17 April 2013, Luhansk, Ukraine

AGROTON

Current report

AGROTON PUBLIC LIMITED: Updated preliminary overview of indicative 2012 financial results

The Board of Directors of Agroton Public Limited publishes updated management account figures for the year ended 31.12.2012, which are not audited yet. Currently they are being audited and once the auditors opinion is signed, Agroton Public Limited will publish the formal annual report.

Selected financial data (in USD thousands)

Preliminary Income Statement

	31 December 2012	31 December 2011	Change
Continuing operations:			
Total revenue	**99,496**	**122,080**	**-18.5%**
Sales revenue	88,055	99,738	-11.7%
Gain from changes in fair value less cost to sell of biological assets and agricultural products, net	11,441	22,342	-48.8%
Cost of sales	(82,454)	(94,217)	-12.5%
Gross profit	**17,042**	**27,863**	**-38.8%**
Administrative expenses	(7,612)	(6,121)	24.4%
Distribution expenses	(1,240)	(963)	28.8%
Other income	14,168	11,616	22.0%
Other expenses	(7,759)	(26,624)	-70.9%
Finance income	114	110	3.6%
Finance expenses	(7,986)	(5,595)	42.7%
Net finance cost	(7,872)	(5,485)	**43.5%**
Profit/(loss) before taxation	**6,727**	**286**	**2252.1%**
Income tax expense	**(4)**	**(16)**	**-75.0%**
Profit/(loss) from continuing operations	**6,723**	**270**	**2390.0%**

Preliminary Balance Sheet

	31 December 2012	31 December 2011	Change
ASSETS			
Property, plant and equipment	33,824	31,151	8.6%
Intangible assets	32,955	10,017	229.0%
Biological assets	1,797	1,772	1.4%
Loans receivable	169	204	-17.2%
Other non-current assets	45,325	13,755	229.5%
Total non-current assets	**114,070**	**56,899**	**100.5%**
Inventories	44,808	52,449	-14.6%
Biological assets	9,754	10,495	-7.1%
Trade and other receivables	6,245	40,996	-84.8%
Cash and cash equivalents	9,813	17,627	-44.3%
Assets held for sale	1,486	1,431	3.8%
Total current assets	**72,106**	**122,998**	**-41.4%**
Total assets	**186,176**	**179,897**	**3.5%**
Share capital			
Share capital	661	661	0.0%
Share premium	88,532	88,532	0.0%
Retained earnings	46,994	40,487	16.1%
Foreign currency translation reserve	(10,200)	(10,152)	0.5%
Total equity attributable to owners of the Company	**125,987**	**119,528**	**5.4%**
Non-controlling interests	292	292	0.0%
Total equity	**126,279**	**119,820**	**5.4%**
Loans and borrowings	48,429	47,892	1.1%
Non-current liabilities	**48,429**	**47,892**	**1.1%**
Current portion of non-current liabilities			
Loans and borrowings	-	3,773	-100.0%
Trade and other payables	11,354	8,296	36.9%
Current income tax liabilities	114	116	-1.7%
Current liabilities	**11,468**	**12,185**	**-5.9%**
Total liabilities	**59,897**	**60,077**	**-0.3%**
Total equity and liabilities	**186,176**	**179,897**	**3.5%**

Notes:

(1) Total revenue is the sum of Sales revenue and Fair value change.

(2) Fair value change (IAS 41) is the gain from changes in fair value less cost to sell of biological assets and agricultural products, net.

During the reporting period, the Group performed a revaluation of the fair value of its agricultural products at the reporting date. In accordance with IAS 41 "Agriculture", the Group's biological assets (comprising (i) current biological assets, being assets with a useful life of less than one year (such as crops under cultivation) and animals (such as cattle, pigs and poultry) in grow-out and (ii) non-current biological assets, being assets with a useful life of over one year (such as milk-producing cattle and pigs for breeding)) have been recognised on initial recognition and re-measured at each reporting date at their fair value.

The gain or loss arising from the variation in fair value of the agricultural products, after deduction of the cost of sales, is incorporated as a separate line item in the Consolidated Statement of Comprehensive Income for the period in which the change occurred. The extent of such fair value gains and losses on biological assets in a given period is affected by various factors, including price movement.

Notice: The presented financial results for 2012 are unaudited management accounts.

Similar to many other companies that operate in emerging markets, the Group's accounting and reporting systems are not as sophisticated or robust as those of companies organized in jurisdictions with a longer history of compliance with IFRS and the production of complete monthly financial statements for management purposes. The internal audit function of the Group is not presently fully operational and the lack of established accounting and reporting systems which have been in operation for an extended period of time may make the Group's financial information less reliable than that of companies that have implemented these systems over a longer period of time. Each of the Group's Ukrainian subsidiaries prepares separate financial statements under Ukrainian accounting standards for statutory purposes. The preparation of IFRS consolidated financial statements involves, first, the conversion of the statutory financial statements of the Group's subsidiaries into IFRS financial statements through accounting adjustments and, second, the consolidation of all subsidiaries' financial statements. This process is complicated and time-consuming, and requires significant attention from the Group's senior accounting personnel at its corporate headquarters and subsidiaries. The Group's accounting systems and the internal controls and procedures relating to the preparation of the IFRS financial statements are not as advanced as those of companies operating in more developed countries and the preparation of financial statements and their conversion into IFRS may require more time for the Group and its subsidiaries than it does for such other companies. As a result, the Group may not be able to ensure that its consolidated financial statements are prepared and converted into IFRS in a timely manner in accordance with applicable requirements under the Group's financing arrangements or market expectations, or that complete management accounts are produced on a timely basis. There are weaknesses in the Group's accounting and reporting systems, accounting personnel and its internal controls and procedures relating to the preparation of IFRS financial statements.

Forward-Looking Statements:

This report contains forward-looking statements relating to, among other things, the expectations for 2012 financial results, including revenue, bookings, net profit. The actual audited results could differ materially from those preliminary indicative reported results and should not be considered as an indication of our future performance.

For more information please contact:

Oleg Platonov Tel. +38 (0642) 34 53 79
Head of Investor Relations E-mail: Platonov.oleg@agroton.lg.ua

On Agroton Public Limited

The Agroton Group is one of the largest and most diversified agricultural producers in eastern Ukraine. The company is vertically integrated, and its core business is cultivation, processing, storage and sale of grain, chiefly sunflower and wheat. The company also handles production and sale of livestock as well as food production.

Agroton is the largest producer of sunflower seeds and the fourth-largest wheat producer in Ukraine.

The company has storage facilities with a capacity of about 285,000 metric tonnes, which allows it to sell its products during periods with the most favourable prices. The current capacity of Agroton's grain elevators makes it the largest grain elevator operator in the Luhansk region.

The company achieves high production profitability thanks to high-quality soil and low production costs.

With respect to production and sale of livestock, Agroton is the largest poultry producer in the Luhansk region. The company also has 4,500 head of dairy cows, making it the fifth-largest milk producer in Ukraine.

Agroton has been listed on the Warsaw Stock Exchange since November 2010.

More information at www.agroton.com.ua

Legal grounds: Art. 56.1.1 of the Act of 29 July 2005 on public offerings, conditions governing the introduction of financial instruments to the organised trading system and public companies.