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## Diversification drives "excellent" Del Monte result

### Yearly net income soars for fresh produce giant despite lower sales



**F**lorida-based Fresh Del Monte Produce has released its results for 2016, revealing a positive bottom line built on strong diversification efforts and ongoing strategic initiatives.

The group said that net income had soared from US\$62.4m for the full-year of 2015 up to US\$225.1m in 2016.

This came despite a year of lower net sales, decreasing to US\$4.01bn, compared with \$4.06bn in 2015 – the result of lower net sales in the banana and prepared food business segments, which was partially offset by higher net sales in the company's other fresh produce business segment.

"Our positive performance during the fourth quarter and excellent results

for the full year demonstrate our ongoing efforts to drive diversification across all of our businesses," said Mohammad Abu-Ghazaleh, chairman and chief executive officer.

"Throughout the year, we remained focused on reinforcing our global business platform with a series of strategic initiatives that enhanced our higher-margin portfolio of products and businesses, achieving strong results and growth in our fresh-cut product line with new facilities globally, product line extensions and expanded production areas," he continued. "We also bolstered our delivery channels and foodservice customers as consumers worldwide continue to increase their purchases of healthy and convenient fresh produce.

For bananas, net sales

for the year were US\$1.81bn, compared with US\$1.87bn in 2015, primarily due to lower sales volume in the group's North America and Europe regions.

Net sales for the year across other fresh produce was US\$1.85bn, compared with US\$1.83bn in the prior year, attributable to increased sales volume and higher selling prices in avocados, along with increased sales volume in the company's fresh cut product line.

"Looking forward, we see tremendous opportunities for growth, while remaining focused on the bottom line and increasing shareholder value for the long-term," Abu-Ghazaleh added.