



FOLEY FAMILY WINES

NZAX Release

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For Immediate Release

Foley Family Wines Releases Half Year Result to 31 December 2017

Highlights

Revenue \$20.1 million – up 21%

Case sales of bottled wine 222,000 – up 24%

Sales revenue from bottled wine \$18.3 million – up 30%

Operating EBITDA \$3 million – up 38%

Mark Turnbull, Chief Executive Officer of Foley Family Wines Limited (FFW) announced today that the company's unaudited half year result for the six months ended 31 December 2017 was a profit after tax of \$298,000 compared with a loss of \$323,000 for the same period last year.

Underlying earnings of \$971,000 was \$773,000 higher than the same period last year. The current period was impacted by non-recurring legal costs of \$227,000 in relation to the proposed Mt Difficulty acquisition and the prior period was impacted by non-recurring earthquake related expenses of \$989,000 in relation to the losses incurred as a result of the significant damage sustained at the Grove Mill Winery in the Culverden earthquake on 14 November 2016.

Sales Revenue from bottled wine for the 31 December 2017 half year was up \$4,205,000 (30%) on the same period last year. Case sales were up 43,000 dozen (24%) from last year to 222,000 with the major increases being achieved in the Australian, New Zealand and China markets.

Cash on hand of \$1,589,000 reflects strong operating cashflow of \$4,210,000 in the period. Further, the company has paid a dividend of \$1,567,000 and reduced bank debt by \$501,000 during the period.

Mark Turnbull, CEO said "The last six months have been an exceptional period in terms of wine accolades with 8 trophies and 26 Gold medals. These accolades lead to a significant increase in sales for the Dashwood range on wines. Our challenge moving forward is to ensure we capture more value for the quality of our wines we produce."

"What's pleasing is that we now are seeing genuine interest in our high quality portfolio from around the world. Once the Mt Difficulty purchase is completed, we will have the ability to satisfy the portfolio needs of any customer around the world requiring high quality New Zealand wine."

Authorised for public release.

For further information please contact:

Mark Turnbull

CEO, Foley Family Wines Limited

PO Box 67, Renwick, 7243, Marlborough

Tel: +64 21 714 885

Email: mark@ffw.co.nz