

# DS Smith Plc



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## **DS SMITH PAPER DIVISION SIGNS SUPPLY AGREEMENT WITH BPB**

DS Smith, the international paper and packaging manufacturer and office products distributor, announces that its St Regis Paper division has entered into a long term agreement with BPB plc, the world's leading producer of plasterboard, for the supply of plasterboard liner paper. Under this agreement, which builds upon St Regis' existing supply relationship with BPB, sales of plasterboard liner paper to BPB will grow to an annual rate of approximately 100,000 tonnes. Combined with sales of plasterboard liner to other plasterboard producers, this will make St Regis a major player in this important growth market.

To underpin BPB's requirements for premium quality plasterboard liner, St Regis announces a £30 million capital expenditure programme to upgrade existing machines at its mills at Kemsley in Kent and Wansbrough in Somerset over the next two years. This investment programme will also enhance the quality of St Regis' corrugated case material (CCM) liners, used for manufacturing corrugated packaging board, and coreboard, used for manufacturing tubes. Following the investment, St Regis' total output will increase to approximately 1.1 million tonnes of paper, of which 90% will be made from recycled recovered paper and 75% will be CCM.

Tony Thorne, DS Smith Group Chief Executive commented:

“We are pleased to be entering into this partnership with BPB. St Regis has used its technical expertise to develop its business in plasterboard liner, a product which must meet stringent strength and appearance standards. The investment at our Kemsley and Wansbrough mills will expand capacity and further enhance quality across their product ranges. This agreement and capital expenditure supports our drive to raise the returns from our UK Paper and Corrugated Packaging operations.”

### **Enquiries**

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