DEL MONTE PACIFIC LIMITED

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**SGX-ST/PSE/MEDIA RELEASE:** (unaudited results for the third quarter FY2015 period from 1 November 2014 to 31 January 2015)

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*Note to Editors: Del Monte Pacific Limited ("DMPL" or the "Group") has aligned its financial year with that of Del Monte Foods, Inc (DMFI) in the USA whose financial year runs from May to April. DMFI's financial results have been included in DMPL's consolidated results since the acquisition was made on 18 February 2014. Financial comparisons (below gross profit) for DMFI are not available for the prior year period as the company operated then as a division of a larger entity.*

## 3Q FY2015 Highlights

- **Achieved sales of US$638m with US$511m contributed by Del Monte Foods, Inc (DMFI)**
- **Sales of DMFI grew by 21% versus year ago**
- **Sales of Del Monte in the Philippines rose 18%, a significant improvement to 1H's 6% growth**
- **Group EBITDA and net income of US$47m and US$11m, respectively, before acquisition and non-recurring expenses of US$13.5m net of tax**

## 9M FY2015 Highlights

- **Sales of US$1.6bn, with US$1.3bn from DMFI providing momentum for sustained growth**
- **Group EBITDA and net income of US$134m and US$30m, respectively, before acquisition and non-recurring expenses of US$57m net of tax**

**Singapore/Manila, 11 March 2015 –** Singapore Mainboard and Philippine Stock Exchange dual listed Del Monte Pacific Limited ("DMPL" or the "Group"; Bloomberg: DELM SP, DMPL PM) reported today its results for the FY2015 third quarter ended 31 January 2015.

The Group achieved sales of US$637.6 million for the third quarter, of which DMFI generated US$511.0 million of sales. The Group achieved EBITDA and net income of US$47.3 million and US$11.3 million, respectively, before acquisition-related and other non-recurring expenses of US$13.5 million net of tax.

However, the Group posted a net loss of US$2.2 million reflecting higher interest expenses related to the DMFI acquisition, as well as earlier announced acquisition-related expenses pertaining to purchase accounting primarily due to inventory step-up, and the non-capitalisable portion of the SAP implementation at DMFI which went live at the end of the third quarter.

The migration of DMFI's Enterprise Resource Planning (ERP) to SAP is a milestone, as it raises DMFI's processes and systems to global standards with higher efficiencies. This will integrate with DMPL as the Group also uses the SAP system.

The Group incurred higher interest expense as a result of the long-term loan to acquire DMFI and the short-term bridge financing of DMPL. Approximately US$150 million of short-term bridge financing will be repaid using the proceeds from the recent oversubscribed Rights Issue. US$350 million of short-term bridge financing has been extended for up to two years.

"We are encouraged by the strong support of our shareholders to the Rights Offer which was oversubscribed. Deleveraging DMPL's balance sheet and undertaking an international offering of perpetual securities when market conditions improve remain a key priority," said Joselito D Campos, Jr, Chief Executive Officer and Managing Director of DMPL.

"We are on track to deliver future growth, having stabilised the business with the initiatives taken post-acquisition, which include reverting back to competitive pricing levels, reintroducing the well recognised classic Del Monte label and reinstating trade support levels," said Nils Lommerin, Chief Executive Officer of Del Monte Foods, Inc. "We will continue to explore acquisition opportunities that will complement our strategy and enhance our market leadership across our product range," he added.

Sales in the US market rose 21% against the same period last year, a marked improvement from the decline during the first half.

Philippine products introduced in the US under the Del Monte label continued to gain ground and the development of the Asian ethnic business in the US was better than expected.

DMPL's base business also performed strongly in the third quarter. Its branded business in Asia (comprising of Del Monte in the Philippines and the Indian subcontinent, as well as S&W in Asia and the Middle East), and export sales globally, generated sales of US$136.2 million, up 10%, and net profit (before acquisition-related interest expenses and non-recurring expenses) of US$12.2 million, up 36%.

DMFI's back office functions had been outsourced to a global service provider in the Philippines in February 2015. These cost saving measures are expected to improve the Group's operating margin in FY2016 and beyond. The Group continues its integration of DMFI which will provide efficiencies in the future.

For the nine-month period, the Group generated sales of US$1.6 billion, with DMFI achieving sales of US$1.3 billion. Before acquisition-related and other non-recurring expenses of US$53.6 million, the Group recorded EBITDA and net income of US$133.9 million and US$29.7 million, respectively. The Group incurred a net loss of US$23.9 million primarily due to earlier announced acquisition-related expenses.

"We look forward to sustaining our growth in the coming quarters, as we execute against proven strategies and new growth driven initiatives," said Mr Campos.

**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.

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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.

**About Del Monte Pacific Limited (www.delmontepacific.com)**

Dual listed on the Mainboard of the Singapore Exchange and the Philippine Stock Exchange, Del Monte Pacific Limited (Bloomberg: DELM SP/ DMPL PM) is the parent to a group of companies (the "Group") that caters to today's consumer needs for premium quality, healthy food and beverage products. It innovates, produces, markets and distributes its products worldwide.

DMPL acquired the consumer food business of Del Monte Corporation in the United States on 18 February 2014. This acquisition extends the footprint of the Group's business to the US and South America. It also acquired various trademarks for consumer products such as *Del Monte, S&W, Contadina, College Inn, Fruit Naturals, Orchard Select* and *SunFresh*. The Group now has exclusive rights to use the *Del Monte* trademarks for packaged products in the United States, South America, the Philippines, Indian subcontinent and Myanmar.

The consumer product business that the Group acquired enjoys leading market shares for the US canned fruit and vegetable segments and number two position for the US canned tomatoes and broth categories. In the Philippines, the Group enjoys leading market shares for canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup.

The Group also owns another premium brand, *S&W*, globally except Australia and New Zealand. As with Del Monte, S&W originated in the USA in the 1890s as a producer and marketer of premium quality packaged fruit and vegetable products.

The Group owns 94% of a holding company that owns 50% of FieldFresh Foods Private Limited in India (www.fieldfreshfoods.in). FieldFresh markets *Del Monte*-branded packaged products in the domestic market and *FieldFresh*-branded fresh produce. Del Monte Pacific's partner in FieldFresh India is the well-respected Bharti Enterprises, which is one of the largest conglomerates in India.

With a 23,000-hectare pineapple plantation in the Philippines, 700,000-ton processing capacity and a port beside the Cannery, Del Monte Pacific's subsidiary, Del Monte Philippines, operates the world's largest fully-integrated pineapple operation. It is proud of its long heritage of 89 years of pineapple growing and processing.

Del Monte Pacific and its subsidiaries are not affiliated with other Del Monte companies in the world, including Fresh Del Monte Produce Inc, Del Monte Canada, Del Monte Asia Pte Ltd and these companies' affiliates.

Del Monte Pacific is 67%-owned by NutriAsia Pacific Ltd (NPL). NPL is owned by the NutriAsia Group of Companies which is majority-owned by the Campos family of the Philippines. The NutriAsia Group is the market leader in the liquid condiments, specialty sauces and cooking oil market in the Philippines.

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