Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT ISIN: ZAE000156501
("Mpact" or "the Company")

TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited ("JSE"), companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by 20% or more from the financial results of the previous corresponding reporting period.

Shareholders are advised that Mpact's basic earnings per share ("EPS") and headline earnings per share ("HEPS") for the six months ending 30 June 2016 ("the period") are expected to be at least 20%, or at least 27.1 cents per share ("cps") and 26.9 cps respectively, lower than the EPS and HEPS for the six months ended 30 June 2015 of 135.3 cps and 134.4 cps respectively.

The expected decline in profitability is attributable to lower sales of containerboard, higher finance costs, a slower than anticipated ramp-up of Mpact Polymers and a higher effective tax rate. The lower sales of containerboard are a consequence of certain Mpact customers acquiring their own paper mills as previously reported.

There is currently insufficient certainty to enable the Company to provide specific guidance on the expected EPS and HEPS and an expected EPS and HEPS range for the period cannot be estimated at this stage. It is anticipated that Mpact will publish a further trading statement on the Stock Exchange News Service on or about 29 July 2016, closer to the release of its interim financial results.

Shareholders are advised that the financial information on which this trading statement is based has not been reviewed and reported on by the Company's external auditors.

Melrose Arch
23 May 2016

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)