



Produce World Makes Operating Profits of £4.5m

Produce World has announced operating profits of £4.5 million for the year to end of June 2012. Given the losses made by the business in 2010/11, this represents a turnaround of some £14.1 million year-on-year. On another positive note the business has also reduced its bank debt from £20.6 million down to some £6.5 million at the present time.

Produce World Chief Executive William Burgess said: "Last year we had to announce a poor set of results for Produce World, but we had already begun the process of improving performance across all our business units. The £14 million turnaround represents an excellent achievement, but we will not be resting on our laurels. Continuous improvement is now very much part of the company's DNA, and to that we have added even greater customer focus.

"New recruits to our commercial team have provided an increasing degree of consumer insight, and this will allow us to consolidate our status as the leading player in the fresh vegetable sector."

During this period (2011/12) Produce World took the decision to sell its holding in Spanish brassica producer Agromark. As a result the company incurred a paper loss of around £5m. However, William Burgess says that this was in the long-term best interests of Produce World.

"Selling Agromark back to its founders was a strategic decision which has enabled the management team to concentrate on the core UK business," he says, "It has helped to reduce our debts at the bank, while removing the exposure of the group to risk, overheads and working capital demands of that business. However, Produce World is still trading with Agromark and providing its customers with high quality brassicas during the winter period."

The figures for 2011/12 also included additional non-recurring costs of some £3 million which relate to re-structuring the operations, overheads and bank debt.

"The business is now in good health and, despite challenging weather and market conditions, we are on target as far as the 2012/13 financial year is concerned." says William, "Everything is pointing in the right direction in terms of our vision of being a financially secure, sustainable, innovative and customer-focused business providing excellent services and produce across the fresh vegetable category."

Ends

Notes for Editors

Produce World is one of the largest expert growers and suppliers of high quality fresh vegetables in Europe. It is a privately owned business, founded by the Burgess family in 1898, and the family ethos and values remain in place. The Produce World business is customer and category focused and it is an industry leader in sustainable and responsible agronomy, growing and lean supply chain management. Its sourcing is a combination of produce from its own farms, joint-ventures, and collaborative working with dedicated grower groups, supplying a variety of root vegetables, potatoes, brassicas, alliums, and organic produce to leading retailers, food service and manufacturing customers.

Media Enquiries:

For further information, please contact Peter Crowe or Louise Bowles at the Produce World Press Office on 01223 884600/07967 504034 or email peter.crowe@war.uk.com
/louise.bowles@war.uk.co.uk