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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to take, please consult your stockbroker, bank manager, solicitor, accountant or other independent professional financial adviser who, if you are taking advice in Ireland, is authorised or exempted under the European Communities (Markets in Financial Instruments) Regulations, 2007, or, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 of the United Kingdom.

If you have sold all your ordinary shares in Smurfit Kappa Group plc, please forward this document and the Form of Proxy to the agent through whom the sale was effected for transmission to the purchaser.

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# Smurfit Kappa Group plc

**Annual General Meeting**  
**Friday, 8 May 2009 at 10:00 am**  
**The Westbury Hotel, Grafton Street, Dublin 2.**

# Smurfit Kappa Group plc

Beech Hill, Clonskeagh,  
Dublin 4, Ireland.  
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Web: www.smurfitkappa.com

3 April 2009

Dear Shareholder,

The Annual General Meeting ("AGM") of Smurfit Kappa Group plc (the "Company") will be held at the Westbury Hotel, Grafton Street, Dublin 2 on 8 May 2009 at 10:00 a.m. I enclose the Notice of the AGM together with a Proxy Form and a copy of the Company's 2008 Annual Report.

This letter explains the business to be transacted at the AGM.

**Resolution 1** relates to receiving and considering the financial statements for the year ended 31 December 2008.

**Resolution 2** relates to the re-election of directors in accordance with Article 83 of the Company's Articles of Association. Sam Mencoﬀ, Chris McGowan, Gordon Moore and Rolly van Rappard will each retire from office and, each being eligible, seek re-election at the AGM. A formal evaluation of the performance of each of these non-executive directors has been conducted and the Board is confident that each director being proposed for re-election continues to perform effectively and to make a valuable contribution to the role. A biography of each director is contained on pages 28 and 29 of the Annual Report.

**Resolution 3** relates to the authority of the directors to determine the remuneration of the auditors.

**Resolution 4** relates to the disapplication of statutory pre-emption rights. This Resolution grants the directors the authority to allot shares for cash without being required first to offer such shares to existing shareholders pro-rata. The authority will remain in place until the earlier of, the 2010 AGM or, 7 August 2010, unless previously renewed, revoked or varied. The authority is limited to issuances up to an aggregate nominal value of €10,901 which represents 5% of the total issued ordinary share capital of the Company on 27 March 2009 (the latest practical date prior to the publication of this circular).

**Resolution 5** seeks to renew the directors' authority to allow the Company, or any subsidiary thereof, to purchase any of the Company's shares and to set the price at which treasury shares may be re-issued. No more than 10% of the issued share capital of the Company may be acquired under this authority, being approximately 21,802,300 ordinary shares. The minimum price which may be paid for each share is the nominal value thereof and the maximum price will be the higher of (i) the nominal value, (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5 (1) of Commission Regulation (EC) No. 2273/2003, (iii) 105% of the average price of the shares of the same class in respect of each of the five dealing days prior to the date of purchase by the Company and (iv) (if any) 105% of the average price of the middle market prices for shares of the same class, as derived from the London Stock Exchange Daily Official List in respect of each of the five dealing days prior to the date of purchase by the Company.

The authority will remain in place until the earlier of, the 2010 AGM or, 7 August 2010, unless previously renewed, revoked or varied and shall be exercised only if the directors consider it to be in the best interests of the Company and shareholders generally. The directors do not have any current intention of exercising the authority. The Company has made no decision as to whether any shares purchased under this authority will be cancelled or held in treasury.

The total amount of convertible shares (which may, in certain circumstances, ultimately be converted into ordinary shares in the Company) in issue in the Company and the total amount of ordinary shares issuable pursuant to the conversion of warrants on 27 March 2009 (the latest practical date prior to the publication of this circular) amount to 15,310,509 and 329,080 respectively, which together represents 7.2% of the issued ordinary share capital of the Company on that date. This percentage would increase to 8% if the full authority to buy shares is used.

*Smurfit Kappa Group plc. Registered in Ireland No. 433527. Registered office: Beech Hill, Clonskeagh, Dublin 4.*

**Directors:** Directors: L O'Mahony *Chairman*, G McGann *Chief Executive Officer*, APJ Smurfit *President & Chief Operations Officer*, IJ Curley *Chief Financial Officer*, GPF Beurskens (*Neth*), SM Mencoﬀ (*US*), CJ McGowan (*US*), G Moore (*UK*), LRJ van Rappard (*Neth*), N Restrepo (*Col*), P Stecko (*US*), R Thorne (*UK*), T Brodin (*Swe*).

**Secretary:** M O'Riordan.

**Resolution 6** relates to a proposed amendment to the Smurfit Kappa Group plc 2007 Share Incentive Plan (the "Plan").

The Compensation Committee grants incentive awards under the Plan from time to time to selected executives and key employees. Those awards are in the form of B Convertible Shares or C Convertible Shares (both "Pre-Convertible Shares") that are issued at a subscription price of €0.01 per share. The Pre-Convertible Shares automatically convert into D Convertible Shares if the Company satisfies certain pre-determined performance conditions over a period of three financial years. The D Convertible Shares may be converted into ordinary shares in the Company at the election of the award holder, subject to payment of a conversion price established at the time the Pre-Convertible Shares were issued. The conversion price is equal to the market price of an ordinary share in the Company on the date the award holder was invited to subscribe for the Pre-Convertible Shares, less the subscription price of €0.01 paid per share.

Rule 4.3 of the Plan imposes a maximum limit on the aggregate number of Pre-Convertible Shares the Company may issue over any three-year period. That limit is equal to three percent of the Company's issued ordinary share capital from time to time.

Since the adoption of the Plan in 2007, the Compensation Committee has granted awards in 2007 and 2008 over approximately 2.4% of the Company's issued ordinary share capital in aggregate to over 400 employees. Current market conditions will make it extremely difficult for the Company to satisfy the performance conditions applicable to those awards. In addition, the conversion prices for those awards are considerably in excess of the current market price of the Company's shares. Accordingly, the awards granted under the Plan in 2007 and 2008, which will remain outstanding until 2010 and 2011, respectively, no longer serve as meaningful incentives for the Company's executives and key employees. Further, because of the maximum limit contained in Rule 4.3 of the Plan, the Compensation Committee does not expect to have authority to grant new awards in the coming year save in respect of approximately 0.6% of the Company's issued ordinary share capital.

The approval of the Company's shareholders is sought for an amendment to the Plan that will remove the maximum three percent over three years limit contained in Rule 4.3. That amendment will allow the Compensation Committee to grant awards in excess of that limit in the coming months and thereafter. The amendment will not result in any additional dilution of shareholders' interests as the overall 10% limit on the number of Pre-Convertible Shares that may be issued under the Plan over any ten-year period will continue in effect.

The Compensation Committee believes that the authority to grant awards in excess of the three percent limit is essential at this time. The proposed amendment to the Plan will ensure that the remuneration packages offered to the Company's executives and key employees can include an effective equity incentive award that will serve to retain and motivate the Company's management and align their interests to the interests of shareholders. The Compensation Committee will ensure that a sufficient reserve of shares is available to make awards each year under the Plan to the Company's executives and key employees at a level that will result in them being incentivised on a continuous basis from year to year.

The Irish Association of Investment Managers has confirmed that the proposed removal of the three percent limit contained in Rule 4.3 is acceptable to it.

A copy of the Smurfit Kappa Group plc 2007 Share Incentive Plan, as amended to take account of the proposed deletion of Rule 4.3, will be available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of the Company at Beech Hill, Clonskeagh, Dublin 4 and at the offices of William Fry, Fitzwilton House, Wilton Place, Dublin 2 from the date of this letter to the close of the AGM and at the location of the AGM for at least 15 minutes before and during the meeting.

### **Recommendation**

The directors believe that the proposals summarised in this letter are in the best interests of the Company and its shareholders as a whole and recommend you to vote in favour of the Resolutions as they are set out in the Notice of AGM as they intend to do themselves in respect of their own ordinary shares.

Yours faithfully,



Liam O'Mahony,  
Chairman

## Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of Smurfit Kappa Group plc will be held at the Westbury Hotel, Grafton Street, Dublin 2, Ireland on 8 May 2009 at 10:00 a.m. for the following purposes:

1. To receive and consider the financial statements of the Company for the year ended 31 December 2008 together with the reports of the directors and auditors thereon.
2. To re-elect as directors the following persons who are recommended by the Board for re-election:

Sam Mencoff (Resolution No. 2(a))  
Chris McGowan (Resolution No. 2(b))  
Gordon Moore (Resolution No. 2(c))  
Rolly van Rappard (Resolution No. 2(d)).

3. To authorise the directors to fix the remuneration of the auditors.
4. To consider and, if thought fit, pass the following resolution as a special resolution:

“That, the directors be empowered for the purposes of Article 7.2 of the Articles of Association to allot equity securities (as defined by Section 23 of the Companies (Amendment) Act 1983) for cash as if Section 23(1) of the said 1983 Act did not apply to any such allotment and that, for the purpose of Article 7.2.2 of the Articles of Association, the Section 24 Amount shall, for the Allotment Period (as defined in Article 7.4 of the Articles of Association), be an aggregate nominal amount equal to €10,901. The authority conferred by this resolution shall expire at close of business on the earlier of the date of the next Annual General Meeting of the Company or 7 August 2010 unless previously renewed, revoked or varied; provided that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power hereby conferred had not expired.”

5. To consider and, if thought fit, pass the following resolution as a special resolution:

“That:

- (a) the Company and/or any subsidiary (as such expression is defined by the European Communities (Public Limited Companies Subsidiaries) Regulations 1997) of the Company be generally authorised to make market purchases (as defined by Section 212 of the Companies Act 1990) of shares of any class of the Company on such terms and conditions and in such manner as the Directors may from time to time determine in accordance with and subject to the provisions of the Companies Act 1990 and to the restrictions and provisions set out in Article 9.4 of the Articles of Association;
- (b) the re-issue price range at which any treasury shares (as defined by Section 209 of the Companies Act 1990) held by the Company may be re-issued off-market shall be the price range set out in Article 10 of the Articles of Association; and
- (c) the authorities hereby conferred shall expire at close of business on the earlier of the date of the next Annual General Meeting of the Company or 7 August 2010 unless previously revoked or renewed in accordance with the provisions of the Companies Act 1990; provided that the Company may after such expiry make a market purchase where the contract of purchase was concluded before the expiry which would or might be executed wholly or partly after the expiry and the directors may purchase shares in pursuance of such contract as if the power hereby conferred had not expired.”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That the Smurfit Kappa Group plc 2007 Share Incentive Plan be amended by the deletion of the existing Rule 4.3 and that the Smurfit Kappa Group plc 2007 Share Incentive Plan as so amended and produced to the meeting and signed by the Chairman for the purposes of identification, be and is hereby adopted.”

BY ORDER OF THE BOARD

M. O’Riordan,  
Secretary

Registered Office

Beech Hill  
Clonskeagh  
Dublin 4  
Ireland

3 April 2009

**Notes:**

1. *Only holders of the Ordinary Shares in the capital of the Company are entitled to vote on the resolutions.*
2. *Pursuant to Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations 1996, the Company hereby specifies that only those shareholders on the register of members of the Company as at 6:00 p.m. on 6 May 2009 will be entitled to attend and vote at the Annual General Meeting and may only vote in respect of the number of shares registered in their name at that time.*
3. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote on his or her behalf. A proxy need not be a member of the Company.*
4. *Forms of proxy to be valid must reach the Company's Registrars, Capita Registrars (Ireland) Limited at Unit 5, Manor Street Business Park, Manor Street, Dublin 7 not later than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.*
5. *CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Capita Registrars (Ireland) Limited (ID 7RA08) by 10:00 a.m. on 6 May 2009. For this purpose, this time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita Registrars (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.*
6. *Where used in this Notice the expression "treasury shares" means any shares in the capital of the Company purchased by the Company and/or any subsidiary (as such expression is defined by the EC (Public Limited Companies Subsidiaries) Regulations 1997) of the Company pursuant to the provisions of Part XI of the Companies Act 1990 and held as treasury shares (as defined therein).*