



Sonoco Announces Price Increase for Its Paper-Based Engineered Carriers

July 12, 1999

HARTSVILLE, S.C., July 12 /PRNewswire/ -- Sonoco (NYSE: SON) will increase prices for its paper-based engineered carriers (tubes and cores) by 7-1/2% - 9% in the United States, effective August 9, it was announced today by Peter C. Browning, president and chief executive officer.

Approximately 80% of the Company's engineered carriers are sold domestically. The Company is also increasing prices in Asia, Europe, Latin America, Canada and Mexico. Sonoco has not announced a general price increase for its tubes and cores since August 1997.

"This price increase is driven primarily by increased manufacturing costs, including paperboard. Historically, full implementation of our price increases for tubes and cores lags increased paper prices in the short term," said Mr. Browning. Therefore, we would not expect to realize a positive impact from the price increase for tubes and cores in the third quarter. This is a market characteristic that we have successfully managed in the past and expect to do so again," stated Mr. Browning.

"We have seen a steady month-over-month increase in demand for our tubes and cores since early this year. This trend, coupled with expected increases in paper consumption in major joint ventures and increased outside sales of paper expected in Europe, should result in our paper mill system reaching production capacity during the last half of this year, thus providing improved productivity opportunities," Browning stated. "These factors plus continued improvement expected in our composite can business and most other businesses should provide another record earnings year for 1999," Browning added.

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; and currency stability and the rate of growth in foreign markets. 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.

Sonoco, which is celebrating its 100th anniversary, is a \$2.6 billion manufacturer of industrial and consumer packaging products, with approximately 275 operations in 32 countries serving customers in some 85 nations.

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