

Smurfit Kappa Group

2009 Fourth Quarter and Full Year Results



people
market leader
innovative
latin america
europe
growth
integrated

Disclaimer

The presentation contains forward-looking statements, including statements about the Company's intentions, beliefs and expectations. These statements are based on the Company's current plans, estimates and projections, as well as the Company's expectations of external conditions and events.

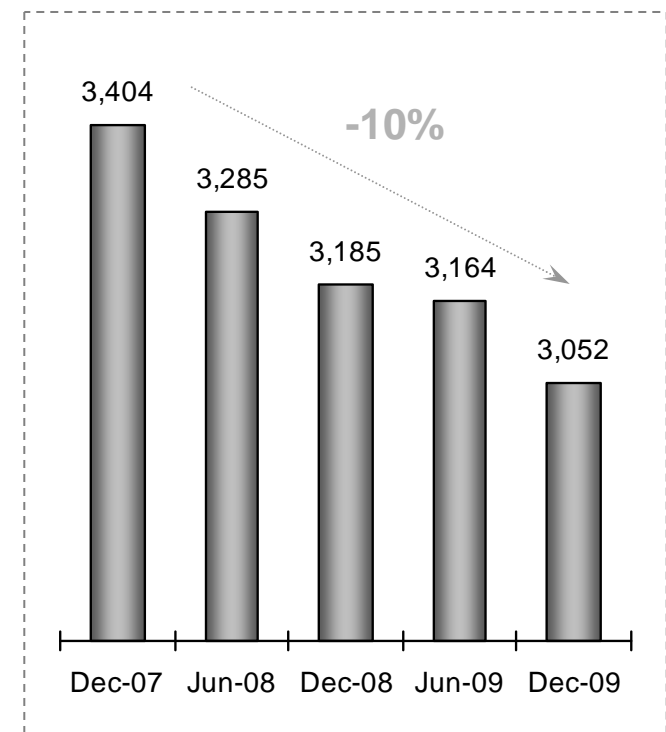
Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any such statements in light of new information or future events, except to the extent required by any applicable law or regulation.

Recipients of this presentation are therefore cautioned that a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements.

Full Year Results Overview

- Resilient Full Year EBITDA margin of 12.2%
 - Cost take-out actions delivering €140m of saving benefits
 - Superior EBITDA margin of 18.5% in Latin America
- Strong free cash flow generation of €172 million
 - Reduced capex & ongoing working capital management
 - Net debt reduced by €133 million in 2009
- Strengthened capital structure
 - Extended average debt maturity profile to 5.8 yrs
 - €644m of cash & unused credit lines of c. €525m
- Positive momentum since fourth quarter
 - Supply side discipline supports containerboard price recovery
 - Return to positive corrugated volume & pricing growth

SKG net debt reduction (€m)



Financial highlights | 2009 Full Year

Full Year		2009	2008	Variance
Revenue	(€m)	6,057	7,062	(14%)
Pre-Exceptional EBITDA	(€m)	741	941	(21%)
<i>EBITDA margin</i>		12.2%	13.3%	-
Free cash flow	(€m)	172	281	(39%)
Net debt	(€m)	3,052	3,185	(4%)
<i>Net debt/EBITDA (LTM)</i>		4.1x	3.4x	-
ROCE		6.6%	10.3%	

Financial highlights | 2009 Quarter Four

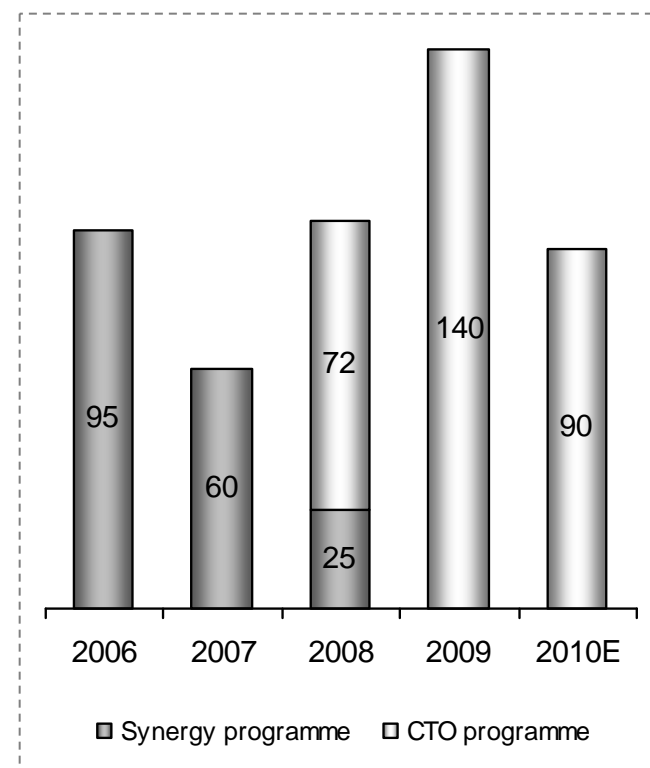
		Q4 2009	Q4 2008	Q3 2009
Revenue	(€m)	1,541	1,631	1,515
Pre-Exceptional EBITDA*	(€m)	186	195	192
<i>EBITDA margin</i>		12.1%	12.0%	12.7%
Free cash flow	(€m)	29	55	125
Net debt	(€m)	3,052	3,185	3,034
<i>Net debt/EBITDA (LTM)</i>		4.1x	3.4x	4.0x

Source: Company data

Ongoing focus on operating efficiency

- Increased 3-years Cost Take-Out target to €300m
 - 2008/09: actions delivered over €210m of savings
 - 2010: increasing target to at least €90m
- Judicious capital allocations
 - Paper: energy & production efficiency
 - Corrugated: support our customers' developments
- Proactive capacity management
 - Maximising integration levels
 - 310kT of downtime in 2009 (7% of capacity)
- Address under-performing operations *
 - 10 paper mills & 30 converting plants closed since '06

SKG Cost Saving benefits (€m)

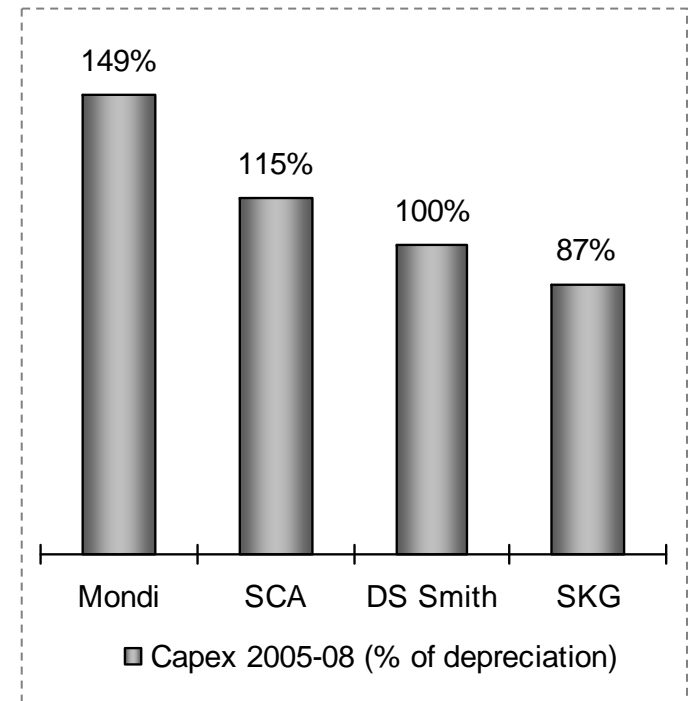


* Numbers reflect operations closed or announced for closure

Free Cash Flow Drivers

- Strong working capital control
 - WC/Sales ratio = 7.9% at Dec-09
- Proven capital expenditure discipline
 - Normalised level around 90% of depreciation
 - Reduced to 63% of depreciation in '09
- Efficient capital structure management
 - Average interest cost of 7.0% at Dec-09
 - Cash interest reduced by c. €115m since '06
- Cash generation for net debt reduction
 - Net debt reduced by over €350m in last 2 years

Capex / depreciation 2005-08



Source: Goldman Sachs estimates, Oct 2009

Well managed capital structure

- €1.0bn bond issue in Nov-09
 - €500m 8-year & €500m 10-year

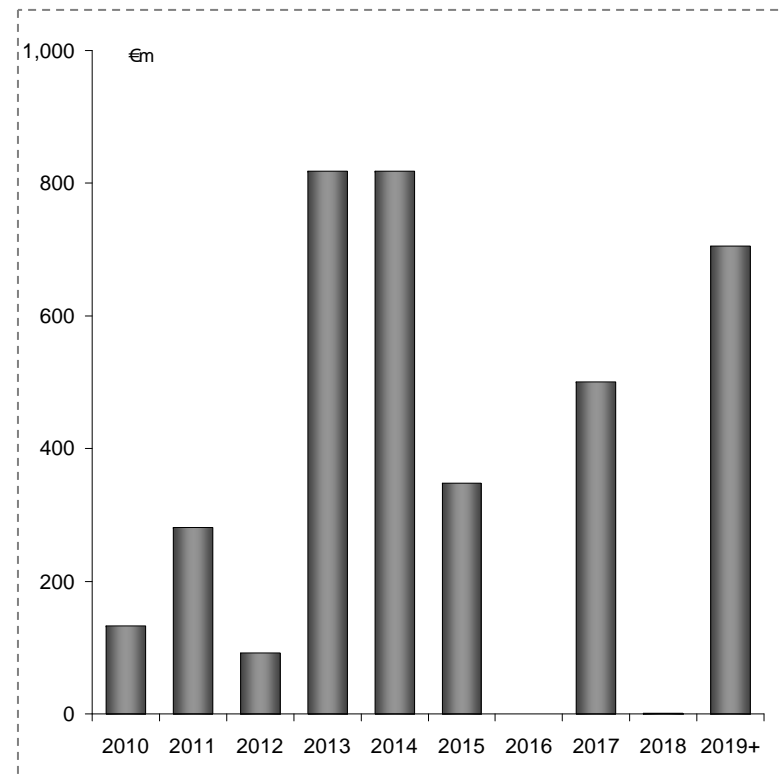
- Bond proceeds used to repay bank debt
 - Average debt maturity extended to 5.8yrs
 - Diversified sources of funding

- Strong liquidity position
 - €644m cash
 - €525m undrawn credit facilities

- Operating well within covenants

Net debt/EBITDA	Dec-09	Dec-10
Reported	4.1x	N/A
Current covenant	5.4x	5.1x

SKG debt maturity profile

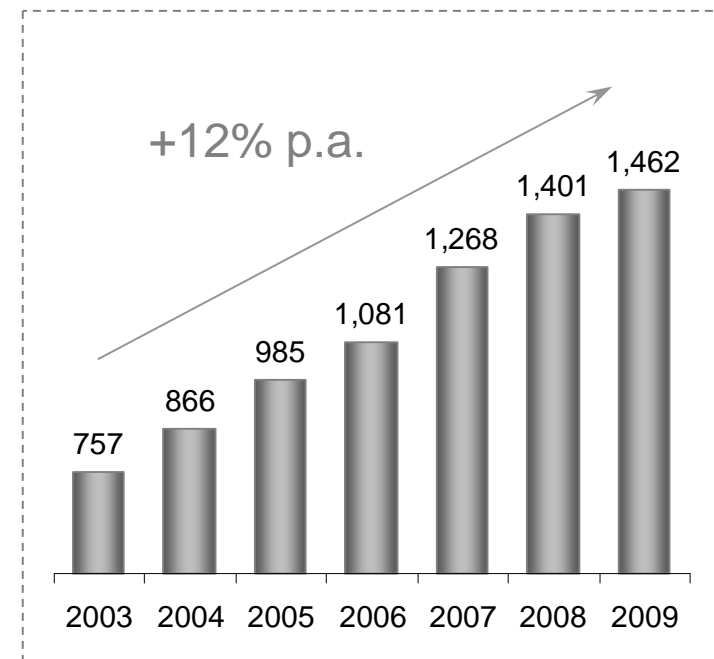


Source : company

Latin American advantage

- A chosen region for growth
- Unique positioning in the region
 - Portfolio of businesses and markets
 - Leading market positions, local management
 - Consolidated markets
- Continued superior performance
 - Delivered 15% absolute EBITDA growth in '09
 - Relatively stable margins of 15-20% through the cycle

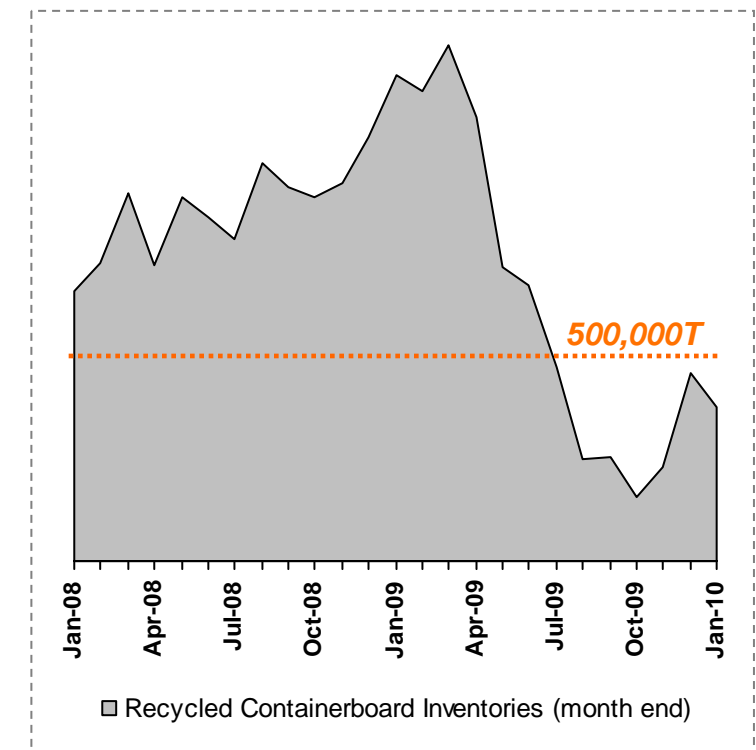
LatAm revenue evolution (US\$m)



Improved supply management supports pricing recovery

- Containerboard prices unsustainably low in H1'09
- Significant Industry supply response
 - c. 2.0mT of permanent closures (9% FY capacity)
 - Widespread market-related downtime
- Inventories at 2-year lows through Q4 and into 2010
 - Despite 3 new paper machines start-up in H2'09
- Increasing recovered paper costs
 - ~€30/tonne increase from Q1 to Q4 2009
 - Further pressure in January 2010
- Strong pricing momentum
 - €90/tonne increase in Q4 (c. 40% increase)
 - Further €60/tonne price increase announced for Feb-10

Industry inventories

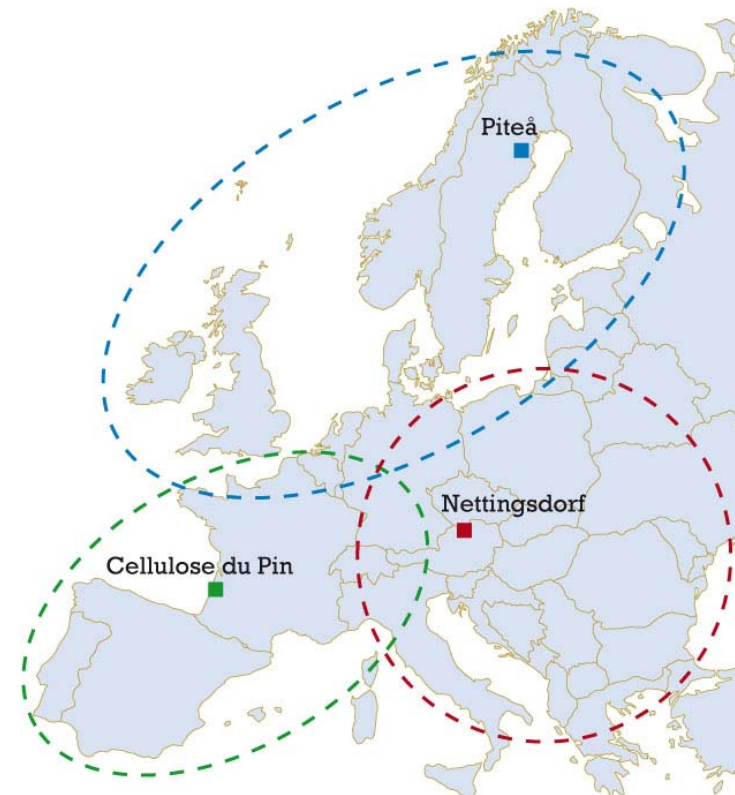


Source: Groupement Ondule

Kraftliner advantage

- SKG clear European market leader
 - Close to raw materials & end markets
 - Net seller of c. 500,000 tonnes p.a.
- Premium grade
 - Consolidated market, high barriers to entry
 - European Industry is short capacity
 - Imports represent c. 20% of market demand
- Long term outlook improving since Q4'09
 - c.7% of North American capacity closed
- Strong price recovery in Europe
 - 25% price increases implemented since Aug-09

SKG kraftliner mill system



Corrugated | A service business

Box customers' requirements

Short "time to market"

Innovative packaging solutions

Lower total costs of ownership

More sustainable packaging



Smurfit Kappa Group

"One-Stop-Shop" for all paper-based packaging needs

Proprietary set of tools, cost optimisation programmes

Unique international network as a source of know-how

Better control of supply chain through integration



Retail Ready Packaging



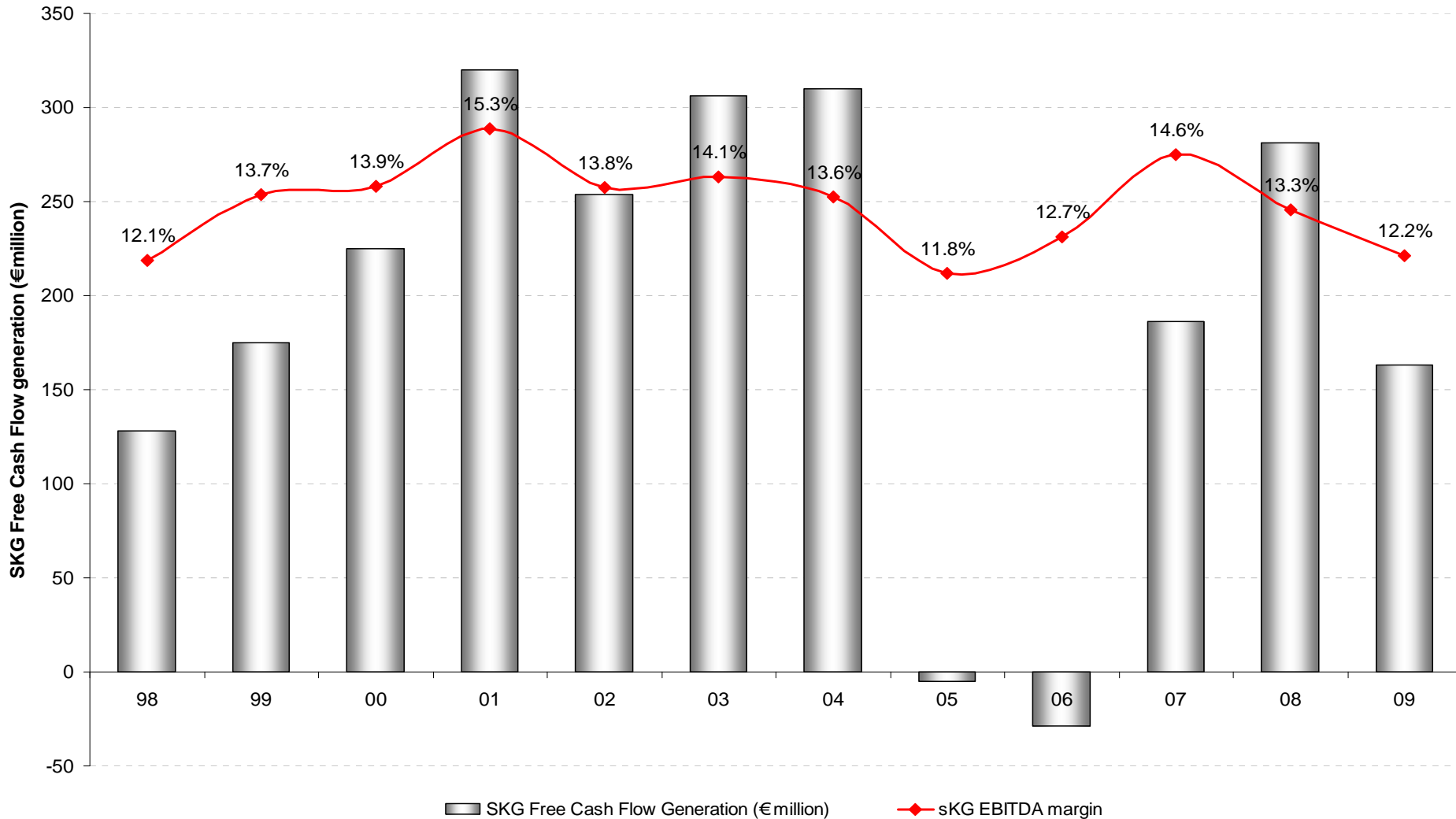
Conventional Corrugated



Fresh Produce trays

SKG helps its customers sell more

Margin sustainability & continuing cash flow generation



Outlook

- Increasing raw materials prices generate near-term margin compression, but are supportive of the recent pricing momentum
- Sustainability of the recovery dependant on continuing inventory discipline in the market
- SKG to maintain its focus on:
 - Recovering higher input costs through further box price increases
 - Optimising operating efficiency and maximising free cash flow generation

“Notwithstanding the near-term margin compression, the Group expects to deliver meaningful overall EBITDA growth in 2010”

Questions & Answers



people
innovative

market leader

latin america



europa

growth

integrated

SKG | Packaging leader in Europe & Latin America



- Customer focus
- Geographic & product reach
- Integrated supply chain
- Disciplined capacity mgt
- Financial strength

“One-Stop-Shop” for our customers’ paper-based packaging needs

SKG | Packaging leader in Europe & Latin America

- Market facing company
 - Corrugated is a local business
 - 60% of SKG customers in FMCG *
 - Competing on basis of customer service not price
- Unique Pan-European offering
 - Operating in 21 countries (#1 or #2 position in 14)
 - Unique design & innovation capabilities
- Geographical diversity in Latin America
 - Operating in 9 countries (#1 or #2 position in 4)
 - Average revenue growth of 12% p.a. from '04 to '09
 - Superior EBITDA margins
- Focus on operating efficiency
 - Closed >750kT of less-efficient capacity since 2006
 - Ongoing cost reduction actions



SKG | Packaging leader in Europe & Latin America

Region	Grade	Capacity (m tonnes)	% of relevant market	Est. market position
Europe	Kraftliner	1.6	34%	No 1
	Recycled containerboard	3.0	19%	No 1
	Corrugated	4.5	20%	No 1
	Solid board / solid board packaging	1.0 / 0.4	-	No 1
	Sack paper / sacks	0.1 / 0.1	-	No 3
Latin America	Containerboard	0.7	Mex 10% - Ven 64%	No 3
	Corrugated	0.8	Mex 12% - Ven 70%	No 1
World	Containerboard (a)	5.4	6%	No 3
	Corrugated	5.3	7%	No 1

Source: Company estimates

(a) Including Semi-Chemical

Over 80% of SKG business in containerboard and corrugated

Smurfit Kappa Group plc
Beech Hill, Clonskeagh,
Dublin 4,
Ireland.

+353 1 202 7000
www.smurfitkappa.com



people
market leader
innovative
latin america
europe
growth
integrated