

U. S. SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

**FORM 11-K**

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES AND EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2004

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES AND EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-3203

**SALARIED EMPLOYEES' STOCK PURCHASE PLAN**  
(Full title of the plan)

**CHESAPEAKE CORPORATION**

1021 East Cary Street

P. O. Box 2350

Richmond, Virginia 23218-2350

(Name of issuer of the securities held pursuant to the plan  
and the address of its principal executive office)

## **SALARIED EMPLOYEES' STOCK PURCHASE PLAN**

### **Administration of the Salaried Employees' Stock Purchase Plan:**

The Salaried Employees' Stock Purchase Plan (the "Plan") is administered by the Salaried Employees' Stock Purchase Plan Committee (the "Committee") under the direction of the Board of Directors of Chesapeake Corporation (the "Corporation"). The present members of the Committee are as follows:

<b>Name</b>	<b>Address</b>
David A. Winter* (1)	Richmond, Virginia 23218
J. P. Causey Jr. (2)	Richmond, Virginia 23218
Andrew J. Kohut (3)	Richmond, Virginia 23218

- (1) Mr. Winter is Director - Human Resources of the Corporation.
  - (2) Mr. Causey is Executive Vice President, Secretary & General Counsel of the Corporation.
  - (3) Mr. Kohut is Executive Vice President & Chief Financial Officer of the Corporation.
- \*Committee Chairman

Committee members are appointed by and serve at the pleasure of the Board of Directors of the Corporation. Committee members are employees of the Corporation and receive no additional compensation for serving on the Committee. The Plan provides that the Corporation will indemnify members of the Committee to the same extent and on the same terms as it indemnifies its officers and directors by reason of their being officers and directors.

### **Financial Statements and Exhibits:**

#### **(a) Financial statements:**

##### **Salaried Employees' Stock Purchase Plan:**

Statements of Financial Condition  
Statements of Income and Changes in Plan Equity  
Notes to Financial Statements

#### **(b) Exhibits:**

Exhibit 23.1 - Consent of Independent Registered Public Accounting Firm

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the members of the Salaried Employees' Stock Purchase Plan Committee (the "Committee") have duly caused this annual report to be signed by the undersigned hereunto duly authorized.

### SALARIED EMPLOYEES' STOCK PURCHASE PLAN

By: /s/Andrew J. Kohut  
Andrew J. Kohut  
Executive Vice President & Chief Financial Officer,  
Chesapeake Corporation  
Committee Member

June 25, 2004

## **Report of Independent Registered Public Accounting Firm**

To the Participants and Administrator of the Salaried Employees' Stock Purchase Plan:

In our opinion, the accompanying statements of financial condition and the related statements of income and changes in plan equity present fairly, in all material respects, the financial position of the Salaried Employees' Stock Purchase Plan (the "Plan") at March 31, 2004 and 2003, and the income and changes in plan equity for each of the three years in the period ended March 31, 2004, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/PRICEWATERHOUSECOOPERS LLP

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PRICEWATERHOUSECOOPERS LLP

Richmond, Virginia  
June 16, 2004

## SALARIED EMPLOYEES' STOCK PURCHASE PLAN

### STATEMENTS OF FINANCIAL CONDITION

March 31, 2004 and 2003

	2004	2003
	-----	-----
Asset:		
Funds held by Chesapeake Corporation and participating subsidiaries (Note 4)	\$288	\$136
	=====	=====
Plan Equity	\$288	\$136
	=====	=====

*The accompanying notes are an integral part of these financial statements.*

### STATEMENTS OF INCOME AND CHANGES IN PLAN EQUITY

For the years ended March 31, 2004, 2003 and 2002

	2004	2003	2002
	-----	-----	-----
Contributions (Notes 1 and 6):			
Employees	\$130,493	\$135,442	\$327,080
Employer: \$25,731 in 2004, \$25,758 in 2003, \$53,960 in 2002; less withheld taxes of \$8,513, \$9,095, and \$19,361, respectively	17,218	16,663	34,599
	-----	-----	-----
	147,711	152,105	361,679
Deductions:			
Purchase and distribution to employees at year end of 6,108 shares in 2004 (\$23.84 per share), 9,112 shares in 2003 (\$15.88 per share), 6,782 shares in 2002 (\$27.12 per share) of common stock of Chesapeake Corporation (Note 1)	145,615	144,694	183,938
Refunds to employees withdrawing from the Plan attributable to (Note 1):			
Employees' contributions for the year	1,944	7,472	165,203
Employees' account balances at beginning of year	-	161	3,975
Employer's match (net of taxes)	-	-	12,890
	-----	-----	-----
	147,559	152,327	366,006
	-----	-----	-----
Increase (decrease) in plan equity before transfers	152	(222)	(4,327)
Net transfers from Hourly Employees' Stock Purchase Plan	-	-	316
	-----	-----	-----
Increase (decrease) in plan equity	152	(222)	(4,011)
Plan equity, beginning of year	136	358	4,369
	-----	-----	-----
Plan equity, end of year	\$ 288	\$ 136	\$ 358
	=====	=====	=====

*The accompanying notes are an integral part of these financial statements.*

## **SALARIED EMPLOYEES' STOCK PURCHASE PLAN**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Description of the Plan:**

The stockholders of Chesapeake Corporation (the "Corporation") have approved the Salaried Employees' Stock Purchase Plan (the "Plan") and reserved a total of 2,587,559 shares of the Corporation's common stock for sale to certain eligible full-time salaried employees, as defined, of the Corporation and participating subsidiaries (the "Employer").

The Plan is administered by the Salaried Employees' Stock Purchase Plan Committee (the "Committee"), whose members are appointed by the Corporation's Board of Directors and are employees of the Corporation. Participants in the Plan are permitted to contribute between one and five percent of their basic compensation, as defined by the Plan. The Employer contributes to the Plan, as of the end of the Plan Year, a percentage (determined by the Committee, from 20% up to 60%) of the participant's contribution reduced by amounts required to be withheld under income tax, Federal Insurance Contributions Act tax and comparable laws. For each of the fiscal years 2004, 2003 and 2002, the employer contribution was 20.0% of the participants' contributions net of refunds. The combined amount will be applied to purchase from the Corporation shares of its common stock at a price equal to the average of the closing prices of such common stock on the New York Stock Exchange (composite tape) for the 20 consecutive trading days immediately preceding the last day of the Plan Year. The funds held by the Employer at the end of the year represent the remaining amounts in participants' accounts after the purchase of whole shares as the Plan does not provide for the purchase of fractional shares.

As of March 31, 2004, 2,373,826 shares (6,108 shares in the current year and 2,367,718 in prior years) of the Corporation's common stock had been issued under the Plan and 213,733 shares were available for future issuance.

An employee's participation in the Plan terminates if the participant ceases to be employed by the Employer for any reason, including death. A participant who retires may continue to participate in the Plan until the end of the next Plan Year following the date of the participant's retirement without making future contributions. A participant may also voluntarily terminate his participation in the Plan at any time. The Plan provides that any participant whose participation in the Plan terminates and who receives a refund of contributions will also receive an interest payment for the contributions credited as of the end of the calendar quarter preceding the date participation in the Plan is terminated. The Committee will prescribe the applicable interest rate, or the manner in which such interest rate will be determined, for each Plan year. The interest rate for Plan years commencing April 1, 1995 and later has been 5% per annum compounded quarterly. This interest rate will stay in effect from year to year unless it is changed by the Committee. For the Plan years ended March 31, 2004, 2003, and 2002, the Employer paid \$18, \$136 and \$548 of interest, respectively, to employees withdrawing from the Plan. An individual who terminates participation in the Plan forfeits all rights to any contribution from the employer with respect to the Plan year that includes the date of such termination, except for any interest credit. Participants have a 100% vested interest in their contributions.

#### **2. Plan Year:**

The fiscal year of the Plan ends each March 31 (the "Plan Year").

## NOTES TO FINANCIAL STATEMENTS, continued

### 3. Accounting Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

### 4. Funds Held by Chesapeake Corporation and Participating Subsidiaries:

Funds received or held by the Employer with respect to the Plan may be used for any corporate purpose; therefore, the Plan does not prevent the Employer from creating a lien on these funds.

### 5. Taxes and Expenses:

The Plan is not qualified under Section 401(a) of the Internal Revenue Code and is not subject to the provisions of the Employee Retirement Income Security Act of 1974. The Employer's contribution, when made to the Plan, is taxable to a participant as ordinary income. Purchases of stock by the Plan result in no gain or loss to the participant; therefore, no tax consequences are incurred by a participant upon receipt of stock purchased under the Plan. Sale by a participant of shares acquired under the Plan will result in a gain or loss in an amount equal to the difference between the sale price and the price paid for the stock acquired pursuant to the Plan. The Plan is not subject to income taxes.

Expenses of administering the Plan are borne by the Employer.

### 6. Contributions to the Plan:

Contributions (net of withheld taxes) were as follows:

	For the Year Ended March 31,					
	2004		2003		2002	
	Employer	Employees	Employer	Employees	Employer	Employees
Chesapeake Corporation	\$16,266	\$122,732	\$13,299	\$103,663	\$17,146	\$159,863
Subsidiaries:						
Delmarva Properties, Inc.	-	-	2,595	25,300	3,790	30,269
Green Printing and Packaging Company	952	7,761	769	6,479	620	6,152
Chesapeake Display and Packaging Company and subsidiaries	-	-	-	-	9,566	98,356
Chesapeake Packaging Co. and Capitol Packaging Corp.	-	-	-	-	3,477	32,440
Totals	\$17,218	\$130,493	\$16,663	\$135,442	\$34,599	\$327,080
	=====	=====	=====	=====	=====	=====

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
23.1	Consent of Independent Registered Public Accounting Firm