



Capital Markets Day 2015

Fibre Packaging: Growing by leveraging our strengths

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Fibre Packaging at a glance



1 Industrial Bags



2014 production:
4,446 million units

44 plants based in Europe,
MENA & North America

2 Corrugated Packaging



2014 production:
1,343 million m²

14 plants centred in two
clusters in central and
emerging Europe

3 Extrusion Coatings



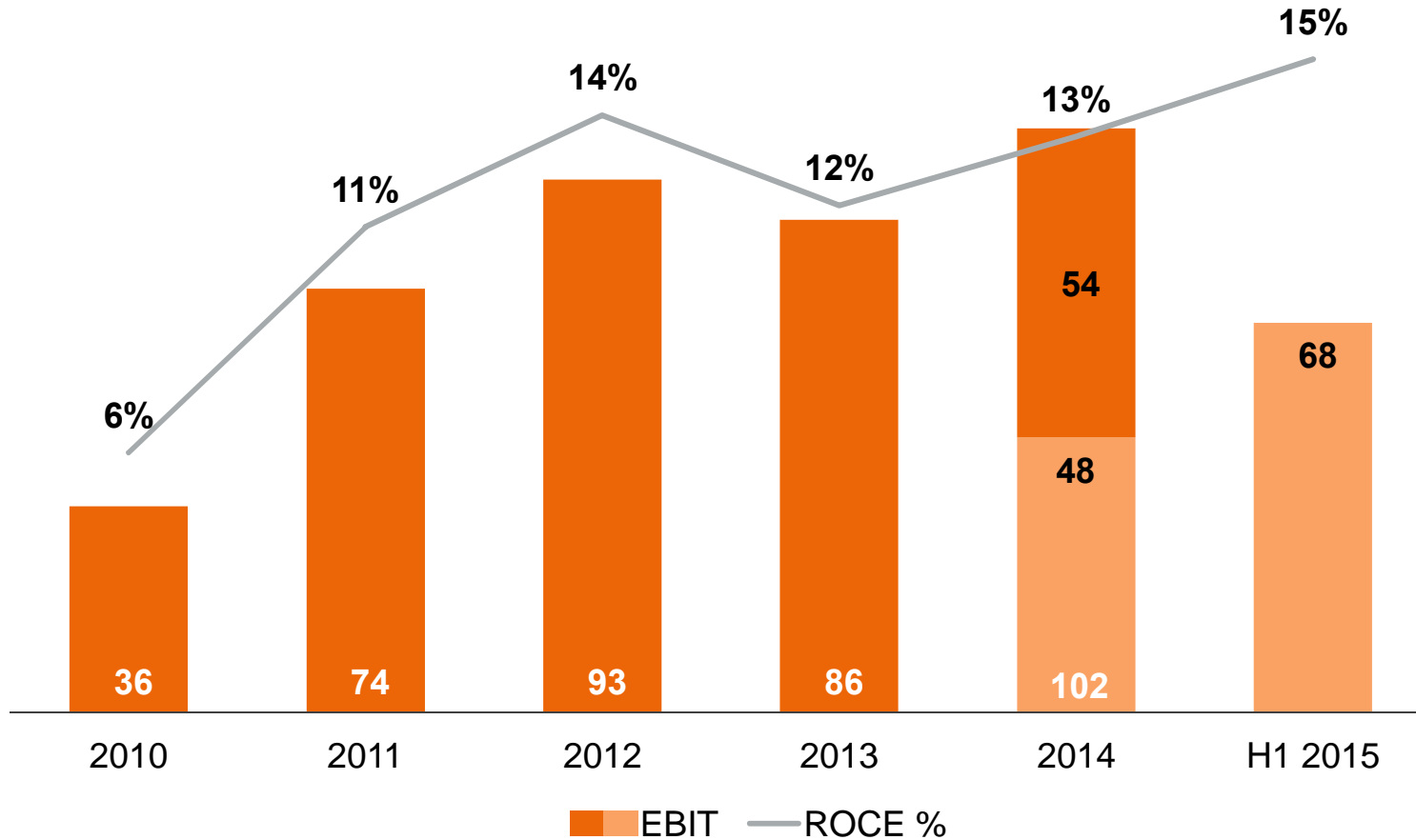
2014 production:
1,401 million m²

5 European plants

Improving financial performance



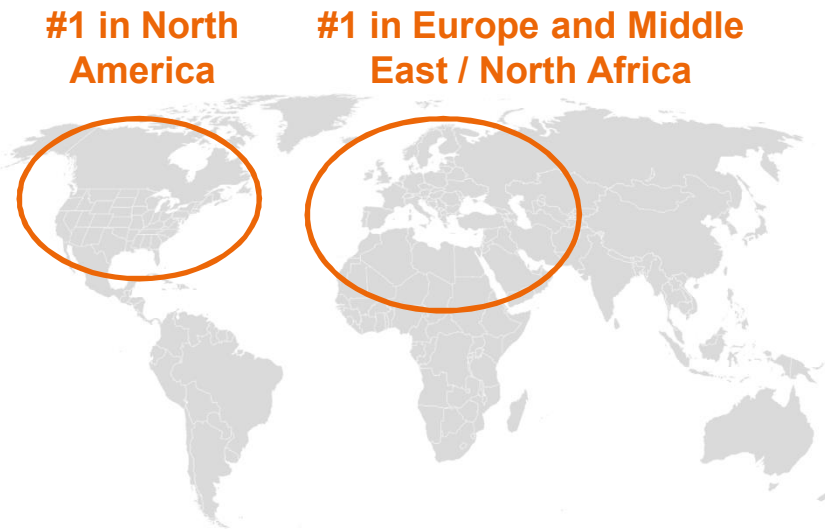
Underlying operating profit (€ million) and ROCE (%)



1 Industrial Bags is a market leader with complete product portfolio



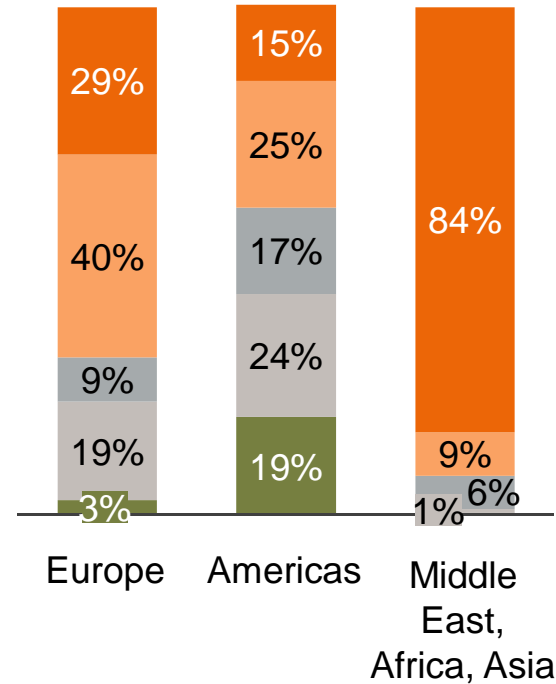
Industrial Bags leading market positions in key world regions



Natural partner for key customers

Ability to leverage strong platform and relationship with key customers to grow in emerging regions

End-uses differ by market¹



- Cement
- Building Materials
- Chemicals
- Food Feed Seed
- Others

1) Based on 2015 August YTD volumes


1 Strong ability to innovate

Selected innovations



SPLASHBAG

An innovative **rain-repellent** paper bag particularly suitable for cement



HYBRID^{PRO}

All the advantages of a plastic bag
Water resistant, shiny surface,
yet fillable on conventional paper bag
filling systems

1 Continuous ability to optimise manufacturing locations and logistics

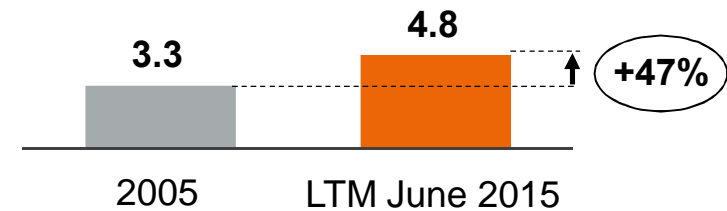


Industrial Bags current footprint

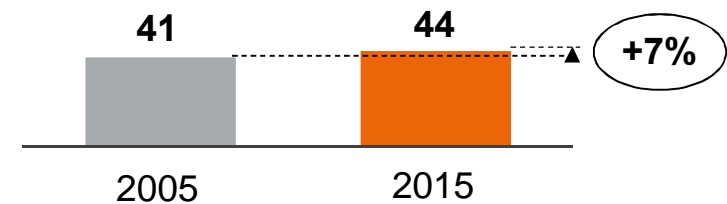


Network changes in past 10 years

Volume in billion bags:



Number of plants:



1 Operational know-how transferred across network to optimise performance



DACO . Automated data collection tool

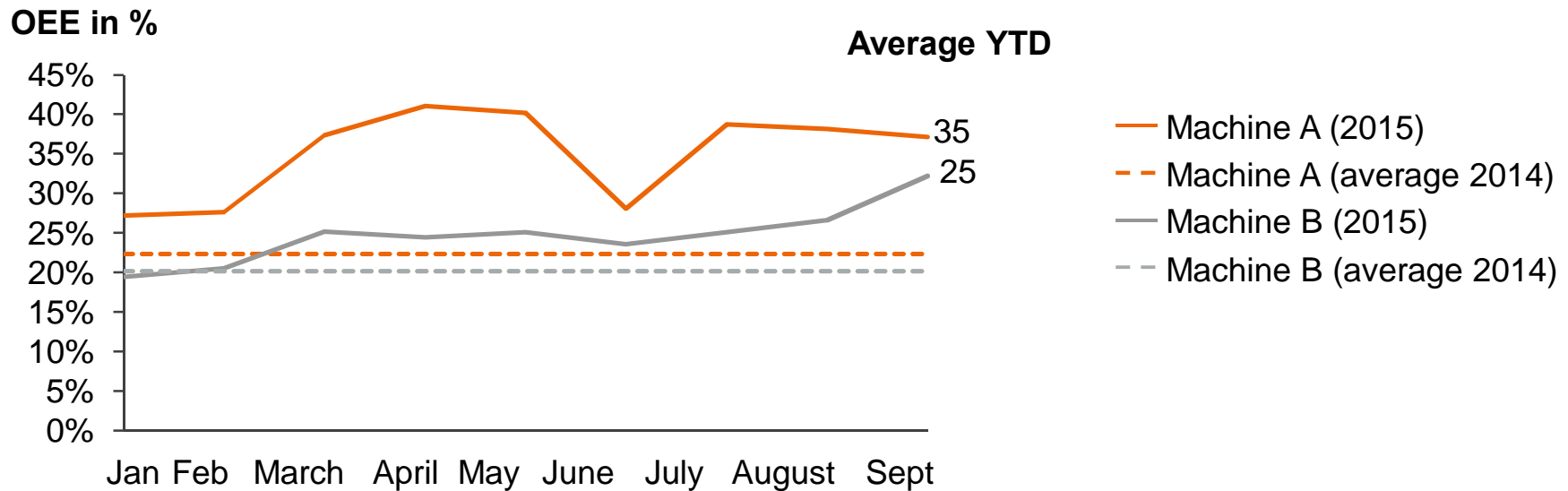
All plants reporting into a central operations system

Attached to all key production machinery: > 100 machines

Online availability of all operational parameters and immediate access to benchmarks

Areas of improvement easily detected throughout the organisation

OEE – selected North American plant

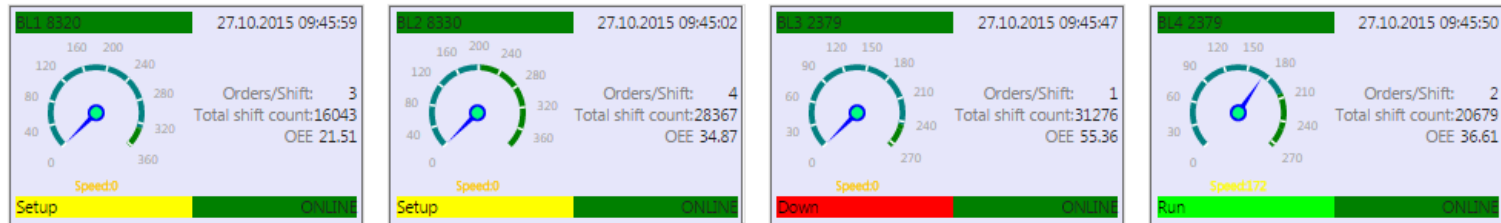


1 DACO example – dashboard view

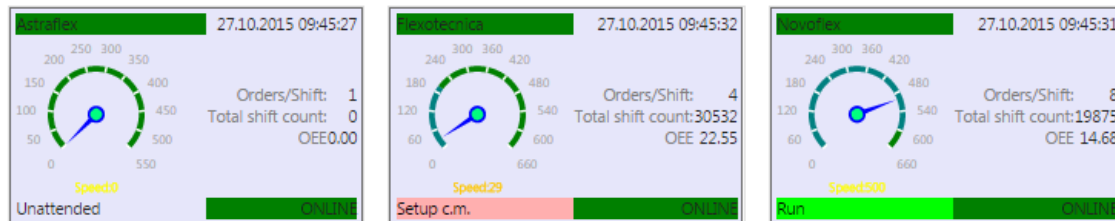


Overview bottomer printer reeler tuber

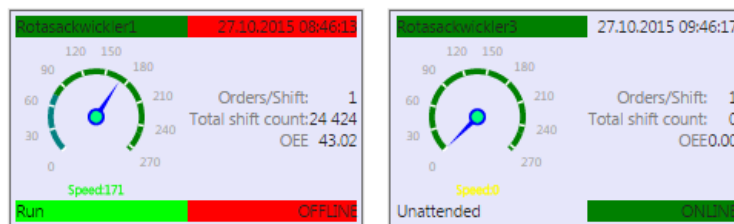
bottomer



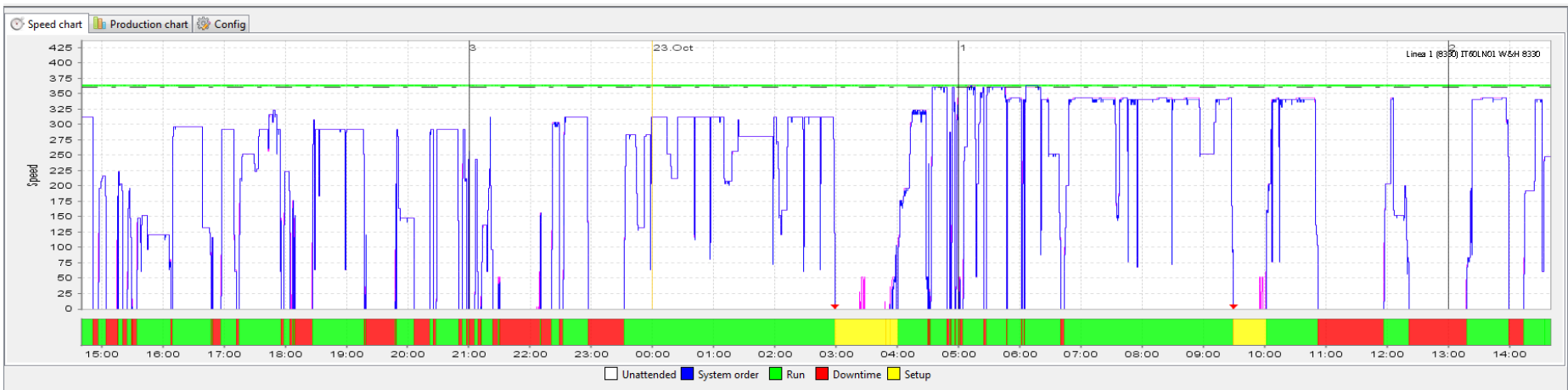
printer



reeler



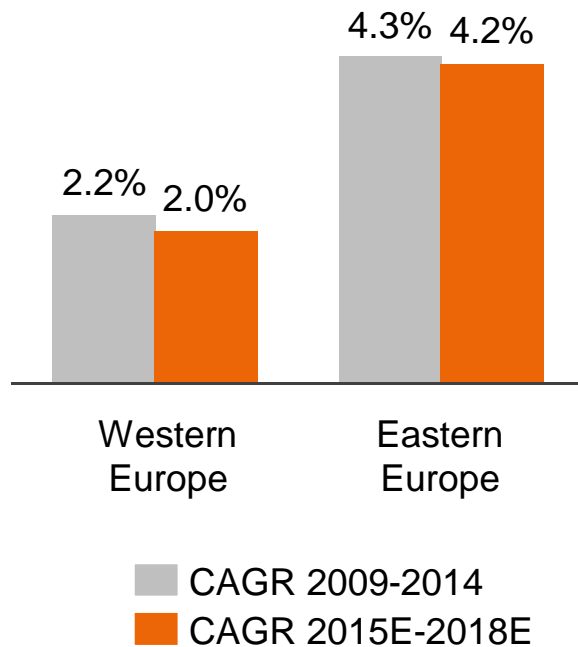
1 DACO example – uptime and speed charts



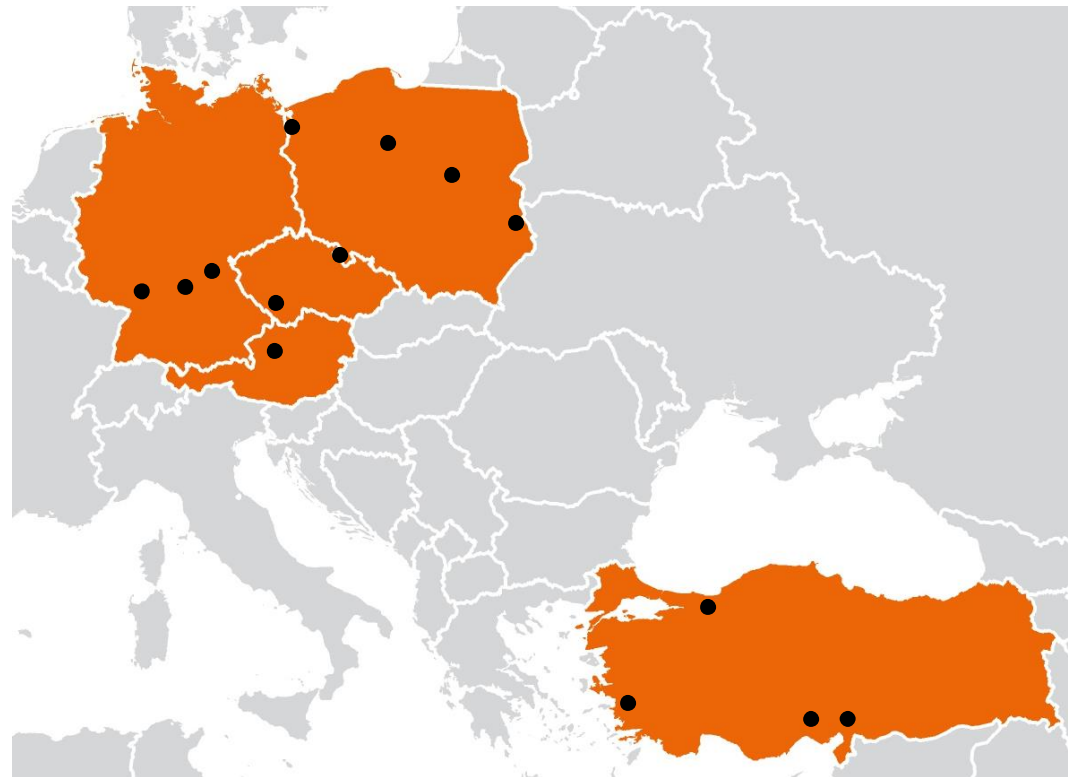
2 Corrugated leading regional player in emerging Europe



Eastern Europe still growing faster than west¹



Strong position in chosen markets



● Mondi corrugated packaging plant

1) Source: Freedonia Global Corrugated Forecast 2015 Update, prepared on behalf of ICCA

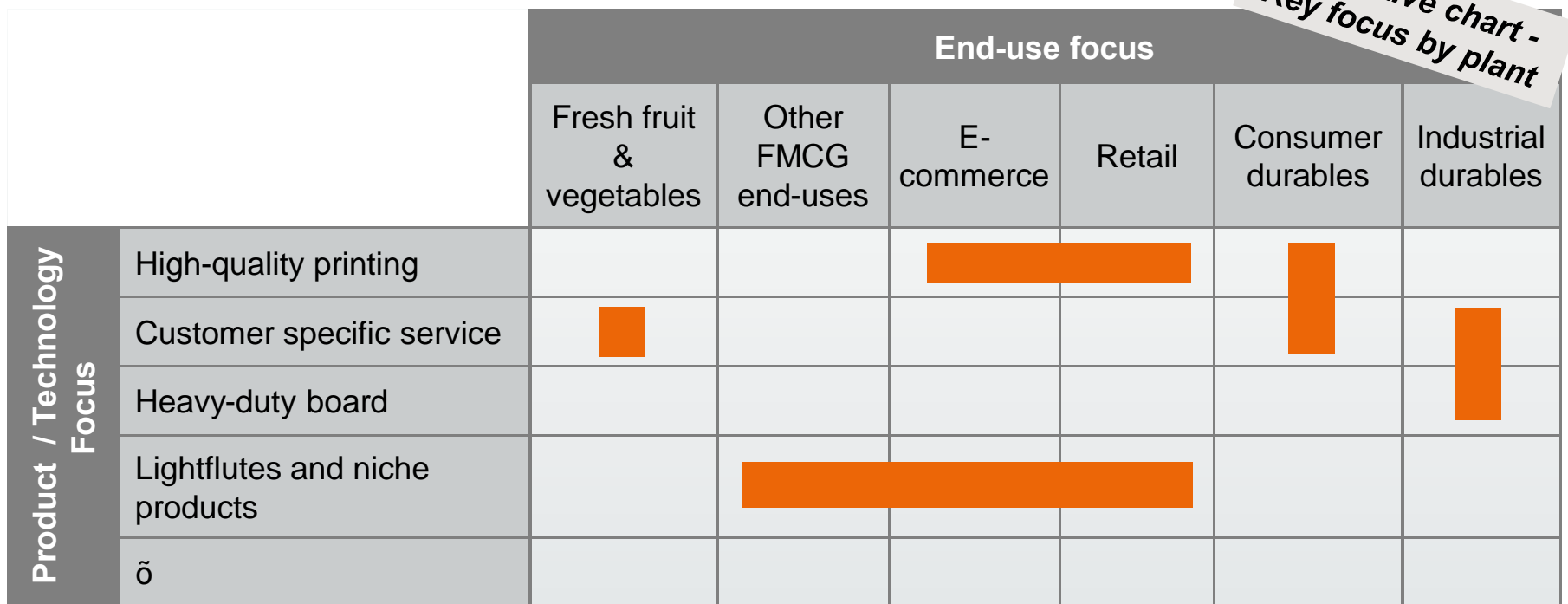
2 Focused, local approach



Decentralised organisational setup, strong local management teams, low central overheads

Local business approach: optimising customer portfolio to fit each plant

Significant investment in the business to strengthen key capabilities:
+/- " 90 million CAPEX in 2014 and 2015



2 Market trends and opportunities

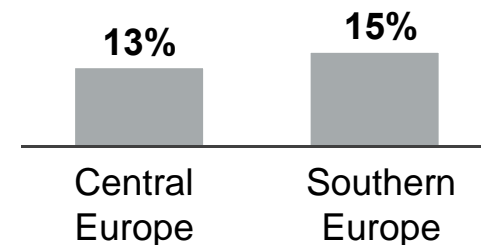
E-commerce: One of the fastest growing end-uses

- Global rise in internet usage and increasing popularity of online shopping as underlying drivers
- Some countries (eg. Poland) starting from lower base but outgrowing western Europe
- Mondi partnering with key players in central and emerging Europe

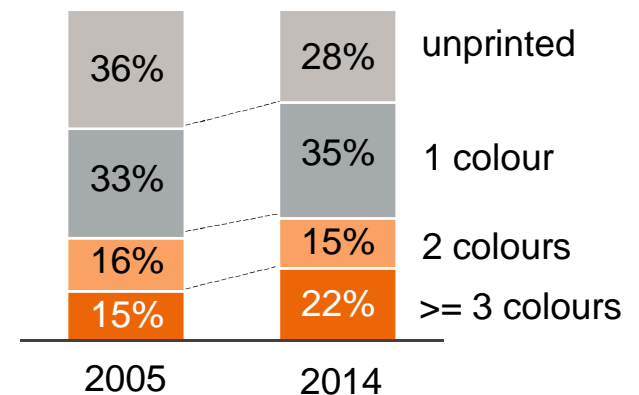
Printing: High-quality printing increasing

- Packaging increasingly seen as marketing medium
- Digital printing will allow increasingly fast delivery times
- Mondi's asset base well positioned to enjoy growth in high quality printing

2014 annual growth rate of e-commerce market¹



Number of colours (example Germany)²



1) Source: Ecommerce Foundation, European B2C Ecommerce Report 2015

2) Source: VDW Germany, based on % units

2 Innovating with our customers



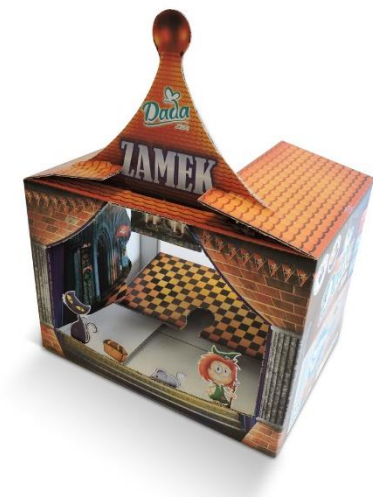
'Dada' diaper box

The IDEA

Make the corrugated diaper box reusable as a doll house once empty

In the MARKET

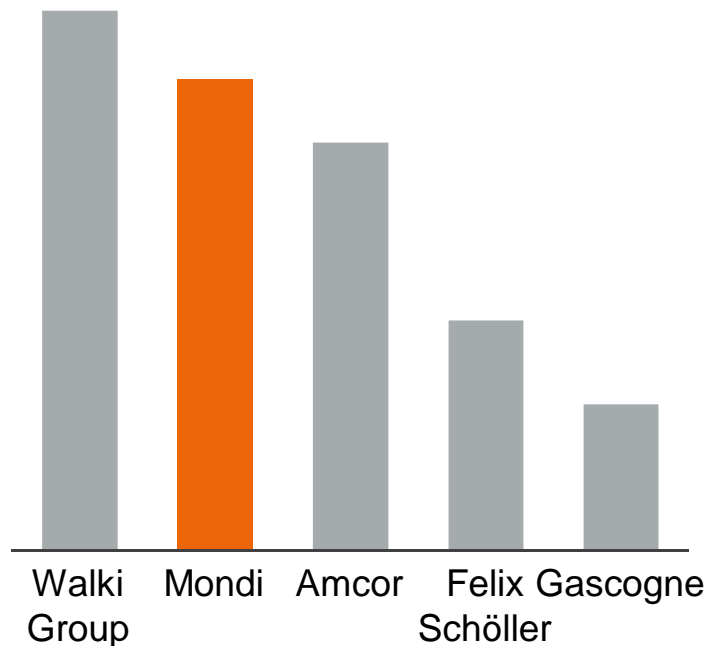
Produced for Ontex, a dedicated supplier to the Polish retailer Biedronka. The first design was such a success that Biedronka decided to take the concept further and develop more designs (eg. circus, castle)



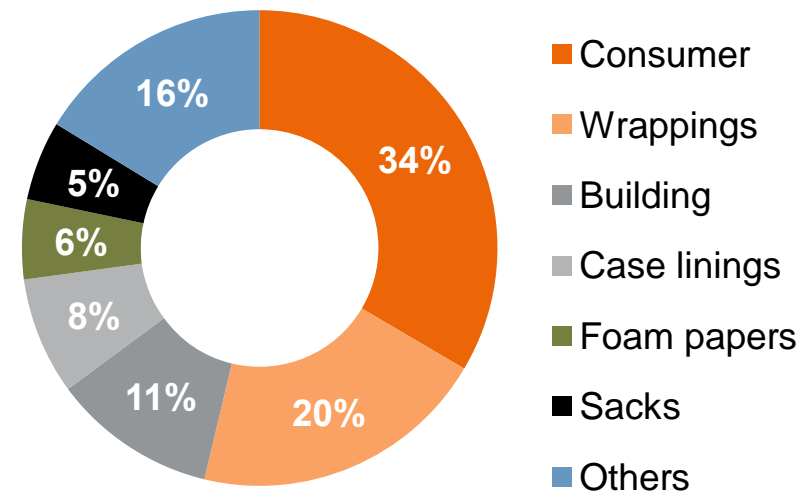
3 Extrusion Coatings – barriers against wind, water, fire and earth



Top 5 players European Extrusion Coatings market¹



Extrusion Coatings turnover by application



Overall demand for extrusion coatings in Europe is expected to be flat in the medium term. Some end-uses growing (consumer goods, building, foam paper) while others are decreasing (e.g. wrappings).

1) See appendix for sources and definitions

Summary: Growing by leveraging our strengths



Strategic value drivers

Customer focused innovation

Focus on performance

Maintain a high-quality, low-cost asset base

We know our strengths:

Strong market positions

Customer specific service and development

Decentralised management

Operational excellence

Ability to transfer knowledge across the network

Well-invested asset base

All businesses continue to provide opportunities for growth:

Industrial Bags will optimise its production network and leverage its customer base and know-how to grow in emerging regions

Corrugated Packaging will continue to grow in emerging Europe

Extrusion Coatings will focus on optimising its production network, lowering its cost base and growing in consumer and technical applications

Fibre Packaging market positions and market outlook sources and definitions



Sources for market position estimates:

Industrial Bags - Based on sales volume. Source: Freedonia World Industrial Bags study update 2013 and management estimates

Extrusion Coatings - Based on sales excluding liquid packaging board. Source: AWA Extrusion Coated Materials European Market Study 2012 and management estimates

Freedonia Global Corrugated Forecast 2015 Update (prepared on behalf of ICCA) region definitions:

Eastern Europe - CIS countries, Croatia, Czech Republic, Slovakia, Hungary, Poland, Romania, Ukraine

Western Europe - Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK, Turkey

E-commerce Europe region definitions:

Central Europe - Austria, Germany, Switzerland, Czech Republic, Slovakia, Hungary, Poland

Southern Europe - Portugal, Spain, Italy, Greece, Turkey

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