



DEL MONTE PACIFIC LIMITED

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DEL MONTE PACIFIC RETURNS TO PROFIT IN THIRD QUARTER 2010

- Recorded quarterly profit of US\$3.3m, reversing a US\$1.7m loss for same period in 2009
- Sales grew 16%, driven by the Philippines and export markets
- Gross margin improved to 21% from 14%
- Productivity improvement, cost containment and business building initiatives contributed to improved performance

Singapore, 30 October 2010 – Singapore Exchange Mainboard-listed Del Monte Pacific Limited (Bloomberg: DELM SP, Reuters: DMPL.SI) today announced a third quarter net profit of US\$3.3 million, reversing a net loss of US\$1.7 million in the same period last year. Sales rose 16% to US\$88.4 million from US\$76.3 million due to higher turnover in the Philippines and export markets, both in processed and fresh business segments.

Sales in the Philippines improved 19% with increased sales in all major product categories on higher volume, prices and better sales mix. The Group recently launched the Del Monte Fit 'n Right tea in two flavours - peach and lemon. This extends the popular Fit 'n Right brand from juice drinks to tea, a new beverage category for the Company.

Exports of processed products grew 14% on better prices. As the Group's unprofitable supply contract with a major customer officially ended at the end of May 2010, the Group has begun to develop a higher margin business in Europe with market-driven pricing.

Sales of fresh fruit continued to perform strongly, growing by 34% with increased supply and a better mix in favour of higher margins for the premium variety.

Overall, the Group increased sales by 16% in the third quarter, which was at a faster pace than in the first and second quarters which expanded by only 9% and 8%, respectively. In addition, the Group's gross margin increased significantly to 21% from 14% in the prior year quarter, and also showed a steady increase against this year's first and second quarter margins of 16% and 19%, respectively.

Pineapple yields improved versus the same period last year after upgrading and streamlining agricultural practices. Cannery operating costs also declined from greater efficiencies and were further aided by lower tinplate costs. Other initiatives to improve productivity and efficiency have also resulted in a better cost structure and enhanced profitability. These initiatives include increased usage of natural sugar recovered from pineapple and utilising alternative natural sweeteners to mitigate high sugar prices.

"Our first half cost containment measures, including fixed cost management, and business building initiatives have helped to restore profitability in the second half of the year," commented Mr. Joselito D. Campos, Jr., Managing Director and CEO of DMPL. "We expect to reap more benefits in 2011 as our new pineapple planting cycles begin to produce results, and other productivity and cost efficiency programs gain more traction next year," added Mr. Campos.

For the quarter, the Company recognised a share of loss in FieldFresh India of US\$1.5 million, higher than last year's US\$0.9 million, but lower than second quarter's US\$2.2 million. Del Monte in India continues to improve market coverage, and is now present in 30 cities and about 30,000 outlets. Del Monte branded sales in India grew threefold for the quarter over the same period last year. FieldFresh recently launched a new mustard sauce, Del Monte Mustard NOW!, in a squeezable pack, expanding its culinary line which currently comprises sauces and ketchups. The new facility of FieldFresh near Bangalore, which will house manufacturing facilities for both juice drinks and culinary products, is gearing up for commercial production by the middle of the fourth quarter.

For the nine months ended 30 September, the Group generated sales of US\$239.4 million, 11% higher than the same period last year. Net income was US\$1.2 million, significantly lower than the US\$7.4 million last year due to the first half loss, which included high input costs in the first quarter and one time inventory write-offs in the second quarter. The Group has since then improved its supply chain processes and systems.

Mr. Campos said “with a number of growth drivers in various stages of progress, we expect our core Philippine market as well as the processed exports and fresh business to develop further.” Mr. Campos also observed that the termination of the supply contract in Europe has created new opportunities for the Group in the processed business.

“The Del Monte business in India and S&W in Asia Pacific, on the other hand, are long term growth investments and should provide the next stage of expansion and diversification for the Group,” said Mr. Campos. “The challenge is to execute well against our plans and to remain focused on developing and growing our key branded businesses in the Philippines, India and the rest of Asia.”

Disclaimer

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, outgrowers and 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

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

Listed on the Mainboard of the Singapore Exchange, Del Monte Pacific Limited (Bloomberg: DELM SP/ Reuters: DMPL.SI) is a group of companies that cater to today’s consumer needs for premium quality, healthy food and beverage products. It innovates, produces, markets and distributes its products worldwide.

The Group owns the Del Monte brand in the Philippines where it enjoys leading market shares for canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup.

Del Monte Pacific also owns another premium brand, S&W, globally except the Americas, 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 processed fruit and vegetable products.

In India, the Group owns approximately 46% of FieldFresh Foods Private Limited (www.fieldfreshfoods.in). FieldFresh markets Del Monte-branded processed products in the domestic market and FieldFresh-branded fresh fruits and vegetables globally and in the domestic market. Del Monte Pacific’s partner in FieldFresh India is the well-respected Bharti Enterprises, which owns one of the largest conglomerates in India.

Del Monte Pacific holds the exclusive rights to produce and distribute processed food and beverage products under the Del Monte brand in the Indian subcontinent.

With a 20,000-hectare contiguous 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 more than 80 years of pineapple growing and

processing. It has long-term supply agreements with some of the Del Monte trademark owners and licensees around the world.

Del Monte Pacific and its subsidiaries are not affiliated with other Del Monte companies in the world, namely, Del Monte Foods Co. (USA), Fresh Del Monte Produce Inc. (USA), Del Monte Asia Pte. Ltd. and these companies' parent company or subsidiaries.

Del Monte Pacific is 78.7%-owned by NutriAsia Pacific Ltd (NPL) (www.nutriasia.com). NPL is owned by the NutriAsia Group of Companies which is in turn 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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