



To: Business Editor

For immediate release

NEW JOINT VENTURE PARTNERS IN INDIA

16th September 2005 – Dairy Farm Management Services Limited today confirmed that the Group had entered into new joint venture arrangements in India in respect of Foodworld supermarkets and Health and Glow health and beauty stores. The new arrangements follow the withdrawal of RPG Group from the two joint ventures.

A 51% shareholding in Foodworld Supermarkets Limited has been purchased by Arko Limited ('Arko'), while a 50% shareholding in RPG Guardian Private Limited (operator of Health and Glow) has been purchased by Bestow Contractors and Developers Private Limited ('Bestow'). In each case, the transfers are in accordance with the Indian government's approvals for the joint ventures. The prices of the share transactions were not disclosed.

Arko and Bestow's major shareholders are Mr Hemendra Kothari, a leading investment banker in India, and Mr Rajan Raheja, a prominent businessman based in Mumbai with long-standing interests in the construction industry.

The revamped joint ventures will initially operate 43 Foodworld stores and 32 Health and Glow stores, predominantly in Bangalore and Hyderabad. The remaining Foodworld supermarkets, predominantly in Chennai, have been sold to RPG Group and will be renamed and operated by them.

Dairy Farm Group Chief Executive, Ronald J Floto, said, "We are pleased to welcome Arko and Bestow as the new shareholders in our two Indian joint ventures, and look forward with their assistance to expanding both businesses rapidly."

- more -

Issued by: **Dairy Farm Management Services Ltd**
Incorporated in Bermuda with limited liability
5/F Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong

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.

- end -

For further information, please contact:

Dairy Farm Management Services Limited

Howard Mowlem

(852) 2299 1870

GolinHarris

John Morgan

(852) 2501 7939

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