



FOR IMMEDIATE RELEASE

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Packaging Dynamics Announces Offering of Senior Secured Notes

CHICAGO, Ill. (January 18, 2011) – Packaging Dynamics Corporation (the “Company”) today announced that it intends to raise approximately \$400 million in gross proceeds through an offering of senior secured notes due 2016. The net proceeds from the notes offering would be used to redeem all of the Company’s outstanding senior subordinated notes due 2016 through the exercise of the Company’s optional redemption right, to repay in full the Company’s senior secured credit facility and to pay a cash dividend to the stockholders of the Company’s ultimate parent company. The consummation of the notes offering is subject to the Company entering into a new senior secured credit facility and other customary closing conditions.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the senior secured notes due 2016. The notes to be offered have not been, and will not be, registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act of 1933, as amended.

Certain statements in this press release are forward-looking statements. These statements involve a number of risks, uncertainties, and other factors including the failure to consummate the notes offering and potential changes in market conditions that could cause actual results to differ materially.

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. BagcraftPapercon is a converter of specialty value-added food packaging products. International Converter produces adhesive and extrusion laminated structures for use in a wide range of consumer and industrial applications. Thilmany Papers manufactures specialty bleached and unbleached lightweight papers. Packaging Dynamics is a portfolio company of private investment firm Kohlberg & Company. For more information, visit our website at www.pkdy.com.