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

Executive Summary

Significant highlights for DFC Holdings, LLC and its consolidated subsidiaries for the years ended December 31, 2020, December 28, 2019 and December 29, 2018 were as follows:

- Net revenues for the year ended December 31, 2020 were $4.67 billion, an increase of 3% from the year ended December 28, 2019. Sales were higher across all three of Dole's business segments: Fresh Fruit, Fresh Vegetables, and Diversified. Net revenues for the year ended December 28, 2019 were $4.52 billion, a decrease of 1% from the year ended December 29, 2018. Sales were lower in the Fresh Fruit and Diversified business segments and higher in the Fresh Vegetables business segment.
- Operating income for the year ended December 31, 2020 was $170.7 million, an increase of 9% from the year ended December 28, 2019, primarily driven by increased revenue across all three segments coupled with higher gross profit and lower SMG&A expense, partially offset by a decrease on gains from asset sales. Operating income for the year ended December 28, 2019 was $156.1 million, an increase of 125% from the year ended December 29, 2018, primarily driven by higher gross profit, lower SMG&A expense, and an increase on gains from asset sales.
- Adjusted EBITDA was $248.4 million for the year ended December 31, 2020, an increase of 3% from the year ended December 28, 2019. Adjusted EBITDA was $240.8 million for the year ended December 28, 2019, an increase of 25% from the year ended December 29, 2018.
- Segment results of operations have been adjusted to reflect Diversified as a stand-alone business segment. The new Diversified business segment consists of the Company's fresh berries, deciduous fruit, and other fresh fruit businesses whose growing and selling cycles are different than those of the Company's bananas and pineapples, which continue to be reported in the Company's Fresh Fruit business segment.
- On March 11, 2020, the World Health Organization declared the novel strain of coronavirus ("COVID-19") a global pandemic and recommended containment and mitigation measures worldwide. Dole operations remain open and in production throughout the world. The COVID-19 pandemic has affected financial results in all business segments as discussed further below.
- The Company implemented hedge accounting treatment for qualifying foreign currency derivatives, resulting in $11.2 million of pre-tax unrealized losses included in accumulated other comprehensive loss instead of earnings during the year ended December 31, 2020.
- The Company changed its fiscal year end from a 52/53 week year ending on the Saturday closest to December 31 to a calendar year ending on December 31, effective with fiscal year 2020.

General Overview

DFC Holdings, LLC (the "Parent") is the sole owner of Dole Food Company, Inc. and its consolidated subsidiaries (collectively referred to herein as "Dole" or the "Company"). Founded in 1851, Dole Food Company, Inc. is one of the world's leading producers, marketers and distributors of fresh fruit and fresh vegetables. The Company provides retail, wholesale and foodservice customers around the world with a diverse portfolio of the highest quality fresh fruit and vegetable products bearing the DOLE brand and other brands. Dole's most significant products hold leading market share positions in their respective markets. The Company is one of the world's largest producers of bananas and pineapples, and is a leader in other fresh fruit, value-added and fresh-packed vegetables, and fresh berries. Dole sells and distributes fruit and vegetable products throughout an extensive network in North America, Europe, Latin America, Asia, the Middle East and Africa (primarily in South Africa). Dole's brand has global appeal, as the Company offers products that provide value and convenience and align strongly with the growing emphasis on maintaining a healthy, balanced lifestyle.

On February 1, 2018, David H. Murdock ("Mr. Murdock"), through his wholly owned subsidiaries, entered into a Securities Purchase Agreement with a wholly owned subsidiary of Total Produce plc ("Total Produce") to sell 45% of the Parent for $300.0 million, which closed on July 31, 2018. On February 17, 2021, Dole, Total Produce, and Mr. Murdock announced that they have entered into a binding transaction agreement (including all subsequent amendments, the "IPO Agreement") to combine Dole and Total Produce under a newly created entity listed in the U.S. ("NewDole") (the "IPO Transaction").

See Note 21 "Total Produce plc Transaction" and Note 22 "Subsequent Events" to the consolidated financial statements included herein for additional information.

During February 2021, the Board of Directors of the Company approved a change in the fiscal year end from a 52/53 week year ending on the Saturday closest to December 31 to a calendar year ending on December 31. The change was made effective with fiscal year 2020 on a prospective basis, and, therefore, operating results for prior years were not adjusted.

Non-GAAP Financial Measures

The following is a reconciliation of earnings before interest expense, income taxes and discontinued operations (“EBIT before discontinued operations”) and adjusted earnings before interest expense, income taxes, discontinued operations and depreciation and amortization (“Adjusted EBITDA”) to net income, which is the most directly comparable U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) financial measure:

	Year Ended		
	December 31, 2020	**December 28, 2019**	**December 29, 2018**
		(In thousands)	
Net income (loss)	$ 44,562	$ 41,335	$ (13,566)
	43		
Loss from discontinued operations, net of income taxes		2,500	3,935
Interest expense from continuing operations	78,250	89,180	85,102
Income tax expense (benefit) from continuing operations	23,782	24,036	(10,280)
EBIT before discontinued operations	146,637	157,051	65,191
Depreciation and amortization	91,392	88,111	89,612
Net unrealized (gain) loss on derivative instruments*	(11,929)	11,843	(5,996)
Net unrealized (gain) loss on foreign denominated intercompany borrowings	15,218	7,275	(10,978)
Net non-cash settled realized (gain) loss on foreign intercompany borrowings	4,908	(11,584)	—
Restructuring charges	1,304	2,247	16,927
(Gain) on asset sales	(12,137)	(23,096)	(13,766)
Vegetable recalls and related costs	—	4,186	8,674
Refinancing charges and other debt related costs	—	—	5,459
Litigation and transaction costs**	661	1,728	37,415
Asset write-downs	1,428	3,037	—
COVID-19	10,877	—	—
Adjusted EBITDA	$ 248,359	$ 240,798	$ 192,538

*In fiscal year 2020, Dole adopted hedge accounting, which resulted in approximately $11.2 million of pre-tax net unrealized losses on derivative instruments recorded in accumulated other comprehensive loss that would have been included within earnings under the prior accounting treatment. Hedge accounting is not applied retrospectively, and, as result, amounts presented above for this caption are not comparable.

**In fiscal year 2018, Dole incurred $35.8 million of cancelled IPO transaction and other transaction costs.

EBIT before discontinued operations and Adjusted EBITDA are measures commonly used by financial analysts in evaluating the performance of companies. EBIT before discontinued operations is calculated from net income by adding the loss from discontinued operations, net of income taxes, adding interest expense from continuing operations, and adding the income tax expense from continuing operations. Adjusted EBITDA is calculated from EBIT before discontinued operations by: (1) adding depreciation and amortization; (2) adding the net unrealized loss or subtracting the net unrealized gain on derivative instruments; (3) adding the net unrealized loss or subtracting the net unrealized gain on foreign denominated intercompany borrowings; (4) adding the net realized loss or subtracting the net realized gain on noncash settled foreign denominated intercompany borrowings; (5) adding restructuring charges; (6) adding the loss or subtracting the gain on asset sales for assets held-for-sale and actively marketed property; (7) adding vegetable recalls and related costs; (8) adding refinancing charges and other debt related costs; (9) adding litigation and transaction costs; (10) adding asset write-downs; and (11) adding costs that are directly related to the COVID-19 pandemic, and are as follows: costs that are (i) incremental to charges incurred prior to the outbreak, including incremental costs related to personal protective equipment and transportation, and direct costs due to lower production capacity from a plant shutdown, (ii) not expected to recur once the crisis has subsided and operations return to normal, and (iii) clearly separable from normal operations. The Company did not add-back any costs related to COVID-19 after the third quarter of 2020.These adjustments, as well as adjustments from net income to EBIT before discontinued operations, have been made because management excludes these amounts when evaluating the performance of Dole.

EBIT before discontinued operations and Adjusted EBITDA are not calculated or presented in accordance with U.S. GAAP, and EBIT before discontinued operations and Adjusted EBITDA are not a substitute for net income attributable to Dole Food Company, Inc., net income, income from continuing operations, cash flows from operating activities or any other measure prescribed by U.S. GAAP. Further, EBIT before discontinued operations and Adjusted EBITDA as used herein are not necessarily comparable to similarly titled measures of other companies.

Results of Operations

Selected results of operations for the years ended December 31, 2020, December 28, 2019 and December 29, 2018 were as follows:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Revenues, net	$ 4,671,999	$ 4,515,955	$ 4,566,808
Cost of sales	(4,311,275)	(4,174,298)	(4,270,198)
Gross profit	360,724	341,657	296,610
Selling, marketing and general and administrative expenses	(200,582)	(208,884)	(239,313)
Merger, transaction and other related costs	(661)	(24)	(1,645)
Gain on asset sales	11,181	23,366	13,766
Operating income	170,662	156,115	69,418
Other expense, net	(29,305)	(3,316)	(7,341)
Interest income	3,131	4,784	4,377
Interest expense	(78,250)	(89,180)	(85,102)
Income (loss) from continuing operations before income taxes and equity earnings	66,238	68,403	(18,648)
Income tax (expense) benefit	(23,782)	(24,036)	10,280
Earnings (loss) from equity method investments	2,149	(532)	(1,263)
Income (loss) from continuing operations, net of income taxes	44,605	43,835	(9,631)
Loss from discontinued operations, net of income taxes	(43)	(2,500)	(3,935)
Net income (loss)	44,562	41,335	(13,566)
Less: Net income attributable to noncontrolling interests	(1,854)	(1,971)	(1,832)
Net income (loss) attributable to Dole Food Company, Inc.	$ 42,708	$ 39,364	$ (15,398)

Revenues, net

Revenues for the year ended December 31, 2020 increased 3%, or $156.0 million, to $4.67 billion from $4.52 billion for the year ended December 28, 2019, primarily due to the Fresh Fruit and Fresh Vegetable segments. Fresh Fruit revenues increased 3%, or $68.7 million, primarily due to higher sales volumes of bananas sold in North America and Latin America, higher volumes and prices of other fruit sold in Europe, including citrus, kiwis, cherries, and apples, and favorable foreign currency movements of $15.4 million, primarily related to the Euro. Fresh Vegetables revenues increased 7%, or $82.4 million, primarily due to favorable volumes and pricing of value-added products. In addition, revenues for the year ended December 31, 2020 included 369 days, as compared to 364 days for the year ended December 28, 2019.

Revenues for the year ended December 28, 2019 decreased 1%, or $50.9 million, to $4.52 billion from $4.57 billion for the year ended December 29, 2018. Fresh Fruit revenues decreased 4%, or $99.9 million, primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland impacting revenue by $76.0 million, as well as unfavorable foreign currency exchange movements that primarily impacted Euro and Swedish krona denominated revenues. The decrease in revenue was partially offset by increases in Fresh Vegetables revenues of 6%, or $66.8 million, primarily due to higher pricing of fresh-packed products, primarily celery, and higher pricing and volume of value-added products.

Cost of Sales

Cost of sales for the year ended December 31, 2020 increased 3%, or $137.0 million, to $4.31 billion from $4.17 billion for the year ended December 28, 2019, primarily due to the Fresh Fruit and Fresh Vegetables segments. All business segments incurred higher operating costs due to COVID-19. Fresh Fruit cost of sales increased 2%, or $48.3 million, primarily due to higher volumes of bananas in North America and Latin America, and higher volumes of other fruit sold in Europe, including citrus, kiwis, cherries, and apples, coupled with unfavorable foreign currency movements of $4.9 million, primarily related to the Euro. Fresh Vegetables cost of sales increased 8%, or $88.3 million, primarily due to higher volumes and product mix on value-added products.

Cost of sales for the year ended December 28, 2019 decreased 2%, or $95.9 million, to $4.17 billion from $4.27 billion for the year ended December 29, 2018. The decrease in cost of sales was driven primarily by overall decreases in Fresh Fruit costs of products sold of 4%, or $108.5 million, primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland and lower volume of bananas and pineapples in North America. This decrease was coupled with overall lower volumes in the Diversified business segment and favorable foreign currency exchange movements. These decreases were offset slightly by an increase in Fresh Vegetables cost of sales of 1%, or $11.9 million, which increased primarily due to higher costs on a per box basis for fresh-packed products and value-added products.

Selling, Marketing and General and Administrative Expenses

Selling, marketing and general and administrative expenses for the year ended December 31, 2020 decreased 4%, or $8.3 million, to $200.6 million from $208.9 million for the year ended December 28, 2019. SMG&A expenses decreased primarily due to improvements at Fresh Vegetables due to lower marketing and travel spend.

Selling, marketing and general and administrative expenses for the year ended December 28, 2019 decreased 13%, or $30.4 million, to $208.9 million from $239.3 million for the year ended December 29, 2018. SMG&A expenses decreased primarily due to lower Total Produce acquisition costs and a decrease in restructuring costs.

Merger, transaction and other related costs

Merger, transaction and other related costs were $0.7 million and $1.6 million for the years ended December 31, 2020 and December 29, 2018, respectively, and were not material for the year ended December 28, 2019.

Gain on Asset Sales

The gain on asset sales was $11.2 million for the year ended December 31, 2020, primarily due to the sale of real estate in Sweden and land in Hawaii.

The gain on asset sales for the year ended December 28, 2019 was $23.4 million and was primarily due to the sale of the Saba fresh cut salad business.

The gain on asset sales for the year ended December 29, 2018 was $13.8 million and was primarily due to the sale of the Corporate headquarters building, as well as land in Hawaii.

Operating Income

For the year ended December 31, 2020, operating income increased 9%, or $14.6 million, to $170.7 million from $156.1 million for the year ended December 28, 2019. The increase in operating income was primarily driven by a higher gross profit and lower SMG&A expense, partially offset by a decrease in gain on asset sales.

For the year ended December 28, 2019, operating income increased 125%, or $86.7 million, to $156.1 million from $69.4 million for the year ended December 29, 2018. The increase in operating income was primarily driven by a higher gross profit, lower SMG&A expense, and an increase in gain on asset sales.

Other Expense, Net

For the year ended December 31, 2020, other expense, net was $29.3 million, compared to $3.3 million for the year ended December 28, 2019. The change in other expense, net was primarily attributable to an increase in losses on foreign intercompany borrowings of $24.4 million primarily due to loans denominated in the Euro and Swedish Krona, an increase in realized losses related to derivative instruments of $8.2 million, and an increase in non-service components of net periodic pension benefit costs of $2.6 million. These changes were partially offset by an increase in unrealized gains related to derivative instruments of $9.5 million.

For the year ended December 28, 2019, other expense, net was $3.3 million, compared to $7.3 million for the year ended December 29, 2018. The change in other expense, net was primarily attributable to a decrease of net gains on foreign currency denominated intercompany borrowings and an increase in net losses on derivative instruments, offset by an increase in investment gains in the Rabbi Trust investments for executive benefit plans. In addition, the change was attributable to refinancing and other debt related costs in the 2018 fiscal year which were not applicable in the 2019 fiscal year.

See Note 4 “Other Expense, Net” to the consolidated financial statements included herein for additional detail on the components of other expense, net.

Interest Income

Interest income for the year ended December 31, 2020 decreased to $3.1 million, compared to $4.8 million for the year ended December 28, 2019. Interest income decreased primarily due to lower interest income on grower advance loans due to lower loan balances year-over-year.

Interest income for the year ended December 28, 2019 increased to $4.8 million, compared to $4.4 million for the year ended December 29, 2018. Interest income increased primarily due to higher interest income on grower advance loans due to higher loan balances year-over-year.

Interest Expense

Interest expense for the year ended December 31, 2020 decreased to $78.3 million, compared to $89.2 million for the year ended December 28, 2019. Interest expense decreased primarily due to lower interest rates and a lower impact from the unrealized loss on the interest rate swap.

Interest expense for the year ended December 28, 2019 increased to $89.2 million, compared to $85.1 million for the year ended December 29, 2018. Interest expense increased primarily due to higher interest rates on the term loan and slight increases in the unrealized loss on the interest rate swap.

Income Taxes

The Company recorded income tax expense of $23.8 million on $66.2 million of income from continuing operations for the year ended December 31, 2020, reflecting a 35.9% effective tax rate for the year. Income tax expense was $24.0 million on $68.4 million of income from continuing operations for the year ended December 28, 2019, reflecting a 35.1% effective tax rate. For the year ended December 29, 2018, the Company recorded an income tax benefit of $10.3 million on a loss from continuing operations of $18.6 million, reflecting a 55.1% effective tax rate for the year. Income tax expense increased $34.3 million in fiscal year 2019 compared to fiscal year 2018 primarily due to the absence of reductions to the provisional amounts of $32.0 million recorded for the impact of the 2017 Tax Cuts and Jobs Act (“Tax Act”) enacted December 22, 2017.

Dole’s effective tax rate varies significantly from period to period due to the level, mix, and seasonality of earnings generated in the Company’s various U.S. and foreign jurisdictions. For the years ended December 31, 2020 and December 28, 2019, the Company’s income tax expense differed from the U.S. federal statutory rate applied to pretax income primarily due to the Global Intangible Low-Taxed Income (“GILTI”) and Sec. 163(j) interest expense limitation provisions of the 2017 Tax Cuts and Job Act (“Tax Act”), a decrease in liabilities for uncertain tax positions, offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate. For the year ended December 29, 2018, Dole’s income tax benefit differed from the U.S. federal statutory rate applied to pretax loss primarily due to a $32.0 million reduction to the provision estimate of the Tax Act which includes $39.0 million attributable to the utilization of foreign tax credits offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate, non-deductible transaction costs, and an increase in liabilities for uncertain tax positions.

Prior to the enactment of the Tax Act, with few exceptions, U.S. federal income and foreign withholding taxes had not been provided on the excess of the amount for financial reporting over the tax basis of investments in Dole’s foreign subsidiaries that were essentially permanent in duration. With the enactment of the Tax Act, all post-1986 previously unremitted earnings for which no U.S. deferred tax liability had been accrued have now been subject to U.S. tax. Notwithstanding the U.S. taxation of these amounts, Dole intends to continue to invest most or all of these earnings, as well as capital in these subsidiaries, indefinitely outside of the U.S. and do not expect to incur any significant additional taxes related to such amounts. Also, from time to time, Dole may choose to repatriate anticipated future earnings of which some portion may be subject to tax and increase Dole’s overall tax expense for that year.

See Note 7 “Income Taxes” to the consolidated financial statements included herein for additional information.

Earnings (Loss) from Equity Method Investments

Earnings (loss) from equity method investments for the year ended December 31, 2020 increased to $2.1 million, compared to a loss of $0.5 million for the year ended December 28, 2019, primarily due to higher earnings at Bananera Tepeyac, S.A and Dole Nat Co. S.A equity method investments.

Loss from equity method investments decreased to $0.5 million for the year ended December 28, 2019 compared to a loss of $1.3 million for the year ended December 29, 2018. The decrease was primarily related to decreases in losses associated with Dole’s equity investments in Argentina.

Discontinued Operations

Discontinued operations were not material for the year ended December 31, 2020, compared to a loss of $2.5 million and $3.9 million for the years ended December 28, 2019 and December 29, 2018, respectively. These losses primarily represent adjustments to tax-related indemnification accruals relating to issues that existed prior to the sale of Dole Asia to ITOCHU Corporation in 2013.

Segment Results of Operations

Selected segment results of operations for the years ended December 31, 2020, December 28, 2019 and December 29, 2018 were as follows.

Revenues, net:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Fresh Fruit	$ 2,763,864	$ 2,695,184	$ 2,795,071
Fresh Vegetables	1,267,606	1,185,251	1,118,431
Diversified	640,529	635,591	652,615
Corporate	—	(71)	691
	$ 4,671,999	$ 4,515,955	$ 4,566,808

Adjusted EBITDA:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Fresh Fruit Adjusted EBITDA	$ 209,600	$ 197,466	$ 205,056
Fresh Vegetables Adjusted EBITDA	47,659	44,457	(5,261)
Diversified Adjusted EBITDA	33,947	32,621	29,379
Corporate Adjusted EBITDA	(42,847)	(33,746)	(36,636)
	$ 248,359	$ 240,798	$ 192,538

Fresh Fruit

Fresh Fruit revenues for the year ended December 31, 2020 increased 3%, or $68.7 million, to $2.76 billion from $2.70 billion for the year ended December 28, 2019. Fresh Fruit revenues increased primarily due to higher sales volumes of bananas sold in North America and Latin America, and higher volumes and prices of other fruit sold in Europe, including citrus, kiwis, cherries, and apples. Revenue also increased due to favorable foreign currency movements of $15.4 million, primarily related to the Euro. These increases were partially offset by lower overall pricing on bananas sold in North America, Europe, and Latin America.

Fresh Fruit revenues for the year ended December 28, 2019 decreased by 4%, or $99.9 million, to $2.70 billion from $2.80 billion for the year ended December 29, 2018. Fresh Fruit revenues decreased primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland impacting revenue by $76.0 million, as well as unfavorable foreign currency exchange movements that primarily impacted Euro and Swedish krona denominated revenues. Also contributing to the decrease in Fresh Fruit was lower volume of bananas sold in North America and lower pricing of bananas sold in Europe. These decreases in Fresh Fruit were offset slightly by higher pricing of pineapples in all markets.

Fresh Fruit Adjusted EBITDA for the year ended December 31, 2020 increased 6%, or $12.1 million, to $209.6 million from $197.5 million for the year ended December 28, 2019. Fresh Fruit Adjusted EBITDA increased due to lower fuel and distribution costs and higher volumes on bananas in North America and Latin America. These increases are partially offset by excess bananas sold in non-core markets at lower margins coupled with unfavorable foreign currency movements of $11.7 million, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging.

Fresh Fruit Adjusted EBITDA for the year ended December 28, 2019 decreased 4%, or $7.6 million, to $197.5 million from $205.1 million for the year ended December 29, 2018. Fresh Fruit Adjusted EBITDA decreased primarily due to unfavorable foreign currency exchange movements of $12.1 million, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging. This decrease was partially offset by strong performance of pineapples year-over-year resulting from price increases.

Fresh Vegetables

Fresh Vegetables revenues for the year ended December 31, 2020 increased 7%, or $82.4 million, to $1.27 billion from $1.19 billion for the year ended December 28, 2019. Fresh Vegetables revenues increased primarily due to favorable volumes and pricing of value-added products, partially offset by unfavorable pricing of fresh-packed products, primarily celery, which experienced exceptionally high prices during the prior year.

Fresh Vegetables revenues for the year ended December 28, 2019 increased 6%, or $66.8 million, to $1.19 billion from $1.12 billion for the year ended December 29, 2018. Fresh Vegetables revenues increased primarily due to higher pricing of fresh-packed products, primarily celery, and higher pricing and volume of value-added products.

Fresh Vegetables Adjusted EBITDA for the year ended December 31, 2020 increased 7%, or $3.2 million, to $47.7 million from $44.5 million for the year ended December 28, 2019. Fresh Vegetables Adjusted EBITDA increased primarily due to favorable volume and pricing of value-added products, cost savings initiatives in packaging and freight, and improved SMG&A expenses, partially offset by the unfavorable prices of fresh-packed products, primarily celery, due to the previously discussed exceptionally high prices in the prior year.

Fresh Vegetables Adjusted EBITDA for the year ended December 28, 2019 increased 945%, or $49.8 million, to a $44.5 million gain from a loss of $5.3 million for the year ended December 29, 2018. Fresh Vegetables Adjusted EBITDA increased primarily due to the factors mentioned in revenue above, partially offset by higher costs on a per box basis for fresh-packed products and value-added products, and lower volume across all major product lines in the fresh-packed products business.

Diversified

Diversified revenues for the year ended December 31, 2020 increased 1%, or $4.9 million, to $640.5 million from $635.6 million for the year ended December 28, 2019. Diversified revenues increased primarily due to higher volumes and prices of citrus products in South Africa, coupled with increased volumes of strawberries, blueberries, and raspberries in North America. These increases were partially offset by lower sales volumes of grapes related to fewer growers and drought weather conditions, and lower sales volumes of apples, and unfavorable foreign currency movements of $1.3 million.

Diversified revenues for the year ended December 28, 2019 decreased 3%, or $17.0 million, to $635.6 million from $652.6 million for the year ended December 29, 2018. Diversified revenues decreased primarily due lower volumes on deciduous fruit in North America and South Africa coupled with unfavorable foreign currency exchange movements of the Chilean peso and South African rand, offset by increases in volumes of cherries in Chile.

Diversified Adjusted EBITDA for the year ended December 31, 2020 increased 4%, or $1.3 million, to $33.9 million from $32.6 million for the year ended December 28, 2019. Diversified Adjusted EBITDA increased primarily due to favorable foreign currency movements of $3.2 million, which includes the foreign currency impact on revenue and costs of products sold, as well as the impacts from hedging, and increased prices and volumes of citrus products in South Africa and increased volumes of strawberries, blueberries, and raspberries in North America, partially offset by lower sales volumes of grapes and apples.

Diversified Adjusted EBITDA for the year ended December 28, 2019 increased 11%, or $3.2 million, to $32.6 million from $29.4 million for the year ended December 29, 2018. Diversified Adjusted EBITDA increased primarily due to favorable margins, as well as favorable foreign currency exchange movements, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging.

Corporate

Corporate Adjusted EBITDA for the year ended December 31, 2020 declined 27%, or $9.1 million, to a loss of $42.8 million from a loss of $33.7 million for the year ended December 28, 2019. Corporate Adjusted EBITDA declined primarily due to an increase in net realized losses related to hedging activities.

Corporate Adjusted EBITDA for the year ended December 28, 2019 improved 8%, or $2.9 million, to a loss of $33.7 million from a loss of $36.6 million for the year ended December 29, 2018. Corporate Adjusted EBITDA improved primarily due to lower general and administrative expenses.

Liquidity and Capital Resources

Supplementary Cash Flow Information

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Cash flow provided by (used in):			
Operating activities	$ 151,114	$ 72,274	$ (31,958)
Investing activities	(63,762)	(14,904)	12,982
Financing activities	(88,104)	(53,059)	(49,255)
Foreign currency impact	2,633	(1,556)	(2,189)
Increase (decrease) in cash	$ 1,881	$ 2,755	$ (70,420)

Cash flow provided by operations was $151.1 million for the year ended December 31, 2020, compared to cash flow provided by operations of $72.3 million for the year ended December 28, 2019. During the year ended December 28, 2019, the Company paid a non-recurring $21.7 million tax settlement, and interest payments on borrowings were $8.5 million higher than the year ended December 31, 2020. The remainder of the increase resulted from increases to operating cash flows for payables due to timing of cash payments made and an overall improvement in trade receivable days sales outstanding, partially offset by the timing of inventory and prepaid expenses.

Cash flow provided by operating activities was $72.3 million for the year ended December 28, 2019, compared to cash used in operations of $32.0 million for the year ended December 29, 2018. The increase in cash flow was primarily due to higher operating income, as well as an increase in operating cash flows for inventory and income taxes, due to the timing of receipts and deferred taxes. These increases were partially offset by decreases in operating cash flows for accounts payable, due to timing of cash payments, and the change in the provision for deferred income taxes.

Cash flow used in investing activities was $63.8 million for the year ended December 31, 2020, compared to cash flow used by investing activities of $14.9 million for the year ended December 28, 2019. The increase in cash flow used for investing activities was primarily due to lower proceeds from the sale of assets of $43.5 million for the year ended December 31, 2020 compared to the year ended December 28, 2019. Also contributing to the increase in cash flow used for investing activities were additional cash payments related to capital expenditures of $6.4 million for the year ended December 31, 2020 over the year ended December 28, 2019.

Cash flow used in investing activities was $14.9 million for the year ended December 28, 2019, compared to cash flow provided by investing activities of $13.0 million for the year ended December 29, 2018. The decrease in cash flow was primarily due to lower proceeds from the sales of assets, partially offset by higher purchases of property, plant and equipment.

Cash flow used in financing activities was $88.1 million for the year ended December 31, 2020, compared to cash flow used in financing activities of $53.1 million for the year ended December 28, 2019. The increase in cash used by financing activities was primarily attributable to higher debt repayments (net of borrowings) of $35.5 million year-over-year.

Cash flow used in financing activities was $53.1 million for the year ended December 28, 2019, compared to cash flow used in financing activities of $49.3 million for the year ended December 29, 2018. The increase in cash used in financing activities was primarily attributable to higher debt repayments, net of borrowings, partially offset by payment of debt issuance costs in fiscal year 2018 and less affiliate transaction costs incurred during fiscal year 2019 as compared to fiscal year 2018.

Debt and Liquidity

At December 31, 2020, Dole had total outstanding debt of $1.31 billion, net of debt discounts and debt issuance costs (consisting primarily of the credit facilities as discussed in Note 12 “Notes Payable and Long-Term Debt” to the consolidated financial statements included herein). Of the total outstanding debt, Dole had approximately $1.17 billion and $134.1 million of net domestic and foreign debt, respectively. As of December 31, 2020, Dole had cash and cash equivalents of $66.8 million, consisting of domestic and foreign cash of $25.5 million and $41.3 million, respectively. Management believes that cash generated by U.S. operations will be sufficient to fund U.S. cash flow requirements, and as such, are not projecting any impact on liquidity associated with the repatriation of offshore cash, as this generally will not result in federal income tax. However, if funds are repatriated to the U.S., Dole may be subject to withholding taxes applied by the country of origin and state income tax, after utilization of any net operating loss carryforwards. Dole had $89.7 million available for borrowings under its ABL revolver as of December 31, 2020.