



UBS Basic Materials Conference

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Mondi overview

Mondi at a glance



	Corrugated	Bags & Specialities	UCF	South Africa	MPSA	Newsprint and merchant
Sales 2007 ⁽¹⁾	€1.6B	€2.0B	€1.7B	€0.6B	€0.4B	€0.6B
EBIT %	8.2%	7.7%	5.9%	13.2%	8.4%	6.8%
Products						
Positions in relevant markets	<ul style="list-style-type: none"> No. 2 Kraftliner⁽²⁾ No. 3 Corrugated Packaging 	<ul style="list-style-type: none"> No. 1 Kraft Paper⁽²⁾ No. 1 Bag Converting⁽³⁾ 	<ul style="list-style-type: none"> No. 1 Office Paper⁽²⁾ No. 2 UFP⁽²⁾ 	<ul style="list-style-type: none"> No. 1 kraftliner⁽⁵⁾ No. 1 in Office Paper and UFP⁽⁵⁾ 	<ul style="list-style-type: none"> No. 1 Corrugated Packaging in SA⁽³⁾ No. 1 Rigid Plastics in SA No. 1 in Cartonboard in SA 	<ul style="list-style-type: none"> No. 1 Newsprint in South Africa⁽²⁾ Leading Positions in Emerging Europe⁽⁴⁾

(1) Segment revenues, including inter-segment revenues. EBIT% before special items. (2) Based on production capacity. (3) Based on sales. (4) Management estimate based on sales. (5) Based on capacity. Sources: RISI, Pöyry Forest Industry Consulting, Freedonia, BMI Foodpack, PAMSA, Mondi

Mondi's financial highlights



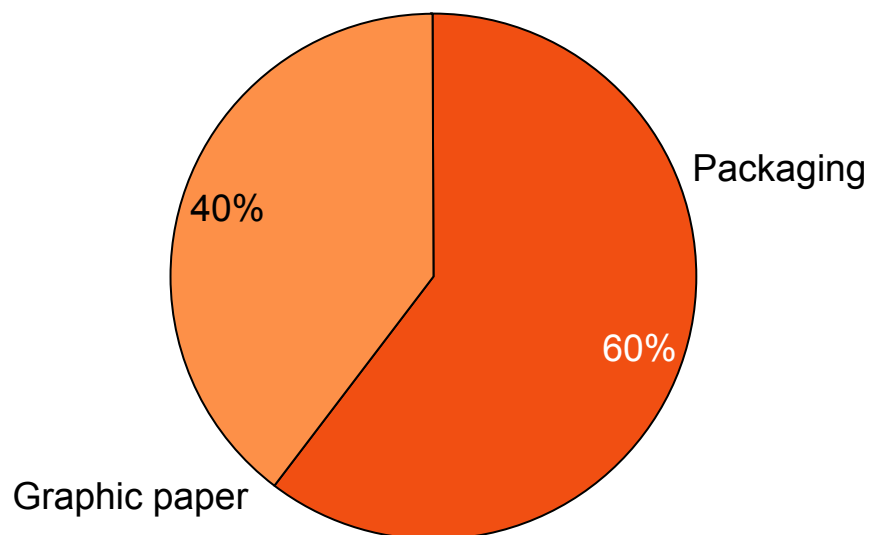
In € millions, except for per share measures and ROCE	31.12.07	31.12.06	%Change
Group revenue	6,269	5,751	+ 9
EBITDA ¹	870	726	+ 20
Underlying operating profit ²	502	377	+ 33
Underlying profit before tax ³	405	305	+ 33
Reported profit before tax	382	223	+ 71
Underlying earnings per share (€ cents per share, 2006 pro forma) ⁴	46.9	27.0	+ 74
Final dividend per share (€ cents per share)	15.7	n/a	n/a
Total dividend per share (€ cents per share)	23.0	n/a	n/a
Cash inflow from operations	957	657	+ 46
Group ROCE ⁵	10.6%	8.1%	+ 31

(1) EBITDA is operating profit of subsidiaries and joint ventures before special items, depreciation and amortisation. (2) Underlying operating profit is operating profit of subsidiaries and joint ventures before special items. (3) Underlying profit before tax is reported profit before tax before special items. (4) Underlying earnings per share is before special items and based on shares issued on admission. (5) Group ROCE is underlying operating profit including share of associates' net earnings divided by average trading capital employed.

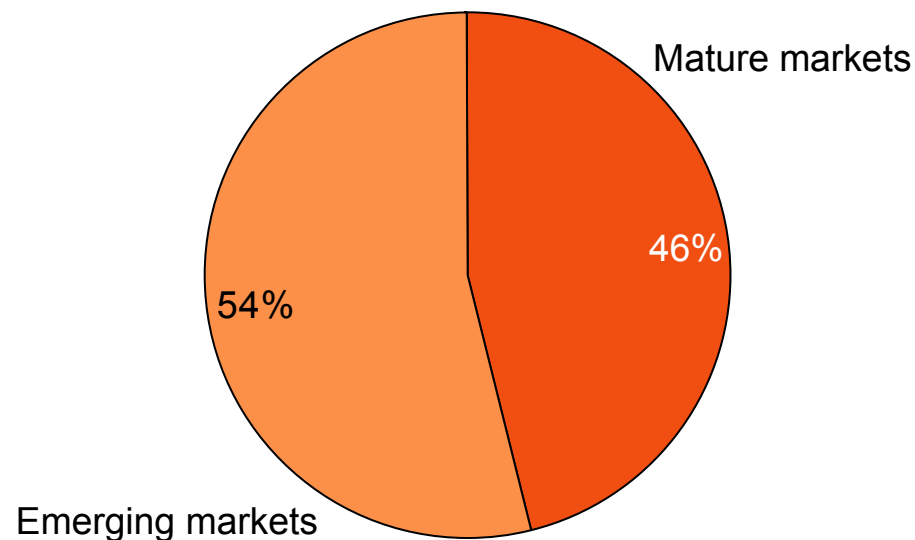
Mondi's core product and geographical mix



Product mix¹



Geographical mix²



(1) Based on segment revenues, including inter-segment revenues. (2) Revenue by origin



Mondi's key value drivers

Key value drivers along the value chain



Value Chain Step

Products

Key Value Drivers



- Forestry/
Pulp Wood
- Pulp



- Low production costs
- Access to low cost raw materials (ideally located close to low cost forestry resources)

- Paper



- Cost efficiency (e.g. integration with pulp production)
- Access to low cost labour

- Corrugated Boxes
- Flexible Packaging/
Specialities

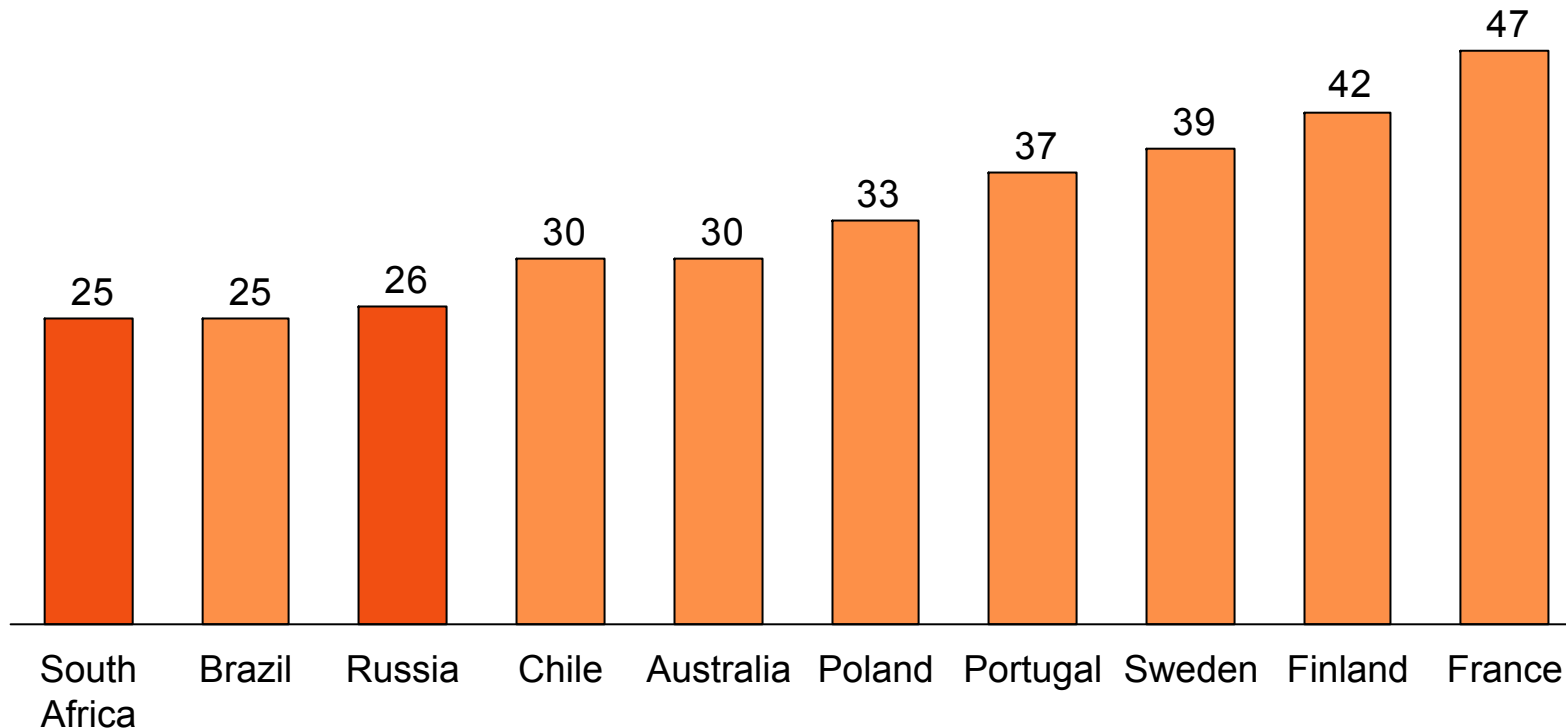


- Right balance between transportation costs, low cost production and reaction time

Mondi has access to low cost wood resources...



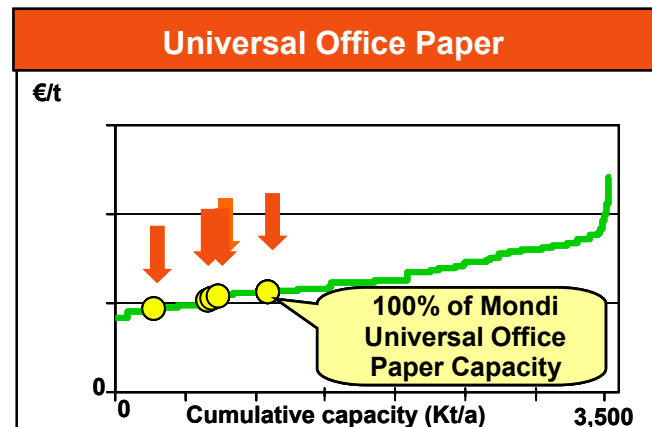
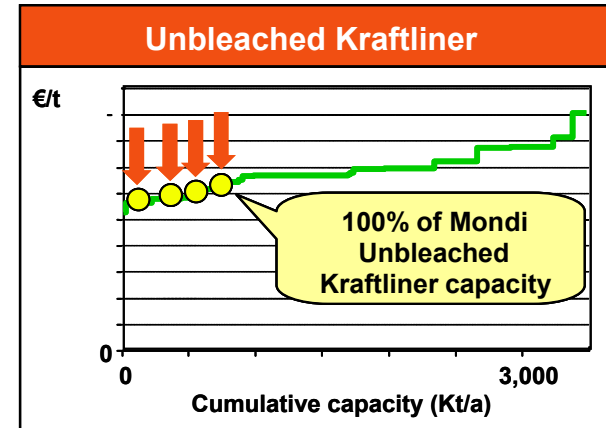
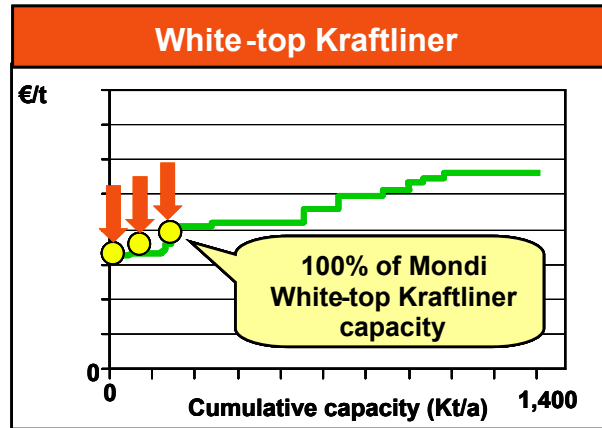
Average hardwood and soft wood costs (€/m³, Q2 2007)¹



- Forests in Russia and South Africa make Mondi fully self-sufficient in two of the world's lowest-cost fibre-producing regions
- Mondi is 96% self sufficient in pulp²
- Mondi is potentially 50% self sufficient in wood supply

(1) Source: Pöyry Forest Industry Consulting. (2) Excluding Hungary

And a high quality low cost asset base

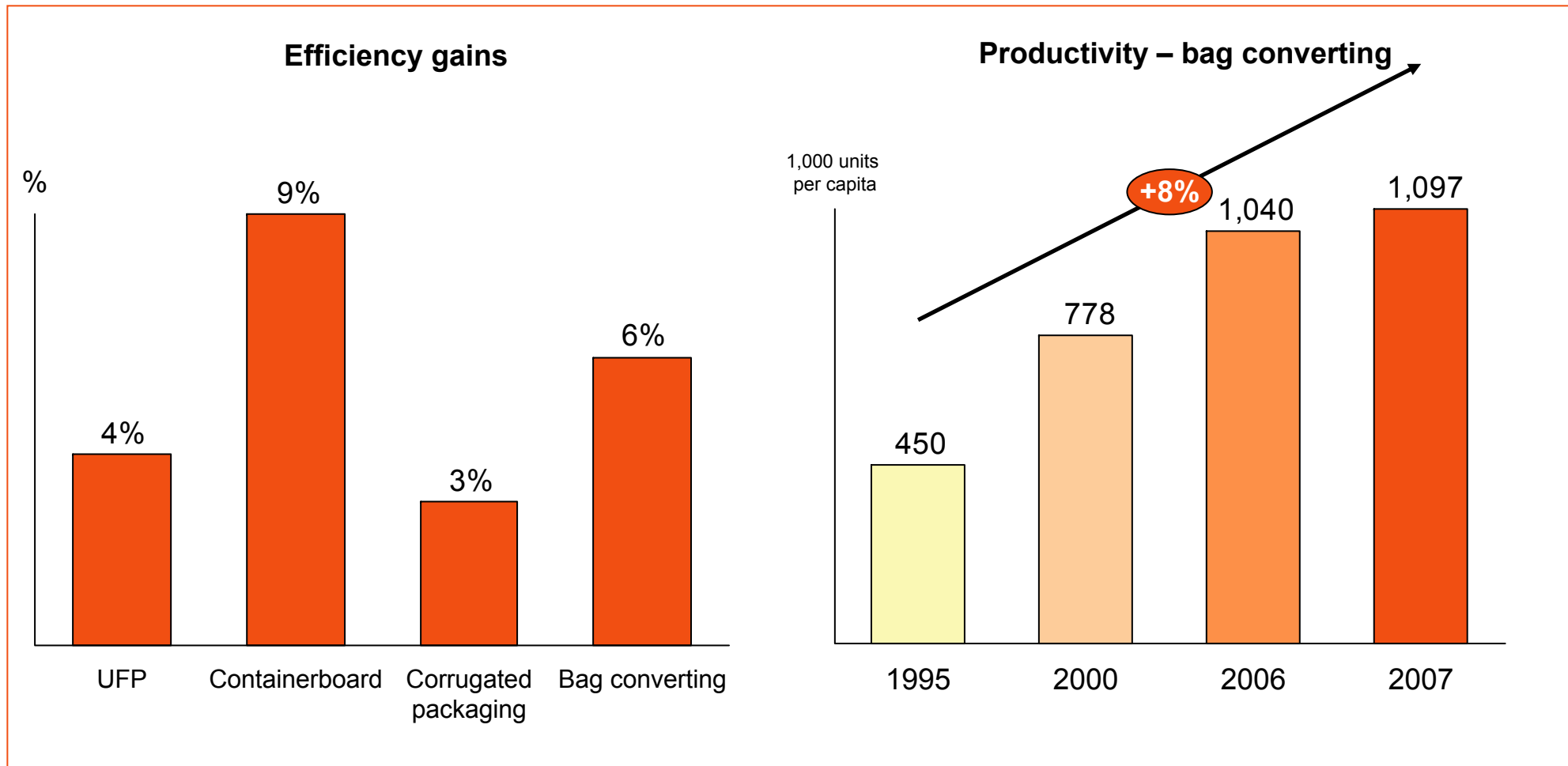


● Mondi Paper Machines

Mondi is focused on operational performance



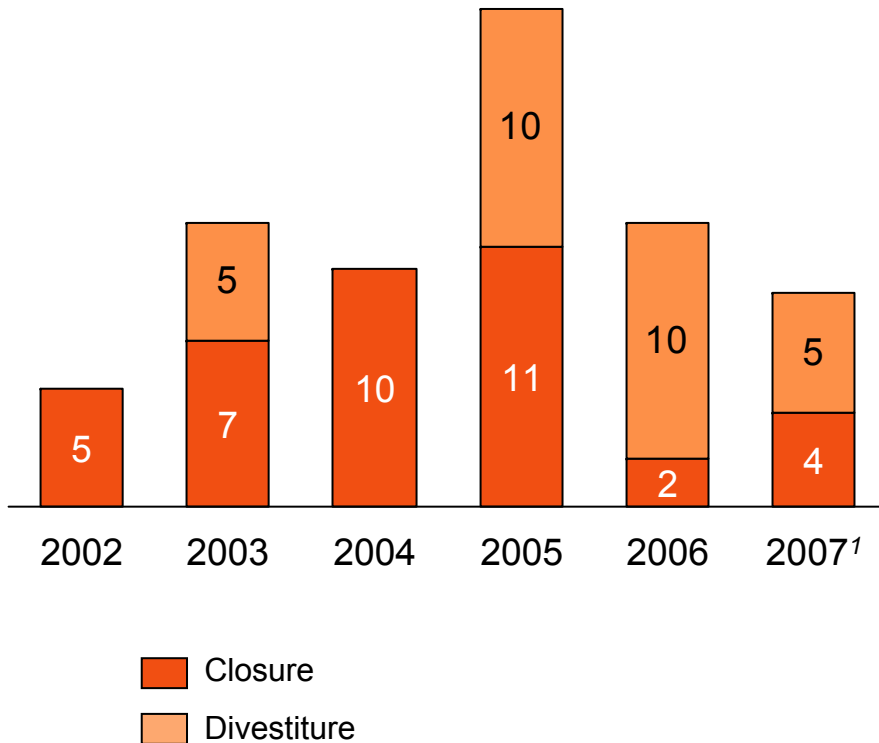
Ongoing operational excellence and efficiency gains in 2007



Through rigorous asset management and supply side discipline



No. closures/divestitures



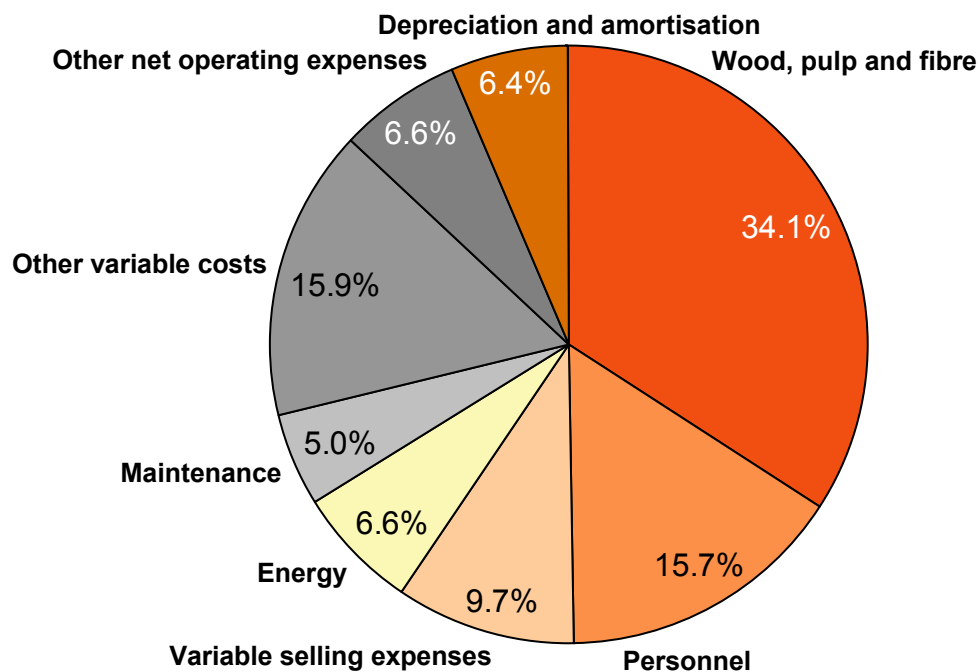
- Reduced testliner capacity by 11% in 2004 (~ 110Kt)
- Closed 11% of corrugated packaging capacity (~280M m²) since 2004
- Closed paper machine South Africa (~110Kt)
- Closed 35 converting plants and two testliner mills, divested 30 converting plants
- Closed UFP machine in Hungary in 2006 (~110Kt)
- Approximately 75,000 tonnes production downtime taken in 2007 to manage inventory levels
- Announced closure of 140,000 tonne UCF paper mill in Hungary has been completed (production ceased 20 March 2008)
- Reduction in divisional overhead and mill headcount due to organisation restructure

(1) Includes three closures announced in 2007, but completed in 2008

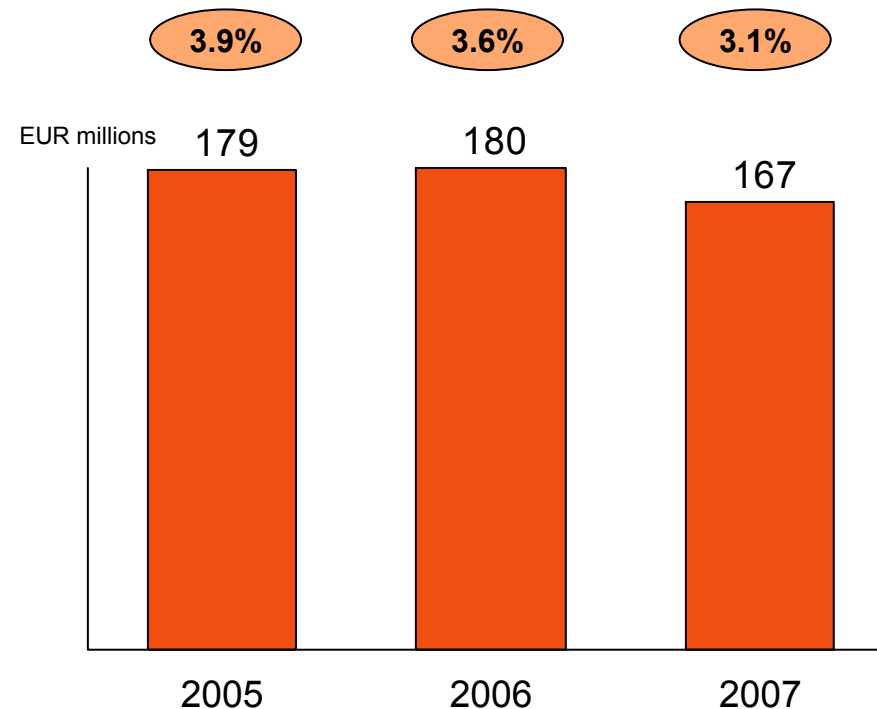
As well as cost saving initiatives



2007 Cost structure (%)



Cost savings

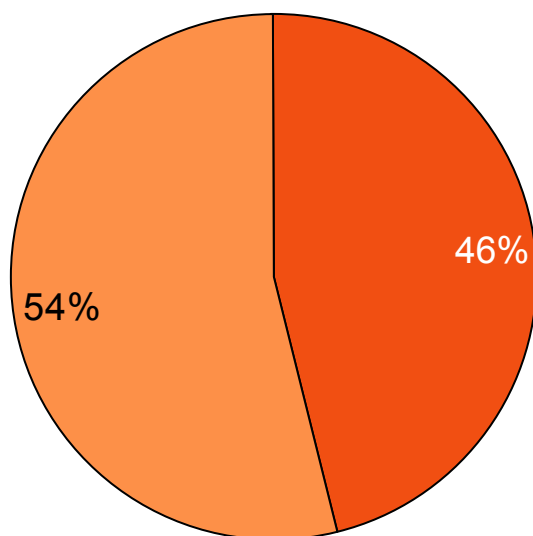


Cost savings of €167 million in 2007 helped to offset cost inflation

Emerging markets are a Group focus

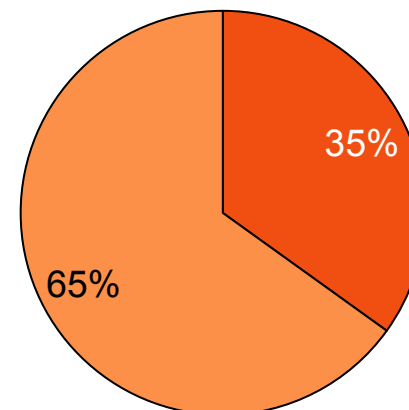


Revenues¹

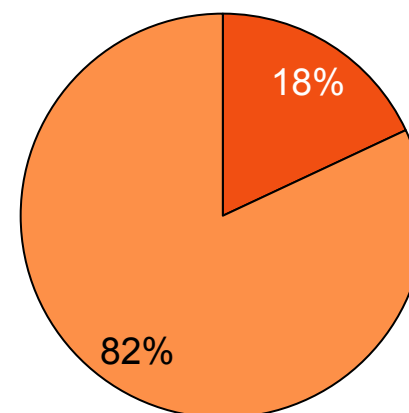


- Mature markets
- Emerging markets

Net operating assets



Virgin based production



(1) Revenues by origin



What is next? How do we continue to create value for our shareholders?

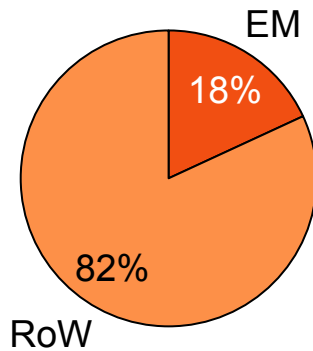
Emerging markets enjoy cost advantages



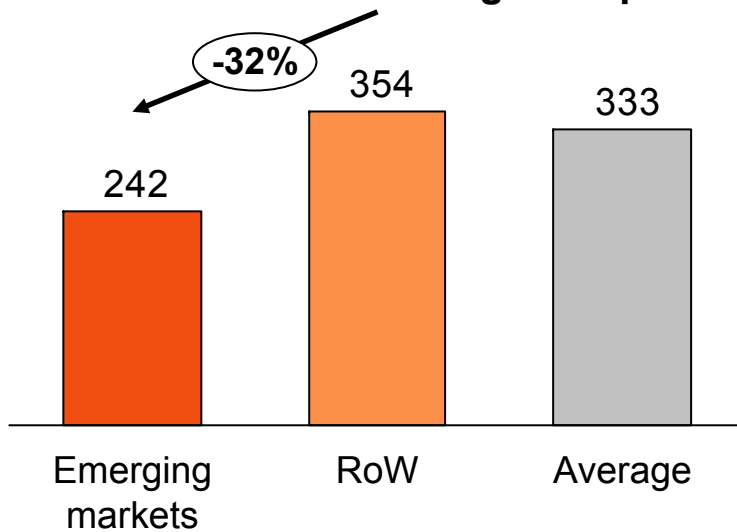
Emerging market cost position (Q3/2007 EUR/t)

BSKP

Capacity distribution

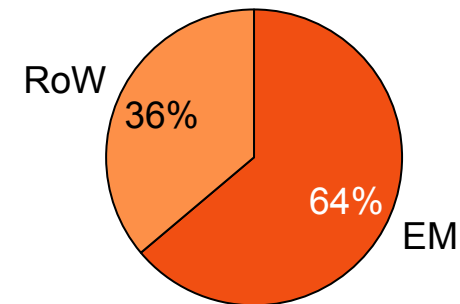


Avg. cost per ton

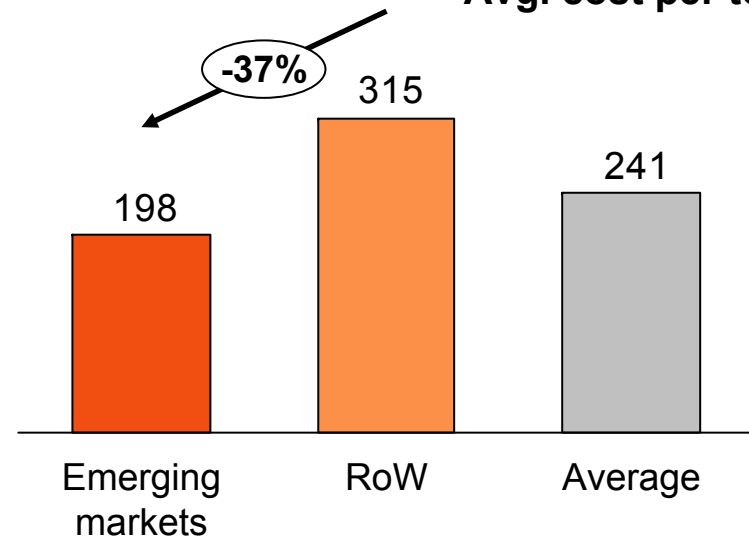


BHKP

Capacity distribution



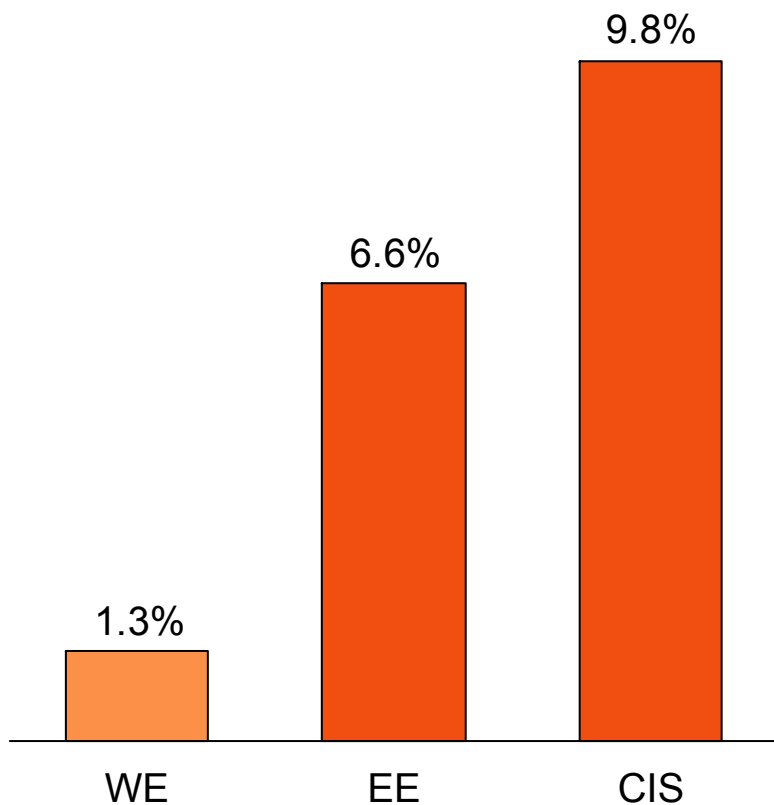
Avg. cost per ton



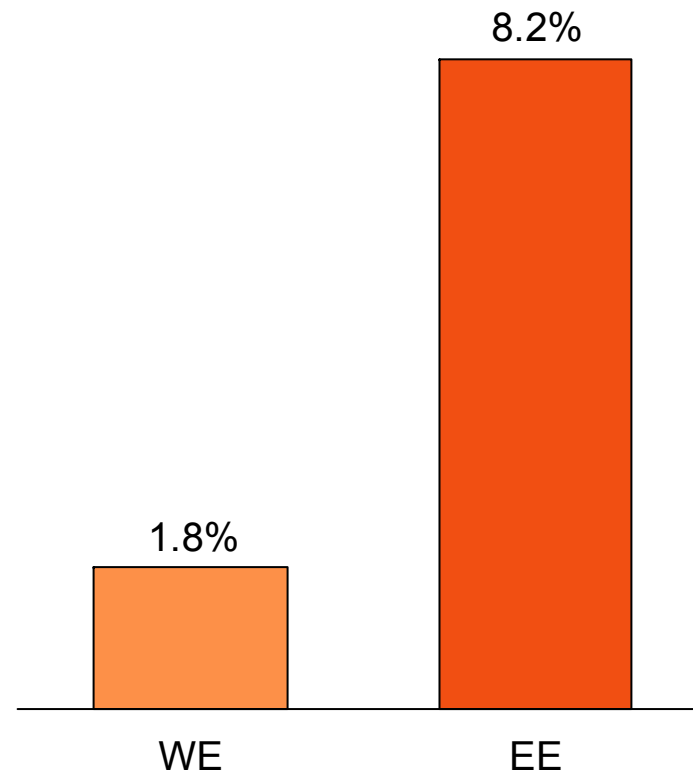
And have higher growth prospects



UCWF 2006 - 2011 demand growth (in %)¹



Corrugated 2005 - 2010 demand growth (in %)²



(1) Sources: EMGE Woodfree Forecast Report; October 2007 for Eastern and Western Europe. World Paper markets 2020, Pöyry 2005 Edition for CIS. CIS market growth from 2004 – 2010. (2)²Source: ICCA

Mondi geography priorities are:

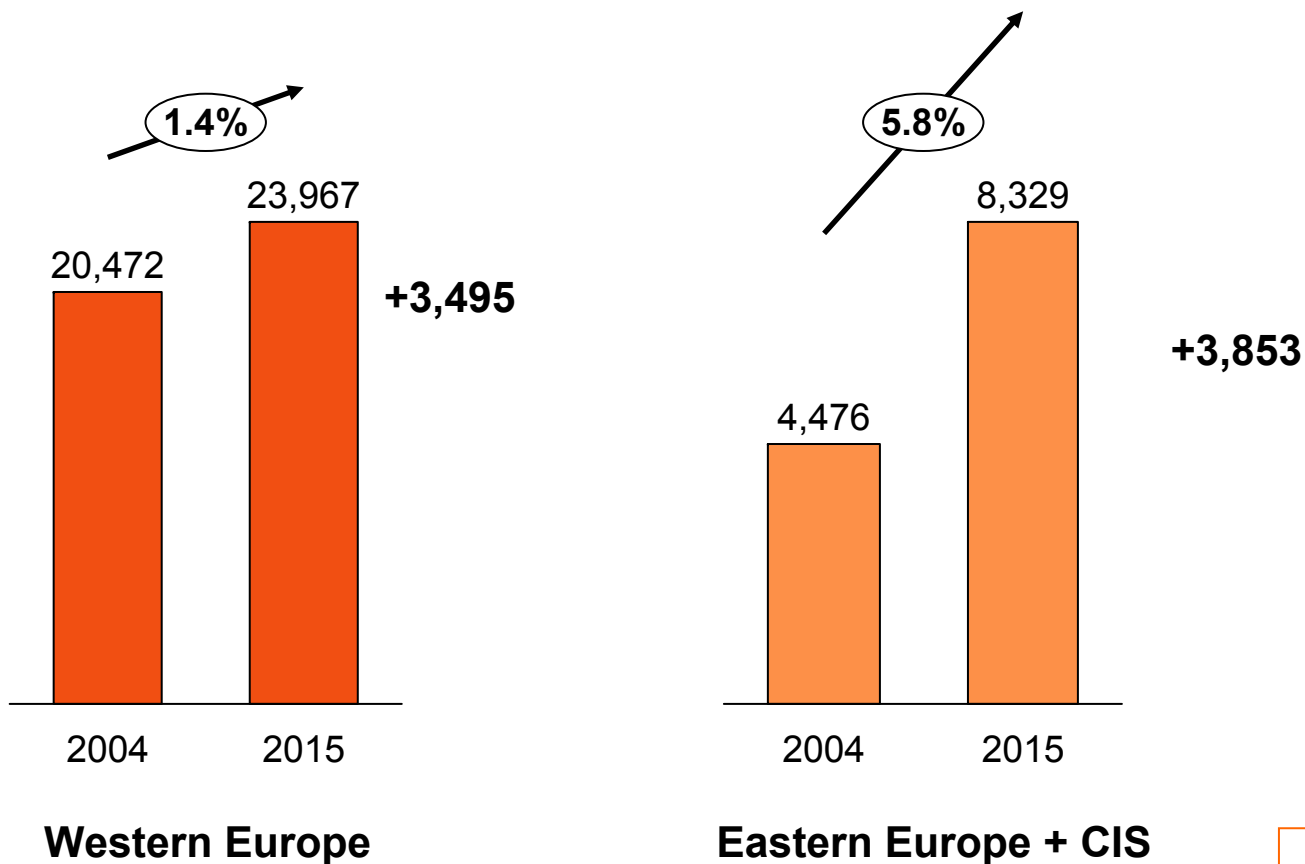


Fibre rich
Low cost
High growth
regions

However, mature markets are still very important



Corrugated



- Scale
- Technology and know-how leadership
- Consolidation opportunities

Mondi has major growth projects in emerging markets



Syktyvkar, Russia

- €525m investment
- Modernisation and expansion
- Reduced costs, increased energy output, increased pulp and paper production
- Reduced environmental footprint
- Exposed to strong demand growth for UFP and containerboard in the Russian market
- Construction begins Spring 2008, complete 2010

Swiecie, Poland

- €350m lightweight
- Brownfield site
- 470,000t lightweight recycled containerboard machine and corrugated box plant
- Lowest-cost producer
- of containerboard in Europe
- Supply the high growth emerging European markets
- Production begins mid to late 2009

Delivery on these projects is a current strategic priority



Interim Management Statement

“Whilst there is some uncertainty over pricing and demand developments, Mondi’s product mix, emerging market focus, continued push to drive down costs and willingness to respond quickly to changing market conditions, gives us confidence that we will make further progress in 2008.”



Summary

Mondi's strategy

Leading market positions

Build on leading positions in packaging and Uncoated Fine Paper (UFP), particularly in **emerging markets**

High quality, low cost asset base

Maintain position as **lowest-cost producer** in our markets:

- Selectively investing in production capacity in lower-cost regions
- Exploiting benefits of upstream integration (including forestry)

Focus on performance

Focus on **continuous productivity improvement** and **cost reduction**, delivered through business excellence programmes and **rigorous asset management**

Growth

Continue to target **value-enhancing growth** through **organic expansion** and **acquisitions**