



To: Business Editor

For immediate release

DAIRY FARM RECONFIRMS ITS TENDER OFFER FOR PT HERO SHARES

17 January 2005 – Dairy Farm Management Services Limited today reconfirmed that Dairy Farm's wholly-owned subsidiary, Nalacca B.V., will continue with its tender offer for all the shares of PT Hero Supermarket Tbk ("PT Hero"), announced on 2nd December 2004. The tender has been declared effective by the Indonesian capital market regulatory board and is due to close on 20th January 2005.

This reconfirmation is despite recent press reports that PT Matahari Putra Prima (Matahari) has made legal claims aimed at disrupting the tender offer. Matahari is represented by Lucas, S.H. & Partners, and is a PT Hero competitor and minority shareholder.

Dairy Farm stated that the claims reported in the media have no legal basis or merit. Furthermore, if proceedings are properly served, Dairy Farm will vigorously defend itself against the claims and reserves its right to counter-claim. Matahari's claims appear to relate to the issuance of an exchangeable bond in 1998 by PT Hero's controlling shareholder to Dairy Farm's wholly-owned subsidiary, Mulgrave Corporation B.V. Dairy Farm has reconfirmed today that the exchangeable bond was properly disclosed in 1998 in accordance with the Indonesian capital market regulations.

Dairy Farm is a leading pan-Asian retailer. At 30th June 2004, the Group and its associates operated 2,680 outlets – including supermarkets, hypermarkets, health and beauty stores, convenience stores, home furnishings stores and restaurants; employed 57,400 people in the region; and had total sales of US\$4.5 billion. Dairy Farm is a member of the Jardine Matheson Group.

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