



KING NEWS

September 2004

THE KING COMPANIES HAVE TWO MAJOR PROJECTS THAT ARE UNFOLDING SIMULTANEOUSLY

IN 2004. First, the plant moves of King Machine of Charlotte and King Machine of North Carolina are driving full-speed ahead. Second, we are making greater capital investments this year than in any period of our history.

Why are we attacking two large projects at the same time?

The answer is quite simple – we are committed to being a global leader in tire molds.

In this newsletter, we would like to highlight our plant relocations and our capital investments.



PLANT RELOCATIONS

The move of King Machine of Charlotte is proceeding according to plan, and without major disruptions to this point.

We are already noticing gains in production efficiency, due to smoother work flow, resulting from increased space. We can only assume that this will continue to improve as we complete the move and settle into our new surroundings. As originally planned, the move of King Machine of Charlotte should be completed by the fall.

We are also upfitting our new plant for the future move of King Machine of North Carolina later this fall. This second phase of the move will take place after King Machine of Charlotte is completed.

CAPITAL INVESTMENTS

While moving 2 plants without sacrificing customer satisfaction is a major project in and of itself, we are aggressively strengthening our entire company through other capital investments as well.

So far this year we have completed several investments, as you can see from the list below.

- New Charlotte plant and upfit
- 6th CNC letter engraving machine
- New foundry furnace
- New automated glass bead/sand blasters
- New dry ice machine
- New programmer offices

We still have several projects planned for this year:

- New CNC tread engraving machine
- King – North Carolina move and plant upfit
- New CNC model production machines

OUR OBJECTIVE

Our objective is to be recognized as the company that produces the highest quality tire molds, delivered more quickly, and at competitive prices.

Sincerely,

Michael J. Wells
President