



Sonoco Announces Agreement to Acquire CorrFlex Graphics

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CorrFlex one of nation's largest point-of-purchase display companies

HARTSVILLE, S.C., April 29 /PRNewswire-FirstCall/ -- Sonoco (NYSE: SON), the global packaging company, has signed a definitive agreement to acquire privately held CorrFlex Graphics, LLC, one of the nation's largest point-of-purchase (P-O-P) display companies, for an all-cash purchase price of approximately \$250 million, it was announced today by Harris E. DeLoach, Jr., president and chief executive officer.

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

The acquisition, which is subject to regulatory approval, is expected to be modestly accretive in the first year and is expected to generate sales on an annualized basis for 2004 of approximately \$200 million. The acquisition, to be known as Sonoco CorrFlex, is expected to close by the end of the second quarter.

CorrFlex, also doing business as CorrFlex Display & Packaging, is headquartered in Statesville, N.C., and has approximately 900 employees at 14 locations in the United States. The company designs, manufactures, assembles, packs and distributes temporary, semi-permanent and permanent P-O-P displays as well as provides contract packaging, co-packing and fulfillment services for major consumer product companies.

"The point-of-purchase business provides a cost-efficient and highly effective advertising, marketing, sales and distribution medium that helps meet the growing need of consumer product companies to increase "face time" with consumers. P-O-P, more effectively than any other medium, provides those companies with the opportunity to put their products in front of consumers at a place and time when consumers are making actual buying decisions, said DeLoach.

"This acquisition will significantly enhance our consumer segment strategy of being a total solutions provider in the markets we choose to serve. Sonoco's offerings across the consumer packaging supply chain include global brand artwork management through its Sonoco-Trident subsidiary which helps companies ensure consistent graphics across all media to protect and enhance their brands on a global basis. We also provide cylinder engraving capabilities at production facilities in Charlotte, N.C., and Toronto, Ontario, Canada, to help our customers achieve high quality printing of their packaging graphics. Our Pack Centers in North America and Europe, including the newest in Germany for Procter & Gamble, help manage our customers' packaging supply chain requirements from customized packing of their products to distribution. And now, through the acquisition of CorrFlex, we can help our customers sell more products more profitably through the use of high-impact point-of-purchase displays and CorrFlex's other services. This business also complements our protective packaging product, the SonoPop(TM) display system, currently serving primarily the club store market," explained DeLoach.

"This range of packaging services is required by virtually all companies selling products through retail channels and also helps provide Sonoco with additional selling opportunities for its broad base of packaging products, including rigid paper and plastic containers, flexible packaging and easy-open closures," DeLoach added.

Sonoco, founded in 1899, is a global manufacturer of industrial and consumer products and provider of packaging services, with more than 295 operations in 32 countries serving customers in some 85 nations. For more information on the Company, visit our 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 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; 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.

Information about the Company's use of non-GAAP financial measures, why management believes presentation of non-GAAP financial measures provides useful information to investors about the Company's financial condition and results of operations, and the purposes for which management uses non-GAAP financial measures is included in the Company's 2003 Annual Report on Form 10-K filed with the Securities and Exchange

Commission. 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 Web site, the Company's investor relations department and the Company's Web site, www.sonoco.com.

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