



Dairy Farm International Holdings Ltd

Jardine House, 33-35 Reid Street
Hamilton HM EX, Bermuda

To: Business Editor

For immediate release

INCREASED SHAREHOLDING IN PT HERO SUPERMARKET TBK

8th September 2005 – Dairy Farm International Holdings Limited today announced that its wholly-owned subsidiary, Nalacca B.V. ('Nalacca'), had acquired a further 25.98 million shares in PT Hero Supermarket Tbk ('PT Hero'). The purchase represents 7.89% of PT Hero's outstanding shares and brings Nalacca's direct shareholding to 28.31%. In addition, Dairy Farm through its wholly-owned subsidiary Mulgrave Corporation B.V. ('Mulgrave') has a further direct shareholding of 12.23% in PT Hero, giving the Group a total direct shareholding of 40.54%. Mulgrave also holds exchangeable bonds that can be exchanged at any time for a further 24.55% of PT Hero's shares.

The purchase price for the 25.98 million shares was IDR165 billion (approximately US\$17 million), equivalent to IDR6,351 per share. Dairy Farm has funded the purchase from existing cash resources.

Commenting on the share purchase, Dairy Farm's Group Finance Director Howard Mowlem said, "We continue to see improvements in the businesses of PT Hero, and are confident of their long-term growth prospects. We are pleased that this share purchase will give Dairy Farm greater participation in PT Hero's earnings in the future."

Dairy Farm is a leading pan-Asian retailer. At 30th June 2005, the Group and its associates operated more than 3,000 outlets – including supermarkets, hypermarkets, health and beauty stores, convenience stores, home furnishings stores and restaurants; employed some 60,000 people in the region; and had 2004 total sales of US\$5.1 billion. Dairy Farm is a member of the Jardine Matheson Group.

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This and other Dairy Farm announcements can be accessed through the Internet at 'www.dairyfarmgroup.com'.

Issued by: **Dairy Farm Management Services Ltd**

Incorporated in Bermuda with limited liability

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