

California-headquartered avocado company Mission Produce has posted a small drop in third-quarter net income amid "heightened industry volatility" in the avocado sector.

Net income over the three months ended July 31 came in at \$18.4 million, down from \$23.4 million for the same period last year. Adjusted EBITDA fell by 18 percent year-on-year to \$30.1 million.

However, total revenue rose by 4 percent year-on-year to \$246.8 million, and avocado volume sold increased 2%, with the average selling price also increasing 2%.

"We were pleased with our fiscal third quarter performance amid heightened industry volatility that was brought about by Mexico's delayed transitional harvest timing," said Steve Barnard, CEO and Founder of Mission Produce.

"Our team did an excellent job navigating this complex period and produced per-unit margins within the range of our expectations, though toward the lower end as a result of pricing volatility.

"Mission's global sourcing and distribution network, along with owned production in Peru proved to be a significant advantage for us during the quarter, with nearly 45% of our third quarter U.S. distributed volume being sourced outside Mexico, which we believe is significantly greater than that of the industry."

He added that Mission's vertical integration was the key in the company's ability to significantly "mitigate the influences of Mexico's unpredictability, while also positioning us to drive an 18% increase in our distributed volume to our export markets versus prior year".

"As we look to the future, the infrastructure investments that we have made in distribution and fruit supply leave us well positioned to capitalize on opportunities as market conditions improve," he said.