



8 September 2011

DS Smith Plc ("DS Smith")

Update regarding disposal of Spicers

Following the announcement made on 6 July 2011, that DS Smith had received a binding offer for Spicers from Unipapel S.A, DS Smith today announces that it has entered into a binding legal agreement with Unipapel S.A. in respect of the sale by DS Smith of its European office products wholesaling business ("Spicers") for an enterprise value of £200 million. This sale is expected to be completed on or before 31 December 2011. The agreement is subject to certain conditions, including anti-trust approval, and completion price adjustments.

Accordingly, Spicers will be treated as a discontinued business for DS Smith in the financial year 2011/12. Upon completion, DS Smith will be a focused, international supplier of recycled packaging for FMCG customers with the financial strength to invest in the organic growth of the business and to pursue acquisitions within a fragmented packaging sector, on a disciplined basis.

Enquiries:

DS Smith +44 (0)1628 583 400

Miles Roberts, Group Chief Executive

Steve Dryden, Group Finance Director

Rachel Stevens, Head of Investor Relations

Tulchan +44 (0)20 7353 4200

John Sunnucks

David Allchurch