



MAYR-MELNHOF GROUP

Annual Results 2018

March 19, 2019



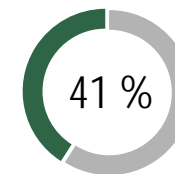
A Balanced Portfolio



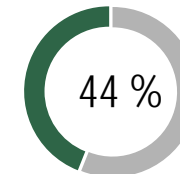
MM KARTON

World's largest producer of coated recycled fiber-based cartonboard with an important position in virgin fiber-based board

% Sales



% op. profit



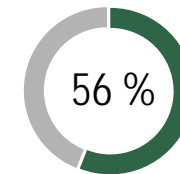
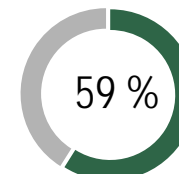
ROCE %

16,1 %



MM PACKAGING

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



15,1 %

(2018 Values)



Leading in Cartonboard based Packaging

52 Plants in 21 countries, more than 10.000 employees





The Year 2018

- Continuation of Success Course
- Robust demand throughout first quarters
- Strong performance of the Cartonboard Division
- Higher costs weigh on margin of Packaging Division
- Another Record Result
- Dividend increase to 3.20 EUR / share (2017: 3,10 EUR)



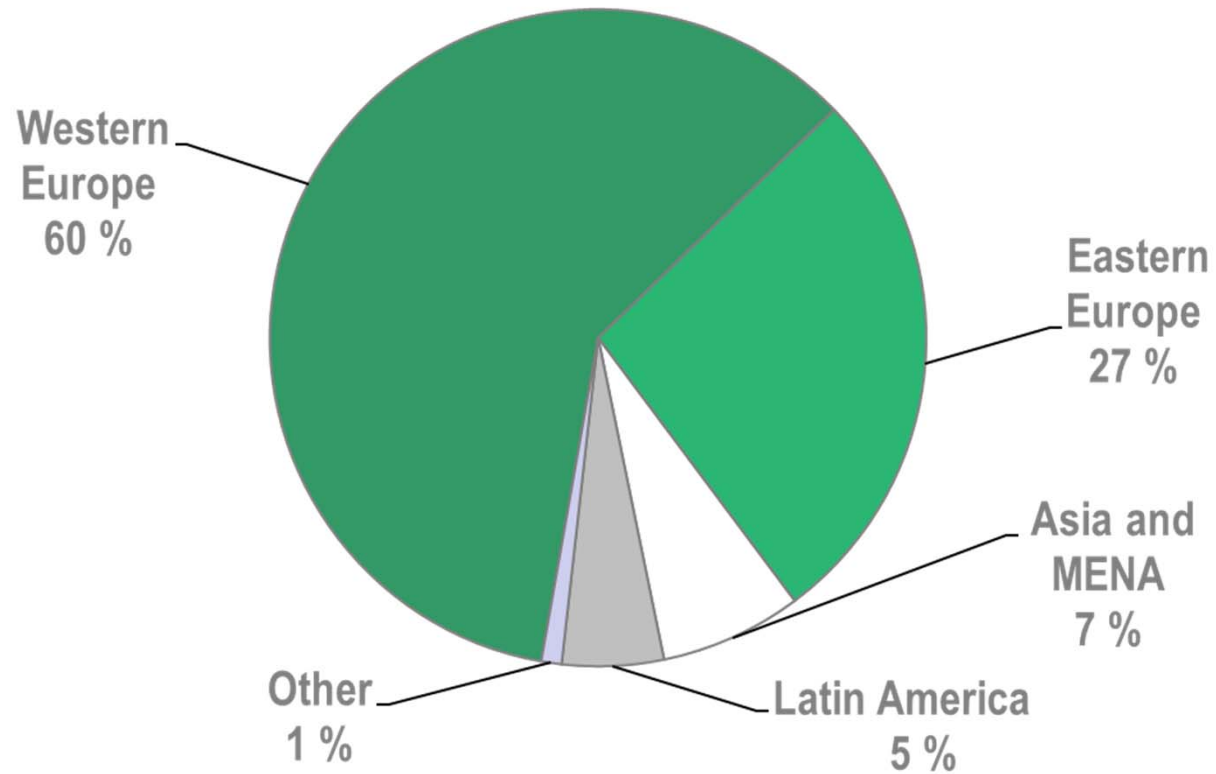
Group Results 2018



Annual Results 2018

consolidated in millions of EUR, IFRS	2018	2017	+/-
Sales	2,337.7	2,336.8	+0.0 %
Operating profit	217.1	215.0	+1.0 %
Operating margin (in %)	9.3 %	9.2 %	
Profit before tax	217.9	205.5	+6.0 %
Income tax expense	(53.7)	(50.5)	
Profit for the year	164.2	155.0	+5.9 %
Net profit margin (in %)	7.0 %	6.6 %	
Cash earnings	269.7	257.1	+4.9 %
Cash earnings margin (in %)	11.5 %	11.0 %	
Earnings per share (in EUR)	8.18	7.73	+5.8 %
Capital expenditures (CAPEX)	124.4	159.1	
Depreciation and amortization	107.3	99.7	

Sales by Destination





Consolidated Balance Sheet

<small>consolidated in millions of EUR, IFRS</small>	Dec. 31, 2018	Dec. 31, 2017
Non-current assets	1,003.8	1,013.1
Current assets	1,061.9	1,000.3
Total assets	2,065.7	2,013.4
Equity	1,384.8	1,318.6
Liabilities	680.9	694.8
Total equity and liabilities	2,065.7	2,013.4
Total funds available to the Group	261.1	200.7
Total equity to total assets (in %)	67.0 %	65.5 %
Return on equity (in %)	12.1 %	12.0 %
Net debt	49.4	(11.8)



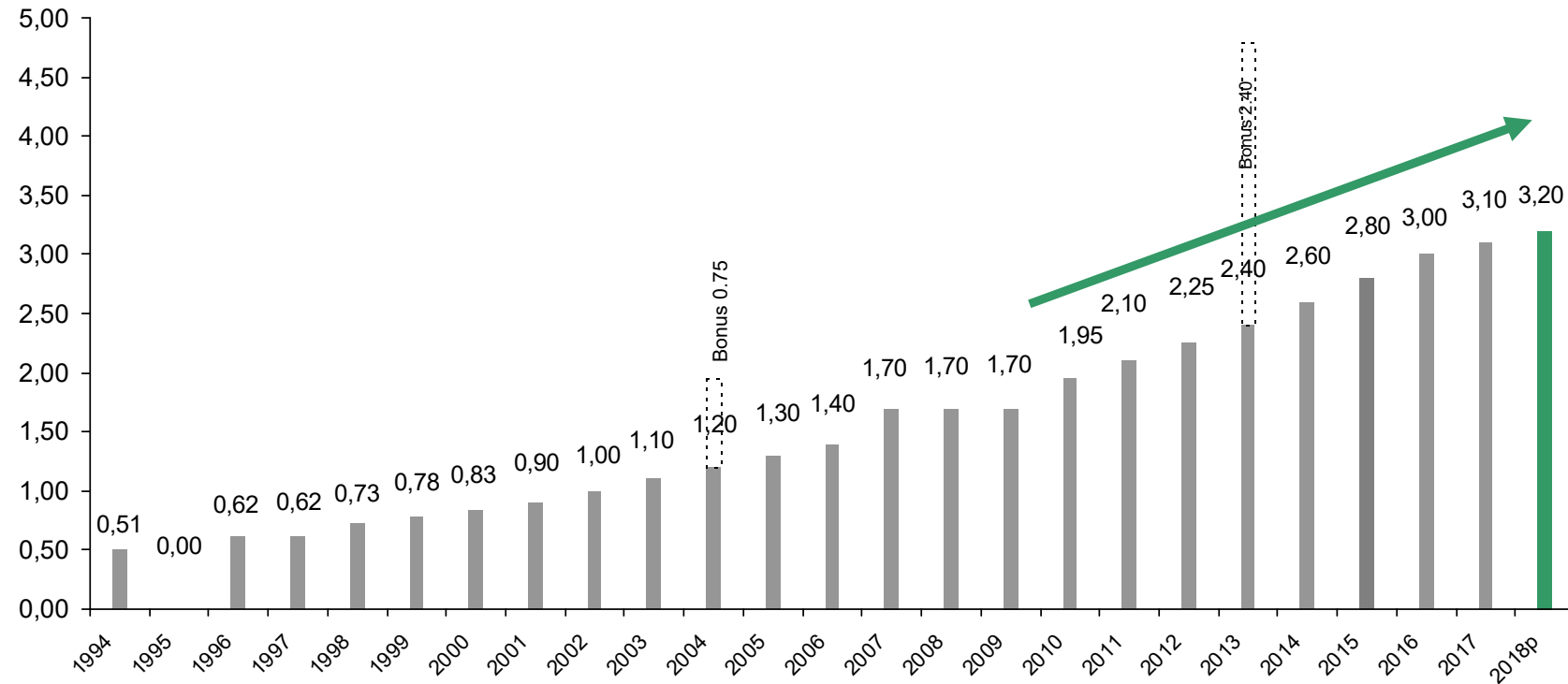
Cash flow Statement

	2018	2017
<small>consolidated in millions of EUR, IFRS</small>		
Cash flow from operating activities	250.1	217.2
Cash flow from investing activities	(119.0)	(154.4)
Cash flow from financing activities	(69.3)	(114.5)
Cash and cash equivalents beg. of the year	197.9	251.1
Net change in cash and cash equivalents	63.1	(53.2)
Cash and cash equivalents end of the year	261.0	197.9
Securities	0.1	2.8
Total funds available to the Group	261.1	200.7



Dividend Development

in EUR





MM Karton - 2018

- Market position strengthened
 - product portfolio, with increasing share of young products
 - selective sales approach
- 97% Capacity utilization
- Increase in profit



MM Karton Results 2018

in millions of EUR, IFRS	2018	2017	+/-
Sales¹⁾	1,062.2	1,048.7	+1.3 %
Operating profit	96.4	73.5	+31.2 %
Operating margin (in %)	9.1 %	7.0 %	
Tonnage sold (in thousands of tons)	1,663	1,675	-0.7 %
Tonnage produced (in thousands of tons)	1,664	1,685	-1.2 %
Employees	2,501	2,524	
Investments	70.6	65.9	
Depreciation and amortization	45.3	42.4	

¹⁾ incl. interdivisional sales



MM Karton – Quarterly Overview

in millions of EUR, IFRS	4Q/ 2017	1Q/ 2018	2Q/ 2018	3Q/ 2018	4Q/ 2018
Sales¹⁾	259.8	268.3	262.7	268.9	262.3
Operating profit	18.9	27.7	27.9	24.3	16.5
Operating margin (in %)	7.3 %	10.3 %	10.6 %	9.0 %	6.3 %
Tonnage sold (in thousands of tons)	409	419	418	423	403
Tonnage produced (in thousands of tons)	416	416	426	429	393

¹⁾ incl. interdivisional sales



MM Packaging - 2018

- Passing-through cost increase
- Focus on rationalization and specialization
- Margin pressure partly absorbed



MM Packaging Results 2018

in millions of EUR, IFRS	2018	2017	+/-
Sales¹⁾	1,384.2	1,392.7	-0.6 %
Operating profit	120.7	141.5	-14.7 %
Operating margin (in %)	8.7 %	10.2 %	
Tonnage processed (in thousands of tons)	766	767	-0.1 %
Sheet equivalent (in millions)	2,270.7	2,289.9	-0.8 %
Employees	6,944	7,332	
Investments	53.8	93.2	
Depreciation and amortization	62.0	57.3	

¹⁾ incl. interdivisional sales

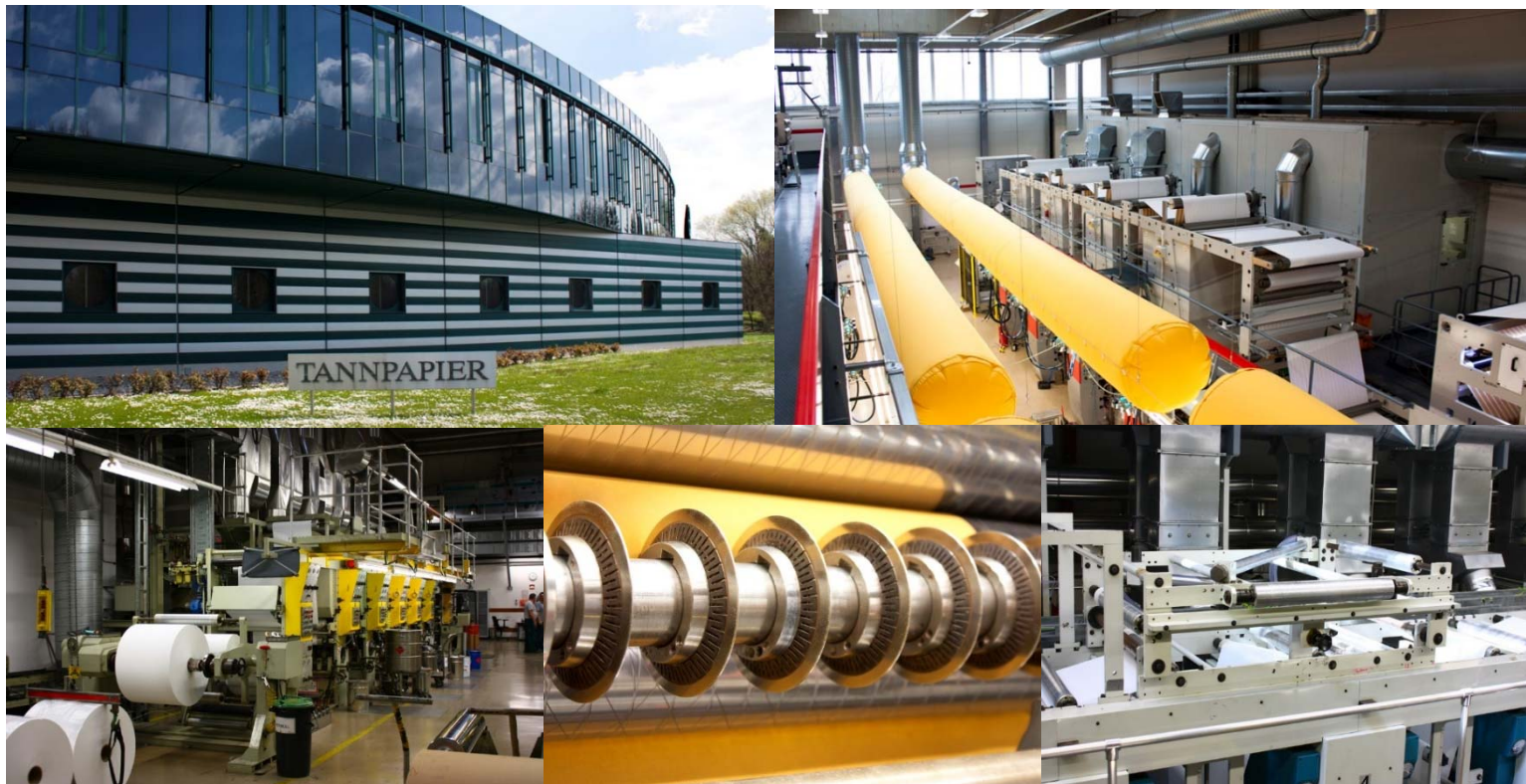


MM Packaging – Quarterly Overview

in millions of EUR, IFRS	4Q/ 2017	1Q/ 2018	2Q/ 2018	3Q/ 2018	4Q/ 2018
Sales¹⁾	355.9	354.3	342.1	348.9	338.9
Operating profit	37.2	29.4	29.3	33.7	28.3
Operating margin (in %)	10.5 %	8.3 %	8.6 %	9.7 %	8.4 %
Tonnage processed (in thousands of tons)	198	199	196	189	182
Sheet equivalent (in millions)	582.9	587.0	581.3	562.5	539.9

¹⁾ incl. interdivisional sales

MM Packaging - Tann Group Acquisition



Acquisition closed mid-January 2019



MM Packaging - Tann Group Acquisition

- Addition of Tipping Paper to Product Portfolio
- ✓ **Technology is closely related to MM Packaging**
- Tann is world market leader
- ✓ **Enlarge the Added-Value Chain**
- ✓ **Platform for further growth**



Outlook

- Market has normalized after weak Q4/18
 - No momentum at present
- Good capacity utilization
- Stable recovered paper prices
- Target: growth and earnings-quality
- Target: 2019 another year of success

Appendix

Annual Results 2018



MM Group – Quarterly Overview

consolidated in millions of EUR, IFRS	4Q/ 2017	1Q/ 2018	2Q/ 2018	3Q/ 2018	4Q/ 2018
Sales	587.7	592.1	578.5	592.5	574.6
EBITDA	82.1	83.9	84.5	85.7	78.0
EBITDA margin (in %)	14.0 %	14.2 %	14.6 %	14.5 %	13.6 %
Operating profit	56.1	57.1	57.2	58.0	44.8
Operating margin (in %)	9.5 %	9.6 %	9.9 %	9.8 %	7.8 %
Profit before tax	53.6	55.6	56.2	57.2	48.9
Income tax expense	(11.9)	(13.9)	(14.2)	(14.5)	(11.1)
Profit for the year	41.7	41.7	42.0	42.7	37.8
Net profit margin (in %)	7.1 %	7.0 %	7.3 %	7.2 %	6.6 %
Earnings per share (in EUR)	2.08	2.08	2.09	2.13	1.88
Cash earnings	68.7	69.5	70.8	63.3	66.1
Cash earnings margin (in %)	11.7 %	11.7 %	12.2 %	10.7 %	11.5 %