



For Immediate Release

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Coronet Names New CEO; Plant City Facility to Cease Operations

Plant City, Fla. (Jan. 30, 2004) — Coronet Industries, Inc. today announced it has named David Denner as chief executive officer of the company. In addition, Mr. Denner announced the company would cease operations at its Plant City facility by March 31, 2004.

“My fundamental objective as CEO is to make certain we live up to our responsibility to our employees, to our neighbors, and to the state of Florida,” said Denner. “We will do the right thing.”

Denner outlined the key factors that led to the business decision to cease plant operations. Those factors include:

- a 50 percent jump in raw material costs over the past five years
- doubling of natural gas prices and higher electricity costs during the same period
- reduced customer demand and lower prices for Coronet’s products

“This type of announcement is never easy — particularly for employees. But, given market forces, it is the right business decision to make. We simply don’t see a business scenario that returns Coronet to profitability at any time in the near future,” Denner said.

The company will provide a separation package for employees that includes compensation, extended health care benefits for a period of time, as well as job placement assistance to employees. Specific details will be announced after the conclusion of negotiations with union representatives.

Denner met yesterday in Tallahassee with officials of the U.S. Environmental Protection Agency and the Florida Department of Environmental Protection to introduce himself as the new CEO of Coronet. He advised the regulators of Coronet’s decision to cease operations, and to assure them of Coronet’s intent to properly address the environmental conditions at the facility.

Coronet Industries, Inc. manufactures two products, Coronet Defluorinated Phosphate (CDP), a nutritional supplement for animal feed, and potassium fluoroborate (KBF₄), which is used in the aluminum alloy and electronics industries. Opened in 1906, the Plant City facility employs about 90 people, and has proven itself an important part of the central Florida community.