Fresh Del Monte Produce Inc. (FDP)

Updated December 10th, 2025, by Yiannis Zourmpanos

Key Metrics

Current Price:	$37	**5 Year Annual Expected Total Return:**	8.0%	**Market Cap:**	$1.76 B
Fair Value Price:	$42	**5 Year Growth Estimate:**	2.0%	**Ex-Dividend Date:**	03/06/26[1]
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.8%	**Dividend Payment Date:**	03/27/26[2]
Dividend Yield:	3.2%	**5 Year Price Target**	$47	**Years Of Dividend Growth:**	6
Dividend Risk Score:	F	**Sector:**	Consumer Staples	**Rating:**	Hold

Overview & Current Events

Fresh Del Monte Produce Inc. (FDP) is the leading global producer, marketer, and distributor of fresh and fresh-cut fruit and vegetables. Its operations began way back in 1886. It provides fresh produce to a diversified customer base operating retail, wholesale, and food service outlets. With the competitive position acquired in the sector, backed by its vast supply chain and brand recognition, it has a considerable market share in the fresh produce industry. It offers bananas, pineapples, melons, and prepared foods. The company has geographic footprints in North America, Europe, Asia, and the Middle East.

On October 29th, 2025, the company announced Q3 2025 results, reporting GAAP EPS of $0.69, which beat the markets' estimates by $0.19.

Fresh Del Monte's latest earnings update underscores a company determined to reshape its foundation for sturdier, more profitable growth. The agreement to sell Mann Packing marks a meaningful step in that direction, streamlining operations while concentrating resources on categories that already show healthier margin traction. Even with net sales landing at $1.02 billion, the more telling story lies in the company's expanding profitability within its fresh and value-added segment, where improved pricing in pineapple and fresh-cut fruit helped lift gross margin. Management framed the divestiture and operational simplification not as reactive moves, but as structural changes that will echo into future quarters, especially as adjusted results, excluding Mann Packing, paint a clearer picture of underlying performance.

Alongside the portfolio shift, FDP also exited underperforming banana farms in the Philippines, a choice that weighed on reported operating income, but ultimately supports long-term resilience. Higher production and procurement costs pressured the banana segment, yet stronger pricing across regions and improving shipment patterns signaled pockets of recovery. While the quarter closed with a reported net loss of $29.1 million, adjusted net income of $33.1 million suggests the firm's strategic cleanup is beginning to align with its margin ambitions. Fresh Del Monte enters the final stretch of 2025 with lighter debt, steady operating cash flow, and a sharper focus on categories positioned to deliver more durable earnings, a narrative that feels less like short-term turbulence and more like intentional recalibration.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$1.17	$4.33	$2.39	-$0.45	$1.37	$1.03	$1.68	$2.06	-$0.24	$2.96	***$2.83***	***$3.12***
DPS	$0.50	$0.58	$0.60	$0.45	$0.24	$0.30	$0.50	$0.60	$0.75	$1.00	***$1.20***	***$1.76***
Shares[3]	53.2	52.0	50.6	48.6	48.4	47.7	47.7	47.9	48.0	48.0	***47.5***	***44.8***

Long-term trends in the fresh produce sector have pointed toward a stable growth in demand resulting from increased health awareness and rising preferences for fresh, natural foods. The average yearly growth rate in the past ten years was 3% to 4%. The growth is expected to even better in the years ahead, with a CAGR of around 4% to 5% from 2023 to 2030. In that regard, broad trends currently affecting the world are growing demands for plant-based diets,

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[1] Estimated ex-dividend date
[2] Estimated dividend payment date
[3] Shares in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

technological innovation in farming practices, and rising global populations. Fresh Del Monte Produce can hook into these positive trends by using an already established position in the international markets and continued innovation in the fresh produce sector. However, we apply a conservative growth of 2% for the next five years, slower than the industry's average, and we have used the midpoint of analysts' EPS estimate at $2.83. Lastly, we have assumed an 8.0% dividend growth rate, which is in-line with the company's 10-year average of 8%, resulting in a dividend payment of $1.76 in 2030.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	33.3	12.1	21.7	-89.0	21.8	24.6	17.6	13.0	-112.1	9.2	***13.1***	***15.0***
Avg. Yld.	1.3%	1.1%	1.2%	1.1%	0.8%	1.2%	1.7%	2.2%	2.8%	3.7%	***3.2%***	***3.8%***

FDP currently trades at a forward P/E of 13.1, significantly below its long-term normalized average of 19.2. We believe the company deserves a higher P/E ratio at 15.0 once it returns to growth. Finally, we expect the company to be consistent with its historical dividend payout policy, resulting in a safe dividend yield of 3.8% by 2030.

Safety, Quality, Competitive Advantage, & Recession Resiliency

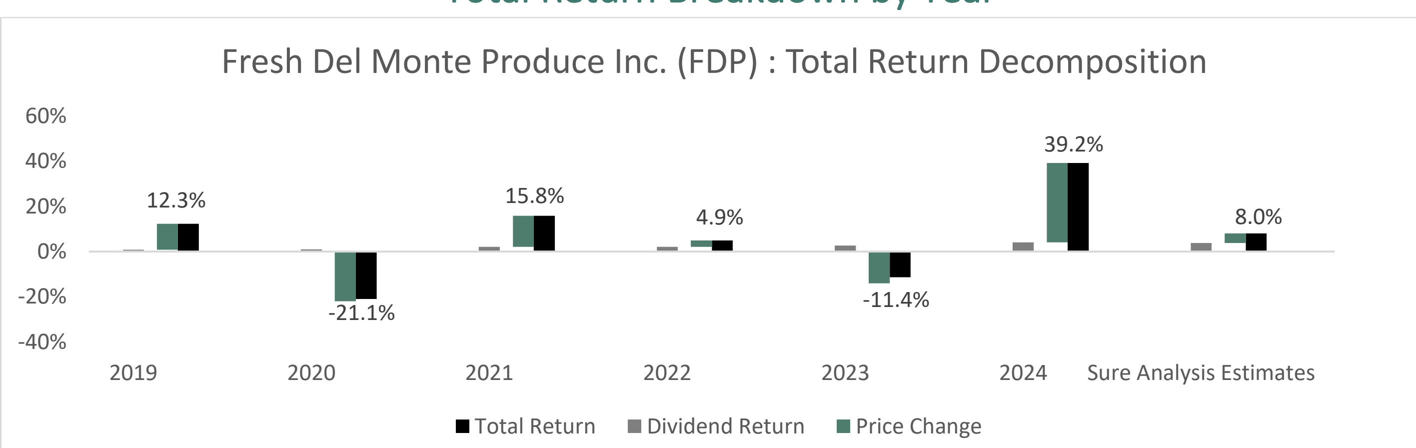
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	43%	13%	25%	-100%	18%	29%	30%	29%	-313%	34%	***42%***	***56%***

Among other things, Fresh Del Monte Produce Inc. has the following vital attributes that will support it in navigating through varying market conditions: diversified products. In times of recession, demand for essential goods remains resilient; this nature of demand will cushion FDP. It has maintained reasonable debt levels while targeting long-term sustainable growth, ensuring flexibility in its finances. During Q3, the company also continued returning capital to shareholders, repurchasing 201,514 shares for $7.2 million during the quarter, with $135.2 million still authorized for future buybacks.

Final Thoughts & Recommendation

Fresh Del Monte Produce demonstrates strong financial health with effective capital allocation and consistent debt reduction. The company's strategic initiatives, particularly in high-margin fresh and value-added segments, and its innovative product launches position it well for stable revenue streams. Our hold rating is premised upon the 8.0% annualized total return expectation derived from the forecasted earnings-per-share growth of 2.0%, the 3.2% dividend yield, and a valuation tailwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	4,057	4,012	4,086	4,494	4,489	4,202	4,252	4,442	4,321	4,280
Gross Profit	342	461	332	286	306	251	304	340	351	358
Gross Margin	8.4%	11.5%	8.1%	6.4%	6.8%	6.0%	7.1%	7.7%	8.1%	8.4%
SG&A Exp.	184	187	173	201	202	196	193	187	187	197
Operating Profit	158	274	158	85	105	55	111	153	164	161
Op. Margin	3.9%	6.8%	3.9%	1.9%	2.3%	1.3%	2.6%	3.5%	3.8%	3.8%
Net Profit	62	225	121	(22)	67	49	80	99	(11)	142
Net Margin	1.5%	5.6%	3.0%	-0.5%	1.5%	1.2%	1.9%	2.2%	-0.3%	3.3%
Free Cash Flow	106	198	56	96	47	31	30	14	120	131
Income Tax	14	12	25	16	21	5	2	20	18	29

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	2,596	2,653	2,767	3,255	3,350	3,263	3,398	3,459	3,184	3,096
Cash & Equivalents	25	20	25	21	33	17	16	17	34	33
Acc. Receivable	346	349	359	378	364	359	343	374	387	393
Inventories	482	493	542	565	552	508	603	669	600	595
Goodwill & Int.	311	308	309	590	582	574	567	558	435	430
Total Liabilities	845	837	976	1,486	1,551	1,463	1,525	1,484	1,271	1,089
Accounts Payable	174	163	183	331	285	267	320	296	243	228
Long-Term Debt	254	232	358	662	587	542	529	548	408	250
Total Equity	1,708	1,792	1,767	1,692	1,719	1,728	1,802	1,905	1,896	1,990
LTD/E Ratio	0.15	0.13	0.20	0.39	0.34	0.31	0.29	0.29	0.21	0.13

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	2.4%	8.6%	4.5%	-0.7%	2.0%	1.5%	2.4%	2.9%	-0.3%	4.5%
Return on Equity	3.5%	12.6%	6.7%	-1.2%	3.7%	2.7%	4.4%	5.1%	-0.6%	7.3%
ROIC	3.1%	11.1%	5.8%	-1.0%	2.8%	2.1%	3.4%	4.0%	-0.5%	6.2%
Shares Out.	53.2	52.0	50.6	48.6	48.4	47.7	47.7	47.9	48.0	48.0
Revenue/Share	76.25	77.20	80.77	92.42	92.76	88.17	89.14	92.66	90.05	89.10
FCF/Share	1.99	3.81	1.10	1.98	0.97	0.64	0.63	0.29	2.51	2.72

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.