



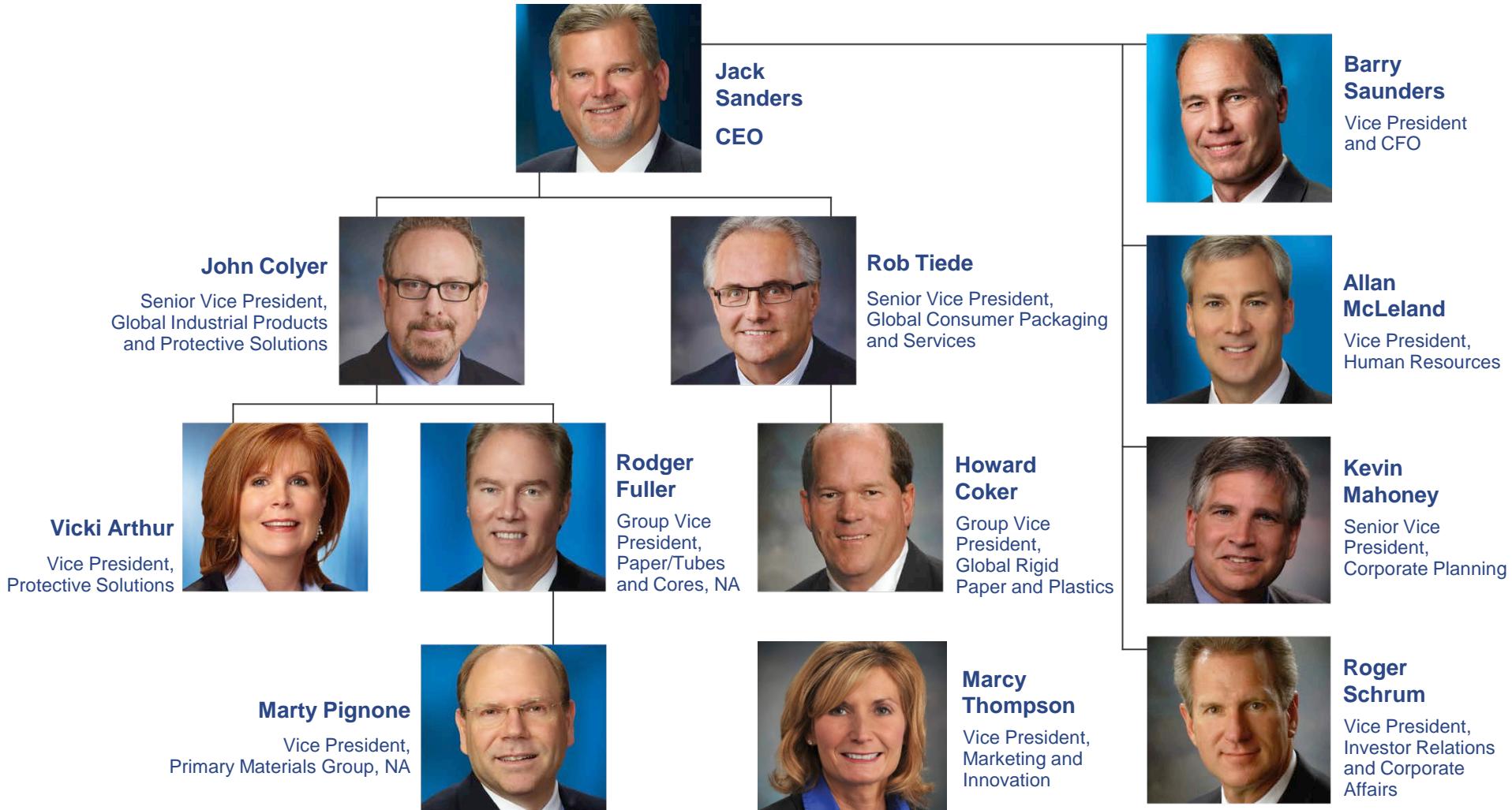
Enhancing
customers' products
with **IPS**TM
Innovative Packaging
solutions

2013 New York Investor Conference

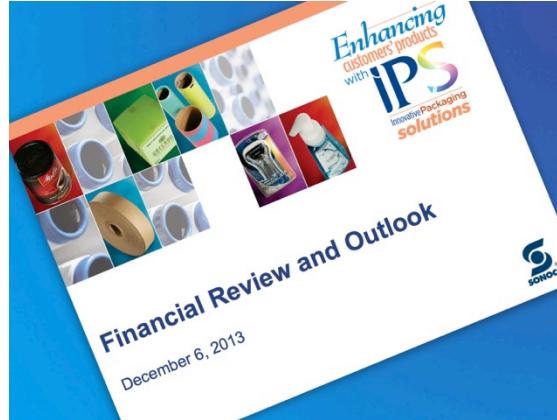
December 6, 2013



Sonoco's Executive Leadership Team



Strategic Review Agenda



■ CEO Overview (Jack Sanders)

- Optimizing the Portfolio
- Evolution of Strategy

■ Innovation: Our Approach to Accelerating Growth (John Colyer/Rob Tiede)

- Creating a Culture of Innovation
- Sonoco's i6 Process
- End Use Market Approach
- 360-degree Customized Solutions
- IPS Pilots

■ Operations Review (Jack Sanders)

- Consumer
- Industrial
- Protective Solutions

Forward-looking Statements

Today's presentation contains a number of forward-looking statements based on current expectations, estimates and projections. These statements are not guarantees of future performance and are subject to certain risks and uncertainties. Therefore, actual results may differ materially.

Information about the Company's use of non-GAAP financial measures, why management believes presentation of non-GAAP financial measures provides useful information to investors about the Company's financial condition and results of operations, and the purposes for which management uses non-GAAP financial measures is included in the Company's Annual Report and on the Company's website at sonoco.com.

Pursuant to the requirements of Regulation G, the Company has provided definitions of the non-GAAP measures discussed during this presentation as well as reconciliations of those measures to the most closely related GAAP measure on its website at sonoco.com.

This presentation does not constitute the solicitation of the purchase or sale of any securities.

The New Sonoco.com



Sonoco's Performance by Segment



**CONSUMER
PACKAGING**



**DISPLAY AND
PACKAGING**



**PAPER
AND
INDUSTRIAL
CONVERTED**



**PROTECTIVE
SOLUTIONS**

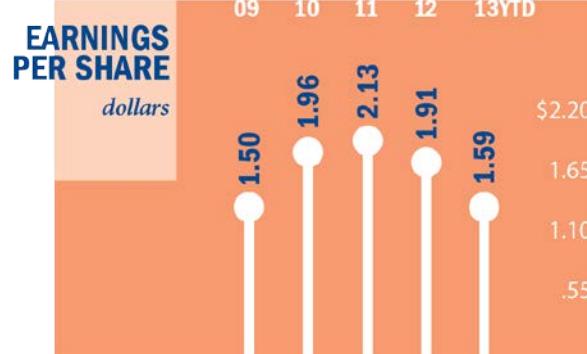
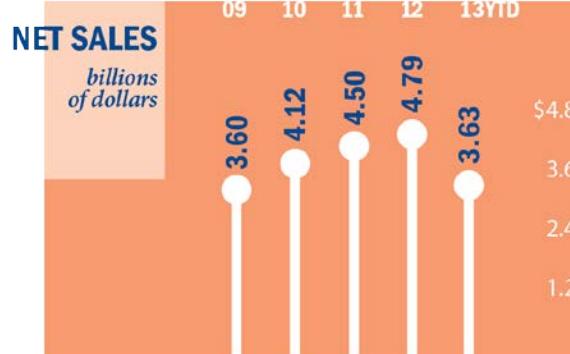


	2012	YTD 2013
Sales	\$1,913	\$1,412
Base EBIT	\$176.8	\$138.7

	2012	YTD 2013
Sales	\$478	\$392
Base EBIT	\$18.5	\$18.9

	2012	YTD 2013
Sales	\$1,841	\$1,395
Base EBIT	\$141.4	\$104.7

	2012	YTD 2013
Sales	\$555	\$434
Base EBIT	\$38.8	\$30.5



Key Focus Areas

- Safety
 - Create a zero injury environment



- Customer Satisfaction
 - Value-creating solutions
 - On-time and to specifications
 - Net Promoter Score (NPS)
- Grow and Optimize
 - Consumer insights
 - Innovation
 - Share/Profit optimization



- Operational Excellence
 - Productivity
 - Reduce unit costs to produce
 - Sonoco Performance System (SPS)
 - Optimal supply chain

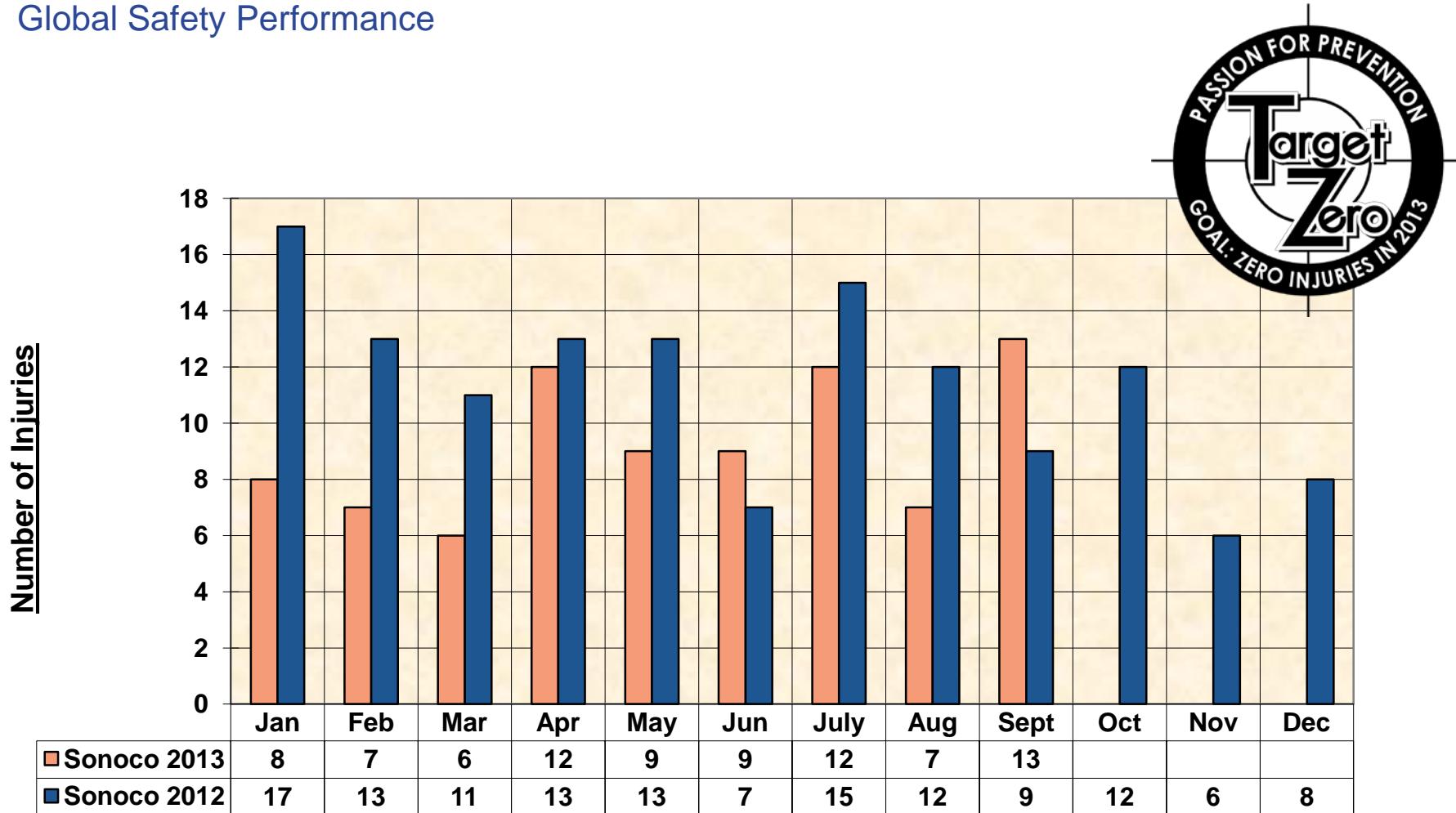


- Maximize Cash Flow and Deployment
 - Working capital management
 - Optimize capital investments
 - Grow dividends
- People
 - Talented, engaged, aligned



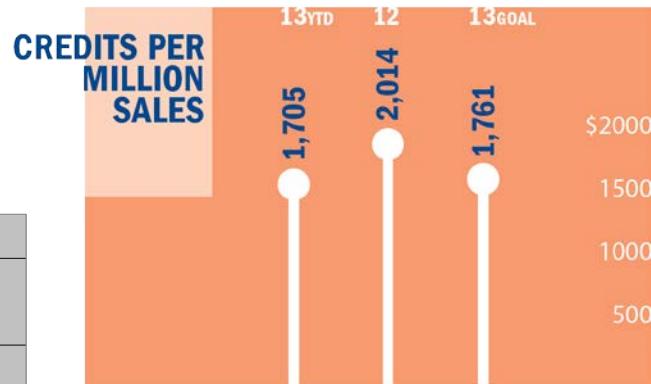
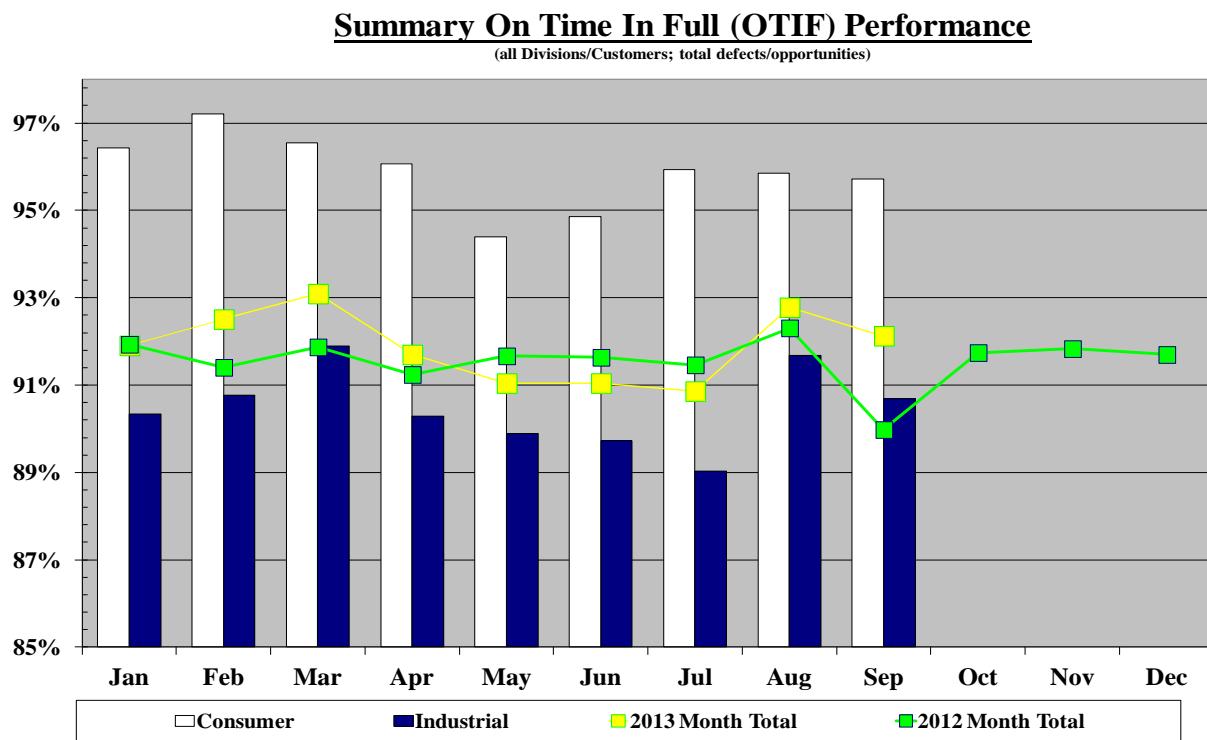
2013: How are We Doing in Key Focus Areas?

Global Safety Performance



2013: How are We Doing in Key Focus Areas?

Perfect Order



Grow and Optimize



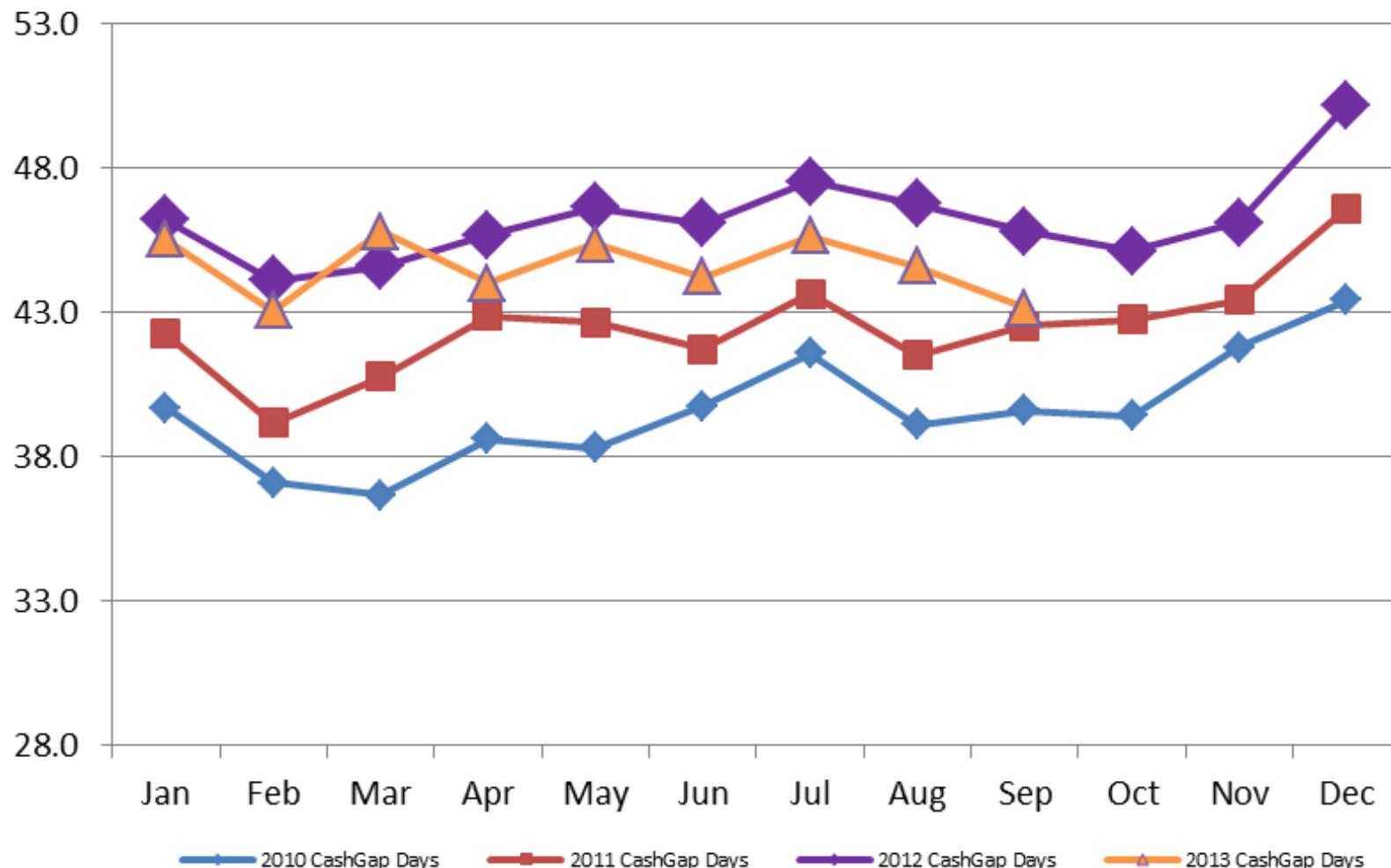
Operational Excellence



Maximize Cash Flow

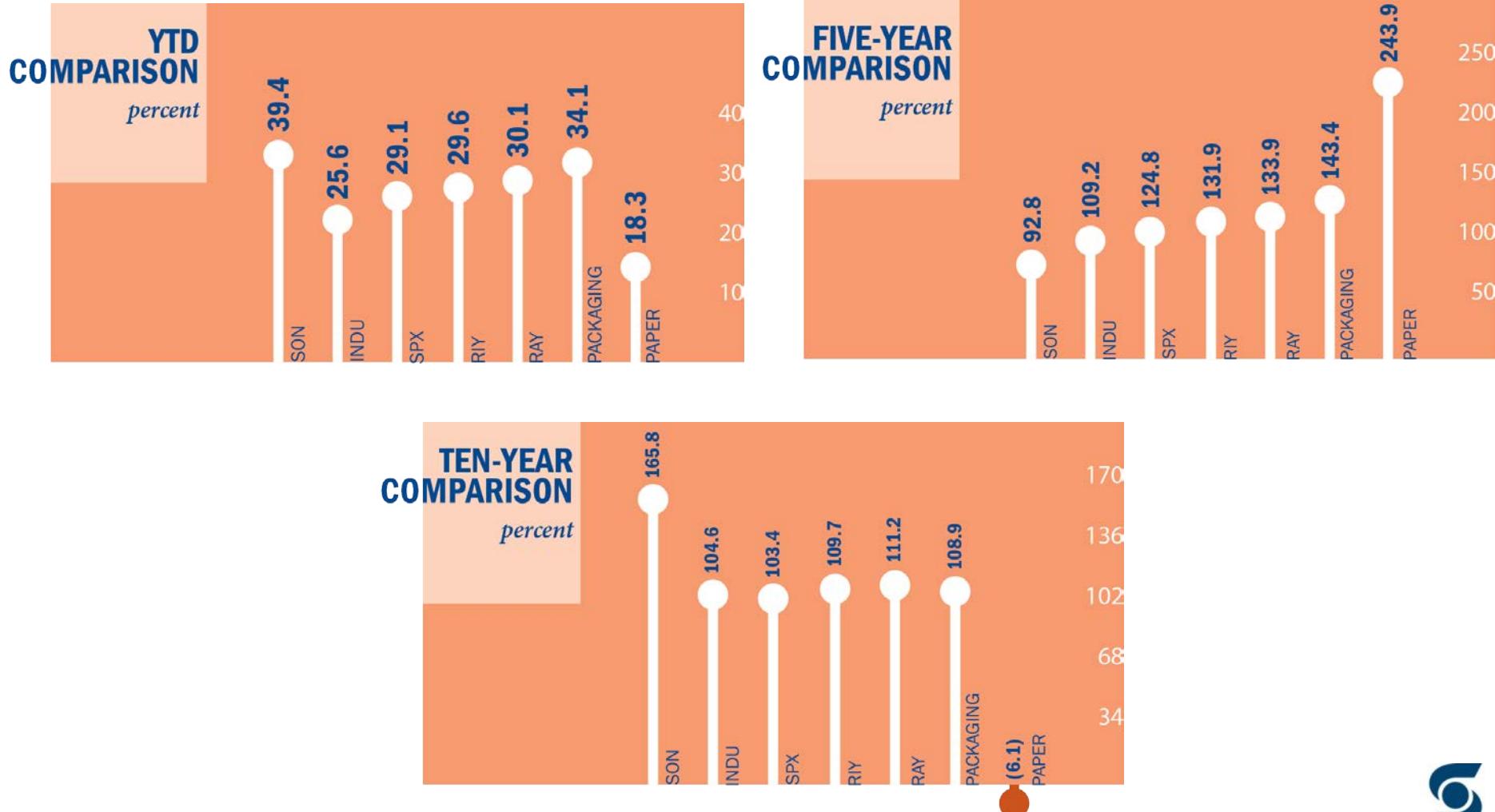
Working Capital Improvement

Cash Gap Days



Comparative Shareholder Return Performance

As of November 29, 2013



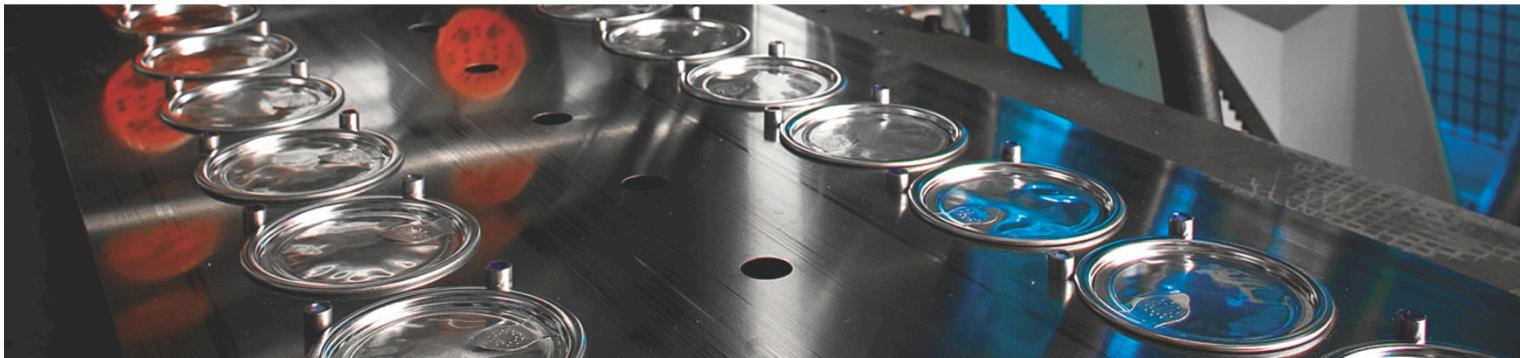
Sonoco's Evolving Business Strategy

Legacy Industrial Packaging (1899-1950)



Sonoco's Evolving Business Strategy

Growing and Consolidating the Composite Can Market (1950-1990)



Sonoco's Evolving Business Strategy

Consumer Portfolio Development (1990-2010)



Sonoco's Evolving Business Strategy

Successfully Demonstrated Total Solutions

Graphics Management



Design,
Development
and Testing

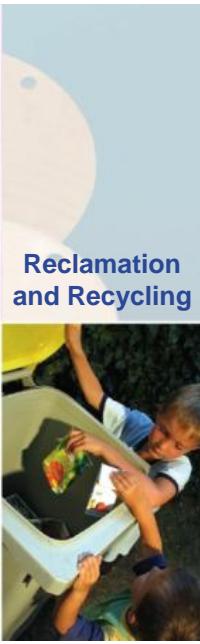
Sustainable
Packaging



Customized
Retail Displays



Reclamation
and Recycling



- End-market Focus
 - Insights-driven innovation
- Total Solutions
 - Supplier business model
 - beyond selling the package

Sonoco's Evolving Business Strategy

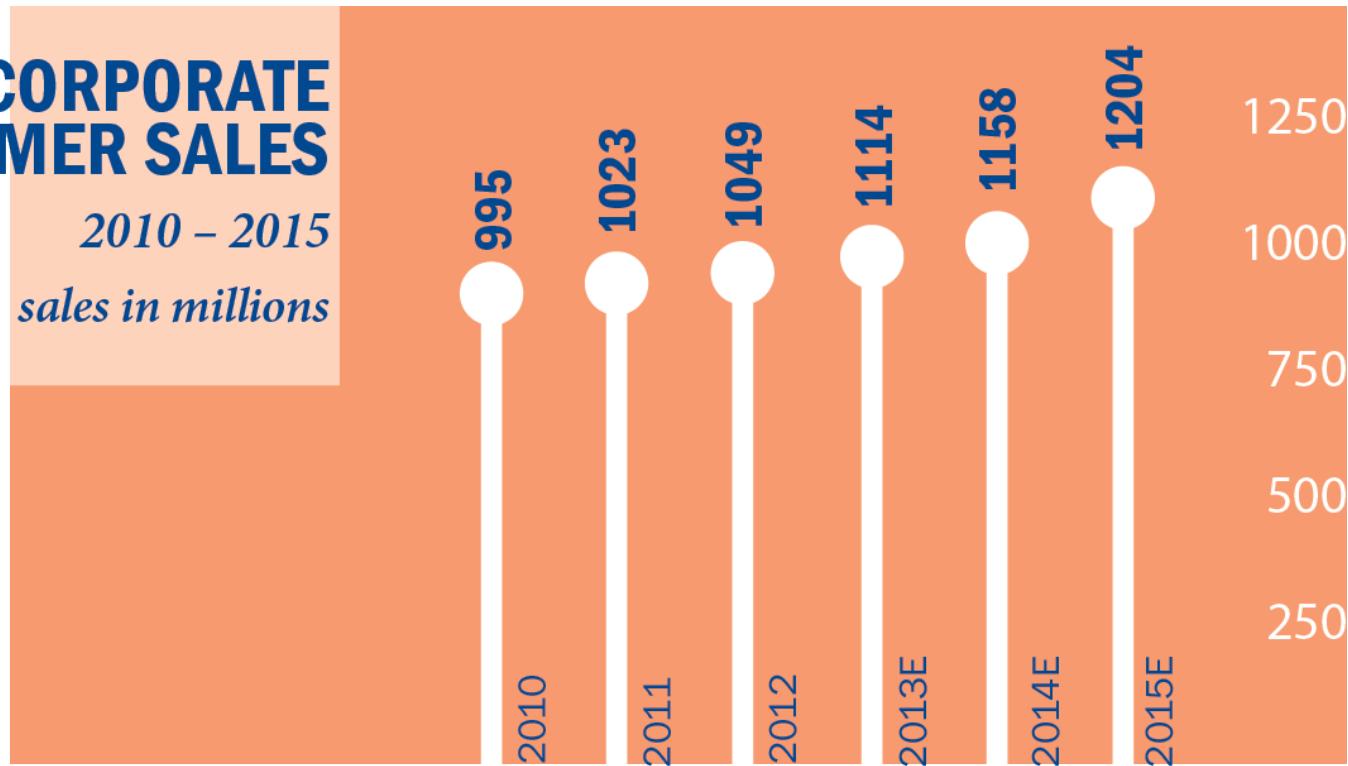
Successfully Developed Corporate Customers



CORPORATE CUSTOMER SALES

2010 – 2015

sales in millions



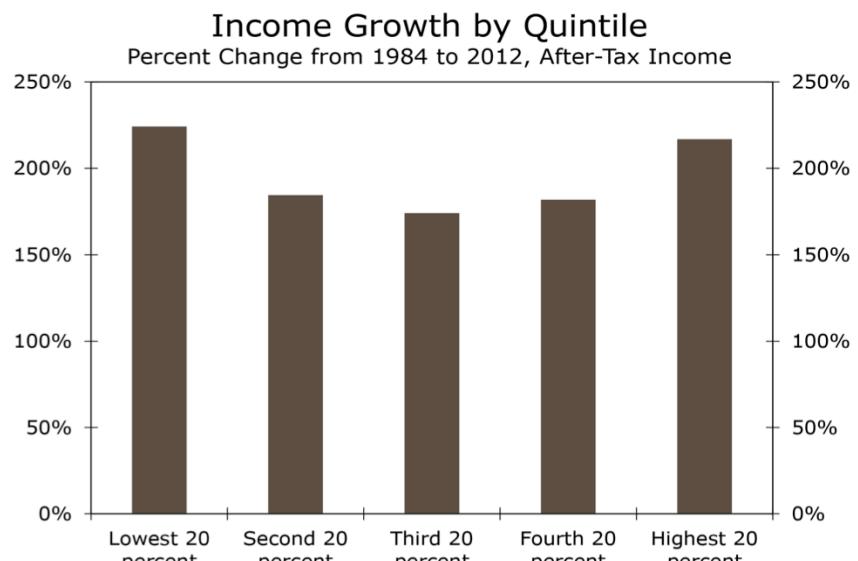
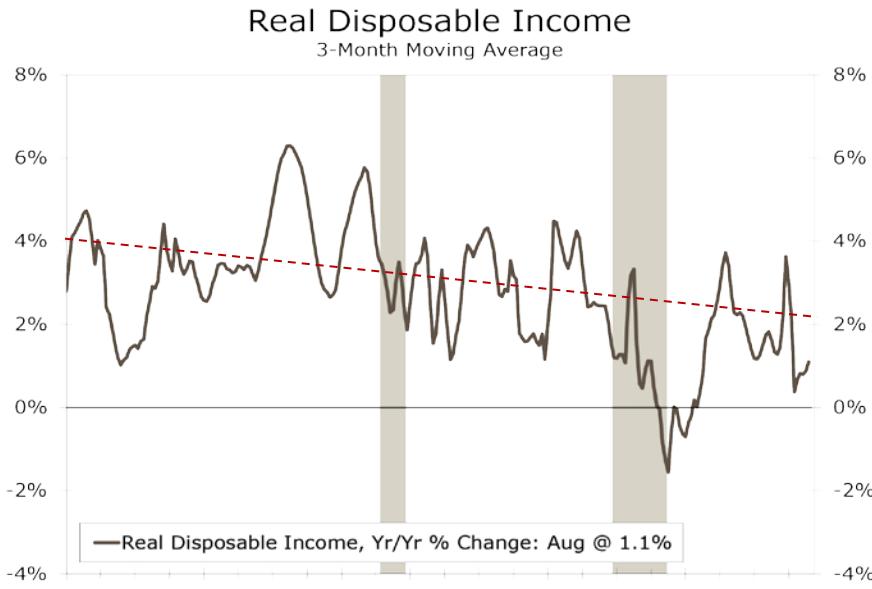
Sonoco's Evolving Business Strategy

Protective Packaging – Adding a Third Growth Leg to the Stool

Sonoco
Protective
Packaging



Tepid Growth Continues



- Real disposable income growth has slowed following tax changes

- After-tax income has increased the most for the lowest and highest income households since the mid-1980s

Top Four Megatrends Impacting Sonoco

	Next Billion Consumers	Everything the Same but Nicer	Keeping the Wealthy Healthy	Growing Output of Primary Input
Industrial	High	Low	Low	High
Protective Solutions	High	Medium	High	High
Rigid Paper and Closures	High	Medium	Low	High
Plastics	High	Medium	Medium	High
Flexibles/Services	High	Medium	High	High

“If all you’re trying to do is essentially the same thing as your rivals, then it’s unlikely that you’ll be very successful.”

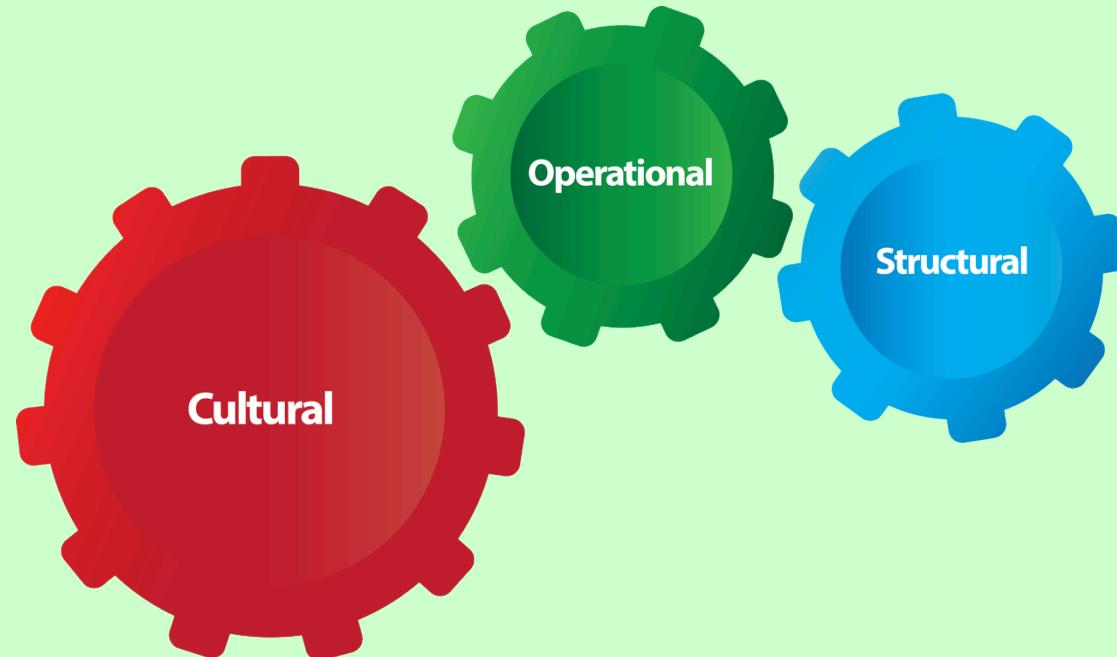
- Michael Porter



A Formula for Success:

insight + ideation = innovation

Creating an Innovation Engine:



Infusing *Innovation* into our DNA



re-envisioning SONOCO

How do you **change** a business
model and **innovate**?

Mission: Become the acknowledged leader in high quality, innovative, value-creating packaging solutions that “Satisfy the Customer”



Key Focus Areas

Safety	Customer Satisfaction	Grow and Optimize	Operational Excellence	Maximize Cash Flow and Deployment	People
Create a zero injury environment	<p>Value-creating solutions</p> <p>On-time and to specification</p> <p>Net Promoter Score (NPS)</p>	<p>Consumer Insights</p> <p>Innovation</p> <p>Share/Profit optimization</p>	<p>Productivity</p> <p>Reduce Unit Cost to Produce -Sonoco Performance System</p> <p>Optimal Supply Chain</p>	<p>Working capital management</p> <p>Optimize capital investments</p> <p>Grow dividends</p> <p>Acquisitions</p> <p>Share repurchase</p>	<p>Talented</p> <p>Engaged</p> <p>Aligned</p>



Enhancing
customers' products
with **IPS**TM
Innovative Packaging
solutions

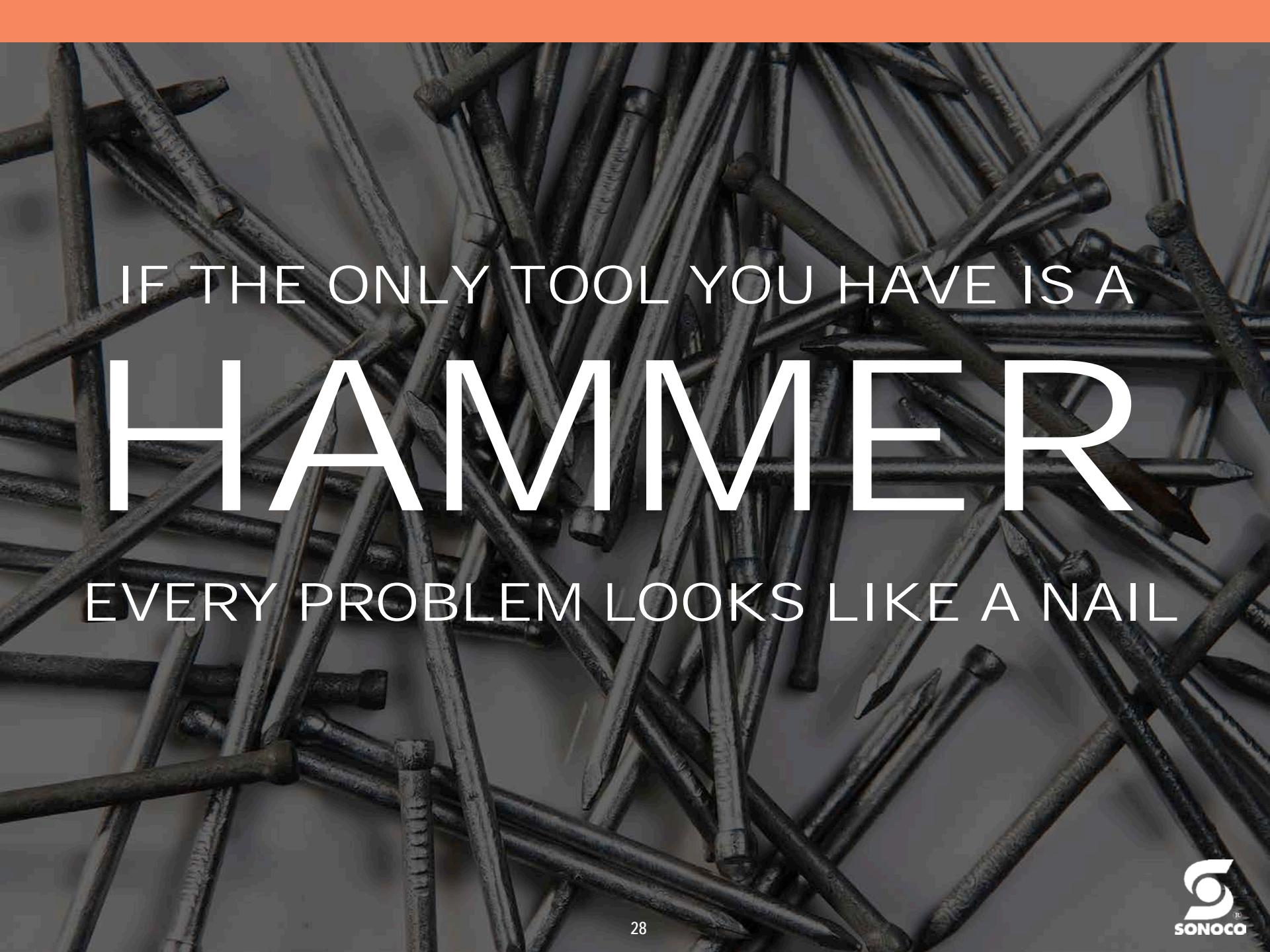
Making Innovation an Engine for Growth

John Colyer

Senior Vice President

December 6, 2013





IF THE ONLY TOOL YOU HAVE IS A
HAMMER
EVERY PROBLEM LOOKS LIKE A NAIL

FORTUNATELY, WE'VE CREATED A
VERY LARGE



A Holistic Approach to Problem Solving





Increasing “Share of Customer” Beyond Just the Package

Have we thought about?

How might we?



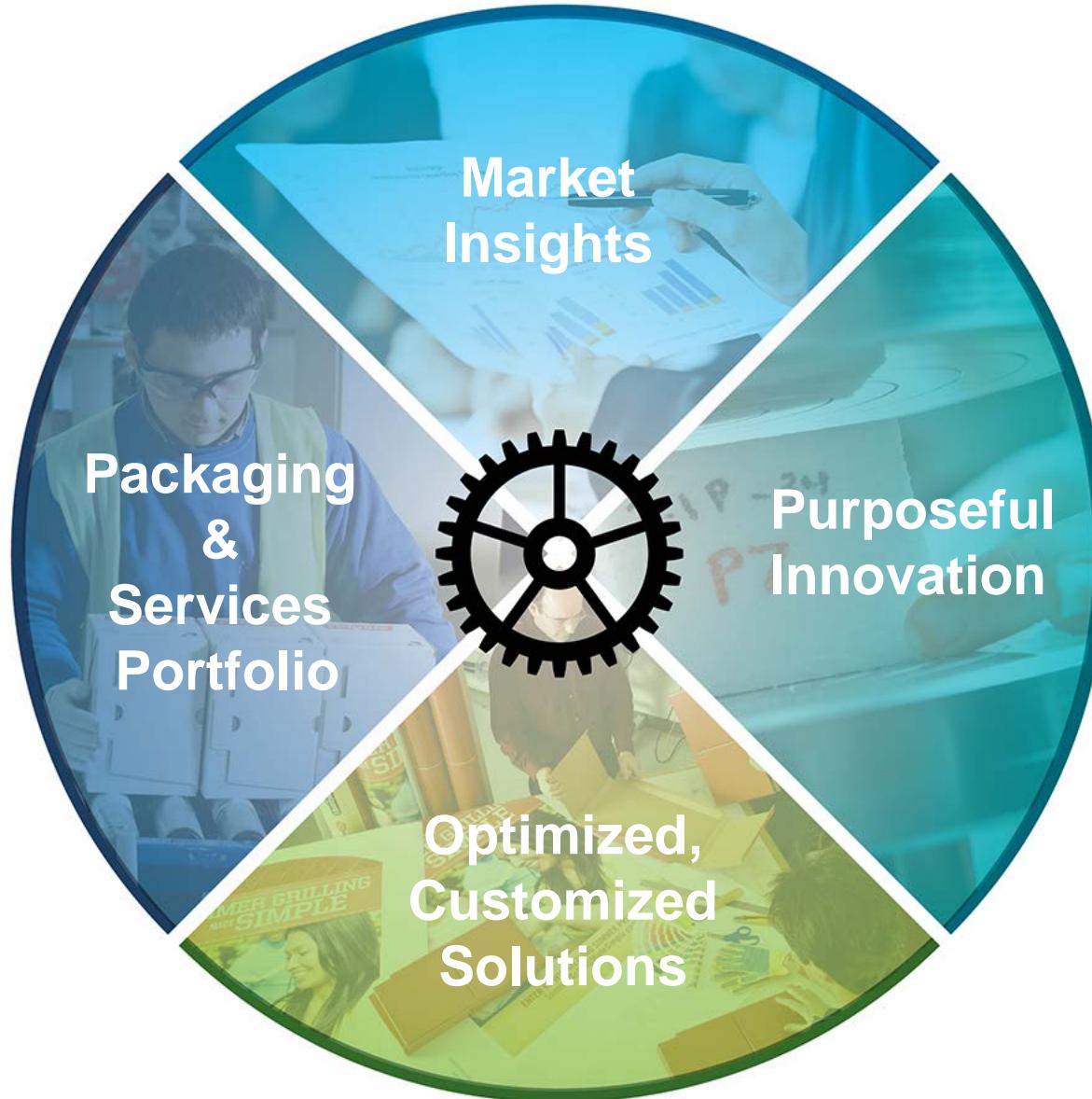
What if?

A solutions Company that offers packaging



Rather than a packaging
Company that happens
to offer solutions

The Power of Process



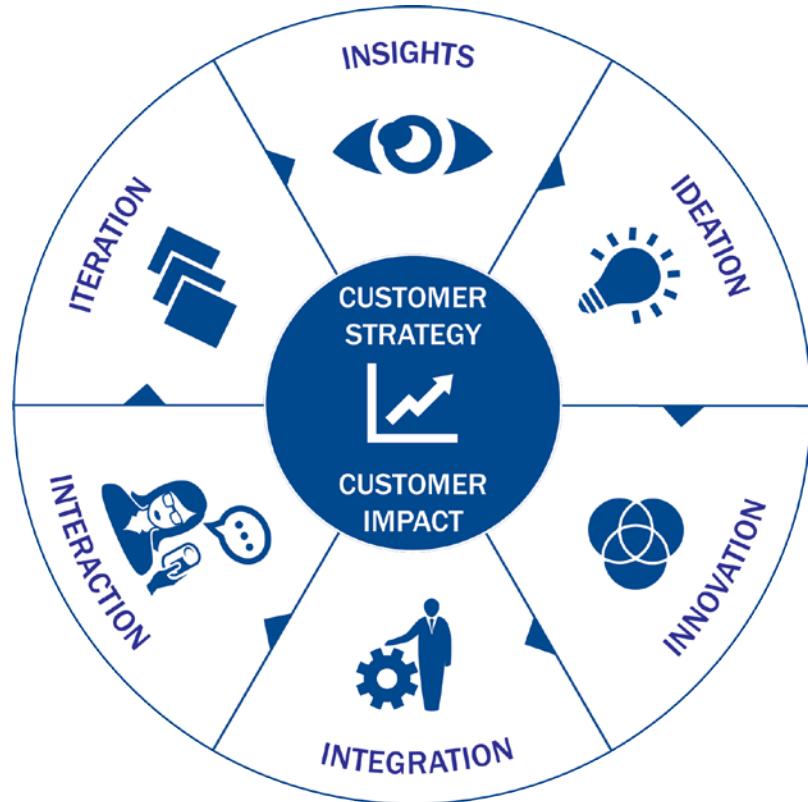
A Framework for Success



Purpose:

Collaboratively Develop and Deliver *Innovative Packaging Solutions*™

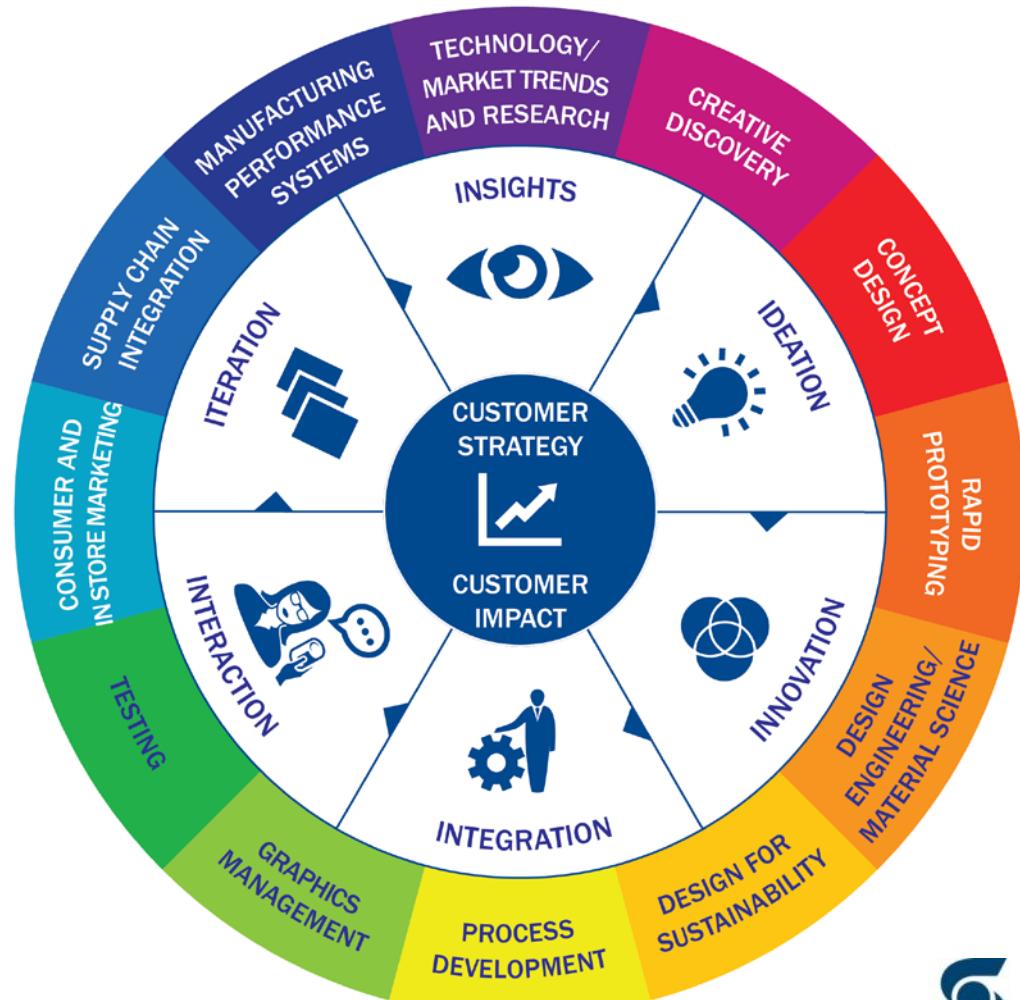
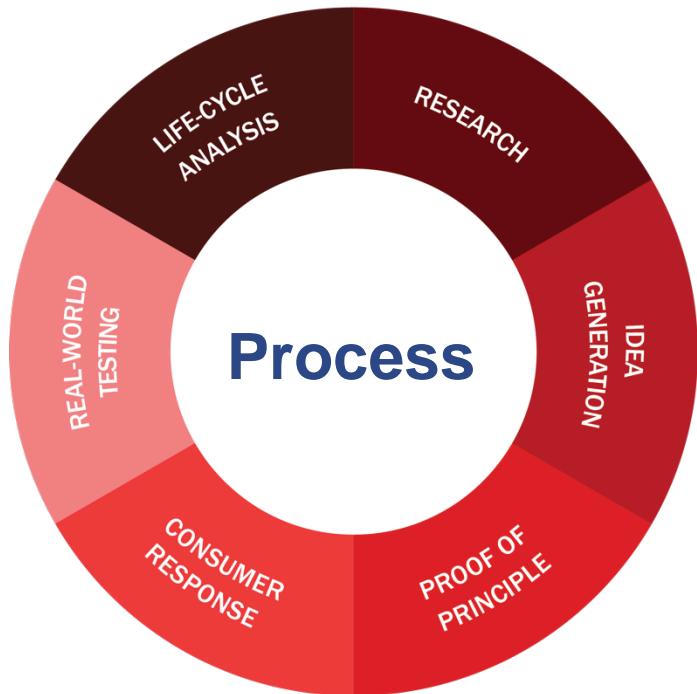
That Enhance and Optimize Our Customers' Business and Their Brands



© 2013 Sonoco Products Company

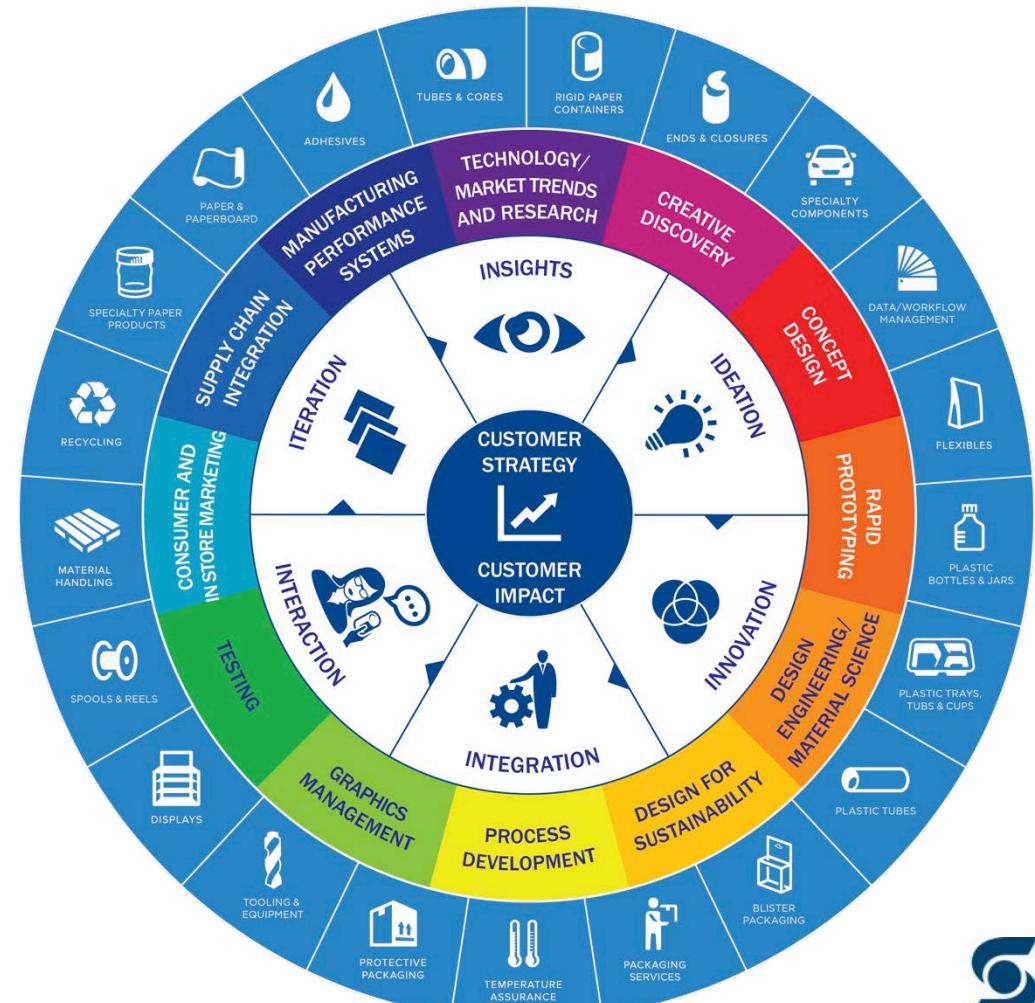
Process:

Repeatable, Transferable, Scalable Implementation
to Drive, Innovative, Customized Solutions.



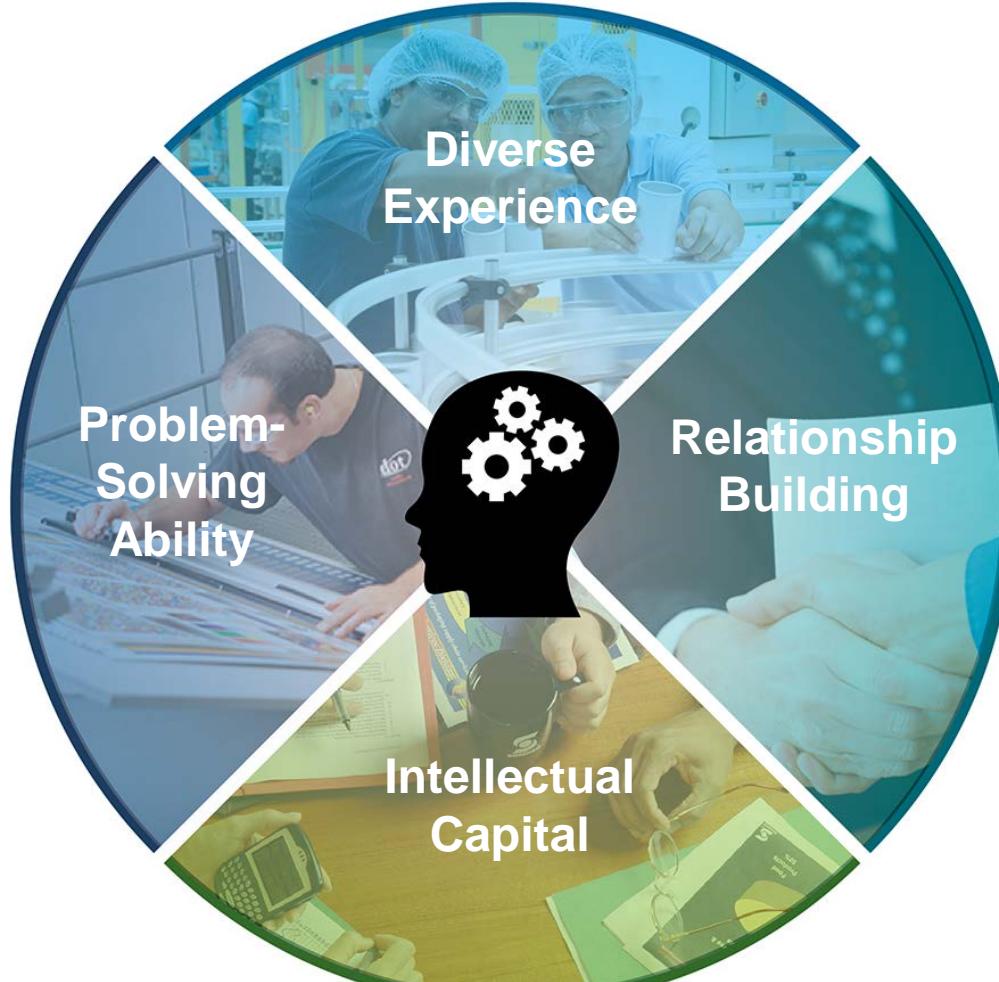
Practice:

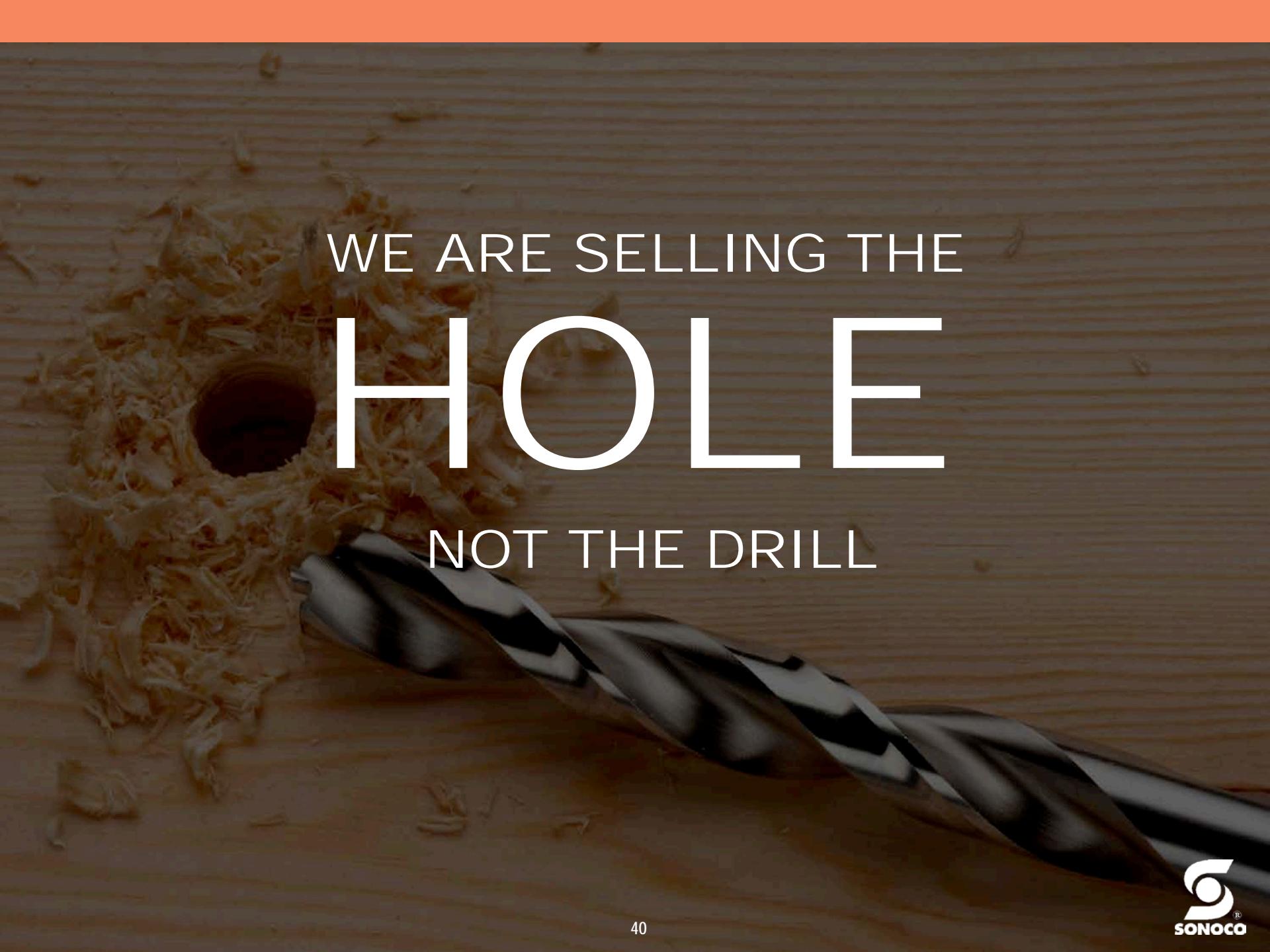
Holistic, 360° *Customized Solutions™* Approach That Leverages and Integrates Capabilities, Experience and Knowledge



People:

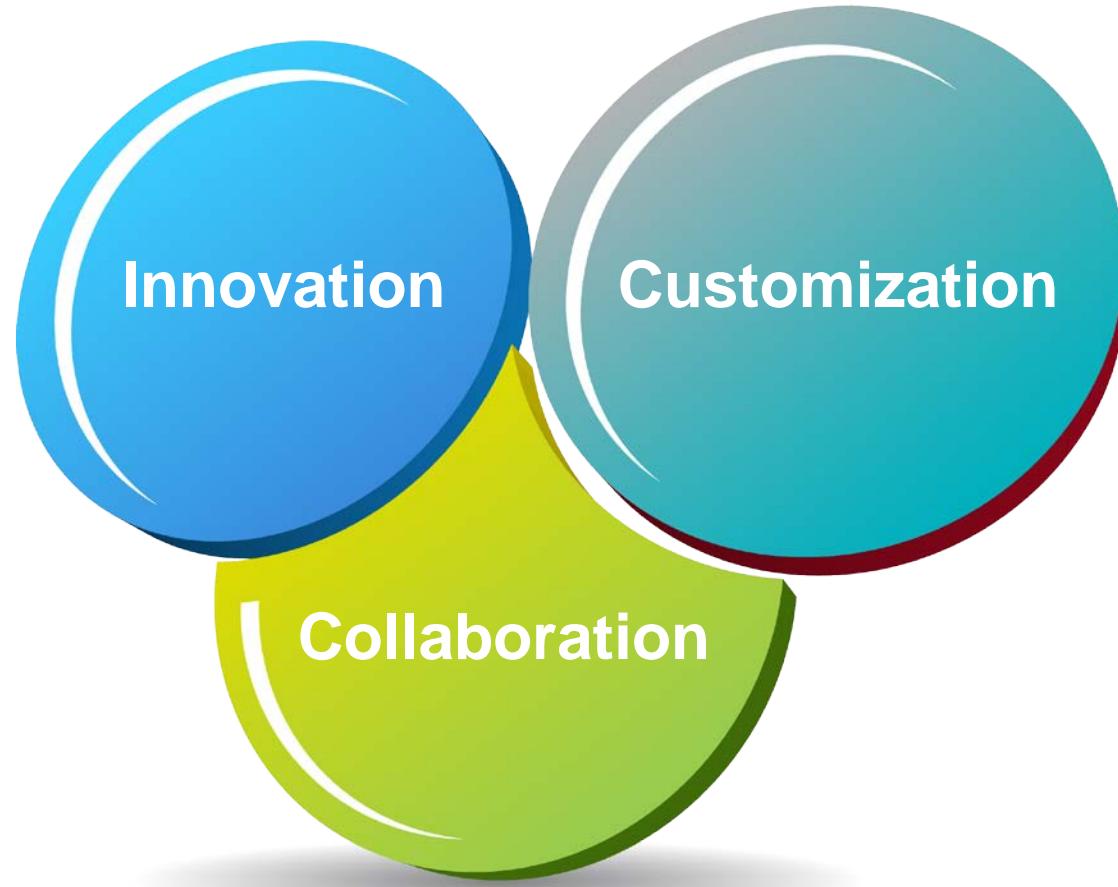
Our Most Valuable Resource Building Businesses Based on Relationships, Not Transactions





WE ARE SELLING THE
HOLE
NOT THE DRILL

Winning Through Differentiated Value





Enhancing
customers' products
with **IPS**TM
Innovative Packaging
solutions

Achieving Growth with a Market-based Approach

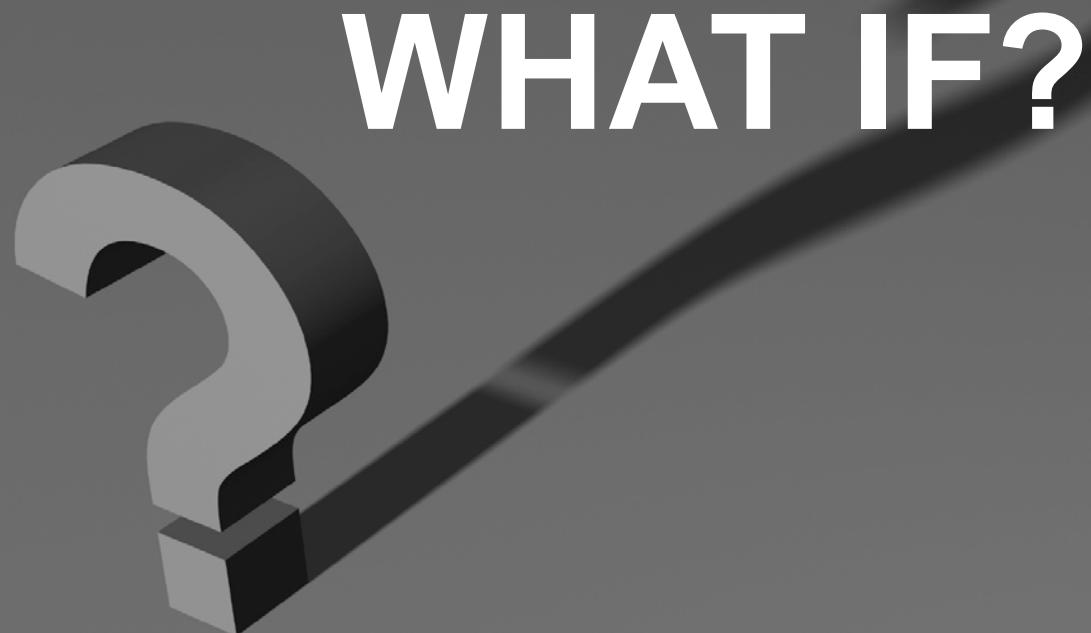
Rob Tiede

Senior Vice President

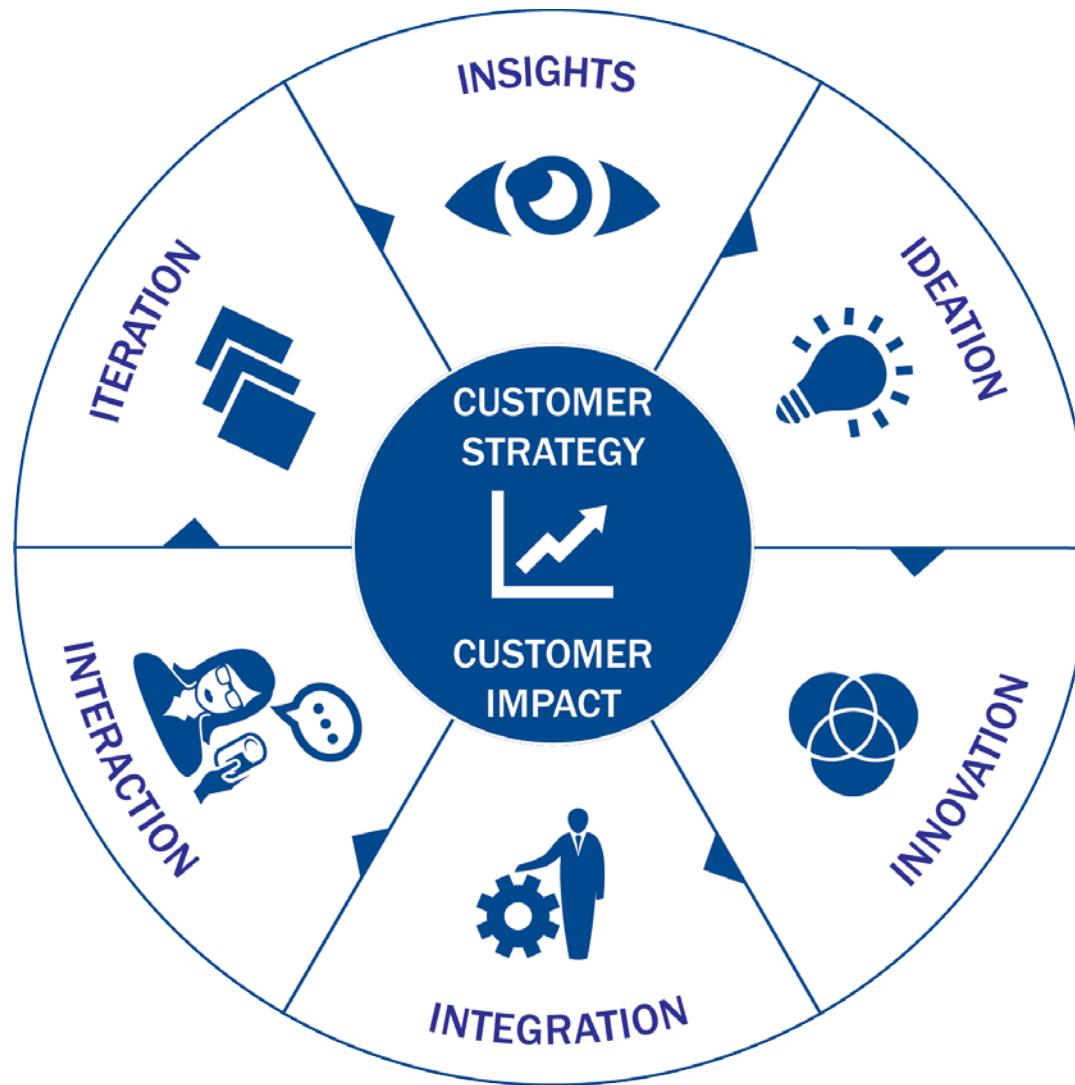
December 6, 2013



Questions are Powerful Tools in The Innovation Process



It All Starts With Our Customer's Goals



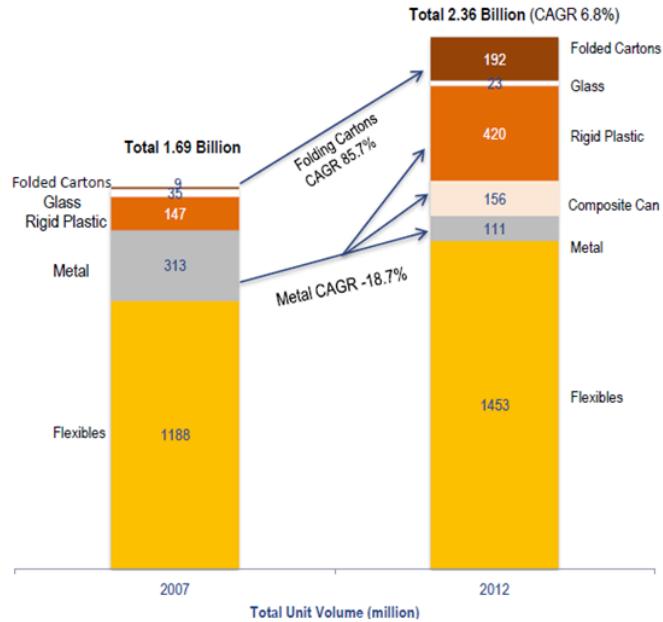


IMPROVE BRAND IDENTITY AND INCREASE MARKET SHARE

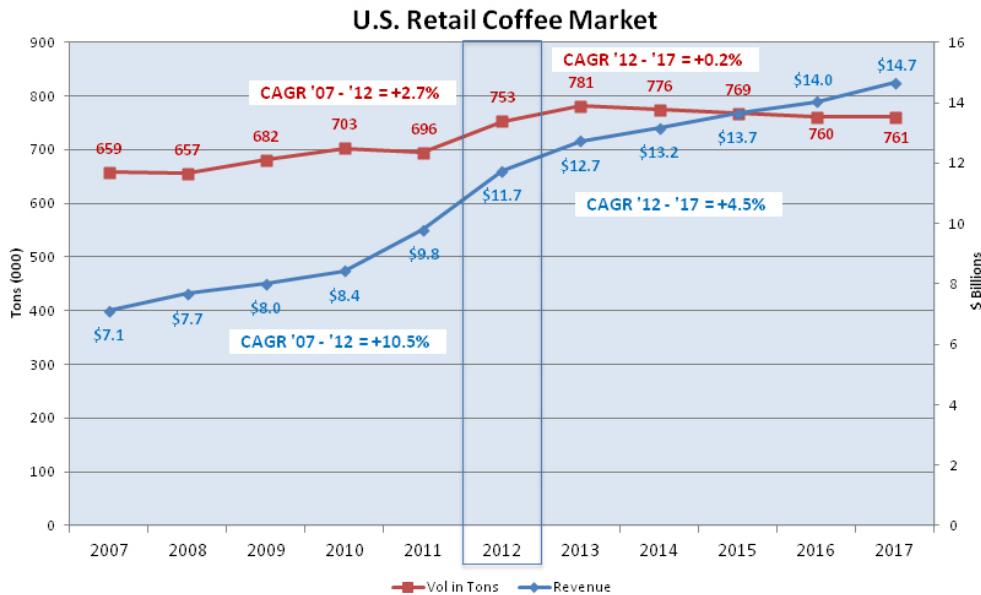
Market Insights



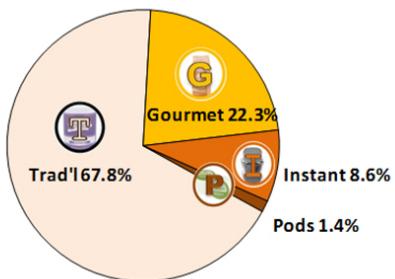
Packaging Trends



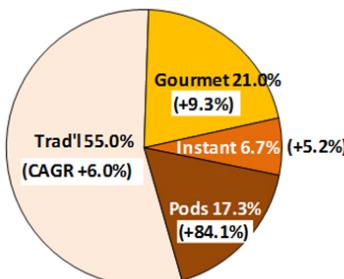
- Category \$ Growing Faster Than Volume
- Strong Growth in Pods
- Move to Flexibles and Rigid Plastics Packaging



Segment \$ Mix in 2007



Segment \$ Mix in 2012



Consumer Insights



- Consumer needs create opportunity for innovation
- Inclusion of a measuring device
- Fresher coffee, longer
- Eliminate need to switch to a different container



Portfolio Management



- Drives Profitability
- Eliminates Cannibalization
- Maximizes Cost/Value Relationship



Brainstorming



- Brainstorming based on objectives
Cross-functional/Multi-divisional teams
- Package Design
- Graphics
- Promotional Opportunities
- Package design components associated with driving brand loyalty



Know Thy Customer



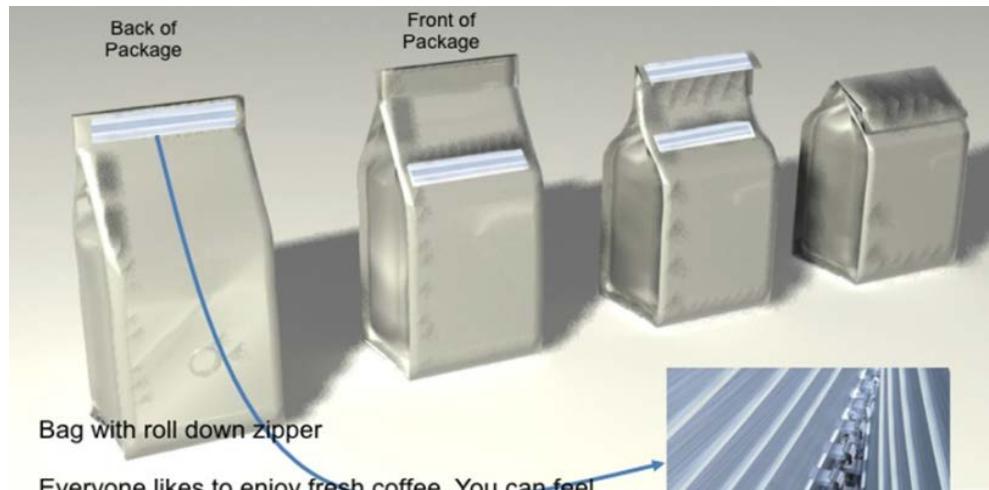
***Boomers**

***Gen-X**

***Gen-Y**

***Millennials**

Purposeful and Practical Innovation



Capabilities



- Proof of Principle in a virtual selling environment
- Merchandising appeal at the Moment of Truth

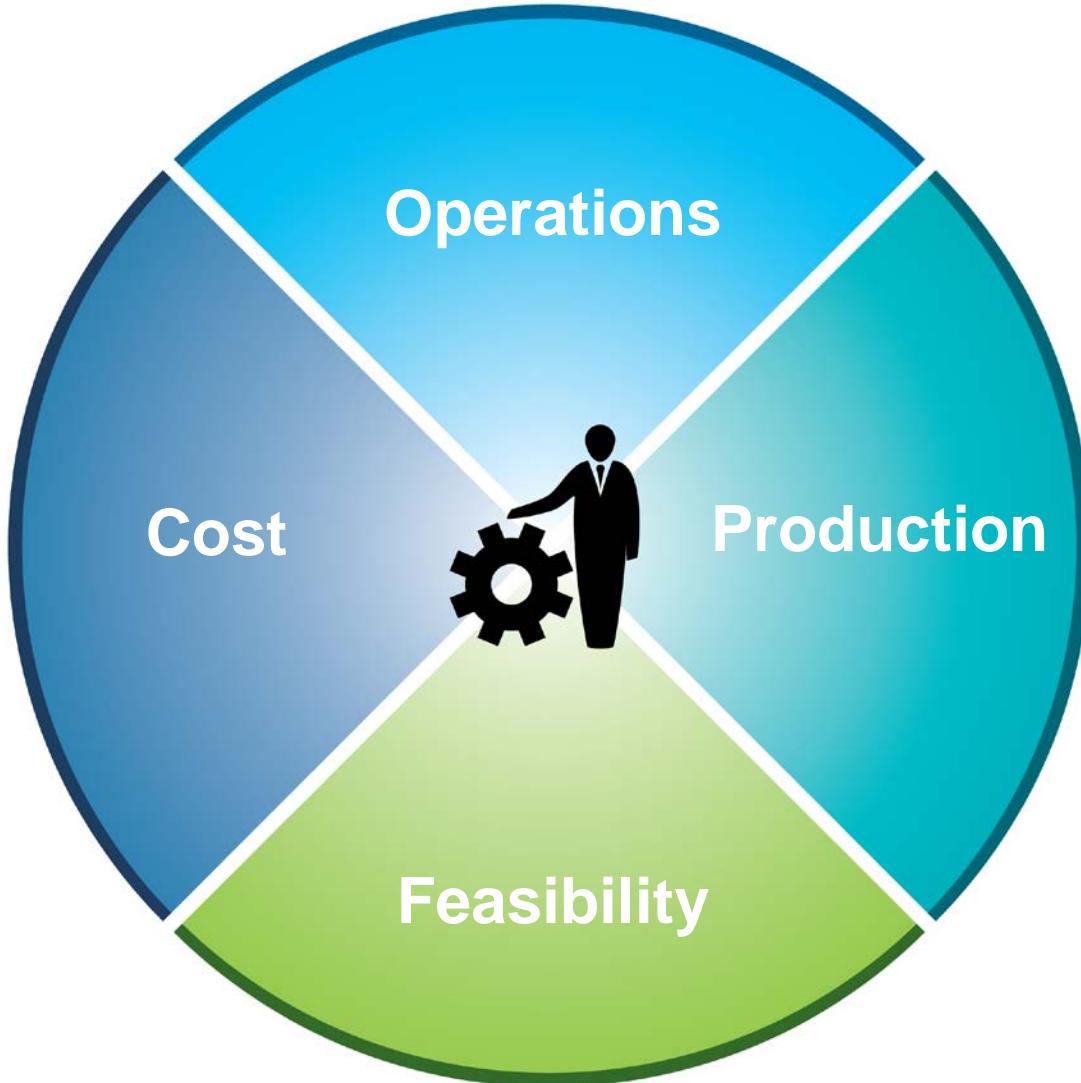


Adding Value Through Engineering and Material Science



Integration

Solutions Must be Realistic and Repeatable

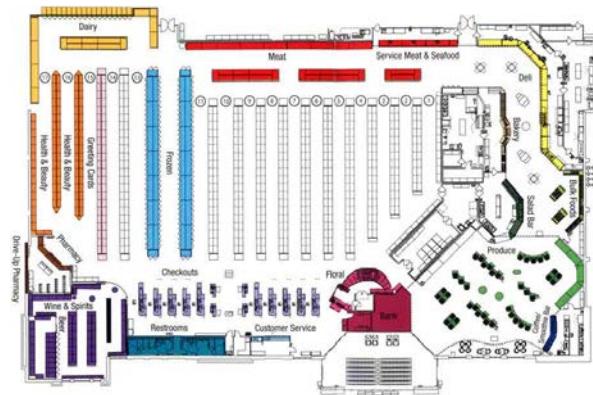


Coffee Video



Interaction

Understanding the retail environment across channels

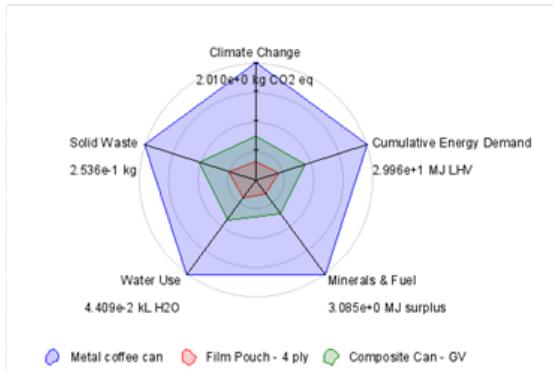
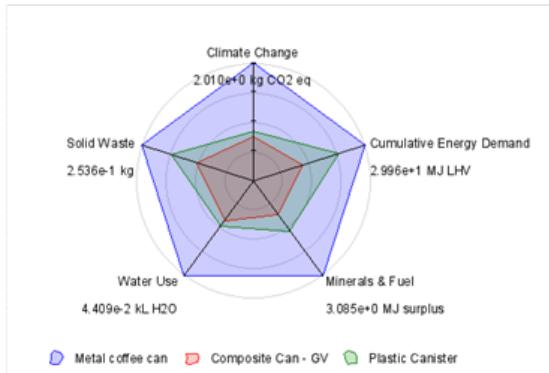


Iteration

A Focus on Continuous Improvement



Small Format Coffee (401)



Percent Improvement in Life Cycle Impacts Relative to Reference Scenario:

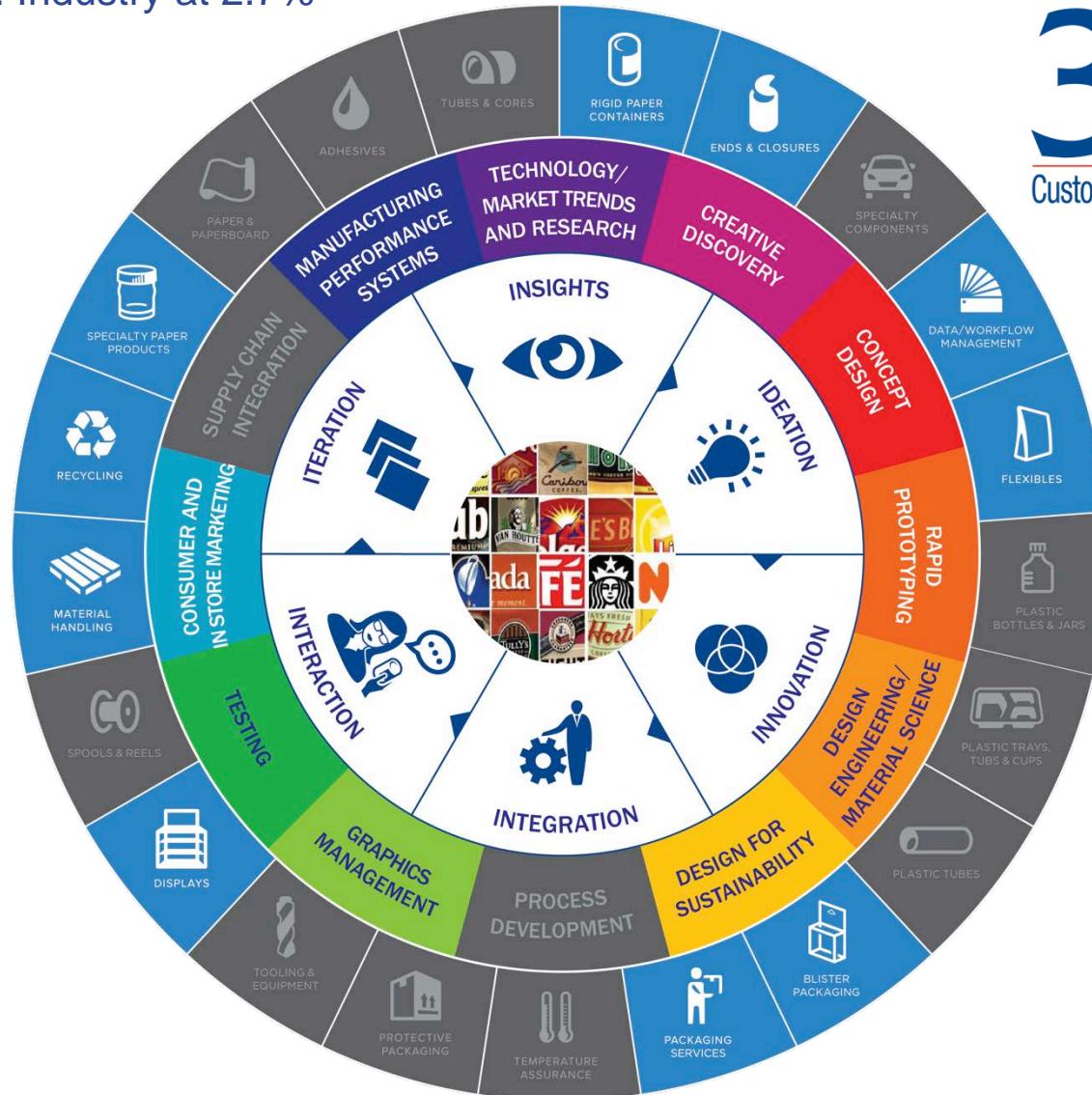
	Climate Change	Cumulative Energy Demand	Minerals & Fuel	Water Use	Solid Waste
Reference: Master Chef with easy open feature (297g)					
Folgers Plastic Canister (320.35g)	57.5	24.2	47.6	52.7	26.6
Great Value Composite Can (320g)	62.2	56.2	64.7	58.2	48.9
Sonoco Sample Flexible Pouch (340.2g)	83.6	78.9	85.8	81.6	75.9



New Approach Adds Strength To Our Growth Potential

Growth of 4% vs. Industry at 2.7%

360°
Customized **solutions**™

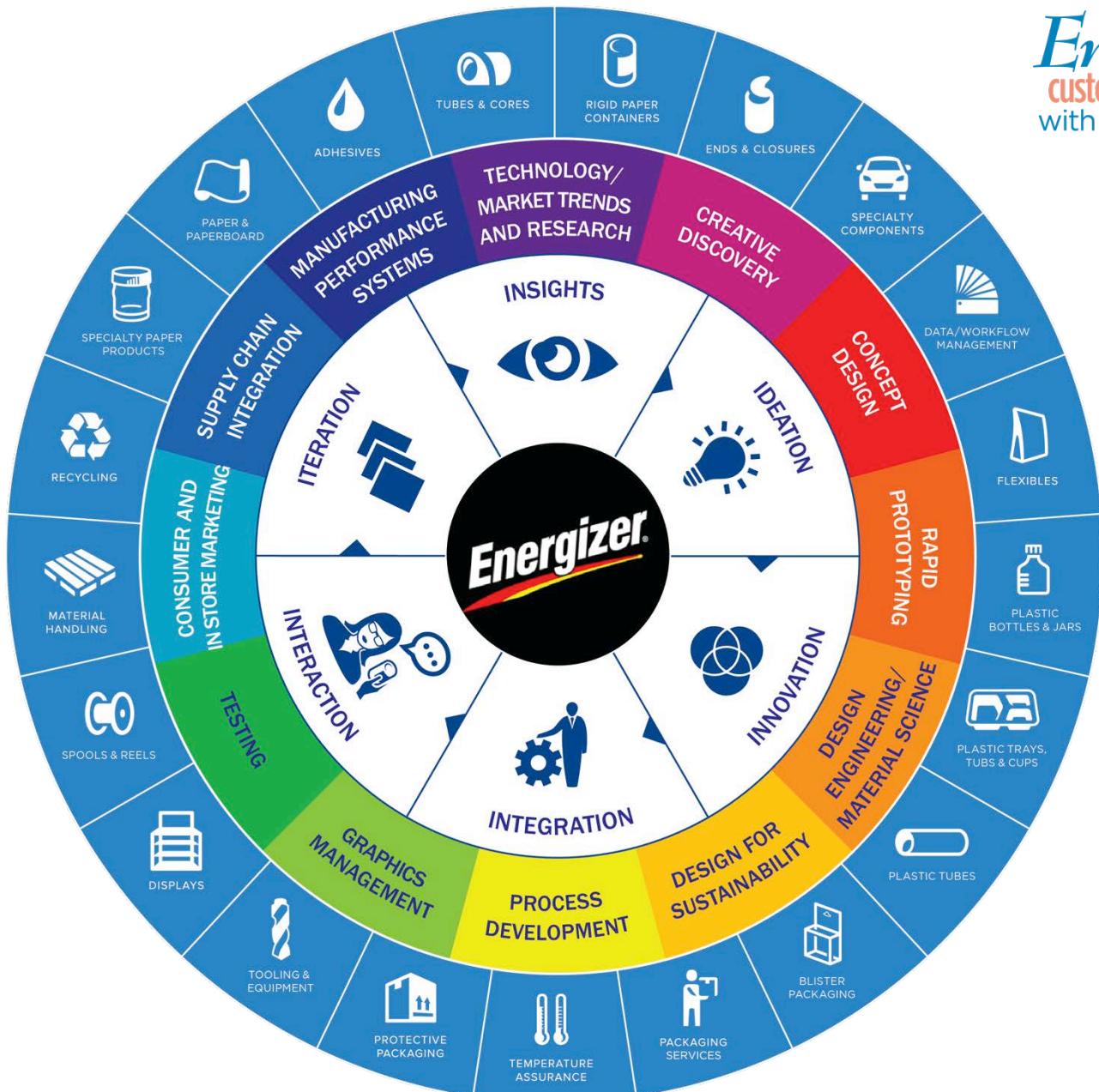




TIME
IS
MONEY

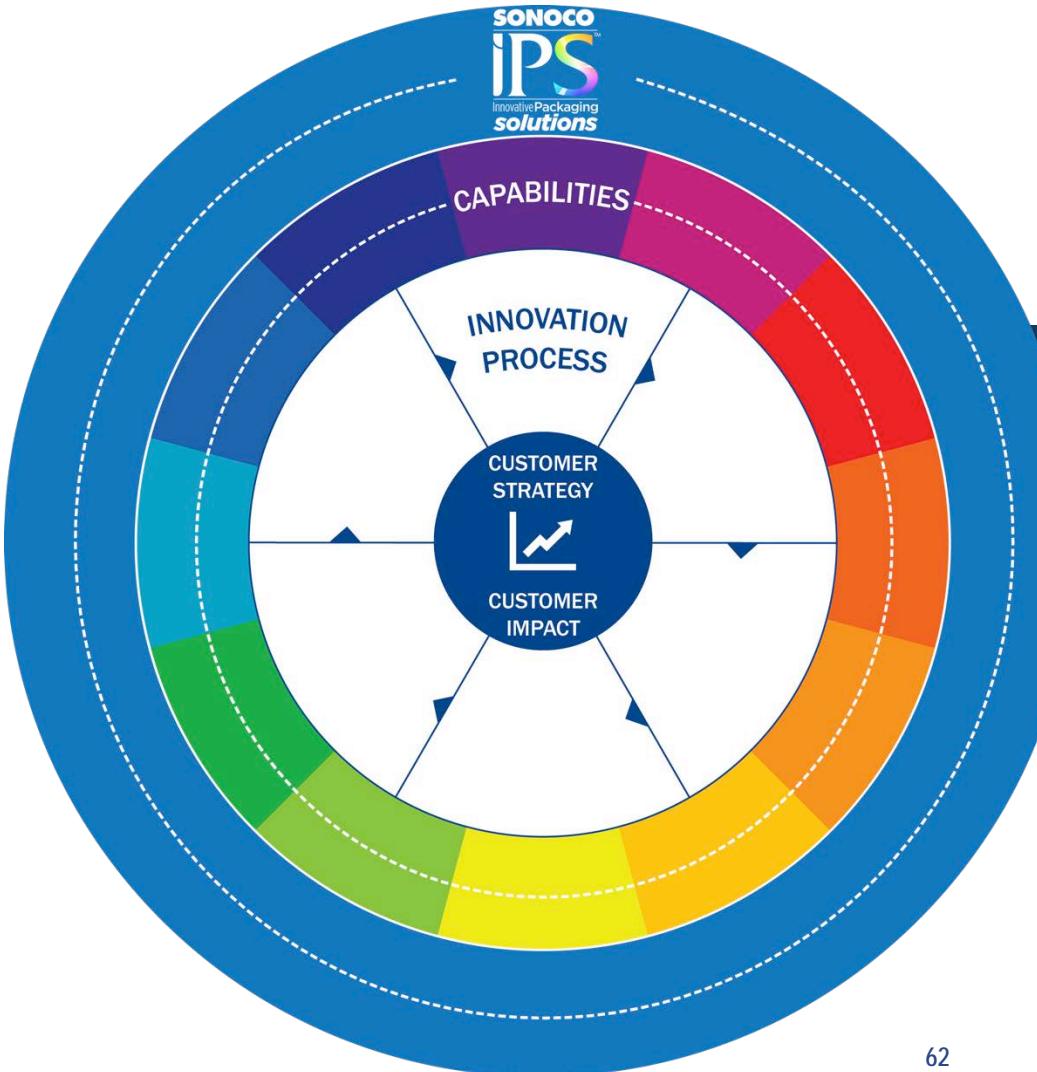
The Right Process Drives the Right Productivity





Enhancing customers' products with IPS™

Optimizing Performance by Optimizing the Supply Chain



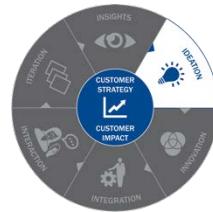
Insights



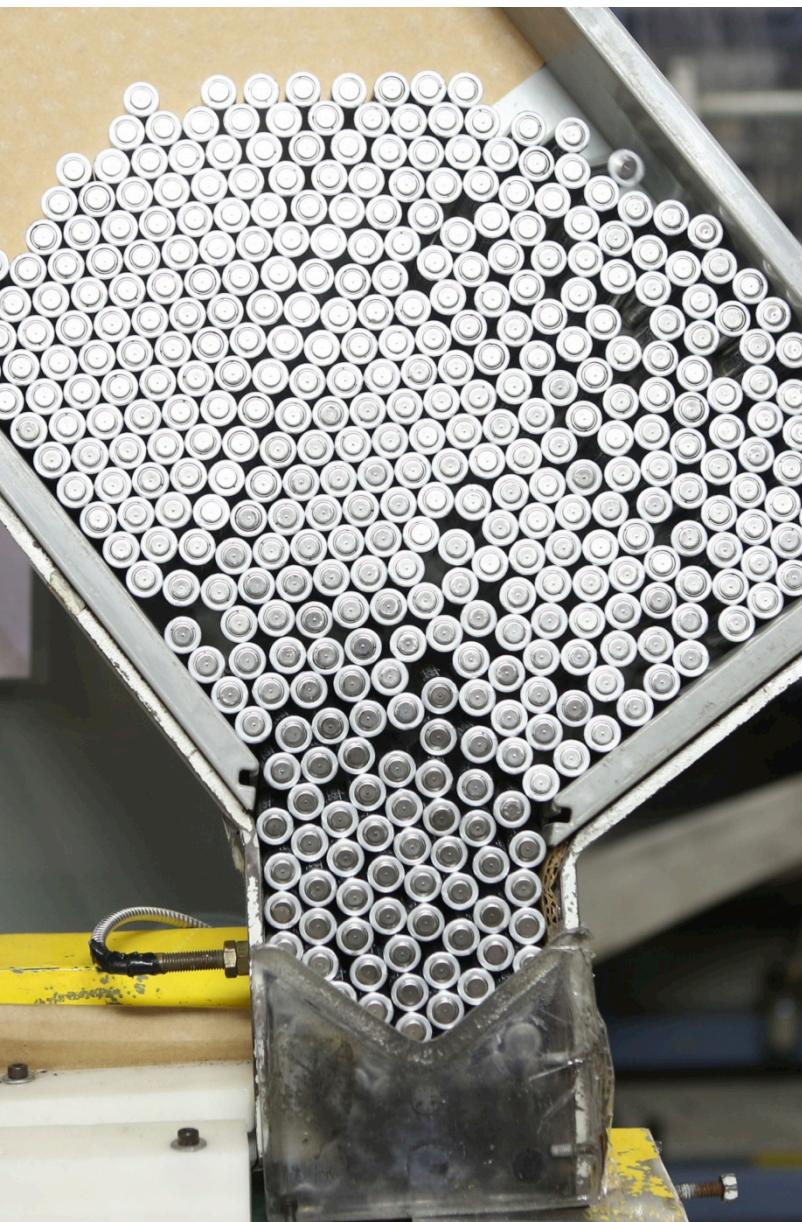
Retail and Supply Chain Analysis



A promotional Supply Chain Model for Success



Development of Supply Chain Model Options



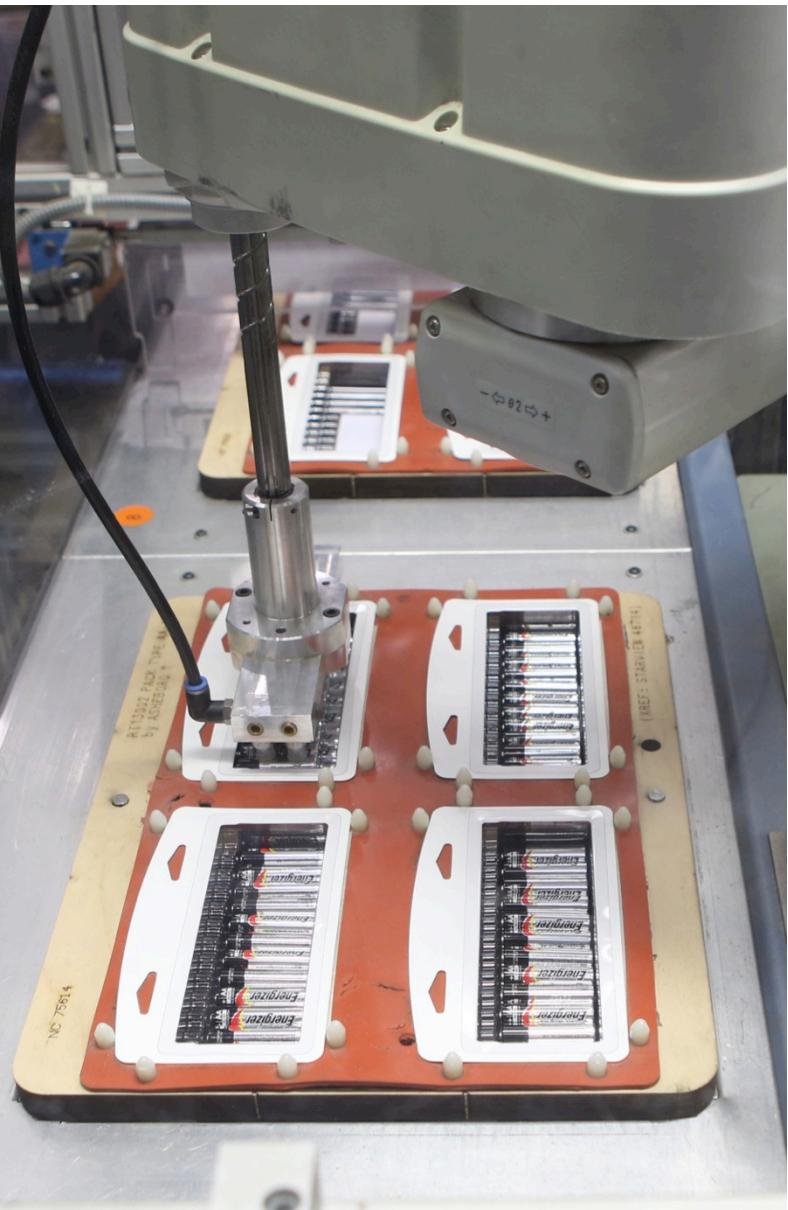
Design/Develop Primary Packages	Manufacture and Source Primary Packaging Materials
Plan Supply Chain Integration with Energizer ERP	Manage Primary Packing Operation
Promotional Display Pack-Out	Ship to Energizer DC and/or Retailer DC

Integration

Using Process Development to Maximize Plan Execution



Interaction

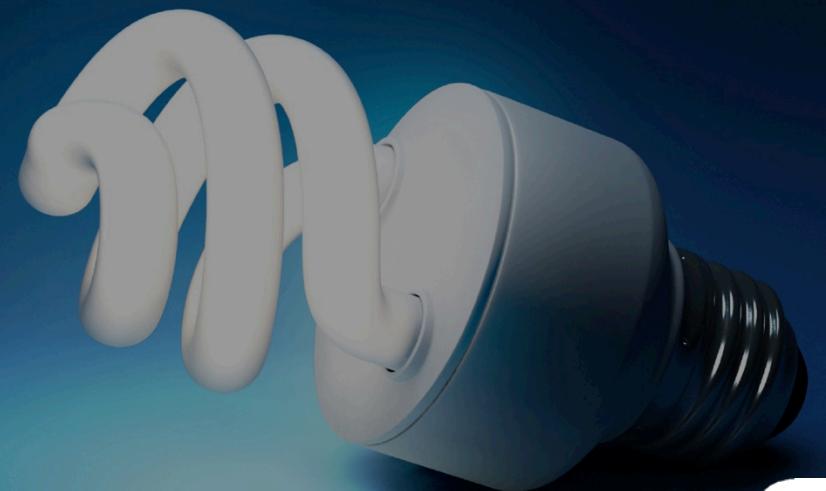


- 50 Packaging Lines
- 36 Million Primary Packs
- 405 Million Batteries





ITERATION LEADS TO CONTINUOUS INNOVATION

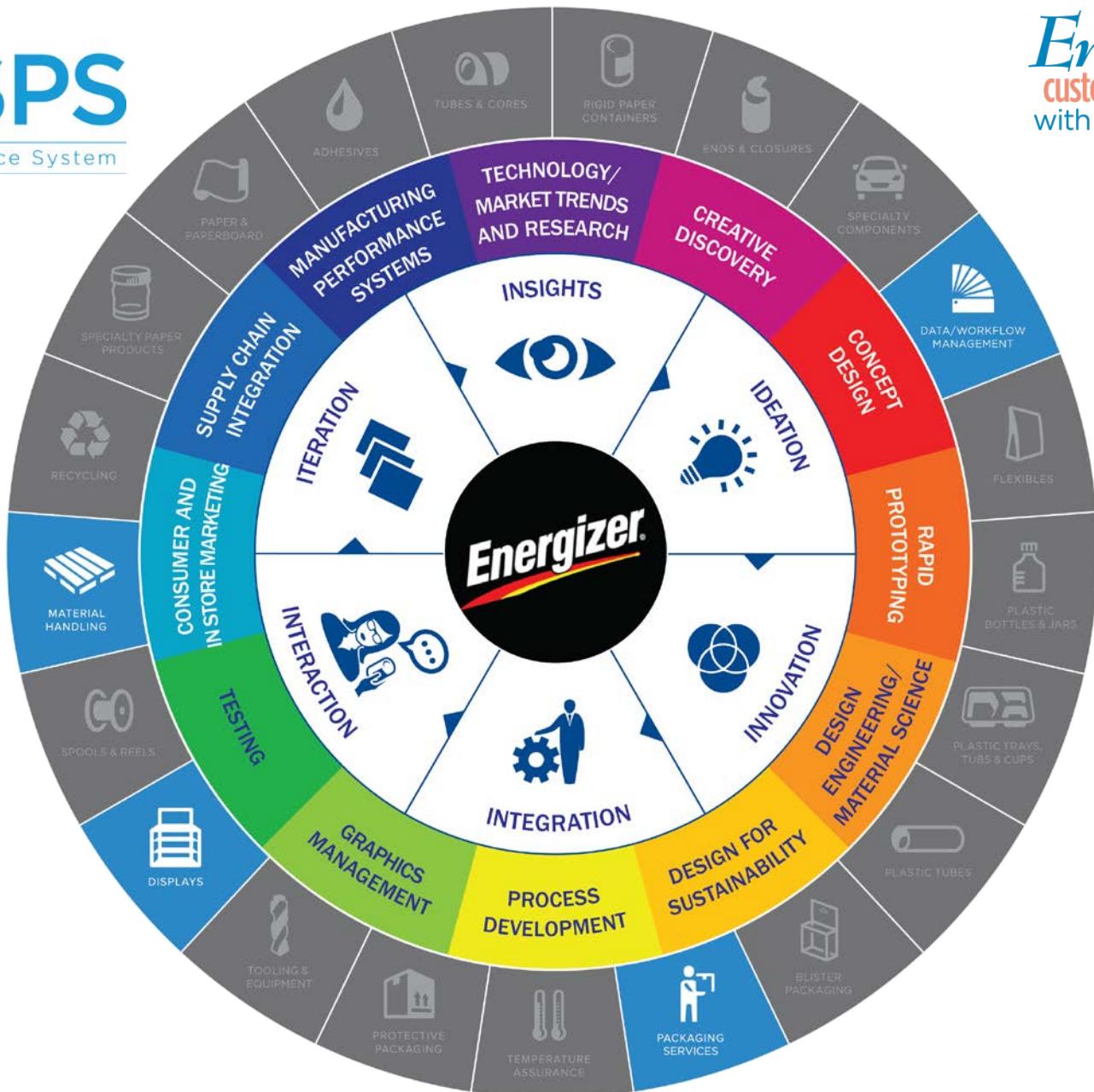


Reducing Costs/Improving Performance



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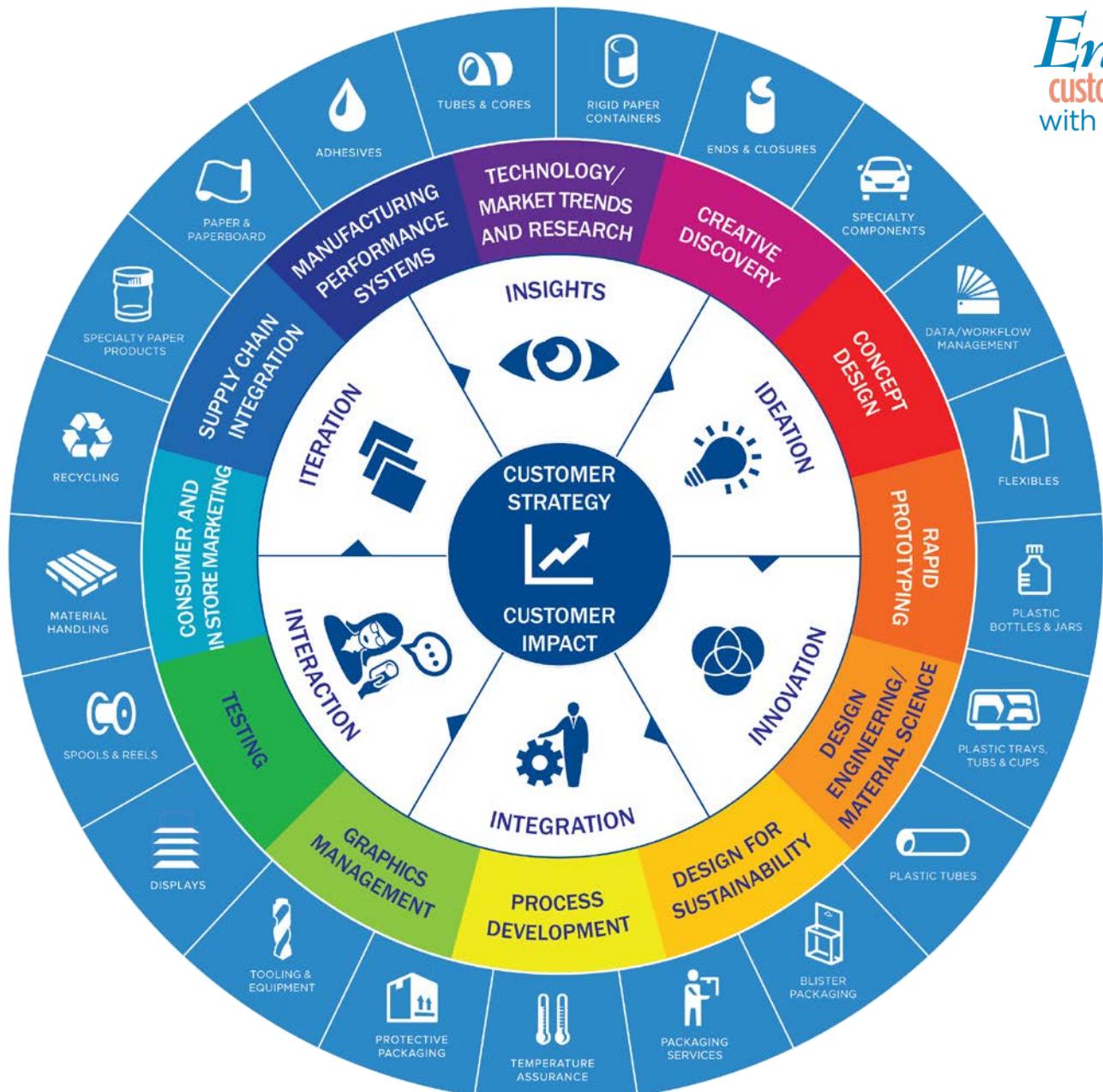






We Bring More To Packaging Than Just The Package

Innovating
Designing
Collaborating
Optimizing
Customizing
Researching
Enhancing
Improving
Fulfilling
Merchandising
Solving
Packing
Distributing
Recycling
Integrating



Enhancing customers' products with IPS™

Innovative Packaging
solutions



Enhancing
customers' products
with **IPS**TM
Innovative Packaging
solutions

Operations Review

December 6, 2013

New Approaches to Drive Organic Growth

Organic Sales Target

\$250MM



Actions

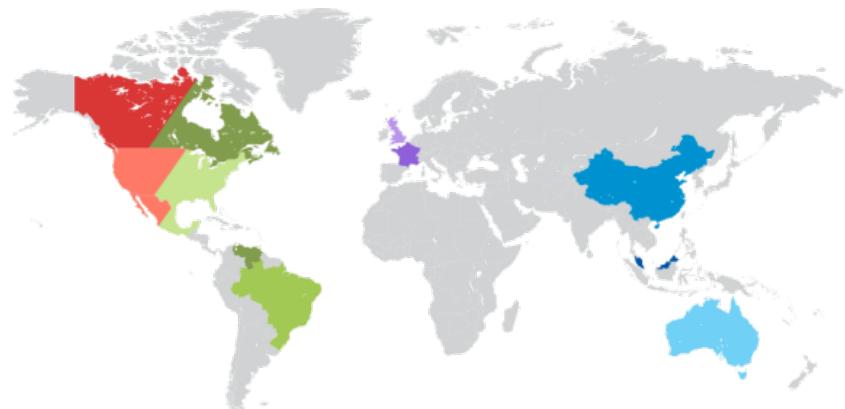
- Test (pilot) alternatives to proactively expand sales funnel
- Monitor what's working/not working
- Scale up best practices

“People tend to overestimate the pace of change and underestimate the impact of that change.”

Global Consumer Strategy



Shifting the mix of our businesses toward less cyclical consumer-related markets.



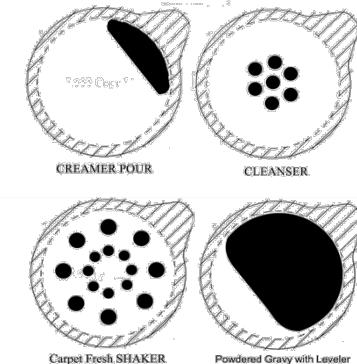
Global Composite Can Growth



- Growth in emerging markets
(Malaysia, Poland and China)
 - Expect to reach 250 million units in Asia in 2014, up 50% from 2012
- Growth in smaller pack sizes
- New technologies – paper bottoms, printed/registered membrane



Proposed 4 designs



Flexible Packaging Producing Record 2013 Results



- Projecting record sales, operating profits in 2013
- Successfully started up new rotogravure press in Morristown, Tenn.
- Continue to focus on new technology applications and products



Key Drivers for Plastic Businesses

Blow Molding



- Growth focus on personal care market
- Capital execution and process orientation
 - deliver improved returns
- Settle, focus and execute



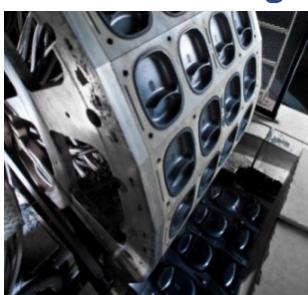
Injection Molding



- Disciplined adherence to the value proposition
- Balanced growth – industrial and next big win in consumer
- Operational discipline – maintain top quartile returns



Thermoforming



- Defend position as low-cost producer in CPET trays and HIPS portion control
- Capture polypropylene market expansion
- Drive productivity and capital execution



New Customer Growth Fueling Strong 2013 Results

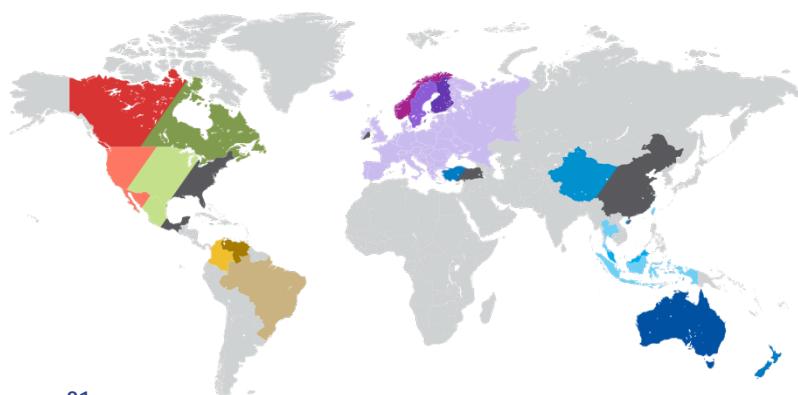
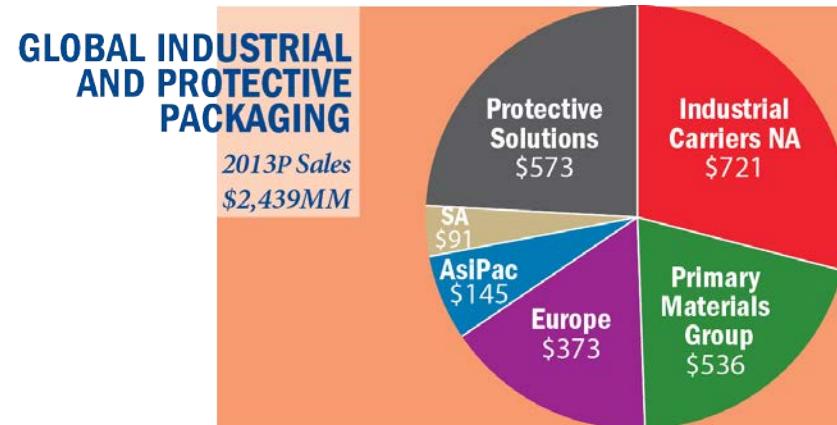


- Sales up 11% YTD, operating profits up to 30%
 - Record sales in U.S. with Elizabeth Arden, Starbucks, General Mills and others
 - Record sales in international markets with P&G, LEGO, S.C. Johnson, Colgate and others
- Energizer business awarded in U.S. added \$15 million in organic growth
 - Additional opportunities in 2014

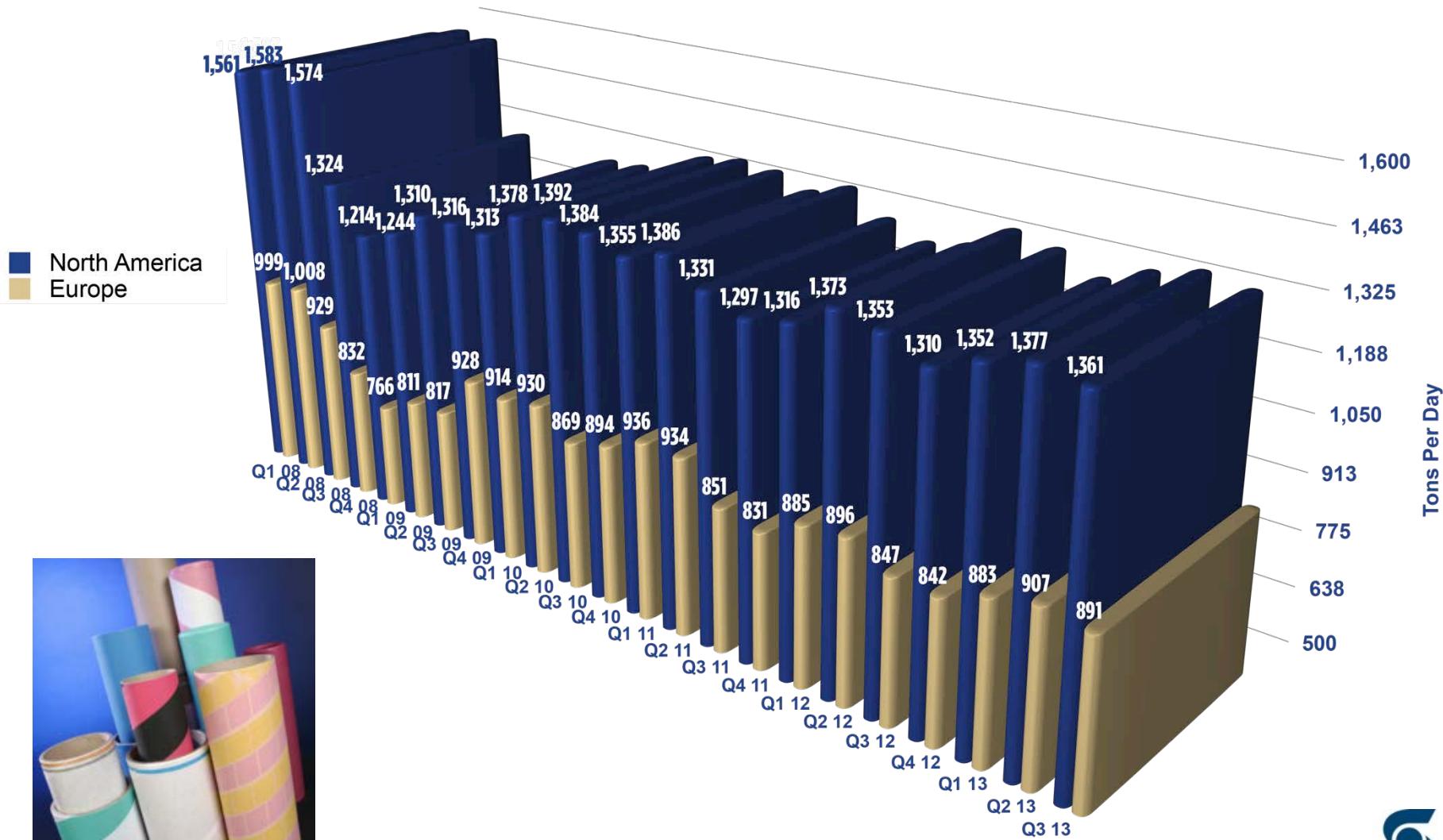
Global Industrial Products and Protective Solutions Strategy



Be the clearly recognized value leader and supplier of choice for our custom-engineered solutions within our selected served markets.

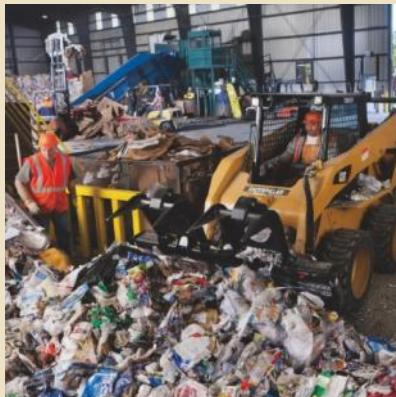


Sonoco Tubes and Cores Volume Trends



Optimize the North American Portfolio

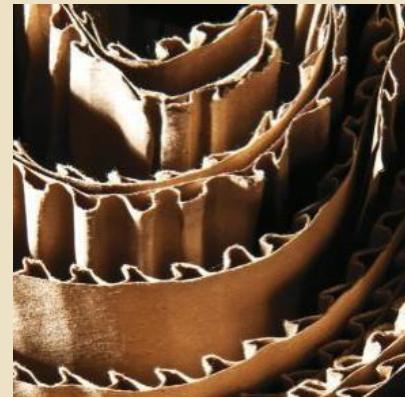
Sonoco Recycling



- #5 largest recycler in U.S.
- Optimize fiber supply to integrated businesses
- Build fiber collection capability in balance of mill footprint
- Supply security – low cost – price leverage for trade sales/exports

Supply Security

Primary Materials – Paper – Adhesives



- Optimize paperboard supplies to internal customers (60% of supply)
- Run mill system full by growing trade sales (tissue & towel)
- Drive Operational Excellence to maximize uptime and reliability

High Quality

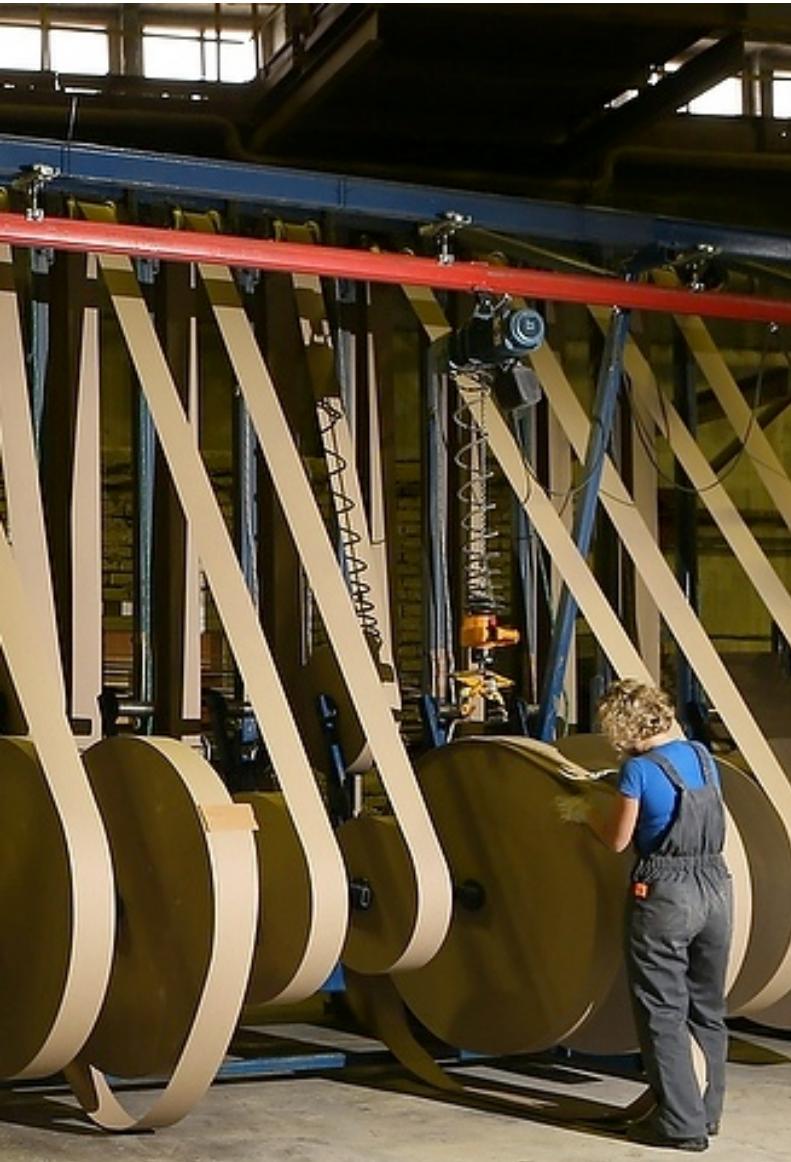
Tubes and Cores



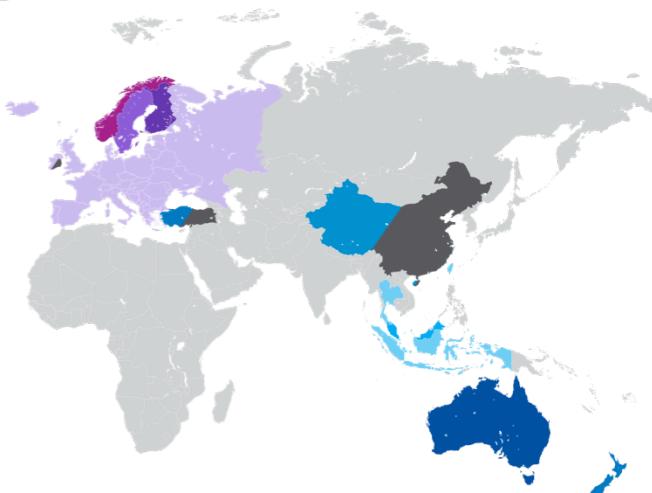
- Use technology to expand into growing sectors: film, textiles, containerboard
- Continue to manage fixed costs (reduce unit cost to produce)
- Price leadership

Best Cost

Global Tubes and Cores Growth Opportunities



- Frontier European core volume up 14% YTD 2013
- Opened Mondi Syktyvkar, Russia core plant late 2012
- Opening new plant in Shchokino, Russia in 1Q 2014
- Exploring opportunities in Middle East



Hartsville Biomass Boiler Starting Up



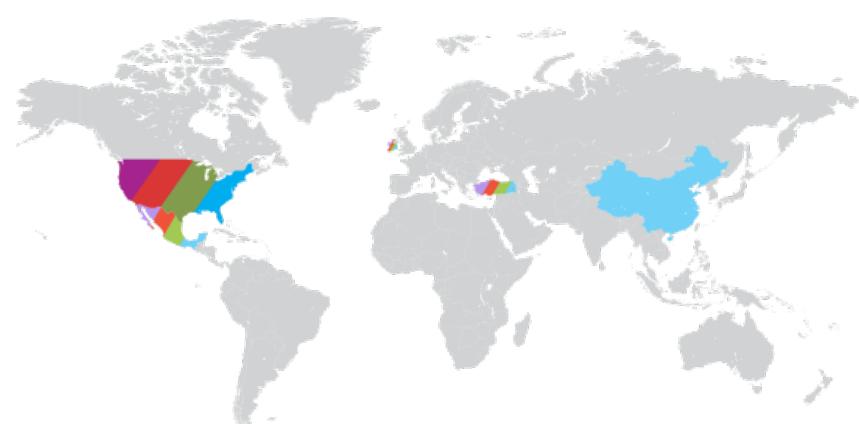
- Boiler construction completed on time, below budget
- Start up continues with commercial operations in December
- 12 MW of co-generated electricity, 300,000# hour steam
- Expect energy savings
 - Improve and reliability



Protective Solutions Strategy



Be the supplier of choice for custom-engineered protective packaging solutions



Consumer Protective Solutions



- #1 market position, sales ~\$170 million
- Legacy protective sales up 8% YTD in 2013
 - New GE appliance business added
- Moving process to cover higher material costs



Industrial Protective Solutions



- Automotive component sales have grown
 - 50% in three years to \$136 million
- New Celaya, Mexico plant constructed, in qualifications
 - Start-up costs in second half 2013
- New Shelbyville, KY plant breaking ground in 2Q 2014
 - Start-up costs in second half of 2014



ThermoSafe Protective Solutions



- Sales flat in 2013 as we moved out of certain lower margin business
 - Margins and EBIT improved
- Co-located new production facility in German tube and core plant
- Focusing on new product introduction, backed by ISTA Certified Labs

