

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): December 16, 1998
(December 2, 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 (IRS Employer Identification No.)
425 Winter Road, Delaware, Ohio (Address of principal executive offices)		43015 (Zip Code)

Registrant's telephone number, including area code: (740) 549-6000

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

Item 5. Other Events.

On December 2, 1998, Greif Bros. Corporation, a Delaware corporation (the "Company"), and Abzac s.a., a privately held company in France ("Abzac"), signed a letter of intent to exchange the Company's spiral core business for a 49% equity interest in Abzac's fibre drum business. The Company's spiral core operations include three locations: Bowmanville, Ontario, Fort Frances, Ontario and Pointe-Aux-Trembles, Quebec in Canada. Abzac's fibre drum operations include three locations: Lyon, Anvin and Abzac in France.

The transaction is subject to due diligence and is anticipated to be completed during the second calendar quarter of 1999.

The letter of intent is described in the press release issued by the Company on December 7, 1998, which is included herewith as Exhibit 99.

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: December 16, 1998

By /s/ Michael J. Gasser
Michael J. Gasser
Chairman and Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
99	Press release issued by Greif Bros. Corporation on

FOR IMMEDIATE RELEASE

For additional information contact:
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Robert A. Lentz and Associates
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Greif Bros. Corporation Announces Investment
in French Fibre Drum Manufacturer

DELAWARE, Ohio (December 7, 1998) Greif Bros. Corporation (Nasdaq: GBCOA/GBCOB and Abzac, a privately held company in France, today announced a letter of intent for the exchange of Greif Bros. Corporation's ("Greif") spiral core manufacturing asset for a 49% equity interest in Abzac's fibre drum business. Greif manufactures spiral cores in 3 locations through its wholly-owned subsidiary in Canada, Greif Containers, Inc. Abzac, through one of its subsidiaries, is the leading manufacturer of fibre drums in France. The transaction is subject to the normal due diligence process and is anticipated to be completed during the second calendar quarter of 1999.

Michael J. Gasser, Chairman and CEO of Greif Bros. Corporation, stated, "We are extremely pleased with the opportunity to work with Abzac in the growth of the fibre drum business in France. We have the utmost respect for their company. This transaction is expected to leverage the strengths of both companies and also represents our initial expansion beyond North America."

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.