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## **INVESTOR GROUP AGREES TO PURCHASE BP FABRICS AND FIBERS BUSINESS**

HOUSTON, SAN FRANCISCO and AUSTELL, Ga. – October xx, 2004 – AFFC Holdings, Inc., a newly formed company sponsored by an investor group comprised of The Sterling Group, L.P., Genstar Capital, L.P. and Laminar Direct Capital, L.P., today announced it has reached an agreement with a BP company to acquire BP's Amoco Fabrics and Fibers subsidiary and its associated assets. As with other Sterling, Genstar and Laminar Direct Capital investments, management of the purchased company will also be participating significantly in the ownership of the newly independent organization. AFFC Holdings has not yet selected a name for the business. The transaction is expected to be finalized in the fourth quarter of 2004. Financial details of the transaction are not being disclosed.

Headquartered in Austell, Georgia, BP's Fabrics and Fibers subsidiary is a leading producer of synthetic fabrics throughout the world. It is the world's number one producer of primary carpet backing and secondary carpet backing and also is a leading producer of synthetic fabrics for use in furniture, bedding, automotive, geotextile, and other industrial fabrics applications. The company also operates manufacturing facilities in five locations in the southern United States and internationally in Mexico, Germany, Hungary and Brazil.

William C. Oehmig, a principal of The Sterling Group said, "We are pleased to have the opportunity to invest in this business alongside management, Genstar and Laminar Direct Capital. We look forward to working with the dedicated and talented management team to grow this newly independent company. We believe this company's strong management team and employee base, leading positions in attractive markets, consistent financial performance and its status as a newly independent entrepreneurial organization offer exciting opportunities for the future of the company and make the company an ideal fit with the investment philosophies of Sterling and our co-investors."

Bradford Mortimer, president of BP's Fabrics and Fibers business said, "The business is excited to team with Sterling, Genstar and Laminar Direct Capital. We believe that competing in our marketplace as an independent company opens the door to pursue many new and energizing opportunities. Our primary focus will be on serving the needs of our customers, and we will continue to look for ways to better serve their needs in the future. We have a lot of opportunities ahead, and our new sponsor group will be an excellent partner in pursuing those prospects."

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“We believe this company is well-positioned to create and to take advantage of new opportunities in this market. With their deep knowledge and industry expertise, the company’s management team has demonstrated the customer-focused business savvy and leadership skills necessary to drive the growth and profitability of their company,” said Jean-Pierre L. Conte, chairman and managing director of Genstar Capital, L.P. “We feel confident that Genstar, Sterling and Laminar Direct Capital’s experience supporting and growing newly independent organizations will be a valuable asset to this company. We look forward to working closely with the management team and our co-investors as the company continues to excel as the market leader.”

Financing for the transaction is being provided in part by BNP Paribas.

Credit Suisse First Boston LLC advised BP PLC on this transaction.

### **About The Sterling Group, L.P.**

The Sterling Group is a private equity investment firm engaged in the acquisition and ownership of operating businesses. Sterling was founded in 1982 and targets control investments in basic manufacturing, industrial services and distribution companies with enterprise values typically between \$100 million and \$500 million. Sterling partners with management teams to acquire companies where Sterling has identified specific opportunities to grow and improve the business. Sterling has sponsored the buyouts of 28 portfolio companies and numerous add-on acquisitions for a total transaction value greater than \$6.5 billion. For more information about The Sterling Group, visit [www.sterling-group.com](http://www.sterling-group.com).

### **About Genstar Capital**

Based in San Francisco, Genstar Capital ([www.gencap.com](http://www.gencap.com)) is a private-equity investment firm that makes leveraged investments in quality companies. Genstar Capital works in partnership with management to create value over the long-term. With more than \$400 million of committed capital under management and significant experience operating and investing in businesses, Genstar Capital brings a unique mix of experience to its portfolio companies.

### **About Laminar Direct Capital**

Laminar Direct Capital, L.P., based in Houston, Texas, is a private investment firm focused on providing direct capital solutions for various situations including acquisitions, recapitalizations, growth opportunities, leveraged buyouts, and distressed situations. Laminar pursues opportunities in numerous industries throughout North America and participates in all levels of the capital spectrum, including senior debt, mezzanine debt, and equity capital. Laminar Direct Capital is a member of the D. E. Shaw group, a New York-based investment and technology development firm with over \$8 billion in aggregate capital.

### **About BP**

BP is one of the largest integrated oil companies in the world, operating in 100 countries, on six continents and serving more than 10 million customers everyday. BP announced plans to sell its fabrics and fibers business as part of a repositioning of its chemicals portfolio.

Separately, this repositioning continued in April of 2004 with BP’s announcement that it would spin off its olefins and derivatives business as an independent arm of BP that the company intends to ultimately establish as an independent US listed company.