



January 26, 2009

Dear Valued Customer,

Because of the valued partnership we share with you, we wanted to reach out to you directly to update you on some immediate and important steps we have taken to improve the capital structure at Smurfit-Stone Container Corporation.

In light of the unprecedented economic environment and the inability to access the frozen credit markets, we have been unable to adequately restructure our debt in a manner that will support our long-term business objectives. After careful consideration, we have determined that a court-supervised reorganization process is the best path to reorganize and strengthen our capital structure to invest in and grow our business well into the future.

Therefore, we have voluntarily filed petitions to reorganize under Chapter 11 of the U.S. Bankruptcy Code and under the Companies' Creditors Arrangement Act (CCAA) in Canada.

It is important for you to know that all of our facilities will continue normal business operations and Smurfit-Stone is moving forward in a "business as usual" mode. Be assured that we will continue to provide you with an uninterrupted supply of products and services.

The company has sufficient cash and liquidity on hand; in fact, we have already received court approval to utilize \$550 million of the \$750 million in financing commitments we have received from our lenders, and we will apply for approval for the full amount at a hearing in February. This financing ensures we have the necessary liquidity to continue normal business during this process.

Over the past three years, we have made significant progress transitioning Smurfit-Stone into a more cost competitive, streamlined company with top talent and a stronger focus on customer service and quality. Now, through this process, we are reorganizing our capital structure to become a more financially healthy company. We expect to emerge from this process as a stronger, more competitive, better-positioned company.



Please be assured that we continue to value and appreciate your business. We will do our best to keep you informed of our progress as we move through the Chapter 11 and CCAA processes.

In the meantime, if you would like additional information, please visit our website, www.smurfitstone.com, for regular updates, or contact your Smurfit-Stone representative.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat Moore".

Pat Moore
Chairman and CEO

A handwritten signature in black ink, appearing to read "Steve Klinger".

Steve Klinger
President and COO