



Del Monte Pacific Limited

Fourth Quarter and Full Year 2013 Results

25 February 2014



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Contents



- **Executive Summary**
- **One-off Fees on US Acquisition**
- **4Q 2013 Results**
- **Market Updates**
- **FY 2013 Results**
- **Dividend**
- **US Acquisition**
- **Outlook**

Executive Summary



DEL MONTE PACIFIC DELIVERS HIGHER SALES AND RECURRING PROFIT FOR FULL YEAR 2013



NOW A GLOBAL BRANDED FOOD COMPANY WITH THE ACQUISITION OF THE US DEL MONTE



- Full year sales up 7% to a record level of US\$492m
- S&W generated higher sales of 16% led by the fresh segment's robust growth of 30%
- Operating profit improved by 8% to US\$54m
- Completed acquisition of Del Monte Foods, Inc for US\$1.675bn
- Del Monte Pacific's sales will more than quadruple
- Branded business will generate 80% of the enlarged group's turnover





One-off Fees on US Acquisition



- On 18 Feb 2014, DMPL completed the purchase of the consumer food business from Del Monte Corporation for US\$1.675 billion subject to working capital adjustments
- DMPL incurred one-off transaction fees in relation to this deal as follows:

	One-off transaction fees – gross (in US\$ m)	One-off transaction fees – net of tax (in US\$ m)
4Q 2013	22.7	14.9
FY 2013	25.3	16.6
1Q 2014 est.	10.0	6.5

- The one-off transaction fees were booked under G&A expenses which unfavourably impacted the operating profit and net profit of the Group for the fourth quarter and full year 2013

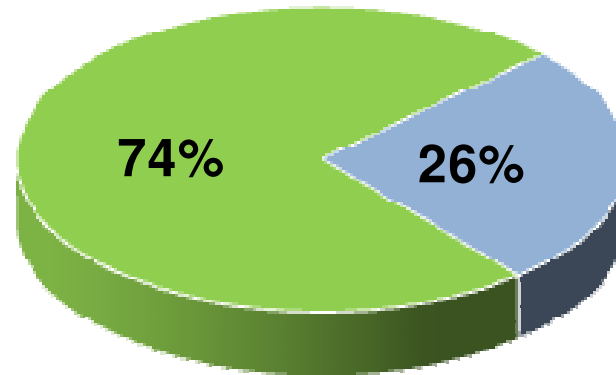


Fourth Quarter 2013

In US\$m	4Q 2012	4Q 2013	Chg (%)	Comments
Turnover	159.5	156.8	-1.7	Lower Philippine sales offset S&W and non branded growth
Gross profit	38.7	35.8	-7.5	Change in product mix
Op profit-recurring	19.2	19.0	-1.1	Due to lower sales
Op profit-non recurring	19.2	(3.8)	nm	US\$23m one off transaction fees
Finance inc/(exp)	(0.7)	(0.8)	+11.6	Higher interest expense
Share of loss	(1.0)	(1.0)	+0.3	Flat performance in 47%-owned FieldFresh India
Tax	(4.0)	3.8	+195.4	Lower income from taxable entity
Net profit - recurring	13.5	13.2	-1.8	Due to lower sales
Net profit – non recurring	13.5	(1.7)	nm	US\$15m one off transaction fees
Net debt	(117.0)	(146.7)	+25.3	Higher working capital requirements
Gearing (%)	46.7	65.7	+19.0ppts	Same as above



4Q Turnover Analysis



- Branded
- Non Branded

Branded	-5%	<ul style="list-style-type: none"> • Philippines sales down due to change in product mix. This offset the +18% growth of S&W, led by the fresh segment's robust growth of 34%
Non Branded	+8%	<ul style="list-style-type: none"> • Improved sales of processed pineapple and tropical mixed fruit products



Philippine Market 4Q Updates

- Lower sales in the Philippines due to product mix change
- Ended 2013 with the highest market shares in the past 5 years on core 100% Pineapple Juice, Packaged Pineapple, Packaged Fruits and Tomato Sauce based on Nielsen retail study
- Showing the continued strengthening of the Del Monte brand across categories, channels and consumer segments
- Launched 1L -tetra juice drinks in four variants



Translation: Serve the goodness of Christmas



S&W 4Q Updates

- S&W sales rose 18% to US\$13.2 million, led by the fresh segment's robust 34% growth
- Also driven by new products and the growth in the Middle East and Asia primarily Japan, Korea and the Philippines
- Launched Canned Saba in Miso, Shoyu and Brine variants and Pasta Sauces in Carbonara and Marinara flavours





India 4Q Updates

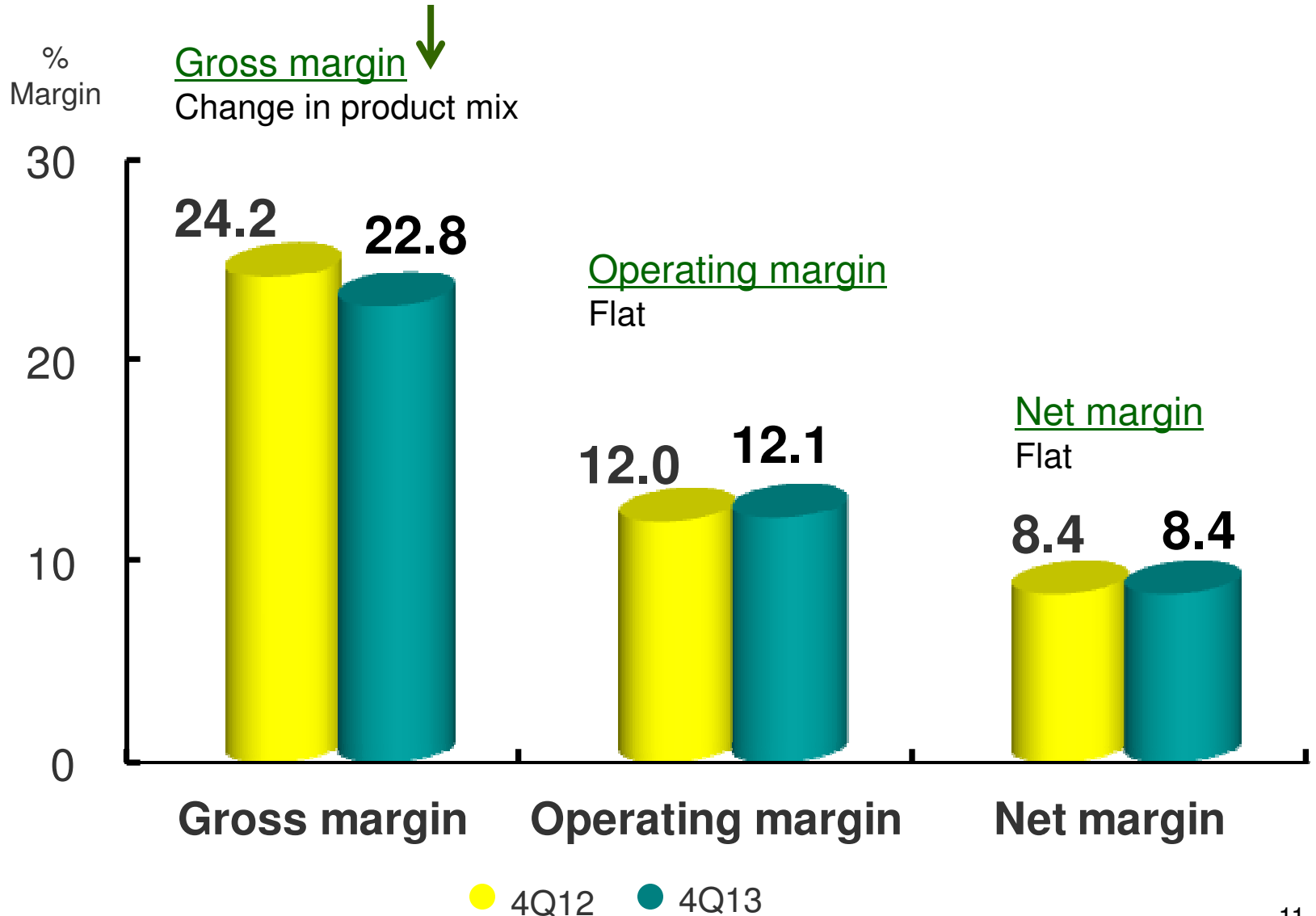
- Del Monte sales in India posted 34% growth
- But incurred higher marketing expenses
- The Group recognised an equity loss of US\$1.0 million, same as prior year quarter



The Italiano Food Festival sponsored by Del Monte in the top 61 Big Bazaar stores across the country during the festive season



4Q Margins



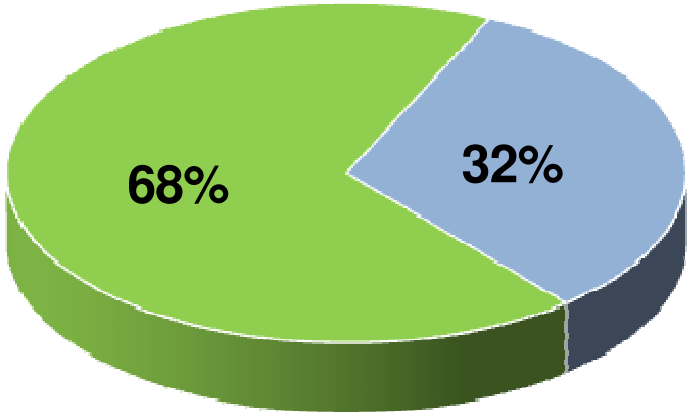


Full Year 2013

In US\$m	FY 2012	FY 2013	Chg (%)	Comments
Turnover	459.7	492.2	+7.1	Higher branded and non branded growth
Gross profit	112.8	115.6	+2.5	Higher volume and prices
Op profit-recurring	50.0	54.2	+8.4	Due to higher sales
Op profit-non recurring	50.0	27.5	-45.1	US\$27m one off fees (US deal and listing in Philippines)
Finance inc/(exp)	(3.1)	(5.1)	+66.2	Higher interest expense
Share of loss	(5.6)	(4.6)	-18.7	Higher sales in 47%-owned FieldFresh India and weak Indian rupee
Tax	(9.1)	(1.7)	-81.3	Lower income from taxable entity
Net profit - recurring	32.2	33.9	+5.2	Due to higher sales
Net profit – non recurring	32.2	16.1	-50.0	US\$18m one off fees
Net debt	(117.0)	(146.7)	+25.3	Higher working capital requirements
Gearing (%)	46.7	65.7	+19.0ppts	Same as above



FY Turnover Analysis

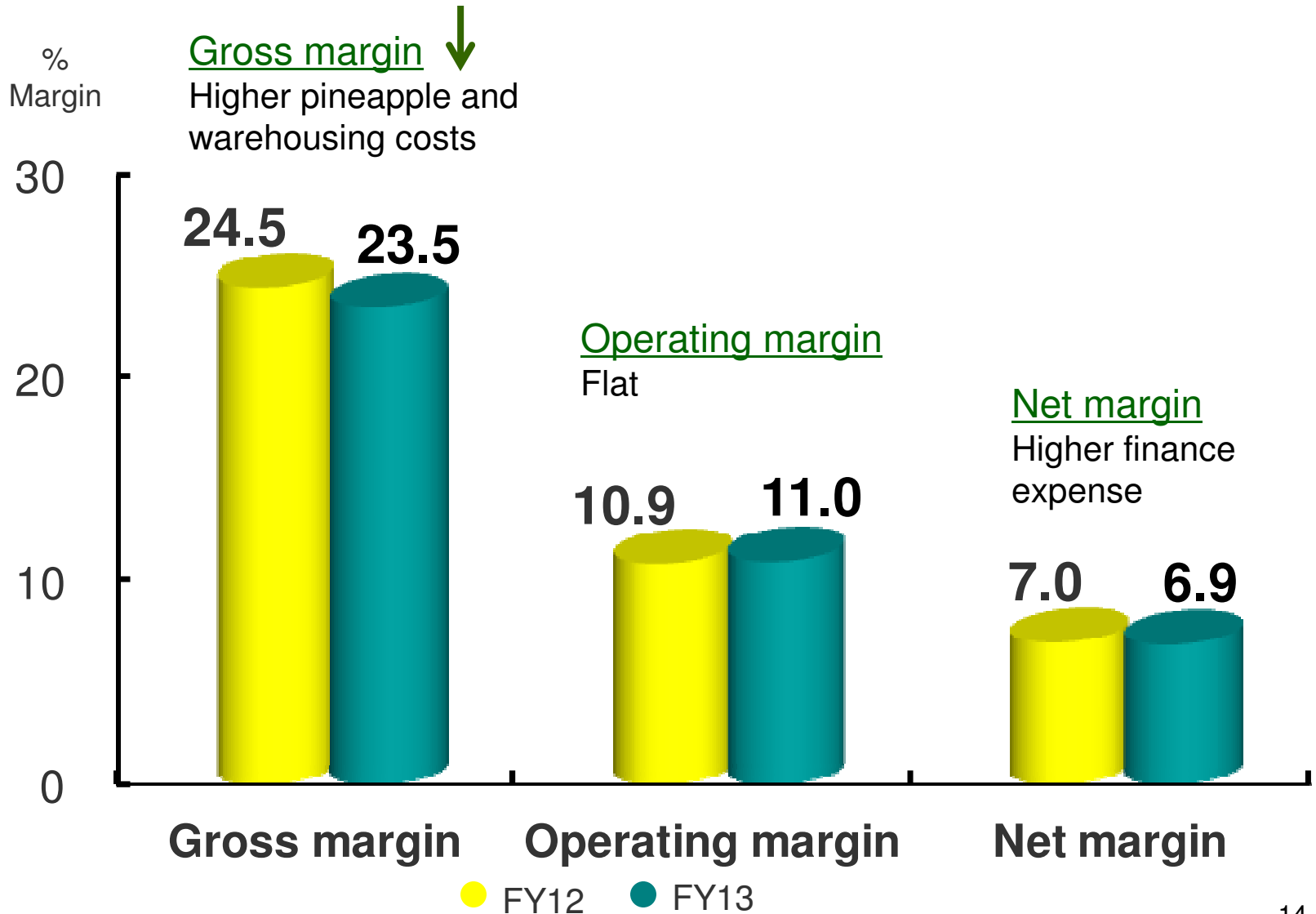


- Branded
- Non Branded

Branded	+5%	<ul style="list-style-type: none"> • Philippines +4% while S&W +16% led by the fresh segment's strong expansion of +30%
Non Branded	+12%	<ul style="list-style-type: none"> • Improved sales of processed pineapple and tropical mixed fruit products



FY Margins





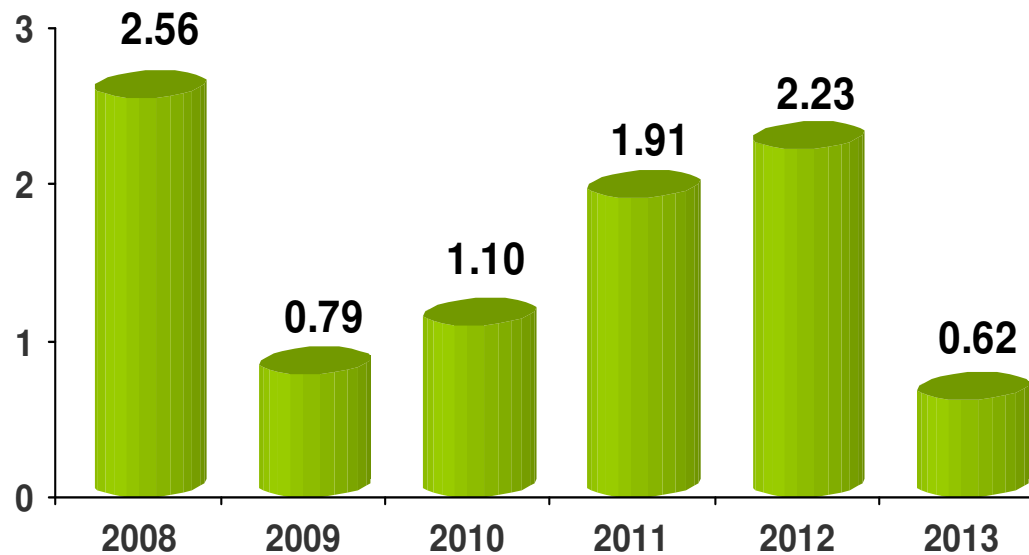
Dividend



- With the acquisition in the US, the Board adopted a prudent approach and will not be declaring a final dividend for 2013
- On 12 August 2013, the Board declared an interim dividend of US\$0.0062 per share which represents a 50% payout of 2013 net profit



US cents





Subsequent Event – US Acquisition





US Acquisition



- On 18 Feb 2014, DMPL completed the purchase of the consumer food business from Del Monte Corporation for US\$1.675 billion subject to working capital adjustments
- Transforming the Group into a global branded food and beverage company
- To quadruple sales from the current US\$500m level to more than US\$2bn
- The US consumer food business has been renamed Del Monte Foods, Inc (DMFI)
- DMFI's iconic brands – *Del Monte*, *S&W*, *Contadina* and *College Inn* - includes No. 1 market position in the branded canned fruits and vegetables market and No. 2 position in the canned tomato and broth categories in the US
- In fiscal year 2013, the portfolio generated US\$1.8 billion in sales and US\$164 million in EBITDA



US Acquisition (cont'd)



1. DMPL expects to benefit from much wider access to the processed pineapple business in the U.S.
 - Currently while DMFI has a 26% market share in the canned fruit market, its share in the canned pineapple segment is less than 10%
 - Focus on increasing our penetration in this segment by leveraging on the advantages of vertical integration and DMPL's success in the Philippines and elsewhere
2. Supplement our achievements in the expanding markets of Asia under the Del Monte brand in the Philippines and the Indian subcontinent and S&W in the rest of Asia

Also provide longer term opportunities in the emerging markets of South America
3. The deal was financed partly by bridging loans of US\$530m which will be refinanced with equity instruments (preferred shares and rights issue), deleveraging DMPL's balance sheet to 1.2x net DER in 4-6 months' time



Outlook



1. DMPL expects to generate higher earnings on a recurring basis in 1Q 2014 but expects to report a lower non-recurring net income due to one-off transaction fees in closing its US\$1.675bn acquisition

The US business will be consolidated from the acquisition closing onwards, ie from 18 Feb 2014

DMPL plans to align its fiscal year with that of Del Monte Foods, Inc (May to April financial year), which is expected to account for about 80% of the enlarged group's sales

2. Group earnings will improve in the new financial year 2015 (May 2014-April 2015)

As it drives both topline growth across its key markets in the USA, the Philippines and rest of Asia, optimises synergies and manages cost actively