

Del Monte Pacific Limited

Fourth Quarter and Full Year 2010 Results

22 February 2011



Cautionary Note on Forward-looking Statements

This presentation 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.



Contents

- **Executive Summary**
- **4Q 2010 Results**
- **FY 2010 Results**
- **Balance Sheet**
- **Dividend**
- **Business Updates**
- **Operation Updates**
- **Outlook**



Executive Summary



Executive Summary

DMPL achieves 40% profit growth for FY2010 underpinned by strong performance in 4Q

- 4Q net profit rose more than threefold to US\$14.6m from US\$3.9m in prior year
- Sales for 4Q improved 21% to US\$139.2m, driven by the Philippines and Exports
- Gross margin increased to 25.5% from 20.1% on better sales of higher margin products
- Full year 2010 net profit grew by 40% to US\$15.8m from US\$11.3m in 2009



4Q 2010 Results

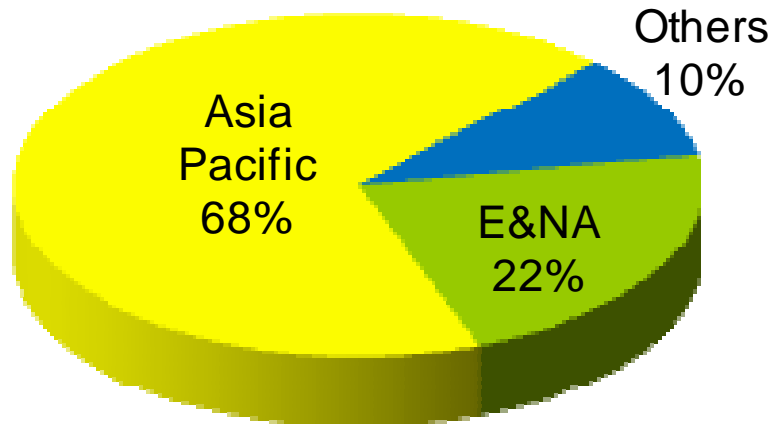


Fourth Quarter 2010

In US\$m	4Q 2009	4Q 2010	Chg (%)	Comments
Turnover	115.1	139.2	+21.0	<ul style="list-style-type: none"> ○ Higher Philippines and Exports sales ○ Higher Fresh sales with the increased supply of the premium fruit variety ○ Higher S&W processed sales on higher volume and prices
Gross profit	23.1	35.5	+53.8	Better sales mix, favourable prices and higher volume
Operating profit	9.8	21.2	+116.4	Higher turnover
Finance inc/(exp)	(1.7)	(0.8)	-52.4	Forex translation gains from loss last year due to optimisation of natural hedge
Share of loss	(1.1)	(1.4)	+28.6	46.0% stake in FieldFresh India
Tax	(3.0)	(4.3)	+41.3	Higher taxable income
Net Profit	3.9	14.6	+273.8	Mainly due to higher turnover
Net Debt	(36.1)	(86.3)	+138.9	Lower net debt level at end-2009 from receivables discounting
Gearing (%)	18.3	39.0	+20.7ppts	Lower gearing at end-2009 due to above reason

4Q Turnover Analysis

By Market



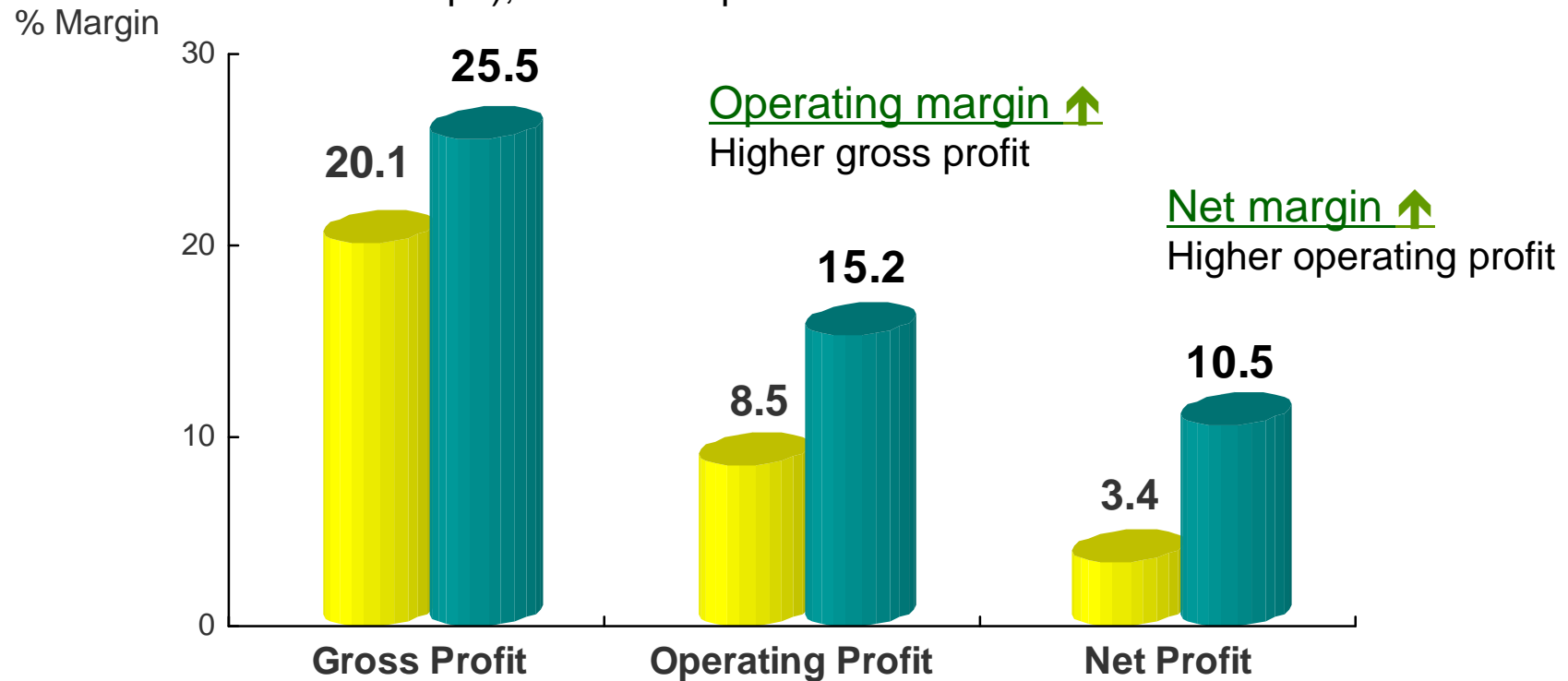
Asia Pacific	+15.2%	<ul style="list-style-type: none"> Philippine sales grew 18% due to strong performance in the processed fruits and culinary categories with higher volume and better sales mix.
E&NA	+53.1%	<ul style="list-style-type: none"> Strong sales of processed pineapple in North America and Europe 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.
Others	+8.2%	<ul style="list-style-type: none"> Primarily driven by robust growth of the fresh business.



4Q Margins

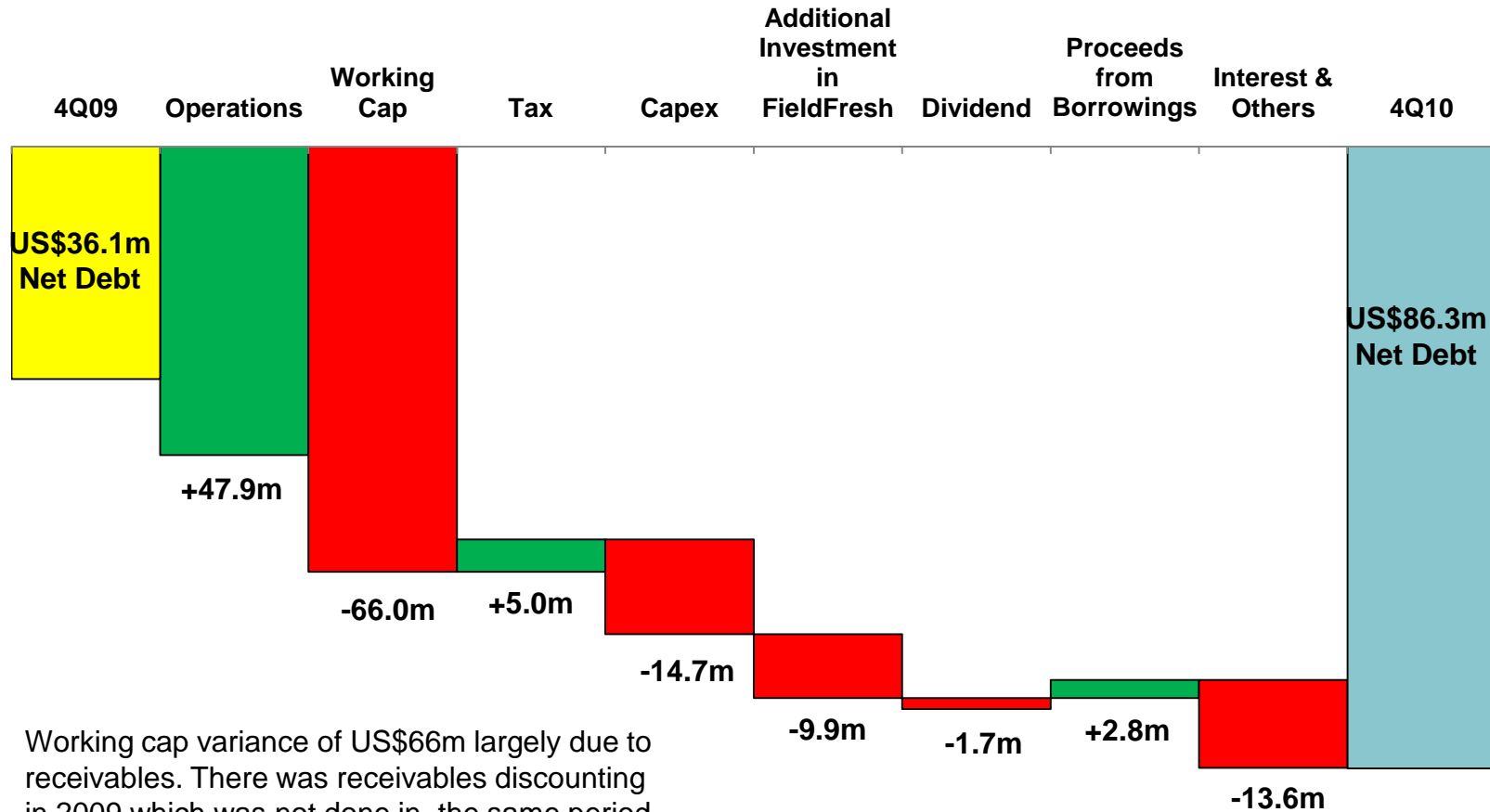
Gross margin ↑

Better sales mix (higher sales of higher margin categories in the Philippines, increased sales of higher margin fresh business, and a more profitable 'new' Europe); favourable prices



● 4Q09 ● 4Q10

4Q Cash Flow Variance Analysis



Working cap variance of US\$66m largely due to receivables. There was receivables discounting in 2009 which was not done in the same period of 2010.



Full Year 2010 Results

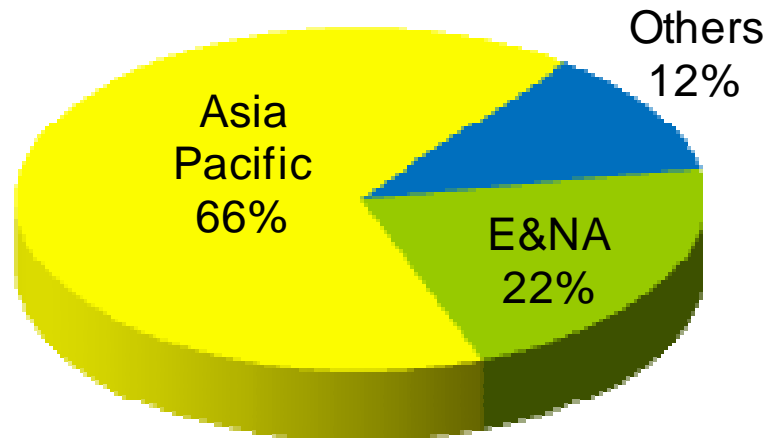


Full Year 2010

In US\$m	FY 2009	FY 2010	Chg (%)	
Turnover	330.7	378.6	+14.5	<ul style="list-style-type: none"> ○ Higher Philippines and Exports sales ○ Higher Fresh sales with the increased supply of the premium fruit variety ○ Higher S&W processed sales on higher volume and prices
Gross profit	68.5	81.8	+19.3	Better sales mix, favourable prices, cost efficiencies and productivity programs
Operating profit	25.8	30.3	+17.6	Higher turnover
Finance inc/(exp)	(6.4)	(4.5)	-29.1	Lower forex loss due to optimisation of natural hedge
Share of loss	(3.9)	(6.0)	+54.9	46.0% stake in FieldFresh India
Tax	(4.2)	(4.0)	-5.1	Lower taxable income
Net Profit	11.3	15.8	+39.5	Mainly due to higher turnover
Net Debt	(36.1)	(86.3)	+138.9	Higher cash level at end-2009 from receivables discounting
Gearing (%)	18.3	39.0	+20.7ppts	Lower gearing at end-2009 due to above reason

FY Turnover Analysis

By Market



Asia Pacific	+12.7%	<ul style="list-style-type: none"> Philippine sales grew 14% due to strong sales of processed fruits and culinary categories.
E&NA	+19.5%	<ul style="list-style-type: none"> Higher sales in North America due to higher volume and prices.
Others	+15.8%	<ul style="list-style-type: none"> Primarily driven by robust growth of the fresh business.

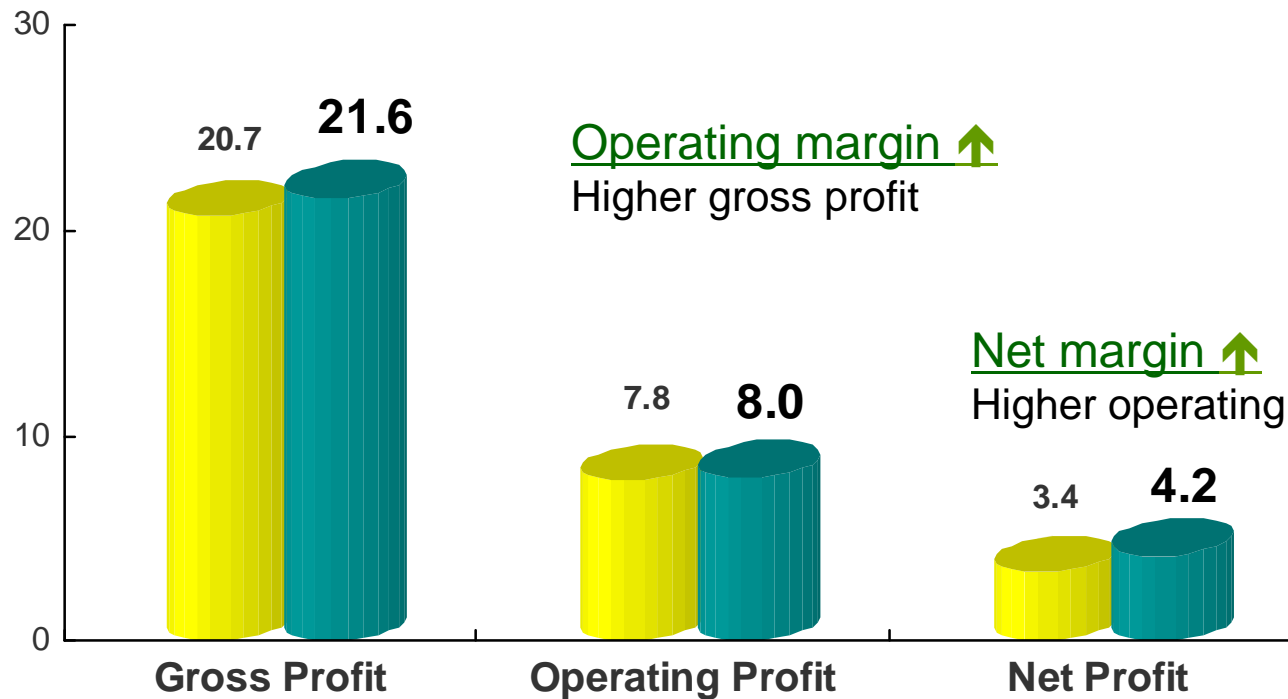


FY Margins

Gross margin ↑

Better sales mix, favourable prices,
cost efficiencies

% Margin



Operating margin ↑

Higher gross profit

Net margin ↑

Higher operating profit



● FY09

● FY10

Balance Sheet



Working Capital Management

Inventories and payables days continued to improve. Absolute working capital level just 4% above year ago despite non-discounting of receivables in the same period as 2009.

No. of days	4Q 2009	4Q 2010	Chg	Comment
Inventory	79	73	(6)	<ul style="list-style-type: none"> Actively managed inventory levels for various inputs; stricter implementation of inventory policies
Receivable	15	30	15	<ul style="list-style-type: none"> No discounting of receivables in the same period as 2009
Payable	42	48	6	<ul style="list-style-type: none"> Continue to manage payment terms



Credit Standing

- **Loan utilisation:** only 36% of bank credit lines
- **Loan Mix:** 49% Peso and 51% US\$ to optimise natural hedge
82% Short term and 18% Long term

Gearing and Coverage Ratios

Net debt to equity ratio = 39%

Interest cover = 18.1x



Dividend

Dividend	Book Closure Date	Payment Date	Dividend/ Share	Payout Ratio
Final	10 March 2011	30 March 2011	US\$ 0.011	75% of FY2010 profit

**no interim dividend for 2010 due to first half net loss position*

Vs Last Year

Final	11 March 2010	31 March 2010	US\$ 0.0016	75% of 2H09 profit
--------------	----------------------	----------------------	--------------------	---------------------------



Business Updates



Philippines

- 4Q sales up 18% on strong performance in the processed fruits and culinary categories with higher volume and better sales mix
- Notably, market shares improved in the important tomato and spaghetti sauce segments
- While Philippines beverage sales were down on lower Fit 'n Right juice drink volume amidst market competition, the brand will be revitalised through the re-launch of Low Calorie/No Added Sugar, a healthier product formulation at reduced prices



S&W in Asia

- The S&W branded business, both processed and fresh, turned in a combined revenue of US\$3.4m, 21% higher than year ago quarter
- The S&W processed business made its first shipments to China and Indonesia of canned tropical fruit, canned beans and vinegar
- The S&W fresh business benefited from increased supply of the premium fruit variety
- For the full year, the S&W branded business generated sales of US\$14.4m, 31% higher than prior year. The S&W processed business contributed US\$8.4m



FieldFresh in India

- 4Q10 sales more than doubled versus the same quarter last year, primarily in culinary, pasta and juices
- The Del Monte range is now available across over 60 cities and about 35,000 outlets
- A milestone in the quarter was the opening of the new manufacturing and R&D facility near Bangalore to produce Del Monte branded processed fruit drinks and culinary products. The plant commissioning started in December 2010
- DMPL's 46% share of loss in 4Q10 was US\$1.4m, higher than the US\$1.1m in 4Q09 due to marketing investments in scaling up the Del Monte branded business
- For the full year, DMPL's share of loss was US\$6.0m as expected, up from US\$3.9m



Operation Updates

- **Significant improvement in pineapple operations in 4Q 2010 vs 4Q 2009**
 - **Supply increased by 26%**
 - **Yield increased by 11%**
 - **Cost per ton decreased by 23%**
 - **Cannery recovery improved by 7%**



Outlook



Outlook

- The Group's strong performance in 4Q is a 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 its 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



Thank You

