

## **DS Smith Plc – pre-close half-year trading statement**

DS Smith Plc, the leading supplier of recycled packaging for consumer goods, today issues a pre-close trading update in respect of the half year ending 31 October 2017.

### **Trading**

Volume growth has been consistently very strong throughout the period, and across all our regions, driven by our pan-European and e-commerce customers. As expected, we are continuing to recover the increase in paper prices with our packaging customers. Trading is in line with our expectations in the half year with return on sales for the period broadly consistent with that reported for the full year to 30 April 2017, and ROACE in the upper end of the target range.

### **Building our business**

On 25 August 2017 DS Smith completed the acquisition of Interstate Resources Inc, based on the east coast of US. Trading in the period under ownership has been strong, in line with our expectations at the time of acquisition. The integration process is proceeding very well with excellent levels of enthusiasm and commitment from Interstate. We therefore remain confident and excited about the prospects for this business.

On 18 October 2017 we announced the acquisition of EcoPack and EcoPaper, in Romania, further enhancing our capability in this fast-growing region and providing support to our “performance packaging” programme. We expect this acquisition to complete in our third fiscal quarter.

### **Miles Roberts, Group Chief Executive, said:**

“We are pleased with the consistently strong organic progress of the business. Customers continue to demand high-quality, innovative packaging on a multi-national basis and we have the scale and expertise to serve them. We have also strengthened our business model further through selective acquisitions, in Europe and US, driven by customer demand. As such, we view the future with confidence.”

### **Forthcoming Dates**

Results for the half year to 31 October 2017

7 December 2017

### **Enquiries**

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**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.