March 17, 2014

TRADING SYMBOL: The Toronto Stock Exchange:
Village Farms International, Inc. – VFF

Village Farms International Announces Year End 2013 Results

Vancouver, B.C., March 17, 2014 – Village Farms International, Inc. (the "Company") (TSX: VFF) announced today results for the year ended and quarter ended December 31, 2013.

Conference Call

A conference call will be held March 20, 2014 to discuss the Company's fourth quarter and year end 2013 results. The conference call will begin at 8:00 a.m. Pacific Standard Time (11:00 a.m. Eastern Standard Time) and will be hosted by Messrs. Michael DeGiglio, Chief Executive Officer, and Stephen Ruffini, Chief Financial Officer.

To participate in the conference call, please dial into the conference call a few minutes before the start time: **1-888-390-0605 or 416-764-8609**.

"The Company accomplished and settled a magnitude of initiatives and acute issues in 2013," stated Michael DeGiglio, Chief Executive Officer of the Company. "Issues included the final settlement of the Company's insurance claim totaling over $47 million in net proceeds, in both 2012 and 2013. Nearly the entire $15.9 million received in 2013 came from the business interruption segment of our claim, resulting in a 2013 EBITDA of approximately $28.2 million. It was deplorable that the Company had to initiate litigation proceedings to successfully conclude the claim."

"Additionally, the Company's rapid rebound in late 2012 to normalized pricing for its core varieties in the tomato category is partially a result of the revised sixteen year old U.S. suspension agreement with Mexico, which was in controversy in 2012 and favorably consummated in March 2013. The U.S. suspension agreement not only accomplished a minimum floor price, halting Mexican growers from illegally dumping product in the U.S. market, but also defined, by the U.S.D.A., the definition of what a greenhouse grown product is and what it is not. The result is a striking reduction (greater than 90%) of the rampant practice of mislabeling Mexican grown field or adapted field product as greenhouse produced product."

"Our 2013 results were additionally enhanced, by a deeper engagement with our customers, increasing connection with consumers in specific core markets and the increasing demand for proprietary varieties recently launched. We plan to continue to escalate production of these new varieties as well as other types of produce at our production facilities in both the U.S. and Canada. We plan on expanding this capacity through shifts in product mix, new facility expansion and investment in new technologies to improve existing output, while balancing this increase in demand with our core customer needs."

"The result of these accomplishments and returning one half of our damaged Marfa, Texas acres to full year production, in 2013, is reflected in our adjusted (excluding insurance proceeds) EBITDA results of $12.9 million for 2013 versus $1.6 million in 2012."

"Key issues also included the successful completion of two long-term credit facilities in 2013. This was due to the Company removing our inept and trepidatious former senior lender, whose actions cost the Company significant fees and caused management distractions. As announced in October 2013, the Company initiated the complete rebuild of a 20-acre block of the remaining damaged 40 acres in Marfa, Texas. The construction is on schedule and on budget and we are preparing to plant in late April with an initial harvest in early July. This addition, which is virtually a new facility, will facilitate the expansion of our new varieties as well as return lost winter production capacity to better meet our customer demands."

"On a final note, as we celebrate our 25th anniversary, I wish to express my gratitude to our teams' perseverance and support of our operations throughout 2013, and over the last quarter of a century. As a testament to the commitment of the Company's employees, Village Farms was one of five finalists for the 2013 State of Texas Workforce Employer of the Year. We remain very proud of this achievement. We will continue to implement our growth strategy coupled with our continued investment in people, technology, systems and customer relationships," concluded Mr. DeGiglio.

Year to Date Highlights:
(Note amounts in U.S. Dollars)

- Net sales increased 3% to $137.6 million for the year ended 2013 compared to $133.9 million for 2012.
- EBITDA, for the year ended December 31, 2013 increased to $28.2 million, as compared to $23.8 million for the year ended December 31, 2012.
- Adjusted EBITDA (defined below), for the year ended December 31, 2013 increased by $11.3 million to $12.9 million, as compared to $1.6 million for the year ended December 31, 2012.
- Earnings per share of $0.27 for the year ended December 31, 2013 versus $0.20 per share for the year ended December 31, 2012.
- Net debt decreased by ($18.6) million to $36.9 million on December 31, 2013 compared to $55.5 million on December 31, 2012.
- The insurance claim for the May 2012 hail storm was settled in September 2013.
- Commencement of rebuild on 20 additional acres at the Marfa facilities is scheduled for completion in April 2014, bringing the facility up to 60 operational acres in the summer of 2014.
- Finalist for 2013 Texas Workforce Employer of Year Award.

Operational Summary:
(In thousands of U.S. Dollars)

Net Sales

Net sales for the year ended December 31, 2013, increased $3,693, or 3%, to $137,635 compared to $133,942 for the year ended December 31, 2012. The increase in net sales is primarily due to a 25% increase in the average selling price of tomatoes, a 10% increase in the average selling pepper price and a 10% increase in cucumber pricing as compared to the same period in 2012 offset by a 34% decrease in supply partner revenues and a 1% decrease in Company’s production volumes. The decrease in the Company’s production was due to 40 acres not being in production in 2013 as they were closed due to damage from the May 2012 hail storm and have yet to be repaired, partially offset by increased production at the new Permian Basin facility that was not in full production until the third quarter of 2012.

Cost of Sales

Cost of sales for the year ended December 31, 2013, decreased ($6,602), or 5%, to $119,363 from $125,965 for the year ended December 31, 2012. The decrease is due to lower purchases of supply partner product, lower transportation costs related to reduced produce pounds shipped, offset by higher costs at Village Farms owned greenhouses from increased input costs relating to the increased production acreage of specialty tomatoes and cucumbers and the Permian Basin facility having a higher cost of production than the Marfa facility that was not in production in 2013, due to the hail storm of May 2012.

Insurance proceeds, net

For the year ended December 31, 2013 the Company received $15,948 in insurance proceeds net of recovery costs and for the year ended December 31, 2012 the Company received $31,231. Due to the hail storm, the Company in the year ended December 31, 2013 took an asset write-down of $601, and in year ended December 31, 2012, took an inventory write-down of $4,649 for the damaged crops, growing materials and packaging costs as well as took an asset write off of $4,352 of book value assets lost as a result of the hail storm.

Change in fair value of biological asset, net

The net change in fair value of biological asset for the year ended December 31, 2013, decreased ($682), to ($1,222) from ($540) for the year ended December 31, 2012. The decrease is due to less production from the Texas facilities in the early weeks of 2014 versus the same period in 2013. The decrease is due to an increase in the growing area of lower yielding specialty crops, as well as differing crop planting schedules in the later part of 2013 versus 2012, which results in lower 2014 winter yields versus the same period in 2013.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the year ended December 31, 2013 decreased ($1,664) or (11%) to $12,873 from $14,537 for the year ended December 31, 2012. Overhead costs decreased due to decreases in personnel, marketing, legal and travel expenditures.

Income from Operations

Income from operations for the year ended December 31, 2013, increased $4,394 or 29%, to $19,524 from $15,130 for the year ended December 31, 2012. This is primarily a result of increases in the selling prices for produce and a decrease in cost of goods, which was offset by the impact of lower year on year insurance proceeds, net of hail storm related write offs.

Interest Expense, net

Interest expense, net, for the year ended December 31, 2013 decreased ($657) to $3,672 from $4,329 for the year ended December 31, 2012. The decrease is due to a decrease in the Company's outstanding borrowings and lower borrowing rates in the year ended December 31, 2013 from the same period in 2012.

Other Income

Other income for the year ended December 31, 2013, decreased ($1,299) to $113 from $1,412 for the year ended December 31, 2012. The decrease was primarily due to a decrease of ($1,074) in the gain of derivatives in 2013 versus the same period in 2012 and a decrease in the gain on sale of assets of ($175) versus the same period in 2012. The accounts in other income are: amortization of intangible assets, gains or loss on foreign exchange, gain on derivatives, gains on sales of assets and other income.

Income Taxes

Income tax expense for the year ended December 31, 2013 increased $1,166 to $5,477 compared to $4,311 for the year ended December 31, 2012. The change in the provision for income tax between the periods is due to higher income from operations in 2013, including insurance proceeds versus a loss from operations in 2012 before insurance proceeds.

Net Income

Net income for the year ended December 31, 2013 increased $2,586 to $10,488 from $7,902 for the year ended December 31, 2012. The increase was primarily the result $4,394 of higher income from operations in 2013, partially offset by higher provision for income taxes of $1,166 in 2013.

EBITDA

EBITDA for the year ended December 31, 2013 increased $4,375 to $28,212 from $23,837 for the year ended December 31, 2012, primarily as a result of the increase in operational results partially offset by a decrease in net insurance proceeds after asset and inventory write-offs. See the EBITDA calculation in "Non-IFRS Measures - Reconciliation of Net Earnings to EBITDA."

Adjusted EBITDA

Adjusted EBITDA for the year ended December 31, 2013 increased by $11,258 to $12,865 from $1,607 for the year ended December 31, 2012. The increase was due to a 25% increase in the average selling price of tomatoes as compared to the same period in 2012. See the Adjusted EBITDA calculation in below.

Fourth Quarter 2013 Operating Results Summary:
(Note amounts in U.S. Dollars)

- Net sales increased 4% to $31.7 million for the fourth quarter of 2013 compared to $30.6 million for the fourth quarter of 2012;
- Loss per share of ($0.03) for the fourth quarter of 2013 versus ($0.24) for the fourth quarter of 2012;
- Net loss decreased to ($1.3) million in the fourth quarter of 2013 compared to ($9.2) million in the fourth quarter of 2012;
- Adjusted EBITDA increased to $2.7 million in the fourth quarter of 2013 compared to $2.3 million in the fourth quarter of 2012.

Operational Summary for the Quarter:
(In thousands of U.S. Dollars)

Net Sales

Net sales for the three months ended December 31, 2013 increased by $1,181 or 4% to $31,738 from $30,557 for the three months ended December 31, 2012. The increase in net sales is primarily due to a 6% increase in the average selling price of tomatoes as compared to the same period in 2012 and a 3% increase in the Company's production volume offset by a 19% decrease in supply partner revenue. The tomato price increase in the fourth quarter of 2013 was as a result of an increased mix of specialty tomatoes grown by the Company.

Cost of Sales

Cost of sales for the three months ended December 31, 2013 increased by $1,547 or 6% to $27,867 from $26,320 for the three months ended December 31, 2012. The increase is due to higher costs from Village Farms greenhouses due to higher production volume and increases in specialty tomatoes that cost more to produce, as well as a small loss on supply partner volume during the quarter.

Insurance Proceeds, net

The insurance proceeds, net for the three months ended December 31, 2013 was $5 compared to $480 for the three months ended December 31, 2012. The $5 was a refund of a legal retainer.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended December 31, 2013 decreased by ($769) to $3,065 from $3,834 for the three months ended December 31, 2012. The decrease is due to a decrease in professional and legal fees.

Change in Biological Asset

The net change in fair value of biological asset for the three months ended December 31, 2013 decreased by ($832) to ($886) from ($54) for the three months ended December 31, 2012. The decrease is due to a higher opening fair value at September 2013 of $6,616 versus the September 2012 balance of $5,916 and a decrease in produced pounds in the first six weeks of 2014 compared to 2013. The decrease in pounds is due to a change to lower yielding specialty tomatoes and a change in planting dates at the Company's Marfa and Permian Basin facilities. The fair value of the biological asset at December 31, 2013 is $3,732 and was $4,757 at December 31, 2012. The lower value is due to lower year on year production volumes due to the differing planting cycles and additional lower yielding specialty tomatoes.

(Loss) Income from Operations

(Loss) income from operations for the three months ended December 31, 2013, decreased by ($904) to a loss of ($75) from $829 of income from operations for the three months ended December 31, 2012. The decrease was the result of an increase in cost of sales $1,547, a decrease in insurance proceeds of ($475), and a decrease in the change in biological asset of ($832), offset by a reduction in selling, general and administrative expenses of ($769) and an increase in net sales of $1,181.

Interest Expense, net

Interest expense, net, for the three months ended December 31, 2013 decreased by ($326) to $824 from $1,150 for the three months ended December 31, 2012. The decrease is due to a decrease in the Company's outstanding borrowings and lower borrowing rates in the three months ended December 31, 2013 from the same period in 2012.

Other (Expense) Income

Other (expense) income for the three months ended December 31, 2013, decreased by ($188) to ($11) from $177 for the three months ended December 31, 2012. The decrease was primarily due to a decrease of ($328) in 2013, in the gain on derivatives and a reduction in foreign exchange loss of $145 in 2013 versus the same period in 2012. The accounts in other income are: amortization of intangible assets, gains or loss on foreign exchange, gain on derivatives, gains on sales of assets and other income.

Income Taxes

Income tax expense for the three months ended December 31, 2013 was $415 compared to a $9,093 for the three months ended December 31, 2012. The large income tax expense in the fourth quarter of 2012 was due to the Company not recognizing the book tax on insurance proceeds in prior 2012 quarters. Although property insurance proceeds used to repair and rebuild damaged facilities are not taxable, they do create a difference in the depreciable asset basis between book and tax, which the Company did not take into account when determining its second and third quarter 2012 book tax expense.

Net loss

Net loss for the three months ended December 31, 2013 decreased by $7,912 to ($1,325) from ($9,237) for the three months ended December 31, 2012. The decrease is due to a decrease in income tax expense for the three months ended December 31, 2013 of ($8,678) partially offset by a decrease in income from operations.

EBITDA

EBITDA for the three months ended December 31, 2013 decreased by $117 to $2,693 from $2,810 for the three months ended December 31, 2012, due to the receipt of net insurance proceeds of $480 in the fourth quarter of 2012, and no corresponding insurance proceeds in the fourth quarter of 2013 due the settlement in September 2013. See the EBITDA calculation in "Non-IFRS Measures - Reconciliation of Net Income to EBITDA."

Adjusted EBITDA

Adjusted EBITDA for the three months ended December 31, 2013 increased by $358 to $2,688 from $2,330 for the three months ended December 31, 2012. The increase was due to a 6% increase in the average selling price of tomatoes as compared to the same period in 2012. See the Adjusted EBITDA calculation below in "Reconciliation of Adjusted EBITDA."

Hail Damage and Insurance Proceeds

On May 31, 2012, the Company suffered a severe hail storm that closed three of its Texas facilities (82 acres). The Company was insured and as of December 31, 2013, $47,179 (net of recovery costs) has been received from its insurer. The claim has been closed.

Reconciliation of Adjusted EBITDA[1]
(In thousands of U.S. Dollars)

	For the year ended December 31,		For the three months ended December 31,	
	2013	2012	2013	2012
Net income	$10,488	$7,902	($1,325)	(9,237)
Amortization	7,314	7,552	1,827	1,829
Interest expense, net	3,672	4,329	824	1,150
Income taxes	5,477	4,311	415	9,093
Change in biological asset	1,222	540	886	54
Other non-cash items	39	(797)	66	(79)
EBITDA	28,212	23,837	2,693	2,810
Less: insurance proceeds	(15,948)	(31,231)	(5)	(480)
Plus: asset write-off	601	4,352	-	-
Plus: inventory write-off	-	4,649	-	-
Adjusted EBITDA	$12,865	$1,607	$2,688	$2,330

(1) Information on non-GAAP Measures

Adjusted EBITDA is a non-GAAP measure. Management uses adjusted EBITDA to assist in the evaluation of year over year and quarter over quarter performance, and believes that it will be helpful to investors as a measure of underlying operational results. This non-GAAP measure is not intended to replace the presentation of our financial results in accordance with GAAP. The Company's use of the term adjusted EBITDA may differ from similar measures reported by other companies. A reconciliation of income from operations and such non-IFRS measures, as EBTIDA, are included in the Company's MD&A.

About Village Farms

Village Farms is one of the largest producers, marketers and distributors of premium-quality, greenhouse-grown tomatoes, bell peppers and cucumbers in North America. This premium product as well as premium product produced under exclusive arrangements with other greenhouse producers is grown in sophisticated, highly efficient and intensive agricultural greenhouse facilities located in British Columbia and Texas. Product is marketed and distributed under the Village Farms® brand primarily to retail grocers and dedicated fresh food distributors throughout the United States and Canada. Since its inception, Village Farms has been guided by friendly growing methods, growing produce vegetables 365 days a year from its facilities that are healthier for people and the plant. Village Farms is Good for the Earth®.

Forward Looking Statements

This press release contains certain "forward looking statements". These statements relate to future events or future performance and reflect the Company's expectations regarding its growth, results of operations, performance, business prospects, opportunities or industry performance and trends. These forward looking statements reflect the Company's current internal projections, expectations or beliefs and are based on information currently available to the Company. In some cases, forward looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict" , "potential", "continue" or the negative of these terms or other comparable terminology. A number of factors could cause actual events or results to differ materially from the results discussed in the forward looking statements. In evaluating these statements, you should specifically consider various factors, including, but not limited to, such risks and uncertainties as availability of resource, competitive pressures and changes in market activity, risks associated with U.S. and Canadian sales and foreign exchange, regulatory requirements and all of the other "Risk Factors" set out in the Company's current annual information form and management's discussion and analysis for the year ended December 31, 2013, which is available electronically at www.sedar.com. Actual results may differ materially from any forward looking statement. Although the Company believes that the forward looking statements contained in this press release are based upon reasonable assumptions, you cannot be assured that actual results will be consistent with these forward looking statements.

These forward looking statements are made as of the date of this press release, and other than as specifically required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

For further information

Stephen C. Ruffini, Executive Vice President and Chief Financial Officer, Village Farms International, Inc., (407) 936-1190 ext 340.

Village Farms International, Inc.
Consolidated Statements of Financial Position
(In thousands of United States dollars)

	December 31, 2013	December 31, 2012
ASSETS		
Current assets		
Cash and cash equivalents	$ 18,668	$ 2,801
Trade receivables	7,109	7,377
Other receivables	325	552
Inventories	10,630	11,970
Income taxes receivable	36	503
Prepaid expenses and deposits	168	246
Biological asset	3,732	4,757
Total current assets	40,668	28,206
Non-current assets		
Property, plant and equipment	96,709	99,372
Intangible assets	991	1,094
Other assets	1,537	1,462
Total assets	$ 139,905	$ 130,134
LIABILITIES		
Current liabilities		
Trade payables	$ 7,063	$ 10,011
Accrued liabilities	3,225	2,609
Income taxes payable	917	7
Current maturities of long-term debt	4,168	3,413
Current maturities of capital lease obligations	25	23
Current portion of derivative	-	106
Total current liabilities	15,398	16,169
Non-current liabilities		
Long-term debt	50,692	54,897
Long-term maturities of capital lease obligations	61	86
Deferred tax liability	11,970	8,041
Deferred compensation	684	490
Total liabilities	78,805	79,683
SHAREHOLDERS' EQUITY		
Share capital	24,850	24,850
Contributed surplus	749	588
Accumulated other comprehensive income	55	55
Retained earnings	35,446	24,958
Total shareholders' equity	61,100	50,451
Total liabilities and shareholders' equity	$ 139,905	$ 130,134

Village Farms International, Inc.
Consolidated Statements of Income and Comprehensive Income
For the Years Ended and Three Months Ended
(In thousands of United States dollars, except per share data)

	Years Ended December 31, 2013	Years Ended December 31, 2012	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012
Net sales	$ 137,635	$ 133,942	$ 31,738	$ 30,557
Cost of sales	(119,363)	(125,965)	(27,867)	(26,320)
Insurance proceeds, net	15,948	31,231	5	480
Provision for property and equipment damaged	(601)	(4,352)	-	-
Provision for inventory-damaged crop, growing materials, supplies	-	(4,649)	-	-
Change in biological asset	(1,222)	(540)	(886)	(54)
Selling, general and administrative expenses	(12,873)	(14,537)	(3,065)	(3,834)
Income (loss) from operations	19,524	15,130	(75)	829
Interest expense	3,675	4,331	824	1,150
Interest income	(3)	(2)	-	-
Foreign exchange (gain)/loss	(16)	103	24	169
Amortization of intangible assets	103	104	25	26
Gain on derivatives	(106)	(1,180)	-	(328)
Other income, net	(91)	(261)	(38)	(44)
Gain on sale of assets	(3)	(178)	-	-
Income (loss) before income taxes	15,965	12,213	(910)	(144)
Provision for income taxes	5,477	4,311	415	9,093
Net income (loss) and comprehensive income (loss)	$ 10,488	$ 7,902	$ (1,325)	$ (9,237)
Basic earnings (loss) per share	$ 0.27	$ 0.20	$ (0.03)	$ (0.24)
Diluted earnings (loss) per share	$ 0.27	$ 0.20	$ (0.03)	$ (0.24)

Village Farms International, Inc.
Consolidated Statements of Cash Flows
For the Years Ended and Three Months Ended
(In thousands of United States dollars)

	Years Ended December 31, 2013	Years Ended December 31, 2012	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012
Cash flows from operating activities:				
Net income (loss)	$ 10,488	$ 7,902	$ (1,325)	$ (9,237)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	7,314	7,552	1,827	1,829
Gain on sale of assets	(3)	(178)	-	-
Provision for property and equipment damaged	51	4,352	-	-
Gain on derivative	(106)	(1,180)	-	(328)
Provision for bad debt	(204)	-	(204)	-
Foreign exchange (gain)/loss	(16)	103	(56)	37
Net interest paid	3,483	4,331	792	1,154
Share-based compensation	161	276	42	73
Deferred income taxes	3,929	4,800	(778)	9,626
Change in biological asset	1,222	540	886	54
Changes in non-cash working capital items	965	(117)	1,552	11,819
Net cash provided by operating activities	27,284	28,381	2,736	15,027
Cash flows from investing activities:				
Purchases of property, plant and equipment	(4,615)	(13,438)	(3,211)	(882)
Proceeds from sale of property, plant, and equipment, net	19	593	-	-
Other noncurrent assets and liabilities, net	(590)	409	24	143
Net cash used in investing activities	(5,186)	(12,436)	(3,187)	(739)
Cash flows from financing activities:				
Payments on long-term debt	(60,741)	(18,462)	(1,042)	(11,576)
Proceeds from long-term debt	58,000	6,917	-	-
Interest paid on long-term debt	(3,486)	(4,333)	(792)	(1,154)
Interest received	3	2	-	-
Payments on capital lease obligation	(23)	(30)	(5)	(30)
Net cash used in financing activities	(6,247)	(15,906)	(1,839)	(12,760)
Effect of exchange rate changes on cash and cash equivalents	16	(103)	56	(37)
Net increase/(decrease) in cash and cash equivalents	15,867	(64)	(2,234)	1,491
Cash and cash equivalents, beginning of year	2,801	2,865	20,902	1,310
Cash and cash equivalents, end of year	$ 18,668	$ 2,801	$ 18,668	$ 2,801
Supplemental cash flow information:				
Income taxes paid	$ 420	$ 14	$ 78	$ -
Supplemental non-cash financing and investing information:				
Assets acquired by capital lease	$ -	$ 139	$ -	$ 139