



PUBLIC ANNOUNCEMENT

May 25, 2011

ASSOCIATED HYGIENIC PRODUCTS LLC ACQUIRES ASSETS OF ARQUEST INC.

Associated Hygienic Products LLC (AHP) is pleased to announce the acquisition of assets of Arquest, Inc., effective Wednesday, May 25, 2011.

AHP is a wholly owned subsidiary of Disposable Soft Goods International, a privately held global company that also manufactures baby diaper & baby pants, and adult incontinence products, at production facilities located throughout Southeast Asia and China.

AHP has been manufacturing and marketing disposable baby diapers and training pants for retailers in North America since 1984, and is one of the largest suppliers of Private Label diapers in the USA. The company, headquartered in Duluth, Georgia has recently constructed, state-of-the-art manufacturing and distribution facilities in Delaware, Ohio (May 2007) and Waco, Texas (March 2010), producing both Corporate Brand and a number of proprietary diaper and training pant programs.

Arquest, Inc. is a privately held company founded in 1991 as part of a spin-off from Johnson & Johnson. They are a major supplier of Private Label disposable baby diapers and training pants in the United States, headquartered in Cranbury, New Jersey with their manufacturing facility located in Camden, Arkansas.

This strategic acquisition effectively blends the mutual strengths of industry longevity, category commitment and expertise, strong product innovation, technically strong and well experienced associates, supply chain superiority, manufacturing synergies and solid retail partnerships. A key attribute of the acquisition is that it expands AHP's customer list, clearly positioning it as the largest supplier of Private Label baby diapers in North America. Another strategic motivation is that the two companies share a strong cultural commitment to their products, customers, and the consumer. The combined companies will provide the broader scope and purchasing power needed to compete against long-standing National Brand programs.

Chief Executive Officer and President of AHP LLC, Mr. George H. Jackson III commented: "I am extremely pleased to acquire the assets of Arquest because we are able to combine the two most experienced and committed Private Label manufacturers within the disposable baby diaper and training pant category in North America. I believe we are truly focused on providing our customer partners with the best-in-class disposable baby products and category strategies; versus producing private label diapers and training pants as a side business within a larger industrial products footprint. We share tremendous similarities in terms of superior product knowledge, technical expertise, category analytics and most importantly a focus on serving our customers. I envision a very quick and effective combination of the two companies."

For more details regarding this important announcement, please visit our AHP web site at www.ahp-dsg.com or contact AHP LLC Headquarters.

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