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Graphic Packaging Holding Company Announces Kalamazoo, Michigan Mill for New Coated Recycled Board Machine Investment

ATLANTA, Sept. 24, 2019 /PRNewswire/ -- Graphic Packaging Holding Company (NYSE: GPK), (the "Company"), a leading provider of packaging solutions to food, beverage, foodservice, and other consumer products companies, today announced that its Kalamazoo, Michigan mill will be the location for the new coated recycled board (CRB) machine. The Company will invest \$600 million in the project, and the machine is expected to have an annual capacity of approximately 500,000 tons.



The CRB machine is designed to be the largest and lowest cost producer of CRB in North America. Upon completion of the project, the Company believes the CRB machine will produce the highest quality coated recycled board product in North America with the lowest-caliper capabilities in the industry. The Company expects the investment will be capacity neutral by eliminating higher cost production at other facilities and will deliver an incremental \$100 million in annualized EBITDA upon full ramp up in 2022. The investment will be funded from cash flow and existing credit facilities with most of the spending occurring in 2020 and 2021.

About Graphic Packaging Holding Company

Graphic Packaging Holding Company (NYSE: GPK), headquartered in Atlanta, Georgia, is committed to providing consumer packaging that makes a world of difference. The Company is a leading provider of paper-based packaging solutions for a wide variety of products to food, beverage, foodservice, and other consumer products companies. The Company operates on a global basis, is one of the largest producers of folding cartons and paper-based foodservice products in the United States, and holds leading market positions in coated recycled paperboard, coated unbleached kraft paperboard and solid bleached sulfate paperboard. The Company's customers include many of the world's most widely recognized companies and brands. Additional information about Graphic Packaging, its business and its products is available on the Company's web site at www.graphicpkg.com.

Forward Looking Statements

Any statements of the Company's expectations in this press release, including but not limited to, the capacity of the Company's new CRB machine and the quality and caliper of the paperboard produced, as well as the project's contribution to EBITDA upon achieving full production, constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from the Company's present expectations. These risks and uncertainties include, but are not limited to, inflation of and volatility in raw material and energy costs, continuing pressure for lower cost products, the Company's ability to implement its business strategies, including productivity initiatives, cost reduction plans, and integration activities, as well as the Company's debt level, currency movements and other risks of conducting business internationally, the impact of regulatory and litigation matters, including the continued availability of the Company's net operating loss offset to taxable income. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made and the Company undertakes no obligation to update such statements, except as required by law. Additional information regarding these and other risks is contained in the Company's periodic filings with the SEC.

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