



17 September 2014

DS Smith Plc – Interim Management Statement

DS Smith Plc, the leading supplier of recycled packaging for consumer goods, today issues its Interim Management Statement in respect of the period since 1 May 2014. DS Smith will hold its Annual General Meeting at 11am today.

Trading

The business has made good progress since the start of the year and performance has been in line with our plans. Like-for-like corrugated box volumes have improved in all our regions, with growth ahead of last year's rate and our medium term financial target of GDP +1%. This growth reflects strong customer support for our proposition, driven by our focus on product and service innovation and removing complexity and cost from our customers' supply chains. Return on sales and ROACE continue to improve, benefiting from the organic growth together with the ongoing delivery of previously announced synergies from the acquisition of SCA Packaging.

Financial position

On 1 September 2014, we completed the previously announced disposal of our Scandinavian foam business for £24 million. We concluded our 2013 triennial pension review, with the ongoing cash contribution schedule to the pension fund remaining unchanged.

Outlook

Our outlook remains positive as volumes continue to grow, despite competitive market conditions. The Board expects continued performance in line with our medium term financial targets and views the remainder of the year with confidence.

Miles Roberts, Group Chief Executive, said:

“We continue to make significant progress in developing our differentiated offer for customers in the UK and Continental Europe. Volume performance has been strong as pan-European customers seek to consolidate their supplier bases and recognise the need for well-designed, recycled packaging at the in-store point of sale, where the buying decision is increasingly being made. Notwithstanding continued headwinds in many of our markets, performance has been in line with our plans. The market remains fragmented, providing ongoing opportunities for growth and we are confident in the prospects for the business.”

Conference Call

A conference call for analysts and investors, hosted by Miles Roberts, will take place today, 17 September 2014 at 8.00am London time. The dial-in number is:

UK / International +44 (0)20 3003 2666
UK Toll Free 0808 109 0700
Password DS Smith

A play-back facility of this call will be available until 24 September 2014. The dial-in number is: +44 (0)20 8196 1998, access pin 9303748. A recording and transcript of the call will also be available through the Investor Relations section of our website: www.dssmith.com/investors.

Forthcoming Dates

Half year trading update	6 November 2014
Results for the half year to 31 October 2014	4 December 2014

Enquiries

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Glossary of terms

- *Return on sales*: earnings before interest, tax, amortisation and exceptional items as a percentage of revenue.
- *Return on average capital employed (ROACE)*: earnings before interest, tax, amortisation and exceptional items as a percentage of the average monthly capital employed over the previous 12 month period. Average capital employed includes property, plant and equipment, intangible assets (including goodwill), working capital, provisions, capital debtors/creditors and assets/liabilities held for sale.