

16th August 1999

BERLI JUCKER RESTRUCTURES CONSUMER PRODUCTS BUSINESS TO CUT COSTS, IMPROVE SERVICE, RAISE BRAND IDENTIFICATION

Berli Jucker Public Co. Ltd. today announced a restructuring of its Consumer Products Group.

The restructuring is the result of work commenced in the second half of 1998, when members of Berli Jucker's senior management began work on upgrading the Group's supply chain, with the objective of improving service levels to the Company's customers and distribution principals while also reducing operating costs.

The supply chain upgrade has already resulted in the establishment of a service level commitment of completing orders on time and in full 94% of the time - a substantial improvement from historical levels and well above the national average of approximately 70%. At the same time as service is being improved, inventory levels are being reduced through better forecasting of demand and efforts to rationalize the product range.

Operating costs are also being reduced by lower handling costs for manufactured goods by distributing directly from factories through improved transportation routes.

Responsibility for developing the Group's own consumer brands now lies wholly with Berli Jucker's subsidiaries led by Cellox Paper Co., Ltd. (to be renamed Berli Jucker Paper) for tissue and personal care brands, and Siam Snack Co., Ltd. (to be renamed Berli Jucker Foods) for snack foods.

Rubia Industries Ltd., will continue its focus as a contract manufacturer of personal care and confectionery items.

A single division of Berli Jucker Public Co. Ltd. (Consumer Products Division) has been formed to focus on providing marketing and sales services to third party consumer principals. Historically there has been an overlap of responsibilities for Berli Jucker's own brands and products from third parties. Separating these responsibilities provides for better focus in each area and for improved service. Where there are clear economies of scale for physical distribution a common pipeline for all products will be used.

As part of Berli Jucker's ongoing commitment to improve service levels, IT systems have been upgraded and electronic data interchange is available to all customers and principals that wish to make use of it. Other initiatives including the establishment of a customer contact center and full commitment to E-commerce are in progress.

The establishment of Berli Jucker Logistics will be complete by year-end. Berli Jucker logistics will incorporate the in-house logistics, warehousing and transportation functions of the Berli Jucker Group. Building on this sizeable base, which immediately offers significant economies of scale, Berli Jucker Logistics will offer competitively priced services to third parties.

David J. Nicol, Berli Jucker's President & CEO said:

"The changes that have been announced today are clearly aimed at improving service levels for our customers, providing more focused efforts on behalf of our principals and increasing returns and transparency for our shareholders. The need for radically improved customer service is paramount. Berli Jucker now has a great team of people in the Consumer Products group, led by Khun Karn Chitaravimol who joined in March, who are committed to meeting and then exceeding the very high benchmarks we have set."