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On January 20, 2004, Buckeye Technologies Inc. (the "Company") issued a press release regarding its results of operations for the three and six months ended December 31, 2003, including a statement of operations for those periods, a consolidated balance sheet as of December 31, 2003, a consolidated statement of cash flow for those periods, and supplemental financial data. In addition, on January 21, 2004, the Company will hold a teleconference at 9:30 a.m. Central to discuss the second quarter. The teleconference can be accessed via the website www.streetevents.com, the Company's website homepage at www.bkitech.com or via telephone at (800) 310-1961 within the United States or (719) 457-2692 for international callers.

SIGNATURE

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, thereunto duly authorized,

BUCKEYE TECHNOLOGIES INC.

/S/ KRISTOPHER J. MATULA

Kristopher J. Matula
Executive Vice President and Chief Financial Officer
January 20, 2004

News from
[OBJECT OMITTED]

FOR IMMEDIATE RELEASE

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Buckeye Technologies Inc. (ticker: BKI, exchange: New York Stock Exchange) News Release - 20-Jan-2004

Buckeye Reports October-December Results

MEMPHIS, Tenn.--(BUSINESS WIRE)--Jan. 20, 2004--Buckeye Technologies Inc. (NYSE:BKI) today announced that it incurred a loss of \$10.0 million after tax (27 cents per share) in the quarter ended December 31, 2003. The loss was due to the combination of previously reported refinancing, restructuring, and impairment costs of \$3.8 million after tax (10 cents per share) and higher than normal expenses which were described in the Company's December 16 earnings warning. The actual results are within the 27-30 cents per share loss estimate which was previously provided.

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Net sales for the October-December quarter were \$160.3 million, 5% above the \$153.1 million in the same quarter of the prior year and 3% above the \$155.8 million in the immediately preceding quarter which ended September 30, 2003.

Buckeye Chairman David B. Ferraro commented, "Although we are extremely disappointed in our October-December results, the high costs which led to these losses are related to special situations and one-time events in the just completed quarter. We are pleased with the growth in our sales and confident that this will continue over the remainder of the fiscal year."

Buckeye, a leading manufacturer and marketer of specialty cellulose and absorbent products, is headquartered in Memphis, Tennessee, USA. The Company currently operates facilities in the United States, Germany, Canada, Ireland and Brazil. Its products are sold worldwide to makers of consumer and industrial goods.

Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws that involve risks and uncertainties, including but not limited to economic, competitive, governmental, and technological factors affecting the Company's operations, financing, markets, products, services and prices, and other factors. For further information on factors which could impact the Company and the statements contained herein, please refer to public filings with the Securities and Exchange Commission.

BUCKEYE TECHNOLOGIES INC. CONSOLIDATED BALANCE SHEETS (in \$000)

	December 31 2003	June 30 2003
	-----	-----
Assets		
Current assets:		
Cash and cash equivalents	\$ 15,269	\$ 49,977
Cash, restricted	-	3,375
Accounts receivable, net	108,430	126,283
Inventories	127,211	136,705
Deferred income taxes and other	30,754	26,307
	-----	-----
Total current assets	281,664	342,647
Property, plant and equipment, net	604,981	594,138
Goodwill, net	134,213	129,631
Intellectual property and other, net	43,067	44,239
	-----	-----
Total assets	\$1,063,925	\$1,110,655
	=====	=====
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	\$ 26,612	\$ 37,007
Accrued expenses	41,498	48,360
Current portion of capital lease obligations	607	583
Current portion of long-term debt	-	41,718
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Total current liabilities	68,717	127,668

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Long-term debt	621,210	619,474
Deferred income taxes	79,948	79,498
Capital lease obligations	2,390	2,700
Other liabilities	19,631	19,431
Stockholders' equity	272,029	261,884
	-----	-----
Total liabilities and stockholders' equity	\$1,063,925	\$1,110,655
	=====	=====

BUCKEYE TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in \$000)

	Three Months Ended		
	December 31, 2003	September 30, 2003	December 31, 2002
	-----	-----	-----
Net sales	\$ 160,279	\$ 155,831	\$ 153,146
Cost of goods sold	143,993	133,870	131,351
	-----	-----	-----
Gross margin	16,286	21,961	21,795
Selling, research and administrative expenses	12,948	9,592	8,837
Impairment of long-lived assets	942	-	-
Restructuring costs	2,691	1,038	-
	-----	-----	-----
Operating income	(295)	11,331	12,958
Net interest expense and amortization of debt costs	12,510	11,177	11,683
Loss on early extinguishment of debt	1,640	3,300	-
Foreign exchange, amortization of intangibles, other	1,125	429	928
	-----	-----	-----
Income (loss) before income taxes	(15,570)	(3,575)	347
Income tax benefit	(5,557)	(1,144)	(193)
	-----	-----	-----
Net income (loss)	\$ (10,013)	\$ (2,431)	\$ 540
	=====	=====	=====
Earnings (loss) per share			
Basic earnings (loss) per share	\$ (0.27)	\$ (0.07)	\$ 0.02
Diluted earnings (loss) per share	\$ (0.27)	\$ (0.07)	\$ 0.02
Weighted average shares for basic earnings per share	37,008,996	36,974,915	35,743,955

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Adjusted weighted average shares for diluted earnings per share	37,008,996	36,974,915	35,743,955
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	Six Months Ended	
	December 31, 2003	December 31, 2002
Net sales	\$ 316,110	\$ 309,571
Cost of goods sold	277,863	267,395
Gross margin	38,247	42,176
Selling, research and administrative expenses	22,540	17,780
Impairment of long-lived assets	942	-
Restructuring costs	3,729	-
Operating income	11,036	24,396
Net interest expense and amortization of debt costs	23,687	23,809
Loss on early extinguishment of debt	4,940	-
Foreign exchange, amortization of intangibles, other	1,554	1,018
Income (loss) before income taxes	(19,145)	(431)
Income tax benefit	(6,701)	(452)
Net income (loss)	\$ (12,444)	\$ 21
Earnings (loss) per share		
Basic earnings (loss) per share	\$ (0.34)	\$ 0.00
Diluted earnings (loss) per share	\$ (0.34)	\$ 0.00
Weighted average shares for basic earnings per share	36,991,956	36,957,048
Adjusted weighted average shares for diluted earnings per share	36,991,956	36,972,821

BUCKEYE TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(\$000)

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	Three Months Ended			Six Months Ended	
	Dec. 31, 2003	Sept. 30, 2003	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2002
OPERATING ACTIVITIES					
Net income (loss)	\$ (10,013)	\$ (2,431)	\$ 540	\$ (12,444)	\$ 21
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Impairment of long- lived assets	942	-	-	942	-
Depreciation	11,539	11,186	11,633	22,725	23,060
Amortization	1,073	1,441	1,429	2,514	2,931
Loss on early extinguishment of debt	1,640	3,300	-	4,940	-
Deferred income taxes and other	1,983	1,359	814	3,342	2,371
Change in operating assets and liabilities					
Accounts receivable	1,268	16,169	8,378	17,437	2,218
Inventories	14,871	(1,615)	(4,207)	13,256	(28)
Other assets	(1,911)	(3,603)	2,508	(5,514)	1,733
Accounts payable and other current liabilities	(19,051)	(251)	(14,611)	(19,302)	(16,681)
Net cash provided by operating activities	2,341	25,555	6,484	27,896	15,625
INVESTING ACTIVITIES					
Purchases of property, plant & equipment	(11,465)	(9,725)	(6,609)	(21,190)	(11,196)
Other	10	(303)	(216)	(293)	(427)
Net cash used in investing activities	(11,455)	(10,028)	(6,825)	(21,483)	(11,623)
FINANCING ACTIVITIES					
Proceeds from exercise of options	433	-	-	433	-
Net borrowings/ (payments) under revolving lines of credit	(154,605)	(58,110)	858	(212,715)	(4,923)
Issuance of long-term debt	150,000	200,000	-	350,000	-
Payments for debt issuance costs	(3,199)	(6,029)	(291)	(9,228)	(671)
Payments related to early extinguishment of debt	-	(2,115)	-	(2,115)	-
Proceeds from					

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termination of swap	4,000	-	-	4,000	-
Payments on long term debt and other	(520)	(172,141)	(67)	(172,661)	(22,264)
Net cash provided by (used in) financing activities	(3,891)	(38,395)	500	(42,286)	(27,858)
Effect of foreign currency rate fluctuations on cash	1,992	(827)	479	1,165	105
Increase (Decrease) in Cash and Cash Equivalents	(11,013)	(23,695)	638	(34,708)	(23,751)
Cash and Cash Equivalents at beginning of period	26,282	49,977	31,617	49,977	56,006
Cash and Cash Equivalents at end of period	\$15,269	\$26,282	\$32,255	\$15,269	\$32,255

BUCKEYE TECHNOLOGIES INC.
SUPPLEMENTAL FINANCIAL DATA
(in \$000)

	Three Months Ended			Six Months Ended	
SEGMENT RESULTS	Dec. 31, 2003	Sept. 30, 2003	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2002
Specialty Fibers					
Net sales	\$114,588	\$107,318	\$113,880	\$221,906	\$226,225
Operating income(b)	2,822	10,291	12,745	13,113	24,385
Depreciation and amortization(a)	6,897	6,704	7,462	13,601	14,995
Capital expenditures	10,767	9,089	6,152	19,856	9,718
Nonwoven Materials					
Net sales	\$ 51,185	\$ 53,210	\$ 45,853	\$104,395	\$ 93,241
Operating income(b)	1,149	2,487	312	3,636	796
Depreciation and amortization(a)	4,467	4,268	3,762	8,735	7,553
Capital expenditures	543	599	521	1,142	1,194
Corporate					
Net sales	\$ (5,494)	\$ (4,697)	\$ (6,587)	\$ (10,191)	\$ (9,895)
Operating income(b)	(4,266)	(1,447)	(99)	(5,713)	(785)
Depreciation and					

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amortization(a)	837	825	1,177	1,662	2,138
Capital expenditures	155	37	(64)	192	284
Total					
Net sales	\$160,279	\$155,831	\$153,146	\$316,110	\$309,571
Operating income(b)	(295)	11,331	12,958	11,036	24,396
Depreciation and amortization(a)	12,201	11,797	12,401	23,998	24,686
Capital expenditures	11,465	9,725	6,609	21,190	11,196

(a) Depreciation and amortization includes depreciation, depletion and amortization of intangibles. Only the Corporate grouping has amortization of intangibles that is excluded from the determination of operating income.

(b) Asset impairment and restructuring costs are included in operating income for the corporate segment.

	Three Months Ended			Six Months Ended	
	Dec. 31, 2003	Sept. 30, 2003	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2002
ADJUSTED EBITDA					
Net income (loss)	\$ (10,013)	\$ (2,431)	\$ 540	\$ (12,444)	\$ 21
Income tax expense	(5,557)	(1,144)	(193)	(6,701)	(452)
Net interest expense	11,958	10,500	11,022	22,458	22,504
Amortization of debt costs	552	677	661	1,229	1,305
Early extinguishment of debt	1,640	3,300	-	4,940	-
Depreciation, depletion and amortization	12,201	11,797	12,094	23,998	24,233
EBITDA	10,781	22,699	24,124	33,480	47,611
Interest income	210	250	239	460	566
Asset impairments	942	-	-	942	-
Loss on disposal of assets	530	144	99	674	322
Restructuring charges	2,691	1,038	-	3,729	-
Adjusted EBITDA	\$ 15,154	\$ 24,131	\$ 24,462	\$ 39,285	\$ 48,499
	=====	=====	=====	=====	=====

We calculate EBITDA as earnings before net interest expense plus income taxes and depreciation and amortization. Adjusted EBITDA further adjusts EBITDA by adding back the following items: interest income, cumulative effect of changes in accounting, asset impairment charges, restructuring charges and other (gains) losses. You should not consider adjusted EBITDA to be an alternative measure of our net income, as an indicator of operating performance; or our cash flow, as an indicator of liquidity. Adjusted EBITDA corresponds with the definition contained in our US revolving credit facility which had availability of \$55.2 million on December 31, 2003, and it provides useful information

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concerning our ability to comply with debt covenants. Although we believe adjusted EBITDA enhances your understanding of our financial condition, this measure, when viewed individually, is not a better indicator of any trend as compared to other measures (e.g., net sales, net earnings, net cash flows, etc.).