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[DMPL Press Release on Fourth Quarter and Full Year 2009 Results \\* Financial Statement And Related Announcement](#)

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Announcement is submitted with respect to *	DEL MONTE PACIFIC LIMITED
Announcement is submitted by *	Yvonne Choo
Designation *	Company Secretary
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The details of the announcement start here ...

For the Financial Period Ended *	31-12-2009
Description	Please see attached.

**Attachments**

 [DMPL-4Q09-PressRelease-230210.pdf](#)  
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## DEL MONTE PACIFIC LIMITED

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23 February 2010

**SGX-ST/MEDIA RELEASE:** (unaudited results 3 months ended 31 December 2009)

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### DEL MONTE PACIFIC REPORTS FOURTH QUARTER 2009 RESULTS

- Fourth quarter sales lower by 6% to US\$115 million
- Fourth quarter returned to net profit of US\$3.9 million, but lower than last year
- Full year 2009 net profit significantly lower than last year, as announced in the third quarter

**Singapore, 23 February 2010** – Singapore Exchange Mainboard-listed Del Monte Pacific Limited (Bloomberg: DELM SP, Reuters: DMPL.SI) returned to profitability with a net profit of US\$3.9 million in the fourth quarter of 2009 compared to a net loss of US\$1.7 million in the third quarter. This is significantly lower than prior year quarter's net profit of US\$19.2 million mainly due to higher input costs, lower volume in the export markets and foregone sales in the Philippine market.

Sales for the quarter declined by 6% to US\$115 million from US\$122 million a year ago, mainly due to the 25% drop in sales to Europe and North America, reflecting continued softness in consumer demand.

Total sales in the Philippines were down in the fourth quarter by 2% as beverage registered lower sales. Sales of *Del Monte Fit 'n Right* juice drink were lower mainly due to increased competition. All other product categories, except for beverage, registered higher sales in the fourth quarter on improved volume from better offtake, aided in part by higher trade promotion.

S&W, both processed and fresh, generated sales of US\$2.8 million or 11% higher than prior year quarter, mainly due to the strong performance of the fresh segment.

Group gross profit and operating profit were significantly lower by 39% and 65%, respectively, versus the same period last year largely due to higher input costs and foregone sales. Pineapple cost per unit

increased due to lower supply and higher fertilizer and chemical costs, while tinplate and tomato paste costs were also higher.

Moreover, the Group had foregone sales of US\$14.1 million and foregone operating profit of US\$5.7 million for the Philippine market, due to constraints arising from supply issues, which are now being addressed.

As expected, the Company's equity share of loss in the Company's Indian joint venture, FieldFresh, increased to US\$1.1 million from US\$0.3 million in the prior year quarter. This was due to brand building investments through higher marketing and organisational expenses to support the expansion of the company's fruit drinks, packaged fruits, ketchup & sauces and Italian range products across more cities. On the other hand, sales more than tripled to almost US\$5 million and product contribution margins improved significantly on better sales mix, with contributions from the Del Monte branded processed foods business and the rationalised product range in fresh exports under the FieldFresh brand. A new plant for FieldFresh will come on stream in the second half of the year, supporting the growth of the branded processed foods business as well as saving tariffs currently paid by FieldFresh for products imported into India. The plant will produce beverage and culinary products.

The Group posted a net profit of US\$3.9 million in the fourth quarter of 2009 from US\$19.2 million in the prior year quarter bringing full year 2009 profit to US\$11.3 million from US\$37.0 million in 2008.

Operating cash flow improved significantly to US\$61.3 million from US\$15.1 million in the prior year quarter mainly due to lower levels of receivables as a result of discounting and lower levels of inventory. The Company ended with a net debt position of US\$36.1 million as of 31 December 2009, translating to a net gearing of 18%, an improvement from prior year's 31%.

Mr Joselito D Campos, Jr, CEO and Managing Director of Del Monte Pacific said, "We are pleased with our return to profitability in the fourth quarter amidst a challenging business environment. Going forward, we remain focused on developing and growing our key branded businesses in the Philippines, India and the rest of Asia. There are opportunities to unlock the potential of these new businesses whose building efforts require time and investments."

The Company expects improved profitability in 2010 as compared to that of 2009. However, as the results of the Company's action plan will not have an immediate effect, first half 2010 profits may be lower compared to that of the same period last year.

The Group will improve product availability through effective supply chain management, including investments in processes and systems.

In the Philippines, sales and profitability are expected to improve on the back of new value added product launches, product cost savings (via product formula and packaging optimization, lower tollpacking and logistics costs) and aggressive fixed cost management.

In November 2009, the Company launched another innovative healthy juice, the *Del Monte 100% Pineapple Juice Heart Smart*, which contains Reducol™ to lower bad cholesterol. Consumer take-up has been in line with targets. New sauces with added value were also launched. *Del Monte Sauce Sulit*, tomato sauce with added ingredients of either Liverspread or sauteed garlic, onion and fish sauce, makes meal preparation three steps faster. In February 2010, the Company launched the *Del Monte Sandosenang Sarap All-in-One Seasoning* which enhances the flavour of all types of dishes. It is the Philippines' first and only all-in-one seasoning that's complete in both taste and health, containing 12 key ingredients for seasoning and has no added MSG and preservatives. Products such as these provide added value to consumers and the Company will continue to develop and launch similar products.

For S&W, business development will be intensified in new markets such as Vietnam, while growing existing markets.

At FieldFresh, the joint venture in India, business-building efforts are on track. FieldFresh's Del Monte-branded business is now in 25 key cities and this expansion will be further supported by the new plant. FieldFresh is also the top Indian exporter of fresh baby corn.

The Board today proposed a final dividend of US\$0.0016 per share, representing a 75% payout of second half net profit for 2009.

## **About Del Monte Pacific Limited ([www.delmontepacific.com](http://www.delmontepacific.com))**

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

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

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

In India, the Group owns 44% of FieldFresh Foods Private Limited ([www.fieldfreshfoods.in](http://www.fieldfreshfoods.in)). FieldFresh markets Del Monte-branded processed products in the domestic market and Fieldfresh-branded fresh fruits and vegetables globally and in the domestic market. Del Monte Pacific's partners in Bharti Del Monte India are the well-respected Bharti Enterprises and EL Rothschild Limited.

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

With its 20,000-hectare contiguous pineapple plantation in the Philippines, 700,000-ton processing capacity and a port beside the Cannery, Del Monte Pacific operates the world's largest fully-integrated pineapple operation. It is proud of its long heritage of more than 80 years of pineapple growing and processing. It has long-term supply agreements with other Del Monte trademark owners and licensees around the world.

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

Del Monte Pacific is 78.5%-owned by NutriAsia Pacific Ltd (NPL) ([www.nutriasia.com](http://www.nutriasia.com)). NPL is owned by the NutriAsia Group of Companies which is in turn majority-owned by the Campos family of the Philippines. The NutriAsia Group is the market leader in the liquid condiments, specialty sauces and cooking oil market in the Philippines.

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