



FOR IMMEDIATE RELEASE

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Packaging Dynamics Corporation Announces Acquisition of Marcal Chicago

Chicago, IL: Friday, October 1, 2010 – Packaging Dynamics Corporation (the “Company” or “Packaging Dynamics”) today announced the acquisition of the business operations of Marcal Chicago, LLC (“Marcal Chicago”), an affiliate of Elmwood Park, NJ based Marcal Manufacturing, LLC (“Marcal Manufacturing”). Marcal Chicago manufactures and markets a broad range of specialty packaging products for foodservice, restaurant and supermarket customers.

“The acquisition of Marcal Chicago is an exciting step in the development of Packaging Dynamics,” commented Roger Prevot, Packaging Dynamics’ Chief Executive Officer. “Marcal Chicago provides a number of strategic benefits to our BagcraftPapercon food packaging business including a broader product line, an expanded customer base and a well respected brand. We are also pleased to welcome the management and employees of Marcal Chicago to our company.”

"The sale of our Chicago operations fits ideally with our strategy to focus on Marcal's core, growing business in household paper goods made from 100 percent recycled paper," said Shawn Lederman, CEO, Marcal Manufacturing. "With an exceptional leadership team and deep industry experience, Packaging Dynamics is the ideal home for those operations' products, customers, and most important, for its dedicated and talented staff."

About Packaging Dynamics

Packaging Dynamics is a leading flexible packaging and specialty papers company providing innovative solutions to customers in each of its three business units – BagcraftPapercon, International Converter, and Thilmany Papers. Packaging Dynamics is a portfolio company of private investment firm Kohlberg & Company. For more information, visit our website at www.pkdy.com.

BagcraftPapercon, a business unit of Packaging Dynamics Corporation, is a leading producer of paper-based flexible food service packaging. For more information, visit our website at www.bagcraftpapercon.com.

About Marcal Manufacturing

Marcal Manufacturing, LLC uses only 100 percent premium recycled paper in every product it makes, in the company’s Marcal® Small Steps® brand. Marcal® Small Steps® is the nation’s number one line of paper towels, bath tissue, facial tissue and napkins made from 100 percent recycled paper, with great performance, and typically priced less than other recycled and traditional brands. The small, Elmwood Park-based company has manufactured with recycled paper since 1950. For more information, please visit www.marcalssmallsteps.com