

Limoneira Company reported a revenue growth of 4 percent, despite a fall in net income, in the second quarter of its fiscal year ending April 30, 2022.

In [an earnings report](#), the company revealed a total net revenue of \$46.8 million, in comparison to \$45.1 million in the same quarter last year, which was offset by increased avocado and orange revenues. However, net income attributable to common stock was down from \$1.8 million to \$1.4 million.

Harold Edwards, President and CEO of Limoneira commented: “We enter the second half of fiscal year 2022 with an improving topline driven by increased revenues for avocados, oranges and specialty citrus in the second quarter of fiscal year 2022.”

The company observed an increase in avocado revenue from \$2.7 million in the second quarter of 2021 to \$3.6 million this year. The rise in average avocado prices from \$1.26 per pound to \$1.90 per pound compensated for a fall in volume, with approximately 1.9 million pounds of avocados sold, compared to 2.1 million last year.

“Our avocado segment has continued to outperform expectations this fiscal year with pricing over 50% higher year-over-year in the second quarter and strong demand leading us to expect continued strong profitability for the third quarter of fiscal year 2022”, added Harold Edwards.

In addition, orange revenue climbed to \$2.6 million, up from \$1.4 million in the year-ago quarter. Although average orange prices decreased from \$9.12 to \$7.98, sales stood at 328,000 cartons, more than double last year’s (154,000).

On the other hand, “lemon pricing remained challenged”, said the President of the company and fresh lemon sales were down from \$28.3 million to \$27.3 million. However, specialty citrus and other crops’ revenues were up, standing at \$1.4 million, compared to \$1.2 million in 2021.

Moreover, Limoneira saw an increase in total costs and expenses from \$42.7 to \$44.2 million, which was primarily attributable to “rising labor costs and higher packing and supplier costs”.

The company’s CEO concluded that “in order to unlock the value of our many assets and better leverage our leading global citrus position, our Board of Directors has formulated a strategic plan to expand One World of Citrus, increase our avocado plantings and sell certain assets to dramatically increase our cash flow in the near future.”

The [announcement of the Arizona fallowing program](#) provides an excellent example of one of these new strategies, as “it will save more than 1.3 billion gallons of water annually and increase operating results by over \$1.0 million”, he added.