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FOR IMMEDIATE RELEASE

The Food Partners Assists Alex Lee in Private Placement of Debt Capital
CEO says Investment banking firm's understanding of financing structures helped create a transaction that fits company's current needs, while providing for future growth.

July 1, 2002, Washington, DC – The Food Partners (TFP), a national investment banking firm focusing exclusively on the food chain, said today that it assisted Hickory, NC-based Alex Lee, Inc., in a private placement of debt capital with John Hancock Life Insurance Company and American International Group (AIG) Global Investment Corporation.

The funds will be used to provide growth capital for the privately held grocery wholesale distributor, food retailer and foodservice distributor, according to Boyd L. George, Alex Lee's chairman and chief executive officer.

"TFP's knowledge of the food industry's funding sources helped us find lenders in John Hancock and AIG who understand and appreciate our business. As importantly, TFP's understanding of the industry's financing structures helped us create a transaction that fits with our current needs but also provides for future growth," he said.

Founded in 1931 by Alex and Lee George, Alex Lee is the largest grocery wholesale distributor in North Carolina. The privately held grocery wholesale distributor, food retailer and foodservice distributor operates through its wholly owned subsidiaries: Merchants Distributors, Inc., Lowe's Food Stores, Inc., and Institution Food House, Inc.

John Hancock's Food and Commodities Team, a unit of John Hancock's Bond and Corporate Finance Group, finances the global agribusiness sector, including companies that process, handle and market food, commodities and related products. John Hancock's Food and Commodities Team has a portfolio of approximately \$4 billion of senior debt and mezzanine investments under management.

American International Group, Inc., is the world's leading U.S.-based international insurance and financial services organization.

The Food Partners, with offices in Washington, DC, and Seattle, WA, is a national investment banking firm focusing exclusively on the food chain and its capital sources. TFP provides merger, acquisition and divestiture services, private placements of debt and equity capital, financial restructuring, strategic advisory and loan portfolio services. TFP focuses on the middle market with a particular emphasis on family owned businesses and cooperatives.

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