

**2 February, 2004:** JSG Funding plc (the 'Group') today announced summary unaudited results for the 3 months and 12 months ended 31 December, 2003.

The Group will issue full preliminary results for the fourth quarter and full year 2003 on 11 February, 2004 and host a conference call for investors on that date.

#### **Fourth Quarter, 2003: Year-on-year performance**

Fourth quarter net sales of €1,174 million and EBITDA before exceptional items of €151 million compare to net sales of €1,165 million and EBITDA before exceptional items of €170 million in the comparable period in 2002. Fourth quarter results reflect a year-on-year increase of 1% on net sales and a decrease of 11% on EBITDA before exceptional items.

#### **Full Year, 2003: Year-on-year performance**

Full year net sales of €4,746 million and EBITDA before exceptional items of €627 million compare to net sales of €4,710 million and EBITDA before exceptional items of €605 million in the comparable period in 2002. Full year results reflect an increase of 1% and 4% on net sales and EBITDA before exceptional items respectively year-on-year.

Exceptional items in 2003 of €29 million include restructuring charges of €35 million mainly relating to our European operations, offset by gains on asset sales of €6 million. In 2002, exceptional items at subsidiary level of €4 million include €24 million for restructuring charges in our European operations offset by gains on the sale of our U.S. voting equipment and commercial printing businesses of €20 million. 2003 full year capital expenditure of €208 million compares to €211 million in 2002.

#### **Product Market Review**

Full year 2003 European volumes of containerboard and corrugated increased on 2002 reflecting the acquisition of SSCC's European packaging assets in March, 2003 and former Spanish associate, Papelera Navarra, in June, 2003. The first quarter of 2003 was also positively impacted (year-on-year) by the acquisition of Munksjö in March, 2002. Excluding the impact of acquisitions, recycled containerboard and corrugated volumes were in line with 2002. 2003 kraftliner volumes were up 5% on 2002. 2003 fourth quarter volumes, excluding acquisitions, in recycled containerboard and corrugated, increased by 4% and 2%, respectively, on the comparable period in 2002. Similarly kraftliner volumes were up on the comparable period in 2002. 2003 average prices for kraftliner, recycled containerboard and corrugated were lower than 2002.

Full year 2003 Latin American volumes increased on 2002 reflecting the acquisition (in 2002) of the Venepal operations in Venezuela and the consolidation of some companies in Colombia. Excluding acquisitions corrugated volumes for 2003 were up 1% year-on-year. Containerboard volumes were up 8% on a similar basis. Quarter four volumes in 2003, excluding acquisitions, in both containerboard and corrugated, across all countries in which we operate increased 14% and 10%, respectively, on the comparable period in 2002. 2003 average prices for containerboard were flat on 2002 levels, however, average corrugated prices in 2003 were generally higher than average prices in 2002.

## JSG Funding plc

The following is a reconciliation of operating profit - subsidiaries to EBITDA, before exceptional items:

	<b>JSG Funding</b>	JSG Funding	<b>JSG Funding</b>	JSG Funding / JSG*
	<b>3 months to</b>	3 months to	<b>12 months to</b>	12 months to
	<b>31 Dec 2003</b>	31 Dec 2002	<b>31 Dec 2003</b>	31 Dec 2002
	<b>€000</b>	€000	<b>€000</b>	€000
	<b>Unaudited</b>	Unaudited	<b>Unaudited</b>	Unaudited
Operating profit – subsidiaries	<b>51,693</b>	91,217	<b>293,911</b>	315,850
Restructuring charges	<b>26,463</b>	9,049	<b>34,973</b>	24,462
Depreciation, depletion and amortisation	<b>72,612</b>	70,183	<b>298,014</b>	265,014
EBITDA, before exceptional items	<b>€150,768</b>	€170,449	<b>€626,898</b>	€605,326

\*For comparison purposes, the financial results of Jefferson Smurfit Group Limited and subsidiary companies (JSG) for the periods prior to its acquisition on 3 September, 2002 have been combined with those of JSG Funding plc for periods following such acquisition.

## Contacts

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