

28 March 2016

## ROS AGRO financial results for 12M 2015 and Q4 2015

**28 March 2016** – 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 year ended 31 December 2015.

### 12M 2015 Highlights

- Sales amounted to RR 72,439 million (US\$ 1,182 million<sup>1</sup>), an increase of RR 13,327 million compared to 12M 2014;
- Adjusted EBITDA<sup>2</sup> amounted to RR 24,423 million (US\$ 398 million), an increase of RR 6,354 million compared to 12M 2014;
- Adjusted EBITDA margin increased from 31% in 12M 2014 to 34% in 12M 2015;
- Net profit for the period amounted to RR 23,690 million (US\$ 386 million);
- Net debt position<sup>3</sup> as of 31 December 2015 was RR 15,147 million (US\$ 208 million);
- Net Debt/ Adjusted EBITDA as of 31 December 2015 was 0.62x.

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

“We are pleased with the Q4 2015 results. Sugar and agricultural business performed very well. Meat business showed a slight variance in sales and margin as a result of the changing structure of demand and supply on the Russian market. Margin in oil and fat division decreased as a result of the increasing prices for raw materials. This development is expected to continue in 2016. We plan additional investment programs and new acquisitions, which are going to contribute to sales growth.”

### Key consolidated financial performance indicators

in RR million	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
<b>Sales</b>	<b>72,439</b>	<b>59,112</b>	<b>13,327</b>	<b>23</b>	<b>22,081</b>	<b>17,726</b>	<b>4,355</b>	<b>25</b>
<b>Gross profit</b>	<b>31,433</b>	<b>24,082</b>	<b>7,351</b>	<b>31</b>	<b>8,330</b>	<b>7,650</b>	<b>681</b>	<b>9</b>
<i>Gross margin, %</i>	<i>43%</i>	<i>41%</i>	<i>3%</i>		<i>38%</i>	<i>43%</i>	<i>-5%</i>	
<b>Adjusted EBITDA</b>	<b>24,423</b>	<b>18,069</b>	<b>6,354</b>	<b>35</b>	<b>7,312</b>	<b>6,825</b>	<b>487</b>	<b>7</b>
<i>Adjusted EBITDA margin, %</i>	<i>34%</i>	<i>31%</i>	<i>3%</i>		<i>33%</i>	<i>39%</i>	<i>-5%</i>	
<b>Net profit for the period</b>	<b>23,690</b>	<b>20,177</b>	<b>3,513</b>	<b>17</b>	<b>5,603</b>	<b>7,683</b>	<b>(2,080)</b>	<b>(27)</b>
<i>Net profit margin %</i>	<i>33%</i>	<i>34%</i>	<i>-1%</i>		<i>25%</i>	<i>43%</i>	<i>-18%</i>	

## Key financial performance indicators by segments

in RR million	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
<b>Sales, incl.</b>	<b>72,439</b>	<b>59,112</b>	<b>13,327</b>	<b>23</b>	<b>22,081</b>	<b>17,726</b>	<b>4,355</b>	<b>25</b>
<i>Sugar</i>	32,853	22,464	10,390	46	9,931	5,886	4,045	69
<i>Meat</i>	18,117	17,751	367	2	4,686	4,998	(312)	(6)
<i>Agriculture</i>	14,211	10,710	3,501	33	9,012	7,107	1,905	27
<i>Oil and Fat</i>	17,252	14,920	2,332	16	5,199	3,583	1,615	45
<i>Other</i>	42	46	(4)	(8)	14	9	5	56
<i>Eliminations</i>	(10,036)	(6,778)	(3,258)	(48)	(6,759)	(3,857)	(2,903)	(75)
<b>Gross profit, incl.</b>	<b>31,433</b>	<b>24,082</b>	<b>7,351</b>	<b>31</b>	<b>8,330</b>	<b>7,650</b>	<b>681</b>	<b>9</b>
<i>Sugar</i>	12,787	6,190	6,597	107	4,191	2,316	1,876	81
<i>Meat</i>	6,085	9,413	(3,328)	(35)	645	1,871	(1,225)	(65)
<i>Agriculture</i>	8,730	4,994	3,737	75	3,103	2,762	342	12
<i>Oil and Fat</i>	4,588	4,368	220	5	1,147	1,330	(183)	(14)
<i>Other</i>	42	46	(4)	(8)	14	9	5	56
<i>Eliminations</i>	(800)	(928)	129	14	(770)	(637)	(133)	(21)
<b>Adjusted EBITDA, incl.</b>	<b>24,423</b>	<b>18,069</b>	<b>6,354</b>	<b>35</b>	<b>7,312</b>	<b>6,825</b>	<b>487</b>	<b>7</b>
<i>Sugar</i>	11,068	4,809	6,259	130	3,535	1,974	1,561	79
<i>Meat</i>	7,672	8,829	(1,157)	(13)	1,231	2,616	(1,385)	(53)
<i>Agriculture</i>	6,630	4,375	2,254	52	4,550	3,240	1,310	40
<i>Oil and Fat</i>	1,662	1,882	(220)	(12)	227	597	(370)	(62)
<i>Other</i>	(1,504)	(1,000)	(504)	(50)	(371)	(590)	220	37
<i>Eliminations</i>	(1,104)	(825)	(279)	(34)	(1,860)	(1,012)	(848)	(84)
<b>Adjusted EBITDA</b>	<b>34%</b>	<b>31%</b>	<b>3%</b>		<b>33%</b>	<b>39%</b>	<b>-5%</b>	
<i>Sugar</i>	34%	21%	12%		36%	34%	2%	
<i>Meat</i>	42%	50%	-7%		26%	52%	-26%	
<i>Agriculture</i>	47%	41%	6%		50%	46%	5%	
<i>Oil and Fat</i>	10%	13%	-3%		4%	17%	-12%	

## Sugar Segment

The financial results of the sugar segment for 12M 2015 and Q4 2015 compared to 12M 2014 and Q4 2014 respectively are presented in the table below:

in RR million	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sales	32,853	22,464	10,390	46	9,931	5,886	4,045	69
Cost of sales	(20,290)	(16,649)	(3,641)	(22)	(5,739)	(3,652)	(2,087)	(57)
Net gain/ (loss) from trading sugar derivatives	224	375	(152)	(40)	(1)	81	(83)	-
<b>Gross profit</b>	<b>12,787</b>	<b>6,190</b>	<b>6,597</b>	<b>107</b>	<b>4,191</b>	<b>2,316</b>	<b>1,876</b>	<b>81</b>
<i>Gross profit margin</i>	<i>39%</i>	<i>28%</i>	<i>11%</i>		<i>42%</i>	<i>39%</i>	<i>3%</i>	
Distribution and selling expenses, General and administrative expenses	(2,690)	(2,310)	(379)	(16)	(867)	(632)	(235)	(37)
Other operating income/ (expenses), net	(63)	82	(145)	-	33	102	(69)	(68)
<b>Operating profit</b>	<b>10,034</b>	<b>3,962</b>	<b>6,073</b>	<b>153</b>	<b>3,358</b>	<b>1,786</b>	<b>1,572</b>	<b>88</b>
<b>Adjusted EBITDA</b>	<b>11,068</b>	<b>4,809</b>	<b>6,259</b>	<b>130</b>	<b>3,535</b>	<b>1,974</b>	<b>1,561</b>	<b>79</b>
<i>Adjusted EBITDA margin</i>	<i>34%</i>	<i>21%</i>	<i>12%</i>		<i>36%</i>	<i>34%</i>	<i>2%</i>	

Growth in *sales* of the Sugar segment was a result of a significant increase in average sales prices and higher volume of sugar sold in 2015 (applicable both for 12M and Q4 figures).

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

	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sugar production volume (in thousand tons), incl.	766	717	49	7	408	327	81	25
beet sugar	582	498	85	17	408	327	81	25
cane sugar	183	219	(36)	(16)	-	-	-	-
Sales volume (in thousand tons)	784	752	32	4	228	166	62	37
Average sales price (roubles per kg, excl.	40.4	28.4	12.0	42	40.1	31.8	8.3	26

The significant increase in the sales prices by 42% in 12M 2015 compared to 12M 2014 together with higher sales volume were the drivers of the increase in profitability of the segment.

## Meat Segment

The financial results of the meat segment for 12M 2015 and Q4 2015 compared to 12M 2014 and Q4 2014 respectively are presented in the table below:

in RR million	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sales	18,117	17,751	367	2	4,686	4,998	(312)	(6)
Net gain/ (loss) on revaluation of biological assets and agricultural produce*	(304)	1,776	(2,080)	-	(273)	(479)	206	43
Cost of sales*	(11,728)	(10,114)	(1,614)	(16)	(3,768)	(2,648)	(1,120)	(42)
<b>Gross profit</b>	<b>6,085</b>	<b>9,413</b>	<b>(3,328)</b>	<b>(35)</b>	<b>645</b>	<b>1,871</b>	<b>(1,225)</b>	<b>(65)</b>
<i>Gross profit margin</i>	<i>34%</i>	<i>53%</i>	<i>-19%</i>		<i>14%</i>	<i>37%</i>	<i>-24%</i>	
<i>Gross profit excl. effect of biological assets revaluation</i>	6,389	7,636	(1,247)	(16)	918	2,349	(1,432)	(61)
<i>Adjusted gross profit margin</i>	<i>35%</i>	<i>43%</i>	<i>-8%</i>		<i>20%</i>	<i>47%</i>	<i>-27%</i>	
Distribution and selling expenses, General and administrative expenses	(719)	(495)	(224)	(45)	(159)	(166)	8	5
Other operating income/ (expenses), net	852	376	476	127	185	153	32	21
<i>incl. reimbursement of operating costs (government grants)</i>	682	332	351	106	88	160	(71)	(45)
<b>Operating profit</b>	<b>6,218</b>	<b>9,294</b>	<b>(3,077)</b>	<b>(33)</b>	<b>671</b>	<b>1,857</b>	<b>(1,186)</b>	<b>(64)</b>
<b>Adjusted EBITDA</b>	<b>7,672</b>	<b>8,829</b>	<b>(1,157)</b>	<b>(13)</b>	<b>1,231</b>	<b>2,616</b>	<b>(1,385)</b>	<b>(53)</b>
<i>Adjusted EBITDA margin</i>	<i>42%</i>	<i>50%</i>	<i>-7%</i>		<i>26%</i>	<i>52%</i>	<i>-26%</i>	

(\*) See appendix 1 for the disclosure of reclassification adjustments made to the 9M 2015 and comparative figures of 2014.

An increase in sales in 12M 2015 as compared to 12M 2014 was driven mainly by an increase in average pork sales prices. The dynamics of sales in Q4 2015 compared to Q4 2014 is negative mainly due to the decrease in total sales volume of pork that was partly compensated by the increase in pork sales prices.

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

	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sales volume (in thousand tonnes), incl.	176	182	(6)	(3)	48	52	(4)	(7)
livestock pigs	141	173	(31)	(18)	30	48	(18)	(37)
processed pork	35	9	25	271	18	4	14	351
Average sale prices (roubles per kg, excl.								
livestock pigs	99.4	95.7	3.8	4	86.4	96.1	(9.8)	(10)
processed pork	114.2	99.4	14.8	15	113.3	92.1	21.2	23

*Net gain on revaluation of biological assets* in 12M 2014 turned into net loss in 12M 2015 as a result of the following factors: a) a significant growth in prices of pork during 12M 2014 compared to the relatively stable prices in 12M 2015, b) a decreasing trend in the cost of sales in 12M 2014 against increased cost of sales in 12M 2015 as the result of higher feed prices.

The increase of income from government grants by RR 351 million or 106% in 12M 2015 as compared to 12M 2014 resulted in the significant increase of *Other operating income, net*.

An increase in feed costs, partly compensated by the increase in sales prices and operating government grants, lead to a decrease in profitability of the meat segment.

## Agricultural Segment

As at 31 December 2015 the segment's area of controlled land stands at 504 thousand hectares, including 26 thousand hectares in the Far Eastern region. The financial results of the agricultural segment for 12M 2015 and Q4 2015 compared to 12M 2014 and Q4 2014 respectively are presented below:

in RR million	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sales	14,211	10,710	3,501	33	9,012	7,107	1,905	27
Net gain/ (loss) on revaluation of biological assets and agricultural produce*	1,191	111	1,080	976	(1,913)	(898)	(1,015)	(113)
Cost of sales*	(6,672)	(5,827)	(845)	(14)	(3,996)	(3,448)	(548)	(16)
<b>Gross profit</b>	<b>8,730</b>	<b>4,994</b>	<b>3,737</b>	<b>75</b>	<b>3,103</b>	<b>2,762</b>	<b>342</b>	<b>12</b>
<i>Gross profit margin</i>	<i>61%</i>	<i>47%</i>	<i>15%</i>		<i>34%</i>	<i>39%</i>	<i>-4%</i>	
<i>Gross profit excl. effect of biological assets and agricultural produce revaluation</i>	<i>7,539</i>	<i>4,883</i>	<i>2,656</i>	<i>54</i>	<i>5,016</i>	<i>3,659</i>	<i>1,357</i>	<i>37</i>
<i>Adjusted gross profit margin</i>	<i>53%</i>	<i>46%</i>	<i>7%</i>		<i>56%</i>	<i>51%</i>	<i>4%</i>	
Distribution and selling expenses, General and administrative expenses	(2,017)	(1,544)	(473)	(31)	(1,060)	(969)	(90)	(9)
Other operating income/ (expenses), net	(229)	(150)	(78)	(52)	(172)	(237)	65	27
<i>incl. reimbursement of operating costs (government grants)</i>	<i>218</i>	<i>216</i>	<i>2</i>	<i>1</i>	<i>41</i>	<i>62</i>	<i>(21)</i>	<i>(33)</i>
<b>Operating profit</b>	<b>6,485</b>	<b>3,300</b>	<b>3,185</b>	<b>97</b>	<b>1,871</b>	<b>1,555</b>	<b>316</b>	<b>20</b>
<b>Adjusted EBITDA</b>	<b>6,630</b>	<b>4,375</b>	<b>2,254</b>	<b>52</b>	<b>4,550</b>	<b>3,240</b>	<b>1,310</b>	<b>40</b>
<i>Adjusted EBITDA margin</i>	<i>47%</i>	<i>41%</i>	<i>6%</i>		<i>50%</i>	<i>46%</i>	<i>5%</i>	

(\*) See appendix 1 for the disclosure of reclassification adjustments made to the 9M 2015 and comparative figures of 2014.

A significant increase in sales prices was the main driver of an increase in *sales* in 12M 2015 and Q4 2015 compared to 12M 2014 and Q4 2014.

Sales volumes by product were as follows:

Thousand tonnes	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
sugar beet	2,538	2,330	208	9	1,742	1,435	307	21
grain	686	635	51	8	395	409	(15)	(4)
incl. sold to other segments	172	224	(52)	(23)	128	92	36	40
sunflower seeds	22	99	(77)	(78)	20	66	(46)	(69)
incl. sold to other segments	-	32	(32)	(100)	-	-	-	-

Sales volumes of grain include sales of wheat, barley, corn and peas. 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	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
sugar beet	2.9	2.1	0.8	41	2.9	2.3	0.6	28
wheat	8.7	6.4	2.3	36	9.1	6.7	2.4	35
barley	8.6	4.9	3.6	74	8.0	4.6	3.5	75
sunflower seeds	21.1	15.8	5.3	34	21.1	17.3	3.9	22
peas	12.2	9.0	3.2	36	-	9.2	n/a	n/a
corn	7.6	4.9	2.7	54	7.9	4.9	3.1	63

A significant increase in sales prices of crops in 12M 2015 was the main driver of the increase in *Net gain on revaluation of biological assets and agriculture produce* compared to 12M 2014 figures. In Q4 figures occurs *Net loss on revaluation of biological assets and agriculture produce* as finished produce in stock is sold towards the year-end, therefore, the revaluation of crops is being realized.

*Other operating income, net* for 12M 2015 and Q4 2015 includes loss from lost harvest write-off in amount of RR 328 million and RR 203 million, respectively (12M 2014 and Q4 2014: RR 6 million and nil respectively). Lost harvest write-off is represented by damage of crops due to unfavourable weather conditions.

## Oil and Fat segment

The financial results of the oil and fat segment for 12M 2015 and Q4 2015 compared to 12M 2014 and Q4 2014 respectively are presented below:

in RR million	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
Sales	17,252	14,920	2,332	16	5,199	3,583	1,615	45
Cost of sales	(12,664)	(10,552)	(2,112)	(20)	(4,052)	(2,254)	(1,798)	(80)
<b>Gross profit</b>	<b>4,588</b>	<b>4,368</b>	<b>220</b>	<b>5</b>	<b>1,147</b>	<b>1,330</b>	<b>(183)</b>	<b>(14)</b>
<i>Gross profit margin</i>	<i>27%</i>	<i>29%</i>	<i>-3%</i>		<i>22%</i>	<i>37%</i>	<i>-15%</i>	
Distribution and selling expenses, General and administrative expenses	(3,278)	(2,852)	(425)	(15)	(1,008)	(818)	(191)	(23)
Other operating income/ (expenses), net	59	86	(27)	(31)	(22)	82	(104)	-
<b>Operating profit</b>	<b>1,369</b>	<b>1,601</b>	<b>(232)</b>	<b>(14)</b>	<b>117</b>	<b>594</b>	<b>(477)</b>	<b>(80)</b>
<b>Adjusted EBITDA</b>	<b>1,662</b>	<b>1,882</b>	<b>(220)</b>	<b>(12)</b>	<b>227</b>	<b>597</b>	<b>(370)</b>	<b>(62)</b>
<i>Adjusted EBITDA margin</i>	<i>10%</i>	<i>13%</i>	<i>-3%</i>		<i>4%</i>	<i>17%</i>	<i>-12%</i>	

In the beginning of February 2015 the Group acquired an entity located in Far East region and engaged in buying and processing on third-party production facilities of soya beans (tolling operations). Starting February of 2015 the income and expenses of this company in part of soybeans processing are included in the Group's consolidated financial statements within the oil and fat segment.

In October 2015 the Group acquired the soybeans processing plant in Far East region. The plant produces soy oil, soy meal, bottled oil, mayonnaise, margarine and soap.

Sales volumes by product were as follows:

thousand tons	Year ended		Variance		Three months ended		Variance	
	31 December 2015	31 December 2014	Units	%	31 December 2015	31 December 2014	Units	%
mayonnaise	66.2	57.7	8.5	15	21.4	17.7	3.8	21
margarine	43.3	47.4	(4)	(9)	12.1	16.3	(4)	(26)
processed sunflower oil	7.9	18.3	(10)	(57)	2.7	-	2.7	-
sunflower oil, 3rd parties sales	97	199	(102)	(51)	27	28	(1)	(4)
sunflower oil, sales to Ekat. fat plant	71	47	24	51	24	11	14	127
sunflower meal	147	239	(93)	(39)	42	41	1	3
soybean raw oil	2.7	-	2.7	-	-	-	-	-
soybean processed oil	5.6	-	5.6	-	1.2	-	1.2	-
soybean meal	49	-	49	-	13	-	13	-

A significant decrease in sales volume of sunflower raw oil and meal in 12M 2015 compared to 12M 2014 is related to the trading operations and tolling of own sunflower seeds on the related party's production facilities. These operations started in Q4 2013 and ceased in Q3 2014.

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

RR per kilogram, excl. VAT	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
mayonnaise	72.7	59.0	13.7	23	74.4	61.8	12.6	20
margarine	70.7	54.5	16.2	30	75.0	59.9	15.1	25
processed sunflower oil	61.4	40.2	21.1	53	65.1	24.0	41.1	171
sunflower raw oil, 3rd parties sales	48.3	29.5	18.8	64	54.8	38.7	16.1	42
sunflower meal	13.4	9.0	4.5	50	13.5	10.1	3.4	34
soybean raw oil	24.4	-	24.4	-	-	-	-	-
soybean processed oil	59.1	-	59.1	-	70.5	-	70.5	-
soybean meal	28.6	-	28.6	-	29.6	-	29.6	-

Significant increase in prices for sunflower seeds and sunflower raw oil that exceeded the growth of finished goods sale prices lead to the decrease of profitability of the segment.

### Key consolidated cash flow indicators

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

in million Roubles	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
<b>Net cash from operating activities, incl.</b>	<b>15,922</b>	<b>15,677</b>	<b>245</b>	<b>2</b>	<b>2,208</b>	<b>1,752</b>	<b>455</b>	<b>26</b>
<i>Operating cash flow before working capital changes</i>	22,973	17,553	5,420	31	6,947	6,428	519	8
<i>Working capital changes</i>	(4,683)	(823)	(3,860)	(469)	(3,928)	(4,413)	486	11
<b>Net cash from investing activities, incl.</b>	<b>(63,144)</b>	<b>2,881</b>	<b>(66,025)</b>	<b>-</b>	<b>(52,321)</b>	<b>6,933</b>	<b>(59,255)</b>	<b>-</b>
<i>Purchases of property, plant and equipment and inventories intended for construction</i>	(11,438)	(5,208)	(6,231)	(120)	(1,740)	(1,280)	(460)	(36)
<b>Net cash from financing activities</b>	<b>42,337</b>	<b>(13,791)</b>	<b>56,129</b>	<b>-</b>	<b>48,440</b>	<b>(3,163)</b>	<b>51,602</b>	<b>-</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(5,915)</b>	<b>7,644</b>	<b>(13,558)</b>	<b>-</b>	<b>(1,741)</b>	<b>8,226</b>	<b>(9,967)</b>	<b>-</b>

In 12M 2015 net cash from investing activities include RR 33,915 million of cash outflows paid to Vnesheconombank for debt (loans and bonds) and equity of PJSC Group Razgulyai and its subsidiaries. For the purpose of financing of this transaction, the Group raised a long-term loan from Vnesheconombank in the amount of RR 33,915 million, that is included within cash flows from financing activities.

The main investments in property, plant and equipment and inventories intended for construction in 12M 2015 were made in the meat segment in the amount of RR 5,239 million (12M 2014: RR 1,324 million), related mainly to the construction in the Far East region, and in the sugar division in the amount of RR 2,920 million (12M 2014: RR 1,600 million), related to the modernization of sugar plants. Significant investments were also made in the agricultural



segment in the amount of RR 2,625 million (12M 2014: RR 2,055 million), representing purchases of new agricultural machinery and equipment.

### Debt position and liquidity management

in RR million	31 December 2015	31 December 2014	Variance	
			Units	%
<b>Gross debt</b>	<b>49,898</b>	<b>22,306</b>	<b>27,592</b>	<b>124</b>
<i>Short-term borrowings</i>	25,860	12,500	13,361	107
<i>Long-term borrowings</i>	24,038	9,806	14,231	145
<b>Net debt</b>	<b>15,147</b>	<b>3,617</b>	<b>11,530</b>	<b>319</b>
<i>Short-term borrowings, net</i>	5,823	(5,493)	11,316	-
<i>Long-term borrowings, net</i>	9,323	9,110	213	2
<b>Adjusted EBITDA</b>	<b>24,423</b>	<b>18,069</b>	<b>6,354</b>	<b>35</b>
<b>Net debt/ Adjusted EBITDA</b>	<b>0.62</b>	<b>0.20</b>	<b>0.4</b>	

### Net finance income/ (expense)

in RR million	Year ended		Variance		Three months ended		Variance	
	31	31	Units	%	31	31	Units	%
	December 2015	December 2014			December 2015	December 2014		
<b>Net interest expense</b>	<b>(2,042)</b>	<b>(154)</b>	<b>(1,888)</b>	<b>(1,226)</b>	<b>(541)</b>	<b>(86)</b>	<b>(455)</b>	<b>(529)</b>
<i>Gross interest expense</i>	(3,857)	(2,288)	(1,569)	(69)	(1,288)	(548)	(740)	(135)
<i>Reimbursement of interest expense</i>	1,815	2,134	(319)	(15)	747	462	285	62
<b>Interest income</b>	<b>1,577</b>	<b>1,011</b>	<b>566</b>	<b>56</b>	<b>675</b>	<b>239</b>	<b>436</b>	<b>182</b>
<b>Net gain/ (loss) from bonds held for trading</b>	<b>637</b>	<b>(1,397)</b>	<b>2,034</b>	<b>-</b>	<b>-</b>	<b>(1,274)</b>	<b>1,274</b>	<b>-</b>
<b>Other financial income, net</b>	<b>3,080</b>	<b>4,550</b>	<b>(1,470)</b>	<b>(32)</b>	<b>579</b>	<b>4,144</b>	<b>(3,565)</b>	<b>(86)</b>
<i>Net foreign exchange gain/ (loss)</i>	3,129	4,552	(1,423)	(31)	592	4,145	(3,553)	(86)
<i>Other financial expenses, net</i>	(49)	(2)	(47)	(2,350)	(12)	(1)	(11)	(1,100)
<b>Total net finance income</b>	<b>3,252</b>	<b>4,010</b>	<b>(758)</b>	<b>(19)</b>	<b>713</b>	<b>3,023</b>	<b>(2,310)</b>	<b>(76)</b>

In 2015 the Group continued to enjoy benefits from the state agriculture subsidies programme. In 12M 2015 RR 1,815 million of subsidies received covered 47% of gross interest expense.

*Other financial income, net* relates mainly to net financial foreign exchange gains, which decreased by RR 1,470 million in 12M 2015 compared to 12M 2014 and by RR 3,565 million in Q4 2015 compared to Q4 2014.

(1) The exchange rates used for translation of RR amounts into USD represent average Central Bank official exchange rate for the respective reporting period for income, expenses and profits and the Central Bank official exchange rate as at the reporting date for balance figures.

(2) Adjusted EBITDA is defined as operating profit before taking into account (i) depreciation included in operating profit, (ii) other operating income/ (expenses), net (other than reimbursement of operating costs (government grants)), (iii) net gain/ (loss) on revaluation of biological assets and agricultural produce, (iv) provision/ (reversal of provision) for net realizable value of agricultural products in stock, (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. It should not be considered 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.

(3) The Group determines the net debt as short-term borrowings and long-term borrowings less cash and cash equivalents, bank deposits, bank promissory notes and bonds held for trading.

**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 beet and raw cane sugar. We produce white cube sugar and white packaged sugar sold under the brands Chaikofsky, Russkii Sakhar and 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:*

According to the National Union of Pig Breeders, we are the second largest pork producer in Russia on the ground of relative production volumes for 2014. 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 504 thousand hectares of land under our control located in the highly fertile Black Earth region of Russia (in the Belgorod, Tambov and Voronezh regions) and in the Far East Primorie region. 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 and Fat:*

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 12M 2015 and Q4 2015 financial results for investors and analysts.

*Details of call:*

Date	28 March 2016
Time	3:00 PM (Moscow) /1:00 PM (London)
Subject	ROS AGRO PLC 2015 Annual Financial Results
UK Toll Free	0800 279 5736
UK Local Line	+44 20 3427 1918
USA Toll Free	1877 280 2296
USA Local Line	+1 646 254 3366
Russia Toll Free	+7 495 213 0977
Conference ID	<b>8827415</b>

**Contacts:**

**Sergey Tribunsky**  
Chief Investment Officer  
LLC Group of Companies Rusagro  
Phone: +7 495 363 1661  
[stribunsky@rusagrogroup.ru](mailto:stribunsky@rusagrogroup.ru)

**Appendix 1. Consolidated statement of comprehensive income for the year ended 31 December 2015 (in RR thousand)**

	Year ended 31 December		Three months ended 31 December	
	2015	2014	2015	2014
Sales	72,439,164	59,112,243	22,081,354	17,726,153
Net gain on revaluation of biological assets and agricultural produce*	2,040,860	2,593,685	(531,264)	(503,986)
Cost of sales*	(43,271,410)	(37,999,661)	(13,218,651)	(9,654,040)
Net gain from trading derivatives	223,948	375,305	(1,023)	81,397
<b>Gross profit</b>	<b>31,432,562</b>	<b>24,081,572</b>	<b>8,330,416</b>	<b>7,649,524</b>
Distribution and selling expenses	(5,313,993)	(4,472,174)	(1,817,593)	(1,554,926)
General and administrative expenses	(4,065,560)	(2,991,315)	(1,021,735)	(1,123,229)
Share-based remuneration	(4,015)	(54,423)	(1,012)	(1,012)
Other operating income/ (expenses), net	188,983	272,884	(153,384)	(49,628)
<b>Operating profit</b>	<b>22,237,977</b>	<b>16,836,544</b>	<b>5,336,692</b>	<b>4,920,729</b>
Interest expense	(2,041,743)	(154,478)	(540,813)	(85,826)
Interest income	1,576,601	1,010,951	675,491	239,470
Net gain/ (loss) from bonds held for trading	636,601	(1,397,230)	-	(1,274,072)
Other financial income/ (expenses), net	3,080,295	4,549,548	579,458	4,143,888
Share of results of associates	23,997	46,579	3,493	46,128
<b>Profit before income tax</b>	<b>25,513,728</b>	<b>20,891,914</b>	<b>6,054,322</b>	<b>7,990,318</b>
Income tax expense	(1,823,392)	(714,935)	(451,555)	(307,492)
<b>Profit for the year</b>	<b>23,690,336</b>	<b>20,176,979</b>	<b>5,602,768</b>	<b>7,682,826</b>
<b>Other comprehensive income:</b>				
<b>Items that may be subsequently reclassified to profit and loss:</b>				
Change in value of available-for-sale financial assets	(39,469)	-	(39,469)	-
Income tax relating to other comprehensive income	7,894	-	7,894	-
<b>Total comprehensive income for the period</b>	<b>23,658,761</b>	<b>20,176,979</b>	<b>5,571,192</b>	<b>7,682,826</b>
<b>Profit is attributable to:</b>				
Owners of ROS AGRO PLC	23,482,192	20,134,178	5,446,505	7,638,592
Non-controlling interest	208,144	42,801	156,263	44,234
<b>Profit for the period</b>	<b>23,690,336</b>	<b>20,176,979</b>	<b>5,602,768</b>	<b>7,682,826</b>
<b>Total comprehensive income is attributable to:</b>				
Owners of ROS AGRO PLC	23,450,617	20,134,178	5,414,929	7,638,592
Non-controlling interest	208,144	42,801	156,263	44,234
<b>Total comprehensive income for the period</b>	<b>23,658,761</b>	<b>20,176,979</b>	<b>5,571,192</b>	<b>7,682,826</b>
Earnings per ordinary share for profit attributable to the owners of ROS AGRO PLC, basic and diluted (in RR per share)	996.80	854.59	231.20	324.25

(\*In 2015 full-year financial statements the Group changed the way of presentation of gain/ loss on initial recognition of agricultural produce and gain/ loss on revaluation of biological assets in the consolidated statement of comprehensive income. In the interim financial statements for 2015 and in the financial statements for 2014 and earlier periods gain/ loss arising from initial recognition of biological assets and agricultural produce and from changes in fair-value-less-cost-to-sell of biological assets was included in statement of comprehensive income within a separate line "Gain/ (loss) on revaluation of biological assets and agricultural produce" above the gross profit line. In 12M 2014 "Gain/ (loss) on revaluation of biological assets and agricultural produce" amounted to RR 12,243,734 thousand (9M 2015: RR 10,667,008 thousand, 9M 2014: RR 9,393,065 thousand). Gain recorded on

*initial recognition of agricultural produce attributable to the realized agricultural produce and the result of revaluation of biological assets attributable to the realized biological assets was included within the line "Cost of sales". In 12M 2014 the realized gain included in cost of sales amounted to RR 9,650,049 (9M 2015: RR 8,094,884 thousand, 9M 2014: RR 6,295,394 thousand). In consolidated financial statements for 12M 2015 such gains/ losses are included within "Net gain/ (loss) on revaluation of biological assets and agricultural produce" line above the gross profit line.*

*For further details refer to note 2 "Summary of significant accounting policies" of the audited consolidated financial statements for the year ended 31 December 2015.*

**Appendix 2. Segment information for the year ended 31 December 2015 (in RR thousand)**

<b>2015</b>	<b>Sugar</b>	<b>Meat</b>	<b>Agriculture</b>	<b>Oil and Fat</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	32,853,298	18,117,255	14,210,787	17,252,029	41,924	(10,036,129)	72,439,164
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(303,980)	1,190,980	-	-	1,153,860	2,040,860
Cost of sales	(20,289,816)	(11,728,195)	(6,671,663)	(12,664,459)	-	8,082,723	(43,271,410)
<i>incl. Depreciation</i>	(861,985)	(1,290,757)	(731,891)	(223,818)	-	13,678	(3,094,773)
Net gain/ (loss) from trading derivatives	223,719	-	229	-	-	-	223,948
<b>Gross profit</b>	<b>12,787,201</b>	<b>6,085,080</b>	<b>8,730,333</b>	<b>4,587,570</b>	<b>41,924</b>	<b>(799,546)</b>	<b>31,432,562</b>
Distribution and Selling, General and administrative expenses	(2,689,653)	(719,221)	(2,017,231)	(3,277,525)	(1,570,593)	894,670	(9,379,553)
<i>incl. Depreciation</i>	(108,308)	(28,880)	(157,811)	(128,106)	(24,677)	31,563	(416,219)
Share-based remuneration	-	-	-	-	(4,015)	-	(4,015)
Other operating income/(expenses), net	(63,221)	851,773	(228,584)	59,222	16,180,603	(16,610,810)	188,983
<i>incl. Reimbursement of operating costs (government grants)</i>	-	682,396	217,864	-	-	-	900,260
<b>Operating profit</b>	<b>10,034,327</b>	<b>6,217,632</b>	<b>6,484,518</b>	<b>1,369,267</b>	<b>14,647,919</b>	<b>(16,515,686)</b>	<b>22,237,977</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	970,293	1,319,637	889,702	351,924	24,677	(45,241)	3,510,992
Other operating (income) /expenses, net	63,221	(851,773)	228,584	(59,222)	(16,180,603)	16,610,810	(188,983)
Share-based remuneration	-	-	-	-	4,015	-	4,015
Reimbursement of operating costs (government grants)	-	682,396	217,864	-	-	-	900,260
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	303,980	(1,190,980)	-	-	(1,153,860)	(2,040,860)
<b>Adjusted EBITDA*</b>	<b>11,067,841</b>	<b>7,671,872</b>	<b>6,629,688</b>	<b>1,661,969</b>	<b>(1,503,992)</b>	<b>(1,103,977)</b>	<b>24,423,401</b>

\* Non-IFRS measure

**Appendix 2 (continued). Segment information for the year ended 31 December 2014 (in RR thousand)**

<b>2014</b>	<b>Sugar</b>	<b>Meat</b>	<b>Agriculture</b>	<b>Oil and Fat</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	22,463,664	17,750,521	10,710,176	14,920,094	45,558	(6,777,770)	59,112,243
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	1,776,114	110,696	-	-	706,875	2,593,685
Cost of sales	(16,648,910)	(10,114,025)	(5,827,146)	(10,552,318)	-	5,142,738	(37,999,661)
incl. Depreciation	(823,648)	(1,341,535)	(713,102)	(231,919)	-	(43,559)	(3,153,763)
Net gain/ (loss) from trading derivatives	375,305	-	-	-	-	-	375,305
<b>Gross profit</b>	<b>6,190,059</b>	<b>9,412,610</b>	<b>4,993,726</b>	<b>4,367,776</b>	<b>45,558</b>	<b>(928,157)</b>	<b>24,081,572</b>
Distribution and Selling, General and administrative expenses	(2,310,319)	(494,835)	(1,543,870)	(2,852,293)	(1,070,871)	808,699	(7,463,489)
incl. Depreciation	(105,323)	(13,968)	(106,843)	(134,860)	(24,873)	42,598	(343,269)
Share-based remuneration	-	-	-	-	(54,423)	-	(54,423)
Other operating income/(expenses), net	82,069	376,370	(150,321)	85,900	7,236,857	(7,357,991)	272,884
incl. Reimbursement of operating costs (government grants)	-	331,844	216,201	-	-	-	548,045
<b>Operating profit</b>	<b>3,961,809</b>	<b>9,294,145</b>	<b>3,299,535</b>	<b>1,601,383</b>	<b>6,157,121</b>	<b>(7,477,449)</b>	<b>16,836,544</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	928,971	1,355,503	819,945	366,779	24,873	961	3,497,032
Other operating (income) /expenses, net	(82,069)	(376,370)	150,321	(85,900)	(7,236,857)	7,357,991	(272,884)
Share-based remuneration	-	-	-	-	54,423	-	54,423
Reimbursement of operating costs (government grants)	-	331,844	216,201	-	-	-	548,045
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(1,776,114)	(110,696)	-	-	(706,875)	(2,593,685)
<b>Adjusted EBITDA*</b>	<b>4,808,711</b>	<b>8,829,008</b>	<b>4,375,306</b>	<b>1,882,262</b>	<b>(1,000,440)</b>	<b>(825,372)</b>	<b>18,069,475</b>

\* See appendix 1 for the disclosure of reclassification adjustments made to the 12M 2014 figures.

\*\* Non-IFRS measure

**Appendix 3. Consolidated statement of financial position as at 31 December 2015  
(in RR thousand)**

	31 December 2015	31 December 2014
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,401,703	10,316,313
Short-term investments	30,129,049	8,953,789
Trade and other receivables	3,504,497	2,257,714
Prepayments	1,186,836	2,085,599
Current income tax receivable	41,816	22,119
Other taxes receivable	1,613,361	1,310,407
Inventories	22,569,821	15,508,659
Short-term biological assets	3,616,397	3,454,937
<b>Total current assets</b>	<b>67,063,480</b>	<b>43,909,537</b>
<b>Non-current assets</b>		
Property, plant and equipment	34,607,999	29,519,968
Inventories intended for construction	26,851	32,846
Goodwill	2,403,562	1,191,832
Advances paid for property, plant and equipment	5,392,600	2,669,373
Long-term biological assets	1,913,224	1,793,059
Long-term investments	15,378,412	929,129
Investments in associates	431,404	87,407
Deferred income tax assets	1,490,657	1,016,544
Other intangible assets	709,965	338,699
Restricted cash	71,142	17,373
<b>Total non-current assets</b>	<b>62,425,816</b>	<b>37,596,230</b>
<b>Total assets</b>	<b>129,489,296</b>	<b>81,505,767</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	25,860,464	12,499,623
Trade and other payables	3,736,755	2,772,385
Current income tax payable	383,535	475,850
Other taxes payable	2,359,135	1,706,091
<b>Total current liabilities</b>	<b>32,339,889</b>	<b>17,453,949</b>
<b>Non-current liabilities</b>		
Long-term borrowings	24,037,539	9,806,306
Government grants	2,043,667	1,962,562
Deferred income tax liability	496,235	463,649
<b>Total non-current liabilities</b>	<b>26,577,441</b>	<b>12,232,517</b>
<b>Total liabilities</b>	<b>58,917,330</b>	<b>29,686,466</b>
<b>Equity</b>		
Share capital	9,734	9,734
Treasury shares	(505,880)	(505,880)
Share premium	10,557,573	10,557,573
Share-based payment reserve	1,295,213	1,291,198
Retained earnings	59,188,050	40,159,833
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>70,544,690</b>	<b>51,512,458</b>
Non-controlling interest	27,276	306,843
<b>Total equity</b>	<b>70,571,966</b>	<b>51,819,301</b>
<b>Total liabilities and equity</b>	<b>129,489,296</b>	<b>81,505,767</b>



**Appendix 4. Consolidated statement of cash flows for the year ended 31 December 2015 (in RR thousand)**

	Year ended 31 December 2015	Year ended 31 December 2014
<b>Cash flows from operating activities</b>		
Profit before income tax	25,513,728	20,891,914
<i>Adjustments for:</i>		
Depreciation and amortization	3,510,992	3,497,032
Interest expense	3,856,801	2,288,135
Government grants	(2,933,099)	(2,821,533)
Interest income	(1,576,601)	(1,010,951)
Loss/ (gain) on disposal of property, plant and equipment	32,582	(5,038)
Net gain on revaluation of biological assets and agricultural produce	(2,040,860)	(2,593,685)
Change in provision for net realisable value of inventory	(173,998)	485,767
Share of results of associates	(23,997)	(46,579)
Gain from buy-out of promissory notes issued	-	(41,094)
Change in provision for impairment of receivables and prepayments	28,755	46,120
Foreign exchange gain, net	(3,001,430)	(4,694,826)
Share based remuneration	4,015	54,423
Lost harvest write-off	327,991	5,530
Net (gain)/ loss from bonds held for trading	(636,601)	1,397,230
Change in provision for impairment of advances paid for property, plant and equipment	(9,432)	(454)
Loss on disposal of subsidiaries, net	1,142	179,405
Loss on other investments	26,142	7,747
Other non-cash and non-operating expenses, net	67,175	(85,977)
<b>Operating cash flow before working capital changes</b>	<b>22,973,305</b>	<b>17,553,166</b>
Change in trade and other receivables and prepayments	(1,117,623)	(963,488)
Change in other taxes receivable	(251,233)	104,214
Change in inventories	(3,162,095)	(1,015,731)
Change in biological assets	(896,493)	268,410
Change in trade and other payables	481,675	370,457
Change in other taxes payable	262,793	413,331
<b>Cash generated from operations</b>	<b>18,290,329</b>	<b>16,730,359</b>
Income tax paid	(2,368,293)	(1,053,641)
<b>Net cash from operating activities</b>	<b>15,922,036</b>	<b>15,676,718</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(11,423,459)	(5,206,184)
Purchases of other intangible assets	(256,505)	(151,993)
Proceeds from sales of property, plant and equipment	46,529	44,135
Purchases of inventories intended for construction	(14,793)	(1,530)
Proceeds from cash withdrawals from deposits	34,162,514	16,604,773
Deposits placed with banks	(59,209,261)	(4,141,047)
Purchases of associates	-	(377,493)
Investments in subsidiaries, net of cash acquired	(931,395)	(498,692)
Purchases of bonds	(3,433,426)	(5,244,138)
Proceeds from sales of bonds held for trading	7,567,628	134,904
Purchases of promissory notes	-	(1,700,000)
Proceeds from sales of promissory notes	-	2,800,000
Loans given	(1,168,351)	(2,455,350)
Loans repaid	1,106,602	1,847,683
Purchases of loans issued	(30,080,733)	-
Movement in restricted cash	(90,993)	(14,970)
Interest received	981,885	1,239,633
Dividends received	-	1,146
Proceeds from sale of subsidiaries, net of cash disposed	(46)	(275)
Purchases of other investments	(400,387)	-
<b>Net cash from investing activities</b>	<b>(63,144,191)</b>	<b>2,880,602</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	63,966,110	15,875,925
Repayment of borrowings	(16,657,102)	(27,169,213)
Interest paid	(3,416,791)	(2,295,898)
Sale of non-controlling interest	164,316	6,758
Purchases of non-controlling interest	(168,421)	(7,289)
Dividends paid to owners Ros Agro PLC	(4,546,749)	(3,206,582)

	Year ended 31 December 2015	Year ended 31 December 2014
Proceeds from government grants	3,014,204	3,048,946
Purchases of treasury shares	-	(44,033)
Other financial activities	(18,451)	-
<b>Net cash used in financing activities</b>	<b>42,337,116</b>	<b>(13,791,386)</b>
Net effect of exchange rate changes on cash and cash equivalents	(1,029,571)	2,877,615
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(5,914,610)</b>	<b>7,643,549</b>
Cash and cash equivalents at the beginning of the year	10,316,313	2,672,764
<b>Cash and cash equivalents at the end of the year</b>	<b>4,401,703</b>	<b>10,316,313</b>