

Sale of Associate Interest

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Dublin, London, 15 May, 2008: 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 announced the sale of its minority shareholding in Duropack AG Group ('Duropack'), the Group's Austrian associate, to Constantia Packaging AG ('Constantia') for a total consideration of €55 million. The proceeds from the sale of the shareholding will be used to reduce net debt.

Duropack AG has containerboard and corrugated businesses in Austria, Germany, Czech Republic, Slovakia, Slovenia, Hungary, Bulgaria, Serbia and Croatia.

Gary McGann, Smurfit Kappa Group CEO, commented "SKG and Constantia have had a very positive relationship going back to the early 1990s. For many years the investment in Duropack was the Group's only involvement in Eastern Europe. As a result of the merger of Jefferson Smurfit Group and Kappa Packaging AB in 2005, the Group has wholly owned businesses in Poland, Czech Republic, Slovakia, Russia, Lithuania and Latvia, thereby competing directly with Duropack in many of these countries. As a result, the Boards of both SKG and Constantia agreed that it is in the best interest of both sets of shareholders, and of Duropack, that SKG disposes of its shareholding to Constantia."

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About Smurfit Kappa Group

Smurfit Kappa Group is a world leader in paper-based packaging with operations in Europe and Latin America. Smurfit Kappa Group operates in 22 countries in Europe and is the European leader in containerboard, solid board, corrugated and solid board packaging and has a key position in several other packaging and paper market segments, including graphic board, sack paper and paper sacks. Smurfit Kappa Group also has a growing presence in Eastern Europe. Smurfit Kappa Group operates in 9 countries in Latin America and is the only pan-regional operator.

About Constantia Packaging AG

Constantia Packaging AG is a publicly listed Austrian holding company that invests in manufacturing and related services companies mainly in the three segments Aluminium, Flexible Packaging and Paper and Corrugated Board. Constantia Packaging AG is listed on the Prime Market of the Vienna Stock Exchange.

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