



AGRO *Generation*

Positive net profit in H1 2016

Good agronomic performance on 2016 harvest

Gross profit down by €3 million as a result of winter crops performance

Reduction in administrative and financial costs

Paris, 17 October 2016

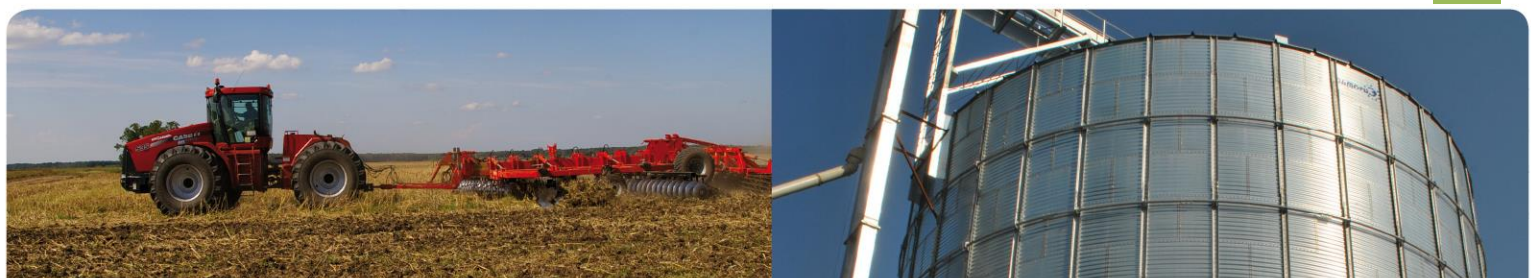
AgroGeneration, a Ukraine-based grain and oilseed producer, has published its first-half 2016 financial statements, as approved by the Board of Directors on 14 October 2016. These financial statements were not subject to a limited review by the statutory auditors.

During this six-month period, AgroGeneration turned a net profit. This turnaround reflected the successful actions taken to financially restructure the Group and reduce its general and administrative expenses, against the favourable background of a stabilising Ukrainian currency.

Good agronomic performance on harvests was also a positive contributing factor, with a favourable ratio of yield to production costs. Worldwide prices of agricultural commodities declined, which continued to cut into operating profit but was offset in the first-half by positive currency fluctuations.

On the other hand, the results of winter crops will fall short of year-end estimates, as they were impacted by unfavourable weather and a greater-than-expected price decline. As anticipated when full-year 2015 results were announced, this prompted the Group to put more emphasis this year on spring crops so as to maintain good profitability.

The Group is continuing to consolidate its economic fundamentals and its bottom-of-the-cycle resilience. These efforts will have a positive effect on economic performance as soon as prices begin to rise.





First-half 2016 earnings

H1 2016 financial highlights

(in € thousands)	H1 2015	H1 2016
Revenue	3,082	3,828
Biological assets - change in fair value	10,769	7,868
Cost of sales	(2,003)	(2,930)
Gross profit	11,848	8,766
Selling, general and administrative expenses	(5,000)	(4,529)
Other income and expenses	(700)	(118)
Operating profit	6,148	4,119
Net financial income (expense)*	(11,838)	(3,778)
Tax	280	(108)
Net profit/(loss)	(5,410)	233

(in € thousands)	30 June 2015	31 December 2015	30 June 2016
EBITDA**	8,364	19,941	5,801
Equity	59,778	69,462	67,077
Net debt***	46,314	35,487	44,796
Structural debt****	22,253	19,099	16,875

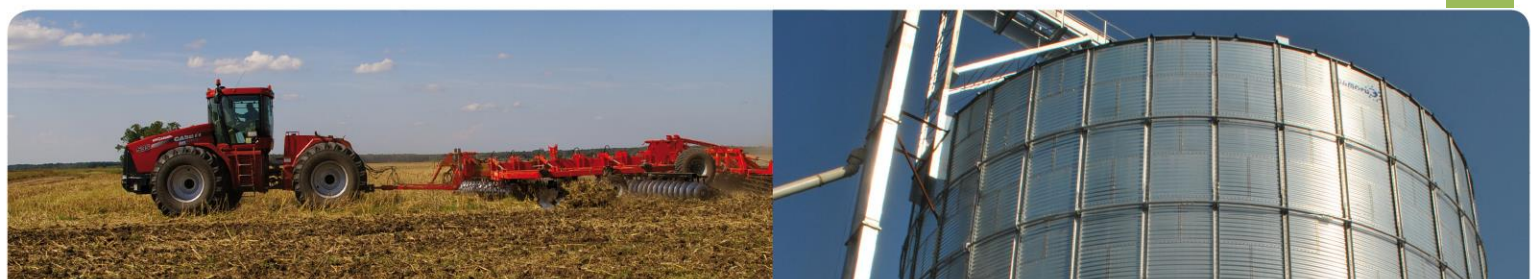
(*) includes non-cash currency losses of €0.7 million in 2016 vs. €8.1 million in 2015.

(**) EBITDA = earnings before interest, tax, depreciation, amortization, provision and net gain or loss on fixed asset divestiture and impairment on non-current assets – see appendix for detail

(***) total borrowings minus available cash and term deposits pledged as security for the repayment of bank debt – see appendix for detail.

(****) principal amount of loan granted by EBRD and amount of capitalized future interests on OSRANes – see appendix for detail.

AgroGeneration's revenue totalled €3.8 million in the first half of 2016, vs. €3.1 million in H1 2015, reflecting higher inventories at the end of the period than in the previous financial year. As a reminder, given the Group's historical seasonality, second-half revenue will be well in excess of the first-half figure, as most sales take place during the second half of the year.





Gross profit totalled €8.8 million, vs. €11.8 million in H1 2015. Most of the change in gross profit is derived from changes in the fair value of biological assets, resulting in turn from the valuation of winter and spring crops. This change was €-2.9 million and is broken down as follows:

- €-4.0 million related to losses on winter crops between 31 December 2015 and 30 June 2016 due to unfavourable weather and greater-than-expected price decline;
- €+1.2 million reflecting agronomic performance, corresponding to the positive balance between crop yields on the one hand and greater use of inputs on the other;
- €-3.1 million from the decline in agricultural prices;
- €+3.0 million essentially from the favourable impact of currency fluctuations.

EBITDA declined €2.6 million to €5.8 million, vs. €8.4 million in H1 2015, as a result of the decline in gross profit.

Yet, the Group began to reap the benefits of its efforts to reduce general and administrative expenses, which declined from €5 million to €4.5 million in H1 2016. These efforts will continue into the second half.

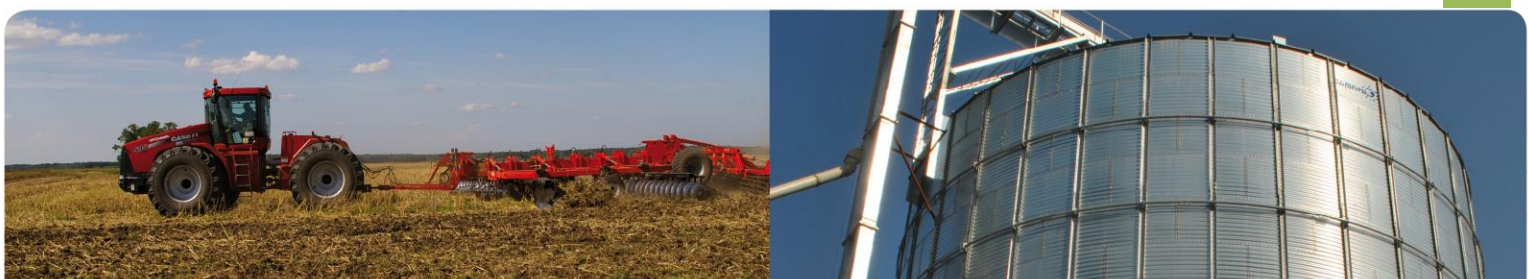
In addition, financial expenses were reduced significantly during the first half of 2016 and totalled €3.8 million, vs. €11.8 million in H1 2015, reflecting the financial restructuring the Group carried out in 2015 and the positive effect of the stabilisation of the Ukrainian currency. At constant exchange rates, financial expense will continue to decline as the OSRANEs are converted into shares in the coming years.

As a result of all these factors, the Group posted net positive earnings of €0.2 million vs. a loss of €5.4 million in H1 2015.

Strengthened financial structure

Equity totalled €67.1 million as of 30 June 2016.

Capital expenditure in H1 2016 totalled €1.7 million, vs. €1.2 million in H1 2015. During the first half, AgroGeneration finalized the acquisition of a 39,100-ton capacity silo, in line with the Group's strategy to strengthen storage capacity and optimise selling conditions. This acquisition will be financed by operating cash flows and paid by installments until 2017.





The Group's net debt totalled €44.8 million as of 30 June 2016, vs. €46.3 million as of 30 June 2015. The structural debt (EBRD principal and capitalised interest on the OSRANes) declined by 25% and totalled €16.9 million vs €22.4 million as of 30 June 2015. As of today, 6% of the OSRANes issued have been redeemed in shares, reducing the Group's long-term debt by an equivalent amount.

First-half 2016 financial statements will be published on AgroGeneration's website:

www.AgroGeneration.com

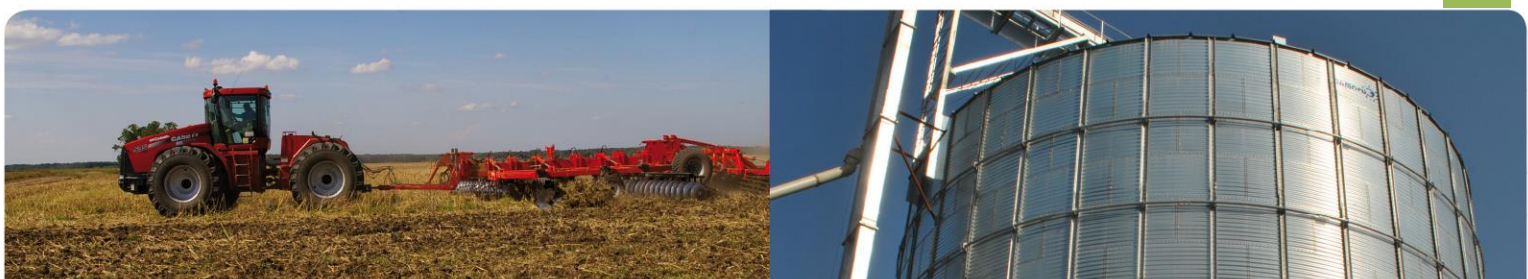
Status of the 2016 harvesting campaign

Results of crops already harvested, in net volume terms (company data as of 30 September 2016)

Crop	2015 (actual)			2016 (estimated)		
	Hectares	Production (tons)	Yield (t/ha)	Hectares	Production (tons)	Yield (t/ha)
Wheat	45,730	189,313	4.1	36,478	159,174	4.4
Barley	10,808	45,689	4.2	10,954	46,577	4.3
Rapeseed	9,033	23,486	2.6	4,876	9,914	2.0
Pea	8,280	17,497	2.1	10,520	32,985	3.1
Chickpea	1,262	1,876	1.5	1,067	1,549	1.5
Sunflower	18,895	48,769	2.6	29,988	76,170	2.5
TOTAL	94,008	326,630		93,883	326,369	

In the current year, the Group will harvest a total of approximately 109,000 ha, virtually the same as last year, of which 83% has already been harvested. AgroGeneration put priority this year on spring crops such as soybeans, peas and sunflower.

For 2016, AgroGeneration, based on a careful soil analysis, used more inputs this year, as announced, which has increased the cost of production per hectare. The corresponding increase in yields of virtually all sowings will offset this effect and lead to a favourable yield/cost ratio per hectare, the Group's principal performance indicator.





Because of unfavourable weather, however, rapeseed and winter barley were disappointing and did not reach the expected yields. Late crops (including 5,400 ha of corn and 2,600 ha of soybeans remaining to be harvested) look positive and will contribute to a favourable level of annual production.

In total, the Group is aiming for a harvest in excess of 390,000 tons this year, i.e. an increase of 4% compared with 2015.

Worldwide prices of agricultural commodities are still 10% below those of 2015, which is detrimental to AgroGeneration, in spite of an increase in forward sales. As a result, the Group will continue its efforts, in particular to reduce general and administrative expenses, but expects 2016 EBITDA to be below that of 2015. This level should still enable AgroGeneration to aim for a substantially better net result than last year in the vicinity of break-even at year-end at stable exchange rates. These anticipations are still subject to events (e.g. exchange rates, weather, etc.) which may occur within the last 3 months of 2016 and may impact the results and have not been reviewed by the auditors of the Company.

About AGROGENERATION

Founded in 2007, AgroGeneration is a global producer of grain and oilseed. Following its merger with Harmelia, the new Group has become one of the top five producers of grain and oilseed in Ukraine, with close to 120,000 hectares of farmland. Through the high-potential farmland it leases, the Group's ambition is to meet the food challenges of tomorrow as global consumption doubles in scale between now and 2050.

**Receive all AgroGeneration's financial information by e-mail for free by registering at:
www.actusnews.com**

AgroGeneration

+33 1 56 43 68 60

investors@AgroGeneration.com

www.AgroGeneration.com

Actus Finance

Guillaume Le Floch, Investor Relations

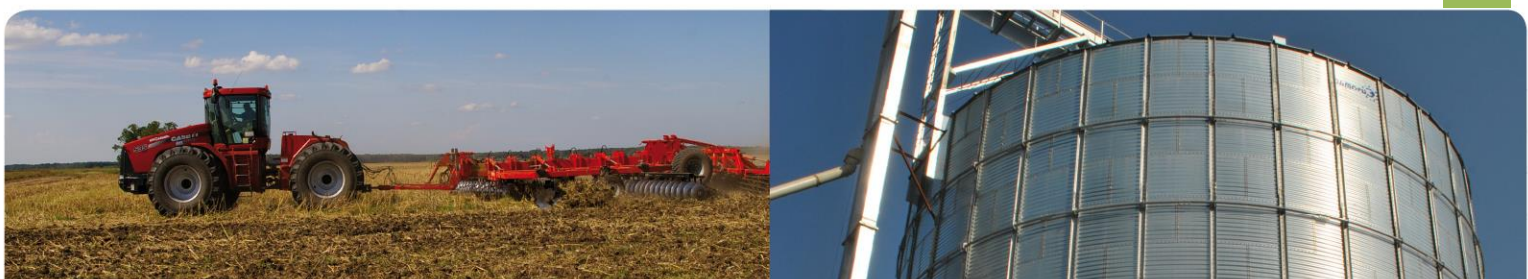
+33 1 53 67 36 70

Anne-Pauline Petureau, Investor Relations

+33 1 53 67 36 72

Alexandra Prisa, Media Relations

+33 1 53 67 36 90





APPENDIX

Calculation of EBITDA

(in € thousands)	H1 2015	2015	H1 2016
Operating profit	6,148	11,406	4,119
Depreciation & amortization	1,107	7,037	1,322
Provision, net gain or loss on fixed-asset divestiture and impairment of non-current assets	1,109	1,498	360
EBITDA	8,364	19,941	5,801

Calculation of net debt

(in € thousands)	30 June 2015	31 December 2015	30 June 2016
Total borrowings	51,801	54,547	51,581
Net cash	(1,609)	(3,931)	(2,863)
Term deposits*	(3,878)	(15,129)	(3,922)
Net debt	46,314	35,487	44,796

* Term deposits pledged as security for bank debt

Structure of gross debt

(in € thousands)	30 June 2015	31 December 2015	30 June 2016
Structural debt	22,253	19,099	16,875
OSRANE*	15,526	12,704	11,202
Konkur bonds	527	32	32
EBRD – principal amount	6,200	6,362	5,641
Other financial debt	29,548	35,448	34,706
Total borrowings	51,801	54,547	51,581

* This amount represents interest to be paid until the maturity of the instrument. There is no principal amount to be repaid.

