



Sterling Investment Partners purchases an equity interest in GPX International Tire Corporation

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Westport, CT -- Sterling Investment Partners ("Sterling"), a private equity firm, announced today that it has purchased an equity interest in GPX International Tire Corporation ("GPX") for over \$40 million. GPX is one of the largest independent global providers of specialty tires for the agricultural, construction, materials handling and transportation industries. GPX was formed when Dynamic Tire Corporation of Toronto Canada ("Dynamic") and Galaxy Tire & Wheel, Inc. ("Galaxy") of Boston Massachusetts merged their operations on September 30th of this year. GPX is managed by a highly experienced team of tire industry professionals, headed up by co-CEOs Bryan Ganz and Robert Sherkin. After the sale to Sterling, the management team will continue to own a majority of the company.

GPX initiated a search for a financial partner earlier this year in order to both fund its ambitious capital expenditure program and take advantage of acquisition opportunities. GPX currently has a number of production investment initiatives in China, where it has long-standing relationships. These investments, if successful, would significantly augment GPX's current manufacturing capabilities. In addition, GPX is in the process of doubling the size of its production facility in Europe and expanding the range of products produced in that facility to include a full line of European industrial tires, multi-purpose tires, flotation tires and radial agricultural tires. GPX is also exploring a number of acquisition opportunities as it looks to both increase its range of products and expand its presence in Europe, Latin America and the Pacific Rim.

For calendar year 2005 GPX will have sales in excess of \$300 million and will post record profits. The company expects to continue its substantial growth in 2006. GPX's business can be broken down into three segments: original equipment, private brand and after-market. Its original equipment customers include a roster of blue chip companies including the largest multinational equipment manufacturers. In the private brand segment, GPX produces tires for a number of the largest tire companies in the world under their flagship brands. In the after-market, GPX distributes products through a vast array of independent tire dealers as well as regional and national chains.

The rapid growth of GPX and the widespread acceptance of its products at all levels is a testament to the quality of its products and the technical capabilities of its engineering team. By combining company-owned manufacturing facilities with third-party contract manufacturing relationships, GPX has created a model that allows it to produce a wide assortment of high quality products while maintaining a low cost structure. GPX believes that this model will allow the company to continue its rapid growth trajectory as it develops new products and new markets.

Douglas L. Newhouse, a Sterling Managing Partner commented, "The merger of Galaxy and Dynamic combines Galaxy's leading position with OEMs, skills in engineering and design, and quality brand reputation, with Dynamic's strength in global, efficient sourcing based on strong relationships with many leading Chinese tire manufacturers."

M. William Macey, another Sterling Managing Partner noted, "A key reason GPX has sought a private equity partner is its desire to be a leading player in the developing consolidation of the specialty tire market. Management has identified significant, near-term acquisition opportunities. We look forward to working in partnership with management to continue to grow the business."