

31 August 2015

## ROS AGRO financial results for 1H 2015 and Q2 2015

**31 August 2015** – 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 six months ended 30 June 2015.

### 1H 2015 Highlights

- Sales amounted to RR 32,589 million (US\$ 565 million (\*)), an increase of RR 5,944 million compared to 1H 2014;
- Adjusted EBITDA (\*\*) amounted to RR 10,697 million (US\$ 185 million), an increase of RR 4,194 million compared to 1H 2014;
- Adjusted EBITDA margin increased from 24% to 33%;
- Net profit for the period amounted to RR 7,220 million (US\$ 125 million);
- Net debt position (\*\*\*) as of 30 June 2015 was RR 1,525 million (US\$ 27 million);
- Net Debt/ Adjusted EBITDA (LTM) (\*\*\*\*) as of 30 June 2015 was 0.1x.

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

“In the second quarter the company continued to be very profitable gaining from favorable prices.”

### Key consolidated financial performance indicators

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014*	Units	%	30 June 2015	30 June 2014*	Units	%
<b>Sales</b>	<b>32,589</b>	<b>26,645</b>	<b>5,944</b>	<b>22</b>	<b>18,466</b>	<b>15,569</b>	<b>2,898</b>	<b>19</b>
<b>Gross profit</b>	<b>12,612</b>	<b>9,058</b>	<b>3,554</b>	<b>39</b>	<b>6,624</b>	<b>5,099</b>	<b>1,525</b>	<b>30</b>
<i>Gross margin, %</i>	<i>39%</i>	<i>34%</i>	<i>5%</i>		<i>36%</i>	<i>33%</i>	<i>3%</i>	
<b>Adjusted EBITDA</b>	<b>10,697</b>	<b>6,503</b>	<b>4,194</b>	<b>65</b>	<b>5,597</b>	<b>4,073</b>	<b>1,524</b>	<b>37</b>
<i>Adjusted EBITDA</i>	<i>33%</i>	<i>24%</i>	<i>8%</i>		<i>30%</i>	<i>26%</i>	<i>4%</i>	
<b>Net profit for the period</b>	<b>7,220</b>	<b>6,287</b>	<b>933</b>	<b>15</b>	<b>2,968</b>	<b>4,046</b>	<b>(1,077)</b>	<b>(27)</b>
<i>Net profit margin %</i>	<i>22%</i>	<i>24%</i>	<i>-1%</i>		<i>16%</i>	<i>26%</i>	<i>-10%</i>	

\*See appendix 1 for the disclosure of reclassification adjustments made to the 1H 2014 and Q2 2014 figures

## Key financial performance indicators by segments\*

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<b>Sales, incl.</b>	<b>32,589</b>	<b>26,645</b>	<b>5,944</b>	<b>22</b>	<b>18,466</b>	<b>15,569</b>	<b>2,898</b>	<b>19</b>
<i>Sugar</i>	14,258	10,833	3,425	32	9,459	6,336	3,124	49
<i>Meat</i>	8,476	7,225	1,252	17	4,524	4,835	(310)	(6)
<i>Agriculture</i>	2,230	1,619	611	38	657	869	(213)	(24)
<i>Oil</i>	8,193	7,976	217	3	4,114	4,151	(37)	(1)
<i>Other</i>	19	26	(7)	(27)	10	12	(2)	(19)
<i>Eliminations</i>	(588)	(1,034)	446	43	(297)	(634)	337	53
<b>Gross profit, incl.</b>	<b>12,612</b>	<b>9,058</b>	<b>3,554</b>	<b>39</b>	<b>6,624</b>	<b>5,099</b>	<b>1,525</b>	<b>30</b>
<i>Sugar</i>	5,090	2,444	2,646	108	2,871	1,221	1,650	135
<i>Meat</i>	4,115	4,316	(201)	(5)	2,448	2,684	(236)	(9)
<i>Agriculture</i>	919	222	697	314	258	103	155	150
<i>Oil</i>	2,366	2,122	244	11	952	1,086	(134)	(12)
<i>Other</i>	19	26	(7)	(27)	10	12	(2)	(19)
<i>Eliminations</i>	105	(71)	176	-	86	(6)	92	-
<b>Adjusted EBITDA, incl.</b>	<b>10,697</b>	<b>6,503</b>	<b>4,194</b>	<b>65</b>	<b>5,597</b>	<b>4,073</b>	<b>1,524</b>	<b>37</b>
<i>Sugar</i>	4,452	1,740	2,712	156	2,577	855	1,722	201
<i>Meat</i>	3,962	3,138	823	26	2,193	2,456	(263)	(11)
<i>Agriculture</i>	1,043	497	546	110	304	248	56	23
<i>Oil</i>	1,057	991	67	7	321	439	(118)	(27)
<i>Other</i>	(783)	(250)	(533)	(214)	(418)	(134)	(284)	(212)
<i>Eliminations</i>	965	386	579	150	621	209	411	197
<b>Adjusted EBITDA</b>	<b>33%</b>	<b>24%</b>	<b>8%</b>		<b>30%</b>	<b>26%</b>	<b>4%</b>	
<i>Sugar</i>	31%	16%	15%		27%	13%	14%	
<i>Meat</i>	47%	43%	3%		48%	51%	-2%	
<i>Agriculture</i>	47%	31%	16%		46%	29%	18%	
<i>Oil</i>	13%	12%	0%		8%	11%	-3%	

\* In Q2 2015 the management decided not to present the Far East operations as separate business segment, as it was reported in Q1 2015 financial results, and allocate these operations between Meat, Agriculture and Oil segment on the basis of the economic sense of the underlying operations. The financial information for Q1 2015 for Meat, Agriculture and Oil segment had been adjusted accordingly. The consolidated financial results for Q1 2015 remain unchanged.

## Sugar Segment

The financial results of the sugar segment for 1H 2015 and Q2 2015 compared to 1H 2014 and Q2 2014 respectively are presented in the table below:

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sales	14,258	10,833	3,425	32	9,459	6,336	3,124	49
Cost of sales	(9,393)	(8,644)	(750)	(9)	(6,652)	(5,204)	(1,447)	(28)
Gains less losses from trading sugar derivatives	225	254	(30)	(12)	63	89	(26)	(29)
<b>Gross profit</b>	<b>5,090</b>	<b>2,444</b>	<b>2,646</b>	<b>108</b>	<b>2,871</b>	<b>1,221</b>	<b>1,650</b>	<b>135</b>
<i>Gross profit margin</i>	<i>36%</i>	<i>23%</i>	<i>13%</i>		<i>30%</i>	<i>19%</i>	<i>11%</i>	
Distribution and selling expenses	(755)	(764)	9	1	(441)	(406)	(35)	(9)
General and administrative expenses	(401)	(326)	(75)	(23)	(197)	(137)	(60)	(44)
Other operating income/ (expenses), net	266	(24)	290	-	218	(25)	243	-
<b>Operating profit</b>	<b>4,200</b>	<b>1,330</b>	<b>2,871</b>	<b>216</b>	<b>2,451</b>	<b>654</b>	<b>1,798</b>	<b>275</b>
<b>Adjusted EBITDA</b>	<b>4,452</b>	<b>1,740</b>	<b>2,712</b>	<b>156</b>	<b>2,577</b>	<b>855</b>	<b>1,722</b>	<b>201</b>
<i>Adjusted EBITDA margin</i>	<i>31%</i>	<i>16%</i>	<i>15%</i>		<i>27%</i>	<i>13%</i>	<i>14%</i>	

Sales in the sugar segment in 1H 2015 increased compared to 1H 2014 as a result of a significant increase in sale prices that was partly offset by a decrease in sales volume. Sales in Q2 2015 as compared to Q2 2014 increased as a result of an increase both in sales prices and sales volume.

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

	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sugar production volume (in thousand tonnes), incl.								
beet sugar	183	226	(43)	(19)	96	136	(40)	(29)
cane sugar	-	15	(15)	(100)	-	-	-	-
Sales volume (in thousand tonnes)	183	211	(28)	(13)	96	136	(40)	(29)
Sale price (roubles per kg, excl. VAT)	353	389	(36)	(9)	242	215	27	13
	39.6	27.1	12.5	46	38.2	28.5	9.7	34

Other operating income in 1H 2015 include RR 109 million of operating foreign exchange differences gain and RR 229 million of gain from writing down of intercompany loan received from the holding company (eliminated in consolidation adjustments on the Group level).

A significant increase in the sale prices in 1H 2015 compared to 1H 2014 was the main driver of an increase in profitability of the segment.

## Meat Segment

The financial results of the meat segment for 1H 2015 and Q2 2015 compared to 1H 2014 and Q2 2014 respectively are presented in the table below:

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sales	8,476	7,225	1,252	17	4,524	4,835	(310)	(6)
Gain on revaluation of biological assets and agricultural produce	4,179	4,608	(429)	(9)	2,523	2,792	(269)	(10)
Cost of sales	(8,540)	(7,517)	(1,024)	(14)	(4,599)	(4,943)	343	7
<b>Gross profit</b>	<b>4,115</b>	<b>4,316</b>	<b>(201)</b>	<b>(5)</b>	<b>2,448</b>	<b>2,684</b>	<b>(236)</b>	<b>(9)</b>
<i>Gross profit margin</i>	<i>49%</i>	<i>60%</i>	<i>-11%</i>		<i>54%</i>	<i>56%</i>	<i>-1%</i>	
<i>Gross profit excl. effect of biological assets revaluation</i>	3,515	2,598	917	35	1,852	2,153	(301)	(14)
<i>Adjusted gross profit margin</i>	<i>41%</i>	<i>36%</i>	<i>6%</i>		<i>41%</i>	<i>45%</i>	<i>-4%</i>	
Distribution and selling expenses	(47)	(16)	(31)	(188)	(30)	(9)	(21)	(235)
General and administrative expenses	(365)	(176)	(189)	(107)	(185)	(89)	(95)	(107)
Other operating income, net	298	51	247	484	229	31	198	639
<i>incl. reimbursement of operating costs (government grants)</i>	247	26	221	846	202	26	176	676
<b>Operating profit</b>	<b>4,000</b>	<b>4,174</b>	<b>(173)</b>	<b>(4)</b>	<b>2,463</b>	<b>2,617</b>	<b>(154)</b>	<b>(6)</b>
<b>Adjusted EBITDA</b>	<b>3,962</b>	<b>3,138</b>	<b>823</b>	<b>26</b>	<b>2,193</b>	<b>2,456</b>	<b>(263)</b>	<b>(11)</b>
<i>Adjusted EBITDA margin</i>	<i>47%</i>	<i>43%</i>	<i>3%</i>		<i>48%</i>	<i>51%</i>	<i>-2%</i>	

17% increase in *Sales* in 1H 2015 as compared to 1H 2014 was driven mainly by an increase in pork sales prices. The dynamics of sales in Q2 2015 compared to Q2 2014 are negative due to a decrease by RR 168 million in sales of grain surplus (RR 81 million in Q2 2015 vs. RR 249 million in Q2 2014) and a decrease in sales volume of pork that was partly compensated by an increase in pork sales prices.

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

	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sales volume (in thousand tonnes)	83	80	3	4	42	46	(5)	(10)
Sale prices (roubles per kg, excl. VAT)	100.9	87.3	13.7	16	106.9	99.4	7.6	8

The breakdown of adjusted EBITDA between Belgorod Meat, Tambov Meat and Far East meat project is as follows:

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<b>Sales, incl.</b>	<b>8,476</b>	<b>7,225</b>	<b>1,252</b>	<b>17</b>	<b>4,524</b>	<b>4,835</b>	<b>(310)</b>	<b>(6)</b>
<i>Belgorod Meat</i>	4,042	3,349	693	21	2,138	2,152	(14)	(1)
<i>Tambov Meat</i>	4,435	3,876	559	14	2,386	2,683	(297)	(11)
<b>Gross profit, incl.</b>	<b>4,115</b>	<b>4,316</b>	<b>(201)</b>	<b>(5)</b>	<b>2,448</b>	<b>2,684</b>	<b>(236)</b>	<b>(9)</b>
<i>Belgorod Meat</i>	1,931	2,118	(187)	(9)	1,077	1,277	(200)	(16)
<i>Tambov Meat</i>	2,183	2,198	(14)	(1)	1,371	1,407	(35)	(3)
<b>Adjusted EBITDA, incl.</b>	<b>3,962</b>	<b>3,138</b>	<b>823</b>	<b>26</b>	<b>2,193</b>	<b>2,456</b>	<b>(263)</b>	<b>(11)</b>
<i>Belgorod Meat</i>	1,854	1,549	305	20	987	1,132	(146)	(13)
<i>Tambov Meat</i>	2,132	1,589	542	34	1,221	1,324	(103)	(8)
<i>Far East Meat</i>	(24)	-	(24)	-	(15)	-	(15)	-
<b>Adjusted EBITDA</b>	<b>47%</b>	<b>43%</b>	<b>3%</b>		<b>48%</b>	<b>51%</b>	<b>-2%</b>	
<i>Belgorod Meat</i>	46%	46%	0%		46%	53%	-6%	
<i>Tambov Meat</i>	48%	41%	7%		51%	49%	2%	
<i>Far East Meat</i>	n/a	n/a	n/a		n/a	n/a	n/a	

An increase in *General and administrative expenses* relates to a construction of slaughter house and basically comprise of an increase in payroll costs: by RR 120 million in 1H 2015 as compared to 1H 2014 and by RR 64 million in Q2 2015 compared to Q2 2014.

An increase of income from government grants accompanied by a decline in charitable donations and other social costs resulted in significant increase of *Other operating income, net* in 1H 2015 compared to 1H 2014 and Q2 2015 compared to Q2 2014.

## Agricultural Segment

The segment's area of controlled land now stands at 500 thousand hectares, including 27 thousand hectares in the Far Eastern region. The financial results of the agricultural segment for 1H 2015 and Q2 2015 compared to 1H 2014 and Q2 2014 respectively are presented below:

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sales	2,230	1,619	611	38	657	869	(213)	(24)
Gain on revaluation of biological assets and agriculture produce	-	-	-	-	-	-	-	-
Cost of sales	(1,312)	(1,397)	85	6	(399)	(766)	367	48
<b>Gross profit</b>	<b>919</b>	<b>222</b>	<b>697</b>	<b>314</b>	<b>258</b>	<b>103</b>	<b>155</b>	<b>150</b>
<i>Gross profit margin</i>	41%	14%	27%		39%	12%	27%	
<i>Gross profit excl. effect of biological assets and agriculture produce revaluation</i>	1,284	486	798	164	410	260	150	58
<i>Adjusted gross profit margin</i>	58%	30%	28%		62%	30%	33%	

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Distribution and selling expenses	(301)	(127)	(174)	(137)	(104)	(30)	(74)	(247)
General and administrative expenses	(253)	(181)	(72)	(40)	(128)	(63)	(65)	(103)
Other operating income/ (expenses), net	7	91	(84)	(92)	(61)	(16)	(45)	(272)
<i>incl. reimbursement of operating costs (government grants)</i>	166	149	17	11	53	-	53	-
<b>Operating profit/ (loss)</b>	<b>373</b>	<b>5</b>	<b>367</b>	<b>6,813</b>	<b>(35)</b>	<b>(6)</b>	<b>(29)</b>	<b>(455)</b>
<b>Adjusted EBITDA</b>	<b>1,043</b>	<b>497</b>	<b>546</b>	<b>110</b>	<b>304</b>	<b>248</b>	<b>56</b>	<b>23</b>
<i>Adjusted EBITDA margin</i>	<i>47%</i>	<i>31%</i>	<i>16%</i>		<i>46%</i>	<i>29%</i>	<i>18%</i>	

An increase in *Sales* by 38% in 1H 2015 compared to 1H 2014 resulted from an increase in sales prices of all crops and an increase in wheat and soya beans sales volume that was partly offset by a decrease in sunflower seeds, barley and corn sales volume.

Sales volumes by product were as follows:

Thousand tonnes	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
sugar beet	-	12	(12)	(100)	-	-	-	-
grain	231	174	57	33	81	67	14	21
incl. sold to other segments	38	89	(51)	(57)	10	34	(24)	(72)
sunflower seeds	1	32	(31)	(97)	0	31	(31)	(100)
incl. sold to other segments	-	31	(31)	(100)	-	31	(31)	(100)

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

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

RR per kilogram, excl. VAT	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
wheat	8.4	5.7	2.7	46	7.4	5.9	1.5	26
barley	9.3	5.5	3.8	69	7.4	5.5	1.9	34
sunflower seeds	20.9	12.8	8.1	63	19.8	12.8	7.0	55
peas	11.1	8.2	2.9	36	9.2	8.6	0.6	7
corn	7.0	5.0	1.9	39	7.0	5.4	1.6	30

*Other operating income, net* in 1H 2015 and Q2 2015 include RR 117 million of loss from lost harvest write-off (1H 2014 and Q2 2014: RR 4 million).

## Oil segment

The financial results of the oil segment for 1H 2015 and Q2 2015 compared to 1H 2014 and Q2 2014 respectively are presented below:

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
Sales	8,193	7,976	217	3	4,114	4,151	(37)	(1)
Cost of sales	(5,827)	(5,854)	27	0	(3,161)	(3,065)	(96)	(3)
<b>Gross profit</b>	<b>2,366</b>	<b>2,122</b>	<b>244</b>	<b>11</b>	<b>952</b>	<b>1,086</b>	<b>(134)</b>	<b>(12)</b>
<i>Gross profit margin</i>	<i>29%</i>	<i>27%</i>	<i>2%</i>		<i>23%</i>	<i>26%</i>	<i>-3%</i>	
Distribution and selling expenses	(1,205)	(1,123)	(83)	(7)	(584)	(635)	51	8
General and administrative expenses	(275)	(199)	(76)	(38)	(131)	(102)	(29)	(28)
Other operating income/(expenses), net	90	3	87	3,385	18	16	1	9
<b>Operating profit</b>	<b>975</b>	<b>803</b>	<b>172</b>	<b>21</b>	<b>255</b>	<b>365</b>	<b>(110)</b>	<b>(30)</b>
<b>Adjusted EBITDA</b>	<b>1,057</b>	<b>991</b>	<b>67</b>	<b>7</b>	<b>321</b>	<b>439</b>	<b>(118)</b>	<b>(27)</b>
<i>Adjusted EBITDA margin</i>	<i>13%</i>	<i>12%</i>	<i>0.5%</i>		<i>8%</i>	<i>11%</i>	<i>-3%</i>	

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

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

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<b>Sales, incl.</b>	<b>8,193</b>	<b>7,976</b>	<b>217</b>	<b>3</b>	<b>4,114</b>	<b>4,151</b>	<b>(37)</b>	<b>(1)</b>
<i>Samara oil plant</i>	5,110	5,560	(450)	(8)	2,298	2,781	(483)	(17)
<i>Ekat. fat plant</i>	3,569	3,061	508	17	1,852	1,614	239	15
<i>Far East</i>	871	-	871	-	562	-	562	-
<i>Eliminations(*)</i>	(1,357)	(644)	(712)	(111)	(598)	(244)	(355)	(146)
<b>Gross profit, incl.</b>	<b>2,366</b>	<b>2,122</b>	<b>244</b>	<b>11</b>	<b>952</b>	<b>1,086</b>	<b>(134)</b>	<b>(12)</b>
<i>Samara oil plant</i>	1,274	1,280	(6)	(0)	410	646	(236)	(37)
<i>Ekat. fat plant</i>	1,052	881	171	19	504	434	70	16
<i>Far East</i>	131	-	131	-	73	-	73	-
<i>Eliminations(*)</i>	(90)	(38)	(52)	(136)	(35)	6	(41)	-
<b>Adjusted EBITDA, incl.</b>	<b>1,057</b>	<b>991</b>	<b>67</b>	<b>7</b>	<b>321</b>	<b>439</b>	<b>(118)</b>	<b>(27)</b>
<i>Samara oil plant</i>	802	849	(47)	(6)	224	432	(208)	(48)
<i>Ekat. fat plant</i>	211	142	69	48	75	(12)	87	-
<i>Far East</i>	64	-	64	-	27	-	27	-
<i>Eliminations(*)</i>	(20)	(1)	(20)	(2,991)	(5)	19	(24)	-
<b>Adjusted EBITDA</b>	<b>13%</b>	<b>12%</b>	<b>0%</b>		<b>8%</b>	<b>11%</b>	<b>-3%</b>	
<i>Samara oil plant</i>	<i>16%</i>	<i>15%</i>	<i>0%</i>		<i>10%</i>	<i>16%</i>	<i>-6%</i>	
<i>Ekat. fat plant</i>	<i>6%</i>	<i>5%</i>	<i>1%</i>		<i>4%</i>	<i>-1%</i>	<i>5%</i>	
<i>Far East</i>	<i>7%</i>	<i>n/a</i>	<i>n/a</i>		<i>5%</i>	<i>n/a</i>	<i>n/a</i>	

(\*) In the previous reporting periods the effect of eliminations of intra-segment transactions within oil segments was allocated to the Samara oil plant. In the current presentation, financial results of the Samara oil plant are shown on stand-alone basis. Eliminations of intra-segment transactions are presented separately in "Eliminations" line item.

Sales volumes by product were as follows:

Thousand tonnes	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<b>Ekat. fat plant</b>								
mayonnaise	27.2	24.9	2.3	9	15.0	14.2	0.8	6
margarine	19.5	20.1	(1)	(3)	8.5	9.0	(1)	(6)
<b>Samara oil plant</b>								
sunflower oil, third-party parties sales	58	133	(75)	(56)	28	67	(39)	(58)
sunflower oil, sales to Ekat. fat plant	32	24	8	32	15	9	6	64
sunflower meal	87	142	(56)	(39)	43	68	(25)	(37)
<b>Far East</b>								
soybean raw oil	2.6	-	2.6	-	-	-	-	-
soybean processed oil	0.7	-	0.7	-	0.7	-	0.7	-
soybean meal	27	-	27	-	19	-	19	-

A significant decrease in sales volume of raw oil and meal in 1H 2015 compared to 1H 2014 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, which also explains a decrease in sales volume on raw oil and meal in Q2 2015 compared to Q2 2014.

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

RR per kilogram, excl. VAT	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
mayonnaise	71.5	57.5	14.0	24	73.9	56.9	17.0	30
margarine	66.2	51.1	15.1	29	62.9	52.3	10.6	20
sunflower raw oil, third-party sales	45.1	27.9	17.2	62	42.0	28.1	13.9	49
sunflower meal	13.1	8.5	4.6	55	12.1	9.3	2.8	30
soybean raw oil	24.2	-	n/a	-	-	-	-	-
soybean processed oil	60.3	-	n/a	-	60.3	-	n/a	-
soybean meal	28.6	-	n/a	-	27.4	-	n/a	-

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

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

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<b>Net cash from operating activities, incl.</b>	<b>9,762</b>	<b>7,457</b>	<b>2,305</b>	<b>31</b>	<b>7,332</b>	<b>4,825</b>	<b>2,506</b>	<b>52</b>
<i>Operating cash flow before working capital</i>	10,233	6,431	3,803	59	5,391	4,142	1,249	30
<i>Working capital changes</i>	741	1,643	(902)	(55)	2,299	899	1,400	156
<b>Net cash used in investing activities, incl.</b>	<b>(3,825)</b>	<b>(2,321)</b>	<b>(1,504)</b>	<b>(65)</b>	<b>(2,525)</b>	<b>(1,391)</b>	<b>(1,134)</b>	<b>(82)</b>



in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June 2014	Units	%	30 June 2015	30 June 2014	Units	%
<i>Purchases of property, plant and equipment and inventories intended for construction</i>	(3,707)	(2,222)	(1,485)	(67)	(2,618)	(1,436)	(1,182)	(82)
<b>Net cash used in financing activities</b>	<b>(9,666)</b>	<b>(5,027)</b>	<b>(4,639)</b>	<b>(92)</b>	<b>(13,442)</b>	<b>(4,235)</b>	<b>(9,207)</b>	<b>(217)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,998)</b>	<b>(46)</b>	<b>(4,953)</b>	<b>(10,857)</b>	<b>(9,929)</b>	<b>(980)</b>	<b>(8,949)</b>	<b>(913)</b>

(\*) See Appendix 4

The main investments in property, plant and equipment and inventories intended for construction in 1H 2015 were made in the agricultural segment in the amount of RR 1,392 million (1H 2014: RR 844 million), representing purchases of machinery and equipment, and in the sugar division in the amount of RR 1,286 million (1H 2014: RR 628 million), related to the modernization of sugar plants. Significant investments were also made in the meat segment in the amount of RR 660 million (1H 2014: RR 673 million), related to the construction of a slaughter house in Tambov region.

### Debt position and liquidity management

in RR million	30 June 2015	31 December 2014	Variance	
			Units	%
<b>Gross debt</b>	<b>24,983</b>	<b>22,306</b>	<b>2,678</b>	<b>12</b>
<i>Short term borrowings</i>	16,873	12,500	4,374	35
<i>Long term borrowings</i>	8,110	9,806	(1,696)	(17)
<b>Net debt</b>	<b>1,525</b>	<b>3,617</b>	<b>(2,092)</b>	<b>(58)</b>
<i>Short term borrowings, net</i>	(5,771)	(5,493)	(278)	(5)
<i>Long term borrowings, net</i>	7,296	9,110	(1,814)	(20)
<b>Adjusted EBITDA (LTM***)</b>	<b>22,264</b>	<b>18,069</b>	<b>4,194</b>	<b>23</b>
<b>Net debt/Adjusted EBITDA (LTM)</b>	<b>0.1</b>	<b>0.2</b>	<b>(0.1)</b>	

### Net finance expense

in RR million	Six months ended		Variance		Three months ended		Variance	
	30 June 2015	30 June* 2014	Units	%	30 June 2015	30 June* 2014	Units	%
<b>Net interest expense</b>	<b>(1,034)</b>	<b>(41)</b>	<b>(993)</b>	<b>(2,422)</b>	<b>(444)</b>	<b>289</b>	<b>(733)</b>	<b>-</b>
<i>Gross interest expense</i>	(1,650)	(1,212)	(438)	(36)	(926)	(550)	(376)	(68)
<i>Reimbursement of interest expense</i>	616	1,171	(555)	(47)	482	839	(357)	(43)
<b>Interest income</b>	<b>466</b>	<b>462</b>	<b>4</b>	<b>1</b>	<b>210</b>	<b>209</b>	<b>1</b>	<b>0</b>
<b>Gains less losses from bonds held for trading*</b>	<b>637</b>	<b>272</b>	<b>365</b>	<b>134</b>	<b>142</b>	<b>272</b>	<b>(130)</b>	<b>(48)</b>
<b>Other financial expenses, net</b>	<b>(821)</b>	<b>(232)</b>	<b>(589)</b>	<b>(254)</b>	<b>(1,114)</b>	<b>(112)</b>	<b>(1,002)</b>	<b>(895)</b>
<i>Financial foreign exchange difference losses net of gains</i>	(813)	(232)	(581)	(250)	(1,107)	(112)	(995)	(888)
<i>Other financial expenses, net</i>	(8)	(1)	(7)	(700)	(7)	-	(7)	-
<b>Total net finance income</b>	<b>(752)</b>	<b>461</b>	<b>(1,213)</b>	<b>-</b>	<b>(1,206)</b>	<b>658</b>	<b>(1,864)</b>	<b>-</b>

\*See appendix 1 for the disclosure of reclassification adjustments made to the 1H 2014 and Q2 2014 figures

In 1H 2015 the Group continued to enjoy benefits from the state agriculture subsidies programme. RR 616 million of subsidies received covered 37% of gross interest expense.

*Other financial expenses, net* relates mainly to financial foreign exchange differences losses net of gains that increased by RR 581 million in 1H 2015 compared to 1H 2014 and by RR 995 million in Q2 2015 compared to Q2 2014.

*(\*)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.*

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

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

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

**Note:**

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

*Sugar:*

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

*Meat:*

Our pig breeding project was launched in 2006. 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 500 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:*

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 1H 2015 and Q2 2015 financial results for investors and analysts.

*Details of call:*

Date	31 August 2015
Time	6:00 PM (Moscow) /4:00 PM (London)
Subject	ROS AGRO PLC First half 2015 financial results
UK Toll Free	0800 279 5004
UK Local Line	+44 20 3427 0503
USA Toll Free	1877 280 2342
USA Local Line	+1 646 254 3366
Russia Toll Free	+7 495 213 0979
Conference ID	<b>1484738</b>

**Contacts:**

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

**Appendix 1. Consolidated statement of comprehensive income for the six months ended 30 June 2015 (in RR thousand)**

	Six months ended 30 June		Three months ended 30 June	
	2015	2014*	2015	2014*
Sales	32,588,701	26,644,701	18,466,451	15,568,580
Gain on revaluation of biological assets and agriculture produce	4,178,852	4,607,728	2,522,842	2,791,559
Cost of sales	(24,380,126)	(22,448,898)	(14,428,413)	(13,350,389)
Gains less losses from trading sugar derivatives	224,642	254,216	63,349	89,480
<b>Gross profit</b>	<b>12,612,069</b>	<b>9,057,747</b>	<b>6,624,229</b>	<b>5,099,230</b>
Distribution and selling expenses	(2,270,785)	(1,937,962)	(1,140,089)	(1,043,550)
General and administrative expenses	(2,073,982)	(1,141,485)	(1,055,234)	(528,204)
Share-based remuneration	(1,991)	(52,399)	(1,001)	(26,716)
Other operating income/ (expenses), net	419,480	162,320	175,947	(4,337)
<b>Operating profit</b>	<b>8,684,791</b>	<b>6,088,221</b>	<b>4,603,852</b>	<b>3,496,422</b>
Interest expense	(1,033,962)	(41,015)	(444,675)	288,544
Interest income	466,162	462,481	210,210	209,147
Gains less losses from bonds held for trading *	636,601	271,760	141,948	271,760
Other financial income/ (expenses), net	(821,075)	(232,467)	(1,114,478)	(111,938)
Share of results of associates	21,552	1,147	19,750	1,147
<b>Profit before taxation</b>	<b>7,954,070</b>	<b>6,550,126</b>	<b>3,416,607</b>	<b>4,155,083</b>
Income tax expense	(734,505)	(263,133)	(448,218)	(109,261)
<b>Profit for the period</b>	<b>7,219,565</b>	<b>6,286,994</b>	<b>2,968,389</b>	<b>4,045,821</b>
<b>Total comprehensive income for the period</b>	<b>7,219,565</b>	<b>6,286,994</b>	<b>2,968,389</b>	<b>4,045,821</b>
<b>Profit is attributable to:</b>				
Owners of ROS AGRO PLC	7,221,020	6,289,788	2,968,782	4,046,751
Non-controlling interest	(1,455)	(2,794)	(393)	(930)
<b>Profit for the period</b>	<b>7,219,565</b>	<b>6,286,994</b>	<b>2,968,389</b>	<b>4,045,821</b>
<b>Total comprehensive income is attributable to:</b>				
Owners of ROS AGRO PLC	7,221,020	6,289,788	2,968,782	4,046,751
Non-controlling interest	(1,455)	(2,794)	(393)	(930)
<b>Total comprehensive income for the period</b>	<b>7,219,565</b>	<b>6,286,994</b>	<b>2,968,389</b>	<b>4,045,821</b>
Earnings per ordinary share for profit attributable to the equity holders of ROS AGRO PLC, basic and diluted (in RR per share)	306.53	266.94	126.02	171.78

\*As a result of the full year audit 2014 the management corrected the accounting treatment of bonds, purchased in April-May 2014. In the consolidated financial statements for 6M 2014 and 9M 2014 the effect of market value revaluation of bonds in the amount of RR 271,760 thousand of gain and RR 123,158 thousand of loss, respectively, were presented in other comprehensive income, below the "Profit for the period" line item. In the audited consolidated financial statement for 12M 2014 these bonds are classified as trading investments with measurement at fair value through profit and loss (see note 4 of the audited consolidated financial statements for 12M 2014). The result of fair value revaluation as well as the result from the disposal of bonds is included in "Gains less losses from bonds held for trading" line item. The classification of the bonds has been corrected retrospectively that led to the respective reclassification adjustments in statements of comprehensive income and statements of cash flows for 6M 2014 and 9M 2014.

## Appendix 2. Segment information for the six months ended 30 June 2015 (in RR thousand)

Six months ended 30 June 2015	Sugar	Meat	Other agriculture	Oil	Other	Eliminations	Total
Sales	14,258,412	8,476,136	2,230,417	8,192,951	18,900	(588,115)	32,588,701
Gain on revaluation of biological assets and agriculture produce	-	4,178,852	-	-	-	-	4,178,852
Cost of sales <i>incl. Depreciation</i>	(9,393,405) (461,604)	(8,540,353) (600,769)	(1,311,881) (107,160)	(5,827,177) (105,919)	-	692,689 (28,627)	(24,380,126) (1,304,079)
Gains less losses from trading sugar derivatives	224,642	-	-	-	-	-	224,642
<b>Gross profit</b>	<b>5,089,650</b>	<b>4,114,636</b>	<b>918,536</b>	<b>2,365,775</b>	<b>18,900</b>	<b>104,573</b>	<b>12,612,069</b>
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(1,155,123) (55,807)	(412,426) (11,550)	(553,247) (38,767)	(1,480,342) (66,135)	(814,027) (12,391)	70,397 118	(4,344,767) (184,532)
Share-based remuneration	-	-	-	-	(1,991)	-	(1,991)
Other operating income/(expenses), net <i>incl. Reimbursement of operating costs (government grants)</i>	265,861 -	298,284 246,895	7,407 166,227	89,726 -	10,711,321 -	(10,953,120) -	419,480 413,122
<b>Operating profit</b>	<b>4,200,389</b>	<b>4,000,494</b>	<b>372,696</b>	<b>975,159</b>	<b>9,914,203</b>	<b>(10,778,150)</b>	<b>8,684,791</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	517,411	612,320	145,927	172,054	12,391	28,509	1,488,611
Other operating (income) /expenses, net	(265,861)	(298,284)	(7,407)	(89,726)	(10,711,321)	10,953,120	(419,480)
Share-based remuneration	-	-	-	-	1,991	-	1,991
Reimbursement of operating costs (government grants)	-	246,895	166,227	-	-	-	413,122
Gain on revaluation of biological assets and agriculture produce	-	(4,178,852)	-	-	-	-	(4,178,852)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	364,715	-	-	761,896	1,126,611
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	3,579,308	1,110	-	-	-	3,580,417
<b>Adjusted EBITDA*</b>	<b>4,451,938</b>	<b>3,961,880</b>	<b>1,043,267</b>	<b>1,057,487</b>	<b>(782,736)</b>	<b>965,375</b>	<b>10,697,211</b>

\* Non-IFRS measure

**Appendix 2 (continued). Segment information for the six months ended 30 June 2014 (in RR thousand)**

<b>Six months ended 30 June 2014</b>	<b>Sugar</b>	<b>Meat</b>	<b>Other agriculture</b>	<b>Oil</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	10,833,233	7,224,526	1,619,004	7,976,295	26,061	(1,034,418)	26,644,701
Gain on revaluation of biological assets and agriculture produce	-	4,607,728	-	-	-	-	4,607,728
Cost of sales <i>incl. Depreciation</i>	(8,643,891) (332,382)	(7,516,521) (699,789)	(1,397,372) (147,799)	(5,854,260) (122,925)	-	963,146 (18,803)	(22,448,898) (1,321,698)
Gains less losses from trading sugar derivatives	254,216	-	-	-	-	-	254,216
<b>Gross profit</b>	<b>2,443,558</b>	<b>4,315,733</b>	<b>221,631</b>	<b>2,122,035</b>	<b>26,061</b>	<b>(71,271)</b>	<b>9,057,747</b>
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(1,089,412) (53,122)	(192,588) (7,502)	(307,631) (22,039)	(1,321,917) (67,882)	(286,482) (10,837)	118,582 7,189	(3,079,447) (154,192)
Share-based remuneration	-	-	-	-	(52,399)	-	(52,399)
Other operating income/(expenses), net <i>incl. Reimbursement of operating costs (government grants)</i>	(24,323) -	50,789 26,103	91,391 149,143	2,574 -	2,304,026 -	(2,262,138) -	162,320 175,246
<b>Operating profit/ (loss)</b>	<b>1,329,823</b>	<b>4,173,934</b>	<b>5,391</b>	<b>802,693</b>	<b>1,991,206</b>	<b>(2,214,827)</b>	<b>6,088,221</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	385,503	707,291	169,838	190,807	10,837	11,614	1,475,890
Other operating (income) /expenses, net	24,323	(50,789)	(91,391)	(2,574)	(2,304,026)	2,262,138	(162,320)
Share-based remuneration	-	-	-	-	52,399	-	52,399
Reimbursement of operating costs (government grants)	-	26,103	149,143	-	-	-	175,246
Gain on revaluation of biological assets and agriculture produce	-	(4,607,728)	-	-	-	-	(4,607,728)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	267,204	-	-	327,234	594,438
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	2,889,608	(2,952)	-	-	-	2,886,655
<b>Adjusted EBITDA*</b>	<b>1,739,650</b>	<b>3,138,418</b>	<b>497,233</b>	<b>990,926</b>	<b>(249,584)</b>	<b>386,159</b>	<b>6,502,802</b>

\* Non-IFRS measure

**Appendix 3. Consolidated statement of financial position as at 30 June 2015 (in RR thousand)**

	30 June 2015	30 June 2014
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	5,318,019	10,316,313
Short-term investments	18,064,975	8,863,789
Trade and other receivables	2,815,403	2,347,714
Prepayments	1,486,785	2,085,599
Current income tax receivable	82,332	22,119
Other taxes receivable	2,287,926	1,310,407
Inventories	10,585,026	15,508,659
Short-term biological assets	10,474,822	3,454,937
<b>Total current assets</b>	<b>51,115,288</b>	<b>43,909,537</b>
<b>Non-current assets</b>		
Property, plant and equipment	32,817,951	29,519,968
Inventories intended for construction	31,536	32,846
Goodwill	1,565,854	1,191,832
Advances paid for property, plant and equipment	1,081,933	2,669,373
Long-term biological assets	1,762,789	1,793,059
Long-term investments and receivables	1,990,861	929,129
Investments in associates	108,960	87,407
Deferred income tax assets	833,677	1,016,544
Other intangible assets	341,911	338,699
Restricted cash	50,330	17,373
<b>Total non-current assets</b>	<b>40,585,800</b>	<b>37,596,230</b>
<b>Total assets</b>	<b>91,701,089</b>	<b>81,505,767</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	16,873,286	12,499,623
Trade and other payables	6,628,320	2,772,385
Current income tax payable	88,886	475,850
Other taxes payable	2,026,253	1,706,091
<b>Total current liabilities</b>	<b>25,616,745</b>	<b>17,453,949</b>
<b>Non-current liabilities</b>		
Long-term borrowings	8,110,185	9,806,306
Government grants	1,791,923	1,962,562
Deferred income tax liability	249,779	463,649
<b>Total non-current liabilities</b>	<b>10,151,887</b>	<b>12,232,517</b>
<b>Total liabilities</b>	<b>35,768,632</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	1,293,189	1,291,198
Retained earnings	44,563,530	40,159,833
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>55,918,146</b>	<b>51,512,458</b>
Non-controlling interest	14,310	306,843
<b>Total equity</b>	<b>55,932,456</b>	<b>51,819,301</b>
<b>Total liabilities and equity</b>	<b>91,701,089</b>	<b>81,505,767</b>

**Appendix 4. Consolidated statement of cash flows for the six months ended 30 June 2015 according to the Group's management accounts (in RR thousand) – NOT IFRS PRESENTATION**

	Six months ended 30 June 2015	Six months ended 30 June 2014
<b>Cash flows from operating activities</b>		
Profit before income tax	7,954,070	6,550,127
<i>Adjustments for:</i>		
Depreciation and amortization	1,488,611	1,475,890
Interest expense	1,650,066	1,208,110
Government grants	(1,096,437)	(1,420,479)
Interest income	(466,162)	(462,481)
Loss/ (gain) on initial recognition of agricultural produce, net	1,126,611	594,438
Change in provision for net realisable value of inventory	(1,432)	172,732
Share of results of associates	(21,552)	(1,147)
Revaluation of biological assets, net	(598,435)	(1,721,073)
Change in provision for impairment of receivables and prepayments	(2,388)	28,511
Foreign exchange (gain) / loss	579,680	231,815
Share based remuneration	1,991	52,399
Lost harvest write-off	117,056	4,446
Gains less losses from bonds held for trading	(636,601)	(271,759)
Loss/ (gain) on disposal of property, plant and equipment	36,350	15,208
Other non-cash and non-operating expenses, net	102,042	(26,134)
<b>Operating cash flow before working capital changes</b>	<b>10,233,470</b>	<b>6,430,603</b>
Change in trade and other receivables and prepayments	(1,088,160)	(468,781)
Change in other taxes receivable	(980,955)	(34,222)
Change in inventories	4,767,771	4,754,078
Change in biological assets	(6,500,800)	(4,329,848)
Change in trade and other payables	3,916,916	1,558,018
Change in other taxes payable	626,417	164,130
<b>Cash generated from operations</b>	<b>10,974,659</b>	<b>8,073,978</b>
Income tax paid	(1,212,669)	(616,837)
<b>Net cash from operating activities</b>	<b>9,761,990</b>	<b>7,457,141</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(3,707,385)	(2,222,330)
Purchases of other intangible assets	(59,252)	(58,176)
Proceeds from sales of property, plant and equipment	11,417	23,050
Purchases of associates	-	(23,601)
Investments in subsidiaries, net of cash acquired	4,845	-
Movement in restricted cash	(74,792)	(41,261)
Dividends received	-	1,146
Proceeds from sale of subsidiaries, net of cash disposed	(46)	-
<b>Net cash from investing activities</b>	<b>(3,825,213)</b>	<b>(2,321,172)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	16,517,672	6,725,256
Repayment of borrowings	(13,831,811)	(14,635,896)
Interest paid	(1,427,132)	(1,126,520)
Change in cash on bank deposits*	(16,353,042)	8,804,541
Purchases of bonds	-	(5,244,138)
Proceeds from sales of bonds*	7,567,628	-
Loans given*	(901,043)	(867,046)
Loans repaid*	314,450	482,928
Interest received*	296,981	599,495
Proceeds from government grants	925,797	1,278,523
Transactions with non-controlling interest	(4,105)	-
Purchases of treasury shares	-	(44,033)
Dividends paid to owners of ROS AGRO PLC	(2,760,324)	(1,000,000)
Other financial activities	(10,889)	-
<b>Net cash from financing activities</b>	<b>(9,665,817)</b>	<b>(5,026,889)</b>



	Six months ended 30 June 2015	Six months ended 30 June 2014
Net effect of exchange rate changes on cash and cash equivalents	(1,269,255)	(154,697)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(4,998,295)</b>	<b>(45,618)</b>
Cash and cash equivalents at the beginning of the period	10,316,314	2,672,764
<b>Cash and cash equivalents at the end of the period</b>	<b>5,318,019</b>	<b>2,627,146</b>

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