

[Print this page](#)**Miscellaneous**

\* Asterisks denote mandatory information

Name of Announcer *	DEL MONTE PACIFIC LIMITED
Company Registration No.	N.A.
Announcement submitted on behalf of	DEL MONTE PACIFIC LIMITED
Announcement is submitted with respect to *	DEL MONTE PACIFIC LIMITED
Announcement is submitted by *	Yvonne Choo
Designation *	Company Secretary
Date & Time of Broadcast	03-Apr-2007 12:42:15
Announcement No.	00038

**>> Announcement Details**

The details of the announcement start here ...

Announcement Title \*

DEL MONTE PACIFIC IMPROVES TERMS OF SUPPLY AGREEMENTS WITH KEY PARTNERS

Description

The Board of Directors of Del Monte Pacific Limited (the "Company" or "DMPL") would like to announce that initiatives carried out by the DMPL Group have resulted in improved terms in its supply agreements with the following key partners:

**SUPPLY AGREEMENT WITH DEL MONTE ASIA PTE LTD**

The DMPL Group has entered a new supply agreement ("the Agreement") with Del Monte Asia Pte Ltd ("DMA"), a wholly-owned subsidiary of Kikkoman Corporation ("Kikkoman").

The Agreement, which takes immediate effect, supersedes DMPL Group's long-term supply agreement with Kikkoman, which Kikkoman had served notice to terminate with effect from 30 June 2008. Please refer to SGX Announcement No. 00014 on 30 May 2005 "Kikkoman Issues Notice to End Supply Agreement".

One of the terms of the agreement allows the DMPL Group to sell directly to private label and industrial customers in DMA territory, subject to certain conditions. This presents DMPL with exciting new growth opportunities.

The Kikkoman Group owns the Del Monte brand rights for the Asia Pacific excluding the Philippines and the Indian sub-continent. The Agreement with DMA will not include Japan. The territory of Japan will still be covered under the old agreement until its termination on 30 June 2008.

The Agreement with DMA is expected to have a favourable impact on the Company's performance from FY2008 as the Group further builds its business with DMA as well as that with private labels in Asia.

**SUPPLY CONTRACT WITH DEL MONTE CORPORATION**

The DMPL Group has also amended certain terms in its Supply Contract with Del Monte Corporation. The amendments include the clarification of provisions regarding a cost floor protection on pricing, among others.

The amendments are expected to have a positive impact on the Group's performance in 2007.

**SUPPLY CONTRACT WITH FRESH DEL MONTE PRODUCE INC.**

All commercial terms of the DMPL Group's Supply Contract regarding the sale of fresh pineapples to Fresh Del Monte Produce Inc. have also been revised. The Group has

successfully negotiated for the Champaka variety of fresh pineapple to be phased out over the next three years in favour of the globally-preferred MD2 variety. In conjunction with this, the Amendment provides for improved commercial terms and higher prices for both varieties.

The revisions are expected to have a positive impact on the Group's performance in 2007.

The above improved terms in supply agreements with key partners represent some of the initiatives undertaken by management to strengthen the Company's growth prospects. Management continues to review the Group's business for further improvements that will translate into better shareholder returns.

By Order of the Board  
DEL MONTE PACIFIC LIMITED

**Attachments:**

Total size = 0  
(2048K size limit recommended)

[Close Window](#)