

## **International Textile Group, Inc. Enters Into Partnership with India's LNJ Bhilwara Group**

*January 23, 2008, Greensboro, NC* – International Textile Group, Inc. (ITG)(OTCBB: ITXN) announced today that its Cone Denim division has entered into a commercial and marketing partnership with RSWM Limited, which operates as part of the LNJ Bhilwara Group (LNJ) based in New Delhi, India. LNJ Bhilwara is a global group with business interests spanning a range of industries and annual sales of over \$700 million. Its textile business includes a wide array of yarns and fabrics, exported to more than 60 countries.

“We are extremely pleased to join forces with a leading company like LNJ Bhilwara to further our denim business,” said Joseph L. Gorga, President & CEO of ITG. “Both LNJ and ITG have a common focus on our customer and employees and share an overall commitment to excellence. We look forward to a successful partnership and future opportunities for expanded relationships.”

Under the terms of the agreement, the two companies will develop and market the LNJ-Cone Denim® brand of denim fabric. Cone Denim will lead the product development and design of these fabrics and will market LNJ-Cone Denim products in key markets throughout the world. LNJ-Cone Denim fabrics will be manufactured exclusively by LNJ at their new, state-of-the-art denim facility in Banswara, India.

“Cone Denim has found in LNJ a partner with the people, facilities, and values consistent with success in our business,” said Tom McKenna, President Cone Denim. “The combined strength of our denim teams is formidable. We are full speed ahead and expect to bring product to market during the current quarter.”

McKenna continued, “This venture brings Cone Denim to India and rounds out our global network that now includes the U.S., Mexico, Central America, China, and Turkey.”

Riju Jhunjhunwala, Joint Managing Director, RSWM, Ltd., stated, “LNJ Bhilwara Group has a strong reputation globally for innovative and quality textiles. We are delighted with the opportunity to expand our capabilities in denim through partnership with Cone Denim, a world leader in denim.”

Established in 1891, ITG Cone Denim has been a leading supplier of denim to top denim apparel brands for over 100 years. Known for its innovation, authenticity, quality and service, Cone Denim maintains operations in the United States, Mexico, Turkey and China, and has expansion initiatives underway in Nicaragua to provide broader service and flexibility to customers worldwide.

LNJ Bhilwara Group is a multi-product and service conglomerate founded in 1961. LNJ Bhilwara Group operates across a number of industries including textiles, graphite, power and information technology. RSWM Limited, an LNJ Bhilwara Group company, is a professionally managed, progressive and growth oriented textile company with business interests in Yarn, Fabrics, Garments and Denim. It is one of the largest producers and exporters of polyester viscose blended yarn in India.

International Textile Group Inc., majority owned by WL Ross & Co, is a global, diversified textile manufacturer with annual revenues in excess of \$1.0 billion. ITG was formed by WL Ross in 2004 and operates in five primary business segments: Automotive Safety, Apparel Fabrics (Cone Denim and Burlington WorldWide), Government Uniform Fabrics, Interior Furnishings and Commission Finishing. The company employs over 11,000 people worldwide with operations in the United States, Mexico, China, Germany, Romania, the Czech Republic, Poland, South Africa, Turkey, Nicaragua and Vietnam.

*Certain statements contained in this press release may constitute "forward looking statements" within the meaning of the Federal Securities laws. These statements may relate to, among other things, ITG's future plans, revenue, earnings, outlook, expectations and strategies, and are based on management's current beliefs. Forward looking statements involve a number of risks and uncertainties, including changes to the facts or assumptions underlying these statements. ITG's actual results may differ materially from those expressed or implied in these forward-looking statements due to various risks, uncertainties or other factors. These factors may include changes in general economic conditions, downturns in the automotive industry, decreases in the demand for textile products, increases in constituent raw material prices, difficulties in executing business strategies and other risk factors described in ITG's filings with the SEC from time to time. ITG does not undertake any obligation to update any forward-looking statements.*

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