



**CONSOLIDATED INTERIM REPORT
OF THE FINANCIAL YEAR 2015/16**

OF AB LINAS AGRO GROUP

**FOR NINE MONTHS PERIOD
ENDED 31 MARCH 2016**

C ONFIRMATION OF RESPONSIBLE PERSONS

Following the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodical and Additional Information of the Bank of Lithuania, we, Darius Zubas, Managing Director of AB Linas Agro Group and Tomas Tumėnas, Finance Director of AB Linas Agro Group, hereby confirm that, to the best of our knowledge, the not audited AB Linas Agro Group Interim Consolidated Financial Statements for the nine months of the financial year 2015/16, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of assets, liabilities, financial position, profit or losses and cash flow of AB Linas Agro Group and the Group as well. We also confirm that Interim Consolidated Report for the nine months of the financial year 2015/16 includes fair review of the business development and activities, together with the description of the major risks and indeterminations incurred.


AB Linas Agro Group Managing Director

31 May 2016

Darius Zubas


AB Linas Agro Group Finance Director

31 May 2016

Tomas Tumėnas


COMPANY DETAILS

Company name	AB Linas Agro Group
Legal form	Public company
Date and place of registration	27/11/1995 in Panevezys
Code of legal entity	148030011
VAT identification number	LT480300113
Company register	State Enterprise Centre of Registers (Valstybės įmonė Registrų centras)
Address	Smėlynės St. 2C, LT-35143 Panevėžys, Lithuania
Phone	+370 45 50 73 03
Fax	+370 45 50 73 04
E-mail	group@linasagro.lt
Website	www.linasagro.lt
Bank account	LT07 7044 0600 0263 7111, AB SEB bank, bank code 70440
ISIN code	LT0000128092
Ticker in NASDAQ OMX Vilnius	LNA1L

ABOUT THE GROUP

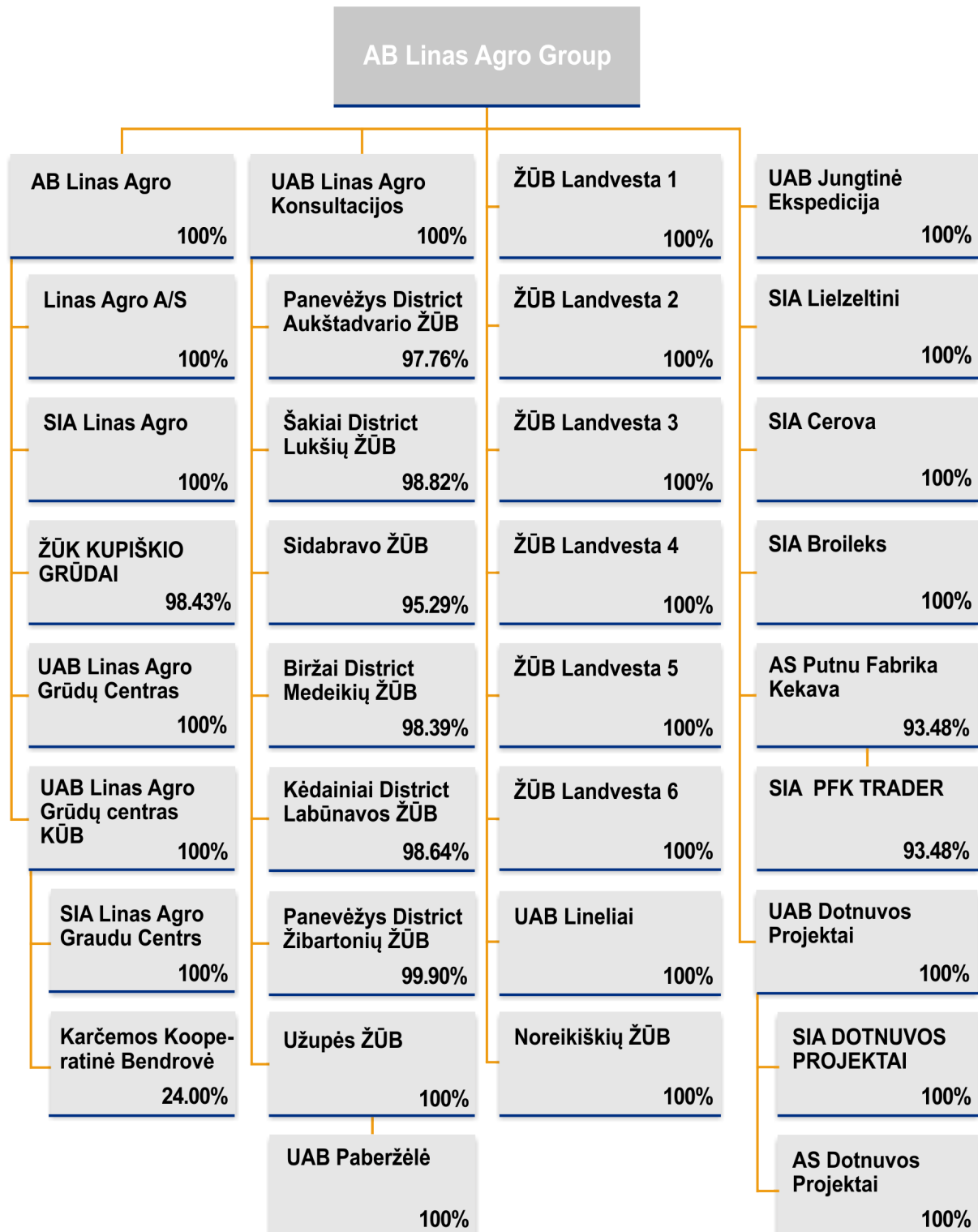
Linus Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) makes the Group, which was founded in 1991 and had 38 companies at the end of the reporting period, and operates in four countries – Lithuania, Latvia, Estonia and Denmark. As at 31 March, 2016 the total headcount of the Group amounted to 2,226 employees. The financial year of the Group begins on 1 July.

The Company does not have any branches and representative offices.

STRUCTURAL CHART OF THE EFFECTIVE STOCK HELD BY AB LINAS AGRO GROUP

The Company controlled 37 companies* in Lithuania, Latvia, Estonia and Denmark as at 31 March, 2016.

*Dormant companies UAB Gerera (100% shares), UAB Dotnuvos Technika (100% shares) and SIA Erfolg Group (93.48% shares) not included).

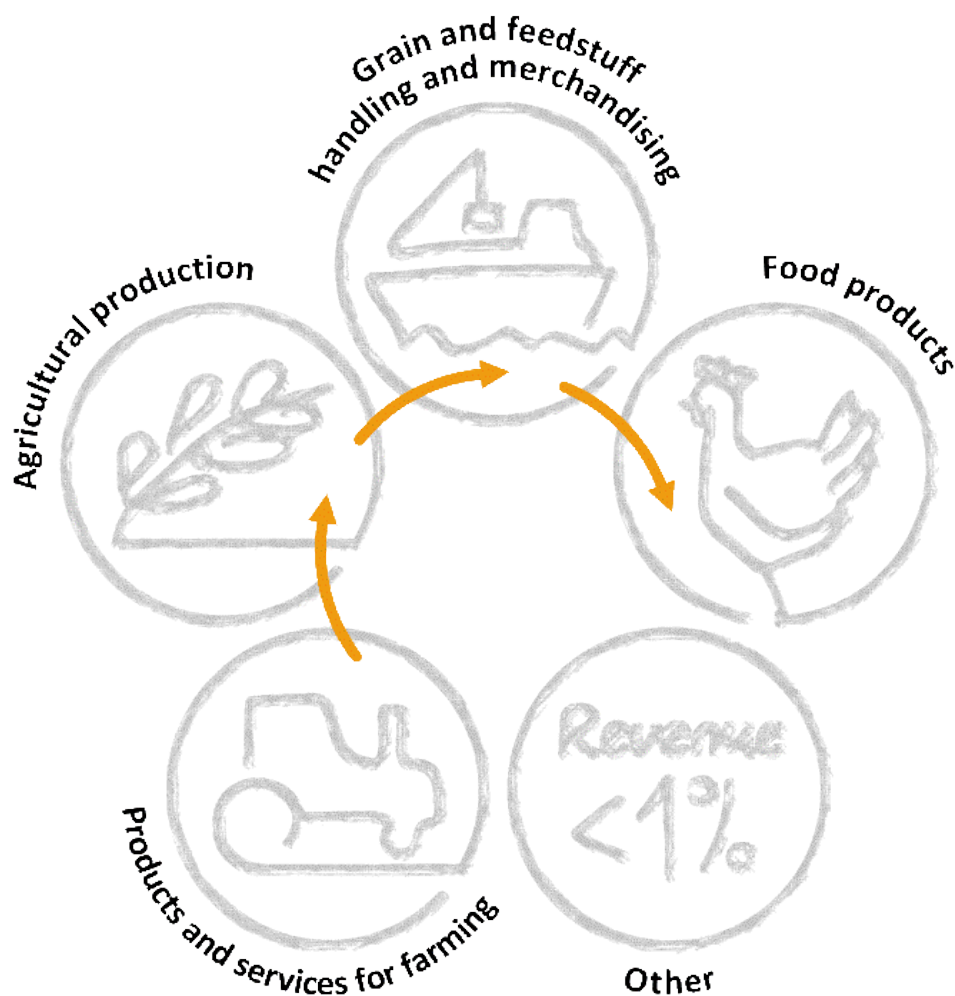


THE MAIN ACTIVITY

The subsidiaries controlled by the Company produce, handle and merchandise agricultural and food products; also provide products and services for farming. The Company performs only the management function and is not involved in any trading or production activities.

The Group is the leading exporter of grains and owns network of grain storage facilities. Also is one of the leaders in supplies of agricultural inputs (such as certified seeds, fertilizers and agricultural machinery) in Lithuania, has seed preparation plant. Also the Group is a major milk producer in Lithuania and poultry producer in Latvia.

The Group's activities are subdivided into five basic operating Segments. Division into separate Segments is dictated by different types of products and character of related activities; however, activities of the Segments are often interconnected.



ACTIVITY AND FINANCIAL RESULTS OF THE GROUP

Consolidated revenue of AB Linas Agro Group in nine months of 2015/16 financial year totaled EUR 474 million and was 6.6% more as compared to previous year (EUR 445 million). Sales revenue for Q3 went down 20% to EUR 107 million as compared to the previous year (EUR 134 million).

The Group's sales volume in tons reached 1.78 million tons of various grains and agricultural inputs and was 7.3% more as compared to previous year (1.663 million tons).

The grain storage facilities owned by the Group processed 514 thousand tons of various grains or 5% more as compared to the respective period of 2014/15 financial year (491 thousand tons).

The gross profit reached EUR 29 million or was 2.9% more than a year before (EUR 28 million).

Consolidated EBITDA remained unchanged and was EUR 13.3 million (EUR 13.5 million a year before). EBITDA for Q3 was negative and totaled EUR 1.3 million as compared to the previous year (EUR 4.8 million).

The Group's operating profit reached EUR 5.5 million or was 13% less as compared to the respective period of the previous year (EUR 6.3 million).

Profit before tax amounted to EUR 4 million (compared to EUR 5 million of the previous year). The net profit attributable to the Group reached EUR 3 million (EUR 3.4 million previous year).

FINANCIAL RATIOS

	2015/16 9 months	2014/15 9 months	2013/14 9 months	2012/13 9 months	2011/12 9 months
Sales, in million tons	1.78	1.66	1.56	1.54	1.06
Sales revenue, in million EUR	474	445	458	480	314
Gross profit, in million EUR	28,6	27.8	28.4	35.5	19.0
EBITDA, in million EUR	13.3	13.5	21.8	33.6	31.5
Operating profit, in million EUR	5.5	6.3	15.9	27.9	28.9
Net profit, in million EUR	3.0	3.8	14.0	24.1	22.3

OVERVIEW

The record harvest in the Baltic countries had a positive impact on sales of grain and feedstuff, where total traded volume grew from 1.36 million tons to 1.49 million tons. The total Group's sales volume in tons increased by 7.3% and amounted to 1.78 million tons (1.66 million tons in FY 2014/15).

According to International Grain Council (IGC) data grain carryover stocks amounted to 466 million tons in 2015/16 trading season compared to 449 million tons a year ago. Quite a high world grain harvest and impressive carryover stocks had a direct impact on world grain prices, where those declined if compared to 2014/15 trading season. For instance, wheat price in MATIF Exchange over period July-March fluctuated between 153-192 euros per ton compared to 162-199 euros per ton a year before, while the price for rapeseed was 356-380 euros per ton compared to 317-350 euros per ton in previous year.

Consolidated revenue of AB Linas Agro Group over nine months of this financial year amounted to EUR 474 million and increased by 6.6% as compared to previous year (EUR 445 million). The main reasons that had a positive impact on the growth in revenue were recovered sales in *Products and Services for Farming* business segment (sales revenue grew from almost EUR 82 million to EUR 105 million). An increase in crop yield in agricultural companies controlled by the Group lifted sales of *Agricultural Production* business segment: the revenue gained from farming grew from EUR 19.5 million to EUR 21.7 million. Revenue of *Food Products* business segment remained almost unchanged and dropped by some 1% from EUR 44.9 million to EUR 44.5 million. The revenue of the largest business segment of the Group, *Grain and feedstuff handling and merchandising*, dropped from EUR 326 million in FY 2014/15 to EUR 324 million due to decline in world grain prices.

The third financial quarter of the year was in red figures and the Group finished the quarter with a EUR 4 million loss. One of the main reasons for that was a fair value adjustment of Group's biological assets (milk and grain), where a loss of EUR 2.2 million was recorded. Also due to business seasonality January-March are the months of poorest sales of various agricultural inputs (seeds, fertilizers, agrochemicals, agricultural machinery etc). All that had a negative impact on third quarter results. As an opposite to the

other businesses, the operating profit of *Food Products* business segment was quite impressive, earning EUR 0.9 million and the highest as compared to previous periods.

Gross profit of AB Linas Agro Group over first nine months remained almost unchanged and was EUR 28.6 million (EUR 27.8 million a year before), while operating profit declined from EUR 6.3 million to EUR 5.5 million. Group's EBITDA amounted to EUR 13.3 million as compared to EUR 13.5 million in 2014/15 financial year.

FINANCIAL COSTS

Financial expenses remained almost unchanged from last year over the referenced period amounting to EUR 2 million. Despite the fact that amount of financial loans increased from EUR 92 million to EUR 113 million, due to ongoing drop of interest rate base, financial expenditures remained unchanged. Borrowings increased as short-term loans to finance trade activity went up (increased sales of various agricultural inputs to the farmers) also long-term loans due to undergoing investments into poultry business were higher.

CASH FLOWS

Group's cash flow from operating activities before the changes in working capital remained almost unchanged and amounted to EUR 12.7 million as compared to EUR 12.65 million of the corresponding period of the previous year. Cash flow from operating activities after changes in working capital was negative and amounted to EUR 14.2 million (positive EUR 16.9 million over the respective period of 2014/15 financial year), the reason was increase in stocks as those over referenced period grew up by EUR 17 million. Group's cash and cash equivalents at the end of the reporting period amounted to EUR 13.8 million (EUR 7.7 million in 2014/15 financial year).

PERFORMANCE RESULTS OF SEGMENTS

Activities of the Group are divided into five business segments:

1. Grain and Feedstuff Handling and Merchandising;
2. Products and Services for Farming;
3. Agricultural Production;
4. Food products;
5. Other.

OPERATING PROFIT (LOSS) BY SEGMENTS, THOUSAND EUR

	2015/16 9 months	2014/15 9 months	2013/14 9 months	2012/13 9 months	2011/12 9 months
Grain and Feedstuff Handling and Merchandising	10,378	7,311	7,969	24,321	7,051
Products and Services for Farming	506	235	1,339	5,730	25,411
Agricultural Production	(3,728)	(1,245)	(54)	3,011	(706)
Food products	1,102	3,697	9,506	n/a	n/a
Other	53	65	(233)	(201)	725



GRAIN AND FEEDSTUFF HANDLING AND MERCHANDISING

Being the largest operating Segment, this one includes the sale of grain, oilseeds and feedstuffs, as well as grain storage and logistics services. The Group has been operating in this field since 1991. This activity generates most of the Group's revenue.

Revenue of this business segment remained almost unchanged amounting to ERU 324 million (EUR 326 million in 2014/15 financial year). Around 1.48 million tons of various grains and feedstuff were sold as compared to 1.36 million tons a year ago. The sales of traditional crops (wheat, rapeseed, barley) increased the most by 16%: their trading revenue rose from EUR 211 million to EUR 246 million. The sales volume of feedstuff decreased from EUR 108 million to EUR 74 million due to the high ending stocks of feed manufacturers and a subsequent fall in demand, also because of poor harvests in some of the supply regions.

Grain storage facilities owned by the Group collected and processed over 514 thousand tons of various grains or 5% more as compared to the respective period of FY 2014/15 (491 thousand tons). Differently from the previous season, this year the harvested grain

was dry and therefore the drop in revenue from drying services has been recorded.

The Segment's operating profit increased by 42% from EUR 7.3 million to EUR 10.4 million. The Group expects a successful trading season for the entire Segment, although the major income from sales has already been accounted in the first nine months of this financial year.



PRODUCTS AND SERVICES FOR FARMING

This business Segment includes the sale of seeds, plant protection products, fertilizers, agricultural and forestry machinery, grain storage and other equipment.

Supply of certified seeds, fertilizers, plant protection products to farmers is a long term activity of the Group. The grounds of this activity trace back to 1993,

when the Group began entering into future production purchase contracts with farmers and crediting agricultural activities in exchange for the grown products. A great share of certified seeds is prepared at UAB Dotnuvos Projektai seed processing factory.

Sales of agricultural machinery and equipment for grain elevators are directly affected by availability of EU structural funds. During the reporting period sales of new agricultural machinery increased significantly under EU support to the farmers in Lithuania and Latvia but there was practically no EU support program for the purchase of new equipment in Estonia in 2015, since the first applications were approved only in late October, after the end of the growing season; therefore farmers shifted planned investments to 2016. The implementation of the approved projects must be carried out within 2 years, therefore farmers don't speed with investments: by the end of April, 2016 only EUR 9 million from the approved EUR 47 million were paid out to the farmers in Estonia.

The Group increased sales of various new and used agricultural equipment and machinery 1.8 times to 874 units over the reporting period as compared to previous year. Sales of new agricultural machinery in units increased 1.9 times in Lithuania, 1.8 times in Latvia and 1.4 times in Estonia as compared to previous year.

Group's revenue from the sales of agricultural machinery, spare parts and elevators equipment grew from EUR 21 million to EUR 39 million, while gross profit increase from this business accelerated to 90% from EUR 2.6 million to EUR 4.9 million. Revenue from agricultural machinery and grain processing equipment grew 142% in Latvia to EUR 6.7 million, 88% in Lithuania to EUR 28.6 million and 45% in Estonia to EUR 5.3 million.

Revenue gained from sales of fertilizers, seeds and plant protection products increased by 6.5% to EUR 63 million. Seeds trade substantially increased in neighbouring countries: 2.2 times more tons of seeds were sold in Latvia as compared to previous year, and sales revenue amounted to EUR 0.5 million. Seed sales in tons in Estonia doubled, compared to previous year, while sales revenue was EUR 0.45 million.

Unfortunately, falling world prices for grain and energy commodities had a direct impact on fertilizer prices drop. That had negative impact on sales profit margins for fertilizers, where gross profit dropped from EUR 2.5 million to EUR 1.1 million.

Gross profit in trade of seeds and plant protection products grew 61% to EUR 0.7 million.

Sales revenue of this business Segment amounted to EUR 105 million, gross profit was EUR 9.7 million and operating profit stood at EUR 0.5 million (revenue in FY 2014/15 was EUR 82 million, gross profit EUR 7.8 million and operating profit EUR 0.2 million).

Due to the seasonal nature of this business the operating results of the Segment for the third quarter of the financial year remain quite weak, as major sales transactions are to be executed in the fourth quarter of the financial year. The Group in overall expects quite successful performance results in this business segment for the entire financial year.



AGRICULTURAL PRODUCTION

This business Segment covers cultivation of cereals, oilseed rape, sugar beet and other crops, production of milk and beef cattle farming. The Group owns six agricultural companies situated on fertile land across Lithuania – Panevėžys District Aukštadvario ŽŪB, Panevėžys District Žibartonių ŽŪB, Kėdainiai District Labūnavos ŽŪB, Šakiai District Lukšių ŽŪB, Biržai District Medeikių ŽŪB and Sidabravo ŽŪB. During the reporting period Užupės ŽŪB ceased its farming activities and transferred its

main assets as a contribution to increase the share capital of Panevėžys District Žibartonių ŽŪB, becoming its biggest shareholder. The current activity of the company is land rent.

Agricultural companies were cultivating 16,900 ha of land. At the end of the reporting period the Group had 5,576 ha of own land and also 1,188 ha under long-term lease from the State.

More than 8.8 thousand ha were planted with winter grains or 9.7% more as compared to previous year. The bulk of it was winter wheat or 6 thousand ha. Major winter crops are in favorable condition – only 3% of winter crops were lost, including 225 ha of winter oilseed rape and 35 ha of winter barley.

The farms, controlled by the Group, owned 3,197 milking cows or 2% more if compared to previous year. Over 25 thousand tons of raw milk has been sold over the referenced period or 9.5% more if compared to the respective period of previous year. The raw milk purchase price was 16% less compared what was a year ago and still is on downward trend. Revenue from the milk sales remained almost unchanged and amounted to EUR 5.3 million (EUR 5.6 million a year before) while taking into account fair value adjustments of biological assets, gross loss amounted to EUR 48 thousand (compared to EUR 0.6 million gross profit in FY 2014/15). Knowing the current situation in the dairy sector, the Group does not expect any recovery in raw milk purchase price in this season and accordingly profitability of raw milk production at farms will be at break even.

The revenue of this business segment went up 15% and amounted to EUR 22 million (EUR 19 million in 2014/15 financial year) as revenue from sales of crops grew up from EUR 11 million to EUR 13 million.

Taking into account a fair value adjustments in biological assets for nine months period (that resulted into EUR 4.8 million loss), Segment's operating loss was EUR 3.7 million compared to EUR 1.2 million loss a year ago.

The Group expects significant improvement in performance in the fourth quarter of the financial year, as income in the form of EU subsidies (EUR 1.7 million) is to be received and the fair market evaluation of the future yield is to be made.



FOOD PRODUCTS

This business Segment includes a whole cycle poultry business, including incubation of hatching eggs, broiler breeding, production of poultry and its products, feed manufacturing for self-supply and retail sale of chicken meat and its products. The Group has acquired shares of Latvian poultry company AS Putnu Fabrika Kekava in October, 2013 and the companies SIA Broileks, SIA Cerova and SIA Lielzeltini in February, 2014.

AS Putnu Fabrika Kekava – No1 poultry producer in Latvia with full poultry manufacturing cycle, including egg incubation, chicken hatching, broiler breeding, production of fresh poultry and processed products under brand name “Kekava”. The subsidiary of the company, SIA PFK Trader operated 22 retail shops all over Latvia.

SIA Lielzeltini – No2 poultry producer in Latvia: 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.

SIA Broileks grows and sells live chicken. SIA Cerova incubate eggs and sells day-old chicks.

The poultry companies produced 28.0 thousand tons of live weight or 3% more as compared to previous year (27.2 thousand tons of live weight). Over 22 thousand tons of poultry and poultry products were sold (26 thousand tons a year before).

As it has been already mentioned in the previous reports of the Company, the general fall in prices of raw materials negatively has affected food prices all over the world. However, in the third quarter of the financial year of the Company the fall in food prices stabilized. According to the data of UN Food and Agricultural organization, FAO food price index, accounting also prices for meat, recovered and slightly increased from 149 to 150 points over the referenced period. An average broiler price in the EU in March, 2016 was about EUR 179 per 100 kg or 4% less than a year before (EUR 187 per 100 kg). The decline in the value of the currency of Brazil, real, have negatively affected the world poultry meat prices as Brazil is one of the top two poultry meat exporters. Other reasons behind the downward trend for poultry prices were the Russian embargo on EU poultry production and a reduced poultry demand from China. In addition, the negative impact on the Baltic poultry producers' sales margins came from poultry production overcapacity in the neighboring Poland. The average price decline in fresh poultry meat sold by the Group was 6%, while the price for poultry products decreased 3%. Despite that, the third quarter was quite successful for Segment's performance as Group earned EUR 0.8 million of operating profit.

Revenue from this business Segment remained almost the same and amounted to EUR 44.8 million (EUR 44.4 million in FY 2014/15) while operating profit went down from EUR 3.7 million a year before to EUR 1.1 million this year.

Taking into account current market situation the Group expects the fall in profitability of this business Segment as compared to previous year.



OTHER

This business Segment includes small activities, not attributable to other Segments, as an example services of elevator's to a third parties, sale of minor assets and etc.

The operating profit of this business segment amounted to EUR 53 thousand compared to EUR 65 thousand in previous year.

THE PUBLICLY DISCLOSED INFORMATION AND OTHER EVENTS OF THE REPORTING PERIOD

THE PUBLICLY DISCLOSED INFORMATION

During the reporting period ended 31 March, 2016, the Company publicly disclosed and distributed via Nasdaq Vilnius GlobeNewswire system and in Company's website the following information:

22/04/2016 09:45 EET	AB Linas Agro Group acquires fertilizers trading business in Latvia	Notification on material event	EN, LT
29/02/2016 09:00 EET	Notification about interim 6 months financial results of the financial year 2015/2016	Interim information	EN, LT
23/12/2015 09:00:32 EET	Notification on AB Linas Agro Group manager's related party transactions	Notifications on transactions concluded by managers of the companies	EN, LT
15/12/2015 09:30:32 EET	AB Linas Agro Group Notification about disposal of voting rights	Notification about acquisition (disposal) of a block of shares	EN, LT
02/12/2015- 08:30:31 EET	AB Linas Agro Group investor's calendar for the 2016	Other information	EN, LT
27/11/2015 09:23:32 EET	Notification about interim 3 months financial results of the financial year 2015/2016	Interim information	EN, LT
26/11/2015 11:34:32 EET	Registration of new wording of the Articles of Association of AB Linas Agro Group and authorized capital expressed in euro	Additional information	EN, LT
22/10/2015 16:02:33 EEST	Decisions of the Annual General Meeting of AB Linas Agro Group Shareholders, held on 22 October 2015	Notification on material event	EN, LT
22/10/2015 16:02:33 EEST	Procedure for the payout of dividends for the financial year ended 30 June 2015	Notification on material event	EN, LT
22/10/2015 16:01:33 EEST	AB Linas Agro Group notification about the Annual information of the financial year 2014/2015	Annual information	EN, LT
02/10/2015 14:00:31 EEST	AB Linas Agro Group presentation to investors	Other information	EN, LT
29/09/2015 09:00:32 EEST	Notice on Annual General Meeting of Shareholders of AB Linas Agro Group	Notification on material event	EN, LT

28/08/2015 09:06:34 EEST	Notification about interim 12 months financial results of the financial year 2014/2015	Interim information	EN, LT
27/08/2015 10:00:31 EEST	Changes in management of Latvian poultry farming companies owned by AB Linas Agro Group	Notification on material event	EN, LT
31/07/2015 09:00:32 EEST	Swedbank issues over 11m euros in loans to producers AS Putnu fabrika Ķekava and SIA Lielzeltiņi to AB Linas Agro Group controlled companies	Other information	EN
31/07/2015 09:36:32 EEST	SEB Bank increasing its financing for AB "Linus Agro" by EUR 26 million	Notification on material event	EN, Lt

OTHER EVENTS DURING THE REPORTING PERIOD

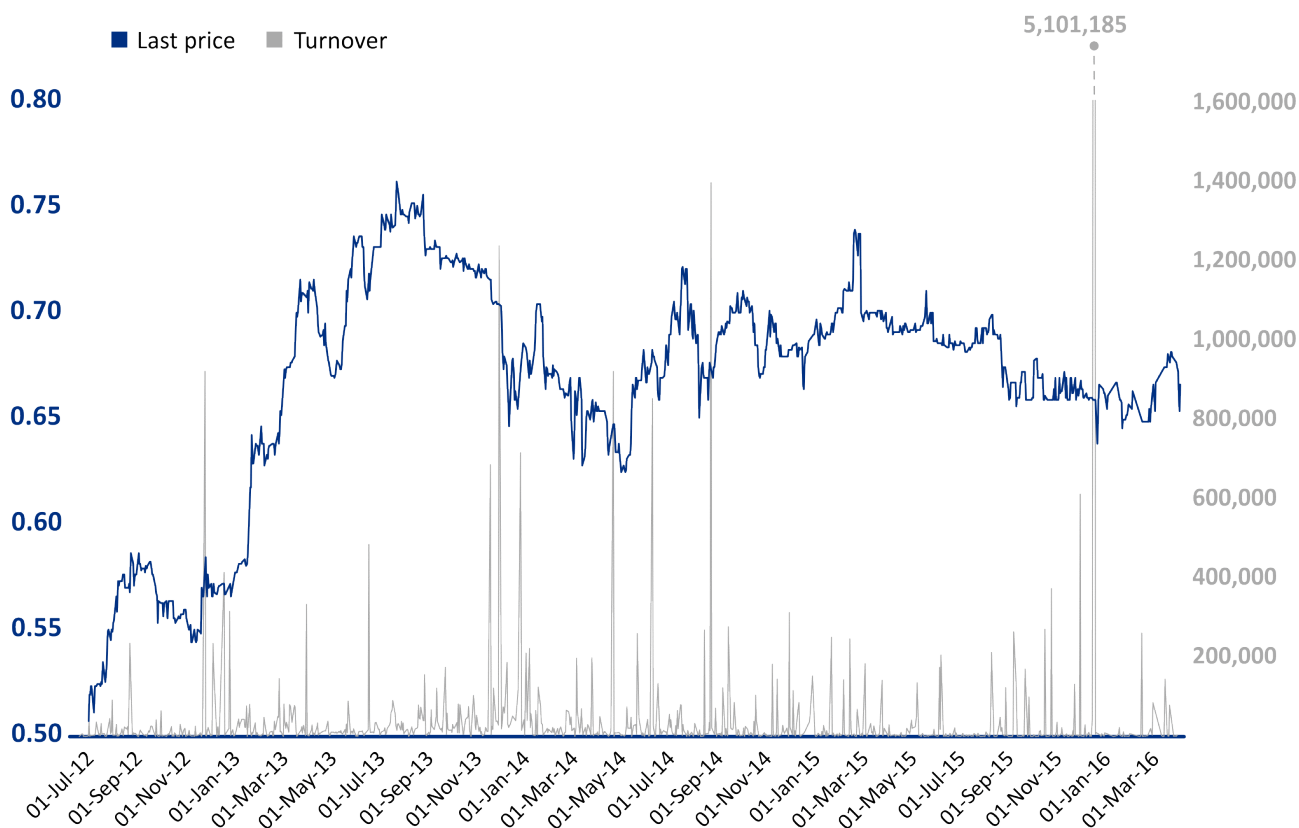
21/03/2016	The authorized capital of ŽŪB Landvesta 5 was increased from 681,475.91 to 706,500 euros.
Jan-Mar 2016	The authorized capital of Panevėžys District Žibartonių ŽŪB was increased from 913,098.50 to 1,856,898.50 euros by contribution of Užupės ŽŪB.
Jul 2015- Mar 2016	The authorized capital of Noreikiškių ŽŪB was increased from 433,000 to 495,000 euros.
30/09/2015	The authorized capital of UAB Lineliai was increased from 553,000 to 638,000 euros.
18/08/2015	The company UAB Žemės Ūkio Investicijos was delisted from the Center of Register of Republic of Lithuania.
17/07/2015	The authorized capital of ŽŪB Landvesta 4 was increased from 553,753.48 to 603,777.11 euros.

SUBSEQUENT EVENTS

Apr-May 2016	The authorized capital of ŽŪB Landvesta 5 was increased from 706,500 to 806,500 euros.
20/04/2016	UAB Linas Agro Grūdų Centras KŪB acquired 100 pct. shares of SIA Paleo.

P RICES OF SHARES AND TURNOVER OF AB LINAS AGRO GROUP

Information on changes in the prices of Company's shares and turnover from 01/07/2012 until the end of the reporting period, i. e. 31 March 2016, is presented in the following diagram:



CONTACT PERSON

Finance Director

Tomas Tumėnas

Ph. + 370 45 507 393

Email t.tumenas@linasagro.lt



AB LINAS AGRO GROUP CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 9 MONTH PERIOD OF THE YEAR 2015/16

(UNAUDITED)

PREPARED ACCORDING TO
ADDITIONAL INFORMATION PREPARING AND PRESENTATION
INSTRUCTIONS ISSUED BY THE BANK OF LITHUANIA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 March 2016	As at 30 June 2015
ASSETS			
Non-current assets			
Intangible assets	5	1,162	901
Property, plant and equipment	6	108,090	104,213
Investment property	7	1,389	1,523
Animals and livestock		6,943	8,127
Non-current financial assets			
Other investments and prepayments for financial assets		17	17
Non-current receivables		1,121	903
Non-current receivables from related parties	12	800	1,175
Total non-current financial assets		1,938	2,095
Deferred income tax asset		1,964	1,955
Total non-current assets		121,486	118,814
Current assets			
Crops		3,303	15,436
Livestock		2,090	1,997
Inventories		99,391	56,415
Prepayments		7,556	8,729
Accounts receivable			
Trade receivables		85,702	96,700
Receivables from related parties	12	66	19
Income tax receivable		218	901
Other accounts receivable		2,711	9,500
Total accounts receivable		88,697	107,120
Other current financial assets		2,301	519
Cash and cash equivalents		13,769	6,680
Total current assets		217,107	196,896
Total assets		338,593	315,710

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The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(CONT'D)

	Notes	As at 31 March 2016	As at 30 June 2015
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	1	46,093	46,032
Share premium	1	23,038	23,038
Legal reserve		2,936	2,704
Reserve for own shares		–	1,819
Own shares (-)		(455)	(457)
Foreign currency translation reserve		(22)	(22)
Other reserve		105	–
Retained earnings		87,487	84,197
Total equity attributable to equity holders of the parent		159,182	157,311
Non-controlling interest		2,400	1,826
Total equity		161,582	159,137
Liabilities			
Non-current liabilities			
Grants and subsidies		6,734	6,646
Non-current borrowings	8	29,190	22,729
Finance lease obligations		1,383	1,789
Non-current trade payables		8	183
Deferred income tax liability		627	1,157
Non-current employee benefits		266	266
Total non-current liabilities		38,208	32,770
Current liabilities			
Current portion of non-current borrowings	8	7,079	13,313
Current portion of finance lease obligations		793	803
Current borrowings	8, 12	76,954	64,256
Trade payables		35,698	28,179
Payables to related parties	12	717	21
Income tax payable		1,235	303
Derivative financial instruments		–	581
Other current liabilities		16,327	16,347
Total current liabilities		138,803	123,803
Total equity and liabilities		338,593	315,710

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 July to 31 March)

	Notes	2015/2016 9 month	2014/2015 9 month
Sales	4	474,324	445,052
Cost of sales		(445,716)	(417,242)
Gross profit		28,608	27,810
Operating (expenses)	9	(23,972)	(21,714)
Other income	10	1,217	1,210
Other (expenses)		(343)	(975)
Operating profit		5,510	6,331
Income from financing activities		481	512
(Expenses) from financing activities		(2,071)	(2,009)
Profit before tax		3,920	4,834
Income tax		(887)	(1,065)
Net profit		3,033	3,769
Net profit attributable to:			
Equity holders of the parent		3,048	3,455
Non-controlling interest		(15)	314
		3,033	3,769
Basic and diluted earnings per share (EUR)		0.02	0.02
Net profit		3,033	3,769
Other comprehensive income			
Other comprehensive income, to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		–	22
Total other comprehensive income, to be reclassified to profit or loss in subsequent periods		–	22
Total comprehensive income, after tax		3,033	3,791
Total comprehensive income attributable to:			
The shareholders of the Company		3,048	3,477
Non-controlling interest		(15)	314
		3,033	3,791

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(for the period 1 January to 31 March)

	Notes	2015/2016 3 Q	2014/2015 3 Q
Sales	4	107,343	134,686
Cost of sales		(104,001)	(123,615)
Gross profit		3,342	11,071
Operating (expenses)	9	(7,208)	(7,921)
Other income	10	289	241
Other (expenses)		(169)	(791)
Operating profit		(3,746)	2,600
Income from financing activities		88	202
(Expenses) from financing activities		(808)	(668)
Profit before tax		(4,466)	2,134
Income tax		424	(429)
Net profit		(4,042)	1,705
Net profit attributable to:			
Equity holders of the parent		(3,953)	1,729
Non-controlling interest		(89)	(24)
		(4,042)	1,705
Basic and diluted earnings per share (EUR)		(0.02)	0.01
Net profit		(4,042)	1,705
Other comprehensive income			
Other comprehensive income, to be reclassified to profit or loss in subsequent periods		–	–
Exchange differences on translation of foreign operations		–	–
Total other comprehensive income, to be reclassified to profit or loss in subsequent periods		–	–
Total comprehensive income, after tax		(4,042)	1,705
Total comprehensive income attributable to:			
The shareholders of the Company		(3,953)	1,729
Non-controlling interest		(89)	(24)
		(4,042)	1,705

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity holders of the parent

Notes	Share capital	Own shares	Share premium	Legal reserve	Reserve for own shares	Foreign currency translation reserve	Other reserves	Retained earnings	Subtotal	Non-controlling interest	Total
Balance as at 1 July 2014	46,032	(457)	23,038	2,360	1,825	(44)	–	76,549	149,303	2,790	152,093
Net profit for the year	–	–	–	–	–	–	–	3,455	3,455	314	3,769
Other comprehensive income	–	–	–	–	–	22	–	–	22	–	22
Total comprehensive income	–	–	–	–	–	22	–	3,455	3,477	314	3,791
Declared dividends by company	–	–	–	–	–	–	–	(1,448)	(1,448)	–	(1,448)
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	–	–	(10)	(10)
Transfer to reserves	–	–	–	344	(6)	–	–	(338)	–	–	–
Acquisition of minority interest	–	–	–	–	–	–	–	406	406	(836)	(430)
Balance as at 31 March 2015	46,032	(457)	23,038	2,704	1,819	(22)	–	78,624	151,738	2,258	153,996
Balance as at 1 July 2015	46,032	(457)	23,038	2,704	1,819	(22)	–	84,197	157,311	1,826	159,137
Net profit for the year	–	–	–	–	–	–	–	3,048	3,048	(15)	3,033
Total comprehensive income	–	–	–	–	–	–	–	3,048	3,048	(15)	3,033
Transfer of own shares	–	2	–	–	–	–	–	(2)	–	–	–
Declared dividends by company	–	–	–	–	–	–	–	(1,202)	(1,202)	–	(1,202)
Share capital value adjustment due to conversion to euro	61	–	–	–	–	–	–	(61)	–	–	–
Reserves made	–	–	–	232	(1,819)	–	105	1,482	–	–	–
Dividends declared by the subsidiaries	–	–	–	–	–	–	–	–	–	(10)	(10)
Disposal of minority interest in subsidiaries	–	–	–	–	–	–	–	–	–	634	634
Acquisition of minority interest	–	–	–	–	–	–	–	25	25	(35)	(10)
Balance as at 31 March 2016	46,093	(455)	23,038	2,936	–	(22)	105	87,487	159,182	2,400	161,582

(cont'd on the next page)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

	Notes	2015/2016 3 Q	2014/2015 3 Q
Cash flows from (to) operating activities			
Net profit		3,033	3,769
Adjustments for non-cash items:			
Depreciation and amortisation		7,701	7,068
Subsidies amortisation		(661)	(673)
(Gain) on disposal of property, plant and equipment		(224)	(113)
(Gain) on disposal of other investments		–	(359)
Change in allowance and write-offs for receivables and prepayments		(273)	806
Inventories write down to net realisable value		14	14
Change in accrued expenses		(1)	(952)
Change in fair value of biological assets		1,037	420
Change in deferred income tax		(459)	23
Current income tax expenses		1,347	1,042
Liabilities write of		(4)	(12)
Expenses (income) from change in fair value of financial instruments		(432)	171
Dividend (income)		–	(45)
Interest (income)		(481)	(512)
Interest expenses		2,071	2,009
		12,668	12,656
Changes in working capital:			
Decrease in biological assets		12,407	9,928
(Increase) in inventories		(42,929)	(25,084)
Decrease in prepayments		1,173	2,060
Decrease in trade and other accounts receivable		15,697	24,407
(Increase) decrease in restricted cash		(567)	198
(Decrease) in trade and other accounts payable		(12,040)	(6,529)
Income tax (paid)		(609)	(1,343)
Net cash flows from (to) operating activities		(14,200)	16,293

(cont'd on the next page)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

	Notes	2015/2016 3 Q	2014/2015 3 Q
Cash flows from (to) investing activities			
(Acquisition) of intangible assets, property, plant and equipment and investment property		(14,597)	(7,652)
Proceeds from sale of intangible assets, property, plant and equipment and investment property		737	554
(Acquisition) of subsidiaries (less received cash balance in the Group)	3	–	(200)
Disposal of other investments	3	–	434
Proceeds from disposals of subsidiaries		–	71
Loans (granted)		(1,003)	(2,384)
Repayment of granted loans		2,948	1,182
Interest received		185	99
Dividends received		–	156
Net cash flows from (to) investing activities		(11,730)	(7,740)
Cash flows from (to) financing activities			
Proceeds from loans		102,992	65,098
(Repayment) of loans		(66,364)	(70,294)
Finance lease (payments)		(654)	(680)
Interest (paid)		(1,733)	(1,700)
Dividends (paid) to non-controlling shareholders		(10)	(10)
Dividends (paid)		(1,202)	(1,448)
Acquisition of non-controlling interest		(10)	(431)
Net cash flows from (to) financing activities		33,019	(9,465)
Net (decrease) increase in cash and cash equivalents		7,089	(912)
Cash and cash equivalents at the beginning of the year		6,680	8,632
Cash and cash equivalents at the end of the year		13,769	7,720
Supplemental information of cash flows:			
Non-cash investing activity:			
Property, plant and equipment acquisitions financed by grants and subsidies		431	661
Property, plant and equipment acquisitions financed by finance lease		664	285

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

AB Linas Agro Group (hereinafter the Company or the parent) is a public limited liability company registered in the Republic of Lithuania. The Company was registered on 27 November 1995.

The address of its registered office is as follows: Smėlynės Str. 2C, LT-35143 Panevėžys, Lithuania.

The principal activities of the Group are described in Note 4.

The financial year of the Group and the Company starts on 1 July of the calendar year and ends on 30 June of the following calendar year.

As at 31 March 2016 and as at 30 June 2015 the shareholders of the Company were:

	As at 31 March 2016		As at 30 June 2015	
	Number of shares held	Percentage	Number of shares held	Percentage
Akola ApS (Denmark)	97,169,646	61.14%	88,984,443	55.99%
Darius Zubas	17,049,995	10.73%	17,049,995	10.73%
Swedbank AS (Estonia) clients	11,773,292	7.41%	10,720,893	6.75%
SEB AS OMNIBUS (Luxembourg) clients	–	–	12,026,834	7.57%
Other shareholders (private and institutional investors)	32,947,465	20.72%	30,158,233	18.96%
Total	158,940,398	100.00%	158,940,398	100.00%

All the shares of the Company are ordinary shares with the par value of EUR 0.29 each as at 31 March 2016 (EUR 0.29 each as at 30 June 2015) and were fully paid as at 31 March 2016 and as at 30 June 2015.

The Company holds 785,972 of its own shares, percentage 0.50%, as at 31 March 2016 (788,972 as at 30 June 2015). Subsidiaries and other related companies did not hold any shares of the Company as at 31 March 2016 and as at 30 June 2015.

All of the Company's 158,940,398 ordinary shares are included in the Official list of Nasdaq Vilnius stock exchange (ISIN code LT0000128092). The Company's trading ticker in Nasdaq Vilnius stock exchange is LNA1L.

As at 31 March 2016 the number of employees of the Group was 2,226 (2,334 as at 30 June 2015).

No changes in share capital occurred during the years ending 31 March 2016 and 30 June 2015.

2. ACCOUNTING PRINCIPLES

These financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (hereinafter the EU), which include IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2014/2015 financial year.

3.GROUP STRUCTURE AND CHANGES IN THE GROUP

As at 31 March 2016 and as at 30 June 2015 the Company held these directly and indirectly controlled subsidiaries (hereinafter the Group):

	Place of registration	Effective share of the stock held by the Group		Main activities
		31 March 2016	30 June 2015	
Investments into directly controlled subsidiaries				
AB Linas Agro	Lithuania	100%	100%	Wholesale trade of grains and oilseeds, feedstuffs and agricultural inputs
UAB Linas Agro Konsultacijos	Lithuania	100%	100%	Management of the subsidiaries engaged in agriculture
UAB Dotnuvos Projektai	Lithuania	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
UAB Jungtinė Ekspedicija	Lithuania	100%	100%	Expedition and ship's agency services
ŽŪB Landvesta 1	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 2	Lithuania	100%	100%	Rent and management of agricultural purposes land
Noreikiškių ŽŪB	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Lineliai	Lithuania	100%	100%	Rent and management of agricultural purposes land
AS Putnu fabrika Kekava	Latvia	93.48%	96.47%	Broiler breeding, slaughtering and sale of products
SIA PFK Trader	Latvia	93.48%	96.47%	Retail trade of food production
SIA Lielzeltini	Latvia	100%	100%	Broiler breeding, slaughtering and sale of products, feedstuffs
SIA Cerova	Latvia	100%	100%	Egg incubation and chicken sale
SIA Broileks	Latvia	100%	100%	Chicken breeding and sale
SIA Erfolg Group	Latvia	93.48%	96.47%	Not operating company
Investments into indirectly controlled subsidiaries (through AB Linas Agro)				
SIA Linas Agro	Latvia	100%	100%	Wholesale trade of grains and oilseeds, agricultural inputs
UAB Gerera	Lithuania	100%	100%	Not operating company
UAB Linas Agro Grūdų Centras	Lithuania	100%	100%	Management services
UAB Linas Agro Grūdų Centras KŪB	Lithuania	100%	100%	Preparation and warehousing of grains for trade
Linus Agro A/S	Denmark	100%	100%	Wholesale trade of grains and oilseeds, feedstuffs
ŽŪB Landvesta 3	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 4	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 5	Lithuania	100%	100%	Rent and management of agricultural purposes land
ŽŪB Landvesta 6	Lithuania	100%	100%	Rent and management of agricultural purposes land

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

	Place of registration	Effective share of the stock held by the Group		Main activities
		31 March 2016	30 June 2015	
Investments into indirectly controlled subsidiaries (through UAB Linas Agro Konsultacijos)				
ŽŪK KUPIŠKIO GRŪDAI	Lithuania	98.53%	98.48%	Preparation and warehousing of grains for trade
Biržai district Medeikių ŽŪB	Lithuania	98.39%	98.39%	Growing and sale of crops
Šakiai district Lukšių ŽŪB	Lithuania	98.82%	98.82%	Mixed agricultural activities
Panevėžys district Aukštadvario ŽŪB	Lithuania	97.76%	97.41%	Mixed agricultural activities
Sidabravo ŽŪB	Lithuania	95.29%	95.20%	Mixed agricultural activities
Kėdainiai district Labūnavos ŽŪB	Lithuania	98.64%	98.64%	Mixed agricultural activities
Užupės ŽŪB	Lithuania	100%	100%	Growing and sale of crops
UAB Paberžėlė	Lithuania	100%	100%	Rent and management of agricultural purposes land
UAB Žemės ūkio investicijos	Lithuania	–	100%	Liquidated
Panevėžys district Žibartonių ŽŪB	Lithuania	99.90%	99.80%	Mixed agricultural activities
Investments into indirectly controlled subsidiaries (through UAB Dotnuvos Projektai)				
SIA DOTNUVOS PROJEKTAI	Latvia	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
AS Dotnuvos Projektai	Estonia	100%	100%	Trade of machinery and equipment for warehousing of grains, certified seeds
UAB Dotnuvos technika	Lithuania	100%	100%	Not operating company
Investments into indirectly controlled subsidiaries (through UAB Linas Agro Grūdų centras KŪB)				
Karčemos kooperatinė bendrovė	Lithuania	20%*	20%*	Preparation and warehousing of grains for trade
SIA Linas Agro Graudu centras	Latvia	100%	100%	Preparation and warehousing of grains for trade
Investment into indirectly controlled subsidiaries (through Panevėžys district Žibartonių ŽŪB)				
Karčemos kooperatinė bendrovė	Lithuania	4.00%*	3.98%*	Preparation and warehousing of grains for trade

* The Group indirectly controls 23.98% of shares of Karčemos kooperatinė bendrovė (through Panevėžys district Žibartonių ŽŪB and UAB Linas Agro Grūdų centras KŪB), however, the Group has control over this entity and, therefore, it has been consolidated when preparing these financial statements.

3. GROUP STRUCTURE AND CHANGES IN THE GROUP (CONT'D)

Changes in the Group during the 9 month period ended 31 March 2016

During 9 month period, ended 31 March 2016, the Company acquired 0.09% AS Putnu fabrika Kekava share capital for EUR 9 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 9 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

The Company canceled agreement of acquisition of 3.08% AS Putnu fabrika Kekava share capital from the non-controlling shareholders.

During 9 month period, ended 31 March 2016, the Group acquired 0.09% Sidabravo ŽŪB share capital for EUR 1 thousand, 0.35% Panevėžio district Aukštadvario ŽŪB share capital for EUR 1 thousand. All shares were acquired from the non-controlling shareholders. The difference of EUR 11 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

During 9 month period the Group made restructurization of Užupės ŽŪB and Panevėžio district Žibartonių ŽŪB. Share capital of Panevėžio district Žibartonių ŽŪB was increased by contribution of Užupės ŽŪB property, plant and equipment. This consolidation have resulted in an increase of the effective Group ownership of Panevėžio district Žibartonių ŽŪB by 99.80% up to 99.90%.

Changes in the Group during the year ended 30 June 2015

On 1 July 2014 share capital of AS Putnu fabrika Kekava increased from EUR 12,769 thousand to EUR 18,947 thousand by capitalization of payable amounts of AB Linas Agro Group and SIA Lielzeltini. The rest non-controlling shareholders didn't participate in the increasing of share capital, part of the shares owned by the Group increased from 84.36% to 89.46%. The difference of EUR 615 thousand gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

On 27 October 2014 AS Putnu fabrika Kekava acquired 100% of shares of SIA Erfolg Group. SIA Erfolg Group is not engaged in any business activity and its assets are not material to the financial statements.

During 12 month period, ended 30 June 2015, the Company additionally acquired 7.01% AS Putnu fabrika Kekava share capital for EUR 783 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 20 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

The effective share of SIA PFK Trader held by the Group increased during 12 month period, ended 30 June 2015, due to acquisitions of AS Putnu fabrika Kekava shares which has 100% ownership of SIA PFK Trader.

During 12 month period, ended 30 June 2015, the Group acquired 1.80% Sidabravo ŽŪB share capital for EUR 13 thousand. The shares were acquired from the non-controlling shareholders. The difference of EUR 60 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

The Group acquired 0.49% Panevėžys district Aukštadvario ŽŪB share capital for EUR 1 thousand. The difference of EUR 12 thousand of gain between the consideration transferred and the carrying value of the interest acquired has been recognized within equity.

Also the Group acquired 0.2% ŽŪK Kupiškio grūdai share capital for EUR 4 thousand from the minority shareholders. The consideration transferred was equal to the carrying value of interest acquired.

During 12 month period, ended 30 June 2015, UAB Fossio, not operating entity, was connected up to UAB Linas Agro Grūdų Centras.

During 12 month period, ended 30 June 2015, the Group sold 15.97% minority interest in Karčemos kooperatinė bendrovė for EUR 86 thousand. The consideration received was equal to the carrying value of interest sold.

During 12 month period, ended 30 June 2015, the Company increased share capital of UAB Linas Agro Konsultacijos, UAB Lineliai, Noreikiškių ŽŪB, ŽŪB Landvesta 2 in amount of EUR 1,425 thousand, EUR 87 thousand, EUR 73 thousand, EUR 7 thousand, respectively. The share capital of UAB Linas Agro Konsultacijos was increased by capitalization of the granted loan, interest receivable.

4. SEGMENT INFORMATION

For management purpose the Group is organized into five operating segments based on their products and services as follows:

- the grain and feedstuff handling and merchandising includes trade in wheat, rapeseed, barley and other grains and oilseeds, suncake and sunmeal, sugar beat pulp, soyameal, vegetable oil, rapeseed and other feedstuffs, grain storage and logistics services;
- the products and services for farming segment includes sales of fertilizers, seeds, plant protection products, machinery and equipment, grain storage facilities, spare parts and other equipment to agricultural produce growers and grain storage companies;
- the agricultural production segment includes growing of grains, rapeseed and others as well as sales of harvest, breeding of livestock and sales of milk and livestock. Milk is sold to local dairy companies, other production is partly used internally, partly sold;
- food products segment includes poultry and other food final products;
- the other products and services segment includes sales of other products and services.

The Group's chief financial officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transfer prices between the Group companies are based on normal selling prices in a manner similar to transactions with third parties.

Group	Grain and feedstuff handling and merchandising	Products and services for farming	Agricultural production	Food products	Other products and services	Not attributed to any specified segment	Adjustments and eliminations	Total
Financial year ended 31 March 2016								
Revenue								
Third parties	320,599	99,041	9,784	44,863	37	–	–	474,324
Intersegment	3,257	5,617	11,914	–	–	–	(20,788) ¹⁾	–
Total revenue	323,856	104,658	21,698	44,863	37	–	(20,788)¹⁾	474,324
Results								
Operating expenses	(5,707)	(9,366)	(2,234)	(3,732)	(16)	(2,917)	–	(23,972)
Segment operating profit (loss)	10,378	506	(3,728)	1,102	53	(2,801)	–	5,510
Group								
Financial year ended 31 March 2015								
Revenue								
Third parties	314,014	76,549	9,677	44,389	423	–	–	445,052
Intersegment	12,059	5,238	9,822	–	481	–	(27,600) ¹⁾	–
Total revenue	326,073	81,787	19,499	44,389	904	–	(27,600)¹⁾	445,052
Results								
Operating expenses	(4,340)	(7,553)	(2,065)	(3,746)	(61)	(3,949)	–	(21,714)
Segment operating profit (loss)	7,311	235	(1,245)	3,697	65	(3,732)	–	6,331

1) Intersegment revenue is eliminated on consolidation.

4. SEGMENT INFORMATION (CONT'D)

Below is the information relating to the geographical segments of the Group:

Revenue from external customers	9 month period ended	
	31 March 2016	31 March 2015
Lithuania	127,880	99,150
Europe (except for Scandinavian countries, CIS and Lithuania)	160,260	146,935
Scandinavian countries	49,108	69,435
Asia	92,402	5,098
Africa	36,270	115,752
CIS	8,404	8,682
	474,324	445,052

The revenue information above is based on the location of the customer.

Non-current assets	As at 31 March 2016	As at 30 June 2015
Lithuania	60,458	61,842
Latvia	48,932	43,310
Estonia	1,245	1,474
Denmark	6	11
	110,641	106,637

Non-current assets for this purpose consist of property, plant and equipment, investment property and intangible assets.

5. INTANGIBLE ASSETS

Group	Software	Other intangible assets	Total
Cost:			
Balance as at 30 June 2014	732	96	828
Additions	75	534	609
Write-offs	(3)	(17)	(20)
Balance as at 30 June 2015	804	613	1,417
Additions	13	320	333
Write-offs	–	(11)	(11)
Reclassifications	115	(115)	–
Balance as at 31 March 2016	932	807	1,739
Accumulated amortization:			
Balance as at 30 June 2014	439	23	462
Charge for the year	56	18	74
Write-offs	(3)	(17)	(20)
Balance as at 30 June 2015	492	24	516
Charge for the year	51	21	72
Write-offs	–	(11)	(11)
Reclassifications	15	(15)	–
Balance as at 31 March 2016	558	19	577
Net book value as at 31 March 2016	374	788	1,162
Net book value as at 30 June 2015	312	589	901
Net book value as at 30 June 2014	293	73	366

The Group has no internally generated intangible assets. Amortization expenses of intangible assets are included within operating expenses in the statement of comprehensive income.

6. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and prepayments	Total
Cost:							
Balance as at 30 June 2014	13,196	77,228	34,906	4,884	5,061	1,779	137,054
Additions	47	1,340	3,391	666	872	6,725	13,041
Disposals and write-offs	(9)	(201)	(866)	(566)	(321)	(25)	(1,988)
Transfers from investment property	107	–	–	–	–	–	107
Reclassifications	4	2,121	656	–	(11)	(2,770)	–
Balance as at 30 June 2015	13,345	80,488	38,087	4,984	5,601	5,709	148,214
Additions	20	161	3,624	700	330	9,091	13,926
Disposals and write-offs	(5)	(1,000)	(1,965)	(317)	(816)	(7)	(4,110)
Transfers from investment property	–	146	–	–	–	–	146
Reclassifications	–	4,807	1,328	2	14	(6,151)	–
Balance as at 31 March 2016	13,360	84,602	41,074	5,369	5,129	8,642	158,176
Accumulated depreciation:							
Balance as at 30 June 2014	–	15,216	14,855	1,990	2,619	–	34,680
Charge for the year	–	5,156	3,345	850	795	–	10,146
Disposals and write-offs	–	(76)	(443)	(464)	(309)	–	(1,292)
Reclassifications	–	–	6	–	(6)	–	–
Balance as at 30 June 2015	–	20,296	17,763	2,376	3,099	–	43,534
Charge for the year	–	4,154	2,703	619	637	–	8,113
Disposals and write-offs	–	(156)	(965)	(165)	(727)	–	(2,013)
Transfers from investment property	–	20	–	–	–	–	20
Balance as at 31 March 2016	–	24,314	19,501	2,830	3,009	–	49,654
Impairment losses:							
Balance as at 30 June 2014	46	434	11	–	1	–	492
(Reversal) charge for the year	(25)	–	–	–	–	–	(25)
Balance as at 30 June 2015	21	434	11	–	1	–	467
Disposals and write-offs	–	(35)	–	–	–	–	(35)
Balance as at 31 March 2016	21	399	11	–	1	–	432
Net book value as at 31 March 2016	13,339	59,889	21,562	2,539	2,119	8,642	108,090
Net book value as at 30 June 2015	13,324	59,758	20,313	2,608	2,501	5,709	104,213
Net book value as at 30 June 2014	13,150	61,578	20,040	2,894	2,441	1,779	101,882

7. INVESTMENT PROPERTY

Investment property of the Group consists of land and buildings leased out under the operating lease which generates lease income.

Cost:	Land	Buildings	Total
Balance as at 30 June 2014	1,431	177	1,608
Additions	5	98	103
Disposals and write-offs	(16)	–	(16)
Transfers to property, plant and equipment	(107)	–	(107)
Balance as at 30 June 2015	1,313	275	1,588
Transfers to property, plant and equipment	–	(146)	(146)
Balance as at 31 March 2016	1,313	129	1,442
Accumulated depreciation:			
Balance as at 30 June 2014	–	49	49
Charge for the year	–	16	16
Balance as at 30 June 2015	–	65	65
Charge for the year	–	8	8
Transfers to property, plant and equipment	–	(20)	(20)
Balance as at 31 March 2016	–	53	53
Impairment losses:			
Balance as at 30 June 2014	–	–	–
Balance as at 30 June 2015	–	–	–
Balance as at 31 March 2016	–	–	–
Net book value as at 31 March 2016	1,313	76	1,389
Net book value as at 30 June 2015	1,313	210	1,523
Net book value as at 30 June 2014	1,431	128	1,559

Investment property of the Company consists of buildings leased out under the operating lease which generates lease income.

8. BORROWINGS

	As at 31 March 2016	As at 30 June 2015
Non-current borrowings		
Bank borrowings secured by the Group assets	29,190	22,729
	29,190	22,729
Current borrowings		
Current portion of non-current bank borrowings	7,079	13,313
Current bank borrowings secured by the Group assets	75,133	55,560
Other current borrowings (Note 12)	1,821	8,696
	84,033	77,569
	113,223	100,298

Interest payable is normally settled monthly throughout the financial year.

9. OPERATING EXPENSES

	9 month period ended	
	31 March 2016	31 March 2015
Wages and salaries and social security	15,703	12,998
Consulting expenses	657	849
Depreciation and amortization	1,266	1,340
Other	6,346	6,527
	23,972	21,714

10. OTHER INCOME (EXPENSES)

	9 month period ended	
	31 March 2016	31 March 2015
Other income		
Rental income from investment property and property, plant and equipment	176	161
Gain from currency exchange	293	–
Gain from disposal of investment property and property, plant and equipment	292	168
Gain from disposal of other investments	–	359
Write-off of liabilities	–	12
Other income	456	510
	1,217	1,210
Other (expenses)		
Direct operating expenses arising on rental and non-rental earning investment properties and property, plant and equipment	(182)	(165)
Loss from disposal of property, plant and equipment	(68)	(55)
Currency exchange loss	–	(708)
Other expenses	(93)	(47)
	(343)	(975)

11. COMMITMENTS AND CONTINGENCIES

As at 31 March 2016 the Group is committed to purchase property, plant and equipment for the total amount of EUR 12,597 thousand (EUR 534 thousand as at 30 June 2015).

A few companies of the Group (Kėdainiai district Labūnavos ŽŪB, Šakiai district Lukšių ŽŪB, Sidabravo ŽŪB and Panevėžys district Žibartonių ŽŪB) received grants from the European Union and National Paying Agency mostly for acquisition of agricultural heavy duty equipment. Kėdainių district Labūnavos ŽŪB is committed, Sidabravo ŽŪB, Panevėžys district Žibartonių ŽŪB not to discontinue operations related to agricultural up to 2019, Šakiai district Lukšių ŽŪB up to -2020. UAB Linas Agro Grūdų Centras KŪB, Karčemos kooperatinė bendrovė received grants from the European Union and National Paying Agency (Lithuania) for grain handling and storage facility upgrade. UAB Linas Agro Grūdų Centras KŪB is committed not to discontinue operations related to preparation and warehousing of grains for trade agriculture up to 2020, Karčemos kooperatinė bendrovė – up to 2017.

SIA Lielzeltini, AS Putnu fabrika Kekava, SIA Cerova and SIA Broileks received grants from the European Union and Rural Support Service (Latvia) for poultry farm, feedstuffs production and storages upgrade. SIA Lielzeltini is committed not to discontinue broiler breeding, slaughtering and sale of products, feedstuffs up to 2016, AS Putnu fabrika Kekava- up to 2017, SIA Cerova – up to 2018 and SIA Broileks – up to 2016.

In case of non-compliance with the requirements the Group companies will have to return funds received to the state of Lithuania and Latvia amounting to EUR 4,302 thousand as at 31 March 2016 (EUR 4,528 thousand as at 30 June 2015).

In July 2013 the Group company Linas Agro A/S received a ruling from the Danish Tax Inspection (hereafter- SKAT) stating that SKAT has changed the companies tax assessments for the income year 2007/2009 whereby total taxable payment for period has been increased by EUR 68 thousand (DKK 1,100 thousand). The changes relate to non-approved deduction for inter-group services. The company's management does not concur with SKAT's assessment and the decision is appealed. Accordingly, the Group did not recognize any tax liability or any interest as at 31 March 2016 and 30 June 2015.

In addition Linas Agro A/S received a ruling from SKAT regarding the valuation of customer base which was transferred to the Group company, AB Linas Agro in the year 2011/2012. The decision has a negative effect on the total tax loss carry forward amount which is incorporated into calculation of taxable income for the year 2012/2013. SKAT has ruled that the value of the customer base should have been EUR 4,894 thousand (DKK 36,414 thousand) and not EUR 1,571 thousand (DKK 11,722 thousand) as the value sold in 2011/2012 by Linas Agro A/S to AB Linas Agro. This implies a reduction of the total tax loss carry forward in the amount of EUR 3,323 thousand (DKK 24,692 thousand) (tax value EUR 781 thousand (DKK 6,173 thousand)). Deferred tax asset from the tax loss carry forward from this amount is not recognized by Linas Agro A/S. Linas Agro A/S management does not agree with SKAT and appealed the decision.

During the 9 month period ended 31 March 2016 the management of the Group initiated actions to reach the agreement between Lithuanian and Danish tax authorities. As at financial statements preparation date there were no decisions reached as the investigation might last up to two years.

12. RELATED PARTIES TRANSACTIONS

The parties are considered related when one party has the possibility to control the other or have significant influence over the other party in making financial and operating decisions.

The related parties of the Company and Group for the years ended 31 March 2016 and 30 June 2015 were as follows:

Members of the board of the Company:

Darius Zubas (chairman of the board, ultimate controlling shareholder);
 Vytautas Šidlauskas;
 Dainius Pilkauskas;
 Arūnas Zubas;
 Andrius Pranckevičius;
 Tomas Tumėnas;
 Artūras Pribušauskas.

Subsidiaries: List provided in Note 3.

Akola ApS group companies:

Akola ApS (Denmark) (controlling shareholder);
 UAB MESTILLA (same ultimate controlling shareholders).

UAB Baltic Fund Investments (Tomas Tumėnas is a director of this company).

The Group's transactions with related parties in 9 month period ended 31 March 2016 were as follows:

2015/2016	Purchases	Sales	Receivables		Non-current loans receivable	Payables	Current payable loans
			Trade receivables	Current loans receivable			
Akola ApS group companies	2,891	11,999	66	–	800	717	1,000
Members of management board	–	6	–	–	–	–	–

As at 31 March 2016 interest rates of the Group for non-current loans receivable from related parties are equal to 2.61%.

As at 30 June 2015 interest rates of the Group for non-current loans receivable from related parties are equal to 4% and 2.61%.

As at 31 March 2016 interest rates of the Group for current payable loans to related parties are equal to 4%.

Transactions with related parties include sales and purchases of goods and services, sales and purchases of property, plant and equipment as well as financing transactions in the ordinary course of business and on terms equivalent to arm's length transactions.

There were no guarantees or pledges related to the Group's payables to or receivables from related parties. Receivables and payables from / to related parties will be settled in cash or offset with the payables / receivables from / to respective related parties.

Terms and conditions of the financial assets and liabilities:

- Receivables from related parties are non-interest bearing and are normally settled on 30-day terms.
- Payables to related parties are non-interest bearing and are normally settled on 30-90 -day terms.
- Interest payable is normally settled at the end of the loan term.

The Group's receivables from related parties were nor due neither impaired as at 31 March 2016 and 30 June 2015.

13. SUBSEQUENT EVENTS

On 20 April 2016 Group acquired 100% shares of SIA Paleo for EUR 4,590 thousand to further expand business activities in Latvia.