



FARMS OF
NEW ZEALAND

Media Release

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Pāmu Releases Annual Report – shows solid progress in business strategy implementation

Pāmu Farms of New Zealand (Landcorp) has released its Annual Report for 2017, and says ongoing solid trading conditions indicate another profitable year is ahead.

Chief Executive Steve Carden said the 2017 net profit after tax of \$51.9 million, announced on 31 August, was very pleasing, and reflected the higher returns from milk, beef and venison.

“As we enter the half way point of the current financial year, our business is tracking well. However, any downward pressure in commodity prices as we head into 2018 will impact our result.”

Mr Carden said the company had focused on both debt reduction and reinvestment back into the business more recently, as part of its overall business strategy.

“Pāmu is looking at how we can enhance shareholder value, by not just being a price taker at the farm gate, but adding value right along the food chain.

“As an industry, agriculture needs to be changing and evolving what we produce in response to consumer demand.

“Whether it be partnering with Spring Sheep Milk Co to offer a unique product range, or the provision of high quality wool to NZ Merino for the innovative brands they work with, to name two examples, Pāmu is always looking at ways we can drive value and innovation in our business.”

Spring Sheep Milk Co’s win at the New Zealand Food Awards recently, shows the food industry is taking notice of innovation on farm.

Spring Sheep won the Massey University Supreme Award for its vanilla-flavoured sheep milk powder, as well as the NZTE Export Innovation Award. Spring Sheep Milk Co is half owned by Pāmu.

“Pāmu is going from strength to strength, and the last few years of intensive refocusing of our business is starting to bear fruit,” 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.

ENDS

Link to Annual Report here:

<http://www.landcorp.co.nz/sites/default/files/pdfs/Landcorp%20Farming%20Limited%20-%20Annual%20Report%202017.pdf>

PĀMU

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Pāmu Farms of New Zealand is the brand name for Landcorp, a Stated Owned Enterprise, and one of New Zealand's most innovative farmers and food businesses. It is also the name given to the quality products created by the company.

Pāmu is the Māori word 'to farm' and reflects the deep connection New Zealanders have with the land, born from respect, and a genuine desire to protect and enhance the environments in which the company works. It's a proud provenance that stands behind every product bearing the Pāmu name.

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