112132016000301

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name	DEL MONTE PACIFIC LIMITED
Filer Name	ANTONIO E.S. UNGSON
Contact No	+650632406822

Document Information

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Period Covered	10/31/2016

Deficiencies Found

- Company Name and SEC Number do not match
- SEC Reg Number is not found

COVER SHEET

S.E.C. Registration Number

DEL MONTE PACIFIC LIMITED

(Company's Full Name)

Craigmuir Chambers, PO Box 71

Road Town, Tortola

British Virgin Islands

(Business Address : No. Street Company / Town / Province)

Antonio E.S. Ungson

Contact Person

+65 6324 6822

Company Telephone Number

SEC FORM (2nd Quarter FY2017)

Month *Day*

17-Q

FORM TYPE

Month *Day*

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended **October 31, 2016**

2. Commission identification number. **N/A**

3. BIR Tax Identification No. **N/A**

4. Exact name of issuer as specified in its charter **Del Monte Pacific Limited**

5. **British Virgin Islands**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. c/o Philippine Resident Agent,
   Craigmuir Chambers, PO Box 71 Road Town,
   Tortola, British Virgin Islands Postal Code

8. **+65 6324 6822**
   Issuer's telephone number, including area code

9. **N/A**
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	1,943,214,106

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [/] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Singapore Exchange Securities Trading Limited	Ordinary Shares
Philippine Stock Exchange	Ordinary Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the Financial Statements (FS) section of this report, FS to FS37.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Please refer to the Management's Discussion and Analysis of Financial Condition and Results of Operations section of this report.

PART II--OTHER INFORMATION

Not Applicable

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer	**Del Monte Pacific Limited**
Signature and Title	Parag Sachdeva Chief Financial Officer and Duly Authorized Officer
Date	December 12, 2016

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
31 October 2016 and for the six months ended
31 October 2016 and 2015
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2016)

Unaudited Interim Consolidated Statements of Financial Position

	Note	As at 31 October 2016 US$'000	As at 30 April 2016 US$'000
Noncurrent assets			
Property, plant and equipment – net	6, 19	**563,726**	563,614
Investments in joint ventures	8	**24,915**	22,820
Intangible assets and goodwill	7, 19	**745,699**	750,373
Deferred tax assets – net		**104,127**	100,899
Biological assets	10,	**36,180**	37,468
Other noncurrent assets	9, 19	**28,073**	25,941
		1,502,720	1,501,115
Current assets			
Biological assets	10	**83,524**	87,994
Inventories	11	**1,158,585**	845,233
Trade and other receivables	12, 18	**245,201**	175,532
Prepaid and other current assets	13	**30,857**	35,597
Cash and cash equivalents	14, 18	**23,488**	47,203
		1,541,655	1,191,559
Noncurrent assets held for sale	22	**1,050**	1,950
		1,542,705	1,193,509
Total assets		**3,045,425**	2,694,624
Equity			
Share capital	23	**19,449**	19,449
Retained earnings		**134,480**	148,866
Reserves		**129,611**	134,926
Equity attributable to owners of the company		**283,540**	303,241
Non-controlling interests		**61,207**	61,971
Total equity		**344,747**	365,212
Noncurrent liabilities			
Loans and borrowings	15, 18,19	**1,115,417**	1,116,422
Employee benefits		**99,482**	97,118
Environmental remediation liabilities		**4,507**	6,313
Deferred tax liabilities		**1,116**	1,092
Other non-current liabilities	16	**57,158**	62,586
		1,277,680	1,283,531
Current liabilities			
Loans and borrowings	15, 18,19	**993,707**	727,360
Employees benefits		**36,856**	33,651
Trade and other payables	17, 18	**388,185**	281,043
Current tax liabilities		**4,250**	3,827
		1,422,998	1,045,881
Total liabilities		**2,700,678**	2,329,412
Total equity and liabilities		**3,045,425**	2,694,624

The accompanying notes form an integral part of these interim financial statements.

Unaudited Consolidated Income Statements

	Note	Six months ended 31 October 2016 US$'000	Six months ended 31 October 2015 US$'000 (Restated)	Three months ended 31 October 2016 US$'000	Three months ended 31 October 2015 US$'000 (Restated)
Revenue		**1,101,725**	1,145,458	**636,202**	666,760
Cost of sales		**(861,243)**	(893,609)	**(489,305)**	(517,407)
Gross profit		**240,482**	251,849	**146,897**	149,353
Distribution and selling expenses		**(99,683)**	(101,248)	**(54,378)**	(54,685)
General and administrative expenses	21	**(81,026)**	(53,363)	**(39,264)**	(5,383)
Other income (expenses) - net		**1,177**	(8,553)	**939**	(3,239)
Results from operating activities		**60,950**	88,685	**54,194**	86,046
Finance income		**4,109**	2,204	**3,871**	966
Finance expense		**(55,794)**	(47,659)	**(28,927)**	(24,756)
Net finance expense		**(51,685)**	(45,455)	**(25,056)**	(23,790)
Share in loss of joint ventures, net of tax		**(776)**	(903)	**(417)**	(325)
Profit before taxation		**8,489**	42,327	**28,721**	61,931
Tax expense – current		**(4,180)**	(4,137)	**(2,412)**	(2,662)
Tax benefit – deferred		**5,908**	2,294	**(5,272)**	(6,632)
		1,728	(1,843)	**(7,684)**	(9,294)
Profit for the period		**10,217**	40,484	**21,037**	52,637
Profit (loss) attributable to:					
Non-controlling interest		**(1,225)**	3,408	**876**	4,884
Owners of the Company		**11,442**	37,076	**20,161**	47,753
Earnings per share					
Basic profit per share (US cents)	24	**0.59**	1.91	**1.04**	2.46
Diluted profit per share (US cents)	24	**0.59**	1.91	**1.04**	2.46

The accompanying notes form an integral part of these interim financial statements.

Unaudited Statement Comprehensive Income

	Six months ended 31 October		Three months ended 31 October	
	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)
Profit for the period	**10,217**	40,484	**21,037**	52,637
Other comprehensive income (loss)				
Items that will not be classified to profit or loss				
Remeasurement of retirement plans	**4,086**	1,323	**10,244**	8,732
Income tax effect on remeasurement of retirement plans	**(1,162)**	4,866	**(8,809)**	(3,940)
	2,924	6,189	**1,435**	4,792
Items that will or may be reclassified subsequently to profit or loss				
Currency translation differences	**(9,769)**	(13,643)	**(8,446)**	(6,825)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)	**6,931**	3,843
Income tax effect on cash flow hedges	**(914)**	1,075	**(4,458)**	(5,169)
	(8,316)	(17,225)	**(5,973)**	(8,151)
Other comprehensive loss for the period, net of tax	**(5,392)**	(11,036)	**(4,538)**	(3,359)
Total comprehensive income for the period	**4,825**	29,448	**16,499**	49,278
Total comprehensive income (loss) attributable to:				
Non-controlling interests	**(764)**	3,672	**1,290**	5,226
Owners of the Company	**5,589**	25,776	**15,209**	44,052

The accompanying notes form an integral part of these interim financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity (continued)
Six months ended 31 October 2016

	<------	------	------	------	Attributable to owners of the Company	------	------	------	------	------>		
Company	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure -ment of retirement plans US$'000**	**Hedging reserve US$'000**	**Share option reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
2016												
At 1 May 2016	**19,449**	**214,843**	**(59,813)**	**8,002**	**(10,833)**	**(17,502)**	**1,031**	**(802)**	**148,866**	**303,241**	**61,971**	**365,212**
Total comprehensive income for the year												
Profit/(loss) for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11,442**	**11,442**	**(1,225)**	**10,217**
Other comprehensive income												
Currency translation differences	**–**	**–**	**(9,768)**	**–**	**–**	**–**	**–**	**–**	**–**	**(9,768)**	**(1)**	**(9,769)**
Remeasurement of retirement plans	**–**	**–**	**–**	**–**	**2,615**	**–**	**–**	**–**	**–**	**2,615**	**309**	**2,924**
Effective portion of changes in fair value of cash flow hedges	**–**	**–**	**–**	**–**	**–**	**1,300**	**–**	**–**	**–**	**1,300**	**153**	**1,453**
Total other comprehensive income	**–**	**–**	**(9,768)**	**–**	**2,615**	**1,300**	**–**	**–**	**–**	**(5,853)**	**461**	**(5,392)**
Total comprehensive income for the period	**–**	**–**	**(9,768)**	**–**	**2,615**	**1,300**	**–**	**–**	**11,442**	**5,589**	**(764)**	**4,825**
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Value of employee services received for issue of share options	**–**	**–**	**–**	**–**	**–**	**–**	**538**	**–**	**–**	**538**	**–**	**538**
Payment of dividends	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(25,828)**	**(25,828)**	**–**	**(25,828)**
Total contributions by and distributions to owners	**–**	**–**	**–**	**–**	**–**	**–**	**538**	**–**	**(25,828)**	**(25,290)**	**–**	**(25,290)**
At 31 October 2016	**19,449**	**214,843**	**(69,581)**	**8,002**	**(8,218)**	**(16,202)**	**1,569**	**(802)**	**134,480**	**283,540**	**61,207**	**344,747**

The accompanying notes form an integral part of these interim financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity
Six months ended 31 October 2015 (Restated)

	<---- Attributable to owners of the Company ---->											
Company	**Share capital US$'000**	**Share premium US$'000**	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasure-ment of retirement plans US$'000**	**Hedging reserve US$'000**	**Share option reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
2015												
At 1 May 2015, as previously stated	19,449	214,843	(46,342)	9,506	(17,231)	(11,722)	318	(629)	105,664	273,856	59,590	333,446
Impact of change in accounting policy	–	–	7	–	–	–	–	–	(8,332)	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	(629)	97,332	265,531	58,644	324,175
Total comprehensive income for the year												
Loss for the year	–	–	–	–	–	–	–	–	37,076	37,076	3,408	40,484
Other comprehensive income												
Currency translation differences	–	–	(13,647)	–	–	–	–	–	–	(13,647)	4	(13,643)
Remeasurement of retirement plans	–	–	–	–	6,765	–	–	–	–	6,765	(576)	6,189
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(4,418)	–	–	–	(4,418)	836	(3,582)
Total other comprehensive income	–	–	(13,647)	–	6,765	(4,418)	–	–	–	(11,300)	264	(11,036)
Total comprehensive income for the period	–	–	(13,647)	–	6,765	(4,418)	–	–	37,076	25,776	3,672	29,448
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Acquisition of treasury shares	–	–		–	–	–	–	(63)	–	(63)	–	(63)
Transactions costs related to rights issue	–	7	–	–	–	–	–	–	–	7	–	7
Value of employee services received for issue of share options	–	–	–	–	–	–	79	–	–	79	–	79
Total contributions by and distributions to owners	–	7	–	–	–	–	79	(63)	–	23	–	23
At 31 October 2015	19,449	214,850	(59,982)	9,506	(10,466)	(16,140)	397	(692)	134,408	291,330	62,316	353,646

The accompanying notes form an integral part of these interim financial statements.

Unaudited Interim Consolidated Statements of Cash Flows

	Six months ended 31 October	
	2016	**2015**
	US$'000	**US$'000 (Restated)**
Cash flows from operating activities		
Profit for the period	**10,217**	40,484
Adjustments for:		
Finance expense	**55,794**	47,659
Depreciation of property, plant and equipment	**26,403**	28,903
Amortisation of intangible assets	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(238)
Net loss on derivative on financial statement	**1,400**	–
Share in loss of joint ventures, net of tax	**776**	903
Equity-settled share-based payment transactions	**538**	79
Loss on disposal of property, plant and equipment	**203**	277
Finance income	**(4,109)**	(2,204)
Tax expense (benefit), net	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)
	94,168	83,264
Changes in:		
Other noncurrent assets	**1,648**	(3,553)
Inventories	**(305,837)**	(351,855)
Biological assets	**1,642**	(3,998)
Trade and other receivables	**(83,092)**	(51,021)
Prepaid and other current assets	**993**	3,865
Trade and other payables	**89,367**	41,568
Employee benefits	**7,464**	4,638
Operating cash flows	**(193,647)**	(277,092)
Taxes paid	**(25)**	(1,829)
Net cash flows used in operating activities	**(193,672)**	(278,921)
Cash flows from investing activities		
Interest received	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,483**	526
Purchase of property, plant and equipment	**(32,279)**	(22,567)
Additional investments in a joint venture	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(21,858)**	(22,991)

The accompanying notes form an integral part of these interim financial statements.

Unaudited Interim Consolidated Statements of Cash Flows (continued)

	Note	Six months ended 31 October 2016 US$'000	Six months ended 31 October 2015 US$'000 (Restated)
Cash flows from financing activities			
Interest paid		**(47,826)**	(40,752)
Proceeds from borrowings		**611,368**	687,561
Repayment of borrowings		**(344,300)**	(355,540)
Dividends paid		**(25,828)**	–
Acquisition of treasury shares		**–**	(63)
Net cash flows provided by financing activities		**193,414**	291,206
Net decrease in cash and cash equivalents		**(22,116)**	(10,706)
Cash and cash equivalents at 1 May		**47,203**	35,618
Effect of exchange rate changes on balances held in foreign currency		**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	14	**23,488**	22,084

The accompanying notes form an integral part of these interim financial statements.

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

1. Domicile and activities

Del Monte Pacific Limited (the "Company") was incorporated in the British Virgin Islands on 27 May 1999 under the International Business Companies Ordinance, Chapter 291 of the laws of the British Virgin Islands, as an international business company. On 2 August 1999, the Company was admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 10 June 2013, the Company was also listed on the Philippine Stock Exchange ("PSE"). The registered office of the Company is located at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands.

The principal activity of the Company is that of investment holding. Its subsidiaries are principally engaged in growing, processing, developing, manufacturing, marketing, distributing and selling packaged fruits and vegetables, canned and fresh pineapples, pineapple concentrate, tropical mixed fruit, tomato-based products, broth and certain other food products mainly under the brand names of *"Del Monte", "S&W"*, *"Contadina*", *"College Inn"* and other brands.

The immediate holding company is NutriAsia Pacific Limited whose ultimate shareholders are NutriAsia Inc ("NAI") and Well Grounded Limited, which at 31 October 2016 held 57.8% and 42.2% (30 April 2016: 57.8% and 42.2%) interest in NutriAsia Pacific Limited respectively, through their intermediary company, NutriAsia Holdings Limited. NutriAsia Pacific Limited, NutriAsia Inc and Well Grounded Limited are incorporated in the British Virgin Islands.

The financial statements of the Group as at and for the period ended 31 October 2016 comprise the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 October 2016 and for the six months ended October 31, 2016 and 2015 have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2016 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2016 and 2015 and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended 30 April 2016 and 2015, and for the four months ended 30 April 2014.

2.2 Basis of measurement

The accompanying financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in United States ("US") dollars, which is the Company's functional currency. All financial information presented in US dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Significant 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 FY2016 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2016, which did not have significant impact to the Group:

- 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

For the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants), the Group is in the process of finalizing its approach and quantification of its impact and will effect the same by FY2017 year end.

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
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 16, Leases effective 1 January 2019

4. Operating segments

Geographical segments

Americas

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 across various channels include retail markets, as well as to the United States military, certain export markets, the food service industry and other food processors.

Asia Pacific

Reported under Asia Pacific 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.

Europe

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

Product segments

Packaged fruit and vegetable

The Packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte and S&W brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavours in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This would also include non branded sales to South America.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

Segment assets

Segment assets consist primarily of property, plant and equipment, intangible assets, trade and other receivables, biological assets, inventories and investments in joint ventures.

The Group revised its segment reporting to show the packaged fruit and packaged vegetable categories separately.

Information about reportable segments

	Americas Six months ended 31 October		Asia Pacific Six months ended 31 October		Europe and Middle East Six months ended 31 October		Total Six months ended 31 October	
	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)	2016 US$'000	2015 US$'000 (Restated)
Revenue								
Packaged fruit	**309,664**	321,415	**59,458**	44,789	**6,392**	8,992	**375,514**	375,196
Packaged vegetable	**376,981**	431,113	**959**	1,030	**–**	–	**377,940**	432,143
Beverage	**15,873**	13,940	**67,387**	67,289	**1,453**	4,518	**84,713**	85,747
Culinary	**139,547**	149,813	**67,232**	64,585	**–**	–	**206,779**	214,398
Others	**497**	11	**56,282**	37,963	**–**	–	**56,779**	37,974
Total	**842,562**	916,292	**251,318**	215,656	**7,845**	13,510	**1,101,725**	1,145,458
Gross profit								
Packaged fruit	**54,945**	56,181	**17,524**	10,805	**2,334**	2,135	**74,803**	69,121
Packaged vegetable	**71,752**	94,407	**325**	260	**–**	–	**72,077**	94,667
Beverage	**3,958**	2,285	**22,180**	19,877	**498**	715	**26,636**	22,877
Culinary	**24,848**	29,456	**27,549**	25,514	**–**	–	**52,397**	54,970
Others	**110**	(5)	**14,459**	10,219	**–**	–	**14,569**	10,214
Total	**155,613**	182,324	**82,037**	66,675	**2,832**	2,850	**240,482**	251,849
Share of joint venture, net of tax								
Packaged fruit	**–**	–	**(109)**	(123)	**–**	–	**(109)**	(123)
Packaged vegetable	**–**	–	**(117)**	(147)	**–**	–	**(117)**	(147)
Beverage	**–**	–	**(52)**	(74)	**–**	–	**(52)**	(74)
Culinary	**–**	–	**(463)**	(492)	**–**	–	**(463)**	(492)
Fresh fruit and others	**–**	–	**(35)**	(67)	**–**	–	**(35)**	(67)
Total	**–**	–	**(776)**	(903)	**–**	–	**(776)**	(903)
Profit/(loss) before taxation								
Packaged fruit	**(9,256)**	389	**8,840**	2,137	**1,508**	1,045	**1,092**	3,571
Packaged vegetable	**(12,420)**	20,605	**101**	(31)	**–**	–	**(12,319)**	20,574
Beverage	**502**	(718)	**8,781**	5,930	**323**	133	**9,606**	5,345
Culinary	**(6,723)**	1,419	**10,960**	10,716	**–**	–	**4,237**	12,135
Others	**1,754**	(2,732)	**4,119**	3,434	**–**	–	**5,873**	702
Total	**(26,143)**	18,963	**32,801**	22,186	**1,831**	1,178	**8,489**	42,327

	Americas		**Asia Pacific**		**Europe and Middle East**		**Total**	
	31 Oct 2016	**30 April 2016**	**31 Oct 2016**	**30 April 2016**	**31 Oct 2016**	**30 April 2016**	**31 Oct 2016**	**30 April 2016**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Reportable								
segment assets	**2,567,464**	2,243,508	**467,699**	432,429	**10,262**	18,687	**3,045,425**	2,694,624
segment liabilities	**1,863,822**	1,556,300	**778,026**	750,369	**58,830**	22,743	**2,700,678**	2,329,412
Capital expenditure	**26,875**	42,823	**5,404**	17,486	–	–	**32,279**	60,309

Major customer

Revenues from a major customer of the Americas segment for the quarters ended 31 October 2016 and 2015 amounted to US$311.5 million and US$295.0 million, representing 28% and 26% of the total revenue, respectively.

5. Seasonality of operations

The Group's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. For Americas, products are sold heavily during the Thanksgiving and Christmas seasons.

The Group operates several production facilities in the U.S., Mexico, Philippines and Venezuela. Fruit plants are located in California and Washington in the United States and Philippines, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana.

The Del Monte Foods, Inc. ("DMFI") has a seasonal production cycle that generally runs between the months of June and July. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the DMFI has contracts to co-pack certain processed fruit and vegetable products for other companies.

6. Property, plant and equipment

During the six months ended 31 October 2016, the Group acquired assets with a cost of US$34.4 million (six months ended 31 October 2015: US$22.6 million), which includes noncash acquisition. There was no significant disposal of property, plant and equipment in the six months ended 31 October 2016 and 31 October 2015.

7. Intangible assets and goodwill

	Goodwill	Indefinite life trademarks	Amortisable trademarks	Customer relationship	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Cost					
At 30 April 2016	203,432	408,043	36,080	120,500	768,055
At 1 May 2016/31 Oct 16	203,432	408,043	36,080	120,500	768,055
Accumulated amortisation					
At 1 May 2015	–	–	9,907	6,535	16,442
Reclassification	–	–	(8,087)	–	(8,087)
Amortisation	–	–	2,276	7,051	9,327
At 30 April 2016	–	–	4,096	13,586	17,682
At 1 May 2016	–	–	4,096	13,586	17,682
Amortisation	–	–	1,156	3,518	4,674
At 31 October 2016	–	–	5,252	17,104	22,356
Carrying amounts					
At 30 April 2016	203,432	408,043	31,984	106,914	750,373
At 31 October 2016	**203,432**	**408,043**	**30,828**	**103,396**	**745,699**

Goodwill

Goodwill arising from the acquisition of DMFI was allocated to DMFI and its subsidiaries, which is considered as one cash generating unit ("CGU").

Indefinite life trademarks

Management has assessed the following trademarks as having indefinite useful lives as the Group has exclusive access to the use of these trademarks on a royalty free basis.

America trademarks

The indefinite life trademarks arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the "Del Monte" trademark in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The Philippines trademarks

A subsidiary, Dewey, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("The Philippines trademarks").

Indian sub-continent trademark

In November 1996, a subsidiary, Del Monte Pacific Resources Limited (“DMPRL”), entered into a sub-license agreement with an affiliated company to acquire the exclusive right to use the “Del Monte” trademark in the Indian sub-continent territories in connection with the production, manufacture, sale and distribution of food products and the right to grant sub-licences to others (“Indian sub-continent trademark”). This led to the acquisition of a joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the company’s product under the “Del Monte” brand name.

Asia S&W trademark

In November 2007, a subsidiary, S&W Fine Foods International Limited, entered into an agreement with Del Monte Corporation to acquire the exclusive right to use the “S&W” trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe and Africa for a total consideration of US$10.0 million.

Amortisable trademarks and customer relationships

	Net Carrying amount		Remaining amortisation period (years)	
	31 October 2016 US$'000	**30 April 2016 US$'000**	**31 October 2016**	**30 April 2016**
America Contadina trademark	**19,047**	19,597	17.3	17.8
Sager Creek trademarks	**10,289**	10,785	10.4	10.9
Asia S&W trademark	**29**	39	1.7	2.2
America S&W trademark	**1,463**	1,563	7.3	7.8
	30,828	31,984		

Asia S&W trademark

The amortisable trademark pertains to “Label Development” trademark.

America trademarks

The amortisable trademarks relate to the exclusive right to use of the “S&W” trademark in the United States, Canada, Mexico and certain countries in Central and South America and “Contadina” trademark in the United States, Canada, Mexico South Africa and certain countries in Asia Pacific, Central America, Europe, Middle East and South America market.

Sager Creek trademarks

The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek’s well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens’, among others.

Customer relationships

Customer relationships relate to the network of customers where DMFI and Sager Creek has established relationships with the customers, particularly in the United States market through contracts.

	Net carrying amount		Remaining amortisation period (years)	
	31 October 2016 US$'000	**30 April 2016 US$'000**	**31 October 2016**	**30 April 2016**
DMFI customer relationships	**92,638**	95,313	17.3	17.8
Sager Creek customer relationships	**10,758**	11,601	6.4	6.9
	103,396	106,914		

Management has included the DMFI customer relationships in the DMFI CGU impairment assessment and concluded no impairment exist at the reporting date.

Goodwill, indefinite life trademarks and customer relationship have no impairment indication at reporting date.

Estimating useful lives of amortisable trademarks and customer relationships

The Group estimates the useful lives of its amortisable trademarks and customer relationships based on the period over which the assets are expected to be available for use. The estimated useful lives of the trademarks and customer relationships are reviewed periodically and are updated if expectations differ from previous estimates due to legal or other limits on the use of the assets. A reduction in the estimated useful lives of amortisable trademarks and customer relationships would increase recorded amortisation expense and decrease non-current assets.

8. Joint venture

			Effective Equity Held by the Group as at 30April	
Name of joint venture	**Principal activities**	**Place of Incorporation and Business**	**As at 31 Oct 2016 %**	**As at 30 Apr 2016 %**
FieldFresh Foods Private Limited ("FFPL")	Production and sale of fresh and processed fruits and vegetable food products	India	**47.38**	47.23
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	**35.00**	35.00

The summarized financial information of a material joint venture, FFPL, not adjusted for the percentage ownership held by the Group, is as follows:

	31 October 2016	30 April 2016
	US$'000	US$'000
Assets		
Current assets	**25,387**	23,842
Noncurrent assets	**16,314**	17,110
Total assets	**41,701**	40,952
Liabilities		
Current liabilities	**(11,582)**	(14,283)
Noncurrent liabilities	**(25,781)**	(25,271)
Total liabilities	**(37,363)**	(39,554)
Net Assets	**4,338**	1,398

	31 October 2016	31 October 2015
	US$'000	US$'000
Results		
Revenue	**36,260**	32,240
Loss from continuing operations	**(1,585)**	(1,723)
Other comprehensive income	**–**	**–**
Total comprehensive income	**(1,585)**	(1,723)

	FFPL		NFHKL	
	31 October 2016	30 April 2016	31 October 2016	30 April 2016
	US$'000	US$'000	**US$'000**	US$'000
Group's interest in net assets of investee at beginning of period	20,661	20,419	2,159	2,171
Capital injection during the year	2,870	1,950	–	–
Group's share of:				
- loss from continuing operations	(792)	(1,705)	17	(12)
- other comprehensive income	–	(3)	–	–
- total comprehensive loss	(792)	(1,708)	17	(12)
Carrying amount of interest in investee at end of period	22,739	20,661	2,176	2,159

Source of Estimation Uncertainty

When the joint venture has suffered recurring operating losses, a test is made to assess whether the investment in joint venture has suffered any impairment by determining the recoverable amount. This determination requires significant judgement and estimation. An estimate is made of the future profitability, cash flow, financial health and near-term business outlook of the joint venture, including factors such as market demand and performance. The recoverable amount will differ from these estimates as a result of differences between assumptions used and actual operations.

Since its acquisition, the Indian sub-continent trademark (Note 7) and the investment in FFPL were allocated to the Indian sub-continent cash-generating unit ("Indian sub-continent CGU"). The recoverable amount of Indian sub-continent CGU was estimated using the discounted cash flows based on five-year cash flow projections.

9. Other noncurrent assets

	31 October 2016 US$'000	30 April 2016 US$'000
Advances to growers	**12,202**	10,342
Advance rentals and deposits	**7,043**	4,500
Excess insurance	**4,500**	6,628
Land expansion (development costs of acquired leased areas)	**2,677**	2,171
Prepayments, noncurrent	**628**	1,273
Others	**1,023**	1,027
	28,073	25,941

Excess insurance relate mainly to reimbursements from insurers to cover the workers' compensation.

Land expansion comprises development costs of newly acquired leased areas including costs such as creation of access roads, construction of bridges and clearing costs. These costs are amortised on a straight-line basis over the lease periods of 10 years.

10. Biological assets

	31 October 2016 US$'000	30 April 2016 US$'000
Livestock (at cost)		
At beginning of the year/period	**1,447**	1,446
Purchases of livestock	**158**	525
Sales of livestock	**(161)**	(451)
Currency realignment	**(47)**	(73)
At end of the year/period	**1,397**	1,447
Growing crops (at cost)		
At beginning of the year /period	**124,015**	127,194
Additions	**39,864**	86,327
Harvested	**(41,502)**	(83,092)
Currency realignment	**(4,070)**	(6,414)
At end of the year /period	**118,307**	124,015

	31 October 2016 US$'000	30 April 2016 US$'000
Current	**83,524**	87,994
Noncurrent	**36,180**	37,468
Totals	**119,704**	125,462

	Note	31 October 2016 US$'000	30 April 2016 US$'000
Fair value of agricultural produce harvested	19	49,177	98,412

Growing crops

	31 October 2016	30 April 2016
Hectares planted with growing crops		
– Pineapples	**16,109**	15,822
– Papaya	**283**	205
Fruits harvested from the growing crops: (in metric tons)		
– Pineapples	**310,642**	622,842
– Papaya	**3,860**	4,903

11. Inventories

	31 October 2016 US$'000	30 April 2016 US$'000
Finished goods		
- at cost	**508,104**	644,667
- at net realisable value	**32,247**	12,843
Semi-finished goods		
- at cost	**468,592**	327
- at net realisable value	**11,140**	11,292
Raw materials and packaging supplies		
- at net realisable value	**138,502**	176,104
	1,158,585	845,233

Inventories are stated after allowance for inventory obsolescence. Movements in the allowance for inventory obsolescence during the year/period are as follows:

	Note	31 October 2016 US$'000	30 April 2016 US$'000
At beginning of the year/period		**12,715**	11,701
Allowance for the year/period	*20*	**904**	2,926
Write-off against allowance		**(1,252)**	(1,508)
Currency realignment		**(313)**	(404)
At end of the year/period		**12,054**	12,715

The allowance for inventory obsolescence recognised during the period is included in "Cost of sales".

Source of Estimation Uncertainty

The Group recognises allowance on inventory obsolescence when inventory items are identified as obsolete. Obsolescence is based on the physical and internal condition of inventory items. Obsolescence is also established when inventory items are no longer marketable. Obsolete goods when identified are charged to income statement and are written off. In addition to an allowance for specifically identified obsolete inventory, estimation is made on a group basis based on the age of the inventory items. The Group believes such estimates represent a fair charge of the level of inventory obsolescence in a given year. The Group reviews on a monthly basis the condition of its inventory. The assessment of the condition of the inventory either increases or decreases the expenses or total inventory.

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories expected to be realised. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after reporting date to the extent that such events confirm conditions existing at the reporting date. The Group reviews on a continuous basis the product movement, changes in customer demands and introductions of new products to identify inventories which are to be written down to the net realisable values. The write-down of inventories is reviewed periodically to reflect the accurate valuation in the financial records. An increase in write-down of inventories would increase the recorded cost of sales and operating expenses and decrease current assets

12. Trade and other receivables

	31 October 2016 US$'000	30 April 2016 US$'000
Trade receivables	**218,461**	152,936
Non trade receivables	**26,636**	22,677
Amounts due from joint venture (non-trade)	**6,016**	6,013
Allowance for doubtful accounts – trade	**(1,544)**	(1,640)
Allowance for doubtful accounts – nontrade	**(4,368)**	(4,454)
Trade and other receivables	**245,201**	175,532

The amounts due from subsidiaries and joint venture are unsecured, interest-free and repayable on demand. There is no allowance for doubtful debts arising from these outstanding balances.

The ageing of trade and non-trade receivables at the reporting date is:

	Gross		Impairment losses	
At 31 October 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	**162,468**	**18,086**	**–**	**–**
Past due 0 - 60 days	**48,473**	**472**	**–**	**–**
Past due 61 - 90 days	**3,077**	**306**	**–**	**–**
Past due 91 - 120 days	**220**	**149**	**–**	**–**
More than 120 days	**4,223**	**7,623**	**(1,544)**	**(4,368)**
	218,461	**26,636**	**(1,544)**	**(4,368)**

	Gross		Impairment losses	
At 30 April 2016	**Trade US$'000**	**Non trade US$'000**	**Trade US$'000**	**Non trade US$'000**
Not past due	97,404	13,967	–	–
Past due 0 - 60 days	35,835	846	–	–
Past due 61 - 90 days	3,825	799	–	–
Past due 91 - 120 days	3,688	122	–	–
More than 120 days	12,184	6,943	(1,640)	(4,454)
	152,936	22,677	(1,640)	(4,454)

The recorded impairment loss falls within the Group's historical experience in the collection of accounts receivables. Therefore, management believes that there is no significant additional credit risk beyond what has been recorded.

13. Prepaid expense and other current assets

	31 October 2016 US$'000	30 April 2016 US$'000
Prepaid expenses	**18,907**	24,397
Downpayment to contractors and suppliers	**11,113**	9,025
Derivative asset	**690**	1,473
Others	**147**	702
	30,857	35,597

Prepaid expenses consist of advance payments for insurance, advertising, rent and taxes, among others.

14. Cash and cash equivalents

	31 October 2016 US$'000	30 April 2016 US$'000
Cash on hand	**55**	50
Cash in banks	**23,020**	47,153
Short term placement	**413**	-
Cash and cash equivalent	**23,488**	47,203

Cash and cash equivalents comprise cash balances. Certain of the cash and bank balances earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.45% per annum.

15. Loans and borrowings

	31 October 2016 US$'000	30 April 2016 US$'000
Current liabilities		
Unsecured bank loans	**636,227**	501,481
Secured bank loans	**357,480**	225,879
	993,707	727,360
Non-current liabilities		
Unsecured bank loans	**191,214**	193,224
Secured bank loans	**924,203**	923,198
	1,115,417	1,116,422
	2,109,124	1,843,782

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

				31 October 2016		30 April 2016	
	Currency	Nominal interest rate %	Year of maturity	Face value US$'000	Carrying amount US$'000	Face value US$'000	Carrying amount US$'000
Group							
Unsecured bank loans	PHP	2.10-4.75	2016-2020	**100,674**	**100,674**	97,697	97,697
Unsecured bank loans	USD	1.15-2.50	2016	**247,938**	**247,938**	119,145	119,145
Unsecured bridging loans	USD	2.13-4.15	2020	**130,000**	**129,324**	130,000	129,234
Unsecured bank loan	USD	90 days LIBOR +3.25%	2017	**350,000**	**349,505**	350,000	348,630
Secured bank loan under ABL Credit Agreement	USD	Libor +3.25%	2017	**356,383**	**353,548**	225,442	221,971
Secured First lien term loan	USD	Higher of Libor +3.25% or 4.25%	2016-2021	**692,250**	**677,308**	694,025	677,220
Secured Second lien term Loan	USD	Higher of Libor + 7.25% or 8.25%	2021	**260,000**	**250,827**	260,000	249,885
				2,137,245	**2,109,124**	1,876,309	1,843,782

New Loan Availment
The group financial liabilities increased by US$265 million mainly driven by the increase in DMFI loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the "ABL Facility") from US$222 million to US$354 million as of October 31, 2016.

Unsecured Bank Loans
Certain unsecured bank loan agreements contain various affirmative and negative covenants that are typical of these types of facilities such as financial covenants relating to required debt-to-equity ratio, interest cover and maximum annual capital expenditure restrictions. These covenants include requirements for delivery of periodic financial information and restrictions and limitations on indebtedness, investments, acquisitions, guarantees, liens, asset sales, disposals, mergers, and changes in business, dividends and other transfers.

The Group is compliant with its loan covenants as at 31 October 2016 and 30 April 2016.

Long Term Borrowings

Long Term Borrowings	Principal Amount (In Thousands)	Interest Rate	Maturity	Payment Terms (e.g. annually, quarterly, etc.)	Interest already paid 1 May 2016 to 31 Oct 2016	
Senior secured variable rate first lien term loan	USD 710,000	Higher of Libor +3.25% or 4.25%	2021	0.25% quarterly principal payments from 30 April 2014 to July 31, 2021; Balance due in full at its maturity, 18 February 2021.	USD	14,933
Senior secured second lien variable rate term loan	USD 260,000	Higher of Libor + 7.25% or 8.25%	2021	Due in full at its maturity, August 18, 2021.	USD	10,844
BDO bridging facility	USD 350,000	90d Libor + 3.5% margin	2017	Quarterly interest payment and principal on maturity date.	USD	7,199
BDO Long-Term Loan	USD 30,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	683
BDO Long-Term Loan	USD 100,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	2,275
BDO Long-Term Loan	PHP 3,000,000	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020	Quarterly interest payment and principal on maturity date.	PHP	71,662

16. Other noncurrent liabilities

	31 October 2016 US$'000	30 April 2016 US$'000
Workers' compensation	**28,209**	30,969
Derivative liabilities	**18,628**	21,527
Accrued lease liabilities	**5,580**	4,440
Deferred rental liabilities	**4,112**	5,173
Other payables	**629**	477
	57,158	62,586

17. Trade and other payables

	31 October 2016 US$'000	30 April 2016 US$'000
Trade payables	**252,194**	167,197
Accrued operating expenses		
Advertising	**18,021**	23,405
Professional fees	**17,470**	7,620
Taxes and insurance	**6,305**	6,146
Miscellaneous	**69,400**	44,438
Derivative liabilities	**13,690**	15,218
Accrued payroll expenses	**6,503**	6,875
Advances from customers	**1,203**	2,465
Withheld from employees (taxes and social security cost)	**992**	1,527
Other payables	**2,407**	6,152
	388,185	281,043

18. Accounting classification and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Group	*Note*	Loans and receivables US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
31 October 2016						
Cash and cash equivalents	*14*	**23,488**	**–**	**–**	**23,488**	**23,488**
Trade and other receivables	*12*	**245,891**	**–**	**–**	**245,891**	**245,891**
Derivative asset	*13*	**–**	**690**	**–**	**690**	**690**
		269,379	**690**	**–**	**270,069**	**270,069**
Loans and borrowings	*15*	**–**	**–**	**2,109,124**	**2,109,124**	**2,059,541**
Trade and other payables*	*17*	**–**	**13,690**	**374,495**	**388,185**	**388,185**
Derivative liabilities	*17*	**–**	**18,628**	**–**	**18,628**	**18,628**
		–	**32,318**	**2,483,619**	**2,515,937**	**2,466,354**
30 April 2016						
Cash and cash equivalents	*14*	47,203	–	–	47,203	47,203
Trade and other receivables	*12*	175,532	–	–	175,532	175,532
Derivative asset	*13*	–	1,473	–	1,473	1,473
		222,735	1,473	–	224,208	224,208
Loans and borrowings	*15*	–	–	1,843,782	1,843,782	1,822,868
Trade and other payables*	*17*	–	15,218	263,354	278,572	278,572
Derivative liabilities	*17*	–	21,527	–	21,527	21,527
		–	36,745	2,107,136	2,143,881	2,122,967

* *excludes advances from customers*

19. Determination of fair values

Fair value hierarchy

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

			31 October 2016		
	Notes	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	690	–	690
Non-financial assets					
Fair value of agricultural produce harvested	10	–	–	49,177	49,177
Noncurrent assets held for sale	22	–	–	1,050	1,050
Freehold land		–	–	64,764	64,764
Financial liabilities					
Derivative liabilities	16, 17, 18	–	32,318	–	32,318

			30 April 2016		
		Level 1	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	1,473	–	1,473
Non-financial assets					
Fair value of agricultural produce harvested	10	–	–	98,412	98,412
Noncurrent assets held for sale	22	–	–	1,950	1,950
Freehold land		–	–	65,372	65,372
Financial liabilities					
Derivative liabilities	16, 17, 18	–	36,745	–	36,745

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Determination of fair values of financial assets

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial instruments measured at fair value

Type	**Valuation technique**
Forward exchange contracts	Market comparison technique: The fair values are based on brokers' quotes. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Interest rate swaps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve.
Commodities contracts	Market comparison technique: The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.

Financial instruments not measured at fair value

Type	**Valuation technique**
Financial liabilities	The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date (Level 2). The fair value of the loan is based on the discounted value of expected future cash flows using risk free rates and credit spread ranging from 3.7% to 4.6% (Level 3).
Other financial assets and liabilities	The notional amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are, because of the short period to maturity, assumed to approximate their fair values. All other financial assets and liabilities are discounted to determine their fair values.

Non-financial assets
The valuation techniques used for measuring the fair value of material assets acquired in both Sager Creek acquisition and DMFI were as follows:

Assets	**Valuation technique**
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considered quoted market prices for similar items when available, and depreciated replacement cost as appropriate.
Noncurrent assets held for sale	Market comparison technique: The fair values are based on brokers' quotes or assessments.
Trademarks	Relief-from-royalty method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned.
Customer relationship	Multi-Period Excess Earnings Method: Multi-Period Excess Earnings Method considers the present value of the incremental after-tax cash flows specific to the intangible asset after deducting contributory asset charges.
Inventories	Market comparison technique: The fair value was determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

Other non-financial assets

Assets	**Valuation technique**	**Significant unobservable inputs**
Freehold land	The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighbourhood, utility, terrain, and the time element involved.
Livestock	Sales Comparison Approach: the valuation model is based on market price of livestock of similar age, weight, breed and genetic make-up (Level 3).	The unobservable inputs are age, average weight and breed.
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit adjusted for margin and costs to sell (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for fresh products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product (concentrates, pineapple beverages, sliced pineapples, etc.) adjusted for margin and associated costs related to production (Level 3).	The unobservable inputs are estimated future pineapple gross margin per ton specific for processed products, estimated pineapple yield per hectare, estimated pineapple fruit recovery.

20. Profit for the period

The following items have been included in arriving at profit for the period:

		Six months ended 31 October 2016 US$'000	Six months ended 31 October 2015 US$'000
Provision for inventory obsolescence	11	904	464
Reversal of allowance for doubtful receivables (trade)		174	222
Amortisation of intangible assets	7	4,674	4,980
Depreciation of property, plant and equipment		26,403	28,903

21. General and administrative expenses

This account consists of the following:

	31 October 2016 US$'000	31 October 2015 US$'000
Personnel costs	38,023	3,060
Professional and contracted services	19,737	20,324
Computer costs	6,910	5,649
Facilities expense	3,707	3,702
Postage and telephone	1,638	1,892
Travelling and business meals	1,469	1,067
Rental	1,139	1,042
Employee-related expenses	973	1,275
Machinery and equipment maintenance	475	476
Utilities	328	321
Materials and supplies	312	255
Research and development projects	298	347
Auto operating and maintenance costs	156	148
Miscellaneous overhead	5,861	13,805
Totals	81,026	53,363

Miscellaneous overhead consists of donation, corporate initiatives, and other expenses.

22. Noncurrent assets held for sale

In March 2015, management committed to a plan to sell part of the property, plant and equipment of Sager Creek. Accordingly, these assets are presented as noncurrent assets held for sale. Efforts to sell the assets have started and a sale is expected within twelve months.

Noncurrent assets held for sale amounted to US$1.1 million and US$2.0 million as at 30 October 2016 and 30 April 2016, respectively. There is no cumulative income or expenses included in other comprehensive income relating to the noncurrent assets held for sale.

23. Share capital

		31 October 2016		30 April 2016	
		No. of shares ('000)	**US$'000**	**No. of shares ('000)**	**US$'000**
Authorised:					
Ordinary shares of	US$0.01 each	3,000,000	30,000	3,000,000	30,000
Preference shares of	US$1.00 each	600,000	600,000	600,000	600,000
		3,600,000	630,000	3,600,000	630,000
Issued and fully paid:					
Ordinary shares of	US$0.01 each	1,944,936	19,449	1,944,936	19,449

Reconciliation of number of outstanding ordinary shares in issue:

	Period ended 31 October 2016 ('000)	**Year ended 30 April 2016 ('000)**
At beginning of the year/period	1,943,214	1,944,035
Acquisition of own shares	–	(821)
At end of the year/period	1,943,214	1,943,214

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

In April 2014, the Company increased its authorised share capital from US$20.0 million, divided into 2,000,000,000 ordinary shares at US$0.01 per share, to US$630.0 million, divided into 3,000,000,000 ordinary shares at US$0.01 per share and 600,000,000 preference shares at US$1.00 per share. The preference shares may be issued in one or more series, each such class of shares will have rights and restrictions as the BOD may designate. The terms and conditions of the authorised preference share will be finalised upon issuance.

On 30 October 2014, the Company had additional ordinary shares listed and traded on the Philippine Stock Exchange. The Company had offered and sold by way of primary offer, 5,500,000 shares at an offer price of 17.00 Philippine pesos (Php) per share.

In March 2015, the Company issued 641,935,335 shares at an exercise price of S$0.325 or Php10.60 for each share in Singapore and the Philippines, respectively.

Total shares outstanding were at 1,943,214,106 as of 31 October 2016; (31 April 2016: 1,943,214,106). 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 in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 October 2016 (31 April 2016: 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.

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 October 2016 (31 April 2016: 1,721,720). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 October 2016.

Capital management

The BOD's policy is to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's capital comprises its share capital and reserves. The BOD monitors the return on capital, which the Company defines as profit or loss for the year divided by total shareholders' equity. The BOD also monitors the level of dividends paid to ordinary shareholders.

The bank loans of the Company contain various capital covenants with respect to capital maintenance and ability to incur additional indebtedness. The BOD ensures that loan covenants are considered as part of its capital management through constant monitoring of covenant results through interim and full year results.

There were no changes in the Company's approach to capital management during the period.

24. Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 31 October	
	2016	**2015**
Basic profit per share is based on:		
Profit for the period attributable to owners of the Company (US$'000)	11,442	37,076
Basic weighted average number of ordinary shares ('000):		
Issued ordinary shares at 1 May	1,943,214	1,944,035
Effect of own shares held	–	(37)
Weighted average number of ordinary shares at end of period (basic)	1,943,214	1,943,998
Basic profit per share (in US cents)	0.59	1.91

For the purpose of calculation of the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from ESOP and Del Monte Pacific RSP, with the potential ordinary shares weighted for the period outstanding.

	Six months ended 31 October	
	2016	**2015**
Diluted profit per share is based on:		
Profit for the period attributable to owners of the Company (US$'000)	11,442	37,076
Diluted weighted average number of shares ('000):		
Weighted average number of ordinary shares (basic)	1,943,214	1,943,998
Effect of share options on issue	746	746
Weighted average number of ordinary issued and potential shares assuming full conversion	1,943,960	1,944,744
Diluted profit per share (in US cents)	0.59	1.91

The potential ordinary shares issuable under the Del Monte RSP were excluded from the diluted weighted average number of ordinary shares calculation because their effect would decrease the loss per share and have an anti-dilutive effect.

25. Commitments and contingencies

Operating lease commitments

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group have commitments for future minimum lease payments under non-cancellable operating leases at approximately US$226.4 million.

The leases typically run for an initial period of 2 to 25 years, with an option to renew the lease after that date. Some of the leases contain escalation clauses but do not provide for contingent rents. Lease terms do not contain any restrictions on Group activities concerning dividends, additional debts or further leasing.

Purchase commitments

The Group has entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements at approximately US$977.6 million.

DMPL India Limited

As at 31 October 2016, a subsidiary, DMPL India Limited has a contingent liability amounting to INR371.3 million or an equivalent of US$5.6 million (30 April 2016: US$8.4 million) in the form of a letter of undertaking securing 50% of the obligations of FFPL under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

26. Related parties

Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Other than disclosed elsewhere in the financial statements, transactions with related parties are as follows:

Category/ Transaction	Period (as of)	Amount of the transaction US$'000	Outstanding balance – receivables/ (payables) US$'000	Terms	Conditions
Under Common Control					
▪ Shared IT services	October 2016	230	72	Due and demandable;	Unsecured;
	April 2016	215	79	non–interest bearing	no impairment
▪ Sale of tomato paste	October 2016	4	–	Due and demandable;	Unsecured;
	April 2016	1,111	–	non–interest bearing	no impairment
▪ Inventory Count	October 2016	–	(190)	Due and demandable;	Unsecured;
Shortage	April 2016	25	–	non–interest bearing	no impairment
Purchases	October 2016	237	–	Due and demandable;	Unsecured;
	April 2016	826	–	non–interest bearing	no impairment
Tollpack fees	October 2016	296	–	Due and demandable;	Unsecured;
	April 2016	551	(63)	non–interest bearing	no impairment
Other Related Party					
▪ Management fees from Del Monte Philippines, Inc. ("DMPI") retirement	October 2016	2	511	Due and demandable;	Unsecured;
fund	April 2016	4	261	non–interest bearing	no impairment
▪ Rental to DMPI	October 2016	903	–	Due and demandable;	Unsecured;
Retirement	April 2016	1,365	(3)	non–interest bearing	no impairment
▪ Rental to NAI	October 2016	280	–	Due and demandable;	Unsecured;
Retirement	April 2016	529	(166)	non–interest bearing	no impairment
▪ Rental to DMPI	October 2016	2	–	Due and demandable;	Unsecured;
provident fund	April 2016	5	–	non–interest bearing	no impairment
▪ Purchase of services to	October 2016	14	–	Due and demandable;	Unsecured;
DMPI retirement	April 2016	30	–	non–interest bearing	no impairment
	October 2016	1,968	393		
	April 2016	4,661	108		

The transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group policy is to solicit competitive quotations. Bids from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

27. Other Matters

a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.

b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favourable or unfavourable impact on net sales or revenues or income from continuing operations.

c. There were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual statements of financial position date.

d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

e. The effects of seasonality or cyclicality on the interim operations of the Group's businesses are explained in Note 4, Operating Segments.

f. The Group's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of October 31 2016. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short and long-term loans.

g. In fiscal year 2016, the Group elected to change the method of valuing inventory to first-in first-out (FIFO) method. Previously, the cost of finished goods inventory was based on the weighted average cost (WAC) method. The 2015 comparative information was restated to reflect the adjustment from WAC to FIFO.

The following summarizes the impact of change in inventory costing and reclassification:

	As previously reported US$'000	Adjustments US$'000	As restated US$'000
Income Statement			
Revenue	1,131,063	14,395	1,145,458
Cost of sales	(883,736)	(9,873)	(893,609)
Distribution and selling expenses	(89,822)	(11,426)	(101,248)
Other income (expenses) - net	(7,873)	(680)	(8,553)
Tax credit/expense - net	(4,725)	2,882	(1,843)
Loss for the year	**(46,489)**	**(3,358)**	**(49,847)**
Non-controlling interests	**(4,725)**	**(348)**	**(5,073)**
Owners of the Company	**(41,764)**	**(3,010)**	**(44,774)**
Earnings per share			
Basic loss per share (US cents)	2.12	(0.21)	1.91
Diluted loss per share (US cents)	2.12	(0.21)	1.91

h. The Group is the subject of, or a party to, other various suits and pending or threatened litigation. While it is not feasible to predict or determine the ultimate outcome of these matters. The Group believes that none of these legal proceedings will have a material adverse effect on its financial position. As a result,

Annex A

Key Performance Indicators

The following sets forth the explanation why certain performance ratios (i.e. current ratio, debt to equity ratio, net profit margin, return on asset, and return on equity) do not fall within the benchmarks indicated by SEC.

A. Current Ratio

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Current Ratio	**1.0841**	**1.4486**	**1.1412**	**Minimum of 1.20**

Current ratio decreased due to higher current financial liabilities

B. Debt to Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Debt to Equity	**7.8338**	**7.4731**	**6.3782**	**Maximum of 2.50**

Debt ratio has significantly improved versus last year driven by additional loans made by DMPL and improved profitability.

C. Net Profit Margin

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Net Profit Margin attributable to owners of the company	**1.04%**	**3.24%**	**2.27%**	**Minimum of 3%**

The decrease is mainly on the lower net profit than last year due to the OPEB adjustment made last year.

D. Return on Asset

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Asset	**0.34%**	**1.35%**	**2.02%**	**Minimum of 1.21**

The decrease is mainly on the lower net profit than last year due to the OPEB adjustment made last year and increase in operating assets compared to same period last year.

E. Return on Equity

	31-Oct-16	31-Oct-15	30-Apr-16	Benchmark
Return on Equity	**2.96%**	**11.45%**	**14.93%**	**Minimum of 8%**

Decrease is mainly on the lower net income due to OPEB adjustment made last year and dividends paid this year.

Material Changes in Accounts

A. Cash and cash equivalent

Lower cash mainly on lower net cash

B. Inventories

Increase in inventory is due to inventory build-up in the first half to support the increased demand in the 2nd half of the fiscal year.

C. Trade and other receivables

The increase in trade and other receivables is mainly on the timing of collection.

E. Intangible assets

Decrease in intangibles is mainly attributed to the amortization for the year.

F. Trade & other payables

Increase in trade and other payables are mainly due to purchases to support working capital build during the quarter.

H. Financial liabilities

Increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

The Group monitors its liquidity risk to ensure that it has sufficient resources to meet its liabilities as they become due, under both normal and stressed circumstances without incurring unacceptable losses or risk to the Group's reputation. The Group maintains a balance between continuity of cash inflows and flexibility in the use of available and collateral free credit lines from local and international banks and constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

As at 31 October 2016 and 30 April 2016, the Company is in compliance with the covenants stipulated in its loan agreements.

Annex B

DEL MONTE PACIFIC, LTD.
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	Formula	For the six months ended October 31, 2016	October 31, 2015
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.5
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.2	0.3
(ii) Solvency Ratio	Total Assets / Total Debt*	1.1	1.1
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.9	0.9
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	7.8	7.5
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	8.8	8.5
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	1.1	1.9
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	21.83%	21.99%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	1.04%	3.24%
Net Profit Margin	Net Profit / Sales	0.93%	3.53%
Return on Assets	Net Income / Total Assets	0.34%	1.50%
Return on Equity	Net Income / Total Stockholders' Equity	2.96%	11.45%

* *Total Debt refers to total liabilities which composed of financial liabilities, trade payables, accrued expenses, and other liabilities.*
*** EBIT =Profit before tax plus finance expenses excluding foreign exchange gain/loss*

DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Second Quarter and First Half Ended October 2016

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AUDIT

Second Quarter FY2017 results covering the period from 1 August 2016 to 31 October 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 FY2016 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2016, which did not have significant impact to the Group:

- 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

For the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants), the Group is in the process of finalising the approach and impact and will effect the same by FY2017 yearend.

The Group will adopt the following new standards on the respective effective dates:

- IFRS 9 Financial Instruments. IFRS 9 effective 1 January 2018
- IFRS 15, Revenue from Contracts with Customers effective 1 January 2018
- IFRS 16, Leases effective 1 January 2019

DISCLAIMER

This announcement may contain statements regarding the business of Del Monte Pacific Limited and its subsidiaries (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.

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

6 December 2016

NOTES ON THE 2Q FY2017 DMPL RESULTS

1. DMPL's effective stake in DMFI is 89.4%, hence the non controlling interest line (NCI) in the P&L. Net income is net of NCI.

2. FY would mean Fiscal Year for the purposes of this MD&A.

3. DMPL changed its Group accounting policy with respect to measurement of the cost of inventory from weighted average to FIFO method in April 2016. The change in accounting policy was applied retrospectively.

FINANCIAL HIGHLIGHTS – SECOND QUARTER AND FIRST HALF ENDED 31 OCTOBER 2016

	For the three months ended 31 October			For the six months ended 31 October		
in US$'000 unless otherwise stated*	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**	**Fiscal Year 2017**	**Fiscal Year 2016 (Restated)**	**% Change**
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Gross margin (%)	***23.1***	*22.4*	*0.7*	***21.8***	*22.0*	(0.2)
Operating profit**	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Operating margin (%)	***8.5***	*12.9*	*(4.4)*	***5.5***	*7.7*	(2.2)
Net profit attributable to owners of the Company - with one-off items**	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Net margin (%)	***3.2***	*7.2*	*(2.4)*	***1.0***	*3.2*	(2.2)
EPS (US cents)	**1.04**	2.46	(57.7)	**0.59**	1.91	(69.1)
Net profit attributable to owners of the Company – without one-off items**	**21,025**	15,817	32.9	**15,128**	6,857	120.6
Net debt	**2,085,636**	2,022,999	3.1	**2,085,636**	2,022,999	3.1
*Gearing*** (%)*	***605.0***	*572.0*	*33.0*	***605.0***	*572.0*	33.0
EBITDA**	**71,421**	103,210	(30.8)	**95,089**	122,886	(22.6)
Cash flow/(outflow) from operations	**(153,584)**	(132,999)	11.4	**(193,672)**	(278,921)	(32.5)
Capital expenditure	**12,738**	12,770	(0.3)	**32,279**	22,567	43.0
Inventory (days)	**154**	138	16	**209**	188	21
Receivables (days)	**25**	25	–	**31**	31	–
Account Payables (days)	**46**	52	(6)	**46**	52	(6)

**The Company's reporting currency is US dollars. For conversion to S$, the following exchange rates can be used: 1.36 in October 2016, 1.37 in October 2015. For conversion to PhP, these exchange rates can be used: 47.52 in October 2016, 45.84 in October 2015.*

***Please refer to the last page of this MD&A for a schedule of the one-off items*

****Gearing = Net Debt / Equity*

REVIEW OF OPERATING PERFORMANCE

Second Quarter

The Group achieved sales of US$636.2 million for the second quarter of FY2017, down 4.6% versus the prior year period driven by lower sales in the USA, partially offset by the strong performance in the Philippines under the Del Monte brand, and rest of Asia under the S&W brand.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) contributed US$493.3 million or 77.5% of Group sales. DMFI's sales declined by 9.1% due to lower inventory builds on packaged vegetable ahead of the holiday season, and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

DMFI generated lower gross profit and margin of 19.7% from 20.1% in the prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private labels and export. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

DMFI has launched a multiyear restructuring 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 closure of the North Carolina plant was one of these initiatives as well as the shift to a leaner organisation in the United States which had a cost impact.

These one-off expenses amounted to US$1.5 million pre-tax or US$0.9 million post-tax in the second quarter. Please refer to the last page of this MD&A for a schedule of the one-off items. Excluding the one-off expenses, DMFI contributed an EBITDA of US$46.1 million and a net income of US$8.5 million to the Group.

Sales of DMPL ex-DMFI were higher as compared to the same period last year. Last year was severely impacted by reduced pineapple supply as a result of the El Niño weather pattern. DMPL ex-DMFI generated sales of US$155.1 million (inclusive of the US$11.2 million sales by DMPL to DMFI which were netted out during consolidation), higher by 12.8%.

It delivered higher gross margin of 32.1% from 29.5% in the prior year quarter driven by improvement in productivity in the cannery, improved pricing as well as lower commodity costs particularly packaging. DMPL ex-DMFI generated an EBITDA of US$26.8 million which was higher by 31.3% and a net income of US$12.5 million, significantly higher versus the US$6.2 million in the same period last year.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the rapidly growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East performed very strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

DMPL's share of loss in the FieldFresh joint venture in India was at US$0.4 million, same as prior year. Del Monte packaged business saw strong growth from key accounts and foodservice segments led by improved volume in ketchup, packaged fruit, mayonnaise and olive oil. Higher sales and production efficiencies resulted in FieldFresh generating a positive EBITDA for the quarter.

The Group's EBITDA of US$71.4 million was lower than last year's EBITDA of US$103.2 million. This quarter's EBITDA included US$1.5 million of one-off expenses from severance and closure of the North Carolina plant, while prior year period's net income included a one-time net gain of US$33.4 million mainly from DMFI's retirement plan amendment. Without the one-off items, the Group recurring EBITDA of US$72.9 million was higher versus last year's recurring EBITDA of US$69.8 million.

The Group incurred a net income of US$20.2 million for the quarter, lower versus prior year period's net income of US$47.8 million. This quarter's net income included US$0.9 million of one-off expenses, while prior year period's included the one-time net gain of US$31.9 million. Without the one-off items, the Group reported a recurring net income of US$21.0 million, higher than last year's recurring net income of US$15.8 million.

The Group's cash outflow from operations in the second quarter was US$153.6 million, driven by inventory build-up in preparation for the seasonally stronger second semester. Cash outflow was higher versus last year's US$133.0 million driven by higher receivables.

Past the production peak in October, cash flows are expected to improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April.

First Half

For the first half of FY2017, the Group generated sales of US$1.1 billion, down 3.8% versus prior year. DMFI generated US$0.8 billion or 76.6% of Group sales, lower by 7.8% versus prior year due to continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction DMFI increased market share across two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

The Philippine market's sales were up double-digit driven by the strong momentum across major categories of packaged fruit, beverages and culinary driven by an expanded user base and expanded household penetration supported by new advertising campaigns and consumer communication. The foodservice channel also delivered robust growth. New products in culinary segment have been successfully launched as per plan.

The S&W branded sales in Asia and the Middle East rose double-digit versus last year on higher sales from both the fresh and packaged segments.

DMFI's gross margin for the full year declined to 17.9%, from 19.6% in the same period last year mainly driven by higher trade spend and lower volume in the US. In addition, first half gross margin included the US$2.7 million impact of North Carolina plant closure.

DMPL ex-DMFI's gross profit grew to US$89.6 million, and its gross margin increased to 31.7% from 28.5% due to better sales mix, pricing actions and cost optimisation.

DMPL's share of loss in the FieldFresh joint venture in India was flat at US$0.8 million, as FieldFresh continued to invest behind the business to grow the Del Monte packaged business in India.

DMPL's net income without DMFI was US$21.9 million, significantly up versus prior period's US$8.7 million mainly from improvement in gross margin as outlined above.

The DMPL Group generated a net income of US$11.4 million for the first half FY2017, lower than prior year period's net income of US$37.1 million due to the one-time net gain of US$30.2 million mainly from DMFI's retirement plan amendment last year. Meanwhile, first half FY2017 results included the US$2.7 million one-off item mentioned above plus the US$3.7 million of other restructuring costs, primarily severance expense. Please refer to the last page of the MD&A for the schedule of non-recurring items.

Excluding the one-off items, the Group's recurring net income would have been US$15.1 million, higher versus the recurring net income last year of US$6.9 million mainly driven by the strong performance of the Asian business.

The Group posted an EBITDA of US$95.1 million of which DMFI accounted for US$46.6 million. Excluding one-off items, the Group's recurring EBITDA would have been US$101.5 million, 9.7% higher versus the recurring EBITDA of US$92.5 million in the prior year period.

VARIANCE FROM PROSPECT STATEMENT

The first half results showed a net income for the Group. It is on track to achieving a net profit for the full year which is in line with earlier guidance.

BUSINESS OUTLOOK

Barring unforeseen circumstances, the Group will continue to be profitable for FY2017.

The Group expects its US business to improve its financial performance through procurement synergies and transformation, and optimisation of G&A costs through the multiyear restructuring initiative that started in FY2016. It also completed an organisational realignment to create a leaner and more agile management structure to be better positioned for growth and new business opportunities. From the restructuring that was announced in June 2016, the organisation in the US had been streamlined which would generate savings of over US$9.0 million annually.

In the mid-to-long term, the Group will continue to strengthen its core business and develop new products in the United States to unlock the growth potential of its products and brands. It will accelerate its penetration of the foodservice sector, and invest to grow broth through 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. It will ride on the strong growth of the Philippine economy fuelling the expansion of the retail and foodservice sectors, while it further develops its beverage and culinary business.

S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East, while the Group's joint venture in India will continue to generate higher sales and maintain its positive EBITDA.

The Group continues to explore e-commerce opportunities for its range of products across markets.

As part of the Group's deleveraging plan subject to market conditions, DMPL intends to issue early next year US dollar denominated perpetual preference shares in the Philippine capital market, to be listed on the Philippine Stock Exchange (PSE). The Company has received approvals from the Philippine SEC and the Bangko Sentral ng Pilipinas (Central Bank) and is awaiting the approval of its listing application from the PSE. As this is the first US$-denominated preference shares to be issued and listed on the PSE, PSE's trading platform is being enhanced for dollar denominated transactions. The SEC has recently approved the PSE's Dollar Denominated Securities rules. 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 in the Group's leverage ratios.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**
Packaged fruit	**180,648**	187,821	(3.8)	**33,703**	32,248	4.5	**9,440**	19,645	(51.9)
Packaged vegetable	**221,800**	260,182	(14.8)	**46,836**	57,402	(18.4)	**17,776**	39,538	(55.0)
Beverage	**5,958**	7,242	(17.7)	**1,274**	1,221	4.3	**806**	336	139.9
Culinary	**83,594**	87,349	(4.3)	**17,337**	19,657	(11.8)	**6,252**	12,478	(49.9)
Others	**400**	–	n.m.	**189**	(3)	n.m.	**1,391**	(1,339)	203.9
Total	**492,400**	542,594	(9.3)	**99,339**	110,525	(10.1)	**35,665**	70,658	(49.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**	**FY2017**	**FY2016 (Restated)**	**% Chg**
Packaged fruit	**309,664**	321,415	(3.7)	**54,945**	56,181	(2.2)	**6,877**	16,409	(58.1)
Packaged vegetable	**376,981**	431,113	(12.6)	**71,752**	94,407	(24.0)	**14,216**	41,786	(66.0)
Beverage	**15,873**	13,940	13.9	**3,958**	2,285	73.2	**1,505**	(15)	n.m.
Culinary	**139,547**	149,813	(6.9)	**24,848**	29,456	(15.6)	**1,965**	8,834	(77.8)
Others	**497**	11	n.m.	**110**	(5)	n.m.	**1,784**	(2,732)	165.3
Total	**842,562**	916,292	(8.0)	**155,613**	182,324	(14.7)	**26,347**	64,282	(59.0)

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 foodservice industry and other food processors.

Sales in the Americas declined by 9.3% to US$492.4 million due to lower packaged fruit and vegetable and lower culinary sales due to lower inventory builds on packaged vegetable ahead of the holiday season and on plastic fruit cup coming out of Back-to-School (as major retailers continued their thrust to optimise cash), weakness in the canned fruit industry, continued impact of unsuccessful low-margin US Department of Agriculture bids from the second half of FY2016 plus reduced sales in private label and foodservice business lines. The foodservice business has been impacted by supply-related issues following closure of the North Carolina plant. However, amidst industry contraction, DMFI increased market share in two of the four major categories in retail and this was further supported through growth of the branded business with its biggest customer, Wal Mart, as well as share growth with other strategic retailers such as Target and Kroger.

Gross profit was lower than prior year period due to unfavourable sales mix in addition to lower pricing in USDA, private label and exports. The incremental cost of the closure of the North Carolina plant amounting to US$1.2 million also impacted margin.

Operating income for the quarter of US$35.7 million was lower than prior year quarter's US$70.7 million. Prior year benefited from the one-time net gain of US$33.4 million mainly from DMFI's change in retirement benefit.

ASIA PACIFIC

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**32,867**	23,440	40.2	**10,012**	6,403	56.4	**5,463**	2,466	121.5
Packaged vegetable	**450**	432	4.2	**177**	106	67.0	**116**	16	625.0
Beverage	**32,863**	33,105	(0.7)	**9,956**	9,746	2.2	**3,434**	3,637	(5.6)
Culinary	**40,951**	40,525	1.1	**16,815**	16,333	3.0	**5,660**	7,722	(26.7)
Others	**33,264**	18,597	78.9	**9,340**	4,315	116.5	**3,049**	634	380.9
Total	**140,395**	116,099	20.9	**46,300**	36,903	25.5	**17,722**	14,475	22.4

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**59,458**	44,789	32.8	**17,524**	10,805	62.2	**8,766**	2,641	231.9
Packaged vegetable	**959**	1,030	(6.9)	**325**	260	25.0	**217**	99	119.2
Beverage	**67,387**	67,289	0.1	**22,180**	19,877	11.6	**8,625**	6,305	36.8
Culinary	**67,232**	64,585	4.1	**27,549**	25,514	8.0	**11,225**	11,378	(1.3)
Others	**56,282**	37,963	48.3	**14,459**	10,219	41.5	**3,963**	2,690	47.3
Total	**251,318**	215,656	16.5	**82,037**	66,675	23.0	**32,796**	23,113	41.9

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 and the Middle East 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's sales in the second quarter improved by 20.9% to US$140.4 million from US$116.1 million on higher packaged fruit, culinary sales and others.

The Philippine market sustained its strong performance, with sales growing in double-digit terms, driven by expanded penetration and increased consumption across categories in retail, as well as expansion in the fast growing foodservice channel where the Group optimised opportunities.

In the second quarter, the Group also strengthened its culinary portfolio with the launch of the Contadina brand in the Philippines with Nigella Lawson, best-selling cookbook author, food enthusiast and TV host as brand ambassador, and with the reintroduction of its Del Monte Extra-Rich Tomato Ketchup and Del Monte Extra-Rich Banana Ketchup. Both launches are meant to tap into the growing trend for premiumisation, following improvements in the Filipinos' purchasing power.

Sales of the S&W branded business in Asia and the Middle East also performed strongly with double digit growth driven by both the fresh and packaged segments. S&W expanded its fresh fruit distribution in China and raised brand awareness through in-store sampling. In the packaged segment, sales increased from strong sales of canned fruit to North Asia, higher shipment into Indonesia and improved sales to a foodservice partner in the Philippines.

Operating profit in the second quarter rose 22.4% to US$17.7 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and lower promotion spending.

EUROPE

For the second quarter ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**2,882**	4,457	(35.3)	**1,132**	1,180	(4.1)	**763**	613	24.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**525**	3,610	(85.5)	**126**	745	(83.1)	**44**	299	(85.3)
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**3,407**	8,067	(57.8)	**1,258**	1,925	(34.6)	**807**	912	(11.5)

For the half year ended 31 October

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg	FY2017	FY2016 (Restated)	% Chg
Packaged fruit	**6,392**	8,992	(28.9)	**2,334**	2,135	9.3	**1,488**	1,140	30.5
Packaged vegetable	**–**	–	–	**–**	–	–	**–**	–	–
Beverage	**1,453**	4,518	(67.8)	**498**	715	(30.3)	**319**	150	112.7
Culinary	**–**	–	–	**–**	–	–	**–**	–	–
Others	**–**	–	–	**–**	–	–	**–**	–	–
Total	**7,845**	13,510	(41.9)	**2,832**	2,850	(0.6)	**1,807**	1,290	40.1

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

For the second quarter, Europe's sales declined by 57.8% to US$3.4 million from US$8.1 million due to pineapple supply imbalance. Sales are expected to recover in the second half of the fiscal year.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 31 October			For the six months ended 31 October		
	FY2017	FY2016	**Comments**	**FY2017**	FY2016	**Comments**
Cost of Goods Sold	**44.4**	45.2	Lower pineapple cost from better yield and higher recovery	78.2	78.0	Higher DMFI cost, partially offset by lower pineapple cost from better yield and higher recovery
Distribution and Selling Expenses	**4.9**	4.8	Mainly due to timing of spending	9.0	8.8	Same as 2Q
G&A Expenses	**3.6**	0.5	Last year included DMFI's one-time gain on employee benefits	7.4	4.7	Same as 2Q
Other Operating Income	**(0.1)**	0.3	Lower miscellaneous expenses	(0.1)	0.7	Same as 2Q

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US$'000	**For the three months ended 31 October**				**For the six months ended 31 October**			
	FY2017	FY2016 (Restated)	**%**	**Comments**	**FY2017**	FY2016 (Restated)	**%**	**Comments**
Depreciation and amortisation	**(13,916)**	(16,872)	(17.5)	Mainly due to lower amortisation due to change in estimate of trademark	**(31,077)**	(33,883)	(8.3)	Same as 2Q
Reversal of asset impairment	**–**	117	n.m.	No impairment for the quarter	**–**	238	n.m.	Same as 2Q
(Provision)/reversal for inventory obsolescence	**6,036**	5,761	4.8	Due to timing of the provision	**(904)**	(464)	(94.8)	Same as 2Q
Provision for doubtful debts	**(125)**	(120)	4.2	Due to timing of the provision	**(174)**	(222)	(21.6)	Same as 2Q
Gain/(loss) on disposal of fixed assets	**540**	(161)	n.m.	Due to timing of disposal	**(203)**	(277)	(26.7)	Same as 2Q
Foreign exchange gain-net	**3,747**	595	529.9	Favourable impact of peso depreciation for the quarter	**3,839**	1,172	227.6	Same as 2Q
Interest income	**124**	58	113.7	Higher interest income from operating assets	**251**	160	56.9	Same as 2Q
Interest expense	**(28,927)**	(24,443)	18.3	Higher level of borrowings	**(55,775)**	(46,787)	19.2	Same as 2Q
Share of loss of JV, (attributable to the owners of the Company)	**(393)**	(300)	30.9	Higher sales in Indian joint venture were offset by Nice fruit higher expenses.	**(733)**	(853)	(14.1)	Higher sales in Indian joint venture
Taxation	**(7,684)**	(9,294)	(17.3)	Due to lower income mainly on DMFI	**1,728**	(1,843)	(193.8)	Due to higher DMFI loss position

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances	**31 October 2016**	**31 October 2015 (Restated)**	**30 April 2016**	**Comments**
in US$'000				
Joint venture	**24,915**	23,802	22,820	Driven by additional capital call for FieldFresh
Deferred tax assets	**104,127**	89,665	100,899	Due to increase in non-current deferred charges
Other assets	**28,073**	28,809	25,941	Due to decrease in excess insurance
Biological assets	**119,704**	126,905	125,462	Mainly due to lower field mix and translation
Inventories	**1,158,585**	1,100,568	845,233	Due to DMFI's lower sales
Trade and other receivables	**245,201**	255,415	175,532	Due to timing of collection
Prepaid and other current assets	**30,857**	24,280	35,597	Due to increase in DMPI's down payments to capex
Cash and cash equivalents	**23,488**	22,084	47,203	Mainly on increased borrowings
Financial liabilities – non-current	**1,115,417**	1,464,869	1,116,422	Reclassification of loans from non-current to current
Other non-current liabilities	**57,158**	71,955	62,586	Lower derivatives and workers compensation
Employee benefits– non-current	**99,482**	74,393	97,118	Due to higher employee retirement plan
Financial liabilities – current	**993,707**	580,214	727,360	Due to working capital requirements
Trade and other payables	**383,873**	428,788	281,043	Due to lower trade and accrued expenses
Current tax liabilities	**4,250**	1,400	3,827	Due to timing of tax payment

SHARE CAPITAL

Total shares outstanding were at 1,943,214,106 as of 31 October 2016; (31 October 2015: 1,943,737,506). 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 in new shares of 641,935,335. Share capital remains at US$19.5 million as of 31 October 2016 (31 October 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 31 October 2016 (31 October 2015: 1,198,320). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 October 2016.

BORROWINGS AND NET DEBT

Liquidity in US$'000	**As at 31 October** **2016**	2015	As at 30 April 2016
Gross borrowings	**(2,109,124)**	(2,045,083)	(1,843,782)
Current	**(993,707)**	(580,214)	(727,360)
Secured	**(357,480)**	(361,367)	(225,879)
Unsecured	**(636,227)**	(218,847)	(501,481)
Non-current	**(1,115,417)**	(1,464,869)	(1,116,422)
Secured	**(924,203)**	(923,950)	(923,198)
Unsecured	**(191,214)**	(540,919)	(193,224)
Less: Cash and bank balances	**23,488**	22,084	47,203
Net debt	**(2,085,636)**	(2,022,999)	(1,796,579)

The Group's net debt (cash and bank balances less borrowings) amounted to US$2.1 billion as at 31 October 2016, slightly higher than last year to support working capital requirements.

Past the production peak in October, cash flows are expected to further improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April. This will allow the Group to deleverage in the second semester.

DIVIDENDS

No dividends were declared for this quarter and corresponding prior year quarter.

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 second 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)**	
	FY2017	FY2016	**FY2017**	FY2016
NutriAsia, Inc	**–**	–	**767**	1,434
DMPI Retirement Fund	**–**	–	**919**	740
NutriAsia, Inc Retirement Fund	**–**	–	**280**	309
Aggregate Value	**–**	–	**1,966**	2,483

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	For the three months ended 31 October			For the six months ended 31 October		
	FY2017	FY2016	%	**FY2017**	FY2016	%
	(Unaudited)	(Unaudited) (Restated)		**(Unaudited)**	(Unaudited) (Restated)	
Turnover	**636,202**	666,760	(4.6)	**1,101,725**	1,145,458	(3.8)
Cost of sales	**(489,305)**	(517,407)	(5.4)	**(861,243)**	(893,609)	(3.6)
Gross profit	**146,897**	149,353	(1.6)	**240,482**	251,849	(4.5)
Distribution and selling expenses	**(54,378)**	(54,685)	(0.6)	**(99,683)**	(101,248)	(1.5)
General and administration expenses	**(39,264)**	(5,383)	629.2	**(81,026)**	(53,363)	51.8
Other operating income	**939**	(3,239)	129.0	**1,177**	(8,553)	113.8
Profit from operations	**54,194**	86,046	(37.0)	**60,950**	88,685	(31.3)
Financial income*	**3,871**	966	300.7	**4,109**	2,204	86.4
Financial expense*	**(28,927)**	(24,756)	16.8	**(55,794)**	(47,659)	17.1
Net finance expense	**(25,056)**	(23,790)	5.3	**(51,685)**	(45,455)	13.7
Share of loss of joint venture, net of tax	**(417)**	(325)	28.3	**(776)**	(903)	(14.1)
Profit before taxation	**28,721**	61,931	(53.6)	**8,489**	42,327	(79.9)
Taxation	**(7,684)**	(9,294)	(17.3)	**1,728**	(1,843)	193.8
Profit after taxation	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Profit(loss) attributable to:						
Owners of the Company	**20,161**	47,753	(57.8)	**11,442**	37,076	(69.1)
Non-controlling interest**	**876**	4,884	(82.1)	**(1,225)**	3,408	(135.9)
Profit/(loss) for the period	**21,037**	52,637	(60.0)	**10,217**	40,484	(74.8)
Notes:						
Depreciation and amortization	**(13,916)**	(16,872)	(17.5)	**(31,077)**	(33,883)	(8.3)
Provision of asset impairment	**–**	117	n.m.	**–**	238	n.m.
(Provision)/reversal for inventory	**6,036**	5,761	19.2	**(904)**	(464)	94.8
Provision for doubtful debts	**(125)**	(120)	4.2	**(174)**	(222)	(21.6)
Loss on disposal of fixed assets	**540**	(161)	n.m.	**(203)**	(277)	(26.7)
***Financial income comprise:**						
Interest income	**124**	58	113.7	**251**	160	56.9
Foreign exchange gain	**3,747**	908	312.7	**3,858**	2,044	88.7
	3,871	966	300.7	**4,109**	2,204	86.4
***Financial expense comprise:**						
Interest expense	**(28,927)**	(24,443)	18.3	**(55,775)**	(46,787)	19.2
Foreign exchange loss	**–**	(313)	n.m.	**(19)**	(872)	(97.8)
	(28,927)	(24,756)	16.8	**(55,794)**	(47,659)	17.1

n.m. – not meaningful

Earnings per ordinary share in US cents	For the three months ended 31 October		For the six months ended 31 October	
	FY2017	FY2016	**FY2017**	FY2016
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	**1.04**	2.46	**0.59**	1.91
(ii) On a fully diluted basis	**1.04**	2.46	**0.59**	1.91

*** Includes (US$1,183m) for DMFI and (US$42m) for FieldFresh in the first half ended FY2017 and US$3,460m for DMFI and (US$49m) for FieldFresh in the first half ended of FY2016.*
Includes US$899m for DMFI and (US$23m) for FieldFresh in the second quarter of FY2017 and US$4,910m for DMFI and (US$24m) for FieldFresh in the second quarter of FY2016.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the six months ended 31 October**		
	FY2017	**FY2016 (Restated)**	**%**
Profit for the period	**10,217**	40,484	(74.8)
Other comprehensive income (after reclassification adjustment):			
Items that will or may be reclassified subsequently to profit or loss			
Exchange differences on translating of foreign operations	**(9,769)**	(13,643)	(28.4)
Effective portion of changes in fair value of cash flow hedges	**2,367**	(4,657)	(139.1)
Income tax benefit (expense) on cash flow hedge	**(914)**	1,075	(134.3)
	(8,316)	(17,225)	(51.7)
Items that will not be classified to profit or loss			
Remeasurement of retirement benefit	**4,086**	1,323	208.8
Income tax benefit on retirement benefit	**(1,162)**	4,866	(123.9)
	2,924	6,189	(52.8)
Other comprehensive loss for the period	**(5,392)**	(11,036)	(51.1)
Total comprehensive income for the period	**4,825**	29,448	(83.6)
Attributable to:			
Owners of the Company	**5,589**	25,776	(78.3)
Non-controlling interests	**(764)**	3,672	(120.8)
Total comprehensive income for the period	**4,825**	29,448	(83.6)

nm – not meaningful

Please refer to page 3 for the Notes

DEL MOTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	Group			Company		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Non-Current Assets						
Property, plant and equipment – net	**563,726**	564,423	563,614	–	–	–
Subsidiaries	–	–	–	**773,144**	807,274	749,133
Joint ventures	**24,915**	23,802	22,820	**2,551**	2,551	2,551
Intangible assets and goodwill	**745,699**	754,719	750,373	–	–	–
Other noncurrent assets	**28,073**	28,809	25,941	–	–	–
Deferred tax assets – net	**104,127**	89,665	100,899	3	3	–
Biological assets	**36,180**	43,019	37,468	–	–	–
	1,502,720	1,504,437	1,501,115	**775,698**	809,828	751,684
Current Assets						
Inventories	**1,158,585**	1,100,568	845,233			–
Biological assets	**83,524**	83,886	87,994			–
Trade and other receivables	**245,201**	255,415	175,532	**129,837**	100,112	145,240
Prepaid and other current assets	**30,857**	24,280	35,597	**228**	676	257
Cash and cash equivalents	**23,488**	22,084	47,203	**380**	392	361
	1,541,655	1,486,233	1,191,559	**130,445**	101,180	145,858
Noncurrent assets held for sale	**1,050**	5,801	1,950	–	–	–
	1,542,705	1,492,034	1,193,509	**130,445**	101,180	145,858
Total Assets	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
Equity attributable to equity holders of the Company						
Share capital	**19,449**	19,449	19,449	**19,449**	19,449	19,449
Retained earnings	**134,480**	134,408	148,866	**134,480**	134,408	148,866
Reserves	**129,611**	137,473	134,926	**129,750**	137,675	135,065
Equity attributable to owners of the Company	**283,540**	291,330	303,241	**283,679**	291,532	303,380
Non-controlling interest	**61,207**	62,316	61,971	–	–	–
Total Equity	**344,747**	353,646	365,212	**283,679**	291,532	303,380
Non-Current Liabilities						
Loans and borrowings	**1,115,417**	1,464,869	1,116,422	**129,324**	476,899	129,234
Other noncurrent liabilities	**57,158**	71,955	62,586	–	–	–
Employee benefits	**99,482**	74,393	97,118	–	–	–
Environmental remediation liabilities	**4,507**	4,560	6,313	–	–	–
Deferred tax liabilities	**1,116**	1,092	1,092	–	–	–
	1,277,680	1,616,869	1,283,531	**129,324**	476,899	129,234

To be continued

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Amounts in US$'000	**Group**			**Company**		
	31 Oct 2016 (Unaudited)	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**	**31 Oct 2016 (Unaudited)**	**31 Oct 2015 (Restated)**	**30 April 2016 (Audited)**
Current Liabilities						
Trade and other payables	**388,185**	428,788	281,043	**93,985**	127,577	116,298
Loans and borrowings	**993,707**	580,214	727,360	**399,155**	15,000	348,630
Current tax liabilities	**4,250**	1,400	3,827	–	–	–
Employee benefits	**36,856**	15,554	33,651	–	–	–
	1,422,998	1,025,956	1,045,881	**493,140**	142,577	464,928
Total Liabilities	**2,700,678**	2,642,825	2,329,412	**622,464**	619,476	594,162
Total Equity and Liabilities	**3,045,425**	2,996,471	2,694,624	**906,143**	911,008	897,542
NAV per ordinary share (US cents)	**17.74**	29.51	18.79	**14.60**	24.33	15.61

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	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
Group												
Fiscal Year 2016												
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	–	–	7	–	–	–	–	(8,332)	–	(8,325)	(946)	(9,271)
At 1 May 2015, restated	19,449	214,843	(46,335)	9,506	(17,231)	(11,722)	318	97,332	(629)	265,531	58,644	324,175
Total comprehensive income for the period												
Profit for the period	–	–	–	–	–	–	–	37,076	–	37,076	3,408	40,484
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)	4	(13,643)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765	(576)	6,189
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(4,418)	–	–	–	(4,418)	836	(3,582)
Total other comprehensive income/(loss)	–	–	(13,647)	–	6,765	(4,418)	–	–	–	(11,300)	264	(11,036)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	(4,418)	–	37,076	–	25,776	3,672	29,448
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7	–	7
Acquistion of treasury shares	–	–	–	–	–	–	–	–	(63)	(63)	–	(63)
Value of employee services received for issue of share options	–	–	–	–	–	–	79	–	–	79	–	79
Total contributions by and distributions to owners	–	7	–	–	–	–	79	–	(63)	23	–	23
At 31 October 2015	**19,449**	**214,850**	**(59,982)**	**9,506**	**(10,466)**	**(16,140)**	**397**	**134,408**	**(692)**	**291,330**	**62,316**	**353,646**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	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**
Group												
Fiscal Year 2017												
At 1 May 2016	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	148,866	(802)	303,241	61,971	365,212
Total comprehensive income for the period												
Profit/(loss) for the period	–	–	–	–	–	–	–	11,442	–	11,442	(1,225)	10,217
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)	(1)	(9,769)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615	309	2,924
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	1,300	–	–	–	1,300	153	1,453
Total other comprehensive income	–	–	(9,768)	–	2,615	1,300	–	–	–	(5,853)	461	(5,392)
Total comprehensive (loss)/income for the period	–	–	(9,768)	–	2,615	1,300	–	11,442	–	5,589	(764)	4,825
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Value of employee services received for issue of share options	–	–	–	–	–	–	538	–	–	538	–	538
Dividends pay out	–	–	–	–	–	–	–	(25,828)		(25,828)	–	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	–	538	(25,828)	–	(25,290)	–	(25,290)
At 31 October 2016	**19,449**	**214,843**	**(69,581)**	**8,002**	**(8,218)**	**(16,202)**	**1,569**	**134,480**	**(802)**	**283,540**	**61,207**	**344,747**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

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**
Fiscal Year 2016										
At 1 May 2015, as previously stated	19,449	214,982	(46,342)	9,506	(17,231)	318	(11,722)	(629)	105,664	273,995
Impact of change of accounting policies	–	–	7	–	–	–	–	–	(8,332)	(8,325)
At 1 May 2015, as restated	19,449	214,982	(46,335)	9,506	(17,231)	318	(11,722)	(629)	97,332	265,670
Total comprehensive income for the period										
Loss for the period	–	–	–	–	–	–	–	–	37,076	37,076
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(13,647)	–	–	–	–	–	–	(13,647)
Remeasurement of retirement plan	–	–	–	–	6,765	–	–	–	–	6,765
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	(4,418)	–	–	(4,418)
Total other comprehensive income	–	–	(13,647)	–	6,765	–	(4,418)	–	–	(11,300)
Total comprehensive loss for the period	–	–	(13,647)	–	6,765	–	(4,418)	–	37,076	25,776
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Transaction costs related to the issuance of share capital	–	7	–	–	–	–	–	–	–	7
Value of employee services received for issue of share options	–	–	–	–	–	79	–	–	–	79
Total contributions by and distributions to owners	–	7	–	–	–	79	–	–	–	86
At 31 October 2015	**19,449**	**214,989**	**(59,982)**	**9,506**	**(10,466)**	**397**	**(16,140)**	**(629)**	**134,408**	**291,532**

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	**Share capital**	**Share premium**	**Translation Reserve**	**Revaluation Reserve**	**Remeasure -ment retirement plan**	**Share Option Reserve**	**Hedging Reserve**	**Reserve for own shares**	**Retained earnings**	**Total Equity**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Fiscal Year 2017										
At 1 May 2016	19,449	214,982	(59,813)	8,002	(10,833)	1,031	(17,502)	(802)	148,866	303,380
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	–	–	11,442	11,442
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(9,768)	–	–	–	–	–	–	(9,768)
Remeasurement of retirement plan	–	–	–	–	2,615	–	–	–	–	2,615
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	1,300	–	–	1,300
Total other comprehensive income	–	–	(9,768)	–	2,615	–	1,300	–	–	(5,853)
Total comprehensive loss for the period	–	–	(9,768)	–	2,615	–	1,300	–	11,442	5,589
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Value of employee services received for issue of share options	–	–	–	–	–	538	–	–	–	538
Payment of dividends	–	–	–	–	–	–	–	–	(25,828)	(25,828)
Total contributions by and distributions to owners	–	–	–	–	–	538	–	–	(25,828)	(25,290)
At 31 October 2016	**19,449**	**214,982**	**(69,581)**	**8,002**	**(8,218)**	**1,569**	**(16,202)**	**(802)**	**134,480**	**283,679**

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 **(Unaudited)**	FY2016 (Restated, Unaudited)	**FY2017** **(Unaudited)**	FY2016 (Restated, Unaudited)
Cash flows from operating activities				
Profit for the period	**21,037**	52,637	**10,217**	40,484
Adjustments for:				
Depreciation of property, plant and equipment	**11,006**	14,366	**26,403**	28,903
Amortisation of intangible assets	**2,910**	2,506	**4,674**	4,980
Reversal of impairment loss on property, plant and equipment	**–**	(117)	**–**	(238)
Gain/(loss) on disposal of property, plant and equipment	**(540)**	161	**203**	277
Equity-settled share-based payment transactions	**221**	41	**538**	79
Share of loss of joint venture, net of tax	**417**	325	**776**	903
Finance income	**(3,871)**	(966)	**(4,109)**	(2,204)
Finance expense	**28,927**	24,756	**55,794**	47,659
Tax expense (benefit) – net	**7,684**	9,294	**(1,728)**	1,843
Remeasurement of retirement benefits reserve	**–**	(39,422)	**–**	(39,422)
Net loss on derivative financial instrument	**(941)**	(3,132)	**1,400**	–
Operating profit before working capital changes	**66,850**	60,449	**94,168**	83,264
Changes in:				
Other assets	**(9,088)**	(1,603)	**1,648**	(3,553)
Inventories	**(140,296)**	(158,585)	**(305,837)**	(351,855)
Biological assets	**2,399**	(2,674)	**1,642**	(3,998)
Trade and other receivables	**(99,332)**	(69,544)	**(83,092)**	(51,021)
Prepaid and other current assets	**3,041**	8,348	**993**	3,865
Trade and other payables	**19,196**	26,289	**89,367**	41,568
Employee Benefit	**3,671**	5,018	**7,464**	4,638
Operating cash flow	**(153,559)**	(132,302)	**(193,647)**	(277,092)
Income taxes paid	**(25)**	(697)	**(25)**	(1,829)
Net cash flows from operating activities	**(153,584)**	(132,999)	**(193,672)**	(278,921)
Cash flows from investing activities				
Interest received	**11,682**	55	**11,808**	152
Proceeds from disposal of property, plant and equipment	**1,426**	522	**1,483**	526
Purchase of property, plant and equipment	**(12,738)**	(12,770)	**(32,279)**	(22,567)
Additional investment in joint venture	**(1,511)**	–	**(2,870)**	(1,102)
Net cash flows used in investing activities	**(1,141)**	(12,193)	**(21,858)**	(22,991)

To be continued

Amounts in US$'000	**For the three months ended 31 October**		**For the six months ended 31 October**	
	FY2017 (Unaudited)	FY2016 (Restated, Unaudited)	**FY2017** (Unaudited)	FY2016 (Restated, Unaudited)
Cash flows from financing activities				
Interest paid	**(25,189)**	(21,802)	**(47,826)**	(40,752)
Proceeds of borrowings	**209,203**	168,866	**267,068**	332,021
Dividends paid	**(25,828)**	–	**(25,828)**	–
Acquisition of treasury shares	**–**	(63)	**–**	(63)
Net cash flows from financing activities	**158,186**	147,001	**193,414**	291,206
Net increase/(decrease) in cash and cash equivalents	**3,461**	1,809	**(22,116)**	(10,706)
Cash and cash equivalents at 1 May	**20,494**	19,879	**47,203**	35,618
Effect of exchange rate fluctuations on cash held	**(467)**	396	**(1,599)**	(2,828)
Cash and cash equivalents at 31 October	**23,488**	22,084	**23,488**	22,084

One-off expenses/(income)

	For the three months ended 31 October			**For the six months ended 31 October**		
in US$ million	**FY2017**	**FY2016**	**% Change**	**FY2017**	**FY2016**	**% Change**
Retirement plan amendment	**–**	(39.4)	nm	**–**	(39.4)	nm
Closure of North Carolina plant	**1.2**	–	nm	**2.7**	–	nm
ERP implementation at DMFI	**–**	2.0	nm	**–**	4.0	nm
Sager Creek acquisition/integration	**–**	1.3	nm	**–**	2.0	nm
Severance	**0.3**	2.7	(88.7)	**3.7**	3.0	23.3
Total (pre-tax basis)	**1.5**	(33.4)	(104.5)	**6.4**	(30.4)	(121.1)
Total (post-tax and post non-controlling interest)	**0.9**	(31.9)	(102.7)	**3.7**	(30.2)	(112.2)