

**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

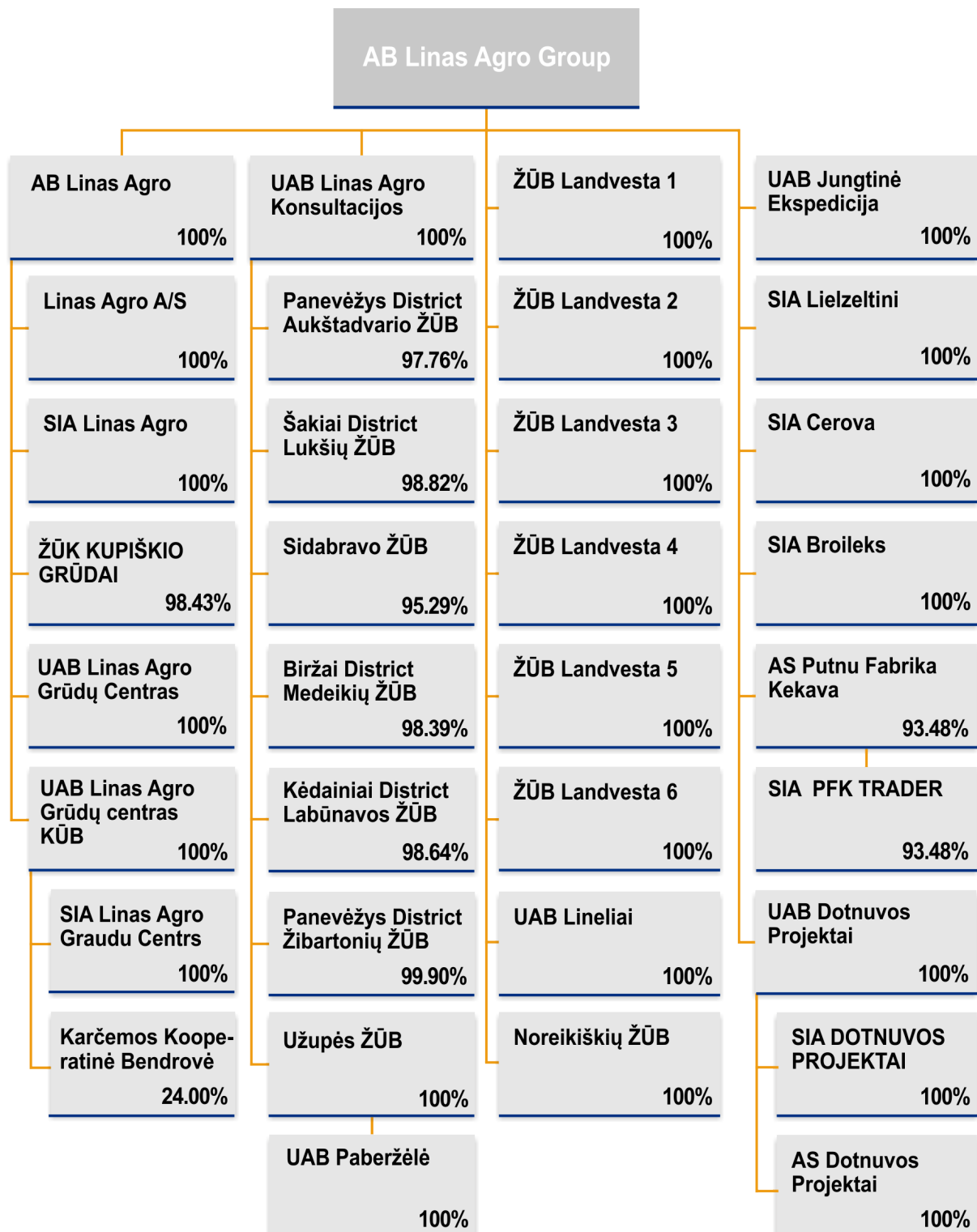
Linus Agro Group together with its directly and indirectly controlled companies (hereinafter – subsidiaries) makes the Group, which was founded in 1991 and had 38 companies at the end of the reporting period, and operates in four countries – Lithuania, Latvia, Estonia and Denmark. As at 31 March, 2016 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).

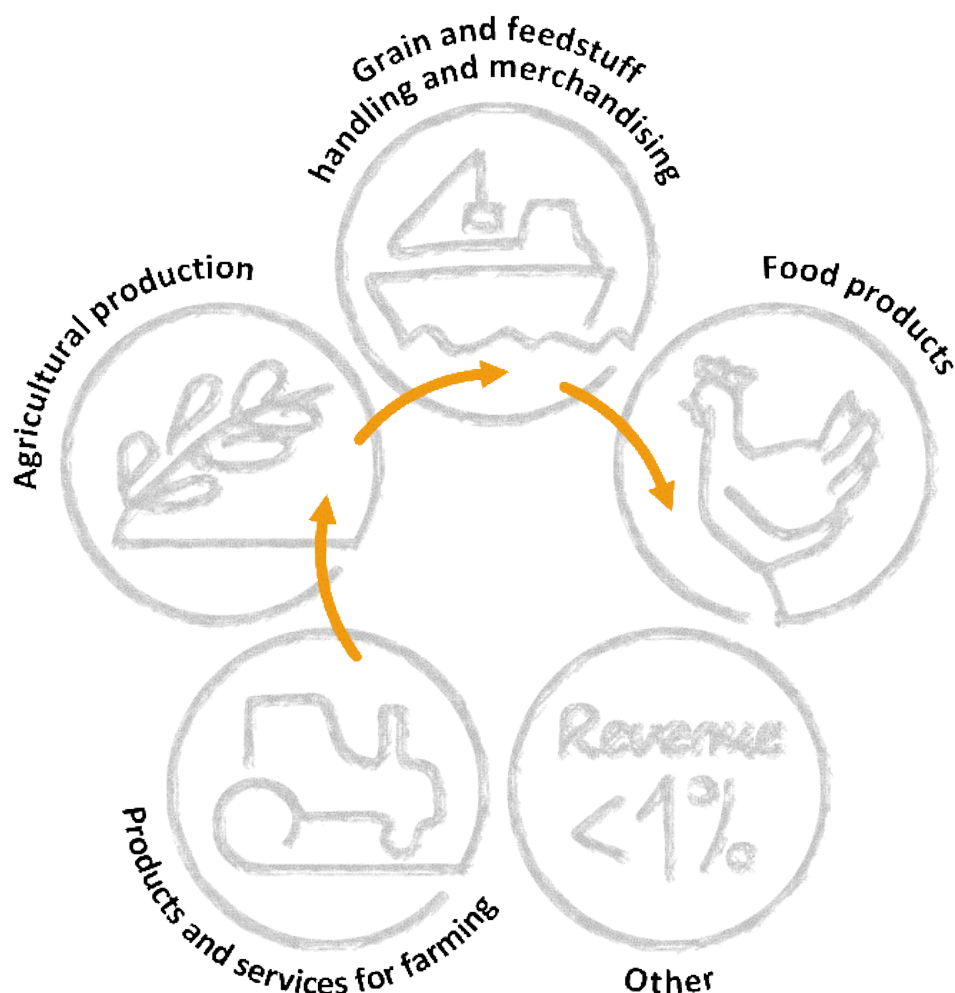


THE MAIN ACTIVITY

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 "Linas Agro" by EUR 26 million	Notification on material event	EN, Lt

OTHER EVENTS DURING THE REPORTING PERIOD

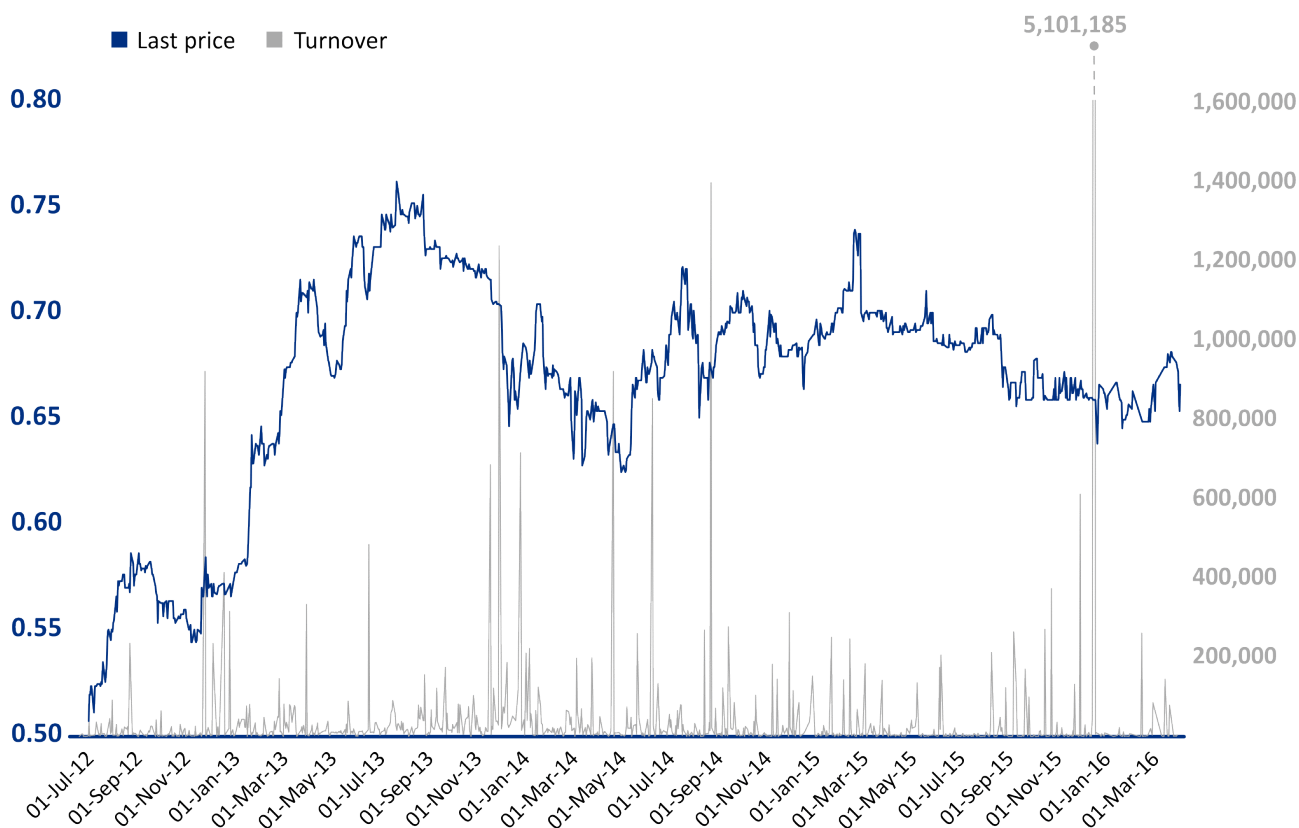
21/03/2016	The authorized capital of ŽŪB Landvesta 5 was increased from 681,475.91 to 706,500 euros.
Jan-Mar 2016	The authorized capital of Panevėžys District Žibartonių ŽŪB was increased from 913,098.50 to 1,856,898.50 euros by contribution of Užupės ŽŪB.
Jul 2015- Mar 2016	The authorized capital of 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