May 14, 2014

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

Village Farms International Announces First Quarter 2014 Results

Vancouver, B.C., May 14, 2014 – Village Farms International, Inc. (the "Company") (TSX: VFF) announced today results for the quarter ended March 31, 2014.

Conference Call

A conference call will be held on May 15, 2014 to discuss the Company's first quarter 2014 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**.

"As expected our first quarter 2014 results were for the most part unchanged from last year, excluding the insurance proceeds received in the first quarter last year." stated Michael DeGiglio, Chief Executive Officer of the Company.

"We completed the rebuild of 20 acres of the remaining damaged 40-acre facilities in Marfa, Texas. This rebuild, which was completed on time and under budget, results in 60 of the previously damaged 80 acres in Marfa, Texas being in production. The rebuilt 20 acres are planted and we expect initial production by the end of June. We are enthusiastic about getting this essentially new greenhouse operational which is especially important for the Company for the remainder of 2014 and early 2015 in meeting customer requirements in recently launched new varieties.

Based on the planned return of the capacity from this rebuilt 20 acres, we adjusted our Texas cropping mix over the last two quarters, causing a reduction in pounds produced, versus the same period in 2013, but are better positioned with our capacity going forward. Adjustments to our Texas crop mix have been ongoing since the hail storm due to the 80 acre reduction in capacity in the last half of 2012 and throughout 2013 where we managed with 40 acres less capacity. Our goal continues to be maintaining our ongoing customer relationships, while moving our crop mix to more proprietary varieties, which have strong consumer attributes with higher prices, but have lower yields.

Year to date pricing has been under pressure on the tomato-on-the-vine variety, in both the United States and Canada, based on documented evidence of certain Mexican growers circumventing the U.S. – Mexico 2013 Suspension Agreement, specifically tied to mislabeling of greenhouse grown product and price dumping in certain markets. We remain confident that these infractions, if they continue, will be addressed and corrected pursuant to the terms of the Suspension Agreement.

Mr. DeGiglio went on to say, “We continue moving forward on multiple initiatives for 2014 and beyond.”

First Quarter 2014 Operating Summary:
(Note amounts in U.S. Dollars)

- Net sales decreased 5% to $24.0 million for the first quarter of 2014 compared to $25.4 million for the first quarter of 2013;
- Adjusted EBITDA decreased by $0.1 million to $1.0 million in the first quarter of 2014 compared to $1.1 million in the fourth quarter of 2013.
- Net loss of ($0.3) million in the first quarter of 2014 compared to net income $2.6 million in the first quarter of 2013;
- Loss per share of ($0.01) for the first quarter of 2014 versus income per share of $0.07 for the first quarter of 2013;
- Completed rebuild of 20 acres of Marfa facility on time and under budget; and
- Effective May 1, 2014, the interest rate on term loan decreased to 3.73% from 5.24%.

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

Net Sales

Net sales for the three month period ended March 31, 2014 decreased by $1,381 or 5% to $24,004 from $25,385 for the three month period ended March 31, 2013. The decrease in net sales is primarily due to a 12% decrease in the Company’s production volume of all commodities, offset by a 35% increase in supply partner volume.

The average selling price for the three months ended March 31, 2014 versus the three months ended March 31, 2013; for tomatoes was a decrease of 3%, for peppers was an increase of 17%, and for cucumbers was a decrease of 8%. The tomato price decrease in the first quarter of 2014 was as a result of a decrease in the tomato-on-the-vine pricing offset by an increased mix of higher priced specialty tomatoes grown by the Company. For the three months ended March 31, 2014, total tomato pounds sold were similar to the comparable period in 2013 (tomatoes grown by the Company decreased 13% and supply partner volume increased 49%); pepper pounds sold for the three months ended March 31, 2014 decreased by 16% over the comparable period in 2013 and cucumber pieces sold for the three months ended March 31, 2014 increased by 21% over the comparable period in 2013. The increase in cucumber production volume is due to an increase in the Company's growing area. The increased cucumber growing area was from an area that grew mini cucumbers in the prior year.

Cost of Sales

Cost of sales for the three months ended March 31, 2014 decreased by $1,308 or 6% to $21,717 from $23,025 for the three months ended March 31, 2013. The decrease is due to lower volumes from the Company's greenhouse facilities as well as an 11% decrease in the cost of sales per pound from the Company's facilities and lower transportation costs, offset by increased purchases of supply partner product. The decrease in the cost of sales per pound at the Company's facilities is primarily due to a lower cost at the Permian Basin facility, as it is into its third year of production with a more experienced labor force as well as enhancements in the technology, which resulted in better yields from the facility.

Insurance Proceeds, net

The insurance proceeds, net of $5,264 for the three months ended March 31, 2013 consist of $5,483 of business income losses proceeds offset by fees of $219. The insurance claim was settled in September 2013, and no insurance proceeds will be received in 2014.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three month period ended March 31, 2014 remained flat at $3,127 from $3,119 for the three month period ended March 31, 2013.

Change in Biological Asset

The net change in fair value of biological asset for the three months ended March 31, 2014 increased by $815 to $1,113 from $298 for the three months ended March 31, 2013. The increase is due to a lower value of the asset at the beginning of the period, $3,732, at January 1, 2014 versus $4,757 at January 1, 2013. The fair value of the biological asset at March 31, 2014 is $7,481 compared to $7,648 at March 31, 2013. The slight decrease is due to lower production volumes as a result of the increase in specialty tomatoes and lower pricing in April 2014 versus April 2013 on tomatoes on the vine.

Income from Operations

Income from operations for the three months ended March 31, 2014, decreased by $4,530 to $273 from $4,803 for the three months ended March 31, 2013. The decrease was the result of a reduction of insurance proceeds of $5,264, offset by an increase in the change in biological asset value of $815. Excluding the prior year impact of insurance proceeds, income from operations increased by $734 for the three months ended March 31, 2014 versus the three months ended March 31, 2013.

Interest Expense, net

Interest expense, net, for the three month period ended March 31, 2014 decreased by $528 to $688 from $1,216 for the three month period ended March 31, 2013. The decrease is due to a decrease in the Company's borrowing rates and a lower principal balance.

Income Taxes

Income tax expense/(recovery) for the three month period ended March 31, 2014 was ($138) compared to $1,118 for the three month period ended March 31, 2013. The income tax expense in 2013 was related to the business interruption insurance proceeds, which were taxable in the year they were received.

Net Income (Loss)

Net income (loss) for the three months ended March 31, 2014 decreased by $2,932 to a loss of ($324) from net income of $2,608 for the three months ended March 31, 2013. The decrease was the result of a decrease in insurance proceeds of $5,264 offset by decreases in interest expense of $528 and income taxes of $1,256.

EBITDA

EBITDA for the three month period ended March 31, 2014 decreased by $5,380 to $1,031 from $6,411 for the three month period ended March 31, 2013. The decrease is a result of the receipt of $5,264 of insurance proceeds in 2013. See the EBITDA calculation in “Non-IFRS Measures - Reconciliation of Net Income to EBITDA, in the Company’s MD&A for the quarter ended March 31, 2014.”

Adjusted EBITDA

Adjusted EBITDA for the three months ended March 31, 2014 decreased by ($116) to $1,031 from $1,147 for the three months ended March 31, 2013. The decrease was due to a 3% decrease in the average selling price of tomatoes, as compared to the same period in 2013. See the Adjusted EBITDA calculation in “Non-IFRS Measures - Calculation of Adjusted Income from Operations and Adjusted EBITDA., in the Company’s MD&A for the quarter ended March 31, 2014”

Reconciliation of EBITDA and Adjusted EBITDA[1]

(In thousands of U.S. Dollars)

	For the quarter ended March 31,	
	2014	**2013**
Net income	($324)	2,608
Amortization	1,826	1,838
Interest expense, net	688	1,216
Income taxes	(138)	1,118
Change in biological asset	(1,113)	(298)
Other non-cash items	92	(71)
EBITDA	1,031	6,411
Less: insurance proceeds	-	(5,264)
Adjusted EBITDA	$1,031	$1,147

(1) Information on non-GAAP Measures

EBITDA and Adjusted EBITDA are non-GAAP measures. 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.
Condensed Consolidated Interim Statement of Financial Position
(In thousands of United States dollars)

	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 6,350	$ 18,668
Trade receivables	7,958	7,109
Other receivables	305	325
Inventories	13,505	10,630
Income taxes receivable	36	36
Prepaid expenses and deposits	488	168
Biological asset	7,481	3,732
Total current assets	36,123	40,668
Non-current assets		
Property, plant and equipment	99,613	96,709
Intangible assets	965	991
Other assets	1,557	1,537
Total assets	$ 138,258	$ 139,905
LIABILITIES		
Current liabilities		
Trade payables	$ 6,212	$ 7,063
Accrued liabilities	3,749	3,225
Income taxes payable	-	917
Operating loan	1,000	-
Current maturities of long-term debt	4,168	4,168
Current maturities of capital lease obligations	25	25
Total current liabilities	15,154	15,398
Non-current liabilities		
Long-term debt	49,699	50,692
Long-term maturities of capital lease obligations	55	61
Deferred tax liability	11,809	11,970
Deferred compensation	711	684
Total liabilities	77,428	78,805
SHAREHOLDERS' EQUITY		
Share capital	24,850	24,850
Contributed surplus	803	749
Accumulated other comprehensive income	55	55
Retained earnings	35,122	35,446
Total shareholders' equity	60,830	61,100
Total liabilities and shareholders' equity	$ 138,258	$ 139,905

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

	March 31, 2014	March 31, 2013
Net sales	$ 24,004	$ 25,385
Cost of sales	(21,717)	(23,025)
Insurance proceeds, net	-	5,264
Change in biological asset	1,113	298
Selling, general and administrative expenses	(3,127)	(3,119)
Income from operations	273	4,803
Interest expense, net	688	1,216
Foreign exchange loss/(gain)	38	(7)
Amortization of intangible assets	26	26
Gain on derivatives	-	(106)
Other income, net	(17)	(46)
Gain on sale of assets	-	(6)
Income before income taxes	(462)	3,726
(Recovery of) Provision for income taxes	(138)	1,118
Net (loss) income and comprehensive (loss) income	$ (324)	$ 2,608
Basic (loss) earnings per share	$ (0.01)	$ 0.07
Diluted (loss) earnings per share	$ (0.01)	$ 0.07

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

	March 31, 2014	March 31, 2013
Cash flows from operating activities:		
Net (loss) income	$ (324)	$ 2,608
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Depreciation and amortization	1,826	1,838
Gain on disposal/sale of assets	-	(6)
Gain on derivative	-	(106)
Foreign exchange loss/(gain)	38	(7)
Net interest expense	698	1,216
Share-based compensation	54	48
Deferred income taxes	(161)	1,115
Change in biological asset	(1,113)	(298)
Changes in non-cash working capital items	(7,904)	(7,076)
Net cash used in operating activities	(6,886)	(668)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(4,704)	(428)
Proceeds from sale of property, plant, and equipment, net	-	6
Other noncurrent assets and liabilities, net	56	(503)
Net cash used in investing activities	(4,648)	(925)
Cash flows from financing activities:		
Proceeds from operating loan	1,000	3,028
Payments on long-term debt, net	(1,042)	(310)
Interest paid on long-term debt, net	(698)	(1,216)
Payments on capital lease obligation	(6)	(5)
Net cash (used in) provided by financing activities	(746)	1,497
Effect of exchange rate changes on cash and cash equivalents	(38)	7
Net decrease in cash and cash equivalents	(12,318)	(89)
Cash and cash equivalents, beginning of period	18,668	2,801
Cash and cash equivalents, end of period	$ 6,350	$ 2,712
Supplemental cash flow information:		
Income taxes paid	$ 1,009	$ 1