COMPANY NAME: Milliken and Company

U.S. EMPLOYEES: 10,200

TYPE OF PLAN(S): Traditional Defined Benefit — 9,300 participants affected

DATE ANNOUNCED: November 2005

DATE EFFECTIVE: December 31, 2005

DESCRIPTION OF FREEZE: Total Freeze. Members in Milliken and Company’s defined benefit pension plan stopped accruing benefits on December 31, 2005.

PLAN SOLVENCY: At year end 2003, defined benefit pension assets were $176 million and obligations were $180 million.

REPORTED FINANCIAL IMPLICATION: Due to the pension freeze, Milliken’s long-term savings are estimated to be $12 million.

NEW ARRANGEMENTS FOR EMPLOYEES: Milliken has enhanced its 401(k) plan to compensate for the pension freeze.

BACKGROUND: Milliken is a privately-held textile company owned by Roger Milliken and his family. Richard Dillard, spokesman for Milliken and Company, said that the changes were a result of “the very competitive global cost competitiveness, and pension cost volatility, which all companies are facing.”

REFERENCES

Notes:
‘Reported Financial Implication’ is authors’ calculation.
The details of the ‘New Arrangements for Employers’ are not public information since Milliken is a privately-held company.