



**DEL MONTE PACIFIC LIMITED**

---

## **Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Fourth Quarter and Full Year Ended 31 December 2010**

For enquiries, please contact:

Jennifer Luy

Tel: (65) 6324 6822

[jluy@delmontepacific.com](mailto:jluy@delmontepacific.com)

### **AUDIT**

Full year 2010 figures have neither been audited nor reviewed by the Group's auditors.

### **ACCOUNTING POLICIES**

The accounting policies and method of computation adopted are consistent with those used in the most recently audited financial statements, except for the following accounting standards, amendments to standards and interpretation that are effective for annual reporting periods beginning 1 January 2010:

- Amendments to IFRS 1 First-time Adoption of FRS – Additional Exemptions for First-time Adopters
- Amendments to IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions
- IFRS 3 (Revised 2008) Business Combinations
- Amendments to IFRS 5 Non-current Assets Held for Sale and Discontinued (issued as part of Improvements to IFRSs 2008)
- IFRIC 17 Distributions of Non-cash Assets to Owners
- IAS 27 (Revised 2008) Consolidated and Separate Financial Statements
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
- IFRS 1 (revised 2008) First-time Adoption of FRS (improved structure)
- General Improvements to IFRSs 2009

Adoption of the new and revised standards has no significant impact on the Group's net profit attributable to shareholders in the current and prior periods.

### **DISCLAIMER**

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, outgrowers and 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

22 February 2011

**FINANCIAL HIGHLIGHTS – FOURTH QUARTER AND FULL YEAR 2010**

in US\$'000 unless otherwise stated	For the three months ended 31 Dec			For the year ended 31 Dec		
	2010	2009	%	2010	2009	%
Turnover	<b>139,185</b>	115,076	21.0	<b>378,623</b>	330,656	14.5
Gross profit	<b>35,489</b>	23,080	53.8	<b>81,761</b>	68,516	19.3
Gross margin (%)	<b>25.5</b>	20.1	5.4 ppt	<b>21.6</b>	20.7	0.9 ppt
Operating profit	<b>21,205</b>	9,800	116.4	<b>30,318</b>	25,775	17.6
Operating margin (%)	<b>15.2</b>	8.5	6.7 ppt	<b>8.0</b>	7.8	0.2 ppt
Net profit attributable to owners	<b>14,641</b>	3,917	273.8	<b>15,809</b>	11,331	39.5
Net margin (%)	<b>10.5</b>	3.4	7.1 ppt	<b>4.2</b>	3.4	0.8 ppt
EPS (US\$)	<b>0.0136</b>	0.0036	277.8	<b>0.0146</b>	0.0105	39.0
Net debt	<b>(86,297)</b>	(36,116)	138.9	<b>(86,297)</b>	(36,116)	138.9
Gearing (%)	<b>39.0</b>	18.3	20.7 pp	<b>39.0</b>	18.3	20.7 ppt
Cash flow from/(used in) operations	<b>18,175</b>	61,287	(70.3)	<b>(8,656)</b>	80,058	(110.8)
Capital expenditure	<b>9,427</b>	8,121	16.1	<b>14,659</b>	14,610	(0.3)
Dividend per share (US\$)	<b>0.011</b>	0.0016	587.5	<b>0.011</b>	0.0079	39.2
			<b>Days</b>			<b>Days</b>
Inventory (days)	<b>73</b>	79	(6)	<b>89</b>	103	(14)
Receivables (days)	<b>30</b>	15	15	<b>37</b>	43	(6)
Account Payables (days)	<b>48</b>	42	6	<b>67</b>	73	(6)

The Company's reporting currency is US dollars. For conversion to S\$, these exchange rates can be used: 1.31 in 4Q10, 1.37 in FY10 and 1.40 in 4Q09, 1.46 in FY09.

**REVIEW OF OPERATING PERFORMANCE FOR 4Q AND FY 2010****Fourth Quarter**

The Group registered a higher turnover and strong net profit of US\$14.6 million in the fourth quarter from US\$3.9 million in the prior year quarter, driven by exports and Philippine markets whose sales improved by 22% and 18%, respectively.

Sales grew by 21% to US\$139.2 million from US\$115.1 million driven by robust turnover in the exports and Philippine markets and the strong performance of the fresh fruit segment.

Turnover growth in the Philippines was led by higher sales of processed fruits and culinary categories which helped offset soft demand for Del Monte Fit 'n Right juice drinks amidst market competition. Del Monte Fit 'n Right juice drink will be revitalised through the re-launch of Low Calorie/No Added Sugar, a healthier product formulation at reduced prices.

Export sales to North America and Europe increased significantly versus prior year quarter driven by improved pineapple supply from the plantation and better prices for pineapple juice concentrate. Selling prices and margins in Europe were also much better as the Group moved to direct management of the market following the termination of an unprofitable supply contract with a major customer.

Total fresh sales, including S&W branded fresh fruit, almost doubled to US\$3.4 million from US\$1.8 million as a result of increasing supply of the Group's premium fresh fruit variety.

S&W processed turnover increased by 34% versus prior year quarter due to better prices and higher volume. The S&W processed business made its first shipments to China and Indonesia of canned tropical fruit, canned beans and vinegar.

22 February 2011

Gross profit significantly increased by 54% to US\$35.5 million from US\$23.1 million as a result of higher sales. Operating profit likewise grew strongly by 116.4% to US\$ 21.2 million.

In India, the Group recognised a share of loss of US\$1.4 million for its 46% stake in the FieldFresh joint venture, higher than prior year quarter's US\$1.1 million, due to business building initiatives including higher A&P spend to support new product launches. Sales more than doubled versus the same quarter last year, primarily in culinary, pasta and juices, as trade distribution in India expanded to 60 cities and about 35,000 outlets.

Net profit for the quarter rose 274% to US\$14.6 million from US\$3.9 million due to the robust growth in operating profit, which more than offset the equity accounted loss from the Indian joint venture.

Operating cash flow declined to US\$18.2 million from US\$61.3 million in the prior year quarter. At the end of 2009, the Company entered into receivables discounting which was not done in the same period in 2010. There was also higher depreciation and inventory obsolescence in 2010. The Company ended with a net debt position of US\$86.3 million as of 31 December 2010, and a gearing of 39%, higher than prior year's 18% but better than previous quarter's 42%. The Group effectively managed its working capital, bringing down inventory days via improved inventory management.

### **Full Year**

Group turnover for the full year of 2010 grew by 15% to US\$378.6 million from US\$330.7 million due to the same reasons as those for the fourth quarter.

The Philippine market's sales increased by 14% to US\$236.2 million on the back of strong base business performance which offset soft demand for Del Monte Fit 'n Right juice drinks. The average Philippine Peso rate against the US Dollar was slightly lower by 7% versus prior year; this had a favourable translation impact of US\$5.8 million on Philippine market sales.

Fresh sales more than doubled to US\$13.9 million from US\$6.1 million on better volume and prices. There was increased supply of the Group's premium fresh fruit variety.

S&W processed sales increased by 6% to US\$8.4 million due to higher volume and prices.

For the same reasons mentioned for the fourth quarter, gross profit rose 19% to US\$81.8 million.

Higher gross margins led to an increase in operating income by 18% to US\$30.3 million from US\$25.8 million but was partially offset by higher selling and distribution expenses to support initiatives for new and base products, as well as higher general and administrative expenses due to business building initiatives.

In India, the Group recognised a share of loss of US\$6.0 million for its 46% stake in the FieldFresh joint venture, higher than prior year's US\$3.9 million due to marketing investments in scaling up the Del Monte branded business.

The Group ended the year with a net profit of US\$15.8 million, higher than year ago net income of US\$11.3 million due to better margins, lower interest expense and forex loss, which more than offset higher A&P, selling, admin and miscellaneous expenses and higher FieldFresh share of loss.

Operating cash flow was at a negative US\$8.7 million compared to a positive US\$80.1 million in the prior year for the same reasons as those for the fourth quarter.

## **VARIANCE FROM PROSPECT STATEMENT**

The fourth quarter 2010 results were in line with earlier guidance that the Group's full year 2010 profits are expected to be higher compared to that of the same period last year.

22 February 2011

## BUSINES OUTLOOK

The strong performance in the fourth quarter is testament that hard work and initiatives to increase profitability and drive sustainable growth are producing good results. Revenue expansion coupled with a sales mix shift to higher margin products and businesses were the key drivers of success. Although cost and productivity programs have favourably impacted results, the Group is even more encouraged by strong topline growth and improved sales mix

The Group expects growth to be sustained as it relentlessly continues business-building programs and active cost management.

Barring unforeseen circumstances, the Group expects to deliver higher earnings in 2011, particularly in the second half, supported by higher pineapple production, better productivity and efficiencies, and stronger sales in the Philippines, Europe and fresh fruit business.

## REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

Effective first quarter 2010, the Group adopted IFRS 8 Operating Segments in its quarterly reporting. IFRS 8 requires an entity to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The standard requires financial information to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

### ASIA PACIFIC

#### For the three months ended 31 December

In US\$'000	Processed			Beverage			Total		
	2010	2009	% Chg	2010	2009	% Chg	2010	2009	% Chg
Turnover	69,724	55,102	26.5	24,387	26,573	(8.2)	94,111	81,675	15.2
Gross Profit	22,888	16,065	42.5	4,801	6,371	(24.6)	27,689	22,436	23.4
Gross Margin (%)	32.8	29.2	3.6ppt	19.7	24.0	(4.3 ppt)	29.4	27.5	1.9 ppt
Operating Profit	16,674	10,114	64.9	543	2,102	(74.2)	17,217	12,216	41.0
Op Margin (%)	23.9	18.4	5.5 ppt	2.2	7.9	(5.7 ppt)	18.3	15.0	3.3

#### For the full year ended 31 December

In US\$'000	Processed			Beverage			Total		
	2010	2009	% Chg	2010	2009	% Chg	2010	2009	% Chg
Turnover	153,025	125,997	21.5	94,582	93,776	0.9	247,607	219,773	12.7
Gross Profit	45,008	36,541	23.2	17,834	21,235	(16.0)	62,842	57,776	8.8
Gross Margin (%)	29.4	29.0	0.4 ppt	18.9	22.6	(3.7 ppt)	25.4	26.3	(0.9 ppt)
Operating Profit	22,567	19,191	17.6	1,958	5,451	(64.1)	24,525	24,642	(0.5)
Op Margin (%)	14.7	15.2	(0.5 ppt)	2.1	5.8	(3.7 ppt)	9.9	11.2	(1.3 ppt)

22 February 2011

**Fourth Quarter**

Reported under the Asia Pacific segment are sales and profit on sales of Del Monte and Today's branded processed products in the Philippines and of Del Monte branded processed products to Del Monte trademark licensees in the Asia Pacific region.

Turnover in Asia Pacific, which accounted for 68% of the Group's turnover in the fourth quarter of 2010, grew by 15% to US\$94.1 million from US\$81.7 million due to strong sales of processed fruits and culinary categories in the Philippines.

Due to higher volume and higher margin from the said categories, gross profit increased by 23% to US\$27.7 million and gross margin improved by 1.9ppts to 29.4% from 27.5%. Operating profit likewise increased by 41% to US\$17.2 million.

**Full Year**

Turnover in Asia Pacific, which accounted for 66% of the Group's turnover in 2010, grew 13% to US\$247.6 million from US\$219.8 million, for the same reasons cited above.

Due to higher volume, gross profit improved by 9% to US\$62.8 million. However, gross margin slightly deteriorated by 0.9ppts to 25.4% from 26.3% due to higher costs. Operating profit was flat at US\$24.5 million.

**EUROPE AND NORTH AMERICA****For the three months ended 31 December**

In US\$'000	Processed			Beverage			Total		
	2010	2009	% Chg	2010	2009	% Chg	2010	2009	% Chg
Turnover	18,393	12,966	41.9	12,080	6,940	74.1	30,473	19,906	53.1
Gross Profit	1,464	(1,822)	180.4	3,091	914	238.2	4,555	(908)	601.7
Gross Margin (%)	8.0	(14.1)	22.1 ppt	25.6	13.2	12.4 ppt	14.9	(4.6)	19.5 ppt
Operating Profit	116	(4,280)	102.7	2,506	1,233	103.2	2,622	(3,047)	186.1
Op Margin (%)	0.6	(33.0)	33.6 ppt	20.7	17.8	2.9 ppt	8.6	(15.3)	23.9 ppt

**For the full year ended 31 December**

In US\$'000	Processed			Beverage			Total		
	2010	2009	% Chg	2010	2009	% Chg	2010	2009	% Chg
Turnover	56,807	47,450	19.7	26,984	22,641	19.2	83,791	70,091	19.5
Gross Profit	3,479	(492)	807.1	4,818	3,852	25.1	8,297	3,360	146.9
Gross Margin (%)	6.1	(1.0)	7.1 ppt	17.9	17.0	0.9 ppt	9.9	4.8	5.1 ppt
Operating Profit	(1,512)	(5,681)	73.4	3,236	3,411	(5.1)	1,724	(2,270)	176.0
Op Margin (%)	(2.7)	(12.0)	9.3 ppt	12.0	15.1	(3.1 ppt)	2.1	(3.2)	5.3 ppt

**Fourth Quarter**

Reported under the Europe and North America segment are sales and profit on sales of Del Monte and buyers' label processed fruits, beverages, pineapple concentrate and other processed products to Del Monte trademark licensees and owners in Europe and North America respectively, as well as non-branded and buyers' label processed fruit and beverage products to new customers in Europe starting 1 June 2010.

Turnover in Europe and North America accounted for 22% of Group turnover this quarter. It increased by 53% to US\$30.5 million from US\$19.9 million, brought about by higher volume and higher prices. Selling prices and margins in Europe were also much better as the Group moved to direct management of the market following the termination of an unprofitable supply contract with a major customer.

22 February 2011

Gross profit significantly increased by 602% as a result of the above factors as well as better management of costs. Likewise, results of operations turned around to US\$2.6 million from a loss of US\$3.0 million in the prior year quarter.

**Full Year**

Accounting for 22% of total turnover for 2010, turnover for Europe and North America increased by 20% to US\$83.8 million from US\$70.1 million.

Better pricing led to a 147% increase in gross profit to US\$8.3 million from US\$3.4 million. Results of operations turned around to US\$1.7 million from a loss of US\$2.3million.

**OTHERS****For the three months ended 31 December**

In US\$'000			
	2010	2009	% Chg
Turnover	14,601	13,495	8.2
Gross Profit	3,245	1,552	109.1
Gross Margin (%)	22.2	11.5	10.7 ppt
Operating Profit	1,366	631	116.5
Op Margin (%)	9.4	4.7	4.7 ppt

**For the full year ended 31 December**

In US\$'000			
	2010	2009	% Chg
Turnover	47,225	40,792	15.8
Gross Profit	10,622	7,380	43.9
Gross Margin (%)	22.5	18.1	4.4 ppt
Operating Profit	4,069	3,403	19.6
Op Margin (%)	8.6	8.3	0.3 ppt

**Fourth Quarter**

Reported under this category are sales and profit on sales of the following segments:

- Other export sales which include:
  - Sales of buyers' label processed fruits and pineapple concentrates to various customers around the world.
  - Sales of Del Monte processed products to distributors in the Indian subcontinent.
- Sales of various Del Monte products such as canned vegetables and deciduous fruits sourced from other Del Monte companies.
- Sales of S&W branded processed products such as canned fruits and vegetables, juices and other food products to various customers in Asia Pacific.
- Sales of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia
- Sales 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.

Turnover from this segment comprised 10% of the Group's total turnover in the fourth quarter.

Turnover of this segment grew by 8% to US\$14.6 million while gross profit doubled to US\$3.2 million from US\$1.6 million primarily driven by the profitable fresh business. S&W processed business also generated higher turnover of 34% in the fourth quarter. Operating profit for the segment doubled to US\$1.4 million.

22 February 2011

**Full Year**

Turnover from this segment comprised 12% of the Group's total turnover in 2010.

Turnover grew 16% to US\$47.2 million from US\$40.8 million primarily due to the growth of the fresh business and S&W processed sales.

Gross profit improved by 44% to US\$10.6 million while operating profit increased by 20% to US\$4.1 million for the same reasons.

**REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES**

% of Turnover	For the three months ended 31 December			For the full year ended 31 December		
	2010	2009	Comments	2010	2009	Comments
Cost of Goods Sold	74.5	79.9	Better sales mix and favourable prices	78.4	79.3	Same as 4Q
Distribution and Selling Expenses	3.9	4.2	Due to higher turnover	6.1	6.1	na
G&A Expenses	5.4	4.9	Business building investments	6.3	5.8	Business building investments
Other Operating Expenses	1.0	2.3	Due to IAS adjustment	1.2	1.1	Due to higher turnover

**REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS**

In US\$'000	For the three months ended 31 December				For the full year ended 31 December			
	2010	2009	%	Comments	2010	2009	%	Comments
Depreciation and amortisation	(3,482)	(2,822)	23.4	Due to capex additions of major assets such as the new boilers which started depreciation only in the 3 <sup>rd</sup> quarter of 2009	(11,354)	(8,893)	27.7	Same as 4Q
Interest income	71	149	(52.3)	Due to decline in cash level	636	733	(13.2)	Same as 4Q
Interest expense	(1,161)	(1,208)	(4.0)	Lower long term borrowings	(4,470)	(5,574)	(19.8)	Same as 4Q
Share of loss of JV, net of tax	(1,448)	(1,127)	28.6	46% stake in FieldFresh India, acquired in Sept. 2007	(6,010)	(3,880)	54.9	Same as 4Q
Taxation	(4,301)	(3,043)	41.3	Due to higher income in certain taxable jurisdiction	(3,983)	(4,197)	(5.1)	Due to lower 2010 income in certain taxable jurisdiction

**REVIEW OF GROUP ASSETS AND LIABILITIES**

Extract of Accounts with Significant Variances	31 Dec 2010	31 Dec 2009	Comments
<i>in US\$'000</i>			
Joint venture	33,495	30,204	Investment in FieldFresh net of equity losses
Other assets	12,070	10,472	Higher advances to landowners for long-term leases of agricultural land
Biological assets	81,860	70,469	Higher deferred growing crop costs and livestock
Inventories	77,498	68,084	Increased level of finished goods
Trade and other receivables	79,953	24,154	Discounting of receivables during December 2009
Cash and cash equivalents	17,506	59,162	Proceeds from discounting of receivables during December 2009
Financial liabilities – non-current	18,016	26,068	Partial settlement of long-term loan
Financial liabilities – current	85,787	69,294	Incurrence of short term debt
Trade and other payables	70,091	56,499	Increase in trade payables and accrued liabilities
Current tax liabilities	3,436	2,032	Higher taxable income of taxable entity

22 February 2011

## SHARE CAPITAL

Total shares outstanding remain at 1,081,781,194 as of 31 December 2010, same as 31 December 2009. Share capital remains at US\$10.8 million.

A total of 1,550,000 Market Price Options and 1,725,000 share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan, respectively, on 7 March 2008. In the Annual General Meeting held on 28 April 2008, the shareholders approved the grant of 1,611,000 shares to the Group's Managing Director and CEO, Joselito D. Campos, Jr. On 12 May 2009, the Company granted another 6,392,000 share awards to Key Executives. They remain outstanding as at 31 December 2010. No new shares had been issued as a result thereof.

The number of shares outstanding includes 3,000,000 shares held by the company as treasury shares as at 31 December 2010 (31 December 2009: nil) and there was no sale, transfer, disposal, cancellation and/or use of treasury shares during the period and as at 31 December 2010.

## BORROWINGS AND NET DEBT

Liquidity in US\$'000	31 Dec 2010	31 Dec 2009
Gross borrowings	103,803	95,278
Current	85,787	69,274
Secured	-	-
Unsecured	85,787	69,274
Non-current	18,016	26,004
Secured	-	-
Unsecured	18,016	26,004
Less: Cash and bank balances	17,506	59,162
Net debt	(86,297)	(36,116)

The Group's net debt (cash and bank balances less borrowings) amounted to US\$86.3 million as at 31 December 2010 as compared to a net debt of US\$36.1 million as at year-end 2009. Net debt was lower in 2009 due to the proceeds of accounts receivable discounting.

## DIVIDENDS

The Directors have declared today a final dividend of US\$0.011, representing a 75% payout of full year 2010 net profit.

	For the year ended 31 Dec	
	2010	2009
Name of dividend	Final Ordinary	Final Ordinary
Type of dividend	Cash	Cash
Rate of dividend	<b>US\$ 0.011 per ordinary share (tax not applicable)</b>	US\$ 0.0016 per ordinary share (tax not applicable)
Par value of shares	US\$0.01	US\$0.01
Tax rate	Nil	Nil
Book closure date	10 March 2011	11 March 2010
Payable date	30 March 2011	31 March 2010

The Register of Members and Register of Transfers of the Company will be closed on 10 March 2011 for the purpose of determining shareholders' entitlements to dividends. Registrable Transfers received by the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 by 5.00 pm on 9 March 2011 will be registered before entitlements to the dividend are determined.



22 February 2011

**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:

<b>In US\$'000</b>	<b>Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>		<b>Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>	
<b>For the three months ended 31 December</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

<b>In US\$'000</b>	<b>Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>		<b>Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>	
<b>For the Full year 2010</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

22 February 2011

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

Amounts in US\$'000	For the three months ended 31 December			For the full year ended 31 December		
	2010	2009	%	2010	2009	%
Turnover	139,185	115,076	21.0	378,623	330,656	14.5
Cost of sales	(103,696)	(91,996)	12.7	(296,862)	(262,140)	13.2
<b>Gross profit</b>	<b>35,489</b>	23,080	<b>53.8</b>	<b>81,761</b>	68,516	<b>19.3</b>
Distribution and selling expenses	(5,360)	(4,886)	9.7	(23,148)	(20,053)	15.4
General and administration expenses	(7,485)	(5,696)	31.4	(23,842)	(19,206)	24.1
Other operating (expenses)/income	(1,439)	(2,698)	(46.7)	(4,454)	(3,482)	27.9
<b>Profit from operations</b>	<b>21,205</b>	9,800	<b>116.4</b>	<b>30,318</b>	25,775	<b>17.6</b>
Financial income**	71	149	(52.3)	636	733	(13.2)
Financial expense**	(886)	(1,862)	(52.4)	(5,152)	(7,100)	(27.4)
<b>Net finance income/(expense)</b>	<b>(815)</b>	(1,713)	<b>(52.4)</b>	<b>(4,516)</b>	(6,367)	<b>(29.1)</b>
Share of loss of joint venture, net of tax	(1,581)	(1,289)	22.7	(6,634)	(4,538)	46.2
<b>Profit before taxation</b>	<b>18,809</b>	6,798	<b>176.7</b>	<b>19,168</b>	14,870	<b>28.9</b>
Taxation	(4,301)	(3,043)	41.3	(3,983)	(4,197)	(5.1)
<b>Profit after taxation</b>	<b>14,508</b>	3,755	<b>286.4</b>	<b>15,185</b>	10,673	<b>42.3</b>
<b>Profit attributable to:</b>						
Owners of the company	14,641	3,917	273.8	15,809	11,331	39.5
Non-controlling interest	(133)	(162)	(17.9)	(624)	(658)	(5.2)
<b>Profit for the period</b>	<b>14,508</b>	<b>3,755</b>	<b>286.4</b>	<b>15,185</b>	<b>10,673</b>	<b>42.3</b>
<b>Notes:</b>						
Depreciation and amortisation	(3,482)	(2,822)	23.4	(11,354)	(8,893)	27.7
Provision for asset impairment	(341)	22	n/m	(1,030)	84	n/m
Provision for inventory obsolescence	(2,041)	(641)	218.4	(6,973)	(1,923)	262.6
Provision for doubtful debts	(300)	(1,043)	(71.2)	(1,510)	(2,907)	(48.1)
Gain/(Loss) on disposal of fixed assets	(31)	5	(720.0)	(63)	291	(121.6)
<b>**Financial income comprise:</b>						
Interest income	71	149	(52.3)	636	733	(13.2)
Foreign exchange gain	-	-		-	-	
	<b>71</b>	<b>149</b>	<b>(52.3)</b>	<b>636</b>	<b>733</b>	<b>(13.2)</b>
<b>**Financial expense comprise:</b>						
Interest expense	(1,161)	(1,208)	(4.0)	(4,470)	(5,574)	(19.8)
Foreign exchange loss	275	(654)	(142.0)	(682)	(1,526)	(55.3)
	<b>(886)</b>	<b>(1,862)</b>	<b>(52.4)</b>	<b>(5,152)</b>	<b>(7,100)</b>	<b>(27.4)</b>

n/m – not meaningful

22 February 2011

Earnings per ordinary share in US cents	For the three months ended 31 December		For the full year ended 31 December	
	2010	2009	2010	2009
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	0.0136	0.0036	0.0146	0.0105
(ii) On a fully diluted basis	0.0136	0.0036	0.0146	0.0105

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

Amounts in US\$'000	For the full year ended 31 Dec		
	2010	2009	%
<b>Profit for the period</b>	<b>15,185</b>	10,673	42.3
<b>Other comprehensive income (after reclassification adjustment):</b>			
Exchange differences on translating of foreign operations	<b>10,453</b>	5,462	(91.4)
Changes in fair value of forward contracts	-		n/m
Value of employee services required for issue of share options	-		n/m
Adjustment relating to prior period recorded directly to equity	<b>381</b>	-	n/m
Income tax relating to components of other comprehensive income - <i>Changes in fair value of forward contracts</i>	-	619	n/m
<b>Other comprehensive income for the period, net of tax</b>	<b>10,834</b>	6,081	78.2
<b>Total comprehensive income for the period</b>	<b>26,019</b>	16,754	55.3
<b>Attributable to:</b>			
Owners of the company	<b>26,643</b>	17,412	53.0
Non-controlling interest	<b>(624)</b>	(658)	(5.2)
<b>Total comprehensive income for the period</b>	<b>26,019</b>	16,754	55.3

22 February 2011

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

Amounts in US\$'000	Group		Company	
	31 Dec 2010 Unaudited	31 Dec 2009 Audited	31 Dec 2010 Unaudited	31 Dec 2009 Audited
<b>Non-Current Assets</b>				
Property, plant and equipment	79,341	73,212	-	-
Subsidiaries	-	-	85,442	76,707
Joint venture	33,495	30,204	-	-
Intangible assets	16,575	17,145	-	-
Other assets	12,070	10,472	-	-
	<u>141,481</u>	<u>131,033</u>	<u>85,442</u>	<u>76,707</u>
<b>Current assets</b>				
Inventories	77,498	68,084	-	-
Biological assets *	81,860	70,469	-	-
Trade and other receivables	79,953	24,154	19,846	42,527
Cash and cash equivalents	17,506	59,162	211	9
	<u>256,817</u>	<u>221,869</u>	<u>20,057</u>	<u>42,536</u>
<b>Total Assets</b>	<u>398,298</u>	<u>352,902</u>	<u>105,499</u>	<u>119,243</u>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	10,818	10,818	10,818	10,818
Treasury Shares	(824)	-	(824)	-
Reserves	211,924	186,273	92,901	73,861
Non-controlling interests	(624)	-	-	-
<b>Total Equity</b>	<u>221,294</u>	<u>197,091</u>	<u>102,895</u>	<u>84,679</u>
<b>Non-Current Liabilities</b>				
Deferred tax liabilities	(326)	1,918	-	-
Financial liabilities	18,016	26,068	-	-
	<u>17,690</u>	<u>27,986</u>	<u>-</u>	<u>-</u>
<b>Current Liabilities</b>				
Trade and other payables	70,091	56,499	2,604	34,564
Financial liabilities	85,787	69,294	-	-
Current tax liabilities	3,436	2,032	-	-
	<u>159,314</u>	<u>127,825</u>	<u>2,604</u>	<u>34,564</u>
<b>Total Liabilities</b>	<u>177,004</u>	<u>155,811</u>	<u>2,604</u>	<u>34,564</u>
<b>Total Equity and Liabilities</b>	<u>398,298</u>	<u>352,902</u>	<u>105,499</u>	<u>119,243</u>
NAV per ordinary share (US cents)	<u>20.51</u>	<u>18.22</u>	<u>9.51</u>	<u>7.83</u>

\* Biological assets consist of deferred growing crops and livestock.

22 February 2011

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

Group	Share Capital US\$'000	Share premium US\$'000	Trans lation reserve US\$'000	Hedging reserve* US\$'000	Revaluat ion reserve US\$'000	Option reserve US\$'000	Revenue reserve US\$'000	Treasury Shares S\$'000	Non- Controlling Interest	Total Equity S\$'000
<b>2009</b>										
As at 1 January 2009	10,818	68,687	(54,989)	(619)	3,368	486	176,931	-	-	204,682
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	11,331	-	-	11,331
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	-	-	5,462	-	-	-	-	-	-	5,462
Currency translation differences transferred to income statement on disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-
Net changes in fair value of cash flow hedges, net of tax	-	-	-	619	-	-	-	-	-	619
Net loss on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	5,462	619	-	-	-	-	-	6,081
Total comprehensive income/(loss) for the year	-	-	5,462	619	-	-	11,331	-	-	17,412
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Dividends	-	-	-	-	-	-	(25,854)	-	-	(25,854)
Value of employee services received for issue of share options	-	-	-	-	-	851	-	-	-	851
Total contributions by and distributions to owners	-	-	-	-	-	851	(25,854)	-	-	(25,003)
At 31 December 2009	10,818	68,687	(49,527)	-	3,368	1,337	162,408	-	-	197,091

22 February 2011

Group	Share Capital US\$'000	Share premium US\$'000	Trans lation reserve US\$'000	Hedging reserve* US\$'000	Revaluat ion reserve US\$'000	Option reserve US\$'000	Revenue reserve US\$'000	Treasury Shares S\$'000	Non- Controlling Interest	Total Equity S\$'000
<b>2010</b>										
As at 1 January 2010	10,818	68,687	(49,527)	-	3,368	1,337	162,408	-	-	197,091
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	15,809	-	-	15,809
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	-	-	10,453	-	-	-	-	-	-	10,453
Adjustments relating to prior periods recorded directly to equity	-	-	-	-	-	-	381	-	-	381
Net loss on revaluation of property, plant and equipment, net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	10,453	-	-	-	381	-	-	10,834
Total comprehensive income/(loss) for the year	-	-	10,453	-	-	-	16,190	-	-	26,643
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Dividends	-	-	-	-	-	-	(1,731)	-	-	(1,731)
Acquisition of Treasury Shares	-	-	-	-	-	-	-	(824)	-	(824)
Recognition on Non-controlling interest	-	-	-	-	-	-	-	-	(624)	(624)
Value of employee services received for issue of share options	-	-	-	-	-	739	-	-	-	739
Total contributions by and distributions to owners	-	-	-	-	-	739	(1,731)	(824)	(624)	(2,440)
At 31 December 2010	10,818	68,687	(39,074)	-	3,368	2,076	176,867	(824)	(624)	221,294

22 February 2011

Company	Share capital US\$'000	Share premium US\$'000	Share option reserve US\$'000	Revenue reserve US\$'000	Treasury Shares US\$'000	Total equity US\$'000
<b>2009</b>						
At 1 January 2009	10,818	68,826	486	2,088	-	82,218
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	27,464	-	27,464
Total comprehensive income for the year	-	-	-	27,464	-	27,464
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Value of employee services received for issue of share options	-	-	851	-	-	851
Dividends	-	-	-	(25,854)	-	(25,854)
Total contributions by and distributions to owners	-	-	851	(25,854)	-	(25,003)
At 31 December 2009	10,818	68,826	1,337	3,698	-	84,679
	<b>Share capital US\$'000</b>	<b>Share premium US\$'000</b>	<b>Share option reserve US\$'000</b>	<b>Revenue reserve US\$'000</b>	<b>Treasury Shares US\$'000</b>	<b>Total Equity US\$'000</b>
<b>2010</b>						
At 1 January 2010	10,818	68,826	1,337	3,698	-	84,679
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	20,032	-	20,032
Total comprehensive income for the year	-	-	-	20,032	-	20,032
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Value of employee services received for issue of share options	-	-	739	-	-	739
Acquisition of Treasury shares	-	-	-	-	(824)	(824)
Dividends	-	-	-	(1,731)	-	(1,731)
Total contributions by and distributions to owners	-	-	739	(1,733)	(824)	(1,816)
At 31 December 2010	10,818	68,826	2,076	21,999	(824)	102,895

22 February 2011

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

Amounts in US\$'000	For the three months ended 31 December		For the full year ended 31 December	
	2010 Unaudited	2009 Unaudited	2010 Unaudited	2009 Unaudited
<b>Operating activities</b>				
Net profit attributable to shareholders	14,641	3,917	15,809	11,331
Adjustments for:				
Amortisation of intangible assets	143	167	570	572
Depreciation of property, plant and equipment	3,339	2,655	10,784	8,321
Provision for asset impairment	341	(22)	1,030	(84)
Provision for inventory obsolescence	2,041	641	6,973	1,923
Provision for doubtful debts	300	1,043	1,510	2,907
Loss/(Gain) on disposal of fixed assets	31	(5)	63	(291)
Share of profit of joint venture, net of tax	1,448	1,127	6,010	3,880
Equity-settled share-based payment transactions	233	307	739	851
Income tax expense	4,301	3,044	3,983	4,198
Prior period profit and loss credited to equity	-	-	382	-
Operating profit before working capital changes	26,818	12,874	47,853	33,608
Other assets	5,572	5,123	(574)	(1,043)
Inventories	10,290	25,341	(12,509)	13,097
Biological assets	(2,042)	499	(7,172)	(13,941)
Trade and other receivables	(41,669)	9,581	(55,139)	62,377
Trade and other payables	10,405	8,656	13,895	(9,403)
Operating cash flow	9,374	62,074	(13,646)	84,695
Income taxes paid	8,801	(787)	4,990	(4,637)
Cash flows from / (used in) operating activities	18,175	61,287	(8,656)	80,058
<b>Investing activities</b>				
Interest received	779	143	402	713
Proceeds from disposal of property, plant and equipment	51	40	355	1,387
Label Development Cost		(24)		(24)
Additional investment in joint venture	(1,160)	(5,330)	(9,925)	(10,710)
Purchase of property, plant and equipment	(9,427)	(8,121)	(14,659)	(14,610)
Acquisition of Treasury shares	-	-	(824)	-
Cash flows used in investing activities	(9,757)	(13,292)	(24,651)	(23,244)
<b>Financing activities</b>				
Interest paid	(858)	(1,142)	(3,202)	(5,483)
Proceeds from borrowings	11,370	(9,426)	2,810	23,056
Repayment of finance lease liabilities	-	(42)	20	(72)
Dividends paid		-	(1,731)	(25,854)
Cash flows from / (used in) financing activities	10,512	(10,610)	(2,103)	(8,353)
<b>Net increase / (decrease) in cash and cash equivalents</b>	18,930	37,385	(35,410)	48,461
<b>Cash and cash equivalents at beginning of year</b>	8,853	11,436	59,162	7,862
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(10,277)	10,341	(6,246)	2,839
<b>Cash and cash equivalents, end of period</b>	17,506	59,162	17,506	59,162



## GROUP SEGMENTAL REPORTING

By geographical segments

	<----- Asia Pacific ----->						North America & Europe		Others		Total	
	Processed products		Beverages		Total		Processed products		2010	2009	2010	2009
	2010	2009	2010	2009	2010	2009	2010	2009				
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
External revenues	153,025	125,997	94,582	93,776	247,607	219,773	83,791	70,091	47,225	40,792	378,623	330,656
Depreciation and amortisation	(3,319)	(2,201)	(2,937)	(1,417)	(6,256)	(3,618)	(4,880)	(3,660)	(218)	(1,615)	(11,354)	(8,893)
Reportable segment profit before income tax	22,566	19,191	1,958	5,451	24,524	24,642	1,725	(2,270)	4,069	3,403	30,318	25,775
Other material non-cash items: Impairment on property, plant and equipment and intangible assets. Impairment losses on property, plant and equipment and intangible assets reversed	(1,627)	(1,202)	(1,344)	(804)	(2,971)	(2,006)	(1,595)	(1,692)	(121)	(1,608)	(4,687)	(5,306)
Reportable segment assets	129,940	75,039	81,015	38,956	210,955	113,995	111,571	96,297	24,771	53,244	347,297	263,536
Capital expenditure	(3,350)	(2,688)	(3,134)	(2,679)	(6,484)	(5,367)	(4,881)	(6,200)	(3,294)	(3,043)	(14,659)	(14,610)
Reportable segment liabilities	27,296	19,401	24,855	21,465	52,151	40,866	12,313	10,197	5,635	5,502	70,099	56,565

## Reconciliation of reportable segment revenues, profit or loss, assets and other material items

	2010 US\$'000	2009 US\$'000
<b>Revenue</b>		
Total revenue for reportable segments/Consolidated revenue	<u>378,623</u>	330,656
<b>Profit or Loss</b>		
Total profit or loss for reportable segments	30,318	25,775
Unallocated amounts: Other corporate expenses	(4,516)	(6,367)
Share of profit of equity accounted investees	<u>(6,634)</u>	(4,538)
Consolidated profit before income tax	<u>19,168</u>	14,870
<b>Assets</b>		
Other assets	347,297	263,536
Investments in joint venture	33,495	30,204
Other unallocated amounts	<u>17,506</u>	59,162
Consolidated total assets	<u>398,298</u>	352,902
<b>Liabilities</b>		
Total liabilities for reportable segments	70,099	56,565
Other unallocated amounts	<u>106,905</u>	99,246
Consolidated total liabilities	<u>177,004</u>	155,811

22 February 2011

Other material items in 2010	Reportable segment totals	Adjustments	Consolidated totals
Interest revenue	(636)	-	(636)
Interest expense	4,470	-	4,470
Capital expenditure	14,659	-	14,659
Depreciation and amortisation	11,354	-	11,354
Impairment losses on property, plant and equipment and intangible assets reversed	1,030	-	1,030

Other material items in 2009	Reportable segment totals	Adjustments	Consolidated totals
Interest revenue	(733)	-	(733)
Interest expense	5,574	-	5,574
Capital expenditure	14,610	-	14,610
Depreciation and amortisation	8,893	-	8,893
Impairment losses on property, plant and equipment and intangible assets reversed	(84)	-	(84)

**By business segments**

In US\$'000	Turnover		Capital expenditure		Total assets	
	For the year ended 31 Dec				As at 31 Dec	
	2010	2009	2010	2009	2010	2009
Processed Products	231,018	194,049	5,877	8,030	193,931	168,524
Beverage	131,919	128,680	5,486	5,733	128,595	87,335
Non-Processed Products	15,686	7,927	3,296	847	24,771	7,677
Unallocated	-	-	-	-	51,001	89,366
<b>Total</b>	<b>378,623</b>	<b>330,656</b>	<b>14,659</b>	<b>14,610</b>	<b>398,298</b>	<b>352,902</b>