



NEW ERA CAP STATEMENT ON U.S. MANUFACTURING OPERATIONS CONSOLIDATION

As a result of the global recession and a significant change in consumer demand for our products, we are being forced to consolidate our U.S. manufacturing operations from three (3) plants into one (1).

We are currently planning on closing our Jackson production and Mobile distribution Alabama facilities. We will be meeting with the Teamsters Union who represents the employees at these locations. The Jackson facility is projected to be closed in the first quarter of 2010 and the Mobile distribution facility in the second quarter of 2010.

We will also be meeting with representatives of the Communications Workers of America (CWA) to determine which of our two other plants, Derby or Demopolis, will remain open. The second plant is projected to be closed in the second quarter of 2010.

This is a very difficult decision for us but in the face of significantly reduced consumer demand, we feel we have no option but to restructure our manufacturing operations. There is simply not enough consumer demand to support three (3) manufacturing plants in the U.S.

We recognize the significant impact this decision will have on our employees and the communities where our plants are located. Therefore, we are committed to doing everything we can to assist our employees through this difficult process and to support the affected communities.

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