



29 November 2012, Moscow

## **Ros Agro financial results 9 months of the year 2012**

**Moscow, November 29, 2012** – Today ROS AGRO PLC, Holding Company of Rusagro Group, a leading Russian diversified food producer with vertically integrated operations, has announced the financial results for the period ended 30 September 2012.

### **9 months of the year 2012 Highlights**

- Sales amounted to 22,704 mln rubles (731 mln USD), a decrease of 6,610 mln rubles compared to 9 months of the year 2011;
- Adjusted EBITDA (\*) amounted to 5,717 mln rubles (184 mln USD), an increase of 3,969 mln rubles compared to 9 months of the year 2011;
- Adjusted EBITDA margin achieved is 25%;
- Net profit for the period of 5,333 mln rubles (172 mln USD), an increase of 4,307 mln rubles compared to 9 months of the year 2011;
- Net debt position (\*\*) on 30 September 2012 of 13,671 mln rubles (442 mln USD);
- Net Debt/ Adjusted EBITDA (LTM) (\*\*\*) on 30 September 2012 1.5x.

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

The company had the best 9M results in its history. Despite of decrease of sales by 23%, the Company adjusted EBITDA has reached 25% of sales versus 6% of sales for the same period of last year. The EBITDA growth continues to be driven mainly by the Oil division, the Agriculture division EBITDA has tripled up to 966 mln rubles. The highest EBITDA margin of 44% was reached by Meat division.

In 2012 the harvest of sugar beet, barley and sunflower seeds is comparable with last year level while the average price per kilogram was higher than last year. The Group increased the area of controlled land to 452 thousand hectares. In 3Q2012 the Company sold all carry-over stock of sugar from the 2011's sugar beet season and 57 thousand tons of cane sugar produced in 2012.

Key CAPEX projects including Tambov meat project and Zherdevsky sugar possessing plant capacity expansion are in time and on budget. To secure sustainable growth of the Meat division profitability we have approved and started the slaughterhouse project in Tambov.

Our net debt position is well-balanced in terms of maturity with comfortable level of Net Debt/ Adjusted EBITDA (LTM) about 1.5x.

We believe that the Company strategy focused on vertical integration and low cost production will allow us to reach record year end result in 2012 and demonstrate sustainable performance in the future.

## Consolidated Income statement, key indicators

in mln Rubles	Nine months ended			Three months ended		
	30 September 2012	30 September 2011	% change	30 September 2012	30 September 2011	% change
<b>Sales</b>	<b>22,704</b>	<b>29,314</b>	-23%	<b>8,644</b>	<b>10,471</b>	-17%
<b>Gross profit</b>	<b>9,551</b>	<b>4,694</b>	103%	<b>4,537</b>	<b>1,761</b>	158%
<i>Gross margin, %</i>	42%	16%		52%	17%	
<b>Adjusted EBITDA</b>	<b>5,717</b>	<b>1,748</b>	227%	<b>1,739</b>	<b>247</b>	604%
<i>Adjusted EBITDA margin, %</i>	25%	6%		20%	2%	
<b>Net profit for the period</b>	<b>5,333</b>	<b>1,026</b>	420%	<b>3,415</b>	<b>1,098</b>	211%
<i>Net profit margin %</i>	23%	3%		40%	10%	

## Key financial indicators as per divisions

in mln Rubles	Nine months ended			Three months ended		
	30 September 2012	30 September 2011	% change	30 September 2012	30 September 2011	% change
<b>Sales, incl.</b>	<b>22,704</b>	<b>29,314</b>	-23%	<b>8,644</b>	<b>10,471</b>	-17%
<i>Sugar</i>	11,060	20,886	-47%	4,677	7,082	-34%
<i>Meat</i>	4,072	3,740	9%	1,447	1,340	8%
<i>Agriculture</i>	3,142	1,993	58%	2,071	1,789	16%
<i>Oil &amp; Fats</i>	6,568	4,337	51%	2,208	1,836	20%
<i>Other</i>	175	243	-28%	32	106	-70%
<i>Eliminations</i>	(2,313)	(1,885)	-23%	(1,791)	(1,682)	-6%
<b>Gross profit, incl.</b>	<b>9,551</b>	<b>4,694</b>	103%	<b>4,537</b>	<b>1,761</b>	158%
<i>Sugar</i>	2,253	1,404	60%	296	(397)	175%
<i>Meat</i>	1,582	1,287	23%	398	558	-29%
<i>Agriculture</i>	3,245	1,796	81%	3,096	1,740	78%
<i>Oil &amp; Fats</i>	2,324	494	370%	797	190	320%
<i>Other</i>	175	243	-28%	32	106	-70%
<i>Eliminations</i>	(27)	(530)	95%	(81)	(435)	81%
<b>Adjusted EBITDA, incl.</b>	<b>5,717</b>	<b>1,748</b>	227%	<b>1,739</b>	<b>247</b>	604%
<i>Sugar</i>	1,183	446	165%	(52)	(639)	92%
<i>Meat</i>	1,799	1,577	14%	584	722	-19%
<i>Agriculture</i>	966	295	228%	945	552	71%
<i>Oil &amp; Fats</i>	1,598	(128)	1345%	579	(47)	1324%
<i>Other</i>	(159)	(30)	-439%	(76)	17	-542%
<i>Eliminations</i>	329	(412)	180%	(241)	(359)	33%
<b>Adjusted EBITDA margin, %</b>	<b>25%</b>	<b>6%</b>		<b>20%</b>	<b>2%</b>	
<i>Sugar</i>	11%	2%		-1%	-9%	
<i>Meat</i>	44%	42%		40%	54%	
<i>Agriculture</i>	31%	15%		46%	31%	
<i>Oil &amp; Fats</i>	24%	-3%		26%	-3%	

## **SUGAR DIVISION**

During the reported period our sugar processing plants have produced 260 thousand tons of sugar (3Q 2012: 148 thousand tons of sugar), 65% less than in 9M 2011. Production volumes decreased due to record Russian beet sugar production in 2011 and lower cane import into Russia. By the same reason for 9M 2012 sales volume was 428 thousand tons, 43% less than in 9M 2011 (3Q 2012: 183 thousand tons, 32% less than in 3Q 2011). Sales volume for 9M 2012 included 371 thousand tons of beet sugar and 57 thousand tons of cane sugar, whereas 9M 2011 sales volume included 122 thousand tons of beet sugar and 627 thousand tons of cane sugar (3Q 2012: 126 thousand tons of beet sugar and 57 thousand tons of cane sugar compared 65 thousand tons of beet sugar and 202 thousand tons of cane sugar in 3Q 2011).

Sales of Sugar division during the reported period has decreased by 47% to 11,060 mln rubles (356 mln USD), average sale price was 24.80 rubles per kilogram excl. VAT compared 27.70 rubles per kilogram excl. VAT for 9M 2011 (3Q 2012: 24.58 rubles per kilogram compared 26.41 rubles per kilogram in 3Q 2011). While performing the B2C expansion strategy, the Group continued to increase the refined packed cube sugar market share.

General and administrative expenses in Sugar segment decreased slightly by 3% from 532 million rubles in 9M 2011 to 518 million rubles in 9M 2012. Distribution and selling expenses increased by 8%, basically this increase is explained by growth in storage services expenses due to significant opening balance of white sugar in stock and increasing in depreciation in connection with beginning operating of new warehouses in 9M 2012.

Division EBITDA was 1,183 mln rubles (38 mln USD), 165% more than in 9M 2011. Lack of cane sugar in sales structure in 9M 2012 resulted in favorable changes in Adjusted EBITDA margin amounted to 11% in 9M 2012 (2% in 9M 2011) primary due to lower cost of sales of beet sugar comparing to cost of sales of cane sugar.

## **MEAT DIVISION**

During 9M 2012 Meat segment sales have increased by 9% to 4,072 mln rubles (131 mln USD) primarily due to increased pork price. The meat sales volume during the reported period was 44.8 thousand tons, which was 2% more than in comparable period of the previous year (3Q 2012: 15.9 thousand tons, which was 2% less than in 3Q 2011). At the same time mixed fodder sales volume has decreased by 15% to 37.0 thousand tons in 9M 2012 compared to 43.8 thousand tons in 9M 2011 (3Q 2012: increased by 4% to 11.0 thousand tons compared to 10.6 thousand tons in 3Q 2011).

The average pork sale prices increased from 74.64 rubles per kilogram excl. VAT in 9M 2011 to 81.78 rubles per kilogram excl. VAT in 9M 2012 (3Q 2012: increased from 77.22 rubles per kilogram excl. VAT in 3Q 2011 to 82.04 rubles per kilogram excl. VAT in 3Q 2012), average fodder sale prices increased from 10.66 rubles per kilogram excl. VAT in 9M 2011 to 11.07 rubles per kilogram excl. VAT in 9M 2012 (3Q 2012: increased from 10.40 rubles per kilogram excl. VAT in 3Q 2011 to 12.20 rubles per kilogram excl. VAT in 3Q 2012).

EBITDA has increased by 14% to 1,799 mln rubles (58 mln USD) with EBITDA margin of 44% due to high pork price and production efficiency.

The Group's major capital expenditure projects in Tambov and Belgorod region are progressing in accordance with the plan.

## **AGRICULTURAL DIVISION**

The Group increased the area of controlled land to 452 thousand hectares. Sales have increased by 58% to 3,142 mln rubles (101 mln USD). Volume of sugar beet sold to Sugar segment in 9M 2012 amounted to 764 thousand tons compared to 478 thousand tons in 9M 2011. Sales volume of grain (wheat, barley, corn, peas, soya beans) in 9M 2012 amounted to 235 thousand tons (incl. 117 thousand tons sold to Meat segment) compared to 164 thousand tons in 9M 2011 (incl. 131 thousand tons sold to Meat segment). Sales volume of sunflower seeds in 9M 2012 amounted to 6.6 thousand tons compared to 0.5 thousand tons in 9M 2011. Sales volume for 3Q 2012 compared to 3Q 2011 amounted respectively for sugar beet 600 and 478 thousand tons, for grains 137 and 160 thousand tons (incl. 116 thousand tons of grain sold to Meat segment in 3Q 2012 compared to 130 thousand tons in 3Q 2011), for sunflower seeds 2 and 0.5 thousand tons.

The average sale prices per kilogram (excl. VAT) in 9M 2012 were as follows: 6.67 rubles for wheat (compared to 5.04 rubles in 9M 2011), 4.81 rubles for barley (compared to 4.69 rubles in 9M 2011), 11.97 rubles for sunflower seeds (compared to 10.71 rubles in 9M 2011), 8.15 rubles for peas (compared to 6.38 rubles in 9M 2011), 4.76 rubles for corn (there were no sales in 9M 2011). The average sale prices per kilogram (excl. VAT) in 3Q 2012 were as follows: 7.38 rubles for wheat (compared to 5.04 rubles in 3Q 2011), 6.55 rubles for barley (compared to 4.53 rubles in 3Q 2011), 17.39 rubles for sunflower seeds (compared to 10.91 rubles in 3Q 2011), 8.47 rubles for peas (compared to 6.31 rubles in 3Q 2011), 4.55 rubles for corn (there were no sales in 3Q 2011).

EBITDA has increased by 671 mln rubles from 295 mln rubles for 9M 2011 to 966 mln rubles for 9M 2012 (31 mln USD), with EBITDA margin of 31%.

## **OIL&FAT DIVISION**

Division sales increased by 51% to 6,568 mln rubles (211 mln USD). Mayonnaise sales volume decreased slightly from 40 thousand tons in 9M 2011 to 39 thousand tons in 9M 2012 (3Q 2012: 14 thousand tons compared to 15 thousand tons in 3Q 2011). Margarine sales volume grew from 22 thousand tons in 9M 2011 to 23 thousand tons in 9M 2012 (3Q 2012: 8 thousand tons compared to 7 thousand tons in 3Q 2011). Sales volume of the oil extraction plant in 9M 2012 totaled 109 thousand tons of raw oil (9M 2011: 30 thousand tons), of which 31 thousand tons (9M 2011: 11 thousand tons) were sold internally to the Group's fat and oil production plant in Yekaterinburg (3Q 2012: 30 thousand tons of total sales of which 7 thousand tons relates to internal sales; 3Q 2011: 22 thousand tons of total sales of which 9 thousand tons relates to internal sales).

The average sale prices per kilogram (excl. VAT) for sales to third parties in 9M 2012 were as follows: 53.7 rubles for mayonnaise (compared to 53.3 rubles in 9M 2011), 49.8 rubles for margarine (compared to 47.4 rubles in 9M 2011), 33.2 rubles for raw oil (compared to 36.7 rubles in 9M 2011). The average sale prices per kilogram (excl. VAT) in 3Q 2012 were as follows: 53 rubles for mayonnaise (compared to 54 rubles in 3Q 2011), 49.9 rubles for margarine (compared to 49.4 rubles in 3Q 2011), 35.1 rubles for raw oil (compared to 36.4 rubles in 3Q 2011).

The expansion of business through acquisition of oil extraction plant Samaraagroprompererabotka in March 2011 was the main reason for 11% increase in general and administrative expenses and 30% increase in distribution and selling expenses.

Division EBITDA increased to 1,598 mln rubles (51 mln USD), comparing the negative result in the amount of 128 mln rubles in 9M 2011. Adjusted EBITDA margin in 9M 2012 amounted to 24%.

## OTHER

Share-based remuneration to the CEO included in segment Other for the purpose of segment information amounted 322 mln rubles for 9M 2012 that is 43% lower compared to 9M 2011. The shares were provided to CEO before IPO by main shareholder and not by the Company, but according to IFRS this transaction has to be accounted as expense by the Company. The main reason for decrease is 86 mln rubles of expenses recognized in the statement of comprehensive income for 9M 2011 under the share-purchase agreement that provided for immediate transfer of shares to the CEO without any vesting conditions. So the difference between the fair value of the shares granted under this agreement and cash paid for them in the amount of 86 mln rubles was expensed immediately at the grant date. That was not the case in 9M 2012. The remaining decrease in share-based remuneration for 9M 2012 compared to 9M 2011 relates to the second share-purchase agreement under which the expenses are recognized according to graded vesting schedule that results in gradual decrease of the expenses recognized during the vesting period. For more details of the respective transactions and its accounting treatment please see the Group's audited consolidated financial statement for 2011 (note 24).

In 9M 2012 other operating income of holding companies included 1,446 mln rubles of intercompany dividends (9M 2011: 1,050 mln rubles) that is netted out of our consolidated results owing to inter-segment eliminations.

## ELIMINATIONS

The net effect of inter-segment eliminations on Adjusted EBITDA figure comprised mainly of unrealized gain on sales from Agricultural division to Sugar and Meat divisions. The positive net effect of inter-segment eliminations in 9M 2012 in the amount of 329 mln rubles reflects the fact that the amount of unrealized gain from inter-segment sales in 2011 recognized as at 31 December 2011 and realized in 9M 2012 was higher than unrealized gain from inter-segment sales in 9M 2012 recognized as at 30 September 2012. In 9M 2011 the situation was opposite: the net effect of inter-segment eliminations on Adjusted EBITDA figure was negative and amounted to 412 mln rubles that resulted from the fact that the amount of unrealized gain from inter-segment sales in 9M 2011 recognized as at 30 September 2011 exceeded the amount of unrealized gain from inter-segment sales of 2010.

## Consolidated Statement of cash flows – key indicators

in mln Rubles	Nine months ended			Three months ended		
	30 Sept. 2012	30 Sept. 2011	% change	30 Sept. 2012	30 Sept. 2011	% change
<b>Net cash from / (used in) operating activities, incl.</b>	<b>4,102</b>	<b>3,089</b>	<b>33%</b>	<b>1,526</b>	<b>5,587</b>	<b>-73%</b>
<i>Operating cash flow before working capital changes</i>	5,382	1,530	252%	1,543	2	69738%
<i>Working capital changes</i>	(883)	1,726	-151%	178	5,588	-97%
<b>Net cash used in investing activities, incl.</b>	<b>(7,099)</b>	<b>(19,930)</b>	<b>64%</b>	<b>(4,829)</b>	<b>(2,254)</b>	<b>-114%</b>
<i>Purchases of property, plant and equipment</i>	(5,055)	(8,712)	42%	(2,134)	(2,553)	16%
<b>Net cash (used in) / from financing activities</b>	<b>(51)</b>	<b>18,708</b>	<b>-100%</b>	<b>4,386</b>	<b>788</b>	<b>457%</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,038)</b>	<b>1,862</b>	<b>-263%</b>	<b>1,077</b>	<b>4,113</b>	<b>-74%</b>

Net cash from operating activities of 4,102 million rubles have increased by 33% as result of favorable changes in operating profit that offset negative changes in working capital.

CAPEX investments in 9M 2012 totaled 5,055 million rubles, 42% lower than in the 9M 2011. The main investments in 9M 2012 were made in Meat division in the amount of 3,002 million rubles (3Q 2012: 1,021 million rubles) in connection with construction of new pig-breeding complex in Tambov region and expansion of pig-breeding facilities in Belgorod region. Significant investments were also made in Agricultural division in the amount of 918 million rubles (3Q 2012: 362 million rubles) due to purchases of machinery and equipment and in Sugar division in the amount of 923 million rubles (3Q 2012: 585 million rubles) as result of expansion sugar factories facilities.

Major investments in 9M 2011 were made in Agricultural division in the amount of 4,737 million rubles (3Q 2011: 1,118 million rubles) due to purchases of land and machinery and equipment. Investments in Meat division totaled 2,920 million rubles (3Q 2011: 1,156 million rubles) and 866 million rubles (3Q 2011: 221 million rubles) investments were made in Sugar division.

For the capital expenditure financing purposes the Group uses both its own resources and long-term loans (typically with maturities of seven years) with the partial rebates of the interest expenses incurred provided by the State.

## Debt position and liquidity management

in mln Rubles	30 September 2012	31 December 2011	% change
<b>Gross debt</b>	<b>33,196</b>	<b>31,972</b>	4%
<i>Short term borrowings</i>	14,164	17,129	-17%
<i>Long term borrowings</i>	19,032	14,843	28%
<b>Net debt</b>	<b>13,671</b>	<b>11,877</b>	15%
<i>Short term borrowings, net</i>	(4,023)	(2,563)	-57%
<i>Long term borrowings, net</i>	17,694	14,440	23%
<b>Adjusted EBITDA (LTM)</b>	<b>9,123</b>	<b>5,154</b>	77%
<b>Net debt/ Adjusted EBITDA (LTM)</b>	<b>1.5</b>	<b>2.3</b>	

## Net finance expense:

in mln Rubles	Nine months ended			Three months ended		
	30 September 2012	30 September 2011	% change	30 September 2012	30 September 2011	% change
<b>Net interest expense</b>	<b>(600)</b>	<b>(621)</b>	3%	<b>(70)</b>	<b>(304)</b>	77%
<i>Gross interest expense</i>	(1,575)	(1,456)	-8%	(553)	(581)	5%
<i>Reimbursement of interest expense</i>	975	835	17%	483	277	74%
<b>Interest income</b>	<b>864</b>	<b>586</b>	47%	<b>331</b>	<b>289</b>	15%
<b>Other financial income, net</b>	<b>(105)</b>	<b>39</b>	-369%	<b>(105)</b>	<b>15</b>	-800%
<b>Total net finance income</b>	<b>159</b>	<b>4</b>	3875%	<b>156</b>	<b>-</b>	-

The Group Net Debt increased by 15% compared to the beginning of the year mainly due to bank borrowings attracted in Meat segment to finance the investment program. Leverage ratio with Net Debt/ Adjusted EBITDA (LTM) was held at comfortable level about 1.5x in spite of huge CAPEX program 2011 and 2012.

Net debt is well balanced by maturity and demonstrates the stable financial position of the Group. Group Treasury aims to maintain low currency risk in deposit and credit portfolio thereby all our borrowings and almost all of our bank deposits are nominated in Russian Rubles.

On 30 September 2012 the Group has kept committed credit lines available in the amount over 23.5 billion rubles. As an agricultural producer Rusagro benefits from government support in the form of government grants for repayment of interest paid. All gross debt excluding trade financing as at 30 September 2012 can be subsidized.

*(\*) Adjusted EBITDA is defined as operating profit before taking into account (i) depreciation, (ii) other operating income, net (other than reimbursement of fuel and fertilisers and feed costs (government grants)), (iii) the difference between gain on revaluation of biological assets and agriculture produce recognised in the year and the gain on initial recognition of agricultural produce attributable to realized agricultural produce for the year and revaluation of biological assets attributable to realised biological assets and included in cost of sales (iv) provision/(reversal) for net realisable value, (v) share-based remuneration. Adjusted EBITDA is not a measure of financial performance under IFRS. You should not consider it an alternative to profit for the year 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 of the Group as short-term borrowings and long-term borrowings less cash and cash equivalents, bank deposits and bank promissory notes within short-term and long-term investments.*

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

*(\*\*\*\*) SG&A – Distribution and Selling, General and administrative expenses.*

#### **Note:**

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

##### *Sugar:*

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

##### *Meat:*

Our pig breeding project was launched in 2006 and, according to the National Union of Pig Breeders, is currently the fifth largest pig breeding complex in Russia. We have implemented the best practices regarding 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 approximately 452 thousand hectares of land currently under our control located in the highly fertile Black Earth region of Russia, in the Belgorod, Tambov and Voronezh regions. Land and production sites are strategically located within the same regions to optimize efficiency and minimize logistical costs. We believe that we are a leading Russian sugar beet producer, producing also winter wheat and barley, sunflower products and soybeans. These products are partially consumed by the meat division, supporting and developing the synergic effect and lowering the price change risk.

##### *Oil&Fat:*

We are a leading producer of mayonnaise and consumer margarine in Russia, such as Provansal EZhK and Schedroe Leto. In addition, in March 2011, we acquired control of an oil extraction

plant located in Samara, through which we expect to be able to control the source of 100% of the vegetable oil required by our oil and fats production plant.

Our sales in 2011 amounted to 39,715 mln. rubles (1,351 mln. USD), adjusted EBITDA amounted to 5,154 mln rubles, (175 mln USD), Net profit amounted to 2,420 mln rubles (82 mln USD). An average growth rate on Sales shows more than 30% for the last four years and more than 25% on Adjusted EBITDA.

### **Forward-looking statements**

This announcement includes statements that are, or may be deemed to be forward-looking statements. These forward-looking statements can be identified, that they do not relate to the historical or current events, or relate 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 policy 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 organizes the presentation on conference call for investors and analytics

#### *Details of call:*

Date	29 November 2012
Time	5:30 PM (Moscow) / 1:30 PM (London) / 8:30 AM (New-York) at the same day
Subject	ROS AGRO PLC 3 <sup>rd</sup> Quarter
UK Toll Free	0800-358-5263
UK Local Line	44-20-7190-1595
USA Toll Free	1-877-941-6013
USA Local Line	1-480-629-9822
Russia Toll Free	<b>810-8002-198-4011</b>
Conference ID	4576467

---

#### **Contacts:**

**Sergey Tribunsky**  
Chief Investment Officer (Deputy CEO on Investment) LLC Rusagro Group  
Phone: +7 495 363 16 61  
[stribunsky@rusagrogrou.ru](mailto:stribunsky@rusagrogrou.ru)

**Vladimir Gromov**  
First Deputy CEO LLC Rusagro Group  
Phone: +7 495 363 16 61  
[vgromov@rusagrogrou.ru](mailto:vgromov@rusagrogrou.ru)

**Appendix 1. Unaudited consolidated statement of comprehensive income for the nine months ended 30 September 2012 (in thousand rubles)**

	Nine months ended 30 September:		Three months ended 30 September:	
	2012	2011	2012	2011
Sales	22,703,948	29,313,674	8,644,208	10,470,919
Gain on revaluation of biological assets and agriculture produce	4,287,149	2,694,006	3,211,177	1,976,070
Cost of sales	(17,483,294)	(26,999,769)	(7,317,849)	(9,914,400)
Gains less losses from trading sugar derivatives	43,106	(313,797)	(648)	(771,430)
<b>Gross profit</b>	<b>9,550,908</b>	<b>4,694,114</b>	<b>4,536,888</b>	<b>1,761,158</b>
Distribution and selling expenses	(1,709,700)	(1,479,616)	(586,917)	(498,415)
General and administrative expenses	(1,769,653)	(1,722,935)	(601,809)	(583,204)
Share-based remuneration	(322,320)	(569,670)	(63,929)	(209,951)
Other operating (expenses)/ income, net	(5,662)	75,591	98,286	90,576
<b>Operating profit</b>	<b>5,743,574</b>	<b>997,484</b>	<b>3,382,520</b>	<b>560,164</b>
Interest expense	(600,111)	(620,868)	(70,185)	(304,078)
Interest income	864,335	586,374	330,931	288,592
Other financial (expenses)/ income, net	(105,176)	39,213	(105,451)	15,335
Unrealised gains less losses from trading sugar derivatives	-	-	-	508,253
<b>Profit before taxation</b>	<b>5,902,622</b>	<b>1,002,203</b>	<b>3,537,814</b>	<b>1,068,265</b>
Income tax expense	(569,879)	23,568	(122,476)	29,479
<b>Profit for the period</b>	<b>5,332,743</b>	<b>1,025,771</b>	<b>3,415,338</b>	<b>1,097,745</b>
<b>Total comprehensive income for the period</b>	<b>5,332,743</b>	<b>1,025,771</b>	<b>3,415,338</b>	<b>1,097,745</b>
<b>Profit/ (loss) is attributable to:</b>				
Owners of ROS AGRO PLC	5,129,290	1,094,806	3,339,418	1,137,915
Non-controlling interest	203,453	(69,035)	75,921	(40,169)
<b>Profit for the period</b>	<b>5,332,743</b>	<b>1,025,771</b>	<b>3,415,338</b>	<b>1,097,746</b>
<b>Total comprehensive income/ (loss) is attributable to:</b>				
Owners of ROS AGRO PLC	5,129,290	1,094,806	3,339,418	1,137,915
Non-controlling interest	203,453	(69,035)	75,921	(40,169)
<b>Total comprehensive income/ (loss) for the period</b>	<b>5,332,743</b>	<b>1,025,771</b>	<b>3,415,338</b>	<b>1,097,746</b>
Earnings per ordinary share for profit attributable to the equity holders of ROS AGRO PLC, basic and diluted (in RR per share)	216.32	54.53	141.20	56.67

**Appendix 2. Unaudited segment information for the nine months ended 30 September 2012 (in thousand rubles)**

<b>Nine months ended 30 September 2012</b>	<b>Sugar</b>	<b>Meat</b>	<b>Other agriculture</b>	<b>Oil</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	11,060,138	4,072,203	3,141,984	6,567,753	174,501	(2,312,632)	22,703,948
Gain on revaluation of biological assets and agriculture produce	-	1,403,833	2,883,316	-	-	-	4,287,149
Cost of sales <i>incl. depreciation</i>	(8,850,553) (457,534)	(3,894,253) (378,268)	(2,780,617) (328,986)	(4,243,625) (172,090)	-	2,285,754 (21,347)	(17,483,294) (1,358,226)
Gains less losses from trading sugar derivatives	43,106	-	-	-	-	-	43,106
<b>Gross profit</b>	<b>2,252,691</b>	<b>1,581,784</b>	<b>3,244,683</b>	<b>2,324,128</b>	<b>174,501</b>	<b>(26,878)</b>	<b>9,550,909</b>
General and administrative expenses, Distribution and selling expenses <i>incl. depreciation</i>	(1,491,889) (51,623)	(258,197) (15,424)	(626,485) (27,393)	(928,264) (30,423)	(342,732) (9,206)	168,215	(3,479,352) (134,069)
Share-based remuneration	-	-	-	-	(322,320)	-	(322,320)
Other operating (expenses)/ income, net <i>incl. Reimbursement of fuel and fertilisers and feed costs (government grants)</i>	29,637 -	(1,654) 1,641	(4,493) 121,746	(12,614) -	1,456,213 -	(1,472,751) -	(5,662) 123,387
<b>Operating profit</b>	<b>790,439</b>	<b>1,321,933</b>	<b>2,613,705</b>	<b>1,383,250</b>	<b>965,662</b>	<b>(1,331,414)</b>	<b>5,743,574</b>
Depreciation included in Operating Profit	509,158	393,692	356,379	202,513	9,206	21,347	1,492,295
Other operating income, net	(29,637)	1,654	4,493	12,614	(1,456,213)	1,472,751	5,662
Share-based remuneration	-	-	-	-	322,320	-	322,320
Reimbursement of fuel and fertilisers and feed costs (government grants)	-	1,641	121,746	-	-	-	123,387
Gain on revaluation of biological assets and agriculture produce	-	(1,403,833)	(2,883,316)	-	-	-	(4,287,149)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	754,303	-	-	166,380	920,684
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	1,516,072	-	-	-	-	1,516,072
Provision/ (Reversal) for net realizable value costs	(86,641)	(32,114)	(1,413)	-	-	-	(120,167)
<b>Adjusted EBITDA*</b>	<b>1,183,319</b>	<b>1,799,045</b>	<b>965,898</b>	<b>1,598,378</b>	<b>(159,026)</b>	<b>329,064</b>	<b>5,716,678</b>

\* Non-IFRS measure

**Appendix 2 (continued). Unaudited segment information for the nine months ended 30 September 2011 (in thousand rubles)**

<b>Nine months ended 30 September 2011</b>	<b>Sugar</b>	<b>Meat</b>	<b>Other agriculture</b>	<b>Oil</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	20,885,631	3,740,376	1,993,414	4,337,052	242,688	(1,885,487)	29,313,674
Gain on revaluation of biological assets and agriculture produce	-	1,275,437	1,418,569	-	-	-	2,694,006
Cost of sales <i>incl. depreciation</i>	(19,168,242) (454,810)	(3,728,328) (517,980)	(1,615,589) (171,008)	(3,842,872) (104,126)	-	1,355,263 (17,000)	(26,999,769) (1,264,924)
Gains less losses from trading sugar derivatives	(313,797)	-	-	-	-	-	(313,797)
<b>Gross profit</b>	<b>1,403,592</b>	<b>1,287,484</b>	<b>1,796,394</b>	<b>494,179</b>	<b>242,688</b>	<b>(530,224)</b>	<b>4,694,114</b>
General and administrative expenses, Distribution and selling expenses <i>incl. depreciation</i>	(1,433,785) (21,748)	(252,576) (15,339)	(592,778) (18,156)	(749,198) (22,540)	(275,579) (3,381)	101,366 -	(3,202,551) (81,164)
Share-based remuneration	-	-	-	-	(569,670)	-	(569,670)
Other operating income, net <i>incl. Reimbursement of fuel and fertilisers and feed costs (government grants)</i>	39,334 -	107,230 102,570	(40,303) 38,610	19,803 -	1,035,594 -	(1,086,066) -	75,591 141,179
<b>Operating profit</b>	<b>9,141</b>	<b>1,142,138</b>	<b>1,163,313</b>	<b>(235,215)</b>	<b>433,033</b>	<b>(1,514,925)</b>	<b>997,484</b>
Depreciation included in Operating Profit	476,558	533,319	189,164	126,666	3,381	17,000	1,346,087
Other operating income, net	(39,334)	(107,230)	40,303	(19,803)	(1,035,594)	1,086,066	(75,591)
Share-based remuneration	-	-	-	-	569,670	-	569,670
Reimbursement of fuel and fertilisers and feed costs (government grants)	-	102,570	38,610	-	-	-	141,179
Gain on revaluation of biological assets and agriculture produce	-	(1,275,437)	(1,418,569)	-	-	-	(2,694,006)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	238,022	-	-	-	238,022
Revaluation of biological assets of previous years attributable to realised biological assets and included in cost of sales	-	1,181,470	-	-	-	-	1,181,470
Provision/ (Reversal) for net realizable value costs	-	-	43,696	-	-	-	43,696
<b>Adjusted EBITDA</b>	<b>446,365</b>	<b>1,576,829</b>	<b>294,539</b>	<b>(128,353)</b>	<b>(29,510)</b>	<b>(411,859)</b>	<b>1,748,012</b>

**Appendix 3. Unaudited consolidated statement of financial positions as at 30 September 2012 (in thousand rubles)**

	<b>30 September 2012</b>	<b>31 December 2011</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,419,435	5,457,567
Restricted cash	9	29,618
Short-term investments	16,563,603	14,670,667
Trade and other receivables	2,202,719	2,315,475
Prepayments	859,689	507,009
Current income tax receivable	16,063	32,161
Other taxes receivable	1,897,700	1,480,439
Inventories	11,958,162	10,402,449
Short-term biological assets	3,643,599	1,145,562
<b>Total current assets</b>	<b>39,560,980</b>	<b>36,040,947</b>
<b>Non-current assets</b>		
Property, plant and equipment	26,224,373	21,537,127
Goodwill	1,175,578	1,175,578
Advances paid for property, plant and equipment	532,460	1,762,301
Long-term biological assets	1,562,567	880,048
Long-term investments	1,478,870	487,681
Deferred income tax assets	146,961	474,577
Other intangible assets	58,080	49,640
Restricted cash	91,053	101,432
<b>Total non-current assets</b>	<b>31,269,943</b>	<b>26,468,384</b>
<b>Total assets</b>	<b>70,830,923</b>	<b>62,509,331</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	14,163,721	17,129,130
Trade and other payables	3,974,110	1,889,143
Current income tax payable	63,245	80,049
Other taxes payable	352,419	499,915
<b>Total current liabilities</b>	<b>18,553,495</b>	<b>19,598,237</b>
<b>Non-current liabilities</b>		
Long-term borrowings	19,032,218	14,842,960
Government grants	558,847	512,998
Deferred income tax liability	225,416	376,451
Other non-current liabilities	51,059	46,659
<b>Total non-current liabilities</b>	<b>19,867,540</b>	<b>15,779,068</b>
<b>Total liabilities</b>	<b>38,421,035</b>	<b>35,377,305</b>
<b>Equity</b>		
Share capital	9,734	9,734
Treasury shares	(461,847)	(303,750)
Share premium	10,557,573	10,557,573
Share-based payment reserve	994,566	672,247
Retained earnings	21,257,323	15,851,492
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>32,357,350</b>	<b>26,787,296</b>
Non-controlling interest	52,538	344,730
<b>Total equity</b>	<b>32,409,888</b>	<b>27,132,026</b>
<b>Total liabilities and equity</b>	<b>70,830,923</b>	<b>62,509,331</b>

**Appendix 4. Unaudited consolidated statement of cash flows for the nine months ended 30 September 2012 (in thousand rubles)**

	Nine months ended 30 September 2012	Nine months ended 30 September 2011
<b>Cash flows from operating activities</b>		
Profit before taxation	5,902,622	1,002,203
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	1,492,295	1,346,087
Interest expense	1,575,155	1,456,030
Government grants	(1,168,615)	(1,046,351)
Interest income	(864,335)	(586,374)
Gain on initial recognition of agricultural produce and revaluation of unharvested crops, net	(1,962,632)	(1,180,547)
Change in provision for net realisable value of inventory	(120,167)	61,966
Revaluation of biological assets, net	112,239	(93,967)
Change in provision for impairment of receivables and prepayments	15,212	36,310
Unrealised foreign exchange loss / (gain)	26,334	(88,540)
Write-off of trade and other receivables	-	20,709
Share based remuneration	322,320	569,670
Lost harvest write-off	59,468	14,621
Change in provision for impairment of advances paid for property, plant and equipment	(19,952)	20,323
Other non-cash and non-operating expenses / (income), net	11,849	(2,568)
<b>Operating cash flow before working capital changes</b>	<b>5,381,793</b>	<b>1,529,572</b>
Change in trade and other receivables and prepayments	(129,571)	444,377
Change in other taxes receivable	(417,262)	(980,540)
Change in inventories	1,057,312	1,976,163
Change in biological assets	(3,343,477)	(1,047,222)
Change in trade and other payables	2,094,668	1,138,560
Change in other taxes payable	(144,895)	195,125
<b>Cash generated from operations</b>	<b>4,498,568</b>	<b>3,256,035</b>
Income tax paid	(396,604)	(166,898)
<b>Net cash from operating activities</b>	<b>4,101,964</b>	<b>3,089,137</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(5,055,083)	(8,712,265)
Purchases of other intangible assets	(28,369)	(19,891)
Proceeds from sales of property, plant and equipment	26,724	19,511
Investments in subsidiaries, net of cash acquired	-	(1,956)
Change in promissory notes	(292,388)	(224,823)
Change in cash on bank deposits	(2,209,891)	(10,360,833)
Loans given	(114,009)	(1,363,549)
Loans repaid	5,200	254,414
Interest received	525,865	370,496
Dividends received	2,575	4,402
Movement in restricted cash	40,450	104,470
<b>Net cash used in investing activities</b>	<b>(7,098,926)</b>	<b>(19,930,024)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	17,475,157	20,849,617
Repayment of borrowings	(16,211,304)	(9,699,589)
Interest paid	(2,018,487)	(1,465,501)
Purchases of non-controlling interest	(219,104)	(116,813)
Sale of non-controlling interest	-	170
Proceeds from government grants	1,081,328	986,626
Proceeds from issue of own shares, net of transaction cost	-	8,227,414
Purchases of treasure shares	(158,097)	(59,220)
Lease payments	-	(14,599)
<b>Net cash (used in) / from financing activities</b>	<b>(50,507)</b>	<b>18,708,105</b>
Net effect of exchange rate changes on cash and cash equivalents	9,337	(5,408)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(3,038,132)</b>	<b>1,861,810</b>
Cash and cash equivalents at the beginning of the period	5,457,567	5,120,208
<b>Cash and cash equivalents at the end of the period</b>	<b>2,419,435</b>	<b>6,982,018</b>