

# Packaging Corp. 4Q Profit Up, Outlook Wary

The Associated Press

LAKE FOREST, Ill. (AP) — Packaging Corp. of America's net income climbed 54 percent in its fourth quarter, buoyed by higher prices and sales as well as lower costs for recycled fiber and energy.

But the producer of containerboard and corrugated packaging product issued an outlook for the current quarter that fell short of analyst estimates. Packaging Corp. warned that containerboard production would drop from the end of last year, while costs for energy, labor and benefits and some materials were rising. The company predicted that price increases would help offset some of these costs.

In the three months ended Dec. 31, Packaging Corp. earned \$61 million, or 63 cents per share, up from \$39.5 million, or 40 cents per share, in the prior-year period.

Removing state income tax adjustments and plant closing costs, earnings were 61 cents per share. Analysts expected earnings of 62 cents per share, according to a FactSet poll.

Revenue rose 13 percent to \$736.6 million from \$654.3 million, as shipments increased nearly 8 percent per work day. Wall Street forecast \$715.7 million.

For the full year, the Lake Forest, Ill., company earned \$163.8 million, or \$1.68 per share. In 2011, it earned \$158 million, or \$1.57 per share. Revenue increased 8.5 percent to \$2.84 billion.

For the current quarter, Packaging Corp. anticipated earnings of 56 cents per share. Analysts predict 63 cents per share.

Packaging Corp. of America has four paper mills and 71 corrugated products plants in 26 states.

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