



Completion of Asset Swap Agreement

Acquisition of UK Corrugated Assets

Disposal of Western European Sack Converting Operations

SKG.I

SKG.L

Dublin, London, 19 April, 2010 | Smurfit Kappa Group plc ('SKG' or the 'Group'), one of the world's largest integrated manufacturers of paper-based packaging products, with operations in Europe and Latin America, today announces that it has signed an asset swap agreement with Mondi Group ('Mondi'). SKG will acquire Mondi's corrugated operations in the United Kingdom, while Mondi will acquire SKG's Western European sack converting operations. The total cash cost of the asset swap for SKG is €51 million.

The agreement is conditional on customary completion conditions.

Acquisition of Mondi's UK Corrugated Assets

SKG is acquiring Mondi's UK corrugated operations, comprising three corrugated box plants, for a consideration of €43 million (£38 million), on a cash and debt free basis. The three facilities reported a combined 2009 full year EBITDA of €8.0 million (£7.1 million), and a profit before tax of €2.0 million.

Disposal of SKG's Western European Sack Converting Assets

SKG is disposing of its Western European sack converting operations, comprising 4 plants in France, 3 in Spain, and 1 in Italy, as well as a number of sales offices. In 2009, these operations reported an EBITDA loss of €4.4 million and a loss before tax of €12.6 million. On disposal, SKG will incur exceptional write-offs of approximately € 30 million, including a net cash cost of €8 million.

Gary McGann, Smurfit Kappa Group CEO, commented: "We are pleased to announce this asset swap agreement, which further strengthens the Group's leadership in its core corrugated packaging grade, and enhances the efficiency of its integrated system in the increasingly attractive UK market."

ENDS

Contacts

K Capital Source

Tel: +353 1 663 36 80

E-mail: smurfitkappa@kcapitalsource.com