

---

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to take, please consult your stockbroker, bank manager, solicitor, accountant or other independent professional financial adviser who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act 1995 or the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended), and, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 of the United Kingdom.

If you have sold all your ordinary shares in Smurfit Kappa Group plc, please forward this document and the Form of Proxy to the agent through whom the sale was effected for transmission to the purchaser.

---

# Smurfit Kappa Group plc

**Annual General Meeting**  
**Friday, 6 May 2011 at 10:00 am**  
**The Conrad Hotel, Earlsfort Terrace, Dublin 2.**

# Smurfit Kappa Group plc

Beech Hill, Clonskeagh,  
Dublin 4, Ireland.  
Tel: +353 (0)1 202 7000  
Fax: +353 (0)1 269 4481  
Web: www.smurfitkappa.com

1 April 2011

Dear Shareholder,

The Annual General Meeting ("AGM") of Smurfit Kappa Group plc (the "Company") will be held at The Conrad Hotel, Earlsfort Terrace, Dublin 2 on 6 May 2011 at 10:00 a.m. I enclose the Notice of the AGM together with a Proxy Form and a copy of the Company's 2010 Annual Report.

This letter explains the business to be transacted at the AGM.

**Resolution 1** relates to receiving and considering the financial statements for the year ended 31 December 2010.

**Resolution 2** relates to receiving and considering the report on directors' remuneration as set out on pages 49 to 56 of the Annual Report. There is no legal obligation on the Company to put such a resolution to shareholders, so it is an 'advisory' resolution and is not binding on the Company. The Board believes that such a resolution is good practice and is an acknowledgement of shareholders' right to have a 'say on pay'.

**Resolution 3** relates to the re-election of directors in accordance with Article 83 of the Company's Articles of Association which requires that at each AGM one-third of the directors shall retire from office, provided, that each director shall present himself for re-election at least once every three years.

Messrs. Liam O'Mahony, Nicanor Restrepo, Paul Stecko and Ms. Rosemary Thorne will each retire from office and, each being eligible, seek re-election at the AGM. A formal evaluation of the performance of each of these non-executive directors has been conducted and the Board is confident that each director being proposed for re-election continues to perform effectively and to make a valuable contribution to the role. The varied and extensive experience of each of the directors will be invaluable to the Company as it continues to develop. Each director is committed to the role and will ensure they devote sufficient time to it, including attendance at Board and Committee meetings.

The biographical details of each of these directors is set out in Appendix 1 to this letter.

**Resolution 4** relates to the election of Roberto Newell who was appointed to the Board as an additional director since the last general meeting of the Company in accordance with Article 86 of the Company's Articles of Association. Article 86.2 provides that a director appointed since the last AGM is required to retire at the next AGM and may then be considered for election.

Having undergone a process of careful review and selection with the assistance of an external advisor prior to his appointment and based on Mr. Newell's effective performance since his appointment, the Board considers that Mr. Newell will continue to make a valuable contribution to his role. Mr. Newell is committed to his role and will ensure he devotes sufficient time to it, including attendance at Board and Committee meetings.

The biographical details of Roberto Newell are set out in Appendix 1 to this letter.

**Resolution 5** relates to the authority of the directors to determine the remuneration of the auditors.

**Resolution 6** relates to the disapplication of statutory pre-emption rights. This Resolution grants the directors the authority to allot shares for cash without being required first to offer such shares to existing shareholders pro-rata. The authority will remain in place until the earlier of, the 2012 AGM or, 5 August 2012, unless previously renewed, revoked or varied. The authority is limited to issuances up to an aggregate nominal value of €11,076 which represents 5% of the total issued ordinary share capital of the Company on 25 March 2011, (the latest practicable date prior to the publication of this circular).

*Smurfit Kappa Group plc. Registered in Ireland No. 433527. Registered office: Beech Hill, Clonskeagh, Dublin 4.*

**Directors:** L O'Mahony *Chairman*, G McGann *Chief Executive Officer*, APJ Smurfit *President & Chief Operations Officer*, IJ Curley *Chief Financial Officer*, GPF Beurskens *(Neth)*, SM Mencoiff *(US)*, CJ McGowan *(US)*, G Moore *(UK)*, LRJ van Rappard *(Neth)*, N Restrepo *(Col)*, P Stecko *(US)*, R Thorne *(UK)*, T Brodin *(Swe)*, R Newell *(Mex)*.

**Secretary:** M O'Riordan.

**Resolution 7** seeks to renew the directors' authority to allow the Company, or any subsidiary thereof, to purchase any of the Company's shares and to set the price at which treasury shares may be re-issued. No more than 10% of the issued share capital of the Company may be acquired under this authority, being approximately 22,152,700 ordinary shares. The minimum price which may be paid for each share is the nominal value thereof and the maximum price will be the higher of (i) the nominal value, (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5 (1) of Commission Regulation (EC) No. 2273/2003, (iii) 105% of the average price of the shares of the same class in respect of each of the five dealing days prior to the date of purchase by the Company and (iv) (if any) 105% of the average price of the middle market prices for shares of the same class, as derived from the London Stock Exchange Daily Official List in respect of each of the five dealing days prior to the date of purchase by the Company.

The authority will remain in place until the earlier of, the 2012 AGM or, 5 August 2012, unless previously renewed, revoked or varied and shall be exercised only if the directors consider it to be in the best interests of the Company and shareholders generally. The directors do not have any current intention of exercising the authority. The Company has made no decision as to whether any shares purchased under this authority will be cancelled or held in treasury.

The total amount of convertible shares (which may, in certain circumstances, ultimately be converted into ordinary shares in the Company) in issue in the Company and the total amount of ordinary shares issuable pursuant to the conversion of warrants on 25 March 2011 (the latest practicable date prior to the publication of this circular) amount to 14,165,921 and 300,879 respectively, which together represent 6.5% of the issued ordinary share capital of the Company on that date. This percentage would increase to 7.3% if the full authority to buy shares is used.

**Resolution 8** relates to the convening of an extraordinary general meeting on 14 clear days notice where the purpose of the meeting is to consider an ordinary resolution, in accordance with the Articles of Association of the Company. If this resolution is passed it will maintain the existing authority obtained at the Company's AGM in 2010. As a matter of policy, the 14 day notice will only be utilised where the Directors believe that it is merited by the business of the meeting and the circumstances surrounding the business. The authority hereby conferred shall expire at the conclusion of the next AGM of the Company unless previously reviewed, varied or revoked by the Company in general meeting.

**Resolution 9** relates to the proposed adoption of the Smurfit Kappa Group 2011 Deferred Annual Bonus Plan (the "DABP").

The Compensation Committee have conducted a review of long term incentive arrangements for executive directors and senior management to ensure that the existing arrangements appropriately motivate and retain these individuals. Arising from this review, the Compensation Committee concluded that a new long term incentive arrangement, the DABP, should be introduced to align the interests of the executive directors and senior management with those of shareholders and focus them on the creation of value for shareholders. Having consulted with major shareholder representative bodies including the Irish Association of Investment Managers, the Compensation Committee propose to:-

- Subject to shareholder approval, replace the existing long-term incentive plan, the Smurfit Kappa Group 2007 Share Incentive Plan, with a new incentive arrangement, the DABP, which includes the making of a conditional share award after the AGM.
- Adopt performance metrics applying to awards of matching shares which are closely aligned to the Company's strategic Key Performance Indicators and will focus participants in driving long-term shareholder value. The initial metrics chosen relate to stretching Return on Capital Employed ("ROCE") targets and Free Cash Flow ("FCF") targets. The Compensation Committee will also consider whether the Company's performance is competitive against the constituents of a group of international paper and packaging companies by taking into account factors such as comparative ROCE and Total Shareholder Return ("TSR").
- The introduction of a provision where the Compensation Committee shall be entitled to claw back some or all of the shares awarded under the DABP in the event of a significant event arising which has an impact on the underlying performance or reputational position of the Group.
- Increase the maximum annual bonus potential from 100% to 150% of salary for executives with the level of payment based on the achievement of clearly defined annual financial targets for some of the Group's Key Financial Performance Indicators being EBITDA, ROCE, FCF, together with targets for Health and Safety and a comparison of the Group's financial performance compared to that of a peer group. 50% of the bonus earned in a financial year will be deferred into company shares and this will result in a maximum potential of 75% of basic salary being awarded in the form of a cash payment compared to the current maximum of 100% of basic salary.

A summary of the key features of the DABP is set out in Appendix 2.

A copy of the DABP will be available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of the Company at Beech Hill, Clonskeagh, Dublin 4 and at the offices of William Fry, Fitzwilton House, Wilton Place, Dublin 2 from the date of this letter to the close of the AGM and at the location of the AGM for at least 15 minutes before and during the meeting.

### **Recommendation**

The directors believe that the proposals summarised in this letter are in the best interests of the Company and its shareholders as a whole and recommend you to vote in favour of the Resolutions as they are set out in the Notice of AGM as they intend to do themselves in respect of their own ordinary shares.

Yours faithfully,

A handwritten signature in black ink that reads "Liam O'Mahony". The signature is written in a cursive style with a small circle above the 'O' in 'Mahony'.

Liam O'Mahony  
Chairman

## **APPENDIX 1**

### **Biographies of directors standing for election or re-election**

#### **Liam O'Mahony**

Liam O'Mahony joined the Board upon the Company being admitted to trading on the Irish Stock Exchange and the London Stock Exchange in March 2007. He was appointed Chairman in December 2008. He is Chairman of IDA Ireland and a Director of CRH plc and Project Management Ltd. He was the Chief Executive Officer of CRH plc from January 2000 until his retirement in December 2008, prior to which he held a number of senior management positions within the CRH Group including Chief Executive of its US operations and Managing Director, Republic of Ireland and UK companies.

Age: 64

Nationality: Irish

Committees: Compensation and Nominations

Position: Chairman

#### **Nicanor Restrepo**

Nicanor Restrepo joined the Board upon the Company being admitted to trading on the Irish Stock Exchange and the London Stock Exchange in March 2007. He was previously the President and Chief Executive Officer of Suramericana de Inversiones S.A. He is a Director of Sofasa (Renault), Exito S.A. (Groupe Casino), Concreto S.A. and Carvajal Internacional S.A. He has extensive business experience having occupied several positions in the private sector and has received many awards both in Colombia and internationally.

Age: 69

Nationality: Colombian

Committees: Compensation; Nominations (Chairman)

Position: Senior Independent Director

#### **Paul Stecko**

Paul Stecko joined the Board in February 2008. He is Executive Chairman of Packaging Corporation of America ('PCA') since July 2010, prior to which he had served as Chairman and Chief Executive officer of PCA since 1999. Prior to 1999 he served as President and Chief Operating Officer of Tenneco Inc and held other senior positions within Tenneco including President and Chief Executive Officer of Tenneco Packaging Inc which was the business that included PCA which was subsequently sold by Tenneco in 1999. Mr Stecko spent 16 years with International Paper Company. He is a member of the Board of Directors of Tenneco Inc and State Farm Mutual Insurance Company.

Age: 66

Nationality: American

Committees: Audit; Compensation (Chairman)

Position: Independent Non-Executive Director

#### **Rosemary Thorne**

Rosemary Thorne joined the Board in March 2008. She was most recently Group Finance Director for Ladbrokes plc from 2006 to April 2007. Prior to that she was Group Finance Director at Bradford and Bingley plc from 1999 to 2005 and at J Sainsbury plc from 1992 to 1999. Ms Thorne has extensive experience as a non-executive Director and currently serves as a non-executive Director with Santander UK plc.

Age: 59

Nationality: English

Committees: Audit (Chairman); Nominations

Position: Independent Non-Executive Director

#### **Roberto Newell**

Roberto Newell joined the Board in June 2010. He is Vice Chairman of the Board of the Instituto Mexicano para la Competitividad, A.C. ("IMCO"), an independent think-tank in Mexico, established to develop policies to enhance Mexico's competitiveness. Prior to joining IMCO, Mr Newell served Mexico's Federal Government, most recently as Deputy Secretary for Agriculture. Between 1984 and 2001, Mr Newell worked for McKinsey & Co., where he served clients in North America and Latin America. At McKinsey, Mr Newell advised large corporations and national governments with a focus on the financial and telecommunications sectors. Mr Newell serves on the Board of a number of institutions in Mexico.

Age: 63

Nationality: Mexican

Committees: Audit and Compensation

Position: Independent Non-Executive Director

## APPENDIX 2

### Summary of the Smurfit Kappa Group 2011 Deferred Annual Bonus Plan

#### 1. Introduction

- 1.1 The success of the Company has been built on the effort and contribution of the executive team and that of our broad-based multicultural international management team. In order to continue building on this success it is imperative that the Compensation Committee has a compelling programme with which to continue to retain and attract high quality talent.
- 1.2 Having conducted a review of the existing Smurfit Kappa Group 2007 Share Incentive Plan ("SIP"), the Compensation Committee have concluded that there is a need to replace the SIP and believes it is now appropriate to put a new share plan, the Smurfit Kappa Group 2011 Deferred Annual Bonus Plan ("DABP"), to shareholders for approval.
- 1.3 The purpose of this new plan will be to:
- continue to retain an exceptional executive board and senior executive team.
  - recruit, retain, and motivate the highest quality senior management.
  - ensure that management are focussed on those corporate metrics which support the Group's business strategy and which fundamentally drive shareholder value.
  - support the objective of developing superior sustainable returns and value at acceptable levels of risk.
  - support a total remuneration structure which ensures that levels of reward are competitive for high calibre executives operating in a global industry but with a clear and intelligible link to performance.
  - sustain a strong culture of equity ownership and long-term high performance thereby aligning the interests of executives with shareholders.
  - introduce the principle of deferral of annual bonus and clawback of awards in particular circumstances.
- 1.4 The key terms and conditions of the DABP are set out in the table below:

#### 2. Terms and Conditions

- 2.1 The following table summarises the main terms and conditions of the proposed DABP:

Term	Description
Operation	The Compensation Committee will supervise the operation of the DABP. The DABP will operate over a ten year period from the date of approval by shareholders. The Compensation Committee may not grant awards under the DABP more than ten years after its approval.
Participation	Any Executive Director or senior management employee selected by the Compensation Committee is eligible to participate in the DABP. Non-Executive Directors are not eligible to participate.
Delivery Mechanism	Depending on the most efficient mechanism applicable in the jurisdiction in which they are based, participants selected by the Compensation Committee will be granted a nil-cost option or conditional share award or a restricted share award (a "DABP Award"). A grant of a DABP Award in any year will give no entitlement to subsequent awards.
Frequency of Grant	Annual. DABP Awards will normally be granted to each Participant within a 42 day period following the date of publication of the interim or annual results of the Company. It is intended that the first DABP Awards will be granted in 2011.

Size of Award	<p>The size of award to each participant will be subject to the level of annual bonus received by a participant in any year.</p> <p>The proposed structure is that 50% of any annual bonus earned for a financial year will be deferred into Company Shares ("Deferred Shares"). Following a three year performance period, the Deferred Shares will be matched up to a maximum of 3:1 by the award of Matching Shares. The actual bonus paid in any financial year will be based on the achievement of clearly defined annual financial targets for some of the Group's Key Financial Performance Indicators ("KPI") being EBITDA, Return on Capital Employed ("ROCE"), Free Cash Flow ("FCF"), together with targets for Health and Safety and a comparison of the Group's financial performance compared to that of a peer group.</p>																															
Performance Conditions	<p>The size of the DABP award grant is directly related to the payout under the annual bonus which itself is subject to stringent performance conditions. Therefore, should the annual bonus performance provide a conservative level of payout award, this will have an effect on the overall DABP award potential.</p> <p>For the first year of operation only, it is proposed that in order to improve motivation and provide an immediate incentive award to participants, the Matching Share Award will be linked to a notional award of Deferred Shares relating to the 2010 bonus payment (i.e. there is no actual deferral of bonus into shares and the matching award is in effect a stand-alone award which vests based on the achievement of the FCF and ROCE targets set out in further detail below). However, this will only vest if corporate performance is stretching over the three year performance period.</p> <p>The Deferred Shares will vest (i.e. become unconditional) after a three year holding period based on continuity of employment. Deferred Shares and Matching Shares will be granted in the form of any of (i) a nil-cost option (ii) restricted shares or (iii) a conditional share award, depending on the local regulatory and tax requirements.</p> <p>Following a three-year performance period, Matching Share Awards will be linked to the number of Deferred Shares acquired, provided the Compensation Committee consider that Company's ROCE and Total Shareholder Return ("TSR") is competitive against the constituents of a comparator group of international paper and packaging companies (the "Underpin") over a three year performance period.</p> <p>The actual number of Matching Shares which will then vest will be dependent on the achievement of the Company's FCF<sup>1</sup> and ROCE targets measured over a three year performance period on an inter-conditional basis as set out in the performance matrix below:-</p> <table border="1" data-bbox="446 1366 1420 1624"> <thead> <tr> <th colspan="2" rowspan="2"><i>Level of performance attained over three year period</i></th> <th colspan="4"><b>ROCE</b></th> </tr> <tr> <th><b>Below Threshold</b></th> <th><b>Threshold</b></th> <th><b>Target</b></th> <th><b>Stretch</b></th> </tr> </thead> <tbody> <tr> <td rowspan="4"><b>FCF</b></td> <td><b>Below Threshold</b></td> <td>0</td> <td>0</td> <td>0</td> <td>0.5</td> </tr> <tr> <td><b>Threshold</b></td> <td>0</td> <td>1</td> <td>1.5</td> <td>2</td> </tr> <tr> <td><b>Target</b></td> <td>0</td> <td>1.5</td> <td>2.25</td> <td>2.5</td> </tr> <tr> <td><b>Stretch</b></td> <td>0.5</td> <td>2</td> <td>2.5</td> <td>3</td> </tr> </tbody> </table> <p><b>Threshold</b> (e.g. an acceptable level of performance which must be attained for an award to begin to vest on a 1:1 basis)</p> <p><b>Target</b> (e.g. the level of performance which ensures that the business is on line for achieving its long-term objectives)</p> <p><b>Stretch</b> (e.g. the level of performance which is acknowledged by all stakeholders as exceptional)</p>	<i>Level of performance attained over three year period</i>		<b>ROCE</b>				<b>Below Threshold</b>	<b>Threshold</b>	<b>Target</b>	<b>Stretch</b>	<b>FCF</b>	<b>Below Threshold</b>	0	0	0	0.5	<b>Threshold</b>	0	1	1.5	2	<b>Target</b>	0	1.5	2.25	2.5	<b>Stretch</b>	0.5	2	2.5	3
<i>Level of performance attained over three year period</i>				<b>ROCE</b>																												
		<b>Below Threshold</b>	<b>Threshold</b>	<b>Target</b>	<b>Stretch</b>																											
<b>FCF</b>	<b>Below Threshold</b>	0	0	0	0.5																											
	<b>Threshold</b>	0	1	1.5	2																											
	<b>Target</b>	0	1.5	2.25	2.5																											
	<b>Stretch</b>	0.5	2	2.5	3																											

1 In calculating FCF, capital expenditure will be set at a minimum of 90% of depreciation for the three year performance cycle.

	<p>The actual performance targets assigned to the Matching Share Awards will be set by the Compensation Committee on the award of the Deferred Shares at the start of each three year cycle. Where the threshold level of growth has not been achieved for either target the Matching Share entitlement will lapse.</p> <p>The use of a performance matrix will ensure that participants are simultaneously focused on each of the two key measures that drive value creation, rather than using a more simple discrete structure where FCF and ROCE are assessed independently of each other.</p> <p><b>Selection of Performance Metrics</b></p> <p>The Compensation Committee have selected ROCE and FCF as the performance metrics most aligned to the Company's strategic objectives. TSR will also be considered by the Committee in assessing whether performance is competitive against the constituents of a group of international paper and packaging companies.</p> <p>The inclusion of ROCE provides a measure of the quality of the Company's earnings and serves to ensure the most effective allocation of capital investment within the business. The ROCE and TSR underpin also ensures that the Company's return is competitive against peers. The FCF target amount is a transparent and accurate measure of the Company's performance at this time.</p> <p>Both ROCE and FCF are measures that are understood by all potential participants in the DABP and have been used by the Company as strategic KPIs for some time. It is recognised that strong ROCE over the business cycle will flow through to strong absolute returns to shareholders, whilst FCF is the key corporate fundamental to driving shareholder value. Generating significant levels of FCF will therefore enhance shareholder value over the medium to long-term.</p> <p>The Compensation Committee will set robust and stretching cumulative targets against these two metrics prior to making awards. In order to satisfy itself and shareholders that there is a clear link between reward and performance, the Committee will take into consideration budget, market and economic expectations for FCF and ROCE for each 3 year performance cycle. In addition, the full 3:1 match will only be delivered for what the Committee believe stakeholders would consider to be exceptional performance.</p> <p>The Company will lodge the actual targets with the Company auditors prior to the grant of any share awards under the DABP.</p> <p>The Company will disclose:-</p> <ul style="list-style-type: none"> <li>• the annual bonus earned over the key annual target areas in the Company's annual report and which determines the level of Deferred Share Award and associated Matching Share Award; and</li> <li>• the actual performance targets applying to the Matching Share Awards upon the completion of the three year performance cycle in the annual report.</li> </ul> <p>The Compensation Committee will also undertake to ensure that the level of stringency with regard to the attainment of the performance targets is maintained for each and every grant under the DABP. The Company will continue to have a 'say on pay' resolution at each AGM.</p>
<p>Exercise of DABP Awards (in the form of nil-cost options)</p>	<p>The Compensation Committee will determine the percentage level of DABP Award that can vest at the end of the relevant period and will also specify the applicable exercise period. The exercise of a DABP Award will be conditional upon the participant paying any withholding taxes due as a result of the exercise.</p>

Cessation of Employment	If a participant leaves employment before the end of the three year performance period unvested Matching Share entitlements will normally lapse. In the case of Matching Shares for a good leaver, the number of shares which will be awarded will be dependent upon the amount of the holding period applying to the Deferred Shares and proportionate satisfaction of the performance conditions. The Compensation Committee will retain the discretion to accelerate vesting to the date of cessation of employment or for an individual to retain shares to the original vesting date (subject to the performance and time pro-rating).
Change of Control	On a change of control, Deferred Shares will vest in full as these shares are considered "earned" by reference to the achievement of bonus KPIs. The amount of Matching Shares which vest will be dependent upon the proportionate satisfaction of the performance conditions. The Compensation Committee will retain the discretion to review whether it is appropriate for the time elapsed from the date of award of the Deferred Shares to be a factor in determining the number of Matching Shares vesting on a change of control.
Dilution	DABP Awards will be satisfied using newly issued, market purchased shares or treasury shares. The number of shares issued under the DABP and any other share plan cannot exceed 10% of the issued share capital of the Company in any ten year rolling period. In addition, awards cannot issue to Executive Directors and the most senior executives if they exceed 5% of the issued share capital of the Company in any ten year rolling period.
Adjustments	On a variation of the capital of the Company, the number of shares subject to a DABP Award may be adjusted in such manner as the Compensation Committee and advisors of the Company confirm to be fair and reasonable.
Amendments	Amendments to the Rules of the DABP may be made at the discretion of the Compensation Committee. However the provisions governing eligibility requirements, limits and individual participation limits cannot be altered to the advantage of participants without prior shareholder approval, except for minor amendments to benefit the administration of the DABP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for the Company.
Allotment and Transfer of Shares and Other Rights	Ordinary shares subscribed as a result of the exercise of DABP Awards will not rank for dividends payable by reference to a record date falling before the date on which the DABP Award was exercised but will otherwise rank pari passu with existing ordinary shares.
Clawback	The Compensation Committee shall be entitled to claw back some or all of the Shares the subject of a participant's Deferred Share or Matching Share Award at any time if, in the opinion of the Committee (acting fairly and reasonably) either the underlying performance of the Company or the occurrence of an event that causes or is very likely to cause reputational damage to the Company, or serious misconduct by the participant warrants this. If this discretion is exercised, the Award will be deemed to have been granted over the reduced number of Shares.
Duration	The Compensation Committee may not grant DABP Awards more than ten years after its approval by shareholders.
General	DABP Awards and any other right granted pursuant to the DABP are non-pensionable.
Non-transferability of DABP Awards	DABP Awards are not transferable except in the case of a participant for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the participant.

## SMURFIT KAPPA GROUP PUBLIC LIMITED COMPANY

### Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of Smurfit Kappa Group plc (the "Company") will be held at The Conrad Hotel, Earlsfort Terrace, Dublin on 6 May 2011 at 10:00 a.m. for the following purposes:

1. To receive and consider the financial statements of the Company for the year ended 31 December 2010 together with the reports of the directors and auditors thereon.
2. To receive and consider the report on directors' remuneration for the year ended 31 December 2010.
3. To re-elect as directors the following persons who retire in accordance with the Articles of Association of the Company and, each being eligible, are recommended by the board for re-election:

Mr. Liam O'Mahony (Resolution No. 3(a))  
Mr. Nicanor Restrepo (Resolution No. 3(b))  
Mr. Paul Stecko (Resolution No. 3(c))  
Ms. Rosemary Thorne (Resolution No. 3(d)).

4. To elect Mr. Roberto Newell as a director who was appointed to the board since the last general meeting and who is recommended by the board for election.
5. To authorise the directors to fix the remuneration of the auditors.
6. To consider and, if thought fit, pass the following resolution as a special resolution:

"That the directors be empowered for the purposes of Article 7.2 of the Articles of Association to allot equity securities (as defined by Section 23 of the Companies (Amendment) Act 1983) for cash as if Section 23(1) of the said 1983 Act did not apply to any such allotment and that, for the purpose of Article 7.2.2 of the Articles of Association, the Section 24 Amount shall, for the Allotment Period (as defined in Article 7.4 of the Articles of Association), be an aggregate nominal amount equal to €11,076. The authority conferred by this resolution shall expire at close of business on the earlier of the date of the next Annual General Meeting of the Company or 5 August 2012 unless previously renewed, revoked or varied; provided that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power hereby conferred had not expired."

7. To consider and, if thought fit, pass the following resolution as a special resolution:

"That:

- (a) the Company and/or any subsidiary (as such expression is defined by the European Communities (Public Limited Companies Subsidiaries) Regulations 1997) of the Company be generally authorised to make market purchases (as defined by Section 212 of the Companies Act, 1990) or overseas market purchases (as defined by Section 212 of the Companies Act 1990) of shares of any class of the Company on such terms and conditions and in such manner as the Directors may from time to time determine in accordance with and subject to the provisions of the Companies Act 1990 and to the restrictions and provisions set out in Article 9.4 of the Articles of Association;
- (b) the re-issue price range at which any treasury shares (as defined by Section 209 of the Companies Act 1990) held by the Company may be re-issued off-market shall be the price range set out in Article 10 of the Articles of Association; and
- (c) the authorities hereby conferred shall expire at close of business on the earlier of the date of the next Annual General Meeting of the Company or 5 August 2012 unless previously revoked or renewed in accordance with the provisions of the Companies Act 1990; provided that the Company may after such expiry make a market purchase or overseas market purchase where the contract of purchase was concluded before the expiry which would or might be executed wholly or partly after the expiry and the directors may purchase shares in pursuance of such contract as if the power hereby conferred had not expired."

8. To consider and, if thought fit, pass the following resolution as a special resolution:

"That a general meeting, other than an annual general meeting or a meeting called for the passing of a special resolution, may be called on not less than fourteen clear days' notice."

9. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the Smurfit Kappa Group 2011 Deferred Annual Bonus Plan, the main features of which are summarised in Appendix 2 to the Chairman's letter accompanying this Notice and a copy of the rules of which is produced to the meeting and signed by the Chairman for the purposes of identification, be and is hereby approved and adopted."

BY ORDER OF THE BOARD

M. O'Riordan  
Secretary

Registered Office

Beech Hill  
Clonskeagh  
Dublin 4  
Ireland

1 April 2011

**Notes:**

1. Resolution 2 is an advisory resolution and is not binding on the Company.
2. Only holders of the Ordinary Shares in the capital of the Company are entitled to vote on the resolutions.
3. Where used in this Notice the expression "treasury shares" means any shares in the capital of the Company purchased by the Company and/or any subsidiary (as such expression is defined by the EC (Public Limited Companies Subsidiaries) Regulations 1997) of the Company pursuant to the provisions of Part XI of the Companies Act 1990 and held as treasury shares (as defined therein).
4. Pursuant to Section 134A of the Companies Act 1963 (as amended) and Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996, the Company hereby specifies that only those shareholders on the register of members of the Company as at 6:00 p.m. on 4 May 2011 (the Record Date) will be entitled to attend and vote at the Annual General Meeting and may only vote in respect of the number of shares registered in their name at that time.
5. A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy by electronic means or in writing to attend, speak and vote on his or her behalf and may appoint more than one proxy to attend on the same occasion in respect of shares held in different securities accounts. A shareholder acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees and such intermediary may cast votes attaching to some of the shares differently from other shares held by it. A Proxy Form is enclosed. If you wish to appoint more than one proxy please contact the Registrars of the Company, Capita Registrars on +353 (1) 8102400.
6. To be effective Proxy Forms and any power of attorney or other authority under which it is signed must be received by the Company's Registrars, Capita Registrars (Ireland) Limited, either electronically or to P.O. Box 7117, Dublin 2 (if delivered by post) or to unit 5, Manor Street Business Park, Manor Street, Dublin 7 (if delivered by hand) not later than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.
7. Shareholders who wish to submit proxies by electronic means may do so by accessing the Registrars' website, [www.capitaregistrars.ie](http://www.capitaregistrars.ie) and selecting "Login to Shareholder Services" under "On-line Services". To submit a proxy on-line, shareholders will need their surname and Investor Code (IVC) both of which are printed on the enclosed Proxy Form.
8. A proxy need not be a shareholder of the Company. The appointment of a proxy will not preclude a shareholder from attending, speaking, asking questions and voting at the meeting should the shareholder wish to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Capita Registrars (Ireland) Limited (ID 7RA08) by 10:00 a.m. on 4 May 2011. For this purpose, this time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita Registrars (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.
10. Pursuant to Section 133B(1)(a) of the Companies Act 1963 (as amended) and subject to any contrary provision in company law, shareholder(s), holding at least 3% of the Company's issued share capital, or at least 3% of the voting rights, have the right to put an item on the agenda, or to table a draft resolution for inclusion on the agenda of an annual general meeting. In the case of the 2011 Annual General Meeting, the latest date for submission of such requests/resolutions was 25 March 2011.
11. Pursuant to Section 133B(1)(b) of the Companies Act 1963 (as amended) and subject to any contrary provision in company law, shareholder(s), holding at least 3% of the Company's issued share capital, or at least 3% of the voting rights, have the right to table a draft resolution relating to an item on the agenda of a general meeting. In the case of the 2011 Annual General Meeting, the latest date for submission of such resolutions is 8 April 2011 (being 28 days prior to the date of the meeting). Draft resolutions should be submitted in hard copy form to the Company Secretary, Smurfit Kappa Group plc, Beech Hill, Clonskeagh, Dublin 4 or electronically by email to [ir@smurfitkappa.com](mailto:ir@smurfitkappa.com). Requests submitted in hard copy should be signed by the shareholder(s) and all submissions should state the full name(s) and address(es) of the shareholder(s) together with their Investor Code(s). Any resolution submitted must not be such as would be incapable of being passed or otherwise be ineffective whether by reason of inconsistency with any enactment of the Company's Memorandum and Articles of Association, company law or otherwise. A draft resolution must not be defamatory of any person.
12. Shareholders entitled to attend the Annual General Meeting have the right to ask questions relating to items on the agenda of the Annual General Meeting and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of the shareholder and unless:
  - a) answering the question would interfere unduly with the preparation for the Annual General Meeting or the confidentiality and business interests of the Company; or
  - b) the answer has already been given on the Company's website in a question and answer forum; or
  - c) it appears to the Chairman of the Annual General Meeting that it is undesirable in the interests of good order of the Annual General Meeting that the question be answered.
13. A copy of this Notice, details of the total number of shares at the date of this Notice, and copies of documentation relating to the 2011 Annual General Meeting, including Proxy Forms, can be obtained from the Company's website [www.smurfitkappa.com](http://www.smurfitkappa.com).