

For Immediate Release

ITG's Cone Mills Announces Plans for 30 Million-Yard Guatemala Denim Plant

Greensboro, NC, May 13, 2004 - International Textile Group ("ITG"), subsidiary Cone Mills, announced today plans for a 30 million yard denim plant in Guatemala. Cone Mills is already the largest denim provider in the world, with plants in the US and Mexico and joint ventures in India and Turkey. Cone Mills CEO, John Bakane, said, "Favorable customer reaction to our acquisition by ITG and to our design initiatives has created more demand than we can produce. Supplying Central American customers locally will increase supply elsewhere and position us for the eventual adoption of a Central American Free Trade Agreement ("CAFTA"). Unfortunately, this project will take more than one year to complete and we apologize in advance to our customers that we cannot expand more quickly."

Wilbur Ross, Chairman of ITG, added, "This project will benefit from Guatemala's realistic wages, highly skilled workers, transportation infrastructures, and exemption from import tariffs and from value added and income taxes for ten years. Guatemalan President, Oscar Berger, and I this week signed a protocol of mutual support for an appropriate CAFTA and for the development of the Guatemalan textile industry. This completes our hemispheric strategy and enables us now to focus on a major strategy for Asia."

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