



1st Quarter 2017 Earnings Webcast

May 16, 2017

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This press release contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about us and our industry. These forward-looking statements can be identified by words or phrases such as “anticipate,” “forecast”, “believe,” “continue,” “estimate,” “expect,” “intend,” “is/are likely to,” “may,” “plan,” “should,” “would,” or other similar expressions.

The forward-looking statements included in this press release relate to, among others: (i) our business prospects and future results of operations; (ii) the implementation of our business strategy, including our development of the Ivinhema project; (iii) our plans relating to acquisitions, joint ventures, strategic alliances or divestitures; (iv) the implementation of our financing strategy and capital expenditure plan; (v) the maintenance of our relationships with customers; (vi) the competitive nature of the industries in which we operate; (vii) the cost and availability of financing; (viii) future demand for the commodities we produce; (ix) international prices for commodities; (x) the condition of our land holdings; (xi) the development of the logistics and infrastructure for transportation of our productions in the countries where we operate; (xii) the performance of the South American and world economies; (xiii) weather and other natural phenomena; (xiv) the relative value of the Brazilian Real, the Argentine Peso, and the Uruguayan Peso compared to other currencies; and (xv) developments in, or changes to, the laws, regulations and governmental policies governing our business, including environmental laws and regulations.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may turn out to be incorrect. Our actual results could be materially different from our expectations. In light of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this press release might not occur, and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, inclusive, but not limited to, the factors mentioned above. Because of these uncertainties, you should not make any investment decision based on these estimates and forward-looking statements.

The forward-looking statements made in this press release related only to events or information as of the date on which the statements are made in this press release. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events.

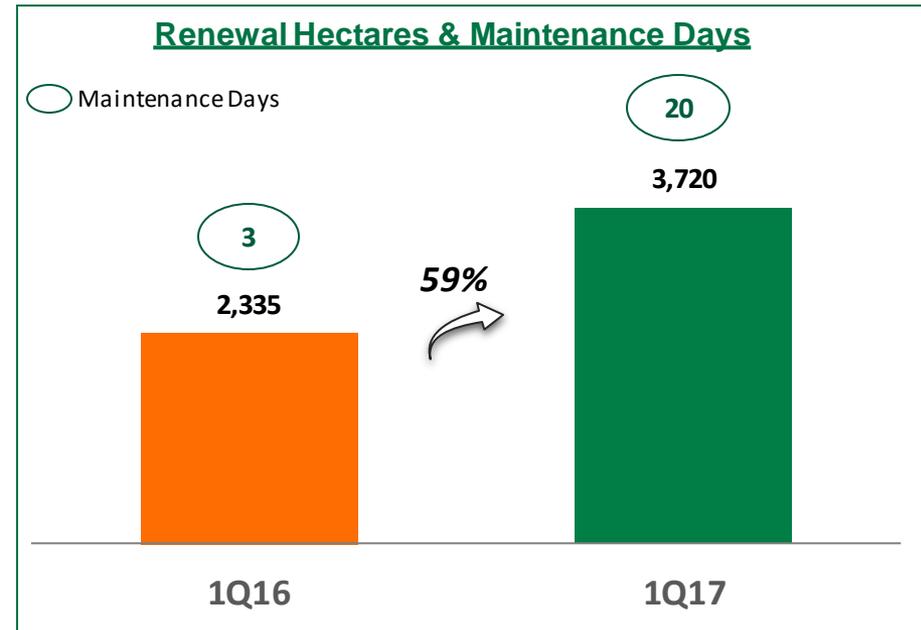
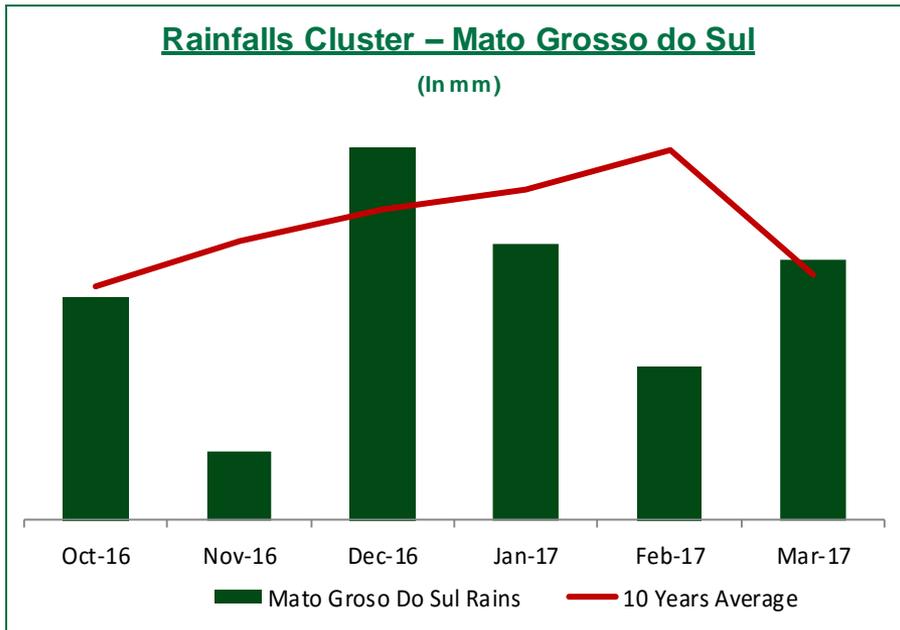
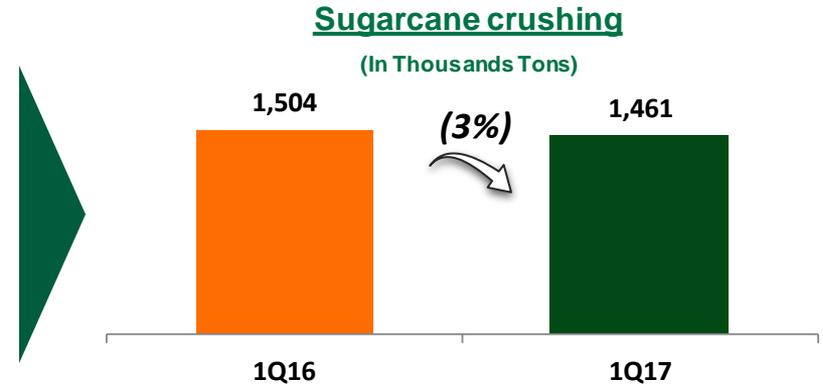
Sugar, Ethanol & Energy Business





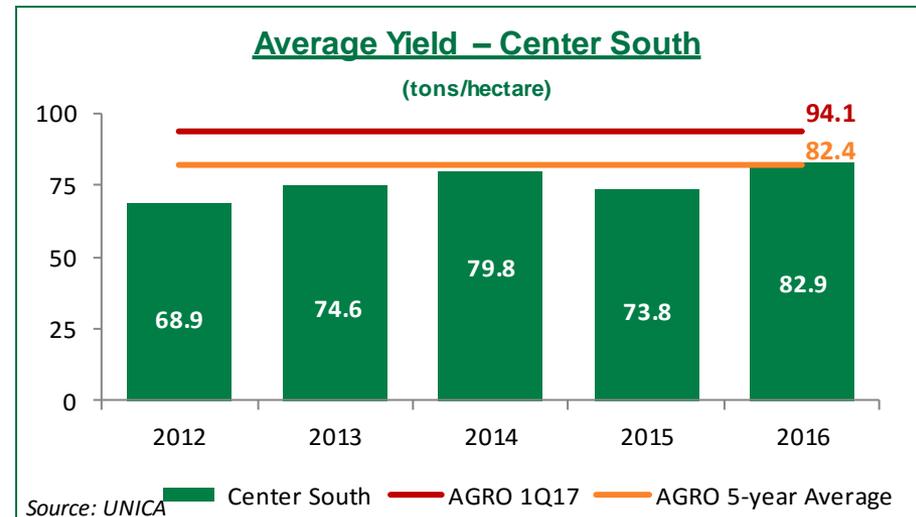
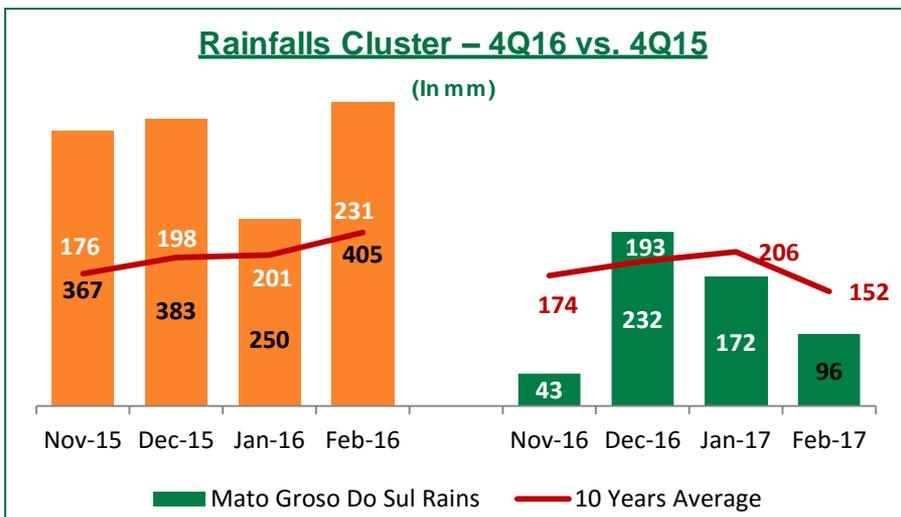
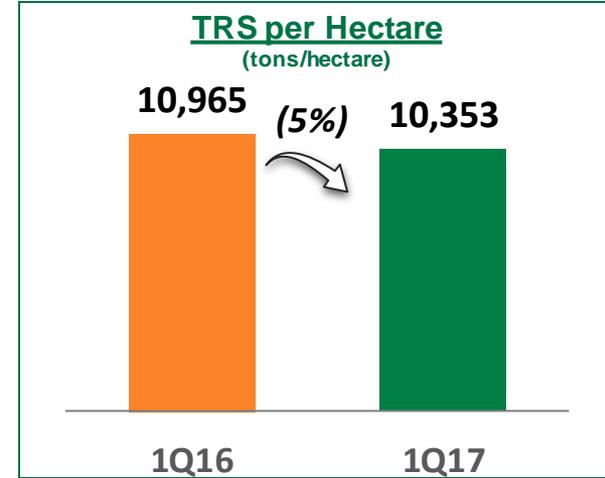
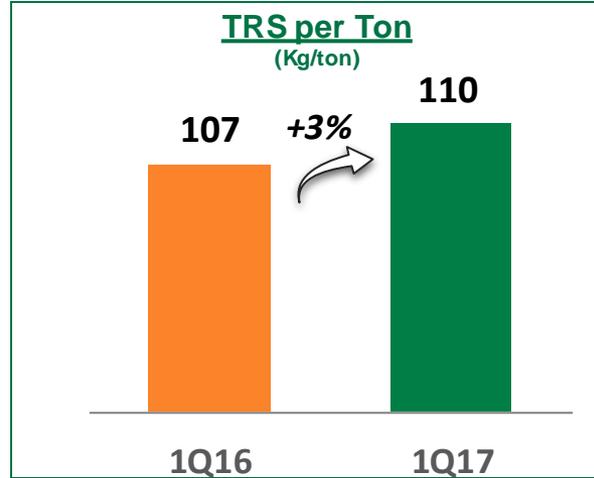
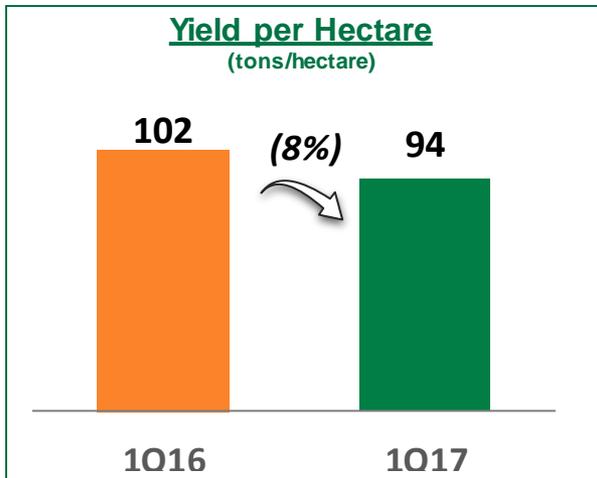
We decided to slowdown the pace of milling up to the same level as last year and accelerate the maintenance of equipment, machinery and sugarcane renewal

Operational Metrics			
Operational Metrics	1Q17	1Q16	% Change
Total Days	90	91	(1%)
Effective Milling Days	38	40	(3%)
Total Crushing (thousands tons)	1,461	1,504	(3%)
Milling per Day (thousands tons)	38	38	0%

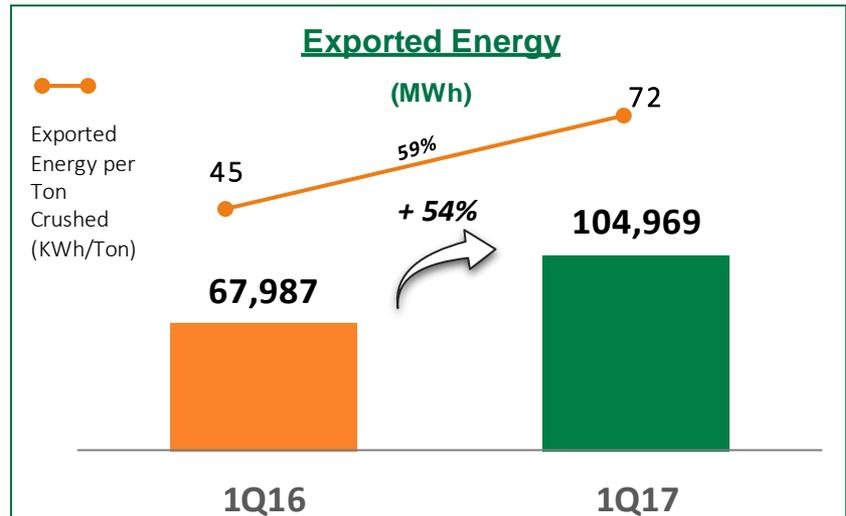
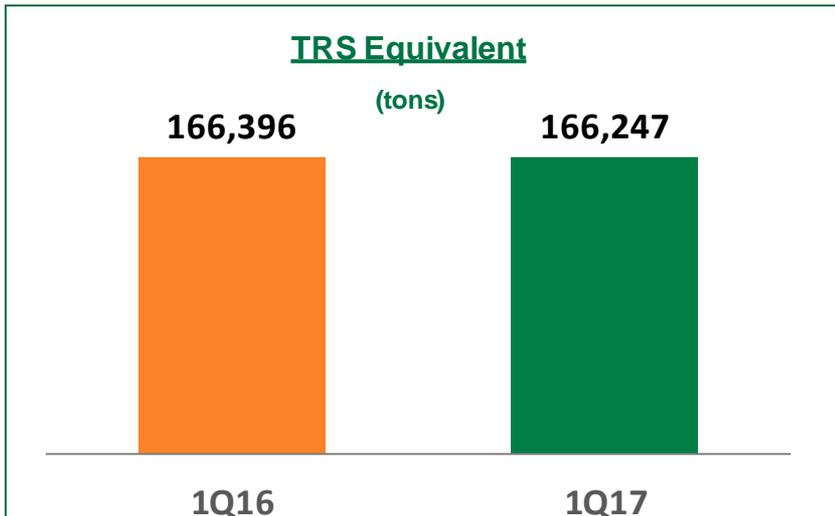
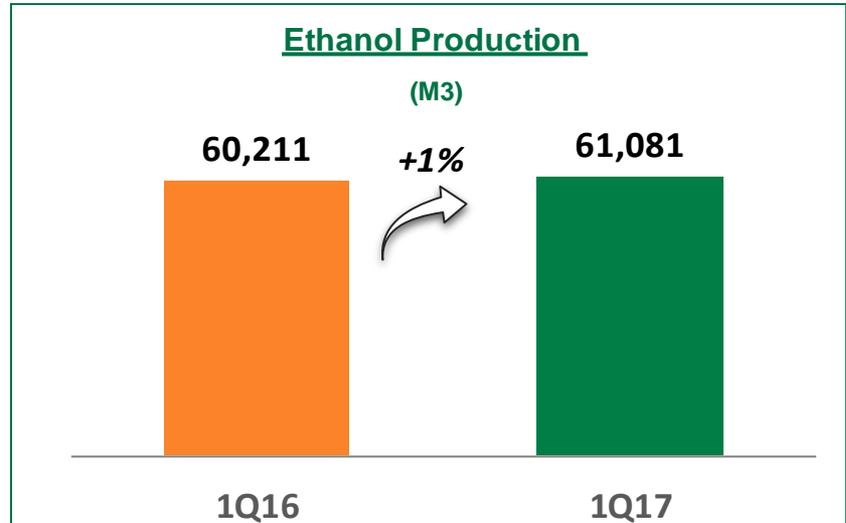
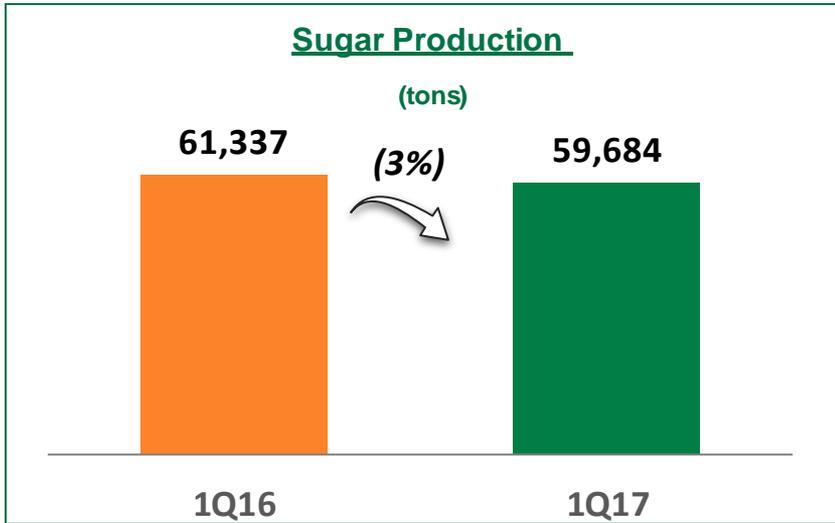




Sugarcane productivity was lower as a result of dry weather, but remains relatively high compared to Center-South

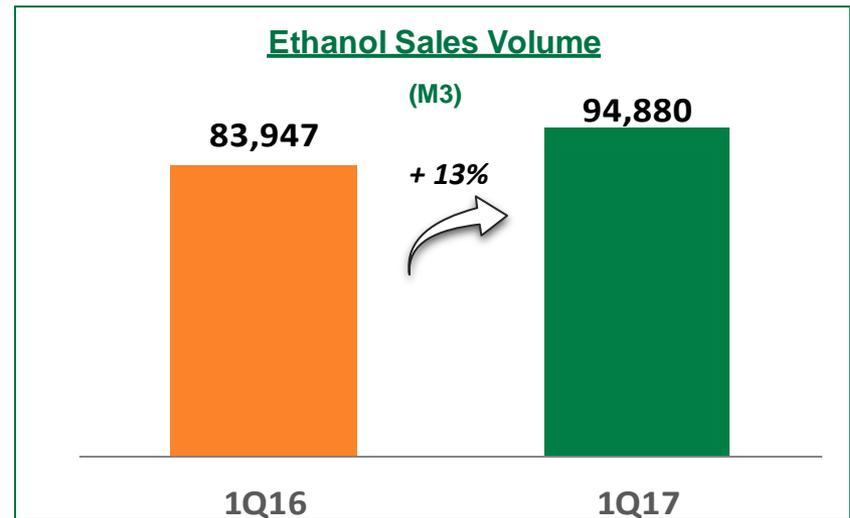
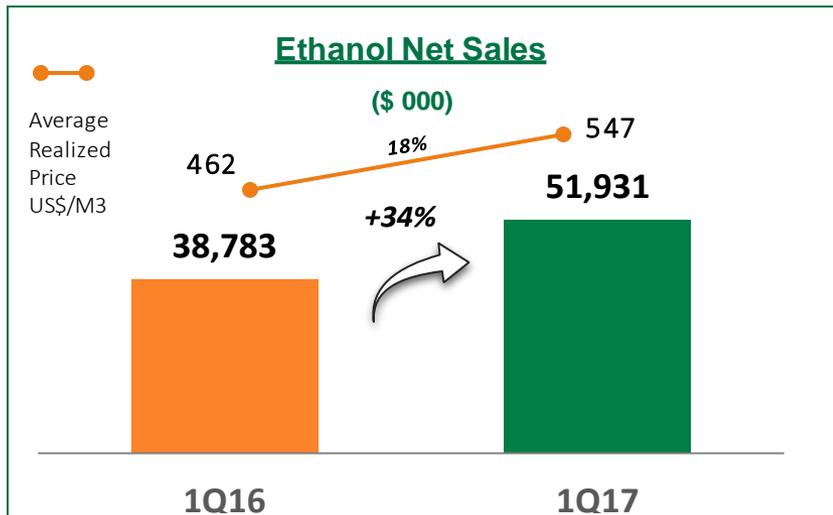
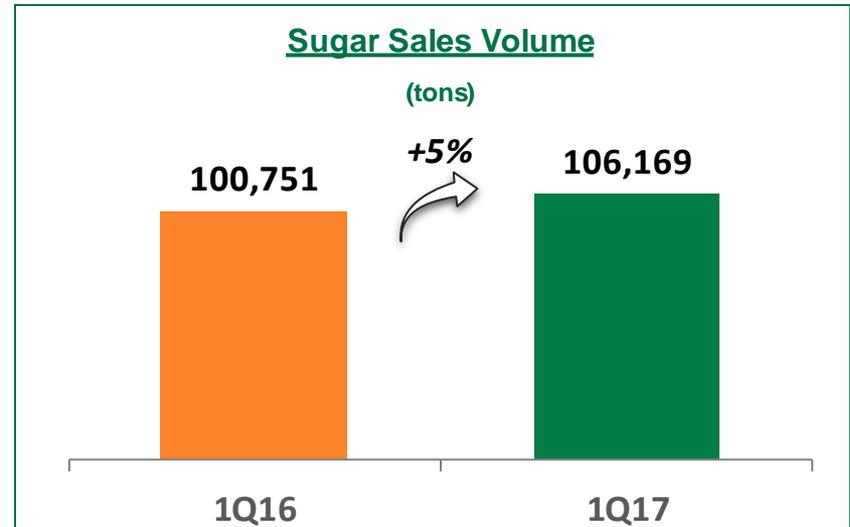
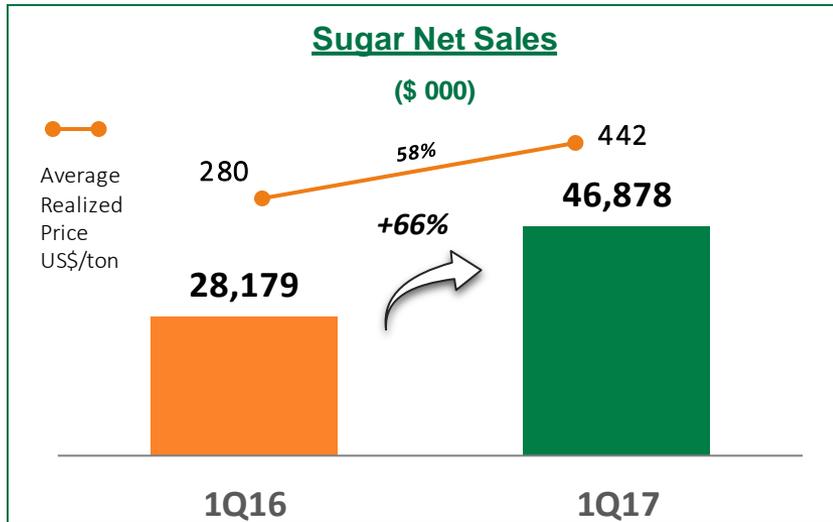


Sugar & Ethanol production was in line with 1Q16, while Energy production grew 54%

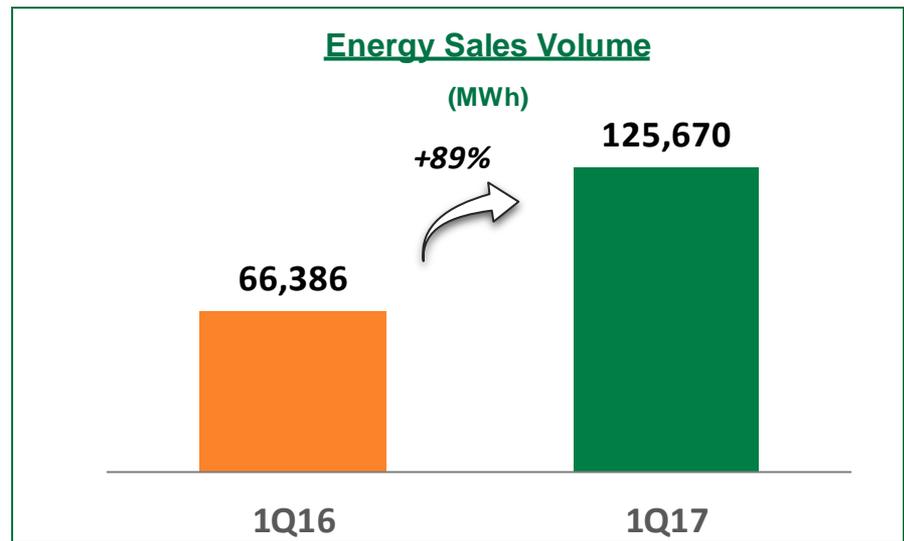
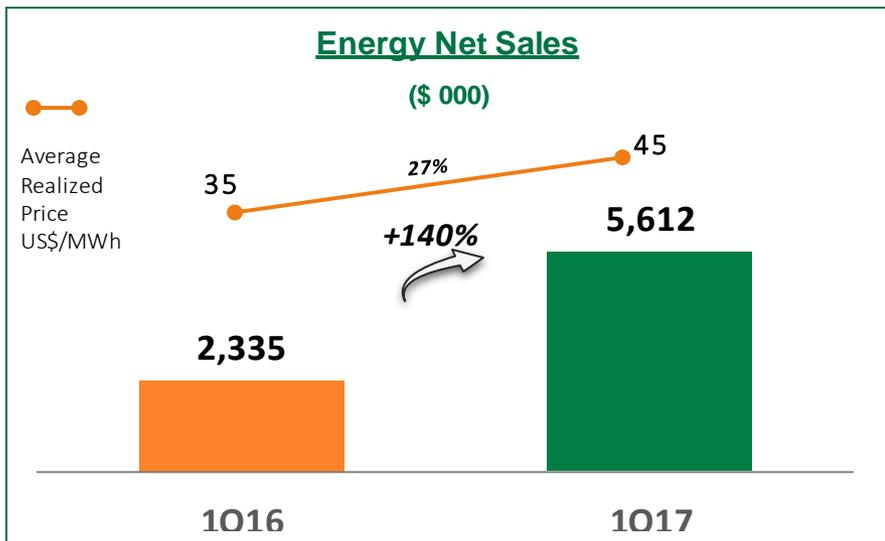
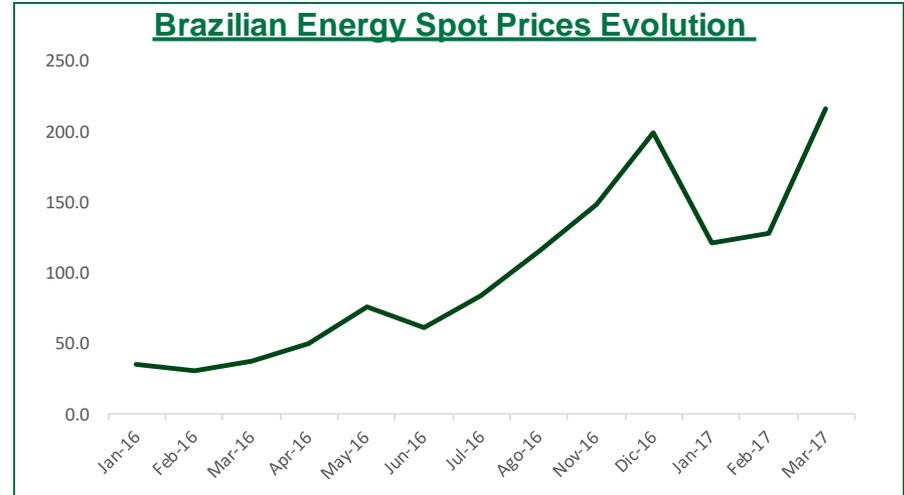
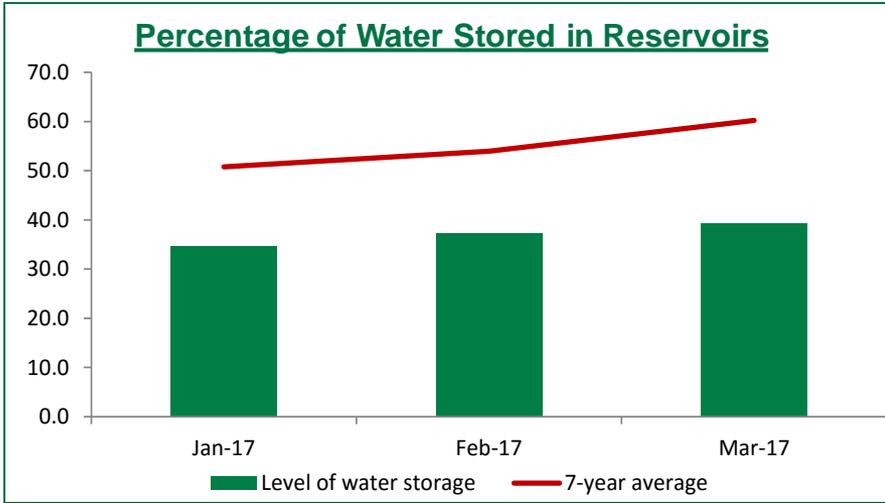




Sugar and Ethanol sales have increased significantly driven by higher selling volumes and higher realized prices



Cogeneration prices have begun to rally driven by low levels of water stored in reservoirs



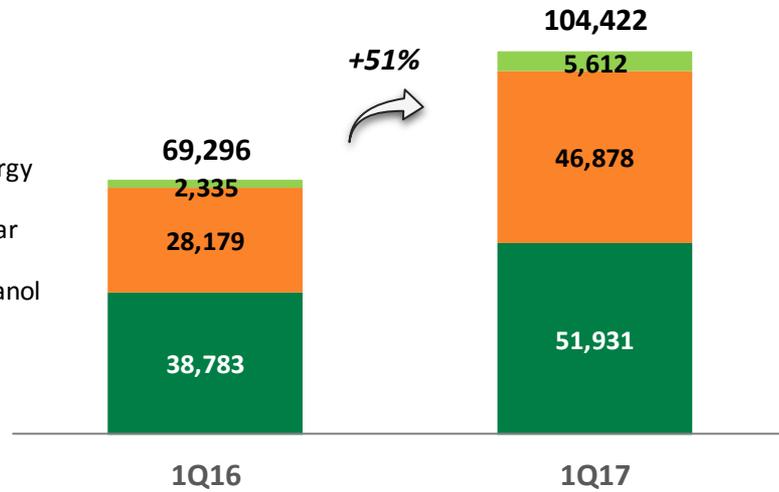


Profitability was boosted by higher prices, sales volumes and hedging gains

Net Sales 1Q

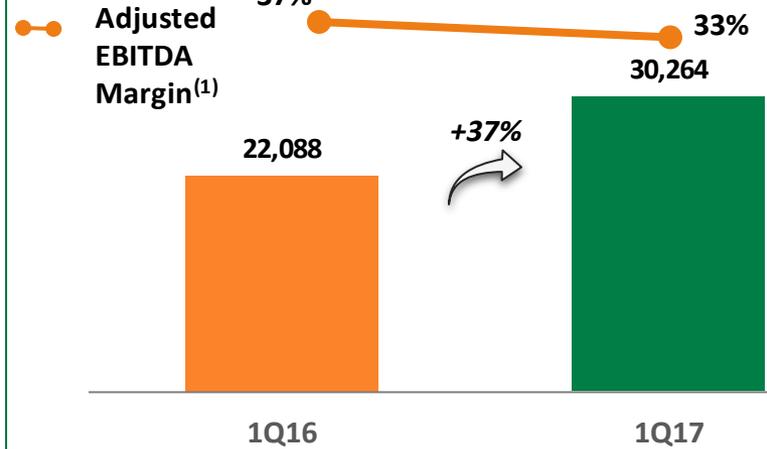
(\$ '000)

- Energy
- Sugar
- Ethanol



Adjusted EBITDA & EBITDA Margin 1Q

(\$ '000)



(1) Net of third party commercialization

A large stream of golden corn kernels is falling from a red metal chute. The kernels are in motion, creating a blurred trail as they fall against a clear blue sky. The chute is on the left side of the frame, and the kernels are falling towards the bottom right. The overall scene is bright and clear, suggesting a sunny day.

Farming Business

Abundant rains during crop development have enhanced crop productivity. Corn and Soy harvest is underway

Farming Production Data									
Planting & Production	Planted Area (hectares)			2016/17 Harvested Area			Yields (Tons per hectare) ⁽³⁾		
	2016/17	2015/16	Chg %	Hectares	% Harvested	Production	2016/17	2015/16	Chg %
Soybean	55,215	59,474	(7.2%)	7,359	13.3%	28,255	3.8	3.2	19.5%
Soybean 2 nd Crop	29,243	28,903	1.2%	546	1.9%	1,855	3.4	2.5	37.5%
Corn ⁽¹⁾	44,998	38,663	16%	6,644	14.8%	44,679	6.7	6.3	7.6%
Corn 2 nd Crop	9,982	3,994	149.9%	-	0.0%	-	-	3.9	-
Wheat ⁽²⁾	38,008	32,396	17.3%	38,007	100.0%	115,336	3.0	2.3	32.8%
Sunflower	5,413	9,547	(43.3%)	5,329	98.4%	9,698	1.8	1.8	3.0%
Cotton	2,121	-	n.a	-	0.0%	-	-	0.7	-
Total Crops	184,980	172,976	6.9%	57,885	31.3%	199,823			
Rice	39,728	37,580	5.7%	39,392	99.2%	233,937	5.9	5.1	16.5%
Total Farming	224,708	210,556	6.7%	97,277	43.3%	433,760			
Owned Croppable Area	121,260	120,065	1.0%						
Leased Area	64,223	57,595	11.5%						
Second Crop Area	39,224	32,896	19.2%						
Total Farming Area	224,708	210,556	6.7%						

(1) Includes sorghum and peanuts

(2) Includes barley.

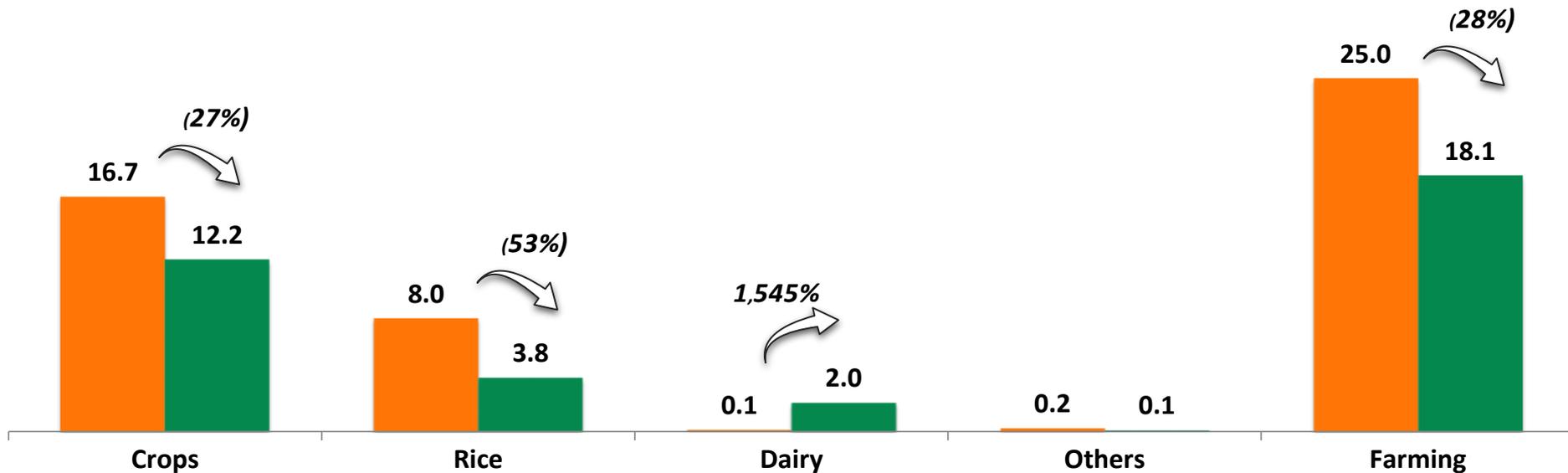
(3) Yields for 2016/17 season are partial yields related to the harvested area as of April 30, 2017. Yields for 2015/16 reflect the full harvest season.

Note: Some planted areas may reflect minor adjustments compared to previous reports due to a more accurate area measurement, which occurred during the current period.

1Q17 Adjusted EBIT has been negatively impacted by the delay in planting and harvesting activities. Margin recognition was skewed towards 2Q and 3Q



Farming Adjusted EBIT 1Q17
(\$ millions)





Financial Performance





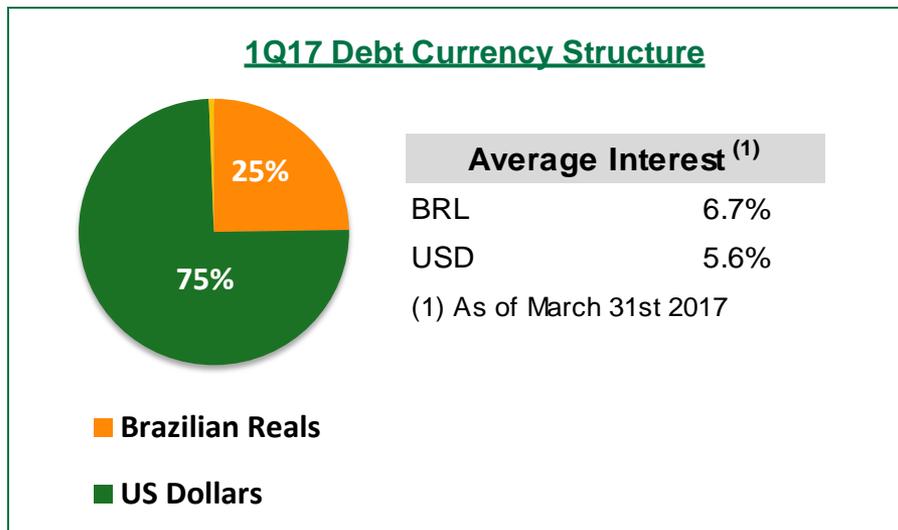
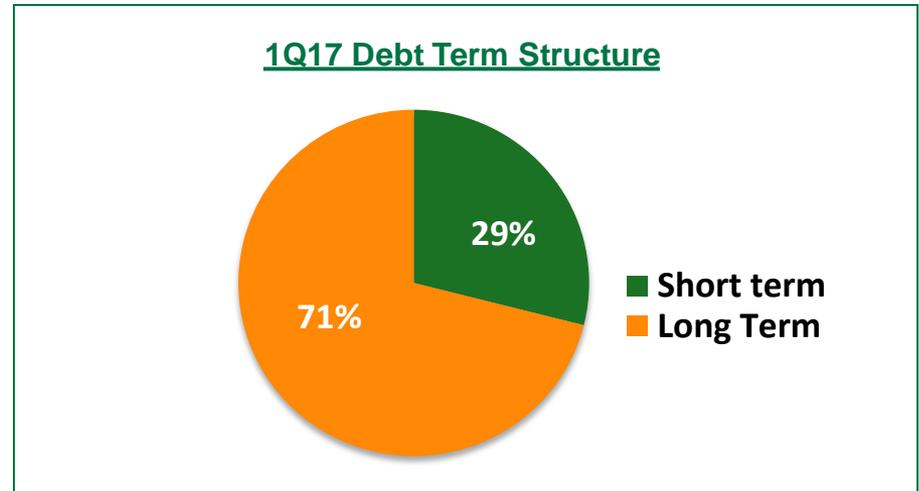
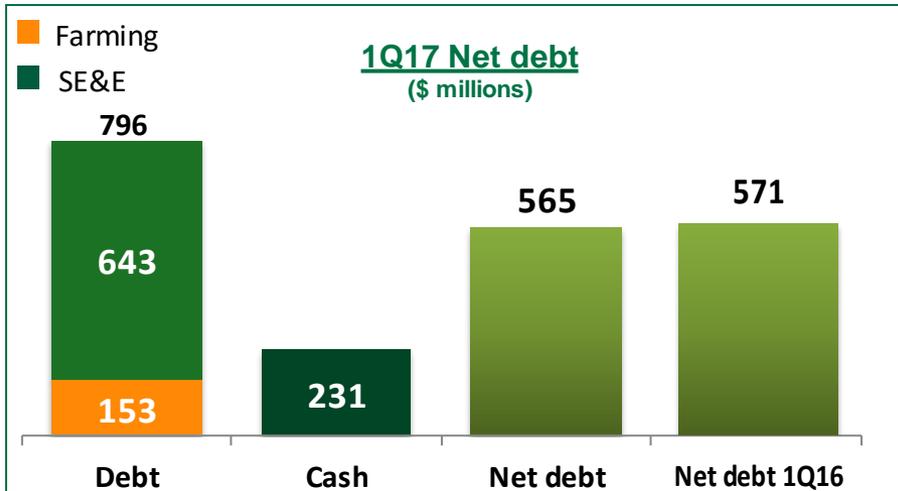
Financial Performance continues increasing year by year, as we improve efficiencies in each one of our businesses and become the lowest cost producers

Area & Production	2011	2012	2013	2014	2015	2016	1Q16	1Q17	Chg%
Farming Planted Area (hect.) ⁽¹⁾	192,207	232,547	219,305	224,343	210,556	224,708	224,343	210,556	(6.1%)
Sugarcane Planted Area (hect.)	65,308	85,663	99,409	124,412	130,637	136,384	124,412	130,637	5.0%
Farming Production (tons) ⁽²⁾	666,589	738,847	699,179	848,843	804,397	941,784	468,802	376,936	(19.6%)
Sugarcane Crushing (tons)	4,168,082	4,488,935	6,417,951	7,232,827	8,335,447	11,114,509	376,936	468,802	24%
Net Sales	2011	2012	2013	2014	2015	2016	1Q16	1Q17	Chg%
Farming & Land Transformation	270,766	322,368	327,163	315,837	273,692	272,543	47,933	55,439	15.7%
Sugar, Ethanol & Energy	258,939	271,447	297,265	378,633	374,977	568,820	69,296	104,422	50.7%
Total	529,705	593,815	624,428	694,470	648,669	841,363	117,229	159,861	36.4%
Adjusted EBITDA	2011	2012	2013	2014	2015	2016	1Q16	1Q17	Chg%
Farming & Land Transformation	67,444	68,647	88,942	85,234	70,282	53,962	26,204	19,651	(25.0%)
Sugar, Ethanol & Energy	109,507	97,505	115,239	153,503	168,842	265,044	22,088	30,264	37.0%
Corporate	(26,885)	(25,442)	(23,478)	(23,233)	(21,776)	(20,957)	(5,079)	(5,158)	1.6%
Total	150,066	140,710	180,704	215,504	217,348	298,049	43,213	44,757	3.6%
Adjusted EBITDA Margin	28.3%	23.7%	28.9%	31.0%	33.5%	35.4%	36.9%	28.0%	(24.0%)

(1) Planted Area for 2016/17 season

(2) Total Production for the 2016/17 season

Net debt stands at \$565 million as of March 31, 2017



We have identified several accretive expansion opportunities with highly attractive returns

- ▶ ***Sugar, Ethanol & Energy business:*** the expansion of our cluster in Mato Grosso do Sul, as announced in our 4Q16 Earnings Release, is currently underway and being executed according to schedule
 - **Angelica mill**
 - ✓ Larger mill rollers already installed. Capacity has increased by 0.9 million tons
 - ✓ Installment of larger sugar centrifuge and ethanol filter
 - ✓ Efficiency enhancements at industry and sugarcane logistics
 - **Ivinhema mill**
 - ✓ Building the foundations for the new mill tandem
- ▶ ***Farming business:*** we have identified several growth opportunities
 - **Dairy business:** Plan to invest \$50.0 million over the next four years to build free-stalls #3 and #4
 - **Rice business:**
 - ✓ Construction of parboiling plant
 - ✓ New packaging machine for branded white rice
 - ✓ Expansion of storage capacity
 - ✓ Rice husk baling press
 - ✓ Rice bran oil de-activation system
 - **Crops business:**
 - ✓ Construction of two storage and conditioning facilities to enhance grain logistics

Thank you!



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