PRESS RELEASES

Ultrajaya Milk Industry & Trading Company Tbk.

PEFINDO upgraded the ratings and outlooks for PT Ultrajaya Milk Industry & Trading Company Tbk. (ULTJ or the Company) and its Bond I/1999 of IDR100.0 billion due December 2004 and Bond II/2001 of IDR203.3 billion due 2006 to "$_{id}$**BBB+**" with a stable outlook from "$_{id}$**BBB**" with positive outlook. The upgrades primarily reflect ULTJ's capability and readiness to repay its maturing bond I that can be covered with its cash balance as of 3Q04 of IDR210.4 billion and sinking fund of IDR26.1 billion, as well as the Company's better capital structure as a result of its third rights issue. The ratings also reflect ULTJ's strong position in UHT drinks market and relatively well-diversified product offerings, yet mitigated by thin cash flow coverage and relatively low profitability measures. ULTJ is Indonesia's leading manufacturer of long-life aseptic drinks with Ultra-High Temperature (UHT) that packed in *Tetra Brik,* and dairy products, with its major brands of *Ultra Milk, Buavita, Gogo, Teh Kotak* and Sweet Condensed Milk (SCM) *Cap Sapi, Cap Manis* and *Ultra* etc. As of September 30, 2004, ULTJ's shareholders consisted of PT Prawirawidjaja Prakarsa (21.4%) and Public (78.6%).

Rating Period: November 30, 2004 – November 1, 2005

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