CIRCULAR DATED 27 JANUARY 2014

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Unless otherwise stated, the capitalised terms on this cover are defined in this Circular under the section titled "**Definitions**".

If you have sold or transferred all your Shares in the capital of Del Monte Pacific Limited, you should forward this Circular, the Notice of General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

YOUR ATTENTION IS DRAWN TO THE SECTION ENTITLED "RISK FACTORS" ON PAGES 47 TO 54 AND A-20 TO A-32 OF THIS CIRCULAR WHICH YOU SHOULD REVIEW CAREFULLY.

DEL MONTE PACIFIC LIMITED
(Incorporated in the British Virgin Islands with limited liability)

CIRCULAR TO SHAREHOLDERS
in relation to

(1) PROPOSED ACQUISITION OF DEL MONTE CORPORATION'S CONSUMER FOOD BUSINESS; AND

(2) SHARE PLACEMENT, SUBSCRIPTION AND LISTING OF THE SUBSCRIPTION SHARES ON THE PHILIPPINE STOCK EXCHANGE, INC

Singapore Financial Adviser to the Company on the Proposed Acquisition

CITIGROUP GLOBAL MARKETS SINGAPORE PTE LTD

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	9 February 2014 at 10.00 a.m.
Date and time of General Meeting	:	11 February 2014 at 10.00 a.m.
Place of General Meeting	:	M Hotel Singapore, Anson Room 3, Level 2, 81 Anson Road Singapore 079908

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CORPORATE INFORMATION

Board of Directors	Mr Rolando C Gapud (Non-Executive Chairman) Mr Joselito D Campos, Jr (Managing Director and Chief Executive Officer) Mr Edgardo M Cruz, Jr (Executive Director) Mr Benedict Kwek Gim Song (Lead Independent Director) Mr Patrick L Go (Independent Director) Dr Emil Q Javier (Independent Director) Mr Godfrey E Scotchbrook (Independent Director)
Company Secretary	Yvonne Choo
Registered Office	Craigmuir Chambers P O Box 71 Road Town, Tortola British Virgin Islands
Principal Office	c/o 17 Bukit Pasoh Road Singapore 089831
BVI Registrar and Share Transfer Office	Nerine Trust Company (BVI) Limited Nerine Chambers PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands
Singapore Financial Adviser to the Company for the Proposed Acquisition	Citigroup Global Markets Singapore Pte Ltd 8 Marina View #21-00 Asia Square Tower One Singapore 018960
U.S. Financial Adviser to the Company for the Proposed Acquisition (solely in the U.S.)	Perella Weinberg Partners LP 767 Fifth Avenue New York NY10153
Independent Auditors and Reporting Accountants to the Company	KPMG LLP Public Accountants and Chartered Accountants 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581 Partner-in-charge: Ong Chai Yan (a practising member of the Institute of Singapore Chartered Accountants)
Independent Auditors to the Vendor	KPMG LLP 55 Second Street, Suite 1400 San Francisco, California 94105
Legal Adviser to the Company in relation to Singapore Law	David Lim & Partners LLP 50 Raffles Place #17-01 Singapore Land Tower Singapore 048623
Legal Adviser to the Company in relation to New York and Delaware Law	Kramer Levin Naftalis & Frankel LLP 1177 Avenue of the Americas New York, New York 10036
Legal Adviser to the Company in relation to Philippines Law	Romulo Mabanta Buenaventura Sayoc & de los Angeles 21st Floor, Philamlife Tower 8767 Paseo de Roxas Makati City 1226, Philippines

Singapore Share Transfer Agent	Boardroom Corporate & Advisory Services Pte Ltd 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Philippines Share Transfer Agent	Banco de Oro Unibank Inc (Trust – Stock Transfer) 15F BDO South Tower, BDO Corporate Center 7899 Makati Ave Makati City 0726 Philippines
Independent Valuer	Ernst & Young Solutions LLP One Raffles Quay North Tower, Level 18 Singapore 048583
Principal Bankers to the Company	Australia and New Zealand Banking Group Ltd BDO Universal Bank, Inc Bank of the Philippines Islands Bank of Tokyo Mitsubishi – UFJ Ltd Citigroup Global Markets Inc DBS Bank Ltd Deutsche Bank AG Hongkong and Shanghai Banking Corp Ltd Metropolitan Bank and Trust Co Rabobank International

DEFINITIONS

In this Circular, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

GENERAL

"Acquiror"	:	Del Monte Foods, Inc (formerly known as Del Monte Foods Consumer Products, Inc), a corporation organised under the laws of Delaware, U.S.A., a member of the Group
"Audit Committee"	:	Audit committee of the Company as at the date of this Circular
"Board" or "Board of Directors"	:	The board of directors of the Company as at the date of this Circular
"CDP"	:	The Central Depository (Pte) Limited or its nominee(s) as the case may be
"CEO"	:	Chief Executive Officer
"Centerview"	:	Centerview Capital, L.P.
"Circular"	:	This circular to Shareholders dated 27 January 2014
"Closing"	:	Completion of the Proposed Acquisition
"Company" or "DMPL"	:	Del Monte Pacific Limited, the shares of which are listed on the Main Board of the SGX-ST and The Philippine Stock Exchange, Inc
"Companies Act"	:	The Companies Act (Cap. 50) of Singapore, as may be amended, varied or supplemented from time to time
"Consideration"	:	US$1.675 billion in cash to be paid to the Vendor on completion of the Proposed Acquisition, subject to net working capital adjustment as provided in the Purchase Agreement
"Consumer Food Business"	:	Has the meaning ascribed to it in Section 1 of this Circular
"Directors"	:	The directors of the Company as at the date of this Circular
"DMC" or "Vendor" or "Del Monte Corporation"	:	Del Monte Corporation, a corporation organised under the laws of Delaware, U.S.A.
"DMPI"	:	Del Monte Philippines Inc, a member of the Group
"Enlarged Group"	:	The enlarged group of companies comprising the Group and the Consumer Food Business upon completion of the Proposed Acquisition
"EPS"	:	Earnings per share
"Ernst & Young"	:	Ernst & Young Solutions LLP
"Financial Adviser"	:	Citigroup Global Markets Singapore Pte Ltd, the Singapore financial adviser to the Company for the Proposed Acquisition

“Fresh Business”	:	Means the distribution and sale of fresh pineapples by the Group mainly through the S&W brand
“Fresh Del Monte”	:	Fresh Del Monte Produce Inc
“FY”	:	Financial year ended or ending 31 December of a particular year
“FY2011”	:	Financial year ended 31 December 2011
“FY2012”	:	Financial year ended 31 December 2012
“GM”	:	The general meeting of the Company, notice of which is set out on pages L-1 to L-2 of this Circular
“Group”	:	The Company and its subsidiaries
“GTL”	:	GTL Limited, a subsidiary of the Company
“JDC”	:	Means Mr Joselito D Campos, Jr
“KKR”	:	KKR & Co. L.P.
“Latest Practicable Date”	:	20 January 2014, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Material Adverse Effect”	:	Has the meaning ascribed to it in the Purchase Agreement
“NPAT”	:	Net profit after tax
“NPL”	:	NutriAsia Pacific Limited
“NTA”	:	Net tangible assets
“Preference Shares”	:	Has the meaning ascribed to it in Section 2.5 of this Circular
“Proposed Acquisition”	:	The proposed acquisition of the Consumer Food Business in accordance with the terms and conditions of the Purchase Agreement
“Purchase Agreement”	:	The purchase agreement entered into between the Acquiror, the Company and the Vendor on 10 October 2013* * 9 October 2013, U.S. EST
“Proposed Selling Shareholders”	:	Has the meaning ascribed to it in Section 8 of this Circular
“Proxy Form”	:	The enclosed proxy form in respect of the GM
“PSE”	:	The Philippine Stock Exchange, Inc

"PSE Resolution"	:	Has the meaning ascribed to it in Section 8
"PSE Rules"	:	The rules of the PSE
"Register of Members"	:	Register of members of the Company
"Top Up Arrangement"	:	Has the meaning ascribed to it in Section 8
"SEC"	:	The United States Securities and Exchange Commission
"SEC Philippines"	:	The Securities and Exchange Commission of the Republic of the Philippines, a Philippine state commission responsible for securities laws and regulating the securities industry
"Securities Account"	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"SFA"	:	The Securities and Futures Act (Cap 289) of Singapore as may be amended, varied or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share Placement"	:	Has the meaning ascribed to it in Section 2.5 of this Circular
"Share Transfer Agent"	:	Boardroom Corporate & Advisory Services Pte Ltd
"Shareholders" or **"Members"**	:	The registered holder/holders of the Shares except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the persons named as depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders' Securities Account
"Shares"	:	Shares of par value US$0.01 each in the capital of the Company
"Subscription"	:	Means the proposed allotment and issuance of the Subscription Shares by the Company to the Proposed Selling Shareholders to return to the Proposed Selling Shareholders the Shares placed out by them in the Share Placement
"Subscription Shares"	:	Shares proposed to be issued by the Company pursuant to the Subscription
"Subsidiary"	:	Has the meaning ascribed to it in Section 5 of the Companies Act
"Substantial Shareholder"	:	Has the meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA
"Summary Valuation Report"	:	Summary valuation report on the Consumer Food Business issued by Ernst & Young on 27 January 2014 as set out in Appendix D of this Circular

"Supply Agreement"	:	Has the meaning ascribed to it in Section 7.2 under the heading entitled 'Synergies and Coordination with the Group'
"Transferred Entities"	:	Has the meaning ascribed to it in Section 2.1 of this Circular
"U.S. Financial Adviser"	:	Perella Weinberg Partners
"U.S.A." or "U.S." or "United States"	:	United States of America
"Vestar"	:	Vestar Capital Partners

CURRENCIES, UNITS AND OTHERS

"%"	:	Percentage or per centum
"S$" and **"S cents"**	:	Singapore dollars and cents respectively
"US$" and **"US cents"**	:	United States dollars and cents respectively

The words "**Depositor**" and "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Unless the context otherwise requires, words denoting the masculine gender shall include the feminine and neuter genders and words denoting the singular shall include the plural and vice-versa. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

The Company maintains its accounts and publishes its financial statements in US$. This Circular contains conversion of certain Singapore dollar amounts into US$ (or vice versa) at specified rates solely for the convenience of the reader. Unless otherwise indicated, the financial figures in this Circular are calculated on the basis of US$1.00 = S$1.25

The exchange rates above are for reference only. No representation is made by the Company that any amount in the respective currencies has been, could have been or could be converted at the above rate or any other rates or at all.

Some of the financial information in this Circular has been rounded for convenience and as a result, the totals of the data presented in this document may vary slightly from the actual arithmetic totals of such information.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

All statements contained in this Circular, statements made in the press releases and oral statements that may be made by the Company, its Directors, key executives or employees acting on the Company's behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that are biased or by forward-looking terms such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "will", "would" and "should" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's and the Enlarged Group's expected financial position, business strategy, plans and prospects are forward-looking statements.

These forward-looking statements and other matters discussed in this Circular, including but not limited to:

- revenue and profitability;
- any expected growth;
- any expected industry trends;
- expansion plans; and
- other matters that are not historical facts,

are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company and the Enlarged Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more details in Section 24 of Appendix A and in Section 7.3 entitled "Risk factors" in this Circular.

Given the risks and uncertainties that may cause the Company and the Enlarged Group's actual future results, performance or achievements to be materially different than expected, expressed or implied by the forward-looking statements in this Circular, you are advised not to place undue reliance on those statements which apply only as at the date of this Circular.

None of the Group, the Financial Adviser or any other person represents or warrants to you that the Company and the Enlarged Group's actual future results, performance or achievements will be as discussed in those statements. The Company and the Enlarged Group's actual future results, performance or achievements may differ materially from those anticipated in these forward-looking statements.

Further, the Company and the Financial Adviser disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency.

INDICATIVE TIMETABLE

The following indicative timetable assumes that approval for all the resolutions proposed at the GM is obtained and completion of the Proposed Acquisitions takes place on 18 February 2014.

Events	Date/time
Despatch of this Circular	27 January 2014
GM	11 February 2014
Expected date of Completion of the Proposed Acquisition	18 February 2014

Please note that the above timetable is indicative only and may be subject to change. Where any of the events cannot take place on the dates specified, an appropriate announcement stipulating an alternative date will be made by the Company prior thereto through an SGXNET and PSE announcement to be posted on the internet at the SGX-ST website, http://www.sgx.com, and at the PSE website, http://www.pse.com.ph.

For events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST/PSE for the exact dates of these events.

DEL MONTE PACIFIC LIMITED
(Incorporated in the British Virgin Islands with limited liability)

Directors:	Registered Office:
Mr Rolando C Gapud (Non-Executive Chairman) Mr Joselito D Campos, Jr (Managing Director and Chief Executive Officer) Mr Edgardo M Cruz, Jr (Executive Director) Mr Benedict Kwek Gim Song (Lead Independent Director) Mr Patrick L Go (Independent Director) Dr Emil Q Javier (Independent Director) Mr Godfrey E Scotchbrook (Independent Director)	Craigmuir Chambers PO Box 71 Road Town, Tortola, British Virgin Islands

27 January 2014

To: The Shareholders

Dear Sir/Madam,

(1) PROPOSED ACQUISITION OF DEL MONTE CORPORATION'S CONSUMER FOOD BUSINESS; AND
(2) SHARE PLACEMENT, SUBSCRIPTION AND LISTING OF THE SUBSCRIPTION SHARES ON THE PHILIPPINE STOCK EXCHANGE, INC

1 INTRODUCTION

On 11 October 2013, the Company announced that the Company and the Acquiror had on 10 October 2013[1] entered into a purchase agreement with Del Monte Corporation (the "**Vendor**") (the "**Purchase Agreement**") to (1) acquire all of the shares of certain subsidiaries of the Vendor; and (2) acquire certain assets, and assume certain liabilities (collectively the "**Consumer Food Business**"), in each case, relating to the business of developing, manufacturing, marketing, distributing and selling food and beverage products for human consumption under the brands *Del Monte*, *Contadina*, *S&W*, *College Inn* and others.

The Company first identified the opportunity to acquire the Consumer Food Business in July 2013. Due diligence exercise on the Consumer Food Business was carried out in August and September 2013. The result of the due diligence exercise was presented to the Board on 6 September 2013 and the Board's approval was obtained to proceed with the Proposed Acquisition.

The purpose of this Circular is to provide Shareholders with information on, to explain the rationale of, and to seek your approval for, (1) the Proposed Acquisition and (2) the Share Placement, Subscription and listing of the Subscription Shares on the Philippine Stock Exchange, Inc at the GM.

This Circular has been prepared solely for such purpose and may not be relied upon by any persons (other than the Shareholders to whom this Circular is issued) or for any other purpose.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

The Vendor and its affiliates assume no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. The Company has not obtained consent from the Vendor for the publication of any information relating to the Consumer Food Business nor for the reproduction of their information extracted from the public filings of the

[1] 9 October 2013, U.S. EST

Vendor. The Vendor does not make any representation or warranty about the information in this Circular and is not liable for the information relating to the Consumer Food Business set out in this Circular.

2. THE PROPOSED ACQUISITION

2.1 Information on the Vendor and the Consumer Food Business

The Vendor

The Vendor, based in San Francisco, California, is a privately-owned U.S. corporation, which owns, among other assets, the *Del Monte* brand rights for processed food products in the United States and South America. The Vendor is one of the largest and most well-known producers and distributors of premium quality food products in the U.S., marketing and selling these products under the iconic *Del Monte*, *S&W*, *Contadina*, and *College Inn* brands. The Consumer Food Business has strong positions in the canned tomatoes and broth categories. In addition to its Consumer Food Business, the Vendor is also one of the largest producers and marketers of dry and wet pet food in the U.S. (which business is being retained by the Vendor and not being acquired in the Proposed Acquisition).

The Vendor was acquired in 2011 by an acquisition vehicle controlled by KKR & Co. L.P. ("**KKR**"), Vestar Capital Partners ("**Vestar**") and Centerview Capital, L.P. ("**Centerview**") in a transaction valued at approximately US$5.3 billion.

The Vendor is not an interested person of the Company under the Listing Manual. As set out above, the Vendor is owned by an investor group led by KKR, Vestar and Centerview.

NPL owns 67.046% of the issued share capital of the Company. The shareholders of NPL are disclosed in Section 9.1 of the Circular. Section 9.1 also discloses the other Substantial Shareholders of the Company which do not include KKR, Vestar and Centerview.

The Consumer Food Business

The Company is acquiring from the Vendor the Consumer Food Business, which comprises a portfolio of consumer brands holding leading positions in numerous packaged foods categories, including #1 branded U.S. market share positions in major packaged fruit and vegetable categories and #2 branded U.S. positions in packaged tomato and broth categories. The majority of the Consumer Food Business' products are principally sold under the *Del Monte*(1) brand but also under the *Contadina*(1), *S&W*(1), *College Inn*(1) and other brands. The Consumer Food Business also produces and distributes private label food products. The Consumer Food Business' products are sold across the United States, in all channels serving retail markets, as well as to the U.S. military, certain export markets, the food service industry and other food processors. The principal facilities of the Consumer Food Business consists of several production facilities and distribution centres that are located principally in the United States. The Consumer Food Business' diversified, multi-category product line provides the Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers.

Note:
(1) Please see diagrammatic overview of the principal trademarks of the Consumer Food Business on page 15 of this Circular.

Further information on the Consumer Food Business may be found in Appendix A of this Circular.

Pursuant to the Purchase Agreement, the Acquiror will acquire from the Vendor the assets and assume certain liabilities relating to the Consumer Food Business including:-

(a) All the issued shares of the following Vendor's subsidiaries: Hi Continental Corporation; College Inn Foods; Contadina Foods, Inc; S&W Fine Foods, Inc; Del Monte Andina C.A.; Del Monte Colombiana S.A.; Industrias Citricolas de Montemorelos, S.A. de C.V.; Del Monte Peru S.A.C.; Del Monte Ecuador DME C.A. and Del Monte Argentina S.A ("**Transferred Entities**").

(b) Intellectual property rights primarily relating to the Consumer Food Business owned by the Vendor including the major brands *Del Monte, Contadina*, *S&W and College Inn* trademarks, certain copyrights and certain processing, packaging, sealing and other patents. The substantial part of the intellectual property rights relate to the portfolio of trademarks owned by the Vendor to be acquired by the Acquiror. Please see below under the sub-heading "Consumer Food Business Principal Trademark Portfolio" for a discussion on the principal trademarks of the Consumer Food Business. Please also refer to Appendix A under the heading "Intellectual Property" for further details.

(c) Properties owned or leased by the Vendor and the Transferred Entities primarily relating to the Consumer Food Business; inventory; receivables; certain machinery, certain plant and equipment, certain laptops, personal computers, computer hardware and other systems hardware and networking and communication assets.

(d) Contracts, licences, commitments and other agreements relating exclusively to the Consumer Food Business and certain other contracts that are material to the Consumer Food Business and not solely related to the Consumer Food Business but solely to the extent related to the Consumer Food Business.

(e) Employees whose employment or services relate primarily to the operation of the Consumer Food Business and whose employment are transferred to the Acquiror by operation of law or who receive and accept an employment offer from the Acquiror.

Subject to certain exceptions, the liabilities to be assumed by the Acquiror include all liabilities of the Vendor arising from or relating to the Consumer Food Business or the existing assets, properties, leases, rights, interests, contracts and claims to be sold and transferred to the Acquiror as at the date of Closing and irrespective of whether such liabilities arose prior to, on or following the Closing.

The Purchase Agreement also sets out the assets and liabilities of the Vendor that are excluded from the Proposed Acquisition. Some of the excluded assets include certain shared facilities used by the Consumer Food Business and the Vendor's pet food business. In consequent of the exclusion of, inter alia, the shared facilities, the parties entered into a transition services agreement whereby the Vendor agreed to provide certain transition services to the Acquiror. Please refer to Section 2.4 below for a discussion of the transition services agreement.

Please refer to Appendix B for more details of the assets and liabilities to be acquired as well as the excluded assets and liabilities.

Consumer Food Business Principal Trademark Portfolio

Del Monte Trademarks

The Vendor owns registered and trademarks applications (i.e. unregistered trademarks) in many countries throughout the world for the principal brands DEL MONTE word and logo marks (the "**Del Monte Marks**"), CONTADINA word and logo marks (the "**Contadina Marks**"), COLLEGE INN word and logo marks (the "**College Inn Marks**"), and S&W word and logo marks (the "**S&W Marks**") as described below.

Del Monte Trademarks

(a) Trademark Ownership

The Vendor owns registered trademarks in most countries throughout the world for the Del Monte Marks – including Europe, the Middle East, Africa, Asia Pacific, North America, the Caribbean, Central America and South America.

The Vendor does not own the Del Monte Marks in the Philippines and South Africa. The Del Monte Marks in the Philippines is owned by the Group while an affiliate of Fresh Del Monte owns the Del Monte Marks in South Africa.

As discussed below, while the Vendor owns broad worldwide trademark registrations for the Del Monte Marks, the Vendor's right to use the Del Monte Marks is limited to the United States and South America and even in these two jurisdictions, certain product categories are excluded.

(b) Licence Agreements in Various Jurisdictions;

The Vendor has granted exclusive, royalty-free, perpetual (in most cases) licences in almost every jurisdiction where its Del Monte Marks are registered. For example, Kikkoman Corporation was granted the licence to use Del Monte Marks in Asia and the South Pacific (excluding the Philippines, the Indian Subcontinent and Myanmar); Fresh Del Monte through its subsidiary Del Monte Foods International, Inc and its affiliates, was granted the rights to use Del Monte Marks in Europe, Africa and the Middle East; and ConAgra was granted the rights to use Del Monte Marks in Mexico and Canada.

(c) Licence Agreements for Product Lines

The only jurisdictions in which the Vendor retains exclusive rights to use the Del Monte Marks are the United States and South America, and even there, certain categories of products are excluded from such rights by the licence agreements for product lines. For example, the Vendor cannot use the Del Monte Marks in connection with fresh fruits, fresh vegetables and fresh produce, as well as certain refrigerated and frozen fruits anywhere in the world, pursuant to a collection of licence agreements between the Vendor and Fresh Del Monte (the "**Fresh Licences**")[1]. The Fresh Licences are exclusive, perpetual and royalty-free, and terminable only by a court adjudication of breach of certain terms or under certain circumstances of non-use by Fresh Del Monte. There have been numerous disagreements, including litigations, throughout the years between the Vendor and Fresh Del Monte concerning the scope of the Fresh Licences. Please refer to paragraph 16 entitled "Litigation" in Appendix A for details of two of the claims by Fresh Del Monte.

Further, pursuant to an exclusive and perpetual licence agreement between the Vendor and PVF Operating Co, the Vendor cannot use the Del Monte Marks in connection with dried fruits and nut products and certain other dried-fruit related products, including prune juice, in the United States, Central America or the Caribbean (the "**Dried Fruit Licence**"). This agreement is terminable only upon breach of the agreement by the licencee or if there is a change of control of the licencee to a competitor of the Vendor.

In addition to the Fresh Licences and Dried Fruit Licence, the Vendor has granted an exclusive, royalty-bearing licence to M.A. Gedney Company to use the Del Monte Marks in connection with certain types of pickles, relish and processed pepper products in the United States and South America. This licence can be terminated at any time on 180 days' notice, and expires on 31 December 2014.

The Vendor has also granted an exclusive, royalty-bearing licence to Del Monte Pan American, Inc to use the Del Monte Marks in Puerto Rico in connection with fruit nectar, fruit juices (excluding pineapple, tomato and other juices sold by the Vendor), refried beans, hearts of palm and jalapeño peppers. This licence is terminable, amongst other events, upon material breach of the agreement or certain circumstances of non-use by the licencee.

Note:
(1) The licencees who are granted the licence agreements described in (b) above are also subject to the limitations on the use of the Del Monte Marks provided in the applicable licence agreements for product lines described in (c) above, including the Fresh Licences.

Contadina Trademarks

(a) Trademark Ownership

The Vendor owns numerous registered trademarks and trademarks applications (i.e. unregistered trademarks) for the Contadina Marks worldwide, including in the United States, Canada, Mexico, South America, China, the Middle East and Europe. In certain countries the Vendor owns the rights to use the Contadina Marks in connection only with canned/processed fruits and vegetables, and in other countries the Vendor's rights extend more broadly to all processed foods, dairy, meat, fish, bread products, coffee and alcoholic/non-alcoholic beverages.

(b) Licence Agreements

Transferred Entities

The Vendor has granted a worldwide, royalty-free, non-exclusive licence to Contadina Foods, Inc, one of the Transferred Entities, to use the Contadina Marks in connection with certain tomato-based products.

College Inn Trademarks

(a) Trademark Ownership

The Vendor owns registered trademarks for the College Inn Marks in the United States and Mexico for broth; in Canada for cooked and canned food products; and in Australia for meat, fish, preserved fruits and vegetables, beverages and dairy.

(b) Licence Agreements

Transferred Entities

The Vendor has granted a worldwide, royalty-free, non-exclusive licence to College Inn Foods, one of the Transferred Entities, to use the College Inn Marks in connection with certain broth products.

S&W Marks

(a) Trademark Ownership

The Vendor owns registered trademarks for the S&W Marks in the United States, Canada, Mexico and certain countries in Central and South America. Generally, the Vendor's ownership rights in the S&W Marks cover a broad range of goods, including processed and fresh food products and beverages.

(b) Licenced trademarks

The Vendor is the licencee of a perpetual, royalty-free, exclusive licence granted by a third party licensor, S&W Foods International Ltd., to use the S&W Marks for canned goods in certain countries in Western Europe. S&W Fine Foods International Ltd may terminate the licence upon material breach by the Vendor, and the Vendor may terminate the licence at any time upon thirty (30) days' written notice to the licensor.

(c) Licence Agreements

Third parties

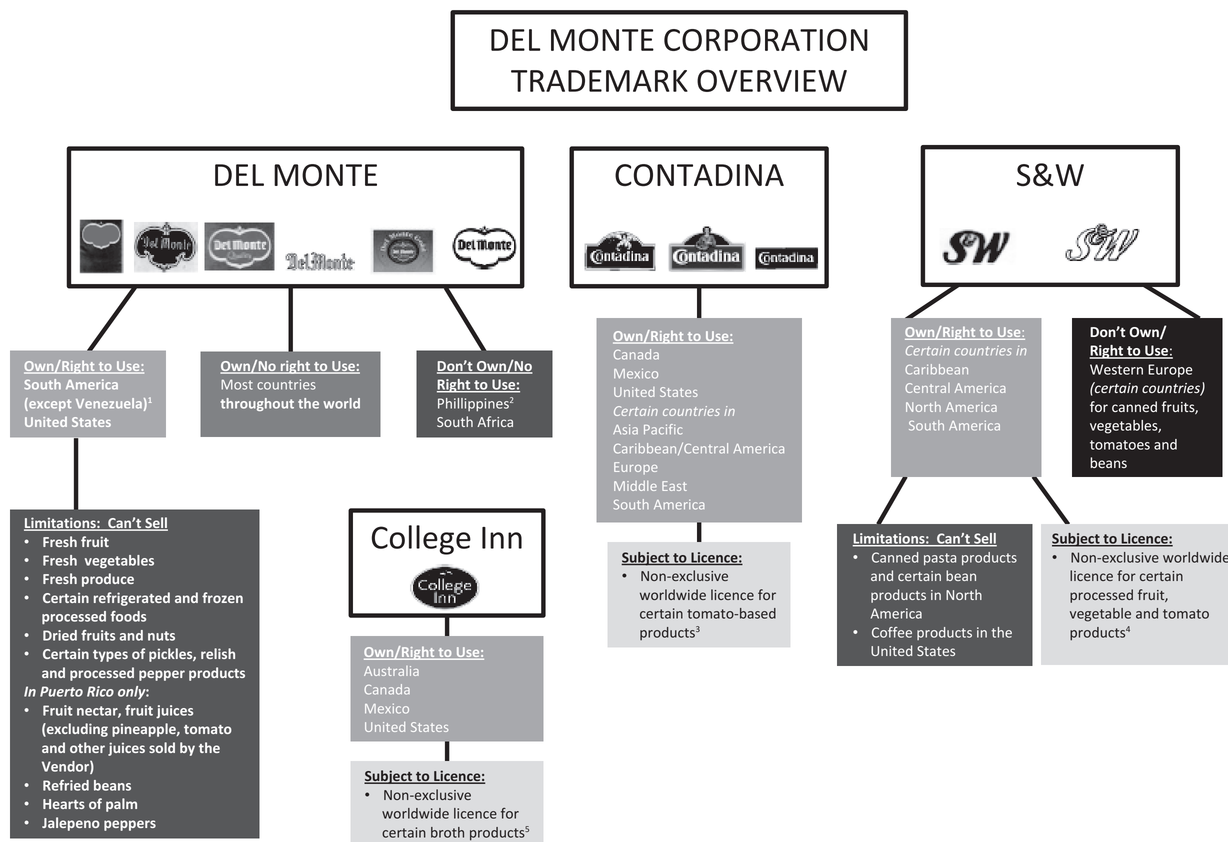
The Vendor has granted a royalty-bearing and exclusive licence to Coffee Holding Co, Inc to use the S&W Marks for coffee, tea and cocoa products in the United States. This agreement is terminable only upon material breach by the licencee and certain circumstances of non-use by the licencee. Additionally, the Vendor may choose not to renew the licence with notice to the licencee up to six (6) months prior to the end of the licence term on 31 December 2014. Absent such notice, the Agreement shall continue automatically for up to two (2) additional terms of five (5) years each.

The Vendor has also granted a royalty-free and exclusive licence to Faribault Foods, Inc to use the S&W Marks for certain bean and canned pasta products in North America. This licence is terminable upon consent of the parties or terminable by the Vendor upon material breach by the licencee, and certain circumstances of non-use by the licencee.

Transferred Entities

The Vendor has granted a worldwide, royalty-free, non-exclusive, licence to S&W Fine Food, Inc, one of the Transferred Entities, to use the S&W Marks for certain processed fruit, vegetable and tomato products wherever the Vendor has rights (i.e. the Americas).

Set out below is a diagrammatic overview of the principal trademarks of the Consumer Food Business discussed above:-



Comments:

- The Vendor also owns several brands that are lesser known in the US, including ORCHARD SELECT, ARGO and MISSION, many of which are covered by international licences.
- The logos displayed above are not all registered trademarks in each country shown in this chart. Please refer to Appendix K for the registered trademarks in the respective countries.

Notes:

[1] Licence is owned by one of the Transferred Entities.
[2] Rights in the Philippines are owned by the Group.
[3] Licence is owned by one of the Transferred Entities.
[4] Licence is owned by one of the Transferred Entities.
[5] Licence is owned by one of the Transferred Entities.

2.2 Valuation of Consumer Food Business

The Company has engaged Ernst & Young to undertake an independent valuation of the Consumer Food Business. Based on the Summary Valuation Report on the Consumer Food Business, the valuation of the Consumer Food Business as of 31 July 2013 is in the range of US$1.53 billion to US$1.75 billion.

Please refer to Appendix D: Summary Valuation Report on the Consumer Food Business for more details.

2.3 Consideration and Deposit

The consideration for the purchase of the Consumer Food Business and assumption of certain liabilities of the Consumer Food Business shall be US$1.675 billion in cash to be paid to the Vendor on completion of the Proposed Acquisition ("**Consideration**").

The Consideration is subject to an adjustment based on the actual working capital level delivered at Closing as provided for in the Purchase Agreement. If the actual working capital level exceeds US$620,000,000, the exceeded amount will be added to the Consideration. If the

actual working capital falls below the agreed working capital of US$620,000,000, the shortfall will be deducted from the Consideration. The Company does not expect any material upward adjustments to the Consideration as a result of the adjustment provision.

The Company took into account various factors in respect of the Consideration, including but not limited to the valuation of the Consumer Food Business, benchmarking vis-à-vis acquisitions of comparable food companies, the competitive bidding process, advice from its Financial Adviser and U.S. Financial Adviser, the rationale for the Proposed Acquisition as set out in section 3, the Company's long standing business dealings with the Vendor and having regard to the financial position and performance of the Consumer Food Business. The parties commercially agreed to adjust the Consideration based on the working capital as at Closing because the working capital is seasonal and fluctuates constantly based on the business needs of the Consumer Food Business.

Pursuant to the Purchase Agreement, the Company has placed in escrow the sum of US$100 million in cash, which would be released to the Vendor in the event that the Closing failed to occur under certain circumstances set forth in the Purchase Agreement. This sum of US$100 million will be treated as payment of part of the Consideration in the event the Proposed Acquisition closes.

If all of the Closing Conditions (as elaborated in Section 2.4 below) have been and continue to be satisfied or waived (other than those conditions which by their terms are to be satisfied at the Closing and which are capable of being satisfied at the Closing) and the Acquiror fails to complete the Closing and the Vendor stood ready, willing and able to consummate the Closing, then the escrow deposit (together with all accrued investment income or interest thereon) shall be released to the Vendor and retained by Vendor in full as a credit towards, and not a limitation on, damages.

If the Acquiror materially fails to comply with any covenant or agreement applicable to the Acquiror under the Purchase Agreement (for example, (a) if the Acquiror and its affiliates should not take any action which would materially adversely affect or materially delay the obtaining of any necessary approval of any regulatory agency or other governmental entity required for the Proposed Acquisition; and (b) the Acquiror shall fail to execute and deliver various ancillary agreements connected with the Proposed Acquisition including a transition services agreement) so as to cause any of the Closing Conditions not to be capable of being satisfied, and such condition is incapable of being satisfied or cured by the end date of 28 February 2014, and at such time the Vendor shall have complied with its obligations to consummate the transactions under the Purchase Agreement, then the escrow deposit (together with all accrued investment income or interest thereon) shall be released to the Vendor and retained in full by the Vendor as a credit towards, and not a limitation on, damages.

2.4 Conditions Precedent and Transition Services Agreement

It is provided in the Purchase Agreement that, without the prior consent of the Acquiror, the closing date of the Proposed Acquisition shall not occur prior to the earlier of (1) the second business day following approval by the Shareholders at a general meeting to be convened; and (2) two business days prior to a long stop date of 28 February 2014. The Company's majority Shareholder, NPL, has given an undertaking to vote in favour of the Proposed Acquisition.

The respective obligations of each of the Acquiror and the Vendor to complete the Proposed Acquisition are subject to the fulfilment (or waiver thereof by such party) of the following conditions:

(a) There shall be no governmental order that prohibits or materially restrains the sale of the Consumer Food Business and there shall be no proceedings pending by any

governmental entity seeking such a governmental order; provided, however, that prior to invoking this condition, the party invoking it shall have complied with certain of its obligations under the Purchase Agreement. The referenced obligations refer to using, *inter alia,* reasonable best efforts to take, or cause to be taken actions necessary to comply promptly with legal requirements under applicable law.

(b) Any waiting period (and any extension of such period) under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, applicable to the transactions contemplated by the Purchase Agreement shall have expired or shall have been terminated and no freeze order shall have issued by the Mexican Federal Competition Commission under the Federal Law of Economic Competition, or, if a freeze order has been issued, approval shall have been obtained under the Federal Law of Economic Competition of Mexico.[2]

The Acquiror's obligation to complete the Proposed Acquisition is further subject to the fulfilment (or waiver thereof by the Vendor) of the following conditions:

(a) (1) The representations and warranties of the Vendor contained in the Purchase Agreement concerning sufficiency of assets shall be true and correct as of the Closing, as though made on and as of the Closing, and (2) all of the other representations and warranties of the Vendor contained in the Purchase Agreement (without giving effect to certain limitations as to materiality or material adverse effect set forth therein except for such limitation in its representation that since 28 April 2013, a material adverse effect has not occurred) shall be true and correct as of the Closing, as though made on and as of the Closing (except to the extent expressly made as of an earlier date, in which case as of such earlier date) except where the failure of such other representations and warranties to be so true and correct has not had, and would not, individually or in the aggregate, reasonably be expected to have, a material adverse effect, and the Acquiror shall have received a confirmation certificate signed by a duly authorised officer of the Vendor.

(b) The Vendor shall have performed in all material respects the obligations, and complied in all material respects with the agreements and covenants, required to be performed by or complied with by it under the Purchase Agreement at or prior to the Closing, and the Acquiror shall have received a confirmation certificate signed by a duly authorised officer of the Vendor.

(c) The Vendor shall have executed and delivered to the Acquiror the required ancillary agreements contemplated by the Purchase Agreement.

The Vendor's obligation to complete the Proposed Acquisition is further subject to the fulfilment (or waiver thereof by the Acquiror) of the following conditions:

(a) The representations and warranties of the Acquiror contained in the Purchase Agreement that are qualified by materiality shall be true and correct in all respect, and the representations and warranties of the Acquiror contained in the Purchase Agreement that are not so qualified shall be true and correct in all material respects in each case as of the Closing, as though made on and as of the Closing (except to the extent expressly made as of an earlier date, in which case as of such earlier date) and the Vendor shall have received a confirmation certificate signed by a duly authorised officer of the Acquiror;

(b) The Acquiror shall have performed in all material respects the obligations, and complied in all material respects with the agreements and covenants, required to be performed by or complied with by it under the Purchase Agreement at or prior to the Closing, and the Vendor shall have received a confirmation certificate signed by a duly authorised officer of the Acquiror; and

[2] Please refer to Section 7.13 below for more information.

(c) The Acquiror shall have executed and delivered to the Vendor the required ancillary agreements contemplated by the Purchase Agreement.

The above conditions precedent shall collectively be referred to as the Closing Conditions.

Upon Closing, the Vendor and the Acquiror shall execute a Transition Services Agreement wherein the Vendor will provide certain transition services to the Acquiror for the continued and uninterrupted operation of the Consumer Food Business for the 12 months following Closing. The transition services shall cover certain categories of services, including:

- Freight payment,
- Customer service/Customer financial services,
- Information technology services/Access,
- Administration of accounting/finance function,
- Treasury,
- Accounts payable,
- Post-Closing dividable contracts,
- Such other services as are mutually agreed by the Vendor and the Acquiror prior to Closing.

The costs of the transition services are comparable to the corporate allocation of expenses to the Consumer Food Business as at the Latest Practicable Date.

The Company expects that most of the employees of the Consumer Food Business will remain with the Consumer Food Business after Closing. Please refer to paragraph 11 of Appendix A for a discussion of the employees of the Consumer Food Business. As such, together with the Transition Services Agreement, the Company does not expect any disruption to the operations of the Consumer Food Business following Closing.

2.5 Funding for the Proposed Acquisition

The Consideration will be funded through a combination of equity, including equity contributed to the Acquiror by the Company, and institutional debt financing.

The Company unconditionally guaranteed the payment and performance of all of Acquiror's obligations and agreements under the Purchase Agreement.

The Company will be funded by equity and debt (total aggregate debt of US$670.5 million) elaborated as follows:

(a) Approximately US$80 million from the Company's existing credit lines.

(b) US$350 million through the issuance of perpetual preference shares ("**Preference Shares**"). The Company has in the meantime on 14 January 2014 obtained a bridging loan facility from BDO Unibank, Inc, a leading Philippines bank until such time as the Preference Shares are issued. The facility has a tenor of up to one year and bears interest at the rate of 3.5% per annum plus LIBOR for a period comparable to the Interest Period (three months or any other period agreed between the Company and BDO Unibank, Inc as Agent) and which in no case shall be below zero. The Preference Shares are currently expected to be issued in approximately six months following the Proposed Acquisition, to repay the bridging facility.

(c) US$75.5 million through a combination of either an issuance and placement of new ordinary shares of the Company ("**Share Placement**") and/or a bridging loan. If the latter is utilised, the Company will repay the bridge finance from a mid-term loan or from equity fund-raising. In the announcement of the Company dated 11 October 2013, the Company

had stated it intended to undertake a share placement of US$150 million as part of the funding for the Proposed Acquisition. However, in view of the impending investment in DMPL Foods Limited (the intermediate holding company of the Acquiror) by third party investors described in paragraph (e) below, the Share Placement if undertaken will be up to US$74.5 million.

(d) US$165 million bridging facility obtained by the Company on 14 January 2014 from Bank of Philippine Islands, has a tenor of up to one year and will carry an interest equal to the six month LIBOR plus a margin of 3.5% per annum, subject to a floor of 4%. The Company is to pay a 0.25% arranger's fee and a 0.25% commitment fee on this bridging facility. The repayment of the facility is guaranteed by NPL, the Company's controlling shareholder. The Company currently expects this facility to be repaid in approximately four months following the Closing of the Proposed Acquisition by a fund raising exercise including but not limited to a rights issue.

(e) US$74.5 million from the funds to be raised from the issuance of new shares in DMPL Foods Limited (the intermediate holding company of the Acquiror) to investors for a minority stake in the said company. Such minority stake will be computed at the ratio of US$74.5 million to US$705 million +/- working capital adjustment to the Consideration (please refer to Section 2.3 of this Circular for a discussion of the working capital adjustment). US$705 million is the difference between the unadjusted Consideration and the US$970 million institutional debt financing of the Consumer Food Business discussed below.

The Consumer Food Business will obtain institutional debt financing of up to a total of US$970 million, primarily relating to US$710 million of 1st Lien Term Loan and US$260 million of 2nd Lien Term Loan and additionally a US$350 million loan under an ABL Credit Agreement, a senior secured asset-based revolving facility, to be used for working capital needs and general corporate purposes.

Note: Please refer to Section 7.3 under the risk entitled "Financial and Indebtedness Risks" for a discussion of the interest and principal payments in 2014, 2015 and 2016 in relation to the various borrowings of the Enlarged Group discussed above.

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Consumer Food Business has a strong portfolio of leading brands, with seasoned employees, healthy cash flows and approximately US$1.8 billion of annual sales for each of the fiscal years ended April 2012 and 2013. They are centred on the iconic *Del Monte* brand and further include the *Contadina*, *S&W* and *College Inn* brands. The Consumer Food Business enjoys leading positions in large and profitable categories that include #1 U.S. market share positions in major packaged fruit and vegetable categories and #2 U.S. positions in packaged tomato and broth categories. The leading branded market position in the packaged fruit and vegetable segments provides the Group with significant scale and reach, as well as an opportunity to unlock meaningful synergies.

The Proposed Acquisition offers the Group access to a well-established, attractive and profitable branded consumer business in the world's leading market i.e. the U.S.. Prior to the Proposed Acquisition, the U.S. was one of the very few key markets where the Group did not have a direct presence nor have its own brands. Furthermore, the Group expects to generate significant value creation opportunities in the U.S. market through the expansion of the Consumer Food Business' current product offering to include beverage and culinary products. The Consumer Food Business also provides an attractive platform to offer certain products appealing to the large and fast growing Hispanic and Asian American population in the U.S..

Moreover, the Group operates one of the largest pineapple plantations in the world and will benefit from much wider access to the processed pineapple business in the U.S., one of the largest packaged fruit segment in the U.S. market. With greater access for its products, the Group expects to realise synergies by leveraging its vertical integration, benefiting from economies of scale and value-added expansion and optimising operations over time.

In addition to these synergies with the Group, the Consumer Foods Business expects to build on its core business and leading market shares in the U.S. across its canned fruit, vegetable, tomato and broth businesses. Its largely untapped South America business also has the potential to expand over time across new markets and product categories.

4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

4.1 Introduction

The financial year-end of the Company is 31 December while the Vendor operates on a 52 or 53-week financial year ending on the Sunday closest to 30 April. Every five or six years, depending on leap years, the Vendor's financial year has 53 weeks. It is intended that after Closing, the financial year-end of the Enlarged Group will be changed to 30 April.

The financial effects of the Proposed Acquisition as set out below are for illustration purposes only and are, therefore, not indicative of the actual financial performance or position of the Enlarged Group after the Closing. The financial effects of the Proposed Acquisition on the earnings, consolidated net tangible assets and gearing have been prepared based on the unaudited proforma consolidated financial information of the Enlarged Group set out in Appendix E to this Circular.

For purposes of illustration, the financial effects of the Proposed Acquisition are based on, *inter alia*, the following assumptions:

(a) For the purpose of computing the financial effects of the Proposed Acquisition on the earnings of the Company, the Proposed Acquisition is assumed to have been completed on 2 May 2011 with respect to the Unaudited Pro Forma Statement of Comprehensive Income;

(b) For the purpose of computing the financial effects of the Proposed Acquisition on the NTA and gearing of the Company, the Proposed Acquisition is assumed to have been completed on 31 December 2012;

(c) Company borrowings of US$1,640.5 million[(1)] to finance the Proposed Acquisition;

(d) Professional fees and the transaction costs of US$27.8 million arising from the Proposed Acquisition;

(e) US$74.5 million through the issuance of equity shares of DMPL Foods Limited to third parties. DMPL Foods Limited is an intermediate holding company of the Acquiror. It has been assumed the issuance of US$74.5 million of equity shares of DMPL Foods Limited will result in these parties having a 10% non-controlling interest in the Acquiror. This percentage of equity interest may be different upon the closure of the Proposed Acquisition as the percentage of equity is based on a formula based on the Consideration for the Proposed Acquisition (which is subject to working capital adjustment as at the closure of the proposed transaction) less the institutional debt of US$970 million.

Note:

(1) The calculation of US$1,640.5 million is derived from (a) approximately US$80 million from the Company's existing credit lines; (b) a bridging loan of US$75.5 million to be obtained by the Company; (c) US$165 million bridging facility obtained by the Company on 14 January 2014 and guaranteed by NPL; (d) a total of US$970 million to be obtained for the Consumer Food Business (consisting of (1) US$710 million of 1st Lien Term Loan; and (2) US$260 million of 2nd Lien Term Loan); and (e) a US$350 million loan under an ABL Credit Agreement. Please see Section 2.5 for more details.

The financial effects presented below are pro forma in nature and are for illustrative purposes only. They do not represent the actual financial position and/or results of the Company immediately after completion of the Proposed Acquisition.

NTA

	Before completion of the Proposed Acquisition	After completion of the Proposed Acquisition
Consolidated NTA (US$'000) as at 31 December 2012	237,868	(285,051)(2)(3)
Number of Shares ('000)(1)	1,294,394	1,294,394(4)
NTA per Share (US$)	0.18	(0.22)

Notes:

(1) Number of shares used for this computation is the weighted average number of ordinary shares.

(2) Assuming the Proposed Acquisition to have completed on 31 December 2012, the Company would have a negative NTA given that most of the initial funding will be done through borrowings and a large portion of the assets of the Enlarged Group will consist of intangible assets. The Group expects that NTA will improve once profits from the business combination are realised.

(3) Moreover, the US$350 million and US$165 million bridging loans are currently expected to be refinanced through equity, which will form part of the Shareholders' equity in the Company. The US$75.5 million may be refinanced through equity or a mid-term loan.

(4) This includes the 215,719,297 bonus Shares issued on 19 April 2013 which have been retrospectively adjusted.

EPS (1)

	Before completion of the Proposed Acquisition	After completion of the Proposed Acquisition
Profit attributable to Shareholders for FY2012 (US$'000)	32,090	41,998
Number of Shares ('000)(2)	1,294,394	1,294,394(3)
Earnings per Share (US Cents)	2.48	3.24

Notes:

(1) This is basic EPS (non-diluted basis). Please refer to Note 12 of Appendix E: Unaudited Pro forma Consolidated Financial Information of the Enlarged Group which shows the computation of both basic and diluted earnings per share.

(2) Number of shares used for this computation is the weighted average number of ordinary shares.

(3) This includes the 215,719,297 bonus Shares issued on 19 April 2013 which have been retrospectively adjusted.

Gearing (1)

	Before completion of the Proposed Acquisition	After completion of the Proposed Acquisition
Total net borrowings as at 31 December 2012 (US$'000)	117,031	1,718,713
Shareholders' equity (US$'000)	253,301	306,687
Net Gearing (times)	0.46	5.60

Note:

(1) The US$350 million, US$165 million and US$75.5 million bridging financing were treated as debt as of 31 December 2012. The US$350 million and the US$ 165 million bridge finance are expected to be refinanced

through equity and, as such, is expected to decrease to 1.46 times. If the US$75.5 million which may be refinanced to equity or a mid–term loan is refinanced through equity as in the case of the other two bridge finance facilities, then the gearing will be 1.26 times.

The expression "Net Borrowings" means the aggregate liabilities arising from interest bearing borrowings less cash at bank, on hand and short term bank deposits. The expressions "Shareholders' equity" refers to the aggregate of issued and paid-up share capital and reserves. "Gearing" is computed based on the ratio of "Net borrowings" to "Shareholders' equity".

4.2 Management's Discussion and Analysis of Financial Condition and Results of Operation of the Enlarged Group

The following discussion of the business, financial condition and results of operations of the Enlarged Group should be read in conjunction with the full text of this Circular, including the report on the unaudited Pro forma Consolidated Financial Information of the Enlarged Group as set out in Appendix E of this Circular.

The following discussion contains forward-looking statements that involve risks and uncertainties. The actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Circular, particularly in the section entitled "Risk Factors" found in Appendix A and Section 7.3 of this Circular. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Company.

The Vendor and its affiliates assume no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. The Company has not obtained consent from the Vendor for the publication of any information relating to the Consumer Food Business nor for the reproduction of their information extracted from the public filings by the Vendor. The Vendor does not make any representation or warranty about the information in this Circular and is not liable for the information relating to the Consumer Food Business set out in this Circular.

Basis of Presentation – Management Discussion and Analysis

Enlarged Group – The financial information that comprises the Enlarged Group was prepared on a pro forma unaudited basis and includes the pro forma unaudited financial results of the Company and the Consumer Food Business using the following methodologies:

The Company

The Company's historical results that form the basis for the unaudited pro forma financial information are derived from the Company's audited consolidated statements of comprehensive income, statements of cash flows and statements of financial position as of and for the year ended 31 December 2011 and 2012, as well as the Company's unaudited consolidated statements of comprehensive income, statements of cash flows and statements of financial position as of and for the six months ended 30 June 2013, all prepared in accordance with International Financial Reporting Standards ("**IFRS**").

CONSUMER FOOD BUSINESS

The Consumer Food Business' historical results that form the basis for the unaudited pro forma financial information are derived from the audited balance sheets, statement of comprehensive income and statements of cash flows as of and for the 52-week period ended 29 April 2012 and 28 April 2013 prepared in accordance with United States Generally Accepted Accounting

Principles ("**U.S. GAAP**"). Such U.S. GAAP basis audited financial statements of the Consumer Food Business for the aforementioned periods were converted to IFRS and were also adjusted for assets not acquired and liabilities not assumed by the Company as a part of the Proposed Acquisition.

The Consumer Food Business' combined financial statements were then adjusted using unaudited trial balances and supporting schedules of the Vendor to derive the Consumer Food Business' unaudited combined statements of comprehensive income for the period from 2 May 2011 through to 25 December 2011, the 52-week period ended 23 December 2012, and the 26-week periods ended 24 June 2012 and 23 June 2013.

For the year ended 25 December 2011, only eight months for the period from 2 May 2011 to 25 December 2011 of the results of the Consumer Food Business was included in the pro forma statement of comprehensive income. The Vendor's acquisition by an investor group controlled by KKR, Vestar and Centerview occurred on 8 March 2011. The financial statements of the Vendor for periods after 8 March 2011 were not prepared on the same accounting basis that would apply to the financial statements prior to 8 March 2011 due to the application of acquisition accounting and changes in the Vendor's capital structure resulting from the 8 March 2011 acquisition. Therefore, any such financial information would not accurately reflect the operating performance of the Consumer Food Business for periods prior to 8 March 2011. With respect to periods after 8 March 2011 through to 2 May 2011, the Company was informed that the Vendor does not possess some of the information that is needed to undertake the work necessary to prepare the financial statements in order to present full financial information from 8 March 2011 to 1 May 2011. Please refer to Section 6.3 of this Circular for the waivers granted by the SGX-ST requiring the inclusion of the first financial year of the Consumer Food Business from 3 May 2010 to 1 May 2011 in this Circular.

As mentioned in the previous paragraph, the U.S. GAAP basis audited financial statements were adjusted for assets not acquired and liabilities not assumed by the Company as part of the Proposed Acquisition. These exclusions represent assets and liabilities that pertain to certain shared facilities and obligations of the Vendor. The unaudited pro forma statements of financial position exclude such shared assets and liabilities. With respect to the unaudited pro forma statement of comprehensive income, any portion of the expense related to shared facilities that are attributable to the Consumer Food Business have been included in determining the pro forma net income. However, any interest expense relating to the existing debt of the Vendor has been excluded and replaced by pro forma interest expense related to the debt financing associated with the Proposed Acquisition.

The impact of the difference of a week between the respective period ends of the Company and the Consumer Food Business is not considered material and therefore no adjustments were made to conform the Consumer Food Business' statements of comprehensive income for the periods ended 25 December 2011, 23 December 2012, 24 June 2012, and 23 June 2013.

1. Overview

Revenue

Enlarged Group

Following completion of the Proposed Acquisition, the Enlarged Group will have access to the U.S. market. The Enlarged Group could also build on the Consumer Food Business' core business and leading market shares in the U.S. across its canned fruit, vegetable, tomato and broth businesses as well as to expand the Consumer Food Business' current product offering to include beverage and culinary products. The Consumer Food Business' largely untapped South America business also has the potential to expand over time across new markets and product categories.

The Company

The Company is principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple juice concentrate, tropical mixed fruit, tomato-based products, beverage products and certain other foods products mainly under the brand names of *Del Monte*, *S&W* and *Today's*. The details of the Company's subsidiaries and their principal activities are set out in Section 7.4 of this Circular.

Reportable Segments:

a. Branded Business

The branded business, comprising of the *Del Monte* branded business in the Philippines and the Indian subcontinent (all processed) plus the *S&W* branded business in Asia and the Middle East (both fresh and processed), generated 67% of turnover for the six months ended 30 June 2013 and 70% of turnover in FY 2012, up from 65% in FY 2011.

b. Non Branded Business

Non-branded products accounted for 33% of turnover for the six months ended 30 June 2013 and 30% of turnover in FY 2012, down from 35% of turnover in FY2011. This segment includes turnover of private label and non-branded processed fruits, beverages, other processed products and non-branded fresh fruit.

1. Non Branded Asia Pacific – Includes turnover of private label and non-branded processed fruits, beverages, other processed products, fresh fruit and cattle in the Asia Pacific region and turnover of private label processed fruits and beverage to a non-affiliated Del Monte company at market prices in the Asia Pacific region.

2. Europe and North America – Includes turnover of private label and non-branded processed fruits, beverages and other processed products in Europe and North America and turnover of private label processed fruits, beverages and other processed products to non-affiliated Del Monte companies at market prices in Europe and North America.

3. Supply contract – Includes turnover of processed fruits, beverages and fresh fruit to non-affiliated Del Monte companies under long term supply contracts.

Consumer Food Business

The Consumer Food Business sells products under the *Del Monte*, *Contadina*, *College Inn* and *S&W* brand names, as well as private label products to key customers. The Consumer Food Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the U.S. with the leading market share for branded products in both packaged fruit and vegetable. The products of the Consumer Food Business are sold in a number of channels which include retail markets, mass merchandisers, the U.S. military, certain export markets, food service industry and foods processors. The Consumer Food Business' fruit, vegetable and tomato products are in mature categories, characterised by high household penetration.

The Consumer Food Business' packaged fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value. In fiscal 2013, the Consumer Food Business continued its new product innovations with the launches of Del Monte Fruit Naturals Mango Chunks, Del Monte Diced Mangos cups and Del Monte Mango Pineapple cups, making *Del Monte* the first brand to bring mangos to the centre of store in the U.S.. Competitors include branded and private label fruit, vegetable, tomato and broth processors. The Consumer Food Business' primary competitors include Dole, Seneca Foods

and Pacific Coast Producers in fruit; General Mills and Seneca Foods in vegetable; Con Agra, Heinz and Unilever in tomato; and Campbell Soup and smaller regional brands in broth.

Customers

Most food retailers in the U.S. carry the Consumer Food Business' products, and it has developed strong relationships over the long term with the majority of significant participants in the retail grocery trade. Walmart, which includes Walmart's stores and supercentres along with Sam's Club, is the most significant customer of the Consumer Food Business.

The Consumer Food Business' sales teams work with its customers to promote the resale of its products in their stores. These efforts include working with customers in the areas of merchandising, product assortment and distribution and shelving. The Consumer Food Business customers provide it with purchase orders as they desire product and it fills these orders based on generally standard terms of sale. Where the Consumer Food Business provides private label products for its customers, it typically supplies those customers on a purchase order basis as well. These purchase orders could be on a standalone basis, or issued under a master agreement that sets forth matters such as payment and delivery terms. The Consumer Food Business' arrangement with its largest customer, Walmart, operates in generally the same fashion as those with its other customers and on overall similar terms.

Supply

The Consumer Food Business manufactures its products from a wide variety of raw materials. Each year it buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the U.S.. The Consumer Food Business' fruit supply contracts generally range from one to ten years. Fruit prices are generally negotiated with grower associations annually. The Consumer Food Business purchases raw products from over 500 fruit growers located in California, Oregon and Washington. Yellow cling peaches are contracted by the acre, while contracts for other fruits require delivery of specified quantities each year. The Consumer Food Business' vegetable supply contracts are for a one-year term and require delivery from contracted acreage with specified quality. Vegetable prices are negotiated annually. The Consumer Food Business purchases raw product from approximately 600 vegetable growers located primarily in Wisconsin, Illinois, Minnesota, Washington and Texas. Raw tomatoes are purchased from approximately 25 tomato growers located in California, where approximately 95% of domestic tomatoes for processing are grown. Tomato prices are generally negotiated with grower associations and are reset each year. The Consumer Food Business actively participates in agricultural management, agricultural practices, quality control and compliance with pesticide/herbicide regulations. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or on the open market.

The Consumer Food Business maintains long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes.

Production

The Consumer Food Business operates 14 production facilities in the U.S., Mexico and Venezuela. Fruit plants are located in California and Washington, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana. The Consumer Food Business has a seasonal production cycle that generally runs between the months of June and October. Most of its seasonal plants operate close to full capacity during the packing season. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its College Inn broth products are produced throughout the year. Additionally, the Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

The Consumer Food Business uses 12 co-packers and 3 re-packers located in the U.S. and foreign locations, in addition to its own production facilities. Co-packers are used for broth, processed pineapple, tropical fruit salad, mandarin oranges and certain other products. Co-packers are used periodically to supplement supplies of certain processed fruit, vegetable and tomato products.

Distribution

Customers can order products to be delivered via third-party trucking, on a customer pickup basis or by rail. Distribution centres provide casing, labelling and special packaging and other services.

Research and Development

The Consumer Food Business' research and development organisation provides product, packaging and process development. The research and development facility in Walnut Creek, California develops new products and product line extensions and conducts research in a number of areas related to its processed fruit, vegetable, tomato and broth products, including packaging, pest management, food science, environmental and engineering. This facility employs scientists, engineers and researchers and is equipped with pilot shops and test kitchens.

Seasonality

Historical net sales for the Consumer Food Business have generally exhibited seasonality, with the first fiscal quarter typically having the lowest net sales. Lower levels of promotional activity, the availability of fresh produce, the timing of price increases and other factors have historically affected net sales in the first quarter. The Consumer Food Business has experienced increased sales of its processed fruit, vegetable, tomato and broth products during the back-to-school and holiday periods in the U.S., extending from September through December, as well as during periods associated with the Easter holiday. The Consumer Food Business typically schedules promotional events to coincide with these periods of increased product consumption.

Key Product Categories:

Please note that the Key Products Categories of the Consumer Food Business are different from the Reportable Segments of the Company as the entities are different and don't categorise financial information in the same manner.

a. Del Monte

The Del Monte brand has a unique portfolio of category leading brands, enjoying leading market share positions in the industry. The Consumer Food Business (all brands collectively including Del Monte) is the frontrunner in the branded processed vegetables and fruits categories and second largest in the branded processed tomato and broth categories. Products sold under the Del Monte brand name include canned fruits, canned vegetables, sauces and condiments and jarred fruits. Approximately 60.8% and 60.3% of Consumer Food Business' turnover was from Del Monte branded products in the six months ended 23 June 2013 and twelve months ended 23 December 2012, respectively.

b. S&W

The S&W brand is comprised of shelf stable fruit, vegetables and tomatoes. Products sold under the S&W brand name include canned corn, carrots, apricots, peaches and tomatoes. Approximately 1.7% and 2.9% of Consumer Food Business' turnover was from S&W branded products in the six months ended 23 June 2013 and twelve months ended 23 December 2012, respectively.

c. Contadina

Products sold under the Contadina brand name include tomato paste, tomato sauce, diced tomatoes and pizza sauce. Approximately 3.9% of Consumer Food Business' turnover was from Contadina branded products in the six months ended 23 June 2013 and twelve months ended 23 December 2012.

d. College Inn

College Inn is the second largest selling branded broth product in the U.S. market. Products sold under the College Inn brand name include chicken broth, beef broth, turkey broth and vegetable broth. Approximately 2.6% and 3.1% of Consumer Food Business' turnover was from College Inn branded products in the six months ended 23 June 2013 and twelve months ended 23 December 2012, respectively.

e. Private Labels

Private labels refer to products manufactured or packaged for sale under the retailer's brand name rather than a specific brand name of the Consumer Food Business. Approximately 10.8% and 7.4% of Consumer Food Business' turnover was from private labels in the six months ended 23 June 2013 and twelve months ended 23 December 2012, respectively.

f. Non Retail/Other (comprised of U.S. military, food service, other food processors and South America)

Approximately 20.2% and 22.3% of Consumer Food Business' turnover was from non/retail and other sales in the six months ended 23 June 2013 and twelve months ended 23 December 2012, respectively.

Review of the Company for Six Months Ended 30 June 2013 and 30 June 2012

in US$ '000 unless otherwise stated	**For six months ended 30 June**		
	2013	**2012**	**% Change**
Turnover	208,412	183,606	13.5
Gross profit	48,162	44,616	7.9
Gross margin (%)	*23.1*	*24.3*	*(1.2ppt)*
Selling and distribution expenses	15,222	14,016	8.6
General and administrative expenses	12,878	12,345	4.3
Other operating expenses	1,921	571	236.4
Operating profit	18,141	17,684	2.6
Operating margin (%)	*8.7*	*9.6*	*(0.9ppt)*
Net finance expense	2,309	1,371	68.4
Share of loss in joint venture, net of non-controlling interest	2,431	3,232	24.8
Taxation	2,758	2,648	4.2
Net profit attributable to owners	10,643	10,433	2.0
Net Margin (%)	*5.1*	*5.7*	*(0.6ppt)*
Depreciation	8,607	6,789	26.8

The Company's reporting currency is in US dollars. For conversion to S$, these exchange rates can be used: 1.24 in first half of 2013 and 1.26 in first half of 2012.

Turnover

Turnover increased by approximately US$24.8 million or 13.5% from US$183.6 million in the six months ended 30 June 2012 to US$208.4 million for the same period covered in 2013 due to strong performance of the Philippines market as well as the Fresh Business. Growth in the Philippines market turnover is driven by improved performance for most categories. Volume expanded by double digit growth rates, largely due to improvements in consumption frequency. The improved performance was supported by integrated new campaigns, new occasion offerings and product bundles, and recipe education. A buoyant domestic economy, increased store coverage, and compelling in-store shopper execution contributed to the overall improved performance in the Philippines. Fresh sales grew for this period mainly due to higher turnover in Japan, China, Middle East and Singapore.

Gross Profit

Gross profit increased to US$48.2 million compared to prior year's US$44.6 million resulting from double digit growth of Fresh Business and strong performance of the Philippines market. Gross margin however, decreased by 1.2 percentage points, from 24.3% in 2012 to 23.1% in 2013 due to higher costs principally related to warehousing and distribution.

Selling and Distribution Expenses

Selling and distribution expenses was 7.3% of turnover for the six months ended 30 June 2013 and amounted to US$15.2 million, 8.6% higher compared to the same period last year mainly due to higher sales support on higher volume.

General and Administrative Expenses

General and administrative expenses increased by 4.3% from US$12.3 million to US$12.9 million mainly on organisational build-up and product initiatives.

Other Operating Expenses

Other operating expenses for the six months ended 30 June 2013 amounted to US$1.9 million, higher than the previous year's US$0.6 million mainly on higher miscellaneous expenses.

Operating Profit

Operating profit for the period covered in 2013 was US$18.1 million, higher than prior year by US$0.5 million or 2.6%.

Finance Income/Expenses

For the six months ended 30 June 2013, interest income for the Company declined by 19% to US$0.26 million from US$0.32 million in the prior period as a result of lower interest income from operating assets.

Interest expense for the Company was 11.8% higher in 2013 compared to prior year due to higher borrowings. For the six months ended 30 June 2013, interest expense was at US$1.9 million. Interest expense for the six months ended 30 June 2012 was at US$1.7 million.

Depreciation Expense

Depreciation expense for the Company increased by 26.8% from US$6.8 million in the six months ended 30 June 2012 to US$8.6 million for the same period in 2013. This is mainly due to higher capital expenditures.

Share of Profit of Associates

The Company recognised a share of loss of US$2.4 million on 30 June 2013 for its 46.6% stake in the Indian FieldFresh joint venture. This is 25.0% lower than prior year of US$3.2 million as a result of higher turnover, improved product mix and reduced overheads in 30 June 2013.

Tax

Tax expense increased from US$2.6 million in 30 June 2012 to US$2.8 million in 30 June 2013 mainly on higher taxable income.

Profit for the Period

The Company generated a net profit attributable to the owners of the Company of US$10.6 million, 2.0% higher than the US$10.4 million in the prior period. This was impacted by one-off fees in relation to the dual listing of its shares in the PSE and an unrealised foreign exchange loss due to the weaker Philippines Peso against the US dollar in May and June which affected translation of trade payables and loans.

The Company - Financial Performance by Operating Segment

a. **Branded**

For the six months ended 30 June In US$'000			
	2013	**2012**	**% Change**
Turnover	138,978	120,628	15.2
Gross Profit	41,732	35,689	16.9
Gross Margin (%)	*30.0*	*29.6*	*0.4 ppt*
Operating Profit	17,416	13,129	32.7
Operating Margin (%)	*12.5*	*10.9*	*1.6 ppt*

Reported under the branded segment are turnover and profit on sales in the Philippines, comprising primarily of Del Monte branded products, including Del Monte traded goods; S&W products in Asia and the Middle East; and Del Monte products from the Philippines into Indian subcontinent.

Turnover in the branded business grew 15% to US$139.0 million from US$120.6 million on higher sales in all major categories in the Philippines as well as the Fresh Business.

Turnover in the Philippines rose 24% due to favourable mix, better prices and higher volume. Major categories registered remarkable growth, especially in the processed fruit category with strong increase in sales.

Turnover of S&W branded processed products declined by 14% to US$6.3 million due to the weakness in the first quarter. There were delays in product listings by Middle East distributors as well as competition in the canned beverage and fruit categories. Second quarter performance had markedly improved with turnover up 8%. S&W branded Fresh Business expanded by 21% driven by robust turnover in Japan, China, Middle East and Singapore. The Company also had higher supply of the premium fresh fruit in the second quarter which satisfied the strong fresh demand. Brand building with sampling activities are being executed in key markets of Korea, Japan, China and Singapore.

Due to higher volume, improved pricing and mix as well as cost improvements, gross profit for the branded segment significantly improved by 17% to US$41.7 million. Operating profit increased by 33% to US$17.4 million mainly due to better margins and stronger sales.

b. Non-Branded

For the six months ended 30 June **In US$'000**	**Non Supply Contract**						**Supply Contact**			**Total**		
	Asia Pacific			**Europe and North America**						**Non Branded Business**		
	2013	**2012**	**% Chg**	**2013**	**2012**	**% Chg**	**2013**	**2012**	**% Chg**	**2013**	**2012**	**% Chg**
Turnover	**12,231**	9,653	26.7	**31,347**	24,844	26.2	**25,856**	28,481	(9.2)	**69,434**	62,978	10.3
Gross Profit	**3,072**	2,608	17.8	**486**	4,203	(88.4)	**2,872**	2,116	35.7	**6,430**	8,927	(28.0)
Gross Margin (%)	***25.1***	*27.0*	*(1.9ppt)*	***1.6***	*16.9*	*(15.3ppt)*	***11.1***	*7.4*	*3.7 ppt*	***9.3***	*14.2*	*(4.9ppt)*
Operating Profit	**1,669**	1,595	4.6	**(1,556)**	2,888	(153.9)	**613**	72	751.4	**726**	4,555	(84.1)
Op Margin (%)	***13.6***	*16.5*	*(2.9ppt)*	***(5.0)***	*11.6*	*(16.6ppt)*	***2.4***	*0.3*	*2.1 ppt*	***1.0***	*7.2*	*(6.2 ppt)*

Reported under the non-branded segment are turnover and profit on sales of private label and non-branded processed fruits, beverages, other processed products and fresh fruit; and turnover and profit on sales to non-affiliated Del Monte companies under long term supply contracts and under market prices.

The non-branded business segment accounted for 33% of the Company's total sales in the first half of 2013. The increase in turnover reflected an overall improvement in sales momentum with particularly robust growth in sales to North America of value-added products such as fruit in plastic cups and crushed pineapple in septic bags, which have better margins than other products.

However, gross profit was down 28% to US$6.4 million while operating income fell 84% to US$0.7 million mainly due to lower pineapple juice concentrate prices.

Review of Consumer Food Business For Six Months Ended 23 June 2013 and 24 June 2012

in US$ '000 unless otherwise stated*	**For six months ended**		
	23 June 2013	**24 June 2012**	**% Change**
Turnover	827,654	811,826	1.9
Cost of goods sold	648,044	657,772	(1.5)
Gross profit	179,610	154,054	16.6
Gross margin (%)	*21.7*	*19.0*	*2.7ppt*
Selling, general and administrative expense	141,472	128,524	10.1
Other expenses	1,033	17,197	(94.0)
Operating profit	37,105	8,333	345.3
Operating margin (%)	*4.5%*	*1.0%*	*3.5ppt*

Turnover

Turnover for the six months ended 23 June 2013 was US$827.7 million, an increase of US$15.9 million or 1.9%, compared to US$811.8 million for the six months ended 24 June 2012. This increase was primarily due to strong vegetable sales and decreased trade spending and was partially offset by unit volume declines as well as business challenges in South America, including high inflation and currency devaluation in Venezuela.

Note:

(1) "trade spending" refers to marketing expenses directed towards brand building and includes promotional allowances, slotting and advertisements.

(2) "unit volume declines" refers to lower unit quantities sold in the period compared to comparable prior period.

Cost of Goods Sold

Cost of goods sold for the six months ended 23 June 2013 was US$648.0 million, a decrease of US$9.8 million or 1.5%, compared to US$657.8 million for the six months ended 24 June 2012. This decrease was primarily due to more favourable pricing on purchased fruit and vegetables during the period.

Gross Margin

Gross margin percentage for the six months ended 23 June 2013 increased 2.7 points to 21.7% compared to 19.0% for the six months ended 24 June 2012. The gross margin percentage was favourably impacted by lower raw material product costs, and the positive impact of turnover growth on operating leverage during the period.

Selling, General and Administrative Expense

Selling, general and administrative expenses for the six months ended 23 June 2013 was US$141.5 million, an increase of US$13.0 million or 10.1%, compared to US$128.5 million for the six months ended 24 June 2012. The variance was primarily driven by increased marketing expenses due to expanded marketing investment and go-to market initiatives, and increased compensation costs related to the Annual Incentive Plan of the Vendor. Under the Vendor's Annual Incentive Plan, management employees, including the executive officers, were eligible to earn cash incentive payments based on a fixed target percentage of base salary during the fiscal year if corporate objectives for the fiscal year were attained. The target percentage of any executive's base pay generally increased with the scope of the executive's responsibility.

Other Expenses

Other expenses for the six months ended 23 June 2013 was US$1.0 million, a decrease of US$16.2 million or 94.0%, compared to US$17.2 million for the six months ended 24 June 2012. The decrease is mainly due to absence of prior year litigation costs related to the Fresh Del Monte judgment which occurred in the six months ended 24 June 2012.

Consumer Food Business – Brand Level Financial Information

Please note that the following brand level financial information of the Consumer Food Business was derived from the management reports of the Vendor and therefore will not agree exactly to the pro forma financial results of the Consumer Food Business listed elsewhere in this Circular.

Turnover in US$ '000	For the Six Months ended 23 June 2013	%	For the Six Months ended 24 June 2012	%
Del Monte	500,672	60.8	486,377	59.9
S&W	14,469	1.7	30,447	3.8
Contadina	32,097	3.9	34,379	4.2
College Inn	21,262	2.6	19,136	2.4
Private Labels	88,878	10.8	56,070	6.9
Non Retail/Other	166,660	20.2	185,135	22.8
Total	**824,038**	**100.0**	**811,544**	**100.0**

Note:

(1) For the six months ended 23 June 2013, the difference between the brand level financial information (US$824,038,000) and the "Consumer Food Business U.S. GAAP (Unaudited)" (page E-24 of Appendix E of the Circular) (US$827,038,000) is US$3,000,000, representing a difference of 0.4%. The nature of this difference is due to the fact that the brand level information is from a management report and not the general ledger. The general ledger was adjusted from time to time to arrive at the audited results.

a. Del Monte

For the six months ended In US$'000			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	500,672	486,377	2.9
Gross Profit	132,619	114,053	16.3
Gross Margin (%)	*26.5*	*23.4*	*3.1 ppt*
Operating Profit	47,545	20,946	127.0
Operating Margin (%)	*9.5*	*4.3*	*5.2 ppt*

Turnover for the six months ended 23 June 2013 was US$500.7 million, an increase of US$14.3 million or 2.9%, compared to US$486.4 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 increased 3.1 points to 26.5% compared to 23.4% for the six months ended 24 June 2012.

Operating profit for the six months ended 23 June 2013 was US$47.5 million, an increase of US$26.6 million or 127.0% compared to US$20.9 million for the six months ended 24 June 2012.

b. S&W

For the six months ended In US$'000			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	14,469	30,447	(52.5)
Gross Profit	1,951	8,171	(76.1)
Gross Margin (%)	*13.5*	*26.8*	*(13.3) ppt*
Operating (Loss) Profit	(1,026)	4,171	(124.6)
Operating Margin (%)	*(7.1)*	*13.7*	*(20.8) ppt*

Turnover for the six months ended 23 June 2013 was US$14.5 million, a decrease of US$15.9 million or 52.5%, compared to US$30.4 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 decreased 13.3 points to 13.5% compared to 26.8% for the six months ended 24 June 2012.

Operating loss for the six months ended 23 June 2013 was US$1.0 million compared to an operating profit of US$4.2 million for the six months ended 24 June 2012.

c. Contadina

For the six months ended In US$'000			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	32,097	34,379	(6.6)
Gross Profit	9,974	14,462	(31.0)
Gross Margin (%)	*31.1*	*42.1*	*(11.0) ppt*
Operating Profit	4,724	9,920	(52.4)
Operating Margin (%)	14.7	28.9	(14.2) ppt

Turnover for the six months ended 23 June 2013 was US$32.1 million, a decrease of US$2.3 million or 6.6%, compared to US$34.4 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 decreased 11.0 points to 31.1% compared to 42.1% for the six months ended 24 June 2012.

Operating profit for the six months ended 23 June 2013 was US$4.7 million, a decrease of US$5.2 million or 52.4%, compared to an operating profit US$9.9 million for the six months ended 24 June 2012.

d. College Inn

For the six months ended **In US$'000**			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	21,262	19,136	11.1
Gross Profit	9,428	9,113	3.5
Gross Margin (%)	*44.3*	*47.6*	*(3.3) ppt*
Operating Profit	5,789	5,489	5.5
Operating Margin (%)	*27.2*	*28.7*	*(1.5) ppt*

Turnover for the six months ended 23 June 2013 was US$21.3 million, an increase of US$2.2 million or 11.1%, compared to US$19.1 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 decreased 3.3 points to 44.3% compared to 47.6% for the six months ended 24 June 2012.

Operating profit for the six months ended 23 June 2013 was US$5.8 million, an increase of US$0.3 million or 5.5% for the six months ended 24 June 2012.

e. Private Labels

For the six months ended **In US$'000**			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	88,878	56,070	58.5
Gross Profit	12,221	7,849	55.7
Gross Margin (%)	*13.8*	*14.0*	*(0.2) ppt*
Operating Profit	1,866	105	1,677.1
Operating Margin (%)	*2.1*	*0.2*	*1.9 ppt*

Turnover for the six months ended 23 June 2013 was US$88.9 million, an increase of US$32.8 million or 58.5%, compared to US$56.1 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 decreased 0.2 points to 13.8% compared to 14.0% for the six months ended 24 June 2012.

Operating profit for the six months ended 23 June 2013 was US$1.9 million, an increase of US$1.8 million or 1,677.1% for the six months ended 24 June 2012

f. Non Retail/Other (comprised of US military, food service, other food processors and South America)

For the six months ended **In US$'000**			
	23 June 2013	**24 June 2012**	**% Change**
Turnover	166,660	185,135	(10.0)
Gross Profit	10,653	17,597	(39.5)
Gross Margin (%)	*6.4*	*9.5*	*(3.1) ppt*
Operating (Loss)	(22,680)	(18,981)	19.5
Operating Margin (%)	*(13.6)*	*(10.3)*	*(3.3)ppt*

Turnover for the six months ended 23 June 2013 was US$166.7 million, a decrease of US$18.4 million or 10.0%, compared to US$185.1 million for the six months ended 24 June 2012.

Gross margin percentage for the six months ended 23 June 2013 decreased 3.1 points to 6.4% compared to 9.5% for the six months ended 24 June 2012.

Operating loss for the six months ended 23 June 2013 was US$22.7 million, an increase of US$3.7 million or 19.5%, compared to an operating loss of US$19.0 million for the six months ended 24 June 2012.

Review of the Company for the Twelve Months Ended 31 December 2012 and 31 December 2011

in US$'000 unless otherwise stated*	For the twelve months ended 31 Dec		
	2012	2011	% Change
Turnover	459,711	425,235	8.1
Gross profit	112,799	101,425	11.2
Gross margin (%)	*24.5*	*23.9*	*0.6 ppt*
Distribution and selling expenses	31,537	25,113	25.6
General and administrative expenses	28,017	26,627	5.2
Other operating expenses	3,383	5,400	(37.4)
Operating profit	49,862	44,285	12.6
Operating margin (%)	*10.8*	*10.4*	*0.4 ppt*
Net finance expense	3,059	1,597	91.5
Share of loss in joint venture, net of non-controlling interest	5,625	9,739	(42.2)
Taxation	9,088	5,508	65.0
Net profit attributable to owners	32,090	27,441	16.9
Net Margin (%)	*7.0*	*6.5*	*0.5ppt*
Depreciation	15,081	12,957	16.4

** The Company's reporting currency is US dollars. For conversion to S$, these exchange rates can be used: 1.22 in 12 months ended on 31 December 2012 and 1.25 in 12 months ended on 31 December 2011.*

Turnover

The Company's turnover for 2012 grew by 8.1% to a record US$459.7 million from US$425.2 million driven by strong consumer demand for Del Monte branded products in the Philippines and in the Indian subcontinent and S&W in Asia and the Middle East. Sales in the Philippine market rose due to favourable mix, better prices and higher volume. All major product categories registered growth, most notably the canned beverage segment with a remarkable increase. The S&W processed business performed strongly, generating sales of US$16.8 million. This was driven by market expansion and deepening penetration in core markets, in particular, China and Korea.

Gross Profit

The Company's gross profit was up 11.2% to US$112.8 million due to better prices, sales mix, and volume improvements. Gross margin increased to 24.5% from 23.9%. The Company also realised gains from improvements in its cost management, lower raw materials and enhanced supply chain, which included better distribution.

Selling and Distribution Expenses

Selling and distribution expenses was 6.9% of total revenues in 2012 and amounted to US$31.5 million, 25.6% higher compared to 2011 mainly due to higher advertising and selling expenses in relation to new product launches.

General and Administrative Expenses

General and administrative expenses increased by 5.2% or US$1.4 million from FY2011 mainly on organisational build-up and product initiatives.

Other Expenses

Other expenses in the year ended 2012 amounted to US$3.4 million, lower compared to previous year's US$5.4 million mainly on the one-off expenses incurred in 2011.

Operating Income

Operating income rose 12.6% to US$49.9 million from US$44.3 million primarily due to higher turnover and margins, which offset higher operating expenses.

Finance Income/Expenses

Interest income for the Company was 20.0% higher in FY2012 compared to prior year due to higher interest income from operating assets. For the twelve months ended 31 December 2012, interest income was at US$0.6 million. Interest income for the twelve months ended 31 December 2011 was at US$0.5 million.

Interest expense for the Company was 25.8% higher in FY2012 compared to the prior year due to higher average borrowings during the period. For the twelve months ended 31 December 2012, interest expense was at US$3.9 million. Interest expense for the twelve months ended 31 December 2011 was at US$3.1 million.

Depreciation Expense

Depreciation expense for the Company increased by 16.4% to US$15.1 million in 2012 compared to US$13.0 million in 2011. This is mainly due to higher capital expenditures.

Share of Profit of Associates

Loss on the joint venture for the Company was lower by 42.3% in 2012 due to higher sales and reduced expenses in the Indian joint venture. For the twelve months ended 31 December 2012, the Company's share of loss was at US$5.6 million. Share of loss for the twelve months ended 31 December 2011 was at US$9.7 million.

Tax

Tax expense increased to US$9.1 million in FY2012 compared to US$5.5 million in FY2011 mainly on higher taxable income

Profit for the Period

The Company ended the year with a net profit attributable to the owners of the Company of US$32.1 million, 16.9% higher over last year's US$27.4 million due to higher sales, favourable margins, and lower equity share in FieldFresh loss.

Financial Performance by Operating Segment

a. Branded

In US$ '000	For the twelve months ended 31 Dec		
	2012	**2011**	**% Change**
Turnover	320,868	274,649	16.8
Gross Profit	96,859	75,232	28.7
Gross Margin (%)	*30.2*	*27.4*	*2.8*
Operating Profit	44,448	28,765	54.5
Operating Margin (%)	*13.9*	*10.5*	*3.4 ppt*

Turnover in the branded business grew 16.8% to US$320.9 million from US$274.6 million on higher sales in all major categories in the Philippines as well as improved S&W sales.

Turnover in the Philippines rose 14% due to favourable mix, better prices and higher volume. Major categories registered strong growth, especially the canned beverages with strong increase in sales. The culinary segment also rose.

S&W branded business generated turnover of US$35.2 million, up strongly by 53% on deepened penetration in core markets of China and Korea and entry into new markets of Japan for fresh fruit and in the Middle East for processed.

Due to higher volume, improved pricing and mix as well as cost improvements, gross profit for the branded segment significantly improved by 28.7% to US$96.9 million. Operating profit increased by 54.5% to US$44.4 million mainly due to better margins.

b. Non Branded

In US$'000	Non Supply Contract						Supply Contact			Total Non Branded Business		
	Asia Pacific			Europe and North America								
	2012	**2011**	**% Chg**	**2012**	**2011**	**% Chg**	**2012**	**2011**	**% Chg**	**2012**	**2011**	**% Chg**
Turnover	21,747	21,775	(0.1)	56,073	66,549	(15.7)	61,023	62,262	(2.0)	138,843	150,586	(7.8)
Gross Profit	5,128	5,555	(7.7)	6,509	15,365	(57.6)	4,303	5,273	(18.4)	15,940	26,193	(39.1)
Gross Margin (%)	*23.6*	*25.5*	*(1.9 ppt)*	*11.6*	*23.1*	*(11.5 ppt)*	*7.1*	*8.5*	*(1.4 ppt)*	*11.5*	*17.4*	*(5.9 ppt)*
Operating Profit	3,223	3,830	(15.9)	2,287	11,365	(79.9)	(96)	325	(129.5)	5,414	15,520	(65.1)
Operating Margin (%)	*14.8*	*17.6*	*(2.8 ppt)*	*4.1*	*17.1*	*(13.0 ppt)*	*(0.2)*	*0.5*	*(0.7 ppt)*	*3.9*	*10.3*	*(6.4 ppt)*

With the expansion of the Company's branded business, the turnover of non-branded business accounted for 30.2% of the Company's sales in 2012, down from 35.4% in 2011.

Turnover for non-branded segment decreased by 7.8% to US$138.8 million from US$150.6 million due to lower sales on weak demand and reduced pineapple juice concentrate prices. The highest turnover decline came from non supply contract Europe and North America at 15.7%. Turnover in non supply contract Asia Pacific and supply contract were almost flat.

Gross profit was down 39.1% to US$15.9 million while operating income fell 65.1% to US$5.4 million.

Review of Consumer Food Business For The Twelve Months Ended 23 December 2012 and the Eight Months Ended 25 December 2011

in US$'000 unless otherwise stated*	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	1,825,991	1,227,991	nm*
Cost of goods sold	1,442,193	946,758	nm*
Gross profit	383,798	281,233	nm*
Gross margin (%)	*21.0%*	*22.9%*	*(1.9)ppt*
Selling, general and administrative expense	295,135	181,953	nm*
Other expenses	14,135	9,863	nm*
Operating profit	74,528	89,417	nm*
Operating margin (%)	*4.1%*	*7.3%*	*(3.2)ppt*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Turnover

Turnover for the twelve months ended 23 December 2012 and eight months ended 25 December 2011 was US$1,826.0 million and US$1,228.0 million, respectively. In 2012, the consumer foods business experienced declines in existing products (primarily retail tomato, produce and S&W). The lower retail turnover was driven by lower produce sales resulting from the discontinuance of certain products as a result of the judgment in the Fresh Del Monte litigation. Partially offsetting the lower turnover volumes experienced in 2012 was an increase in pricing supported by increased trade promotion activity.

Cost of Goods Sold

Cost of goods sold for the twelve months ended 23 December 2012 and the eight months ended 25 December 2011 was US$1,442.2 million and US$946.8 million, respectively.

Gross Profit

Gross profit for the twelve months ended 23 December 2012 was US$383.8 million or 21.0% of the turnover. Gross profit for the eight months ended 25 December 2011 was US$281.2 million or 22.9% of turnover. Gross profit percentage in the twelve months ended 23 December 2012 was negatively impacted by costs associated with the closure of the Kingsburg, California peach processing facility.

Selling, General and Administrative

Selling, general and administrative expenses for the twelve months ended 23 December 2012 was US$295.1 million and was US$182.0 million for the eight months ended 25 December 2011. Selling, general and administrative expenses in the twelve months ended 23 December 2012 were primarily driven by higher expenses related to the Fresh Del Monte litigation. In addition, selling, general and administrative expenses were also impacted by increased marketing expenses, as well as higher compensation costs driven by severance costs incurred in connection with organisational changes implemented during fiscal 2012.

Other Expenses

Other expenses for the twelve months ended 23 December 2012 and eight months ended 25 December 2011 was US$14.1 million and US$9.9 million, respectively. Other expenses were primarily due to losses on commodity hedging contracts and interest rate swaps in the respective periods.

Consumer Food Business – Brand Level Financial Information

Please note that the following brand level financial information of the Consumer Food Business was derived from the management reports of the Vendor and therefore will not agree exactly to the pro forma financial results of the Consumer Food Business listed elsewhere in this Circular.

Turnover in US$ '000	For the Twelve Months ended 23 Dec 2012	%	For the Eight Months ended 25 Dec 2011	%
Del Monte	1,093,781	60.3	774,302	63.2
S&W	53,316	2.9	39,439	3.2
Contadina	71,218	3.9	46,804	3.8
College Inn	56,493	3.1	40,245	3.3
Private Labels	133,662	7.4	72,627	5.9
Non Retail/Others	404,644	22.3	251,489	20.6
Total	**1,813,114**	**100.0**	**1,224,906**	**100.0**

a. **Del Monte**

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	1,093,781	774,032	nm*
Gross Profit	282,717	205,807	nm*
Gross Margin (%)	*25.8*	*26.6*	*(0.8) ppt*
Operating Profit	97,928	99,591	nm*
Operating Margin (%)	*9.0*	*12.9*	*(3.9) ppt*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Gross margin percentage for the twelve months ended 23 December 2012 decreased 0.8 points to 25.8% compared to 26.6% for the eight months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 decreased 3.9 points to 9.0% compared to 12.9% for the eight months ended 25 December 2011.

b. **S&W**

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	53,316	39,439	nm*
Gross Profit	13,310	7,412	nm*
Gross Margin (%)	*25.0*	*18.8*	*6.2 ppt*
Operating Profit	5,769	2,121	nm*
Operating Margin (%)	*10.8*	*5.4*	*5.4 ppt*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Gross margin percentage for the twelve months ended 23 December 2012 increased 6.2 points to 25.0% compared to 18.8% for the eight months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 increased 5.4 points to 10.8% compared to 5.4% for the eight months ended 25 December 2011.

c. Contadina

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	71,218	46,804	nm*
Gross Profit	26,438	14,744	nm*
Gross Margin (%)	*37.1*	*31.5*	*5.6 ppt*
Operating Profit	16,790	8,254	nm*
Operating Margin (%)	*23.6*	*17.6*	*6.0 ppt*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Gross margin percentage for the twelve months ended 23 December 2012 increased 5.6 points to 37.1% compared to 31.5% for the eight months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 increased 6.0 points to 23.6% compared to 17.6% for the eight months ended 25 December 2011.

d. College Inn

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	56,493	40,245	nm*
Gross Profit	27,378	19,520	nm*
Gross Margin (%)	*48.5*	*48.5*	*0.0 ppt*
Operating Profit	19,186	14,644	nm*
Operating Margin (%)	*34.0*	*36.4*	*(2.4ppt)*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Gross margin percentage for the twelve months ended 23 December 2012 was unchanged compared to the twelve months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 decreased 2.4 points to 34.0% compared to 36.4% for the eight months ended 25 December 2011.

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	133,662	72,627	nm*
Gross Profit	18,746	9,217	nm*
Gross Margin (%)	*14.0*	*12.7*	*1.3 ppt*
Operating Profit	788	(1,122)	nm*
Operating Margin (%)	*0.6*	*(1.5)*	*2.1ppt*

** not meaningful as the number of months included in the periods presented are different and therefore not comparable*

e. Private Labels

Gross margin percentage for the twelve months ended 23 December 2012 increased 1.3 points to 14.0% compared to 12.7% for the eight months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 increased 2.1 points to 0.6% compared to negative 1.5% for the eight months ended 25 December 2011.

f. Non Retail/Other (comprised of US military, food service, other food processors and South America)

In US$'000	For the Twelve Months ended 23 Dec 2012	For the Eight Months ended 25 Dec 2011	% Change
Turnover	404,644	251,489	nm*
Gross Profit	39,295	28,857	nm*
Gross Margin (%)	*9.7*	*11.5*	*(1.8) ppt*
Operating Profit	(39,601)	(19,875)	nm*
Operating Margin (%)	*(9.8)*	*(7.9)*	*(1.9) ppt*

* *not meaningful as the number of months included in the periods presented are different and therefore not comparable*

Gross margin percentage for the twelve months ended 23 December 2012 decreased 1.8 points to 9.7% compared to 11.5% for the eight months ended 25 December 2011.

Operating margin percentage for the twelve months ended 23 December 2012 decreased 1.9 points to negative 9.8% compared to negative 7.9% for the eight months ended 25 December 2011.

Review of Financial Position

CONSUMER FOOD BUSINESS

Current Assets

Current assets represented approximately 34.6% of total assets as of 23 June 2013, compared to approximately 41.1% of total assets as of 23 December 2012. As of 23 June 2013, current assets amounted to approximately US$724.2 million comprising inventories of US$568.3 million, trade and other receivables of US$83.9 million, prepaid and other assets of US$68.9 million and cash and cash equivalents of US$3.0 million. Inventories as of 23 June 2013 decreased 26.8% versus as of 23 December 2012 primarily due to the seasonality of the Consumer Food Business. Inventories in December are historically higher than in June due to the season production period whereby the majority of Consumer Food Business processed fruit, vegetable and tomato products are manufactured during the summer months. Trade and other receivables dropped by US$39.0 million or 31.7% as of 23 June 2013 compared to as of 23 December 2012 as a result of a decline in turnover in June compared to turnover in December, as turnover is seasonally higher during the holiday season around the month of December. Prepaid and other assets increased by 51.5% as of 23 June 2013 as compared to as of 23 December 2012. Prepaid and other assets were comprised of machine repair and operating (MRO) parts and supplies, agriculture growers' advance, plant receivables, and other receivables. The increase in prepaid and other assets balance as of 23 June 2013 compared to the balance as of 23 December 2012 is primarily due to a US$12.7 million increase in the agriculture and growers advance. Cash and cash equivalents declined to US$3.0 million as of 23 June 2013 versus US$3.5 million as of 23 December 2012.

Non-Current Assets

Non-current assets represented approximately 65.4% and 58.9% of total assets as of 23 June 2013 and 23 December 2012, respectively. As of 23 June 2013, non-current assets amounted to approximately US$1,369.8 million, comprised primarily of intangible assets of US$802.5 million, property, plant and equipment of US$411.2 million, and other non-current assets of US$8.8 million. Total non-current assets increased by US$11.8 million as of 23 June 2013 compared to as of 23 December 2012. The increase is mainly attributable to a US$12.2 million

increase in the net value of property, plant and equipment due to capital expenditures, a US$3.9 million increase in the book value of other assets, partially offset by a US$6.0 million decrease in the book value of intangible assets mainly due to the amortisation of definite lived intangible assets.

Current Liabilities

Current liabilities represented approximately 60.0% and 64.1% of total liabilities as of 23 June 2013 and 23 December 2012, respectively. As of 23 June 2013, current liabilities decreased 16.9% to US$207.0 million versus US$249.0 million as of 23 December 2012. Trade and other payables decreased by US$39.3 million or 16.1% from the balance as of 23 June 2013 compared to as of 23 December 2012. The change in trade and other payables is generally due to the seasonality of the business. Financial liabilities comprised US$2.0 million as of 23 June 2013 compared to US$4.7 million as of 23 December 2012.

Non-Current Liabilities

As of 23 June 2013, other noncurrent liabilities amounted to US$138.2 million, 0.9% lower versus the balance as of 23 December 2012. Other noncurrent liabilities are comprised of the non-current portion of employee retirement benefits liabilities, workers compensation liabilities, and other long term liabilities.

Shareholders' Equity

As of 23 June 2013 and 23 December 2012, equity attributable to shareholders amounted to US$1,748.8 million and US$1,918.3 million, respectively.

A summary of the pro forma consolidated statement of cash flows for the six months ended 30 June 2013 and the twelve months ended 31 December 2012 is set out below.

(US$'000)	Six Months ended 30 June 2013	Twelve Months ended 31 Dec 2012
Net cash from operating activities	223,634	142,641
Net cash used in investing activities	(37,915)	(1,782,425)
Net cash from (used) in financing activities	(8,017)	1,626,228
Net change in cash and cash equivalents	177,702	(15,406)
Cash and cash equivalents at beginning of year	17,188	23,327
Effect of exchange rate on balances held in foreign currencies	4,438	9,267
Cash and cash equivalents at end of year	199,328	17,188

Net cash from operating activities

In the six months ended 30 June 2013, the Enlarged Group generated net cash inflows from operating activities of approximately US$223.6 million, which was a result of operating cash flows before working capital changes of approximately US$89.1 million, net working capital inflows of approximately US$142.1 million, partially offset by cash taxes paid of US$7.6 million. The working capital inflows are primarily driven by US$172.2 million of cash inflows as a result of significantly lower inventories balances on 30 June 2013 as compared to 31 December 2012. Due to the seasonal nature of the Consumer Food Business, inventories balances are close to their peak in December and are close to their lowest point in June.

In the twelve months ended 31 December 2012, the Enlarged Group generated net cash inflows from operating activities of approximately US$142.6 million, which was a result of operating cash flows before working capital changes of approximately US$193.6 million partially offset by net working capital outflows of approximately US$49.4 million and cash taxes paid of US$1.6 million.

Net Cash used in investing activities

In the six months ended 30 June 2013, the Enlarged Group incurred net cash outflows from investing activities of approximately US$37.9 million primarily attributable to purchases of property, plant and equipment.

In the twelve months ended 31 December 2012, the Enlarged Group incurred net cash outflows from investing activities of approximately US$1,782.4 million, primarily attributable to the acquisition of the Consumer Food Business as the transaction was assumed to have occurred on 1 January 2012 for purposes of the unaudited pro forma statement of cash flows, US$76.8 million for purchases of property, plant and equipment and US$27.8 million of transaction costs related to the acquisition of the Consumer Food Business.

Net Cash used in financing activities

In the six months ended 30 June 2013, the Enlarged Group incurred cash outflows from financing activities of approximately US$8.0 million. This was primarily driven by US$29.2 million payment of interest on debt and US$16.3 million in dividend payments which were offset partially by US$39.3 million of net proceeds from borrowings.

In the twelve months ended 31 December 2012, the Enlarged Group generated cash inflows from financing activities of approximately US$1,624.4 million due to net proceeds from borrowings and equity issuance related to the acquisition of the Consumer Food Business that was assumed to have occurred on 1 January 2012 for the purpose of the pro forma statement of cash flows.

4.3 Financial Highlights of the Enlarged Group

The following summary of the unaudited pro forma consolidated financial information should be read in conjunction with the unaudited pro forma consolidated financial statements for the Enlarged Group set out in Appendix E.

Unaudited Pro forma Income Statement Summary

	Year ended 31 December		Six months ended 30 June	
in US$'000	**2011**	**2012**	**2012**	**2013**
Sales	**1,635,895**	**2,269,552**	**977,712**	**1,016,558**
Profit/(loss) before income tax	**31,457**	**58,274**	**(7,153)**	**18,492**
Profit/(loss) for year/period attributable to the Owners of the Enlarged Group	**25,927**	**41,998**	**(635)**	**13,755**

Unaudited Pro forma Statements of Financial Position

in US$'000	As at 31 Dec 2012	As at 30 June 2013
ASSETS		
Total non-current assets	1,169,715	1,374,553
Total current assets	1,408,363	1,157,782
Total Assets	2,578,078	2,532,335
EQUITY AND LIABILITIES		
Equity	306,687	291,773
Total non-current liabilities	1,268,152	1,260,919
Total current liabilities	1,003,239	979,643
Total Liabilities	2,271,391	2,240,562
Total Liabilities and Equity	2,578,078	2,532,335

Unaudited Pro forma Cash Flow Statement Summary

in US$'000	Year ended 31 Dec 2012	Six months ended 30 June 2013
Net cash generated from operating activities	142,641	223,634
Net cash used in investing activities	(1,782,425)	(37,915)
Net cash generated from/(used in) financial activities	1,624,378	(8,017)
Net (decrease)/increase in cash and cash equivalents	(15,406)	177,702
Cash and cash equivalents at beginning of the year/period	23,327	17,188
Effect of exchange rate on businesses held in foreign currency	9,267	4,438
Cash and cash equivalents at end of the year/period	17,188	199,328

5. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

For illustration purposes, the computations in accordance with Rule 1006 of the Listing Manual with respect to the Proposed Acquisition are set out below:

Rule 1006		Relative Figures
(a)	Aggregate net asset value of the assets to be disposed of compared with the Group's net asset value	Not applicable[(1)]
(b)	Aggregate net profit attributable to the assets acquired compared with the Group's net profit	183.1%[(2)]
(c)	Aggregate value of the consideration to be paid compared with the Company's market capitalisation	199%[(3)]
(d)	Number of equity securities issued by the Company as consideration compared with the number of securities previously in issue	Not applicable[(4)]

Notes:

(1) Rule 1006(a) is not applicable to an acquisition of assets.

(2) Net profit attributable to the Consumer Food Business for the twelve months ended 31 December 2012 (unaudited and under IFRS) less intercompany elimination transactions compared with the Group's net profit under IFRS for FY2012.

Intercompany transactions represent transactions related to certain pineapple supply contracts between GTL Limited and Vendor Consumer Food Business. Subsequent to the completion of the Proposed Acquisition, such transactions would acquire the character of an intercompany transaction; therefore, in the preparation of the unaudited pro forma combined financial information of the Enlarged Group the effect of such transactions has been eliminated.

(3) The Company's market capitalisation of approximately S$1.052 billion is determined by multiplying 1,296,600,071 Shares by the volume weighted average price of the Shares transaction on 9 October 2013 (being the last Market Day preceding the date of the Purchase Agreement) of S$0.811.

The exchange rate used for this calculation is US$1:00 = S$1.25

(4) Not applicable to the Proposed Acquisition as the consideration is paid by the Company to the Vendor in cash.

As the relative figures computed under Rule 1006 exceed 100%, the Proposed Acquisition constitutes a "very substantial acquisition" pursuant to Rule 1015 of the Listing Manual.

6. SGX-ST, SEC PHILIPPINES AND PSE

6.1 In-principle Approval for the Proposed Acquisition

The SGX-ST has granted its in-principle approval for the Proposed Acquisition, subject to, inter alia, the following conditions:

Approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Proposed Acquisition, PSE Resolution, the Company and/or its subsidiaries.

6.2 SEC Philippines and PSE

The Company has a secondary listing on the PSE on 10 June 2013.

Clearance from SEC Philippines and PSE for this Circular is not required. The Company has communicated with PSE that this Circular will be distributed to Shareholders of the Company in the Philippines at the same time as despatch of this Circular to Shareholders in Singapore.

6.3 Waiver granted by the SGX-ST

The Company sought a waiver from the SGX-ST from the compliance with the relevant rules of the SGX-ST Listing Manual requiring the inclusion of the first financial year of the Consumer Food Business from 3 May 2010 to 1 May 2011 in the Circular.

SGX-ST has on 26 November 2013, granted a waiver from compliance with the requirements under Rule 609(b) ("**Waiver**").

The Waiver is subject to the following:

(i) The audited financial statements of the Consumer Food Business prepared in accordance with U.S. GAAP (without adjustments to exclude the assets and liabilities which do not form part of the Proposed Acquisition) for the financial year from 2 May 2011 to 29 April 2012 and financial year from 30 April 2012 to 28 April 2013;

(ii) The unaudited financial statements of the Consumer Food Business for the financial period from 29 April 2013 to 28 July 2013 prepared in accordance with U.S. GAAP (without adjustments to exclude the assets and liabilities which do not form part of the Proposed Acquisition);

(iii) Proforma Enlarged Group's financial statements in accordance with IFRS (with adjustments made to (i) restate the U.S. GAAP financial statements of the Consumer Food Business to IFRS; (ii) exclude assets and liabilities which do not form part of the Proposed Acquisition; (iii) purchase price adjustment; and (iv) elimination of the transaction between the Company and Consumer Food Business);

(iv) Management's discussion and analysis of the Consumer Food Business as an entire segment on its own; and

(v) The Company's justification for the non-inclusion of the first financial year for the Consumer Food Business and as a result the proforma financial information of the Enlarged Group would cover a period less than 3 years.

The reasons for seeking the Waiver are as follows:

(i) The Vendor was acquired by KKR, Vestar and Centerview in 2011 ("**Vendor 2011 Acquisition**"). The Vendor 2011 Acquisition was completed on 8 March 2011. As the Vendor 2011 Acquisition was completed on 8 March 2011, almost the entire financial year of the Vendor from 3 May 2010 to 1 May 2011 ("**First FY**") relates to the period prior to the completion of the Vendor 2011 Acquisition.

The Vendor's financial statements for all periods subsequent to the Vendor 2011 Acquisition were not prepared on the same accounting basis that would apply to the financial statements prior to the Vendor 2011 Acquisition due to the application of acquisition accounting and changes in the Vendor's capital structure resulting from the Vendor 2011 Acquisition. Accordingly, the Vendor's financial statements for the First FY prior to 8 March 2011 even if available (which they are not) would not accurately reflect the operating performance of the Vendor (and the Consumer Food Business).

(ii) Financial information relating to the 8-weeks period commencing on 8 March 2011 to the end of the First FY on 1 May 2011 ("**8 Week Period**") is not available to the Company to undertake the necessary work to prepare the necessary financial statement for the 8 Week Period. As such, the Company has no access to the necessary information to comply with the relevant regulatory provisions.

(iii) The period in question is only an 8-week period. The Consumer Food Business' financial statements for the period from 29 April 2013 to 28 July 2013 will be included in the Circular. Shareholders should have sufficient information to evaluate the Consumer Food Business.

(iv) As a result of the above, the pro forma enlarged Group's financial statements for the first financial year ended 31 December 2010 will also be excluded from the Circular.

7. INFORMATION ON THE ENLARGED GROUP

7.1 Principal Business

Presently, the Group owns the *Del Monte* brand for processed products 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. The Group also holds the exclusive rights to produce and distribute processed food and beverage products under the *Del Monte* brand in the Indian subcontinent and Myanmar. The Group also owns another premium brand, *S&W*, globally except the Americas, Australia and New Zealand.

Following completion of the Proposed Acquisition, the Enlarged Group will have access to the U.S. market. The Enlarged Group could also build on the Consumer Food Business' core business and leading market shares in the U.S. across its canned fruit, vegetable, tomato and broth businesses as well as to expand the Consumer Food Business' current product offering to include beverage and culinary products. The Consumer Food Business' largely untapped South America business also has the potential to expand over time across new markets and product categories.

7.2 Prospects and Future Plan

The Company sees very significant opportunities both to improve the profitability of the Consumer Food Business and to grow it through both sales expansion and cost reduction.

Revenue Enhancement and Cost Efficiency Programmes

Over the past two years the Consumer Food Business had made significant marketing related investments, particularly in marketing research, packaging, product innovation, organisation and media. Considering that the planned investments have been completed, it is expected that there will be substantial reductions in marketing development expenses on the part of the Group while Consumer Food Business continues to invest in media and other marketing investments. Other potential areas of cost savings include rationalisation of underutilised manufacturing facilities and more cost-effective sourcing strategies for services. It is expected that the Consumer Food Business' operating overhead expenses will be substantially less than prior overhead allocations. All these cost reduction programmes are intended to be implemented during the first year of operations under the Group.

Synergies and Coordination with the Group

There are clear synergies between the Consumer Food Business and the Group that should result in benefits to both. An example will be the supply agreement between GTL Ltd and the Vendor under which the Group supplies processed pineapple products to the Vendor mainly for the U.S. markets ("**Supply Agreement**"). On 14 November 2011, GTL Ltd issued a three-year prior written notice of termination of the Supply Agreement which termination will take effect on 30 November 2014. This was announced by the Company on 14 November 2011.(1) After Closing of the Proposed Acquisition, GTL Ltd and the Acquiror may decide to renegotiate a new supply agreement under commercial terms that are more responsive to the requirements of the U.S. market. The Consumer Food Business aims to grow its pineapple business in the U.S. with the full support of the Group. Currently while the Consumer Food Business has a 26% market share in canned fruit, its share in the canned pineapple segment is approximately 10%.

The Consumer Food Business does not have a significant share in the US$50 billion beverage market in the U.S. It is expected that the Consumer Food Business will initiate programmes to grow this segment with the support of the Group.

It is also the intention of the Group to develop the ethnic market for both the Consumer Food Business' and the Group's products in the U.S. through the Consumer Food Business' marketing and distribution channels. The potential market for the Group's products in Asian grocery stores is significant given the healthy growth of Asian and other ethnic populations in the U.S..

Note:

(1) The Supply Agreement had been in place since 1991 and has certain terms which are unfavourable to the Company and which have resulted in margins that are lower than what the Company realises in other markets for its export business. The rationale for the termination in 2011 was that the Company expects to be able to achieve improved results in the U.S. markets as has been the case in Europe, following the termination of canned fruit supply agreement with Del Monte Fresh Produce International for Europe that occurred one year earlier in 2010. It was stated in the 14 November 2011 announcement by the Company that the review and restructuring of supply agreements with key partners continue to be among the many initiatives undertaken by the Company to strengthen its profitability.

Medium Term Plans

The Company's medium term plans for the Consumer Food Business include the continued growth of culinary, beverage and ethnic products plus expansion of the Consumer Food Business' other brands, namely *S&W*, *Contadina* and *College Inn*. These brands have been under-resourced and the Company believes there is room for future growth.

The Consumer Food Business owns the *Del Monte* brand for South America; however, except for Venezuela, the Consumer Food Business has no developed presence in South America. The Company intends to explore strategic alliances with potential joint venture partners for South America where the *Del Monte* brand is well known.

Please refer to Appendix F of this Circular for more information relating to industry prospects.

7.3 Risk factors

The risks factors outlined below relate to the Enlarged Group's risks. A thorough discussion of the risk factors relating to the Consumer Food Business is set out in Appendix A.

(i) Risk of the Proposed Acquisition

Execution and Integration Risk

As with any acquisition, there will always be an element of execution risk.

With potential differences in management style, culture, work practices and systems between the Consumer Food Business and the Company, there may be challenges to achieve smooth integration. However, the Company has an experienced management group that has extensive experience in multinational fast moving consumer goods (FMCG)'s operating in both developed and developing markets. Moreover, some of the Company's employees have worked[(1)] or have had dealings[(2)] with some of the Consumer Food Business's employees given the linked history of the two entities.

Note:

(1) For example, the Company's wholly-owned subsidiary, DMPI, was previously a wholly owned-subsidiary of Vendor. In 1991, the Company acquired 49.9% of DMPI from Vendor and in 1996, the remaining 50.1%. As such, some of the employees of the Group and of the Consumer Food Business were previous colleagues.

(2) For example, from 1991 onwards, two wholly-owned subsidiaries of the Company initially, Central American Resources, Inc and subsequently, GTL Ltd supplied pineapple products to the Consumer Food Business under the Supply Agreement. This means that some of the employees of the Group and of the Consumer Food Business are already acquainted through such dealings.

Employee Risk

As with any acquisition, the Consumer Food Business' employees might have concerns on job security. It is possible that some may decide to leave the Consumer Food Business. If these employees do leave the Consumer Food Business, business disruption might occur depending on whether the role vacated is critical, has back-up and can be easily filled.

New Products Risk

The Company has plans to enter into new product categories such as the beverage category. The U.S. beverage business is large but also very competitive and the Company may not be able to establish a meaningful-sized profitable business in the category.

Trademark and Corporate Name Risk

Although the Proposed Acquisition will consolidate the "*Del Monte*" trademark rights in the U.S., South America, Philippines, the Indian Subcontinent and Myanmar, the "*Del Monte*" trademarks are licenced to other companies which are independent of the Company. Acts or omissions by any of such licencees of the *Del Monte* trademarks may adversely affect the value of the *Del Monte* trademarks and demand for the Group's products.

The various Del Monte licencees have rights to use the Del Monte trademarks for certain specified products in their respective designated countries. There may be instances when third parties, without the knowledge of the relevant Del Monte licencees, import Del Monte brand products of a Del Monte licencee into a country in which another Del Monte licencee has exclusive right to use the Del Monte trademark.

A number of companies within the Group use "*Del Monte*" as part of their corporate name. Third party announcements or rumours about the licencees, product liability issues concerning them or challenges to the use of the corporate name could also have negative effects on the *Del Monte* trademarks or the Group.

Compliance

The Enlarged Group will be subject to a wide range of laws and government regulations, which may vary from one country or locality to another, and typically including regulations related to, among other things, land use and occupational health and safety. On completion of the Proposed Acquisition, the Enlarged Group will be subjected to more extensive and stringent laws and regulations including those of the U.S..

As a manufacturer and marketer of food products in the U.S., the Consumer Food Business' operations are subject to regulation by various federal government agencies, including the Food and Drug Administration, the United States Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the Federal Trade Commission ("**FTC**"), as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labelling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance and labelling. Consumer Food Business' products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, and the Federal Fair Packaging and Labeling Act of 1966, as amended. In addition, advertising these products is subject to regulation by the Federal Trade Commission, and the operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act, as amended. The Consumer Food Business' manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. The Consumer Food Business seeks to comply with all such laws and regulations and to obtain any necessary permits and licences.

While the Enlarged Group commits to exert efforts to comply with existing rules, regulations and laws governing its operations, it cannot foresee what environmental or health and safety legislation or regulations will be amended or enacted in the future; how existing or future laws or regulations will be enforced, administered or interpreted; or the amount of future expenditures that may be required to comply with these environmental or health and safety laws or regulations or to respond to environmental claims. To manage these risks, the Group closely monitors changes in legislation and government regulations affecting the Group's business. This is done through regular meetings with the Company's internal legal team and updates on compliance matters to the Board and management. It has a compliance programme that aims to monitor and ensure the Group's compliance with laws and regulations. Compliance is a regular Board agenda item.

Financial and Indebtedness Risks

Due to the scale of the acquisition and the large financing involved, the Company's gearing as well as financial obligations will increase significantly. Although the Company's strong operating cash flows are expected to be sufficient to service these obligations, risks arise if there is a general economic slowdown that may impact the Group's performance. This might affect the Group's ability to service its interest and debt obligations. The increased leverage also opens the Group to interest rate risks and potential restrictions from bank covenants that might limit the Group's ability to pursue favourable business and investment opportunities.

The Consumer Food Business will obtain a total of US$970 million of indebtedness, primarily relating to US$710 million of 1st Lien Term Loan and US$260 million of 2nd Lien Term Loan (the "**Term Loan Facilities**"). Additionally, the Consumer Food Business will obtain a US$350 million loan under an ABL Credit Agreement, a senior secured asset-based revolving facility, to be used for working capital needs and general corporate purposes (the "**ABL Facility**").

The Company will also obtain a total of US$670.5 million to finance the Proposed Acquisition comprising of US$350 million, US$75.5 million and US$165 million bridging facilities (the "**Bridging Facilities**") and US$80 million through a drawdown from an existing credit facility (together with the Term Loan Facilities, the ABL Facility and the Bridging Facility, the "**Credit Facilities**"). Please refer to Section 2.5 of this Circular for more details.

Interest and principal payments

in US$ million	**2014**	**2015**	**2016**
Interest Related Payments			
1st Lien term Loan (US$710 million)	27	32	32
2nd Lien term Loan (US$260 million)	19	19	10
Credit Facilities (US$80 million)	2	2	1
Bridge Facilities (US$350 million, US$165 million and US$75.5 million)	9		
Mid term Loan (US$75.5 million)	1	2	2
Total Interest related payments	**58**	**54**	**45**
Capital Payments	**47**	**93**	**111**
Bridge Facilities to be refinanced through equity (US$350 million and US$165 million)	**591**		

The Group's high level of indebtedness could have important consequences, such as:

- requiring a substantial portion of its cash flows to be dedicated to debt service payments instead of funding growth, working capital, capital expenditures, investments or acquisitions or other cash requirements;
- reducing its flexibility to adjust to changing business conditions or obtain additional financing;
- exposing it to the risk of increased interest rates as certain of its borrowings, including borrowings under its Credit Facilities, are at variable rates of interest. The Company is monitoring the interest rate environment and will consider fixing interest rates, if it believes warranted.

Restrictive covenants in the Credit Facilities may restrict its operational flexibility. If the Group fails to comply with these restrictions, it may be required to repay its debt, which would materially and adversely affect its financial position and results of operations.

The Company intends to meet its financial obligations by increasing its operating cash flow and through management of interest rate risk by swapping variable with fixed interest rates given the expected increase in interest rate. Taking into account the following factors, the Company is confident in increasing its operating cash flow after Closing of the Proposed Acquisition:

(a) The Group's planned increased attention and resources to the management of the Consumer Food Business as the Consumer Food Business will be the most important subsidiary of the Company after Closing of the Proposed Acquisition;

(b) Potential business growth in the U.S. by (i) anchoring on the well-known Del Monte brand; (ii) market leadership in canned vegetable and canned fruit; (iii) support from product and packaging innovation. The Consumer Food Business is expected to account for about 80% of the Enlarged Group's revenue and cash flow;

(c) Potential business growth in new markets including South America;

(d) Expected synergies between the Group and the Consumer Food Business especially in pineapple-based products and in co-procurement of key packaging and raw materials;

(e) The Company's long term growth driven by the Del Monte brand in the Philippines. The S&W brand is also growing well particularly in Asia and especially in the fresh pineapple business;

(f) At the Company level, bridge credit facilities (except that for the US$75.5 million bridge loan (please refer to Section 2.5 of this Circular for more details) the Company may repay by either a mid-term loan or from equity fund raising) will be refinanced with equity as soon as possible, subject to regulatory approvals and market conditions.

(ii) Risks Factors relating to the Existing Group's operation

Competition

Several well established companies compete in the Philippines canned pineapple, mixed fruit, fruit juices and beverages and tomato-based product categories. Important competitive considerations include the following:

- Several of the Group's product lines compete with imports.
- The Group's continuing development of its consumer branded product line under the *Del Monte* brand name will increasingly bring it into potential competition with major global consumer product companies which are already present in the Philippines market.
- Within the product range produced by the Group for the Philippines market, most competition currently comes from Philippines domestic producers. Increased competition from existing domestic producers, global consumer product companies with operations in the Philippines, and additional competition from new importers, if established in the future, may have a material adverse effect on the Group's margins and market shares.

Access to Land

The Group's pineapple growing operations cover a total of approximately 23,000 hectares of land in Mindanao, the Philippines. Growership agreements typically provide for an initial 10-year period renewable at the Group's option on a cycle-to-cycle basis, up to five cycles, with each

cycle averaging 40 months. Other agreements have been negotiated to provide for an extended period of 20 years. However, there is no assurance that these agreements will be continually renewed and on terms favourable to the Group.

In January 1997, the Group concluded negotiations with the Del Monte Employees' Cooperative for the renewal of their agreement covering approximately 8,000 hectares for a term of 25 years effective from 11 January 1999. This may be further renewed by agreement of the parties. Any future changes in legislation relating to the coverage or implementation of the Government's agrarian reform programme may affect this contract with the Del Monte Employees' Cooperative.

In addition, the Group has under lease approximately 1,000 hectares from the National Development Corporation, a Philippines government-owned and controlled corporation. This lease was renewed for a term of 25 years on 1 March 2007. This lease may be affected by any future change in the disposition of public lands owned by government-owned or controlled corporations.

Foreign Currency

In the normal course of business, the Group enters into transactions denominated in various foreign currencies. In addition, the Company and its subsidiaries maintain their respective books and accounts in their functional currencies. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations, especially between the Philippines peso and US dollar. To a certain extent, the Group has a natural hedge between the two currencies due to its revenue and cost mix. It is the Group's policy to optimise its natural hedge.

Inflation

The Group's costs are affected by inflation. However, the Group has lessened the impact of cost increases by actively controlling its overall cost structure and introducing productivity-enhancing and cost management measures. The Group also takes into account inflation in pricing adjustments with its market customers.

Cash and Interest Rate Management

The Group's cash balances are placed with reputable global and major banks and financial institutions. The Group manages its interest income by placing the cash balances with varying maturities and interest rate terms. This includes investing the Company's temporary excess liquidity in short-term low-risk securities from time to time. The Group obtains financing through bank borrowings and leasing arrangements. Financing is obtained from bank credit facilities, for both short-term and long-term requirements and/or through the sale of assets, particularly receivables from its customers. The Group's policy is to obtain the most favourable interest rate available without increasing its foreign currency exposure.

Credit Risk

The Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain security to ensure prompt observance and performance of the obligations of its distributors and other buyers from time to time. The Group monitors its outstanding trade receivables on an ongoing basis. There is no significant concentration of credit risk with any distributor or buyer.

International Business

The Group's overall earnings from its trading activities with international customers are primarily affected by movements in the worldwide supply, demand and prices of its products. Prices for pineapple juice concentrate are largely affected by the supply situation in Thailand and the demand situation in the international markets. Given that this is an industrial commodity product, prices are quite volatile. The Group is shifting production towards more branded ready-to-drink beverages to decommoditise its concentrate product.

Branded Business

The Group's branded business in the Philippines and the Indian subcontinent through *Del Monte*, and in Asia-Pacific and the Middle East through *S&W*, is affected by a number of factors, including, but not limited to competition, acceptance of new products, industry trends, distribution expansion, penetration and business partners' risks. The Group's exposure to these risks is managed through the following processes, among others:

- Focus on consumption-driven marketing strategies
- Shift to branded value-added, packaged products with emphasis on innovation, health and wellness, quality, competitiveness, and consumer appeal
- Market and customer diversification
- Increased penetration of high-growth distribution channels and markets
- Building on closer working relationships with business partners

Agricultural Output

The output of the plantation is subject to certain risk factors relating to weather conditions, crop yields, outgrowers and service providers' performance, and leasehold arrangements. To manage any impact from heavy rainfall and floods, plantings are done in various locations to minimise tonnage loss, and towing units have been augmented to ensure continuity of harvest during wet conditions. The Group is PhilGAP and GLOBALGAP certified and complies with proven agricultural practices in its pineapple growing operations. Long-term land leases with staggered terms are also secured.

Environmental Issues

As a result of its agricultural, food processing, and canning and supply chain activities, the Group is subject to various environmental laws and regulations. Compliance with many of these laws and regulations brings with it ongoing costs. Although the Group believes that it is in compliance in all material respects with these environmental laws, some risk of environmental costs and liabilities is inherent in its operations and there can be no assurance that material costs and liabilities will not be incurred in the future in this regard. However, the Group believes that its continuing investments in facilities for environmental compliance position it to deal satisfactorily with relevant issues in this area.

Operations

As an integrated producer of processed and fresh fruit products for the world market, the Group's earnings are inevitably subject to certain other risk factors, which include general economic and business conditions, change in business strategy or development plans, production efficiencies, input costs and availability, litigious counterparties, communist rebel activities and changes in government regulations, including, without limitation, environmental regulations. The Group develops and executes a long-term strategic plan and annual operating plan, supported by a contingency plan and risk management measures. It also pursues productivity-enhancing and efficiency-generating work practices and capital projects.

Current Corporate and Tax Structure

The Group was structured to take into account international tax regimes. However, there can be no assurance that the incidence of tax incurred historically and the effective tax rate of the Group will not change as further tax revisions may be introduced and changes may be made to the existing corporate structure of the Group that may have a material effect on the Group.

The Philippines economy and business environment may be disrupted by political or social instability.

The Philippines has from time to time experienced severe political and social instability, including acts of political violence.

Any future political or social instability in the country could adversely affect the business operations and financial condition of the Company.

Political instability or acts of terrorism in the Philippines could destabilise the country and may have a negative effect on the Company.

Mindanao Security Situation

The Group's pineapple plantation is situated in northern Mindanao, the Philippines. Since the 1960s, several Muslim and communist groups in Mindanao have sought the complete autonomy of Mindanao from the rest of the Philippines and the establishment of a separate constitution. Until recently, the Philippines government and the various separatist groups have been engaged in varying levels of prolonged armed conflict after failing to reach any form of resolution. In 1990, the government successfully negotiated a peace settlement with the largest of the separatist groups, through the establishment of the Autonomous Region in Muslim Mindanao ("**ARMM**") in southwestern Mindanao, which aims to hasten the economic development of Muslim areas.

On 15 October 2012, the Philippines Government and the Moro Islamic Liberation Front signed the Framework Agreement on the Bangsamoro, which is a preliminary peace agreement for the creation of an autonomous political entity named Bangsamoro, replacing the ARMM.

Although separatist groups still exist, most of their armed activities are confined to areas in central Mindanao where they have camps. All of the operations of the Group based in Mindanao are located in the northern part of the island where the population is predominantly Catholic. However, any extension of separatist group activities into the northern part of Mindanao could cause a disruption to the Group's operations which could, in turn, have a significant effect on the Group's supply of pineapple raw materials to its cannery.

To manage insurgency risks in its operating units in the Philippines, the Group has strengthened security measures.

Natural disasters adversely affecting the business of the Company

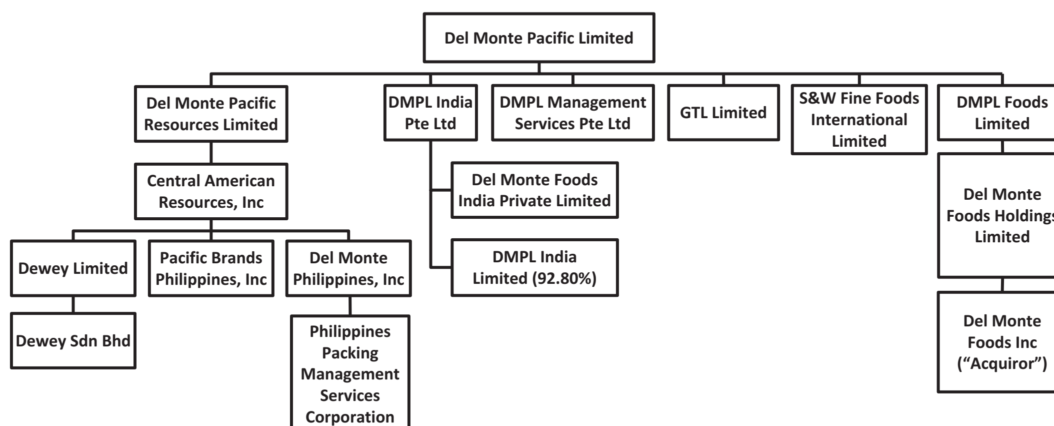
The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, floods, volcanic eruptions and earthquakes. The Company's plantations are located in the northern part of Mindanao which is outside the typhoon belt and any earthquake faults. The plantations are located on a high elevation which minimises the risk of flooding. During the last typhoon Haiyan, the Company was fortunate that its pineapple plantation and manufacturing facilities have been spared from the wrath of typhoon Haiyan. However, there can be no assurance that natural catastrophes will not materially disrupt DMPI's business operations either in Mindanao or other places in the Philippines in the future, or that DMPI is fully capable to deal with these situations with respect to all the damages and economic losses resulting from these catastrophes. To manage these risks, the Group develops and executes a long-term

strategic plan and annual operating plan, supported by a contingency plan and risk management measures. It also pursues productivity-enhancing and efficiency-generating work practices and capital projects.

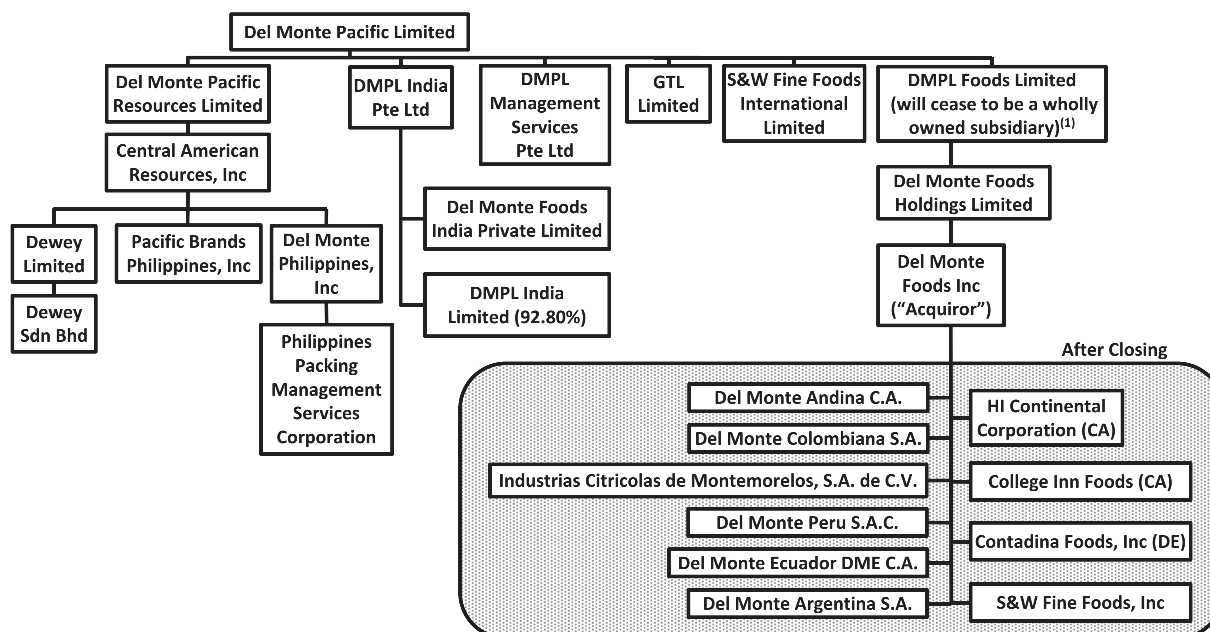
7.4 Structure of the Enlarged Group

The following diagrams illustrate the structure of the Group as at the date of this Circular and that of the Enlarged Group immediately after the completion of the Proposed Acquisition.

As at the date of this Circular



Upon completion of the Proposed Acquisition



Note:

(1) DMPL Foods Limited will issue new shares constituting a minority stake to investors for an investment amount of US$74.5 million. Such minority stake will be computed as the ratio of US$74.5 million to US$705 million +/- working capital adjustment to the Consideration (discussed in Section 2.3 of this Circular). US$705 million is the difference between the unadjusted Consideration and the US$970 million institutional debt financing to the Consumer Food Business discussed in Section 2.5 of this Circular.

The Group is considering the corporate structure of the Enlarged Group above which is envisioned to be suitable for the debt and equity financing of the Proposed Acquisition and the

efficient operation of the business entities, taking into account both tax efficiency and compliance.

For the purposes of the Proposed Acquisition, the Acquiror was incorporated as a wholly-owned subsidiary of Del Monte Foods Holdings Limited, a corporation organised under the laws of the British Virgin Islands, which in turn is a wholly-owned subsidiary of DMPL Foods Limited. On Closing, certain third party minority investors will acquire new shares in DMPL Foods Limited.

On Closing, the Acquiror will hold the assets of the Consumer Food Business.

Subsidiaries

The details of the subsidiaries of the Enlarged Group after the Proposed Acquisition are as set out below:

			Effective equity held by the Group		
Name of subsidiary	**Principal activities**	**Place of incorporation and business**	**2012/ 2013**	**2011**	**2010**
Held by the Company					
Del Monte Pacific Resources Limited ("**DMPRL**")	Investment holding	British Virgin Islands	100.00	100.00	100.00
DMPL India Pte Ltd	Investment holding	Singapore	100.00	100.00	100.00
DMPL Management Services Pte Ltd ("**DMPL Mgt Svcs**")	Providing administrative support and liaison services to the Group	Singapore	100.00	100.00	100.00
GTL Limited ("**GTL Ltd**")	Trading food products mainly under the brand name, "Del Monte" and buyer's own labels	Federal Territory of Labuan, Malaysia	100.00	100.00	100.00
S&W Fine Foods International Limited ("**S&W**")	Owner of the "S&W" trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe, Africa, and a licence to use "S&W" in Western Europe. Sale and distribution of food products under "S&W."	British Virgin Islands	100.00	100.00	100.00

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group		
			2012/ 2013	2011	2010
Held by Del Monte Pacific Resources Limited					
Central American Resources, Inc ("**CARI**")	Investment holding	Panama	100.00	100.00	100.00
Held by Central American Resources, Inc					
Del Monte Philippines, Inc ("**DMPI**")	Growing, processing and distribution of food products mainly under the brand name "Del Monte"	Philippines	100.00	100.00	100.00
Dewey Limited ("**Dewey**")	Owner of trademarks in various countries; investment holding	Bermuda	100.00	100.00	100.00
Pacific Brands Philippines, Inc ("**Pacific Brands**")	Inactive	State of Delaware, U.S.A.	100.00	100.00	100.00
Held by DMPL India Pte Ltd					
Del Monte Foods India Private Limited ("**Del Monte Foods India**")	Manufacturing, processing and distributing food, beverages and other related products	Mumbai, India	100.00	100.00	100.00
DMPL India Limited ("**DMPL India Ltd**")	Investment holding	Mauritius	92.80	92.00	92.00
Held by Del Monte Philippines, Inc					
Philippines Packing Management Services Corporation ("**PPMSC**")	Management, logistics and support services	Philippines	100.00	100.00	100.00
Held by Dewey Limited					
Dewey Sdn Bhd	Owner of the "Del Monte" and "Today's" trademarks in the Philippines	Malaysia	100.00	100.00	100.00

New Subsidiaries from the Proposed Acquisition:

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group 2012/2013
DMPL Foods Limited	Investment holding	BVI	90.00
Held by DMPL Foods Limited			
Del Monte Foods Holdings Limited	Investment holding	BVI	100.00
Held by Del Monte Foods Holdings Limited			
Del Monte Foods, Inc (“**DMFI**”)	Owner of “Del Monte” trademarks, the Consumer Food Business in the U.S.A., and investment holding	State of Delaware, U.S.A.	100.00
Held by DMFI			
Del Monte Andina C.A.(1)	Distribution of food products	Venezuela	100.00
Del Monte Colombiana S.A. (1)	Distribution of food products	Colombia	99.97[3]
Industrias Citricolas de Montemorelos, S.A. de C.V. (1)	Distribution of food products	Mexico	100.00
Del Monte Peru S.A.C. (1)	Distribution of food products	Peru	100.00
Del Monte Ecuador DME C.A. (1)	Distribution of food products	Ecuador	100.00
Hi-Continental Corp. (1)	Distribution of food products	State of California, U.S.A.	100.00
College Inn Foods(1)	Distribution of food products	State of California, U.S.A.	100.00
Contadina Foods, Inc (1)	Distribution of food products	State of Delaware, U.S.A.	100.00
S&W Fine Foods, Inc (1)	Distribution of food products	State of Delaware, U.S.A.	100.00
Held by Del Monte Andina C.A. (Venezuela)			
Del Monte Argentina S.A. (1)	Distribution of food products	Argentina	95.00[4]

Note:

(1) These are the Transferred Entities to be acquired by the Acquiror under the Purchase Agreement.

[3] The minority shareholders hold the remaining 3/46,400 shares.
[4] The minority shareholder holds the remaining 5%.

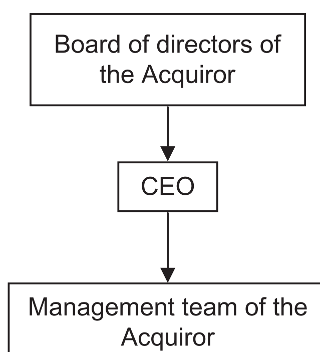
7.5 Management reporting structure

Board of Directors of the Company

The overall management and supervision of the Company, including the exercise of corporate powers and the conduct of the business of the Company, will continue to be undertaken by its Board of Directors, consisting of seven Directors (two Executive Directors, one non-executive Director and four Independent Directors).

Board of Directors of the Acquiror

The board of directors of the Acquiror will consist of ten members consisting of the existing members of the Board of Directors of the Company as well as three new directors. The management of the Acquiror will be undertaken by the new chief executive officer of the Acquiror. The chief executive officer of the Acquiror will form a management team which shall be responsible for the operations of the Acquiror. Below is the reporting structure of the Acquiror:



7.6 Board of Directors

(i) Company

As of this date, the composition of the Board of Directors is as follows:

Name	Age	Citizenship	Position	Year Appointed	Year Last Elected
Rolando C Gapud	72	Filipino	Chairman and Non-Executive Director	2006	2011
Joselito D Campos, Jr	63	Filipino	Executive Director	2006	2006
Edgardo M Cruz, Jr	58	Filipino	Executive Director	2006	2012
Patrick L Go	55	Singaporean	Independent Director	2001	2013
Dr Emil Q Javier	73	Filipino	Independent Director	2007	2013
Benedict Kwek Gim Song	66	Singaporean	Lead Independent Director	2007	2011
Godfrey E Scotchbrook	67	British	Independent Director	2000	2012

No new Director is to be appointed pursuant to the Proposed Acquisition.

(ii) Acquiror

It is the Company's intention to appoint ten members to the board of directors of the Acquiror. The board of directors of the Acquiror will consist of the seven existing Directors of the Company plus three others, namely Mr Nils Lommerin, the prospective CEO of the Consumer Food Business; Mr Luis F Alejandro, the chief operation officer of the Company and Mr Richard W Blossom, senior vice president of the Company. At the Closing of the Proposed Acquisition, the board of directors of the Acquiror will therefore consist of the following members:

1) Mr Rolando C Gapud, Board Chairman
2) Mr Joselito D Campos, Jr, Vice Chairman
3) Mr Edgardo M Cruz, Jr
4) Mr Benedict Kwek Gim Song
5) Mr Godfrey E Scotchbrook
6) Mr Patrick L Go
7) Dr Emil Q Javier
8) Mr Nils Lommerin
9) Mr Luis F Alejandro
10) Mr Richard W Blossom

It is the Company's intention that the Acquiror will conform to the highest standards of corporate governance. The appropriate board committees will be formed by the Acquiror, initially an Audit Committee and a Compensation Committee and such other committees as may be needed.

Information on the business and working experience, education and professional qualification and areas of responsibility of the Directors of the Company and the Acquiror is set out in Appendix G to this Circular.

7.7 Executive Officers

After the Proposed Acquisition, it is intended that the following will be the key executive officers of the Enlarged Group. To our knowledge, there are no family relationships between any director or executive officer.

Name	Age	Citizenship	Position	Year Position was Assumed
Joselito D Campos, Jr	63	Filipino	Managing Director and CEO of the Company	2006
Luis F Alejandro	60	Filipino	Chief Operating Officer	2008
Ignacio C O Sison	49	Filipino	Chief Financial Officer	2006
Richard W Blossom	65	American	Senior Vice President	2005
Tan Chooi Khim	52	Malaysian	General Manager, S&W Fine Foods International Ltd.	2009
Antonio E S Ungson	42	Filipino	Chief Legal Counsel and Chief Compliance Officer	2008
Ma Bella B Javier	53	Filipino	Chief Scientific Officer	2009
Raul C Leonen	59	Filipino	Chief Manufacturing Officer	2009
Nils Lommerin	49	American	CEO of Consumer Food Business	On completion of the Proposed Acquisition

7.8 Remuneration

The remuneration (including salary, bonus, contributions to Central Provident Fund ("**CPF**"), directors' fees, allowances and benefits-in-kind, where applicable) paid or payable to the Directors of the Company in bands[(1)] of S$250,000 per annum for services rendered in all capacities to the Group for FY2011 and FY2012 and an estimate of the amount of compensation expected to be paid for the whole of the current financial year were or are as follows:

	FY31/12/2011	FY31/12/2012	FY31/12/2013 (estimated)[(3)]
Directors			
Mr Joselito D Campos, Jr	Band C	Band C	Band C
Mr Edgardo M Cruz, Jr	Band B	Band B	Band B
Mr Rolando C Gapud	Band A	Band A	Band A
Mr Patrick L Go	Band A	Band A	Band A
Dr Emil Q Javier	Band A	Band A	Band A
Mr Benedict Kwek Gim Song	Band A	Band A	Band A
Mr Godfrey E Scotchbrook	Band A	Band A	Band A

Notes:

(1) "Band A" refers to remuneration of up to S$250,000 per annum. "Band B" refers to remuneration from S$250,001 to S$500,000 per annum. "Band C" refers to remuneration from S$500,001 to S$750,000 per annum.

(2) In respect of the financial year ended 31 December 2013, the estimated remuneration in the table above includes salary, contributions to CPF and benefits-in-kind but does not include any bonus payable under the service agreements.

(3) The resolution on the payment of Directors' fees for the financial year ending 31 December 2013 was duly passed at the annual general meeting of the Company on 30 April 2013.

Apart from the CPF contributions, the Company has not set aside or accrued any amounts for its employees to provide for pension, retirement or similar benefits. Save as disclosed in this Circular, none of the Company's Directors and Executive Officers are related to each other and/or its Substantial Shareholders.

7.9 Service Agreement

As there is no new Director to be appointed pursuant to the Proposed Acquisition, there will be no new service agreement.

7.10 Corporate Governance

The Board/Board Committees

Upon completion of the Proposed Acquisition, the Acquiror will be the Company's most important subsidiary. As such, the Company will ensure that corporate monitoring, reporting and coordination between the Company and the Acquiror will be at the highest level. In this connection, the Company will provide for the following:

(a) An Executive Committee comprising senior members of both the Company and the Acquiror will be formed and will meet on a monthly basis. The task of the Executive Committee will be to monitor the corporate performance of the Acquiror and provide guidance and assistance as and when needed.

(b) The Company will appoint a senior officer as Director of Corporate Coordination whose principal responsibility will be to ensure that the Acquiror's policies, directions and performance will conform to those of the Company. The Director of Corporate Coordination will also monitor the coordination between the Company and the Acquiror as well as to provide assistance as needed. Mr Richard W Blossom will be appointed for this position.

The Group maintains an effective system of internal controls addressing financial, operational and compliance risks. These controls are designed to provide reasonable assurance as to the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

The effectiveness of these controls is subject to review by the Group's Internal Audit department and is monitored by the Audit Committee. In addition, the Company's external auditors also review the effectiveness of the Group's key internal controls as part of their audit for the year with respect to financial reporting. Significant non-compliance in internal controls, together with recommendations for improvement, is reported to the Audit Committee. A copy of this report is also issued to the relevant department for follow-up action. Risk assessment and evaluation takes place as an integral part of the annual operating plan ("**AOP**"). Having identified key risks to the achievement of the Group's AOP, mitigating actions are formulated in respect of each significant risk. Identified risks are also included and monitored in the corporate risk register, and mitigating measures are followed up.

The existing Board of the Company, with the concurrence of the Audit Committee, after making reasonable enquiries, is of the opinion that the internal controls in respect of the Enlarged Group are adequate to address significant financial, operational and compliance risks as at the Latest Practicable Date.

7.11 Corporate Social Responsibility

The Company is committed to continue to operate responsibly in the communities in which the Company and the Enlarged Group have a presence.

Upon completion of the Proposed Acquisition, the Board will review the Company's corporate social responsibility policy to ensure that management team continues to focus on the extensive corporate social responsibility initiatives already in place and which would be extended to the Enlarged Group.

The Company's corporate social responsibility initiatives are described in its 2012 Annual Report.

7.12 Government Regulations

The Group has been subject to a wide range of laws and government regulations, which may vary from one country or locality to another, and typically including regulations related to, among other things, land use and occupational health and safety. With the Proposed Acquisition, the Group becomes subject to more extensive and stringent laws and regulations including those of the U.S..

As a manufacturer and marketer of food products, the Consumer Food Business' operations are subject to extensive regulation by various federal government agencies, including the Food and Drug Administration, the United States Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the Federal Trade Commission ("**FTC**"), as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labelling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance

and labelling. The Consumer Food Business' products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, and the Federal Fair Packaging and Labeling Act of 1966, as amended. In addition, advertising these products is subject to regulation by the FTC, and the operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act, as amended. The Consumer Food Business' manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. The Consumer Food Business will seek to comply with all such laws and regulations and to obtain any necessary permits and licences. Any failure to comply with applicable laws and regulations or obtain any necessary permits and licences could subject the Consumer Food Business to civil penalties including fines, injunctions, recalls or seizures, as well as potential criminal sanctions.

As a result of the Consumer Food Business' agricultural, food processing and packaging activities, the Consumer Food Business is subject to numerous environmental laws and regulations. These laws and regulations govern the treatment, handling, storage and disposal of materials and waste and the remediation of contaminated properties. Violations or non-compliance with these laws and regulations could result in the imposition of fines or civil liability by governmental entities or private parties. Outside the United States, the Consumer Food Business is also subject to applicable multi-national, national and local environmental laws and regulations in the host countries where it does business. The Consumer Food Business has programmes across its international business operations designed to meet compliance with requirements in the environmental area. However, the extent to which the enforcement of any existing or future environmental law or regulation may affect the Consumer Food Business' operations cannot be predicted.

The Company having made due and careful enquiry is satisfied that the Consumer Food Business is in material compliance with the applicable laws, permits and licences described above.

Please see Appendix H for a discussion of the applicable relevant laws and regulations

7.13 Anti-trust Regulations

The consummation of the Proposed Acquisition is subject to compliance with the applicable requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"). The HSR Act established the federal premerger notification programme. Under this programme, the parties to certain proposed transactions must provide the FTC and the United States Department of Justice ("**DOJ**") with information about large mergers and acquisitions before they occur. Pursuant to this, the Acquiror and Vendor have filed a Premerger Notification Report and Form with the FTC and DOJ on 24 October 2013. The proposed transaction may not be consummated unless the prescribed waiting period under the HSR Act expires or is terminated. On 4 November 2013, the parties were informed that early termination of the waiting period was granted.

The consummation of that part of the Proposed Acquisition that has effects in Mexico is subject to compliance with the applicable requirements of the Mexican Federal Law on Economic Competition (the "**FLEC**"). The FLEC established the federal premerger notification programme. Under this programme, the parties to a proposed acquisition must provide the Federal Economic Competition Commission with information about those concentrations, such as mergers and acquisitions, which meet the filing thresholds established in the FLEC, before they occur. Pursuant to this, the Acquiror and Vendor have filed a Notification writ with said Commission on 31 October 2013. The Proposed Acquisition may not be consummated unless the Federal Economic Competition Commission has authorised the notified transaction, although the parties may choose to consummate the Proposed Acquisition at their own risk, before obtaining said authorisation (in which case the parties would have to reverse the consummated transaction in

case that in the end the Commission objects to the transaction). The Federal Economic Competition Commission has a term of 35 business days, counted as of 13 November, 2013, to approve or object to the notified transaction, although the parties expect to obtain the authorisation before that term has elapsed. The Federal Economic Competition Commission has completed its antitrust review and has cleared the Proposed Acquisition for Closing within the next three (3) months commencing 16 December 2013.

7.14 Taxation

Please refer to Appendix I for a discussion on the applicable relevant taxation laws and regulations.

7.15 Exchange control

Please refer to Appendix J for a discussion on the applicable relevant exchange control laws and regulations.

7.16 Moratorium undertakings and voting undertaking

Moratorium undertakings

In compliance with the listing rules of SGX-ST, and to demonstrate their commitment to the Group:

(a) NPL which owns 869,315,246 Shares representing 67.046% of the Company's issued share capital ("**Relevant Shares**"), and

(b) Mr Joselito D Campos, Jr ("**JDC**"), who owns 5,104,800 Shares representing 0.393% of the Company's issued share capital and who is deemed interested in 869,315,246 Shares owned by NPL (collectively "**JDC Interests**"),

have each undertaken not to offer, sell, contract to sell, pledge, or transfer any part of in the case of NPL, the Relevant Shares and in the case of JDC, the JDC Interests or otherwise enter into any agreement that will directly or indirectly constitute or will be deemed as a disposal of any part of in the case of NPL, the Relevant Shares and in the case of JDC, the JDC Interests for a period of six months commencing from the date of Closing ("**Moratorium Period**"). There is an exception in the above undertakings which allows NPL and/or JDC to participate in the Top Up Arrangement (as defined below). If the Top Up Arrangement involves NPL's Shares, NPL further irrevocably undertakes that, upon the Company allotting and issuing new shares ("**NPL Replacement Shares**") to replace the shares owned by NPL that are involved in the Top Up Arrangement, such NPL Replacement Shares will be subject to the moratorium undertaking for the duration of the Moratorium Period and on the same terms and conditions. If there is a Top Up Arrangement that involves the Shares owned by NPL and/or JDC, JDC further irrevocably undertakes that, upon the Company allotting and issuing new shares ("**Replacement Shares**") to replace the Shares owned by NPL and/or JDC that are involved in the Top Up Arrangement, such Replacement Shares will be subject to the moratorium undertaking for the duration of the Moratorium Period and on the same terms and conditions.

In addition, HSBC Trustee (Hong Kong) Limited ("**HSBC Trustee**") which acts as trustee for Twin Palms Pacific Trust and the Star Orchid Trust (collectively the "**Trusts**" and each the "**Trust**") has executed separate undertakings on behalf of each of the Trusts. HSBC Trustee has undertaken on behalf of each of the Trusts not to offer, sell, contract to sell, pledge, transfer any of its indirect shareholdings in NPL and/or any of the Intermediate Entities' direct or indirect shareholdings in NPL ("**Relevant Shareholding**") or otherwise enter into any agreement that will directly or indirectly constitute or will be deemed as a disposal of the Relevant Shareholding during the Moratorium Period. The respective Trusts, collectively, through intermediate entities

("**Intermediate Entities**") own NPL. In the respective undertakings, HSBC Trustee on behalf of each of the respective Trusts has warranted that (i) HSBC Trustee has the necessary authority to enter into the undertaking on behalf of the relevant Trust; (ii) the undertaking constitutes legal, valid, binding and enforceable obligations on the relevant Trust and shall remain legal, valid, binding and enforceable obligations of the successor trustee of the relevant Trust notwithstanding that HSBC Trustee may for any reason cease to be trustee for such Trust; (iii) the undertaking does not contravene the trust deed of the relevant Trust; (iv) the undertaking is in compliance with all applicable laws and regulations; (v) HSBC Trustee intends to remain as trustee during the Moratorium Period.

Voting undertaking

The Company's majority Shareholder, NPL, has given an undertaking to vote in favour of the Proposed Acquisition, under the Purchase Agreement.

8. SHARE PLACEMENT AND THE PSE RESOLUTION

As explained in Section 2.5, the Share Placement may, subject to market conditions, be undertaken to partially fund the Proposed Acquisition. For the purpose of the Share Placement, the Company will be relying on the general share issue mandate granted at the annual general meeting of the Company held on 30 April 2013 or the general share issue mandate to be obtained at the next annual general meeting of the Company ("**General Share Issue Mandate**"), as the case may be. As such, the Company will not be seeking any Shareholders' approval at this GM for the issuance of any new shares for the purpose of the Share Placement.

The Company may request certain Shareholders which may include NPL and/or JDC (collectively the "**Proposed Selling Shareholders**"), to utilise some of their Shares for the purpose of the Share Placement ("**Top Up Arrangement**").

The Company will provide updates to Shareholders on the Share Placement via SGX-NET and PSE disclosures at the appropriate time.

If the Share Placement does not involve a Top Up Arrangement, the Company will enter into a placement agreement with the investors or if a placement agent is appointed by the Company for the purpose of the Share Placement, the placement agreement will be entered into with the placement agent instead of the investors. If there is a Top Up Arrangement, the Proposed Selling Shareholders will sell their Shares to the investors under the Share Placement. There will be a placement agreement entered into amongst the Proposed Selling Shareholders, the Company and the investors (or if a placement agent is involved, the placement agent instead of the investors). The Company will be a party to the above placement agreement as it would have to provide certain warranties as to the affairs of the Company to the investors or placement agent as the case may be. The Company will in turn enter into a subscription agreement with the Proposed Selling Shareholders whereby the Company agrees to replace the Shares sold by the Proposed Selling Shareholders in the Share Placement by allotting and issuing the Subscription Shares to the Proposed Selling Shareholders.

SGX-ST Rules

The Company will have to comply with the applicable laws including the SGX-ST rules found in the Listing Manual regulating the issue of new shares for cash and the Top Up Arrangement. Rule 813 of the Listing Manual provides that the Proposed Selling Shareholders who are substantial shareholders of the Company shall not receive any financial benefit (directly or indirectly) from the Top Up Arrangement. The Company confirms that if there is a Top Up Arrangement, the Proposed Selling Shareholders will not receive any financial benefit (directly or indirectly) from the Top Up Arrangement. The Listing Manual does not require the Top Up

Arrangement to be subject to Shareholders' approval. The Share Placement and the Top Up Arrangement will be undertaken pursuant to the General Share Issue Mandate and will comply with the applicable rules in the Listing Manual.

PSE Rules

The Shares are also listed on the PSE. The rules of the PSE ("**PSE Rules**") provide certain rules regulating Top Up Arrangements, which is the term used to describe the placement of existing shares and proceeds from such placement are used by the selling shareholder to subscribe to new shares that are meant to replace the existing shares sold in the placement. The PSE Rules require Shareholders' approval or ratification for the Share Placement and Subscription and for the proposed listing of Subscription Shares on the PSE to be obtained ("**PSE Resolution**") before the Company can apply to the PSE for the listing of the Subscription Shares on the PSE. Shareholders are to note that the purpose of the PSE Resolution is to comply with PSE Rules for the purpose of listing the Subscription Shares on the PSE. Upon obtaining Shareholders' approval for the PSE Resolution and subject to the Share Placement being undertaken by the Company, a listing application will be made to the PSE for the proposed listing of the Subscription Shares on the PSE. The Company will update Shareholders with periodic announcements where appropriate on the status of the listing of the Subscription Shares on the SGX-NET and PSE.

The PSE Resolution only concerns the listing status of the Subscription Shares on the PSE and does not affect the shareholders' rights attributable to the Subscription Shares once they are issued and allotted to the Proposed Selling Shareholders, including the right to vote in general meetings of the Company. Further, the validity of the Share Placement which involves a Top Up Arrangement is also not affected by the outcome of the Shareholders' approval for the PSE Resolution.

The PSE Rules do not prohibit the Proposed Selling Shareholders from voting on the PSE Resolution. NPL has given an undertaking to the Company that, in the event NPL enters into the Top Up Arrangement for the purpose of the Share Placement, (i) as at the date of the undertaking, NPL is the registered/legal holder and beneficial owner of at least 51% ("**Relevant Percentage**") of the total issued share capital of the Company; (ii) at the GM, NPL will have not less than the Relevant Percentage of the issued share capital of the Company; and (iii) NPL will vote in favour of the PSE Resolution.

The completion of the Subscription and the allotment and issuance of the Subscription Shares, will be subject to the approval in principle by the SGX-ST ("**AIP Letter**") of the listing and quotation of the Subscription Shares on the SGX-ST. The completion of the Subscription is not conditional upon the passing of the PSE Resolution. On completion of the Subscription, the Subscription Shares will be allotted and issued to the Proposed Selling Shareholders and subject to compliance with any conditions imposed by the SGX-ST in the AIP Letter, the Subscription Shares will thereafter be listed on the SGX-ST. Shareholders are to note that if the foregoing occurs but the PSE Resolution is not approved, the Subscription Shares although listed on the SGX-ST, will not be listed on the PSE.

The Company is seeking Shareholders' approval for the PSE Resolution at the GM.

9. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

9.1 Interest of Directors and Substantial Shareholders

The shareholdings of the Directors and Substantial Shareholders as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders (based on notifications received from the respective Directors and Substantial Shareholders) as at the Latest Practicable Date were as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Mr Benedict Kwek Gim Song	Nil	Nil	Nil	Nil	Nil	Nil
Mr Edgardo M Cruz, Jr	2,362,900	0.182	Nil	Nil	2,362,900	0.182
Dr Emil Q Javier	358,240	0.027	Nil	Nil	358,240	0.027
Mr Godfrey E Scotchbrook	Nil	Nil	Nil	Nil	Nil	Nil
Mr Joselito D Campos, Jr	5,104,800	0.393	869,315,246[(2)]	67.046	874,420,046	67.439
Mr Patrick L Go	Nil	Nil	Nil	Nil	Nil	Nil
Mr Rolando C Gapud	980,000	0.075	Nil	Nil	980,000	0.075
Substantial Shareholders						
NutriAsia Pacific Ltd	869,315,246[(3)]	67.046	Nil	Nil	869,315,246	67.046
NutriAsia Holdings Limited	Nil	Nil	869,315,246[(3)]	67.046	869,315,246	67.046
NutriAsia Inc	Nil	Nil	869,315,246[(3)]	67.046	869,315,246	67.046
Well Grounded Limited	Nil	Nil	869,315,246[(4)]	67.046	869,315,246	67.046
Golden Chamber Investment Limited	Nil	Nil	869,315,246[(4)]	67.046	869,315,246	67.046
Star Orchid Limited	Nil	Nil	869,315,246[(4)]	67.046	869,315,246	67.046
HSBC Trustee (Hong Kong) Limited	Nil	Nil	869,315,246[(5)]	67.046	869,315,246	67.046
HSBC International Trustee Limited	Nil	Nil	869,315,246[(5)]	67.046	869,315,246	67.046
HSBC Private Banking Holdings (Suisse) SA	Nil	Nil	869,315,246[(5)]	67.046	869,315,246	67.046
HSBC Finance (Netherlands)	Nil	Nil	869,315,246[(5)]	67.046	869,315,246	67.046
HSBC Holdings Plc	Nil	Nil	869,315,246[(5)]	67.046	869,315,246	67.046

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr Joselito D Campos, Jr	5,104,800	0.393	869,315,246[(5)]	67.046	874,420,046	67.439
Lee Foundation	Nil	Nil	100,422,000[(6)(9)]	7.745	100,422,000	7.745
Lee Foundation, States of Malaya	Nil	Nil	100,422,000[(7)(9)]	7.745	100,422,000	7.745
Lee Pineapple Company (Pte) Limited	100,422,000	7.745	6,432,000[(8)(9)]	0.496	106,854,000	8.241

Notes:

(1) *The percentage of issued capital is calculated based on 1,296,600,071 issued Shares (excluding 900,420 treasury shares).*

(2) *NutriAsia Pacific Limited ("**NPL**") is a substantial and controlling shareholder of the Company, holding 869,315,246 shares in the Company. Mr Joselito D Campos, Jr ("**JDC**") being an associate of NPL is deemed to be interested in the shares held by NPL.*

(3) *NutriAsia Inc ("**NI**") owns 57.8% of NutriAsia Holdings Limited ("**NHL**"), which in turn owns 100% of NPL. NI is therefore deemed to be interested in the shares held by NPL.*

(4) *NPL holds 869,315,246 shares in the Company. NPL is wholly owned by NHL. NHL is therefore deemed interested in the shares held by NPL.*

*NHL is in turn majority owned by NI (57.8%) and partly owned by Well Grounded Limited ("**WGL**") (42.2%). NI and WGL are therefore deemed interested in the shares held by NPL.*

*NI is in turn majority owned by Golden Chamber Investment Limited ("**GCIL**") (65.4%) and WGL is in turn wholly owned by Star Orchid Limited ("**SOL**"). GCIL and SOL are therefore deemed interested in the shares held by NPL.*

(5) *GCIL and SOL are wholly owned by two separate trusts (Twin Palms Pacific Trust and the Star Orchid Trust respectively) for which HSBC Trustee (Hong Kong) Limited acts as trustee ("**HKL**"). HKL is therefore deemed interested in the shares of the listed company held by NPL. The beneficiaries of the Star Orchid Trust are beneficially owned by the Campos family.*

HKL is in turn, wholly owned by HSBC International Trustee Limited. HSBC International Trustee Limited is therefore deemed interested in the shares held by NPL.

HSBC International Trustee Limited is wholly owned by HSBC Private Banking Holdings (Suisse) SA. HSBC Private Banking Holdings (Suisse) SA is therefore deemed interested in the shares held by NPL.

HSBC International Trustee Limited is the trustee of the Twin Palms Pacific Trust, the beneficiaries of which are JDC and his children. HSBC Holdings Plc, The Bank of Bermuda, HSBC International Trustee Limited, HKL and GCIL are therefore deemed to be interested in the shares held by NPL.

HSBC Private Banking Holdings (Suisse) SA is in turn, wholly owned by HSBC Finance (Netherlands). HSBC Finance (Netherlands) is therefore deemed interested in the shares held by NPL.

(6) *Lee Foundation, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.*

(7) *Lee Foundation, States of Malaya, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.*

(8) *Lee Pineapple Company (Pte) Limited is deemed interested in the 6,432,000 shares held by its wholly-owned subsidiary, Pineapples of Malaya Private Limited.*

(9) *Due to the completion of the bonus issue by the Company announced on 18 April 2013, the 83,685,000 shares held by Lee Pineapple Company (Pte) Limited has increased to 100,422,000 shares and similarly, Lee Pineapple Company (Pte) Limited's deemed interest in the 5,360,000 shares held by its wholly-owned subsidiary, Pineapples of Malaya Private Limited has increased to 6,432,000 shares.*

9.2 Interests of Directors and Substantial Shareholders in the Proposed Acquisition

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company has any interests, other than through their shareholdings in the Company (if any).

9.3 Interested Person Transaction

NPL has guaranteed the US$165 million bridge loan which the Company has secured. The Company has not and will not pay any form of consideration for the guarantee provided by NPL. Accordingly, the Directors are of the view that although the guarantee is not on an arm's-length basis, the terms are beneficial to the Company.

10. DIRECTORS' RECOMMENDATIONS

10.1 Proposed Acquisition

The Directors, having considered the terms and rationale for the Proposed Acquisition as set out in Section 3 of this Circular, are of the opinion that the Proposed Acquisition is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Acquisition to be proposed at the GM.

Shareholders are advised to read this Circular in its entirety, including the rationale for the Proposed Acquisition set out in Section 3 of this Circular, the financial effects set out in Section 4 and Appendixes A to K of this Circular. The Directors would like to highlight in particular the risks (set out in Section 7.3 and Appendix A, Section 24) to be considered in connection with the Proposed Acquisition and for those who may require advice in the context of their specific investment, to consult their respective stockbroker, bank manager, solicitor, accountant or other professional adviser.

10.2 PSE Resolution

The Directors are of the opinion that the PSE Resolution is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Share Placement to be proposed at the GM.

11. RESPONSIBILITY STATEMENT OF THE DIRECTORS

The Directors collectively and individually accept full responsibility for the accuracy of the information (other than information relating to the Vendor and the Consumer Food Business) given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular (other than information relating to the Vendor and the Consumer Food Business) constitutes full and true disclosures of all material facts about the Proposed Acquisition, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Circular (other than information relating to the Vendor and the Consumer Food Business) misleading.

Where information relating to the Vendor and/or the Consumer Food Business has been extracted from published or otherwise available sources or is otherwise based on the information obtained from the Vendor's periodic filings with the SEC, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from the sources, or as the case may be, reflected or reproduced in this Circular in its proper form and context.

Information relating to the Vendor and the Consumer Food Business is also obtained from sources made available by the Vendor. The Directors do not assume responsibility for the correctness and/or accuracy of such information. However, please take note that the Company has undertaken certain due diligence on the Consumer Food Business and under the Purchase Agreement the Vendor has made certain representations and warranties to the Acquiror concerning the Consumer Food Business.

12. RESPONSIBILITY STATEMENT OF THE FINANCIAL ADVISER

To the best of the Financial Adviser's knowledge and belief, this Circular (other than information relating to the Vendor and the Consumer Food Business) constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Financial Adviser is not aware of any facts the omission of which would make any statement in the Circular misleading.

Where information relating to the Vendor and/or the Consumer Food Business has been extracted from published or otherwise available sources or is otherwise based on the information obtained from the Vendor's periodic filings with the SEC, the sole responsibility of the Financial Adviser has been to ensure that such information has been accurately and correctly extracted from the sources, or as the case may be, reflected or reproduced in this Circular in its proper form and context.

Information relating to the Vendor and the Consumer Food Business is obtained from sources made available by the Vendor. The Financial Adviser does not assume responsibility for the correctness and/or accuracy of such information.

13. INTEREST OF THE FINANCIAL ADVISER

The Financial Adviser and certain of its affiliates may have performed commercial banking, investment banking and other advisory services for the Company and its affiliates from time to time for which they received customary fees and expenses. The Financial Adviser may, from time to time, trade in the securities of the Company, engage in transactions with, and perform services for the Company and its affiliates in the ordinary course of their business. Save as disclosed above, and save that the Financial Adviser is advising the Company on the Proposed Acquisition, in the reasonable opinion of the Directors, the Financial Adviser does not have any material relationship with the Company.

14. GENERAL MEETING

The GM, notice of which is set out in this Circular, will be held at M Hotel Singapore, Anson Room 3, Level 2, 81 Anson Road, Singapore 079908 on Tuesday, 11 February 2014 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the ordinary resolution set out in the Notice of GM.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

A Shareholder who is unable to attend the GM and wishes to appoint a proxy to attend and vote on his behalf should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the office of the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not later than 48 hours before the time fixed for the GM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the GM in place of his proxy should he subsequently wish to do so.

A Depositor is not regarded as a Shareholder entitled to attend the GM and to speak and vote thereat unless his name appears on the Depository Register as certified by CDP, not less than 48 hours before the GM.

16. MISCELLANEOUS

16.1 Consent

Each of the Financial Adviser, U.S. Financial Adviser, KPMG LLP Singapore, KPMG LLP US, Ernst & Young and the legal advisers (David Lim & Partners LLP, Kramer Levin Naftalis & Frankel LLP and Romulo Mabanta Buenaventura Sayoc & de los Angeles) to the Company has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular to act in such capacity in relation to the Circular. Such consent does not imply any responsibility for the content of this Circular except to the extent (if any) specifically stated herein.

16.2 Material Contracts of the Group

Save as disclosed below, the Group did not enter into any material contracts outside the ordinary course of business for the period of two years immediately preceding the Latest Practicable Date:

(a) Confidentiality agreement dated 3 July 2013, between the Company and the Vendor.

(b) Escrow agreement, dated as of 9 October 2013, among the Company, the Vendor, and Citibank, N.A., a National Banking Association as Escrow Agent.

(c) The Purchase Agreement.

(d) Commitment letter dated 1 October 2013 in relation to the bridge loan facility of US$350 million issued by BDO Capital & Investment Corporation to the Company.

(e) Facility agreement dated 14 January 2014 of US$350,000,000 by and among the Company as Borrower, BDO Capital and Investment Corporation as Arranger, BDO Unibank, Inc as Original Lender and Agent, and BDO Unibank, Inc – Trust and Investments Group as Security Agent.

(f) Facility agreement dated 14 January 2014 of US$165,000,000 by and among the Company as Borrower, NPL, the Company's controlling shareholder as Guarantor, BPI Capital Corporation as Arranger, and Bank of the Philippine Islands as Original Lender and Agent.

(g) Commitment letters dated 4 November and 9 October 2013 with a group of syndicated investors which relates to the following facilities:

  (a) a senior secured first lien asset-based revolving credit facility of up to US$350 million (the "**ABL Facility**");

  (b) a senior secured first lien term loan facility of up to US$710 million (the "**First Lien Term Loan Facility**");

  (c) a senior secured second lien term loan facility of up to US$260 million (the "**Second Lien Term Loan Facility**").

16.3 Material Litigation

The Directors are not aware of any legal or arbitration proceedings pending or threatened or known to be contemplated, by or against the Company or any of its subsidiaries which might have or which have had in the 12 months immediately preceding the Latest Practicable Date, a material effect on the financial position or profitability of the Company or the Group taken as a whole or of any facts likely to give rise to any such litigation or arbitration claim.

Shareholders should refer to paragraph 16 of Appendix A on the litigation relating to the Consumer Food Business. Please note that after the completion of the Proposed Acquisition, the Company's internal legal team will be involved in the processes relating to new products and label development and will also provide guidance to operations, marketing and research and development departments to ensure compliance with the relevant laws and material contracts.

16.4 Documents available for inspection

The following documents are available for inspection at the offices of the Company's Share Transfer Agent in Singapore and Manila for a period of 6 months from the Company's announcement dated 11 October 2013:

(a) The Articles of Association of the Company;

(b) The Purchase Agreement;

(c) Material contracts referred to in Section 16.2 above;

(d) Annual report of the Company for FY2012;

(e) The unaudited financial condition and results of operation of the Company for the third quarter and nine months ended 30 September 2013 which was announced by the Company on 24 October 2013.

Yours faithfully

For and on behalf of
the Board of Directors of Del Monte Pacific Limited
Rolando C Gapud
Chairman

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APPENDIX A

INFORMATION ON THE CONSUMER FOOD BUSINESS

Information found in this Appendix that has been obtained from the public filings made by the Vendor with the U.S. Securities and Exchange Commission has been either (i) reproduced exactly as found in the source document; (ii) reproduced without substantial modification from the source document; or (iii) extracted and paraphrased from the source document.

The Company has not obtained consent from the Vendor for the publication of any information relating to the Consumer Food Business nor for the reproduction of their information extracted from the public filings by the Vendor. The Vendor does not make any representation or warranty about the information in this Circular and is not liable for the information relating to the Consumer Food Business set out in this Circular. The Company has taken reasonable care in compiling, extracting and reproducing such information. Neither the Company nor the Financial Adviser has verified the information extracted from the source and accordingly, the Company and the Financial Adviser cannot warrant that such information is true, accurate and complete, or if any fact has been omitted that would render such information false or misleading.

1. Overview[5]

The Consumer Food Business includes well-known household brands such as *Del Monte*, *Contadina, College Inn, S&W* and other brand names. The Consumer Food Business also produces and distributes private label food products. The Consumer Food Business' products are sold across the United States, in all channels serving retail markets, as well as to the U.S. military, certain export markets, the foodservice industry and other food processors. As at 28 April 2013, the Consumer Food Business' principal facilities consist of 11 production facilities and 6 distribution centres in the United States, as well as 2 production facilities in Mexico and 1 production facility in Venezuela.

The Consumer Food Business' diversified, multi-category product line provides the Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers. The Consumer Food Business has developed strong relationships with customers over the long term that provides a solid base for the Consumer Food Business.

2. History[6]

The original owner of the Consumer Food Business was incorporated in 1916 and was a publicly traded company until its acquisition in 1979 by the predecessor of RJR Nabisco, Inc. From 1979 to 1999, the predecessor's business went through a number of ownership changes and divestitures. In February 1999, Del Monte Foods Company ("**DMFC**") became a publicly traded company and was listed on the New York Stock Exchange under the symbol "DLM". DMFC remained a publicly traded company until March 2011.

From 1997 to 2001, DMFC completed several acquisitions, including: in 1997, the acquisition of assets comprising Nestle U.S.A., Inc's U.S. business of manufacturing and marketing certain processed tomato products and the rights to *Contadina* processed tomato products; in 1998, the rights to the *Del Monte* brand in South America from Nabisco, Inc and Nabisco's processed vegetable and tomato business in Venezuela; in 2000, the rights to the *SunFresh* brand citrus and tropical fruits line of the UniMark Group, Inc; and in 2001, the inventory and rights to the brand name of the *S&W* business from Tri Valley Growers, an agricultural cooperative association, which included processed fruits, tomatoes, vegetables, beans and specialty sauces.

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[5] Source: Information extracted and paraphrased from page 2 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[6] Source: Information extracted and paraphrased from pages 2-3 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

On 20 December 2002, DMFC acquired certain businesses from H.J. Heinz Company ("**Heinz**"), including their U.S. and Canadian pet food and pet snacks, North American tuna, U.S. retail private label soup and U.S. infant feeding businesses ("**2002 Acquired Businesses**"). The 2002 Acquired Businesses included brand names such as *Starkist*, *College Inn*, *9Lives*, *Kibbles 'n Bits*, *Pup-Peroni*, *Snausages* and *Pounce*.

In fiscal year 2004, DMFC sold the *IVD*, *Medi-Cal* and *Techni-Cal* brands it acquired from Heinz. In fiscal 2005, DMFC acquired fruit packing operations, located in Mexico, and related assets.

On 24 April 2006, DMFC sold certain assets and liabilities related to its private label soup, infant feeding and food service soup businesses to TreeHouse Foods, Inc.

On 19 May 2006, DMFC completed the acquisition of Meow Mix Holdings, Inc and its subsidiaries, the maker of *Meow Mix* brand cat food and *Alley Cat* brand cat food. Effective 2 July 2006, DMFC completed the acquisition of certain pet product assets, including the *Milk-Bone* brand from Kraft Foods Global, Inc.

On 6 October 2008, DMFC (i) sold all of the outstanding stock of Galapesca S.A., Panapesca Fishing, Inc and Marine Trading Pacific, Inc, (ii) caused Star-Kist Samoa, Inc to be merged with and into a subsidiary of the purchaser and (iii) sold certain assets that are primarily related to the business of manufacturing, marketing, selling and distributing *Starkist* brand products and private label seafood products.

On 8 March 2011, DMFC was acquired by an investor group controlled by funds affiliated with KKR, Vestar and Centerview. Under the terms of the merger agreement, DMFC's stockholders received US$19.00 per share in cash. The acquisition (also referred to as the "**Merger**") was effected by the merger of BlueMerger Sub Inc ("**Blue Sub**") with and into DMFC, with DMFC being the surviving corporation. As a result of the Merger, DMFC became a wholly-owned subsidiary of Blue Acquisition Group, Inc. DMFC stockholders approved the transaction on 7 March 2011. DMFC's common stock ceased trading on the New York Stock Exchange before the opening of the market on 9 March 2011. On 26 April 2011, DMFC merged with and into the Vendor, with the Vendor being the surviving corporation. As a result of the Merger, the Vendor became a direct wholly-owned subsidiary of Blue Acquisition Group, Inc.

The Vendor was incorporated in June 2002 under the name SKF Foods, Inc. It maintains its principal executive office at One Maritime Plaza, San Francisco, CA 94111. Its telephone number is (415) 247-3000 and website is www.delmontefoods.com.

3. Sales and Marketing[7]

The Consumer Food Business uses a direct sales force and independent food brokers to sell its products to customers in different channels. A direct sales force is used for most of the Consumer Food Business' sales to grocery, club store, supercentre and mass merchandiser customers. The Consumer Food Business uses a combination of a direct sales force and some food brokers for other channels such as dollar stores, drug stores, convenience stores, military, foodservice, food ingredients and private label. These brokers are paid commissions based on a percentage of sales which vary based on the scope of services provided. The Consumer Food Business' *College Inn* foodservice sales in the United States have historically been performed by Heinz through agency agreements. Within the grocery channel and certain other channels, the Consumer Food Business manages retail in-store conditions through a primary broker and generally pays a flat fee for this retail coverage.

The Consumer Food Business maintained investment in its brands, including marketing and trade spending, at competitive levels. Its marketing function oversees insight market research, new product development, pricing strategy, advertisement, publicity, consumer promotion and package design. Collectively, its marketing programmes are designed to strengthen its brand equities, generate awareness of new items and stimulate trial among its target consumers. The Consumer Food Business also partners with its customers to develop trade promotion programmes which deliver merchandising and price promotions to its customers.

[7] Source: Information extracted and paraphrased from page 5 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

4. Foreign Sales and Operations[8]

Total revenue of the Consumer Food Business for fiscal year 2013 amounts to US$1.83 billion and US$1.82 billion for fiscal year 2012. North America sales accounted for US$1.73 billion or 95% of total sales and US$1.71 billion or 94% of total sales for fiscal years 2013 and 2012, respectively. South America sales accounted for US$99.8 million or 5% of total sales and US$109.4 million or 6% of total sales for fiscal years 2013 and 2012, respectively.

(in US$ millions)	Net Sales Fiscal year 2013	Net Sales Fiscal year 2012
South America	99.8	109.4
North America	1,730.6	1,706.0
Total	**1,830.4**	**1,815.4**

Revenues from Foreign Countries

The Consumer Food Business' foreign sales are consummated either through local operations or through brokers, distributors, U.S. exporters, direct sales force or licencees for foreign destinations.

Foreign Operations

The Consumer Food Business has subsidiaries located in Argentina, Mexico, Venezuela, Colombia, Ecuador and Peru.

To supply sales of products in the South American market, the Consumer Food Business operates a food processing plant in Venezuela and purchases raw product, primarily vegetables, from approximately 13 growers in Venezuela. In addition the Consumer Food Business purchases tomato paste, frozen vegetables and fruit pulps from 7 suppliers in Chile and Peru, dried beans from a supplier in Canada and dried peas from a supplier in the United States. The Consumer Food Business also uses 12 co-packers located in Chile, the Philippines, Belgium and Venezuela to provide products sold in South America.

Products produced in Mexico are sold primarily in the United States. The Consumer Food Business operates 2 fruit processing plants in Mexico, and buys fruits from about 325 growers in Mexico and the United States to supply these plants.

Geographic Location of Fixed Assets

The Consumer Food Business' fixed assets are primarily located in the United States with 8% of the Consumer Food Business' fixed assets located in foreign countries (Mexico and South America).

5. Customers[9]

Most food retailers in the U.S. carry the Consumer Food Business' products, and the Consumer Food Business has developed strong relationships over the long term with the majority of significant participants in the retail grocery trade.

Walmart, which includes Walmart's stores and supercentres along with SAM'S CLUB, is the most significant customer of the Consumer Food Business.

The Consumer Food Business sales teams work with customers to promote the resale of the Consumer Food Business' products in the stores. These efforts include working with customers in the areas of merchandising, product assortment and distribution and shelving. Where the Consumer Food Business provides private label products for its customers, the Consumer Food Business typically supplies those customers on a purchase order basis as well. These purchase orders could be on a stand-alone basis, or issued under a master agreement that sets forth

[8] Source: Information extracted and paraphrased from pages 5-6 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013, or extracted from information provided by Vendor.

[9] Source: Information extracted and paraphrased from pages 5-6 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013, or extracted from information provided by Vendor.

matters such as payment and delivery terms. The Consumer Food Business' arrangements with its largest customer, Walmart, operate in generally the same fashion as those with the Consumer Food Business' other customers and on overall similar terms.

The major customers of the Consumer Food Business' sales for the fiscal years ended 29 April 2012 and 28 April 2013 are as follows:[(1)]

Name of customer	**As a percentage of gross sales (%)**	
	Year ended 29 April 2012	Year ended 28 April 2013
Walmart / Sam's	26	29

To the best of the Group's knowledge, it is not aware of any information or arrangements which would lead to a cessation or termination of the current relationship of the Consumer Food Business with any of its major customers.

Note:

(1) Information extracted and obtained from Independent Auditor's Report from page C-16, paragraph (n) of Appendix C.

6. Supply[10]

The cost of raw materials may fluctuate due to demand, weather conditions, governmental regulations, crop yields, economic climate, seasonal factors, exchange rates or other circumstances. Raw materials reflect only a portion of the Consumer Food Business' cost of goods sold. The inputs, commodities, ingredients and other raw materials that the Consumer Food Business requires are subject to price increases and shortages that could adversely affect its results of operations. Adverse weather conditions (caused by climate change or otherwise), natural disasters, pestilences and other natural conditions can affect crops and other inputs, which can adversely affect operations and results of operations.

Consumer Products

The Consumer Food Business' products are manufactured from a wide variety of raw materials. Each year, the Consumer Food Business buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the United States. The Consumer Food Business' fruit supply contracts generally range from 1 to 10 years. Fruit prices are generally negotiated with grower associations annually. The Consumer Food Business purchases raw product from over 500 fruit growers located in California, Oregon and Washington. Yellow cling peaches are contracted by the acre, while contracts for other fruits require delivery of specified quantities each year. The Consumer Food Business' vegetable supply contracts are for a one-year term and require delivery from contracted acreage with specified quality. Vegetable prices are negotiated annually. The Consumer Food Business purchases raw product from approximately 600 vegetable growers located primarily in Wisconsin, Illinois, Minnesota, Washington and Texas. The Consumer Food Business purchases raw tomatoes from approximately 25 tomato growers located in California, where approximately 95% of domestic tomatoes for processing are grown. Tomato prices are generally negotiated with grower associations and are reset each year. The Consumer Food Business has actively participated in agricultural management, agricultural practices, quality control and compliance with pesticide/herbicide regulations. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or on the open market.

The Consumer Food Business maintains the long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes. The Consumer Food Business owns virtually no agricultural land for harvesting.

[10] Source: Information extracted and paraphrased from page 7 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

Cans and Ends

The Consumer Food Business has a long-term supply agreement effective as of 1 January 2010, with Silgan Containers LLC ("**Silgan**") which relates to Silgan's provision of metal cans and ends used for the Consumer Food Business' canned fruit, vegetable, tomato and broth products. Under the agreement and subject to certain specified exceptions, the Consumer Food Business must purchase all of its United States metal food and beverage container requirements for its canned fruit, vegetable, tomato and broth products from Silgan. The Silgan agreement expires 31 December 2021.

Pricing under the Silgan agreement is adjusted up to twice a year to reflect changes in metal costs and annually to reflect changes in the costs of manufacturing.

7. Production and Distribution[11]

The Consumer Food Business operates 14 production facilities in the U.S., Mexico and Venezuela. The Consumer Food Business' fruit plants are located in California and Washington, most of its vegetable plants are located in the Midwest and its tomato plants are located in California and Indiana. A significant portion of the Consumer Food Business' production operations has a seasonal production cycle that generally runs between the months of June and October. Most of The Consumer Food Business' seasonal plants operate close to full capacity during the packing season. This seasonal production primarily relates to the majority of the Consumer Food Business' processed fruit, vegetable and tomato products, while some of the Consumer Food Business' processed fruit and tomato products and *College Inn* broth products are produced throughout the year. Additionally, the Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

The Consumer Food Business uses 12 co-packers and 3 re-packers located in the U.S. and foreign locations, in addition to its own production facilities. Co-packers are used for broth, pineapple, tropical fruit salad, mandarin oranges and certain other products. The Consumer Food Business sources the majority of its processed pineapple requirements from GTL. The Consumer Food Business relies upon co-packers for the supply of some products. Any failure by co-packers to fulfil their obligations or any termination or renegotiation of the co-pack agreements could adversely affect the Consumer Food Business' results of operations. The Consumer Food Business periodically uses co-packers to supplement supplies of certain processed fruit, vegetable and tomato products.

Distribution

The Consumer Food Business' customers can order products to be delivered via third-party trucking, on a customer pickup basis or by rail. Distribution centres provide casing, labelling and special packaging and other services. The Consumer Food Business' distribution centre network is evaluated from time to time and, accordingly, changes are made to its network, particularly in connection with an acquisition. In addition, its distribution network includes third-party distribution centres. The Consumer Food Business relies upon a number of third parties to manage or provide distribution centres for its products. Failures by these third parties could adversely affect the Consumer Food Business' business.

8. Research and Development[12]

The Consumer Food Business' research and development organisation provides product, packaging and process development. The Consumer Food Business maintain a research and development facility in Walnut Creek, California[13], where the Consumer Food Business develops new processed products and product line extensions and conducts research in a number of areas related to its fruit, vegetable, tomato and broth products, including packaging, pest management, food science, environmental and engineering. This facility employs scientists, engineers and researchers and is equipped with pilot shops and test kitchens.

[11] Source: Information extracted and paraphrased from pages 7-8 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[12] Source: Information extracted and paraphrased from page 8 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[13] This facility is not included in the Proposed Acquisition.

Research and development costs of the Consumer Food Business were US$10.4 million (0.6% of total revenue for fiscal year ended 28 April 2013) and US$10.7 million (0.6% of total revenue for fiscal year ended 29 April 2012) for fiscal year ended 29 April 2012 and 28 April 2013 respectively.

9. Intellectual Property[14]

The Consumer Food Business' registered and unregistered trademarks for use in connection with various food and snack products include:

- *Del Monte, Contadina, College Inn, S&W, SunFresh, Fruit Naturals* and *Orchard Select.*

Brand name recognition and the product quality associated with the Consumer Food Business' brands are key factors in the success of its products. The current registrations of these trademarks in the United States and foreign countries are effective for varying periods of time, and may be renewed periodically, provided that applicable renewal requirements are complied with, including, where necessary, the continued use of the trademarks in connection with the identified goods.[15] The Consumer Food Business is not aware of any material challenge to the ownership of its major trademarks. With respect to broth, the Consumer Food Business' trademark rights relate primarily to the United States and Canada.

Various perpetual, exclusive, royalty-free licences for use of the *Del Monte* name and trademark, along with certain other trademarks, patents, copyrights and trade secrets were granted by the Vendor to third party companies. Licences for use of the *Del Monte* name and trademark are generally for use outside of the United States, though certain of the licences are worldwide. For example, Kikkoman Corporation holds the rights to use *Del Monte* trademarks in Asia and the South Pacific (excluding the Philippines, the Indian Subcontinent and Myanmar); Fresh Del Monte holds the rights to use the *Del Monte* name and trademarks with respect to fresh fruit, vegetables, produce and certain other products throughout the world (including the United States); Fresh Del Monte through its subsidiary Del Monte Foods International, Inc and its affiliates, holds the rights to use *Del Monte* name and trademarks in Europe, Africa and the Middle East (including ownership rights for processed food products in South Africa); and ConAgra holds the rights to use *Del Monte* trademarks in Mexico and Canada. These companies are not affiliated with the Consumer Food Business or its predecessor[16]. The Consumer Food Business has granted other licences for the use of its trademarks both within and outside of the United States.

The Consumer Food Business retains the right to review the quality of the licencees' products under each of the licence agreements. The Consumer Food Business generally may inspect the licencees' facilities for quality and may require the licencees to periodically submit samples for inspection. Licensees may grant sublicences but all sublicencees are bound by these quality control standards and other terms of the licence.[17]

In addition to granting certain licences, the Consumer Food Business has sold trademarks from time to time. During fiscal year 2007, in addition to granting a licence with respect to the *S&W* trademark for beans in the United States, the Consumer Food Business sold the rights to the *S&W* trademark in Australia and New Zealand. During fiscal year 2008, the Consumer Food

[14] Source: Information extracted and paraphrased from pages 8-9 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[15] Renewals of trademarks are largely procedural and will not normally be rejected. Once the duration of the trademarks has lapsed, the owner of the trademark is generally given a grace period to file a renewal, after which the registration expires and the statutory protection lapses. The trademark protection regime is fairly consistent across the world with similar registration and renewal procedures.

[16] The "Del Monte" brand has been in existence since 1892. The Vendor's predecessor was originally the sole owner of the Del Monte trademarks in most territories of the world. From the 1979 to 1999, the Vendor's predecessor's business went through several ownership changes and divestitures. During such period, Vendor's predecessor granted various perpetual, exclusive, royalty-free licences for use of the Del Monte name and trademarks to other third party companies including Kikkoman Corporation, Fresh Del Monte and ConAgra discussed above.

Predecessor refers to the previous entities which owned the Del Monte trademarks and for which the Vendor is the successor entity. **Shareholders are to note that NPL and the Directors of the Company are not associates of the predecessors of the Vendor or vice versa and therefore the predecessors of the Vendor are not interested persons of the Company.**

[17] On Closing, the Acquiror will acquire the above licences including the rights of inspection discussed above.

Business sold its remaining rights to the *S&W* trademark in all markets outside of North and South America.

The Consumer Food Business' has granted various security and tangible interests in the trademarks and related trade names, copyrights, patents, trade secrets and other intellectual property to certain creditors, in connection with its credit facilities, and to licencees, to secure certain obligations of the Consumer Food Business under the licence agreements.

As of 28 April 2013, the Consumer Food Business owns 30 issued U.S. patents covering food production and preservation methods, methods for manufacturing cans and ends, methods for sealing cans, and food processing equipment. These patents expire between 2013 and 2030 and cannot be renewed. These patents are generally not material to the business.

A number of proprietary vegetable seed varieties have been developed and are protected by access restrictions and/or by the use of non-disclosure agreements. These methods are not guaranteed to be sufficient to protect the secrecy of the seed varieties. In addition, other companies may independently develop similar seed varieties. The Consumer Food Business has obtained U.S. plant variety protection certificates under the Plant Variety Protection Act on some of its proprietary seed varieties. Under a protection certificate, the breeder has the right, among other rights, to exclude others from offering or selling the variety or reproducing it in the United States. The protection afforded by a protection certificate generally runs for 20 years from the date of its issuance and is not renewable.

Please refer to Appendix K for an overview summary of information relating to the principal trademarks of the Consumer Food Business. The information reflected on Appendix K is intended to serve as an overview, and does not reflect all particulars of the principal trademarks rights being acquired.

10. Seasonality[18]

The historical net sales for the Consumer Food Business have generally exhibited seasonality, with the first fiscal quarter typically having the lowest net sales. Lower levels of promotional activity, the availability of fresh produce, the timing of price increases and other factors have historically affected net sales in the first fiscal quarter. The Consumer Food Business has experienced increased sales of its processed fruit, vegetable, tomato and broth products during the back-to-school and holiday periods in the United States, extending from September through December, as well as during periods associated with the Easter holiday.

The vast majority of the Consumer Food Business' processed fruit, vegetable and tomato inventories are produced during the harvesting and packing months of June through October and depleted through the last seven months of its fiscal year. Accordingly, the majority of its cash flow is generated in the third and fourth quarter as the Consumer Food Business sells inventory that was produced primarily in the first and second quarters.

11. Employees[19]

The Consumer Food Business has full-time employees in the U.S. and abroad. In addition, temporary seasonal workers are hired during its fruit, vegetable and tomato pack season, typically June through October, adding approximately 5,400 of seasonal employees to its workforce during those months. The Consumer Food Business' relationship with its employees is considered to be good.

[18] Source: Information extracted and paraphrased from pages 10-11 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[19] Source: Information extracted and paraphrased from page 11 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013, or extracted from information provided by Vendor.

The number of employees in each production facility and distribution centre is as follows:

Production Facilities

United States:

Location	Salaried	Hourly full-time	Seasonal	Total
California	101	711	2,412	3,224
Washington	50	71	994	1,115
Wisconsin	70	177	1,066	1,313
Minnesota	22	54	350	426
Texas	19	82	140	241
Illinois	31	91	465	587
Indiana	26	121	-	147

Foreign

Location	Salaried	Hourly full-time	Seasonal	Total
Venezuela	301	249	-	550
Mexico	344	-	2,250	2,594

Distribution Centres

United States

Location	Salaried	Hourly full-time	Total
California	19	110	129
Georgia	11	130	141
Illinois	26	111	137
Texas	5	9	14

As of 28 April 2013, the Consumer Food Business has 9 collective bargaining agreements with 8 union locals covering approximately less than 80% of its hourly full-time and seasonal employees. Of these employees, approximately 29% are covered under collective bargaining agreements scheduled to expire in fiscal year 2014 and approximately 13% are covered under collective bargaining agreements scheduled to expire in fiscal year 2015. These agreements are subject to negotiation and renewal. Failure to renew any of its collective bargaining agreements could result in a strike or work stoppage that could materially adversely affect its business.

12. Properties[20]

As of 28 April 2013, the Consumer Food Business' principal facilities included 11 production facilities and 6 distribution centres in the US, and 3 production facilities in foreign locations. The 6 distribution centres in the US are located in Lathrop CA, Fontana CA, McAllen TX, Rochelle IL, York PA and Atlanta GA.

The Consumer Food Business generally owns its production facilities. Its company-managed distribution centres are owned or leased by the Consumer Food Business. The Consumer Food Business also uses distribution centres operated by third parties. It also has various other warehousing and storage facilities, which are primarily leased facilities. Its leases are generally long-term.

[20] Source: Information extracted and paraphrased from pages 23-24 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013, or extracted from information provided by Vendor.

The following table lists the Consumer Food Business' principal production facilities and distribution centres:

Production Facilities

United States:

Location	Approximate area ('000 sq feet)	Pack volume Actual cases
California	2,265	45,119,000
Washington	734	13,183,000
Wisconsin	1,008	25,494,000
Minnesota	340	9,226,000
Texas	230	2,467,000
Illinois	383	11,135,000
Indiana	205	8,004,000

Foreign:

	Location	Approximate area ('000 sq feet)	Pack volume Actual cases
Food and beverage	Venezuela	55	N/A
Fruit	Mexico	115	11,491,000

Distribution Centres

United States

Location	**Approximate area ('000 sq feet)**
California	1,171
Georgia	780
Illinois	753
Pennsylvania	100 (maximum pallet capacity)
Texas (Refrigerated)	138

The Consumer Food Business' principal administrative headquarters are located in leased office space in San Francisco, California. The Consumer Food Business also leases additional administrative facilities in Pittsburgh, Pennsylvania. The Consumer Food Business owns its primary research and development facility in Walnut Creek, California. Neither the Walnut Creek facility nor the Consumer Food Business' principal administrative headquarters or Pittsburgh facilities are included in the Proposed Acquisition.

Additionally, the Consumer Food Business has agreements with third-parties who provide distribution centre operations. Under these agreements, the third-party leases the facility and operates the distribution centre. The Consumer Food Business pays a service fee based on the services they provide. These agreements generally have terms ranging from 3 to 5 years.

13. Material Contracts

Customer Contracts[21]

Most food retailers in the U.S. carry the Consumer Food Business' products, and the Consumer Food Business has developed strong relationships over the long term with the majority of significant participants in the retail grocery trade. Wal-Mart, which includes Wal-Mart's stores and supercentres along with SAM'S CLUB, is the most significant customer of the Consumer Food Business' consumer products segment.

The Consumer Food Business' sales team works with the Consumer Food Business' customers to promote the resale of the Consumer Food Business' products in their stores. These efforts include working with customers in the areas of merchandising, product assortment and distribution and shelving. The Consumer Food Business' customers provide it with purchase

[21] Source: Information extracted and paraphrased from page 6 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

orders as they desire product and the Consumer Food Business fills these orders based on generally standard terms of sale. Where the Consumer Food Business provides private label products for its customers, the Consumer Food Business typically supplies those customers on a purchase order basis as well. These purchase orders could be on a standalone basis, or issued under a master agreement that sets forth matters such as payment and delivery terms. The Consumer Food Business' arrangements with its largest customer, Wal-Mart, operate in generally the same fashion as those with the Consumer Food Business' other customers and on overall similar terms.

Leases[22]

The Consumer Food Business-managed distribution centres are owned or leased by the Consumer Food Business. The Consumer Food Business also uses distribution centres operated by third parties. The Consumer Food Business also has various other warehousing and storage facilities, which are primarily leased facilities. The leases are generally long-term.

The Consumer Food Business' principal administrative headquarters are located in leased office space in San Francisco, California. The Consumer Food Business also leases additional administrative facilities in Pittsburgh, Pennsylvania. Neither principal administrative headquarters nor Pittsburgh facilities are included in the Proposed Acquisition.

Collective Bargaining Agreements[23]

As of 28 April 2013, the Consumer Food Business had 9 collective bargaining agreements with 8 union locals covering approximately less than 80% of the Consumer Food Business' hourly full-time and seasonal employees. These agreements are subject to negotiation and renewal.

Other Contracts[24]

In addition to the contracts and arrangements described above, the following contracts have been entered into by the Consumer Food Business prior to the date of this Circular, were entered into outside the ordinary course of business and/or may be material:

- Purchase Agreement, dated as of 9 October 2013, among Vendor, Del Monte Foods Consumer Products, Inc, and, solely for purposes of Section 11.20 thereof, Del Monte Pacific Limited.
- Escrow Agreement, dated as of 9 October 2013, among the Company, Vendor, and Citibank, N.A., a National Banking Association as Escrow Agent.
- Confidentiality Agreement, dated 3 July 2013, between the Company and Vendor.
- Supply agreement by and between Vendor and Silgan Containers, LLC, dated 2 February 2011.
- Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC effective as of 4 November 2008.
- First Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 4 May 2009.
- Second Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 22 September 2009.
- Third Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 26 January 2010.

[22] Source: Information extracted and paraphrased from pages 23-24 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.
[23] Source: Information extracted and paraphrased from page 93 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.
[24] Source: Information extracted and paraphrased from pages 156-161 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

- Fourth Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 11 August 2010.
- Fifth Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 10 February 2011.
- Sixth Amendment to the Restated Del Monte Foods Retail Brokerage Agreement between Vendor and Advantage Sales and Marketing LLC, dated 6 January 2012.

14. Governmental Regulation; Environmental Compliance[25]

Applicable Laws, Permits and Licences

As a manufacturer and marketer of food products, the Consumer Food Business' operations are subject to extensive regulation by various federal government agencies, including the Food and Drug Administration, the United States Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the Federal Trade Commission ("**FTC**"), as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labelling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance and labelling. The Consumer Food Business' products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, and the Federal Fair Packaging and Labeling Act of 1966, as amended. In addition, advertising these products is subject to regulation by the FTC, and the operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act, as amended. The Consumer Food Business' manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. The Consumer Food Business will seek to comply with all such laws and regulations and to obtain any necessary permits and licences. Any failure to comply with applicable laws and regulations or obtain any necessary permits and licences could subject the Consumer Food Business to civil penalties including fines, injunctions, recalls or seizures, as well as potential criminal sanctions.

As a result of the Consumer Food Business' agricultural, food processing and packaging activities, the Consumer Food Business is subject to numerous environmental laws and regulations. These laws and regulations govern the treatment, handling, storage and disposal of materials and waste and the remediation of contaminated properties. Violations or non-compliance with these laws and regulations could result in the imposition of fines or civil liability by governmental entities or private parties. Outside the United States, the Consumer Food Business is also subject to applicable multi-national, national and local environmental laws and regulations in the host countries where it does business. The Consumer Food Business has programmes across its international business operations designed to meet compliance with requirements in the environmental area. However, the extent to which the enforcement of any existing or future environmental law or regulation may affect the Consumer Food Business' operations cannot be predicted.

15. Competition[26]

The Consumer Food Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with market shares of 26.6%, 23.9% and 11.3% respectively in fiscal 2013. The Consumer Food Business has the leading market share for branded products in both processed fruit and vegetable. The Consumer Food Business' processed fruit, vegetable and tomato products are in mature categories, characterised by high household penetration. The Consumer Food Business' fruit category includes packaged produce products. Due to strong awareness of the Consumer Food Business' brands and its value-added products, the Consumer Food Business has been able to price its processed fruit, vegetable and tomato products at a premium compared to private label products.

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[25] Source: Information extracted and paraphrased from pages 9-10 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

[26] Source: Information extracted and paraphrased from page 5 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with SEC on 28 June 2013

College Inn broth products accounted for 9.5% of the total broth category in fiscal 2013 and was the second largest branded broth product in the U.S.

The Consumer Food Business' processed fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value.

The Consumer Food Business' competitors include branded and private label fruit, vegetable, tomato and broth processors. The Consumer Food Business's primary competitors include Dole, Seneca Foods and Pacific Coast Producers in processed fruit; General Mills and Seneca Foods in processed vegetable; Con Agra, Heinz and Unilever in processed tomato; and Campbell Soup and smaller regional brands in broth.

16. Material Litigation[27]

1. On 14 October 2008, Fresh Del Monte filed a complaint against Vendor in U.S. District Court for the Southern District of New York. Fresh Del Monte amended its complaint on 5 November 2008. Under a trademark licence agreement with Vendor, Fresh Del Monte holds the rights to use the Del Monte name and trademark with respect to fresh fruit, vegetables and produce throughout the world (including the United States). Fresh Del Monte alleged that Vendor breached the trademark licence agreement through the marketing and sale of certain of Vendor's products sold in the refrigerated produce section of customers' stores, including Del Monte Fruit Naturals products and the more recently introduced Del Monte Refrigerated Grapefruit Bowls.

   Additionally, Fresh Del Monte alleged that it has the exclusive right under the trademark licence agreement to sell Del Monte branded pineapple, melon, berry, papaya and banana products in the refrigerated produce section. Fresh Del Monte also alleged that Vendor's advertising for certain of the alleged infringing products was false and misleading. Fresh Del Monte sought damages of US$10.0 million, treble damages with respect to its false advertising claim, and injunctive relief. On 14 October 2008, Fresh Del Monte filed a Motion for a Preliminary Injunction, asking the Court to enjoin Vendor from making certain claims about Vendor's refrigerated products. On 23 October 2008, the Court denied that motion. Vendor denied Fresh Del Monte's allegations. Additionally, on 21 November 2008, Vendor filed counter-claims against Fresh Del Monte, alleging that Fresh Del Monte has breached the trademark licence agreement. Specifically, Vendor alleged, among other things, that Fresh Del Monte's "medley" products (vegetables with a dipping sauce or fruit with a caramel sauce) violated the trademark licence agreement. On 10 November 2010, Fresh Del Monte filed a Motion for Partial Summary Judgment. On 8 December 2010, Vendor filed an opposition to that motion. At a hearing on 11 August 2011, the Court denied Fresh Del Monte's motion for Partial Summary Judgment. Vendor requested a voluntary dismissal of its counter-claims against Fresh Del Monte, which was granted by the Court on 24 January 2012. On 6 April 2012, a jury returned a verdict in favour of Fresh Del Monte and awarded the Plaintiff damages in the amount of US$13.2 million. The jury found that Vendor violated the Lanham Act through false and misleading advertising for certain refrigerated products, that Vendor's conduct was wilful, and that it breached the trademark licence agreement. On 27 April 2012, Fresh Del Monte filed a Motion for Permanent Injunction and sought a final judgment with respect to the damages awarded by the jury. Fresh Del Monte's motion also sought prejudgment interest, recovery of attorney's fees, royalties and other related costs totalling approximately US$8.5 million. Vendor's opposition to Fresh Del Monte's motion was filed on 18 May 2012 and Fresh Del Monte's reply to Vendor's opposition motion was filed on 25 May 2012. On 28 March 2013, the judge granted the permanent injunction, with which Vendor had already taken measures to comply. The judge also issued a ruling awarding Fresh Del Monte prejudgment interest and royalties, but not attorney's fees. The final damages award was approximately US$16.6 million and was accrued in accounts payable and accrued expenses as of 28 April 2013. Vendor made the payment to Fresh Del Monte in May 2013.

[27] Source: Information being extracted and paraphrased from pages 94-96 of the 2013 Form 10-K (Annual Report) of the Vendor as filed with the SEC on 28 June 2013 and information included in other public filings.

2. Environmental Law Foundation v. Del Monte

On 28 September 2011, Plaintiff (Environmental Law Foundation) filed a complaint alleging violations of Proposition 65 against Vendor in Alameda County Superior Court. Specifically, the complaint alleges that Vendor violated Proposition 65 by distributing certain pear, peach and fruit cocktail products without providing warnings required by Proposition 65. Plaintiff seeks injunctive relief, damages in an unspecified amount and attorneys' fees.

Trial commenced on 8 April 2013 and expert testimony ended on 29 April 2013. Closing briefs were submitted on 9 May 2013 by both parties, and closing oral arguments were heard on 16 May 2013.

The Judge issued his tentative statement of decision on 15 July 2013, finding that the Defendants proved their case under the Proposition 65 safe harbour defence and therefore do not have to provide Proposition 65 warning labels on the applicable food products. Both parties filed their objections to the tentative statement of decision on 30 July 2013.

The Court issued its final decision, upholding its tentative statement of decision, on 31 July 2013. Plaintiff filed a Notice of Appeal on 24 September 2013.

3. Kosta v. DMC

On 5 April 2012, Plaintiff (Michael Kosta) filed a complaint against Vendor in the U.S. District Court for the Northern District of California alleging false and misleading advertising under California's consumer protection laws. Plaintiff alleges that Vendor made a variety of false and misleading advertising claims including, but not limited to, its lycopene and antioxidant claims for tomato products; implying that its refrigerated products are fresh and all natural; implying that *Fresh Cut* vegetables are fresh; and making misleading claims regarding sugar, nutrient content, preservatives and serving size. The complaint seeks certification as a class action and damages in excess of US$5.0 million.

Vendor filed a new motion to dismiss in response to Plaintiff's amended complaint on 31 July 2012. A hearing was held 4 December 2012. The Court denied this motion, with the exception of the warranty claims, on 15 May 2013.

Plaintiff moved on 5 November 2012 to seek application of the doctrine of collateral estoppel in this matter based on the jury's finding in the Fresh Del Monte case. The Court denied this motion on 17 May 2013.

The Court in *Langille* ordered these two matters related in an Order on 15 May 2013. The parties filed a joint stipulation to consolidate these cases on 3 June 2013. The Judge granted this order on 5 June 2013. The parties filed their Consolidated Class Action Complaint on 11 June 2013. Vendor filed its Answer on 28 June 2013.

In October 2013, the Court issued a scheduling order requiring (i) the filing of a class certification motion by 7 March 2014, (ii) a fact discovery cut off of August 2014, and (iii) an expert discovery cut off of September 2014.

4. Langille, et al. v. DMC

On 22 April 2013, Plaintiffs (Sarah Langille, et al) filed a complaint in the U.S. District Court for the Northern District of California alleging false and misleading advertising under California's consumer protection laws. Plaintiffs allege that Vendor made a variety of false and misleading advertising claims including, but not limited to, implying that its refrigerated fruit products, including its *Fruit Bowls, Fruit Naturals, Sunfresh* and *Super Fruit* products, are "fresh" and "natural." The complaint seeks certification as a class action and damages in excess of US$5.0 million.

The Complaint was served on Vendor on 2 May 2013.

On 1 May 2013, Plaintiffs filed a motion to relate this case to the *Kosta* matter. Vendor filed a Joinder in support of Plaintiffs' Motion on 6 May 2013. The Court ordered the cases related in an Order on 15 May 2013.

The parties filed a joint stipulation to consolidate these cases on 3 June 2013. The Judge granted this Order on 5 June 2013. The parties filed their Consolidated Class Action Complaint on 11 June 2013. Vendor filed its Answer on 28 June 2013. The parties have agreed to continue to toll the date by which a complaint must be filed until 13 December 2013.

5. Montgomery v. DMC

On 19 April 2013, Plaintiff (Robert Montgomery) filed a complaint on behalf of himself and all other similarly situated employees in California in the Superior Court of California, Alameda County, alleging, *inter alia*, failure to provide meal and rest periods and pay wages properly in violation of various California wage & hour statutes. On 24 May 2013, Plaintiff filed its First Amended Complaint, adding claims for Private Attorney General Act penalties.

Vendor was served with the Complaint on 22 April 2013 and the First Amended Complaint was filed on 24 May 2013. The Court granted the Parties' Application to Transfer the matter to Kings County on 14 June 2013.

6. Fresh Del Monte v. DMC(1)

On 19 December 2013, Fresh Del Monte filed a complaint against Vendor in The U.S. District Court for the Southern District of New York. Under a trademark licence agreement with Vendor, Fresh Del Monte holds the rights to use the Del Monte name and trademark with respect to fresh fruit, fresh vegetables and fresh produce in various countries (including the United States). Vendor also granted Fresh Del Monte the right to use the Del Monte marks for refrigerated and frozen non-utilised fruit subject to certain conditions and requirements. Under the licence agreement, non-utilised fruit was defined to include melons, berries, papayas, bananas, and, at the written request of Fresh Del Monte, other fruit that may be added subject to the requirements of the licence agreement. Fresh Del Monte has purported to provide written notice to Vendor to add avocado, pomegranate, coconut and kiwi to the list of fruit to be deemed non-utilised fruit. Vendor has denied Fresh Del Monte's request. Fresh Del Monte alleges that Vendor breached the licence agreement by denying this request.

Additionally, Fresh Del Monte alleges that Vendor has improperly asserted that it has exclusive right to use the Del Monte marks on certain frozen fruit products that are supposedly within Fresh Del Monte's exclusive rights under the licence agreement. According to Fresh Del Monte, Vendor and/or its licencees are currently using the Del Monte marks on frozen products containing non-utilised fruit, including, melon, berry, papaya and banana. Fresh Del Monte further claims that Vendor and/or its licencees are currently using the Del Monte marks on refrigerated and frozen products containing non-utilised fruits, including, avocado, pomegranate, coconut and/or kiwi despite Fresh Del Monte's claim that it added the same as non-utilised fruit under the licence agreement.

Fresh Del Monte seeks declaratory and injunctive relief. Fresh Del Monte likewise seeks money damages in an amount to be determined.(1)

Note:

(1) Information extracted from the public filing filed in the U.S. District Court for the Southern District of New York.

In summary, Fresh Del Monte basically claims (i) that the Vendor has improperly denied Fresh Del Monte's requests to add certain fruits ("**New Fruits**") to the list of fruits to be considered non-utilised fruits which Fresh Del Monte can market under the Del Monte marks under their licence agreement. Fresh Del Monte claims for lost profits due to Vendor's allegedly authorising third parties to use or preventing Fresh Del Monte from using the Del Monte marks on refrigerated or frozen products containing avocado, pomegranate, coconut and kiwi ("**Claim Part 1**") and (ii) that the Vendor has infringed the licence agreement as the Vendor and/or its licencees are currently using the Del Monte marks on frozen products containing purportedly non-utilised fruits including melon, berry, papaya and/or bananas ("**Existing Fruits**") as well as on the New Fruits ("**Claim Part 2**" and both Claim Part 1 and Claim Part 2 shall collectively be referred to as the "**Claim**").

There is no indemnity to be provided by the Vendor under the Purchase Agreement in respect of the Claim because Acquiror agreed to assume the defence of any and all present and future claims, proceedings and litigation relating to the Consumer Food Business.

However, based on its preliminary assessment, the Acquiror believes that it has a fair chance of successfully defending its position against the Claim and intends to vigorously do so when it takes over the case after Closing. Based on the Acquiror's review of the relevant licence agreement, the Acquiror is of the view that the claimant has not met certain requirements that would entitle the claimant to assert the alleged rights under the Claim. The Claim relates generally to Fresh Del Monte's assertion of its right to market the New Fruits and an alleged infringement of the licence agreement by the Vendor on the New Fruits as well as the Existing Fruits which is part of Fresh Del Monte's current business. The Claim for the most part seeks prospective relief (i.e. seeking injunctive relief and a court declaration of its rights under the licence agreement). The Acquiror understands in respect of the Claim that under New York law (the applicable law of the Claim), it may be difficult for a plaintiff to establish damages for a new line of business. Further, in respect of Claim Part 1, even if it were held that Fresh Del Monte has the rights to the fruits in question, the Acquiror believes that the duration in which those rights subsist under the licence agreement may be for a limited period only in view of certain requirements in the licence agreement. If so, this will in turn limit any recoverable damage.

Based on the information on the Consumer Food Business that is available to the Acquiror, the Acquiror expects the estimated volume of the business involving the products that is the subject of the Claim i.e. both the New Fruits and the Existing Fruits to be less than 5% of the total sales volume and therefore considers the volume to be insignificant. As such, even if the claimant is successful in the Claim, the Acquiror believes that the damages will not be significant relative to the Consumer Food Business.

Shareholders are to note that as in all litigation matters, there are risks involved. In the case of the Claim, in the event that the court or another appropriate body rules in favour of Fresh Del Monte, the Acquiror may face similar risks as those faced by the Vendor as discussed under section 24 of Appendix A under the risk entitled "Intellectual property infringement or violation claims may adversely impact the results of operations". Such risks discussed include risks of loss such as liability for damages, risk of having to cease to produce certain products and/or risk of increased limitation on its rights to the Del Monte trademarks. The Acquiror is unable to quantify at this stage the potential liability for damages and extent of legal fees to be incurred given that the case was only filed on 19 December 2013.

The Company will provide updates via SGXNET announcement should the claim become material.

7. Vendor is also involved in a series of enforcement actions to protect against intellectual property infringement.[1]

Note:

(1) *There is a litigation accrual of US$0.9 million which has been factored in the item of "Total Liabilities" in the Combined Balance Sheet as of 28 April 2013. Please refer to page C-5 of Appendix C of this Circular for more details.*

17. **Events which may have material effect on the financial position and results of the Consumer Food Business**

From 28 April 2013 to the date of the Purchase Agreement, based on representations of the Vendor in the Purchase Agreement, the Consumer Food Business has been conducted in the ordinary course consistent with past practice and except as otherwise provided in the Purchase Agreement, there has not occurred any change, impact, event, effect, circumstance or development that has had or would reasonably be expected to have a material adverse effect on the business, financial condition or results of operations of the Consumer Food Business:

18. **Selected Financial Information on Consumer Food Business**

(a) Please refer to the audited financial information of the Consumer Food Business as set out in Appendix C of this Circular.

Combined Results of Operations

(US$ million)	**Financial year ended 28 April 2013**	**Financial year ended 29 April 2012**
Net Sales	1,830.4	1,815.4
Cost of products sold	1,424.5	1,407.2
Gross Profit	405.9	408.2
Selling, general and administrative expense	310.7	300.1
Operating Income	95.2	108.1
Interest expense	66.6	64.7
Other (income) expense, net	1.4	27.8
Income before income taxes	27.2	15.6
Provision for income taxes	8.4	2.7
Net income	18.8	12.9

The Consumer Food Business achieved the following:

(a) Audited combined NPAT of approximately US$12.9 million for the period commencing 2 May 2011 to 29 April 2012; and

(b) Audited combined NPAT of approximately US$18.8 million for the period commencing 30 April 2012 to 28 April 2013.

Copies of the relevant financial information of the Consumer Food Business may be found in Appendix C of this Circular.

Combined Financial Position (US$ million)	As at 28 April 2013	As at 29 April 2012
Non-current assets		
Property, plant and equipment	437.0	422.4
Goodwill	143.6	143.6
Intangibles	804.5	816.3
Other assets	45.5	56.5
	1,430.6	1,438.8
Current assets		
Inventories	550.2	562.1
Prepaid expenses and other current assets	65.3	54.2
Trade and other receivables	94.8	96.3
Cash and cash equivalents	12.8	5.0
Total current assets	723.1	717.6
Total assets	2,153.7	2,156.4
Equity		
Net parent investment	258.5	266.1
Accumulated other comprehensive income (loss)	(6.7)	(7.9)
Total equity	251.8	258.2
Non-current liabilities		
Other non-current liabilities	183.9	191.9
Deferred tax liabilities	307.8	312.2
Long-term debt	1,088.0	1,079.7
	1,579.7	1,583.8
Current liabilities		
Accounts payable and accrued expenses	287.9	273.0
Short term borrowings	3.2	3.3
Current portion of long term debt	31.1	38.1
	322.2	314.4
Total liabilities	1,901.9	1,898.2
Total equity and liabilities	2,153.7	2,156.4

Combined statement of cash flow

(US$ million)	Financial year ended 28 April 2013	Financial year ended 29 April 2012
Net cash from operating activities	95.0	212.0
Net cash used in investing activities	(60.7)	(38.1)
Net cash used in financing activities	(29.1)	(173.6)
Net change in cash and cash equivalent	7.8	1.8
Effect of exchange rate changes on balance in foreign currencies	2.6	1.5
Cash and cash equivalent at the beginning of financial year	5.0	3.2
Cash and cash equivalent at the end of financial year	12.8	5.0

(b) The highest and lowest exchange rates between US$ and S$ for each month during the previous six months are as follow:

Months	Exchange rate of US$1	
	High	Low
July	1.28145	1.25861
August	1.28400	1.25744
September	1.28094	1.24646
October	1.25137	1.23541
November	1.25581	1.24271
December	1.26966	1.24877

19. Capital Expenditures and Commitments

(a) **Capital Expenditures**

Capital expenditure made by the Consumer Food Business in financial year ended 28 April 2013 and 29 April 2012 were as follows:

(US$'000)	Financial year ended 28 April 2013	Financial year ended 29 April 2012
Capital Expenditures	(52,300)	(38,600)

The capital expenditures for the fiscal years 2013 and 2012 are comprised of a mix of cost improvement projects, new production capabilities, equipment replacement and projects required to meet environmental or safety standards mandated by governmental bodies.

(b) **Capital Commitments**

As of 11 November 2013, there are no capital commitments that exceed US$1.5 million.

20. Foreign Currency Exchange Exposure, Interest rate swaps and Commodities hedges[28]

The Consumer Food Business manages its exposure to fluctuations in foreign currency exchange rates by entering into forward contracts to cover a portion of its projected expenditures paid in local currency. These contracts may have a term of up to 24 months. The Consumer Food Business accounted for these contracts as either economic hedges or cash flow hedges. Changes in the value of the economic hedges are recorded directly in earnings. For cash flow hedges, the effective portion of derivative gains and losses is deferred in equity and recognised as part of cost of products sold in the appropriate period and the ineffective portion was recognised as other (income) / expense.

As of 28 April 2013, the Consumer Food Business did not have any outstanding foreign currency hedges. The Consumer Food Business may enter into foreign currency derivative contracts in the future. As of 29 April 2012, the fair values of the Consumer Food Business' foreign currency hedges were recorded as current assets of US$1.0 million.

The table below presents foreign currency derivative contracts as of the dates indicated (in millions):

	As at 28 April 2013	As at 29 April 2012
Contract Amount (Mexican Pesos)	-	US$41.60 million

The Consumer Food Business manages its exposure to fluctuations in commodities prices by entering into commodities hedges. For fiscal year ended 28 April 2013, the fair value of the commodities hedges was recorded as current assets of US$0.8 million and current liabilities of US$0.9 million. For fiscal year ended 29 April 2012, the fair value of the commodities hedges was recorded as current assets of US$0.0 million and current liabilities of US$2.4 million. The notional amounts of the commodity contracts allocated to the Consumer Food Business as of 28 April 2013 and 29 April 2012 were US$56.0 million and US$9.7 million, respectively.

[28] Please refer to Note 6 of the financial information of the Consumer Food Business for financial year/period ended 29 April 2012, 28 April 2013 in Appendix C for more information.

21. Indebtedness

The following information should be read in conjunction with the unaudited proforma financial information of the Enlarged Group set out in Appendix E to this Circular.

The indebtedness of the Enlarged Group on a proforma basis is as follow:

(US$'000)	As at 23 June 2013
Indebtedness (including borrowings)	1,735

As at the Latest Practicable Date, there was no material change to the indebtedness as disclosed above, save for changes in reserves arising from day-to-day operations in the ordinary course of business.

22. Credit Management

(a) Clients

Depending on certain factors such as the financial standing of clients and length of business relationships, the Consumer Food Business typically extends the following credit terms:

- 2% 10 (payments made on or before day 10 can be made for 2% less than the invoice amount),
- net 11 (payments made on day 11 or thereafter must be made for the full invoice amount) for customers that pay by check;
- 2% 15 (payments made on or before day 15 can be made for 2% less than the invoice amount),
- net 16 (payments made on day 16 or thereafter must be made for the full invoice amount) for customers that pay via electronic funds transfer.

Days to pay from invoice date vary depending on payments terms and are generally 15 to 17 days.

The average trade receivables' turnover days for financial year ended 28 April 2013 is as follows:

	Financial year ended 28 April 2013
Average trade receivables' turnover (days)	19

(b) Suppliers

The payment terms granted by the Consumer Food Business' suppliers vary depending on the length of business relationship. In general, the credit terms granted by the suppliers are usually default payment terms of net 30 days. Some suppliers also have shorter terms based on industry standards for the items purchased.

The average trade payables' turnover days for financial years ended 28 April 2012 and 29 April 2013 are as follows:

	Financial year ended 28 April 2013	Financial year ended 29 April 2012
Average trade payables' turnover (days)	32	34

Average trade payables' turnover days has been maintained at around 34 to 37 days during the period under review.

23. Key executive of the Consumer Food Business

The Company has identified the following persons as the key executives of the Consumer Food Business:

(a) Nils Lommerin – 49, American
Prospective Chief Executive Officer, Acquiror

Mr Nils Lommerin will be the Chief Executive Officer of the Acquiror, the subsidiary of the Company in the United States that will assume the Consumer Food Business. He is the

Executive Vice President and Chief Operations Officer of Vendor. He joined Vendor in March 2003 as Executive Vice President, Human Resources, was appointed Executive Vice President, Operations in July 2004 and Chief Operating Officer in January 2008. From March 1999 to July 2002, he was with Oxford Health Plans, Inc, a managed care company, where he most recently served as Executive Vice President, Operations and Corporate Services. From November 1991 to February 1999, Mr Lommerin held a variety of senior Human Resources positions with PepsiCo, Inc, a consumer products company. From 1988 to 1991, he held manufacturing management positions with Kraft Foods Inc, a consumer products company.

(b) David Lee Meyers – 68, American
Prospective Chief Financial Officer, Acquiror

Mr Meyers served as Executive Vice President of the Vendor from 1997 until his retirement in 2011. Previously, Mr Meyers served as Executive Vice President and Chief Financial Officer of a privately held consumer packaged goods company purchased by a private equity group from RJR Nabisco, Inc from 1991 to 1997, and as Vice President of Finance from 1989 to 1991; as Vice President and Controller for the Ohlmeyer Communication division of RJR Nabisco from 1988 to 1989, and as Controller for the Del Monte division of RJR Nabisco from 1987 to 1988; and as Director of Finance for Nabisco Brands from 1982 to 1987. From 1975 to 1982, Mr Meyers served in material management, manufacturing controller, manager of corporate accounting, plant controller and cost accountant capacities for Standard Brands, Inc, including its Planters Peanuts Division and Clinton Corn Processing Division. Since 2008, Mr Meyers has served on the board of directors and chairman of the audit committee for Foster Dairy Farms, a private company. Since 2011, Mr Meyers has served on the board of directors for Location Based Technologies, a GPS location device developer listed on the OTC Pink, and on the board of directors for Bay Grove Capital, a private equity group. Since 2012, Mr Meyers has served on the board of directors as a non-executive director for Inventure Foods, Inc, a Delaware corporation, listed on the National Association of Securities Dealers Automated Quotations (or commonly known as “NASDAQ”). Previous directorships include service on the board of directors and chairman of the audit committee for Smart & Final during the one year period prior to its sale to an affiliate of Apollo Management L.P. on May 31, 2007. Mr Meyers received his Bachelor of Arts degree in business administration from the University of Northern Iowa and served 4 years in the United States Air Force.

24. Risk Factors[29]

Factors that May Affect the Consumer Food Business’ Future Results

The Consumer Food Business is subject to many risks and uncertainties (including, without limitation, its results of operations and cash flows). Some of the risks and uncertainties that may cause its financial performance, business or operations to vary or that may materially or adversely affect its financial performance are discussed below. The risks and uncertainties described in this Circular are not the only ones facing the Consumer Food Business. Additional risks and uncertainties that currently are not known to the Consumer Food Business or that it currently believes are immaterial also may adversely affect its financial performance, business or operations.

The food product categories in which the Consumer Food Business participates are highly competitive and, if it is not able to compete effectively, its results of operations could be adversely affected.

The food product categories in which the Consumer Food Business participates are highly competitive. There are numerous brands and products that compete for shelf space and sales,

[29] Source: Information extracted and paraphrased from pages 11-23 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC on 28 June 2013.

with competition based primarily upon brand recognition and loyalty, product packaging, quality and innovation, taste, nutrition, breadth of product line, price and convenience. The Consumer Food Business competes with a significant number of companies of varying sizes, including divisions or subsidiaries of larger companies. The Consumer Food Business' branded products face strong competition from private label products that are generally sold at lower prices, imports, other national and regional brands and fresh and frozen alternatives. The impact of price gaps between the Consumer Food Business' products and private label products may be particularly acute, where significant price gaps may result in share erosion and harm the business. Some of the Consumer Food Business' competitors have broader product lines, substantially greater financial and other resources and/or lower fixed costs. Such competitors may succeed in developing new or enhanced products that are more attractive to customers or consumers than the Consumer Food Business'. These competitors may also prove to be more successful in marketing and selling their products; and may be better able to increase prices to reflect cost pressures. The Consumer Food Business may not compete successfully with these other companies or maintain or grow the distribution of its products. The Consumer Food Business cannot predict the pricing or promotional activities of these competitors or whether they will have a negative effect on the Consumer Food Business. Many of these competitors engage in aggressive pricing and promotional activities. There are competitive pressures and other factors which could cause the Consumer Food Business' products to lose market share or decline in sales or result in significant price or margin erosion, which would have a material adverse effect on the Consumer Food Business' business, financial condition and results of operations.

The Consumer Food Business may be unable to successfully introduce new products, reposition existing products or anticipate changes in consumer preferences, which could adversely affect results of operations.

The Consumer Food Business' future business and financial performance depend, in part, on its ability to successfully introduce new products and improved products, reposition existing products, and anticipate and offer products that appeal to the changing tastes, dietary habits and trends and product packaging preferences of consumers in the market categories in which the Consumer Food Business competes. There is no certainty that opportunities for product innovation will exist or that new products will be successfully introduced or existing products successfully repositioned. Significant development and marketing costs are usually incurred in connection with the introduction of new products or repositioning of existing products. Successfully launching and selling new products puts pressure on its sales and marketing resources, and sufficient funds might not be invested behind a new product introduction to make it successful. If customers and consumers do not accept a new product, then the introduction of a new product can reduce the Consumer Food Business' operating income as introduction costs, including slotting fees, may exceed revenues. If the Consumer Food Business is not able to anticipate, identify or develop and market products that respond to changes in consumer preferences or if new product introductions or repositioned products fail to gain consumer acceptance, the Consumer Food Business' business may not grow as anticipated, and results of operations could be adversely affected.

Success depends in part upon the Consumer Food Business' ability to persuade consumers to purchase its branded products versus lower-priced branded and private label offerings. During economic downturns, consumers may be less willing or able to pay a price premium for the Consumer Food Business' branded products and may shift purchases to lower-priced or other value offerings, which may adversely affect the Consumer Food Business' results of operations.

The Consumer Food Business' branded products generally command a price premium as compared to the prices of the private label products with which they compete. The current premium for the products may limit the Consumer Food Business' ability to effectively implement price increases. Additionally, these price premiums may increase in the future, particularly if the Consumer Food Business implements price increases. The willingness of consumers to pay a price premium for the Consumer Food Business' branded products depends on a number of factors, including the effectiveness of the Consumer Food Business' marketing programmes, the continuing strength of the Consumer Food Business' brands, product innovation and general economic conditions. During periods of challenging economic conditions, consumers may be

less willing or able to pay a price differential for the Consumer Food Business' branded products, notwithstanding its marketing programmes or the strength of its brands, and may shift purchases away from the Consumer Food Business' branded products to lower-priced offerings or forgo purchases of the Consumer Food Business' products altogether.

If the price premium for the Consumer Food Business' branded products exceeds the amount consumers are willing to pay, whether due to economic conditions or otherwise, the Consumer Food Business' sales would suffer and results of operations could be adversely affected. In June 2013, the Consumer Food Business instituted substantial price increases in its canned fruit and vegetable segments which affected volume and sales. The Consumer Food Business may not be able to stabilise and grow market share at planned pricing and spending levels.

In addition, consumers may migrate to higher-value, larger-sized packages of the Consumer Food Business' branded products (which tend to have lower margins than its smaller-sized offerings), which could also have an adverse effect on the Consumer Food Business' results of operations.

If prices for the Consumer Food Business' products are not increased or maintained, its results of operations may be adversely affected.

Price increases may be necessary to neutralise cost increases and improve the profitability of the business. The Consumer Food Business' ability to effectively implement price increases or otherwise raise prices for its products can be affected by a number of factors, including competition, aggregate industry supply, category limitations, market demand and economic conditions, including inflationary pressures. During challenging economic times, the Consumer Food Business' ability to increase the prices of its products may be particularly constrained. Additionally, customers may cause pressure to rescind price increases that have been announced or implemented (either through a change in list price or increased promotional activity). If prices for the Consumer Food Business' products are not increased or at least maintained, the Consumer Food Business' results of operations could be adversely affected. Furthermore, price increases generally result in volume losses, as consumers purchase fewer units. If such losses (also referred to as the elasticity impact) are greater than expected or if distribution is lost due to a price increase (which may result from a customer response or otherwise), the Consumer Food Business' results of operations could be adversely affected.

Initiatives to improve productivity and streamline operations to control or reduce costs may not be successful. Failure to implement such initiatives could adversely affect the Consumer Food Business' results of operations.

Because the Consumer Food Business' ability to effectively implement price increases for its products can be affected by factors outside of its control, profitability and growth depend significantly on efforts to control operating costs. Because many of the Consumer Food Business' costs, such as energy and logistics costs, packaging costs and ingredient, commodity and raw product costs, are affected by factors outside or substantially outside the Consumer Food Business' control, it generally must seek to control or reduce costs through operating efficiency or other initiatives. If the Consumer Food Business is not able to identify and complete initiatives designed to control or reduce costs and increase operating efficiency on time or within budget, the Consumer Food Business' results of operations could be adversely impacted.

Required inputs, commodities, ingredients and other raw materials are subject to price increases and shortages could adversely affect results of operations.

The primary inputs, commodities, ingredients and other raw materials that are required by the Consumer Food Business include energy (including natural gas), fuel, packaging, fruits, vegetables, tomatoes, grains (including corn), sugar, spices, meats, meat by-products, soybean meal, water, fats, oils and chemicals. Prices for these and other items being used may be volatile and the Consumer Food Business might experience shortages in these items due to factors beyond its control, such as commodity market fluctuations, availability of supply, increased demand (whether for the item required or for other items, which in turn impacts the item required), weather conditions, natural disasters, currency fluctuations, governmental regulations (including import restrictions), agricultural programmes or issues, energy programmes, labour strikes and the financial health of the Consumer Food Business' suppliers.

Input, commodity, ingredient and other raw material price increases or shortages may result in higher costs or interrupt the Consumer Food Business' production schedules, each of which could have a material adverse effect on its results of operations. Production delays could lead to reduced sales volumes and profitability as well as loss of market share. Higher costs could adversely impact earnings. For example, fuel prices affect transportation costs for both raw materials and finished product and natural gas prices also affect the Consumer Food Business' production costs. If productivity initiatives are not implemented or the Consumer Food Business' product prices are not increased to offset price increases of inputs, commodities, ingredients and other raw materials, as a result of consumer sensitivity to pricing or otherwise, or if sales volumes decline due to price increases, the Consumer Food Business' results of operations could be adversely affected. The Consumer Food Business' competitors may be better able to implement productivity initiatives or effect price increases or to otherwise pass along cost increases to their customers. Moreover, if the Consumer Food Business increases its prices in response to increased costs, the Consumer Food Business may need to increase marketing spending, including trade promotion spending, in order to retain market share. Such increased marketing spending may significantly offset the benefits, if any, of any price increase and negatively impact its results of operations.

Increases in logistics and other transportation-related costs could materially adversely impact results of operations. The Consumer Food Business' ability to competitively serve its customers depends on the cost and availability of reliable transportation.

Logistics and other transportation related costs have a significant impact on the Consumer Food Business' results of operations. Multiple forms of transportation are used to bring the Consumer Food Business' products to the market. They include ships, trucks, intermodals and railcars. Disruption to the timely supply of these services or increases in the cost of these services for any reason, including availability or cost of fuel, regulations affecting the industry, service failures by the Consumer Food Business' third-party logistics service provider, availability of various modes of transportation, or natural disasters (which may impact the transportation infrastructure or demand for transportation services), could have an adverse effect on the Consumer Food Business' ability to serve its customers, and could have a material adverse effect on its financial performance.

If assessments and assumptions about commodity prices, as well as ingredient and other prices and interest and currency exchange rates, prove to be incorrect in connection with the Consumer Food Business' hedging or forward-buy efforts or planning cycles, the Consumer Food Business' costs may be greater than anticipated and its financial results could be adversely affected. Volatility in interest rates, commodities and other hedged items will impact the Consumer Food Business' results of operations.

Commodity futures and options are generally used to reduce the price volatility associated with anticipated commodity purchases of corn, wheat and soybean meal used in the production of certain of its products. Additionally, hedging programmes are typically used relating to interest rates, currency, natural gas and diesel fuel. The Consumer Food Business may cease any of its current programmes or use other hedging or derivative programmes in the future. The extent of these hedges at any given time depends on its assessment of the markets for these commodities, diesel fuel, natural gas, and capital, including its assumptions about future prices, currency exchange rates and interest rates. For example, if the Consumer Food Business believes market prices for the commodities it uses are unusually high, the Consumer Food Business may choose to hedge less, or even none, of its upcoming requirements. If the Consumer Food Business fails to hedge and prices, interest rates or currency exchange rates subsequently increase, or if the Consumer Food Business institutes a hedge and prices, interest rates or currency exchange rates subsequently decrease, the Consumer Food Business' costs may be greater than anticipated or greater than its competitors' costs and the Consumer Food Business' financial results could be adversely affected. Additionally, changes in the value of the Consumer Food Business' commodities and other derivatives accounted for as economic hedges are recorded directly as other income or expense. As of 28 April 2013, the Consumer Food Business had both cash flow hedges and economic hedges. Accordingly, volatility in interest rates, commodities and other hedged items associated with the Consumer Food Business' economic hedges could result in volatility in the Consumer Food Business' results of operations.

The loss of a significant customer, certain actions by a significant customer or financial difficulties of a significant customer could adversely affect the Consumer Food Business' results of operations.

A relatively limited number of customers account for a large percentage of the total sales of the Consumer Food Business. During fiscal 2013, the top customer of the Consumer Food Business, Walmart (including Walmart's stores and supercentres as well as SAM'S CLUB), represented a material portion of overall list sales, which approximates gross sales. The Consumer Food Business expects that a significant portion of its revenues will continue to be derived from a small number of customers; however, there can be no assurance that these customers will continue to purchase the Consumer Food Business' products in the same quantities as they have in the past. The Consumer Food Business' customers are generally not contractually obligated to purchase from the Consumer Food Business. Changes in customers' strategies, including a reduction in the number of brands they carry, shipping strategies, a shift of shelf space to or increased emphasis on private label products (including "store brands"), or a reduction in shelf space for core grocery items may adversely affect the Consumer Food Business' sales. Requirements that may be imposed on the Consumer Food Business by customers, such as sustainability, inventory management or product specification requirements, may have an adverse effect on the Consumer Food Business' results of operations. Additionally, especially during economic downturns, the Consumer Food Business' customers may face financial difficulties, bankruptcy or other business disruptions that may impact their operations and their purchases from the Consumer Food Business and may affect their ability to pay the Consumer Food Business for products purchased from the Consumer Food Business. Customers may grow their inventory in anticipation of a price increase, or in anticipation of, or during, its promotional events, which typically provide for reduced prices during a specified time or other customer or consumer incentives. To the extent customers seek to reduce their usual or customary inventory levels or change their practices regarding purchases in excess of consumer consumption, the Consumer Food Business' sales and results of operations would be adversely impacted in that period. If the Consumer Food Business' sales of products to one or more of its significant customers are reduced, this reduction could have a material adverse effect on the Consumer Food Business' business, financial condition and results of operations.

If ingredients or other raw materials the Consumer Food Business used in its products are contaminated, results of operations could be adversely affected.

The Consumer Food Business buys ingredients, commodities and other raw materials that it uses in producing its products from third-party suppliers. If these materials are alleged or proved to include contaminants affecting the safety or quality of the Consumer Food Business' products, the Consumer Food Business may need to find alternate materials for its products, delay production of its products, or discard or otherwise dispose of its products, which could adversely affect its results of operations. Additionally, if the presence of such contaminants are not alleged or discovered until after the affected product has been distributed, the Consumer Food Business may need to withdraw or recall the affected product and the Consumer Food Business may experience adverse publicity or product liability claims. In either case, the Consumer Food Business' results of operations could be adversely affected.

If the Consumer Food Business' products are alleged to cause injury or illness or fail to comply with governmental regulations, the Consumer Food Business may suffer adverse public relations, need to recall its products and experience product liability claims.

The Consumer Food Business may be exposed to product recalls, including voluntary recalls or withdrawals, and adverse public relations if the Consumer Food Business' products are alleged to cause injury or illness or if the Consumer Food Business is alleged to have mislabelled or misbranded its products or otherwise violated governmental regulations. The Consumer Food Business may also voluntarily recall or withdraw products that the Consumer Food Business considers below standards, whether for taste, appearance or otherwise, in order to protect its brand reputation. A product recall or withdrawal could result in substantial and unexpected expenditures, destruction of product inventory, and lost sales due to the unavailability of the product for a period of time, which could reduce profitability and cash flow. In addition, a product recall or withdrawal may require significant management attention. Product recalls, product liability claims (even if unmerited or unsuccessful), or any other events that cause consumers to

no longer associate the Consumer Food Business' brands with high quality and safe products may also result in adverse publicity, hurt the value of the Consumer Food Business' brands, lead to a decline in consumer confidence in and demand for the Consumer Food Business' products, and lead to increased scrutiny by federal and state regulatory agencies of the Consumer Food Business' operations, which could have a material adverse effect on the Consumer Food Business' brands, business, results of operations and financial condition. The Consumer Food Business also may be subject to product liability claims and adverse public relations if consumption, use or opening of the Consumer Food Business' products is alleged to cause injury or illness. While the Consumer Food Business carries product liability insurance, such insurance may not be adequate to cover all liabilities that may be incurred in connection with product liability claims. For example, punitive damages are generally not covered by insurance. In addition, the Consumer Food Business may not be able to continue to maintain its existing insurance, obtain comparable insurance at a reasonable cost, if at all, or secure additional coverage (which may result in future product liability claims being uninsured). A product liability judgment against the Consumer Food Business or its agreement to settle a product liability claim could also result in substantial and unexpected expenditures, which would reduce profitability and cash flow. In addition, even if product liability claims against the Consumer Food Business are not successful or are not fully pursued, these claims could be costly and time-consuming and may require management to spend time defending the claims rather than operating the business.

The Consumer Food Business relies upon co-packers to provide its supply of some products. Any failure by co-packers to fulfil their obligations or any termination or renegotiation of the co-pack agreements could adversely affect the Consumer Food Business' results of operations.

The Consumer Food Business has a number of supply agreements with co-packers that require them to provide it with specific finished products. For some of the Consumer Food Business' products, including each of canned pineapple, mandarins, some fruit in plastic containers, some fruit in glass jars, and some of its broth products, the Consumer Food Business essentially relies upon a single co-packer as sole-source for the product. It is anticipated that the Consumer Food Business will rely on sole suppliers for future products. The failure for any reason of any such sole-source or other co-packer to fulfil its obligations under the applicable agreements with the Consumer Food Business or the termination or renegotiation of any such co-pack agreement could result in disruptions to the supply of finished goods and have an adverse effect on the Consumer Food Business' results of operations.

Additionally, from time to time, a co-packer may experience financial difficulties, bankruptcy or other business disruptions, which could disrupt the Consumer Food Business' supply of finished goods or require that the Consumer Food Business incurs additional expense by providing financial accommodations to the co-packer or taking other steps to seek to minimise or avoid supply disruption, such as establishing a new co-pack arrangement with another provider. During an economic downturn, the Consumer Food Business' co-packers may be more susceptible to experiencing such financial difficulties, bankruptcies or other business disruptions. A new co-pack arrangement may not be available on terms as favourable to the Consumer Food Business as the existing co-pack arrangement, if at all.

Government regulation, scrutiny, warnings and public perception could increase the Consumer Food Business' costs of production and increase legal and regulatory expenses.

Manufacturing, processing, labelling, packaging, storing and distributing food products are activities subject to extensive federal, state and local regulation, as well as foreign regulation. In the United States, these aspects of the Consumer Food Business' operations are regulated by the U.S. Food and Drug Administration ("**FDA**"), the United States Department of Agriculture ("**USDA**") and various state and local public health and agricultural agencies. On 4 January 2011, the FDA Food Safety Modernisation Act, which is intended to ensure food safety, was enacted. This Act provides direct recall authority to the FDA and includes a number of other provisions designed to enhance food safety, including increased inspections by the FDA of domestic and foreign food facilities and increased review of food products imported into the United States. In addition to periodic government agency inspections affecting the Consumer Food Business' operations generally, the Consumer Food Business' operations, which produce meat and poultry products, are subject to mandatory continuous on-site inspections by the

USDA. Complying with government regulation, including federal Country of Origin Labeling ("**COOL**") requirements, can be costly or may otherwise adversely affect the Consumer Food Business' business. For example, legislation has been adopted in various jurisdictions in the United States to regulate bisphenol-A (which is an odourless, tasteless food-grade chemical commonly used in the food industry to coat the interior of cans). Although the FDA currently allows the use of bisphenol-A in food packaging materials, public reports and concerns regarding the potential hazards of bisphenol-A could contribute to a perceived safety risk for products packaged using bisphenol-A. Discussions, stories, concerns and warnings regarding bisphenol-A appear in various media outlets and other venues. The Consumer Food Business may be adversely affected by this publicity as well as any future warnings, guidance, recommendations, developments or publicity. The FDA has called for further research on bisphenol-A and may in the future change its position on bisphenol-A. If legislation or other regulations are enacted restricting the use of bisphenol-A or requiring the Consumer Food Business to provide warnings regarding bisphenol-A under, for example, California's Proposition 65, the Consumer Food Business' costs of production could increase or its sales could be adversely affected. Alternatives to bisphenol-A may be costly or less effective, which could adversely affect the Consumer Food Business' results of operations. There is no assurance that alternative packaging, if any, will maintain the current shelf life of the Consumer Food Business' products. Other chemicals and substances that may be found, or may be purported to be found, in its products, including minerals such as lead, are already listed under Proposition 65. Additionally, other chemicals and substances that may be found in the Consumer Food Business' products have also been proposed for listing under Proposition 65. Failure to comply with all applicable laws and regulations, including, among others, Proposition 65, could subject the Consumer Food Business to civil penalties, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on the Consumer Food Business' business, financial condition and results of operations. The Consumer Food Business is also affected by import and export controls and similar laws and regulations, both in the United States and elsewhere. Issues such as national security or health and safety, which slow or otherwise restrict imports or exports, could adversely affect the Consumer Food Business' business. In addition, the modification of existing laws or regulations or the introduction of new laws or regulations could require the Consumer Food Business to make material expenditures or otherwise adversely affect the way that the Consumer Food Business has been historically operated.

The Consumer Food Business' operating results depend, in part, on the sufficiency and effectiveness of its marketing and trade spending programmes.

In general, due to the highly competitive nature of the businesses in which the Consumer Food Business competes, marketing investments and trade spending programmes must be effectively and efficiently executed to sustain the Consumer Food Business' competitive position in its markets. Marketing investments may be costly. Additionally, the Consumer Food Business may, from time to time, change its marketing and trade spending strategies, including the timing or nature of its related promotional programmes. The sufficiency and effectiveness of its marketing and trade spending practices is important to its ability to retain or improve its market share or margins. If the Consumer Food Business' marketing and trade spending programmes are not successful or if the Consumer Food Business fails to implement sufficient and effective marketing and trade spending programmes, its business, results of operations and financial condition may be adversely affected. The Consumer Food Business has begun a campaign focused on "Made in America" but changing global economics could lead to other countries being able to achieve a competitive cost advantage.

The Consumer Food Business' business operations could be disrupted if its information technology systems fail to perform adequately.

The efficient operation of the Consumer Food Business' business depends on its information technology systems, some of which are managed by third-party service providers. The Consumer Food Business relies on its information technology systems to effectively manage its business data, communications, supply chain, order entry and fulfilment, and other business processes. The failure of its information technology systems to perform as expected could disrupt the Consumer Food Business' business and could result in transaction errors, processing

inefficiencies, and the loss of sales and customers, causing the business and results of operations to suffer. In addition, the Consumer Food Business' information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, power outages, systems failures, security breaches, cyber-attacks and viruses. Any such damage or interruption could have a material adverse effect on the Consumer Food Business.

Adverse weather conditions (caused by climate change or otherwise), natural disasters, pestilences and other natural conditions can affect crops and other inputs, which can adversely affect the Consumer Food Business' operations and its results of operations.

The commodities, ingredients and raw materials that are used for the production of the Consumer Food Business' products (including, among others, fruits, vegetables, tomatoes and grain) are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, frosts, earthquakes and pestilences. Adverse weather conditions may be impacted by climate change and other factors. Adverse weather conditions and natural disasters can reduce crop size and crop quality, which in turn could reduce supplies of raw materials, lower recoveries of usable raw materials, increase the prices of the Consumer Food Business' raw materials, increase the Consumer Food Business' cost of storing raw materials if harvests are accelerated and processing capacity is unavailable, or interrupt or delay its production schedules if harvests are delayed. For example, tomato suppliers are located in California, which experiences drought conditions from time to time. Additionally, the growth of crops, as well as the manufacture and processing of the Consumer Food Business' products, requires significant amounts of water. Drought or other causes of a reduction of water in aquifers may affect availability of water, which in turn may adversely affect the Consumer Food Business' results of operations. Competing manufacturers may be affected differently by weather conditions and natural disasters depending on the location of their supplies or operations. If the Consumer Food Business' supplies of raw materials are reduced, the Consumer Food Business may not be able to find enough supplemental supply sources on favourable terms, if at all, which could impact the Consumer Food Business' ability to supply product to its customers and adversely affect its business, financial condition and results of operations. Increased costs for raw materials or other inputs could also adversely affect the Consumer Food Business' business, financial condition and results of operations. The inputs, commodities, ingredients and other raw materials required in the Consumer Food Business' business are subject to price increases and shortages that could adversely affect its results of operations."

Natural disasters can disrupt operations, which could adversely affect the Consumer Food Business' results of operations.

A natural disaster such as an earthquake, tornado, fire, flood, or severe storm or other catastrophic event affecting the Consumer Food Business' operating activities or major facilities, could cause an interruption or delay in its business and loss of inventory and/or data or render the Consumer Food Business unable to accept and fulfil customer orders in a timely manner, or at all. The Consumer Food Business is particularly susceptible to earthquakes as the Consumer Food Business' executive offices, facilities, and some of its fruit, vegetable and tomato operations are located in California where earthquakes periodically occur. If operations are damaged by an earthquake or other disaster, the Consumer Food Business might suffer from supply interruptions, destruction of facilities and products or other business disruptions, which could adversely affect its business and results of operations.

Inventory production is highly seasonal. Interference with the Consumer Food Business' production schedule during peak months or inventory shortages could negatively impact results of operations.

The Consumer Food Business does not manufacture the majority of its processed fruit, vegetable and tomato products continuously throughout the year, but instead has a seasonal production period that is limited to approximately three to four months primarily during the summer each year. The period is referred to as the "pack season." An unexpected plant shutdown or any other material interference with the production schedule for any reason could adversely affect the Consumer Food Business' results of operations. For most of its processed fruit, vegetable and tomato products, the inventory created during the pack season, plus any

inventory carried over from the previous pack season, determines the quantity of inventory the Consumer Food Business has available for sale until the next pack season commences. The size of the pack is influenced by crop results, which is affected by weather and other factors. Similarly, the timing of the pack season depends upon crop timing, which in turn is affected by weather and other factors. In the event that the inventory produced during the pack season is less than desired, or if the new pack season is delayed, or if demand for product is greater than forecasted, the Consumer Food Business may be required to "allocate" or limit sales of some items to customers in an effort to stretch supplies until the new pack season begins and new product is available. The Consumer Food Business could also experience inventory shortages in the event of can or end defects, whether discovered during the pack season or thereafter, or other factors. In the event the Consumer Food Business is required to allocate or limit sales of some items, it may lose sales volume and market share, its customer relationships may be harmed, and its results of operations may be adversely impacted. Alternatively, inventory produced may be greater than desired leading to excess inventory, which may adversely affect its working capital and margins.

A change in the assumptions used to value the Consumer Food Business' reporting units or its indefinite-lived intangible assets could result in goodwill or other intangible asset impairment charges, which would adversely affect results of operations.

The Consumer Food Business typically tests goodwill for impairment at least annually. Events indicative of a potential impairment (such as a decrease in the cash flow) may cause the Consumer Food Business to perform additional tests for impairment and may also cause the Consumer Food Business to change its judgments or assumptions. Goodwill is considered impaired if the book value exceeds its estimated fair value. For goodwill, the Consumer Food Business' determines the estimated fair value using the income approach (which is based on the cash flows expected to be generated over its remaining life) and the market approach (which is based on market multiples of similar businesses). The Consumer Food Business typically tests its Non-Amortising Brands for impairment at least annually. Events indicative of a potential impairment (such as a significant decline in the expected sales associated with a brand) may cause the Consumer Food Business to perform additional tests for impairment. Non-Amortising Brands are considered impaired if the book value for the brand exceeds its estimated fair value. The Consumer Food Business determines the estimated fair value of a Non-Amortising Brand using the relief from royalty method (which is based upon the estimated rent or royalty the Consumer Food Business would pay for the use of a brand name if it did not own it). Considerable judgment by the Consumer Food Business is necessary in estimating future cash flows, market interest rates, discount factors, and other factors used in the income approach, market approach or relief from royalty method used to value goodwill and Non-Amortising Brands. Many of these factors reflect the Consumer Food Business' assumptions
regarding the future performance of its businesses, which may be impacted by risks discussed elsewhere in this "Risk Factors" section. If the Consumer Food Business changes its judgments or assumptions used in valuing its goodwill or other intangible assets in connection with any future impairment tests, it may conclude that the estimated fair value of the goodwill or Non-Amortising Brand (as applicable) is less than the book value. This would result in a write down of the goodwill or Non-Amortising Brand book value to the estimated fair value and recognition of an impairment charge. Any such impairment charge would adversely affect the Consumer Food Business' earnings and could be material.

Disruption of the Consumer Food Business' supply chain could adversely affect business and results of operations.

The Consumer Food Business' ability and the ability of its suppliers, co-packers and other business partners to make, move and sell products are critical to its success. Damage or disruption to the Consumer Food Business' or their manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemics, strikes or other reasons (including other reasons discussed elsewhere in this "Risk Factors" section) could impair the Consumer Food Business' ability to manufacture or sell its products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, particularly when a product is sourced from a single supplier or location or if such events impact its seasonal pack, could adversely affect business and results of operations.

The Consumer Food Business relies upon a number of third parties to manage or provide distribution centres for its products. Failures by these third parties could adversely affect business.

A number of the Consumer Food Business' distribution centres are managed by third parties. Additionally, it also uses third-party distribution centres, which may distribute its products as well as the products of other companies. Activity at these distribution centres could be disrupted by a number of factors, including, labour issues, failure to meet customer standards, bankruptcy or other financial issues affecting the third-party providers, or other matters affecting any such third party's ability to service the Consumer Food Business' customers effectively. Any disruption of these distribution centres could adversely affect the Consumer Food Business' business.

The Consumer Food Business relies primarily on a single company to provide it with logistics services and any failure by this provider to effectively service the Consumer Food Business could adversely affect business.

The Consumer Food Business' logistics requirements in connection with transporting its products are handled primarily by a third-party logistics service provider. Such services include: scheduling and coordinating transportation of finished products to its distribution centres and customers; shipment tracking; freight dispatch services; transportation related payment services; and filing, collecting and resolving freight claims. Any sudden or unexpected disruption of these services for any reason could significantly disrupt the Consumer Food Business' business.

The Consumer Food Business uses a single national broker to represent a significant portion of its branded products to the retail grocery trade and any failure by the broker to effectively represent the Consumer Food Business would adversely affect its business.

The Consumer Food Business uses a single national broker to represent a significant portion of its branded products to the retail grocery trade. The Consumer Food Business' business would suffer substantial disruption if this broker were to default in the performance of its obligations to perform brokerage services or if this broker fails to effectively represent the Consumer Food Business to the retail grocery trade. Changes in the Consumer Food Business' sales strategy may impact this relationship.

Risk associated with foreign operations, including changes in import/export duties, wage rates, political or economic climates, criminal activity or exchange rates, may adversely affect the Consumer Food Business' operations.

The Consumer Food Business' foreign operations and relationships with foreign suppliers and co-packers, as well as its export of certain products, subject the Consumer Food Business to the risks of doing business abroad. The Consumer Food Business is subject to the Foreign Corrupt Practice Act of 1977, as amended. Some of the Consumer Food Business' production facilities are located abroad and some of its co-packers are located in foreign locations. The countries from which the Consumer Food Business sources its products and in which the Consumer Food Business has some facilities may be subject to political and economic instability, which may adversely affect its results of operations. For example, Venezuela (where the Consumer Food Business has 1 production facility) and Mexico (where the Consumer Food Business has 2 production facilities) are currently experiencing political and economic instability. For example, in Venezuela, the government has seized several food production facilities for allegedly skirting price controls and imposed price controls on the Consumer Food Business' juice products during fiscal 2013. Given the political and economic instability in the region, the Venezuelan government may take actions that impact the Consumer Food Business' operations. The Venezuelan business could become a source of losses given the deteriorating macroeconomics in that country. In Mexico, criminal activity has impacted the country's logistics and infrastructure, including recent gang attacks on businesses. Items produced by the Consumer Food Business in Mexico are sold primarily in the United States and the transportation and import of such products may be disrupted. Furthermore, foreign countries in which the Consumer Food Business produces its products as well as countries to which it exports its products may periodically enact new or revise existing laws, taxes, duties, quotas, tariffs, currency controls or other restrictions to which the Consumer Food Business is subject, which

may adversely affect its business. Other events that disrupt foreign production, sourcing, or transportation (such as labour unrest) or generate consumer concerns (whether justified or not) regarding foreign-produced products could also adversely affect its business. Finally, the Consumer Food Business' products are subject to import duties and other restrictions, and the United States government may periodically impose new or revise existing duties, quotas, tariffs or other restrictions to which the Consumer Food Business is subject, which may adversely affect its business.

The Consumer Food Business is subject to environmental regulation and environmental risks, which may adversely affect its business. Climate change or concerns regarding climate change may increase environmental regulation and environmental risks.

As a result of the Consumer Food Business' agricultural and food processing operations, it is subject to numerous environmental laws and regulations. Many of these laws and regulations are becoming increasingly stringent, and compliance with them is becoming increasingly expensive. Changes in environmental conditions may result in existing legislation having a greater impact on the Consumer Food Business. Additionally, the Consumer Food Business may be subject to new legislation and regulation in the future. For example, increasing concern about climate change may result in additional federal and state legal and regulatory requirements to reduce or mitigate the effects of green-house gas emissions. Compliance with environmental legislation and regulations, particularly if they are more aggressive than the Consumer Food Business' current sustainability measures used to monitor its emissions and improve its energy efficiency, may increase its costs and adversely affect its results of operations. The Consumer Food Business cannot predict the extent to which any environmental law or regulation that may be enacted or enforced in the future may affect its operations. The Consumer Food Business has been named as a potentially responsible party ("**PRP**") and may be liable for environmental investigation and remediation costs at some designated "Superfund Sites" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("**CERCLA**"), or under similar state laws. The Consumer Food Business is defending itself in these actions as it believes appropriate. However, these matters may adversely impact its financial position or results of operations. The Consumer Food Business may in the future be named as a PRP at other currently or previously owned or operated sites, and additional remediation requirements could be imposed on the Consumer Food Business. The Consumer Food Business is currently conducting investigation and remedial activities at some locations, and other properties that could be identified for investigation or proposed for listing under CERCLA or similar state laws in the future. Costs to investigate and remediate any such contamination could be material. Additionally, the Consumer Food Business will be required to conduct an investigation and, to the extent necessary, remedial activities at facilities in Terminal Island, California. There can be no assurances that existing accruals will be sufficient to cover such activities. Also, under the Federal Food, Drug and Cosmetic Act and the Food Quality Protection Act of 1996, the U.S. Environmental Protection Agency is involved in a series of regulatory actions relating to the evaluation and use of pesticides in the food industry. The effect of these actions and future actions on the availability and use of pesticides could adversely impact the Consumer Food Business' financial position or results of operations. If the cost of compliance with applicable environmental laws or regulations increases, the Consumer Food Business' business and results of operations could be negatively impacted.

Volatility in the equity markets or interest rates could substantially increase the Consumer Food Business' pension costs and have a negative impact on its results of operations.

The Consumer Food Business sponsors a qualified defined benefit pension plan and various other nonqualified retirement and supplemental retirement plans. The difference between plan obligations and assets, or the funded status of the defined benefit pension plan, significantly affects net periodic benefit costs of its pension plan and its ongoing funding requirements of that plan. The qualified defined benefit pension plan is funded with trust assets invested in a diversified portfolio of debt and equity securities and other investments. Among other factors, changes in interest rates, investment returns and the market value of plan assets can (i) affect the level of plan funding; (ii) cause volatility in the net periodic pension cost; and (iii) increase its future contribution requirements. In or following an economic environment characterised by declining investment returns and interest rates, the Consumer Food Business may be required to make additional cash contributions to its pension plan and recognise further increases in its net

pension cost to satisfy its funding requirements. A significant decrease in investment returns or the market value of plan assets or a significant decrease in interest rates could increase its net periodic pension costs and adversely affect its results of operations. A significant increase in the Consumer Food Business' contribution requirements with respect to its qualified defined benefit pension plan could have an adverse impact on its cash flow.

The Consumer Food Business may be exposed to counterparty risk in its currency, interest rate and commodity hedging arrangements.

From time to time the Consumer Food Business enters into arrangements with financial institutions to hedge its exposure to fluctuations in currency and interest rates, including forward contracts and swap agreements. Additionally, in the future, it may enter into arrangements with financial institutions and other counterparties to hedge its exposure to fluctuations in commodity prices, including swap agreements, as an alternative to exchange-traded derivatives. A number of financial institutions similar to those that serve or may serve as counterparties to the Consumer Food Business' hedging arrangements were adversely affected by the global credit crisis. The failure of any of the counterparties to its hedging arrangements to fulfil their obligations to the Consumer Food Business could adversely affect its financial position and results of operations.

The Consumer Food Business' results may be negatively impacted if consumers do not maintain their favourable perception of its brands. Consumers' perception of its brands can be influenced by negative posts or comments about its brands on social or digital media.

The Consumer Food Business believes that maintaining and continually enhancing the value of its brands is critical to the success of its business. Brand value is based in large part on consumer perceptions. Success in promoting and enhancing brand value depends in large part on the Consumer Food Business' ability to provide high-quality products. Brand value could diminish significantly due to a number of factors, including consumer perception that the Consumer Food Business has acted in an irresponsible manner, adverse publicity about the Consumer Food Business' products (whether or not valid), its failure to maintain the quality of its products, the failure of the Consumer Food Business' products to deliver consistently positive consumer experiences, or the products becoming unavailable to consumers. The growing use of social and digital media by consumers increases the speed and extent that information and opinions can be shared. Negative posts or comments about the Consumer Food Business or its brands or products on social or digital media could damage its brands and reputation. If the Consumer Food Business does not maintain the favourable perception of its brands, its results of operations could be negatively impacted.

If the Consumer Food Business is not successful in protecting its intellectual property rights, this may harm its ability to compete.

The Consumer Food Business' brand names and trademarks are important to its business. The Consumer Food Business relies on trademark, copyright, trade secret, patent and other intellectual property laws, as well as non-disclosure and confidentiality agreements and other methods, to protect its proprietary information, technologies and processes. The Consumer Food Business also has obligations with respect to the non-use and non-disclosure of third-party intellectual property. The Consumer Food Business may need to engage in litigation or similar activities to enforce its intellectual property rights, to protect its trade secrets or to determine the validity and scope of proprietary rights of others. Any such litigation could require the Consumer Food Business to expend significant resources and divert the efforts and attention of its management and other personnel from its business operations. The steps the Consumer Food Business takes to prevent misappropriation, infringement or other violation of its intellectual property or the intellectual property of others may not be successful. In addition, effective patent, copyright, trademark and trade secret protection may be unavailable or limited for some of the Consumer Food Business' trademarks and patents. Failure to protect its intellectual property could harm the Consumer Food Business' business and results of operations.

Intellectual property infringement or violation claims may adversely impact results of operations.

The Consumer Food Business may be subject to claims by others that it infringes their intellectual property or otherwise violates their intellectual property rights. To the extent the

Consumer Food Business develops, introduces and acquires products, such risk may be exacerbated. The Consumer Food Business has in the past been subject to such claims. For example, the Consumer Food Business lost a case brought against it by Fresh Del Monte. As a result of the final judgment against the Consumer Food Business, it was required to pay, among other things, compensatory damages of approximately US$16.6 million. The Consumer Food Business also voluntarily stopped producing certain fruit products named in the litigation. Claims of infringement or violation may require the Consumer Food Business to engage in litigation to determine the scope and validity of such claims, change its products or cease selling certain products. Any of such events may adversely impact the Consumer Food Business' results of operations.

The Consumer Food Business' business could be harmed by strikes or work stoppages by its employees.

If a strike or work stoppage were to occur in connection with negotiations of the Consumer Food Business' significant collective bargaining agreements, or as a result of disputes under its collective bargaining agreements with labour unions, its business, financial condition and results of operations could be materially adversely affected.

The Consumer Food Business' Del Monte brand name could be confused with names of other companies who, by their act or omission, could adversely affect the value of the Del Monte brand name

The Consumer Food Business licenced the *Del Monte* brand name (and with respect to the Philippines and South Africa, transferred title) to various unaffiliated companies internationally and, for some products, in the United States. The common stock of one licencee, Fresh Del Monte, is publicly traded in the United States. Acts or omissions by these unaffiliated companies may adversely affect the value of the *Del Monte* brand name and demand for the Consumer Food Business' products. Third-party announcements or rumours about these licencees could also have these negative effects.

APPENDIX B

ACQUIRED ASSETS AND LIABILITIES AND EXCLUDED ASSETS AND LIABILITIES UNDER THE PURCHASE AGREEMENT

Acquired Assets

1. Shares in the Vendor's subsidiaries as follows:

   (1) Hi Continental Corporation
   (2) College Inn Foods
   (3) Contadina Foods, Inc
   (4) S&W Fine Foods, Inc
   (5) Del Monte Andina C.A.
   (6) Del Monte Colombiana S.A.
   (7) Industrias Citricolas de Montemorelos, S.A. de C.V.
   (8) Del Monte Peru S.A.C.
   (9) Del Monte Ecuador DME C.A.
   (10) Del Monte Argentina S.A.

   (collectively referred to as the "**Transferred Entities**")

2. The following assets of the Vendor relating to the Consumer Food Business as specified in Article II of the Purchase Agreement:

   (1) Real property owned by Vendor wherever located that is primarily related to the Consumer Food Business as set out in the Purchase Agreement ("**Business Owned Real Property**");

   (2) Business Leased Real Property (as defined below) pursuant to the Real Estate Leases (as defined below).

   "**Real Estate Leases**" refers to each lease, sublease, licence and other agreement pursuant to which Vendor or any Transferred Entity (i) is granted the right to use or occupy, now or in the future, the Leased Real Property or any portion thereof, including any and all modifications, amendments or supplements thereto and any assignments thereof and (ii) is the landlord or lessor, sublandlord or sublessor, or licensor and grants the right to use or occupy, now or in the future, the Owned Real Property or Leased Real Property or any portion thereof to a third party, including any and all modifications, amendments and supplements thereto and any assignments thereof.

   "**Owned Real Property**" refers to real property owned (i) by Vendor wherever located that is primarily related to the Consumer Food Business as set out in the Purchase Agreement; and (ii) by the Transferred Entities, in each case including any buildings, structures and improvements located on any such real property and all fixtures attached thereto and all easements, rights of way, reservations, privileges, appurtenances and other estates and rights pertaining thereto as set out in the Purchase Agreement.

   "**Leased Real Property**" refers to (i) the real property leased by Vendor as tenant, subtenant or otherwise, together with all buildings and other structures, facilities or improvements located thereon, all fixtures attached or appurtenant thereto and all easements, licences, rights and appurtenances relating to the foregoing, in each case primarily related to the Consumer Food Business and set out in Purchase Agreement ("**Business Leased Real Property**") and (ii) the real property leased by the Transferred Entities as tenant, subtenant or otherwise, together with all buildings and other structures, facilities or improvements located thereon, all fixtures attached or appurtenant thereto and all easements, licences, rights and appurtenances relating to the foregoing as set forth in the Purchase Agreement.

   (3) All inventory primarily related to the Consumer Food Business, wherever held, including inventory in transit between sites;

(4) All trade accounts receivable and other receivables, whether or not billed for the products of the Consumer Food Business sold prior to the Closing;

(5) Subject to the terms of the Purchase Agreement, all right, title and interest in and to each contract, lease, licence, understanding, commitment or other agreement, whether oral or written that (a) relate exclusively to the Consumer Food Business, except to the extent any third-party consents required to be obtained prior to the Closing have not been obtained by Vendor pursuant to the terms of the Purchase Agreement; or (b) subject to the terms of the Purchase Agreement, all Dividable Contracts solely to the extent related to the Consumer Food Business, including those contracts set forth in the Purchase Agreement.

"**Dividable Contract**" refers to a contract of Vendor or its affiliates that is material to the Consumer Food Business and is not solely related to the Consumer Food Business but also relates to the other business of Vendor.

(6) Subject to the terms of the Purchase Agreement, all right, title and interest owned by Vendor in all intellectual property primarily related to the Consumer Food Business;

(7) All transferrable permits that are owned by Vendor and necessary to conduct the Consumer Food Business as currently conducted;

(8) Subject to the terms of the Purchase Agreement, all business books and records;

(9) To the extent permissible by law, all personnel and employment records that relate to a Transferred Employee;

"**Business Employee**" refers to an individual whose employment or services relates primarily to the operation of the Consumer Food Business, whether salaried or hourly and including individuals on layoff, or medical, educational, personal, long-term, short-term, disability, family, paid time off or other authorised leave of absence, who is employed with the Consumer Food Business immediately prior to Closing.

"**Transferred Employee**" refers to each (i) Business Employee whose employment transfers from Vendor to the Company or any of its affiliates on the Closing by operation of law, or who receives and accepts the offer of employment from the Company or any of its affiliates, and (ii) Transferred Entity Employee.

"**Transferred Entity Employee**" refers to any individual employed by any Transferred Entity immediately prior to the Closing.

(10) (A) all machinery, equipment and other items of personal property owned or leased by Vendor, that (a) are located at the acquired facilities, the Business Owned Real Property or Business Leased Real Property as of the Closing; (b) are primarily related to the research and development projects of Vendor with respect to the Consumer Food Business or products; or (c) are set forth in the Purchase Agreement; and (B) all vehicles, furniture, fixtures, supplies, spare parts, dies, moulds, tools and office equipment, whether owned or leased, in each case located at the acquired facilities, the Business Owned Real Property or Business Leased Real Property as of the Closing ("**Equipment**") and all warranties and guarantees, if any, express or implied, existing for the benefit of Vendor in connection with the Equipment to the extent transferrable and primarily related to the Consumer Food Business;

(11) All commitments and orders from third parties for the purchase of products, raw materials, Equipment or other goods and services that have not been received as of the Closing;

(12) Subject to the terms of the Purchase Agreement, all of Vendor's sales and promotional materials, catalogues, pamphlets, brochures, advertising materials, directories and other publications solely to the extent primarily related to the Consumer Food Business and plates, copy engravings, photographs and other materials used in the printing or production of any such items solely to the extent primarily related to the Consumer Food Business except in the case to the extent Vendor is required by law or regulations to retain the same;

(13) To the extent transferrable, universal product codes used on products of the Consumer Food Business except for excluded UPC codes as provided in the Purchase Agreement;

(14) All intercompany receivables from Vendor and its subsidiaries primarily relating to the Consumer Food Business;

(15) All rights of Vendor to bring an action and to obtain damages, refunds, rights of recovery, rights of setoff and rights of recoupment of any kind relating to any infringement of any intellectual property primarily related to the Consumer Food Business and accruing or arising at any time prior to, on or after the Closing;

(16) All expenses to the extent primarily related to the Consumer Food Business that have been prepared by Vendor, including lease and rental payment;

(17) All property and casualty insurance proceeds received or receivable in connection with the damage or destruction of any asset that is included in the assets sold or would have been included in the assets sold but for such damage or destruction and proceeds received or receivable in connection with products liability insurance policies of Vendor or its subsidiaries, in respect of Consumer Food Business' products sold on or prior to Closing;

(18) Assets of Vendor's pension plan as provided in the Purchase Agreement;

(19) All refunds, deposits or over-payments primarily related to the Consumer Food Business prior to the Closing;

(20) To the extent located at the acquired facilities, the Business Owned Real Property or Business Leased Real Property or in the possession of any Transferred Employees, all laptops, personal computers and monitors, computer hardware and other systems hardware and networking and communications assets, including, subject to the terms of the Purchase Agreement, any such items that are Dividable Contracts provided that notwithstanding the foregoing, in no event shall any software be a transferred assets.

(21) All sales and use tax certificates of, as well as all exemption certificates collected for sales and use tax purposes by, Vendor and its subsidiaries primarily related to the Consumer Food Business;

(22) (A) All confidential agreements pursuant to which Vendor has disclosed confidential information related to the Consumer Food Business and which were executed within twelve months prior to the date of the Purchase Agreement and (B) all confidentiality agreements relating to the sale of the Consumer Food Business (but only to the extent such agreements protect the confidentiality information of the Consumer Food Business itself); and

(23) Other than the assets excluded in the Purchase Agreement, all other assets, properties or rights of every kind and description, wherever located, whether personal or mixed, tangible or intangible, that are owned by Vendor or any of its affiliates and primarily related to the Consumer Food Business.

Assumed Liabilities

Pursuant to the Purchase Agreement, and subject to certain exceptions, the Acquiror will assume all of the Vendor's liabilities ("**Assumed Liabilities**") arising from or relating to the Consumer Food Business or the assets, properties, leases, rights, interests, contracts and claims to be sold and transferred to the Acquiror existing as at the date of Closing and irrespective of whether such liabilities arose prior on, on or following the Closing, including but not limited to:

(i) all liabilities under any of the contracts to be assumed by Acquiror;
(ii) all liabilities for taxes relating to the operation or ownership of the Consumer Food Business for the period commencing after the closing;
(iii) all liabilities, whether accruing before, on or after the date of Closing, (A)(1) under any environmental laws or otherwise relating to the environment or natural resources, human health and safety or materials of environmental concern and (2) related to the Consumer

Food Business or (B) relating to the use, defect, design or operation of any products manufactured, sold or distributed prior to the Closing by or on behalf of the Consumer Food Business or an service of the Consumer Food Business rendered prior to Closing by or on behalf of the Vendor;

(iv) all liabilities relating to any and all products of the Consumer Food Business (including product liabilities or recall liabilities and customer deductions, including post-audit claims and deductions taken by customers, including such claims and deductions related to damages, shortages, fees, fines, pricing discrepancies, cash discounts and product returns) regardless of whether such products were manufactured, sold or distributed before or after Closing;

(v) all liabilities relating to the return of products of the Consumer Food Business, all refund and replacement obligations and customer deductions with respect to such products regardless of whether such products were manufactured, sold or distributed before or after Closing; and

(vi) all liabilities related to accounts payable of the Vendor for products of the Consumer Food Business sold prior to the date of Closing.

Excluded Assets

Pursuant to the Purchase Agreement, certain assets, properties, leases, rights, interests, contracts and claims of the Vendor are to be retained by the Vendor and its subsidiaries (other than the Transferred Entities) and excluded from the transferred assets, such excluded items include but are not limited to (the "Excluded Assets"):-

(i) all cash on hand held by the Vendor or held by any bank or other party on the Vendor's behalf;

(ii) all intellectual property owned or used by the Vendor and its subsidiaries (other than the Transferred Entities), other than the intellectual property rights to be transferred under the Purchase Agreement;

(iii) all tax returns, and all claims, refunds or credits in respect of taxes of the Vendor, any of its subsidiaries (other than the Transferred Entities) or of the operation of the Consumer Food Business or the transferred assets;

(iv) the Vendor's company benefit plans, and any assets related thereto, other than as contemplated by the Purchase Agreement;

(v) except as set forth in the Purchase Agreement, all policies of or agreements for insurance and interests in insurance pools and programmes;

(vi) any assets primarily related to the Consumer Food Business owned on the date of the Purchase Agreement or acquired after the date of the Purchase Agreement and sold or otherwise disposed of prior to the Closing in the ordinary course of business consistent with past practice and not in violation of any other provisions of the Purchase Agreement;

(vii) subject to the Purchase Agreement, all rights to insurance or indemnity, and all rights, claims, credits, defences, causes of action (including counterclaims), rights of recovery or set-off and all other rights to bring any action (a) relating to any period through the Closing, (b) to the extent arising out of or relating to any Excluded Asset or Excluded Liabilities or (c) to the extent that the assertion of such cause of action or defence is necessary or useful in defending any claim that may be asserted against the Vendor or its affiliates for which the Vendor does not seek indemnification in accordance with the Purchase Agreement or for which indemnification is provided by the Vendor in accordance with the Purchase Agreement;

(viii) any interest or right of the Vendor under the Purchase Agreement and documents related to the Purchase Agreement;

(ix) all employees of the Vendor and its subsidiaries (other than the Transferred Entities) who are not Transferred Employees;

(x) personnel and employment records for employees and former employees of the Consumer Food Business who are not Transferred Employees; and

(xi) all assets, properties, leases, rights, interests, Contracts and claims of the Vendor that are not primarily related to the Consumer Food Business, including every Vendor contract, wherever located, whether tangible or intangible, real, personal or mixed;

Excluded Liabilities

Pursuant to the Purchase Agreement, the Acquiror is not assuming certain liabilities of the Vendor or its subsidiaries (other than the Transferred Entities), including but not limited to (the "Excluded Liabilities"):

(i) indebtedness of the Vendor;

(ii) liability relating to the Excluded Assets;

(iii) any tax liability relating to the operation or ownership of the Consumer Food Business and any liability for taxes of a Transferred Entity, in each case, relating to the periods on or before the date of Closing and certain straddle periods ending on the Closing and any transfer taxes imposed in connection with transactions under the Purchase Agreement that are allocable to the Vendor in accordance with the Purchase Agreement;

(iv) all liabilities relating to the operation or conduct by the Vendor or any of its affiliates of any business other than the Consumer Food Business;

(v) all liabilities relating to the failure by any person to take actions to comply with bulk sale laws, bulk transfer laws or similar laws (other than tax laws) in connection with transactions contemplated under the Purchase Agreement.

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APPENDIX C

AUDITED COMBINED FINANCIAL STATEMENTS OF THE CONSUMER FOOD BUSINESS FOR THE FINANCIAL YEARS ENDED 29 APRIL 2012 AND 28 APRIL 2013 AND THE REVIEWED CONDENSED COMBINED FINANCIAL STATEMENTS OF THE CONSUMER FOOD BUSINESS FOR THE FINANCIAL PERIODS ENDED 29 JULY 2012 AND 28 JULY 2013

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Combined Financial Statements

April 28, 2013 and April 29, 2012

(With Independent Auditors' Report Thereon)

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

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KPMG LLP
Suite 1400
55 Second Street
San Francisco, CA 94105

Independent Auditors' Report

The Board of Directors
Del Monte Corporation:

We have audited the accompanying combined balance sheets of the Consumer Products Business (the Business) of Del Monte Corporation (Del Monte or the Company) as of April 28, 2013 and April 29, 2012, and the related combined statements of income, comprehensive income, and cash flows for the fiscal years ended April 28, 2013 and April 29, 2012.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As more fully described in Note 2, the accompanying combined financial statements were prepared using "carve out" accounting procedures wherein certain assets, liabilities and expenses historically recorded or incurred at the parent company level of Del Monte, which related to or were incurred on behalf of the Business, have been identified and allocated as appropriate to reflect the financial position and results of the Business for the periods presented. These combined financial statements have been derived from the accounting records of Del Monte and reflect significant assumptions and allocations.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Opinion

In our opinion, the combined financial statements referred to above present fairly in all material respects, the combined balance sheets of the Business as of April 28, 2013 and April 29, 2012, and the related combined statements of income, comprehensive income, and cash flows for the fiscal years ended April 28, 2013 and April 29, 2012, in accordance with U.S. generally accepted accounting principles.

KPMG LLP

San Francisco, California
October 18, 2013

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Combined Balance Sheets

(In millions)

Assets	**April 28, 2013**	**April 29, 2012**
Cash and cash equivalents	$ 12.8	$ 5.0
Trade accounts receivable, net of allowance	94.8	96.3
Inventories, net	550.2	562.1
Prepaid expenses and other current assets	65.3	54.2
Total current assets	723.1	717.6
Property, plant and equipment, net	437.0	422.4
Goodwill	143.6	143.6
Intangible assets, net	804.5	816.3
Other assets, net	45.5	56.5
Total assets	$ 2,153.7	$ 2,156.4
Liabilities, Other Equity Items and Net Parent Investment		
Accounts payable and accrued expenses	$ 287.9	$ 273.0
Short-term borrowings	3.2	3.3
Current portion of long term debt	31.1	38.1
Total current liabilities	322.2	314.4
Long-term debt	1,088.0	1,079.7
Deferred tax liabilities	307.8	312.2
Other noncurrent liabilities	183.9	191.9
Total liabilities	1,901.9	1,898.2
Net parent investment	258.5	266.1
Accumulated other comprehensive income (loss)	(6.7)	(7.9)
Total liabilities, other equity items and net parent investment	$ 2,153.7	$ 2,156.4

See accompanying Notes to the Combined Financial Statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Combined Statements of Income

(In millions)

	Fiscal	
	2013	**2012**
Net sales	$ 1,830.4	$ 1,815.4
Cost of products sold	1,424.5	1,407.2
Gross profit	405.9	408.2
Selling, general and administrative expense	310.7	300.1
Operating income	95.2	108.1
Interest expense	66.6	64.7
Other (income) expense, net	1.4	27.8
Income before income taxes	27.2	15.6
Provision for income taxes	8.4	2.7
Net income	$ 18.8	$ 12.9

See accompanying Notes to the Combined Financial Statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Combined Statements of Comprehensive Income

(In millions)

	Fiscal	
	2013	2012
Net income	$ 18.8	$ 12.9
Other comprehensive income (loss):		
Pension and other postretirement benefits adjustments:		
Pension liability adjustment, (net of applicable taxes/ (benefit) of $0.8 and ($7.2), respectively)	1.2	(11.8)
Total other comprehensive income (loss)	1.2	(11.8)
Comprehensive income	$ 20.0	$ 1.1

See accompanying Notes to the Combined Financial Statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Combined Statements of Cash Flows

(In millions)

	Fiscal	
	2013	**2012**
Operating activities:		
Net income	$ 18.8	$ 12.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	68.7	62.5
Deferred taxes	(9.0)	(12.3)
Write off of debt issuance cost and loss on debt repricing	3.8	—
Loss on asset disposal	7.1	2.4
Stock compensation expense	1.3	3.2
Unrealized loss on derivative financial instruments	7.9	14.2
Other items, net	1.0	0.2
Changes in operating assets and liabilities:		
Trade accounts receivable, net	(2.8)	15.9
Inventories	9.2	54.2
Prepaid expenses and other current assets	(17.2)	3.5
Other assets, net	(3.6)	3.7
Accounts payable and accrued expenses	20.2	57.5
Other noncurrent liabilities	(10.4)	(5.9)
Net cash provided by operating activities	95.0	212.0
Investing activities:		
Capital expenditures	(52.3)	(38.6)
Payment for asset acquisition	(12.0)	—
Other items, net	3.6	0.5
Net cash used in investing activities	(60.7)	(38.1)
Financing activities:		
Proceeds from short-term borrowings	9.3	8.4
Payments on short-term borrowings	(7.9)	(13.7)
Proceeds from long-term debt	41.8	—
Principal payments on long-term debt	(40.9)	(8.5)
Payments of debt related costs	(0.1)	—
Net Parent settlements	(31.3)	(159.8)
Net cash used in financing activities	(29.1)	(173.6)
Effect of exchange rate changes on cash and cash equivalents	2.6	1.5
Net change in cash and cash equivalents	7.8	1.8
Cash and cash equivalents at beginning of year	5.0	3.2
Cash and cash equivalents at end of year	$ 12.8	$ 5.0

See accompanying Notes to the Combined Financial Statements.

(1) Organization

The accompanying combined financial statements include the assets and liabilities and the related operations of the Consumer Products Business (referred to as the “Business”), which are included in the consolidated financial statements of Del Monte Corporation and its subsidiaries (“Del Monte” or the “Company”). The combined financial statements include the Consumer Products-related accounts of Del Monte Corporation as well as all of the accounts of Del Monte Colombiana S.A., Del Monte Ecuador DME C. A., Del Monte Peru S.A.C., Del Monte Andina C.A. and Industrias Citrìcolas de Montemorelos, S.A. de C.V. All intercompany accounts and transactions have been eliminated. The Business is a separate reporting unit of the Company.

Del Monte is one of the country’s largest producers, distributors and marketers of premium quality, branded pet products and food products for the U.S. retail market. The majority of its products are sold nationwide in all channels serving retail markets, mass merchandisers, the U.S. military, certain export markets, the foodservice industry and food processors.

The Business manufacturers, markets and sells branded and private label shelf-stable products, including fruit, vegetable, tomato and broth products. The Business sells products under the *Del Monte, Contadina, College Inn, S&W* and other brand names, as well as private label products, to key customers. The Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with the leading market share for branded products in both fruit and vegetable.

On March 8, 2011, Del Monte Foods Company (“DMFC”) was acquired by an investor group led by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. (“KKR”), Vestar Capital Partners (“Vestar”) and Centerview Capital, L.P. (“Centerview”, and together with KKR and Vestar, the “Sponsors”). The acquisition (also referred to as the “Merger”) was effected by the merger of Blue Merger Sub Inc. with and into DMFC, with DMFC being the surviving corporation. As a result of the Merger, DMFC became a wholly owned subsidiary of Blue Acquisition Group, Inc. (“DMC Parent”) and DMFC applied the acquisition method of accounting and established a new basis of accounting on March 8, 2011.

On April 26, 2011, DMFC merged with and into the Company, with the Company being the surviving corporation. The Company was a direct, wholly owned subsidiary of DMFC.

The Business is an integrated component of the Company, which enjoys the benefit of a number of administrative and support services from the Company and its third-party contractors, participating in a number of the Company’s employee benefit plans and insurance programs. The Business is included in DMC Parent’s domestic income tax returns.

(2) Accounting Policies

(a) Basis of Presentation

Separate financial statements historically have not been prepared for the Business. For reporting purposes, the Business constitutes a single reportable segment as it comprises the Company’s Consumer Products reportable segment. The accompanying combined Balance Sheets, combined Statements of Income, combined Statements of Comprehensive Income and combined Statements of Cash Flows (the “combined financial statements”) have been derived from the historical accounting records of Del Monte and have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). Assumed transactions and balances between Del Monte and the Business are reflected as related party transactions within these combined financial statements.

The preparation of these combined financial statements includes the use of “carve out” accounting procedures wherein certain assets, liabilities and expenses historically recorded or

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incurred at the parent company level of Del Monte, which related to or were incurred on behalf of the Business, have been identified and allocated as appropriate to reflect the financial results of the Business for the periods presented. Accordingly, Del Monte's net investment in the Business ("Net Parent Investment") is shown in lieu of stockholder's equity in the accompanying combined balance sheets. Management believes the assumptions and allocations underlying the combined financial statements are reasonable and appropriate under the circumstances. The expense and cost allocations have been determined on a basis considered by Del Monte to be a reasonable reflection of the utilization of services provided to or the benefit received by the Business during the periods presented relative to the total costs incurred by Del Monte. Accordingly, these statements may not necessarily be indicative of the results of operations that would have existed or will exist in the future assuming the Business was operated as a separate, independent company. Consequently, future results of operations, should the Business be separated from Del Monte, will include costs and expenses that may be materially different than the Business' historical results of operations, financial position, and cash flows presented herein.

It is the Company's policy to allocate certain of its shared costs to Del Monte's businesses (including the Business) under a fixed allocation method that management believes is representative of the relative effort required to support the businesses. The allocation method (the "SG&A Allocation Method") results in shared costs being allocated to Del Monte's businesses approximately in line with the proportionate net sales of the business. Management believes the SG&A Allocation Method is reasonable.

The Business follows the accounting policies of the Company. The Company's more significant accounting policies are described below.

The Company operates on a 52-week or 53-week fiscal year ending the Sunday closest to April 30. The Business follows the Company's fiscal year. The results of operations for fiscal 2013 and fiscal 2012 each contain 52 weeks.

(b) Use of Estimates

The preparation of the combined financial statements in conformity with the basis of presentation described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to estimates and assumptions, include, but are not limited to, assets, liabilities and expenses allocated to the Business, trade promotions, inventory valuation, provisions for doubtful accounts, depreciable lives of fixed assets, stock compensation expense and assets and obligations related to retirement benefits. Actual results could differ from those estimates.

(c) Revenue Recognition and Trade Promotions

The Company recognizes revenue from sales of products, and related costs of products sold, where persuasive evidence of an arrangement exists, delivery has occurred, the seller's price is fixed or determinable and collectability is reasonably assured. This generally occurs when the customer receives the product or at the time title passes to the customer. Customers generally do not have the right to return product unless damaged or defective. Net sales is comprised of gross sales reduced by customer returns, cash discounts, consumer promotion costs relating to coupon redemption, trade promotions, performance allowances, customer pick-up allowances and discounts.

Cash discounts are accrued in the period a sale is completed based on the terms and conditions in place with each customer.

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The Company accrues trade promotions expense primarily at the time a product is sold to the customer based on expected levels of performance. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a customer from amounts otherwise due to the Company. Deductions are offset against related trade promotion accruals. Evaluations of the trade promotion liability are performed monthly and adjustments are made where appropriate to reflect changes in the Company's estimates.

The Company accrues coupon redemption costs in the period in which the coupons are offered, based on estimates of redemption rates that are developed by management. Management estimates are based on recommendations from independent coupon redemption clearing-houses as well as historical information. Should actual redemption rates vary from amounts estimated, adjustments to liabilities may be required.

(d) Inventories

The Company utilizes a standard cost system to account for inventory. Inventory is stated at the lower of cost or market. Cost is determined on a last-in, first-out basis ("LIFO") for the domestic Business. The Company has established LIFO pools for containers and finished goods inventories. Cost is determined on a first-in, first-out basis ("FIFO") for the foreign entities.

(e) Goodwill and Intangible Assets with Indefinite Lives

The Company does not amortize goodwill and intangible assets with indefinite lives, but instead tests for impairment at least annually. Additional impairment tests may be performed between annual tests if circumstances indicate that a potential impairment exists. The Company has designated the first day of the fourth fiscal quarter as the annual impairment testing date, at which time the Company engages third-party valuation experts to assist in the valuation of its intangible assets with indefinite lives and reporting units that have goodwill assigned to them.

When conducting the annual impairment test for goodwill, the Company compares the estimated fair value of the Consumer Products Business reporting unit to its book value. The estimated fair value is computed using two approaches: the income approach, which is the present value of expected cash flows, discounted at a risk-adjusted weighted average cost of capital; and the market approach, which is based on using market multiples of companies in similar lines of business. If the fair value of the reporting unit is determined to be more than its book value, no goodwill impairment is recognized.

If the fair value of the reporting unit is determined to be less than its book value, actual goodwill impairment, if any, is computed using a second step of the impairment test. The second step requires the fair value of the reporting unit to be allocated to all the assets and liabilities of the reporting unit as if the reporting unit had been acquired in a business combination at the date of the impairment test. The excess fair value of the reporting unit over the fair value of assets less liabilities is the implied value of goodwill and is used to determine the amount of impairment.

For intangible assets with indefinite lives, estimated fair value is determined using the relief from royalty method, which is based upon the estimated rent or royalty that would be paid for the use of a brand name if the Business did not own it and discounted at a risk-adjusted weighted average cost of capital.

In estimating discounted future cash flows, management uses historical financial information as well as the Company's operating plans and projections, which include assumptions

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regarding sales trends and profitability, as well as macroeconomic factors. Considerable judgment is necessary in estimating future cash flows, market interest rates, discount rates, and other factors used in the relief from royalty method used to value intangible assets with indefinite lives. Different assumptions regarding future performance, discount rates or other factors could result in future impairment losses.

(f) Property, Plant and Equipment

Property, plant and equipment are stated at cost (adjusted to estimated fair value as a result of the Merger on March 8, 2011) and are depreciated over their estimated useful lives, using the straight-line method. Maintenance and repairs are expensed as incurred. Significant expenditures that increase useful lives are capitalized. The principal estimated useful lives generally are: land improvements – 5 to 40 years; buildings and leasehold improvements – 10 to 50 years; machinery and equipment – 10 to 20 years; computer software – 3 to 7 years.

Depreciation of plant and equipment and leasehold amortization was as follows (in millions):

	Fiscal	
	2013	**2012**
Depreciation and amortization	$ 47.3	$ 41.5

The Company's capitalization of software development costs for internal use begins in the application development stage and ends when the asset is placed into service. The Company amortizes such costs using the straight-line method over estimated useful lives.

The Company reviews long-lived asset groups held and used (including intangible assets with finite lives) and assets held for sale for impairment whenever events or changes in circumstances indicate that the book value of an asset may not be recoverable. If an evaluation of recoverability was required, the estimated undiscounted future cash flows associated with the asset would be compared to the asset's book value to determine if a write-down was required. If the undiscounted cash flows are less than the book value, an impairment loss is recorded to the extent that the book value exceeds the fair value. If management has committed to a plan to dispose of long-lived assets, the assets to be disposed of are reported at the lower of book value or fair value less estimated costs to sell.

The Business' intangible assets with estimable lives have lives ranging between 10 to 22 years and are amortized on a straight-line basis.

(g) Deferred Debt Issuance Costs

The Company capitalizes costs associated with the issuance of debt instruments and amortizes these costs as interest expense over the term of the debt agreements. Amortization expense for deferred charges was as follows (in millions):

	Fiscal	
	2013	**2012**
Amortization expense	$ 9.2	$ 9.4

Deferred debt issuance costs for the Business are included in other assets in the accompanying combined balance sheets. Deferred debt issuance costs and amortization expense were allocated to the Business based on the long term debt allocation as described in Note 5.

(Continued)

(h) Derivative Financial Instruments

The Company uses derivative financial instruments for the purpose of managing risks associated with interest rate, foreign currency, commodity, transportation and other input price exposures. The Company does not trade or use instruments with the objective of earning financial gains on interest rate, foreign currency, commodity or other fluctuations alone, nor does it use instruments where there are not underlying exposures. All derivative instruments are recorded in the accompanying combined balance sheets at fair value.

The Company utilizes hedging instruments whose change in fair value acts as an economic hedge but does not meet the requirements to receive hedge accounting treatment ("Economic Hedge"). For derivatives designated as Economic Hedges, all changes in fair value are reported immediately in other (income) expense. In addition, the Company has utilized derivative contracts designated as a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("Cash Flow Hedge"). The effective portion of the change in the fair value of a derivative that is designated as a Cash Flow Hedge is reported in other comprehensive income ("OCI"). The gain or loss included in OCI is subsequently reclassified into net income on the same line in the accompanying combined statements of income as the hedged item in the same period that the hedge transaction affected net income. The ineffective portion of a change in fair value of a Cash Flow Hedge is reported in other (income) expense. The settlement of a cash flow hedging instrument is classified as an operating activity in the combined statements of cash flows. As of April 28, 2013, the Company had both Cash Flow Hedges and Economic Hedges.

Interest rate swaps were allocated to the Business based on the long-term debt allocation as described in Note 5. Commodity and foreign currency exchange contracts are specific to the Business.

(i) Fair Value of Financial Instruments

The book value of the Company's floating rate debt instruments approximates fair value. The Company uses Level 2 inputs to estimate the fair value of such debt. See Note 7 for a discussion regarding the fair value hierarchy and the definition of Levels 1, 2 and 3 for the Company's derivative instruments.

(j) Cost of Products Sold

Cost of products sold represents expenses incurred that are directly connected with bringing the products to a salable condition. Costs include raw materials, direct labor, direct and allocated manufacturing costs and distribution expense, transfer freight costs, purchasing costs, warehousing costs and indirect production and overhead costs. Corporate quality inspection costs are allocated to the Business based on annual budgeted volume throughput. Variable and fixed manufacturing costs are allocated based on actual volume throughput. Transfer freight is allocated to product groups based on shipped hundred weights ("CWT") for each item within a particular load (truck or rail car).

Factory purchasing costs are allocated based on annual budgeted volume throughput. Purchasing costs of departments that benefit several businesses are allocated based on the SG&A Allocation Method.

Warehousing costs are based on an allocation of total warehouse operating costs to all products stored at the facility.

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All of the costs described above are considered direct costs. In addition, indirect manufacturing and distribution costs have been allocated to the Business. Indirect manufacturing costs are primarily allocated based on the SG&A Allocation Method. Indirect distribution costs are primarily allocated based on actual throughput.

The Business operates eleven production facilities in the U.S., two in Mexico and one in Venezuela.

The domestic Business buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the United States. Fruit supply contracts generally range from one to ten years. Fruit prices are generally negotiated with grower associations annually. Vegetable supply contracts are for a one-year term. Vegetable prices are negotiated annually. Tomato prices are generally negotiated with grower associations and are reset each year. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or on the open market. The domestic Business also uses 12 co-packers and 3 re-packers located in the U.S. and foreign locations.

To supply sales of products in the South American market, the Business purchases raw product, primarily vegetables, from approximately 13 growers in Venezuela. In addition, the Business purchases tomato paste, frozen vegetables and fruit pulps from seven suppliers in Chile and Peru, dried beans from a supplier in Canada and dried peas from a supplier in the United States. The Business also uses 12 co-packers to supply products for the South American market.

Products produced in Mexico are sold primarily in the United States. The Business buys fruits from about 325 growers in Mexico and the United States to supply the Mexico plants.

The Company maintains long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes. The Company owns virtually no agricultural land for harvesting.

(k) Selling, General and Administrative Costs

Selling, general and administrative costs for the Business consists of costs for departments that exclusively support the Business and allocated costs for shared support functions (including corporate charges) that provide services to all Del Monte businesses. In conjunction with the development of an annual operating plan, selling, general, and administrative departments are designated as direct or indirect; and all such department costs are allocated to individual product groups within each business unit.

Direct selling, general and administrative costs

Trade freight is included in selling, general and administrative costs and is allocated to the Business in the same manner as transfer freight as described above. Trade freight costs were $52.0 million and $53.2 million for fiscal 2013 and fiscal 2012, respectively.

Direct departments (marketing, production planning and factory operations) exclusively support the Business. As such, all of the costs for direct departments are charged to the Business.

Direct support costs consist of broker fees and research and development costs. Broker fees are made up of variable (direct) and fixed (allocated) costs. Research and development costs include certain departments that are dedicated to the Business as well as certain allocated costs. Allocated costs for both broker fees and research and development are allocated to the Business based on the SG&A Allocation Method. Research and development costs were

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$10.4 million and $10.7 million for fiscal 2013 and fiscal 2012, respectively. Broker fees were $37.3 million and $39.6 million for fiscal 2013 and fiscal 2012, respectively. These costs are included in selling, general, and administrative expense in the accompanying combined statements of income.

Benefits costs for salaried, nonfactory and warehouse employees that directly support the Business were allocated to selling, general and administrative departments at a rate of 30% of total compensation, which approximates the benefits rate (including pension costs, health care, and employer taxes) for the Company overall.

Indirect selling, general and administrative costs

Indirect selling costs (including customer service and customer teams) are allocated based on actual net sales.

All direct costs associated with advertising are expensed as incurred. Marketing expense, which includes advertising expense, was $57.8 million and $31.0 million for fiscal 2013 and fiscal 2012, respectively, and is included in selling, general, and administrative expense in the accompanying combined statements of income.

Indirect general and administrative costs are allocated based on marketing or market research expenses for marketing-related departments (such as insights and strategy and package design) and all other indirect general and administrative costs are allocated based on the SG&A Allocation Method.

Corporate functions include strategy, external financial reporting, risk management, real estate, legal, human resources, internal audit, tax and treasury. Costs for the real estate department are allocated based on the book value of land and buildings of the Business as a percentage of the Company's total land and buildings book value. Except as described below, costs for all other corporate functions are allocated based on the SG&A Allocation Method.

Corporate stock compensation expense was allocated based on the SG&A Allocation Method. Other shared corporate costs such as bonus and retirement benefit expense were allocated based on the actual costs of the Business' employees expected to be transferred as well as an allocation of corporate costs based on the SG&A Allocation Method.

(l) Retirement Benefits

During fiscal 2013 and fiscal 2012, the employees of the Business participated in the Company sponsored qualified defined benefit pension plan and several unfunded defined benefit postretirement plans providing certain medical, dental and life insurance benefits to eligible retired, salaried, nonunion hourly and union employees. Under the direction of the Company, third party actuaries utilize statistical and other factors to anticipate future events in calculating an estimate of the expense and liabilities related to these plans. The factors utilized by the Company's actuaries include assumptions about the discount rate, expected return on plans assets, the health care costs trend rate, withdrawal and mortality rates and the rate of increase in compensation levels. These assumptions may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter mortality of participants. These differences may impact the amount of retirement benefit expense recorded by the Company in future periods. The funded status of the Company's pension and other postretirement plans is recorded as a liability, and all unrecognized gains or losses, net of tax, are recorded as a component of accumulated other comprehensive income (loss) ("AOCI").

The projected benefit obligation ("PBO") and service costs were derived based on the Business' employees expected to be transferred (including retirees), plus an allocation of

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corporate costs (including retirees) for the remaining Company employees based on the SG&A Allocation Method. Plan assets were allocated to the Business based on allocated PBO, an approach that approximates the split that would result from the application of Section 414(1) of the Internal Revenue Code, which is in accordance with the Employee Retirement Income Security Act of 1974 (“ERISA”) rules. Interest costs, actuarial (gains) and losses, and amounts recognized in AOCI were based on the ratio of allocated PBO.

(m) Foreign Currency Translation

Gains and losses from foreign currency transactions (transactions denominated in a currency other than the functional currency) are included in other (income) expense. All foreign entities have the U.S. dollar as their functional currency. Based upon the three-year cumulative inflation rate, the Company began treating Venezuela as a highly inflationary economy effective with the beginning of the fourth quarter of fiscal 2010. Accordingly, the functional currency for the Company’s Venezuelan subsidiary is the U.S. dollar.

(n) Concentration of Credit Risk

The Business is subject to risks and uncertainties related to the creditworthiness of customers in the industry as well as price, supply, demand, and other associated volatility.

A relatively limited number of customers account for a large percentage of the Business’ total sales. One customer accounted for approximately 29% and 26% of list sales, which approximates gross sales, for fiscal 2013 and fiscal 2012, respectively. The customer accounted for approximately 28% and 26% of trade accounts receivable as of April 28, 2013 and April 29, 2012, respectively. The Company closely monitors the credit risk associated with its customers.

(o) Net Parent Investment

The net parent investment represents the original investment by Del Monte plus accumulated net income or loss and theoretical intercompany accounts with Del Monte. There is no other activity in net parent investment. As Del Monte performs the treasury function for the domestic Business, including the sweeping of all available cash and the funding of cash as necessary, these transactions are shown as “Net Parent settlements” in the accompanying combined statements of cash flows.

The following table presents the activity in net parent investment (in millions):

	Net Parent Investment
Balance at May 1, 2011	$ 409.8
Net income	12.9
Amortization of unearned compensation	3.2
Net Parent settlements	(159.8)
Balance at April 29, 2012	266.1
Net income	18.8
Amortization of unearned compensation	1.3
Proceeds from Parent for insurance proceeds and sale of assets	3.6
Net Parent settlements	(31.3)
Balance at April 28, 2013	$ 258.5

(Continued)

(p) Comprehensive Income

The Business' comprehensive income is comprised of net income and other comprehensive income (loss) (OCI). OCI is comprised of pension and other retirement employee benefit adjustments, net of tax. As of the Merger date, all AOCI accounts were reset to zero.

(q) Environmental Remediation Liabilities

The Business accrues for losses associated with environmental remediation obligations when such losses are probable and the amounts of such losses are reasonably estimable. Accruals for estimated losses for environmental remediation obligations are recognized no later than the completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Environmental liabilities recorded that are directly related to the Business were $4.6 million and $4.3 million as of April 28, 2013 and April 29, 2012, respectively, and are included in other current and noncurrent liabilities in the accompanying combined balance sheets.

(r) Asset Retirement Obligations

Certain of the Business' production facilities may contain asbestos that would have to be removed if such facilities were to be demolished or undergo a major renovation and certain of the Business' production facilities utilize wastewater ponds that would require closure activities should the ponds' use be discontinued. The Business cannot reasonably estimate the fair value of the liability for asbestos removal or wastewater pond closure at its production facilities, and because the timing of the settlement of any such liability is not currently determinable, has not recorded an asset retirement obligation for these matters.

(s) Stock-Based Compensation

The Company expenses employee stock option grants and other stock-based compensation over the vesting period, based on the fair value on the date of the stock-based compensation granted. The Company recognizes stock based compensation for performance-based awards over the implied service periods when the Company believes it is probable that the performance targets, as defined in the agreements, will be achieved. Stock compensation expense for the Business was allocated to the accompanying combined statements of income using the SG&A Allocation Method as described in (k) above.

(t) Retained Insurance Liability

A third-party actuary is engaged to assist the Company in estimating the ultimate cost of certain retained insurance risks (primarily worker's compensation) for the employees of the Business based on historical information and projected costs to resolve claims.

(u) Income Taxes

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement book values of existing assets and liabilities and their respective tax bases, and for tax losses and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. An uncertain tax position is recognized if it is

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determined that it is more likely than not to be sustained upon examination. The Business' domestic operating results have historically been included in DMC Parent's consolidated U.S. Federal and state income tax returns. The provision for incomes taxes in the combined financial statements has been determined on a separate return basis as if the Business filed its own domestic tax returns.

(v) Recently Issued Accounting Standards

In July 2012, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update that permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with current accounting standards. The guidance is effective for the Company beginning in the first quarter of fiscal 2014, with early adoption permitted. The adoption of this standard will not impact the Company's financial results.

In February 2013, the FASB issued an Accounting Standards Update related to comprehensive income. The amendments require an entity to provide information about the amounts reclassified out of AOCI by component. This new accounting pronouncement is effective for fiscal years, and interim periods within those years, beginning after December 15, 2012, with early adoption permitted. The Company anticipates that the adoption of this standard will expand its consolidated financial statement footnote disclosures.

(3) Supplemental Financial Statement Information

	April 28, 2013	April 29, 2012
	(in millions)	
Trade accounts receivable:		
Trade	$ 94.9	$ 96.3
Allowance for doubtful accounts	(0.1)	—
Total	$ 94.8	$ 96.3
Inventories:		
Finished products	$ 421.5	$ 434.8
Raw materials and in-process materials	31.7	29.2
Packaging materials and other	85.2	93.8
LIFO reserve	11.8	4.3
Total	$ 550.2	$ 562.1
Prepaid expenses and other current assets:		
Prepaid parts and supplies	$ 18.5	$ 16.5
Other prepaid expense	18.1	15.0
Plant receivables	17.5	17.2
Other receivables	11.2	5.5
Total	$ 65.3	$ 54.2

(Continued)

	April 28, 2013	April 29, 2012
	(in millions)	
Property, plant and equipment, net:		
Land and land improvements	$ 33.8	$ 32.5
Buildings and leasehold improvements	173.3	163.7
Machinery and equipment	249.0	230.6
Computers and software	31.8	26.2
Construction in progress	33.9	14.6
	521.8	467.6
Accumulated depreciation	(84.8)	(45.2)
Total	$ 437.0	$ 422.4
Accounts payable and accrued expenses:		
Accounts payable – trade	$ 128.0	$ 122.5
Marketing, advertising and trade promotion	24.0	15.4
Accrued benefits, payroll and related costs	62.0	54.7
Other current liabilities	73.9	80.4
Total	$ 287.9	$ 273.0
Other noncurrent liabilities:		
Accrued postretirement benefits	$ 97.8	$ 110.4
Pension liability	14.4	9.9
Other noncurrent liabilities	71.7	71.6
Total	$ 183.9	$ 191.9
Accumulated other comprehensive income (loss):		
Pension and other postretirement benefits adjustments	$ (6.7)	$ (7.9)
Total accumulated other comprehensive income (loss)	$ (6.7)	$ (7.9)

(4) Goodwill and Intangible Assets

The following table presents the Business' goodwill and intangible assets (in millions):

	April 28, 2013	April 29, 2012
Goodwill	$ 143.6	$ 143.6
Nonamortizable intangible assets:		
Trademarks	$ 604.8	$ 604.8
Amortizable intangible assets:		
Trademarks	43.0	43.0
Customer relationships	181.4	181.4
	224.4	224.4
Accumulated amortization	(24.7)	(12.9)
Amortizable intangible assets, net	199.7	211.5
Total intangible assets, net	$ 804.5	$ 816.3

(Continued)

Amortization expense for the periods indicated below was as follows (in millions):

	Fiscal	
	2013	2012
Amortization expense	$ 11.8	$ 11.3

The following table presents expected amortization of intangible assets as of April 28, 2013, for each of the five succeeding fiscal years (in millions):

2014	$ 11.8
2015	11.8
2016	11.8
2017	11.8
2018	11.8
Thereafter	140.7

As of April 28, 2013, the weighted average life of the Business' amortizable intangible assets was 19.5 years.

(5) Short-Term Borrowings and Long-Term Debt

Debt in the accompanying combined balance sheets consists of the following, as of the dates indicated (in millions):

	April 28, 2013	April 29, 2012
Short-term borrowings:		
Revolver	$ —	$ —
Other	3.2	3.3
Total short-term borrowings	$ 3.2	$ 3.3
Long-term debt:		
Term Loan Facility	$ 1,121.1	$ 1,120.2
	1,121.1	1,120.2
Less unamortized discount	2.0	2.4
Less current portion	31.1	38.1
Total long-term debt	$ 1,088.0	$ 1,079.7

Long-term debt (including the current portion) related to the domestic Business was allocated based on total assets excluding goodwill and deferred financing fees of the Business as a percentage of Del Monte's total assets excluding goodwill and deferred financing fees (the "Debt Allocation Method") as the domestic Business' assets are pledged as collateral under the terms of the Company's Senior Secured Term Loan Credit Agreement and Senior Secured Asset-Based Revolving Credit Agreement as described below. Interest costs for long-term debt were allocated to the domestic Business in the accompanying combined statements of income based on the Debt Allocation Method and totaled $65.9 million and $63.9 million for fiscal 2013 and 2012, respectively.

Senior Secured Term Loan Credit Agreement

The Company is a party to a senior secured term loan credit agreement (the "Senior Secured Term Loan Credit Agreement") with the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the other agents named therein, that initially

provided for a $2,700.0 million senior secured term loan B facility (with all related loan documents, and as amended from time to time, the "Term Loan Facility") with a term of seven years.

On February 5, 2013, the Company entered into an amendment to the Senior Secured Term Loan Credit Agreement. The amendment, among other things, (1) lowered the LIBOR rate floor on term loans under the credit agreement from 1.50% to 1.00% and the base rate floor from 2.50% to 2.00%; (2) added a leverage-based pricing step-down whereby, in the event the ratio of consolidated total debt to EBITDA is at or less than 5.75 to 1.00, the applicable interest margin decreases from 3.00% to 2.75% on LIBOR rate loans and from 2.00% to 1.75% on base rate loans; and (3) provided for an increase by $100.0 million in the aggregate principal amount of term loans outstanding.

Interest Rates. Loans under the amended Term Loan Facility bear interest at a rate equal to an applicable margin, plus, at the Company's option, either (i) a LIBOR rate (with a floor of 1.00%) or (ii) a base rate (with a floor of 2.00%) equal to the highest of (a) the federal funds rate plus 0.50%, (b) JPMorgan Chase Bank, N.A.'s "prime rate" and (c) the one-month LIBOR rate plus 1.00%. As of April 28, 2013, the applicable margin with respect to LIBOR borrowings is 3.00% and with respect to base rate borrowings is 2.00%. In the event the ratio of consolidated total debt to EBITDA is at or less than 5.75 to 1.00, the applicable interest margin decreases from 3.00% to 2.75% on LIBOR rate loans and from 2.00% to 1.75% on base rate loans.

Principal Payments. The amended Term Loan Facility generally requires quarterly scheduled principal payments of 0.25% of the outstanding principal per quarter from March 31, 2013 to December 31, 2017. The balance is due in full on the maturity date of March 8, 2018. Scheduled principal payments with respect to the Term Loan Facility are subject to reduction following any mandatory or voluntary prepayments on terms and conditions set forth in the Senior Secured Term Loan Credit Agreement. Under the original Term Loan Facility, on June 28, 2012, the Company made a payment of $91.1 million representing the annual excess cash flow payment due for the fiscal year ended April 29, 2012. Under the amended Term Loan Facility, on June 27, 2013, the Company made a payment of $74.5 million representing the annual excess cash flow payment due for the fiscal year ended April 28, 2013. No quarterly payments will be due in fiscal 2014 due to the excess cash flow payment being applied to such quarterly payments. As of April 28, 2013, the amount of outstanding loans under the Term Loan Facility allocated to the Business was $1,121.1 million and the blended interest rate payable was 4.00%, or 5.04% after giving effect to interest rate swaps. See note 6 for discussion of the Company's interest rate swaps.

The Senior Secured Term Loan Credit Agreement also requires the Company to prepay outstanding loans under the Term Loan Facility, subject to certain exceptions, with, among other things:

- 50% (which percentage will be reduced to 25% if the leverage ratio is 5.5x or less and to 0% if the leverage ratio is 4.5x or less) of the annual excess cash flow, as defined in the Senior Secured Term Loan Credit Agreement;
- 100% of the net cash proceeds of certain casualty events and nonordinary course asset sales or other dispositions of property for a purchase price above $10 million, in each case, subject to the Company's right to reinvest the proceeds; and
- 100% of the net cash proceeds of any incurrence of debt, other than proceeds from debt permitted under the Senior Secured Term Loan Credit Agreement.

Ability to Incur Additional Indebtedness. The Company has the right to request an additional $500.0 million plus an additional amount of secured indebtedness under the Term Loan Facility. Lenders under this facility are under no obligation to provide any such additional loans, and any

(Continued)

such borrowings will be subject to customary conditions precedent, including satisfaction of a prescribed leverage ratio, subject to the identification of willing lenders and other customary conditions precedent.

Senior Secured Asset-Based Revolving Credit Agreement

The Company is a party to a credit agreement (the "Senior Secured Asset-Based Revolving Credit Agreement") with Bank of America, N.A., as administrative agent, and the other lenders and agents parties thereto, that provides for senior secured financing of up to $750.0 million (with all related loan documents, and as amended from time to time, the ABL Facility) with a term of five years. There are no borrowings by the Company as of April 28, 2013 or April 29, 2012.

Interest Rates. Borrowings under the ABL Facility bear interest at an initial interest rate equal to an applicable margin, plus, at the Company's option, either (i) a LIBOR rate, or (ii) a base rate equal to the highest of (a) the federal funds rate plus 0.50%, (b) Bank of America, N.A.'s "prime rate" and (c) the one-month LIBOR rate plus 1.00%. The applicable margin with respect to LIBOR borrowings is currently 2.0% (and may increase to 2.50% depending on average excess availability) and with respect to base rate borrowings is currently 1.00% (and may increase to 1.50% depending on average excess availability).

Commitment Fees. In addition to paying interest on outstanding principal under the ABL Facility, the Company is required to pay a commitment fee that was initially 0.500% per annum in respect of the unutilized commitments thereunder. The commitment fee rate from time to time is 0.375% or 0.500% depending on the amount of unused commitments under the ABL Facility for the prior fiscal quarter. The Company must also pay customary letter of credit fees and fronting fees for each letter of credit issued.

Availability under the ABL Facility. Availability under the ABL Facility is subject to a borrowing base. The borrowing base, determined at the time of calculation, is an amount equal to: (a) 85% of eligible accounts receivable and (b) the lesser of (1) 75% of the net book value of eligible inventory and (2) 85% of the net orderly liquidation value of eligible inventory, of the borrowers under the facility at such time, less customary reserves. The ABL Facility will mature, and the commitments thereunder will terminate, on March 8, 2016. As of April 28, 2013, there were no loans outstanding under the ABL Facility, the amount of letters of credit issued under the ABL Facility was $34.5 million and the Company's net availability under the ABL Facility was $445.5 million.

The ABL Facility includes a sub-limit for letters of credit and for borrowings on same-day notice, referred to as "swingline loans." No new letters of credit were issued under the ABL Facility on March 8, 2011 but certain letters of credit outstanding under a prior credit facility were deemed to be outstanding under the ABL Facility. The Company is the lead borrower under the ABL Facility and other domestic subsidiaries may be designated as borrowers on a joint and several basis.

The Company maintains its floating rate revolver for flexibility to fund seasonal working capital needs and for other uses of cash. The Company did not borrow on its revolver during fiscal 2013 or fiscal 2012. The accompanying combined statements of income reflect an allocation of interest costs related to commitment fees to maintain the ABL Facility. The allocation totaled $2.8 million in both fiscal 2013 and fiscal 2012 and was based on the Business' borrowing base, calculated as described above, as a percentage of Del Monte's borrowing base.

Ability to Incur Additional Indebtedness. The commitments under the ABL Facility may be increased, subject only to the consent of the new or existing lenders providing such increases, such that the aggregate principal amount of commitments does not exceed $1.0 billion. The lenders under this facility are under no obligation to provide any such additional commitments, and any increase in commitments will be subject to customary conditions precedent. Notwithstanding

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any such increase in the facility size, the Company's ability to borrow under the facility will remain limited at all times by the borrowing base (to the extent the borrowing base is less than the commitments).

Guarantee of Obligations under the Senior Secured Term Loan Credit Agreement and Senior Secured Asset-Based Revolving Credit Agreement

All obligations of the Company under the Senior Secured Term Loan Credit Agreement and Senior Secured Asset-Based Revolving Credit Agreement are unconditionally guaranteed by the DMC Parent and by substantially all existing and future, direct and indirect, wholly owned material restricted domestic subsidiaries of the Company, subject to certain exceptions.

Security Interests

Indebtedness under the Term Loan Facility is generally secured by a first priority lien on substantially all of the Company's assets other than inventories and accounts receivable, and by a second priority lien with respect to inventories and accounts receivable. The ABL Facility is generally secured by a first priority lien on the Company's inventories and accounts receivable and by a second priority lien on substantially all other assets.

Maturities

As of April 28, 2013, the Business' allocated portion of mandatory payments of long-term debt representing debt under the Term Loans (including the portion of the excess cash flow payment related to the Business discussed above) are as follows (in millions)[1]:

2014	$	31.1
2015		11.0
2016		11.0
2017		11.0
2018		1,057.0
Thereafter		—

[1] Does not reflect any excess cash flow or other principal prepayments beyond fiscal 2014 that may be required under the terms of the Senior Secured Term Loan Credit Agreement, as described above.

Restrictive and Financial Covenants

The Term Loan Facility and ABL Facility contain restrictive covenants that limit the Company's ability and the ability of its subsidiaries to take certain actions.

Term Loan Facility and ABL Facility Restrictive Covenants. The restrictive covenants in the Senior Secured Term Loan Credit Agreement and the Senior Secured Asset-Based Revolving Credit Agreement include covenants limiting the Company's ability, and the ability of the Company's restricted subsidiaries, to incur additional indebtedness, create liens, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions or repurchase the Company's capital stock, make investments, loans or advances, prepay certain indebtedness, engage in certain transactions with affiliates, amend agreements governing certain subordinated indebtedness adverse to the lenders, and change the Company's lines of business.

Financial Maintenance Covenants. The Term Loan Facility and ABL Facility generally do not require that the Company comply with financial maintenance covenants. The ABL Facility, however, contains a financial covenant that applies if availability under the ABL Facility falls below a certain level.

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Effect of Restrictive and Financial Covenants. The restrictive and financial covenants in the Senior Secured Term Loan Credit Agreement and the Senior Secured Asset-Based Revolving Credit Agreement may adversely affect the Company's ability to finance its future operations or capital needs or engage in other business activities that may be in its interest, such as acquisitions.

Supplemental Disclosure of Cash Flow Information

The cash interest payments allocated to the Business based on the Debt Allocation Method, as well as cash interest payments on short-term debt, were as follows for the periods indicated (in millions):

	Fiscal	
	2013	**2012**
Cash interest payments	$ 49.8	$ 52.8

Cash interest paid during the above periods does not include cash paid to interest rate swap counterparties.

(6) Derivative Financial Instruments

The Company uses interest rate swaps, commodity swaps, futures, option and swaption (an option on a swap) contracts as well as forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity, transportation and other input prices and foreign currency exchange rates. The Company continually monitors its positions and the credit ratings of the counterparties involved to mitigate the amount of credit exposure to any one party.

The Company designates each derivative contract as one of the following: (1) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge") or (2) a hedging instrument whose change in fair value is recognized to act as an economic hedge but does not meet the requirements to receive hedge accounting treatment ("economic hedge"). As of April 28, 2013, the Company had both cash flow and economic hedges.

Interest Rates: The domestic Business' allocated debt consists of floating rate term loans. Interest expense on the floating rate debt is typically calculated based on a fixed spread over a reference rate, such as LIBOR (also known as the Eurodollar rate). Therefore, fluctuations in market interest rates will cause interest expense increases or decreases on a given amount of floating rate debt.

Swaps are recorded as an asset or liability in the Business' accompanying combined balance sheets at fair value. Any gains and losses on economic hedges are recorded as an adjustment to other (income) expense.

(Continued)

The Company from time to time manages a portion of its interest rate risk related to floating rate debt by entering into interest rate swaps in which the Company receives floating rate payments and makes fixed rate payments. As of April 28, 2013, the following economic hedge swaps were outstanding for the Company:

Contract date		Notional amount (in millions)	Fixed LIBOR rate	Effective date	Maturity date
April 12, 2011	$	900.0	3.029%	September 4, 2012	September 1, 2012
August 13, 2010	$	300.0	1.368%	February 1, 2011	February 3, 2011

The fair values of the interest rate swaps allocated to the Business were recorded as current liabilities of $11.9 million and noncurrent liabilities of $14.0 million at April 28, 2013. The fair values of the interest rate swaps allocated to the Business were recorded as current liabilities of $6.4 million and noncurrent liabilities of $21.2 million at April 29, 2012.

Commodities: Certain commodities such as corn, soybean oil, diesel fuel and natural gas (collectively, “commodity contracts”) are used in the production and transportation of the Business’ products. Generally these commodities are purchased based upon market prices that are established with the vendor as part of the purchase process. The Company uses futures, swaps, and swaption or option contracts, as deemed appropriate, to reduce the effect of price fluctuations on anticipated purchases. These contracts may have a term of up to 24 months. The Company accounted for these commodities derivatives as either economic or cash flow hedges. Changes in the value of economic hedges are recorded directly in earnings. For cash flow hedges, the effective portion of derivative gains and losses is deferred in equity and recognized as part of cost of products sold in the appropriate period and the ineffective portion was recognized as other (income) expense.

The fair values of the Business’ commodities hedges were recorded as current assets of $0.8 million and current liabilities of $0.9 million at April 28, 2013. The fair values of the Business’ commodities hedges were recorded as current assets of $0.0 million and current liabilities of $2.4 million at April 29, 2012.

The table below presents notional amounts of the Business’ commodity contracts as of the dates indicated (in millions):

		April 28, 2013		April 29, 2012
Commodity contracts	$	56.0	$	9.7

Foreign Currency: The Business manages its exposure to fluctuations in foreign currency exchange rates by entering into forward contracts to cover a portion of its projected expenditures paid in local currency. These contracts may have a term of up to 24 months. The Business accounted for these contracts as either economic hedges or cash flow hedges. Changes in the value of the economic hedges are recorded directly in earnings. For cash flow hedges, the effective portion of derivative gains and losses is deferred in equity and recognized as part of cost of products sold in the appropriate period and the ineffective portion was recognized as other (income) expense.

As of April 28, 2013, the Business did not have any outstanding foreign currency hedges. The Business may enter into foreign currency derivative contracts in the future. As of April 29, 2012, the fair values of the Business’ foreign currency hedges were recorded as current assets of $1.0 million.

(Continued)

The table below presents foreign currency derivative contracts as of the dates indicated (in millions):

	April 28, 2013	April 29, 2012
Contract amount (Mexican pesos)	$ —	$ 41.6

Fair Value Derivative Instruments

The fair value of derivative instruments recorded in the accompanying combined balance sheets as of April 28, 2013 was as follows (in millions):

	Asset derivatives		Liability derivatives	
Derivatives in economic hedging relationships	**Balance sheet location**	**Fair value**	**Balance sheet location**	**Fair value**
Interest rate contracts	Other non-current assets	$ —	Other non-current liabilities	$ 14.0
Interest rate contracts	Prepaid expenses and other current assets	—	Accounts payable and accrued expenses	11.9
Commodity and other contracts	Prepaid expenses and other current assets	0.8 [1]	Accounts payable and accrued expenses	0.9
Total		$ 0.8		$ 26.8

[1] Includes $0.1 million of commodity contracts (asset derivatives) designated as cash flow hedges.

The fair value of derivative instruments (all of which are economic hedges) recorded in the accompanying combined balance sheets as of April 29, 2012 was as follows (in millions):

	Asset derivatives		Liability derivatives	
Derivatives in economic hedging relationships	**Balance sheet location**	**Fair value**	**Balance sheet location**	**Fair value**
Interest rate contracts	Other noncurrent assets	$ —	Other noncurrent liabilities	$ 21.2
Interest rate contracts	Prepaid expenses and other current assets	—	Accounts payable and accrued expenses	6.4
Commodity and other contracts	Prepaid expenses and other current assets	—	Accounts payable and accrued expenses	2.4
Foreign currency exchange contracts	Prepaid expenses and other current assets	1.0	Accounts payable and accrued expenses	—
Total		$ 1.0		$ 30.0

(Continued)

The effect of the economic hedges on other (income) expense in the accompanying combined statements of income for the periods indicated below was as follows (in millions):

	Fiscal 2013	Fiscal 2012
Interest rate contracts	$ 5.2	$ 21.8
Commodity and other contracts	(3.9)	3.3
Foreign currency exchange contracts	(1.9)	0.8
Included in other (income) expense	$ (0.6)	$ 25.9

(7) Fair Value Measurements

A three-tier fair value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels are defined as follows:

- Level 1 Inputs – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs – quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; and
- Level 3 Inputs – unobservable inputs reflecting the Company's own assumptions in measuring the asset or liability at fair value.

The Company uses interest rate swaps, commodity contracts and forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity prices, diesel fuel prices and foreign currency exchange rates.

The following table provides the fair values hierarchy for financial assets and liabilities of the Business and allocated to the Business measured on a recurring basis (in millions):

Description	Level 1 April 28, 2013	Level 1 April 29, 2012	Level 2 April 28, 2013	Level 2 April 29, 2012	Level 3 April 28, 2013	Level 3 April 29, 2012
Assets:						
Interest rate contracts	$ —	$ —	$ —	$ —	$ —	$ —
Commodity and other contracts	—	—	0.8	—	—	—
Foreign currency exchange contracts	—	—	—	1.0	—	—
Total	$ —	$ —	$ 0.8	$ 1.0	$ —	$ —
Liabilities:						
Interest rate contracts	$ —	$ —	$ 25.9	$ 27.6	$ —	$ —
Commodity and other contracts	0.9	0.2	—	2.2	—	—
Foreign currency exchange contracts	—	—	—	—	—	—
Total	$ 0.9	$ 0.2	$ 25.9	$ 29.8	$ —	$ —

The Company's determination of the fair value of its interest rate swaps was calculated using a discounted cash flow analysis based on the terms of the swap contracts and the observable

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interest rate curve. The Company's futures and options contracts are traded on regulated exchanges such as the Chicago Board of Trade, Kansas City Board of Trade and the New York Mercantile Exchange. The Company values these contracts based on the daily settlement prices published by the exchanges on which the contracts are traded. The Company's commodities swap and swaption contracts are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The Company measures the fair value of foreign currency forward contracts using an income approach based on forward rates (obtained from market quotes for futures contracts with similar terms) less the contract rate multiplied by the notional amount.

The fair values of the retirement plan investments are disclosed in Note 8.

(8) Retirement Benefits

Defined Benefit Plans

Del Monte sponsors a qualified defined benefit pension plan and several unfunded defined benefit post-retirement plans providing certain medical, dental, and life insurance benefits to eligible retired, salaried, nonunion hourly and union employees.

The details of these plans related to the Business and recognized in the combined financial statements are as follows (in millions):

	Pension Benefits		Other Benefits	
	April 28, 2013	April 29, 2012	April 28, 2013	April 29, 2012
Change in benefit obligation:				
Benefit obligation at beginning of period	$ 377.0	$ 351.1	$ 116.7	$ 108.0
Service cost	10.1	10.1	1.3	1.3
Interest cost	16.5	18.3	4.7	6.1
Actuarial (gain)/loss	27.1	19.3	(15.9)	4.2
Benefits paid	(25.4)	(21.8)	(3.7)	(2.9)
Benefit obligation at end of period	$ 405.3	$ 377.0	$ 103.1	$ 116.7
Accumulated benefit obligation	$ 392.8	$ 363.8		
Change in plan assets:				
Fair value of plan assets at beginning of period	$ 373.8	$ 364.5	$ —	$ —
Actual gain on plan assets	34.8	22.7	—	—
Employer contributions	12.2	8.4	3.7	2.9
Benefits paid	(25.4)	(21.8)	(3.7)	(2.9)
Fair value of plan assets at end of period	$ 395.4	$ 373.8	$ —	$ —
Funded status at end of period	$ (10.0)	$ (3.2)	$ (103.1)	$ (116.7)

(Continued)

	Pension Benefits		Other Benefits	
	April 28, 2013	**April 29, 2012**	**April 28, 2013**	**April 29, 2012**
Amounts recognized in the combined balance sheets consist of:				
Other noncurrent assets	$ 0.6	$ 6.3	$ —	$ —
Accounts payable and accrued expenses	(10.6)	(9.5)	(5.3)	(6.3)
Other noncurrent liabilities	—	—	(97.8)	(110.4)
Total	$ (10.0)	$ (3.2)	$ (103.1)	$ (116.7)
Amounts recognized in accumulated other comprehensive income/(loss) consist of:				
Actuarial net gain/(loss)	$ (35.2)	$ (18.8)	$ 21.6	$ 3.4
Total	$ (35.2)	$ (18.8)	$ 21.6	$ 3.4

The components of net periodic pension costs for the qualified defined benefit pension plan and other benefit plans related to the Business for the periods indicated are as follows (in millions):

	Pension Benefits		Other Benefits	
	April 28, 2013	**April 29, 2012**	**April 28, 2013**	**April 29, 2012**
Components of net periodic benefit cost:				
Service cost for benefits earned during the period	$ 10.1	$ 10.1	$ 1.3	$ 1.3
Interest cost on projected benefit obligation	16.5	18.3	4.7	6.1
Expected return on plan assets	(26.3)	(26.6)	—	—
Net periodic benefit cost	$ 0.3	$ 1.8	$ 6.0	$ 7.4

Since the defined benefit plans and other benefits liabilities are measured on a discounted basis, the discount rate is a significant assumption. The discount rate was determined based on an analysis of interest rates for high-quality, long-term corporate debt at each measurement date. In order to appropriately match the bond maturities with expected future cash payments, the Company utilized differing bond portfolios to estimate the discount rates for the defined benefits pension plans and for the postretirement benefits. The discount rate used to determine the defined benefit plans and for the postretirement benefits projected benefit obligation as of the balance sheet date is the rate in effect at the measurement date. The same rate is also used to determine the defined benefit pension plans and postretirement benefits for the following fiscal year. The long-term rate of return for defined benefits pension plans' assets is based on the Company's historical experience; the defined benefits pension plans' investment guidelines and the Company's expectations for long-term rates of return. The defined benefits pension plans' investment guidelines are established based upon an evaluation of market conditions, tolerance for risk and cash requirements for benefit payments.

(Continued)

The following table states the weighted average assumptions used to determine the projected benefit obligation and the net periodic benefit cost:

	Pension Benefits		Other Benefits	
	April 28, 2013	April 29, 2012	April 28, 2013	April 29, 2012
Assumptions used to determine the projected benefit obligation:				
Discount rate used in determining the projected benefit obligation	3.90%	4.60%	4.25%	4.90%
Rate of increase in compensation levels	3.69%	3.68%	NA	NA
Assumptions used to determine the periodic benefit cost:				
Discount rate used in determining the periodic benefit cost	4.60%	5.50%	4.90%	5.75%
Rate of increase in compensation levels	3.68%	4.69%	NA	NA
Long-term rate of return on assets	7.25%	7.50%	NA	NA

For measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits was assumed as indicated below:

	Fiscal	
Plan	2013	2012
Preferred provider organization and associated indemnity plans	8.1%	8.4%
Health maintenance organization plans	8.7%	9.1%
Dental and vision plans	5.0%	5.0%

The rate of increase is assumed to decline gradually to 4.0% for the preferred provider organization and associated indemnity plans as well as for the health maintenance organization plans.

The health care cost trend rate assumption has a significant effect on the amounts reported. The following table presents the impact of a 1% increase or decrease of the health care cost trend rate on the Company's postretirement benefit obligation and the aggregate of the service and interest cost components of net periodic pension benefit cost as of April 28, 2013 and for the year then ended, respectively (in millions):

	1% Increase	1% Decrease
Postretirement benefit obligation at April 28, 2013 increase/(decrease)	$ 17.9	$ (14.7)
Aggregate of service and interest rate cost components of net periodic pension benefit cost for fiscal 2013 increase/(decrease)	1.4	(1.1)

No amounts will be amortized from AOCI into net periodic benefit cost over the next fiscal year for both the qualified defined benefit pension plan and other benefit plans.

(Continued)

The Company made contributions to its defined benefit pension plan of $15.0 million for fiscal 2013. The Company currently meets and plans to continue to meet the minimum funding levels required under the Pension Protection Act of 2006 (the "Act"). The Act imposes certain consequences on the Company's defined benefit plan if it does not meet the minimum funding levels. The Company has made contributions in excess of its required minimum amounts for both fiscal 2013 and 2012. Due to uncertainties of future funding levels as well as plan financial returns, the Company cannot predict whether it will continue to achieve specified plan funding thresholds. The Company currently expects to make contributions of approximately $15.0 million in fiscal 2014.

The projected future benefit payments for the Company are as follows (in millions):

	Pension Benefits	Other Benefits
2014	$ 48.4	$ 6.1
2015	44.2	6.5
2016	43.2	7.0
2017	42.5	7.3
2018	41.6	7.6
Years 2019 – 2023	193.9	41.1

The weighted average asset allocation of the Company's pension plan assets and weighted average target allocation as of the measurement date for fiscal 2013 and fiscal 2012 are as follows:

	April 28, 2013	April 29, 2012	Target allocation range
Equity by securities	47%	45%	31 – 51%
Debt securities	52%	52%	47 – 64%
Other	1%	3%	2 – 9%
Total	100%	100%	

Plan assets

The Company has adopted the fair value provisions (as described in Note 7) for the plan assets of its defined benefit pension plan. The Company categorizes plan assets within a three level fair value hierarchy.

The following is a description of the valuation methodologies used for assets measured at fair value:

Investments stated at fair value as determined by quoted market prices (Level 1) include:

Interest bearing cash: valued based on cost, which approximates fair value;

Mutual funds: valued at quoted market prices on the last business day of the fiscal year;

Corporate stock: valued at the last reported sales price on the last business day of the fiscal year; and

Government securities: securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year.

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Investments stated at estimated fair value using significant observable inputs (Level 2) include:

Common collective trust funds: valued based on the net asset value of the fund and is redeemable daily;

Corporate debt securities: valued based on yields currently available on comparable securities of issuers with similar credit ratings;

Government securities: securities traded in the over-the-counter market and listed securities for which no sale was reported on the last business day of the fiscal year are valued at the average of the last reported bid and ask price; and

Limited partnership interests: valued based on the net asset value of the fund and is redeemable monthly.

Investments stated at estimated fair value using significant unobservable inputs (Level 3) include:

Limited partnership interests: valued based on their estimated fair value based on audited financial statements of the partnerships.

The following table sets forth by level, within the fair value hierarchy, the Company's plan assets at fair value as of April 28, 2013 (in millions):

	Investments at fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
Plan investments in Master Trust:				
Interest bearing cash	$ 5.5	$ —	$ —	$ 5.5
Common collective trust funds:				
Fixed income	—	144.0	—	144.0
Equity index funds	—	106.3	—	106.3
Equity fund	—	39.4	—	39.4
Other funds	—	25.4	—	25.4
Mutual funds:				
Equity fund	31.7	—	—	31.7
Corporate debt securities	—	46.2	—	46.2
Corporate stock	26.3	—	—	26.3
Government securities	49.9	3.9	—	53.8
Limited partnership interests	—	—	3.6	3.6
Other	—	4.9	—	4.9
Total Investments	$ 113.4	$ 370.1	$ 3.6	$ 487.1

(Continued)

The following table sets forth by level, within the fair value hierarchy, the Company's plan assets at fair value as April 29, 2012 (in millions):

	Investments at fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
Plan investments in Master Trust:				
Interest bearing cash	$ 13.4	$ —	$ —	$ 13.4
Common collective trust funds:				
Fixed income	—	133.7	—	133.7
Equity index funds	—	96.1	—	96.1
Equity fund	—	30.5	—	30.5
Other funds	—	22.4	—	22.4
Mutual funds:				
Equity fund	31.4	—	—	31.4
Corporate debt securities	—	43.4	—	43.4
Corporate stock	22.1	—	—	22.1
Government securities	52.3	9.7	—	62.0
Limited partnership interests	—	—	3.7	3.7
Other	—	1.8	—	1.8
Total Investments	$ 119.2	$ 337.6	$ 3.7	$ 460.5

There were no transfers of plan assets between Level 1 and Level 2 or into or out of Level 3 during fiscal 2013 and fiscal 2012.

The Company held investments in a private limited partnership with unobservable inputs (Level 3). Investments are valued at estimated fair value based on audited financial statements received from the general partner. The general partner annually engages an independent appraiser to value the investments of the limited partnership.

Changes in fair value measurements of Level 3 investments during the periods indicated were as follows (in millions):

	Level 3
Balance at April 29, 2012	$ 3.7
Unrealized gain (loss)	(0.1)
Balance at April 28, 2013	$ 3.6

The Company's investment objectives are to ensure that the assets of its qualified defined benefit plan are invested to provide an optimal rate of investment return on the total investment portfolio, consistent with the assumption of a reasonable risk level, and to ensure that pension funds are available to meet the plan's benefit obligations as they become due. The Company believes that a well-diversified investment portfolio, including both equity and fixed income components, will result in the highest attainable investment return with an acceptable level of overall risk. The Company's investment policies and procedures are designed to ensure that the plan's investments are in compliance with ERISA.

(Continued)

Defined Contribution Plans

Del Monte participates in two defined contribution plans, and sponsors them on behalf of the Business. Company contributions to these defined contribution plans are based on employee contributions and compensation. Company contributions under these plans related to the Business were as follows (in millions):

	Fiscal	
	2013	2012
Total contributions	$ 3.3	$ 3.2

The Company's annual contributions were determined based on the Company's actual contributions for the Business' direct employees plus an allocation of contributions for indirect employees based on the SG&A Allocation Method.

Multi-Employer Plans

Del Monte participates in several multi-employer pension plans, which provide defined benefits to certain union employees. The Company made contributions to the multi-employer plans related to the Business as follows for the periods indicated below (in millions):

	Fiscal	
	2013	2012
Total contributions	$ 6.4	$ 6.3

The risks of participating in the multi-employer pension plans are as follows:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers;
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan allocable to such withdrawing employer may be borne by the remaining participating employers; and
- If the Company stops participating in some of its multi-employer pension plans, the Company may be required to pay those plans an amount based on its allocable share of the underfunded status of the plan, referred to as a withdrawal liability.

The following table presents information regarding the multi-employer plan that is significant to the Business:

		Pension Protection Act Zone Status [1]			Contributions of Del Monte Corporation for the 12 months (December 31) (in millions)			Expiration date of collective bargaining agreement
Pension fund name	EIN Pension plan number	2012	2011	FIP/RP Status pending/ Implemented [2]	2012	2011	Surcharge imposed [3]	
Western Conference of Teamsters Pension Plan [4]	91-6145047	as of 1/1/2013 90.00% GREEN	as of 1/1/2012 90.30% GREEN	N/A	$ 6.3	$ 6.3	No	6/30/2015

1 The Pension Protection Act of 2006 ranks the funded status of multiemployer pension plans depending upon a plan's current and projected funding. A plan is in the Red Zone (Critical) if it has a current funded percentage less than 65%. A plan is in the Yellow Zone (Endangered) if it has a current funded percentage of less than 80%, or projects a credit balance deficit within seven years. A plan is in the Green Zone (Healthy) if it has a current funded percentage

(Continued)

greater than 80% and does not have a projected credit balance deficit within seven years. The zone status is based on the plan's year end, not the Company's year-end. The zone status is based on information that the Company received from the plan and is certified by the plan's actuary.

[2] Funding Improvement Plan or Rehabilitation Plan as defined in the Employment Retirement Security Act of 1974 has been implemented or is pending.

[3] Whether Del Monte Corporation paid a surcharge to the Plan in the most current year due to funding shortfalls and the amount of the surcharge.

[4] The Company was not listed in the Plans' Forms 5500 as providing more than 5% of the total contributions for the plan year ending December 31, 2011, the most recent year available.

Other Plans

The Company has various other nonqualified retirement plans and supplemental retirement plans for executives, designed to provide benefits in excess of those otherwise permitted under the Company's qualified retirement plans. These plans are unfunded and comply with IRS rules for nonqualified plans.

(9) Income Taxes

The Business' domestic operating results have historically been included in DMC Parent's consolidated U.S. Federal and state income tax returns. The provision for incomes taxes in the combined financial statements has been determined on a separate return basis as if the Business filed its own domestic tax returns.

The provision for income taxes consists of the following (in millions):

	Fiscal	
	2013	**2012**
Income before income taxes:		
Domestic	$ 26.9	$ 12.5
Foreign	0.3	3.1
	$ 27.2	$ 15.6
Income tax provision (benefit):		
Current:		
U.S. federal	$ 19.8	$ 5.3
State and foreign	3.0	3.0
Total current	22.8	8.3
Deferred:		
U.S. federal	$ (13.9)	$ (1.9)
State and foreign	(0.5)	(3.7)
Total deferred	(14.4)	(5.6)
Provision for income taxes	$ 8.4	$ 2.7

(Continued)

Significant components of the Business' deferred tax assets and liabilities are as follows (in millions):

	Fiscal	
	April 28, 2013	**April 29, 2012**
Deferred tax assets:		
Post employment benefits	$ 39.2	$ 44.3
Pension liability	10.6	4.8
Workers' compensation	10.4	9.9
Net operating loss and tax credit carry forwards	5.1	3.5
Fair value of derivatives	10.0	10.4
Other	29.3	25.5
Gross deferred tax assets	104.6	98.4
Valuation allowance	(1.4)	—
Net deferred tax assets	103.2	98.4
Deferred tax liabilities:		
Depreciation and amortization	80.0	85.5
Intangible assets	298.3	297.8
Inventory	38.9	44.3
Other	3.8	1.8
Gross deferred tax liabilities	421.0	429.4
Net deferred tax liability	$ (317.8)	$ (331.0)

The Business has a valuation allowance of $1.4 million as of April 28, 2013 against foreign net operating loss carryforwards which the Business does not believe are more likely than not to be realized. The net change in valuation allowance for the year ended April 28, 2013 was an increase of $1.4 million. In evaluating the Business' ability to realize its deferred tax assets, the Business considers all available positive and negative evidence and recognizes a benefit for those deferred tax assets that it believes are more likely than not to be realized in the future.

The differences between the expected provision (benefit) for income taxes and the actual provision (benefit) for income taxes are computed at the statutory U.S. federal income tax rate fiscal 2013 and fiscal 2012 is explained as follows (in millions):

	Fiscal	
	2013	**2012**
Expected income taxes computed at the statutory U.S. federal income tax rate	$ 9.5	$ 5.4
Change in tax accounting method	—	(3.0)
Valuation allowance	1.4	—
Domestic manufacturing deduction	(1.6)	(0.4)
Tax credits	(0.6)	(0.5)
Unrecognized tax benefits	(0.3)	0.5
Other	—	0.7
Actual provision for income taxes	$ 8.4	$ 2.7

As of April 28, 2013, the Business has foreign net operating loss carryforwards of $6.6 million, which expire in fiscal 2014 and fiscal 2016. The Business also has $3.6 million of state tax credits,

(Continued)

which have no expiration date, and $1.3 million of Mexican Asset Tax Credits, which will expire between fiscal 2014 and 2018. The domestic tax credit carryforwards may be subject to limitations under Section 382 of the Internal Revenue Code.

Cumulative undistributed earnings of foreign subsidiaries, for which no U.S. income or foreign withholding taxes have been recorded, are approximately $35.0 million as of April 28, 2013. It is not practical to assess the tax amount on the cumulative undistributed earnings because the computation would depend on a number of factors that are not known until a decision to repatriate the earnings is made. The Business intends to reinvest such earnings indefinitely.

The Business had gross unrecognized tax benefits of $4.9 million and $5.2 million as of April 28, 2013 and April 29, 2012, respectively.

Reconciliations of the beginning and ending balance of total unrecognized tax benefits for fiscal 2013 and fiscal 2012 are as follows (in millions):

	April 28, 2013	April 29, 2012
Balance at beginning of year	$ 5.2	$ 6.8
Additions based on tax positions related to the current year	0.8	0.8
Additions based on tax positions of prior years	—	0.6
Reductions for tax positions of prior years	—	(2.2)
Lapse of statute of limitations issues	(1.1)	(0.8)
Balance at end of year	$ 4.9	$ 5.2

If recognized, $4.2 million of the Business' unrecognized tax benefits would impact the effective tax rate on income from continuing operations. The continuing practice of the Business is to recognize interest on uncertain tax positions in income tax expense and penalties in selling, general and administrative expense. For fiscal 2013 and fiscal 2012, the amount of interest recorded in the accompanying combined statements of income was $0.0 million and $0.1 million, respectively. As of April 28, 2013 and April 29, 2012, the amount of accrued interest included in the noncurrent income tax liability account was $0.5 million for both periods. The Business has no amounts accrued for penalties.

A number of years may elapse before an uncertain tax position, for which the Business has unrecognized tax benefits, is audited and finally resolved. Favorable resolution would be recognized in the period of settlement. The Business believes it is reasonably possible it will settle an audit and close a tax year to audit during the next 12 months. Should this occur, the liability for unrecognized tax benefits would decrease by approximately $0.9 million.

The Company has open tax years related to the Business, primarily from fiscal 2009-2012 in the United States, Mexico, and Venezuela. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, timing or inclusion of revenue and expenses as determined by the various taxing jurisdictions.

Supplemental Disclosure of Cash Flow Information. The Company makes net income tax payments on behalf of the Business. The Company made income tax payments of $24.2 million and $8.7 million for fiscal 2013 and fiscal 2012, respectively, related to the Business.

(10) Stock Plans

The 2011 Stock Incentive Plan for Key Employees of Blue Acquisition Group, Inc. and its Affiliates was adopted by the Board of Directors of DMC Parent (the "DMC Parent Board") effective

(Continued)

February 16, 2011 (the "2011 Plan"). The 2011 Plan provided for the grant of stock options and other stock based awards to key service providers of DMC Parent and its affiliates, including the Company. 18,777,653 shares of common stock of DMC Parent were initially reserved for grant under the plan, with such number to be automatically increased in the event the DMC Parent Board and the Company's Chief Executive Officer ("CEO") make grant allocations that exceed such amount.

During fiscal 2013 and fiscal 2012, DMC Parent granted performance-based and service-based stock options. Options granted under the 2011 Plan that are subject to service-based vesting are generally subject to partial accelerated vesting upon certain terminations of employment of the option-holder. In the event of the termination of an option-holder's employment due to death or disability or, in the event of the termination of an option-holder's employment by the Company without cause or by the option-holder for good reason after March 8, 2013, that portion of the service-based options that would have become vested upon the next annual vesting date will vest as of the employment termination date. Following the termination of employment of an option-holder, shares received pursuant to the exercise of options generally remain subject to certain put and call rights which vary depending on the nature of the termination. In addition, in the event of certain change in control transactions, any outstanding portion of service-based options will become vested and exercisable, and, in the event of a certain change in control transaction pursuant to an event wherein the Sponsors realize a cash return on their interests in DMC Parent greater than a predetermined target, all options subject to performance-based vesting will vest.

During fiscal 2013, DMC Parent modified the outstanding performance-based options. The weighted average fair value of performance-based stock options (including the modified options) granted during fiscal 2013 was $1.98 per share and was estimated at the date of grant using a Black-Scholes options pricing model. Weighted average key inputs were an expected life of 5.4 years, expected volatility of 45.0% and a risk free rate of 0.90%.

The fair value for service-based stock options granted was estimated at the date of grant using a Black-Scholes option pricing model. The expected term of options granted was based on the "simplified" method. Expected stock price volatility was determined based on the historical volatilities of comparable companies over a historical period that matches the expected life of the options. The risk-free interest rate was based on the expected U.S. Treasury rate over the expected life. The dividend yield was based on the expectation that no dividends will be paid. The following table presents Company's the weighted average assumptions for service-based options granted for the periods indicated:

	Fiscal	
	2013	**2012**
Expected life (in years)	5.9%	6.5%
Expected volatility	45.0%	45.0%
Risk-free interest rate	1.0%	1.6%
Dividend yield	0.0%	0.0%

(Continued)

Stock option activity and related information of the Company during the periods indicated were as follows:

	Options outstanding	Weighted average exercise price	Options exercisable	Exercisable weighted average exercise price
Balance at May 1, 2011	15,647,164	$ 2.75	9,385,492	$ 1.25
Granted	18,020,000	5.55		
Forfeited	(1,821,329)	5.00		
Exercised	—	—		
Cancelled	(2,666,127)	1.25		
Balance at April 29, 2012	29,179,708	4.48	8,825,417	2.26
Granted	3,975,000	5.00		
Forfeited	(4,440,404)	5.00		
Exercised	—	—		
Cancelled	(573,015)	1.25		
Balance at April 28, 2013	28,141,289	$ 4.54	12,163,876	$ 3.32

Options forfeited represent the number of unvested options that were forfeited in connection with the termination of employment of the option-holders. Options canceled represent the number of vested options that were subject to repurchase and cancellation by the Company in connection with the termination of employment of the option-holders.

As of April 28, 2013, all of the stock-based awards outstanding are equity classified. As of April 28, 2013, the Company had approximately $21.3 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 2.3 years. As of April 28, 2013, the weighted average remaining contractual life of options outstanding was 8.5 years.

During fiscal 2012, DMC Parent granted 1,366,199 shares of restricted common stock with a fair value and purchase price of $5.00 per share. The restricted shares generally vest over three years from the employee's anniversary date of hire. During fiscal 2012, DMC Parent also granted 400,000 shares of restricted common stock with a fair value and purchase price of $5.00 per share which were immediately vested.

(11) Related Party Transactions

Del Monte Indirect and Corporate Charges

Certain of Del Monte's selling, general and administrative expenses, including corporate charges such as salaries of corporate officers and staff, stock compensation, retirement benefits and other Del Monte corporate overhead have been allocated to the Business (see Note 2). In fiscal 2013 and fiscal 2012, total costs charged to the Business for these services were $109.1 million and $103.2 million, respectively, and are included in selling, general and administrative expense in the accompanying combined statements of income. Intercompany balances are included in the net parent investment in the accompanying combined balance sheets.

(12) Commitments and Contingencies

Lease Commitments

The Business incurs rent charges for direct and indirect facilities of the Business via noncancelable operating leases, primarily for land and machinery and equipment leases that

(Continued)

expire over the next 10 years. Rent expense for operating leases for fiscal 2013 and fiscal 2012 was $57.4 million and $57.0 million, which includes $12.8 million and $12.6 million of contingent rentals, respectively. Rent expense charged for indirect facilities is based on the book value of fixed assets of the Business as a percentage of the Company's total fixed assets book value.

Future minimum lease payments for the Business under noncancelable operating leases (with initial or remaining terms in excess of one year) as of April 28, 2013 are: fiscal 2014 – $36.2 million; fiscal 2015 – $34.1 million; fiscal 2016 – $29.3 million, fiscal 2017 – $21.4 million, fiscal 2018 – $16.2 million and thereafter $39.1 million.

Grower Commitments

The Company has entered into noncancelable agreements with growers, with terms generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables and tomatoes. Total purchases under these agreements were as follows (in millions):

	Fiscal	
	2013	**2012**
Total purchases	$ 182.0	$ 156.5

At April 28, 2013, aggregate purchase commitments under noncancelable agreements with growers (priced at April 28, 2013 estimated costs) are estimated as follows (in millions):

2014	$ 180.2
2015	56.1
2016	51.3
2017	46.9
2018	43.6
Thereafter	42.9

Supply Agreements

The Company is party to a supply agreement, effective as of January 1, 2010, with Silgan Containers LLC ("Silgan") which relates to Silgan's provision of metal cans and ends used for fruit, vegetable, and tomato and broth products. Under the agreement and subject to certain specified exceptions, the Company must purchase all of its U.S. metal food and beverage container requirements for fruit, vegetable, tomato and broth products from Silgan. As of April 28, 2013 and April 29, 2012, respectively, a $25.1 million and a $32.7 million payable related to working capital for Silgan, as required by the Silgan agreement, have been included in accounts payable and accrued expenses in the accompanying combined balance sheets. The Silgan agreement expires December 31, 2021.

Total future purchases committed as of April 28, 2013 and actual purchases made for the periods indicated are as follows (in millions):

	Fiscal		
	2014 (committed)*	**2013**	**2012**
Silgan purchases	$ 36.2	$ 245.0	$ 206.2

* Represents amounts that the Company is contractually committed to as of April 28, 2013.

(Continued)

Pricing under the Silgan agreement is adjusted up to twice a year to reflect changes in metal costs and annually to reflect changes in the costs of manufacturing.

Co-pack and Service Commitments. The Company has entered into noncancelable agreements with co-packers and other service providers with commitments generally ranging from one year to five years. The Company also has co-pack and supply agreements to source the majority of its pineapple requirements. Total purchases under these agreements related to the Business were as follows (in millions):

	Fiscal	
	2013	**2012**
Co-pack purchases	$ 170.1	$ 161.2

In November 2011 the Company's primary pineapple supplier provided notice of termination under its co-pack agreement, which is cancelable upon three years' notice. The Company continues to have discussions with the primary pineapple supplier to negotiate a new agreement.

At April 28, 2013, aggregate purchase commitments under noncancelable agreements with co-packers and other service providers (including pineapple requirements) related to the Business are estimated as follows (in millions):

2014	$ 143.4
2015	38.2
2016	0.3
2017	—
2018	—
Thereafter	—

Ingredients and other. The Company has purchase commitments with vendors for various ingredients and other items. Total commitments under these agreements related to the Business were approximately $30 million as of April 28, 2013.

Union Contracts

As of April 28, 2013, the Company has nine collective bargaining agreements related to the Business with eight union locals covering approximately 73% of the hourly full-time and seasonal employees of the Business. Of these employees, approximately 32% are covered under collective bargaining agreements scheduled to expire in fiscal 2014 and approximately 15% are covered under collective bargaining agreements scheduled to expire in fiscal 2015. These agreements are subject to negotiation and renewal.

Legal Proceedings

On April 22, 2013, Plaintiffs filed a complaint in the U.S. District Court for the Northern District of California *(Langille, et al. v. Del Monte)* alleging false and misleading advertising under California's consumer protection laws. Plaintiffs allege the Company made a variety of false and misleading advertising claims including, but not limited to, implying that its refrigerated fruit products are "fresh" and "natural." The complaint seeks certification as a class action and damages in excess of $5.0 million. The Company denies these allegations and intends to vigorously defend itself. On May 1, 2013, Plaintiffs filed a motion to relate this case to the *Kosta* v. *Del Monte* matter. The Company filed a Joinder in support of Plaintiffs' Motion on May 6, 2013. The Court ordered the cases related in an Order on May 15, 2013. The parties filed a Joint Stipulation to consolidate these cases on June 3, 2013 and the Judge granted this Order on June 5, 2013. The *Kosta* and *Langille* plaintiffs filed their Consolidated Class Action Complaint on June 11, 2013. The Company

filed its Answer on June 28, 2013. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On April 19, 2013, Plaintiff filed a complaint on behalf of himself and all other similarly situated employees in Superior Court of California, Alameda County (*Montgomery* v. *Del Monte) alleging, inter alia,* failure to provide meal and rest periods and pay wages properly in violation of various California wage and hour statutes. On May 24, 2013, Plaintiff filed for its First Amendment Complaint. The Court granted the parties' Application to Transfer to Kings County on June 14, 2013. The Company denies these allegations and intends to vigorously defend itself. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On April 5, 2012, a complaint was filed against the Company in U.S. District Court for the Northern District of California *(Kosta* v. *Del Monte)* alleging false and misleading advertising under California's consumer protection laws. The complaint seeks certification as a class action and damages in excess of $5.0 million. On June 15, 2012, the Company filed a Motion to Dismiss Plaintiff's complaint. Plaintiff filed an amended complaint on July 6, 2012, negating the Company's Motion to Dismiss. In its amended complaint, Plaintiff alleges the Company made a variety of false and misleading advertising claims including, but not limited to, its lycopene and antioxidant claims for tomato products; implying that its refrigerated products are fresh and all natural; implying that *Fresh Cut* vegetables are fresh; and making misleading claims regarding sugar, nutrient content, preservatives and serving size. The Company denies these allegations and intends to vigorously defend itself. The Company filed a new Motion to Dismiss Plaintiff's complaint on July 31, 2012. The Motion to Dismiss was denied on May 15, 2013. Plaintiff moved on November 5, 2012 to seek application of the doctrine of collateral estoppel in this matter based on the jury's finding in the *Fresh Del Monte Inc. v. Del Monte* case. The Company's Response to Plaintiff's Motion for Application of Collateral Estoppel was filed on January 17, 2013. Plaintiff's Reply was filed on February 21, 2013. The Court denied Plaintiff's Motion on May 17, 2013. The Court in *Langille* ordered these two matters related in an Order on May 15, 2013. The parties filed a joint stipulation to consolidate these cases on June 3, 2013 and the Judge granted this Order on June 5, 2013. The *Kosta* and *Langille* plaintiffs filed their Consolidated Class Action Complaint on June 11, 2013. The Company filed its Answer on June 28, 2013. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On September 28, 2011, a complaint was filed against the Company by the Environmental Law Foundation in California Superior Court for the County of Alameda alleging violations of California Health and Safety Code sections 25249.6 et seq. (commonly known as "Proposition 65"). Specifically, the Plaintiff alleges that the Company violated Proposition 65 by distributing certain pear, peach and fruit cocktail products without providing warnings required by Proposition 65. The Plaintiff seeks injunctive relief, damages in an unspecified amount and attorneys' fees. Trial commenced on April 8, 2013 and closing oral arguments were heard on May 16, 2013. The Judge issued his final decision on July 31, 2013, finding that the Defendants proved their case under the Proposition 65 safe harbor defense, therefore the Company currently does not need to place Proposition 65 warning labels on the applicable food products. The Company will continue to deny these allegations and vigorously defend itself. The Plaintiff filed its appeal on September 24, 2013. The Company cannot at this time estimate a range of exposure, if any, of the potential liability.

On October 14, 2008, Fresh Del Monte Produce Inc. (Fresh Del Monte) filed a complaint against the Company in U.S. District Court for the Southern District of New York. Fresh Del Monte amended its complaint on November 5, 2008. Under a trademark license agreement with the Company, Fresh Del Monte holds the rights to use the Del Monte name and trademark with respect to fresh fruit, vegetables and produce throughout the world (including the United States). Fresh Del Monte alleged that the Company breached the trademark license agreement through

(Continued)

the marketing and sale of certain of the Company's products sold in the refrigerated produce section of customers' stores, including *Del Monte Fruit Naturals* products and the more recently introduced *Del Monte* Refrigerated Grapefruit Bowls. Additionally, Fresh Del Monte alleged that it has the exclusive right under the trademark license agreement to sell Del Monte branded pineapple, melon, berry, papaya and banana products in the refrigerated produce section. Fresh Del Monte also alleged that the Company's advertising for certain of the alleged infringing products was false and misleading. Fresh Del Monte sought damages of $10.0 million, treble damages with respect to its false advertising claim, and injunctive relief. The Company denied Fresh Del Monte's allegations. On April 6, 2012, a jury returned a verdict in favor of Fresh Del Monte and awarded the Plaintiff damages in the amount of $13.2 million. The jury found that the Company violated the Lanham Act through false and misleading advertising for certain refrigerated products, that the Company's conduct was willful, and that it breached the trademark license agreement. On April 27, 2012, Fresh Del Monte filed a Motion for Permanent Injunction and sought a final judgment with respect to the damages awarded by the jury. Fresh Del Monte's motion also sought prejudgment interest, recovery of attorney's fees, royalties and other related costs totaling approximately $8.5 million. The Company's opposition to Fresh Del Monte's motion was filed on May 18, 2012 and Fresh Del Monte's reply to the Company's opposition motion was filed on May 25, 2012. On March 28, 2013, the judge granted the permanent injunction, with which the Company had already taken measures to comply. The judge also issued a ruling awarding Fresh Del Monte prejudgment interest and royalties, but not attorney's fees. The final damages award was approximately $16.6 million, which was paid in May 2013. The expense associated with this matter was recorded in fiscal 2012.

Other

The Company is the subject of, or a party to, other various suits and pending or threatened litigation. While it is not feasible to predict or determine the ultimate outcome of these matters, the Business believes that none of these legal proceedings will have a material adverse effect on its financial position.

(13) Exit and Disposal Activities

On May 14, 2012, the Company approved and announced plans to consolidate its peach production across California at its processing facility in Modesto, California and plans to close its Kingsburg, California processing facility. The consolidation was designed to lower the Company's cost of production. As a result of the consolidation, approximately 70 full-time employees and approximately 1,100 seasonal employees were impacted. The Company completed the plant consolidation in June 2013. During fiscal 2013, a total of approximately $13.9 million, as further described below, was recognized in cost of products sold as directly attributable to the Business.

The Business expected to incur pre-tax charges and cash expenditures associated with exit or disposal activities related to (i) employee separation costs and (ii) other associated costs. The Business expected to incur approximately $4.0 million to $5.0 million of total pre-tax cash charges associated with exit or disposal activities described above, consisting of (a) approximately $2.5 million of one-time employee termination costs and (b) approximately $1.5 million to $2.5 million of other associated costs. During fiscal 2013, the Business incurred approximately $4.4 million of total pre-tax cash charges associated with exit or disposal activities, consisting of one-time employee termination costs and other expenses.

In addition, in connection with the plant consolidation, the Business expected to incur noncash accelerated depreciation expense related to property, plant, and equipment totaling approximately $10.0 million. During fiscal 2013, the Business incurred noncash accelerated depreciation expense related to property, plant and equipment totaling approximately $7.8 million.

(Continued)

In February 2013, the Company sold a portion of the Kingsburg facility (processing facility and adjacent warehouse) to a nonprofit organization for $1.4 million in cash. In March 2013, the Company entered into an agreement to lease a second Kingsburg warehouse facility for approximately 18 months, at which point the warehouse will be sold for approximately $7.3 million of cash. As a result of the real estate sale, the Business recorded a loss of approximately $1.7 million in fiscal 2013; however, due to the sales being completed earlier than expected, the Business was able to reduce its estimate of other expense related to the facility closure.

(14) Subsequent Events

On October 9, 2013, the Company entered into a Purchase Agreement (the "Purchase Agreement") with Del Monte Pacific Limited, a corporation established under the laws of the British Virgin Islands ("DMPL") and Del Monte Foods Consumer Products, Inc., a Delaware corporation and subsidiary of DMPL (the "Acquiror"). Pursuant to the terms of the Purchase Agreement, the Company will sell to the Acquiror the issued and outstanding interests of certain subsidiaries related to the Business (referred to in Note 1) and all assets primarily related to the business (other than certain specified excluded assets) (the "Transferred Assets") for a purchase price of $1,675.0 million, subject to a post-closing working capital adjustment. The Acquiror will also assume all liabilities of the Company arising from or relating to the Transferred Assets of the Business irrespective of whether such liabilities arise prior to, on or following this closing of the transaction (other than certain specified excluded liabilities). The transaction is expected to close by early calendar year 2014.

The Business has evaluated subsequent events from the balance sheet date through October 18, 2013, the date at which the combined financial statements were available to be issued, and determined that there are no other events to disclose.

(Continued)

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Condensed Combined Financial Statements

For the Quarterly Periods Ended

July 28, 2013 and July 29, 2012

(With Independent Auditors' Review Report Thereon)

(unaudited)

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

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KPMG LLP
Suite 1400
55 Second Street
San Francisco, CA 94105

Independent Auditors' Review Report

The Board of Directors
Del Monte Corporation:

We have reviewed the accompanying condensed combined balance sheets of the Consumer Products Business (the Business) of Del Monte Corporation (Del Monte or the Company) as of July 28, 2013 and April 28, 2013, and the related condensed combined statements of operations, comprehensive loss, and cash flows (interim financial information) for the three-month periods ended July 28, 2013 and July 29, 2012.

Management's Responsibility

The Company's management is responsible for the preparation and fair presentation of the interim financial information in accordance with U.S. generally accepted accounting principles; this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with U.S. generally accepted accounting principles.

Auditors' Responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

Emphasis of Matter

As more fully described in note 1, the accompanying condensed combined financial statements were prepared using "carve out" accounting procedures wherein certain assets, liabilities and expenses historically recorded or incurred at the parent company level of Del Monte, which related to or were incurred on behalf of the Business, have been identified and allocated as appropriate to reflect the financial position and results of the Business for the periods presented. These condensed combined financial statements have been derived from the accounting records of Del Monte and reflect significant assumptions and allocations.

Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in accordance with U.S. generally accepted accounting principles.

KPMG LLP

San Francisco, California
December 11, 2013

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Condensed Combined Balance Sheets

(in millions)

Assets	July 28, 2013 (unaudited)	April 28, 2013 (derived from audited financial statements)
Cash and cash equivalents	$ 1.8	$ 12.8
Trade accounts receivable, net of allowance	83.8	94.8
Inventories, net	697.3	550.2
Prepaid expenses and other current assets	72.7	65.3
Total current assets	855.6	723.1
Property, plant and equipment, net	435.7	437.0
Goodwill	143.6	143.6
Intangible assets, net	801.6	804.5
Other assets, net	41.8	45.5
Total assets	$ 2,278.3	$ 2,153.7
Liabilities, Other Equity Items and Net Parent Investment		
Accounts payable and accrued expenses	$ 320.0	$ 287.9
Short-term borrowings	2.2	3.2
Current portion of long-term debt	2.8	31.1
Total current liabilities	325.0	322.2
Long-term debt	1,085.3	1,088.0
Deferred tax liabilities	286.6	307.8
Other non-current liabilities	178.5	183.9
Total liabilities	1,875.4	1,901.9
Net parent investment	408.7	258.5
Accumulated other comprehensive loss	(5.8)	(6.7)
Total liabilities, other equity items and net parent investment	$ 2,278.3	$ 2,153.7

See accompanying notes to the condensed combined financial statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Condensed Combined Statements of Operations (unaudited)

(in millions)

	Three months ended	
	July 28, 2013	July 29, 2012
Net sales	$ 342.9	$ 362.8
Cost of products sold	270.7	290.4
Gross profit	72.2	72.4
Selling, general and administrative expense	60.7	66.1
Operating income	11.5	6.3
Interest expense	15.1	17.0
Other (income) expense, net	(0.8)	1.6
Loss before income taxes	(2.8)	(12.3)
Benefit for income taxes	(1.0)	(4.4)
Net loss	$ (1.8)	$ (7.9)

See accompanying notes to the condensed combined financial statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Condensed Combined Statements of Comprehensive Loss (unaudited)

(in millions)

	Three months ended	
	July 28, 2013	July 29, 2012
Net loss	$ (1.8)	$ (7.9)
Other comprehensive income (loss):		
Foreign currency translation adjustments	(0.1)	(0.4)
Pension and other postretirement benefits adjustments:		
Pension liability adjustment, (net of applicable taxes of $0 and $0.2, respectively)	(0.1)	0.4
Gain on cash flow hedging instruments, net of tax	1.1	—
Total other comprehensive income	0.9	—
Comprehensive loss	$ (0.9)	$ (7.9)

See accompanying notes to the condensed combined financial statements.

DEL MONTE CORPORATION
CONSUMER PRODUCTS BUSINESS

Condensed Combined Statements of Cash Flows (unaudited)

(in millions)

	Three months ended	
	July 28, 2013	**July 29, 2012**
Operating activities:		
Net loss	$ (1.8)	$ (7.9)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	14.2	18.9
Deferred taxes	6.6	0.3
Write off of debt issuance cost	0.7	1.2
Loss on asset disposals	0.2	0.9
Stock compensation expense	0.9	0.7
Unrealized (gain) loss on derivative financial instruments	(8.4)	1.6
Changes in operating assets and liabilities	(128.7)	(74.0)
Net cash used in operating activities	(116.3)	(58.3)
Investing activities:		
Capital expenditures	(14.2)	(10.5)
Payment for asset acquisition	—	(12.0)
Net cash used in investing activities	(14.2)	(22.5)
Financing activities:		
Proceeds from short-term borrowings	2.2	—
Payments on short-term borrowings	(3.2)	—
Principal payments on long-term debt	(31.0)	(38.1)
Net Parent settlements	151.1	116.4
Net cash provided by financing activities	119.1	78.3
Effect of exchange rate changes on cash and cash equivalents	0.4	0.1
Net change in cash and cash equivalents	(11.0)	(2.4)
Cash and cash equivalents at beginning of period	12.8	5.0
Cash and cash equivalents at end of period	$ 1.8	$ 2.6

See accompanying notes to the condensed combined financial statements.

(1) Business and Basis of Presentation

The accompanying unaudited condensed combined financial statements (the "combined financial statements") include the assets and liabilities and the related operations of the Consumer Products Business (referred to as the "Business"), which are included in the consolidated financial statements of Del Monte Corporation and its subsidiaries ("Del Monte" or the "Company"). The combined financial statements include the Consumer Products related accounts of Del Monte Corporation as well as all of the accounts of Del Monte Colombiana S.A., Del Monte Ecuador DME C. A., Del Monte Peru S.A.C., Del Monte Andina C.A., and Industrias Citrìcolas de Montemorelos, S.A. de C.V. All intercompany accounts and transactions have been eliminated.

The Company operates on a 52 or 53-week fiscal year ending on the Sunday closest to April 30. The results of operations for the three months ended July 28, 2013 and July 29, 2012 each reflect periods that contain 13 weeks.

Del Monte is one of the country's largest producers, distributors and marketers of premium quality, branded pet products and food products for the U.S. retail market. The majority of its products are sold nationwide in all channels serving retail markets, mass merchandisers, the U.S. military, certain export markets, the foodservice industry, and food processors.

The Business manufacturers, markets and sells branded and private label shelf-stable products, including fruit, vegetable, tomato and broth products. The Business sells products under the Del Monte, Contadina, College Inn, S&W and other brand names, as well as private label products, to key customers. The Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with the leading market share for branded products in both fruit and vegetable.

On March 8, 2011, Del Monte Foods Company ("DMFC") was acquired by an investor group led by funds affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), Vestar Capital Partners ("Vestar") and Centerview Capital, L.P. ("Centerview," and together with KKR and Vestar, the "Sponsors"). The acquisition (also referred to as the "Merger") was effected by the merger of Blue Merger Sub Inc. with and into DMFC, with DMFC being the surviving corporation. As a result of the Merger, DMFC became a wholly owned subsidiary of Blue Acquisition Group, Inc. ("DMC Parent") and DMFC applied the acquisition method of accounting and established a new basis of accounting on March 8, 2011.

On April 26, 2011, DMFC merged with and into the Company, with the Company being the surviving corporation. The Company was a direct, wholly owned subsidiary of DMFC.

The Business is an integrated component of the Company, which enjoys the benefit of a number of administrative and support services from the Company and its third-party contractors, participating in a number of the Company's employee benefit plans and insurance programs. The Business is included in DMC Parent's domestic income tax returns. The Business follows the accounting policies of the Company.

The combined financial statements of the Business as of July 28, 2013 and for the three months ended July 28, 2013 and July 29, 2012 have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and notes required by U.S. GAAP for annual financial statements. These combined financial statements should be read in conjunction with the notes to the annual combined financial statements of the Business for fiscal 2013 and fiscal 2012 ("2013 Annual Report"). In the opinion of management, all adjustments consisting of normal and

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recurring entries considered necessary for a fair presentation of the results for the interim periods presented have been included.

Separate financial statements historically have not been prepared for the Business. For reporting purposes, the Business constitutes a single reportable segment as it comprises the Company's Consumer Products reportable segment. The accompanying condensed combined financial statements, which includes the condensed combined balance sheets, condensed combined statements of operations, condensed combined statements of comprehensive loss, and condensed combined statements of cash flows have been derived from the historical accounting records of Del Monte and have been prepared in accordance with U.S. GAAP. Assumed transactions and balances between Del Monte and the Business are reflected as related party transactions within these combined financial statements.

The preparation of the combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts in the combined financial statements and accompanying notes. These estimates are based on information available as of the date of the combined financial statements and included the use of "carve out" accounting procedures wherein certain assets, liabilities and expenses historically recorded or incurred at the parent company level of Del Monte, which related to or were incurred on behalf of the Business, have been identified and allocated as appropriate to reflect the financial results of the Business for the periods presented. Accordingly, Del Monte's net investment in the Business ("Net parent investment") is shown in lieu of stockholder's equity in the accompanying condensed combined balance sheets. Management believes the assumptions and allocations underlying the combined financial statements are reasonable and appropriate under the circumstances. The expense and cost allocations have been determined on a basis considered by Del Monte to be a reasonable reflection of the utilization of services provided to or the benefit received by the Business during the periods presented relative to the total costs incurred by Del Monte. Therefore, actual results could differ from those estimates that would have existed or will exist in the future assuming the Business was operated as a separate independent company. Furthermore, operating results for the three months ended July 28, 2013 are not necessarily indicative of the results expected for the fiscal year ending April 27, 2014.

(2) Recently Issued Accounting Standards

In February 2013, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") related to comprehensive income. The amendments require an entity to provide information about the amounts reclassified out of accumulated other comprehensive income (loss) ("AOCI") by component. This new accounting pronouncement is effective for fiscal years and interim periods within those years beginning after December 15, 2012, with early adoption permitted. Accordingly, the Business has included the enhanced disclosure in note 8.

In March 2013, the FASB issued an ASU to clarify the applicable guidance for the release of foreign currency cumulative translation adjustments under U.S. GAAP. The amended guidance clarifies when cumulative translation adjustments should be released into net income in connection with (i) the loss of a controlling financial interest in a subsidiary or group of assets within a foreign entity or (ii) the partial sale of an equity method investment that is a foreign entity. The amended guidance also clarifies the types of events that result in the sale of an investment in a foreign entity. The Business is required to adopt this amended guidance prospectively for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2013. The Business does not expect the adoption of this guidance to have a material impact on its combined financial statements.

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In July 2013, the FASB issued an ASU to clarify the presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss or a tax credit carryforward exists as of the reporting date. The Business is required to adopt this amended guidance for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2013. The Business does not expect the adoption of this guidance to have a material impact on its combined financial statements.

In July 2013, the FASB issued an ASU permitting the Fed Funds Effective Swap Rate to be used as a U.S. benchmark interest rate for hedge accounting purposes, in addition to the United States Treasury rate and London Interbank Offered Rate ("LIBOR"). In addition, the restriction on using different benchmark rates for similar hedges is removed. The Business is required to adopt these provisions prospectively for qualifying new or re-designated hedging relationships entered into on or after July 17, 2013. The Business does not expect the adoption of this guidance to have a material impact on its combined financial statements.

(3) Supplemental Financial Statement Information

	July 28, 2013	April 28, 2013
	(in millions)	
Trade accounts receivable:		
Trade	$ 83.9	$ 94.9
Allowance for doubtful accounts	(0.1)	(0.1)
Total	$ 83.8	$ 94.8
Inventories:		
Finished products	$ 536.2	$ 421.5
Raw materials and in-process materials	35.9	31.7
Packaging materials and other	126.8	85.2
LIFO reserve	(1.6)	11.8
Total	$ 697.3	$ 550.2
Prepaid expenses and other current assets:		
Prepaid parts and supplies	$ 18.8	$ 18.5
Other prepaid expense	32.2	18.1
Plant receivables	17.8	17.5
Other receivables	3.9	11.2
Total	$ 72.7	$ 65.3
Property, plant and equipment, net:		
Land and land improvements	$ 33.8	$ 33.8
Buildings and leasehold improvements	174.1	173.3
Machinery and equipment	258.0	249.0
Computers and software	32.6	31.8
Construction in progress	30.4	33.9
	528.9	521.8
Accumulated depreciation	(93.2)	(84.8)
Total	$ 435.7	$ 437.0

(Continued)

	July 28, 2013	April 28, 2013
	(in millions)	
Accounts payable and accrued expenses:		
Accounts payable – trade	$ 179.4	$ 128.0
Marketing, advertising and trade promotion	25.2	24.0
Accrued benefits, payroll and related costs	53.0	62.0
Other current liabilities	62.4	73.9
Total	$ 320.0	$ 287.9
Other noncurrent liabilities:		
Accrued postretirement benefits	$ 97.7	$ 97.8
Pension liability	14.6	14.4
Other non-current liabilities	66.2	71.7
Total	$ 178.5	$ 183.9
Accumulated other comprehensive loss:		
Foreign currency translation adjustments	$ (0.1)	$ —
Pension and other postretirement benefits adjustments	(6.8)	(6.7)
Gain on cash flow hedging instruments	1.1	—
Total accumulated other comprehensive loss	$ (5.8)	$ (6.7)

(4) Goodwill and Intangible Assets

The following table presents the Business' goodwill and intangible assets (in millions):

	July 28, 2013	April 28, 2013
Goodwill	$ 143.6	$ 143.6
Nonamortizable intangible assets:		
Trademarks	604.8	604.8
Amortizable intangible assets:		
Trademarks	43.0	43.0
Customer relationships	181.4	181.4
	224.4	224.4
Accumulated amortization	(27.6)	(24.7)
Amortizable intangible assets, net	196.8	199.7
Total intangible assets, net	$ 801.6	$ 804.5

Amortization expense for the periods indicated below was as follows (in millions):

	Three months ended	
	July 28, 2013	July 29, 2012
Amortization expense	$ 2.9	$ 2.9

(Continued)

As of July 28, 2013, expected amortization of intangible assets for each of the five succeeding fiscal years and thereafter is as follows (in millions):

2014 (remainder)	$	8.9
2015		11.8
2016		11.8
2017		11.8
2018		11.8
2019 and thereafter		140.7

(5) Derivative Financial Instruments

The Company uses interest rate swaps, commodity swaps, futures, option and swaption (an option on a swap) contracts as well as forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity, transportation and other input prices and foreign currency exchange rates. The Company continually monitors its positions and the credit ratings of the counterparties involved to mitigate the amount of credit exposure to any one party.

The Company designates each derivative contract as one of the following: (1) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge") or (2) a hedging instrument for which the change in fair value is recognized to act as an economic hedge but does not meet the requirements to receive hedge accounting treatment ("economic hedge"). As of July 28, 2013, the Company had both cash flow and economic hedges.

Interest Rates: The domestic Business' allocated debt consists of floating rate term loans. The Company maintains its floating rate revolver for flexibility to fund seasonal working capital needs and for other uses of cash. Interest expense on the floating rate debt is typically calculated based on a fixed spread over a reference rate, such as LIBOR (also known as the Eurodollar rate). Therefore, fluctuations in market interest rates will cause interest expense increases or decreases on a given amount of floating rate debt.

Swaps are recorded as an asset or liability in the Business' accompanying condensed combined balance sheets at fair value. Any gains and losses on economic hedges are recorded as an adjustment to other (income) expense.

The Company from time to time manages a portion of its interest rate risk related to floating rate debt by entering into interest rate swaps in which the Company receives floating rate payments and makes fixed rate payments. As of July 28, 2013, the following economic hedge swaps were outstanding for the Company:

Contract date		Notional amount (in millions)	Fixed LIBOR rate	Effective date	Maturity date
April 12, 2011	$	900.0	3.029%	September 4, 2012	September 1, 2015
August 13, 2010	$	300.0	1.368%	February 1, 2011	February 3, 2014

The fair values of the interest rate swaps allocated to the Business were recorded as current liabilities of $11.4 million and noncurrent liabilities of $10.7 million at July 28, 2013. The fair values of the interest rate swaps allocated to the Business were recorded as current liabilities of $11.9 million and noncurrent liabilities of $14.0 million at April 28, 2013.

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Commodities: Certain commodities such as corn, soybean oil, diesel fuel and natural gas (collectively, "commodity contracts") are used in the production and transportation of the Business' products. Generally these commodities are purchased based upon market prices that are established with the vendor as part of the purchase process. The Company uses futures, swaps, swaption or option contracts, as deemed appropriate, to reduce the effect of price fluctuations on anticipated purchases. These contracts may have a term of up to 24 months. The Company accounted for these commodity derivatives as either economic or cash flow hedges. Changes in the value of economic hedges are recorded directly in earnings. For cash flow hedges, the effective portion of derivative gains and losses is deferred in equity and recognized as part of cost of products sold in the appropriate period and the ineffective portion is recognized as other income or expense.

The fair values of the Business' commodities hedges were recorded as current assets of $1.9 million and current liabilities of $0.8 million at July 28, 2013. The fair values of the Business' commodities hedges were recorded as current assets of $0.8 million and current liabilities of $0.9 million at April 28, 2013.

The table below presents the notional amounts of the Business' commodity contracts as of the dates indicated (in millions):

	July 28, 2013	April 28, 2013
Commodity contracts	$ 47.6	$ 56.0

Foreign Currency: The Business manages its exposure to fluctuations in foreign currency exchange rates by entering into forward contracts to cover a portion of its projected expenditures paid in local currency. These contracts may have a term of up to 24 months. The Business accounted for these contracts as either cash flow or economic hedges. Changes in the value of the economic hedges are recorded directly in earnings. For cash flow hedges, the effective portion of derivative gains and losses is deferred in equity and recognized as part of cost of products sold in the appropriate period and the ineffective portion is recognized as other income or expense. As of July 28, 2013, the fair values of the Business' foreign currency hedges were recorded as current assets of $1.4 million. As of April 28, 2013, the Business did not have any outstanding foreign currency hedges.

The table below presents foreign currency derivative contracts as of the dates indicated (in millions). All of the foreign currency derivative contracts held on July 28, 2013 were scheduled to mature prior to the end of fiscal 2015.

	July 28, 2013	April 28, 2013
Contract amount (Mexican pesos)	$ 17.9	$ —

On August 16, 2013, the Business unwound Mexican peso foreign currency derivative contracts. The Business has not entered into any foreign currency derivative contracts since August 16, 2013 because the Business does not believe it is in its best interest at this time. The Business may again in the future enter into forward contracts.

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Fair Value of Derivative Instruments

The fair value of derivative instruments recorded in the accompanying condensed combined balance sheets as of July 28, 2013 was as follows (in millions):

Derivatives in economic hedging relationships	Asset derivatives		Liability derivatives	
	Balance sheet location	Fair value	Balance sheet location	Fair value
Interest rate contracts	Other noncurrent assets	$ —	Other noncurrent liabilities	$ 10.7
Interest rate contracts	Prepaid expenses and other current assets	—	Accounts payable and accrued expenses	11.4
Commodity and other contracts	Prepaid expenses and other current assets	1.9	Accounts payable and accrued expenses	0.8
Foreign currency exchange contracts	Prepaid expenses and other current assets	1.4	Accounts payable and accrued expenses	—
Total		$ 3.3		$ 22.9

The fair value of derivative instruments recorded in the accompanying condensed combined balance sheets as of April 28, 2013 was as follows (in millions):

Derivatives in economic hedging relationships	Asset derivatives		Liability derivatives	
	Balance sheet location	Fair value	Balance sheet location	Fair value
Interest rate contracts	Other noncurrent assets	$ —	Other noncurrent liabilities	$ 14.0
Interest rate contracts	Prepaid expenses and other current assets	—	Accounts payable and accrued expenses	11.9
Commodity and other contracts	Prepaid expenses and other current assets	0.8 [1]	Accounts payable and accrued expenses	0.9
Total		$ 0.8		$ 26.8

(1) Includes $0.1 million of commodity contracts (asset derivatives) designated as cash flow hedges.

The effect of the economic hedges on other (income) expense in the accompanying condensed combined statements of operations for the periods indicated below was as follows (in millions):

	Three months ended	
	July 28, 2013	July 29, 2012
Interest rate contracts	$ (0.8)	$ 3.1
Commodity and other contracts	(0.8)	(3.3)
Foreign currency exchange contracts	—	0.9
Included in other (income) expense	$ (1.6)	$ 0.7

(Continued)

The effect of the cash flow hedges in the accompanying condensed combined statements of operations for the three months ended July 28, 2013 was as follows (in millions):

Derivatives in cash flow hedging relationships	Gain recognized in AOCI	Location of gain reclassified in AOCI	Gain reclassified from AOCI into income	Location of gain recognized in income (ineffective portion and amount excluded from effectiveness testing)	Gain recognized in income (ineffective portion and amount excluded from effectiveness testing)
Interest rate contracts	$ —	Interest expense	$ —	Other (income) expense	$ —
Commodity contracts	—	Cost of products sold	(0.3)	Other (income) expense	—
Foreign currency exchange contracts	(1.4)	Cost of products sold	(0.1)	Other (income) expense	—
Total	$ (1.4)		$ (0.4)		$ —

At July 28, 2013, $0.7 million is expected to be reclassified from AOCI to cost of products sold within the next 12 months.

(6) Fair Value Measurements

A three-tier fair value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels are defined as follows:

- Level 1 Inputs – unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs – quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; and
- Level 3 Inputs – unobservable inputs reflecting the Company's own assumptions in measuring the asset or liability at fair value.

The Company uses interest rate swaps, commodity contracts and forward foreign currency contracts to hedge market risks relating to possible adverse changes in interest rates, commodity prices, diesel fuel prices and foreign currency exchange rates.

(Continued)

The following table provides the fair values hierarchy for financial assets and liabilities of the Business and allocated to the Business measured on a recurring basis (in millions):

	Level 1		Level 2		Level 3	
Description	July 28, 2013	April 28, 2013	July 28, 2013	April 28, 2013	July 28, 2013	April 28, 2013
Assets:						
Interest rate contracts	$ —	$ —	$ —	$ —	$ —	$ —
Commodity and other contracts	—	—	1.9	0.8	—	—
Foreign currency exchange contracts	—	—	1.4	—	—	—
Total	$ —	$ —	$ 3.3	$ 0.8	$ —	$ —
Liabilities:						
Interest rate contracts	$ —	$ —	$ 22.1	$ 25.9	$ —	$ —
Commodity and other contracts	0.8	0.9	—	—	—	—
Foreign currency exchange contracts	—	—	—	—	—	—
Total	$ 0.8	$ 0.9	$ 22.1	$ 25.9	$ —	$ —

The Company's determination of the fair value of its interest rate swaps was calculated using a discounted cash flow analysis based on the terms of the swap contracts and the observable interest rate curve. The Company's futures and options contracts are traded on regulated exchanges such as the Chicago Board of Trade, Kansas City Board of Trade and the New York Mercantile Exchange. The Company values these contracts based on the daily settlement prices published by the exchanges on which the contracts are traded. The Company's commodities swap and swaption contracts are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The Company measures the fair value of foreign currency forward contracts using an income approach based on forward rates (obtained from market quotes for futures contracts with similar terms) less the contract rate multiplied by the notional amount.

(7) Retirement Benefits

Del Monte sponsors a qualified defined benefit pension plan and several unfunded defined benefit post-retirement plans providing certain medical, dental and life insurance benefits to eligible retired, salaried, nonunion hourly and union employees. See note 8 of the 2013 Annual Report for additional information about these plans.

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The components of net periodic benefit cost of the qualified defined benefit and other benefit plans related to the Business for the periods indicated below are as follows (in millions):

	Pension Benefits		Other Benefits	
	Three months ended			
	July 28, 2013	July 29, 2012	July 28, 2013	July 29, 2012
Components of net periodic benefit cost:				
Service cost for benefits earned during the period	$ 2.6	$ 2.5	$ 0.3	$ 0.3
Interest cost on projected benefit obligation	3,8	4.1	1.1	1.4
Expected return on plan assets	(7.0)	(6.6)	—	—
Net loss amortization	—	—	(0.5)	—
Net periodic benefit cost	$ (0.6)	$ —	$ 0.9	$ 1.7

(8) Accumulated Other Comprehensive Loss

The following table summarizes the reclassifications from accumulated other comprehensive loss to the condensed combined statements of operations for the three months ended July 28, 2013 (in millions):

Details about AOCI Components	Amount reclassified from AOCI	Affected line item in the condensed combined statements of operations
Losses on cash flow hedges:		
Foreign currency exchange contracts	$ (0.1)	Cost of products sold
Commodity contracts	(0.3)	Cost of products sold
	(0.4)	Total before tax
	(0.2)	Benefit for income taxes
	$ (0.2)	Net of tax
Defined benefit plan items:		
Amortization of actuarial losses	$ (0.5) [1]	
	(0.5)	Total before tax
	(0.2)	Benefit for income taxes
	$ (0.3)	Net of tax

[1] These accumulated other comprehensive loss components are included in the computation of net periodic pension and postretirement benefit costs. See Note 7 for additional information.

(9) Legal Proceedings

Except as set forth below, there have been no material developments in the Company's legal proceedings since the legal proceedings reported in the 2013 Annual Report.

Commercial Litigation Involving the Company

On April 22, 2013, Plaintiffs filed a complaint in the U.S. District Court for the Northern District of California *(Langille, et al. v. Del Monte)* alleging false and misleading advertising under California's

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consumer protection laws. Plaintiffs allege the Company made a variety of false and misleading advertising claims including, but not limited to, implying that its refrigerated fruit products are "fresh" and "natural." The complaint seeks certification as a class action and damages in excess of $5.0 million. The Company denies these allegations and intends to vigorously defend itself. On May 1, 2013, Plaintiffs filed a motion to relate this case to the *Kosta v. Del Monte* matter. The Company filed a Joinder in support of Plaintiffs' Motion on May 6, 2013. The Court ordered the cases related in an Order on May 15, 2013. The parties filed a Joint Stipulation to consolidate these cases on June 3, 2013 and the Judge granted this Order on June 5, 2013. The *Kosta and Langille* plaintiffs filed their Consolidated Class Action Complaint on June 11, 2013. The Company filed its Answer on June 28, 2013. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On April 19, 2013, Plaintiff filed a complaint on behalf of himself and all other similarly situated employees in Superior Court of California, Alameda County *(Montgomery v. Del Monte)* alleging, inter alia, failure to provide meal and rest periods and pay wages properly in violation of various California wage and hour statutes. On May 24, 2013, Plaintiff filed its First Amendment Complaint. The Court granted the parties' Application to Transfer to Kings County on June 14, 2013. Mediation has been scheduled for March 20, 2014. The Company denies these allegations and intends to vigorously defend itself. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On April 5, 2012, a complaint was filed against the Company in U.S. District Court for the Northern District of California *(Kosta v. Del Monte)* alleging false and misleading advertising under California's consumer protection laws. The complaint seeks certification as a class action and damages in excess of $5.0 million. On June 15, 2012, the Company filed a Motion to Dismiss Plaintiff's complaint. Plaintiff filed an amended complaint on July 6, 2012, negating the Company's Motion to Dismiss. In its amended complaint, Plaintiff alleges the Company made a variety of false and misleading advertising claims including, but not limited to, its lycopene and antioxidant claims for tomato products; implying that its refrigerated products are fresh and all natural; implying that *Fresh Cut* vegetables are fresh; and making misleading claims regarding sugar, nutrient content, preservatives and serving size. The Company denies these allegations and intends to vigorously defend itself. The Company filed a new Motion to Dismiss Plaintiff's complaint on July 31, 2012. The Motion to Dismiss was denied on May 15, 2013. Plaintiff moved on November 5, 2012 to seek application of the doctrine of collateral estoppel in this matter based on the jury's finding in the *Fresh Del Monte Inc. v. Del Monte* case. The Company's Response to Plaintiff's Motion for Application of Collateral Estoppel was filed on January 17, 2013. Plaintiffs Reply was filed on February 21, 2013. The Court denied Plaintiff's Motion on May 17, 2013. The Court in *Langille* ordered these two matters related in an Order on May 15, 2013. The parties filed a joint stipulation to consolidate these cases on June 3, 2013 and the Judge granted this Order on June 5, 2013. The *Kosta and Langille* plaintiffs filed their Consolidated Class Action Complaint on June 11, 2013. The Company filed its Answer on June 28, 2013. The Company cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

On September 28, 2011, a complaint was filed against the Company by the Environmental Law Foundation in California Superior Court for the County of Alameda alleging violations of California Health and Safety Code sections 25249.6 et seq. (commonly known as "Proposition 65"). Specifically, the Plaintiff alleges that the Company violated Proposition 65 by distributing certain pear, peach and fruit cocktail products without providing warnings required by Proposition 65. The Plaintiff seeks injunctive relief, damages in an unspecified amount and attorneys' fees. Trial commenced on April 8, 2013 and closing oral arguments were heard on May 16, 2013. The Judge issued his final decision on July 31, 2013, finding that the Defendants proved their case under the Proposition 65 safe harbor defense, therefore the Company currently does not need to place

(Continued)

Proposition 65 warning labels on the applicable food products. The Company will continue to deny these allegations and vigorously defend itself. The Plaintiff filed its appeal on September 24, 2013. The Defendants filed their Notice of Protective Cross Appeal on October 9, 2013. The Company cannot at this time estimate a range of exposure, if any, of the potential liability.

(10) Related Party Transactions

Del Monte Indirect and Corporate Charges

Certain of Del Monte's selling, general and administrative expenses, including corporate charges such as salaries of corporate officers and staff, stock compensation, retirement benefits, and other Del Monte corporate overhead have been allocated to the Business (see Note 1). For the three months ended July 28, 2013 and July 29, 2012, total costs charged to the Business for these services were $18.4 million and $26.2 million, respectively, and are included in selling, general and administrative expense in the accompanying condensed combined statements of operations. Intercompany balances are included in the net parent investment in the accompanying condensed combined balance sheets.

(11) Subsequent Events

On October 9, 2013, we entered into a Purchase Agreement (the "Purchase Agreement") with Del Monte Pacific Limited, ("DMPL") and its subsidiary, Del Monte Foods Consumer Products, Inc. (now known as Del Monte Foods, Inc.), (the "Acquiror"). Pursuant to the terms of the Purchase Agreement, we will sell to the Acquiror the interests of certain subsidiaries related to the Business and generally all assets primarily related to the Business (the "Transferred Assets") for a purchase price of $1,675.0 million, subject to a post-closing working capital adjustment. The Acquiror will also assume all related liabilities (other than certain specified excluded liabilities). The transaction is expected to close by early calendar year 2014.

The Business has evaluated subsequent events from the balance sheet date through December 11, 2013, the date at which the combined financial statements were available to be issued, and determined that there are no other events to disclose.

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APPENDIX D

SUMMARY VALUATION REPORT

15 November 2013

The Board of Directors
Del Monte Pacific Limited
c/o 17 Bukit Pasoh Road
Singapore 089831

Del Monte Pacific Limited – Proposed acquisition of the consumer products business of Del Monte Corporation

Independent Valuation Summary Letter

Dear Sirs:

1. Introduction

Ernst & Young Solutions LLP **("EY"** or **"we"**) has been appointed by the Board of Directors (the "**Directors**") of Del Monte Pacific Limited (**"DMPL"** or the **"Company"**) to perform professional services relating to the valuation of the consumer products business of Del Monte Corporation (**"DM Corp"**). This is in connection with the proposed acquisition by the Company of the consumer products business of DM Corp ("**DMCP**") through its wholly owned subsidiary, Del Monte Foods Consumer Products (**"Proposed DMCP Acquisition"**).

This letter has been prepared pursuant to Rule 1015 of the Singapore Exchange Securities Trading Limited Listing Manual and for the purpose of disclosure as an appendix to the Company's Circular to be issued in relation to, *inter alia*, the Proposed DMCP Acquisition ("**Circular**"). This is a summary of the information contained in our Draft Independent Valuation Report dated 15 November 2013 (the "**Report**"). Accordingly, this letter should be read in conjunction with the full text of the Report.

2. Terms of reference

The objective of this letter is to provide an independent view of the fair market value of DMCP, assessed on a proforma basis assuming that DMCP as a standalone business is in existence as at 31 July 2013 (the "**Valuation Date**").

The business of DMCP comprises the following:

(1) Shares of the following subsidiaries:

(i) Hi Continental Corporation

(ii) College Inn Foods

(iii) Contadina Foods, Inc

(iv) S&W Fine Foods, Inc

(v) Del Monte Andina C.A.

(vi) Del Monte Colombiana S.A.

(vii) Industrias Citricolas de Montemorelos, S.A. de C.V.

(viii) Del Monte Peru S.A.C.

(ix) Del Monte Ecuador DME C.A.

(x) Del Monte Argentina S.A.

(2) Certain assets of DM Corp which support the consumer products business.

(3) Liabilities relating to the business of developing, manufacturing, marketing, distributing and selling food and beverage products under the brands Del Monte, Contadina, S&W, College Inn and others.

We are not expressing an opinion on the commercial merits and structure of the Proposed DMCP Acquisition and accordingly, this letter and the Report do not purport to contain all the information that may be necessary or desirable to fully evaluate the commercial or investment merits of the Proposed DMCP Acquisition by DMPL. The assessment of the commercial and investment merits of the Proposed DMCP Acquisition is solely the responsibility of the Directors. Additionally, our work should not be construed as investment advice to the current and prospective investors of DMPL.

We have not conducted a comprehensive review of the business, operational or financial conditions of DMCP, and accordingly this letter and our Report do not make any representation or warranty, express or implied in this regard.

The scope of our engagement does not require us to express, and we do not express, a view on the future prospects of DMPL and DMCP. We are, therefore not expressing any views on the future trading price of the shares or the financial condition of DMPL upon completion of, *inter alia*, the Proposed DMCP Acquisition.

Our terms of reference do not require us to provide advice on legal, regulatory, accounting, property or taxation matters and, where specialist advice has been obtained by DMPL and/or DMCP and made available to us, we have considered and, where appropriate, relied upon such advice.

Our work is not of the same nature as an audit, and does not constitute an audit. We are not, therefore issuing an audit opinion. Instead, our work is in the nature of a review of the information provided to us and discussions with members of management of DMPL, DMPL's financial advisors from Perella Weinberg Partners LP (the "**Financial Advisor**") and management of DMCP ("**DMCP Management**").

Use of our letter and the Report

This letter and the Report are addressed to, and for the use and benefit of the Directors of DMPL for the purpose as set out above, and accordingly neither the Report nor this letter may be used or relied upon by, nor confer any benefit to, any other person (including without limitation, the shareholders of DMPL and the prospective investors of DMPL). Any recommendation made by the Directors to the shareholders of DMPL shall remain the responsibility of such Directors.

Reliance on information and representation

In the course of our work, we have held discussions with the management of DMPL, the Financial Advisor and DMCP Management. We have also examined and relied on information provided by them and reviewed other relevant publicly available information. We have not independently verified all such information provided or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. However, we have made reasonable enquiries and exercised our judgement on such information and have performed our valuation on such basis.

Nevertheless, DMPL Management have confirmed to us, upon making all reasonable enquiries and to their best knowledge and belief, that the information provided to us constitute full and true disclosure, in all material respects, of all material facts relating to DMCP as required for the purposes of our valuation (and there is no omission of material information, of which if any, would make any of the information considered herein inaccurate, incomplete, or misleading in any material respect).

In no circumstances shall we be liable, other than in the event of our bad faith or wilful default, for any loss or damage, of whatsoever nature arising from information material to our work being withheld or concealed from us or misrepresented to us by DMCP Management and the Directors, employees, or agents of DMPL or any person of whom we may have made inquiries during the course of our work.

3. Valuation methodology

We have adopted Fair Market Value as the standard of value. Fair Market Value is generally defined as the amount at which an asset could be exchanged between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting in an arm's length transaction, in an open and unrestricted market.

We have assessed the Fair Market Value of DMCP on a going concern basis, by using the discounted cash flows methodology under the income approach. Under this approach and methodology, we have discounted the projected free cash flows from the business of DMCP with an appropriate discount rate having considered relevant risk factors, such as business size, business environment, stage of growth, and riskiness of cash flows. The free cash flows of the DMCP business have been projected for the period from the financial year ended 30 April ("FY") 2014 to FY2018 with a terminal value attributed. In addition, we have also assessed the reasonableness of our valuation results by cross-checking the fair market value determined under the income approach with the market multiple methodology under the market approach.

Our valuation is based on various assumptions with respect to the operations of DMCP, including its respective present and future financial condition, business strategies and the environment in which it will operate in the future. These assumptions are based on the information provided to us and our discussions with or on behalf of DMCP Management, and reflect current expectations and views regarding future events, and therefore necessarily involve known and unknown risks and uncertainties.

Amongst other assumptions stated in the Report, the key assumptions are as follows:

1. DMCP is assumed to operate on a going concern basis;

2. There are no adverse changes to the economic and market conditions impacting consumer demand, as well as changes in regulatory, fiscal and other government policies in the countries in which the operations of DMCP are located;

3. There will be no significant change in the operations and business strategy of DMCP subsequent to the Valuation Date;

4. DMCP and its key customers will maintain good relationships subsequent to the Valuation Date;

5. Unless otherwise disclosed in the Circular, all operating entities within DMCP will be able to maintain their present ownership or rights to use all key intellectual property;

6. The financial forecast and its underlying assumptions as detailed in the Report represents a fair reflection of DMPL Management's future business plans;

7. The level of capital expenditure and net working capital projected in the financial forecast is assumed to be sufficient to meet the forecast growth;

8. Although DMCP has business operations across several jurisdictions in the United States, a single combined federal and state tax rate is applied uniformly to all DMCP income;

9. Unless otherwise disclosed in the Circular, DMCP has no significant contingent liabilities or uncertainty, including any litigation pending or threatened, as at the Valuation Date which is material to be considered in the forecast;

10. DMCP will assume the following significant liabilities from the existing business:
    (i) Pension liability;
    (ii) Accrued postretirement benefits; and
    (iii) Long-term workers' compensation.

11. Unless otherwise disclosed in the Circular, DMCP has no significant non-operating assets or liabilities as at the Valuation Date;

12. The audited financial statements of DMCP for FY2012 and FY2013 correctly reflect its financial position as at 30 April 2013; and

13. The unaudited financial statements of DMCP for Q1 FY2014 correctly reflect its financial position as at 31 July 2013.

The estimates of earnings and cash flow data, to the extent they relate to the future, reflect the expectations of DMPL Management with regards to the business prospects of DMCP and are solely used in our valuation analysis and are not intended for use as forecasts or projections of future operations.

Furthermore, there will usually be differences between the estimated and actual results because events and circumstances may not occur as expected and those differences may be material.

We have set out in the Report the key assumptions used in our valuation as well as risk factors that, in our opinion, may have a material impact on the valuation of DMCP. It should be noted that it is not an exhaustive list of all risk factors relevant to DMCP.

4. Conclusion

In summary and as detailed in the Report, which should be read in conjunction with this letter to the Directors, the indicative value of DMCP, on a proforma basis, is in the range of US$1.53 billion to US$1.75 billion as at the Valuation Date.

Our views are based on the current economic, market, industry, regulatory, monetary and other conditions and on the information made available to us as of the date of this letter and the Report. Such conditions may change significantly over a relatively short period of time and we assume no responsibility and are not required to update, revise or reaffirm our conclusion set out in this letter to reflect events or developments subsequent to the date of this letter and the Report.

Yours faithfully,
Ernst & Young Solutions LLP

Andre Toh Sern
Partner

APPENDIX E

REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2011 AND 2012, AND FOR THE SIX-MONTHS ENDED 30 JUNE 2012 AND 2013

Del Monte Pacific Limited and its Subsidiaries

Unaudited Pro Forma Financial Information of the Enlarged Group

27 January 2014

The Board of Directors
Del Monte Pacific Limited
17 Bukit Pasoh Road
Singapore 089831

Dear Sirs

Report on the Unaudited Pro Forma Financial Information of the Enlarged Group Included in the Circular to Shareholders of Del Monte Pacific Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Del Monte Pacific Limited (the "Company") by management of the Company ("Management") in connection with the proposed acquisition to (1) acquire all of the shares of certain subsidiaries of Del Monte Corporation ("DMC" or the "Vendor") and (2) acquire certain assets and assume certain liabilities, in each case, relating to the business of developing, manufacturing, marketing, distributing, and selling food and beverage products under the brands "Del Monte", "Contadina", "S&W", "College Inn" and others (collectively the "Consumer Food Business"), by Del Monte Foods Inc. ("DMF"), a subsidiary of the Company (the "Proposed Acquisition").

The unaudited pro forma financial information of the Company and its subsidiaries (the "DMPL Group") and Consumer Food Business (collectively, the "Enlarged Group"), consists of the pro forma statements of financial position as at 31 December 2012 and 30 June 2013, the pro forma statements of comprehensive income for the years ended 31 December 2011 and 2012, and the six-month periods ended 30 June 2012 and 2013, the pro forma statements of changes in equity and the pro forma statements of cash flows for the year ended 31 December 2012 and for the six months ended 30 June 2013, and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages E-5 to E-27 of the circular (the "Circular"). The Unaudited Pro Forma Financial Information of the Enlarged Group has been prepared for illustrative purposes only and is based on certain assumptions, after making certain adjustments. The basis of preparation ("Basis of Preparation") from which Management has used to compile the Unaudited Pro Forma Financial Information is described in Note 4.

The Unaudited Pro Forma Financial Information has been compiled by Management to illustrate the impact of the Proposed Acquisition described in Note 2 on the Enlarged Group's:

(i) Statements of financial position as at 31 December 2012 and 30 June 2013, as if the Proposed Acquisition had taken place on 31 December 2012 and 30 June 2013, respectively;

(ii) Financial performance for the years ended 31 December 2011 and 2012, and the six months ended 30 June 2012 and 2013, as if the Proposed Acquisition had taken place on 2 May 2011;

(iii) Changes in equity for the year ended 31 December 2012 and the six months ended 30 June 2013, as if the Proposed Acquisition had taken place on 31 December 2012 and 30 June 13, respectively; and

(iv) Cash flows for the year ended 31 December 2012 and the six months ended 30 June 2013, as if the Proposed Acquisition had taken place on 1 January 2012.

As part of this process, information about the Enlarged Group's financial position, financial performance, changes in equity and cash flows has been extracted by Management from the following:

(a) The audited consolidated financial statements of the DMPL Group for the years ended 31 December 2011 and 2012, and unaudited condensed consolidated interim financial

statements of the DMPL Group for the six months ended 30 June 2013, which were prepared in accordance with International Financial Reporting Standards ("IFRS");

(b) The audited combined financial statements of the Vendor's consumer products business (the "Vendor's Consumer Products Business") for the years ended 29 April 2012, and 28 April 2013, and unaudited combined financial statements of the Vendor's Consumer Products Business for the three months ended 29 July 2012 and 28 July 2013, which were prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"); and

(c) The unaudited management accounts of the Vendor's Consumer Products Business for the relevant periods required for the pro forma adjustments.

Management's responsibility for the Unaudited Pro Forma Financial Information

Management is responsible for compiling the Unaudited Pro Forma Financial Information in accordance with the Basis of Preparation.

Reporting Accountants' responsibility

Our responsibility is to express an opinion about whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, by Management using the Basis of Preparation.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Audit and Assurance Standards Board (the "IAASB"). This standard requires that the Reporting Accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether Management has compiled, in all material respects, the pro forma financial information in accordance with the Basis of Preparation.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at each of the respective dates would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been compiled, in all material respects, in accordance with the Basis of Preparation involves performing procedures to assess whether the Basis of Preparation used by Management in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those Basis of Preparation; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the Reporting Accountants' judgement, having regard to his understanding of the nature of the company, event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been compiled:

    (i) in a manner consistent with the accounting policies adopted by the DMPL Group in its latest unaudited condensed interim financial statements, which is in accordance with International Financial Reporting Standards;

    (ii) on the basis of the Basis of Preparation stated in Note 4 of the Unaudited Pro Forma Financial Information; and

(b) each material adjustment made to the information used in the preparation of the Unaudited Pro Forma Financial Information is appropriate for the purpose of preparing such unaudited financial information.

This letter has been prepared for inclusion in the Circular of the Company to be issued in connection with the Proposed Acquisition.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore

Ong Chai Yan
Partner-in-charge

27 January 2014

Unaudited Pro Forma Statements of Financial Position
As at 31 December 2012 and 30 June 2013

	31 December 2012 US$'000	30 June 2013 US$'000
Non-current assets		
Property, plant and equipment	523,588	518,943
Joint venture	21,507	20,539
Goodwill	1,305	203,804
Intangible assets	590,433	590,148
Deferred tax assets	17,532	15,451
Other assets	15,350	22,976
Employee benefits	-	2,692
	1,169,715	1,374,553
Current assets		
Inventories	982,029	762,509
Biological assets	109,665	109,366
Trade and other receivables	260,803	236,219
Cash and cash equivalents	55,866	49,688
	1,408,363	1,157,782
Total assets	2,578,078	2,532,335
Equity		
Share capital	10,818	12,975
Reserves	223,308	206,422
Equity attributable to owners of the Company	234,126	219,397
Non-controlling interests	72,561	72,376
Total equity	306,687	291,773
Non-current liabilities		
Financial liabilities	1,133,092	1,132,346
Employee benefits	5,208	-
Other non-current liabilities	129,852	128,573
	1,268,152	1,260,919
Current liabilities		
Trade and other payables	356,578	298,931
Financial liabilities	641,487	679,040
Current tax liabilities	5,174	1,672
	1,003,239	979,643
Total liabilities	2,271,391	2,240,562
Total equity and liabilities	2,578,078	2,532,335

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statements of Comprehensive Income
For the years ended 31 December 2011 and 2012, and the six months ended 30 June 2012 and 2013

	Year ended 31 December		Six months ended 30 June	
	2011	**2012**	**2012**	**2013**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Revenue	1,635,895	2,269,552	977,712	1,016,558
Cost of sales	(1,256,493)	(1,777,303)	(781,623)	(793,782)
Gross profit	379,402	492,249	196,089	222,776
Distribution and selling expenses	(133,069)	(203,922)	(85,647)	(93,314)
General and administrative expenses	(126,407)	(147,253)	(66,798)	(75,183)
Other expenses	(17,251)	(17,518)	(17,768)	(2,954)
Results from operating activities	102,675	123,556	25,876	51,325
Finance income	1,460	824	360	264
Finance expense	(62,089)	(60,016)	(29,875)	(30,481)
Net finance expense	(60,629)	(59,192)	(29,515)	(30,217)
Share of loss of joint venture, net of tax	(10,589)	(6,090)	(3,514)	(2,616)
Profit/(Loss) before taxation	31,457	58,274	(7,153)	18,492
Tax (expense)/credit	(4,421)	(15,187)	5,261	(4,155)
Profit/(Loss) for the year/period	27,036	43,087	(1,892)	14,337
Other comprehensive income				
Items that will or may be reclassified subsequently to profit or loss				
Exchange difference on translation of foreign operations	(1,670)	15,398	8,521	(13,217)
Items that will not be classified to profit or loss				
Defined benefit plan remeasurements, net of tax (IAS 19)	-	895	1,006	5,494
Net gain on revaluation of property, plant and equipment, net of tax	226	-	-	-
Pension liability adjustment, net of tax	(9,009)	(3,500)	(4,520)	1,160
Other comprehensive income for the year/period, net of tax	(10,453)	12,793	5,007	(6,563)
Total comprehensive income for the year/period	16,583	55,880	3,115	7,774

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statements of Comprehensive Income
For the years ended 31 December 2011 and 2012, and the six months ended 30 June 2012 and 2013

	Year ended 31 December		Six months ended 30 June	
	2011	2012	2012	2013
	US$'000	US$'000	US$'000	US$'000
Profit/(Loss) attributable to:				
Non-controlling interests	1,109	1,089	(1,257)	582
Owners of the Company	25,927	41,998	(635)	13,755
	27,036	43,087	(1,892)	14,337
Total comprehensive income attributable to:				
Non-controlling interests	1,109	1,089	(1,257)	582
Owners of the Company	15,474	54,791	4,372	7,192
	16,583	55,880	3,115	7,774
Earnings/(Loss) per share				
Basic earnings/(loss) per share (US cents)	2.00	3.24	(0.05)	1.06
Diluted earnings/(loss) per share (US cents)	1.99	3.24	(0.05)	1.06

The following one-off charges in connection with the Proposed Acquisition are included in profit before taxation for the year ended 31 December 2011:

	US$'000
Loss on settlement of pre-existing contractual relationship between the DMPL Group and the Vendor's Consumer Products Business (Note 4.3 (iv))	1,988
Interest expense and related financing costs on the $350.0 million and $165.0 million bridging facilities (Note 4.3 (v))	21,400
Professional fees and other transaction costs (Note 4.3 (vi))	27,800
	51,188

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statement of Changes in Equity
For the year ended 31 December 2012

	Attributable to owners of the Company									
	Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2012, as previously stated	10,818	69,073	(40,363)	3,594	2,367	(2,054)	187,081	230,516	(1,474)	229,042
Impact of change in accounting policy	-	-	-	(3,859)	-	-	183	(3,676)	-	(3,676)
At 1 January 2012, as restated	10,818	69,073	(40,363)	(265)	2,367	(2,054)	187,264	226,840	(1,474)	225,366
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	32,090	32,090	(465)	31,625
Pro forma adjustment for profession fees and other transaction costs and settlement of pre-existing relationship (Note 4 (iv) and 4 (vi))	-	-	-	-	-	-	(18,469)	(18,469)	-	(18,469)
Pro forma profit for the year	-	-	-	-	-	-	13,621	13,621	(465)	13,156
Other comprehensive income										
Exchange difference on translation of foreign operations	-	-	15,398	-	-	-	-	15,398	-	15,398
Defined benefit plan remeasurements (IAS 19)	-	-	-	895	-	-	-	895	-	895
Total other comprehensive income	-	-	15,398	895	-	-	-	16,293	-	16,293
Total comprehensive income for the year	-	-	15,398	895	-	-	13,621	29,914	(465)	29,449
Transaction with owners of the Company recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends to owners of the Company	-	-	-	-	-	-	(23,370)	(23,370)	-	(23,370)
Share based payment transactions	-	470	-	-	(2,020)	1,550	-	-	-	-
Value of employee services received for issue of share options	-	-	-	-	742	-	-	742	-	742
Total contributions by and distributions to owners	-	470	-	-	(1,278)	1,550	(23,370)	(22,628)	-	(22,628)
Changes in ownership interests in subsidiaries										
Issue of share capital to non-controlling shareholders for the Proposed Acquisition	-	-	-	-	-	-	-	-	74,500	74,500
Total transactions with owners	-	470	-	-	(1,278)	1,550	(23,370)	(22,628)	74,500	51,872
At 31 December 2012	10,818	69,543	(24,965)	630	1,089	(504)	177,515	234,126	72,561	306,687

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statement of Changes in Equity
For the six months ended 30 June 2013

	Attributable to owners of the Company									
	Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'000	Share option reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2013	10,818	69,543	(24,949)	630	953	(504)	196,104	252,595	(1,939)	250,656
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	10,644	10,644	(185)	10,459
Pro forma adjustment for professional fees and other transaction costs and settlement of pre-existing relationship (Note 4 (iv) and 4 (vi))	-	-	-	-	-	-	(18,469)	(18,469)	-	(18,469)
Pro forma profit for the period	-	-	-	-	-	-	(7,825)	(7,825)	(185)	(8,010)
Other comprehensive income										
Exchange difference on translation of foreign operations	-	-	(13,217)	-	-	-	-	(13,217)	-	(13,217)
Defined benefit plan remeasurements (IAS 19)	-	-	-	5,494	-	-	-	5,494	-	5,494
Total other comprehensive income	-	-	(13,217)	5,494	-	-	-	(7,723)	-	(7,723)
Total comprehensive income for the period	-	-	(13,217)	5,494	-	-	(7,825)	(15,548)	(185)	(15,733)
Transaction with owners of the Company recognised directly in equity										
Contributions by and distributions to owners of the Company										
Share bonus issue	2,157	-	-	-	-	-	(2,157)	-	-	-
Dividends to owners of the Company	-	-	-	-	-	-	(16,297)	(16,297)	-	(16,297)
Acquisition of treasury shares	-	-	-	-	-	(2,188)	-	(2,188)	-	(2,188)
Share based payment transactions	-	(338)	-	-	(1,321)	2,063	-	404	-	404
Value of employee services received for issue of share options	-	-	-	-	431	-	-	431	-	431
Total contributions by and distributions to owners	2,157	(338)	-	-	(890)	(125)	(18,454)	(17,650)	-	(17,650)
Changes in ownership interests in subsidiaries										
Issue of share capital to non-controlling shareholders for the Proposed Acquisition	-	-	-	-	-	-	-	-	74,500	74,500
Total transactions with owners	2,157	(338)	-	-	(890)	(125)	(18,454)	(17,650)	74,500	56,850
At 30 June 2013	12,975	69,205	(38,166)	6,124	63	(629)	169,825	219,397	72,376	291,773

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statement of Cash Flows
For the year ended 31 December 2012 and the six months ended 30 June 2013

	Note	Year ended 31 December 2012 US$'000	Six months ended 30 June 2013 US$'000
Cash flows from operating activities			
Profit for the year/period		**8,715**	**14,010**
Adjustments for:			
Amortisation of intangible assets		8,488	4,863
Depreciation of property, plant and equipment		69,580	23,760
Non-cash expense for settlement of pre-existing contractual relationship	4.3 (iv)	1,988	-
Recognition/(Reversal) of impairment loss on trade receivables		1,626	(623)
Write-down on inventory		7,965	6,009
Impairment loss on property, plant and equipment		267	-
Loss on disposal of property, plant and equipment		1,250	2,418
Equity-settled shared based payment transactions		5,474	3,515
Effect of hyperinflation adjustments	6 (a)	3,162	126
Share of profit of joint venture, net of tax		6,090	2,616
Finance income		(824)	-
Finance expense		81,626	28,067
Tax (credit)/expense		(1,840)	4,324
Operating profit before working capital changes		**193,567**	**89,085**
Changes in working capital:			
Other assets		(1,854)	(6,624)
Inventories		(36,349)	172,217
Biological assets		(11,537)	(5,459)
Trade and other receivables		(39,932)	39,551
Trade and other payables		40,318	(57,557)
Cash generated from operations		**144,213**	**231,213**
Taxes paid		(1,572)	(7,579)
Net cash flows from operating activities		**142,641**	**223,634**

The accompanying notes form an integral part of these unaudited pro forma financial information.

Unaudited Pro Forma Statement of Cash Flows
For the year ended 31 December 2012 and the six months ended 30 June 2013

	Note	Year ended 31 December 2012 US$'000	Six months ended 30 June 2013 US$'000
Cash flows from investing activities			
Interest received		578	247
Proceeds from disposal of property, plant and equipment		192	2,046
Purchase of property, plant and equipment		(76,820)	(38,559)
Cash paid for the Proposed Acquisition	4.3 (iv)	(1,675,000)	-
Transaction costs paid for the Proposed Acquisition	4.3 (vi)	(27,800)	-
Additional investment in joint venture		(3,575)	(1,649)
Net cash flows used in investing activities		**(1,782,425)**	**(37,915)**
Cash flows from financing activities			
Interest paid on borrowings related to the Proposed Acquisition		(63,565)	(27,521)
Interest paid on other borrowings		(4,096)	(1,667)
Proceeds from borrowings related to the Proposed Acquisition		1,703,800	-
Repayment of borrowings related to the Proposed Acquisition		(600,200)	(4,850)
Proceeds from other borrowings		1,280,256	601,890
Repayment of other borrowings		(1,257,947)	(557,788)
Proceeds from issuance of equity instruments in connection with the Proposed Acquisition		515,000	-
Proceeds from issuance of equity instruments to non-controlling shareholders in connection with the Proposed Acquisition		74,500	-
Proceeds from exercise of options		-	404
Acquisition of treasury shares		-	(2,188)
Dividends paid		(23,370)	(16,297)
Net cash flows from/(used in) financing activities		**1,624,378**	**(8,017)**
Net (decrease)/increase in cash and cash equivalents		**(15,406)**	**177,702**
Cash and cash equivalents at beginning of year/ period		23,327	17,188
Effect of exchange rate on balances held in foreign currency		9,267	4,438
Cash and cash equivalents at end of year/period		**17,188**	**199,328**

The accompanying notes form an integral part of these unaudited pro forma financial information.

1. Corporate Information

Del Monte Pacific Limited (the "Company") is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company was incorporated in the British Virgin Islands on 27 May 1999 under the International Business Companies Ordinance, Chapter 291 of the laws of the British Virgin Islands, as an international business company. On 2 August 1999, the Company was admitted to the Official List of the SGX-ST. The registered office of the Company is located at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands.

The principal activity of the Company is that of investment holding. Its subsidiaries are principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple concentrate, tropical mixed fruit, tomato-based products, and certain other food products mainly under the brand names of "Del Monte" and "S&W".

2. Description of Transaction

On 10 October 2013, the Company's subsidiary, Del Monte Foods, Inc., a company incorporated under the laws of Delaware, U.S.A. (the "Acquirer"), entered into a Purchase Agreement (the "Purchase Agreement") with Del Monte Corporation ("DMC" or the "Vendor") to (1) acquire all of the shares of certain subsidiaries of the Vendor and (2) acquire certain assets and assume certain liabilities (collectively the "Consumer Food Business") relating to the consumer products business of the Vendor (the "Vendors' Consumer Products Business") for an initial purchase consideration of $1.675 billion, subject to a working capital adjustment. The purchase consideration is to be paid in cash. The proposed transaction is referred to as the "Proposed Acquisition".

Concurrent with the execution of the Purchase Agreement, the Company deposited $100.0 million into an escrow account, which would be released to the Vendor in the event that the Company does not complete the Proposed Acquisition under certain circumstances set forth in the Purchase Agreement.

The Vendor's Consumer Products Business relates to the business of developing, manufacturing, marketing, distributing and selling food and beverage products under the brands "Del Monte", "Contadina", "S&W", "College Inn" and others. The Vendor's Consumer Products Business holds, among other assets, the Del Monte brand rights for processed food products in the USA and South America.

The Company and its subsidiaries (the "DMPL Group") expect to finance the Proposed Acquisition and the associated costs through a combination of equity and institutional debt financing. The various financing arrangements and the expected terms as of the date of the circular to the shareholders (the "Circular") of the Company are as follows:

Acquirer

- $710.0 million of senior secured variable rate first lien term loan to be borrowed by the Acquirer. The expected tenor of the loan is 7 years and the expected interest rate is one year LIBOR plus 3.25% per annum with a 1.0% LIBOR floor. This first lien term loan is expected to have an original issue discount of 0.5%; and
- $260.0 million of senior secured second lien variable rate term loan to be borrowed by the Acquirer. The expected tenor of the loan is 7.5 years and the expected interest rate is one year LIBOR plus 7.25% per annum with a 1.0% LIBOR floor. This second lien term loan is expected to have an original issue discount of 0.5%.

DMPL Group/Company

- $350.0 million through the issuance of perpetual preference shares (the "Preferred Shares") by the Company currently expected to be issued in approximately six

months after the Proposed Acquisition. The Company has obtained a bridging loan facility with a tenor of up to one year. The bridging loan facility bears interest at the rate of 3.5% per annum plus LIBOR. The Company expects to incur transactional fees from the issuance of the Preferred Shares.

- $165.0 million bridging facility to be obtained by the DMPL Group is expected to carry an interest equal to the six month LIBOR plus a margin of 3.5% per annum, subject to a floor of 4.0%. The DMPL Group expects to pay 0.25% arranger's fee and 0.25% commitment fee on this bridging facility. The facility is expected to be outstanding for four months following the Proposed Acquisition and will then be retired through proceeds from the issuance of additional equity;

- $74.5 million through the issuance of equity shares of DMPL Foods Limited to third parties. DMPL Foods Limited is an intermediate holding company of the Acquirer. It has been assumed the issuance of $74.5 million of equity shares of DMPL Foods Limited will result in these parties having a 10% non-controlling interest in the Acquirer. This percentage of equity interest may be different upon the closure of the Proposed Acquisition as it is a function of the purchase consideration;

- $80.0 million through a draw down from an existing credit facility of the DMPL Group. The expected interest rate for the $80.0 million draw down is 2.1% per annum and it is expected to be repaid in three years following the Proposed Acquisition; and

- $75.5 million through an initial draw down from a bridge credit facility of the DMPL Group. During the six months immediately following the Proposed Acquisition, the bridge credit facility is replaced by either a mid-term loan or a share placement of the Company. For the purpose of the preparation of the pro forma financial information, it has been assumed that the DMPL Group will obtain a mid-term loan of $75.5 million to be repaid three years after it was obtained. The expected interest rate for the $75.5 million bridge credit facility and mid-term loan is 2.1% per annum.

The above financing arrangements are collectively referred to as the "Financing Arrangements".

3. Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information of the DMPL Group and Consumer Food Business after the completion of the Proposed Acquisition (collectively the "Enlarged Group"), comprises:

- the unaudited pro forma statements of financial position of the Enlarged Group as at 31 December 2012 and 30 June 2013;

- the unaudited pro forma statements of comprehensive income of the Enlarged Group for the years ended 31 December 2011 and 2012, and for the six months ended 30 June 2012 and 2013;

- the unaudited pro forma statements of changes in equity of the Enlarged Group for the year ended 31 December 2012 and for the six months ended 30 June 2013; and

- the unaudited pro forma statements of cash flows of the Enlarged Group for the year ended 31 December 2012 and for the six months ended 30 June 2013.

These statements are collectively referred to as the "Unaudited Pro Forma Financial Information" and have been prepared for inclusion in the Circular.

4. Basis of Preparation of the Unaudited Pro Forma Financial Information

4.1 The Unaudited Pro Forma Financial Information is prepared in accordance with International Financial Reporting Standards (“IFRS”). It is expressed in the United States dollar (“$” or “US$”) and all the values are rounded to the nearest thousand (“$’000” or “US$’000”), except where indicated otherwise. The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and is based on certain assumptions and after making certain adjustments to show what:

i. The unaudited pro forma statements of financial position of the Enlarged Group as of 31 December 2012 and as of 30 June 2013 would have been if the Proposed Acquisition had taken place on 31 December 2012 and 30 June 2013, respectively;

ii. The unaudited pro forma statements of comprehensive income of the Enlarged Group for the years ended 31 December 2011 and 2012 and the six months ended 30 June 2012 and 2013 would have been if the Proposed Acquisition had taken place on 2 May 2011;

iii. The unaudited pro forma statements of changes in equity of the Enlarged Group for the year ended 31 December 2012 and the six months ended 30 June 2013 would have been if the Proposed Acquisition had taken place on 31 December 2012 and 30 June 2013, respectively; and

iv. The unaudited pro forma statements of cash flows of the Enlarged Group for the year ended 31 December 2012 and the six months ended 30 June 2013 would have been if the Proposed Acquisition had taken place on 1 January 2012.

The Unaudited Pro Forma Financial Information is provided for informational purposes only and is not necessarily indicative of the financial position, operating results, changes in equity or cash flows, that would have occurred if the Proposed Acquisition had been completed as of the dates set forth above, nor is it indicative of the future results, changes in equity or cash flows of the Enlarged Group.

4.2 The Unaudited Pro Forma Financial Information has been compiled based on the following:

i. The audited consolidated financial statements of the DMPL Group for the years ended 31 December 2011 and 2012 and unaudited condensed consolidated interim financial statements of the DMPL Group for the six months ended 30 June 2013, which were prepared in accordance with IFRS;

ii. The audited combined financial statements of the Vendor’s Consumer Products Business for the years ended 29 April 2012 and 28 April 2013, and unaudited combined financial statements of the Vendor’s Consumer Products Business for the three months ended 29 July 2012 and 28 July 2013, prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”); and

iii. The unaudited management accounts of the Vendor’s Consumer Products Business for the relevant periods required for the pro forma adjustments.

The auditors’ reports on the abovementioned audited financial statements do not contain any qualification.

The Unaudited Pro Forma Financial Information has been compiled in a manner consistent with the accounting policies adopted by the DMPL Group which are in accordance with IFRS. All transactions between the Consumer Food Business and the DMPL Group, and any unrealised income or expenses arising from the intra-group transactions, are eliminated in preparing the Unaudited Pro Forma Financial Information of the Enlarged Group.

4.3 For the purposes of preparing the Unaudited Pro Forma Financial Information of the Enlarged Group for the years ended 31 December 2011 and 2012, and the six months ended 30 June 2012 and 2013, the following key adjustments and assumptions were made:

i. Year end alignment adjustments

The DMPL Group's financial year end is 31 December and the Vendor operates on a 52 or 53 week financial year ending on the Sunday closest to 30 April. Adjustments were made to align the financial information of the Vendor's Consumer Products Business with the financial year/period of the DMPL Group. The year end alignment adjustments have been computed on the basis of preparation set out in the audited combined financial statements of the Vendor's Consumer Products Business for the fiscal years ended 29 April 2012 and 28 April 2013.

The Unaudited Pro Forma Statement of Comprehensive Income for the Enlarged Group for the year ended 31 December 2010 is not prepared, and for the year ended 31 December 2011, the Unaudited Pro Forma Statement of Comprehensive Income comprises the results of the Vendor's Consumer Products Business for the eight months from 2 May 2011 to 31 December 2011. This is attributable to:

- The Vendor's acquisition by KKR & Co, L.P., Vestar Capital Partners and Centerview Capital L.P. on 8 March 2011. The financial statements of the Vendor for periods after 8 March 2011 were not prepared on the same accounting basis that would apply to the financial statements prior to 8 March 2011 due to the application of acquisition accounting and changes in the Vendor's capital structure resulting from the 8 March 2011 acquisition. Therefore, any such financial information for periods prior to 8 March 2011 would not accurately reflect the operating performance of the Consumer Food Business; and

- With respect to periods from 8 March 2011 through to 1 May 2011, the Company was informed that the Vendor does not possess the information that is needed to undertake the work to prepare the necessary financial statements for the period from 8 March 2011 to 1 May 2011.

ii. Adjustments in relation to Excluded Assets

Under the Purchase Agreement, certain assets of the Vendor's Consumer Products Business are not being acquired and certain of its liabilities are not being assumed by the Acquirer. Adjustments were made to remove these excluded assets and liabilities (collectively referred to as "Excluded Assets") from the Vendor's Consumer Products Business to derive the Consumer Food Business that is to be acquired by the DMPL Group. The Excluded Assets relate mainly to the administrative and other facilities that are shared by the Vendor's pet products business and the consumer products business, certain receivables and payables, debt and related costs, and tax obligations of the Vendor.

For the purpose of the preparation of the Unaudited Pro Forma Statements of Financial Position of the Enlarged Group, adjustments were made to derecognise the Excluded Assets. However, no adjustments have been made to the Unaudited Pro Forma Statements of Comprehensive Income and Unaudited Pro Forma Statements of Cash Flows for the Enlarged Group, except for the interest expense and cash flows pertaining to the existing debts of the Vendor.

The interest expense and financing cash flows relating to the existing debts of the Vendor have been excluded and replaced by the debts expected to be incurred by the Enlarged Group under the Financing Arrangements to fund the Proposed Acquisition.

iii. Accounting policies alignment

The Unaudited Pro Forma Financial Information of the Enlarged Group is prepared in accordance with the accounting policies of the DMPL Group which is in accordance with IFRS. Adjustments were made to the audited U.S. GAAP financial statements of the Vendor's Consumer Products Business to align the presentation format to the Enlarged Group's financial statements presentation. Adjustments were also made to align such financial statements with IFRS. See Note 6 for the discussion on the differences between U.S. GAAP and IFRS.

iv. Business combination adjustments

The Enlarged Group accounted for the Proposed Acquisition in accordance with IFRS 3 Business Combinations.

The consideration to be paid for the Proposed Acquisition is estimated to be approximately $1.675 billion, and no adjustment has been made for the working capital. The full amount is assumed to be paid on the date of the acquisition through the Financing Arrangements set out in Note 2.

The following table summarises the components of the estimated purchase consideration:

	US$'000
Purchase consideration	1,675,000
Less: Loss on settlement of pre-existing contractual relationship between the DMPL Group and the Consumer Food Business	(1,988)
Amount to be used for purchase price allocation	**1,673,012**

The loss on settlement of pre-existing relationship with the Consumer Food Business is estimated using the off market amount applied to the supply transactions from July 2013 to November 2014 when the supply contract expires.

Under the acquisition method of accounting, the identifiable assets acquired and liabilities assumed of the Consumer Food Business are recorded at the acquisition date fair values. For this purpose, preliminary provisional fair values have been assigned to the assets and liabilities of the Consumer Food Business to illustrate the estimated effect of the Proposed Acquisition based on available public information and Management's projections of the Consumer Food Business. The actual purchase price allocation exercise will be conducted upon the completion of the Proposed Acquisition and the actual valuation of the assets acquired and liabilities assumed could be materially different from the preliminary provisional fair values.

The preliminary provisional fair values used for the purposes of preparing the Unaudited Pro Forma Financial Information of the Enlarged Group are:

Property, plant and equipment	$430 million
Intangible assets (customer relationships, trademarks and trade names)	$575 million
Inventories	$617 million, $869 million and $635 million at 2 May 2011, 31 December 2012 and 30 June 2013; respectively.
Other assets and liabilities	Book value approximates fair value

Based on the above assumptions, the goodwill arising had the Proposed Acquisition taken place on 31 December 2012 and at 30 June 2013 amounted to $1.3 million and $203.8 million, respectively.

For all the periods presented herein, it has been assumed that there is no impairment on goodwill and intangible assets.

v. Adjustments to reflect the arrangements to fund the Proposed Acquisition

In relation to the Financing Arrangements set out in Note 2, the following assumptions are made:

- The bridging loan of $350.0 million has been assumed to be drawn down on the date of Proposed Acquisition and retired at the end of the six months subsequent to the date of the Proposed Acquisition.

- At the time of filing of this Circular, the Company expects to issue Preferred Shares in time to retire the bridging loan of $350.0 million in six months from the date of the Proposed Acquisition. The Preferred Shares are assumed to be equity in nature and accordingly, no further interest expense is expected to be incurred upon the issuance of Preferred Shares.

- The Company expects to retire the bridging facility of $165.0 million within four months from the date of the Proposed Acquisition by issuing additional equity. As such, the interest expense related to this facility is only for the four months in 2011.

- The bridging loan of $75.5 million has been assumed to be drawn down on the date of the Proposed Acquisition and retired at the end of the six months subsequent to the date of the Proposed Acquisition. The Company expects to obtain a mid-term loan of $75.5 million to retire the bridging credit facility.

- The total financing fees deducted at source amounted to $20.3 million.

- All interest expenses are assumed to be paid in the year they are incurred.

- The following interest rates and repayments of the various loans have been assumed based on the current term sheets of these facilities:

Loan	Repayment terms	Estimated interest rates (per annum)	Amount of loan (US$'m)	For the year ended 31 December 2012 (US$'m)	For the six months ended 30 June 2013 (US$'m)
First lien term loan	7-year loan with 1% on principal per annum with a bullet payment on maturity *	4.25%	710.0	(7.1)	(3.6)
Second lien term loan	7.5-year loan with 1% on principal per annum with a bullet payment on maturity *	8.25%	260.0	(2.6)	(1.3)
Bridging loan	6 months loan with 100% on maturity	4.00%	350.0	(350.0)	-
Bridging facility	4 months facility with 100% on maturity	3.50%	165.0	(165.0)	-
Bridging facility	6 months facility with 100% on maturity	2.1%	75.5	(75.5)	-
Existing credit facility	3 years facility with 100% on maturity	2.1%	80.0	-	-
Mid-term loan	3 years facility with 100% on maturity	2.1%	75.5	75.5	-

* Based on negotiations between the Company and its lenders, the Company is expected to make additional repayments equal to 50% of excess cash flow. No additional repayment has been assumed in the preparation of the statement of cash flows. The actual repayments for the loans may differ from the repayments assumed.

vi. The estimated professional fees and other transaction costs of $27.8 million are assumed to be funded by the short term borrowings taken by the Company and paid within a year from the Proposed Acquisition. These costs may differ from the actual costs at the completion of the Proposed Acquisition. Such costs are assumed to be tax deductible.

vii. The working capital needs of the Vendor's Consumer Product Business were previously funded by the Vendor's internally generated cash and no external borrowing has been assumed for the working capital needs of the Consumer Food Business.

viii. It is assumed that any taxes arising for the periods presented therein are paid within the periods concerned.

5. Statements of Adjustments

The tables in the following six pages set out the adjustments that have been made in arriving at the Unaudited Pro Forma Financial Information of the Enlarged Group for the respective periods and period ends.

(i) Unaudited Pro Forma Statement of Financial Position as at 31 December 2012 (US$'000)

	Vendor's Consumer Products Business as of 28 April 2013 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align to reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business (Unaudited)	IFRS Adjustments (Note 4.3 (iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Audited)	Elimination of intercompany transactions	Business Combination Adjustments (Note 4.3 (iv))	Financing and Other Adjustments (Notes 4.3 (v), 4.3 (vi))	Enlarged Group (Unaudited)
Non-current assets												
Property, plant and equipment	437,049	(42,633)	(1,824)	392,592	6,408	**6(a)**	399,000	93,350	-	31,238	-	523,588
Joint venture	-	-	-	-	-		-	21,507	-	-	-	21,507
Goodwill	143,576	-	-	143,576	-		143,576	-	-	(142,271)	-	1,305
Intangible assets	804,478	3,968	-	808,446	-		808,446	15,433	-	(233,446)	-	590,433
Deferred tax assets	1,269	1,113	-	2,382	(333)	**6(a), (h)**	2,049	698	-	3,088	11,697	17,532
Other assets	44,251	1,966	(41,442)	4,775	77	**6(a)**	4,852	14,466	-	(3,968)	-	15,350
	1,430,623	(35,586)	(43,266)	1,351,771	6,152		1,357,923	145,454	-	(345,359)	11,697	1,169,715
Current assets												
Deferred tax assets	3,084	(588)	-	2,496	(2,496)	**6(h)**	-	-	-	-	-	-
Inventories	550,199	220,501	-	770,700	6,197	**6(a), (b), (c)**	776,897	113,458	-	91,674	-	982,029
Biological assets	-	-	-	-	-		-	109,665	-	-	-	109,665
Trade and other receivables	156,999	45,588	(18,839)	183,748	(15,324)	**6(a), (c)**	168,424	102,388	(9,514)	(495)	-	260,803
Cash and cash equivalents	12,794	(9,730)	-	3,064	447	**6(a)**	3,511	24,555	-	(1,675,000)	1,702,800	55,866
	723,076	255,771	(18,839)	960,008	(11,176)		948,832	350,066	(9,514)	(1,583,821)	1,702,800	1,408,363
Total Assets	2,153,699	220,185	(62,105)	2,311,779	(5,024)		2,306,755	495,520	(9,514)	(1,929,180)	1,714,497	2,578,078
Equity												
Share Capital	18,655	-	-	18,655	-		18,655	10,818	-	(18,655)	-	10,818
Reserves	233,277	278,762	1,412,693	1,924,732	(25,043)	**6(g)**	1,899,689	244,422	-	(1,900,922)	(19,881)	223,308
Equity attributable to owners of the Company	251,932	278,762	1,412,693	1,943,387	(25,043)		1,918,344	255,240	-	(1,919,577)	(19,881)	234,126
Non-controlling interests	-	-	-	-	-		-	(1,939)	-	-	74,500	72,561
Total equity	251,932	278,762	1,412,693	1,943,387	(25,043)		1,918,344	253,301	-	(1,919,577)	54,619	306,687
Non-current liabilities												
Financial liabilities	1,087,990	(13,533)	(1,074,457)	-	-		-	15,679	-	-	1,117,413	1,133,092
Employee benefits	-	-	-	-	-		-	-	-	-	5,208	5,208
Deferred tax liabilities	307,748	-	(305,076)	2,672	(2,672)	**6(h)**	-	-	-	-	-	-
Other non-current liabilities	183,827	(33,810)	(23,156)	126,861	12,594	**6(a), (e)**	139,455	-	-	(9,603)	-	129,852
	1,579,565	(47,343)	(1,402,689)	129,533	9,922		139,455	15,679	-	(9,603)	1,122,621	1,268,152
Current Liabilities												
Trade and other payables	251,988	15,173	(32,954)	234,207	10,056	**6(a), (e)**	244,263	95,459	(9,514)	-	26,370	356,578
Financial liabilities	55,808	(26,407)	(24,749)	4,652	41	**6(a)**	4,693	125,907	-	-	510,887	641,487
Current tax liabilities	14,406	-	(14,406)	-	-		-	5,174	-	-	-	5,174
	322,202	(11,234)	(72,109)	238,859	10,097		248,956	226,540	(9,514)	-	537,257	1,003,239
Total liabilities	1,901,767	(58,577)	(1,474,798)	368,392	20,019		388,411	242,219	(9,514)	(9,603)	1,659,878	2,271,391
Total equity and liabilities	2,153,699	220,185	(62,105)	2,311,779	(5,024)		2,306,755	495,520	(9,514)	(1,929,180)	1,714,497	2,578,078

(ii) Unaudited Pro Forma Statement of Financial Position as at 30 June 2013 (US$'000)

	Vendor's Consumer Products Business as of 28 April 2013 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align to reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business (Unaudited)	IFRS Adjustments (Note 4.3 (iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Unaudited)	Elimination of intercompany transactions	Business Combination Adjustments (Note 4.3(iv))	Financing and Other Adjustments (Notes 4.3 (v) and 4.3 (vi))	Enlarged Group (Unaudited)
Non-current assets												
Property, plant and equipment	437,049	(30,771)	(1,484)	404,794	6,394	**6(a)**	411,188	88,705	-	19,050	-	518,943
Joint venture	-	-	-	-	-		-	20,539	-	-	-	20,539
Goodwill	143,576	-	-	143,576	-		143,576	-	-	60,228	-	203,804
Intangible assets	804,478	(1,984)	-	802,494	-		802,494	15,148	-	(227,494)	-	590,148
Deferred tax assets	1,269	(259)	-	1,010	2,721	**6(a), (h)**	3,731	401	-	755	10,564	15,451
Other assets	44,251	(62)	(35,490)	8,699	77	**6(a)**	8,776	17,961	-	(3,761)	-	22,976
Employee benefits	-	-	-	-	-		-	2,692	-	-	-	2,692
	1,430,623	(33,076)	(36,974)	1,360,573	9,192		1,369,765	145,446	-	(151,222)	10,564	1,374,553
Current assets												
Deferred tax assets	3,084	-	-	3,084	(3,084)	**6(i)**	-	-	-	-	-	-
Inventories	550,199	1,501	-	551,700	16,632	**6(a), (b), (c)**	568,332	127,114	-	67,063	-	762,509
Biological assets	-	-	-	-	-		-	109,366	-	-	-	109,366
Trade and other receivables	156,999	27,952	(15,288)	169,663	(16,804)	**6(a), (c)**	152,859	94,954	(11,099)	(495)	-	236,219
Cash and cash equivalents	12,794	(10,246)	-	2,548	446	**6(a)**	2,994	18,894	-	(1,675,000)	1,702,800	49,688
	723,076	19,207	(15,288)	726,995	(2,810)		724,185	350,328	(11,099)	(1,608,432)	1,702,800	1,157,782
Total assets	2,153,699	(13,869)	(52,262)	2,087,568	6,382		2,093,950	495,774	(11,099)	(1,759,654)	1,713,364	2,532,335
Equity												
Share capital	18,655	-	-	18,655	-		18,655	12,975	-	(18,655)	-	12,975
Reserves	233,277	51,841	1,449,786	1,734,904	(4,722)	**6(g)**	1,730,182	224,891	-	(1,731,415)	(17,236)	206,422
Equity attributable to owners of the Company	251,932	51,841	1,449,786	1,753,559	(4,722)		1,748,837	237,866	-	(1,750,070)	(17,236)	219,397
Non-controlling interests	-	-	-	-	-		-	(2,124)	-	-	74,500	72,376
Total equity	251,932	51,841	1,449,786	1,753,559	(4,722)		1,748,837	235,742	-	(1,750,070)	57,264	291,773
Non-current liabilities												
Financial liabilities	1,087,990	25	(1,088,015)	-	-		-	14,933	-	-	1,117,413	1,132,346
Deferred tax liabilities	307,748	-	(304,812)	2,936	(2,936)	**6(h)**	-	-	-	-	-	-
Other non-current liabilities	183,827	(35,163)	(16,764)	131,900	6,257	**6(a), (e)**	138,157	-	-	(9,584)	-	128,573
	1,579,565	(35,138)	(1,409,591)	134,836	3,321		138,157	14,933	-	(9,584)	1,117,413	1,260,919
Current liabilities												
Trade and other payables	251,988	(23,846)	(31,192)	196,950	7,980	**6(a), (e)**	204,930	77,300	(11,099)	-	27,800	298,931
Financial liabilities	55,808	(6,726)	(46,859)	2,223	(197)	**6(a)**	2,026	166,127	-	-	510,887	679,040
Current tax liabilities	14,406	-	(14,406)	-	-		-	1,672	-	-	-	1,672
	322,202	(30,572)	(92,457)	199,173	7,783		206,956	245,099	(11,099)	-	538,687	979,643
Total liabilities	1,901,767	(65,710)	(1,502,048)	334,009	11,104		345,113	260,032	(11,099)	(9,584)	1,656,100	2,240,562
Total equity and liabilities	2,153,699	(13,869)	(52,262)	2,087,568	6,382		2,093,950	495,774	(11,099)	(1,759,654)	1,713,364	2,532,335

(iii) Unaudited Pro Forma Statement of Comprehensive Income for the year ended 31 December 2011 (US$'000)

	Vendor's Consumer Products Business Financial year ended 29 April 2012 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align to reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business U.S. GAAP (Unaudited)	IFRS Adjustments (Note 4.3 (iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Audited)	Elimination of intercompany transactions	Business Combinations Adjustments (Note 4.3(iv))	Financing and Other Adjustments (Notes 4.3 (v) and 4.3 (vi))	Enlarged Group (Unaudited)
Revenue	1,815,397	(599,228)	-	1,216,169	11,822	6(a)	1,227,991	425,235	(17,331)	-	-	1,635,895
Cost of sales	(1,404,310)	467,035	-	(937,275)	(9,483)	6(a)(b)	(946,758)	(323,810)	15,669	(1,594)	-	(1,256,493)
Gross profit	411,087	(132,193)	-	278,894	2,339		281,233	101,425	(1,662)	(1,594)	-	379,402
Distribution and selling expenses	(164,447)	53,872	-	(110,575)	2,619	6(a), (d) (e)	(107,956)	(25,113)	-	-	-	(133,069)
General and administrative expenses	(117,168)	41,154	-	(76,014)	2,017	6(a), (d) (e)	(73,997)	(26,627)	-	2,017	(27,800)	(126,407)
Other expenses	(49,203)	39,340	-	(9,863)	-		(9,863)	(5,400)	-	-	(1,988)	(17,251)
Results from operating activities	80,269	2,173	-	82,442	6,975		89,417	44,285	(1,662)	423	(29,788)	102,675
Finance income	-	-	-	-	-		-	1,460	-	-	-	1,460
Finance expense	(64,709)	21,570	43,139	-	-		-	(3,057)	-	-	(59,032)	(62,089)
Net finance expense	(64,709)	21,570	43,139	-	-		-	(1,597)	-	-	(59,032)	(60,629)
Share of loss of joint venture, net of tax	-	-	-	-	-		-	(10,589)	-	-	-	(10,589)
Profit/(Loss) before taxation	15,560	23,743	43,139	82,442	6,975		89,417	32,099	(1,662)	423	(88,820)	31,457
Tax (expense)/credit	(2,708)	(8,136)	(15,099)	(25,943)	(4,538)	6(f)	(30,481)	(5,508)	632	-	30,936	(4,421)
Profit/(Loss) for the year	12,852	15,607	28,040	56,499	2,437		58,936	26,591	(1,030)	423	(57,884)	27,036
Other comprehensive (loss)/income												
Exchange differences on translation of foreign operations	-	-	-	-	-		-	(1,670)	-	-	-	(1,670)
Net gain on revaluation of property, plant and equipment, net of tax	-	-	-	-	-		-	226	-	-	-	226
Pension liability adjustment, net of tax	(11,800)	-	-	(11,800)	2,791	6(e)	(9,009)	-	-	-	-	(9,009)
Other comprehensive (loss)/income for the year, net of tax	(11,800)	-	-	(11,800)	2,791		(9,009)	(1,444)	-	-	-	(10,453)
Total comprehensive income/(loss) for the year	1,052	15,607	28,040	44,699	5,228		49,927	25,147	(1,030)	423	(57,884)	16,583
Profit/(Loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(850)	-	-	1,959	1,109
Owners of the Company	12,852	15,607	28,040	56,499	2,437		58,936	27,441	(1,030)	423	(59,843)	25,927
	12,852	15,607	28,040	56,499	2,437		58,936	26,591	(1,030)	423	(57,884)	27,036
Total comprehensive income/(loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(850)	-	-	1,959	1,109
Owners of the Company	1,052	15,607	28,040	44,699	5,228		49,927	25,997	(1,030)	423	(59,843)	15,474
	1,052	15,607	28,040	44,699	5,228		49,927	25,147	(1,030)	423	(57,884)	16,583

(iv) Unaudited Pro Forma Statement of Comprehensive Income for the year ended 31 December 2012 (US$'000)

	Vendor's Consumer Products Business Financial year ended 28 April 2013 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align to reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business U.S. GAAP (Unaudited)	IFRS Adjustments (Note 4.3 (iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Audited)	Elimination of intercompany transactions	Business Combinations Adjustments (Note 4.3 (iv))	Financing and Other Adjustments (Notes 4.3 (v) and 4.3 (vi))	Enlarged Group (Unaudited)
Revenue	1,830,411	(1,955)	-	1,828,456	(2,465)	**6(a)**	1,825,991	459,711	(16,150)	-	-	2,269,552
Cost of sales	(1,421,712)	6,050	-	(1,415,662)	(26,531)	**6(a), (b)**	(1,442,193)	(346,912)	14,196	(2,394)	-	(1,777,303)
Gross profit	408,699	4,095	-	412,794	(28,996)		383,798	112,799	(1,954)	(2,394)	-	492,249
Distribution and selling expenses	(185,518)	7,913	-	(177,605)	5,220	**6(a), (d), (e)**	(172,385)	(31,537)	-	-	-	(203,922)
General and administrative expenses	(129,325)	3,130	-	(126,195)	3,445	**6(a), (d), (e)**	(122,750)	(28,017)	-	3,514	-	(147,253)
Other expenses	(92)	(14,043)	-	(14,135)	-		(14,135)	(3,383)	-	-	-	(17,518)
Results from operating activities	93,764	1,095	-	94,859	(20,331)		74,528	49,862	(1,954)	1,120	-	123,556
Finance income	-	-	-	-	-		-	824	-	-	-	824
Finance expense	(66,564)	-	66,564	-	-		-	(3,883)	-	-	(56,133)	(60,016)
Net finance expense	(66,564)	-	66,564	-	-		-	(3,059)	-	-	(56,133)	(59,192)
Share of loss of joint venture, net of tax	-	-	-	-	-		-	(6,090)	-	-	-	(6,090)
Profit/(Loss) before taxation	27,200	1,095	66,564	94,859	(20,331)		74,528	40,713	(1,954)	1,120	(56,133)	58,274
Tax (expense)/credit	(8,386)	(270)	(23,297)	(31,953)	5,577	**6(f)**	(26,376)	(9,088)	743	-	19,534	(15,187)
Profit/(Loss) for the year	18,814	825	43,267	62,906	(14,754)		48,152	31,625	(1,211)	1,120	(36,599)	43,087
Other comprehensive income/(loss)												
Exchange differences on translation of foreign operations	-	-	-	-	-		-	15,398	-	-	-	15,398
Defined benefit plan remeasurements, net of tax (IAS 19)	-	-	-	-	-		-	-	-	-	895	895
Pension liability adjustment, net of tax	1,200	-	-	1,200	(4,700)	**6(e)**	(3,500)	-	-	-	-	(3,500)
Other comprehensive income/(loss) for the year, net of tax	1,200	-	-	1,200	(4,700)		(3,500)	15,398	-	-	895	12,793
Total comprehensive income/(loss) for the year	20,014	825	43,267	64,106	(19,454)		44,652	47,023	(1,211)	1,120	(35,704)	55,880
Profit/(Loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(465)	-	-	1,554	1,089
Owners of the Company	18,814	825	43,267	62,906	(14,754)		48,152	32,090	(1,211)	1,120	(38,153)	41,998
	18,814	825	43,267	62,906	(14,754)		48,152	31,625	(1,211)	1,120	(36,599)	43,087
Total comprehensive income/(loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(465)	-	-	1,554	1,089
Owners of the Company	20,014	825	43,267	64,106	(19,454)		44,652	47,488	(1,211)	1,120	(37,258)	54,791
	20,014	825	43,267	64,106	(19,454)		44,652	47,023	(1,211)	1,120	(35,704)	55,880

(v) Unaudited Pro Forma Statement of Comprehensive Income for the six months 30 June 2012 (US$'000)

	Vendor's Consumer Products Business Financial year ended 29 April 2012 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align the reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business U.S. GAAP (Unaudited)	IFRS Adjustments (Note 4.3(iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Unaudited)	Elimination of intercompany transactions	Business Combinations Adjustments (Note 4.3(iv))	Financing and Other Adjustments (Notes 4.3(v) and 4.3 (vi))	Enlarged Group (Unaudited)
Revenue	1,815,397	(1,003,853)	-	811,544	282	**6(a)**	811,826	183,606	(17,720)	-	-	977,712
Cost of sales	(1,404,310)	765,121	-	(639,189)	(18,583)	**6(a), (b)**	(657,772)	(138,990)	16,334	(1,195)	-	(781,623)
Gross profit	411,087	(238,732)	-	172,355	(18,301)		154,054	44,616	(1,386)	(1,195)	-	196,089
Distribution and selling expenses	(164,447)	86,043	-	(78,404)	6,773	**6(a), (d), (e)**	(71,631)	(14,016)	-	-	-	(85,647)
General and administrative expenses	(117,168)	55,507	-	(61,661)	4,768	**6(a), (d), (e)**	(56,893)	(12,345)	-	2,440	-	(66,798)
Other expenses	(49,203)	32,006	-	(17,197)	-		(17,197)	(571)	-	-	-	(17,768)
Results from operating activities	80,269	(65,176)	-	15,093	(6,760)		8,333	17,684	(1,386)	1,245	-	25,876
Finance income	-	-	-	-	-		-	360	-	-	-	360
Finance expense	(64,709)	32,354	32,355	-	-		-	(1,731)	-	-	(28,144)	(29,875)
Net finance expense	(64,709)	32,354	32,355	-	-		-	(1,371)	-	-	(28,144)	(29,515)
Share of loss of joint venture, net of tax	-	-	-	-	-		-	(3,514)	-	-	-	(3,514)
Profit/(Loss) before taxation	15,560	(32,822)	32,355	15,093	(6,760)		8,333	12,799	(1,386)	1,245	(28,144)	(7,153)
Tax (expense)/credit	(2,708)	11,272	(13,314)	(4,750)	2,338	**6(f)**	(2,412)	(2,648)	527	-	9,794	5,261
Profit/(Loss) for the period	12,852	(21,550)	19,041	10,343	(4,422)		5,921	10,151	(859)	1,245	(18,350)	(1,892)
Other comprehensive income												
Exchange differences on translation of foreign operations	-	-	-	-	-		-	8,521	-	-	-	8,521
Defined benefit plan remeasurements, net of tax (IAS 19)	-	-	-	-	-		-	1,006	-	-	-	1,006
Pension liability adjustment, net of tax	(11,800)	-	-	(11,800)	7,280	**6(e)**	(4,520)	-	-	-	-	(4,520)
Other comprehensive (loss)/income for the period, net of tax	(11,800)	-	-	(11,800)	7,280		(4,520)	9,527	-	-	-	5,007
Total comprehensive income/(loss) for the period	1,052	(21,550)	19,041	(1,457)	2,858		1,401	19,678	(859)	1,245	(18,350)	3,115
Profit/(Loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(282)	-	-	(975)	(1,257)
Owners of the Company	12,852	(21,550)	19,041	10,343	(4,422)		5,921	10,433	(859)	1,245	(17,375)	(635)
	12,852	(21,550)	19,041	10,343	(4,422)		5,921	10,151	(859)	1,245	(18,350)	(1,892)
Total comprehensive income/(loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(282)	-	-	(975)	(1,257)
Owners of the Company	1,052	(21,550)	19,041	(1,457)	2,858		1,401	19,960	(859)	1,245	(17,375)	4,372
	1,052	(21,550)	19,041	(1,457)	2,858		1,401	19,678	(859)	1,245	(18,350)	3,115

(vi) Unaudited Pro Forma Statement of Comprehensive Income for the six months 30 June 2013 (US$'000)

	Vendor's Consumer Products Business Financial year ended 28 April 2013 U.S. GAAP (Audited with presentation adjustments (Note 4.3 (iii))	Adjustments to align the reporting periods (Note 4.3 (i))	Adjustments to exclude Excluded Assets (Note 4.3 (ii))	Consumer Food Business U.S. GAAP (Unaudited)	IFRS Adjustments (Note 4.3(iii))		Consumer Food Business (IFRS) before intercompany eliminations (Unaudited)	Del Monte Pacific Limited (Unaudited)	Elimination of intercompany transactions	Business Combinations Adjustments (Note 4.3(iv))	Financing and Other Adjustments (Notes 4.3 (v) and 4.3 (vi))	Enlarged Group (Unaudited)
Revenue	1,830,411	(1,003,373)	-	827,038	616	**6(a)**	827,654	208,412	(19,508)	-	-	1,016,558
Cost of sales	(1,421,712)	774,674	-	(647,038)	(1,006)	**6(a), (b)**	(648,044)	(160,250)	15,707	(1,195)	-	(793,782)
Gross profit	408,699	(228,699)	-	180,000	(390)		179,610	48,162	(3,801)	(1,195)	-	222,776
Distribution and selling expenses	(185,518)	103,799	-	(81,719)	3,627	**6(a), (d), (e)**	(78,092)	(15,222)	-	-	-	(93,314)
General and administrative expenses	(129,325)	63,086	-	(66,239)	2,859	**6(a), (d), (e)**	(63,380)	(12,878)	-	1,075	-	(75,183)
Other expenses	(92)	(941)	-	(1,033)	-		(1,033)	(1,921)	-	-	-	(2,954)
Results from operating activities	93,764	(62,755)	-	31,009	6,096		37,105	18,141	(3,801)	(120)	-	51,325
Finance income	-	-	-	-	-		-	264	-	-	-	264
Finance expense	(66,564)	33,282	33,282	-	-		-	(2,573)	-	-	(27,908)	(30,481)
Net finance expense	(66,564)	33,282	33,282	-	-		-	(2,309)	-	-	(27,908)	(30,217)
Share of loss of joint venture, net of tax	-	-	-	-	-		-	(2,616)	-	-	-	(2,616)
Profit/(Loss) before taxation	27,200	(29,473)	33,282	31,009	6,096		37,105	13,216	(3,801)	(120)	(27,908)	18,492
Tax (expense)/credit	(8,386)	8,014	(10,073)	(10,445)	(2,108)	**6(f)**	(12,553)	(2,758)	1,444	-	9,712	(4,155)
Profit/(Loss) for the period	18,814	(21,459)	23,209	20,564	3,988		24,552	10,458	(2,357)	(120)	(18,196)	14,337
Other comprehensive income												
Exchange differences on translation of foreign operations	-	-	-	-	-		-	(13,217)	-	-	-	(13,217)
Defined benefit plan remeasurements, net of tax (IAS 19)	-	-	-	-	-		-	5,494	-	-	-	5,494
Pension liability adjustment, net of tax	1,200	-	-	1,200	(40)	**6(e)**	1,160	-	-	-	-	1,160
Other comprehensive income/(loss) for the period, net of tax	1,200	-	-	1,200	(40)		1,160	(7,723)	-	-	-	(6,563)
Total comprehensive income/(loss) for the period	20,014	(21,459)	23,209	21,764	3,948		25,712	2,735	(2,357)	(120)	(18,196)	7,774
Profit/(Loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(185)	-	-	767	582
Owners of the Company	18,814	(21,459)	23,209	20,564	3,988		24,552	10,643	(2,357)	(120)	(18,963)	13,755
	18,814	(21,459)	23,209	20,564	3,988		24,552	10,458	(2,357)	(120)	(18,196)	14,337
Total comprehensive income/(loss) attributable to:												
Non-controlling interests	-	-	-	-	-		-	(185)	-	-	767	582
Owners of the Company	20,014	(21,459)	23,209	21,764	3,948		25,712	2,920	(2,357)	(120)	(18,963)	7,192
	20,014	(21,459)	23,209	21,764	3,948		25,712	2,735	(2,357)	(120)	(18,196)	7,774

6. IFRS Adjustments

a. U.S. GAAP and IFRS differ in their approaches for hyperinflationary accounting. The Consumer Food Business has operations in Venezuela, a hyperinflationary economy. Accordingly, adjustments have been made to align to IFRS.

b. The Consumer Food Business employs the "Last-in-first-out" (LIFO) method to measure its domestic inventories in its U.S. GAAP financial statements. Adjustments have been made to bring the costing of inventories of the Consumer Food Business to be aligned with the Enlarged Group's policy of the weighted-average costing method.

c. The Consumer Food Business classifies spare parts and supplies as prepaid and other assets in its U.S. GAAP financial statements. Under IFRS, such spare parts should be classified as inventories if they will be consumed in less than a year and property, plant and equipment if they are consumed over a longer period. A reclassification of these items to inventories has been made.

d. Under U.S. GAAP, the Consumer Food Business recognises compensation cost for awards that vest in instalments solely based on service conditions on a straight-line basis. Adjustments were made to recognise these compensation costs based on the accelerated method as required by IFRS.

   In addition, during the period ended 30 June 2013, the Consumer Food Business modified certain conditions for the outstanding share options. As a result of the modification, the Consumer Food Business reversed the compensation expense that was previously recorded on these options in its U.S. GAAP financial statements, as the vesting of these options was not considered probable of being achieved. Under IFRS, the modification was assessed to be not beneficial, and these options were accounted for as if the conditions of the share options have not been changed. Accordingly, adjustments were made to derecognise the reversal made under U.S. GAAP.

e. Adjustments were made to account for the differences in respect of the following areas of compensation expense:

   Multi-employer plans accounted for as defined contribution plans under U.S. GAAP have been accounted for as defined benefit plans under IFRS.

   The actuarial gains and losses have been recognised in other comprehensive income under IFRS, whereas their recognition was deferred under the corridor method in the U.S. GAAP financial statements.

   The full expected return on plan assets has been recognised in the profit or loss of the Consumer Food Business' U.S. GAAP financial statements. However, under IFRS, only the "net interest" expense (income) on the net defined benefit liability (or asset) is recognised in the profit or loss.

f. This adjustment represents the tax effect of the adjustments outlined above.

g. This adjustment represents the equity impact of the adjustments outlined above.

h. Under U.S. GAAP, the Consumer Food Business presents certain deferred tax balances as current whilst under IFRS, all deferred tax balances are presented as non-current.

7. Earnings per Share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during each of the financial year/period.

For the purpose of calculating pro forma basic and diluted earnings per share it has been assumed that all ordinary shares issued as a part of this Proposed Acquisition were outstanding from 2 May 2011.

	Year ended 31 December		Six months ended 30 June	
	2011	**2012**	**2012**	**2013**
Pro forma basic earnings/(loss) per share based on (US$'000):				
Net earnings attributable to equity owners of the Company	25,927	41,998	(635)	13,755
Pro forma basic weighted average number of ordinary shares ('000):				
Issued ordinary shares at 1 January	1,081,781	1,081,781	1,081,781	1,081,781
Effect of own shares held	(4,871)	(8,614)	(8,614)	(11,677)
Effect of share options exercised	1,512	5,508	7,055	10,777
Effect of bonus shares issued in 2013 and retrospectively adjusted	215,719	215,719	215,719	215,719
Weighted average number of ordinary shares (basic)	1,294,141	1,294,394	1,295,941	1,296,600
Pro forma basic earnings/(loss) per share (in US cents)	2.00	3.24	(0.05)	1.06

	Year ended 31 December		Six months ended 30 June	
	2011	**2012**	**2012**	**2013**
Pro forma diluted earnings/(loss) per share based on (US$'000):				
Net earnings attributable to equity owners of the Company	25,927	41,998	(635)	13,755
Pro forma diluted weighted average number of shares ('000):				
Weighted average number of ordinary shares (basic)	1,294,141	1,294,394	1,295,941	1,296,600
Potential ordinary shares issuable under share options	7,726	2,434	3,984*	900
Weighted average number of ordinary issued and potential shares assuming full conversion	1,301,867	1,296,828	1,299,925	1,297,500
Pro forma diluted earnings/(loss) per share (in US cents)	1.99	3.24	(0.05)	1.06

* Anti-dilutive, as such not factored in calculating diluted earnings/(loss) per share

As described in Note 2, the Company intends to retire the bridging loan of $350.0 million and the bridging facility of $165.0 million via the issuance of Preferred Shares and additional equity, respectively. The dilution impact of the anticipated issuance has not been included in the above calculations of the pro forma basic and diluted earnings per share as the details of the Preferred Shares and additional equity have not been determined at the date of the Circular.

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APPENDIX F

INDUSTRY PROSPECT

Information found in this Appendix that has been obtained from the public filings made by the Vendor with the U.S. Securities and Exchange Commission has been either (i) reproduced exactly as found in the source document; (ii) reproduced without substantial modification from the source document; or (iii) extracted and paraphrased from the source document.

The Company has not obtained consent from the Vendor for the publication of any information relating to the Consumer Food Business nor for the reproduction of their information extracted from the public filings by the Vendor. The Vendor does not make any representation or warranty about the information in this Circular and is not liable for the information relating to the Consumer Food Business set out in this Circular. The Company has taken reasonable care in compiling, extracting and reproducing such information. Neither the Company nor the Financial Adviser has verified the information extracted from the source and accordingly, the Company and the Financial Adviser cannot warrant that such information is true, accurate and complete, or if any fact has been omitted that would render such information false or misleading.

The Industry[30]

Overall

The United States consumer packaged goods industry is generally characterised by relatively stable long-term growth, based on modest price and population increases. Companies are facing challenges due to the current competitive promotional environment and the reduced capability to price to cover costs and maintain margins, as well as the need to differentiate their products through innovation to drive growth. However, the long-term fundamentals for the overall consumer packaged goods industry are believed to be favourable, particularly for branded manufacturers with an ability to innovate based on consumer insights through strong, well-known brands, to effectively price and to successfully partner with customers who are industry leaders. Overall consumption growth is expected to be stable over the long-term.

The Consumer Food Business' product categories are affected by consumer behavioural changes in shopping and consumption, which may be impacted by economic conditions. The Consumer Food Business reflects the current challenging economic environment with a continuing focus on value-oriented products.

Over the last decade, consumers were seen to have migrated away from the grocery channel to value channels. As a result, discounters, club stores and outlets have grown; private label has grown; and, even affluent consumers are becoming value shoppers.

The Consumer Food Business faces substantial competition throughout its product lines from numerous well-established businesses operating globally, nationally or regionally with single or multiple branded product lines. The Consumer Food Business also faces competition from private label manufacturers that compete for consumer preference, distribution, shelf space and merchandising support. The Consumer Food Business generally compete based upon brand recognition and loyalty, product packaging, quality and innovation, taste, nutrition, breadth of its product line, price and convenience.

Consumer packaged goods producers have been impacted by two key trends affecting their retail customers: cost pressures and competitive pressures. Retailers are rationalising costs in an effort to improve profitability, including efforts to reduce inventory levels, increase supply-chain efficiency and decrease working capital requirements. In addition, more traditional grocers have experienced increasing competition from club stores, supercentres, mass merchandisers and dollar stores, which generally offer every-day low prices. Retailer customers generally offer a private label store brand in addition to offering the number one and number two national or regional brands in different product categories. Sustaining strong relationships with retailers is a critical success factor for food companies.

[30] Source: Information extracted and paraphrased from pages 3-5 of the 2013 Form 10-K (Annual Report) of the Vendor which was filed with the SEC.

Market Size and Market Share

Unless otherwise indicated, all statements presented herein regarding market size and Vendor's brands and market share reflect the U.S. only and are Vendor major outlet estimates of equivalent case volume for consumer markets. These estimates are based on scanner data from multiple sources, primarily Nielsen Scanner data and are intended to reflect estimates for all major retail channels (which include grocery, Walmart, club stores and dollar stores). The source for market size and market share data underwent a significant restatement since 29 April 2012. Most notably, the data sources used for Walmart, SAM'S CLUB, were upgraded to be based completely on point-of-sale scanner data, the same type of data that is used for the grocery channel. It is believed that the resulting data is more accurate than the pre-restatement data because there is less estimation involved.

Consumer Products

The Consumer Food Business' consumer products participate in a market of approximately US$7 billion of retail sales annually. The categories in which the Consumer Food Business competes are processed fruit, vegetables, tomatoes and broth. It is believed that the Consumer Food Business' product categories fit well with the consumer trend toward healthy eating.

The Consumer Food Business sells products under the *Del Monte, Contadina, College Inn* and *S&W* brand names, as well as private label products to key customers. The Consumer Food Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with market shares of 26.6%, 23.9% and 11.3% in fiscal 2013, respectively. The Consumer Food Business has the leading market share for branded products in both processed fruit and vegetable. The Consumer Food Business' processed fruit, vegetable and tomato products are in mature categories, characterised by high household penetration. The Consumer Food Business' fruit category includes packaged produce products. Due to strong awareness of the Consumer Food Business' brands and its value-added products, the Consumer Food Business has been able to price its processed fruit, vegetable and tomato products at a premium compared to private label products. *College Inn* broth products accounted for 9.5% of the total broth category in fiscal 2013 and was the second largest branded broth product in the U.S. The Consumer Food Business' processed fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value. In fiscal 2013, the Consumer Food Business continued its new product innovations with the launches of *Del Monte Fruit Naturals* Mango Chunks, *Del Monte* Diced Mangos cups and *Del Monte* Mango Pineapple cups, making *Del Monte* the first brand to bring mangoes to the centre of store. The Consumer Food Business' competitors include branded and private label fruit, vegetable, tomato and broth processors. The Consumer Food Business's primary competitors include Dole, Seneca Foods and Pacific Coast Producers in fruit; General Mills and Seneca Foods in vegetable; Con Agra, Heinz and Unilever in tomato; and Campbell Soup and smaller regional brands in broth.

APPENDIX G

INFORMATION RELATING TO DIRECTORS AND EXECUTIVE OFFICERS

The following is a brief description of the business experience of the Company's Board of Directors and Senior Management.

Rolando C Gapud - 72, Filipino
Chairman and Non-Executive Director

Appointed on 20 January 2006 and last elected on 29 April 2011

Mr Rolando C Gapud has over 35 years of experience in banking, finance and general management, having worked as CEO of several Philippines companies, notably Security Bank and Trust Company, Oriental Petroleum and Minerals Corp and Greenfield Development Corp. He was also the COO of the joint venture operations of Bankers Trust and American Express in the Philippines. He has served on the Boards of various major Philippines companies, including the Development Bank of the Philippines and the development finance arm of the Philippines Government. Mr Gapud is also a Director of FieldFresh Foods Private Ltd, a joint venture of the Company with the Bharti Group of India. He holds a Master of Science in Industrial Management degree from the Massachusetts Institute of Technology ("**MIT**"). He is a member of the Asian Executive Board of the Sloan School in MIT.

Joselito D Campos, Jr - 63, Filipino
Executive Director

Appointed on 20 January 2006 and last elected on 28 April 2006

Mr Joselito D Campos, Jr is Chairman and CEO of the NutriAsia Group of Companies, a major food conglomerate in the Philippines. He is also Chairman of Fort Bonifacio Development Corp and Chairman of Ayala-Greenfield Development Corp, two major Philippines property developers. He is a Director of San Miguel Corporation, one of the largest and oldest business conglomerates in the Philippines. He is also a Director of FieldFresh Foods Private Ltd, a joint venture of the Company with the Bharti Group of India. He was formerly Chairman and CEO of United Laboratories, Inc and its regional subsidiaries and affiliates. Unilab is the Philippines' largest pharmaceutical company with substantial operations in the Asian region. Mr Campos is the Honorary Consul in the Philippines for the Republic of Seychelles. He is also Chairman of the Metropolitan Museum of Manila, Bonifacio Arts Foundation Inc, The Mind Museum and the Del Monte Foundation. He is a Trustee and Global Council Member of the Asia Society in the Philippines; a Trustee of the Philippines-China Business Council, the Philippines Center for Entrepreneurship and the World Wildlife Fund-Philippines; and a Director of the Philippines Eagle Society. Mr Campos holds an MBA from Cornell University.

Edgardo M Cruz, Jr - 58, Filipino
Executive Director

Appointed on 2 May 2006 and last elected on 30 April 2012

Mr Edgardo M Cruz, Jr is a member of the Board and Corporate Secretary of the NutriAsia Group of Companies. He is a member of the Board of Evergreen Holdings Inc. He sits on the Board of Fort Bonifacio Development Corporation and the BG Group of Companies. He is also a Board member and Chief Financial Officer of Bonifacio Land Corporation. He is the Chairman of the Board of Bonifacio Gas Corporation and President of Bonifacio Transport Corporation. He also sits on the Boards of Ayala Greenfield Development Corporation and Ayala Greenfield Golf and Leisure Club Inc. He is a member of the Board of Trustees of Bonifacio Arts Foundation Inc, The Mind Museum and the Del Monte Foundation. Mr Cruz earned his MBA degree from the Asian Institute of Management after graduating from De La Salle University. He is a Certified Public Accountant.

Patrick L Go - 55, Singaporean
Independent Director

Appointed on 19 April 2001 and last elected on 30 April 2013

Mr Patrick L Go is CEO of Paramount Life & General Insurance Corporation. Mr Go has over 30 years of experience in corporate finance and private equity having worked for Credit Suisse First Boston, Bank of America Asia Ltd and Bankers Trust Company. He holds a Bachelor's degree in Economics from the Wharton School, University of Pennsylvania, and an MBA from the Darden School, University of Virginia.

Dr Emil Q Javier - 73, Filipino
Independent Director

Appointed on 30 April 2007 and last elected on 30 April 2013

Dr Emil Q Javier is a Filipino agronomist widely recognised in the international community for his academic leadership and profound understanding of developing country agriculture. He was until recently the President of the National Academy of Science and Technology of the Philippines. He has served as Philippines Minister of Science and President of the University of the Philippines. He was the first and only developing country scientist to Chair the Technical Advisory Committee of the prestigious Consultative Group for International Agricultural Research (CGIAR). He was Chairman of the Board of the International Rice Research Institute (IRRI); Chair and Acting Director of the Southeast Asia Center for Graduate Study and Research in Agriculture (SEARCA); and Director General of the Asian Vegetable Research and Development Center (Taiwan). He holds doctorate and masteral degrees in plant breeding and agronomy from Cornell University and the University of Illinois. He completed his bachelor's degree in agriculture at the University of the Philippines at Los Baños.

Benedict Kwek Gim Song - 66, Singaporean
Lead Independent Director
Appointed on 30 April 2007 and last elected on 29 April 2011

Mr Benedict Kwek Gim Song is a Director and Chairman of the audit committee of NTUC Choice Homes. Mr Kwek was Chairman of Pacific Shipping Trust from 2008 to 2012. He has over 30 years of banking experience, having served as the President and CEO of Keppel TatLee Bank. He has held various key positions at Citibank in the Philippines, Hong Kong, New York and Singapore. He holds a Bachelor of Social Science (Economics) degree from the then University of Singapore and attended a management development programme at Columbia University in the United States.

Godfrey E Scotchbrook - 67, British
Independent Director
Appointed on 28 December 2000 and last elected on 30 April 2012

Mr Godfrey E Scotchbrook is an independent practitioner in corporate communications, issues management and investor relations with 42 years of experience in Asia. In 1990, he founded Scotchbrook Communications and his prior appointments included being an executive director of the then publicly listed Shui On Group. A proponent of good corporate governance, he is an Independent Director of Boustead Singapore Ltd and Hong Kong-listed Convenience Retail Asia. He is a Fellow of the Hong Kong Management Association and also of the British Chartered Institute of Public Relations.

Nils Lommerin – 49, American
Prospective Chief Executive Officer, Acquiror

Mr Nils Lommerin will be the Chief Executive Officer of Del Monte Foods Inc, a subsidiary of the Company in the United States that will assume the Consumer Food Business. He is currently the Executive Vice President and Chief Operations Officer of Vendor. He joined Vendor in March 2003 as Executive Vice President, Human Resources, was appointed Executive Vice President, Operations in July 2004 and Chief Operating Officer in January 2008. From March 1999 to July 2002, he was with Oxford Health Plans, Inc, a managed care company, where he most recently served as Executive Vice President, Operations and Corporate Services. From November 1991 to February 1999, Mr Lommerin

held a variety of senior Human Resources positions with PepsiCo, Inc, a consumer products company. From 1988 to 1991, he held manufacturing management positions with Kraft Foods Inc, a consumer products company.

Luis F Alejandro - 60, Filipino
Chief Operating Officer

Mr Luis F Alejandro has over 25 years of experience in consumer product operations and management. He started his career with Procter & Gamble where he spent 15 years in brand management before joining Kraft Foods Philippines Inc as President and General Manager. Later, he joined Southeast Asia Food Inc and Heinz UFC Philippines, Inc, two leading consumer packaged condiment companies of the NutriAsia Group, as President and Chief Operating Officer. He was most recently President and Chief Operating Officer of ABS-CBN Broadcasting Corporation, a leading media conglomerate in the Philippines. Mr Alejandro holds a Bachelor's degree in Economics from the Ateneo de Manila University and an MBA from the Asian Institute of Management.

Ignacio C O Sison – 49, Filipino
Chief Financial Officer

Mr Ignacio C O Sison has more than 20 years of finance experience spanning treasury, corporate and financial planning, controllership and, more recently, corporate sustainability. He was previously Vice President, Corporate Controller, and Vice President, Treasury and Corporate Development, of Del Monte Philippines, Inc, and Finance Director of the Company's subsidiary in Singapore. Before joining the Company in 1999, he was CFO of Macondray and Company, Inc. He also worked for SGV & Co., the largest audit firm in the Philippines, and Pepsi-Cola Products Philippines, Inc. Mr Sison holds a MS in Agricultural Economics from Oxford University. He also has a MA degree, Major in Economics, from the International University of Japan; a BA in Economics, magna cum laude, from the University of the Philippines; and an International Baccalaureate at the Lester B. Pearson United World College of the Pacific in Canada.

After Closing, Mr Ignacio C O Sison will remain as the CFO of the Enlarged Group. The Audit Committee has considered the qualifications and working experience of Mr Ignacio C O Sison and observed his abilities, familiarity and diligence in relation to the financial matters of the Enlarged Group. The Audit Committee confirms that, having made reasonable enquiries, and to the best of the knowledge and belief of the Audit Committee, nothing has come to the attention of the members of the Audit Committee to cause them to believe that Mr Ignacio C O Sison does not have the competence, character or integrity expected of the CFO of the Enlarged Group.

Richard W Blossom - 65, American

Mr Richard W Blossom is President of GTL Limited, the Company's principal export arm, and is Managing Director of the Company's Singapore-based subsidiary, DMPL Management Services Pte. Ltd. He has over 30 years of experience in general management, marketing, sales, distribution and logistics of fast moving consumer goods, having served as President of Pepsi Cola Asia Pacific, PepsiCo Foods Asia Pacific, Revlon Asia Pacific, and CEO of Dohler Asia and EAC Consumer Products. Mr Blossom obtained his MBA in Marketing from New York University's Stern School of Business.

Tan Chooi Khim - 52, Malaysian

Ms Tan Chooi Khim has more than 20 years of experience in the fast moving consumer goods industry spanning areas of general management, brand management, marketing and technical. She started her career at Unilever where she spent more than 12 years growing a number of brands in various categories. With her achievements in brand management at Unilever Malaysia, she was expatriated to Unilever Japan and China. Ms Tan then joined Sara Lee Malaysia as Marketing Director before moving to becoming General Manager of Sara Lee Thailand and most recently, President of Sara Lee Malaysia, Singapore and Vietnam. Ms Tan holds a Master of Science in Chemistry from Purdue University, Indiana USA and a Bachelor of Science in Chemistry from Cumberland College, Kentucky USA.

Antonio E S Ungson - 42, Filipino
Chief Legal Counsel and Chief Compliance Officer

Mr Antonio E S Ungson is Chief Legal Counsel and Chief Compliance Officer of the Company. He is also Head of the Legal Department of Del Monte Philippines, Inc since March 2007. Prior to joining the Group in 2006, Mr Antonio E S Ungson was a Senior Associate in SyCip Salazar Hernandez & Gatmaitan in Manila, where he served various clients for eight years in assignments consisting mainly of corporate and transactional work including mergers and acquisitions, securities and government infrastructure projects. He also performed litigation work and company secretarial services. Mr Ungson was a lecturer on Obligations and Contracts and Business Law at the Ateneo de Manila University Loyola School of Management. He obtained his Bachelor of Laws from the University of the Philippines College of Law and completed his undergraduate degree in Economics, cum laude and with a Departmental award at the Ateneo de Manila University.

Ma Bella B Javier - 53, Filipino
Chief Scientific Officer

Ms Ma Bella B Javier has 30 years of experience in R&D from leading fast moving consumer goods in the food industry. She spent 20 years at Kraft Foods, with her last assignment as the Director for Asia Pacific Beverage Technology and Southeast Asia Development. In her present role, she heads the Consumer Product and Packaging Development and the Quality Assurance functions for the Group. She is driving the Technology Development roadmap for the company, including plantation research programmes that impact consumer product development. She has recently received recognition as a Certified Food Scientist from the Institute of Food Technologists, Chicago, Illinois, USA. Ms Javier is a Licenced Chemist with a bachelor's degree in Chemistry from the University of the Philippines. She also sits as a Board Member of the University of the Philippines Chemistry Alumni Foundation, and the Philippines Chamber of Food Manufacturers, Inc.

Raul C Leonen - 59, Filipino
Chief Manufacturing Officer

Mr Raul C Leonen has more than 30 years of experience in the Group's Philippines cannery operation, which is the single largest integrated pineapple cannery facility in the world. He has worked in all departments covering the entire pineapple processing operation. Prior to his appointment as Group Head Cannery Operation, he managed the entire can manufacturing process. To complement and augment his knowledge and experience in pineapple processing, he also spent four years in the Company's plantation operation, thus gaining a complete understanding of the pineapple cycle. He started his professional career as a manufacturing management trainee in Procter & Gamble Philippines and worked in detergent manufacturing for four years. Mr Leonen has a BS degree in Chemical Engineering from Adamson University.

Directorships in other listed companies, both current and in the past three years

Name	Position	Company	Date
Joselito D Campos, Jr	Independent Director	San Miguel Corporation	2010 – Present
Patrick L Go	Independent Director	Pancake House, Inc	2012 – Present
	Independent Director	Dynamic Holdings Ltd. (HK)	2013 – Present
Godfrey E Scotchbrook	Independent Director	Boustead Singapore Ltd. (Singapore)	2000 – Present
	Independent Director	Convenience Retail Asia (HK)	2002 – Present

Significant Employees

The Board of Directors and the Senior Management of the Company have been an integral part of its success. Their knowledge, experience, business relationships and expertise greatly contribute to the Company's operating efficiency and financial performance.

The Company maintains that it considers the collective efforts of the Board of Directors and all of its employees as instrumental to its overall success. The business of the Company is not dependent on any individual person. No employee is indispensable in the organisation. The Company has institutionalised through documentation, its processes and training to ensure continuity and scalability in the business without relying on any particular employee.

APPENDIX H

APPLICABLE RELEVANT LAWS AND REGULATIONS

Information found in this Appendix that has been obtained from the public filings made by the Vendor with the U.S. Securities and Exchange Commission has been either (i) reproduced exactly as found in the source document; (ii) reproduced without substantial modification from the source document; or (iii) extracted and paraphrased from the source document.

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Summary of Relevant U.S. Laws and Regulations

Set out below is a summary of certain United States laws and regulations in effect as of the date hereof that may apply to Acquiror, which will acquire the assets (and the capital stock of certain subsidiaries) used in the conduct of the Consumer Food Business in the United States. This summary does not purport to be a complete review of all laws in the United States or the State of Delaware that are applicable to the Acquiror or its business.

Corporate Law

The Acquiror is a corporation incorporated under the laws of the State of Delaware, United States of America. The Acquiror was incorporated in the State of Delaware on 16 September 2013. The Acquiror is subject to the Delaware General Corporation Law ("**DGCL**"), which governs incorporation, stock issuance, dividends, transfers, corporate governance, mergers, acquisitions and consolidations, and other corporate matters of companies incorporated under the laws of the State of Delaware. The legal existence of the Acquiror became effective when the certificate of incorporation of the Acquiror was filed on 16 September 2013 with the Delaware Secretary of State's Office. On 7 November 2013, the Acquiror changed its name from Del Monte Foods Consumer Products, Inc to Del Monte Foods, Inc.

100% of the issued and outstanding common stock, par value US$0.01 per share, of the Acquiror is currently owned by the Company. It is anticipated that, prior to the consummation of the Proposed Acquisition, the Acquiror will become a wholly-owned subsidiary of Del Monte Foods Holdings Limited, a corporation organised under the laws of the British Virgin Islands, which in turn will be a subsidiary of the Company. As the major stockholder of the Acquiror, Del Monte Foods Holdings Limited will have the voting power and control over matters required to be approved by stockholders of a Delaware corporation under the DGCL, such as election of directors, certain merger/sale transactions, amending certain organizational documents and other matters affecting stockholder rights.

Under the DGCL, unless a corporation's certificate of incorporation provides otherwise, the business and affairs of a corporation are managed by the company's board of directors. The number of directors is fixed by, or in the manner provided in, the bylaws or the certificate of incorporation of the corporation. In accordance with the bylaws of the Acquiror, in connection with the formation of the Acquiror, the sole stockholder of the Acquiror designated Joselito D Campos, Jr, Edgardo M Cruz, Jr and Luis F Alejandro as directors of the Acquiror. Corporations incorporated under the DGCL are also required to have officers who are appointed by the board of directors. The board of directors has established the following officer positions: President, Vice President, Treasurer and Secretary.

A Delaware corporation is required to file annual reports with the Delaware Secretary of State's Office and to pay an annual business entity tax. If the Acquiror has business activities in other U.S. states other than the State of Delaware, it may be required to register with and obtain authorisation to transact business in such other states. The scope of business activities that require authorisation from a particular state (and any required filings or payment of taxes or other fees related thereto) depends on the laws of such state.

Government Regulations

As a manufacturer and marketer of food products, the Consumer Food Business' operations are subject to extensive regulation by various federal government agencies, including the Food and Drug Administration, the United States Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the FTC, as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labelling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance and labelling. The Consumer Food Business' products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, and the Federal Fair Packaging and Labeling Act of 1966, as amended. In addition, advertising of the Consumer Food Business' products is subject to regulation by the FTC, and its operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act as amended. The Consumer Food Business' manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. The Consumer Food Business seeks to comply with all such laws and regulations and to obtain any necessary permits and licences and that the Consumer Food Business' facilities and practices are sufficient to maintain material compliance with current applicable governmental laws, regulations, permits and licences.

As a result of the Consumer Food Business' agricultural, food processing and packaging activities, the Consumer Food Business is subject to numerous environmental laws and regulations. These laws and regulations govern the treatment, handling, storage and disposal of materials and waste and the remediation of contaminated properties. Violations or non-compliance with these laws and regulations could result in the imposition of fines or civil liability against the Consumer Food Business by governmental entities or private parties. The Group believes that the Consumer Food Business will seek to comply with these laws and regulations. Outside the United States, the Consumer Food Business is also subject to applicable multi-national, national and local environmental laws and regulations in the host countries where the Consumer Food Business does business. The Consumer Food Business has programmes across its international business operations designed to meet compliance with requirements in the environmental area. However, the Consumer Food Business cannot predict the extent to which the enforcement of any existing or future environmental law or regulation may affect the Consumer Food Business' operations. Among the environmental matters currently affecting the Consumer Food Business are the following:[31]

- A group of potentially responsible parties (the "**PRP Group**") at the BKK landfill in Southern California has notified the Consumer Food Business that it is a potentially responsible party at the site and that the Consumer Food Business may be liable for the costs of environmental investigation and remediation. The PRP Group has incurred costs to perform maintenance and repair of the site and expects to investigate potential groundwater contamination in the future. The Consumer Food Business believes it has accrued its best estimate of the liability that may result from the current phase of investigation and remediation. The Consumer Food Business cannot at this time reasonably estimate any additional potential exposure at the site above the amount already accrued.

- Governmental authorities and private claimants have notified the Consumer Food Business that the Consumer Food Business may be liable for environmental investigation and remediation costs at certain contaminated sites, including certain third-party sites at which the Consumer Food Business disposed of wastes. The Consumer Food Business may be liable for remediation costs at these sites as a result of alleged leaks, spills, releases or disposal of certain wastes or other substances at these sites. Based upon the information currently available, the Consumer Food Business does not expect that its liability for the remaining sites will be material. The Consumer Food Business may receive additional claims that it is potentially liable for environmental investigation and remediation costs at other sites in the future.

[31] Note that we have omitted the 10-K disclosure of the Vendor relating to soil and groundwater contamination at the Decatur, AL property (acquired in the Meow Mix acquisition) as we believe this only relates to the Pet Food segment. Omission of this item should be confirmed as not relevant to the acquisition transaction.

The Consumer Food Business' environmental expenditures in recent years have related to wastewater treatment systems, settlement of environmental litigation and remediation activities. The Consumer Food Business projects that it will spend approximately US$3.1 million in fiscal 2014 on capital projects and other expenditures in connection with environmental compliance for its existing businesses, primarily for compliance with wastewater treatment and remediation activities. The Consumer Food Business believes that its environmental matters for fiscal 2014 will not have a material adverse effect on its financial position or results of operations; however a number of factors may affect the Consumer Food Business' environmental compliance costs or accruals.

In addition to the Consumer Food Business' environmental compliance efforts, the Consumer Food Business is engaged in a variety of sustainability activities, including initiatives designed to reduce its use of energy and resources and to reduce its waste. Sustainability is also an area of interest for certain of the Consumer Food Business' customers and consumers and, particularly in light of concerns regarding climate change, may become an area of increased focus. Additionally, sustainability and environmental matters are areas of increased legislative focus.

Limitations on Stock Ownership

Generally, there are no restrictions on foreign ownership of companies formed in the United States, unless such company is engaged in certain specified businesses or industries in the U.S. (such as transportation, communications, energy, agriculture and banking). The certificate of incorporation and bylaws of the Acquiror do not contain any restrictions on the ownership or transfer of any capital stock of the Acquiror.

Distribution of Dividends

The directors of a Delaware corporation, subject to any restrictions contained in its certificate of incorporation, may declare and pay dividends upon the shares of its capital stock either (1) out of its surplus (as defined in the DGCL) or (2) if there is no surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. If the capital of the corporation, computed in accordance with the applicable sections of the DGCL, has been diminished by depreciation in the value of its property, or by losses, or otherwise, to an amount less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets, the directors of such corporation may not declare and pay out of such net profits any dividends upon any shares of any classes of its capital stock until the deficiency in the amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets shall have been repaired. Subject to the other requirements and restrictions set forth in the DGCL, dividends may be paid in cash, in property, or in shares of the corporation's capital stock. The Acquiror's certificate of incorporation and bylaws do not place any restrictions on the corporation's ability to declare or distribute dividends. It is anticipated that the Acquiror's debt financing agreements will include negative covenants that will restrict or prohibit the Acquiror's ability to distribute dividends (subject to exceptions to be contained in such agreements).

Summary of Relevant Peru laws and regulations

Agricultural activities are not subject to legal or administrative conditions that limit their installation, functioning, operations, and/or commerce of the derived products. Moreover, prices for such products are determined by free market conditions. Peruvian law guarantees the right to use any kind of technology and equipment of industrial nature. Below is a description of certain regulations that apply to the agriculture industry.

Agricultural Sector Promotion Law

According to the Agricultural Sector Promotion Law (*Ley de Promoción del Sector Agrario*), approved by Law 27,360 and its regulations, approved by Supreme Decree 49-2002-AG, an individual or a legal entity that grows crops is entitled to certain tax and labour benefits until 31 December 2021. The main benefits are the following:

- Reduced income tax rate of 15% (general income tax rate is 30%),
- 20% depreciation rate for hydraulic infrastructure,
- Allows the hiring of workers on a temporary basis,

- Minimum wage is S/.26.92 per day, instead of S/.675.00 per month;
- Vacation for employees consists of 15 days per year, instead of 30 days per year;
- The employer pays 4% of the monthly retribution for health insurance instead of 9%; and
- Severance payment for arbitrary dismissal is 15 daily remunerations for every complete year of service up to a maximum of 180 daily remunerations, instead of 1.5 monthly remunerations per year of services up to a maximum of 12 monthly remunerations.

Water Supply Law

According to the Law of Water Resources (*Ley de Recursos Hídricos*), or LWR, Law 29,338 and its regulations, enacted by Supreme Decree 001-2010-AG, water resources are the inalienable and non-prescriptive property of the Peruvian government. However, rights for the use of water may be granted by the Autoridad Nacional del Agua (National Water Authority) ("**ANA**") based on certain criteria and in the manner discussed below, provided that such use is conducted in accordance with the order of priority established by the LWR.

ANA is the competent authority to grant the following:

- permits, which are issued exclusively over excess water resources, subject to the availability of water from time to time and, in the case of water for agricultural use, only for certain crops;
- authorisations, which are granted for a fixed term when water is going to be used to perform studies or works; and/ or, for other temporary and special tasks; and
- licences, which are granted for the permanent use of water for a specific purpose.

According to Peruvian law, authorisations are typically granted for a two-year period, subject to renewal for an additional two-year period, while licences and permits are granted for an indefinite period of time subject to the compliance of certain legal conditions established for the use of the water resource. However, the use of water is subject to its availability.

Peruvian law establishes that the use of water must be exercised efficiently without affecting its quality or the environment, giving priority to primary water uses (such as water for food preparation, direct consumption, agricultural activities and personal hygiene) and rights for the use of water previously granted. The LWR recognises three types of water uses and establishes a priority criteria for its use. According to these uses and priorities, ANA provides the appropriate user rights to use water resources. The types of uses and priorities established by the LWR are the following:

- primary use: implies the use of water for food preparation, direct consumption and personal hygiene as well as its use in cultural ceremonies, religious rituals;
- population use: implies the obtaining of water from a fountain or public network, properly treated, in order to meet basic human needs; and
- productive use: entails the use of water in productive processes and precursor steps, including agricultural activities.

Except for primary use, the use of water resources requires obtaining the corresponding water right – licence, authorisation or permit – granted by the ANA. The LWR also provides that the use of water is subject to availability and subject to fees established by the Administrative Water Authority (*Autoridad Administrativa del Agua*, or the AAA).

Environmental Matters

Environmental laws and regulations require companies to obtain and maintain environmental permits, licences and authorisations for the construction of new facilities or the installation and operation of new equipment required for agricultural activities.

Canned Foods

According to Supreme Decree N° 007-98-SA, Regulations on sanitary vigilance and control of food and beverages, any industrialised food and beverage product (including canned foods), requires a sanitary registration in order to manufacture, import and commercialise such goods.

The General Direction of Environmental Health or *DIGESA* of the Ministry of Health is the authority in charge of the registration and re-registration, modification, suspension and cancellation of the sanitary registration of food and beverages nationwide. Also, DIGESA is the authority entitled of the sanitary surveillance of the products registered. The sanitary registration for food and beverages is valid for five (5) years, from the date of granting the number of sanitary registration.

Summary of Relevant Venezuela laws and regulations

The general rule in Venezuela is that (i) food production is a public interest activity, and (ii) the State shall promote agriculture as a strategic mean to guarantee the people's access to food (Constitution of the Bolivarian Republic of Venezuela, Article 305).

There are four main special laws which develop the general rule described above for agricultural business: 1. The Lands and Agriculture Development Law (Official Gazette No. 5,991(E) of 29 July 2010), which sets forth the basic policies for the growth of the agricultural sector, on the basis of a fair wealth distribution. 2. The Integral Agricultural Health Law (Official Gazette No. 5,890(E) of 31 July 2008), which sets forth the main controls for the production, import, distribution and sale of goods and products related to the agro-business. 3. The Agricultural Commercialisation Law (Official Gazette No. 37,389 of 22 February 2002), which regulates all the stages of commercialisation of agricultural goods and products. 4. The Agricultural Sector Financing Law (Official Gazette No. 5,890 (E) of 31 July 2008), which sets forth the special financing conditions for the sector. It should be noted that, in exercise of the regulations described above, during the last decade the government has decreed severe expropriation and intervention measures against land owners and agricultural companies.

With respect to the canned food business perspective, there are three general laws and regulations which also develop the general rule described above: 1. The Agro-Food Safety and Sovereignty Law (Official Gazette No. 5,889 (E) of 31 July 2008), which provides a general regulatory framework for food business and activities in Venezuela. 2. The Food General Regulations (Official Gazette No. 25.864 of 16 January 1959), which specifies the authorisations, registration and health controls for food activities, including canned food. 3. The Complementary Rules of the Food General Regulations (Official Gazette No. 35,921 of 15 March 1996), which develop in detail the regulations described in item (2) above. Additionally, there are certain specific standard technical rules, which regulate the manufacturing, packaging and pricing of canned food.

Summary of Relevant Ecuador laws and regulations

The agribusiness in Ecuador is regulated depending on each type of product; in general the applicable regulations provide that agricultural processes must follow good practices focusing on the implementation on new techniques for the sustainable development, specifically seeking to achieve high standards of productivity, low unit costs and quality, to ensure stable and growing presence in the production for domestic and foreign markets.

However, there are certain provisions that are applicable to every sector. Ecuadorian Food Regulations provides that the food production includes two divisions i) raw food; and ii) processed food. Processed food, processed food is any food material, natural or artificial, which has been transformed by technological operations prior to the human consumption, which are offered for sale under a specific brand. The Ecuadorian legal provisions in terms of production provide that every industrial plant for food production and transformation needs to have the corresponding operating permit. Operating permits are valid for one year and are granted by the Ecuadorian health authority after verifying that the plants fulfil with all the mandatory health requirements.

The applicable requirements for the food production/transformation plants are the following:

- The plant needs to be located in rural areas;
- The plant facilities must be built with high quality and resistance materials avoiding any contamination; and
- The plant must have at least one Biochemical Pharmaceutical or Food Chemical Pharmaceutical as part of their staff.

For obtaining the corresponding health permit, the company needs to submit several documents to the Health Authority, evidencing that the company is in good standing and that the activity and the processing plant have all the mandatory requirements, depending on each product.

Additionally, Executive Decree 3253 "Rules of Good Practices for processed foods" provides that the places where the food transformation is going to take place need to have at least the following: distribution of areas, floors, walls, ceilings and drainage, windows, doors and other openings, stairs, elevators and complementary structures (ramps, platforms), electrical and water networks, lighting, air quality and ventilation, temperature and humidity control, health facilities.

In order to be commercialised food must comply with the provisions established in Executive Decree 4114 "Food Regulations" which provides that food must be sold in food containers which should meet the following conditions:

- Appropriate shape, capacity and closure for each food;
- Must ensure the protection, preservation and identification of the product during its life; and,
- Must ensure the food's inviolability.

Food packaging will be subject to appropriate technological practices with the purpose of ensuring stability and product quality.

As for the marketing of foods, according to the Ecuadorian legal framework, all types of food are obliged to obtain the corresponding sanitary registration (health registration) in order to be imported and commercialised in the country. Accordingly the import, export, marketing and sale of foods and that do not hold the sanitary registration (health registration) is prohibited.

Additionally, pursuant to the new proceedings established in the Ministerial Accord N° 4119 dated 19th September 2013 the sanitary registration will take approximately four months. The new procedure is an online process which will be managed by the National Agency of Sanitary Control, Regulation and Surveillance - ARCSA, such entity shall determine if the sanitary registration application complies with all of the requirements established by law, and shall notify with the certificate of sanitary registration for each product. This new process is aimed to facilitate and improve the sanitary registration process which until September took approximately eight months.

Specific Benefits for the Food Production Sector

The Organic Code of Production, Commerce and Investment OCPCI which replaced former Investment Protection Act, provides the following benefits focused, among others, on the food production sector:

(a) New investments (national or foreign) shall have no need of authorisation; except as otherwise provided in the laws regarding territorial organisation.

(b) Foreign investment shall access the benefits and incentives provided by the law unless they come from tax haven domiciled corporations.

(c) Foreign investors shall have the right to non-discriminatory treatment and private property.

(d) Free Tax Zones (Special Economic Development Zone).

(e) Tax breaks for new investment in certain economic activities and in certain economically depressed territories.

(f) One of the more appealing incentives is that companies organised outside the urban areas of the cities of Quito and Guayaquil could be exempt from income tax for five fiscal years if they make new investments in sectors such as:
    - the production of fresh, frozen and processed foods;
    - forestry and agroforestry chain;
    - metalworking;
    - petro chemistry;
    - pharmaceutical industry;

- tourism industry;
- renewable energy;
- foreign trade logistics services;
- biotechnology and applied software; and
- sectors engaged in the strategic substitution of imports and the fostering of exportation.

Summary of Relevant Colombia laws and regulations

In Colombia foods are defined as such natural or artificial products, whether or not manufactured, that provides the human with the nutrients and energy required for biological processes. This definition includes non-alcoholic beverages and seasonings/spices.

Foods are regulated by the Ministry of Health, meanwhile the importation, commercialisation, marketing, packaging, labelling, storage, among other activities related to these products are under the surveillance of INVIMA, the local health agency ("Instituto Nacional de Vigilancia de Alimentos y Medicamentos"). Currently, there are three main provisions regulating foods:

(a) Decree 3075, 1997 (which will be derogated by the Resolution 2674, 2013 that will come into force in July, 2014), which establishes the requirements to be fulfilled by companies and individuals that manufacture, process, prepare, package, store, transport and distribute foods and their raw materials and the requirements to obtain the product registrations for these products;

(b) Resolution 5109, 2005 which establishes the requirements for the labelling for packaged foods and raw materials for human consumption; and

(c) Resolution 333, 2011 regulating the marking or nutritional labelling of packaged foods for human consumption. As well, there is a specific provision that sets out the technical requirements for hermetically canned/packaged foods of low-acidity, during the thermic process, Resolution 2195, 2010.

It should be noted that foods that are not subject to any transformation process do not require product registration in Colombia.

On the other hand, in Colombia agricultural activities and products related to such activities like seeds, animal foods and agricultural supplies, for example pesticides and fertilizers, are regulated and supervised by the Colombian Agricultural Institute, ICA ("Instituto Colombiano Agropecuario"). The two main provisions regulating agricultural activities (excepting supplies matters) are:

(a) Resolution 187, 2006 that regulates the primary production, processing, packaging, labelling, storage, certification, importation, commercialisation and control of ecological agricultural products including vegetal agricultural and livestock products, and products intended to be used for human alimentation derived from the aforementioned; and

(b) Resolution 946, 2006, which establishes the procedure to request the approval of living modified organisms. Currently the Ministry of Health is working on a provision to regulate the marking and labelling of foods for human consumption derived from genetically modified organisms (GMO) and the identification of raw materials for human consumption containing GMO.

Summary of Relevant Mexico laws and regulations

Agriculture and food as commercial activities are not restricted in Mexico, and any person or entity is allowed to perform agricultural activities and commercialise food. However, Mexican law establishes limitations related to the ownership of land for agricultural activities and an extensive regulatory framework related to the prevention of health and environmental risks for agricultural and food activities. In this respect below is a brief description of the principal laws and regulations related to agriculture and food in Mexico.

Agriculture
Mexican Constitution (Constitución Política de los Estados Unidos Mexicanos)

The Mexican State is the first and direct owner of the land and water resources of the Mexican territory, only Mexican individuals and entities can acquire freely private property. Foreigners may acquire land subject to certain restrictions and with the authorisation from the Mexican Government. Large landed estates are forbidden in Mexico, the small rural tract (agriculture property) that an individual is entitled to own is equivalent to 100 hectares, 150 hectares for cotton plantations and 300 hectares for banana, coffee, sugarcane, cocoa, rubber, henequen, grapevines, palm, agave, nopal, vanilla, olives and fruit trees plantations. Corporations are allowed to acquire land for agricultural activities up to twenty five times the limits established for the small rural tract.

Land Law and Regulations (Ley Agraria y Reglamento)

This law provides regulations of the areas of communal land used for agriculture, in which Mexican community members individually possess and farm in specific parcels, commonly known as "ejidos". However, these communal lands can be subject to commercial operations with private entities. Corporations that own agricultural lands shall include within their capital stock Series T shares. Foreign investors can only hold up to 49% of Series "T" shares. Series "T" shares are those shares which value is paid with agricultural land.

National Water Law and Regulations (Ley de Aguas Nacionales y Reglamento)

Water is a federal and public source. The exploitation and use of water (including agricultural and industrial use) is granted by the Mexican State through a government grant (licence). The National Water Commission (CONAGUA) is the public agency that grants the government grant titles and the permits for wastewater discharges. Government grant titles are issued for a term of no less than five but not more than thirty years and can be renewed.

Federal Plant Health Law (Ley de Sanidad Vegetal)

This law establishes verification and certification systems to reduce and prevent physical, chemical, microbiological, plant pests and phytosanitary risks in agriculture production. The National Service of Health, Food Safety and Food Quality (SENASICA) of the Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA) is the government agency responsible for: (i) the sanitary vigilance of vegetable production; (ii) granting of import permits, phytosanitary certificates, certificates of good practices of primary vegetable production units; and (iii) performing inspections of vegetable production sites.

Organic Products Law (Ley de Productos Orgánicos). Promotes and regulates the production, preparation, packaging, storage, labelling, distribution, transportation, marketing, verification and certification of organic products.

Genetically Modified Organism Biosafety Law (Ley de Bioseguridad de Organismos Geneticamente Modificados). Regulates the activities, experimental release, pilot release, marketing, import and export of genetically modified organisms in order to prevent, avoid or reduce risks that these activities could affect human, plant or animal health and the environment and biological diversity and aquaculture.

Canned food
General Health Law (Ley General de Salud)
Production, importation, exportation, distribution, transportation, marketing and advertising of food is ruled by the General Health Law and its several regulations. Food is considered any substance or product, solid or semisolid, natural or processed, which provides the human body with nutritional elements. Sanitary vigilance and control activities are performed by the Federal Commission for the Protection Against Sanitary Risks (COFEPRIS) of the Ministry of Health (Secretaria de Salud). Industrial facilities that produce food or any food process shall file an Operation Notice to COFEPRIS before production begins in which operators represent and agree to comply with regulations applicable to food production.

Sanitary Control of Products and Services Regulations (Reglamento de Control Sanitario de Productos y Servicios)
Establishes regulations related to the production, transportation, labelling, packaging and sale of milk and its derivatives, egg, meat and meat products, fish and derivatives, fruits, vegetables, non-alcoholic beverages, frozen products, cereals and snacks, oils and fats, cocoa, coffee, tea and their derivatives, prepared food, food for infants and young children, condiments and dressings, sweeteners and their derivatives and candy. Industrial premises that produce food shall have waste areas, good hygiene practices, clothing, utensils, refrigeration systems, records, product analysis and pest eradication programmes. Canned foods must be heat treated before or after being packaged in hermetically sealed containers and be commercially sterile. The product packaging shall prevent leaks that could cause harm to health and, where appropriate, chemical or microbiological contamination of the product.

Advertising Regulations of the General Health Law (Reglamento de la Ley General de Salud en Materia de Publicidad)
Establishes advertising rules for food producers and sellers.

Official Mexican Standards (Normas Oficiales Mexicanas- NOM's)
The Official Mexican Standards are official, compulsory and regulations for different industrial and commercial activities in Mexico. Regarding food activities, the NOM's establish rules related to food production processes, labelling, packaging and hygiene practices , the following being the principal rules:

- NOM-251-SSA1-2009. Good hygiene practices for food packaging process, beverages and dietary supplements.
- NOM-051-SCFI/SSA1-2010. General specifications for food labelling and pre-packaged soft drinks, commercial and health information.
- NOM-002-SSA1-1993. Environmental Health. Metal containers for food and drinks, sewing specifications.
- NOM-130-SSA1-1995. Goods and Services. Food packaging containers watertight seal and heat treated.
- Other NOM's related to specific products, meat, milk, fish, cereals, etc.

Other dispositions. Companies that release gases or emissions to the atmosphere should have an emission licence issued by the Mexican Environmental Authority (SEMARNAT).

Free Trade Agreements. Mexico has Free Trade Agreements with Canada, the United States, Costa Rica, Colombia, Nicaragua, Chile, the European Union, Israel, El Salvador, Guatemala, Honduras, Iceland, Liechtenstein, Norway, Switzerland, Uruguay, Japan and Peru, that include provisions related to agricultural and food products.

Summary of Relevant Argentina laws and regulations

Agricultural Business

The agricultural business is regulated depending on the product to commercialise, investigate or develop. However, in general there are several entities that supervise the commercialisation, investigation and development of agriculture in Argentina as the Ministry of Agriculture, Cattle, Fishing and Food; the National Food Safety and Quality Service; and the Office for Agrarian Commercial Control. The following set forth some of the activities and regulations of each entity:

Ministry of Agriculture, Cattle, Fishing and Food: It is in charge of regulation, promotion, agricultural research, price supports and agricultural subsidies, plant diseases and invasive species policies. In addition, it deals with other areas of responsibilities such as forestry and fisheries; rural affairs; food and food quality, food security and safety; and consumer protection. Also, Argentina created a system to evaluate the genetically modified crops´ biosecurity. The Ministry of Agriculture, Cattle, Fishing and Food, is responsible for granting authorisations to commercialise, investigate and develop such genetically modified crops. To obtain such authorisation, the petitioner must comply with the Environmental Risk Evaluation, Good-Quality Foods Evaluation, and several requirements requested by agricultural entities of Argentina.

National Food Safety and Quality Service: It is charged with surveillance, regulation and certification of products of animal and plant origin and the prevention, eradication and control of diseases and plagues that affect them. Also, this entity determines when crop is nutritionally adequate for human consumption by doing comparative analysis and case by case basis evaluation.

Office for Agrarian Commercial Control: It is tasked to guarantee trade normative fulfilment in the cattle, beef, seed and milk markets; every company in these markets must be in its specific official registry administered by this entity. Among its many functions, it is empowered to regulate these market structures, control and impose sanctions on violators operating in these markets, coordinate with public and private organisms, determine and set official cattle prices, issue and elaborate on official statistics and reports, and administer the Hilton Quota. (The Hilton Quota is the informal name of the Tariff Quota regulated by Commission Regulation (EC) No. 936/97 of 27 May 1997 for the European Union, which consists of a quota of 58,100 tons of high-quality, fresh, chilled and frozen beef supplied. The suppliers are Argentina, Brazil, Uruguay, Paraguay, USA, Canada, Australia and New Zealand. Hilton Quota beef enjoys a duty preference vis-à-vis the European Union Most Favoured Nation import regime.)

Water Usage: Water usage is also regulated by Law No. 25,688 "Régimen de Gestión Ambiental de Aguas" which states the minimum standards for preservation and rational use of water.

2. Canned Food

Canned food is regulated by the "Administración Nacional de Medicamentos, Alimentos y Tecnología" (ANMAT) which is the Argentine governmental authority empowered to supervise compliance with local healthcare and quality standards of food and drugs and other products. Within its powers, the ANMAT must authorise, certify and register all the activities related to production, packaging and commercialisation of all types of foods. In this regard, please note that ANMAT regulates these activities depending on the product (food) to be commercialised.

Chapter III, Section 158 of the Argentine Food Code (*Código Alimentario Argentino*, hereinafter the "Code") issued by the ANMAT, states that the preserved food must be subjected to appropriate preservation and conservation treatments and that such preserved foods must be maintained in healthy and hygienic conditions. Moreover, in Chapter IV, Section 184 the Code classifies the food packaging as those that contain food from the production to protect such products of contamination until the use of it by the consumer. All the packaging must be bromatologically adequate and comply with requirements such as: (i) be manufactured with authorised materials; (ii) contain and transfer no toxic and/or contaminated substances; (iii) have zipper systems which prevent inadvertent opening; and (iv) have packaging which protect the food from physical damages, among others.

ANMAT classifies the packaging materials. Section 185 of the Code states that the packaging must be in good hygiene conditions and Section 187 states that metal in contact with food must not contain more than 1% of impurities of lead, zinc, among others and no more than 0.01% of arsenic and other substance considered as harmful by the ANMAT. Also, the Resolution No. 46/06 of ANMAT establishes all the metallic materials approved for the packaging production.

APPENDIX I

TAXATION LAWS AND REGULATIONS

US Income Taxation

U.S. corporations, such as the Acquiror, are generally subject to US federal income tax on their worldwide income. A foreign tax credit is generally allowed for foreign income taxes paid by U.S. corporations to reduce or eliminate double taxation, but the foreign tax credit is generally limited to the amount of the U.S. tax incurred on the portion of the U.S. corporation's worldwide taxable income that is foreign source. US corporations are subject to US income tax at graduated tax rates ranging from 15% to 39% depending on the amount of the corporation's taxable income. In addition, U.S. corporations must also generally compute the alternative minimum tax ("**AMT**"). The AMT is a separate 20% flat tax imposed on a U.S. corporation's "alternative minimum taxable income." U.S. corporations pay the higher of their regular U.S. corporate income tax and the AMT each tax year. Capital gains recognised by a U.S. corporation are generally taxed at the same tax rate as ordinary income but at a maximum rate of 35%, and capital losses may offset only capital gains, not ordinary income. A U.S. corporation's excess capital losses may generally be carried back three years and forward five years to offset capital gains in other tax years. A U.S. corporation's ordinary business losses may generally be carried back 2 years and forward 20 years. In addition to U.S. federal income taxes, state and local income and other taxes may also apply to a US corporation.

Distributions by a U.S. corporation to its shareholders are generally treated as dividends to the extent of the U.S. corporation's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Distributions in excess of such earnings and profits will be applied against and reduce the shareholder's basis in its stock, and to the extent the distribution is in excess of basis, will be treated as gain from the sale or exchange of stock. Dividends paid to non-U.S. shareholders of a U.S. corporation may be subject to a 30% U.S. withholding tax unless an exemption applies or a lower withholding rate applies pursuant to an applicable US income tax treaty.

The discussion above is based on the United States Internal Revenue Code of 1986, as amended, current and proposed regulations promulgated thereunder and administrative and judicial decisions as of the date hereof, all of which are subject to change, possibly with retroactive effect. In addition, the discussion above is not a comprehensive description of all the U.S. income tax consequences that may apply to a U.S. corporation and its shareholders, does not address the U.S. federal income tax consequences that may apply to U.S. corporations or shareholders that are subject to special U.S. tax treatment and does not address any taxes other than income taxes. As indicated above, most U.S. states and many cities also have a separate income tax regime with different tax rates and rules.

The tax rules described above are very complex and this is only a brief summary; interested persons are urged to consult with their tax advisors for a more complete understanding of these rules.

Argentina taxation law[32]

Tax: Argentine Income Tax Law No. 20,628 lists specific regulations applicable to the cost of agribusiness products in order to determine the income taxable base of corporations or individuals dealing with agribusiness activity. Some of those regulations are the following:

- The ranch is considered a farm asset. However, when the animals acquired by farmers are pedigreed or crossbred, these will be considered fixed assets for valuation purposes.
- The existence of breeding is valued annually at estimated cost.
- Cereals, oilseeds, fruits and other products of the land, having known their respective prices, are valued at market prices at the closing date of the period, less selling expenses. If those products do not have a known price, they are valued at the selling price stated by the taxpayer at the closing date of the period, less selling costs.
- General Resolution 2073 establishes different tax rates to be applied to the leasing of rural properties and operations related to seeds. Dispositions of General Resolution 2118 apply to grain and vegetable marketing. The income tax withheld or collected at source, as established in these regulations, is creditable against the annual income tax due for a given tax period.

[32] Please note that this is not a full tax assessment and that there are certain Federal, provincial and municipal taxes applicable to commercial activities in Argentina which are not referred hereto in this summary.

Value-Added Tax is applied to all stages of the production and selling processes (output tax), and the tax amount of the immediately preceding stage is deductible (input tax). The tax is imposed on the following transactions:

- leases and services, including financial and insurance services;
- real estate leases;
- work performed on third-party real property;
- work performed on owned real property, in the case of constructors;
- permanent import of goods; and
- services provided from abroad and used in Argentina (including interest). In this case, input tax must be paid by the Argentine resident and automatically becomes ‘input tax’ for VAT purposes in the following month. VAT is assessed on a monthly basis. The inception of the taxable event is to issue the invoice, deliver the goods, and render the service or the receipt, whichever occurs first. The standard tax rate, currently 21%, is charged on the net price of the transaction. There are some leases and services levied at 27% (electricity, telecommunications, etc.). Some goods and services are levied at 10.50% (bovine meat, fresh vegetables, lodgings, interests on loans received from Argentine financial institutions, property plants and equipment as specified in a list provided, etc.). Exports are levied at zero rate. Exporters can apply input tax (incurred in producing export goods) against output tax arising from other taxable transactions. In case of a net input tax, exporters are entitled to a refund, i.e., under a special procedure established by the tax authority.

Argentine individuals and undivided estate owners with rural properties subject to Minimum Presumed Income Tax are exempted from this tax.

APPENDIX J

EXCHANGE CONTROL LAWS AND REGULATIONS

U.S.

The U.S. generally does not have any currency exchange control regulations that would prohibit the transfer of funds to the British Virgin Islands by a U.S. entity. The Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under U.S. jurisdiction. OFAC administers a number of U.S. economic sanctions and embargoes that target specific geographic regions and governments (including Burma (Myanmar), Cuba, Iran, Sudan, and Syria) as well as a list of specifically named individuals and entities set forth on OFAC's list of Specially Designated Nationals and Blocked Persons.

Argentina

Foreign Exchange Controls: Argentina has a very tight exchange control system in place, regulating the transfer in and out of the country. On the one hand and as a general rule, the purchase of foreign currency in the foreign exchange market ("**FX Market**") and its transfer abroad are subject to Central Bank prior authorisation.

The Central Bank has been very active participating not only as the biggest player in the FX Market, but also as regulator reducing the demand and increasing the offer of US dollars.

Moreover, since October 2011 there have been certain *de facto* restrictions for local private sector entities and individuals looking to access the FX Market for wiring funds abroad. This is irrespective of the purpose of the payment, be it the payment of services, imports, dividends, or general finance.

On the other hand, local residents are obligated to repatriate and settle their export proceeds in the FX Market within a set timeframe.

Moreover, Argentine foreign exchange control regulations have established certain restrictions to the inflows of funds into the country, aiming at preventing speculative short term investments. As a general principle, all inflows that are not related to foreign trade transactions and/or to direct foreign investment transactions are subject to a mandatory deposit for an amount equal to 30% of the incoming fund transfer, which shall be withheld for the term of 1 year (by the Argentine financial entity receiving the funds). This deposit is nominated in US dollars, is non-interest bearing and cannot be used as collateral for any transaction.

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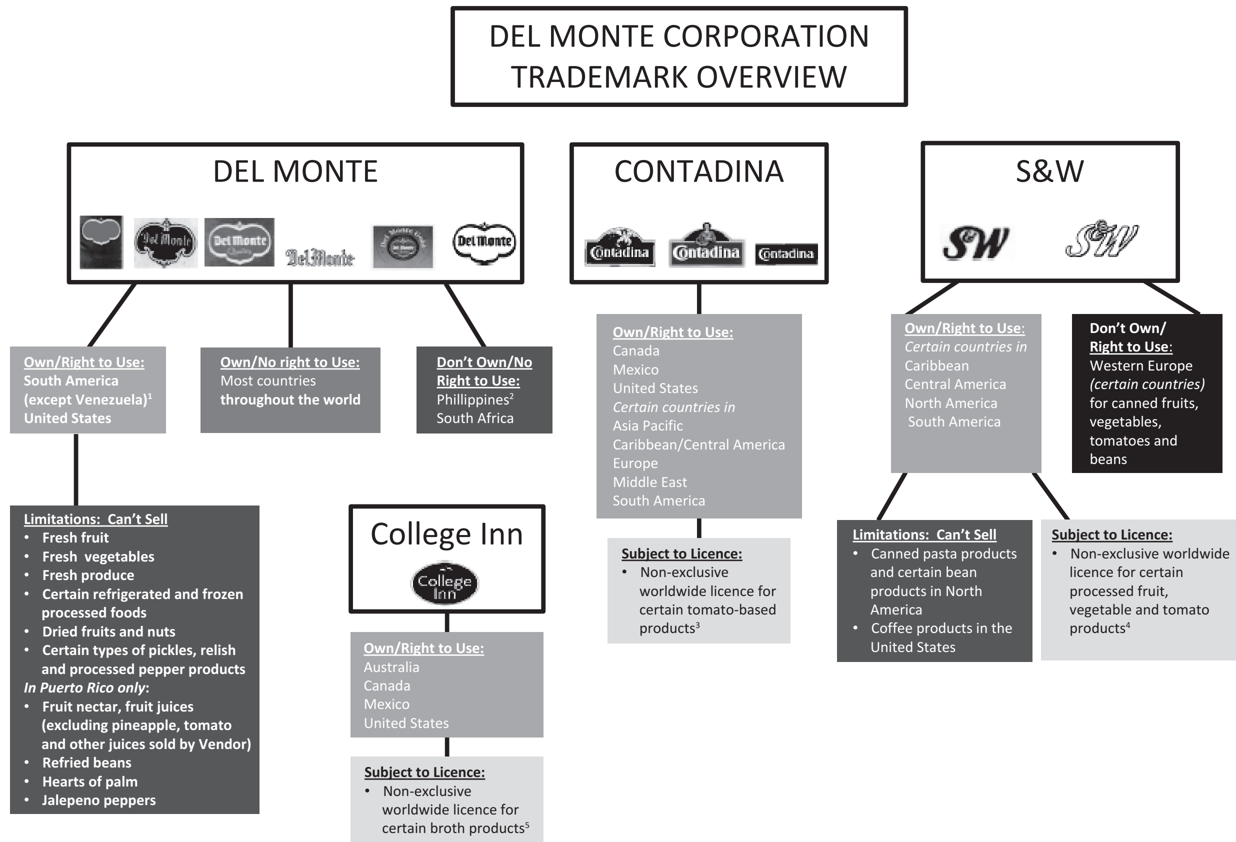
APPENDIX K

INTELLECTUAL PROPERTY[33]



Comments

- The Vendor also owns several brands that are lesser known in the US, including ORCHARD SELECT, ARGO and MISSION, many of which are covered by international licences.
- The logos displayed above are not all registered trademarks in each country shown in this chart. Please refer to Appendix K for the registered trademarks in the respective countries.

Notes

[1] Licence is owned by one of the Transferred Entities.
[2] Rights in the Philippines are owned by the Group.
[3] Licence is owned by one of the Transferred Entities.
[4] Licence is owned by one of the Transferred Entities.
[5] Licence is owned by one of the Transferred Entities.

[33] The information reflected on Appendix K is intended to serve as an overview and does not reflect all particulars of intellectual property rights being acquired in the Proposed Acquisition.

The table below illustrates the countries in which the respective trademarks are registered.

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Afghanistan	X			
Algeria	X			
Andorra	X			
Angola	X			
Anguilla	X	X		
Antigua & Barbuda	X	X		
Argentina	X			X
Armenia	X			
Aruba	X	X		X
Australia	X	X	X	
Austria	X	X		
Azerbaijan	X			
Bahamas	X	X		
Bahrain	X	X		
Bangladesh	X			
Barbados	X	X		
Belarus	X			
Belize	X			
Benelux	X	X		
Bermuda	X	X		X
Bhutan	X			
Bolivia	X			
Bosnia & Herzegovina	X			
Botswana	X			
Brazil	X	X		X
British Virgin Islands	X	X		
Brunei Darussalam	X	X		
Bulgaria	X			
Burundi	X			
Canada	X	X	X	X
Caribbean Netherlands (BES-Bonaire, Eustatius, Saba)	X			

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Cayman Islands	X	X		
Chile	X	X		X
China	X	X		
Columbia	X	X		X
Conga (Democratic Republic)	X			
Costa Rica	X			X
Croatia	X			
CTM	X	X		
Cuba	X			X
Curacao	X	X		X
Cypress	X			
Czech Republic	X			
Denmark	X			
Dominica	X	X		
Dominican Republic	X	X		X
Ecuador	X	X		X
Egypt	X			
El Salvador	X	X		X
Estonia	X			
Ethiopia	X			
Fiji	X			
Finland	X			
France	X	X		
Gambia	X			
Georgia	X			
Germany	X	X		
Ghana	X			
Gibraltar	X	X		
Greece	X	X		
Grenada	X			
Guatemala	X	X		
Guernsey	X			
Guinea	X			
Guyana	X			

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Haiti	X	X		
Honduras	X			X
Hong Kong	X	X		
Hungary	X			
Iceland	X			
India	X			
Indonesia	X			
Iran	X			
Ireland	X			
Israel	X			
Italy	X	X		
Jamaica	X	X		
Japan	X	X		
Jersey	X			
Jordan	X			
Kazakhstan	X			
Kenya	X			
Kiribati	X			
Korea (South)	X	X		
Kosovo	X			
Kuwait	X	X		
Kyrgyzstan	X			
Laos		X		
Latvia	X			
Lebanon	X	X		
Lesotho	X			
Liberia	X			
Libya	X			
Liechtenstein	X			
Lithuania	X			
Macau	X			
Macedonia	X			
Madagascar	X			
Malawi	X			

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Malaya	X	X		
Malaysia	X	X		
Malta	X	X		
Mauritius	X			
Mexico	X	X	X	X
Moldova (Republic of)	X			
Monaco	X			
Montenegro	X			
Montserrat	X	X		
Morocco	X			
Mozambique	X			
Myanmar	X			
Nepal	X			
New Zealand	X			
Nicaragua	X	X		X
Nigeria	X			
Norway	X			
OAPI	X			
Oman	X			
Pakistan	X			
Panama	X	X		X
Papua New Guinea	X	X		
Paraguay	X			
Peru	X	X		X
Poland	X			
Portugal	X	X		
Puerto Rico	X	X		X
Qatar	X	X		
Romania	X			
Russian Federation	X			
Rwanda	X			
Sabah	X			
Sarawak	X			
Saudi Arabia	X	X		

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Serbia	X			
Seychelles	X			
Sierra Leone	X			
Singapore	X	X		
Slovakia	X			
Slovenia	X			
Solomon Islands	X			
Somalia	X			
South Africa		X		
Spain	X	X		
Sri Lanka	X			
St. Helena	X			
St. Kitts Nevis	X	X		
St. Lucia	X	X		
St. Maarten	X	X		X
St. Vincent & Grenadines	X	X		
Sudan	X			
Surinam	X	X		X
Swaziland	X			
Sweden	X			
Switzerland	X	X		
Syria	X			
Taiwan	X	X		
Tajikistan	X			
Tanganyika	X			
Tangiers	X			
Thailand	X			
Tonga	X			
Trinidad & Tobago	X	X		X
Tunisia	X			
Turkey	X			
Turkmenistan	X			
Turks & Caicos Islands		X		
Tuvalu	X			

COUNTRY	DEL MONTE	CONTADINA	COLLEGE INN	S&W
Uganda	X			
Ukraine	X			
United Arab Emirates	X			
United Kingdom	X	X		
United States	X	X	X	X
Uruguay	X			X
US Virgin Islands	X			
Uzbekistan	X			
Vanuatu	X			
Venezuela	X	X		X
Vietnam	X			
Yemen	X			
Zambia	X			
Zanzibar	X			
Zimbabwe	X			

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DEL MONTE PACIFIC LIMITED
(incorporated in the British Virgin Islands with limited liability)
(the "**Company**")

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting ("GM") of the Company will be held at M Hotel Singapore, Anson Room 3, Level 2, 81 Anson Road, Singapore 079908 on Tuesday, 11 February 2014 at 10.00 a.m., for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolutions as set out below.

Terms used in this Notice of GM which are not defined herein shall have the same meanings ascribed to them in the Circular dated 27 January 2014 to Shareholders ("**Circular**").

ORDINARY RESOLUTION 1:

PROPOSED ACQUISITION OF DEL MONTE CORPORATION'S CONSUMER FOOD BUSINESS

THAT:

(a) approval be and is hereby given for the Proposed Acquisition, details of which are set out in the Circular;

(b) the Directors be and are hereby authorised to prepare, finalise, approve and execute any instruments, filings, notices, announcements, agreements and other documents (including amending the Purchase Agreement and negotiating, finalising and executing all such documents or agreements as may be required under or pursuant to the Purchase Agreement) and do all acts and things which they may in their absolute discretion consider necessary desirable or expedient for the purposes of or in connection with the Proposed Acquisition and/or to give effect to this ordinary resolution.

ORDINARY RESOLUTION 2:

SHARE PLACEMENT, SUBSCRIPTION AND LISTING OF THE SUBSCRIPTION SHARES ON THE PHILIPPINE STOCK EXCHANGE, INC

THAT:

(a) approval be and is hereby given for the Share Placement and Subscription and the listing of the Subscription Shares on The Philippine Stock Exchange, Inc;

(b) the Directors be and are hereby authorised to prepare, finalise, approve and execute any instruments, filings, notices, announcements, agreements and other documents and do all acts and things which they may in their absolute discretion consider necessary desirable or expedient for the purposes of or in connection with the Share Placement, Subscription and listing of the Subscription Shares on The Philippine Stock Exchange, Inc and/or to give effect to this ordinary resolution.

By Order of the Board
Yvonne Choo
Company Secretary
27 January 2014
Singapore

Notes:

i. A Shareholder entitled to attend and vote at the GM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

ii. If a Depositor wishes to appoint proxy/proxies to attend the GM, then he/she must complete and deposit the Depositor Proxy Form at the office of the Singapore Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 at least forty-eight (48) hours before the time of the GM.

iii. If the Depositor is a corporation, then the Depositor Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney and must be deposited at the office of the Singapore Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 at least forty-eight (48) hours before the time of the GM.

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