



## Sonoco Completes Purchase of Hayes Manufacturing

October 25, 2001

HARTSVILLE, S.C., Oct. 25 /PRNewswire/ -- Sonoco (NYSE: SON), the global packaging company, has completed its previously announced all-cash purchase of privately held Hayes Manufacturing Group Inc., a manufacturer of paper-based tubes, cores and composite cans headquartered in Neenah, Wis., it was announced today by Harris E. DeLoach, Jr., president and chief executive officer. The purchase price was not revealed.

(Photo: <http://www.newscom.com/cgi-bin/prnh/19991006/SNCLOGO>)

The purchase of Hayes, which had 2000 sales of approximately \$56 million, is expected to be accretive to Sonoco's earnings by approximately \$.03 to \$.04 per share in the first year.

Hayes produces paper-based tubes and cores serving the paper, plastic, foil/metal, paper converters, tape/label and construction industries. This sector accounts for approximately 80% of total sales. The composite can business provides approximately 20% of total sales.

Hayes consumes over 50,000 tons of paperboard annually, including approximately 24,000 tons from U.S. Paper Mills, which Sonoco recently purchased. Most of the remaining tonnage used by Hayes will be produced from Sonoco's paper mills. Hayes will also provide Sonoco with several additional specialty product lines for its composite can operations.

DeLoach said that the recently announced acquisitions of Hayes Manufacturing; U.S. Paper Corp.; Cumberland Wood Products; Phoenix Packaging Corp.; the Kaiping, China, converting facility; and the pending acquisition of the Hutchinson, Kansas, paper mill should add approximately \$.10 in additional earnings per diluted share on an annualized basis to be phased in over the next twelve months. He said that on an aggregate basis, the Company paid approximately one-time annual sales for these acquisitions. He noted that these acquisitions should add approximately \$215 million in annual trade sales.

Sonoco, founded in 1899, is a \$2.7 billion manufacturer of industrial and consumer packaging products and provider of packaging services, with approximately 295 operations in 33 countries serving customers in 85 nations. For more information on the Company, visit our website at [www.sonoco.com](http://www.sonoco.com).

Statements included herein that are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are based on current expectations, estimates and projections about the company's industry, management's beliefs and certain assumptions made by management. Such information includes, without limitation, discussions as to estimates, expectations, beliefs, plans, strategies and objectives concerning the company's future financial and operating performance.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially from those expressed or forecasted in such forward-looking statements. Such risks and uncertainties include, without limitation: availability and pricing of raw materials; success of new product development and introduction; ability to maintain or increase productivity levels; international, national and local economic and market conditions; ability to maintain market share; pricing pressures and demand for products; continued strength of the company's paperboard-based tube, core and composite can operations; currency stability and the rate of growth in foreign markets; and actions of government agencies. Additional information concerning some of the factors that could cause materially different results is included in the company's reports on Forms 10-K, 10-Q and 8-K filed with the Securities and Exchange Commission. Such reports are available from the Securities and Exchange Commission's public reference facilities and its Internet website or from the Company's investor relations department.

MAKE YOUR OPINION COUNT - [Click Here](#)

<http://tbutton.prnewswire.com/prn/11690X17542719>

SOURCE Sonoco

Web site: <http://www.sonoco.com>

Photo: NewsCom: <http://www.newscom.com/cgi-bin/prnh/19991006/SNCLOGO> AP Archive: <http://photoarchive.ap.org> PRN Photo Desk, 888-776-6555 or 212-782-2840

CONTACT: Allan V. Cecil, Vice President, Sonoco, +1-843-383-7524, or [allan.cecil@sonoco.com](mailto:allan.cecil@sonoco.com)

CAPTION: SNCLOGO SONOCO LOGO Sonoco Logo. (PRNewsFoto)[KC] HARTSVILLE, SC USA 10/06/1999