

17 September 2012 | 15 pages

Paper Products (GICS) | Paper & Forest Products (Citi)
Europe | United Kingdom

Mondi Plc (MNDI.L)

Strength to strength - raising TP, but now Neutral

- **Fundamentals remain attractive** — We believe Mondi trades at a justified premium to paper and paper packaging peers in Europe, on FY13e EV/EBITDA of 6.1x and P/BV of 1.2x. A high expected dividend yield (3.6%), better margins and an estimated 6.3% FCF yield support this premium. Mondi continues to beat both its WACC and targeted ROCE, reporting H1 ROCE of 13.3%, ahead of Citi's FY12e estimate of 9% which is ahead of peer average of 8%. Mondi offers exposure to our preferred area of developing market packaging. However given its recent run, and despite the increase in our TP to £6.70/ZAR96/sh, we downgrade our recommendation to Neutral due to the minimal 10% upside.
- **Earnings up** — We incorporate the acquisition of Nordenia, which was announced in July 2012 as well as H1 results. There is only a marginal change in our FY12e EPS, while FY13e is up 4% and FY14e is up 11% from before. Nordenia adds more developing market exposure in the high growth FMCG sector at attractive margins and LT growth. We expect the deal to be finalised by Q4 2012e. Mondi has also announced the acquisition, in line with group strategy, of the corrugated operations of Duropack in Germany and the Czech Republic. This small acquisition (c.2.5% of FY12e EBITDA) builds on Mondi's existing position in these markets.
- **But time for a breather** — Mondi's share price is up 27% since June 2012. While we believe that there remains some slight upside over the next 12 months to our TP, near term upside may be limited. We raise our 12 month target price to GBp670 or ZAR96/sh to reflect the inclusion of Nordenia and H1 results. At this target price, it implies FY13e PE of 11.8x and EV/EBITDA of 6.6x, in line with global peers.

- Company Update
- Rating Change
- Target Price Change
- Estimate Change

Neutral	2
<i>from Buy</i>	
Price (14 Sep 12)	£6.31
Target price	£6.70
<i>from £6.50</i>	
Expected share price return	6.2%
Expected dividend yield	3.6%
Expected total return	9.8%
Market Cap	£3,077M
	US\$4,990M

Price Performance (RIC: MNDI.L, BB: MNDI LN)



Mondi Plc (EUR)

Year to 31 Dec	2010A	2011A	2012E	2013E	2014E
Sales (€M)	5,610.0	5,739.0	5,821.3	6,469.2	6,587.4
Profit Before Tax (€M)	333.0	457.0	413.8	507.3	593.7
Diluted EPS (¢)	40	67	56	70	83
Diluted EPS (Old) (¢)	40	67	58	68	75
PE (x)	19.5	11.6	14.0	11.1	9.4
EV/EBITDA (x)	7.4	5.8	6.6	6.4	5.9
DPS (¢)	20	26	27	32	32
Net Div Yield (%)	2.6	3.3	3.5	4.1	4.1

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See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

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MNDI.L: Fiscal year end 31-Dec						Price: £6.31; TP: £6.70; Market Cap: £3,077m; Recomm: Neutral					
Profit & Loss (€m)	2010	2011	2012E	2013E	2014E	Valuation ratios	2010	2011	2012E	2013E	2014E
Sales revenue	5,610	5,739	5,821	6,469	6,587	PE (x)	19.5	11.6	14.0	11.1	9.4
Cost of sales	-5,145	-5,107	-5,281	-5,829	-5,870	PB (x)	1.4	1.5	1.4	1.3	1.2
Gross profit	465	632	541	641	717	EV/EBITDA (x)	7.4	5.8	6.6	6.4	5.9
Gross Margin (%)	8.3	11.0	9.3	9.9	10.9	FCF yield (%)	9.3	15.6	8.3	6.0	14.6
EBITDA (Adj)	798	964	863	971	1,047	Dividend yield (%)	2.6	3.3	3.5	4.1	4.1
EBITDA Margin (Adj) (%)	14.2	16.8	14.8	15.0	15.9	Payout ratio (%)	50	39	49	45	38
Depreciation	-340	-342	-322	-330	-330	ROE (%)	8.7	12.3	10.2	12.1	13.3
Amortisation	0	0	0	0	0	Cashflow (€m)	2010	2011	2012E	2013E	2014E
EBIT (Adj)	437	567	541	641	717	EBITDA	798	964	863	971	1,047
EBIT Margin (Adj) (%)	7.8	9.9	9.3	9.9	10.9	Working capital	-110	-68	-124	-272	-18
Net interest	-106	-111	-127	-133	-123	Other	80	-19	-88	-106	-128
Associates	2	1	0	0	0	Operating cashflow	768	877	651	594	901
Non-op/Except	-21	-55	0	0	0	Capex	-394	-263	-336	-366	-346
Pre-tax profit	333	457	414	507	594	Net acq/disposals	52	-77	-295	0	0
Tax	-82	-100	-103	-127	-142	Other	-13	9	0	0	0
Extraord./Min.Int./Pref.div.	-27	-27	-39	-38	-45	Investing cashflow	-355	-331	-631	-366	-346
Reported net profit	224	330	272	342	406	Dividends paid	-127	-169	-131	-140	-156
Net Margin (%)	4.0	5.8	4.7	5.3	6.2	Financing cashflow	-409	-419	-979	-140	-156
Core NPAT	206	340	272	342	406	Net change in cash	-5	136	-959	88	400
Per share data	2010	2011	2012E	2013E	2014E	Free cashflow to s/holders	374	614	315	228	555
Reported EPS (¢)	44	65	56	70	83						
Core EPS (¢)	40	67	56	70	83						
DPS (¢)	20	26	27	32	32						
CFPS (¢)	149	174	133	122	185						
FCFPS (¢)	73	122	65	47	114						
BVPS (¢)	544	518	566	608	660						
Wtd avg ord shares (m)	508	499	482	482	482						
Wtd avg diluted shares (m)	514	505	488	488	488						
Growth rates	2010	2011	2012E	2013E	2014E						
Sales revenue (%)	6.7	2.3	1.4	11.1	1.8						
EBIT (Adj) (%)	163.3	29.7	-4.6	18.5	11.9						
Core NPAT (%)	116.8	65.0	-20.1	26.1	18.6						
Core EPS (%)	119.8	68.0	-17.4	26.1	18.6						
Balance Sheet (€m)	2010	2011	2012E	2013E	2014E						
Cash & cash equiv.	83	191	191	279	678						
Accounts receivables	992	829	990	1,294	1,317						
Inventory	702	637	757	970	988						
Net fixed & other tangibles	4,329	3,687	4,580	4,616	4,631						
Goodwill & intangibles	312	238	238	238	238						
Financial & other assets	75	63	63	63	63						
Total assets	6,493	5,645	6,819	7,460	7,916						
Accounts payable	1,034	891	1,048	1,294	1,317						
Short-term debt	410	286	286	419	543						
Long-term debt	1,037	737	1,585	1,585	1,585						
Provisions & other liab	788	696	711	732	746						
Total liabilities	3,269	2,610	3,630	4,030	4,191						
Shareholders' equity	2,763	2,586	2,726	2,929	3,179						
Minority interests	461	449	488	526	571						
Total equity	3,224	3,035	3,214	3,455	3,750						
Net debt	1,364	832	1,680	1,726	1,449						
Net debt to equity (%)	42.3	27.4	52.3	49.9	38.6						

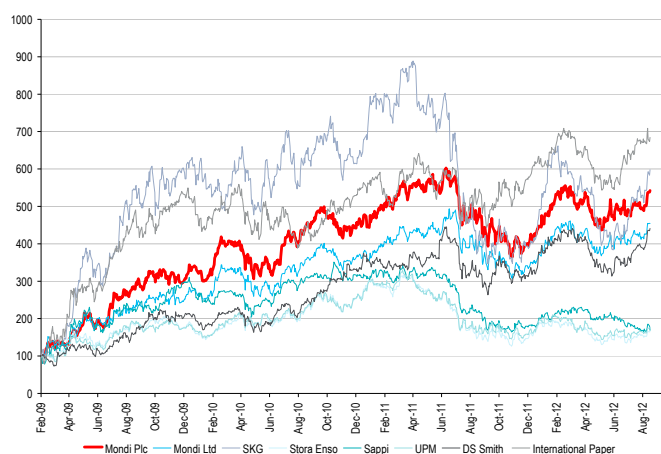
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For definitions of the items in this table, please click [here](#).

A consistent outperformer

Since late-2009, Mondi has consistently outperformed global paper peers in terms of both returns (ROCE) and share price performance. We believe that Mondi will and should remain a premium rated stock as it continues to deliver above market earnings growth, higher than average dividend yields and exceeds return hurdles. We downgrade to Neutral, however given its recent 27% run. We raise our 12 month target price to GBp670 or ZAR96/sh as the Nordenia acquisition is incorporated, reflecting c.10% upside from current levels for the Plc and Ltd (MNDJ.J; R84.87; 2) shares. Near term, we expect some headwinds as Mondi beds down its significant H1 FY12e acquisitions (Swiecie minorities, Nordenia, Duropack).

Share price upside may be limited

Figure 1. Mondi has been one the best performing paper companies



Source: Citi Research; DataStream

Figure 2. Mondi has outperformed Sappi by 90% since Jan-2011

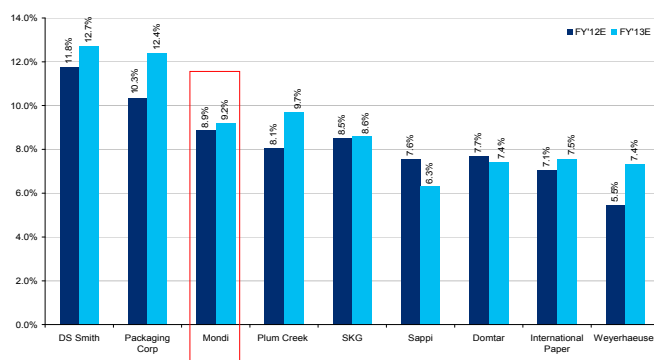


Source: Citi Research; DataStream

Premium valuation justified

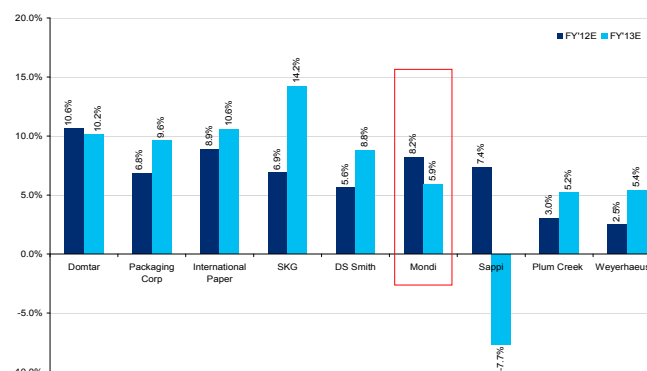
We believe that Mondi's premium valuation continues to be justified by its exposure to preferred paper grades (packaging) and developing markets. Dividend yield, Mondi's strong balance sheet and improving returns are further support for the premium.

Figure 3. Consistently adding value ahead of peer average (ROCE%)



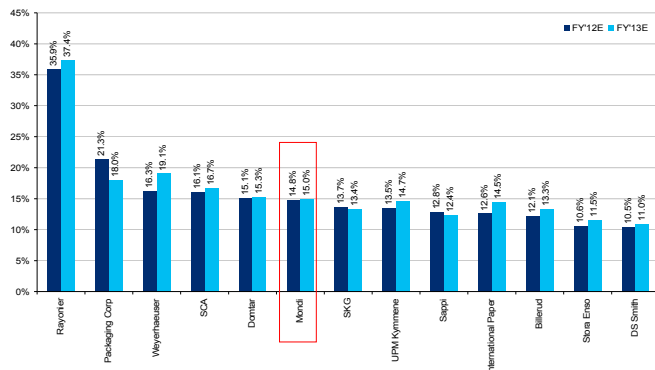
Source: Citi Research, company reports

Figure 4. Strong FCF yield, despite DY, capex and Swiecie acquisition



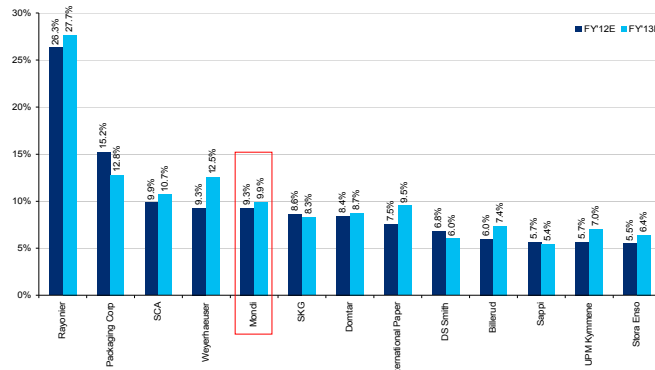
Source: Citi Research, company reports

Figure 5. EBITDA margins reflects Mondi's robust operations



Source: Citi Research, company reports

Figure 6. Mondi's EBIT margin vs peers



Source: Citi Research, company reports

Our normalised EV/EBITDA valuation implies a value of GBP670 or ZAR97/sh using average EBITDA between FY10 and FY15e and exit EV/EBITDA of 6.5x

Figure 7. Mondi earnings and valuation summary (at GBp602/sh)

PER SHARE		FY08	FY09	FY10	FY11	FY12E	FY13E	FY14E
Underlying EPS	€c/sh	34	19	41	68	56	71	84
	% chg	-27.6%	-44.9%	116.8%	68.0%	-17.3%	26.1%	17.8%
EBITDA	€m	814	645	798	964	863	971	1047
EBIT	€m	83	166	437	567	541	641	717
	% chg	-80.5%	100.0%	163.3%	29.7%	-4.6%	18.5%	11.9%
DPS	€c/sh	13	10	20	26	25	32	32
BVPS	€/sh	4.52	4.67	5.37	5.03	5.63	6.06	6.58
FCFPS	€/sh	-0.17	0.52	0.66	1.11	0.65	0.47	1.15
MULTIPLES		FY08	FY09	FY10	FY11	FY12E	FY13E	FY14E
PER	x	22.2	40.2	18.6	11.0	13.4	10.6	9.0
EV/EBITDA	x	7.3	8.7	7.2	5.6	7.0	6.1	5.3
EV/EBIT	x	71.3	33.9	13.1	9.5	11.2	9.3	7.7
Dividend Yield	%	1.7%	1.3%	2.7%	3.5%	3.3%	4.2%	4.3%
P/BV	x	1.7	1.6	1.4	1.5	1.3	1.2	1.1
FCF Yield	%	-2.3%	7.0%	8.8%	14.8%	8.6%	6.2%	15.2%
ROE %	%	-12.6%	-1.9%	8.7%	12.3%	10.2%	12.1%	13.3%
ROCE %	%	10.0%	6.7%	10.0%	16.1%	11.0%	12.7%	14.5%

Source: Company Reports; Citi Research Estimates; Inet; DataStream

Figure 8. Mondi DCF at end FY12e and FY13e (based on a WACC of 9.8% and terminal growth of 2%)

	FY12E	FY13E	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	Term value
EBITDA	863	971	1047	1065	1089	1118	1148	1180	1212	1245	1280	1315	1352	1390	
less: operational taxes	216	243	251	256	261	268	276	283	291	299	307	316	324	334	
Tax rate	25%	25%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	
Capex	-336	-366	-346	-352	-358	-366	-374	-382	-390	-399	-407	-416	-425	-435	
- as % of revenues	5.8%	5.7%	5.2%	5.2%	5.2%	5.2%	5.2%	5.1%	5.1%	5.1%	5.0%	5.0%	5.0%	5.0%	
Working capital changes	-124	-272	-18	-20	-23	-28	-29	-30	-31	-32	-33	-34	-35	-36	
FCFF	435	634	468	478	492	512	528	545	562	580	598	617	637	657	8459
NPV	6243	6219													
Net Debt	-1688	-1593													
Minorities	-305	-299													
Value of equity	4250	4327													
SII	482	482													
EUR/sh	8.82	8.98													
GBP/sh	7.12	7.18													
ZAR/sh	98.23	104.04													

Source: Citi Research

Nordenia acquisition positive

Mondi announced the acquisition of the consumer packaging business, Nordenia in July 2012. We expect the deal to be completed by Q4 2012e and include Nordenia in our forecasts from Q4. We are positive on the Nordenia deal given:

- **Earnings accretive** – we estimate 7.5% EPS contribution in FY13e and 15% in FY14e
- It enhances Mondi's already substantial **developing market exposure** – a key competitive advantage versus slow growth Western European and North American focused peers. Approximately 30% of Nordenia revenues are generated in emerging markets.
- **Growth** enhancing – a key concern, prior to the acquisition, was the source of Mondi's future growth outside existing businesses. Mondi indicates annual average revenue growth from Nordenia of 6% over the past 14 years.
- Mondi expects to achieve €15mn in cost **synergies** by FY14e.
- Complementary product portfolio – the acquisition enhances Mondi's **product diversification**, away from paper packaging but still within the existing flexibles division. Nordenia produces Hygiene products (c.40% of revenues) and consumer packaging products (c.60% of revenues). Mondi's existing consumer packaging operation contributed c.2.6% to FY11 EBIT at a margin of 7% versus Nordenia EBIT margin of 8% in 2011.
- It offers Mondi entry into **new geographies** – Nordenia's exposure in Asian and Far East markets is particularly attractive, given the rapid forecast growth in FMCG demand in these regions where Mondi has limited exposure at present.

Mondi summary P&L

Figure 9. Mondi Summary income statement

		FY2009	FY2010	FY2011	FY2012E	FY2013E	FY2014E
Group Revenue	EURm	5257	5610	5739	5821	6469	6587
Europe and International	EURm	3989	4750	5161	5245	5873	6011
South Africa	EURm	268	369	414	415	431	408
Packaging South Africa	EURm	473					
Merchant and Newsprint	EURm	527	491	164	161	165	169
Corporate and other	EURm	0	0	0	0	0	0
EBITDA	EURm	645	798	964	863	971	1047
- ebitda margin	EURm	12.3%	14.2%	16.8%	14.8%	15.0%	15.9%
Europe and International	EURm	515	704	887	809	881	944
South Africa	EURm	76	117	114	98	117	130
Packaging South Africa	EURm	62					
Merchant and Newsprint	EURm	28	10	-5	-3	5	5
Corporate and other	EURm	-36	-33	-32	-41	-32	-32
EBIT before special items		294	458	622	541	641	717
- % change	%	-33.3%	55.8%	35.8%	-13.1%	18.5%	11.9%
- ebit margin	%	5.6%	8.2%	10.8%	9.3%	9.9%	10.9%
Eur & Intl	EURm	251	431	611	544	607	669
SA	EURm	32	64	62	50	69	82
Packaging SA	EURm	36					
Merchant & News	EURm	12	-4	-18	-12	-3	-2
Corporate and other	EURm	-37	-33	-33	-41	-32	-32
Group EBIT	EURm	166	437	567	541	641	717
Europe and International	EURm	151	449	589	544	607	669
South Africa	EURm	10	54	62	50	69	82
Packaging South Africa	EURm	43					
Merchant and Newsprint	EURm	0	-33	-51	-12	-3	-2
Corporate and other	EURm	-38	-33	-32	-41	-32	-32
Other profits & impairments	EURm	-3	2	1			
Net finance costs	EURm	114	106	111	127	133	123
Profit/(loss) before tax	EURm	49	333	457	414	507	594
Taxation (charge)/credit	EURm	52	82	100	103	127	143
- effective tax rate	%	106.1%	24.6%	21.9%	25.0%	25.0%	24.0%
Profit/(loss) for the year	EURm	-3	251	357	310	381	451
Profit from discontinued operation	EURm		34	43			
Minority interests	EURm	30	61	70	39	38	45
Net profit attributable to shareholders	EURm	-33	224	330	272	343	406
Total exceptionals	EURm	128	-18	10			
Underlying earnings	EURm	95	206	340	272	343	406
Operating restructuring costs in special items	EURm	-37	15	19			
Headline earnings	EURm	58	239	349	272	343	406
Basic shares outstanding		508	508	499	482	482	482
Effect of potential dilutive shares		13	6	6	6	6	6
Diluted shares in issue		521	514	505	488	488	488
Underlying EPS	€/sh	18.7	41	68	56	71	84
- % change	%	-44.9%	117%	68.0%	-17.3%	26.1%	17.8%
Headline EPS	€/sh	11.4	47	70	56	71	84
- % change	%	-43.8%	312%	48.7%	-19.4%	26.1%	18.6%
Diluted Underlying EPS	€/sh	18.2	40	67	56	70	83
Dividends per share	€/sh	10	20	26	25	32	32
- % change	%	-25.2%	110.5%	30.0%	-4.9%	29.0%	0.3%

Source: Company Reports and Citi Research Estimates

Global Paper comps sheet

Figure 10. Paper and Packaging peer valuation comps sheet (priced on 13th September 2012)

Financial Year	Price	Crncy	Rating	Recom	RIC Ticker	P/E		P/BV		Dividend Yield		EV/EBITDA	
						2012e	2013e	2012e	2013e	2012e	2013e	2012e	2013e
Europe													
Mondi Plc	6.015	GBP	2	Neutral	MNDI.L	13.4	10.7	1.3	1.2	3.3%	4.3%	6.5	6.2
Sappi Ltd	22.8	ZAR	1	Buy	SAPJ.J	30.0	11.7	0.8	0.8	0.0%	0.0%	4.0	4.4
Billerud AB	59.25	SEK			BILL.ST	13.8	10.7	1.3	1.2	5.5%	5.0%	6.0	4.9
DS Smith PLC	1.844	GBP	1	Buy	SMDS.L	14.4	11.8	1.6	1.5	3.2%	3.7%	8.1	5.0
SCA	120.1	SEK			SCAb.ST	15.0	13.1	1.4	1.3	3.7%	3.8%	8.4	7.3
Norske Skog	5.82	NOK			NSG.OL	18.3	18.7	0.2	0.2	0.0%	0.0%	4.9	4.7
Smurfit Kappa Group	7.03	EUR	1	Buy	SKG.I	8.3	6.1	0.7	0.7	3.1%	4.7%	5.0	4.8
Stora Enso Oyj	5.1	EUR			STERV.HE	12.8	9.8	0.7	0.7	5.9%	6.0%	6.4	6.0
UPM Kymmene Oyj	9.275	EUR			UPM1V.HE	12.4	10.4	0.6	0.6	6.5%	6.6%	6.0	5.2
Average						15.4	11.4	1.0	0.9	3.5%	3.8%	6.1	5.4
North America													
Domtar Corp	76.81	USD	2	Neutral	UFS.N	10.3	10.0	0.9	0.9	1.8%	1.8%	4.4	4.6
Packaging Corp of America	32.97	USD	1	Buy	PKG.N	16.9	14.0	3.3	2.9	3.0%	3.0%	6.7	7.4
International Paper Co	35.76	USD	1	Buy	IP.N	13.7	10.4	2.2	1.9	2.9%	2.9%	7.3	6.5
MeadWestvaco Corp	30.46	USD			MWV.N	21.3	17.0	1.6	1.6	3.3%	3.4%	7.9	7.0
Plum Creek Timber Co Inc	42.65	USD	1	Buy	PCL.N	38.7	28.1	5.8	5.7	3.9%	3.9%	23.5	20.1
Rayonier Inc	50.83	USD			RYN.N	23.6	20.9	4.5	4.3	3.3%	3.5%	12.8	11.3
Weyerhaeuser Co	26.92	USD	1	Buy	WY.N	nm	28.3	3.5	3.3	2.2%	2.2%	14.8	11.3
Average						20.8	18.4	3.1	2.9	2.9%	3.0%	11.1	9.7
Asia													
Nine Dragons Paper Holdings	3.99	HKD	1H	Buy	2689.HK	10.2	7.8	0.7	0.7	2.1%	2.8%	9.1	7.8
Lee & Man Paper	3.34	HKD	1H	Buy	2314.HK	11.5	10.8	1.1	1.0	2.6%	3.0%	13.7	9.3
Oji Paper Co Ltd	254	JPY			3861.T	11.3	9.4	0.6	0.5	3.9%	3.9%	5.7	5.9
Rengo	389	JPY			3941.T	14.0	6.1	0.6	0.6	3.1%	3.1%	4.0	3.5
Paperlinx Ltd	0.062	AUD			PPX.AX	nm	nm	0.2	0.1	0.0%	0.0%	nm	nm
Average						11.8	8.5	0.6	0.6	2.4%	2.6%	8.1	6.6
Latam													
Fibria Celulose SA	18.35	BRL	2H	Neutral	FIBR3.SA	nm	nm	0.7	0.7	0.0%	0.0%	5.1	5.4
Empresas CMPC SA	1765	CLP	3	Sell	CAR.SN	16.2	18.5	1.0	1.0	0.6%	1.7%	10.3	10.2
Empresas Copec SA	6890	CLP	2	Neutral	COP.SN	22.8	21.5	1.8	1.7	0.8%	1.8%	12.8	10.5
Klabin SA	10	BRL	2	Neutral	KLBN4.SA	28.0	20.4	1.8	1.7	0.7%	1.6%	9.6	8.1
Suzano Papel e Celulose SA	5.25	BRL	3H	Sell	SUZB5.SA	nm	nm	0.5	0.5	0.0%	0.0%	7.8	9.1
Average						22.3	20.1	1.2	1.1	0.4%	1.0%	9.1	8.7
Paper						16.7	12.4	0.9	0.8	2.3%	2.5%	6.3	6.1
Packaging						13.1	10.2	1.4	1.3	3.3%	3.6%	7.5	6.3
Group						17.6	14.6	1.5	1.4	2.3%	2.6%	8.6	7.6

Source: dataCentral.

Mondi Plc

Company description

Mondi is an integrated paper and packaging company. Operations are in Western and Eastern Europe, Russia and South Africa. Mondi manufactures packaging paper, converted packaging (including corrugated, bags and speciality) and office paper. It also has newsprint operations.

Investment strategy

We rate Mondi Neutral. While we believe the company strategy is one of the strongest and best delivered in the paper markets, it has had an exceptional run since mid-2009 and we believe upside may be limited from here. Mondi continues to deliver consensus beating earnings and its compelling growth proposition is supported by rising margins and returns, and the potential for enhanced cash returns to shareholders. We believe that Mondi will and should remain a premium rated stock as it continues to deliver above market earnings growth, higher than average dividend yields and exceeds return hurdles. Near term, we expect some headwinds as Mondi beds down its significant H1 FY12e acquisitions (Swiecie minorities, Nordenia, Duropack). Potential catalysts for further upside include: positive demand newsflow; improved pricing realisations in packaging and uncoated fine paper.

Valuation

Given the cyclicity of paper company earnings, we do not believe it prudent to focus only on single year price multiples in setting our target price. Instead we use a DCF valuation in FY12e, with normalised EBITDA (at a multiple of 6.5x) and price multiples as a check.

We set our rounded target price at £6.70 (R96). At our target, Mondi would trade at FY13e PE of 11.8x and EV/EBITDA of 6.6x.

Our DCF valuation is based on a WACC of 9.8% and terminal growth of 2%. Our FY12e year-end DCF implies a target for Mondi of 712p/R98. A normalised EBITDA valuation implies a target equity value for Mondi of 670p or R97, which is where we set our target price.

Risks

Although paper markets are highly cyclical, we believe Mondi's diversified grade and country exposure along with company focus on being in the lowest cost quartile should shield the earnings and share price from major negative newsflow in any particular grade or region. Key risks that may affect our forecasts and/or our target price are an unfavourable grade exposure if prices or demand decline sharply in any of Mondi's grades, emerging market currency risks especially the ZAR/EUR and rising non-integrated costs. Below-target returns continue to plague the paper industry, and Mondi as with most other paper companies, struggles to meet its targeted return of 13% ROCE through the cycle. Mondi earnings remain exposed to highly cyclical paper markets. Competition from low-cost producers which could depress prices and displace domestically produced product is a further threat.

Appendix A-1

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IMPORTANT DISCLOSURES

Mondi Plc (MNDI.L)

Ratings and Target Price History

Fundamental Research

Analyst: Tassin Meyer

Covered since December 9 2009



	Date	Rating	Target Price	Closing Price
1	8-Dec-09	1M	*4.10	3.35
2	23-Feb-10	1M	*5.00	3.80
3	6-May-10	1M	*5.10	4.22
4	10-Aug-10	1M	*5.50	4.69

* Indicates change

	Date	Rating	Target Price	Closing Price
5	1-Feb-11	1M	*5.70	5.15
6	21-Feb-11	1M	*6.20	5.47
7	13-May-11	1M	*7.70	6.06
8	31-Aug-11	1M	*7.40	5.47

	Date	Rating	Target Price	Closing Price
9	7-Oct-11	Stock rating system changed		
10	7-Oct-11	*1	7.40	4.85
11	19-Jan-12	1	*7.00	5.09
12	9-Jul-12	1	*6.50	5.55

Rating/target price changes above reflect Eastern Standard Time

Mondi Plc (MNDI.L)

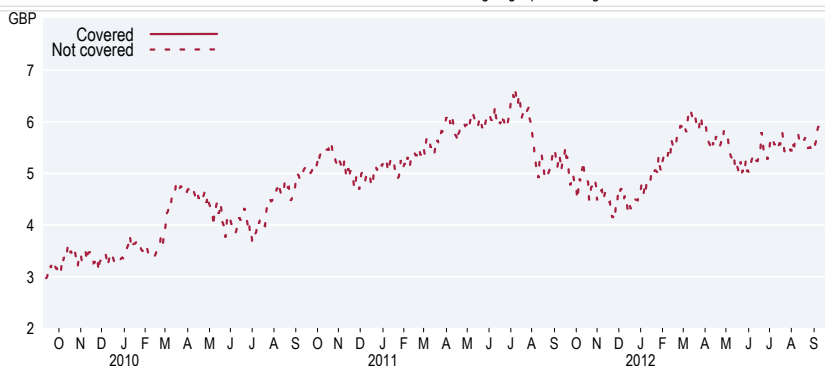
Ratings and Target Price History

Best Ideas Research

Relative Call (3 Month)

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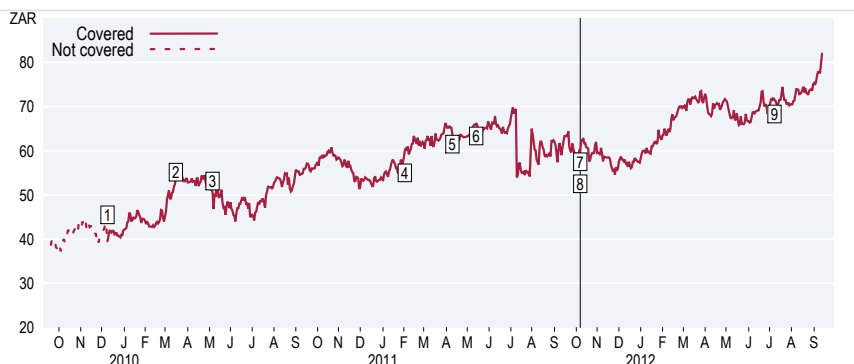
Rating/target price changes above reflect Eastern Standard Time

Mondi Ltd (MNDJ.J)

Ratings and Target Price History Fundamental Research

Analyst: Tassin Meyer

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	Date	Rating	Target Price	Closing Price
1	9-Dec-09	*1M	*50.00	39.52
2	16-Mar-10	1M	*60.00	53.81
3	6-May-10	1M	*63.50	50.60

* Indicates change

	Date	Rating	Target Price	Closing Price
4	2-Feb-11	1M	*70.00	60.00
5	11-Apr-11	1M	*76.00	63.65
6	13-May-11	1M	*90.00	66.25

	Date	Rating	Target Price	Closing Price
7	7-Oct-11	Stock rating system changed		
8	7-Oct-11	*1	90.00	59.90
9	9-Jul-12	1	*85.00	71.47

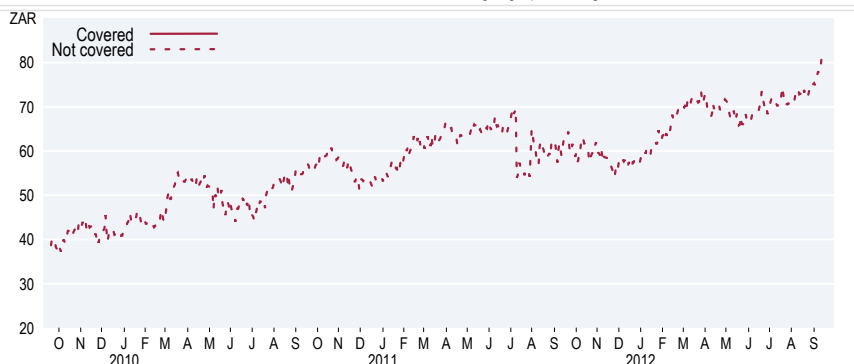
Rating/target price changes above reflect Eastern Standard Time

Mondi Ltd (MNDJ.J)

Ratings and Target Price History Best Ideas Research Relative Call (3 Month)

Analyst: Tassin Meyer

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