



Del Monte Pacific Limited

First Quarter 2013 Results

30 April 2013



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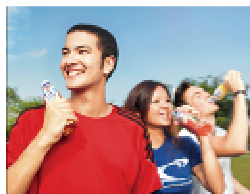
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Executive Summary



DEL MONTE PACIFIC FIRST QUARTER HIGHER SALES DRIVEN BY BRANDED BUSINESS

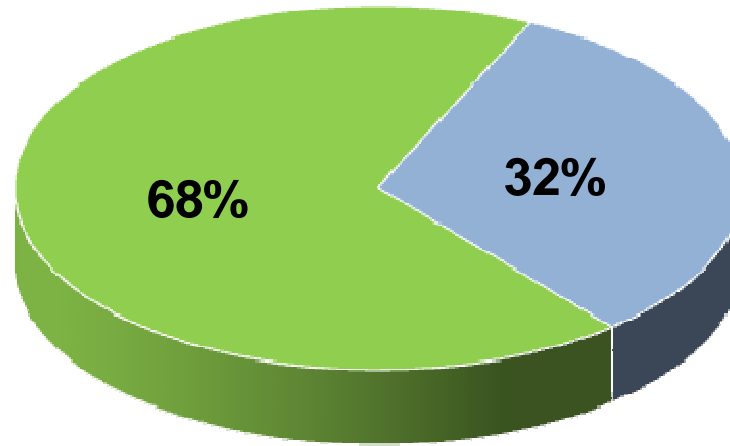
- 1Q sales up 17% to US\$87m driven by branded business which grew at a higher rate of 27%
- Operating profit of branded segment increased by 58%
- Strong consumer preference for Del Monte branded products in the Philippines and S&W for fresh in Asia
- Net profit grew 2% to US\$4.5m, impacted by weak demand in non-branded business
- Branded business contribution to Group sales increased to 68%



First Quarter 2013

In US\$m	1Q 2012	1Q 2013	Chg (%)	Comments
Turnover	74.7	87.4	+17.0	Higher sales due to branded business mainly the Philippines and S&W fresh
Gross profit	17.6	19.8	+12.2	Higher volume and better sales mix offset higher logistics cost
Operating profit	8.6	7.8	-7.3	Weak performance in non branded segment and higher A&P spending due to change in skewing
Finance inc/(exp)	(1.2)	(0.3)	-71.5	Higher FX gains
Share of loss	(1.7)	(1.1)	-35.0	Lower loss in affiliate, FieldFresh India
Tax	(1.3)	(2.0)	+57.5	Higher tax
Net profit attributable to owners	4.4	4.5	+2.0	Higher branded performance more than offset weakness in non branded segment
Net debt	(120.2)	(149.6)	+24.4	Higher working capital requirements
Gearing (%)	53.8	62.1	+8.3ppts	Same as above

1Q Turnover Analysis



- Branded
- Non Branded

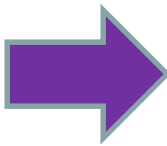
Branded	+27.1%	<ul style="list-style-type: none"> • Growth across major product categories in the Philippines – processed fruit, culinary and canned beverage segments; as well as strong sales of S&W branded fresh business
Non Branded	+0.1%	<ul style="list-style-type: none"> • Weak demand in export markets, in particular canned fruits plus significantly lower pineapple concentrate prices at US\$1,275 per ton from over US\$1,600 per ton in the same period last year due to excess pineapple supply from Thailand



Philippine Market 1Q 2013 Updates

- Sales of processed fruit, culinary and canned beverage in the Philippines continued their strong momentum, up 34% YoY
- Buoyant domestic economy led to higher volume
- Aggressive advertising (changed A&P timing to spend more in 1Q instead of 2H to start brand building early in the year) supported by traditional media and digital platform, and strong in-store execution





DEL MONTE KITCHENOMICS TOPS SOCIAL MEDIA BRANDS IN THE PHILIPPINES!

Del Monte Kitchenomics is now the **most engaging brand on Facebook in the Philippines** and is one of the **top 5 most socially devoted brands***

Top 5 Facebook Brands by Post Engagement Rate

Average Post Engagement Rate **0.219 %**

		Monthly Change in Engagement Rate	Engagement Rate
1	Del Monte Kitchenomics	⬇️ 17 %	1.0424 %
2	Surf Philippines	⬇️ 3 %	0.9755 %
3	Paddle Pop Philippines	⬇️ 34 %	0.9676 %
4	Johnnie Walker Philippines	⬆️ 14 %	0.7032 %
5	ALPO Philippines	⬆️ 109 %	0.6808 %

Top 5 Socially Devoted Facebook Brands

Average Response Rate **34.75 %**

		Response Time	Response Rate	Answered minus unanswered questions
1	Cebu Pacific Air	95 Min	88 %	546
2	Pepsi Philippines	751 Min	95 %	73
3	Philippine Airlines	106 Min	68 %	48
4	Del Monte Kitchenomics	541 Min	93 %	39
5	Converse Philippines	574 Min	69 %	20

*Based on social media study conducted by <http://www.socialbakers.com>



BE A FAN NOW TO BE PART OF THE MOST ACTIVE FACEBOOK COMMUNITY IN THE PHILIPPINES!



<https://www.facebook.com/DelMonteKitchenomics>



S&W 1Q 2013 Updates

- S&W fresh sales +20% driven by Japan, Middle East and Singapore
- Inroads into the Japanese wholesale and retail markets
- Brand building with sampling activities in key markets of Korea, Japan and China
- S&W processed sales down due to delays in product listings by Middle East distributors and competition in the canned beverage and fruit categories
- Working with the distributors to address this and expect better performance in the coming quarters
- To launch new products in key markets



Outdoor roving sampling of S&W canned juices in Singapore's CBD



India 1Q 2013 Updates

- Higher Del Monte branded processed sales
- Better sales mix, reduced overhead and tighter management of expenses
- As a result, the group recognised an equity loss of US\$1.1m, lower than prior year quarter's US\$1.7m





1Q Margins



%
Margin

30

20

10

0

Gross margin ↓

- Lower PJC price and higher logistics cost

Operating margin ↓

- Losses in the non-branded segment and higher A&P spend in the Philippines due to change in timing

Net margin ↓

- Same as operating margin but offset by lower loss in Indian affiliate

23.6 22.6

11.5 9.1

5.9 5.2

Gross margin

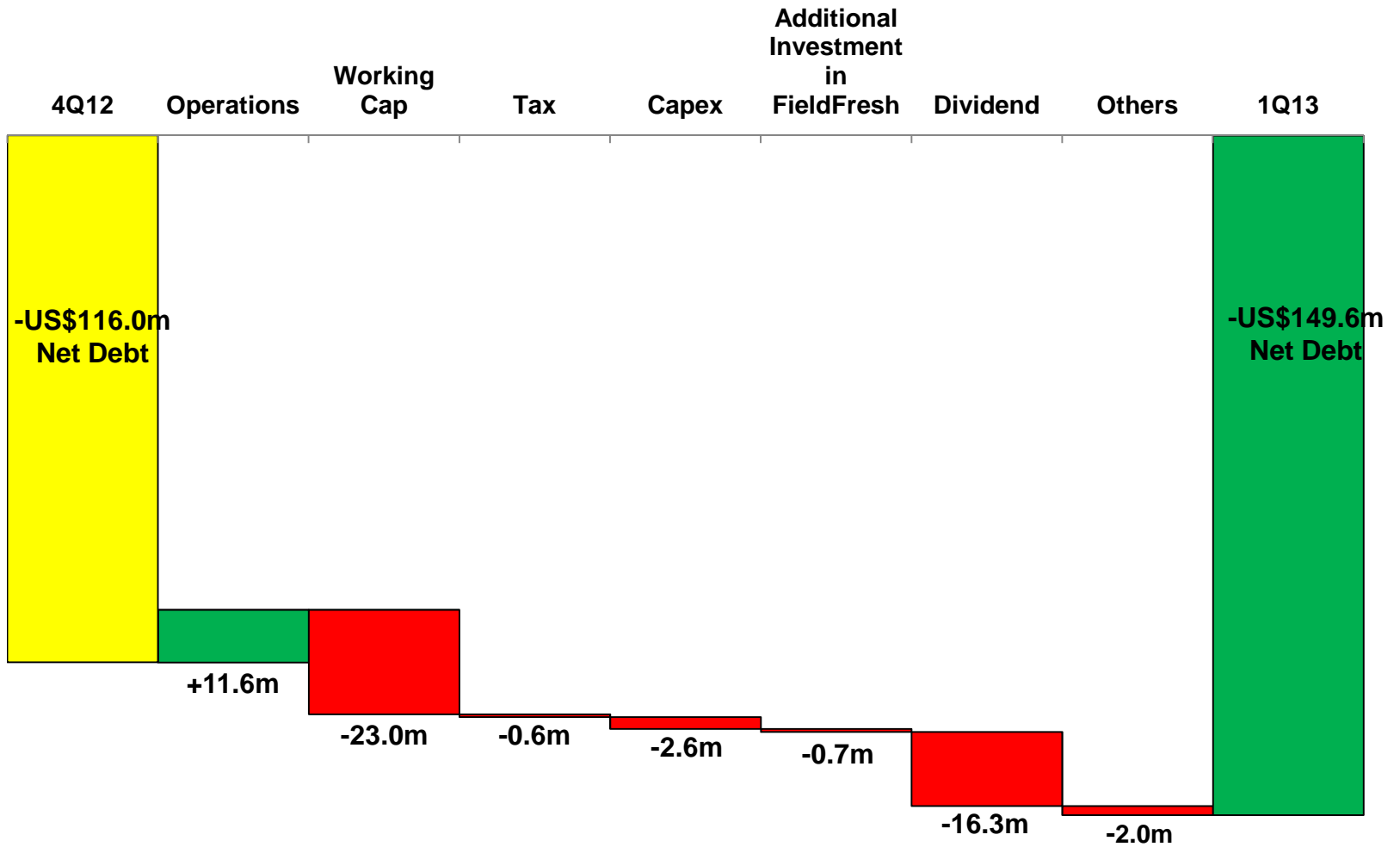
Operating margin

Net margin

● 1Q12 ● 1Q13



1Q Cash Flow Variance Analysis



Bonus Share Issue



- On 27 February 2013, declared bonus issue of 2 bonus shares for every 10 existing shares
- To increase liquidity and to reward shareholders for their continuing support
- Bonus shares credited to shareholders' account on 19 April 2013 and started trading on the same day
- Details are contained in a separate announcement dated 18 April 2013 "Change in Capital: Bonus Issue".

Subsequent Event



- Seeking a secondary listing on the Philippine Stock Exchange (PSE), subject to, among others, the approval of the PSE and relevant authorities.
- Please refer to the announcement dated 24 April 2013 “Proposed Secondary Listing on the Philippine Stock Exchange” for more details.



Outlook



- Barring unforeseen circumstances, the Group expects to improve earnings in 2013 driven by the branded business
 - deepening penetration in existing markets through improved trade coverage and advertising
 - entry into new markets, and
 - shifting to higher-margin branded products (a key initiative is to shift the industrial PJC business into branded ready-to-drink beverage by increasing production capacity in 2H 2013)
- The Group remains challenged in the export markets with low PJC prices and weak demand. The Group is actively addressing this by:
 - cutting back on tonnage
 - shifting volume to stronger markets and
 - growing sales of more value-added products
- Continues to implement operational efficiencies, procurement savings and active cost management
- To shift revenue mix over a period of time towards more branded sales to deliver higher margins and more sustainable profits

Del Monte Philippines Products



S&W Asia Products

