



Sonoco Announces Debt Tender Offers

October 25, 2010

HARTSVILLE, S.C., Oct 25, 2010 (BUSINESS WIRE) -- Sonoco (NYSE: SON) today has commenced cash tender offers to purchase a portion of its outstanding bonds as described below. The terms and conditions of the tender offers are described in Sonoco's offer to purchase dated October 25, 2010 (the "Offer to Purchase") and related letter of transmittal dated October 25, 2010 (the "Letter of Transmittal"). Sonoco expects to purchase the bonds utilizing the net cash proceeds from its previously announced offering of senior notes securities as well as other available cash resources.

The Tender Offers

Upon the terms and subject to the conditions described in the Offer to Purchase, the Letter of Transmittal and any amendments or supplements to the foregoing, Sonoco is offering to purchase for cash (1) any and all of its 6.50% Notes due 2013 (the "6.50% Notes") and (2) up to the maximum aggregate principal amount of its 5.625% Notes due 2016 (the "5.625% Notes") and 9.20% Debentures due 2021 (the "9.20% Debentures" and, together with the 5.625% Notes, the "Maximum Tender Securities") that it can purchase for \$300,000,000 (exclusive of accrued interest and subject to increase), less any amount it pays to repurchase its 6.50% Notes (the "Maximum Payment Amount"). Sonoco refers to its offer to purchase the 6.50% Notes as the "Any and All Tender Offer" and to its offer to purchase the Maximum Tender Securities as the "Maximum Tender Offer." Sonoco refers to both offers, collectively, as the "Tender Offers."

The Any and All Tender Offer will expire at 5:00 p.m., New York City time, on November 5, 2010, and the Maximum Tender Offer will expire at 5:00 p.m., New York City time, on November 22, 2010, in each case unless extended or earlier terminated. Sonoco may amend, extend, or terminate either of the Tender Offers at any time in its sole discretion.

The following table sets forth some of the terms of the Tender Offers:

Title of Security and CUSIP Number	Principal Amount Outstanding	Acceptance Priority Level	Fixed Spread Basis Points	U.S. Treasury Reference Security	Bloomberg Reference Page	Early Tender Premium	Hypothetical Total Consideration* (a)
Any and All Tender Offer							
6.50% Notes due 2013 (CUSIP 835495 AF 9)	\$250,000,000	N/A	62.5 bps	0.500% due Oct. 15, 2013	PX5	N/A	\$1,158.19
Maximum Tender Offer							
5.625% Notes due 2016 (CUSIP 835495 AH 5)	\$150,000,000	1	125.0 bps	1.250% due Sept. 30, 2015	PX6	\$30	\$1,167.22
9.20% Debentures due 2021 (CUSIP 835495 AA 0)	\$41,305,000	2	175.0 bps	2.525% due Aug. 15, 2020	PX7	\$30	\$1,414.50

* Per \$1,000 principal amount of securities accepted for purchase.

(a) Hypothetical Total Consideration (which includes the applicable Early Tender Premium) is based on the reference yield of the reference security (as set forth above) as of 2:00 p.m., New York City time on October 22, 2010 and settlement dates of November 8, 2010 for the 6.50% Notes and November 23, 2010 for the Maximum Tender Securities. The actual reference yields of the reference securities will be determined by the Dealer Managers based on certain quotes available at 2:00 p.m., New York City time, on November 5, 2010.

Sonoco's obligation to accept for payment and to pay for the 6.50% Notes, the 5.625% Notes and the 9.20% Debentures (collectively, the "Securities") in any of the Tender Offers is subject to the satisfaction or waiver of a number of conditions, including the completion by Sonoco of one or more public offerings of not less than \$300.0 million in aggregate principal amount of unsecured senior debt securities no later than the date the Any and All Tender offer expires.

The applicable Total Consideration (which includes the applicable Early Tender Premium) for each \$1,000 principal amount of Securities validly tendered will be determined as described in the Offer to Purchase based on the present value of future payments on the applicable Securities discounted to the settlement date at a rate equal to the sum of the yield to maturity for the applicable reference security, calculated by the dealer managers based on the bid-side price at 2:00 p.m., New York City time, on November 5, 2010, plus the applicable fixed spread, minus accrued interest up to, but not including, the applicable settlement date. Holders of the 6.50% Notes that are validly tendered at or prior to November 5, 2010 and are accepted for purchase will receive the applicable Total Consideration (which includes the applicable Early Tender Premium). Holders of the Maximum Tender Securities that are validly tendered at or prior to November 5, 2010 and accepted for purchase will receive the applicable Total Consideration for such series. Holders of the Maximum Tender Securities tendered after November 5, 2010 but before November 22, 2010 and accepted for

purchase will receive the applicable Tender Offer Consideration (which does not include the Early Tender Premium).

Payments for Securities purchased will include accrued and unpaid interest from and including the last interest payment date applicable to the relevant series of Securities up to, but not including, the applicable settlement date. Sonoco expects to make payment for any 6.50% Notes that are accepted for purchase promptly following November 5, 2010. Sonoco expects to make payment for any Maximum Tender Securities that are accepted for purchase promptly following November 22, 2010.

The amount of the Maximum Tender Securities that are purchased in the Maximum Tender Offer will be determined in accordance with the priorities identified in the column "Acceptance Priority Level" as set forth in the table above. If the aggregate total consideration and tender offer consideration with respect to all of the Maximum Tender Securities that are validly tendered exceeds the Maximum Payment Amount, the Maximum Tender Securities will be purchased in accordance with the acceptance priority level (in numerical priority order) as set forth in the table above.

Tenders of the Securities may be withdrawn at any time at or prior to 5:00 p.m., New York City time, on November 5, 2010, but may not be withdrawn thereafter unless Sonoco amends the applicable Tender Offer in a manner materially adverse to tendering holders or is otherwise required by law to permit withdrawal. Under such circumstances, Sonoco will allow previously tendered Securities to be withdrawn for a period of time following the date that notice of such amendment is first published or given to holders that it believes gives holders a reasonable opportunity to consider such amendment and implement the applicable withdrawal procedures. In the event of a termination of any of the Tender Offers, Securities previously tendered pursuant to the terminated Tender Offer will be promptly returned to the tendering holders.

BofA Merrill Lynch and J.P. Morgan are the dealer managers of the Tender Offers. Global Bondholder Services Corporation has been retained to serve as the depository and information agent. Persons with questions regarding the Tender Offers should contact BofA Merrill Lynch at (toll-free) (888) 292-0070 or (collect) (980) 388-9217 or J.P. Morgan at (toll-free) (866) 834-4666 or (collect) (212) 834-3424. Requests for copies of the Offer to Purchase, the related Letter of Transmittal and other related materials should be directed to Global Bondholder Services Corporation at (212) 430-3774 or (toll-free) (866) 470-3900.

None of Sonoco, its board of directors, the dealer managers, the depository and information agent or the trustees for the Securities, makes any recommendation as to whether holders of the Securities should tender or refrain from tendering Securities. This press release is neither an offer to purchase nor a solicitation of an offer to sell the Securities or any other securities. The Tender Offers are made only by the Offer to Purchase and the accompanying Letter of Transmittal.

About Sonoco

Founded in 1899, Sonoco is a \$3.6 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. Sonoco is a proud member of the Dow Jones Sustainability World Index. For more information on the Company, visit our Web site at <http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.sonoco.com&esheet=6480967&lan=en-US&anchor=http%3A%2F%2Fwww.sonoco.com&index=1&md5=49ddc38597565a595086d7bfe16ed9ce>.

SOURCE: Sonoco

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