

Exopack Holding Corp. & Subsidiaries
Reconciliation of Net Income (Loss) to Adjusted EBITDA
For the Three Months Ended March 31, 2010

(Dollars in 000's)

		Three Months Ended March 31, 2010
Net Income (Loss)	\$	(853)
Interest Expense		7,018
Income/Franchise Tax Expense		565
EBIT		6,730
Depreciation and Amortization ⁽¹⁾		6,432
EBITDA		13,162
 <u>Other Gains/Losses:</u>		
Loss on Fixed Asset Disposal		256
Non-cash Stock Compensation		123
Management Fees		366
Severance and Related Expenses		859
Sarbanes Oxley Compliance and Other Related Expenses		289
Process Improvement Consulting Analysis		798
Revaluation of Waste Inventory ⁽²⁾		372
Other Startup and Restructuring		414
Capital Equipment Relocation and Startup Expenses		350
Startup of US WPP		251
 Adjusted EBITDA	 \$	 17,240

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

⁽²⁾ Changed the historical accounting estimate for valuing reclaimable waste inventory in one of our Canadian facilities.