SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

/ X / QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2001

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________________ to ____________________

Commission file number 1-10258

Tredegar Corporation

(Exact Name of Registrant as Specified in its Charter)

Virginia	54-1497771
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
1100 Boulders Parkway Richmond, Virginia	23225
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (804) 330-1000

Indicate by check whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.Yes X No ___

The number of shares of Common Stock, no par value, outstanding as of October 29, 2001: 38,124,727.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Tredegar Corporation
Consolidated Balance Sheets
(In Thousands)
(Unaudited)

	Sept. 30, 2001	Dec. 31, 2000
Assets		
Current assets:		
Cash and cash equivalents	$ 74,081	$ 44,530
Receivable from securities brokers	480	292
Accounts and notes receivable	102,705	96,652
Income taxes recoverable	8,348	3,857
Inventories	43,832	46,825
Deferred income taxes	13,630	13,788
Prepaid expenses and other	3,132	2,818
Total current assets	246,208	208,762
Property, plant and equipment, at cost	538,404	518,174
Less accumulated depreciation	268,182	244,667
Net property, plant and equipment	270,222	273,507
Venture capital investments	169,506	232,259
Other assets and deferred charges	56,260	49,661
Goodwill and other intangibles	137,999	139,579
Total assets	$880,195	$ 903,768

Liabilities and Shareholders' Equity

Current liabilities:		
Accounts payable	$ 50,127	$ 51,818
Accrued expenses	44,037	36,593
Total current liabilities	94,164	88,411
Long-term debt	264,767	268,102
Deferred income taxes	26,880	40,650
Other noncurrent liabilities	9,407	8,877
Total liabilities	395,218	406,040
Shareholders' equity:		
Common stock, no par value	106,764	106,587
Common stock held in trust for savings restoration plan	(1,212)	(1,212)
Unrealized gain on available-for-sale securities	8,624	29,331
Foreign currency translation adjustment	(5,697)	(5,732)
Loss on derivative financial instruments	(1,983)	-
Retained earnings	378,481	368,754
Total shareholders' equity	484,977	497,728
Total liabilities and shareholders' equity	$880,195	$ 903,768

See accompanying notes to financial statements.

Tredegar Corporation
Consolidated Statements of Operations
(In Thousands)
(Unaudited)

	Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Revenues:				
Gross sales	$202,380	$ 219,678	$599,311	$684,198
Freight	3,968	4,051	11,653	12,840
Net sales	198,412	215,627	587,658	671,358
Other income (expense), net	(4,151)	79,641	(7,839)	113,567
Total	194,261	295,268	579,819	784,925
Costs and expenses:				
Cost of goods sold	160,473	177,170	478,310	542,172
Selling, general and administrative	12,539	15,236	35,870	41,161
Research and development	9,014	6,910	24,271	18,887
Amortization of goodwill and other intangibles	1,226	1,276	3,682	3,828
Interest	2,954	4,455	10,227	13,057
Unusual items	9,848	16,870	10,477	21,829
Total	196,054	221,917	562,837	640,934
Income (loss) from continuing operations before income taxes	(1,793)	73,351	16,982	143,991
Income taxes	(679)	26,313	4,082	52,122
Income (loss) from continuing operations	(1,114)	47,038	12,900	91,869
Income from discontinued operations	-	-	1,396	-
Net income (loss)	$ (1,114)	$ 47,038	$ 14,296	$ 91,869
Earnings (loss) per share:				
Basic:				
Continuing operations	$ (.03)	$ 1.24	$ .34	$ 2.43
Discontinued operations	-	-	.04	-
Net income (loss)	$ (.03)	$ 1.24	$ .38	$ 2.43
Diluted:				
Continuing operations	$ (.03)	$ 1.21	$ .33	$ 2.36
Discontinued operations	-	-	.04	-
Net income (loss)	$ (.03)	$ 1.21	$ .37	$ 2.36
Shares used to compute earnings (loss) per share:				
Basic	38,059	37,944	38,055	37,859
Diluted	38,059	38,847	38,824	38,952
Dividends per share	$ .04	$ .04	$ .12	$ .12

See accompanying notes to financial statements.

Tredegar Corporation
Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)

	Nine Months Ended September 30 2001	Nine Months Ended September 30 2000
Cash flows from operating activities:		
Net income	$ 14,296	$ 91,869
Adjustments for noncash items:		
Income from discontinued operations	(1,396)	-
Depreciation	24,149	23,734
Amortization of intangibles	3,682	3,828
Write-off of goodwill	-	9,950
Deferred income taxes	521	1,661
Accrued pension income and postretirement benefits	(7,740)	(5,703)
Loss (gain) on venture capital investments	8,976	(112,839)
Loss on equipment writedowns and divestitures	5,721	11,689
Allowance for doubtful accounts	298	4,010
Changes in assets and liabilities, net of effects from acquisitions and divestitures:		
Accounts and notes receivable	(6,613)	5,663
Inventories	2,883	3,630
Income taxes recoverable	(4,491)	-
Prepaid expenses and other	(309)	329
Accounts payable	(392)	(1,020)
Accrued expenses and income taxes payable	4,555	7,020
Other, net	1,465	(378)
Net cash provided by operating activities	45,605	43,443
Cash flows from investing activities:		
Capital expenditures	(30,010)	(60,418)
Venture capital investments	(16,560)	(74,783)
Proceeds from the sale of venture capital investments	37,794	112,131
Proceeds from property disposals and divestitures	2,224	9,205
Other, net	(1,775)	(2,328)
Net cash used in investing activities	(8,327)	(16,193)
Cash flows from financing activities:		
Dividends paid	(4,569)	(4,554)
Net decrease in borrowings	(3,335)	(5,000)
Proceeds from exercise of stock options (including related income tax benefits realized)	177	3,710
Net cash used in financing activities	(7,727)	(5,844)
Increase in cash and cash equivalents	29,551	21,406
Cash and cash equivalents at beginning of period	44,530	25,752
Cash and cash equivalents at end of period	$ 74,081	$ 47,158

See accompanying notes to financial statements.

TREDEGAR CORPORATION
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)

1. In the opinion of management, the accompanying consolidated financial statements of Tredegar Corporation and Subsidiaries ("Tredegar") contain all adjustments necessary to present fairly, in all material respects, Tredegar's consolidated financial position as of September 30, 2001, and the consolidated results of operations and cash flows for the nine months ended September 30, 2001 and 2000. All such adjustments are deemed to be of a normal recurring nature. These financial statements should be read in conjunction with the consolidated financial statements and related notes included in Tredegar's Annual Report on Form 10-K for the year ended December 31, 2000. The results of operations for the nine months ended September 30, 2001 are not necessarily indicative of the results to be expected for the full year.

Effective January 1, 2001, we adopted the new accounting standard for derivative instruments and hedging activities issued by the Financial Accounting Standards Board. This standard affects our accounting for futures contracts to hedge aluminum price risk and our interest rate swap agreements to hedge interest rate risk.

2. See pages 11 through 13 for information on unusual items recognized during the quarter and the nine months ended September 30, 2001 and 2000.

3. A summary of our venture capital activities for the quarter and nine months ended September 30, 2001 and 2000, is provided below:

	(In Thousands)			
	Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Carrying value, beginning of period	$ 198,476	$262,277	$ 232,259	$140,698
Activity for period (pre-tax):				
New investments	7,452	27,772	16,560	74,783
Proceeds from the sale of investments, including receivables from security brokers	(9,740)	(84,909)	(37,982)	(128,344)
Realized gains	5,926	80,301	24,788	117,306
Realized losses, write-offs and write-downs	(10,041)	(1,003)	(33,764)	(4,467)
Increase (decrease) in net unrealized gain on available-for-sale securities	(22,567)	73,666	(32,355)	158,128
Carrying value, end of period	$ 169,506	$358,104	$ 169,506	$358,104

Our remaining unfunded commitments to private venture capital funds totaled approximately $40.3 million at September 30, 2001, and $50.9 million at December 31, 2000.

A schedule of investments is provided on the following two pages.

Tredegar Corporation
Schedule of Investments at September 30, 2001 and December 31, 2000
(In Thousands, Except Per-Share Amounts)

Investment	Symbol	Yrs. Held(a)	Description	Web Site (www.)
Securities of Public Companies Held:				
Adolor Corporation	ADLR	2.8	Develops pain-management therapeutic drugs	adolor.com
Illumina, Inc.	ILMN	2.9	Fiber optic sensor technology for drug screening	illumina.com
SignalSoft Corporation	SGSF	3.6	Wireless caller location detection software	signalsoftcorp.com
Vascular Solutions	VASC	3.8	Vascular access site closure system	vascularsolutions.com
Photon Dynamics, Inc. (f)	PHTN	3.3	Test and repair systems for flat panel display industry	photondynamics.com
Cisco Systems, Inc. (f)	CSCO	2.2	Worldwide leader in networking for the Internet	cisco.com
Nortel Networks Corporation (f)	NT	3.5	Networking solutions and services	nortelnetworks.com
CardioGenesis Corporation	CGCP	7.3	Coronary revascularization	eclipsesurg.com
Openwave Systems, Inc. (f)	OPWV	1.9	Infrastructure applications for the Internet	openwave.com
Lifeminders.com, Inc.	LFMN	2.0	Online direct marketing of personalized content	lifeminders.com
Superconductor Tech., Inc.	SCON	1.8	Manufactures filters for wireless networks	suptech.com
Rosetta Inpharmatics, Inc.	RSTA	4.1	Gene function/drug screening on a chip	rii.com
Eprise Corporation	EPRS	3.3	Web site maintenance & development tool	eprise.com
Total securities of public companies held				
Securities of Private Companies Held:				
CryoGen		6.0	Micro-cryogenic catheters for medical applications	cryogen-inc.com
Sensitech Inc.		4.6	Perishable product mgmt. solutions	sensitech.com
Bell Geospace		4.3	Presentation of 3D data to the oil & gas industry	bellgeo.com
Songbird Medical, Inc.		4.2	Disposable hearing aids	
RedCreek Communications		4.1	Internet and intranet security	redcreek.com
Appliant, Inc.		4.0	Software tools for managing executable software	appliant.com
Ellipsys Technologies, Inc.		3.9	Telephone system error detection	ellipsystech.com
HemoSense		3.9	Point of care blood coagulation time test device	hemosense.com
Moai Technologies, Inc.		3.8	System for holding auctions on the Internet	moai.com
Babycare, Ltd.		3.6	Direct retailing of baby care products in China	
NovaLux, Inc.		3.4	Blue-green light lasers	novalux.com
Xcyte Therapies, Inc.		3.2	Develops drugs to treat cancer & other disorders	xcytetherapies.com
Advanced Diagnostics, Inc.		2.9	3-D medical imaging equipment	
Praxon, Inc.		2.8	Integrated business communications equipment	praxon.com
AdiCom Wireless, Inc.		2.7	Wireless local loop technology	adicomwireless.com
EndoVasix, Inc.		2.7	Device for treatment of ischemic strokes	endovasix.com
eWireless, inc.		2.7	Technology linking cell phone users & advertising	ewireless.com
Cooking.com, Inc.		2.5	Sales of cooking-related items over the Internet	cooking.com
MediaFlex.com		2.5	Internet-based printing & publishing	mediaflex.com
eBabyCare Ltd.		2.3	Sales of babycare products over the Internet in China	
Kodiak Technologies, Inc.		2.3	Cooling products for organ & pharma transport	kodiaktech.com
Artemis Medical, Inc.		2.2	Medical devices for breast cancer surgery	
CEPTYR, Inc.		2.2	Develops small molecule drugs	ceptyr.com
GreaterGood.com		2.2	Internet marketing targeted at donors to charities	greatergood.com
Etera Corporation		2.1	Sales of branded perennial plants over the Internet	etera.com
ThinkFree.com		2.0	Java-based software complementary to Microsoft Office	thinkfree.com
BroadRiver Communications		1.9	Local DSL provider	purepacket.com
Quarry Technologies, Inc.		1.9	Technology for delivery of differentiated service levels	quarrytech.com
Norborn Medical, Inc.		1.8	Device for treatment of cardiovascular disease	
FastTrack Systems, Inc.		1.7	Clinical trial data management information systems	
Riveon, Inc.		1.6	Web-based data mining software for business managers	
MedManage Systems Inc.		1.5	Management of prescription drug sampling programs	
Linx Communications, Inc.		1.3	Unified communications and messaging systems	
Infinicon, Inc.		1.3	Manufacturer of infiniband input/output products	
Cbyon, Inc.		1.2	Provider of software image data to assist surgeons	
Extreme Devices		1.0	Manufacturer of integrated, solid-state electron source	
Subtotal securities of private companies held				

See notes on page 7.

Tredegar Corporation
Schedule of Investments at September 30, 2001 and December 31, 2000
(In Thousands, Except Per-Share Amounts)

	Public Common Stock or Equivalents at 9/30/01			9/30/01 (e)			12/31/00 (e)		
Investment	Shares Held	Closing Price	Estimated Restricted Stock Discount (c)	Estimated Fair Value (b)	Carrying Value (b)	Cost Basis	Estimated Fair Value (b)	Carrying Value (b)	Cost Basis
Securities of Public Companies Held:									
Adolor Corporation	583	$ 16.93	0%	$ 9,876	$ 9,876	$ 2,386	$ 12,291	$ 12,291	$ 3,000
Illumina, Inc.	1,380	6.50	0%	8,970	8,970	3,282	21,395	21,395	3,925
SignalSoft Corporation	412	3.93	0%	1,612	1,612	1,330	7,261	7,261	3,006
Vascular Solutions	861	1.77	0%	1,523	1,523	2,429	5,060	5,060	2,450
Photon Dynamics, Inc. (f)	21	23.15	20%	387	387	940	14,993	3,825	4,700
Cisco Systems, Inc. (f)	14	12.18	0%	165	165	200	405	405	200
Nortel Networks Corporation (f)	25	5.61	20%	113	105	117	617	617	117
CardioGenesis Corporation	113	.84	0%	95	95	616	381	381	2,464
Openwave Systems, Inc. (f)	1	12.75	0%	18	18	7	2,689	2,689	348
Lifeminders.com, Inc.	4	1.55	0%	7	7	17	-	-	-

Superconductor Tech., Inc.	-	-	0%	-	-	-	603	603	552
Rosetta Inpharmatics, Inc.	-	-	0%	-	-	-	13,599	13,599	4,745
Eprise Corporation	-	-	0%	-	-	-	2,633	2,633	2,382
Total securities of public companies held				22,766	22,758	11,324	81,927	70,759	27,889
Securities of Private Companies Held:									
CryoGen				4,432	3,179	3,179	4,265	3,054	3,054
Sensitech Inc.				3,197	2,333	2,333	3,154	2,333	2,333
Bell Geospace				-	-	3,500	-	-	3,500
Songbird Medical, Inc.				3,190	3,190	4,210	8,013	4,210	4,210
RedCreek Communications				-	-	2,256	706	549	2,256
Appliant, Inc.				6,439	3,899	3,899	6,352	3,899	3,899
Ellipsys Technologies, Inc.				-	-	2,275	-	-	2,275
HemoSense				2,771	2,485	2,485	2,733	2,485	2,485
Moai Technologies, Inc.				-	-	2,021	6,263	2,021	2,021
Babycare, Ltd.				-	-	1,009	-	-	1,009
NovaLux, Inc.				50,721	10,149	10,149	50,801	10,149	10,149
Xcyte Therapies, Inc.				5,589	3,795	3,795	5,598	3,795	3,795
Advanced Diagnostics, Inc.				2,032	2,121	2,121	1,321	1,371	1,371
Praxon, Inc.				-	-	2,309	-	-	2,309
AdiCom Wireless, Inc.				-	-	4,062	2,648	2,648	4,062
EndoVasix, Inc.				4,263	4,000	4,000	4,270	4,000	4,000
eWireless, inc.				47,652	2,250	2,250	47,728	2,250	2,250
Cooking.com, Inc.				1,500	1,500	4,500	1,500	1,500	4,500
MediaFlex.com				-	-	3,500	4,085	3,500	3,500
eBabyCare Ltd.				-	-	314	-	-	314
Kodiak Technologies, Inc.				2,094	2,094	2,094	1,694	1,694	1,694
Artemis Medical, Inc.				3,267	2,467	2,467	3,201	2,467	2,467
CEPTYR, Inc.				1,750	1,750	1,750	1,750	1,750	1,750
GreaterGood.com				-	-	3,797	-	-	3,781
Etera Corporation				-	-	5,500	5,269	5,000	5,000
ThinkFree.com				3,773	1,491	1,491	3,696	1,491	1,491
BroadRiver Communications				-	-	4,779	9,136	4,779	4,779
Quarry Technologies, Inc.				2,567	2,567	4,046	3,425	3,425	3,425
Norborn Medical, Inc.				-	-	188	-	-	188
FastTrack Systems, Inc.				7,182	5,479	5,479	7,962	5,134	5,134
Riveon, Inc.				-	-	1,990	1,700	1,700	1,700
MedManage Systems Inc.				5,200	5,200	5,200	4,000	4,000	4,000
Linx Communications, Inc.				125	125	3,000	3,000	3,000	3,000
Infinicon, Inc.				3,485	3,485	3,485	3,485	3,485	3,485
Cbyon, Inc.				3,839	3,839	3,839	3,500	3,500	3,500
Extreme Devices				5,000	5,000	5,000	5,000	5,000	5,000
Subtotal securities of private companies held				170,068	72,398	118,272	206,255	94,189	113,686

See notes on page 7.

Tredegar Corporation
Schedule of Investments at September 30, 2001 and December 31, 2000
(In Thousands, Except Per-Share Amounts)

Investment	Yrs. Held (a)	Description	Web Site (www.)
Total securities of public companies held (from page 6)			
Subtotal securities of private companies held (from page 6)			
Locus Discovery	.9	Computational chemogenomics technology	
eTunnels	.8	VPNs across all ISPs and companies	
Elixir	.8	Evaluation technology for anti-aging compounds	
Total securities of private companies held			
Limited partnership interests in private venture capital funds (period held of .8 - 9.0 years) (d)			
Total investments			
Estimated taxes on assumed disposal at fair value			
Estimated net asset value ("NAV")			

Tredegar Corporation
Schedule of Investments at September 30, 2001 and December 31, 2000
(In Thousands, Except Per-Share Amounts)

	9/30/01(e)			12/31/00(e)		
Investment	Estimated Fair Value (b)	Carrying Value (b)	Cost Basis	Estimated Fair Value (b)	Carrying Value (b)	Cost Basis
Total securities of public companies held (from page 6)	22,766	22,758	11,324	81,927	70,759	27,889
Subtotal securities of private companies held (from page 6)	170,068	72,398	118,272	206,255	94,189	113,686
Locus Discovery	6,333	4,000	4,000	3,000	3,000	3,000
eTunnels	3,000	3,000	3,000	3,000	3,000	3,000
Elixir	2,827	2,827	2,827	250	250	250
Total securities of private companies held	182,228	82,225	128,099	212,505	100,439	119,936
Limited partnership interests in private venture capital funds (period held of .8 - 9.0 years)	77,413	64,523	72,370	109,099	61,061	65,271
Total investments	282,407	$169,506	$211,793	403,531	$232,259	$213,096
Estimated taxes on assumed disposal at fair value	25,421			68,557		
Estimated net asset value ("NAV")	$ 256,986			$ 334,974		

(a) The period held for an investment in a company or a venture capital fund is computed using the initial investment date and the current valuation date. If a company has merged with another company, then the initial investment date is the date of the investment in the predecessor company.

(b) Amounts are shown net of carried interest estimated using realized and unrealized net gains to date. Amounts may change due to changes in estimated carried interest, and such changes are not expected to be material. Carried interest is the portion of value payable to portfolio managers based on realized net gains and is a customary incentive in the venture capital industry.

(c) Restricted securities are securities for which an agreement exists not to sell shares for a specified period of time, usually 180 days. Also included within the category of restricted securities are unregistered securities, the sale of which must comply with an exemption to the Securities Act of 1933 (usually SEC Rule 144). These unregistered securities are either the same class of stock that is registered and publicly traded or are convertible into a class of stock that is registered and publicly traded.

(d) At September 30, 2001, Tredegar had ownership interests in 28 venture capital funds, including an indirect interest in the following public companies, among others (disposition of shares held by venture funds, including distributions to limited partners, is at the sole discretion of the general partner of the fund):

Indirect Investment	Symbol	Description
Adolor Corporation	ADLR	Develops pain-management therapeutic drugs (adolor.com)
Illumina, Inc.	ILMN	Fiber optic sensor technology for drug screening (illumina.com)

Array Biopharma	ARRY	Drug discovery research using innovative chemistry (arraybiopharma.com)
Seattle Genetics	SGEN	Biopharmaceuticals for treatment of cancers (seattlegenetics.com)
Universal Access, Inc.	UAXS	Wholesale provider of high bandwidth services (universalaccessinc.com)
ASAT Holdings	ASTT	Provider of semiconductor assemply and testing services (asat.com)
Lucent Technologies, Inc.	LU	Developer and manufacturer of communications systems (lucent.com)
Metromedia Fiber Network	MFNX	Provider of high-band width fiber optic communications (mmfn.com)

Indirect Investment	Indirect Interest in Common Shares	Closing Price	Restricted Stock Dis-count	Indirect Estimated Fair Value	Indirect Cost Basis
Adolor Corporation	85	16.93	20%	1,148	411
Illumina, Inc.	203	6.50	20%	1,056	333
Array Biopharma	129	9.02	20%	933	279
Seattle Genetics	120	5.00	20%	481	219
Universal Access, Inc.	736	0.74	20%	436	521
ASAT Holdings	188	2.75	20%	414	449
Lucent Technologies, Inc.	71	5.73	0%	405	59
Metromedia Fiber Network	447	0.34	20%	122	546

(e) Our portfolio is subject to risks typically associated with investments in technology start-up companies, which include business failure, illiquidity and stock market volatility.

(f) Public company stock received from the acquisition of a private company in the portfolio.

Certain events subsequent to September 30, 2001, indicate that there has been a $50 million reduction in the estimated fair value of private companies in our venture capital investment portfolio (a $30 million reduction in NAV). A write-off of related cost basis (carrying value) is expected in the fourth quarter of approximately $2 million ($1.3 million after income taxes).

4. Comprehensive income (loss), defined as net income (loss) and other comprehensive income (loss), was a loss of $17.5 million for the third quarter of 2001 and income of $89 million for the third quarter of 2000. Comprehensive income (loss) was a loss of $8.4 million for the first nine months of 2001 and income of $187.2 million for the first nine months of 2000. Other comprehensive income (loss) for both periods includes changes in unrealized gains and losses on available-for-sale securities and foreign currency translation adjustments recorded net of deferred income taxes directly in shareholders' equity. For 2001, other comprehensive income (loss) includes the cumulative-effect adjustment for the adoption of the new accounting standard for derivative financial instruments (see Note 1) and changes in the gains and losses on derivative financial instruments recorded net of deferred income taxes directly in shareholders' equity.

5. The components of inventories are as follows:

	(In Thousands) Sept. 30, 2001	Dec. 31, 2000
Finished goods	$ 7,225	$ 7,997
Work-in-process	4,386	4,314
Raw materials	20,771	23,889
Stores, supplies and other	11,450	10,625
Total	$ 43,832	$ 46,825

6. Basic earnings per share is computed by dividing net income by the weighted average number of shares of common stock outstanding. Diluted earnings per share is computed by dividing net income by the weighted average common and potentially dilutive common equivalent shares outstanding, determined as follows:

	(In Thousands) Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Weighted average shares outstanding used to compute basic earnings per share	38,059	37,944	38,055	37,859
Incremental shares issuable upon the assumed exercise of stock options	-	903	769	1,093
Shares used to compute diluted earnings per share	38,059	38,847	38,824	38,952

Incremental shares issuable upon the assumed exercise of outstanding stock options are computed using the average market price during the related period. No incremental shares were assumed exercised in the third quarter of 2001 due to their anti-dilutive effect on the loss per share recognized for the period.

7. On April 27, 2001, we entered into a two-year interest rate swap agreement, with a notional amount of $50 million, under which we pay to a counterparty a fixed interest rate of 4.85% and the counterparty pays us a variable interest rate based on one-month LIBOR reset each month. This swap has been designated as and is accounted for as a cash flow hedge. It effectively fixes the rate on $50 million of our $250 million term loan at 4.85% plus the applicable credit spread (currently 62.5 basis points).

On June 22, 2001, we entered into another two-year interest rate swap agreement, with a notional amount of $25 million, under which we pay to a counterparty a fixed interest rate of 4.64% and the counterparty pays us a variable interest rate based on one-month LIBOR reset each month. This swap has been designated as and is accounted for as a cash flow hedge. It effectively fixes the rate on $25 million of our $250 million term loan at 4.64% plus the applicable credit spread (currently 62.5 basis points).

8. The overall effective tax rate for the quarter ended September 30, 2001 is 37.9% versus 35.9% for the same quarter of prior year. The change is due to the amount of non-deductible expenses relative to the pretax loss.

The overall effective tax rate from continuing operations for the nine months ended September 30, 2001 is 24% compared with 36.2% in the same period of the prior year. The decline in the overall rate is due primarily to the $1.9 million tax benefit related to the reversal of income tax contingency accruals upon favorable conclusion of IRS examinations through 1997.

Results for the nine months also include an after-tax gain from discontinued operations of $1.4 million related to the reversal of an income tax contingency accrual upon favorable conclusion of IRS examinations through 1997. The accrual was originally recorded in conjunction with the sale of The Elk Horn Coal Corporation in 1994.

9. In June 2001, the Financial Accounting Standards Board issued two new standards that primarily affect the accounting for acquisitions initiated after June 30, 2001 and the accounting for goodwill. There are transition provisions that may result in the reclassification of carrying values among existing goodwill and other intangible assets. Once adopted, these standards prohibit amortization of goodwill, but require transitional and annual impairment reviews that may result in the recognition of losses, among other requirements.

We anticipate that adoption of these standards will result in an annual reduction of amortization expense of approximately $4.6 million ($3 million after income taxes). Additionally, we will reclassify from intangible assets to goodwill approximately $396,000 related to the Therics workforce, which no longer qualifies as a separately identifiable intangible asset. We have not yet completed the transitional impairment review. We will adopt these standards in the first quarter of 2002.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Third Quarter 2001 Compared with Third Quarter 2000

The loss for the third quarter of 2001 was $1.1 million (three cents per share), compared with net income of $47 million in 2000 ($1.21 per share). Results in the third quarter of 2001 include $3.6 million (nine cents per share) of realized net after-tax losses from venture capital investments compared with net after-tax gains of $49.8 million ($1.28 per share) in the third quarter of 2000. The third quarter of 2001 also includes an after-tax charge of $6.3 million (17 cents per share) related to two plant closings, while results in 2000 include a net after-tax charge of $10.8 million (28 cents per share) related primarily to a write-off of excess capacity and associated goodwill in our plastic films business.

Pre-tax realized gains and losses from venture capital investment activities are included in "Other income (expense), net" in the consolidated statements of income on page 3 and "Venture capital investments" in the operating profit table on page 14. Operating expenses (primarily management fee expenses) for our venture capital investment activities are classified in "Selling, general and administrative expenses" ("SG&A") in the consolidated statements of income and "Venture capital investments" in the operating profit table.

After-tax depreciation in the net asset value ("NAV") of the venture capital investment portfolio during the third quarter was $32.2 million. At September 30, 2001, the NAV of the portfolio was $257 million. For more information on our venture capital investment activities, see pages 15-17 and Note 3 on pages 5-8 (including discussion of events subsequent to September 30, 2001, affecting the venture capital investment portfolio).

Net sales in the third quarter of 2001 decreased by 8% compared with 2000 due primarily to lower volume in Aluminum Extrusions (volume down 14%). For more information on net sales, see the business segment review beginning on page 14.

The gross profit margin during the third quarter of 2001 increased to 19.1% from 17.8% in 2000. The improved profit margin was driven mainly by higher sales of new higher-margin products in Film Products. The gross profit margin in 2000 was negatively impacted by higher production costs associated with the commercialization of new products in Film Products.

SG&A expenses in the third quarter of 2001 were $12.5 million, down from $15.2 million in 2000. The decline in SG&A expenses is primarily due to a $3.5 million charge in the third quarter of 2000 for a provision for doubtful accounts related to two film customers. As a percentage of net sales, SG&A expenses were 6.3% in the third quarter of 2001 compared with 7.1% in 2000.

R&D expenses increased to $9 million in the third quarter of 2001 versus $6.9 million in 2000 primarily due to higher spending in Tredegar Biotech (Molecumetics and Therics) in support of increased research and development efforts.

Unusual items in the third quarter of 2001 totaled $9.8 million ($6.3 million after income taxes) and included:

- a charge of $6.8 million ($4.4 million after income taxes) for the shutdown of the aluminum extrusions plant in El Campo, Texas, including an impairment loss for building and equipment ($4.5 million), severance costs ($710,000), excess working capital ($890,000) and other items ($700,000); and
- a charge of $3 million ($1.9 million after income taxes) for the shutdown of the films manufacturing facility in Tacoma, Washington, including an impairment loss for equipment ($1.2 million), dismantling of equipment and restoration of the leased space ($700,000), excess working capital ($650,000) and other items ($450,000).

Unusual items in the third quarter of 2000 totaled $16.9 million ($10.8 million after income taxes) and included:

- a charge of $17.9 million ($11.4 million after income taxes) for the write-off of excess production capacity at our plastic films plants in Lake Zurich, Illinois, and Terre Haute, Indiana, including an impairment loss for equipment of $7.9 million and an impairment loss for the related goodwill of $10 million; and
- a reversal of $1 million ($640,000 after income taxes) related to the first quarter charge for the shutdown of the Manchester, Iowa, films manufacturing facility due to revised estimates.

Interest income, which is included in "Other income (expense), net" in the consolidated statements of income, was $717,000 in the third quarter of 2001 and $494,000 in 2000. The average tax-equivalent yield earned on cash equivalents was approximately 3.6% in the third quarter of 2001 and 6.5% in the third quarter of last year. The average cash and cash equivalents balance was approximately $78 million for the third quarter of 2001 versus approximately $30 million in 2000. Our policy permits investment of excess cash in marketable securities that have the highest credit ratings and maturities of less than one year. The primary objectives of our policy are safety of principal and liquidity.

Interest expense decreased to $3 million in the third quarter of 2001 from $4.5 million in 2000 due to a lower overall average interest rate and lower average debt outstanding. The average rate on variable-rate debt (approximately $255 million in 2001 versus $260 million in 2000), including the portion fixed by interest rate swaps (see Note 7 on pages 8-9), was 4.4% in the third quarter of 2001 versus 7.35% in 2000. The average rate on fixed-rate debt ($10 million in the third quarter of 2001 and $15 million in the third quarter of 2000) was 7.2% in both periods.

The effective tax rate from manufacturing operations, excluding unusual items, decreased to 35.5% in the third quarter of 2001 from 36.5% in 2000 due to lower taxes accrued on income from foreign operations. The overall effective tax rate for the quarter was 37.9% versus 35.9% in the same quarter of the prior year. The change is due to the amount of non-deductible expenses relative to the pretax loss.

Nine Months 2001 Compared with Nine Months 2000

Net income for the first nine months of 2001 was $14.3 million, down from $91.9 million in 2000 (37 cents per share versus $2.36 per share). Results for 2001 include $8.8 million (23 cents per share) of realized after-tax losses from venture capital investments compared with a gain of $69.8 million ($1.79

per share) in 2000. Results in 2001 also include an after-tax gain of $2.5 million (seven cents per share) related to the reversal of income tax contingency accruals and related interest received on tax overpayments upon favorable conclusion of certain IRS examinations and a gain of $1.4 million (four cents per share) related to the reversal of income tax contingency accruals associated with discontinued operations.

The after-tax depreciation in the NAV of the venture capital investment portfolio through the first nine months of this year was $66.9 million. See Note 3 on pages 5-8 for more information on our venture capital investment activities, including discussion of events subsequent to September 30, 2001, affecting the venture capital investment portfolio.

Net sales for the nine months ended September 30, 2001, decreased by 12.5% compared with the same period of last year. The lower net sales are due to lower volume in both Aluminum Extrusions (volume down 21%) and Film Products (volume down 6%). The impact on net sales of the decrease in volume in Film Products was offset by higher sales of new higher-margin products. For more information on net sales, see the business segment review beginning on page 14.

The gross profit margin for the first nine months of 2001 decreased to 18.6% from 19.2% in 2000 primarily due to lower profit in Aluminum Extrusions resulting from lower volume.

SG&A expenses were $35.9 million in 2001, down from $41.2 million in 2000. The decrease is primarily attributable to lower employee-related costs and the $3.5 million provision for doubtful accounts related to two film customers recorded in 2000. As a percentage of net sales, SG&A expenses were flat at 6.1% in both periods.

R&D expenses increased to $24.3 million in 2001 from $18.9 million in 2000 due to higher spending in Tredegar Biotech in support of increased research and development efforts.

Unusual items for the nine months ended September 30, 2001, totaled $10.5 million ($4.8 million after income taxes) and included:

- - a charge of $1.6 million ($1 million after income taxes) for further rationalization in the plastic films business;
- - a gain of $1 million ($621,000 after income taxes) for interest received on tax overpayments upon favorable conclusion of IRS examinations through 1997 (included in "Corporate expenses, net" in the net sales and operating profit by segment table);
- - an income tax benefit of $1.9 million related to the reversal of income tax contingency accruals upon favorable conclusion of IRS examinations through 1997 (included in "Income taxes" in the Consolidated Statements of Income)
- - a charge of $6.8 million ($4.4 million after income taxes) for the shutdown of the aluminum extrusions plant in El Campo, Texas, including an impairment loss for building and equipment ($4.5 million), severance costs ($710,000), excess working capital ($890,000) and other items ($700,000); and
- - a charge of $3 million ($1.9 million after income taxes) for the shutdown of the films manufacturing facility in Tacoma, Washington, including an impairment loss for equipment ($1.2 million), dismantling of equipment and restoration of the leased space ($700,000), excess working capital($650,000) and other items ($450,000).

Results for the nine months also include an after-tax gain from discontinued operations of $1.4 million related to the reversal of an income tax contingency accrual upon favorable conclusion of IRS examinations through 1997. The accrual was originally recorded in conjunction with the sale of The Elk Horn Coal Corporation in 1994.

Unusual items for the nine months ended September 30, 2000, totaled $21.8 million ($14 million after income taxes) and included:

- a charge of $5.3 million ($3.4 million after income taxes) for the shutdown of a plastic films manufacturing facility in Manchester, Iowa, including an impairment loss for building and equipment ($4.1 million), severance costs ($700,000), and excess inventory and other items ($450,000);
- a charge of $191,000 ($122,000 after income taxes) for costs associated with the evaluation of financing and structural options for Tredegar Investments;
- a gain of $525,000 ($336,000 after income taxes) for the sale of Fiberlux, Inc.;
- a charge of $17.9 million ($11.4 million after income taxes) for the write-off of excess production capacity at our plastic films plants in Lake Zurich, Illinois, and Terre Haute, Indiana, including an impairment loss for equipment of $7.9 million and an impairment loss for the related goodwill of $10 million; and
- a reversal of $1 million ($640,000 after income taxes) related to the first quarter charge for the shutdown of the Manchester, Iowa, production facility due to revised estimates.

Interest income for 2001 was $2.1 million versus $1.4 million in 2000. The average cash and cash equivalents balance was approximately $65 million for the nine months ended September 30, 2001 versus approximately $22 million for the same period in 2000. The average tax-equivalent yield earned on cash equivalents was approximately 4.4% for 2001 and 6.2% for 2000.

Interest expense decreased to $10.2 million in 2001 from $13.1 million in 2000 due to a lower overall average interest rate and lower average debt outstanding. The average rate on variable-rate debt ($254.4 million in 2001 versus $254.3 million in 2000) was 5.4% in 2001 versus 7.1% in 2000. The average rate on fixed-rate debt ($13 million in 2001 and $18 million in 2000) was 7.2% in both periods.

The effective income tax rate from manufacturing operations, excluding unusual items, decreased to 35.5% in 2001 from 36.5% in 2000 due to lower taxes accrued on income from foreign operations. The overall effective tax rate from continuing operations for the nine months ended September 30, 2001, is 24% compared with 36.2% in 2000. The decline in the overall rate is due primarily to the $1.9 million tax benefit related to the reversal of income tax contingency accruals upon favorable conclusion of IRS examinations through 1997.

Business Segment Review

The following tables present Tredegar's net sales and operating profit by segment for the third quarter and nine months ended September 30, 2001 and 2000.

Net Sales by Segment
(In Thousands)
(Unaudited)

	Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Film Products	$ 99,016	$ 95,058	$ 286,589	$ 288,448
Aluminum Extrusions	98,722	118,622	297,228	375,467
Fiberlux	-	-	-	1,856
Tredegar Biotech:				
Molecumetics	581	1,826	3,485	5,278
Therics	93	121	356	309
Total net sales	$ 198,412	$ 215,627	$ 587,658	$ 671,358

Operating Profit by Segment
(In Thousands)
(Unaudited)

	Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Film Products:				
Ongoing operations	$ 16,107	$ 7,675	$ 44,073	$ 36,206
Unusual items	(3,000)	(16,870)	(4,600)	(22,163)
Total Film Products	13,107	(9,195)	39,473	14,043
Aluminum Extrusions:				
Ongoing operations	7,191	12,941	23,743	45,786
Unusual items	(6,848)	-	(6,848)	-
Total Aluminum Extrusions	343	12,941	16,895	45,786
Fiberlux:				
Ongoing operations	-	-	-	(264)
Unusual items	-	-	-	525
Total Fiberlux	-	-	-	261
Tredegar Biotech:				
Molecumetics	(3,121)	(1,014)	(6,277)	(3,521)
Therics	(3,602)	(1,930)	(9,170)	(5,783)
Total Tredegar Biotech	(6,723)	(2,944)	(15,447)	(9,304)
Tredegar Investments:				
Venture capital investments	(5,622)	77,843	(13,693)	109,046
Unusual items	-	-	-	(191)
Total Tredegar Investments	(5,622)	77,843	(13,693)	108,855
Total operating profit	1,105	78,645	27,228	159,641
Interest income	717	494	2,131	1,391
Interest expense	2,954	4,455	10,227	13,057
Corporate expenses, net	661	1,333	2,150	3,984
Income (loss) from continuing operations before income taxes	(1,793)	73,351	16,982	143,991
Income taxes	(679)	26,313	4,082	52,122
Income (loss) from continuing operations	(1,114)	47,038	12,900	91,869
Income from discontinued operations	-	-	1,396	-
Net income (loss)	$ (1,114)	$ 47,038	$ 14,296	$ 91,869

Third-quarter net sales in Film Products increased 4% to $99 million while operating profit, excluding unusual items, was $16.1 million compared with $7.7 million in 2000. On a year-to-date basis, net sales in Film Products were relatively flat at $286.6 million while operating profit, excluding unusual items increased 21.7%. Volume in Film Products for the nine months ended September 30, 2001 declined 6% compared with the same period of last year. The decline in volume is primarily due to lower demand for our diaper backsheet film. The profit impact of the volume decline in diaper backsheet was offset by higher sales of new, higher-margin specialty film components for diapers and feminine hygiene products. Additionally, last year's third-quarter operating profit included a $3.5 million charge for doubtful accounts.

In Aluminum Extrusions, third-quarter net sales were down 16.8% to $98.7 million while operating profit, excluding unusual items, was $7.2 million, down 44.4% versus the third quarter of 2000. On a year-to-date basis, net sales declined 20.8% to $297.2 million while operating profit was $23.7 million, down 48.1% compared with the same period of the prior year. The aluminum extrusions industry and Tredegar continue to be affected by poor economic conditions in our end-use markets. Volume for the first nine months of the year declined 21% compared with the same period of the prior year.

For Tredegar Biotech, revenue was down for the quarter and nine months ended September 30, 2001 compared with the same periods of the prior year. The third-quarter operating loss in 2001 was $6.7 million versus $2.9 million in 2000. On a year-to-date basis, the operating loss was $15.4 million in 2001 versus $9.3 million in 2000. The higher losses in 2001 were due primarily to increased spending at both Molecumetics and Therics in support of research and development efforts.

The depreciation or appreciation in NAV related to venture capital investment activities for the third quarter and nine months ended September 30, 2001 and 2000 is summarized below:

	(In Millions)			
	Third Quarter Ended September 30		Nine Months Ended September 30	
	2001	2000	2001	2000
Net realized gains, losses, write-downs and related operating expenses for venture capital investments reflected in Tredegar's consolidated statements of income (net of tax)	$ (3.6)	$ 49.8	$ (8.8)	$ 69.8
Change in unrealized appreciation of venture capital investments (net of tax)	(28.6)	51.7	(58.1)	180.3
After-tax appreciation (depreciation) in NAV related to investment performance	$ (32.2)	$ 101.5	$ (66.9)	$ 250.1

See Note 3 on pages 5-8 for more information on our venture capital investment activities, including a discussion of events subsequent to September 30, 2001, affecting the NAV of our venture capital investment portfolio.

The following companies held directly in the portfolio, or indirectly through our interests in other venture capital funds, accounted for most of the changes in NAV during the quarter and nine months ended September 30, 2001:

Investment	Reason for Change	(In Millions) Appreciation (Depreciation) in Estimated NAV 3rd Quarter Ended 9/30/01	Nine Months Ended 9/30/01
Public companies:			
Photon Dynamics, Inc.	Acquisition of IRSI, a direct holding	$ 0.3	$ (7.7)
Illumina, Inc.	Change in stock price	(5.2)	(6.3)
Vascular Solutions	Change in stock price	(3.7)	(2.3)
Cosine Communications	Change in stock price	-	(2.2)
Universal Access	Change in stock price	(1.7)	(2.2)
SignalSoft Corporation	Change in stock price	(2.2)	(1.3)
Eprise Corporation	Change in stock price	-	(1.0)
Adolor Corporation	Change in stock price	(2.0)	0.4
Private companies:			
Venture capital funds	Various (lower valuations)	(8.7)	(16.1)
BroadRiver Communications	Lower valuation	-	(5.8)
Moai Technologies, Inc.	Lower valuation	(3.0)	(4.0)
Etera Corporation	Lower valuation	-	(3.7)
Songbird Medical, Inc.	Lower valuation	(3.2)	(3.1)
MediaFlex.com	Lower valuation	-	(2.6)
Linx Communications, Inc.	Lower valuation	(1.8)	(1.8)
AdiCom Wireless, Inc.	Lower valuation	-	(1.7)
Riveon	Lower valuation	-	(1.3)
Quarry Technologies, Inc.	Lower valuation	-	(0.9)
Locus Discovery	Higher valuation	1.5	1.5
Other public and private companies	Various	(1.6)	(1.8)
Depreciation in NAV before operating expenses		(31.3)	(63.9)
After-tax operating expenses		(0.9)	(3.0)
Depreciation in NAV related to investment performance		$(32.2)	$(66.9)

The cost basis, carrying value and NAV of the venture capital portfolio is reconciled below:

	(In Millions) Sept. 30, 2001	Dec. 31, 2000
Cost basis of investments	$ 211.8	$ 213.1
Write-downs taken on securities held (charged to earnings)	(55.7)	(26.6)
Unrealized appreciation on public securities held by Tredegar (reflected directly in equity net of deferred income taxes)	13.4	45.8
Carrying value of investments reflected in the balance sheet	169.5	232.3
Unrealized appreciation in private securities held by Tredegar and in its indirect interest in all securities held by venture capital funds	112.9	171.3
Estimated fair value of venture capital investments	282.4	403.6
Estimated income taxes on assumed disposal at fair value	(25.4)	(68.6)
NAV of venture capital investments	$ 257.0	$ 335.0

Changes in NAV for the quarter and nine months ended September 30, 2001 and 2000 are summarized below:

	Third Quarter Ended September 30 (In Millions)		Nine Months Ended September 30	
	2001	2000	2001	2000
NAV at beginning of period	$ 289.0	$ 347.2	$ 335.0	$ 180.2
After-tax appreciation (depreciation) in NAV related to investment performance (net of operating expenses)	(32.2)	101.5	(66.9)	250.1
After-tax operating expenses funded by Tredegar	.9	1.1	3.0	2.6
New investments	7.5	27.8	16.6	74.8
Reduction in NAV due to the sale of investments	(8.2)	(57.0)	(30.7)	(87.1)
(Decrease) increase in NAV	(32.0)	73.4	(78.0)	240.4
NAV at end of the period	$ 257.0	$ 420.6	$ 257.0	$ 420.6

Our internal rate of return ("IRR") since inception in 1992 through September 30, 2001, is estimated at 50% (33% after income taxes), but is not necessarily indicative of future performance. IRR is the discount rate that equates the net present value of investment cash inflows with investment cash outflows. The IRR is calculated as an annualized compounded rate of return using actual investment cash flows, modified to incorporate our share of the current valuation of unliquidated holdings and operating expenses (and taxes in case of the after-tax IRR).

Liquidity and Capital Resources

Tredegar's total assets decreased to $880.2 million at September 30, 2001, from $903.8 million at December 31, 2000. The decrease is primarily attributable to the decline in the carrying value of venture capital investments (decrease of $62.8 million to $169.5). This decrease was partially offset by increases in the following:

- Cash and cash equivalents increased ($29.6 million) due to the reasons described on the next page; and
- Higher prepaid pension asset (up $8.1 million) due to pension income recognized during the period.

The carrying value of the venture capital investments decreased compared with December 31, 2000, for the reasons noted in the table presented in Note 3 on page 5.

The reasons for the increase in cash and cash equivalents to $74.1 million at September 30, 2001, from $44.5 million at December 31, 2000, and the decrease in cash and cash equivalents from $25.8 million at December 31, 1999, to $21.4 million at September 30, 2000, are summarized below:

	(In Thousands) Nine Months Ended September 30	
	2001	2000
Cash and cash equivalents, beginning of period	$ 44,530	$ 25,752
Cash provided by (used in) operating activities net of capital expenditures and dividends	11,026	(21,529)
Proceeds from the exercise of stock options	177	3,710
Net decrease in borrowings	(3,335)	(5,000)
New venture capital investments, net of proceeds from disposals	21,234	37,348
Proceeds from divestitures and property disposals	2,224	9,205
Other, net	(1,775)	(2,328)
Net increase in cash and cash equivalents	29,551	21,406
Cash and cash equivalents, end of period	$ 74,081	$ 47,158

In 2001, cash provided by continuing operating activities, net of capital expenditures and dividends was $11 million compared with cash used in operating activities, net of capital expenditures and dividends of $21.5 million in 2000. In the table above and in the statements of cash flows, income taxes related to venture capital activities, divestitures and property disposals are classified in operating activities, while related gains and losses are effectively classified with proceeds. In addition, income tax benefits on write-downs of venture capital investments typically lag financial reporting recognition. Consequently, despite pretax losses for venture capital investments of $9 million for the first nine months of 2001, operating activities include income taxes paid of $7 million for the period. Pretax gains for venture capital investments were $112.8 million for the first nine months of 2000 and cash used in operating activities includes related income taxes paid of $38 million. The remaining change is primarily due to:

- Changes in working capital;
- Increased spending at Tredegar Biotech;
- Lower income from manufacturing operations; and
- A decrease in the level of capital expenditures.

Capital expenditures have decreased from $60.4 million in 2000 to $30 million in 2001. Capital expenditures in 2001 reflect the normal replacement of machinery and equipment and the following key capital projects:

- Press modernization at the aluminum extrusion plant in Kentland, Indiana;
- A new plastic films manufacturing facility in Shanghai, China, which began production in the second quarter of 2001 and makes film used primarily for hygiene products; and
- Continued expansion of plastic films manufacturing capacity at the facility in Hungary, which produces disposable films for hygiene products marketed in Europe.

Capital expenditures in 2000 included the following key capital projects:

- A new feminine hygiene products topsheet film production line at the plant in Terre Haute, Indiana;
- Machinery and equipment purchased for the manufacture of breathable and elastomeric films;
- Expansion of capacity in Brazil for plastic films for hygiene products;
- Continued expansion of plastic films manufacturing capacity at the Hungary facility;
- A new plastic films manufacturing facility in Shanghai, China; and
- The second phase of a modernization program at the aluminum extrusion plant in Newnan, Georgia.

New Accounting Standards

In June 2001, the Financial Accounting Standards Board issued two new standards that primarily affect the accounting for acquisitions initiated after June 30, 2001, and the accounting for goodwill. There are transition provisions that may result in the reclassification of carrying values among existing goodwill and other intangible assets. Once adopted, these standards prohibit amortization of goodwill, but require transitional and annual impairment reviews that may result in the recognition of losses, among other requirements.

We anticipate that adoption of these standards will result in an annual reduction of amortization expense of approximately $4.6 million ($3 million after income taxes). Additionally, we will reclassify from intangible assets to goodwill approximately $396,000 related to the Therics workforce, which no longer qualifies as a separately identifiable intangible asset. We have not yet completed the transitional impairment review. We will adopt these standards in the first quarter of 2002.

Item 3. Quantitative and Qualitative Disclosures About Market Risks.

Tredegar has exposure to the volatility of interest rates, polyethylene and polypropylene resin prices, aluminum ingot and scrap prices, foreign currencies, emerging markets and technology stocks.

Changes in resin prices, and the timing of those changes, could have a significant impact on profit margins in Film Products; however, those changes are generally followed by a corresponding change in selling prices. Profit margins in Aluminum Extrusions are sensitive to fluctuations in aluminum ingot and scrap prices, but fluctuations are also generally followed by a corresponding change in selling prices; however, there is no assurance that higher ingot costs can be passed along to customers.

In the normal course of business, we enter into fixed-price forward sales contracts with certain customers for the sale of fixed quantities of aluminum extrusions at scheduled intervals. In order to hedge our exposure to aluminum price volatility under these fixed-price arrangements, which generally have a duration of not more than 12 months, we enter into a combination of forward purchase commitments and futures contracts to acquire aluminum, based on the scheduled deliveries.

We sell to customers in foreign markets through our foreign operations and through exports from U.S. plants. The percentage of consolidated net sales from manufacturing operations related to foreign markets for the nine months ended September 30, 2001 and 2000 are presented below:

Percentage of Net Sales from Manufacturing Operations Related to Foreign Markets*

	Nine Months Ended September 30			
	2001		2000	
	Exports From U.S.	Foreign Operations	Exports From U.S.	Foreign Operations
Canada	3 %	15 %	3 %	18 %
Europe	1	7	1	4
Latin America	3	3	3	2
Asia	3	1	4	1
Total	10 %	26 %	11 %	25 %

* Based on consolidated net sales from manufacturing operations (excluding Tredegar Biotech and Tredegar Investments).

We attempt to match the pricing and cost of our products in the same currency and generally view the volatility of foreign currencies and emerging markets, and the corresponding impact on earnings and cash flow, as part of the overall risk of operating in a global environment. Exports from the U.S. are generally denominated in U.S. Dollars. Our foreign operations in emerging markets have agreements with certain customers that index the pricing of our products to the U.S. Dollar or the Euro. Our foreign currency exposure on income from foreign operations in Europe primarily relates to the Euro. We believe that our exposure to the Canadian Dollar has been substantially neutralized by the U.S. Dollar-based spread (the difference between selling prices and aluminum costs) generated from Canadian casting operations and exports from Canada to the U.S. The acquisition of Exxon Films on May 17, 1999, increased the proportion of assets located in the U.S. It also increased the amount of operating profit earned in the U.S., partially offset by higher U.S. Dollar interest expense on higher debt related to the acquisition.

We have investments in private venture capital fund limited partnerships and early-stage technology companies, including the stock of privately-held companies and the restricted and unrestricted stock of companies that have recently registered shares in initial public offerings. The portfolio is subject to risks typically associated with investments in technology start-up companies, which include business failure, illiquidity and stock market volatility. Furthermore, publicly traded stocks of emerging, technology-based companies have higher volatility and risk than the U.S. stock market as a whole. See pages 15-17 and Note 3 on pages 5-8 for more information.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibit No.

3	Amended By-laws

(b) Reports on Form 8-K. No reports on Form 8-K have been filed for the quarter ended September 30, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Tredegar Corporation
(Registrant)

Date: November 12, 2001	/s/ D. Andrew Edwards
	D. Andrew Edwards Vice President, Finance and Treasurer (Principal Financial Officer)
Date: November 12, 2001	/s/ Michelle O. Mosier
	Michelle O. Mosier Corporate Controller (Principal Accounting Officer)

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TREDEGAR CORPORATION

AMENDED AND RESTATED BY-LAWS

In Effect as of September 10, 2001

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TREDEGAR CORPORATION

AMENDED AND RESTATED BY-LAWS

ARTICLE I

Meeting of Shareholders

Section 1. Places of Meetings. All meetings of the shareholders shall be held at such place, either within or without the State of Virginia, as may, from time to time, be fixed by the Board of Directors.

Section 2. Annual Meetings. The annual meeting of the shareholders, for the election of directors and transaction of such other business as may come before the meeting, shall be held in each year on the fourth Thursday in April, at 9:30 a.m., Richmond, Virginia time, or on such other date and at such other time as the Board of Directors of the Corporation may designate from time to time.

Section 3. Special Meetings. Special meetings of shareholders for any purpose or purposes may be called at any time by the Chairman of the Board or the President of the Corporation, or by a majority of the Board of Directors. At a special meeting no business shall be transacted and no corporate action shall be taken other than that stated in the notice of the meeting.

Section 4. Notice of Meetings. Except as otherwise required by law, written or printed notice stating the place, day and hour of every meeting of the shareholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than ten nor more than sixty days before the date of the meeting to each shareholder of record entitled to vote at such meeting, at his address which appears in the share transfer books of the Corporation. Meetings may be held without notice if all the shareholders entitled to vote at the meeting are present in person or by proxy or if notice is waived in writing by those not present, either before or after the meeting.

Section 5. Quorum. Except as otherwise required by the Articles of Incorporation, any number of shareholders together holding at least a majority of the outstanding shares of capital stock entitled to vote with respect to the business to be transacted, who shall be present in person or represented by proxy at any meeting duly called, shall constitute a quorum for the transaction of business. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned from time to time by a majority of the shareholders present or represented by proxy without notice other than by announcement at the meeting.

Section 6. Voting. At any meeting of the shareholders each shareholder of a class entitled to vote on the matters coming before the meeting shall have one vote, in person or by proxy, for each share of capital stock standing in his or her name on the books of the Corporation at the time of such meeting or on any date fixed by the Board of Directors not more than seventy (70) days prior to the meeting. Every proxy shall be in writing, dated and signed by the shareholder entitled to vote or his duly authorized attorney-in-fact.

Section 7. Voting List. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make, at least ten (10) days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, with the address of and the number of shares held by each. Such list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the Corporation or at its principal place of business or at the office of its transfer agent or registrar and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders. If the requirements of this Section 7 have not been substantially complied with, the meeting shall, on the demand of any shareholder in person or by proxy, be adjourned until the requirements are complied with.

Section 8. Shareholder Proposals. To be properly brought before an annual meeting of shareholders, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (iii) otherwise properly brought before the meeting by a shareholder. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than ninety (90) days in advance of the annual meeting. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting (including the specific proposal to be presented) and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the shareholder proposing such business, (iii) the class and number of shares of the Corporation that are beneficially owned by the shareholder, and (iv) any material interest of the shareholder in such business.

In the event that a shareholder attempts to bring business before an annual meeting without complying with the provisions of this Section 8, the Chairman of the meeting shall declare to the meeting that the business was not properly brought before the meeting in accordance with the foregoing procedures, and such business shall not be transacted.

No business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 8, provided, however, that nothing in this Section 8 shall be deemed to preclude discussion by any shareholder of any business properly brought before the annual meeting.

Section 9. Inspectors. An appropriate number of inspectors for any meeting of shareholders may be appointed by the Chairman of such meeting. Inspectors so appointed will open and close the polls, will receive and take charge of proxies and ballots, and will decide all questions as to the qualifications of voters, validity of proxies and ballots, and the number of votes properly cast.

ARTICLE II
Directors

Section 1. General Powers. The property, affairs and business of the Corporation shall be managed under the direction of the Board of Directors, and except as otherwise expressly provided by law, the Articles of Incorporation or these By-laws, all of the powers of the Corporation shall be vested in such Board.

Section 2. Number of Directors. The Board of Directors shall be nine (9) in number.

Section 3. Election of Directors.

(a) Directors shall be elected at the annual meeting of shareholders to succeed those Directors whose terms have expired and to fill any vacancies thus existing.

(b) Directors shall hold their offices for terms as set forth in the Articles of Incorporation and until their successors are elected. Any director may be removed from office as set forth in the Articles of Incorporation.

(c) Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining directors though less than a quorum of the Board of Directors.

(d) A majority of the number of directors fixed by these By-laws shall constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 4. Meetings of Directors. Meetings of the Board of Directors shall be held at places within or without the State of Virginia and at times fixed by resolution of the Board, or upon call of the Chairman of the Board, and the Secretary or officer performing the Secretary's duties shall give not less than twenty-four (24) hours' notice by letter, telegraph or telephone (or in person) of all meetings of the directors, provided that notice need not be given of regular meetings held at times and places fixed by resolution of the Board. An annual meeting of the Board of Directors shall be held as soon as practicable after the adjournment of the annual meeting of shareholders. Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting. Directors may be allowed, by resolution of the Board, a reasonable fee and expenses for attendance at meetings.

Section 5. Nominations. Subject to the rights of holders of any class or series of stock having a preference over the common stock as to dividends or upon liquidation, nominations for the election of Directors shall be made by the Board of Directors or a committee appointed by the Board of Directors or by any shareholder entitled to vote in the election of Directors generally. However, any shareholder entitled to vote in the election of Directors generally may nominate one or more persons for election as Directors at a meeting only if written notice of such shareholder's intent to make such nomination or nominations has been given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than (i) with respect to an election to be held at an annual meeting of shareholders, ninety (90) days in advance of such meeting, and (ii) with respect to an election to be held at a special meeting of shareholders for the election of Directors, the close of business on the seventh day following the date on which notice of such meeting is first given to shareholders. Each notice shall set forth: (a) the name and address of the shareholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; (d) such other information regarding each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a Director of the Corporation if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

ARTICLE III
Committees

Section 1. Executive Committee. The Board of Directors shall, by vote of a majority of the number of directors fixed by these By-laws, designate an Executive Committee, which shall consist of three or more directors, including the Chairman of the Board. The members of the Executive Committee shall serve until their successors are designated by the Board of Directors, until removed or until the Executive Committee is dissolved by the Board of Directors. All vacancies which may occur in the Executive Committee shall be filled by the Board of Directors.

When the Board of Directors is not in session, the Executive Committee shall have all power vested in the Board of Directors by law, the Articles of Incorporation or these By-laws, except as otherwise provided in the Virginia Stock Corporation Act and except that the Executive Committee shall not have the power to elect the President of the Corporation. The Executive Committee shall report at the next regular or special meeting of the Board of Directors all action which the Executive Committee may have taken on behalf of the Board since the last regular or special meeting of the Board of Directors.

Meetings of the Executive Committee shall be held at such places and at such times fixed by resolution of the Committee, or upon call of the Chairman of the Board. Not less than twelve (12) hours' notice shall be given by letter, telegraph or telephone (or in person) of all meetings of the Executive Committee, provided that notice need not be given of regular meetings held at times and places fixed by resolution of the Committee and that meetings may be held at any time without notice if all of the members of the Committee are present or if those not present waive notice in writing either before or after the meeting. A majority of the members of the Executive Committee then serving shall constitute a quorum for the transaction of business at any meeting.

Section 2. Executive Compensation Committee. The Board of Directors, at its regular annual meeting, shall designate an Executive Compensation Committee which shall consist of three or more directors who shall not be eligible for bonus, stock option or stock appreciation rights, except for awards made under a shareholder approved plan. In addition, the Board at any time may designate one or more alternate members of such Committee who shall be directors not eligible for bonus, stock option or stock appreciation rights who may act in place of any absent regular member upon invitation by the Chairman or Secretary of the Committee.

With respect to salaries, the Executive Compensation Committee shall have and may exercise the power to fix and determine from time to time all salaries of the executive officers of the Corporation, and such further powers with respect to salaries as may from time to time be conferred by the Board of Directors.

With respect to bonuses, the Executive Compensation Committee shall have and may exercise the powers to determine the amounts annually available for bonuses pursuant to any bonus plan or formula approved by the Board, to determine bonus awards to executive officers and to exercise such further powers with respect to bonuses as may from time to time be conferred by the Board of Directors.

With respect to other incentive compensation, the Executive Compensation Committee shall have and may exercise such powers as may from time to time be conferred by the Board of Directors or pursuant to any plan under which such compensation is paid or awarded.

Vacancies in the Executive Compensation Committee shall be filled by the Board of Directors, and members shall be subject to removal by the Board at any time.

The Executive Compensation Committee shall fix its own rules of procedure. A majority of the number of regular members then serving shall constitute a quorum; and regular and alternate members present shall be counted to determine whether there is a quorum. The Executive Compensation Committee shall keep minutes of its meetings, and all action taken by it shall be reported to the Board of Directors.

Section 3. Audit Committee. The Board of Directors at its regular annual meeting shall designate an Audit Committee which shall consist of three or more directors whose membership on the Committee shall meet the requirements set forth in the rules of the New York Stock Exchange, as amended from time to time. Vacancies in the Committee shall be filled by the Board of Directors with directors meeting the requirements set forth above, giving consideration to continuity of the Committee, and members shall be subject to removal by the Board at any time. The Committee shall fix its own rules of procedure and a majority of the members serving shall constitute a quorum. The Committee shall meet at least twice a year with both the internal and the Corporation's outside auditors present at each meeting and shall keep minutes of its meetings and all action taken shall be reported to the Board of Directors. The Committee shall review the reports and minutes of any audit committees of the Corporation's subsidiaries. The Committee shall review the Corporation's financial reporting process, including accounting policies and procedures. The Committee shall examine the report of the Corporation's outside auditors, consult with them with respect to their report and the standards and procedures employed by them in their audit, report to the Board the results of its study and recommend the selection of auditors for each fiscal year.

Section 4. Nominating and Governance Committee. The Board of Directors shall designate a Nominating and Governance Committee, which shall consist of three or more directors. The primary responsibilities of the Nominating and Governance Committee shall include: (i) reviewing the composition of the Board of Directors to insure that there is a balance of appropriate skills and characteristics reflected on the Board; (ii) developing criteria for Director searches and making recommendations to the Board regarding nominees for election as directors by the shareholders at each Annual Shareholders' Meeting, including the addition of any new Board members, after appropriate search and investigation; (iii) making such other recommendations regarding tenure and classification of directors as the Committee may deem advisable from time to time; (iv) reviewing public policy issues which affect the image of the Corporation; and (v) recommending actions to increase the Board's effectiveness. The Committee shall fix its own rules of procedure and a majority of the members serving shall constitute a quorum.

Section 5. Other Committees of Board. The Board of Directors, by resolution duly adopted, may establish such other committees of the Board having limited authority in the management of the affairs of the Corporation as it may deem advisable and the members, terms and authority of such committees shall be as set forth in the resolutions establishing the same.

ARTICLE IV
Officers

Section 1. Election. The officers of the Corporation shall consist of a Chairman of the Board, a Vice Chairman of the Board, a President, one or more Vice Presidents (any one or more of whom may be designated as Executive Vice Presidents or Senior Vice Presidents), a Secretary and a Treasurer. In addition, such other officers as are provided in Section 3 of this Article may from time to time be elected by the Board of Directors. All officers shall hold office until the next annual meeting of the Board of Directors or until their successors are elected. The Chairman of the Board, the Vice Chairman of the Board and the President shall be chosen from among the directors. Any two officers may be combined in the same person as the Board of Directors may determine, except that the President and Secretary may not be the same person.

Section 2. Removal of Officers; Vacancies. Any officer of the Corporation may be removed summarily with or without cause, at any time by a resolution passed at any meeting by affirmative vote of a majority of the number of directors fixed by these By-laws. Vacancies may be filled at any meeting of the Board of Directors or a written consent in lieu thereof.

Section 3. Other Officers. Other officers may from time to time be elected by the Board, including, without limitation, one or more Assistant Secretaries and Assistant Treasurers, and one or more Divisional Presidents and Divisional Vice Presidents (any one or more of whom may be designated as Divisional Executive Vice Presidents or Divisional Senior Vice Presidents).

Section 4. Duties. The officers of the Corporation shall have such duties as generally pertain to their offices, respectively, as well as such powers and duties as are hereinafter provided and as from time to time shall be conferred by the Board of Directors. The Board of Directors may require any officer to give such bond for the faithful performance of his duties as the Board may see fit.

Section 5. Duties of the Chairman of the Board. The Chairman of the Board shall serve as the Chairman of the Board of Directors and the Chairman of the Executive Committee. He shall be responsible for the execution of the policies of the Board of Directors and shall have direct supervision over the President, subject to the authority of the Board of Directors. The Chairman of the Board shall preside at all meetings of shareholders, the Board of Directors and the Executive Committee. In the incapacity or absence of the President, the Chairman of the Board shall perform the duties and have the authority of the President. The Chairman of the Board may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts or other instruments, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, he shall perform all duties incident to the office of the Chairman of the Board and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 6. Duties of Vice Chairman. In the absence or incapacity of the Chairman of the Board, the Vice Chairman shall perform the duties of the Chairman, shall have the same authority, including, but not limited to, presiding at all meetings of the Board of Directors and the Corporation's shareholders, and shall serve as a member of all committees of the Board of which the Chairman of the Board is a member. In addition, the Vice Chairman of the Board shall perform all duties as from time to time may be assigned to him by the Board of Directors.

Section 7. Duties of the President. The President shall be the chief executive officer of the Corporation, shall have direct supervision over the business of the Corporation and its several officers, subject to the authority of the Board of Directors, and shall consult with and report to the Chairman of the Board. The President may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts or other instruments, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, he shall perform all duties incident to the office of the President and such other duties as from time to time may be assigned to him by the Board of Directors or the Chairman of the Board.

Section 8. Duties of the Vice Presidents. Each Vice President of the Corporation (including any Executive Vice President and Senior Vice President) shall have powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman of the Board or the President. Any Vice President of the Corporation may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed.

Section 9. Duties of the Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation, and shall cause all such funds and securities to be deposited in such banks and depositories as the Board of Directors from time to time may direct. He shall maintain adequate accounts and records of all assets, liabilities and transactions of the Corporation in accordance with generally accepted accounting practices; shall exhibit his accounts and records to any of the directors of the Corporation at any time upon request at the office of the Corporation; shall render such statements of his accounts and records and such other statements to the Board of Directors and officers as often and in such manner as they shall require; and shall make and file (or supervise the making and filing of) all tax returns required by law. He shall in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors, the Chairman of the Board or the President.

Section 10. Duties of the Secretary. The Secretary shall act as secretary of all meetings of the Board of Directors, the Executive Committee and all other Committees of the Board, and the shareholders of the Corporation, and shall keep the minutes thereof in the proper book or books to be provided for that purpose. He shall see that all notices required to be given by the Corporation are duly given and served; shall have custody of the seal of the Corporation and shall affix the seal or cause it to be affixed to all certificates for stock of the Corporation and to all documents the execution of which on behalf of the Corporation under its corporate seal is duly authorized in accordance with the provisions of these By-laws; shall have custody of all deeds, leases, contracts and other important corporate documents; shall have charge of the books, records and papers of the Corporation relating to its organization and management as a Corporation; shall see that the reports, statements and other documents required by law (except tax returns) are properly filed; and shall, in general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors, the Chairman of the Board or the President.

Section 11. Other Duties of Officers. Any officer of the Corporation shall have, in addition to the duties prescribed herein or by law, such other duties as from time to time shall be prescribed by the Board of Directors, the Chairman of the Board or the President.

Section 12. Duties of Divisional Officers. Divisional Presidents and Divisional Vice Presidents shall be deemed to be officers of the Corporation whose duties and authority shall relate only to the Division by which they are employed, and they may sign and execute in the name of the Corporation deeds, mortgages, bonds, contracts and other instruments authorized by the Board that relate only to the business and properties of such Division. Other divisional officers may be designated from time to time by the Board of Directors and shall serve at the pleasure of the Board and have such duties as may be assigned by the Board and such officers shall be officers of the respective divisions but shall not be deemed to be officers of the Corporation.

ARTICLE V
Capital Stock

Section 1. Certificates. The shares of capital stock of the Corporation shall be evidenced by certificates in forms prescribed by the Board of Directors and executed in any manner permitted by law and stating thereon the information required by law. Transfer agents and/or registrars for one or more classes of the stock of the Corporation may be appointed by the Board of Directors and may be required to countersign certificates representing stock of such class or classes. In the event that any officer whose signature or facsimile thereof shall have been used on a stock certificate shall for any reason cease to be an officer of the Corporation and such certificate shall not then have been delivered by the Corporation, the Board of Directors may nevertheless adopt such certificate and it may then be issued and delivered as though such person had not ceased to be an officer of the Corporation.

Section 2. Lost, Destroyed and Mutilated Certificates. Holders of the stock of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificate therefor, and the Board of Directors may, in its discretion, cause one or more new certificates for the same number of shares in the aggregate to be issued to such stockholder upon the surrender of the mutilated certificate or upon satisfactory proof of such loss or destruction, and the deposit of a bond in such form and amount and with such surety as the Board of Directors may require.

Section 3. Transfer of Stock. The stock of the Corporation shall be transferable or assignable only on the books of the Corporation by the holders in person or by attorney on surrender of the certificate for such shares duly endorsed and, if sought to be transferred by attorney, accompanied by a written power of attorney to have the same transferred on the books of the Corporation. The Corporation will recognize the exclusive right of the person registered on its books as the owner of shares to receive dividends and to vote as such owner.

Section 4. Fixing Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of the shareholders or any adjournment thereof, or entitled to receive payment for any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than seventy (70) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this Section 4 such determination shall apply to any adjournment thereof.

ARTICLE VI
Miscellaneous Provisions

Section 1. Seal. The seal of the Corporation shall consist of a flat-face circular die, of which there may be any number of counterparts, on which there shall be engraved in the center the words "Tredegar Corporation"

Section 2. Fiscal Year. The fiscal year of the Corporation shall end on December 31st of each year, and shall consist of such accounting periods as may be recommended by the Treasurer and approved by the Executive Committee.

Section 3. Books and Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its shareholders and Board of Directors; and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar a record of its shareholders, giving the names and addresses of all shareholders, and the number, class and series of the shares being held.

Any person who shall have been a shareholder of record for at least six months immediately preceding his demand or who shall be the holder of record of at least five percent (5%) of all the outstanding shares of the Corporation, upon written demand stating the purpose thereof, shall have the right to examine, in person, or by agent or attorney at any reasonable time or times, for any proper purpose, its books and records of account, minutes and records of shareholders and to make extracts therefrom. Upon the written request of a shareholder, the Corporation shall mail to such shareholder its most recent published financial statements showing in reasonable detail its assets and liabilities and the results of its operations.

The Board of Directors shall, subject to the provisions of the foregoing paragraph of this Section 3, to the provisions of Section 7 of Article I and to the laws of the State of Virginia, have the power to determine from time to time whether and to what extent and under what conditions and limitations the accounts, records and books of the Corporation, or any of them, shall be open to the inspection of the shareholders.

Section 4. Checks, Notes and Drafts. Checks, notes, drafts and other orders for the payment of money shall be signed by such persons as the Board of Directors from time to time may authorize. When the Board of Directors so authorizes, however, the signature of any such person may be a facsimile.

Section 5. Amendment of By-Laws. These By-laws may be amended or altered at any meeting of the Board of Directors by affirmative vote of a majority of the number of directors fixed by these By-laws. The shareholders entitled to vote in respect of the election of directors, however, shall have the power to rescind, alter, amend or repeal any By-laws and to enact By-laws which, if expressly so provided, may not be amended, altered or repealed by the Board of Directors.

Section 6. Voting of Stock Held. Unless otherwise provided by resolution of the Board of Directors or of the Executive Committee, the Chairman of the Board, the President or any Executive Vice President shall from time to time appoint an attorney or attorneys or agent or agents of this Corporation, in the name and on behalf of this Corporation, to cast the vote which this Corporation may be entitled to cast as a shareholder or otherwise in any other corporation, any of whose stock or securities may be held in this Corporation, at meetings of the holders of the stock or other securities of such other corporation, or to consent in writing to any action by any of such other corporation, and shall instruct the person or persons so appointed as to the manner of casting such votes or giving such consent and may execute or cause to be executed on behalf of this Corporation and under its corporate seal or otherwise, such written proxies, consents, waivers or other instruments as may be necessary or proper in the premises; or, in lieu of such appointment, the Chairman of the Board, the President, any Executive Vice President or any officer or officers designated by the Board of Directors or the Executive Committee may attend in person any meetings of the holders of stock or other securities of any such other corporation and there vote or exercise any or all power of this Corporation as the holder of such stock or other securities of such other corporation.

Section 7. Restriction on Transfer. To the extent that any provision of the Rights Agreement between the Corporation and American Stock Transfer & Trust Company, dated as of June 30, 1999, is deemed to constitute a restriction on the transfer of any securities of the Corporation, including, without limitation, the Rights, as defined therein, such restriction is hereby authorized by the By-laws of the Corporation.

Section 8. Control Share Acquisition Statute. Article 14.1 of the Virginia Stock Corporation Act ("Control Share Acquisitions") shall not apply to acquisitions of shares of stock of the Corporation.