



Sonoco Completes Purchase of Flexible Packaging Division of Graphic Packaging

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HARTSVILLE, S.C., Sept. 3 /PRNewswire/ -- Sonoco (NYSE: SON), the global packaging company, completed the previously announced purchase of the flexible packaging division of Graphic Packaging Corporation, a wholly owned subsidiary of ACX Technologies, Inc. (NYSE: ACX), Golden, Colorado, according to Peter C. Browning, Sonoco's president and chief executive officer.

The all-cash purchase was for approximately \$105 million. Sonoco expects the acquisition to be earnings neutral for the first year. The acquisition will double Sonoco's presence in the flexible packaging business, the fastest growing segment of the packaging industry. Graphic Packaging's and Sonoco's flexible businesses had 1998 sales of approximately \$120 million each.

"This acquisition adds significant new and expanded North American capabilities in flexible packaging, a packaging sector that enjoys growth rates in excess of the GDP. We believe the flexible sector is particularly effective at leveraging Sonoco's strengths in global account management, complements our composite can consumer customer base, and utilizes our composite can and high density film technologies and material science expertise," said Mr. Browning.

Sonoco is acquiring flexible manufacturing locations from Graphic in Vancouver, British Columbia; Winnipeg, Manitoba; Toronto, Ontario; Terrebonne, Quebec; Franklin, Ohio; and Charlotte, North Carolina. Sonoco has existing flexible facilities in Morristown, Tennessee; Edinburg, Indiana; and Fulton, New York.

"We are pleased to be increasing our exposure in the consumer segment of the packaging industry, which is about equal to our industrial business," stated Mr. Browning. Sonoco is the global leader in composite cans of the consumer segment and in tubes and cores of the industrial sector.

"We believe Sonoco's 66 years of experience in Canada, proven success in the North American flexible packaging market, technological leadership with similar material sciences in our high density film and capseals businesses, as well as composite cans, position us well to maximize the value of these new flexible operations," Browning added.

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

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.

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