

Press Release

2 November: Smurfit Kappa Group plc ('SKG', 'Smurfit Kappa' or 'the Group') today announced a trading update for the 9 months to 30 September 2022.

First Nine Months Overview:

€m	YTD 2022	YTD 2021	Change
Revenue	€9,724	€7,287	33%
EBITDA	€1,767	€1,235	43%
EBITDA Margin	18.2%	17.0%	
Operating Profit before Exceptional Items	€1,258	€772	63%
Profit before Income Tax	€1,141	€645	77%
Basic EPS (cent)	333.4	177.8	88%
Pre-exceptional Basic EPS (cent)	333.4	188.4	77%
Free Cash Flow	€309	€297	4%
Return on Capital Employed	20.6%	15.6%	
Net Debt	€3,028	€2,589	17%
Net Debt to EBITDA (LTM)	1.4x	1.6x	

Key points:

- Revenue growth of 33% to €9,724 million
- EBITDA growth of 43% to €1,767 million with an EBITDA margin of 18.2%
- Net Debt to EBITDA ratio below 1.4x
- ROCE of 20.6%
- Ongoing capital investment to support customers and to optimise SKG's system

Tony Smurfit, Group CEO, commented:

"SKG has delivered a very strong performance in the first nine months with revenue growth of 33%, EBITDA of €1,767 million and an EBITDA margin of 18.2%. We continue to drive improvement across all areas of our business, consistent with the delivery of our strategy, providing the most innovative and sustainable packaging through our integrated business model, ensuring security of supply to our over 65,000 customers.

"Significant cost inflation is being recovered in corrugated box pricing as anticipated. Against strong comparisons, corrugated box volumes were flat for the first nine months.

"The investments we have made over the last number of years are making the Group ever more efficient with a customer-led focus on quality, innovation and sustainability. With SKG's scale and geographic reach across 36 countries, together with the many specialist businesses within the Group, there remain many opportunities for growth.

"Our results reflect the steps we have taken and the quality of the Smurfit Kappa business. We expect to deliver EBITDA of approximately €2.3 billion for the full year 2022."



About Smurfit Kappa

Smurfit Kappa, a FTSE 100 company, is one of the leading providers of paper-based packaging solutions in the world, with approximately 48,000 employees in over 350 production sites across 36 countries and with revenue of €10.1 billion in 2021. We are located in 23 countries in Europe, and 13 in the Americas. We are the only large-scale pan-regional player in Latin America. Our products, which are 100% renewable and produced sustainably, improve the environmental footprint of our customers.

With our proactive team, we relentlessly use our extensive experience and expertise, supported by our scale, to open up opportunities for our customers. We collaborate with forward-thinking customers by sharing superior product knowledge, market understanding and insights in packaging trends to ensure business success in their markets. We have an unrivalled portfolio of paper-based packaging solutions, which is constantly updated with our market-leading innovations.

This is enhanced through the benefits of our integration, with optimal paper design, logistics, timeliness of service, and our packaging plants sourcing most of their raw materials from our own paper mills.

We have a proud tradition of supporting social, environmental and community initiatives in the countries where we operate. Through these projects we support the UN Sustainable Development Goals, focusing on where we believe we have the greatest impact.

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Forward Looking Statements

This Announcement contains certain statements that are forward-looking. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations of the Group about future events, and involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although the Group believes that current expectations and assumptions with respect to these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements should therefore be construed in the light of such factors. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. Other than in accordance with legal or regulatory obligations, the Group is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The forward-looking statements in this document do not constitute reports or statements published in compliance with any of Regulations 6 to 8 of the Transparency (Directive 2004/109/EC) Regulations 2007.

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