



18 November 2019

ROS AGRO financial results for 9M 2019 and Q3 2019

18 November 2019 – 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 2019.

9M 2019 Highlights

- Sales amounted to RR 104,891 million (US\$ 1,615 million¹), an increase of RR 52,690 million compared to 9M 2018;
- Adjusted EBITDA² amounted to RR 13,226 million (US\$ 204 million), an increase of RR 2,978 million compared to 9M 2018;
- Adjusted EBITDA margin dropped from 20% in 9M 2018 to 13% in 9M 2019;
- Net profit for the period amounted to RR 7,145 million (US\$ 110 million);
- Net debt position³ as of 30 September 2019 amounted to RR 50,226 million (US\$ 780 million);
- Net Debt/ Adjusted EBITDA (LTM⁴) as of 30 September 2019 was 2.62x.

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

“3Q 2019 showed good results in terms of revenue increase compared to 3Q 2018. However, adjusted EBITDA margin of the Group dropped due to margin decrease in all major segments, except Agricultural. Agriculture segment’s revenue has grown as the result of higher sales volumes of all crops (except for sugar beet) on local market. EBITDA margin also increased due to lower distribution expenses on local market compared to export sales, which prevailed during 3Q 2018. Meanwhile, Meat, Sugar and Oil & Fats segments showed strong sales results, but experienced margins drop. Meat segment margin was negatively affected by increase in livestock pigs cost due to feed and animals health protection expenses growth. Sugar segment faced EBITDA margin decrease due to high sugar prices during 2018 production season and, as the result, high sugar beet cost and decrease in sugar prices in Q3 2019 due to market expectations related to overproduction. Oil & Fats segment margin decreased mainly due to lower sales prices for all products and start of lower-margin industrial fats (B2B) sales in 2019 related to SolPro activities.”

Key consolidated financial performance indicators

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales	104,891**	52,201	52,690	101	33,754	19,386	14,368	74
Gross profit	18,900	19,053	(153)	(1)	7,760	10,974	(3,214)	(29)
<i>Gross margin, %</i>	<i>18%</i>	<i>36%</i>	<i>-18%</i>		<i>23%</i>	<i>57%</i>	<i>-34%</i>	
Adjusted EBITDA	13,226	10,248	2,978	29	4,410	4,477	(67)	(1)
<i>Adjusted EBITDA margin, %</i>	<i>13%</i>	<i>20%</i>	<i>-7%</i>		<i>13%</i>	<i>23%</i>	<i>-10%</i>	
Net profit for the period	7 145	9 978	(2 832)	(28)	3 792	7 615	(3 823)	(50)
<i>Net profit margin %</i>	<i>7%</i>	<i>19%</i>	<i>-12%</i>		<i>11%</i>	<i>39%</i>	<i>-28%</i>	

**Net profit for the period is affected by non-cash loss on revaluation of biological assets and agricultural produce. See details in business-sections below.*

***Sales and COS for 1Q 2019 related to Oil & Fats (RR 1,758 million) and Other (RR 1,120 million) have been netted versus each other with no effect on Gross profit in accordance with p. 17(a) and 17(b) of IFRS15*

Key financial performance indicators by segments

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2019	September 2018			September 2019	September 2018		
Sales, incl.	104,891	52,201	52,690	101	33,754	19,386	14,368	74
<i>Sugar</i>	23,242	17,734	5,508	31	7,568	7,063	505	7
<i>Meat</i>	18,296	15,384	2,912	19	7,124	5,967	1,157	19
<i>Agriculture</i>	15,218	7,028	8,190	117	5,884	3,816	2,068	54
<i>Oil and Fat</i>	50,217	14,667	35,550	242	15,638	4,638	11,000	237
<i>Milk&Cheese</i>	2,829		2,829	-	997		997	-
<i>Other</i>	224	825	(601)	(73)	68	711	(643)	(90)
<i>Eliminations</i>	(5,134)	(3,436)	(1,697)	(49)	(3,526)	(2,809)	(717)	(26)
Gross profit, incl.	18,900	19,053	(153)	(1)	7,760	10,974	(3,215)	(29)
<i>Sugar</i>	3,826	4,784	(958)	(20)	622	1,674	(1,052)	(63)
<i>Meat</i>	3,431	4,673	(1,242)	(27)	1,445	2,229	(784)	(35)
<i>Agriculture</i>	3,258	6,726	(3,468)	(52)	1,949	6,215	(4,266)	(69)
<i>Oil and Fat</i>	7,403	3,520	3,883	110	3,347	1,188	2,160	182
<i>Milk&Cheese</i>	250	-	250	-	101		101	-
<i>Other</i>	120	139	(19)	(14)	10	118	(108)	(92)
<i>Eliminations</i>	611	(788)	1 399	-	285	(449)	734	-
Adjusted EBITDA, incl.	13,226	10,248	2,978	29	4,410	4,477	(67)	(1)
<i>Sugar</i>	2,550	3,654	(1,104)	(30)	173	1,334	(1,161)	(87)
<i>Meat</i>	4,320	5,188	(868)	(17)	1,726	2,345	(619)	(26)
<i>Agriculture</i>	4,221	981	3,240	330	1,450	766	684	89
<i>Oil and Fat</i>	1,672	1,764	(92)	(5)	1,094	684	410	60
<i>Milk&Cheese</i>	48		48	-	45		45	-
<i>Other</i>	(1,074)	(722)	(351)	(49)	(251)	(245)	(6)	(2)
<i>Eliminations</i>	1,488	(618)	2,106	-	173	(407)	580	-
Adjusted EBITDA margin, %	13%	20%	-7%		13%	23%	-10%	
<i>Sugar</i>	11%	21%	-10%		2%	19%	-17%	
<i>Meat</i>	24%	34%	-10%		24%	39%	-15%	
<i>Agriculture</i>	28%	14%	14%		25%	20%	5%	
<i>Oil and Fat</i>	3%	12%	-9%		7%	15%	-8%	
<i>Milk&Cheese</i>	2%	0%	2%		5%	0%	5%	

Sugar Segment

The financial results of the sugar segment for 9M 2019 and Q3 2019 compared to 9M 2018 and Q3 2018 respectively are presented in the table below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales	23,242	17,734	5,508	31	7,568	7,063	505	7
Cost of sales	(19,411)	(12,956)	(6,454)	(50)	(6,947)	(5,391)	(1,555)	(29)
Net gain/ (loss) from trading derivatives	(5)	6	(12)	-	1	2	(1)	(62)
Gross profit	3,826	4,784	(958)	(20)	622	1,674	(1,052)	(63)
<i>Gross profit margin</i>	<i>16%</i>	<i>27%</i>	<i>-11%</i>		<i>8%</i>	<i>24%</i>	<i>-16%</i>	
Distribution and selling expenses	(1,706)	(1,538)	(169)	(11)	(595)	(447)	(148)	(33)
General and administrative expenses	(1,119)	(1,204)	85	7	(395)	(397)	2	1
Other operating income/ (expenses), net	403	3,378	(2,975)	(88)	88	3,331	(3,243)	(97)
Operating profit	1,405	5,421	(4,016)	(74)	(280)	4,160	(4,440)	-
Adjusted EBITDA	2,550	3,654	(1,104)	(30)	173	1,334	(1,161)	(87)
<i>Adjusted EBITDA margin</i>	<i>11%</i>	<i>21%</i>	<i>-10%</i>		<i>2%</i>	<i>19%</i>	<i>-17%</i>	

Sales increased in 9M 2019 compared to 9M 2018 mainly due to sugar sales volume increased by 29% (9M 2019: 727 ths tonnes, 9M 2018: 562 ths tonnes). Higher stock has been accumulated by the end of 2018 (650 ths tonnes vs normal 450 ths tonnes) in view of expected prices growth in 9M 2019.

Sales increased in 3Q 2019 compared to 3Q 2018 mainly due to sugar sales volume increase by 17% (3Q 2019: 274 ths tonnes, 3Q 2018: 235 ths tonnes), that was partially compensated by sales price decrease by 6%.

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

	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sugar production volume (in thousand tonnes)	231	238	(7)	(3)	207	212	(5)	(2)
Sales volume (in thousand tonnes)	727	562	165	29	274	235	39	17
Average sales price (roubles per kg, excl. VAT)	29.8	28.9	0.9	3	26.5	28.2	(1.7)	(6)

Cost of sales increased in 9M 2019 compared to 9M 2018 by RR 6,454 million mainly due to sugar beet purchase prices of harvest 2018 increased by 39%.

Distribution and selling expenses increased by 169 million mainly due to storage services cost increased as a result of higher sugar stock in 9M 2019.

Meat Segment

The financial results of the meat segment for 9M 2019 and Q3 2019 compared to 9M 2018 and Q3 2018 respectively are presented in the table below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales	18,296	15,384	2,912	19	7,124	5,967	1,157	19
Net gain/ (loss) on revaluation of biological assets and agricultural produce	(456)	(53)	(403)	(762)	(200)	35	(235)	-
Cost of sales	(14,408)	(10,658)	(3,750)	(35)	(5,479)	(3,772)	(1,706)	(45)
Gross profit	3,431	4,673	(1,242)	(27)	1,445	2,229	(784)	(35)
<i>Gross profit margin</i>	<i>19%</i>	<i>26%</i>	<i>-7%</i>		<i>20%</i>	<i>37%</i>	<i>-17%</i>	
<i>Gross profit excl. effect of biological assets revaluation</i>	3,887	4,726	(838)	(18)	1,646	2,195	(549)	(25)
<i>Adjusted gross profit margin</i>	<i>21%</i>	<i>31%</i>	<i>-10%</i>		<i>23%</i>	<i>37%</i>	<i>-14%</i>	
Distribution and selling expenses	(550)	(476)	(74)	(16)	(183)	(200)	17	9
General and administrative expenses	(863)	(697)	(166)	(24)	(286)	(227)	(59)	(26)
Other operating income/ (expenses), net	227	92	136	148	87	(11)	98	-
<i>incl. reimbursement of operating costs (government grants)</i>	<i>50</i>	<i>22</i>	<i>27</i>	<i>122</i>	<i>48</i>	<i>22</i>	<i>26</i>	<i>115</i>
Operating profit	2,246	3,591	(1,345)	(37)	1,064	1,791	(728)	(41)
Adjusted EBITDA	4,320	5,188	(868)	(17)	1,726	2,345	(619)	(26)
<i>Adjusted EBITDA margin</i>	<i>24%</i>	<i>34%</i>	<i>-10%</i>		<i>24%</i>	<i>39%</i>	<i>-15%</i>	

Sales in the meat segment increased by 19% in 9M 2019 and Q3 2019 compared to the respective periods of prior year because of increase in production volumes of pork mainly due to CapitalAgro acquisition and launch of 3rd stage on Tambov Bacon. Sales volumes increase was partly compensated by decrease in selling prices of livestock and processed pigs.

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

	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales volume (in thousand tonnes),	140	112	28	25	53	35	18	52
livestock pigs	18	19	(1)	(1)	10	5	5	97
processed pork	121	94	27	30	43	30	13	45
Average sale prices (roubles per kg, excl. VAT):								
livestock pigs	77.6	86.0	(8.4)	(10)	81.3	94.7	(13.4)	(14)
processed pork	138.5	141.5	(3.0)	(2)	145.0	164.8	(19.8)	(12)

Cost of sales increased by 35% due to growth in feed cost and the costs for animals health protection in 9M 2019 and also higher volumes of livestock pigs transfer to meat processing. Swine foot and mouth disease in Primorie in Q1 2019 resulted in additional loss of RR 136 million, which has been partly compensated by insurance income (recognized in Other operating income).

Net loss on revaluation of biological assets and agricultural produce in 9M 2019 resulted mainly from a decrease in market prices for livestock pigs during the period and a respective decrease in fair value of livestock in the closing balance.

An increase in *Distribution and selling expenses* in 9M 2019 compared to the same prior year period included an increase in transportation costs as a result of higher sales volume of processed pork and an increase in payroll costs related to CapitalAgro acquisition.

An increase in *General and administrative expenses* in 9M 2019 and Q3 2019 compared to prior year periods related to cost of farms in construction.

Agricultural Segment

As at 30 September 2019 the segment's area of controlled land stands at 648 thousand hectares (30 September 2018: 686 thousand hectares), a decrease of 38 thousand hectares or 6%. The financial results of the agricultural segment for 9M 2019 and Q3 2019 compared to 9M 2018 and Q3 2018 respectively are presented below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales	15,218	7,028	8,190	117	5,884	3,816	2,068	54
Net gain/ (loss) on revaluation of biological assets and agricultural produce	(2,245)	4,266	(6,510)	-	550	4,884	(4,334)	(89)
Cost of sales	(9,715)	(4,568)	(5,147)	(113)	(4,486)	(2,485)	(2,001)	(81)
Net gain/ (loss) from trading derivatives	-	-	-	-	-	-	-	-
Gross profit	3,258	6,726	(3,468)	(52)	1,949	6,215	(4,266)	(69)
<i>Gross profit margin</i>	<i>21%</i>	<i>96%</i>	<i>-75%</i>		<i>33%</i>	<i>163%</i>	<i>-130%</i>	
<i>Gross profit excl. effect of biological assets and agricultural produce revaluation</i>	5,503	2,460	3,043	124	1,399	1,331	68	5
<i>Adjusted gross profit margin</i>	<i>36%</i>	<i>35%</i>	<i>1%</i>		<i>24%</i>	<i>35%</i>	<i>-11%</i>	
Distribution and selling expenses	(2,007)	(1,281)	(726)	(57)	(416)	(638)	222	35
General and administrative expenses	(943)	(918)	(25)	(3)	(352)	(307)	(45)	(15)
Other operating income/ (expenses), net	(103)	(8)	(95)	(1,164)	5	60	(55)	(92)
<i>incl. reimbursement of operating costs (government grants)</i>	<i>100</i>	<i>77</i>	<i>23</i>	<i>29</i>	<i>28</i>	<i>17</i>	<i>11</i>	<i>66</i>
Operating profit	205	4,519	(4,314)	(95)	1,187	5,330	(4,143)	(78)
Adjusted EBITDA	4,221	981	3,240	330	1,450	766	684	89
<i>Adjusted EBITDA</i>	<i>28%</i>	<i>14%</i>	<i>14%</i>		<i>25%</i>	<i>20%</i>	<i>5%</i>	

Sales increased due to increase both in selling volumes and prices (for all crops except for sugar beet and soybean). Higher crops sales volumes were affected by the management decision to transfer sales from the end of 2018 to Q1 2019 mainly due to expected increase in selling prices.

Sales volumes by product were as follows:

thousand tonnes	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
sugar beet	944	980	(36)	(4)	944	978	(34)	(3)
wheat	474	188	286	152	212	75	137	183
barley	248	115	133	115	127	36	91	257
corn	137	80	57	72	12	3	8	233
sunflower seeds	10	4	6	162	2	1	1	99
soybean	174	34	140	414	45	3	41	1 274
other	5	34	(29)	(84)	1	28	(27)	(95)

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 2019	September 2018			September 2019	September 2018		
sugar beet	1.8	2.2	(0.4)	(21)	1.8	2.3	(0.5)	(21)
wheat	11.3	8.2	3.1	38	8.8	9.8	(1.0)	(10)
barley	10.4	9.1	1.3	15	9.5	13.1	(3.6)	(28)
corn	12.6	9.5	3.1	32	12.2	10.7	1.4	13
sunflower seeds	19.0	17.4	1.6	9	17.0	14.0	3.0	22
soybean	20.3	22.4	(2.1)	(9)	19.2	31.1	(11.9)	(38)
other	5.9	7.5	(1.6)	(22)	5.7	6.7	(1.0)	(15)

Net loss on revaluation of biological assets and agricultural produce in 9M 2019 represents the realisation of gain from revaluation of 2018 crops harvest remained in stock as at 31 December 2018 and being subsequently sold to customers during 2019, which is partly compensated by the gain recognised from revaluation of crops for 2019 harvest collected in Q3 2019. The gain on revaluation of crops and its subsequent realisation do not affect the Adjusted EBITDA figure.

Distribution and selling expenses increased by RR 726 million in 9M 2019 and decreased by RR 222 million in Q3 2019. There was higher level of crops in stock at the beginning of the year and higher volumes of crops were sold in 2019 compared to 2018. At the same time higher sales volume to local market in Q3 2019 let us see the economy compared to Q3 2018 mainly in part of transportation costs.

Oil and Fat segment

The financial results of the oil and fat segment for 9M 2019 and Q3 2019 compared to 9M 2018 and Q3 2018 respectively are presented below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September r 2019	30 September 2018	Units	%
Sales	50,217	14,667	35,550	242	15,638	4,638	11,000	237
Cost of sales	(42,814)	(11,147)	(31,666)	(284)	(12,291)	(3,451)	(8,840)	(256)
Gross profit	7,403	3,520	3,883	110	3,347	1,188	2,160	182
<i>Gross profit margin</i>	<i>15%</i>	<i>24%</i>	<i>-9%</i>		<i>21%</i>	<i>26%</i>	<i>-5%</i>	
Distribution and selling expenses	(4,968)	(1,584)	(3,384)	(214)	(1,940)	(474)	(1,466)	(309)
General and administrative expenses	(1,191)	(606)	(585)	(97)	(450)	(221)	(229)	(103)
Other operating income/(expenses), net	(209)	49	(258)	-	-	75	(75)	(100)
Operating profit/ (loss)	1,035	1,379	(344)	(25)	958	567	390	69
Adjusted EBITDA	1,672	1,764	(92)	(5)	1,094	684	410	60
<i>Adjusted EBITDA margin</i>	<i>3%</i>	<i>12%</i>	<i>-9%</i>		<i>7%</i>	<i>15%</i>	<i>-8%</i>	

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

In RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales, incl.	50,217	14,667	35,55	242	15,638	4,638	11,000	237
<i>Samara oil plant</i>	34,245	7,948	26,29	331	12,195	2,634	9,561	363
<i>Ekaterinburg fat plant</i>	28,369	6,863	21,50	313	9,335	3,008	6,327	210
<i>Far East</i>	2,376	2,506	(130)	(5)	669	444	225	51
<i>Eliminations(*)</i>	(14,773)	(2,650)	(12,123)	(457)	(6,561)	(1,448)	(5,113)	(353)
Gross profit, incl.	7,403	3,520	3,883	110	3,347	1,188	2,160	182
<i>Samara oil plant</i>	3,570	1,467	2,103	143	1,717	444	1,273	287
<i>Ekaterinburg fat plant</i>	3,776	1,707	2,069	121	1,612	660	952	144
<i>Far East</i>	43	465	(422)	(91)	9	119	(110)	(93)
<i>Eliminations(*)</i>	13	(120)	133	-	10	(35)	44	-
Adjusted EBITDA, incl.	1,672	1,764	(92)	(5)	1,094	684	410	60
<i>Samara oil plant</i>	1,189	935	254	27	836	379	457	121
<i>Ekaterinburg fat plant</i>	509	602	(93)	(15)	252	251	1	0
<i>Far East</i>	(74)	260	(334)	-	(26)	66	(92)	-
<i>Eliminations(*)</i>	48	(33)	81	-	32	(12)	44	-
Adjusted EBITDA margin	3%	12%	-9%		7%	15%	-8%	
<i>Samara oil plant</i>	<i>3%</i>	<i>12%</i>	<i>-8%</i>		<i>7%</i>	<i>14%</i>	<i>-8%</i>	
<i>Ekaterinburg fat plant</i>	<i>2%</i>	<i>9%</i>	<i>-7%</i>		<i>3%</i>	<i>8%</i>	<i>-6%</i>	
<i>Far East</i>	<i>-3%</i>	<i>10%</i>	<i>-13%</i>		<i>-4%</i>	<i>15%</i>	<i>-19%</i>	

(*) Intra-segment sales include sales of bulk oil from Samara oil plant and bulk and bottled oil from Far East to Ekaterinburg fat plant.

Sales volumes to third parties by product were as follows:

thousand tonnes	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
mayonnaise	99	33	66	203	37	12	25	198
margarine	31	20	11	54	11	7	4	66
bottled oil	109	52	57	109	37	27	10	37
industrial fats	176	6	170	2,887	70	2	68	2,822
bulk oil	409	85	324	381	92	11	81	709
meal	470	174	296	170	136	41	95	230

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

RR per kilogram, excl. VAT	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
mayonnaise	79.9	81.4	-1.5	(2)	79.9	82.6	-2.8	(3)
margarine	80.8	81.8	-1.0	(1)	80.4	86.4	-6.1	(7)
bottled oil	53.8	54.9	-1.1	(2)	54.1	55.8	-1.7	(3)
industrial fats	48.1	49.5	-1.4	(3)	45.4	50.6	-5.2	(10)
bulk oil	44.3	43.6	0.7	2	45.8	46.4	-0.5	(1)
meal	15.0	18.4	-3.4	(18)	15.1	19.2	-4.1	(21)

Sales increased as a result of tolling scheme with SolPro assets (during 1H 2019) and increased capacity, rented from SolPro (during 3Q 2019) and, as result, higher volumes of bulk and bottled oil and industrial fats sold. At the same time, EBITDA margin decreased to 3% in 9M 2019 as all sales for 1H 2019 have been transferred to Rusagro, while profit remained on SolPro entities and has been further withdrawn through interest income reflected in Other segment below EBITDA. Starting from July 2019 all the SolPro plants are rented by Rusagro and margin are reflected in Rusagro EBITDA. EBITDA margin has increased by 1% in 9M 2019 compared to 1H 2019.

Increase in *Distribution and selling expenses* by RR 3,384 million in 9M 2019 and by RR 1,466 million in Q3 2019 compared to the prior period is mainly attributed to higher transportation and loading services expenses related to an increase in sales volume in Oil and Fat segment. Increase by RR 363 million was related to SolPro personnel added to EZhK.

Increase in *General and administrative expenses* by RR 585 million in 9M 2019 and by RR 229 million in Q3 2019 compared to the prior period is attributed to higher number of employees in administrative function in Oil and Fat segment. Increase by RR 172 million was related to rent of SolPro's storage space.

Increase in *Other operating expenses* by RR 258 million in 9M 2019 was mainly due to write-off of RR 175 million as result of sunflower technological losses.

Milk Products Segment

The financial results of the Milk Products segment for 9M 2019 and Q3 2019 as compared to 9M 2018 and Q3 2018 respectively are presented in the table below:

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Sales	2,829	-	2,829	-	997	-	997	-
Cost of sales	(2,579)	-	(2,579)	-	(896)	-	(896)	-
Gross profit	250	-	250	-	101	-	101	-
<i>Gross profit margin</i>	<i>9%</i>	-	<i>9%</i>	-	<i>10%</i>	-	<i>10%</i>	-
Distribution and selling expenses	(100)	-	(100)	-	(26)	-	(26)	-
General and administrative	(104)	-	(104)	-	(30)	-	(30)	-
Other operating income/ (expenses), net	(11)	-	(11)	-	(9)	-	(9)	-
Operating profit	35	-	35	-	35	-	35	-
Adjusted EBITDA	48	-	48	-	45	-	45	-
<i>Adjusted EBITDA margin</i>	<i>2%</i>	-	<i>2%</i>	-	<i>5%</i>	-	<i>5%</i>	-

Group is now focusing on entering the retail chains with a consumer product, developing brands and increasing sales profitability.

Sales volumes by product were as follows:

Thousand tonnes	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
cheese and cheese product	6	-	6	-	2	-	2	-
butter and spread	2	-	2	-	0	-	0	-
dry mixes	11	-	11	-	4	-	4	-
cream	1	-	1	-	1	-	1	-

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 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
cheese and cheese product	216.9	-	216.9	-	203.0	-	203.0	-
butter and spread	279.2	-	279.2	-	235.4	-	235.4	-
dry mixes	80.0	-	80.0	-	197.5	-	197.5	-
cream	197.5	-	197.5	-	82.0	-	82.0	-

Key consolidated cash flow indicators (not IFRS presentation*)

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

in mln Roubles	Nine months ended		Variance		Three months ended		Variance	
	30 September 2019	30 September 2018	Units	%	30 September 2019	30 September 2018	Units	%
Net cash from operating activities, incl.	28,298	13,041	15,256	117	9,674	5,735	3,939	69
<i>Operating cash flow before working capital changes</i>	13,602	10,729	2,873	27	3,998	4,187	(189)	(5)
<i>Working capital changes</i>	14,652	2,924	11,728	401	5,543	1,931	3,612	187
Net cash from investing activities, incl.	(20,670)	(14,402)	(6,268)	(44)	(14,562)	(6,463)	(8,099)	(125)
<i>Purchases of property plant and equipment and inventories intended for construction</i>	(12,390)	(12,097)	(293)	(2)	(5,985)	(4,216)	(1,769)	(42)
Net cash from financing activities	(4,273)	3,586	(7,859)	-	7,179	5,335	1,844	35
Net effect of exchange rate changes on cash and cash equivalents	(114)	143	(257)	-	(0)	80	(80)	-
Net increase / (decrease) in cash and cash equivalents	3,240	2,368	871	37	2,290	4,687	(2,396)	(51)

(*) See Appendix 4

The main investments in property, plant and equipment and inventories intended for construction in 9M 2019 were made in the Meat segment in the amount of RR 8,089 million (9M 2018: RR 7,547 million), related to the construction project in the Tambov and Far East regions. Significant investments were also made in Sugar segment in the amount of RR 2,690 million (9M 2018: RR 2,231 million) for construction of second desugarisation line. Investments in the Oil and Fat segment amounted to RR 150 million (9M 2018: RR 883 million) and in the Agriculture segment amounted to RR 1,423 million (9M 2018: RR 1,447 million), related to purchases of machinery and equipment.

Debt position and liquidity management

in RR million	30 September 2019	31 December 2018	Variance	
			Units	%
Gross debt	89,173	95,102	(5,929)	(6)
<i>Short-term borrowings</i>	23,693	32,514	(8,821)	(27)
<i>Long-term borrowings</i>	65,481	62,588	2,893	5
Cash and cash equivalents, bank deposits and bonds	(38,947)	(40,759)	1,812	4
<i>Short-term cash, deposits and bonds</i>	(4,984)	(4,543)	(441)	(10)
<i>Long-term cash, deposits and bonds</i>	(33,964)	(36,216)	2,252	6
Net debt	50,226	54,342	(4,116)	(8)
<i>Short-term borrowings, net</i>	18,709	27,971	(9,262)	(33)
<i>Long-term borrowings, net</i>	31,517	26,371	5,146	20
Adjusted EBITDA (LTM⁴)	19,157	16,179	2,978	18
Net debt/ Adjusted EBITDA (LTM)	2.62	3.36	(0.74)	

Net finance income/ (expense)

in RR million	Nine months ended		Variance		Three months ended		Variance	
	30	30	Units	%	30	30	Units	%
	September 2019	September 2018			September 2019	September 2018		
Net interest expense	(3,942)	(1,737)	(2,205)	(127)	(1,225)	(658)	(566)	(86)
<i>Gross interest expense</i>	(4,870)	(2,395)	(2,475)	(103)	(1,512)	(806)	(706)	(88)
<i>Reimbursement of interest expense</i>	928	658	270	41	288	148	139	94
Interest income	6,012	2,708	3,304	122	2,016	893	1,123	126
Net gain/ (loss) from bonds held for trading	(21)	-29	9	29	2	-21	23	-
Other financial income, net	558	(36)	594	-	173	45	127	281
<i>Net foreign exchange gain/ (loss)</i>	(32)	(56)	24	42	(43)	47	(90)	-
<i>Other financial income / (expenses), net</i>	590	19	570	2,936	216	(2)	218	-
Total net finance income/ (expenses)	2,607	906	1,701	188	966	259	707	273

In Q3 2019 the Group continued to enjoy benefits from the state agriculture subsidies programme. In addition, in 2019 the Group continued the receiving bank loans with decreased preferential interest rates under the new programme of government support. Under this programme, the government provides subsidies to the banks to compensate the loss of income on credits with decreased interest rates, given by the banks to agricultural producers. In Q3 2019 IFRS accounts these credits are accounted for according to its face value with no adjustments to prevailing market rates. The differences between nominal and market interest rate is presented in interest expenses in a statement of comprehensive income.

Net finance income in 9M 2018 in the sum of RR 906 million increased to net finance income in amount of RR 2,607 million in the 9M 2019 as the result of accrual of interest on rights to claims SolPro entities, an increase in other financial income due to revaluation effect of rights to claims SolPro entities and partly compensating effect of interest on new loans from RSHB and Sberbank.

(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.

(4) 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:

Rusagro is one of the leading Russian sugar producers (№3 with 13% share in sugar production in Russia and №1 with 48% share of cubed sugar market), producing sugar from sugar beet at nine production sites in four regions. Group produces white and brown cube sugar and packaged sugar sold under the brands Russkii Sakhar, Chaikofsky, Mon Cafe and Brauni. Sugar segment is vertically integrated and sugar beet is supplied by Rusagro's Agriculture segment, which ensures a consistent supply of raw material. Sugar segment also operates a cereal plant and sell buckwheat and rice under the brand Tyoplye Traditsii.

Meat:

Rusagro is the fourth largest pork producer in Russia with 5% share of pork produced in Russia. It operates 18 commercial pork complexes with correspondence to high biosecurity standards, has own compound feed production, slaughterhouses and meat processing plants in Tambov and Belgorod Regions. Since 2016 Rusagro sells retail products under its own brand Slovo Myasnika (Butcher's word).

Agricultural:

The Group currently controls one of the largest land banks among Russian agriculture producers, with 648 thousand hectares of land under control located in the highly fertile Black Earth region of Russia (in the Belgorod, Tambov, Voronezh, Kursk and Orel 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. Rusagro is one of the major sugar beet producers in Russia, but it also produces wheat and barley, sunflower seeds and soybeans. These products are partially consumed by the meat segment, supporting a synergistic effect and lowering price change risk.

Oil and Fat:

Rusagro is one of the leading producers of mayonnaise and consumer margarine in Russia sold under a number of brands, such as EZhK, Schedroye Leto, Mechta Khozyaiki, Gotovim Doma, Maslava and Soyaco. The Group operates an Oil extraction plant in Samara and two oil and fats plant in Ekaterinburg and in the Far East Primorie Region. Own sunflower and soy oil production allows to control the source of the vegetable oil required to produce oil and fats products. In 2018 Rusagro acquired the debt of Solnechnye Producty from Russian Agriculture bank and is planning to purchase assets of some of its plants increasing the production and its market share.

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 9M and Q3 2019 financial results for investors and analysts.

Details of the call:

Date	19 November 2019
Time	4:00 PM (Moscow) / 2:00 PM (London)
Subject	ROS AGRO PLC Financial Results 3Q 2019 and 9M 2019
UK Toll Free	0800 376 6183
UK Local Line	+44 207 194 3759
USA Toll Free	1 844 286 06 43
USA Local Line	+1 646 722 49 16
Russia Toll Free	8 800 500 9863
Russian Local Line	+7 495 646 9315
Conference ID	86394281#

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Appendix 1. Unaudited consolidated statement of comprehensive income for the Nine months ended 30 September 2019 (in RR thousand)

	Nine months ended 30 September		Three months ended 30 September	
	2019	2018	2019	2018
Sales	104,891,262	52,200,982	33,753,754	19,386,412
Net gain/(loss) on revaluation of biological assets and agricultural produce	(3,284,329)	4,210,927	626,763	5,111,367
Cost of sales	(82,701,813)	(37,365,392)	(26,621,669)	(13,525,676)
Net gain/(loss) from trading derivatives	(5,145)	6,363	678	1,803
Gross profit	18,899,975	19,052,880	7,759,526	10,973,906
Distribution and selling expenses	(9,324,032)	(4,955,998)	(3,078,053)	(1,627,097)
General and administrative expenses	(5,148,877)	(4,060,760)	(1,698,693)	(1,418,959)
Other operating income/ (expenses), net	230,125	(532,042)	(82,901)	(510,906)
Operating profit / (loss)	4,657,191	9,504,080	2,899,879	7,416,944
Interest expense	(3,942,368)	(1,737,182)	(1,224,560)	(658,172)
Interest income	6,012,122	2,708,368	2,016,116	893,250
Net (loss)/gain from bonds	(20,649)	(29,270)	1,866	(21,311)
Other financial income/ (expenses), net	557,726	(36,085)	172,763	45,291
Profit before income tax	7,264,022	10,409,911	3,866,064	7,676,002
Income tax expense	(118,826)	(432,384)	(73,836)	(61,117)
Profit for the period	7,145,196	9,977,527	3,792,228	7,614,885
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	7,145,196	9,977,527	3,792,228	7,614,885
Profit is attributable to:				
Owners of ROS AGRO PLC	7,172,900	9,957,216	3,800,223	7,614,885
Non-controlling interest	(27,704)	20,311	(7,995)	-
Profit for the period	7,145,196	9,977,527	3,792,228	7,614,885
Total comprehensive income is attributable to:				
Owners of ROS AGRO PLC	7,172,900	9,957,216	3,800,223	7,614,885
Non-controlling interest	(27,704)	20,311	(7,995)	-
Total comprehensive income for the period	7,145,196	9,977,527	3,792,228	7,614,885
Earnings per ordinary share for profit attributable to the owners of ROS AGRO PLC, basic and diluted (in RR per share)	266.65	370.17	141.27	283.09

Appendix 2. Unaudited segment information for the Nine months ended 30 September 2019 (in RR thousand)

9M 2019	Sugar	Meat	Agriculture	Oil and Fat	Other	Eliminations	Total
Sales	23,241,962	18,295,504	15,218,224	50,216,762	3,052,465	(5,133,655)	104,891,262
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(455,968)	(2,244,641)	-	-	(583,721)	(3,284,330)
Cost of sales	(19,410,639)	(14,408,407)	(9,715,484)	(42,813,657)	(2,682,402)	6,328,776	(82,701,813)
<i>incl. Depreciation</i>	<i>(1,438,616)</i>	<i>(1,747,416)</i>	<i>(1,372,481)</i>	<i>(343,338)</i>	<i>(5,839)</i>	<i>(11,100)</i>	<i>(4,918,790)</i>
Net loss from trading derivatives	(5,139)	-	-	-	(6)	-	(5,145)
Gross profit / (loss)	3,826,184	3,431,129	3,258,099	7,403,105	370,057	611,400	18,899,974
Distribution and Selling, General and administrative expenses	(2,824,843)	(1,412,653)	(2,950,049)	(6,158,751)	(1,419,632)	293,018	(14,472,910)
<i>incl. Depreciation</i>	<i>(56,715)</i>	<i>(48,876)</i>	<i>(196,070)</i>	<i>(84,221)</i>	<i>(18,426)</i>	<i>11,100</i>	<i>(393,208)</i>
Other operating income/(expenses), net	403,416	227,444	(103,270)	(209,380)	10,801,147	(10,889,233)	230,124
<i>incl. Reimbursement of operating costs (government grants)</i>	<i>53,088</i>	<i>49,631</i>	<i>99,939</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>202,658</i>
Operating profit / (loss)	1,404,757	2,245,920	204,780	1,034,974	9,751,572	(9,984,815)	4,657,188
Adjustments:							
Depreciation included in Operating Profit	1,495,331	1,796,292	1,568,551	427,559	24,265	-	5,311,998
Other operating (income) /expenses, net	(403,416)	(227,444)	103,270	209,380	(10,801,147)	10,889,233	(230,124)
Reimbursement of operating costs (government grants)	53,088	49,631	99,939	-	-	-	202,658
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	455,968	2,244,641	-	-	583,721	3,284,330
Adjusted EBITDA*	2,549,760	4,320,367	4,221,181	1,671,913	(1,025,310)	1,488,139	13,226,050

* Non-IFRS measure

Appendix 2 (continued). Unaudited segment information for the Nine months ended 30 September 2018 (in RR thousand)

9M 2018	Sugar	Meat	Agriculture	Oil and Fat	Other	Eliminations	Total
Sales	17,733,579	15,383,781	7,028,008	14,666,970	825,008	(3,436,363)	52,200,982
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(52,887)	4,265,789	-	-	(1,974)	4,210,927
Cost of sales	(12,956,143)	(10,658,255)	(4,568,112)	(11,147,212)	(686,318)	2,650,759	(37,365,392)
<i>incl. Depreciation</i>	(1,546,829)	(1,578,281)	(507,045)	(264,475)	(1,968)	(9,113)	(3,907,711)
Net gain/ (loss) from trading derivatives	6,363	-	-	-	-	-	6,363
Gross profit	4,783,799	4,672,639	6,725,684	3,519,744	138,690	(787,579)	19,052,853
Distribution and Selling, General and administrative expenses	(2,741,268)	(1,173,126)	(2,198,585)	(2,189,935)	(881,238)	167,394	(9,016,758)
<i>incl. Depreciation</i>	(64,696)	(35,393)	(135,905)	(98,339)	(18,163)	9,113	(343,384)
Other operating income/(expenses), net	3,378,032	91,771	(8,170)	49,015	13,968,689	(18,011,379)	(532,042)
<i>incl. Reimbursement of operating costs (government grants)</i>	-	22,384	77,206	71,592	-	-	171,182
Operating profit / (loss)	5,420,564	3,591,283	4,518,929	1,378,824	13,226,141	(18,631,564)	9,504,052
Adjustments:							
Depreciation included in Operating Profit	1,611,526	1,613,675	642,950	362,815	20,131	-	4,251,097
Other operating (income) /expenses net	(3,378,032)	(91,771)	8,170	(49,015)	(13,968,689)	18,011,379	532,042
Reimbursement of operating costs (government grants)	-	22,384	77,206	71,592	-	-	171,182
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	52,887	(4,265,789)	-	-	1,974	(4,210,927)
Adjusted EBITDA *	3,654,057	5,188,458	981,467	1,764,294	(722,417)	(618,211)	10,247,674

* Non-IFRS measure

**Appendix 3. Unaudited consolidated statement of financial position as at 30 September 2019
(in RR thousand)**

	30 September 2019	31 December 2018
ASSETS		
Current assets		
Cash and cash equivalents	4,968,117	1,728,396
Restricted cash	235,604	49
Short-term investments	8,897,886	8,551,238
Trade and other receivables	8,048,039	6,226,403
Prepayments	2,597,094	2,194,971
Current income tax receivable	215,485	533,459
Other taxes receivable	3,850,062	4,420,011
Inventories and short-term biological assets	42,549,025	53,076,878
Total current assets	71,361,312	76,731,405
Non-current assets		
Property, plant and equipment	76,453,536	68,606,452
Inventories intended for construction	3,571,246	4,136,855
Goodwill	2,364,942	2,364,942
Advances paid for non-current assets	12,260,526	9,681,448
Long-term biological assets	3,309,149	2,650,201
Long-term investments and receivables	49,426,104	54,494,252
Investments in associates	8,507,320	7,320
Deferred income tax assets	3,711,808	1,866,593
Other intangible assets	2,142,207	2,202,786
Other non-current assets	-	215,417
Non-current assets held for sale	-	820,950
Total non-current assets	161,746,838	147,047,216
Total assets	233,108,150	223,778,621
LIABILITIES and EQUITY		
Current liabilities		
Short-term borrowings	23,692,768	32,513,595
Trade and other payables	21,085,904	12,190,160
Current income tax payable	115,160	60,913
Other taxes payable	4,552,035	4,023,943
Total current liabilities	49,445,867	48,788,611
Non-current liabilities		
Long-term borrowings	65,480,667	62,587,531
Government grants	8,386,477	7,310,975
Deferred income tax liability	1,985,464	359,051
Other non-current liabilities	3,544,393	2,465,813
Total non-current liabilities	79,397,001	72,723,370
Total liabilities	128,842,868	121,511,981
Equity		
Share capital	12,269	12,269
Treasury shares	(490,607)	(490,607)
Additional paid-in capital	26,964,479	26,964,479
Other reserves	1,344,970	1,326,579
Retained earnings	76,230,177	74,286,089
Equity attributable to owners of ROS AGRO PLC	104,061,288	102,098,809
Non-controlling interest	203,994	167,831
Total equity	104,265,282	102,266,640
Total liabilities and equity	233,108,150	223,778,621

Appendix 4. Unaudited consolidated statement of cash flows for the Nine months ended 30 September 2019 (in RR thousand) – NOT IFRS PRESENTATION (*)

	Nine months, ended	
	30 September 2019	30 September 2018
Cash flows from operating activities		
Profit before income tax	7,264,021	10,409,911
<i>Adjustments for:</i>		
Depreciation and amortization	6,242,462	5,778,084
Interest expense	3,889,580	2,395,316
Government grants	(551,963)	(1,139,681)
Interest income	(6,012,122)	(2,708,368)
Loss / (gain) on disposal of property, plant and equipment	35,785	23,249
Net (gain) / loss on revaluation of biological assets and agricultural produce	3,284,329	(4,181,257)
Change in provision for net realisable value of inventory	23,363	(23,412)
Share of results of associates	-	-
Change in provision for impairment of receivables and prepayments	91,244	20,744
Foreign exchange (gain) / loss, net	50,650	109,484
Lost / (reversal of) harvest write-off	101,327	12,600
Net (gain) / loss from bonds held for trading	20,649	29,265
Settlement of loans and accounts receivable previously written-off	(160)	(130)
Change in provision for impairment of advances paid for property, plant and equipment	19,642	(38,787)
Loss / (gain) on disposal of subsidiaries, net	(364,880)	48,565
Loss / (gain) on other investments	(144,302)	117
Other non-cash and non-operating expenses, net	(347,245)	(6,393)
Operating cash flow before working capital changes	13,602,380	10,729,305
Change in trade and other receivables and prepayments	(2,077,328)	2,137,321
Change in other taxes receivable	569,949	329,274
Change in inventories	6,447,956	(2,437,111)
Change in trade and other payables	9,364,120	2,887,518
Change in other taxes payable	347,273	6,513
Cash generated from operations	28,254,350	13,652,820
Income tax paid	43,196	(611,486)
Net cash from operating activities	28,297,546	13,041,334
Cash flows from investing activities		
Purchases of property, plant and equipment	(11,810,722)	(10,992,570)
Purchases of other intangible assets	(257,819)	(264,820)
Proceeds from sales of property, plant and equipment	169,621	57,668
Purchases of inventories intended for construction	(579,313)	(1,104,550)
Purchases of associates	(8,573,150)	-
Investments in subsidiaries, net of cash acquired	-	(2,098,209)
Movement in restricted cash	(242,491)	658
Proceeds from sale of subsidiaries, net of cash disposed	478,710	-
Proceeds from sales of other investments	145,000	-
Net cash from investing activities	(20,670,164)	(14,401,823)

Appendix 4 (continued). Unaudited consolidated statement of cash flows for the Nine months ended 30 September 2019 (in RR thousand) – NOT IFRS PRESENTATION (*)

	Nine months, ended	
	30 September 2019	30 September 2018
Cash flows from financing activities		
Proceeds from borrowings	32,885,674	8,931,960
Repayment of borrowings	(40,909,438)	(7,226,657)
Interest paid	(3,295,281)	(2,412,223)
Proceeds from sales of promissory notes*	100,000	-
Change in cash on bank deposits*	2,594,903	6,159,309
Proceeds from sales of bonds with maturity over* three months*	2,323,560	-
Loans given*	(188,649)	(1,497,872)
Loans repaid*	1,864,389	3,643
Interest received*	2,883,286	2,430,449
Proceeds from government grants	915,104	733,373
Purchases of non-controlling interest	(35)	(59,316)
Dividends paid to owners Ros Agro PLC	(3,401,658)	(3,485,666)
Lease payments	(45,253)	8,713
Net cash from financing activities	(4,273,398)	3,585,730
Net effect of exchange rate changes on cash and cash equivalents	(114,227)	143,055
Net increase/ (decrease) in cash and cash equivalents	3,239,758	2,368,297
Cash and cash equivalents at the beginning of the period	1,728,359	4,860,335
Cash and cash equivalents at the end of the period	4,968,117	7,228,632

(*) 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.