

## **CONSTRUCTION BEGINS AT STEFCO HEADQUARTERS: NEW PAPER MILL SYMBOLIZES STRONG GROWTH TREND FOR THE COMPANY**

**HAINES CITY, FLORIDA** -- StefcO Industries, a subsidiary of Cellynne Holdings, has begun construction of its robust new paper mill in Haines City, Florida. Located at its headquarters, this multi-million dollar building project will be completed by mid-2006, with production scheduled to begin at the end of the second quarter. The new mill will establish StefcO as a full-service paper manufacturer, which will give the company a leading edge over other paper converters in the marketplace.

The paper mill will house a complete tissue machine from Metso, equipped with a SymFlo TIS headbox, an 18-foot Metso Yankee cylinder, an Advantage AirCap yankee hood, sheet control and tail threading equipment, and reel and roll handling systems. The machine will have a wire width of 2.7 m, an operating speed of 2000 m/min, and a daily production of up to 130 metric tons of high-quality facial, bathroom tissue and towel grades.

Upon completion of the new mill, StefcO will gain the ability to produce raw materials and manage its own paper supply. This important capacity will allow the company to improve the overall consistency and quality of their paper products and strengthen their reputation as a reliable supplier.

According to Patrice Minguez, CEO of Cellynne Holdings, StefcO has been experiencing a significantly strong and steady growth during the past several years. The fabrication of the new paper mill will almost certainly bolster this growth trend. It is just one of many exciting new developments unfolding at StefcO at the present time.

### **Other Expansions at the Company**

In addition to its new paper mill, StefcO Industries will be adding 65,000 additional square feet to the warehouse at its headquarters. This renovation will be completed in October, with the expansive new space to be used for storing finished goods.

StefcO also recently completed full automation of its manufacturing plant in Haines City. All lines have been installed with automatic palletizers, and products are transported out to the shrink wrapper by an "LGV", or Laser-Guided Vehicle. This comprehensive level of automation allows for an overall increase in plant productivity and supports the company's ongoing efforts to improve service for its customers.

### **The Company Introduces New and Improved Products**

StefcO has recently introduced changes to several of its current product lines. A unique new design is now featured on packages of Heavenly Soft, the company's main brand of "At-Home" paper goods. In addition, the popular Heavenly Soft collection has been expanded with the arrival of soft, 2-ply facial tissues.

Caresse, StefcO's top-of-the line variety of paper products made solely from virgin fibers, is also in the process of undergoing a package makeover. All boxes and packaging in this collection will feature a fresh new design concept during the upcoming months.

For their "Away from Home" market, StefcO has introduced a Handsfree Center Pull dispenser. Made from impact-resistant plastic, this cost-effective dispenser accommodates a variety of perforated paper grades. Its hands-free operation makes it a perfect choice for food processing,

healthcare, or hospitality environments.

Stefco Industries is working diligently not only to improve upon its existing product lines, but also to develop new products to satisfy the needs of their customers. One of the many exciting new products on tap for 2006 is a line of affordable paper products called Quality Choice, due to launch in the coming months.

### **About Stefco Industries**

Stefco Industries, founded in 1988, is the largest independent paper converter in North America. They are the leading supplier of quality bath tissue and towel products for both the "At Home" and "Away From Home" markets.

Stefco's premium paper products are sold through distributors to hotels, restaurants, offices, schools and many other commercial and government organizations. The company produces and distributes an exceptional assortment of bleached and non-bleached paper tissue products and paper towel products, including Jumbo Roll Tissue, Single Roll Tissue, Center Pull Towels, Hard Wound Towels and various types of Folded Towels. Their customer base includes distributors, re-distributors, and private label markets in the United States, the Caribbean, and Latin America.

The company, which also has offices in Green Bay and Las Vegas, runs its corporate headquarters out of Haines City, Florida. With three manufacturing facilities located strategically in each part of the nation, Stefco is dedicated to providing quality products at competitive prices, delivered with the highest level of customer service.