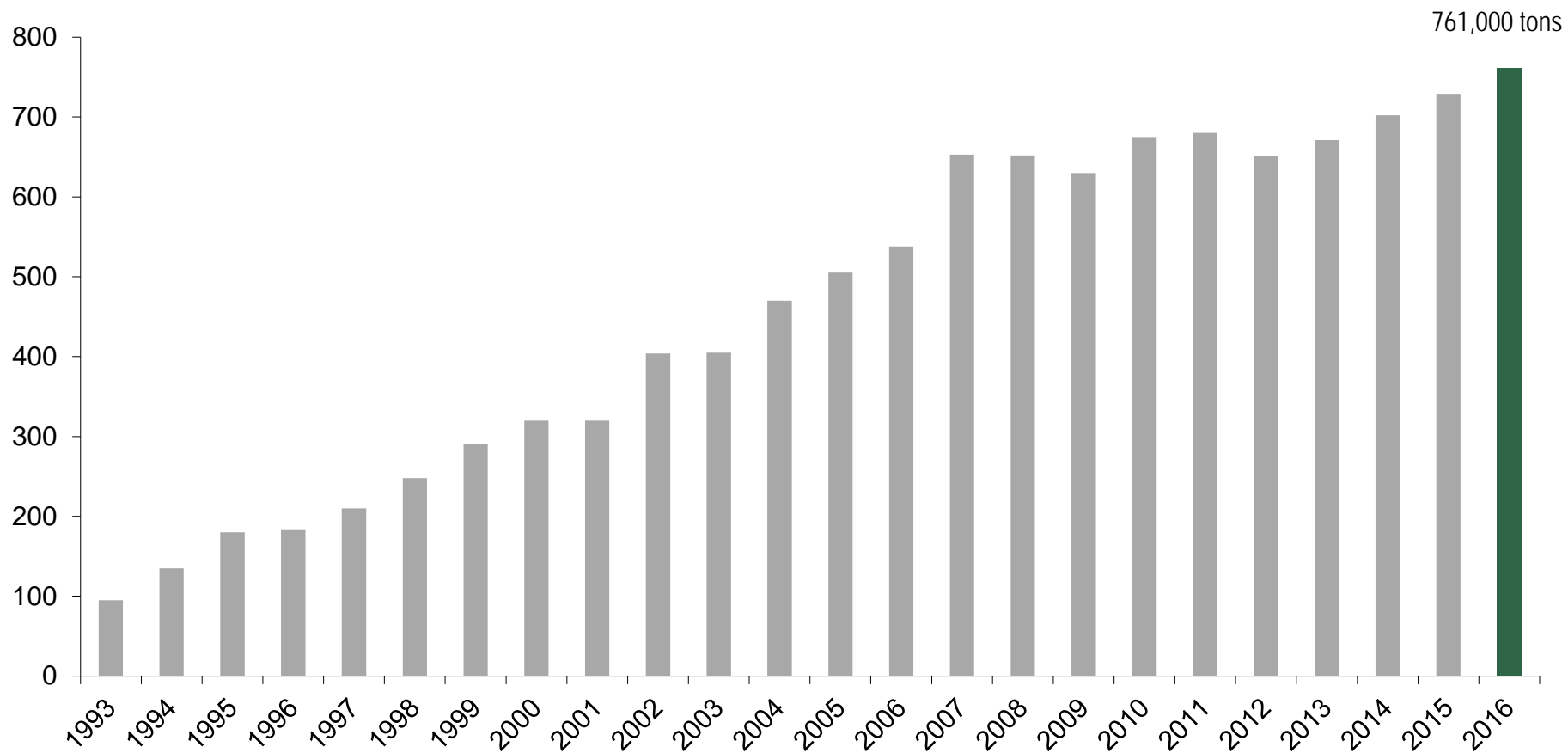


MMP - Overview 2016

- On-going strongly competitive market environment
- High plant utilization
- Further productivity improvements
- Growth mainly due to previous year's acquisition in France
- Favorable product mix supports margin
- Expansion Iran and Vietnam

MMP Tonnage processed

in thousands of tons



MMP- Results 2016

in millions of EUR, IFRS	2016	2015	+/-
Sales ¹⁾	1,352.6	1,237.3	+9.3 %
Operating profit	145.6	117.3	+24.1 %
Operating margin (in %)	10.8 %	9.5 %	
Tonnage processed (in thousands of tons)	761	729	+4.4 %
Sheet equivalent (in millions)	2,240.1	2,059.3	+8.8 %
Employees	7,373	7,392	
Investments	60.5	55.4	
Depreciation and amortization ²⁾	58.5	60.8	

¹⁾ incl. interdivisional Sales

²⁾ incl. impairment of property, plant and equipment, and intangible assets

MMP Tehran (Iran)



MMP Vidon (Vietnam)



Outlook 2017

- Head for best possible continuity
- European main market still lacks momentum
- High competition over prices and volumes stays on
- Significant increase in recovered paper prices
- Top priority at MM Karton – passing on rising recovered paper prices
- Capex focus stays on reduction of direct costs
- Expansion course to be continued (organically and via acquisition)
- 2016 record results – a challenge for 2017



Appendix

MM Group - Quarterly Overview

consolidated in millions of EUR, IFRS	4Q/2015	1Q/2016	2Q/2016	3Q/2016	4Q/2016
Sales	563.8	576.0	566.2	571.6	558.9
EBITDA	73.2	80.3	83.6	72.9	77.2
EBITDA margin (in %)	13.0 %	13.9 %	14.8 %	12.8 %	13.8 %
Operating profit	45.3	55.2	55.6	49.4	53.5
Operating margin (in %)	8.0 %	9.6 %	9.8 %	8.6 %	9.6 %
Profit before tax	43.8	53.2	55.7	47.0	53.3
Income tax expense	(9.9)	(13.8)	(14.7)	(11.9)	(15.4)
Profit for the period	33.9	39.4	41.0	35.1	37.9
Net profit margin (in %)	6.0 %	6.8 %	7.2 %	6.1 %	6.8 %
Earnings per share (in EUR)	1.72	1.96	2.05	1.75	1.91
Cash Earnings	57.9	64.7	68.1	59.7	63.8
Cash earnings margin (in %)	10.3 %	11.2 %	12.0 %	10.4 %	11.4 %

MMK - Quarterly Overview

in millions of EUR, IFRS	4Q/2015	1Q/2016	2Q/2016	3Q/2016	4Q/2016
Sales ¹⁾	259.3	263.4	258.5	255.6	245.5
Operating profit	16.2	20.2	18.9	15.3	13.7
Operating margin (in %)	6.2 %	7.7 %	7.3 %	6.0 %	5.6 %
Tonnage sold (in thousands of tons)	408	427	417	414	413
Tonnage produced (in thousands of tons)	418	419	420	416	414

¹⁾ incl. interdivisional Sales

MMP - Quartely Overview

in millions of EUR, IFRS	4Q/2015	1Q/2016	2Q/2016	3Q/2016	4Q/2016
Sales ¹⁾	329.4	339.2	332.1	342.1	339.2
Operating profit	29.1	35.0	36.7	34.1	39.8
Operating margin (in %)	8.8 %	10.3 %	11.1 %	10.0 %	11.7 %
Tonnage processed (in thousands of tons)	184	189	191	190	191
Sheet equivalent (in millions)	526.9	562.2	565.8	561.3	550.8

¹⁾ incl. interdivisional Sales