



DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the First Quarter Ended July 2017

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AUDIT

First Quarter FY2018 results covering the period from 1 May 2017 to 31 July 2017 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2017 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2017, which did not have significant impact to the Group:

- Amendment to IFRS 12, Clarification of the Scope of the Standard (Part of Annual Improvements to IFRSs 2014 - 2016 Cycle)
- Amendments to IAS 7, Statement of Cash Flows, Disclosure Initiative
- Amendments to IAS 12, Income Taxes, Recognition of Deferred Tax Assets for Unrealised Losses

The Group will adopt the following new standards on the respective effective dates:

Effective 1 May 2018

- Amendments to IFRS 2, Share-based Payment, Classification and Measurement of Share-based Payment Transactions
- Amendments to IFRS 4, Insurance Contracts, Applying IFRS 9, Financial Instruments, with IFRS 4
- Amendments to IAS 28, Measuring an Associate or Joint Venture at Fair Value (Part of Annual Improvements to IFRSs 2014 - 2016 Cycle)
- Amendments to IAS 40, Investment Property, Transfers of Investment Property
- IFRIC-22, Foreign Currency Transactions and Advance Consideration
- IFRS 9, Financial Instruments
- IFRS 15, Revenue from Contracts with Customers

Effective 1 May 2019

- IFRS 16, Leases

DISCLAIMER

This announcement may contain statements regarding the business of Del Monte Pacific Limited and its subsidiaries (the "Group") that are of a forward looking nature and are therefore based on management's assumptions about future developments. Such forward looking statements are typically identified by words such as 'believe', 'estimate', 'intend', 'may', 'expect', and 'project' and similar expressions as they relate to the Group. Forward looking statements involve certain risks and uncertainties as they relate to future events. Actual results may vary materially from those targeted, expected or projected due to various factors.

Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers' performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. Such factors that may affect the Group's future financial results are detailed in the Annual Report. The reader is cautioned to not unduly rely on these forward-looking statements.

Neither the Group nor its advisers and representatives shall have any liability whatsoever for any loss arising, whether directly or indirectly, from any use or distribution of this announcement or its contents.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares in Del Monte Pacific.

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7.7 under Rule 720(1) have been procured.

DIRECTORS' ASSURANCE

Confirmation by Directors Pursuant to Clause 705(5) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Del Monte Pacific Limited which may render these interim financial statements to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of Del Monte Pacific Limited

(Signed)
Rolando C Gapud
Executive Chairman

(Signed)
Joselito D Campos, Jr
Executive Director

7 September 2017

NOTES ON THE 1Q FY2018 DMPL RESULTS

1. DMPL's effective stake in DMFI is 89.4%, hence the non controlling interest line (NCI) in the P&L. Net income/(loss) is net of NCI.
2. FY means Fiscal Year for the purposes of this MD&A.
3. DMPL Group adopted the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants in April 2017). The change in accounting standard was applied retrospectively. This involved reclassifying a portion of biological assets to plant, property and equipment leading to much higher depreciation expense. However, for EBITDA calculation, the Group retained the old calculation using the lower depreciation for comparability.

FINANCIAL HIGHLIGHTS – FIRST QUARTER ENDED 31 JULY 2017

in US\$'000 unless otherwise stated*	For the three months ended 31 July		
	FY2018	FY2017	% Change
Turnover	473,844	467,374	1.4
Gross profit	97,884	95,435	2.6
Gross margin (%)	20.7	20.4	0.3 pts
Operating profit	14,844	8,606	72.5
Operating margin (%)	3.1	1.8	1.3 pts
Net profit/(loss) attributable to owners of the Company	740	(7,043)	110.5
Net margin (%)	0.2	(1.5)	1.7 pts
EPS (US cents)	(0.13)	(0.36)	63.9
Net debt	1,748,379	1,882,568	(7.1)
Gearing** (%)	304.2	512.6	(208.4) pts
EBITDA	32,172	25,501	26.2
Cash outflows from operations	(35,570)	(23,479)	(51.5)
Capital expenditure	22,502	36,149	(37.8)
Inventory (days)	233	225	8
Receivables (days)	27	27	–
Account Payables (days)	52	52	–

*The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.39 in July 2017, 1.36 in July 2016. For conversion to PhP, these exchange rates can be used: 50.05 in July 2017, 46.93 in July 2016.

**Gearing = Net Debt / Equity

REVIEW OF OPERATING PERFORMANCE

The Group achieved sales of US\$473.8 million for the first quarter of FY2018, up 1.4% versus the prior year period due to the strong performance of the S&W business in Asia, partially offset by lower sales in the USA.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) contributed US\$336.5 million or 71.0% of Group sales. DMFI's sales declined by 4.1% mainly due to reduced sales in private label and regional brands in foodservice as a result of competitive pricing. Sales of USDA fruit and pineapple concentrate were also impacted by lower pricing. The key retail segments of canned vegetable, canned fruit, and plastic fruit cup all grew sales in the quarter and despite some category declines, DMFI increased its market share during the quarter in a number of key categories in retail, ie canned vegetable, canned fruit, fruit in cups and broth.

DMFI expanded the adult fruit cup snacking segment with the launch of *Del Monte Fruit & Chia*, a category first, combining luscious chunks of fruit with wholesome chia. DMFI also launched the *College Inn Organic Chicken and Beef Broth*, as well as the *College Inn Broth Concentrate*, in a more convenient packaging format.

DMFI generated lower gross profit and margin of 14.8% from 15.5% in the prior year period. Gross margin was impacted by lower USDA and pineapple juice concentrate pricing, and unfavourable sales mix partly offset by lower costs.

Meanwhile, DMPL ex-DMFI sales were higher as compared to the same period last year. DMPL ex-DMFI generated sales of US\$147.2 million (inclusive of the US\$9.9 million sales by DMPL to DMFI which were netted out during consolidation), higher by 14.0%.

It generated a gross margin of 31.7% from 32.2% in the prior year quarter driven by lower pineapple juice concentrate pricing, unfavourable sales mix in the Philippine market, and higher promotional spending which is mainly timing-related. DMPL ex-DMFI generated an EBITDA of US\$27.6 million which was higher by 15.2% and a net income of US\$15.2 million, higher versus the US\$11.1 million in the same period last year.

The Philippine market sales were up 5.1% in peso terms but down 1.5% in US dollar terms due to peso depreciation. Sales growth was driven by expanded penetration and increased consumption of packaged pineapple fruit following improvement in supply, coupled with higher sales of culinary products. The Group continued to invest in driving inclusion of Del Monte products in consumers' weekly menu behind 360-degree campaigns across brands. Foodservice sales in the Philippines also continued to expand, riding on the rapid expansion of quick service restaurants and convenience stores with partnerships and menu creation with major accounts.

Sales of the S&W branded business in Asia and the Middle East continued its strong performance, with sales up 71% in the first quarter mainly due to strong sales of fresh pineapple on the back of improved supply and expansion into Turkey, a new market for packaged products.

DMPL's share of loss in the FieldFresh joint venture in India was higher at US\$0.5 million from US\$0.3 million in the prior year period due to lower sales for packaged food impacted by changes in tax brought about by the introduction of GST from the beginning of July.

The DMPL Group achieved an operating profit of US\$14.8 million, 72.5% higher than last year's operating profit of US\$8.6 million due to higher sales driven by the S&W business as outlined above.

The Group generated an EBITDA and a net profit of US\$32.2 million and US\$0.7 million for the quarter, respectively, 26% higher versus prior year period's EBITDA of US\$25.5 million and a complete turnaround versus prior year quarter's net loss of US\$7.0 million driven by the strong performance of DMPL ex-DMFI.

The Group's cash outflow from operations in the first quarter was US\$35.6 million driven by inventory build-up in preparation for the seasonally stronger second semester.

Past the production peak in October, cash flows are expected to further improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April.

VARIANCE FROM PROSPECT STATEMENT

The Group expects to generate a net profit for the balance of the year on a recurring basis. It is on track to achieving a net profit for the full year on a recurring basis which is in line with earlier guidance.

BUSINESS OUTLOOK

DMFI faces headwinds due to shifts in consumer demographics, shifts in the way American consumers are eating and shopping, as well as shifts in consumer preferences. It will continue to build on its Del Monte brand heritage and will realign its business with those consumer trends over time. Its plan focuses on business segments which are on-trend and will rationalise non-profitable businesses, in particular the non-branded segment. It will continue to optimise its cost structure and investing in a multiyear restructuring project for its operations and supply chain footprint to more efficiently support its commercial strategy.

With the four new joint ventures with Fresh Del Monte Produce, DMFI has the potential to greatly extend the reach of the Del Monte brand to the growing store perimeter while allowing both companies to optimise economies of scale.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East, while the Group's joint venture in India will continue to generate higher sales and maintain its positive EBITDA.

The Group will be exploring e-commerce opportunities for its range of products across markets.

Barring unforeseen circumstances, the Group will be profitable for FY2018 on a recurring basis.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the three months ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Profit/(Loss)		
	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg
Packaged vegetable	148,837	155,181	(4.1)	23,001	24,916	(7.7)	(3,074)	(3,560)	13.7
Packaged fruit	130,195	129,016	0.9	23,853	21,242	12.3	(380)	(2,563)	85.2
Beverage	6,193	9,915	(37.5)	1,066	2,686	(60.3)	(476)	699	(168.1)
Culinary	50,184	55,953	(10.3)	5,127	7,511	(31.7)	(3,411)	(4,287)	20.4
Others	336	97	246.4	72	(79)	191.1	652	393	65.9
Total	335,745	350,162	(4.1)	53,119	56,276	(5.6)	(6,689)	(9,318)	28.2

Reported under the Americas segment are sales and profit on sales in USA, Canada and Mexico. Majority of this segment's sales are principally sold under the Del Monte brand but also under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales in the Americas are distributed across the United States, in all channels serving retail markets, as well as to the US military, certain export markets, the foodservice industry and other food processors.

Sales in the Americas declined by 4.1% to US\$335.7 million due to reduced sales in private label and regional brands in foodservice as a result of competitive pricing. Sales of USDA fruit and pineapple concentrate were also impacted by lower pricing. The key retail segments of canned vegetable, canned fruit, and plastic fruit cup all grew sales in the quarter and despite some category declines, DMFI increased its market share during the quarter in a number of key categories in retail, ie canned vegetable, canned fruit, fruit in cups and broth.

DMFI expanded the adult fruit cup snacking segment with the launch of *Del Monte Fruit & Chia*, a category first, combining luscious chunks of fruit with wholesome chia. DMFI also launched the *College Inn Organic Chicken and Beef Broth*, as well as the *College Inn Broth Concentrate*, in a more convenient packaging format.

DMFI generated lower gross profit by 5.6% to US\$53.1 million due to lower USDA and pineapple juice concentrate pricing, unfavourable sales mix partly offset by lower costs.

Operating loss for the quarter was lower at US\$6.7 million from a loss of US\$9.3 million in the prior year quarter mainly due to lower administrative expenses from restoration savings and severance costs.

DMFI's first quarter is seasonally its weakest quarter accounting for only 19-21% of full year sales. As such, the first quarter is generally the least profitable quarter for DMFI.

ASIA PACIFIC

For the three months ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Profit		
	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg
Packaged vegetable	324	509	(36.3)	104	148	(29.7)	75	101	(25.7)
Packaged fruit	29,064	26,591	9.3	8,344	7,523	10.9	4,121	3,262	26.3
Beverage	32,181	34,524	(6.8)	10,510	12,238	(14.1)	3,771	5,143	(26.7)
Culinary	25,926	26,281	(1.4)	10,548	10,745	(1.8)	5,634	5,534	1.8
Fresh fruit and others	42,796	24,869	72.1	12,647	6,928	82.5	6,363	2,889	120.2
Total	130,291	112,774	15.5	42,153	37,582	12.2	19,964	16,929	17.9

Reported under this segment are sales and profit on sales in the Philippines, comprising primarily of Del Monte branded packaged products, including Del Monte traded goods; S&W products in Asia and the Middle East both fresh and packaged; and Del Monte packaged products from the Philippines into Indian subcontinent as well as unbranded Fresh and packaged goods.

Asia Pacific's sales in the first quarter improved by 15.5% to US\$130.3 million from US\$112.8 million on higher packaged fruit sales in the Philippines and improved S&W sales in North Asia and Middle East.

The Philippine market sales were up 5.1% in peso terms but 1.5% down in US dollar terms due to peso depreciation. Sales growth was driven by expanded penetration and increased consumption of its packaged pineapple fruit following improvement in supply, coupled with higher sales of culinary products. The Group continued to invest in driving inclusion of Del Monte products in consumers' weekly menu behind 360-degree campaigns across brands. Foodservice sales in the Philippines also continued to expand, riding on the rapid expansion of quick service restaurants and convenience stores with partnerships and menu creation with major accounts. Operating profit in the first quarter rose 17.9% to US\$20.0 million reflecting gross margin improvement resulting from higher S&W sales and lower marketing costs.

EUROPE

For the three months ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Profit/(Loss)		
	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg	FY2018	FY2017	% Chg
Packaged fruit	6,273	3,510	78.7	2,725	1,204	126.3	1,923	721	166.7
Beverage	1,535	928	65.4	(113)	373	(130.3)	(354)	274	(229.2)
Total	7,808	4,438	75.9	2,612	1,577	65.6	1,569	995	57.7

Included in this segment are sales of unbranded products in Europe.

For the first quarter, Europe's sales improved by 75.9% to US\$7.8 million from US\$4.4 million on higher packaged pineapple and beverage sales. Gross profit and operating profit increased by 65.6% and 57.7%, driven by higher sales and lower pineapple costs, which offset the increase in tinplate costs.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 31 July		
	FY2018	FY2017 (Restated)	Comments
Cost of Goods Sold	79.3	79.6	Lower pineapple cost from better yield and higher recovery and better costs for DMFI
Distribution and Selling Expenses	9.6	9.7	No change

G&A Expenses	8.2	8.9	Last year included US\$4.9 million of plant closure and severance one-off expenses; this quarter only had US\$0.9 million
Other Operating Expenses	(0.3)	(0.1)	Lower miscellaneous expenses

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US\$'000	For the three months ended 31 July			Comments
	FY2018	FY2017 (Restated)	%	
Depreciation and amortisation	(37,583)	(33,479)	12.3	Mainly due to higher asset base
Provision for inventory obsolescence	(719)	(6,940)	(89.6)	Due to timing of the provision
Provision for doubtful debts	205	(49)	518.4	Due to settlement of receivables
Loss on disposal of fixed assets	(113)	(743)	(84.8)	Lower disposal of assets
Foreign exchange gain, net	1,583	93	nm	Favourable impact of peso depreciation for the quarter
Interest income	126	127	(0.8)	Lower interest income from operating assets
Interest expense	(26,082)	(26,849)	(2.9)	Lower level of borrowings due to partial payment of bridge loans
Share of loss of JV, (attributable to the owners of the Company)	(493)	(341)	44.6	Lower sales in Indian joint venture
Taxation	8,872	9,238	(4.0)	Due to lower DMFI loss position

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances	31 July 2017	31 July 2016 (Restated)	30 April 2017 (Audited)	Comments
<i>in US\$'000</i>				
Investment in Joint venture	25,278	23,816	25,797	Driven by additional capital call for FieldFresh
Deferred tax assets	100,759	110,663	92,786	Due to write-off of deferred tax asset
Other non-current assets	28,933	27,893	27,112	Due to increase in land expansion
Biological assets	42,994	43,420	45,767	Mainly due to translation
Inventories	1,024,623	1,014,936	916,892	Due to DMFI's lower sales
Trade and other receivables	157,163	152,658	164,447	Due to timing of collection
Prepaid and other current assets	41,190	32,806	43,046	Due to higher prepaid taxes
Cash and cash equivalents	19,486	20,494	37,571	Mainly on decreased borrowings
Loans and Borrowings – non-current	1,266,309	1,117,593	1,264,268	Reclassification of loans
Other non-current liabilities	42,825	63,069	44,018	Decrease due to settlement of liabilities
Employee benefits– non-current	87,930	96,041	87,599	Due to DMFI decrease in employee retirement plan
Loans and Borrowings – current	501,556	785,469	449,698	Due to reclassification of loans
Trade and other payables	314,134	361,764	299,556	Due to lower accrued expenses
Current tax liabilities	1,659	4,916	1,187	Due to timing of tax payment

SHARE CAPITAL

Total shares outstanding were at 1,963,214,106 (common shares 1,943,214,106 and preference shares 20,000,000) as of 31 July 2017; (31 July 2016: common shares 1,943,214,106). Share capital is at US\$39.5 million as of 31 July 2017 (31 July 2016: US\$19.5 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

Date of Grant	Options	Share Awards	Recipient(s)
7 March 2008	1,550,000	1,725,000	Key Executives
20 May 2008	–	1,611,000	CEO
12 May 2009	–	3,749,000	Key Executives
29 April 2011	–	2,643,000	CEO
21 November 2011	–	67,700	Non-Executive Director
30 April 2013	150,000	486,880	Key Executives
22 August 2013	–	688,000	Executive/Non-Executive Directors
1 July 2015	75,765	57,918	Executive/Non-Executive Directors

The number of shares outstanding includes 1,721,720 shares held by the Company as treasury shares as at 31 July 2017 (31 July 2016: 1,721,720). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 July 2017.

The company does not have any subsidiary holdings as at 31 July 2017.

In April 2017, the Company successfully completed the offering and listing of 20 million Series A-1 Preference Shares at an offer price of US\$10 per share in the Philippines generating US\$200 million in proceeds. The Company used the net proceeds to partly refinance the US\$350 million BDO Unibank, Inc loan which was extended in February 2017 for two years.

BORROWINGS AND NET DEBT

Liquidity in US\$'000	As at 31 July		As at 30 April
	2017	2016	2017
Gross borrowings	(1,767,865)	(1,903,062)	(1,713,966)
Current	(501,556)	(785,469)	(449,698)
Secured	(195,122)	(299,470)	(169,114)
Unsecured	(306,434)	(485,999)	(280,584)
Non-current	(1,266,309)	(1,117,593)	(1,264,268)
Secured	(923,999)	(924,594)	(922,294)
Unsecured	(342,310)	(192,999)	(341,974)
Less: Cash and bank balances	19,486	20,494	37,571
Net debt	(1,748,379)	(1,882,568)	(1,676,395)

The Group's net debt (cash and bank balances less borrowings) amounted to US\$1.8 billion as at 31 July 2017, lower than last year due to partial payment of bridge loans.

DIVIDENDS

No dividends were declared for this quarter and corresponding prior year quarter.

INTERESTED PERSON TRANSACTIONS

The aggregate value of IPT conducted pursuant to shareholders' mandate obtained in accordance with Chapter 9 of the Singapore Exchange's Listing Manual was as follows:

In US\$'000 For the first quarter of the fiscal year	Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	FY2018	FY2017	FY2018	FY2017
NutriAsia, Inc	-	-	277	510
DMPI Retirement Fund	-	-	411	401
NutriAsia, Inc Retirement Fund	-	-	132	135
Aggregate Value	-	-	820	1,046

SUBSEQUENT EVENT

The Group had announced on 15 August 2017 the appointment of Mr Gregory N Longstreet as CEO of DMFI effective 5 September 2017. Greg is responsible for DMFI's strategy, business and overall organisation. He has over 25 years of work experience in the food industry, having held critical commercial roles in sales, marketing and general management, including as President and CEO. While at Dole Foods Company, Greg was the Director of Marketing and New Product Development of the Packaged division and, at one point, had leadership roles in the Fresh Vegetable division where he led the strategic expansion of Dole Fresh Vegetable foodservice business. In his recent role as President and CEO of CytoSport (of the Hormel Foods Group), Greg's work included innovative brand and product expansion within the beverage, bar and powder segments of the sports nutrition category. Please refer to the complete announcement in DMPL's website -- <https://www.delmontepacific.com/investors/news-and-filings>.

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US\$'000	For the three months ended 31 July		%
	FY2018	FY2017	
	(Unaudited)	(Restated, Unaudited)	
Turnover	473,844	467,374	1.4
Cost of sales	(375,960)	(371,939)	1.1
Gross profit	97,884	95,435	2.6
Distribution and selling expenses	(45,547)	(45,305)	0.5
General and administration expenses	(39,048)	(41,762)	(6.5)
Other operating income	1,555	238	553.4
Profit from operations	14,844	8,606	72.5
Financial income*	1,755	734	139.1
Financial expense*	(26,128)	(27,363)	(4.5)
Net finance expense	(24,373)	(26,629)	(8.5)
Share of loss of joint venture, net of tax	(519)	(359)	(44.6)
Loss before taxation	(10,048)	(18,382)	(45.3)
Taxation	8,872	9,238	(4.0)
Loss after taxation	(1,176)	(9,144)	(87.1)
Profit/(Loss) attributable to:			
Owners of the Company	740	(7,043)	110.5
Non-controlling interest**	(1,916)	(2,101)	(8.8)
Loss for the period	(1,176)	(9,144)	87.1
Notes:			
Depreciation and amortisation	(37,583)	(33,479)	12.3
Provision for inventory obsolescence	(719)	(6,940)	(89.6)
Reversal for doubtful debts	205	(49)	(518.4)
Loss on disposal of fixed assets	(113)	(743)	(84.8)
*Financial income comprise:			
Interest income	126	127	(0.8)
Foreign exchange gain	1,629	607	168.4
	1,755	734	139.1
*Financial expense comprise:			
Interest expense	(26,082)	(26,849)	(2.9)
Foreign exchange loss	(46)	(514)	(91.1)
	(26,128)	(27,363)	(4.5)

nm – not meaningful

Earnings per ordinary share in US cents	For the three months ended 31 July	
	FY2018	FY2017
Earnings per ordinary share based on net profit attributable to shareholders:		
(i) Based on weighted average no. of ordinary shares	(0.13)	(0.36)
(ii) On a fully diluted basis	(0.13)	(0.36)

*Includes US\$1,890 for DMFI and US\$26 for FieldFresh in the first quarter ended 31 July of FY2018 and US\$2,082 for DMFI and US\$19 for FieldFresh in the first quarter of FY2017.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US\$'000

	For the three months ended 31 July		
	FY2018	FY2017	%
Loss for the period	(1,176)	(9,144)	87.1
Other comprehensive income/(loss) (after reclassification adjustment):			
<i>Items that will or may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating of foreign operations	(5,613)	(1,323)	324.3
Effective portion of changes in fair value of cash flow hedges	8,636	(1,645)	(624.9)
Income tax benefit on cash flow hedge	(795)	625	(227.2)
	2,228	(2,343)	(195.1)
<i>Items that will not be classified to profit or loss</i>			
Remeasurement of retirement benefit	(4,056)	6,815	(159.5)
Income tax benefit (expense) on retirement benefit	(911)	(5,326)	(82.9)
	(4,967)	1,489	(433.6)
Other comprehensive loss for the period	(2,739)	(854)	(220.7)
Total comprehensive loss for the period	(3,915)	(9,998)	(60.8)
Attributable to:			
Owners of the Company	(2,295)	(7,943)	71.1
Non-controlling interests	(1,620)	(2,055)	21.2
Total comprehensive loss for the period	(3,915)	(9,998)	60.8

nm – not meaningful

Please refer to page 3 for the Notes

DEL MOTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US\$'000	Group			Company		
	31 July 2017 (Unaudited)	31 July 2016 (Restated, Unaudited)	30 April 2017 (Audited)	31 July 2017 (Unaudited)	31 July 2016 (Restated, Unaudited)	30 April 2017 (Audited)
Non-Current Assets						
Property, plant and equipment	644,857	664,258	657,185	–	–	–
Subsidiaries	–	–	–	836,998	747,143	831,888
Joint ventures	25,278	23,816	25,797	1,928	2,551	1,924
Intangible assets and goodwill	738,689	748,036	741,026	–	–	–
Other noncurrent assets	28,933	27,893	27,112	–	–	–
Deferred tax assets – net	101,210	110,663	92,786	2	–	2
Employee benefits	5,356		5,517			–
Biological assets	1,453	1,435	1,420	–	–	–
	1,545,776	1,576,101	1,550,843	838,928	749,694	833,814
Current Assets						
Inventories	1,024,623	1,014,936	916,892	–	–	–
Biological assets	41,541	41,985	44,347	–	–	–
Trade and other receivables	157,163	152,658	164,447	117,362	145,549	119,703
Prepaid and other current assets	41,190	32,806	43,046	208	236	328
Cash and cash equivalents	19,486	20,494	37,571	767	1,223	6,767
	1,284,003	1,262,879	1,206,303	118,337	147,008	126,798
Noncurrent assets held for sale	–	1,950	–	–	–	–
	1,284,003	1,264,829	1,206,303	118,337	147,008	126,798
Total Assets	2,829,779	2,840,930	2,757,146	957,265	896,702	960,612
Equity attributable to equity holders of the Company						
Share capital	39,449	19,449	39,449	39,449	19,449	39,449
Retained earnings	159,909	153,588	159,169	159,909	140,146	159,169
Reserves	315,450	134,342	318,460	315,588	134,483	318,599
Equity attributable to owners of the Company	514,808	307,379	517,078	514,946	294,078	517,217
Non-controlling interest	59,866	59,914	61,477	–	–	–
Total Equity	574,674	367,293	578,555	514,946	294,078	517,217
Non-Current Liabilities						
Loans and borrowings	1,266,309	1,117,593	1,264,268	282,910	129,279	281,854
Other non-current liabilities	42,825	63,069	44,018	–	–	–
Employee benefits	87,930	96,041	87,599	–	–	–
Environmental remediation liabilities	6,205	4,506	6,198	–	–	–
Deferred tax liabilities	2,558	1,096	3,913	–	–	–
	1,405,827	1,282,305	1,405,996	282,910	129,279	281,854

To be continued

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Amounts in US\$'000	Group			Company		
	31 July 2017 (Unaudited)	31 July 2016 (Unaudited)	30 April 2017 (Audited)	31 July 2017 (Unaudited)	31 July 2016 (Unaudited)	30 April 2017 (Audited)
Current Liabilities						
Trade and other payables	314,205	361,764	299,545	109,439	124,281	118,471
Loans and borrowings	501,556	785,469	449,698	49,970	349,068	43,070
Current tax liabilities	1,659	4,916	1,187	–	(4)	–
Employee benefits	31,857	39,183	22,165	–	–	–
	849,277	1,191,332	772,595	159,409	473,345	161,541
Total Liabilities	2,255,104	2,473,637	2,178,591	442,319	602,624	443,395
Total Equity and Liabilities	2,829,779	2,840,930	2,757,146	957,265	896,702	960,612
NAV per ordinary share (US cents)	26.23	18.91	29.77	26.23	15.13	26.62

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group												
Fiscal Year 2018												
At 1 May 2017, as previously stated	39,449	390,320	(78,087)	10,885	1,808	(7,443)	1,779	159,169	(802)	517,078	61,477	578,555
Total comprehensive income for the period												
Profit/(Loss) for the period	–	–	–	–	–	–	–	740	–	740	(1,916)	(1,176)
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(5,616)	–	–	–	–	–	–	(5,616)	3	(5,613)
Remeasurement of retirement plan	–	–	–	–	(5,123)	–	–	–	–	(5,123)	156	(4,967)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	7,704	–	–	–	7,704	137	7,841
Total other comprehensive income/(loss)	–	–	(5,616)	–	(5,123)	7,704	–	–	–	(3,035)	296	(2,739)
Total comprehensive loss for the period	–	–	(5,616)	–	(5,123)	7,704	–	740	–	(2,295)	(1,620)	(3,915)
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of preference share	–	(70)	–	–	–	–	–	–	–	(70)	–	(70)
Value of employee services received for issue of share options	–	–	–	–	–	–	95	–	–	95	9	104
Total contributions by and distributions to owners	–	(70)	–	–	–	–	95	–	–	25	9	34
At 31 July 2017	39,449	390,250	(83,703)	10,885	(3,315)	261	1,874	159,909	(802)	514,808	59,866	574,674

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group												
Fiscal Year 2017												
At 1 May 2016	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	148,866	(802)	303,241	61,971	365,212
Impact of change in accounting policy	–	–	–	–	–	–	–	11,765	–	11,765	–	11,765
At 1 May 2016, restated	19,449	214,843	(59,813)	8,002	(10,833)	(17,502)	1,031	160,631	(802)	315,006	61,971	376,977
Total comprehensive income for the period												
Loss for the period	–	–	–	–	–	–	–	(7,043)	–	(7,043)	(2,101)	(9,144)
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(1,324)	–	–	–	–	–	–	(1,324)	(1)	(1,323)
Remeasurement of retirement plan	–	–	–	–	1,336	–	–	–	–	1,336	153	1,489
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(912)	–	–	–	(912)	(108)	(1,020)
Total other comprehensive income	–	–	(1,324)	–	1,336	(912)	–	–	–	(900)	46	(854)
Total comprehensive (loss)/income for the period	–	–	(1,324)	–	1,336	(912)	–	(7,043)	–	(7,943)	(2,055)	(9,998)
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Value of employee services received for issue of share options	–	–	–	–	–	–	316	–	–	316	(2)	314
Total contributions by and distributions to owners	–	–	–	–	–	–	316	–	–	316	(2)	314
At 31 July 2016	19,449	214,843	(61,137)	8,002	(9,497)	(18,414)	1,347	153,588	(802)	307,379	59,914	367,293

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share Capital US\$'000	Share Premium US\$'000	Translation Reserve US\$'000	Revaluation reserve US\$'000	Remeasure- ment retirement plan US\$'000	Share option reserve US\$'000	Hedging Reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total Equity US\$'000
Fiscal Year 2018										
At 1 May 2017, as previously stated	39,449	390,459	(78,087)	10,885	1,808	1,779	(7,443)	(802)	159,169	517,217
Impact of change of accounting policies	-	-	-	-	-	-	-	-	-	-
At 1 May 2017, as restated	39,449	390,459	(78,087)	10,885	1,808	1,779	(7,443)	(802)	159,169	517,217
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	-	-	740	740
Other comprehensive income										
Currency translation differences recognised directly in equity	-	-	(5,545)	-	-	-	-	-	-	(5,545)
Remeasurement of retirement plan	-	-	-	-	(5,123)	-	-	-	-	(5,123)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	-	7,704	-	-	7,704
Total other comprehensive income	-	-	(5,545)	-	(5,123)	-	7,704	-	-	(2,964)
Total comprehensive loss for the period	-	-	(5,545)	-	(5,123)	-	7,704	-	740	(2,224)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Transaction costs related to the issuance of share capital	-	(70)	-	-	-	-	-	-	-	(70)
Value of employee services received for issue of share options	-	-	-	-	-	95	-	-	-	95
Total contributions by and distributions to owners	-	(70)	-	-	-	95	-	-	-	25
At 31 July 2017	39,449	390,389	(83,632)	10,885	(3,315)	1,874	261	(802)	159,909	515,018

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Company	Share capital US\$'000	Share premium US\$'000	Translation Reserve US\$'000	Revaluation Reserve US\$'000	Remeasure-ment retirement plan US\$'000	Share Option Reserve US\$'000	Hedging Reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total Equity US\$'000
Fiscal Year 2017										
At 1 May 2016	19,449	214,982	(59,813)	8,002	(10,833)	1,031	(17,502)	(802)	148,866	303,380
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	-	-	(8,720)	(8,720)
Other comprehensive income										
Currency translation differences recognised directly in equity	-	-	(1,322)	-	-	-	-	-	-	(1,322)
Remeasurement of retirement plan	-	-	-	-	1,336	-	-	-	-	1,336
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	-	(912)	-	-	(912)
Total other comprehensive income	-	-	(1,322)	-	1,336	-	(912)	-	-	(898)
Total comprehensive loss for the period	-	-	(1,322)	-	1,336	-	(912)	-	(8,720)	(9,618)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Value of employee services received for issue of share options	-	-	-	-	-	316	-	-	-	316
Total contributions by and distributions to owners	-	-	-	-	-	316	-	-	-	316
At 31 July 2016	19,449	214,982	(61,135)	8,002	(9,497)	1,347	(18,414)	(802)	140,146	294,078

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US\$'000	For the three months ended 31 July	
	FY2017	FY2017
	(Unaudited)	(Restated, Unaudited)
Cash flows from operating activities		
Loss for the period	(1,176)	(9,144)
Adjustments for:		
Depreciation of property, plant and equipment	35,246	31,715
Amortisation of intangible assets	2,337	1,764
Loss on disposal of property, plant and equipment	113	743
Equity-settled share-based payment transactions	104	316
Share of loss of joint venture, net of tax	519	359
Finance income	(1,755)	(734)
Finance expense	26,128	27,363
Tax expense (benefit) - net	(9,053)	(9,412)
Net loss on derivative financial instrument	1,105	2,342
Operating profit before working capital changes	<u>53,568</u>	<u>45,312</u>
Changes in:		
Other assets	(37,565)	10,737
Inventories	(91,022)	(165,540)
Biological assets	17,981	(2,319)
Trade and other receivables	4,597	16,240
Prepaid and other current assets	(874)	(2,048)
Trade and other payables	13,732	70,346
Employee benefits	4,013	3,793
Operating cash flow	<u>(35,570)</u>	<u>(23,479)</u>
Income taxes paid	-	-
Net cash outflows from operating activities	<u>(35,570)</u>	<u>(23,479)</u>
Cash flows from investing activities		
Interest received	132	126
Proceeds from disposal of property, plant and equipment	40	56
Purchase of property, plant and equipment	(22,502)	(36,149)
Additional investment in joint venture	-	(1,359)
Net cash flows used in investing activities	<u>(22,330)</u>	<u>(37,326)</u>
Cash flows from financing activities		
Interest paid	(23,162)	(22,636)
Proceeds of borrowings	53,987	57,864
Transactions costs related to rights issue	(70)	-
Net cash flows from financing activities	<u>30,755</u>	<u>35,228</u>
Net decrease in cash and cash equivalents	<u>(27,145)</u>	<u>(25,577)</u>
Cash and cash equivalents at 1 May	<u>37,571</u>	<u>47,203</u>
Effect of exchange rate fluctuations on cash held	<u>9,060</u>	<u>(1,132)</u>
Cash and cash equivalents at 31 July	<u>19,486</u>	<u>20,494</u>