



4th Quarter 2015 Earnings Webcast

March 18, 2016

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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.

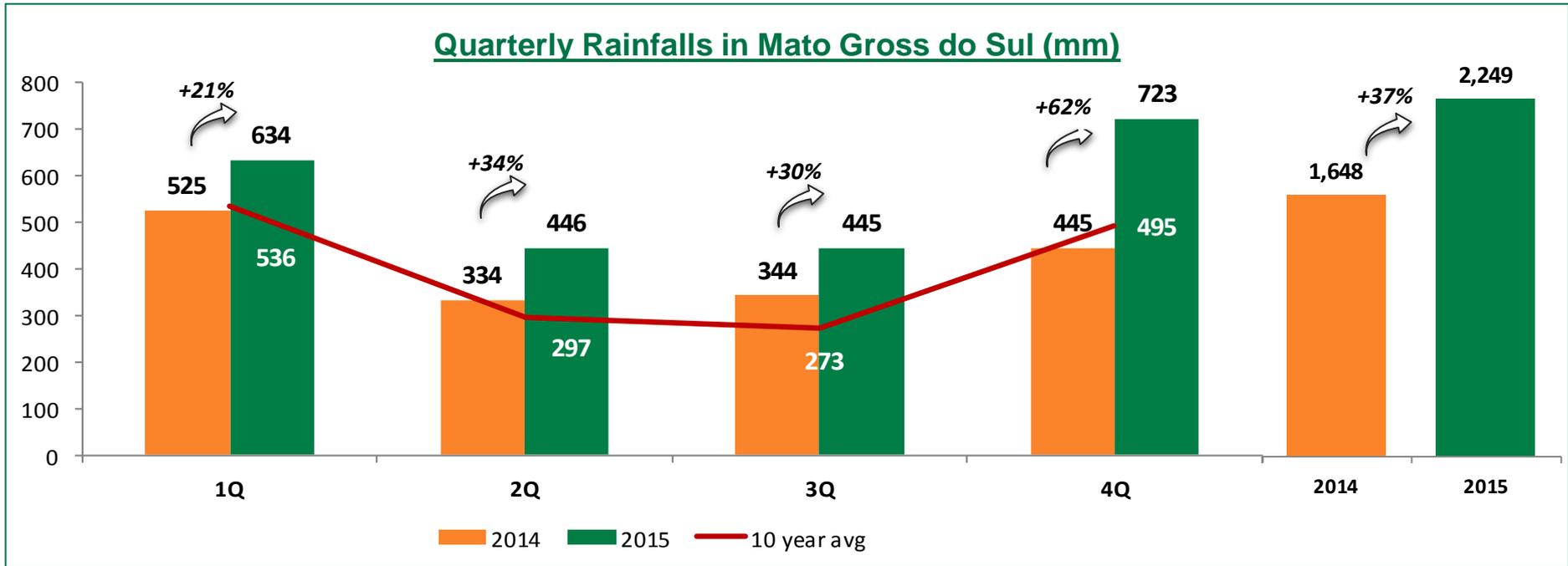
These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may turn out to be incorrect. Our actual results could be materially different from our expectations. In light 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



“El Niño” weather contributed to 10-year high rainfalls recorded in Mato Grosso do Sul, resulting in harvest and crushing disruptions





Despite low crushing in 4Q15, we were able to increase annual sugarcane crushing by 15% on sugarcane availability and operational enhancements

Sugarcane crushing

(In Thousands Tons)

2,296



1,794



4Q14

4Q15

Sugarcane crushing

(In Thousands Tons)

7,233



8,335



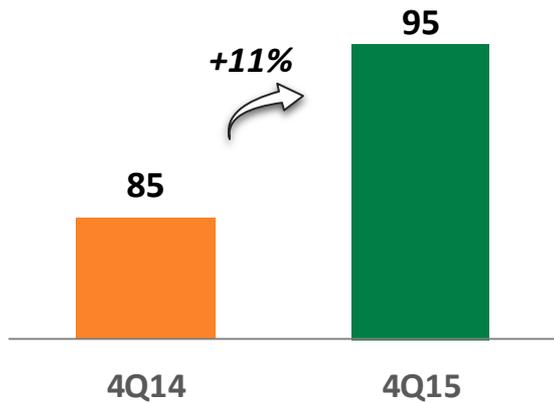
12M14

12M15

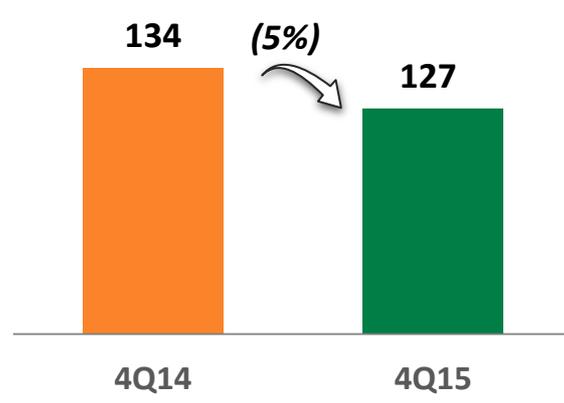


We continue focusing on agricultural productivity as key driver for cost dilution

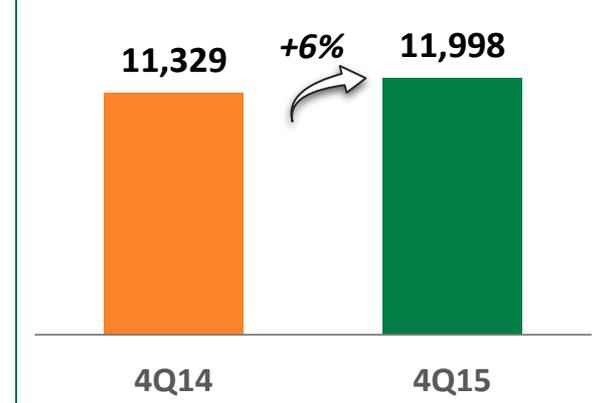
Yield per Hectare



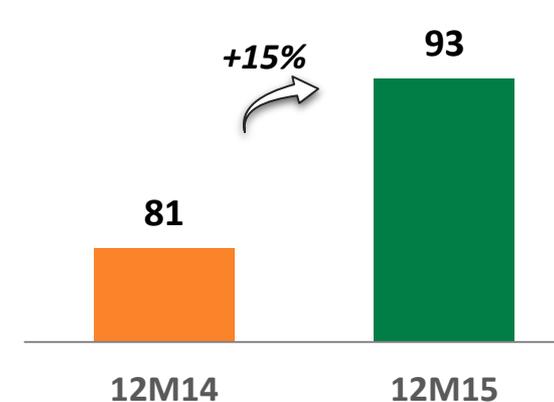
TRS per Ton



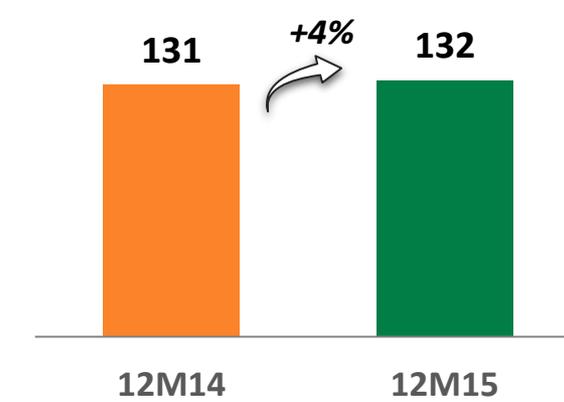
TRS per Hectare



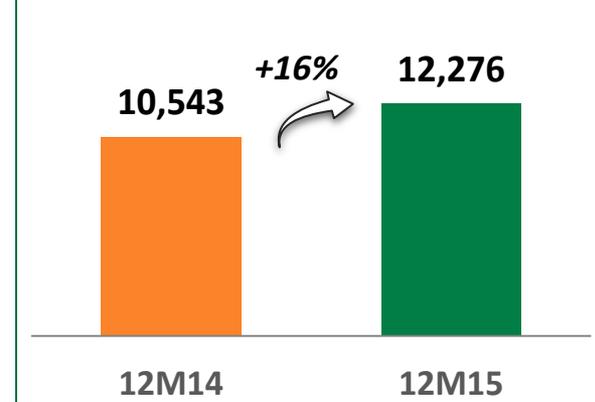
Yield per Hectare



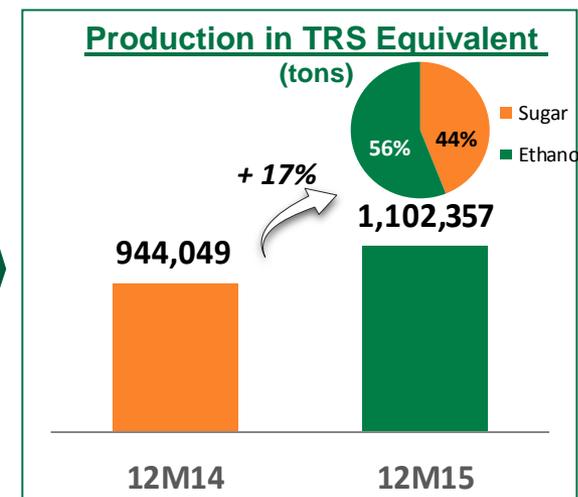
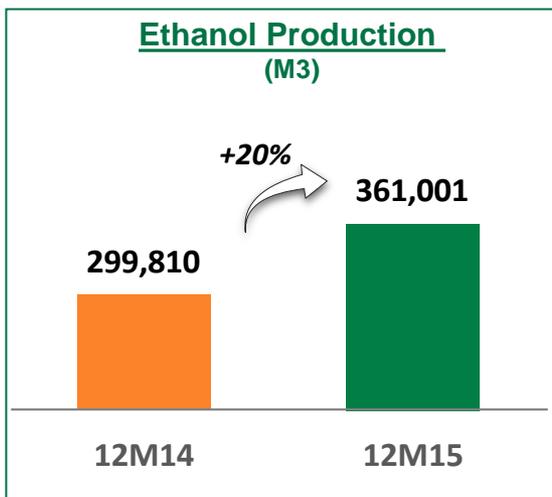
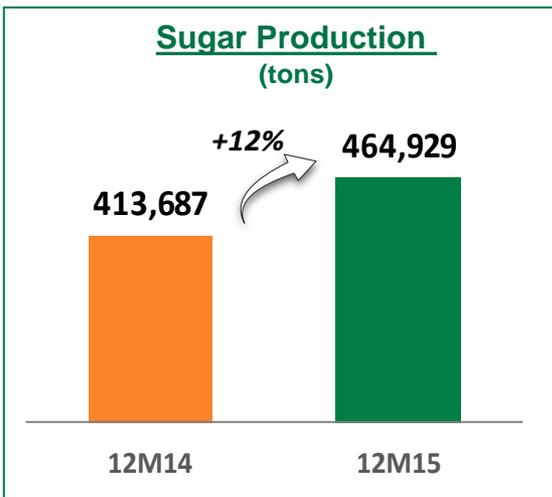
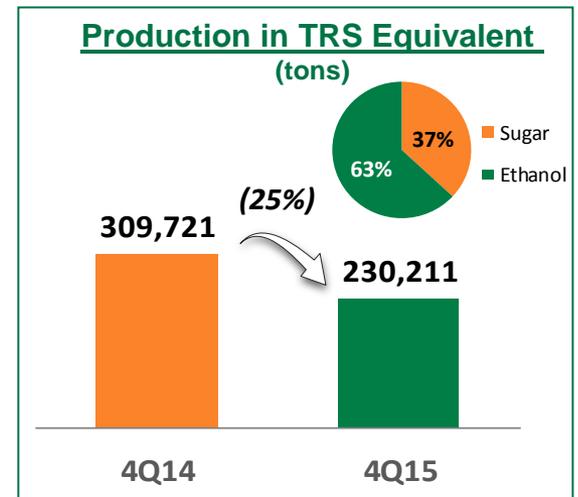
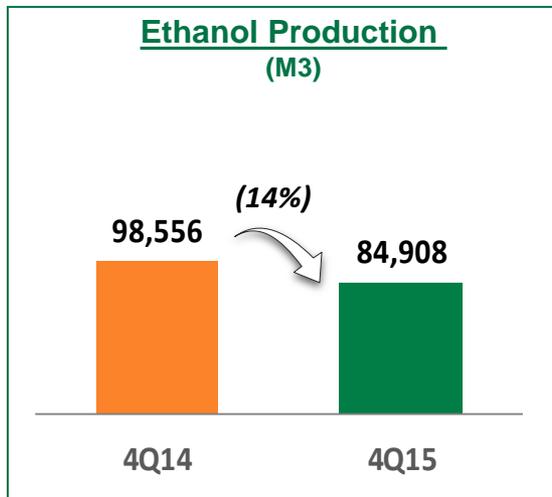
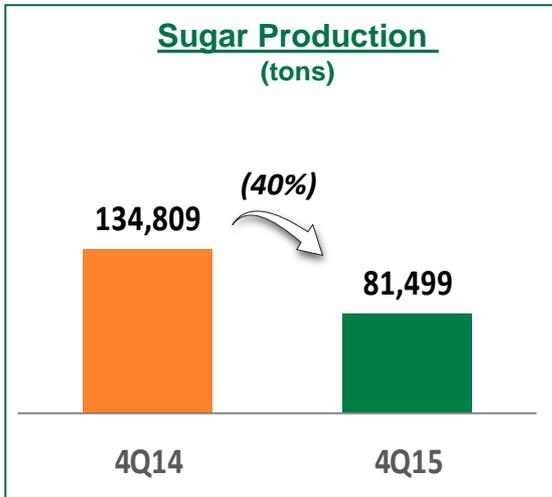
TRS per Ton



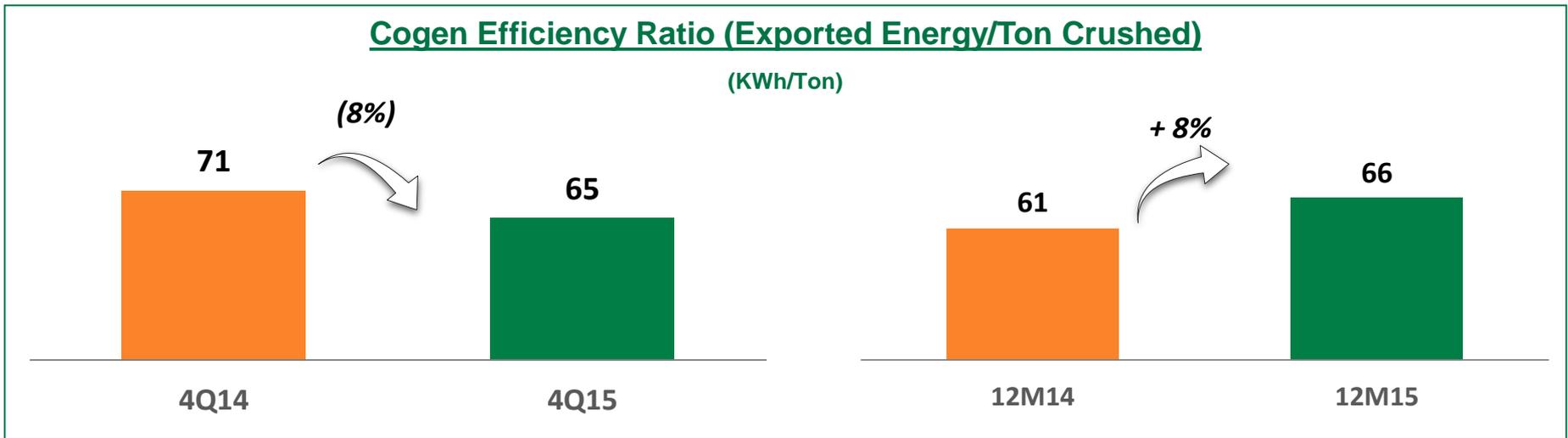
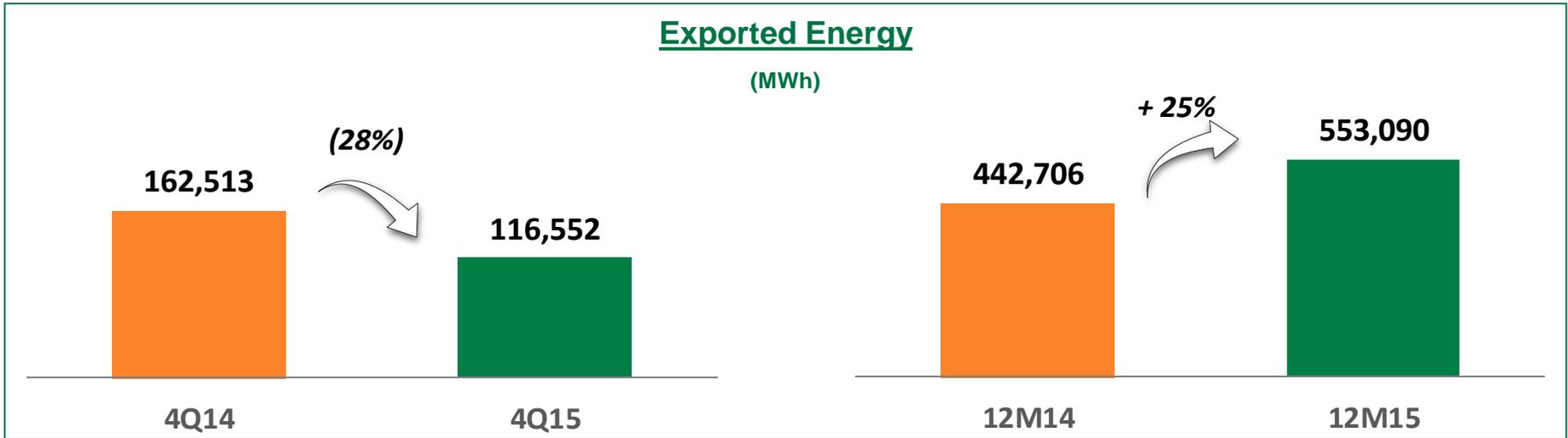
TRS per Hectare



On a full year basis, production boosted, driven by higher crushing volumes and agricultural performance

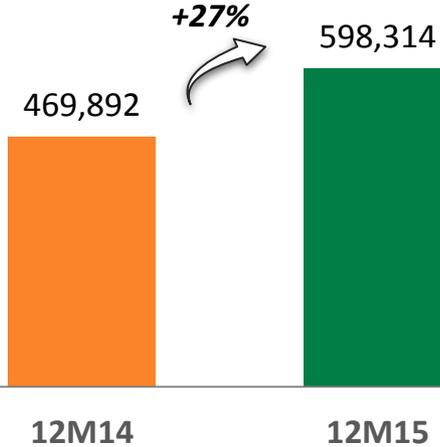


Exported energy marked a 25% increase, positively contributing to EBITDA generation

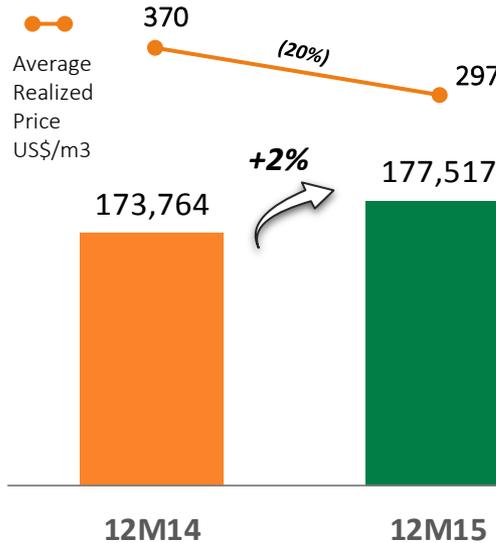


Despite a 20% fall in sugar prices, sugar sales in 2015 increased by 2% as a result of higher selling volumes

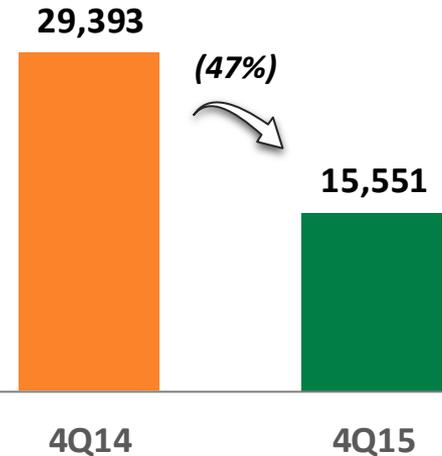
Sugar Sales (Tons)



Sugar Sales (\$ '000)

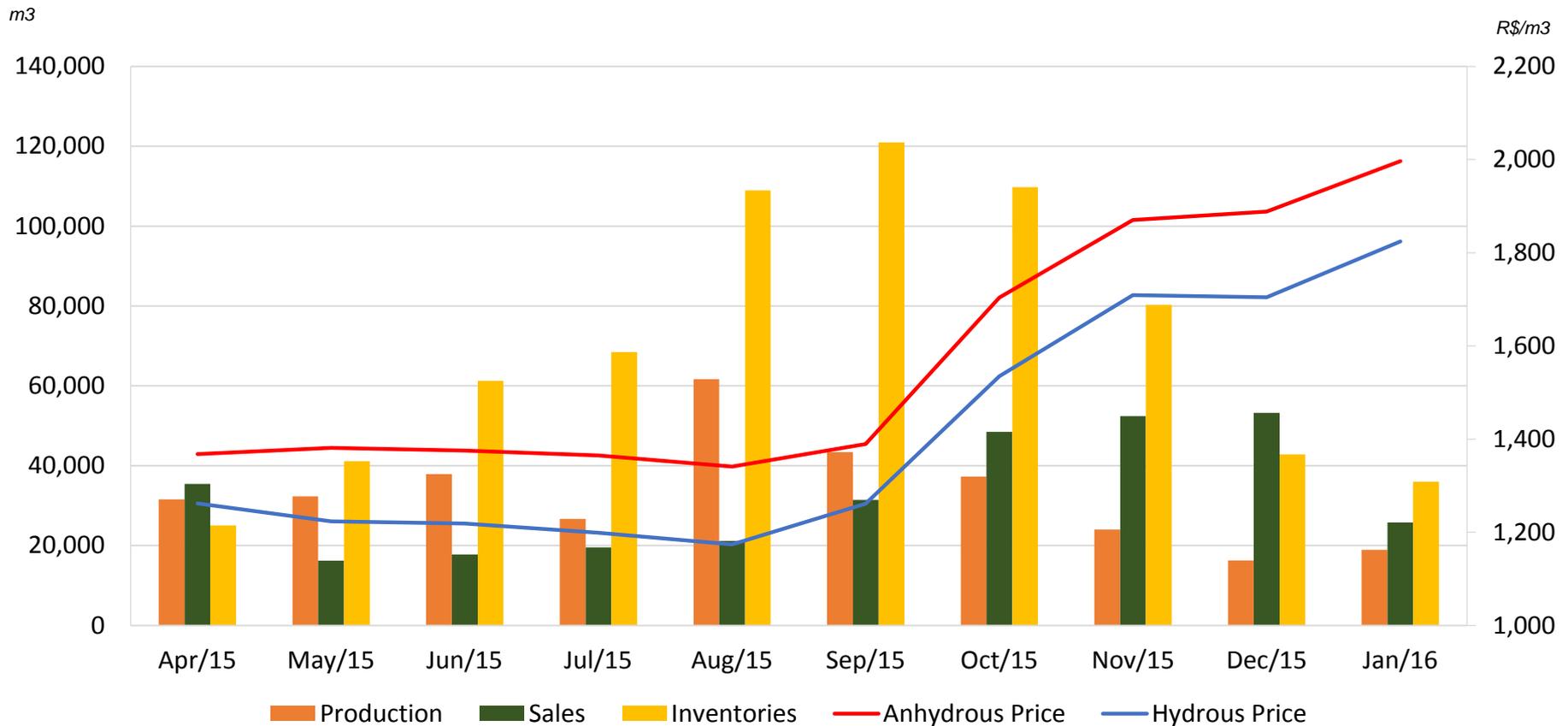


Sugar Inventories (Tons)



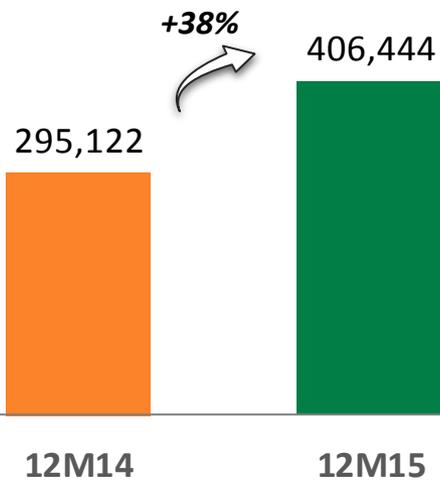
Our ethanol carry strategy is allowing us to capture attractive prices and enhance our margins

Ethanol Carry Strategy
(M3)

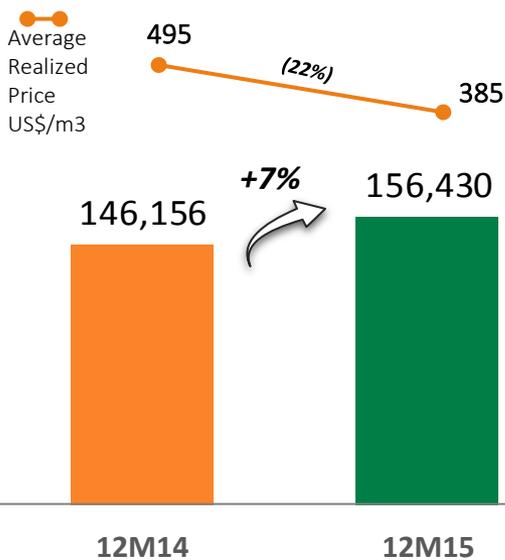


Ethanol sales increased by 7% driven by higher ethanol production and sales volume and partially offset by lower selling prices

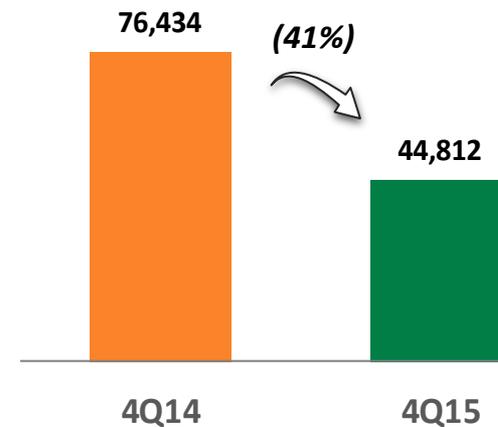
Ethanol Sales Volume (m3)



Ethanol Sales (\$ '000)

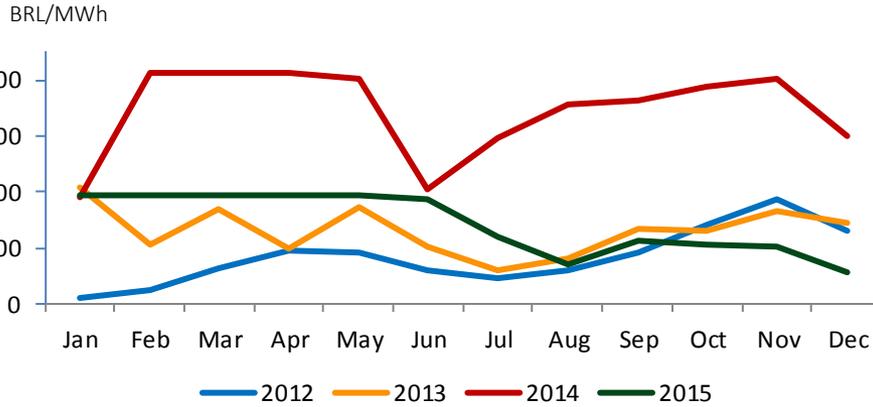


Ethanol Inventories (m3)

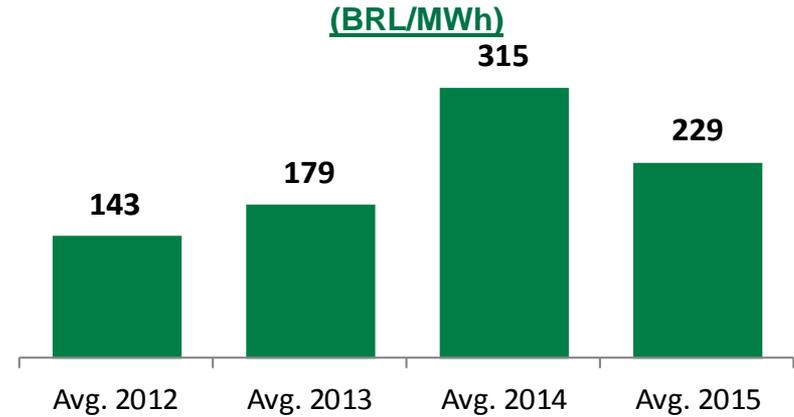


Energy sales were negatively affected by the fall in spot prices, partially offset by higher volumes

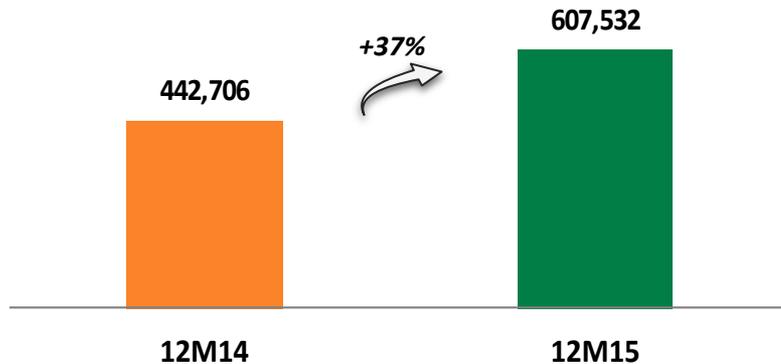
Brazilian Energy Spot Prices 2014 vs. 2015



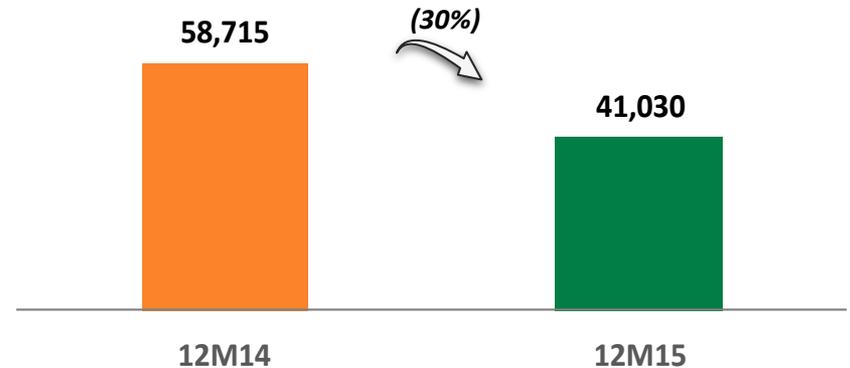
Adecoagro's Energy Average Prices



Energy Sales Volumes (MWh)



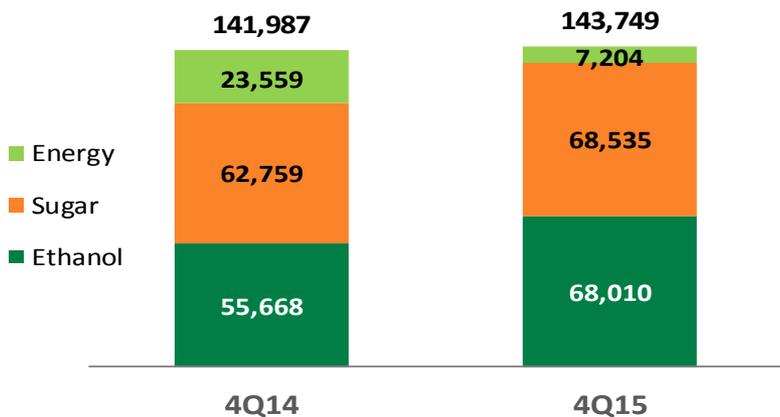
Energy Sales (\$ '000)



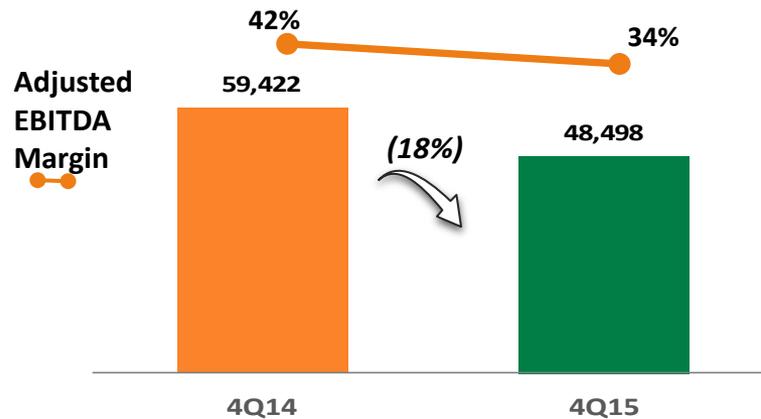


Despite low price environment, 2015 Adj. EBITDA margin expanded to 42%, driven by productivity gains and cost dilution

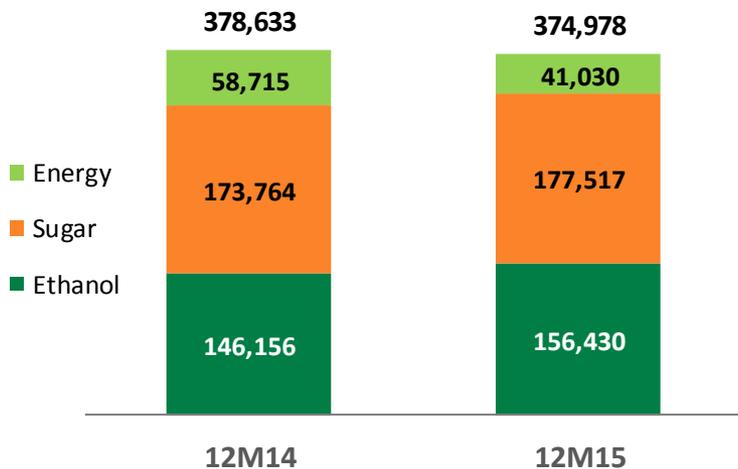
Net Sales 4Q15



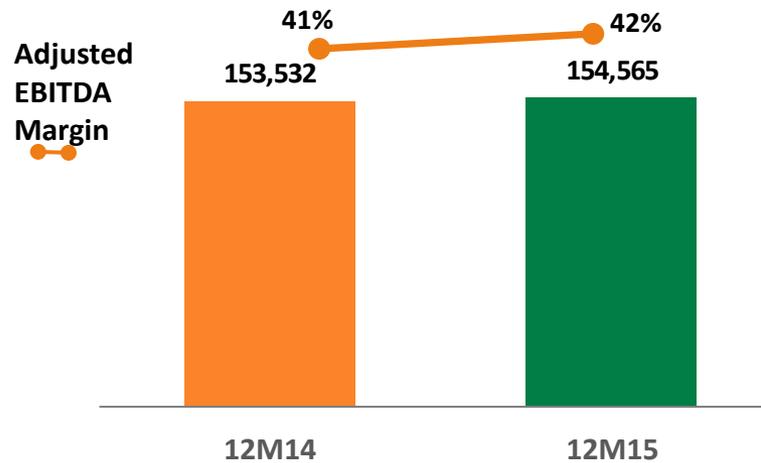
Adjusted EBITDA & EBITDA Margin 4Q15



Net Sales 2015



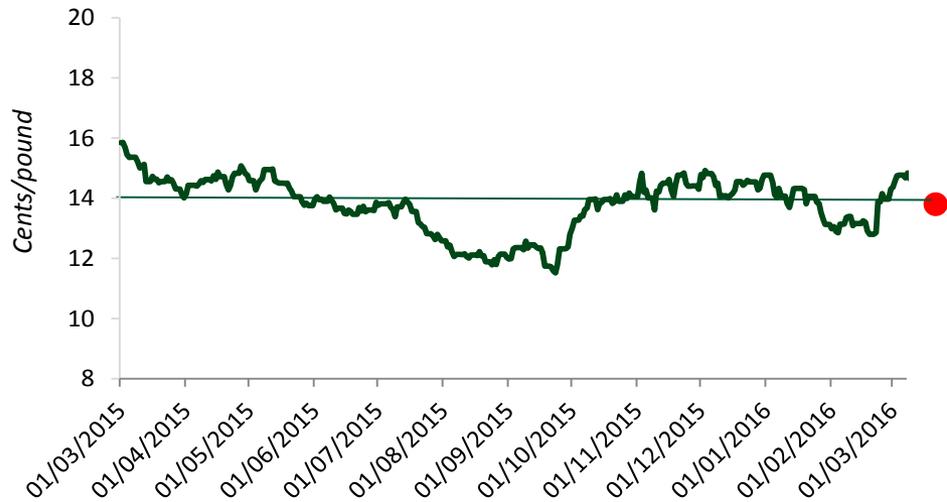
Adjusted EBITDA & EBITDA Margin 2015



Our 2016/17 sugar production is hedged at current market prices, allowing us to lock in attractive margins

Sugar #11 Futures Contracts

● Hedge position as of 12/31/15



Sugar 16/17 Hedge:

- 406,000 tons (approximately 63% of production)
- Price: \$13.7 cents/pound

Note: Weighted average of the May 16, July 16 and October 16 contracts according to our hedge position for the 2016/2107 harvest season

A large stream of golden corn kernels is pouring 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.

Farming Business

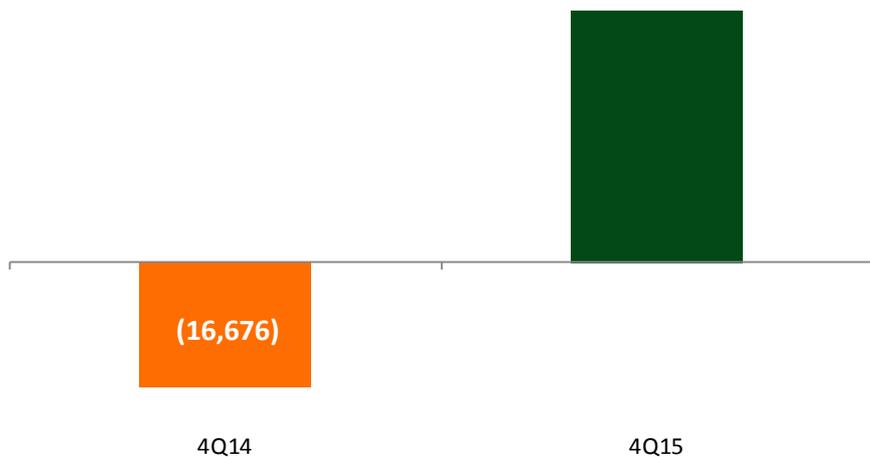
2015/16 harvest season is fully seeded with optimum conditions

Farming Production Data								
Planting & Production	Planted Area (hectares)			Harvested Area (hectares)		Yield (tons/ha)		
	2015/2016	2014/2015	Chg %	2015/2016	%	2015/2016	2014/15	%
Soybean	59,460	63,944	(7%)	-	0%	-	-	0%
Soybean 2 nd Crop	28,947	32,532	(11%)	-	0%	-	-	0%
Corn ⁽¹⁾	38,847	32,461	20%	-	0%	-	-	0%
Corn 2 nd Crop	3,994	7,583	(47%)	-	0%	-	-	0%
Wheat ⁽²⁾	32,393	37,020	(12%)	32,393	100%	2.54	2.28	11%
Sunflower	9,549	12,314	(22%)	-	0%	-	-	0%
Cotton lint	-	3,160.00	(100%)	-	-	-	-	0%
Total Crops	173,190	124,172	39%	32,393	19%	2.54	2.28	0%
Rice	37,565	60,056	(37%)	37,565	72%	-	-	0%
Total Farming	210,755	224,343	(6%)	69,958	33%	2.54	0.00	0%
Owned Croppable Area	120,263	124,172	(3%)					
Leased Area	57,573	60,056	(4%)					
Second Crop Area	32,939	40,115	(18%)					
Total Farming Area	210,775	224,343	(6%)					

Adjusted EBIT in 2015 decreased 19% driven by lower prices, partially offset by enhanced efficiencies and lower cost of production

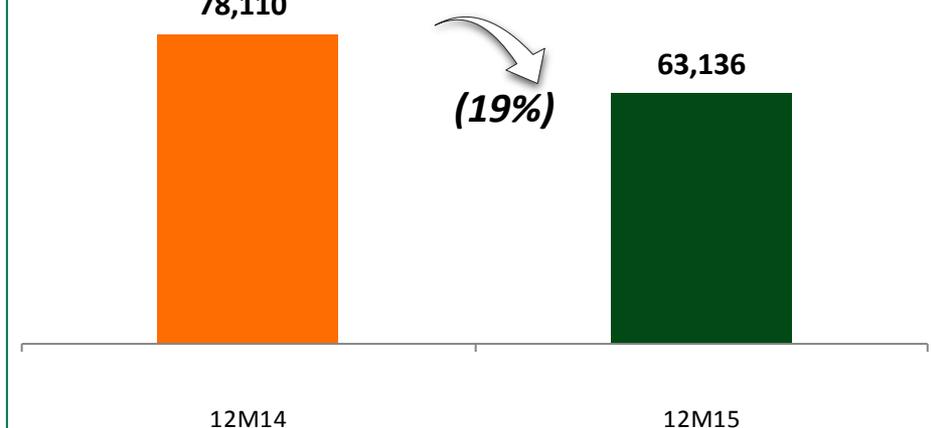
Farming Adjusted EBIT 4Q

(\$ millions)



Farming Adjusted EBIT Full Year

(\$ millions)



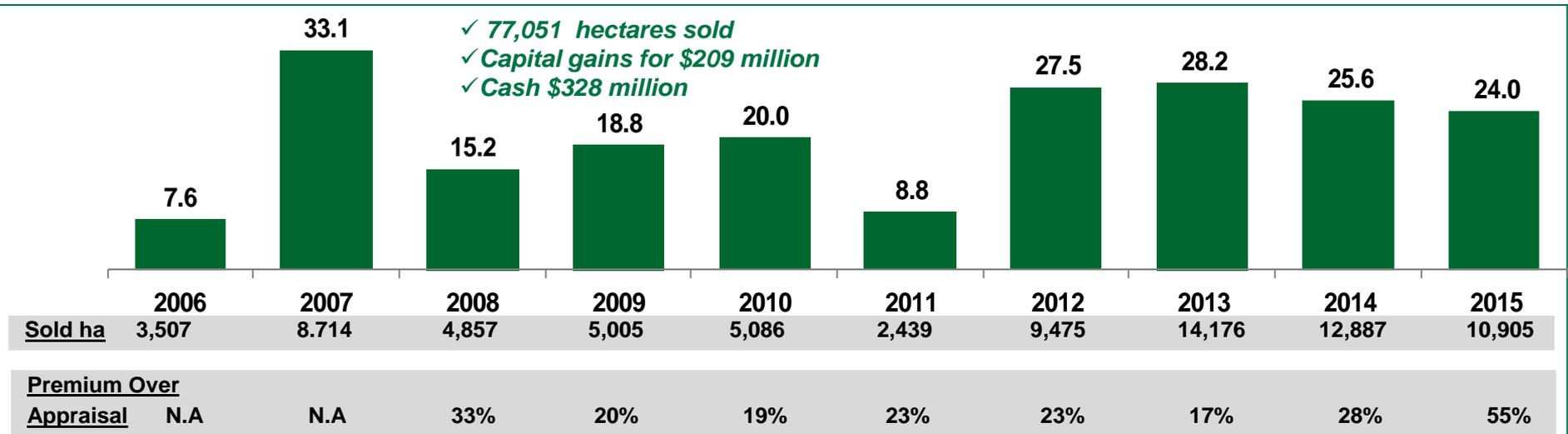
Adjusted EBITDA for our Land Transformation business totaled \$24 million in 2015

► **El Orden and La Carolina**

- ✓ On December 9, we completed the sale of a 49% stake in El Orden and La Carolina farms, for an aggregate sale price of \$22.1 million
- ✓ The selling price was 48% above Cushman and Wakefield’s independent appraisal dated September 2015
- ✓ The transaction generated \$16.1 million of Adjusted EBITDA

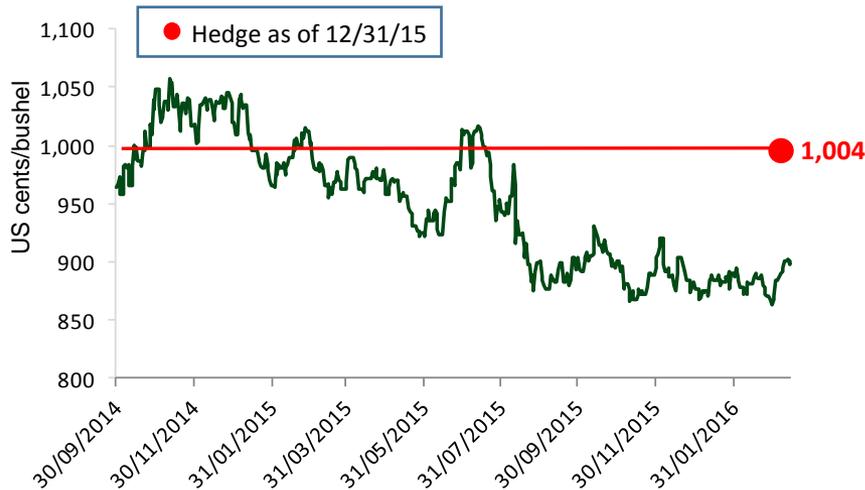
► **La Cañada**

- ✓ On November 25, we completed the sale of La Cañada for an aggregate sale price of \$12.6 million
- ✓ The selling price was 57% above Cushman and Wakefield’s independent appraisal dated September 2015
- ✓ The transaction generated \$7.9 million of Adjusted EBITDA



Our 2015/16 production is hedged at prices above market prevailing ones, allowing us to lock in attractive margins

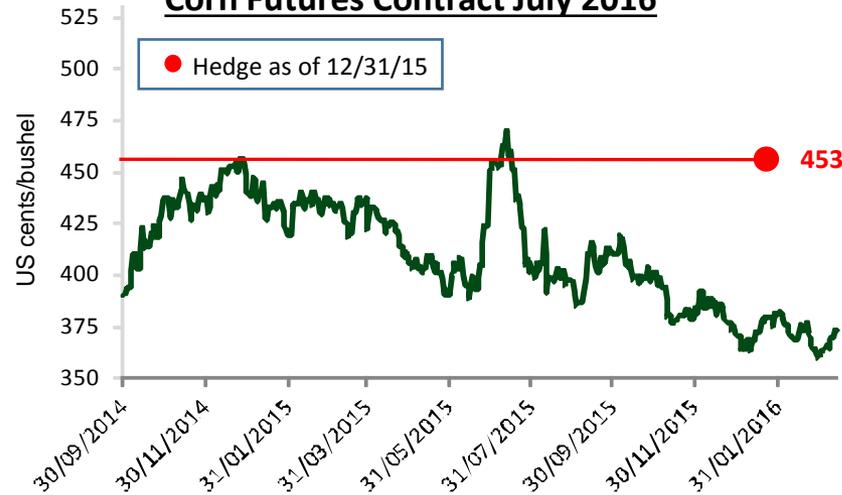
Soybean Futures Contract July 2016



Soybean 15/16 Hedge:

- 172,200 tons hedged (approximately 76% of production) @ \$1,004 cents/bushel
- As of December 31th, prices stood at \$877 cents/bushel, generating a mark-to-market gain

Corn Futures Contract July 2016



Corn 15/16 Hedge:

- 98,100 tons already hedged (approximately 41% of production) @ \$453 cents/bushel
- As of December 31th, prices stood at \$370 cents/bushel, generating a mark-to-market gain



Financial Performance





Financial performance in 2015 was negatively impacted by lower commodity prices, partially offset by enhanced operating efficiencies

Area & Production	2010	2011	2012	2013	2014	2015	4Q14	4Q15	Chg%
Farming Planted Area (hect.) ⁽¹⁾	183,454	192,207	232,547	219,305	224,343	215,867	224,343	215,867	(3.8%)
Sugarcane Planted Area (hect.)	53,799	65,308	85,663	99,409	124,412	129,299	124,412	129,299	3.9%
Farming Production (tons) ⁽²⁾	618,834	666,589	738,847	699,179	848,843	804,308	848,843	804,308	(5.2%)
Sugarcane Crushing (tons)	4,066,115	4,168,082	4,488,935	6,417,951	7,232,827	8,335,447	2,296,030	1,794,058	(22%)
Net Sales	2010	2011	2012	2013	2014	2015	4Q14	4Q15	Chg%
Farming & Land Transformation	197,741	270,766	322,368	327,163	315,837	273,692	63,658	66,014	3.7%
Sugar, Ethanol & Energy	204,256	258,939	271,447	297,265	378,633	374,977	141,987	143,749	1.2%
Total	401,997	529,705	593,815	624,428	694,470	648,669	205,645	209,763	2.0%
Adjusted EBITDA	2010	2011	2012	2013	2014	2015	4Q14	4Q15	Chg%
Farming & Land Transformation	65,735	67,444	68,647	88,942	85,234	70,282	(14,978)	35,445	(336.6%)
Sugar, Ethanol & Energy	51,735	109,507	97,505	115,239	153,503	154,805	59,422	48,738	(18.0%)
Corporate	(22,353)	(26,885)	(25,442)	(23,478)	(23,233)	(22,467)	(6,719)	(6,127)	(8.8%)
Total	95,117	150,066	140,710	180,704	215,504	202,620	37,725	78,056	106.9%
Adjusted EBITDA Margin	2010	2011	2012	2013	2014	2015	4Q14	4Q15	Chg%
Farming & Land Transformation ⁽¹⁾	27.6%	19.9%	17.3%	23.6%	23.3%	21.6%	-28.8%	49.1%	(270.3%)
Sugar, Ethanol & Energy ⁽¹⁾⁽²⁾	19.9%	37.1%	31.2%	34.8%	37.5%	38.3%	39.5%	31.8%	(19.5%)
Total	23.7%	28.3%	23.7%	28.9%	31.0%	31.2%	18.3%	37.2%	102.8%

(2) Total Production for the 2014/15 season

(2) Total Production for the 2014/15 season

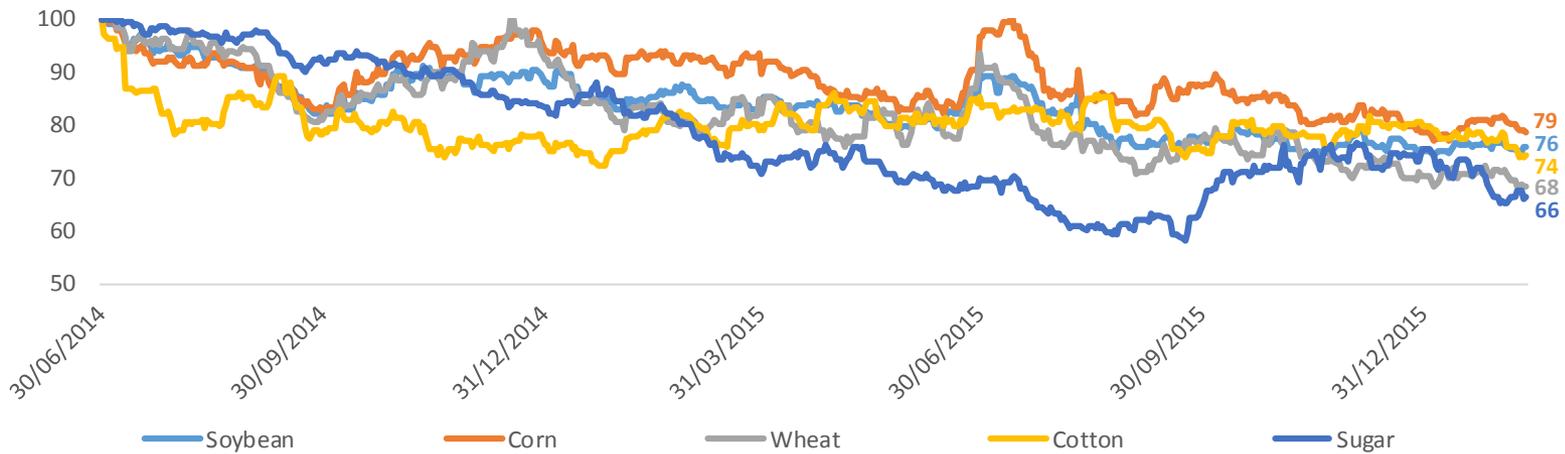
(3) Corporate expenses allocated 50% to Farming & Land Transformation and 50% to Sugar, Ethanol & Energy

(4) Calculated over Net Sales. Net Sales is calculated as Sales less sugar and ethanol sales taxes.

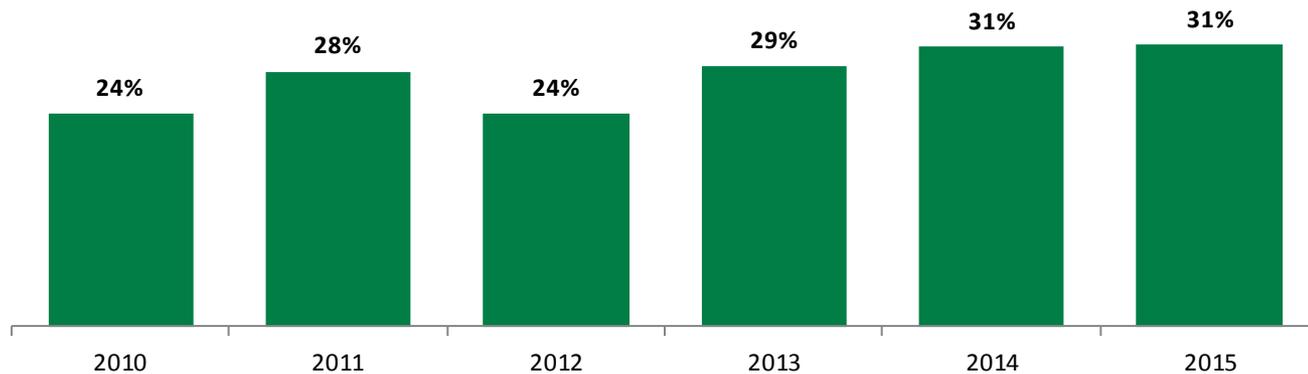
Stable margins despite high commodity price volatility resulting from low cost strategy and diversification and active hedging strategy

Soft Commodity Prices

(30-06-2014=100)



Adjusted EBITDA Margin

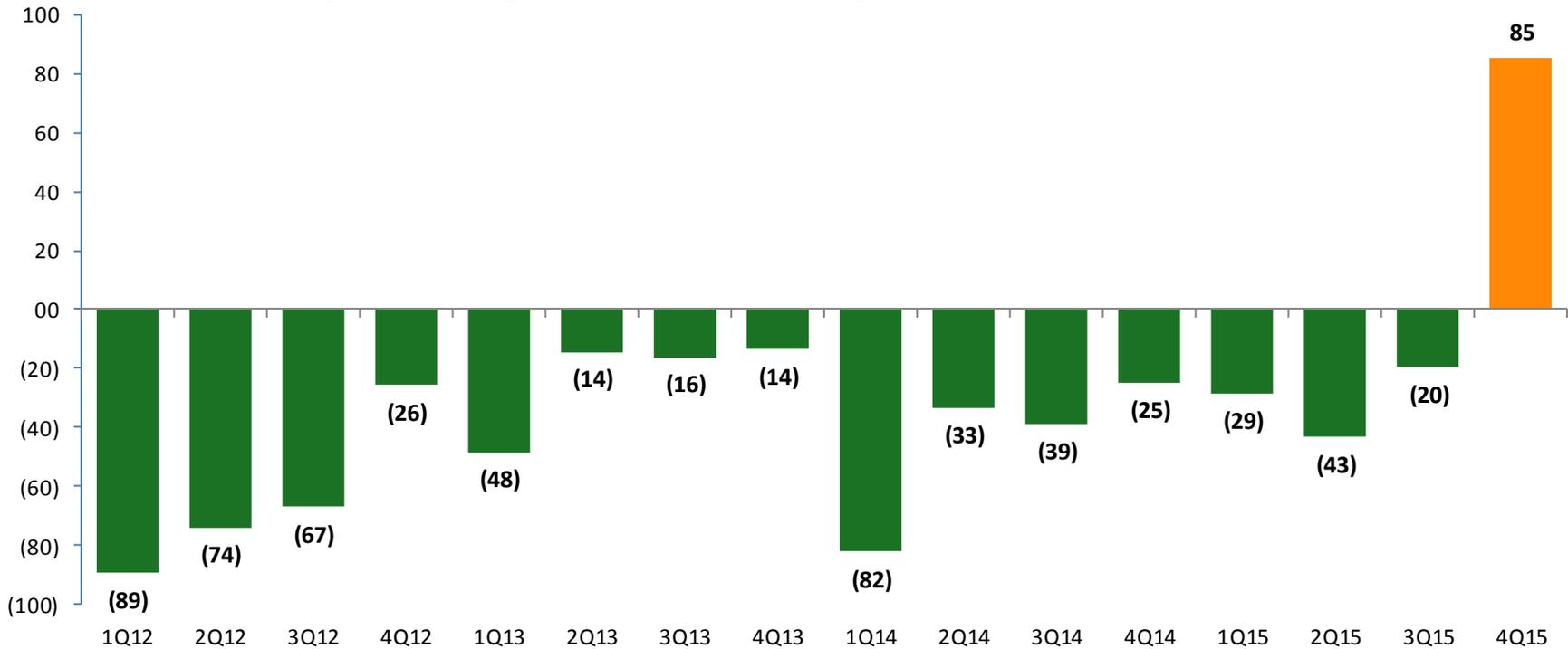




During 4Q15 we became FCF positive and started the deleveraging process

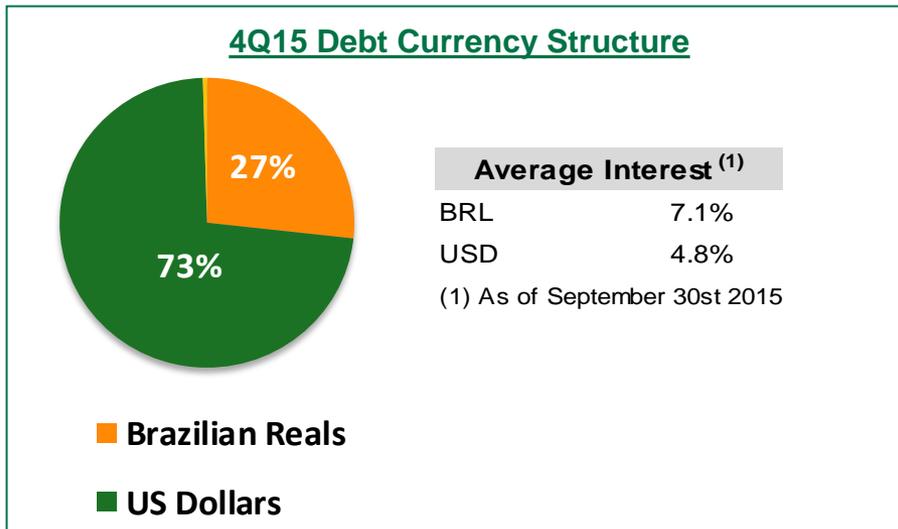
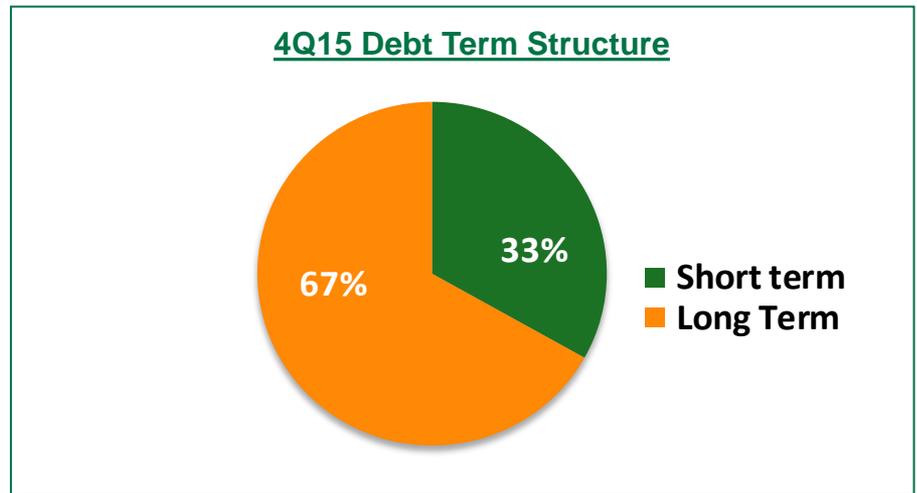
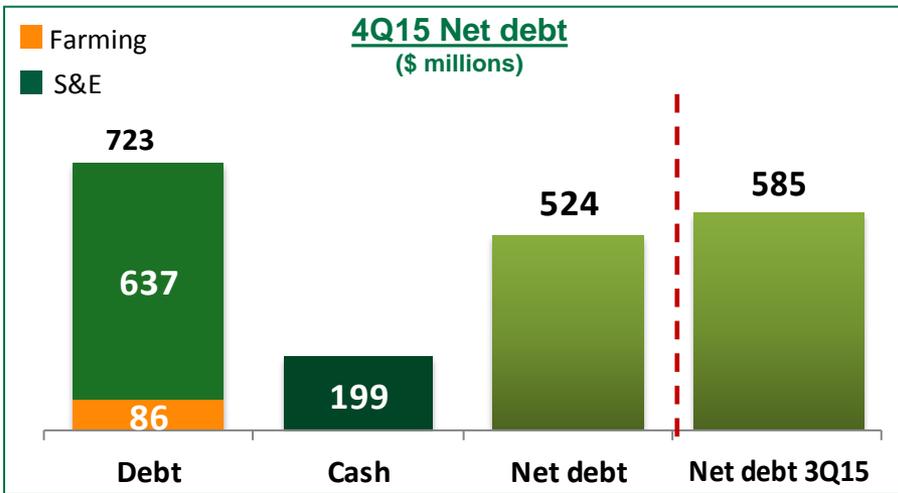
Free Cash Flow Generation
(USD Millions)

FCF= FCF before changes in net borrowings





Net debt stands at \$525 million as of December 2015, \$60 million lower than 3Q15



- Total debt as of December 31, 2015, was of \$723 million.
- 67% of our debt is in the long term, composed mainly of loans from multilateral banks
- Net debt as of December 31, 2015, was of \$525 million

Thank you!



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