



PRESS RELEASE

Mikasa and ARC International North America Separate as Part of Plan to Improve Competitive Position

Facilities in Markham, Toronto and Charleston, S.C. To Be Affected

Arques, May the 15th 2007

ARC International, the world leader in tableware, is splitting its North American operations into Mikasa and ARC International North America (AINA). Mikasa will focus on its tableware and giftware brands (Mikasa, Celebrations by Mikasa, Gourmet Basics by Mikasa, Lauren Ralph Lauren), while AINA will focus on manufacturing high-quality glassware for foodservice customers, businesses and mass customers in consumer goods. AINA and Mikasa will continue to be wholly owned by privately-held ARC International. This decision has no impact on its other American subsidiary, Cardinal International, a distributor of foodservice products located in Wayne, N.J.

The strategic split comes after more than three years as one organization. "Mikasa and AINA have learned a great deal from each other during this period," said Susan Saideman, current CEO of Arc International North America. "But the challenges of these two market segments have become so distinct in recent years it requires completely different business models to assure continued success." Work will begin immediately to look into how to best set up the new organizations which should be announced by the end of June. Additionally, work will continue on our productivity and process improvement initiatives in DGMC.

"While my time has been devoted to working on the integration of these two businesses, I have now put a plan in place to split the businesses apart. The job executing the split and running Mikasa is no longer the job I came in to do three years ago." As a result, Susan Saideman will move on and transition the company to John Ranelli, who has been named CEO of Mikasa. The company will retain its headquarters in Secaucus, New Jersey.

Fred Dohn, now SVP of Arc International global business-to-business group, has been also named CEO of AINA/DGMC, which includes commercial and manufacturing operations and will be headquartered in Millville, N.J. AINA and Durand Glass Manufacturing Company (DGMC) will be headquartered in Millville, N.J.

As part of the shift, Mikasa will cease operation of its warehouse facility in Markham, Toronto, and move responsibility for the service of Canadian customers to Charleston, S.C. The Markham facility, which employs 35 people, will close by September 2007. The Charleston, S.C. facility, which employs 175 people, will close by April 2008. A third party will assume warehousing and logistics support for the company.



“Our warehousing, distribution and logistics employees have done excellent work during a demanding time in our business,” said Saideman. “The need to close these facilities does not diminish our appreciation for their dedication to quality service. It is purely an economic decision that more closely aligns declining and very narrow product flows to our distribution infrastructure.”

The actions are part of ARC International’s multi-year program to more tightly hone its business units to market segments fast emerging in the tableware industry. Company officials anticipate the transition to be seamless for Mikasa or AINA customers. “Our partners and customers can continue to count on Mikasa and AINA for high-quality products, service and support they have always trusted us to supply,” confirmed Patrick Gournay, CEO of Arc International.

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About ARC International

ARC INTERNATIONAL employs 16, 500 people worldwide. The Group, whose head office is located in Arques in the French Pas-de-Calais region, achieved a turnover of 1.4 billion euros in 2006, selling tableware products in more than 160 countries.

With a portfolio of seven brands, Luminarc®, Mikasa®, Cristal d'Arques® Paris, Arcoroc®, Pyrex®¹, Salviati, and Studio Nova® that cover all distribution channels from mass market to luxury, ARC International has launched an offensive strategy in order to consolidate and strengthen its leadership throughout the world.

ARC INTERNATIONAL is present in five continents with production sites (France, UK, Spain, USA, Italy, China, UAE, Russia), distribution subsidiaries (France, UK, Spain, Australia, Mexico, Brazil, Japan, Italy), liaison offices and a network of fully owned retail outlets, Mikasa stores (USA and Canada), outlet stores, Salviati jewel stores, Arc Decoration and Arc International retail stores.

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