



Del Monte Pacific Limited Q&A From the Briefing on the Second Quarter and First Half 2006 Results - July 27, 2006

- 1. Your Early Retirement Program is good as it will cut costs but you said that the key cost increases came from other areas such as raw materials. What are you doing to address these? Can you raise prices?**

We cannot fully pass on the price increase to consumers. Where we are able to, we will increase prices. To address the cost increases, we will work together with our shareholders, San Miguel and NutriAsia, to get better terms for packaging materials and agri inputs, among others.

- 2. Your Europe business is down. What is happening and what are you doing about it?**

If you recall, Del Monte Europe was acquired by Fresh Del Monte so they are having their own transition. Our drop in sales to Europe was more a function of the change in ownership there than market forces. We believe this is a matter of timing.

- 3. You expect net profit for this year to be at least equal to that of last year at US\$18.6m. You made US\$7m in the first half. This means you have to make US\$12m in the second half. This is a high target. How do you plan to achieve this?**

As you know, we put in transition teams in April. They have identified areas for revenue enhancement and cost savings. The benefit of these will kick in starting second half of the year. We also expect shipments to Europe to show improvements in the second half. Moreover, second half is seasonally the stronger semester for our business given the holidays.

For 2007, we will reflect the full benefit of the initiatives that we are putting in place.