

3 October 2011

**DS SMITH PLC – COMPLETION OF HIGHER KINGS MILL PAPER MILL
DISPOSAL**

Further to the announcement on 19 September 2011, DS Smith Plc (DS Smith) announces that the sale by the DS Smith paper business of its Higher Kings Mill paper mill for an enterprise value of £4.6 million, completed on 30 September 2011 as planned.

This transaction marks a further development in the execution of DS Smith's strategy to focus on recycled packaging for consumer goods and to reduce paper manufacture that does not directly support the packaging business. This transaction follows the announcement on 23 June 2011 of the intention to close the Hollins paper mill, which produces 95 thousand tonnes per annum. This reduction in DS Smith's exposure to paper manufacturing will help DS Smith achieve its goal of delivering higher returns on capital with reduced cyclicity.

Enquiries

DS Smith Plc

+44 (0)1628 583 400

Steve Dryden, Group Finance Director

Rachel Stevens, Head of Investor Relations

Tulchan

+44 (0)20 7353 4200

John Sunnucks

David Allchurch