



SUNSWEET GROWERS INC.

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Arthur Driscoll II
President & Chief Executive Officer

May 22, 2009

Dear Grower-Member:

I am providing several important updates from our recent May board meeting.

We are expecting to complete our fiscal year with a revenue performance above \$300 million for the second time in Cooperative history. Our recent 2008 crop estimate is \$1,502 with a progress payment planned for June 2, 2009.

We are concerned, however, with the worldwide abundance of small fruit which resulted from California's delivery on the 2008 crop and the most recent production in South America. As a result, the prices of small fruit have decreased substantially this past year and continue to fall.

In our last grower quarterly meetings, we presented a desired size distribution chart that efficiently meets the needs of our Sunsweet customers. As explained, we received an excess of small fruit from the 2008 crop that we will be carrying into the next crop year. There is minimal demand for this fruit size and it incurs a substantial cost for us to inventory and ultimately destroy if it goes unsold. Based on your Sunsweet company needs and in light of global oversupply, we will have an entire year of small fruit requirements prior to this upcoming 2009 crop.

As a result, we have revised the slope from our previous year to reflect payments based on required/desired sizes and global oversupply of small fruit. (See Attachment) You will notice that in addition to the current 101 and smaller size, we have also included size 97 to 101 in which no payment will be made. We have taken the payments for these sizes and have distributed them proportionally into A and B screen. This is consistent with membership services and Sunsweet Dryer managers urging members to thin their crop in order to maximize total return.

I thank you for your continued support. On behalf of your management team, we look forward to seeing you at our June quarterly grower meetings.

Arthur Driscoll II
President & Chief Executive Officer

2009 Estimated Crop Payment (Attachment)

