

SANOFI-AVENTIS
Form F-4/A
March 24, 2011
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As filed with the Securities and Exchange Commission on March 24, 2011

Registration No. 333-172638

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2

to

Form F-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

SANOFI-AVENTIS

(Exact name of Registrant as Specified in its Charter)

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France <i>(Jurisdiction of</i>	2834 <i>(Primary Standard Industrial</i>	133529324 <i>(I.R.S. Employer</i>
<i>Incorporation or Organization)</i>	<i>Classification Code Number)</i> 174, avenue de France	<i>Identification Number)</i>
	75013 Paris, France	
	Tel. No.: 33-1-53-77-43-03	

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

Gregory Irace
Chief Executive Officer
Sanofi-Aventis US LLC
55 Corporate Drive
Bridgewater, New Jersey 08807
Tel. No. +1 (908) 981-6800

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

Copies to:

Karen Linehan	Michael J. Aiello, Esq.
Senior Vice President Legal Affairs and	Jaclyn L. Cohen, Esq.
General Counsel	Weil Gotshal & Manges LLP
sanofi-aventis	767 Fifth Avenue
174, avenue de France	New York, New York 10153
75013 Paris, France	(212) 310-8000

Telephone: +33 1 53 77 40 00

Approximate date of commencement of proposed sale to the public: March 7, 2011.

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. "

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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. "

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transactions:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) "

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) "

CALCULATION OF ADDITIONAL REGISTRATION FEE

Title of Each Class Of Securities to be Registered	Additional Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price ⁽²⁾	Amount of Registration Fee ⁽³⁾
Contingent Value Rights (CVRs)	2,478,370	Not Applicable	\$4,188,446	\$487

- (1) The number of CVRs to be registered has been increased from 291,298,352 in the original Registration Statement on Form F-4, filed by sanofi-aventis on March 7, 2011, to 293,776,722 in this amendment, an increase of 2,478,370 CVRs (the Additional CVRs). The estimated total number of CVRs issuable by the registrant pursuant to the proposed exchange offer and merger described herein is equal to 293,776,722, the sum of (i) 261,778,425, the number of shares of Genzyme common stock outstanding, (ii) 24,937,217, the number of shares of Genzyme common stock issuable upon the exercise of Genzyme options outstanding, (iii) 4,840,363, the number of shares of common stock issuable in respect of Genzyme s restricted stock units outstanding, (iv) 2,205,195, the number of shares of common stock reserved for issuance under Genzyme s employee stock purchase plans and (v) 15,522, the number of shares of common stock issuable in respect of certain outstanding rights to purchase shares of Genzyme common stock, each as set forth in the Agreement and Plan of Merger among sanofi-aventis, GC Merger Corp., and Genzyme Corporation dated as of February 16, 2011.
- (2) Determined based on Rules 457(a), 457(c), 457(f)(1) and 457(f)(3) promulgated under the Securities Act of 1933 by multiplying (a) \$1.69 (the result of \$75.69, the average of the high and low prices of Genzyme common stock as reported on the NASDAQ Global Select Market on March 21, 2011, less \$74.00, the amount of cash consideration per share payable in the exchange offer and the merger), by (b) the number of Additional CVRs.
- (3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to \$116.10 per \$1,000,000 of the offering price of the Additional CVRs. \$50,730 was previously paid in connection with the filing by sanofi-aventis of the Registration Statement on Form F-4 on March 7, 2011.

The Registrant hereby amends this Registration Statement on such date 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 this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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DATED MARCH 24, 2011

The information in this Prospectus/Offer to Exchange may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission (SEC) is declared effective. This Prospectus/Offer to Exchange is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any jurisdiction where the exchange offer or sale of these securities is not permitted.

Offer To Exchange Each Outstanding Share of Common Stock

of

GENZYME CORPORATION

for

\$74.00 Net Per Share and One Contingent Value Right

by

GC MERGER CORP.

a wholly-owned subsidiary of

SANOFI-AVENTIS

GC Merger Corp., a Massachusetts corporation (Purchaser) and a direct wholly-owned subsidiary of sanofi-aventis, a French *société anonyme* (Parent), is offering to exchange each of the issued and outstanding shares of common stock, par value \$0.01 (the Shares), of Genzyme Corporation, a Massachusetts corporation (Genzyme), for (i) \$74.00 in cash, less any applicable withholding for taxes and without interest (the Cash Consideration), and (ii) one contingent value right (each, a CVR, and, together with the Cash Consideration, the Merger Consideration), upon the terms and subject to the conditions set forth in this Prospectus/Offer to Exchange and in the related Letter of Transmittal (which collectively, as each may be amended or supplemented from time to time, constitute the Exchange Offer). Parent will not issue fractional CVRs in the transaction. Instead, the number of CVRs to be received by a Genzyme shareholder in exchange for that shareholder's Shares will, after aggregating all fractional CVRs to which that shareholder is entitled, be rounded to the nearest whole number.

The Exchange Offer is being made pursuant to an Agreement and Plan of Merger, dated as of February 16, 2011, by and among Parent, Purchaser and Genzyme (the Merger Agreement). Pursuant to the Merger Agreement, after the Exchange Offer is completed, subject to the approval of Genzyme's shareholders if required by applicable law, Purchaser will merge with and into Genzyme (the Merger). The board of directors of Genzyme (the Genzyme Board) has unanimously (i) determined that the Merger Agreement, the Exchange Offer and the Merger are in the best interests of Genzyme, (ii) adopted the Merger Agreement, (iii) approved the Exchange Offer and the Merger, (iv) directed that the Merger Agreement be submitted to the shareholders of Genzyme for approval, if required by applicable law, and (v) consented to the Exchange Offer and resolved to recommend acceptance of the Exchange Offer and approval of the Merger Agreement by the shareholders. **The Genzyme Board unanimously recommends that Genzyme shareholders accept the Exchange Offer by tendering their Shares into the Exchange Offer.**

Purchaser's obligation to accept for exchange, and to exchange, Shares for the Merger Consideration is conditioned upon: (i) there having been validly tendered in the Exchange Offer and not properly withdrawn that number of Shares that, together with the number of Shares, if any, then owned beneficially by Parent and Purchaser (together with their wholly-owned subsidiaries), constitutes at least a majority of the total number of then-outstanding Shares on a fully diluted basis (the Minimum Tender Condition); (ii) (a) a registration statement on Form F-4 to register the CVRs (the Registration Statement) having been declared effective and no stop order suspending the effectiveness of the Registration Statement being in effect and no proceedings for that purpose having been initiated or threatened in writing by the SEC, (b) the CVRs being issued in the Exchange Offer and the Merger having been approved for listing (subject, if applicable, to notice of issuance) for trading on the Nasdaq Stock Market (Nasdaq) (or such other exchange(s), electronic trading networks or other suitable trading platforms as are mutually agreed by Parent and Genzyme), and (c) a contingent value rights agreement to be entered into between Parent and a trustee mutually acceptable to Parent and Genzyme (the CVR Agreement) having been duly executed and delivered by the trustee (the CVR Condition); and (iii) the other conditions described in the section of this Prospectus/Offer to Exchange entitled The Exchange Offer Conditions of the Exchange Offer beginning on page 67 having been satisfied.

This Prospectus/Offer to Exchange amends and supersedes in its entirety information included in the Offer to Purchase filed with the SEC on October 4, 2010 (the Prior Offer).

THE EXCHANGE OFFER AND THE WITHDRAWAL RIGHTS WILL EXPIRE AT 11:59 P.M., NEW YORK CITY TIME, ON FRIDAY, APRIL 1, 2011, (THE EXPIRATION DATE), UNLESS EXTENDED. SHARES TENDERED PURSUANT TO THE EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION OF THE EXCHANGE OFFER, BUT NOT DURING ANY SUBSEQUENT OFFERING PERIOD.

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Parent's American Depositary Receipts trade on the New York Stock Exchange (NYSE) under the symbol SNY. Genzyme common stock trades on Nasdaq under the symbol GENZ.

FOR A DISCUSSION OF RISKS AND OTHER FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE EXCHANGE OFFER, PLEASE CAREFULLY READ THE SECTION OF THIS PROSPECTUS/OFFER TO EXCHANGE ENTITLED RISK FACTORS BEGINNING ON PAGE 17.

Neither Parent nor Purchaser has authorized any person to provide any information or to make any representation in connection with the Exchange Offer other than the information contained or incorporated by reference in this Prospectus/Offer to Exchange, and if any person provides any of this information or makes any representation of this kind, that information or representation must not be relied upon as having been authorized by Parent or Purchaser.

PARENT IS NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND A PROXY TO PARENT.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Prospectus/Offer to Exchange. Any representation to the contrary is a criminal offense.

The Information Agent for the Exchange Offer is:

The Dealer Manager for the Exchange Offer is:

105 Madison Avenue

J.P. Morgan Securities LLC

New York, New York 10016

383 Madison Avenue

(212) 929-5500 (Call Collect)

New York, New York 10179

or

(877) 371-5947 (Toll Free)

(800) 322-2885 (Toll Free)

Email: tenderoffer@mackenziepartners.com

The date of this Prospectus/Offer to Exchange is March 24, 2011

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SOURCES OF ADDITIONAL INFORMATION

This Prospectus/Offer to Exchange incorporates by reference information, including important business and financial information about Parent and Genzyme from other documents that Parent and Genzyme have filed with the Securities and Exchange Commission (the SEC). For a listing of documents incorporated by reference in this Prospectus/Offer to Exchange, please see the section entitled Where You Can Find More Information. This information is available for you to review at the SEC's public reference room located at 100 F Street, N.E., Room 1580, Washington, DC 20549, and through the SEC's website at <http://www.sec.gov>. You can obtain any of the documents filed by Parent or Genzyme, as the case may be, with the SEC from the SEC or, without cost, from the SEC's website at <http://www.sec.gov>. You may obtain documents filed with the SEC or documents incorporated by reference in this Prospectus/Offer to Exchange free of cost, by directing a written or oral request to the appropriate company at:

Genzyme Corporation
500 Kendall Street
Cambridge, Massachusetts 02142
Attention: Shareholder Relations
(617) 252-7500

sanofi-aventis
174, avenue de France
75013 Paris, France
Attention: Investor Relations
Telephone: +33 1 53 77 45 45

IN ORDER TO RECEIVE TIMELY DELIVERY OF THE DOCUMENTS, GENZYME SHAREHOLDERS MUST MAKE SUCH REQUEST NO LATER THAN MARCH 25, 2011, OR FIVE BUSINESS DAYS BEFORE THE EXPIRATION OF THE OFFER TO EXCHANGE, WHICHEVER IS LATER.

Please see Where You Can Find More Information on page 95.

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QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFER AND THE MERGER

The following questions and answers highlight selected information from this Prospectus/Offer to Exchange and may not contain all the information that is important to you. We encourage you to read this entire document carefully.

As used in this Prospectus/Offer to Exchange, unless otherwise indicated or the context requires, Parent or sanofi-aventis refers to Parent and its consolidated subsidiaries, Purchaser refers to GC Merger Corp., we, us and our refers to Parent and Purchaser, as the context indicates, and Genzyme refers to Genzyme Corporation and its consolidated subsidiaries.

Who is offering to buy my shares of Genzyme common stock?

This offer to exchange (this Exchange Offer) is made by GC Merger Corp. (Purchaser), a Massachusetts corporation and direct wholly-owned subsidiary of sanofi-aventis (Parent), a French *société anonyme*. Purchaser was incorporated on July 29, 2010, was organized by sanofi-aventis to acquire Genzyme and has not conducted any unrelated activities since its organization. All outstanding shares of the capital stock of Purchaser are owned by sanofi-aventis. Purchaser's principal executive offices are located at 55 Corporate Drive, Bridgewater, New Jersey 08807 and its telephone number at that address is (908) 981-5000.

Is there an agreement governing the Exchange Offer?

Yes. On February 16, 2011, sanofi-aventis and Purchaser entered into an agreement and plan of merger (the Merger Agreement) with Genzyme as a means to acquire all of the outstanding shares of common stock, par value \$0.01, of Genzyme (the Shares). Pursuant to the Merger Agreement, after the Exchange Offer is completed, subject to the approval of Genzyme's shareholders if required by applicable law, Purchaser will merge with and into Genzyme (the Merger).

Does Genzyme's board of directors support your offer?

Yes. The board of directors of Genzyme (the Genzyme Board) has unanimously (i) determined that the Merger Agreement, the Exchange Offer and the Merger are in the best interests of Genzyme, (ii) adopted the Merger Agreement, (iii) approved the Exchange Offer and the Merger, (iv) directed that the Merger Agreement be submitted to the shareholders of Genzyme for approval, if required by applicable law, and (v) consented to the Exchange Offer and resolved to recommend acceptance of the Exchange Offer and approval of the Merger Agreement by the shareholders of Genzyme.

The Genzyme Board recommends that Genzyme shareholders accept the Exchange Offer by tendering their Shares into the Exchange Offer.

Information about the recommendation of Genzyme's Board of Directors is more fully described in Genzyme's Solicitation/Recommendation Statement on Schedule 14D-9, which is being mailed to Genzyme shareholders together with this Prospectus/Offer to Exchange and is incorporated herein by reference.

What will I receive for my Shares?

In exchange for each Share that you validly tender and do not withdraw before the expiration date of the Exchange Offer, you will receive (i) \$74.00 in cash, less any applicable withholding for taxes and without interest (the Cash Consideration) and (ii) one contingent value right (each, a CVR, and, together with the Cash Consideration, the Merger Consideration), upon the terms and subject to the conditions set forth in this Prospectus/Offer to Exchange and in the related Letter of Transmittal (which collectively, as each may be amended or supplemented from time to time, constitute the Exchange Offer). Sanofi-aventis will not issue

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fractional CVRs in the transaction. Instead, the number of CVRs to be received by a Genzyme shareholder in exchange for that shareholder's Shares will, after aggregating all fractional CVRs to which that shareholder is entitled, be rounded to the nearest whole number.

Please see the description of the consideration payable in the Exchange Offer and the Merger, The Merger Agreement, The Exchange Offer, and Description of the CVRs, Characteristics of the CVRs. Please also see Risk Factors.

What is the CVR in this transaction?

The CVR is a contingent value right that will be issued as part of the total transaction consideration to Genzyme shareholders. In addition to receiving \$74 in cash per Share, Genzyme shareholders will receive one CVR for each Share tendered in the Exchange Offer or exchanged in the Merger.

Each CVR represents the right of its holder to receive certain defined payments upon the achievement of a specified milestone related to Cerezyme and Fabrazyme production and milestones related to the regulatory approval of and net sales of Lemtrada.

What payments will be made on the CVRs?

A holder of a CVR is entitled to cash payments upon the achievement of certain milestones, based on production levels of Cerezyme[®] and Fabrazyme[®], U.S. regulatory approval of Lemtrada (alemtuzumab for treatment of multiple sclerosis), and on achievement of certain aggregate net sales thresholds, pursuant to the terms of a Contingent Value Rights Agreement to be entered into between sanofi-aventis and a trustee mutually agreed upon between the parties (the CVR Agreement), as follows:

Cerezyme/Fabrazyme Production Milestone Payment. \$1 per CVR, if both Cerezyme production meets or exceeds 734,600 400 Unit Vial Equivalents and Fabrazyme production meets or exceeds 79,000 35-milligram Vial Equivalents (each such measurement is defined at Description of the CVRs Selected Definitions Related to the CVR Agreement) during calendar year 2011 (the Production Milestone).

Approval Milestone Payment. \$1 per CVR upon receipt by Genzyme or any of its affiliates, on or before March 31, 2014, of the approval by the U.S. Food and Drug Administration of Lemtrada for treatment of multiple sclerosis (the Approval Milestone).

Product Sales Milestone #1 Payment. \$2 per CVR if Lemtrada net sales post launch exceed an aggregate of \$400 million within specified periods per territory (Product Sales Milestone #1).

Product Sales Milestone #2 Payment. \$3 per CVR upon the first instance in which global Lemtrada net sales for a four calendar quarter period are equal to or in excess of \$1.8 billion. If Product Sales Milestone #2 is achieved but the Approval Milestone is not achieved prior to March 31, 2014, the milestone payment amount will be \$4 per CVR (however, in such event the Approval Milestone shall not also be payable) (Product Sales Milestone #2).

Product Sales Milestone #3 Payment. \$4 per CVR upon the first instance in which global Lemtrada net sales for a four calendar quarter period are equal to or in excess of \$2.3 billion (except that no quarter in which global Lemtrada net sales were used to determine the achievement of Product Sales Milestone #1 or #2 shall be included in the calculation of net sales for determining whether Product Sales Milestone #3 has been achieved) (Product Sales Milestone #3).

Product Sales Milestone #4 Payment. \$3 per CVR upon the first instance in which global Lemtrada net sales for a four calendar quarter period are equal to or in excess of \$2.8 billion (except that no quarter in which global Lemtrada net sales were used to determine the achievement of Product Sales Milestone #1, #2 or #3 shall be included in the calculation of net sales for determining whether Product Sales Milestone #4 has been achieved) (Product Sales Milestone #4, and collectively with Product Sales Milestone

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#1, Product Sales Milestone #2 and Product Sales Milestone #3, the Product Sales Milestones).

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No payments will be due under the CVR Agreement for any milestones achieved after the earlier of (a) December 31, 2020 and (b) the date that Product Sales Milestone #4 is paid.

Will the CVRs be tradeable and if so, where?

Yes, the CVR will be a tradeable security and is expected to be listed on the Nasdaq Global Market.

Can I sell a CVR in the market as soon as I receive it?

Yes, each CVR holder has the right to sell his or her CVRs at any time.

Will I have to pay any fee or commission to exchange Shares?

If you are the record owner of your Shares and you tender your Shares in the Exchange Offer, you will not have to pay any brokerage fees or similar expenses or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes, with respect to the exchange of Shares by Purchaser pursuant to the Exchange Offer. If you own your Shares in street name through a broker, dealer, commercial bank, trust company or other nominee and your broker, dealer, commercial bank, trust company or other nominee tenders your Shares on your behalf, your broker or such other nominee may charge a fee for doing so. You should consult your broker, dealer, commercial bank, trust company or other nominee to determine whether any charges will apply.

What are the benefits of an acquisition of Genzyme by sanofi-aventis?

Sanofi-aventis believes that the \$74.00 per Share cash component of the Merger Consideration provides Genzyme shareholders with a definite return on their investment, and a premium of approximately 48% to the unaffected Share price of \$49.86 on July 1, 2010, the day prior to press speculation regarding sanofi-aventis plans to acquire a significant U.S. biotechnology company, and a premium of approximately 41% to the volume-weighted average price of \$52.67 for the one-month period ending July 22, 2010, the day prior to reports by certain press outlets that sanofi-aventis had made an informal acquisition approach to Genzyme. In addition, through the CVR, Genzyme shareholders have the opportunity to participate in any future success of Lemtrada and the production in 2011 of both Cerezyme and Fabrazyme.

Sanofi-aventis also believes that the acquisition of Genzyme will create a meaningful new growth platform in biologics and rare diseases. The acquisition expands sanofi-aventis footprint in biotechnology, increases sanofi-aventis presence in the U.S., and brings a complementary set of businesses that will round out sanofi-aventis product portfolio and research and development pipeline. By significantly contributing to sanofi-aventis goal of sustainable earnings growth, the acquisition of Genzyme will drive significant long-term value for sanofi-aventis shareholders.

What is the Top-Up Option and when will it be exercised?

Genzyme has granted to Purchaser an irrevocable option (the Top-Up Option), for so long as the Merger Agreement has not been terminated, to purchase, at a price per Share equal to the greater of (i) the closing price of a Share on Nasdaq the last trading day prior to the exercise of the Top-Up Option or (ii) the Cash Consideration, that number of newly issued Shares equal to the lowest number of Shares that, when added to the number of Shares owned by Purchaser at the time of exercise of the Top-Up Option, would constitute one Share more than 90% of all outstanding Shares. Purchaser will exercise the Top-Up Option if it owns in the aggregate at least 75% of all Shares then outstanding, and if after giving effect to the exercise of the Top-Up Option, Purchaser would own in the aggregate one Share more than 90% of the number of outstanding Shares. Please see The Merger Agreement The Exchange Offer Top-Up Option.

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What will happen to my employee stock options, restricted stock and/or restricted stock units in the Exchange Offer?

The Merger Agreement provides that each stock option to acquire a Share (other than through the Genzyme 2009 Employee Stock Purchase Plan (the ESPP)) (Option) that is outstanding, unvested and has an exercise price that is equal to or greater than the Cash Consideration will vest in full on March 14, 2011 (five business days after the date on which Purchaser amended the Prior Offer).

At the time of acceptance by Purchaser of valid tenders after the expiration of the Exchange Offer (the Acceptance Time), (i) each outstanding Option, whether or not vested, with an exercise price that is less than the Cash Consideration will be canceled and, in exchange therefor, each former holder of each such cancelled Option will be entitled to receive, for each Share subject to such Option, (a) a cash payment equal to the difference between the Cash Consideration and the exercise price of the Option, less any applicable withholding taxes and without interest, and (b) one CVR, and (ii) each outstanding Option, whether or not vested, with an exercise price that is equal to or greater than the Cash Consideration will be canceled, without any consideration therefor. Such payments, if any, shall be made as promptly as practicable following the Acceptance Time, but not later than ten business days after such date.

The Merger Agreement provides that at the Acceptance Time of the Exchange Offer, each outstanding Share of Genzyme restricted stock (Restricted Stock) and each outstanding Genzyme restricted stock unit (RSU) will vest in full, if unvested. At the Acceptance Time, each outstanding Share of Restricted Stock and each Share subject to an outstanding RSU will be canceled, and in each case, will be converted into the right to receive the Merger Consideration, less any applicable withholding taxes and without interest. Payment of the Merger Consideration will be made as promptly as practicable following the Acceptance Time, but not later than ten business days after such date.

Please see The Merger Agreement The Exchange Offer Treatment of Options, Restricted Stock, Restricted Stock Units and Employee Stock Purchase Plan Shares.

Will holders of Shares be subject to United States federal income tax on the cash and CVRs received in the Exchange Offer or the Merger?

The exchange of Shares for cash and CVRs pursuant to the Exchange Offer or the Merger will be a taxable transaction for United States federal income tax purposes.

For more information regarding the amount and timing of any income, gain or loss, please see The Exchange Offer Certain United States Federal Income Tax Consequences.

All holders of Shares should contact their own tax advisors to determine the particular tax consequences to them of exchanging Shares pursuant to the Exchange Offer and/or the Merger, including the application and effect of any state, local, foreign or other tax laws.

What are the most significant conditions of the Exchange Offer?

The Exchange Offer is conditioned upon, among other things:

Minimum Tender Condition. There having been validly tendered in the Exchange Offer and not properly withdrawn that number of Shares that, together with the number of Shares, if any, then owned beneficially by sanofi-aventis and Purchaser (together with their wholly-owned subsidiaries), constitutes at least a majority of the total number of then-outstanding Shares on a fully diluted basis (the Minimum Tender Condition).

CVR Condition. The Registration Statement having been declared effective and no stop order suspending the effectiveness of the Registration Statement being in effect and no proceedings for that purpose having been initiated or threatened in writing by the SEC, the CVRs being issued in the Exchange Offer

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and the Merger having been approved for listing (subject, if applicable, to notice of issuance) for trading on Nasdaq (or such other exchange(s), electronic trading networks or other suitable trading platforms as are mutually agreed by sanofi-aventis and Genzyme), and the CVR Agreement having been duly executed and delivered by the trustee (collectively the CVR Condition).

The Merger Agreement also contains other customary closing conditions of the Exchange Offer and the Merger. Please see the sections of this Prospectus/Offer to Exchange entitled The Exchange Offer Conditions of the Exchange Offer and The Merger Agreement Conditions to Closing of the Merger.

How long will it take to complete the proposed transaction?

We expect to complete the transaction in the second quarter of 2011.

If Purchaser acquires, pursuant to the Exchange Offer and the Top-Up Option, at least 90% of the outstanding Shares, Purchaser will be able to effect the Merger without a vote of Genzyme s shareholders.

In the event Purchaser does not acquire at least 90% of the outstanding Shares pursuant to the Exchange Offer or otherwise and a vote of Genzyme s shareholders is required under Massachusetts law, a significantly longer period of time would be required to effect the Merger. In such event, Genzyme will call and hold a meeting of Genzyme shareholders as promptly as reasonably practicable for the purpose of obtaining approval of the Merger by Genzyme shareholders. Any solicitation of proxies from Genzyme shareholders to approve the Merger will be made only pursuant to separate proxy materials complying with the requirements of the rules and regulations of the SEC. Pursuant to the Merger Agreement, Genzyme has agreed to convene a meeting of its shareholders promptly following consummation of the Exchange Offer to consider and vote on the Merger Agreement, if a shareholders vote is required, and sanofi-aventis and Purchaser have agreed to vote all Shares owned by them or any of their subsidiaries (including Shares acquired by Purchaser in the Exchange Offer or otherwise) in favor of the Merger.

Does sanofi-aventis have the financial resources to complete the Exchange Offer and the Merger?

Yes. Purchaser estimates that it will need approximately \$21 billion to purchase all of the Shares pursuant to the Exchange Offer, to make payments in respect of outstanding in-the-money Options, RSUs and Share purchase rights and to consummate the Merger, plus related fees and expenses. Sanofi-aventis has entered into a facilities agreement with BNP Paribas, J.P. Morgan plc and Société Générale Corporate and Investment Banking (subsequently syndicated) pursuant to which credit institutions participating in the syndicate have committed to provide term loan credit facilities to sanofi-aventis in the aggregate amount of up to \$15 billion in connection with the Exchange Offer and the Merger (the Acquisition Facility). In addition, Parent priced an offering of \$7 billion of unsecured notes on March 22, 2011 (the Bond Offering). Receipt by Parent of the proceeds of the Bond Offering will automatically reduce the commitments outstanding under the Acquisition Facility by an equivalent amount. Sanofi-aventis expects to contribute or otherwise advance funds to enable Purchaser to consummate the Exchange Offer. Sanofi-aventis expects, based upon the combination of internally available cash (including proceeds of the Bond Offering) and/or borrowings under the Acquisition Facility (as described at The Exchange Offer Financing of the Exchange Offer; Source and Amount of Funds), to have sufficient cash on hand at the expiration of the Exchange Offer to pay the Cash Consideration for Shares tendered in the Exchange Offer and to provide funding for the Merger.

The Exchange Offer and the Merger are not subject to a financing condition.

Please see The Exchange Offer Financing of the Exchange Offer; Source and Amount of Funds.

When does the Exchange Offer expire? Can the Exchange Offer be extended and, if so, under what circumstances?

The Exchange Offer is scheduled to expire at 11:59 p.m., New York City time, on April 1, 2011, which is the initial expiration date, unless further extended by Purchaser.

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Pursuant to the terms of the Merger Agreement, under certain circumstances, Purchaser must extend the Exchange Offer from time to time until the termination of the Merger Agreement in accordance with its terms. For instance, the Exchange Offer must be extended, subject to certain exceptions, if any of the conditions specified in The Exchange Offer Conditions of the Exchange Offer are not satisfied prior to the then-scheduled expiration date of the Exchange Offer. The Purchaser will not be required to extend the Exchange Offer beyond August 16, 2011. Purchaser may also elect to provide a subsequent offering period for the Exchange Offer. A subsequent offering period would not be an extension of the Exchange Offer. Rather, a subsequent offering period would be an additional period of time, beginning after Purchaser has accepted for exchange all Shares tendered during the Exchange Offer, during which shareholders who did not tender their Shares in the Exchange Offer may tender their Shares and receive the same consideration provided in the Exchange Offer. We do not currently intend to include a subsequent offering period, although we reserve the right to do so.

For more information on extensions of the Exchange Offer, please see The Exchange Offer Extension, Termination and Amendment.

How will I be notified if the Exchange Offer is extended?

Purchaser has retained Computershare Trust Company, N.A. to be the Exchange Agent in connection with the Exchange Offer and the Merger. If we extend the Exchange Offer, we will inform the Exchange Agent of any extension and will issue a press release announcing the extension not later than 9:00 a.m., New York City time, on the next business day after the day on which the Exchange Offer was scheduled to expire.

If we elect to provide a subsequent offering period, a public announcement of such determination will be made no later than 9:00 a.m., New York City time, on the next business day following the expiration date.

Any decision to extend the Exchange Offer will be made public by an announcement regarding such extension as described under The Exchange Offer Extension, Termination and Amendment.

How do I tender my Shares?

If you hold your Shares directly as the registered owner, you can tender your Shares in the Exchange Offer by delivering the certificates representing your Shares, together with a completed and signed Letter of Transmittal and any other documents required by the Letter of Transmittal, to the Exchange Agent, not later than the date and time the Exchange Offer expires. The Letter of Transmittal is enclosed with this Offer to Purchase.

If you hold your Shares in street name through a broker, dealer, commercial bank, trust company or other nominee, the institution that holds your Shares can tender your Shares on your behalf, and may be able to tender your Shares through the Exchange Agent. You should contact the institution that holds your Shares for more details.

If you are unable to deliver everything that is required to tender your Shares to the Exchange Agent by the expiration of the Exchange Offer, you may obtain a limited amount of additional time by having a broker, a bank or another fiduciary that is an eligible institution guarantee that the missing items will be received by the Exchange Agent by using the enclosed Notice of Guaranteed Delivery. To validly tender Shares in this manner, however, the Exchange Agent must receive the missing items within the time period specified in the notice.

For a complete discussion on the procedures for tendering your Shares, please see The Exchange Offer Procedure for Tendering.

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Until what time can I withdraw tendered Shares?

You may withdraw previously tendered Shares at any time unless Purchaser has accepted the Shares for exchange pursuant to the Exchange Offer. Shares tendered during the subsequent offering period, if any, may not be withdrawn. For a complete discussion on the procedures for withdrawing your Shares, please see [The Exchange Offer Withdrawal Rights](#).

How do I withdraw previously tendered Shares?

To withdraw previously tendered Shares, you must deliver a written or facsimile notice of withdrawal with the required information to the Exchange Agent while you still have the right to withdraw. If you tendered Shares by giving instructions to a broker, dealer, commercial bank, trust company or other nominee, you must instruct the broker, dealer, commercial bank, trust company or other nominee to arrange for the withdrawal of your Shares. For a complete discussion on the procedures for withdrawing your Shares, please see [The Exchange Offer Withdrawal Rights](#).

When and how will I receive the Merger Consideration in exchange for my tendered Shares?

Purchaser will exchange all validly tendered and not properly withdrawn Shares promptly after the expiration date of the Exchange Offer, subject to the terms thereof and the satisfaction or waiver of the conditions of the Exchange Offer, as set forth in [The Exchange Offer Conditions of the Exchange Offer](#). We will deliver the consideration for your validly tendered and not properly withdrawn Shares by depositing the Cash Consideration with the Exchange Agent and the CVRs with American Stock Transfer and Trust Company, LLC (the [Transfer Agent](#)). Both the Exchange Agent and the Transfer Agent will act as your agent for the purpose of receiving the Merger Consideration from us and transmitting such consideration to you. In all cases, an exchange of tendered Shares will be made only after timely receipt by the Exchange Agent of certificates for such Shares (or a confirmation of a book-entry transfer of such Shares as described in [The Exchange Offer Procedure for Tendering](#)) and a properly completed and duly executed Letter of Transmittal and any other required documents for such Shares.

Are dissenters or appraisal rights available in either the Exchange Offer or the Merger?

No dissenters or appraisal rights are available to Genzyme shareholders in connection with the Exchange Offer.

Genzyme shareholders who do not vote FOR the Merger and who hold their Shares to our competitors that have relatively less indebtedness; and [limit](#), along with the restrictive covenants in our credit facilities and senior notes indentures, among other things, our ability to borrow additional funds. Failing to comply with those covenants could result in an event

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of default which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations.

The financing arrangements for the going-private merger transactions 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 our senior notes due 2009, our senior notes due 2010, our senior notes due 2011, our debentures due 2013 and our senior secured credit facilities contain various restrictive covenants that 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.

These covenants 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 our senior notes due 2009, our senior notes due 2010, our senior notes due 2011, our debentures due 2013 and our senior secured credit facilities.

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.

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 laws and regulations or impose currency restrictions and other restraints;

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

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 business, 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.

Banana imports from Latin America are subject to import license requirements and a tariff of 176 euro per metric ton for entry into the EU market. Under the EU's previous banana regime, banana imports from Latin America were subject to a tariff of 75 euro per metric ton and were also subject to both import license requirements and volume quotas. These license requirements and volume quotas had the effect of limiting access to the EU banana market. The increase in the applicable tariff and the elimination of the volume restrictions applicable to Latin American bananas may increase volatility in the market, which could materially adversely affect our business, results of operations or financial condition. See Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operation - Other Matters.

In 2005, the Company received a tax assessment from Honduras of approximately \$137 million (including the claimed tax, penalty, and interest through the date of assessment) relating to the disposition of all of the Company's interest in Cervecería Hondureña, S.A in 2001. The Company has been contesting the tax assessment. See Item 3, Legal Proceedings.

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. 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. Further, we may recall a product (voluntarily or otherwise) if we or the regulators believe it presents a potential risk. 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.

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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 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 that we believe is 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 disaster 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.

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 materially 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.

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

As of December 29, 2007, approximately 4,800 of our employees in the United States worked under various collective bargaining agreements. Some of our collective bargaining agreements will expire in fiscal 2008, although each agreement is subject to automatic renewal 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

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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.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS
(Cautionary Statements Under the Private Securities Litigation Reform Act of 1995)

Some of the information included in this Form 10-K and other materials filed or to be filed by us with the Commission contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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, will, could, should, would, believe, expect, anticipate, estimate, intend, plan or other words or expressions of similar nature. 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 Form 10-K include those set forth under the heading "Risk Factors" in Item 1A.

We urge you to review carefully this Form 10-K, 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 Form 10-K, 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 Form 10-K, 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 Form 10-K, 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.

Item 1B. *Unresolved Staff Comments*

None.

Item 2. *Properties*

The following is a description of our significant properties.

North America

We own our executive office facility in Westlake Village, California and a divisional office in Miami, Florida. We also maintain a divisional office in Monterey, California, which is leased from an affiliate.

Our Hawaii operations are located on the island of Oahu and total approximately 28,000 acres, which we own. Of the total acres owned, we farm pineapples on 2,700 acres and coffee and cacao on an additional 195 acres. The remaining acres are leased or are in pastures and forest reserves.

We own approximately 1,300 acres of farmland in California, and lease approximately 12,600 acres of farmland in California and 4,300 acres in Arizona in connection with our vegetable and berry operations. The majority of this acreage is farmed under joint growing arrangements with independent growers, while we farm the remainder. We own cooling, packing and shipping facilities in Marina, Gonzales and Huron, California. Additionally, we have partnership interests in

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facilities in Yuma, Arizona and Salinas, California, and leases in facilities in the following California cities: Oxnard, Monterey and Watsonville. We own and operate state-of-the-art, ready-to-eat salad and vegetable plants in Yuma, Arizona, Soledad, California, Springfield, Ohio and Bessemer City, North Carolina.

We own approximately 2,700 acres of peach orchards in California, which we farm. We own and operate a plant in Atwater, California that produces individually quick frozen fruit and lease a production facility located in Decatur, Michigan.

We produce almonds from approximately 300 acres, pistachios from approximately 1,100 acres, olives from approximately 300 acres and citrus from approximately 2,700 acres on orchards in the San Joaquin Valley through agricultural partnerships in which we have a controlling interest. We produce grapes on approximately 500 acres of owned property in the San Joaquin Valley. At December 29, 2007, all of these assets have been reclassified as assets held-for-sale.

Our Florida based fresh-cut flowers distribution operates from a 328,000 square foot building, which we own. Approximately 200,000 square feet of this facility is refrigerated. This facility has also been reclassified as an asset held-for-sale at December 29, 2007. Our fresh-cut flowers business also operates a cooling and distribution facility in the Miami area, which we own. In addition, we operate a leased distribution facility in Los Angeles, California.

Latin America

We own offices in San Jose, Costa Rica, Bogota and Santa Marta, Colombia and La Ceiba, Honduras. We also lease offices in Chile, Costa Rica, Ecuador and Guatemala.

We produce bananas directly from owned plantations in Costa Rica, Colombia, Ecuador and Honduras as well as through associated producers or independent growing arrangements in those countries and others, including Guatemala. We own approximately 3,100 acres in Colombia, 36,000 acres in Costa Rica, 3,800 acres in Ecuador and 30,000 acres in Honduras, all related to banana production, although some of the acreage is not presently under production.

We own approximately 6,900 acres of land in Honduras, 8,000 acres of land in Costa Rica and 3,000 acres of land in Ecuador, all related to pineapple production, although some of the acreage is not presently under production. We also own a juice concentrate plant in Honduras for pineapple and citrus. Pineapple is grown primarily for the fresh produce market.

We grow grapes, stone fruit, kiwi and pears on approximately 3,200 acres owned or leased by us in Chile. We own or operate 10 packing and cold storage facilities, a corrugated box plant and a wooden box plant in Chile. In addition, we operate a fresh-cut salad plant and a small local fruit distribution company in Chile. We own or operate a packing and cooling plant and a local fruit distribution company in Argentina.

We also own and operate corrugated box plants in Colombia, Costa Rica, Ecuador and Honduras.

We indirectly own 35% of Bananapuerto, an Ecuadorian port, and operate the port pursuant to a port services agreement, the term of which is up to 30 years.

Dole Latin America operates a fleet of seven refrigerated container ships, of which four are owned, two are under long-term capital leases and one is long-term chartered. In addition, Dole Latin America operates a fleet of 18 breakbulk refrigerated ships, of which nine are owned, eight are long-term chartered and one is chartered for one year. One of these ships was sold during the first quarter of 2008. We also cover part of our requirements under

contracts with existing liner services and occasionally charter vessels for short periods on a time or voyage basis as and when required. We own or lease approximately 15,000 refrigerated containers, 2,000 dry containers, 5,800 chassis and 4,500 generator sets worldwide.

We produce flowers on approximately 900 acres in Colombia. We own and operate packing and cooling facilities at each of our flower farms and lease a facility in Bogota, Colombia for bouquet construction.

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Asia

We operate a pineapple plantation of approximately 34,000 leased acres in the Philippines. Approximately 19,000 acres of the plantation are leased to us by a cooperative of our employees that acquired the land pursuant to agrarian reform law. The remaining 15,000 acres are leased from individual land owners. Two multi-fruit canneries, a blast freezer, cold storage, a juice concentrate plant, a box forming plant, a can and drum manufacturing plant, warehouses, wharf and a fresh fruit packing plant, each owned by us, are located at or near the pineapple plantation.

We own and operate a tropical fruit cannery and a multi-fruit processing factory in central Thailand and a second tropical fruit cannery in southern Thailand. Dole also grows pineapple in Thailand on approximately 3,800 acres of owned land, not all of which are currently under cultivation.

We produce bananas and papaya from 33,000 acres of leased land in the Philippines and also source these products through associated producers or independent growing arrangements in the Philippines. A plastic extruding plant and a box forming plant, both owned by us, are located near the banana plantations. We also operate banana ripening and distribution centers in Hong Kong, South Korea, Taiwan, The People's Republic of China and the Philippines.

Bananas are also grown on 800 acres of leased land in Australia.

Additionally, we source products from over 1,200 Japanese farmers through independent growing arrangements.

Europe

We maintain our European headquarters in Paris, France and have major regional offices in Antwerp, Belgium, Prague, Czech Republic, Dartford, England, Rungis, France, Hamburg, Germany, Lübeck, Germany, Milan, Italy, Madrid, Spain, Athens, Greece, Helsingborg, Sweden and Cape Town, South Africa, which are leased from third parties.

We operate and own two banana ripening, produce and flower distribution centers in Sweden, three facilities in France, two facilities in Spain, two facilities in Germany, two facilities in England, one facility in Turkey and one facility in Italy. We also operate and lease five banana ripening, produce and flower distribution centers in Sweden, six in France, three in Spain, one in Portugal, four in Italy, one in Belgium, one in Austria, two in Germany, and one in England. We have a minority interest in a French company that owns a majority interest in banana and pineapple plantations in Cameroon, Ghana and the Ivory Coast. We are also the majority owner in a company operating a port terminal and distribution facility in Livorno, Italy.

In addition, we wholly-own Saba Fresh Cuts AB, which owns and operates a state-of-the-art, ready-to-eat salad and vegetable plant in Helsingborg, Sweden.

Item 3. Legal Proceedings

The Company is involved from time to time in claims and legal actions incidental to its operations, both as plaintiff and defendant. The Company has established what management currently believes to be adequate reserves for pending legal matters. These reserves are established as part of an ongoing worldwide assessment of claims and legal actions that takes into consideration such items as changes in the pending case load (including resolved and new matters), opinions of legal counsel, individual developments in court proceedings, changes in the law, changes in business focus, changes in the litigation environment, changes in opponent strategy and tactics, new developments as a result of ongoing discovery, and past experience in defending and settling similar claims. In the opinion of management, after consultation with outside counsel, the claims or actions to which the Company is a party are not expected to have a

material adverse effect, individually or in the aggregate, on the Company's financial condition or results of operations.

A significant portion of the Company's legal exposure relates to lawsuits pending in the United States and in several foreign countries, alleging injury as a result of exposure to the agricultural chemical DBCP (1,2-dibromo-3-chloropropane). DBCP was manufactured by several chemical companies including Dow and Shell and registered by the U.S. government for use on food crops. The Company and other growers applied DBCP on banana farms in

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Latin America and the Philippines and on pineapple farms in Hawaii. Specific periods of use varied among the different locations. The Company halted all purchases of DBCP, including for use in foreign countries, when the U.S. EPA cancelled the registration of DBCP for use in the United States in 1979. That cancellation was based in part on a 1977 study by a manufacturer which indicated an apparent link between male sterility and exposure to DBCP among factory workers producing the product, as well as early product testing done by the manufacturers showing testicular effects on animals exposed to DBCP. To date, there is no reliable evidence demonstrating that field application of DBCP led to sterility among farm workers, although that claim is made in the pending lawsuits. Nor is there any reliable scientific evidence that DBCP causes any other injuries in humans, although plaintiffs in the various actions assert claims based on cancer, birth defects and other general illnesses.

Currently there are 444 lawsuits, in various stages of proceedings, alleging injury as a result of exposure to DBCP, seeking enforcement of Nicaraguan judgments, or seeking to bar Dole's efforts to resolve DBCP claims in Nicaragua. Twenty-two of these lawsuits are currently pending in various jurisdictions in the United States. Of the 22 U.S. lawsuits, nine have been brought by foreign workers who allege exposure to DBCP in countries where Dole did not have operations during the relevant time period. One case pending in Los Angeles Superior Court with 12 Nicaraguan plaintiffs initially resulted in verdicts which totaled approximately \$5 million in damages against Dole in favor of six of the plaintiffs. As a result of the court's March 7, 2008 favorable rulings on Dole's post-verdict motions, the damages against Dole have now been reduced to \$1.58 million in total compensatory awards to four of the plaintiffs; and the court granted Dole's motion for a new trial as to the claims of one of the plaintiffs. Judgment is expected to be entered on March 31, 2008. The remaining cases are pending in Latin America and the Philippines, including 212 labor cases pending in Costa Rica under that country's national insurance program. Claimed damages in DBCP cases worldwide total approximately \$42.3 billion, with lawsuits in Nicaragua representing approximately 85% of this amount. In almost all of the non-labor cases, the Company is a joint defendant with the major DBCP manufacturers and, typically, other banana growers. Except as described below, none of these lawsuits has resulted in a verdict or judgment against the Company.

In Nicaragua, 189 cases are currently filed in various courts throughout the country, with all but one of the lawsuits brought pursuant to Law 364, an October 2000 Nicaraguan statute that contains substantive and procedural provisions that Nicaragua's Attorney General formally opined are unconstitutional. In October 2003, the Supreme Court of Nicaragua issued an advisory opinion, not connected with any litigation, that Law 364 is constitutional.

Twenty-four cases have resulted in judgments in Nicaragua: \$489.4 million (nine cases consolidated with 468 claimants) on December 11, 2002; \$82.9 million (one case with 58 claimants) on February 25, 2004; \$15.7 million (one case with 20 claimants) on May 25, 2004; \$4 million (one case with four claimants) on May 25, 2004; \$56.5 million (one case with 72 claimants) on June 14, 2004; \$64.8 million (one case with 86 claimants) on June 15, 2004; \$27.7 million (one case with 39 claimants) on March 17, 2005; \$98.5 million (one case with 150 claimants) on August 8, 2005; \$46.4 million (one case with 62 claimants) on August 20, 2005; \$809 million (six cases consolidated with 1,248 claimants) on December 1, 2006; and \$38.4 million (one case with 192 claimants) on November 14, 2007. The Company has appealed all judgments, with the Company's appeal of the August 8, 2005 \$98.5 million judgment and of the December 1, 2006 \$809 million judgment currently pending before the Nicaragua Court of Appeal.

There are 26 active cases currently pending in civil courts in Managua (15), Chinandega (10) and Puerto Cabezas (1), all of which have been brought under Law 364 except for one of the cases pending in Chinandega. In the 25 active cases under Law 364, except for six cases in Chinandega and five cases in Managua, where the Company has not yet been ordered to answer, the Company has sought to have the cases returned to the United States pursuant to Law 364. A Chinandega court in one case has ordered the plaintiffs to respond to our request. In the other 2 active cases under Law 364 pending there, the Chinandega courts have denied the Company's requests; and the court in Puerto Cabezas has denied the Company's request in the one case there. The Company's requests in ten of the cases in Managua are

still pending; and the Company expects to make similar requests in the remaining five cases at the appropriate time. The Company has appealed the decision of the court in Puerto Cabezas and the 2 decisions of the courts in Chinandega.

The claimants' attempted enforcement of the December 11, 2002 judgment for \$489.4 million in the United States resulted in a dismissal with prejudice of that action by the United States District Court for the Central District of California on October 20, 2003. The claimants have voluntarily dismissed their appeal of that

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decision, which was pending before the United States Court of Appeals for the Ninth Circuit. Defendants' motion for sanctions against Plaintiffs' counsel is still pending before the Court of Appeals in that case.

Claimants have also indicated their intent to seek enforcement of the Nicaraguan judgments in Colombia, Ecuador, Venezuela and other countries in Latin America and elsewhere, including the United States. There is one case pending in Federal District Court in Miami, Florida seeking enforcement of the August 8, 2005 \$98.5 million Nicaraguan judgment. In Venezuela, the claimants have attempted to enforce five of the Nicaraguan judgments in that country's Supreme Court: \$489.4 million (December 11, 2002); \$82.9 million (February 25, 2004); \$15.7 million (May 25, 2004); \$56.5 million (June 14, 2004); and \$64.8 million (June 15, 2004). These cases are currently inactive. An action filed to enforce the \$27.7 million Nicaraguan judgment (March 17, 2005) in the Colombian Supreme Court was dismissed. In Ecuador, the claimants attempted to enforce the five Nicaraguan judgments issued between February 25, 2004 through June 15, 2004 in the Ecuador Supreme Court. The First, Second and Third Chambers of the Ecuador Supreme Court issued rulings refusing to consider those enforcement actions on the ground that the Supreme Court was not a court of competent jurisdiction for enforcement of a foreign judgment. The plaintiffs subsequently refiled those five enforcement actions in the civil court in Guayaquil, Ecuador. Two of these subsequently filed enforcement actions have been dismissed by the 3rd Civil Court (\$15.7 million (May 25, 2004)) and the 12th Civil Court (\$56.5 million (June 14, 2004)) in Guayaquil; plaintiffs have sought reconsideration of those dismissals. The remaining three enforcement actions are still pending.

The Company believes that none of the Nicaraguan judgments will be enforceable against any Dole entity in the U.S. or in any other country, because Nicaragua's Law 364 is unconstitutional and violates international principles of due process. Among other things, Law 364 is an improper special law directed at particular parties; it requires defendants to pay large, non-refundable deposits in order to even participate in the litigation; it provides a severely truncated procedural process; it establishes an irrebuttable presumption of causation that is contrary to the evidence and scientific data; and it sets unreasonable minimum damages that must be awarded in every case.

On October 23, 2006, Dole announced that Standard Fruit de Honduras, S.A. reached an agreement with the Government of Honduras and representatives of Honduran banana workers. This agreement establishes a Worker Program that is intended by the parties to resolve in a fair and equitable manner the claims of male banana workers alleging sterility as a result of exposure to the agricultural chemical DBCP. The Honduran Worker Program will not have a material effect on Dole's financial condition or results of operations. The official start of the Honduran Worker Program was announced on January 8, 2007. On August 15, 2007, Shell Oil Company was included in the Worker Program.

As to all the DBCP matters, the Company has denied liability and asserted substantial defenses. While Dole believes there is no reliable scientific basis for alleged injuries from the agricultural field application of DBCP, Dole continues to seek reasonable resolution of other pending litigation and claims in the U.S. and Latin America. For example, as in Honduras, Dole is committed to finding a prompt resolution to the DBCP claims in Nicaragua, and is prepared to pursue a structured worker program in Nicaragua with science-based criteria. 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.

European Union Antitrust Inquiry and U.S. Class Action Lawsuits: On July 25, 2007, the Company was informed that the European Commission (EC) had adopted a Statement of Objections against the Company, and other unrelated banana companies, alleging violations of the European competition (antitrust) laws by the banana companies within the European Economic Area (EEA). This Statement of Objections follows searches carried out by the European Commission in June 2005 at certain banana importers and distributors, including two of the Company's offices. Recently, on November 28 and 29, 2007, the EC conducted searches of certain of the Company's offices in Italy and

Spain, as well of other companies offices located in these countries.

A Statement of Objections is a procedural step in the EC's antitrust investigation, in which the EC communicates its preliminary view with respect to a possible infringement of European competition laws. The EC will review Dole's written and oral responses to the Statement of Objections in order to determine whether to issue a final Decision. Any Decision (including any fines that may be assessed under the Decision) will be subject to appeal to the European Court of First Instance and the European Court of Justice. The Company continues to cooperate with the EC in order to provide the Commission with a full and transparent understanding of the banana

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market. Although no assurances can be given concerning the course or outcome of the EC investigation, the Company believes that it has not violated the European competition laws.

Following the public announcement of the EC searches, a number of class action lawsuits were filed against the Company and three competitors in the U.S. District Court for the Southern District of Florida. The lawsuits were filed on behalf of entities that directly or indirectly purchased bananas from the defendants and were consolidated into two separate putative class action lawsuits: one by direct purchasers (customers); and another by indirect purchasers (those who purchased bananas from customers). On June 26, 2007, Dole entered into settlement agreements resolving these putative consolidated class action lawsuits filed by the direct purchasers and indirect purchasers. The Court entered final judgment orders approving the settlement agreements on November 21, 2007. The direct purchaser settlement is now completed. The indirect purchaser agreement is currently under appeal by a single party. The Company did not admit any wrongdoing in these settlements and continues to believe they were totally without merit; however, the Company elected to settle these lawsuits to bring a final conclusion to this litigation, which had been ongoing since 2005. Neither settlement will have a material adverse effect on the Company's financial condition or results of operations.

Honduran Tax Case: In 2005, the Company received a tax assessment from Honduras of approximately \$137 million (including the claimed tax, penalty, and interest through the date of assessment) relating to the disposition of all of the Company's interest in Cervecería Hondureña, S.A in 2001. The Company believes the assessment is without merit and filed an appeal with the Honduran tax authorities, which was denied. As a result of the denial in the administrative process, in order to negate the tax assessment, on August 5, 2005, the Company proceeded to the next stage of the appellate process by filing a lawsuit against the Honduran government, in the Honduran Administrative Tax Trial Court. The Honduran government is seeking dismissal of the lawsuit and attachment of assets, which the Company is challenging. The Honduran Supreme Court affirmed the decision of the Honduran intermediate appellate court that a statutory prerequisite to challenging the tax assessment on the merits is the payment of the tax assessment or the filing of a payment plan with the Honduran courts; Dole is now challenging the constitutionality of the statute requiring such payment or payment plan. Although no assurance can be given concerning the outcome of this case, in the opinion of management, after consultation with legal counsel, the pending lawsuits and tax-related matters are not expected to have a material adverse effect on the Company's financial condition or results of operations.

Hurricane Katrina Cases: Dole is one of a number of parties sued, including the Mississippi State Port Authority as well as other third-party terminal operators, in connection with the August 2005 Hurricane Katrina. The plaintiffs assert that they suffered property damage because of the defendants' alleged failure to reasonably secure shipping containers at the Gulfport, Mississippi port terminal before Hurricane Katrina hit. Dole believes that it took reasonable precautions and that property damage was due to the unexpected force of Hurricane Katrina, a Category 5 hurricane that was one of the costliest disasters in U.S. history. Dole expects that this Katrina-related litigation will not have a material adverse effect on its financial condition or results of operations.

Spinach E. coli Outbreak: On September 15, 2006, Natural Selection Foods LLC recalled all packaged fresh spinach that Natural Selection Foods produced and packaged with Best-If-Used-By dates from August 17 through October 1, 2006, because of reports of illness due to *E. coli* O157:H7 following consumption of packaged fresh spinach produced by Natural Selection Foods. These packages were sold under 28 different brand names, only one of which was ours. At that time, Natural Selection Foods produced and packaged all of our spinach items. On September 15, 2006, Dole announced that it supported the voluntary recall issued by Natural Selection Foods. Dole has no ownership or other economic interest in Natural Selection Foods.

The U.S. Food and Drug Administration announced on September 29, 2006 that all spinach implicated in the current outbreak has traced back to Natural Selection Foods. The FDA stated that this determination was based on epidemiological and laboratory evidence obtained by multiple states and coordinated by the Centers for Disease

Control and Prevention. The trace back investigation has narrowed to four implicated fields on four ranches. FDA and the State of California announced October 12, 2006 that the test results for certain samples collected during the field investigation of the outbreak of *E. coli* O157:H7 in spinach were positive for *E. coli* O157:H7. Specifically, samples of cattle feces on one of the implicated ranches tested positive based on matching genetic fingerprints for the same strain of *E. coli* O157:H7 found in the infected persons.

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To date, 204 cases of illness due to *E. coli* O157:H7 infection have been reported to the Centers for Disease Control and Prevention (203 in 26 states and one in Canada) including 31 cases involving a type of kidney failure called Hemolytic Uremic Syndrome (HUS), 104 hospitalizations, and three deaths. Dole expects that the vast majority of the spinach *E. coli* O157:H7 claims will be handled outside the formal litigation process. Since Natural Selection Foods, not Dole, produced and packaged the implicated spinach products, Dole has tendered the defense of these and other claims to Natural Selection Foods and its insurance carriers and has sought indemnity from Natural Selection Foods, based on the provisions of the contract between Dole and Natural Selection Foods. The company (and its insurance carriers) that grew the implicated spinach for Natural Selection Foods is involved in the resolution of the *E. coli* O157:H7 claims. Dole expects that the spinach *E. coli* O157:H7 matter will not have a material adverse effect on Dole's financial condition or results of operations.

Item 4. *Submission of Matters to a Vote of Security Holders*

There were no matters submitted to a vote of security holders during the fiscal quarter ended December 29, 2007.

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PART II

Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

All 1,000 authorized shares of Dole's common stock are held by one stockholder, Dole Holding Company, LLC, which itself is a direct, wholly-owned subsidiary of DHM Holding Company, Inc., of which David H. Murdock is the 100% beneficial owner. There are no other Dole equity securities. There is no market for Dole's equity securities.

Additional information required by Item 5 is contained in Note 13 Shareholders' Equity, to Dole's Consolidated Financial Statements in this Form 10-K.

Table of Contents**Item 6. Selected Financial Data**

	Year Ended December 29, 2007 Successor	Year Ended December 30, 2006 Successor	Year Ended December 31, 2005 Successor	Year Ended January 1, 2005 Successor	Three Quarters Ended January 3, 2004 Successor	Quarter Ended March 22, 2003 Predecessor
	(In millions)					
Summary of Operations						
Revenues, net	\$ 6,931	\$ 6,151	\$ 5,809	\$ 5,263	\$ 3,664	\$ 1,066
Cost of products sold	(6,308)	(5,618)	(5,125)	(4,531)	(3,177)	(888)
Gross margin	623	533	684	732	487	178
Selling, marketing and general and administrative expenses	(493)	(454)	(460)	(422)	(320)	(89)
Operating income	130	79	224	310	167	89
Interest expense net	(187)	(168)	(137)	(148)	(120)	(17)
Other income (expense) net	2	15	(5)	(9)	(18)	
Income (loss) from continuing operations before income taxes, minority interests and equity earnings	(55)	(74)	82	153	29	72
Income taxes	(1)	(18)	(44)	(24)	(7)	(13)
Minority interests, net of income taxes	(3)	(3)	(3)	(7)	(4)	(1)
Equity in earnings of unconsolidated subsidiaries	1		6	10	6	3
Income (loss) from continuing operations	(58)	(95)	41	132	24	61
Income (loss) from discontinued operations, net of income taxes		2	3	3	(1)	
Gain on disposal of discontinued operations, net of income taxes		3				
Net income (loss)	\$ (58)	\$ (90)	\$ 44	\$ 135	\$ 23	\$ 61
Balance Sheet and Other Information						
Working capital	\$ 694	\$ 688	\$ 538	\$ 425	\$ 283	\$
Total assets	4,643	4,612	4,413	4,327	3,990	
Long-term debt	2,316	2,316	2,001	1,837	1,804	

Total debt	2,411	2,364	2,027	1,869	1,851	
Total shareholders' equity	325	341	623	685	463	
Cash dividends		164	77	20		8
Capital additions	107	119	146	102	102	4
Depreciation and amortization	156	149	150	145	107	25

Note: As a result of the going-private merger transaction, the Company's Consolidated Financial Statements present the results of operations, financial position and cash flows prior to the date of the merger transaction as the Predecessor. The merger transaction and the Company's results of operations, financial position and cash flows thereafter are presented as the Successor. Predecessor results have not been aggregated with those of the Successor in accordance with accounting principles generally accepted in the U.S. and accordingly the Company's Consolidated Financial Statements do not show the results of operations or cash flows for the year ended January 3, 2004.

Discontinued operations for the periods presented relate to the reclassification of the Company's North American citrus and pistachio operations to assets held-for-sale during 2007, the sale of the Company's Pacific Coast Truck operations during 2006 and the resolution during 2005 of a contingency related to the 2001 disposition of the Company's interest in Cerveceria Hondureña, S.A.

The Company adopted Financial Accounting Standards Board Staff Position AUG AIR-1, *Accounting For Planned Major Maintenance Activities* (FSP) at the beginning of its fiscal 2007 year. The FSP required retrospective application for all financial statement periods presented. As a result, for all periods presented, the consolidating statements of operations and balance sheets have been restated. The Company had been accruing for planned major maintenance activities associated with its vessel fleet under the accrue-in-advance method. The Company adopted the deferral method of accounting for planned major maintenance activities associated with its vessel fleet.

Table of Contents**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations****2007 Overview**

For the year ended December 29, 2007, Dole Food Company, Inc. and its consolidated subsidiaries (Dole or the Company) achieved record revenues of \$6.9 billion, reflecting growth of 13% compared to the prior year. Higher sales were reported in the Company's fresh fruit and packaged foods operating segments. The Company earned operating income of \$130 million in 2007, compared to \$79 million earned in 2006. A net loss of \$58 million was reported for 2007 compared to a net loss of \$90 million in 2006.

Revenue growth was fueled by strong banana sales worldwide and higher sales volumes in the European ripening and distribution operations due in part to the October 2006 acquisition of the remaining 65% ownership in JP Fruit Distributors Limited (renamed JP Fresh) that the Company did not previously own. In addition, the packaged foods segment had higher pricing and volumes in its North America and European businesses. Operating income increased as a result of improved pricing in the Company's worldwide banana operations and the absence of \$42 million of restructuring costs incurred during 2006 in the Company's fresh-cut flowers and European ripening and distribution operations. These improvements were partially offset by higher costs in both the Company's packaged salads operations and packaged foods segment. Unfavorable foreign currency exchange movements, primarily in Dole's international sourcing locations also impacted operating income.

Higher commodity costs, primarily fuel and containerboard, continued to adversely impact operations. Throughout 2007, 2006 and 2005, the Company experienced significant cost increases in many of the commodities it uses in production, including tinplate, resin and other agricultural chemicals. In addition, significantly higher average fuel prices resulted in additional shipping and distribution costs. On a year-over-year basis, higher commodity costs impacted operating income by approximately \$37 million and \$38 million for the years ended December 29, 2007 and December 30, 2006, respectively. In an effort to mitigate the exposure to commodity cost increases, the Company entered into fuel hedging contracts and renegotiated certain commodity supply contracts during the year.

Results of Operations

Selected results of operations for the years ended December 29, 2007, December 30, 2006 and December 31, 2005 were as follows:

	Year Ended December 29, 2007	Year Ended December 30, 2006 (In thousands)	Year Ended December 31, 2005
Revenues, net	\$ 6,930,965	\$ 6,150,937	\$ 5,808,825
Operating income	130,123	78,952	223,440
Other income (expense), net	9,402	22,341	633
Interest expense	(194,865)	(174,715)	(142,452)
Income taxes	(1,060)	(18,230)	(44,175)
Minority interests, net of income taxes	(3,235)	(3,202)	(2,987)
Equity in earnings of unconsolidated subsidiaries	1,696	177	6,626
Income from discontinued operations, net of income taxes	433	2,236	2,545
		2,814	

Gain on disposal of discontinued operations, net of income taxes			
Net income (loss)	(57,506)	(89,627)	43,630

Revenues

For the year ended December 29, 2007, revenues increased 13% to \$6.9 billion from \$6.2 billion in the prior year. Higher worldwide sales of fresh fruit and packaged foods products in North America and Europe drove the increase in revenues during 2007. Higher volumes of bananas and pineapples accounted for approximately \$222 million or 28% of the overall revenues increase. Higher revenues in the Company's European ripening

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and distribution operations contributed an additional \$528 million. This increase in the ripening and distribution business was due to the acquisition of the remaining 65% ownership in JP Fresh in October 2006 as well as higher volumes in the Company's Swedish, Spanish and Eastern European operations. JP Fresh increased 2007 revenues by approximately \$230 million. Higher sales of packaged foods products, primarily for FRUIT BOWLS, fruit in plastic jars, pineapple juice and packaged frozen fruit accounted for approximately \$85 million or 11% of the overall revenues increase. Favorable foreign currency exchange movements in the Company's selling locations also positively impacted revenues by approximately \$171 million. These increases were partially offset by a reduction in fresh vegetables sales due to lower volumes of commodity vegetables sold in North America and Asia. In addition, the Company's fresh-cut flowers business reported overall lower sales volumes due primarily to the changes in the customer base and product offerings attributable to the implementation of the 2006 restructuring plan.

For the year ended December 30, 2006, revenues increased 6% to \$6.2 billion from \$5.8 billion in the prior year. Significant revenue drivers during 2006 were the higher worldwide sales of fresh fruit as well as higher sales of packaged foods products. Higher volumes of bananas and pineapples accounted for approximately \$126 million or 37% of the overall revenues increase. The Company's European ripening and distribution operations also had higher revenues as a result of the October 2006 acquisition of JP Fresh. The acquisition generated revenues of approximately \$69 million during the fourth quarter of 2006. Fresh fruit revenues also benefited from higher volumes of deciduous products sold in North America. Higher sales of packaged foods products, primarily for FRUIT BOWLS, canned pineapple and fruit parfaits also increased revenues by \$84 million. Fresh vegetables sales remained flat as additional sales of commodity vegetables were offset by a decrease in volumes of packaged salads. The Company's fresh-cut flowers business reported overall lower sales volumes due primarily to the impact of the implementation of the third quarter 2006 restructuring, partially offset by higher sales volumes at Valentine's Day and overall higher pricing in 2006. Net changes in foreign currency exchange rates versus the U.S. dollar did not have a significant impact on consolidated revenues during 2006.

Operating Income

For the year ended December 29, 2007, operating income was \$130.1 million compared with \$79 million in 2006. The increase was primarily attributable to improved operating results in the Company's banana operations worldwide which benefited from stronger pricing and higher volumes. In addition, operating income improved in the European ripening and distribution business and the fresh-cut flowers segment due to the absence of restructuring costs of \$12.8 million and \$29 million, respectively. These improvements were partially offset by lower earnings in the Company's packaged salads business and packaged foods segment primarily due to higher product costs. Packaged salads operating results were impacted by higher manufacturing costs due in part to the opening of a new plant in North Carolina. Packaged foods operating income was lower due to higher product costs resulting from higher third party purchased fruit costs in Thailand and higher commodity costs. Unfavorable foreign currency exchange movements, principally in Thailand and in the Philippines, also increased sourcing costs. In addition, all of the Company's reporting segments were impacted by higher product, distribution and shipping costs, due to higher commodity costs. If foreign currency exchange rates in the Company's significant foreign operations during 2007 had remained unchanged from those experienced in 2006, the Company estimates that its operating income would have been higher by approximately \$15 million, excluding the impact of hedging. The \$15 million is primarily related to exchange rate movements throughout the Company's sourcing locations. Operating income in 2007 also included realized foreign currency transaction gains of \$7 million and foreign currency hedge losses of \$6 million. The Company also settled early its Philippine peso and Colombian peso hedges, which generated gains of \$13 million.

For the year ended December 30, 2006, operating income was \$79 million compared with \$223.4 million in 2005. The decrease was primarily attributable to lower operating results from the Company's European banana operations, fresh-cut flowers and packaged salads businesses. These decreases were partially offset by higher worldwide pineapple earnings, higher sales volumes and pricing in the packaged foods business and higher pricing in the North

America commodity vegetables operations. The European banana operations were impacted by higher purchased fruit costs and distribution costs, due mainly to the European Union's (EU) new import tariff-only system, which became effective January 1, 2006. The Company's fresh-cut flowers business incurred \$29 million of charges associated with the closing of its operations in Ecuador, the closing and downsizing of farms in Colombia,

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and the impairment of long-lived assets, trade names and inventory. In addition, all of the Company's reporting segments were impacted by higher product, distribution and shipping costs, due to higher commodity costs. Unfavorable foreign currency exchange movements also impacted operating results. If foreign currency exchange rates in the Company's significant foreign operations during 2006 had remained unchanged from those experienced in 2005, the Company estimates that its operating income would have been higher by approximately \$28 million, excluding the impacts of hedging. The \$28 million is primarily related to exchange rate movements in the Company's sourcing locations. Operating income in 2006 included realized foreign currency transaction gains of \$4 million. Foreign currency hedges did not have a significant impact on consolidated operating income during 2006.

Interest Income and Other Income (Expense), Net

For the year ended December 29, 2007, interest income increased slightly to \$7.6 million from \$7.2 million in 2006. The slight increase in interest income was primarily related to higher levels of cash at JP Fresh during 2007.

For the year ended December 30, 2006, interest income increased to \$7.2 million from \$6 million in 2005. The increase was primarily due to interest income earned during the second quarter of 2006 related to the timing of the borrowings and repayment of the senior secured credit facilities in connection with the April 2006 debt refinancing.

Other income (expense), net decreased to income of \$1.8 million in 2007 from income of \$15.2 million in 2006. The decrease was due to a reduction in the gain generated on the Company's cross currency swap of \$22.7 million, partially offset by a reduction in the foreign currency exchange loss on the Company's British pound sterling capital lease vessel obligation (vessel obligation) of \$9.2 million.

Other income (expense), net improved to income of \$15.2 million in 2006 from expense of \$5.4 million in 2005. The improvement was due to a decrease in debt-related expenses of \$35.7 million when comparing the April 2006 debt refinancing to the April 2005 refinancing and bond tender transactions. In addition, the Company recorded a gain of \$24.8 million on its cross currency swap and \$6.5 million on the settlement of its interest rate swap in April 2006. These increases were partially offset by lower unrealized foreign currency exchange gains in 2006 versus 2005. In 2006, the Company recorded \$1.5 million of foreign currency exchange gains due to the repayment of the Japanese yen denominated term loan (Yen loan) compared to \$27.1 million of gains in 2005. In addition, the vessel obligation generated foreign currency exchange losses of \$10.6 million in 2006 compared to foreign currency exchange gains of \$9.5 million in 2005.

Interest Expense

Interest expense for the year ended December 29, 2007 was \$194.9 million compared to \$174.7 million in 2006. The increase was primarily related to higher levels of borrowings during 2007 on the Company's term loan facilities and the asset based revolving credit facility.

Interest expense for the year ended December 30, 2006 was \$174.7 million compared to \$142.5 million in 2005. The increase was primarily related to higher levels of borrowings and higher effective market-based borrowing rates on the Company's term loan facilities.

Income Taxes

The Company recorded \$1.1 million of income tax expense on \$55.3 million of pretax losses from continuing operations for the year ended December 29, 2007, reflecting a (1.9%) effective income tax rate for the year. Income tax expense decreased \$17.1 million from \$18.2 million in 2006 primarily due to a shift in the mix of earnings in foreign jurisdictions taxed at a lower rate than in the U.S. The effective tax rate in 2006 was (24.8%). The Company's

effective tax rate varies significantly from period to period due to the level, mix and seasonality of earnings generated in its various U.S. and foreign jurisdictions. For 2007, the Company's income tax provision differs from the U.S. federal statutory rate applied to the Company's pretax losses due to operations in foreign jurisdictions that are taxed at a rate lower than the U.S. federal statutory rate offset by the accrual for uncertain tax positions.

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Income tax expense for the year ended December 30, 2006 increased \$11.8 million from \$6.4 million in 2005, after excluding the impact of the repatriation of certain foreign earnings of \$37.8 million during 2005. The change in the effective income tax rate in 2006 from the 2005 rate of 7.8% is principally due to non-U.S. taxable earnings from operations decreasing by a larger relative percentage than the associated taxes, including the impact of the accrual for certain tax-related contingencies required to be provided on such earnings. For 2006 and 2005, the Company's income tax provision differs from the U.S. federal statutory rate applied to the Company's pretax income (loss) due to operations in foreign jurisdictions that are taxed at a rate lower than the U.S. federal statutory rate offset by the accrual for uncertain tax positions.

During October 2004, the American Jobs Creation Act of 2004 was signed into law, adding Section 965 to the Internal Revenue Code. Section 965 provided a special one-time deduction of 85% of certain foreign earnings that were repatriated under a domestic reinvestment plan, as defined therein. The effective federal tax rate on any qualified foreign earnings repatriated under Section 965 was 5.25%. Taxpayers could elect to apply this provision to a qualified earnings repatriation made during calendar year 2005. During the second quarter of 2005, the Company repatriated \$570 million of earnings from its foreign subsidiaries, of which approximately \$489 million qualified for the 85% dividends received deduction under Section 965. A tax provision of approximately \$37.8 million for the repatriation of certain foreign earnings was recorded as income tax for the year ended December 31, 2005.

For 2007, 2006 and 2005, other than the taxes provided on the \$570 million of repatriated foreign earnings, no U.S. taxes were provided on unremitted foreign earnings from operations because such earnings are intended to be indefinitely invested outside the U.S.

Equity in Earnings of Unconsolidated Subsidiaries

Equity in earnings of unconsolidated subsidiaries for the year ended December 29, 2007 increased to \$1.7 million from \$0.2 million in 2006. The increase was primarily related to higher earnings generated by one of the Company's European investments.

Equity in earnings of unconsolidated subsidiaries for the year ended December 30, 2006 decreased to \$0.2 million from \$6.6 million in 2005. The decrease was primarily related to lower earnings generated by one of the Company's European investments.

Discontinued Operations

During the fourth quarter of 2007, the Company committed to a formal plan to divest its citrus and pistachio operations (Citrus) located in central California. The Company concluded that this business met the definition of a discontinued operation as defined in Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* (FAS 144). The Company's Consolidated Financial Statements and Notes to Consolidated Financial Statements reflect the Citrus business as a discontinued operation.

During the fourth quarter of 2006, the Company sold all of the assets and substantially all of the liabilities associated with its Pacific Coast Truck operations (Pac Truck) for \$20.7 million. The Pac Truck business consisted of a full service truck dealership that provided medium and heavy-duty trucks to customers in the Pacific Northwest region. The Company received net proceeds of \$15.3 million from the sale after the assumption of \$5.4 million of debt, realizing a gain of approximately \$2.8 million, net of income taxes of \$2 million. For 2006 and 2005, the Company's Consolidated Financial Statements and Notes to Consolidated Financial Statements reflect the Pac Truck business as a discontinued operation.

Segment Results of Operations

The Company has four reportable operating segments: fresh fruit, fresh vegetables, packaged foods and fresh-cut flowers. These reportable segments are managed separately due to differences in their products, production processes, distribution channels and customer bases.

The Company's management evaluates and monitors segment performance primarily through earnings before interest expense and income taxes (EBIT). EBIT is calculated by adding interest expense and income taxes to income (loss) from continuing operations. Management believes that segment EBIT provides useful information for

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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 (GAAP) and should not be considered in isolation or as a substitute for net income measures prepared in accordance with GAAP or as a measure of the Company's profitability. Additionally, the Company's computation of EBIT may not be comparable to other similarly titled measures computed by other companies, because not all companies calculate EBIT in the same fashion.

In the tables below, revenues from external customers and EBIT reflect only the results from continuing operations.

	2007	2006	2005
	(In thousands)		
Revenues from external customers			
Fresh fruit	\$ 4,736,902	\$ 3,968,963	\$ 3,699,060
Fresh vegetables	1,059,401	1,082,416	1,083,227
Packaged foods	1,023,257	938,336	854,230
Fresh-cut flowers	110,153	160,074	171,259
Corporate	1,252	1,148	1,049
	\$ 6,930,965	\$ 6,150,937	\$ 5,808,825
EBIT			
Fresh fruit	\$ 170,598	\$ 103,891	\$ 204,234
Fresh vegetables	(21,725)	(7,301)	11,375
Packaged foods	78,492	91,392	87,495
Fresh-cut flowers	(19,132)	(57,001)	(5,094)
Total operating segments	208,233	130,981	298,010
Corporate	(70,247)	(32,713)	(70,298)
Interest expense	(194,865)	(174,715)	(142,452)
Income taxes	(1,060)	(18,230)	(44,175)
Income (loss) from continuing operations, net of income taxes	\$ (57,939)	\$ (94,677)	\$ 41,085

2007 Compared with 2006

Fresh Fruit: Fresh fruit revenues in 2007 increased 19% to \$4.7 billion from \$4 billion in 2006. The increase in fresh fruit revenues was primarily driven by higher worldwide sales of bananas and higher sales in the European ripening and distribution operation. Banana sales increased approximately \$200 million due to improved volumes and higher pricing worldwide. European ripening and distribution sales were \$528 million higher as result of increased volumes in Sweden, Spain and Eastern Europe as well as the October 2006 acquisition of the remaining 65% interest in JP Fresh, an importer and distributor of fresh produce in the United Kingdom. In addition, revenues benefited from higher sales of fresh pineapples in North America and Asia. The increase in fresh pineapple sales resulted from improved pricing worldwide and higher volumes sold in North America and Asia. Favorable foreign currency exchange movements in the Company's foreign selling locations, primarily from the euro and Swedish krona, benefited revenues by approximately \$163 million.

Fresh fruit EBIT increased 64% to \$170.6 million in 2007 from \$103.9 million in 2006. EBIT increased due to improved banana earnings and the absence of restructuring costs recorded by Saba Trading AB (Saba) during 2006. Higher earnings in the Company's banana operations were attributable to higher sales worldwide, which were partially offset by higher purchased fruit costs. EBIT also benefited by \$9.1 million due to the final settlement of Company's property insurance claim associated with Hurricane Katrina. These increases were partially offset by lower fresh pineapples earnings due mainly to higher product, shipping and distribution costs and a \$3.8 million impairment charge for farm assets in the Chilean deciduous fruit operations. If foreign currency exchanges rates,

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primarily in the Company's fresh fruit foreign sourcing locations, during 2007 had remained unchanged from those experienced in 2006, the Company estimates that fresh fruit EBIT would have been lower by approximately \$16 million, excluding the impacts of hedging. Fresh fruit EBIT in 2007 included foreign currency hedge losses of \$6 million, unrealized foreign currency exchange losses related to the vessel obligation of \$1 million and realized foreign currency transaction gains of \$7 million. In addition, fresh fruit EBIT benefited from fuel hedge gains of \$5 million and \$2 million related to the early settlement of Colombian peso hedges.

Fresh Vegetables: Fresh vegetables revenues for 2007 decreased 2% to \$1.06 billion from \$1.08 billion. The decrease in revenues was primarily due to lower volumes sold in the North America and Asia commodity vegetables businesses, primarily for berries, lettuce, broccoli and asparagus, as well as lower surcharges in North America. These decreases were partially offset by improved pricing for commodity vegetables in both North America and Asia. In the packaged salads business, revenues were relatively unchanged as improved pricing was offset by lower volumes during the first half of 2007. Additional costs were incurred as a result of increased promotional activity, which were recorded as a reduction to revenues during 2007. Consumer demand in the packaged salads business experienced higher volumes in the later half of 2007 as the packaged salads category began to recover from the third quarter 2006 *E. coli* incident discussed later in this document. In an effort to increase demand in the packaged salads category, the Company continues to offer incentives to its customers and consumers.

Fresh vegetables EBIT for 2007 was a loss of \$21.7 million compared to a loss of \$7.3 million in 2006. The decrease in EBIT was primarily due to higher manufacturing costs and general and administrative expenses in the packaged salads business due in part to the new salad plant in North Carolina. These decreases were partially offset by higher margins generated in the North America commodity vegetables business due to higher pricing for lettuce and celery.

Packaged Foods: Packaged foods revenues for 2007 increased 9% to \$1 billion from \$938.3 million in 2006. The increase in revenues was primarily due to higher pricing and volumes of FRUIT BOWLS, fruit in plastic jars and packaged frozen food products, and higher volumes of canned juice sold in North America. Revenues also grew in Europe due to higher pricing and volumes of canned solid pineapple, higher pricing of FRUIT BOWLS and higher sales volumes of concentrate. Revenues in Asia were lower due primarily to the disposition of a small distribution company in the Philippines during the fourth quarter of 2006.

Packaged foods EBIT in 2007 decreased to \$78.5 million from \$91.4 million in 2006. EBIT was impacted by higher product costs in both North America and Europe, which were driven by unfavorable foreign currency exchange rates in Thailand and the Philippines, where product is sourced. EBIT in Asia was impacted by lower sales and higher product costs. If foreign currency exchange rates, in packaged foods sourcing locations, during 2007 had remained unchanged from those experienced in 2006, the Company estimates that packaged foods EBIT would have been higher by approximately \$23 million. Packaged foods EBIT in 2007 included realized foreign currency transaction gains of \$4 million partially offset by foreign currency hedge losses of \$2 million. Packaged foods also settled early its Philippine peso hedges, which generated gains of \$8.8 million.

Fresh-cut Flowers: Fresh-cut flowers revenues in 2007 decreased to \$110.2 million from \$160.1 million in 2006. The decrease in revenues was due primarily to lower sales volumes related to changes in the customer base and product offerings attributable to the implementation of the 2006 restructuring plan. Volumes were also impacted by lower productivity yields due to adverse weather conditions that were experienced in Colombia, where product is sourced. Beginning in July 2007, revenues were further impacted by a significant customer reducing its floral purchases from the industry. These factors were partially offset by higher pricing.

EBIT in the fresh-cut flowers segment in 2007 improved to a loss of \$19.1 million from a loss of \$57 million in 2006. EBIT increased primarily due to the absence of restructuring-related and asset impairment charges recorded in 2006 of \$29 million. In addition, EBIT benefited from lower shipping expenses due in part to the renegotiation of an airfreight

contract. These improvements were partially offset by higher product costs resulting from damage to roses in Colombia caused by adverse weather conditions. If foreign currency exchange rates, in the fresh-cut flowers sourcing locations, during 2007 had remained unchanged from those experienced in 2006, the Company estimates that fresh-cut flowers EBIT would have been higher by approximately \$7 million, excluding the impacts of hedging. Fresh-cut flowers EBIT in 2007 benefited from foreign currency hedge gains of \$4 million and \$2 million related to the early settlement of Colombian peso hedges.

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At December 29, 2007, certain assets related to the fresh-cut flowers business had been reclassified as assets held-for-sale. The Company is currently assessing the fresh-cut flowers business and is evaluating various alternatives which would improve operating results in this business and for the Company.

Corporate: Corporate EBIT includes general and administrative costs not allocated to the operating segments. Corporate EBIT in 2007 was a loss of \$70.2 million compared to a loss of \$32.7 million in 2006. EBIT decreased primarily due to a reduction in the gain generated on the Company's cross currency swap of \$22.7 million. In addition, there were higher general and administrative expenses compared to the prior year due primarily to additional legal costs. Corporate EBIT also included realized foreign currency transaction losses of \$4 million.

2006 Compared with 2005

Fresh Fruit: Fresh fruit revenues in 2006 increased 7% to \$4 billion from \$3.7 billion in 2005. The increase in fresh fruit revenues was primarily driven by higher worldwide sales of bananas and pineapples, higher sales in the European ripening and distribution operations and more Chilean deciduous fruit sold in North America. Higher banana sales resulted from improved volumes worldwide and higher pricing and surcharges for bananas sold in North America. Strong pineapple sales reflected higher sales volumes worldwide. Higher volumes of European bananas was made possible by the EU implementation of a new tariff only import fee effective January 1, 2006, which ended volume restrictions on Latin American imported bananas. The increase in sales of European bananas was partially offset by significantly lower pricing of bananas as a result of excess supply brought into the market by non-traditional sellers. European ripening and distribution sales also increased as a result of the October 2006 acquisition of JP Fresh. These factors were partially offset by lower sales volumes as a result of the Company ending a substantial portion of its commercial relationship with a significant customer of Saba.

Fresh fruit EBIT decreased 49% to \$103.9 million in 2006 from \$204.2 million in 2005. Lower EBIT in the Company's banana operations was primarily due to higher costs in Europe related to the new tariff system imposed by the EU and significantly lower local banana pricing in Europe. Additionally, EBIT decreased as a result of higher product costs that impacted worldwide banana operations and deciduous fruit sold in North America. EBIT was also impacted by restructuring costs of \$12.8 million incurred by Saba. These factors were offset by higher pineapple EBIT due to increased worldwide volumes and lower advertising expenditures in Asia. If foreign currency exchange rates, primarily in the Company's fresh fruit foreign sourcing locations, during 2006 had remained unchanged from those experienced in 2005, the Company estimates that fresh fruit EBIT would have been higher by approximately \$18 million, excluding the impact of hedging. Fresh fruit EBIT in 2006 included \$10.6 million of an unrealized foreign currency exchange loss related to the vessel obligation and realized foreign currency transaction gains of \$4 million.

Fresh Vegetables: Fresh vegetables revenues of \$1.1 billion for 2006 remained relatively unchanged from 2005. Higher pricing in the North America commodity vegetables business for lettuce, berries, celery, green onions, brussels sprouts and artichokes were offset by lower volumes and lower pricing in the packaged salads business. Sales of packaged salads decreased mainly as a result of the *E. coli* incident discussed below, which continued to impact consumer demand for the packaged salads category.

Fresh vegetables EBIT for 2006 decreased to a loss of \$7.3 million from earnings of \$11.4 million in 2005. The decrease in EBIT was primarily due to lower sales volumes and higher product, distribution and marketing costs in the packaged salads business. These decreases were partially offset by higher earnings generated in the North America commodity vegetables business due to higher pricing and lower distribution and selling costs.

On September 15, 2006, Natural Selection Foods LLC recalled all packaged fresh spinach that Natural Selection Foods produced and packaged with Best-If-Used-By dates from August 17 through October 1, 2006, because of

reports of illness due to *E. coli* O157:H7 following consumption of packaged fresh spinach produced by Natural Selection Foods. These packages were sold under 28 different brand names, only one of which was ours. At that time, Natural Selection Foods produced and packaged all of our spinach items. On September 15, 2006, Dole announced that it supported the voluntary recall issued by Natural Selection Foods. Dole has no ownership or other economic interest in Natural Selection Foods. Since the recall, 2006 sales in the packaged salad

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category dropped by approximately 10%. This recall itself did not have a significant impact on the Company's consolidated results of operations for the year ended December 30, 2006.

Packaged Foods: Packaged foods revenues for 2006 increased 10% to \$938.3 million from \$854.2 million in 2005. The increase in revenues was primarily due to higher pricing and volumes of FRUIT BOWLS, canned solid pineapple and juice, higher volumes of fruit parfaits, fruit in plastic jars and packaged frozen food products sold in North America. Revenues also grew in Europe due to higher sales volumes of concentrate and FRUIT BOWLS. These benefits were partially offset by lower sales in Asia due to lower pricing of canned fruit products in Japan and the disposition of a small distribution company in the Philippines during the fourth quarter.

Packaged foods EBIT in 2006 increased 4% to \$91.4 million from \$87.5 million in 2005. The increase in EBIT was primarily due to higher sales in North America related to FRUIT BOWLS, canned solid pineapple and juice, fruit parfaits, fruit in plastic jars and packaged frozen food products, partially offset by higher product and distribution costs in all markets. If foreign currency exchange rates, in the packaged foods sourcing locations, during 2006 had remained unchanged from those experienced in 2005, the Company estimates that packaged foods EBIT would have been higher by approximately \$11 million.

Fresh-cut Flowers: Fresh-cut flowers revenues in 2006 decreased 7% to \$160.1 million from \$171.3 million in 2005. The decrease was primarily due to lower sales volumes during the second half of the year associated with changes in the customer base related to the implementation of the third quarter restructuring plan, partially offset by higher overall pricing and additional sales generated from the Valentine's Day holiday.

EBIT in the fresh-cut flowers segment in 2006 decreased to a loss of \$57 million from a loss of \$5.1 million in 2005. EBIT decreased primarily due to \$29 million of restructuring-related and asset impairment charges, together with higher crop growing costs and higher third-party flower purchases.

Corporate: Corporate EBIT includes general and administrative costs not allocated to the operating segments. Corporate EBIT in 2006 was a loss of \$32.7 million compared to a loss of \$70.3 million in 2005. The improvement in EBIT was primarily due to a decrease in debt-related expenses of \$35.7 million when comparing the April 2006 debt refinancing transaction to the April 2005 refinancing and bond tender transactions. In addition, Corporate EBIT for 2006 included a gain of \$24.8 million on its cross currency swap and \$6.5 million on the settlement of the interest rate swap in April 2006. These increases to EBIT were partially offset by unrealized foreign currency exchange gains of \$25.6 million related to the Yen loan incurred in 2005.

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The following tables summarize the Company's contractual obligations and commitments at December 29, 2007:

	Payments Due by Period				Total
	Less Than 1 Year	1-2 Years	3-4 Years (In thousands)	After 4 Years	
Contractual obligations:					
Fixed rate debt	\$	\$ 750,000	\$ 200,000	\$ 155,000	\$ 1,105,000
Variable rate debt	9,810	20,192	195,802	913,616	1,139,420
Notes payable	81,018				81,018
Capital lease obligations	4,361	7,755	7,806	66,037	85,959
Non-cancelable operating lease commitments	122,728	150,678	86,107	102,695	462,208
Purchase obligations	752,058	785,373	322,741	73,578	1,933,750
Minimum required pension funding	22,738	48,696	45,073	83,882	200,389
Postretirement benefit payments	5,782	11,769	11,707	26,753	56,011
Interest payments on fixed and variable rate debt	166,205	262,259	155,050	56,734	640,248
Total contractual cash obligations	\$ 1,164,700	\$ 2,036,722	\$ 1,024,286	\$ 1,478,295	\$ 5,704,003

Long-Term Debt: Details of amounts included in long-term debt can be found in Note 11 of the Consolidated Financial Statements. The table assumes that long-term debt is held to maturity. The variable rate maturities include amounts payable under the Company's senior secured credit facilities.

The Company has \$350 million of unsecured senior notes maturing May 1, 2009. The Company is currently evaluating its available options to refinance the notes.

Capital Lease Obligations: The Company's capital lease obligations include \$83.4 million related to two vessel leases. The obligations under these leases, which continue through 2024, are denominated in British pound sterling. The lease payment commitments are presented in U.S. dollars at the exchange rate in effect on December 29, 2007 and therefore will change as foreign currency exchange rates fluctuate.

Operating Lease Commitments: The Company has obligations under cancelable and non-cancelable operating leases, primarily for land, as well as for certain 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. A significant portion of the Company's operating lease payments are fixed. Lease payments are charged to operations, primarily through cost of products sold. Total rental expense, including rent related to cancelable and non-cancelable leases, was \$169.2 million, \$153 million and \$130 million (net of sublease income of \$16.6 million, \$16.4 million and \$15.9 million) for 2007, 2006 and 2005, respectively.

The Company modified the terms of its corporate aircraft lease agreement during 2007. The modification primarily extended the lease period from 2010 to 2018. The Company's corporate aircraft lease agreement includes a residual value guarantee of up to \$4.8 million at the termination of the lease in 2018. The Company does not currently anticipate any future payments related to this residual value guarantee.

Purchase Obligations: In order to secure sufficient product to meet demand and to supplement the Company's own production, the Company enters into non-cancelable agreements with independent growers, primarily in Latin America, to purchase substantially all of their production subject to market demand and product

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quality as well as with food manufacturers. Prices under these agreements are generally fixed and contract terms range from one to sixteen years. Total purchases under these agreements were \$564.5 million, \$474.5 million and \$433.4 million for 2007, 2006 and 2005, respectively.

In order to ensure a steady supply of packing supplies and to maximize volume incentive rebates, the Company enters into contracts with certain suppliers for the purchase of packing supplies, as defined in the respective agreements, over periods of up to three years. Purchases under these contracts for 2007, 2006 and 2005 were approximately \$272.7 million, \$207.6 million and \$227.3 million, respectively.

The Company also has an airfreight contract with a company to transport product from Latin America to the United States. Payments under this contract were \$17.6 million \$22.4 million and \$18.9 million for 2007, 2006 and 2005, respectively. The contract expires in 2011.

Interest payments on fixed and variable rate debt: Commitments for interest expense on debt, including capital lease obligations, were determined based on anticipated annual average debt balances, after factoring in mandatory debt repayments. Interest expense on variable-rate debt has been based on the prevailing interest rates at December 29, 2007. For the secured term loan facilities, interest payment reflects the impact of both the interest rate swap and cross currency swap. No interest payments were calculated on the notes payable due to the short term nature of these instruments. The unsecured notes and debentures as well as the secured term loans and revolving credit facility mature at various times between 2009 and 2013. The Company did not calculate future interest payments on these obligations after their maturity.

Other Obligations and Commitments: The Company has obligations with respect to its pension and other postretirement benefit (OPRB) plans (Note 12 to the Consolidated Financial Statements). During 2007, the Company contributed \$6.6 million to its qualified U.S. pension plan, which included voluntary contributions above the minimum requirements for the plan. The Company expects to make contributions of \$8 million to its U.S. qualified plan during 2008. The Company also has nonqualified U.S. and international pension and OPRB plans. During 2007, the Company made payments of \$18.7 million related to these pension and OPRB plans. The Company expects to make payments related to its other U.S. and foreign pension and OPRB plans of \$20.5 million in 2008. The table includes pension and other postretirement payments through 2018, as is disclosed in Note 12 to the Consolidated Financial Statements.

The Company has numerous collective bargaining agreements with various unions covering approximately 33% of the Company's hourly full-time and seasonal employees. Of the unionized employees, 35% are covered under a collective bargaining agreement that will expire within one year and the remaining 65% are covered under collective bargaining agreements expiring beyond the upcoming year. These agreements are subject to periodic negotiation and renewal. Failure to renew any of these collective bargaining agreements may result in a strike or work stoppage; however management does not expect that the outcome of these negotiations and renewals will have a material adverse impact on the Company's financial condition or results of operations.

The Company had approximately \$269 million of total gross unrecognized tax benefits based on Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes-an Interpretation of FASB Statement No. 109* (FIN 48). The timing of any payments which could result from these unrecognized tax benefits will depend on a number of factors, and accordingly the amount and period of any future payments cannot be reasonably estimated. We do not expect a significant tax payment related to these obligations within the next year.

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	2007	2006	2005
	(In thousands)		
Cash flow provided by (used in):			
Operating activities	\$ 46,322	\$ 15,921	\$ 72,589
Investing activities	(61,383)	(117,000)	(164,323)
Financing activities	16,045	142,832	69,937
Foreign currency impact	3,663	1,849	(8,608)
Increase (decrease) in cash	\$ 4,647	\$ 43,602	\$ (30,405)

Operating Activities: The primary drivers of the Company's operating cash flows are operating earnings, adjusted for cash generated from or used in net working capital, interest paid and taxes paid or refunded. The Company defines net working capital as the sum of receivables, inventories, prepaid expenses and other current assets less accounts payable and accrued liabilities. Factors that impact the Company's operating earnings that do not impact cash flows include depreciation and amortization, gains and losses on the sale and write-off of assets, pension and other postretirement benefit expense, minority interests, equity earnings and unrealized foreign currency exchange gains or losses.

Changes in working capital generally correspond to operating activity. For example, as sales increase, a larger investment in working capital is typically required. Management attempts to keep the Company's investment in net working capital to a reasonable minimum by closely monitoring inventory levels and matching production to expected market demand, keeping tight control over collection of receivables and optimizing payment terms on its trade and other payables. Debt levels and interest rates impact interest payments, and tax payments are impacted by tax rates, the tax jurisdiction of earnings and the availability of tax operating losses.

Cash flows provided by operating activities were \$46.3 million in 2007 compared to cash flows provided by operating activities of \$15.9 million in the prior year. The increase was primarily due to a lower net loss during 2007 and higher levels of accounts payable partially offset by higher levels of accounts receivable and an increase in the investment in inventory. Higher accounts payable was attributable to the timing of payments to suppliers and growers and additional inventory-related purchases. The increase in inventory was driven mainly by a build up in finished goods inventory in the packaged foods segment in anticipation of 2008 sales and the impact of higher product costs. In addition, there were higher crop growing costs in the fresh fruit segment due to the timing of plantings. Cash flows provided by operations in 2006 were \$15.9 million compared to cash flows provided by operating activities of \$72.6 million in 2005. The decrease was primarily due to the net loss in 2006 and lower levels of accounts payable partially offset by lower levels of inventory. The decrease in accounts payable was attributable to the timing of payments to suppliers and growers. The reduction in inventory was driven mainly by lower inventory requirements in the packaged foods segment.

Investing Activities: Cash flows used in investing activities decreased to \$61.4 million in 2007 from \$117 million in the prior year. The decrease in cash outflow during 2007 was primarily due to \$30.5 million of cash proceeds received on the sale of land parcels in central California by two limited liability companies in which the company is a majority owner, \$11 million of cash proceeds received on sales of other assets and lower levels of capital expenditures of \$18.2 million. Cash flows used in investing activities in 2006 decreased to \$117 million from \$164.3 million in 2005. The decrease in cash outflow during 2006 was due to less cash spent on acquisitions, lower capital expenditures of \$6.4 million and higher cash proceeds of \$12.1 million received from the sales of a business and other assets. In 2006,

the Company acquired the remaining 65% of JP Fresh it did not already own for \$22.7 million, net of cash acquired, compared to the 2005 acquisition of the minority interest in Saba for \$47.1 million.

Financing Activities: Cash flows provided by financing activities decreased to \$16 million in 2007 from \$142.8 million in the prior year. The decrease was primarily due to lower current year borrowings, net of repayments of \$26.5 million versus 2006 net borrowings of \$339.4 million and the absence of an equity contribution of \$28.4 million made by Dole Holding Company, LLC, the Company's immediate parent (DHC) during 2006. These items were partially offset by the absence of \$163.7 million of dividends paid to DHC during 2006 as well as a

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net return of capital payment to DHC of \$31 million. Cash flows provided by financing activities in 2006 increased to \$142.8 million from \$69.9 million in 2005. The increase during 2006 was primarily due to higher 2006 net borrowings of \$339.4 million compared to 2005 net borrowings of \$150 million. This increase was offset by higher dividend payments of \$86.4 million and a net return of capital payment of \$31 million to DHC during 2006.

At December 29, 2007, the Company had total outstanding long-term borrowings of \$2.4 billion, consisting primarily of \$1.1 billion of unsecured senior notes and debentures due 2009 through 2013 and \$1.2 billion of secured debt (consisting of revolving credit and term loan facilities and capital lease obligations).

Capital Contributions and Return of Capital: There were no capital contributions or return of capital transactions during 2007.

On March 3, 2006, DHM Holding Company, Inc. (HoldCo) executed a \$150 million senior secured term loan agreement. In March 2006, HoldCo contributed \$28.4 million to its wholly-owned subsidiary, DHC, the Company's immediate parent, which contributed the funds to the Company. As planned, in October 2006, the Company declared a cash capital repayment of \$28.4 million to DHC, returning the \$28.4 million capital contribution made by DHC in March 2006. The Company repaid this amount during the fourth quarter of 2006.

On October 4, 2006, the Company loaned \$31 million to DHC, which then dividended the funds to HoldCo for contribution to Westlake Wellbeing Properties, LLC. In connection with this funding, an intercompany loan agreement was entered into between DHC and the Company. DHC has no operations and would need to repay the loan with a dividend from the Company, a contribution from HoldCo, or through a financing transaction. It is currently anticipated that amounts under the intercompany loan agreement will be replaced with dividend proceeds or, the loan will be forgiven in the future. The Company has accounted for the intercompany loan as a distribution of additional paid-in capital.

Debt Refinancing: In April, 2006, the Company completed another amendment and restatement of its senior secured credit facilities. The purposes of this refinancing included increasing the combined size of the Company's revolving credit and letter of credit facilities, eliminating certain financial maintenance covenants, realizing currency gains arising out of the Company's then existing yen-denominated term loan and refinancing of the higher-cost bank indebtedness of DHC at the lower-cost Dole Food Company, Inc. level. The Company obtained \$975 million of term loan facilities and \$100 million in a pre-funded letter of credit facility. The proceeds of the term loans were used to repay the then outstanding term loans and revolving credit facilities, as well as pay a dividend of \$160 million to DHC, which proceeds were used to repay its Second Lien Senior Credit Facility.

In addition, the Company entered into a new asset based revolving credit facility (ABL revolver) of \$350 million. The facility is secured by and is subject to a borrowing base consisting of up to 85% of eligible accounts receivable plus a predetermined percentage of eligible inventory, as defined in the credit facility.

As of December 29, 2007, the ABL revolver borrowing base was \$314.6 million and the amount outstanding under the ABL revolver was \$176.4 million. After taking into account approximately \$4.3 million of outstanding letters of credit issued under the ABL revolver, the Company had approximately \$133.9 million available for borrowings as of December 29, 2007. Amounts outstanding under the term loan facilities were \$960.4 million at December 29, 2007. In addition, the Company had approximately \$91.8 million of letters of credit and bank guarantees outstanding under its pre-funded letter of credit facility at December 29, 2007.

Refer to Note 11 of the Consolidated Financial Statements for additional details of the Company's outstanding debt.

In addition to amounts available under the revolving credit facility, the Company's subsidiaries have uncommitted lines of credit of approximately \$187.3 million at various local banks, of which \$98.5 million was available at December 29, 2007. These lines of credit are used primarily for short-term borrowings, foreign currency exchange settlement and the issuance of letters of credit or bank guarantees. Several of the Company's uncommitted lines of credit expire in 2008 while others do not have a commitment expiration date. These arrangements may be cancelled at any time by the Company or the banks. The Company's ability to utilize these lines of credit is limited under the terms of its senior secured credit facilities and bond indentures.

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The Company believes that available borrowings under the revolving credit facility and subsidiaries' uncommitted lines of credit, together with its existing cash balance of \$97.1 million at December 29, 2007, future cash flow from operations and access to capital markets will enable it to meet its working capital, capital expenditure, debt maturity and other commitments and 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. These factors are set forth under "Risk Factors" in Item 1A of this Form 10-K and under "Quantitative and Qualitative Disclosures About Market Risk" in Item 7A and elsewhere in this Form 10-K.

GUARANTEES, CONTINGENCIES AND DEBT COVENANTS:

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 29, 2007, guarantees of \$3.5 million consisted primarily of amounts advanced under third-party bank agreements to independent growers that supply the Company with product. The Company has not historically experienced any significant losses associated with these guarantees.

The Company issues letters of credit and bank guarantees through its ABL revolver and its pre-funded letter of credit facilities, and, in addition, separately through major banking institutions. The Company also provides insurance company issued bonds. These letters of credit, bank guarantees and insurance company bonds are required by certain regulatory authorities, suppliers and other operating agreements. As of December 29, 2007, total letters of credit, bank guarantees and bonds outstanding under these arrangements were \$141 million, of which \$4.3 million were issued under Dole's pre-funded letter of credit facility.

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. The Company guaranteed \$217.1 million of its subsidiaries' obligations to their suppliers and other third parties as of December 29, 2007.

The Company has change of control agreements with certain key executives, under which severance payments and benefits would become payable in the event of specified terminations of employment following a change of control (as defined) of the Company. Refer to Item 11 of this Form 10-K, under the heading "Employment, Severance and Change of Control Arrangements" for additional information concerning the change of control agreements.

As disclosed in Note 17 to the Consolidated Financial Statements, the Company is subject to legal actions, most notably related to the Company's prior use of the agricultural chemical dibromochloropropane, or "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 business, financial condition or results of operations.

Provisions under the senior secured credit facilities and the indentures to the senior notes and debentures require the Company to comply with certain covenants. These covenants include limitations on, among other things, indebtedness, investments, loans to subsidiaries, employees and third parties, the issuance of guarantees and the payment of dividends. The Company could borrow approximately an additional \$205 million at December 29, 2007 and remain within its covenants. At December 29, 2007, the Company was in compliance with all applicable covenants contained in the indentures and senior secured credit facilities.

Critical Accounting Policies and Estimates

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions that affect reported amounts. These estimates and assumptions are evaluated on an ongoing basis and are based on historical experience and on other factors that management believes are reasonable. Estimates and assumptions

include, but are not limited to, the areas of customer and grower receivables, inventories, impairment of assets, useful lives of property, plant and equipment, intangible assets, marketing programs, income taxes, self-insurance reserves, retirement benefits, financial instruments and commitments and contingencies.

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The Company believes that the following represent the areas where more critical estimates and assumptions are used in the preparation of the Consolidated Financial Statements. Refer to Note 2 of the Consolidated Financial Statements for a summary of the Company's significant accounting policies.

Application of Purchase Accounting: The Company makes strategic acquisitions of entities to enhance its product portfolio and to leverage the DOLE brand. These acquisitions require the application of purchase accounting in accordance with Statement of Financial Accounting Standards No. 141, *Business Combinations*. This results in tangible and identifiable intangible assets and liabilities of the acquired entity being recorded at fair value. The difference between the purchase price and the fair value of net assets acquired is recorded as goodwill.

In determining the fair values of assets and liabilities acquired in a business combination, the Company uses a variety of valuation methods including present value, depreciated replacement cost, market values (where available) and selling prices less costs to dispose. Valuations are performed by either independent valuation specialists or by Company management, where appropriate.

Assumptions must often be made in determining fair values, particularly where observable market values do not exist. Assumptions may include discount rates, growth rates, cost of capital, royalty rates, tax rates and remaining useful lives. These assumptions can have a significant impact on the value of identifiable assets and accordingly can impact the value of goodwill recorded. Different assumptions could result in materially different values being attributed to assets and liabilities. Since these values impact the amount of annual depreciation and amortization expense, different assumptions could also significantly impact the Company's statement of operations and could impact the results of future impairment reviews.

Grower Advances: The Company makes advances to third-party growers primarily in Latin America and Asia for various farming needs. Some of these advances are secured with property or other collateral owned by the growers. The Company monitors these receivables on a regular basis and records an allowance for these grower receivables based on estimates of the growers' ability to repay advances and the fair value of the collateral. These estimates require significant judgment because of the inherent risks and uncertainties underlying the growers' ability to repay these advances. These factors include weather-related phenomena, government-mandated fruit prices, market responses to industry volume pressures, grower competition, fluctuations in local interest rates, economic crises, security risks in developing countries, political instability, outbreak of plant disease, inconsistent or poor farming practices of growers, and foreign currency fluctuations. The aggregate amounts of grower advances made during fiscal years 2007, 2006 and 2005 were approximately \$172.4 million, \$156.5 million and \$148 million, respectively. Net grower advances receivable were \$51.8 million and \$39.4 million at December 29, 2007 and December 30, 2006, respectively.

Long-Lived Assets: The Company's long-lived assets consist of 1) property, plant and equipment and amortized intangibles and 2) goodwill and indefinite-lived intangible assets.

1) Property, Plant and Equipment and Amortized Intangibles: The Company depreciates property, plant and equipment and amortizes intangibles principally by the straight-line method over the estimated useful lives of these assets. Estimates of useful lives are based on the nature of the underlying assets as well as the Company's experience with similar assets and intended use. Estimates of useful lives can differ from actual useful lives due to the inherent uncertainty in making these estimates. This is particularly true for the Company's significant long-lived assets such as land improvements, buildings, farming machinery and equipment, vessels and customer relationships. Factors such as the conditions in which the assets are used, availability of capital to replace assets, frequency of maintenance, changes in farming techniques and changes to customer relationships can influence the useful lives of these assets. Refer to Notes 9 and 10 of the Consolidated Financial Statements for a summary of useful lives by major asset category and for further details on the Company's intangible assets, respectively. The Company incurred depreciation expense of approximately \$151.1 million, \$144.8 million and \$137.9 million in 2007, 2006 and 2005, respectively, and

amortization expense of approximately \$4.5 million, \$4.5 million and \$11.9 million in fiscal 2007, 2006 and 2005, respectively.

The Company reviews property, plant and equipment and amortizable intangibles to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an evaluation of recoverability is required, the estimated total undiscounted future cash flows directly associated

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with the asset is compared to the asset's carrying amount. If this comparison indicates that there is an impairment, the amount of the impairment is calculated by comparing the carrying value to the discounted expected future cash flows expected to result from the use of the asset and its eventual disposition or comparable market values, depending on the nature of the asset. Changes in commodity pricing, weather-related phenomena and other market conditions are events that have historically caused the Company to assess the carrying amount of its long-lived assets.

2) *Goodwill and Indefinite-Lived Intangible Assets:* The Company's indefinite-lived intangible assets consist of the DOLE brand trade name, with a carrying value of \$689.6 million. In determining whether intangible assets have indefinite lives, the Company considers the expected use of the asset, legal or contractual provisions that may limit the life of the asset, length of time the intangible has been in existence, as well as competitive, industry and economic factors. The determination as to whether an intangible asset is indefinite-lived or amortizable could have a significant impact on the Company's statement of operations in the form of amortization expense and potential future impairment charges.

Goodwill and indefinite-lived intangible assets are tested for impairment annually and whenever events or circumstances indicate that an impairment may have occurred. Indefinite-lived intangibles are tested for impairment by comparing the fair value of the asset to the carrying value.

Goodwill is tested for impairment by comparing the fair value of a reporting unit with its net book value including goodwill. The fair value of reporting units is determined using a discounted cash flow methodology, which requires making estimates and assumptions including pricing and volumes, industry growth rates, future business plans, profitability, tax rates and discount rates. If the fair value of the reporting unit exceeds its carrying amount, then goodwill of that reporting unit is not considered to be impaired. If the carrying amount of the reporting unit exceeds its fair value, then the implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination is determined. An impairment loss is recognized if the implied fair value of goodwill exceeds its carrying amount. Changes to assumptions and estimates can significantly impact the fair values determined for reporting units and the implied value of goodwill, and consequently can impact whether or not an impairment charge is recognized, and if recognized, the size thereof. Management believes that the assumptions used in the Company's annual impairment review are appropriate.

Income Taxes: Deferred income taxes are recognized for the income tax effect of temporary differences between financial statement carrying amounts and the income tax bases of assets and liabilities. The Company's provision for income taxes is based on domestic and international statutory income tax rates in the jurisdictions in which it operates. The Company regularly reviews its deferred income tax assets to determine whether future taxable income will be sufficient to realize the benefits of these assets. A valuation allowance is provided for deferred income tax assets for which it is deemed more likely than not that future taxable income will not be sufficient to realize the related income tax benefits from these assets. In making such determination, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. In the event it is determined that the Company will not be able to realize its net deferred tax assets in the future, the Company will reduce such amounts through a charge to income in the period such determination is made. Conversely, if it is determined that the Company will be able to realize deferred tax assets in excess of the carrying amounts, the Company will decrease the recorded valuation allowance through a credit to income or a credit to goodwill in the period that such determination is made.

Significant judgment is required in determining income tax provisions under Statement of Financial Accounting Standards No. 109, *Accounting for Income Taxes*, and in evaluating tax positions. The Company believes its tax positions comply with the applicable tax laws and that it is adequately provided for all tax related matters. The Company establishes additional provisions for income taxes when, despite the belief that tax positions are fully supportable, there remain certain positions that do not meet the minimum probability threshold, as defined by FIN 48,

which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. In the normal course of business, the Company and its subsidiaries are examined by various Federal, State and foreign tax authorities. The Company regularly assesses the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of its provision for income taxes. The

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Company continually assesses the likelihood and amount of potential adjustments and adjusts the income tax provision, the current tax liability and deferred taxes in the period in which the facts that give rise to a revision become known.

Refer to Note 6 of the Consolidated Financial Statements for additional information about the Company's income taxes.

Pension and Other Postretirement Benefits: The Company has qualified and nonqualified defined benefit pension plans covering some of its full-time employees. Benefits under these plans are generally based on each employee's eligible compensation and years of service, except for hourly plans, which are based on negotiated benefits. In addition to pension plans, the Company has OPRB plans that provide health care and life insurance benefits for eligible retired employees. Covered employees may become eligible for such benefits if they fulfill established requirements upon reaching retirement age. Pension and OPRB costs and obligations are calculated based on actuarial assumptions including discount rates, health care cost trend rates, compensation increases, expected return on plan assets, mortality rates and other factors.

Pension obligations and expenses are most sensitive to the expected return on pension plan assets and discount rate assumptions. OPRB obligations and expenses are most sensitive to discount rate assumptions and health care cost trend rates. The Company determines the expected return on pension plan assets based on an expectation of average annual returns over an extended period of years. This expectation is based, in part, on the actual returns achieved by the Company's pension plans over the prior ten-year period. The Company also considers the weighted-average historical rates of return on securities with similar characteristics to those in which the Company's pension assets are invested. In the absence of a change in the Company's asset allocation or investment philosophy, this estimate is not expected to vary significantly from year to year. The Company's 2007 and 2006 pension expense was determined using an expected rate of return on U.S. plan assets of 8% and 8.25%, respectively. The Company's 2008 pension expense will be determined using an expected rate of return on U.S. plan assets of 8%. At December 29, 2007, the Company's U.S. pension plan investment portfolio was invested approximately 57% in equity securities, 41% in fixed income securities and 2% in private equity and venture capital funds. A 25 basis point change in the expected rate of return on pension plan assets would impact annual pension expense by \$0.6 million.

The Company's U.S. pension plan's discount rate of 6.25% in 2007 and 5.75% in 2006 was determined based on a hypothetical portfolio of high-quality, non-callable, zero-coupon bond indices with maturities that approximate the duration of the liabilities in the Company's pension plans. A 25 basis point decrease in the assumed discount rate would increase the projected benefit obligation by \$6.9 million and increase the annual expense by \$0.3 million.

The Company's foreign pension plans' weighted average discount rate was 7.52% and 6.61% for 2007 and 2006, respectively. A 25 basis point decrease in the assumed discount rate of the foreign plans would increase the projected benefit obligation by approximately \$4.7 million and increase the annual expense by approximately \$0.3 million.

While management believes that the assumptions used are appropriate, actual results may differ materially from these assumptions. These differences may impact the amount of pension and other postretirement obligations and future expense. Refer to Note 12 of the Consolidated Financial Statements for additional details of the Company's pension and other postretirement benefit plans.

Litigation: The Company is involved from time to time in claims and legal actions incidental to its operations, both as plaintiff and defendant. The Company has established what management currently believes to be adequate reserves for pending legal matters. These reserves are established as part of an ongoing worldwide assessment of claims and legal actions that takes into consideration such items as changes in the pending case load (including resolved and new matters), opinions of legal counsel, individual developments in court proceedings, changes in the law, changes in

business focus, changes in the litigation environment, changes in opponent strategy and tactics, new developments as a result of ongoing discovery, and past experience in defending and settling similar claims. Changes in accruals, both up and down, are part of the ordinary, recurring course of business, in which management, after consultation with legal counsel, is required to make estimates of various amounts for business and strategic planning purposes, as well as for accounting and SEC reporting purposes. These changes are

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reflected in the reported earnings of the Company each quarter. The litigation accruals at any time reflect updated assessments of the then existing pool of claims and legal actions. Actual litigation settlements could differ materially from these accruals.

Recently Adopted and Recently Issued Accounting Pronouncements

See Note 2 to the Consolidated Financial Statements for information regarding the Company's adoption of new accounting pronouncements and recently issued accounting pronouncements.

Other Matters

European Union Banana Import Regime: On January 1, 2006, the EU implemented a tariff only import regime for bananas. The 2001 EC/US Understanding on Bananas required the EU to implement a tariff only banana import system on or before January 1, 2006, and the EU's banana regime change was therefore expected by that date.

Banana imports from Latin America are subject to a tariff of 176 euro per metric ton for entry into the EU market. Under the EU's previous banana regime, banana imports from Latin America were subject to a tariff of 75 euro per metric ton and were also subject to import license requirements and volume quotas. License requirements and volume quotas had the effect of limiting access to the EU banana market.

Although all Latin bananas are subject to a tariff of 176 euro per metric ton, up to 775,000 metric tons of bananas from African, Caribbean, and Pacific (ACP) countries may be imported to the EU duty-free. This preferential treatment of a zero tariff on up to 775,000 tons of ACP banana imports, as well as the 176 euro per metric ton tariff applied to Latin banana imports, has been challenged by Panama, Honduras, Nicaragua, and Colombia in consultation proceedings at the World Trade Organization (WTO). In addition, both Ecuador and the United States formally requested the WTO Dispute Settlement Body (DSB) to appoint panels to review the matter. In preliminary rulings on December 10, 2007 and February 6, 2008, the DSB has ruled against the EU and in favor of Ecuador and the United States, respectively. The DSB issued a final ruling maintaining the preliminary findings in favor of the United States on February 29, 2008. This final ruling is expected to be made public in March, after which the EU will have 60 days to decide whether to appeal the ruling. The final decision with respect to Ecuador's case is also not yet publicly available.

The current tariff applied to Latin banana imports may be lowered and the ACP preference of a zero tariff may be affected depending on the final outcome of these WTO proceedings. The Company encourages efforts to lower the tariff through negotiations with the EU.

Impact of Hurricane Katrina: During the third quarter of 2005, the Company's operations in the Gulf Coast area of the United States were impacted by Hurricane Katrina. The Company's fresh fruit division utilizes the Gulfport, Mississippi port facility to receive and store product from its Latin American operations. The Gulfport facility, which is leased from the Mississippi Port Authority, incurred significant damage from Hurricane Katrina. As a result of the damage sustained at the Gulfport terminal, the Company diverted shipments to other Dole port facilities including Freeport, Texas; Port Everglades, Florida; and Wilmington, Delaware. The Company resumed discharging shipments of fruit and other cargo in Gulfport at the beginning of the fourth quarter of 2005. The rebuilding of the Company's Gulfport facility was completed during 2007.

The financial impact to the Company's fresh fruit operations included the loss of cargo and equipment, property damage and additional costs associated with re-routing product to other ports in the region. Equipment that was destroyed or damaged included refrigerated and dry shipping containers, as well as chassis and generator-sets used for land transportation of the shipping containers. The Company maintains customary insurance for its property, including

shipping containers, as well as for business interruption.

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The Hurricane Katrina related expenses, insurance proceeds and net gain (loss) on the settlement of the claims for 2007, 2006, and 2005 are as follows:

	2007	2006	2005	Cumulative
	(In thousands)			
Total Cargo and Property Policies:				
Expenses	\$ (551)	\$ (1,768)	\$ (10,088)	\$ (12,407)
Insurance proceeds	9,607	8,004	6,000	23,611
Net gain (loss)	\$ 9,056	\$ 6,236	\$ (4,088)	\$ 11,204

Total expenses of \$12.4 million include direct incremental expenses of \$6.1 million, write-offs of owned assets with a net book value of \$4.1 million and leased assets of \$2.2 million representing amounts due to lessors. The Company settled all of its cargo claim for \$9.2 million in December 2006 and, as a result, recognized a gain of \$5.2 million in 2006. In December 2007, the Company settled all of its property claim for \$14.4 million. The Company realized a gain of \$9.1 million in 2007 associated with the settlement of its property claim, of which \$5.2 million was for the reimbursement of lost and damaged property. The realized gains associated with the settlements of both the cargo and property claims are recorded in cost of products sold in the consolidated statement of operations in 2007 and 2006.

Restructurings and Related Asset Impairments During the third quarter of 2006, the Company restructured its fresh-cut flowers division (DFF) to better focus on high-value products and flower varieties, and position the business unit for future growth. In connection with the restructuring, DFF ceased its farming operations in Ecuador and closed two farms in Colombia and downsized other Colombian farms.

DFF incurred total costs of \$30.1 million related to this initiative, of which \$7.5 million relates to cash restructuring costs and \$22.6 million to non-cash impairment charges associated with the write-off of certain long-lived assets, intangible assets and inventory. The \$7.5 million of restructuring costs relates to land clearing costs and employee severance costs which impacted approximately 2,500 employees. The \$22.6 million charge relates to the impairment and write-off of the following assets: trade names (\$4.9 million), deferred crop growing costs (\$8.5 million), property, plant and equipment (\$8.4 million), and inventory (\$0.8 million). Of the \$30.1 million incurred, \$1.1 million was incurred during 2007 and \$29 million was incurred during 2006. The \$1.1 million related to land clearing costs and was recorded in cost of products sold in the consolidated statement of operations. For 2006, \$24 million was recorded in cost of products sold and \$5 million was recorded in selling, marketing, and general and administrative expenses in the consolidated statement of operations. At December 29, 2007, all of the restructuring costs had been paid.

During the first quarter of 2006, the commercial relationship substantially ended between the Company's wholly-owned subsidiary, Saba, and Saba's largest customer. Saba is a leading importer and distributor of fruit, vegetables and flowers in Scandinavia. Saba's financial results are included in the fresh fruit reporting segment. The Company restructured certain lines of Saba's business and as a result, incurred \$12.8 million of total related costs. Of the \$12.8 million incurred during the year ended December 30, 2006, \$9 million was recorded in cost of products sold and \$3.8 million in selling, marketing, and general and administrative expenses in the consolidated statement of operations. Total restructuring costs included \$9.9 million of employee severance costs which impacted 275 employees, \$2.4 million of contractual lease obligations as well as \$0.5 million of fixed asset write-offs. At December 29, 2007, all of the restructuring costs had been paid.

In connection with the Company's ongoing farm optimization programs in Asia, \$2.8 million and \$6.7 million of crop-related costs were written-off during the 2007 and 2006, respectively. These non-cash charges have been recorded in cost of products sold in the consolidated statements of operations.

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The following financial information has been presented, as management believes that it is useful information to some readers of the Company's Consolidated Financial Statements:

	December 29, 2007	December 30, 2006
	(In thousands)	
Balance Sheet Data:		
Total working capital (current assets less current liabilities)	\$ 693,782	\$ 687,721
Total assets	\$ 4,642,884	\$ 4,612,356
Total debt	\$ 2,411,397	\$ 2,364,181
Total shareholders' equity	\$ 325,008	\$ 341,083

	Year Ended December 29, 2007	Year Ended December 30, 2006	Year Ended December 31, 2005
	(In thousands)		
Other Financial Data:			
Net income (loss)	\$ (57,506)	\$ (89,627)	\$ 43,630
Income from discontinued operations, net of income taxes	(433)	(2,236)	(2,545)
Gain on disposal of discontinued operations, net of income taxes		(2,814)	
Interest expense	194,865	174,715	142,452
Income taxes	1,060	18,230	44,175
Depreciation and amortization	155,138	148,108	148,513
EBITDA	\$ 293,124	\$ 246,376	\$ 376,225
EBITDA margin	4.2%	4.0%	6.5%
Capital expenditures	\$ 107,230	\$ 119,335	\$ 146,306

EBITDA is defined as earnings before interest expense, income taxes, and depreciation and amortization. EBITDA is calculated by adding interest expense, income taxes and depreciation and amortization to income (loss) from continuing operations. EBITDA margin is defined as the ratio of EBITDA, as defined, relative to net revenues. EBITDA is reconciled to net income (loss) in the consolidated financial statements in the tables above. EBITDA and EBITDA margin fluctuated primarily due to the same factors that impacted the changes in operating income and segment EBIT discussed earlier.

The Company presents EBITDA and EBITDA margin because management believes, similar to EBIT, EBITDA is a useful performance measure for the Company. In addition, EBITDA is presented because management believes it is frequently used by securities analysts, investors and others in the evaluation of companies, and because certain covenants on the Company's senior secured credit facilities and bond indentures are tied to EBITDA. EBITDA and EBITDA margin should not be considered in isolation from or as a substitute for net income and other consolidated income statement data prepared in accordance with GAAP or as a measure of profitability. Additionally, the

Company's computation of EBITDA and EBITDA margin may not be comparable to other similarly titled measures computed by other companies, because not all companies calculate EBITDA and EBITDA margin in the same manner.

This Management's Discussion and Analysis contains forward-looking statements that involve a number of risks and uncertainties. Forward-looking statements, which are based on management's assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by the use of terms such as anticipate, will, expect, believe, should or similar expressions. The potential risks and uncertainties that could cause the Company's actual results to differ materially from those expressed or implied herein include weather-related phenomena; market responses to industry volume pressures; product and raw materials supplies

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and pricing; changes in interest and currency exchange rates; economic crises in developing countries; quotas, tariffs and other governmental actions and international conflict. Refer to Disclosure Regarding Forward-Looking Statements in Item 1A. of this Form 10-K for additional information concerning these matters.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

As a result of its global operating and financing activities, the Company is exposed to market risks including fluctuations in interest rates, fluctuations in foreign currency exchange rates and changes in commodity pricing.

The Company uses derivative instruments to hedge against fluctuations in interest rates, foreign currency exchange rate movements and bunker fuel prices. Through the first quarter of 2007, all of the Company's derivative instruments were designated as effective hedges of cash flows as defined by Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities, as amended* (FAS 133). The Company does not utilize derivatives for trading or other speculative purposes.

During the second quarter of 2007, the Company elected to discontinue its designation of both its foreign currency and bunker fuel hedges as cash flow hedges under FAS 133. The interest rate swap will continue to be accounted for as a cash flow hedge under FAS 133. As a result, all changes in the fair value of the Company's derivative financial instruments from the time of discontinuation of hedge accounting are reflected in the Company's consolidated statement of operations as a component of cost of products sold. The fair value of the instruments designated as effective hedges under FAS 133, specifically the interest rate swap at December 29, 2007, has been included as a component of accumulated other comprehensive loss in shareholders' equity.

Interest Rate Risk: As a result of its normal borrowing and leasing activities, the Company's operating results are exposed to fluctuations in interest rates. The Company has short-term and long-term debt with both fixed and variable interest rates. Short-term debt is primarily comprised of the current portion of long-term debt maturing twelve months from the balance sheet date. Short-term debt also includes unsecured notes payable to banks and bank lines of credit used to finance working capital requirements. Long-term debt represents publicly held unsecured notes and debentures, as well as amounts outstanding under the Company's senior secured credit facilities.

As of December 29, 2007, the Company had \$1.1 billion of fixed-rate debt and \$4.2 million of fixed-rate capital lease obligations and other debt with a combined weighted-average interest rate of 8.2% and a fair value of \$1.03 billion. The Company currently estimates that a 100 basis point increase in prevailing market interest rates would decrease the fair value of its fixed-rate debt by approximately \$24.2 million.

As of December 29, 2007, the Company had the following variable-rate arrangements: \$1.14 billion of variable-rate debt with a weighted-average interest rate of 6.2% and \$84.2 million of variable-rate capital lease obligations with a weighted-average interest rate of 6.6%. Interest expense under the majority of these arrangements is based on the London Interbank Offered Rate (LIBOR). The Company currently estimates that a 100 basis point increase in LIBOR would lower pretax income by \$12.2 million.

As part of the Company's strategy to manage the level of exposure to fluctuations in interest rates, the Company entered into an interest rate swap agreement that effectively converted \$320 million of variable-rate term loan debt to a fixed-rate basis. The interest rate swap fixed the interest rate at 7.2%. The paying and receiving rates under the interest rate swap were 5.49% and 5.24% as of December 29, 2007. The fair value of the interest rate swap at December 29, 2007 was a liability of \$15.9 million.

The Company also executed a cross currency swap to synthetically convert \$320 million of term loan debt into Japanese yen denominated debt in order to effectively lower the U.S. dollar fixed interest rate of 7.2% to a Japanese

yen interest rate of 3.6%. The fair value of the cross currency swap was an asset of \$9.9 million at December 29, 2007.

Foreign Currency Exchange Risk: The Company has production, processing, distribution and marketing operations worldwide in more than 90 countries. Its international sales are usually transacted in U.S. dollars and major European and Asian currencies. Some of the Company's costs are incurred in currencies different from those

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received from the sale of products. Results of operations may be affected by fluctuations in currency exchange rates in both sourcing and selling locations.

The Company has significant sales denominated in Japanese yen as well as European sales denominated primarily in euro and Swedish krona. Product and shipping costs associated with a significant portion of these sales are U.S. dollar-denominated. In 2007, the Company had approximately \$570 million of annual sales denominated in Japanese yen, \$1.5 billion of annual sales denominated in euro, and \$429 million of annual sales denominated in Swedish krona. If U.S. dollar exchange rates versus the Japanese yen, euro and Swedish krona during 2007 had remained unchanged from 2006, the Company's revenues and operating income would have been lower by approximately \$155 million and \$26 million, respectively. In addition, the Company currently estimates that a 10% strengthening of the U.S. dollar relative to the Japanese yen, euro and Swedish krona would lower operating income by approximately \$60 million, excluding the impact of foreign currency exchange hedges.

The Company sources the majority of its products in foreign locations and accordingly is exposed to changes in exchange rates between the U.S. dollar and currencies in these sourcing locations. The Company's exposure to exchange rate fluctuations in these sourcing locations is partially mitigated by entering into U.S. dollar denominated contracts for third-party purchased product and most other major supply agreements, including shipping contracts. However, the Company is still exposed to those costs that are denominated in local currencies. The most significant production currencies to which the Company has exchange rate risk are the Colombian peso, Chilean peso, Thai baht, Philippine peso and South African rand. If U.S. dollar exchange rates versus these currencies during 2007 had remained unchanged from 2006, the Company's operating income would have been higher by approximately \$48 million. In addition, the Company currently estimates that a 10% weakening of the U.S. dollar relative to these currencies would lower operating income by approximately \$57 million, excluding the impact of foreign currency exchange hedges.

At December 29, 2007, the Company had British pound sterling denominated capital lease obligations. The British pound sterling denominated capital lease of \$83.4 million is owed by foreign subsidiaries whose functional currency is the U.S. dollar. Fluctuations in the British pound sterling to U.S. dollar exchange rate resulted in losses that were recognized through results of operations. In 2007, the Company recognized \$1.4 million in unrealized foreign currency exchange losses related to the British pound sterling. The Company currently estimates that the weakening of the value of the U.S. dollar against the British pound sterling by 10% as it relates to the capital lease obligation would lower operating income by approximately \$8 million.

Some of the Company's divisions operate in functional currencies other than the U.S. dollar. The net assets of these divisions are exposed to foreign currency translation gains and losses, which are included as a component of accumulated other comprehensive loss in shareholders' equity. Such translation resulted in unrealized gains of \$21.3 million in 2007. The Company has historically not attempted to hedge this equity risk.

The ultimate impact of future changes to these and other foreign currency exchange rates on 2008 revenues, operating income, net income, equity and comprehensive income is not determinable at this time.

As part of its risk management strategy, the Company uses derivative instruments to hedge certain foreign currency exchange rate exposures. The Company's objective is to offset gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them, thereby reducing volatility of earnings. The Company uses foreign currency exchange forward contracts and participating forward contracts to reduce its risk related to anticipated dollar equivalent foreign currency cash flows, specifically forecasted revenue transactions and forecasted operating expenses. Participating forwards are the combination of a put and call option, structured such that there is no premium payment, there is a guaranteed strike price, and the Company can benefit from positive foreign currency exchange movements on a portion of the notional amount.

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At December 29, 2007, the Company's foreign currency hedge portfolio was comprised of the following:

	Gross Notional Value			Unrecognized Gains (Losses)	Average Strike Price	Settlement Year
	Participating Forwards	Forwards	Total (In thousands)			
<i>Foreign Currency Hedges(Buy/Sell):</i>						
U.S Dollar/Japanese Yen	\$ 137,610	\$ 3,784	\$ 141,394	\$ (1,265)	JPY 113.6	2008
U.S Dollar/Euro	265,025		265,025	(8,378)	EUR 1.37	2008/2009
U.S Dollar/Canadian Dollar		43,446	43,446	(2,932)	CAD 1.05	2008
Chilean Peso/U.S. Dollar		27,525	27,525	303	CLP 505	2008
Thai Baht/U.S. Dollar	45,050	37,011	82,061	207	THB 33.7	2008
Total	\$ 447,685	\$ 111,766	\$ 559,451	\$ (12,065)		

The Company also recorded net realized foreign currency hedging gains of \$5.6 million as a component of cost of products sold in the consolidated statement of operations for the year ended December 29, 2007. In 2007, the Company also settled early its Philippine peso hedges and Colombian peso hedges that were expected to settle during 2008, realizing gains of \$13.2 million. These gains were also included as a component of cost of products sold in the consolidated statement of operations.

Commodity Sales Price Risk: Commodity pricing exposures include the potential impacts of weather phenomena and their effect on industry volumes, prices, product quality and costs. The Company manages its exposure to commodity price risk primarily through its regular operating activities, however, significant commodity price fluctuations, particularly for bananas, pineapples and commodity vegetables could have a material impact on the Company's results of operations.

Commodity Purchase Price Risk: The Company uses a number of commodities in its operations including tinplate in its canned products, plastic resins in its fruit bowls, containerboard in its packaging containers and bunker fuel for its vessels. The Company is most exposed to market fluctuations in prices of containerboard and fuel. The Company currently estimates that a 10% increase in the price of containerboard would lower operating income by approximately \$17 million and a 10% increase in the price of bunker fuel would lower operating income by approximately \$14 million.

The Company enters into bunker fuel hedges to reduce its risk related to price fluctuations on anticipated bunker fuel purchases. At December 29, 2007, bunker fuel hedges had an aggregate outstanding notional amount of 8,891 metric tons that settled during the first quarter of 2008. The fair value of the bunker fuel hedges at December 29, 2007 was a receivable of \$1.1 million. The Company realized gains of \$3.9 million on its bunker fuel hedges during the year ended December 29, 2007.

Counterparty Risk: The counterparties to the Company's derivative instruments contracts consist of a number of major international financial institutions. The Company has established counterparty guidelines and regularly monitors its positions and the financial strength of these institutions. While counterparties to hedging contracts expose the Company to credit-related losses in the event of a counterparty's non-performance, the risk would be limited to the

unrealized gains on such affected contracts. The Company does not anticipate any such losses.

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Item 8. *Financial Statements and Supplementary Data*

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of Dole Food Company, Inc.:

We have audited the accompanying consolidated balance sheets of Dole Food Company, Inc. and subsidiaries (the Company) as of December 29, 2007 and December 30, 2006, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years ended December 29, 2007, December 30, 2006, and December 31, 2005. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and the financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 29, 2007 and December 30, 2006, and the results of its operations and its cash flows for the years ended December 29, 2007, December 30, 2006, and December 31, 2005, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

As discussed in Note 2 to the consolidated financial statements, the Company adopted, effective at the beginning of its fiscal 2007 year, new accounting standards for uncertainty in income taxes and planned major maintenance activities, and effective December 30, 2006, a new accounting standard for retirement benefits.

Deloitte & Touche LLP

Los Angeles, California
March 10, 2008

Table of Contents**DOLE FOOD COMPANY, INC.****CONSOLIDATED STATEMENTS OF OPERATIONS****For the Years Ended December 29, 2007, December 30, 2006 and December 31, 2005**

	2007	2006	2005
		(In thousands)	
Revenues, net	\$ 6,930,965	\$ 6,150,937	\$ 5,808,825
Cost of products sold	(6,307,916)	(5,618,418)	(5,125,220)
Gross margin	623,049	532,519	683,605
Selling, marketing and general and administrative expenses	(492,926)	(453,567)	(460,165)
Operating income	130,123	78,952	223,440
Other income (expense), net	1,848	15,176	(5,353)
Interest income	7,554	7,165	5,986
Interest expense	(194,865)	(174,715)	(142,452)
Income (loss) from continuing operations before income taxes, minority interests and equity earnings	(55,340)	(73,422)	81,621
Income taxes	(1,060)	(18,230)	(44,175)
Minority interests, net of income taxes	(3,235)	(3,202)	(2,987)
Equity in earnings of unconsolidated subsidiaries	1,696	177	6,626
Income (loss) from continuing operations	(57,939)	(94,677)	41,085
Income from discontinued operations, net of income taxes	433	2,236	2,545
Gain on disposal of discontinued operations, net of income taxes		2,814	
Net income (loss)	\$ (57,506)	\$ (89,627)	\$ 43,630

See Notes to Consolidated Financial Statements

Table of Contents**DOLE FOOD COMPANY, INC.****CONSOLIDATED BALANCE SHEETS
As of December 29, 2007 and December 30, 2006**

	2007	2006
	(In thousands, except share data)	
ASSETS		
Cash and cash equivalents	\$ 97,061	\$ 92,414
Receivables, net of allowances of \$61,720 and \$62,632, respectively	839,153	745,730
Inventories	750,675	661,552
Prepaid expenses	71,296	65,388
Deferred income tax assets	12,085	66,606
Assets held-for-sale	76,244	31,588
Total current assets	1,846,514	1,663,278
Investments	69,336	62,736
Property, plant and equipment, net of accumulated depreciation of \$980,390 and \$840,891, respectively	1,340,139	1,461,961
Goodwill	509,518	545,740
Intangible assets, net	721,790	726,689
Other assets, net	155,587	151,952
Total assets	\$ 4,642,884	\$ 4,612,356
LIABILITIES AND SHAREHOLDERS EQUITY		
Accounts payable	\$ 542,959	\$ 454,685
Accrued liabilities	514,584	472,288
Current portion of long-term debt	14,171	14,455
Notes payable	81,018	34,129
Total current liabilities	1,152,732	975,557
Long-term debt	2,316,208	2,315,597
Deferred income tax liabilities	277,824	346,595
Other long-term liabilities	541,234	608,191
Minority interests	29,878	25,333
Commitments and contingencies (Notes 15 and 17)		
Shareholders' equity		
Common stock \$0.001 par value; 1,000 shares authorized, issued and outstanding	409,907	409,032
Additional paid-in capital	(84,883)	(53,812)
Retained deficit	(16)	(14,137)
Accumulated other comprehensive loss		

Total shareholders' equity	325,008	341,083
Total liabilities and shareholders' equity	\$ 4,642,884	\$ 4,612,356

See Notes to Consolidated Financial Statements

Table of Contents**DOLE FOOD COMPANY, INC.****CONSOLIDATED STATEMENTS OF CASH FLOWS**
For the Years Ended December 29, 2007, December 30, 2006 and December 31, 2005

	2007	2006	2005
	(In thousands)		
Operating Activities			
Net income (loss)	\$ (57,506)	\$ (89,627)	\$ 43,630
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	155,605	149,347	149,809
Unrealized foreign currency exchange (gains) losses	31,473	(10,671)	(41,503)
Asset write-offs, impairments and net (gain) loss on sale of assets	6,826	20,760	(8,214)
Minority interests and equity earnings, net	1,939	5,356	(3,382)
Amortization of debt issuance costs	4,106	4,411	5,919
Write-off of debt issuance costs		8,133	10,722
Provision for deferred income taxes	(35,932)	(23,151)	(31,918)
Pension and other postretirement benefit plan expense	19,539	15,383	19,760
Loss on early retirement of debt			33,047
Gain on settlement of Hurricane Katrina	(5,200)		
Other	505	2,062	3,799
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:			
Receivables	(67,747)	(49,665)	(41,837)
Inventories	(96,992)	(47,859)	(120,342)
Prepaid expenses and other assets	(9,178)	(3,040)	(16,662)
Accounts payable	81,263	(4,613)	76,218
Accrued liabilities	25,660	27,136	(19,614)
Other long-term liabilities	(8,039)	11,959	13,157
Cash flow provided by operating activities	46,322	15,921	72,589
Investing Activities			
Proceeds from sales of assets	41,718	14,963	11,729
Proceeds from sales of investments and businesses, net of cash disposed		16,310	7,402
Hurricane Katrina insurance proceeds	5,200		
Acquisitions and investments, net of cash acquired		(22,950)	(51,460)
Capital additions	(106,821)	(125,056)	(131,495)
Repurchase of common stock in going-private merger transaction	(1,480)	(267)	(499)
Cash flow used in investing activities	(61,383)	(117,000)	(164,323)
Financing Activities			
Short-term debt borrowings	119,389	101,381	18,183
Short-term debt repayments	(91,176)	(52,872)	(26,616)
Long-term debt borrowings, net of debt issuance costs	1,167,530	2,260,545	1,575,869

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Long-term debt repayments	(1,169,213)	(1,969,698)	(1,417,413)
Capital contribution from parent		28,390	
Return of capital to parent		(59,390)	
Dividends paid to minority shareholders	(10,485)	(1,833)	(2,836)
Dividends paid to parent		(163,691)	(77,250)
Cash flow provided by financing activities	16,045	142,832	69,937
Effect of foreign currency exchange rate changes on cash	3,663	1,849	(8,608)
Increase (decrease) in cash and cash equivalents	4,647	43,602	(30,405)
Cash and cash equivalents at beginning of period	92,414	48,812	79,217
Cash and cash equivalents at end of period	\$ 97,061	\$ 92,414	\$ 48,812

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DOLE FOOD COMPANY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS Continued
For the Years Ended December 29, 2007, December 30, 2006 and December 31, 2005

Supplemental cash flow information

At December 29, 2007, December 30, 2006 and December 31, 2005, accounts payable included approximately \$17.8 million, \$18 million and \$23.7 million, respectively, for capital expenditures.

Income tax payments, net of refunds, for the years ended December 29, 2007, December 30, 2006 and December 31, 2005 were \$23.7 million, \$25.7 million and \$42.2 million, respectively.

Interest payments on borrowings totaled \$189.5 million, \$159.5 million and \$142.8 million during the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

See Notes to Consolidated Financial Statements

Table of Contents**DOLE FOOD COMPANY, INC.****CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**
For the Years Ended December 29, 2007, December 30, 2006 and December 31, 2005

	Common Shares Outstanding	Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)			Total Shareholder Equity	Comprehensive Income (Loss)
				Pension & Other Benefits (In thousands)	Cumulative Translation Adjustment	Unrealized Gains (Losses) on Hedges		
Balance at January 1, 2005	1	\$ 440,032	\$ 233,126	\$ (23,466)	\$ 34,963	\$ 199	\$ 684,854	\$ 148,229
Net income			43,630				43,630	\$ 43,630
Unrealized Foreign currency translation and hedging gains (losses)					(31,530)	5,465	(26,065)	(26,065)
Reclassification of realized gains to net income						(2,842)	(2,842)	(2,842)
Additional minimum pension liability, net of income taxes				731			731	731
Cash dividends			(77,250)				(77,250)	
Balance at December 31, 2005	1	\$ 440,032	\$ 199,506	\$ (22,735)	\$ 3,433	\$ 2,822	\$ 623,058	\$ 15,454
Net loss			(89,627)				(89,627)	\$ (89,627)
Unrealized Foreign currency translation and hedging gains (losses)					17,557	(3,965)	13,592	13,592
Reclassification of realized gains						(3,204)	(3,204)	(3,204)

to net loss									
Additional									
minimum									
pension liability,									
net of income									
taxes				(4,799)			(4,799)		(4,799)
Adjustment to									
adopt FAS 158,									
net of income									
taxes				(3,246)			(3,246)		
Cash dividends		(163,691)					(163,691)		
Capital									
contribution									
from parent		28,390					28,390		
Return of capital									
to parent		(59,390)					(59,390)		
Balance at									
December 30,									
2006	1	\$ 409,032	\$ (53,812)	\$ (30,780)	\$ 20,990	\$ (4,347)	\$ 341,083	\$ (84,038)	
Net loss			(57,506)				(57,506)	\$ (57,506)	
Unrealized									
foreign currency									
translation and									
hedging gains									
(losses)					21,271	(1,362)	19,909	19,909	
Reclassification									
of realized gains									
to net loss						(9,816)	(9,816)	(9,816)	
Change in									
employee benefit									
plans, net of									
income taxes					4,028		4,028	4,028	
FIN 48 adoption			26,435				26,435		
Gain on sale of									
and to affiliate,									
net of income									
taxes		875					875		
Balance at									
December 29,									
2007	1	\$ 409,907	\$ (84,883)	\$ (26,752)	\$ 42,261	\$ (15,525)	\$ 325,008	\$ (43,385)	

See Notes to Consolidated Financial Statements

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS

Note 1 Nature of Operations

Dole Food Company, Inc. was incorporated under the laws of Hawaii in 1894 and was reincorporated under the laws of Delaware in July 2001.

Dole Food Company, Inc. and its consolidated subsidiaries (the Company) are engaged in the worldwide sourcing, processing, distributing and marketing of high quality, branded food products, including fresh fruit and vegetables, as well as packaged foods. Additionally, the Company markets a full-line of premium fresh-cut flowers.

Operations are conducted throughout North America, Latin America, Europe (including eastern European countries), Asia (primarily in Japan, Korea, the Philippines and Thailand), the Middle East and Africa (primarily in South Africa). As a result of its global operating and financing activities, the Company is exposed to certain risks including changes in commodity pricing, fluctuations in interest rates, fluctuations in foreign currency exchange rates, as well as other environmental and business risks in both sourcing and selling locations.

The Company's principal products are produced on both Company-owned and leased land and are also acquired through associated producer and independent grower arrangements. The Company's products are primarily packed and processed by the Company and sold to wholesale, retail and institutional customers and other food product companies.

Note 2 Basis of Presentation and Summary of Significant Accounting Policies

Basis of Consolidation: The Company's consolidated financial statements include the accounts of Dole Food Company, Inc. and its controlled subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation.

Annual Closing Date: The Company's fiscal year ends on the Saturday closest to December 31. The fiscal years 2007, 2006 and 2005 ended on December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

Revenue Recognition: Revenue is recognized at the point title and risk of loss is transferred to the customer, collection is reasonably assured, persuasive evidence of an arrangement exists and the price is fixed or determinable.

Sales Incentives: The Company offers sales incentives and promotions to its customers (resellers) and to its consumers. These incentives include consumer coupons and promotional discounts, volume rebates and product placement fees. The Company follows the requirements of 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)*. Consideration given to customers and consumers related to sales incentives is recorded as a reduction of revenues. Estimated sales discounts are recorded in the period in which the related sale is recognized. Volume rebates are recognized as earned by the customer, based upon the contractual terms of the arrangement with the customer and, where applicable, the Company's estimate of sales volume over the term of the arrangement. Adjustments to estimates are made periodically as new information becomes available and actual sales volumes become known. Adjustments to these estimates have historically not been significant to the Company.

Agricultural Costs: Recurring agricultural costs include costs relating to irrigation, fertilizing, disease and insect control and other ongoing crop and land maintenance activities. Recurring agricultural costs are charged to operations

as incurred or are recognized when the crops are harvested and sold, depending on the product. Non-recurring agricultural costs, primarily comprising of soil and farm improvements and other long-term crop growing costs that benefit multiple harvests, are deferred and amortized over the estimated production period, currently from two to seven years.

Shipping and Handling Costs: Amounts billed to third-party customers for shipping and handling are included as a component of revenues. Shipping and handling costs incurred are included as a component of cost of

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

products sold and represent costs incurred by the Company to ship product from the sourcing locations to the end consumer markets.

Marketing and Advertising Costs: Marketing and advertising costs, which include media, production and other promotional costs, are generally expensed in the period in which the marketing or advertising first takes place. In limited circumstances, the Company capitalizes payments related to the right to stock products in customer outlets or to provide funding for various merchandising programs over a specified contractual period. In such cases, the Company amortizes the costs over the life of the underlying contract. The amortization of these costs are classified as a reduction in revenues. Advertising and marketing costs, included in selling, marketing and general and administrative expenses, amounted to \$77.1 million, \$70.6 million and \$71.3 million during the years ended December 29, 2007, December 30, 2006 and December 31, 2005.

Research and Development Costs: Research and development costs are expensed as incurred. Research and development costs were not material for the years ended December 29, 2007, December 30, 2006 and December 31, 2005.

Income Taxes: Deferred income taxes are recognized for the income tax effect of temporary differences between financial statement carrying amounts and the income tax bases of assets and liabilities. Income taxes, which would be due upon the repatriation of foreign subsidiary earnings, have not been provided where the undistributed earnings are considered indefinitely invested. A valuation allowance is provided for deferred income tax assets for which it is deemed more likely than not that future taxable income will not be sufficient to realize the related income tax benefits from these assets. The Company establishes liabilities for tax-related uncertainties based on the estimates of whether, and the extent to which, additional taxes and interest will be due. The impact of reserve provisions and changes to the reserves that are considered appropriate, as well as the related net interest and penalties, are included in Income taxes in the consolidated statement of operations.

Dole Food Company, Inc. and subsidiaries file its U.S. federal income tax return and various state income tax returns as part of the DHM Holding Company, Inc. consolidated tax group. Dole Food Company, Inc. and subsidiaries calculate current and deferred tax expense on a stand-alone basis.

Cash and Cash Equivalents: Cash and cash equivalents consist of cash on hand and highly liquid investments, primarily money market funds and time deposits, with original maturities of three months or less.

Grower Advances: The Company makes advances to third-party growers primarily in Latin America and Asia for various farming needs. Some of these advances are secured with property or other collateral owned by the growers. The Company monitors these receivables on a regular basis and records an allowance for these grower receivables based on estimates of the growers ability to repay advances and the fair value of the collateral. Grower advances are stated at the gross advance amount less allowances for potentially uncollectible balances.

Inventories: Inventories are valued at the lower of cost or market. Costs related to certain packaged foods products are determined using the average cost basis. Costs related to other inventory categories, including fresh fruit, vegetables and flowers, are determined on the first-in, first-out basis. Specific identification and average cost methods are also used primarily for certain packing materials and operating supplies. Crop growing costs primarily represent the costs associated with growing bananas on company-owned farms or growing vegetables on third-party farms

where the Company bears substantially all of the growing risk.

Investments: Investments in affiliates and joint ventures with ownership of 20% to 50% are recorded on the equity method, provided the Company has the ability to exercise significant influence. All other non-consolidated investments are accounted for using the cost method. At December 29, 2007 and December 30, 2006, substantially all of the Company's investments have been accounted for under the equity method.

Property, Plant and Equipment: Property, plant and equipment is stated at cost plus the fair value of asset retirement obligations, if any, less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of these assets. The Company reviews long-lived assets to be held and used for

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an evaluation of recoverability is required, the estimated undiscounted future cash flows directly associated with the asset are compared to the asset's carrying amount. If this comparison indicates that there is an impairment, the amount of the impairment is calculated by comparing the carrying value to discounted expected future cash flows or comparable market values, depending on the nature of the asset. All long-lived assets, for which management has committed itself to a plan of disposal by sale, are reported at the lower of carrying amount or fair value less cost to sell. Long-lived assets to be disposed of other than by sale are classified as held and used until the date of disposal. Routine maintenance and repairs are charged to expense as incurred.

Goodwill and Intangibles: Goodwill represents the excess cost of a business acquisition over the fair value of the net identifiable assets acquired. Goodwill and indefinite-lived intangible assets are reviewed for impairment annually, or more frequently if certain impairment indicators arise. Goodwill is allocated to various reporting units, which are either the operating segment or one reporting level below the operating segment. Fair values for goodwill and indefinite-lived intangible assets are determined based on discounted cash flows, market multiples or appraised values, as appropriate.

The Company's indefinite-lived intangible asset, consisting of the DOLE brand, is considered to have an indefinite life because it is expected to generate cash flows indefinitely and as such is not amortized. The Company's intangible assets with a definite life consist primarily of customer relationships. Amortizable intangible assets are amortized on a straight-line basis over their estimated useful life. The weighted average useful life of the Company's customer relationships is 11 years.

Concentration of Credit Risk: Financial instruments that potentially subject the Company to a concentration of credit risk principally consist of cash equivalents, derivative contracts, grower advances and trade receivables. The Company maintains its temporary cash investments with high quality financial institutions, which are invested primarily in short-term U.S. government instruments and certificates of deposit. The counterparties to the Company's derivative contracts are major financial institutions. Grower advances are principally with farming enterprises located throughout Latin America and Asia and are secured by the underlying crop harvests. Credit risk related to trade receivables is mitigated due to the large number of customers dispersed worldwide. To reduce credit risk, the Company performs periodic credit evaluations of its customers but does not generally require advance payments or collateral. Additionally, the Company maintains allowances for credit losses. No individual customer accounted for greater than 10% of the Company's revenues during the years ended December 29, 2007, December 30, 2006 and December 31, 2005. No individual customer accounted for greater than 10% of accounts receivable as of December 29, 2007 or December 30, 2006.

Fair Value of Financial Instruments: The Company's financial instruments are primarily composed of short-term trade and grower receivables, trade payables, notes receivable and notes payable, as well as long-term grower receivables, capital lease obligations, term loans, revolving credit facility, notes and debentures. For short-term instruments, the carrying amount approximates fair value because of the short maturity of these instruments. For the other long-term financial instruments, excluding the Company's unsecured notes and debentures, and term loans, the carrying amount approximates the fair value since they bear interest at variable rates or fixed rates which approximate market. Based on these assumptions, with the exception of the Company's notes, debentures and term loans, management believes the fair market values of the Company's financial instruments are not materially different from their recorded amounts as of December 29, 2007 or December 30, 2006.

The Company estimates the fair value of its unsecured notes and debentures based on current quoted market prices. The estimated fair value of these unsecured notes and debentures (face value of \$1.11 billion in both 2007 and 2006) was approximately \$1.03 billion and \$1.05 billion as of December 29, 2007 and December 30, 2006, respectively. The term loans are traded between institutional investors on the secondary loan market, and the fair values of the term loans are based on the last available trading price. At December 29, 2007, the carrying value and fair value of the term loans was \$960.4 million and approximately \$903 million, respectively. At December 30, 2006, the carrying value of the Company's term loans approximated the fair value.

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

The Company also holds derivative instruments to hedge against foreign currency exchange, fuel pricing and interest rate movements. The Company's derivative financial instruments are recorded at fair value (Refer to Note 16 for additional information). The Company estimates the fair values of its derivatives based on quoted market prices or pricing models using current market rates.

Foreign Currency Exchange: For subsidiaries with transactions that are denominated in a currency other than the functional currency, the net foreign currency exchange transaction gains or losses resulting from the translation of monetary assets and liabilities to the functional currency are included in determining net income. Net foreign currency exchange gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries whose functional currency is not the U.S. dollar are recorded as a part of cumulative translation adjustment in shareholders' equity. Unrealized foreign currency exchange gains and losses on certain intercompany transactions that are of a long-term-investment nature (i.e., settlement is not planned or anticipated in the foreseeable future) are also recorded in cumulative translation adjustment in shareholders' equity.

Leases: The Company leases fixed assets for use in operations where leasing offers advantages of operating flexibility and is less expensive than alternative types of funding. The Company also leases land in countries where land ownership by foreign entities is restricted. The Company's leases are evaluated at inception or at any subsequent modification and, depending on the lease terms, are classified as either capital leases or operating leases, as appropriate under Statement of Financial Accounting Standards No. 13, *Accounting for Leases*. For operating leases that contain rent escalations, rent holidays or rent concessions, rent expense is recognized on a straight-line basis over the life of the lease. The majority of the Company's leases are classified as operating leases. The Company's principal operating leases are for land and machinery and equipment. The Company's capitalized leases primarily consist of two vessel leases. The Company's decision to exercise renewal options is primarily dependent on the level of business conducted at the location and the profitability thereof. The Company's leasehold improvements were not significant at December 29, 2007 or December 30, 2006.

Guarantees: The Company makes guarantees as part of its normal business activities. These guarantees include guarantees of the indebtedness of some of its key fruit suppliers and other entities integral to the Company's operations. The Company also issues bank guarantees as required by certain regulatory authorities, suppliers and other operating agreements as well as to support the borrowings, leases and other obligations of its subsidiaries. The majority of the Company's guarantees relate to guarantees of subsidiary obligations and are scoped out of the initial measurement and recognition provisions of FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Estimates and assumptions include, but are not limited to, the areas of customer and grower receivables, inventories, impairment of assets, useful lives of property, plant and equipment, intangible assets, marketing programs, income taxes, self-insurance reserves, retirement benefits, financial instruments and commitments and contingencies. Actual results could differ from these estimates.

Reclassifications: Certain prior year amounts have been reclassified to conform with the 2007 presentation.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****Recently Adopted Accounting Pronouncements**

During September 2006, the Financial Accounting Standards Board (FASB) issued FASB Staff Position AUG AIR-1, *Accounting For Planned Major Maintenance Activities* (FSP), which eliminates the acceptability of the accrue-in-advance method of accounting for planned major maintenance activities. As a result, there are three alternative methods of accounting for planned major maintenance activities: direct expense, built-in-overhaul or deferral. The guidance in this FSP became effective for the Company at the beginning of its fiscal 2007 year and requires retrospective application for all financial statement periods presented. The Company had been accruing for planned major maintenance activities associated with its vessel fleet under the accrue-in-advance method. The Company adopted the deferral method of accounting for planned major maintenance activities associated with its vessel fleet. The adoption of this FSP impacted the following balance sheet accounts at December 30, 2006, December 31, 2005 and January 1, 2005:

	Other Assets, Net	Accrued Liabilities (In thousands)	Retained Earnings (Deficit)
January 1, 2005	\$ 132,072	\$ 447,870	\$ 226,145
FSP Adjustment	5,053	(1,928)	6,981
Adjusted January 1, 2005	\$ 137,125	\$ 445,942	\$ 233,126
December 31, 2005	\$ 153,832	\$ 431,037	\$ 192,991
FSP Adjustment	3,315	(3,200)	6,515
Adjusted December 31, 2005	\$ 157,147	\$ 427,837	\$ 199,506
December 30, 2006	\$ 147,590	\$ 473,797	\$ (59,683)
FSP Adjustment	4,362	(1,509)	5,871
Adjusted December 30, 2006	\$ 151,952	\$ 472,288	\$ (53,812)

Net income decreased for the years ended December 30, 2006 and December 31, 2005 by approximately \$0.6 million and \$0.5 million, respectively.

During September 2006, the FASB issued Statement of Financial Accounting Standards No. 158, *Employers Accounting for Defined Benefit Pension and Other Postretirement Plans* (FAS 158). FAS 158 requires an employer to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur as a component of comprehensive income. The standard also requires an employer to measure the funded status as of the date of its year-end statement of financial position. The Company early adopted the provisions of FAS 158 effective December 30, 2006. Refer to Note 12 Employee Benefit Plans for additional disclosures required by FAS 158 and the effects of adoption.

During June 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes-an Interpretation of FASB Statement No. 109* (FIN 48). FIN 48 clarifies what criteria must be met prior to recognition of the financial statement benefit of a position taken in a tax return. FIN 48 also provides guidance on derecognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, accounting for interest and penalties associated with tax positions, accounting for income taxes in interim periods, and income tax disclosures. The Company adopted FIN 48 at the beginning of its fiscal 2007 year. Refer to Note 6 Income Taxes for the impact that the adoption of FIN 48 had on the Company's financial position and results of operations.

Recently Issued Accounting Pronouncements

During December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007), *Business Combinations* (FAS 141R). FAS 141R provides revised guidance for recognizing and measuring

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assets acquired and liabilities assumed in a business combinations. It establishes the acquisition date fair value as the measurement objective for all assets acquired and liabilities assumed and also requires the acquirer to disclose to investors and other users all of the information they need to evaluate and understand the nature and financial effect of the business combination. Changes in acquired tax contingencies, including those existing at the date of adoption, will be recognized in earnings if outside the maximum allocation period (generally one year). FAS 141R will be applied prospectively to business combinations with acquisition dates on or after January 1, 2009. Following the date of adoption of FAS 141R, the resolution of such items at values that differ from recorded amounts will be adjusted through earnings, rather than goodwill.

During December 2007, the FASB issued Statement of Financial Accounting Standards No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FAS 160). FAS 160 requires all entities to report noncontrolling (minority) interests in subsidiaries in the same way as equity in the consolidated financial statements. The Company is required to adopt FAS 160 for the first fiscal year beginning after December 15, 2008. The Company is currently evaluating the impact, if any, the adoption of FAS 160 will have on its financial position and results of operations.

During February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, *The Fair Value Option for Financial Assets and Liabilities Including an amendment of FASB Statement No. 115* (FAS 159). FAS 159 permits entities to choose to measure certain financial assets and liabilities at fair value. Unrealized gains and losses, arising subsequent to adoption, are reported in earnings. The Company is required to adopt FAS 159 for the first fiscal year beginning after November 15, 2007. The Company did not elect the fair value option for any of its eligible financial instruments and other items.

During September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (FAS 157). FAS 157 defines fair value, establishes a framework for measuring fair value and requires enhanced disclosures about fair value measurements. FAS 157 applies to fair value measurements already required or permitted by existing standards. FAS 157 requires companies to disclose the fair value of financial instruments according to a fair value hierarchy as defined in the standard. The changes to current generally accepted accounting principles from the application of FAS 157 relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. FAS 157 is effective for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years and will be applied on a prospective basis. The Company is currently evaluating the impact, if any, the adoption of FAS 157 will have on its financial position and results of operations.

Note 3 Discontinued Operations

During the fourth quarter of 2007, the Company approved and committed to a formal plan to divest its citrus and pistachio operations (Citrus) located in central California. In evaluating the business, the Company concluded that this business met the definition of a discontinued operation as defined in Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* (FAS 144). Accordingly, the historical results of operations of this business have been reclassified for all periods presented. Pursuant to FAS 144, the consolidated balance sheet and consolidated statements of cash flows do not reflect the reclassification of Citrus as a discontinued operation. The operating results of Citrus for fiscal 2007, 2006 and 2005, which were included in the Fresh fruit operating segment, are reported in the following table:

	2007	2006	2005
	(In thousands)		
Revenues	\$ 13,586	\$ 20,527	\$ 17,960
Income before income taxes	\$ 733	\$ 3,767	\$ 493
Income taxes	\$ 300	\$ 1,765	\$ 182
Income from discontinued operations, net of income taxes	\$ 433	\$ 2,002	\$ 311

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During the fourth quarter of 2006, the Company completed the sale of its Pacific Coast Truck Center (Pac Truck) business for \$20.7 million. The Pac Truck business consisted of a full service truck dealership that provided medium and heavy-duty trucks to customers in the Pacific Northwest region. The Company received \$15.3 million of net proceeds from the sale after the assumption of \$5.4 million of debt and realized a gain of approximately \$2.8 million on the sale, net of income taxes of \$2 million. In accordance with FAS 144, the sale of Pac Truck qualified for discontinued operations treatment. Accordingly, the historical results of operations of this business have been reclassified for all periods presented. Pursuant to FAS 144, the consolidated balance sheet and consolidated statements of cash flows do not reflect the reclassification of Pac Truck as a discontinued operation. The operating results of Pac Truck for fiscal 2006 and 2005, which were included in the Other operating segment, are reported in the following table:

	2006	2005
	(In thousands)	
Revenues	\$ 47,851	\$ 43,826
Income before income taxes	\$ 397	\$ 355
Income taxes	\$ 163	\$ 164
Income from discontinued operations, net of income taxes	\$ 234	\$ 191
Gain on disposal of discontinued operations, net of income taxes of \$2 million	\$ 2,814	\$

During the fourth quarter of 2005, the Company resolved a contingency related to the sale of Cervecería Hondureña, S.A., a Honduran corporation principally engaged in the beverage business in Honduras, which occurred in 2001. As a result, the Company realized income of \$2 million, net of income taxes of \$1.4 million. The income has been recorded as income from discontinued operations in the Company's consolidated statement of operations for the year ended December 31, 2005. In a related transaction, the Company recorded \$4.8 million in income from continuing operations resulting from the collection of a fully reserved receivable balance and interest income.

Note 4 Business Acquisitions***Jamaica Producers Group, Ltd.***

On October 3, 2006, Jamaica Producers Group Ltd. (JPG) accepted the Company's offer to purchase from JPG the 65% of JP Fruit Distributors Limited (JP Fresh) that the Company did not already own for \$42.5 million in cash. JP Fresh imports and sells fresh produce in the United Kingdom. The acquisition of JP Fresh allows the Company to strengthen its penetration of the fresh produce market in the United Kingdom and the Republic of Ireland. The transaction closed during the fourth quarter of 2006. The acquisition resulted in goodwill of \$24 million, which is included in the Company's fresh fruit segment. Expected geographical synergies arising from this widening of the existing Dole network in Europe as well as the ability to leverage the Company's tradition of top quality produce and exceptional service in these markets contributed to a purchase price that resulted in the recognition of goodwill. The results of operations for JP Fresh have been included in the Company's consolidated results of operations from October 6, 2006, the effective date of acquisition.

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The following table represents the final values attributed to the assets acquired and liabilities assumed as of the date of the acquisition. These values include the historical values attributable to the Company's predecessor basis (in thousands):

Total purchase price, including transaction expenses	\$ 42,500
Current assets	\$ 58,280
Property, plant and equipment	19,060
Intangible assets	9,898
Goodwill	24,035
Other assets	3,797
Total assets acquired	115,070
Current liabilities	35,878
Other long-term liabilities	16,911
Total liabilities assumed	52,789
Net assets	62,281
Less: Historical net assets attributable to predecessor basis	10,125
Less: Goodwill attributable to predecessor basis	9,656
Net assets acquired	\$ 42,500

The fair values of the property, plant and equipment and intangible assets acquired were based on available market information.

The \$9.9 million allocated to intangible assets is a valuation of customer relationships with finite lives. These customer relationships will be amortized over approximately 15 years.

JP Fresh contributed approximately \$300 million of sales during the fiscal year ended December 29, 2007. The impact of JP Fresh on the Company's consolidated results of operations for 2007 was not material.

Saba

On December 30, 2004, the Company acquired the remaining 40% of Saba Trading AB (Saba), for \$47.1 million, which was paid in cash during the first fiscal quarter of 2005. Saba is the leading importer and distributor of fruit, vegetables and flowers in Scandinavia.

Note 5 Restructurings and Related Asset Impairments

During the third quarter of 2006, the Company restructured its fresh-cut flowers division (DFF) to better focus on high-value products and flower varieties, and position the business unit for future growth. In connection with the restructuring, DFF ceased its farming operations in Ecuador, closed two farms in Colombia and downsized other Colombian farms.

DFF incurred total costs of \$30.1 million related to this initiative, of which \$7.5 million relates to cash restructuring costs and \$22.6 million to non-cash impairment charges associated with the write-off of certain long-lived assets, intangible assets and inventory. The \$7.5 million of restructuring costs relate to land clearing costs and employee severance costs which impacted approximately 2,500 employees. The \$22.6 million charge relates to the impairment and write-off of the following assets: trade names (\$4.9 million), deferred crop growing costs (\$8.5 million), property, plant and equipment (\$8.4 million), and inventory (\$0.8 million). Of the \$30.1 million incurred, \$1.1 million was incurred during 2007 and \$29 million was incurred during 2006. The \$1.1 million relates to land clearing costs and employee severance and was recorded in cost of products sold in the consolidated

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statement of operations. For 2006, \$24 million was recorded in cost of products sold and \$5 million was recorded in selling, marketing, and general and administrative expenses in the consolidated statement of operations. At December 29, 2007, all of the restructuring costs had been paid.

During the first quarter of 2006, the commercial relationship substantially ended between the Company's wholly-owned subsidiary, Saba, and Saba's largest customer. Saba is a leading importer and distributor of fruit, vegetables and flowers in Scandinavia. Saba's financial results are included in the fresh fruit reporting segment. The Company restructured certain lines of Saba's business and as a result, incurred \$12.8 million of total related costs. Of the \$12.8 million incurred during the year ended December 30, 2006, \$9 million is included in cost of products sold and \$3.8 million in selling, marketing, and general and administrative expenses in the consolidated statement of operations. Total restructuring costs include \$9.9 million of employee severance costs which impacted 275 employees, \$2.4 million of contractual lease obligations as well as \$0.5 million of fixed asset write-offs. At December 29, 2007 all of the restructuring costs had been paid.

In connection with the Company's ongoing farm optimization programs in Asia, \$2.8 million and \$6.7 million of crop-related costs were written-off during 2007 and 2006, respectively. These non-cash charges have been recorded in cost of products sold in the consolidated statements of operations.

Note 6 Income Taxes

Income tax expense (benefit) was as follows:

	2007	2006	2005
	(In thousands)		
Current			
Federal, state and local	\$ 735	\$ 406	\$ 27,125
Foreign	15,942	20,027	22,790
	16,677	20,433	49,915
Deferred			
Federal, state and local	(32,568)	(21,376)	(17,687)
Foreign	(3,664)	(5,657)	(15,996)
	(36,232)	(27,033)	(33,683)
Non-current tax expense	20,615	24,830	27,943
	\$ 1,060	\$ 18,230	\$ 44,175

Pretax earnings attributable to foreign operations were \$53.9 million, \$30.7 million and \$199.2 million for the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively. Undistributed earnings of foreign subsidiaries, which are intended to be indefinitely invested, totaled \$2.1 billion at December 29, 2007. Other than the repatriation discussed below, it is currently not practicable to estimate the tax liability that might be payable if these foreign earnings were repatriated.

During October 2004, The American Jobs Creation Act of 2004 was signed into law, adding Section 965 to the Internal Revenue Code. Section 965 provided a special one-time deduction of 85% of certain foreign earnings that were repatriated under a domestic reinvestment plan, as defined therein. The effective federal tax rate on any qualified repatriated foreign earnings under Section 965 was 5.25%. Taxpayers could elect to apply this provision to a qualified earnings repatriation made during calendar year 2005.

During the second quarter of 2005, the Company repatriated \$570 million of earnings from its foreign subsidiaries, of which approximately \$489 million qualified for the 85% dividends received deduction under

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

Section 965. A tax provision of approximately \$37.8 million for the repatriation of certain foreign earnings was recorded as income tax for the year ended December 31, 2005.

The Company's reported income tax expense on continuing operations differed from the expense calculated using the U.S. federal statutory tax rate for the following reasons:

	2007	2006 (In thousands)	2005
(Benefit)/expense computed at U.S. federal statutory income tax rate of 35%	\$ (19,369)	\$ (25,698)	\$ 28,567
Repatriation of certain foreign earnings			37,772
Foreign income taxed at different rates	10,601	36,303	(39,603)
State and local income tax, net of federal income taxes	(4,196)	(2,411)	(2,053)
Valuation allowances	13,248	13,848	19,522
Permanent items and other	776	(3,812)	(30)
Income tax expense	\$ 1,060	\$ 18,230	\$ 44,175

Deferred tax assets (liabilities) comprised the following:

	December 29, 2007	December 30, 2006 (In thousands)
Intangibles	\$ (293,666)	\$ (277,955)
Property, plant and equipment	(154,771)	(171,616)
Inventory valuation methods	8,562	7,706
Postretirement benefits	56,538	67,600
Operating accruals	77,557	100,145
Tax credit carryforwards	20,889	20,641
Net operating loss and other carryforwards	167,424	148,056
Valuation allowances	(174,398)	(170,800)
Other, net	26,126	(3,766)
	\$ (265,739)	\$ (279,989)

The Company has gross federal, state and foreign net operating loss carryforwards of \$48.3 million, \$1 billion and \$333.1 million, respectively, at December 29, 2007. The Company has recorded deferred tax assets of \$17.5 million for federal net operating loss and other carryforwards, which, if unused, will expire between 2023 and 2026. The

Company has recorded deferred tax assets of \$45.5 million for state operating loss carryforwards, which, if unused, will start to expire in 2008. The Company has recorded deferred tax assets of \$104.4 million for foreign net operating loss carryforwards which are subject to varying expiration rules. Tax credit carryforwards of \$20.9 million include foreign tax credit carryforwards of \$18.4 million which will expire in 2011, U.S. general business credit carryforwards of \$0.2 million which expire between 2023 and 2025, and state tax credit carryforwards of \$2.3 million with varying expiration dates. The Company has recorded a U.S. deferred tax asset of \$28.7 million for disallowed interest expense which, although subject to certain limitations, can be carried forward indefinitely.

A valuation allowance has been established to offset foreign tax credit carryforwards, state net operating loss carryforwards, certain foreign net operating loss carryforwards and certain other deferred tax assets in foreign

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jurisdictions. The Company has deemed it more likely than not that future taxable income in the relevant taxing jurisdictions will be insufficient to realize the related income tax benefits for these assets.

Total deferred tax assets and deferred tax liabilities were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Deferred tax assets	\$ 499,899	\$ 541,594
Deferred tax asset valuation allowance	(174,398)	(170,800)
	325,501	370,794
Deferred tax liabilities	(591,240)	(650,783)
Net deferred tax liabilities	\$ (265,739)	\$ (279,989)
Current deferred tax assets consist of:		
Deferred tax assets, net of valuation allowance	\$ 47,763	\$ 88,853
Deferred tax liabilities	(35,678)	(22,247)
Net current deferred tax assets	12,085	66,606
Non-current deferred tax liabilities consist of:		
Deferred tax assets, net of valuation allowance	277,738	281,941
Deferred tax liabilities	(555,562)	(628,536)
Net non-current deferred tax liabilities	(277,824)	(346,595)
Net deferred tax liabilities	\$ (265,739)	\$ (279,989)

The Company adopted the provisions of FIN 48 at the beginning of its fiscal 2007 year. The adoption of FIN 48 impacted the following balance sheet accounts (in thousands):

	Increase / (Decrease)
Goodwill	\$(30,191)
Deferred income tax liabilities	(25,655)
Other long-term liabilities	(30,971)
Retained deficit	26,435

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits is as follows (in thousands):

Unrecognized tax benefits	opening balance	\$ 200,641
Gross increases	tax positions in prior period	10,837
Gross decreases	tax positions in prior period	(13,448)
Gross increases	tax positions in current period	8,284
Settlements		(1,793)
Lapse of statute of limitations		(100)
Unrecognized tax benefits	ending balance	\$ 204,421

The Company has \$269 million of total gross unrecognized tax benefits including interest at December 29, 2007. If recognized, approximately \$146.5 million, net of federal and state tax benefits, would be recorded as a component of income tax expense and accordingly impact the effective tax rate.

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

The Company recognizes accrued interest and penalties related to its unrecognized tax benefits as a component of income taxes in the consolidated statements of operations. Accrued interest and penalties before tax benefits were \$48.2 million and \$64.6 million at December 30, 2006 and December 29, 2007, respectively, and are included as a component of other long-term liabilities in the consolidated balance sheet. Accruals for interest and penalties recorded in the Company's consolidated statements of operations for 2007, 2006 and 2005 were \$17.2 million, \$6.9 million and \$20.1 million, respectively.

Dole Food Company or one or more of its subsidiaries file income tax returns in the U.S. federal jurisdiction, and various states and foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years prior to 2001.

Income Tax Audits: The Company believes its tax positions comply with the applicable tax laws and that it is adequately provided for all tax related matters. Matters raised upon audit may involve substantial amounts and could result in material cash payments if resolved unfavorably; however, management does not believe that any material payments will be made related to these matters within the next year. Management considers it unlikely that the resolution of these matters will have a material adverse effect on the Company's results of operations.

Internal Revenue Service Audit: On June 29, 2006, the IRS completed an examination of the Company's federal income tax returns for the years 1995 to 2001 and issued a Revenue Agent's Report (RAR) that includes various proposed adjustments. The net tax deficiency associated with the RAR is \$175 million, plus interest and penalties. The Company timely filed a protest letter contesting the proposed adjustments contained in the RAR on July 6, 2006. During January 2008, the Company was notified that the Appeals Branch of the IRS finalized its review of the Company's protest. This review is subject to Joint Committee approval. As a result of the finalization of the review of the Company's federal income tax returns for the years 1995 to 2001 by the Appeals Branch of the IRS, it is likely that the Company's gross unrecognized tax benefits recorded in other long-term liabilities could decrease within the next twelve months by as much as \$110 million. In that case, the impact on the Company's consolidated financial statements would be approximately \$130 million, which includes the \$110 million plus \$20 million for interest and federal and state tax benefits. Approximately \$60 million of this amount would reduce the Company's income tax provision and effective tax rate, and the remaining \$70 million would reduce goodwill.

The Company is currently under examination by the Internal Revenue Service for the tax years 2002-2005 and it is anticipated that the examination will be completed by the end of 2009.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****Note 7 Details of Certain Assets and Liabilities**

Details of receivables and inventories were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Receivables		
Trade	\$ 708,545	\$ 654,785
Notes and other	145,624	122,994
Grower advances	41,302	29,706
Income tax refund	5,402	877
	900,873	808,362
Allowance for doubtful accounts	(61,720)	(62,632)
	\$ 839,153	\$ 745,730
Inventories		
Finished products	\$ 355,502	\$ 322,122
Raw materials and work in progress	155,166	132,047
Crop-growing costs	172,980	151,533
Operating supplies and other	67,027	55,850
	\$ 750,675	\$ 661,552

Accounts payable consists primarily of trade payables.

Accrued liabilities included the following :

	December 29, 2007	December 30, 2006
	(In thousands)	
Employee-related costs and benefits	\$ 147,329	\$ 130,875
Amounts due to growers	98,130	107,478
Marketing and advertising	60,972	61,322
Shipping related costs	51,427	48,965
Materials and supplies	34,678	26,445
Interest	31,299	30,682

Unrealized hedging losses	28,462	7,520
Other	62,287	59,001
	\$ 514,584	\$ 472,288

Remaining amounts included in other accrued liabilities shown above are comprised of individually insignificant operating accruals.

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Other long-term liabilities were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Accrued postretirement and other employee benefits	\$ 249,230	\$ 258,319
Liability for unrecognized tax benefits	217,570	279,802
Other	74,434	70,070
	\$ 541,234	\$ 608,191

Note 8 Assets Held-for-Sale

The Company reviews its assets in order to identify those assets that do not meet the Company's future strategic direction or internal economic return criteria. As a result of this review, the Company has identified and is in the process of selling certain long-lived assets. In accordance with FAS 144, the Company has reclassified these assets as held-for-sale.

Total assets held-for-sale by segment were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Assets held-for-sale by segment:		
Fresh fruit	\$ 34,159	\$ 28,337
Fresh vegetables	3,251	3,251
Fresh-cut flowers	38,834	
Total assets held-for-sale	\$ 76,244	\$ 31,588

At December 29, 2007, included in the Company's balance sheet are \$73.8 million of assets held-for-sale related primarily to property, plant and equipment, net of accumulated depreciation and \$2.4 million related to inventory. At December 30, 2006, included in the Company's balance sheet are \$31.6 million of assets held-for-sale related to property, plant and equipment, net of accumulated depreciation and \$5.2 million related to accounts payable.

During the first quarter of 2007, two of the Company's non-wholly-owned subsidiaries sold land parcels located in central California to subsidiaries of Castle & Cooke, Inc. (Castle) for \$40.7 million, of which \$30.5 million was in cash and \$10.2 million was a note receivable. Castle is owned by David H. Murdock, the Company's Chairman. At

December 30, 2006, these land parcels were recorded as assets held-for-sale in the consolidated balance sheet. The Company's share of the gain on the sale was approximately \$0.9 million, net of income taxes. Since the sale involved the transfer of assets between two parties under common control, the gain on the sale was recorded as an increase to additional paid-in capital. These transactions have been included in the Company's fresh fruit segment.

During the second quarter of 2007, the Company reclassified seven Chilean farms and related assets associated with its Chilean deciduous fruit operations as assets held-for-sale. In connection with the Company's evaluation of the Chilean assets held-for-sale, the Company determined that certain long-lived assets were impaired and recorded a non-cash impairment charge of \$3.8 million. The impairment charge of \$3.8 million is included in cost of products sold in the consolidated statement of operations. The fair values of the assets in the impairment analysis were based on estimated sales prices of the related assets. The Company subsequently sold five of its Chilean farms classified as assets held-for-sale for \$9.3 million. The Company received \$4.9 million in cash proceeds, recorded \$4.4 million as notes receivable and recognized a gain of \$0.6 million, which is included in cost of products sold in the consolidated statement of operations.

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During the second and third quarters of 2007, the Company reclassified certain long-lived assets associated with its fresh fruit and fresh-cut flowers operations as assets held-for-sale. These assets consist of farmland located in Latin America and California as well as the fresh-cut flowers headquarters facility, located in Miami, Florida.

During the fourth quarter of 2007, the Company reclassified additional land parcels (consisting of approximately 4,400 acres of land) and other related assets and liabilities of its citrus and pistachio operations located in central California as assets held-for-sale. Refer to Note 3 Discontinued Operations for additional information related to the disposal of these assets.

Also during the fourth quarter, the Company reclassified a breakbulk refrigerated ship owned by a Latin American subsidiary as assets held-for-sale. During the first quarter of 2008, the Company sold the ship for \$12.7 million and also entered into a lease agreement for the ship. The Company recognized a deferred gain of \$11.9 million on the sale which is being amortized over the 3 year lease term.

Note 9 Property, Plant and Equipment

Major classes of property, plant and equipment were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Land and land improvements	\$ 698,853	\$ 754,051
Buildings and leasehold improvements	430,968	430,715
Machinery and equipment	803,353	698,051
Vessels and containers	218,970	231,640
Vessels and equipment under capital leases	98,006	96,460
Construction in progress	70,379	91,935
	2,320,529	2,302,852
Accumulated depreciation	(980,390)	(840,891)
	\$ 1,340,139	\$ 1,461,961

Depreciation is computed by the straight-line method over the estimated useful lives of the assets as follows:

	Years
Land improvements	5 to 40
Buildings and leasehold improvements	2 to 50
Machinery and equipment	2 to 35

Vessels and containers

5 to 20

Shorter of useful life
or life of lease

Vessels and equipment under capital leases

Depreciation expense for property, plant and equipment totaled \$151.1 million, \$144.8 million and \$137.9 million for the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****Note 10 Goodwill and Intangible Assets**

Goodwill has been allocated to the Company's reporting segments as follows:

	Fresh Fruit	Fresh Vegetables	Packaged Foods	Fresh-cut Flowers	Other	Total
	(In thousands)					
Balance as of December 31, 2005	\$ 376,355	\$ 97,868	\$ 66,057	\$	\$	\$ 540,280
Additions	24,035					24,035
Tax-related adjustments	(13,765)	(3,994)	(816)			(18,575)
Balance as of December 30, 2006	\$ 386,625	\$ 93,874	\$ 65,241	\$	\$	\$ 545,740
Adoption of FIN 48	(22,965)	(6,000)	(1,226)			(30,191)
Tax-related adjustments	(4,588)	(1,199)	(244)			(6,031)
Balance as of December 29, 2007	\$ 359,072	\$ 86,675	\$ 63,771	\$	\$	\$ 509,518

The additions to goodwill during the year ended December 30, 2006 relate to the acquisition of JP Fresh. Refer to Note 4 Business Acquisitions for further details.

The tax-related adjustments result from changes to deductible temporary differences, operating loss or tax credit carryforwards and contingencies that existed at the time of the going-private merger transaction. Included in the 2006 tax-related adjustments is approximately \$17.5 million of deferred tax assets established during 2006 that should have been established at the date of the going-private merger transaction.

Details of the Company's intangible assets were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Amortized intangible assets:		
Customer relationships	\$ 48,906	\$ 48,298
Other amortized intangible assets	5,851	6,696
	54,757	54,994
Accumulated amortization - customer relationships	(17,483)	(13,056)
Other accumulated amortization	(5,099)	(4,864)

Accumulated amortization intangible assets	(22,582)	(17,920)
Intangible assets, net	32,175	37,074
Indefinite-lived intangible assets:		
Trademark and trade names	689,615	689,615
Total identifiable intangible assets, net	\$ 721,790	\$ 726,689

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

Amortization expense of identifiable intangibles totaled \$4.5 million, \$4.5 million and \$11.9 million for the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively. Estimated remaining amortization expense associated with the Company's identifiable intangible assets in each of the next five fiscal years is as follows (in thousands):

Fiscal Year	Amount
2008	\$ 4,421
2009	\$ 4,421
2010	\$ 4,421
2011	\$ 4,421
2012	\$ 4,421

The Company performed its annual impairment review of goodwill and indefinite-lived intangible assets pursuant to Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets* (FAS 142), during the second quarter of fiscal 2007. This review indicated no impairment to goodwill or any of the Company's indefinite-lived intangible assets.

During the third quarter of 2007, indicators of impairment of goodwill and long-lived assets were identified in the Company's fresh vegetables operating segment, related to the current operating losses of this segment. In response to these indicators, the Company performed impairment tests under the requirements of FAS 142 and FAS 144. The impairment test under FAS 142 showed that the Company's goodwill was not impaired. Additionally, the impairment test of long-lived assets under FAS 144 for the fresh vegetables operating segment indicated these assets were recoverable and accordingly not impaired. The Company will continue to monitor and perform updates of its impairment testing of the recoverability of goodwill and long-lived assets as long as such impairment indicators are present.

During the third quarter of 2006 the Company restructured its fresh-cut flowers business. Due to indicators of impairment, the Company performed a two-step impairment test in accordance with FAS 144. As a result, the Company determined that the fresh-cut flowers indefinite-lived trade names were fully impaired and recorded an impairment charge of \$4.9 million which is included in selling, marketing and general and administrative expenses in the consolidated statement of operations. Additionally, the Company identified certain other impairments of long-lived assets as a result of this impairment test. See Note 5 for a discussion of the fresh-cut flowers restructuring and asset impairments.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****Note 11 Notes Payable and Long-Term Debt**

Notes payable and long-term debt consisted of the following amounts:

	December 29, 2007	December 30, 2006
	(In thousands)	
Unsecured debt:		
8.625% notes due 2009	\$ 350,000	\$ 350,000
7.25% notes due 2010	400,000	400,000
8.875% notes due 2011	200,000	200,000
8.75% debentures due 2013	155,000	155,000
Secured debt:		
Revolving credit facility	176,400	167,600
Term loan facilities	960,375	967,688
Contracts and notes, at a weighted-average interest rate of 8.4% in 2007 (7.5% in 2006) through 2014	3,255	2,291
Capital lease obligations	85,959	88,380
Unamortized debt discount	(610)	(907)
Notes payable	81,018	34,129
	2,411,397	2,364,181
Current maturities	(95,189)	(48,584)
	\$ 2,316,208	\$ 2,315,597

Notes Payable

The Company borrows funds on a short-term basis to finance current operations. The terms of these borrowings range from one month to three months. The Company's notes payable at December 29, 2007 consist primarily of foreign borrowings in Asia and Latin America.

Notes and Debentures

In April 2002, the Company completed the sale and issuance of \$400 million aggregate principal amount of Senior Notes due 2009 (the 2009 Notes). The 2009 Notes are redeemable, at the discretion of the Company, at par plus a make-whole amount, if any, and accrued and unpaid interest, any time prior to maturity. The 2009 Notes were issued at 99.50% of par.

In May 2003, the Company issued and sold \$400 million aggregate principal amount of 7.25% Senior Notes due 2010 (the 2010 Notes). The 2010 Notes were issued at par. The Company may redeem some or all of the 2010 Notes at a

redemption price of 101.813% of their principal amount during 2008 and at 100% during 2009 and thereafter, plus accrued and unpaid interest.

In connection with the going-private merger transaction of 2003, the Company issued \$475 million aggregate principal amount of 8.875% Senior Notes due 2011 (the 2011 Notes). The 2011 Notes were issued at par. The Company may redeem some or all of the 2011 Notes at a redemption price of 102.219% of their principal amount during 2008 and at 100% during 2009 and thereafter, plus accrued and unpaid interest.

In July 1993, the Company issued and sold debentures due 2013 (the 2013 Debentures). The 2013 Debentures are not redeemable prior to maturity and were issued at 99.37% of par.

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

During 2005, the Company repurchased \$325 million aggregate principal amount of its outstanding debt securities (\$50 million of its 2009 Notes and \$275 million of its 2011 Notes). As a result, the Company recorded a loss on early retirement of debt of \$42.3 million, which is included in other income (expense), net in the consolidated statement of operations for the year ended December 31, 2005.

Interest on the notes and debentures is paid semi-annually.

None of the Company's notes or debentures are subject to any sinking fund requirements. The notes and debentures are guaranteed by the Company's wholly-owned domestic subsidiaries (Note 21).

Amendments to Credit Facilities

In April 2006, the Company completed an amendment and restatement of its senior secured credit agreement. The purposes of this refinancing included increasing the combined size of the Company's revolving credit and letter of credit facilities, eliminating certain financial maintenance covenants, realizing currency gains arising out of the Company's then existing yen-denominated term loan, and refinancing the higher-cost bank indebtedness of the Company's immediate parent, Dole Holding Company, LLC (DHC) at the lower-cost Dole Food Company, Inc. level. The Company obtained \$975 million of term loan facilities and \$100 million in a pre-funded letter of credit facility, both of which mature in April 2013. The proceeds of the term loans were used to repay the then outstanding term loans and revolving credit facilities, as well as pay a dividend of \$160 million to DHC, which proceeds were used to repay its Second Lien Senior Credit Facility.

In addition, the Company entered into a new asset based revolving credit facility (ABL revolver) of \$350 million. The facility is secured by and is subject to a borrowing base consisting of up to 85% of eligible accounts receivable plus a predetermined percentage of eligible inventory, as defined in the credit facility. The ABL revolver matures in April 2011.

In connection with the 2006 refinancing transaction, the Company wrote-off deferred debt issuance costs of \$8.1 million and recognized a gain of \$6.5 million related to the settlement of its interest rate swap. These amounts were recorded to other income (expense), net in the consolidated statement of operations for the year ended December 30, 2006.

Revolving Credit Facility and Term Loans

As of December 29, 2007, the term loan facilities consisted of \$221.6 million of Term Loan B and \$738.8 million of Term Loan C. The term loan facilities bear interest at LIBOR plus a margin ranging from 1.75% to 2%, dependent upon the Company's senior secured leverage ratio. The weighted average variable interest rates at December 29, 2007 for Term Loan B and Term Loan C were LIBOR plus 2%, or 7.2%. The term loan facilities require quarterly principal payments, plus a balloon payment due in 2013.

As of December 29, 2007, the ABL revolver borrowing base was \$314.6 million and the amount outstanding under the ABL revolver was \$176.4 million. The ABL revolver bears interest at LIBOR plus a margin ranging from 1.25% to 1.75%, dependent upon the Company's historical borrowing availability under this facility. At December 29, 2007, the weighted average variable interest rate for the ABL revolver was LIBOR plus 1.5%, or 6.6%. After taking into

account approximately \$4.3 million of outstanding letters of credit issued under the ABL revolver, the Company had approximately \$133.9 million available for borrowings as of December 29, 2007. In addition, the Company had approximately \$91.8 million of letters of credit and bank guarantees outstanding under its pre-funded letter of credit facility as of December 29, 2007.

A commitment fee, which fluctuated between 0.25% and 0.375%, was paid based on the total unused portion of the revolving credit facility. In addition, there is a facility fee on the pre-funded letter of credit facility. The Company paid a total of \$0.7 million, \$1 million and \$0.7 million in commitment and facility fees for the years ended December 29, 2007, December 30, 2006 and December 31, 2005.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

During June 2006, the Company entered into an interest rate swap agreement in order to hedge future changes in interest rates and a cross currency swap to effectively lower the U.S. dollar fixed interest rate of 7.2% to a Japanese yen fixed interest rate of 3.6%. Refer to Note 16 Derivative Financial Instruments for additional discussion of the Company's hedging activities.

The revolving credit facility and term loan facilities are collateralized by substantially all of the Company's tangible and intangible assets, other than certain intercompany debt, certain equity interests and each of the Company's U.S. manufacturing plants and processing facilities that has a net book value exceeding 1% of the Company's net tangible assets.

Capital Lease Obligations

At December 29, 2007, included in capital lease obligations is \$83.4 million of vessel financings related to two vessel leases denominated in British pound sterling. The interest rates on these leases are based on LIBOR plus a spread. The remaining \$2.6 million of capital lease obligations relate primarily to ripening rooms and machinery and equipment. Interest rates under these leases are fixed. The capital lease obligations are collateralized by the underlying leased assets.

Covenants

Provisions under the indentures to the Company's senior notes and debentures require the Company to comply with certain covenants. These covenants include limitations on, among other things, indebtedness, investments, loans to subsidiaries, employees and third parties, the issuance of guarantees and the payment of dividends. At December 29, 2007, the Company was in compliance with all applicable covenants.

Debt Issuance Costs

Expenses related to the issuance of long-term debt are capitalized and amortized to interest expense over the term of the underlying debt. During the years ended December 29, 2007, December 30, 2006 and December 31, 2005, the Company amortized deferred debt issuance costs of \$4.1 million, \$4.4 million and \$5.9 million, respectively.

The Company wrote off \$8.1 million and \$10.7 million of deferred debt issuance costs during the years ended December 30, 2006 and December 31, 2005, respectively. The 2006 write-off was a result of the April 2006 refinancing transaction. The write-off of debt issuance costs in 2005 resulted from the prepayment of \$325 million of unsecured senior notes and \$335 million of term loan facilities.

Maturities of Notes Payable and Long-Term Debt

Maturities with respect to notes payable and long-term debt as of December 29, 2007 were as follows (in thousands):

Fiscal Year	Amount
2008	\$ 95,189

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2009	364,184
2010	413,763
2011	389,933
2012	13,675
Thereafter	1,134,653
Total	\$ 2,411,397

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)*****Other***

In addition to amounts available under the revolving credit facility, the Company's subsidiaries have uncommitted lines of credit of approximately \$187.3 million at various local banks, of which \$98.5 million was available at December 29, 2007. These lines of credit are used primarily for short-term borrowings, foreign currency exchange settlement and the issuance of letters of credit or bank guarantees. Several of the Company's uncommitted lines of credit expire in 2008 while others do not have a commitment expiration date. These arrangements may be cancelled at any time by the Company or the banks. The Company's ability to utilize these lines of credit is limited under the terms of its senior secured credit facilities and bond indentures.

Note 12 Employee Benefit Plans

The Company sponsors a number of defined benefit pension plans covering certain employees worldwide. Benefits under these plans are generally based on each employee's eligible compensation and years of service, except for certain hourly plans, which are based on negotiated benefits. In addition to pension plans, the Company has other postretirement benefit (OPRB) plans that provide certain health care and life insurance benefits for eligible retired employees. Covered employees may become eligible for such benefits if they fulfill established requirements upon reaching retirement age.

For the U.S. qualified pension plan, the Company's historical policy has been to fund the normal cost plus a 15-year amortization of the unfunded liability, subject to statutory minimums. However, as a result of the Pension Protection Act of 2006 (see discussion below), the Company is required to amortize the unfunded liability over a 7-year period beginning in 2008. Most of the Company's international pension plans and all of its OPRB plans are unfunded.

All pension benefits for U.S. salaried employees were frozen in 2002. The assumption for the rate of compensation increase of 2.5% on the U.S. plans represents the rate associated with the participants whose benefits are negotiated under collective bargaining arrangements.

The Company uses a December 31 measurement date for all of its plans.

Adoption of FAS 158

As of December 30, 2006, the Company adopted FAS 158, which changed the accounting rules for reporting and disclosures related to pension and other postretirement benefit plans. FAS 158 requires that companies include on the balance sheet an additional asset or liability to reflect the funded status of retirement and other postretirement benefit plans, and a corresponding after-tax adjustment to equity. The adoption in 2006 had no effect on the computation of net periodic benefit expense for pensions and postretirement benefits.

The incremental effects of applying FAS 158 on individual lines in the Company's 2006 consolidated balance sheet were as follows:

Balances Before	Balances After
----------------------------	-----------------------

	Adoption of FAS 158	Adjustments (In thousands)	Adoption of FAS 158
Other assets	\$ 299	\$ (87)	\$ 212
Long-term liabilities	\$ 235,039	\$ 6,337	\$ 241,376
Deferred income tax liabilities	\$ (12,373)	\$ (3,178)	\$ (15,551)
Accumulated other comprehensive loss	\$ (27,534)	\$ (3,246)	\$ (30,780)
Total assets	\$ 4,612,443	\$ (87)	\$ 4,612,356
Total liabilities	\$ 4,268,114	\$ 3,159	\$ 4,271,273
Total shareholders' equity	\$ 344,329	\$ (3,246)	\$ 341,083

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

Pension Protection Act of 2006

In August 2006, the Pension Protection Act of 2006 was signed into law. This legislation changes the method of valuing the U.S. qualified pension plan assets and liabilities for funding purposes, as well as the minimum funding levels required beginning in 2008. The effect of these changes will be larger contributions over the next seven years, with the goal of being fully funded by 2014. The amount of unfunded liability in future years will be affected by future contributions, demographic changes, investment returns on plan assets, and interest rates, so full funding may be achieved sooner or later than 2014. The Company anticipates funding pension contributions with cash from operations.

Medicare Prescription Drug, Improvement and Modernization Act of 2003

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act) was signed into law in December 2003. The Act introduced a prescription drug benefit under Medicare (Medicare Part D), as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D. The Company determined that the benefits provided by certain of its postretirement health care plans are actuarially equivalent to Medicare Part D and thus qualify for the subsidy under the Act. The expected subsidy decreased the accumulated postretirement benefit obligation (APBO) by \$3.5 million and \$5 million as of December 29, 2007 and December 30, 2006, respectively. The net periodic benefit costs for 2007, 2006 and 2005 were reduced by approximately \$0.2 million, \$0.3 million and \$0.5 million, respectively, due to the expected subsidy.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

Obligations and Funded Status The status of the Company's defined benefit pension and OPRB plans was as follows:

	U.S. Pension Plans		International Pension Plans		OPRB Plans	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
	(In thousands)					
Change in projected benefit obligation						
Benefit obligation at beginning of period	\$ 310,186	\$ 305,354	\$ 134,098	\$ 72,088	\$ 68,628	\$ 72,008
Service cost	149	1,550	6,947	4,443	308	282
Interest cost	17,139	16,878	8,820	7,165	4,639	3,908
Participant contributions			458	176		
Foreign currency exchange rate changes			10,298	7,894		
Actuarial (gain) loss	5,778	11,246	(7,736)	9,245	(5,194)	(3,044)
Acquisitions				42,340		
Divestitures				(212)		
Curtailments, settlements and terminations, net				35		
Benefits paid	(25,155)	(24,842)	(11,171)	(9,076)	(4,578)	(4,526)
Benefit obligation at end of period	\$ 308,097	\$ 310,186	\$ 141,714	\$ 134,098	\$ 63,803	\$ 68,628
Change in plan assets						
Fair value of plan assets at beginning of period	\$ 236,712	\$ 230,303	\$ 35,036	\$ 3,608	\$	\$
Actual return on plan assets	17,451	26,121	1,167	541		
Company contributions	8,873	5,130	11,826	9,040	4,578	4,526
Participant contributions			458	176		
Foreign currency exchange rate changes			1,169	2,145		
Benefits paid	(25,155)	(24,842)	(11,171)	(9,076)	(4,578)	(4,526)
Acquisitions				28,710		
Divestitures				(108)		
Fair value of plan assets at end of period	\$ 237,881	\$ 236,712	\$ 38,485	\$ 35,036	\$	\$

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Funded status	\$ (70,216)	\$ (73,474)	\$ (103,229)	\$ (99,062)	\$ (63,803)	\$ (68,628)
Amounts recognized in the Consolidated Balance Sheets						
Other assets	\$	\$	\$	\$ 212	\$	\$
Long-term liabilities	(70,216)	(73,474)	(103,229)	(99,274)	(63,803)	(68,628)
	\$ (70,216)	\$ (73,474)	\$ (103,229)	\$ (99,062)	\$ (63,803)	\$ (68,628)

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

Amounts recognized in accumulated other comprehensive loss at December 29, 2007 and December 30, 2006 are as follows:

	U.S. Pension Plans		International Pension Plans		OPRB Plans	
	Year Ended December 29, 2007	Year Ended December 30, 2006	Year Ended December 29, 2007	Year Ended December 30, 2006	Year Ended December 29, 2007	Year Ended December 30, 2006
	(In thousands)					
Net actuarial loss (gain)	\$ 42,754	\$ 37,941	\$ 7,970	\$ 15,018	\$ (6,136)	\$ (847)
Prior service cost (benefit)	1	2	392	407	(5,460)	(6,374)
Net transition obligation			149	183		
Income taxes	(16,034)	(15,535)	(208)	(1,068)	3,324	1,053
Total	\$ 26,721	\$ 22,408	\$ 8,303	\$ 14,540	\$ (8,272)	\$ (6,168)

All of the Company's pension plans were underfunded at December 29, 2007, having accumulated benefit obligations exceeding the fair value of plan assets. The accumulated benefit obligation for all defined benefit pension plans was \$417.6 million and \$406.6 million at December 29, 2007 and December 30, 2006, respectively. The aggregate projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with accumulated benefit obligations in excess of plan assets were as follows:

	December 29, 2007	December 30, 2006
	(In thousands)	
Projected benefit obligation	\$ 449,811	\$ 444,046
Accumulated benefit obligation	\$ 417,581	\$ 406,392
Fair value of plan assets	\$ 276,366	\$ 271,297

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)*****Components of Net Periodic Benefit Cost and Other Changes Recognized in Other Comprehensive Loss***

The components of net periodic benefit cost and other changes recognized in other comprehensive loss for the Company's U.S. and international pension plans and OPRB plans were as follows:

	U.S Pension Plans			International Pension Plans		
	Year Ended December 29, 2007	Year Ended December 30, 2006	Year Ended December 31, 2005	Year Ended December 29, 2007	Year Ended December 30, 2006	Year Ended December 31, 2005
	(In thousands)					
Components of net periodic benefit cost:						
Service cost	\$ 149	\$ 1,550	\$ 1,683	\$ 6,947	\$ 4,443	\$ 5,489
Interest cost	17,139	16,878	17,548	8,820	7,165	7,700
Expected return on plan assets	(17,721)	(18,021)	(18,075)	(2,473)	(905)	(356)
Amortization of:						
Unrecognized net loss	1,236	652	862	525	201	129
Unrecognized prior service cost	1	1	2	79	69	65
Unrecognized net transition obligation				56	51	49
Curtailments, settlements and terminations, net				653	1,197	819
	\$ 804	\$ 1,060	\$ 2,020	\$ 14,607	\$ 12,221	\$ 13,895
Other changes recognized in other comprehensive loss						
Net loss (gain)	\$ 6,049			\$ (6,430)		
Amortization of:						
Unrecognized net loss	(1,236)			(525)		
Unrecognized prior service cost	(1)			(79)		
Unrecognized net transition obligation				(56)		
Curtailments, settlements and terminations, net				(653)		
Foreign currency adjustment				646		

Income taxes	(499)	860
Total recognized in other comprehensive loss	\$ 4,313	\$ (6,237)
Total recognized in net periodic benefit cost and other comprehensive loss, net of income taxes	\$ 5,117	\$ 8,370

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

	Year Ended December 29, 2007	OPRB Plans Year Ended December 30, 2006 (In thousands)	Year Ended December 31, 2005
Components of net periodic benefit cost:			
Service cost	\$ 308	\$ 282	\$ 406
Interest cost	4,639	3,908	4,186
Amortization of:			
Unrecognized net loss (gain)	95	(112)	
Unrecognized prior service benefit	(914)	(914)	(747)
Curtailments, settlements and terminations, net		(1,062)	
	\$ 4,128	\$ 2,102	\$ 3,845
Other changes recognized in other comprehensive loss			
Net gain	\$ (5,194)		
Amortization of:			
Unrecognized net loss	(95)		
Unrecognized prior service benefit	914		
Income taxes	2,271		
Total recognized in other comprehensive loss	\$ (2,104)		
Total recognized in net periodic benefit cost and other comprehensive loss, net of income taxes	\$ 2,024		

The estimated net loss, prior service cost and transition obligation for the defined benefit pension plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year is \$2.1 million. The estimated actuarial net gain and prior service benefit for the OPRB plans that will be amortized from accumulated other comprehensive loss into periodic benefit cost over the next fiscal year is \$0.9 million.

Assumptions

Weighted-average assumptions used to determine benefit obligations at December 29, 2007 and December 30, 2006 are as follows:

**U.S. Pension
Plans****International
Pension Plans****OPRB Plans**

	2007	2006	2007	2006	2007	2006
Rate assumptions:						
Discount rate	6.25%	5.75%	7.52%	6.61%	6.44%	5.91%
Rate of compensation increase	2.50%	2.50%	5.22%	5.15%		

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Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 29, 2007 and December 30, 2006 are as follows:

	U.S. Pension Plans		International Pension Plans		OPRB Plans	
	2007	2006	2007	2006	2007	2006
Rate assumptions:						
Discount rate	5.75%	5.75%	6.61%	10.17%	5.91%	5.74%
Compensation increase	2.50%	2.50%	5.15%	7.02%		4.95%
Rate of return on plan assets	8.00%	8.25%	6.73%	7.12%		

International plan discount rates, assumed rates of increase in future compensation and expected long-term return on assets differ from the assumptions used for U.S. plans due to differences in the local economic conditions in the countries in which the international plans are based.

The APBO for the Company's U.S. OPRB plan in 2007 and 2006 was determined using the following assumed annual rate of increase in the per capita cost of covered health care benefits:

Fiscal Year	Year Ended December 29, 2007	Year Ended December 30, 2006
Health care costs trend rate assumed for next year	9%	8%
Rate of increase to which the cost of benefits is assumed to decline (the ultimate trend rate)	5.5%	5.5%
Year that the rate reaches the ultimate trend rate	2012	2010

A one-percentage-point change in assumed health care cost trend rates would have the following impact on the Company's OPRB plans:

	One-Percentage-Point Increase	One-Percentage-Point Decrease
	(In thousands)	
Increase (decrease) in service and interest cost	\$ 306	\$ (267)
Increase (decrease) in postretirement benefit obligation	\$ 4,510	\$ (3,919)

Plan Assets

The Company's U.S. pension plan weighted-average asset allocations at December 29, 2007 and December 30, 2006 by asset category, are as follows:

Asset Category	Plan Assets at	
	December 29, 2007	December 30, 2006
Fixed income securities	41%	39%
Equity securities	57%	59%
Private equity and venture capital funds	2%	2%
Total	100%	100%

The plan's asset allocation includes a mix of fixed income investments designed to reduce volatility and equity investments designed to maintain funding ratios and long-term financial health of the plan. The equity investments are diversified across U.S. and international stocks as well as growth, value, and small and large capitalizations.

Private equity and venture capital funds are used to enhance long-term returns while improving portfolio diversification. The Company employs a total return investment approach whereby a mix of fixed income and

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

equity investments is used to maximize the long-term return of plan assets with a prudent level of risk. The objectives of this strategy are to achieve full funding of the accumulated benefit obligation, and to achieve investment experience over time that will minimize pension expense volatility and minimize the Company's contributions required to maintain full funding status. Risk tolerance is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies and quarterly investment portfolio reviews.

The following is the plan's target asset mix, which management believes provides the optimal tradeoff of diversification and long-term asset growth:

Asset Class	Target Allocation
Fixed income securities	40%
Equity securities	55%
Private equity and venture capital funds	5%

The pension plan did not hold any of the Company's common stock at December 29, 2007 and December 30, 2006.

The Company determines the expected return on pension plan assets based on an expectation of average annual returns over an extended period of years. This expectation is based, in part, on the actual returns achieved by the Company's pension plans over the prior ten-year period. The Company also considers the weighted-average historical rate of returns on securities with similar characteristics to those in which the Company's pension assets are invested.

The Company applies the 10% corridor approach to amortize unrecognized actuarial gains (losses) on both its U.S. and international pension and OPRB plans. Under this approach, only actuarial gains (losses) that exceed 10% of the greater of the projected benefit obligation or the market-related value of the plan assets are amortized. The amortization period is based on the average remaining service period of active employees expected to receive benefits under each plan or over the life expectancy of inactive participants where all, or nearly all, participants are inactive. For the year ended December 29, 2007, the average remaining service period used to amortize unrecognized actuarial gains (losses) for its domestic plans was approximately 10.5 years.

Plan Contributions and Estimated Future Benefit Payments

During 2007, the Company contributed \$6.6 million to its qualified U.S. pension plan, which included voluntary contributions above the minimum requirements for the plan. The Company will contribute approximately \$8 million to its U.S. qualified plan in 2008, which is the estimated minimum funding requirement calculated under the Pension Protection Act of 2006. Future contributions to the U.S. pension plan in excess of the minimum funding requirement are voluntary and may change depending on the Company's operating performance or at management's discretion. The Company expects to make payments related to its other U.S. and foreign pension and OPRB plans of \$20.5 million in 2008.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

The following table presents estimated future benefit payments:

Fiscal Year	U.S. Pension Plans	International	
		Pension Plans (In thousands)	OPRB Plans
2008	\$ 24,800	\$ 9,133	\$ 5,782
2009	24,500	8,548	5,858
2010	24,400	9,957	5,911
2011	24,100	10,155	5,917
2012	24,000	11,084	5,790
2013-2018	116,800	68,524	26,753
Total	\$ 238,600	\$ 117,401	\$ 56,011

Defined Contribution Plans

The Company offers defined contribution plans to eligible employees. Such employees may defer a percentage of their annual compensation in accordance with plan guidelines. Some of these plans provide for a Company match that is subject to a maximum contribution as defined by the plan. Company contributions to its defined contribution plans totaled \$9.3 million, \$9.4 million and \$9.6 million in the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

Multi-Employer Plans

The Company is also party to various industry-wide collective bargaining agreements that provide pension benefits. Total contributions to these plans for eligible participants were approximately \$2.8 million, \$3.7 million and \$3.6 million in the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

Note 13 Shareholders Equity

The Company's authorized share capital as of December 29, 2007 and December 30, 2006 consisted of 1,000 shares of \$0.001 par value common stock of which 1,000 shares were issued and outstanding. All issued and outstanding shares are owned by DHC, a Delaware limited liability company and a direct wholly-owned subsidiary of DHM Holding Company, Inc. (HoldCo).

Dividends

The Company did not declare or pay a dividend to its parent during the year ended December 29, 2007. During the year ended December 30, 2006, the Company declared and paid dividends of \$163.7 million to DHC. During the year

ended December 31, 2005, the Company declared and paid dividends of \$77.3 million to DHC. As planned, the dividends were a partial return of the \$100 million capital contribution made to the Company by DHC during 2004.

The Company's ability to declare dividends is limited under the terms of its senior secured credit facilities and bond indentures. As of December 29, 2007, the Company had no ability to declare and pay dividends or other similar distributions.

Capital Contributions and Return of Capital

There were no capital contributions or return of capital transactions during the year ended December 29, 2007.

On March 3, 2006, HoldCo executed a \$150 million senior secured term loan agreement. In March 2006, HoldCo contributed \$28.4 million to its wholly-owned subsidiary, DHC, the Company's immediate parent, which contributed the funds to the Company. As planned, in October 2006, the Company declared a cash capital

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

repayment of \$28.4 million to DHC, returning the \$28.4 million capital contribution made by DHC in March 2006. The Company repaid this amount during the fourth quarter of 2006.

On October 4, 2006, the Company loaned \$31 million to DHC, which then dividended the funds to HoldCo for contribution to Westlake Wellbeing Properties, LLC. In connection with this funding, an intercompany loan agreement was entered into between DHC and the Company. DHC has no operations and would need to repay the loan with a dividend from the Company, a contribution from HoldCo, or through a financing transaction. It is currently anticipated that amounts under the intercompany loan agreement will be replaced with dividend proceeds or, the loan would be forgiven in the future. The Company has accounted for the intercompany loan as a distribution of additional paid-in capital.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of changes to shareholders' equity, other than contributions from or distributions to shareholders, and net income (loss). The Company's other comprehensive income (loss) principally consists of unrealized foreign currency translation gains and losses, unrealized gains and losses on cash flow hedging instruments and pension liability. The components of, and changes in, accumulated other comprehensive income (loss) are presented in the Company's Consolidated Statements of Shareholders' Equity.

Note 14 Business Segments

The Company has four reportable operating segments: fresh fruit, fresh vegetables, packaged foods and fresh-cut flowers. These reportable segments are managed separately due to differences in their products, production processes, distribution channels and customer bases.

Management evaluates and monitors segment performance primarily through, among other measures, earnings before interest expense and income taxes (EBIT). EBIT is calculated by adding interest expense and income taxes to income (loss) from continuing operations. 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 (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. Additionally, the Company's computation of EBIT may not be comparable to other similarly titled measures computed by other companies, because not all companies calculate EBIT in the same fashion.

In the tables below, only revenues from external customers and EBIT reflect results from continuing operations. Total assets, tangible long-lived assets, depreciation and amortization and capital additions reflect results from continuing and discontinued operations for 2007, 2006 and 2005.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

The results of operations and financial position of the four reportable operating segments and corporate were as follows:

Results of Operations:

	2007	2006	2005
	(In thousands)		
Revenues from external customers			
Fresh fruit	\$ 4,736,902	\$ 3,968,963	\$ 3,699,060
Fresh vegetables	1,059,401	1,082,416	1,083,227
Packaged foods	1,023,257	938,336	854,230
Fresh-cut flowers	110,153	160,074	171,259
Corporate	1,252	1,148	1,049
	\$ 6,930,965	\$ 6,150,937	\$ 5,808,825
EBIT			
Fresh fruit	\$ 170,598	\$ 103,891	\$ 204,234
Fresh vegetables	(21,725)	(7,301)	11,375
Packaged foods	78,492	91,392	87,495
Fresh-cut flowers	(19,132)	(57,001)	(5,094)
Total operating segments	208,233	130,981	298,010
Corporate	(70,247)	(32,713)	(70,298)
Interest expense	(194,865)	(174,715)	(142,452)
Income taxes	(1,060)	(18,230)	(44,175)
Income (loss) from continuing operations, net of income taxes	\$ (57,939)	\$ (94,677)	\$ 41,085

Corporate EBIT includes general and administrative costs not allocated to operating segments.

Substantially all of the Company's equity earnings in unconsolidated subsidiaries, which have been included in EBIT in the table above, relate to the fresh fruit operating segment.

Financial Position:

December 29, December 30,
2007 2006
(In thousands)

Total assets		
Fresh fruit	\$ 2,528,169	\$ 2,451,518
Fresh vegetables	476,501	479,217
Packaged foods	693,515	653,077
Fresh-cut flowers	112,578	115,477
Total operating segments	3,810,763	3,699,289
Corporate	832,121	913,067
	\$ 4,642,884	\$ 4,612,356

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Depreciation and amortization and capital additions by segment were as follows:

	2007	2006	2005
	(In thousands)		
Depreciation and amortization			
Fresh fruit	\$ 96,947	\$ 92,788	\$ 94,481
Fresh vegetables	18,414	15,744	15,602
Packaged foods	32,989	31,454	30,704
Fresh-cut flowers	3,757	4,578	4,603
Other operating segments		647	675
Corporate	3,498	4,136	3,744
	\$ 155,605	\$ 149,347	\$ 149,809
Capital additions			
Fresh fruit	\$ 52,760	\$ 42,482	\$ 100,358
Fresh vegetables	27,433	52,990	17,691
Packaged foods	23,913	19,728	21,845
Fresh-cut flowers	2,966	1,611	2,324
Other operating segments		1,549	2,555
Corporate	158	975	1,533
	\$ 107,230	\$ 119,335	\$ 146,306

The Company's revenues from external customers and tangible long-lived assets by country/region were as follows:

	2007	2006	2005
	(In thousands)		
Revenues from external customers			
United States	\$ 2,773,398	\$ 2,731,926	\$ 2,645,674
Japan	590,774	579,121	641,969
Sweden	474,185	354,484	479,888
Germany	470,662	439,825	406,564
United Kingdom	331,884	110,454	53,756
Canada	263,149	224,906	141,642
Other Euro zone countries	808,201	743,294	671,075
Other international	1,218,712	966,927	768,257
	\$ 6,930,965	\$ 6,150,937	\$ 5,808,825

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In the Other international category above, there are no individual countries whose revenues from external customers are considered material.

	December 29, 2007	December 30, 2006
	(In thousands)	
Tangible long-lived assets		
United States	\$ 654,051	\$ 706,929
Oceangoing assets	161,531	195,906
Philippines	148,786	136,228
Costa Rica	97,576	120,088
Honduras	77,093	80,513
Chile	56,974	75,844
Ecuador	54,254	69,772
Other international	245,461	228,633
	\$ 1,495,726	\$ 1,613,913

Note 15 Operating Leases and Other Commitments

In addition to obligations recorded on the Company's Consolidated Balance Sheet as of December 29, 2007, the Company has commitments under cancelable and non-cancelable operating leases, primarily for land, equipment and office warehouse facilities. A significant portion of the Company's lease payments are fixed. Total rental expense, including rent related to cancelable and non-cancelable leases, was \$169.2 million, \$153 million and \$130 million (net of sublease income of \$16.6 million, \$16.4 million and \$15.9 million) for the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

The Company modified the terms of its corporate aircraft lease agreement during 2007. The modification primarily extended the lease period from terminating in 2010 to 2018. The Company's corporate aircraft lease agreement includes a residual value guarantee of up to \$4.8 million at the termination of the lease in 2018.

As of December 29, 2007, the Company's non-cancelable minimum lease commitments, including residual value guarantees, before sublease income, were as follows (in thousands):

Fiscal Year	Amount
2008	\$ 122,728
2009	80,507
2010	70,171
2011	53,913

2012	32,194
Thereafter	102,695
Total	\$ 462,208

Total expected future sublease income is \$44.6 million.

In order to secure sufficient product to meet demand and to supplement the Company's own production, the Company has entered into non-cancelable agreements with independent growers primarily in Latin America to purchase substantially all of their production subject to market demand and product quality as well as with food manufacturers. Prices under these agreements are generally fixed and contract terms range from one to sixteen years. Total purchases under these agreements were \$564.5 million, \$474.5 million and \$433.4 million for the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

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At December 29, 2007, aggregate future payments under such purchase commitments (based on December 29, 2007 pricing and volumes) are as follows (in thousands):

Fiscal Year	Amount
2008	\$ 491,264
2009	343,762
2010	279,403
2011	228,343
2012	86,095
Thereafter	73,578
Total	\$ 1,502,445

In order to ensure a steady supply of packing supplies and to maximize volume incentive rebates, the Company has entered into contracts with certain suppliers for the purchase of packing supplies, as defined in the respective agreements, over periods of up to three years. Purchases under these contracts for the years ended December 29, 2007, December 30, 2006 and December 31, 2005 were approximately \$272.7 million, \$207.6 million and \$227.3 million, respectively.

Under these contracts, the Company was committed at December 29, 2007, to purchase packing supplies, assuming current price levels, as follows (in thousands):

Fiscal Year	Amount
2008	\$ 249,125
2009	83,685
2010	55,185
2011	
2012	
Thereafter	
Total	\$ 387,995

The Company also has an airfreight contract with a company to transport product from Latin America to the United States. Payments under this contract were \$17.6 million \$22.4 million and \$18.9 million for 2007, 2006 and 2005, respectively. The contract expires in 2011. Estimated payments for 2008, 2009 and 2010 are \$11.7 million each year and for 2011 are \$8.3 million.

The Company has numerous collective bargaining agreements with various unions covering approximately 33% of the Company's hourly full-time and seasonal employees. Of the unionized employees, 35% are covered under a collective bargaining agreement that will expire within one year and the remaining 65% are covered under collective bargaining agreements expiring beyond the upcoming year. These agreements are subject to periodic negotiation and renewal. Failure to renew any of these collective bargaining agreements may result in a strike or work stoppage; however, management does not expect that the outcome of these negotiations and renewals will have a material adverse impact on the Company's financial condition or results of operations.

Note 16 Derivative Financial Instruments

The Company is exposed to foreign currency exchange rate fluctuations, bunker fuel price fluctuations and interest rate changes in the normal course of its business. As part of its risk management strategy, the Company uses derivative instruments to hedge certain foreign currency, bunker fuel and interest rate exposures. The Company's objective is to offset gains and losses resulting from these exposures with losses and gains on the derivative contracts

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

used to hedge them, thereby reducing volatility of earnings. The Company does not hold or issue derivative financial instruments for trading or speculative purposes.

Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities, as amended* (FAS 133), establishes accounting and reporting standards requiring that every derivative instrument be recorded in the balance sheet as either an asset or liability and measured at fair value. FAS 133 also requires that changes in the derivative s fair value be recognized currently in earnings unless specific criteria are met and that a company must formally document, designate and assess the effectiveness of transactions that receive hedge accounting. For those instruments that qualify for hedge accounting as cash flow hedges, any unrealized gains or losses are included in accumulated other comprehensive income (loss), with the corresponding asset or liability recorded on the balance sheet. Any portion of a cash flow hedge that is deemed to be ineffective is recognized into current period earnings. When the transaction underlying the hedge is recognized into earnings, the related other comprehensive income (loss) is reclassified to current period earnings.

Through the first quarter of 2007, all of the Company s derivative instruments were designated as effective hedges of cash flows as defined by FAS 133. However, during the second quarter of 2007, the Company elected to discontinue its designation of both its foreign currency and bunker fuel hedges as cash flow hedges under FAS 133. The interest rate swap will continue to be accounted for as a cash flow hedge under FAS 133. As a result, all changes in the fair value of the Company s derivative financial instruments from the time of discontinuation of hedge accounting are reflected in the Company s consolidated statement of operations. Gains and losses on foreign currency and bunker fuel hedges are now recorded as a component of cost of products sold in the consolidated statement of operations. Gains and losses related to the interest rate swap are recorded as a component of interest expense in the consolidated statements of operations.

The Company estimates the fair values of its derivatives based on quoted market prices or pricing models using current market rates and records all derivatives on the balance sheet at fair value.

Foreign Currency Hedges

Some of the Company s divisions operate in functional currencies other than the U.S. dollar. As a result, the Company enters into cash flow derivative instruments to hedge portions of anticipated revenue streams and operating expenses. At December 29, 2007, the Company had forward contract hedges for forecasted revenue transactions denominated in the Japanese yen, the Euro and the Canadian dollar and for forecasted operating expenses denominated in the Chilean peso and Thai baht. The Company uses foreign currency exchange forward contracts and participating forward contracts to reduce its risk related to anticipated dollar equivalent foreign currency cash flows.

In addition, the net assets of some of the Company s foreign subsidiaries are exposed to foreign currency translation gains and losses, which are included as a component of accumulated other comprehensive income (loss) in shareholders equity. The Company has historically not attempted to hedge this equity risk.

The Company recorded a gain of \$5.6 million and \$0.9 million for the years ended December 29, 2007 and December 30, 2006, respectively, and a loss of \$2 million for the year ended December 31, 2005 related to the settlement of foreign currency exchange contracts. Additionally, during the fourth quarter of 2007, the Company settled early its Philippine peso hedges and Colombian peso hedges that were expected to settle during 2008, realizing

gains of \$13.2 million. These gains and losses were included as a component of cost of products sold in the consolidated statements of operations for 2007, 2006 and 2005.

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At December 29, 2007, the gross notional value and unrecognized gains (losses) of the Company's foreign currency hedges were as follows:

	Gross Notional Value			Unrecognized	Average Strike Price	Settlement Year
	Participating Forwards	Forwards	Total	Gains (Losses)		
<i>Foreign Currency Hedges(Buy/Sell):</i>						
U.S Dollar/Japanese Yen	\$ 137,610	\$ 3,784	\$ 141,394	\$ (1,265)	JPY 113.6	2008
U.S Dollar/Euro	265,025		265,025	(8,378)	EUR 1.37	2008/2009
U.S Dollar/Canadian Dollar		43,446	43,446	(2,932)	CAD 1.05	2008
Chilean Peso/U.S. Dollar		27,525	27,525	303	CLP 505	2008
Thai Baht/U.S. Dollar	45,050	37,011	82,061	207	THB 33.7	2008
Total	\$ 447,685	\$ 111,766	\$ 559,451	\$ (12,065)		

For foreign currency hedges, unrecognized gain (losses) represent the fair market value of these instruments and are recorded in the consolidated balance sheet as either current assets or current liabilities.

At December 30, 2006 the Company had outstanding hedges denominated in the Japanese yen, the Euro, the Canadian dollar, the Chilean peso, the Colombian peso and the Philippine peso. The unrecognized gain associated with these hedges was \$3.5 million at December 30, 2006.

Bunker Fuel Hedges

The Company enters into bunker fuel hedges for its shipping operations to reduce its risk related to price fluctuations on anticipated bunker fuel purchases. At December 29, 2007, the gross notional value and unrecognized gain (in thousands) of the Company's bunker fuel hedges were as follows:

	Notional Volume (metric tons)	Unrecognized		Average Price (per metric ton)	Settlement Year
		Gain (In thousands)			
<i>Bunker Fuel Hedges:</i>					
Rotterdam	8,891	\$ 749	\$	312	2008

At December 29, 2007, the fair value of the bunker fuel hedges was an asset of \$1.1 million. The difference between the fair value and unrecognized gain of \$0.4 million relates to unsettled bunker fuel hedges that received FAS 133 treatment prior to the discontinuation of hedge accounting during the second quarter of 2007. At December 30, 2006, the fair value of the bunker fuel hedges, a liability of \$2.5 million, included an ineffective loss component of approximately \$1.1 million.

The Company recorded a gain of \$3.9 million and a loss of \$3.5 million related to the settlement of bunker fuel contracts for the years ended December 29, 2007 and December 30, 2006, respectively.

Interest Rate and Cross Currency Swaps

As discussed in Note 11, the Company completed an amendment and restatement of its senior secured credit facilities in April 2006. As a result of this refinancing transaction, the Company recognized a gain of \$6.5 million related to the settlement of its interest rate swap associated with its then existing Term Loan A. This amount was recorded to other income (expense), net in the consolidated statement of operations for the year ended December 30, 2006.

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In June 2006, subsequent to the refinancing transaction, the Company entered into an interest rate swap in order to hedge future changes in interest rates. This agreement effectively converted \$320 million of borrowings under Term Loan C, which was variable-rate debt, to a fixed-rate basis through June 2011. The interest rate swap fixed the interest rate at 7.24%. The paying and receiving rates under the interest rate swap were 5.49% and 5.24% as of December 29, 2007, with an outstanding notional amount of \$320 million. The critical terms of the interest rate swap were substantially the same as those of Term Loan C, including quarterly principal and interest settlements. The interest rate swap hedge has been designated as an effective hedge of cash flows as defined by FAS 133. The fair value of the interest rate swap was a liability of \$15.9 million and \$6.4 million at December 29, 2007 and December 30, 2006, respectively. For both 2007 and 2006, \$0.4 million was recognized as interest expense in the consolidated statements of operations related to net payments of the interest rate swap.

In addition, in June 2006, the Company executed a cross currency swap to synthetically convert \$320 million of Term Loan C into Japanese yen denominated debt in order to effectively lower the U.S. dollar fixed interest rate of 7.24% to a Japanese yen interest rate of 3.60%. Payments under the cross currency swap were converted from U.S. dollars to Japanese yen at an exchange rate of ¥111.92 Japanese yen to U.S. dollars. The cross currency swap does not qualify for hedge accounting and as a result all gains and losses are recorded through other income (expense) in the consolidated statement of operations. The fair value of the cross currency swap was an asset of \$9.9 million and \$20.7 million at December 29, 2007 and December 30, 2006, respectively. Realized gains related to settlements of the cross currency swap amounted to \$12.8 million and \$4.1 million for 2007 and 2006, respectively. These gains are recorded through other income (expense) in the consolidated statement of operations.

Credit Risk

The counterparties to the foreign currency exchange forward contracts, bunker fuel hedges and the interest rate swap consist of a number of major international financial institutions. The Company has established counterparty guidelines and regularly monitors its positions and the financial strength of these institutions. While counterparties to hedging contracts expose the Company to credit-related losses in the event of a counterparty's non-performance, the risk would be limited to the unrealized gains on such affected contracts. The Company does not anticipate any such losses.

Note 17 Contingencies

The Company is a guarantor of indebtedness to some of its key fruit suppliers and other entities integral to the Company's operations. At December 29, 2007, guarantees of \$3.5 million consisted primarily of amounts advanced under third-party bank agreements to independent growers that supply the Company with product. The Company has not historically experienced any significant losses associated with these guarantees.

The Company issues letters of credit and bank guarantees through its ABL revolver and its pre-funded letter of credit facilities, and, in addition, separately through major banking institutions. The Company also provides insurance company issued bonds. These letters of credit, bank guarantees and insurance company bonds are required by certain regulatory authorities, suppliers and other operating agreements. As of December 29, 2007, total letters of credit, bank guarantees and bonds outstanding under these arrangements were \$141 million, of which \$4.3 million were issued under its pre-funded letter of credit facility.

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. The Company guaranteed \$217.1 million of its subsidiaries' obligations to their suppliers and other third parties as of December 29, 2007.

The Company has change of control agreements with certain key executives, under which severance payments and benefits would become payable in the event of specified terminations of employment following a change of control (as defined) of the Company.

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NOTES TO CONSOLIDATED STATEMENTS (Continued)

The Company is involved from time to time in claims and legal actions incidental to its operations, both as plaintiff and defendant. The Company has established what management currently believes to be adequate reserves for pending legal matters. These reserves are established as part of an ongoing worldwide assessment of claims and legal actions that takes into consideration such items as changes in the pending case load (including resolved and new matters), opinions of legal counsel, individual developments in court proceedings, changes in the law, changes in business focus, changes in the litigation environment, changes in opponent strategy and tactics, new developments as a result of ongoing discovery, and past experience in defending and settling similar claims. In the opinion of management, after consultation with outside counsel, the claims or actions to which the Company is a party are not expected to have a material adverse effect, individually or in the aggregate, on the Company's financial condition or results of operations.

A significant portion of the Company's legal exposure relates to lawsuits pending in the United States and in several foreign countries, alleging injury as a result of exposure to the agricultural chemical DBCP (1,2-dibromo-3-chloropropane). DBCP was manufactured by several chemical companies including Dow and Shell and registered by the U.S. government for use on food crops. The Company and other growers applied DBCP on banana farms in Latin America and the Philippines and on pineapple farms in Hawaii. Specific periods of use varied among the different locations. The Company halted all purchases of DBCP, including for use in foreign countries, when the U.S. EPA cancelled the registration of DBCP for use in the United States in 1979. That cancellation was based in part on a 1977 study by a manufacturer which indicated an apparent link between male sterility and exposure to DBCP among factory workers producing the product, as well as early product testing done by the manufacturers showing testicular effects on animals exposed to DBCP. To date, there is no reliable evidence demonstrating that field application of DBCP led to sterility among farm workers, although that claim is made in the pending lawsuits. Nor is there any reliable scientific evidence that DBCP causes any other injuries in humans, although plaintiffs in the various actions assert claims based on cancer, birth defects and other general illnesses.

Currently there are 444 lawsuits, in various stages of proceedings, alleging injury as a result of exposure to DBCP, seeking enforcement of Nicaraguan judgments, or seeking to bar Dole's efforts to resolve DBCP claims in Nicaragua. Twenty-two of these lawsuits are currently pending in various jurisdictions in the United States. Of the 22 U.S. lawsuits, nine have been brought by foreign workers who allege exposure to DBCP in countries where Dole did not have operations during the relevant time period. One case pending in Los Angeles Superior Court with 12 Nicaraguan plaintiffs resulted in initial verdicts of approximately \$5 million in damages against Dole in favor of six of the plaintiffs. As a result of the court's March 7, 2008 favorable rulings on Dole's post-verdict motions, the damages against Dole have now been reduced to \$1.58 million in total compensatory awards to four of the plaintiffs; and the court granted Dole's motion for a new trial as to the claims of one of the plaintiffs. Judgment is expected to be entered on March 31, 2008. The remaining cases are pending in Latin America and the Philippines, including 212 labor cases pending in Costa Rica under that country's national insurance program. Claimed damages in DBCP cases worldwide total approximately \$42.3 billion, with lawsuits in Nicaragua representing approximately 85% of this amount. In almost all of the non-labor cases, the Company is a joint defendant with the major DBCP manufacturers and, typically, other banana growers. Except as described below, none of these lawsuits has resulted in a verdict or judgment against the Company.

In Nicaragua, 189 cases are currently filed in various courts throughout the country, with all but one of the lawsuits brought pursuant to Law 364, an October 2000 Nicaraguan statute that contains substantive and procedural provisions that Nicaragua's Attorney General formally opined are unconstitutional. In October 2003, the Supreme Court of Nicaragua issued an advisory opinion, not connected with any litigation, that Law 364 is constitutional.

Twenty-four cases have resulted in judgments in Nicaragua: \$489.4 million (nine cases consolidated with 468 claimants) on December 11, 2002; \$82.9 million (one case with 58 claimants) on February 25, 2004; \$15.7 million (one case with 20 claimants) on May 25, 2004; \$4 million (one case with four claimants) on May 25, 2004; \$56.5 million (one case with 72 claimants) on June 14, 2004; \$64.8 million (one case with 86 claimants) on June 15, 2004; \$27.7 million (one case with 39 claimants) on March 17, 2005; \$98.5 million (one case with 150 claimants) on

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August 8, 2005; \$46.4 million (one case with 62 claimants) on August 20, 2005; \$809 million (six cases consolidated with 1,248 claimants) on December 1, 2006; and \$38.4 million (one case with 192 claimants) on November 14, 2007. The Company has appealed all judgments, with the Company's appeal of the August 8, 2005 \$98.5 million judgment and of the December 1, 2006 \$809 million judgment currently pending before the Nicaragua Court of Appeal.

There are 26 active cases currently pending in civil courts in Managua (15), Chinandega (10) and Puerto Cabezas (1), all of which have been brought under Law 364 except for one of the cases pending in Chinandega. In the 25 active cases under Law 364, except for six cases in Chinandega and five cases in Managua, where the Company has not yet been ordered to answer, the Company has sought to have the cases returned to the United States pursuant to Law 364. A Chinandega court in one case has ordered the plaintiffs to respond to our request. In the other 2 active cases under Law 364 pending there, the Chinandega courts have denied the Company's requests; and the court in Puerto Cabezas has denied the Company's request in the one case there. The Company's requests in ten of the cases in Managua are still pending; and the Company expects to make similar requests in the remaining five cases at the appropriate time. The Company has appealed the decision of the court in Puerto Cabezas and the 2 decisions of the courts in Chinandega.

The claimants' attempted enforcement of the December 11, 2002 judgment for \$489.4 million in the United States resulted in a dismissal with prejudice of that action by the United States District Court for the Central District of California on October 20, 2003. The claimants have voluntarily dismissed their appeal of that decision, which was pending before the United States Court of Appeals for the Ninth Circuit. Defendants' motion for sanctions against Plaintiffs' counsel is still pending before the Court of Appeals in that case.

Claimants have also indicated their intent to seek enforcement of the Nicaraguan judgments in Colombia, Ecuador, Venezuela and other countries in Latin America and elsewhere, including the United States. There is one case pending in Federal District Court in Miami, Florida seeking enforcement of the August 8, 2005 \$98.5 million Nicaraguan judgment. In Venezuela, the claimants have attempted to enforce five of the Nicaraguan judgments in that country's Supreme Court: \$489.4 million (December 11, 2002); \$82.9 million (February 25, 2004); \$15.7 million (May 25, 2004); \$56.5 million (June 14, 2004); and \$64.8 million (June 15, 2004). These cases are currently inactive. An action filed to enforce the \$27.7 million Nicaraguan judgment (March 17, 2005) in the Colombian Supreme Court was dismissed. In Ecuador, the claimants attempted to enforce the five Nicaraguan judgments issued between February 25, 2004 through June 15, 2004 in the Ecuador Supreme Court. The First, Second and Third Chambers of the Ecuador Supreme Court issued rulings refusing to consider those enforcement actions on the ground that the Supreme Court was not a court of competent jurisdiction for enforcement of a foreign judgment. The plaintiffs subsequently refiled those five enforcement actions in the civil court in Guayaquil, Ecuador. Two of these subsequently filed enforcement actions have been dismissed by the 3rd Civil Court \$15.7 million (May 25, 2004) and the 12th Civil Court \$56.5 million (June 14, 2004) in Guayaquil; plaintiffs have sought reconsideration of those dismissals. The remaining three enforcement actions are still pending.

The Company believes that none of the Nicaraguan judgments will be enforceable against any Dole entity in the U.S. or in any other country, because Nicaragua's Law 364 is unconstitutional and violates international principles of due process. Among other things, Law 364 is an improper special law directed at particular parties; it requires defendants to pay large, non-refundable deposits in order to even participate in the litigation; it provides a severely truncated procedural process; it establishes an irrebuttable presumption of causation that is contrary to the evidence and scientific data; and it sets unreasonable minimum damages that must be awarded in every case.

On October 23, 2006, Dole announced that Standard Fruit de Honduras, S.A. reached an agreement with the Government of Honduras and representatives of Honduran banana workers. This agreement establishes a Worker Program that is intended by the parties to resolve in a fair and equitable manner the claims of male banana workers alleging sterility as a result of exposure to the agricultural chemical DBCP. The Honduran Worker Program will not have a material effect on Dole's financial condition or results of operations. The official start of the Honduran

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NOTES TO CONSOLIDATED STATEMENTS (Continued)

Worker Program was announced on January 8, 2007. On August 15, 2007, Shell Oil Company was included in the Worker Program.

As to all the DBCP matters, the Company has denied liability and asserted substantial defenses. While Dole believes there is no reliable scientific basis for alleged injuries from the agricultural field application of DBCP, Dole continues to seek reasonable resolution of other pending litigation and claims in the U.S. and Latin America. For example, as in Honduras, Dole is committed to finding a prompt resolution to the DBCP claims in Nicaragua, and is prepared to pursue a structured worker program in Nicaragua with science-based criteria. 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.

European Union Antitrust Inquiry and U.S. Class Action Lawsuits: On July 25, 2007, the Company was informed that the European Commission (EC) had adopted a Statement of Objections against the Company, and other unrelated banana companies, alleging violations of the European competition (antitrust) laws by the banana companies within the European Economic Area (EEA). This Statement of Objections follows searches carried out by the European Commission in June 2005 at certain banana importers and distributors, including two of the Company's offices. Recently, on November 28 and 29, 2007, the EC conducted searches of certain of the Company's offices in Italy and Spain, as well of other companies' offices located in these countries.

A Statement of Objections is a procedural step in the EC's antitrust investigation, in which the EC communicates its preliminary view with respect to a possible infringement of European competition laws. The EC will review Dole's written and oral responses to the Statement of Objections in order to determine whether to issue a final Decision. Any Decision (including any fines that may be assessed under the Decision) will be subject to appeal to the European Court of First Instance and the European Court of Justice. The Company continues to cooperate with the EC in order to provide the Commission with a full and transparent understanding of the banana market. Although no assurances can be given concerning the course or outcome of the EC investigation, the Company believes that it has not violated the European competition laws.

Following the public announcement of the EC searches, a number of class action lawsuits were filed against the Company and three competitors in the U.S. District Court for the Southern District of Florida. The lawsuits were filed on behalf of entities that directly or indirectly purchased bananas from the defendants and were consolidated into two separate putative class action lawsuits: one by direct purchasers (customers); and another by indirect purchasers (those who purchased bananas from customers). On June 26, 2007, Dole entered into settlement agreements resolving these putative consolidated class action lawsuits filed by the direct purchasers and indirect purchasers. The Court entered final judgment orders approving the settlement agreements on November 21, 2007. The direct purchaser settlement is now completed. The indirect purchaser agreement is currently under appeal by a single party. The Company did not admit any wrongdoing in these settlements and continues to believe they were totally without merit; however, the Company elected to settle these lawsuits to bring a final conclusion to this litigation, which had been ongoing since 2005. Neither settlement will have a material adverse effect on the Company's financial condition or results of operations.

Honduran Tax Case: In 2005, the Company received a tax assessment from Honduras of approximately \$137 million (including the claimed tax, penalty, and interest through the date of assessment) relating to the disposition of all of the

Company's interest in Cervecería Hondureña, S.A. in 2001. The Company believes the assessment is without merit and filed an appeal with the Honduran tax authorities, which was denied. As a result of the denial in the administrative process, in order to negate the tax assessment, on August 5, 2005, the Company proceeded to the next stage of the appellate process by filing a lawsuit against the Honduran government, in the Honduran Administrative Tax Trial Court. The Honduran government is seeking dismissal of the lawsuit and attachment of assets, which the Company is challenging. The Honduran Supreme Court affirmed the decision of the Honduran intermediate appellate court that a statutory prerequisite to challenging the tax assessment on the merits is the payment of the tax assessment or the filing of a payment plan with the Honduran courts; Dole is now

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

challenging the constitutionality of the statute requiring such payment or payment plan. Although no assurance can be given concerning the outcome of this case, in the opinion of management, after consultation with legal counsel, the pending lawsuits and tax-related matters are not expected to have a material adverse effect on the Company's financial condition or results of operations.

Hurricane Katrina Cases: Dole is one of a number of parties sued, including the Mississippi State Port Authority as well as other third-party terminal operators, in connection with the August 2005 Hurricane Katrina. The plaintiffs assert that they suffered property damage because of the defendants' alleged failure to reasonably secure shipping containers at the Gulfport, Mississippi port terminal before Hurricane Katrina hit. Dole believes that it took reasonable precautions and that property damage was due to the unexpected force of Hurricane Katrina, a Category 5 hurricane that was one of the costliest disasters in U.S. history. Dole expects that this Katrina-related litigation will not have a material adverse effect on its financial condition or results of operations.

Spinach E. coli Outbreak: On September 15, 2006, Natural Selection Foods LLC recalled all packaged fresh spinach that Natural Selection Foods produced and packaged with Best-If-Used-By dates from August 17 through October 1, 2006, because of reports of illness due to *E. coli* O157:H7 following consumption of packaged fresh spinach produced by Natural Selection Foods. These packages were sold under 28 different brand names, only one of which was ours. At that time, Natural Selection Foods produced and packaged all of our spinach items. On September 15, 2006, Dole announced that it supported the voluntary recall issued by Natural Selection Foods. Dole has no ownership or other economic interest in Natural Selection Foods.

The U.S. Food and Drug Administration announced on September 29, 2006 that all spinach implicated in the current outbreak has traced back to Natural Selection Foods. The FDA stated that this determination was based on epidemiological and laboratory evidence obtained by multiple states and coordinated by the Centers for Disease Control and Prevention. The trace back investigation has narrowed to four implicated fields on four ranches. FDA and the State of California announced October 12, 2006 that the test results for certain samples collected during the field investigation of the outbreak of *E. coli* O157:H7 in spinach were positive for *E. coli* O157:H7. Specifically, samples of cattle feces on one of the implicated ranches tested positive based on matching genetic fingerprints for the same strain of *E. coli* O157:H7 found in the infected persons.

To date, 204 cases of illness due to *E. coli* O157:H7 infection have been reported to the Centers for Disease Control and Prevention (203 in 26 states and one in Canada) including 31 cases involving a type of kidney failure called Hemolytic Uremic Syndrome (HUS), 104 hospitalizations, and three deaths. Dole expects that the vast majority of the spinach *E. coli* O157:H7 claims will be handled outside the formal litigation process. Since Natural Selection Foods, not Dole, produced and packaged the implicated spinach products, Dole has tendered the defense of these and other claims to Natural Selection Foods and its insurance carriers and has sought indemnity from Natural Selection Foods, based on the provisions of the contract between Dole and Natural Selection Foods. The company (and its insurance carriers) that grew the implicated spinach for Natural Selection Foods is involved in the resolution of the *E. coli* O157:H7 claims. Dole expects that the spinach *E. coli* O157:H7 matter will not have a material adverse effect on Dole's financial condition or results of operations.

Note 18 Related Party Transactions

David H. Murdock, the Company's Chairman, owns, *inter alia*, Castle, a transportation equipment leasing company, a private dining club and a hotel. During the years ended December 29, 2007, December 30, 2006 and December 31, 2005, the Company paid Mr. Murdock's companies an aggregate of approximately \$7.2 million, \$7.6 million and \$7.3 million, respectively, primarily for the rental of truck chassis, generator sets and warehousing services. Castle purchased approximately \$0.7 million, \$1.1 million and \$4 million of products from the Company during the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

The Company and Castle are responsible for 68% and 32%, respectively, of all obligations under an aircraft lease arrangement. Each party is responsible for the direct costs associated with its use of this aircraft, and all other

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DOLE FOOD COMPANY, INC.

NOTES TO CONSOLIDATED STATEMENTS (Continued)

indirect costs are shared proportionately. During the year ended December 29, 2007, December 30, 2006 and December 31, 2005, the Company's proportionate share of the direct and indirect costs for this aircraft was \$2 million, \$1.9 million and \$1.9 million, respectively.

The Company and Castle operate their risk management departments on a joint basis. Insurance procurement and premium costs are based on the relative risk borne by each company as determined by the insurance underwriters. Administrative costs of the risk management department, which were not significant, are shared on a 50-50 basis.

The Company retains risk for commercial property losses sustained by the Company and Castle totaling \$4 million in the aggregate and \$4 million per occurrence, above which the Company has coverage provided through third-party insurance carriers. The arrangement provides for premiums to be paid to the Company by Castle in exchange for the Company's retained risk. The Company received approximately \$0.6 million, \$0.6 million and \$0.7 million from Castle during 2007, 2006 and 2005, respectively. The Company paid approximately \$0.2 million and \$0.2 million to Castle for property losses in 2007 and 2006, respectively.

The Company had a number of other transactions with Castle and other entities owned by Mr. Murdock, generally on an arms-length basis, none of which, individually or in the aggregate, were material. The Company had outstanding net accounts receivable of \$0.5 million and a note receivable of \$10.2 million due from Castle at December 29, 2007 and outstanding net accounts payable of \$5.6 million to Castle at December 30, 2006. The net accounts payable balance of \$5.6 million included \$5.2 million related to the reimbursement of entitlement costs for partnership land parcels held-for-sale, which were sold in 2007.

In the first quarter of 2007, the Company and Castle executed a lease agreement pursuant to which the Company's fresh vegetables operations occupy an office building in Monterey, California, which is owned by Castle. The Company occupied the building in 2006 and recorded \$0.6 million of rent expense. Rent expense for the year ended December 29, 2007 was \$1 million.

Note 19 Impact of Hurricane Katrina

During the third quarter of 2005, the Company's operations in the Gulf Coast area of the United States were impacted by Hurricane Katrina. The Company's fresh fruit division utilizes the Gulfport, Mississippi port facility to receive and store product from its Latin American operations. The Gulfport facility, which is leased from the Mississippi Port Authority, incurred significant damage from Hurricane Katrina. As a result of the damage sustained at the Gulfport terminal, the Company diverted shipments to other Dole port facilities including Freeport, Texas; Port Everglades, Florida; and Wilmington, Delaware. The Company resumed discharging shipments of fruit and other cargo in Gulfport during the fourth quarter of 2005. The rebuilding of the Company's Gulfport facility was completed during 2007.

The financial impact to the Company's fresh fruit operations included the loss of cargo and equipment, property damage and additional costs associated with re-routing product to other ports in the region. Equipment that was destroyed or damaged included refrigerated and dry shipping containers, as well as chassis and generator-sets used for land transportation of the shipping containers. The Company maintains customary insurance for its property, including shipping containers, as well as for business interruption.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)**

The Hurricane Katrina related expenses, insurance proceeds and net gain (loss) on the settlement of the claims for 2007, 2006, and 2005 are as follows:

	2007	2006	2005	Cumulative
	(In thousands)			
Total Cargo and Property Policies:				
Expenses	\$ (551)	\$ (1,768)	\$ (10,088)	\$ (12,407)
Insurance proceeds	9,607	8,004	6,000	23,611
Net gain (loss)	\$ 9,056	\$ 6,236	\$ (4,088)	\$ 11,204

Total charges of \$12.4 million include direct incremental expenses of \$6.1 million, write-offs of owned assets with a net book value of \$4.1 million and leased assets of \$2.2 million representing amounts due to lessors. The Company settled all of its cargo claim for \$9.2 million in December 2006 and, as a result, recognized a gain of \$5.2 million in 2006. In December 2007, the Company settled all of its property claim for \$14.4 million. The Company realized a gain of \$9.1 million in 2007 associated with the settlement of its property claim, of which \$5.2 million was for the reimbursement of lost and damaged property. The realized gains associated with the settlements of both the cargo and property claims are recorded in cost of products sold in the consolidated statement of operations in 2007 and 2006.

Note 20 Subsequent Event

During February 2008, the Company entered into an agreement to sell approximately 2,000 acres of land parcels located in Hawaii for approximately \$39 million. The sale is expected to be completed by the third quarter of 2008. The land parcels will be reclassified to assets held-for-sale in the consolidated balance sheet during the first quarter of 2008.

Note 21 Guarantor Financial Information

In connection with the issuance of the 2011 Notes in March 2003 and the 2010 Notes in May 2003, all of the Company's wholly-owned domestic subsidiaries (Guarantors) have fully and unconditionally guaranteed, on a joint and several basis, the Company's obligations under the indentures related to such Notes and to the Company's 2009 Notes and 2013 Debentures (the Guarantees). Each Guarantee is subordinated in right of payment to the Guarantors existing and future senior debt, including obligations under the senior secured credit facilities, and will rank pari passu with all senior subordinated indebtedness of the applicable Guarantor.

The accompanying guarantor consolidating financial information is presented on the equity method of accounting for all periods presented. Under this method, investments in subsidiaries are recorded at cost and adjusted for the Company's share in the subsidiaries' cumulative results of operations, capital contributions and distributions and other changes in equity. Elimination entries relate primarily to the elimination of investments in subsidiaries and associated intercompany balances and transactions.

As of January 1, 2006, Dole Packaged Frozen Foods, Inc. was converted to a limited liability company. In addition, the assets and liabilities of the Dole Packaged Foods division were contributed to Dole Packaged Frozen Foods, Inc., and the combined entity was renamed Dole Packaged Foods, LLC. Prior to January 1, 2006, Dole Packaged Foods was included as a division of Dole Food Company, Inc. for all guarantor financial statements presented. Subsequent to the change in structure effective January 1, 2006, Dole Packaged Foods, LLC is presented as a Guarantor for disclosure purposes in the accompanying consolidated financial statements for the year ended December 29, 2007.

The following are consolidating statements of operations of the Company for the years ended December 29, 2007, December 30, 2006 and December 31, 2005; consolidating balance sheets as of December 29, 2007 and December 30, 2006 and consolidating statements of cash flows for the years ended December 29, 2007, December 30, 2006 and December 31, 2005.

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONSOLIDATING STATEMENT OF OPERATIONS****For the Year Ended December 29, 2007**

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
			(In thousands)		
Revenues, net	\$ 76,585	\$ 2,926,602	\$ 5,168,158	\$ (1,240,380)	\$ 6,930,965
Cost of products sold	(58,461)	(2,664,225)	(4,814,031)	1,228,801	(6,307,916)
Gross margin	18,124	262,377	354,127	(11,579)	623,049
Selling, marketing and general and administrative expenses	(75,227)	(174,955)	(254,323)	11,579	(492,926)
Operating income (loss)	(57,103)	87,422	99,804		130,123
Equity in subsidiary income	79,619	11,993		(91,612)	
Other income (expense), net	415		1,433		1,848
Interest income	271	263	7,020		7,554
Interest expense	(125,131)	(56)	(69,678)		(194,865)
Income (loss) from continuing operations before income taxes, minority interests and equity earnings	(101,929)	99,622	38,579	(91,612)	(55,340)
Income taxes	44,413	(22,135)	(23,338)		(1,060)
Minority interests, net of income taxes			(3,235)		(3,235)
Equity in earnings of unconsolidated subsidiaries	10	132	1,554		1,696
Income (loss) from continuing operations, net of income taxes	(57,506)	77,619	13,560	(91,612)	(57,939)
Income (loss) from discontinued operations, net of income taxes		(416)	849		433
Net income (loss)	\$ (57,506)	\$ 77,203	\$ 14,409	\$ (91,612)	\$ (57,506)

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONSOLIDATING STATEMENT OF OPERATIONS****For the Year Ended December 30, 2006**

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
	(In thousands)				
Revenues, net	\$ 66,151	\$ 2,875,308	\$ 4,451,560	\$ (1,242,082)	\$ 6,150,937
Cost of products sold	(58,484)	(2,588,791)	(4,187,592)	1,216,449	(5,618,418)
Gross margin	7,667	286,517	263,968	(25,633)	532,519
Selling, marketing and general and administrative expenses	(61,050)	(195,134)	(223,016)	25,633	(453,567)
Operating income (loss)	(53,383)	91,383	40,952		78,952
Equity in subsidiary income	20,325	(41,363)		21,038	
Other income (expense), net	(3,207)		18,383		15,176
Interest income	849	302	6,014		7,165
Interest expense	(115,505)	(70)	(59,140)		(174,715)
Income (loss) from continuing operations before income taxes, minority interests and equity earnings	(150,921)	50,252	6,209	21,038	(73,422)
Income taxes	61,157	(32,644)	(46,743)		(18,230)
Minority interests, net of income taxes		(60)	(3,142)		(3,202)
Equity in earnings of unconsolidated subsidiaries	137	801	(761)		177
Income (loss) from continuing operations, net of income taxes	(89,627)	18,349	(44,437)	21,038	(94,677)
Income (loss) from discontinued operations, net of income taxes		(1,667)	3,903		2,236
Gain on disposal of discontinued operations, net of income taxes		2,814			2,814
Net income (loss)	\$ (89,627)	\$ 19,496	\$ (40,534)	\$ 21,038	\$ (89,627)

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONSOLIDATING STATEMENT OF OPERATIONS****For the Year Ended December 31, 2005**

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
			(In thousands)		
Revenues, net	\$ 570,215	\$ 2,267,080	\$ 4,160,366	\$ (1,188,836)	\$ 5,808,825
Cost of products sold	(432,539)	(2,099,649)	(3,761,914)	1,168,882	(5,125,220)
Gross margin	137,676	167,431	398,452	(19,954)	683,605
Selling, marketing and general and administrative expenses	(130,927)	(120,681)	(228,511)	19,954	(460,165)
Operating income	6,749	46,750	169,941		223,440
Equity in subsidiary income	154,558	171,048		(325,606)	
Other income (expense), net	(43,701)		38,348		(5,353)
Interest income	460	1,055	4,471		5,986
Interest expense	(111,400)	(31)	(31,021)		(142,452)
Income from continuing operations before income taxes, minority interests and equity earnings	6,666	218,822	181,739	(325,606)	81,621
Income taxes	34,921	(64,671)	(14,425)		(44,175)
Minority interests, net of income taxes		(14)	(2,973)		(2,987)
Equity in earnings of unconsolidated subsidiaries		145	6,481		6,626
Income from continuing operations, net of income taxes	41,587	154,282	170,822	(325,606)	41,085
Income (loss) from discontinued operations, net of income taxes	2,043	(127)	629		2,545
Net income	\$ 43,630	\$ 154,155	\$ 171,451	\$ (325,606)	\$ 43,630

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONDENSED CONSOLIDATING BALANCE SHEET**

As of December 29, 2007

	Dole Food Company, Inc.	Guarantors	Non Guarantors (In thousands)	Eliminations	Total
ASSETS					
Cash and cash equivalents	\$ 16,424	\$ (15,164)	\$ 95,801	\$	\$ 97,061
Receivables, net of allowances	358,695	(114,569)	595,027		839,153
Inventories	7,080	321,075	422,520		750,675
Prepaid expenses	5,318	16,322	49,656		71,296
Deferred income tax assets	16,942	23,686	(28,543)		12,085
Assets held-for-sale	546	36,520	39,178		76,244
Total current assets	405,005	267,870	1,173,639		1,846,514
Investments	2,130,680	1,733,717	68,884	(3,863,945)	69,336
Property, plant and equipment, net	286,222	319,107	734,810		1,340,139
Goodwill		151,271	358,247		509,518
Intangible assets, net	689,616	22,128	10,046		721,790
Other assets, net	42,140	5,944	107,503		155,587
Total assets	\$ 3,553,663	\$ 2,500,037	\$ 2,453,129	\$ (3,863,945)	\$ 4,642,884
LIABILITIES AND SHAREHOLDERS EQUITY					
Accounts payable	\$ 8,339	\$ 140,797	\$ 393,823	\$	\$ 542,959
Accrued liabilities	74,479	223,050	217,055		514,584
Current portion of long-term debt	1,950	102	12,119		14,171
Notes payable			81,018		81,018
Total current liabilities	84,768	363,949	704,015		1,152,732
Intercompany payables (receivables)	983,062	(61,695)	(921,367)		
Long-term debt	1,500,466	2,271	813,471		2,316,208
Deferred income tax liabilities	284,167	10,852	(17,195)		277,824
Other long-term liabilities	376,192	44,082	120,960		541,234
Minority interests			29,878		29,878
Total shareholders equity	325,008	2,140,578	1,723,367	(3,863,945)	325,008

Total liabilities and shareholders equity	\$ 3,553,663	\$ 2,500,037	\$ 2,453,129	\$ (3,863,945)	\$ 4,642,884
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Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONDENSED CONSOLIDATING BALANCE SHEET**

As of December 30, 2006

	Dole Food Company, Inc.	Guarantors	Non Guarantors (In thousands)	Eliminations	Total
ASSETS					
Cash and cash equivalents	\$ 7,322	\$ (3,196)	\$ 88,288	\$	\$ 92,414
Receivables, net of allowances	306,814	(65,710)	504,626		745,730
Inventories	6,914	293,958	360,680		661,552
Prepaid expenses	4,805	15,794	44,789		65,388
Deferred income tax assets	29,596	24,754	12,256		66,606
Assets held-for-sale	906	10,007	20,675		31,588
Total current assets	356,357	275,607	1,031,314		1,663,278
Investments	2,055,472	1,694,554	61,254	(3,748,544)	62,736
Property, plant and equipment, net	288,029	348,902	825,030		1,461,961
Goodwill		159,115	386,625		545,740
Intangible assets, net	689,829	25,606	11,254		726,689
Other assets, net	41,231	8,812	101,909		151,952
Total assets	\$ 3,430,918	\$ 2,512,596	\$ 2,417,386	\$ (3,748,544)	\$ 4,612,356
LIABILITIES AND SHAREHOLDERS EQUITY					
Accounts payable	\$ 2,528	\$ 131,390	\$ 320,767	\$	\$ 454,685
Accrued liabilities	70,493	237,142	164,653		472,288
Current portion of long-term debt	1,950		12,505		14,455
Notes payable			34,129		34,129
Total current liabilities	74,971	368,532	532,054		975,557
Intercompany payables (receivables)	775,433	12,984	(788,417)		
Long-term debt	1,493,053		822,544		2,315,597
Deferred income tax liabilities	290,152	23,170	33,273		346,595
Other long-term liabilities	456,226	42,579	109,386		608,191
Minority interests		646	24,687		25,333
Total shareholders equity	341,083	2,064,685	1,683,859	(3,748,544)	341,083

Total liabilities and shareholders equity	\$ 3,430,918	\$ 2,512,596	\$ 2,417,386	\$ (3,748,544)	\$ 4,612,356
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Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**

For the Year Ended December 29, 2007

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
			(In thousands)		
OPERATING ACTIVITIES					
Intercompany dividend income	\$ 17,543	\$ 17,543	\$	\$ (35,086)	\$
Operating activities	(14,441)	40,914	19,849		46,322
Cash flow provided by operating activities	3,102	58,457	19,849	(35,086)	46,322
INVESTING ACTIVITIES					
Proceeds from sales of assets	980	674	40,064		41,718
Proceeds from sales of investments and businesses, net of cash disposed		5,200			5,200
Capital additions	(612)	(44,309)	(61,900)		(106,821)
Repurchase of common stock in going-private merge transaction	(1,480)				(1,480)
Cash flow used in investing activities	(1,112)	(38,435)	(21,836)		(61,383)
FINANCING ACTIVITIES					
Short-term debt borrowings			119,389		119,389
Short-term debt repayments		(16,419)	(74,757)		(91,176)
Long-term debt borrowings, net of debt issuance costs	1,165,200	2,015	315		1,167,530
Long-term debt repayments	(1,158,088)	(43)	(11,082)		(1,169,213)
Intercompany dividends		(17,543)	(17,543)	35,086	
Dividends paid to minority shareholders			(10,485)		(10,485)
Cash flow provided by (used in) financing activities	7,112	(31,990)	5,837	35,086	16,045
Effect of foreign currency exchange rate changes on cash			3,663		3,663

Increase (decrease) in cash and cash equivalents	9,102	(11,968)	7,513	4,647
Cash and cash equivalents at beginning of period	7,322	(3,196)	88,288	92,414
Cash and cash equivalents at end of period	\$ 16,424	\$ (15,164)	\$ 95,801	\$ 97,061

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS****For the Year Ended December 30, 2006**

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
			(In thousands)		
OPERATING ACTIVITIES					
Cash flow provided by (used in) operating activities	\$ (83,110)	\$ 38,300	\$ 60,731	\$	\$ 15,921
INVESTING ACTIVITIES					
Proceeds from sales of assets	2,318	334	12,311		14,963
Proceeds from sales of investments and businesses, net of cash disposed		15,296	1,014		16,310
Acquisitions and investments, net of cash acquired			(22,950)		(22,950)
Capital additions	(1,154)	(59,505)	(64,397)		(125,056)
Repurchase of common stock in going-private merge transaction	(267)				(267)
Cash flow provided by (used in) investing activities	897	(43,875)	(74,022)		(117,000)
FINANCING ACTIVITIES					
Short-term debt borrowings		13,032	88,349		101,381
Short-term debt repayments		(1,691)	(51,181)		(52,872)
Long-term debt borrowings, net of debt issuance costs	1,269,405	1,535	989,605		2,260,545
Long-term debt repayments	(997,877)	(1,035)	(970,786)		(1,969,698)
Capital contribution from parent	28,390				28,390
Return of capital to parent	(59,390)				(59,390)
Dividends paid to minority shareholders			(1,833)		(1,833)
Dividends paid to parent	(163,691)				(163,691)
Cash flow provided by financing activities	76,837	11,841	54,154		142,832
Effect of foreign currency exchange rate changes on cash			1,849		1,849

Increase (decrease) in cash and cash equivalents	(5,376)	6,266	42,712	43,602
Cash and cash equivalents at beginning of period	12,698	(9,462)	45,576	48,812
Cash and cash equivalents at end of period	\$ 7,322	\$ (3,196)	\$ 88,288	\$ 92,414

Table of Contents**DOLE FOOD COMPANY, INC.****NOTES TO CONSOLIDATED STATEMENTS (Continued)****CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2005

	Dole Food Company, Inc.	Guarantors	Non Guarantors	Eliminations	Total
	(In thousands)				
OPERATING ACTIVITIES					
Intercompany dividend income	\$ 570,000	\$ 566,713	\$	\$ (1,136,713)	\$
Operating activities	(73,474)	28,041	118,022		72,589
Cash flow provided by operating activities	496,526	594,754	118,022	(1,136,713)	72,589
INVESTING ACTIVITIES					
Proceeds from sales of assets	3,016	1,255	7,458		11,729
Proceeds from sales of investments and businesses, net of cash disposed			7,402		7,402
Acquisitions and investments, net of cash acquired			(51,460)		(51,460)
Capital additions	(2,284)	(29,532)	(99,679)		(131,495)
Repurchase of common stock in going-private merge transaction	(499)				(499)
Cash flow provided by (used in) investing activities	233	(28,277)	(136,279)		(164,323)
FINANCING ACTIVITIES					
Short-term debt borrowings		1,591	16,592		18,183
Short-term debt repayments		(10,299)	(16,317)		(26,616)
Long-term debt borrowings, net of debt issuance costs	604,000	2,055	969,814		1,575,869
Long-term debt repayments	(1,020,047)	(989)	(396,377)		(1,417,413)
Dividends paid to minority shareholders			(2,836)		(2,836)
Intercompany dividends		(566,713)	(570,000)	1,136,713	
Dividends paid to parent	(77,250)				(77,250)
Cash flow provided by (used in) financing activities	(493,297)	(574,355)	876	1,136,713	69,937
			(8,608)		(8,608)

Effect of foreign currency
exchange rate changes on cash

Increase (decrease) in cash and cash equivalents	3,462	(7,878)	(25,989)	(30,405)
Cash and cash equivalents at beginning of period	9,236	(1,584)	71,565	79,217
Cash and cash equivalents at end of period	\$ 12,698	\$ (9,462)	\$ 45,576	\$ 48,812

Table of Contents**II. Supplementary Data****Quarterly Financial Information (Unaudited)**

The following table presents summarized quarterly results (in thousands):

2007	March 24, 2007	Quarter Ended		December 29, 2007
		June 16, 2007	October 6, 2007	
		(In thousands)		
Revenues, net	\$ 1,554,369	\$ 1,763,224	\$ 2,009,098	\$ 1,604,274
Gross margin	138,951	187,431	155,408	141,259
Income (loss) from continuing operations, net of income taxes	(9,162)	48,514	(64,735)	(32,556)
Income (loss) from discontinued operations, net of income taxes	(1,053)	541	1,408	(463)
Net income (loss)	(10,215)	49,055	(63,327)	(33,019)

2006	March 25, 2006	Quarter Ended		December 30, 2006
		June 17, 2006	October 7, 2006	
		(In thousands)		
Revenues, net	\$ 1,393,013	\$ 1,572,231	\$ 1,762,439	\$ 1,423,254
Gross margin	130,023	181,913	104,736	115,847
Income (loss) from continuing operations, net of income taxes	(5,849)	18,876	(58,652)	(49,052)
Income (loss) from discontinued operations, net of income taxes	(5)	(350)	2,549	42
Gain on disposal of discontinued operations, net of income taxes				2,814
Net income (loss)	(5,854)	18,526	(56,103)	(46,196)

During the fourth quarter of 2007 the Company approved and committed to a formal plan to divest its citrus and pistachio operations (Citrus) located in central California. In evaluating the facets of this business, the Company concluded that this business met the definition of a discontinued operation as defined in Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Accordingly, the historical results of operations of this business have been reclassified for all periods presented.

During the fourth quarter of 2006, the Company completed the sale of its Pacific Coast Truck Center (Pac Truck) business for \$20.7 million. The Pac Truck business consisted of a full service truck dealership that provided medium and heavy-duty trucks to customers in the Pacific Northwest region. The Company received \$15.3 million of net proceeds from the sale after the assumption of \$5.4 million of debt and realized a gain of approximately \$2.8 million on the sale, net of income taxes of \$2 million.

The Company adopted Financial Accounting Standards Board Staff Position AUG AIR-1, *Accounting For Planned Major Maintenance Activities* (FSP) at the beginning of its fiscal 2007 year. The FSP required retrospective application for all financial statement periods presented. As a result, for all periods presented, the consolidating statements of operations have been restated. The Company had been accruing for planned major maintenance activities associated with its vessel fleet under the accrue-in-advance method. The Company adopted the deferral method of accounting for planned major maintenance activities associated with its vessel fleet.

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Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) that are designed to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management, with the participation of our principal executive officer and our principal financial officer, performed an evaluation of the effectiveness of our disclosure controls and procedures as of December 29, 2007 (the end of our fiscal year) and concluded, based on this evaluation, that our disclosure controls and procedures were effective as of December 29, 2007.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred in the last fiscal quarter (the fiscal quarter ended December 29, 2007) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Annual Report of Management on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 15d-15(f) under the Exchange Act) for the Company. Management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our internal control over financial reporting as of December 29, 2007 (the end of our fiscal year), based on the framework and criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 29, 2007.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Item 9B. *Other Information*

None.

Table of Contents**PART III****Item 10. *Directors, Executive Officers and Corporate Governance***

Below is a list of the names and ages of all directors and executive officers of Dole as of March 4, 2008, indicating their positions with Dole and their principal occupations during the past five years. The current terms of the executive officers will expire at the next organizational meeting of Dole's Board of Directors or at such time as their successors are elected.

David H. Murdock, Chairman of the Board. Mr. Murdock, 84, joined Dole as Chairman of the Board and Chief Executive Officer in July 1985. In June 2007, Mr. DeLorenzo was elected President and Chief Executive Officer of Dole, at which time Mr. Murdock continued as a director and officer of Dole in the capacity of Chairman of the Board. He has been Chairman of the Board, Chief Executive Officer and Director of Castle & Cooke, Inc., a Hawaii corporation, since October 1995 (Mr. Murdock has beneficially owned all of the capital stock of Castle & Cooke, Inc. since September 2000). Since June 1982, he has been Chairman of the Board and Chief Executive Officer of Flexi-Van Leasing, Inc., a Delaware corporation wholly owned by Mr. Murdock. Mr. Murdock also is the developer of the Sherwood Country Club in Ventura County, California, and numerous other real estate developments. Mr. Murdock also is the sole stockholder of numerous corporations engaged in a variety of business ventures and in the manufacture of industrial and building products. Mr. Murdock is Chairman of the Executive Committee and of the Corporate Compensation and Benefits Committee of Dole's Board of Directors.

C. Michael Carter, Executive Vice President, General Counsel and Corporate Secretary, and Director. Mr. Carter, 64, became Dole's Senior Vice President, General Counsel and Corporate Secretary in July 2003, Executive Vice President, General Counsel and Corporate Secretary in July 2004, and a director of Dole in April 2003. Mr. Carter joined Dole in October 2000 as Vice President, General Counsel and Corporate Secretary. Prior to his employment by Dole, Mr. Carter had served as Executive Vice President, General Counsel and Corporate Secretary of Pinkerton's Inc. Prior to Pinkerton's, Inc., Mr. Carter held positions at Concurrent Computer Corporation, Nabisco Group Holdings, The Singer Company and the law firm of Winthrop, Stimson, Putnam and Roberts.

Andrew J. Conrad, Ph.D., Director. Dr. Conrad, 44, became a director in July 2003. Dr. Conrad was a co-founder of the National Genetics Institute and has been its chief scientific officer since 1992. The National Genetics Institute is now a subsidiary of Laboratory Corporation of America, where Dr. Conrad is Chief Scientific Officer.

David A. DeLorenzo, President and Chief Executive Officer, and Director. Mr. DeLorenzo, 61, rejoined Dole as its President and Chief Executive Officer in June 2007. Mr. DeLorenzo originally joined Dole in 1970. He was President of Dole Fresh Fruit Company from September 1986 to June 1992, President of Dole Food Company from July 1990 to March 1996, President of Dole Food Company-International from September 1993 to March 1996, President and Chief Operating Officer of Dole from March 1996 to February 2001, and Vice Chairman of Dole from February 2001 through December 2001, at which time Mr. DeLorenzo became a consultant for Dole under contract for the period from January 2002 through January 2007. He has been a director of Dole for more than five years.

Scott A. Griswold, Executive Vice President, Corporate Development, and Director. Mr. Griswold, 54, became Dole's Vice President, Acquisitions and Investments in July 2003, Executive Vice President, Corporate Development in July 2004, and a director in April 2003. Mr. Griswold has been Executive Vice President of Finance of Castle & Cooke, Inc., which is wholly owned by David H. Murdock, since 2000, and previously, from 1993, Vice President and Chief Financial Officer of Pacific Holding Company, a sole proprietorship of David H. Murdock. Since 1987, he has served as an officer and/or director of various other companies held by Mr. Murdock.

Justin M. Murdock, Vice President, New Products and Corporate Development, and Director. Mr. Murdock, 35, became Dole's Vice President, New Products and Corporate Development in November 2004, and a director in April 2003. Mr. Murdock has been Vice President of Investments of Castle & Cooke, Inc., which is wholly owned by David H. Murdock, since 2001, and previously, from 1999, Vice President of Mergers and Acquisitions of Pacific Holding Company, a sole proprietorship of David H. Murdock.

Edward C. Roohan, Director. Mr. Roohan, 44, became a director of Dole in April 2003. Mr. Roohan has been President and Chief Operating Officer of Castle & Cooke, Inc., which is wholly owned by David H. Murdock,

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since December 2000. He was Vice President and Chief Financial Officer of Castle & Cooke, Inc. from April 1996 to December 2000. He has served as an officer and/or director of various companies held by Mr. Murdock for more than five years. Mr. Roohan is Chairman of the Audit Committee of Dole's Board of Directors.

Joseph S. Tesoriero, Vice President and Chief Financial Officer. Mr. Tesoriero, 54, became Dole's Vice President and Chief Financial Officer in July 2004, after joining Dole as Vice President of Taxes in October 2002. Prior to his employment by Dole, Mr. Tesoriero was Senior Vice President of Tax at Global Crossing. Mr. Tesoriero also held tax positions at Coleman Camping Equipment, Revlon Cosmetics, and International Business Machines.

Roberta Wieman, Executive Vice President, Chief of Staff, and Director. Ms. Wieman, 62, joined Dole in 1991 as Executive Assistant to the Chairman of the Board and Chief Executive Officer. She became a Vice President of Dole in 1995, Executive Vice President and Chief of Staff in July 2004, and a director in April 2003. Ms. Wieman has been Executive Vice President of Castle & Cooke, Inc. since August 2001; Vice President and Corporate Secretary of Castle & Cooke, Inc. from April 1996 to August 2001; Corporate Secretary of Castle & Cooke, Inc. from April 1996; and a Director of Flexi-Van Leasing, Inc., which is wholly owned by Mr. Murdock, since August 1996, and Assistant Secretary thereof for more than five years.

All directors serve a term from the date of their election until the next annual meeting. The executive officers (as defined in the SEC's Rule 3b-7) of the Company are David H. Murdock, C. Michael Carter, David A. DeLorenzo and Joseph S. Tesoriero.

Justin M. Murdock is a son of David H. Murdock. Otherwise, there is no family relationship between any other officer or director of Dole.

Dole's Board of Directors has determined that Dole has at least one audit committee financial expert serving on its Audit Committee, Edward C. Roohan, who is not independent. The other members of the Audit Committee are Scott A. Griswold and Justin M. Murdock.

Dole has adopted a code of ethics (as defined in Item 406 of the SEC's Regulation S-K) applicable to our principal executive officer, principal financial officer and principal accounting officer. A copy of the code of ethics, which we call our Code of Conduct, and which applies to all employees of Dole, is available on Dole's web site at www.dole.com. We intend to post on our web site any amendments to, or waivers (with respect to our principal executive officer, principal financial officer and principal accounting officer) from, this code of ethics within four business days of any such amendment or waiver.

Item 11. *Executive Compensation*

Compensation Discussion and Analysis

Objectives

Generally, Dole compensates its Named Executive Officers through a mix of cash programs: base salary, annual incentives and long-term incentives. These programs are designed to be competitive with both general industry and food industry employers and to align the Named Executive Officers incentives with the long-term interests of Dole. The Company's compensation policies are intended to enable Dole to attract and retain top quality management as well as to motivate management to set and achieve aggressive goals in their respective areas of responsibility. The compensation setting process consists of targeting total compensation for each Named Executive Officer and reviewing each component of compensation both individually and as a piece of overall compensation.

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Corporate Compensation and Benefits Committee Role

The Corporate Compensation and Benefits Committee (the Committee) meets as often as required during the year in furtherance of its duties, including an annual review of compensation for the Named Executive Officers. The Committee retains the services of Hewitt Associates, an executive compensation consulting firm, to periodically review the competitiveness of the Company's executive compensation programs relative to comparable companies. Hewitt provides the Committee with the relevant market data for each Named Executive Officer's position, as well as for other key executives within Dole. Hewitt also responds to requests generated by the Committee through management.

Role of Named Executive Officers in Compensation Decisions

The Chairman annually reviews the performance of the President and Chief Executive Officer and the Executive Vice President, General Counsel and Corporate Secretary; and the President and Chief Executive Officer reviews the performance of the Vice President and Chief Financial Officer. Their recommendations with respect to each component of pay are presented to the Committee for approval. The Committee can exercise its discretion in modifying recommendations made for any Named Executive Officer. The Committee alone makes decisions with regard to the Chairman's compensation.

Setting Executive Pay

The Committee compares each component of its pay program against a group of food and consumer products companies. The Committee also compares pay components to other general industry companies. For comparison purposes, Dole's revenue is slightly below the median of the group and data is size-regressed to adjust the compensation data for differences in revenue. Revenues range from approximately \$2 billion to \$16 billion. The companies comprising the group are as follows and represent the relevant companies found in Hewitt's database:

Anheuser-Busch Companies, Inc.	Constellation Brands, Inc.	The Hershey Company	Reynolds American Inc.
ARAMARK Corporation	Corn Products International Inc.	Hormel Foods Corporation	Sara Lee Corporation
Campbell Soup Company	Del Monte Foods Company	Kellogg Company	UST Inc.
Chiquita Brands International, Inc.	General Mills, Inc.	McCormick & Company, Inc.	Wm. Wrigley Jr. Company
ConAgra Foods, Inc.	H. J. Heinz Company	Molson Coors Brewing Co.	

Based on the analysis of the competitive review, targeted 2007 total compensation for the President and Chief Executive Officer was set at approximately \$4.2 million. Base Salary and Annual Incentives for the President and Chief Executive Officer are targeted slightly above the median of the similar compensation for similarly situated executive officers at other comparably sized companies. Targeted compensation for the Chairman was set at approximately \$3.3 million, reflecting, in part, his ownership position.

In establishing award levels for the other Named Executive Officers, the Committee uses a similar process. Base Salaries and Annual Incentives are targeted at approximately or above the median for the other Named Executive Officers.

Dole competes with many larger public companies for executive talent. The Committee has determined, however, that because Dole is a privately-held enterprise, Dole will rely on base salary and annual incentives that are targeted at or

above the median of other similarly sized companies and that long-term incentive compensation will likely trail the median since Dole relies on cash programs.

Pay Mix

Under Dole's current total compensation structure, the approximate mix of base salary, annual incentive and long-term incentive programs for the Named Executive Officers is as follows: 30% - 35% to base salary, 20% - 30% to annual incentives, and 40% - 45% to long-term incentives. In allocating total compensation among these components of pay, the Committee believes the compensation package should be predominantly performance-based since these individuals are the ones who have the greatest ability to affect and influence the financial performance of the Company.

Table of Contents***Base Salary***

The Committee wants to provide a base salary that is commensurate with the position in the Company and is comparable to what other individuals in similarly situated positions might receive. The Committee considers each Named Executive Officer's position relative to the market, his responsibilities and performance in the job, and other subjective factors. Based on market data and factors noted above, the Committee decided on the pay levels noted in the Summary Compensation Table.

Annual Incentives

Dole's annual incentive program, the One-Year Management Incentive Plan (the *One-Year Plan*), has target bonuses for the Named Executive Officers, as a percentage of salary, ranging from 65% to 100%. Payments are generally payable only if the specified minimum level of financial performance is realized and may be increased to maximum levels only if substantially higher performance levels are attained. Payments can range from 0% to 300% of target. Maximums over 200% are used at Dole because of the lack of equity upside. The Named Executive Officers have identical financial performance goals for their incentives and will earn 100% of their targeted incentives if established targets for consolidated cash-flow return on investment goals are met. The targeted cash-flow return on investment goal set for 2007 represents an increase of over 20% compared to actual results in 2006. Targeted cash flow return on investment goals are set at the beginning of each year, and are structured to present a challenging, yet achievable, growth scenario for the Company. The Committee may approve discretionary payments to the Named Executive Officers if the cash-flow goals are not attained, in recognition of their respective overall performance at the Company. See the Plan-Based Awards table on page 114. The Committee has not determined bonus amounts with respect to performance for 2007 under the One-Year Plan, but is expected to do so by the end of the second fiscal quarter of 2008.

Long-Term Incentives

Under Dole's long-term cash incentive plan, the Sustained Profit Growth Plan (the *Growth Plan*), the performance matrix established for the 2007-2009 Incentive Period consists of a combination of revenue and return on shareholder investment as a driver of the financial performance factors used in determining contingent awards for the Named Executive Officers. This performance matrix was designed to further align executive compensation with shareholder's return on a long-term basis. The performance matrix for the 2008-2010 Incentive Period has not yet been determined. The Growth Plan contemplates annual grants each with three-year Incentive Periods. Each Named Executive Officer's final award in connection with each grant is determined as of the end of the Incentive Period for that grant, and is paid in lump sum within 90 days following the end of the Incentive Period. The Compensation Committee has authorized all of the Named Executive Officers to participate in the Growth Plan.

Consistent with the approach for allocating total target compensation among the three components of compensation, target long-term cash incentive levels for the Named Executive Officers for the 2007-2009 Incentive Period under the Growth Plan are approximately 40% of total target compensation.

The Named Executive Officers have identical performance goals and will earn 100% of their targeted long-term incentives if the revenue and shareholder's return goals are achieved. Payments range from 0% to 300% of a Named Executive Officer's target. There is no discretionary pay component available under the Growth Plan. Achievement of target awards under this plan requires company performance, on a consolidated basis, to meet three-year performance goals. Such goals are driven by the Company's three-year financial plan. Achievement of the Company's three-year financial plan can be difficult to reach and is subject to the volatile nature of Dole's businesses, which can be impacted by numerous factors, such as exposure to commodity input costs like fuel, shipping and packaging, as well as product supplies which can be impacted by weather, political risk, currency fluctuations and other factors.

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Payment under the Growth Plan for the 2005 – 2007 Incentive Period will be paid in 2008 based on the level of revenue achievement, as follows: the Chairman will receive \$247,950; the President and Chief Executive Officer will receive \$0, since he was rehired by the Company in 2007 and was not, therefore, an award recipient for the 2005-2007 Incentive Period; the former President and Chief Operating Officer will receive \$163,125; the Executive Vice President, General Counsel and Corporate Secretary will receive \$118,690; and the Vice President and Chief Financial Officer will receive \$36,703.

Retirement Plan

Until December 31, 2001, the Company maintained a traditional defined benefit pension plan. Subsequent to that time no new participants were added to the plan and benefits under the plan for existing participants were frozen. The Company did institute a five-year transition benefit plan for long-term employees and it was completed at the end of 2006. Neither the Vice President and Chief Financial Officer nor the former President and Chief Operating Officer had accrued any benefit under the benefit pension plan prior to the freeze. The Executive Vice President, General Counsel and Corporate Secretary, assuming he is employed to age 65 (or later), has an annual retirement benefit of approximately \$5,747. The Chairman is over the age of 70 1/2 and, as required by the Internal Revenue Code, is receiving his current annual retirement benefit of \$208,604. If any individual's benefit under the pension plan exceeds the maximum annual benefit or the maximum compensation limit, Dole will pay the excess from an unfunded excess and supplemental benefit plan. Additional details regarding the supplemental retirement plan are provided below following the Pension Plan Table. The President and Chief Executive Officer is receiving \$344,803 in pension benefit payments annually.

Savings Plans

Dole matches contributions to the 401(k) plan up to 6% of eligible compensation. Additional details regarding the 401(k) plan are found on page 115.

The Named Executive Officers, as well as other U.S. based senior executives, are eligible to participate in the Excess Savings Plan where eligible employees can contribute up to 100% of eligible earnings (base pay and annual incentive). Additional details regarding the Excess Savings Plan can be found on page 115.

Perquisites

Perquisites for the Named Executive Officers (except the Chairman) are the reimbursement of \$5,000 per year for financial planning and a company-paid annual executive physical not to exceed \$6,000. The Executive Vice President, General Counsel and Corporate Secretary and the Vice President and Chief Financial Officer are provided with company cars, insurance costs and maintenance. The Chairman and the Executive Vice President, General Counsel and Corporate Secretary receive an annual car allowance of \$5,000. The Company paid dues for one-half of the year on behalf of the former President and Chief Operating Officer for membership in a club and, on behalf of the Chairman, paid an annual subscription to the New York Metropolitan Opera.

The Company airplane (co-leased by an affiliate of Dole) is used by the Chairman for both business and personal use. The cost to the Company of these expenses are discussed in Item 13. Certain Relationships and Related Transactions on page 121.

The Named Executive Officers participate in the Company's other benefit plans on the same terms as other employees. These plans include medical and dental insurance, life insurance, and charitable gift matching (limited to \$500 per employee per year).

The Company does not offer any employment agreements to executives, including the Named Executive Officers, except for change of control agreements which the Company believes are important in order to keep executives focused on the business of the Company should a change of control occur. See page 118 for further explanation.

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The Committee reviews and approves changes in total compensation to the Named Executive Officers with the Chairman. The Chairman recuses himself from discussions with regard to his own compensation.

The Committee has reviewed and discussed the Compensation Discussion and Analysis with management and has determined that it accurately describes the compensation programs at Dole.

The Corporate Compensation
and Benefits Committee

David H. Murdock, Chairman
Andrew J. Conrad
David A. DeLorenzo
Roberta Wieman

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The table below summarizes total compensation paid, earned or awarded to each of the Named Executive Officers for the fiscal year ended December 29, 2007.

Name and Principal Position	Year	Salary(1)	Bonus(2)	Non-Equity	Change in	All Other	Total
				Plan	Pension		
				Incentive	Value	(5)	(6)
					and		
					Nonqualified		
					Deferred		
					Compensation		
					(3)		
					Earnings(4)		
					(6)		
David H. Murdock	2007	\$ 950,000	\$ TBD	\$ 247,950	\$ (85,159)	\$ 29,415	\$ TBD
Chairman	2006	\$ 950,000	\$	\$ 437,950	\$ (7,972)	\$ 26,795	\$ 1,406,773
Dole Food Company, Inc.							
David A. DeLorenzo	2007	\$ 687,692	\$ TBD	\$	\$ (122,773)	\$ 41,352	\$ TBD
President and Chief Executive Officer							
Dole Food Company, Inc.							
Richard J. Dahl(7)	2007	\$ 375,000	\$	\$ 163,125	\$ 69,292	\$ 777,948	\$ 1,385,365
Former President and Chief Operating Officer	2006	\$ 750,000	\$	\$ 195,925	\$ 54,402	\$ 360,939	\$ 1,361,266
Dole Food Company, Inc.							
C. Michael Carter	2007	\$ 600,000	\$ TBD	\$ 118,690	\$ 78,891	\$ 80,805	\$ TBD
Executive Vice President, General Counsel and Corporate Secretary	2006	\$ 562,500	\$ 450,000	\$ 195,925	\$ 63,095	\$ 300,893	\$ 1,572,413
Dole Food Company, Inc.							
Joseph S. Tesoriero	2007	\$ 444,231	\$ TBD	\$ 36,703	\$ 11,944	\$ 62,293	\$ TBD
Vice President and Chief Financial Officer,	2006	\$ 425,000	\$ 100,000	\$ 50,134	\$ 7,665	\$ 112,248	\$ 695,047
Dole Food Company, Inc.							

(1) 2007 salaries reflect Dole's fiscal year containing 52 weeks. Base salary adjustments are made based on performance, internal equity and market data.

(2) The Committee has not yet determined bonus amounts with respect to performance for 2007 under the One-Year Plan, which is discussed in further detail on page 110, but is expected to do so by the end of the second fiscal quarter of 2008.

(3) Amounts shown reflect awards earned for the 2005–2007 incentive period (paid in 2008) under the Growth Plan. Further explanation can be found on page 110.

(4)

The amounts shown reflect the actuarial decrease or increase in the present value of Mr. Murdock's, Mr. DeLorenzo's and Mr. Carter's benefits under all pension plans established by the Company using interest rate and mortality rate assumptions consistent with those used in the Company's financial statements and includes amounts which the Named Executive Officer may not currently be entitled to receive. In general, the present value of the benefits under the pension plans increase until attainment of age 65 and thereafter decrease due to the mortality assumptions. Also reflected in the amounts shown is the annual earnings on each Named Executive Officer's deferred compensation balance.

- (5) The 2007 amounts shown include the following: (1) on behalf of Mr. Murdock an amount of \$24,415 for an annual subscription to the New York Metropolitan Opera; (2) Dole's matching contributions to the 401(k) and Excess Savings Plans of Dole Food Company, Inc. (see Deferred Compensation Qualified and Nonqualified on page 115) on behalf of Mr. Murdock \$0, Mr. Carter \$63,043, Mr. Dahl \$13,173, Mr. DeLorenzo \$41,262 and Mr. Tesoriero \$33,000; (3) the value attributable to personal use of the company-provided automobiles for Mr. Carter \$2,464, and Mr. Tesoriero \$20,693; (4) an annual car allowance to Mr. Murdock \$5,000, Mr. Carter \$5,000 and Mr. Dahl \$2,500 (pro-rated); (5) the cost of financial planning services reimbursed (amounts are included in the executive's W-2 and taxes are borne by the executive) by the Company for Mr. Murdock \$0, Mr. Carter \$5,000, Mr. Dahl \$5,000, Mr. DeLorenzo \$0 and Mr. Tesoriero \$4,850; (6) the cost of an annual executive physical (amounts are included in the executive's W-2 and taxes are borne by the executive) for Mr. Murdock \$0, Mr. Carter \$5,298, Mr. Dahl \$5,805, Mr. DeLorenzo \$90 and Mr. Tesoriero

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\$3,750; (7) annual dues of \$1,470 for club membership for Mr. Dahl and (8) Mr. Dahl received a lump-sum separation payment in the amount of \$750,000.

- (6) The 2006 amounts shown include the following (1) on behalf of Mr. Murdock an amount of \$21,795 for an annual subscription to the New York Metropolitan Opera; (2) Dole's matching contributions to the 401(k) and Excess Savings Plans of Dole Food Company, Inc. (see Deferred Compensation Qualified and Nonqualified on page 115) on behalf of Mr. Murdock \$0, Mr. Carter \$37,518, Mr. Dahl \$73,620 and Mr. Tesoriero \$33,132; (3) the value attributable to personal use of the company-provided automobiles for Mr. Mr. Carter \$3,162, Mr. Dahl \$16,469 and Mr. Tesoriero \$19,691; (4) the cost of financial planning services reimbursed (amounts are included in the executive's W-2 and taxes are borne by the executive) by the Company for Mr. Murdock \$0, Mr. Carter \$5,000, Mr. Dahl \$5,000 and Mr. Tesoriero \$1,300; (5) an annual car allowance to Mr. Murdock \$5,000, Mr. Carter \$5,000 and Mr. Dahl \$5,000; (6) the cost of an annual executive physical (amounts are included in the executive's W-2 and taxes are borne by the executive) for Mr. Murdock \$0, Mr. Carter \$3,213, Mr. Dahl \$6,000 and Mr. Tesoriero \$5,925; (7) the delayed payout of 35% under the 2003 executive incentive plan paid in January 2006 for Mr. Murdock \$0, Mr. Carter \$252,000, Mr. Dahl \$252,000 and Mr. Tesoriero \$52,200; and (8) annual dues of \$2,850 for club membership for Mr. Dahl.

- (7) Mr. Dahl's employment with Dole terminated on June 29, 2007.

Grants of Plan-Based Awards Table

Name	Grant Date	Incentive Period	Estimated Future Payout Under Non-Equity Incentive Awards		
			Threshold	Target	Maximum
David H. Murdock	1/1/2007	2007 Fiscal Year (1)(2)	\$ 285,000	\$ 950,000	\$ 2,850,000
	1/1/2007	2007-2009(3)(4)(5)	\$ 498,750	\$ 1,425,000	\$ 4,275,000
David A. DeLorenzo	6/4/2007	2007 Fiscal Year(1)(2)	\$ 360,000	\$ 1,200,000	\$ 3,600,000
	6/4/2007	2007-2009(3)(4)(5)	\$ 630,000	\$ 1,800,000	\$ 5,400,000
C. Michael Carter	1/1/2007	2007 Fiscal Year(1)(2)	\$ 135,000	\$ 450,000	\$ 1,350,000
	1/1/2007	2007-2009(3)(4)(5)	\$ 262,500	\$ 750,000	\$ 2,250,000
Joseph S. Tesoriero	1/1/2007	2007 Fiscal Year(1)(2)	\$ 87,750	\$ 292,500	\$ 877,500
	1/1/2007	2007-2009(3)(4)(5)	\$ 181,125	\$ 517,500	\$ 1,552,500

- (1) Under the One-Year Plan, target incentives for the Named Executive Officers, as a percentage of base salary, range from 65% to 100%, depending principally on Dole's performance relative to financial performance targets set in early 2006. Incentive awards for Named Executive Officers are determined based on the consolidated financial performance and are generally payable only if the specified minimum level of the Company's financial performance is realized and may be increased to maximum levels only if substantially higher performance levels are attained. Amounts shown represent the specified minimum of the threshold's shown, however, incentive awards can range from 0% to 300% of target incentives. Mr. Dahl is not eligible for incentive awards granted in 2007.

- (2) Under the One-Year Plan, amounts for target and maximum are based on annual salary at the end of the Incentive Period.

- (3)

The performance matrix established for the Incentive Period 2007 – 2009 consists of a combination of revenue and return on shareholder investment as the financial performance goals used in determining the contingent awards for the Named Executive Officers. Amounts shown represent the specified minimum of the thresholds shown, however, incentive awards can range from 0% to 300% of target incentives. The performance matrix has not yet been established for the 2008 – 2010 Incentive Period. Final awards are paid in a lump sum within 90 days following the end of the Incentive Period. A final award may become payable in the event of the Named Executive Officer's death, disability or retirement, or involuntary termination without cause, and are subject to customary adjustments for certain changes in capitalization.

- (4) If the minimum combination of revenue and return on shareholder investment in the performance matrix is not achieved as of the end of the Incentive Period, no amount will be earned by the Named Executive Officers for the Incentive Period.

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- (5) Under the Growth Plan, contingent award amounts for target and maximum are based on annual salary at the beginning of the Incentive Period.

Pension Benefits

The Company sponsors both a qualified and nonqualified defined benefit plan. The nonqualified plan is a restoration plan, providing benefits that cannot be provided under the qualified plan on account of Internal Revenue Code limits on compensation and benefits.

Participation in both the defined benefit plans was frozen on December 31, 2001. Benefits were also frozen for most employees at that time, although some long-service employees received additional benefit accruals over the next five years. No benefits accrue under either defined benefit plan after December 31, 2006. All participants are fully vested as of that date.

Participants may receive their full benefit upon normal retirement at age 65 or a reduced benefit upon early retirement on or after age 55.

The amounts in the table below reflect the actuarial increase in present value of the Named Executive Officer's benefits under all defined benefit pension plans sponsored by the Company and are determined using the interest rate and mortality rate assumptions used for U.S. pension plans in the pension footnote of the Company's financial statements.

Name(1)	Plan Name	Number of Years of Credited Service	Present Value of Accumulated Benefit	Payments During Last Fiscal Year
David H. Murdock(2) Chairman	Plan 29 SERP	8.5 8.5	\$ 1,305,238 \$ 727,366	\$ 93,973 \$ 52,368
Dole Food Company, Inc. David A. DeLorenzo(3) President and Chief Executive Officer	Plan 29 SERP	31.5 31.5	\$ 984,801 \$ 3,022,055	\$ 75,349 \$ 240,616
Dole Food Company, Inc. C. Michael Carter Executive Vice President, General Counsel and Corporate Secretary Dole Food Company, Inc.	Plan 29 SERP	1.25 1.25	\$ 31,170 \$ 30,287	\$ \$

- (1) Mr. Dahl and Mr. Tesoriero joined Dole after the defined benefit plans were frozen and are not shown in the table as they do not have an accrued benefit under the qualified or nonqualified defined benefits plan.
- (2) As required by the Internal Revenue Code, Mr. Murdock, who is over the age of 70 1/2, is receiving his current annual retirement benefit as a joint and survivor annuity.
- (3)

Mr. DeLorenzo retired from Dole on December 29, 2001 and began receiving retirement benefit payments. Mr. DeLorenzo was rehired on June 4, 2007.

Deferred Compensation Qualified and Nonqualified

All salaried employees are eligible to participate in the Salaried 401(k) Plan. There is a separate 401(k) plan that covers most hourly paid non-union employees. Participants in the Salaried 401(k) Plan may contribute on a pre-tax basis up to the lesser of 50% of their annual salary or the limit prescribed under the Internal Revenue Code. Participants may also contribute up to 5% of their salary on an after-tax basis. The Company will match 100% of the first 6% of salary that is contributed to the Plan on a pre-tax basis. All contributions, including the Company match, are immediately and fully vested.

Named Executive Officers and certain other executives are eligible to participate in the Excess Savings Plan. This plan is a nonqualified savings plan that provides participants with the opportunity to contribute amounts on a

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deferred tax basis which are in excess of the limits that apply to the 401(k) Plan. The Excess Savings Plan is coordinated with the Salaried 401(k) Plan so that, on a combined plan basis, participants may defer up to 100% of eligible earnings (generally, base salary and annual incentives) and will receive a Company match of the first 6% of eligible earnings. Amounts contributed to the Excess Savings Plan received a fixed rate of interest. For 2007, the interest rate was 7.25%. The interest rate in 2008 has been set at 7.2%. Such rate is declared annually by the Compensation Committee and is based on the Company's weighted average cost of long-term debt.

Name	Executive Contributions in Last FY	Registrant Contributions in Last FY	Aggregate Earnings in Last FY	Aggregate Withdrawals/Distributions	Aggregate Balance at Last Fiscal Year End
David H. Murdock Chairman Dole Food Company, Inc.	\$	\$	\$ 18,483	\$	\$ 273,422
David A. DeLorenzo President and Chief Executive Officer Dole Food Company, Inc.	\$ 27,692	\$ 27,762	\$ 382	\$	\$ 55,836
Richard J. Dahl Former President and Chief Operating Officer Dole Food Company, Inc.	\$	\$ 2,000	\$ 69,292	\$ (1)	\$ 998,752
C. Michael Carter Executive Vice President, General Counsel and Corporate Secretary Dole Food Company, Inc.	\$ 48,057	\$ 49,543	\$ 73,518	\$	\$ 1,150,617
Joseph S. Tesoriero Vice President and Chief Financial Officer Dole Food Company, Inc.	\$ 22,500	\$ 19,500	\$ 11,944	\$	\$ 198,554

(1) Mr. Dahl received a \$998,825 distribution of his Excess Savings Plan balance in January 2008. This payment was made in accordance with the irrevocable election made by Mr. Dahl upon his participation in the Excess Savings Plan.

By irrevocable election, an executive may elect to receive benefits under the ESP in either a lump sum payment or annual installments up to fifteen years. Lump-sum benefits under the Excess Savings Plan will be paid the earlier of the beginning of the year following the executive's retirement or termination or a specified year. However, upon a showing of financial hardship and receipt of approval from the Compensation Committee, an executive may be allowed to access funds deferred, earlier than previously elected by the executive.

Section 409A of the Internal Revenue Code imposes restrictions on distributions, and elections with respect to distributions, from nonqualified deferred compensation plans, such as the Excess Savings Plan. The IRS has issued final regulations on 409A. These regulations include transition rules that will apply through December 31, 2008.

There are no investment options available under the Excess Savings Plan.

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Executive Payments Upon Separation	Voluntary Termination	Normal Retirement	Involuntary Termination		Change in Control	Death & Disability
			Without Cause	For Cause		
One-Year Management Incentive Plan(1)	\$	\$ 950,000	\$	\$	\$ 950,000	\$ 950,000
Sustained Profit Growth Plan(2)	\$ 247,950	\$	\$ 2,375,000	\$	\$ 2,375,000	\$ 2,375,000
Health and Welfare Benefits, Fringe Benefits and other perquisites	\$	\$	\$ 3,787	\$	\$ 30,000	\$
Cash Severance	\$	\$	\$ 931,724	\$	\$ 5,700,000	\$
Excise Tax and Gross-Up	\$	\$	\$	\$	\$	\$

David A. DeLorenzo

Executive Payments Upon Separation	Voluntary Termination(3)	Normal Retirement	Involuntary Termination		Change in Control(4)	Death and Disability
			Without Cause	For Cause		
One-Year Management Incentive Plan(1)	\$	\$ 1,200,000	\$	\$	\$	\$ 1,200,000
Sustained Profit Growth Plan(2)	\$	\$	\$ 866,000	\$	\$	\$ 866,000
Health and Welfare Benefits, Fringe Benefits and other perquisites	\$	\$	\$ 277	\$	\$	\$
Cash Severance	\$	\$	\$ 23,068	\$	\$	\$
Excise Tax and Gross-Up	\$	\$	\$	\$	\$	\$

C. Michael Carter

Executive Payments Upon Separation	Voluntary Termination	Normal Retirement	Involuntary Termination		Change in Control	Death and Disability
			Without Cause	For Cause		
One-Year Management Incentive Plan(1)	\$	\$ 450,000	\$	\$	\$ 450,000	\$ 450,000
Sustained Profit Growth Plan(2)	\$ 118,690	\$ 957,750	\$ 1,170,583	\$	\$ 1,170,583	\$ 1,170,583
Health and Welfare Benefits, Fringe Benefits and other perquisites	\$	\$	\$ 2,514	\$	\$ 30,000	\$
Cash Severance	\$	\$	\$ 213,460	\$	\$ 3,150,000	\$
Excise Tax and Gross-Up	\$	\$	\$	\$	\$ 1,432,862	\$

Joseph S. Tesoriero

Executive Payments Upon Separation	Voluntary Termination	Normal Retirement	Involuntary Termination		Change in Control	Death and Disability
			Without Cause	For Cause		
One-Year Management Incentive Plan(1)	\$	\$ 292,500	\$	\$	\$ 292,500	\$ 292,500
Sustained Profit Growth Plan(2)	\$ 36,703	\$ 638,958	\$ 638,958	\$	\$ 638,958	\$ 638,958
Health and Welfare Benefits, Fringe Benefits and other perquisites	\$	\$	\$ 2,901	\$	\$ 30,000	\$
Cash Severance	\$	\$	\$ 125,479	\$	\$ 2,227,500	\$
Excise Tax and Gross-Up	\$	\$	\$	\$	\$ 1,217,987	\$

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- (1) For purposes of illustration, target amounts are shown. Payments made in the event of retirement, death or disability would be based on actual results after conclusion of the plan year.
- (2) For purposes of illustration, targets amounts are shown. Payments made in the event of retirement, death, disability or involuntary termination without cause would be based on actual results for the applicable incentive periods and the number of months of participation in any applicable incentive period. Amounts shown for retirement, death, disability, and involuntary termination without cause are payable following the termination and calculation of the applicable incentive period. Awards, if any, are prorated based on the applicable termination date for the Named Executive Officer. The performance matrix has not yet been established for the 2008 – 2010 Incentive Period.
- (3) Mr. DeLorenzo rejoined Dole in 2007 and became eligible for contingent awards in 2007.
- (4) A Change of Control Agreement has been offered to Mr. DeLorenzo effective March 5, 2008.

Severance

The Severance Pay Plan for Employees of Dole Food Company, Inc. and Participating Divisions and Subsidiaries (the Severance Plan) is in place for all eligible employees and provides for payment if an employee s (including a Named Executive Officer) employment is involuntarily terminated as a result a workforce reduction, elimination of operations, or job elimination. There are no other severance plans or severance agreements covering the Named Executive Officers. In the unlikely circumstance that a Named Executive Officer is involuntarily terminated under the qualifications of the Severance Plan, the Severance Plan provides for benefits in an amount equal to the weekly base compensation determined according to the following schedule:

Years of Service

Severance Pay Benefit

1 to 4	2 weeks for each year of service plus 2 weeks
5 to 14	2 weeks for each year of service plus 4 weeks
15 or more	2 weeks for each year of service plus 6 weeks

In no event will the severance benefits under the Severance Plan exceed either of the following: (i) an amount equal to a total of 104 weeks of weekly base compensation; or (ii) an amount equal to twice the Named Executive Officer s compensation (including wages, salary, and any other benefit of monetary value) during the twelve-month period immediately preceding his termination of service.

Health and other insurance benefits are continued for up to six months corresponding to the termination benefits. A terminated employee is entitled to receive any benefits he would otherwise have been entitled to receive under the 401(k) plan, frozen pension plan and supplemental retirement plans. Those benefits are neither increased nor accelerated. See the table on page 117 for hypothetical payment amounts.

Change of Control

In line with the practice of numerous companies of Dole s size, we recognize that the possibility of a change of control of Dole may result in the departure or distraction of management to the detriment of Dole. In March 2001, Dole put in place a program to offer Change of Control Agreements to each Named Executive Officer and certain other officers and employees of Dole. At the time the program was put in place, Dole was advised by its executive compensation

consultants that the benefits provided under the Change of Control Agreements were within the range of customary practices of other public companies. The benefits under the Change of Control Agreements are paid in a lump sum and are based on a multiple of three for each of the Named Executive Officers.

In order to receive a payment under the Change of Control Agreement, two triggers must occur. The first trigger is a change of control, as defined in the change of control agreement. The second trigger is that the Named Executive Officer must be terminated from employment with the successor company within two years of the change of control date.

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The payments to the Named Executive Officers would be in the form of a lump sum cash payment, determined as follows:

Three times the Named Executive Officer's base salary

Three times the Named Executive Officer's target bonus

\$30,000, in lieu of any other health and welfare benefits, fringe benefits and perquisites (including medical, life, disability, accident and other insurance, car allowance or other health and welfare plan, programs, policies or practices or understandings but excluding the Named Executive Officer's rights relative to the option of acquiring full ownership of the company car) and other taxable perquisites and fringe benefits that the Named Executive Officer or his family may have been entitled to receive

The pro-rata portion of the greater of (i) the Named Executive Officer's target amounts under the Growth Plan and (ii) the Named Executive Officer's actual benefits under the Growth Plan

Accrued obligations (any unpaid base salary to date of termination, any accrued vacation pay or paid time off), and deferred compensation including interest and earnings and pursuant to outstanding elections

Pro-rata portion of the Named Executive Officer's target bonus for the fiscal year in which the termination occurs

Reimbursement for outstanding reimbursable expenses

A gross-up payment to hold the Named Executive Officer harmless against the impact, if any, of federal excise taxes imposed on the executive as a result of the payments contingent on a change in control.

There are four events that could constitute a change-in-control at Dole. The occurrence of any of these events would be deemed a change-of control. These events were carefully reviewed by both internal and external experts and were deemed to best capture those situations in which control of the company would be altered. Below, we provide a general summary of the events that constitute a change-of-control.

- 1) An acquisition of 20% or more of the combined voting power of the Company's stock. Excluded from the 20% acquisition rule is Mr. David H. Murdock, or following his death, any trust or trustees designated by Mr. Murdock.
- 2) A change in the majority constitution of the Board of Directors, unless the changes are approved by two-thirds of incumbent board.
- 3) A merger, reorganization, consolidation, recapitalization, exchange offer or other extraordinary transaction where the current beneficial owners of the outstanding securities of the Company do not own at least 50 percent of the outstanding securities of the new organization.
- 4) A sale, transfer, or distribution of all or substantially all of the Company's assets.

The full text of the Change of Control Agreement covering the Named Executive Officers can be found under cover of Dole's Report on Form 8-K dated February 4, 2005, File No. 1-4455.

Non-Employee Director Compensation

The Company uses cash compensation to attract and retain qualified non-employee candidates to serve on the Board. In setting outside director compensation, the Company considers the significant amount of time that Directors expend in fulfilling their duties to the Company, as well as the skill sets each outside director brings as a member of the Board.

Members of the Board who were not employees of the Company are entitled to receive an annual cash retainer of \$50,000 and a Board meeting fee of \$2,000 for each Board meeting attended. Telephonic Board meeting fees are \$1,000. Directors receive \$4,000 annually for service as chairman of committees of the Board in addition to the cash retainer, except in the case of the chairman of the audit committee who receives \$10,000 annually. Committee meeting fees are \$1,000 per meeting attended, either in person or telephonically. Directors who are employees of the Company receive no compensation for their service as directors.

Table of Contents**Deferred Compensation**

The Non-Employee Deferred Cash Compensation Plan is a program in which each non-employee director may defer up to 100% of his or her total annual retainer and meeting fees. In 2007, each non-employee director who defers his or her annual retainer or fees through this program has an interest rate of 7.25%, the same as the interest rate used for management's Excess Savings Plan. In 2008, the interest rate for this plan will be 7.2%. None of the non-employee directors have elected to defer the annual retainer or fees in 2008.

Amounts deferred under this program are distributed to each non-employee director at the termination of service as a Director, either as a lump-sum, or in equal annual cash installments over a period not to exceed five years.

Annual Physical

Each non-employee director has an annual executive physical benefit.

Director Summary Compensation Table

Name(1)	Fees Earned Or Paid in Cash(1)	Non-Equity Incentive Plan Compensation	Change in Pension		Total
			Value and Non- Qualified Deferred Compensation Earnings	All Other Compensation	
Andrew J. Conrad	\$ 57,000	\$	\$ 6,260(3)	\$	\$ 63,260
David A. DeLorenzo(2)	\$ 32,715	\$	\$ 23,079(3)	\$ 2,800(4)	\$ 58,594
Edward C. Roohan	\$ 71,714	\$	\$	\$	\$ 71,714

(1) David H. Murdock, the Company's Chairman of the Board, Richard J. Dahl, former President and Chief Operating Officer, C. Michael Carter, Executive Vice President, General Counsel and Corporate Secretary, Scott Griswold, Executive Vice President, Corporate Development, Justin Murdock, Vice President, New Products and Corporate Development and Roberta Wieman, Executive Vice President, Chief of Staff, are not included in this table because they are (or were) employees of the Company and do not receive any compensation for their service as Directors. David A. DeLorenzo received compensation for his service on the Board to June 2007 at which time he was rehired by the Company as President and Chief Executive Officer. Compensation for Messrs. Murdock, DeLorenzo, Dahl and Carter may be found in the Summary Compensation Table on page 113.

(2) Mr. DeLorenzo retired from the Company on December 29, 2001 as an employee of the Company and he is receiving retirement payments. He was rehired by the Company on June 4, 2007 at which time his fees for service on the Board of Directors, or any Board Committees, were terminated.

(3) In 2007, interest earnings applied to deferred compensation accounts for Dr. Conrad and Mr. DeLorenzo were \$6,260 and \$23,079, respectively.

(4) The cost of Mr. DeLorenzo's annual physical paid by the Company.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class
Common Stock, \$0.001 par value	David H. Murdock Dole Food Company, Inc. One Dole Drive Westlake Village, CA 91362	1,000 shares	100%

(1) Mr. Murdock beneficially owns these shares through one or more affiliates, and has effective sole voting and dispositive power with respect to the shares. Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended. Mr. Murdock is Dole's Chairman of the Board and Chief Executive Officer.

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Dole has no equity compensation plans. All of the outstanding shares of common stock of Dole have been pledged pursuant to Dole's Credit Agreement and ancillary documents thereto.

Item 13. *Certain Relationships and Related Transactions*

David H. Murdock, the Company's Chairman, owns, *inter alia*, Castle & Cooke, Inc. (Castle), a transportation equipment leasing company, a private dining club and a hotel. During the years ended December 29, 2007, December 30, 2006 and December 31, 2005, the Company paid Mr. Murdock's companies an aggregate of approximately \$7.2 million, \$7.6 million and \$7.3 million, respectively, primarily for the rental of truck chassis, generator sets and warehousing services. Castle purchased approximately \$0.7 million, \$1.1 million and \$4 million of products from the Company during the years ended December 29, 2007, December 30, 2006 and December 31, 2005, respectively.

The Company and Castle are responsible for 68% and 32%, respectively, of all obligations under an aircraft lease arrangement. Each party is responsible for the direct costs associated with its use of this aircraft, and all other indirect costs are shared proportionately. During the year ended December 29, 2007, December 30, 2006 and December 31, 2005, the Company's proportionate share of the direct and indirect costs for this aircraft was \$2 million, \$1.9 million and \$1.9 million, respectively.

The Company and Castle operate their risk management departments on a joint basis. Insurance procurement and premium costs are based on the relative risk borne by each company as determined by the insurance underwriters. Administrative costs of the risk management department, which were not significant, are shared on a 50-50 basis.

The Company retains risk for commercial property losses sustained by the Company and Castle totaling \$4 million in the aggregate and \$4 million per occurrence, above which the Company has coverage provided through third-party insurance carriers. The arrangement provides for premiums to be paid to the Company by Castle in exchange for the Company's retained risk. The Company received approximately \$0.6 million, \$0.6 million and \$0.7 million from Castle during 2007, 2006 and 2005, respectively.

The Company had a number of other transactions with Castle and other entities owned by Mr. Murdock, generally on an arms-length basis, none of which, individually or in the aggregate, were material. The Company had outstanding net accounts receivable of \$0.5 million and a note receivable of \$10.2 million due from Castle at December 29, 2007 and outstanding net accounts payable of \$5.6 million to Castle at December 30, 2006. The net accounts payable balance of \$5.6 million included \$5.2 million related to the reimbursement of entitlement costs for partnership land parcels held for sale, which were sold in 2007.

In the first quarter of 2007, the Company and Castle executed a lease agreement pursuant to which the Company's fresh vegetables operations occupy an office building in Monterey, California, which is owned by Castle. The Company occupied the building in 2006 and recorded \$0.6 million of rent expense. Rent expense for the year ended December 29, 2007 was \$1 million.

Mr. Murdock is a director and executive officer of Dole and also serves as a director and executive officer of privately held entities that he owns or controls. Mr. Scott Griswold, Ms. Roberta Wieman and Mr. Justin Murdock, each a director and officer of Dole, also serve as directors and officers of privately held entities controlled by Mr. Murdock. Mr. Edward C. Roohan is a director of Dole and a director and executive officer of Castle. Any compensation paid by such other entities is within the discretion of their respective boards of directors.

During December 2006, Dole entered into a five-year lease with Laboratory Corporation of America, pursuant to which the latter is leasing approximately 1,483 rentable square feet in Dole's World Headquarters building in Westlake Village, California, at a rental rate of \$115,674 per year, subject to annual inflation adjustments. The lease provides that the tenant may renew the lease for two additional five-year terms. Dr. Conrad, a director of Dole, is the tenant's Chief Scientific Officer.

Dole's secured credit facilities and its unsecured senior notes and debenture indentures impose substantive and procedural requirements with respect to the entry by the Company and its subsidiaries into transactions with affiliates. The credit facilities generally requires that, except as expressly permitted in the credit facilities, all such

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transactions with affiliates be entered into in the ordinary course of business and on terms and conditions substantially as favorable to Dole as would reasonably be expected to be obtainable at the time in a comparable arms-length transaction with an unaffiliated third party. The indentures generally require that, except as expressly permitted in the indentures, all transactions with affiliates must satisfy the requirements set forth above pursuant to Dole's credit facilities and, in addition, any transaction or series of related transactions with an affiliate involving aggregate payments with a fair market value in excess of \$7.5 million must be approved by a Board of Directors resolution stating that the Board has determined that the transaction complies with the preceding requirements; further, if such aggregate payments have a fair market value of more than \$20 million, the Board of Directors must, prior to the consummation of the transaction, have obtained a favorable opinion as to the fairness of the transaction to the Company from a financial point of view, from an independent financial advisor, and such opinion must be filed with the indenture trustee. In addition, the Company's legal department and finance department review all transactions with related parties to ensure that they comply with the preceding requirements. The Audit Committee of the Company's Board of Directors annually receives and reviews a detailed summary of all transactions with related parties, which provides a basis for the Audit Committee's approval of the disclosure in respect of related party transactions contained in the Company's Annual Report on Form 10-K.

The Company has traditionally used the definition of "independent director" provided by the New York Stock Exchange, since Dole securities were listed on the New York Stock Exchange prior to Dole's going-private merger transaction in 2003. The Company does not believe that any of its current directors are "independent directors" under that definition.

Item 14. *Principal Accountant Fees and Services***Principal Accountant Fees and Services**

The following table summarizes the aggregate fees billed to the Company by its independent auditor Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, the "Deloitte Entities"):

	Fiscal Year Ended	
	December 29, 2007	December 30, 2006
	(In thousands)	
Audit Fees(a)	\$ 3,959	\$ 3,626
Audit-Related Fees(b)	436	675
Total Audit and Audit Related Fees	4,395	4,301
Tax Fees(c)	217	348
All Other Fees(d)		
Total	\$ 4,612	\$ 4,649

- (a) Audit fees include \$3,959,000 and \$3,626,000 for services related to the audit of the annual consolidated financial statements and reviews of the quarterly condensed consolidated financial statements for 2007 and 2006, respectively.

- (b) Audit-related fees include \$137,000 and \$211,000 Section 404 advisory services for 2007 and 2006, respectively. Audit-related fees for 2007 and 2006 also include \$208,000 and \$216,000, respectively, for employee benefit plan audits. The remaining amounts relate to accounting and financial reporting consultations, and various agreed-upon procedures and compliance reports.
- (c) There were no fees for tax compliance services billed in 2006 and 2005, respectively. Fees for tax planning and advice billed in 2007 and 2006 were \$217,500 and \$348,000, respectively.

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(d) There were no other services billed to the Company in 2007 and 2006.

	Fiscal Year Ended	
	December 29, 2007	December 30, 2006
Ratio of Tax Planning and Advice Fees and All Other Fees to Audit Fees, Audit-Related Fees and Tax Compliance Fees	0.1:1	0.1:1

In considering the nature of the services provided by the independent auditor, the Audit Committee determined that such services are compatible with the provision of independent audit services. The Audit Committee discussed these services with the independent auditor and Company management to determine that they are permitted under the rules and regulations concerning auditor independence promulgated by the Securities and Exchange Commission to implement the Sarbanes-Oxley Act of 2002, as well as the American Institute of Certified Public Accountants.

Table of Contents**PART IV****Item 15. Exhibits and Financial Statement Schedules**

- (a) 1. *Financial Statements:* The following consolidated financial statements are included herein in Item 8 above.

	Form 10-K Page
Audited Financial Statements for the Years Ended December 29, 2007, December 30, 2006 and Year Ended December 31, 2005	49
2. Financial Statement Schedule	
Valuation and Qualifying Accounts	132
3. Exhibits:	

**Exhibit
Number****Title**

- 3.1(a) Amended and Restated Certificate of Incorporation of Dole Food Company, Inc. (incorporated by reference to Exhibit 3.1 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
- 3.1(b) Articles of Incorporation of Oceanic Properties Arizona, Inc., dated as of January 12, 1988. Articles of Amendment to the Articles of Incorporation of Oceanic Properties Arizona, Inc., dated as of November 16, 1990, changed the company's name to Castle & Cooke Arizona, Inc. Articles of Amendment to the Articles of Incorporation of Castle & Cooke Arizona, Inc., dated as of December 21, 1995, changed the company's name to Calazo Corporation.
- 3.1(c) Articles of Incorporation of AG 1970, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1970, Inc., dated as of December 13, 1989.
- 3.1(d) Articles of Incorporation of AG 1971, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1971, Inc., dated as of December 13, 1989.
- 3.1(e) Articles of Incorporation of AG 1972, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1972, Inc., dated as of December 13, 1989.
- 3.1(f) Articles of Incorporation of Castle & Cooke Homes, Inc., dated as of February 10, 1992. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Homes, Inc., dated as of March 18, 1996, changed the company's name to Alyssum Corporation.
- 3.1(g) Articles of Incorporation of Barclay Hollander Curci, Inc., dated as of February 28, 1969. Certificate of Amendment of Articles of Incorporation, dated as of February 1975, changed the company's name to Barclay Hollander Corporation. Certificate of Amendment of Articles of Incorporation of Barclay Hollander Corporation, dated as of November 26, 1980. Certificate of Amendment of Articles of Incorporation of Barclay Hollander Corporation, dated as of June 11, 1990.
- 3.1(h) Articles of Incorporation of Grandma Mac's Orchard, dated as of August 27, 1976. Certificate of Amendment of Articles of Incorporation of Grandma Mac's Orchard, dated as of January 6, 1988, changed the company's name to Sun Giant, Inc. Certificate of Amendment of Articles of Incorporation of Sun Giant, Inc., dated as of March 4, 1988, changed the company's name to Dole Bakersfield, Inc.

Certificate of Amendment of Articles of Incorporation of Dole Bakersfield, Inc., dated as of June 11, 1990. Agreement of Merger of Bud Antle, Inc. and Dole Bakersfield, Inc., dated as of December 18, 2000, changed the company's name to Bud Antle, Inc.

- 3.1(i) Articles of Incorporation of Lake Anderson Corporation, dated as of June 26, 1964. Certificate of Amendment of Articles of Incorporation, dated as of November 12, 1971. Certificate of Amendment of Articles of Incorporation, dated as of August 28, 1972, changed the company's name to Oceanic California Inc. Certificate of Amendment of Articles of Incorporation, dated as of July 14, 1977. Certificate of Amendment of Articles of Incorporation of Oceanic California Inc., dated as of June 17, 1981. Certificate of Amendment of Articles of Incorporation of Oceanic California Inc., dated as of November 16, 1990, changed the company's name to Castle & Cooke California, Inc. Certificate of Amendment of Articles of Incorporation of Castle & Cooke California, Inc., dated as of December 21, 1995, changed the company's name to Calicahomes, Inc.
- 3.1(j) Articles of Incorporation of California Polaris, Inc., dated as of April 6, 1979.

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Exhibit Number	Title
3.1(k)	Articles of Incorporation of Dole ABPIK, Inc., dated as of November 15, 1988. Certificate of Amendment of Articles of Incorporation of Dole ABPIK, Inc., dated as of December 13, 1989.
3.1(l)	Articles of Incorporation of Castle & Cooke Sierra Vista, Inc., dated as of June 8, 1992. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Sierra Vista, Inc., dated as of March 18, 1996, changed the company's name to Dole Arizona Dried Fruit and Nut Company.
3.1(m)	Articles of Incorporation of CCJM, Inc., dated as of December 11, 1989. Certificate of Amendment of Articles of Incorporation of CCJM, Inc., dated as of September 9, 1991, changed the company's name to Dole Carrot Company.
3.1(n)	Articles of Incorporation of Miracle Fruit Company, dated as of September 12, 1979. Certificate of Amendment of Articles of Incorporation of Miracle Fruit Company, dated as of October 1, 1979, changed the company's name to Blue Goose Growers, Inc. Certificate of Amendment of Articles of Incorporation of Blue Goose Growers, Inc., dated as of June 11, 1990. Certificate of Amendment of Articles of Incorporation of Blue Goose Growers, Inc., dated as of February 15, 1991, changed the company's name to Dole Citrus.
3.1(o)	Articles of Incorporation of Dole DF&N, Inc., dated as of November 15, 1988. Certificate of Amendment of Articles of Incorporation of Dole DF&N, Inc., dated as of December 13, 1989.
3.1(p)	General Partnership Agreement of Dole Dried Fruit and Nut Company, a California general partnership, dated as of October 15, 1995.
3.1(q)	Articles of Incorporation of Canfield Farming Company, dated as of July 17, 1963. Certificate of Amendment of Articles of Incorporation of Canfield Farming Company, dated as of March 15, 1971, changed the company's name to Tenneco Farming Company. Certificate of Amendment of Articles of Incorporation of Tenneco Farming Company, dated as of January 6, 1988, changed the company's name to Sun Giant Farming, Inc. Certificate of Amendment of Articles of Incorporation of Sun Giant Farming, Inc., dated as of April 25, 1988, changed the company's name to Dole Farming, Inc. Certificate of Amendment of Articles of Incorporation of Dole Farming, Inc., dated as of June 11, 1990.
3.1(r)	Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of July 14, 1983. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of January 2, 1990, changed the company's name to Dole Fresh Vegetables, Inc.
3.1(s)	Restated Articles of Incorporation of T.M. Duche Nut Co., Inc., dated as of October 15, 1986. Certificate of Amendment of Articles of Incorporation of T.M. Duche Nut Co., Inc., dated as of November 14, 1986. Certificate of Amendment of Articles of Incorporation, dated as of April 20, 1988, changed the company's name to Dole Nut Company. Certificate of Amendment of Articles of Incorporation of Dole Nut Company, dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of Dole Nut Company, dated as of January 28, 1998, changed the company's name to Dole Orland, Inc.
3.1(t)	Articles of Incorporation of S & J Ranch, Inc., dated as of December 15, 1952. Certificate of Amendment of Articles of Incorporation of S & J Ranch, Inc., dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of S & J Ranch, Inc., dated as of September 27, 2000, changed the company's name to Dole Visage, Inc.
3.1(u)	Articles of Incorporation of E.T. Wall, Grower-Shipper, Inc., dated as of November 25, 1975. Certificate of Amendment of Articles of Incorporation of E.T. Wall, Grower-Shipper, Inc., dated as of July 25, 1984, changed the company's name to E.T. Wall Company. Certificate of Amendment of Articles of Incorporation of E.T. Wall Company, dated as of June 11, 1990.
3.1(v)	

Articles of Incorporation of Earlibest Orange Association, Inc., dated as of November 7, 1963. Certificate of Amendment of Articles of Incorporation of Earlibest Orange Association, Inc., dated as of December 13, 1989.

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Exhibit Number	Title
3.1(w)	Articles of Incorporation of The Citrus Company, dated as of February 1, 1984. Certificate of Amendment of Articles of Incorporation of The Citrus Company, dated as of February 16, 1984, changed the company's name to Fallbrook Citrus Company, Inc. Certificate of Amendment of Articles of Incorporation, dated as of March 15, 1994. Certificate of Amendment of Articles of Incorporation of Fallbrook Citrus Company, Inc., dated as of June 11, 1990.
3.1(x)	Articles of Incorporation of Lindero Headquarters Company, Inc., dated as of February 12, 1998.
3.1(y)	Articles of Incorporation of Lindero Property, Inc., dated as of October 10, 1991.
3.1(z)	Articles of Incorporation of Oceanview Produce Company, dated as of June 15, 1989. Certificate of Amendment of Articles of Incorporation of Oceanview Produce Company, dated as of August 7, 1989.
3.1(aa)	Articles of Incorporation of Prairie Vista, Inc., dated as of November 23, 1953.
3.1(ab)	Articles of Incorporation of Kingsize Packing Co., dated as of February 5, 1990. Certificate of Amendment of Articles of Incorporation of Kingsize Packing Co., dated as of March 30, 1990, changed the company's name to Royal Packing Co.
3.1(ac)	Articles of Incorporation of Trojan Transport Co., dated as of August 31, 1955. Certificate of Amendment of Articles of Incorporation of Trojan Transport Co., dated as of July 31, 1956, changed the company's name to Trojan Transportation and Warehouse Co. Certificate of Amendment of Articles of Incorporation of Trojan Transportation Co., dated as of January 24, 1961, changed the company's name to Veltman Terminal Co.
3.1(ad)	Certificate of Incorporation of Bananera Antillana (Columbia), Inc., dated as of November 16, 1977.
3.1(ae)	Certificate of Incorporation of Clovis Citrus Association, dated as of January 24, 1990. Certificate of Amendment of Certificate of Incorporation of Clovis Citrus Association, dated as of January 24, 1990.
3.1(af)	Certificate of Incorporation of Tenneco Sudan, Inc., dated as of June 8, 1977. Certificate of Amendment of Certificate of Incorporation of Tenneco Sudan, Inc., dated as of December 10, 1986, changed the company's name to Tenneco Realty Development Holding Corporation. Certificate of Amendment of Certificate of Incorporation of Tenneco Realty Development Holding Corporation, dated as of April 21, 1988, changed the company's name to Oceanic California Realty Development Holding Corporation. Certificate of Amendment of Certificate of Incorporation of Oceanic California Realty Development Holding Corporation, dated as of November 16, 1990, changed the company's name to Castle & Cooke Bakersfield Holdings, Inc. Certificate of Amendment of Certificate of Incorporation of Castle & Cooke Bakersfield Holdings, Inc., dated as of March 18, 1996, changed the company's name to Delphinium Corporation.
3.1(ag)	Certificate of Incorporation of Standard Banana Company, dated as of March 21, 1955. Certificate of Amendment of Certificate of Incorporation of Standard Banana Company, dated as of January 8, 1971, changed the company's name to Standard Fruit Sales Company. Certificate of Amendment of Certificate of Incorporation of Standard Fruit Sales Company, dated as of June 6, 1973, changed the company's name to Castle & Cooke Food Sales Company. Certificate of Amendment of Certificate of Incorporation of Castle & Cooke Food Sales Company, dated as of September 25, 1984, changed the company's name to Dole Europe Company. Certificate of Change of Location of Registered Office and of Registered Agent, dated as of April 18, 1988.
3.1(ah)	Certificate of Incorporation of Castle Aviation, Inc., dated as of June 25, 1987. Certificate of Amendment of Certificate of Incorporation of Castle Aviation, Inc., dated as of April 10, 1992, changed the company's name to Dole Foods Flight Operations, Inc.
3.1(ai)	Certificate of Incorporation of Cut Flower Exchange, Inc., dated as of February 11, 1988. Certificate of Merger, dated as of July 31, 1991, changed the company's name Sunburst Farms, Inc. Certificate of Amendment of Certificate of Incorporation of Sunburst Farms, Inc., dated as of June 23, 1999, changed

- the company's name to Dole Fresh Flowers, Inc.
- 3.1(a) Certificate of Incorporation of Wenatchee-Beebe Orchard Company, dated as of November 7, 1927.
Certificate of Ownership and Merger in Wenatchee-Beebe Orchard Company, dated as of June 23, 1943.
Certificate of Amendment of Certificate of Incorporation of Wenatchee-Beebe Orchard Company, dated as of April 20, 1983, changed the company's name to Beebe Orchard Company. Certificate of Merger of Wells and Wade Fruit Company and Beebe Orchard Company, dated as of March 23, 2001, changed the company's name to Dole Northwest, Inc.

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Exhibit Number	Title
3.1(ak)	Certificate of Incorporation of Dole Sunburst Express, Inc. Certificate of Amendment of Certificate of Incorporation of Dole Sunburst Express, Inc., dated as of July 21, 1996, changed the company's name to Dole Sunfresh Express, Inc.
3.1(al)	Certificate of Incorporation of Standard Fruit and Steamship Company, dated as of January 2, 1968.
3.1(am)	Certificate of Incorporation of Standard Fruit Company, dated as of March 14, 1955. Certificate of Change of Location of Registered Office and of Registered Agent, dated as of April 18, 1988.
3.1(an)	Certificate of Incorporation of Produce America, Inc., dated as of June 24, 1982. Certificate of Amendment of Certificate of Incorporation Before Payment of Capital of Produce America, Inc., dated as of October 29, 1982, changed the company's name to CCFV, Inc. Certificate of Amendment of Certificate of Incorporation of CCFV, Inc., dated as of September 29, 1983, changed the company's name to Sun Country Produce, Inc.
3.1(ao)	Certificate of Incorporation of West Foods, Inc., dated as of March 9, 1973.
3.1(ap)	Certificate of Incorporation of Cool Advantage, Inc., dated as of December 14, 1998.
3.1(aq)	Articles of Incorporation of Cool Care Consulting, Inc., dated as of September 16, 1986. Articles of Amendment of Cool Care Consulting, Inc., dated as of April 4, 1996, changed the company's name to Cool Care, Inc.
3.1(ar)	Articles of Incorporation of Flowernet, Inc., dated as of September 11, 1987.
3.1(as)	Articles of Incorporation of Saw Grass Transport, Inc., dated as of June 24, 1999.
3.1(at)	Articles of Incorporation of Castle & Cooke Development Corporation, dated as of June 8, 1992. Articles of Amendment to Change Corporate Name, dated as of March 1, 1993, changed the company's name to Castle & Cooke Communities, Inc. Articles of Amendment to Change Corporate Name, dated as of March 18, 1996, changed the company's name to Blue Anthurium, Inc.
3.1(au)	Articles of Incorporation of Dole Acquisition Corporation, dated as of October 13, 1994. Articles of Amendment to Change Corporate Name, dated as of January 10, 1995, changed the company's name to Castle & Cooke Homes, Inc. Articles of Amendment to Change Corporate Name, dated as of March 18, 1996, changed the company's name to Cerulean, Inc.
3.1(av)	Articles of Incorporation of Castle & Cooke Land Company, Inc., dated as of March 8, 1990. Articles of Amendment to Change Corporate Name, dated as of May 7, 1997, changed the company's name to Dole Diversified, Inc.
3.1(aw)	Articles of Association of Kohala Sugar Company, dated as of February 3, 1863. Articles of Amendment to Change Corporate Name, dated as of May 1, 1989, changed the company's name to Dole Land Company, Inc.
3.1(ax)	Articles of Incorporation of Dole Packaged Foods Corporation, dated as of April 4, 1990.
3.1(ay)	Articles of Association of Oceanic Properties, Inc., dated as of May 19, 1961. Articles of Amendment to Change Corporate Name, dated as of October 23, 1990, changed the company's name to Castle & Cooke Properties, Inc. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to La Petite d Agen, Inc.
3.1(az)	Articles of Incorporation of Lanai Holdings, Inc., dated as of May 4, 1990. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of January 22, 1996, changed the company's name to Malaga Company, Inc.
3.1(ba)	Articles of Incorporation of M K Development, Inc., dated as of February 26, 1988. Articles of Amendment, dated as of November 26, 1990.
3.1(bb)	Articles of Incorporation of Mililani Town, Inc., dated as of December 29, 1966. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, December 24,

1990, changed the company's name to Castle & Cooke Residential, Inc. Articles of Amendment to Change Corporate Name, dated as of October 21, 1993, changed the company's name to Castle & Cooke Homes Hawaii, Inc. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to Muscat, Inc.

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Exhibit Number	Title
3.1(bc)	Articles of Incorporation of Oahu Transport Company, Limited, dated as of April 15, 1947. Articles of Amendment, dated as of July 24, 1987. Articles of Amendment, dated as of May 1997.
3.1(bd)	Articles of Incorporation of Wahiawa Water Company, Inc., dated as of June 24, 1975.
3.1(be)	Articles of Incorporation of Waialua Sugar Company, Inc., dated as of January 12, 1968. Certificate of Amendment, dated as of January 24, 1986.
3.1(bf)	Certificate of Incorporation of Lanai Company, Inc., dated as of June 15, 1970. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to Zante Currant, Inc.
3.1(bg)	Articles of Incorporation of Diversified Imports Co., dated as of December 1, 1987.
3.1(bh)	Articles of Incorporation of Dole Assets, Inc., dated as of September 9, 1997.
3.1(bi)	Articles of Incorporation of Dole Fresh Fruit Company, dated as of September 12, 1985.
3.1(bj)	Articles of Incorporation of Castle & Cooke Fresh Fruit, Inc., dated as of October 27, 1983. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Fruit Company, dated as of May 9, 1997, changed the company's name to Dole Holdings Inc.
3.1(bk)	Articles of Incorporation of Dole Logistics Services, Inc., dated as of February 4, 1993.
3.1(bl)	Articles of Incorporation of Dole Ocean Cargo Express, Inc., dated as of July 8, 1999.
3.1(bm)	Articles of Incorporation of Dole Ocean Liner Express, Inc., dated as of June 3, 1993.
3.1(bn)	Articles of Incorporation of Renaissance Capital Corporation, dated as of July 28, 1995.
3.1(bo)	Certificate of Incorporation of Sun Giant, Inc., dated as of December 8, 1987.
3.1(bp)	Certificate of Incorporation of Miradero Fishing Company, Inc., dated as of August 9, 1971.
3.1(bq)	Articles of Incorporation of DNW Services Company, dated as of June 4, 1998.
3.1(br)	Articles of Incorporation of Pacific Coast Truck Company, dated as of June 27, 1995.
3.1(bs)	Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of July 28, 1959. Articles of Amendment to Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of May 26, 1972. Articles of Amendment to Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of August 30, 1973. Amendment to Articles of Incorporation, dated as of June 25, 1976.
3.1(bt)	Articles of Organization-Conversion of Dole Packaged Foods, LLC, dated as of December 30, 2005.
3.2(a)	By-Laws of Dole Food Company, Inc. (incorporated by reference to Exhibit 3.2 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
3.2(b)	Form of By-Laws of the Additional Registrants.
3.2(c)	Limited Liability Company Agreement of Dole Packaged Foods, LLC, dated as of December 30, 2005.
4.1	Indenture, dated as of July 15, 1993, between Dole and Chase Manhattan Bank and Trust Company (formerly Chemical Trust Company of California) (incorporated by reference to Exhibit 4.6 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
4.2	First Supplemental Indenture, dated as of April 30, 2002, between Dole and J.P. Morgan Trust Company, National Association, to the Indenture dated as of July 15, 1993, pursuant to which \$400 million of Dole's senior notes due 2009 were issued (incorporated by reference to Exhibit 4.9 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
4.3	Officers' Certificate, dated August 3, 1993, pursuant to which \$175 million of Dole's debentures due 2013 were issued (incorporated by reference to Exhibit 4.3 to Dole's Annual Report on Form 10-K for the fiscal year ended January 2, 1999, File No. 1-4455).
4.4	Second Supplemental Indenture, dated as of March 28, 2003, between Dole and Wells Fargo Bank, National Association (successor trustee to J.P. Morgan Trust Company), to the Indenture dated as of July 15, 1993 (incorporated by reference to Exhibit 4.10 to Dole's Current Report on Form 8-K, event date April 4, 2003, File No. 1-4455).

- 4.5 Agreement of Removal, Appointment and Acceptance, dated as of March 28, 2003, by and among Dole, J.P. Morgan Trust Company, National Association, successor in interest to Chemical Trust Company of California, as Prior Trustee, and Wells Fargo Bank, National Association.

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Exhibit Number	Title
4.6	Third Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.7	Indenture, dated as of March 28, 2003, by and among Dole, the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee, pursuant to which \$475 million of Dole's 87/8% senior notes due 2011 were issued (incorporated by reference to Exhibit 4.10 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
4.8	First Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.9	Form of Global Note and Guarantee for Dole's new 87/8% senior notes due 2011 (included as Exhibit B to Exhibit Number 4.7 hereto).
4.11	Indenture, dated as of May 29, 2003, by and among Dole, the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee, pursuant to which \$400 million of Dole's 71/4% senior notes due 2010 were issued.
4.12	First Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.13	Form of Global Note and Guarantee for Dole's 71/4% senior notes due 2010 (included as Exhibit A to Exhibit Number 4.11 hereto).
4.14	Dole Food Company, Inc. Master Retirement Savings Trust Agreement, dated as of February 1, 1999, between Dole and The Northern Trust Company (incorporated by reference to Exhibit 4.7 to Dole's Annual Report on Form 10-K for the fiscal year ended January 2, 1999, File No. 1-4455).
10.1	Credit Agreement, dated as of March 28, 2003, amended and restated as of April 18, 2005 and further amended and restated as of April 12, 2006, among DHM Holding Company, Inc., a Delaware corporation, Dole Holding Company, LLC, a Delaware limited liability company, Dole Food Company, Inc., a Delaware corporation, Solvest, Ltd., a company organized under the laws of Bermuda, the Lenders from time to time party hereto, Deutsche Bank AG New York Branch, as Deposit Bank, Deutsche Bank AG New York Branch, as Administrative Agent, Banc Of America Securities LLC, as Syndication Agent, The Bank of Nova Scotia, as Documentation Agent and Deutsche Bank Securities Inc., as Lead Arranger and Sole Book Runner (incorporated by reference to Exhibit 10.1 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, File No. 1-4455).
10.2	Credit Agreement, dated as of April 12, 2006, among DHM Holding Company, Inc., a Delaware corporation, Dole Holding Company, LLC, a Delaware limited liability company, Dole Food Company, Inc., a Delaware corporation, the Lenders party hereto from time to time, Deutsche Bank AG New York Branch, as Administrative Agent, Banc of America Securities LLC, as Syndication Agent, Deutsche Bank Securities LLC and Banc of America Securities LLC, as Joint Book Running Managers and Deutsche Bank Securities Inc. as Lead Arranger (incorporated by reference to Exhibit 10.2 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, File No. 1-4455).
10.3	Dole's Supplementary Executive Retirement Plan, effective January 1, 1989, First Restatement (incorporated by reference to Exhibit 10(c) to Dole's Annual Report on Form 10-K for the fiscal year ended December 29, 1990, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File No. 1-4455).
10.4	Dole's Executive Deferred Compensation Plan (incorporated by reference to Exhibit 10.9 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 1994, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File

No. 1-4455).

10.5 Dole's 1996 Non-Employee Directors Deferred Stock and Cash Compensation Plan, as amended effective October 9, 1998 (incorporated by reference to Exhibit 10 to Dole's Quarterly Report on Form 10-Q for the fiscal quarter ended October 10, 1998, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File No. 1-4455).

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Exhibit Number	Title
10.6*	Schedule of executive officers having Form 1 Change of Control Agreement.
10.7	Form 1 Change of Control Agreement (incorporated by reference to Exhibit 10.14 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
12*	Ratio of Earnings to Fixed Charges.
21*	Subsidiaries of Dole Food Company, Inc.
23*	Consent of Deloitte & Touche LLP.
31.1*	Certification by the President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2*	Certification by the Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
32.1**	Certification by the President and Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act.
32.2**	Certification by the Vice President and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act.

Incorporated by reference to the correspondingly numbered exhibits to Dole's Registration Statement on Form S-4, filed with the Commission on June 25, 2004, File No. 333-106493

Incorporated by reference to the correspondingly numbered exhibits to Dole's Annual Report on Form 10-K, filed with the Commission on March 23, 2007, File No. 1-4455

* Filed herewith

** Furnished herewith

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dole Food Company, Inc.
Registrant

By: /s/ David A. Delorenzo
David A. DeLorenzo
President and Chief Executive Officer

March 10, 2008

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints David A. DeLorenzo and C. Michael Carter, or any of them, as his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the foregoing, as fully to all intents and purposes as he might or could do in person, lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ David H. Murdock	Chairman and Director	March 10, 2008
David H. Murdock		
/s/ David A. DeLorenzo	President and Chief Executive Officer and Director	March 10, 2008
David A. DeLorenzo		
/s/ C. Michael Carter	Executive Vice President, General Counsel and Corporate Secretary and Director	March 10, 2008
C. Michael Carter		
/s/ Scott A. Griswold	Executive Vice President, Corporate Development and Director	March 10, 2008
Scott A. Griswold		
/s/ Roberta Wieman	Executive Vice President, Chief of Staff and Director	March 10, 2008
Roberta Wieman		
/s/ Joseph S. Tesoriero	Vice President and Chief Financial Officer	March 10, 2008
Joseph S. Tesoriero		
/s/ Yoon J. Hugh		March 10, 2008

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Yoon J. Hugh	Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	
/s/ Andrew J. Conrad	Director	March 10, 2008
Andrew J. Conrad		
/s/ Justin Murdock	Vice President, New Products and Corporate Development and Director	March 10, 2008
Justin Murdock		
/s/ Edward C. Roohan	Director	March 10, 2008
Edward C. Roohan		

Table of Contents**DOLE FOOD COMPANY, INC.****VALUATION AND QUALIFYING ACCOUNTS**

	Balance at Beginning of Period	Additions Charged to Costs and Expenses	Deductions (In thousands)	Charged to Other Accounts(A)	Balance at End of Period
Year Ended December 29, 2007					
<i>Allowance for doubtful accounts</i>					
Trade receivables	\$ 47,806	\$ 18,060	\$ (18,918)	\$ 290	\$ 47,238
Notes and other current receivables	14,826	3,098	(3,428)	(14)	14,482
Long-term notes and other receivables	17,927	4,011	(7,205)	3,803	18,536
Year Ended December 30, 2006					
<i>Allowance for doubtful accounts</i>					
Trade receivables	\$ 44,154	\$ 16,259	\$ (9,857)	\$ (2,750)	\$ 47,806
Notes and other current receivables	14,431	2,382	(1,936)	(51)	14,826
Long-term notes and other receivables	12,583	2,045	(1,161)	4,460	17,927
Year Ended December 31, 2005					
<i>Allowance for doubtful accounts</i>					
Trade receivables	\$ 49,312	\$ 21,121	\$ (22,673)	\$ (3,606)	\$ 44,154
Notes and other current receivables	16,221	3,496	(8,760)	3,474	14,431
Long-term notes and other receivables	8,670	1,354	(2,207)	4,766	12,583

Note:

(A) Purchase accounting and transfers among accounts

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Exhibit Number	Title
3.1(a)	Amended and Restated Certificate of Incorporation of Dole Food Company, Inc. (incorporated by reference to Exhibit 3.1 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
3.1(b)	Articles of Incorporation of Oceanic Properties Arizona, Inc., dated as of January 12, 1988. Articles of Amendment to the Articles of Incorporation of Oceanic Properties Arizona, Inc., dated as of November 16, 1990, changed the company's name to Castle & Cooke Arizona, Inc. Articles of Amendment to the Articles of Incorporation of Castle & Cooke Arizona, Inc., dated as of December 21, 1995, changed the company's name to Calazo Corporation.
3.1(c)	Articles of Incorporation of AG 1970, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1970, Inc., dated as of December 13, 1989.
3.1(d)	Articles of Incorporation of AG 1971, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1971, Inc., dated as of December 13, 1989.
3.1(e)	Articles of Incorporation of AG 1972, Inc., dated as of September 25, 1987. Certificate of Amendment of Articles of Incorporation of AG 1972, Inc., dated as of December 13, 1989.
3.1(f)	Articles of Incorporation of Castle & Cooke Homes, Inc., dated as of February 10, 1992. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Homes, Inc., dated as of March 18, 1996, changed the company's name to Alyssum Corporation.
3.1(g)	Articles of Incorporation of Barclay Hollander Curci, Inc., dated as of February 28, 1969. Certificate of Amendment of Articles of Incorporation, dated as of February 1975, changed the company's name to Barclay Hollander Corporation. Certificate of Amendment of Articles of Incorporation of Barclay Hollander Corporation, dated as of November 26, 1980. Certificate of Amendment of Articles of Incorporation of Barclay Hollander Corporation, dated as of June 11, 1990.
3.1(h)	Articles of Incorporation of Grandma Mac's Orchard, dated as of August 27, 1976. Certificate of Amendment of Articles of Incorporation of Grandma Mac's Orchard, dated as of January 6, 1988, changed the company's name to Sun Giant, Inc. Certificate of Amendment of Articles of Incorporation of Sun Giant, Inc., dated as of March 4, 1988, changed the company's name to Dole Bakersfield, Inc. Certificate of Amendment of Articles of Incorporation of Dole Bakersfield, Inc., dated as of June 11, 1990. Agreement of Merger of Bud Antle, Inc. and Dole Bakersfield, Inc., dated as of December 18, 2000, changed the company's name to Bud Antle, Inc.
3.1(i)	Articles of Incorporation of Lake Anderson Corporation, dated as of June 26, 1964. Certificate of Amendment of Articles of Incorporation, dated as of November 12, 1971. Certificate of Amendment of Articles of Incorporation, dated as of August 28, 1972, changed the company's name to Oceanic California Inc. Certificate of Amendment of Articles of Incorporation, dated as of July 14, 1977. Certificate of Amendment of Articles of Incorporation of Oceanic California Inc., dated as of June 17, 1981. Certificate of Amendment of Articles of Incorporation of Oceanic California Inc., dated as of November 16, 1990, changed the company's name to Castle & Cooke California, Inc. Certificate of Amendment of Articles of Incorporation of Castle & Cooke California, Inc., dated as of December 21, 1995, changed the company's name to Calicahomes, Inc.
3.1(j)	Articles of Incorporation of California Polaris, Inc., dated as of April 6, 1979.
3.1(k)	Articles of Incorporation of Dole ABPIK, Inc., dated as of November 15, 1988. Certificate of Amendment of Articles of Incorporation of Dole ABPIK, Inc., dated as of December 13, 1989.
3.1(l)	Articles of Incorporation of Castle & Cooke Sierra Vista, Inc., dated as of June 8, 1992. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Sierra Vista, Inc., dated as of March 18,

- 1996, changed the company's name to Dole Arizona Dried Fruit and Nut Company.
- 3.1(m) Articles of Incorporation of CCJM, Inc., dated as of December 11, 1989. Certificate of Amendment of Articles of Incorporation of CCJM, Inc., dated as of September 9, 1991, changed the company's name to Dole Carrot Company.
- 3.1(n) Articles of Incorporation of Miracle Fruit Company, dated as of September 12, 1979. Certificate of Amendment of Articles of Incorporation of Miracle Fruit Company, dated as of October 1, 1979, changed the company's name to Blue Goose Growers, Inc. Certificate of Amendment of Articles of Incorporation of Blue Goose Growers, Inc., dated as of June 11, 1990. Certificate of Amendment of Articles of Incorporation of Blue Goose Growers, Inc., dated as of February 15, 1991, changed the company's name to Dole Citrus.
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Exhibit Number	Title
3.1(o)	Articles of Incorporation of Dole DF&N, Inc., dated as of November 15, 1988. Certificate of Amendment of Articles of Incorporation of Dole DF&N, Inc., dated as of December 13, 1989.
3.1(p)	General Partnership Agreement of Dole Dried Fruit and Nut Company, a California general partnership, dated as of October 15, 1995.
3.1(q)	Articles of Incorporation of Canfield Farming Company, dated as of July 17, 1963. Certificate of Amendment of Articles of Incorporation of Canfield Farming Company, dated as of March 15, 1971, changed the company's name to Tenneco Farming Company. Certificate of Amendment of Articles of Incorporation of Tenneco Farming Company, dated as of January 6, 1988, changed the company's name to Sun Giant Farming, Inc. Certificate of Amendment of Articles of Incorporation of Sun Giant Farming, Inc., dated as of April 25, 1988, changed the company's name to Dole Farming, Inc. Certificate of Amendment of Articles of Incorporation of Dole Farming, Inc., dated as of June 11, 1990.
3.1(r)	Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of July 14, 1983. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Vegetables, Inc., dated as of January 2, 1990, changed the company's name to Dole Fresh Vegetables, Inc.
3.1(s)	Restated Articles of Incorporation of T.M. Duche Nut Co., Inc., dated as of October 15, 1986. Certificate of Amendment of Articles of Incorporation of T.M. Duche Nut Co., Inc., dated as of November 14, 1986. Certificate of Amendment of Articles of Incorporation, dated as of April 20, 1988, changed the company's name to Dole Nut Company. Certificate of Amendment of Articles of Incorporation of Dole Nut Company, dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of Dole Nut Company, dated as of January 28, 1998, changed the company's name to Dole Orland, Inc.
3.1(t)	Articles of Incorporation of S & J Ranch, Inc., dated as of December 15, 1952. Certificate of Amendment of Articles of Incorporation of S & J Ranch, Inc., dated as of December 13, 1989. Certificate of Amendment of Articles of Incorporation of S & J Ranch, Inc., dated as of September 27, 2000, changed the company's name to Dole Visage, Inc.
3.1(u)	Articles of Incorporation of E.T. Wall, Grower-Shipper, Inc., dated as of November 25, 1975. Certificate of Amendment of Articles of Incorporation of E.T. Wall, Grower-Shipper, Inc., dated as of July 25, 1984, changed the company's name to E.T. Wall Company. Certificate of Amendment of Articles of Incorporation of E.T. Wall Company, dated as of June 11, 1990.
3.1(v)	Articles of Incorporation of Earlibest Orange Association, Inc., dated as of November 7, 1963. Certificate of Amendment of Articles of Incorporation of Earlibest Orange Association, Inc., dated as of December 13, 1989.
3.1(w)	Articles of Incorporation of The Citrus Company, dated as of February 1, 1984. Certificate of Amendment of Articles of Incorporation of The Citrus Company, dated as of February 16, 1984, changed the company's name to Fallbrook Citrus Company, Inc. Certificate of Amendment of Articles of Incorporation, dated as of March 15, 1994. Certificate of Amendment of Articles of Incorporation of Fallbrook Citrus Company, Inc., dated as of June 11, 1990.
3.1(x)	Articles of Incorporation of Lindero Headquarters Company, Inc., dated as of February 12, 1998.
3.1(y)	Articles of Incorporation of Lindero Property, Inc., dated as of October 10, 1991.
3.1(z)	Articles of Incorporation of Oceanview Produce Company, dated as of June 15, 1989. Certificate of Amendment of Articles of Incorporation of Oceanview Produce Company, dated as of August 7, 1989.
3.1(aa)	Articles of Incorporation of Prairie Vista, Inc., dated as of November 23, 1953.
3.1(ab)	Articles of Incorporation of Kingsize Packing Co., dated as of February 5, 1990. Certificate of Amendment of Articles of Incorporation of Kingsize Packing Co., dated as of March 30, 1990, changed

- the company's name to Royal Packing Co.
- 3.1(ac) Articles of Incorporation of Trojan Transport Co., dated as of August 31, 1955. Certificate of Amendment of Articles of Incorporation of Trojan Transport Co., dated as of July 31, 1956, changed the company's name to Trojan Transportation and Warehouse Co. Certificate of Amendment of Articles of Incorporation of Trojan Transportation Co., dated as of January 24, 1961, changed the company's name to Veltman Terminal Co.
- 3.1(ad) Certificate of Incorporation of Bananera Antillana (Columbia), Inc., dated as of November 16, 1977.
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Exhibit Number	Title
3.1(ae)	Certificate of Incorporation of Clovis Citrus Association, dated as of January 24, 1990. Certificate of Amendment of Certificate of Incorporation of Clovis Citrus Association, dated as of January 24, 1990.
3.1(af)	Certificate of Incorporation of Tenneco Sudan, Inc., dated as of June 8, 1977. Certificate of Amendment of Certificate of Incorporation of Tenneco Sudan, Inc., dated as of December 10, 1986, changed the company's name to Tenneco Realty Development Holding Corporation. Certificate of Amendment of Certificate of Incorporation of Tenneco Realty Development Holding Corporation, dated as of April 21, 1988, changed the company's name to Oceanic California Realty Development Holding Corporation. Certificate of Amendment of Certificate of Incorporation of Oceanic California Realty Development Holding Corporation, dated as of November 16, 1990, changed the company's name to Castle & Cooke Bakersfield Holdings, Inc. Certificate of Amendment of Certificate of Incorporation of Castle & Cooke Bakersfield Holdings, Inc., dated as of March 18, 1996, changed the company's name to Delphinium Corporation.
3.1(ag)	Certificate of Incorporation of Standard Banana Company, dated as of March 21, 1955. Certificate of Amendment of Certificate of Incorporation of Standard Banana Company, dated as of January 8, 1971, changed the company's name to Standard Fruit Sales Company. Certificate of Amendment of Certificate of Incorporation of Standard Fruit Sales Company, dated as of June 6, 1973, changed the company's name to Castle & Cooke Food Sales Company. Certificate of Amendment of Certificate of Incorporation of Castle & Cooke Food Sales Company, dated as of September 25, 1984, changed the company's name to Dole Europe Company. Certificate of Change of Location of Registered Office and of Registered Agent, dated as of April 18, 1988.
3.1(ah)	Certificate of Incorporation of Castle Aviation, Inc., dated as of June 25, 1987. Certificate of Amendment of Certificate of Incorporation of Castle Aviation, Inc., dated as of April 10, 1992, changed the company's name to Dole Foods Flight Operations, Inc.
3.1(ai)	Certificate of Incorporation of Cut Flower Exchange, Inc., dated as of February 11, 1988. Certificate of Merger, dated as of July 31, 1991, changed the company's name Sunburst Farms, Inc. Certificate of Amendment of Certificate of Incorporation of Sunburst Farms, Inc., dated as of June 23, 1999, changed the company's name to Dole Fresh Flowers, Inc.
3.1(aj)	Certificate of Incorporation of Wenatchee-Beebe Orchard Company, dated as of November 7, 1927. Certificate of Ownership and Merger in Wenatchee-Beebe Orchard Company, dated as of June 23, 1943. Certificate of Amendment of Certificate of Incorporation of Wenatchee-Beebe Orchard Company, dated as of April 20, 1983, changed the company's name to Beebe Orchard Company. Certificate of Merger of Wells and Wade Fruit Company and Beebe Orchard Company, dated as of March 23, 2001, changed the company's name to Dole Northwest, Inc.
3.1(ak)	Certificate of Incorporation of Dole Sunburst Express, Inc. Certificate of Amendment of Certificate of Incorporation of Dole Sunburst Express, Inc., dated as of July 21, 1996, changed the company's name to Dole Sunfresh Express, Inc.
3.1(al)	Certificate of Incorporation of Standard Fruit and Steamship Company, dated as of January 2, 1968.
3.1(am)	Certificate of Incorporation of Standard Fruit Company, dated as of March 14, 1955. Certificate of Change of Location of Registered Office and of Registered Agent, dated as of April 18, 1988.
3.1(an)	Certificate of Incorporation of Produce America, Inc., dated as of June 24, 1982. Certificate of Amendment of Certificate of Incorporation Before Payment of Capital of Produce America, Inc., dated as of October 29, 1982, changed the company's name to CCFV, Inc. Certificate of Amendment of Certificate of Incorporation of CCFV, Inc., dated as of September 29, 1983, changed the company's name to Sun Country Produce, Inc.
3.1(ao)	Certificate of Incorporation of West Foods, Inc., dated as of March 9, 1973.

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- 3.1(ap) Certificate of Incorporation of Cool Advantage, Inc., dated as of December 14, 1998.
 - 3.1(aq) Articles of Incorporation of Cool Care Consulting, Inc., dated as of September 16, 1986. Articles of Amendment of Cool Care Consulting, Inc., dated as of April 4, 1996, changed the company's name to Cool Care, Inc.
 - 3.1(ar) Articles of Incorporation of Flownet, Inc., dated as of September 11, 1987.
 - 3.1(as) Articles of Incorporation of Saw Grass Transport, Inc., dated as of June 24, 1999.
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Exhibit Number	Title
3.1(at)	Articles of Incorporation of Castle & Cooke Development Corporation, dated as of June 8, 1992. Articles of Amendment to Change Corporate Name, dated as of March 1, 1993, changed the company's name to Castle & Cooke Communities, Inc. Articles of Amendment to Change Corporate Name, dated as of March 18, 1996, changed the company's name to Blue Anthurium, Inc.
3.1(au)	Articles of Incorporation of Dole Acquisition Corporation, dated as of October 13, 1994. Articles of Amendment to Change Corporate Name, dated as of January 10, 1995, changed the company's name to Castle & Cooke Homes, Inc. Articles of Amendment to Change Corporate Name, dated as of March 18, 1996, changed the company's name to Cerulean, Inc.
3.1(av)	Articles of Incorporation of Castle & Cooke Land Company, Inc., dated as of March 8, 1990. Articles of Amendment to Change Corporate Name, dated as of May 7, 1997, changed the company's name to Dole Diversified, Inc.
3.1(aw)	Articles of Association of Kohala Sugar Company, dated as of February 3, 1863. Articles of Amendment to Change Corporate Name, dated as of May 1, 1989, changed the company's name to Dole Land Company, Inc.
3.1(ax)	Articles of Incorporation of Dole Packaged Foods Corporation, dated as of April 4, 1990.
3.1(ay)	Articles of Association of Oceanic Properties, Inc., dated as of May 19, 1961. Articles of Amendment to Change Corporate Name, dated as of October 23, 1990, changed the company's name to Castle & Cooke Properties, Inc. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to La Petite d' Agen, Inc.
3.1(az)	Articles of Incorporation of Lanai Holdings, Inc., dated as of May 4, 1990. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of January 22, 1996, changed the company's name to Malaga Company, Inc.
3.1(ba)	Articles of Incorporation of M K Development, Inc., dated as of February 26, 1988. Articles of Amendment, dated as of November 26, 1990.
3.1(bb)	Articles of Incorporation of Mililani Town, Inc., dated as of December 29, 1966. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, December 24, 1990, changed the company's name to Castle & Cooke Residential, Inc. Articles of Amendment to Change Corporate Name, dated as of October 21, 1993, changed the company's name to Castle & Cooke Homes Hawaii, Inc. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to Muscat, Inc.
3.1(bc)	Articles of Incorporation of Oahu Transport Company, Limited, dated as of April 15, 1947. Articles of Amendment, dated as of July 24, 1987. Articles of Amendment, dated as of May 1997.
3.1(bd)	Articles of Incorporation of Wahiawa Water Company, Inc., dated as of June 24, 1975.
3.1(be)	Articles of Incorporation of Waiialua Sugar Company, Inc., dated as of January 12, 1968. Certificate of Amendment, dated as of January 24, 1986.
3.1(bf)	Certificate of Incorporation of Lanai Company, Inc., dated as of June 15, 1970. Articles of Amendment, dated as of November 26, 1990. Articles of Amendment to Change Corporate Name, dated as of December 4, 1995, changed the company's name to Zante Currant, Inc.
3.1(bg)	Articles of Incorporation of Diversified Imports Co., dated as of December 1, 1987.
3.1(bh)	Articles of Incorporation of Dole Assets, Inc., dated as of September 9, 1997.
3.1(bi)	Articles of Incorporation of Dole Fresh Fruit Company, dated as of September 12, 1985.
3.1(bj)	Articles of Incorporation of Castle & Cooke Fresh Fruit, Inc., dated as of October 27, 1983. Certificate of Amendment of Articles of Incorporation of Castle & Cooke Fresh Fruit Company, dated as of May 9, 1997, changed the company's name to Dole Holdings Inc.

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- 3.1(bk) Articles of Incorporation of Dole Logistics Services, Inc., dated as of February 4, 1993.
 - 3.1(bl) Articles of Incorporation of Dole Ocean Cargo Express, Inc., dated as of July 8, 1999.
 - 3.1(bm) Articles of Incorporation of Dole Ocean Liner Express, Inc., dated as of June 3, 1993.
 - 3.1(bn) Articles of Incorporation of Renaissance Capital Corporation, dated as of July 28, 1995.
 - 3.1(bo) Certificate of Incorporation of Sun Giant, Inc., dated as of December 8, 1987.
 - 3.1(bp) Certificate of Incorporation of Miradero Fishing Company, Inc., dated as of August 9, 1971.
 - 3.1(bq) Articles of Incorporation of DNW Services Company, dated as of June 4, 1998.
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Exhibit Number	Title
3.1(br)	Articles of Incorporation of Pacific Coast Truck Company, dated as of June 27, 1995.
3.1(bs)	Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of July 28, 1959. Articles of Amendment to Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of May 26, 1972. Articles of Amendment to Articles of Incorporation of Pan-Alaska Fisheries, Inc., dated as of August 30, 1973. Amendment to Articles of Incorporation, dated as of June 25, 1976.
3.1(bt)	Articles of Organization-Conversion of Dole Packaged Foods, LLC, dated as of December 30, 2005
3.2(a)	By-Laws of Dole Food Company, Inc. (incorporated by reference to Exhibit 3.2 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
3.2(b)	Form of By-Laws of the Additional Registrants.
3.2(c)	Limited Liability Agreement of Dole Packaged Foods, LLC, dated as of December 30, 2005
4.1	Indenture, dated as of July 15, 1993, between Dole and Chase Manhattan Bank and Trust Company (formerly Chemical Trust Company of California) (incorporated by reference to Exhibit 4.6 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
4.2	First Supplemental Indenture, dated as of April 30, 2002, between Dole and J.P. Morgan Trust Company, National Association, to the Indenture dated as of July 15, 1993, pursuant to which \$400 million of Dole's senior notes due 2009 were issued (incorporated by reference to Exhibit 4.9 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
4.3	Officers' Certificate, dated August 3, 1993, pursuant to which \$175 million of Dole's debentures due 2013 were issued (incorporated by reference to Exhibit 4.3 to Dole's Annual Report on Form 10-K for the fiscal year ended January 2, 1999, File No. 1-4455).
4.4	Second Supplemental Indenture, dated as of March 28, 2003, between Dole and Wells Fargo Bank, National Association (successor trustee to J.P. Morgan Trust Company), to the Indenture dated as of July 15, 1993 (incorporated by reference to Exhibit 4.10 to Dole's Current Report on Form 8-K, event date April 4, 2003, File No. 1-4455).
4.5	Agreement of Removal, Appointment and Acceptance, dated as of March 28, 2003, by and among Dole, J.P. Morgan Trust Company, National Association, successor in interest to Chemical Trust Company of California, as Prior Trustee, and Wells Fargo Bank, National Association.
4.6	Third Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.7	Indenture, dated as of March 28, 2003, by and among Dole, the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee, pursuant to which \$475 million of Dole's 87/8% senior notes due 2011 were issued (incorporated by reference to Exhibit 4.10 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2003, File No. 1-4455).
4.8	First Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.9	Form of Global Note and Guarantee for Dole's new 87/8% senior notes due 2011 (included as Exhibit B to Exhibit Number 4.7 hereto).
4.11	Indenture, dated as of May 29, 2003, by and among Dole, the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee, pursuant to which \$400 million of Dole's 71/4% senior notes due 2010 were issued.
4.12	First Supplemental Indenture, dated as of June 25, 2003, by and among Dole, Miradero Fishing Company, Inc., the guarantors signatory thereto and Wells Fargo Bank, National Association, as trustee.
4.13	Form of Global Note and Guarantee for Dole's 71/4% senior notes due 2010 (included as Exhibit A to Exhibit Number 4.11 hereto).
4.14	

Dole Food Company, Inc. Master Retirement Savings Trust Agreement, dated as of February 1, 1999, between Dole and The Northern Trust Company (incorporated by reference to Exhibit 4.7 to Dole's Annual Report on Form 10-K for the fiscal year ended January 2, 1999, File No. 1-4455).

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Exhibit Number	Title
10.1	Credit Agreement, dated as of March 28, 2003, amended and restated as of April 18, 2005 and further amended and restated as of April 12, 2006, among DHM Holding Company, Inc., a Delaware corporation, Dole Holding Company, LLC, a Delaware limited liability company, Dole Food Company, Inc., a Delaware corporation, Solvest, Ltd., a company organized under the laws of Bermuda, the Lenders from time to time party hereto, Deutsche Bank AG New York Branch, as Deposit Bank, Deutsche Bank AG New York Branch, as Administrative Agent, Banc Of America Securities LLC, as Syndication Agent, The Bank of Nova Scotia, as Documentation Agent and Deutsche Bank Securities Inc., as Lead Arranger and Sole Book Runner (incorporated by reference to Exhibit 10.1 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, File No. 1-4455).
10.2	Credit Agreement, dated as of April 12, 2006, among DHM Holding Company, Inc., a Delaware corporation, Dole Holding Company, LLC, a Delaware limited liability company, Dole Food Company, Inc., a Delaware corporation, the Lenders party hereto from time to time, Deutsche Bank AG New York Branch, as Administrative Agent, Banc of America Securities LLC, as Syndication Agent, Deutsche Bank Securities LLC and Banc of America Securities LLC, as Joint Book Running Managers and Deutsche Bank Securities Inc. as Lead Arranger (incorporated by reference to Exhibit 10.2 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, File No. 1-4455).
10.3	Dole's Supplementary Executive Retirement Plan, effective January 1, 1989, First Restatement (incorporated by reference to Exhibit 10(c) to Dole's Annual Report on Form 10-K for the fiscal year ended December 29, 1990, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File No. 1-4455).
10.4	Dole's Executive Deferred Compensation Plan (incorporated by reference to Exhibit 10.9 to Dole's Annual Report on Form 10-K for the fiscal year ended December 31, 1994, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File No. 1-4455).
10.5	Dole's 1996 Non-Employee Directors Deferred Stock and Cash Compensation Plan, as amended effective October 9, 1998 (incorporated by reference to Exhibit 10 to Dole's Quarterly Report on Form 10-Q for the fiscal quarter ended October 10, 1998, File No. 1-4455). This Plan was amended on March 22, 2001 (the March 22, 2001 amendments are incorporated by reference to Exhibit 10.10 to Dole's Annual Report on Form 10-K for the fiscal year ended December 30, 2000, File No. 1-4455).
10.6*	Schedule of executive officers having Form 1 Change of Control Agreement.
10.7	Form 1 Change of Control Agreement (incorporated by reference to Exhibit 10.14 to Dole's Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2002, File No. 1-4455).
12*	Ratio of Earnings to Fixed Charges.
21*	Subsidiaries of Dole Food Company, Inc.
23*	Consent of Deloitte & Touche LLP.
31.1*	Certification by the President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2*	Certification by the Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
32.1**	Certification by the President and Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act.
32.2**	Certification by the Vice President and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act.

Incorporated by reference to the correspondingly numbered exhibits to Dole's Registration Statement on Form S-4, filed with the Commission on June 25, 2004, File No. 333-106493

Incorporated by reference to the correspondingly numbered exhibits to Dole's Annual Report on Form 10-K, Filed with the Commission on March 23, 2007, File No. 1-4455.

* Filed herewith

** Furnished herewith