

The Depository Trust Company

IMPORTANT

B#: 0742

DATE: October 04, 2000

TO: All participants

CATEGORY: Dividends

FROM: Susan Mayham, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers, Operations and Dividends

SUBJECT: Foreign Tax Withholding Service
Security: Jefferson Smurfit Group PLC CUSIP: 47508W107
R/D: 10/06/00 P/D: 11/01/00
Country: Ireland

DTC has been notified by Morgan Guaranty Trust Company of New York, the depository bank for the above issue, that Jefferson Smurfit Group PLC has declared a cash dividend to holders of record October 06, 2000 (the "Record Date") payable on November 01, 2000 (the "Payment Date"). Qualifying United States beneficial owners are entitled to a reduced tax rate of 0% rather than the statutory withholding tax rate of 22% with the exception of shares effectively connected with the beneficial owner's permanent establishment in Ireland.

Participants can use the DTC's Elective Dividend System (EDS) function over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable withholding tax rate.

NOTE: THE DEADLINE FOR CERTIFYING OVER EDS IS OCTOBER 12, 2000.

By certifying for the applicable withholding tax rate, the Participant is certifying that the criteria listed below have been met.

U.S. BENEFICIAL OWNERS ENTITLED TO RECEIVE THE 100% DIVIDEND RATE (EXEMPT 0% RATE)
The ultimate beneficial owner of the shares must have a U.S. address in the ADR register of the participant to be paid at the exempt 0% rate. (There is no need to provide a certificate of U.S. tax residence or an application for exemption from Irish dividend withholding tax if this condition is met.)

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PARTICIPANTS WHO DO NOT CERTIFY THROUGH EDS FOR THE FAVORABLE RATE WILL RECEIVE THE DIVIDEND WITH THE 22% IRISH DIVIDEND WITHHOLDING TAX (DWT) WITHHELD.

The participant will indemnify Morgan Guaranty Trust Company of New York (and its local custodian) for any liability they may incur as a result of their reliance on the information certified by the participant through the EDS System and will be responsible for any refunds of withholding tax to the Irish tax authorities through Morgan Guaranty Trust Company of New York, the depository. The participant will be liable for any foreign exchange fluctuations impacting the amount of refunds or claims with the Irish tax authorities.

The entity types below are not eligible for favorable rate relief via EDS. They may claim the entitled withholding tax through Morgan Guaranty Trust Company of New York/Globe Tax Services.

Resident Exemptions for Excluded Persons - Ireland's tax legislation provides an exemption from any dividend withholding tax (DWT) made to a resident of Ireland who is a beneficial dividend recipient and is within one of the following categories: an Irish resident company, a pension scheme, a qualifying employee share ownership trust, a collective investment undertaking, or a charity.

Qualifying Non-Resident Persons – Ireland's tax legislation provides an exemption from dividend withholding tax to qualifying non-resident persons who are beneficially entitled to the relevant distributions made and are within one of the following categories:

- Persons (other than companies) who are neither resident nor ordinarily resident in Ireland and who are resident for tax purposes in an EU Member State, other than Ireland, or in a country in which Ireland has a Double Taxation Agreement.
- Non-resident companies which are ultimately controlled by persons who are resident for tax purposes in an EU Member State, other than Ireland, or in a country with which Ireland has a Double Taxation Agreement.
- Non-resident companies, whose principal class of shares, or shares of another company of which the company which is a 75% subsidiary, is substantially and regularly traded on a recognized stock exchange in an EU Member State, other than Ireland, or in countries with which Ireland has a Double Taxation Agreement.

(Individual residents of Ireland may not benefit from the favorable rate program.)

Participants who miss the EDS certification deadline, as well as non-United States holders, may contact the following for information concerning filing a tax reclamation:

**Morgan Guaranty Trust Company of New York c/o Globe Tax Services
90 Broad Street – 8th Floor
New York, NY 10004
Attn: Clay Christensen
Telephone: 1-800-929-5484**

Please Note: Tax Reclaims are subject to a depository service charge equal to 0.003 per ADR with a minimum of \$25.00 and maximum of \$2,500.00.

Questions regarding this Important Notice may be directed to Mr. Steven McDonough or myself of DTC's Dividend Department at (212) 855-4524 or 4540 respectively.