
PRESS RELEASE

3 November: Smurfit Kappa Group plc ('SKG', 'Smurfit Kappa' or 'the Group') today announced a trading update for the 9 months to 30 September 2021.

First Nine Months Overview:

- Revenue growth year-on-year of 15% to €7,287 million
- EBITDA growth year-on-year of 10% to €1,235 million with a margin of 17%
- Third quarter EBITDA growth year-on-year of 16% to €454 million
- Issued €1 billion in bonds under our Green Finance Framework

Tony Smurfit, Group CEO, commented:

"I am pleased to report a strong first nine months for the Group with corrugated growth of 9% in Europe and 11% in the Americas versus 2020. Our integrated paper and corrugated system is effectively sold out and I am very proud of our people who are ensuring that customers, for the most part, are supplied securely and efficiently despite many supply chain disruptions. Materially higher input costs, principally, but not limited to, recovered fibre and energy are being progressively recovered through corrugated price increases.

"To meet growing customer demand, in the first nine months of the year, we approved approximately €600 million in projects across the Group. In our corrugated business, we have approved 48 new converting machines and six new corrugators across Europe and the Americas. I am delighted to report that we completed the acquisition of the Verzuolo mill in early October bringing 600,000 tonnes of paper into our integrated system. In addition, we also approved two major paper projects in Germany and Mexico, ensuring future security of supply to our over 65,000 customers. This continued investment will ensure that Smurfit Kappa remains best placed to satisfy our customers' needs with the most innovative and sustainable packaging solutions.

"Reflecting our continuing focus on sustainability was the recent launch of our Green Finance Framework and issuance of green bonds of €500 million with a coupon of 0.5% and €500 million with a coupon of 1.0%, with 8 and 12 year maturities respectively. Setting up this framework is a further significant step in our sustainability strategy, embedding sustainability into our capital structure alongside our sustainability linked Revolving Credit Facility.

"SKG continues to deliver against all performance metrics with EBITDA for the nine months of €1,235 million and a margin of 17%. This shows the continuing strength of our integrated business model; the benefits of geographic diversity; and the quality and dedication of the SKG team. We expect to deliver significant EBITDA growth for the full year in line with current market expectations. With the many growth opportunities and the significant ongoing investment in our business, we are excited about our future prospects."



About Smurfit Kappa

Smurfit Kappa, a FTSE 100 company, is one of the leading providers of paper-based packaging solutions in the world, with approximately 46,000 employees in over 350 production sites across 36 countries and with revenue of €8.5 billion in 2020. We are located in 23 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 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 can 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.

Contacts

Ciarán Potts

Smurfit Kappa

T: +353 1 202 71 27

E: ir@smurfitkappa.com

Melanie Farrell

FTI Consulting

T: +353 86 401 5250

E: smurfitkappa@fticonsulting.com