November 14, 2012

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

Village Farms International Announces Nine Months and Third Quarter 2012 Results

Vancouver, B.C., November 14, 2012 – Village Farms International, Inc. (the "Company") (TSX: VFF) announced today results for the quarter ended September 30, 2012.

Nine Months Ended September 30, 2012 Operating Results Summary:
(Note amounts in U.S. dollars)

- Revenues decreased (20%) to $103.4 million for the nine months ended September 30, 2012 compared to $129.7 million for the nine months ended September 30, 2011;
- Earnings per share of $0.44 for the nine months ended September 30, 2012 versus $0.12 for the nine months ended September 30, 2011;
- Net income increased 256% to $17.1 million for the nine months ended September 30, 2012 versus $4.8 million for the nine months ended September 30, 2011;
- EBITDA increased 41% to $21.0 million for the nine months ended September 30, 2012 compared to $14.9 million for the nine months ended September 30, 2011.

Michael DeGiglio, Chief Executive Officer, stated "It has been a very difficult and challenging year between low market pricing, labor issues at our new facility in Monahans and the devastating hail storm in Marfa, Texas on May 31st. Currently, we are experiencing improved pricing, increased output due to rebuilding half of our Marfa facilities, which is now in full operation and an enhanced labor situation at our new Monahans facility. Additionally, the US Department of Commerce provided an indication that it is likely to rule to terminate the suspension agreement with Mexico in January, which should benefit pricing for at least this winter, if not longer. Our Canadian operations have had a terrific crop cycle this year with the great growing weather in Vancouver this summer and should end their crop cycle on a strong note.

Mr. DeGiglio added "While things are improving operationally, the continued slow response by our insurance carrier on our business income losses has been very frustrating and has strained the Company's working capital. Our recent amended credit facility will provide some needed relief but it also comes with a cost of additional fees and a higher interest rate, so we continue to press our insurance carrier for a more timely response to our business income losses. While our carrier has been responsive on the property coverage, we cannot commit to repair any part of the remaining Marfa facilities without the necessary working capital to make it operational once repaired."

Operational Summary for the Nine Months ended September 30, 2012:

(in thousands of US dollars)

Revenue

Revenue for the nine months ended September 30, 2012, decreased ($26,319), or (20%), to $103,386 compared to $129,705 for the nine months ended September 30, 2011. The decrease in revenue is primarily due to a (21%) decrease in the average selling price of tomatoes, a (23%) decrease in the average selling pepper price and (27%) decrease in cucumber pricing as compared to the same period in 2011. Additionally, there was a (3%) decrease in the Company's production and a (12%) decrease in the Company's supply partner volumes versus the same period in 2011. The year on year decrease in the Company's production would have been (15%) if the new Monahans facility was excluded. The year on year volume decrease, excluding the Monahans facility, in the Company's production is primarily due to the hail storm at the Company's Marfa facilities resulting in an estimated loss of 10 million pounds of tomatoes.

Cost of Sales

Cost of sales for the nine months ended September 30, 2012, decreased ($4,292), or (4%), to $104,294 from $108,586 for the nine months ended September 30, 2011. The decrease was a result of a (27%) decrease in supply partner costs due to the decreased selling prices and volume, partially offset by an inventory writedown of $4,649 related to crop, growing material and packaging supplies damaged in the hail storm, in 2012.

Insurance proceeds, net

For the nine months ended September 30, 2012 the Company received $30,751 in insurance proceeds net of recovery costs. This is almost entirely comprised of property damage proceeds. To date, the Company has received minimal business income loss proceeds. Due the hail storm, the Company took an inventory writedown of $4,649 for the damaged crops, growing materials and packaging supplies, which is included in cost of sales, as well as took an asset writedown of $4,360 of book value assets lost as a result of the hail storm. These figures are included in the Company's net income and EBITDA for the period ended September 30, 2012.

Change in fair value of biological asset, net

The net change in fair value of biological asset for the nine months ended September 30, 2012, increased $1,784, to ($487) from ($2,271) for the nine months ended September 30, 2011. The increase is due to higher pricing in the first six weeks after September 30, 2012 versus the first six weeks after September 30, 2011 on lower production of 4,007 pounds due to lost 2012 production, as a result of the hail storm.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the nine month period ended September 30, 2012 decreased ($304) or (3%) to $10,704 from $11,008 for the nine month period ended September 30, 2011. Overhead costs decreased primarily as a result of a decrease in personnel, professional fees and bank fees.

Income from Operations

Income from operations for the nine months ended September 30, 2012, increased $6,452, or 82%, to $14,292 from $7,840 for the nine months ended September 30, 2011. This is primarily a result of net insurance proceeds of $30,751 being partially offset by decreased sales and a writedown of damaged assets and inventory.

Interest Expense, net

Interest expense, net, for the nine month period ended September 30, 2012 increased $976 to $3,178 from $2,202 for the nine month period ended September 30, 2011. The increase is due to the Company's increased borrowings related to the new Monahans facility as well as an additional borrowing on the Company's line of credit due to the slow recovery on its business income loss coverage and a higher borrowing rate in 2012.

Other Income

Other income for the nine month period ended September 30, 2012, increased $352 to $1,244 from $892 for the nine month period ended September 30, 2011. The increase is due to a larger gain on derivatives, in 2012, versus 2011, of $192, as well as the gain on the sale of the Buffalo distribution center of $183 in 2012.

Net Income

Net income for the nine month period ended September 30, 2012 increased $12,308 to $17,140 from $4,832 for the nine month period ended September 30, 2011. The increase was primarily the result of the insurance proceeds received and the income tax recovery and a smaller negative change in biological asset value in 2012 versus 2011 offset by the reduction in sales for the period, as well as the writedown of damaged assets and inventory due to the hail storm.

Income Taxes

Income tax recovery for the nine month period ended September 30, 2012 was $4,782 compared to an expense of ($1,698) for the nine month period ended September 30, 2011 due to a loss from operations, in 2012, excluding the insurance proceeds, as insurance proceeds are not taxable if they are used to repair or replace the damaged facilities.

EBITDA

EBITDA for the nine month period ended September 30, 2012 increased $6,174 to $21,027 from $14,853 for the nine month period ended September 30, 2011, primarily as a result of the receipt of insurance proceeds, offset by the decrease in sales and higher 2012 depreciation charges. The Company's trailing twelve month EBITDA is $21,831, as of September 30, 2012. For more information about the Company's presentation of EBITDA, a non-IFRS measure, see the Company's Management, Discussion and Analysis for the three and nine months ended September 30, 2012.

Hail Damage and Insurance Proceeds

On May 31, 2012 the Company suffered a hail storm that closed three of its Texas facilities. The Company is insured and as at November 8, 2012, a total of $32,032 has been received from its insurance carrier for repairs and business income loss offset by fees of $1,281 associated with this recovery. As at September 30, 2012, $12,128 of insurance proceeds is receivable and included in other receivables. As at September 30, 2012, a writedown of $4,360 for assets destroyed or damaged was recognized. The assets impacted had been written down, for book purposes, to fairly low values as compared to the fair market value of the assets, primarily due the age of the assets. The Company also took an inventory writedown of $4,649 for the damaged crops, growing medium and packaging materials.

Subsequent Event and Change to Material Contract after September 30, 2012

On November 13, 2012, the Company entered into an Amended Credit Agreement with its lenders. The Company and its lenders agreed to disburse the most recent insurance proceeds of $12,128 as follows: $5,469 was used to pay down the Company's Term Loans to $58,878 and the balance of $6,659 was provided to the Company for its working capital needs in exchange for an increased interest rate, effective on November 26, 2012 and additional bank fees.

The Amended Credit Agreement also altered the Company's financial covenants until February 1, 2013 when they will revert back to the original financial covenants. Additionally, the Company's maximum Operating Loan balance decreased to $8,000 from $15,000 and the maturity date for both the Operating and Term Loans was amended to January 1, 2014 from the original maturity date of September 30, 2014.

Third Quarter 2012 Operating Results Summary:

(Note amounts in U.S. dollars)

- Revenues decreased (18%) to $35.7 million for the third quarter of 2012 compared to $43.7 million for the third quarter of 2011;
- Earnings per share of $0.26 for the third quarter of 2012 versus ($0.01) for the third quarter of 2011;
- Net income increased to $10.1 million in the third quarter of 2012 versus a loss of ($0.2) million in the third quarter of 2011;
- EBITDA increased 153% to $10.1 million in the third quarter of 2012 compared to $4.0 million in the third quarter of 2011.

Operational Summary for the Quarter:

(in thousands of US dollars)

Revenue

Revenue for the quarter ended September 30, 2012, decreased ($8,004), or (18%), to $35,711 from $43,715 for the quarter ended September 30, 2011. The decrease in revenue is primarily due to a (11%) decrease in the average selling price of tomatoes as compared to 2011 and a (5%) decrease in the Company's production as well as a decrease in the Company's supply partner volume of (20%). The year on year decrease in the Company's production would have been (13%) if its new Monahans facility was excluded; although a substantial portion of the decrease was due to the loss of volume (estimated at 4.5 million pounds of tomatoes) from the Company's Marfa facilities due to the impact of the hail storm.

Cost of Sales

Cost of sales for the quarter ended September 30, 2012, decreased ($2,387), or (6%), to $34,868 from $37,255 for the quarter ended September 30, 2011. The improvement in cost of sales was due to a decrease in supply partner product of ($3,346) offset by an increase in the Company's cost of sales on a quarter on quarter basis due to the addition of the Monahans facility in 2012 and ongoing maintenance costs related to the damaged facilities in Marfa of $726.

Change in fair value of biological asset, net

The net change in fair value of biological asset for the quarter ended September 30, 2012, increased $3,862 to $1,692 from ($2,170) for the quarter ended September 30, 2011. The increase is due to a lower beginning biological asset at June 30, 2012 versus June 30, 2011, as well as higher pricing after September 30, 2012 than after September 30, 2011. The fair value of the biological asset at September 30, 2012 was $5,916 and was $5,598 at September 30, 2011 due to higher sales expectations in October 2012 versus October 2011 of the fruit on the vine at the respective reporting dates on lower volumes in 2012 versus the same period in 2011 due to loss of product from the Marfa greenhouse facilities in 2012 versus 2011.

Selling, General and Administrative

Selling, general and administrative expenses for the quarter ended September 30, 2012, decreased ($646) to $3,338 from $3,984 for the quarter ended September 30, 2011. Overhead costs decreased due to lower personnel, professional fees and bank fees.

Income from Operations

Income from operations for the quarter ended September 30, 2012, increased by $9,350, to $9,656 from $306 for the quarter ended September 30, 2011. The increase was the net result of the receipt of insurance proceeds of $12,030 in the quarter ended September 30, 2012 less inventory and asset writedowns of $2,297 as a result of the hail storm being offset by lower sales in 2012 versus 2011 due to lower pricing and the loss of volume due to the hail storm.

Interest Expense, net

Interest expense, for the quarter ended September 30, 2012, increased $348 to $1,095 from $747 for the quarter ended September 30, 2011. The increase is due to the Company's increased borrowings related to the new Monahans facility and a higher borrowing rate in 2012.

Other Income (Costs)

Other income (costs) for the quarter ended September 30, 2012, increased $439 to income of $676 from $237 for the quarter ended September 30, 2011. The increase was due to a larger gain on derivative in 2012 of $70, a larger gain on foreign exchange gain/(loss) of $177 and the 2012 gain on sale of $183 resulting from the sale of the Company's Buffalo distribution center.

Net Income

Net income for the quarter ended September 30, 2012, increased $10,306, to $10,088 from a loss of ($218) for the quarter ended September 30, 2011. The increase was due to the receipt of insurance proceeds exceeding the inventory and asset writedowns, an increase in the change in fair value of biological asset partially offset, lower cost of sales and a substantial recovery in the provision for income taxes, as insurance proceeds are not taxable if reinvested within two years partially offset by lower product pricing.

EBITDA

EBITDA for the quarter ended September 30, 2012, increased $6,022, or 149%, to $10,055 from $4,033 for the quarter ended September 30, 2011, as a result of higher income from operations due to the receipt of insurance proceeds in 2012, higher depreciation charges in 2012 due to the new Monahans facility, offset by lower 2012 product pricing versus strong 2011 pricing. For more information about the Company's presentation of EBITDA, a non-IFRS measure, see the Company's Management, Discussion and Analysis for the three and nine months ended September 30, 2012.

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. These premium products 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. Village Farms currently operates distribution centres located in key markets in the United States and Canada. Since its inception, Village Farms has been guided by sustainable agricultural principles which integrate three main goals; environmental health, economic profitability, and social and economic equality.

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, 2011, 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 Condensed Interim Statement of Financial Position

(In thousands of United States dollars)

	September 30, 2012	December 31, 2011
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,310	$ 2,865
Trade receivables	10,249	8,579
Other receivables	13,105	512
Inventories	8,247	11,624
Assets held for sale	-	407
Prepaid expenses and deposits	991	590
Biological asset	5,916	5,572
Total current assets	39,818	30,149
Non-current assets		
Property, plant and equipment	100,153	97,601
Deferred tax asset	1,585	689
Intangible assets	1,120	1,198
Other assets	1,541	1,381
Total assets	$ 144,217	$ 131,018
LIABILITIES		
Trade payables	$ 9,409	$ 10,440
Accrued liabilities	4,447	3,211
Income taxes payable	-	22
Line of credit	5,255	-
Current maturities of long-term debt	3,413	4,312
Current portion of derivatives	434	1,235
Total current liabilities	22,958	19,220
Non-current liabilities		
Long-term debt	61,218	65,543
Derivatives	-	51
Deferred tax liability	-	3,931
Other liabilities	425	-
Total liabilities	84,601	88,745
SHAREHOLDERS' EQUITY		
Share capital	24,850	24,850
Contributed surplus	515	312
Accumulated other comprehensive income	55	55
Retained earnings	34,196	17,056
Total shareholders' equity	59,616	42,273
Total liabilities and shareholders' equity	$ 144,217	$ 131,018

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2012	**2011**	**2012**	**2011**
Net sales	$35,711	$43,715	$103,386	$129,705
Cost of sales	(34,868)	(37,255)	(104,294)	(108,586)
Insurance proceeds, net	12,030	-	30,751	-
Writeoff of assets damaged	(1,571)	-	(4,360)	-
Change in biological asset	1,692	(2,170)	(487)	(2,271)
Selling, general and administrative expenses	(3,338)	(3,984)	(10,704)	(11,008)
Income from operations	9,656	306	14,292	7,840
Interest expense	1,095	750	3,180	2,217
Interest income	-	(3)	(2)	(15)
Foreign exchange (gain)/loss	(128)	49	(66)	12
Amortization of intangible assets	26	26	78	78
Derivatives (gain)/loss	(341)	(271)	(852)	(660)
Other income, net	(47)	(41)	(218)	(308)
Sale or disposal of assets (gain)	(186)	-	(186)	(14)
Income before income taxes	9,237	(204)	12,358	6,530
(Recovery of) Provision for income taxes	(851)	14	(4,782)	1,698
Net income and comprehensive income	$10,088	($218)	$17,140	$4,832
Basic earnings per share	$0.26	($0.01)	$0.44	$0.12
Diluted earnings per share	$0.26	($0.01)	$0.44	$0.12

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2012	**2011**	**2012**	**2011**
Cash flows from operating activities:				
Net income (loss)	$10,088	($218)	$17,140	$4,832
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	1,807	1,453	5,723	4,364
Sale of assets, gain	(186)	-	(186)	(14)
Disposal of assets loss	1,571	-	4,360	-
Gain on derivatives	(341)	(271)	(852)	(660)
Foreign exchange gain/(loss)	128	(49)	66	(12)
Net interest expense	1,100	680	3,177	2,112
Share based compensation	80	89	203	148
Deferred income taxes	(896)	2	(4,827)	1,630
Change in biological asset	(1,692)	2,170	487	2,271
Changes in non-cash working capital items	3,103	4,141	(11,937)	(218)
Net cash provided by operating activities	14,762	7,997	13,354	14,453
Cash flows from investing activities:				
Purchases of property, plant and equipment	(3,442)	(16,066)	(12,556)	(23,680)
Proceeds from sale of property, plant and equipment	593	-	593	37
Other	66	(45)	266	(197)
Net cash used in investing activities	(2,783)	(16,111)	(11,697)	(23,840)
Cash flows from financing activities:				
Proceeds from (payments on) line of credit, net	(783)	-	5,255	-
Proceeds from (payments on) long-term debt, net	(9,985)	8,578	(5,224)	6,948
Interest paid on debt	(1,100)	(683)	(3,179)	(2,127)
Interest income	-	3	2	15
Payments on obligations under capital leases	-	(65)	-	(278)
Net cash provided by (used in) financing activities	(11,868)	7,833	(3,146)	4,558
Effect of exchange rate changes on cash and cash equivalents	(128)	49	(66)	12
Net (decrease) increase in cash and cash equivalents	(17)	(232)	(1,555)	(4,817)
Cash and cash equivalents, beginning of period	1,327	5,149	2,865	9,734
Cash and cash equivalents, end of period	$1,310	$4,917	$1,310	$4,917
Supplemental cash flow information:				
Income taxes paid	$10	$11	$44	$59