2Q11

2Q11
Earnings Release
Conference Call

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Tel: (877) 317-6776
Participants calling from the US

Tel: +1 (412) 317-6776
Participants calling from other countries

Access Code: Adecoagro

Investor Relations
Charlie Boero Hughes
CFO

Hernan Walker
IR Manager

Email
ir@adecoagro.com

Website
www.adecoagro.com

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Adecoagro recorded Adjusted EBITDA of $65.5 million in 2Q11, $56.7 million higher than 2Q10

Luxembourg, August 16th, 2011 – Adecoagro S.A. (NYSE: AGRO, Bloomberg: AGRO US, Reuters: AGRO.K), one of the leading agricultural companies in South America, announced today its results for the second quarter of 2011. The financial and operational information contained in this press release is based on unaudited condensed consolidated interim financial statements presented in U.S. dollars and prepared in accordance with International Financial Reporting Standards (IFRS).

Highlights

Financial & Operating Performance						
$ thousands	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Gross Sales	176,619	102,951	71.6%	234,871	155,301	51.2%
Adjusted EBITDA (1)						
Farming & Land Transformation	22,954	8,985	155.5%	43,709	22,813	91.6%
Sugar & Ethanol	49,442	7,156	591.0%	44,001	4,162	957.2%
Corporate Expenses	(6,870)	(7,352)	(6.6%)	(11,846)	(12,076)	(1.9%)
Total Adjusted EBITDA	**65,526**	**8,789**	**645.5%**	**75,864**	**14,899**	**409.2%**
Net Income	12,736	(53,764)	-	28,097	(70,580)	-
Farming Planted Area (Hectares)	192,207	183,454	4.8%	192,207	183,454	4.8%
Sugarcane Plantation Area (Hectares)	59,647	53,613	11.3%	59,647	53,613	11.3%

- Adecoagro recorded Adjusted EBITDA of $65.5 million in 2Q11 (adjusted EBITDA margin of 37.1%), representing a 645.6% increase compared to 2Q10.
- 6M11 Adjusted EBITDA stands at $75.9 million (adjusted EBITDA margin of 32.3%), $61.0 million or 409.2% higher than 6M10.
- Gross Sales in 2Q11 reached $176.6 million, 71.6% higher than 2Q10.

(1) Please see "Reconciliation of Non-IFRS measures" starting on page 25 for a reconciliation of Adjusted EBITDA and Adjusted EBIT to Profit/Loss. Adjusted EBITDA is defined as consolidated profit from operations before financing and taxation, depreciation, amortization and unrealized changes in fair value of long-term biological assets (sugarcane, coffee and cattle). Adjusted EBIT is defined as consolidated profit from operations before financing and taxation, and unrealized changes in fair value of long-term biological assets (sugarcane, coffee and cattle). Adjusted EBITDA margin and Adjusted EBIT margin are calculated as a percentage of gross sales.

- Farming and Land Transformation businesses' Adjusted EBITDA grew 155.5% in 2Q11 compared to 2Q10, from $9.0 million to $23.0 million. This increase was mainly driven by an increase in planted area and a significant increase in commodity prices.
- Adecoagro's Sugar, Ethanol and Energy business began its 2011 milling operations during the beginning of 2Q11. Sugarcane crushing volume as of 2Q11 has increased 41.3% compared to 2Q10, mainly as a result of the completion of the Angelica mill which is now operating at full capacity of 900 tons/hr compared to 726 tons/hr in 2010. Our 2Q11 Adjusted EBITDA for the segment has far exceeded that of the previous year, reaching $49.4 million, 591.0% higher than the $7.2 million obtained in 2Q10, with an Adjusted EBITDA margin of 49.4%.
- Net income in 2Q11 totaled $12.7 million, $66.5 million above 2Q10, mainly due to the substantial improvement in the Sugar, Ethanol and Energy business. Net income in 2Q10 was negatively impacted by a non-cash loss of $67.2 million generated by a decrease in the fair value of the sugarcane plantation (unrealized changes in fair value of long term biological assets).
- Given the seasonality of the business, Adjusted EBITDA tends to vary from quarter to quarter. In an average year, considering normal sales distribution and price fluctuations, we would expect the first quarter to contribute the least to the full year Adjusted EBITDA, since it would only reflect sugar and ethanol inventory sales, as well as both biological growth and a portion of the harvest of our summer crops and rice. During the second quarter, as most of our crops are harvested and the sugarcane harvest season starts, we expect to record the highest Adjusted EBITDA. During the third quarter, Adjusted EBITDA will primarily reflect the results of the Sugar, Ethanol and Energy business. This is the period when the sugar content of cane reaches its highest levels. Lastly, during the fourth quarter Adjusted EBITDA would reflect the conclusion of the sugarcane harvest season, the harvest of our winter crops and the biological growth of our planted summer crops and rice.

Market Overview

- Unfavorable climatic conditions during the development of the US crop planting had a significant impact across agricultural commodity prices. With tight inventories and growing demand for many commodities, corn prices led the way up during the second half of May 2011. USDA's Grain Stock data reported corn stocks on June 2011, at only 3.67 billion bushels, 15% below June 2010 stocks, but well above market estimates. Acreage report was also bearish for corn as it showed plantings of 92.3 million acres, up 1.6 million from June's WASDE. During the second quarter, strong physical demand for sugar and logistical bottlenecks, led to a tight supply and demand scenario. The situation was exacerbated by the late start of the Brazilian harvest as well as concerns about the country's final production number, which caused a strong upside reaction in both sugar and ethanol prices.

Strategy Execution

- Our Sugar, Ethanol and Energy expansion plan is moving forward on schedule. On June 27, 2011, our subsidiary, Ivinhema Agroenergia, obtained the necessary environmental license to start the construction and assembly of the Ivinhnema mill in the State of Mato Grosso do Sul, Brazil. On August 4, 2011, we held the ground breaking ceremony celebrating the commencement of the construction of the mill. Mr. Andre Puccinelli, Governor of Mato Grosso do Sul, and other government officials, participated in the ceremony, demonstrating the support of the state government. We expect the Ivinhema mill to start milling operations during the first half of 2013, reaching 2.0 million tons of nominal crushing capacity during that year, and gradually increasing capacity up to 6.3 million tons by 2017.

- The construction of our fourth rice mill located in Santa Fe, Argentina, is advancing as planned. Assembly of storage silos and drying facilities has been completed during the first quarter. As of June 30, 2011, the mill has received, dried and stored 26.7K tons of rough rice produced at the San Joaquin farm. During 2Q11 we started assembling milling quipment. Rice milling operations began in August 2011.

Recent Developments

- As mentioned in our 1Q11 earnings release, on April 27, 2011, the President of Argentina submitted to Congress a bill of law that seeks to establish restrictions on foreign ownership of rural land in Argentina. The bill of law, together with other proposals related to the same subject, is currently under review by the relevant commissions of the Argentine National Congress.
- On July 12, 2011, our two mills, Angélica Agroenergia Ltda. and Usina Monte Alegre Ltda. were registered by the United States Environmental Protection Agency (EPA) as renewable fuel producers under the EPA's RFS2 program. The RFS2 program is an initiative developed by the EPA that lays the foundation for achieving significant reductions of greenhouse gas emissions from the use of renewable fuels, for reducing the United States' petroleum imports and encouraging the development and expansion of the United States' renewable fuels sector. Sugarcane-based ethanol has been recognized as an advanced biofuel in the RFS2 program, thereby creating an increasing market in the United States for Brazilian sugarcane ethanol production. The registration of our two mills by the EPA further evidences our commitment to sustainable production of renewable fuels and our strategy of becoming a leading player in the global sugar, ethanol and energy market.
- In early July, most sugarcane plantations in the Southern and Western areas of the main growing region in Brazil, representing around 20% of total production in Center/South Brazil, were inflicted with frost. The impact in the affected areas is a temporary interruption of sugarcane plant development followed by losses in the sugar content. In the affected regions, between 20% and 60% of plantations suffered damage. We estimate that 30% of our plantations at Angélica were affected to some degree, leading to an estimated loss of 3% of sugarcane volume coupled with a 6% lower sugar content in the areas remaining to be harvested.

Operating Performance

Farming Business

Farming Production Data

Planting & Production	*Planted Area (hectares)*			*2010/2011 Harvested Area*			*Yields (Tons per hectare)*		
	2010/2011	**2009/2010**	**Chg %**	**Hectares**	**% Harvested**	**Production (tons)**	**2010/2011 [1]**	**2009/2010 [2]**	**Chg %**
Soybean	57,815	62,443	(7.4%)	57,815	100.0%	147,547	2.6	3.1	(17.4%)
Soybean 2nd Crop	32,311	25,079	28.8%	31,132	96.4%	50,919	1.6	1.9	(16.1%)
Corn [3]	28,178	30,577	(7.8%)	20,286	72.0%	112,497	5.5	6.1	(9.6%)
Corn 2nd Crop	3,516	4,040	(13.0%)	637	18.1%	2,026	3.2	4.0	(19.8%)
Wheat [4]	28,029	26,332	6.4%	28,029	100.0%	92,799	3.3	2.3	42.4%
Sunflower	9,943	14,784	(32.7%)	9,943	100.0%	20,916	2.1	1.2	80.9%
Cotton	3,242	425	662.7%	686	21.2%	2,596	3.8	2.5	50.6%
Total Crops	**163,033**	**163,680**	**(0.4%)**	**148,528**	**91.1%**	**429,300**	**2.9**	**3.2**	**(9.9%)**
Rice	27,542	18,142	51.8%	27,542	100.0%	172,034	6.2	5.1	23.5%
Coffee (perennial) [5]	1,632	1,632	-	1,146	81.6%	2,300	2.0	1.8	10.8%
Total Farming	**192,207**	**183,454**	**4.8%**	**177,216**	**92.2%**	**603,634**	**3.4**	**3.4**	**1.0%**
Owned Croppable Area	118,686	106,626	11.3%	108,715	91.6%	-	-	-	-
Leased Area	37,694	47,709	(21.0%)	36,732	97.4%	-	-	-	-
Second Crop Area	35,827	29,119	23.0%	31,769	88.7%	-	-	-	-
Total Farming Area	**192,207**	**183,454**	**4.8%**	**177,216**	**92.2%**	**-**	**-**	**-**	**-**

	Milking Cows (Average Heads)			Milk Production (MM of liters)			Productivity (Liters per cow per day)		
Dairy	**2Q11**	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**
Milk Production	4,381	3,994	9.7%	11.4	9.5	19.3%	28.6	26.3	8.8%

	Processed Rice (thousand tons)		
Rice	**2Q11**	**2Q10**	**Chg %**
Processed Rice	54.0	34.4	57.0%

(1) Yields of harvested area until 30/06/2011
(2) Full harvest season yields
(3) Includes sorghum
(4) Includes barley
(5) Percentage of harvested area is calculated over a total of 1,405 hectares, since 227 hectares have been pruned and will not be harvested in the current season
Note: Some planted areas may reflect immaterial adjustments compared to our 1Q11 Earnings Report due to a more accurate area measurement occurred during the period.

2010/11 Harvest Year

As of June 30, 2011, 92.2% of Adeocagro's 192.2K planted hectares were successfully harvested. Harvest of cotton, some late varieties of corn, most of the corn double crop and some soybean double crop and coffee areas will be concluded during 3Q11.

Wheat: The harvest was completed and reported in 1Q11 earnings report.

Sunflower: The harvest was completed and reported in 1Q11 earnings report.

Soybean: As of June 30, 2011, 100% of soybean first crop was harvested. Average yield was 2.6 tons/ha, 17.4% lower than the previous harvest year. The main reason for this reduction was the lack of rain and high temperatures between February 20 and March 20, 2011. The crops were developing as expected before that date, but as a result of harsh weather conditions during the end of February and the end of March, the grain-filling process was negatively affected. Conversely, the 2009/10 harvest year was good for soybean yields due to even rain distribution throughout the growth cycle.

Soybean Second Crop: The harvest of second crop soybean was almost finished by the end of June 2011, with 96.4% of total area harvested. The lack of rain and high temperatures between February 20 and March 20, 2011, also impacted this crop during plant flowering, an earlier growth stage. As a result, the number of soy pods per plant was reduced decreasing the yield by 16.1% compared to the previous harvest year.

Corn: As of June 30, 2011, the harvested area for corn totaled 20.3K hectares, 72.0% of the total planted area. The average yield obtained by the end of 2Q11 was of 5.5 tons/ha, 9.6% lower than the previous harvest year. The lower yield was the result of lack of rains during November 2010 through January 2011. We expect final yields for this crop to be in line with the current average yield.

Corn Second Crop: As of the end of 2Q11, only 0.6K hectares had been harvested. Given the lack of rains during the critical growth stage of the crop, we expect yield performance to remain below that of the previous harvest year.

Cotton: Planted area increased by 662.7%, from 425 hectares in 2009/10 harvest year to 3,242 hectares during the 2010/11 harvest year. As of June 30, 2011, 21.2% of the planted area was harvested, achieving yields of 3.8 tons/ha, 50.6% above the previous harvest year. The crop is developing normally and we expect final yields to be in line with current yields.

Rice: The harvest of 27.5K hectares of rice was completed by the end of the 2Q11. Rough rice production reached 172.0K tons during the 2010/11 harvest year, 87.6% higher than 2009/10. This increase in production is a result of a 51.8% expansion in planted area, driven by the transformation of San Joaquin farm and the acquisition of Dinaluca Farm and a 23.5% improvement in yield compared to the previous harvest year.

Coffee: 81.6% of our coffee plantation was harvested as of June 30, 2010. Harvest is expected to continue until mid September. Yields for the harvested area stand at 2.0 tons per hectare, 10.8% higher than the previous harvest year. We expect yields for the remaining area to be in line with current yields. This yield increase reflects the fine tuning of our production technology to adapt to western Bahia, a new productive frontier for frost free coffee production.

2011/12 Harvest Year

During the end of 2Q11, Adecoagro began its 2011/12 harvest year activities. 38.6K hectares of wheat were successfully planted and Adecoagro expects to plant an additional 5.5K hectares, which would represent an increase of 56.9% in wheat planted area compared to the 2010/11 harvest year.

Sugar, Ethanol & Energy Business

Sugar, Ethanol & Energy - Selected Production Data

S&E	2Q11	2Q10	% Chg	6M11	6M10	% Chg
Crushed Cane (Tons)	1,673,855	1,184,981	41.3%	1,673,855	1,284,408	30.3%
Own Cane	1,583,427	1,147,946	37.9%	1,583,427	1,242,819	27.4%
Third Party Cane	88,729	37,035	139.6%	88,729	41,589	113.3%
Sugar (Tons)	77,041	46,041	67.3%	77,041	49,013	57.2%
Ethanol (M3)	69,266	58,312	18.8%	69,266	62,923	10.1%
Exported Energy (MWh)	89,898	35,577	152.7%	89,898	39,195	129.4%
Expansion & Renewal Area (Hectares)	2,993	2,840	5.4%	5,985	7,998	(25.2%)
Harvested Area (Hectares)	17,790	10,331	72.2%	17,790	11,430	55.6%
Sugarcane Plantation (Hectares)	59,647	53,613	11.3%	59,647	53,613	11.3%

Despite the late start in the harvest season, and lower than expected yields and sucrose content across all of Brazil, Adecoagro's Sugar, Ethanol and Energy business has made significant progress from 2Q10 to

2Q11. With the UMA mill and Angelica mill operating at full capacity, crushed cane volume has substantially increased, from 1.18 million tons in 2Q10 to 1.67 million tons in 2Q11. As a result, sugar, ethanol and electricity production has shown a marked increase in 2Q11, compared to 2Q10. The construction and assembly of the Angelica Mill was completed at the end of 2010, which means that during 2011, the mill has been operating at its full capacity of 900 tons of sugarcane per hour. However, at the moment, our cane supply is insufficient for the mill to make full use of its installed capacity throughout the entire harvest year. As Adecoagro continues expanding its sugarcane plantations, full capacity will be gradually utilized. As shown in the table above, Adecoagro's sugarcane plantation has increased by 11.3%, from 2Q10 to 2Q11.

Financial Performance

Farming & Land Transformation Businesses

Farming & Land transformation business - Financial highlights						
$ thousands	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Gross Sales						
Farming	76,512	67,442	13.4%	125,811	103,961	21.0%
Total Gross Sales	**76,512**	**67,442**	**13.4%**	**125,811**	**103,961**	**21.0%**
Adjusted EBITDA						
Farming	22,954	8,985	155.5%	43,709	22,813	91.6%
Land Transformation	-	-	-	-	-	-
Total Adjusted EBITDA	**22,954**	**8,985**	**155.5%**	**43,709**	**22,813**	**91.6%**
Adjusted EBIT						
Farming	21,327	7,834	172.2%	41,067	20,478	100.5%
Land Transformation	-	-	-	-	-	-
Total Adjusted EBIT	**21,327**	**7,834**	**172.2%**	**41,067**	**20,478**	**100.5%**

Adjusted EBIT[(1)] from the Farming and Land Transformation businesses increased 172.2%, from $7.8 million in 2Q10 to $21.3 million in 2Q11. 6M11 Adjusted EBIT stands at $41.1 million, 100.5% higher than the same period of the previous year. This increase in performance is the result of the increase in rice production, the improvement in wheat and sunflower yields and significantly higher commodity prices across all crops. These factors were partially offset by lower than expected soybean and corn yields.

(1) Please see "Reconciliation of Non-IFRS measures" starting on page 25 for a reconciliation of Adjusted EBITDA and Adjusted EBIT to Profit/Loss. Adjusted EBITDA is defined as consolidated profit from operations before financing and taxation, depreciation, amortization and unrealized changes in fair value of long-term biological assets (sugarcane, coffee and cattle). Adjusted EBIT is defined as consolidated profit from operations before financing and taxation, and unrealized changes in fair value of long-term biological assets (sugarcane, coffee and cattle). Adjusted EBITDA margin and Adjusted EBIT margin are calculated as a percentage of gross sales.

Adecoagro uses the Adjusted EBIT performance measure rather than Adjusted EBITDA to compare its different farming businesses. Different farming businesses or production models may have more or less depreciation or amortization based on the ownership of fixed assets employed in production. Consequently, similar type costs may be expensed or capitalized. For example, Adecoagro's farming business in Argentina is based on a "contractor" production model, wherein Adecoagro hires planting, harvesting and spraying services from specialized third party machine operators. This model minimizes the ownership of fixed assets, thus, reducing depreciation and amortization. On the other hand, operating fees are expensed increasing production costs. The Adjusted EBIT controls for such differences in business models and allows for a more comparable benchmark.

Crops

Crops - Highlights							
	metric	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Gross Sales	*$ thousands*	50,378	45,195	11.5%	76,149	60,020	26.9%
	thousand tons	195.6	203.0	(3.6%)	305.2	307.3	(0.7%)
Adjusted EBITDA	*$ thousands*	17,354	4,270	306.4%	35,030	17,676	98.2%
Adjusted EBIT	***$ thousands***	**17,053**	**3,833**	**344.9%**	**34,372**	**16,739**	**105.3%**
Area under production (1)	*Hectares*	127,206	134,561	(5.5%)	127,206	134,561	(5.5%)

(1) Does not include second crop planted area

Adjusted EBIT from our Crops segment increased 344.9%, from $3.8 million in 2Q10 to $17.1 million in 2Q11. Adjusted EBIT in the same period grew from 8.4% to 33.9%. Adjusted EBIT for the period 6M11 was $34.4 million, 105.3% higher than 6M10, with an Adjusted EBIT margin of 45.1%. This considerable growth is primarily a result of higher prices for most agricultural commodities such as soybean, corn and sunflower, accompanied by the higher wheat and sunflower yields obtained in the 2010/11 harvest year.

Crops - Sales Breakdown									
	2Q11	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**
Crop		***thousand $***			***thousand tons***			***$ per unit***	
Soybean	35,312	35,406	(0.3%)	125.6	139.4	(9.9%)	281.2	254.0	10.7%
Corn(1)	6,187	7,444	(16.9%)	42.3	52.1	(18.8%)	146.1	142.9	2.3%
Wheat	5,536	914	505.6%	20.0	6.3	218.1%	276.5	145.2	90.4%
Sunflower	2,255	1,090	106.9%	6.9	3.9	76.8%	325.9	278.4	17.1%
Cotton	787	-	-	0.3	-	-	2,848.1	-	-
Barley	121	164	(26.3%)	0.5	1.3	(62.4%)	243.1	123.9	96.2%
Others	180	176	2.0%	-	-	-	-	-	-
Total	**50,378**	**45,195**	**11.5%**	**195.6**	**203.0**	**(3.6%)**	-	-	-

(1) Includes sorghum.

Note: Prices per unit are a result of the averaging of different local market prices such as FAS Rosario (Arg), FOB Nueva Palmira (Uru) and FOT Luis Eduardo Magalhaes (BR).

Aggregate volume sold during 2Q11 was very similar to volume sold in 2Q10. Wheat and sunflower sales increased while soybean and corn sales decreased, reflecting the yield performance the crops had in the 2010/11 harvest year relative to the previous harvest year. However, due to a general price increase in agricultural commodities, crop gross sales increased by 11.5%.

Crops - Changes in Fair Value Breakdown

6M11	metric	Soy	Soy 2nd Crop	Corn	Corn 2nd Crop	Wheat	Sunflower	Cotton	Total
2010/11 harvest year									
Planting plan (a+b+c+d+e)	*Hectares*	57,815	32,311	28,178	3,516	28,029	9,943	3,242	163,033
Area remaining to be planted (a)	*Hectares*	-	-	-	-	-	-	-	-
Planted area in initial growing stages (b)	*Hectares*	-	-	-	-	-	-	-	-
Planted area with significant biological growth (c)	*Hectares*	-	1,179	7,892	2,879	-	-	2,555	14,505
Changes in Fair Value 2011 from planted area 2010/2011 with significant biological growth (i)	*$ thousands*	-	(94)	2,606	(28)	-	-	2,589	5,074
Area harvested in previous period (d)	*Hectares*	9,284	412	12,198	-	28,029	9,943	-	59,866
Area harvested in current period (e)	*Hectares*	48,531	30,720	8,088	637	-	-	686	88,662
Changes in Fair Value 2011 from harvested area 2010/11 (ii)	*$ thousands*	15,099	8,224	6,422	307	(17)	1,914	8	31,956
Total Changes in Fair Value 6M11 (i+ii)	***$ thousands***	**15,099**	**8,130**	**9,028**	**279**	**(17)**	**1,914**	**2,597**	**37,030**
Total Changes in Fair Value 1Q11	***$ thousands***	**10,289**	**2,572**	**7,975**	**(29)**	**(17)**	**1,914**	**1,055**	**23,759**
Total Changes in Fair Value 2Q11	***$ thousands***	**4,810**	**5,558**	**1,053**	**308**	**-**	**-**	**1,542**	**13,271**

The table above shows the gains or losses from crop production generated during the 6M11. Biological growth of 2010/11 summer crops that had not been harvested as of June 30, 2011, generated initial recognition and changes in fair value of biological assets and agricultural produce (“Changes in Fair Value”) of $5.1 million in 6M11. Crops harvested during 6M11, such as corn, soy, soy double crop and cotton, generated Changes in Fair Value of $32.0 million. As a result, Changes in Fair Value for the 6M11 period $37.0 million, out of which $23.8 were recognized in 1Q11 and $13.3 in 2Q11.

Crops - Gain / Loss From Open Hedged Positions

Product	Type of contract	Exchange [1]	Volume (thousand tons)	Local hedge price $/ton	CBOT/ICE [2] equivalent cts/bu	Gain/loss booked up to Q2 2011 ($ thousands)
Soybean 2010/11	Forward	Argentina	30.2	315	1,305	(371)
	Forward	Uruguay	1.1	489	1,377	-
	Forward	Brasil	1.0	417	1,319	-
	Future	MATBA - Argentina	0.2	333	1,376	4
	Future	CBOT - USA	0.3	515	1,401	9
	Total/Weighted average price		**32.8**	**325**	**1309**	**(359)**
Soybean 2011/12	Future	MATBA - Argentina	14.3	314	1,342	111
	Future	CBOT - USA	19.0	502	1,366	503
	Total/Weighted average price		**33.3**	**421**	**1356**	**614**
Corn	Forward	Argentina	9.9	162	511	(134)
	Forward	Uruguay	2.5	315	844	(61)
	Future	CBOT - USA	8.9	670	670	197
	Total/Weighted average price		**21.2**	**392**	**616**	**2**
Sorghum	Forward	Argentina	1.1	172	645	-
Sunflower [3]	Forward	Argentina	0.1	394	N/A	-
Wheat 2010/11	Forward	Argentina	2.3	236	687	-
	Forward	Uruguay	0.3	312	811	-
	Total/Weighted average price		**2.6**	**245**	**701**	
Wheat 2011/12	Future	MATBA - Argentina	0.9	189	484	9
	Total/Weighted average price		**0.9**	**189**	**484**	**9**
Cotton [4]	Forward	Brasil	1.6	127	135	-
	Future	ICE - USA	0.1	146	146	45
	Total/Weighted average price		**1.7**	**128**	**135**	**45**
			93.8			**312**

1) Crops futures are traded in the Chicago Board of Trade (CBOT) and in the "Mercado a Término de Buenos Aires" (MATBA). Cotton futures are traded on the Intercontinental Exchange (ICE).
2) CBOT and ICE equivalent prices are estimated based on the basis, fobbing costs and export tax for each product on the day of execution of each contract. Crops prices are reflected in cents/bushel and cotton prices in cents/lb.
3) Sunflower contracts do not trade in CBOT or ICE.
4) Cotton prices are expressed in cents/lb.

As of June 30, 2011, open hedge positions stood at 93.8 thousand tons of crops. Gains and losses resulting from the mark-to-market at period end of all futures contracts and losses resulting from the mark-to-market of the portion of forward contracts that are linked to biological assets with significant biological growth are recorded in the Statement of Income. As a result of the decrease in commodity prices experienced since the initiation of each contract, we recognized as of 2Q11, an accumulated non-cash gain of $0.3 million from our open hedge positions.

Rice

Rice - Highlights	metric	2Q11	2Q10	Chg %	6M11	6M10	Chg %
Gross Sales	*$ thousands*	18,339	16,450	11.5%	33,919	30,921	9.7%
Adjusted EBITDA	*$ thousands*	(227)	(203)	(12.1%)	4,282	1,081	296.0%
Adjusted EBIT	***$ thousands***	**(1,193)**	**(704)**	(69.5%)	**2,931**	**131**	2,136.8%
Area under production	*hectares*	27,542	18,142	51.8%	27,542	18,142	51.8%
Rice Mills							
Own rough rice transferred to mills	thousand tons(1)	6	26.1	(77.0%)	160.0	42.7	274.9%
Third party rough rice purchases	thousand tons	25.9	8.3	212.9%	37.2	23.2	60.8%
Sales of Processed Rice	thousand tons	41.8	38.9	7.5%	80.6	68.6	17.4%
Ending stock	thousand tons	121.0	71.0	70.5%	121.0	71.0	70.5%

(1) Of rough rice equivalent.

The planted area for rice increased by 51.8%, from 18.1K hectares in 2009/2010 harvest year, to 27.5K hectares in 2010/2011. This expansion in planted area, together with a 23.5% improvement in yields, has led to a record production of 172.0K tons of rough rice, 87.6% above the previous harvest year.

Adjusted EBIT for 2Q11 was $(1.2) million, mainly due to a $(0.9) million downward adjustment to the 1Q11 estimated fair value of 3,046 hectares of rice, as a result of a lower than expected yield achieved (see page 11 - "Changes in Fair Value Breakdown"). In addition, due to the seasonality of the business, the profit generated at the farm level is captured during 4Q10, 1Q11 and 2Q11, and the profit from rice processing is mainly captured during 3Q11 and 4Q11, when most rice sales and exports are concentrated. In addition, rice drying costs are concentrated during 1Q11 and 2Q11 since rice needs to be dried and conditioned immediately after harvest. Adjusted EBIT for 6M11 is $2.9 million, significantly higher than 6M10.

In line with Adeocagro's expansion plan and seeking to keep up with the growth of our rough rice production driven by the expansion at the San Joaquín and Dinaluca farms, a fourth rice mill is being built in the province of Santa Fe. The new mill commenced drying and storage operations during 2Q11 and began milling brown rice during August 2011. White rice production is expected to begin during the 2011/12 harvest season.

Rice - Changes in Fair Value Breakdown		
2Q11	**metric**	**Rice**
2010/11 harvest year		
Planting plan (a+b+c+d+e)	*Hectares*	27,542
Area remaining to be planted (a)	*Hectares*	-
Planted area in initial growing stages (b)	*Hectares*	-
Planted area with significant biological growth (c)	*Hectares*	-
Changes in Fair Value 2Q11 from planted area 2010/2011 with significant biological growth (i)	*$ thousands*	-
Area harvested in previous period (d)	*Hectares*	24,496
Area harvested in current period (e)	*Hectares*	3,046
Changes in Fair Value 2Q11 from harvested area 2010/11 (ii)	*$ thousands*	(901)
Total Changes in Fair Value in 2Q11 (i+ii)	***$ thousands***	(901)

The 3,046 hectares of rice harvested during 2Q11 generated Changes in Fair Value of $(0.9) million as a result of a lower achieved yield compared to the estimated yield used to calculate the fair value of rice planted on those hectares as of March 31, 2011. These hectares were the last ones transformed and put into production in the San Joaquín farm. Therefore planting was delayed, making them highly susceptible to deteriorating climate conditions. Unfavorable weather conditions during the last stage of crop development decreased yield significantly. As a result, aggregate gains from Changes in Fair Value for the 2010/11 harvest year reach $15.1 million ($6.8 million booked in 4Q10, plus $9.2 million booked in 1Q11, plus $(0.9) million in 2Q11).

Dairy

Dairy - Highlights	metric	2Q11	2Q10	Chg %	6M11	6M10	Chg %
Gross Sales	*$ thousands*	4,520	3,482	29.8%	8,963	5,951	50.6%
	million liters	11.4	9.5	19.3%	22.5	17.6	27.8%
Adjusted EBITDA	*$ thousands*	68	800	(91.5%)	835	644	29.6%
Adjusted EBIT	***$ thousands***	**(47)**	**707**	-	**603**	**458**	**31.6%**
Milking Cows	*Average Heads*	4,381	3,994	9.7%	4,381	3,987	9.9%
Area under production	*hectares*	2,986	2,559	16.7%	2,986	2,559	16.7%

Milk production has reached 11.4 million liters in 2Q11 and 22.5 million in 6M11, respectively 19.3% and 27.8% higher than the same period last year. The increase as of 2Q11 is the result of a 9.7% increase in our milking cow herd, coupled with improved cow productivity, derived from a larger free stall dairy herd. Average productivity during 2Q11 was 28.6 liters per cow per day, compared to 26.3 liters in 2Q10. We expect cow productivity to continue increasing as cows continue to adapt to the free stall.

Despite the increase in production and cow productivity, enhanced by an increase in Argentine raw milk prices, from an average of $0.36 per liter in 2Q10 to an average of $0.38 per liter in 2Q11, Adjusted EBIT for 2Q11 was slightly negative and below that of 2Q10. The main reason for this loss is a sharp increase in production cost, specifically cow feed driven by increasing prices of corn and soy and by an increase in labor costs and the depreciation of the Argentine Peso. 6M11 Adjusted EBIT remains positive and 31.6% higher than 6M10.

Coffee

Coffee - Highlights								
	metric	2Q11	2Q10	Chg %	6M11	6M10	Chg %
Gross Sales	*$ thousands*	1,748	795	119.9%	3,917	4,019	(2.5%)
	tons	304	310	(1.9%)	1,063	1,508	(29.5%)
Adjusted EBITDA	*$ thousands*	4,456	2,904	53.5%	1,128	1,303	(13.4%)
Adjusted EBIT	***$ thousands***	**4,293**	**2,871**	49.5%	**847**	**1,250**	(32.2%)
Area under production	*hectares*	1,632	1,632	-	1,632	1,632	-

During the first quarter of the year we incurred significant expenses in soil preparation for an expansion of mechanized harvesting during the 2011 harvest. As a result of these investments, harvesting operations improved and allowed Adjusted EBIT to increase $7.7 million compared to 1Q11 and 49.5% compared to 2Q10. Adjusted EBIT was also positively impacted by a 10.8% increase in yields, from 1.8 tons/ha in 2Q10 to 2.0 tons/ha and also by the fact that a larger area of the plantation was harvested compared to 2Q10.

Coffee - Gain / Loss From Open Hedged Positions						
Product	Type of contract	Exchange / Delivery	Volume (thousand tons)	Local hedge price (cts/lb)	ICE equivalent (1)	Gain/loss booked up to Q2 2011 ($ thousands)
Coffee	Forward	Brasil	0.8	197	255	-
	Future	ICE - USA	1.4	269	269	113
	Weighted average price				**267**	
			2.2	**-**	**-**	**113**

1) ICE equivalent prices (expressed in cts/lb) are estimated based on the the basis and fobbing expenses on the day of execution of each contract.

As of June 30, 2011, our open hedge positions for coffee amounted to 2.2K tons. The decrease in coffee prices since the initiation date of each contract, generated an accumulated gain of $0.1 million, resulting from the mark-to-market of all futures contracts at period end.

Cattle

Cattle - Highlights	metric	2Q11	2Q10	Chg %	6M11	6M10	Chg %
Gross Sales	*$ thousands*	1,527	1,520	0.5%	2,863	3,050	(6.1%)
Adjusted EBITDA	*$ thousands*	1,303	1,214	7.3%	2,434	2,109	15.4%
Adjusted EBIT	***$ thousands***	**1,221**	**1,127**	8.3%	**2,314**	**1,900**	**21.8%**
Area under production	*heads sold*	**79,301**	**81,017**	(2.1%)	**79,392**	**83,154**	(4.5%)

Our cattle business consists mainly of leasing of land not suitable for crop production to a third party for cattle grazing activities. The payments received under this 10-year lease agreement are fixed in kilograms of beef per hectare and tied to the market price of beef. During 2Q11, Adjusted EBIT was entirely generated by the proceeds derived from the long term lease agreement, which has allowed Adecoagro to capture an 10.8% increase in beef prices during the last year.

Land transformation business

There were no farm sales closed during 2Q11 or 2Q10. However, land transformation is an ongoing process for Adecoagro, which consists of transforming undervalued and undermanaged land into its highest production capabilities. Adecoagro is currently engaged in the transformation of several farms, specially in the northeastern region of Argentina, where farms formerly used for cattle grazing are being successfully transformed into high yielding crop and rice farms.

Adecoagro continuously seeks to redeploy its capital by disposing of a portion of its fully developed farmland and by acquiring farms with higher potential for transformation. This allows Adecoagro to monetize the capital gains generated by land transformation and better allocate its capital to acquire land with higher transformation potential, thereby enhancing return on invested capital.

Sugar, Ethanol & Energy business

Sugar Ethanol & Energy - Highlights						
$ thousands	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Sales Angelica	82,326	17,809	362.3%	85,202	28,014	204.1%
Sales UMA	17,781	17,700	0.5%	23,858	23,326	2.3%
Total Sales	**100,107**	**35,509**	**181.9%**	**109,060**	**51,340**	**112.4%**
Gross Profit Manufacturing Activities - Angelica	37,816	4,729	699.6%	38,262	1,022	3,644.1%
Gross Profit Manufacturing Activities - UMA	3,466	4,090	(15.3%)	5,252	3,947	33.1%
Gross Profit Manufacturing Activities	**41,282**	**8,819**	**368.1%**	**43,514**	**4,969**	**775.7%**
Adjusted EBITDA Angelica	46,578	(2,819)	-	42,337	(2,867)	-
Adjusted EBITDA UMA	2,864	9,975	(71.3%)	1,664	7,029	(76.3%)
Total Adjusted EBITDA	**49,442**	**7,156**	**591.0%**	**44,001**	**4,162**	**957.2%**
Adjusted EBITDA Margin Angelica	56.6%	(15.8%)	-	49.7%	(10.2%)	-
Adjusted EBITDA Margin UMA	16.1%	56.4%	(71.4%)	7.0%	30.1%	(76.9%)
Adjusted EBITDA Margin Total	**49.4%**	**20.2%**	**145.1%**	**40.3%**	**8.1%**	**397.7%**

Adjusted EBITDA of our Sugar, Ethanol and Energy business increased by $42.3 million, from $7.2 million in 2Q10 to $49.4 million in 2Q11, with Adjusted EBITDA margin of 49.4% .

The growth in Angelica's Gross Sales, Adjusted EBITDA and its strong Adjusted EBITDA margin in this period are driven by the increase in crushing capacity as a result of the completion of the construction of the Angelica mill and due to the fact that Angelica sold anhydrous ethanol at very opportune prices. Although Angelica is currently operating at full capacity of 900 tons/hr, it is estimated to crush between 75% and 83% of its 4.0 million tons of nominal crushing capacity, since sugarcane supply will not suffice to utilize the mill at its full capacity for the entire 2011 harvest year.

On the other hand, 2Q11 Adjusted EBITDA margin of our UMA mill decreased from 56.4% in 2Q10, to 16.1% in 2Q11. The margin drop was caused by the later start of the harvest year, as well as lower cane yields and sucrose content compared to the same period of the previous year. In addition, the high Adjusted EBITDA and Adjusted EBITDA margin in 2Q10 is a result of a $5.6 million hedging gain. As the harvest year advances, we expect the UMA mill to capture similar margins to those of the previous year.

Sugar Ethanol & Energy - Sales Breakdown									
	$ thousands			**Units**			**($/ unit)**		
	2Q11	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**	**2Q11**	**2Q10**	**Chg %**
Sugar (tons)	37,668	9,869	281.7%	63,348	19,006	233.3%	595	519	14.5%
Ethanol (cubic meters)	49,479	22,717	117.8%	45,944	47,146	(2.5%)	1,077	482	123.5%
Energy (Mwh)	12,851	2,921	340.0%	146,020	41,495	251.9%	88	70	25.0%
Other	110	2	-	-	-	-	-	-	-
TOTAL	100,107	35,509	181.9%	-	-	-	-	-	-

In 2Q11, total sales of the business were 181.9% above that of 2Q10. Sales of Sugar, Ethanol and Energy have all more than doubled when compared to 2Q10. In the case of sugar and energy the increase in sales was a result of an increase in volumes sold coupled by slightly higher prices. Ethanol volume sold fell 2.5% compared to 2Q10, but was more than compensated by the strong rally in domestic ethanol prices, specifically anhydrous ethanol, allowing Adecoagro's ethanol sales in 2Q11 to grow 117.8% over 2Q10.

Sugar, Ethanol & Energy - Industrial indicators							
	metric	2Q11	2Q10	% Chg	6M11	6M10	% Chg
Milling Angelica	thousand tons	1,325	743	78.2%	1,325	788	68.2%
Milling UMA	thousand tons	349	442	(20.9%)	349	497	(29.7%)
Milling Total	**thousand tons**	**1,674**	**1,185**	**41.3%**	**1,674**	**1,284**	**30.3%**
Own sugarcane	%	94.6%	96.9%	(2.4%)	94.6%	96.8%	(2.2%)
Sugar mix in production	%	40.7%	32.4%	25.6%	40.7%	32.1%	26.9%
Ethanol mix in production	%	59.3%	67.6%	(12.3%)	59.3%	67.9%	(12.7%)
Energy per milled ton	Kwh/ton	54	31	75.4%	54	31	72.6%

A total of 1.7 million tons of sugarcane have been milled since the beginning of the harvest season. Total sugarcane crushed in Angelica Mill grew 78.7% compared to 2Q10, primarily driven by the completion of the construction of the Angelica Mill in August 2010, which is now milling at full capacity of 900 tons of sugarcane per hour. Sugarcane milled in UMA has decreased 24.8% compared to 2Q10 because the harvest season began earlier last year due to the amount of un-milled sugarcane left over from 2009.

Despite the strong increase in sugarcane crushing, owned sugarcane supply accounted for 94.6% of total cane milled during 2Q11, following our strategy of minimizing reliance on third party supply. The energy generated on a per ton basis grew from 31 Kwh/ton in 2Q10 to 54 Kwh/ton, reflecting the increased efficiency and fine tuning of cogeneration equipments at the Angelica mill. Sugar and Ethanol production mix stood at 40.7% and 59.3% respectively. The favorable price environment that anhydrous ethanol experienced during 2Q11 explains the higher percentage of ethanol in the production mix.

Sugar, Ethanol & Energy - Changes in Fair Value						
	2Q11			2Q10		
Biological Asset						
	$	***Hectares***	***$/hectare***	***$***	***Hectares***	***$/hectare***
(+) Sugarcane plantations at end of period	132,209,038	59,647	2,217	101,729,693	53,613	1,897
(-) Sugarcane plantations at begining of period	(152,283,457)	56,654	2,688	(163,087,354)	50,774	3,212
(-) Planting investment	(13,379,821)	2,993	4,471	(8,740,388)	2,840	3,078
(-) Exchange difference	(6,621,928)	-	-	1,610,277	-	-
Changes in Fair Value of Biological Assets	**(40,076,167)**	**-**	**-**	**(68,486,772)**	**-**	**-**
	-	-	-	-	-	-
Agricultural produce	-	-	-	-	-	-
	$	***Tons***	***$/ton***	***$***	***Tons***	***$/ton***
(+) Harvested own sugarcane transferred to mill	64,842,234	1,583,427	41	31,461,625	1,147,946	27
(-) Expenses	45,405,371	-	-	(28,278,977)	-	-
Changes in Fair Value of Agricultural Produce	**19,436,863**	**-**	**-**	**3,182,649**	**-**	**-**
Total Changes in Fair Value	**(20,639,304)**	**-**	**-**	**(65,304,000)**	**-**	**-**

In 2Q11, Total Changes in Fair Value of the Sugar, Ethanol and Energy business reached $(20.6) million, primarily as a result of a decrease in the fair value of our sugarcane plantations, from an average of $ 2,688 per hectare at the beginning of the period to $2,217 per hectare at period end, generating unrealized Changes in Fair Value of Biological Assets of $(40.1) million. The 17.5% decrease in valuation per hectare corresponds to a reduction in the amount of sugarcane on our fields as a consequence of the harvest performed during 2Q11. This unrealized non-cash loss was partially offset by a $19.4 million gain in current cane production (“agricultural produce”). 1.6 million tons of owned sugarcane were transferred during the period from the farms to the mills. The value of sugarcane transferred to the mill on a per ton basis increased 49.4% from 2Q10 to 2Q11 as a result of the increase in sugar and ethanol prices.

The main driver for the $65.3 million loss in 2Q10 was a decrease in the fair value of our sugarcane plantations, from an average of $3,212 per hectare at the beginning of the period to $1,897 per hectare at period end. The lower valuation per hectare resulted from (i) sugarcane harvested during the period to supply the mill; (ii) lower sugar prices projected in the DCF valuation model.

Agricultural Produce - Productive Indicators

	metric	2Q11	2Q10	% Chg	6M11	6M10	% Chg
Harvested own sugarcane	thousand tons	1,583	1,148	37.9%	1,583	1,243	27.4%
Harvested area	Hectares	17,790	10,331	72.2%	17,790	11,430	55.6%
Yield	tons/hectare	97	117	(17.2%)	97	120	(19.0%)
TRS content	kg/ton	118	126	(6.9%)	118	124	(5.3%)
Mechanized harvest	%	88.6%	71.3%	24.3%	88.6%	69.4%	27.8%

The table above shows productive indicators related to our owned sugarcane production ("Agricultural Produce") which is planted, harvested, and then transferred to our mills for processing. Sugarcane yields and sugar content in cane (TRS) are 17.2% and 6.9% below 2Q10 levels respectively. The low cane yield is a result of the lack of rains experienced during April to August of 2010, which was detrimental for sugarcane development. The fall in TRS is a consequence of the excessive rains during 1Q11. These two factors have impacted sugarcane production throughout Brazil's center-south region.

Following the expansion of our sugarcane plantation and increase in milling capacity, harvested cane and harvested area were up by 35.6% and 72.2%, respectively. The percentage of mechanized harvest has increased to 88.6%, increasing the efficiency of our harvesting operations.

Sugar, Ethanol and Energy - Gain / Loss From Open Hedge Positions

Product	Type of contract	Exchange	Volume (thousand tons)	Hedge price ($/lb)	Gain/loss booked in 2Q11 ($ thousands)
Sugar 2011	Forward July	-	40.6	0.23	-
	Forward October	-	9.0	0.23	-
	OTC July	-	20.3	0.18	1,946
	OTC October	-	28.3	0.24	16
	Swap October		2.0	0.24	(95)
	Total 2011	**-**	**100.2**	**0.22**	**1,867**
Sugar 2012	Forward May		17.1	0.24	-
	Swap July	-	5.1	0.24	(44)
	Total 2012	**-**	**22.2**	**0.24**	**(44)**
Product	**Type of contract**	**Exchange**	**Volume (m3)**	**Hedge price ($/m3)**	**Gain/loss booked in 2Q11 ($ thousands)**
Ethanol 2011	Forward July	-	3.0	650	-
	Forward August	-	3.0	650	-
	Total 2011	**-**	**6.0**	**650.0**	**-**

As of June 30, 2011, open hedge positions related to the 2011 harvest stood at 100.2 thousand tons of sugar and 6.0 thousand cubic meters of ethanol. Average hedge prices stood at $0.22/lb for sugar and

$650.0/m3 for ethanol. As of June 30, 2011, we also had 22.2 thousand tons of sugar related to the 2012 harvest, hedged at an average price of $0.24/lb. During 2Q11 we recorded gains of $1.8 million resulting from the mark-to-market of all sugar futures and OTC contracts at period end.

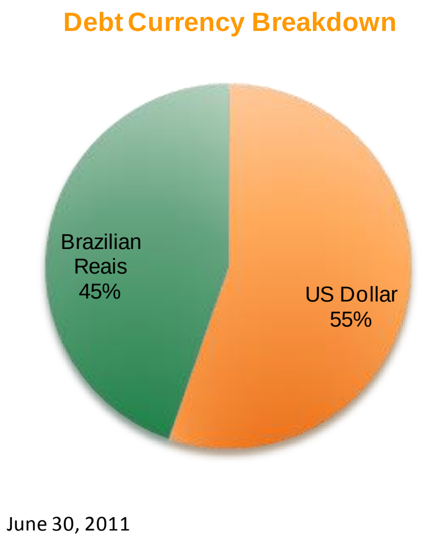
Indebtedness

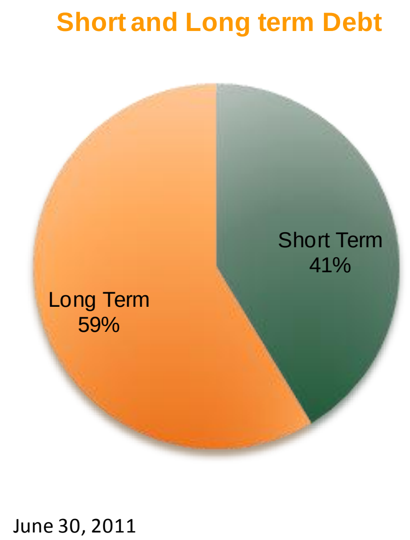
Debt Breakdown			
$ thousands	**2Q11**	**1Q11**	**Chg %**
Short Term Debt	**179,016**	**155,955**	**14.8%**
Farming	72,553	75,425	(3.8%)
Sugar, Ethanol & Energy	106,464	80,530	32.2%
Long Term Debt	**254,060**	**247,931**	**2.5%**
Farming	61,154	59,884	2.1%
Sugar, Ethanol & Energy	192,906	188,047	2.6%
Total Debt	**433,077**	**403,886**	**7.2%**
Cash & Equivalents	209,006	451,246	(53.7%)
Short Term Financial Investments (1)	258,716	-	-
Total Cash & ST Financial Investments	**467,722**	**451,246**	**3.7%**
Net Debt	**(34,645)**	**(47,360)**	**26.8%**

(1) Includes short term fixed term deposits and currency derivative instruments.

Adecoagro's gross indebtedness at the end of 2Q11 was $433.1 million, showing a 7.2% increase compared to the previous quarter. Cash proceeds generated by the sale of harvested crops have reduced the short term debt of the farming sector. On the Sugar, Ethanol and Energy side, short term debt has increased by 32.2% due to working capital needs for the initiation of the harvest year as well as to cover operational costs in the Angelica mill. We expect to reduce debt as we continue to produce and sell sugar, ethanol and electricity during the upcoming quarters.

Debt net of cash and short term financial investments, remained negative at $(34.6) million by the end of 2Q11. Short term financial investments include 48.0 million invested in a fixed term deposit and a $210.7 million position in an unlevered currency derivative instrument in order to hedge the Brazilian Reais denominated capital expenditures in connection with the construction of the Ivinhema mill.





Capital expenditures

Capital Expenditures						
$ thousands	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Farming & Land Transformation	**3,418**	**1,913**	**78.7%**	**6,603**	**4,398**	**50.1%**
Land Acquisitions	-	-	-	-	-	-
Land Transformation	579	1,348	(57.0%)	1,410	2,075	(32.0%)
Rice Mill Construction	2,252	118	1,801.4%	3,814	185	1,964.8%
Dairy Free Stall Unit	145	305	(52.4%)	145	860	(83.1%)
Others	441	142	211.3%	1,233	1,277	(3.5%)
Sugar, Ethanol & Energy	**20,066**	**14,565**	**37.8%**	**38,363**	**77,662**	**(50.6%)**
Sugar & Ethanol mills	6,687	5,824	14.8%	10,208	53,064	(80.8%)
Sugarcane Planting	13,380	8,740	53.1%	28,155	24,598	14.5%
Total	**23,484**	**16,478**	**42.5%**	**44,966**	**82,060**	**(45.2%)**

Adecoagro's capital expenditures during 2Q11 totaled $23.5 million, 42.5% higher than 2Q10. Over 85.0% of these expenditures were related to the expansion of our Sugar, Ethanol and Energy business, mainly the planting of 2,993 hectares of sugarcane to supply our mills. Capital expenditures made in our Farming and Land Transformation business were primarily investments made for the construction of the new rice mill in Santa Fe, Argentina, which began its milling operations during August 2011. Land Transformation investment is being mostly made for the development of new croppable hectares in the Adecoagro's rice farms.

Inventories

End of Period Inventories				
Product	***Metric***	**2Q11**	**2Q10**	**Chg %**
Soybean	*tons*	73,623	91,915	(19.9%)
Corn [(1)]	*tons*	39,377	51,607	(23.7%)
Wheat [(2)]	*tons*	34,431	21,156	62.7%
Sunflower	*tons*	2,592	10,086	(74.3%)
Cotton	*tons*	469	181	158.6%
Rough Rice	*tons*	120,995	70,963	70.5%
Coffee	*tons*	1,275	1,073	18.8%
Sugar	*tons*	15,419	28,452	(45.8%)
Ethanol	*m3*	23,373	15,265	53.1%

(1) Includes sorghum.

(2) Includes barley.

Variations in inventory levels between 2Q11 and 2Q10 are attributable to (i) changes in production volumes resulting from changes in planted area, production mix between different crops and yields obtained, (ii) different percentage of area harvested during the period, and (iii) changes in commercial strategy or selling pace for each product.

Forward-looking Statements

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.

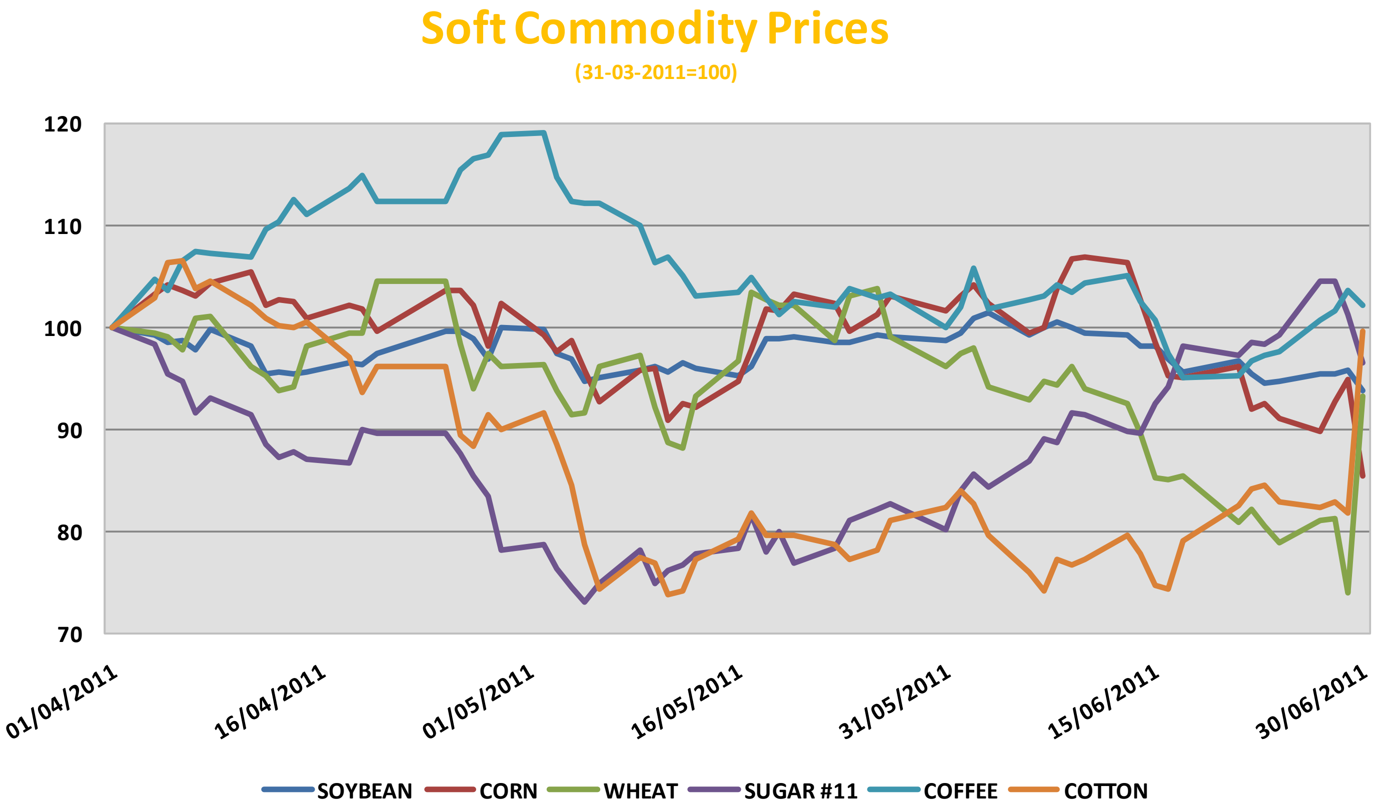
The forward-looking statements included in this press release relate to, among others: (i) our business prospects and future results of operations; (ii) weather and other natural phenomena; (iii) developments in, or changes to, the laws, regulations and governmental policies governing our business, including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

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.

Appendix

Market Outlook



Source: Thomson Reuthers

Corn:

- The July 2011 corn future contract on the Chicago Board of Trade (CBOT) had an average price of $7.32/bushel in 2Q11, representing a 9.3% increase compared to 1Q11 and a 106.2% increase compared to 2Q10.

- Excessive rains in the Midwest of the United States during April and May 2011 generated a delay in corn planting. USDA's Prospective Plantings report of June 30, 2011 indicated that corn planted acreage was 92.3 million acres, an increase of 1.6 million acres compared to June's WASDE report. Final figures are highly dependent on the impact of the floods that occurred in the Midwest of the United States during 2Q11, which will lower harvested area.

- According to a report published by the USDA on July 12, 2011 (July 12 USDA Report), global corn ending stocks increased by 3.4 MMT (million metric tons) month-over-month, due to an increase of 3.8 MMT in the United States.

- USDA's Grain Stocks report of June 30, 2011 showed that corn stocks on June 1, 2011 were 3.67 billion bushels, above market estimates of 3.29 billion bushels.

- USDA's current yield estimate is 158.7 bu/acre (below-trend), according to July 12 USDA Report. On August 8, 2011, the USDA National Agricultural Statistics Service reported that corn crop condition is 60% "good to excellent", compared to 71% a year before.

- The US Senate approved an amendment to end the $0.45/gallon subsidy the government gives American blenders and the $0.54/gallon import tariff on ethanol from Brazil and other countries. This amendment must still be approved by the House of Representatives and the President and there is consensus that the subsidy will not be eliminated before 2012.

- Frosts occurred in much of southern Brazil causing additional damage to immature second crop corn (safrinha). Corn harvest could be significantly reduced from the official 57.1 MMT calculated by the Companhia Nacional de Abastecimento (CONAB).

- The Bolsa de Cereales de Buenos Aires maintains its corn production estimate in Argentina at 21 MMT in 2010/11 crop.

Soybean:

- The average price for the July 2011 soybean future contract on CBOT was $13.61/bushel in 2Q11, representing a 1.5% decrease compared to 1Q11 and a 42.1% increase compared to 2Q10.

- According to the July 12 USDA Report, global soybean ending stocks for the 2010/11 crop increased by 1.3 MMT. In the United States, soybean ending stocks were reported 0.5 MMT higher and exports were lowered by the same amount.

- According to the July 12 USDA Report, 2011/12 soybean supply outlook in the United States was lowered by 1.6 MMT compared to a USDA report published in June. USDA expects a higher carry in for 2011/12, but global production (261.5 MMT) is lower by 1.3 MMT compared to 2010/11. Production risks remain in the US as yields and planted area are likely to decline year-over-year.

- The Grain Stocks report showed that soybeans stocks, as of June 1, 2011 stood at 619 million bushels, above market estimates of 592 million bushels.

- According to the Prospective Plantings report, US soybean acreage is calculated at 75.2 million acres, down 2% from the June's WASDE.

- USDA's current yield estimate is 43.4 bushels/acre, according to the July 12 USDA Report. As per USDA's Crop Progress report released on August 8, 2011, 61% of the soybeans are rated from "good to excellent", compared to 66% a year before.

- China is the world's largest soy importer. The USDA lowered its forecast for China's soybean imports from 54.0 to 52 MMT for 2010/11.

- South American soybean production will offset the decreased production in the Northern Hemisphere. Argentina's soybean production, according to the local Bolsa de Cereales de Buenos Aires, is estimated at 49.2 MMT with the harvest already finished. In Brazil, CONAB estimates a record 75 MMT harvest in 2010/11. According to Cámara Paraguaya de Exportadores de Cereales y Oleaginosas, Paraguay' soybean harvest reached 8.4 MMT in 2010/11.

Wheat:

- The July 2011 wheat future contract on CBOT had an average price of $7.45/bushel in 2Q11, a 5.6% decrease compared to 1Q11 and a 59.2% increase compared to 2Q10.

- Kansas, Texas and Oklahoma, the three largest winter wheat producing states in the United States suffered from a severe to extreme drought during 2Q11. Drought also affected wheat growing regions of Germany and France.

- Russia lifted the export ban on grains on July 1, 2011. According to USDA, wheat production in Russia will reach 41.51 MMT during the 2010/11 crop and 53 MMT in 2011/12. India, the second largest global wheat exporter, also eliminated its grain export ban.

- The USDA cut the global 2011/12 production forecast in July by 1.9 MMT, compared to its June forecast, due to dryness and reduced acreage in Canada.

- In the United States, winter wheat harvest progress was 85% according to the August 8, 2011 USDA Crop Progress report. Spring wheat, rated from “good to excellent”, reached 66% of the entire crop production.

- The expectation of greater Black Sea region exports diminished uncertainty regarding new crop supplies. The year-over-year decline in the European Union’s wheat production due to climatic issues is already priced into the market.

- Regarding Argentina, the USDA estimates production will reach 15 MMT in 2011/12.

Cotton:

- The average price for the July 2011 cotton future contract traded on ICE Futures U.S. (ICE) was US¢ 168.1/lb in 2Q11. This represents a 5.6% decrease compared to 1Q11 and a 106.6% increase compared to 2Q10.

- According to the USDA July 12 report, 2010/11 global production increased by 0.3 MM bales and consumption was down by 0.6 MM bales. Global cotton ending stocks are 1.2 MM bales higher. Exports from the United States were lowered 0.5 MM bales to 14.5 MM bales, reflecting concerns that export cancellations could persist during the marketing year. For the 2011/12 season, the USDA lowered production by 1 MM bales monthly in the United States. United States cotton ending stocks were raised by 0.5 MM bales due to a higher carry-in, but a 1 MM bales reduction in exports.

- In its Prospective Plantings report, the USDA lifted their cotton planted area estimate by nearly 1.2 million acres in the United States, but harvested area was down by 0.6 million acres. Since March 2011, more than 95% of Texas has been affected by droughts. This could leave as many as 3.2 million Texas cotton acres abandoned and presents a risk of sub-trend yields, according to a report by Morgan Stanley.

- Despite the reduction in United States cotton production, global production is expected to be higher in 2011/12. It is expected that combined Chinese, Indian and Pakistani production will be higher by 1.5 MMT, which will offset a 0.3 MMT reduction in United States cotton production. According to the China Cotton Association, China will plant 4.4 million hectares of cotton in 2011, up 5% year-over-year.

Rice:

- The South American market for high quality milled rice stood at $500/ton FOB during 2Q11, compared to an average of $515/ton in 2Q10.

- The Brazilian government continues to support paddy prices by export subsidies and government acquisitions. The parboiled industry in Brazil is operating at full capacity, with a global export budget of 1.3 MMT (paddy basis). This Brazilian export of parboiled rice, will allow Mercosur partners (Argentina/Uruguay/Paraguay) to export approximately 800K tons of rough rice equivalent.

- Uncertainty regarding the 2011/12 rice crop in the United States could allow South American rice production to break into rice markets traditionally supplied by the United States (including Central America and the Caribbean).

Coffee:

- The July 2011 coffee future contract traded on ICE at an average price of US¢271.1/lb in 1Q11, a 6.4% increase compared to 1Q11 and an 94.1% increase compared to 2Q10.

- A recent spike in coffee prices was caused by reports of frost in two Brazilian producing regions. The freeze, however, seems to have only impacted only minor regions of coffee production and the outlook remains for a record off-year harvest in Brazil for the 2011/12 harvest year.

- The outlook for lower global 2011/12 production due to Brazil's off-year for the Arabica coffee plant two-year cycle, strong demand in emerging markets and low beginning stocks will keep coffee prices elevated in 2011.

- The low quality Robusta coffee plant market is supported by a lack of available supplies in Vietnam and a disappointing Indonesian harvest. Prices are expected to come under pressure due to better Robusta supply in Brazil and the anticipation of a large 2011/12 Vietnamese crop.

Sugar and Ethanol:

The start of the sugarcane crush in the Centre-South region of Brazil was delayed due to excess rains in early April 2011. In addition to the late start to the harvest, both the sucrose content and yield of the cane have been much lower than expected and production figures in 2Q11 remained below original forecasts. Crushing totaled 177 MM tons up to the end of June 2011, an 18% decrease compared to 2010. As a consequence, total sugar production decreased 19%. This caused sugar prices to increase by 57% in the nearby sugar futures contract on ICE in comparison with 2Q10 (average of $0.2445 /lb in 2Q11), even though it was 20% lower than in the previous quarter.

The ethanol shortage at the end of the off-season, which caused prices to peak in 2Q11 (hydrous ESALQ index averaged 1,401 R$/m^3 gross, 2% higher than in 1Q11 and 54% than in 2Q10), stimulated production, especially of anhydrous ethanol despite the low sucrose content in the sugarcane.

The disappointing production figures have made market players revise their sugar crop forecasts. On July 14, 2011, the Brazilian Sugarcane Industry Association (UNICA) released a new sugarcane crush estimate of 533.5 MM tons (55 MM tons less than their first estimate released in March 2011), which, if correct, will result in the first reduction in Brazilian Center-South production since 2000 and 2 to 3 MM tons less sugar than previously expected.

The definition of new market regulations and possible reduction in blending ratios are still being discussed. The principle alteration expected is the mandate for mills to stock 8% of their yearly anhydrous production until March 31st of the following year. Mills are trying to anticipate the expected shortage and are planning on importing large volumes of anhydrous ethanol from the United States.

Additionally, the monsoons in India are marginally higher than the historical average. According to the Indian Ministry of Agriculture, planted area in the country was up by 4% at the beginning of July. The Indian Sugar Mills Association (ISMA) is forecasting sugar production between 26 and 26.5 MM tons for their 2011/12 crop, an increase of 8% compared to 2010/11 crop. In Thailand, where a much larger than average sugar production was reported in 2010/11, is expected to repeat last crop's above average sugar production of 10 MM tons. In Europe, July and August weather will be critical in determining beet yields and thereby the overall crop output.

Segment Information - Reconciliation of Non-IFRS measures (Adjusted EBITDA & Adjusted EBIT) to Profit/(Loss)

We define Adjusted EBITDA for each of our operating segments as the segment's share of consolidated profit from operations before financing and taxation for the year or period, as applicable, before depreciation and amortization and unrealized changes in fair value of long-term biological assets.

We define Adjusted EBIT for each of our operating segments as the segment's share of consolidated profit from operations before financing and taxation for the year or period, as applicable, before unrealized changes in fair value of long-term biological assets.

We believe that Adjusted EBITDA and Adjusted EBIT are for the Company and each operating segment, respectively important measures of operating performance because they allow investors and others to evaluate and compare our consolidated operating results and to evaluate and compare the operating performance of our segments, respectively, including our return on capital and operating efficiencies, from period to period by removing the impact of our capital structure (interest expense from our outstanding debt), asset base (depreciation and amortization), tax consequences (income taxes), unrealized changes in fair value of long term biological assets (a significant non-cash gain or loss to our consolidated statements of income following IAS 41 accounting), foreign exchange gains or losses and other financial expenses. Other companies may calculate Adjusted EBITDA and Adjusted EBIT differently, and therefore Adjusted EBITDA and Adjusted EBIT may not be comparable to similarly titled measures used by other companies. Adjusted EBITDA and Adjusted EBIT are not a measures of financial performance under IFRS, and should not be considered in isolation or as an alternative to consolidated net profit (loss), cash flows from operating activities, profit from operations before financing and taxation and other measures determined in accordance with IFRS.

adecoagro

2Q11

Adjusted EBIT & Adjusted EBITDA Reconciliation to Profit/Loss - 2Q11

$ thousands	Crops	Rice	Dairy	Coffee	Cattle	Farming	Sugar	Land Transformation	Corporate	Total
Sales of manufactured products and services rendered	145	18,329	-	-	1,256	19,730	100,107	-	-	119,837
Cost of manufactured products sold and services rendered	-	(15,126)	-	-	(191)	(15,317)	(58,825)	-	-	(74,142)
Gross Profit from Manufacturing Activities	145	3,203	-	-	1,065	**4,413**	**41,282**	**-**	**-**	**45,695**
Sales of agricultural produce and biological assets	50,233	10	4,520	1,748	271	56,782	-	-	-	56,782
Cost of agricultural produce and biological assets	(50,233)	(10)	(4,520)	(1,748)	(271)	(56,782)	-	-	-	(56,782)
Initial recog. and changes in FV of BA and ag. produce	13,271	(902)	577	4,898	307	18,151	(20,640)	-	-	(2,489)
Gain from changes in NRV of AP after harvest	2,899	-	-	(1,450)	-	1,449	-	-	-	1,449
Gross Profit from Agricultural Activities	16,170	(902)	577	3,448	307	**19,600**	**(20,640)**	**-**	**-**	**(1,040)**
Margin Before Operating Expenses	16,315	2,301	577	3,448	1,372	**24,013**	**20,642**	**-**	**-**	**44,655**
General and administrative expenses	(2,290)	(520)	(118)	(322)	(136)	(3,386)	(6,086)	-	(6,729)	(16,201)
Selling expenses	(554)	(3,006)	(112)	(121)	(15)	(3,808)	(14,396)	-	-	(18,204)
Other operating income, net	3,582	32	-	790	-	4,404	1,129	-	(141)	5,392
Share of loss of joint ventures	-	-	(350)	-	-	(350)	-	-	-	(350)
Profit from Operations Before Financing and Taxation	17,053	(1,193)	(3)	3,795	1,221	**20,873**	**1,289**	**-**	**(6,870)**	**15,292**
(-) Initial recog. and changes in F.V. of BA (unrealized)	-	-	(44)	498	-	454	40,076	-	-	40,530
Adjusted EBIT	17,053	(1,193)	(47)	4,293	1,221	**21,327**	**41,365**	**-**	**(6,870)**	**55,822**
(-) Depreciation PPE	301	966	115	163	82	1,627	8,077	-	-	9,704
Adjusted EBITDA	17,354	(227)	68	4,456	1,303	**22,954**	**49,442**	**-**	**(6,870)**	**65,526**

Reconciliation to Profit/(Loss)

Adjusted EBITDA	**65,526**
(+) Initial recog. and changes in F.V. of BA (unrealized)	(40,530)
(+) Depreciation PPE	(9,704)
(+) Financial result, net	842
(+) Income Tax (Charge)/Benefit	(3,398)
Profit/(Loss) for the Period	**12,736**

Adjusted EBIT & Adjusted EBITDA Reconciliation to Profit/Loss - 2Q10

$ thousands	Crops	Rice	Dairy	Coffee	Cattle	Farming	Sugar	Land Transformation	Corporate	Total
Sales of manufactured products and services rendered	123	16,306	-	536	1,005	17,970	35,509	-	-	53,479
Cost of manufactured products sold and services rendered	-	(13,136)	-	(487)	-	(13,623)	(26,690)	-	-	(40,313)
Gross Profit from Manufacturing Activities	123	3,170	-	49	1,005	**4,347**	**8,819**	**-**	**-**	**13,166**
Sales of agricultural produce and biological assets	45,072	144	3,482	259	515	49,472	-	-	-	49,472
Cost of agricultural produce and biological assets	(45,072)	(144)	(3,482)	(259)	(515)	(49,472)	-	-	-	(49,472)
Initial recog. and changes in FV of BA and ag. produce	9,064	(644)	3,416	1,528	351	13,715	(65,304)	-	-	(51,589)
Gain from changes in NRV of AP after harvest	(2,523)	-	-	1,007	-	(1,516)	-	-	-	(1,516)
Gross Profit from Agricultural Activities	6,541	(644)	3,416	2,535	351	**12,199**	**(65,304)**	**-**	**-**	**(53,105)**
Margin Before Operating Expenses	6,664	2,526	3,416	2,584	1,356	**16,546**	**(56,485)**	**-**	**-**	**(39,939)**
General and administrative expenses	(1,838)	(873)	(653)	(75)	(64)	(3,503)	(3,960)	-	(7,209)	(14,672)
Selling expenses	(481)	(2,275)	(79)	(219)	(114)	(3,168)	(8,283)	-	-	(11,451)
Other operating income, net	(512)	(82)	-	59	(12)	(547)	(1,252)	-	(143)	(1,942)
Share of loss of joint ventures	-	-	(220)	-	-	(220)	-	-	-	(220)
Profit from Operations Before Financing and Taxation	3,833	(704)	2,464	2,349	1,166	**9,108**	**(69,980)**	**-**	**(7,352)**	**(68,224)**
(-) Initial recog. and changes in F.V. of BA (unrealized)	-	-	(1,757)	522	(39)	(1,274)	68,487	-	-	67,213
Adjusted EBIT	3,833	(704)	707	2,871	1,127	**7,834**	**(1,493)**	**-**	**(7,352)**	**(1,011)**
(-) Depreciation PPE	435	502	93	33	88	1,151	8,649	-	-	9,800
Adjusted EBITDA	4,270	(203)	800	2,904	1,214	**8,985**	**7,156**	**-**	**(7,352)**	**8,789**

Reconciliation to Profit/(Loss)

Adjusted EBITDA	**8,789**
(+) Initial recog. and changes in F.V. of BA (unrealized)	(67,213)
(+) Depreciation PPE	(9,800)
(+) Financial result, net	(7,842)
(+) Income Tax (Charge)/Benefit	22,302
Profit/(Loss) for the Period	**(53,764)**

Adjusted EBIT & Adjusted EBITDA Reconciliation to Profit/Loss - 6M11

$ thousands	Crops	Rice	Dairy	Coffee	Cattle	Farming	Sugar	Land Transformation	Corporate	Total
Sales of manufactured products and services rendered	176	33,884	-	713	2,345	37,118	109,060	-	-	146,178
Cost of manufactured products sold and services rendered	-	(29,720)	-	(629)	(191)	(30,540)	(65,546)	-	-	(96,086)
Gross Profit from Manufacturing Activities	176	4,164	-	84	2,154	**6,578**	**43,514**	**-**	**-**	**50,092**
Sales of agricultural produce and biological assets	75,973	35	8,963	3,204	518	88,693	-	-	-	88,693
Cost of agricultural produce and biological assets	(75,973)	(35)	(8,963)	(3,204)	(518)	(88,693)	-	-	-	(88,693)
Initial recog. and changes in FV of BA and ag. produce	37,030	8,275	3,424	2,338	351	51,418	4,551	-	-	55,970
Gain from changes in NRV of AP after harvest	5,832	-	-	(1,763)	-	4,069	-	-	-	4,068
Gross Profit from Agricultural Activities	42,862	8,275	3,424	575	351	**55,487**	**4,551**	**-**	**-**	**60,038**
Margin Before Operating Expenses	43,038	12,439	3,424	659	2,505	**62,065**	**48,065**	**-**	**-**	**110,130**
General and administrative expenses	(4,806)	(4,016)	(798)	(635)	(164)	(10,419)	(11,265)	-	(11,824)	(33,508)
Selling expenses	(813)	(5,605)	(188)	(235)	(27)	(6,868)	(17,206)	-	-	(24,074)
Other operating income, net	(3,047)	113	-	241	-	(2,693)	2,411	-	(22)	(304)
Share of loss of joint ventures	-	-	(350)	-	-	(350)	-	-	-	(350)
Profit from Operations Before Financing and Taxation	34,372	2,931	2,088	30	2,314	**41,735**	**22,005**	**-**	**(11,846)**	**51,894**
(-) Initial recog. and changes in F.V. of BA (unrealized)	-	-	(1,485)	817	-	(668)	10,650	-	-	9,982
Adjusted EBIT	34,372	2,931	603	847	2,314	**41,067**	**32,655**	**-**	**(11,846)**	**61,876**
(-) Depreciation PPE	658	1,351	232	281	120	2,642	11,346	-	-	13,988
Adjusted EBITDA	35,030	4,282	835	1,128	2,434	**43,709**	**44,001**	**-**	**(11,846)**	**75,864**

Reconciliation to Profit/(Loss)	
Adjusted EBITDA	**75,864**
(+) Initial recog. and changes in F.V. of BA (unrealized)	(9,982)
(+) Depreciation PPE	(13,988)
(+) Financial result, net	(11,043)
(+) Income Tax (Charge)/Benefit	(12,754)
Profit/(Loss) for the Period	**28,097**

Adjusted EBIT & Adjusted EBITDA Reconciliation to Profit/Loss - 6M10

$ thousands	Crops	Rice	Dairy	Coffee	Cattle	Farming	Sugar	Land Transformation	Corporate	Total
Sales of manufactured products and services rendered	184	30,768	-	2,709	1,708	35,369	51,291	-	-	86,660
Cost of manufactured products sold and services rendered	-	(26,692)	-	(2,546)	-	(29,238)	(46,322)	-	-	(75,560)
Gross Profit from Manufacturing Activities	184	4,076	-	163	1,708	**6,131**	**4,969**	**-**	**-**	**11,100**
Sales of agricultural produce and biological assets	59,836	153	5,951	1,310	1,342	68,592	49	-	-	68,641
Cost of agricultural produce and biological assets	(59,836)	(153)	(5,951)	(1,310)	(1,342)	(68,592)	(49)	-	-	(68,641)
Initial recog. and changes in FV of BA and ag. produce	20,357	2,342	5,207	161	524	28,591	(82,147)	-	-	(53,556)
Gain from changes in NRV of AP after harvest	(863)	-	-	981	-	118	-	-	-	118
Gross Profit from Agricultural Activities	19,494	2,342	5,207	1,142	524	**28,709**	**(82,147)**	**-**	**-**	**(53,438)**
Margin Before Operating Expenses	19,678	6,418	5,207	1,305	2,232	**34,840**	**(77,178)**	**-**	**-**	**(42,338)**
General and administrative expenses	(3,685)	(2,167)	(1,307)	(416)	(180)	(7,755)	(9,394)	-	(11,506)	(28,655)
Selling expenses	(660)	(4,204)	(166)	(469)	(140)	(5,639)	(11,816)	-	-	(17,455)
Other operating income, net	1,406	84	-	41	(12)	1,519	8,639	-	(570)	9,588
Share of loss of joint ventures	-	-	(220)	-	-	(220)	-	-	-	(220)
Profit from Operations Before Financing and Taxation	16,739	131	3,514	461	1,900	**22,745**	**(89,748)**	**-**	**(12,076)**	**(79,080)**
(-) Initial recog. and changes in F.V. of BA (unrealized)	-	-	(3,056)	789	-	(2,267)	82,296	-	-	80,030
Adjusted EBIT	16,739	131	458	1,250	1,900	**20,478**	**(7,452)**	**-**	**(12,076)**	**949**
(-) Depreciation PPE	937	950	186	53	209	2,335	11,615	-	-	13,950
Adjusted EBITDA	17,676	1,081	644	1,303	2,109	**22,813**	**4,162**	**-**	**(12,076)**	**14,899**

Reconciliation to Profit/(Loss)	
Adjusted EBITDA	**14,899**
(+) Initial recog. and changes in F.V. of BA (unrealized)	(80,030)
(+) Depreciation PPE	(13,949)
(+) Financial result, net	(16,150)
(+) Income Tax (Charge)/Benefit	24,650
Profit/(Loss) for the Period	**(70,580)**

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Income

Statement of Income						
$ thousands	**2Q11**	**2Q10**	**Chg %**	**6M11**	**6M10**	**Chg %**
Sales of manufactured products and services rendered	119,837	53,479	124.1%	146,178	86,660	0.7%
Cost of manufactured products sold and services rendered	(74,142)	(40,313)	83.9%	(96,086)	(75,560)	0.3%
Gross Profit from Manufacturing Activities	**45,695**	**13,166**	**247.1%**	**50,092**	**11,100**	**3.5%**
Sales of agricultural produce and biological assets	56,782	49,472	14.8%	88,693	68,641	0.3%
Cost of agricultural produce sold and direct agricultural selling expenses	(56,782)	(49,472)	14.8%	(88,693)	(68,641)	0.3%
Initial recognition and changes in fair value of biological assets and agricultural produce	(2,489)	(51,589)	(95.2%)	55,969	(53,556)	-
Changes in net realizable value of agricultural produce after harvest	1,449	(1,516)	-	4,069	118	33.5%
Gross (Loss)/ Profit from Agricultural Activities	**(1,040)**	**(53,105)**	**(98.0%)**	**60,038**	**(53,438)**	**-**
Margin on Manufacturing and Agricultural Activities Before Operating Expenses	**44,655**	**(39,939)**	**-**	**110,130**	**(42,338)**	**-**
General and administrative expenses	(16,201)	(14,672)	10.4%	(33,508)	(28,655)	0.2%
Selling expenses	(18,204)	(11,451)	59.0%	(24,074)	(17,455)	0.4%
Other operating income, net	5,392	(1,942)	-	(304)	9,588	-
Share of loss of joint ventures	(350)	(220)	59.1%	(350)	(220)	0.6%
Gain (Loss) from Operations Before Financing and Taxation	**15,292**	**(68,224)**	**-**	**51,894**	**(79,080)**	**0.0%**
Finance income	10,188	1,554	555.6%	13,611	2,408	4.7%
Finance costs	(9,346)	(9,396)	(0.5%)	(24,654)	(18,558)	0.3%
Financial results, net	842	(7,842)	-	(11,043)	(16,150)	(0.3%)
Gain (Loss) Before Income Tax	**16,134**	**(76,066)**	**-**	**40,851**	**(95,230)**	**-**
Income Tax (Charge)/Benefit	(3,398)	22,302	-	(12,754)	24,650	-
Gain (Loss) for the Period	**12,736**	**(53,764)**	**-**	**28,097**	**(70,580)**	**-**

Condensed Consolidated Interim Statement of Cash Flow

Statement of Cash Flows		
$ thousands	**6M11**	**6M10**
Cash flows from operating activities:		
Gain (Loss) for the period	28,097	(70,580)
Adjustments for:		
Income tax benefit	12,754	(24,650)
Depreciation	13,799	13,754
Amortization	189	196
Gain from disposal of other property items	(335)	(654)
Employee unit options granted	1,154	990
Gain/ (loss) from derivative financial instruments and forwards	(7,829)	(9,586)
Interest and other expense, net	14,667	11,475
Initial recognition and changes in fair value of non harvested biological assets (unrealized)	(16,665)	68,717
Changes in net realizable value of agricultural produce after harvest (unrealized)	(28)	136
Provision and allowances	(2,406)	(902)
Share of loss from joint venture	350	220
Foreign exchange gains, net	(713)	4,221
Changes in operating assets and liabilities:		
Decrease/ (increase) in trade and other receivables	(10,002)	21,902
Increase in inventories	(73,828)	(34,899)
Increase in biological assets	50,835	39,313
Decrease in other assets	1	9
Increase/(Decrease) in derivative financial instruments	(9,510)	(2,390)
(Decrease)/ increase in trade and other payables	3,811	(13,027)
Increase in payroll and social security liabilities	2,870	3,320
Increase in provisions for other liabilities	(3)	(765)
Net cash used in operating activities before interest and taxes paid	**7,208**	**6,800**
Interest paid	(16,682)	(14,699)
Income tax paid	(15,527)	(2,925)
Net cash used in operating activities	**(25,001)**	**(10,824)**
Cash flows from investing activities:		
Purchases of property, plant and equipment	(23,577)	(50,170)
Purchases of intangible assets	(37)	(36)
Purchase of cattle and non current biological assets planting cost	(24,801)	(25,367)
Interest received	2,468	647
Proceeds from sale of property, plant and equipment	890	1,203
Short-term investments	(48,000)	-
Acquisition of currency forward	(205,000)	-
Net cash used in investing activities	**(298,057)**	**(73,723)**
Cash flows from financing activities:		
Net proceeds from IPO and Private Placements	421,778	-
Proceeds from long-term borrowings	17,167	12,725
Payments of long-term borrowings	(13,709)	(18,626)
Net increase/ (decrease) in short-term borrowings	39,931	60,589
Net cash generated from financing activities	**465,167**	**54,688**
Net (decrease)/ increase in cash and cash equivalents	**142,109**	**(29,859)**
Cash and cash equivalents at beginning of period	70,269	74,806
Effect of exchange rate changes on cash	(3,372)	6,284
Cash and cash equivalents at end of period	**209,006**	**51,231**

Condensed Consolidated Interim Balance sheet

Statement of Financial Position			
$ thousands	**June 30, 2011**	**December 31, 2010**	**Chg %**
ASSETS			
Non-Current Assets			
Property, plant and equipment, net	781,737	751,992	4.0%
Investment property	20,568	21,417	(4.0%)
Intangible assets, net	29,222	28,653	2.0%
Biological assets	162,937	133,593	22.0%
Investments in joint ventures	5,453	6,271	(13.0%)
Deferred income tax assets	56,792	67,463	(15.8%)
Trade and other receivables, net	25,265	30,752	(17.8%)
Other assets	25	26	(3.8%)
Total Non-Current Assets	**1,081,999**	**1,040,167**	**4.0%**
Current Assets			
Biological assets	24,757	53,164	(53.4%)
Inventories	135,833	57,170	137.6%
Trade and other receivables, net	134,237	119,205	12.6%
Derivative financial instruments	215,604	876	24,512.3%
Short-term investments	48,000	-	-
Cash and cash equivalents	209,006	70,269	197.4%
Total Current Assets	**767,437**	**300,684**	**155.2%**
TOTAL ASSETS	**1,849,436**	**1,340,851**	**37.9%**
SHAREHOLDER'S EQUITY			
Capital and reserves attributable to equity holders of the parent			
Share capital	180,104	120,000	50.1%
Share premium	926,269	563,343	64.4%
Cumulative translation adjustment	42,108	11,273	273.5%
Equity-settled compensation	13,713	13,659	0.4%
Retained earnings	28,904	257	11,146.7%
Equity attributable to equity holders of the parent	**1,191,098**	**708,532**	**68.1%**
Non controlling interest	15,762	14,570	8.2%
TOTAL SHAREHOLDER'S EQUITY	**1,206,860**	**723,102**	**66.9%**
LIABILITIES			
Non-Current Liabilities			
Trade and other payables	11,224	11,785	(4.8%)
Borrowings	254,060	250,672	1.4%
Deferred income tax liabilities	93,714	111,495	(15.9%)
Payroll and social security liabilities	1,230	1,178	4.4%
Provisions for other liabilities	4,265	4,606	(7.4%)
Total Non-Current Liabilities	**364,493**	**379,736**	**(4.0%)**
Current Liabilities			
Trade and other payables	74,129	69,236	7.1%
Current income tax liabilities	4,063	978	315.4%
Payroll and social security liabilities	18,296	15,478	18.2%
Borrowings	179,016	138,800	29.0%
Derivative financial instruments	1,309	8,920	(85.3%)
Provisions for other liabilities	1,270	4,601	(72.4%)
Total Current Liabilities	**278,083**	**238,013**	**16.8%**
TOTAL LIABILITIES	**642,576**	**617,749**	**4.0%**
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	**1,849,436**	**1,340,851**	**37.9%**