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**TRADING SYMBOL: The Toronto Stock Exchange/OTCQX:
Village Farms International, Inc. – VFF/VFFIF**

**Village Farms Announces Second Quarter 2016 Results
Reflecting a Year to Date 10% Increase in Sales and a 20%
Increase in EBITDA
220% Increase in Supply Partner Volume in Second Quarter**

Vancouver, B.C., August 10, 2016 – Village Farms International, Inc. (the “Company”) (TSX: VFF) (OTC:VFFIF) announced today results for the quarter ended June 30, 2016.

Year to Date Operating Summary:

(Note amounts in U.S. Dollars)

- Sales increased 10% to \$76.1 million for the six months ended June 30, 2016 compared to \$69.0 million for the six months ended June 30, 2015;
- EBITDA increased 20% to \$5.3 million for the six months ended June 30, 2016 compared to \$4.5 million for the six months ended June 30, 2015;
- Loss per share of (\$0.03) for the six months ended June 30, 2016 versus (\$0.00) for the six months ended June 30, 2015; and
- Net loss increased \$0.9 million to (\$1.0) million for the six months ended June 30, 2016 versus (\$0.1) for the six months ended June 30, 2015.

Michael DeGiglio, Chief Executive Officer, stated “Following a strong first quarter, we experienced one-time capacity challenges and charges caused by a significantly higher than expected increase in supply grower volume. We experienced an 87% increase in supply partner revenues as compared to the second quarter of 2015. The significant increase of 220% in supply partner tomato volumes during the second quarter was higher than initially budgeted. This was, mainly due to new varieties being grown for the first time. As such, this higher than anticipated volume had an adverse impact on our second quarter results, and it is expected to continue into the third quarter. With that said, we experienced strong operating performance during the second quarter, lowering our cost of production by 7% at our own greenhouse production facilities versus the same period during 2015, and our new tomato varieties have been well received by consumers.”

Mr. DeGiglio added: “We anticipated that we would experience a sizable increase in capacity during 2016 which would take a full crop cycle to absorb and adjust. We’ve made solid progress building increased market share with multiple new customers as well as with our existing core customer base. We remain confident about our continued growth and our ability to achieve our expected 15% year over year growth in revenues, while our EBITDA is now expected to grow in single digits from 2015 levels.”

Operational Summary - Year to Date:

(In thousands of U.S. Dollars)

Net Sales

Net sales for the six months ended June 30, 2016 increased \$7,191, or 10%, to \$76,149 compared to \$68,958 for the six months ended June 30, 2015. The increase in net sales is due an increase in supply partner revenues of 59% over the comparable period in 2015. Company product revenues decreased (2%) for the six months ended June 30, 2016 versus the six months ended June 30, 2015 due to lower tomato pounds, lower Company product cucumber pricing on higher cucumber pieces sold.

The net price for all tomato pounds sold increased 5% for the six months ended June 30, 2016 versus the six months ended June 30, 2015, which was driven by the increase in volume of specialty tomatoes. Pepper prices decreased (4%) and pounds decreased (26%) over the comparable period in 2015. Cucumber prices increased 5% and pieces increased 9% for the six months ended June 30, 2016 over the comparable period in 2015.

Cost of Sales

Cost of sales for the six months ended June 30, 2016 increased \$5,613, or 9%, to \$68,558 from \$62,945 for the six months ended June 30, 2015. The increase is due to the increase in supply partner cost of sales of 66%. The cost at the Company’s facilities decreased (7%) due to lower costs per pound in 2016 versus the same period in 2015 and lower volumes due to differing cropping schedules at the Company’s Texas facilities in 2016 versus 2015.

Change in fair value of biological asset, net

The net change in fair value of biological asset for the six months ended June 30, 2016 decreased (\$2,434) to (\$1,764) from \$670 for the six months ended June 30, 2015. The decrease is due to a higher beginning value on January 1, 2016 versus the January 1, 2015 value and lower pricing for July 2016 versus July 2015.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the six month period ended June 30, 2016 increased (\$610), or 10%, to \$6,477 from \$5,867 for the six month period ended June 30, 2015. The increase is due to increases in sales and marketing costs associated with the increase in supply partner revenues and increasing retailer market share.

Income (Loss) from Operations

Income (Loss) from operations for the six months ended June 30, 2016 was (\$650), which was an increased (loss) of (\$1,466) from income from operations of \$816 for the six months ended June 30, 2015. The decrease in operating results is due a decrease in our supply partner financial performance, a decrease in the change in fair value of biological asset of (\$2,434), an increase in selling and marketing expenses of (\$610), which were partially offset by lower Company-owned asset costs of production.

Interest Expense, net

Interest expense, net, for the six month period ended June 30, 2016 increased (\$52) to \$1,198 from \$1,146 for the six month period ended June 30, 2015. The increase is due to an increase in the Company's long term debt borrowing rate effective on May 1, 2016.

Income Taxes (recovery)

Income tax (recovery) for the six month period ended June 30, 2016 was (\$870) compared to (\$358) for the six month period ended June 30, 2015. The effective tax rate is 46% for the six month period ended June 30, 2016 and 83% for the same period in 2015. The interim period 46% tax rate in 2016 and 83% tax rate in 2015 are due to the tax effect of the bio asset as of June 30 for each year.

Net (Loss) Income

Net (loss) for the six month period ended June 30, 2016 increased \$937 to a loss of (\$1,011) from a loss of (\$74) for the six month period ended June 30, 2015. The increased loss is primarily a result of a decrease in the change in biological asset, lower supply partner financial performance, higher selling, general and administrative expenses, partially offset by lower Company-owned asset cost of sales.

EBITDA

EBITDA for the six month period ended June 30, 2016 increased 20%, or \$887, to \$5,337 from \$4,450 for the six month period ended June 30, 2015, primarily as a result of the improvements in the financial performance of Company's owned assets, offset by a decrease in the Company's supply partner financial performance and an increase in the selling, general and administrative expenses of (\$610) as compared to the same period in 2015. See the EBITDA calculation in "Reconciliation of Net Earnings to EBITDA."

Second Quarter 2016 Operating Results Summary:

(In thousands of U.S. Dollars)

Sales

Sales for the three months ended June 30, 2016 increased by \$3,230, or 8%, to \$44,441 from \$41,211 for the three months ended June 30, 2015. The increase in sales is primarily due to an 87% increase in supply partner revenue, which was driven by over a 220% increase in supply partner tomatoes volumes

sold in second quarter of 2016 versus the second quarter of 2015. The increase in supply partner volume is due to an additional grower agreement that took effect in the fall of 2015, but had a significant volume impact beginning in early April 2016. The Company's tomato production decreased by (8%) and the Company's cucumber pieces sold increased by 32%. The decrease in the Company's tomato pounds is due to a different crop cycle at its Texas facilities in the second quarter of 2016 versus the second quarter of 2015. The increase in cucumber pieces sold is a reflection of the continued improvements in growing techniques and climate control at the Company's Permian Basin facility.

The average selling price for tomatoes for the three months ended June 30, 2016 versus the three months ended June 30, 2015 was an increase of 2%, which was driven by the large increase in specialty tomatoes from supply partners. Cucumber pricing increased by 5% and pepper pricing decreased by (7.7%) in the second quarter of 2016 versus the comparable quarter in 2015.

Cost of Sales

Cost of sales for the three months ended June 30, 2016 increased by \$3,894, or 10%, to \$41,908 from \$38,014 for the three months ended June 30, 2015. The increase is solely due to the higher volume of supply partner product versus the same period in 2015. Due to the increase in supply partner volume, supply partner cost of sales increased 115% in the second quarter of 2016 versus the second quarter of 2015. This increase was partially offset by a decrease of (10%) in the cost of production at the Company's facilities primarily due to continued cost improvements on labor and utilities at the Company's Canadian facilities, a weaker Canadian dollar in 2016 versus the same period in 2015 and other operating expenses at the Company's Texas facilities. The Company also experienced improved yields at most of its Texas facilities in 2016, especially at the Company's Permian Basin facility.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended June 30, 2016 increased \$127, or 4%, to \$3,050 from \$2,923 for the three months ended June 30, 2015. The increase is primarily the result of an increase in sales, travel and general administrative expenses.

Change in Biological Asset

The net change in fair value of the biological asset for the three months ended June 30, 2016 decreased by (\$1,420) to \$66 from \$1,486 for the three months ended June 30, 2015. The decrease is primarily due to higher starting value at January 1, 2016 versus January 1, 2015, as well as lower pricing in early July 2016 versus the same period in 2015. The fair value of the biological asset at June 30, 2016 is \$6,147 and was \$7,719 at June 30, 2015. The fair value less cost increased \$66 to \$1,667 for the three months ended June 30, 2016 and increased \$1,486 to \$2,179 for the three months ended June 30, 2015 (as described in note 5 of the Condensed Consolidated Interim Financial Statements).

Income (Loss) from Operations

There was a (loss) from operations for the three months ended June 30, 2016 of (\$451) versus income from operations of \$1,760 for the three months ended June 30, 2015. The decrease in operating results is due to the decrease in the change in value of the biological asset, the financial performance of the

supply partner division as well as higher selling and marketing costs in the second quarter of 2016 versus the second quarter of 2015.

Interest Expense, net

Interest expense, net, for the three months ended June 30, 2016 increased by \$56 to \$641 from \$585 for the three months ended June 30, 2015. The increase is due to an increase in the interest rate on the Company's long term debt from the prior year.

Income Taxes

Income tax (recovery) for the three months ended June 30, 2016 was a recovery of (\$335) compared to income tax expense of \$317 for the three months ended June 30, 2015. The income tax (recovery) in 2016 as compared to the income tax expense in 2015 is due to the (loss) from operations in 2016 versus operating income for the same period in 2015.

Net Income (Loss)

Net income (loss) for the three months ended June 30, 2016 decreased by (\$1,624) to (\$770) from \$854 for the three months ended June 30, 2015. The decrease was the result of an increase in sales offset by an increase in cost of sales, an increase in selling, general and administrative expenses and a decrease in the change in biological asset.

EBITDA

EBITDA for the three months ended June 30, 2016 decreased by (\$803), or (33%), to \$1,627 from \$2,430 for the three months ended June 30, 2015, principally as a result of the increase in supply partner cost of sales and increase in personnel and marketing costs offset by the increase in supply party sales and lower Company owned asset costs of sales. See the EBITDA calculation in "Reconciliation of Net Income to EBITDA."

Non-IFRS Measures

References in this press release to "EBITDA" are to earnings before interest, taxes, depreciation, amortization, foreign currency exchange gains and losses on translation of long-term debt, unrealized change in biological asset, stock compensation, and gains and losses on asset sales. EBITDA is a cash flow measure that is not recognized under IFRS and does not have a standardized meaning prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented by other issuers. Investors are cautioned that EBITDA should not be construed as an alternative to net income or loss determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows. Management believes that EBITDA is an important measure in evaluating the historical performance of the Company.

Reconciliation of Net Income to EBITDA

The following table is the reconciliation of net income to EBITDA, as presented by the Company:

<i>(in thousands of U.S. dollars)</i>	For the three months ended June 30,		For the six months ended June 30,	
	2016	2015	2016	2015
Net loss	(\$770)	\$854	(\$1,011)	(\$74)
Add:				
Amortization	2,084	2,102	4,147	4,180
Foreign currency exchange (gain) loss	22	18	3	126
Interest expense	641	585	1,198	1,146
Income taxes	(335)	317	(870)	(358)
Stock compensation	51	40	94	100
Loss on asset disposal	-	-	12	-
Change in biological asset	(66)	(1,486)	1,764	(670)
EBITDA	<u>\$1,627</u>	<u>\$2,430</u>	<u>\$5,337</u>	<u>\$4,450</u>

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 sustainable growing methods and producing vegetables 365 days a year from its facilities that are healthier for people and the planet. 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, industry performance and trends and capital availability. 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, 2015, 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

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

	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
ASSETS		
<i>Current assets</i>		
Cash and cash equivalents	\$ 6,002	\$ 4,957
Trade receivables	13,213	9,144
Other receivables	948	425
Inventories	12,750	13,301
Prepaid expenses and deposits	1,335	298
Biological asset	6,147	6,079
Total current assets	<u>40,395</u>	<u>34,204</u>
<i>Non-current assets</i>		
Property, plant and equipment	91,898	94,285
Other assets	1,546	1,521
Total assets	<u>\$ 133,839</u>	<u>\$ 130,010</u>
LIABILITIES		
<i>Current liabilities</i>		
Trade payables	\$ 11,655	\$ 8,857
Accrued liabilities	4,927	2,623
Income taxes payable	-	662
Operating loan	3,000	-
Current maturities of long-term debt	3,275	4,388
Current maturities of capital lease obligations	45	28
Total current liabilities	<u>22,902</u>	<u>16,558</u>
<i>Non-current liabilities</i>		
Long-term debt	43,641	44,428
Long-term maturities of capital lease obligations	103	7
Deferred tax liability	4,090	5,184
Deferred compensation	933	902
Total liabilities	<u>71,669</u>	<u>67,079</u>
SHAREHOLDERS' EQUITY		
Share capital	24,927	24,903
Contributed surplus	1,291	1,197
Accumulated other comprehensive loss	(470)	(602)
Retained earnings	36,422	37,433
Total shareholders' equity	<u>62,170</u>	<u>62,931</u>
Total liabilities and shareholders' equity	<u>\$ 133,839</u>	<u>\$ 130,010</u>

Village Farms International, Inc.
Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)
For the Six Months Ended June 30, 2016 and 2015
(In thousands of United States dollars, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Sales	\$ 44,441	\$ 41,211	\$ 76,149	\$ 68,958
Cost of sales	(41,908)	(38,014)	(68,558)	(62,945)
Change in biological asset	66	1,486	(1,764)	670
Selling, general and administrative expenses	(3,050)	(2,923)	(6,477)	(5,867)
Income from operations	(451)	1,760	(650)	816
Interest expense	641	585	1,198	1,146
Foreign exchange loss	22	18	3	126
Other expense (income), net	(9)	(14)	18	(24)
Loss on sale of assets	-	-	12	-
Income (loss) before income taxes	(1,105)	1,171	(1,881)	(432)
Provision for (Recovery of) income taxes	(335)	317	(870)	(358)
Net (loss) income	<u>\$ (770)</u>	<u>\$ 854</u>	<u>\$ (1,011)</u>	<u>\$ (74)</u>
Basic (loss) earnings per share	<u>\$ (0.02)</u>	<u>\$ 0.02</u>	<u>\$ (0.03)</u>	<u>\$ (0.00)</u>
Diluted (loss) earnings per share	<u>\$ (0.02)</u>	<u>\$ 0.02</u>	<u>\$ (0.03)</u>	<u>\$ (0.00)</u>
Other comprehensive income (loss):				
Foreign currency translation adjustment	-	53	132	(147)
Comprehensive (loss) income	<u>\$ (770)</u>	<u>\$ 907</u>	<u>\$ (879)</u>	<u>\$ (221)</u>

Village Farms International, Inc.
Condensed Consolidated Interim Statements of Cash Flows
For the Six Months Ended June 30, 2016 and 2015
(In thousands of United States dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Cash flows from operating activities:				
Net (loss) income	\$ (770)	\$ 854	\$ (1,011)	\$ (74)
Adjustments to reconcile net (loss) income to net cash provided by/(used in) operating activities:				
Depreciation and amortization	2,084	2,102	4,147	4,180
Amortization of deferred charges	106	-	106	-
Loss on sale of assets	-	-	12	-
Unrealized foreign exchange loss	19	18	-	126
Interest paid	509	594	1,060	1,157
Share-based compensation	51	40	94	100
Deferred income taxes	(558)	(350)	(1,094)	(734)
Change in biological asset	(66)	(1,486)	1,764	(670)
Changes in non-cash working capital items	2,542	2,502	(2,496)	(2,919)
Net cash provided by operating activities	<u>3,917</u>	<u>4,274</u>	<u>2,582</u>	<u>1,166</u>
Cash flows from investing activities:				
Purchases of property, plant and equipment	(746)	(419)	(1,392)	(947)
Net cash used in investing activities	<u>(746)</u>	<u>(419)</u>	<u>(1,392)</u>	<u>(947)</u>
Cash flows from financing activities:				
Proceeds from borrowings	1,000	1,500	4,000	5,000
Repayments on borrowings	(2,006)	(6,101)	(3,104)	(7,200)
Interest paid on long-term debt	(508)	(594)	(1,059)	(1,157)
Proceeds from exercise of stock options	24	-	24	-
Payments on capital lease obligations	(6)	(7)	(13)	(13)
Net cash used in financing activities	<u>(1,496)</u>	<u>(5,202)</u>	<u>(152)</u>	<u>(3,370)</u>
Effect of exchange rate changes on cash and cash equivalents	(12)	(18)	7	(126)
Net increase/(decrease) in cash and cash equivalents	1,663	(1,365)	1,045	(3,277)
Cash and cash equivalents, beginning of period	4,339	4,425	4,957	6,337
Cash and cash equivalents, end of period	<u>\$ 6,002</u>	<u>\$ 3,060</u>	<u>\$ 6,002</u>	<u>\$ 3,060</u>
Supplemental cash flow information:				
Income taxes paid	<u>\$ 286</u>	<u>\$ 362</u>	<u>\$ 1,148</u>	<u>\$ 665</u>
Supplemental disclosure of non-cash information:				
Purchases of capital expenditures by financing capital lease	<u>\$ (126)</u>	<u>\$ -</u>	<u>\$ (126)</u>	<u>\$ -</u>