

DS Smith Plc – Interim Management Statement

DS Smith Plc, the leading supplier of recycled packaging for consumer goods, today issues its Interim Management Statement in respect of the three month period to 31 July 2013. DS Smith will hold its Annual General Meeting at 11am today.

Trading

The current year has started well and in line with our plans, driven by a good performance throughout the Group and the continued strong delivery of the previously announced synergies from the acquisition of SCA Packaging. Return on sales and ROACE have continued to improve, as anticipated.

Our Packaging business has performed as expected, despite the European markets remaining challenging. Corrugated volumes have continued to improve, with growth fully in line with our medium term financial target of GDP +1%, reflecting the increasingly positive customer reaction to our differentiated and strong value proposition as we leverage our enlarged and strengthened geographic footprint.

There has been no significant change in DS Smith's financial position during the period.

Outlook

Our overall outlook remains positive, as we continue to grow our business and deliver the synergies from the SCA Packaging acquisition, although as previously indicated there is the expected short term impact ahead of the pass through of input cost increases. The Group expects continued performance in line with the Company's medium term financial targets and views the remainder of the year with confidence.

Miles Roberts, Group Chief Executive, said:

“The year has started well and in line with our plans. Increasing volume growth fully in line with our medium term targets reflects continued innovation driven market share gains and, together with the delivery of synergies from the SCA Packaging acquisition, underpins our confidence for the year. Whilst the European market backdrop remains challenging, we are on track to make further significant progress this year and are excited about the growth opportunities for the Group.”

Conference Call

A conference call for analysts and investors, hosted by Miles Roberts, will take place today, 3 September 2013 at 08.00 BST. 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 10 September 2013. The dial-in number is: +44 (0)20 8196 1998, access pin 2397506. A recording and transcript of the call will also be available through the Investor Relations section of our website: www.dssmith.uk.com

Capital Markets Event

The Company will be hosting a presentation for financial analysts and institutional investors in Brussels on 6th September 2013. No new material information will be disclosed and copies of the presentations will be available on our website www.dssmith.uk.com following the event.

Forthcoming Dates

Q2 trading update	1 November 2013
Results for the half year to 31 October 2013	5 December 2013

Enquiries

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Glossary of terms

- *Return on sales*: earnings before interest, tax, amortisation and exceptional items as a percentage of revenue.
- *Return on average capital employed (ROACE)*: earnings before interest, tax, amortisation and exceptional items as a percentage of the average monthly capital employed over the previous 12 month period. Average capital employed includes property, plant and equipment, intangible assets (including goodwill), working capital, provisions, capital debtors/creditors and assets/liabilities held for sale.