DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Second Quarter and First Half Ended October 2016

For enquiries, please contact:

Iggy Sison	Jennifer Luy
Tel: +632 856 2888	Tel: +65 6594 0980
isison@delmontepacific.com	jluy@delmontepacific.com

AUDIT

Second Quarter FY2017 results covering the period from 1 August 2016 to 31 October 2016 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2016 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2016, which did not have significant impact to the Group:

- IFRS 14 Regulatory Deferral Accounts effective 1 January 2016
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) effective 1 January 2016
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28,
  Investment Entities: Applying the Consolidation Exception effective 1 January 2016
- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective 1 January 2016
- Amendments to IAS 1, Disclosure Initiative effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 cycle effective 1 January 2016

For the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants), the Group is in the process of finalising the approach and impact and will effect the same by FY2017 yearend.

The Group will adopt the following new standards on the respective effective dates:

- IFRS 9 Financial Instruments. IFRS 9 effective 1 January 2018
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 16, Leases effective 1 January 2019

DISCLAIMER

This announcement may contain statements regarding the business of Del Monte Pacific Limited and its subsidiaries (the "Group") that are of a forward looking nature and are therefore based on management's assumptions about future developments. Such forward looking statements are typically identified by words such as 'believe', 'estimate', 'intend', 'may', 'expect', and 'project' and similar expressions as they relate to the Group. Forward looking statements involve certain risks and uncertainties as they relate to future events. Actual results may vary materially from those targeted, expected or projected due to various factors.

Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers' performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. Such factors that may affect the Group's future financial results are detailed in the Annual Report. The reader is cautioned to not unduly rely on these forward-looking statements.

Neither the Group nor its advisers and representatives shall have any liability whatsoever for any loss arising, whether directly or indirectly, from any use or distribution of this announcement or its contents.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares in Del Monte Pacific.

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7.7 under Rule 720(1) have been procured.

DIRECTORS' ASSURANCE

Confirmation by Directors Pursuant to Clause 705(5) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Del Monte Pacific Limited which may render these interim financial statements to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of Del Monte Pacific Limited

(Signed)
Rolando C Gapud
Executive Chairman

(Signed)
Joselito D Campos, Jr
Executive Director

6 December 2016

NOTES ON THE 2Q FY2017 DMPL RESULTS

1. DMPL's effective stake in DMFI is 89.4%, hence the non controlling interest line (NCI) in the P&L. Net income is net of NCI.

2. FY would mean Fiscal Year for the purposes of this MD&A.

3. DMPL changed its Group accounting policy with respect to measurement of the cost of inventory from weighted average to FIFO method in April 2016. The change in accounting policy was applied retrospectively.

FINANCIAL HIGHLIGHTS – SECOND QUARTER AND FIRST HALF ENDED 31 OCTOBER 2016

	For the three months ended 31 October			For the six months ended 31 October		
in US$'000 unless otherwise stated*	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Gross margin (%)	***23.1***	*22.4*	*0.7*	***21.8***	*22.0*	(0.2)
Operating profit**	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Operating margin (%)	***8.5***	*12.9*	*(4.4)*	***5.5***	*7.7*	(2.2)
Net profit attributable to owners of the Company - with one-off items**	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Net margin (%)	***3.2***	*7.2*	*(2.4)*	***1.0***	*3.2*	(2.2)
EPS (US cents)	**1.04**	2.46	(57.7)	**0.59**	1.91	(69.1)
Net profit attributable to owners of the Company – without one-off items**	**21,025**	15,817	32.9	**15,128**	6,857	120.6
Net debt	**2,085,636**	2,022,999	3.1	**2,085,636**	2,022,999	3.1
*Gearing*** (%)*	***605.0***	*572.0*	*33.0*	***605.0***	*572.0*	33.0
EBITDA**	**71,421**	103,210	(30.8)	**95,089**	122,886	(22.6)
Cash flow/(outflow) from operations	**(153,584)**	(132,999)	11.4	**(193,672)**	(278,921)	(32.5)
Capital expenditure	**12,738**	12,770	(0.3)	**32,279**	22,567	43.0
Inventory (days)	**154**	138	16	**209**	188	21
Receivables (days)	**25**	25	–	**31**	31	–
Account Payables (days)	**46**	52	(6)	**46**	52	(6)

**The Company's reporting currency is US dollars. For conversion to S$, the following exchange rates can be used: 1.36 in October 2016, 1.37 in October 2015. For conversion to PhP, these exchange rates can be used: 47.52 in October 2016, 45.84 in October 2015.*

***Please refer to the last page of this MD&A for a schedule of the one-off items*

****Gearing = Net Debt / Equity*

REVIEW OF OPERATING PERFORMANCE

Second Quarter

The Group achieved sales of US$636.2 million for the second quarter of FY2017, down 4.6% versus the prior year period driven by lower sales in the USA, partially offset by the strong performance in the Philippines under the Del Monte brand, and rest of Asia under the S&W brand.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) contributed US$493.3 million or 77.5% of Group sales. DMFI's sales declined by 9.1% due to lower inventory builds on packaged vegetable ahead of the holiday season, and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

DMFI generated lower gross profit and margin of 19.7% from 20.1% in the prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private labels and export. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

DMFI has launched a multiyear restructuring initiative in FY2016 which aims at optimising G&A costs and should improve profitability by 150 to 200 basis points on an annualised basis. The closure of the North Carolina plant was one of these initiatives as well as the shift to a leaner organisation in the United States which had a cost impact.

These one-off expenses amounted to US$1.5 million pre-tax or US$0.9 million post-tax in the second quarter. Please refer to the last page of this MD&A for a schedule of the one-off items. Excluding the one-off expenses, DMFI contributed an EBITDA of US$46.1 million and a net income of US$8.5 million to the Group.

Sales of DMPL ex-DMFI were higher as compared to the same period last year. Last year was severely impacted by reduced pineapple supply as a result of the El Niño weather pattern. DMPL ex-DMFI generated sales of US$155.1 million (inclusive of the US$11.2 million sales by DMPL to DMFI which were netted out during consolidation), higher by 12.8%.

It delivered higher gross margin of 32.1% from 29.5% in the prior year quarter driven by improvement in productivity in the cannery, improved pricing as well as lower commodity costs particularly packaging. DMPL ex-DMFI generated an EBITDA of US$26.8 million which was higher by 31.3% and a net income of US$12.5 million, significantly higher versus the US$6.2 million in the same period last year.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the rapidly growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East performed very strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

DMPL's share of loss in the FieldFresh joint venture in India was at US$0.4 million, same as prior year. Del Monte packaged business saw strong growth from key accounts and foodservice segments led by improved volume in ketchup, packaged fruit, mayonnaise and olive oil. Higher sales and production efficiencies resulted in FieldFresh generating a positive EBITDA for the quarter.

The Group's EBITDA of US$71.4 million was lower than last year's EBITDA of US$103.2 million. This quarter's EBITDA included US$1.5 million of one-off expenses from severance and closure of the North Carolina plant, while prior year period's net income included a one-time net gain of US$33.4 million mainly from DMFI's retirement plan amendment. Without the one-off items, the Group recurring EBITDA of US$72.9 million was higher versus last year's recurring EBITDA of US$69.8 million.

The Group incurred a net income of US$20.2 million for the quarter, lower versus prior year period's net income of US$47.8 million. This quarter's net income included US$0.9 million of one-off expenses, while prior year period's included the one-time net gain of US$31.9 million. Without the one-off items, the Group reported a recurring net income of US$21.0 million, higher than last year's recurring net income of US$15.8 million.

The Group's cash outflow from operations in the second quarter was US$153.6 million, driven by inventory build-up in preparation for the seasonally stronger second semester. Cash outflow was higher versus last year's US$133.0 million driven by higher receivables.

Past the production peak in October, cash flows are expected to improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April.

First Half

For the first half of FY2017, the Group generated sales of US$1.1 billion, down 3.8% versus prior year. DMFI generated US$0.8 billion or 76.6% of Group sales, lower by 7.8% versus prior year due to continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction DMFI increased market share across two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

The Philippine market's sales were up double-digit driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration supported by new advertising campaigns and consumer communication. The foodservice channel also delivered robust growth. New products in culinary segment have been successfully launched as per plan.

The S&W branded sales in Asia and the Middle East rose double-digit versus last year on higher sales from both the fresh and packaged segments.

DMFI's gross margin for the full year declined to 17.9%, from 19.6% in the same period last year mainly driven by higher trade spend and lower volume in the US. In addition, first half gross margin included the US$2.7 million impact of North Carolina plant closure.

DMPL ex-DMFI's gross profit grew to US$89.6 million, and its gross margin increased to 31.7% from 28.5% due to better sales mix, pricing actions and cost optimisation.

DMPL's share of loss in the FieldFresh joint venture in India was flat at US$0.8 million, as FieldFresh continued to invest behind the business to grow the Del Monte packaged business in India.

DMPL's net income without DMFI was US$21.9 million, significantly up versus prior period's US$8.7 million mainly from improvement in gross margin as outlined above.

The DMPL Group generated a net income of US$11.4 million for the first half FY2017, lower than prior year period's net income of US$37.1 million due to the one-time net gain of US$30.2 million mainly from DMFI's retirement plan amendment last year. Meanwhile, first half FY2017 results included the US$2.7 million one-off item mentioned above plus the US$3.7 million of other restructuring costs, primarily severance expense. Please refer to the last page of the MD&A for the schedule of non-recurring items.

Excluding the one-off items, the Group's recurring net income would have been US$15.1 million, higher versus the recurring net income last year of US$6.9 million mainly driven by the strong performance of the Asian business.

The Group posted an EBITDA of US$95.1 million of which DMFI accounted for US$46.6 million. Excluding one-off items, the Group's recurring EBITDA would have been US$101.5 million, 9.7% higher versus the recurring EBITDA of US$92.5 million in the prior year period.

VARIANCE FROM PROSPECT STATEMENT

The first half results showed a net income for the Group. It is on track to achieving a net profit for the full year which is in line with earlier guidance.

BUSINESS OUTLOOK

Barring unforeseen circumstances, the Group will continue to be profitable for FY2017.

The Group expects its US business to improve its financial performance through procurement synergies and transformation, and optimisation of G&A costs through the multiyear restructuring initiative that started in FY2016. It also completed an organisational realignment to create a leaner and more agile management structure to be better positioned for growth and new business opportunities. From the restructuring that was announced in June 2016, the organisation in the US had been streamlined which would generate savings of over US$9.0 million annually.

In the mid-to-long term, the Group will continue to strengthen its core business and develop new products in the United States to unlock the growth potential of its products and brands. It will accelerate its penetration of the foodservice sector, and invest to grow broth through the College Inn brand and healthy snack offerings.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. It will ride on the strong growth of the Philippine economy fuelling the expansion of the retail and foodservice sectors, while it further develops its beverage and culinary business.

S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East, while the Group's joint venture in India will continue to generate higher sales and maintain its positive EBITDA.

The Group continues to explore e-commerce opportunities for its range of products across markets.

As part of the Group's deleveraging plan subject to market conditions, DMPL intends to issue early next year US dollar denominated perpetual preference shares in the Philippine capital market, to be listed on the Philippine Stock Exchange (PSE). The Company has received approvals from the Philippine SEC and the Bangko Sentral ng Pilipinas (Central Bank) and is awaiting the approval of its listing application from the PSE. As this is the first US$-denominated preference shares to be issued and listed on the PSE, PSE's trading platform is being enhanced for dollar denominated transactions. The SEC has recently approved the PSE's Dollar Denominated Securities rules. The proposed issue will be up to US$360 million (with an initial tranche of up to US$250 million and the balance issuable within three years) that will result in a further improvement in the Group's leverage ratios.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**180,648**	187,821	(3.8)	**33,703**	32,248	4.5	**9,440**	19,645	(51.9)
Packaged vegetable	**221,800**	260,182	(14.8)	**46,836**	57,402	(18.4)	**17,776**	39,538	(55.0)
Beverage	**5,958**	7,242	(17.7)	**1,274**	1,221	4.3	**806**	336	139.9
Culinary	**83,594**	87,349	(4.3)	**17,337**	19,657	(11.8)	**6,252**	12,478	(49.9)
Others	**400**	–	n.m.	**189**	(3)	n.m.	**1,391**	(1,339)	203.9
Total	**492,400**	542,594	(9.3)	**99,339**	110,525	(10.1)	**35,665**	70,658	(49.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**309,664**	321,415	(3.7)	**54,945**	56,181	(2.2)	**6,877**	16,409	(58.1)
Packaged vegetable	**376,981**	431,113	(12.6)	**71,752**	94,407	(24.0)	**14,216**	41,786	(66.0)
Beverage	**15,873**	13,940	13.9	**3,958**	2,285	73.2	**1,505**	(15)	n.m.
Culinary	**139,547**	149,813	(6.9)	**24,848**	29,456	(15.6)	**1,965**	8,834	(77.8)
Others	**497**	11	n.m.	**110**	(5)	n.m.	**1,784**	(2,732)	165.3
Total	**842,562**	916,292	(8.0)	**155,613**	182,324	(14.7)	**26,347**	64,282	(59.0)

Reported under the Americas segment are sales and profit on sales in USA, Canada and Mexico. Majority of this segment's sales are principally sold under the Del Monte brand but also under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales in the Americas are distributed across the United States, in all channels serving retail markets, as well as to the US military, certain export markets, the foodservice industry and other food processors.

Sales in the Americas declined by 9.3% to US$492.4 million due to lower packaged fruit and vegetable and lower culinary sales due to lower inventory builds on packaged vegetable ahead of the holiday season and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

Gross profit was lower than prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private label and exports. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

Operating income for the quarter of US$35.7 million was lower than prior year quarter's US$70.7 million. Prior year benefited from the one-time net gain of US$33.4 million mainly from DMFI's change in retirement benefit.

ASIA PACIFIC

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**32,867**	23,440	40.2	**10,012**	6,403	56.4	**5,463**	2,466	121.5
Packaged vegetable	**450**	432	4.2	**177**	106	67.0	**116**	16	625.0
Beverage	**32,863**	33,105	(0.7)	**9,956**	9,746	2.2	**3,434**	3,637	(5.6)
Culinary	**40,951**	40,525	1.1	**16,815**	16,333	3.0	**5,660**	7,722	(26.7)
Others	**33,264**	18,597	78.9	**9,340**	4,315	116.5	**3,049**	634	380.9
Total	**140,395**	116,099	20.9	**46,300**	36,903	25.5	**17,722**	14,475	22.4

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**59,458**	44,789	32.8	**17,524**	10,805	62.2	**8,766**	2,641	231.9
Packaged vegetable	**959**	1,030	(6.9)	**325**	260	25.0	**217**	99	119.2
Beverage	**67,387**	67,289	0.1	**22,180**	19,877	11.6	**8,625**	6,305	36.8
Culinary	**67,232**	64,585	4.1	**27,549**	25,514	8.0	**11,225**	11,378	(1.3)
Others	**56,282**	37,963	48.3	**14,459**	10,219	41.5	**3,963**	2,690	47.3
Total	**251,318**	215,656	16.5	**82,037**	66,675	23.0	**32,796**	23,113	41.9

Reported under this segment are sales and profit on sales in the Philippines, comprising primarily of Del Monte branded packaged products, including Del Monte traded goods; S&W products in Asia and the Middle East both fresh and packaged; and Del Monte packaged products from the Philippines into Indian subcontinent as well as unbranded Fresh and packaged goods.

Asia Pacific's sales in the second quarter improved by 20.9% to US$140.4 million from US$116.1 million on higher packaged fruit, culinary sales and others.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the fast growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East also performed strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

Operating profit in the second quarter rose 22.4% to US$17.7 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and lower promotion spending.

EUROPE

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**2,882**	4,457	(35.3)	**1,132**	1,180	(4.1)	**763**	613	24.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**525**	3,610	(85.5)	**126**	745	(83.1)	**44**	299	(85.3)
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**3,407**	8,067	(57.8)	**1,258**	1,925	(34.6)	**807**	912	(11.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**6,392**	8,992	(28.9)	**2,334**	2,135	9.3	**1,488**	1,140	30.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**1,453**	4,518	(67.8)	**498**	715	(30.3)	**319**	150	112.7
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**7,845**	13,510	(41.9)	**2,832**	2,850	(0.6)	**1,807**	1,290	40.1

Included in this segment are sales of unbranded products in Europe.

For the second quarter, Europe's sales declined by 57.8% to US$3.4 million from US$8.1 million due to pineapple supply imbalance. Sales are expected to recover in the second half of the fiscal year.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	**For the three months ended 31 October**			**For the six months ended 31 October**		
	FY2017	FY2016	**Comments**	**FY2017**	FY2016	**Comments**
Cost of Goods Sold	**44.4**	45.2	Lower pineapple cost from better yield and higher recovery	78.2	78.0	Higher DMFI cost, partially offset by lower pineapple cost from better yield and higher recovery
Distribution and Selling Expenses	**4.9**	4.8	Mainly due to timing of spending	9.0	8.8	Same as 2Q
G&A Expenses	**3.6**	0.5	Last year included DMFI's one-time gain on employee benefits	7.4	4.7	Same as 2Q
Other Operating Income	**(0.1)**	0.3	Lower miscellaneous expenses	(0.1)	0.7	Same as 2Q

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US$'000	**For the three months ended 31 October**				**For the six months ended 31 October**			
	FY2017	FY2016 (Restated)	**%**	**Comments**	**FY2017**	FY2016 (Restated)	**%**	**Comments**
Depreciation and amortisation	**(13,916)**	(16,872)	(17.5)	Mainly due to lower amortisation due to change in estimate of trademark	**(31,077)**	(33,883)	(8.3)	Same as 2Q
Reversal of asset impairment	**–**	117	n.m.	No impairment for the quarter	**–**	238	n.m.	Same as 2Q
(Provision)/reversal for inventory obsolescence	**6,036**	5,761	4.8	Due to timing of the provision	**(904)**	(464)	(94.8)	Same as 2Q
Provision for doubtful debts	**(125)**	(120)	4.2	Due to timing of the provision	**(174)**	(222)	(21.6)	Same as 2Q
Gain/(loss) on disposal of fixed assets	**540**	(161)	n.m.	Due to timing of disposal	**(203)**	(277)	(26.7)	Same as 2Q
Foreign exchange gain-net	**3,747**	595	529.9	Favourable impact of peso depreciation for the quarter	**3,839**	1,172	227.6	Same as 2Q
Interest income	**124**	58	113.7	Higher interest income from operating assets	**251**	160	56.9	Same as 2Q
Interest expense	**(28,927)**	(24,443)	18.3	Higher level of borrowings	**(55,775)**	(46,787)	19.2	Same as 2Q
Share of loss of JV, (attributable to the owners of the Company)	**(393)**	(300)	30.9	Higher sales in Indian joint venture were offset by Nice fruit higher expenses.	**(733)**	(853)	(14.1)	Higher sales in Indian joint venture
Taxation	**(7,684)**	(9,294)	(17.3)	Due to lower income mainly on DMFI	**1,728**	(1,843)	(193.8)	Due to higher DMFI loss position

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances	**31 October 2016**	**31 October 2015 (Restated)**	**30 April 2016**	**Comments**
in US$'000				
Joint venture	**24,915**	23,802	22,820	Driven by additional capital call for FieldFresh
Deferred tax assets	**104,127**	89,665	100,899	Due to increase in non-current deferred charges
Other assets	**28,073**	28,809	25,941	Due to decrease in excess insurance
Biological assets	**119,704**	126,905	125,462	Mainly due to lower field mix and translation
Inventories	**1,158,585**	1,100,568	845,233	Due to DMFI's lower sales
Trade and other receivables	**245,891**	255,415	175,532	Due to timing of collection
Prepaid and other current assets	**30,167**	24,280	35,597	Due to increase in DMPI's down payments to capex
Cash and cash equivalents	**23,488**	22,084	47,203	Mainly on increased borrowings
Financial liabilities – non-current	**1,115,417**	1,464,869	1,116,422	Reclassification of loans from non-current to current
Other non-current liabilities	**57,158**	71,955	62,586	Lower derivatives and workers compensation
Employee benefits– non-current	**99,482**	74,393	97,118	Due to higher employee retirement plan
Financial liabilities – current	**993,707**	580,214	727,360	Due to working capital requirements
Trade and other payables	**383,873**	428,788	281,043	Due to lower trade and accrued expenses
Current tax liabilities	**4,250**	1,400	3,827	Due to timing of tax payment

SHARE CAPITAL

Total shares outstanding were at 1,943,214,106 as of 31 October 2016; (31 October 2015: 1,943,737,506). The Group successfully placed out 5.5 million ordinary shares in the Philippines on 30 October 2014 and successfully completed a Rights Issue in March 2015 resulting in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 October 2016 (31 October 2015: US$19.5 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

Date of Grant	**Options**	**Share Awards**	**Recipient(s)**
7 March 2008	1,550,000	1,725,000	Key Executives
20 May 2008	–	1,611,000	CEO
12 May 2009	–	3,749,000	Key Executives
29 April 2011	–	2,643,000	CEO
21 November 2011	–	67,700	Non-Executive Director
30 April 2013	150,000	486,880	Key Executives
22 August 2013	–	688,000	Executive/Non-Executive Directors
1 July 2015	75,765	57,918	Executive/Non-Executive Directors

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 October 2016 (31 October 2015: 1,198,320). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 October 2016.

BORROWINGS AND NET DEBT

Liquidity in US$'000	**As at 31 October 2016**	2015	As at 30 April 2016
Gross borrowings	**(2,109,124)**	(2,045,083)	(1,843,782)
Current	**(993,707)**	(580,214)	(727,360)
Secured	**(357,480)**	(361,367)	(225,879)
Unsecured	**(636,227)**	(218,847)	(501,481)
Non-current	**(1,115,417)**	(1,464,869)	(1,116,422)
Secured	**(924,203)**	(923,950)	(923,198)
Unsecured	**(191,214)**	(540,919)	(193,224)
Less: Cash and bank balances	**23,488**	22,084	47,203
Net debt	**(2,085,636)**	(2,022,999)	(1,796,579)

The Group's net debt (cash and bank balances less borrowings) amounted to US$2.1 billion as at 31 October 2016, slightly higher than last year to support working capital requirements.

Past the production peak in October, cash flows are expected to further improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April. This will allow the Group to deleverage in the second semester.

DIVIDENDS

No dividends were declared for this quarter and corresponding prior year quarter.

INTERESTED PERSON TRANSACTIONS

The aggregate value of IPT conducted pursuant to shareholders' mandate obtained in accordance with Chapter 9 of the Singapore Exchange's Listing Manual was as follows:

In US$'000 **For the second quarter of the fiscal year**	**Aggregate value of all IPTs (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**		**Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**	
	FY2017	FY2016	**FY2017**	FY2016
NutriAsia, Inc	**–**	–	**767**	1,434
DMPI Retirement Fund	**–**	–	**919**	740
NutriAsia, Inc Retirement Fund	**–**	–	**280**	309
Aggregate Value	**–**	–	**1,966**	2,483

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	For the three months ended 31 October			For the six months ended 31 October		
	FY2017 (Unaudited)	FY2016 (Unaudited) (Restated)	%	**FY2017** (Unaudited)	FY2016 (Unaudited) (Restated)	%
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Cost of sales	**(489,305)**	(517,407)	(5.4)	**(861,243)**	(893,609)	(3.6)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Distribution and selling expenses	**(54,378)**	(54,685)	(0.6)	**(99,683)**	(101,248)	(1.5)
General and administration expenses	**(39,264)**	(5,383)	629.2	**(81,026)**	(53,363)	51.8
Other operating income	**939**	(3,239)	129.0	**1,177**	(8,553)	113.8
Profit from operations	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Financial income*	**3,871**	966	300.7	**4,109**	2,204	86.4
Financial expense*	**(28,927)**	(24,756)	16.8	**(55,794)**	(47,659)	17.1
Net finance expense	**(25,056)**	(23,790)	5.3	**(51,685)**	(45,455)	13.7
Share of loss of joint venture, net of tax	**(417)**	(325)	28.3	**(776)**	(903)	(14.1)
Profit before taxation	**28,721**	61,931	(53.6)	**8,489**	42,327	(79.9)
Taxation	**(7,684)**	(9,294)	(17.3)	**1,728**	(1,843)	193.8
Profit after taxation	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Profit(loss) attributable to:						
Owners of the Company	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Non-controlling interest**	**876**	4,884	(82.1)	**(1,225)**	3,408	(135.9)
Profit/(loss) for the period	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Notes:						
Depreciation and amortization	**(13,916)**	(16,872)	(17.5)	**(31,077)**	(33,883)	(8.3)
Provision of asset impairment	**–**	117	n.m.	**–**	238	n.m.
(Provision)/reversal for inventory	**6,036**	5,761	19.2	**(904)**	(464)	94.8
Provision for doubtful debts	**(125)**	(120)	4.2	**(174)**	(222)	(21.6)
Loss on disposal of fixed assets	**540**	(161)	n.m.	**(203)**	(277)	(26.7)
***Financial income comprise:**						
Interest income	**124**	58	113.7	**251**	160	56.9
Foreign exchange gain	**3,747**	908	312.7	**3,858**	2,044	88.7
	3,871	966	300.7	**4,109**	2,204	86.4
***Financial expense comprise:**						
Interest expense	**(28,927)**	(24,443)	18.3	**(55,775)**	(46,787)	19.2
Foreign exchange loss	**–**	(313)	n.m.	**(19)**	(872)	(97.8)
	(28,927)	(24,756)	16.8	**(55,794)**	(47,659)	17.1

n.m. – not meaningful

Earnings per ordinary share in US cents	For the three months ended 31 October		For the six months ended 31 October	
	FY2017	FY2016	**FY2017**	FY2016
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	**1.04**	2.46	**0.59**	1.91
(ii) On a fully diluted basis	**1.04**	2.46	**0.59**	1.91

** *Includes (US$1,183m) for DMFI and (US$42m) for FieldFresh in the first half ended FY2017 and US$3,460m for DMFI and (US$49m) for FieldFresh in the first half ended of FY2016.*
Includes US$899m for DMFI and (US$23m) for FieldFresh in the second quarter of FY2017 and US$4,910m for DMFI and (US$24m) for FieldFresh in the second quarter of FY2016.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the three months ended 31 October**		
	FY2017	**FY2016 (Restated)**	**%**
Profit for the period	**10,217**	40,484	(74.8)
Other comprehensive income (after reclassification adjustment):			
Items that will or may be reclassified subsequently to profit or loss			
Exchange differences on translating of foreign operations	**(9,769)**	(13,643)	(28.4)
Effective portion of changes in fair value of cash flow hedges	**1,821**	(4,657)	(139.1)
Income tax benefit (expense) on cash flow hedge	**(368)**	1,075	(134.3)
	(8,316)	(17,225)	(51.7)
Items that will not be classified to profit or loss			
Remeasurement of retirement benefit	**4,086**	1,323	208.8
Income tax benefit on retirement benefit	**(1,162)**	4,866	(123.9)
	2,924	6,189	(52.8)
Other comprehensive loss for the period	**(5,392)**	(11,036)	(51.1)
Total comprehensive income for the period	**4,825**	29,448	(83.6)
Attributable to:			
Owners of the Company	**5,589**	25,776	(78.3)
Non-controlling interests	**(764)**	3,672	(120.8)
Total comprehensive income for the period	**4,825**	29,448	(83.6)

nm – not meaningful

Please refer to page 3 for the Notes

DEL MOTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	**Group**			**Company**		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Non-Current Assets						
Property, plant and equipment – net	**563,726**	564,423	563,614	–	–	–
Subsidiaries	–	–	–	**773,144**	807,274	749,133
Joint ventures	**24,915**	23,802	22,820	**2,551**	2,551	2,551
Intangible assets and goodwill	**745,699**	754,719	750,373	–	–	–
Other noncurrent assets	**28,073**	28,809	25,941	–	–	–
Deferred tax assets – net	**104,127**	89,665	100,899	3	3	–
Biological assets	**36,180**	43,019	37,468	–	–	–
	1,502,720	1,504,437	1,501,115	**775,698**	809,828	751,684
Current Assets						
Inventories	**1,158,585**	1,100,568	845,233			–
Biological assets	**83,524**	83,886	87,994			–
Trade and other receivables	**245,891**	255,415	175,532	**129,837**	100,112	145,240
Prepaid and other current assets	**30,167**	24,280	35,597	**228**	676	257
Cash and cash equivalents	**23,488**	22,084	47,203	**380**	392	361
	1,541,655	1,486,233	1,191,559	**130,445**	101,180	145,858
Noncurrent assets held for sale	**1,050**	5,801	1,950	–	–	–
	1,542,705	1,492,034	1,193,509	**130,445**	101,180	145,858
Total Assets	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
Equity attributable to equity holders of the Company						
Share capital	**19,449**	19,449	19,449	**19,449**	19,449	19,449
Retained earnings	**134,480**	134,408	148,866	**134,480**	134,408	148,866
Reserves	**129,611**	137,473	134,926	**129,750**	137,675	135,065
Equity attributable to owners of the Company	**283,540**	291,330	303,241	**283,679**	291,532	303,380
Non-controlling interest	**61,207**	62,316	61,971	–	–	–
Total Equity	**344,747**	353,646	365,212	**283,679**	291,532	303,380
Non-Current Liabilities						
Loans and borrowings	**1,115,417**	1,464,869	1,116,422	**129,324**	476,899	129,234
Other noncurrent liabilities	**57,158**	71,955	62,586	–	–	–
Employee benefits	**99,482**	74,393	97,118	–	–	–
Environmental remediation liabilities	**4,507**	4,560	6,313	–	–	–
Deferred tax liabilities	**1,116**	1,092	1,092	–	–	–
	1,277,680	1,616,869	1,283,531	**129,324**	476,899	129,234

To be continued

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Amounts in US$'000	**Group**			**Company**		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Current Liabilities						
Trade and other payables	**388,185**	428,788	281,043	**93,985**	127,577	116,298
Loans and borrowings	**993,707**	580,214	727,360	**399,155**	15,000	348,630
Current tax liabilities	**4,250**	1,400	3,827	**–**	–	–
Employee benefits	**36,856**	15,554	33,651	**–**	–	–
	1,422,998	1,025,956	1,045,881	**493,140**	142,577	464,928
Total Liabilities	**2,700,678**	2,642,825	2,329,412	**622,464**	619,476	594,162
Total Equity and Liabilities	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
NAV per ordinary share (US cents)	**17.74**	29.51	18.79	**14.60**	24.33	15.61

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group												
Fiscal Year 2016												
At 1 May 2015, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	105,664	(629)	273,856	59,590	333,446
Impact of change in accounting policy	–	–	7	–	–	–	–	(8,332)	–	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	97,332	(629)	265,531	58,644	324,175
Total comprehensive income for the period												
Profit for the period	–	–	–	–	–	–	–	37,076	–	37,076	3,408	40,484
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)	4	(13,643)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765	(576)	6,189
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(4,418)	–	–	–	(4,418)	836	(3,582)
Total other comprehensive income/(loss)	–	–	(13,647)	–	6,765	(4,418)	–	–	–	(11,300)	264	(11,036)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	(4,418)	–	37,076	–	25,776	3,672	29,448
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7	–	7
Acquistion of treasury shares	–	–	–	–	–	–	–	–	(63)	(63)	–	(63)
Value of employee services received for issue of share options	–	–	–	–	–	–	79	–	–	79	–	79
Total contributions by and distributions to owners	–	7	–	–	–	–	79	–	(63)	23	–	23
At 31 October 2015	**19,449**	**214,850**	**(59,982)**	**9,506**	**(10,466)**	**(16,140)**	**397**	**134,408**	**(692)**	**291,330**	**62,316**	**353,646**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group												
Fiscal Year 2017												
At 1 May 2016	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	148,866	(802)	303,241	61,971	365,212
Total comprehensive income for the period												
Profit/(loss) for the period	–	–	–	–	–	–	–	11,442	–	11,442	(1,225)	10,217
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)	(1)	(9,769)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615	309	2,924
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	1,300	–	–	–	1,300	153	1,453
Total other comprehensive income	–	–	(9,768)	–	2,615	1,300	–	–	–	(5,853)	461	(5,392)
Total comprehensive (loss)/income for the period	–	–	(9,768)	–	2,615	1,300	–	11,442	–	5,589	(764)	4,825
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Value of employee services received for issue of share options	–	–	–	–	–	–	538	–	–	538	–	538
Dividends pay out	–	–	–	–	–	–	–	(25,828)		(25,828)	–	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	–	538	(25,828)	–	(25,290)	–	(25,290)
At 31 October 2016	**19,449**	**214,843**	**(69,581)**	**8,002**	**(8,218)**	**(16,202)**	**1,569**	**134,480**	**(802)**	**283,540**	**61,207**	**344,747**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	**Share Capital US$'000**	**Share Premium US$'000**	**Translation Reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure -ment retirement plan US$'000**	**Share option reserve US$'000**	**Hedging Reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total Equity US$'000**
Fiscal Year 2016										
At 1 May 2015, as previously stated	19,449	214,982	(46,342)	9,506	(17,231)	318	(11,722)	(629)	105,664	273,995
Impact of change of accounting policies	–	–	7	–	–	–	–	–	(8,332)	(8,325)
At 1 May 2015, as restated	19,449	214,982	(46,335)	9,506	(17,231)	318	(11,722)	(629)	97,332	265,670
Total comprehensive income for the period										
Loss for the period	–	–	–	–	–	–	–	–	37,076	37,076
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(4,418)	–	–	(4,418)
Total other comprehensive income	–	–	(13,647)	–	6,765	–	(4,418)	–	–	(11,300)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	–	(4,418)	–	37,076	25,776
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7
Value of employee services received for issue of share options	–	–	–	–	–	79	–	–	–	79
Total contributions by and distributions to owners	–	7	–	–	–	79	–	–	–	86
At 31 October 2015	**19,449**	**214,989**	**(59,982)**	**9,506**	**(10,466)**	**397**	**(16,140)**	**(629)**	**134,408**	**291,532**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share capital	Share premium	Translation Reserve	Revaluation Reserve	Remeasure -ment retirement plan	Share Option Reserve	Hedging Reserve	Reserve for own shares	Retained earnings	Total Equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Fiscal Year 2017										
At 1 May 2016	19,449	214,982	(59,813)	8,002	(10,833)	1,031	(17,502)	(802)	148,866	303,380
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	–	–	11,442	11,442
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	1,300	–	–	1,300
Total other comprehensive income	–	–	(9,768)	–	2,615	–	1,300	–	–	(5,853)
Total comprehensive loss for the period	–	–	(9,768)	–	2,615	–	1,300	–	11,442	5,589
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Value of employee services received for issue of share options	–	–	–	–	–	538	–	–	–	538
Payment of dividends	–	–	–	–	–	–	–	–	(25,828)	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	538	–	–	(25,828)	(25,290)
At 31 October 2016	**19,449**	**214,982**	**(69,581)**	**8,002**	**(8,218)**	**1,569**	**(16,202)**	**(802)**	**134,480**	**283,679**

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 (Unaudited)	FY2016 (Restated, Unaudited)	**FY2017 (Unaudited)**	FY2016 (Restated, Unaudited)
Cash flows from operating activities				
Profit for the period	**21,037**	52,637	**10,217**	40,484
Adjustments for:				
Depreciation of property, plant and equipment	**11,006**	14,366	**26,403**	28,903
Amortisation of intangible assets	**2,910**	2,506	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(117)	**–**	(238)
Gain/(loss) on disposal of property, plant and equipment	**(540)**	161	**203**	277
Equity-settled share-based payment transactions	**221**	41	**538**	79
Share of loss of joint venture, net of tax	**417**	325	**776**	903
Finance income	**(3,871)**	(966)	**(4,109)**	(2,204)
Finance expense	**28,927**	24,756	**55,794**	47,659
Tax expense (benefit) – net	**7,684**	9,294	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)	**–**	(39,422)
Net loss on derivative financial instrument	**(941)**	(3,132)	**1,400**	–
Operating profit before working capital changes	**66,850**	60,449	**94,168**	83,264
Changes in:				
Other assets	**(9,088)**	(1,603)	**1,648**	(3,553)
Inventories	**(140,296)**	(158,585)	**(305,837)**	(351,855)
Biological assets	**2,399**	(2,674)	**1,642**	(3,998)
Trade and other receivables	**(99,332)**	(69,544)	**(83,092)**	(51,021)
Prepaid and other current assets	**3,041**	8,348	**993**	3,865
Trade and other payables	**19,196**	26,289	**89,367**	41,568
Employee Benefit	**3,671**	5,018	**7,464**	4,638
Operating cash flow	**(153,559)**	(132,302)	**(193,647)**	(277,092)
Income taxes paid	**(25)**	(697)	**(25)**	(1,829)
Net cash flows from operating activities	**(153,584)**	(132,999)	**(193,672)**	(278,921)
Cash flows from investing activities				
Interest received	**11,682**	55	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,426**	522	**1,483**	526
Purchase of property, plant and equipment	**(12,738)**	(12,770)	**(32,279)**	(22,567)
Additional investment in joint venture	**(1,511)**	–	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(1,141)**	(12,193)	**(21,858)**	(22,991)

To be continued

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 **(Unaudited)**	FY2016 (Restated, Unaudited)	**FY2017** **(Unaudited)**	FY2016 (Restated, Unaudited)
Cash flows from financing activities				
Interest paid	**(25,189)**	(21,802)	**(47,826)**	(40,752)
Proceeds of borrowings	**209,203**	168,866	**267,068**	332,021
Dividends paid	**(25,828)**	–	**(25,828)**	–
Acquisition of treasury shares	**–**	(63)	**–**	(63)
Net cash flows from financing activities	**158,186**	147,001	**193,414**	291,206
Net increase/(decrease) in cash and cash equivalents	**3,461**	1,809	**(22,116)**	(10,706)
Cash and cash equivalents at 1 May	**20,494**	19,879	**47,203**	35,618
Effect of exchange rate fluctuations on cash held	**(467)**	396	**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	**23,488**	22,084	**23,488**	22,084

One-off expenses/(income)

	For the three months ended 31 October			**For the six months ended 31 October**		
in US$ million	**FY2017**	**FY2016**	**% Change**	**FY2017**	**FY2016**	**% Change**
Retirement plan amendment	**–**	(39.4)	nm	**–**	(39.4)	nm
Closure of North Carolina plant	**1.2**	–	nm	**2.7**	–	nm
ERP implementation at DMFI	**–**	2.0	nm	**–**	4.0	nm
Sager Creek acquisition/integration	**–**	1.3	nm	**–**	2.0	nm
Severance	**0.3**	2.7	(88.7)	**3.7**	3.0	23.3
Total (pre-tax basis)	**1.5**	(33.4)	(104.5)	**6.4**	(30.4)	(121.1)
Total (post-tax and post non-controlling interest)	**0.9**	(31.9)	(102.7)	**3.7**	(30.2)	(112.2)