



DEL MONTE PACIFIC LIMITED

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DEL MONTE PACIFIC 2011 NET PROFIT UP 74% ON RECORD SALES OF US\$425M

- **Record sales of US\$425m, 12% higher than prior year**
- **Operating profit rose 46% to US\$44m from US\$30m**
- **Gross margin increased to 23.9% from 21.6% on better sales mix**
- **Exports, particularly to Europe, performed strongly**
- **Final dividend of US\$0.0145 per share or 75% of second half 2011 net profit**

Singapore, 24 February 2012 – Singapore Exchange Mainboard-listed Del Monte Pacific Limited (Bloomberg: DELM SP, Reuters: DMPL.SI) announced today that revenue for 2011 increased 12% to a record US\$425.2 million, up from US\$378.6 million in the prior year. The record revenue was mainly driven by robust exports across all major markets especially Europe. Operating profit rose 46% to US\$44.3 million while net profit soared 74% to US\$27.4 million from US\$15.8 million.

Exports of processed products were a key driver of revenue increase, growing 25% on the back of better prices and sales mix, and greater volume. Selling prices and margins in Europe improved as the Group sold directly into that market following the termination in mid 2010 of an unprofitable supply contract.

The S&W branded business, both processed and fresh, also posted strong results. Sales rose 54% to US\$20.1 million from higher sales of canned tropical fruit and fresh fruit to China and Korea. Sales in China have grown strongly since the Group's entry into that market in the fourth quarter of 2010. The Group also expanded the brand into the Taiwan market in 2011.

Sales in the Philippines grew 2% on higher sales of canned juices and processed fruit. Sales of canned 100% pineapple juices registered double-digit growth, backed by advertising campaigns promoting their health benefits: immunity, fiber and cholesterol reduction. Growth in the processed fruit segment was primarily driven by cooking campaigns as households were encouraged to use pineapple products for

everyday dishes. Sales of pineapple tidbits in pouch performed well. The Group also realised gains from improvements in its supply chain, which included better distribution.

Group gross profit in 2011 rose 24% to US\$101.4 million from US\$81.8 million and gross margin increased to 23.9% from 21.6% on better prices and sales mix. On the cost side, tomato paste costs were lower, coupled with improved pineapple yields and production efficiencies. These lower costs offset increases in tinsplate and sugar prices.

Sales at the Group's Indian joint venture, FieldFresh Foods, grew 42% to US\$38.0 million in 2011. Del Monte branded sales almost doubled to US\$28.4 million, accounting for 75% of total affiliate sales. Exports of fresh products from India also increased by 19%. However, the Group recognised an equity loss of US\$9.7 million, higher than prior year's US\$6.0 million, as a result of support for the expansion of the branded business through higher marketing, trade promotion, overhead and depreciation costs after the commissioning in December 2010 of the new manufacturing and R&D facility near Bangalore.

For the fourth quarter of 2011, the Group generated sales of US\$154.1 million, 11% higher than prior period's US\$139.2 million, on higher sales across all major markets. Philippines was up 7% while exports of processed products were up 6%. The S&W branded business, both processed and fresh, turned in a solid performance growing 71% to US\$5.1 million.

Gross profit for the fourth quarter improved by 7% to US\$37.9 million on better prices and sales mix, as well as higher volume. However, net income declined to US\$13.1 million from US\$14.6 million as a result of higher equity losses in FieldFresh of US\$2.2 million, up from US\$1.4 million, as well as a one off expense of US\$4.0 million in relation to the settlement of an arbitration plus legal fees.

Without this one off expense, fourth quarter operating income and net income would have risen by 6% and 9%, respectively, while full year operating income and net income would have grown by 59% and 92%, respectively.

"Our strong results place the Group on track for further growth as we build on the gains we made in exports and by the greater market penetration of S&W branded processed and fresh business in Asia," said Mr. Joselito D. Campos, Jr., Managing Director and CEO of DMPL.

“We continue to be optimistic about our business in India where we have generated higher sales and improved distribution and are gaining good brand recognition,” he added. “The higher than expected losses by our joint venture are being addressed,” he concluded.

The Board today proposed a final dividend of US\$0.0145 per share, representing a 75% payout of second half net profit for 2011.

Barring unforeseen circumstances, the Group expects to improve earnings in 2012. This will be driven by revenue enhancements from better mix and volume, operational efficiencies coupled with active cost management, and reduced losses in its Indian joint venture company.

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.

About Del Monte Pacific Limited (www.delmontepacific.com)

Listed on the Mainboard of the Singapore Exchange, Del Monte Pacific Limited (Bloomberg: DELM SP/ Reuters: DMPL.SI) is a group of companies that caters to today's consumer needs for premium quality, healthy food and beverage products. It innovates, produces, markets and distributes its products worldwide.

The Group owns the Del Monte brand in the Philippines where it enjoys leading market shares for canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup.

Del Monte Pacific also owns another premium brand, S&W, globally except the Americas, Australia and New Zealand. As with Del Monte, S&W originated in the USA in the 1890s as a producer and marketer of premium quality processed fruit and vegetable products.

In India, the Group owns approximately 46% of FieldFresh Foods Private Limited (www.fieldfreshfoods.in). FieldFresh markets Del Monte-branded processed products in the domestic market and FieldFresh-branded fresh fruits and vegetables globally and in the domestic market. Del Monte Pacific's partner in FieldFresh India is the well-respected Bharti Enterprises, which owns one of the largest conglomerates in India.

Del Monte Pacific holds the exclusive rights to produce and distribute processed food and beverage products under the Del Monte brand in the Indian subcontinent.

With a 23,000-hectare pineapple plantation in the Philippines, 700,000-ton processing capacity and a port beside the Cannery, Del Monte Pacific's subsidiary, Del Monte Philippines, operates the world's largest fully-integrated pineapple operation. It is proud of its long heritage of 85 years of pineapple growing and processing. It has long-term supply agreements with some of the Del Monte trademark owners and licensees around the world.

Del Monte Pacific and its subsidiaries are not affiliated with other Del Monte companies in the world, including Del Monte Foods Co (USA), Fresh Del Monte Produce Inc, Del Monte Canada, Del Monte Asia Pte Ltd and these companies' affiliates.

Del Monte Pacific is 79%-owned by NutriAsia Pacific Ltd. (NPL). NPL is owned by the NutriAsia Group of Companies which is in turn majority-owned by the Campos family of the Philippines. The NutriAsia Group is the market leader in the liquid condiments, specialty sauces and cooking oil market in the Philippines.

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