



## Sonoco Announces Agreement to Acquire Matrix Packaging, Inc.

May 17, 2007

Transaction to Significantly Expand Company's Rigid Plastic Container Operations

HARTSVILLE, S.C.--(BUSINESS WIRE)--May 17, 2007--Sonoco (NYSE: SON), one of the largest diversified global packaging companies, has signed a definitive agreement to acquire privately held Matrix Packaging, Inc., a leading manufacturer of custom designed blow molded rigid plastic containers and injected molded products, for an all-cash purchase price of approximately US \$210 million, it was announced today by Harris E. DeLoach, Jr., chairman, president and chief executive officer.

The acquisition, which is subject to regulatory approval, is expected to be modestly accretive in 2007 and is expected to generate sales on an annualized basis of approximately \$140 million. The transaction is expected to be closed by the end of June 2007.

Headquartered in Mississauga, Ontario, Canada, Matrix operates six state-of-the-art manufacturing facilities in the United States and Canada and employs approximately 860 workers. Founded in 1992, Matrix utilizes some of the most technologically advanced rigid plastic packaging equipment, including extrusion blow molding, injection stretch blow molding and injection molding that are able to produce mono- and multi-layer rigid plastic containers utilizing a number of plastic materials. The company manufactures a variety of custom-designed and stock containers and closures for multi-national consumer product goods companies serving the personal care, household chemicals, automotive, pharmaceutical and other markets. In addition, Matrix provides full-service decorating and component assembly capabilities including silk-screen printing, pressure sensitive and heat transfer labeling.

"The addition of Matrix will transform our current rigid plastic container business, both in size and in scope as we will have a better balance in serving both the food and drink and personal care markets," said DeLoach. "Matrix has grown rapidly in just 15 years by investing in state-of-the-art technology and advanced equipment that provide its customers with innovation, flexibility and quality. By maintaining Matrix's talented management team, we expect to be able to continue to aggressively grow this business."

Matrix has a strong leadership team led by Pushminder Judge, its president and chief executive officer. Subsequent to the acquisition by Sonoco, Judge will continue to lead the business and be a member of Sonoco's management committee.

"I am excited about the benefits that the partnership with Sonoco brings our customers and employees," said Judge. "We believe the acquisition presents an attractive opportunity to serve our customers' packaging needs in new product categories and new geographic markets."

Since 2002 Matrix has been owned by its two founders, Pushminder Judge and Graeme Malloch, in partnership with certain institutional investors led by Tricor Pacific Capital, Inc., a leading private equity firm with offices in Vancouver, B.C., Canada and Lake Forest, Ill.

Brad Seaman, a managing director of Tricor, said, "We are fortunate to have partnered with Pushminder Judge and his team. They have done a terrific job of providing the highest quality products and great service to their customers and have created significant value for all of Matrix' shareholders."

BMO Capital Markets acted as exclusive financial advisor to Matrix in this transaction.

### About Sonoco

Founded in 1899, Sonoco is a \$3.7 billion global manufacturer of industrial and consumer products and provider of packaging services, with more than 300 operations in 35 countries, serving customers in some 85 nations. For more information on the Company, visit our Web site at <http://www.sonoco.com/>.

### Forward-looking Statements

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 and Exchange Act of 1934, as amended. The words "estimate," "project," "intend," "expect," "believe," "consider," "plan," "anticipate," "objective," "goal," "guidance" and similar expressions identify forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding adequacy of cash flows, anticipated amounts and uses of cash flows, financial strategies and the results expected from them, continued payments of dividends, stock repurchases and producing improvements in earnings.

These forward-looking statements are based on current expectations, estimates and projections about our industry, management's beliefs and assumptions made by management. Such information includes, without limitation, discussions as to guidance and other 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 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.

The Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

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, <http://www.sec.gov>, the Company's investor relations department and the Company's Web site, <http://www.sonoco.com>.

CONTACT: Sonoco  
Roger Schrum, 843-339-6018  
[roger.schrum@sonoco.com](mailto:roger.schrum@sonoco.com)

SOURCE: Sonoco