2011 Preliminary Announcement

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES
For the year ended 31 December 2011 (Unaudited)

For the year ended 31 December 2011 the Turners & Growers Group announces a loss before income tax of $10.8m and an after tax loss (before minorities) of $18.9m.

The result has been materially affected by a number of one-off adjustments that need to be considered when reviewing the financial statements. When these one-off items are added back, the Turners & Growers adjusted profit is an improvement on 2010 and the highest for a number of years.

As a result of the annual revaluation process a number of properties, in particular orchard related land and biological assets, were significantly revalued downwards. The total net impact on the balance sheet was a reduction of $20.9m.

Reductions in orchard values have been caused by:

- continued poor New Zealand pipfruit grower returns which have been under increasing pressure due to the worsening economic situation, particularly in Europe, ENZA's largest market,
- the strength of the New Zealand dollar, which is forecast to remain at very high levels for the foreseeable future, and
- the industry wide impact of the PSA-V kiwifruit disease on orchard values.

With the potential change of control from the BayWa takeover offer, shareholder continuity with Turners & Growers' Inglis subsidiary will be lost and any accumulated losses have been written off. The result is a write-off of a deferred tax asset to the value of $8.5m which is a one-off non-cash adjustment.

The company has incurred increased legal and advisors costs as part of the strategic review process and BayWa takeover offer. An additional transaction fee of $3.1m has been accrued in the 2011 accounts.

ENZA's contribution, including coolstores, was a significant improvement from 2010. Pipfruit export contribution improved due to increased volumes, particularly from the higher value varieties and coolstore costs have reduced. The offshore programme improved from 2010 due to better than expected sale prices and volumes, in particular the US where prices increased almost 10% on 2010. Due to the success of Jazz in the Northern Hemisphere, growers in this region have requested ENZA increase its planting allocation, which has recently been approved.

Of concern is the poor pipfruit return for New Zealand Growers, including Jazz (tm) where returns are lower than desired. The high New Zealand dollar against the traditional export markets is making it very difficult to increase orchard gate returns, particularly with Jazz which has a higher cost base due to the levy imposed by "Plant & Food Research".

ENZA orchards and Inglis Horticulture, both being apple producers, had difficult years due to low local pipfruit returns. The orchards and biological assets associated with these operations were significantly valued down at year end.

The Domestic division had a difficult year and profit was considerably down on 2010.

Delica continues to perform above expectations and contribution was up on 2010. The New Zealand operation had a strong year in most products with increases in both volume and margin. The North and South American operations have also experienced increased growth. Delica Australia had a difficult year due to adverse weather conditions which included floods and record cold weather and profits suffered accordingly. Delica is poised for further growth as more produce, particularly pipfruit, will be directed towards Asia due to its growing wealth and proximity.

ENZAFood's result was a strong increase on 2010 due mainly to the recovery of global apple juice concentrate prices from the low levels experienced in 2010. In 2011 ENZAFoods manufactured and sold a record quantity of fruit ingredient products which will continue to grow once the development of the North Island fruit ingredients factory is fully complete.

With strong prices in the first half of 2011, improvements in yield, reduction in costs and further development of the export and foodservice markets Status Produce had a record year.

Kerifresh had an improved operating result, however did suffer from a large negative asset write down for orchard land and biological assets. Kerifresh has continued to improve its efficiency, yields and the quality of its kiwifruit production. The new ENZAGold crop is growing well and there will be significant volumes available in 2012 and the first stage of the new 300,000 tray blueberry plantings have commenced in 2011.

Fruitmark Australia, the Fruitcase Company and FloraMax all had better results and traded well in 2011. The Transport division had a sluggish year and fell below 2010 with increased repairs and maintenance and operating costs. This division has recently been restructured and the administration and management functions merged with the Fruitcase Company.

Basic earnings per share was -17.18 cents, the negative earnings per share has been impacted by the large asset write downs during the year.

On 27 April 2011 bonus fully paid ordinary shares (bonus shares) were issued under the Turners & Growers Distribution Plan, together with an offer to buy back and cancel those shares in exchange for cash. The payments made to shareholders who accepted the offer to buy back the bonus shares were treated as un-imputed dividends. The net position resulted in 1,211,667 additional shares allotted and a cash dividend of $5,126,618.

Due to the potential change in ownership and the requirement not to pay or announce a dividend while the Company is under offer, the Directors have decided that the time is not appropriate to consider a dividend.

Early 2012 trading is overall in line with plan.

R Campbell
Chairman

For further enquiries, please contact Jeff Wesley on 09 573-8781.