Del Monte Pacific Limited

First Quarter 2009 Results

27 April 2009

Executive Summary

Strong Philippine market sales insufficient to offset lower export sales

Fundamentals of core business remain solid:

a) Philippine sales up 22% in Peso terms

b) Expansion of S&W with more than double sales

c) Growth of fresh pineapple with sales +51% and

d) Continued expansion in India through Bharti Del Monte

Group gross margin of 25.8%, up from 21.9%

Group operating margin of 11.8%, also up from 10.7%

Executive Summary (2)

Our challenges are really on two fronts:

a) Export market

In line with the experience of other exporters with exposure to the US and European economies

Also, lower exports diminishes our natural hedge particularly in light of a depreciating currency in our lead Philippine market

b) Financial expenses

- Higher borrowings and interest expense
- Last tranche of our hedging loss from last year and
- Depreciating Philippine currency that impacts on the translation of Philippine results to US$

Del Monte Quality

SINCE 1896 S&W PREMIUM

Executive Summary (3)

- **1Q sales down 16% due to:**
  - Lower export sales (US$7.1m)
  - Currency translation effect on Philippine sales (US$6.8m)
  - Absent sales of disposed China company (US$6.4m)
- **If not for the last two factors, sales would have been up 3%**
- **Philippines, S&W and Fresh Fruit sales all up**
- **Gross profit down only 1% due to higher prices and lower costs; Operating profit before non-recurring items down 3%**
- **Net profit before non-recurring items down 19% due mainly to higher interest charges, and after non-recurring items fell 32% due principally to losses on a now expired currency hedging contract**

First Quarter 2009

In US$m	1Q 2008	1Q 2009	Chg (%)	
Turnover	71.7	60.4	-15.8	Lower exports, currency translation impact from 19% Peso depreciation and absent sales of Great Lakes
Gross profit	15.7	15.5	-1.1	Lower sales offset by price increases and favourable peso depreciation impact on costs
Operating profit	7.6	7.1	-7.4	Lower distribution and selling expenses; absent Great Lakes loss of US$0.5m
Finance inc/(exp) - net	0.6	(1.7)	n/m	Includes US$0.9m FX forward loss (pre tax); lower int. income, higher int. expense from higher borrowings
Share of loss	(0.8)	(0.7)	-8.4	41.1% stake in Bharti Del Monte India
Tax	(1.4)	(0.6)	-57.7	Lower taxable income
Net Profit	6.0	4.1	-32.3	Mainly due to financial expenses
Net Debt	(57.1)	(108.1)	+89.3	Working capital requirements, higher capex & equity infusion in Bharti Del Monte India
Gearing (%)	28.2	57.5	+29.3ppts	Higher due to above factors

Non-Recurring Items

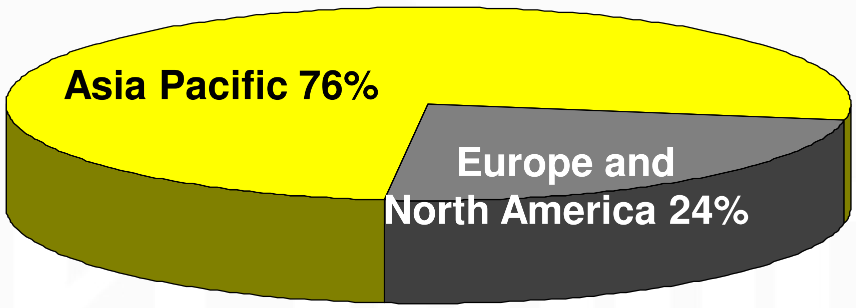
All on after tax basis

In US$m	1Q 2008	1Q 2009
FX forward hedging loss*	(0.04)	**(0.6)**
Streamlining/outsourcing	-	**(0.2)**
Total	(0.04)	**(0.8)**

***The last forward contract matured in January 2009; no more forward hedge going forward as the Company relies on its natural hedge.**

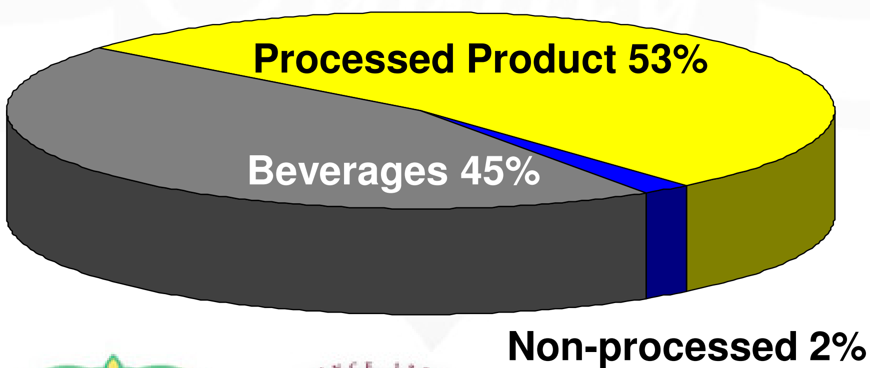
1Q Turnover Analysis

By Market



Asia Pac	-10%	Absent sales of Great Lakes which was disposed in 3Q08 Philippine sales grew strongly by 22% in Peso terms and 3% in US$ terms Lower sales in other Asia Pacific markets due to delayed shipments
E&NA	-30%	Lower orders and deferred shipments

By Product



Processed	-20%	Weaker demand mainly in the export markets plus negative impact of Peso depreciation on the translation of Philippine denominated sales to US$. Stripping out Peso dep. impact, should have been down 12%
Beverages	-13%	Absent sales of Great Lakes. Stripping out Great Lakes and Peso dep. impact, should have been up 25%
Non-processed	+74%	Higher volume and prices of fresh pineapples

Peso/US$ Impact

The Peso weakened by 19% against the US Dollar to 48.424 in 1Q09 from 40.675 in 1Q08

Net negative impact to 1Q09 net profit by US$0.4 million (excluding the non-recurring forward hedge)

Slightly below natural hedge level due to Europe & North America

Impact on Net Profit in US$m	1Q 2009
Asia Pacific	(2.1)
Europe & North America	1.7
Net impact	(0.4)

1Q Margins

Gross margin up due to:

Improved prices

Favourable impact of Peso depreciation on the Group's predominantly Peso costs

Operating margin up due to:

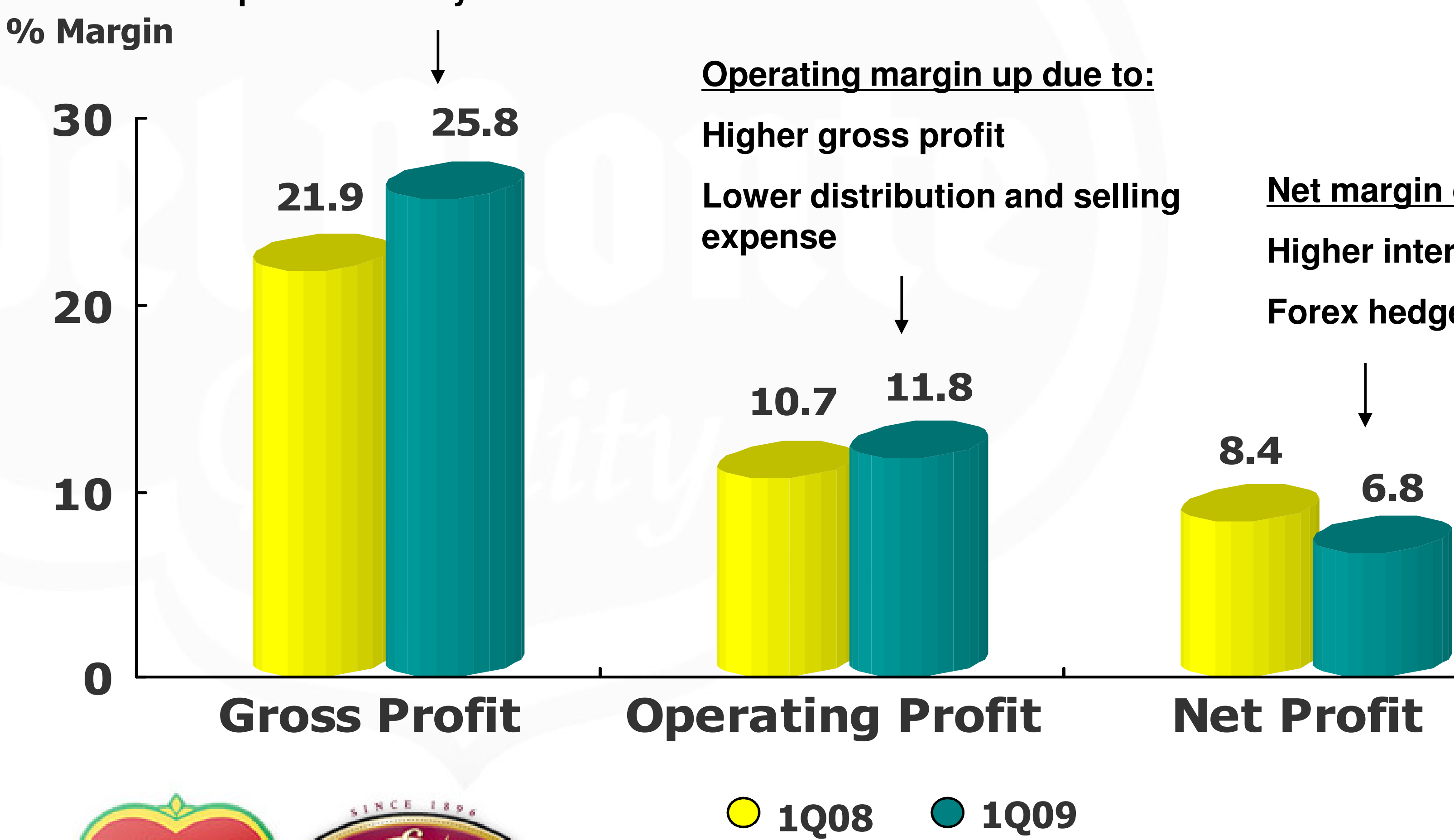
Higher gross profit

Lower distribution and selling expense

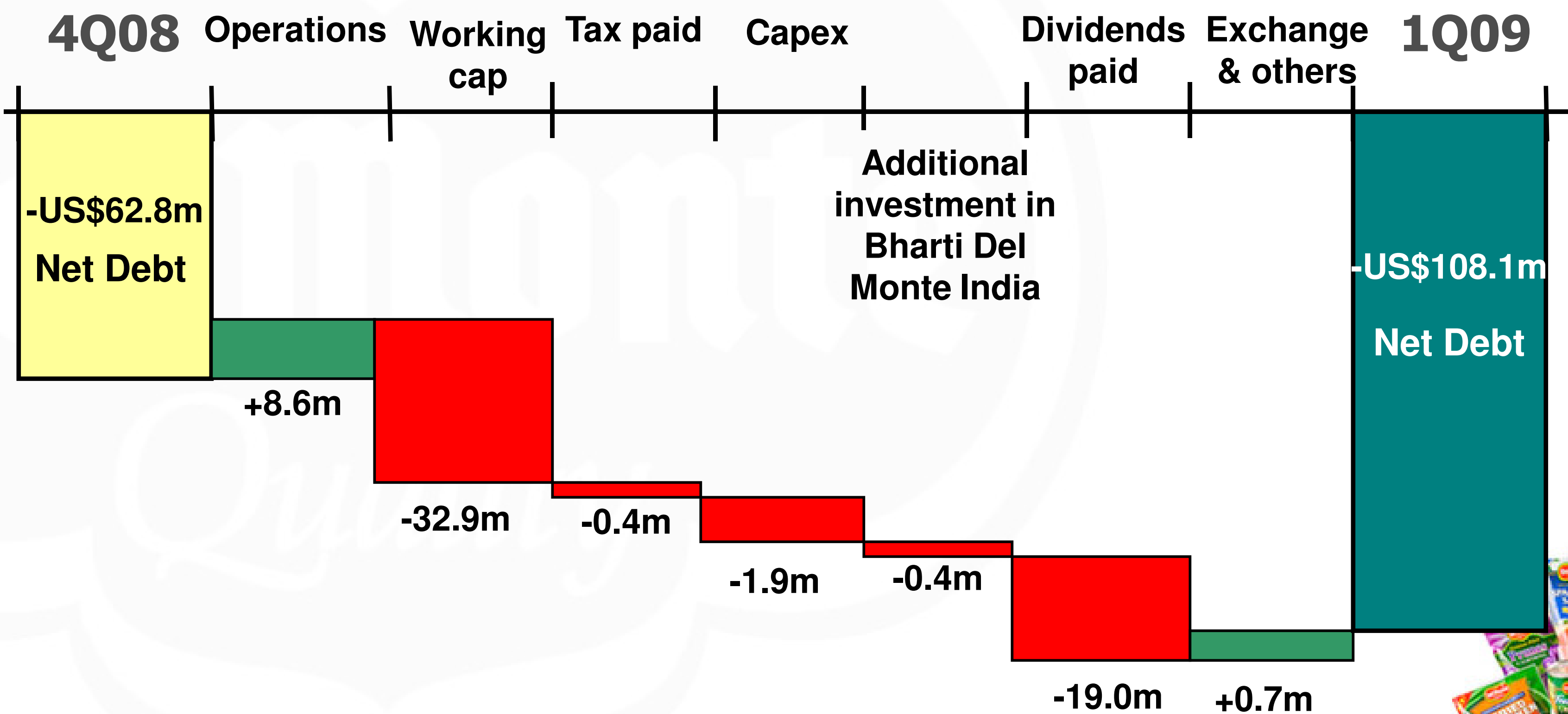
Net margin down due to:

Higher interest expenses

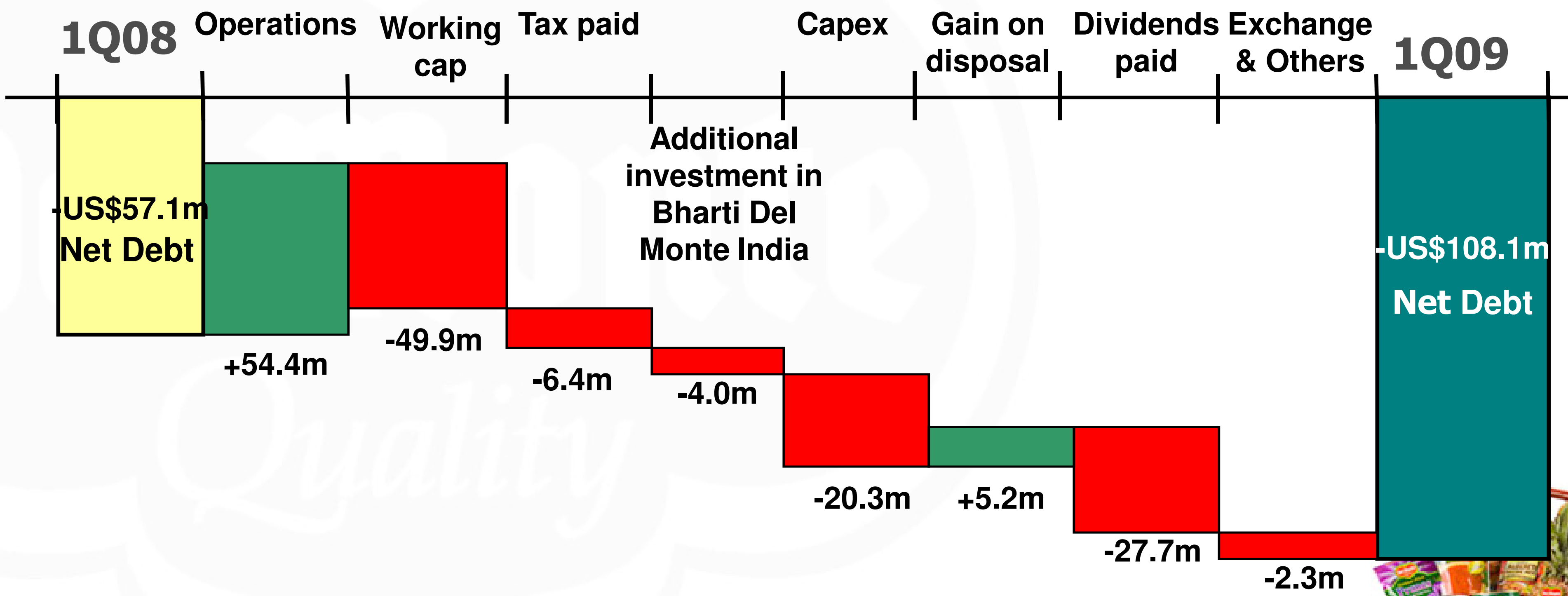
Forex hedge



1Q Cash Flow Variance Analysis (4Q08 to 1Q09)



1Q Cash Flow Variance Analysis (1Q08 to 1Q09)



Working Capital Management

No. of days	1Q 2008	1Q 2009	Change	Comment	Action Plan
Inventory	104	**188**	84	Higher tinplate and tomato paste inventory affected by global slowdown	Stopped ordering tinplate; Ongoing sale of excess tomato paste
Receivables	56	**83**	27	Higher receivables from export customer	Collect at least 75% of overdue by May; Manage credit terms
Payables	72	**99**	27	Extended payment terms	Manage payment terms

We are actively managing working capital levels and gearing. A marked improvement is expected for the remainder of the year.

Credit Standing

- Utilised only 48% of bank credit lines
- Philippine banks are still looking for good quality companies to lend to
- Loan market still liquid with Philippine lending up 20% for Jan-Feb 2009 Y-o-Y
- Banks continue to offer lines to DMPL given its creditworthiness
- Majority of loans are short term but now exploring long term tenor
- Loan mix : 80% Peso, 20% US$ to optimise natural hedge

Gearing and Coverage Ratios of DMPL:

Net debt equity ratio = 58%

Interest cover = 12.8x

Debt cover = 1.7x

Philippines

- Strong sales up 22% in Peso terms and 3% in US$ terms
- Driven by beverage segment led by Fit ‘n Right
- New kids’ drink in Tetrapak launched, first product targeted at kids
- Del Monte’s value share for RTD juice and tea rose to leadership level at 29%; leadership volume share in fruits and culinary stable and maintained
- Store coverage increased to 89,932 stores as of March 2009, up from 68,795 as of March 2008

S&W

- More than doubled sales to US$1.9m in 1Q09 of which US$1.4m came from processed products and US$0.5m from fresh
- Higher sales in existing markets of Singapore, HK and Japan
- Started selling canned tropical fruit and juice range to South Korea's retail market
- Launched canned tropical fruit in South China for the food service channel
- For 2009, we will continue our expansion of existing markets while penetrating new markets

Bharti Del Monte India (BDM)

- **Improved sales mix, margins, lower operating loss**
- **Sales of US$1.9m in 1Q09, down 22% from 1Q08 level due to rationalisation of unprofitable fresh export categories, offset by fresh domestic sales under the FieldFresh brand and the new processed business in India under the Del Monte brand**
- **With better fresh export sales mix and contribution from processed, net loss reduced to US$1.9m from US$2.4m**
- **DMPL's 41% share of loss at US$0.76m, 8% lower than US$0.83m in 1Q08**

Strategy : 3 business streams

- **Fresh export – focus on and scale up baby corn and sweet corn**
- **Fresh domestic – expansion into modern trade; rationalise the extensive range and focus on mango, pineapple, banana, apple and onion under the FieldFresh brand**
- **Processed domestic – continued expansion in foodservice and roll out to retail in key cities under the Del Monte brand ; marketing expenses will increase in support of business development**

Action Plans

a) Continue maximising the potential of our growing brands and markets via:

- Product, marketing and sales-driven growth in the Philippines
- Market and product portfolio expansion for S&W, Fresh Pineapple and Bharti Del Monte India to grow our branded business

b) Maximising profits in our export markets until the key US and Europe markets start to recover via:

- Optimisation of product mix with more profitable and higher demand products such as concentrate, fruit cups, and tropical fruit
- Exports should target to reduce the volume decline

Action Plans

c) Continue to drive down costs and sustain healthy margins:

- Lower freight rates in domestic and international routes
- Productivity and cost efficiency programs, duplicating levels last year
- With lower global demand, commodity costs have started to come down (e.g. tinplate); strategy is to lock-in much lower prices where possible while maintaining some flexibility on spot purchases

d) Prudent financial management and use of funds:

- Reduce working capital to bring down debt and interest expense
- Control capex to value-adding and efficiency-driven spending
- Control overhead and headcount expenses

Management expects the remainder of the year to return to growth

Thank You