



**DEL MONTE PACIFIC LIMITED**

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## **Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the First Quarter Ended July 2015**

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### **AUDIT**

First Quarter FY2016 results covering the period from 1 May 2015 to 31 July 2015 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. The Group will adopt the following new or revised standards and amendments to standards on the respective effective dates:

- IFRS 9 Financial Instruments. IFRS 9 effective 1 January 2018
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) effective 1 January 2016
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2017
- 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

## **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.

## **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

3 September 2015

## NOTES ON THE 1Q FY2016 DMPL RESULTS

1. DMPL changed its financial-year end to 30 April from 31 December to align with that of its US subsidiary, Del Monte Foods, Inc (DMFI). The first quarter of the Company is now 1 May to 31 July.
2. DMFI's financial results have been consolidated in DMPL's financials since the acquisition was made on 18 February 2014.
3. DMFI's financial statements are based on US GAAP, while DMPL's are based on IFRS. DMFI's financial statements were converted to IFRS for consolidation purposes.
4. 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.
5. FY would mean Fiscal Year for the purposes of this MD&A.

## FINANCIAL HIGHLIGHTS – FIRST QUARTER ENDED 31 JULY 2015

in US\$'000 unless otherwise stated <sup>†</sup>	For the three months ended 31 July		
	Fiscal Year 2016	Fiscal Year 2015	% Change
Turnover	472,786	445,642	6.1
Gross profit	93,752	70,733	32.5
Gross margin (%)	19.8	15.9	3.9ppts
Operating profit / (loss)	216	(12,101)	101.8
Net loss attributable to owners of the Company	(12,020)	(21,896)	(45.1)
EPS (US cents)	(0.74)	(1.69)	(56.2)
Net debt	(1,858,978)	(1,833,232)	1.4
Gearing** (%)	595.6	791.5	(195.9ppts)
Cash flow/(outflow) from operations	(145,923)	14,716	nm
Capital expenditure	9,796	16,377	(40.2)
Inventory (days)	219	204	15
Receivables (days)	26	26	-
Account Payables (days)	44	37	7

<sup>†</sup>The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.34 in July 2015, 1.25 in July 2014. For conversion to PhP, these exchange rates can be used: 44.74 in July 2015, 44.77 in July 2014.

\*\*Gearing = Net Debt / Equity

## REVIEW OF OPERATING PERFORMANCE

The Group achieved sales of US\$472.8 million for the first quarter of FY2016, up 6% over the prior year period. DMFI generated US\$373.5 million or 79% of Group sales. DMFI's sales inclusive of its recently acquired Sager Creek Vegetable Company's vegetable business ("Sager Creek") improved by 10%. Without Sager Creek, DMFI's sales grew by 2%. DMFI's sales were constrained by tight supply for green beans, and certain fruit and tomato products primarily as a result of higher than anticipated positive consumer response from the corrective marketing actions implemented earlier on such as reverting to the classic Del Monte label in October 2014.

DMFI market share across core retail segments maintained their strength as DMFI further developed partnerships with key retailers through investments in effective marketing and innovation.

Meanwhile, DMPL ex-DMFI sales were impacted by reduced pineapple supply as a result of the El Niño weather pattern which led to decreased exports of packaged pineapple both under the S&W brand and non-branded business. DMPL's base business generated sales of US\$109.9 million (inclusive of the US\$10.6 million sales by DMPL to DMFI which were netted out during consolidation), lower by 9%.

However, the Philippine market which sells not just packaged pineapple but also packaged mixed fruit, beverage and culinary products, continued to grow by 7%, driven primarily by increased demand for packaged mixed fruit and beverage. Sales of juices in Tetra format were up versus the prior year period.

Moreover, sales of the S&W branded business in Asia and the Middle East rose 10% in the first quarter mainly due to the strong performance of the fresh segment which offset weakness in the packaged segment as a result of the constrained supply.

DMPL's share of loss in the FieldFresh joint venture in India was lower at US\$0.4 million from US\$0.6 million in the prior year period due to the robust performance of Del Monte packaged business, primarily led by improved volume in canned juice, olive oil and pasta. Higher sales and production efficiencies resulted to FieldFresh generating a positive EBITDA for the quarter.

The DMPL Group achieved an operating profit of US\$0.2 million, a turnaround from the US\$12.1 million operating loss last year burdened by non-recurring and acquisition-related expenses. Despite lower sales, DMPL ex-DMFI generated higher gross margin due to tight cost management.

The El Niño weather pattern is not expected to abate in the second half of the fiscal year which will continue to impact the Group's pineapple supply. In light of this, the Group has embarked on mitigating measures in the field such as continuous enforcement of land preparation activities and reinforcing root health, among others. The Group will continue to closely monitor the situation and execute mitigating plans accordingly. Meanwhile, the Group will continue its proactive cost management across all other areas to make up for higher pineapple costs resulting from El Niño.

DMFI generated higher gross margin and higher gross profit in the first quarter, but due to this quarter being its seasonally slowest quarter accounting for only 18-20% of full year sales as well as SAP expenses, it incurred an operating loss. DMFI is expected to generate an operating profit and a net profit for FY2016.

Aside from the seasonal sales contribution, cash flow for the first quarter is lower due to the seasonal production cycle where this quarter's working capital builds up through the end of the second quarter in October. 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.

The DMPL Group incurred a lower net loss of US\$12.0 million for the quarter, versus prior year period's loss of US\$21.9 million. This quarter's loss of US\$12.0 million included US\$1.8 million expenses from the SAP implementation at DMFI and the Sager Creek acquisition.

The Group's cash outflow from operations in the first quarter was US\$145.9 million driven by inventory build-up in preparation for the seasonally stronger second semester.

Approximately US\$150 million of short-term bridge financing has been repaid by DMPL using the proceeds from the oversubscribed Rights Issue in March 2015. Meanwhile, US\$350 million of short-term bridge financing has been extended for up to two years.

## **VARIANCE FROM PROSPECT STATEMENT**

The first quarter results showed a net loss but the Group expects to generate net profit for the balance of the year. It is on track to achieving a net profit for the full year which is in line with earlier guidance.

## BUSINESS OUTLOOK

In the coming quarters, the Group's US subsidiary will continue to deliver increasingly differentiated value, prioritise promotion in critical consumption windows, pursue meaningful category innovation, and unlock growth potential across brands, channels and geographies in its core business in packaged vegetable, fruit, tomato and broth. It will also accelerate foodservice growth and expand its retail portfolio through the Sager Creek specialty vegetable business, and continue to grow the ethnic Asian market near term.

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

The Group has successfully laid a solid foundation from which it will execute its growth plans in the coming quarters. Barring unforeseen circumstances, it expects to return to profitability in FY2016 which will generate more free cash flow to allow it to deleverage further.

## REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

### AMERICAS

#### For the three months ended 31 July

In US\$'000	Net Sales			Gross Profit			Operating Profit/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit and vegetable	304,468	261,112	16.6	58,919	34,715	69.7	(3,320)	(13,062)	(74.6)
Beverage	6,646	7,442	(10.7)	934	119	nm	(421)	(882)	(52.3)
Culinary	62,448	54,668	14.2	9,364	5,772	62.2	(4,161)	(8,287)	(49.8)
Others	10	19,077	(99.9)	(3)	5,243	nm	(1,393)	259	nm
Total	373,572	342,299	9.1	69,214	45,849	51.0	(9,295)	(21,972)	(57.7)

Reported under the Americas segment are sales and profit on sales in North and South America, and Canada. 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 food service industry and other food processors.

Sales in the Americas grew by 9% to US\$373.6 million due to higher packaged fruit and vegetable (F&V) sales arising from the consolidation of DMFI's recently acquired Sager Creek Vegetable Company, as well as higher culinary sales.

Ex-Sager Creek, DMFI's packaged F&V business faced a tight supply for green beans, and certain fruit and tomato products primarily as a result of higher than anticipated positive consumer response from the corrective marketing actions implemented earlier on such as reverting to the classic Del Monte label in October 2014.

Beverage sales were down on lower pineapple juice concentrate exports due to reduced pineapple supply as a result of the El Niño weather pattern. The others category showed a steep decline as DMFI deconsolidated its Venezuela subsidiary in March 2015 and wrote off its assets and its remaining net investment in the Venezuelan business amid unstable economic conditions and additional currency devaluation.

DMFI generated higher gross profit in the first quarter, but due to this quarter being its seasonally slowest quarter accounting for only 18-20% of full year sales and SAP expenses, it incurred an operating loss.

## ASIA PACIFIC

### For the three months ended 31 July

In US\$'000	Net Sales			Gross Profit			Operating Profit		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit and vegetable	19,739	21,531	(8.3)	3,293	3,932	(16.3)	203	713	(71.5)
Beverage	33,935	30,889	9.9	8,380	7,241	15.7	3,368	2,884	16.8
Culinary	23,341	23,045	1.3	8,382	8,459	(0.9)	3,439	3,632	(5.3)
Fresh fruit and others	17,003	20,062	(15.2)	3,845	4,650	(17.3)	2,319	2,692	(13.9)
Total	94,018	95,527	(1.6)	23,900	24,282	(1.6)	9,329	9,921	(6.0)

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 first quarter decreased by 2% to US\$94.0 million from US\$95.5 million on lower packaged and fresh pineapple sales due to reduced pineapple supply as a result of the El Niño weather pattern.

The Philippine market which sells not just packaged pineapple but also packaged mixed fruit, beverage and culinary products, continued to grow by 7%, driven primarily by increased demand for packaged mixed fruit and beverage. Sales of juices in Tetra format were up versus the prior year period.

## EUROPE

### For the three months ended 31 July

In US\$'000	Net Sales			Gross Profit			Operating Profit/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit and vegetable	4,350	6,007	(27.6)	743	599	24.0	360	94	283.0
Beverage	846	1,809	(53.2)	(105)	3	nm	(178)	(144)	23.6
Total	5,196	7,816	(33.5)	638	602	6.0	182	(50)	464.0

Included in this segment are sales of unbranded products in Europe. For the first quarter, Europe's sales declined by 34% to US\$5.2 million from US\$7.8 million on lower packaged pineapple and pineapple juice concentrate sales due to reduced pineapple supply as a result of the El Niño weather pattern. However, gross profit increased by 6% and the segment turned into an operating profit from a loss last year due to better prices.

## REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 31 July		
	FY2016	FY2015	Comments
Cost of Goods Sold	80.2	84.1	Prior year quarter includes the non-recurring expense of inventory step up
Distribution and Selling Expenses	7.2	6.6	Mainly due to timing of spending and higher personnel costs
G&A Expenses	11.6	11.9	Mainly due to timing of spending
Other Operating Expenses	1.1	0.1	Higher miscellaneous expenses

## REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US\$'000	For the three months ended 31 July			
	FY2016	FY2015	% Change	Comments
Depreciation and amortisation	(17,012)	(12,920)	31.7	Mainly due to higher asset base and increased trademark from purchase of Sager Creek
Interest income	102	81	25.9	Higher interest income from operating assets
Interest expense	(22,344)	(23,486)	(4.9)	Lower interest expenses as portions of the bridge loans were already paid off through successful equity offerings
Share of loss of JV, (attributable to the owners of the Company)	(553)	(594)	(6.9)	Higher sales in the Indian joint venture
Tax credit	8,372	12,116	(30.9)	Mainly from the tax benefit of DMFI

## REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances in US\$'000	31 July 2015	31 July 2014	30 April 2015	Comments
Property, plant and equipment	573,669	505,983	578,359	Driven by higher capital expenditures
Joint ventures	23,285	20,686	22,590	Driven by equity infusion in FieldFresh
Intangible Assets	757,225	741,186	759,700	Mainly on Sager Creek (customer relationship and trademark, not goodwill)
Other assets	30,076	33,931	28,985	Due to decrease in non current deferred charges
Deferred Tax Assets	90,760	52,952	80,773	Mainly due to DMFI
Biological assets	128,831	122,368	128,640	Mainly due to increased hectares
Inventories	951,248	893,594	764,350	Due to higher inventory buildup in preparation for the seasonally stronger second half
Trade and other receivables	209,572	199,435	224,272	Due to timing of collection
Cash and cash equivalents	19,879	28,509	35,618	Mainly on increased working capital spending
Financial liabilities – non-current	1,272,574	925,796	1,272,945	Refinancing of short term bridge loans to long term
Financial liabilities – current	606,283	935,945	445,542	Due to working capital requirements and refinancing of bridge loans
Trade and other payables	392,960	350,120	374,414	Due to higher accrued expenses
Current tax liabilities	1,728	1,104	1,299	Due to timing of tax payment

## SHARE CAPITAL

Total shares outstanding were at 1,944,035,406 as of 31 July 2015; (31 July 2014: 1,296,600,071). 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 increased to US\$19.5 million as of 31 July 2015 (31 July 2014: US\$13.0 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 900,420 shares held by the Company as treasury shares as at 31 July 2015 (31 July 2014: 900,420). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 July 2015.

## BORROWINGS AND NET DEBT

Liquidity in US\$'000	As at 31 July		As at 30 April
	2015	2014	2015
Gross borrowings	<b>(1,878,857)</b>	(1,861,741)	(1,718,487)
Current	<b>(606,283)</b>	(935,945)	(445,542)
Secured	<b>(283,460)</b>	(107,594)	(98,362)
Unsecured	<b>(322,823)</b>	(828,351)	(347,180)
Non-current	<b>(1,272,574)</b>	(925,796)	(1,272,945)
Secured	<b>(924,324)</b>	(925,796)	(924,695)
Unsecured	<b>(348,250)</b>	–	(348,250)
Less: Cash and bank balances	<b>19,879</b>	28,509	35,618
Net debt	<b>(1,858,978)</b>	(1,833,232)	(1,682,869)

The Group's net debt (cash and bank balances less borrowings) amounted to US\$1.9 billion as at 31 July 2015.

Aside from the seasonal sales contribution, DMFI's cash flow for the first quarter is lower due to the seasonal production cycle where this quarter's working capital builds up through the end of the second quarter in October. 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. 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	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)	
	FY2016	FY2015	FY2016	FY2015
For the first quarter of the fiscal year				
NutriAsia, Inc	–	–	<b>624</b>	398
DMPI Retirement Fund	–	–	<b>298</b>	372
NutriAsia, Inc Retirement Fund	–	–	<b>123</b>	–
<b>Aggregate Value</b>	–	–	<b>1,045</b>	770

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED CONSOLIDATED INCOME STATEMENT**

Amounts in US\$'000	For the three months ended 31 July		
	FY2016 (Unaudited)	FY2015 (Unaudited)	%
Turnover	472,786	445,642	6.1
Cost of sales	<u>(379,034)</u>	<u>(374,909)</u>	1.1
<b>Gross profit</b>	<b>93,752</b>	<b>70,733</b>	<b>32.5</b>
Distribution and selling expenses	(33,881)	(29,230)	15.9
General and administration expenses	(54,677)	(53,191)	2.8
Other operating (expenses)/income	<u>(4,978)</u>	<u>(413)</u>	nm
<b>Profit/(loss) from operations</b>	<b>216</b>	<b>(12,101)</b>	<b>101.8</b>
Financial income*	1,238	180	nm
Financial expense*	<u>(22,903)</u>	<u>(23,876)</u>	(4.1)
<b>Net finance expense</b>	<b>(21,665)</b>	<b>(23,696)</b>	<b>(8.6)</b>
Share of loss of joint venture, net of tax	(578)	(633)	(8.7)
<b>Loss before taxation</b>	<b>(22,027)</b>	<b>(36,430)</b>	<b>(39.5)</b>
Tax credit	<u>8,372</u>	<u>12,116</u>	(30.9)
<b>Loss after taxation</b>	<b>(13,655)</b>	<b>(24,314)</b>	<b>(43.8)</b>
<b>Loss attributable to:</b>			
Owners of the Company	(12,020)	(21,896)	(45.1)
Non-controlling interest	<u>(1,635)</u>	<u>(2,418)</u>	(32.4)
<b>Loss for the period</b>	<b>(13,655)</b>	<b>(24,314)</b>	<b>(43.8)</b>
<b>Notes:</b>			
Depreciation and amortisation	(17,012)	(12,920)	31.7
Reversal of asset impairment	121	130	(6.9)
Provision for inventory obsolescence	(6,225)	(1,154)	439.4
Reversal/(provision) for doubtful debts	(68)	(853)	(92.0)
(Loss)/gain on disposal of fixed assets	(115)	86	(233.7)
<b>*Financial income comprise:</b>			
Interest income	102	81	25.9
Foreign exchange gain	<u>1,136</u>	<u>99</u>	nm
	<b>1,238</b>	<b>180</b>	nm
<b>*Financial expense comprise:</b>			
Interest expense	(22,344)	(23,486)	(4.9)
Foreign exchange loss	<u>(559)</u>	<u>(390)</u>	43.3
	<b>(22,903)</b>	<b>(23,876)</b>	<b>(4.1)</b>

*nm – not meaningful*

**Earnings per ordinary share in US cents**

**For the three months ended 31 July**  
**FY2016**                      **FY2015**

Earnings per ordinary share based on net profit attributable to shareholders:

(i) Based on weighted average no. of ordinary shares	(0.74)	(1.69)
(ii) On a fully diluted basis	(0.74)	(1.69)

Please refer to page 3 for the Notes

\*\*Includes US\$1,610 for DMFI and US\$25 for FieldFresh in the first quarter ended 31 July of FY2016 and US\$2,380 for DMFI and US\$38 for FieldFresh in the first quarter of FY2015.

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**

Amounts in US\$'000	For the three months ended 31 July		
	FY2016	FY2015	%
<b>Loss for the period</b>	<b>(13,655)</b>	<b>(24,314)</b>	<b>(43.8)</b>
<b>Other comprehensive income (after reclassification adjustment):</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of retirement plans	1,397	(4,137)	133.8
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Currency translation differences	(6,817)	12,132	(156.2)
Effective portion of changes in fair value of cash flow hedges	(2,256)	(2,988)	(24.5)
	<b>(9,073)</b>	9,144	(199.2)
<b>Other comprehensive loss for the period, net of tax</b>	<b>(7,676)</b>	5,007	(253.3)
<b>Total comprehensive loss for the period</b>	<b>(21,331)</b>	(19,307)	10.5
<b>Attributable to:</b>			
Owners of the Company	(19,619)	(16,773)	17.0
Non-controlling interests	(1,712)	(2,534)	(32.4)
<b>Total comprehensive income for the period</b>	<b>(21,331)</b>	(19,307)	10.5

*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 July 2015 (Unaudited)	31 July 2014 (Unaudited)	30 April 2015 (Audited)	31 July 2015 (Unaudited)	31 July 2014 (Unaudited)	30 April 2015 (Audited)
<b>Non-Current Assets</b>						
Property, plant and equipment	573,669	505,983	578,359	–	–	–
Subsidiaries	–	–	–	760,900	794,936	774,123
Joint ventures	23,285	20,686	22,590	2,551	–	2,551
Intangible assets	757,225	741,186	759,700	–	–	–
Other assets	30,076	33,931	28,985	–	–	–
Deferred tax assets	90,760	52,952	80,773	–	–	–
Employee benefits	–	2,773	–	–	–	–
Biological assets	1,422	1,562	1,446	–	–	–
	<b>1,476,437</b>	<b>1,359,073</b>	<b>1,471,853</b>	<b>763,451</b>	<b>794,936</b>	<b>776,674</b>
<b>Current Assets</b>						
Inventories	951,248	893,594	764,350	–	–	–
Biological assets	127,409	120,806	127,194	–	–	–
Available for sale assets	7,183	–	8,113	–	–	–
Trade and other receivables	209,572	199,435	224,272	104,246	104,600	105,860
Cash and cash equivalents	19,879	28,509	35,618	386	215	6,126
	<b>1,315,291</b>	<b>1,242,344</b>	<b>1,159,547</b>	<b>104,632</b>	<b>104,815</b>	<b>111,986</b>
<b>Total Assets</b>	<b>2,791,728</b>	<b>2,601,417</b>	<b>2,631,400</b>	<b>868,083</b>	<b>899,751</b>	<b>888,660</b>
<b>Equity attributable to equity holders of the Company</b>						
Share capital	19,449	12,975	19,449	19,449	12,975	19,449
Reserves	234,800	153,564	254,407	234,939	153,702	254,546
Equity attributable to owners of the Company	254,249	166,539	273,856	254,388	166,677	273,995
Non-controlling interest	57,878	65,069	59,590	–	–	–
<b>Total Equity</b>	<b>312,127</b>	<b>231,608</b>	<b>333,446</b>	<b>254,388</b>	<b>166,677</b>	<b>273,995</b>
<b>Non-Current Liabilities</b>						
Financial liabilities	1,272,574	925,796	1,272,945	348,250	–	348,250
Other non-current liabilities	65,351	26,350	61,163	–	–	–
Employee benefits	118,924	125,153	129,199	–	–	–
Environmental remediation liabilities	4,553	4,249	4,580	–	–	–
Deferred tax liabilities	1,092	1,092	1,092	–	–	–
	<b>1,462,494</b>	<b>1,082,640</b>	<b>1,468,979</b>	<b>348,250</b>	<b>–</b>	<b>348,250</b>

To be continued

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

Amounts in US\$'000	Group			Company		
	31 July 2015 (Unaudited)	31 July 2014 (Unaudited)	30 April 2015 (Audited)	31 July 2015 (Unaudited)	31 July 2014 (Unaudited)	30 April 2015 (Audited)
<b>Current Liabilities</b>						
Trade and other payables	<b>392,960</b>	350,120	374,414	<b>162,377</b>	130,254	163,785
Financial liabilities	<b>606,283</b>	935,945	445,542	<b>103,068</b>	602,820	102,630
Current tax liabilities	<b>1,728</b>	1,104	1,299	–	–	–
Employee benefits	<b>16,136</b>	–	7,720	–	–	–
	<b>1,017,107</b>	1,287,169	828,975	<b>265,445</b>	733,074	266,415
<b>Total Liabilities</b>	<b>2,479,601</b>	2,369,809	2,297,954	<b>613,695</b>	733,074	614,665
<b>Total Equity and Liabilities</b>	<b>2,791,728</b>	2,601,417	2,631,400	<b>868,083</b>	899,751	888,660
NAV per ordinary share (US cents)	<b>16.06</b>	17.86	17.15	<b>13.09</b>	12.85	14.09

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Share option reserve	Hedging Reserve/ Swap component	Reserve for own shares	Retained earnings	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
<b>Group</b>												
<b>Fiscal Year 2015</b>												
At 1 May 2014	12,975	69,205	(44,874)	9,506	(4,370)	174	(2,422)	(629)	143,711	183,276	67,603	250,879
<b>Total comprehensive income for the period</b>												
Loss for the period	-	-	-	-	-	-	-	-	(21,896)	(21,896)	(2,418)	(24,314)
<b>Other comprehensive income</b>												
Currency translation differences	-	-	11,866	-	-	-	-	-	-	11,866	266	12,132
Remeasurement of retirement plan	-	-	-	-	(4,395)	-	-	-	-	(4,395)	258	(4,137)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	-	(2,349)	-	-	(2,349)	(639)	(2,988)
<b>Total other comprehensive income</b>	-	-	11,866	-	(4,395)	-	(2,349)	-	-	5,122	(115)	5,007
<b>Total comprehensive (loss)/income for the period</b>	-	-	11,866	-	(4,395)	-	(2,349)	-	(21,896)	(16,774)	(2,533)	(19,307)
<b>Transactions with owners recorded directly in equity</b>												
<b>Contributions by and distributions to owners</b>												
Value of employee services received for issue of share options	-	-	-	-	-	36	-	-	-	36	-	36
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	36	-	-	-	36	-	36
<b>At 31 July 2014</b>	12,975	69,205	(33,008)	9,506	(8,765)	210	(4,771)	(629)	121,815	166,538	65,070	231,608

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Share Option reserve	Hedging Reserve	Reserve for own shares	Retained Earnings	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
<b>Group</b>												
<b>Fiscal Year 2016</b>												
At 1 May 2015	19,449	214,843	(46,342)	9,506	(17,231)	318	(11,722)	(629)	105,664	273,856	59,590	333,446
<b>Total comprehensive income for the period</b>												
Loss for the period	-	-	-	-	-	-	-	-	(12,020)	(12,020)	(1,635)	(13,655)
<b>Other comprehensive income</b>												
Currency translation differences	-	-	(6,826)	-	-	-	-	-	-	(6,826)	9	(6,817)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	-	(2,018)	-	-	(2,018)	(238)	(2,256)
Remeasurement of retirement plans	-	-	-	-	1,245	-	-	-	-	1,245	152	1,397
<b>Total other comprehensive income</b>	-	-	(6,826)	-	1,245	-	(2,018)	-	-	(7,599)	(77)	(7,676)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(6,826)	-	1,245	-	(2,018)	-	(12,020)	(19,619)	(1,712)	(21,331)
<b>Transactions with owners recorded directly in equity</b>												
<b>Contributions by and distributions to owners</b>												
Value of employee services received for issue of share options	-	-	-	-	-	38	-	-	-	38	-	38
Payment of transaction costs related to issuance of share capital	-	(26)	-	-	-	-	-	-	-	(26)	-	(26)
<b>Total contributions by and distributions to owners</b>	-	(26)	-	-	-	38	-	-	-	12	-	12
<b>At 31 July 2015</b>	19,449	214,817	(53,168)	9,506	(15,986)	356	(13,740)	(629)	93,644	254,249	57,878	312,127

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of 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
<b>Company</b>										
<b>Fiscal Year 2015</b>										
At 1 May 2014, as previously stated	12,975	69,344	–	–	–	174	–	(629)	14,463	96,327
Impact of change of accounting policies	–	–	(44,874)	9,506	(4,370)	–	(2,422)	–	129,248	87,088
At 1 May 2014, as restated	12,975	69,344	(44,874)	9,506	(4,370)	174	(2,422)	(629)	143,711	183,415
<b>Total comprehensive income for the period</b>										
Loss for the period	–	–	–	–	–	–	–	–	(21,896)	(21,896)
<b>Other comprehensive income</b>										
Currency translation differences	–	–	11,866	–	–	–	–	–	–	11,866
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(2,349)	–	–	(2,349)
Remeasurement of retirement plan	–	–	–	–	(4,395)	–	–	–	–	(4,395)
<b>Total other comprehensive income</b>	–	–	11,866	–	(4,395)	–	(2,349)	–	–	5,122
<b>Total comprehensive (loss)/income for the period</b>	–	–	11,866	–	(4,395)	–	(2,349)	–	(21,896)	(16,774)
<b>Transactions with owners recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Value of employee services received for issue of share options	–	–	–	–	–	36	–	–	–	36
<b>Total contributions by and distributions to owners</b>	–	–	–	–	–	36	–	–	–	36
<b>At 31 July 2014</b>	12,975	69,344	(33,008)	9,506	(8,765)	210	(4,771)	(629)	121,815	166,677

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of 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
<b>Company</b>										
<b>Fiscal Year 2016</b>										
At 1 May 2015	19,449	214,982	(46,342)	9,506	(17,231)	318	(11,722)	(629)	105,664	273,995
<b>Total comprehensive income for the period</b>										
Loss for the period	-	-	-	-	-	-	-	-	(12,020)	(12,020)
<b>Other comprehensive income</b>										
Currency translation differences	-	-	(6,826)	-	-	-	-	-	-	(6,826)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	-	(2,018)	-	-	(2,018)
Remeasurement of retirement plans	-	-	-	-	1,245	-	-	-	-	1,245
<b>Total other comprehensive income</b>	-	-	(6,826)	-	1,245	-	(2,018)	-	-	(7,599)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(6,826)	-	1,245	-	(2,018)	-	(12,020)	(19,619)
<b>Transactions with owners recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Value of employee services received for issue of share options	-	-	-	-	-	38	-	-	-	38
Payment of transaction costs related to issuance of share capital	-	(26)	-	-	-	-	-	-	-	(26)
<b>Total contributions by and distributions to owners</b>	-	(26)	-	-	-	38	-	-	-	12
<b>At 31 July 2015</b>	19,449	214,956	(53,168)	9,506	(15,986)	356	(13,740)	(629)	93,644	254,388

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**

Amounts in US\$'000	For the three months ended 31 July	
	FY2016 (Unaudited)	FY2015 (Unaudited)
<b>Cash flows from operating activities</b>		
Loss for the period	(13,655)	(24,314)
Adjustments for:		
Depreciation and amortization	17,012	12,920
Reversal of impairment loss on property, plant and equipment	(121)	(130)
Loss/(gain) on disposal of property, plant and equipment	115	(86)
Equity-settled share-based payment transactions	38	36
Share of loss of joint venture, net of tax	578	633
Finance income	(1,238)	(180)
Finance expense	22,903	23,876
Tax benefit	(8,372)	(12,116)
Operating profit before working capital changes	17,260	639
Changes in:		
Other assets	1,182	(4,797)
Inventories	(190,847)	(74,650)
Biological assets	(1,324)	725
Trade and other receivables	14,039	20,000
Trade and other payables	15,279	64,552
Employee benefit	(380)	9,746
Operating cash flow	(144,791)	16,215
Income taxes paid	(1,132)	(1,499)
<b>Net cash flows (used in)/from operating activities</b>	<b>(145,923)</b>	<b>14,716</b>
<b>Cash flows from investing activities</b>		
Interest received	98	80
Proceeds from disposal of property, plant and equipment	4	225
Purchase of property, plant and equipment	(9,796)	(16,377)
Additional investment in joint venture	(1,102)	(40)
<b>Net cash flows used in investing activities</b>	<b>(10,796)</b>	<b>(16,112)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(18,950)	(727)
Net proceeds of borrowings	163,156	1,498
<b>Net cash flows from financing activities</b>	<b>144,206</b>	<b>771</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(12,513)</b>	<b>(625)</b>
<b>Cash and cash equivalents at 1 May</b>	<b>35,618</b>	<b>28,402</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>(3,226)</b>	<b>732</b>
<b>Cash and cash equivalents at 31 July</b>	<b>19,879</b>	<b>28,509</b>