

Press Release

28 April: Smurfit Kappa Group plc ('SKG', 'Smurfit Kappa' or 'the Group') today announced a trading update for the 3 months to 31 March 2023.

2023 First Quarter | Key Financial Performance Measures

€m	Q1 2023	Q1 2022	Change
Revenue	€2,995	€3,024	(1%)
EBITDA	€579	€514	13%
EBITDA Margin	19.3%	17.0%	
Operating Profit before Exceptional Items	€412	€352	17%
Profit before Income Tax	€339	€317	7%
Basic EPS (cent)	93.8	89.2	5%
Pre-exceptional Basic EPS (cent)	106.7	89.2	20%
Free Cash Flow	€48	(€49)	198%
Return on Capital Employed	21.6%	16.8%	
Net Debt	€2,938	€2,995	(2%)
Net Debt to EBITDA (LTM)	1.2x	1.6x	

First Quarter Overview:

- EBITDA growth of 13% to €579 million with an EBITDA margin of 19.3%
- ROCE of 21.6%
- Net Debt to EBITDA ratio of 1.2x
- Finalised exit from Russian business

Tony Smurfit, Group CEO, commented:

"Smurfit Kappa is reporting another strong performance for the first quarter with EBITDA of €579 million, an EBITDA margin of 19.3%, a ROCE of 21.6% and a net debt to EBITDA of 1.2x. This performance reflects the continuing benefits of our integrated model, the effectiveness of our capital spend, our constant focus on innovation for customers and our geographic footprint.

"Together with the commitment and dedication of our people and our performance-led culture, these attributes have enabled us to continue to deliver in an environment where volumes were lower than the previous year.

"As anticipated, first quarter demand was broadly in line with the fourth quarter of 2022. We expect the demand environment to improve as the year progresses and SKG is well placed across our geographies to take advantage of this.

"As stated at our full year results, Smurfit Kappa has never been better positioned to continue to develop and take advantage of opportunities as they present themselves either through organic investments or acquisitions."



About Smurfit Kappa

Smurfit Kappa, a FTSE 100 company, is one of the leading providers of paper-based packaging solutions in the world, with more than 47,000 employees in over 350 production sites across 35 countries and with revenue of €12.8 billion in 2022. We are located in 22 countries in Europe, and 13 in the Americas. We are the only large-scale pan-regional player in Latin America. Our products, which are 100% renewable and produced sustainably, improve the environmental footprint of our customers.

With our proactive team, we relentlessly use our extensive experience and expertise, supported by our scale, to open up opportunities for our customers. We collaborate with forward-thinking customers by sharing superior product knowledge, market understanding and insights in packaging trends to ensure business success in their markets. We have an unrivalled portfolio of paper-based packaging solutions, which is constantly updated with our market-leading innovations.

This is enhanced through the benefits of our integration, with optimal paper design, logistics, timeliness of service, and our packaging plants sourcing most of their raw materials from our own paper mills.

We have a proud tradition of supporting social, environmental and community initiatives in the countries where we operate. Through these projects we support the UN Sustainable Development Goals, focusing on where we believe we have the greatest impact.

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Forward Looking Statements

This Announcement contains certain statements that are forward-looking. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations of the Group about future events, and involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although the Group believes that current expectations and assumptions with respect to these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements should therefore be construed in the light of such factors. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. Other than in accordance with legal or regulatory obligations, the Group is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The forward-looking statements in this document do not constitute reports or statements published in compliance with any of Regulations 6 to 8 of the Transparency (Directive 2004/109/EC) Regulations 2007.

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