

Turners and Growers Limited and subsidiary companies

Results for announcement to the market

(Unaudited)

Reporting period	12 months to 31 December 2012
Previous reporting period	12 months to 31 December 2011

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$669,137	3.7%
Loss after tax from ordinary activities after tax attributable to security holder	(\$15,292)	23.3%
Net loss attributable to security holders	(\$15,292)	23.3%

Final dividend	Amount per security	Imputed amount per security
N/A	N/A	N/A

Record date	N/A
Dividend payment date	N/A

There has been no dividend declared or paid in the twelve months to 31 December 2012.

Comments	Refer to the attached documents
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TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated income statement

For the twelve months ended 31 December 2012 (Unaudited)

	December 2012 12 months \$'000	December 2011 12 months \$'000
Revenue	669,137	645,114
Cost of sales	(494,192)	(477,184)
Gross profit	174,945	167,930
Other operating income	1,145	3,866
Administration expenses	(27,491)	(24,129)
Other operating expenses	(162,901)	(153,763)
Operating (loss)	(14,302)	(6,096)
Financial expenses	(6,914)	(7,664)
Financial income	1,215	933
Net financing costs	(5,699)	(6,731)
Share of profit from associates and joint ventures	1,947	2,062
(Loss) before income tax	(18,054)	(10,765)
Income tax credit / (expense)	4,776	(8,116)
(Loss) for the period from continuing operations	(13,278)	(18,881)
Attributable to:		
Equity holders of the parent	(15,292)	(19,930)
Non-controlling interests	2,014	1,049
Loss for the period	(13,278)	(18,881)
Earnings per share		
Basic earnings (in cents)	(13.07)	(17.18)
Diluted earnings (in cents)	(13.07)	(17.18)

Consolidated statement of comprehensive income

For the twelve months ended 31 December 2012 (Unaudited)

	December 2012 \$'000	December 2011 \$'000
(Loss) for the period	(13,278)	(18,881)
Other comprehensive income / (expense)		
Gain on revaluation of land and buildings, net of tax	7,399	4,639
Share of associate's gain on revaluation of land and buildings, net of tax	651	-
Exchange differences on translation of foreign operations	(1,075)	(7)
Movement in cash flow hedge reserve, net of tax	595	524
Other comprehensive income	7,570	5,156
Total comprehensive (expense) for the period	(5,708)	(13,725)
Total comprehensive income / (expense) for the period is attributable to:		
Equity holders of the parent	(7,790)	(14,774)
Non-controlling interests	2,082	1,049
	(5,708)	(13,725)

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated balance sheet

As at 31 December 2012 (Unaudited)

	December 2012 \$'000	December 2011 \$'000
Current assets		
Cash and cash equivalents	15,994	12,775
Trade and other receivables	75,998	86,547
Inventories	43,103	34,814
Taxation receivable	3,498	3,865
Biological assets	1,111	1,344
Non-current assets classified as held for sale	16,712	-
Total current assets	156,416	139,345
Non-current assets		
Trade and other receivables	2,142	3,556
Available-for-sale investments	201	345
Biological assets	16,847	30,276
Property, plant and equipment	253,815	275,517
Intangible assets	12,960	18,048
Investments in associates and joint ventures	16,314	15,730
Total non-current assets	302,279	343,472
Total assets	458,695	482,817
Current liabilities		
Trade and other payables	79,034	80,309
Interest bearing loans and borrowings	1,186	10,028
Total current liabilities	80,220	90,337
Non-current liabilities		
Trade and other payables	501	948
Interest bearing loans and borrowings	80,185	80,143
Deferred tax liabilities	18,259	25,526
Total non-current liabilities	98,945	106,617
Total liabilities	179,165	196,954
Net assets	279,530	285,863
Equity		
Share capital	165,147	165,147
Other reserves	67,905	63,935
Retained earnings	40,046	51,730
Total equity attributable to equity holders of the parent	273,098	280,812
Non-controlling interests	6,432	5,051
Total equity	279,530	285,863

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated statement of cash flows

For the twelve months ended 31 December 2012 (Unaudited)

	December 2012 \$'000	December 2011 \$'000
Cash flows from operating activities		
Cash was provided from:		
Cash receipts from customers	988,729	935,155
Dividends received	49	31
Interest received	741	236
	<u>989,519</u>	<u>935,422</u>
Cash was disbursed to:		
Payments to suppliers and employees	(955,239)	(898,840)
Interest paid	(6,986)	(7,567)
Income taxes paid	(2,882)	(2,433)
	<u>(965,107)</u>	<u>(908,840)</u>
Net cash generated by operating activities	<u>24,412</u>	<u>26,582</u>
Cash flows from investing activities		
Cash was provided from:		
Dividends received from associates	2,029	1,442
External loan repayments from customers, suppliers and associates	1,114	798
Proceeds from sale of property, plant and equipment	4,543	1,262
Cash received from non-controlling interests	-	302
Cash acquired on purchase of subsidiary	-	139
	<u>7,686</u>	<u>3,943</u>
Cash was disbursed to:		
Purchase of property, plant and equipment and biological assets	(17,308)	(18,360)
Purchase of intangible assets	(1,255)	(2,268)
Purchase of available-for-sale investments	-	(16)
Purchase of non-controlling interest's share in subsidiary	-	(665)
Purchase of associates	(199)	(200)
External loans to suppliers, customers and associates	-	(6,394)
	<u>(18,762)</u>	<u>(27,903)</u>
Net cash used in investing activities	<u>(11,076)</u>	<u>(23,960)</u>
Cash flows from financing activities		
Cash was provided from:		
Proceeds from bank loans	29,400	45,000
	<u>29,400</u>	<u>45,000</u>
Cash was disbursed to:		
Dividends paid to parent shareholders	-	(5,127)
Dividends paid to non-controlling interests	(625)	(174)
Bank commercial bill facility and loan repayments	(38,480)	(48,073)
	<u>(39,105)</u>	<u>(53,374)</u>
Net cash used in financing activities	<u>(9,705)</u>	<u>(8,374)</u>
Net increase in cash and cash equivalents	3,631	(5,752)
Foreign currency translation adjustment	(412)	113
Cash and cash equivalents at beginning of period	12,775	18,414
Cash and cash equivalents at end of period	<u>15,994</u>	<u>12,775</u>

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated statement of changes in equity

For the twelve months ended 31 December 2012 (Unaudited)

	Attributable to equity holders of the parent					Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Revaluation reserve \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000		
Balance at 1 January 2011	160,678	59,471	(646)	76,947	296,450	4,379	300,829
Comprehensive income							
(Loss) / profit for the period	-	-	-	(19,930)	(19,930)	1,049	(18,881)
Other comprehensive income / (expense)							
Gain on revaluation of land and buildings, net of tax	-	4,639	-	-	4,639	-	4,639
Exchange differences on translation of foreign operations	-	-	(7)	-	(7)	-	(7)
Movement in cashflow hedge reserve, net of tax	-	-	524	-	524	-	524
Total other comprehensive income / (expense)	-	4,639	517	-	5,156	-	5,156
Total comprehensive income / (expense)	-	4,639	517	(19,930)	(14,774)	1,049	(13,725)
Transactions with owners							
Issue of share capital	4,469	-	-	-	4,469	-	4,469
Dividends to shareholders	-	-	-	(5,127)	(5,127)	(174)	(5,301)
Decrease of non-controlling interest's investment in subsidiary	-	-	-	-	-	(437)	(437)
Investment from non-controlling interests	-	-	-	-	-	302	302
Premium on Group's investment in subsidiary	-	-	-	(160)	(160)	(68)	(228)
Total transactions with owners	4,469	-	-	(5,287)	(818)	(377)	(1,195)
Movement in share option reserve	-	-	(46)	-	(46)	-	(46)
Balance at 31 December 2011	165,147	64,110	(175)	51,730	280,812	5,051	285,863
Balance at 1 January 2012	165,147	64,110	(175)	51,730	280,812	5,051	285,863
Comprehensive income							
(Loss) / profit for the period	-	-	-	(15,292)	(15,292)	2,014	(13,278)
Other comprehensive income / (expense)							
Gain on revaluation of land and buildings, net of tax	-	7,399	-	-	7,399	-	7,399
Share of associate's gain on revaluation of land and buildings	-	651	-	-	651	-	651
Exchange differences on translation of foreign operations	-	-	(1,143)	-	(1,143)	68	(1,075)
Movement in cashflow hedge reserve, net of tax	-	-	595	-	595	-	595
Total other comprehensive income / (expense)	-	8,050	(548)	-	7,502	68	7,570
Total comprehensive income / (expense)	-	8,050	(548)	(15,292)	(7,790)	2,082	(5,708)
Transactions with owners							
Dividends to shareholders	-	-	-	-	-	(625)	(625)
Transfer from asset revaluation reserve due to asset disposal	-	(3,060)	-	3,060	-	-	-
Other	-	-	-	76	76	(76)	-
Total transactions with owners	-	(3,060)	-	3,136	76	(701)	(625)
Movement in share option reserve	-	-	(472)	472	-	-	-
Balance at 31 December 2012	165,147	69,100	(1,195)	40,046	273,098	6,432	279,530

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Details of associates and joint ventures

For the twelve months ended 31 December 2012 (Unaudited)

Name	Percentage of ordinary shares held at end of the year		Contribution to net surplus (deficit)	
	Current Full year	Previous Corresponding Full year	Current Full year NZ\$'000	Previous Corresponding Full year NZ\$'000
Equity Accounted Associates and Joint Ventures				
<i>Equity Accounted in current year</i>				
Allen Blair Properties Ltd - (NZ)	33%	33%	(647)	105
David Oppenheimer and Company LLC - (USA)	15%	15%	572	501
David Oppenheimer Transport Inc. (USA)	15%	15%	238	156
Delica Pty Ltd - (AUS) *	30%	30%	(130)	259
Fresh Vegetable Packers Ltd - (NZ) **	41%	41%	(271)	35
Fruitmark NV/SA - (Belgium)	50%	50%	797	748
McKay Shipping Ltd - (NZ)	25%	25%	497	(7)
Mystery Creek Asparagus - (NZ)	10%	10%	(22)	(39)
Premier Fruit Company - (NZ)	50%	50%	-	-
Wawata General Partner Limited - (NZ)	50%	50%	(302)	-
Worldwide Fruit Ltd - (UK)	50%	50%	1,215	304
			1,947	2,062
<i>Not Equity Accounted in current year</i>				
Other Material Interests			Nil	Nil

	Current Full year \$NZ'000	Previous Corresponding Full year \$NZ'000
Equity carrying value of investments at the beginning of the period	15,730	19,440
Share of changes in associates' and joint ventures' post acquisition surplus and reserves:		
- Surplus	1,947	2,062
- Foreign currency translation movements	(184)	(61)
- New investment in associates and joint ventures	199	200
- Associate acquired as subsidiary	-	(4,469)
- Associate and joint venture asset revaluation reserve	651	-
- Dividends received during the period	(2,029)	(1,442)
Equity carrying value of investments at the end of the period	16,314	15,730

* The contribution to net surplus / (deficit) in the current year from Delica Pty Ltd includes an impairment charge of \$367k.

** The contribution to net surplus / (deficit) in the current year from Fresh Vegetable Packers Ltd includes an impairment charge of \$298k.

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Supplementary information

For the twelve months ended 31 December 2012 (Unaudited)

	Current Full year	Previous Corresponding Full year
Net tangible assets per security	\$2.28	\$2.29
Shares issued under distribution plan	-	1,211,667
Share value	-	\$0.06
Basic earnings per share (cents)	(13.07)	(17.18)
Diluted earnings per share (cents)	(13.07)	(17.18)

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES
Segment Reporting
For the twelve months ended 31 December 2012 (Unaudited)

Primary reporting format - Business segments

	Domestic	Exports	Processing	Growing operations	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Full year ended 31 December 2012						
Total segment revenues	152,997	421,870	57,261	59,909	75,254	767,291
Inter-segment revenue	(9,463)	(62,893)	(19)	(14,934)	(10,845)	(98,154)
Revenue from external customers	<u>143,534</u>	<u>358,977</u>	<u>57,242</u>	<u>44,975</u>	<u>64,409</u>	<u>669,137</u>
Depreciation	4,770	3,610	2,300	3,614	731	15,025
Amortisation	979	846	47	318	272	2,462
Impairment	60	3,080	-	863	129	4,132
Operating profit / (loss) before financing costs	<u>1,508</u>	<u>2,899</u>	<u>3,319</u>	<u>(22,835)</u>	<u>807</u>	<u>(14,302)</u>
Full year ended 31 December 2011						
Total segment revenues	162,317	351,298	54,228	63,936	78,209	709,988
Inter-segment revenue	(9,035)	(37,088)	(16)	(9,013)	(9,722)	(64,874)
Revenue from external customers	<u>153,282</u>	<u>314,210</u>	<u>54,212</u>	<u>54,923</u>	<u>68,487</u>	<u>645,114</u>
Depreciation	4,915	3,800	2,145	3,841	782	15,483
Amortisation	1,009	1,280	51	286	270	2,896
Operating profit / (loss) before financing costs	<u>4,970</u>	<u>7,636</u>	<u>2,651</u>	<u>(24,796)</u>	<u>3,443</u>	<u>(6,096)</u>

A reconciliation of operating loss before financing costs to loss before tax is provided as follows:

	December 2012	December 2011
	12 months	12 months
	\$'000	\$'000
Operating loss before financing costs for reportable segments	(15,109)	(9,539)
Other segments operating profit before financing costs	807	3,443
Net financing costs	(5,699)	(6,731)
Share of profit of associates and joint ventures	1,947	2,062
Loss before tax	(18,054)	(10,765)

Breakdown of revenue from all business operations is as follows:

	December 2012	December 2011
	12 months	12 months
	\$'000	\$'000
Analysis of revenue by category		
Sales and commissions	605,961	577,696
Services	57,514	60,022
Royalties	3,923	5,775
Rental income	1,739	1,621
	<u>669,137</u>	<u>645,114</u>

The Group is domiciled in New Zealand. The total revenues from external customers in New Zealand and other countries are:

	December 2012	December 2011
	12 months	12 months
	\$'000	\$'000
Revenue from external customers		
New Zealand	261,900	276,710
Australia	88,737	82,549
Other countries	318,500	285,855
	<u>669,137</u>	<u>645,114</u>

The total non-current assets other than financial instruments and deferred tax assets located in New Zealand and other countries are:

	December 2012	December 2011
	12 months	12 months
	\$'000	\$'000
Total non-current assets		
New Zealand	287,934	329,796
Australia	4,119	4,656
Other countries	7,883	5,119
	<u>299,936</u>	<u>339,571</u>