

# GREIF INC

## FORM 8-K (Unscheduled Material Events)

Filed 6/12/1998 For Period Ending 6/12/1998

Address	425 WINTER ROAD DELAWARE, Ohio 43015
Telephone	740-549-6000
CIK	0000043920
Industry	Containers & Packaging
Sector	Basic Materials
Fiscal Year	10/31

# U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) June 12, 1998

### GREIF BROS. CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-566 (Commission File Number)	31-4388903 (I.R.S. Employer Identification No.)
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425 Winter Road, Delaware, Ohio (Address of principal executive offices)	43015 (Zip Code)
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Registrant's telephone number, including area code 740-549-6000

Not Applicable  
(Former name or former address, if changed since last report)

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**Item 5. Other Events**

On June 12, 1998, Greif Bros. Corporation announced second quarter results, quarterly cash dividends and a restructuring charge.

In the press release, the Company discussed its plan to consolidate 18 plants based on a study regarding consolidations to optimize the operating efficiencies and capabilities of the Company. As a result of the restructuring, the Company will recognize a charge of approximately \$27.5 million in the third quarter of 1998. A copy of the press release is included herewith as Exhibit 99.

**Item 7. Financial Statements and Exhibits**

(a) - (b) Not applicable

(c) Exhibits:

Exhibit Number	Description
99	Press Release issued June 12, 1998

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Greif Bros. Corporation**

*DATE: June 12, 1998*

*BY /s/ Michael J. Gasser  
Michael J. Gasser, Chairman  
and Chief Executive Officer*

## INDEX TO EXHIBITS

Exhibit Number	Description	Pages
99	Press Release issued June 12, 1998	4 - 6

**Exhibit 99**

**PRESS RELEASE ISSUED JUNE 12, 1998**

FOR IMMEDIATE RELEASE

For additional information contact:  
Michael J. Gasser  
Chairman and Chief Executive Officer  
(740) 549-6000

**GREIF BROS. CORPORATION  
ANNOUNCES SECOND QUARTER RESULTS,  
DECLARES QUARTERLY CASH DIVIDEND AND  
ANNOUNCES RESTRUCTURING RESERVE AND PLANT CONSOLIDATIONS**

DELAWARE, Ohio -- (June 12, 1998) Greif Bros. Corporation (Nasdaq: GBCOA; GBCOB) today announced results for the six months ended April 30, 1998. Net sales totaled \$360,966,000 for the first half of fiscal 1998 versus \$304,899,000 for the same period last year. Net income increased to \$22,208,000 for the six months ended April 30, 1998, compared to \$8,065,000 a year ago.

Michael J. Gasser, Chairman and CEO, stated, "We have been able to capitalize on the initiatives that we started a year ago, coupled with our operating strength and improvement in the containerboard market. All of these factors have enabled us to positively affect our first six months' results."

The Board of Directors declared quarterly cash dividends on both classes of the Company's common stock. The dividends, \$0.12 per share for Class A Common Stock and \$0.18 per share for Class B Common Stock, are payable on July 1, 1998 to stockholders of record as of June 22, 1998.

The Company recently completed a study concerning consolidation of operations in order to optimize operating efficiencies and capabilities. This included a review of facilities resulting from the recent acquisition of the industrial container business of Sonoco Products Company (NYSE:SON) as well as a number of other fibre, steel, plastic and corrugated plants.

The Company has formulated a plan to consolidate 18 plants and will recognize a restructuring charge of approximately \$27,500,000 in the third quarter of fiscal 1998. This reserve will primarily include employee separation costs as well as other anticipated plant closing costs. Management believes, upon completion of the consolidation, positive contributions to earnings from these actions could approximate an amount equal to the restructuring charge on an annualized basis. These contributions are expected to begin in the latter part of fiscal year 1998; however, the most significant impact will be realized in fiscal year 1999 when the plan is fully implemented. As part of this consolidation program the Company will be divesting excess facilities and proceeds will be recognized at the time of disposition. As a first step in this consolidation process, the Company announced the closure of one of its facilities in Charlotte, North Carolina, one of its facilities in Atlanta, Georgia and the closure of the Company's Carteret, New Jersey facility.

Michael J. Gasser also stated, "Combining plants will allow Greif Bros. Corporation to be more efficient in delivering to customers the most innovative and cost effective packaging to meet their needs."

Statements made in this release which state the Company's or management's intentions, hopes, beliefs, expectations, or predictions of the future are forward-looking statements. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements are contained in the Company's SEC filings, including but not limited to the Company's report on Form 10-K and Annual Report for the year ended October 31, 1997.

Greif Bros. Corporation manufactures and markets a broad variety of superior quality industrial packaging and components including steel drums, fibre drums, plastic drums and multiwall bags. The Company is integrated, from its timberlands to corrugated sheet and box operations, including both virgin and recycled paper mills. With operations in the United States, Canada and Mexico, Greif Bros. provides innovative products, services and solutions to meet the ever changing needs of its customers.

GREIF BROS. CORPORATION  
FINANCIAL HIGHLIGHTS  
(Dollars in thousands, except per share amounts)

	Three months ended April 30, 1998	1997	Six Months Ended April 30, 1998	1997
Net Sales	\$191,269	\$152,529	\$360,966	\$304,899
Other income:				
Gain on timber sales	3,382	2,058	6,169	3,597
Interest and other	2,316	4,649	4,826	7,116
Total	196,967	159,236	371,961	315,612
Costs and expenses:				
Cost of products sold	153,632	134,921	291,809	266,250
Selling, general and administrative	21,272	17,812	41,596	35,024
Interest	2,201	923	3,431	1,673
Total	177,105	153,656	336,836	302,947
Income before income taxes	19,862	5,580	35,125	12,665
Taxes on income	7,270	2,000	12,917	4,600
Net income	\$ 12,592	\$ 3,580	\$ 22,208	\$ 8,065
Average Shares (Basic):				
Class A Common Stock	10,904,755	10,873,172	10,903,359	10,873,172
Class B Common Stock	12,001,793	12,001,793	12,001,793	12,001,793
Average Shares (Diluted):				
Class A Common Stock	10,977,776	10,886,060	10,967,744	10,886,060
Class B Common Stock	12,001,793	12,001,793	12,001,793	12,001,793
Net Income Per Share (Basic and Diluted):				
Class A Common Stock	\$0.52	\$0.12	\$0.91	\$0.26
Class B Common Stock	\$0.58	\$0.18	\$1.02	\$0.43

	April 30, 1998	October 31, 1997
Total Assets	\$829,497	\$550,089
Total Shareholders' Equity	\$412,668	\$400,138

**End of Filing**

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