

## 2005-2006 Investor Fact Book

Smurfit-Stone

STATISTICAL SUPPLEMENT TO ANNUAL REPORT TO SHAREHOLDERS



## Overview

### INTRODUCTION

Smurfit-Stone Container Corporation (Nasdaq: SSCC) is the industry's leading integrated manufacturer of paperboard and paper-based packaging. The company is the largest North American producer of containerboard, corrugated containers, multiwall and specialty bags, and clay-coated recycled boxboard (CRB). It is also a leading producer of solid bleached sulfate paperboard (SBS), folding cartons, flexible packaging, labels and point-of-purchase displays. SSCC is one of the world's largest paper recyclers, a key raw material for its products.

As North America's largest paperboard packaging company, Smurfit-Stone continues to identify developing retail trends, creating innovative packaging concepts and speeding them to market. In the process, Smurfit-Stone is changing customer perceptions of what packaging can do and what the company can deliver.

Smurfit-Stone's production capabilities and innovation form the broadest product range of any paper-based packaging producer and the ability to meet the growing demand for value-added packaging.

### HISTORY

SSCC was formed in November 1998, with the merger of Jefferson Smurfit Corporation (JSC) and Stone Container Corporation (Stone). JSC's roots go back to 1974, when Dublin, Ireland-based Jefferson Smurfit Group (JSG) acquired partial interest in Time Industries, a Chicago-based paper and packaging company. JSG established a major presence in the United States with the 1981 acquisition of the Alton Box Board Company and the 1982 acquisition of Diamond International's packaging operations. In 1983, JSG's U.S. operations reorganized. The majority of these operations became subsidiaries of JSC. JSC went on to establish a leadership position in the U.S. paper and packaging industry with its 1986 acquisition of 50 percent of Container Corporation of America (CCA) from Mobil Corporation. Morgan Stanley Leveraged Equity Fund II (MSLEF II) purchased the other half of CCA. JSC restructured as a privately held company in 1989, jointly owned by JSG and MSLEF II. As part of the restructuring, JSC acquired the remainder of CCA. In 1994, JSC recapitalized as a publicly traded company.

Stone Container was founded in 1926 as J.H. Stone and Company. In 1945, it incorporated under the name Stone Container Corporation. In the 1950s, Stone expanded outside of Chicago, buying and building corrugated container plants in Pennsylvania, Ohio, Indiana, and Michigan. The company acquired facilities from Continental Group in 1983 and acquired additional facilities from Champion International in 1986.

The merger of JSC and Stone brought together two leaders of the paper-based packaging industry. In conjunction with the merger closing, JSG purchased 20 million shares of JSC's stock from MSLEF II and certain other investors. In May 2000, SSCC acquired St. Laurent Paperboard, Inc. In September 2002, the company acquired MeadWestvaco's Stevenson, Alabama, containerboard mill and related operations. That same month, JSG privatized and distributed its stake in SSCC. Today, neither JSG nor MSLEF II are stockholders of Smurfit-Stone. In March 2003, SSCC exchanged its European assets for JSG's 50 percent ownership of Smurfit-MBI, a Canadian packaging company, and \$189 million cash. SSCC now owns 100 percent of Smurfit-MBI. As a result of this transaction, SSCC is focused almost exclusively on the North American market.

**PRODUCT SEGMENTS**

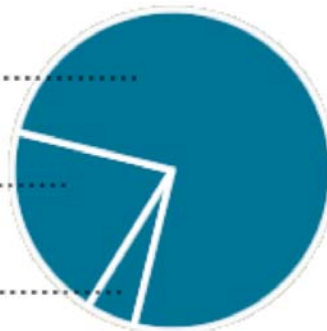
Smurfit-Stone has two reportable business segments. The containerboard and corrugated containers segment accounts for 75 percent of net sales and includes the company's containerboard mills and corrugated container operations. The consumer packaging segment represents 20 percent of net sales and consists of CRB, folding carton plants, and multiwall and specialty bag operations. It also includes packaging equipment, flexible packaging, tube, and label plants. Other operations include nonreportable segments, which accounts for 5 percent of net sales and primarily consists of recycling operations, including collection centers and brokerage sales offices.

**SSCC 2004 Revenue: \$8.3 Billion**

75% Containerboard and Corrugated Containers .....

20% Consumer Packaging .....

5% Other Operations .....



## Containerboard and Corrugated Containers

Smurfit-Stone is North America's leading producer of corrugated containers — the boxes made from linerboard and corrugated medium. The company draws its resources from the largest and most geographically diverse network of containerboard mills and corrugated container plants in North America and can deliver packaging solutions to meet almost any need, from high-impact graphics and structural engineering to market research and product development. Smurfit-Stone offers a broad array of specialty products including pizza boxes, corrugated clamshells for the food industry, and a complete line of retail-ready, point-of-purchase (POP) displays.

### CONTAINERBOARD OPERATIONS

Smurfit-Stone owns and operates 21 containerboard and pulp mills in North America and remains the world's largest containerboard producer and a leading pulp supplier. It produces a full line of commodity and specialty paperboards for conversion into corrugated containers, folding cartons and related products. The containerboard operations use approximately 2.6 million tons of reclaimed fiber per year, and Smurfit-Stone is one of the largest producers of 100 percent recycled containerboard products.

Smurfit-Stone draws upon a diverse raw material base of both recycled and renewable wood fiber to produce the industry's broadest line of unbleached linerboard and corrugated medium grades. Recycled fiber consists of approximately 33 percent of this raw material base. SSCC is the world's largest producer of specialty grades, which are targeted to the high-graphics segment of the corrugated container industry. As a market leader, SSCC works with customers to develop innovative new products and value-added services.

The containerboard group produces a variety of bleached products for many uses, including high quality SBS used in high-end folding cartons, paper cups and paper plates. The company manufactures high quality bleached hardwood pulp for photographic papers and pharmaceutical product fillers.

The board sales group is responsible for marketing and selling over two million tons of pulp, paper and paperboard products worldwide. Strong technical and marketing teams, with particular strengths in corrugator operations and high-impact graphics applications, complement the sales force. These experts work together with the company's customers to get the most out of Smurfit-Stone's products.

### CONTAINERBOARD PRODUCT LINES AND END-USE MARKETS

**Linerboard and Medium:** SSCC's containerboard mills produce a wide range of unbleached kraft linerboard grades, which provide high quality performance for traditional box stamped packaging and specialty applications in basis weights ranging from 26- to 96-pound. Medium is available in 100 percent recycled or a blend of recycled and virgin fiber grades. Medium basis weights range from 18-pound featherweight to sturdy 45-pound grades.

**White Top, Bleached, and Coated White Top Liner:** SSCC produces the highest quality white top linerboard in North America. Manufactured with a layer of white pulp over unbleached kraft material, our linerboard provides a superior surface for high-impact graphics. The company also produces bleached liner and coated white top linerboard at our La Tuque, Quebec, mill. Available in basis weights of 29- to 46-pounds, coated white top is ideal for a wide range of high-graphics applications, including high-end packaging and point-of-purchase displays.

**Solid Bleached Sulfate (SBS):** SSCC specializes in high quality grades of SBS, designed to meet the most challenging print requirements of folding carton and carded packaging customers in the food, pharmaceutical, cosmetic and other niche markets. Coated and uncoated high ink absorption SBS grades are available.

**Kraft Paper:** Kraft paper is produced at our Hodge, Louisiana, mill. Grades include natural retail, natural multiwall, natural twisting and standard converting regular and wet-strength, and shingle wrap. Kraft paper is used in numerous products, including consumer and industrial bags, grocery and shopping bags, counter rolls, handle stock and refuse bags.

**Specialty Board:** In addition to standard containerboard production, SSCC's La Tuque, Quebec, mill produces specialty solid bleached paperboard. La Tuque's solid bleached, non-corrugated paper can be found in paper cups and plates. In addition, SSCC's Pointe-aux-Trembles, Quebec, extrusion coating operation coats containerboard in polyethylene to make food containers.

**Market Pulp:** SSCC is a supplier of pulp to the photographic industry, specialty paper makers, printing and writing sectors, and related markets.

**Forest Resources:** The forest resources group is responsible for supplying the containerboard mill operations with wood fiber. Smurfit-Stone owns approximately one million acres of woodlands located in Canada. The company's wood procurement operations in the United States are now third party certified under both International Organization for Standardization (ISO) 14001 Environmental Management standards and the American Forest & Paper Association's Sustainable Forestry Initiative® (SFI) standards.

North American containerboard operations, consisting of 21 mills, produce a wide range of paper grades:

- 8 mills produce kraft linerboard
- 12 mills produce medium
- 3 mills produce white top linerboard
- 1 mill produces solid bleached liner and specialty bleached paperboard
- 1 mill produces SBS
- 2 mills produce bleached pulp
- 1 mill produces kraft paper

#### North American Containerboard Production

UNITS (THOUSAND TONS)	2004	2003	2002
Containerboard . . . . .	7,438	7,185	6,860
Bleached Liner / Solid Bleached Sulfate . . . . .	276	290	296
Market Pulp . . . . .	549	497	567
Kraft Paper . . . . .	259	293	283

## CORRUGATED CONTAINER OPERATIONS

Smurfit-Stone is the industry's leading supplier of corrugated containers, which are made from high quality linerboard and corrugated medium supplied by SSCC's network of paper mills. The company and its affiliates annually convert more than five million tons of containerboard. SSCC is a trusted supplier to hundreds of national and international manufacturers, as well as thousands of local and regional customers.

## CORRUGATED CONTAINER PRODUCT LINES AND END-USE MARKETS

**Corrugated Containers:** SSCC's corrugated container operations offer a full range of high quality corrugated containers designed and manufactured to protect, ship, store and display products. Each design meets a detailed set of customer specifications. SSCC manufactures corrugated packaging to ship refrigerators, vegetables, bicycles, computers, canned goods and a multitude of other products. No other packaging material is used as universally as corrugated containers.

Today, packaging does more than simply protect products. More and more customers are using corrugated containers as a marketing tool, and the increasing prominence of mega-retailers is requiring eye-catching, durable and cost effective options. Smurfit-Stone's complete line of packaging graphics capabilities meets these needs.

**Packaging Solutions:** In addition to delivering value-added packages, SSCC provides packaging solutions for its customers with special materials and high quality graphics. These solutions include mechanical packaging equipment, custom packaging, safe-transit approved laboratory research, electronic data interchange capability, market research, and product development.

**Specialty Products:** SSCC offers a broad array of specialty products, including pizza boxes and corrugated clamshells for the food industry, as well as a complete line of retail-ready, point-of-purchase (POP) displays.

**Packaging Systems:** Smurfit-Stone's packaging systems group in Orlando, Florida, designs, manufactures and markets a complete line of corrugated packaging machinery. Product lines include knock-down and wraparound case packers, case erectors, case sealers, trayformers, product accumulators, loaders and customized equipment.

North American corrugated container operations include:

- 108 corrugated container plants
- 28 sheet plants
- 6 sheet feeder plants
- 1 protective packaging plant
- 2 preprint plants
- 1 packaging systems plant
- 5 contract packaging plants
- 4 packaging solution centers (2 in China)
- 1 CustomerONE<sup>SM</sup> center
- 1 training center

Smurfit-Stone also has an ownership interest in three corrugated container and two sheet plants in China.

**North American Corrugated Container Shipments**

	2004	2003	2002
Corrugated Containers			
Billion square feet . . . . .	<b>86.5</b>	84.3	80.7
Thousand tons . . . . .	<b>5,443</b>	5,415	5,225

**Corrugated Container Sales By Category**



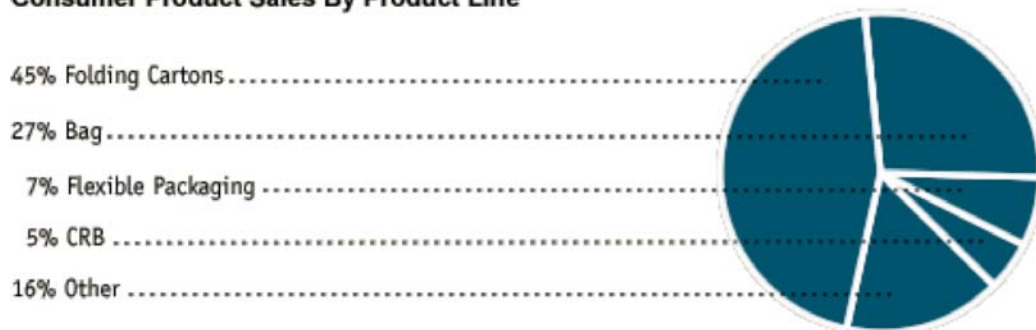
## Consumer Packaging

Smurfit-Stone is one of North America’s leading suppliers of folding cartons, the largest producer of clay-coated recycled boxboard, and the industry’s largest producer and marketer of bag packaging products, including multiwall, consumer and specialty bags. SSCC operates one tube plant and a bag packaging equipment facility to support bag packaging customers. In addition, SSCC’s flexible packaging business produces plastic film bags and rollstock for use in wraps, labels, lids and specialty pouches.

SSCC’s packaging products are designed to create consumer appeal through high quality graphics, innovative materials and user friendly designs. The company’s packaging products safely and effectively ship a variety of industrial and consumer products. SSCC’s consumer packaging business also includes printed paper, foil and DI-NA-CAL® heat-transfer labels. SSCC is a leader in high quality lithographic preprinted corrugated packaging under the trademark Lithoflute™.

Smurfit-Stone offers an extensive and unique range of support services, including full-service design (structural and graphics), engineering services, electronic data interchange capability, e-procurement, research and development, technical and graphic centers, and contract packaging services to meet both promotional and production needs.

### Consumer Product Sales By Product Line



### FOLDING CARTON AND BOXBOARD MILL OPERATIONS

**Folding Cartons:** SSCC offers a full range of carton styles with high impact graphic capabilities, appropriate for nearly all carton end uses. The company meets customer needs for high quality and short-cycle order management with a combination of leading-edge production equipment, digital prepress, e-business customer interfaces and a commitment to customer service. The customer base consists of consumer goods producers in packaged foods, beverages, fast food, soap, paper, pharmaceuticals and cosmetics.

Folding cartons protect customers’ products while providing point-of-purchase advertising. SSCC’s folding carton plants offer extensive converting capabilities, including sheet and web lithography; rotogravure and flexographic printing; laminating; and a full range of finishing capabilities.



**Boxboard:** The company's clay-coated recycled boxboard mills produce the broadest range of recycled grades in the industry, including clay-coated newsback, kraftback and whiteback; as well as waxable and laminated grades. The company also offers value-added laminated films, holograms and multiple board and extruded products. SSCC's folding carton facilities consume nearly two-thirds of the company's boxboard output. All of SSCC's boxboard is made from 100 percent recycled fiber.

**Lithoflute™:** SSCC offers a wide range of litho-laminate miniflute capabilities through its folding carton plant infrastructure. Lithoflute™ is available in B-, E-, F-, or N-flutes. Value-added capabilities include embossing, tear-tape, foil stamping, ultra-violet coating, decorative films and foil laminations, handles and window film applications. Key end-use market segments include food, beverage, household products, sporting goods, small appliances, small electronics and point-of-purchase displays.

Folding carton and boxboard mill operations located in the United States include:

- 17 folding carton plants
- 4 clay-coated recycled boxboard mills

UNITS (THOUSAND TONS)	2004	2003	2002
<b>Folding Cartons and Boxboard Mills</b>			
Folding Cartons Shipped . . . . .	517	514	504
Coated Recycled Boxboard Produced . . . . .	560	577	582

**Folding Carton Sales By Category**



**BAG PACKAGING OPERATIONS**

**Multiwall Bag Packaging:** SSCC's bag packaging is specifically designed to safely and effectively package, protect and ship a wide range of industrial and commercial products, including chemicals, pharmaceuticals, building products, concrete, food, fertilizer and salt.

Multiwall bag packaging can be customized with easy-open features, handles and resealable closures. A variety of styles, liners, treatments and coatings can be incorporated into bags to solve particular packaging challenges. In addition, the company has developed and patented many innovative multiwall bag styles that have solved specific packaging challenges.

**Consumer Bag Packaging:** SSCC is the industry’s leading manufacturer of small consumer bags for food and other retail products, including pet food and litter, cookies, flour, baking mixes and microwave popcorn. The company’s outstanding graphics capabilities inspire customer creativity and enhance the shelf presence and marketability of products.

**Specialty Bag Packaging:** These bags include a variety of specialty packaging products to fit specific needs: environmental bags, such as YardMaster®, used for lawn and yard waste; trash compactor bags, such as KitchenMaster®; and industrial wraps used for wrapping roofing shingles.

**Packaging Equipment and Systems:** An integral part of SSCC’s bag packaging operations, this business offers a complete line of bag packaging equipment and systems that complement our multiwall and bulk bags. These include placing, filling, weighing, closing and sealing equipment. These machines package more than one thousand different commodities. Other equipment includes bag conveyors, bag flatteners, checkweighers and bag palletizers. The patented Ultrasonic Sealer seals multiwall valve bags. The company’s bag packaging equipment group in Salt Lake City, Utah, provides engineers and technicians to help customers develop a complete packaging system.

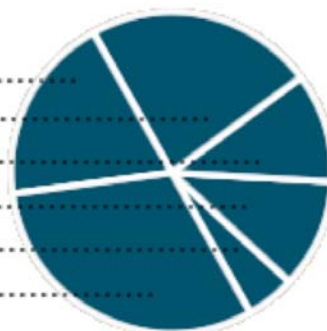
Bag packaging operations located in the United States include:

- 11 bag plants (which includes a technical and graphics center)
- 1 bag packaging equipment plant

	2004	2003	2002
Bag Packaging			
Multiwall Bags Shipped (million bags) . . . . .	1,157	1,156	1,162
Kraft Paper Produced (thousand tons) . . . . .	259	293	283

**Multiwall Bag Sales By Category**

- 19% Pet Food . . . . .
- 23% Other Food . . . . .
- 11% Livestock / Poultry Feed . . . . .
- 11% Cement Mix . . . . .
- 5% Refuse . . . . .
- 31% Other . . . . .



**LABEL, COATING AND LAMINATING, FLEXIBLE PACKAGING AND OTHER OPERATIONS**

**Labels:** SSCC's label products include printed paper, foil, and DI-NA-CAL® heat-transfer labels for a wide range of industrial and consumer applications. DI-NA-CAL® is a proprietary labeling system that applies high-speed heat-transfer labels to plastic containers. Smurfit-Stone's DI-NA-CAL® label group also provides application equipment and technical support. Other unique and creative products include specialized laminations of film, foil and paper.

SSCC's litho label group uses state-of-the-art equipment that maximizes cost efficiencies, while also accommodating customized orders. SSCC produces paper-based cut and stack labels on both small- and large-format presses. In addition, Smurfit-Stone offers full-service prepress capabilities.

**Flexible Packaging:** Smurfit-Stone manufactures a complete line of plain and printed polyethylene bags, sheeting and tubing in a variety of colors with custom treatments for specific applications. SSCC is an industry leader in packaging hard-to-hold products, condiments for fast food, pharmaceutical/healthcare technologies, flexo film printing, and servicing multi-design and multi-structure accounts.

Based in Portage, Indiana, SSCC's contract packaging operations provide promotional packaging and contract manufacturing for a variety of industries.

Label, coating and laminating, flexible packaging and other operations in North America include:

- 4 label plants
- 2 lamination plants
- 5 flexible packaging plants
- 1 tube plant
- 1 contract packaging facility and multiple related on-site operations

**SERVICES**

The consumer packaging operations' innovation center, located in Carol Stream, Illinois, serves as a focal point for packaging innovation and supports the company's product development efforts. The center serves as a creative venue for brainstorming and collaborating with customers on innovative packaging ideas, as well as an internal resource center for new product innovation champions, business development, and research and development teams. Smurfit-Stone's innovation team uses a collaborative process with outside alliances, the various business units within Smurfit-Stone, and a close working relationship with customers and prospects to bring the best ideas forward and provide top line revenue growth. The innovation center exemplifies Smurfit-Stone's commitment to providing its customers with the most innovative packaging products in the marketplace.

SSCC's technical and graphics center, located at the Cantonment, Florida, multiwall bag packaging plant, offers customers a one-stop shop for unsurpassed technical and graphics expertise. The center provides customers with product development, package design and a host of other services to create the ideal package.

## Recycling and i2i<sup>SM</sup> (Innovation to Implementation)

### RECYCLING OPERATIONS

To serve its recycling-based facilities, Smurfit-Stone has built one of the largest reclamation businesses in the industry and now handles more than 6.5 million tons of recycled paper annually.

### RECYCLING PRODUCT LINES AND END-USE MARKETS

SSCC's recycling business has the capacity and flexibility to process recovered paper generated by industrial, commercial and residential sources.

Nearly 46 percent of the fiber collected is used in the company's mills. The rest is sold on the open market. Of the volume collected and sold externally, 41 percent is old corrugated containers (OCC); 23 percent double lined kraft (DLK); 20 percent is old newspapers (ONP); and 16 percent is a variety of grades including non-fiber products, such as aluminum, glass and plastic. Smurfit-Stone Waste Reduction Services' (SWRS) experts counsel a wide range of customers on strategies to develop comprehensive waste management solutions, reduce costs and increase efficiency.

North American recycling operations include:

- 23 collection facilities
- 14 sales offices (one in China)

UNITS (THOUSAND TONS)	2004	2003	2002
<b>Recycled Volume Processed</b>			
Recovered Fiber . . . . .	<b>6,542</b>	6,549	6,582
Non-Fiber . . . . .	<b>87</b>	78	78
Total . . . . .	<b>6,629</b>	6,627	6,660
Open Market Shipments . . . . .	<b>3,637</b>	3,435	3,364

**i2i<sup>SM</sup>**

Smurfit-Stone has made innovation central to its growth strategy by forming the new i2i<sup>SM</sup> operating unit in 2004. With i2i<sup>SM</sup> — “innovation to implementation” — the company is organized to connect directly with marketing and branding decision makers. i2i<sup>SM</sup> combines the creativity of the company’s packaging solution centers, the capabilities of its packaging facilities, and externally sourced products and services to deliver merchandise solutions, including strategic brand development and creative design, to customers.

From refreshing a brand’s image through delivery of a customer’s product to the store shelf, i2i<sup>SM</sup> is the single source to handle the task regardless of scale or complexity. When customers work with i2i<sup>SM</sup>, they get much more than just great printing and packaging. They gain insight into new ways to extend their brands, increase a product’s life cycle, build a brand’s recognition, reduce waste and supply chain costs, become faster to market, and make more profit.

Throughout i2i<sup>SM</sup>’s process, the focus is on speed to market so that the entire course is efficient and stays within a customer’s tight time requirements. Whether it’s a customer’s own design or one i2i<sup>SM</sup> creates for them, i2i<sup>SM</sup> helps manage branded programs. These programs are designed so that the finished look, regardless of where the package is produced in an increasingly global economy, will be outstanding, consistent, help promote a customer’s brand, and build sales.

Retailers are increasing their influence deeper into the supply chain, redefining the way packaging is used, placed and promoted. With i2i<sup>SM</sup>, SSCC transforms these marketplace challenges into profitable growth opportunities.

i2i<sup>SM</sup> operations include three packaging design centers in North America and one in Asia.

## Shareholder Information

### CORPORATE LOCATIONS

150 North Michigan Avenue  
Chicago, Illinois 60601-7568  
Telephone: (312) 346-6600

8182 Maryland Avenue  
St. Louis, MO 63105  
Telephone: (314) 746-1100

630 Rene-Levesque Blvd. W  
Montreal, Quebec H3B 5C7 Canada  
Telephone: (514) 864-5103

### COMMON STOCK

Smurfit-Stone common stock is traded on The Nasdaq Stock Market under the symbol SSCC.

### PREFERRED STOCK

Smurfit-Stone's 7 percent Series A Cumulative Exchangeable Redeemable Convertible preferred stock is traded on The Nasdaq Stock Market under the symbol SSCCP.

### INVESTOR RELATIONS CONTACTS

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## Financial Highlights

(in millions except share data)	2004	2003	2002	2001	2000	1999	1998
Net sales	\$ 8,291	\$ 7,722	\$ 7,483	\$ 7,691	\$ 8,113	\$ 6,769	\$ 3,432
Adjusted EBITDA (as defined below)	775	715	962	1,127	1,458	910	354
Net income (loss) available to common stockholders	(57)	(208)	54	66	224	157	(200)
Diluted earnings per common share	(0.23)	(0.85)	0.22	0.27	0.96	0.71	(1.61)
Total debt	4,498	4,807	4,990	4,943	5,342	4,793	6,633
Net cash provided by operating activities	273	162	503	597	811	183	129
Capital expenditures	219	212	207	189	363	156	287

## EBITDA AND ADJUSTED EBITDA (as defined below, in millions, unaudited)

	Year ended December 31,	
	2004	2003
Income (loss) from continuing operations before cumulative effect of accounting change	\$ (46)	\$ (198)
Provision for (benefit from) income taxes	(63)	(140)
Interest expense, net	343	341
Depreciation, depletion and amortization	416	415
Income from discontinued operations before income taxes		10
EBITDA	650	428
Loss on early extinguishment of debt	11	3
Impairment charge	73	
Stone receivables discount expense	7	4
Restructuring charges (income)	16	115
Non-cash foreign exchange (gain) loss	22	50
Litigation settlements, net	3	110
(Gain) loss on sale of assets	(7)	5
Adjusted EBITDA	\$ 775	\$ 715

EBITDA is defined as net loss before benefit from income taxes; interest expense; net and depreciation, depletion and amortization. "Adjusted EBITDA" is defined as EBITDA adjusted as indicated above. EBITDA and Adjusted EBITDA are presented in order to provide an indication of our ability to service debt and are important measures because of our highly leveraged position. They are presented to enhance an understanding of our operating results and are not intended to represent cash flow or results of operations for the periods presented. EBITDA and Adjusted EBITDA are not measurements under accounting principles generally accepted in the United States and may not be similar to EBITDA and Adjusted EBITDA measurements of other companies.



## North American Mill Production and Capacity

Units (thousand short tons)

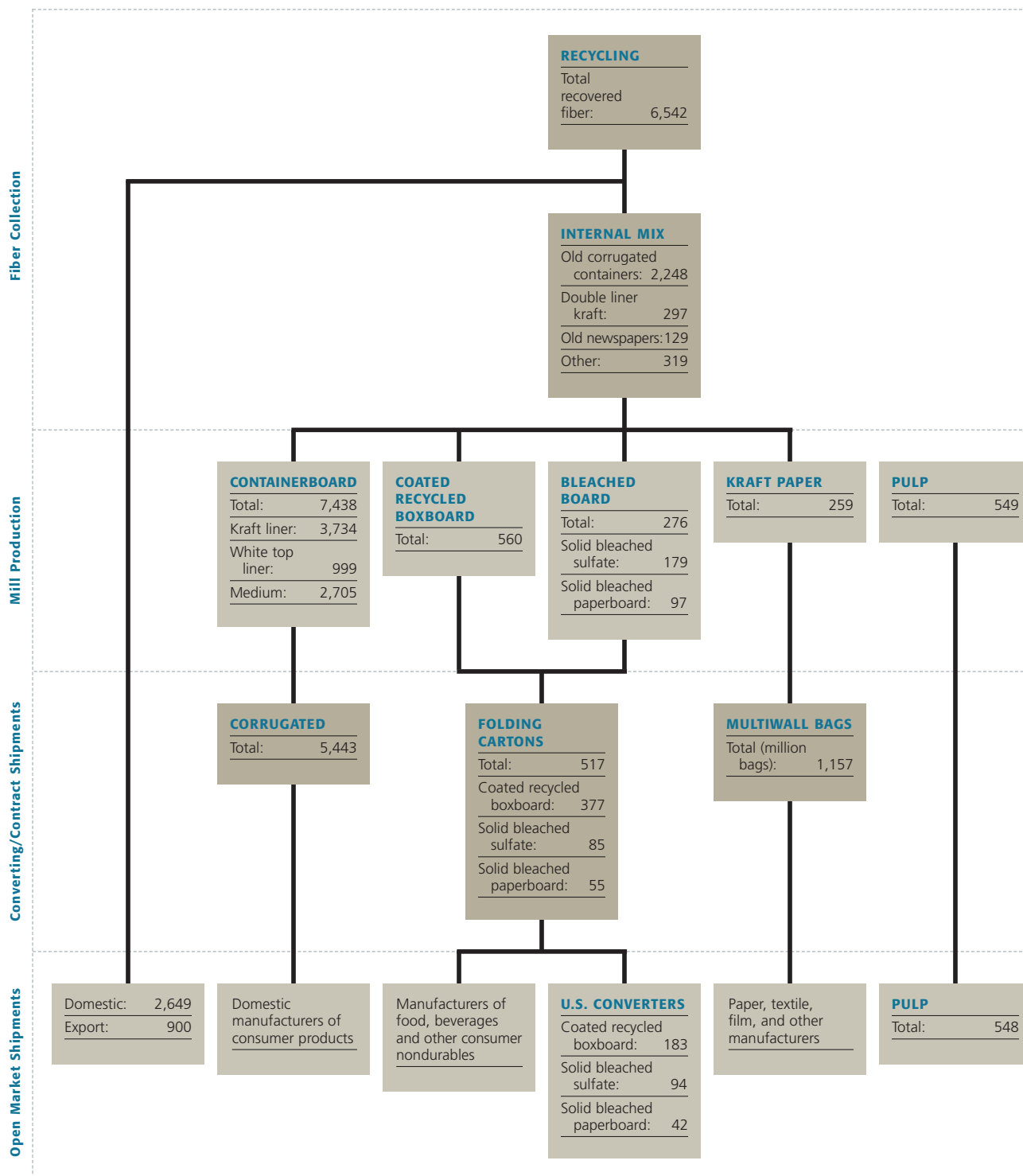
Product Line	Mill	Capacity			2004 Production			2003 Production			
		2005	2004	2003	Liner	Med	Total	Liner	Med	Total	
Containerboard	Brewton, AL (a)	303	303	308	285		285	304		304	
	Carthage, IN	48	48	52		47	47		41	41	
	Coshocton, OH	297	294	325		296	296		268	268	
	Fernandina Beach, FL	1,011	998	995	781		781	770		770	
	Florence, SC	688	691	698	690		690	685		685	
	Hodge, LA	546	403	403	397	59	456	378		378	
	Hopewell, VA	441	440	426	435		435	379		379	
	Jacksonville, FL	444	469	529		255	255	240	142	382	
	Los Angeles, CA	145	140	148		143	143		124	124	
	Missoula, MT	574	564	558	578		578	556		556	
	Ontonagon, MI	266	274	285		255	255		238	238	
	Panama City, FL	335	334	331	333		333	305		305	
	Snowflake, AZ	128	129	134		126	126		112	112	
	Stevenson, AL	863	832	836		853	853		807	807	
	Uncasville, CT	171	155	173		164	164		149	149	
	West Point, VA (b)	841	833	853	661	155	816	628	109	737	
	<b>Total U.S.</b>		<b>7,101</b>	<b>6,907</b>	<b>7,054</b>	<b>4,160</b>	<b>2,353</b>	<b>6,513</b>	<b>4,245</b>	<b>1,990</b>	<b>6,235</b>
	Bathurst, NB		243	231	240		203	203		170	170
	La Tuque, QC (a)		337	340	352	345		345	333		333
	Matane, QC		159	157	151		149	149		124	124
New Richmond, QC		235	235	234	228		228	209		209	
Thunder Bay, ON (c)				154					114	114	
<b>Total North America</b>		<b>8,075</b>	<b>7,870</b>	<b>8,185</b>	<b>4,733</b>	<b>2,705</b>	<b>7,438</b>	<b>4,787</b>	<b>2,398</b>	<b>7,185</b>	
SBS and SBL	Brewton, AL	187	186	190			179			180	
	La Tuque, QC	112	111	114			97			110	
	<b>Total</b>	<b>299</b>	<b>297</b>	<b>304</b>			<b>276</b>			<b>290</b>	
Coated Boxboard	Middletown, OH	139	133	137			137			124	
	Philadelphia, PA	130	126	196			128			176	
	Santa Clara, CA	139	136	134			140			135	
	Wabash, IN	152	146	142			155			142	
	<b>Total</b>	<b>560</b>	<b>541</b>	<b>609</b>			<b>560</b>			<b>577</b>	
Kraft Bag	Hodge, LA	214	291	289			259			293	
	<b>Total</b>	<b>214</b>	<b>291</b>	<b>289</b>			<b>259</b>			<b>293</b>	
Pulp	Panama City, FL	311	355	352			316			265	
	Pontiac, QC	245	244	244			233			232	
	<b>Total</b>	<b>556</b>	<b>599</b>	<b>596</b>			<b>549</b>			<b>497</b>	

a) White top linerboard.

b) 2005 capacity, 2004 production and 2003 production includes 377 tons, 368 tons and 359 tons of white top linerboard, respectively.

c) Thunder Bay mill closed in November 2003.

## Product Flow Chart



Selected products: All figures in thousand short tons, unless otherwise noted.

## Containerboard Mill Listing

### Containerboard Mills

Bathurst, NB	Florence, SC	Matane, QC	Snowflake, AZ
Brewton, AL	Hodge, LA	Missoula, MT	Stevenson, AL
Carthage, IN	Hopewell, VA	New Richmond, QC	Uncasville, CT
Coshocton, OH	Jacksonville, FL	Ontonagon, MI	West Point, VA
Fernandina Beach, FL	La Tuque, QC	Panama City, FL	
	Los Angeles, CA	Pontiac, QC	

## Corrugated Container Plant Listing

### Corrugated Container Plants

Adams, WI  
Atlanta, GA (2)  
Baltimore South, MD  
Birmingham, AL  
Bradenton, FL  
Bridgeview, IL (2)  
Buffalo, NY  
Burlington, ON  
Calgary, AB  
Chattanooga, TN  
Chesterfield, MO  
Chicago, IL  
Cincinnati, OH  
City of Industry, CA  
Columbia, SC  
Columbus, IN  
Corona, CA  
Covington, GA  
Denver, CO  
Edmonton, AB  
El Paso, TX (2)  
Etobicoke, ON  
Fargo, ND  
Fernandina Beach, FL  
Fort Worth, TX  
Fresno, CA  
Fullerton, CA  
Galesburg, IL  
Germantown, WI  
Glendale, AZ  
Grand Prairie, TX  
Guadalupe, MX  
Guelph, ON  
Herrin, IL  
Highland, IL  
Houston, TX  
Humboldt, TN  
Jacksonville, FL  
Jefferson, OH  
Joliet, IL  
Kansas City, KS  
Knoxville, TN  
Latta, SC  
Lewisburg, TN  
Lexington, NC  
Liberty, MO  
Little Rock, AR  
Los Angeles, CA  
Louisville, KY  
Mansfield, MA  
Mansfield, OH  
Martinsville, VA  
Memphis, TN  
Mexicali, MX  
Miami, FL  
Milpitas, CA  
Milton, ON  
Milwaukee, WI  
Minneapolis, MN  
Mishawaka, IN  
Montgomery, AL  
Murfreesboro, TN  
Muskogee, OK  
New Hartford, NY  
New Westminster, BC  
North Chicago, IL  
North Tonawanda, NY  
Pembroke, ON  
Philadelphia, PA (2)  
Portland, CT  
Portland, OR  
Queretaro, MX  
Ravenna, OH  
Regina, SK  
Rexdale, ON  
Richmond, VA (2)  
Roanoke, VA  
Rogers, AR  
Salinas, CA  
San Juan, PR  
Santa Fe Springs, CA  
Shelby, NC  
Sioux City, IA (2)  
Sioux Falls, SD  
Springfield, MA  
Springfield, MO

St. Cloud, MN  
St. Joseph, MO  
St. Laurent, QC  
St. Louis, MO  
St. Paul, MN  
Teterboro, NJ  
Town of Mount Royal, QC  
Tupelo, MS  
Tyler, TX  
Wakefield, MA  
Washington Court House, OH  
Whitby, ON  
Williamsport, PA  
Winnipeg, MB  
Wilson, NC  
Winston-Salem, NC

### Sheet Plants

Atlanta, GA  
Beloit, WI  
Bloomington, IL  
Cincinnati, OH  
Collierville, TN  
Danville, IL  
Des Moines, IA  
Elkhart, IN  
Fort Smith, AR  
Frankfort, IN  
Houston, TX  
Jersey Shore, PA  
Jonesboro, AR  
Kirkwood, MO  
Las Vegas, NV (a)  
Lexington, KY  
Mansfield, MA  
Marietta, OH  
Naperville, IL  
Nashville, TN  
Neenah, WI  
Oklahoma City, OK  
Raleigh, NC  
Richmond, VA

Rochester, MN  
Springfield, MO  
Tijuana, MX  
Tupelo, MS

### Sheet Feeder Plants

Bedford Park, IL  
Blue Springs, MO  
Hanover Park, IL  
Marquardt, CA  
Milwaukee, WI  
Philadelphia, PA

### Protective Packaging Plant

Mansfield, MA

### Preprint Plants

Atlanta, GA  
Jacksonville, FL

### Packaging Systems Plant

Orlando, FL

### Contract Packaging Plants

Olive Branch, MS  
Scarborough, ON  
Etobicoke, ON  
Richmond, BC  
Mississauga, ON

### Packaging Solution Centers™

Westmont, IL  
Bentonville, AR  
Hong Kong, China  
Shanghai, China

### CustomerONE® Center

Westmont, IL

### Training Center

Carol Stream, IL

### Footnotes

a) Non-consolidated affiliate

## Consumer Packaging Plant Listing

### Boxboard Mills

Middletown, OH  
Philadelphia, PA  
Santa Clara, CA  
Wabash, IN

### Folding Carton Plants

Carol Stream, IL  
Fort Wayne, IN  
Greensboro, NC  
Irvine, CA  
Kansas City, MO  
Middletown, OH  
Morris, IL  
Muncie, IN  
Orchard Park, CA  
Pacific, MO  
Piscataway, NJ

Plainfield, NJ  
Renton, WA  
Santa Clara, CA  
Solon, OH  
Stone Mountain, GA  
Valley Forge, PA

### Bag Packaging Plants

Arcadia, LA  
Cantonment, FL (a)  
Eastman, GA  
Fowler, IN  
Jacksonville, AR  
Kansas City, MO  
Louisville, KY  
New Philadelphia, OH  
Quincy, IL  
Salt Lake City, UT (b)  
Wellsburg, WV

### Label Plants

Greensboro, NC  
Jacksonville, FL  
Norwood, OH  
St. Charles, IL

### Laminating Plants

Elk Grove Village, IL  
Pointe-aux-Trembles,  
QC

### Flexible Packaging Plants

Brampton, ON  
Des Moines, IA  
Hodge, LA  
Milwaukee, WI  
Schaumburg, IL

### Contract Packaging Plant

Portage, IN

### Tube plant

Dalton, GA (c)

### Footnotes

- a) Bag packaging plant and technical and graphics center
- b) Bag packaging and bag packaging equipment plant
- c) Non-consolidated affiliate

## Recycling Plant Listing

**Recycling Plants**

Anchorage, AK  
Augusta, GA  
Bakersfield, CA  
Chicago, IL  
Columbus, OH  
Evansville, IN  
Fort Lauderdale, FL  
Fresno, CA  
Jacksonville, FL

Kansas City, KS  
Louisville, KY  
Nashville, TN  
Oakland, CA  
Philadelphia, PA  
Portland, OR  
Sacramento, CA (2)  
St. Charles, IL  
St. Louis, MO  
San Jose, CA

Seattle, WA  
Tampa, FL  
Torrance, CA

**Sales Offices**

Atlanta, GA  
Mansfield, MA  
Maryland Heights, MO  
(2)  
Gardena, CA

Houston, TX  
Jacksonville, FL  
Middletown, OH  
Oakland, CA  
Oregon City, OR  
Philadelphia, PA  
St. Louis, MO  
Shanghai, China  
Toronto, ON

## Glossary

**Clay-coated Recycled Boxboard (CRB):** CRB is a key paperboard grade for folding cartons. CRB is made from recycled material — mainly old newsprint and old corrugated containers — and coated with a layer of clay to provide a smooth, white surface for printing graphics.

**Corrugated Container:** One of the most efficient forms of distributing packageable goods, a corrugated container is manufactured from containerboard — linerboard and medium. In its most common form, a corrugated box is made from two layers of linerboard and a layer of medium. The layers are combined on a corrugator, a machine that presses corrugations into the medium and laminates a ply of linerboard to each side. The resulting corrugated sheets are printed, folded and glued or stapled to form a finished box. Corrugated containers are designed primarily to protect a product during shipping, but increasingly feature graphics, which improve a product's appeal.

**Folding Carton:** A folding carton is a paperboard package designed to protect the product during shipment and on the store shelf. Folding cartons typically feature high quality graphics to maximize shelf appeal in retail outlets and to provide information about the product and its use. The market is primarily consumer nondurable goods. Most folding cartons are made from a single ply of paperboard (e.g., recycled boxboard for food, paper, soap; solid bleached sulfate for cosmetics, pharmaceuticals).

**Linerboard:** Linerboard is the grade of paperboard used for the outer “facings” of a corrugated box. Kraft linerboard is made from wood fiber derived by the kraft process and typically contains no more than 20 percent recycled material. Recycled or testliner may be made of 100 percent recycled material.

**Market Pulp:** Pulp is a fibrous material produced by reducing woody plants into their component parts from which pulp, paper and paperboard sheets are formed after proper slushing and treatment. Market pulp is any pulp that is produced for sale on the open market. Applications include photographic paper and magazine paper.

**Medium:** The paperboard grade used to form the inner fluted layer of corrugated board is medium. Like linerboard, medium can be made of recycled material or wood pulp.

**Miniflute/Hybrid Packaging:** The arches in corrugated medium are known as flutes, which provide vertical compression strength and cushion to a corrugated container. Flutes come in several standard shapes or flute profiles, ranging from A-flute, the largest, on down. F-flute, for example, is extremely small. The smaller flutes are called miniflute and provide enhanced structural and graphics capabilities for retail packaging. Boxes with miniflute are sometimes called hybrid packaging because they combine the structural strength of corrugated containers with the graphics capability of a folding carton. Lithoflute® is Smurfit-Stone's brand name for this litho-laminated miniflute.

**Multiwall Bag:** A bag made with three or more layers is a multiwall bag. Manufactured with kraft paper as the raw material, multiwall bags are designed to safely and effectively ship a wide range of industrial and commercial products including fertilizers, chemicals, pharmaceuticals, building products, concrete and pet food.

**Solid Bleached Sulfate (SBS) and Solid Bleached Paperboard (SBL):** A premium grade of folding carton board. SBS is a solid sheet of paperboard manufactured from bleached kraft pulp and generally clay-coated on one side. Solid bleached paperboard is similar to SBS but with a lighter basis weight.

**White Top/Mottled White Linerboard:** Manufactured with a layer of white pulp over unbleached kraft material, this linerboard provides an improved surface for graphics.