



Trigon Agri A/S 4Q 2011 Interim Report: Strongly improved and profitable results, but we should do better

Highlights of 2011

- Total revenue, other income, fair value adjustments and net changes in inventory for 2011 amounted to EUR 75,466 thousand (EUR 76,557 thousand in 2010).
- Total operating expenses amounted to EUR 61,409 thousand in 2011 (EUR 75,132 thousand in 2010).
- EBITDA in 2011 amounted to EUR 14,057 thousand (EUR 1,425 thousand in 2010).
- EBIT in 2011 amounted to EUR 6,242 thousand (loss of EUR 5,312 thousand in 2010).
- The Net profit of the Group in 2011 amounted to EUR 1,202 thousand (loss of EUR 7,723 thousand in 2010).
- The consolidated assets of the Group as of December 31, 2011 amounted to EUR 194,360 thousand (EUR 148,121 thousand at December 31, 2010).

Trigon Agri's Chairman of the Board, Joakim Helenius, comments:

We look upon 2011 as a year of mixed results. We are not pleased with the outcome as we believe we have the potential to do much better. Nevertheless we take comfort in the fact that including our crop inventory our operations are strongly cash-flow positive, showing a very strong uptrend y-o-y since 2009, and of course the fact that we achieved our first full-year net profit. The improved results were the direct consequence of lower costs per ton produced, achieved through a combination of increased yields per hectare and stringent cost control. We aim to continue the uptrend in our y-o-y results going forwards focusing on the right mix of input costs versus yields. In doing this we are helped by the results coming out of our R&D department. Our 2011 Q4 results were negatively impacted by the generally weak commodity price environment and the impact of the exceptionally difficult autumn weather conditions on our harvesting.

Further to the statements made in the Q3 report relating to possible new acquisitions, we should mention that we are in advanced negotiations to acquire a very attractive large-scale farming operation in Russia, which we believe could significantly enhance the performance and logistics of our overall operations. Assuming things go according to plan we should be able to make an announcement in the next few weeks. Our medium-term target remains unchanged in that we aim to cultivate around 200,000 hectares by 2015. We are also expanding our dairy operations and hope to announce a number of new acquisitions by the end of May. This would give us the technical possibility to grow the size of our operations in the vicinity of St Petersburg and in Estonia from currently around 2,100 milking cows to around 11,000 milking cows over the next three to four years. If achieved this would make us the largest dairy producer in Europe, including Russia. As our dairy operations are in a separate legal entity currently 100% owned by A/S Trigon Agri we are also in early stage discussions with external investors about them making co-investments into AS Trigon Dairy Farming.

Investor enquiries:

Mr. Ülo Adamson, President and CEO of Trigon Agri A/S

Tel: +372 66 79200

E-mail: mail@trigonagri.com

About Trigon Agri

Trigon Agri is a leading integrated soft commodities production, storage and trading company with operations in Ukraine, Russia and Estonia. Trigon Agri's shares are traded on the main market of NASDAQ OMX Stockholm. Trigon Agri is managed under a management agreement by Trigon Capital, a leading Central and Eastern European operational management firm with around USD 1 billion of assets under management.

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