

DOLE FOOD COMPANY INC

Form S-4/A

July 18, 2003

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As filed with the Securities and Exchange Commission on July 17, 2003

Registration No. 333-106500

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1

To

Form S-4

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Dole Food Company, Inc.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction
of incorporation or organization)*

0100

*(Primary Standard Industrial Classification
Code Number)*

99-0035300

*(I.R.S. Employer
Identification Number)*

One Dole Drive

Westlake Village, California 91362

(818) 874-4000

*(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)*

SEE TABLE OF ADDITIONAL REGISTRANTS

Richard J. Dahl

Senior Vice President and Chief Financial Officer

Dole Food Company, Inc.

One Dole Drive

Westlake Village, California 91362

(818) 874-4000

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copies To:

William F. Schwitter, Esq.

Michael K. Chernick, Esq.

Paul, Hastings, Janofsky & Walker LLP

75 East Fifty Fifth Street

New York, NY 10022

(212) 318-6000

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a) of the Securities Act of 1933, may determine.

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Name	State or Territory of Incorporation/Formation	Primary Standard Industrial Classification Code Number	IRS Employer Identification No.
Calazo Corporation	Arizona	6719	94-3060311
AG 1970, Inc.	California	6719	95-4130446
AG 1971, Inc.	California	6719	95-4130445
AG 1972, Inc.	California	6719	95-4130444
Alyssum Corporation	California	6719	77-0301106
Barclay Hollander Corporation	California	9999	95-2582591
Bud Antle, Inc.	California	0161	74-1888396
Calicahomes, Inc.	California	6719	99-0111968
California Polaris, Inc.	California	9999	95-3367526
Dole ABPIK, Inc.	California	9999	77-0199061
Dole Arizona Dried Fruit and Nut Company	California	6719	77-0313713
Dole Carrot Company	California	0161	77-0045047
Dole Citrus	California	0762	95-3408577
Dole DF&N, Inc.	California	9999	77-0199060
Dole Dried Fruit and Nut Company, a California general partnership	California	6531	
Dole Farming, Inc.	California	9999	94-6082732
Dole Fresh Vegetables, Inc.	California	0161	94-2912316
Dole Orland, Inc.	California	6719	94-2343954
Dole Visage, Inc.	California	0762	94-1409893
E. T. Wall Company	California	9999	95-3082719
Earlibest Orange Association, Inc.	California	9999	94-1566982
Fallbrook Citrus Company, Inc.	California	9999	33-0021143
Lindero Headquarters Company, Inc.	California	6531	95-4677180
Lindero Property, Inc.	California	6719	77-0291429
Oceanview Produce Company	California	0161	77-0220763
Prairie Vista, Inc.	California	9999	95-2313550
Royal Packing Co.	California	0161	77-0241501
Veltman Terminal Co.	California	9999	95-1860001
Bananera Antillana (Colombia), Inc.	Delaware	9999	94-2558610
Clovis Citrus Association	Delaware	9999	94-2260313
Delphinium Corporation	Delaware	6719	74-1918671
Dole Europe Company	Delaware	5148	72-0473921
Dole Foods Flight Operations, Inc.	Delaware	9999	95-4138643
Dole Fresh Flowers, Inc.	Delaware	5193	77-0175155
Dole Northwest, Inc.	Delaware	0723	91-0465345
Dole Sunfresh Express, Inc.	Delaware	5812	95-4109153
Standard Fruit and Steamship Company	Delaware	6719	72-0647893
Standard Fruit Company	Delaware	6719	72-0471475

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Name	State or Territory of Incorporation/Formation	Primary Standard Industrial Classification Code Number	IRS Employer Identification No.
Sun Country Produce, Inc.	Delaware	9999	94-2949397
West Foods, Inc.	Delaware	9999	94-2207164
Cool Advantage, Inc.	Florida	9999	58-2435308
Cool Care, Inc.	Florida	9999	59-2726546
Flownet, Inc.	Florida	9999	65-0005983
Saw Grass Transport, Inc.	Florida	6512	65-0933238
Blue Anthurium, Inc.	Hawaii	6719	77-0313717
Cerulean, Inc.	Hawaii	6719	77-0386597
Dole Diversified, Inc.	Hawaii	6719	99-0278052
Dole Land Company, Inc.	Hawaii	6531	99-0045212
Dole Packaged Foods Corporation	Hawaii	9999	95-4311287
La Petite d Agen, Inc.	Hawaii	6719	99-0106314
Malaga Company, Inc.	Hawaii	6719	99-0279848
M K Development, Inc.	Hawaii	6719	99-0262686
Muscat, Inc.	Hawaii	6719	99-0116427
Oahu Transport Company, Limited	Hawaii	4731	99-0067688
Wahiawa Water Company, Inc.	Hawaii	4971	99-0161840
Waiialua Sugar Company, Inc.	Hawaii	0191	99-0118484
Zante Currant, Inc.	Hawaii	6719	99-0144948
Diversified Imports Co.	Nevada	9999	94-2944434
Dole Assets, Inc.	Nevada	9999	95-4652892
Dole Fresh Fruit Company	Nevada	5148	59-2592916
Dole Holdings Inc.	Nevada	6719	94-2960877
Dole Logistics Services, Inc.	Nevada	9999	77-0339860
Dole Ocean Cargo Express, Inc.	Nevada	4412	77-0518339
Dole Ocean Liner Express, Inc.	Nevada	9999	77-0341859
Renaissance Capital Corporation	Nevada	9999	77-0407458
Sun Giant, Inc.	Nevada	9999	94-3066043
Miradero Fishing Company, Inc.	Puerto Rico	9999	66-0309831
DNW Services Company	Washington	9999	91-1912599
Pacific Coast Truck Company	Washington	5999	91-1688041
Pan-Alaska Fisheries, Inc.	Washington	9999	91-0683339

The address, including zip code, of the principal offices of the additional registrants listed above is: c/o Dole Food Company, Inc., One Dole Drive, Westlake Village, California 91362 and the telephone number, including area code, of such additional registrants at that address is (818) 874-4000.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated July 17, 2003

PROSPECTUS

\$400,000,000

Offer to Exchange

**7 1/4% Senior Notes due June 15, 2010,
which have been registered under the Securities Act of 1933,
for any and all outstanding
7 1/4% Senior Notes due June 15, 2010,
which have not been registered under the Securities Act of 1933,
of**

We will exchange all original notes that are validly tendered and not withdrawn for an equal principal amount of new notes that we have registered under the Securities Act of 1933.

This exchange offer expires at 5:00 p.m., New York City time, on _____, 2003, unless extended.

No public market exists for the original notes or the new notes. We do not intend to list the new notes on any securities exchange or to seek approval for quotation through any automated quotation system.

The new notes will be unsecured and will rank equally with all of our existing and future senior unsecured indebtedness, including the original notes and our other existing senior notes and debentures, and will rank senior to any future subordinated debt. The new notes will be effectively subordinated to our secured debt, including obligations under our senior secured credit facility, to the extent of the value of the assets securing such debt and any obligations of our subsidiaries that are not guarantors. All of our domestic subsidiaries that guarantee the obligations under our senior secured credit facility will guarantee the new notes with unconditional guarantees that will be unsecured senior subordinated obligations of those subsidiaries and will rank pari passu with all of their existing and future senior subordinated debt and will be subordinated in right of payment to their existing and future senior debt, including their guarantees under our senior secured credit facility.

See Risk Factors beginning on page 17 for a discussion of the risks that holders should consider prior to making a decision to exchange original notes for new notes.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 90 days after the expiration date of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2003.

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You should rely only on the information contained in this prospectus or to which we have referred you. We have not authorized anyone to provide you with information that is different. This prospectus may only be used where it is legal to sell these securities. The information in this prospectus may not be accurate on dates other than the date of this prospectus.

No person is authorized in connection with this exchange offer to give any information or to make any representation not contained in this prospectus, and, if given or made, such other information or representation must not be relied upon as having been authorized by us or the initial purchasers. The information contained herein is as of the date hereof and is subject to change, completion or amendment without notice. Neither the delivery of this prospectus at any time nor the offer, sale or delivery of any note shall, under any circumstances, create any implication that there has been no change in the information set forth herein or in our affairs since the date hereof.

In making an investment decision regarding the notes, prospective investors must rely on their own examination of us and the terms of this exchange offer, including the merits and risks involved. No representation is made to any offeree or purchaser of the new notes regarding the legality of an investment therein by such offeree or purchaser under any applicable legal investment or similar laws or regulations. The contents of this prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the new notes.

This prospectus contains summaries of the terms of several documents. These summaries are qualified in their entirety by reference to the full text of the documents.

This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the notes to any person in any jurisdiction where it is unlawful to make such an offer or solicitation.

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MARKET SHARE, RANKING AND SIMILAR INFORMATION

The market share, ranking and other information contained in this prospectus is based either on our own estimates, independent industry publications, reports by market research firms or other published independent sources. In each case, we believe that they are reasonable estimates. Market share information is subject to changes, however, and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data-gathering process and other limitations and uncertainties inherent in any statistical survey of market share. In addition, customer preferences can and do change. As a result, you should be aware that market share, ranking and other similar information set forth in this prospectus and estimates and beliefs based on such data, may not be reliable. In this prospectus when we use the term North America with respect to market share data, we are referring to the United States.

DOLE® is our principal registered trademark. Our other trademarks include FRUIT BOWLS®, FUN SHAPES®, FRUIT-N-GEL BOWLS™ and DOLE PREMIUM SELECT™.

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SUMMARY

This summary highlights selected information from this prospectus. The following summary information is qualified in its entirety by the information contained elsewhere in this prospectus. This summary is not complete and may not contain all of the information that you should consider prior to making a decision to exchange original notes for new notes. You should read the entire prospectus carefully, including the Risk Factors section beginning on page 17 of this prospectus and the financial statements and notes to these statements contained in this prospectus. Unless the context requires otherwise, references to the Company, we, us, our and Dole refer to Dole Food Company, Inc. and its subsidiaries as a combined entity, except where it is clear that the terms mean only Dole Food Company, Inc. As used in this prospectus, the terms FYE and fiscal year ended refer to our fiscal year, which ends on the Saturday closest to December 31.

Dole Food Company, Inc.

We are the world's largest producer of fresh fruit, fresh vegetables and fresh-cut flowers, and we market a growing line of value-added products. We are one of the world's largest producers of bananas and pineapples, a leading marketer of citrus and table grapes worldwide and an industry leader in packaged fruit products, ready-to-eat salads and vegetables. Our most significant products hold the number 1 or number 2 position in the respective markets in which we compete. For the fiscal year ended December 28, 2002 and the fiscal quarter ended March 22, 2003, we generated revenues of approximately \$4.4 billion and \$1.1 billion, respectively.

We provide wholesale, retail and institutional customers around the world with high quality food products that bear the DOLE trademarks. The DOLE brand was introduced in 1933 and we believe it is one of the most recognized brands for fresh and packaged produce in the United States, as evidenced by our 42% unaided consumer brand awareness, twice that of our nearest competitor, according to C.A. Walker and Associates. We utilize product quality, food safety, brand recognition, competitive pricing, customer service and consumer marketing programs to enhance our position within the food industry. Consumer and institutional recognition of the DOLE trademarks and related brands and the association of these brands with high quality food products contribute significantly to our leading positions in the markets that we serve.

We source or sell over 200 products in more than 90 countries. Our fully-integrated operations include sourcing, growing, processing, distributing and marketing our products. Our products are produced both directly on Dole-owned or leased land and through associated producer and independent grower arrangements under which we provide varying degrees of farming, harvesting, packing, storing, shipping, stevedoring and marketing services.

We operate through four business segments: fresh fruit, fresh vegetables, packaged foods and fresh-cut flowers.

Fresh Fruit: Our fresh fruit segment is a leading worldwide producer and distributor of fresh bananas, pineapples and other tropical and deciduous fruits with operations in approximately 90 countries.

Fresh Vegetables: Our fresh vegetables segment produces and markets fresh and fresh packaged vegetables, including ready-to-eat salads, to retail and foodservice customers in North America and Asia.

Packaged Foods: Our packaged foods segment produces and markets packaged foods, including canned fruit, juices and snack foods. Our primary packaged foods products are packaged pineapple products, in which we have the leading global market share, and packaged fruit products such as our FRUIT BOWLS and FRUIT-N-GEL BOWLS lines of individual serving fruit cups packaged in easy to open plastic containers.

Fresh-Cut Flowers: We believe that our fresh-cut flowers segment is the largest fully-integrated supplier of fresh-cut flowers and bouquets in North America. We market to an array of retail, mass market and wholesale customers.

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The following chart sets forth a list of key products and operating data for each of our business segments for the fiscal year ended December 28, 2002 and the fiscal quarter ended March 22, 2003:

	Fresh Fruit	Fresh Vegetables	Packaged Foods	Fresh-cut Flowers
(Dollars in millions)				
Fiscal Year 2002				
Revenues(1)	\$2,773	\$826	\$589	\$174
% total(2)	64%	19%	14%	4%
Quarter Ended March 22, 2003				
Revenues(1)	\$ 725	\$177	\$117	\$ 49
% total(2)	68%	17%	11%	4%
Key products:	Bananas Pineapples Chilean fruit (grapes, apples, pears, stone fruit and kiwi)	Lettuce, celery, cauliflower, broccoli Value- added products such as ready-to- eat salads	Processed pineapple Other canned fruits FRUIT BOWLS FRUIT-N-GEL BOWLS	Roses, Carnations, Pompons, Alstroemeria, Bouquets
Market share(3):	#1 global bananas #1 exporter of winter fruits from Chile #2 fresh pineapple	#1 ready-to-eat salads #1 iceberg lettuce, celery and cauliflower #2 broccoli	#1 canned pineapple #1 canned pineapple juice #1 plastic fruit cups #1 canned tropical fruit cocktail	#1 fresh-cut flowers

- (1) Excludes other operating segments and corporate.
- (2) Represents percentage of total revenues for the four segments presented herein.
- (3) All market share information refers to North America unless otherwise indicated.

Competitive Strengths

The worldwide fresh produce industry is characterized by consistent underlying demand and favorable growth dynamics. In recent years, the market for fresh produce has grown at a rate above population growth, supported by ongoing trends such as:

greater consumer demand for healthy, fresh and convenient foods;

increased retail square footage devoted to produce; and

increased emphasis by retailers on fresh produce as a differentiating factor in attracting customers.

Total wholesale fresh produce sales in the United States surpassed \$80 billion in 2001, up from approximately \$35 billion in 1987, representing a 6.1% compounded annual growth rate.

Health conscious consumers are driving much of the growth in demand for fresh produce. Over the past 20 years, the benefits of natural, preservative free foods have become an increasingly prominent element of the public dialogue on health and nutrition. As a result, consumption of fresh fruit and vegetables has increased markedly. According to the USDA, Americans consumed 54 more pounds of fresh fruit and vegetables per capita in 2000 than they did in 1986. Time-starved consumers are also demonstrating continued demand for convenient, ready-to-eat products. Food manufacturers have responded with new product introductions and packaging innovations in segments such as bagged baby carrots and ready-to-eat salads, contributing to industry growth.

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Retail consolidation and the growing importance of food sales to mass merchandisers are also major factors affecting the food manufacturing and fresh produce industries. As food retailers have grown and expanded, they have sought to increase profitability through value-added product offerings and in-store services. As fresh produce has become a strategic focus, retailers expanded square footage dedicated to produce departments by almost 7% per annum between 1994 and 1999. This development has led to an increase in produce sales as a percentage of total supermarket sales, from 8.8% in 1987 to 9.8% in 2001, according to the Food Marketing Institute. The fresh produce category is also attractive to retailers due to its higher margins. According to the U.S. Department of Agriculture's Agriculture Information Bulletin No. 758, gross margins for the produce department were 33% compared to a 26% average for the entire store in 1997. Fully-integrated produce companies, such as Dole, are well positioned to meet the needs of large retailers through the delivery of consistent, high quality produce, reliable service, competitive pricing and innovative products. Established produce companies have sought to strengthen relationships with leading retailers through value-added services such as banana ripening and distribution, category management, branding initiatives and establishment of long term supply agreements.

Competitive Strengths

Our competitive strengths have contributed to our strong historical operating performance and should enable us to capitalize on future growth opportunities:

Market Share Leader. Our most significant products hold the number 1 or number 2 position in the respective markets in which we compete. We maintain number 1 market share positions in global bananas, winter fruits exported from Chile and in North American iceberg lettuce, celery, cauliflower, ready-to-eat salads and packaged fruit products, including our line of fruit cups called FRUIT BOWLS and FRUIT-N-GEL BOWLS. In addition, we believe that we are the only fully-integrated fresh-cut flower and bouquet supplier of our size in North America.

Strong Global Brand. Consumer and institutional recognition of the DOLE trademark and related brands and the association of these brands with high quality food products contribute significantly to our leading positions in each of the markets that we serve. By implementing a global marketing program, we have made the distinctive red DOLE letters and sunburst a familiar symbol of freshness and quality recognized around the world. We believe that opportunities exist to leverage the DOLE brand through product extensions and new product introductions.

Low Cost Production Capabilities. We believe we are one of the lowest cost producers of many of our major product lines, including bananas, North American fresh vegetables and ready-to-eat salads and packaged fruit products. Over the last several years we have undertaken initiatives to achieve this low-cost position, including closing facilities, centralizing our raw material purchasing and leveraging our global logistics infrastructure more efficiently. We plan to maintain these low-cost positions through continued focus on operating efficiency.

State-of-the-Art Infrastructure. We have made significant investments in our production, processing, transportation and distribution infrastructure with the goal of efficiently delivering the highest quality and freshest product to our customers. We own or lease approximately 120,000 acres of land worldwide, over 50 processing, ripening and distribution centers, and the largest dedicated refrigerated containerized shipping fleet in the world, comprising 21 ships and approximately 10,800 refrigerated containers. The investments in our infrastructure should allow for continued growth without the need for sizable capital expenditures in the near term. In addition, our market-leading logistics and distribution capabilities allow us to act as a preferred fresh and packaged food provider to leading global supermarket and mass merchandisers.

Diversity of Sourcing Locations. We currently source our fresh fruits, vegetables and fresh-cut flowers in 20 countries and distribute products in more than 90 countries. We are not dependent on any one country for the sourcing of any of our products. The largest concentration of production is in Ecuador, where we sourced approximately one third of our Latin bananas in 2002. The diversity of our

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production sources reduces our risk from exposure to natural disasters and political disruptions in any one particular country.

Experienced Management Team. Our management team has a demonstrated history of delivering strong operating results through disciplined execution. The current management team has been instrumental in our continuing drive to transform Dole from a production driven company into a sales and marketing driven one. In addition, the management team has led our recent company-wide restructuring and improvement initiatives. Daily operations are led by Lawrence A. Kern, President and Chief Operating Officer.

Business Strategy Key

Key elements of our strategy include:

Leveraging our Strong Brand and Market Leadership Position. Our most significant products hold number 1 or number 2 market positions in the respective markets in which we compete. We intend to maintain those positions and continue to expand our leadership both in new product areas and with new customers. We have a history of leveraging our strong brand to successfully enter, and in many cases become the leading player in, value-added food categories. For example, we attained the number 1 market share in the plastic fruit cups category only 3 years after introducing FRUIT BOWLS and FRUIT-N-GEL BOWLS. We intend to continue to evaluate and to strategically introduce other branded products in the value-added sectors of our business.

Focusing on Value-Added Products. Over the last 10 years, we have successfully shifted our product mix toward value-added food categories and away from commodity fruits and vegetables. For example, we have found major success in our ready-to-eat salad lines, bagged baby carrots, and, most recently, FRUIT BOWLS and FRUIT-N-GEL BOWLS. These value-added food categories are growing at a faster rate than our traditional commodity businesses and are generating higher margins. Overall, we have significantly increased our percentage of revenue from value-added products. This shift has been most pronounced in our North American fresh vegetables and packaged foods businesses, where value-added products now account for approximately 58% and 25%, respectively, of those businesses revenues. We plan to continue to address the growing demand for convenient and innovative products by investing in our higher margin, value-added food businesses.

Further Improving Operating Efficiency and Cash Flow. While we have greatly improved our profitability and cash flow over the last few years, we intend to continue to focus on profit improvement initiatives and maximizing cash flow. We will continue to:

analyze our current customer base and focus on profitable relationships with strategically important customers;

leverage our purchasing power to reduce our costs of raw materials; and

make focused capital investments to improve productivity.

Recent Profit Improvement Initiatives

As a result of the oversupply situation affecting our banana business and market conditions affecting other areas of the fresh fruit segment, we embarked on a downsizing initiative in late 1999 and the first half of 2000. In Latin America, we ceased operations in Nicaragua and Venezuela and terminated certain ship charters and grower contracts. In Europe, we closed selected production and distribution sites, as well as sales offices. In North America, we exited our citrus business in Florida and our almond processing business in California. Additionally, we eliminated approximately 1,500 jobs. In connection with this initiative, we took a \$48 million charge in the fourth quarter of 1999.

Based upon the positive results of the initiatives undertaken in late 1999 and the first half of 2000, we began another initiative to further downsize our fresh fruit operations and recorded an additional \$46 million charge in the third quarter of 2000. In our Latin American banana operations, we closed production sites,

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eliminated approximately 4,750 jobs, terminated selected contracts with independent growers and divested our controlling interest in a production joint venture. Additionally, in Honduras, we closed our melon and citrus farming activities. In our Asian banana operations, we ceased production on certain agricultural lands, eliminated 80 jobs, exited certain contracts with independent growers and reduced administrative overhead. In Europe, we downsized our distribution network, sales force and administrative staff.

In the first quarter of 2001, we engaged Boston Consulting Group to assist us in our review of the strategy and operations of our fresh fruit and fresh-cut flowers segments with the goal of enhancing profitability and realizing cost savings through global strategic sourcing and logistics. Profit improvement initiatives developed in conjunction with Boston Consulting Group resulted in a charge of \$133 million (\$17 million in cash) and included:

focusing on higher margin customer relationships;

exiting costly fruit sourcing arrangements;

consolidating our selling, general and administrative functions;

eliminating certain outsourced shipping services; and

eliminating approximately 1,400 jobs.

As a result of our cost reduction initiatives and by refocusing our businesses on higher margin products and customers, we have significantly improved the profitability of our fresh fruit segment. Indications of our success include:

the elimination of one-third of our overhead in Europe;

a reduction in our Latin American fruit cost per box; and

a significant improvement in profitability in our European and Asian banana businesses, which both had negative earnings prior to the implementation of these initiatives.

The Going-Private Merger Transactions

On March 28, 2003, DHM Holding Company, Inc., or HoldCo, a corporation owned by David H. Murdock, acquired the approximately 76% of our common stock that he and his affiliates did not already own for approximately \$1.44 billion in cash, which was effected through the merger of a wholly-owned subsidiary of HoldCo into Dole Food Company, Inc., which we refer to as the going-private merger. In connection with the going-private merger, we entered into other related transactions described below, which, collectively with the going-private merger, we refer to as the going-private merger transactions.

In connection with the going-private merger,

we entered into a \$1.125 billion senior secured credit facility,

HoldCo invested \$125 million in our equity,

we issued \$475 million in aggregate principal amount of our 8 7/8% senior notes due 2011,

we repaid or redeemed approximately \$509.8 million of existing debt securities that were due in 2003 and 2005 and

we amended the terms of approximately \$555.0 million of our senior notes and debentures.

We and Solvest Ltd., a wholly-owned subsidiary, are the borrowers under our senior secured credit facility and HoldCo and, subject to certain limitations, each of its direct and indirect subsidiaries became guarantors thereunder. The senior secured credit facility is secured by a first priority perfected security interest in all tangible and intangible assets owned by the borrowers and guarantors, subject to certain exceptions. We borrowed \$935 million under the senior credit facility in connection with the going-private merger transactions. For a more detailed description of our senior credit facility, please see [Description of Other Indebtedness](#) [Senior Secured Credit Facility](#).

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We modified the terms of the \$400 million aggregate principal amount outstanding of our 7.25% senior notes due 2009 to provide for interest payments at a new rate of 8.625% per annum and for substantially the same provisions, other than maturity, interest rate and redemption provisions, and senior subordinated guarantees from our domestic subsidiaries that were provided under our 8 7/8% senior notes and that have been provided under the original notes and will be provided under the new notes. Also, the terms of the \$155 million aggregate principal amount outstanding of our 7.875% debentures due 2013 were modified to provide for interest payments at a new rate of 8.75% per annum and for substantially the same provisions, other than maturity, interest rate and redemption provisions, and senior subordinated guarantees from our domestic subsidiaries that have been provided under the original notes and that will be provided under the new notes.

The Refinancing Transaction

On May 29, 2003, we issued and sold \$400 million aggregate principal amount of our 7 1/4% Senior Notes due 2010 in an offering exempt from the registration requirements of the Securities Act of 1933, as amended, or the Securities Act. We used the net proceeds from this offering of approximately \$392.7 million, together with \$7.3 million of other available cash, to prepay \$400.0 million of the term loans under our senior secured credit facility. In connection with the offering, we and the lenders under our senior secured credit facility effected certain amendments to our senior secured credit facility. See Description of Other Indebtedness Senior Secured Credit Facility. In this prospectus, we refer to the offering of our senior notes due 2010 and the use of the net proceeds therefrom as the refinancing transaction.

Principal Shareholder

Mr. Murdock acquired a controlling interest in Dole in 1985 when Dole (then called Castle & Cooke, Inc.) acquired Flexi-Van Leasing, Inc. Mr. Murdock was named Chairman and Chief Executive Officer of Dole in 1985. Castle & Cooke, Inc. changed its name to Dole Food Company, Inc. in 1991. In 1995, Dole divested most of its non-core real estate by spinning it out into a new company named Castle & Cooke, Inc. In 2000, Mr. Murdock took Castle & Cooke private. On March 28, 2003, Mr. Murdock took Dole private in the going-private merger. Mr. Murdock owns interests in a variety of other businesses and has been an active private investor for over 40 years, having owned over 150 companies and has completed, to date, eleven going private transactions for publicly traded companies.

Headquarters

Our principal executive offices are located at One Dole Drive, Westlake Village, California 91362, and our telephone number is (818) 874-4000. We maintain an internet site at <http://www.dole.com> which contains information concerning us and our subsidiaries. The information contained on our internet site and those of our subsidiaries is not incorporated by reference in this prospectus and should not be considered a part of this prospectus.

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The Exchange Offer

The Exchange Offer

We are offering to exchange up to \$400,000,000 aggregate principal amount of our new 7 1/4% senior notes due June 15, 2010, or the new notes, for up to \$400,000,000 aggregate principal amount of our original 7 1/4% senior notes due June 15, 2010, or the original notes, which are currently outstanding. Original notes may only be exchanged in \$1,000 principal increments. In order to be exchanged, an original note must be properly tendered and accepted. All original notes that are validly tendered and not validly withdrawn prior to the expiration of the exchange offer will be exchanged.

Resales Without Further Registration

Based on an interpretation by the staff of the Securities and Exchange Commission, or the Commission, set forth in no-action letters issued to third parties, we believe that the new notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

you are acquiring the new notes issued in the exchange offer in the ordinary course of your business;

you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, the distribution of the new notes issued to you in the exchange offer in violation of the provisions of the Securities Act, and;

you are not our affiliate, as defined under Rule 405 of the Securities Act.

In addition, each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See Plan of Distribution.

The letter of transmittal states that, by so acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed to use our reasonable best efforts to make this prospectus, as amended or supplemented, available to any broker-dealer for a period of 90 days after the consummation of the exchange offer, for use in connection with any such resale. See Plan of Distribution.

Expiration Date

5:00 p.m., New York City time, on _____, 2003 unless we extend the exchange offer.

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Accrued Interest on the New Notes and Original Notes	The new notes will bear interest from May 29, 2003 or the last interest payment date on which interest was paid on the original notes surrendered in exchange therefor. Holders of original notes that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest on such original notes accrued to the date of issuance of the new notes.
Conditions to the Exchange Offer	If the exchange offer would not be permitted by applicable law or SEC policy, we will not be required to consummate the exchange offer. See The Exchange Offer Conditions.
Procedures for Tendering Original Notes	Each holder of original notes wishing to accept the exchange offer must: complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal; or if original notes are tendered in accordance with the book-entry procedures described in this prospectus, the tendering holder must transmit an agent's message to the exchange agent at the address listed in this prospectus. You must mail or otherwise deliver the required documentation together with the original notes to the exchange agent.
Special Procedures for Beneficial Holders	If you beneficially own original notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your original notes in the exchange offer, you should contact such registered holder promptly and instruct them to tender on your behalf. If you wish to tender on your own behalf, you must, before completing and executing the letter of transmittal for the exchange offer and delivering your original notes, either arrange to have your original notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.
Guaranteed Delivery Procedures	You must comply with the applicable guaranteed delivery procedures for tendering if you wish to tender your original notes and: your original notes are not immediately available; or time will not permit your required documents to reach the exchange agent prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer; or you cannot complete the procedures for delivery by book-entry transfer prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer.
Withdrawal Rights	You may withdraw your tender of original notes at any time prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer.

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Failure to Exchange Will Affect You Adversely	If you are eligible to participate in the exchange offer and you do not tender your original notes, you will not have further exchange or registration rights and your original notes will continue to be subject to restrictions on transfer under the Securities Act. Accordingly, the liquidity of the original notes will be adversely affected.
Material United States Federal Income Tax Consequences	<p>The exchange of original notes for new notes pursuant to the exchange offer will not result in a taxable event. Accordingly, we believe that:</p> <p>no gain or loss will be realized by a United States holder upon receipt of a new note;</p> <p>a holder's holding period for new notes will include the holding period for original notes; and</p> <p>the adjusted tax basis of the new notes will be the same as the adjusted tax basis of the original notes exchanged at the time of such exchange.</p> <p>See Material United States Federal Income Tax Considerations.</p>
Exchange Agent	Wells Fargo Bank, National Association, is serving as exchange agent. Wells Fargo Bank, National Association also serves as the trustee under the indenture governing the notes.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the new notes in the exchange offer. See Use of Proceeds.

The Exchange Agent

We have appointed Wells Fargo Bank, National Association, as exchange agent for the exchange offer. Please direct questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for the notice of guaranteed delivery to the exchange agent. If you are not tendering under The Depository Trust Company's automated tender offer program, you should send the letter of transmittal and any other required documents to the exchange agent as follows:

By Registered or Certified Mail, Hand Delivery and Air Courier:

Wells Fargo Bank, National Association

45 Broadway, 12th Floor
New York, New York 10006

Attention: Corporate Trust Department

Reference: Dole Food Company, Inc. Exchange

By Facsimile:

(213) 614-3355

Attention: Corporate Trust Department
Confirm by Telephone: (213) 614-3349
Reference: Dole Food Company, Inc. Exchange

To Confirm by Telephone or for Information:

(213) 614-3349

Reference: Dole Food Company, Inc. Exchange

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SUMMARY OF TERMS OF NEW NOTES

The exchange offer constitutes an offer to exchange up to \$400 million aggregate principal amount of the new notes for up to an equal aggregate principal amount of the original notes. The new notes will be obligations of Dole evidencing the same indebtedness as the original notes, and will be entitled to the benefit of the same indenture. The form and terms of the new notes are substantially the same as the form and terms of the original notes except that the new notes have been registered under the Securities Act. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Notes section of this prospectus contains a more detailed description of the terms and conditions of the new notes.

Comparison with Original Notes

Freely Transferable

The new notes will be freely transferable under the Securities Act by holders who are not restricted holders. Restricted holders are restricted from transferring the new notes without compliance with the registration and prospectus delivery requirements of the Securities Act.

Registration Rights

The holders of the original notes currently are entitled to certain registration rights pursuant to the Registration Rights Agreement dated as of May 14, 2003, by and among Dole, the subsidiary guarantors named therein and the initial purchasers named therein, including the right to cause Dole to register the original notes under the Securities Act if the exchange offer is not consummated on or prior to the date which is 210 days after May 29, 2003. However, pursuant to the registration rights agreement, such registration rights will expire upon consummation of the exchange offer. Accordingly, holders of original notes who do not exchange their original notes for new notes in the exchange offer will not be able to reoffer, resell or otherwise dispose of their original notes unless such original notes are subsequently registered under the Securities Act or unless an exemption from the registration requirements of the Securities Act is available. Additional interest with respect to the original notes will be assessed as described below if any of the following events occur (a registration default):

on or prior to 90 days after May 29, 2003, the exchange offer registration statement has not been filed with the Commission;

on or prior to 180 days after May 29, 2003, the Commission has not declared the exchange offer registration effective; or

on or prior to 210 days after May 29, 2003, the exchange offer has not been completed.

If a registration default occurs, the annual interest rate on the original notes will increase by 0.5%. The annual interest rate on the original notes will increase by an additional 0.5% for each subsequent 90 day period during which the registration default continues, up to a maximum additional interest rate of 1.0% per year over the interest rate shown on the title of the original notes. If we correct the registration default, the interest rate on the original notes will revert to the original level. See The Exchange Offer Terms of the Exchange Offer.

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TERMS OF NEW NOTES

Securities Offered	<p>\$400,000,000 aggregate principal amount of 7 1/4% Senior Notes due 2010. The form and terms of the new notes will be the same as the form and term of the original notes, including interest rate, maturity and restrictive covenants, except that:</p> <ul style="list-style-type: none">the new notes will bear a different CUSIP number than the original notes;the new notes have been registered under the Securities Act and, therefore, will not bear legends restricting their transfer;the liquidated damages provisions of the registration rights agreement will not be applicable to the new notes; andyou will not be entitled to any exchange or registration rights with respect to the new notes. <p>The new notes will evidence the same debt as the original notes. They will be entitled to the benefits of the indenture governing the original notes and will be treated under the indenture as a single class with the original notes. We refer to the new notes and the original notes collectively as the notes in this prospectus.</p>
Issuer	Dole Food Company, Inc.
Maturity	The new notes will mature on June 15, 2010.
Interest Payment	Interest on the new notes will accrue from May 29, 2003, or the last interest payment date on which interest was paid on the original notes surrendered in exchange therefore, and is payable semi-annually on each June 15 and December 15, commencing December 15, 2003. The new notes will bear interest at a rate of 7 1/4% per annum, calculated using a 360-day year.
Ranking	The original notes are, and the new notes will be, our senior unsecured obligations and rank, and will rank, equally with all of our existing and future senior unsecured debt, including our existing senior notes (as defined) outstanding and senior to any future senior subordinated debt. As of March 22, 2003, after giving pro forma effect to the going-private merger transactions and the refinancing transaction, we would have had approximately \$1,430.0 million of senior unsecured debt. The original notes are, and the new notes will be, effectively subordinated to our secured debt, including obligations under our senior secured credit facility, to the extent of the value of the assets securing such debt up to the then existing amount of such secured indebtedness, and any obligations of our subsidiaries that are not guarantors. As of March 22, 2003, after giving pro forma effect to the going-private merger transactions and the refinancing transaction, we would have had approximately \$556.3 million of senior secured debt and other structurally senior debt outstanding, excluding \$154.5 million of availability under the \$300.0 million revolving credit portion of our senior secured credit facility, which is net of outstanding letters of credit and bank guarantee obligations of \$35.5 million. All of our domestic subsidiaries that guarantee the obligations under our senior secured credit facility guarantee the original notes, and will

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guarantee the new notes, with unconditional senior subordinated guarantees, which are, and will be, unsecured obligations of those domestic subsidiaries and rank, and will rank, pari passu with all of their existing and future senior subordinated debt and are subordinated, and will be subordinated, to their existing and future senior debt, including obligations under our senior secured credit facility.

Guarantees

All of our domestic subsidiaries that guarantee the obligations under our senior secured credit facility will jointly and severally and unconditionally guarantee the new notes on an unsecured senior subordinated basis.

Optional Redemption

Except as described below, we cannot redeem the notes before June 15, 2007. Thereafter, we may redeem some or all of the new notes at the redemption prices listed in the Description of the Notes section under the heading Redemption Optional Redemption, plus accrued and unpaid interest to the date of redemption.

Optional Redemption After Equity Offerings

At any time (which may be more than once) before June 15, 2006, we may redeem up to 35% of the aggregate principal amount of notes issued with the net proceeds that we raise in one or more equity offerings, as long as:

we pay 107.250% of the face amount of the notes, plus accrued interest to the date of redemption;

we redeem the notes within 90 days of completing the equity offering; and

at least 65% of the aggregate principal amount of notes issued remains outstanding afterwards.

Change of Control Offer

If a change of control of Dole occurs, we must give holders of the new notes the opportunity to sell us their new notes at 101% of their face amount, plus accrued and unpaid interest.

We might not be able to pay you the required price for the new notes you present to us at the time of a change of control, because:

we might not have enough funds at that time; or

the terms of our other indebtedness (including our senior secured credit facility) may prevent us from paying you these amounts.

Asset Sale Proceeds

If we or our subsidiaries engage in asset sales, we generally must either invest the net cash proceeds from such sales in our business within a specific period of time, prepay our secured debt or senior debt of the guarantors or make an offer to purchase a principal amount of the notes and our other outstanding senior notes and debentures equal to the net cash proceeds. The purchase price of the notes will be 100% of their principal amount, plus accrued and unpaid interest.

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Restrictive Covenants

The indenture governing the notes will contain restrictive covenants limiting our, and most or all of our subsidiaries', ability to:

incur additional debt;

pay dividends or distributions on our capital stock or repurchase our capital stock;

repurchase subordinated indebtedness;

issue preferred stock of subsidiaries;

make certain investments;

create liens on our assets to secure debt;

engage in transactions with affiliates;

merge or consolidate with another company; or

transfer or sell all or substantially all of our assets.

These covenants are subject to a number of important limitations and exceptions.

Absence of a Public Market for the Notes

The new notes are a new issue of securities for which there is currently no established trading market. Although the initial purchasers of the original notes have informed us that they currently intend to make a market in the new notes, they are not obligated to do so and any such market making may be discontinued at any time without notice. Accordingly, there can be no assurance as to the development or liquidity of any market for the new notes. Dole does not intend to apply for listing of the new notes on any securities exchange or for quotation through the National Association of Securities Dealers Automated Quotation System. See **Risk Factors**. An active trading market may not develop for the new notes.

For additional information regarding the new notes, see the **Description of the Notes** section of this prospectus.

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The following table contains summary historical financial data derived from our audited consolidated financial statements as of December 28, 2002 and December 29, 2001 and for the years ended December 28, 2002, December 29, 2001, and December 30, 2000 included elsewhere in this prospectus. We derived the following summary historical financial information for the fiscal quarters ended March 22, 2003 and March 23, 2002 from the unaudited condensed consolidated financial statements contained elsewhere herein, which, in the opinion of our management, have been prepared on the same basis as the audited financial statements and reflect all adjustments, which are of a normal, recurring nature, necessary for a fair presentation of our results of operations and financial position for such periods. Results for the fiscal quarters ended March 22, 2003 and March 23, 2002 are not necessarily indicative of results that may be expected for the entire year.

The table also contains summary unaudited pro forma financial information derived from the financial information set forth under Unaudited Pro Forma Condensed Consolidated Financial Statements included elsewhere in this prospectus. The unaudited pro forma condensed financial data do not purport to present our actual financial position or results of operations had the going-private merger transactions and the refinancing transaction actually occurred on the dates specified. The summary financial data set forth in the following table should be read in conjunction with our audited and unaudited consolidated financial statements, Management's Discussion and Analysis of Financial Condition and Results of Operations, Selected Historical Consolidated Financial Data and Unaudited Pro Forma Condensed Consolidated Financial Statements and, in each case, the related notes included elsewhere in this prospectus.

	Fiscal Year Ended(1)			Fiscal Quarter Ended(2)		Pro Forma for the Going-Private Merger Transactions and the Refinancing Transaction	
	2000(3)	2001(3)	2002	March 23, 2002	March 22, 2003	Fiscal Year 2002	Fiscal Quarter Ended March 22, 2003
(Dollars in thousands)							
Income Statement Data:							
Revenues, net(4):							
Fresh Fruit	\$2,756,256	\$2,701,422	\$2,772,758	\$ 650,743	\$ 725,115	\$2,772,758	\$ 725,115
Fresh							
Vegetables	845,776	827,528	825,559	223,977	176,865	825,559	176,865
Packaged Foods	560,365	556,143	588,991	127,889	116,712	588,991	116,712
Fresh-Cut							
Flowers	200,473	196,430	173,927	52,802	48,506	173,927	48,506
Other	37,243	33,298	30,838	4,004	5,972	30,838	5,972
Total revenues, net	\$4,400,113	\$4,314,821	\$4,392,073	\$1,059,415	\$1,073,170	\$4,392,073	\$1,073,170
Gross margin	476,156	433,040	704,335	178,423	178,131	617,142	171,400
Operating income	130,849	49,781	283,445	93,922	88,790	196,252	82,059
Income (loss) from continuing operations, net of tax							
	36,090	(37,078)	156,198	56,279	60,788	31,521	39,359
Net income (loss)(5)	67,655	150,404	36,281	(63,638)	60,788	(5)	39,359
Other Financial Data:							
EBITDA(6)	\$ 271,425	\$ 180,932	\$ 398,553	\$ 119,205	\$ 118,830	\$ 390,192	\$ 117,018
EBITDA margin(7)	6.2%	4.2%	9.1%	11.3%	11.1%	8.9%	10.9%
Capital expenditures	\$ 110,555	\$ 119,752	\$ 233,673	\$ 16,637	\$ 3,827	(5)	(5)
	125,343	117,954	107,676	21,910	25,295	195,412	31,760

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Depreciation and amortization							
Interest expense	90,445	70,708	80,890	14,531	19,647	151,001	37,436

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	March 22, 2003	
	Actual	Pro Forma(8)
(Dollars in thousands)		
Balance Sheet Data:		
Total working capital	\$ 765,686	\$ 444,295
Total assets	3,084,182	3,946,354
Total debt	1,125,477	1,984,595
Total shareholders' equity	804,731	402,879

- (1) Our fiscal year ends on the Saturday closest to December 31 of the applicable year.
- (2) We operate under a 52/53 week year. The first quarter of each fiscal year is 12 weeks in duration.
- (3) Previously reported amounts have been restated to reflect the Honduran beverage business as a discontinued business segment in accordance with Accounting Principles Board Opinion No. 30.
- (4) Previously reported amounts have been adjusted to comply with Emerging Issues Task Force No. 01-09 Accounting for Consideration Given by a Vendor to a Customer (including a Reseller of the Vendor's Products). The effect was a reduction of revenues and selling, marketing and general and administrative expenses of \$102 million, and \$134 million for the previously reported 2000, and 2001, respectively.
- (5) Pro forma amounts are not presented.
- (6) EBITDA is defined throughout this prospectus as income from continuing operations before interest expense, income tax expense, and depreciation and amortization. We present EBITDA because management believes, similar to EBIT, that EBITDA is a useful performance measure which is monitored by Dole management. In addition, EBITDA is presented because management believes that it is a measure frequently used by securities analysts, investors and others in the evaluation of companies and because certain debt covenants contained in the instruments governing Dole's outstanding indebtedness are based upon EBITDA. You should not consider EBITDA in isolation from or as a substitute for net income, cash flows from operating activities and other consolidated income or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States of America or as a measure of profitability or liquidity. Additionally, our computation of EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies do not calculate EBITDA in the same fashion. EBITDA and Pro Forma EBITDA are calculated as follows:

	Fiscal Year Ended(1)			Fiscal Quarter Ended(2)		Pro Forma(8)	
	2000(3)	2001(3)	2002	March 23, 2002	March 22, 2003	Fiscal Year 2002	Fiscal Quarter Ended March 22, 2003
(Dollars in thousands)							
Income (loss) from continuing operations, net of income taxes(9)	\$ 36,090	\$ (37,078)	\$ 156,198	\$ 56,279	\$ 60,788	\$ 31,521	\$ 39,359
Interest expense	90,445	70,708	80,890	14,531	19,647	151,001	37,436
Income taxes	19,547	29,348	53,789	26,485	13,100	12,258	8,463
Depreciation and amortization	125,343	117,954	107,676	21,910	25,295	195,412	31,760
EBITDA	\$271,425	\$180,932	\$398,553	\$119,205	\$118,830	\$390,192	\$117,018

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- (7) EBITDA margin is defined as the ratio of EBITDA, as defined, relative to net revenues.
- (8) Pro forma to give effect to the going-private merger transactions and the refinancing transaction.
- (9) EBITDA is reconciled to income from continuing operations. Income from continuing operations excludes income from discontinued operations of \$31.6 million and \$18.9 million in 2000 and 2001, a gain

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on the disposal of discontinued operations, net of income taxes of \$168.6 million in 2001, and the cumulative effect of a change in accounting principle of \$119.9 million in 2002.

Risk Factors

You should carefully consider the information under **Risk Factors** beginning on page 17 of this prospectus and all other information included in this prospectus prior to making a decision to exchange original notes for new notes.

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RISK FACTORS

You should carefully consider the risk factors described below, as well as the other information included or incorporated by reference in this prospectus prior to making a decision to exchange original notes for new notes. The risks and uncertainties described below are not the only ones facing our company. Additional risks and uncertainties not presently known or that we currently believe to be less significant may also adversely affect us.

Risks Related to this Offering and our Capital Structure

Our substantial indebtedness could adversely affect our operations, including our ability to perform our obligations under the notes and our other debt obligations.

We have a substantial amount of indebtedness. As of March 22, 2003, after giving pro forma effect to the going-private merger transactions and the refinancing transaction, we would have had approximately \$556.3 million in senior secured indebtedness and other structurally senior indebtedness and \$1,430.0 million in senior unsecured indebtedness, including the original notes.

Our substantial indebtedness could have important consequences to you. For example, it could:

make it more difficult for us to satisfy our obligations with respect to the notes;

require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, which would reduce the availability of our cash flow to fund future working capital, capital expenditures, acquisitions and other general corporate purposes;

expose us to the risk of increased interest rates, as certain of our borrowings are at variable rates of interest;

require us to sell assets to reduce indebtedness or influence our decisions about whether to do so;

increase our vulnerability to general adverse economic and industry conditions;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

restrict us from making strategic acquisitions or pursuing business opportunities;

place us at a competitive disadvantage compared to our competitors that have relatively less indebtedness; and

limit, along with the financial and other restrictive covenants in our indebtedness, among other things, our ability to borrow additional funds. Failing to comply with those covenants could result in an event of default which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations.

Despite current indebtedness levels, we may still incur significant additional indebtedness, including secured indebtedness. Incurring more indebtedness could intensify the risks described above.

Subject to the restrictions in our senior secured credit facility and the indentures governing the original notes and the new notes, our senior notes due 2009, our senior notes due 2011, our debentures due 2013, we may incur significant additional indebtedness. Although the terms of our senior secured credit facility and the indentures governing the original notes and the new notes, our senior notes due 2009, our senior notes due 2011, our debentures due 2013 contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and additional indebtedness incurred in compliance with these restrictions could be significant. If new debt is added to our current debt levels, the related risks that we now face could increase.

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The guarantees of the notes are subordinated to the guarantors' existing and future senior obligations.

The guarantees of the notes are unsecured obligations of all of our domestic subsidiaries that guarantee the obligations under our senior secured credit facility and are subordinated in right of payment to their existing and future senior debt, including under our senior secured credit facility. Under some circumstances, the guarantors may not make payments on their subordinated guarantees if a default exists relating to the guarantors' senior debt, including under our senior secured credit facility.

Your right to receive payment on the notes will be effectively subordinated to our obligations under the senior secured credit facility and certain other secured indebtedness.

The original notes are not, and the new notes will not be, secured. Our obligations and the obligations of our domestic subsidiaries under our senior secured credit facility are secured by a first priority security interest on substantially all of our and our domestic subsidiaries' assets (excluding capital stock of subsidiaries, intercompany debt and principal properties referred to in our senior notes due 2009 and our debentures due 2013). The obligations of our foreign subsidiaries under our senior secured credit facility are secured by a first priority security interest on substantially all our domestic and foreign assets (excluding capital stock of subsidiaries, intercompany debt and principal properties described above, subject to certain limitations). Our foreign subsidiaries will not be providing any guarantees for the notes. Accordingly, any borrowings by our foreign subsidiaries under our senior secured credit facility and any other debt or other obligations of our foreign subsidiaries are structurally senior to the notes. In the event of our liquidation or insolvency, or if any of our secured indebtedness is accelerated, the assets securing such indebtedness will first be applied to repay our obligations under our secured indebtedness in full and then to repay our obligations under our unsecured indebtedness, including under the original notes and the new notes. As a result, the notes are effectively subordinated to our senior secured credit facility and our other secured indebtedness to the extent of the value of the assets securing that indebtedness. The holders of the notes would, in all likelihood recover ratably less than the lenders of our secured indebtedness in the event of a bankruptcy or insolvency. As of March 22, 2003, after giving pro forma effect to the going-private merger transactions and the refinancing transaction, we estimate that we would have had \$556.3 million of senior secured debt and other structurally senior debt outstanding, which primarily includes our borrowings under the term loan and revolving credit portions of our senior secured credit facility, excluding \$154.5 million of availability under the \$300.0 million revolving credit portion of our senior secured credit facility, which is net of outstanding letters of credit and bank guarantee obligations of \$35.5 million.

Our subsidiaries hold most of our assets and conduct most of our operations and, unless they are subsidiaries that guarantee the notes, they are not obligated to make payments on the notes.

Most of our operations are conducted through our subsidiaries. Therefore, Dole Food Company, Inc., which is the issuer of the notes, depends on the cash flow of its subsidiaries to meet its obligations. Our subsidiaries are separate and distinct legal entities and, except for the existing and future domestic subsidiaries that will be subsidiary guarantors of the notes, they will have no obligation, contingent or otherwise, to pay amounts due under the notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan or other payments. Because the creditors of our non-guarantor subsidiaries have direct claims on the subsidiaries and their assets, the claims of holders of the notes are structurally subordinated to any existing and future liabilities of our non-guarantor subsidiaries. This means that the creditors of the non-guarantor subsidiaries have priority in their claims on the assets of our subsidiaries over the creditors of Dole Food Company, Inc. In addition, substantial portions of our ordinary course liabilities, including accounts payable and accrued liabilities, as reflected on our consolidated balance sheet at March 22, 2003, were incurred by our subsidiaries. Our operating subsidiaries' ability to make loans, distributions or other payments to Dole Food Company, Inc. will depend on their earnings, business, tax considerations and legal and contractual restrictions, which may adversely impact our ability to pay interest and principal due on the notes. As of and for the fiscal quarter ended March 22, 2003 and as of and for the fiscal year ended December 28, 2002, the non-guarantor subsidiaries represented more than half of our consolidated revenues and operating income and a significant portion of our consolidated assets. See note 19 to our 2002 consolidated financial

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statements and note 13 to our March 22, 2003 unaudited condensed consolidated financial statements contained elsewhere in this prospectus.

The financing arrangements for the going-private merger may increase our exposure to tax liability.

A portion of our senior secured credit facility has been incurred by our foreign subsidiaries and was used to fund the going-private merger transactions. Although we believe, based in part upon the advice of our tax advisors, that our intended tax treatment of such transactions is appropriate, it is possible that the Internal Revenue Service could seek to characterize the going-private merger transactions in a manner that could result in the immediate recognition of taxable income by us. Any such immediate recognition of taxable income would result in a material tax liability which could have a material adverse effect on our business, results of operations and financial condition.

Restrictive covenants in our debt instruments restrict or prohibit our ability to engage in or enter into a variety of transactions, which could adversely affect us.

The indentures governing the original notes and the new notes, our senior notes due 2009, our senior notes due 2011, our debentures due 2013 and our senior secured credit facility contain various restrictive covenants that will limit our discretion in operating our business. In particular, these agreements limit our ability to, among other things:

incur additional indebtedness;

make restricted payments (including paying dividends on, redeeming or repurchasing our capital stock);

issue preferred stock of subsidiaries;

make certain investments or acquisitions;

create liens on our assets to secure debt;

engage in transactions with affiliates;

merge, consolidate or transfer substantially all of our assets; and

transfer and sell assets.

In addition, our senior secured credit facility requires us to maintain specified financial ratios and limits our ability to make capital expenditures. These covenants and ratios could have a material adverse effect on our business by limiting our ability to take advantage of financing, merger and acquisition or other corporate opportunities and to fund our operations. Any future debt could also contain financial and other covenants more restrictive than those imposed under the indentures governing the original notes and new notes, our senior notes due 2009, our senior notes due 2011, our debentures due 2013 and our senior secured credit facility.

A breach of a covenant or other provision in any debt instrument governing our current or future indebtedness could result in a default under that instrument and, due to cross-default and cross-acceleration provisions, could result in a default under our other debt instruments. Upon the occurrence of an event of default under the senior secured credit facility or any other debt instrument, the lenders could elect to declare all amounts outstanding to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders could proceed against the collateral granted to them, if any, to secure the indebtedness. If the lenders under our current or future indebtedness accelerate the payment of the indebtedness, we cannot assure you that our assets or cash flow would be sufficient to repay in full our outstanding indebtedness, including the notes.

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We may be unable to repurchase the original notes and new notes, our senior notes due 2009, our senior notes due 2011 and/or our debentures due 2013 upon a change of control.

In the event of a change of control (as defined in the indenture for the original notes and the new notes), we must offer to purchase the original notes and the new notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest to the date of repurchase. See Description of the Notes Change of Control. We have a similar obligation under the indentures governing our senior notes due 2009, our senior notes due 2011 and our debentures due 2013. In the event that we are required to make such an offer, there can be no assurance that we would have sufficient funds available to purchase any original notes and new notes or our senior notes due 2009, our senior notes due 2011 or our debentures due 2013, and we may be required to refinance the notes, our senior notes due 2009, our senior notes due 2011 and/or our debentures due 2013. There can be no assurance that we would be able to accomplish a refinancing or, if a refinancing were to occur, that it would be accomplished on commercially reasonable terms.

Our senior secured credit facility prohibits us from repurchasing any of the original notes and the new notes, our senior notes due 2009, our senior notes due 2011 or our debentures due 2013, except under limited circumstances. Our senior secured credit facility also provides that certain change of control events would constitute an event of default. In the event a change of control occurs at a time when we are prohibited from purchasing the original notes and the new notes, our senior notes due 2009, our senior notes due 2011 and/or our debentures due 2013, we could seek the consent of the lenders under our senior secured credit facility to purchase the original notes and the new notes, our senior notes due 2009, our senior notes due 2011 and our debentures due 2013. If we did not obtain such a consent, we would remain prohibited from purchasing the original notes and the new notes, our senior notes due 2009, our senior notes due 2011 and/or our debentures due 2013. In this case, our failure to purchase would constitute an event of default under the indenture governing the original notes and the new notes.

We may be unable to generate sufficient cash flow to service our debt, including the new notes.

To service our debt, we will require a significant amount of cash. Our ability to generate cash, make scheduled payments or to refinance our obligations depends on our successful financial and operating performance. Our financial and operating performance, cash flow and capital resources depend upon prevailing economic conditions and certain financial, business and other factors, many of which are beyond our control. These factors include among others:

- economic and competitive conditions;
- changes in laws and regulations;
- operating difficulties, increased operating costs or pricing pressures we may experience; and
- delays in implementing any strategic projects.

If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell material assets or operations, obtain additional capital or restructure our debt.

Insolvency proceedings involving us may hinder the receipt of payment on the new notes.

An investment in the notes involves insolvency and bankruptcy considerations that investors should carefully consider. If we become a debtor subject to insolvency proceedings under the United States Bankruptcy Code, such circumstances are likely to result in delays in the payment of the new notes and may result in our inability to make payment of all or a portion of the amounts due under the new notes. Provisions of the United States Bankruptcy Code or general principles of equity that could result in the impairment of your rights include the automatic stay, avoidance of transfers by a trustee or debtor-in-possession, substantive consolidation, limitations on the collectibility of unmaturing interest or attorneys' fees, and forced restructuring of the new notes.

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Federal and state fraudulent transfer and conveyance laws may permit a court to void the new notes and the guarantees, and, if that occurs, you may not receive any payments on these new notes.

The issuance of the new notes and the guarantees may be subject to review under federal and state fraudulent transfer and conveyance statutes. While the relevant laws may vary from state to state, under such laws the payment of consideration will be a fraudulent transfer or conveyance if (1) we paid the consideration with the intent of hindering, delaying or defrauding creditors or (2) we or any of our guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing either the new notes or a guarantee, and, in the case of (2) only, one of the following is also true:

we or any of our guarantors were or was insolvent or rendered insolvent by reason of the incurrence of the indebtedness; or

payment of the consideration left us or any of our guarantors with an unreasonably small amount of capital to carry on the business; or

we or any of our guarantors intended to, or believed that we or it would, incur debts beyond our or its ability to pay as they mature.

If a court were to find that the issuance of the new notes or a guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under the new notes or such guarantee or further subordinate the new notes or such guarantee to presently existing and future indebtedness of ours or such guarantor, or require the holders of the new notes to repay any amounts received with respect to the new notes or such guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the new notes. Further, the voidance of the new notes could result in an event of default with respect to our other debt and that of our subsidiaries that could result in acceleration of such debt.

Generally, an entity would be considered insolvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, were greater than the fair salable value of all its assets; or

the present fair salable value of its assets were less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time, or regardless of the standard that a court uses, that the issuance of the new notes and the guarantees would not be subordinated to our or any guarantor's other debt. If any other subsidiary of ours guarantees the new notes in the future, such guarantee will become subject to the same risks described above.

If any of the guarantees were legally challenged, such challenged guarantee could also be subject to the claim that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than fair consideration. A court could thus void the obligations under the guarantees, subordinate them to the applicable guarantor's other debt or take other action detrimental to the holders of the new notes.

An active trading market may not develop for the new notes.

The new notes are new securities for which there currently is no established market, and we cannot be sure if an active trading market will develop for these new notes. We do not intend to apply for listing of the new notes on any securities exchange or on any automated dealer quotation system. Although we have been informed by the initial purchasers that they currently intend to make a market in the new notes, they are not obligated to do so and any market making may be discontinued at any time without notice. In addition, market making activity may be limited during the pendency of the exchange offer or the effectiveness of the exchange offer registration statement.

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The liquidity of, and trading market for, the new notes, may also be adversely affected by, among other things:

changes in the overall market for high yield securities;

changes in our financial performance or prospects;

the prospects for companies in our industry generally;

the number of holders of the new notes;

the interest of securities dealers in making a market for the new notes; and

prevailing interest rates.

David H. Murdock and his controlled companies, which control us, may take actions that conflict with your interests.

All of the voting power of our common stock is held by David H. Murdock and his controlled companies. Accordingly, Mr. Murdock controls the power to elect our directors, to appoint new management and to approve actions requiring stockholder approval, such as adopting most amendments to our certificate of incorporation and approving mergers or sales of all or substantially all of our assets.

The interest of Mr. Murdock and his controlled companies could conflict with your interests. For example, if we encounter financial difficulties or are unable to pay our debts as they mature, the interests of Mr. Murdock, as the equity holder, might conflict with your interests as a note holder. Mr. Murdock and his controlled companies may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, even though such transactions might involve risks to you, as holders of the new notes.

You may have difficulty selling the original notes that you do not exchange.

If you do not exchange your original notes for new notes in the exchange offer, you will continue to be subject to the restrictions on transfer of your original notes described in the legend on your original notes. The restrictions on transfer of your original notes arise because we issued the original notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, you may only offer or sell the original notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from those requirements. We do not intend to register the original notes under the Securities Act. To the extent original notes are tendered and accepted in the exchange offer, the trading market, if any, for the original notes would be adversely affected. See The Exchange Offer Consequences of Failure to Exchange.

Broker-dealers or noteholders may become subject to the registration and prospectus delivery requirements of the Securities Act.

Any broker-dealer that:

exchanges its original notes in the exchange offer for the purpose of participating in a distribution of the new notes, or

resells new notes that were received by it for its own account in the exchange offer,

may be deemed to have received restricted securities and may be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that broker-dealer. Any profit on the resale of the new notes and any commission or concessions received by a broker-dealer may be deemed to be underwriting compensation under the Securities Act.

In addition to broker-dealers, any noteholder that exchanges its original certificates in the exchange offer for the purpose of participating in a distribution of the new notes may be deemed to have received restricted

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securities and may be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that noteholder. See Plan of Distribution.

Risks Related to our Business

Adverse weather conditions and crop disease can impose costs on our business.

Fresh produce, including produce used in canning and other packaged food operations, is vulnerable to adverse weather conditions, including windstorms, floods, drought and temperature extremes, which are quite common but difficult to predict. Unfavorable growing conditions can reduce both crop size and crop quality. In extreme cases, entire harvests may be lost in some geographic areas. These factors can increase costs, decrease revenues and lead to additional charges to earnings, which may have a material adverse effect on our business, results of operations and financial condition.

Fresh produce is also vulnerable to crop disease and to pests, which may vary in severity and effect, depending on the stage of production at the time of infection or infestation, the type of treatment applied and climatic conditions. For example, black sigatoka is a fungal disease that affects banana cultivation in most areas where they are grown commercially. The costs to control this disease and other infestations vary depending on the severity of the damage and the extent of the plantings affected. These infestations can increase costs, decrease revenues and lead to additional charges to earnings, which may have a material adverse effect on our business, results of operations and financial condition.

Our business is highly competitive and we cannot assure you that we will maintain our current market share.

Many companies compete in our different businesses. However, only a few well-established companies operate on both a national and a regional basis with one or several branded product lines. We face strong competition from these and other companies in all our product lines.

Important factors with respect to our competitors include the following:

Some of our competitors may have greater operating flexibility and, in certain cases, this may permit them to respond better to changes in the industry or to introduce new products and packaging more quickly and with greater marketing support.

Several of our packaged food product lines are sensitive to competition from national or regional brands, and many of our product lines compete with imports, private label products and fresh alternatives.

We cannot predict the pricing or promotional actions of our competitors or whether those actions will have a negative effect on us.

There can be no assurance that we will continue to compete effectively with our present and future competitors, and our ability to compete could be adversely affected by our leveraged position. See Business Competition.

Our earnings are sensitive to fluctuations in market prices and demand for our products.

Excess supplies often cause severe price competition in our industry. Growing conditions in various parts of the world, particularly weather conditions such as floods, droughts and freezes, as well as diseases and pests, are primary factors affecting market prices because of their influence on the supply and quality of product.

Fresh produce is highly perishable and generally must be brought to market and sold soon after harvest. Some items, such as lettuce must be sold more quickly, while other items can be held in cold storage for longer periods of time. The selling price received for each type of produce depends on all of these factors, including the availability and quality of the produce item in the market, and the availability and quality of competing types of produce.

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In addition, general public perceptions regarding the quality, safety or health risks associated with particular food products could reduce demand and prices for some of our products. To the extent that consumer preferences evolve away from products that we produce for health or other reasons, and we are unable to modify our products or to develop products that satisfy new consumer preferences, there will be a decreased demand for our products. However, even if market prices are unfavorable, produce items which are ready to be, or have been harvested must be brought to market promptly. A decrease in the selling price received for our products due to the factors described above could have a material adverse effect on our business, results of operations and financial condition.

Our earnings are subject to seasonal variability.

Our earnings may be affected by seasonal factors, including:

the seasonality of our supplies and consumer demand;

the ability to process products during critical harvest periods; and

the timing and effects of ripening and perishability.

Although banana production tends to be relatively stable throughout the year, banana pricing is seasonal because bananas compete against other fresh fruit that generally comes to market beginning in the summer. As a result, banana prices are typically higher during the first half of the year. Also, there is a seasonal aspect to our fresh-cut flower business, with peak demand generally around Valentine's Day and Mother's Day.

Currency exchange fluctuations may impact the results of our operations.

We distribute our products in more than 90 countries throughout the world. Our international sales are usually transacted in U.S. dollars, and European and Asian currencies. Our results of operations are affected by fluctuations in currency exchange rates in both sourcing and selling locations. Although we enter into foreign currency exchange forward contracts to reduce our risk related to currency exchange fluctuation, our results of operations may still be impacted by foreign currency exchange rates, primarily the yen-to-U.S. dollar and euro-to-U.S. dollar exchange rates. For instance, we currently estimate that a 1% change in value of the yen-to-U.S. dollar and the euro-to-U.S. dollar exchange rates would each impact our EBIT by approximately \$3 million and \$2 million, respectively, before giving effect to our foreign currency hedges. Because we do not hedge against all of our foreign currency exposure, our business will continue to be susceptible to foreign currency fluctuations.

We face risks related to our former use of the pesticide DBCP.

We formerly used dibromochloropropane, or DBCP, a nematocide that was used on a variety of crops throughout the world. The registration for DBCP with the U.S. government was cancelled in 1979 based in part on an apparent link to male sterility among factory workers. There are a number of pending lawsuits in the United States and other countries against the manufacturers of DBCP and the growers, including us, who used it in the past. We are aware of 790 DBCP lawsuits although we have not been served in all of them. The cost to defend or settle these lawsuits, and the costs to pay any judgments or settlements resulting from these lawsuits, or other lawsuits which might be brought, could have a material adverse effect on our business, financial condition or results of operations. See Business Legal Proceedings DBCP Litigation.

We face other risks in connection with our international operations.

Our operations are heavily dependent upon products grown, purchased and sold internationally. In addition, our operations are a significant factor in the economies of many of the countries in which we operate, increasing our visibility and susceptibility to regulatory changes. These activities are subject to risks that are inherent in operating in foreign countries, including the following:

foreign countries could change regulations or impose currency restrictions and other restraints;

in some countries, there is a risk that the government may expropriate assets;

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some countries impose burdensome tariffs and quotas;

political changes and economic crises may lead to changes in the business environment in which we operate;

international conflict, including terrorist acts, could significantly impact our financial condition and results of operations;

in some countries, our operations are dependent on leases and other agreements; and

economic downturns, political instability and war or civil disturbances may disrupt production and distribution logistics or limit sales in individual markets.

The European Union, or EU, maintains regulations that impose quotas and tariffs on bananas. In April 2001, the EU reached agreements with the United States and Ecuador to implement a tariff-only import system no later than January 1, 2006, which will require future consultations between the EU and the banana supplying interests. In the interim period beginning July 1, 2001, European companies that imported Latin American bananas into the EU market during the years 1994 to 1996, including our European banana operations, are eligible for banana import licenses. The reformed system is to continue through 2005. Although our earnings have not been negatively impacted by the new interim regime, our earnings could be affected based on these or similar regulations implemented by the EU.

Terrorism and the uncertainty of war may have a material adverse effect on our operating results.

Terrorist attacks, such as the attacks that occurred in New York and Washington, D.C. on September 11, 2001, the subsequent response by the United States in Afghanistan, Iraq and other locations, and other acts of violence or war in the United States or abroad may affect the markets in which we operate and our operations and profitability. From time to time in the past, our operations or personnel have been the targets of terrorist or criminal attacks, and the risk of such attacks impacts our operations and results in increased security costs. Further terrorist attacks against the United States or operators of United States-owned businesses outside the United States may occur, or hostilities could develop based on the current international situation. The potential near-term and long-term effect these attacks may have on our business operations, our customers, the markets for our products, the United States economy and the economies of other places we source or sell our products is uncertain. We do not maintain insurance for any such occurrences. The consequences of any terrorist attacks, or any armed conflicts, are unpredictable, and we may not be able to foresee events that could have an adverse effect on our markets or our business.

Our worldwide operations and products are highly regulated in the areas of food safety and protection of human health and the environment.

Our worldwide operations are subject to a broad range of foreign, federal, state and local environmental, health and safety laws and regulations, including laws and regulations governing the use and disposal of pesticides and other chemicals. These regulations directly affect day-to-day operations and violations of these laws and regulations can result in substantial fines or penalties. There can be no assurance that these fines or penalties would not have a material adverse effect on our business, results of operations and financial condition. To maintain compliance with all of the laws and regulations that apply to our operations, we have been and may be required in the future to modify our operations, purchase new equipment or make capital improvements. Actions by regulators may require operational modifications or capital improvements at various locations. In addition, we have been and in the future may become subject to private lawsuits alleging that our operations caused personal injury or property damage.

We are subject to the risk of product liability claims.

The sale of food products for human consumption involves the risk of injury to consumers. Such injuries may result from tampering by unauthorized third parties, product contamination or spoilage, including the presence of foreign objects, substances, chemicals, other agents, or residues introduced during the growing, storage, handling or transportation phases. We have from time to time been involved in product liability

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lawsuits, none of which were material to our business. While we are subject to governmental inspection and regulations and believe our facilities comply in all material respects with all applicable laws and regulations, we cannot be sure that consumption of our products will not cause a health-related illness in the future or that we will not be subject to claims or lawsuits relating to such matters. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against others. We maintain product liability insurance in an amount which we believe to be adequate. However, we cannot be sure that we will not incur claims or liabilities for which we are not insured or that exceed the amount of our insurance coverage.

We are subject to transportation risks.

An extended interruption in our ability to ship our products could have a material adverse effect on our business, financial condition and results of operations. Similarly, any extended disruption in the distribution of our products could have a material adverse effect on our business, financial condition and results of operations. While we believe we are adequately insured and would attempt to transport our products by alternative means if we were to experience an interruption due to strike, natural disasters or otherwise, we cannot be sure that we would be able to do so or be successful in doing so in a timely and cost-effective manner.

Our business operations could be significantly disrupted if we lost members of our management team.

We are dependent on the continued services of our senior management team, including David H. Murdock, our chairman and chief executive officer, and Lawrence M. Kern, our president and chief operating officer. Although we believe we could replace key employees in an orderly fashion should the need arise, the loss of any such key personnel could have a material adverse effect on our business, results of operations and financial condition. We do not maintain key-person insurance for any of our officers, employees or directors.

The use of herbicides and other hazardous substances in our operations may lead to environmental damage and result in increased costs to us.

We use herbicides and other hazardous substances in the operation of our business. We may have to pay for the costs or damages associated with the improper application, accidental release or the use or misuse of such substances. Our insurance may not be adequate to cover such costs or damages or may not continue to be available at a price or under terms that are satisfactory to us. In such cases, payment of such costs or damages could have a material adverse effect on our business, results of operations and financial condition.

Events or rumors relating to the DOLE brand could significantly impact our business.

Consumer and institutional recognition of the DOLE trademarks and related brands and the association of these brands with high quality and safe food products are an integral part of our business. The occurrence of any events or rumors that cause consumers and/or institutions to no longer associate these brands with high quality and safe food products may adversely affect the value of the DOLE brand name and demand for our products. We have licensed the DOLE brand name to several affiliated and unaffiliated companies for use in the United States and abroad. Acts or omissions by these companies over which we have no control may also have such adverse effects.

The loss of important intellectual property rights could adversely affect our competitiveness.

Some of our trademarks such as the DOLE brand name and other intellectual property rights are important to our business. We rely upon a combination of copyright and trademark laws as well as, where appropriate, contractual arrangements, including licensing agreements to establish and protect our intellectual property rights. We are required from time to time to bring lawsuits against third parties to protect our intellectual property rights. Similarly, we are, and from time to time expect to be, party to proceedings where third parties challenge our rights. We cannot be sure that any lawsuits or other actions brought by us to

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enforce our rights will be successful or that we will not be found to infringe the intellectual property rights of third parties. The loss of important intellectual property such as trademarks could have a material adverse effect on our business, results of operations and financial condition.

A portion of our workforce is unionized and labor disruptions could decrease our profitability.

As of December 28, 2002, approximately 56% of our employees worked under various collective bargaining agreements. Some of our collective bargaining agreements will expire in fiscal 2003, although each agreement is subject to automatic renewals unless we or the union party to the agreement provides notice otherwise. Our other collective bargaining agreements will expire in later years. While we believe that our relations with our employees are good, we cannot assure you that we will be able to negotiate these or other collective bargaining agreements on the same or more favorable terms as the current agreements, or at all, and without production interruptions, including labor stoppages. A prolonged labor dispute, which could include a work stoppage, could have a material adverse effect on the portion of our business affected by the dispute, which could impact our business, results of operations and financial condition.

We operate some of our businesses through joint ventures in which our rights to control business decisions are limited.

We currently operate important parts of our business through joint ventures with other companies, and in the future may enter into additional joint ventures. Our forecasts and plans for these joint ventures assume that joint venture partners will fulfill their obligations to contribute capital, purchase products, and, in some cases, provide managerial talent. If any of our joint venture partners does not observe its commitments, it is possible that the affected joint venture would not be able to operate in accordance with its business plans or that we would have to increase the level of our investment to give effect to these plans. Furthermore, the approval requirements imposed by certain joint venture agreements may limit our flexibility and ability to implement strategies and tactics that we believe are in our and the joint venture's best interest. In the event that a joint venture is unsuccessful, we may be required to unwind the joint venture, which could be costly and materially adversely affect our business, results of operations and financial condition.

In addition, because we operate some of our business through joint ventures, our ability to pay interest on and principal of our debt, including the original notes and new notes, depends, in part, upon the earnings and cash flow of those joint ventures and the distribution of that cash to us. Distributions from our joint ventures are subject to the discretion of their respective management committees. We cannot assure you that our joint ventures will continue to make distributions to us at current levels or at all.

Joint venture investments may involve risks not otherwise present for investments made solely by us, including the possibility that our joint venture partner might become bankrupt, that our joint venture partner might at any time have different interests or goals than we do, and that our joint venture partner may take action contrary to our instructions, requests, policies or objectives. Other risks of joint venture investments include impasse on decisions, such as sale, because neither we nor our joint venture partner would have full control over the joint venture.

Because there is no limitation under our organizational documents as to the amount of our funds that may be invested in joint ventures, we may invest a significant amount of our funds into joint ventures which ultimately may not be profitable as a result of disagreements with or among our joint venture partners.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

(Cautionary Statements Under the Private Securities Litigation Reform Act of 1995)

Some of the information included in this prospectus, including, without limitation, the statements under Summary and Risk Factors and located elsewhere in this prospectus or incorporated by reference herein, and other materials filed or to be filed by us with the Commission (as well as information included in oral statements or other written statements made or to be made by us or our representatives) contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These statements can be identified by the fact that they do not relate strictly to historical or current facts and may include the words may, could, should, would, believe, expect, anticipate, estimate, intend, plan or other words or expressions having a forward-looking meaning. We have based these forward-looking statements on our current expectations about future events. The forward-looking statements include statements that reflect management's beliefs, plans, objectives, goals, expectations, anticipations and intentions with respect to our financial condition, results of operations, future performance and business, including statements relating to our business strategy and our current and future development plans.

The potential risks and uncertainties that could cause our actual financial condition, results of operations and future performance to differ materially from those expressed or implied in this prospectus include:

- changes in common law, quotas, tariffs, export and import laws;
- weather conditions that adversely affect the production, transportation, storage, import and export of fresh produce, packaged foods or fresh-cut flowers;
- market responses to industry volume pressures;
- DBCP litigation;
- product and raw materials supplies and pricing;
- electric power supply and pricing;
- changes in interest and currency exchange rates;
- economic crises and security risks in developing countries;
- international conflict;
- acts of terrorism;
- labor disruptions, strikes or work stoppages;
- loss of important intellectual property rights; and
- other factors disclosed in our Annual Report on Form 10-K for the fiscal year ended December 28, 2002, our Quarterly Report on Form 10-Q for the quarter ended March 22, 2003, and in other reports filed by Dole from time to time with the Commission.

We urge you to review carefully this prospectus, particularly the section Risk Factors, for a more complete discussion of the risks to our business.

From time to time, oral or written forward-looking statements are also included in our reports on Forms 10-K, 10-Q and 8-K, press releases and other materials released to the public. Although we believe that at the time made, the expectations reflected in all of these forward-looking statements are and will be reasonable, any or all of the forward-looking statements in this prospectus, our reports on Forms 10-K, 10-Q and 8-K and any other public statements that are made by us may prove to be incorrect. This may occur as a result of inaccurate assumptions or as a consequence of known or unknown risks and uncertainties. Many factors discussed in this prospectus, certain of which are beyond our control, will be important in determining our future performance. Consequently, actual results may differ materially from those that might be anticipated from forward-looking statements. In light of these and other uncertainties, you should not regard the inclusion of a forward-looking statement in this prospectus or other public communications that we might make as a representation by us that our plans and objectives will be achieved, and you should not place undue reliance on such forward-looking statements.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. However, your attention is directed to any further disclosures made on related subjects in our subsequent reports filed with the Commission on Forms 10-K, 10-Q and 8-K.

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THE EXCHANGE OFFER

Terms of the Exchange Offer

Purpose of the Exchange Offer

We sold the original notes on May 29, 2003 in a transaction exempt from the registration requirements of the Securities Act. The initial purchasers of the original notes subsequently resold the original notes to qualified institutional buyers in reliance on Rule 144A and under Regulation S under the Securities Act.

In connection with the sale of original notes to the initial purchasers pursuant to the purchase agreement, dated May 14, 2003, among us and the initial purchasers named therein, the holders of the original notes became entitled to the benefits of a registration rights agreement dated May 29, 2003, among us and the initial purchasers.

The registration rights agreement provides that:

We and our subsidiaries that guarantee the notes will use our respective reasonable best efforts to file an exchange offer registration statement with the Commission on or prior to 90 days after May 29, 2003,

We and our subsidiaries that guarantee the notes will use our respective reasonable best efforts to cause the exchange offer registration statement to be declared effective under the Securities Act within 180 days after May 29, 2003,

Upon the effectiveness of the exchange offer registration statement, we will commence the exchange offer and keep the exchange offer open for not less than 30 days after the date notice thereof is mailed to the holders of the original notes, or longer if required by applicable law, and

We will utilize the services of a depository for the registered exchange offer with an address in the Borough of Manhattan, the City of New York.

The exchange offer being made by this prospectus, if consummated within the required time periods, will satisfy our obligations under the registration rights agreement. This prospectus, together with the letter of transmittal, is being sent to all beneficial holders of original notes known to us.

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we will accept all original notes properly tendered and not withdrawn prior to the expiration date. We will issue \$1,000 principal amount of new notes in exchange for each \$1,000 principal amount of outstanding original notes accepted in the exchange offer. Holders may tender some or all of their original notes pursuant to the exchange offer.

Based on no-action letters issued by the staff of the Commission to third parties we believe that holders of the new notes issued in exchange for original notes may offer for resale, resell and otherwise transfer the new notes, other than any holder that is an affiliate of ours within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act. This is true as long as the new notes are acquired in the ordinary course of the holder's business, the holder has no arrangement or understanding with any person to participate in the distribution of the new notes and neither the holder nor any other person is engaging in or intends to engage in a distribution of the new notes. A broker dealer that acquired original notes directly from us cannot exchange the original notes in the exchange offer. Any holder who tenders in the exchange offer for the purpose of participating in a distribution of the new notes cannot rely on the no-action letters of the staff of the Commission and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired by such broker dealer as a result of market making or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See *Plan of Distribution* for additional information.

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We shall be deemed to have accepted validly tendered original notes when, as and if we have given oral or written notice of the acceptance of such original notes to the exchange agent. The exchange agent will act as agent for the tendering holders of original notes for the purposes of receiving the new notes from the issuer and delivering new notes to such holders.

If any tendered original notes are not accepted for exchange because of an invalid tender or the occurrence of the conditions set forth under Conditions without waiver by us, certificates for any such unaccepted original notes will be returned, without expense, to the tendering holder of any such original notes as promptly as practicable after the expiration date.

Holders of original notes who tender in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of original notes, pursuant to the exchange offer. We will pay all charges and expenses, other than certain applicable taxes in connection with the exchange offer. See Fees and Expenses.

Shelf Registration Statement

Pursuant to the registration rights agreement, we agreed to file a shelf registration statement if

any change in law or applicable interpretations thereof by the staff of the Commission do not permit us to effect the registered exchange offer;

the exchange offer registration statement is not declared effective within 180 days after May 29, 2003 or the exchange offer is not consummated within 210 days of May 29, 2003;

any initial purchaser of the original notes requests that we file such a shelf registration with respect to original notes not eligible to be exchanged for new notes in the registered exchange offer or, in the case of any initial purchaser that participates in any registered exchange offer, such initial purchaser does not receive freely tradable exchange securities;

any holder, other than an initial purchaser, is not eligible to participate in the registered exchange offer; or

any holder of original notes, other than an initial purchaser, is not eligible to participate in the exchange offer or does not receive freely tradable new notes in the exchange offer other than by reason of that holder being our affiliate within the meaning of the Securities Act. We have agreed to file a shelf registration statement with the Commission as promptly as practicable, but in no event more than 30 days after being so required, and thereafter use our reasonable best efforts to cause a shelf registration statement to become effective under the Securities Act as soon as practicable but in no event later than 210 days after the filing of the shelf registration statement. In addition, we agreed to use our reasonable best efforts to keep that shelf registration statement continually effective, supplemented and amended for a period of two years following the date the shelf registration statement is declared effective (or for a period of one year from the date the shelf registration statement is declared effective and such shelf registration statement is filed at the request of an initial purchaser), or such shorter period which terminates when all notes covered by that shelf registration statement have been sold under it.

Additional Interest in Certain Circumstances

If any of the following, each a registration default, occurs:

the exchange offer registration statement has not been filed with the Commission on or before the 90th day following May 29, 2003;

the exchange offer registration statement has not been declared effective by the Commission on or before the 180th day following May 29, 2003; or

the registered exchange offer has not been completed nor has the shelf registration statement been declared effective on or before the 210th day following May 29, 2003;

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the interest rate borne by the original notes will be increased by 0.50% per annum during the 90-day period immediately following the occurrence of a registration default and will increase by 0.50% per annum from and including the 91st day after the first such registration default and each successive 91st day thereafter, unless and until all registration defaults have been cured. If the exchange offer is completed on the terms and within the period contemplated by this prospectus, no additional interest will be payable. Such interest is payable in addition to any other interest payable from time to time with respect to the original notes on each interest payment date to the holders of record for such interest payment date. After the cure of registration defaults, the accrual of liquidated damages will stop and the interest rate will revert to the original rate. In no event will the additional interest exceed in the aggregate 1.0% per annum on the principal amount of the original notes.

The sole remedy available to the holders of the original notes upon a registration default will be the immediate increase in the interest rate on the original notes as described above. Any amounts of additional interest due as described above will be payable in cash on the same interest payments dates as the original notes.

The summary of the provisions of the registration rights agreement contained in this prospectus does not purport to be complete. This summary is subject to and qualified in its entirety by reference to all the provisions of the registration rights agreement, a copy of which is an exhibit to the registration statement of which this prospectus is a part.

Expiration Date; Extensions; Amendment

We will keep the exchange offer open for not less than 30 days, or longer if required by applicable law, after the date on which notice of the exchange offer is mailed to the holders of the original notes. The term *expiration date* means the expiration date set forth on the cover page of this prospectus, unless we extend the exchange offer, in which case the term *expiration date* means the latest date to which the exchange offer is extended.

In order to extend the expiration date, we will notify the exchange agent of any extension by oral or written notice and will issue a public announcement of the extension, each prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

We reserve the right

to delay accepting any original notes, to extend the exchange offer or to terminate the exchange offer and not accept original notes not previously accepted if any of the conditions set forth under *Conditions* shall have occurred and shall not have been waived by us, if permitted to be waived by us, by giving oral or written notice of such delay, extension or termination to the exchange agent, or

to amend the terms of the exchange offer in any manner deemed by us to be advantageous to the holders of the original notes.

Any delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice. If the exchange offer is amended in a manner determined by us to constitute a material change, we promptly will disclose such amendment in a manner reasonably calculated to inform the holders of the original notes of such amendment. Depending upon the significance of the amendment, we may extend the exchange offer if it otherwise would expire during such extension period.

Without limiting the manner in which we may choose to make a public announcement of any extension, amendment or termination of the exchange offer, we will not be obligated to publish, advertise, or otherwise communicate any such announcement, other than by making a timely release to an appropriate news agency.

Exchange Offer Procedures

To tender in the exchange offer, a holder must complete, sign and date the letter of transmittal, or a facsimile thereof, have the signatures on the letter of transmittal guaranteed if required by instruction 2 of the letter of transmittal, and mail or otherwise deliver the letter of transmittal or such facsimile or an agent's message in connection with a book entry transfer, together with the original notes and any other required

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documents. To be validly tendered, such documents must reach the exchange agent before 5:00 p.m., New York City time, on the expiration date. Delivery of the original notes may be made by book-entry transfer in accordance with the procedures described below. Confirmation of such book-entry transfer must be received by the exchange agent prior to the expiration date.

The term *agent's message* means a message, transmitted by a book-entry transfer facility to, and received by, the exchange agent, forming a part of a confirmation of a book-entry transfer, which states that such book-entry transfer facility has received an express acknowledgment from the participant in such book-entry transfer facility tendering the original notes that such participant has received and agrees to be bound by the terms of the letter of transmittal and that we may enforce such agreement against such participant.

The tender by a holder of original notes will constitute an agreement between such holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

Delivery of all documents must be made to the exchange agent at its address set forth below. Holders may also request their respective brokers, dealers, commercial banks, trust companies or nominees to effect such tender for such holders.

Each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See *Plan of Distribution*.

The method of delivery of original notes and the letter of transmittal and all other required documents to the exchange agent is at the election and risk of the holders. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery to the exchange agent before 5:00 p.m., New York City time, on the expiration date. No letter of transmittal or original notes should be sent to us.

Only a holder of original notes may tender original notes in the exchange offer. The term *holder* with respect to the exchange offer means any person in whose name original notes are registered on our books or any other person who has obtained a properly completed bond power from the registered holder.

Any beneficial holder whose original notes are registered in the name of its broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder promptly and instruct such registered holder to tender on its behalf. If such beneficial holder wishes to tender on its own behalf, such registered holder must, prior to completing and executing the relevant letter of transmittal and delivering its original notes, either make appropriate arrangements to register ownership of the original notes in such holder's name or obtain a properly completed bond power from the registered holder. The transfer of record ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal, must be guaranteed by an *eligible guarantor institution* within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, unless the original notes are tendered:

by a registered holder who has not completed the box entitled *Special Issuance Instructions* or *Special Delivery Instructions* on the letter of transmittal or

for the account of an eligible guarantor institution.

In the event that signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, such guarantee must be by an eligible guarantor institution.

If a letter of transmittal is signed by a person other than the registered holder of any original notes listed therein, such original notes must be endorsed or accompanied by appropriate bond powers and a proxy which authorizes such person to tender the original notes on behalf of the registered holder, in each case signed as the name of the registered holder or holders appears on the original notes.

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If a letter of transmittal or any original notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by us, evidence satisfactory to us of their authority so to act must be submitted with such letter of transmittal.

All questions as to the validity, form, eligibility, including time of receipt, and withdrawal of the tendered original notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all original notes not properly tendered or any original notes our acceptance of which, in the opinion of counsel for us, would be unlawful. We also reserve the absolute right to waive any irregularities or conditions of tender as to particular original notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of original notes must be cured within such time as we shall determine. None of us, the exchange agent or any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of original notes, nor shall any of them incur any liability for failure to give such notification. Tenderees of original notes will not be deemed to have been made until such irregularities have been cured or waived. Any original notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders of original notes without cost to such holder, unless otherwise provided in the relevant letter of transmittal, as soon as practicable following the expiration date.

In addition, we reserve the absolute right in our sole discretion to

purchase or make offers for any original notes that remain outstanding subsequent to the expiration date or, as set forth under Conditions, to terminate the exchange offer in accordance with the terms of the registration rights agreement, and

to the extent permitted by applicable law, purchase original notes in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers may differ from the terms of the exchange offer.

By tendering, each holder will represent to us that, among other things,

such holder or other person is not our affiliate, as defined under Rule 405 of the Securities Act, or, if such holder or other person is such an affiliate, will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable,

the new notes acquired pursuant to the exchange offer are being obtained in the ordinary course of business of such holder or other person,

neither such holder or other person has any arrangement or understanding with any person to participate in the distribution of such new notes, and

if such holder is not a broker-dealer, neither such holder nor such other person is engaged in or intends to engage in a distribution of the new notes.

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the original notes at The Depository Trust Company for the purpose of facilitating the exchange offer, and subject to the establishment of such accounts, any financial institution that is a participant in The Depository Trust Company's system may make book-entry delivery of original notes by causing The Depository Trust Company to transfer such original notes into the exchange agent's account with respect to the original notes in accordance with The Depository Trust Company's procedures for such transfer. Although delivery of the original notes may be effected through book-entry transfer into the exchange agent's account at The Depository Trust Company, a letter of transmittal properly completed and duly executed with any required signature guarantee, or an agent's message in lieu of a letter of transmittal, and all other required documents must in each case be transmitted to and received or confirmed by the exchange agent at its address set forth below on or prior to the expiration date, or, if the guaranteed delivery procedures described below are

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complied with, within the time period provided under such procedures. Delivery of documents to The Depository Trust Company does not constitute delivery to the exchange agent.

Guaranteed Delivery Procedures

Holders who wish to tender their original notes and:

whose original notes are not immediately available; or

who cannot deliver their original notes, the letter of transmittal or any other required documents to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer; or

who cannot complete the procedures for delivery by book-entry transfer prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, may effect a tender if:

the tender is made by or through an eligible guarantor institution;

prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, the exchange agent receives from such eligible guarantor institution a properly completed and duly executed Notice of Guaranteed Delivery, by facsimile transmission, mail or hand delivery, setting forth the name and address of the holder of the original notes, the certificate number or numbers of such original notes and the principal amount of original notes tendered, stating that the tender is being made thereby, and guaranteeing that, within three business days after the expiration date, a letter of transmittal, or facsimile thereof or agent's message in lieu of such letter of transmittal, together with the certificate(s) representing the original notes to be tendered in proper form for transfer and any other documents required by the letter of transmittal will be deposited by the eligible guarantor institution with the exchange agent; and

a properly completed and duly executed letter of transmittal, or facsimile thereof, together with the certificate(s) representing all tendered original notes in proper form for transfer or an agent's message in the case of delivery by book-entry transfer and all other documents required by the letter of transmittal are received by the exchange agent within three business days after the expiration date.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, tenders of original notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of original notes in the exchange offer, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth in this prospectus prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

specify the name of the depositor, who is the person having deposited the original notes to be withdrawn,

identify the original notes to be withdrawn, including the certificate number or numbers and principal amount of such original notes or, in the case of original notes transferred by book-entry transfer, the name and number of the account at The Depository Trust Company to be credited,

be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such original notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee with respect to the original notes register the transfer of such original notes into the name of the depositor withdrawing the tender, and

specify the name in which any such original notes are to be registered, if different from that of the depositor.

All questions as to the validity, form and eligibility, including time of receipt, of such withdrawal notices will be determined by us, and our determination shall be final and binding on all parties. Any original notes so

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withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new notes will be issued with respect to the original notes withdrawn unless the original notes so withdrawn are validly retendered. Any original notes which have been tendered but which are not accepted for exchange will be returned to its holder without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn original notes may be retendered by following one of the procedures described above under Exchange Offer Procedures at any time prior to the expiration date.

Conditions

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange, any new notes for any original notes, and may terminate or amend the exchange offer before the expiration date, if:

in the opinion of our counsel, the exchange offer or any part thereof contemplated herein violates any applicable law or interpretation of the staff of the Commission;

any action or proceeding shall have been instituted or threatened in any court or by any governmental agency which might materially impair our ability to proceed with the exchange offer or any material adverse development shall have occurred in any such action or proceeding with respect to us;

any governmental approval has not been obtained, which approval we shall deem necessary for the consummation of the exchange offer as contemplated hereby;

any cessation of trading on any securities exchange, or any banking moratorium, shall have occurred, as a result of which we are unable to proceed with the exchange offer; or

a stop order shall have been issued by the Commission or any state securities authority suspending the effectiveness of the registration statement or proceedings shall have been initiated or, to our knowledge, threatened for that purpose.

If we determine in our reasonable discretion that the foregoing condition exists, we may:

refuse to accept any original notes and return all tendered original notes to the tendering holders,

extend the exchange offer and retain all original notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders who tendered such original notes to withdraw their tendered original notes, or

waive such condition, if permissible, with respect to the exchange offer and accept all properly tendered original notes which have not been withdrawn. If such waiver constitutes a material change to the exchange offer, we will promptly disclose such waiver by means of a prospectus supplement that will be distributed to the holders, and we will extend the exchange offer as required by applicable law.

Exchange Agent

We have appointed Wells Fargo Bank, National Association, as exchange agent for the exchange offer. Please direct questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for the notice of guaranteed delivery to the exchange agent. If you are not

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tendering under The Depository Trust Company's automated tender offer program, you should send the letter of transmittal and any other required documents to the exchange agent as follows:

By Registered or Certified Mail, Hand Delivery and Air Courier:

Wells Fargo Bank, National Association

45 Broadway, 12th Floor
New York, New York 10006

Attention: Corporate Trust Department

Reference: Dole Food Company, Inc. Exchange

By Facsimile:

(213) 614-3355

Attention: Corporate Trust Department
Confirm by Telephone: (213) 614-3349
Reference: Dole Food Company, Inc. Exchange

To Confirm by Telephone or for Information:

(213) 614-3349

Reference: Dole Food Company, Inc. Exchange

Wells Fargo Bank, National Association, is the trustee under the indenture governing the original notes and the new notes.

Fees and Expenses

We will pay the expenses of soliciting original notes for exchange. The principal solicitation is being made by mail by Wells Fargo Bank, National Association as exchange agent. However, additional solicitations may be made by telephone, facsimile or in person by our officers and regular employees and our affiliates and by persons so engaged by the exchange agent.

We will pay Wells Fargo Bank, National Association as exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith and pay other registration expenses, including fees and expenses of the trustee under the indenture, filing fees, blue sky fees and printing and distribution expenses.

We will pay all transfer taxes, if any, applicable to the exchange of the original notes in connection with the exchange offer. If, however, certificates representing the new notes or the original notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the original notes tendered, or if tendered original notes are registered in the name of any person other than the person signing the letter of transmittal, or if a transfer tax is imposed for any reason other than the exchange of the original notes in this exchange offer, then the amount of any such transfer taxes, whether imposed on the registered holder or any other person, will be payable by the tendering holder.

Accounting Treatment

The new notes will be recorded at the same carrying value as the original notes as reflected in our accounting records on the date of exchange. Accordingly, no gain or loss for accounting purposes will be recognized by us. The expenses of the exchange offer and the unamortized expenses related to the issuance of the original notes will be amortized over the term of the new notes.

Consequences of Failure to Exchange

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Holders of original notes who are eligible to participate in the exchange offer but who do not tender their original notes will not have any further registration rights, and their original notes will continue to be subject to

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restrictions on transfer of the original notes as described in the legend on the original notes as a consequence of the issuance of the original notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, the original notes may not be offered or sold, unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

Regulatory Approvals

We do not believe that the receipt of any material federal or state regulatory approval will be necessary in connection with the exchange offer, other than the effectiveness of the exchange offer registration statement under the Securities Act.

Other

Participation in the exchange offer is voluntary and holders of original notes should carefully consider whether to accept the terms and condition of this exchange offer. Holders of the original notes are urged to consult their financial and tax advisors in making their own decisions on what action to take with respect to the exchange offer.

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USE OF PROCEEDS

This exchange offer is intended to satisfy our obligations to register the outstanding notes under the registration rights agreement entered into in connection with the offering of the original notes. We will not receive any cash proceeds from the issuance of the new notes. In consideration for issuing the new notes, we will receive the outstanding original notes in like principal amount, the terms of which are identical in all material respects to the terms of the new notes, except as otherwise described herein. The original notes surrendered in exchange for the new notes will be retired and cancelled and cannot be reissued.

The net proceeds from the sale of the original notes after deducting the discounts and commissions to the initial purchasers and estimated offering expenses were approximately \$392.7 million. We used the net proceeds that we received from the sale of the original notes, together with approximately \$7.3 million of available cash to repay \$400.0 million outstanding under the term loan portion of our senior secured credit facility. The senior secured credit facility was used to consummate the going-private merger transactions. The average interest rate on the \$400 million of term loans under our senior secured credit facility that was repaid with the proceeds from the offering of the original notes was 4.973% on May 29, 2003, the date that we repaid that portion of our term loan facility. The \$300 million revolving credit portion of our senior secured credit facility and the \$128.8 million A term loan facility portion of our senior secured credit facility expire on March 28, 2008. The \$296.2 million B term loan facility portion of our senior secured credit facility expires on September 28, 2008. For more information on our senior secured credit facility, see Description of Other Indebtedness Senior Secured Credit Facility elsewhere in this prospectus.

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The following table sets forth our consolidated cash and cash equivalents and capitalization as of March 22, 2003 on an actual basis, on a pro forma basis giving effect to the going-private merger transactions, and on a pro forma basis giving effect to the going-private merger transactions as adjusted to reflect the refinancing transaction. You should read this table in conjunction with the Use of Proceeds, Unaudited Pro Forma Condensed Consolidated Financial Statements, Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of March 22, 2003		
	Actual	Pro Forma As Adjusted for the Going-Private Merger Transactions	Pro Forma As Adjusted for the Going-Private Merger Transactions and the Refinancing Transaction(7)
	(Dollars in millions)		
Cash and cash equivalents(1)	\$ 641.0	\$ 12.3	\$ 5.0
Debt:			
Revolving credit facility(2)	\$	\$ 110.0	\$ 110.0
Term loan facilities		825.0	425.0
7% senior notes due 2003(3)	209.8		
6.375% senior notes due 2005(3)	300.0		
8.625% senior notes due 2009(4)(5)	400.0	400.0	400.0
8.75% debentures due 2013(4)(5)	155.0	155.0	155.0
8 7/8% senior notes due 2011(5)		475.0	475.0
7 1/4% senior notes due 2010(5)			400.0
Other debt	60.7	21.3	21.3
Total debt	\$ 1,125.5	\$ 1,986.3	\$ 1,986.3
Total equity(6)	804.7	413.8	402.9
Total capitalization	\$ 1,930.2	\$ 2,400.1	\$ 2,389.2

- (1) Dole's available cash was used to help consummate the going-private merger transactions.
- (2) The revolving credit facility provides for borrowings of up to \$300 million. Approximately \$110 million of the proceeds from the facility were utilized to make payments owing in connection with the going-private merger transactions. As of March 22, 2003, after giving pro forma effect to the going-private merger transactions and the refinancing transaction, we estimate that we would have had \$154.5 million of availability under the \$300.0 million revolving credit portion of our senior secured credit facility, which is net of outstanding letters of credit and bank guarantee obligations of \$35.5 million.
- (3) \$209.8 million of senior notes due 2003 and \$300.0 million of senior notes due 2005 were repaid and redeemed, respectively, as part of the going-private merger transactions.
- (4) \$400.0 million of senior notes due 2009 and \$155.0 million of debentures due 2013 were modified, as part of the going-private merger transactions, and remain outstanding.
- (5) The original notes, the 2009 notes, the 2011 notes and the 2013 debentures are, and the new notes will be, jointly and severally and unconditionally guaranteed on a senior subordinated basis by certain of the domestic subsidiaries of Dole.

- (6) Pro forma equity includes a \$125.0 million cash investment by Mr. Murdock and 13 million shares in Dole owned by Mr. Murdock or his affiliates with a predecessor basis of \$288.8 million which were contributed to us as equity, as part of the going-private merger transactions.
- (7) Refinancing transaction reflects the use of net proceeds of approximately \$392.7 million, together with \$7.3 million of other available cash, from the offering and sale of the original notes to repay \$400.0 million outstanding under the term loan facilities of our senior secured credit facility.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our historical and unaudited pro forma ratios of earnings to fixed charges for the periods indicated. The historical ratios are prepared on a consolidated basis in accordance with generally accepted accounting principles, or GAAP, and, therefore, reflect all consolidated earnings and fixed charges, including non-recourse obligations of our consolidated subsidiaries. The unaudited pro forma adjusted ratios of earnings to fixed charges reflect the going-private merger transactions and the refinancing transaction, all as of the dates indicated and as more fully described in Unaudited Pro Forma Combined Financial Information. Results for the fiscal quarter ended March 22, 2003 are not necessarily indicative of results that may be expected for a full year.

The ratio of earnings to fixed charges for each of the periods is determined by dividing earnings, consisting of income (loss) from continuing operations before income taxes, by fixed charges, consisting of interest expense, amortization of debt expense and discounts, and the interest factor of rental expense under capital leases. We determine the interest factor of rental expense by dividing total rental expense for the period by three.

	Fiscal Quarter Ended March 22, 2003	Fiscal Year				
		2002	2001	2000	1999	1998
Ratio of earnings to fixed charges	3.84x	2.87x	.93x(1)	1.40x	1.14x	1.03x
Pro forma adjusted ratio of earnings to fixed charges	1.85x	1.24x				

- (1) Due to our loss from continuing operations in 2001, the ratio coverage was less than 1:1. Our earnings were insufficient to cover fixed charges by \$7.7 million.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements (the pro forma financial statements) are derived from the historical financial statements of Dole, included elsewhere herein. The historical financial statements have been adjusted to give effect to the following: (i) the receipt of proceeds from the offering of \$475.0 million of our senior notes due 2011 offered in conjunction with the going-private merger and the borrowing under our senior secured credit facility; (ii) the receipt of proceeds from HoldCo, including \$125.0 million in new equity; (iii) the use of available Dole cash to finance a portion of the going private merger; (iv) the acquisition of the approximately 76% of Dole s outstanding common stock not currently owned by David Murdock or his affiliates; (v) the settlement of outstanding stock options; (vi) the sale and leaseback of an asset; (vii) the repayment of certain outstanding debt and related repurchase premium and accrued interest; (viii) the merger of DHM Acquisition with and into Dole (the going-private merger); and (ix) the payment of fees and expenses related to the aforementioned. All of the aforementioned are referred to herein as the going-private merger transactions. The historical financial statements have also been adjusted to give effect to (i) the receipt of proceeds from the offering of \$400.0 million of the original notes and (ii) the repayment of certain borrowings under our senior secured credit facility (the refinancing transaction). The going-private merger transactions and refinancing transaction are collectively referred to as the transactions.

The unaudited pro forma condensed consolidated financial statements were prepared to illustrate the estimated effects of the transactions. The pro forma condensed consolidated balance sheet gives effect to the transactions as if the transactions had occurred as of March 22, 2003. The pro forma condensed consolidated statements of income for the fiscal year ended December 28, 2002 and for the fiscal quarter ended March 22, 2003 give effect to the transactions as if they had occurred as of December 30, 2001, the first day of the 2002 fiscal year. The pro forma adjustments are based upon available information and certain assumptions that Dole believes are reasonable. The pro forma financial statements do not purport to represent what Dole s results of operations or financial condition would actually have been had the transactions in fact occurred as of such date or to project Dole s results of operations or financial condition.

The going-private merger will be accounted for as a purchase at the HoldCo level with the related purchase accounting pushed down to Dole. Mr. Murdock s continuing residual interest in Dole will be reflected at its original cost adjusted for his share of Dole earnings, losses, dividends and equity adjustments since the date of original acquisition (predecessor basis). Under the purchase method of accounting, the total purchase cost will be allocated to the assets acquired and liabilities assumed based upon their respective fair values. A preliminary allocation of the purchase price has been made to major categories of assets and liabilities in the accompanying pro forma financial statements based on Dole s estimates. The actual allocation of purchase cost and the resulting effect on income from operations may differ significantly from the pro forma amounts included herein. To the extent that additional value is assigned to amortizable assets, the value of goodwill will be reduced, resulting in additional depreciation and amortization expense from the amounts presented in the accompanying statements.

Table of Contents**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**

As of March 22, 2003

	March 22, 2003	Going-Private Merger Transactions Pro Forma Adjustments	March 22, 2003 Pro Forma for the Going- Private Merger Transactions	Refinancing Transaction Pro Forma Adjustments	March 22, 2003 Pro Forma for the Going- Private Merger Transactions and Refinancing Transaction
(Dollars in thousands)					
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 641,000	\$ (628,696)(1)	\$ 12,304	\$ (7,319)(14)	\$ 4,985
Receivables, net of allowances	586,307		586,307		586,307
Inventories	422,335	58,122 (2)	480,457		480,457
Prepaid expenses	47,152		47,152		47,152
Deferred tax assets	32,952		32,952		32,952
Total current assets	1,729,746	(570,574)	1,159,172	(7,319)	1,151,853
Investments	82,102	(7,562)(2)	74,540		74,540
Property, plant and equipment, net of accumulated depreciation	1,003,809	365,456 (3)	1,369,265		1,369,265
Goodwill, net	132,089	292,199 (4)	424,288		424,288
Identifiable intangible assets		743,558 (4)	743,558		743,558
Other assets, net	136,436	49,995 (5)	186,431	(3,581)(15)	182,850
Total Assets	\$3,084,182	\$ 873,072	\$3,957,254	\$(10,900)	\$3,946,354
LIABILITIES AND SHAREHOLDERS EQUITY					
Current Liabilities:					
Accounts payable	\$ 269,075	\$	\$ 269,075	\$	\$ 269,075
Accrued liabilities	433,161	(7,865)(6)	425,296		425,296
Notes payable	12,733		12,733		12,733
Current portion of long-term debt	249,091	(248,637)(7)	454		454
Total current liabilities	964,060	(256,502)	707,558		707,558
Long-term debt	863,653	1,107,755 (7)	1,971,408		1,971,408
Other long-term liabilities	421,175	412,771 (8)	833,946		833,946
Minority interests	30,563		30,563		30,563
Total shareholders equity	804,731	(390,952)(9)	413,779	(10,900)(16)	402,879
Total Liabilities and Shareholders Equity	\$3,084,182	\$ 873,072	\$3,957,254	\$(10,900)	\$3,946,354

See the Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Table of Contents**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME****For the Fiscal Quarter Ended March 22, 2003**

	Fiscal Quarter Ended March 22, 2003	Going- Private Merger Transactions Pro Forma Adjustments	Fiscal Quarter Ended March 22, 2003 Pro Forma for the Going- Private Merger Transactions	Refinancing Transaction Pro Forma Adjustments	Fiscal Quarter Ended March 22, 2003 Pro Forma for the Going- Private Merger Transactions and Refinancing Transaction
(Dollars in thousands)					
Revenues, net	\$ 1,073,170	\$	\$ 1,073,170	\$	\$ 1,073,170
Cost of products sold	895,039	6,731 (10)	901,770		901,770
Gross margin	178,131	(6,731)	171,400		171,400
Selling, marketing and general and administrative expenses	89,341		89,341		89,341
Operating income	88,790	(6,731)	82,059		82,059
Interest income	2,700	(1,546)(11)	1,154		1,154
Other income (expense) net	2,045		2,045		2,045
Interest expense	19,647	15,657 (12)	35,304	2,132 (17)	37,436
Income from continuing operations before income taxes	73,888	(23,934)	49,954	(2,132)	47,822
Income taxes	13,100	(4,258)(13)	8,842	(379)(13)	8,463
Net income	\$ 60,788	\$(19,676)	\$ 41,112	\$(1,753)	\$ 39,359

See the Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Table of Contents**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME****For the Year Ended December 28, 2002**

	Fiscal Year Ended December 28, 2002	Going-Private Merger Transactions Pro Forma Adjustments	Fiscal Year Ended December 28, 2002 Pro Forma for the Going- Private Merger Transactions	Refinancing Transaction Pro Forma Adjustments	Fiscal Year Ended December 28, 2002 Pro Forma for the Going- Private Merger Transactions and Refinancing Transaction
(Dollars in thousands)					
Revenues, net	\$4,392,073	\$	\$4,392,073	\$	\$4,392,073
Cost of products sold	3,687,738	87,193 (10)	3,774,931		3,774,931
Gross margin	704,335	(87,193)	617,142		617,142
Selling, marketing and general and administrative expenses	420,890		420,890		420,890
Operating income	283,445	(87,193)	196,252		196,252
Interest income	11,993	(8,904)(11)	3,089		3,089
Other (expense) income net	(4,561)		(4,561)		(4,561)
Interest expense	80,890	61,581 (12)	142,471	8,530 (17)	151,001
Income from continuing operations before income taxes	209,987	(157,678)	52,309	(8,530)	43,779
Income taxes	53,789	(39,142)(13)	14,647	(2,389)(13)	12,258
Income from continuing operations, net of income taxes	\$ 156,198	\$(118,536)	\$ 37,662	\$(6,141)	\$ 31,521

See the Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED****FINANCIAL STATEMENTS****Notes Applying to the Going-Private Merger Transactions**

(1) *Cash and Cash Equivalents*: This reflects the net effect of the going-private merger transactions on the cash balance as follows (Dollars in thousands):

<i>Sources:</i>	
Revolving credit facility (Note 7)	\$ 110,000
Term loan facilities (Note 7)	825,000
8 7/8% senior notes due 2011 (Note 7)	475,000
HoldCo equity investment (Note 9)	125,000
Proceeds from sale and leaseback transaction (Note 3)	28,920
<i>Uses:</i>	
Purchase of public shares (43,162,409 shares at \$33.50 per share, Note 4)	(1,445,941)
Settlement of outstanding stock options (Note 4)	(27,794)
Repayment of 7% and 6.375% senior notes (Note 7)	(509,756)
Acquisition of containers under operating leases	(37,538)
Repayment of container capital leases (Note 7)	(39,001)
Repayment of subsidiary debt (Note 7)	(2,427)
Repurchase premium on 6.375% senior notes due 2005 (Note 4)	(31,440)
Accrued interest (Note 6)	(14,121)
Debt issuance costs (Note 5)	(50,747)
Transaction fees and costs (Note 4)	(33,851)
	<hr/>
Change in cash	\$ (628,696)
	<hr/>

(2) *Net Tangible Assets*: The going-private merger transaction will be accounted for as a purchase at the HoldCo level with the related purchase accounting pushed down to Dole. Under the purchase method of accounting, the total purchase price is allocated to the assets acquired and liabilities assumed based upon their respective fair values. In accordance with EITF Issue No. 90-12, *Allocating Basis to Individual Assets and Liabilities for Transactions within the Scope of Issue No. 88-16*, only a partial step-up of assets and liabilities to fair value has been recorded in purchase accounting. The partial step-up, which reflects Mr. Murdock's acquisition of the common stock of the Company that he and his affiliates did not already own, will result in the Company's assets and liabilities being adjusted by approximately 76% of the difference between their fair value at the date of acquisition and their historical carrying cost. The following represents the estimated purchase accounting adjustments attributable to tangible assets and liabilities resulting from the going-private merger transactions (Dollars in thousands):

Inventory	\$ 58,122
Investments	(7,562)
Property, plant and equipment	356,385
Other long-term liabilities	(16,717)
	<hr/>
Net tangible assets	\$ 390,228
	<hr/>

The purchase accounting adjustment to inventory relates to the value of unharvested product, mainly pineapples and bananas, at the date of acquisition, as well as to finished goods inventory, primarily related to packaged foods.

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

The purchase accounting adjustment to property, plant and equipment primarily relates to the step-up of land, buildings, machinery and equipment and cultivations, partially offset by a write down in the Company's owned vessels.

The purchase accounting adjustment to other long-term liabilities primarily relates to an adjustment to the net amount recognized for pension and other post retirement benefit obligations. The adjustment is primarily as a result of the step-up of the accrued benefit liability to 76% of its fair value.

(3) *Property, Plant and Equipment*: Represents the sale of an asset under a sale and leaseback agreement, the acquisition of certain containers currently leased under operating lease agreements and the fair value adjustment to fixed assets resulting from the going-private merger transactions (Dollars in thousands):

Book value of asset sold in sale and leaseback transaction	\$ (28,467)
Acquisition of containers under operating leases	37,538
Fair value adjustment (Note 2)	356,385
	<hr/>
Pro forma adjustment to property, plant and equipment	\$365,456
	<hr/>

In order to raise funds, Dole sold an aircraft under a sale and leaseback agreement. The aircraft was sold at fair value and leased back under an operating lease agreement. The excess of fair value over book value of approximately \$0.5 million has been deferred and will be amortized over the term of the lease.

As part of the going-private merger transactions, Dole purchased certain containers that were previously leased under operating lease agreements.

(4) *Goodwill and Intangible Assets*: In accordance with EITF Issue No. 88-16, *Basis in Leveraged Buyout Transactions*, Mr. Murdock's continuing residual interest is reflected at its original cost adjusted for his share of Dole earnings, losses, dividends and equity adjustments since the date of original acquisition (predecessor basis). A preliminary allocation of the purchase price has been made to Dole's major categories of assets and liabilities in the accompanying pro forma financial statements. The final allocation of the purchase price may result in significant differences from the pro forma amounts included herein. The following represents the estimated value attributable to goodwill and intangibles resulting from the going-private merger transactions (Dollars in thousands):

Purchase of public shares (43,162,409 shares at \$33.50 per share)	\$ 1,445,941
Settlement of outstanding stock options	27,794
Repurchase premium on 6.375% senior notes due 2005	31,440
Deferred debt issuance costs and discount on notes to be repaid	1,054
Long-term incentive plan termination benefit	5,803
Transaction fees and costs	33,851
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Total purchase price	1,545,883
Less: Historical net assets attributable to selling shareholders	616,616
	<hr/>
Excess purchase price over historical net assets acquired	929,267

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

Fair value adjustments:	
Net tangible assets (Note 2)	(390,228)
Historical goodwill	132,089
Identifiable intangible assets with finite lives	(49,039)
Identifiable intangible assets with indefinite lives	(694,519)
Increase in deferred tax liability (Note 8)	396,054
	<hr/>
Excess purchase price over fair value of net assets acquired	\$ 323,624
	<hr/>
Allocation of excess purchase price:	
Excess purchase price allocated to goodwill	323,624
Goodwill resulting from predecessor basis	100,664
Fair value adjustment to historical goodwill resulting from transactions	(132,089)
	<hr/>
Pro forma adjustment to goodwill	\$ 292,199
	<hr/>
Historical net assets attributable to the selling shareholders is computed as follows:	
Shareholders' equity at March 22, 2003.	\$ 804,731
Ownership percentage attributable to selling shareholders	76.62%
	<hr/>
Historical net assets attributable to selling shareholders	\$ 616,616
	<hr/>

Dole's management has estimated that approximately \$694.5 million of the excess purchase price relates to its trademarks, trade names and other related intangibles, which have an indefinite life and as such, will not be amortized but will periodically be tested for impairment. The amount represents approximately 76% of the estimated fair value of these intangibles. Additionally, Dole management has estimated that \$49 million of the excess purchase price relates to intangibles with finite lives, which will be amortized over their respective useful lives and periodically be tested for impairment.

Pursuant to Statement of Financial Accounting Standards (SFAS) No. 142, *Goodwill and Other Intangible Assets*, the goodwill created by the going-private merger transactions will not be amortized.

Mr. Murdock contributed approximately 13 million Dole shares with a predecessor basis of \$288.8 million to HoldCo. Immediately upon receipt, HoldCo contributed the shares to DHM Acquisition Company, Inc. as equity. DHM Acquisition Company, Inc. merged with and into Dole, and Dole was the surviving entity. The predecessor basis has been allocated to the assets and liabilities of Dole using their book value at March 22, 2003. The premium paid by Mr. Murdock of \$100.7 million over his book value of \$188.1 million at March 22, 2003 has been allocated to goodwill.

(5) *Other Assets*: Represents Dole's portion of the transaction fees and costs attributable to the debt financings and the write-off of deferred debt issuance costs on the notes that were repaid (Dollars in thousands):

Debt issuance costs on the original notes, term loan facilities and revolving credit facility	\$ 50,747
Write-off of deferred debt issuance costs on notes to be repaid	(752)
	<hr/>
Pro forma adjustment to other assets	\$ 49,995
	<hr/>

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The debt issuance costs were allocated to the different debt instruments based on their fair values. Such amounts will be amortized over the lives of the related indebtedness.

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

(6) *Accrued Liabilities*: Represents the payment of accrued interest on the notes that were repaid and an accrual associated with the termination of the long-term incentive plan (Dollars in thousands):

Payment of accrued interest on 7% and 6.375% senior notes	\$(14,121)
Long-term incentive plan termination accrual	5,803
Deferred gain on sale and leaseback transaction	453
	<hr/>
Pro forma adjustment to accrued liabilities	\$ (7,865)
	<hr/>

The Board of Directors decided to terminate the long-term incentive plan after the consummation of the going-private merger transactions, resulting in an accelerated payout of benefits and an increase in the long-term incentive plan benefit liability.

(7) *Long-term Debt*: Reflects the incurrence and repayment of debt as follows (Dollars in thousands):

Non-current portion:	
Revolving credit facility	\$ 110,000
Term loan facilities	825,000
8 7/8% senior notes due 2011	475,000
Repayment of 6.375% senior notes due 2005	(300,000)
Repayment of subsidiary debt	(2,427)
Write-off of discount on notes to be repaid	182
	<hr/>
Adjustment to non-current portion of long-term debt	\$ 1,107,755
	<hr/>
Current portion:	
Write-off of discount on notes to be repaid	\$ 120
Repayment of container capital leases	(39,001)
Repayment of 7% senior notes due 2003	(209,756)
	<hr/>
Adjustment to current portion of long-term debt	\$ (248,637)
	<hr/>

(8) *Other Long-term Liabilities*: Represents deferred taxes corresponding to estimated temporary differences resulting from the going-private merger transactions (Dollars in thousands):

Identifiable intangible assets resulting from the going-private merger transactions	\$ 743,558
Fair value adjustments to net tangible assets resulting from the going-private merger transactions	390,228
	<hr/>
Purchase accounting adjustments resulting in temporary tax differences	1,133,786
Effective tax rate	34.9%
	<hr/>
Total deferred tax liability adjustment	396,054
Other long-term liabilities (Note 2)	16,717
	<hr/>
Pro forma adjustment to other long-term liabilities	\$ 412,771

The deferred tax liability adjustment has been determined by using the effective tax rate applicable in the tax jurisdictions in which each underlying temporary difference resulting from purchase accounting resides.

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

(9) *Shareholders Equity* Shareholders equity is computed as follows (Dollars in thousands):

Contributed equity investment	\$ 413,779
Less: Historical shareholders equity as of March 22, 2003	804,731
	<u> </u>
Pro forma adjustment to shareholders equity	\$ (390,952)
	<u> </u>

Mr. Murdock contributed approximately 13 million Dole shares with a predecessor basis of \$288.8 million and \$125.0 million of cash to HoldCo. The shares and cash were contributed to DHM Acquisition Company, Inc. as equity. DHM Acquisition Company, Inc. merged with and into Dole, and Dole was the surviving entity.

(10) *Cost of Products Sold*: Reflects the impact of (i) the amortization of inventory and intangibles and the depreciation of property, plant and equipment stepped up in purchase accounting, (ii) the sale and leaseback transaction, (iii) the purchase of certain containers leased under operating lease agreements prior to the going-private merger transactions, and (iv) the repayment of container leases capitalized in Dole's books prior to the going-private merger transactions (Dollars in thousands):

	Fiscal Year Ended December 28, 2002	Fiscal Quarter Ended March 22, 2003
	<u> </u>	<u> </u>
Pro forma amortization of inventory step-up	\$58,122	\$
Pro forma depreciation of property, plant and equipment	15,716	3,626
Pro forma amortization of intangibles with finite lives	10,305	2,378
Pro forma depreciation on containers acquired	3,636	909
Pro forma lease payments for sale and leaseback transaction and existing lease modification, net of amortization of deferred gain	3,810	953
Elimination of historical rental expense on containers currently leased under operating lease agreements	(4,353)	(687)
Elimination of historical depreciation on assets sold in sale and leaseback transaction	(43)	(448)
	<u> </u>	<u> </u>
Total pro forma adjustment to cost of products sold	\$87,193	\$6,731
	<u> </u>	<u> </u>

(11) *Interest Income*: Represents the elimination of the historical interest income earned on cash balances. For pro forma purposes, interest income earned on Dole's interest bearing amounts other than cash have not been eliminated.

(12) *Interest Expense*: The pro forma adjustment to interest expense reflects the interest expense on the original notes, interest expense on the term loan and revolving credit facilities, additional interest expense on the existing notes and amortization of the related debt issuance costs, net of the elimination of interest expense on container leases repaid and net of the historical interest expense incurred by Dole under notes and debt that was repaid. The pro forma interest expense, after giving effect to the going-private merger transactions but before the refinancing transaction, would have been \$142.5 million for the year ended December 28, 2002 and \$35.3 million for the fiscal quarter ended March 22, 2003.

Dole modified the terms of the 7.25% senior notes due 2009 to provide for interest payments at a new rate of 8.625% per annum and substantially the same provisions, other than maturity, interest rate and redemption provisions, and senior subordinated guarantees from our domestic subsidiaries that have been provided under the original notes and will be provided under the new notes and the terms of the 7.875% debentures due 2013 to provide for interest payments at a new rate of 8.75% per annum and substantially the same provisions, other than maturity, interest rate and redemption provisions, and senior subordinated guarantees from our domestic

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

subsidiaries that have been provided under the original notes and will be provided under the new notes. The annual incremental interest expense on the existing notes is estimated to be \$6.9 million.

At the end of April 2002, Dole completed the sale and issuance of \$400.0 million aggregate principal amount of 7.25% senior notes due 2009. If the notes had been issued on the first day of the 2002 fiscal year, interest expense would have been \$9.7 million higher for the year ended December 28, 2002.

Estimated fees and expenses of \$50.7 million were incurred related to the debt financings. The costs were allocated to the different debt instruments based on their fair values. Such costs will be amortized on a straight line basis, which approximates the interest method, over the term of the related indebtedness. The terms of the notes, the two term loan facilities and revolving credit facility are 8 years, 5 years, 5.5 years and 5 years, respectively.

(13) *Income Taxes*: The pro forma income adjustments consist of items that would be taxed in both the U.S. and international jurisdictions. Accordingly, Dole reflected the tax impact of these adjustments using its consolidated effective tax rate of 28% for the year ended December 28, 2002 and for the three-month period ended March 22, 2003, using its consolidated effective tax rate for the first quarter of 2003 of approximately 18%.

Notes Applying to the Refinancing Transaction

(14) *Cash and Cash Equivalents*: The net effect of the refinancing transaction on cash is as follows (Dollars in thousands):

<i>Sources:</i>	
Offering of the original notes	\$ 400,000
<i>Uses:</i>	
Repayment of term loan facilities	(400,000)
Debt issuance costs (Note 15)	(7,319)
	<hr/>
Change in cash	\$ (7,319)
	<hr/>

(15) *Other Assets*: Represents Dole's estimated portion of the transaction fees and costs attributable to the offering of the original notes and the write-off of deferred debt issuance costs on the term loan debt repaid from the proceeds of the note issuance (Dollars in thousands):

Debt issuance costs on the offering of the original notes	\$ 7,319
Write-off of deferred debt issuance costs on term loan facilities repaid	(10,900)
	<hr/>
Pro forma adjustment to other assets	\$ (3,581)
	<hr/>

The debt issuance costs on the original notes will be amortized over the debt life of approximately seven years. The debt issuance costs written off were determined based upon the relative outstanding balance of the term loan facilities repaid based on net proceeds of \$392.7 million from the issuance of the original notes, together with \$7.3 million of other available cash. The additional interest expense of \$10.9 million related to the debt issuance costs written off has not been reflected in the accompanying pro forma consolidated statements of income.

(16) *Shareholders' Equity*: Shareholders' equity pro forma adjustment is comprised of the write off of deferred issuance costs of \$10.9 million related to the term loan facilities repaid.

(17) *Interest Expense:* The pro forma adjustment to interest expense reflects the interest expense on the original notes and amortization of debt issuance costs on those notes, net of pro forma interest expense incurred by Dole under the term loan facilities repaid. The pro forma interest expense would have been

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**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (Continued)**

\$151.0 million for the year ended December 28, 2002 and \$37.4 million for the fiscal quarter ended March 22, 2003, after the effect of this pro forma adjustment for each of those respective periods.

Fees and expenses of \$7.3 million were incurred related to the offering of the notes. This cost will be amortized on a straight-line basis, which approximates the interest method, over the 7-year term of the related indebtedness.

After the refinancing transaction, an increase or decrease of 0.125% in the interest rate of the term loan facilities and revolving credit facility would change the annual pro forma interest expense by \$0.7 million, but would not have a balance sheet impact.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA**

The following table sets forth certain of our historical financial data. We have derived the selected historical consolidated financial data as of December 28, 2002 and December 29, 2001 and for the years ended December 28, 2002, December 29, 2001, and December 30, 2000 from the audited financial statements and related notes included elsewhere in this prospectus. The selected historical consolidated financial data as of December 30, 2000, January 1, 2000 and January 2, 1999 and for the years ended January 1, 2000 and January 2, 1999 have been derived from our audited financial statements for such years, which are not included in this prospectus. We derived the following summary historical financial information for the fiscal quarters ended March 22, 2003 and March 23, 2002 from the unaudited condensed consolidated financial statements contained elsewhere herein, which, in the opinion of our management, have been prepared on the same basis as the audited financial statements and reflect all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of our results of operations and financial position for such periods. Results for the fiscal quarters ended March 22, 2003 and March 23, 2002 are not necessarily indicative of results that may be expected for the entire year. The selected historical consolidated financial data set forth below are not necessarily indicative of the results of future operations and should be read in conjunction with the discussion under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations, and the historical audited and unaudited condensed consolidated financial statements and accompanying notes included elsewhere in this prospectus.

	Fiscal Year Ended(1)					Fiscal Quarter Ended	
	1998(4)	1999(4)	2000(4)	2001	2002	March 23, 2002	March 22, 2003
(Dollars in thousands)							
Income Statement Data:							
Revenues, net(3)	\$ 3,877,449	\$ 4,449,294	\$ 4,400,113	\$ 4,314,821	\$ 4,392,073	\$ 1,059,415	\$ 1,073,170
Cost of products sold	3,379,812	3,993,964	3,923,957	3,881,781	3,687,738	880,992	895,039
Gross margin	\$ 497,637	\$ 455,330	\$ 476,156	\$ 433,040	\$ 704,335	\$ 178,423	\$ 178,131
Selling, marketing and general and administrative expenses	\$ 336,539	\$ 385,185	\$ 396,391	\$ 383,259	\$ 420,890	\$ 84,501	\$ 89,341
Operating income	63,169	90,031	130,849	49,781	283,445	93,922	88,790
Interest income	8,805	10,027	14,606	5,801	11,993	2,148	2,700
Other (expense) income net	(4,262)	5,596	627	7,396	(4,561)	1,225	2,045
Interest expense	64,637	85,865	90,445	70,708	80,890	14,531	19,647
Income taxes	1,760	3,506	19,547	29,348	53,789	26,485	13,100
Income (loss) from continuing operations before cumulative effect of a change in accounting principle	1,315	16,283	36,090	(37,078)	156,198	56,279	60,788
Income from discontinued operations, net of income taxes(4)	10,764	32,261	31,565	18,856			
Gain on disposal of discontinued operations, net of income taxes(4)				168,626			
Cumulative effect of a change in accounting principle					(119,917)	(119,917)	

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Net income (loss)	12,079	48,544	67,655	150,404	36,281	(63,638)	60,788
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	Fiscal Year Ended(1)					Fiscal Quarter Ended	
	1998(4)	1999(4)	2000(4)	2001	2002	March 23, 2002	March 22, 2003
	(Dollars in thousands)						
Balance Sheet Data (at end of period):							
Cash and cash equivalents	\$ 35,294	\$ 40,347	\$ 25,151	\$ 361,326	\$ 646,967	\$ 284,848	\$ 641,000
Receivables, net	603,453	584,623	570,166	531,923	505,427	638,246	586,307
Inventories	433,795	480,661	437,075	386,099	410,912	407,271	422,335
Total working capital	365,777	380,695	355,891	557,456	689,257	553,561	765,686
Total assets	2,863,750	2,994,491	2,801,334	2,767,822	3,036,852	2,663,810	3,084,182
Total debt	1,152,203	1,323,405	1,179,733	843,263	1,124,894	832,650	1,125,477
Shareholders' equity	621,832	531,925	554,788	736,030	745,111	657,582	804,731
Other Financial Data:							
EBITDA(5)	\$ 183,524	\$ 229,157	\$ 271,425	\$ 180,932	\$ 398,553	\$ 119,205	\$ 118,830
Capital expenditures	118,184	136,599	110,555	119,752	233,673	16,637	3,827
Depreciation and amortization	\$ 115,812	\$ 123,503	\$ 125,343	\$ 117,954	\$ 107,676	\$ 21,910	\$ 25,295
Ratio of earnings to fixed charges(6)	1.03x	1.14x	1.40x	.93x(7)	2.87x	4.06x	3.84x
Net cash provided by (used in) operating activities from continuing operations	\$ 144,755	\$ 48,547	\$ 120,801	\$ 243,514	\$ 227,168	\$ (50,163)	\$ 1,405
Net cash (used in) provided by investing activities from continuing operations	(411,457)	(83,264)	(1,458)	458,480	(170,376)	(8,728)	(2,084)
Net cash provided by (used in) financing activities from continuing operations	288,958	43,449	(167,567)	(372,836)	224,608	(17,918)	(6,313)

- (1) Dole's fiscal year ends on the Saturday closest to December 31 of the applicable year.
- (2) We operate under a 52/53 week year. The first quarter of each fiscal year is twelve weeks in duration.
- (3) Previously reported amounts have been adjusted to comply with Emerging Issues Task Force No. 01-9 Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products). The effect was a reduction of revenues and selling, marketing and general and administrative expenses of \$61 million, \$94 million, \$102 million, and \$134 million for the previously reported fiscal years ended 1998, 1999, 2000, and 2001, respectively.
- (4) On November 28, 2001 we disposed of our 97% interest in Cervecería Hondureña S.A., a Honduran corporation principally engaged in the beverage business in Honduras, for which we received \$537 million in cash and recognized a gain, net of taxes, of \$169 million. Previously reported amounts have been restated to reflect the Honduran beverage business as a discontinued business segment in accordance with Accounting Principles Board Opinion No. 30.
- (5)

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EBITDA is defined throughout this prospectus as income from continuing operations before interest expense, income tax expense, and depreciation and amortization. We present EBITDA because management believes, similar to EBIT, that EBITDA is a useful performance measure which is monitored by Dole management. In addition, EBITDA is presented because management believes that it is a measure frequently used by securities analysts, investors and others in the evaluation of companies and because certain debt covenants contained in the instruments governing Dole's outstanding indebtedness are based upon EBITDA. You should not consider EBITDA in isolation from or as a substitute for net income, cash flows from operating activities and other consolidated income or cash flow statement

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data prepared in accordance with accounting principles generally accepted in the United States of America or as a measure of profitability or liquidity.

Additionally, our computation of EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies do not calculate EBITDA in the same fashion. EBITDA is calculated as follows:

	Fiscal Year Ended					Fiscal Quarter Ended	
	1998	1999	2000	2001	2002	March 23, 2002	March 22, 2003
(Dollars in thousands)							
Income (loss) from continuing operations, net of income taxes(8)	\$ 1,315	\$ 16,283	\$ 36,090	\$ (37,078)	\$ 156,198	\$ 56,279	\$ 60,788
Interest expense	64,637	85,865	90,445	70,708	80,890	14,531	19,647
Income taxes	1,760	3,506	19,547	29,348	53,789	26,485	13,100
Depreciation and amortization	115,812	123,503	125,343	117,954	107,676	21,910	25,295
EBITDA	\$ 183,524	\$ 229,157	\$ 271,425	\$ 180,932	\$ 398,553	\$ 119,205	\$ 118,830

- (6) The ratio of earnings to fixed charges for each of the periods is determined by dividing earnings, consisting of income (loss) from continuing operations before income taxes, by fixed charges, consisting of interest expense, amortization of debt expense and discounts, and the interest factor of rental expense under capital leases. We determine the interest factor of rental expense by dividing total rental expense for the period by three. Our pro forma ratio of earnings to fixed charges for the fiscal quarter ended March 22, 2003 and for the fiscal year ended December 28, 2002 would have been 1.85x and 1.24x, respectively.
- (7) Due to our loss from continuing operations in 2001, the ratio coverage was less than 1:1. Our earnings were insufficient to cover fixed charges by \$7.7 million.
- (8) EBITDA is reconciled to income from continuing operations. Income from continuing operations excludes income from discontinued operations of \$31.6 million and \$18.9 million in 2000 and 2001, a gain on the disposal of discontinued operations, net of income taxes of \$168.6 million in 2001, and the cumulative effect of a change in accounting principle of \$119.9 million in 2002.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Overview

Going Private Merger Transaction: On December 18, 2002, the Company signed a definitive merger agreement with David H. Murdock, the Company's Chairman and Chief Executive Officer, pursuant to which Mr. Murdock would acquire the approximately 76% of the Company's common stock that he and his affiliates did not already own for \$33.50 per share in cash. On March 26, 2003, the merger was approved at a special meeting of the Company's stockholders. The transaction was successfully completed on March 28, 2003 and the Company became wholly owned by Mr. Murdock through DHM Holding Company, Inc., a Delaware corporation ("HoldCo"). As a result of the transaction, the Company's outstanding shares of common stock were retired and all outstanding stock options have been settled in cash, except that options held by Mr. Murdock were cancelled without payment.

The purchase price of all of the outstanding common stock of the Company not already owned by Mr. Murdock and his affiliates, plus transaction costs, is estimated at approximately \$1.55 billion. The funds necessary to purchase these shares of the Company consisted of a \$125 million capital contribution by HoldCo, funds borrowed under \$1.125 billion of new senior secured credit facilities (consisting of \$825 million of term loan facilities and \$300 million of revolving credit facilities) and the issuance of \$475 million principal amount of 8 7/8% Senior Notes due 2011 (the "2011 Notes"). The 2011 Notes were offered within the United States only to qualified institutional investors pursuant to Rule 144A under the Securities Act of 1933 (the "Securities Act") and to persons outside the United States in compliance with Regulation S under the Securities Act. The Credit Agreement with respect to the new senior secured credit facilities and the Indenture with respect to the 2011 Notes contain significant restrictions and covenants affecting, among other things, the operations and finances of the Company and its subsidiaries.

In addition, on March 28, 2003, the Company repaid its 7% Senior Notes due 2003 and called for redemption its 6.375% Senior Notes due 2005 that had outstanding balances of approximately \$210 million and \$300 million, respectively, at March 22, 2003. The Company's 7.25% Senior Notes due 2009 and 7.875% Debentures due 2013 remain outstanding; however, the terms of both the Senior Notes due 2009 and Debentures due 2013 were modified to provide for substantially the same interest rates, covenants and guarantees from certain of the Company's subsidiaries as are provided for by the 2011 Notes. The modifications provide for interest at 8.625% on the Senior Notes due 2009 and 8.75% on the Debentures due 2013.

In connection with the transaction, the Company sold its interest in an aircraft under an operating sale-leaseback agreement for approximately \$29 million, which approximated its book value. The Company also purchased shipping containers for approximately \$77 million that were previously leased under separate capital and operating lease agreements and modified the provisions of its corporate headquarters operating lease to provide for substantially the same interest rate as the new senior secured credit facilities.

The acquisition will be accounted for as a purchase by HoldCo with the related purchase accounting pushed down to the Company. The allocation of the purchase price to the assets and liabilities of the Company has not been completed; however, after completion, the Company's consolidated financial statements will be significantly different from those presented historically.

Refinancing Transaction: On May 29, 2003, the Company issued and sold \$400 million aggregate principal amount of 7 1/4% Senior Notes due 2010 (the "2010 Notes") in an offering exempt from the registration requirements of the Securities Act of 1933. The Company used the net proceeds from this offering of approximately \$392.7 million, together with other available cash, to prepay \$400 million of the term loans under the senior secured credit facility. In connection with the offering, the Company and the lenders under the senior secured credit facility effected certain amendments to the Company's senior secured credit facility. The indenture with respect to the 2010 Notes contains covenants and restrictions substantially identical to those under the 2011 Notes.

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Results of Operations Overview: The Company's revenues in the quarter ended March 22, 2003 increased 1% over the quarter ended March 23, 2002, to \$1.1 billion. Earnings before interest expense and income taxes, or EBIT, from continuing operations decreased to \$94 million in the quarter ended March 22, 2003 from \$97 million in the comparable period in 2002. Net income in the first quarter of 2003 was \$61 million, or \$1.07 per share. The Company's revenues in 2002 increased 2% over the prior year to \$4.4 billion. EBIT from continuing operations increased to \$291 million in 2002 from \$63 million in 2001. Net income in 2002 was \$36 million, or \$0.64 per share, which includes a non-cash after tax charge of \$120 million, or \$2.12 per share, arising from the impairment of goodwill upon the adoption of a new accounting standard.

In 2002, the Company's results of operations were principally driven by higher volumes and favorable pricing in some of the Company's core commodity and value-added businesses and by benefits realized from cost-cutting and profit improvement programs. During 2002, the Company's banana business benefited from higher local pricing in Asia. The Company also experienced improved banana pricing in Europe, mainly due to a more favorable euro-to-dollar exchange rate compared to prior year. The Company also expanded activity in the European ripening and distribution business, with the further development of some of the Company's distribution facilities. In addition, margins improved from the downsizing of its banana operations and its ongoing cost cutting efforts.

The Company also continued to grow market share in its key value-added products. The Company increased its leadership position in the packaged salads category of the fresh vegetables business and benefited from the continued success of its FRUIT BOWLS and FRUIT-N-GEL BOWLS products. The fresh pineapple business benefited from higher volumes of DOLE PREMIUM SELECT pineapples in the Company's North American and European markets. The Company also experienced better performance in the Company's fresh cut flowers segment as a result of lower operating costs. In addition to these achievements, the Company completed the divestitures of two non-core businesses, Pascual Hermanos, S.A. (Pascual Hermanos) and Saman S.A. (Saman), during the year.

In 2001, the Company began an extensive cost savings initiative and engaged the Boston Consulting Group to assist in performing strategic and operational reviews of its banana and fresh-cut flowers businesses and in executing programs to enhance profitability and achieve consolidated savings from global strategic sourcing and logistics. The business reconfiguration programs resulted in the recognition of \$133 million of expense that was recorded as a component of cost of products sold in the 2001 Consolidated Statement of Income. Of the \$133 million of expenses, \$28 million was recognized in the second quarter of 2001 for the shutdown and related asset sales of the Company's California deciduous and Pacific Northwest apples operations, which included packinghouses, ranches and orchards in California and Washington. The remaining \$105 million was recognized in the third quarter of 2001 and included costs associated with the planned divestiture of the Company's Pascual Hermanos vegetables subsidiary in Spain and the Saman dried fruit and nut subsidiary in France, as well as the downsizing of banana and flower operations in Latin America and banana production in the Philippines. The assets impacted by these reconfiguration programs were to be disposed of either by sale or closure. In connection with these reconfiguration programs, 2,906 management and production employees in the Company's operations were initially identified for termination. The majority of the employees identified for termination worked in Pascual Hermanos and the banana and fresh-cut flowers businesses in Latin America. As of December 28, 2002, all employees, excluding the employees of Pascual Hermanos, whose employment was assumed by the new owner of Pascual Hermanos, had been severed under the Company's 2001 reconfiguration program and substantially all of the assets identified for sale had been sold.

Consistent with the Company's strategy to divest non-core businesses, during 2001 the Company disposed of its 97% interest in the capital stock of Cervecería Hondureña S.A., a Honduran corporation principally engaged in the beverage business in Honduras (CHSA or the Honduran beverage business). The disposition was accomplished by means of a stock exchange transaction in which the Company acquired a subsidiary of South African Breweries, plc (SAB) that held as its sole asset \$537 million in cash. The Company received \$561 million as consideration for the disposition of CHSA, comprising \$537 million in cash and \$24 million of intercompany debt forgiveness between CHSA and a subsidiary of the Company. The cash

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proceeds from the divestiture were used primarily to pay down debt. The Company's 2002 Consolidated Financial Statements and Notes to Consolidated Financial Statements, included elsewhere in this prospectus, reflect the Honduran beverage business as a discontinued operation.

While the most significant accomplishments related to reconfiguration of the Company's operations were made in 2001, the Company downsized and exited several businesses in earlier years. In the third quarter of 2000, the Company initiated a plan to scale back its fresh fruit operations, including the complete shutdown of some activities, due to continuing oversupply and other market conditions affecting the Company's fresh fruit segment. In connection with its plan, the Company recorded a \$46 million charge, which was reported in cost of products sold in the 2000 Consolidated Statement of Income. The \$46 million charge included costs to reduce the Company's existing productive capacity in its banana operations in Latin America and Asia, as well as costs to shut down its melon and citrus farming activities in Honduras and the downsizing of its distribution network in Europe. In its Latin America banana operations, the Company closed some production sites, terminated some employee arrangements and contracts with independent growers, and divested its controlling interest in a production joint venture in South America. In its Asian banana operations, the Company reduced production acreage and terminated some employees and contracts with independent growers. In its European operations, the Company reduced its workforce, primarily in northern Europe. The \$46 million charge had been fully utilized by December 28, 2002. A total of 4,880 employees in the Company's operations have been severed as of December 28, 2002 in connection with this charge.

In 2000, the Company sold the assets of its citrus operations located in California and Arizona for approximately \$55 million. Production assets were transferred to the buyer in the third quarter of 2000 for net cash proceeds of \$45 million, resulting in a net gain of \$8 million. The remaining \$10 million of proceeds were for secured grower contracts, approximately half of which were transferred to the buyer in the fourth quarter of 2000, resulting in a net gain of \$1 million. The combined \$9 million net gain has been reported on a separate line in the 2000 Consolidated Statement of Income. Title to the remaining grower contracts was transferred at an amount approximating book value in the first quarter of 2001. The citrus operations had revenues and operating losses of \$28 million and \$0.3 million, respectively, in 2000.

Results of Operations

The Company's management evaluates and monitors segment performance primarily through earnings before interest expense and income taxes, or EBIT. EBIT is calculated by adding income taxes and interest expense to net income. Management believes that segment EBIT provides useful information for analyzing the underlying business results as well as allowing investors a means to evaluate the financial results of each segment in relation to the Company as a whole. EBIT is not defined under accounting principles generally accepted in the United States of America, or GAAP, and should not be considered in isolation or as a substitute for net income or cash flow measures prepared in accordance with GAAP or as a measure of the Company's profitability or liquidity. Additionally, the Company's computation of EBIT may not be comparable to other similarly titled measures computed by other companies, because all companies do not calculate EBIT in the same fashion.

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Revenues from external customers and EBIT for the reportable operating segments and corporate and other were as follows (in thousands):

	Quarter Ended	
	March 22, 2003	March 23, 2002
Revenues from external customers		
Fresh fruit	\$ 725,115	\$ 650,743
Fresh vegetables	176,865	223,977
Packaged foods	116,712	127,889
Fresh-cut flowers	48,506	52,802
Other operating segments	5,972	4,004
	<u>\$ 1,073,170</u>	<u>\$ 1,059,415</u>
EBIT		
Fresh fruit	\$ 70,174	\$ 46,807
Fresh vegetables	16,703	43,723
Packaged foods	11,693	13,411
Fresh-cut flowers	6,394	3,104
Other operating segments	65	7
	<u>105,029</u>	<u>107,052</u>
Total operating segments	105,029	107,052
Corporate and other	(11,494)	(9,757)
Interest expense	(19,647)	(14,531)
	<u>Income before income taxes and cumulative effect of a change in accounting principle</u>	<u>\$ 73,888</u>
	<u>\$ 73,888</u>	<u>\$ 82,764</u>

Fresh Fruit: Fresh fruit revenues in the first quarter of 2003 increased 11% to \$725 million from \$651 million in the first quarter of 2002. The increase in fresh fruit revenues in the first quarter was primarily due to favorable foreign currency exchange rates, higher volumes of bananas sold in Asia and higher volumes of DOLE PREMIUM SELECT pineapples sold in North America and Europe. These increases were partially offset by lower pricing of pineapples in North America, lower local pricing of bananas in Europe and Asia and lower local pricing of pineapples in Europe. In the current quarter, stronger euro, Japanese yen and Swedish krona exchange rates versus the U.S. dollar, positively impacted revenues by approximately \$63 million.

Fresh fruit EBIT in the first quarter of 2003 increased to \$70 million from \$47 million in the first quarter of 2002. EBIT increased primarily due to the same factors that drove the increase in revenues. In addition, EBIT for first quarter benefited from the absence of a \$4 million legal expense in the first quarter of 2002 related to DBCP litigation. Favorable exchange rates positively impacted EBIT for the quarter by approximately \$14 million.

Fresh Vegetables: Fresh vegetables revenues for the first quarter of 2003 decreased to \$177 million from \$224 million in the first quarter of 2002. The decrease in first quarter revenues was mainly attributable to significantly lower North American commodity vegetable prices, primarily due to an industry-wide lettuce shortage in 2002, and the disposition of all of the Company's interest in Pascual Hermanos, S.A. (Pascual Hermanos) in the third quarter of 2002, partially offset by higher commodity vegetable and packaged salads volumes. Pascual Hermanos revenues were approximately \$16 million in the first quarter of 2002.

Fresh vegetables EBIT for the first quarter of 2003 decreased to \$17 million from \$44 million in the first quarter of 2002. The decrease in first quarter EBIT was primarily due to the same factors that drove the

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decrease in revenues, partially offset by lower commodity growing costs. Pascual Hermanos EBIT was approximately \$6 million in the first quarter of 2002.

Packaged Foods: Packaged foods revenues for the first quarter of 2003 decreased to \$117 million from \$128 million in the first quarter of 2002. The decrease in revenues for the quarter was due to lower volumes of processed pineapples in Asia and North America, lower local pricing of processed pineapples in Asia and the disposal of Saman S.A. (Saman) during the third quarter of 2002. The lower volumes of processed pineapples was mainly due to timing of the Easter holiday. In 2002, Easter occurred in the first quarter, whereas Easter occurred in the second quarter in 2003. The decrease was partially offset by higher volumes of the Company's FRUIT BOWLS and FRUIT-N-GEL BOWLS products and slightly higher pricing in North America. Saman revenues were approximately \$8 million in the first quarter of 2002.

EBIT in the packaged foods segment for the first quarter of 2003 decreased to \$12 million from \$13 million in the first quarter of 2002. EBIT for the quarter decreased primarily due to the same factors that drove the decrease in revenues with the exception of the disposal of Saman, which had a positive impact on EBIT due to an operating loss of approximately \$1 million in the first quarter of 2002. EBIT was further impacted by higher advertising costs primarily to promote the Company's FRUIT BOWLS and FRUIT-N-GEL BOWLS products. The decrease in EBIT was partially offset by lower product costs mainly due to decreased packaging costs in Asia.

Fresh-Cut Flowers: Fresh-cut flowers revenues for the first quarter of 2003 decreased to \$49 million from \$53 million in the first quarter of 2002. The decrease in revenues for the quarter was due to lower pricing, primarily in the wholesale commodity sector, and lower volumes. The Company continues to right-size this business to match volumes with market demand.

EBIT in the fresh-cut flowers segment for the first quarter of 2003 increased to \$6 million from \$3 million in the first quarter of 2002. EBIT for the quarter benefited from lower operating costs primarily as a result of the closure during 2002 of five production farms in Colombia and one in Mexico and favorable foreign currency exchange rates, primarily between the U.S. dollar and the Colombian Peso, resulting in lower U.S. dollar equivalent product costs.

Corporate and Other: Corporate and other EBIT decreased in the first quarter of 2003 to a loss of \$11 million from a loss of \$10 million in the first quarter of 2002. The decrease in EBIT is primarily due to slightly higher consulting costs, long-term employee incentive costs and transportation expenses, partially offset by the absence of a write down of a note receivable, which occurred in the first quarter of 2002.

Interest Expense and Income Taxes: Interest expense for the first quarter of 2003 was \$20 million compared to \$15 million in the first quarter of 2002. Interest expense increased in the quarter as a result of higher average debt levels resulting mainly from the issuance of \$400 million 7.25% unsecured senior notes due 2009 during the second quarter of 2002.

The income tax provision of approximately \$13 million for the quarter ended March 22, 2003 reflects the Company's effective income tax rate for the quarter of 18%. The income tax provision of approximately \$26 million for the first quarter of 2002 reflects the Company's then expected effective tax rate for the full fiscal year of 32%. For both the quarters ended March 22, 2003 and March 23, 2002, the Company's effective tax rate differs from the U.S. federal statutory rate primarily due to earnings from operations being taxed in foreign jurisdictions at a net effective rate lower than the U.S. rate. No U.S. taxes have been provided on these earnings because such earnings are intended to be indefinitely invested outside the U.S.

As a result of the consummation of the going-private merger transaction, the income tax provision for the quarter ended March 22, 2003 was based on earnings for the period from December 29, 2002 through March 28, 2003, to reflect the final separate financial reporting period for the Company in its predecessor form. After the consummation of the going-private transaction, the results of operations will be attributable to a new successor company. The income tax provision for the quarter ended March 23, 2002 was determined based on the Company's best estimate of the effective tax rate expected to be applicable for the full fiscal year on an ongoing basis.

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Other: During the second quarter of 2002, the Company completed the two-step process of the transitional goodwill impairment test prescribed in Statement of Financial Accounting Standards No. 142 (FAS 142), Goodwill and Other Intangible Assets. The transitional goodwill impairment test resulted in the Company recognizing a non-cash transitional goodwill impairment charge of \$120 million related entirely to the fresh-cut flowers reporting unit. As required by FAS 142, the \$120 million charge has been retroactively reflected in the first quarter of 2002 as a cumulative effect of a change in accounting principle in the Company's Condensed Consolidated Statement of Operations.

The Company distributes its products in more than 90 countries throughout the world. Some of the Company's costs are incurred in currencies different from those received from the sale of products. Its international sales are mainly transacted in U.S. dollars, and euro, Swedish krona and Japanese yen currencies. Since the Company transacts business throughout the world, it is subject to risks associated with fluctuations in foreign currency exchange rates, primarily the euro, the Swedish krona and the Japanese yen. During the first quarter of 2003, these three currencies strengthened against the U.S. dollar, resulting in higher revenues for the quarter. The ultimate impact of future changes to these and other currency exchange rates in 2003 is not determinable at this time.

2002 Fiscal Year Compared with 2001 Fiscal Year

	Fiscal Year Ended		
	2002	2001	2000
(Dollars in thousands)			
Revenues from external customers			
Fresh fruit	\$ 2,772,758	\$ 2,701,422	\$ 2,756,256
Fresh vegetables	825,559	827,528	845,776
Packaged foods	588,991	556,143	560,365
Fresh-cut flowers	173,927	196,430	200,473
Other operating segments	30,838	33,298	37,243
	<u>\$ 4,392,073</u>	<u>\$ 4,314,821</u>	<u>\$ 4,400,113</u>
EBIT			
Fresh fruit	\$ 217,844	\$ 48,478	\$ 1,536
Fresh vegetables	82,699	47,793	77,084
Packaged foods	64,905	43,684	56,877
Fresh-cut flowers	(5,925)	(18,717)	293
Other operating segments	713	(837)	(878)
	<u>360,236</u>	<u>120,401</u>	<u>134,912</u>
Total operating segments	360,236	120,401	134,912
Corporate and other EBIT	(69,359)	(57,423)	11,170
Interest expense	(80,890)	(70,708)	(90,445)
	<u>(80,890)</u>	<u>(70,708)</u>	<u>(90,445)</u>
Income (loss) from continuing operations before income taxes and cumulative effect of a change in accounting principle			
	<u>\$ 209,987</u>	<u>\$ (7,730)</u>	<u>\$ 55,637</u>

The Company adopted the provisions of Emerging Issues Task Force (EITF) Issue No. 01-9 (EITF 01-9) *Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)*, during the first quarter of 2002. The impact of the adoption was limited to reclassifications of costs previously included in selling, marketing and general and administrative expenses. These costs are now reflected as a reduction of revenues. The adoption of EITF 01-9 reduced previously reported revenues and selling, marketing and general and administrative expenses by \$9 million, \$46 million and \$79 million in the fresh fruit, fresh vegetables and packaged foods operating segments, respectively, in 2001 and by \$8 million, \$40 million and \$54 million in the fresh fruit, fresh vegetables and packaged foods operating

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segments, respectively, in 2000. The adoption had no impact on the Company's reported operating or net income or on segment EBIT.

Fresh Fruit: Fresh fruit revenues increased 3% to \$2.8 billion in 2002 from \$2.7 billion in 2001. The increase in fresh fruit revenues was primarily due to higher volumes and pricing for bananas sold in Asia, higher volumes in the European ripening and distribution business and higher volumes of DOLE PREMIUM SELECT pineapples. Revenues, primarily in the fresh fruit segment, were also favorably impacted by foreign currency exchange rates. The net impact of exchange rates on the Company's year-over-year revenues was approximately \$30 million; this impact primarily consists of a \$47 million revenue increase due to a stronger euro-to-dollar exchange rate, partially offset by a \$17 million decrease from a weaker yen-to-dollar exchange rate. The increases in revenues were partially offset by lower volumes of bananas sold in Europe, lower pricing of bananas sold in North America and the winding down of the Company's California deciduous and Pacific Northwest apples operations. The exiting of the Company's California deciduous and Pacific Northwest apples operations accounted for revenue reductions of approximately \$28 million in 2002 versus 2001.

Fresh fruit EBIT increased to \$218 million in 2002 from \$48 million in 2001. EBIT increased primarily due to the same factors that drove the increase in revenues. In addition, the exiting of the Company's California deciduous and Pacific Northwest apples operations increased EBIT in 2002 by the absence of approximately \$4 million in operating losses incurred by these operations in 2001. EBIT in 2002 further benefited from the absence of \$74 million of business reconfiguration expenses included in 2001 EBIT. The Company also incurred \$5 million of expenses in 2001 related to the divestiture of the Company's controlling interest in a banana production joint venture in South America. EBIT in 2002 also benefited from the absence of goodwill amortization, as a result of the Company's adoption of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 142 (FAS 142), Goodwill and Other Intangible Assets, at the beginning of 2002. The Company recognized \$7 million in goodwill amortization in 2001. The stronger average euro-to-dollar exchange rate impacted the Company's year-over-year total EBIT, primarily in the fresh fruit segment, by approximately \$11 million as compared to 2001. The weaker average yen-to-dollar exchange rate did not significantly impact EBIT in 2002 due to the effectiveness of the Company's yen hedges.

Fresh Vegetables: Fresh vegetables revenues for 2002 decreased slightly to \$826 million from \$828 million in 2001. Revenues were impacted by lower commodity vegetable volumes, the disposition of the Company's interest in Pascual Hermanos in the third quarter of 2002 and higher marketing expenses, which are treated as a reduction of revenues as required under EITF 01-9. These decreases were partially offset by higher volumes in the packaged salads business.

Fresh vegetables EBIT for 2002 increased to \$83 million from \$48 million in 2001. EBIT for 2002 benefited from the absence of \$34 million of business reconfiguration expenses included in 2001 EBIT. EBIT in 2002 also included a \$4 million gain on the sale of Pascual Hermanos. Excluding the impact of the 2001 business reconfiguration expense and the gain on sale of Pascual Hermanos, EBIT in 2002 decreased slightly due to lower commodity vegetable volumes, partially offset by higher volumes in the packaged salads business.

In September 2002, the Company sold all of its 91% equity interest in, and outstanding loans due from, Pascual Hermanos, a Spanish corporation held for sale since 2001, for approximately \$18.1 million, net of cash on hand at the date of sale. The financial results of Pascual Hermanos are included in the fresh vegetables reporting segment through the effective date of disposal. In the third quarter of 2002, the Company recorded a gain on this sale of approximately \$4 million, net of transaction expenses. The gain is included in selling, marketing and general and administrative expenses in the Consolidated Statements of Income. Revenues related to Pascual Hermanos for 2002, 2001 and 2000 were \$26 million, \$45 million and \$51 million, respectively. Operating income related to Pascual Hermanos for 2002 and 2001 was \$4 million and \$1 million, respectively, and operating losses for 2000 were \$1 million.

Packaged Foods: Packaged foods revenues in 2002 increased to \$589 million from \$556 million in 2001. The increase in revenues was due to higher volumes from the continued success of the Company's FRUIT BOWLS and FRUIT-N-GEL BOWLS products. The increase in revenues was partially offset by higher

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marketing expenses, which are treated as a reduction of revenues as required under EITF 01-9, and the sale of Saman during the third quarter of 2002.

Packaged foods EBIT in 2002 increased to \$65 million from \$44 million in 2001. EBIT in 2002 benefited from the absence of \$17 million of business reconfiguration expenses included in 2001 EBIT. Excluding the impact of the 2001 business reconfiguration expenses, EBIT for packaged foods increased approximately \$4 million compared to the prior year. This increase in EBIT was due to higher volumes from the continued success of the FRUIT BOWLS and FRUITN-GEL BOWLS products, lower product costs and slightly higher pricing in traditional canned products, partially offset by a \$4 million loss recorded on the sale of Saman.

On October 1, 2002, the Company sold its wholly owned subsidiary, Saman, for \$6 million in cash, net of cash on hand at the date of sale. Saman is a European dried fruit and nut processor held for sale since 2001. The financial results of Saman are included in the packaged foods reporting segment through the effective date of disposal. In the third quarter of 2002, the Company recorded a loss on the sale of approximately \$4 million, net of transaction expenses. The loss is included in selling, marketing and general and administrative expenses in the Consolidated Statements of Income. Revenues related to Saman for 2002, 2001 and 2000 were \$27 million, \$50 million and \$64 million, respectively. Operating losses related to Saman for 2002 and 2001 were \$4 million and \$1 million, respectively, and operating income for 2000 was \$1 million.

Fresh-Cut Flowers: Fresh-cut flowers revenues in 2002 decreased to \$174 million from \$196 million in 2001. The decrease in revenues was attributable to lower volumes partially offset by a slight increase in pricing.

EBIT in the fresh-cut flowers segment in 2002 improved to a loss of \$6 million from a loss of \$19 million in 2001. EBIT in 2002 benefited from the absence of \$7 million of business reconfiguration expenses and the absence of \$4 million of goodwill amortization included in 2001 EBIT. The Company did not record goodwill amortization related to fresh-cut flowers in 2002 as a result of the Company's adoption of FAS 142. Excluding the impact of the business reconfiguration expenses and goodwill amortization, 2002 EBIT improved \$1 million compared to the prior year, principally due to lower operating costs primarily as a result of the closure of six production farms, offset to an extent by lower revenues.

Corporate and Other: Corporate and other EBIT includes general and administrative costs not allocated to operating segments. Corporate and other EBIT in 2002 was a loss of \$69 million compared to a loss of \$57 million in 2001. The difference between the years is largely due to approximately \$9 million of higher legal expenses in 2002 attributable to ongoing lawsuits filed against the Company related to its past use of an agricultural chemical called DBCP, as discussed further in Note 16 to the 2002 Consolidated Financial Statements, and higher employee incentive costs as a result of the Company's stronger earnings in 2002. EBIT in 2002 was further impacted by a loss on the early retirement of debt of approximately \$3.4 million and \$3.4 million in transaction costs related to the going-private merger. In contrast, 2001 EBIT included an \$8 million gain on available-for-sale securities. The difference between the years was partially offset by lower consulting fees in 2002 and higher interest income. Interest income increased to \$12 million in 2002 from \$6 million in 2001 due to higher average cash balances, primarily resulting from the issuance of \$400 million 7.25% unsecured senior notes due 2009 during the second quarter of 2002, and the proceeds from the divestiture of the Honduran beverage business in the fourth quarter of 2001.

Interest Expense and Income Taxes: Interest expense increased to \$81 million in 2002 from \$71 million in 2001. This increase was primarily due to higher average debt levels resulting from the issuance of the \$400 million 7.25% unsecured senior notes during the second quarter of 2002. Income tax expense increased in 2002 to \$54 million from \$29 million in 2001 primarily due to higher earnings in the current year, partially offset by a \$5 million income tax refund received during 2002. The Company's effective tax rate was 25.6% in 2002. In 2001, the Company's income tax expense was \$29 million on pretax losses of approximately \$8 million. The difference in the effective rates is due primarily to the \$133 million business reconfiguration expense recorded in 2001. Approximately \$101 million of this business reconfiguration expense related to foreign tax jurisdictions. A valuation allowance was established to offset deferred tax assets related to the business reconfiguration expense in jurisdictions where the Company has determined that it is more likely than not that these benefits will not be realized.

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Cumulative Effect of Change in Accounting Principle: During the second quarter of 2002, the Company completed the two-step process of the transitional goodwill impairment test prescribed in FAS 142 with respect to existing goodwill. The first step of the transitional goodwill impairment test involved a comparison of the fair value of each of the Company's reporting units, as defined under FAS 142, with its carrying amount. If the carrying amount exceeded the fair value of a reporting unit, the Company was required to perform the second step of the transitional goodwill impairment test. As a result of the outcome of the first step relative to the fresh-cut flowers reporting unit, the Company was required to perform the second step of the transitional goodwill impairment test for this reporting unit. The second step involved comparing the implied fair value of the fresh-cut flowers reporting unit's goodwill to its carrying value to measure the amount of impairment. The transitional goodwill impairment test resulted in the Company recognizing a non-cash transitional goodwill impairment charge of \$120 million related entirely to the fresh-cut flowers reporting unit. As required by FAS 142, the \$120 million charge is reflected as a cumulative effect of a change in accounting principle in the Company's Consolidated Statement of Income for the year ended December 28, 2002. There was no income tax effect on the impairment charge as the charge primarily related to goodwill in foreign operations where the Company believes it is more likely than not that future taxable income in these operations will not be sufficient to realize the related income tax benefits associated with the charge. The charge represented a total write-off of the goodwill in the fresh-cut flowers reporting unit. The fair value of the fresh-cut flowers reporting unit was determined based on discounted cash flows that the business expects to generate in the future. The circumstances leading to the goodwill impairment in the fresh-cut flowers reporting unit include the fact that the flower industry is less attractive than the Company had expected in 1998 when it made its acquisitions in this industry and that the Company's progress in integrating the acquired businesses has been slower than expected.

2001 Fiscal Year Compared with 2000 Fiscal Year

Fresh Fruit: Fresh fruit revenues decreased 2% to \$2.7 billion in 2001 from \$2.8 billion in 2000. The decreases were primarily due to the divestiture of businesses, the impact of weaker foreign currency exchange rates and the planned reduction of banana volumes to secondary markets in Europe. In the third quarter of 2000, the Company sold assets comprising its California and Arizona citrus business, and in the second quarter of 2001, the Company initiated the divestiture of assets comprising its California deciduous and Pacific Northwest apples business. These divestitures accounted for approximately \$120 million of the decrease in revenues in 2001 versus 2000. The impact of the weaker euro-to-U.S. dollar and yen-to-U.S. dollar exchange rates unfavorably impacted the Company's year-over-year total revenue (primarily in the fresh fruit segment) by approximately \$85 million as compared to 2000. These revenue decreases were offset by higher banana volumes and pricing in North America and improved pricing in Europe. In addition, increased volumes and pricing in the Chilean fruit export business and higher volumes and stronger pricing for the Company's DOLE PREMIUM SELECT pineapple favorably impacted 2001 revenues.

EBIT in the fresh fruit segment increased to \$48 million in 2001 from \$2 million in 2000. Fresh fruit EBIT in 2001 included \$74 million of business reconfiguration expenses related to programs initiated during the second and third quarters of 2001 as well as a \$5 million expense in the first quarter of 2001 related to the divestiture of the Company's controlling interest in a banana production joint venture in South America. Fresh fruit EBIT in 2000 included approximately \$46 million related to a business downsizing charge in the third quarter of 2000. Excluding these business downsizing expenses, EBIT increased to \$127 million in 2001 from approximately \$47 million in 2000. Fresh fruit EBIT increased due to fruit, shipping and selling and general and administrative cost savings as a result of cost-cutting initiatives. In addition, EBIT improved due to increased volumes and pricing in the North America banana business, higher pricing in the European banana business and higher volumes and strong pricing for the Company's DOLE PREMIUM SELECT pineapple. These improvements were partially offset by losses in the California deciduous and Northwest apples businesses, which the Company has exited, of \$12 million in 2001 compared to EBIT of \$1 million in 2000.

Fresh Vegetables: Fresh vegetables revenues decreased to \$828 million in 2001 from \$846 million in 2000. The decrease was due to price normalization in the Company's commodity vegetables business in 2001 from heightened pricing levels in 2000. Revenues were also impacted by higher marketing expenses, which are

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treated as a reduction of revenues as required under EITF 01-9. These decreases were offset by continued growth in the Company's North America fresh-cut salads business where volumes increased at approximately the same rate as the volumes sold in the product category fresh-cut salads by all producers.

EBIT in the fresh vegetables segment decreased to \$48 million in 2001 from \$77 million in 2000. Fresh vegetables EBIT decreased due to a \$34 million charge associated with the Company's reconfiguration program initiated during the third quarter of 2001 primarily to divest Pascual Hermanos, its fresh vegetables subsidiary located in Spain. Excluding this charge, EBIT in 2001 increased by \$5 million primarily due to volume growth in the Company's fresh-cut salads business partially offset by higher marketing expense in that business and the impact of higher prices in 2000 in the Company's commodity vegetables business. The segment also benefited significantly from cost savings initiatives.

Packaged Foods: Packaged foods revenues decreased to \$556 million in 2001 from \$560 million in 2000. The decrease was primarily attributable to higher marketing expenses, which are treated as a reduction of revenues as required under EITF 01-9, as well as the Company's sale of its California almond processing business in the third quarter of 2000, which had revenues of \$23 million in 2000. This decrease was partially offset by the launch of FRUIT-N-GEL BOWLS in 2001 and the continued success of the Company's FRUIT BOWLS products that were introduced in 2000.

EBIT in the packaged foods segment decreased to \$44 million in 2001 from \$57 million in 2000. Packaged foods EBIT decreased due to a \$17 million charge associated with the Company's reconfiguration programs initiated during the second and third quarters of 2001. In addition, the second quarter of 2001 included \$2 million related to contract terminations. The third quarter of 2001 included \$15 million associated with the planned divestiture of a packaged foods business located in Europe. Higher earnings due to the growth of the Company's FRUIT BOWLS products combined with lower product costs were partially offset by marketing expenses associated with the launch of the Company's FRUIT-N-GEL BOWLS. The sale of the Company's California almond processing business did not significantly impact EBIT in 2001 or 2000.

Fresh-Cut Flowers: Fresh-cut flowers revenues decreased to \$196 million in 2001 from \$200 million in 2000. Revenues decreased due to unfavorable market conditions, primarily in the Company's wholesale business in the second half of 2001. This decrease was partially offset by higher Valentine's Day and Mother's Day sales in the first half of 2001.

EBIT in the fresh-cut flowers segment decreased to a loss of \$19 million in 2001 from slightly above breakeven in 2000. Fresh-cut flowers EBIT in 2001 included a \$7 million charge associated with the Company's reconfiguration programs initiated during the third quarter to reduce flower production operations in Latin America. Additionally, in the third quarter of 2001, the Company recognized \$3 million of lease termination related expenses in connection with its move to a new consolidated distribution facility in Miami, Florida. Losses in the second half of the year due to the per-unit margin impacts associated with lower sales volume were partially offset by higher earnings in the first half of 2001 due to higher Valentine's Day and Mother's Day sales.

Corporate and Other: Corporate and other EBIT was a loss of \$57 million in 2001 compared to earnings of \$11 million in 2000. Corporate and other EBIT in 2000 included Hurricane Mitch insurance proceeds, net, of \$43 million and a \$9 million gain on the sale of citrus assets, resulting in positive EBIT. In contrast, 2001 EBIT included approximately \$13 million of consulting expenses relating to cost savings initiatives undertaken by the Company in the first quarter of 2001 that were partially offset by an \$8 million gain on the sale of available-for-sale securities. In addition, interest income declined in 2001 to \$6 million from \$15 million in 2000. The decline is primarily due to lower interest rates in 2001 as well as the inclusion in 2000 of the interest portion of a tax refund received from the Internal Revenue Service.

Interest Expense and Income Taxes: Interest expense decreased to \$71 million in 2001 from \$90 million in 2000 due to lower average outstanding debt levels combined with lower interest rates throughout the year. In 2001, the Company recognized income tax expense of \$29 million on a pretax loss of \$8 million mainly resulting from a \$133 million reconfiguration charge recognized during the second and third quarters, of which \$101 million related to foreign tax jurisdictions for which the Company has not provided future tax benefits.

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Future tax benefits, if any, will be recognized upon realization. During 2000, the Company recognized income tax expense of \$20 million on pretax income of \$56 million.

Liquidity and Capital Resources at March 22, 2003

Cash flows provided by operating activities increased to \$1 million in the first quarter of 2003 from cash used in operations of \$50 million in the first quarter of 2002. The increase was primarily a result of a lower increase in net working capital (receivables, inventories and prepaid and other assets less accounts payable and accrued liabilities) in the first quarter of 2003, compared to the increase in net working capital in the first quarter of 2002. The lower increase in net working capital was partially due to a \$12 million net tax refund received in the first quarter of 2003. In the first quarter of 2003, improved cash flows from operations were also impacted by higher earnings.

Cash flows used in investing activities decreased to \$2 million in the first quarter of 2003 from \$9 million in the first quarter of 2002. The decrease is primarily a result of lower capital expenditures partially offset by lower proceeds from the sale of assets.

The Company uses net debt (total debt less cash) as a supplementary measure of leverage. Net debt is not defined under GAAP and should not be considered in isolation as an indicator of leverage. Additionally, the Company's calculation of net debt may not be comparable to other similarly titled measures computed by other companies. During the first quarter of 2003, net debt (derived by subtracting cash of \$641 million from total debt of \$1.125 billion) increased by approximately \$7 million to \$484 million. The increase during the first quarter of 2003 was primarily due to slightly lower cash balances, primarily due to the payment of dividends and capital additions in the first quarter, partially offset by proceeds from the exercise of stock options and slightly positive cash flows from operations. The Company's net debt to net debt and equity percentage decreased to 38% at the end of the first quarter of 2003 from 39% at the end of 2002. The consummation of the going-private merger on March 28, 2003 will result in significantly higher net debt for the Company beginning in the second quarter of 2003. Refer to the discussion of the going-private merger transactions for further details.

As of March 22, 2003, the Company had no outstanding balances under its uncommitted lines of credit and no outstanding borrowings under its \$400 million, 5-year revolving credit facility. Provisions under these facilities require the Company to comply with certain financial covenants that include a maximum permitted ratio of consolidated debt to net worth and a minimum required fixed charge coverage ratio. As of March 22, 2003, the Company was in compliance with these covenants. In connection with the consummation of the going-private merger transaction on March 28, 2003, the \$400 million facility was cancelled.

In connection with the going-private merger transaction, which closed on March 28, 2003, the Company and certain of its subsidiaries entered into \$1.125 billion of senior secured credit facilities (consisting of \$825 million of term loan facilities and \$300 million of revolving credit facilities) and issued \$475 million principal amount of 8 7/8% Senior Notes due 2011. The senior secured credit facility requires the Company to meet certain financial and other customary covenants. Refer to Description of Other Indebtedness, included elsewhere in this prospectus, for additional details. On May 29, 2003, the Company issued \$400 million principal amount of 7 1/4% Senior Notes due 2010. The Company used the net proceeds of \$392.7 million from this offering, together with available cash of \$7.3 million to prepay \$400 million of the term loans under the senior secured credit facility.

The Company believes that its cash balances, cash flow from operations and available borrowings under the revolving credit portion of the senior secured credit facility will enable it to meet its working capital, capital expenditure, revolving and term debt maturity and other funding requirements.

Factors impacting the Company's cash flow from operations include such items as commodity prices, interest rates and foreign currency exchange rates, among other things, as set forth in this prospectus and in the Company's Form 10-K for the fiscal year ended December 28, 2002 and in the Company's Form 10-Q for the fiscal quarter ended March 22, 2003.

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Liquidity and Capital Resources at December 28, 2002

Cash flow generated by operating activities from continuing operations was \$227 million in 2002 compared to \$244 million in 2001. The decrease was primarily due to an increase in net working capital (receivables, inventories, prepaid and other assets less accounts payable and accrued liabilities) in 2002 versus a decrease in net working capital in 2001. Approximately \$67 million of the increase in net working capital in 2002 is attributable to the payment of taxes related to the sale of the Honduran beverage business in 2001. The increase in net working capital was partially offset by significantly improved earnings from continuing operations before the cumulative effect of a change in accounting principle, which was a non-cash charge in 2002.

Cash used in investing activities of \$170 million in 2002 consisted primarily of capital additions, partially offset by proceeds from the sales of assets and businesses. Capital additions from continuing operations for the acquisition and improvement of productive assets increased to \$234 million in 2002 from \$120 million in 2001. The increase is primarily due to the acquisition of eight vessels for approximately \$121 million and the purchase of an interest in a new aircraft for \$23 million. Capital expenditures in 2002 were funded by operating cash flows. The Company expects operating capital expenditures in 2003 to be lower than 2002 levels.

Proceeds from the sales of assets of \$36 million in 2002 are primarily due to sales of assets in the Company's California deciduous and Pacific Northwest apples operations, which the Company identified for disposal in 2001. Net proceeds from the sales of businesses of \$24 million in 2002 relate to the sales of Pascual Hermanos and Saman in the third quarter of 2002.

At December 28, 2002, the Company had obligations under non-cancelable operating leases, primarily for vessel charters and containers, as well as for equipment and office facilities. The leased assets are used in the Company's operations where leasing offers advantages of operating flexibility and is less expensive than alternate types of funding. Some of the Company's agricultural land leases provide for increases in minimum rentals based on production. Lease payments under a significant portion of the Company's operating leases are based on variable interest rates, primarily the London Interbank Offered Rate (LIBOR). Lease payments are charged to operations, primarily through cost of sales. Total rental expense, including rent related to cancelable and non-cancelable leases, was \$109 million, \$126 million and \$148 million (net of sublease income of \$15 million, \$13 million and \$10 million) for 2002, 2001 and 2000, respectively. The Company capitalized equipment under capital leases of \$15 million in 2002 and \$25 million in 2001. The Company is required to comply with certain financial covenants, including minimum financial ratios, on both capitalized and operating leases, which, if not met, would require the Company to purchase the leased assets for amounts approximating their residual value.

The Company renewed the provisions of some of its container leases in the third quarter of 2002. As a result of these renewals, the Company increased its assets under capital lease by \$15 million to \$40 million at December 28, 2002. The related capital lease obligation was \$38 million at December 28, 2002.

The Company has both purchase and renewal options under various off-balance sheet vessel, container and office leases. These leases include guarantees of the residual value of the underlying leased assets. As of December 28, 2002, the Company's maximum potential undiscounted future payments on residual value guarantees on such leases totaled approximately \$140 million. These guarantees generally become payable based on the difference, if any, between the guaranteed residual value and the fair market value of the leased asset at the lease termination date. At December 28, 2002, the fair market values of the underlying leased assets in each of these leases was greater than the applicable residual guarantees and accordingly no liability has been recorded for these guarantees. In January 2003, the FASB issued FASB Interpretation No. 46, Consolidation of Variable Interest Entities. This statement may require the Company to consolidate some or all of the Company's off-balance sheet leases, which would increase both assets and liabilities on the consolidated balance sheet by approximately \$50 million. The Company is currently in the process of evaluating the impact of this statement on its financial condition and results of operations.

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At December 28, 2002, the Company's net debt (derived by subtracting cash of \$647 million from total debt of \$1.125 billion) totaled \$478 million versus \$482 million at December 29, 2001. This slight decrease was due to positive cash flows from operations after investing activities of \$57 million, substantially offset by the payment of dividends and the capitalization of a lease obligation of \$15 million during 2002.

Shareholders' equity increased as a result of positive earnings, unrealized foreign currency translation gains and the issuance of common stock, primarily as a result of the exercise of stock options, partially offset by dividends declared, unrealized net losses on cash flow hedges and increased additional minimum pension liability. As a result of marginally lower net debt, combined with higher shareholders' equity, the Company's net debt to net debt and equity percentage improved to 39% at the end of 2002 from 40% at the end of 2001.

In April 2002, the Company completed the sale and issuance of \$400 million aggregate principal amount of 7.25% Senior Notes due 2009 (the Original Notes) at a discount of \$2 million to face value. The Original Notes were sold in a private placement under Rule 144A and Regulation S promulgated by the Commission. The sale was exempt from the registration requirements of the Securities Act. The Company subsequently filed a registration statement with the Commission offering holders of the Original Notes the opportunity to exchange their Original Notes for publicly registered notes (the Notes) having substantially identical terms, except for restrictions on transfer that pertained only to the Original Notes. On July 23, 2002, this exchange offer expired; all of the Original Notes were tendered in the exchange offer and were accepted. Interest on the Notes will be paid semiannually in arrears on May 1 and November 1 of each year, beginning on November 1, 2002. The Notes are unsecured senior obligations of the Company and rank equally with the Company's outstanding senior unsecured debt.

During the year ended December 28, 2002, the Company repurchased approximately \$90 million of its \$300 million 7% unsecured senior notes due in 2003 and approximately \$20 million of its \$175 million 7.875% unsecured debentures due in 2013. In connection with these repurchases, the Company recorded a loss on early retirement of debt of \$3.4 million. The Company financed these repurchases using available cash on hand.

The Company has outstanding notes and debentures that place restrictions on the Company's ability to issue additional secured debt. At December 28, 2002, the Company was in compliance with these restrictions.

At December 28, 2002 the Company had in place a \$400 million, five-year revolving credit facility (Long-Term Facility), which was scheduled to mature in 2003. At the Company's option, borrowings under the Long-Term Facility bore interest at specified percentages over the agent's prime rate or LIBOR. Provisions under the Long-Term Facility required the Company to comply with financial covenants, which included a maximum permitted ratio of consolidated debt to net worth, and a minimum required fixed charge coverage ratio. As of December 28, 2002, the Company was in compliance with these covenants. The Company may also have borrowed under uncommitted lines of credit at rates offered from time to time by various banks that were not lenders under the Long-Term Facility. There were no outstanding borrowings under the Long-Term Facility or uncommitted lines of credit as of December 28, 2002. The Long-Term Facility was terminated in connection with the closing of the going-private merger transactions.

In August 2002, the Company's \$200 million 364-day revolving credit facility expired. There were no outstanding borrowings under this facility during the year.

The Company is a guarantor of indebtedness of some of its key fruit suppliers and other entities integral to the Company's operations. At December 28, 2002, the Company's guarantees primarily consisted of guarantees for bank loans to its growers of \$5 million, guarantees to foreign regulatory authorities of \$21 million, and various commercial bank guarantees of \$8 million.

Grower guarantees represent guarantees of amounts advanced to independent growers that supply the Company with product. The advances are made under third party bank agreements, which are guaranteed by the Company. The Company carefully monitors amounts outstanding under the bank agreements and records an allowance for any amounts which it believes will not be recoverable from the growers. This determination includes assessing the financial strength of the growers, their historical payment history and the age of outstanding and unpaid advances.

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The Company also provides guarantees to various regulatory authorities, primarily in Europe, in order to comply with foreign regulations when operating businesses overseas. The most significant of these guarantees, for banana import license fees, are granted to the European Union member states' agricultural authority. The Company's subsidiaries obtain guarantees from commercial banks for the amount of the licenses, which is then secured by the Company's guarantee to the bank. The Company has not historically experienced any significant losses associated with these guarantees.

The Company also provides various guarantees, mostly to foreign banks, in the course of its normal business operations to support the borrowings, leases and other obligations of its subsidiaries and key business partners. The Company has not historically experienced any significant losses associated with these guarantees.

In connection with the acquisition of its 60% interest in Saba Trading AB in 1998, the Company has the right to purchase (the "call option"), at its sole discretion, the minority shareholders' entire interest in Saba during either January 2004 or January 2008. In addition, each minority shareholder separately has the right to require the Company to purchase (the "put option") the shareholders' interest during either February 2005 or February 2008. The call option price and the put option price are computed based upon formulas as specified in the agreements. In the event that each minority shareholder exercises its put option, the minimum aggregate price payable by the Company for these minority interests under these formulas would approximate \$56 million at December 28, 2002.

As disclosed in Note 16 to the 2002 Consolidated Financial Statements, which are included elsewhere in this prospectus, the Company is subject to legal actions, most notably related to the Company's prior use of the agricultural chemical DBCP. Although no assurance can be given concerning the outcome of these cases, in the opinion of management, after consultation with legal counsel and based on past experience defending and settling DBCP claims, the pending lawsuits are not expected to have a material adverse effect on the Company's financial condition or results of operations.

During 2002, the Company declared and paid quarterly dividends of 15 cents per share, at an annual rate of 60 cents per share, on its common stock totaling \$34 million.

The going-private merger transactions have resulted in an increase in the Company's debt balances and lower cash on hand as a result of the redemption or retirement of existing debt. The Company believes that remaining cash on hand, cash flow from operations and available borrowings under the revolving credit portion of the senior secured credit facility will enable it to meet its working capital, capital expenditure, revolving and term debt maturity and other funding requirements.

Factors impacting the Company's cash flow from operations include such items as commodity prices, interest rates and foreign currency exchange rates, among other things, as set forth in this prospectus, including in "Risk Factors" and as set forth in "Market Risk" below.

Contractual Obligations and Commercial Commitments at December 28, 2002

The following tables summarize the Company's contractual obligations and commitments at December 28, 2002:

	Payments Due by Period				
	Total	Less Than 1 Year	1-3 Years	4-5 Years	After 5 Years
(Dollars in thousands)					
Contractual obligations:					
Long-term debt	\$1,075,436	\$213,516	\$305,486	\$ 571	\$555,863
Capital lease obligations	37,857	17,297	20,560		
Operating leases	445,675	84,938	204,246	46,303	110,188
Total contractual cash obligations	<u>\$1,558,968</u>	<u>\$315,751</u>	<u>\$530,292</u>	<u>\$46,874</u>	<u>\$666,051</u>

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	Amount of Commitment Expiration Per Period				
	Total Amounts Committed	Less Than 1 Year	1-3 Years	4-5 Years	After 5 Years
			(Dollars in thousands)		
Commercial commitments guarantees	\$ 34,001	\$ 26,202	\$ 2,688	\$ 4,232	\$ 879
Total commercial commitments	\$ 34,001	\$ 26,202	\$ 2,688	\$ 4,232	\$