

## ROS AGRO PLC TRADING UPDATE 2Q AND 6M 2018

**23 July 2018** – ROS AGRO PLC has announced preliminary operating results for 2<sup>nd</sup> quarter and 6 months of year 2018.

### 2Q 2018 highlights compared to 2Q 2017:

- Total revenue before intersegment eliminations amounted to RR 17.9 billion, a decrease of RR 1.2 billion (-6%) as the result of Sugar and Meat business revenue drop, partially compensated by positive results of Oil and Fat and Agriculture segments;
- Revenue of Sugar segment decreased to RR 5.5 billion (-24%) due to drop of sugar sale price to 31.0 RUB/kg excl. VAT (-10%) and decline of sugar sale volumes to 161 thousand tonnes (-17%);
- Meat segment reduced in revenue to RR 5.1 billion (-4%) due to decrease of livestock prices to 86.0 RUB/kg excl. VAT (-16%);
- Oil & Fat segment increased revenue to RR 5.6 billion (+6%) due to higher bottled oil sale volumes;
- Revenue of Agriculture business rose to RR 1.8 billion (+31%) due to the sale price growth and augment of grain sales volume to 156 thousand tonnes (+155%).

**Table 1. Key operating results by segment:**

Item	6M 2018	6M 2017	Change, %	2Q 2018	2Q 2017	Change, %
<b>Sugar Business</b>						
<b>Revenue, million RUB</b>	<b>10,671</b>	<b>14,601</b>	<b>-27%</b>	<b>5,458</b>	<b>7,192</b>	<b>-24%</b>
<b>Production volume of sugar, thousand tonnes</b>	26	137	-81%	17	15	18%
<b>Sales volume of sugar, thousand tonnes</b>	326	390	-16%	161	194	-17%
<b>Average sugar sale price, RUB/kg excl. VAT</b>	29.4	33.9	-13%	31.0	34.4	-10%
<b>Meat Business</b>						
<b>Revenue, million RUB</b>	<b>9,417</b>	<b>10,037</b>	<b>-6%</b>	<b>5,091</b>	<b>5,305</b>	<b>-4%</b>
<b>Sales volume, thousand tonnes</b>						
livestock	14	35	-61%	7	14	-49%
carcass	17	12	36%	8	7	12%
cuts	39	32	24%	20	18	13%
other parts	7	6	34%	4	3	20%
<b>Average sale price, RUB/kg excl. VAT</b>						
livestock	82.9	97.2	-15%	86.0	102.1	-16%
carcass	122.8	127.9	-4%	138.6	131.4	5%
cuts	148.3	149.7	-1%	157.7	155.4	2%
other pork cutting products	49.0	48.8	0%	47.5	47.5	0%
<b>Oil and Fat Business</b>						
<b>Revenue, million RUB</b>	<b>10,029</b>	<b>9,621</b>	<b>4%</b>	<b>5,551</b>	<b>5,253</b>	<b>6%</b>
<b>Sales volume, thousand tonnes</b>						
mayonnaise	20	31	-33%	11	15	-28%
margarine	14	16	-15%	6	7	-11%
bottled oil	25	7	243%	16	3	486%
bulk oil	74	79	-7%	38	54	-30%
meal	133	137	-3%	67	68	0%
<b>Average sale price, RUB/kg excl. VAT</b>						
mayonnaise	80.6	79.6	1%	81.5	82.3	-1%
margarine	79.5	77.8	2%	82.3	77.5	6%
bottled oil	43.2	41.9	3%	45.2	40.9	11%
bulk oil	53.9	60.3	-10%	54.0	57.3	-6%
meal	18.1	16.4	11%	20.6	16.5	25%

Item	6M 2018	6M 2017	Change, %	2Q 2018	2Q 2017	Change, %
<b>Agriculture Business</b>						
<b>Revenue, million RUB</b>	<b>3,224</b>	<b>5,006</b>	<b>-36%</b>	<b>1,757</b>	<b>1,336</b>	<b>31%</b>
<b>Sales volume, thousand tonnes</b>						
sugar beet	2	452	-100%	-	-	0%
wheat	113	183	-38%	74	16	375%
barley	79	25	217%	47	13	275%
corn	76	71	7%	34	33	4%
sunflower	3	49	-94%	1	31	-97%
soybean	31	46	-33%	14	15	-9%
other	6	3	72%	3	2	62%
<b>Average sale price, RUB/kg excl. VAT</b>						
sugar beet	1.0	2.1	-53%	-	-	0%
wheat	7.2	7.2	-1%	7.6	6.8	12%
barley	7.3	6.8	7%	7.8	6.6	19%
corn	9.5	8.7	9%	9.5	8.1	18%
sunflower	18.5	15.7	18%	18.8	15.1	24%
soybean	21.8	19.5	12%	23.8	18.9	26%
other	5.4	3.3	64%	5.5	4.5	23%

**Table 2. Historical operating results by segment:**

Item	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	6M 2018	6M 2017
<b>Sugar Business</b>								
<b>Revenue, million RUB</b>	<b>7,410</b>	<b>7,192</b>	<b>6,392</b>	<b>9,393</b>	<b>5,213</b>	<b>5,458</b>	<b>10,671</b>	<b>14,601</b>
<b>Production volume of sugar, thousand tonnes</b>	122	15	211	637	9	17	26	137
<b>Sales volume of sugar, tonnes</b>	196	193	193	316	166	161	326	390
<b>Average sugar price, rub/kg excl. VAT</b>	33.4	34.4	31.4	25.9	27.9	31.0	29.4	33.9
<b>Meat Business</b>								
<b>Revenue, million RUB</b>	<b>4,732</b>	<b>5,305</b>	<b>5,154</b>	<b>5,321</b>	<b>4,326</b>	<b>5,091</b>	<b>9,417</b>	<b>10,037</b>
<b>Sales volume, thousand tonnes</b>								
livestock	21	14	11	12	7	7	14	35
processed pork	23	30	30	35	33	33	66	52
<b>Average sale prices, rub/kg excl. VAT</b>								
livestock	93.9	102.1	97.4	85.8	79.7	86.0	82.9	97.2
processed pork	120.1	130.7	135.9	124.9	116.5	136.3	126.4	126.3
<b>Oil and Fat Business</b>								
<b>Revenue, million RUB</b>	<b>4,368</b>	<b>5,253</b>	<b>4,596</b>	<b>5,213</b>	<b>4,478</b>	<b>5,551</b>	<b>10,029</b>	<b>9,621</b>
<b>Sales volume, thousand tonnes</b>								
mayonnaise	16	15	13	15	10	11	20	31
margarine	9	7	8	12	8	6	14	16
bottled oil	5	3	4	9	9	16	25	7
bulk oil	24	54	41	31	36	38	74	79
meal	69	67	46	70	65	67	133	137
<b>Average sale prices, rub/kg excl. VAT</b>								
mayonnaise	77.1	82.3	83.6	80.2	79.7	81.5	80.6	79.6
margarine	78.1	77.5	77.3	79.5	77.4	82.3	79.5	77.8
bottled oil	62.1	57.3	56.3	57.3	53.7	54.0	53.9	60.3
bulk oil	44.2	40.9	44.4	42.6	41.1	45.2	43.2	41.9
meal	16.2	16.5	15.6	15.4	15.6	20.6	18.1	16.4

Item	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	1H 2018	1H 2017
<b>Agriculture Business</b>								
<b>Revenue, million RUB</b>	<b>3,670</b>	<b>1,336</b>	<b>3,054</b>	<b>10,709</b>	<b>1,467</b>	<b>1,757</b>	<b>3,224</b>	<b>5,006</b>
<b>Sales volume, thousand tonnes</b>								
sugar beet	452	-	1,033	2,472	2	-	2	452
wheat	168	16	124	402	39	74	113	183
barley	12	13	55	113	32	47	79	25
corn	38	33	3	30	42	34	76	71
sunflower	18	31	0	35	2	1	3	49
soybean	31	15	5	118	17	14	31	46
<b>Average sale prices, rub/kg excl. VAT</b>								
sugar beet	2.1	-	1.8	1.7	1.0	-	1.0	2.1
wheat	7.2	6.8	5.4	5.8	6.3	7.6	7.2	7.2
barley	7.1	6.6	6.1	6.1	6.5	7.8	7.3	6.8
corn	9.3	8.1	5.3	6.4	9.4	9.5	9.5	8.7
sunflower	16.7	15.1	-	19.1	18.3	18.8	18.5	15.7
soybean	19.9	18.9	20.5	20.1	20.2	23.8	21.8	19.5

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