

ROS AGRO PLC TRADING UPDATE 4Q AND 12M 2018

29 January 2019 – ROS AGRO PLC announces preliminary operating results for 4th quarter and 12 months of year 2018.

4Q 2018 highlights compared to 4Q 2017:

- Total revenue before intersegment eliminations amounted to RR 38.2 billion, an increase of RR 7.5 billion (+25%) as the result of revenue growth of oil & fats, meat and agriculture business segments;
- Revenue of Sugar segment decreased to RR 6.5 billion (-31%) due to sugar sales drop to 140 thousand tonnes (-56%), which was partially compensated by the price rise to 36.0 RUB/kg excl. VAT (+34%);
- Revenue of Meat segment surged to RR 7.2 billion (+36%) due to increase of sales of cuts and other pork cutting products to 41 thousand tonnes (+22%) and price growth;
- Revenue of Oil & Fats segment surged to RR 11.5 billion (+121%) as the result of sales growth of bottled oil to 45 thousand tonnes (+423%) and bulk oil to 83 thousand tonnes (+172%), as well as due to the rise of sales price of bulk oil and margarines;
- Revenue of Agriculture segment rose to RR 12.9 billion (+21%) due to the sale price growth of all crops.

Table 1. Key operating results by segment:

Item	12M 2018	12M 2017	Change, %	Q4 2018	Q4 2017	Change, %
Sugar Business						
Revenue, million RUB	24,234	30,386	-20%	6,500	9,393	-31%
Production volume of sugar, thousand tonnes	773	984	-22%	535	637	-16%
Sales volume of sugar, thousand tonnes	702	900	-22%	140	316	-56%
Average sugar sale price, RUB/kg excl. VAT	30.6	30.6	0%	35.0	25.9	35%
Meat Business						
Revenue, million RUB	22,321	20,512	9%	7,227	5,321	36%
Production volume, thousand tonnes						
livestock	202	206	-2%	53	52	1%
compound feed	567	603	-6%	156	149	5%
Sales volume, thousand tonnes						
livestock	27	57	-53%	9	12	-26%
carcass	30	31	-3%	7	10	-34%
cuts	90	69	30%	28	20	41%
other pork cutting products	18	13	38%	6	4	69%
Average sale price, RUB/kg excl. VAT						
livestock	86.2	94.9	-9%	86.6	85.8	1%
carcass	136.3	124.9	9%	149.5	114.9	30%
cuts	165.9	151.3	10%	174.0	150.3	16%
other pork cutting products	52.5	51.5	2%	57.4	55.4	4%
Oil and Fat Business						
Revenue, million RUB	26,203	19,430	35%	11,536	5,213	121%
Sales volume, thousand tonnes						
mayonnaise	48	59	-18%	16	15	5%
margarine	29	36	-18%	9	12	-22%
bottled oil	97	20	388%	45	9	423%
bulk oil	168	150	12%	83	31	172%
meal	302	253	19%	129	70	83%

Item	12M 2018	12M 2017	Change. %	Q4 2018	Q4 2017	Change. %
Average sale price, RUB/kg excl. VAT						
mayonnaise	81.3	79.6	2%	81.3	82.3	-1%
margarine	83.2	77.8	7%	86.2	77.5	11%
bottled oil	55.7	58.2	-4%	56.5	57.3	-1%
bulk oil	45.7	42.5	7%	47.7	42.6	12%
meal	17.2	16.0	8%	15.7	15.4	2%
Agriculture Business						
Revenue, million RUB	19,943	18,768	6%	12,909	10,709	21%
Sales volume, thousand tonnes						
sugar beet	3,489	3,957	-12%	2,509	2,472	2%
wheat	510	710	-28%	327	402	-20%
barley	152	193	-21%	39	113	-67%
corn	109	105	4%	30	30	-2%
sunflower	54	84	-36%	50	35	42%
soybean	91	169	-46%	57	118	-52%
other	54	10	452%	17	4	340%
Average sale price, RUB/kg excl. VAT						
sugar beet	2.5	1.8	37%	2.6	1.7	47%
wheat	9.3	6.1	53%	9.8	5.8	69%
barley	9.7	6.2	56%	11.4	6.1	87%
corn	10.1	7.9	27%	11.7	6.4	83%
sunflower	18.6	17.1	9%	18.7	19.1	-2%
soybean	23.5	20.0	18%	24.2	20.1	21%
other	7.5	5.3	44%	6.2	0.1	0%

Table 2. Historical operating results by segment:

Item	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	12M 2017	12M 2018
Sugar Business										
Revenue, million RUB	7 410	7 192	6 392	9 393	5 213	5 458	7 063	6 500	30 386	24 234
Production volume, thousand tonnes	122	15	211	637	9	17	212	535	984	773
Sales volume, tonnes	196	193	193	316	166	161	235	140	900	702
Average sugar price, rub/kg excl. VAT	33.4	34.4	31.4	25.9	27.9	31.0	28.2	35.0	30.6	30.6
Meat Business										
Revenue, million RUB	4 732	5 305	5 154	5 321	4 326	5 091	5 677	7 227	20 512	22 321
Sales volume, thousand tonnes										
livestock	21	14	11	12	7	7	5	9	57	27
processed pork	23	30	30	35	33	33	30	42	118	138
Average sale prices, rub/kg excl. VAT										
livestock	93.9	102.1	97.4	85.8	79.7	86.0	106.1	86.0	94.9	86.2
processed pork	120.1	130.7	135.9	124.9	116.5	136.3	160.9	166.6	127.3	147.2
Oil and Fat Business										
Revenue, million RUB	4 368	5 253	4 596	5 213	4 478	5 551	4 638	11 536	19 430	26 203
Sales volume, thousand tonnes										
mayonnaise	16	15	13	15	10	11	12	16	59	48
margarine	9	7	8	12	8	6	7	9	36	29
bottled oil	5	3	4	9	9	16	27	45	20	97
bulk oil	24	54	41	31	36	38	11	83	150	168
meal	69	67	46	70	65	67	41	129	253	302
Average sale prices, rub/kg excl. VAT										
mayonnaise	77.1	82.3	83.6	80.2	79.7	81.5	82.6	81.3	79.6	81.3
margarine	78.1	77.5	77.3	79.5	77.4	82.3	86.4	86.2	77.8	83.2
bottled oil	62.1	57.3	56.3	57.3	53.7	54.0	46.4	56.5	58.2	55.7
bulk oil	44.2	40.9	44.4	42.6	41.1	45.2	55.8	47.7	42.5	45.7
meal	16.2	16.5	15.6	15.4	15.6	20.6	19.2	15.7	16.0	17.2

Item	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	12M 2017	12M 2018
Agriculture Business										
Revenue, million RUB	3 670	1 336	3 054	10 709	1 467	1 745	3 822	12 909	18 768	19 943
Sales volume, thousand tonnes										
sugar beet	452	0	1 033	2 472	2	0	978	2 509	3 957	3 489
wheat	168	16	124	402	39	74	75	402	710	510
barley	12	13	55	113	32	47	36	37	193	152
corn	38	33	3	30	42	34	3	30	105	109
sunflower	18	31	0	35	2	1	1	50	84	54
soybean	31	15	5	118	17	14	3	57	169	91
Average sale prices, rub/kg excl. VAT										
sugar beet	2.1	-	1.8	1.7	1.0	-	2.3	2.6	1.8	2.5
wheat	7.2	6.8	5.4	5.8	6.3	7.6	9.8	9.8	6.1	9.3
barley	7.1	6.6	6.1	6.1	6.5	7.8	13.1	11.4	6.2	9.7
corn	9.3	8.1	5.3	6.4	9.4	9.5	10.7	11.7	7.9	10.1
sunflower	16.7	15.1	-	19.1	18.3	18.8	14.0	18.7	17.1	18.6
soybean	19.9	18.9	20.5	20.1	20.2	23.0	31.1	24.2	20.0	23.5

For further details, please contact:

Svetlana Kuznetsova
 Head of Investment Department
 Tel.: +7 (495) 363-1661
 E-mail: ir@rusagrogroup.ru