



Press Release

For Immediate Release

PREGIS CORPORATION REQUESTS CREDIT FACILITY WAIVER

Lake Forest, IL, May 25, 2006 – Pregis Corporation, a leading international manufacturer, marketer, and supplier of protective packaging products and specialty packaging solutions, announced today that it has requested that the Lenders of its Credit Facility agree to a further delay in the financial reporting requirements of the Credit Agreement. Specifically, Pregis requested, subject to certain limitations, a delay for the delivery of its 2005 audited financial results until June 10, 2006 (10 additional days). The waiver request also includes certain provisions should the delivery of the 2005 audited financials or the unaudited financial statements for the first and second quarters of 2006 be delayed beyond the currently agreed delivery requirements.

As previously indicated, in order to complete our financial statements for the fiscal year 2005, we are required among other things, to complete two distinct audits (for the periods ending October 12, 2005 and December 31, 2005). Completion of these audits also requires the creation of opening balance sheet accounts that incorporate independent valuations of the businesses and related purchase accounting on an entity-by-entity basis. In addition, as part of the transition services agreement entered into in October 2005, we are still in the process of establishing our financial reporting systems on an independent, standalone basis. While Pregis and its auditors have made significant progress on the audit and we and our auditors are still striving for completion by May 31, we believe there is a risk that we may not have the audit completed by such date and as such have requested an additional extension. Should the delivery of the 2005 annual audited financial statements for the fiscal year ended December 31, 2005 continue to be delayed, this may in turn also further delay the completion of the Borrower's quarterly financial statements for the fiscal quarters ending March 31, 2006 and June 30, 2006.

While the audit for the fiscal year ended 2005 has not yet been completed, nor have the results for the first quarter of 2006 been reviewed by our auditors, we believe that our sales for each of these trailing twelve months have grown. We believe our profitability in the fourth quarter of 2005 suffered due to unfavorable market conditions experienced primarily in North America based on significantly higher resin, energy and freight costs following the market supply disruptions related to the hurricanes. However, Pregis took significant action, including price increases and cost reductions, to offset the impact of

these cost increases. We believe these actions, together with more favorable market conditions, have enabled us to achieve increased profitability in the first quarter of 2006 ahead of management's expectations.

Pregis Corporation is a leading global provider of innovative protective, flexible, and foodservice packaging and hospital supply products. The specialty packaging leader currently operates 41 facilities in 16 countries around the world. For more information about Pregis, visit the company's web site at www.pregis.com.