DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Second Quarter and First Half Ended 30 June 2009

For enquiries, please contact:

Iggy Sison
Tel: (65) 6324 6822
sisonio@delmonte-phil.com

AUDIT

Second quarter 2009 figures have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies and method of computation adopted are consistent with those used in the most recently audited financial statements, except for the following accounting standards, amendments to standards and interpretation that are effective for annual reporting periods beginning 1 January 2009:

- IAS 1 Presentation of Financial Statements (Amended)
- IFRS 2 Share-based Payment (Amended)
- IFRS 3 Business Combinations (Revised)
- IFRS 8 Operating Segments
- IFRIC 13 Customer Loyalty Programmes
- IFRIC 15 Agreements for Construction of Real Estate
- IFRIC 16 Hedges of Net Investment in a Foreign Operation
- IAS 23 Borrowing Costs (Revised)
- IAS 27 Consolidated and Separate Financial Statements (Amended)
- IAS 32 Financial Instrument: Presentation (Amended)
- IAS 39 Financial Instruments: Recognition and Measurement (Amended)

IAS 1 Presentation of Financial Statements (Amended) requires that changes in equity during the period other than changes resulting from transactions with owners in their capacity as owners, be presented in a "statement of comprehensive income".

Other than the change in disclosures relating to IAS 1, the Group's adoption of the new and revised standards has no significant impact on the Group's net profit attributable to shareholders in the current and prior periods.

DIRECTORS' ASSURANCE

Confirmation by Directors Pursuant to Clause 705(4) 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
Chairman of the Board

(Signed)
Joselito D Campos, Jr
Executive Director

11 August 2009

FINANCIAL HIGHLIGHTS – SECOND QUARTER AND FIRST HALF 2009

in US$'000 unless otherwise stated*	**For the three months ended 30 June**			**For the six months ended 30 June**		
	2009	**2008**	**%**	**2009**	**2008**	**%**
Turnover	**78,901**	88,581	(10.9)	**139,266**	160,273	(13.1)
Gross profit	**19,450**	20,926	(7.1)	**34,996**	36,647	(4.5)
Gross margin (%)	***24.7***	*23.6*	*1.1 ppt*	***25.1***	*22.9*	*2.2 ppt*
Operating profit	**8,497**	10,332	(17.8)	**15,593**	17,991	(13.3)
Operating margin (%)	***10.8***	*11.7*	*(0.9 ppt)*	***11.2***	*11.2*	*0.0 ppt*
Net profit	**5,065**	5,580	(9.2)	**9,144**	11,606	(21.2)
Net margin (%)	***6.4***	*6.3*	*0.1 ppt*	***6.6***	*7.2*	*(0.6 ppt)*
EPS (US cents)	**0.47**	0.52	(9.2)	**0.85**	1.07	(21.2)
Net debt	**(109,337)**	(54,044)	102.3	**(109,337)**	(54,044)	102.3
Gearing (%)	**56.2**	27.8	*28.4 ppt*	**56.2**	27.8	*28.4 ppt*
Cash flow from (used in) operations	**4,039**	5,278	(23.5)	**(20,657)**	(7,556)	173.4
Capital expenditure	**2,202**	1,785	23.4	**4,101**	2,879	42.5
Dividend per share (US cents)	**0.63**	0.80	(21.3)	**0.63**	0.80	(21.3)
			Days			**Days**
Inventory (days)	139	84	**55**	**159**	92	67
Receivables (days)	63	48	**15**	**72**	53	19
Account Payables (days)	70	63	**7**	**79**	71	8

**The Company's reporting currency is US dollars. For conversion to S$, these exchange rates can be used: 1.48 in 2Q09, 1.49 in 1H09 and 1.37 in 2Q08, 1.39 in 1H08.*

n/m – not meaningful

REVIEW OF OPERATING PERFORMANCE FOR 2Q AND FIRST HALF 2009

Second Quarter

Sales decreased by 11% to US$78.9 million from US$88.6 million mainly due to lower export sales across markets, the unfavourable currency translation of the Philippines' results amounting to US$5.5 million, given the 12% depreciation of the peso, and the foregone US$5.2 million of sales from loss-making Great Lakes in China, which was divested in September 2008. Stripping out these last two factors, Group turnover for the second quarter would have increased slightly by 1%.

Amidst a weak food and beverage retail environment, the Group's Philippine market's sales remained strong in peso terms, rising 11% driven by the continued growth of its very successful Del Monte Fit 'n Right juice drink in PET bottles, culinary products and the food service sector. However, Philippine sales dipped by 2% in US dollar terms.

The Group continued to launch new innovative products including:

- Fit 'n Right Fruit Snacks to broaden the company's snack offering and stimulate fruit consumption among the largely untapped young adult segment
- A revolutionary new fruit and vegetable drink in Tetra Pak targeted at schoolchildren, the first product catering directly to this underserved kids segment
- Quick n Easy culinary range and a new more affordable tomato sauce sachet

Food service sales continued to increase behind the Group's dominance in on-premise juice sales. Despite the annualised effect of price increases implemented in 2008, average prices in the Philippine market were the same as last year due to sales mix. The sales growth was primarily volume-driven across beverage, culinary and food service categories, with only fruits and snacks posting a decline versus the same period last year.

S&W saw a 42% increase in total sales in the second quarter amounting to US$2.7million, including fresh pineapples. This reflects strong growth in fresh fruit and distribution of processed products such as tropical fruit into South Korea and southern China.

Total fresh pineapple sales, including non-S&W branded fruit, more than doubled to US$1.9 million from the same period last year.

As expected, export sales to Europe, North America and Asia Pacific continued to lag behind last year. Exports were down 14% amidst the weak global demand resulting in lower orders across all markets. This was, however, a much lower rate of decline than the 27% in the first quarter.

While gross margin improved slightly by 1% to 24.7% from 23.6% on higher pricing in most markets and the favourable impact of the peso depreciation on translation of costs, gross profit decreased by 7% to US$19.4 million from US$20.9 million as a result of lower turnover.

Profit from operations declined 18% to US$8.5 million from US$10.3 million on the lower gross profit, coupled with higher selling and other expenses for the quarter due to timing of initiatives to support new products.

In India, the Group recognised a share of loss of US$1.0 million in its FieldFresh joint venture company with the Bharti Group for its 41.6% stake in the company. This was slightly higher than the US$0.8 million share of loss recognised in the same period last year. Product contribution margins significantly improved on much better sales mix with the contribution of the Del Monte branded processed foods business and the rationalised product range in fresh exports under the FieldFresh brand. The higher loss, however, was due to brand building investments through higher marketing and organizational expenses to support the expansion of the company's fruit drinks, packaged fruits, ketchup & sauces and Italian range products across more cities. In May, FieldFresh successfully launched the Del Monte brand in India through the "Get a taste of a legend" campaign geared towards building on the heritage of the Del Monte brand, which is now available in 12 major cities.

Net profit decreased in the second quarter at a lower rate of 9% to US$5.1 million, compared with the 32% in the first quarter. Among others, the first quarter reflected a one-time foreign exchange hedging loss which was not the case in the second quarter.

Slowdown in global demand led to higher inventory levels. This resulted in higher borrowings and interest expense. Management is actively working to reduce inventory days for key materials such as tinplate and tomato paste to improve working capital for the remainder of the year.

Operating cash flow decreased to US$4 million from US$5.3 million in the prior year quarter mainly due to lower profit and working capital requirements. The Company ended with a net debt position of US$109.3 million as of 30 June 2009, resulting in a gearing of 56%, mainly due to working capital requirements.

First Half

Group turnover for the first half of 2009 fell 13% to US$139.3 million from US$160.3 million due to the same reasons as those for the second quarter.

Philippine market's sales were higher by 15% in peso terms versus the same period last year, driven by strong Fit 'n Right juice drink sales. However, in US dollar terms, Philippine sales was flat due to the unfavourable impact of the 15% peso depreciation upon translation of peso sales to US dollars. The currency translation loss amounted to US$13.0 million of sales.

S&W contributed US$4.6 million in sales, including fresh, up 84% compared to the same period last year.

Stripping out the combined unfavourable impact of US$24.6 million from the currency translation loss and foregone Great Lakes sales of US$11.6 million, Group turnover for the second quarter of 2009 would have increased slightly by 1%.

While gross margin improved slightly to 25.1% from 22.9% on better pricing in most markets and the favourable impact of the peso depreciation on costs, gross profit decreased by 5% to US$35.0 million from US$36.6 million as a result of lower turnover.

Operating profit dropped by 13% to US$15.6 million from US$18.0 million on lower gross profit coupled with higher other operating expenses.

For the first half, the Group recognised a share of loss in FieldFresh India of US$1.8 million for its 41.6% stake in the company, 8% higher than prior year.

Net income fell 21% to US$9.1 million from US$11.6 million. The rate of decline was largely due to the first quarter performance, which was down 32%.

Cash flow from operations decreased to negative US$20.7 million from negative US$7.6 million in the prior year period, mainly due to higher working capital requirement, in particular inventories, which was the result of the slowdown in global demand.

VARIANCE FROM PROSPECT STATEMENT

The second quarter 2009 results, given the much lower rate of decline, were better than the first quarter but still behind last year's performance. Management expects to at least maintain earnings for the full year of 2009.

BUSINESS OUTLOOK

In the second quarter, the Group has begun to bridge the earnings gap versus last year and this will continue through the third quarter as the Group maximises the potential of its growing brands and markets through product, marketing and sales-driven growth in the Philippines, and market and product portfolio expansion for S&W, Fresh Pineapple and FieldFresh to grow its branded business. The Group will also optimise its exports sales mix, while aggressively reducing non-value adding costs, increasing productivity to protect margins and intensifying efforts to manage working capital more efficiently.

In the Philippines, the Group will intensify its drive to provide consumers with value-for-money offerings. The beverage portfolio is expected to expand under the Del Monte Fit 'n Right brand while volume will be maximised behind the culinary line under the Del Monte Quick n Easy brand, offering cooking enthusiasts with meal mixes and sauces for affordable and convenient home cooking. Fit 'n Right Fruit Snacks is expected to broaden the company's snack offering and stimulate fruit consumption among the largely untapped young adult segment. Food service sales are projected to continue expanding behind the Group's dominance in on-premise juice sales.

The exports business will continue to catch up and narrow the gap versus last year's performance. In India, with the successful Del Monte consumer marketing campaign launch at the end of May through the FieldFresh joint venture with the Bharti Group, the Del Monte brand is now available in 12 key cities and we expect the expansion of brand building investments through higher marketing and organizational expenses to support the expansion of the company's fruit drinks, packaged fruits, ketchup & sauces and Italian range products across more cities, tapping both modern trade and the foodservice sector. Continued business building investments in marketing and the processed foods organization will support this expansion. The fresh export business under the FieldFresh brand is now focused on corn and reflects a rationalised, more profitable product range. The fresh domestic segment will also focus on selected fresh fruits and vegetables which are more profitable and scalable. FieldFresh is not expected to contribute to the Group's bottom line in the near term as it is still building up scale.

S&W brand sales, both processed fruits and vegetables, as well as fresh pineapple, will continue to grow. Before the end of the third quarter, S&W's organization will be reinforced with key hires for critical positions.

Barring any unforeseen circumstances, Management expects earnings to be at least maintained at last year's level.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

1. By geographical segments

For the three months ended 30 June

In US$'000	**Asia Pacific**			**Europe and North America**			**Total**		
	2009	**2008**	**%**	**2009**	**2008**	**%**	**2009**	**2008**	**%**
Turnover	59,664	68,246	(12.6)	19,237	20,335	(5.4)	78,901	88,581	(10.9)
Gross Profit	15,736	19,704	(20.1)	3,714	1,222	203.9	19,450	20,926	(7.1)
Gross Margin (%)	*26.4*	*28.9*	*(2.5 ppt)*	*19.3*	*6.0*	*13.3 ppt*	*24.7*	*23.6*	*1.1 ppt*
Operating Profit	6,072	10,551	(42.5)	2,425	(219)	n/m	8,497	10,332	(17.8)
Op Margin (%)	*10.2*	*15.5*	*(5.3 ppt)*	*12.6*	*(1.1)*	*13.7 ppt*	*10.8*	*11.7*	*(0.9 ppt)*

For the six months ended 30 June

In US$'000	**Asia Pacific**			**Europe and North America**			**Total**		
	2009	**2008**	**%**	**2009**	**2008**	**%**	**2009**	**2008**	**%**
Turnover	105,733	119,670	(11.6)	33,533	40,603	(17.4)	139,266	160,273	(13.1)
Gross Profit	29,758	34,397	(13.5)	5,238	2,250	132.8	34,996	36,647	(4.5)
Gross Margin (%)	*28.1*	*28.7*	*(0.6 ppt)*	*15.6*	*5.5*	*10.1 ppt*	*25.1*	*22.9*	*2.2ppt*
Operating Profit	12,495	18,205	(31.4)	3,098	(214)	n/m	15,593	17,991	(13.3)
Op Margin (%)	*11.8*	*15.2*	*(3.4 ppt)*	*9.2*	*(0.5)*	n/m	*11.2*	*11.2*	*0.0 ppt*

ASIA PACIFIC

Second Quarter

Turnover in Asia Pacific, which accounted for 76% of the Group's turnover in the second quarter of 2009, declined 13% to US$59.7 million from US$68.2 million. The decline was primarily due to the foregone US$5.2 million in sales from Great Lakes which was divested on 30 September 2008 and lower sales to other Asia Pacific markets due to weak consumption.

Moreover, the 12% peso depreciation against the US dollar in the second quarter of 2009 versus the same period last year unfavourably impacted the translation of our Philippine market sales in peso to US dollar. Turnover for the Philippine market grew by 11% in peso terms, driven by the Fit 'n Right juice drink sales, but dipped by 2% in US dollar terms.

Stripping out the unfavourable forex impact on the Philippines and foregone Great Lakes turnover, sales would have been slightly higher by 4% versus year ago. Gross profit and operating income would have declined by a lower 8% and 27% respectively, instead of 20% and 43%.

First Half

Turnover in Asia Pacific, which accounted for 76% of the Group's turnover in the first half of 2009, dropped 12% to US$105.8 million from US$119.7 million, for the same reasons cited above. Great Lakes posted US$11.6 million in sales in the first half of 2008 which were foregone in 2009.

Philippine market's sales were higher by 15% in peso terms versus the same period last year. Without the effect of forex on the Philippine sales translation and foregone Great Lakes sales, Asia Pacific sales would have been slightly higher versus the same period last year.

Lower turnover led to a decline in gross profit and operating profit of 14% and 31%, respectively.

EUROPE AND NORTH AMERICA

Second Quarter

Turnover in Europe and North America accounted for 24% of Group turnover this quarter. It declined by 5% to US$19.2 million from US$20.3 million, primarily due to reduced volume of processed fruits and concentrate to Europe and North America, partially offset by better pricing.

However, gross profit increased more than threefold to US$3.7 million from US$1.2 million due to better pricing and the favourable impact of the peso depreciation on the translation of peso costs to US dollar. Operating profit turned around to US$2.4 million from a loss of US$0.2 million last year.

First Half

Accounting for 24% of total turnover for the first half of 2009, turnover for Europe and North America declined by 17% to US$33.5 million from US$40.6 million, for the same reasons mentioned above.

However, gross profit grew strongly to US$5.2 million from US$2.3 million due to better pricing and the favourable impact of the peso depreciation on the translation of peso costs to US dollar. Operating profit likewise improved to US$3.1 million from a loss of US$0.2 million in the same period last year.

Had it not been for the favourable impact of the peso depreciation, Europe and North America would have posted a much lower operating income of US$0.2 million.

2. By business segments

For the three months ended 30 June

In US$'000	Processed Products			Beverages			Non-processed Products			Total		
	2009	2008	%	2009	2008	%	2009	2008	%	2009	2008	%
Turnover	42,574	51,608	(17.5)	33,937	35,017	(3.1)	2,390	1,956	22.2	78,901	88,581	(10.9)
Gross Profit	8,890	12,108	(26.6)	9,530	8,347	14.2	1,030	471	118.7	19,450	20,926	*(7.1)*
Gross Margin (%)	20.9	*23.5*	*(2.6 ppt)*	28.1	*23.8*	*4.3 ppt*	43.1	*24.1*	*19.0 ppt*	24.7	*23.6*	*1.1 ppt*
Operating Profit	2,830	5,897	(52.0)	4,709	4,113	14.5	958	322	197.5	8,497	10,332	*(17.8)*
Op Margin (%)	*6.6*	*11.4*	*(4.8 ppt)*	*13.9*	*11.7*	*2.2 ppt*	*40.1*	*16.5*	*23.6 ppt*	*10.8*	*11.7*	*(0.9 ppt)*

For the six months ended 30 June

In US$'000	Processed Products			Beverages			Non-processed Products			Total		
	2009	2008	%	2009	2008	%	2009	2008	%	2009	2008	%
Turnover	74,334	91,476	(18.7)	61,012	65,962	(7.5)	3,920	2,835	38.3	139,266	160,273	(13.1)
Gross Profit	15,997	20,346	(21.4)	17,683	15,678	12.8	1,316	623	111.2	34,996	36,647	*(4.5)*
Gross Margin (%)	*21.5*	*22.2*	*(0.7 ppt)*	*29.0*	*23.8*	*5.2 ppt*	*33.6*	*22.0*	*11.6 ppt*	*25.1*	*22.9*	*2.2 ppt*
Operating Profit	5,676	10,293	(44.9)	8,551	6,885	24.2	1,366	813	68.0	15,593	17,991	*(13.3)*
Op Margin (%)	*7.6*	*11.3*	*(3.7 ppt)*	*14.0*	*10.4*	*3.6 ppt*	*34.8*	*28.7*	*6.1 ppt*	*11.2*	*11.2*	*0.0 ppt*

PROCESSED PRODUCTS

Second Quarter

Processed products, our largest product category, contributed 54% to Group turnover in the second quarter. This segment comprises of processed fruits and vegetables (pineapple, tropical mixed fruit, tomato-based products), and other processed products such as pasta and condiments. It also includes sales of S&W branded processed products and Del Monte branded processed products such as canned vegetable and deciduous fruits sourced from other Del Monte companies.

Turnover of processed product fell 18% to US$42.6 million from US$51.6 million due to lower volume across all categories given the weak consumption, compounded by the negative impact of the peso depreciation on the translation of Philippine sales from peso to US dollar.

Gross profit declined by 27% to US$8.9 million from US$12.1 million due to lower turnover while operating profit fell 52% to US$2.8 million from US$5.9 million.

First Half

For the first half of 2009, processed products, our largest product category, contributed 53% to Group turnover. Turnover fell 19% to US$74.3 million from US$91.5 million for the same reasons cited above.

Gross profit and operating profit subsequently declined by 21% and 45%, respectively.

BEVERAGES

Second Quarter

Beverages consist of juices, juice drinks and juice concentrates. This segment accounted for 43% of the Group's turnover in the second quarter of 2009, up from a 40% share in the prior year quarter.

Turnover of beverages decreased by 3% to US$33.9 million from US$35.0 million due to foregone sales of Great Lakes amounting to US$5.0 million, plus the unfavourable impact of the peso depreciation on Philippine sales' translation to US dollar. Meanwhile, Fit 'n Right juice drink sales in the Philippines sustained its strong performance in the second quarter.

Gross profit grew 14% to US$9.5 million while operating profit increased by 15% to US$4.7 million despite the lower turnover due to better pricing, the favourable impact of peso depreciation on cost translation plus the foregone operating losses of Great Lakes which amounted to US$0.2 million in the second quarter of 2008.

First Half

This segment accounted for 44% of the Group's turnover in the first half of 2009. Turnover for this segment declined by 8% to US$61.0 million from US$66.0 million due to foregone Great Lakes sales of US$11.2 million. Stripping this out, beverage sales would have been up by 11% in the first half of 2009.

Gross profit and operating profit improved by 13% and 24%, respectively, despite the lower turnover due to the favourable impact of the peso depreciation on cost translation plus the foregone operating losses of Great Lakes which amounted to US$0.7 million in the first half of 2008.

NON-PROCESSED

Second Quarter

Accounting for 3% of the Group's turnover in the second quarter of 2009, non-processed products consist mainly of fresh pineapples and the non-core cattle business - both sold only in Asia Pacific. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals.

Turnover of this segment grew 22% to US$2.4 million from US$2.0 million due to the strong sales of fresh pineapples which offset declines in cattle sales.

Gross profit more than doubled to US$1.0 million while operating profit almost tripled to US$1.0 million with the higher volume and prices of fresh pineapple, and some favourable IAS 41 adjustments.

First Half

Non processed products accounted for 3% of the Group's turnover in the first half of 2009. Turnover of this segment rose 38% to US$3.9 million from US$2.8 million due to higher volume and better prices of fresh pineapples.

Gross profit more than doubled on the back of higher turnover while operating profit soared 68% to US$1.4 million from US$0.8 mainly due to higher turnover and favourable IAS 41 adjustments.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	**For the three months ended 30 June**			**For the six months ended 30 June**		
	2009	**2008**	**Comments**	**2009**	**2008**	**Comments**
Cost of Goods Sold	**75.3**	76.4	Down due to favourable impact of the 12% peso depreciation on cost which offset higher cost	74.9	77.1	Same as 2Q and 15% peso depreciation
Distribution and Selling Expenses	**6.7**	5.2	Higher organisational expenses and timing of promo spend	**6.4**	6.0	Same as 2Q
G&A Expenses	**6.1**	6.3	Forex impact and absence of admin expense of Chinese subsidiary	**6.7**	5.9	Primarily due to lower sales base. Absolute amount was flat.
Other Operating Expenses	**1.1**	0.4	Higher other expenses coupled with lower miscellaneous income	**0.9**	(0.3)	Same as 2Q and streamlining costs of US$0.3 million in the first quarter 2009

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

In US$'000	**For the three months ended 30 June**				**For the six months ended 30 June**			
	2009	**2008**	**%**	**Comments**	**2009**	**2008**	**%**	**Comments**
Depreciation and amortization	**(1,967)**	(2,402)	(18.1)	Due to lower level of capex and disposal of Abpak in 4Q of 2008	**(3,838)**	(4,918)	(22.0)	Same as 2Q
Interest income	**194**	313	(38.0)	Due to decline in cash	**432**	802	(46.1)	Same as 2Q
Interest expense	**(1,655)**	(952)	73.8	Higher borrowings undertaken by the Group's Philippine subsidiary to meet its working capital requirements	**(2,949)**	(1,760)	67.6	Same as 2Q
FX (loss) / gain	**(139)**	(1,814)	(92.3)	No more forward hedging losses in 2Q09	**(755)**	(917)	(17.7)	Last hedging loss in January 2009
Share of loss of JV, net of tax	**(1,046)**	(842)	24.2	41.6% stake in FieldFresh India, acquired in Sept. 2007	**(1,808)**	(1,674)	8.0	Same as 2Q
Taxation	**(786)**	(1,457)	(46.1)	Due to lower taxable income in certain tax jurisdiction	**(1,369)**	(2,836)	(51.7)	Same as 2Q

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances ***in US$'000***	**30 June 2009**	**30 June 2008**	**31 Dec 2008**	**Comments**
Joint venture	23,810	21,893	23,374	Capital call net of equity losses
Intangible assets	17,420	25,103	17,693	Removal of goodwill upon disposal of China subsidiary
Other assets	13,630	11,140	9,189	Higher advances to landowners for long-term leases of agricultural land
Biological assets	67,628	56,396	55,084	Higher deferred growing crop costs and livestock
Inventories	100,999	63,103	81,045	Higher levels of finished goods, tomato paste and tinplate amidst slowing demand
Trade and other receivables	54,531	59,866	85,072	Higher trade receivables level at year end due to seasonally strong 4Q
Cash and cash equivalents	7,124	16,566	7,862	Working capital requirement
Deferred tax liabilities	1,939	338	1,694	lower as at June2008 due to deferred tax asset on unrealized forex hedging loss charged to equity
Financial liabilities – non-current	15,192	734	116	Incurrence of long-term borrowings in the Philippines
Financial liabilities – current	101,382	70,844	71,665	Higher borrowings in the Philippines for working capital requirements
Trade and other payables	36,673	49,202	65,439	Lower due to timing of payment and lower purchases due to higher inventory levels of key materials
Current tax liabilities	628	775	2,197	Lower taxable income of taxable entity

SHARE CAPITAL

Total shares outstanding remain at 1,081,781,194 as of 30 June 2009, same as at 30 June 2008 and 31 December 2008. Share capital remains at US$10.8 million.

A total of 1,550,000 Market Price Options and 1,725,000 share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan, respectively, on 7 March 2008. In the Annual General Meeting held on 28 April 2008, the shareholders approved the grant of 1,611,000 shares to the Group's Managing Director and CEO, Joselito D. Campos, Jr. On 12 May 2009, the Company granted another 6,392,000 share awards to Key Executives. They remain outstanding as at 30 June 2009. No new shares had been issued as a result thereof.

The Company did not hold any treasury shares as at 30 June 2009 (30 June 2008: nil) and there was no sale, transfer, disposal, cancellation and/or use of treasury shares during the period and as at 30 June 2009.

BORROWINGS AND NET DEBT

Liquidity in US$'000	**30 June 2009**	**30 June 2008**	**31 Dec 2008**
Gross borrowings	116,461	70,610	70,619
Current	101,382	70,610	70,619
Secured	-	-	-
Unsecured	101,382	70,610	70,619
Non-current	15,079	-	-
Secured	-	-	-
Unsecured	15,079	-	-
Less: Cash and bank balances	7,124	16,566	7,862
Net debt	(109,337)	(54,044)	(62,757)

The Group's net debt (cash and bank balances less borrowings) amounted to US$109.3 million as at 30 June 2009 as compared to a net debt of only US$54.0 million as at 30 June 2008 and US$62.8 million as at year-end 2008, largely due to working capital requirements, particularly the inventories, and the additional capital injection into the FieldFresh joint venture.

In the cash flow, cash obtained from financing activities increased in the second quarter and first half of 2009 by US$2.3 million and 11.1 million, respectively as a result of increased borrowing undertaken for working capital requirements of the Philippine subsidiary.

DIVIDENDS

	For the six months ended 30 June	
	2009	**2008**
Name of dividend	Interim Ordinary	Interim Ordinary
Type of dividend	Cash	Cash
Rate of dividend	US$ 0.0063 per ordinary share (tax not applicable)	US$ 0.0080 per ordinary share (tax not applicable)
Par value of shares	US$0.01	US$0.01
Tax rate	Nil	Nil
Book closure date	25 August 2009	15 August 2008
Payable date	10 September 2009	28 August 2008

The Register of Members and Register of Transfers of the Company will be closed on 25 August 2009 for the purpose of determining shareholders' entitlements to dividends. Registrable Transfers received by the Company's Share Transfer Agent, Lim Associates (Pte) Ltd at 3 Church Street #08-01, Samsung Hub, Singapore 049483 by 5.00 pm on 24 August 2009 will be registered before entitlements to the dividend are determined.

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 three months ended 30 June**	**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)**	
	2009	**2008**	**2009**	**2008**
	NIL	NIL	**NIL**	NIL

In US$'000 **For the six months ended 30 June**	**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)**	
	2009	**2008**	**2009**	**2008**
	NIL	NIL	**NIL**	NIL

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	**For the three months ended 30 June**			**For the six months ended 30 June**		
	2009	**2008**	**%**	**2009**	**2008**	**%**
Turnover	**78,901**	88,581	**(10.9)**	**139,266**	160,273	**(13.1)**
Cost of sales	**(59,451)**	(67,655)	**(12.1)**	**(104,270)**	(123,626)	**(15.7)**
Gross profit	**19,450**	20,926	**(7.1)**	**34,996**	36,647	**(4.5)**
Distribution and selling expenses	**(5,313)**	(4,646)	**14.4**	**(8,889)**	(9,572)	**(7.1)**
General and administration expenses	**(4,804)**	(5,569)	**(13.7)**	**(9,268)**	(9,485)	**(2.3)**
Other operating (expenses)/income	**(836)**	(379)	**120.6**	**(1,246)**	401	**(410.7)**
Profit from operations	**8,497**	10,332	**(17.8)**	**15,593**	17,991	**(13.3)**
Financial income**	**194**	313	**(38.0)**	**432**	802	**(46.1)**
Financial expense**	**(1,794)**	(2,766)	**(35.1)**	**(3,704)**	(2,677)	**38.4**
Net finance income/(expense)	**(1,600)**	(2,453)	**(34.8)**	**(3,272)**	(1,875)	**74.5**
Share of loss of joint venture, net of tax	**(1,046)**	(842)	**24.2**	**(1,808)**	(1,674)	**8.0**
Profit before taxation	**5,851**	7,037	**(16.9)**	**10,513**	14,442	**(27.2)**
Taxation	**(786)**	(1,457)	**(46.1)**	**(1,369)**	(2,836)	**(51.7)**
Profit after taxation	**5,065**	5,580	**(9.2)**	**9,144**	11,606	**(21.2)**
Notes:						
Depreciation and amortisation	**(1,967)**	(2,402)	**(18.1)**	**(3,838)**	(4,918)	**(22.0)**
Provision for asset impairment	**21**	26	**(19.2)**	**42**	53	**(20.8)**
Provision for inventory obsolescence	**(183)**	(255)	**(28.2)**	**(1,051)**	(722)	**45.6**
Provision for doubtful debts	**(915)**	(364)	**151.4**	**(1,254)**	(571)	**119.6**
Gain/(Loss) on disposal of fixed assets	**74**	42	**76.2**	**114**	45	**153.3**
****Financial income comprise:**						
Interest income	**194**	313	**(38.0)**	**432**	802	**(46.1)**
Foreign exchange gain	**-**	-	-	**-**	-	**-**
	194	313	**(38.0)**	**432**	802	**(46.1)**
****Financial expense comprise:**						
Interest expense	**(1,655)**	(952)	**73.8**	**(2,949)**	(1,760)	**67.6**
Foreign exchange loss	**(139)**	(1,814)	**(92.3)**	**(755)**	(917)	**(17.7)**
	(1,794)	(2,766)	**(35.1)**	**(3,704)**	(2,677)	**38.4**

n/m – not meaningful

Earnings per ordinary share in US cents	**For the three months ended 30 June**		**For the six months ended 30 June**	
	2009	**2008**	**2009**	**2008**
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	0.47	0.52	0.85	1.07
(ii) On a fully diluted basis	0.47	0.52	0.85	1.07

DEL MONTE PACIFIC LIMITED
STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the Six Months Ended 30 June**		
	2009	**2008**	**%**
Profit for the year	**9,144**	11,606	(21.2)
Other comprehensive income (after reclassification adjustment):			
Exchange differences on translating of foreign operations	**(1,097)**	(14,656)	(92.5)
Changes in fair value of forward contracts	**884**	(3,711)	n/m
Value of employee services required for issue of share options	**236**	171	38.0
Income tax relating to components of other comprehensive income			
- *Changes in fair value of forward contracts*	**(265)**	1,113	n/m
Other comprehensive income for the year, net of tax	**(242)**	(17,083)	(98.6)
Total comprehensive income for the year	**8,902**	(5,477)	n/m

DEL MONTE PACIFIC LIMITED
STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	**Group**			**Company**		
	30 Jun 2009 Unaudited	**30 Jun 2008 Unaudited**	**31 Dec 2008 Audited**	**30 Jun 2009 Unaudited**	**30 Jun 2008 Unaudited**	**31 Dec 2008 Audited**
Non-Current Assets						
Property, plant and equipment	65,217	62,334	66,474	-	-	-
Subsidiaries		-	-	76,707	84,540	76,707
Joint venture	23,810	21,893	23,374	-	-	-
Intangible assets	17,420	25,103	17,693	-	-	-
Other assets	13,630	11,140	9,189	-	-	-
	120,077	120,470	116,730	76,707	84,540	76,707
Current assets						
Inventories	100,999	63,103	81,045	-	-	-
Biological assets *	67,628	56,396	55,084	-	-	-
Trade and other receivables	54,531	59,866	85,072	42,696	45,969	42,982
Cash and cash equivalents	7,124	16,566	7,862	9	15	14
	230,282	195,931	229,063	42,705	45,984	42,996
Total Assets	350,359	316,401	345,793	119,412	130,524	119,703
Equity attributable to equity holders of the Company						
Share capital	10,818	10,818	10,818	10,818	10,818	10,818
Reserves	183,727	183,690	193,864	82,853	80,817	71,400
Total Equity	194,545	194,508	204,682	93,671	91,635	82,218
Non-Current Liabilities						
Deferred tax liabilities	1,939	338	1,694	-	-	-
Financial liabilities	15,192	734	116	-	-	-
	17,131	1,072	1,810	-	-	-
Current Liabilities						
Trade and other payables	36,673	49,202	65,439	17,360	30,508	29,104
Financial liabilities	101,382	70,844	71,665	8,381	8,381	8,381
Current tax liabilities	628	775	2,197	-	-	-
	138,683	120,821	139,301	25,741	38,889	37,485
Total Liabilities	155,814	121,893	141,111	25,741	38,889	37,485
Total Equity and Liabilities	350,359	316,401	345,793	119,412	130,524	119,703
NAV per ordinary share (US cents)	17.98	17.98	18.92	8.66	8.47	7.60

* Biological assets consist of deferred growing crops and livestock.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

THE GROUP

Amounts in US$'000	Share Capital	Share premium	Share Option reserve	Translation reserves	Asset revaluation reserves	Hedging reserves*	Revenue reserves	Total Equity
	Attributable to equity holders of the parent							
As at 1 January 2008	10,818	68,687	-	(31,591)	3,513	-	169,653	221,080
Total comprehensive income for the year	-	-	171	(14,656)	-	(2,598)	11,606	(5,477)
Tax-exempt final dividend paid of 1.95 US cents per share in respect of 2007	-	-	-	-	-	-	(21,095)	(21,095)
As at 30 June 2008	10,818	68,687	171	(46,247)	3,513	(2,598)	160,164	194,508
As at 1 January 2009	10,818	68,687	486	(54,989)	3,368	(619)	176,931	204,682
Total comprehensive income for the year	-	-	236	(1,097)	-	619	9,144	8,902
Tax-exempt final dividend paid of 1.76 US cents per share in respect of 2008							(19,039)	(19,039)
As at 30 June 2009	10,818	68,687	722	(56,086)	3,368	-	167,036	194,545

* In February 2008, the Company's Philippine subsidiary entered into a non deliverable peso/US$ forward contract due January 2009 at an average forward settlement rate of P41.323/US$. Under the "International Accounting Standard 39 on Financial Instruments: Recognition and Measurement", the Group is required to mark to market its contracted forward rate against the latest forward rate. The Group has no outstanding forward contract as at 30 June 2009.

THE COMPANY

Amounts in US$'000	Share capital	Share Premium	Share Option reserve	Revenue reserves	Total
As at 1 January 2008	10,818	68,826	-	1,580	81,224
Total comprehensive income for the year	-	-	171	31,335	31,506
Tax-exempt final dividend paid of 1.95 US cents per share in respect of 2007	-	-	-	(21,095)	(21,095)
As at 30 June 2008	10,818	68,826	171	11,820	91,635
As at 1 January 2009	10,818	68,826	486	2,088	82,218
Total comprehensive income for the year	-	-	236	30,256	30,492
Tax-exempt final dividend paid of 1.76 US cents per share in respect of 2008	-	-	-	(19,039)	(19,039)
As at 30 June 2009	10,818	68,826	722	13,305	93,671

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 30 June**		**For the six months ended 30 June**	
	2009 Unaudited	**2008 Unaudited**	**2009 Unaudited**	**2008 Unaudited**
Operating activities				
Net profit attributable to shareholders	5,065	5,580	9,144	11,606
Adjustments for:				
Amortisation of intangible assets	131	167	273	335
Depreciation of property, plant and equipment	1,836	2,235	3,565	4,583
Provision for asset impairment	(21)	(26)	(42)	(53)
Provision for inventory obsolescence	183	255	1,051	722
Provision for doubtful debts	915	364	1,254	571
Gain/(Loss) on disposal of fixed assets	(74)	(42)	(114)	(45)
Share of profit of joint venture, net of tax	1,046	842	1,808	1,674
Equity-settled share-based payment transactions	68	141	236	171
Income tax expense	786	1,457	1,369	2,836
Operating profit before working capital changes	9,935	10,973	18,544	22,400
Other assets	(1,388)	(1,744)	(4,542)	(4,831)
Inventories	3,312	(2,236)	(21,892)	(8,425)
Biological assets	(5,835)	(1,464)	(13,149)	(3,500)
Trade and other receivables	13,869	(14,781)	33,954	(3,566)
Trade and other payables	(13,314)	18,526	(30,663)	(5,344)
Operating cash flow	6,579	9,274	(17,748)	(3,266)
Income taxes paid	(2,540)	(3,996)	(2,909)	(4,290)
Cash flows from / (used in) operating activities	4,039	5,278	(20,657)	(7,556)
Investing activities				
Interest received	221	334	406	810
Proceeds from disposal of property, plant and equipment	75	74	1,249	151
Additional investment in joint venture	(1,894)	(781)	(2,244)	(1,584)
Purchase of property, plant and equipment	(2,202)	(1,785)	(4,101)	(2,879)
Cash flows used in investing activities	(3,800)	(2,158)	(4,690)	(3,502)
Financing activities				
Interest paid	(1,598)	(745)	(2,943)	(1,575)
Proceeds from borrowings	5,627	2,700	46,512	36,421
Repayment of finance lease liabilities	26	(227)	(58)	(395)
Dividends paid	-	-	(19,039)	(21,095)
Cash flows from / (used in) financing activities	4,055	1,728	24,472	13,356
Net increase / (decrease) in cash and cash equivalents	4,294	4,848	(875)	2,298
Cash and cash equivalents at beginning of year	2,414	10,814	7,862	14,958
Effect of exchange rate changes on cash and cash equivalents	416	904	137	(690)
Cash and cash equivalents, end of period	7,124	16,566	7,124	16,566