



GASTON COUNTY ECONOMIC DEVELOPMENT COMMISSION



The Ideal Location For Your Business In The Charlotte Region

August 3, 2005

Project Announcement

National Gypsum Creates 100 Jobs in Gaston County and Invests \$125 Million

MOUNT HOLLY, NC – National Gypsum Company, a leading manufacturer of gypsum wallboard, announced today it will invest up to \$125 million to construct a new high-speed wallboard plant in Mt. Holly, NC. The plant will create 100 direct jobs and 100 indirect for Gaston County while recycling tons of waste material which would otherwise go to landfills. It will be capable of producing approximately one billion square feet of wallboard annually at speeds over 500 feet per minute. That is enough wallboard to complete approximately 100,000 average-sized homes per year. Construction on the new plant will begin next year and is expected to be operational during the third quarter of 2007.

"We needed a 100-acre-plus site for our new plant with easy access to the Interstate highway system, natural gas, and rail," said Thomas C. Nelson, chairman, president and CEO. "We also needed a high-quality workforce. Mt. Holly provides all of this. It is an excellent site for our plant and we believe our clean manufacturing process will fit nicely into the community." "This major investment fills an important gap in supplying wallboard to the southeast markets," Nelson continued. "With the new plant in place, we will be better able to serve key markets such as Charlotte and Atlanta, while improving supply in Florida and the Mid-Atlantic from our plants located in those regions. Our goal is go grow with our customers, and we are actively pursuing and are positioned to make additional expansions as the market dictates."

"I am delighted that National Gypsum has chosen a site in Gaston County," said State Senator David Hoyle. "We are looking forward to a great relationship. I appreciate everything National Gypsum does, not only for Gaston County and the Charlotte area, but for all of North Carolina." "We are certainly glad National Gypsum has selected Gaston County for its new wallboard facility," said Donnie Hicks, executive director of the Gaston County Economic Development Commission. "This project will help Gaston County continue its strong manufacturing heritage and National Gypsum joins a growing group of world-class manufacturers who have chosen our county for new and expanded facilities."

Gypsum wallboard is typically produced from gypsum rock. In partnership with Duke Power, the new plant will use byproduct gypsum produced at Duke Power's coal-fired power plants. As Duke Power scrubs sulfur dioxide from its coal-fired emissions, the byproduct of the process is calcium sulfate, which is the chemical name for gypsum. National Gypsum will receive byproduct gypsum that will be produced at the four Duke Power plants involved, the Marshall, Cliffside, Allen, and Beleys Creek stations.

National Gypsum

"We are very pleased to have Duke Power as our partner in this project," Nelson said. "Duke is one of the most respected names in the industry, and it is recognized as a leader in power generation, environmental stewardship, and community involvement."

"We are excited about National Gypsum building a wallboard plant in this location and will work with them to make this project a reality," said Bill Hall, group vice president, Duke Power. "This is a perfect example of a win-win opportunity. Duke Power and our customers win because we can recycle the gypsum produced by our power plant scrubbers and keep our operating costs low. The economy wins because good jobs will be created during the construction and operation of the plant. The environment wins because gypsum is recycled rather than put in a landfill."

Headquartered in Charlotte, National Gypsum is a leading supplier of wallboard, interior finishing products, and cement board to the construction industry. It has a network of 20 wallboard plants in North America, in addition to finishing products and cement board plants, paper mills, and gypsum mines and quarries. More information about National Gypsum is available on its web site: www.nationalgypsum.com.

PO Box 2339 ● Gastonia, NC 28053-2339 ● 704-825-4046 ● Fax 704-825-4066

www.gaston.org