



RELEVANT FACTS

UNIPAPEL has made a Binding offer to DS Smith Plc to acquire 100% of Spicers for £200 million (€222 million)ⁱ and has received a simultaneous binding offer from BECAP SPV Limited for the UK and Irish divisions for £32 million (€35.5 million).

UNIPAPEL has made a binding offer to DS Smith for the purchase of its 100% stake in Spicers for £200 million (€222 million). It has simultaneously received a binding offer from BECAP SPV Limited to acquire the Spicers business units in the UK and Ireland for £32 million (€35.5 million). Therefore, on completion of any sale, Unipapel would take over the Spicers business units in Continental Europe, which include France, Germany, Italy, Spain and Benelux for an amount of £168 million (€186.5 million).

Unipapel and DS Smith's intention is to inform and consult Spicers' works councils. The proposed transaction would be subject to certain conditions, including the approval of the EU competition authorities, and completion price adjustments.

Should the sale be completed following this process, the purchase of Spicers would be financed with cash of Unipapel Group and a syndicated loan of €145 million entered into with eight finance entities: Santander, BBVA, La Caixa, CIC (Credit Mutuel), Banca Cívica, Banco Pastor, Banco Sabadell and Bankia.

Spicers business units in Continental Europe had revenues of €443 million and EBITDA of €34.3 million during the fiscal year May 2010- April 2011.

The proposed transaction would entail an amount equivalent to a multiple of 5.4x EBITDA for Spicers Continental European business units being paid, and therefore the purchase would create value for the shareholders of Unipapel, which is currently traded at 6.7x EV/EBITDA, a higher multiple.

The proposed purchase of Spicers Continental European divisions is within the framework of Unipapel Group's Strategic Plan which foresees the strengthening of its leadership as pan-European wholesale distributor of office supplies as well as IT and digital products and services. The integration of the Continental European business units of Spicers would enable Unipapel Group to become the unchallenged leader in Europe with a turnover higher than €1,300 million, 2.5 times higher than its most immediate competitor.

Spicers is a leading Pan-European provider of office products wholesaling solutions with leading brand recognition and unrivalled offering of products and services in every country where it operates. Calipage and Plein Ciel are #1 and #2 branded retail

groups in France with 261 and 162 dealers respectively. Calipage has been successfully rolled out in Belgium, Spain and recently launched in Germany.

Furthermore, the proposed acquisition would have an optimal strategic fit with Unipapel, as Spicers operates in the same countries as Unipapel (Spain, France, Germany and Italy), and would add a new attractive market (Benelux). In all these markets, Spicers acts mainly as a supplier of Traditional Office Supplies (TOS) (envelopes, notebooks, filing, paper, pens and other office material), with a growing presence on EOS. Therefore, Spicers would be a perfect complement for the current offer of Unipapel (specially focused on EOS), and would allow Unipapel to develop in Europe the one-stop-shop model currently established in Spain. All this would translate into relevant operating synergies for the Group.

Another important aspect of the transaction would be its impact on the Group internationalization, and in a reduction of the Group exposure to the Spanish market, which would decrease from 54% to 38% of sales.

Eventually, the addition of the Spicers Continental Europe businesses would positively impact the Group profitability and its cash generation, since i) they achieve an EBITDA margin higher than 7%, ii) a Return on Capital Employed before taxes higher than 25% iii) an EBITDA conversion into cash (Free Cash Flow/EBITDA) close to 100%. This solid operating pattern has shown a strong historic recurrence, due to little/no impact suffered amid the economic downturn cycle 2008-2010.

N+1 Corporate Finance and CMS Albiñana have acted as advisors of Unipapel in the transaction.

Madrid, 6th of July 2011

ⁱ Exchange rate € / GBP 1,11€