



Life gets Better

4Q and FY2016 Results

29 June 2016



Del Monte Pacific Limited

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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.

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- **Summary**
- **Dividend**
- **4Q and FY2016 Results**
- **Market Updates**
- **Sustainability**
- **Outlook**



Notes to the 4Q FY2016 Results

1. DMPL changed its financial year end to 30 April from 31 December to align with its US subsidiary, Del Monte Foods, Inc (DMFI).
2. Fourth quarter is 1 February to 30 April.
3. DMFI's financial results consolidated in DMPL's financials since acquisition on 18 February 2014.
4. DMPL's financial statements based on IFRS, while DMFI's based on US GAAP.
5. DMFI's financial statements converted to IFRS for consolidation purposes.
6. DMPL's stake in DMFI is 89.4%, hence the non controlling interest line (NCI) in the P&L.
7. Net income is net of NCI.
8. DMPL changed measurement of the cost of inventory from weighted average to FIFO method and this new accounting policy was applied retrospectively.



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DMPL 4Q FY2016 Group Results Summary

- Sales of US\$520m down by 3%

Sales	% Change
US	-7
Philippines	+6 (in peso terms +12)
S&W	+8
OEM Exports	+25
FieldFresh India (equity accounted)	+4 (in Rupee terms +13)

All figures below without one-off items, and vs prior year quarter:

- EBITDA of US\$63.1m, up 56% from US\$40.5m
- Operating profit of US\$43.1m, up 67% from US\$25.8m
- Net profit of US\$10.9m, a turnaround from US\$0.8m loss



DMPL FY2016 Group Results Summary

- Sales of US\$2.3bn up 4%

Sales	% Change
US	+4
Philippines	+6 (in peso terms +11)
S&W	+10
OEM Exports	-9
FieldFresh India (equity accounted)	+8 (in Rupee terms +16)

All figures below without one-off items, and vs prior year:

- EBITDA of US\$202.1m, up 38% from US\$146.1m
- Operating profit of US\$128.6m, up 36% from US\$94.6m
- Net profit of US\$19.8m, a turnaround from loss of US\$6.7m



Resumption of Cash Dividend

- Board declared a final dividend of 1.33 US cents (US\$0.0133) per share representing 50% of net profit
- Book Closure Date : To be confirmed
- Payment Date : To be confirmed



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Non Recurring Items

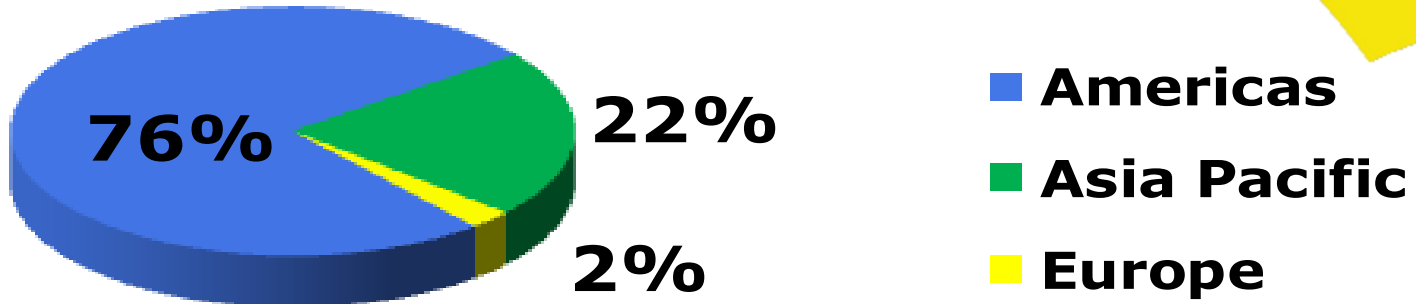
In US\$ m	4Q FY16	FY16	Booked under
Closure of Sager Creek North Carolina plant	(16.3)	(16.3)	CGS and G&A expense
SAP stabilisation	(2.1)	(13.2)	G&A expense
Sager Creek integration	(2.9)	(6.9)	G&A and other expense
Severance	(0.3)	(6.6)	G&A expense
Litigation related to working capital adjustment	(1.3)	(1.3)	G&A expense
Retirement plan amendment in 2Q (no tax impact)	-	39.4	G&A expense
Working capital adjustment with seller	38.0	38.0	Other operating income
Total (pre tax basis)	15.1	33.1	
Total (net of tax and minority interest)	8.4	31.7	



DMPL 4Q FY2016 Results – As reported

In US\$m	4Q FY 2015	4Q FY 2016	Chg (%)	Comments
Turnover	535.0	520.1	-2.8	Lower DMFI sales partly offset by higher Philippines and S&W Asia sales
Gross profit	106.8	110.9	+3.8	Improvement in productivity both in the cannery and the plantation as well as initiatives implemented to optimise costs across the business
EBITDA	40.2	78.2	+94.5	Includes US\$15.1m of one-off net gain but even without it, EBITDA would have been up 56% due to strong operating results across Asia
Operating profit	25.5	58.2	+128.3	Same as EBITDA comment, would have been up 67%
Net finance expense	(23.3)	(26.9)	+15.6	Conversion of floating to fixed rate and higher borrowing to fund higher working capital
FieldFresh equity share	(0.6)	(0.5)	-19.4	Better performance in 47% owned FieldFresh India
Tax	(6.0)	(9.9)	+64.5	Higher profit
Net profit	(4.2)	19.2	+562.4	Same explanation as operating profit. Recurring net profit for this quarter would have been US\$10.9m
Net debt	1,682.9	1,796.6	+6.8	Higher borrowing to fund higher working capital
Gearing (%)	519.1	492.6	-26.5ppts	Despite higher net debt, equity base increased with higher profit

4Q FY2016 Turnover Analysis



Americas	-6.9%	<ul style="list-style-type: none"> • Unsuccessful government and OEM co-pack contract bids, and retail category contraction
Asia Pacific	+12.2%	<ul style="list-style-type: none"> • Sales in the Philippines were higher by 6%, S&W by 8% and OEM Exports by 25%
Europe	+17.3%	<ul style="list-style-type: none"> • Higher prices of pineapple juice concentrate

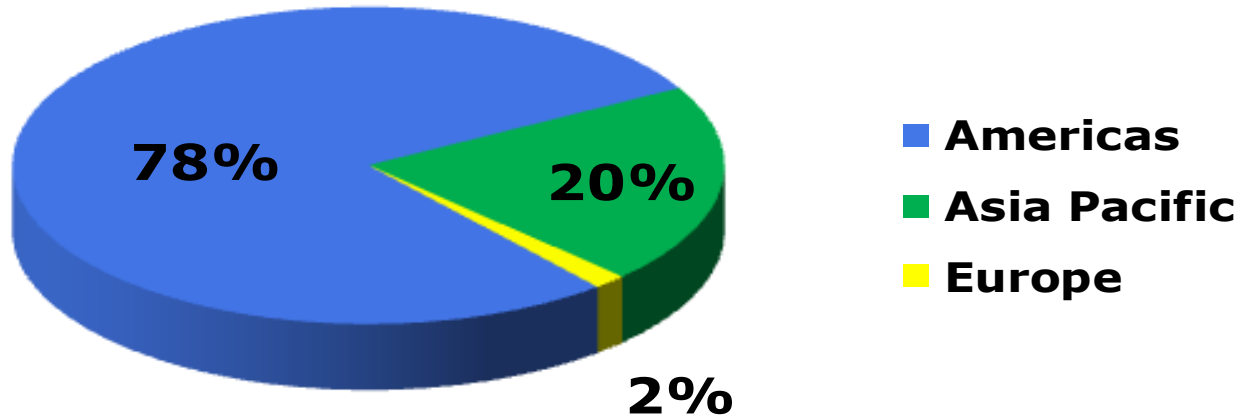


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DMPL FY2016 Results – As reported

In US\$m	FY 2015	FY 2016	Chg (%)	Comments
Turnover	2,186.7	2,267.8	+3.7	Higher DMFI, Philippines and S&W Asia sales
Gross profit	408.2	481.9	+18.1	Prior year had one-off inventory step up cost of US\$44.3m. Absent that, recurring GP would still be up 7% due to better sales and cost optimisation
EBITDA	86.5	235.2	+171.9	Includes US\$33.1m of one-off net gain but even without it, recurring EBITDA would have been up 38%
Operating profit	35.0	161.7	+362.1	Recurring operating profit would have been US\$129m in FY16 vs US\$95m in FY15, up 36%
Net finance expense	(99.5)	(97.4)	-2.1	Higher net FX gain
FieldFresh equity share	(2.1)	(1.6)	-23.8	Better performance in 47% owned FieldFresh India
Tax	17.9	(8.1)	-145.4	Profit from loss last year
Net profit/(loss)	(43.2)	51.5	+219.4	Same explanation as operating profit. Bottom line without one offs would have been US\$19.8m for FY16 vs loss of US\$6.7m for FY15
Net debt	1,682.9	1,796.6	+6.8	Higher borrowing to fund higher working capital
Gearing (%)	519.1	492.6	-26.5ppts	Despite higher net debt, equity base increased with higher profit

FY2016 Turnover Analysis



Americas	+3.1%	<ul style="list-style-type: none"> • Due to higher DMFI sales mainly due to the consolidation of Sager Creek. Without Sager Creek, DMFI sales were lower by 4% due to unsuccessful government contract bids
Asia Pacific	+6.6%	<ul style="list-style-type: none"> • Sales in the Philippines were higher by 6% and S&W by 10%
Europe	+0.4%	<ul style="list-style-type: none"> • Improved pineapple juice concentrate pricing



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26%

Market Share (#1)
Packaged Core Vegetable

36%

Market Share (#1)
Packaged Core Fruit

10%

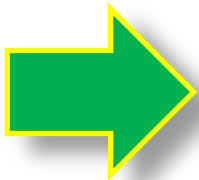
Market Share (#2)
Packaged Cut Tomato*

- Slowly declining canned category: Win through innovation, differentiation and product attributes
- DMFI had higher market shares in packaged vegetables and fruit by 1.1% and 0.9%, respectively, amidst retail industry contraction in FY16
- Trend towards fresh/natural/organic: DMFI will leverage the Del Monte brand heritage associated with high quality products, health and wellness, and product innovation



Larger, more shapely cups in a 2-pack provide a healthy fruit snack for on-the-go adults.

**New Del Monte Fruit Refreshers,
first-ever adult fruit cup**



To drive growth, continue to strengthen the core business and expand into adjacent categories

**Del Monte brand only*

Source for market shares: Nielsen Scantrack, Total US Grocery + Walmart, 12M ending 30 April 2016



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Del Monte Foods USA

- DMFI's 4Q sales down 6.5% to US\$396m, but higher by 4% for the full year to US\$1.8bn
- Unsuccessful government and OEM co-pack contract bids
- Higher gross margin for full year of 18.1% from 15.9% due to lower trade spend plus absence of purchase accounting inventory step up of US\$44.3m
- Closed Sager Creek plant in North Carolina to streamline operations
- Shifting to a leaner organisation to drive channel growth and bring down costs in line with competition
- In 4Q, contributed an EBITDA of US\$59.1m to the Group results, inclusive of the one-time net gain of US\$15.1m
- In FY, contributed an EBITDA of US\$155.5m to the Group results, inclusive of the one-time net gain of US\$33.1m



DMFI - Vegetable Campaign Continued in 4Q



National TV Spot "Wait" aired in February & March on national network, cable and online video



Del Monte Quality

#10MINUTEWOW Easter Contest

3 WINNERS will win a **\$200 gift card** plus Easter meal essentials*

Pick your favorite recipe from our board and follow these 3 easy steps for a chance to win:

- 1 Create an Easter Board – your board will be judged based on overall creativity of pins including food, lifestyle and décor.
- 2 Pin at least one #10MINUTEWOW Del Monte dish with the hash tags #10MINUTEWOW and #DELMONTECONTEST
- 3 Email your board to: delmontebrand@gmail.com

Enter by March 16 for your chance to win!

*Average retail value of \$200

Saved from pinterest.com Visit

Enter the Del Monte #10MINUTEWOW Easter Contest for a chance to win you Easter guests with prizes valued over \$200! Re-pin at least one #10MINUTEWOW dish to your Easter board with hash tags #10MINUTEWOW #DELMONTECONTEST and e-mail us your board. 3 WINNERS will receive an Easter Gift Basket with a \$200 AmEx Gift Card for your groceries, a Del Monte branded casserole dish and serving spoon, great Del Monte products and more! Official Rules: bit.ly/1AccljN

Del Monte Brand

Saved to Easter Essentials

FROM OUR FARM
to Your Table

Easter Promotion via Facebook and Pinterest
-Supported with promoted posts on Facebook and paid influencers
-3 winners received Del Monte gift baskets



Michelle Perryman-Ford Copley Thank you Del Monte My prizes arrived this morning!



Del Monte Congrats Michelle! We loved your Pinterest board. We hope you have a lovely Easter celebration - and hopefully your prizes will help make a fantastic meal 😊



Philippines

84%

Market Share (#1)

Canned Pineapple

76%

Market Share (#1)

Canned Mixed Fruit

83%

Market Share (#1)

Canned and Tetra RTD juices

91%

Market Share (#1)

Tomato Ketchup

81%

Market Share (#1)

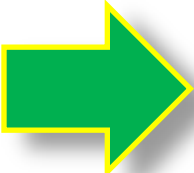
Tomato Sauce

52%

Market Share (#1)

Spaghetti Sauce

- Del Monte is the market leader across several attractive growing categories (juice industry sales +8% and culinary +9% in FY16)
- Modern trade and convenience stores are growing fast: Del Monte is strong in modern trade, generating 30% of sales
- Increasingly competitive environment with Southeast Asian peer companies targeting the Philippines to innovate, diversify and premiumise
- E-commerce and digital are growing



To drive growth, continue to build new categories, channels and markets to ensure future competitiveness and growth



Del Monte Philippines

- Philippines sales in 4Q were up 12% in peso terms and 6% in US dollar terms, and in FY +11% and +6%, respectively
- All key categories - packaged fruit, beverages and culinary - were up
- Expanded user base and household penetration
- Market continues to benefit from the resurgent multi-serve beverage segment, behind trade expansion and digital-based awareness building initiatives for the 1-litre Tetra Juice Drink line
- Strong food service or institutional channel sales



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Del Monte Philippines (cont'd)

Strong food service or institutional channel sales



Del Monte Pineapple Juice Drink and Del Monte Ketchup for hotdogs in 7-11



Del Monte Fruit Slush in Easy Day stores



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Asia and Middle East

- Consumers moving towards less processed and more natural food: S&W expanding sales of S&W Sweet 16 fresh pineapple
- E-commerce and digital are growing with North Asia having the largest share of e-commerce pie: S&W is actively exploring this channel
- Short supply of packaged pineapple from Thailand is supporting higher market pricing



To drive growth, realise S&W's full potential in fresh pineapple and other products, channels, and build S&W's brand equity in key markets



S&W Asia and the Middle East

- S&W branded business sales in Asia and the Middle East were +8% in 4Q and +10% in FY vs prior year period
- Strong performance of both the fresh and packaged segments
- China recorded strong growth in fresh, driven by distribution expansion



S&W's 2nd time participating in Food & Hotel Asia (FHA) trade fair, which was held in Singapore on 12-15 April 2016



Spearheaded by the National Heritage Board, the Singapore government held a Heritage Festival at Bukit Pasoh Road. S&W participated with its best tasting S&W 100% pineapple juice for the community, and the refreshing juices were presented in the heritage setting of 1900s.

S&W Asia and the Middle East (cont'd)

240ml Canned Juices (Israel) - Fun advertising concept on Canned Juices via posts/shoutouts on Facebook. S&W 100% Pineapple Juice, Pina Coolada, Apple Juice, and other exciting flavours were being creatively featured.



FieldFresh India

- DMPL's share of loss in the FieldFresh joint venture in India for 4Q was down to US\$0.5m from US\$0.6m in the prior year period; and for FY, share of loss was US\$1.6m from US\$2.1m
- FieldFresh's 4Q sales in Rupee terms were +13%, while for FY +16%
- FieldFresh's 4Q sales in US dollar terms were +4%, while for FY +8%
- Improved performance in juice and the culinary segment
- Sustained its positive EBITDA trend for the quarter



FieldFresh also participated in Food & Hotel Asia (FHA) trade fair, which was held in Singapore on 12-15 April 2016



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FieldFresh India (cont'd)

Mayonnaise Glass Bottle Range re-launch

- Mayonnaise range expanded and revamped to tap into the fast growing mayo category
- The new look has been designed to better reflect Del Monte's brand personality – young, modern, fun, foodie
- Bright, vibrant colours combined with a clean design ensures that it stands out on shelf



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Sustainability

- Climate Change - implemented measures to reduce the impact of El Niño during the dry months
- Converted ingredients and packaging in USA to meet consumer preferences : non-BPA and non-GMO
- Jose Y. Campos Centre, DMPL's office in the Philippines, achieves LEED Silver Certification from the US Green Building Council
- Developed high yield, high recovery varieties that reduced water, pesticides and energy usage
- Del Monte Foundation supported 375 scholars for School Year 2015-2016
- About 30,000 patients served by mobile clinics in over 40 remote communities around the plantation
- In coordination with local partners, planted 17,000 indigenous trees in various municipalities in the Philippines



Debt Outlook

Planned issuance of perpetual preference shares

- In the Philippines to be listed on the Philippine Stock Exchange (PSE)
- US\$ perpetual preference shares
- Launch in CY2016 subject to all regulatory approvals and market conditions
 - Received pre-effective approval from the Philippine SEC earlier and is awaiting the approval of its listing application and the offering from the PSE and the Bangko Sentral ng Pilipinas (Central Bank) respectively
 - As this is the first ever US\$-denominated preference shares to be issued and listed on the PSE, the platform is being set up
 - The PSE has approved and endorsed its amended Dollar Denominated Securities rules to the SEC for its concurrence
- Up to US\$360m (with an initial tranche of up to US\$250 million and the balance issuable within three years)
- Will result in a further improvement of leverage ratios



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Profit Outlook for FY2017

- Barring unforeseen circumstances, the Group will continue to be profitable in FY2017
- In the short-to-mid term, DMPL plans to improve financial performance by strengthening its core business, leveraging procurement synergies and optimising G&A costs
- The closure of the Sager Creek North Carolina plant was part of this streamlining effort
- In addition, the Group will shift to a leaner organisation in the US to drive channel growth and bring down costs in line with competition
- The Group is exploring e-commerce opportunities for its range of products across markets

