



Update on Current Trading

Dublin & London | 23 October, 2007: Smurfit Kappa Group plc ('SKG' or the 'Group'), one of the world's largest integrated manufacturers of paper-based packaging products with operations in Europe and Latin America, today issued the following trading update in advance of planned investor relations meetings.

For the third quarter of 2007, SKG will report continued and sequential EBITDA growth; increased EBITDA margin; and, a significant increase in free cash flow. Free cash flow will be applied towards further debt reduction.

As with its industry peer group, SKG continues to experience significant input cost pressure, the financial impact of which will continue into the fourth quarter of 2007. Current and expected trading conditions are characterised by continued cost inflation and corrugated price recovery. Consequently, SKG anticipates that its full year 2007 EBITDA will be towards the lower end of the range of current market expectations.

SKG will report 2007 third quarter results on 13 November. SKG will provide initial guidance for 2008 at that time.

About Smurfit Kappa Group

Smurfit Kappa Group is a world leader in paper-based packaging with operations in Europe and Latin America.

Smurfit Kappa Group operates in 22 countries in Europe and is the European leader in containerboard, solid board, corrugated and solid board packaging and has a key position in several other packaging and paper market segments, including graphic board, sack paper and paper sacks. Smurfit Kappa Group also has a growing presence in Eastern Europe. Smurfit Kappa Group operates in 9 countries in Latin America and is the only pan-regional operator.

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