



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
August 28, 2006

PT Alfa Retailindo Tbk.

PEFINDO affirmed its "id**A-**" ratings for PT Alfa Retailindo Tbk. (ALFA or the Company) and the Company's Bond I/2003 of IDR125 billion due 2008. The ratings reflect ALFA's relatively good market position with reasonably wide market coverage and conservative financial policy. However, the Company's limited revenue growth in retail business attributable to tight competition and the Company's thin profitability have mitigated better ratings. ALFA has engaged in retail and wholesale trading businesses since 1989, and has expanded its business to currently 33 retail outlets –under concepts of 'Alfa Supermarket'– and 8 wholesale outlets in Java, Bali, Lampung and South Sulawesi. The Company also owns 90% ownership at PT Beta Setia Mega, which operates two units of distribution center in Jakarta and exclusively distributes Unilever's products in certain areas in Jakarta. As of June 30, 2006 (1H06), ALFA's shareholders consisted of PT Sigmantara Alfindo (56.6%), PT HM Sampoerna Tbk./HMSP (23.4%) and Public (20.0%). On July 14, 2006, HMSP signed sales and purchase of shares agreement with PT Sigmantara Alfindo to sell its ownership at ALFA and PT Sumber Alfaria Trijaya (SAT), which operates Alfa Minimart.

Rating Period: August 11, 2006 – July 1, 2007

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