

DS Smith Plc – trading statement

DS Smith Plc, the leading supplier of recycled packaging for consumer goods, today issues a trading update in respect of the period since 1 November 2016.

Trading

The business has performed in line with our expectations, continuing to build on the progress made in the first half of the year with sustained good volume growth. As before, this growth has been particularly strong from e-commerce businesses, which is an area of considerable focus for us. Pan-European customer volumes continue to grow ahead of the Group average rate as customers recognise the benefit of a co-ordinated multi-national solution to their packaging requirements.

Strengthening our business

In the first half of the year, we acquired two businesses, Creo (in the UK) and Deku-Pack (in Denmark) for a total of £37 million. Since 1 November 2016 we have continued to invest and acquire businesses in attractive geographies and growth market segments. As previously announced, we have completed the acquisitions of P&I Display and Gopaca in Portugal, expanding our position in the important Iberian market and building on our pan-European point of sale capability. We have also completed the acquisition of Parish Manufacturing, a US manufacturer of flexible plastics packaging.

Outlook

Our outlook remains positive, despite ongoing challenging economic conditions. Volumes continue to grow well and the Board continues to anticipate performance in line with our medium term financial targets and views the future with confidence.

Miles Roberts, Group Chief Executive, said:

“We are pleased with the sustained, consistent progress of the business, both organically and from the contribution from acquired businesses. Customer and consumer trends continue to drive the requirement for sophisticated, innovative packaging, and we have the scale and expertise to invest behind these trends and consistently drive growth. Accordingly, we remain confident for the future.”

Conference Call

A conference call for analysts and investors, hosted by Miles Roberts, will take place today, 9 March 2017 at 8.00am London time. The dial-in number is:

UK / International +44 (0)20 3003 2666
UK Toll Free 0808 109 0700
Password DS Smith

A play-back facility of this call will be available until 16 March 2017. The dial-in number is: +44 (0)20 8196 1998, access pin 3550135# . A recording and transcript of the call will also be available through the Investor Relations section of our website: www.dssmith.com/investors.

Forthcoming Dates

Results for the full year to 30 April 2017 29 June 2017

Enquiries

DS Smith Plc +44 (0)20 7756 1800
Hugo Fisher, Group Communications Director
Rachel Stevens, Investor Relations Director

Bell Pottinger
John Sunnucks +44 (0)20 3772 2549
Ben Woodford +44 (0)20 3772 2566

Cautionary statement

This announcement contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and DS Smith plc undertakes no obligation to update these forward-looking statements. Nothing in this trading statement should be construed as a profit forecast.