



Trigon Agri

1Q 2013 Results, May 31, 2013

Joakim Helenius, Chairman of the Board
Ulo Adamson, President and CEO

1Q 2013 highlights and events after the close of the period



- Typical first quarter in the farming business
 - Costs incur without income
 - Fields covered in snow
 - The only way to generate income is to sell the carry over inventory from the previous year at a profit
 - In Q1 2012 income from selling carry over inventory in a rising market at premiums to the year-end valuations
 - In Q1 2013 sales of carry over inventory in a falling market at prices more or less equal to year end valuations
- Crop update
 - Winter crops in the best shape in the history of Trigon Agri
 - Secured forward sales on majority of expected wheat and rapeseed harvests at prices equal to or exceeding prices achieved last year
 - The spring crop seeding has gone well with 99% of spring seeding completed.
 - Late crops subject to price and weather risks going forward

1Q 2013 highlights and events after the close of the period



- Core and non-core assets
 - Assets divided into core and non-core as a part of longer term planning
 - The core assets are cereals production operations in Ukraine and cereals production operations in the Rostov cluster in Russia
- Update on Rostov irrigation
 - Launch of the Rostov irrigation pilot project of 270 ha in the first week of June
 - Aim of rolling out irrigation on up to 40,000 ha of land over the coming years
 - Working with leading engineering consultants and equipment suppliers
- Liquidity
 - Liquidity position solid
 - Harvesting of the early crops will allow to start releasing working capital tied up in this year's crop
 - Having secured a strategic partner into our Estonian dairy farming subsidiary through a capital raising at book value, we will now proceed to free up capital by selling down further stakes
 - Active work also taking place on other non-core assets

Financial highlights 1Q 2013



- Total revenue, other income, fair value adjustments and net changes in inventory for 1Q 2013 amounted to EUR 10,243 thousand (EUR 10,286 thousand in 1Q 2012)
- EBITDA in 1Q 2013 amounted to a loss of EUR 2,285 thousand (a profit of EUR 16 thousand in 1Q 2012)
- The Net loss of the Group in 1Q 2013 amounted to a loss of EUR 6,928 thousand (loss of EUR 3,811 thousand in 1Q 2012)

Income statement, EUR thousand

Total revenue, other income and fair value adjustments and net changes in inventories

Cost of purchased goods for trading purposes

OPEX

EBITDA

EBIT

Net financial items

Net profit/loss

	1Q 2012	1Q 2013
Total revenue, other income and fair value adjustments and net changes in inventories	10,286	10,243
Cost of purchased goods for trading purposes	-3,426	-1,508
OPEX	-6,844	-11,020
EBITDA	16	-2,285
EBIT	-2,009	-4,433
Net financial items	-1,732	-2,753
Net profit/loss	-3,811	-6,928

Income statement 1Q 2013 by segments



1Q 2013, in EUR thousand	Cereals production Ukraine	Cereals production Russia	Milk production	Storage services	Sales and trading	Eliminations between segments	Total
Revenue between segments	6,114	301	-	251	3,880	-10,546	-
Revenue from external customers	50	5	2,849	591	8,074	-	11,569
Total segment revenue	6,164	306	2,849	842	11,954	-10,546	11,569
Subsidies	-	-	10	-	-	-	10
Other income	27	3	-	1	58	-	89
Change in biol.assets	2,726	634	-4	-	-	-	3,356
TOTAL income	8,917	943	2,855	843	12,012	-10,546	15,024
Change in inventories	-5,589	116	346	-	-9	355	-4,781
Cost of purchased goods	-12	-	-	-3	-11,407	9,914	-1,508
OPEX	-4,973	-1,445	-3,610	-891	-643	277	-11,285
Other (losses)/gains - net	486	-136	15	-63	-37	-	265
1Q 2013 EBITDA	-1,171	-522	-394	-114	-84	-	-2,285
1Q 2012 EBITDA	620	-1,598	297	125	572	-	16

Trigon Agri balance sheet as of 31.03.2013

in EUR thousand

ASSETS

	31.03.2013	31.12.2012
Cash and cash equivalents	9,006	8,190
Trade and other receivables	14,484	10,705
Inventories	18,114	21,459
Biological assets	9,080	5,500
Assets held for sale	74	65

Total current assets

50,758 **45,919**

Prepaid land rents and land usage rights	3,996	4,043
Other non-current prepayments	2,721	2,426
Biological assets	9,154	9,117
Deferred tax assets	744	775
Intangible assets	498	347
Property, plant and equipment	147,800	147,473

Total non-current assets

164,913 **164,181**

Total assets **215,671** **210,100**

LIABILITIES

Trade and other payables	19,150	16,031
Borrowings	17,842	11,871

Total current liabilities

36,992 **27,902**

Trade and other payables	572	755
Borrowings	50,278	49,486
Deferred tax liabilities	2,795	2,817
Deferred income from EU subsidies	564	574

Total non-current liabilities

54,209 **53,632**

Total liabilities **91,201** **81,534**

EQUITY

Ordinary shares	64,814	64,814
Share premium	99,941	99,941
Other reserves	-13,930	-16,762
Retained earnings/accumulated deficit	-26,806	-19,920

Capital and reserves attributable to equity holders of the Group

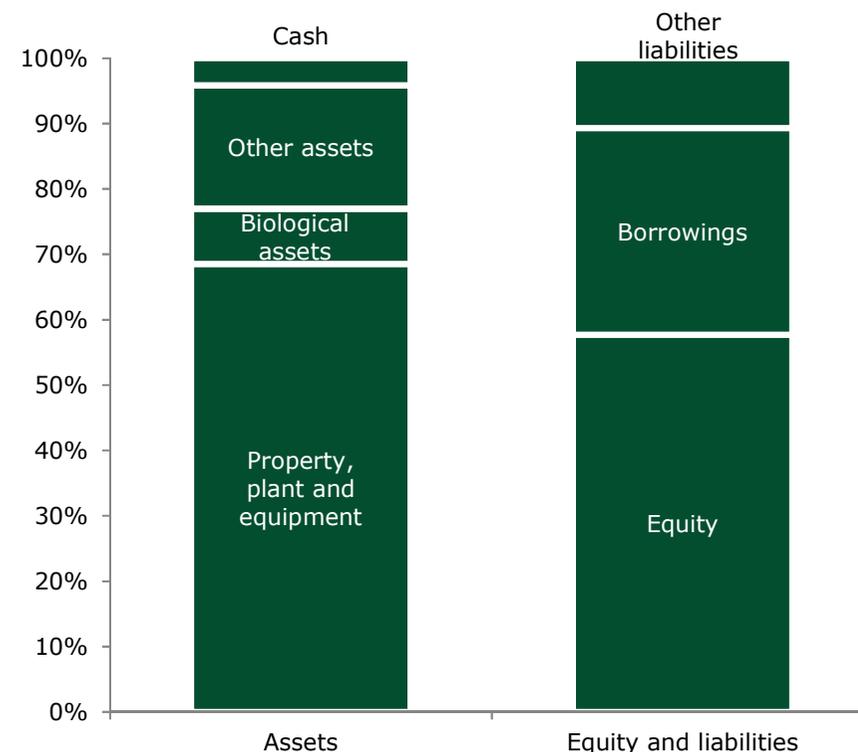
124,019 **128,073**

Non-controlling interest in equity	451	493
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Total equity **124,470** **128,566**

Total equity and liabilities **215,671** **210,100**

BALANCE SHEET STRUCTURE 31.03.2013



Management outlook– objectives remain



- Over the next four years we aim to:
 - avoid issuing new shares
 - focus our business on its core assets with a significant roll-out of irrigated farming
 - achieve our declared target of a 20% return on assets
 - pay off our debt so as to leave us essentially debt-free



Q&A