



PRESS RELEASE

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DTC/WFDB Joint Media Release

World Federation of Diamond Bourses and Diamond Trading Company meet to discuss rough supply to secondary diamond market

ANTWERP, BELGIUM, November 26, 2003: A delegation from the World Federation of Diamond Bourses (WFDB), headed by Shmuel Schnitzer, the organization's president, met with senior executives of the Diamond Trading Company (DTC), headed by Gary Ralfe, the managing director of De Beers, on Wednesday 12 November, 2003.

At the meeting, the WFDB delegation stated that the WFDB is keen to see the supply of rough to the secondary market increase in 2004, by means of the Diamdel offices in the various diamond manufacturing centers worldwide. The WFDB fully endorsed the Diamdel system of operation. The DTC representatives at the meeting indicated that the level of sales by Diamdel would be reviewed accordingly.

Commenting on the talks, Mr. Ralfe stated that the DTC would be taking constructive steps to support the secondary rough diamond market. "It is important to note that all the rough diamonds that the DTC sells to Diamdel - up to \$500 million this year - are sold on to a wide variety of companies in the various cutting centers. Diamdel's policy, however, is not to sell to DTC Sightholders. It is De Beers' hope and intention in 2004 to increase the DTC's supply of rough diamonds to Diamdel in support of the 'secondary' market, remaining within the framework agreed with the European Commission. We are very pleased to have a positive and constructive dialogue with the WFDB, which represents 13,000 members of diamond bourses worldwide," he said.

The importance of communication between the DTC and the market was emphasized by both parties. The DTC has spent a great deal of time informing the industry on all aspects of Supplier of Choice (SoC) and this has been appreciated by the industry, the meeting was told.

Participants at the meeting agreed that it is clear that during the roll-out and implementation of SoC many new communication channels and contacts have been created. It was considered imperative that these channels be maintained and further utilized by both parties. With this objective in mind, it was decided that the DTC and the WFDB Promotional and Trade Committees would work together, looking at ways to improve non-Sightholders' awareness of the Supplier of Choice initiative.

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Mr. Schnitzer expressed the federation's wish to continue its dialogue with the DTC. "The diamond world has always been and will always remain an international family. It is vital, in the name of co-operation and understanding, that we retain our communications, as an organization, with the major player in the industry. We, the representatives of the WFDB, have an obligation to serve our members. In this respect my fellow presidents and I have maintained a constructive and open dialogue with the DTC here today, from which we will all move forward together to create an even more successful industry," the WFDB president stated.
