



Corporate investor presentation

December 2016

We are Mondi: IN TOUCH EVERY DAY



- Leading international packaging and paper Group
 - Around 25,000 employees
 - present in more than 30 countries
 - key operations located in central Europe, Russia, North America and South Africa
- Offering over 100 packaging and paper products, customised into more than 100,000 different solutions for customers, consumers and industrial end users
- Integrated across the packaging and paper value chain from managing forests and producing pulp, paper and compound plastics, to developing effective and innovative industrial and consumer packaging solutions
- Dual listed company structure
 - JSE Limited for Mondi Limited (primary listing)
 - London Stock Exchange for Mondi plc (premium listing)
- Our products protect and preserve the things that matter and touch the lives of millions everyday



Industries we serve



Agriculture



Automotive



Building and construction



Chemical



Food and beverages



Home and personal care



Medical and pharmaceutical



Office and professional printing



Packaging and paper converting



Pet care



Retail and eCommerce



Shipping and transport

Our global footprint

Corporate offices

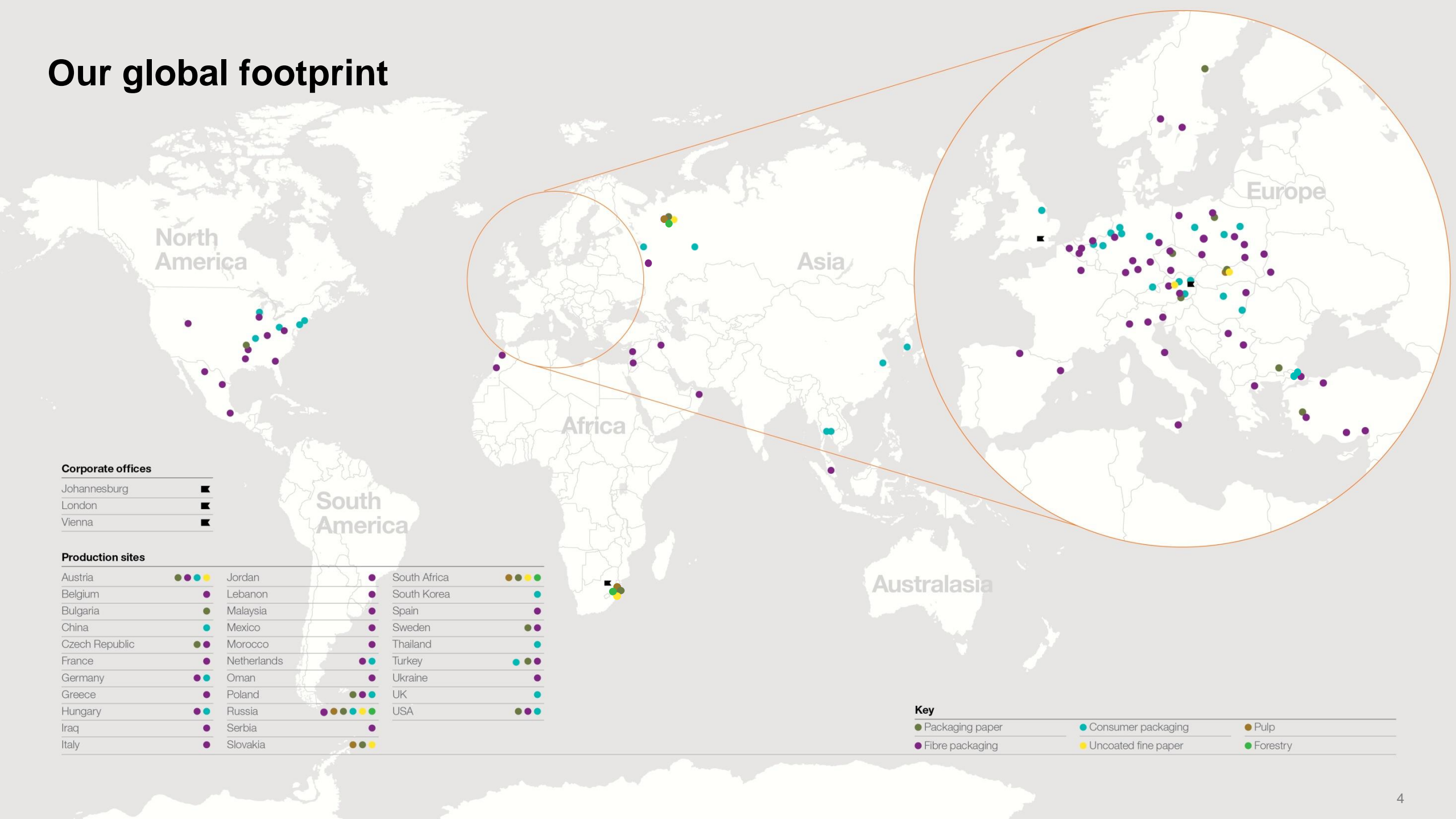
Johannesburg	■
London	■
Vienna	■

Production sites

Austria	●●●●	Jordan	●	South Africa	●●●●
Belgium	●	Lebanon	●	South Korea	●
Bulgaria	●	Malaysia	●	Spain	●
China	●	Mexico	●	Sweden	●●
Czech Republic	●●	Morocco	●	Thailand	●
France	●	Netherlands	●●	Turkey	●●●
Germany	●●	Oman	●	Ukraine	●
Greece	●	Poland	●●●●	UK	●
Hungary	●●	Russia	●●●●●●	USA	●●●
Iraq	●	Serbia	●		
Italy	●	Slovakia	●●●		

Key

● Packaging paper	● Consumer packaging	● Pulp
● Fibre packaging	● Uncoated fine paper	● Forestry

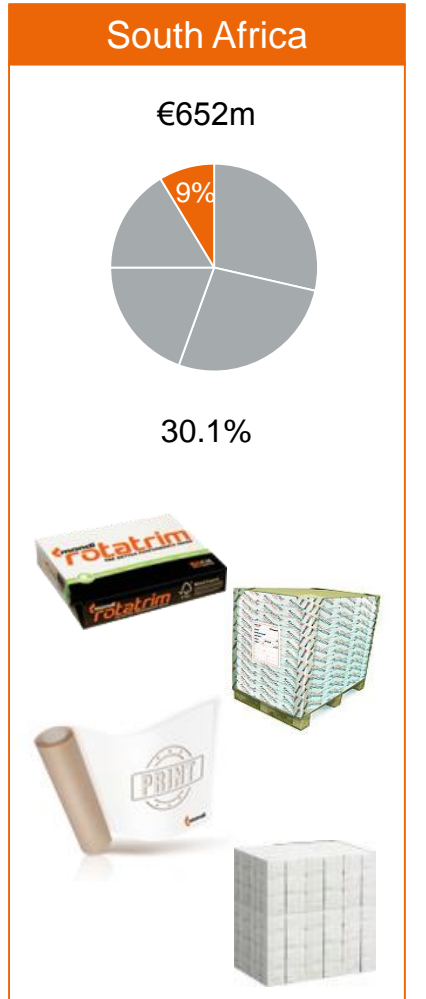
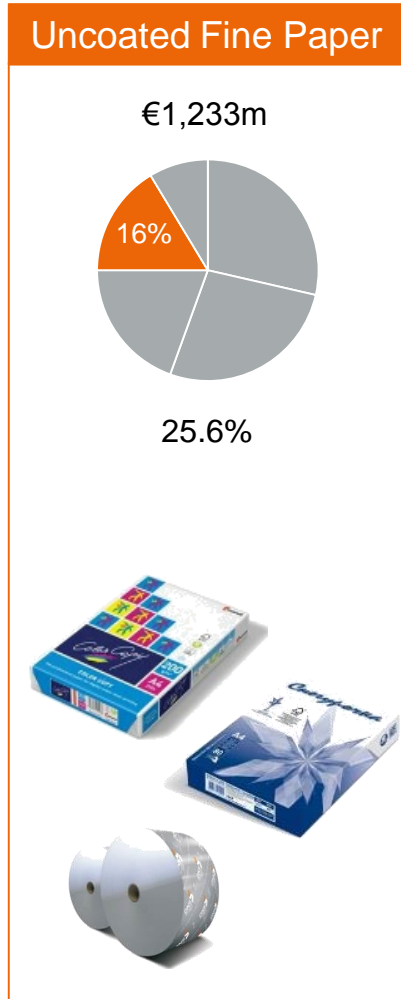
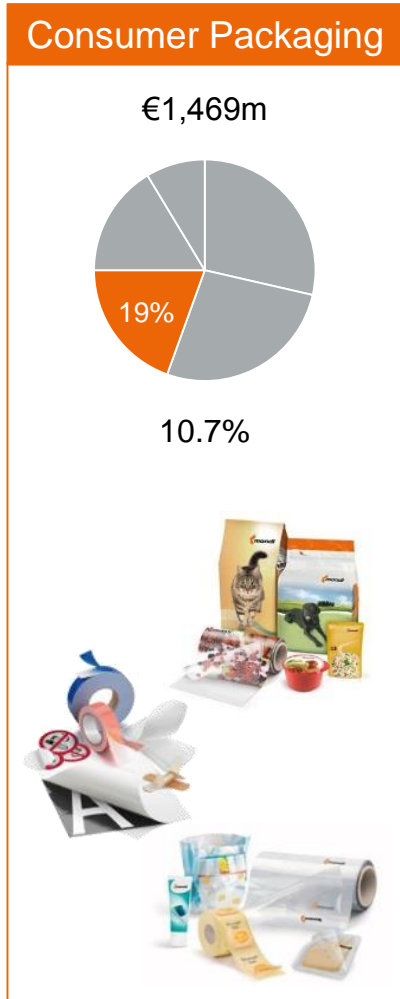
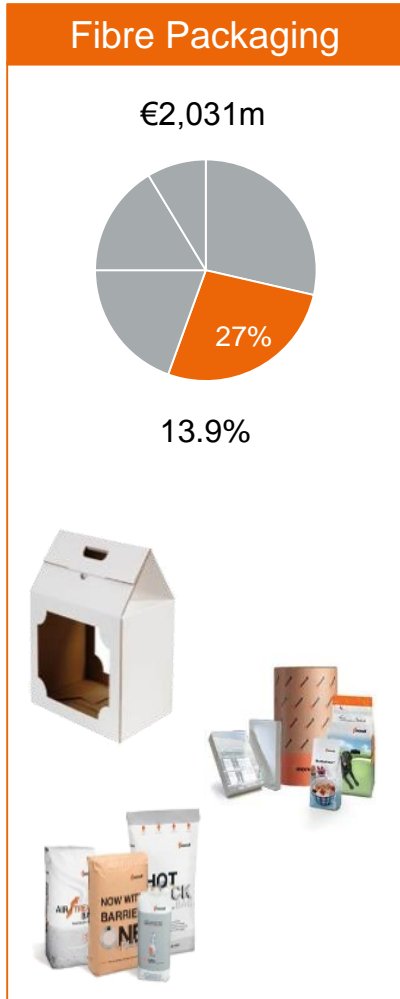
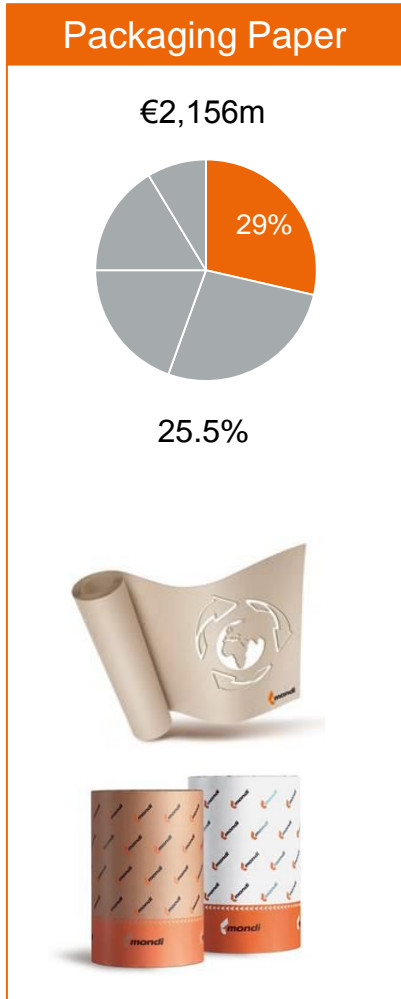


Mondi at a glance



2015 Revenue¹ & ROCE

Products



1) Segment revenues, before elimination of inter-segment revenues

Our key market positions



#1

Kraft paper and industrial bags producer in Europe

#1

Uncoated fine paper producer in Europe

#1

Containerboard producer in emerging Europe

#2

Virgin containerboard producer in Europe

#1

Hardwood pulp, white-top kraftliner and uncoated fine paper producer in South Africa

#3

Corrugated packaging producer in emerging Europe

#1

Industrial bags producer in North America and MENA

#2

Extrusion coatings producer in Europe

#1

Commercial release liner producer in Europe

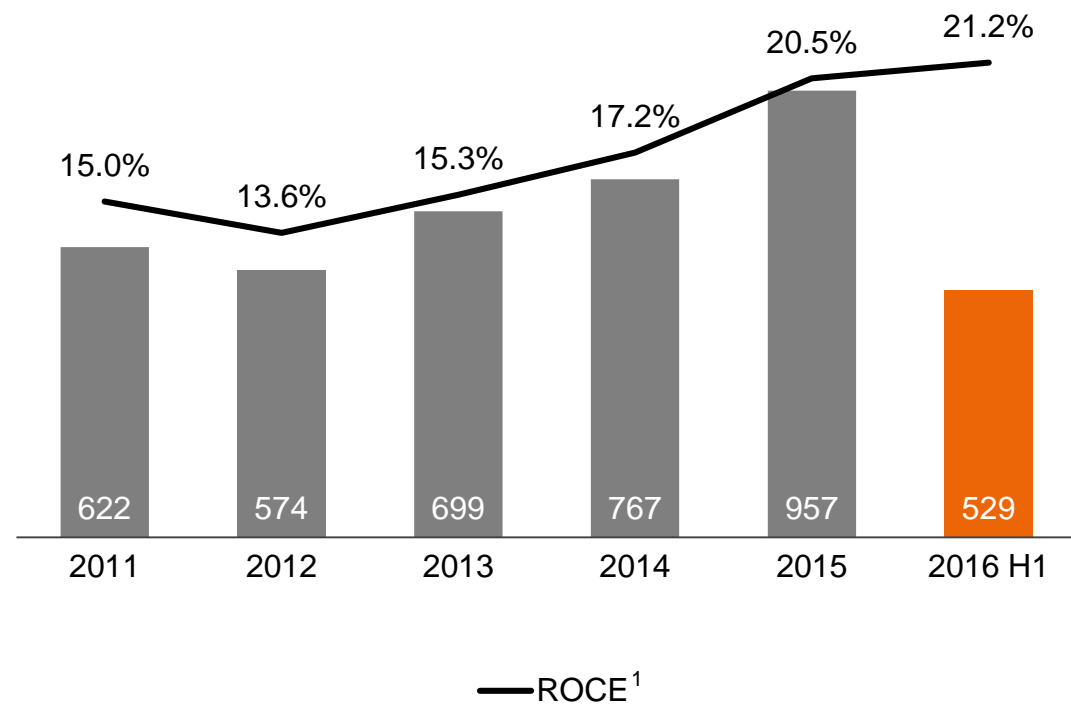
1) Please see sources and definitions at the end of this document

Consistent strategy delivering industry leading returns



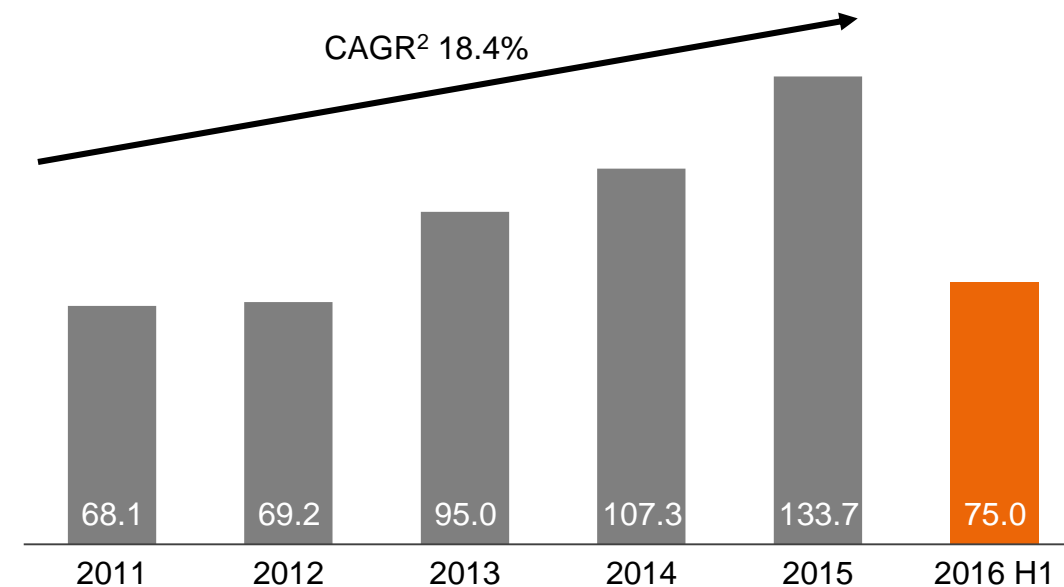
Underlying operating profit and ROCE

€ million



Underlying earnings per share

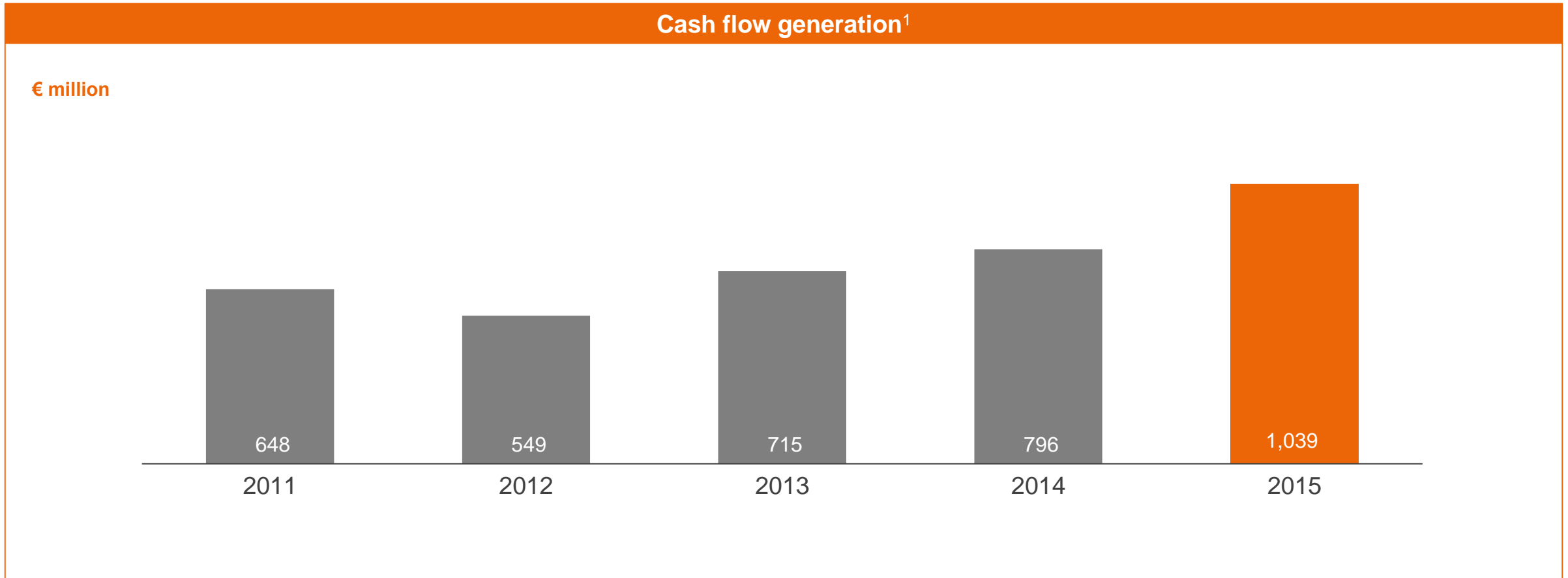
Euro cent per share



1) ROCE is the 12-month rolling average

2) CAGR based on 2011 - 2015

Strong cash flow generation through the cycle...



€3.7 billion cash generated from 2011 - 2015

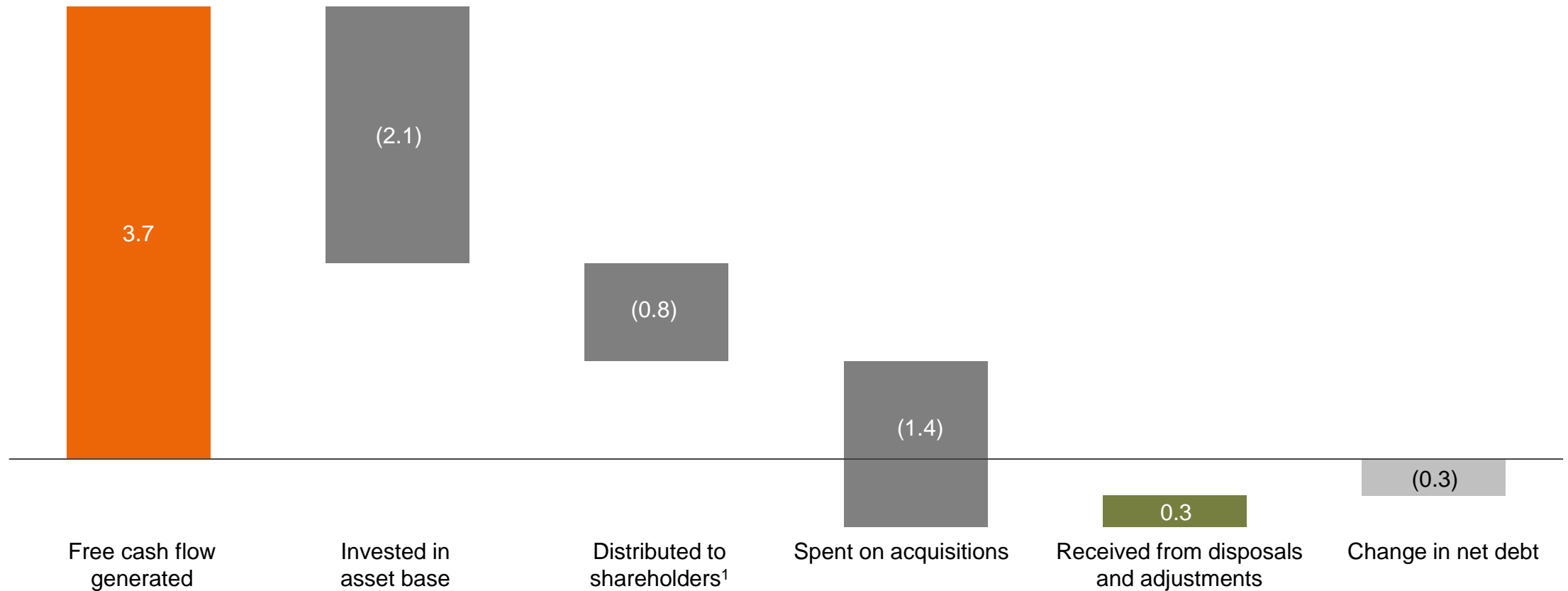
1) Net cash generated before capital expenditure, shareholder distributions, acquisitions and disposals

...with a balance between reinvestment for growth and shareholder distributions



Cash flow bridge over 5 year period (2011 - 2015)

€ billion



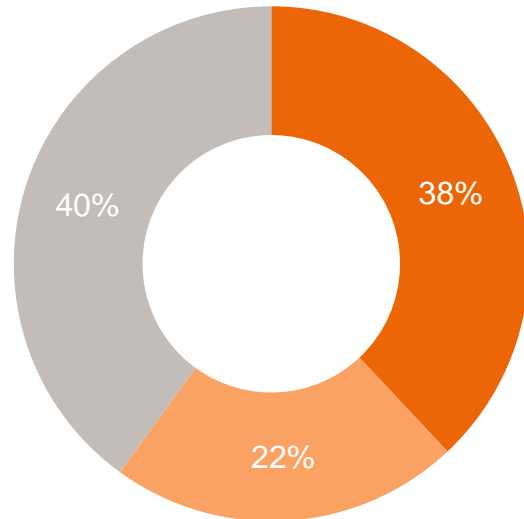
1) Excludes dividend in specie of €205 million

Benefiting from an emerging market asset base



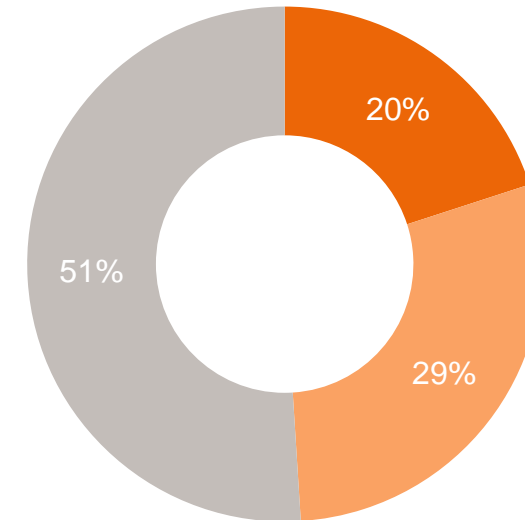
Asset base and sales by destination

2015 Net operating assets
by location (%)



€5.2 billion

Group's 2015 revenue
by destination (%)

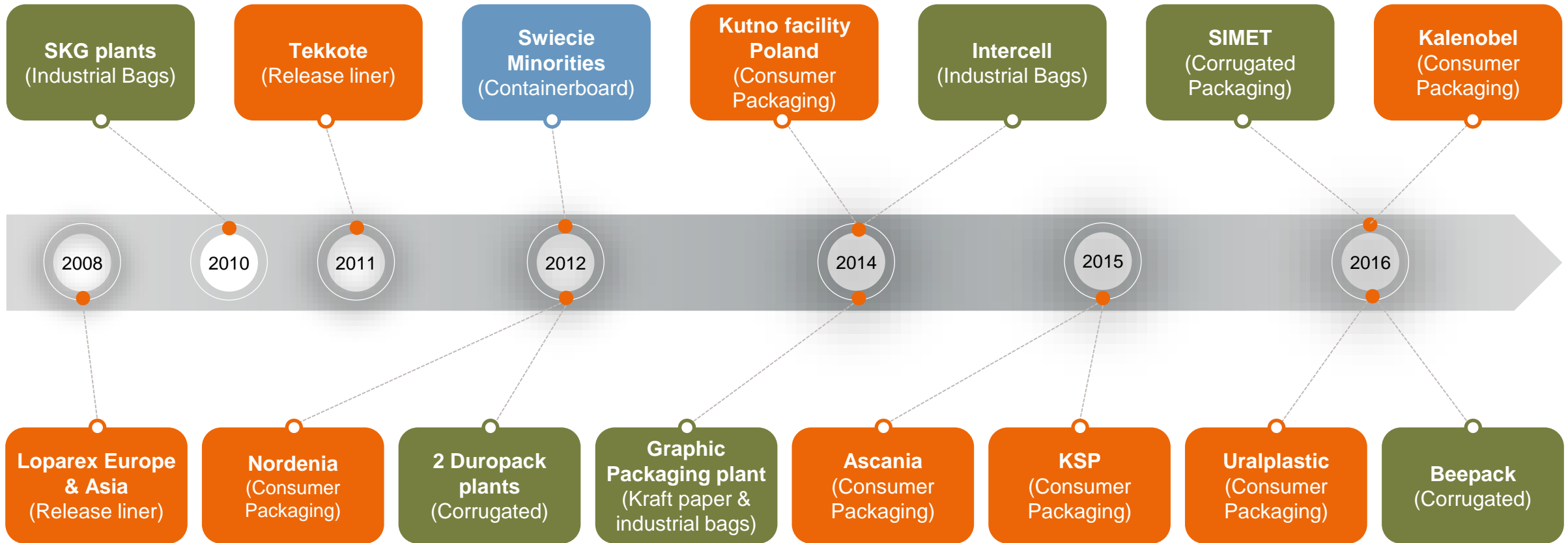


€6.8 billion

- Emerging Europe
- Other emerging markets
- Mature markets

...with a balance in sales between higher growth emerging markets and more stable mature markets

Strong track record of acquisitions



€1.6 billion invested in acquisitions since 2008

■ Packaging Paper

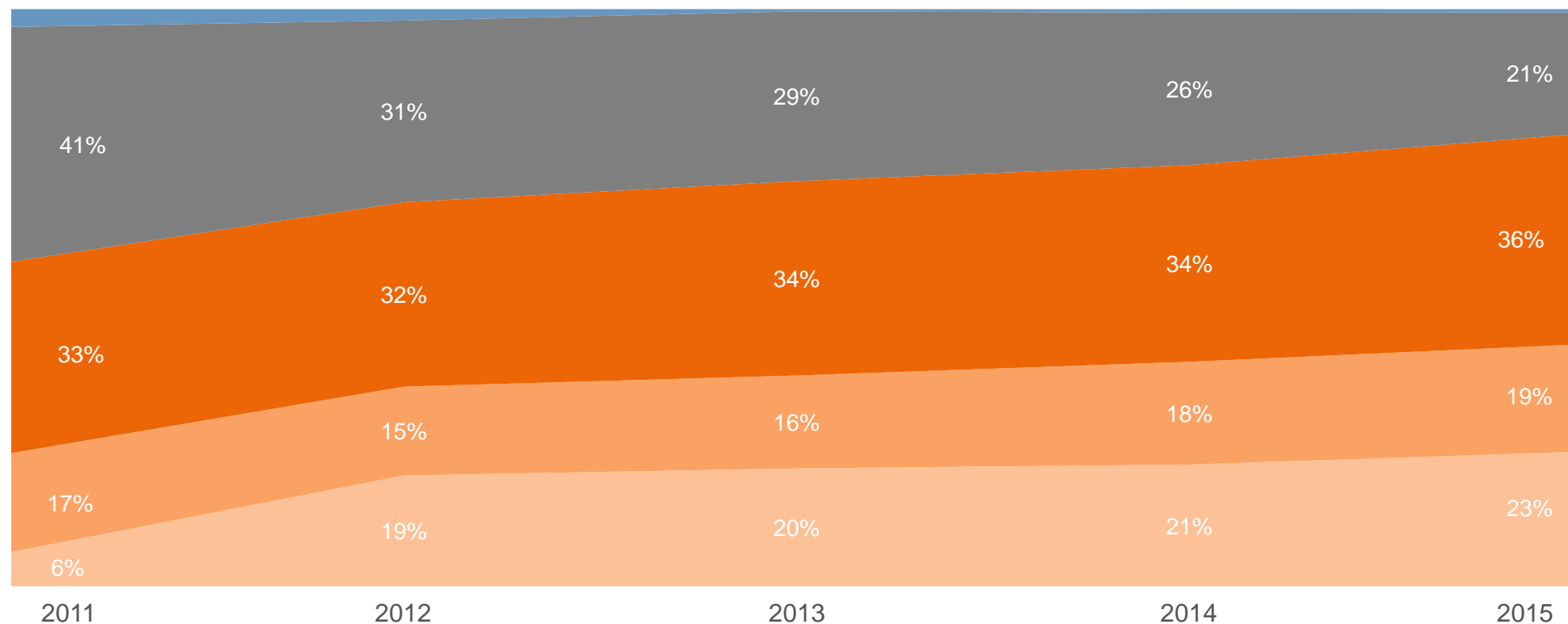
■ Fibre Packaging

■ Consumer Packaging

Consistent, clear strategic focus – growing our packaging business



Development of Capital Employed per business as a % of total



■ Consumer packaging ■ Fibre based packaging ■ Packaging paper ■ Uncoated fine paper ■ Other

Underpinned by our strategic value drivers...

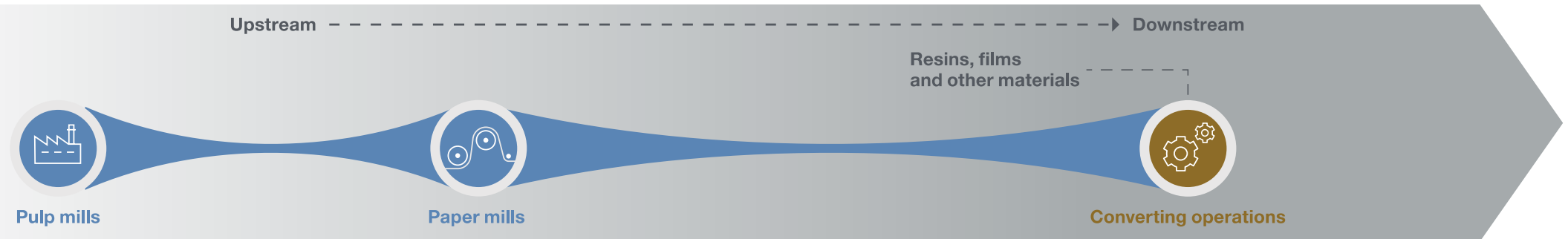


Strategic value drivers

We are passionate about performance
driving productivity, efficiency and margin improvement

We invest in our high-quality, low-cost assets
keeping us competitive and giving us sustainable cost advantages

We work with our customers to find innovative solutions
growing our product range and geographic reach



While all three strategic drivers are relevant to each business, priorities differ across the value chain

...with different priorities across business units



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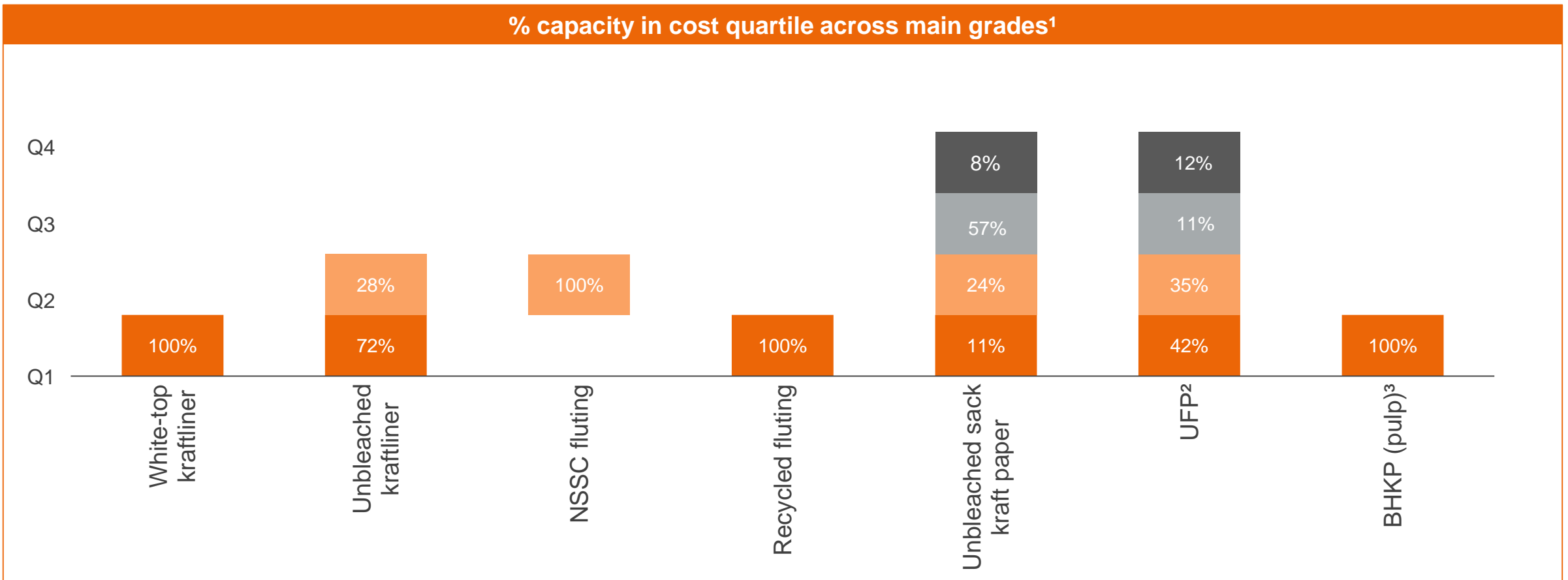
Upstream

- Products are generally more commoditised
- Low-cost production base is key to long term competitive advantage
 - Access to low-cost wood
 - Electricity self-sufficiency
 - Economies of scale
 - Focus on markets offering inherent cost advantages

Downstream

- Customers closer to end user and require more tailored solutions
- Developing cutting edge products and customised solutions for each client is key
- R&D and innovation along the value chain critical
- Focus on markets where we can leverage our competencies

Our low-cost asset base



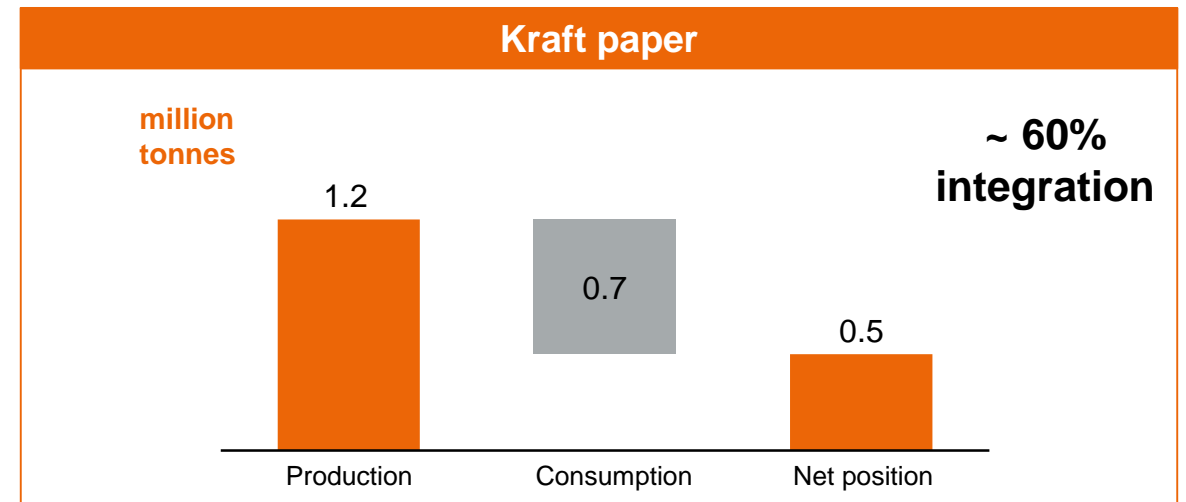
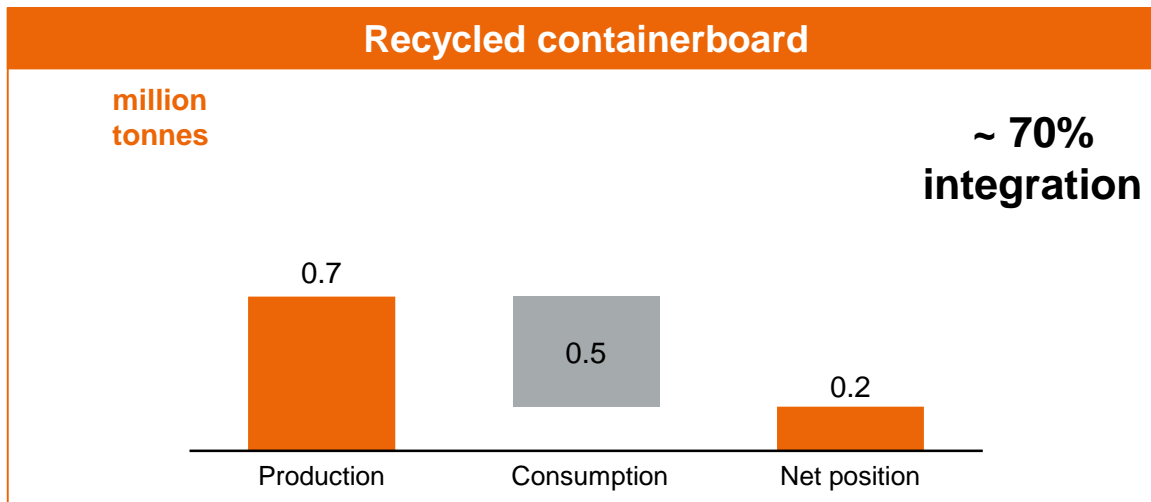
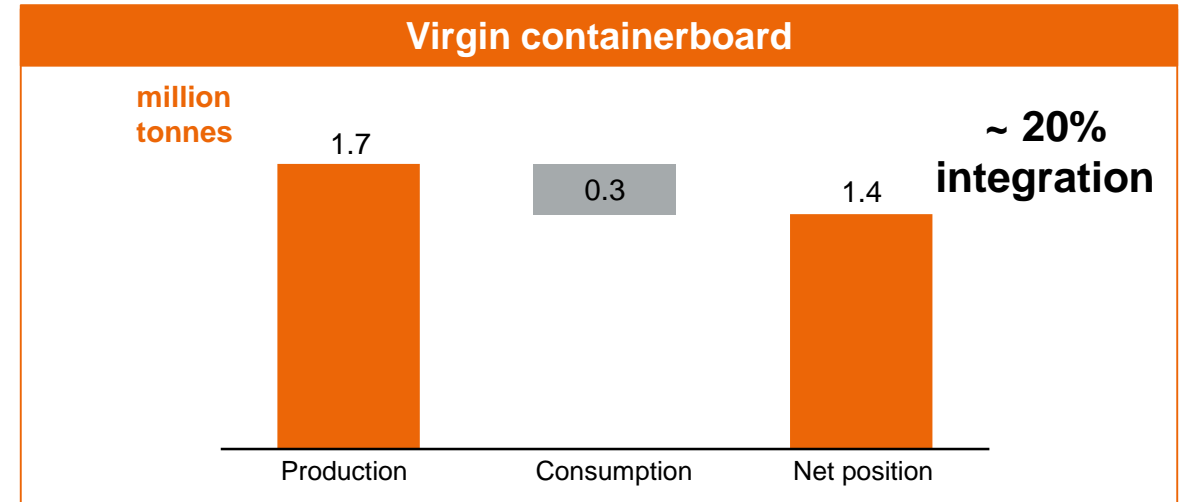
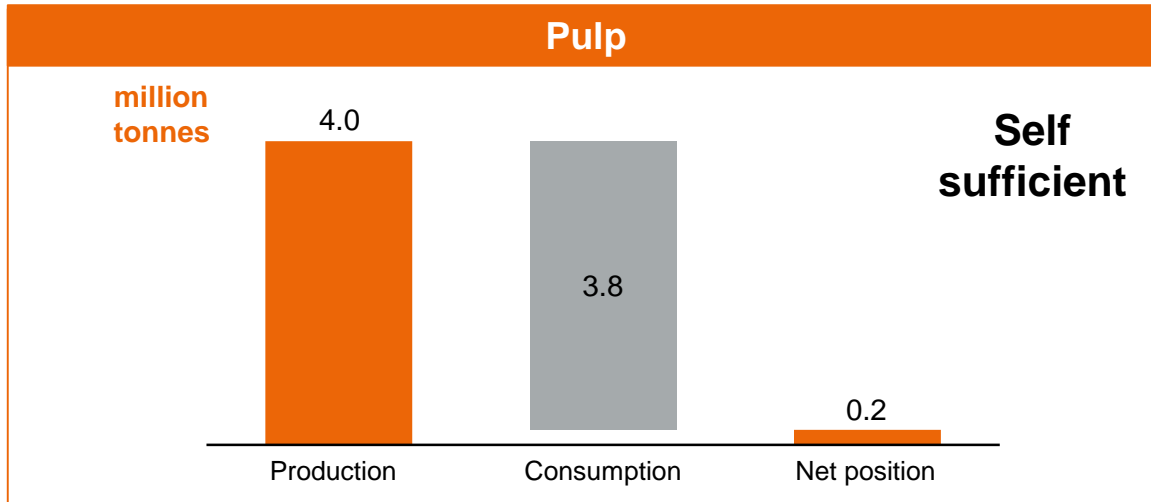
1) Delivered to Frankfurt except where noted

2) Includes specialities

3) Delivered to Rotterdam

Source: RISI and Mondi estimates, Q1 2016. Average Q1 2016 EUR/RUB FX rate of 82.45.

And pulp and paper integration

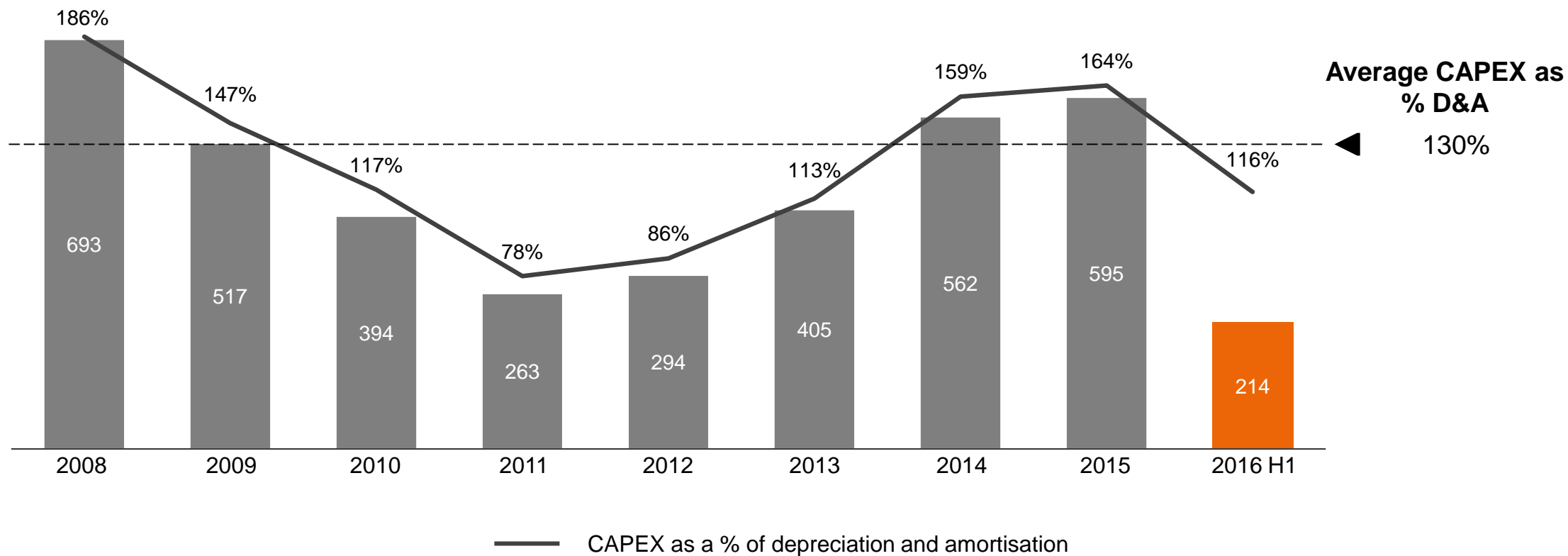


Note: Consumption represents total consumption by Mondi's downstream operations, including consumption of externally produced paper. Above figures are for 2015.

Investing in the business through the cycle while reacting to the 2008/2009 downturn

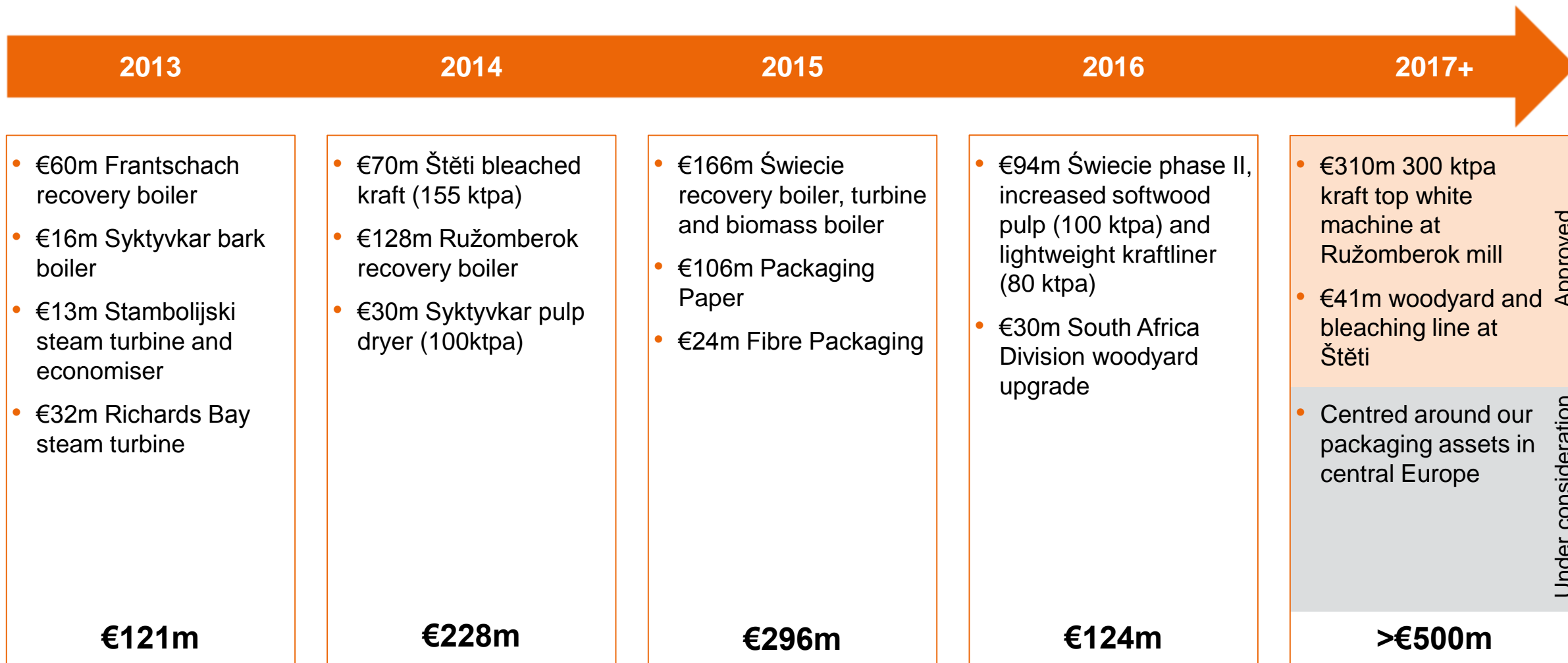


Capital expenditure in € million and as % depreciation and amortisation



€3.9 billion invested in capex since 2008

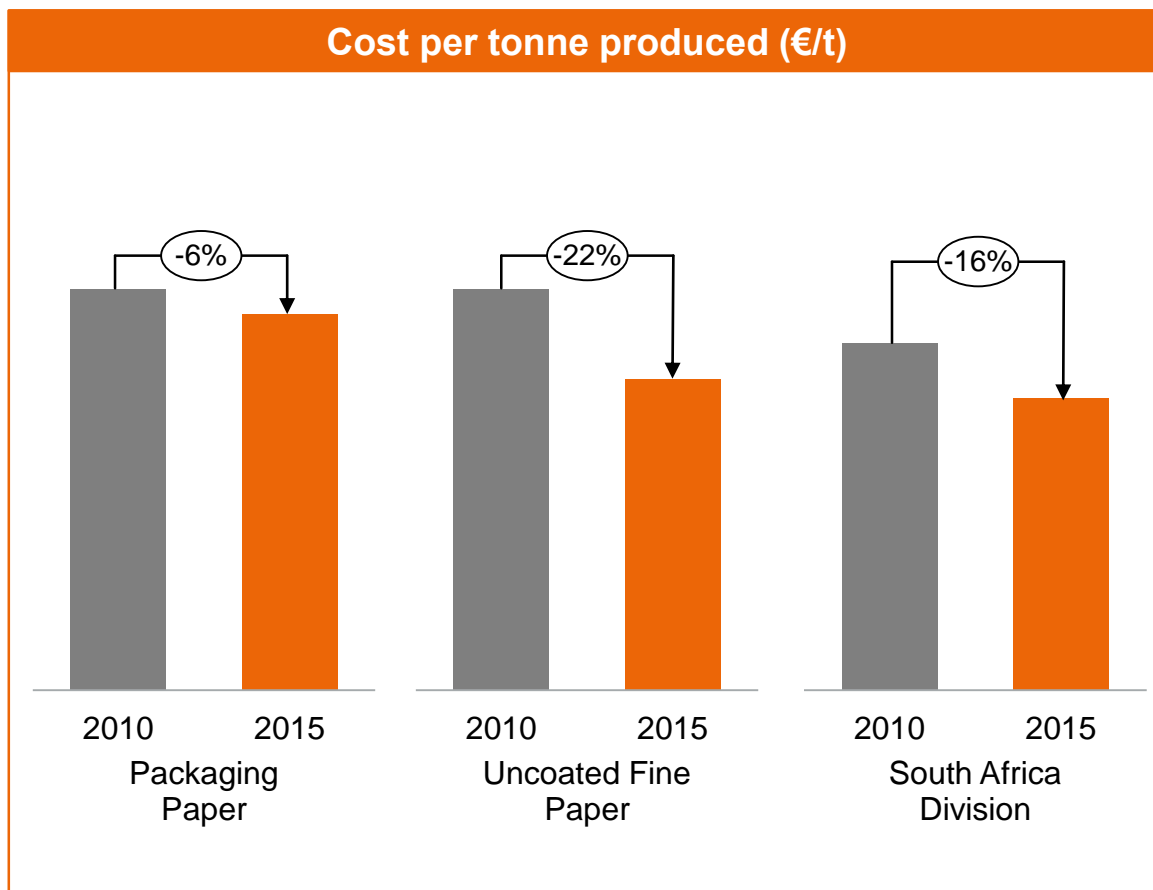
Major project pipeline delivering strongly



€100 million incremental operating profit delivered from major projects in 2014 - 2015

€50 million incremental operating profit benefit expected in 2016

Continuing to strengthen our cost leadership position by investing in our low-cost, high-quality asset base



- Cost reductions driven by:
 - Capital investment programme
 - In excess of €650 million invested over past 5 years in major projects delivering cost and volume benefits
 - Rationalisation of high-cost capacity - 4 mills closed or sold
 - Ongoing focus on operational efficiency
 - Exceeded target of 2% reduction in cash cost base per annum, offsetting inflationary pressures
 - Currency benefits in 2010 - 2015 due to emerging market currency weakness mainly in Uncoated Fine Paper and South Africa Division

Innovating through customer cooperation



- Dedicated resources driving innovation
 - €18 million on R&D in 2015
 - 6 business competence centres
- Close cooperation with customers, universities and research partners



Advantage Kraft White Print and Advantage Semi Extensible White Print

New grades of sack kraft paper that combine the strength of standard sack kraft paper with the excellent printability of smooth machine-finished paper. Customers enjoy new branding possibilities and decreased total package costs.



HYBRID^{PRO}

In collaboration with Knauf Belgium, a bag was developed that offers all the advantages of a plastic bag, yet is fillable on conventional paper bag filling systems. Its outer layer of polyethylene protects powdery products such as building materials and cement against wet weather and moisture seepage. Trials show that gypsum packaged in HYBRID^{PRO} and stored outdoors enjoys a shelf life twice as long as that stored in standard paper bags.



SquareBag

Innovative, lightweight, cost effective, flexible yet durable – this box-shaped solution fulfils many customer requirements. All six panels are available for graphics, making this bag ideal for individual branding

Twinnings case study



TWININGS

Twinnings is the world's leading premium brand of tea, owned by Associated British Foods.

Challenge

Twinnings formerly packed its products in collective cartons and envo unit packs made from paper laminate (paper/PE and paper/OPP met).

Goal

Achieve differentiation on shelves to win new customers.

Solution

R&D and prepress teams at Mondi Solec, Poland, proposed a foil-based, high-barrier stand-up pouch with a transparent window to achieve visibility of the product on the shelf – the first of its kind for tea packaging in Mondi production. Plants involved:



- High shelf differentiation
- High-barrier properties
- High-barrier laminates
- Transparent window
- Integrated zipper

- ▶ Excellent brand presentation
- ▶ Perfect protection
- ▶ Long shelf life without loss of flavour
- ▶ Makes product visible
- ▶ Keeps the tea bags fresh



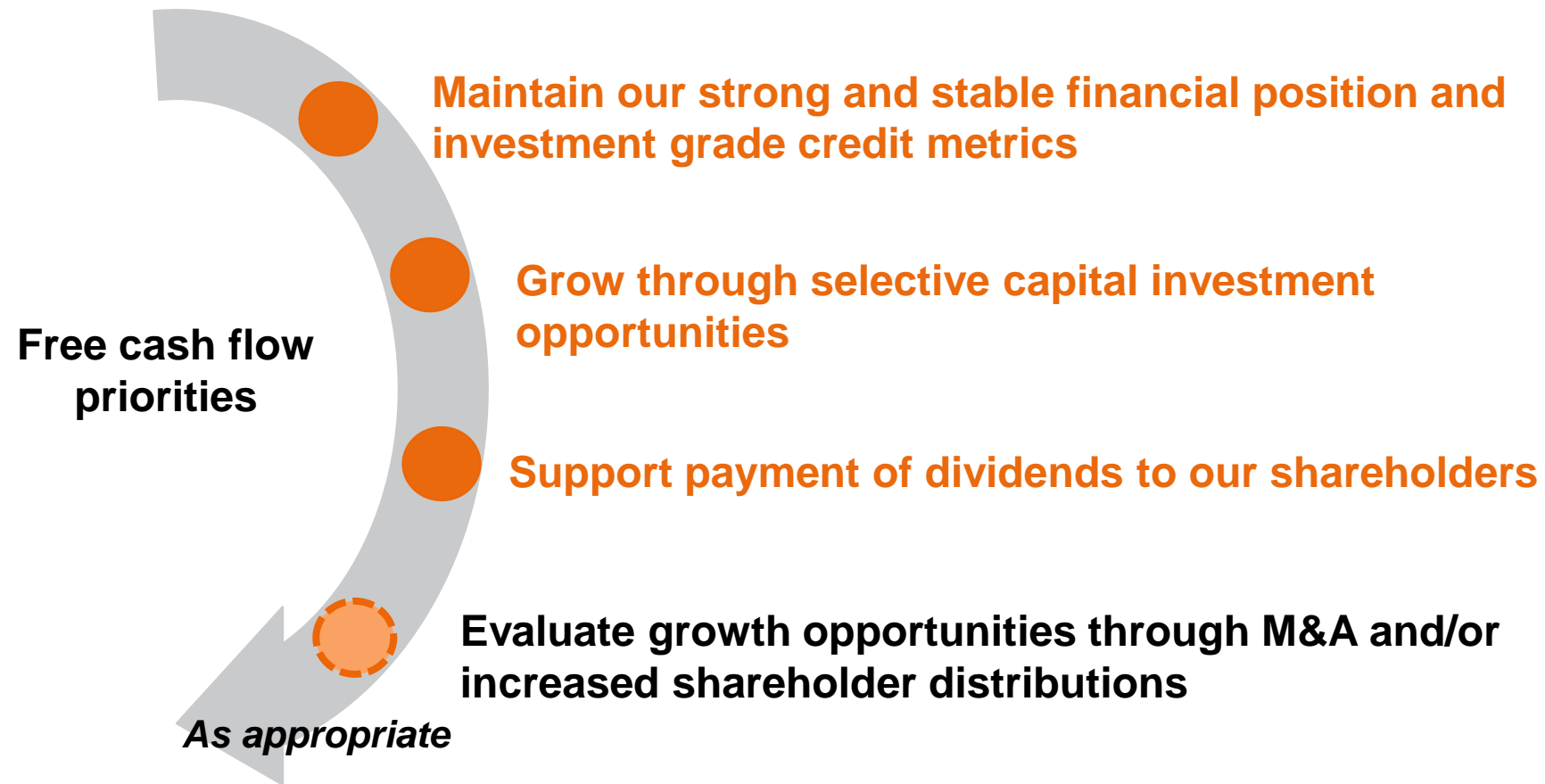
Twinnings is positioning itself as an innovative premium tea company, developing new packaging format to truly enhance the consumer experience.

“ Supplier support in developing new structures and packaging formats is an important element when implementing new products. Therefore we decided to work with Mondi, which proved its high-quality customer service, top products and constant support on challenging issues. ”

Piotr Wieczorek

Procurement Local Category Leader
Packaging, Twinnings

Our cash flow priorities remain unchanged

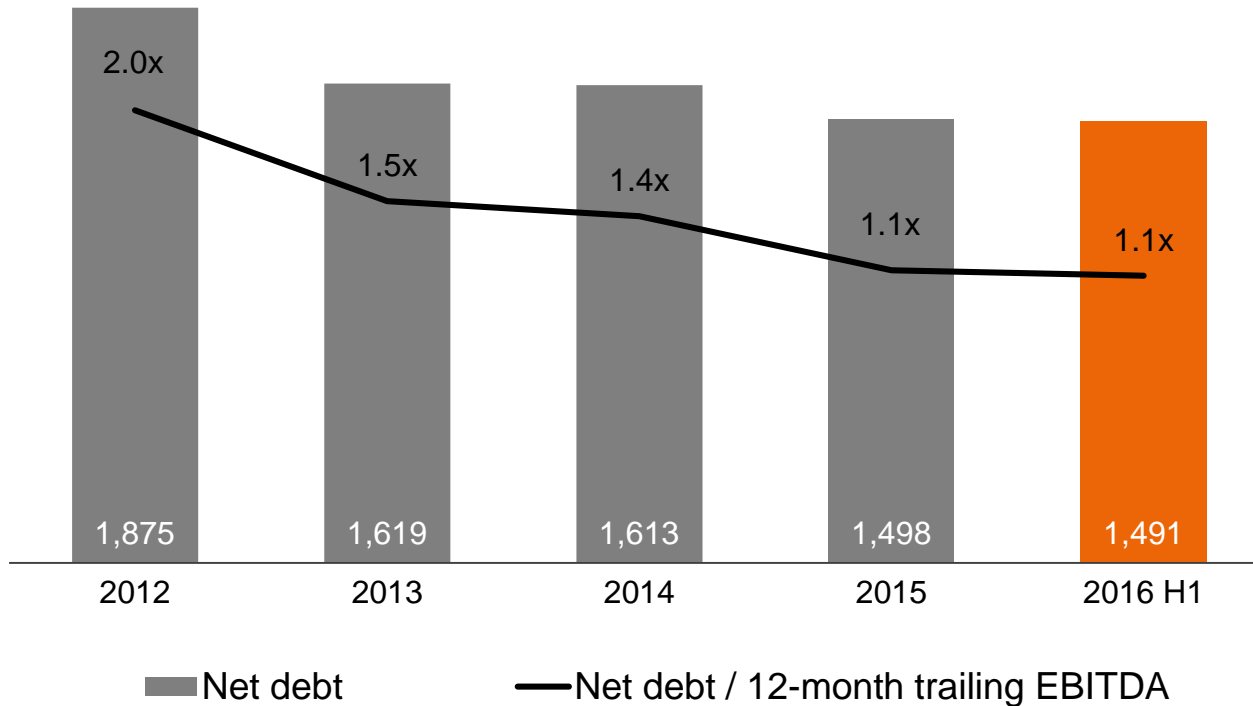


Robust financial position



Net debt and Net debt / 12-month trailing EBITDA

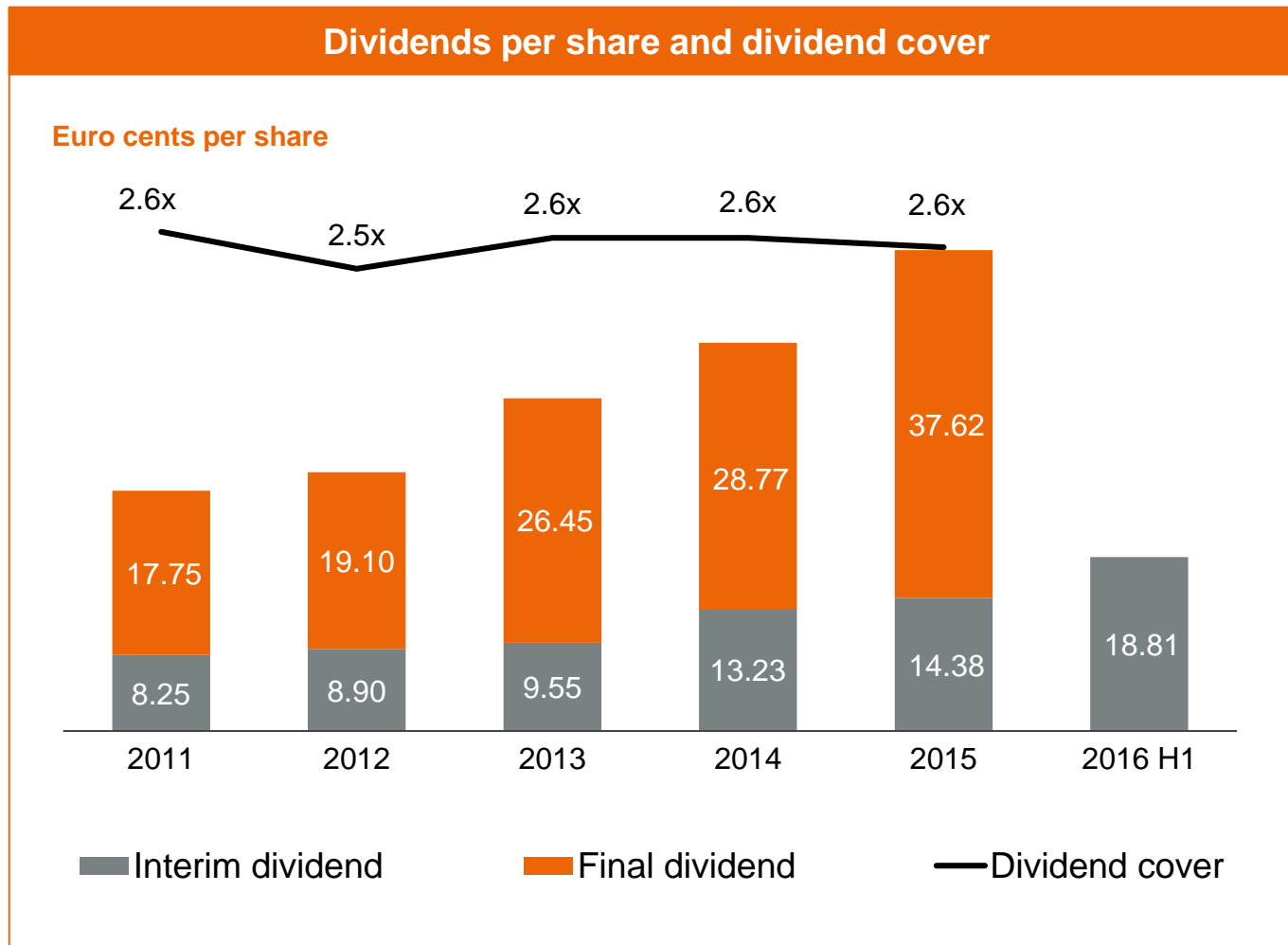
€ million



- Financial policy focused on retaining investment grade ratings
- Provides confidence and ability to invest through the cycle
- Current credit ratings:
 - Moody's Baa2 (stable)
 - S&P BBB (stable)
- Flexibility within current ratings

Strong cash flow generation and robust balance sheet provide financial flexibility

Strong growth in shareholder returns without sacrificing cover



- 2-3x dividend cover policy across the cycle
- Option to return excess capital to shareholders by way of one-off distribution in the absence of attractive M&A / Capex opportunities

Growing responsibly

Looking ahead to 2020: 16 commitments across 10 action areas



1. Employee and contractor safety

Promote a safe and healthy workplace. Our goal is zero harm to employees and contractors

2. A skilled and committed workforce

Engage with our people to create a better workplace

3. Fairness and diversity in the workplace

Promote fair working conditions in the workplace

4. Sustainable fibre

Maintain 100% FSC® certification in owned and leased forestry operations
Procure minimum of 70% of wood from FSC or PEFC™ CoC-certified sources

5. Climate change

By 2030, reduce specific CO₂e emissions by 15%¹

6. Constrained resources and environmental impacts

Reduce specific contact water consumption (5%)², waste to landfill (7.5%)², NO_x emissions (7.5%)³ and effluent load (5%)⁴

7. Biodiversity and ecosystems

Promote ecosystem stewardship

8. Supplier conduct and responsible procurement

Encourage supply chain transparency and promote fair working conditions together with key suppliers

9. Relationships with communities

Enhance social value to our communities

10. Solutions that create value for our customers

Encourage sustainable, responsibly produced products

1) Pulp and paper mills against a 2014 baseline, 2) Against a 2015 baseline

3) Pulp and paper mills against a 2015 baseline, 4) Measure COD against a 2015 baseline



The Mondi Way



To create solutions for our customers' success, delivering exceptional value in a sustainable way

Purpose



Our clear strategic focus is on growth in packaging

- We invest in our high-quality, low-cost assets
- We are passionate about performance
- We work with our customers to find innovative solutions

Strategy



- Operational Excellence
- People Development
- Sustainable Development
- Cutting Edge Products
- Customer Focus

Mondi Diamond



- Dynamic
- Respectful
- Responsible
- Entrepreneurial
- Empowered
- Transparent

Culture



- Passion for performance
- Caring
- Acting with integrity

Values

Market positions sources and definitions



Mondi region definitions:

Europe - Europe including Russia and Turkey

Emerging Europe - Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Macedonia, Malta, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey, Ukraine

North America: Canada, Mexico, USA

Sources for market position estimates:

Virgin containerboard (VCB) Europe and Containerboard emerging Europe based on capacity - Source: RISI European Paper Packaging Capacity Report October 2015 and Mondi estimates

Kraft paper Europe based on capacity - Source: RISI European Paper Packaging Capacity Report, RISI Mill Asset Database, Pöyry Smart Terminal Service and Mondi estimates

Industrial bags Europe based on sales volume - Source: Eurosac, Freedonia World Industrial Bags 2011 study (revised in 2013) and Mondi estimates

Industrial bags North America based on sales volumes - Source: Mondi estimates

Corrugated packaging emerging Europe based on production - Source: Henry Poole Consulting and Mondi estimates

Extrusion coatings Europe based on sales volumes - Source: AWA Extrusion Coated Materials European Market Study version 2015 and Mondi estimates

Commercial release liner Europe based on sales volumes - Source: AWA Global Industrial Release Liner AWAreness report 2015 and Mondi estimates

Uncoated Fine Paper (UFP) Europe based on sales volumes, Ilim JV considered separate from IP – Source: Euro-Graph delivery statistics, EMGE Woodfree Forecast , EMGE World Graphic Papers, Pyrabelisk / Eastconsult and Mondi estimates

Bleached Hardwood Kraft Pulp (BHKP), White-top Kraftliner (WTKL) and UFP South Africa based on management estimates

Forward-looking statements disclaimer

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