



FOR IMMEDIATE RELEASE

FOR:

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Packaging Dynamics Corporation Announces Agreement to Sell Certain Assets

Chicago, IL: Tuesday, August 2, 2011 – Packaging Dynamics Corporation (the “Company” or “Packaging Dynamics”) today announced that it has entered into a definitive agreement to sell certain assets of the poly-extrusion coating and laminating business operated by its International Converter business unit to Prolamina Corporation. The assets involved in the transaction are located at International Converter’s Kaukauna, WI facility. Packaging Dynamics’ sales related to this business were approximately \$47.5 million during 2010. The transaction is expected to close within 45 days.

The transaction does not include International Converter’s adhesive laminating business which includes facilities in Caldwell, OH and Iuka, MS.

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.