Press release

Vienna, November 9, 2009

Continued positive outlook, solid business development in the first three quarters 2009

- Lower sales and earnings, as expected
- Stabilization in volumes and prices in aluminum, corrugated board and flexible packaging
- Margin increase in all segments
- Increase of operative cash flow by 62%
- Solid equity ratio of 38%
- Gearing at 60%
- Cautious positive outlook for 2009

Higher margins, solid equity ratio and gearing

Measured against the boom in the first three quarters of 2008, sales and earnings of Constantia Packaging, a leading Austrian industrial group declined as expected. The Group nevertheless managed to maintain solid margins, which could be increased in all segments. The robust cash flow – up 62% – was used to reduce interest-bearing liabilities in the quarterly comparison, which resulted in an equity ratio of 38.7% with gearing at 60.3%.

Sales -21%, Consolidated net income -9%

First-three quarter consolidated sales fell by 21% from €1,628.8 million in 2008 to €1,282.6 million in 2009. Thanks to strict cost controls in all areas, the EBITDA decline was limited to only 13.0%, from €240.1 million to €208.1 million and the EBITDA margin rose to 16.2%. First-three quarter operating income (EBIT) totaled €123.2 million, down from €154.7 million the previous year, representing a 9.6% operating margin. Consolidated net income (after taxes and minority interests) totaled €67.1 million, 9.0% less than the previous year's result of €73.6 million, which was still characterized by the boom phase.

Capital expenditures -46%
Employees -10%

Capital expenditures were reduced by 46% to €46.4 million, which was less than the €84.9 million in depreciation. The number of employees was down by 10% to 7,545 as of September 30, 2009. Short-time work is continuing at AMAG's Ranshofen site.

Sound balance sheet and financing structure, stable business model

Optimism for a successful 2009

"We continue to strive for sustained growth in earnings and corporate value, combined with our sound balance sheet and adequate risk balancing. Especially in these volatile, difficult times the Group´s sound balance sheet and financing structure as well as the stable business model, also based on diversification, have proven their worth. From today's perspective we therefore enter the fourth quarter with optimism and think that for the full year 2009 we can line-up with the pleasing results of the year 2008" Nevertheless we stay alert expecting that 2010 will not be an easy year", commented Hanno M. Bästlein, Chief Executive Officer of Constantia Packaging AG.

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Constantia Packaging

Results in detail

Consolidated three-quarter sales fell by 21% from €1,628.8 million to €1,282.6 million. Reflecting the current strategic orientation of the Group and respectively ever more stringent efforts to focus on core markets, April 1, 2009 marked the closing date for the Group's sale of its 60% equity interest in Danapak Flexibles A/S to its joint venture partner, Denmark-based Arla Foods. Concurrently, the Group acquired all shares in Corona Packaging A/S. Both companies produce packaging for the dairy and food industry.

Consolidated sales minus 21% to €1,282.6 million

As per July 31, 2009 16.55% of AMAG were purchased from Constantia Packaging B.V. Thus Constantia Packaging AG holds 90% of the shares, while 10% remain with the AMAG employee trust. The purchase price amounted to €75 million, the price was determined according to an expertise of a Chartered Accountant. Financing was effected via the banks of Constantia Packaging AG. Objective of the transaction was a streamlining of the participation structure, increase of transparency, increase of flexibility according to Stock Corporation Law coupled with an immediate positive earnings contribution due to the excellent strategic position of AMAG. Contrary to media reports AMAG is not put up for sale for the time being.

Thanks to strict cost controls, the **EBITDA** decline was limited to only 13%, from €240.1 million to €208.1 million, while the EBITDA margin rose to 16.2%.

EBITDA -13% to €208.1 million, margin increase to 16.2%

First-nine-month operating income (**EBIT**) totaled €123.2 million, down from €154.7 million the previous year, representing a 9.6% operating margin.

EBIT €123.2 million, operating margin 9.6%

Capital expenditures were reduced by 46% to €46.4 million, which was less than the €84.9 million in depreciation. The number of employees was down by 10% to 7,545 as of September 30, 2009. Short-time work is continuing at AMAG's Ranshofen site.

Capital expenditures at €46.4 million

Consolidated net income (after taxes and minority interests) totaled €67.1 million, 9 % less than the previous year's result of €73.6, still characterized by the boom phase.

Consolidated net income – 9%

Cash flow from operating activities totaled €215.3 million in the first nine months of 2009, above the €132.9 million of the previous year. This increase was enabled amongst others by the consistent optimization of working capital in all segments.

Cash flow: €215.3 million

The relative **contributions to consolidated sales by the respective business segments** were as follows: Aluminum 30%, Corrugated Board 15% and Flexible Packaging 58% (with 3% intra-Group eliminations).

Segment sales contributions: 30%-15%-58%

In the **Aluminum segment** demand for pre-rolled aluminum strip for food and pharma packaging continues to be satisfactory. In the automotive and aerospace industries demand has bottomed out and starts picking up again. First-three-quarter sales in the Aluminum segment contracted by 39% to €383.5 million. The reduction in sales is about

Solid results despite difficult market conditions, bottoming out and start of recovery in order intake

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one half each due to deviations in sales volume and lower sales prices due to the decline of the LME aluminum price. EBITDA contracted to €81.6 million in 2009, corresponding to a 21.3% margin, while operating income (EBIT) came down from €72.7 million to €47.3 million during the same period, resulting in a 12.3% margin. This result, which exceeded expectations, benefited from the effects of the current cost-savings program. Reduced quantities sold weighed on the results, with casting products and rolled products. Since December 2008, AMAG has responded to the persistent weak demand by implementing a comprehensive cost reduction program in the personnel and materials areas. As part of this program, short-time work has been introduced throughout the Ranshofen plant since March 2009. The number of employees as of September 30, 2009 was 1,163.

Lower sales, margin increase

Cost reduction and productivity enhancing measurements in implementation

In the **Corrugated Board segment** volumes and prices stabilized at a low level. In the quarterly comparison the volume variation was minus 20% with corrugated board, as expected, while in the paper division a 3% increase could be achieved. Starting September the paper industry was able to introduce price increases, which again enabled a full operation mode for Duropack´s two paper machines in the Czech Republic and Bulgaria. In the summer months a seasonal ease due to demand from the agricultural industry could be noticed.

Given the drop in sales volume and prices of raw materials, Corrugated Board segment's three-quarter sales fell by 25% from €258.5 million to €194.3 million. EBITDA decreased by only 16% from €36.9 million to € 31.1 million, which enabled the EBITDA margin to increase to 16.0%. At €17.5 million, first-three-quarter operating income was 24% below the previous year's figure of €23.0 million. Capital expenditures were trimmed to €3.4 million, an adjustment that reflected the market environment. The number of employees fell by 17% from 2,431 to 2,021 by end September 2009.

Intensive cost-reduction and productivity- enhancing measures are in implementation at all plants.

Continued positive development

Markets for the **Flexible Packaging segment** continued to show stable development in all three divisions. The Dairy& Food division saw a recovery compared to the previous quarter with continued volatility in order volumes and delivery times. The Pharma & Film division reports stable market environment in its core markets Western Europe and North America. In the division Labels market estimates continue to be positive with rather short-term oriented order behavior of customers. Market shares could be maintained.

The Flexible Packaging segment recorded sales of €744.2 million, 5% below the previous year's level of €780.0 million. After adjusting for the acquisitions and the disposals in 2009 and the year before three-quarter-sales contracted by 0.4% in 2009. First-three-quarter EBITDA totaled €102.1 million in the first nine months 2009, compared with € 106.9 million the previous year. Operating income (EBIT) fell from €68.1 million to €65.4 million. Capital expenditures were adjusted to €25.3 million, and the number of employees has been reduced by 6% to 4,322 as of September 30, 2009.

Comprehensive cost reduction programs were successfully implemented in all areas. The “Dedicated Plants” project, in which individual plants focus on specific product groups, is increasingly contributing to steady productivity enhancements.

Full-year outlook remains positive

Stable development, positive Outlook

Constantia Packaging AG has premium products with leading market positions, a broad-based, attractive portfolio of more than 10,000 customers, strong technological and innovative capacities coupled with attractive growth and earnings potential. Given current demographic trends and rising living standards, consumption of Constantia’s products will remain sustained even during economic downturns, since many of these products are used in everyday consumer goods. On this basis, Constantia Packaging AG strives to achieve consistent, sustained growth in earnings and company value while maintaining a solid balance sheet and adequate risk balancing. From today´s perspective it should be possible to line- up with the results of the year 2008.

Constantia Packaging AG

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