



**DEL MONTE PACIFIC LIMITED**

## **Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Fourth Quarter and Full Year Ended April 2016**

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### **AUDIT**

Fourth Quarter FY2016 results covering the period from 1 February to 30 April 2016 have neither been audited nor reviewed by the Group's auditors.

### **ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2015 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2015, which did not have significant impact to the Group:

- Amendments to Philippine Accounting Standards (PAS) 19, "Employee Benefits – Defined Benefit Plans: Employee Contributions"
- Annual Improvements to PFRS (2010 to 2012 cycle)
- Annual Improvements to PFRS (2011 to 2013 cycle)

In fiscal year 2016, the Group re-assessed its accounting policy with respect to measurement of the cost of inventory and elected to change to the first-in first-out method.

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 2018
- 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
- Amendments to IFRS 10, IFRS 12 and IAS 28, Investment Entities: Applying the Consolidation Exception effective 1 January 2016
- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective 1 January 2016
- Amendments to IAS 1, Disclosure Initiative effective 1 January 2016
- Annual Improvements to IFRSs 2012-2014 cycle effective 1 January 2016
- IFRS 16, Leases effective 1 January 2019

## **DISCLAIMER**

This announcement may contain statements regarding the business of Del Monte Pacific Limited (“DMPL” or the “Company”) and its subsidiaries (collectively 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 Limited.

## **SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS**

The Company confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7.7 under Rule 720(1) have been procured.

## **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

29 June 2016

## NOTES ON THE 4Q FY2016 DMPL RESULTS

1. Effective 1 May 2014, 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 fourth quarter of the Company is 1 February to 30 April.
2. DMFI's financial results have been consolidated in DMPL's financials since the acquisition was made on 18 February 2014.
3. DMPL's financial statements are based on IFRS, while DMFI's are based on US GAAP. 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 (NCI) line in the P&L. Consolidated net income in the narratives are net of NCI.
5. FY means Fiscal Year for the purposes of this MD&A.
6. DMPL changed its group policy with respect to measurement of the cost of inventory from weighted average to FIFO method. The change in accounting policy was applied retrospectively.

## FINANCIAL HIGHLIGHTS – FOURTH QUARTER AND FULL YEAR ENDED 30 APRIL 2016

in US\$'000 unless otherwise stated	For the three months ended 30 April			For the full year ended 30 April		
	FY2016	FY2015	% Change	FY2016	FY2015	% Change
Turnover	<b>520,077</b>	535,040	(2.8)	<b>2,267,837</b>	2,186,689	3.7
Gross profit	<b>110,905</b>	106,797	3.8	<b>481,852</b>	408,158	18.1
Gross margin (%)	<b>21.3</b>	20.0	1.3 ppts	<b>21.2</b>	18.7	2.5 ppts
Operating profit	<b>58,245</b>	25,509	128.3	<b>161,738</b>	35,002	362.1
Operating margin (%)	<b>11.2</b>	4.8	6.4 ppts	<b>7.1</b>	1.6	5.5 ppts
Net profit/(loss) attributable to owners of the Company	<b>19,248</b>	(4,163)	562.4	<b>51,534</b>	(43,174)	219.4
Net margin (%)	<b>3.7</b>	(0.8)	4.5 ppts	<b>2.3</b>	(2.0)	4.3 ppts
EPS (US cents)	<b>0.99</b>	(0.25)	496.0	<b>2.65</b>	(3.10)	185.5
Net debt	<b>1,796,579</b>	1,682,869	6.8	<b>1,796,579</b>	1,682,869	6.8
Gearing** (%)	<b>492.6</b>	519.1	(26.5) ppts	<b>492.6</b>	519.1	(26.5) ppts
Interest coverage** (x)	<b>2.2</b>	1.1	1.1 ppts	<b>1.6</b>	0.3	1.3 ppts
EBITDA	<b>78,157</b>	40,187	94.5	<b>235,164</b>	86,505	171.9
Cash flows from operations	<b>201,314</b>	177,069	13.7	<b>30,140</b>	239,628	(87.4)
Capital expenditure	<b>23,209</b>	21,422	8.3	<b>60,309</b>	75,179	(19.8)
Inventory (days)	<b>157</b>	134	23	<b>162</b>	160	2
Receivables (days)	<b>27</b>	34	(7)	<b>26</b>	26	–
Account Payables (days)	<b>45</b>	54	(9)	<b>40</b>	33	7

\*The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.39 in April 2016, 1.29 in April 2015. For conversion to Php, these exchange rates can be used: 46.67 in April 2016, 44.75 in April 2015.

\*\*Gearing = Net Debt / Equity

\*\*Interest coverage = Earnings before interest charges and taxes (EBIT) / Interest charges

## REVIEW OF OPERATING PERFORMANCE

### **Fourth Quarter**

The Group achieved sales of US\$520.1 million for the fourth quarter of FY2016, down 2.8% over the prior year period driven by lower sales in the USA, partially offset by strong performance in the Philippines under the Del Monte brand, and the rest of Asia under the S&W brand.

DMFI generated US\$395.8 million or 76.1% of Group sales. DMFI's sales, inclusive of Sager Creek Vegetable Company's vegetable business ("Sager Creek") decreased by 6.5%. Without Sager Creek, DMFI's base business sales declined by 7.1% mainly due to the continued impact of unsuccessful government bids earlier in the year and OEM co-pack contract bids from the third quarter. However, DMFI increased market share across major categories in retail for the quarter amidst category contraction. Del Monte canned vegetable, Del Monte fruit in cups and College Inn broth performed well in the fourth quarter.

DMFI generated lower gross profit and margin of 17.2% from 18.1% in the prior year period. Gross margin was partly impacted by the closure of the North Carolina plant amounting to US\$16.3 million.

DMFI continues to incur additional costs as it stabilises SAP which was implemented in the fourth quarter of 2015. It incurred one off expenses in the fourth quarter related mainly to the Sager Creek acquisition integration, stabilising SAP implementation, reorganisation and closure of the North Carolina plant. The one off costs were more than offset by the Working Capital Adjustment that was settled with Smucker's (formerly known as Big Heart Pet Brand) resulting in a non recurring gain of US\$38.0 million pre-tax (or US\$23.6 million post-tax). Please refer to the announcement dated 29 April 2016 for more details on this.

Closure of the North Carolina plant will improve the profitability and operations of Sager Creek. DMFI has also launched "Reorganisation" initiative in FY2016 which aims at optimising G&A costs and should improve profitability by 150 to 200 basis points on an annualised basis.

The non-recurring items had a net favourable impact of US\$15.1 million pre-tax or US\$8.4 million post-tax to the fourth quarter results. Please refer to the last page of this MD&A for a schedule of the non-recurring items.

Inclusive of the non-recurring items, DMFI contributed an EBITDA of US\$59.1 million and a net income of US\$16.1 million to the Group.

Meanwhile, DMPL ex-DMFI generated sales of US\$145.2 million (inclusive of the US\$18.6 million sales by DMPL to DMFI which were netted out during consolidation), 13.0% higher versus the same period last year. It delivered higher gross margin of 30.6% from 24.3% in the prior year driven by significant improvement in productivity both in the cannery and the plantation as well as initiatives implemented to optimise costs across the business. DMPL ex-DMFI generated an EBITDA of US\$20.2 million which was higher by 51.3% and a net income of US\$5.9 million, significantly higher versus US\$0.1 million in the same period last year.

The El Niño weather pattern continued to impact the Group's pineapple supply although the Group saw some improvement in pineapple output in the second half. The Group embarked on mitigating measures in the fields such as continuous enforcement of land preparation activities and reinforcing root health, among others. The Group continued its proactive cost management across all other areas particularly in the cannery to make up for higher pineapple costs resulting from El Niño, which was reflected in the improved gross margin of pineapple based products.

The Philippine market delivered a strong performance for the fourth quarter, with sales up 11.8% in peso terms and 5.7% in US dollar terms, driven by expanded penetration and increased consumption for its packaged pineapple products and juices resulting from advertising campaigns.

Sales of the S&W branded business in Asia and the Middle East grew by 8% in the fourth quarter as a result of the strong performance of the packaged segment. Korea and Japan markets grew significantly on higher sales of canned beans and tropical fruits.

DMPL's share of loss in the FieldFresh joint venture in India was lower at US\$0.5 million from US\$0.6 million in the prior year period due to a 12.8% growth in sales driven by the robust performance of Del Monte packaged business, led primarily by improved volume in juices and the culinary segment. Higher sales and production efficiencies resulted in FieldFresh generating a positive EBITDA for the quarter which more than offset the unfavorable impact of drought on the fresh business.

The DMPL Group achieved an operating profit of US\$58.2 million inclusive of the US\$15.1 million one-off net gain, significantly higher versus the US\$25.5 million operating income last year. Even without the one-off gain, operating profit would have been up 67% due to strong operating results across Asia.

The DMPL Group generated a net income of US\$19.2 million for the quarter, inclusive of one-off net gain of US\$8.4 million after tax, a turnaround from prior year period's net loss of US\$4.2 million for the same reasons cited above.

The Group reported an EBITDA of US\$78.2 million, higher than last year's EBITDA of US\$40.2 million.

In the fourth quarter, the Group's cash flow from operations was US\$201.3 million, higher versus last year driven by better performance for the quarter.

### **Full year ended 30 April 2016**

For the fiscal year 2016, the Group generated sales of US\$2.3 billion, up 3.7% versus the prior year. DMFI generated US\$1.8 billion or 78.4% of Group sales, higher by 4.0% versus prior year. Without Sager Creek, DMFI's sales decreased by 3.9%, mainly due to unsuccessful government contract bids, lower pineapple sales, and lower first half promotional activity due to product allocations offset by higher holiday spending. DMFI increased its market shares in the packaged vegetable and fruit segments, up 1.1% and 0.9%, respectively, for the full year period. Del Monte canned vegetable, Del Monte fruit in cups and College Inn broth generated higher sales.

The Philippine market's sales were up 11.2% in peso terms and 6.4% in US dollar terms driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration. In addition, the 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. The food service or institutional channel also delivered robust growth.

The S&W branded sales in Asia and the Middle East were up 10% versus last year on higher sales from both the fresh and packaged segments but non-branded exports of packaged pineapple business were lower due to constrained supply as a result of the El Niño weather pattern.

DMFI's gross margin for the full year improved to 18.1%, much higher than the 15.9% in the same period last year mainly driven by lower trade spend and higher volume in the first half of the year. In addition, last year also included the US\$44.3 million unfavourable inventory step-up adjustment related to the February 2014 acquisition. The improvement was partly offset by operational issues and inefficiencies in the newly acquired Sager Creek production sites. The supply chain footprint for Sager Creek is being integrated with the rest of Del Monte Foods.

DMPL ex-DMFI's gross profit grew to US\$160.7 million, and its gross margin increased to 29.0% from 26.3% due to better sales mix, pricing actions and cost optimisation initiatives to mitigate the impact of lower pineapple output from El Niño, particularly in the first half.

DMPL's share of loss in the FieldFresh joint venture in India was lower at US\$1.6 million from US\$2.1 million in the prior year period due to the 15.7% growth in sales.

DMPL's net income without DMFI was US\$26.4 million, significantly up versus prior period's US\$8.5 million mainly from improvement in gross margin as outlined above.

The DMPL Group generated a net income of US\$51.5 million for the financial year 2016 (with US\$26.3 million from DMFI), a turnaround from prior year period's loss of US\$43.2 million mainly due to the improvement in DMFI's base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI's retirement plan amendment of US\$39.4 million, working capital adjustment of US\$38.0 million, and the absence of inventory step-up adjustments. The results were partly impacted by non-recurring costs amounting to US\$44.3 million (pre-tax basis) that the Group incurred in the US relating to Sager Creek acquisition integration, stabilising SAP implementation, closure of the North Carolina plant, and implementation of "Reorganisation" initiative. These are expected to improve the profitability of the Group's US operations in the future. Please refer to the last page of the MD&A for the schedule of non-recurring items.

Excluding this one-off net gain of US\$31.7 million, the Group's recurring net income would have been US\$19.8 million, a significant improvement versus the adjusted loss of US\$6.7 million in FY2015.

The Group posted an EBITDA of US\$235.2 million of which DMFI accounted for US\$155.5 million.

The Board declared a dividend of 1.33 US cents (US\$0.0133) per share, representing a 50% payout of FY2016 net profit.

## **VARIANCE FROM PROSPECT STATEMENT**

The results for the full year period showed a net income for the Group, significantly better than the prior period which is in line with earlier guidance.

## **BUSINESS OUTLOOK**

The DMPL Group continues to have a good year and that is reflected in its EBITDA performance for the full year despite operational challenges at Sager Creek.

DMFI expects to remain profitable in the next financial year 2017 as Sager Creek's ordering, fulfillment, and inventory management processes will be fully integrated into DMFI's processes, and DMFI manufacturing practices will address the inefficiencies that have impacted margin. In the short-to-mid term, DMFI also plans to improve its financial performance through procurement synergies and transformation, optimise G&A costs through the "Reorganisation" initiative. The Group will shift to a leaner organisation model in the US to drive channel growth and bring down costs in line with competition.

In the mid-to-long term, DMFI will continue to unlock the growth potential of its products and brands, and accelerate its penetration of the food service sector. DMFI also will continue to invest to grow the College Inn brand and healthy snack offerings.

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 maintain its positive EBITDA. The Group will increase its investment to further grow the beverage and culinary business in the Philippines and collaborate with its distributor partners to further expand the S&W business across Asia.

The Group will also be exploring e-commerce opportunities for its range of products across markets.

The Group has successfully laid a solid foundation from which it will execute its multi pronged strategies and growth plans. Barring unforeseen circumstances, the Group will continue to be profitable in FY17, continuing the improvements achieved in FY16.

As part of the Group's deleveraging plan subject to all regulatory approvals and market conditions, DMPL intends to issue US dollar denominated perpetual preference shares in 2016 in the Philippine capital market, to be listed on the Philippine Stock Exchange (PSE). The Company has 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. The proposed issue will be up to US\$360 million (with an initial tranche of up to US\$250 million and the balance issuable within three years) that will result in a further improvement of the Group's leverage ratios.

## REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

### AMERICAS

#### For the fourth quarter ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	154,951	174,972	(11.4)	21,648	35,338	(38.7)	12,224	5,120	138.8
Packaged vegetable	161,806	164,085	(1.4)	34,325	27,962	22.8	23,086	21,253	8.6
Beverage	7,221	4,595	57.1	818	224	265.2	(747)	(745)	(0.3)
Culinary	69,240	71,952	(3.8)	13,376	11,484	16.5	7,880	(4,465)	276.5
Others	80	6,979	(98.9)	13	1,266	(99.0)	(1,323)	(5,482)	75.9
Total	393,298	422,583	(6.9)	70,180	76,274	(8.0)	41,120	15,681	162.2

#### For the full year ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	632,598	704,644	(10.2)	100,801	104,984	(4.0)	28,873	(12,045)	339.7
Packaged vegetable	814,004	622,211	30.8	167,507	101,760	64.6	56,957	14,747	286.2
Beverage	28,691	27,512	4.3	4,033	1,158	248.3	(148)	(3,332)	95.6
Culinary	294,486	310,852	(5.3)	56,409	51,989	8.5	18,138	(9,346)	294.1
Others	91	52,267	(99.8)	10	12,989	(99.9)	(5,436)	(5,958)	8.8
Total	1,769,870	1,717,486	3.1	328,760	272,880	20.5	98,384	(15,934)	717.4

Reported under the Americas segment are sales and profit on sales in USA, Canada and Mexico. 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 in the fourth quarter decreased by 6.9% to US\$393.3 million mainly due to the decline in the packaged fruit and culinary segments. The acquisition of Sager Creek vegetable business in March 2015 added US\$36.3 million to the packaged vegetable sales in the fourth quarter of 2016. Sales (excluding Sager Creek) decreased by 7.1%. This was mainly attributed to unsuccessful government and co-pack contract bids. Packaged fruits sales were also lower due to reduced pineapple supply resulting from the El Niño weather pattern.

For the full year, Americas generated US\$1.8 billion or 78.4% of Group sales and showed an improvement of 3.1% versus prior year period. Without Sager Creek, America's sales decreased by 3.9%, mainly impacted by unsuccessful government contract bids.

The Others category showed a significant decline due to the deconsolidation of the Venezuelan business in March 2015 due to the unstable economic conditions and additional currency devaluation in that country.

Operating profit for the full year turned around to US\$98.4 million from a net loss of US\$15.9 million due to higher volume, gross margin improvements and reduction of advertising and operating expenses. Gross margin improvement was mainly due to the absence of the one-off inventory step-up last year worth US\$44.3 million. The

operating profit also benefited from the one-time favourable adjustment in the second quarter arising from DMFI's retirement plan amendment that reduced SG&A expenses by US\$39.4 million (both gross and net of tax basis, ie no tax impact) and working capital adjustment in the fourth quarter of US\$23.6 (net of tax basis).

Other one-off expenses included in the operating results related to stabilising SAP, Reorganisation initiative, Sager Creek acquisition integration, and closure of the North Carolina plant. These amounted to US\$22.9 million in the fourth quarter and US\$44.3 million for the full year.

## ASIA PACIFIC

### For the fourth quarter ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	32,397	23,575	37.4	9,465	4,434	113.5	3,676	626	487.2
Packaged vegetable	503	258	95.0	120	54	122.2	97	6	n.m.
Beverage	34,019	32,576	4.4	10,440	8,642	20.8	3,215	2,426	32.5
Culinary	20,227	22,265	(9.2)	6,249	7,475	(16.4)	1,240	2,056	(39.7)
Others	26,729	22,783	17.3	8,041	8,484	(5.2)	4,017	4,717	(14.8)
Total	113,875	101,457	12.2	34,315	29,089	18.0	12,245	9,831	24.6

### For the full year ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	114,175	107,798	5.9	30,963	27,823	11.3	11,896	9,973	19.3
Packaged vegetable	1,925	1,576	22.1	481	402	19.7	263	207	27.1
Beverage	132,267	124,214	6.5	39,189	35,021	11.9	12,619	11,133	13.3
Culinary	122,063	117,984	3.5	46,212	45,643	1.2	21,022	22,429	(6.3)
Others	93,743	83,969	11.6	24,715	21,949	12.6	9,952	7,581	31.3
Total	464,173	435,541	6.6	141,560	130,838	8.2	55,752	51,323	8.6

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 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 sales in the fourth quarter increased by 12.2% to US\$113.9 million driven by higher sales across all product categories except culinary in the Philippines.

The Philippine market delivered a strong set of results in the fourth quarter, growing 11.8% in peso terms and 5.7% in US dollar terms, driven by expanded household penetration from advertising campaigns.

Sales of the S&W branded business grew by 8% in the fourth quarter as a result of the strong performance of the packaged segment. Korea and Japan markets grew significantly on improved sales of canned beans and tropical fruits.

Operating profit in the fourth quarter increased by 24.6% to US\$12.2 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and optimisation of trade discount spending.

Operating profit for the full year increased by 8.6% to US\$55.8 million driven by higher sales and gross margin improvement as outlined for the quarter.



## EUROPE

### For the fourth quarter ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	5,926	8,371	(29.2)	2,258	1,296	74.2	1,424	190	649.5
Beverage	6,978	2,629	165.4	4,152	138	n.m.	3,456	(193)	n.m.
Total	12,904	11,000	17.3	6,410	1,434	347.0	4,880	(3)	n.m.

### For the full year ended 30 April

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	19,039	23,489	(18.9)	5,510	3,570	54.3	3,152	176	n.m.
Beverage	14,755	10,173	45.0	6,022	870	592.2	4,450	(563)	n.m.
Total	33,794	33,662	0.4	11,532	4,440	159.7	7,602	(387)	n.m.

Included in this segment are sales of unbranded products in Europe.

Sales in Europe in the fourth quarter increased by 17.3% to US\$12.9 million mainly driven by the beverage category.

Operating income in the fourth quarter increased to US\$4.9 million reflecting gross margin improvement mainly from higher pricing in line with prevailing market conditions.

## REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 30 April			For the full year ended 30 April		
	FY2016	FY2015	Comments	FY2016	FY2015	Comments
Cost of Goods Sold	78.7	80.0	Lower pineapple cost	78.8	81.3	Prior year included the non-recurring expense of inventory step up
Distribution and Selling Expenses	7.5	8.1	Lower DMFI selling cost	8.9	9.1	Same as 4Q
G&A Expenses	10.2	10.3	Lower DMFI selling and administrative cost	6.6	8.7	Mainly due to DMFI's favourable adjustment from retirement plan amendment worth US\$39.4 million
Other Operating Income	(7.5)	(3.3)	Mainly due to DMFI working capital adjustment	(1.4)	(0.8)	Same as 4Q

## REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US\$'000	For the three months ended 30 April				For the full year ended 30 April			
	FY2016	FY2015	%	Comments	FY2016	FY2015	%	Comments
Depreciation and amortisation	(20,839)	(15,314)	36.1	Mainly due to higher asset base and increased trademark from purchase of Sager Creek	(74,144)	(58,983)	25.7	Same as 4Q
Reversal of asset impairment	114	123	(7.3)	Due to realignment of balances of impairment to depreciation	467	508	(8.1)	Same as 4Q
Provision for inventory obsolescence	(1,742)	(815)	113.7	Due to timing of the provision	(2,926)	(3,258)	(10.2)	Same as 4Q
Reversal for doubtful debts	1,156	1,742	(33.6)	Due to settlement of receivables	1,312	4,372	(70.0)	Same as 4Q
Loss on disposal of fixed assets	(888)	(652)	36.2	Due to DMFI	(1,058)	(1,278)	(17.2)	Same as 4Q
Foreign exchange gain (loss), net	(493)	–	(100.0)	Unfavourable impact of peso depreciation for the quarter.	903	(5,164)	(117.5)	Favourable impact of peso depreciation
Interest income	78	91	(14.3)	Lower interest income from operating assets	365	360	1.4	Higher interest income from operating assets
Interest expense	(26,500)	(23,379)	13.3	Higher level of borrowings	(98,618)	(94,657)	4.2	Same as 4Q
Share of loss of JV, (attributable to the owners of the Company)	(433)	(736)	(41.2)	Higher sales in Indian joint venture	(1,621)	(2,316)	(30.0)	Same as 4Q
Taxation	(9,931)	(6,036)	64.5	Due to income position	(8,139)	17,926	(145.4)	Same as 4Q

## REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances in US\$'000	30 Apr 2016	30 Apr 2015 (Restated)	30 Apr 2014 (Restated)	Comments
	Joint venture	22,727	22,590	
Deferred tax assets	100,677	86,308	47,157	Due to increase in non current deferred charges
Other assets	25,941	28,985	23,688	Due to decrease in DMFI
Biological assets	125,468	128,640	119,923	Mainly due to translation
Inventories	845,215	749,555	808,673	Due to DMFI lower sales
Trade and other receivables	182,916	182,583	152,351	Due to timing of collection
Prepaid and other current assets	28,213	41,689	63,905	Due to decrease in DMFI
Cash and cash equivalents	47,203	35,618	28,401	Mainly on increased borrowings
Financial liabilities – non-current	1,116,422	1,272,945	934,385	Reclassification of loans net of availment and payment
Other non-current liabilities	42,138	61,163	46,880	Decrease due to settlement of liabilities
Employee benefits	117,483	129,199	99,060	Due to DMFI decrease in employee retirement plan
Financial liabilities – current	727,360	445,542	919,579	Due to working capital requirements and refinancing of bridge loans
Trade and other payables	300,683	374,414	257,749	Due to lower accrued expenses
Current tax liabilities	3,827	1,299	126	Due to timing of tax payment

## REVIEW OF OTHER MATERIAL CHANGES

Extract of Accounts with Significant Variances in US\$'000 in US\$'000	30 Apr 2016	30 Apr 2015 (Restated)	Comments
	Exchange differences on translating of foreign operations	(13,689)	
Effective portion of changes in fair value of cash flow hedges	(10,424)	(16,773)	Mainly on DMFI
Remeasurement of retirement benefit	11,284	(20,540)	Mainly on one-off retirement plan amendment

## SHARE CAPITAL

Total shares outstanding were at 1,943,214,106 as of 30 April 2016 (30 April 2015: 1,944,035,406). 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 to new shares of 641,935,335. Share capital as of 30 April 2016 of US\$19.5 million (30 April 2015: US\$ 19.5 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 1,721,720 shares held by the Company as treasury shares as at 30 April 2016 (30 April 2015: 900,420). There was no sale, disposal and cancellation of treasury shares during the period and as at 30 April 2016.

## BORROWINGS AND NET DEBT

Liquidity in US\$'000	As at 30 April		
	2016	2015	2014
Gross borrowings	(1,843,782)	(1,718,487)	(1,853,964)
Current	(727,360)	(445,542)	(919,579)
Secured	(225,879)	(98,362)	(112,308)
Unsecured	(501,481)	(347,180)	(807,271)
Non-current	(1,116,422)	(1,272,945)	(934,385)
Secured	(923,198)	(924,695)	(923,160)
Unsecured	(193,224)	(348,250)	(11,225)
Less: Cash and bank balances	47,203	35,618	28,401
Net debt	(1,796,579)	(1,682,869)	(1,825,563)

The Group's net debt (cash and bank balances less borrowings) amounted to US\$1.8 billion as at 30 April 2016.

## DIVIDENDS

The Directors have declared today a final dividend of 1.33 US cents (US\$0.0133) per share, representing a 50% payout of FY2016 net profit.

	For the fiscal year ended 30 April	
	2016	2015
Name of dividend	Final Ordinary	NA
Type of dividend	Cash	NA
Rate of dividend	US\$0.0133 per ordinary share (tax not applicable)	Nil
Par value of shares	US\$0.01	NA
Tax rate	Nil	NA
Book closure date	To be confirmed	NA
Payable date	To be confirmed	NA

## 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 For the fourth quarter of the fiscal year	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
Nutri-Asia, Inc	NIL	NIL	2,728	3,273
DMPI Retirement	NIL	NIL	1,399	1,524
NAI Retirement	NIL	NIL	529	582
<b>Aggregate Value</b>	NIL	NIL	<b>4,656</b>	<b>5,379</b>

### Rule 704(13)

Person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or substantial shareholder of the issuer:

Ms Jeanette Beatrice Campos Naughton was appointed Vice President, Strategic Planning of the Company's USA subsidiary, Del Monte Foods, Inc ("DMFI") on 1 March 2015. She is the daughter of Mr Joselito D Campos, Jr, Del Monte Pacific Ltd's Managing Director and CEO, and DMFI's Vice Chairman and Director. Ms Naughton is responsible for spearheading DMFI's strategic planning function, with principal involvement in DMFI's mid-to-long term corporate vision, financial goals and key measures, business strategies and resources requirements. Ms Naughton formerly held management positions at Google in their Mountain View, California headquarters. She has an MBA from the Sloan School of the Massachusetts Institute of Technology.

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

Amounts in US\$'000	For the three months ended			For the full year ended		
	30 April			30 April		
	FY2016 (Unaudited)	FY2015 (Unaudited)	%	FY2016 (Unaudited)	FY2015 (Unaudited)	%
Turnover	520,077	535,040	(2.8)	2,267,837	2,186,689	3.7
Cost of sales	(409,172)	(428,243)	(4.5)	(1,785,985)	(1,778,531)	0.4
<b>Gross profit</b>	<b>110,905</b>	106,797	3.8	<b>481,852</b>	408,158	18.1
Distribution and selling expenses	(38,817)	(43,390)	(10.5)	(201,031)	(199,160)	0.9
General and administration expenses	(52,973)	(55,297)	(4.2)	(150,121)	(190,892)	(21.4)
Other operating income	39,130	17,399	124.9	31,038	16,896	83.7
<b>Profit from operations</b>	<b>58,245</b>	25,509	128.3	<b>161,738</b>	35,002	362.1
Financial income*	78	91	(14.3)	2,231	400	457.8
Financial expense*	(26,993)	(23,379)	15.5	(99,581)	(99,861)	(0.3)
<b>Net finance expense</b>	<b>(26,915)</b>	(23,288)	15.6	<b>(97,350)</b>	(99,461)	(2.1)
Share of loss of joint venture, net of tax	(460)	(772)	40.4	(1,717)	(2,453)	30.0
<b>Profit/(loss) before taxation</b>	<b>30,870</b>	1,449	n.m.	<b>62,671</b>	(66,912)	193.7
Taxation	(9,931)	(6,036)	64.5	(8,139)	17,926	(145.4)
<b>Profit/(loss) after taxation</b>	<b>20,939</b>	(4,587)	556.5	<b>54,532</b>	(48,986)	211.3
<b>Profit/(loss) attributable to:</b>						
Owners of the Company	19,248	(4,163)	562.4	51,534	(43,174)	219.4
Non-controlling interest	1,691	(424)	498.8	2,998	(5,812)	151.6
<b>Profit/(loss) for the period</b>	<b>20,939</b>	(4,587)	556.5	<b>54,532</b>	(48,986)	211.3
<b>Notes:</b>						
Depreciation and amortization	(20,839)	(15,314)	36.1	(74,144)	(58,983)	25.7
Reversal of asset impairment	114	123	(7.3)	467	508	(8.1)
Provision for inventory obsolescence	(1,742)	(815)	113.7	(2,926)	(3,258)	(10.2)
Reversal for doubtful debts	1,156	1,742	(33.6)	1,312	4,372	(70.0)
Loss on disposal of fixed assets	(888)	(652)	36.2	(1,058)	(1,278)	(17.2)
<b>*Financial income comprise:</b>						
Interest income	78	91	(14.3)	365	360	1.4
Foreign exchange gain	–	–	–	1,866	40	n.m.
	78	91	(14.3)	2,231	400	457.8
<b>*Financial expense comprise:</b>						
Interest expense	(26,500)	(23,379)	13.3	(98,618)	(94,657)	4.2
Foreign exchange loss	(493)	–	(100.0)	(963)	(5,204)	(81.5)
	(26,993)	(23,379)	15.5	(99,581)	(99,861)	(0.3)

n.m. – not meaningful

Earnings per ordinary share in US cents	For the three months ended		For the full year ended 30	
	30 April		April	
	FY2016	FY2015	FY2016	FY2015
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	0.99	(0.25)	2.65	(3.10)
(ii) On a fully diluted basis	0.99	(0.25)	2.65	(3.10)

\*\*Includes US\$3,104m for DMFI and (US\$96m) for FieldFresh in the full year of FY2016 and (US\$5,675m) for DMFI and (US\$137m) for FieldFresh in the full year of FY2015.

Includes US\$1,697m for DMFI and (US\$27m) for FieldFresh in the Fourth quarter of FY2016 and (US\$389m) for DMFI and (US\$35m) for FieldFresh in the Fourth quarter of FY2015.

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

Amounts in US\$'000

	For the Year ended 30 April		
	FY2016	FY2015 (Restated)	%
<b>Profit/(loss) for the period</b>	<b>54,532</b>	<b>(48,986)</b>	<b>211.3</b>
<b>Other comprehensive income (after reclassification adjustment):</b>			
<i>Items that will or may be reclassified subsequently to profit or loss</i>			
Tax impact on revaluation reserve	(1,504)	–	(100.0)
Exchange differences on translating of foreign operations	(13,689)	(1,655)	727.1
Effective portion of changes in fair value of cash flow hedges	(10,424)	(16,773)	(37.8)
Income tax benefit on cash flow hedge	3,961	6,374	(37.8)
	<b>(21,656)</b>	<b>(12,054)</b>	<b>79.7</b>
<i>Items that will not be classified to profit or loss</i>			
Remeasurement of retirement benefit	11,284	(20,540)	154.9
Income tax benefit (expense) on retirement benefit	(4,358)	6,162	(170.7)
	<b>6,926</b>	<b>(14,378)</b>	<b>148.2</b>
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(14,730)</b>	<b>(26,432)</b>	<b>(44.3)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>39,802</b>	<b>(75,418)</b>	<b>152.8</b>
<b>Attributable to:</b>			
Owners of the Company	36,669	(66,803)	154.9
Non-controlling interests	3,133	(8,615)	136.4
<b>Total comprehensive income/(loss) for the period</b>	<b>39,802</b>	<b>(75,418)</b>	<b>152.8</b>

*n.m. – not meaningful*

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION**

Amounts in US\$'000	Group			Company		
	30 Apr 2016 (Unaudited)	30 Apr 2015 (Restated)	30 Apr 2014 (Restated)	30 Apr 2016 (Unaudited)	30 Apr 2015 (Restated)	30 Apr 2014 (Restated)
<b>Non-Current Assets</b>						
Property, plant and equipment	563,614	578,359	504,953	–	–	–
Subsidiaries	–	–	–	748,711	765,809	800,327
Joint venture	22,727	22,590	21,008	2,551	2,551	–
Intangible assets	750,373	759,700	742,763	–	–	–
Other assets	25,941	28,985	23,688	3	–	–
Deferred tax assets	100,677	86,308	47,157	–	–	–
Employee benefits	–	8,000	10,673	–	–	–
Biological assets	37,417	41,606	37,462	–	–	–
	<b>1,500,749</b>	<b>1,525,548</b>	<b>1,387,704</b>	<b>751,265</b>	<b>768,360</b>	<b>800,327</b>
<b>Current assets</b>						
Inventories	845,215	749,555	808,673	–	–	–
Biological assets	88,051	87,034	82,461	–	–	–
Trade and other receivables	182,916	182,583	152,351	145,361	105,860	104,555
Prepaid and other current assets	28,213	41,689	63,905	–	–	–
Cash and cash equivalents	47,203	35,618	28,401	361	6,126	232
	<b>1,191,598</b>	<b>1,096,479</b>	<b>1,135,791</b>	<b>145,722</b>	<b>111,986</b>	<b>104,787</b>
Assets held for sale	1,950	8,113	–	–	–	–
	<b>1,193,548</b>	<b>1,104,592</b>	<b>1,135,791</b>	<b>145,722</b>	<b>111,986</b>	<b>104,787</b>
<b>Total Assets</b>	<b>2,694,297</b>	<b>2,630,140</b>	<b>2,523,495</b>	<b>896,987</b>	<b>880,346</b>	<b>905,114</b>
<b>Equity attributable to equity holders of the Company</b>						
Share capital	19,449	19,449	12,975	19,449	19,449	12,975
Reserves	283,303	246,093	167,114	283,442	246,232	167,253
Equity attributable to owners of the Company	302,752	265,542	180,089	302,891	265,681	180,228
Non-controlling interest	61,966	58,644	67,255	–	–	–
<b>Total Equity</b>	<b>364,718</b>	<b>324,186</b>	<b>247,344</b>	<b>302,891</b>	<b>265,681</b>	<b>180,228</b>
<b>Non-Current Liabilities</b>						
Financial liabilities	1,116,422	1,272,945	934,385	129,234	348,250	–
Other non-current liabilities	42,138	61,163	46,880	–	–	–
Employee benefits	117,483	129,199	99,060	–	–	–
Environmental remediation liabilities	6,313	4,580	4,241	–	–	–
Deferred tax liabilities	1,092	1,092	1,092	–	–	–
	<b>1,283,448</b>	<b>1,468,979</b>	<b>1,085,658</b>	<b>129,234</b>	<b>348,250</b>	<b>–</b>

*To be continued*

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

Amounts in US\$'000	Group			Company		
	30 Apr 2016 (Unaudited)	30 Apr 2015 (Restated)	30 Apr 2014 (Restated)	30 Apr 2016 (Unaudited)	30 Apr 2015 (Restated)	30 Apr 2014 (Restated)
<b>Current Liabilities</b>						
Trade and other payables	<b>300,683</b>	374,414	257,749	<b>116,232</b>	163,785	122,395
Financial liabilities	<b>727,360</b>	445,542	919,579	<b>348,630</b>	102,630	602,491
Current tax liabilities	<b>3,827</b>	1,299	126	-	-	-
Employee benefits	<b>14,261</b>	15,720	13,039	-	-	-
	<b>1,046,131</b>	836,975	1,190,493	<b>464,862</b>	266,415	724,886
<b>Total Liabilities</b>	<b>2,329,579</b>	2,305,954	2,276,151	<b>594,096</b>	614,665	724,886
<b>Total Equity and Liabilities</b>	<b>2,694,297</b>	2,630,140	2,523,495	<b>896,987</b>	880,346	905,114
NAV per ordinary share (US cents)	<b>18.77</b>	16.68	12.72	<b>15.59</b>	13.67	9.27

\*\*\*Retrospective restatement due to early adoption of IAS 27



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

	Share capital	Share premium	Translatio n reserve	Revaluation reserve	Remeasure- ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	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, as previously stated	12,975	69,205	(44,874)	9,506	(4,370)	(2,422)	174	143,711	(629)	183,276	67,603	250,879
Impact of change in accounting policy	–	–	–	–	–	–	–	(3,187)	–	(3,187)	(348)	(3,535)
At 1 May 2014, restated	12,975	69,205	(44,874)	9,506	(4,370)	(2,422)	174	140,524	(629)	180,089	67,255	247,344
<b>Total comprehensive income for the period</b>												
Loss for the period	–	–	–	–	–	–	–	(43,174)	–	(43,174)	(5,812)	(48,986)
<b>Other comprehensive income</b>												
Currency translation differences recognised directly in equity	–	–	(1,468)	–	–	–	–	–	–	(1,468)	(187)	(1,655)
Remeasurement of retirement plan	–	–	–	–	(12,861)	–	–	–	–	(12,861)	(1,517)	(14,378)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(9,300)	–	–	–	(9,300)	(1,099)	(10,399)
<b>Total other comprehensive income/(loss)</b>	–	–	(1,468)	–	(12,861)	(9,300)	–	–	–	(23,629)	(2,803)	(26,432)
<b>Total comprehensive loss for the period</b>	–	–	(1,468)	–	(12,861)	(9,300)	–	(43,174)	–	(66,803)	(8,615)	(75,418)
<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	–	–	–	–	–	–	144	–	–	144	–	144
Investment of non-controlling interest	–	–	–	–	–	–	–	–	–	–	4	4
Proceeds from issue of share capital, net	6,474	145,638	–	–	–	–	–	–	–	152,112	–	152,112
<b>Total contributions by and distributions to owners</b>	6,474	145,638	–	–	–	–	114	–	–	152,256	4	152,260
<b>At 31 April 2015</b>	<b>19,449</b>	<b>214,843</b>	<b>(46,342)</b>	<b>9,506</b>	<b>(17,231)</b>	<b>(11,722)</b>	<b>318</b>	<b>97,350</b>	<b>(629)</b>	<b>265,542</b>	<b>58,644</b>	<b>324,186</b>

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	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, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	105,664	(629)	273,856	59,590	333,446
Impact of change in accounting policy	–	–	–	–	–	–	–	(8,314)	–	(8,314)	(946)	(9,260)
At 1 May 2015, restated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	97,350	(629)	265,542	58,644	324,186
<b>Total comprehensive income for the period</b>												
Profit for the period	–	–	–	–	–	–	–	51,534	–	51,534	2,998	54,532
<b>Other comprehensive income</b>												
Currency translation differences recognised directly in equity	–	–	(13,691)	–	–	–	–	–	–	(13,691)	2	(13,689)
Tax impact on revaluation reserve	–	–	–	(1,504)	–	–	–	–	–	(1,504)	–	(1,504)
Remeasurement of retirement plan	–	–	–	–	6,110	–	–	–	–	6,110	816	6,926
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(5,780)	–	–	–	(5,780)	(683)	(6,463)
<b>Total other comprehensive income</b>	–	–	(13,691)	(1,504)	6,110	(5,780)	–	–	–	(14,865)	135	(14,730)
<b>Total comprehensive (loss)/income for the period</b>	–	–	(13,691)	(1,504)	6,110	(5,780)	–	51,534	–	36,669	3,133	39,802
<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	–	–	–	–	–	–	714	–	–	714	–	714
Transaction cost from issue of ordinary shares	–	–	–	–	–	–	–	–	–	–	–	–
Investment of non-controlling interest	–	–	–	–	–	–	–	–	–	–	189	189
Purchase of own shares	–	–	–	–	–	–	–	–	(173)	(173)	–	(173)
<b>Total contributions by and distributions to owners</b>	–	–	–	–	–	–	714	–	(173)	541	189	730
<b>At 31 April 2016</b>	<b>19,449</b>	<b>214,843</b>	<b>(60,033)</b>	<b>8,002</b>	<b>(11,121)</b>	<b>(17,502)</b>	<b>1,032</b>	<b>148,884</b>	<b>(802)</b>	<b>302,752</b>	<b>61,966</b>	<b>364,718</b>

Company	Share Capital US\$'000	Share Premium US\$'000	Translation Reserve US\$'000	Revaluation reserve US\$'000	Remeasure-ment retirement plan US\$'000	Share option reserve US\$'000	Hedging Reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total Equity US\$'000
<b>Fiscal Year 2015</b>										
At 1 May 2014, as previously stated	12,975	69,344	–	–	–	174	–	(629)	13,979	95,843
Impact of change of accounting policies	–	–	(44,874)	9,506	(4,370)	–	(2,422)	–	126,545	84,385
<b>At 1 May 2014, as restated</b>	<b>12,975</b>	<b>69,344</b>	<b>(44,874)</b>	<b>9,506</b>	<b>(4,370)</b>	<b>174</b>	<b>(2,422)</b>	<b>(629)</b>	<b>140,524</b>	<b>180,228</b>
<b>Total comprehensive income for the period</b>										
Loss for the period	–	–	–	–	–	–	–	–	(43,174)	(43,174)
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	–	–	(1,468)	–	–	–	–	–	–	(1,468)
Remeasurement of retirement plan	–	–	–	–	(12,861)	–	–	–	–	(12,861)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(9,300)	–	–	(9,300)
<b>Total other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>(1,468)</b>	<b>–</b>	<b>(12,861)</b>	<b>–</b>	<b>(9,300)</b>	<b>–</b>	<b>–</b>	<b>(23,629)</b>
<b>Total comprehensive loss for the period</b>	<b>–</b>	<b>–</b>	<b>(1,468)</b>	<b>–</b>	<b>(12,861)</b>	<b>–</b>	<b>(9,300)</b>	<b>–</b>	<b>(43,174)</b>	<b>(66,803)</b>
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Proceeds from issue of share capital, net	6,474	145,638	–	–	–	–	–	–	–	152,112
Value of employee services received for issue of share options	–	–	–	–	–	144	–	–	–	144
Total contributions by and distributions to owners	6,474	145,638	–	–	–	144	–	–	–	152,256
<b>At 31 April 2015</b>	<b>19,449</b>	<b>214,982</b>	<b>(46,342)</b>	<b>9,506</b>	<b>(17,231)</b>	<b>318</b>	<b>(11,722)</b>	<b>(629)</b>	<b>97,350</b>	<b>265,681</b>

Company	Share capital US\$'000	Share premium US\$'000	Translation Reserve US\$'000	Revaluation Reserve US\$'000	Remeasure-ment retirement plan US\$'000	Share Option Reserve US\$'000	Hedging Reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total Equity US\$'000
<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
Impact of change of policy	–	–	–	–	–	–	–	–	(8,314)	(8,314)
At 1 May 2015, as restated	19,449	214,982	(46,342)	9,506	(17,231)	318	(11,722)	(629)	97,350	265,681
<b>Total comprehensive income for the period</b>										
Profit for the period	–	–	–	–	–	–	–	–	51,534	51,534
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	–	–	(13,691)	–	–	–	–	–	–	(13,691)
Tax impact on revaluation reserve	–	–	–	(1,504)	–	–	–	–	–	(1,504)
Remeasurement of retirement plan	–	–	–	–	6,110	–	–	–	–	6,110
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(5,780)	–	–	(5,780)
<b>Total other comprehensive income</b>	–	–	(13,691)	(1,504)	6,110	–	(5,780)	–	–	(14,865)
<b>Total comprehensive loss for the period</b>	–	–	(13,691)	(1,504)	6,110	–	(5,780)	–	51,534	36,669
<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	–	–	–	–	–	714	–	–	–	714
Purchase of own shares	–	–	–	–	–	–	–	(173)	–	(173)
Total contributions by and distributions to owners	–	–	–	–	–	714	–	(173)	–	541
<b>At 31 April 2016</b>	<b>19,449</b>	<b>214,982</b>	<b>(60,033)</b>	<b>8,002</b>	<b>(11,121)</b>	<b>1,032</b>	<b>(17,502)</b>	<b>(802)</b>	<b>148,884</b>	<b>302,891</b>

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

Amounts in US\$'000	For the three months ended		For the full year ended	
	31 April		31 April	
	FY2016	FY2015	FY2016	FY2015
	(Unaudited)	(Restated, Unaudited)	(Unaudited)	(Restated, Unaudited)
<b>Cash flows from operating activities</b>				
Profit/(loss) for the period	20,939	(4,587)	54,532	(48,986)
Adjustments for:				
Depreciation of property, plant and equipment	18,932	13,154	64,817	51,423
Amortisation of intangible assets	1,907	2,160	9,327	7,560
Reversal of impairment loss on property, plant and equipment	(114)	(123)	(467)	(508)
Loss on disposal of property, plant and equipment	888	652	1,058	1,278
Equity-settled share-based payment transactions	(820)	35	714	144
Share of loss of joint venture, net of tax	460	772	1,717	2,453
Finance income	(78)	(91)	(2,231)	(400)
Finance expense	26,993	23,379	99,581	99,861
Tax expense (benefit) - net	9,931	6,036	8,139	(17,926)
Remeasurement of retirement benefits reserve	–	5,186	(39,422)	5,186
Net loss on derivative financial instrument	–	319	–	319
Bargain Purchase- Sager Creek	–	(26,568)	–	(26,568)
Operating profit before working capital changes	<b>79,038</b>	20,324	<b>197,765</b>	73,836
Changes in:				
Other assets	(7,826)	16,336	(8,961)	10,951
Inventories	74,211	95,650	(101,403)	128,225
Biological assets	(2,675)	(5,600)	(3,932)	(9,040)
Trade and other receivables	55,269	18,815	18,580	(40,661)
Prepaid and other current assets	5,040	(6,124)	(382)	(19,820)
Trade and other payables	(14,416)	22,631	(94,814)	98,580
Employee Benefit	12,673	18,482	23,325	10,180
Operating cash flow	<b>201,314</b>	180,514	<b>30,178</b>	252,251
Income taxes paid	–	(3,445)	(38)	(12,623)
<b>Net cash flows from operating activities</b>	<b>201,314</b>	177,069	<b>30,140</b>	239,628
<b>Cash flows from investing activities</b>				
Interest received	83	126	357	353
Proceeds from disposal of property, plant and equipment	(2)	79	3,775	353
Purchase of property, plant and equipment	(23,209)	(21,422)	(60,309)	(75,179)
Additional investment in joint venture	3	(953)	(1,947)	(4,249)
Purchase of consumer products business	–	(76,258)	–	(76,258)
<b>Net cash flows used in investing activities</b>	<b>(23,125)</b>	(98,428)	<b>(58,124)</b>	(154,980)

To be continued

Amounts in US\$'000	For the three months ended		For the full year ended	
	31 April		31 April	
	FY2016	FY2015	FY2016	FY2015
	(Unaudited)	(Restated, Unaudited)	(Unaudited)	(Restated, Unaudited)
<b>Cash flows from financing activities</b>				
Interest paid	(23,404)	(24,897)	(84,782)	(88,111)
Proceeds (repayment) of borrowings	(128,317)	(217,878)	126,393	(141,304)
Proceeds from issue of share capital	–	152,953	–	155,036
Transactions costs related to rights issue	–	(2,782)	–	(2,924)
Capital injection by non-controlling interests	–	4	189	4
Acquisition of treasury shares	–	–	(173)	–
<b>Net cash flows from financing activities</b>	<b>(151,721)</b>	<b>(92,600)</b>	<b>41,627</b>	<b>(77,299)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>26,468</b>	<b>(13,959)</b>	<b>13,643</b>	<b>7,349</b>
<b>Cash and cash equivalents at 1 May</b>	<b>20,066</b>	<b>49,823</b>	<b>35,618</b>	<b>28,401</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>669</b>	<b>(246)</b>	<b>(2,058)</b>	<b>(132)</b>
<b>Cash and cash equivalents at 30 April</b>	<b>47,203</b>	<b>35,618</b>	<b>47,203</b>	<b>35,618</b>

## IMPACT OF CHANGE IN ACCOUNTING POLICY

The change in inventory costing and reclassification of accounts were applied on a retrospective basis and comparative statements for fiscal year 2015 have been restated to reflect the changes in accounting policies.

Previously, the cost of finished goods inventory was based on the weighted average method. The first-in first-out method assumes that the items of inventory that were produced first are sold first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced. The Group believes that the change results in the financial statements providing more reliable and relevant information and results in a fairer and more reasonable valuation of inventory as it more closely reflects the actual physical flows of the finished goods.

The change in accounting policy was applied retrospectively. The following table summarizes the material impact resulting from the above change in accounting policy:

### Consolidated Statements of Financial Position

<b>Amounts in US\$'000</b>	<b>As of 31 Apr 2015</b>	<b>As of 1 May 2014</b>
Increase in deferred tax assets	5,535	2,049
Decrease in inventory	(14,795)	(5,584)
Non controlling interest	946	348
Decrease in retained earnings - unappropriated	(8,314)	(3,187)

### Consolidated Income Statement

<b>Amounts in US\$'000</b>	<b>For the period 31 Apr 2015</b>
<b>Change in inventory costing:</b>	
Increase in cost of sales due to inventory adjustment	9,212
Decrease in income tax expense	(3,487)
Share of non controlling Interest	(598)
Overall decrease in profit for the period	(5,127)
<b>Reclassification of accounts:</b>	
Increase in revenue due to reclassification of freight and other distribution costs from sales deductions to selling and distribution costs.	10,529
Increase in revenue due to reclassification of changes in fair value from miscellaneous income	16,785
Decrease in cost of sales due to reclassification of transportation and delivery cost to selling and distribution cost	17,357
Increase in cost of sales due to reclassification of production cost variance from miscellaneous expense	(17,161)
Increase in selling and distribution cost	(27,886)
Increase in miscellaneous income	376
Impact of reclassification in profit for the period	-

**Non-recurring items**

	For the three months ended 30 April			For the full year ended 30 April		
	FY2016	FY2015	% Change	FY2016	FY2015	% Change
<b>in US\$ million</b>						
Working capital adjustment	<b>(38.0)</b>	–	100.0	<b>(38.0)</b>	–	100.0
Retirement plan amendment	–	–	–	<b>(39.4)</b>	–	100.0
Inventory step-up	–	–	–	–	44.3	(100.0)
Closure of North Carolina plant	<b>16.3</b>	–	100.0	<b>16.3</b>	–	100.0
ERP implementation at DMFI	<b>2.1</b>	9.8	(78.6)	<b>13.2</b>	16.4	(19.5)
Transaction related	–	3.0	(100.0)	–	5.2	(100.0)
Venezuela write-off	–	7.3	(100.0)	–	7.3	(100.0)
Sager Creek acquisition integration	<b>2.9</b>	(26.3)	(111.0)	<b>6.9</b>	(26.3)	(126.2)
Others	<b>1.6</b>	6.5	(75.4)	<b>7.9</b>	12.7	(37.8)
<b>Total (pre-tax basis)</b>	<b>(15.1)</b>	0.3	n.m.	<b>(33.1)</b>	59.6	155.5
<b>Total non-recurring items (post-tax and post non-controlling interest)</b>	<b>(8.4)</b>	3.4	(349.9)	<b>(31.7)</b>	36.4	187.1