



Jardine Distribution, Inc.

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Press Release

For immediate release

To : Business Editor

CLARIFICATION OF DEAL ENTERED BY PRC WITH JTH DAVIES

13 October 2006 - The Philippine Racing Club Inc. (PRC) and JTH Davies Holdings Inc (JTH Davies) recently corrected false reports surrounding the deal entered by PRC with JTH Davies' majority shareholder, Jardine Matheson Europe B.V. (JMEBV).

Contrary to what was initially reported, the subject of the acquisition, JTH Davies, is a pure holding company without any operating businesses under it. JTH Davies no longer engages in the businesses of distributing agricultural products, construction supplies & building materials and real estate development.

These businesses remain within the Jardine Group through Jardine Distribution Inc. (wholly controlled by Jardines), Jardine Land Inc. and Jardine Properties Inc. and they are in no way included in the sale by JMEBV of JTH Davies to PRC.

Jardine Distribution Inc. (JDist), for example, remains to be a wholly owned unit of Jardines and is a leading marketing and distribution company in the Philippines, engaged in agriculture and applied construction chemicals. JDist's range of products includes Wood Preservatives, Water Proofing, Termiticides, and various crop protection products.

PRC has recently offered to purchase 95.55% of JTH Davies' outstanding and issued capital stock. PRC's purchase is attendant with a tender offer to minority shareholders of JTH Davies collectively owning 1.95 million common shares.

The Philippine Stock Exchange has suspended trading of shares of JTH Davies for the duration of the tender offer starting yesterday, 10 October 2006, and ending on 15 November 2006, subject to any extension of the period that PRC may introduce.

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www.jardinedistribution.com