

Exopack Holding Corp. & Subsidiaries
Reconciliation of Net Income (Loss) to Adjusted EBITDA
For the Three Months Ended March 31, 2007 and June 30, 2007
and the Six Months Ended June 30, 2007
(Dollars in 000's)

	Three Months Ended March 31, 2007	Three Months Ended June 30, 2007	Six Months Ended June 30, 2007
Net Income (Loss)	\$ 2,601	\$ (43)	\$ 2,558
Interest Expense	7,006	6,864	13,870
Income/Franchise Tax Expense	1,566	1	1,567
EBIT	11,173	6,822	17,995
Depreciation and Amortization ⁽¹⁾	3,913	3,968	7,881
EBITDA	15,086	10,790	25,876
<u>Other Gains/Losses:</u>			
Impairment of Intangible Asset (Cello-Foil tradename and trademark)	-	1,304	1,304
Management Fees	373	274	647
Canadian Amalgamation	283	216	499
Hebron Sublease Assumption Adjustment and Other Hebron Charges	212	32	244
Plastics U.S. ERP System Implementation	154	194	348
Gains/Losses on Disposals of Property, Plant and Equipment	69	404	473
Start-up of Exopack Asia	-	159	159
SOX Compliance	-	89	89
Plastics U.S. Restructuring	87	3	90
Miscellaneous	113	189	302
Adjusted EBITDA	\$ 16,377	\$ 13,654	\$ 30,031

⁽¹⁾ Excludes amortization of deferred financing costs, which are a component of interest expense.