

News Release

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(912) 265-5780 ext. 3370

KOCH CELLULOSE AND SUBSIDIARIES ACQUIRE FLUFF, MARKET PULP BUSINESS Company will market BlueYellowTM turf establishment system, Golden Isles Fluff PulpTM

BRUNSWICK, Ga. --- Koch Cellulose, LLC and its subsidiaries have finalized the acquisition of two pulp mills, a short line railroad, and assets of two international sales offices from Georgia-Pacific. The sale closed Friday.

"We are excited about the opportunities we see in this business," said Wes Jones, president of Koch Cellulose. "We will focus on positioning Koch Cellulose to create superior value for our global customers with our outstanding products we produce and on growing this business."

Jones, previously pulp and fiber business leader for Georgia-Pacific, will direct the fluff and market pulp business from Koch Cellulose's headquarters here. The business includes a mill in Brunswick, as well as the Leaf River mill in New Augusta, Miss., a short-line railroad servicing Leaf River, and the assets of two international sales offices.

Marsha Seekins will remain vice president of sales and marketing for Koch Cellulose, and will oversee the global marketing system. Cato Rogers and Richard King will remain as vice presidents and general mill managers at Brunswick and Leaf River, respectively. Pat Boushka and Bill Frerking, formerly with Koch Industries, Inc. subsidiaries, will become chief financial officer and general counsel, respectively.

"This business has outstanding assets and a seasoned and knowledgeable team. With Wes' leadership, we are firmly focused on long-term success," said Jeff Gentry, chairman of the Koch Cellulose board of directors and vice president of Koch Industries, Inc.

The mills produce fluff pulp, a specialty product primarily used in disposable diapers, baby wipes and sanitary products, and market pulp, which is largely a feedstock for fine papers, postage stamps, tissue products and coffee filters.

Koch Cellulose and its subsidiaries also acquired Golden Isles Fluff PulpTM, which offers superior absorbency for end-users, as well as the BlueYellowTM turf establishment system that contains a high-quality grass seed and fertilizer within in a lightweight biodegradable roll.

Koch Cellulose, LLC is an independently operated subsidiary of privately held Koch Industries, Inc., which owns a diverse group of companies engaged in trading, investments and operations in more than 30 countries worldwide. More information is available at www.kochcellulose.com.