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Graphic Packaging Agrees to Acquire Carton Craft Corporation

ATLANTA, June 13, 2017 /PRNewswire/ -- Graphic Packaging Holding Company (NYSE: GPK), today announced that its wholly owned subsidiary, Graphic Packaging International, Inc., has agreed to acquire substantially all the assets of Carton Craft Corporation and its affiliate Lithocraft, Inc.

Carton Craft is an independent converter focused on the production of paperboard based air filter frames and folding cartons, and operates two converting plants in New Albany, Indiana.

The combined businesses generated revenues of approximately \$70 million and strong converting EBITDA margins on an LTM basis. Synergies from the acquisition will be driven by the integration of additional CUK paperboard tons and cost efficiencies. On a post-synergy basis, the EV/EBITDA multiple for this transaction is expected to be below 6.0X.

"The announced transaction is consistent with our strategy to pursue acquisitions that allow us to increase our mill to converting plant integration levels into growing markets, provide a runway for further margin improvement, and that we can close at compelling post-synergy EV/EBITDA multiples," said President and CEO Michael Doss.

The acquisition is subject to standard closing requirements and regulatory review and is expected to close in the second quarter 2017.

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 integration levels and financial position, 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. 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 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 and other consumer product companies. The Company operates on a global basis, is one of the largest producers of folding cartons in the United States, and holds

leading market positions in coated unbleached kraft paperboard and coated-recycled 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.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/graphic-packaging-agrees-to-acquire-carton-craft-corporation-300472851.html>

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