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Labor agreement reached for PaperWorks Industries mills

Employees to receive competitive wage increases, new healthcare options

PHILADELPHIA, June 15, 2010 – The United Steelworkers and PaperWorks Industries, Inc. announced today that they have ratified a three-year collective bargaining agreement, applicable at PaperWorks' Philadelphia and Wabash mills.

“The ratification of this agreement, which applies to hourly employees at both of our paperboard mills, provides our workers with wage increases that are competitive on both the local and industry-wide levels,” says Dan Sassi, Vice President, Human Resources. “This agreement also provides workers with innovative healthcare benefits – not only will our workers be earning more, we’re helping them save money in other essential areas as well.”

PaperWorks Industries, Inc. has launched a number of innovative programs in its mills since its inception in 2008. Its flagship safety program, SafetyWorks, has lowered accident rates in the mills and helped institute a safety culture that empowers workers to ensure their environments are secure. A new initiative, HealthWorks, is currently being implemented to put more tools in employees' hands as regards financial management, wellness, health planning and mental health.

“We enjoy positive relations with our manufacturing employees,” Sassi says. “We’re proud to work with our labor force to keep innovating to improve productivity through flexible scheduling and other accommodations. Our safety record at the mills is among the best in the industry.”

Company President & CEO Thomas J. Garland agrees that this benefits all parties. “We value and appreciate our manufacturing employees at PaperWorks. This agreement ensures a continuation of our strong relationship with our employees, as well as ongoing stability and excellence across the board for all of our stakeholders,” he says.

PaperWorks Industries, Inc. is a leading North American integrated full-service packaging provider. Its paperboard division manufactures approximately 300,000 tons per year of 100% recycled paperboard. Its products cover a broad range of end uses and are generally consumed by the consumer packaging market. Founded in 2008, PaperWorks Industries is headquartered in Philadelphia, PA, employs approximately 1,000 employees at 9 North American locations, and has annual sales in excess of USD\$325 million.

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Contact:
Dan Sassi
Vice President, Human Resources
PaperWorks Industries, Inc.
dan.sassi@paperwrks.com • 215-984-7175

5000 Flat Rock Road • Philadelphia, PA 19127 USA
Corporate office: 215-984-7000 Fax: 215-984-7181
www.paperworksindustries.com