



AB LINAS AGRO GROUP OVERVIEW OF ACTIVITY AND FINANCE FOR FY 2014/15



Tomas Tumėnas, Finance Director



International vertically integrated agribusiness Group.

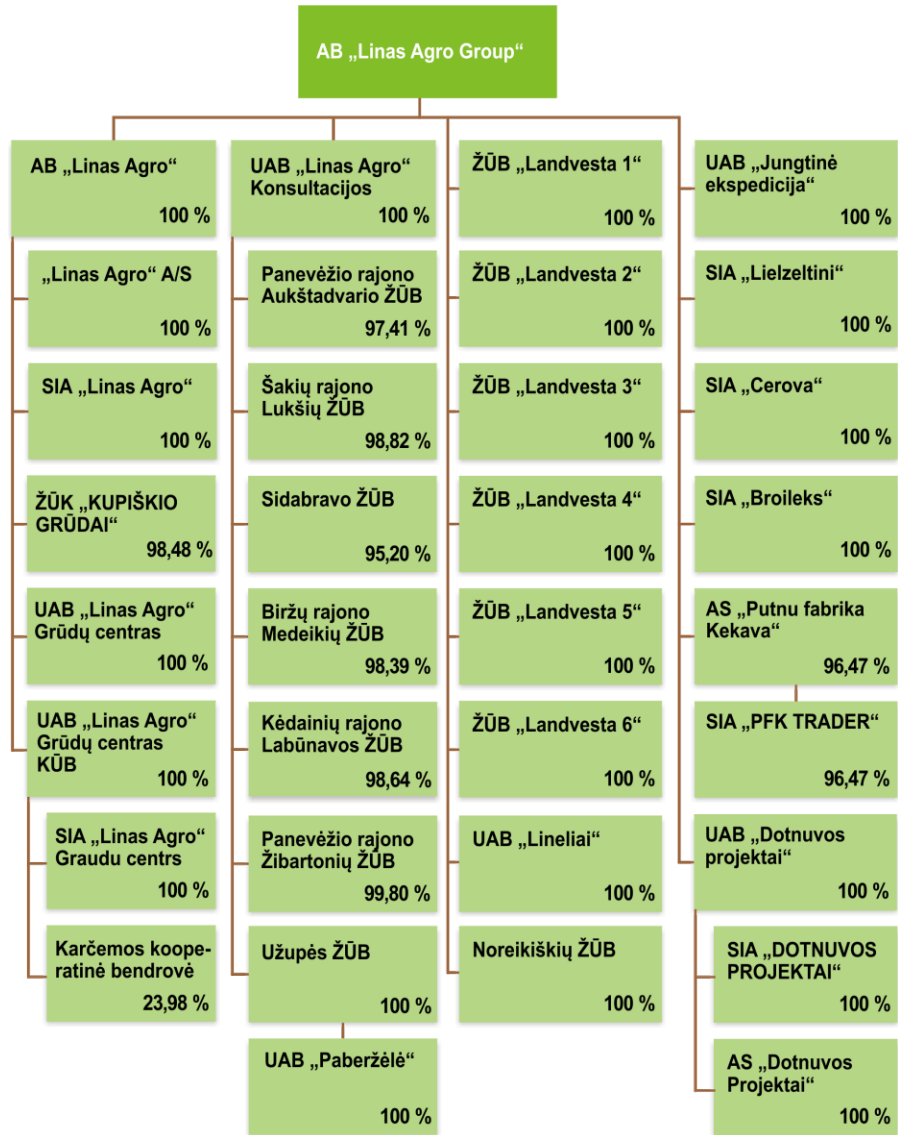
Runs business in Lithuania, Latvia, Estonia and Denmark.

Produce and trade agricultural commodities and food products, feedstuff and provide products for farming.



39
companies

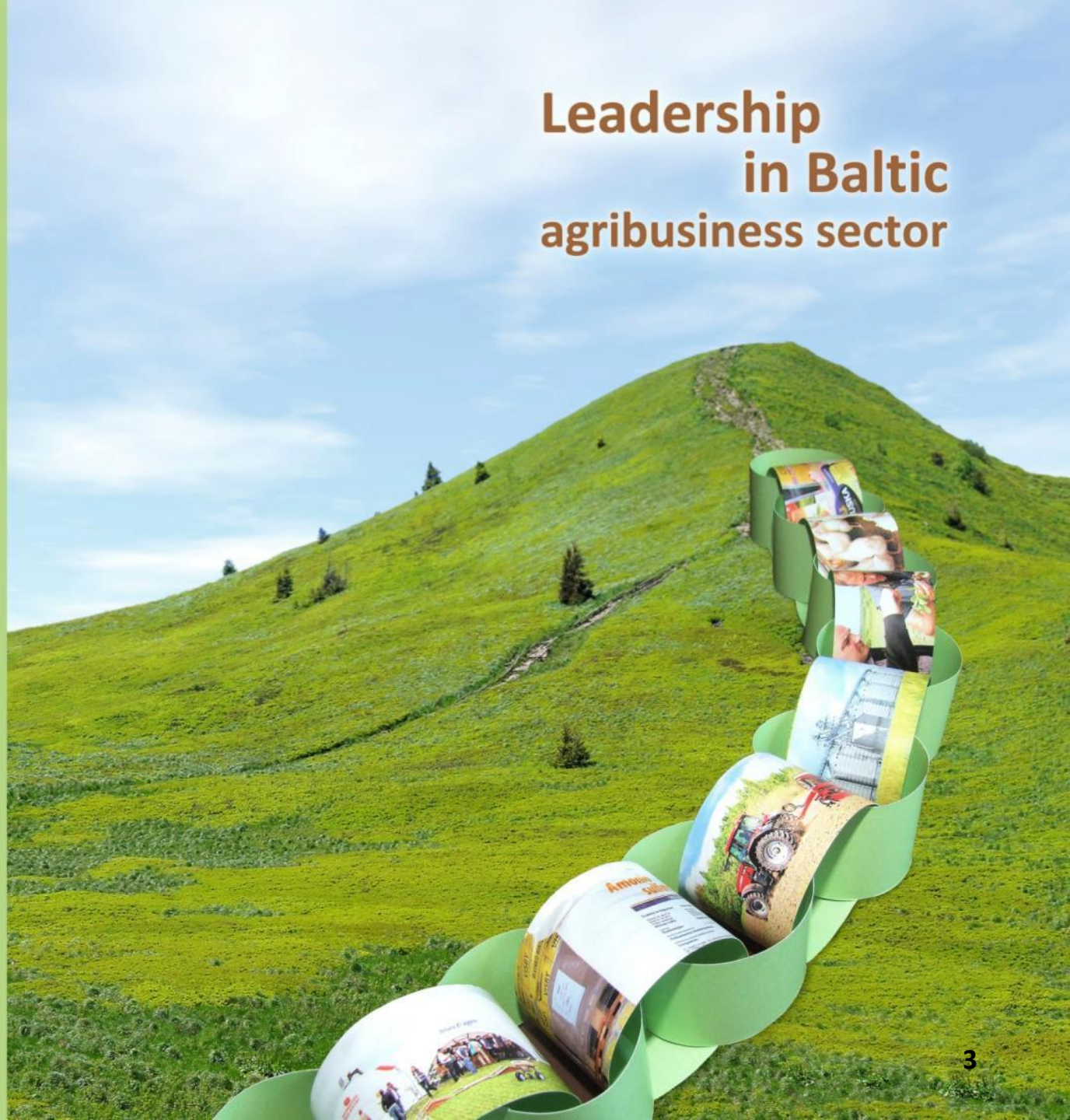
2,334
employees



3 dormant companies not included



Leadership in Baltic agribusiness sector



MISSION

To seek opportunities for professional development for employees in the organisation maintaining a high level of internal culture.

To seek constant growth of the company's value while ensuring maximum return on investments for shareholders and investors.

To create value along the chain of production, processing, and trading of agricultural and food produce.

Albīmas Alģirdas Štulltauskas
CROP PRODUCTION KNOW-HOW
cereals and rapeseed

Albīmas Alģirdas Štulltauskas
PRAKTIŅĒ AUGALINĪNKYSTĒ
Javai ir rapsai

**FINANCIAL
HIGHLIGHTS
IN FY 2014/15**



Fiscal year
of the company
starts July 1st

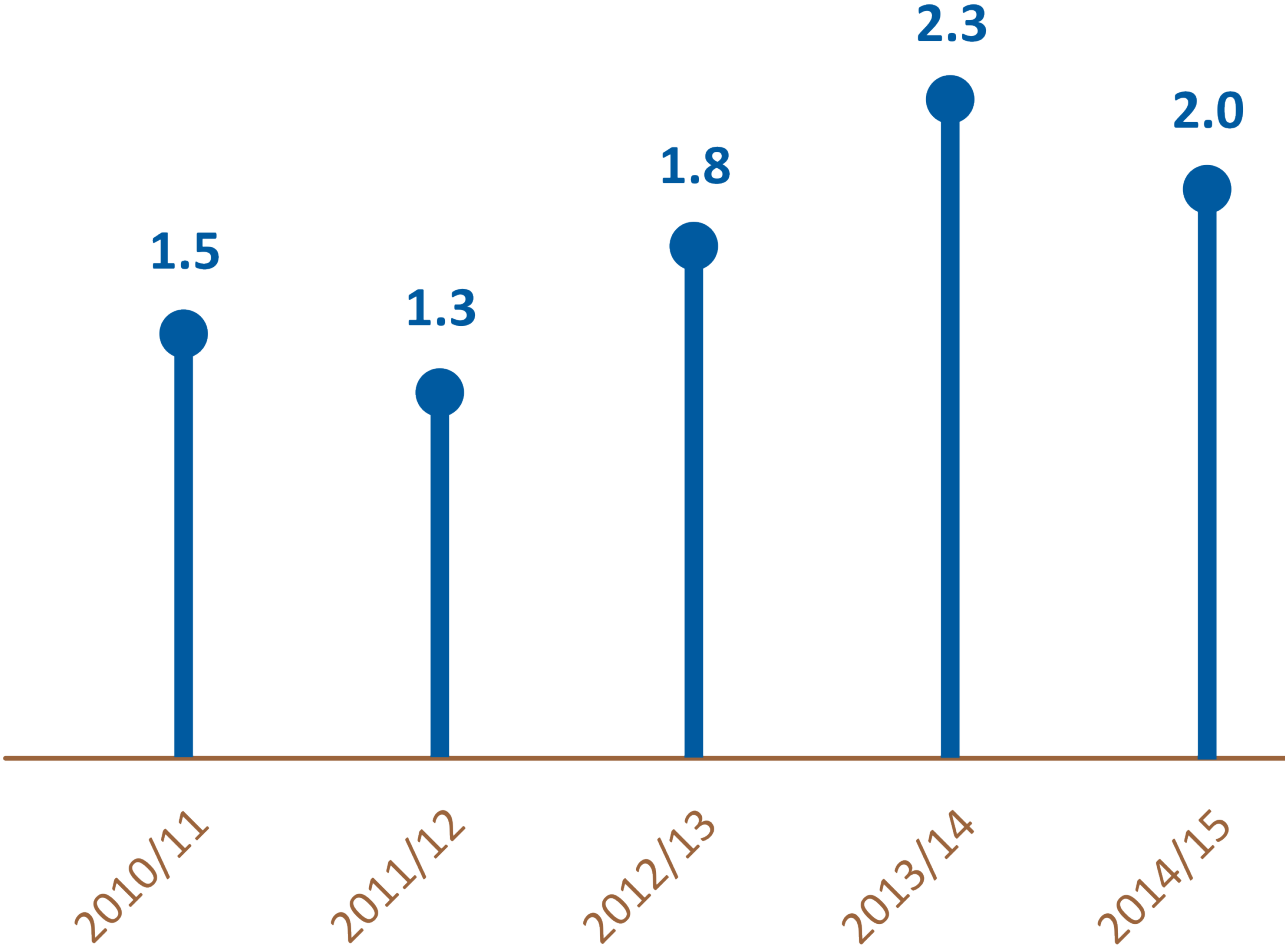
Consolidated revenue was EUR 574 million.

Sales volume in tons – 2 millions.

Gross profit was more than EUR 41 million.

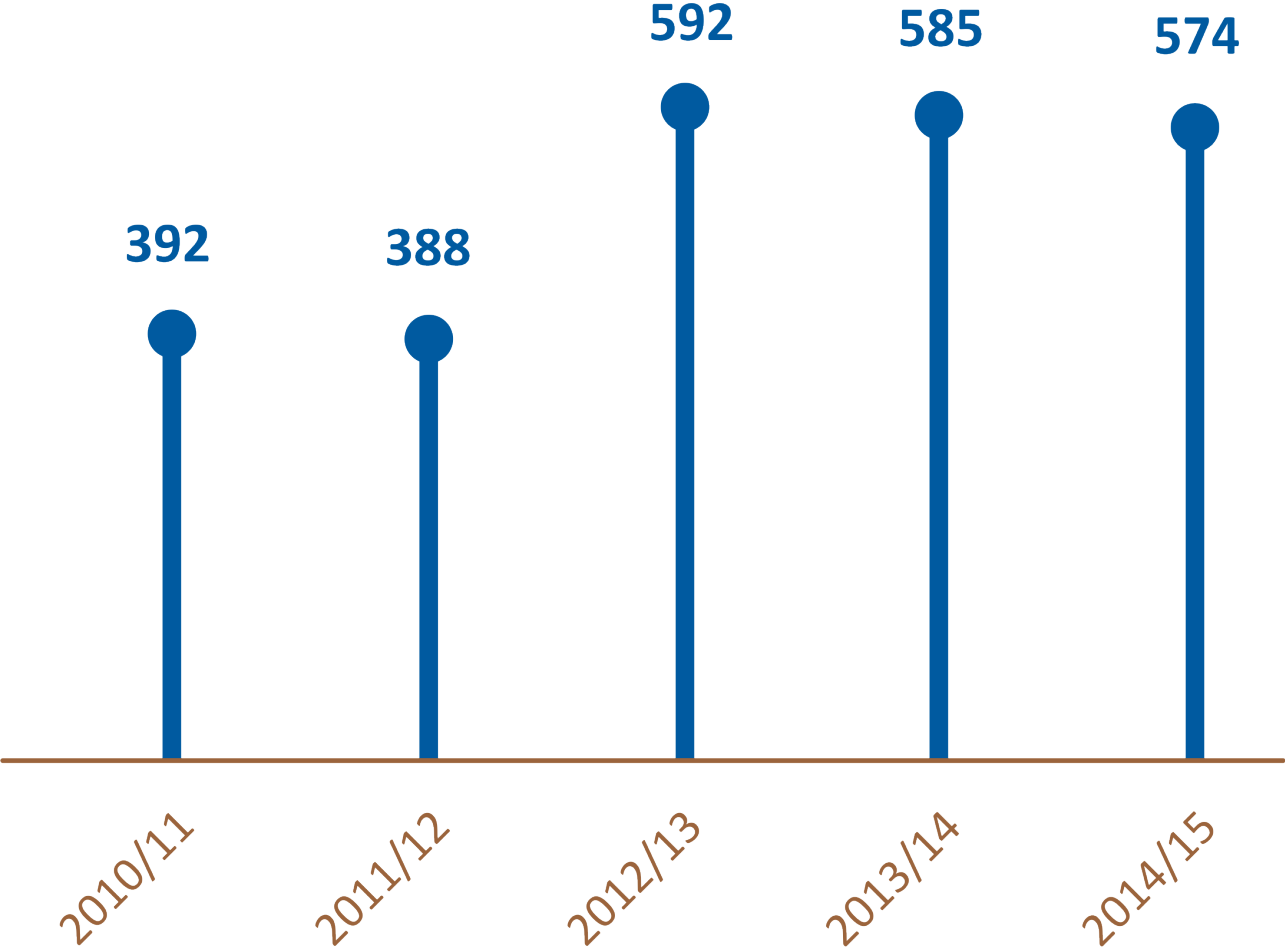
EBITDA – EUR 22 million.





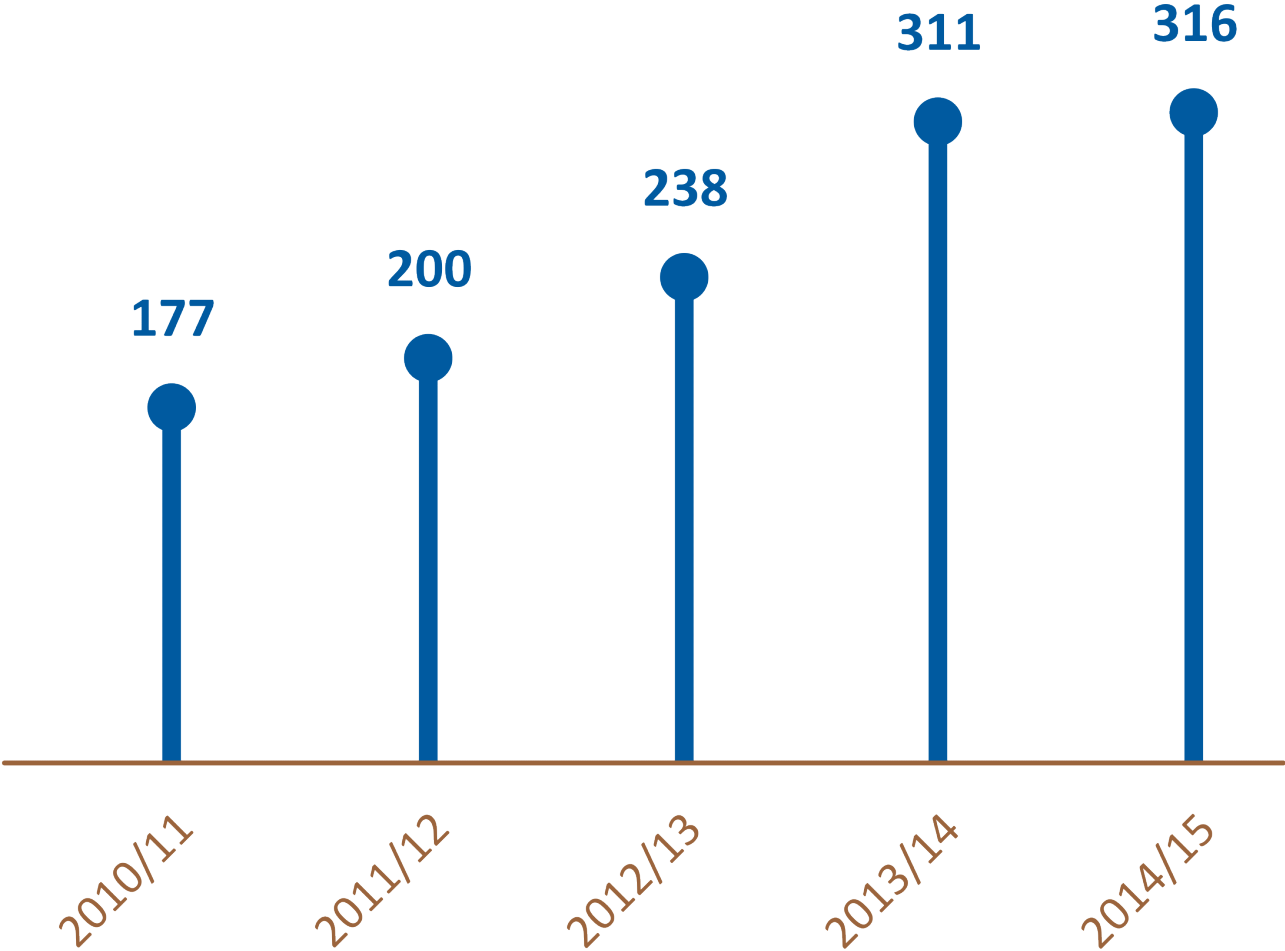
SALES VOLUME IN TONS, MILLION MT

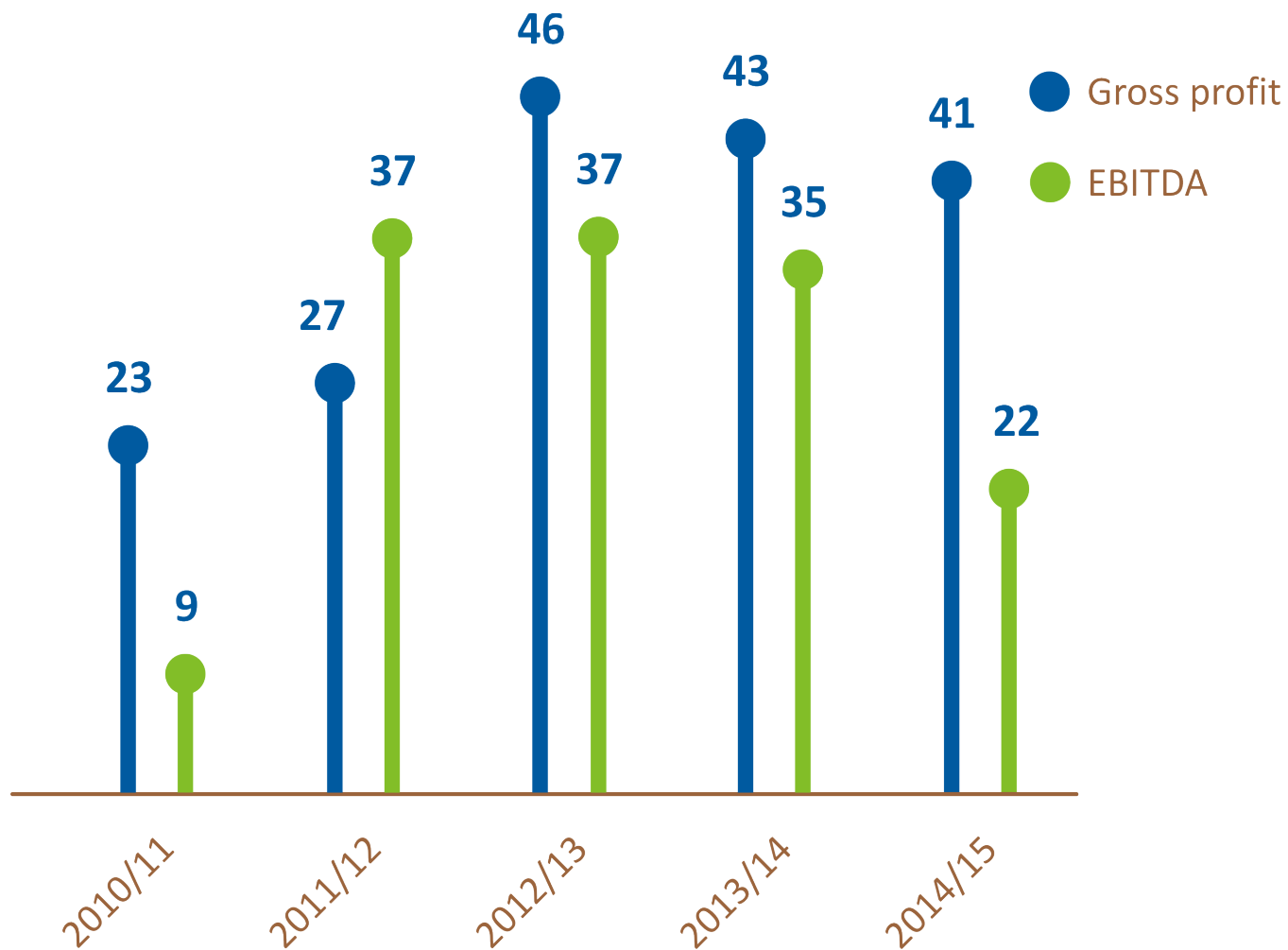




SALES REVENUE, MILLION EUR

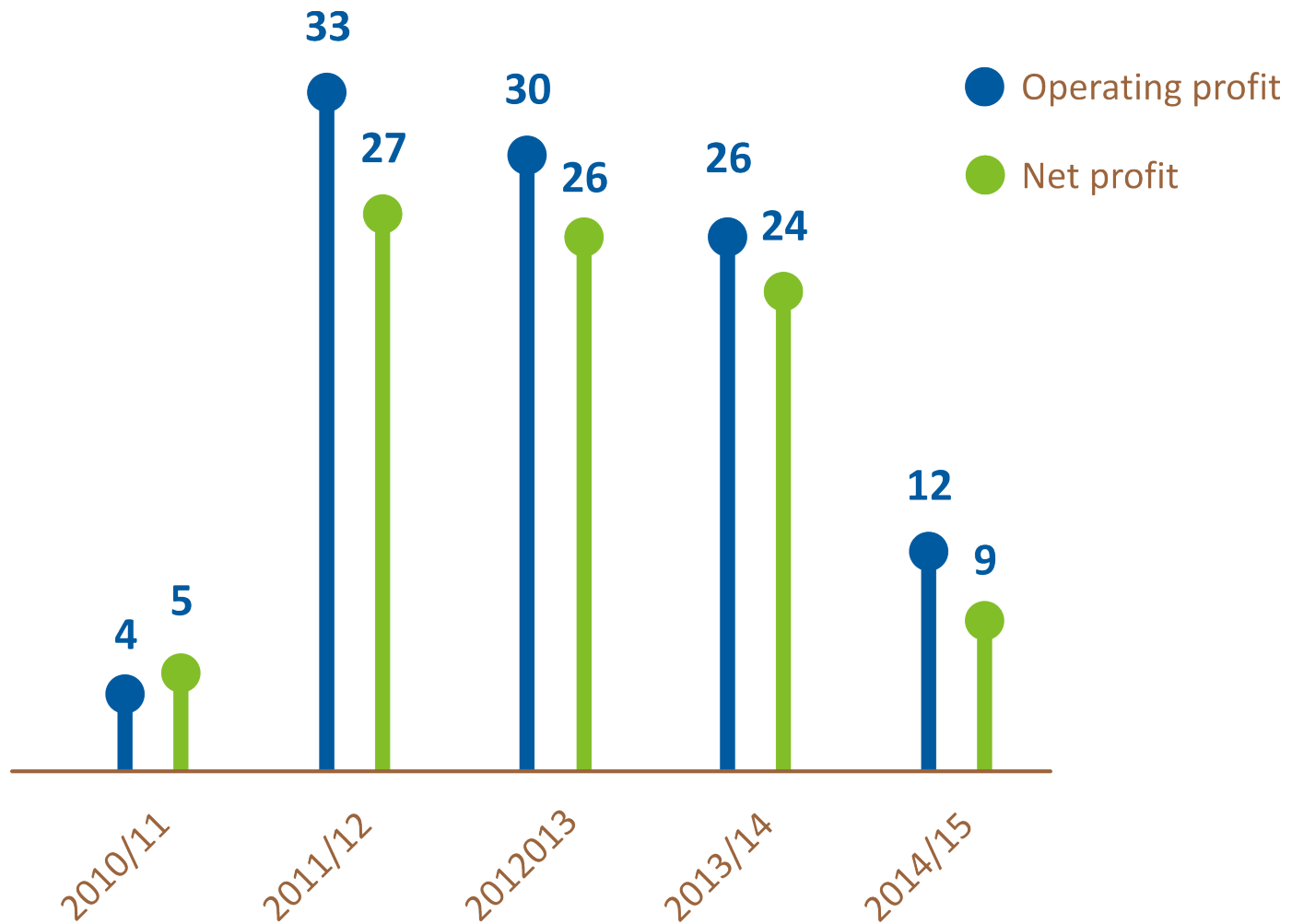






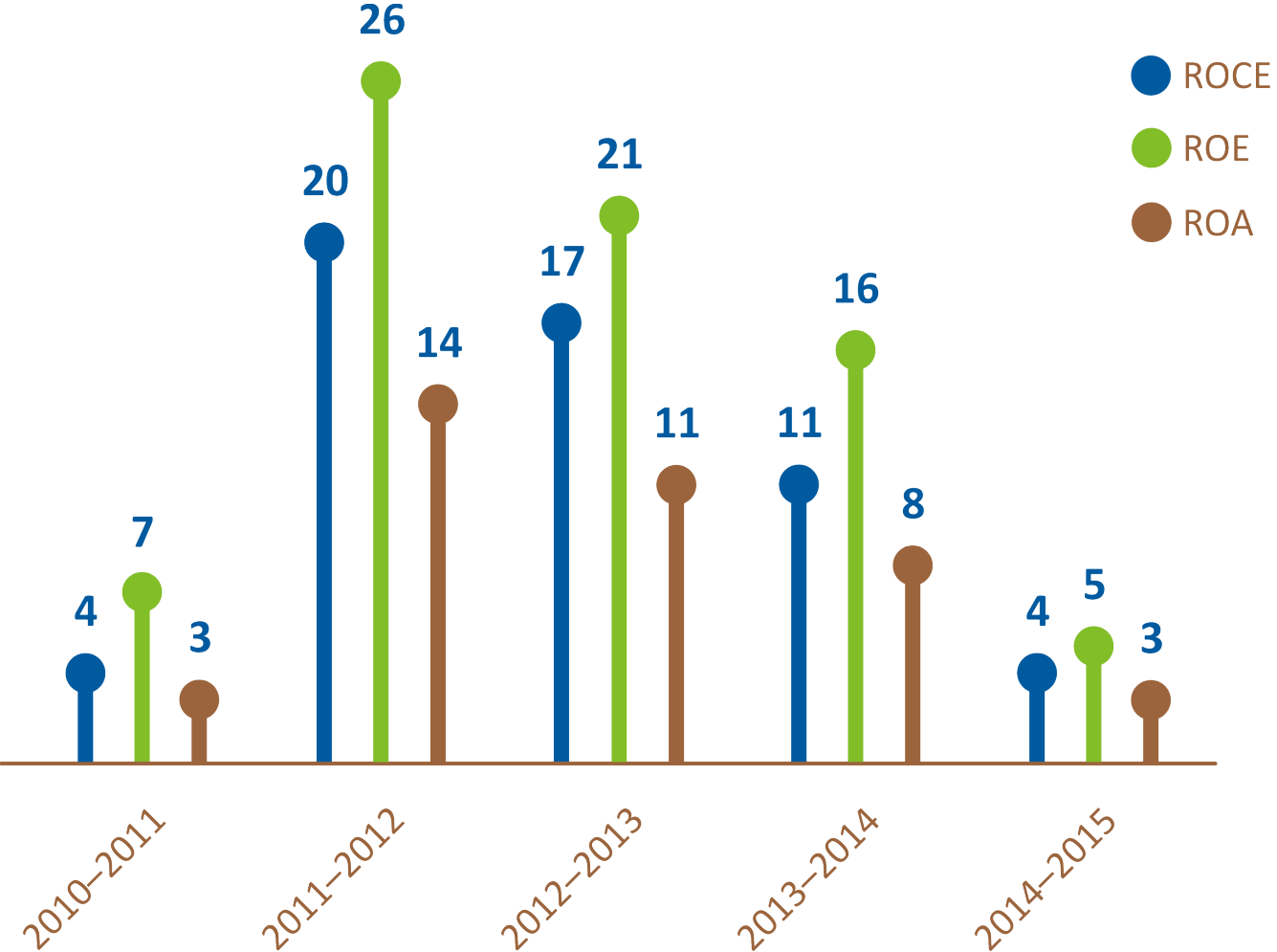
GROSS PROFIT AND EBITDA, MILLION EUR





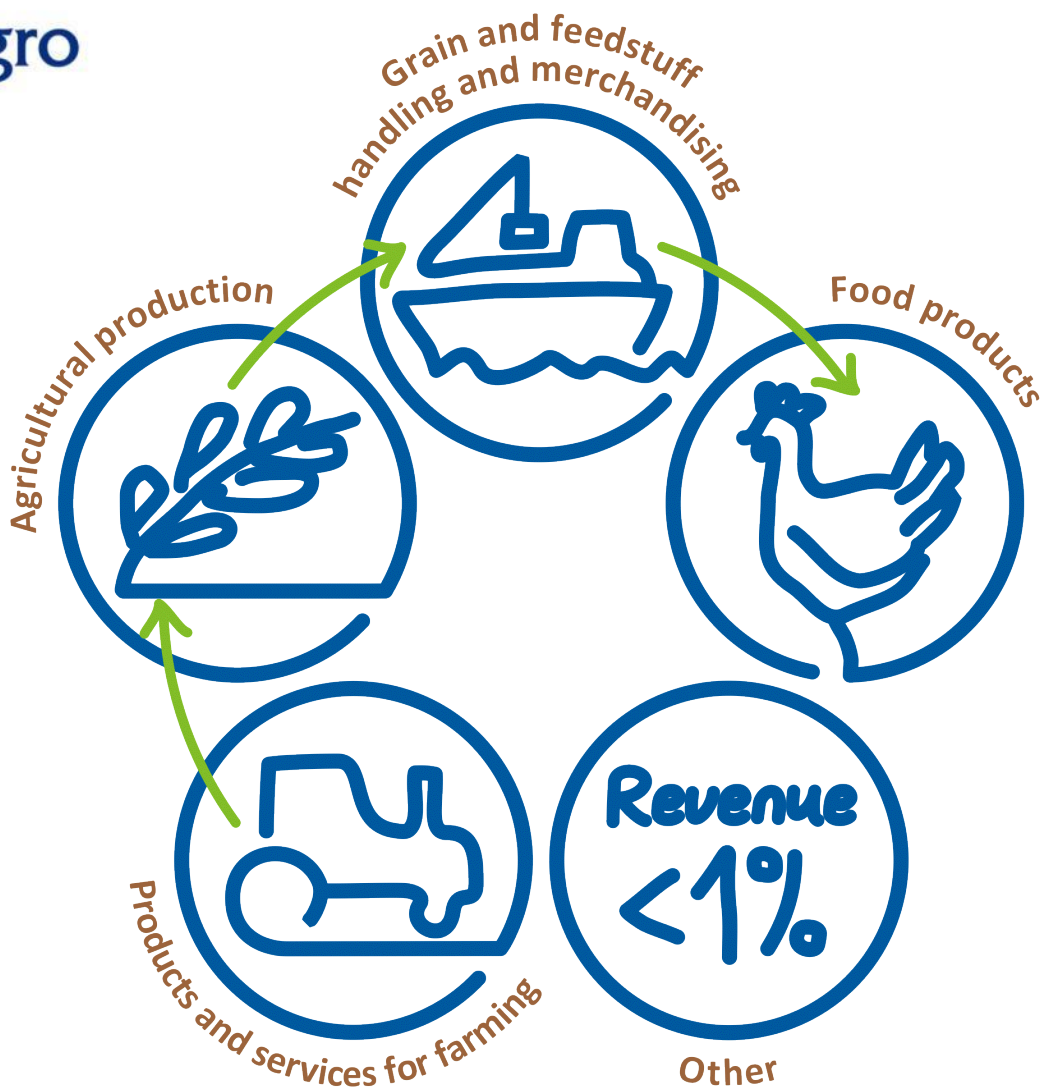
OPERATING AND NET PROFIT, MILLION EUR





ROCE, ROE, ROA

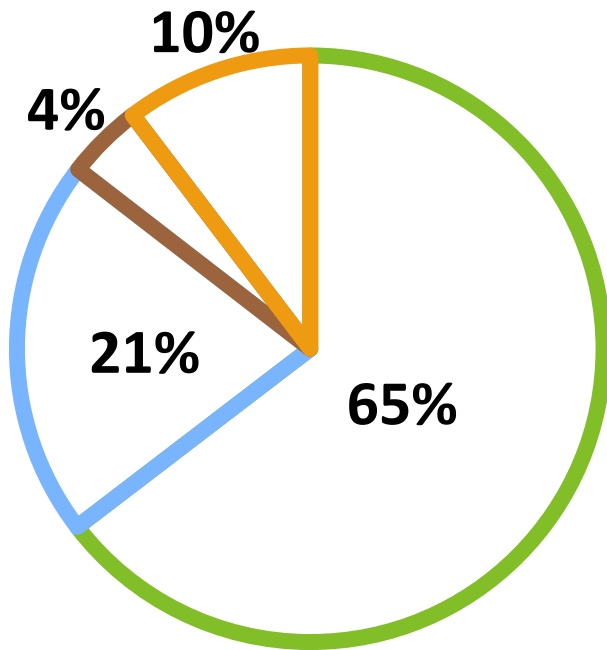




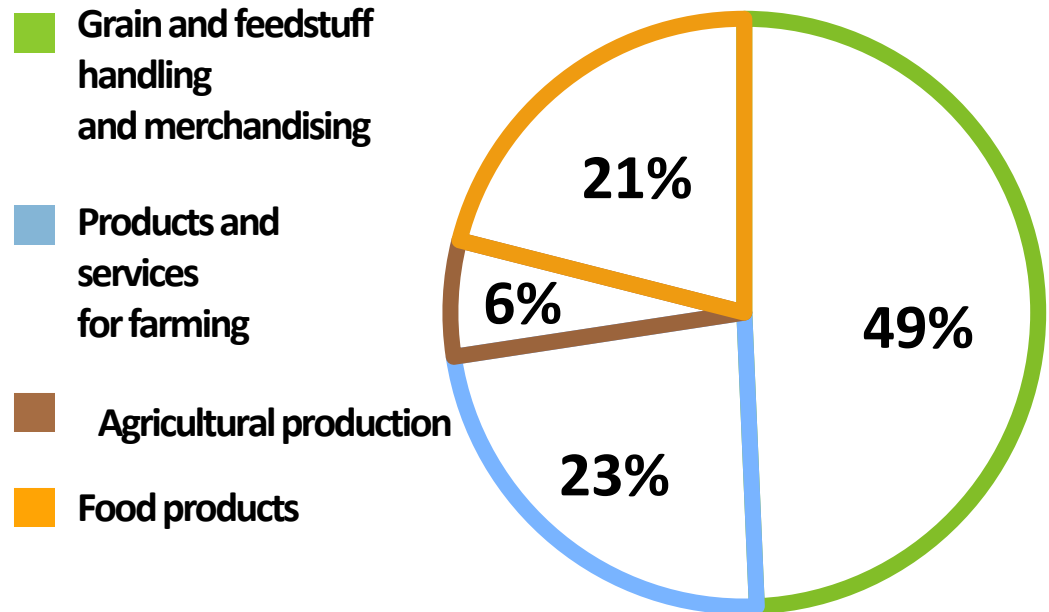
BUSINESS SEGMENTS



INCOME STRUCTURE



OPERATING PROFIT STRUCTURE



INCOME & OPERATING PROFIT STRUCTURE

GRAIN AND
FEEDSTUFF
HANDLING
AND
MERCHANDISING



65%

Grain

Oilseed

Feedstuff

Grain storage and preparation

Logistic services



The Group remained one of the biggest grain exporters in the Baltic states.

Exported its production to more than 28 countries around the world.

1.8 million tons of cargo departed from the Baltic seaports.

75%

Revenue
received from
exports



Total storage capacity 254 thousand mt



OWN GRAIN STORAGE FACILITIES

GRAIN,
FERTILIZERS
AND
FEEDSTUFF
ARE STORED
IN GRAIN
ELEVATORS



During the FY 2014/15, Group-owned grain storages took in 479 thousand tons of grain-16% more than a year before.

1.6 million tons of grain and feedstuff sold in total (the same as previous year).

Two grain elevators built in Lithuania and Latvia in 2015.





21%

Certified seed

Fertilizers

Plant protection products

Agricultural and forestry machinery

Grain storage facilities

Spare parts



The worsened situation of the farmers negatively affected the Group's operating results

Big challenges: absence of funding from the EU structural funds for purchase of agricultural machinery in all three Baltic countries, low grain prices and a strong decrease in milk purchase price.

914 units of new and used agricultural machinery and equipment sold in the Baltic States - almost the same as in previous year (920 units).

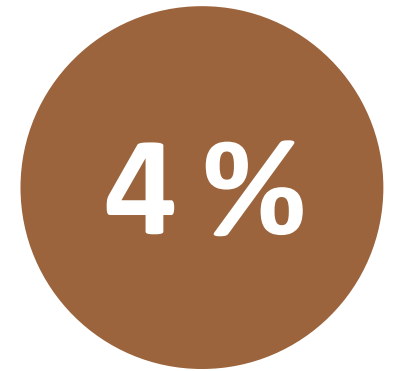
Operating profit shrunk by 46%.



Trade in fertilizers grew from EUR 51.8 million to EUR 52 million.

Trade in plant protection products went up from EUR 11.8 million to EUR 14.9 million.

Although the demand for seeds was lower in spring, seeds sales remained almost unchanged - EUR 14.4 million (EUR 14.6 million in FY 2013/14).



- Cereals growing**
- Rapeseed growing**
- Sugar beet growing**
- Dairy production**
- Meat production**





MEDEIKIŲ
ŽEMĖS ŪKIO BENDROVĖ



SIDABRAVO
ŽEMĖS ŪKIO BENDROVĖ



UŽUPĖS
ŽEMĖS ŪKIO BENDROVĖ



LABŪNAVOS
ŽEMĖS ŪKIO BENDROVĖ



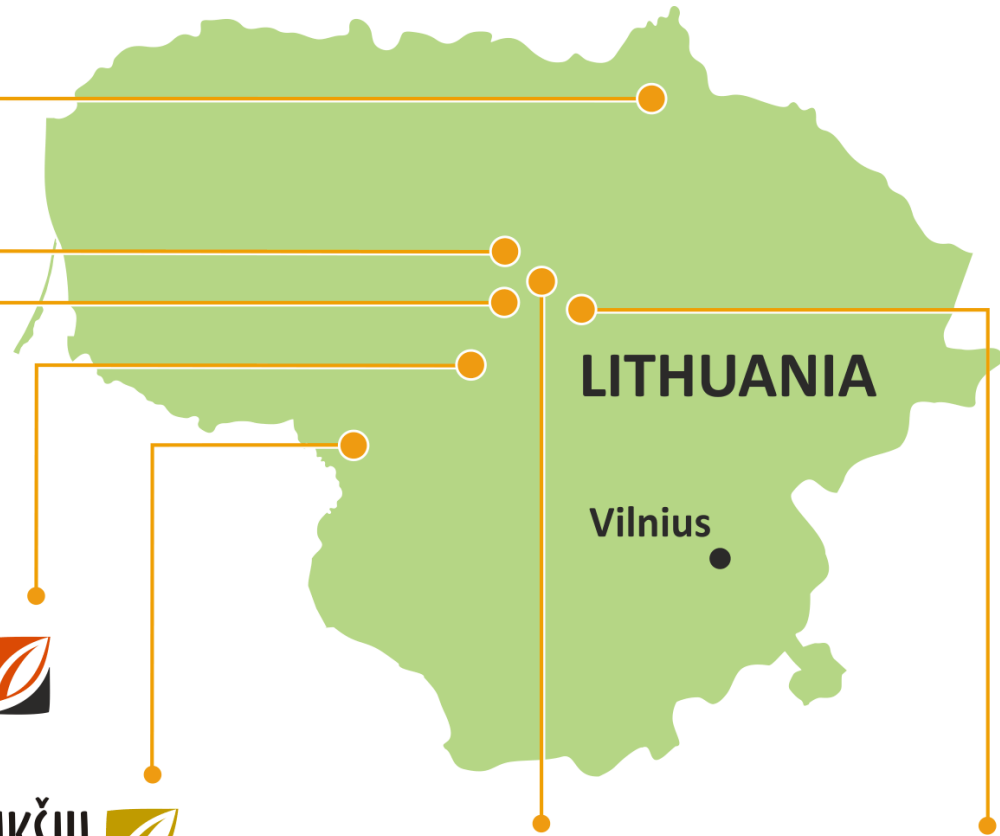
LUKŠIŲ
ŽEMĖS ŪKIO BENDROVĖ



ŽIBARTONIŲ
ŽEMĖS ŪKIO BENDROVĖ



AUKŠTADVARIO
ŽEMĖS ŪKIO BENDROVĖ



7
farming
companies





**The area of arable land is
>16,900 ha, ~6,744 ha own.**

**Agricultural production ~80,000 tons:
wheat – 43 thousand mt, malting barley
– 18 thousand mt, sugar beet 13
thousand mt, rapeseed – 10 thousand
mt.**



EFFECTIVITY
OF CROP
PRODUCTION

Group

**Average for
Lithuania**

7 t/ha

Wheat

4.3 t/ha

3.3 t/ha

Rapeseed

2.3 t/ha

6.4 t/ha

**Malting
barley**

3.8 t/ha



**EFFECTIVITY
OF MILK
PRODUCTION**

The
purchase
price of
raw milk
fell by
21%

**3,209 dairy cows (9% increase);
Total 31 thousand tons of milk per year
(17% more than previous year);
The average milk yield per cow 8.62 t/y
or 27% more than the average in Lithuania.
Farming company Šakiai district Lukšiu
ŽŪB was announced the most efficient
Lithuanian milk producer in 2014 and the
most advanced livestock farm in Lithuania
in 2015.**



10%

**AS Putnu Fabrika Kekava“ -
Latvian poultry producer No 1.**

**SIA Lielzeltini - Latvian poultry
producer No 2.**

SIA Broileks grow and sell live chicken.

**SIA Cerova incubate eggs and sell day-
old chicks.**



Full poultry manufacturing cycle: from egg incubation to production of fresh poultry and processed products.

The brand "Kekava" took the 3rd place among food products for the third year in a row in Latvia.

25 retail shops.

Sold 18,890 tons of poultry meat - a little bit more than a year before (18,755 tons).

LIELZELTINI
BROILEKS
CEROVA



SIA Lielzeltini has an incomplete production cycle consisting of broiler breeding, production of fresh poultry and processed products sold under the brand name “Bauska”, as well as production of compound feed.

Sold 12,308 tons of poultry meat or 14% more than during the corresponding period of previous year (10,760 tons).

SIA Broileks produced over 1,336 tons of live weight of broilers over the respective period.

SIA Cerova produced almost 6.5 million day-old chicks or 2.5 % more than previous year (6.3 million).

0.03%

Small activities, not attributable to other Segments, f. i., services of elevator's to the third parties, sales of minor assets, etc.



**STRATEGIC
OBJECTIVES OF
THE COMPANY**



The main objective is sustainable growth.

To strengthen position in the Baltic and Scandinavian markets.

To expand operations in Central European countries.

**LONG-TERM
OBJECTIVES OF
THE COMPANY**



Expansion of grain trade in the Baltics, by opening new grain elevators and strengthening warehousing positions in the ports.

Expansion of fertilizer trade business in Lithuania, Latvia, Poland and other CE countries.

Implementation of investment program in poultry companies, going from mio 62 Eur to mio 90 Eur sales within 3 years period.

Increasing productivity of agricultural companies.



and the last, but not the least



**Build the largest and best serving
network of agricultural machinery
services in the Baltics.**

