

E.E. NEWCOMER ENTERPRISES, INC.

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To our valued customers, we thank you for your business this past year and we pledge to do everything within our power to earn the right to receive your business in the years to come.

To our valued employees, we thank you for caring about each other and for caring about how we serve our customers every hour of each day. Your effort and commitment to the success of our family of companies is greatly appreciated.

Powerful global economic forces have been at work over the past 20 years. These forces, driven by technological change and global economic integration, will grow stronger in the decades ahead. These powerful forces will continue to push organizations — regardless of size or industry — to reduce costs, continue to improve the quality of the products and services offered and locate new opportunities for growth and increased productivity. No one will be immune to these forces. The effects will be either direct or indirect on every organization.

Change is not easy and change is seldom seen as necessary. "Change is the law of life, and those that only look to the past or present are certain to miss the future," stated John F. Kennedy. Organizations that ignore or resist the changes that will be required to compete in the marketplace will have difficulty surviving economically in the 21st century.

We believe that our family of companies is uniquely positioned to compete in the marketplace. We offer a broad range of products and services to the marketplace. We have the people talent, organizational structure, geographic locations, coupled with the implementation of Baan — an integrated enterprise resource planning software system — all of which provide us with the necessary resources to efficiently deliver these broad range of products and services to the marketplace.

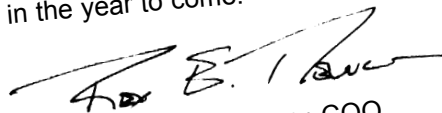
In December 1999 we set in motion "D.H. Pace University" as the vehicle to bring a much broader and formal level of training to every member of our family of companies. D.H. Pace University will provide every employee, regardless of position or length of service, an opportunity to improve their current job skills, as well as develop new job skills. In the years ahead we believe that D.H. Pace University will provide our organization with a growing competitive advantage in the marketplace.

We look forward with confidence to the Year 2000, the first year in the new millennium and the opportunities and challenges that will be presented to our family of companies.

May God bless each and every one of you in the year to come.



E.E. Newcomer • CEO
Chairman of the Board
E.E. Newcomer Enterprises, Inc.



Rex E. Newcomer • COO
President
E.E. Newcomer Enterprises, Inc.