Del Monte Pacific Limited

Management Discussion and Analysis of
Unaudited Financial Condition and Results of Operations for
<u>the Second Quarter Ended 30 June 2006</u>

CONTENTS **Page**

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DEL MONTE PACIFIC TRANSITION IN PROCESS

- **2Q sales flat at US$54m**
- **Higher sales in the Philippines and in China offset declines in other markets**
- **2Q profit impacted by increased costs**
- **Interim dividend - 0.49 US cent/share (0.77 SG cent/share) or 75% payout of 1H profit**

Singapore, 26th July 2006 – Mainboard-listed Del Monte Pacific Limited (Bloomberg: DELM SP, Reuters: DMPL.SI) announced second quarter turnover remained flat at US$54 million while net profit fell 24% to US$3.7 million from US$4.8 million.

The Philippine market performed better with sales growing by 6%. Most of the categories in the Philippines posted growth, particularly the beverage and processed pineapple segments. New businesses – Great Lakes China and Del Monte Foods India – also contributed higher revenues at US$2.2 million. Great Lakes entered new export markets such as Taiwan, Australia and the Indian subcontinent. Strong performance in the Philippines and new businesses offset weak results in the non-processed product segment as well as in Europe/North America.

However, the Company continued to be affected by higher costs. Gross profit declined by 24% to US$11.8 million from US$15.6 million. Gross margin was reduced to 22% from 29% in the same quarter last year.

Turnover for the first half was slightly lower by 2% at US$100.6 million. Higher sales in the Philippines and in the new businesses were again offset by declines in other markets, particularly in Europe. Great Lakes contributed US$6.2 million in sales for the first half, up 58% compared to the same period last year. However, there was no positive contribution yet to the Group's net income.

Net income for the first half fell 31% to US$7.1 million from US$10.2 million primarily due to higher costs.

The transition teams put in place in April 2006 have finished their review of the business. A number of initiatives under three areas – revenue enhancement, operational efficiencies and revitalising the organisation – were put in place.

These include expanding sales coverage leveraging on San Miguel's distribution network, joint trade promotions, joint procurement, reduction of inventory and rationalisation of warehouses, among others. The Group has also implemented an Early Retirement Program which will result in cost savings of approximately US$2.0 million per annum.

As the sales and operational foundation is strengthened, the Company plans to become a leading fruit-based food and beverage company with a major presence in key global markets. The Company is in the right sector with consumers becoming more conscious of wellness and nutrition.

Joselito Campos, Jr., Managing Director of DMPL, said, "While there is tremendous potential in this business, we are currently going through the transition phase and the results of this initiative will be evident in future periods."

Barring any unforeseen circumstances, the Group expects that sales will improve. The Company will continue to focus on managing costs although the full benefits will not be reflected this year. The current expectation is for full year net profit to be at least equal to that of 2005.

The Board has declared an interim dividend of 0.49 US cent (US$0.0049) per share, representing a 75% payout of the Group's net profit in the first half of 2006. The Company has a dividend policy of paying at least 33% of net profit.

FINANCIAL HIGHLIGHTS – SECOND QUARTER AND FIRST HALF 2006

Amounts in US$'000 unless otherwise stated[1]	**For the three months ended 30 June**		**YoY Change**	**For the six months ended 30 June**		**YoY Change**
	2006	**2005**	**(%)**	**2006**	**2005**	**(%)**
Turnover	**53,915**	54,548	(1.2)	**100,636**	102,570	(1.9)
Gross profit[2]	**11,849**	15,564	(23.9)	**21,344**	28,365	(24.8)
Gross profit margin (%)	***22.0***	*28.5*	*(6.5 ppt)*	***21.2***	*27.7*	*(6.5 ppt)*
EBITDA	**6,342**	8,408	(24.6)	**11,937**	15,594	(23.5)
EBITDA margin (%)	***11.8***	*15.4*	*(3.6 ppt)*	***11.9***	*15.2*	*(3.3 ppt)*
PBIT	**3,994**	6,815	(41.4)	**8,454**	12,937	(34.7)
PBIT margin (%)	***7.4***	*12.5*	*(5.1 ppt)*	***8.4***	*12.6*	*(4.2 ppt)*
Net profit	**3,661**	4,835	(24.3)	**7,079**	10,196	(30.6)
Net profit margin (%)	***6.8***	*8.9*	*(2.1 ppt)*	***7.0***	*9.9*	*(2.9 ppt)*
EPS (US cents)	**0.34**	0.45	(24.4)	**0.65**	0.95	(31.6)
Net cash (debt)	**(32)**	5,746	(100.6)	**(32)**	5,746	(100.6)
Cash flow from operations	**854**	1,621	(47.3)	**(5,361)**	(1,227)	(336.9)
Capital expenditure	**858**	1,464	(41.4)	**1,823**	2,501	(27.1)
Dividend per share (US cents)	**0.49**	0.31	58.1	**0.49**	0.31	58.1
Inventory (days)	**107**	106	1	**114**	112	2
Receivables (days)	**30**	27	3	**33**	29	4
Account Payables (days)	**62**	53	9	**67**	56	11

[1]The Company's reporting currency is US dollars. See Notes to the Financial Statements number 1 for the Singapore-dollar equivalent table.
[2] General & administration expenses of Del Monte Philippines, Inc., a subsidiary of the Group, was previously reflected as part of Cost of Sales. Starting 2006, this is moved to General and Administration line below Gross Profit to be consistent with the presentation for the rest of the subsidiaries under the Group. Accordingly, prior year figure was restated.

n/m – not meaningful

REVIEW OF OPERATING PERFORMANCE FOR THE SECOND QUARTER AND FIRST HALF 2006

Group turnover for the second quarter remained flat at US$53.9 million as weak sales in Europe/North America and the non-processed product category offset higher sales in the Philippines and higher contribution from new businesses. Amidst a challenging business environment, sales in most categories in the Philippines were up bringing total sales in that market higher by 6%. Great Lakes' base business and exports to Taiwan, Australia and the Indian subcontinent also improved.

However, Group gross profit declined by 24% as the increase in pricing was eroded by higher costs on raw materials, packaging, energy plus the unfavourable impact of the 5% Peso appreciation on costs. As a result, gross margin declined to 22.0% from 28.5%.

PBIT fell 41% to US$4.0 million from US$6.8 million on the back of lower gross profit. A US$0.7 million provision for unharvested crops was booked in the second quarter as the Company decided not to harvest certain crops after ascertaining that some plantation inputs acquired from third party suppliers and used in the field did not meet the required specifications. However this was offset by an income of US$0.8 million from insurance claims settled in relation to the provision for off-specification products booked last year.

Net income decreased by 24% to US$3.7 million from US$4.8 million.

The core products - processed products and beverages - which accounted for 98% of total turnover in the second quarter, increased by 2% due to improved sales in Asia Pacific. However, PBIT fell 32% on the back of higher costs.

Non-processed products - mainly the non-core cattle business and fresh pineapples sold only in Asia - which accounted for 2% of total turnover in the second quarter – fell 63% due to lower volume and depressed prices of fresh pineapple from intense competition.

Asia Pacific contributed 66% to second quarter Group turnover. Turnover in Asia increased by 2% to US$35.6 million as improved performance in the Philippines and contribution from new businesses offset disappointing results in the non-processed segment. The 5% appreciation of the Peso also had a favourable impact on Peso-denominated sales. PBIT in Asia Pacific for the second quarter declined by 2% to US$3.1 million.

Turnover for Europe/North America, which accounted for 34% of total turnover, registered sales of US$18.3 million, 7% lower than prior year quarter due to weak pricing. PBIT was down 75% due to lower sales and higher costs.

The Group’s first half turnover was 2% lower at US$100.6 million. The Philippine market and new businesses registered growth but was offset by declines in other markets, particularly in Europe. Great Lakes contributed US$6.2 million in sales, significantly higher than last year’s US$3.9 million. Del Monte Foods India contributed US$0.04 million. However, the new businesses still posted operating losses, although at lower levels compared to last year.

PBIT fell 35% to US$8.5 million while net profit dropped 31% to US$7.1 million compared to the same period last year mainly due to higher costs.

Operating cash flow for the second quarter decreased to US$0.9 million from US$1.6 million. For the first half, operating cash flow was negative US$5.4 million due to higher working capital requirements.

The Group reported a slight net debt position of US$0.03 million as of 30 June 2006 versus a net cash position of US$5.7 million for the same period last year, lower primarily due to the higher working capital.

VARIANCE FROM PROSPECT STATEMENT

The second quarter results were in line with the earlier guidance that the second quarter would be challenging.

BUSINESS OUTLOOK

Transitional teams were put in place in April 2006 to pursue opportunities and synergies that will build revenue and increase operational efficiency, and to adopt best practices and best-in-class systems and structures. The teams comprised of representatives from San Miguel Corporation, NutriAsia Group of Companies and Del Monte Pacific Limited (DMPL).

After thoroughly reviewing the business, the teams have identified revenue-building, cost efficiency and organisational projects. Plans include expanding sales coverage leveraging on San Miguel’s distribution network, joint trade promotions, joint procurement, reduction of inventory and rationalisation of warehouses, among others. The Group has already implemented an Early Retirement Program (see Note 8).

As the sales and operational foundation is strengthened, DMPL plans to become a leading fruit-based food and beverage company with a major presence in key global markets. The Company is in the right sector with consumers becoming more conscious of wellness and nutrition.

Joselito Campos, Jr., Managing Director of DMPL, said, "While there is tremendous potential in this business, we are currently going through the transition phase and the results of this initiative will be evident in future periods."

Barring any unforeseen circumstances, the Group expects that sales will improve. The Company will continue to focus on managing costs although the full benefits will not be reflected this year. The current expectation is for full year net profit to be at least equal to that of 2005.

REVIEW OF TURNOVER AND PBIT

1. By geographical segments

In US$'000	Turnover			PBIT		
	For the three months ended 30 June		YoY Change	For the three months ended 30 June		YoY Change
	2006	2005	(%)	2006	2005	(%)
Asia Pacific	**35,641**	34,970	1.9	**3,080**	3,143	(2.0)
Europe/North America	**18,274**	19,578	(6.7)	**914**	3,672	(75.1)
Total	**53,915**	54,548	(1.2)	**3,994**	6,815	(41.4)

In US$'000	Turnover			PBIT		
	For the six months Ended 30 June		YoY Change	For the six months ended 30 June		YoY Change
	2006	2005	(%)	2006	2005	(%)
Asia Pacific	**64,458**	64,943	(0.7)	**6,768**	7,835	(13.6)
Europe/North America	**36,178**	37,627	(3.9)	**1,686**	5,102	(67.0)
Total	**100,636**	102,570	(1.9)	**8,454**	12,937	(34.7)

See Notes to the Financial Statements number 4 for more details.

Asia Pacific
Asia Pacific accounted for 66% of Group turnover in the second quarter. Sales in this region grew by 2% to US$35.6 million from US$35.0 million mainly due to higher sales in the Philippines, which offset disappointing results in the non-processed product category.

Turnover in the Philippine market rose 6% on the back of volume and price improvements, aided by the 5% Peso appreciation.

Great Lakes contributed US$2.2 million, up 42% versus the prior year quarter, on higher volume and pricing. The flagship brand, Great Lakes 100% Juice, was re-formulated as Not From Concentrate igniting the growth momentum. Great Lakes also penetrated new export markets, namely Taiwan, Australia, Pakistan, India, Sri Lanka and Nepal.

PBIT in Asia Pacific for the second quarter decreased slightly by 2% to US$3.1 million due to higher turnover and lower other operating expenses, which offset higher costs. PBIT margin declined to 8.6% from 9.0% in the same quarter last year.

For the first half, Asia Pacific accounted for 64% of turnover. Turnover decreased slightly by 1% to US$64.5 million from US$64.9 million due to higher sales in the Philippines, which offset weak sales of non-processed products. Sales in the Philippines grew by 4% on the back of higher pricing, again aided by the 5% Peso appreciation.

Great Lakes' turnover improved by 58% to US$6.2 million from US$3.9 million in the first half of last year.

However, PBIT in Asia Pacific declined by 14% to US$6.8 million from US$7.8 million due to higher costs. PBIT margin decreased to 10.5% from 12.1% in the same period last year.

Europe/North America
Europe/North America comprised 34% of Group turnover in the second quarter. Sales in this region declined by 7% to US$18.3 million from US$19.6 million due to lower pricing of processed pineapple, which was more pronounced in Europe. Del Monte Foods India continued to export concentrate into Europe, although still at small quantities.

As a result of lower turnover and higher costs, PBIT for Europe/North America dropped 75% to US$0.9 million from US$3.7 million. PBIT margin was 5.0% from 18.8% in the same quarter last year.

For the first half, Europe/North America accounted for 36% of turnover. Turnover decreased by 4% to US$36.2 million from US$37.6 million as the strong performance in North America was offset by weak results in Europe, primarily in processed pineapple and concentrate.

As a result of lower turnover and higher costs, PBIT fell 67% to US$1.7 million from US$5.1 million. PBIT margin dropped to 4.7% from 13.6% in the first half of 2005.

2. By business segments

In US$'000	**Turnover**			**PBIT**		
	For the three months ended 30 June		**YoY Change**	**For the three months ended 30 June**		**YoY Change**
	2006	**2005**	**(%)**	**2006**	**2005**	**(%)**
Processed Products	**36,066**	37,281	(3.3)	**4,012**	6,029	(33.5)
Beverages	**16,842**	14,512	16.1	**801**	996	(19.6)
Non-processed Products	**1,007**	2,755	(63.4)	**(820)**	(210)	(290.5)
Total	**53,915**	54,548	(1.2)	**3,994**	6,815	(41.4)

In US$'000	**Turnover**			**PBIT**		
	For the six months ended 30 June		**YoY Change**	**For the six months ended 30 June**		**YoY Change**
	2006	**2005**	**(%)**	**2006**	**2005**	**(%)**
Processed Products	**65,246**	67,205	(2.9)	**6,908**	8,726	(20.8)
Beverages	**32,954**	29,515	11.7	**2,678**	3,590	(25.4)
Non-processed Products	**2,436**	5,850	(58.4)	**(1,132)**	621	(282.3)
Total	**100,636**	102,570	(1.9)	**8,454**	12,937	(34.7)

See Notes to the Financial Statements number 4 for more details.

Processed Products

Processed products, our largest product category, contributed 67% to Group turnover in the second quarter. This segment comprises of processed fruits and vegetables (pineapple, tropical mixed fruit, tomato-based products), and other processed products such as pasta and condiments. It also now includes sales of Del Monte-branded processed products such as canned vegetable and deciduous fruits sourced from other Del Monte companies.

Turnover of processed products declined by 3% to US$36.1 million from US$37.3 million mainly due to the decline in processed pineapple in Europe/North America. Great Lakes contributed to this segment in the form of sauces and processed apple products, although still in small quantities.

PBIT for processed products fell 34% to US$4.0 million from US$6.0 million due to higher costs. PBIT margin was 11.1%, lower than prior year quarter's 16.2%.

For the first half, processed products accounted for 65% of total turnover. Turnover was 3% lower at US$65.2 million as higher pricing was not enough to offset lower volume. PBIT declined by 21% to US$6.9 million from US$8.7 million as a result of higher costs. PBIT margin fell to 10.6% from 13.0%.

Beverages

Beverages consist of juices, juice drinks and juice concentrates. This segment accounted for 31% of the Group's turnover in the second quarter.

Turnover for this segment grew 16% to US$16.8 million from US$14.5 million driven by volume. Both juices and concentrates performed well. Great Lakes contributed US$2.1 million to beverage sales, up 40% versus prior year quarter, while Del Monte Foods India had a slight contribution.

However, PBIT declined by 20% to US$0.8 million from US$1.0 million due to higher costs. Great Lakes and Del Monte Foods India posted lower losses compared to prior year quarter. Overall PBIT margin dropped to 4.8% from 6.9%.

For the first half, beverage accounted for 33% of total turnover. Turnover for this segment increased by 12% to US$33.0 million from US$29.5 million due to strong sales in North America and in the Philippines. Great Lakes also contributed higher sales of US$6.1 million, up 55%. However, PBIT fell 25% to US$2.7 million from US$3.6 million due to higher costs. Losses in the new businesses were significantly reduced. Overall PBIT margin was lower at 8.1% from 12.2%.

Non-processed Products

Accounting for 2% of Group turnover in the second quarter, non-processed products consist mainly of the non-core cattle business and fresh pineapples, both sold only in Asia. The cattle operation is used for the disposal of pineapple pulp.

Turnover for this segment fell 63% to US$1.0 million from US$2.8 million as a result of lower volume for both cattle and fresh pineapple plus depressed prices of fresh pineapple due to intense competition. As such, PBIT was a loss of US$0.8 million from a loss of US$0.2 million in the prior year quarter.

For the first half, turnover dropped 58% to US$2.4 million from US$5.9 million due to weak sales of both cattle and fresh pineapple. PBIT was a loss of US$1.1 million from a profit of US$0.6 million last year.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 30 June		For the six months ended 30 June	
	2006	**2005**	**2006**	**2005**
Cost of Goods Sold	**78.0**	71.5	**78.8**	72.3
Distribution and Selling Expenses	**6.5**	6.9	**5.9**	6.1
General and Administration Expenses	**5.5**	5.0	**5.4**	4.9
Other Operating Expenses	**1.7**	4.2	**1.7**	4.5

Cost of Goods Sold

Cost of goods sold as a percentage of turnover increased to 78.0% from 71.5% as raw material, packaging and energy costs continued to rise. Moreover, the 5% Peso appreciation had an unfavourable impact on total costs. For the first half, cost of goods sold as a percentage of turnover also increased to 78.8% from 72.3% for the same reasons.

Distribution and Selling Expenses

Distribution and selling expenses as a percentage of turnover decreased in the second quarter and in the first half for both the Philippine and China markets primarily due to timing of expenditures.

General and Administration Expenses

General and administration expenses as a percentage of turnover increased in the second quarter and in the first half due to inflation.

Other Operating Expenses

Other operating expenses as a percentage of turnover declined in the second quarter to 1.7% from 4.2% primarily due to the presence of exceptional items booked last year: US$0.5 million for an asset impairment provision and US$0.6 million for an additional tax assessment. Moreover, in the second quarter of 2006, a US$0.8 million income was booked from insurance claims settled in relation to last year's provision for off-specification products. These offset the provision for unharvested crops worth US$0.7 million.

For the first half, other operating expenses as a percentage of turnover declined to 1.7% from 4.5% for the same reasons as in the second quarter. Moreover, a US$1m provision for product disposal was made in the first quarter of 2005 which was no longer in this year's results.

IAS 41 requires the Company to revalue biological assets at fair value less point-of-sale costs. The relatively large fluctuations in cattle prices can significantly affect the carrying value of this asset and thus impact the income statement.

In US$'000	For the three months ended 30 June		YoY Change	For the six months ended 30 June		YoY Change
	2006	**2005**	**(%)**	**2006**	**2005**	**(%)**
Other operating expenses (before IAS 41)	**(8)**	1,856	(100.4)	**737**	4,125	(82.1)
Net changes in fair value of biological assets that remain unsold as at the end of the period	**931**	409	127.6	**995**	505	97.0
Other operating expenses (after IAS 41)	**923**	2,265	(59.2)	**1,732**	4,630	(62.6)

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances in US$'000	**As at**		
	30 June 2006	**30 June 2005**	**31 Dec 2005**
Other assets	**8,838**	8,196	6,398
Inventories	**53,103**	52,931	45,996
Biological assets	**42,329**	38,658	40,067
Trade debtors	**20,173**	16,413	24,070
Other debtors, deposits and prepayments	**10,345**	8,638	8,352
Other creditors and accruals	**22,658**	13,776	27,192
Provision for taxation	**533**	1,169	1,764
Due to an affiliated company (non-trade)	**-**	7,824	-
Long-term lease payable	**2,392**	547	2,350

Other assets

Other assets increased compared to the same quarter last year and year-end 2005 due to higher advances to landowners for long-term leases of agricultural land plus the impact of the Peso appreciation.

Inventories

Inventories increased compared to year-end 2005 due to higher stock of tomato paste resulting from receipts of last year's order and higher tinplate importation in the month of June.

Biological assets

Biological assets consist of deferred growing crops and livestock. Biological assets increased compared to the same quarter last year and year-end 2005 due to higher deferred growing crop costs as a result of an increase in land cultivation and the impact of Peso appreciation.

Trade debtors

Trade debtors increased compared to the same quarter last year due to higher receivable from an export customer. However, trade debtors decreased compared to year-end 2005. At year-end, trade debtors are generally higher as a result of higher sales in the fourth quarter.

Other debtors, deposits and prepayments

Other debtors, deposits and prepayments increased compared to the same quarter last year due to timing of receivable from an export customer. It increased compared to year-end 2005 due to higher Value Added Tax receivable resulting from the implementation of the Reformed Valued Added Tax (VAT) in the Philippines that came into effect on 1 February 2006.

Other creditors and accrual

Other creditors and accruals increased compared to the same quarter last year due to the current portion of finance lease liability and increase in guarantee fund pension contribution. It decreased compared to year-end 2005 due to lower accruals and reversal of unspent expenditures.

Provision for taxation

Provision for taxation decreased compared to the same quarter last year and year-end 2005. There was no provision for taxes in the second quarter of 2006 as the Group was fully provided for in the first half of 2006.

Due to an affiliated company (non-trade)

Due to an affiliated company (non-trade) was non-existent in the second quarter of 2006 because of the reclassification of Ciro Del Monte NV account to 'Other creditors and accruals'. Cirio Del Monte NV is no longer a shareholder of DMPL effective 1 December 2005.

Long-term lease payable

Long-term lease payable increased compared to the same quarter last year as a result of recording the long-term portion of the unpaid financial leases that were capitalised in compliance with IAS 17.

SHARE CAPITAL

Ordinary shares issued and fully paid-up share capital	As at 30 June		As at 31 Dec
	2006	**2005**	**2005**
Number of shares	**1,081,781,194**	1,078,847,194	1,081,781,194
Share capital (US$'000)	**10,818**	10,788	10,818

A total of 7,090,880 share options were accepted pursuant to the Options Proposal Offer in conjunction with the mandatory general offer in January 2006. No new shares were issued as a result thereof. As at 30 June 2006, the total number of outstanding share options was nil (31 December 2005: 7,968,484). A total of 877,604 options lapsed in the second quarter of 2006.

CASH FLOW AND LIQUIDITY

Cash flow in US$'000	
Net cash as at 31 March 2006	12,927
Net cash from operating activities	854
Capital expenditure	(858)
Proceeds from disposal of fixed assets	16
Dividend payment	(10,601)
Effect of exchange rate changes	(2,370)
Net cash as at 30 June 2006	(32)

Liquidity in US$'000	As at 30 June		As at 31 Dec
	2006	**2005**	**2005**
Gross borrowings	**50,680**	53,206	41,747
Current	**50,680**	53,206	41,747
Secured		-	-
Unsecured	**50,680**	53,206	41,747
Non-current		-	-
Secured		-	-
Unsecured		-	-
Less: Cash and bank balances	**50,648**	58,952	60,113
Net cash (debt)	**(32)**	5,746	18,366

The Group posted a slight net debt position of US$0.03 million as at 30 June 2006, compared to a net cash position of US$5.7 million as at 30 June 2005 and US$18.4 million as at 31 December 2005. The Group's net cash level was significantly reduced due to higher working capital.

CAPITAL EXPENDITURE

In the second quarter of 2006, capital expenditure decreased to US$0.9 million compared to US$1.5 million in the same quarter last year. There were no major expenditures in the second quarter. The expenditures included ongoing reconditioning and replacement of various machineries and automotive equipment units in the Plantation, as well as various improvements in the Cannery to comply with Good Manufacturing Practices.

In US$'000	For the three months ended 30 June			For the six months ended 30 June		
	2006	2005	YoY Change (%)	2006	2005	YoY Change (%)
Capex	**858**	1,464	-41.4	**1,823**	2,501	-27.1
Depreciation	**1,851**	1,491	+24.1	**3,681**	2,919	+26.1

DIVIDENDS

The Directors have declared an interim dividend of 0.49 US cent (US$0.0049) representing a 75% payout of first half net profit of US$7.1 million.

Dividends	For the six months ended 30 June	
	2006	2005
Name of dividend	**Interim Ordinary**	Interim Ordinary
Type of dividend	**Cash**	Cash
Rate of dividend	**0.49 US cent per ordinary share (tax not applicable)**	0.31 US cent per ordinary share (tax not applicable)
Par value of shares	**US$0.01**	US$0.01
Tax rate	**Nil**	Nil
Book closure date	**20 August 2006**	8 August 2005
Payable date	**7 September 2006**	25 August 2005

***** Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 20 August 2006 for the preparation of dividend warrants. Registrable share transfers received by the Company's Share Transfer Agent, Lim Associates (Pte) Ltd, 10 Collyer Quay #19-08, Ocean Building, Singapore 049315 by 5.00 pm on 18 August 2006 will be registered before the entitlements to the dividends are determined.

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNTS

Amounts in US$'000	**For the three months ended 30 June**			**For the six months ended 30 June**		
	2006	**2005**	**%**	**2006**	**2005**	**%**
Turnover	**53,915**	54,548	(1.2)	**100,636**	102,570	(1.9)
Cost of sales	**(42,066)**	(38,984)	7.9	**(79,292)**	(74,205)	6.9
Gross profit	**11,849**	15,564	(23.9)	**21,344**	28,365	(24.8)
Distribution and selling expenses *	**(3,507)**	(3,755)	(6.6)	**(5,957)**	(6,285)	(5.2)
General and administration expenses	**(2,957)**	(2,732)	8.2	**(5,458)**	(4,986)	9.5
Other operating expenses	**(923)**	(2,265)	(59.2)	**(1,732)**	(4,630)	(62.6)
Profit from operations	**4,462**	6,812	(34.5)	**8,197**	12,464	(34.2)
Financial income	**713**	460	55.0	**1,616**	1,315	22.9
Financial expense	**(1,578)**	(919)	71.7	**(1,888)**	(1,516)	24.5
Profit before taxation	**3,597**	6,353	(43.4)	**7,925**	12,263	(35.4)
Taxation	**64**	(1,578)	(104.1)	**(846)**	(2,172)	(61.0)
Profit after taxation	**3,661**	4,775	(23.3)	**7,079**	10,091	(29.8)
Minority interest	**-**	60	n/m	**-**	105	n/m
Net profit attributable to shareholders	**3,661**	4,835	(24.3)	**7,079**	10,196	(30.6)
Notes:						
Depreciation and amortisation	**(1,880)**	(1,596)	17.8	**(3,740)**	(3,130)	19.5
Financial income comprise:						
Interest income	**713**	457	56.0	**1,359**	842	61.4
Foreign exchange gain	**-**	3	n/m	**257**	473	(45.7)
	713	460	55.0	**1,616**	1,315	22.9
Financial expense comprise:						
Interest expense	**(1,110)**	(919)	20.8	**(1,888)**	(1,516)	24.5
Foreign exchange loss	**(468)**	-	n/m	**-**	-	-
	(1,578)	(919)	71.7	**(1,888)**	(1,516)	24.5

**General & administration expenses of Del Monte Philippines, Inc., a subsidiary of the Group, was previously reflected as part of Cost of Sale. Starting 2006, this is moved to General and Administration line below Gross Profit to be consistent with the presentation for the rest of the subsidiaries under the Group. Accordingly, prior year figure was restated.*

n/m – not meaningful

Earnings per ordinary share in US cents	**For the three months ended 30 June**		**For the six months ended 30 June**	
	2006	**2005**	**2006**	**2005**
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on existing issued share capital	**0.34**	0.45	**0.65**	0.95
(ii) On a fully diluted basis	**0.34**	0.45	**0.65**	0.95

DEL MONTE PACIFIC LIMITED
BALANCE SHEETS

Amounts in US$'000	Group			Company		
	30 June 2006 Unaudited	**30 June 2005 Unaudited**	**31 Dec 2005 Audited**	**30June 2006 Unaudited**	**30 June 2005 Unaudited**	**31 Dec 2005 Audited**
EQUITY						
Share capital	**10,818**	10,788	10,818	**10,818**	10,788	10,818
Share premium	**68,687**	67,861	68,687	**68,826**	68,000	68,826
Translation reserves	**(63,781)**	(68,531)	(63,031)		-	-
Revenue reserves	**141,103**	139,555	144,625	**(10,749)**	(19,225)	855
	156,827	149,673	161,099	**68,895**	59,563	80,499
Minority interest	**(294)**	(112)	(294)	**-**	-	-
	156,533	149,561	160,805	**68,895**	59,563	80,499
ASSETS LESS LIABILITIES						
Fixed assets	**52,614**	48,081	54,562	**-**	-	-
Subsidiaries	-	-	-	**125,585**	16,709	125,585
Intangible assets	**14,675**	14,945	14,734	**-**	-	-
Other assets	**8,838**	8,196	6,398	**-**	-	-
Current assets						
Inventories	**53,103**	52,931	45,996	**-**	-	-
Biological assets *	**42,329**	38,658	40,067	**-**	-	-
Trade debtors	**20,173**	16,413	24,070	**-**	-	-
Other debtors, deposits and prepayments	**10,345**	8,638	8,352	**100**	38	3
Due from subsidiaries (non-trade)	-	-	-	**829**	82,229	592
Due from affiliated companies (trade)	**-**	270	-	**-**	-	-
Short-term deposits	**49,150**	57,725	53,669	**-**	-	-
Cash and bank balances	**1,498**	1,227	6,444	**14**	12	14
	176,598	175,862	178,598	**943**	82,279	609

* Biological assets consist of deferred growing crops and livestock.

DEL MONTE PACIFIC LIMITED
BALANCE SHEETS (CONTINUED)

Amounts in US$'000	Group			Company		
	30 June 2006 Unaudited	**30 June 2005 Unaudited**	**31 Dec 2005 Audited**	**30 June 2006 Unaudited**	**30 June 2005 Unaudited**	**31 Dec 2005 Audited**
Current liabilities						
Trade creditors	**12,580**	12,603	12,632	**-**	-	-
Other creditors and accruals	**22,658**	13,776	27,192	**355**	112	486
Due to subsidiaries (non-trade)	**-**	-	-	**57,278**	39,313	45,209
Short-term borrowings (unsecured)	**50,680**	53,206	41,747	**-**	-	-
Provision for taxation	**533**	1,169	1,764	**-**	-	-
	86,451	80,754	83,335	**57,633**	39,425	45,695
Net current assets (liabilities)	**90,147**	95,108	95,263	**(56,690)**	42,854	(45,086)
Non-current liabilities						
Due to an affiliated company (non-trade)	**-**	(7,824)	-	**-**	-	-
Deferred tax liabilities	**(7,349)**	(8,398)	(7,802)	**-**	-	-
Long-term lease payable	**(2,392)**	(547)	(2,350)	**-**	-	-
	156,533	149,561	160,805	**68,895**	59,563	80,499

	Group			Company		
Net asset value per ordinary share in US cents	**30 June 2006 Unaudited**	**30 June 2005 Unaudited**	**31 Dec 2005 Audited**	**31 June 2006 Unaudited**	**31 June 2005 Unaudited**	**31 Dec 2005 Audited**
Net asset value per ordinary share	**14.50**	13.87	14.86	**6.37**	5.52	7.44

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

THE GROUP

	Attributable to equity holders of the parent					Minority	Total
Amounts in US$'000	**Share Capital**	**Share premium**	**Translation reserves**	**Revenue reserves**	**Total**	**interest**	**Equity**
As at 1 January 2005	10,745	66,609	(68,617)	148,853	157,590	(9)	157,581
Currency translation differences recognised directly in equity	-	-	86	-	86	-	86
Profit for the semester	-	-	-	10,196	10,196	-	10,196
Total recognised income and expense for the year	-	-	86	10,196	10,282	-	10,282
Shares issued under share option plan	43	1,252	-	-	1,295	-	1,295
Dividends				(19,494)	(19,494)		(19,494)
Minority interest of subsidiary acquired	-	-	-	-	-	(103)	(103)
As at 30 June 2005	10,788	67,861	(68,531)	139,555	149,673	(112)	149,561
As at 1 January 2006	10,818	68,687	(63,031)	144,625	161,099	(294)	160,805
Currency translation differences recognised directly in equity	-	-	(750)	-	(750)	-	(750)
Profit for the semester	-	-	-	7,079	7,079	-	7,079
Total recognised income and expense for the year	-	-	(750)	7,079	6,329	-	6,329
Shares issued under share option plan	-	-	-	-	-	-	-
Dividends				(10,601)	(10,601)		(10,601)
Minority interest of subsidiary acquired	-	-	-	-	-	-	-
As at 30 June 2006	10,818	68,687	(63,781)	141,103	156,827	(294)	156,533

THE COMPANY

Amounts in US$'000	Share capital	Share premium	Revenue reserves	Total
As at 1 January 2005	10,745	66,748	1,244	78,737
Shares issued under the share option plan	43	1,252	-	1,295
Net profit attributable to shareholders	-	-	(975)	(975)
Dividends			(19,494)	(19,494)
As at 30 June 2005	10,788	68,000	(19,225)	59,563
As at 1 January 2006	10,818	68,826	855	80,499
Shares issued under the share option plan	-	-	-	-
Net profit attributable to shareholders	-	-	(1,003)	(1,003)
Dividends			(10,601)	(10,601)
As at 30 June 2006	10,818	68,826	(10,749)	68,895

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 30 June**		**For the six months ended 30 June**	
	2006	**2005**	**2006**	**2005**
Cash flows from operating activities				
Net Profit attributable to shareholders	**3,661**	4,835	**7,079**	10,196
Adjustments for:				
Depreciation and amortisation	**1,880**	1,596	**3,740**	3,130
Provision for (write-back) asset impairment	**(20)**	528	**(39)**	520
Provision for inventory obsolescence	**87**	105	**658**	547
Provision for doubtful debts	**33**	32	**35**	76
Provision for product disposal	**-**	-		1,000
Provision for (write-back) deferred income tax	**(447)**	(133)	**(434)**	(88)
(Gain)/Loss on disposal of fixed assets	**10**	(21)	**(64)**	(43)
Minority Interest		(59)		(103)
Operating profit before working capital changes	**5,204**	6,883	**10,975**	15,235
Decrease (increase) in:				
Other assets	**(383)**	(266)	**(2,440)**	(1,966)
Inventories	**1,589**	(10,712)	**(7,734)**	(17,793)
Biological assets	**(589)**	(638)	**(2,262)**	(1,410)
Trade debtors	**1,233**	5,917	**3,868**	7,491
Other debtors, deposits and prepayments	**1,051**	2,034	**(1,993)**	(1,113)
Increase (decrease) in:				
Trade creditors, other creditors and accruals	**(5,296)**	(984)	**(4,544)**	(1,630)
Due from (to) affiliated companies (trade and non-trade)		(220)		(34)
Provision for taxation	**(1,955)**	(393)	**(1,231)**	(7)
Net cash from operating activities	**854**	1,621	**(5,361)**	(1,227)
Cash flows from investing activities				
Proceeds from disposal of fixed assets	**16**	34	**106**	58
Purchase of fixed assets	**(858)**	(1,464)	**(1,823)**	(2,501)
Net cash used in investing activities	**(842)**	(1,430)	**(1,717)**	(2,443)
Cash flows from financing activities				
Short-term borrowings	**3,461**	10,910	**8,933**	23,396
Proceeds from exercise of stock options		366		1,295
Dividends paid	**(10,601)**	(19,494)	**(10,601)**	(19,494)
Net cash used in financing activities	**(7,140)**	(8,218)	**(1,668)**	5,197
Effect of exchange rate changes on cash and cash equivalents	**(2,370)**	(1,438)	**(719)**	(92)
Net decrease in cash and cash equivalents	**(9,498)**	(9,465)	**(9,465)**	1,435
Cash and cash equivalents, beginning of period	**60,146**	68,417	**60,113**	57,517
Cash and cash equivalents, end of period	**50,648**	58,952	**50,648**	58,952

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Supplemental Disclosures of Cash Flow Information

Amounts in US$'000		**For the three months ended 30 June**		**For the six months ended 30 June**	
		2006	**2005**	**2006**	**2005**
(a)	Cash paid (received) during the year, included in operating activities				
	Interest expenses	**1,142**	811	**1,879**	1,227
	Interest income	**(781)**	(419)	**(1,348)**	(786)
	Income taxes	**2,220**	2,036	**2,480**	2,236
(b)	Analysis of the balances of cash and cash equivalents				
	Cash and bank balances	**1,498**	1,227	**1,498**	1,227
	Short-term deposits	**49,150**	57,725	**49,150**	57,725
		50,648	58,952	**50,648**	58,952

NOTES TO THE FINANCIAL STATEMENTS

1. FINANCIAL HIGHLIGHTS IN SINGAPORE DOLLARS

Amounts in S$'000 unless otherwise stated	**For the three months ended 30 June**		**YoY Change**	**For the six months ended 30 June**		**YoY Change**
	2006	**2005**	**(%)**	**2006**	**2005**	**(%)**
Turnover	**85,725**	90,004	(4.8)	**162,024**	168,215	(3.7)
Gross profit*	**18,840**	25,681	(26.6)	**34,364**	46,519	(26.1)
Gross profit margin (%)	***22.0***	*28.5*	*(6.5 ppt)*	***21.2***	*27.7*	*(6.5 ppt)*
EBITDA	**10,084**	13,873	(27.3)	**19,219**	25,574	(24.9)
EBITDA margin (%)	***11.8***	*15.4*	*(3.6 ppt)*	***11.9***	*15.2*	*(3.3 ppt)*
PBIT	**6,350**	11,245	(43.5)	**13,611**	21,217	(35.8)
PBIT margin (%)	***7.4***	*12.5*	*(5.1 ppt)*	***8.4***	*12.6*	*(4.2 ppt)*
Net profit	**5,821**	7,978	(27.0)	**11,397**	16,721	(31.8)
Net profit margin (%)	***6.8***	*8.9*	*(2.1 ppt)*	***7.0***	*9.9*	*(2.9 ppt)*
EPS (SG cents)	**0.54**	0.74	(27.0)	**1.05**	1.56	(32.7)
Net cash/(debt)	**(51)**	9,481	(100.5)	**(52)**	9,423	(100.6)
Cash flow from operations	**1,358**	2,675	(49.2)	**(8,631)**	(2,012)	(329.0)
Capital expenditure	**1,364**	2,416	(43.5)	**2,935**	4,102	(28.4)
Dividend per share (SG cents)	**0.77**	0.52	48.1	**0.77**	0.52	48.1

Note:
P&L S$/US$ conversion rate: and 1.59 in 2Q06, 1.61 in 1H06 and 1.65 in 2Q05, 1.64 in 1H05.
Dividend S$/US$ conversion rate: 1.58 (Indicative rate 2Q06), 1.65 (Actual rate 2Q05).

**General & administration expenses of Del Monte Philippines, Inc., a subsidiary of the Group, was previously reflected as part of Cost of Sales. Starting 2006, this is moved to General and Administration line below Gross Profit to be consistent with the presentation for the rest of the subsidiaries under the Group. Accordingly, prior year figure was restated.*

n/m – not meaningful

2. AUDIT

Second quarter 2006 figures have neither been audited nor reviewed by the Group's auditors.

3. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following relevant standards to the Group's operations which became effective on 1 January 2006. The Group's adoption of the new and revised standards has no significant impact on current and prior periods.

- IAS 19 Employee Benefits (amended 2004)
- IAS 21 The Effects of Changes in Foreign Exchange Rates (amended 2005)

4. GROUP SEGMENTAL REPORTING

By business segments

Six months ended 30 June 2006 in US$'000	**Processed Products**	**Beverages**	**Non-Processed Products**	**Consolidated**
Turnover	65,246	32,954	2,436	100,636
Profit from operations, representing segment result	6,759	2,563	(1,125)	8,197
Net foreign exchange gain	148	116	(7)	257
Profit before interest and tax	6,907	2,679	(1,132)	8,454
Net interest expense	(176)	(362)	9	(529)
Profit before taxation	6,731	2,317	(1,123)	7,925
Taxation				(846)
Minority interest				-
Net profit attributable to shareholders				7,079
Segment assets	123,359	73,641	5,077	202,077
Unallocated assets				50,648
Consolidated total assets				252,725
Segment liabilities	17,422	13,056	5,029	35,507
Unallocated liabilities				60,685
Consolidated total liabilities				96,192
Capital expenditure	922	866	35	1,823
Depreciation	2,039	1,551	91	3,681
Amortisation	1	58	-	59
Writeback of asset impairment	(23)	(16)	-	(39)
Non-cash expenses (net) other than depreciation, amortisation and writeback of asset impairment	125	71	-	196

Six months ended 30 June 2005 in US$'000	**Processed Products**	**Beverages**	**Non-Processed Products**	**Consolidated**
Turnover	67,205	29,515	5,850	102,570
Profit from operations, representing segment result	8,442	3,425	597	12,464
Net foreign exchange gain	284	165	24	473
Profit before interest and tax	8,726	3,590	621	12,937
Net interest expense	(373)	(270)	(31)	(674)
Profit before taxation	8,353	3,320	590	12,263
Taxation				(2,172)
Minority interest				105
Net profit attributable to shareholders				10,196
Segment assets	118,506	62,297	7,329	188,132
Unallocated assets				58,952
Consolidated total assets				247,084
Segment liabilities	24,608	9,606	536	34,750
Unallocated liabilities				62,773
Consolidated total liabilities				97,523
Capital expenditure	1,339	1,104	58	2,501
Depreciation	1,615	1,232	72	2,919
Amortisation	107	97	7	211
Writeback of asset impairment	317	203	-	520
Non-cash expenses (net) other than depreciation, amortisation and writeback of asset impairment	1,296	92	1	1,389

By geographical segments

In US$'000	**Turnover**		**Capital expenditure**		**Total assets**	
	For the six months ended 30 June				**As at 30 June**	
	2006	**2005**	**2006**	**2005**	**2006**	**2005**
Asia Pacific	**64,458**	64,943	**1,823**	2,501	**252,725**	247,084
Europe/North America	**36,178**	37,627		-		-
Total	**100,636**	102,570	**1,823**	2,501	**252,725**	247,084

5. QUARTERLY TURNOVER AND PBIT BREAKDOWN

	2005	**% of Full Year 2005**	2004	% of Full Year 2004	YoY Chg (%)
Turnover	**In US$'000**		In US$'000		
1Q	**48,022**	**22**	36,490	18	31.6
2Q	**54,548**	**24**	46,010	23	18.6
3Q	**50,601**	**23**	50,657	26	(0.1)
4Q	**69,187**	**31**	66,422	33	4.2
Total	**222,358**	**100**	199,579	100	11.4
PBIT					
1Q	**6,122**	**25**	6,266	18	(2.3)
2Q	**6,815**	**28**	8,013	23	(15.0)
3Q	**3,892**	**16**	5,074	15	(23.3)
4Q	**7,687**	**31**	15,414	44	(50.1)
Total	**24,516**	**100**	34,767	100	(29.5)
Net profit					
1Q	**5,361**	**29**	5,062	18	5.9
2Q	**4,835**	**26**	6,566	23	(26.4)
3Q	**2,775**	**15**	4,545	16	(38.9)
4Q	**5,645**	**30**	11,939	43	(52.7)
Total	**18,616**	**100**	28,112	100	(33.8)

	2006	**% of Full Year 2006**	2005	% of Full Year 2005	YoY Chg (%)
Turnover	**In US$'000**		In US$'000		
1Q	**46,721**	**n.a.**	48,022	n.a.	(2.7)
2Q	**53,915**	**n.a.**	54,548	n.a.	(1.2)
Total	**100,636**	**n.a.**	102,570	n.a.	(1.9)
PBIT					
1Q	**4,460**	**n.a.**	6,122	n.a.	(27.1)
2Q	**3,994**	**n.a.**	6,815	n.a.	(41.4)
Total	**8,454**	**n.a.**	12,937	n.a.	(34.7)
Net profit		**n.a.**			
1Q	**3,418**	**n.a.**	5,361	n.a.	(36.2)
2Q	**3,661**	**n.a.**	4,835	n.a.	(24.3)
Total	**7,079**	**n.a.**	10,196	n.a.	(30.6)

6. INTERESTED PERSON TRANSACTIONS

The aggregate value of interested person transactions 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 three months ended 30 June**		**For the six months ended 30 June**	
	2006	**2005**	**2006**	**2005**
Income				
Sales to Macondray group	**445**	624	**681**	741
Sub-total	**445**	624	**681**	741
Expenses				
Purchases from San Miguel Corp and NutriAsia Group*	**958**		**1,020**	
Purchases from Macondray group	**61**	1,089	**1,032**	1,873
Purchases from Waterloo Land and Livestock Co. Pty. Ltd. (WALLCO)		1,293		1,296
Sub-total	**1,019**	2,382	**2,052**	3,169
Aggregate value	**1,464**	3,006	**2,733**	3,910

*San Miguel and NutriAsia became an indirect controlling shareholder of DMPL on 1 December 2005.

7. CONTINGENT LIABILITIES

The Group is contingently liable with respect to lawsuits, tax assessments, and certain matters arising out of the normal course of business. Management believes that the resolution of these contingencies will not have a material effect on the results of operations or the financial condition of the Group.

A corporate guarantee was issued by the Company in favour of a bank to secure the US$3 million loan granted by the bank to Del Monte Foods India Private Limited, the Company's subsidiary.

8. SUBSEQUENT EVENT

The Group implemented an Early Retirement Program (ERP) in July 2006 aimed to deliver significant employment cost savings, while continuing to generate increased labour productivity. The program was offered to employees in the Plantation and Cannery aged 50 years old and above. Moreover, the Group also reduced its number of contractual workers. The one-time cost in relation to these exercises is estimated at US$0.9 million, to be booked in the third quarter of 2006. However, the expected cost savings of approximately US$1.9 million in 2007 will easily offset the one-time cost.

RISK MANAGEMENT

Group Assets
It is the Group's practice to assess annually with its insurance brokers the risk exposure relating to the assets of, and possible liabilities from, its operations. Assets are insured at current replacement values. Additions during the current year are automatically included with provision for inflation-protection. At the end of the financial year under review, all major risks were adequately covered, except where the premium costs were considered excessive in relation to the probability and extent of a loss.

Foreign Currency
In the normal course of business, the Group enters into transactions denominated in various foreign currencies. In addition, the Company and its subsidiaries maintain their respective books and accounts in their reporting currencies. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations. However, to minimise such foreign currency exposures, the Group uses foreign currency borrowings and natural hedge. The Group has a natural hedge against US dollar fluctuations as our US dollar-denominated revenues generally exceed our US dollar-denominated costs. It is not the Group's policy to take speculative positions in foreign currencies.

Inflation
The Group's costs are affected by inflation, and its effects may continue to be felt in future periods. However, the Group has lessened the impact of cost increases by actively controlling its overall cost structure and introducing productivity-enhancing measures.

Cash and Interest Rate Management
The Group's cash balances are placed with reputable global and major Philippine banks and financial institutions. The Group manages its interest income by placing the cash balances with varying maturities and interest rate terms. This includes investing the Company's temporary excess liquidity in short term government securities from time to time. The Group obtains financing through bank borrowings and leasing arrangements. Short-term funding is obtained from short-term bank loan facilities. The Group's policy is to obtain the most favourable interest rate available without increasing its foreign currency exposure.

Credit Risk
The Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain securities to be posted to secure prompt observance and performance of the obligations of its distributors and other buyers from time to time. The group monitors its outstanding trade receivables on an ongoing basis. There is no significant concentration of credit risk with any distributor or buyer.

International Business
The Group's overall earnings from its trading activities with international customers are primarily affected by movements in the worldwide consumption, demand and prices of its products. However, the demand and supply risk associated with the Group's international business is minimised by the nature of its long-term supply agreements, five of which are with various Del Monte brand owners around the world. These contracts have various mechanisms with regard to pricing and volume off-take that help limit the downside risk of the Group's international business.

In some cases, the Group is protected by the existence of price floors whereby the Group is able to recover its production costs. In other instances, the Group has the right of first refusal to supply additional quantities at prices no worse than those from alternative sources.

Operations
As an integrated producer of processed fruit products for the world market, the Group's earnings are inevitably subject to certain risk factors, which include general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, raw material costs and availability, competition, market acceptance of new products, industry trends, and changes in government regulations, including, without limitation, environmental regulations.

The Group's exposure to these risks is managed through the following processes, among others:

- Development and execution of a realistic long-term strategic plan and annual operating plan
- Securing long-term land leases with staggered terms
- Increasing production and packaging capacity
- Pursuit of productivity-enhancing and efficiency-generating work practices and capital projects
- Focus on consumption-driven marketing strategies
- Continuous introduction of new products and line extensions with emphasis on innovation, quality, competitiveness and consumer appeal
- Increased penetration of high-growth distribution channels
- Building on closer working relationships with business partners
- Close monitoring of changes in legislation and government regulations affecting the Group's business

CORPORATE PROFILE

Listed on the Mainboard of the Singapore Exchange, Del Monte Pacific Limited (Bloomberg: DELM SP/ Reuters: DMPL.SI) is a group of companies engaged in the production, marketing and distribution of premium-branded food and beverage products.

The Group owns the Del Monte brand in the Philippines, where it enjoys leading market shares for pineapple juice, juice drinks, pineapple solids, mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup, and also markets products under its second-tier brand, Today's.

Del Monte Pacific also holds the exclusive rights to produce and distribute food and beverage products under the Del Monte brand in the Indian sub-continent. The Group owns Del Monte Foods India Private Limited which is engaged in the manufacture, distribution and sales of processed fruit and vegetable products.

Del Monte Pacific also owns 100% of Abpak Company Ltd which holds 100% of Great Lakes. Great Lakes is a premium fruit juice producer in China, which sells juices under the Great Lakes, Ming Lang, Little Lakes, Huanyan, Rougemont and Welch's brands.

Operating one of the world's largest fully integrated pineapple operations, the Group is the global low-cost producer of pineapple and has long-term supply agreements with Del Monte trademark owners and licensees around the world.

Del Monte Pacific and its subsidiaries are not affiliates of Del Monte Corporation and its parent, Del Monte Foods Company, or Fresh Del Monte Produce, Inc and its subsidiaries, or Kikkoman Corporation and its subsidiaries, including Del Monte Asia Pte Ltd, or Del Monte Foods International Limited and its subsidiaries.

Del Monte Pacific is 85%-owned by NutriAsia Pacific Ltd, a joint venture between the NutriAsia Group of Companies and San Miguel Corporation, both of the Philippines.

Further information on the Company is available at www.delmontepacific.com
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