



## **DS Smith Plc – Pre-close trading statement**

**30 April 2019**

DS Smith today issues a pre-close trading update in respect of the year ending 30 April 2019.

### **Trading update**

Our financial performance has continued in line with our expectations. We have seen ongoing growth in corrugated box volumes and market share gains, driven by our resilient FMCG-focused customer base and strong position in the e-commerce packaging market. All regions have been in growth, with particular strength in the UK, Italy and Poland, partially offset by some volume weakness in certain export-led markets, including Germany.

Group margins are expected to progress further in the second half of our financial year ending 30 April 2019 and operating cashflow generation to be stronger than in the comparable period last year. Our US business continues to perform well with strong margins and returns ahead of our acquisition case. Integration work on the Europac business is going well and we are very pleased with progress to date. We announced the agreed disposals of the two packaging businesses required for European Commission remedy purposes in relation to the acquisition earlier this month.

### **Miles Roberts, Group Chief Executive, said:**

“The financial year ending 30 April 2019 has been one of substantial progress. The acquisition of Europac has significantly enhanced our European operations and the Group has also been strengthened strategically and financially by the agreed disposal of our Plastics division we announced in March. Notwithstanding the current economic uncertainties, this progress, together with our focus on the stable FMCG market, and enhanced cost and efficiency improvements position the business well.”

### **Forthcoming dates:**

Results for the full year to 30 April 2019

13 June 2019

### **Enquiries**

**DS Smith Plc**

+44 (0)20 7756 1800

### **Investors**

Hugo Fisher, Group Communications Director

Rachel Stevens, Investor Relations Director

**Media**

Greg Dawson, Group Corporate Affairs Director

**Brunswick**

+44 (0)20 7404 5959

Simon Sporborg

Dan Roberts

**Cautionary statement**

This announcement contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and DS Smith plc undertakes no obligation to update these forward-looking statements. Nothing in this trading statement should be construed as a profit forecast.