



Dairy Farm International Holdings Ltd

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

To: Business Editor

For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

DAIRY FARM INTERNATIONAL HOLDINGS LIMITED

Interim Management Statement

9th May 2018 – Dairy Farm International Holdings Limited has today issued its Interim Management Statement for the first quarter of 2018.

Sales for the period were up on the prior year, although the trading environment was quite varied across the Group's formats. The Group's underlying earnings for the first quarter were higher than the equivalent period last year.

There was a strong overall performance from the Health and Beauty Division, as well as from key associates Maxim's and Yonghui, which more than offset continuing weakness in the Food Division, while IKEA's profits were flat.

Regionally, North Asia continued to drive the Group's performance, with particularly strong results in Hong Kong, while Southeast Asia remained challenging.

The Food Division achieved positive sales growth for the period, but overall operating profits were lower than last year due to reduced margins across the supermarket and hypermarket businesses, particularly in Southeast Asia.

The Health and Beauty Division experienced strong growth, other than in Singapore. There were exceptional performances in Hong Kong and Macau, driven in large part by increased tourist activity, although this may not continue through the rest of the year.

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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

IKEA reported higher sales, including the contribution from the new store opened last year in Hong Kong, but profit was broadly flat due to higher operating costs. Maxim's and Yonghui delivered strong sales growth for the period, and their contributions to the Group's profit were ahead of the prior year.

Dairy Farm is a leading pan-Asian retailer. The Group, together with its associates and joint ventures, operate over 7,100 outlets – including supermarkets, hypermarkets, convenience stores, health and beauty stores, home furnishings stores and restaurants – employing some 200,000 people, and had total sales in 2017 exceeding US\$21 billion. Dairy Farm International Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. It is a member of the Jardine Matheson Group.

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This and other Group announcements can be accessed through the internet at 'www.dairyfarmgroup.com'.