



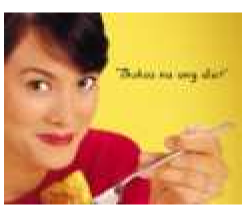

# Del Monte Pacific Limited

## Second Quarter Results

12 August 2013

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Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers’ performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. Such factors that may affect the Group’s future financial results are detailed in the Annual Report. The reader is cautioned to not unduly rely on these forward-looking statements.

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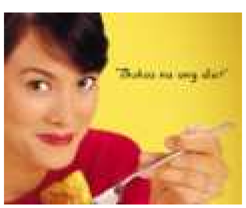

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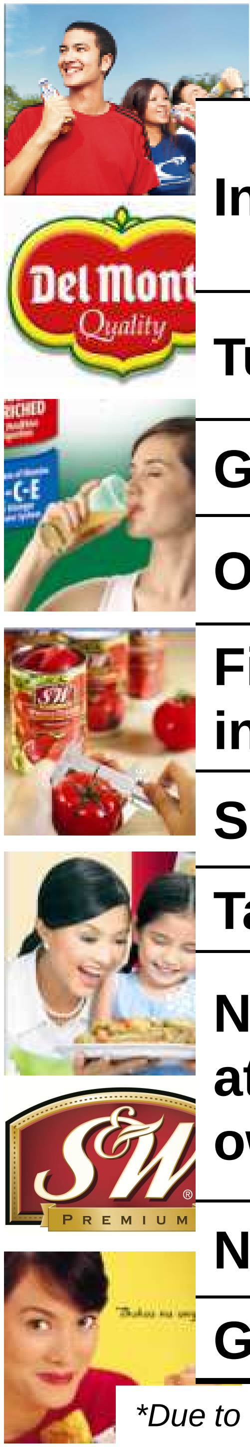
# Executive Summary

## DEL MONTE PACIFIC SECOND QUARTER HIGHER SALES DRIVEN BY BROAD-BASED GROWTH

- Second quarter sales up 11% to US$121m driven by both the branded and non branded businesses
- Branded business grew 8% to US$79.5m in the Philippines and S&W markets in Asia and the Middle East
- Operating profit rose 12% to US$10.2m
- Net profit up 2% includes non-recurring expenses from the Philippines listing
- Declared dividend of 0.62 US cents per share, representing 75% payout of 1st half profit

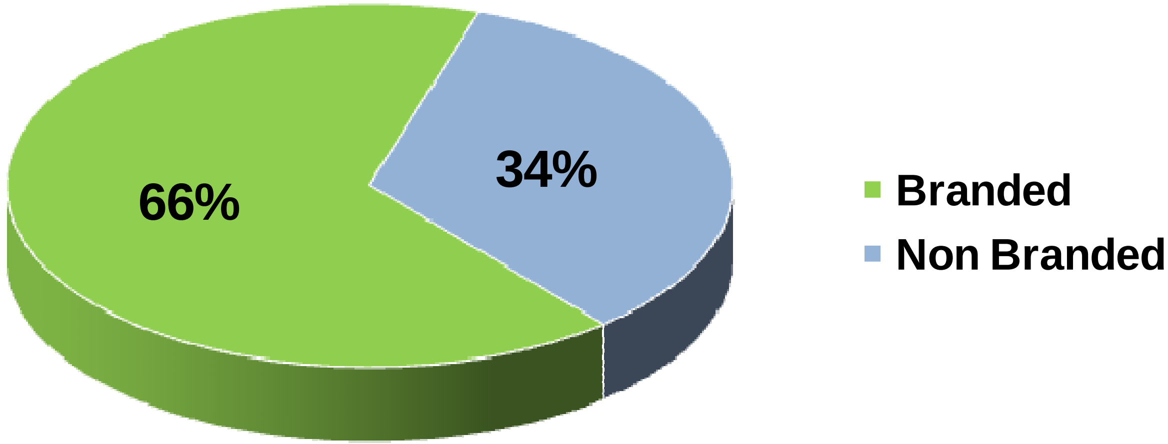



# Second Quarter 2013

| In US$m | 2Q 2012 (restated)* | 2Q 2013 | Chg (%) | Comments |
|---|---|---|---|---|
| **Turnover** | 108.9 | **121.0** | +11.1 | Higher sales due to branded and non branded businesses |
| **Gross profit** | 27.0 | **28.4** | +5.2 | Higher volume and better sales mix |
| **Operating profit** | 9.1 | **10.2** | +12.0 | Higher sales |
| **Finance inc/(exp)** | (0.2) | **(2.0)** | +965.4 | Due to unrealised FX loss |
| **Share of loss** | (1.5) | **(1.3)** | -13.1 | Lower loss in 46.6%-owned FieldFresh India |
| **Tax** | (1.4) | **(0.8)** | -45.3 | Lower tax |
| **Net profit attributable to owners** | 6.0 | **6.1** | +2.0 | Mainly due to higher turnover offset by one off expenses from dual listing in the Philippines and unrealised FX loss, without which, net income would have been +13% |
| **Net debt** | (123.6) | **(162.2)** | +31.2 | Higher working capital requirements |
| **Gearing (%)** | 53.8 | **68.8** | +15.0ppts | Same as above |

**Due to retrospective adjustment as required by the amended IAS 19, Employee benefits. Only US$60k impact to net income*

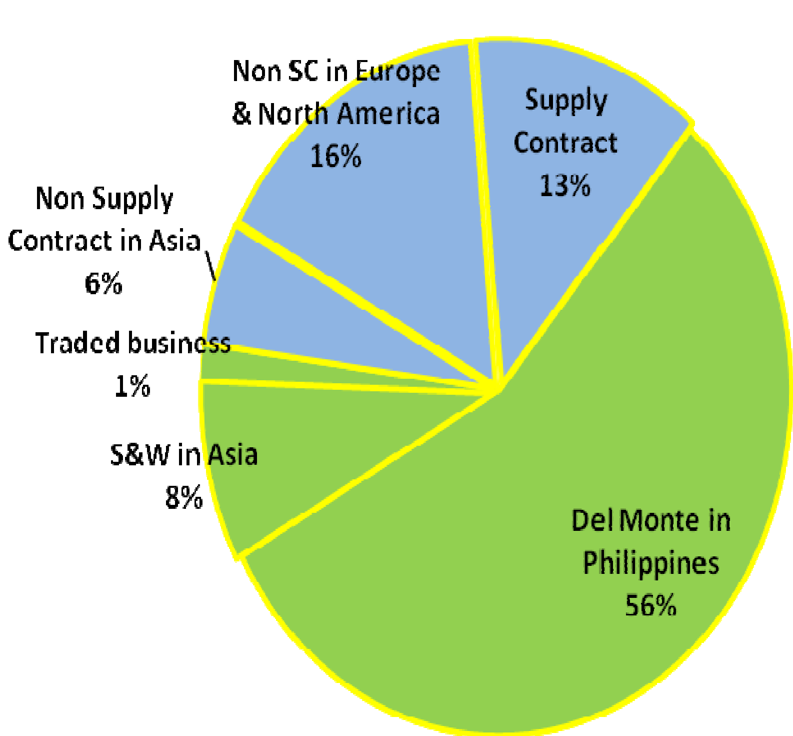
# 2Q Turnover Analysis



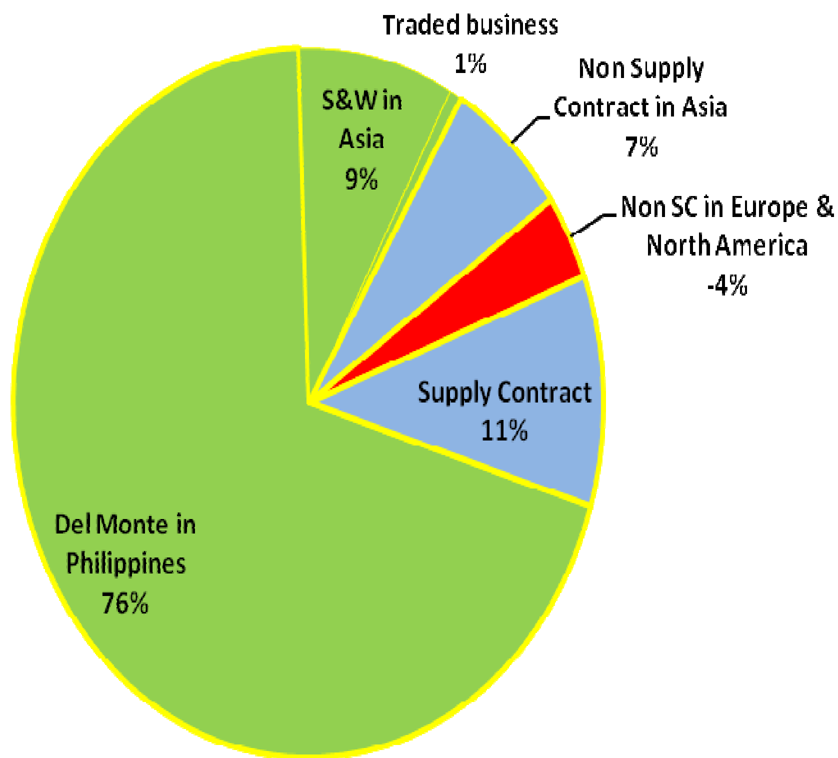

| | | |
|---|---|---|
| **Branded** | **+8%** | • Philippines +8%<br>• SW processed +8%<br>• SW fresh +21% |
| **Non Branded** | **+21%** | • Strong North America sales of value added products such as fruit in plastic cups and crushed pineapple in aseptic bags which have better margins |

# 2Q Sales and Operating Profit Breakdown

## Sales Breakdown US$121.0m




## Operating Profit Breakdown US$10.2m




Non-Branded

Branded

# Philippine Market 2Q Updates

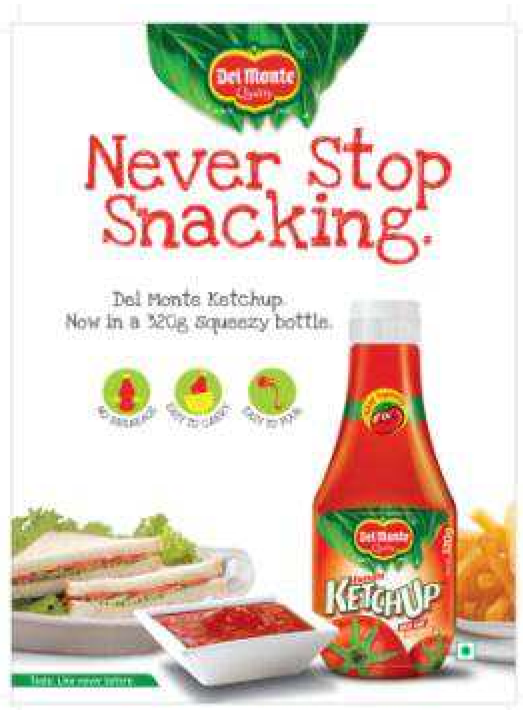
- Sales in the Philippines +8% driven by the processed fruit and culinary segments
  - Improvements in consumption frequency
  - Supported by integrated new campaigns, new occasion offerings and product bundles, and recipe education
- Buoyant domestic economy, increased store coverage, and compelling in-store shopper execution
- Increased ready-to-drink beverage capacity in June to sustain overall growth in line with strategy to shift from pineapple juice concentrate (PJC) for the export markets to branded beverage not just in the Philippines but also in the S&W markets

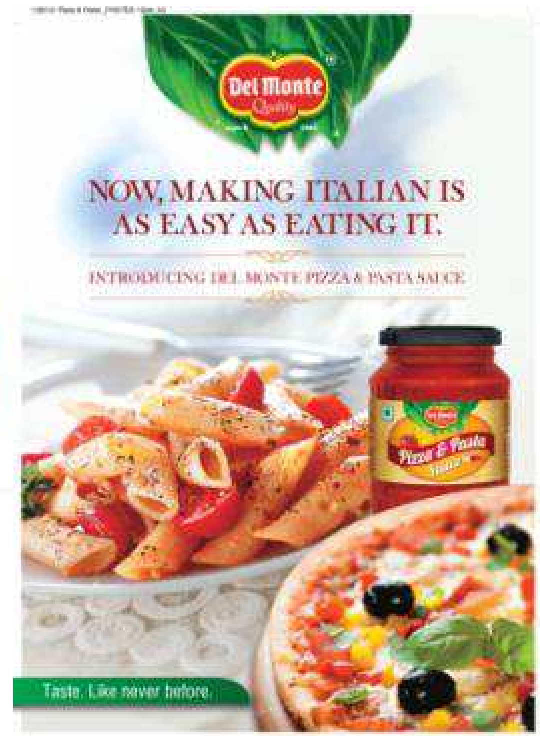

# S&W 2Q Updates

- S&W processed sales +8% with China and the Middle East strong
- S&W fresh sales +21% driven by robust sales in Japan, China, Middle East and Singapore
- Higher supply of the premium fresh fruit which satisfied the strong fresh demand
- Brand building with sampling activities are being executed in key markets of Korea, Japan, China and Singapore

# India 2Q Updates

- Del Monte processed sales +46%
- Lower equity loss of US$1.3m from US$1.5m the prior year quarter, on higher sales, improved product mix and reduced overheads



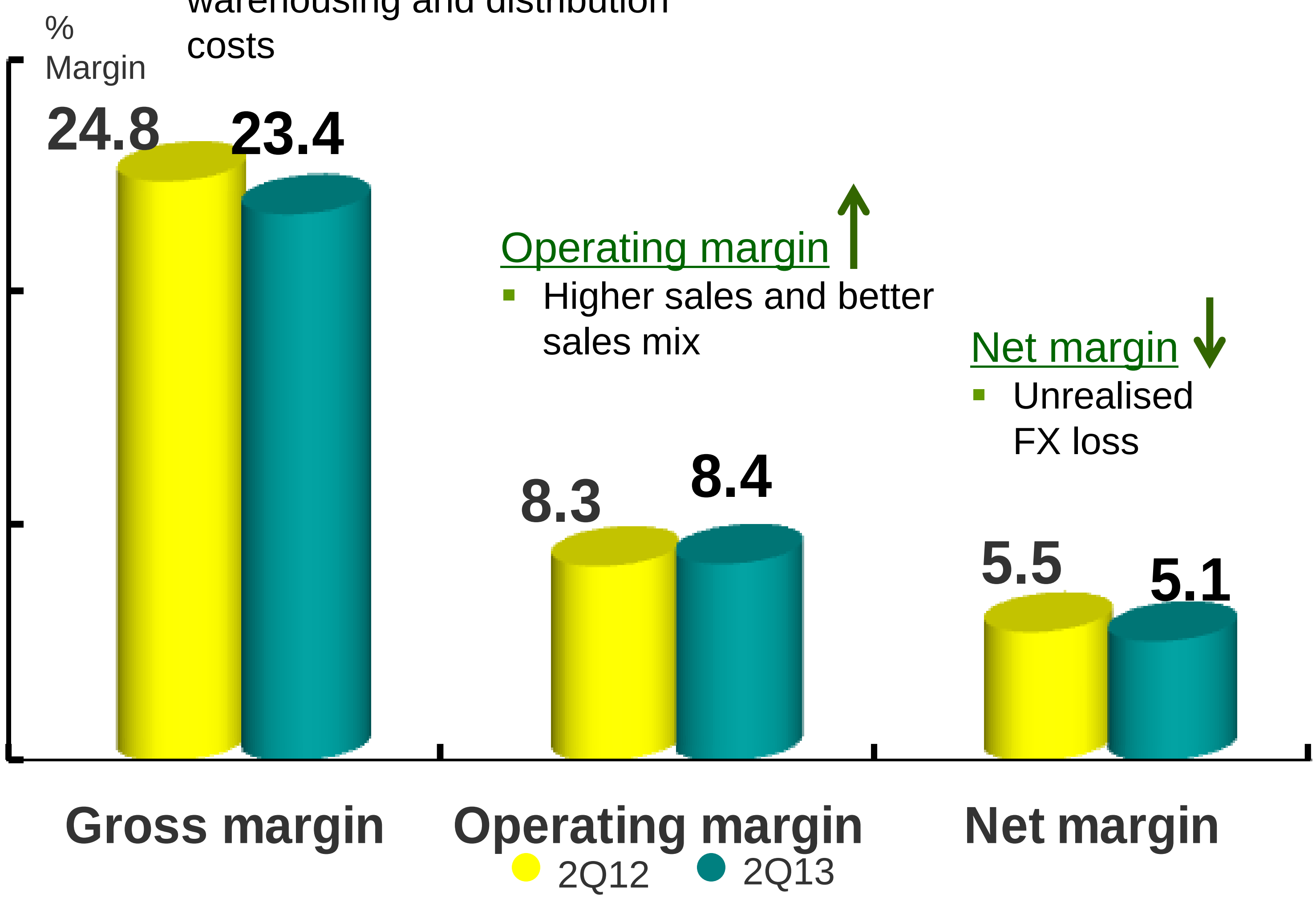



# 2Q Margins

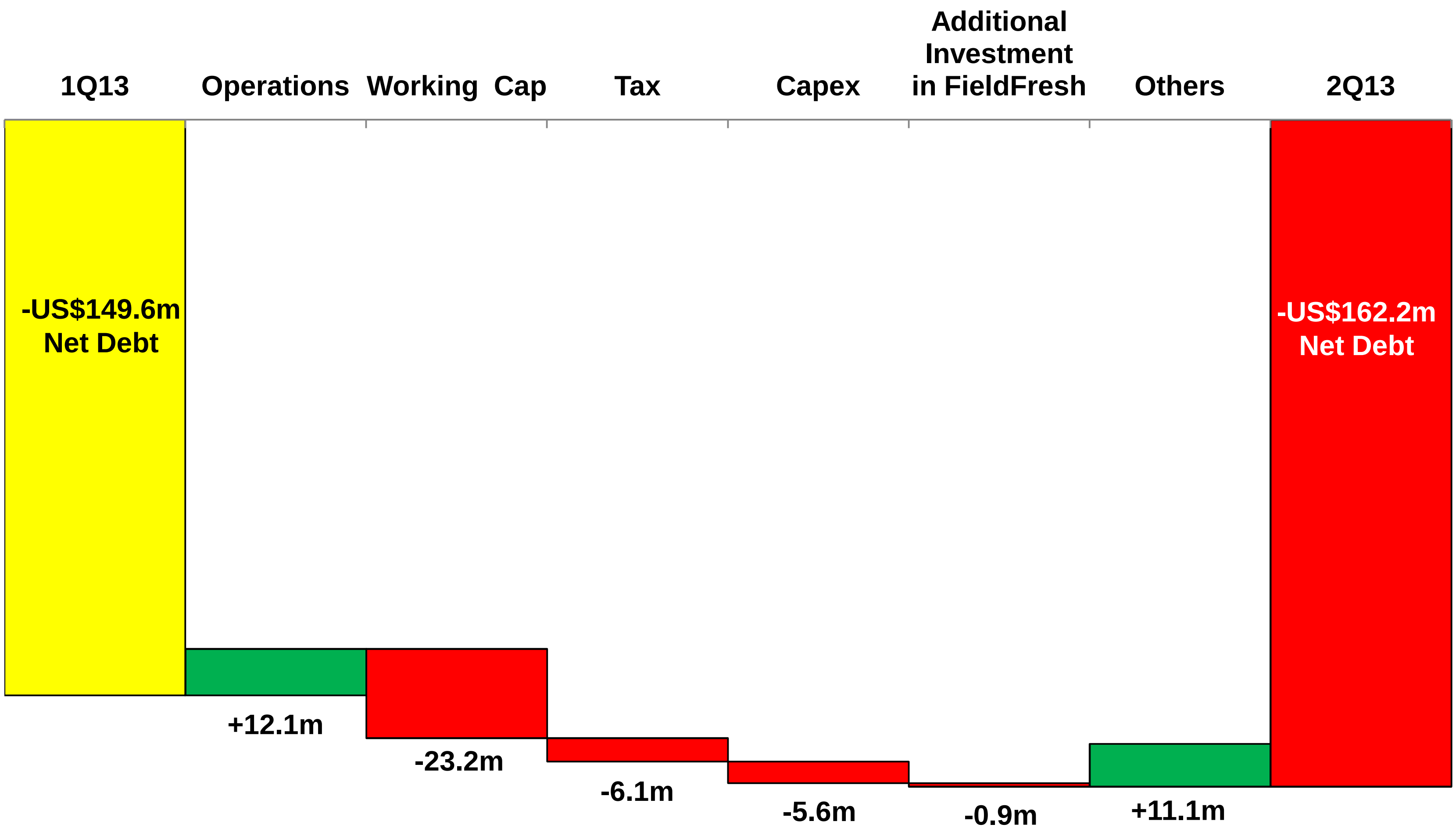
Gross margin
- Lower PJC price and higher warehousing and distribution costs

Operating margin
- Higher sales and better sales mix

Net margin
- Unrealised FX loss



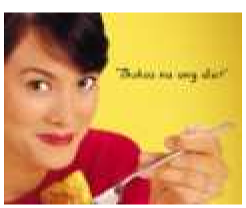
# 2Q Cash Flow Variance Analysis



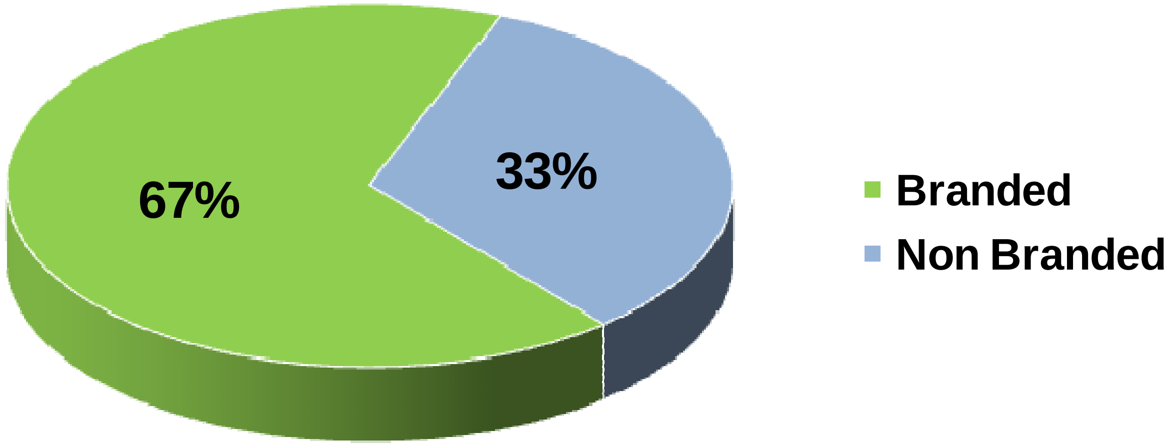

# First Half 2013

| In US$m | 1H 2012 (restated)* | 1H 2013 | Chg (%) | Comments |
|---|---|---|---|---|
| Turnover | 183.6 | 208.4 | +13.5 | Higher sales due to the branded business |
| Gross profit | 44.6 | 48.2 | +7.9 | Higher volume and better sales mix |
| Operating profit | 17.7 | 18.1 | +2.6 | Higher A&P spend as a result of timing; weak PJC prices |
| Finance inc/(exp) | (1.4) | (2.3) | +68.4 | Due to unrealised FX loss |
| Share of loss | (3.2) | (2.4) | -24.8 | Lower loss in 46.6%-owned FieldFresh India |
| Tax | (2.6) | (2.8) | +4.2 | Higher tax |
| Net profit attributable to owners | 10.4 | 10.6 | +2.0 | Mainly due to higher turnover offset by one off expenses from the dual listing in the Philippines and unrealised FX loss |
| Net debt | (123.6) | (162.2) | +31.2 | Higher working capital requirements |
| Gearing (%) | 53.8 | 68.8 | +15.0ppts | Same as above |

*Due to retrospective adjustment as required by the amended IAS 19, Employee benefits. Only US$60k impact to net income

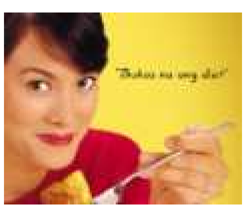


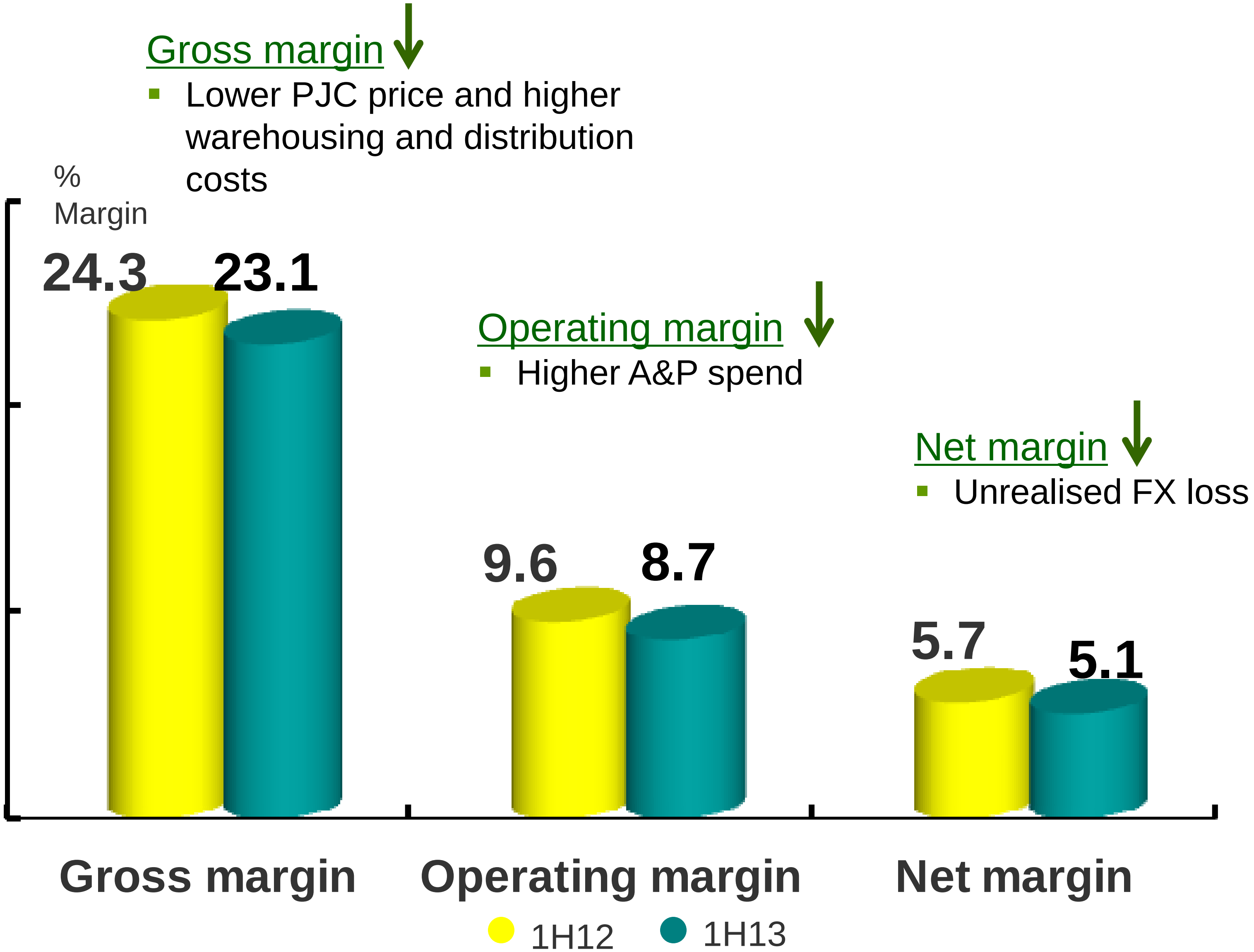
# 1H Turnover Analysis




| | | |
|---|---|---|
| **Branded** | **+15%** | • Strong performance of the Philippine market and the Fresh business |
| **Non Branded** | **+10%** | • Due to better performance of the non supply contract segment which offset declines in the supply contract segment |

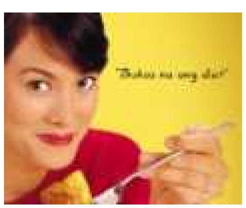
# 1H Margins





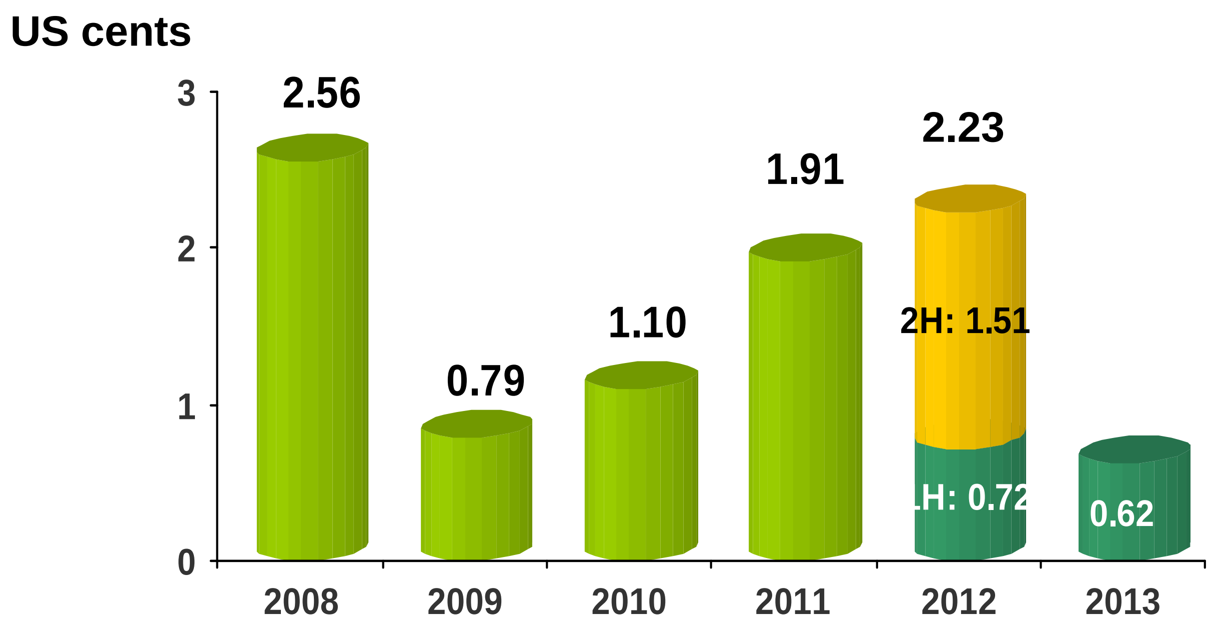
Gross margin
Lower PJC price and higher warehousing and distribution costs
Operating margin
Higher A&P spend
Net margin
Unrealised FX loss
% Margin
30
20
10
0
24.3
23.1
9.6
8.7
5.7
5.1
Gross margin
Operating margin
Net margin
1H12
1H13

# 1H Cash Flow Variance Analysis



# Dividend

| Dividend | Book Closure Date | Payment Date | Dividend/ Share | Payout Ratio |
|---|---|---|---|---|
| Final | 21 Aug 2013 | 4 Sept 2013 | US$0.0062 | 75% of 1H 2013 net profit |



# Outlook

- The Group's branded business continues to grow strongly
  - improved trade coverage and advertising
  - entry into new markets
  - increased capacity of the ready-to-drink beverage which came onstream in June
- Initiatives to expand sales of higher margin value added products led to a better sales mix and much improved margins
- Barring unforeseen circumstances, the Group expects to improve earnings in 2013 led by the branded business with higher revenue from better volume and sales mix in the Philippines and S&W markets
- The Group is actively pursuing sales of higher margin value-added products as evidenced in 2Q results. In addition, the Group continues to implement operational efficiencies, procurement savings and active cost management.

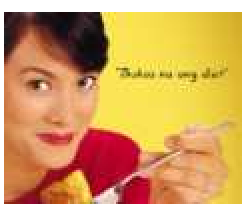
# Dual Listing on the PSE

Transaction Summary

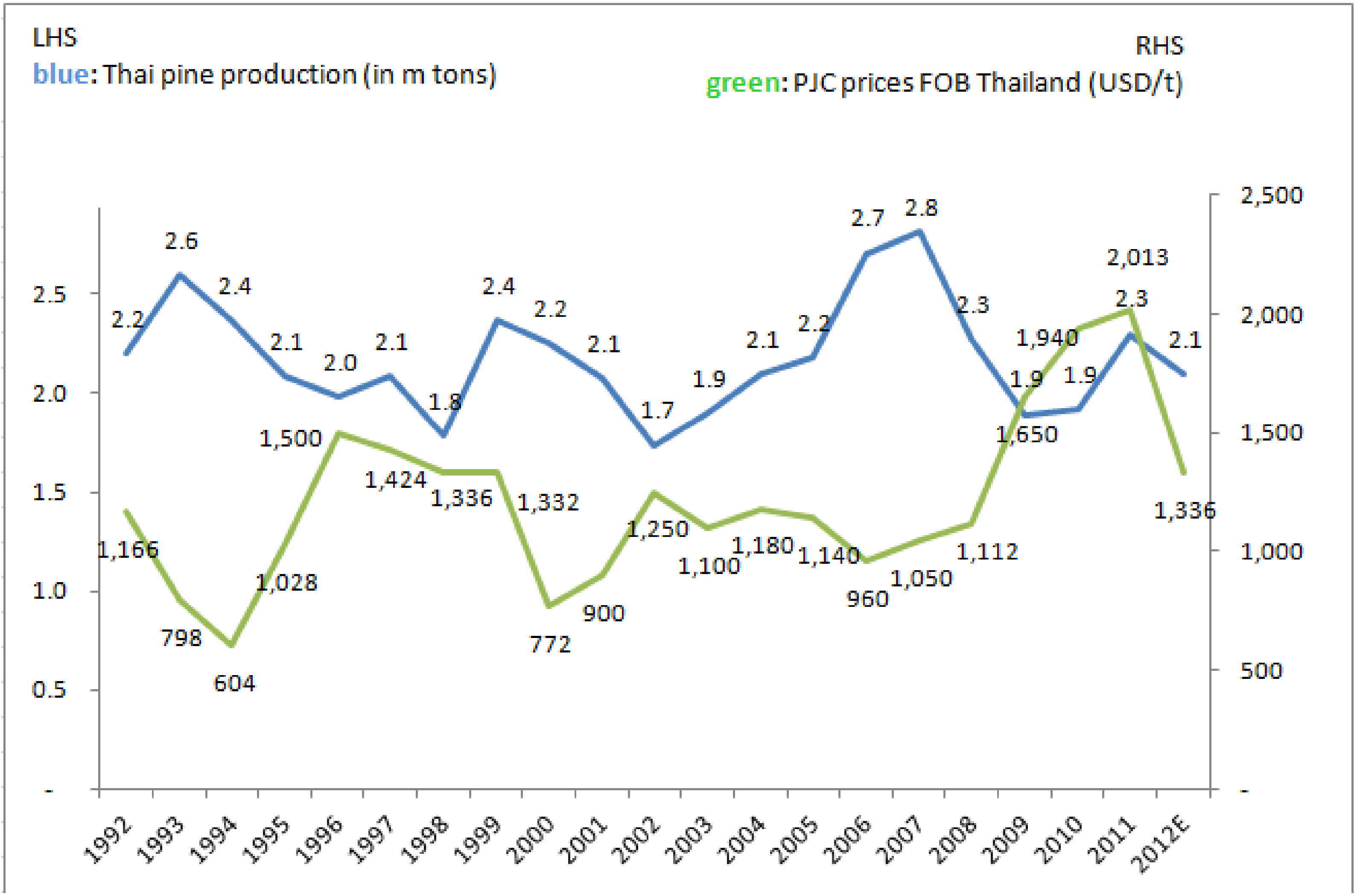
- On 10 June 2013, DMPL listed its ordinary shares by way of introduction on the Main Board of the Philippine Stock Exchange ("PSE").
    - DMPL became the first company to be dual listed on both the Singapore Exchange and PSE.
- On the same day as the listing on the PSE, NutriAsia Pacific Limited , the principal shareholder of DMPL, raised US$ 94m through a secondary share placement of DMPL shares.
    - Select transaction details as follows:

| | |
|---|---|
| **Total number of shares placed** | 150 million ordinary shares |
| **Expanded % of public float** | Approx. 11.6% of issued capital |
| **Placement price**<br>***Implied PE valuation at time of listing**** | PHP 26.40 per share<br>*PE 2013 – 22.9x*<br>*PE 2014 – 19.2x* |
| **Discount to previous SGX close on 7 Jun 2013** | 11.4% |

** Earnings based on CLSA Research*



# Thai Production vs PJC prices




*Source: FAO, Foodnews*

# Del Monte Philippines Products

# S&W Asia Products