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January 10, 2007: Smurfit Kappa Group ('SKG' or 'the Group'), Europe's leading producer of paper-based packaging, has noted recent market speculation about a possible initial public offering (IPO).

The Group confirms that it is considering an IPO. In this regard, the Group will be seeking approval from its lenders to amend certain terms of its senior credit facility which would facilitate an IPO during 2007.

A further announcement will be made as appropriate.