

29 November 2013, Moscow

## Ros Agro financial results for 9M 2013 and Q3 2013

**Moscow, 29 November 2013** – Today ROS AGRO PLC (the “Company”), the holding company of Rusagro Group (the “Group”), a leading Russian diversified food producer with vertically integrated operations, has announced the financial results for the nine months ended 30 September 2013.

### 9M 2013 Highlights

- Sales amounted to RR 23,120 million rubles (US\$ 730 million), an increase of RR 416 million compared to 9M 2012;
- Adjusted EBITDA (\*) amounted to RR 2,967 million (US\$ 94 million), a decrease of RR 2,750 million compared to 9M 2012;
- Adjusted EBITDA margin declined from 25% to 13%;
- Net profit for the period amounted to RR 1,877 million (US\$ 59 million);
- Net debt position (\*\*) as of 30 September 2013 was RR 13,276 million (US\$ 406 million);
- Net Debt/ EBITDA (LTM) (\*\*\*) as of 30 September 2013 was 2.2x.

Commenting on the results, Maxim Basov, a member of the Board of Directors of ROS AGRO PLC and CEO of the Group, said:

“3 Quarter was transitional for the company from the season 2012/2013 to the season 2013/2014. As it progressed the pork price was increasing and the agricultural commodities price was decreasing. 6 sugar mills and oil-extracting mill resumed operation. Our profitability continued to grow. Agricultural business had the best harvest in its history and meat business operated at a record production level. We have finished construction of the pig complexes in Tambov. We are looking at the new season start with optimism.”

### Key consolidated financial performance indicators

in RR million	Nine months ended			Three months ended		
	30 September 2013	30 September 2012	% change	30 September 2013	30 September 2012	% change
<b>Sales</b>	<b>23,120</b>	<b>22,704</b>	2%	<b>8,776</b>	<b>8,644</b>	2%
<b>Gross profit</b>	<b>5,805</b>	<b>9,551</b>	-39%	<b>3,711</b>	<b>4,537</b>	-18%
<i>Gross margin, %</i>	25%	42%		42%	52%	
<b>Adjusted EBITDA</b>	<b>2,967</b>	<b>5,717</b>	-48%	<b>1,387</b>	<b>1,739</b>	-20%
<i>Adjusted EBITDA margin, %</i>	13%	25%		16%	20%	
<b>Net profit for the period</b>	<b>1,877</b>	<b>5,333</b>	-65%	<b>2,159</b>	<b>3,415</b>	-37%
<i>Net profit margin %</i>	8%	23%		25%	40%	

## Key financial performance indicators by segments

in RR million	Nine months ended			Three months ended		
	30 September 2013	30 September 2012	% change	30 September 2013	30 September 2012	% change
<b>Sales, incl.</b>	<b>23,120</b>	<b>22,704</b>	2%	<b>8,776</b>	<b>8,644</b>	2%
<i>Sugar</i>	11,896	11,060	8%	4,522	4,677	-3%
<i>Meat</i>	4,518	4,072	11%	2,010	1,447	39%
<i>Agriculture</i>	2,963	3,142	-6%	1,762	2,071	-15%
<i>Oil</i>	5,151	6,568	-22%	1,616	2,208	-27%
<i>Other</i>	99	175	-43%	22	32	-30%
<i>Eliminations</i>	(1,507)	(2,313)	35%	(1,156)	(1,791)	35%
<b>Gross profit, incl.</b>	<b>5,805</b>	<b>9,551</b>	-39%	<b>3,711</b>	<b>4,537</b>	-18%
<i>Sugar</i>	1,479	2,253	-34%	534	296	80%
<i>Meat</i>	463	1,582	-71%	355	398	-11%
<i>Agriculture</i>	2,618	3,245	-19%	2,407	3,096	-22%
<i>Oil</i>	1,229	2,324	-47%	400	797	-50%
<i>Other</i>	99	175	-43%	22	32	-30%
<i>Eliminations</i>	(82)	(27)	-205%	(7)	(81)	91%
<b>Adjusted EBITDA, incl.</b>	<b>2,967</b>	<b>5,717</b>	-48%	<b>1,387</b>	<b>1,739</b>	-20%
<i>Sugar</i>	536	1,183	-55%	244	(52)	567%
<i>Meat</i>	897	1,799	-50%	442	584	-24%
<i>Agriculture</i>	907	966	-6%	527	945	-44%
<i>Oil</i>	366	1,598	-77%	117	579	-80%
<i>Other</i>	(262)	(159)	-65%	(114)	(76)	-51%
<i>Eliminations</i>	523	329	59%	171	(241)	171%
<b>Adjusted EBITDA margin, %</b>	<b>13%</b>	<b>25%</b>		<b>16%</b>	<b>20%</b>	
<i>Sugar</i>	5%	11%		5%	-1%	
<i>Meat</i>	20%	44%		22%	40%	
<i>Agriculture</i>	31%	31%		30%	46%	
<i>Oil</i>	7%	24%		7%	26%	

## Sugar Segment

Financial results of the sugar segment for 9M 2013 and Q3 2013 compared to 9M 2012 and Q3 2012 respectively are presented in the table below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
Sales	11,896	11,060	836	8	4,522	4,677	(155)	(3)
Cost of sales	(10,542)	(8,851)	(1,691)	(19)	(3,989)	(4,380)	391	9
Gains less losses from trading sugar derivatives	124	43	81	188	1	(1)	2	321
<b>Gross profit</b>	<b>1,479</b>	<b>2,253</b>	<b>(774)</b>	<b>(34)</b>	<b>534</b>	<b>296</b>	<b>238</b>	<b>80</b>
<i>Gross profit margin</i>	<i>12%</i>	<i>20%</i>	<i>-8%</i>	<i>-</i>	<i>12%</i>	<i>6%</i>	<i>5%</i>	<i>-</i>
Distribution and selling expenses	(988)	(974)	(14)	(1)	(372)	(381)	10	3

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
General and administrative expenses	(554)	(518)	(37)	(7)	(191)	(200)	9	4
Other operating (expenses)/ income, net	(60)	30	(89)	(301)	2	14	(13)	(88)
<b>Operating (loss)/profit</b>	<b>(124)</b>	<b>790</b>	<b>(914)</b>	<b>(116)</b>	<b>(27)</b>	<b>(271)</b>	<b>245</b>	<b>90</b>
<b>Adjusted EBITDA</b>	<b>536</b>	<b>1,183</b>	<b>(647)</b>	<b>(55)</b>	<b>244</b>	<b>(52)</b>	<b>296</b>	<b>567</b>
<i>Adjusted EBITDA margin</i>	<i>5%</i>	<i>11%</i>	<i>-6%</i>		<i>5%</i>	<i>-1%</i>	<i>7%</i>	

Sales in sugar segment increased as a result of sales volume increase which was partially offset by slight decrease in sales prices.

Sugar sales and production volumes and the average sales prices per kilogram (excl. VAT) were as follows:

	Nine months ended		Variance		Three months ended		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
Sugar production volume (in thousand tons), incl.	259	260	(1)	(0)	117	148	(32)	(21)
beet sugar	150	203	(53)	(26)	116	141	(25)	(18)
cane sugar	109	57	52	92	1	7	(7)	(93)
Sales volume (in thousand tons)	467	428	39	9	176	183	(6)	(3)
Sale price (rubles per kg, excl. VAT)	24.4	24.8	(0.4)	(2)	24.9	24.6	0.3	1

Cost of sales increased by 19% due to the following main factors:

- increase in sales volume;
- increase in production volume of raw cane sugar that has higher costs per unit comparing to beet sugar;
- decreased sugar beet conversion ratio for the harvest of 2012 comparing to the harvest of 2011.

Exceeded growth in cost of sales in comparison with sales resulted in decreased profitability of the segment.

## Meat Segment

Financial results of meat segment for 9M 2013 and Q3 2013 compared to 9M 2012 and Q3 2012 respectively are presented in the table below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
Sales	4,518	4,072	446	11	2,010	1,447	563	39
Gain on revaluation of biological assets	272	1,404	(1,131)	(81)	331	328	3	1

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2013	September 2012			September 2013	September 2012		
Cost of sales	(4,327)	(3,894)	(433)	(11)	(1,986)	(1,377)	(609)	(44)
<b>Gross profit</b>	<b>463</b>	<b>1,582</b>	<b>(1,119)</b>	<b>(71)</b>	<b>355</b>	<b>398</b>	<b>(43)</b>	<b>(11)</b>
<i>Gross profit margin</i>	10%	39%	-29%		18%	28%	-10%	
<i>Gross profit excl. effect of biological assets revaluation</i>	246	1,694	(1,448)	(86)	267	579	(313)	(54)
<i>Adjusted gross profit margin</i>	5%	42%	-36%		13%	40%	-27%	
Distribution and selling expenses	(27)	(16)	(11)	(67)	(12)	(7)	(5)	(80)
General and administrative expenses	(267)	(242)	(25)	(10)	(93)	(83)	(10)	(11)
Other operating income/(expenses), net	184	(2)	186	-	(18)	58	(75)	(130)
<b>Operating profit</b>	<b>353</b>	<b>1,322</b>	<b>(969)</b>	<b>(73)</b>	<b>233</b>	<b>365</b>	<b>(133)</b>	<b>(36)</b>
<b>Adjusted EBITDA</b>	<b>897</b>	<b>1,799</b>	<b>(902)</b>	<b>(50)</b>	<b>442</b>	<b>584</b>	<b>(142)</b>	<b>(24)</b>
<i>Adjusted EBITDA margin</i>	20%	44%	-24%		22%	40%	-18%	

Increase in *Sales* by 11% was driven by opposing dynamics in prices and sales volumes of pork. Sales prices dropped by 25%. Sales volume of pork increased by 62% as a result of launching new pig breeding facilities in both the Belgorod and Tambov regions. Resulted increase in internal consumption of the fodder led to the termination of mixed fodder sales to third parties.

Sales volumes by product and the average sales prices per kilogram (excl. VAT) were as follows:

	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2013	September 2012			September 2013	September 2012		
Sales volume (in thousand tons):								
pork	73	45	28	62	29	16	13	81
fodder	-	37	(37)	(100)	-	11	(11)	(100)
Sale prices (rubles per kg, excl. VAT):								
pork	62	82	(20)	(25)	70	82	(12)	(15)
fodder	-	11	-	-	-	12	-	-

Significant decrease in *Gain on revaluation of biological assets* (pigs) in 9M 2013 compared to 9M 2012 is explained by drop in pork market prices and increase in cost of production. This increase was in turn driven by an increase in grain prices and by the launch of new pig breeding facilities which had not reached full capacity utilization and therefore had higher costs per unit of production as compared to established facilities.

*Other operating income, net* in 9M 2013 mainly comprised of the government grants provided in Belgorod region for support of pork producers in market conditions of increased feed costs. The total government grants included in other operating income of the segment in 9M 2013 amounted to RR 248 million compared to RR 2 million in 9M 2012.

The breakdown of adjusted EBITDA between Belgorod Meat and Tambov Meat is as follows:

in RR million	Nine months ended 30 September 2013		Nine months ended 30 September 2012		Three months ended 30 September 2013		Three months ended 30 September 2012	
	Belgorod Meat	Tambov Meat	Belgorod Meat	Tambov Meat	Belgorod Meat	Tambov Meat	Belgorod Meat	Tambov Meat
	Sales to 3rd parties and other segments	3,333	1,185	4,066	6	1,320	691	1,442
Adjusted EBITDA	1,005	(108)	1,891	(92)	384	58	627	(43)
<i>Adjusted EBITDA margin</i>	30%	-9%	47%	-	29%	8%	43%	-

Negative dynamics in profitability and *Adjusted EBITDA* figure for the meat segment was driven by a decrease in sales prices accompanied by an increase in feed costs. Increase in losses of Tambov Bacon, that started sales of consumable livestock only in Q4 2012, had an additional negative impact on the *Adjusted EBITDA* for the segment.

### Agricultural Segment

The area of controlled land of the segment now stands at 460 thousand hectares. Financial results of the agricultural segment for 9M 2013 and Q3 2013 compared to 9M 2012 and Q3 2012 respectively are presented below:

in RR million	Nine months ended 30 September 2013		Variance		Three months ended 30 September 2013		Variance	
	September 2013	September 2012	Units	%	September 2013	September 2012	Units	%
	Sales	2,963	3,142	(179)	(6)	1,762	2,071	(309)
Cost of sales	(2,451)	(2,781)	329	12	(1,461)	(1,859)	397	21
<b>Gross profit</b>	<b>2,618</b>	<b>3,245</b>	<b>(627)</b>	<b>(19)</b>	<b>2,407</b>	<b>3,096</b>	<b>(689)</b>	<b>(22)</b>
<i>Gross profit margin</i>	88%	103%	-15%		137%	149%	-13%	
<i>Gross profit excl. effect of biological assets revaluation attributable to realized crops included in Cost of sales</i>	1,248	1,116	133	12	686	818	(132)	(16)
<i>Adjusted gross profit margin</i>	42%	36%	7%		39%	39%	-1%	
Distribution and selling expenses	(326)	(153)	(173)	(113)	(172)	(53)	(119)	(225)
General and administrative expenses	(479)	(474)	(6)	(1)	(189)	(151)	(38)	(25)
Other operating income/(expenses), net	(27)	(4)	(23)	(502)	(75)	33	(108)	(329)
<b>Operating profit</b>	<b>1,785</b>	<b>2,614</b>	<b>(828)</b>	<b>(32)</b>	<b>1,971</b>	<b>2,924</b>	<b>(954)</b>	<b>(33)</b>
<b>Adjusted EBITDA</b>	<b>907</b>	<b>966</b>	<b>(59)</b>	<b>(6)</b>	<b>527</b>	<b>945</b>	<b>(418)</b>	<b>(44)</b>
<i>Adjusted EBITDA margin</i>	31%	31%	0%		30%	46%	-16%	

Sales decreased by 6% as the result of a decrease in grain sales volume and sales prices of wheat, partially offset by an increase in sale prices of other grains and increase in sales volume of sugar beet.

Sales volumes by product were as follows:

thousand tons	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2013	September 2012			September 2013	September 2012		
sugar beet	771	764	8	1	696	600	95	16
grain	230	235	(5)	(2)	122	137	(15)	(11)
incl. sold to Meat segment	8	117	(109)	(93)	-	113	(113)	(100)
sunflower seeds	-	7	(7)	(100)	-	2	(2)	(100)
incl. sold to Meat segment	-	-	-	-	-	-	-	-

Sales volumes of grain include sales of wheat, barley, corn, peas and soya beans. All sugar beet is sold to the sugar segment.

The average sale prices per kilogram (excl. VAT) were as follows:

RR per kilogram, excl. VAT	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2013	September 2012			September 2013	September 2012		
wheat	5.8	6.7	(0.9)	(13)	5.0	7.4	(2.4)	(33)
barley	7.4	4.8	2.6	54	7.0	6.6	0.5	7
sunflower seeds	14.7	12.0	2.8	23	n/a	17.4	n/a	n/a
peas	8.5	8.2	0.3	4	7.4	8.5	(1.1)	(13)
corn	7.3	4.8	2.5	53	7.3	4.6	2.7	60

## Oil segment

Financial results of the oil segment for 9M 2013 and Q3 2013 compared to 9M 2012 and Q3 2012 respectively are presented below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2013	September 2012			September 2013	September 2012		
Sales	5,151	6,568	(1,417)	(22)	1,616	2,208	(593)	(27)
Cost of sales	(3,922)	(4,244)	321	8	(1,215)	(1,412)	196	14
<b>Gross profit</b>	<b>1,229</b>	<b>2,324</b>	<b>(1,095)</b>	<b>(47)</b>	<b>400</b>	<b>797</b>	<b>(396)</b>	<b>(50)</b>
<i>Gross profit margin</i>	<i>24%</i>	<i>35%</i>	<i>-12%</i>		<i>25%</i>	<i>36%</i>	<i>-11%</i>	
Distribution and selling expenses	(813)	(679)	(134)	(20)	(274)	(210)	(64)	(30)
General and administrative expenses	(274)	(249)	(24)	(10)	(85)	(76)	(9)	(12)
Other operating income/(expenses), net	(21)	(13)	(8)	(65)	(97)	(1)	(96)	-
<b>Operating profit/(loss)</b>	<b>122</b>	<b>1,383</b>	<b>(1,261)</b>	<b>(91)</b>	<b>(55)</b>	<b>510</b>	<b>(565)</b>	<b>(111)</b>
<b>Adjusted EBITDA</b>	<b>366</b>	<b>1,598</b>	<b>(1,232)</b>	<b>(77)</b>	<b>117</b>	<b>579</b>	<b>(461)</b>	<b>(80)</b>
<i>Adjusted EBITDA margin</i>	<i>7%</i>	<i>24%</i>	<i>-17%</i>		<i>7%</i>	<i>26%</i>	<i>-19%</i>	

The breakdown of *Sales*, *Gross profit* and *Adjusted EBITDA* between the Samara oil plant and Ekaterinburg fat plant is as follows:

in RR million	Nine months ended 30 September 2013		Nine months ended 30 September 2012		Three months ended 30 September 2013		Three months ended 30 September 2012	
	Samara oil plant	Ekat. fat plant	Samara oil plant	Ekat. fat plant	Samara oil plant	Ekat. fat plant	Samara oil plant	Ekat. fat plant
	Sales to 3rd parties and other segments	1,331	3,820	3,074	3,493	244	1,372	1,002
Internal sales	730	-	1,008	-	88	-	256	-
Gross profit	240	989	1,355	969	44	357	481	316
<i>Gross profit margin</i>	12%	26%	33%	28%	13%	26%	38%	26%
Adjusted EBITDA	50	316	1,025	573	21	97	400	179
<i>Adjusted EBITDA margin</i>	2%	8%	25%	16%	6%	7%	32%	15%

Consolidated sales of the segments decreased as a result of a significant decrease in 3<sup>rd</sup> parties sales volumes at the Samara oil plant. The volume of the raw oil and meal sales fell because of the smaller volumes of production that in turn were caused by the overall decrease in the market supply of sunflower seeds and related high prices of seeds in late 2012 and early 2013. The effect of raw oil sales decrease was partly offset by an increase in sales volumes at the Ekaterinburg fat plant and increase in sales prices of the segment.

Sales volumes by product were as follows:

thousand tons	Nine months ended 30 September 2013		Variance		Three months ended 30 September 2013		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
	mayonnaise	41	39	2	4	15	14	1
margarine	27	23	3	14	9	8	2	20
raw oil, 3rd parties sales	26	78	(52)	(67)	4	23	(18)	(81)
raw oil, internal sales	22	31	(9)	(29)	3	7	(5)	(63)
meal	50	98	(48)	(49)	11	27	(15)	(58)

The average sale prices per kilogram (excl. VAT) for sales to third parties were as follows:

RR per kilogram, excl. VAT	Nine months ended 30 September 2013		Variance		Three months ended 30 September 2013		Variance	
	30 September 2013	30 September 2012	Units	%	30 September 2013	30 September 2012	Units	%
	mayonnaise	56.2	53.7	3	5	56.7	53.0	4
margarine	50.8	49.8	1	2	51.5	49.9	2	3
raw oil, 3rd parties sales	33.2	33.2	-	-	30.2	35.1	(5)	(14)
meal	9.1	5.0	4	81	8.8	7.5	1	18

Cost of sales decreased insignificantly, but this change comprised of the two significant and opposed dynamics: a decrease as a result of the Samara oil plant's reduction in sales volumes and an increase as a result of sunflower seed prices increase.

Distribution and selling expenses increased totally mainly due to changes in the following components: decrease in transportation expenses by RR 175 million rubles resulted from decrease in sales volume, increase in advertising expenses by RR 143 million and increase in bad debt provision by RR 69 million.

The rise in sunflower seeds market prices together with a reduction of the share of raw oil used in production of mayonnaise and margarine and produced internally led to the decrease in the segment's profitability.

## Key consolidated cash flow indicators (not IFRS presentation\*)

The key consolidated cash flow indicators presented according to management accounts were as follows:

in RR million	Nine months ended			Three months ended		
	30 September 2013	30 September 2012	% change	30 September 2013	30 September 2012	% change
<b>Net cash from operating activities, incl.</b>	<b>5,681</b>	<b>5,234</b>	<b>9%</b>	<b>2,209</b>	<b>1,978</b>	<b>12%</b>
<i>Operating cash flow before working capital changes</i>	2,454	5,382	-54%	1,301	1,543	-16%
<i>Working capital changes</i>	3,297	248	1228%	814	629	29%
<b>Net cash used in investing activities, incl.</b>	<b>(2,412)</b>	<b>(6,254)</b>	<b>61%</b>	<b>(759)</b>	<b>(2,510)</b>	<b>70%</b>
<i>Purchases of property, plant and equipment and inventories intended for construction</i>	(2,513)	(6,187)	59%	(820)	(2,586)	68%
<b>Net cash (used in) / from financing activities</b>	<b>(3,500)</b>	<b>(2,027)</b>	<b>-73%</b>	<b>(1,600)</b>	<b>1,616</b>	<b>-199%</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(216)</b>	<b>(3,038)</b>	<b>93%</b>	<b>(151)</b>	<b>1,077</b>	<b>-114%</b>

(\*) See Appendix 4

The main investments in property, plant and equipment and inventories intended for construction in 9M 2013 were made in the meat segment in the amount of RR 1,063 million (9M 2012: RR 4,133 million) and were related to the construction of a new pig-breeding complex and a fodder plant in Tambov region. Significant investments were also made in the agricultural segment in the amount of RR 661 million (9M 2012: RR 918 million), representing purchases of machinery and equipment, and in the sugar division in the amount of RR 633 million (9M 2012: RR 924 million).

## Debt position and liquidity management

in RR million	30 September 2013	31 December 2012	% change
<b>Gross debt</b>	<b>34,622</b>	<b>48,540</b>	<b>-29%</b>
<i>Short term borrowings</i>	18,019	24,414	-26%
<i>Long term borrowings</i>	16,603	24,126	-31%
<b>Net debt</b>	<b>13,276</b>	<b>17,257</b>	<b>-23%</b>
<i>Short term borrowings, net</i>	(2,449)	(2,379)	3%
<i>Long term borrowings, net</i>	15,725	19,636	-20%
<b>Adjusted EBITDA (LTM***)</b>	<b>6,032</b>	<b>8,781</b>	<b>-31%</b>
<b>Net debt/Adjusted EBITDA (LTM)</b>	<b>2.2</b>	<b>2.0</b>	

The Group maintained a healthy debt structure, 52% of net debt relates to amounts with more than 3 years maturity.

## Net finance expense

in RR million	Nine months ended			Three months ended		
	30 September 2013	30 September 2012	% change	30 September 2013	30 September 2012	% change
<b>Net interest expense</b>	<b>(1,453)</b>	<b>(600)</b>	<b>-142%</b>	<b>(313)</b>	<b>(70)</b>	<b>-347%</b>
<i>Gross interest expense</i>	(2,718)	(1,575)	-73%	(815)	(553)	-47%



in RR million	Nine months ended			Three months ended		
	30 September 2013	30 September 2012	% change	30 September 2013	30 September 2012	% change
<i>Reimbursement of interest expense</i>	1,265	975	30%	502	483	4%
<b>Interest income</b>	<b>1,604</b>	<b>864</b>	86%	<b>444</b>	<b>331</b>	34%
<b>Other financial expenses, net</b>	<b>(59)</b>	<b>(105)</b>	44%	<b>(52)</b>	<b>(105)</b>	50%
<b>Total net finance expense</b>	<b>92</b>	<b>159</b>	-42%	<b>79</b>	<b>156</b>	-49%

In 9M 2013 the Group continued to enjoy benefits from the state agriculture subsidies program. RR 1,265 million of subsidies received had covered 47% of gross interest expense.

(\*) *Adjusted EBITDA is defined as operating profit before taking into account (i) depreciation, (ii) other operating income, net (other than reimbursement of fuel and fertilizers and feed costs (government grants)), (iii) the difference between gain on revaluation of biological assets and agricultural produce recognized during the period and the gain on initial recognition of agricultural produce attributable to realized agricultural produce together with revaluation of biological assets attributable to realized biological assets included in cost of sales for the period (iv) provision/(reversal of provision) for net realizable value, (v) share-based remuneration (see Appendix 2 for the detailed calculation of Adjusted EBITDA). Adjusted EBITDA is not a measure of financial performance under IFRS. You should not consider it as an alternative to profit for the period as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Our calculation of Adjusted EBITDA may be different from the calculation used by other companies and therefore comparability may be limited. We believe that Adjusted EBITDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions of subsidiaries and other investments and our ability to incur and service debt.*

(\*\*) *The Group determines the net debt as short-term borrowings and long-term borrowings less cash and cash equivalents, bank deposits and bank promissory notes within short-term and long-term investments.*

(\*\*\*) *LTM – The abbreviation for the “Last twelve months”.*

#### **Note:**

**ROS AGRO PLC (LSE: AGRO)** – a holding company of Rusagro Group, a leading Russian diversified food producer with vertically integrated operations in the following branches:

#### *Sugar:*

We are a leading Russian sugar producer, producing sugar on six production sites from both sugar beets and raw cane sugar. We produce white cube sugar and white packaged sugar sold under the brands Chaikofsky, Russkii Sakhara, Brauni. Our sugar segment is vertically integrated with sugar beet cultivation in our agriculture segment, through which we strive to ensure a consistent supply of sugar beets.

#### *Meat:*

Our pig breeding project was launched in 2006 and, according to the National Union of Pig Breeders, is currently the fifth largest pig breeding complex in Russia. We have implemented best practices in biosecurity at our pig farms.

#### *Agricultural:*

The Group currently controls what it believes to be one of the largest land banks among Russian agriculture producers, with approximately 460 thousand hectares of land under our control located in the highly fertile Black Earth region of Russia, in the Belgorod, Tambov and Voronezh regions. Land and production sites are strategically located within the same regions to optimize efficiency and minimize logistical costs. We believe we are one of the major sugar beet producers in Russia, and our agricultural segment also produces winter wheat and barley, sunflower products and soybeans. These products are partially consumed by the meat segment, supporting a synergistic effect and lowering price change risk.

*Oil:*

We are a leading producer of mayonnaise and consumer margarine in Russia, such as Provansal EZhK and Schedroe Leto. In January 2013 the Company has begun production of mayonnaise under brand "Mechta Khozyayki". Our oil extraction plant located in Samara (Samara oil plant) enables us to control the source of 100% of the vegetable oil required by our oil and fats production plant in Ekaterinburg (Ekaterinburg fat plant).

**Forward-looking statements**

This announcement includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements do not relate to historical or current events, or to any future financial or operational activity of the Group.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond the Rusagro Group's control. As a result, actual future results may differ materially from the plans and expectations set out in these forward-looking statements.

The Group undertakes no obligation to release the results of any revisions to any forward-looking statements that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.

Rusagro management is organizing a conference call about its Q3 2013 financial results for investors and analysts.

*Details of call:*

Date	29 November 2013
Time	5:00 PM (Moscow) / 2:00 PM (London) / 9:00 AM (New-York) at the same day
Subject	ROS AGRO PLC 6M 2013 Financial Results
UK Toll Free	0800-358-5271
UK Local Line	44-20-7190-1590
USA Toll Free	1-877-941-8633
USA Local Line	1-480-629-9822
Russia Toll Free	7-495-662-5793
Conference ID	<b>4652024</b>

**Contacts:**

**Sergey Tribunsky**  
Chief Investment Officer (Deputy CEO on Investment) LLC Rusagro Group  
Phone: +7 495 363 16 61  
[stribunsky@rusagrogrou.ru](mailto:stribunsky@rusagrogrou.ru)

**Vladimir Gromov**  
First Deputy CEO LLC Rusagro Group  
Phone: +7 495 363 16 61  
[vgromov@rusagrogrou.ru](mailto:vgromov@rusagrogrou.ru)

**Appendix 1. Unaudited consolidated statement of comprehensive income for the nine months ended 30 September 2013 (in RR thousand)**

	Nine months ended 30 September:		Three months ended 30 September:	
	2013	2012	2013	2012
Sales	23,119,606	22,703,948	8,776,476	8,644,208
Gain on revaluation of biological assets and agriculture produce	2,378,605	4,287,149	2,436,719	3,211,177
Cost of sales	(19,817,199)	(17,483,294)	(7,503,346)	(7,317,849)
Gains less losses from trading sugar derivatives	124,274	43,106	1,436	(648)
<b>Gross profit</b>	<b>5,805,286</b>	<b>9,550,908</b>	<b>3,711,286</b>	<b>4,536,888</b>
Distribution and selling expenses	(2,004,649)	(1,709,700)	(731,886)	(586,917)
General and administrative expenses	(1,899,035)	(1,769,653)	(684,602)	(601,809)
Share-based remuneration	(152,026)	(322,320)	(26,254)	(63,929)
Other operating income/ (expenses), net	73,883	(5,662)	(190,416)	98,286
<b>Operating profit</b>	<b>1,823,460</b>	<b>5,743,574</b>	<b>2,078,128</b>	<b>3,382,520</b>
Interest expense	(1,453,300)	(600,111)	(312,366)	(70,185)
Interest income	1,603,973	864,335	443,633	330,931
Other financial expenses, net	(58,786)	(105,176)	(52,450)	(105,451)
<b>Profit before taxation</b>	<b>1,915,346</b>	<b>5,902,622</b>	<b>2,156,945</b>	<b>3,537,814</b>
Income tax expense	(38,564)	(569,879)	2,467	(122,476)
<b>Profit for the period</b>	<b>1,876,782</b>	<b>5,332,743</b>	<b>2,159,411</b>	<b>3,415,338</b>
<b>Total comprehensive income for the period</b>	<b>1,876,782</b>	<b>5,332,743</b>	<b>2,159,411</b>	<b>3,415,338</b>
<b>Profit is attributable to:</b>				
Owners of ROS AGRO PLC	1,875,044	5,129,290	2,157,730	3,339,418
Non-controlling interest	1,738	203,453	1,681	75,921
<b>Profit for the period</b>	<b>1,876,782</b>	<b>5,332,743</b>	<b>2,159,411</b>	<b>3,415,338</b>
<b>Total comprehensive income is attributable to:</b>				
Owners of ROS AGRO PLC	1,875,044	5,129,290	2,157,730	3,339,418
Non-controlling interest	1,738	203,453	1,681	75,921
<b>Total comprehensive income for the period</b>	<b>1,876,782</b>	<b>5,332,743</b>	<b>2,159,411</b>	<b>3,415,338</b>
Earnings per ordinary share for profit attributable to the equity holders of ROS AGRO PLC, basic and diluted (in RR per share)	79.46	216.32	91.44	141.20

**Appendix 2. Unaudited segment information for the nine months ended 30 September 2013 (in RR thousand)**

<b>Nine months ended 30 September 2013</b>	<b>Sugar</b>	<b>Meat</b>	<b>Other agriculture</b>	<b>Oil</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	11,895,946	4,517,915	2,963,013	5,151,234	98,736	(1,507,238)	23,119,606
Gain on revaluation of biological assets and agriculture produce	-	272,485	2,106,119	-	-	-	2,378,605
Cost of sales <i>incl. Depreciation</i>	(10,541,529) (546,352)	(4,327,398) (686,653)	(2,451,252) (256,820)	(3,922,197) (164,872)	(21) -	1,425,197 (28,393)	(19,817,199) (1,683,090)
Gains less losses from trading sugar derivatives	124,274	-	-	-	-	-	124,274
<b>Gross profit</b>	<b>1,478,692</b>	<b>463,002</b>	<b>2,617,881</b>	<b>1,229,038</b>	<b>98,715</b>	<b>(82,041)</b>	<b>5,805,286</b>
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(1,542,732) (83,815)	(294,121) (10,001)	(805,432) (25,596)	(1,086,262) (58,690)	(375,642) (14,884)	200,505 1,927	(3,903,684) (191,059)
Share-based remuneration	-	-	-	-	(152,026)	-	(152,026)
Other operating income/(expenses), net <i>incl. Reimbursement of fuel and fertilisers and feed costs (government grants)</i>	(59,635) -	184,097 248,456	(27,034) 178,642	(20,783) -	1,003,389 -	(1,006,150) -	73,883 427,097
<b>Operating profit</b>	<b>(123,675)</b>	<b>352,977</b>	<b>1,785,416</b>	<b>121,992</b>	<b>574,436</b>	<b>(887,686)</b>	<b>1,823,460</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	630,167	696,654	282,415	223,562	14,884	26,466	1,874,148
Other operating (income) /expenses, net	59,635	(184,097)	27,034	20,783	(1,003,389)	1,006,150	(73,883)
Share-based remuneration	-	-	-	-	152,026	-	152,026
Reimbursement of fuel and fertilisers and feed costs (government grants)	-	248,456	178,642	-	-	-	427,097
Gain on revaluation of biological assets and agriculture produce	-	(272,485)	(2,106,119)	-	-	-	(2,378,605)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	715,702	-	-	378,516	1,094,218
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	55,082	20,915	-	-	-	75,997
Provision/ (Reversal) for net realizable value costs	(30,090)	-	2,767	-	-	-	(27,323)
<b>Adjusted EBITDA*</b>	<b>536,038</b>	<b>896,587</b>	<b>906,772</b>	<b>366,337</b>	<b>(262,043)</b>	<b>523,446</b>	<b>2,967,136</b>

\* Non-IFRS measure

**Appendix 2 (continued). Unaudited segment information for the nine months ended 30 September 2012 (in RR thousand)**

<b>Nine months ended 30 September 2012</b>	<b>Sugar</b>	<b>Meat</b>	<b>Other agriculture</b>	<b>Oil</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	11,060,138	4,072,203	3,141,984	6,567,753	174,501	(2,312,632)	22,703,948
Gain on revaluation of biological assets and agriculture produce	-	1,403,833	2,883,316	-	-	-	4,287,149
Cost of sales <i>incl. Depreciation</i>	(8,850,553) (457,534)	(3,894,253) (378,268)	(2,780,617) (328,986)	(4,243,625) (172,090)	-	2,285,754 (21,347)	(17,483,294) (1,358,226)
Gains less losses from trading sugar derivatives	43,106	-	-	-	-	-	43,106
<b>Gross profit</b>	<b>2,252,691</b>	<b>1,581,784</b>	<b>3,244,683</b>	<b>2,324,128</b>	<b>174,501</b>	<b>(26,878)</b>	<b>9,550,909</b>
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(1,491,889) (51,623)	(258,197) (15,424)	(626,485) (27,393)	(928,264) (30,423)	(342,732) (9,206)	168,215	(3,479,352) (134,069)
Share-based remuneration	-	-	-	-	(322,320)	-	(322,320)
Other operating income/(expenses), net <i>incl. Reimbursement of fuel and fertilisers and feed costs (government grants)</i>	29,637	(1,654)	(4,493)	(12,614)	1,456,213	(1,472,751)	(5,662)
	-	1,641	121,746	-	-	-	123,387
<b>Operating profit</b>	<b>790,439</b>	<b>1,321,933</b>	<b>2,613,705</b>	<b>1,383,250</b>	<b>965,662</b>	<b>(1,331,414)</b>	<b>5,743,574</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	509,158	393,692	356,379	202,513	9,206	21,347	1,492,295
Other operating (income) /expenses, net	(29,637)	1,654	4,493	12,614	(1,456,213)	1,472,751	5,662
Share-based remuneration	-	-	-	-	322,320	-	322,320
Reimbursement of fuel and fertilisers and feed costs (government grants)	-	1,641	121,746	-	-	-	123,387
Gain/ (loss) on revaluation of biological assets and agriculture produce	-	(1,403,833)	(2,883,316)	-	-	-	(4,287,149)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	754,303	-	-	166,380	920,684
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	1,516,072	-	-	-	-	1,516,072
Provision/ (Reversal) for net realizable value costs	(86,641)	(32,114)	(1,413)	-	-	-	(120,167)
<b>Adjusted EBITDA*</b>	<b>1,183,319</b>	<b>1,799,045</b>	<b>965,898</b>	<b>1,598,378</b>	<b>(159,026)</b>	<b>329,064</b>	<b>5,716,678</b>

\* Non-IFRS measure

**Appendix 3. Unaudited consolidated statement of financial position as at 30 September 2013 (in RR thousand)**

	<b>30 September 2013</b>	<b>31 December 2012</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,803,549	2,019,867
Short-term investments	19,337,062	25,532,275
Trade and other receivables	1,779,718	1,811,768
Prepayments	287,885	538,480
Current income tax receivable	13,909	128,880
Other taxes receivable	984,938	2,585,889
Inventories	9,648,280	13,441,518
Short-term biological assets	5,121,897	1,244,129
<b>Total current assets</b>	<b>38,977,238</b>	<b>47,302,806</b>
<b>Non-current assets</b>		
Property, plant and equipment	29,090,838	27,453,447
Inventories intended for construction	57,326	1,160,022
Goodwill	1,175,578	1,175,578
Advances paid for property, plant and equipment	843,545	1,199,625
Advances paid for intangible assets	2,662	246,010
Long-term biological assets	1,658,755	1,352,059
Long-term investments	1,045,575	4,721,083
Deferred income tax assets	310,504	237,838
Other intangible assets	257,546	56,553
Restricted cash	5,762	91,111
<b>Total non-current assets</b>	<b>34,448,093</b>	<b>37,693,327</b>
<b>Total assets</b>	<b>73,425,331</b>	<b>84,996,133</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	18,019,027	24,413,533
Trade and other payables	3,542,002	2,615,403
Current income tax payable	21,102	59,735
Other taxes payable	878,243	1,274,876
<b>Total current liabilities</b>	<b>22,460,373</b>	<b>28,363,547</b>
<b>Non-current liabilities</b>		
Long-term borrowings	16,603,238	24,126,365
Government grants	845,626	722,617
Deferred income tax liability	302,289	337,524
<b>Total non-current liabilities</b>	<b>17,751,153</b>	<b>25,186,505</b>
<b>Total liabilities</b>	<b>40,211,526</b>	<b>53,550,053</b>
<b>Equity</b>		
Share capital	9,734	9,734
Treasury shares	(461,847)	(461,847)
Share premium	10,557,573	10,557,573
Share-based payment reserve	1,210,522	1,058,495
Retained earnings	21,887,656	20,211,048
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>33,203,638</b>	<b>31,375,004</b>
Non-controlling interest	10,167	71,076
<b>Total equity</b>	<b>33,213,805</b>	<b>31,446,080</b>
<b>Total liabilities and equity</b>	<b>73,425,331</b>	<b>84,996,133</b>

**Appendix 4. Unaudited consolidated statement of cash flows for the nine months ended 30 September 2013 according the Group's management accounts (in RR thousand) – NOT IFRS PRESENTATION**

	Nine months ended 30 September 2013	Nine months ended 30 September 2012**
<b>Cash flows from operating activities</b>		
Profit before taxation	1,915,346	5,902,622
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	1,874,148	1,492,295
Interest expense	2,718,002	1,575,155
Government grants	(1,767,248)	(1,168,615)
Interest income	(1,603,973)	(864,335)
Gain on initial recognition of agricultural produce and revaluation of unharvested crops, net	(1,011,901)	(1,962,632)
Change in provision for net realisable value of inventory	(27,323)	(120,167)
Revaluation of biological assets, net	(196,488)	112,239
Change in provision for impairment of receivables and prepayments	186,295	15,212
Unrealised foreign exchange (gain) / loss	(24,140)	26,334
Share based remuneration	152,026	322,320
Lost harvest write-off	22,214	59,468
Change in provision for impairment of advances paid for property, plant and equipment	64,841	(19,952)
Loss on impairment of investments	150,969	20,634
Other non-cash and non-operating expenses, net	1,343	(8,785)
<b>Operating cash flow before working capital changes</b>	<b>2,454,112</b>	<b>5,381,793</b>
Change in trade and other receivables and prepayments	(373,944)	(129,571)
Change in other taxes receivable	1,600,951	(417,262)
Change in inventories	4,554,522	2,188,857
Change in biological assets	(3,013,457)	(3,343,477)
Change in trade and other payables	925,188	2,094,668
Change in other taxes payable	(396,633)	(144,895)
<b>Cash generated from operations</b>	<b>5,750,739</b>	<b>5,630,113</b>
Income tax paid	(70,127)	(396,604)
<b>Net cash from operating activities</b>	<b>5,680,613</b>	<b>5,233,509</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(2,495,506)	(5,046,198)
Purchases of other intangible assets	(35,843)	(28,369)
Proceeds from sales of property, plant and equipment	50,577	26,724
Purchases of inventories intended for construction	(17,180)	(1,140,430)
Loans given	(237,472)	(114,009)
Loans repaid	235,274	5,200
Movement in restricted cash	85,349	40,450
Other investing activities	3,207	2,575
<b>Net cash from/(used in) investing activities</b>	<b>(2,411,593)</b>	<b>(6,254,057)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	7,514,497	17,475,157
Repayment of borrowings	(20,971,338)	(16,211,304)
Interest paid	(3,058,173)	(2,018,487)
Change in promissory notes*	9,000	(292,388)
Change in cash on bank deposits*	9,720,547	(2,209,891)
Interest received*	1,587,287	525,865
Purchases of non-controlling interest	(261,084)	(219,104)
Purchases of treasury shares	-	(158,097)
Dividends paid	(107)	-
Proceeds from government grants	1,959,492	1,081,328
<b>Net cash used in financing activities</b>	<b>(3,499,878)</b>	<b>(2,026,921)</b>
Net effect of exchange rate changes on cash and cash equivalents	14,540	9,337
<b>Net decrease in cash and cash equivalents</b>	<b>(216,318)</b>	<b>(3,038,132)</b>
Cash and cash equivalents at the beginning of the period	2,019,867	5,457,567
<b>Cash and cash equivalents at the end of the period</b>	<b>1,803,549</b>	<b>2,419,435</b>

*(\*) For the purpose of conformity with the methodology of the Group's net debt calculation, investments in financial assets related to financial activities are presented in Cash flows from financing activities in the Group's management accounts.*

*(\*\*) Cash flow figures for the nine months ended 30 September 2012 have been adjusted to reflect the new approach to the presentation of cash outflows for purchases of inventories intended for construction. Starting the financial statements for the year ended 31 December 2012 cash outflows for purchases of inventories intended for construction are presented within investing activities. Earlier these outflows had been presented within operating activities.*