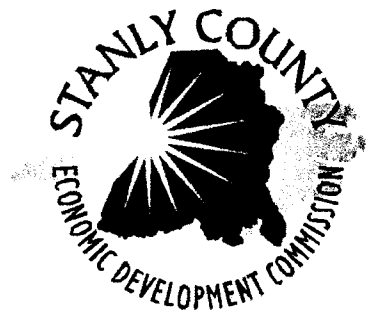


For Immediate Release

Tuscarora Yarns Expands in Oakboro

June 3, 2008



Amidst the current struggling economy, Tuscarora Yarns in Oakboro, North Carolina is rising above the standard. On Monday, June 2, 2008, Stanly County and the Town of Oakboro conducted a joint Public Hearing to discuss an incentive agreement with Tuscarora Yarns to assist in the company's expansion efforts at the Oakboro manufacturing plant.

Over the past several years, residents have witnessed the exodus of the textile industry from Stanly County, the State of North Carolina, our neighboring states and the US. However, Tuscarora Yarns has not only been able to survive during this turbulent time for the industry, they have thrived. This year, Tuscarora Yarns celebrates their 109th birthday.

"Stanly County is proud to have Tuscarora Yarns, a world-renowned manufacturer, employ our citizens and uphold our community for over a century," said Sherrill Smith, Stanly County Commissioner. "We are pleased to assist with their growth and expansion."

Tuscarora Yarns presently employs 135 people at their Oakboro facility and the approved incentive agreement assists the company in their efforts to expand their operation. The company plans to create 9 additional jobs bringing their total employment in Oakboro to 144 people. As with their existing employees, the new employees would be eligible to participate in the retirement and health benefit programs presently offered by Tuscarora Yarns.

Along with additional employment, the expansion would also increase the company's financial investment in our community. This is in addition to other capital investment projects currently in process at Tuscarora Yarns, Inc. Specifically, this expansion would require an addition of approximately 18,000 square feet bringing the total new investment in the building and machinery and equipment to \$2,500,000.

The company currently has three manufacturing locations in North Carolina, Oakboro, Mount Pleasant and China Grove; however, *Southern Textile News* characterizes the Oakboro facility as "the crown jewel of the manufacturing triumvirate" in its February 4, 2008 report regarding its modern, state-of-the-art machinery, equipment, and products.

"This expansion will allow us to venture into new markets, while also creating the ability for us to provide quicker response to customer needs," said Phil Absher, Director of Human Resources for Tuscarora Yarns.

Martin Foil, Chairman of the Board and CEO explains Tuscarora's resiliency in the textile industry in the report with *Southern Textile News*, "We want to be on the cutting edge of what's new and different and be able to offer those kinds of resources to people who are going to differentiate themselves from the masses."

Tuscarora Yarns maintains a keen focus on its employees. A typical employee averages 15 years with the company with some having over 38 years of service. "A team culture and a family atmosphere pervades the company," says Absher.

Safety is also a huge concern for Tuscarora. Their Oakboro facility was recognized by the NC Department of Labor for having logged 3million hours of work without a lost-time accident.

The Stanly County Commissioners and Town of Oakboro Council have agreed to offer Tuscarora Yarns a grant which would total \$50,366 to be paid in annual installments over five years. In order to receive the grant, Tuscarora Yarns must first meet the requirements stipulated in the Performance Agreement between the County, Town of Oakboro and the Company.

“Stanly County and the Town of Oakboro are proud to have Tuscarora Yarns as an integral member of our community,” said Oakboro Mayor Joyce Little. “They give so much to our community and we are pleased to assist them in their expansion efforts.”

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