



**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 November 2016 – Dairy Farm International Holdings Limited has today issued an Interim Management Statement for the third quarter of 2016.

All Divisions did well to achieve sales growth compared with the third quarter of last year against a background of fluctuating demand. Underlying earnings were also ahead of the prior year as higher contributions from Food, Restaurants and Yonghui offset slightly lower profits from the Health and Beauty and Home Furnishings Divisions. Similar trading conditions are expected to continue for the remainder of the year.

In the Food Division, sales in the hypermarket and supermarket operations showed some improvement for the period despite modest like-for-like sales growth being offset by some store closures. Slightly higher margins helped to produce an increased profit compared with the same period last year. Higher sales were seen in the convenience store operations in Hong Kong, Singapore and mainland China, with like-for-like sales growth stronger than in the first half of the year. Profitability of the convenience store operations also improved.

In the Health and Beauty Division, sales were higher than the prior year and overall like-for-like sales growth improved compared with the first half of the year. Profitability remained marginally below the prior year, however, principally due to margin erosion in Hong Kong and Malaysia.

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

*Incorporated in Bermuda with limited liability*

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While overall sales improved in Home Furnishings, like-for-like sales growth moderated compared with the first half. Profitability was slightly below that of the prior year, in part due to stock clearance activities.

Maxim's had a seasonally strong quarter in both sales and profit compared to the prior year, partly due to its successful mooncake sales programme during the Mid-Autumn Festival period.

In August, the Group completed its further US\$190 million investment in Yonghui to maintain its 19.99% shareholding following a 10% share placement by Yonghui to internet retailer JD.com. Net debt was little changed at the end of the September 2016.

Dairy Farm is a leading pan-Asian retailer. The Group, together with its associates and joint ventures, operate some 6,500 outlets – including supermarkets, hypermarkets, convenience stores, health and beauty stores, home furnishings stores and restaurants – employing over 180,000 people, and had total annual sales in 2015 exceeding US\$17 billion. Dairy Farm International Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange as its primary listing, 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](http://www.dairyfarmgroup.com)'.