

**Exopack Holding Corp. & Subsidiaries**  
**Reconciliation of Net Income (Loss) to Adjusted EBITDA**  
**For the Three Months Ended March 31, 2008, June 30, 2008, September 30, 2008 and December 31, 2008**  
**and the Twelve Months Ended December 31, 2008**  
(Dollars in 000's)

	<b>Three Months Ended March 31, 2008</b>	<b>Three Months Ended June 30, 2008</b>	<b>Three Months Ended September 30, 2008</b>	<b>Three Months Ended December 31, 2008</b>	<b>Twelve Months Ended December 31, 2008</b>
<b>Net Income (Loss)</b>	\$ (614)	\$ (976)	\$ (2,486)	\$ (2,042)	\$ (6,118)
Interest Expense	7,966	7,645	7,702	7,678	30,991
Income/Franchise Tax Expense	(95)	266	(425)	(707)	(961)
<b>EBIT</b>	<b>7,257</b>	<b>6,935</b>	<b>4,791</b>	<b>4,929</b>	<b>23,912</b>
Depreciation and Amortization <sup>(1)</sup>	4,928	5,764	5,744	6,525	22,961
<b>EBITDA</b>	<b>12,185</b>	<b>12,699</b>	<b>10,535</b>	<b>11,454</b>	<b>46,873</b>
<b>Other Gains/Losses:</b>					
Management Fees	371	356	379	427	1,533
Losses on Disposals of Property, Plant and Equipment	138	111	643	865	1,757
Non-cash Stock Compensation	203	131	135	147	616
EAC and EPF Startup and Transition Expenses	1,708	1,378	483	579	4,148
Severance Expense	668	460	433	459	2,020
ERP System Implementations	182	56	47	51	336
WPP China Project Shutdown	256	112	48	20	436
Capital Equipment Relocation and Startup Expenses	396	424	513	768	2,101
Concord Facility Consolidation (including lease obligation) <sup>(3)</sup>	-	981	348	1,488	2,817
Foreign Exchange Losses on Intercompany Note and Bank Conversion	-	-	623	1,444	2,067
Sarbanes-Oxley and Other Related Costs <sup>(2)</sup>	296	361	298	230	1,185
Miscellaneous (including Hebron Facility Costs) <sup>(3)</sup>	365	268	44	354	1,031
<b>Adjusted EBITDA</b>	<b>\$ 16,768</b>	<b>\$ 17,337</b>	<b>\$ 14,529</b>	<b>\$ 18,286</b>	<b>\$ 66,920</b>

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

<sup>(2)</sup> Beginning with the period ended September 30, 2008, we began adding back all costs of being a public company. Previous periods have been adjusted retroactively (Q1 and Q2 2008 adjusted by \$246 and \$331, respectively). (On a comparative basis, 2007 Quarters' costs of being a public company would increase Adjusted EBITDA by \$182, \$243, \$177, and \$300 for Q1, Q2, Q3, and Q4, respectively for a full year increase of \$902.)

<sup>(3)</sup> Both the Hebron and Concord facilities have been subleased and the future sublease income has been factored into the net lease obligation recorded.