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7 July 2010

DS Smith Plc

#### RESULTS OF PLACING OF 39,296,253 NEW ORDINARY SHARES

DS Smith Plc ("DS Smith" or "the Company") is pleased to announce the successful completion of the placing (the "Placing") announced earlier today.

A total of 39,296,253 new ordinary shares of 10 pence each in the Company (the "Placing Shares") have been placed by J.P. Morgan Securities Ltd, which conducts its UK investment banking activities as J.P. Morgan Cazenove, ("J.P. Morgan Cazenove" or "JPMC") with institutions at a price of 120 pence per Placing Share (the "Placing Price"). Based on the Placing Price, the gross proceeds of the Placing will be approximately £47.2 million. The Placing Shares being issued represent approximately 9.99% of DS Smith's issued ordinary share capital prior to the Placing.

The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of DS Smith, including the right to receive all dividends and other distributions declared, made or paid after the date of issue.

Applications have been made for the Placing Shares to be admitted to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange (together, the "Admission"). It is expected that Admission will take place and that trading in the Placing Shares will commence on 12 July 2010.

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constitute a violation of the securities laws of such jurisdictions. The Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act") and may not be offered, sold or transferred, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States. Any offering to be made in the United States will be made to a limited number of "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act ("QIBs") pursuant to an exemption from registration under the Securities Act in a transaction not involving any public offering. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act. No public offering of the shares referred to in this announcement is being made in the United States, United Kingdom or elsewhere.

This announcement has been issued by, and is the sole responsibility, of the Company. No representation or warranty express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by J.P. Morgan Cazenove or by any of its affiliates or agents as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

J.P. Morgan Securities Ltd., which conducts its UK investment banking activities as J.P. Morgan Cazenove and which is authorised and regulated by the Financial Services Authority, is acting for the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of J.P. Morgan Securities Ltd. nor for providing advice in relation to the Placing or any other matter referred to in this announcement.

The distribution of this announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or J.P. Morgan Cazenove that would permit an offering of such shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and J.P. Morgan Cazenove to inform themselves about, and to observe, and such restrictions.

This announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events. These statements, which sometimes use words such as "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning, reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and, except as required by applicable law, the Company does not assume any responsibility or obligation to update publicly or review any of forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. No statement in this announcement is or is intended to be a profit forecast or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company.

The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.