

February 19, 2014



Graphic Packaging Holding Company Agrees to Acquire U.K. Based Benson Group

ATLANTA, Feb. 19, 2014 /PRNewswire/ --

Highlights

- Acquisition enhances Graphic Packaging's European platform by broadening its offerings in Food and Consumer Products and extending the business into the Store Brand Market
- Combination creates a \$700+ million business in Europe
- Acquisition complements Graphic Packaging's existing Food and Beverage business in Europe and provides an opportunity to further integrate our Coated Unbleached Kraft (SUS™) paperboard
- Expected to generate \$5-\$7 million of synergies over the next 18 months
- Benson Group had trailing twelve month sales of approximately \$200 million and EBITDA of nearly \$25 million

Graphic Packaging Holding Company (NYSE: GPK), a leading provider of packaging solutions to food, beverage and other consumer products companies, today announced that a European subsidiary has agreed to acquire Benson Group, a leading food and healthcare packaging company based in the U.K.

"We are very pleased to announce the acquisition of Benson Group," said David Scheible, Graphic Packaging's Chairman, President and Chief Executive Officer. "We believe Benson Group fits perfectly with our strategy in Europe. The acquisition broadens our Food and Consumer Products offerings and extends our reach into the Store Brand segment. The combination of Benson Group and our existing European businesses is expected to greatly enhance our folding carton business in Europe, with sales in excess of \$700 million. This combination also allows us to broaden our customer base and to offer our current global customers a wider range of new products and services. Like our strategy in the United States, we are committed to growing our European business around food and beverage end markets and optimizing our supply chain footprint around our customers' needs."

Under the terms of the transaction, the purchase price equates to approximately \$165 million. The transaction will be funded with existing cash and borrowings from the Company's current revolving line of credit. The Benson Group operates four folding carton facilities in the U.K. that convert approximately 80,000 tons of paperboard annually. The acquisition is subject to standard closing requirements and is expected to close in the second quarter.

Forward Looking Statements

Any statements of the Company's expectations in this press release constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements, including but not limited to those regarding the effect of the acquisition on the Company's competitive position, expected synergies and earnings and the timing of the closing, 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, the Company's ability to successfully integrate the acquisition and achieve synergies, the timing of regulatory approvals, inflation of and volatility in raw material and energy costs, cutbacks in consumer spending that could affect demand for the Company's products or actions taken by our customers in response to the difficult economic environment, continuing pressure for lower cost products, the Company's ability to implement its business strategies, including productivity initiatives and cost reduction plans, currency movements and other risks of conducting business internationally, volatility in the credit and securities markets and the impact of regulatory and litigation matters, including the continued availability of the Company's net operating loss offset to taxable income, and those that impact the Company's ability to protect and use its intellectual property. 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. Additional information regarding these and other risks is contained in the Company's periodic filings with the SEC.

About Graphic Packaging Holding Company

Graphic Packaging Holding Company (NYSE:GPK), headquartered in Atlanta, Georgia, is a leading provider of packaging solutions for a wide variety of products to food, beverage and other consumer products companies. The Company is one of the largest producers of folding cartons and holds a leading market position in coated-unbleached kraft, coated-recycled boxboard multi-wall bag and specialty packaging. The Company's customers include some of the most widely recognized companies in the world. Additional information about Graphic Packaging, its business and its products, is available on the Company's web site at www.graphicpkg.com.

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