



10/15

## Report for the 1<sup>st</sup> Quarter of 2015

- Good first quarter
- High capacity utilization
- Notable profit increase at MM Packaging
- MM Karton maintains a high level

# Group Key Indicators

(according to IFRS for interim financial reporting, unaudited)

(consolidated, in millions of EUR)	1 <sup>st</sup> Quarter		+/-
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014	
Sales	533.9	523.9	+1.9 %
EBITDA	74.0	68.5	+8.0 %
EBITDA margin (%)	13.9 %	13.1 %	
Operating profit	50.8	46.2	+10.0 %
Operating margin (%)	9.5 %	8.8 %	
Profit before tax	47.6	43.3	+9.9 %
Income tax expense	(12.1)	(11.2)	
Profit for the period	35.5	32.1	+10.6 %
Net profit margin (%)	6.6 %	6.1 %	
Basic and diluted earnings per share (in EUR)	1.77	1.59	
Cash earnings	59.7	55.3	+8.0 %
Cash earnings margin (%)	11.2 %	10.6 %	
Capital expenditures	22.0	32.3	-31.9 %
Depreciation and amortization	24.2	23.2	+4.3 %

	Balance sheet date	
	Mar. 31, 2015	Dec. 31, 2014
Total equity (in millions of EUR)	1,143.5	1,102.2
Total assets (in millions of EUR)	1,840.2	1,787.0
Total equity to total assets (%)	62.1 %	61.7 %
Net liquidity (in millions of EUR)	60.6	58.3
Enterprise value (in millions of EUR)	1,931.7	1,730.6
Employees	9,302	9,399

# Group Report

DEAR SHAREHOLDERS,

Your Company started the business year 2015 with a good first quarter. High capacity utilization and productivity increases contributed significantly to the profit growth of the Group compared to the previous year's period. Improved performance of the packaging plants had a major part in this, while MM Karton was able to maintain the solid earnings level of the previous year.

However, a sustainable economic upturn cannot be inferred from this as the slight increase in incoming orders at the beginning of the year has now returned to the usual seasonal level due to a lack of further impulses. Nevertheless, we keep our goal to grow further with high profitability also in 2015.

## INCOME STATEMENT

The Group's consolidated sales went up to EUR 533.9 million and thus were 1.9 % above the comparative figure of the previous year (1Q 2014: EUR 523.9 million). This rise is mainly the result of increased business volume in the packaging division.

**Consolidated sales by destination** (according to IFRS for interim financial reporting, unaudited)

(in %)	1 <sup>st</sup> Quarter	
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014
Western Europe	59.0 %	58.6 %
Eastern Europe	25.8 %	26.0 %
Latin America	5.5 %	5.1 %
Asia	5.4 %	6.0 %
Other	4.3 %	4.3 %
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>

Operating profit rose by 10.0 % or EUR 4.6 million to EUR 50.8 million. This growth is primarily attributable to the overall improved performance of the MM Packaging plants. Accordingly, the Group's operating margin reached 9.5 %, following 8.8 % in the first three months of the previous year.

Financial income of EUR 0.4 million (1Q 2014: EUR 0.4 million) was offset by financial expenses of EUR -1.6 million (1Q 2014: EUR -1.3 million).

Profit before tax thus rose by 9.9 % to EUR 47.6 million (1Q 2014: EUR 43.3 million). Income tax expense totaled EUR 12.1 million (1Q 2014: EUR 11.2 million), resulting in an effective Group tax rate of 25.4 % (1Q 2014: 25.9 %).

Profit for the period therefore increased by 10.6 % to EUR 35.5 million (1Q 2014: EUR 32.1 million). This corresponds to 6.6 % of sales (1Q 2014: 6.1 %). In the first quarter of 2015 an unchanged total of 20,000,000 shares was outstanding, which translates into earnings per share of EUR 1.77 (1Q 2014: EUR 1.59).

## ASSETS, CAPITAL AND LIQUID FUNDS

As of March 31, 2015, the Group's total assets amounted to EUR 1,840.2 million and thus were EUR 53.2 million above the comparative figure as of December 31, 2014 (EUR 1,787.0 million). This growth primarily results from the profit-related rise in equity from EUR 1,102.2 million to EUR 1,143.5 million as well as the higher working capital due to increased business activity.

Financial liabilities, principally of a long-term character, declined compared to the end of 2014 from EUR 265.9 million to EUR 255.9 million as a result of repayments. Total funds available to the Group as of March 31, 2015 amounted to EUR 316.5 million (December 31, 2014: EUR 324.2 million), so that net liquidity at EUR 60.6 million (December 31, 2014: EUR 58.3 million) remained largely unchanged.

Current assets went up by EUR 44.9 million to EUR 1,005.6 million, particularly as a result of increased business activity compared to the end of 2014. Provisions for non-current liabilities relating to employee benefits rose to EUR 132.0 million due to the lower interest level (December 31, 2014: EUR 121.2 million).

## CASH FLOW DEVELOPMENT

Cash flow from operating activities totaled EUR 37.7 million and was therefore EUR 7.0 million below the comparative value of the previous year (1Q 2014: EUR 44.7 million). The profit growth was offset by the higher working capital as well as income tax payments.

Cash flow from investing activities went up from EUR -32.3 million to EUR -33.2 million. This rise is largely the result of higher payments for the acquisition of property, plant and equipment. Investments primarily focused on technological modernizations in both divisions.

Cash flow from financing activities changed mainly due to the repayment of bank loans from EUR 1.7 million to EUR -11.4 million.

## FURTHER INFORMATION

Following the election at the 21<sup>st</sup> Ordinary Shareholders' Meeting on April 29, 2015, Rainer Zellner was elected as new Chairman of the Supervisory Board at the constituent meeting of the Supervisory Board. He thus follows Michael Gröller.

Gotthard Mayringer was appointed the new Chief Financial Officer following Oliver Schumy as of April 1, 2015.

## RISK REPORT

Material single risks as well as the structure of the risk management system are described in our Annual Report of 2014. Further risks were not identified in the first quarter of 2015 and are also not expected for the remaining financial year.

## OUTLOOK

Impulses for demand from the overall economy for our industry cannot be determined. Therefore incoming orders reached the usual seasonal level again after a slight upturn at the beginning of the year. The current order backlog further enables a solid performance in both divisions. The strong profit development in the first quarter is a challenge for the subsequent quarters. Intense competition requires all efforts to be continually concentrated. However, maximum efficiency in production, optimum price level and continued long-term expansion should allow further progress at a high level of profitability. As in the past, organic and acquisition growth will complement each other.

## DIVISIONS

## DIVISIONS

### MM Karton

The seasonally weaker end of the previous year was followed by a pleasing recovery in demand on the European cartonboard market in the first few weeks of 2015, which now turned again to a movement towards the normal level of incoming orders.

In the first three months of this year the average order backlog at MM Karton amounted to around 85,000 tons following 60,000 tons in the previous year, and thus documents the improved visibility and planning for the cartonboard machines. Against this background the capacities in the division could be fully utilized at 99 % in the first quarter of 2015 (1Q 2014: 97 %).

Developments on the procurement markets, especially for the strategic input materials recovered paper and energy, remained quite stable without any major indications of a change in this trend.

With 415,000 tons produced and 421,000 tons sold, volumes were approximately 3 % higher than in the previous year (1Q 2014: 401,000 tons and 408,000 tons respectively). Of this, with 82 %, a little less was sold in Europe and, with 18 %, slightly more in markets outside of Europe (1Q 2014: 83 %; 17 %).

However, as a result of lower average prices, especially due to the product and regional mix, sales at EUR 258.9 million, remained at the previous year's level (1Q 2014: EUR 259.4 million). Operating profit was similarly unchanged at EUR 18.6 million (1Q 2014: EUR 18.8 million), thus the operating margin was maintained at 7.2 % (1Q 2014: 7.2 %).

#### **Divisional indicators MM Karton** (according to IFRS for interim financial reporting, unaudited)

(in millions of EUR)	1 <sup>st</sup> Quarter		+/-
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014	
Sales <sup>1)</sup>	258.9	259.4	-0.2 %
Operating profit	18.6	18.8	-1.1 %
Operating margin (%)	7.2 %	7.2 %	
Tonnage sold (in thousands of tons)	421	408	+3.2 %
Tonnage produced (in thousands of tons)	415	401	+3.5 %

<sup>1)</sup> including interdivisional sales

## MM Packaging

Demand on the European folding carton market was overall solid in the first three months of the year. A good level of incoming orders, high capacity utilization and a sound performance of the plants with decreasing heterogeneity between sites characterized the positive overall picture of the division in the first quarter of 2015.

However, impulses for a sustainable upturn are still not apparent. Therefore a continuation of the intense predatory competition can be expected for the industry. Ongoing mergers in the European and international consumer goods industry will also increase the pressure on packaging producers.

With regard to this scenario, MM Packaging is focusing on maximum efficiency and productivity in cartonboard processing as well as long-term cooperation with successful customers.

The success of this approach was clearly visible in the first quarter of this year.

While sales increased by 3.5 % to EUR 300.7 million (1Q 2014: EUR 290.4 million), operating profit went up by 17.5 % or EUR 4.8 million to EUR 32.2 million (1Q 2014: EUR 27.4 million). The operating margin improved accordingly from 9.4 % to 10.7 %.

The tonnage processed rose by 2.2 % from 178,000 tons to 182,000 tons, the sheet equivalent by 0.2 % from 501.8 million to 503.0 million.

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

(in millions of EUR)	1 <sup>st</sup> Quarter		+/-
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014	
Sales <sup>1)</sup>	300.7	290.4	+3.5 %
Operating profit	32.2	27.4	+17.5 %
Operating margin (%)	10.7 %	9.4 %	
Tonnage processed (in thousands of tons)	182	178	+2.2 %
Sheet equivalent (in millions)	503.0	501.8	+0.2 %

<sup>1)</sup> including interdivisional sales

# Consolidated Balance Sheets

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR)	Notes	End of 1 <sup>st</sup> Quarter	Year-end
		Mar. 31, 2015	Dec. 31, 2014
<b>ASSETS</b>			
Property, plant and equipment	2	701,658	697,724
Intangible assets including goodwill	2	100,710	97,697
Securities and other financial assets		7,431	7,680
Deferred income taxes		24,835	23,239
<b>Non-current assets</b>		<b>834,634</b>	<b>826,340</b>
Inventories	5	289,091	283,021
Trade receivables		345,774	301,162
Income tax receivables		13,210	10,984
Prepaid expenses and other current assets		44,860	45,418
Cash and cash equivalents		312,663	320,086
<b>Current assets</b>		<b>1,005,598</b>	<b>960,671</b>
<b>TOTAL ASSETS</b>		<b>1,840,232</b>	<b>1,787,011</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		80,000	80,000
Additional paid-in capital		172,658	172,658
Retained earnings		998,431	963,119
Other reserves		(119,338)	(124,190)
<b>Equity attributable to shareholders of the Company</b>		<b>1,131,751</b>	<b>1,091,587</b>
Non-controlling (minority) interests		11,729	10,581
<b>Total equity</b>		<b>1,143,480</b>	<b>1,102,168</b>
Interest-bearing financial liabilities	7	156,329	156,724
Provisions for non-current liabilities and charges		132,024	121,211
Deferred income taxes		12,692	12,336
<b>Non-current liabilities</b>		<b>301,045</b>	<b>290,271</b>
Interest-bearing financial liabilities	7	99,577	109,187
Current tax liabilities		16,212	12,925
Trade liabilities		173,002	170,821
Deferred income and other current liabilities		84,450	83,699
Provisions for current liabilities and charges		22,466	17,940
<b>Current liabilities</b>		<b>395,707</b>	<b>394,572</b>
<b>Total liabilities</b>		<b>696,752</b>	<b>684,843</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,840,232</b>	<b>1,787,011</b>



# Consolidated Income Statements

(according to IFRS for interim financial reporting, unaudited)

(all amounts in thousands of EUR, except per share data)	Notes	1 <sup>st</sup> Quarter	
		Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014
Sales	9	533,895	523,888
Cost of sales		(409,302)	(404,712)
<b>Gross margin</b>		<b>124,593</b>	<b>119,176</b>
Other operating income		2,509	2,455
Selling and distribution expenses		(52,183)	(51,074)
Administrative expenses		(24,132)	(24,264)
Other operating expenses		(6)	(96)
<b>Operating profit</b>		<b>50,781</b>	<b>46,197</b>
Financial income		363	436
Financial expenses		(1,557)	(1,329)
Other financial result – net		(1,948)	(2,033)
<b>Profit before tax</b>		<b>47,639</b>	<b>43,271</b>
Income tax expense		(12,098)	(11,203)
<b>Profit for the period</b>		<b>35,541</b>	<b>32,068</b>
<b>Attributable to:</b>			
Shareholders of the Company		35,318	31,891
Non-controlling (minority) interests		223	177
<b>Profit for the period</b>		<b>35,541</b>	<b>32,068</b>
<b>Earnings per share for the profit attributable to the shareholders of the Company during the period:</b>			
Basic and diluted earnings per share (in EUR)		1.77	1.59

# Consolidated Comprehensive Income Statements

(according to IFRS for interim financial reporting, unaudited)

	1 <sup>st</sup> Quarter	
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014
(all amounts in thousands of EUR)		
<b>Profit for the period</b>	<b>35,541</b>	<b>32,068</b>
<b>Profit (loss) directly recognized in equity:</b>		
Measurement of defined benefit pension and severance obligations	(11,135)	(1,654)
Effects of income taxes	1,371	307
<b>Total of items that will not be reclassified ("recycled") subsequently to the income statement</b>	<b>(9,764)</b>	<b>(1,347)</b>
Foreign currency translations	15,612	(14,780)
<b>Total of items that will be reclassified ("recycled") subsequently to the income statement</b>	<b>15,612</b>	<b>(14,780)</b>
<b>Total profit (loss) directly recognized in equity - net</b>	<b>5,848</b>	<b>(16,127)</b>
<b>Total profit for the period</b>	<b>41,389</b>	<b>15,941</b>
<b>Attributable to:</b>		
Shareholders of the Company	40,170	15,941
Non-controlling (minority) interests	1,219	0
<b>Total profit for the period</b>	<b>41,389</b>	<b>15,941</b>

# Consolidated Statements of Changes in Equity

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

	1 <sup>st</sup> Quarter						
	Equity attributable to shareholders of the Company					Non-controlling (minority) interests	Total equity
(all amounts in thousands of EUR)	Share capital	Additional paid-in capital	Retained earnings	Other reserves <sup>1)</sup>	Total		
<b>Balance at January 1, 2015</b>	<b>80,000</b>	<b>172,658</b>	<b>963,119</b>	<b>(124,190)</b>	<b>1,091,587</b>	<b>10,581</b>	<b>1,102,168</b>
Total profit for the period			35,318	4,852	40,170	1,219	41,389
Change in majority interests			(6)		(6)	(71)	(77)
<b>Balance at March 31, 2015</b>	<b>80,000</b>	<b>172,658</b>	<b>998,431</b>	<b>(119,338)</b>	<b>1,131,751</b>	<b>11,729</b>	<b>1,143,480</b>
<b>Balance at January 1, 2014</b>	<b>80,000</b>	<b>172,658</b>	<b>928,642</b>	<b>(79,570)</b>	<b>1,101,730</b>	<b>10,072</b>	<b>1,111,802</b>
Total profit for the period			31,891	(15,950)	15,941		15,941
Change in majority interests						(2)	(2)
<b>Balance at March 31, 2014</b>	<b>80,000</b>	<b>172,658</b>	<b>960,533</b>	<b>(95,520)</b>	<b>1,117,671</b>	<b>10,070</b>	<b>1,127,741</b>

<sup>1)</sup> Other reserves comprise the profit (loss) directly recognized in equity from foreign currency translations and from the measurement of defined benefit pension and severance obligations.

# Consolidated Cash Flow Statements

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

	1 <sup>st</sup> Quarter	
	Jan. 1 - Mar. 31, 2015	Jan. 1 - Mar. 31, 2014
(all amounts in thousands of EUR)		
Profit for the period	35,541	32,068
Adjustments to reconcile profit for the period to net cash from operating activities excluding interest and taxes paid	36,644	31,044
<b>Net cash from profit</b>	<b>72,185</b>	<b>63,112</b>
Changes in working capital	(23,347)	(14,072)
<b>Cash flow from operating activities excluding interest and taxes paid</b>	<b>48,838</b>	<b>49,040</b>
Income taxes paid	(11,188)	(4,379)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>37,650</b>	<b>44,661</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(33,152)</b>	<b>(32,270)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(11,429)</b>	<b>1,711</b>
Effect of exchange rate changes on cash and cash equivalents	(492)	(265)
<b>Change in cash and cash equivalents</b>	<b>(7,423)</b>	<b>13,837</b>
<b>Cash and cash equivalents at the beginning of the period (according to the consolidated balance sheet)</b>	<b>320,086</b>	<b>297,920</b>
<b>Cash and cash equivalents at the end of the period (according to the consolidated balance sheet)</b>	<b>312,663</b>	<b>311,757</b>
<b>Adjustments to reconcile cash and cash equivalents to total funds available to the Group:</b>		
Current and non-current securities	3,885	5,542
<b>Total funds available to the Group</b>	<b>316,548</b>	<b>317,299</b>

In the consolidated cash flow statement for the first quarter of 2014 insignificant reclassifications were made.

# Notes to the Consolidated Quarterly Financial Statements

## 1 — GENERAL

These condensed consolidated quarterly financial statements and notes thereto of Mayr-Melnhof Karton AG and its controlled subsidiaries have been prepared in accordance with IFRS for interim financial reporting (IAS 34) as adopted by the European Union and were neither voluntarily audited nor reviewed by an auditor. The condensed consolidated quarterly financial statements do not include all the obligatory information and disclosures required in the annual financial statements, and therefore should be read in conjunction with the Group's annual financial statements as of December 31, 2014.

The present condensed consolidated quarterly financial statements have been prepared using the same accounting principles as for the consolidated financial statements as of December 31, 2014.

As of January 1, 2015 respectively February 1, 2015 the following new or revised accounting regulations are initially applicable:

<b>New interpretation</b>	<b>Content</b>	<b>Effective</b>
IFRIC 21	Levies	Jan. 1, 2015
<b>Revised standards</b>	<b>Content</b>	
IAS 19	Employee Benefits: Employee Contributions to Defined Benefit Plans	Feb. 1, 2015
	Annual Improvements to IFRSs – 2010-2012 Cycle	Feb. 1, 2015
	Annual Improvements to IFRSs – 2011-2013 Cycle	Jan. 1, 2015

If individually applicable, the effective regulations were adopted in the present condensed consolidated quarterly financial statements. However, this does not have any significant impact on the presentation of the financial situation and profitability.

The business performance of Mayr-Melnhof Karton AG is generally not affected by any significant seasonal effects. Information regarding the cyclical influences on the business activities of the Group can be found in the quarterly management report.

The discount rate for the valuation of the defined benefit pension respectively severance obligations is for both at 1.95 % (December 31, 2014: both at 2.4 %).

## 2 — DEVELOPMENT OF FIXED ASSETS

The Group spent a total of thous. EUR 21,980 (1Q 2014: thous. EUR 32,269) on acquiring property, plant and equipment and intangible assets in the first quarter of 2015. The carrying amount of disposals of property, plant and equipment and intangible assets amounted to thous. EUR 130 (1Q 2014: thous. EUR 73).

Depreciation and amortization on property, plant and equipment and intangible assets amounted to thous. EUR 24,227 (1Q 2014: thous. EUR 23,160).

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

	<b>End of 1<sup>st</sup> Quarter</b>	<b>Year-end</b>
(all amounts in thousands of EUR)	<b>Mar. 31, 2015</b>	<b>Dec. 31, 2014</b>
Lands, similar land rights and buildings	259,130	257,211
Technical equipment and machines	343,901	348,112
Other equipment, fixtures and fittings	38,744	39,247
Construction in progress	59,883	53,154
<b>Property, plant and equipment</b>	<b>701,658</b>	<b>697,724</b>
	<b>End of 1<sup>st</sup> Quarter</b>	<b>Year-end</b>
(all amounts in thousands of EUR)	<b>Mar. 31, 2015</b>	<b>Dec. 31, 2014</b>
Concessions, licenses and similar rights	7,337	7,007
Goodwill	79,532	77,273
Other intangible assets	13,841	13,417
<b>Intangible assets including goodwill</b>	<b>100,710</b>	<b>97,697</b>

## 3 — PURCHASE COMMITMENTS

On March 31, 2015 purchase obligations for fixed assets regarding planned capital expenditures maturing within one year amounted to thous. EUR 28,567 (December 31, 2014: thous. EUR 29,545).

## 4 — FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities and are recognized in different categories, which determine the subsequent measurement method and thus also the resulting type of income and expense.

Financial assets of the Group consist of securities, other financial assets, loans, trade receivables, other receivables and assets (except for certain positions which do not represent financial instruments, such as receivables regarding taxes and other charges), cash and cash equivalents as well as derivative financial instruments with a positive balance.

Financial liabilities of the Group comprise interest-bearing financial liabilities, trade liabilities, other liabilities (except for certain positions, which do not represent financial instruments, such as liabilities regarding taxes and other charges) as well as derivative financial instruments with a negative balance.

The financial assets and financial liabilities are measured either at fair value or at amortized cost.

### a — Measurement at fair value

The amounts of significant financial assets and financial liabilities, which were recognized at their fair value, are as follows:

	Level 2	
	End of 1 <sup>st</sup> Quarter	Year-end
	Mar. 31, 2015	Dec. 31, 2014
(all amounts in thousands of EUR)		
<b>Financial assets:</b>		
Derivative financial instruments	462	1,264
<b>Financial liabilities:</b>		
Derivative financial instruments	570	970

### Measurement methods

Depending on the availability of market price information, the Group uses the following hierarchy for the determination of the measurement method and presentation of fair values of financial instruments:

Availability of information, broken down by levels	Measurement method used
Level 2 – Quoted market prices for identical instruments are not available but all required measurement parameters can be derived from active markets	Measurement based on valuation methods by applying directly or indirectly observable market data

The fair values of foreign currency forward contracts (level 2 measurement) are measured according to the spot rates at the balance sheet date considering forward premiums and discounts with corresponding maturities.

In general there are also financial instruments measured at fair value based on the prices quoted on active markets (level 1 measurement) or using parameters for which no observable market data exists (level 3 measurement). Currently there are no such significant financial instruments in the Mayr-Melnhof Group, for which these measurement methods would be applicable.

### b — Measurement at amortized costs

The amounts of trade receivables, securities measured at amortized cost, cash and cash equivalents, share purchase price and option liabilities and other financial liabilities disclosed in the consolidated balance sheet represent an appropriate approximate value of the fair value.

The share purchase price and option liabilities amount to thous. EUR 9,254 as of March 31, 2015 (December 31, 2014: thous. EUR 8,885). This change is primarily attributed to the valuation of the purchase price liability arising from the acquisition in Malaysia.

The available-for-sale financial assets include equity shares in non-consolidated companies as of March 31, 2015 in amount of thous. EUR 1,703 (December 31, 2014: thous. EUR 1,699). There is no active market for these equity shares. As in this regard the future cash flows cannot be reliably measured, a market value cannot be determined by valuation models. The equity shares in these companies are therefore reported at amortized cost. There is basically no intention to sell these equity shares. No derecognition or significant valuation results were recorded.

## 5 — INVENTORIES

In the first quarter of 2015 the write-downs of inventories recognized as an expense under costs of goods sold amounted to thous. EUR 4,559 (1Q 2014: thous. EUR 5,984), the reversal of write-downs of inventories recognized as income amounted to thous. EUR 65 (1Q 2014: thous. EUR 16).

## 6 — EQUITY

**Dividend**

By the 21<sup>st</sup> Ordinary Shareholder's Meeting, a dividend of EUR 2.60 (2013: EUR 2.40 plus an anniversary bonus of EUR 2.40) per voting share, which was due on May 12, 2015, was resolved for the year 2014. On schedule a total of thous. EUR 52,000 (previous year: thous. EUR 48,000 plus an anniversary bonus of thous. EUR 48,000) was distributed to the shareholders.

## 7 — FINANCIAL LIABILITIES

Financial liabilities of the Group are as follows:

	<b>End of 1<sup>st</sup> Quarter</b>	<b>Year-end</b>
(all amounts in thousands of EUR)	<b>Mar. 31, 2015</b>	<b>Dec. 31, 2014</b>
Non-current interest-bearing financial liabilities	156,329	156,724
Current interest-bearing financial liabilities	99,577	109,187
<b>Interest-bearing financial liabilities</b>	<b>255,906</b>	<b>265,911</b>

## 8 — DISCLOSURE ON TRANSACTIONS WITH RELATED PARTIES

Raw materials for the production of cartonboard amounting to thous. EUR 2,038 were purchased from other related companies in the first quarter of 2015 (1Q 2014: thous. EUR 2,073). On March 31, 2015, trade liabilities with other related companies amounted to thous. EUR 739 (December 31, 2014: thous. EUR 1,031).

Transactions with these companies are carried out on an arm's length basis.



## 9 — SEGMENT REPORTING INFORMATION

The Group measures the performance of its operating segments through the assessment of operating profit and profit for the period, as they are presented in the consolidated income statements.

The Group's operating segments can be illustrated as follows:

(all amounts in thousands of EUR)	1 <sup>st</sup> Quarter 2015			
	MM Karton	MM Packaging	Eliminations	Consolidated
Sales to external customers	233,380	300,515	0	533,895
Intersegment sales	25,545	150	(25,695)	0
<b>Total sales</b>	<b>258,925</b>	<b>300,665</b>	<b>(25,695)</b>	<b>533,895</b>
Operating profit	18,607	32,174	0	50,781
Profit for the period	12,949	22,592	0	35,541
Segment assets <sup>1)</sup>	994,902	897,435	(52,105)	1,840,232
Segment liabilities <sup>1)</sup>	334,952	413,905	(52,105)	696,752

<sup>1)</sup> as of March 31, 2015

(all amounts in thousands of EUR)	1 <sup>st</sup> Quarter 2014			
	MM Karton	MM Packaging	Eliminations	Consolidated
Sales to external customers	233,669	290,219	0	523,888
Intersegment sales	25,774	196	(25,970)	0
<b>Total sales</b>	<b>259,443</b>	<b>290,415</b>	<b>(25,970)</b>	<b>523,888</b>
Operating profit	18,791	27,406	0	46,197
Profit for the period	13,768	18,300	0	32,068
Segment assets <sup>1)</sup>	992,732	864,765	(70,486)	1,787,011
Segment liabilities <sup>1)</sup>	342,022	413,307	(70,486)	684,843

<sup>1)</sup> as of December 31, 2014

The operating profit and profit for the period in the total column "consolidated" correspond to the consolidated income statements. The reconciliation from operating profit to profit for the period can therefore be derived from the consolidated income statements.

## 10 — FURTHER INFORMATION

Until March 31, 2015 the division MM Packaging acquired additional 0.78 % of shares in Al-Ekbal Printing & Packaging Co., so that the interest increased from 84.32 % as of December 31, 2014 to 85.10 %.

## 11 — SIGNIFICANT SUBSEQUENT EVENTS

No events that require disclosure took place between the balance sheet date March 31, 2015 and the publication approval on May 18, 2015.

# Quarterly Overview

(according to IFRS for interim financial reporting, unaudited)

## MAYR-MELNHOF GROUP

(consolidated, in millions of EUR)	1 <sup>st</sup> Quarter 2014	2 <sup>nd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2014	4 <sup>th</sup> Quarter 2014	1 <sup>st</sup> Quarter 2015
Sales	523.9	509.2	537.9	516.4	533.9
EBITDA	68.5	65.0	70.1	64.8	74.0
EBITDA margin (%)	13.1 %	12.8 %	13.0 %	12.5 %	13.9 %
Operating profit	46.2	42.5	47.8	43.7	50.8
Operating margin (%)	8.8 %	8.3 %	8.9 %	8.5 %	9.5 %
Profit before tax	43.3	39.4	48.8	39.5	47.6
Income tax expense	(11.2)	(10.5)	(12.3)	(5.4)	(12.1)
Profit for the period	32.1	28.9	36.5	34.1	35.5
Net profit margin (%)	6.1 %	5.7 %	6.8 %	6.6 %	6.6 %
Earnings per share (basic and diluted in EUR)	1.59	1.44	1.83	1.68	1.77

## DIVISIONS

### MM Karton

(in millions of EUR)	1 <sup>st</sup> Quarter 2014	2 <sup>nd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2014	4 <sup>th</sup> Quarter 2014	1 <sup>st</sup> Quarter 2015
Sales <sup>1)</sup>	259.4	252.0	256.5	234.9	258.9
Operating profit	18.8	20.2	19.9	15.8	18.6
Operating margin (%)	7.2 %	8.0 %	7.8 %	6.7 %	7.2 %
Tonnage sold (in thousands of tons)	408	398	412	368	421
Tonnage produced (in thousands of tons)	401	404	408	372	415

<sup>1)</sup> including interdivisional sales

### MM Packaging

(in millions of EUR)	1 <sup>st</sup> Quarter 2014	2 <sup>nd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2014	4 <sup>th</sup> Quarter 2014	1 <sup>st</sup> Quarter 2015
Sales <sup>1)</sup>	290.4	282.6	309.0	305.7	300.7
Operating profit	27.4	22.3	27.9	27.9	32.2
Operating margin (%)	9.4 %	7.9 %	9.0 %	9.1 %	10.7 %
Tonnage processed (in thousands of tons)	178	173	179	172	182
Sheet equivalent (in millions)	501.8	484.8	527.6	482.4	503.0

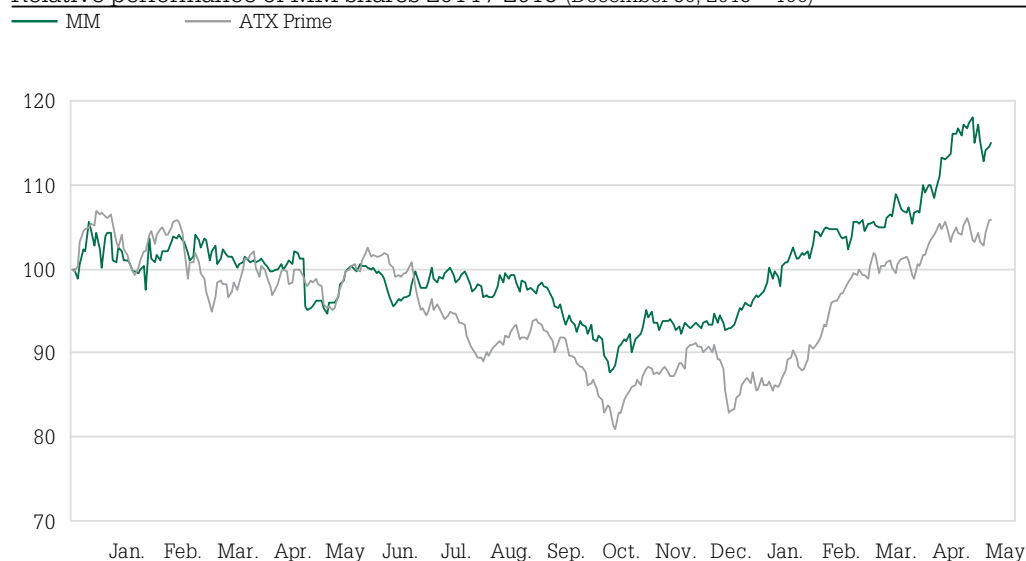
<sup>1)</sup> including interdivisional sales

***The Management Board  
of Mayr-Melnhof Karton AG***

The results of the first half-year of 2015 will be published on August 18, 2015.

# Mayr-Melnhof Shares

Relative performance of MM shares 2014 / 2015 (December 30, 2013 = 100)



Share price (closing price)	
as of May 11, 2015	103.50
2015 High	106.20
2015 Low	86.49
Stock performance (Year-end 2014 until May 11, 2015)	20.35 %
Number of shares issued	20 million
Market capitalization as of May 11, 2015 (in millions of EUR)	2,070.00
Trading volume (average per day 1Q 2015 in millions of EUR)	1.13

We have prepared this report and reviewed the figures with the greatest possible care. Nevertheless, rounding, typographical and printing errors cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids. This report also contains forward-looking estimates and statements based on the information currently available to us. Please note that a wide variety of factors could cause actual circumstances – and hence actual results – to deviate from the expectations contained in this report.

Statements referring to people are valid for both men and women.

This interim report is also available in German. In case of doubt, the German version takes precedence.

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