**Sonoco Products Company**
**Reconciliation of Non-GAAP Financial Measures**

In accordance with the SEC's Regulation G, the following provides definitions of the non-GAAP financial measures used by the company, together with the most directly comparable financial measures calculated in accordance with GAAP, and a reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable financial measures calculated in accordance with GAAP.

**Definition and Reconciliation of Non-GAAP Financial Measures**

The Company's results determined in accordance with U.S. generally accepted accounting principles (GAAP) are referred to as "as reported" or "GAAP" results. Some of the information presented in this press release reflects the Company's "as reported" or "GAAP" results adjusted to exclude amounts, including the associated tax effects, relating to restructuring initiatives, asset impairment charges, non-operating pension costs or income, environmental reserve charges/releases, acquisition-related costs, gains or losses from the disposition of businesses, excess property insurance recoveries, and certain other items, if any, including other income tax-related adjustments and/or events, the exclusion of which management believes improves comparability and analysis of the ongoing operating performance of the business. These adjustments, which are referred to as "non-base", result in the non-GAAP financial measures referred to in this press release as "Base Earnings" and "Base Earnings per Diluted Share."

These non-GAAP measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Sonoco continues to provide all information required by GAAP, but it believes that evaluating its ongoing operating results may not be as useful if an investor or other user is limited to reviewing only GAAP financial measures. Sonoco uses these non-GAAP financial measures for internal planning and forecasting purposes, to evaluate its ongoing operations, and to evaluate the ultimate performance of each business unit against plan/forecast all the way up through the evaluation of the Chief Executive Officer's performance by the Board of Directors. In addition, these same non-GAAP measures are used in determining incentive compensation for the entire management team and in providing earnings guidance to the investing community.

Sonoco management does not, nor does it suggest that investors should, consider these non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Sonoco presents these non-GAAP financial measures to provide users information to evaluate Sonoco's operating results in a manner similar to how management evaluates business performance. Material limitations associated with the use of such measures are that they do not reflect all period costs included in operating expenses and may not reflect financial results that are comparable to financial results of other companies that present similar costs differently. Furthermore, the calculations of these non-GAAP measures are based on subjective determinations of management regarding the nature and classification of events and circumstances that the investor may find material and view differently.

To compensate for these limitations, management believes that it is useful in understanding and analyzing the results of the business to review both GAAP information which includes all of the items impacting financial results and the non-GAAP measures that exclude certain elements, as described above. Whenever Sonoco uses a non-GAAP financial measure, except with respect to guidance, it provides a reconciliation of the non-GAAP financial measure to the most closely applicable GAAP financial measure. Whenever reviewing a non-GAAP financial measure, investors are encouraged to fully review and consider the related reconciliation as detailed below. Fourth-quarter and full-year 2019 GAAP guidance are not provided in this release due to the likely occurrence of one or more of the following, the timing and magnitude of which we are unable to reliably forecast: possible gains or losses on the sale of businesses or other assets, restructuring costs and restructuring-related impairment charges, acquisition related costs, and the income tax effects of these items and/or other income tax-related events. These items could have a significant impact on the Company's future GAAP financial results.

The following tables reconcile the Company's non-GAAP financial measures to their most directly comparable GAAP financial measures in the Company's Condensed Consolidated Statements of Income for each of the periods presented.

**Reconciliation of GAAP to Non-GAAP Financial Measures**
*For the three months ended September 29, 2019*
*Dollars and shares in thousands, except per share data*

| | | Non-GAAP Adjustments | | |
|---|---|---|---|---|
| **Three Months Ended September 29, 2019** | GAAP | Restructuring / Asset Impairment Charges(1) | Other Adjustments(2) | Base |
| Operating profit | $ 138,548 | $ 6,615 | $ (6,096) | $ 139,067 |
| Non-operating pension costs | 7,210 | — | (7,210) | — |
| Interest expense, net | 14,756 | — | — | 14,756 |
| Income before income taxes | 116,582 | 6,615 | 1,114 | 124,311 |
| Provision for income taxes | 26,098 | 1,805 | (169) | 27,734 |
| Income before equity in earnings of affiliates | 90,484 | 4,810 | 1,283 | 96,577 |
| Equity in earnings of affiliates, net of taxes | 1,799 | — | — | 1,799 |
| Net income | 92,283 | 4,810 | 1,283 | 98,376 |
| Net (income) attributable to noncontrolling interests | (219) | (18) | — | (237) |
| Net income attributable to Sonoco | $ 92,064 | $ 4,792 | $ 1,283 | $ 98,139 |
| Per Diluted Share | $ 0.91 | $ 0.05 | $ 0.01 | $ 0.97 |

*Due to rounding individual items may not sum across

**Reconciliation of GAAP to Non-GAAP Financial Measures**
*For the three months ended September 30, 2018*
*Dollars and shares in thousands, except per share data*

| | | Non-GAAP Adjustments | | |
|---|---|---|---|---|
| **Three Months Ended September 30, 2018** | GAAP | Restructuring / Asset Impairment Charges(3) | Other Adjustments(4) | Base |
| Operating profit | $ 101,573 | $ 22,061 | $ 422 | $ 124,056 |
| Non-operating pension costs | (25) | — | 25 | — |
| Interest expense, net | 14,502 | — | — | 14,502 |
| Income before income taxes | 87,096 | 22,061 | 397 | 109,554 |
| Provision for income taxes | 18,325 | 5,465 | 2,139 | 25,929 |
| Income before equity in earnings of affiliates | 68,771 | 16,596 | (1,742) | 83,625 |
| Equity in earnings of affiliates, net of taxes | 4,049 | — | — | 4,049 |
| Net income | 72,820 | 16,596 | (1,742) | 87,674 |
| Net (income) attributable to noncontrolling interests | (405) | (28) | — | (433) |
| Net income attributable to Sonoco | $ 72,415 | $ 16,568 | $ (1,742) | $ 87,241 |
| Per Diluted Share | $ 0.72 | $ 0.16 | $ (0.02) | $ 0.86 |

*Due to rounding individual items may not sum across

**(1)** Restructuring/Asset impairment charges are a recurring item as Sonoco’s restructuring programs usually require several years to fully implement and the Company is continually seeking to take actions that could enhance its efficiency. Although recurring, these charges are subject to significant fluctuations from period to period due to the varying levels of restructuring activity and the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur.

**(2)** Consists of a $10,000 gain related to the release of an environmental reserve, offset by costs related to acquisitions and potential acquisitions and divestitures and non-operating pension costs.

**(3)** Restructuring/Asset impairment charges are a recurring item as Sonoco’s restructuring programs usually require several years to fully implement and the Company is continually seeking to take actions that could enhance its efficiency. Although recurring, these charges are subject to significant fluctuations from period to period due to the varying levels of restructuring activity and the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur. Included in these amounts are net losses related to the exit of a packaging center contract serviced near Atlanta, GA.

***(4)*** These amounts include costs related to acquisitions and potential acquisitions. Also included are the effect of the changes in tax rates on deferred tax adjustments and other non-base tax adjustments totaling a gain of $2,757.

**Reconciliation of GAAP to Non-GAAP Financial Measures**
*For the nine months ended September 29, 2019*
*Dollars and shares in thousands, except per share data*

| | | Non-GAAP Adjustments | | |
|---|---|---|---|---|
| **Nine Months Ended September 29, 2019** | GAAP | Restructuring / Asset Impairment Charges(1) | Other Adjustments(2) | Base |
| Operating profit | $ 385,204 | $ 30,642 | $ (4,484) | $ 411,362 |
| Non-operating pension costs | 18,801 | — | (18,801) | — |
| Interest expense, net | 46,093 | — | — | 46,093 |
| Income before income taxes | 320,310 | 30,642 | 14,317 | 365,269 |
| Provision for income taxes | 77,213 | 7,750 | 3,146 | 88,109 |
| Income before equity in earnings of affiliates | 243,097 | 22,892 | 11,171 | 277,160 |
| Equity in earnings of affiliates, net of taxes | 4,240 | — | — | 4,240 |
| Net income | 247,337 | 22,892 | 11,171 | 281,400 |
| Net (income) attributable to noncontrolling interests | (451) | (156) | — | (607) |
| Net income attributable to Sonoco | $ 246,886 | $ 22,736 | $ 11,171 | $ 280,793 |
| Per Diluted Share* | $ 2.44 | $ 0.22 | $ 0.11 | $ 2.78 |

*Due to rounding individual items may not foot across

**Reconciliation of GAAP to Non-GAAP Financial Measures**
*For the nine months ended September 30, 2018*
*Dollars and shares in thousands, except per share data*

| | | Non-GAAP Adjustments | | |
|---|---|---|---|---|
| **Nine Months Ended September 30, 2018** | GAAP | Restructuring / Asset Impairment Charges(3) | Other Adjustments(4) | Base |
| Operating profit | $ 343,533 | $ 28,691 | $ 3,381 | $ 375,605 |
| Non-operating pension costs | 197 | — | (197) | — |
| Interest expense, net | 42,984 | — | — | 42,984 |
| Income before income taxes | 300,352 | 28,691 | 3,578 | 332,621 |
| Provision for income taxes | 71,974 | 7,196 | 5,604 | 84,774 |
| Income before equity in earnings of affiliates | 228,378 | 21,495 | (2,026) | 247,847 |
| Equity in earnings of affiliates, net of taxes | 9,012 | — | — | 9,012 |
| Net income | 237,390 | 21,495 | (2,026) | 256,859 |
| Net (income) attributable to noncontrolling interests | (1,508) | (48) | — | (1,556) |
| Net income attributable to Sonoco | $ 235,882 | $ 21,447 | $ (2,026) | $ 255,303 |
| Per Diluted Share* | $ 2.34 | $ 0.21 | $ (0.02) | $ 2.53 |

*Due to rounding individual items may not foot across

**(1)** Restructuring/Asset impairment charges are a recurring item as Sonoco's restructuring programs usually require several years to fully implement and the Company is continually seeking to take actions that could enhance its efficiency. Although recurring, these charges are subject to significant fluctuations from period to period due to the varying levels of restructuring activity and the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur.

**(2)** Consists of a $10,000 gain related to the release of an environmental reserve, offset by costs related to acquisitions and potential acquisitions and divestitures as well as non-operating pension costs.

**(3)** Restructuring/Asset impairment charges are a recurring item as Sonoco's restructuring programs usually require several years to fully implement and the Company is continually seeking to take actions that could enhance its efficiency. Although recurring, these charges are subject to significant fluctuations from period to period due to the varying levels of restructuring activity and the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur. Included in these amounts are net losses related to the exit of a packaging center contract serviced near Atlanta, GA.

**(4)** Consists primarily of costs related to acquisitions and potential acquisitions. Additionally, includes the effect of the change in the US corporate tax rate on deferred tax adjustments and other non-base tax charges totaling $5,540.

| FREE CASH FLOW* | Nine Months Ended September 29, 2019 | Nine Months Ended September 30, 2018 |
|---|---|---|
| Net cash provided by operating activities | $ 238,818 | $ 451,516 |
| Purchase of property, plant and equipment, net | (144,125) | (111,976) |
| Cash dividends | (127,169) | (120,651) |
| Free Cash Flow | $ (32,476) | $ 218,889 |

| FREE CASH FLOW* | Year Ended Estimated Low December 31, 2019 | Year Ended Estimated High December 31, 2019 | Year Ended Actual December 31, 2018 |
|---|---|---|---|
| Net cash provided by operating activities | $ 435,000 | $ 455,000 | $ 589,898 |
| Purchase of property, plant and equipment, net | (205,000) | (205,000) | (168,286) |
| Cash dividends | (170,000) | (170,000) | (161,434) |
| Free Cash Flow | $ 60,000 | $ 80,000 | $ 260,178 |

* Free Cash Flow is a non-GAAP measure that does not imply the amount of residual cash flow available for discretionary expenditures, as it excludes mandatory debt service requirements and other non-discretionary expenditures.