



FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION:

Paul G. Saari
Chief Financial Officer
(800) 497-7659

ATLANTIS PLASTICS, INC. ANNOUNCES ASSET PURCHASE AGREEMENTS FOR SALE OF PLASTIC FILMS AND MOLDED PLASTIC PRODUCTS BUSINESSES, FILES VOLUNTARY PETITIONS FOR CHAPTER 11 REORGANIZATION TO FACILITATE SALES AND OBTAINS FINANCING TO OPERATE THROUGH CLOSING OF SALES

ATLANTA, GEORGIA, August 11, 2008. Atlantis Plastics, Inc. (OTC:ATPL.PK) (the "Company") today announced that it has reached definitive agreements to sell substantially all of the assets of its Plastic Films business to AEP Industries Inc. (NASDAQ: AEPI) and substantially all of the assets of its Molded Plastics Products business to a subsidiary of Monomoy Capital Partners L.P., a New York based private equity fund.

The Company also announced today that on Sunday, August 10, 2008, it filed voluntary petitions for Chapter 11 reorganizations for itself and its subsidiaries in the United States Bankruptcy Court for the Northern District of Georgia to facilitate the sale of its Plastic Films and Molded Plastic Products businesses. The Chapter 11 bankruptcy filings and the aforementioned purchase agreements were undertaken with the support of the Company's Senior Secured Lenders. The Company will seek Bankruptcy Court approval of the sales pursuant to Section 363(f) of the Bankruptcy Code. The proposed sales will be subject to higher and better offers, bankruptcy court approval and other conditions customary in transactions of this type. The Company anticipates closing the sales in October 2008.

"After reviewing all of our alternatives, the Company's management and Board of Directors, working in consultation with outside legal and financial advisors, unanimously determined that sales of our Plastic Films and Molded Plastic Products businesses through the Chapter 11 process would provide the best result for our creditors, suppliers, employees and customers," said Bud Philbrook, Chief Executive Officer and President of the Company. He added: "We are pleased to have entered into agreements with AEP and Monomoy, both of which share our strong commitment to customer care. We are

confident that the Films and Molded Products businesses of Atlantis Plastics will be well positioned with these well respected companies.”

The Company further announced today that it has reached an agreement with a consortium of lenders led by GE Business Financial Services Inc. for a \$26.5 million post petition financing facility which will provide the Company with sufficient working capital and financial resources to continue normal business operations at all of its facilities. The Company has filed a motion with the Bankruptcy Court to approve that financing and has requested an expedited hearing on the motion so as not to disrupt its businesses.

The Company is also seeking, and expects to receive, approval from the Bankruptcy Court for a variety of other motions it has filed, including, but not limited to, requests to pay wages and salaries, honor existing employee benefits, and continue customer programs.

About Atlantis Plastics:

Atlantis Plastics, Inc. is a leading U.S. manufacturer of polyethylene stretch and custom films and molded plastic products. Stretch films are used to wrap pallets of materials for shipping or storage. Custom films are made-to-order specialty film products used in the industrial and packaging markets. Atlantis’ injection molded and profile extruded plastic products are used primarily in the appliance, automotive, agricultural, building supply and recreational vehicle industries.

For more information, please visit www.atlantisplastics.com.