

**Mondi Limited**

(Incorporated in the Republic of South Africa)

(Registration number: 1967/013038/06)

JSE share code: MND ISIN: ZAE000156550

**Mondi plc**

(Incorporated in England and Wales)

(Registered number: 6209386)

JSE share code: MNP ISIN: GB00B1CRLC47

LSE share code: MNDI

As part of the dual listed company structure, Mondi Limited and Mondi plc (together 'Mondi Group') notify both the JSE Limited and the London Stock Exchange of matters required to be disclosed under the Listings Requirements of the JSE Limited and/or the Disclosure and Transparency and Listing Rules of the United Kingdom Listing Authority.

Capitalised terms not defined in this announcement shall bear the meanings ascribed to such terms in the Notices of the Annual General Meetings of Mondi Limited and Mondi plc that have been issued and posted to Mondi Group shareholders today, 26 March 2013.

26 March 2013

**POSTING OF INTEGRATED REPORT AND NOTICE OF ANNUAL GENERAL MEETINGS OF MONDI LIMITED AND MONDI plc AND PROPOSED ODD-LOT OFFER**

The Annual General Meeting of Mondi Limited will be held at 11:30 (SA time) on Friday 3 May 2013 at the Hyatt Regency, 191 Oxford Road, Rosebank, Johannesburg 2132, South Africa. Pursuant to the dual listed company structure, the parallel Annual General Meeting of Mondi plc will be held at 10:30 (UK time) on Friday 3 May 2013 at Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ, United Kingdom.

The Mondi Group Integrated report and financial statements 2012 and the Notices of the Annual General Meetings of Mondi Limited and Mondi plc have been issued and posted to Mondi Group shareholders today, 26 March 2013. The audited combined and consolidated financial statements reported in the Integrated report and financial statements 2012 do not contain any material changes from the results published in the Mondi Group's preliminary statement (which were audited by Deloitte & Touche and Deloitte LLP) issued on 21 February 2013.

The combined and consolidated financial statements reported in the Mondi Group Integrated report and financial statements 2012 for the year ended 31 December 2012 were audited by Deloitte & Touche and Deloitte LLP. Their unqualified audit reports are

included in the integrated report and financial statements 2012 and are available for inspection at the registered offices of Mondi Limited and Mondi plc.

The following documents have been submitted to the National Storage Mechanism and will shortly be available for inspection at: [www.Hemscott.com/nsm.do](http://www.Hemscott.com/nsm.do)

- Mondi Group Integrated report and financial statements 2012
- Mondi plc Notice of Annual General Meeting 2013
- Mondi plc Form of Proxy for 2013 Annual General Meeting

The Mondi Group Integrated report and financial statements 2012 and the Notices of the Annual General Meetings of Mondi Limited and Mondi plc are also available on the Mondi Group web site at: [www.mondigroup.com](http://www.mondigroup.com)

## **PROPOSED ODD-LOT OFFER**

### 1. Introduction

As part of the business of the Annual General Meetings of Mondi Limited and Mondi plc, the board of directors of each of Mondi Limited and Mondi plc (the Directors) are seeking authority from the holders of the issued ordinary share capital of Mondi Limited and of Mondi plc (Ordinary Shares)(Shareholders), to grant them authority to implement an odd-lot offer (Odd-lot Offer) at any time within 18 months from the date of the Annual General Meetings.

The actual timing for, and implementation of, the proposed Odd-lot Offer will be decided by the Directors and will be at their sole discretion.

### 2. Rationale for the Odd-lot Offer

Pursuant to the Odd-lot Offer, holders of less than 100 Ordinary Shares in Mondi plc and holders of less than 100 Ordinary Shares in Mondi Limited (collectively, Odd-lot Holders) will be given the option to sell their holdings (Odd-lots) to Mondi plc or, in the case of Mondi Limited, to Mondi Limited, the Mondi Share Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited (as determined by Mondi Limited), as appropriate. Odd-lot Holders who do not expressly elect to retain their Odd-lots will participate in the Odd-lot Offer and their Odd-lots will be sold to Mondi plc or, in the case of Mondi Limited, to Mondi Limited, the Mondi Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited (as determined by Mondi Limited), as appropriate.

The rationale for seeking the authority to implement an Odd-lot Offer is that Mondi has an unusually large number of Shareholders for a group of its size, with a total of more than 67,800 Shareholders across the Mondi Limited and Mondi plc share registers. Of this number approximately 77.5% hold fewer than 100 Ordinary Shares, which represents 0.14% of the total number of Ordinary Shares in issue. The Directors attribute the relatively large number of Shareholders to Mondi's history, which includes a demerger from Anglo American plc in 2007. The recurring costs of administration resulting from the relatively large number of Shareholders (for example, the costs of printing and distributing financial statements, circulars and

notices) affect Shareholders of the Mondi Group as a whole. The Odd-lot Offer will enable Mondi to identify active Shareholders and to repurchase the holdings of those Shareholders who hold less than 100 Ordinary Shares and who do not expressly elect to retain their Ordinary Shares, and thereby reduce overall administration costs. The Odd-lot Offer will also enable holders of relatively small numbers of Ordinary Shares in Mondi to exit their shareholding in a cost-effective manner, without incurring transaction costs such as transfer fees, brokerage fees and securities transfer tax, and at a 5% premium to the volume weighted average market price for the five trading days prior to the date on which the Odd-lot Offer is announced.

### 3. Effect on share capital

If Mondi were to implement an Odd-lot Offer immediately after the Annual General Meeting, based on the holdings of Odd-lots as at 4 March 2013, the maximum number of Ordinary Shares that could be purchased pursuant to such an Odd-lot Offer would be 257,798 (0.22%) of the Mondi Limited Ordinary Shares and 440,796 (0.12%) of the Mondi plc Ordinary Shares.

#### Mondi Limited

Any Mondi Limited Ordinary Shares acquired by the Mondi Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited, as determined by Mondi Limited, pursuant to the Odd-lot Offer will not be cancelled in respect of the Mondi Limited share register. Accordingly, any acquisition of Mondi Limited Ordinary Shares pursuant to the Odd-lot Offer, if effected by the Mondi Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited, as determined by Mondi Limited, will have no effect on the issued Ordinary Share capital of Mondi Limited.

#### Mondi plc

Any Mondi plc Ordinary Shares acquired by Mondi plc pursuant to the Odd-lot Offer will not be cancelled and will instead be held in treasury by Mondi plc. The current proposal is that, following the Odd-lot Offer, these treasury shares may then be acquired by the Mondi Employee Share Trust Trustees in respect of the Mondi plc share register and the Mondi plc South African branch share register. Accordingly, any buyback of Mondi plc Ordinary Shares by Mondi plc pursuant to the Odd-lot Offer will have no effect on the issued Ordinary Share capital of Mondi plc.

### 4. Financial effects

It is anticipated that any Odd-lot Offer that is announced by the Directors and any potential acquisition of Ordinary Shares pursuant to such Odd-lot Offer will not have a significant effect on earnings, headline earnings per Ordinary Share, net asset value or tangible net asset value per Ordinary Share of either Mondi Limited or Mondi plc.

### 5. Salient terms of the proposed Odd-lot Offer

Shareholders who are Odd-lot Holders on the First Record Date (being 12 April 2013) and who remain Odd-lot Holders on the Second Record Date (being the record date announced by the Directors when the Odd-lot Offer is declared) will be entitled to participate in the Odd-lot Offer in respect of their Odd-lots. Shareholders

who become Odd-lot Holders between the First Record Date and the Second Record Date will not be entitled to participate in the Odd-lot Offer.

Odd-lot Holders will be those Shareholders who:

- (i) are recorded on either the Mondi Limited share register, Mondi plc share register or the Mondi plc South African branch share register as holding, in aggregate, less than 100 Ordinary Shares in each of Mondi Limited and/or Mondi plc on the First Record Date and the Second Record Date; or
- (ii) in relation to the Mondi Limited share register and Mondi plc South African branch share register only, hold a beneficial interest in less than 100 Ordinary Shares through a member where such member holds such Ordinary Shares as a nominee in accordance with the rules and procedures of Strate (and that holding is recorded as such in the relevant beneficial Shareholder records maintained by a CSDP or broker) on the First Record Date and the Second Record Date.

Holdings of Ordinary Shares either (i) in certificated and uncertificated form or (ii) on different registers will be treated as separate holdings for the purposes of determining whether Shareholders will be entitled to participate in the Odd-lot Offer. Therefore, Shareholders that hold less than 100 Mondi plc Ordinary Shares and less than 100 Mondi Limited Ordinary Shares may participate in both the Mondi plc and Mondi Limited portion of the Odd-lot Offer.

Persons who are direct clients of CSDPs or brokers and are either registered Shareholders or hold their Ordinary Share interests directly through a Strate approved nominee and are recorded as holding less than 100 Ordinary Shares on the records maintained by such CSDPs or brokers will be entitled to participate in the Odd-lot Offer. Persons who are not recorded directly on the records maintained by such CSDPs or brokers and are neither registered Shareholders nor hold their Ordinary Share interests directly through a Strate approved nominee, but who may otherwise hold a beneficial interest in Ordinary Shares indirectly through such CSDPs or brokers, will not be entitled to participate in the Odd-lot Offer.

Under the terms of the Odd-lot Offer Mondi Limited Odd-lot Holders will be able:

- (i) by making no election, to have their Ordinary Shares acquired by Mondi Limited, or the Mondi Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited, as determined by Mondi Limited, at the Offer Price (this being the default election for those Odd-lot Holders that do not respond to the Odd-lot Offer); or
- (ii) to expressly elect to retain their shareholding.

Under the terms of the Odd-lot Offer Mondi plc Odd-lot Holders will be able:

- (i) by making no election, to have their Ordinary Shares bought back by Mondi plc under the terms of section 694 of the UK Companies Act at the Offer Price (this being the default election for those Odd-lot Holders that do not respond to the Odd-lot Offer); or
- (ii) to expressly elect to retain their shareholding.

However, for Shareholders who are recorded on the Mondi plc share register, due to the constraints of the CREST system, Odd-lot Holders who hold their Ordinary Shares, either directly or via a nominee, in CREST will not have their Ordinary

Shares acquired unless they rematerialise their Ordinary Shares by the Second Record Date and do not elect to retain their holding of Odd-lots.

Repurchases of Odd-lots from Shareholders in Mondi plc will be made pursuant to a specific shareholder authority.

## 6. Offer Price

If an Odd-lot Offer is made by Mondi Limited, the Offer Price will in the case of Mondi Limited Ordinary Shares held on the Mondi Limited share register, be at a 5% premium to the volume weighted average price of Mondi Limited Ordinary Shares traded on the JSE over the five trading days prior to the date on which the Offer Price is finalised, as determined by the Directors.

If an Odd-lot Offer is made by Mondi plc, the Offer Price will:

- (i) in the case of Mondi plc Ordinary Shares held on the Mondi plc share register, be at a 5% premium to the volume weighted average price of Mondi plc Ordinary Shares traded on the London Stock Exchange over the five trading days prior to the date on which the Offer Price is finalised; and
  - (ii) in the case of Mondi plc Ordinary Shares held on the Mondi plc South African branch share register, be at a 5% premium to the volume weighted average price of Mondi plc Ordinary Shares traded on the JSE over the five trading days prior to the date on which the Offer Price is finalised,
- in each case as determined by the Directors.

Mondi plc Odd-lot Holders recorded on the UK share register will be paid in Pounds Sterling or Euros, dependent upon any currency election already made. Mondi Limited Odd-lot Holders and Mondi plc Odd-lot Holders recorded on the South African branch register will be paid in Rand.

The Offer Price will be published on SENS and on a RIS on the day it is finalised.

## 7. Salient Dates and Times

The salient dates and times in respect of the Annual General Meetings and for the purposes of participation in the proposed Odd-lot Offer are as follows:

<b>Event</b>	<b>2013</b>
Posting of circulars and Notices of Annual General Meetings of Mondi Limited and Mondi plc, on	Tuesday 26 March
First last day to trade in Mondi Limited Ordinary Shares and Mondi plc Ordinary Shares on the JSE in order to participate in the proposed Odd-lot Offer, on	Friday 5 April
First last day to trade in Mondi plc Ordinary Shares on the LSE in order to participate in the proposed Odd-lot Offer, on	Tuesday 9 April
First Record Date in order to participate in the	Friday 12 April

proposed Odd-lot Offer, on

Last day for the submission of proxy forms for the  
Mondi Limited Annual General Meeting at 11:30am  
(SA time) on Tuesday 30 April

Last day for the submission of proxy forms for the  
Mondi plc Annual General Meeting at 10:30am (UK  
time) on Wednesday 1 May

Annual General Meeting of Mondi Limited at 11:30am  
(SA time) on Friday 3 May

Annual General Meeting of Mondi plc at 10:30am (UK  
time) on Friday 3 May

Notes:

- (i) These dates and times are subject to change. Any material changes will be published on SENS and a RIS.
- (ii) Mondi Limited Shareholders and Mondi plc South African branch share register Shareholders should note that share certificates may not be dematerialised or rematerialised between Monday 8 April 2013 and Friday 12 April 2013, both days inclusive.

A detailed timetable, including the date of the Second Record Date, for the implementation of the proposed Odd-lot Offer will be communicated to Shareholders in the event that the proposed Odd-lot Offer is made. The Directors shall be able to determine the details of such timetable at their sole discretion.

## 8. Conditions Precedent

The implementation of the proposed Odd-lot Offer is subject to the passing of relevant resolutions to be proposed at the Annual General Meetings of Mondi Limited and of Mondi plc, including resolutions to:

- (i) authorise the Directors of Mondi Limited to make and implement the Odd-lot Offer at any time during the 18 month period after the date of the Annual General Meeting;
- (ii) specifically authorise Mondi Limited, or the Mondi Incentive Schemes Trust Trustees or a subsidiary of Mondi Limited, as determined by Mondi Limited, to acquire the Ordinary Shares of Shareholders holding less than 100 Mondi Limited Ordinary Shares pursuant to the Odd-lot Offer, who do not make an express election to retain such Ordinary Shares;
- (iii) approve the amendments to the Mondi plc Articles of Association to give Mondi plc the ability to facilitate an Odd-lot Offer in respect of Mondi plc Ordinary Shares subject to the Mondi plc shareholders passing an ordinary resolution to give specific authority of any Odd-lot Offer;
- (iv) authorise the Directors of Mondi plc to make and implement the Odd-lot Offer at any time during the 18 month period after the date of the Annual General Meeting; and

- (v) authorise Mondi plc to make an off-market repurchase of Ordinary Shares in Mondi plc on the terms of the Purchase Contract in accordance with section 694 of the UK Companies Act in order to implement the Odd-lot Offer.

#### 9. Directors' Recommendation

The boards of Mondi Limited and Mondi plc consider that the Odd-lot Offer would be in the best interests of Mondi Limited and Mondi plc and Shareholders of Mondi Limited and Mondi plc as a whole and unanimously recommend that Shareholders of Mondi plc vote in favour of resolutions 24, 25, 35, 36 and 37 to be proposed at the Annual General Meetings of Mondi Limited and Mondi plc to be held on Friday 3 May 2013.

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Company Secretary, Mondi Limited

Ends

#### **About Mondi**

Mondi is an international packaging and paper Group, with production operations across 30 countries and revenue of €5.8 billion in 2012. The Group's key operations are located in central Europe, Russia and South Africa and as at the end of 2012, Mondi employed 25,700 people.

Mondi Group is fully integrated across the packaging and paper value chain, from the growing of wood and the production of pulp and paper (packaging paper and uncoated fine paper), to the conversion of packaging paper into corrugated packaging, industrial bags, extrusion coatings and release liner. Mondi is also a supplier of innovative consumer packaging solutions, advanced films and hygiene products components.

Mondi Group has a dual listed company structure, with a primary listing on the JSE Limited for Mondi Limited under the ticker code MND and a premium listing on the London Stock Exchange for Mondi plc, under the ticker code MNDI. The Group has been recognised for its sustainability through its inclusion in the FTSE4Good Global, European and UK Index Series (since 2008) and the JSE's Socially Responsible Investment (SRI) Index since 2007. The Group was also included in the Carbon Disclosure Project's (CDP) FTSE 350 Carbon Disclosure Leadership Index (CDLI) for the third year and in CDP's FTSE 350 Carbon Performance Leadership Index (CPLI) for the first time in 2012.

Sponsor in South Africa: UBS South Africa (Pty) Ltd