

PRESS RELEASE

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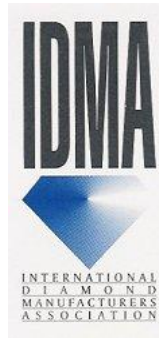
IDMA President Urges Diamond Manufacturers to Balance All Stakeholders' Interests on Road to Recovery

Antwerp, Belgium – February 9, 2009: Moti Ganz, president of the International Diamond Manufacturers Association (IDMA), the representative body of the world's diamond manufacturers, said today that in the current market situation diamond manufacturers must balance the need to retain a viable labor force with the ability to continue servicing long term clients.

"In a period of reduced demand for diamonds, it is important to maintain our industry's manufacturing infrastructure," Ganz said. "The manufacturing sector is sensitive to the plight of the mining communities and the national diamond economies and we will help make every possible effort to unclog the pipeline and have a free-flowing, healthy diamond industry once again", Ganz added.

The IDMA president's remarks came in the wake of the closure of factories in some of the world's diamond manufacturing centers. "It has been our experience from previous downturns that when workers are laid off they leave the industry and will not come back when the tide turns. Huge capital investment and efforts have gone into training, and years of dedicated effort have made our highly skilled labor force one of our finest assets. Though the need to balance our inventories is unquestionably a high priority, it is not in our interests that diamond mines be closed. These are extremely capital intensive ventures, and there is no certainty that they will reopen quickly enough to satisfy demand when the economic climate improves," he said

Ganz also expressed concern about the diamond industry's ability to access finance. "We suddenly live in a new world where banks face shortages of funds. The diamond industry remains attractive to the banking system, but we have to fight to keep our preferred position among many other borrowers who are seeking funding. IDMA is consulting closely with the commercial banks and we feel confident that they understand and appreciate the current situation prevailing in the industry."



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"Diamond industry forces need to band together and banks must recognize that it is the manufacturing sector that will lead the industry to stability and renewed growth. Our members are displaying great resilience and a strong commitment to all our stakeholders. When the crisis is behind us, what will be remembered is the role played by our members in all the manufacturing countries around the world," Ganz said. The IDMA president concluded on a positive note: "This is a difficult period of retrenchment, but without doubt the industry will be stronger for it"

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About IDMA

IDMA was founded and convened for the first time in 1946, in Antwerp. It is committed to fostering and promoting the highest ideals of honesty and best practice principles throughout the global diamond industry, as well as full compliance with all relevant national and international laws. The organization has developed and adopted a Code of Conduct, which is binding on all 15 member associations. IDMA also works to encourage fair and honorable practices and decent working conditions for industry employees; and to preserve, protect and promote consumer trust and confidence in diamonds. It encourages and supports social responsibility by the industry in respect to all citizens of the world.

The Association has played an active role in establishing the Kimberley Process Certification Scheme and is a co-founder of the World Diamond Council.