

Turners and Growers Limited		
Results for announcement to the market		
(Unaudited)		
Reporting Period	12 months to December 2011	
Previous Reporting Period	12 months to December 2010	
	Amount (000s)	Percentage change
Revenue from Ordinary Activities	\$645,114	7.7%
Loss after tax from ordinary activities after tax attributable to security holder	(\$19,930)	-502.4%
Net loss attributable to security holders	(\$19,930)	-502.4%
Final Dividend	Amount per security	Imputed amount per security
N/A	N/A	N/A
Record Date	N/A	
Dividend Payment Date	N/A	
Comments	Refer to the attached documents	

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated income statement

For the year ended 31 December 2011 (Unaudited)

	December 2011 12 months \$'000	December 2010 12 months \$'000	Variance %
Gross turnover	922,633	847,202	8.9%
Revenue	645,114	599,227	7.7%
Cost of sales	(477,184)	(439,826)	8.5%
Gross profit	167,930	159,401	5.4%
Other operating income	3,866	1,598	141.9%
Administration expenses	(24,129)	(19,950)	20.9%
Other operating expenses	(153,763)	(117,999)	30.3%
Operating (loss) / profit before financing costs	(6,096)	23,050	-126.4%
Financial income	933	1,384	-32.6%
Financial expenses	(7,664)	(6,172)	24.2%
Net financing costs	(6,731)	(4,788)	40.6%
Share of profit / (loss) from associates	2,062	(1,178)	-275.0%
(Loss) / profit before tax	(10,765)	17,084	-163.0%
Income tax expense	(8,116)	(5,638)	44.0%
Building depreciation tax expense	-	(5,120)	-100.0%
(Loss) / profit after tax	(18,881)	6,326	-398.5%
Attributable to:			
Equity holders of the parent	(19,930)	4,953	-502.4%
Non-controlling interests	1,049	1,373	-23.6%
(Loss) / profit for the period	(18,881)	6,326	-398.5%
Earnings per share *			
Basic earnings per share (in cents)	(17.18)	4.32*	
Diluted earnings per share (in cents)	(17.18)	4.25*	

* Following the requirement in NZ IAS 33 'Earnings per share' the 2010 comparative has been re-stated as if the share issue occurring during 2011 relating to the dividend distribution plan, which was without consideration, had occurred at the beginning of the earliest period presented, i.e. 1 January 2010.

Consolidated statement of comprehensive income

For the year ended 31 December 2011 (Unaudited)

	December 2011 \$'000	December 2010 \$'000
(Loss) / profit for the period	(18,881)	6,326
Other comprehensive income		
Gain on revaluation of land and buildings, net of tax	4,639	1,675
Exchange differences on translation of foreign operations	(7)	(171)
Movement in cash flow hedge reserve, net of tax	524	(395)
Other comprehensive income	5,156	1,109
Total comprehensive (loss) / income	(13,725)	7,435
Total comprehensive (loss) / income for the period is attributable to:		
Equity holders of the parent	(14,774)	6,062
Non-controlling interests	1,049	1,373
	(13,725)	7,435

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated balance sheet

As at 31 December 2011 (Unaudited)

	December 2011 \$'000	December 2010 \$'000
Current assets		
Cash and cash equivalents	12,775	18,414
Trade and other receivables	86,547	75,161
Inventories	34,814	29,234
Taxation receivable	3,865	6,621
Biological assets	8,564	7,026
Total current assets	<u>146,565</u>	<u>136,456</u>
Non-current assets		
Trade and other receivables	3,556	3,550
Available-for-sale investments	345	329
Biological assets	23,056	13,283
Property, plant & equipment	275,517	256,069
Intangible assets	18,048	18,386
Investments in associates	15,730	19,440
Total non-current assets	<u>336,252</u>	<u>311,057</u>
Total assets	<u><u>482,817</u></u>	<u><u>447,513</u></u>
Current liabilities		
Trade and other payables	80,309	61,436
Interest bearing loans and borrowings	10,028	17,752
Total current liabilities	<u>90,337</u>	<u>79,188</u>
Non-current liabilities		
Trade and other payables	948	144
Interest bearing loans and borrowings	80,143	45,597
Deferred tax liabilities	25,526	21,755
Total non-current liabilities	<u>106,617</u>	<u>67,496</u>
Total liabilities	<u><u>196,954</u></u>	<u><u>146,684</u></u>
Net assets	<u><u>285,863</u></u>	<u><u>300,829</u></u>
Equity		
Share capital	165,147	160,678
Other reserves	63,935	58,825
Retained earnings	51,730	76,947
Total equity attributable to equity holders of the parent	<u>280,812</u>	<u>296,450</u>
Non-controlling interests	5,051	4,379
Total equity	<u><u>285,863</u></u>	<u><u>300,829</u></u>

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated statement of cash flows

For the year ended 31 December 2011 (Unaudited)

	December 2011 \$'000	December 2010 \$'000
Cash flows from operating activities		
Cash was provided from:		
Cash receipts from customers	933,534	866,650
Dividends received	31	53
Interest received	236	1,088
	<u>933,801</u>	<u>867,791</u>
Cash was disbursed to:		
Payments to suppliers and employees	(897,213)	(825,499)
Interest paid	(7,567)	(6,147)
Income taxes paid	(2,433)	(5,530)
	<u>(907,213)</u>	<u>(837,176)</u>
Net cash used in operating activities	<u>26,588</u>	<u>30,615</u>
Cash flows from investing activities		
Cash was provided from:		
Dividends received from associates	1,442	1,676
External loan repayments from customers, suppliers and associates	798	1,060
Proceeds from sale of property, plant & equipment	1,262	463
Cash received from non-controlling interests on formation of subsidiaries	302	-
Cash acquired on purchase of subsidiary	139	-
	<u>3,943</u>	<u>3,199</u>
Cash was disbursed to:		
Purchase of property, plant & equipment and biological assets	(18,366)	(14,890)
Purchase of intangible assets	(2,268)	(1,541)
Purchase of available-for-sale investments	(16)	(16)
Purchase of non-controlling interest's share in subsidiary	(665)	-
Purchase of associates	(200)	(4,712)
External loans to suppliers, customers and associates	(6,394)	(6,641)
	<u>(27,909)</u>	<u>(27,800)</u>
Net cash used in investing activities	<u>(23,966)</u>	<u>(24,601)</u>
Cash flows from financing activities		
Cash was provided from:		
Proceeds from bank loans	45,000	83,703
	<u>45,000</u>	<u>83,703</u>
Cash was disbursed to:		
Dividends paid to parent shareholders	(5,127)	(420)
Dividends paid to non-controlling interests	(174)	(180)
Bank commercial bill facility and loan repayments	(48,073)	(81,150)
	<u>(53,374)</u>	<u>(81,750)</u>
Net cash used in financing activities	<u>(8,374)</u>	<u>1,953</u>
Net (decrease) / increase in cash and cash equivalents	<u>(5,752)</u>	<u>7,967</u>
Foreign currency translation adjustment	113	(798)
Cash and cash equivalents at beginning of period	<u>18,414</u>	<u>11,245</u>
Cash and cash equivalents at end of period	<u>12,775</u>	<u>18,414</u>

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Consolidated statement of changes in equity

For the year ended 31 December 2011 (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 2010	160,678	57,796	(136)	72,414	290,752	3,196	293,948
Comprehensive income							
Profit for the period	-	-	-	4,953	4,953	1,373	6,326
Other comprehensive income							
Gain on revaluation of land and buildings, net of tax	-	1,675	-	-	1,675	-	1,675
Exchange differences on translation of foreign operations	-	-	(171)	-	(171)	-	(171)
Movement in cash flow hedge reserve, net of tax	-	-	(395)	-	(395)	-	(395)
Total other comprehensive income	-	1,675	(566)	-	1,109	-	1,109
Total comprehensive income	-	1,675	(566)	4,953	6,062	1,373	7,435
Transactions with owners							
Other	-	-	-	-	-	(10)	(10)
Dividends to shareholders	-	-	-	(420)	(420)	(180)	(600)
Total transactions with owners	-	-	-	(420)	(420)	(190)	(610)
Movement in share option reserve	-	-	56	-	56	-	56
Balance at 31 December 2010	160,678	59,471	(646)	76,947	296,450	4,379	300,829
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							
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	-	4,639	517	-	5,156	-	5,156
Total comprehensive income	-	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

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Details of associates

For the year ended 31 December 2011 (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			<i>Equity Accounted in current year</i>	
Allen Blair Properties Ltd - (NZ)	33%	33%	105	(276)
David Oppenheimer & Co - (USA)	15%	15%	657	1,410
Delica Pty Ltd - (AUS)	30%	25%	259	294
Fresh Vegetable Packers Ltd - (NZ)	41%	41%	35	5
Fruitmark NV/SA - (Belgium)	50%	50%	747	235
Inglis Horticulture Ltd - (NZ) (ref note pg 8)	0%	50%	1	(3,357)
McKay Shipping Ltd - (NZ)	25%	25%	(7)	248
Mystery Creek Asparagus - (NZ)	10%	10%	(39)	-
Premier Fruit Company - (NZ)	50%	0%	-	-
Wawata Ltd Partnership - (NZ)	50%	50%	-	-
Worldwide Fruit Ltd - (UK)	50%	50%	304	263
			2,062	(1,178)
Other Material Interests			<i>Not Equity Accounted in current year</i>	
			Nil	Nil

	Current Full Year \$NZ'000	Previous Corresponding Full Year \$NZ'000
Equity carrying value of investments at the beginning of the period	19,440	17,202
Share of changes in associates' post acquisition surplus / (deficit) and reserves:		
- Surplus / (deficit)	2,062	(1,178)
- Foreign currency translation movements	(61)	48
- New investment in associates	200	5,044
- Associate acquired as subsidiary	(4,469)	-
- Dividends received during the period	(1,442)	(1,676)
Equity carrying value of investments at the end of the period	15,730	19,440

TURNERS & GROWERS LIMITED AND SUBSIDIARY COMPANIES

Supplementary information

For the year ended 31 December 2011 (Unaudited)

	Current Full year	Previous Corresponding Full year
Net tangible assets per security	\$2.29	\$2.50
Shares issued under distribution plan	1,211,667	7,598,948
Share value	\$0.06	\$0.10
Basic earnings per share (cents)	(17.18)	4.32*
Diluted earnings per share (cents)	(17.18)	4.25*

* Following the requirement in NZ IAS 33 'Earnings per share' the 2010 comparative has been re-stated as if the share issue occurring during 2011 relating to the dividend distribution plan, which was without consideration, had occurred at the beginning of the earliest period presented, i.e. 1 January 2010.

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

Details of entities over which control has been gained during the period:

On 14 March 2011 the Group acquired the remaining interest in Inglis Horticulture Limited by issuing 2,828,006 shares in Turners & Growers Limited. Previously the Group held a 50% interest. The acquired business contributed revenues of \$8.5 million and a net loss of \$22.2 million to the Group for the period from 14 March to 31 December 2011. If the acquisition had occurred on 1 January 2011 the acquired business would have contributed an additional \$1.8 million revenue and \$2k net loss. Inglis Horticulture Limited reported a net loss of \$6.7 million for 2010 of which 50% was included in the Group's result as part of share of associate loss.

On 2 March 2011 the Group commenced operations in a new subsidiary Turners & Growers Fiji Limited. The Group has a 70% share in this entity. The business contributed revenues of \$4.0 million and a net profit of \$74k to the Group for the period from 2 March to 31 December 2011.

On 23 March 2011 the Group commenced operations in a new subsidiary Fresh Food Exports 2011 Limited. The Group has a 75% share in this entity. The business contributed revenues of \$4.0 million and a net loss of \$171k to the Group for the period from 23 March to 31 December 2011.

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

Primary reporting format - Business segments

	Domestic	Exports	Processing	Growing operations	Other	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Full year ended 31 December 2011						
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>
Total segment revenues	162,317	351,298	54,228	63,936	78,209	709,988
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	4,970	7,636	2,651	(24,796)	3,443	(6,096)
Full year ended 31 December 2010						
Inter-segment revenue	9,681	26,950	119	2,515	8,370	47,635
Revenue from external customers	<u>170,903</u>	<u>277,244</u>	<u>44,424</u>	<u>42,565</u>	<u>64,091</u>	<u>599,227</u>
Total segment revenues	180,584	304,194	44,543	45,080	72,461	646,862
Depreciation	5,168	4,019	2,226	3,250	842	15,505
Amortisation	1,042	1,061	64	296	259	2,722
Operating profit before financing costs	10,603	5,343	86	2,828	4,190	23,050

A reconciliation of operating (loss) / profit before financing costs to profit before tax is provided as follows:

	December 2011 12 months \$'000	December 2010 12 months \$'000
Operating (loss) / profit before financing costs for reportable segments	(9,539)	18,860
Other segments operating profit before financing costs	3,443	4,190
Net financing costs	(6,731)	(4,788)
Share of profit / (loss) of associates	2,062	(1,178)
(Loss) / profit before tax	(10,765)	17,084

Breakdown of revenue from all business operations is as follows:

	December 2011 12 months \$'000	December 2010 12 months \$'000
Analysis of revenue by category		
Sales and commissions	577,696	536,599
Services	60,022	56,810
Royalties	5,775	4,291
Rental income	1,621	1,527
	645,114	599,227

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

	December 2011 12 months \$'000	December 2010 12 months \$'000
Revenue from external customers		
New Zealand	276,710	297,540
Other countries	<u>368,404</u>	<u>301,687</u>
	645,114	599,227

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

	December 2011 12 months \$'000	December 2010 12 months \$'000
Total non-current assets		
New Zealand	322,574	298,167
Other countries	<u>9,775</u>	<u>9,011</u>
	332,349	307,178