



News Release

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Performance Fibers Announces Intent to Idle Production at Two Alabama Plants

RICHMOND, Va., March 26, 2008 – Performance Fibers Holdings, Inc. (“Performance Fibers”) today announced that it intends to idle all manufacturing at its Winfield and Scottsboro, Ala. plants, based on reduced demand from U.S. tire customers, combined with increasingly competitive industry and economic conditions.

The planned action will idle polyester-fabric converting operations in Winfield, affecting about 100 employees, and fabric dipping operations in Scottsboro, impacting about 40 employees. The exact timing for the idling will depend on the transition period necessary to meet customers’ needs.

The decision to idle its full manufacturing operations at these two plants was caused by a number of factors, including lower consumer demand for automobiles, global competition, and higher raw material and operating costs over the last three years. These factors, combined with the restructuring activities of key tire customers in North America, have resulted in lower overall demand for tires.

“Extremely challenging industry and economic conditions have prevented the plants from being fully utilized since we acquired them in 2005,” said Performance Fibers’ CEO Gregory S. Rogowski. “Reduced demand now makes it necessary for us to take these difficult actions to remain globally competitive as a company.”

“We deeply regret the impact this difficult decision will have on the Scottsboro and Winfield workforce, their families and their communities. As always, we are committed to treating all employees with respect and fairness, and we will work to make this transition as smooth as possible for affected employees,” Rogowski continued.

Similar conditions made it necessary for Performance Fibers to idle its polyester fiber production at Scottsboro in 2006, while maintaining a scaled-back fabric dipping operation. Performance Fibers has been taking steps to improve its competitiveness in the North American region, where the competitive environment is particularly challenging with the entrance of low-cost suppliers from Asia and other parts of the world.

Performance Fibers has given a 60-day notice to affected Winfield employees, appropriate officials, and government agencies under the U.S. Department of Labor’s Worker Adjustment and Retraining Notification (WARN) Act, which will make training and other assistance available to them. The company also has requested government assistance for Scottsboro employees not covered by WARN due to the size of the workforce.

In addition, Performance Fibers will honor the contract requirements of unionized employees covered by bargaining agreements at Scottsboro and provide applicable benefits and assistance for Winfield employees.

About Performance Fibers

Performance Fibers is a leading global supplier of high-tenacity polyester fibers, Nylon-6, engineered fabrics, sewing thread fibers and advanced materials. With manufacturing facilities in North America, Asia and Europe, its products are used in a wide range of consumer and industrial applications. Performance Fibers is owned by Performance Fibers Holdings, Inc., an affiliate of Sun Capital Partners, Inc. For more information, visit www.performancefibers.com.

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