



FORTUNE PLASTICS

A Clondalkin Company

FLEXIBLE PACKAGING

December 30, 2011

Valued Fortune Plastics Customer:

Resin suppliers have been attempting to begin the implementation of a series of polyethylene increases for several months now. Although earlier market place indications made a December implementation unlikely, (including CDI's December report) here at the very end of month, our resin suppliers have advised us they will implement their 12/1/11 increase of \$0.05/pound. Further, they continue to express their intentions to raise pricing again effective 1/1/12 by \$0.06/pound. Rising feedstock costs, certain market segment supply/demand issues, and several quarters of distressed earnings building resolve among all PE businesses are contributing factors to the implementation of this particular increase.

As a result, **effective for orders on or after January 30, 2012, Fortune Plastics will implement a 7% price increase** for all can liners and food bags, as well as stock and custom flexible packaging film and bag products. This increase will apply to all stock and contract business. Fortune will accept orders prior to January 30 based on average monthly purchase volumes.

We appreciate that resin pricing volatility is a challenge to our business and yours, as well as your customer's businesses. We experienced a total of 6 increases and decreases in 2011, and unfortunately, we expect this volatility to continue. Our goal is to work with you on each market move in 2012 as efficiently as possible. We will keep you posted on additional increases and other market place changes as soon as we know.

Thank you for the continued opportunity to supply your can liner and flexible packaging needs.

Sincerely,

Fortune Plastics, Inc.

