Sonoco Completes Sale of High Density Film Business

December 24, 2003

HARTSVILLE, S.C., Dec. 24 /PRNewswire-FirstCall/ -- Sonoco (NYSE: SON), the global packaging company, has completed the previously announced sale of its High Density Film business, it was announced today by Harris E. DeLoach, Jr., president and chief executive officer. The sale is expected to result in a net gain on the disposition of approximately $.50 per diluted share in the fourth quarter of 2003.

(Logo: http://www.newscom.com/cgi-bin/prnh/19991006/SNCLOGO)

Sonoco's High Density Film business was sold at a price of approximately $119 million, including about $81 million in cash plus subordinated notes and preferred nonvoting membership interests, to Hilex Poly Co., LLC, a member of the HPC Group of Companies, Los Angeles, Calif., and DCH Investment Holdings, LLC, an affiliate of Dewberry Cesinger Hodgson of Atlanta, Ga., and Los Angeles, Calif., the private equity firm affiliate of Atlanta-based Dewberry Capital Corporation. Through the first nine months of 2003, High Density Film operations accounted for approximately $6.5 million of Sonoco's net income.

Sonoco's High Density Film business produces plastic grocery, retail, produce and quick service bags, and agricultural film from five plants in the United States, which have approximately 800 employees, located at Hartsville, S.C.; Milesburg, Pa.; Mount Olive, N.C.; North Vernon, Ind.; and Victoria, Texas.

Sonoco, founded in 1899, is a global manufacturer of industrial and consumer products and provider of packaging services in some 85 nations. Additional information about Sonoco is available on its Web site at www.sonoco.com .

FORWARD-LOOKING STATEMENTS AND OTHER INFORMATION

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. The words "estimate," "project," "intend," "expect," "believe," "anticipate," "objective," "goal," and similar expressions identify forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding offsetting high raw material costs, adequacy of income tax provisions, refinancing of debt, adequacy of cash flows, effects of acquisitions and dispositions, adequacy of provisions for environmental liabilities and financial strategies and the results expected from them, and producing improvements in earnings. Such forward-looking statements are based on current expectations, estimates and projections about our 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 our 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 forecast 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; fluctuations in obligations and earnings of pension and postretirement benefit plans; ability to maintain market share; pricing pressures and demand for products; continued strength of our paperboard-based engineered carrier and composite can operations; anticipated results of restructuring activities; resolution of income tax contingencies; ability to successfully integrate newly acquired businesses into the Company's operations; currency stability and the rate of growth in foreign markets; use of financial instruments to hedge foreign exchange, interest rate and commodity price risk; actions of government agencies; and loss of consumer confidence and economic disruptions resulting from terrorist activities.

SOURCE Sonoco