

International Textile Group's Cone Denim to Build Denim Plant in China

Greensboro, NC, July 12, 2005 -- International Textile Group, Inc. (ITG) announced today that it will build a state-of-the-art denim plant in the city of Jiaxing, Zhejiang Province, China. The operation will be a joint venture partnership called Cone Denim (Jiaxing) Limited, 51% owned by a subsidiary of ITG (a WL Ross & Co. company) and 49% owned by a subsidiary of Novel Holdings Limited (owned by the Chou family).

Wilbur Ross, Chairman of ITG, commented, "This initiative for Cone Denim establishes another major global platform in continuation of the ITG strategy of aligning with its customers. Announcements with respect to new international initiatives on behalf of other ITG business units will be forthcoming."

The Cone Denim (Jiaxing) facility is expected to be operational by late 2006 and will have a production capacity of approximately 30 million yards annually. A vertical operation, the plant will be equipped with the most modern manufacturing equipment to process raw cotton through finished fabric.

"Cone Denim is known throughout the world as the leader in denim innovation and quality," said John L. Bakane, President and CEO Cone Denim. "The China operation will provide Cone Denim with a value-added denim platform to expand our global reach to service our customers with high quality, fashion denims wherever they are."

A groundbreaking ceremony for the new site will be held tomorrow, July 13. Former Minister of Commerce for China and currently the chairman of China's Foreign Investor's Federation Shi Guang Sheng will speak at the ceremony. Wilbur Ross, Silas Chou, John Bakane, K. C. Chao and Jeff Peck, Managing Director, ITG (Hong Kong), will attend the ceremony.

Established in 1891, 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 India, and has expansion initiatives underway in Central America and China to provide broader service and flexibility to customers worldwide.

Novel Holdings, incorporated in 1964 as a holding company to hold the interests of the Chou family, has a long and distinguished history in textiles, apparel and other trading businesses. Novel's principal China businesses include yarn and knitwear and branded companies such as Michael Kors and Pepe.

International Textile Group, Inc. was organized in March 2004 by Wilbur L. Ross to combine the assets of Burlington Industries and Cone Mills. ITG is a diverse, innovative provider of global textile solutions and distinguished market brands to apparel and interior furnishing customers worldwide. ITG operates four business units: Cone Denim, Burlington WorldWide (apparel fabrics), Interior Fabrics, Carlisle Finishing, and is affiliated with Nano-Tex.