
PRESS RELEASE

29 April: Smurfit Kappa Group plc ('SKG', 'Smurfit Kappa' or 'the Group') today announced a trading update for the 3 months to 31 March 2022.

First Quarter Overview:

- Revenue growth of 33% to €3,024 million
- EBITDA growth of 33% to €514 million with an EBITDA margin of 17%
- Corrugated box growth of 3.6%
- Significant, ongoing capital investment to support customer growth and security of supply
- Sets a strong foundation for 2022

Tony Smurfit, Group CEO, commented:

"I am pleased to report that we continue to deliver for our customers and against all performance measures. During the first quarter revenue grew by 33% on the first quarter of 2021, with EBITDA of €514 million and an EBITDA margin of 17%.

"This performance demonstrates the continuing benefits of SKG's integrated and resilient operating model, our geographic diversity and recent acquisitions. It also reflects the significant investment SKG has made, and continues to make, to support our customers' growth. Our ability to provide security of supply to customers and deliver market-leading, innovative and sustainable packaging solutions is a clear differentiator for SKG.

"The first quarter presented a number of significant operational challenges. Practically all input costs have risen sharply and already tight markets and supply chains have been exacerbated by the war in Ukraine. Our integrated and resilient business model has ensured security of supply in this increasingly complex environment. I am deeply proud of how our people have responded and are delivering for customers in these exceptional times."

Performance Overview

Corrugated box growth in the first quarter was 3.6% for the Group. Box growth was approximately 3% and 6% for the European and Americas regions respectively. Our paper and corrugated operations performed well during the quarter across all regions. Additionally, we have seen strong recovery and growth in our speciality business areas.

The Group recently completed the acquisition of Argencraft, a corrugated facility located in Buenos Aires, Argentina. The acquisition complements our existing operations in the country.

On 1 April, we announced our decision to exit the Russian market. As a response to the war in Ukraine, the Group and our people have made significant contributions to aid agencies to support relief efforts in the region.

As we enter the second quarter, demand continues to be good with progressive corrugated price recovery. Cost increases and supply constraints remain a feature of our business which is being dealt with through the dedication of our people and through active price recovery. We remain confident in the future prospects of our business and our first quarter performance, together with our ongoing investment program, sets a strong foundation for 2022 and beyond.



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 48,000 employees in over 350 production sites across 36 countries and with revenue of €10.1 billion in 2021. 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 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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