

# DS Smith plc

09:12 03 Sep 2019

## Packaging giant DS Smith on track for full year, but volumes remain sluggish in Germany

Packaging giant DS Smith PLC (LON:SMDS) expects higher prices and new business wins in the US and Europe to offset macro-economic uncertainty and sluggish sales in Germany.

The FTSE 100 group, one of the world's largest makers of cardboard boxes, said it "continues to progress well" as it kept its full-year outlook unchanged.

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That is despite continued global economic uncertainty, which has started to affect the number of goods being sent around the world in DS Smith's packaging.

This has already happened in Germany, which is on the verge of recession as its exports tumble, especially to the UK ahead of Brexit.

But DS Smith bosses expect new business wins in the US and elsewhere in Europe to offset subdued volumes in Germany and other export-led markets.

They added that the company's reputation has allowed it to keep its prices high while costs are being kept to a minimum, both of which should also help.

**E-commerce market 'resilient'**

"The underlying drivers of demand for sustainable corrugated packaging remain strong and our leading offerings for highly resilient FMCG and e-commerce customers give us confidence of volume and market share growth," said chief executive Miles Roberts.

"While volatility in the macro-economic environment and input costs remains, our focus on pricing discipline, margin progression, enhanced cost and efficiency improvements, and cash generation, support our expectation of further good progress in the year."

Elsewhere, DS Smith confirmed the integration of Europac, which it bought for £1.5bn last summer, is "progressing very well".

Shares were down 3% to 331p on Tuesday morning.

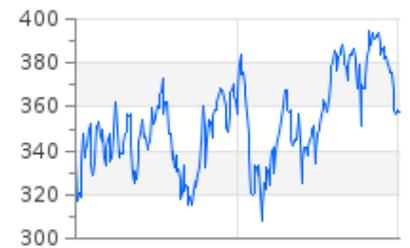
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**Price:** 358.3

**Market Cap:** £48.83 m

### 1 Year Share Price Graph



January 2019 July 2019 January 2020

### Share Information

**Code:** SMDS

**Listing:** LSE

**52 week High Low**  
397.8 306.3

**Sector:** Forestry & Paper

**Website:** [www.dssmith.uk.com](http://www.dssmith.uk.com)

### Company Synopsis:

*DS Smith is a paper and plastic supplier and recycler with revenue in 2007/08 of almost £2 billion and it employs over 11,500 people in 20 countries. The Group has strong positions in many of the markets in which it operates, including waste paper recycling, corrugated packaging, bag-in-box packaging and wholesale office products.*

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