

Wilton Brands, Inc. Announces Agreement Between its Parent Company, Wilton Holdings Inc., and its Largest Creditors

WOODRIDGE, Ill.--Today, Wilton Brands, Inc. (“Wilton Brands” or the “Company”), announced that its parent company, Wilton Holdings, Inc. (“Wilton Holdings”), and its subsidiaries have reached an agreement in principle with their largest creditors, JGF Credit, LLC (“JGF”) and Deutsche Bank Trust Company Americas (“DB”), regarding a comprehensive restructuring of Wilton Holdings' capital structure.

The parties have agreed to a continued period of forbearance during which they will work to effect the financial restructuring on terms that have been mutually agreed. As part of the agreement, JGF and DB have agreed to stand still with respect to the involuntary petition filed against Wilton Holdings on July 17, 2009. Further JGF and DB have agreed that they will withdraw the involuntary bankruptcy petition at the time of the consummation of the financial restructuring of Wilton Holdings. The Company is optimistic that the restructuring will be consummated in the near term and will position Wilton Holdings as a stronger, more financially viable company.

As previously stated, the involuntary bankruptcy petition involves Wilton Holdings, the parent company of Wilton Brands, only. The day-to-day operations of Wilton Brands continue to be unaffected and the Company’s management team continues to focus on running the business in the ordinary course and delivering great products and quality service to its customers. Wilton Brands places great value on its relationships with key stakeholders, including suppliers and customers, and will continue to honor all its obligations. As announced on July 20, the Company’s operating results are solid in spite of the challenging economic environment, with operating income ahead of last year's strong results, partially due to the achievement of its cost savings initiatives. Wilton Brands looks forward to building on its strong operating performance and growing the business in the future.

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About Wilton Brands, Inc.

Wilton Brands, Inc., based in Woodridge, Illinois, has united multiple creative consumer products companies to produce a market leader with a strategic focus on product innovation and quality. Wilton’s product portfolio includes food crafting, scrapbooking, and other craft products. Wilton has the number one position in cake decorating, bakeware and tea kettles. It offers the industry’s most comprehensive and innovative selection of baking, cake decorating, candy making, cookie making, wedding and seasonal products. In addition, the company is the leader in scrapbooking as well as a marketer of some of the craft industry’s most respected brands of embellishments, stickers, and punches through the EK Success and K & Company product lines. The company also launched the Martha Stewart Crafts line in May 2007. More information can be found at www.wilton.com.

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