

RAPAPORT
INTERNATIONAL
DIAMOND
CONFERENCE
2007

Facts & Figures

Rapaport Estimates

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Rough Diamond Production - 2006

Rank	Country	\$ Million	Market Share	Ave. \$/ct
1	Botswana	\$ 3,350	27%	\$ 104
2	Russia	\$ 2,300	18%	\$ 58
3	Canada	\$ 1,500	12%	\$ 122
4	South Africa	\$ 1,350	11%	\$ 90
5	Angola	\$ 1,320	11%	\$ 165
6	Congo	\$ 900	7%	\$ 28
7	Namibia	\$ 650	5%	\$ 310
8	Australia	\$ 520	4%	\$ 18
9	Guinea	\$ 170	1%	\$ 227
10	Sierra Leone	\$ 150	1%	\$ 214
	Other	\$ 240	2%	\$ 80
	Total	\$ 12,450		\$ 71

Angola, The Congo, Guinea and Sierra Leone produce an estimated \$2.54 billion rough diamonds per year, 20% of the world's total

Rough Diamond Distribution - 2005

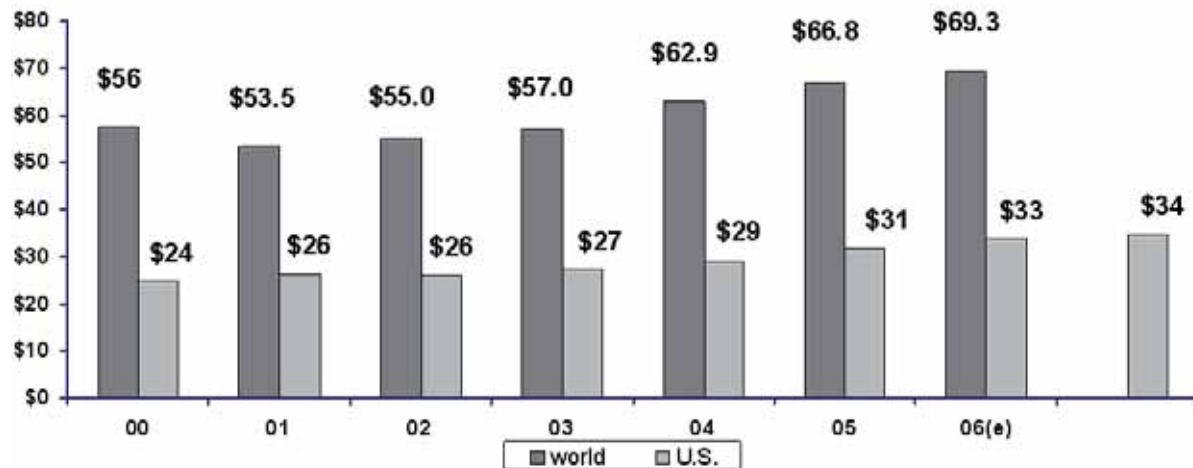
Rank	Company	\$ Million	Market Share
1	DTC (1)	\$ 6,539	50%
2	Alrosa	\$ 1,610	12%
3	Leviev	\$ 1,050	8%
4	Rio Tinto	\$ 1,000	8%
5	BHP Billiton	\$ 410	3%
	Other	\$ 2,380	19%
	TOTAL	\$ 13,000	

In 2005 five companies distributed 81% of the world's rough diamonds

(1) Include \$650 millions from Alrosa

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Diamond Jewelry Sales (\$ Billion)



Global Diamond Jewelry Sales continue their upward trend but most of the growth is outside of the United States.

U.S. Import and Export of Diamonds (\$ million)

	Polished Import	% Change	Polished Export	% Change	Net Polished Import	% Change
2006e	16,641	8%	9,196	14%	7,445	2%
2005	15,374	11%	8,090	23%	7,284	0%
2004	13,872	14%	6,597	32%	7,275	2%
2003	12,161	6%	5,006	14%	7,155	1%
2002	11,501	15%	4,399	13%	7,102	16%
2001	10,036	-11%	3,897	1%	6,139	-17%
2000	11,257	23%	3,846	28%	7,411	21%
1999	9,161	16%	3,013	20%	6,148	14%
1998	7,895	13%	2,513	11%	5,382	15%
1997	6,957	19%	2,259	4%	4,698	28%
1996	5,840	9%	2,179	8%	3,661	10%

U.S. diamond consumption at wholesale prices is flat.

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Diamond Profits - 2006

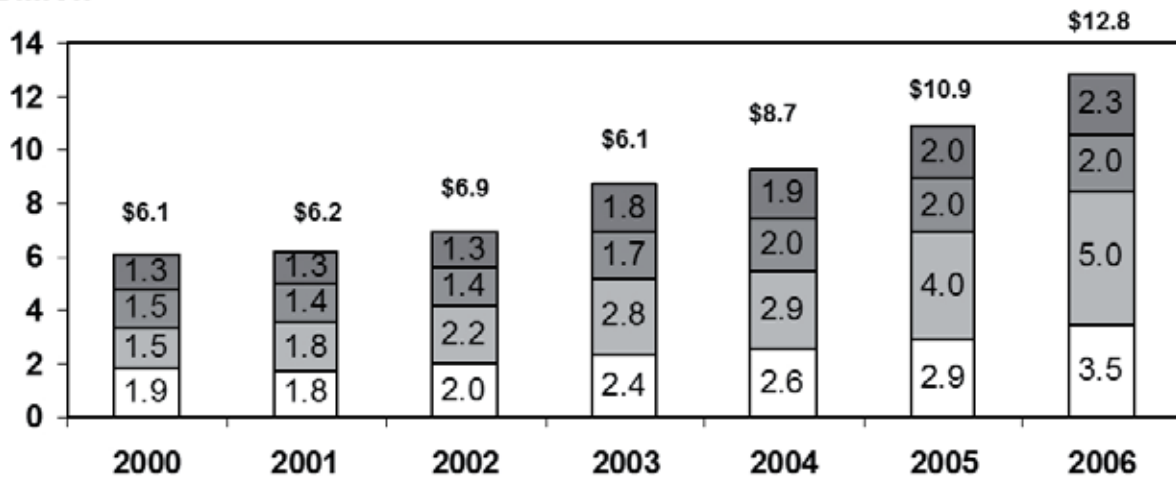
	Revenue	Gross Profit	Net Profit	% Net Profit
• Rough Mining	\$ 13	\$ 7	\$ 3	25%
• Polished Cutting & Wholesale	\$ 18	\$ 3	\$ 1	6%
• Jewelry Manufacturing	\$ 35	\$ 10	\$ 2	5%
• Retailing	\$ 69	\$ 33	\$ 3	4%

© Rapaport Estimates in Billion US\$

Mining companies' profit margins are six times greater than retailers.

Diamond Industry Bank Debt

\$ Billion



Diamond Industry bank debt continues to grow at an unhealthy rate.