



25 June 2015

## **DS Smith Plc**

### **Proposed acquisition of Grupo Lantero's corrugated business**

DS Smith Plc ("DS Smith"), the leading provider of recycled corrugated packaging in Europe, is pleased to announce today that we have reached an agreement to acquire the corrugated activities of Grupo Lantero, including several operations in which DS Smith currently has a minority holding. The business is a well-invested Iberian corrugated producer with a strong focus in the FMCG sector, operating seven sites across Spain. This acquisition significantly strengthens our operations in Spain, an important and growing market for corrugated packaging, taking our market share to approximately 10%. It also builds on our recent acquisition of Andopack in calendar Q4 2014, where we have seen a very positive customer reaction to our product and service offering. The acquisition is subject to competition clearance, which we expect during calendar Q3 2015 with completion shortly thereafter.

The total consideration, including the assumption of debt, is expected to be circa €190m, subject to closing adjustments, representing a post synergy multiple of between 5 and 6x EBITDA. The transaction is being financed from existing cash resources and is expected to deliver a return on invested capital above our cost of capital in the second year of ownership.

**Miles Roberts, Chief Executive of DS Smith said:**

"We are delighted to announce the acquisition of the corrugated activities of Grupo Lantero. It is a high quality business that we have known and partnered with for a number of years and significantly increases our offering to Pan-European customers in this large and growing market. It is a further important step in our strategy to leverage our scale and strengthen our geographic footprint and we look forward to working with Grupo Lantero stakeholders and contributing to the overall growth of DS Smith."

**Enric Holzbacher, Chief Executive of Grupo Lantero added:**

"We are very pleased to hand over our corrugated packaging business to our partner DS Smith. We are convinced that DS Smith has a strong alignment with our FMCG sector and will further develop our well established customer relationships. Grupo Lantero has decided to strategically focus its activities on its multinational rigid and flexible plastic divisions: Coexpan and Emsur."



### **Enquiries**

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### **NOTES TO EDITORS**

DS Smith is a leading provider of corrugated packaging in Europe and of specialist plastic packaging worldwide, operating across 32 countries and employing 24,700 people. Our vision is to become the leader in recycled packaging for consumer goods through offering great service, quality, innovation and environmental solutions to our customers. For more information, visit [www.dssmith.com](http://www.dssmith.com)