

**31 August 2017**

**MEDIA RELEASE**

## **Landcorp releases 2016/17 financial results**

Landcorp has recorded a net profit after tax of \$51.9 million on revenue of \$233.5 million for the year ended 30 June 2017. This compares to a net profit after tax last year of \$11.5 million.

Landcorp chief executive Steven Carden said the result largely reflects higher returns from milk, beef and venison.

“It’s encouraging that our results have turned around to this extent,” Mr Carden said. “We’ve strengthened the core business, improving our farming systems, while continuing to expand our range of partnerships and Pāmu products.”

Revenue for 2016/17 was up 11% on the previous year, while operating expenses increased 3.3% - and these costs included structural costs around the transfer of staff with the end of the Shanghai Penxing share milking arrangement.

“The process of transforming to a value-add business is complex, but we are continuing to reshape and invest in a future as a best-practice, environmentally sustainable farmer, and a high-quality food company – Pāmu Farms of New Zealand,” Mr Carden said.

The company’s total assets increased to \$1.81 billion in 2016/17, an increase of \$27.9 million on the previous year. Debt reduced over the year from \$219.6 million to \$206.9 million. In line with a dividend policy that prioritises debt reduction, no dividend was paid.

<b>Key financial data</b>		
	<i>2016/17</i>	<i>2015/16</i>
Total revenue	\$233.5 M	\$210.0 M
EBITDAR	\$35.6 M	\$25.5 M
Net profit after tax	\$51.9 M	\$11.5 M
Total comprehensive income	\$56.8 M	(\$2.9 M)

**ENDS**

For further information please contact Richard Ninness on 04 382 1832 or 027 801 0561.