INDIVIDUAL FINANCIAL STATEMENTS

Drawn up in accordance with the Order of the Ministry of Public Finance no.1802/2014 with the subsequent amendments, as at the date and for the financial year ended on FEBRUARY 29th, 2016

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Financial statements

Entity: AGRANA ROMANIA SA

Address	County	District	Locality			
	Bucharest	1st District	Bucharest			
	Street	No.	Building	Entrance	Apart.	Tel.
	Soseaua Straulesti	178-180			B4	0731000116

Trade Registry registration number: J40/4411/2008 Tax Identification Number: 2083754

Ownership:

35—Joint-stock trade companies

Main activity (NACE code and denomination)

1081 – Manufacture of sugar

Main activity actually performed (NACE code and denomination)

1081 – Manufacture of sugar

BALANCE SHEET as at
February 29th, 2016

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	Item denomination	Rows no.	Balance as at: January 1st, 2015	Balance as at: March 1st, 2015 (not audited)	Balance as at: February 29th, 2016
	A	B	1	2	3
A.	**NON-CURRENT ASSETS**				
	I. INTANGIBLE ASSETS				
	1. Set-up costs (acc. 201-2801)	1	-	-	-
	2. Development expenses (acc. 203 - 2803 - 2903)	2	-	-	-
	3. Concession rights, patents, licenses, trademarks and other similar rights and other intangible assets (acc. 205 + 208 - 2805 - 2808 - 2905 - 2908)	3	377.888	356.511	228.250
	4. Goodwill (acc. 2071 - 2807)	4	-	-	-
	5. Intangible assets for the exploration and evaluation of mineral resources (206 - 2806 - 2906)	5	-	-	-
	6. Advance payments (acc. 4094)	6	-	-	-
	TOTAL intangible assets (rows 01 to 06)	**7**	**377.888**	**356.511**	**228.250**

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Item denomination		Rows no.	Balance as at:		
			January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
A		B	1	2	3
	II. TANGIBLE ASSETS				
	1. Land and buildings (acc. 211 + 212 - 2811 - 2812 - 2911 - 2912)	8	97.567.962	97.269.757	99.027.112
	2. Technical equipment and machinery (acc. 213 + 223 - 2813 - 2913)	9	88.896.774	87.964.500	82.858.025
	3. Other equipment and furniture (acc. 214 + 224 - 2814 - 2914)	10	1.413.218	1.409.229	1.269.410
	4. Real estate investments (acc. 215 - 2815 - 2915)	11	2.996.154	2.975.495	2.851.539
	5. Tangible assets in progress (acc. 231 - 2931)	12	8.870.088	7.402.174	2.209.457
	6. Real estate investments in progress (acc. 235 - 2935)	13	-	-	-
	7. Tangible assets for the exploration and exploitation of mineral resources (acc. 216 - 2816 - 2916)	14	-	-	-
	8. Productive biological assets (acc. 217 + 227 - 2817 - 2917)	15	-	-	-
	9. Advance payments (acc. 4093)	16	-	68.750	68.750
	TOTAL tangible assets (rows 08 to 16)	**17**	**197.744.196**	**197.089.905**	**188.284.293**
	III. FINANCIAL ASSETS				
	1. Shares held in affiliated entities (acc. 261 - 2961)	18	200.990	200.990	198.990
	2. Loans to affiliated entities (acc. 2671 + 2672 - 2964)	19	-	-	-
	3. Shares held in associated entities and jointly-controlled entities (acc. 262 + 263 - 2962)	20	-	-	-
	4. Loans granted to associated entities and jointly-controlled entities (acc. 2673 + 2674 - 2965)	21	-	-	-
	5. Other long-term investments (acc. 265 + 266 - 2963)	22	11.396	11.396	11.396
	6. Other loans (acc. 2675* + 2676* + 2677 + 2678* + 2679* - 2966* - 2968*)	23	7.716	11.216	11.216
	TOTAL financial assets (rows 18 to 23)	**24**	**220.102**	**223.602**	**221.602**

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

	Item denomination	Rows no.	Balance as at:		
			January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
A		B	1	2	3
	NON-CURRENT ASSETS – TOTAL (rows 07 + 17 + 24)	**25**	**198.342.186**	**197.670.018**	**188.734.145**
B.	**CURRENT ASSETS**				
	I. INVENTORIES				
	1. Raw materials and consumables (acc. 301 + 302 + 303 +/- 308 + 321 + 322 + 323 + 328 + 351 + 358 + 381 +/- 388 - 391 - 392 - 3951 - 3958 - 398)	26	31.923.153	19.766.958	13.886.429
	2. Production in progress (acc. 331 + 332 + 341 +/- 348* - 393 - 3941 - 3952)	27	783.080	8.435	-
	3. Finished goods and merchandise (acc. 327 + 345 + 346 + 347 +/- 348* + 354 + 356 + 357 + 361 + 326 +/- 368 + 371 +/- 378 - 3945 - 3946 - 3947- 3953 - 3954 - 3955 - 3956 - 3957 - 396 - 397 - din acc. 4428)	28	214.449.929	213.682.103	176.048.187
	4. Advance payments (acc. 4091)	29	364.515	36.378	84.690
	TOTAL inventories (rows 26 to 29)	**30**	**247.520.677**	**233.493.874**	**190.019.306**
	II. RECEIVABLES (The amounts to be cashed in after a period of time longer than one year, must be presented separately for each element)				
	1. Trade receivables[1] (acc. 2675* + 2676* + 2678* + 2679* - 2966* - 2968* + 4092 + 411 + 413 + 418 - 491)	31	56.777.789	35.950.376	65.069.361
	2. Amounts to be collected from affiliated entities (acc. 451** - 495*)	32	36.942.133	16.980.658	11.700.675
	3. Amounts to be collected from associated entities and jointly-controlled entities (acc. 453 - 495*)	33	-	-	-
	4. Other receivables (acc. 425 + 4282 + 431** + 437** + 4382 + 441** + 4424 + din acc. 4428** + 444** + 445 + 446** + 447** + 4482 + 4582 + 4662 + 461 + 473** - 496 + 5187)	34	13.612.134	7.561.374	20.132.154
	5. Share capital subscribed, but not	35	-	-	-

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Item denomination		Rows no.	Balance as at:		
			January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
A		B	1	2	3
	paid in (acc. 456 - 495*)				
	TOTAL receivables (rows 31 to 35)	**36**	**107.332.056**	**60.492.408**	**96.902.190**
	III. SHORT TERM INVESTMENTS				
	1. Shares held in affiliated entities (acc. 501 - 591)	37	-	-	-
	2. Other short term investments (acc. 505 + 506 + 507 + din acc. 508 - 595 - 596 - 598 + 5113 + 5114)	38	-	-	-
	TOTAL short term investments (rows 37 + 38)	**39**	**-**	**-**	**-**
	IV. PETTY CASH AND BANK ACCOUNTS (from acc. 508 + acc. 5112 + 512 + 531 + 532 + 541 + 542)	40	2.948.437	7.878.890	10.168.706
	CURRENT ASSETS – TOTAL (rows 30 + 36 + 39 + 40)	**41**	**357.801.170**	**301.865.172**	**297.090.202**
C.	**PREPAID EXPENSES** (acc. 471) **(rows 43+44)**	**42**	**609.578**	**365.517**	**369.444**
	Amounts to be transferred within one year (from acc. 471*)	43	609.578	365.517	369.444
	Amounts to be transferred within more than one year (from acc. 471*)	44	-	-	-
D.	**LIABILITIES: AMOUNTS PAYABLE WITHIN A PERIOD UP TO ONE YEAR**				
	1. Loans from bonds issue, separately indicating the loans from convertible bonds (acc. 161 + 1681 - 169)	45	-	-	-
	2. Amounts owed to credit institutions (acc. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	46	-	-	-
	3. Advance payments from customers (acc. 419)	47	513.510	518.653	464.949
	4. Trade liabilities - suppliers (acc. 401 + 404 + 408)	48	69.149.313	36.992.463	16.564.171
	5. Bills of exchange payable(acc. 403 + 405)	49	-	-	-
	6. Amounts owed to affiliated entities	50	450.086.104	434.057.748	445.969.043

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Item denomination		Rows no.	Balance as at:		
			January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
A		B	1	2	3
	(acc. 1661 + 1685 + 2691 + 451***)				
	7. Amounts owed to associated entities and to jointly-controlled entities (acc. 1663 + 1686 + 2692 + 2693 + 453***)	51	-	-	-
	8. Other payables, including tax liabilities and social security liabilities (acc. 1623 + 1626 + 167 + 1687 + 2695 + 421 + 423 + 424 + 426 + 427 + 4281 + 431*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 457 + 4581 + 462 + 4661 + 473*** + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	52	8.571.758	6.336.374	8.405.248
	TOTAL (rows 45 to 52)	**53**	**528.320.685**	**477.905.238**	**471.403.411**
E.	**NET CURRENT ASSETS /NET CURRENT LIABILITIES (rows 41 + 43 - 53 - 70 - 73-76)**	**54**	**(169.917.548)**	**(175.677.708)**	**(173.962.434)**
F.	**TOTAL ASSETS MINUS CURRENT LIABILITIES (rows 25 + 44 +54)**	**55**	**28.424.638**	**21.992.310**	**14.771.711**
G.	**LIABILITIES: AMOUNTS PAYABLE WITHIN A PERIOD OVER ONE YEAR**				
	1. Loans from bonds issue, separately indicating the loans from convertible bonds (acc. 161 + 1681 - 169)	56	-	-	-
	2. Amounts owed to credit institutions (acc. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	57	-	-	-
	3. Advance payments from customers (acc. 419)	58	-	-	-
	4. Trade liabilities – suppliers (acc. 401 + 404 + 408)	59	-	-	-
	5. Bills of exchange payable (acc. 403 + 405)	60	-	-	-
	6. Amounts owed to affiliated entities	61	-	-	-

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Item denomination		Rows no.	Balance as at:		
			January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
A		B	1	2	3
	(acc. 1661 + 1685 + 2691+ 451***)				
	7. Amounts owed to associated entities and to jointly-controlled entities (acc. 1663 + 1686 + 2692 + 2693 + 453***)	62	-	-	-
	8. Other payables, including tax liabilities and social security liabilities (acc. 1623 + 1626 + 167 + 1687 + 2695 + 421 + 423 + 424 + 426 + 427 + 4281 + 431*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 4581 + 462 + 4661 + 473*** + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	63	-	-	-
	TOTAL (rows 56 to 63)	**64**	**-**	**-**	**-**
H.	**PROVISIONS**				
	1. Provisions for employee benefits (acc. 1515 + 1517)	65	-	-	-
	2. Provisions for taxes (acc. 1516)	66	61.523	61.523	61.523
	3. Other provisions (acc. 1511 + 1512 + 1513 + 1514 + 1518)	67	4.088.129	1.675.721	2.794.112
	TOTAL (rows 65 + 66 + 67)	**68**	**4.149.652**	**1.737.244**	**2.855.635**
I.	**DEFERRED REVENUE**				
	1. Investment subsidies (acc. 475) (rows 70 + 71):	69	-	-	-
	Amounts to be transferred within a period up to one year (from acc. 475*)	70	-	-	-
	Amounts to be transferred within a period over one year (din acc. 475*)	71	-	-	-
	2. Deferred revenue (acc. 472) - total (rows 73 + 74), out of which:	72	7.611	3.159	18.669
	Amounts to be transferred within a period up to one year (from acc. 472*)	73	7.611	3.159	18.669
	Amounts to be transferred within a period over one year (from acc. 472*)	74	-	-	-
	3. Deferred revenue related to assets received by transfer from customers (acc. 478) (rows 76 + 77):	75	-	-	-

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	Item denomination		Rows no.	Balance as at:		
				January 1st, 2015	March 1st, 2015 (not audited)	February 29th, 2016
	A		B	1	2	3
	Amounts to be transferred within a period up to one year (from acc. 478*)		76	-	-	-
	Amounts to be transferred within a period over one year (from acc. 478*)		77	-	-	-
	Negative goodwill (acc. 2075)		78	-	-	-
	TOTAL (rows 69 + 72 + 75+78)		**79**	**7.611**	**3.159**	**18.669**
J.	**CAPITAL AND RESERVES**					
	I. CAPITAL					
	1. Subscribed paid in capital (acc. 1012)		80	14.454.215	14.454.215	14.454.215
	2. Subscribed unpaid capital (acc. 1011)		81	-	-	-
	3. State-owned equity and assets (acc. 1015)		82	-	-	-
	4. Patrimony of national research and development institutions (acc. 1018)		83	-	-	-
	5. Other equity elements (acc. 1031)	**CREDIT BALANCE**	84	-	-	-
	TOTAL (rows 80 + 81 + 82 + 83 + 84)		**85**	14.454.215	14.454.215	14.454.215
	II. SHARE PREMIUMS (acc. 104)		86	19.101.921	19.101.921	19.101.921
	III. REVALUATION RESERVES (acc. 105)		87	49.439.695	48.827.356	45.220.743
	IV. RESERVES					
	1. Legal reserves (acc. 1061)		88	2.890.838	2.890.838	2.890.838
	2. Statutory and contractual reserves (acc. 1063)		89	-	-	-
	3. Other reserves (acc. 1068)		90	92.154.033	92.154.033	92.154.032
	TOTAL (rows 88 to 90)		**91**	**95.044.871**	**95.044.871**	**95.044.870**
	Equity capital (acc. 109)		92	-	-	-
	Gains related to equity capital instruments (acc. 141)		93	-	-	-
	Losses related to equity capital instruments (acc. 149)		94	-	-	-
	V. PROFIT OR LOSS CARRIED FORWARD (A) (acc. 117)	**CREDIT BALANCE**	95	-	-	-
		DEBIT BALANCE	96	88.548.764	153.153.376	149.546.764
	VI. PROFIT OR LOSS FOR	**CREDIT**	97	-	-	-

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Item denomination		Rows no.	Balance as at:		
			January 1st, 2015	**March 1st, 2015 (not audited)**	**February 29th, 2016**
A		**B**	**1**	**2**	**3**
THE FISCAL YEAR (acc. 121)	**BALANCE**				
	DEBIT BALANCE	98	65.216.952	4.019.921	12.358.909
Profit distribution (acc. 129)		99	-	-	-
EQUITY CAPITAL - TOTAL (rows 85 + 86 + 87 + 91 - 92 + 93 - 94 +95 - 96 + 97 - 98 - 99)		**100**	**24.274.986**	**20.255.066**	**11.916.076**
Public assets (acc. 1016)		101	-	-	-
Private assets (acc. 1017)		102	-	-	-
EQUITY CAPITAL - TOTAL (rows 100 + 101 + 102)		**103**	**24.274.986**	**20.255.066**	**11.916.076**

ADMINISTRATOR,

DRAFTED BY,

Attention!

First and last name
ROMAN ANDREEA MADALINA
[Illegible signature]

First and last name
DRAGHICI DAN COSMIN
Position:
12 – CHIEF ACCOUNTANT
[Illegible signature]
Registration number within the professional body

[Company's stamp]

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Entity: AGRANA ROMANIA SA

Address							
	County	District		Locality			
	Bucharest	1^{st} District		Bucharest			
	Street	No.	Building	Entrance	Apart.	Tel.	
	Soseaua Straulesti	178-180			B4	0731000116	

Trade Registry registration number: J40/4411/2008 Tax Identification Number: 2083754

Ownership:

35—Joint-stock trade companies

Main activity (NACE code and denomination)

1081 – Manufacture of sugar

Main activity actually performed (NACE code and denomination)

1081 – Manufacture of sugar

PROFIT AND LOSS ACCOUNT

for the financial year ended on February 29^{th}, 2016

-lei-

Indicator denomination			Row no.	Financial year	
				January 1^{st}, 2015 – February 28^{th}, 2015 (not audited)	**March 1^{st}, 2015 – February 29^{th}, 2016**
A			B	1	2
1	**Net turnover (rows 02 + 03 - 04 + 05 + 06)**		**1**	**78.542.117**	**918.965.204**
	Production sold (acc. 701 + 702 + 703 + 704 + 705 + 706 + 708)		2	14.494.615	315.333.889
	Revenues from the sale of goods (acc. 707)		3	64.488.968	607.240.348
	Commercial discounts granted (acc. 709)		4	441.466	3.609.033
	Interest revenue recorded by entities deregistered from the General Registry and which are still involved in leasing contracts (acc. 766*)		5	-	-
	Revenues from operating subsidies related to the net turnover (acc. 7411)		6	-	-
2	Revenue related to the cost of work in progress (acc. 711 + 712)	CREDIT BALANCE	7	12.627.813	-
		DEBIT BALANCE	8	-	28.192.950
3	Revenue from the sale of tangible and intangible assets (acc. 721 + 722)		9	-	-
4	Revenue from the revaluation of tangible assets (acc. 755)		10	-	-
5	Revenue from the sale of real estate investments (acc. 725)		11	-	-

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Indicator denomination		Row no.	Financial year	
			January 1st, 2015 – February 28th, 2015 (not audited)	March 1st, 2015 – February 29th, 2016
A		B	1	2
6	Revenue from operating subsidies (acc. 7412 + 7413 + 7414 + 7415 + 7416 + 7417 + 7419)	12	-	41.500
7	Other operating revenues (acc. 751+ 758 + 7815)	13	273.618	2.868.531
	- out of which, revenues from negative goodwill (acc. 7815)	14	-	-
	- out of which, revenues from investment subsidies (acc. 7584)	15	-	-
OPERATING INCOME - TOTAL (rows 01 + 07 - 08 + 09 + 10 + 11 + 12 + 13)		**16**	**91.443.548**	**893.682.285**
8	a) Expenses related to raw materials and consumables (acc. 601 + 602)	17	20.065.675	173.987.849
	Other material expenses (acc. 603 + 604 + 606 + 608)	18	298.272	2.179.482
	b) Other external expenses (for energy and water) (acc. 605)	19	4.495.295	43.312.593
	c) Expenses related to commodities (acc. 607)	20	56.780.626	546.698.589
	Commercial discounts received (acc. 609)	21	-	358.254
9	Personnel-related expenses (rows 23 + 24), din care:	22	5.401.759	33.923.583
	a) Salaries and compensations (acc. 641 + 642 + 643 + 644)	23	4.326.153	27.197.089
	b) Expenses related to social insurance and protection (acc. 645)	24	1.075.606	6.726.494
10	a) Value adjustments for tangible and intangible assets (rows 26 - 27)	25	2.836.804	17.016.897
	a.1) Expenses (acc. 6811 + 6813 + 6817)	26	2.836.804	17.016.897
	a.2) Revenue (acc. 7813)	27	-	-
	b) Value adjustments related to current assets (rows 29 - 30)	28	(2.275.809)	(12.875.188)
	b.1) Expenses (acc. 654 + 6814)	29	388.168	3.756.234
	b.2) Revenue (acc. 754 + 7814)	30	2.663.977	16.631.422
11	Other operating expenses (rows 32 la 38)	31	12.978.812	88.935.788
	11.1. Expenses related to external services (acc. 611 + 612 + 613 + 614 + 615 + 621 + 622 + 623 +	32	12.280.599	83.571.208

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Indicator denomination		Row no.	Financial year	
			January 1st, 2015 – February 28th, 2015 (not audited)	March 1st, 2015 – February 29th, 2016
A		B	1	2
	624 + 625 + 626 + 627 + 628)			
	11.2. Expenses with other taxes, duties and similar payments; expenses representing transfers and contributions owed based on special normative deeds (acc. 635 + 6586*)	33	262.568	4.261.586
	11.3. Expenses related to environmental protection (acc. 652)	34	46.508	647.803
	11.4 Expenses from the revaluation of tangible assets (acc. 655)	35	-	-
	11.5. Expenses related to natural disasters and other similar events (acc. 6587)	36	-	-
	11.6. Other expenses (acc. 651 + 6581+ 6582 + 6583 + 6588)	37	389.137	455.191
	Expenses with refinancing interests recorded by entities deregistered from the General Registry and which are still involved in leasing contracts (acc. 666*)	38	-	-
	Adjustments for provisions (rows 40 - 41)	39	(2.458.732)	1.011.931
	- Expenses (acc. 6812)	40	-	1.174.989
	- Revenue (acc. 7812)	41	2.458.732	163.058
OPERATING EXPENSES – TOTAL (rows 17 la 20 - 21 + 22 + 25 + 28 + 31 + 39)		**42**	**98.122.702**	**893.833.270**
OPERATING PROFIT OR LOSS:				
	- Profit (rows 16 - 42)	43	-	-
	- Loss (rows 42 - 16)	44	6.679.154	150.985
12	Revenue from participation interests (acc. 7611 + 7612 + 7613)	45	-	-
	- out of which, revenue from affiliated entities	46	_	-
13	Interest revenues (acc. 766*)	47	1.227	4.607
	- out of which, revenue from affiliated entities	48	-	-
14	Revenue from operating subsidies for the interest owed (acc. 7418)	49	-	-
15	Other financial revenues (acc. 7615 + 762 + 764 + 765 + 767 + 768)	50	4.033.371	6.353.350

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Indicator denomination		Row no.	Financial year	
			January 1st, 2015 – February 28th, 2015 (not audited)	March 1st, 2015 – February 29th, 2016
A		B	1	2
	- out of which, revenue from other financial assets (acc. 7615)	51	-	-
FINANCIAL REVENUES - TOTAL (rows 45 + 47 + 49 + 50)		**52**	**4.034.598**	**6.357.957**
16	Adjustments of the value of financial assets and investments held as current assets (rows 54 - 55)	53	-	-
	- Expenses (acc. 686)	54	-	-
	- Revenue (acc. 786)	55	-	-
17	Interest-related expenses (acc. 666*)	56	865.547	8.351.995
	- out of which, expenses related to affiliated entities	57	865.547	8.351.995
	Other financial expenses (acc. 663 + 664 + 665 + 667 + 668)	58	509.818	6.193.965
FINANCIAL EXPENSES - TOTAL (rows 53 + 56 + 58)		**59**	**1.375.365**	**14.545.960**
FINANCIAL PROFIT OR LOSS:				
	- Profit (rows 52 - 59)	60	2.659.233	-
	- Loss (rows 59 - 52)	61	-	8.188.003
TOTAL REVENUE (rows 16 + 52)		**62**	**95.478.146**	**900.040.242**
TOTAL EXPENSES (rows 42 + 59)		**63**	**99.498.067**	**908.379.230**
18	GROSS PROFIT OR LOSS			
	- Profit (rows 62 - 63)	64	-	-
	- Loss (rows 63 - 62)	65	4.019.921	8.338.988
19	Profit tax (acc. 691)	66	-	-
20	Other taxes not mentioned above (acc. 698)	67	-	-
21	**NET PROFIT OR LOSS OF THE FINANCIAL YEAR:**			
	- Profit (rows 64 -65- 66 - 67)	68	-	-
	- Loss (rows 65+66 + 67 - 64)	69	4.019.921	8.338.988

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

ADMINISTRATOR,

DRAFTED BY,

Attention!

First and last name
ROMAN ANDREEA MADALINA
[Illegible signature]

First and last name
DRAGHICI DAN COSMIN
Position:
12 – CHIEF ACCOUNTANT
[Illegible signature]
Registration number within
the professional body:

[Company's stamp]

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[Auditor's stamp – KPMG; Date: 27th of May, 2016]

March 1st, 2015 – February 29th, 2016

Item denomination		Balance as at March 1st, 2015 (not audited)	Increases		Reductions		Balance as at February 29th, 2016
			Total, out of which:	By transfer	Total, out of which:	By transfer	
Subscribed capital		14.454.215	-	-	-	-	14.454.215
Share premiums		19.101.921	-	-	-	-	19.101.921
Revaluation reserves		48.827.356	-	-	3.606.613	3.606.613	45.220.743
Legal reserves		2.890.838	-	-	-	-	2.890.838
Other reserves		92.154.033	-	-	-	-	92.154.032
Retained earnings representing undistributed profit or loss carried forward	Credit balance	-	-	-	-	-	-
	Debit balance	169.408.927	-	-	-	-	169.408.927
Retained earnings from the changes in the accounting policies	Credit balance	-	-	-	-	-	-
	Debit balance	-	-	-	-	-	-
Retained earnings from the correction of accounting errors	Credit balance	-	-	-	-	-	-
	Debit balance	-	-	-	-	-	-
Retained earnings representing the surplus achieved from revaluation reserves	Credit balance	16.255.551	3.606.613	3.606.613	-	-	19.862.163
Profit or loss for the financial year	Credit balance	-	-	-	-	-	-
	Debit balance	4.019.921	8.338.988	-	-	-	12.358.909
Profit distribution		-	-	-	-	-	-
Total equity		**20.255.066**	**(4.732.375)**	**3.606.613**	**3.606.613**	**3.606.613**	**11.916.076**

Administrator,
Roman Andreea Madalina

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[Company's stamp]

Drafted by,
Draghici Dan Cosmin
Chief Accountant

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Registration number within the professional body

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

January 1st, 2015 – February 28th, 2015

Item denomination		Balance as at January 1st, 2015	Increases		Reductions		Balance as at February 28th, 2015 (not audited)
			Total, out of which:	By transfer	Total, out of which:	By transfer	
Subscribed capital		14.454.215	-	-	-	-	14.454.215
Share premiums		19.101.921	-	-	-	-	19.101.921
Revaluation reserves		49.439.695	-	-	612.339	612.339	48.827.356
Legal reserves		2.890.838	-	-	-	-	2.890.838
Other reserves		92.154.033	-	-	-	-	92.154.033
Retained earnings representing undistributed profit or loss carried forward	Credit balance	-	-	-	-	-	-
	Debit balance	104.191.975	65.216.952	65.216.952	-	-	169.408.927
Retained earnings from the changes in the accounting policies	Credit balance	-	-	-	-	-	-
	Debit balance	-	-	-	-	-	-
Retained earnings from the correction of accounting errors	Credit balance	-	-	-	-	-	-
	Debit balance	-	-	-	-	-	-
Retained earnings representing the surplus achieved from revaluation reserves	Credit balance	15.643.211	612.339	612.339	-	-	16.255.551
Profit or loss for the period	Credit balance	-	-	-	-	-	-
	Debit balance	65.216.952	4.019.921	-	65.216.952	65.216.952	4.019.921
Profit distribution		-	-	-	-	-	-
Total equity		**24.274.986**	**(68.624.534)**	**(64.604.613)**	**(64.604.613)**	**(64.604.613)**	**20.255.066**

The application of the accounting regulations approved by the Order of the Ministry of Public Finance no. 1802/2014 required the modification of the accounting treatments from those from those applied according to the accounting regulations approved by the Order of the Ministry of Public Finance no. 3055/2009 based on which the financial statements for the financial year ended on December 31st, 2014 were prepared (see note 2.4 – Comparative statements).

Administrator,	**Drafted by,**
Roman Andreea Madalina	Draghici Dan Cosmin
	Chief accountant
Illegible signature	*Illegible signature*
Company's stamp	Registration number within the professional body

[Auditor's stamp – KPMG; Date: 27th of May, 2016]

The indirect method

Item denomination	Period: January 1st, 2015 – February 28th, 2015 (not audited)	Period: March 1st, 2015 – February 29th, 2016
A	1	2
Cash flows from operating activities:		
Net loss	**(4.019.921)**	**(8.338.988)**
Adjustments for:		
Amortisation and impairment adjustments related to tangible and intangible assets	2.836.805	17.016.897
(Profit)/Loss from the sale, respectively the quashing of tangible and intangible assets	51.420	163.445
Loss from the assignment of financial assets	-	983
Impairment adjustments / (resumptions in revenues) related to current assets	(2.275.809)	(12.875.187)
Expenses/ (resumptions in revenues) from provisions	(2.412.409)	1.118.392
Interest revenues	(1.227)	(4.607)
Interest-related expenses	865.547	8.351.995
The effect of currency exchange gains/losses onto loans	(2.023.900)	1.921.439
Operating profit/ (loss) before changes in working capital	**(6.979.494)**	**7.354.369**
(Increase)/ reduction of trade receivables and of other types of receivables	46.854.209	(31.579.623)
(Increase)/ Reduction of inventories	15.936.171	52.162.608
Increase/ (Reduction) of trade liabilities and of other types of liabilities	(51.686.220)	(131.295.083)
Interests collected	1.227	4.607
Interests paid	-	(5.997.949)
Cash generated by operating activities	**4.125.893**	**(109.351.071)**
Cash flows from investment activities:		
Payments for the purchase of tangible and intangible assets	(195.744)	(11.879.291)
Collections from the sale of tangible and intangible assets	24.006	1.176.920
Collection from the assignment of financial assets	-	1.017
Net cash used in investment activities	**(171.738)**	**(10.701.354)**
Cash flows from financing activities:		
Collections from loans	13.716.240	812.841.862
Loans reimbursements	(12.739.942)	(690.499.621)
Net cash flow generated from financing activities	**976.298**	**122.342.241**
Net increase/(reduction) of cash and cash equivalents	4.930.453	2.289.816
Cash and cash equivalents at the financial year beginning	**2.948.437**	**7.878.890**
Cash and cash equivalents at the financial year end	**7.878.890**	**10.168.706**

Administrator,
Roman Andreea Madalina
Illegible signature
Company's stamp
[Auditor's stamp – KPMG; Date: 27th of May, 2016]

Drafted by,
Draghici Dan Cosmin
Chief accountant
Illegible signature
Registration number within the professional body

Subsemnata **Sîngeorzan Cristina Florentina**, traducător autorizat, cu autorizaţia nr. **15410/2006**, eliberată de Ministerul Justiţiei, certific exactitatea prezentei traduceri cu textul înscrisului în limba română, care a fost vizat de către mine.

I, **Sîngeorzan Cristina Florentina**, authorized translator under no. **15410/2006**, issued by the Ministry of Justice, hereby am responsible of the accuracy of the translation, done after the document in Romanian. In witness whereof I have hereunto set my signature and affixed my seal.

Sîngeorzan Cristina Florentina

Traducător Autorizat Nr. 15410/2006
CRISTINA
FLORENTINA
SÎNGEORZAN
MINISTERUL JUSTIŢIEI

NOTE 1: INFORMATION ABOUT THE COMPANY

The company Agrana Romania SA is founded under this name as of 7 March 2005 following the merger by absorption between SC Zaharul Romanesc SA Buzau as absorbing company and SC Danubiana Roman SA and Agrana Romania Holding and Trading Company SRL Bucharest, as the absorbed companies.

The company Agrana Romania SA is a Romanian legal company, based on shares, administered in a two-tier system, with its headquarters in Bucharest, District 1, no. 178-180 Straulesti Road, registered with the Trade Register under no. J40/4411/10.03.2008.

The main shareholder of the company is Agrana Zucker GmbH, holding 91.81% of its share capital.

The company Agrana Romania SA has as main activity the production and commercialization of sugar and derived products.

The company produces and sells white sugar and provides services to clients both on the domestic market and the international market.

The company is part of the Agrana group. Annual consolidated financial statements are prepared at the level of the mother-companyAGRANA Beteiligungs AG, a holding type entity that owns the majority of shares in Agrana Zucker GMBH, having its registered office at Friedrich-Wilhelm-Raiffeisen-Platz 1, Vienna, Austria. These consolidated annual financial statements are public and can be obtained from the website of the mother - company: www.agrana.com

The company has shares listed on the Bucharest Stock Exchange, Standard AeRO category - Alternative trading system under the symbol BETA.

NOTE 2: PRINCIPLES, POLICIES AND METHODS

2.1. Basis of preparing the financial statements

These are the individual financial statements of the Company Agrana Romania SA for the fiscal year ended February 29th, 2016 prepared in accordance with:

- Accounting Law 82/1991 (republished in 2008), with subsequent amendments
- The provisions of Public Finance Ministry Order no. 1802/2014 with subsequent amendments (“PFMO 1802/2014”)
- The provisions of Public Finance Ministry Order no. 4160/2015 (“PFMO 4160/2015”)

The accounting policies adopted for preparing and presenting financial statements are in accordance with the accounting principles stipulated by PFMO 1802/2014.

These financial statements include:

- The balance sheet;
- The profit and loss account;
- The statement ofchangesin equity;
- The cash flows statement;
- The explanatory notes to the financial statements;

prepared at and for the 12 month period ended on February 29th, 2016, having as information comparative balance sheet as on March 1st, 2015 and January 1st, 2015 respectively profit or loss account for the period of 2 months ending on February 28th, 2015, as required by PFMO 4160 / 2015 on the annual financial statements of the entities that have opted for a fiscal year different from the calendar year, according to article 27 paragraph (3) of the Accountancy Law 82/1991, republished, with subsequent amendments.

The financial statements refer only to Agrana Romania SA.

The company has subsidiaries and it is necessary, as required by PFMO 1802/2014, to prepare consolidated financial statements. The consolidated financial statements are included in a separate document.

The accounting records based on which these financial statements have been prepared are made in lei ("RON").

The accompanying financial statements are not intended to present the financial position in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Romania. Also, the financial statements are not intended to present the results of operations, cash flows and a complete set of notes to the financial statements in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Romania. Therefore, the accompanying financial statements are not designed for those who do not know the accounting and legal system of Romania including the Public Finance Ministry Order no. 1802/2014 with subsequent amendments and the Public Finance Ministry Order no. 4160/2015.

2.2. Significant accounting principles

The financial statements for the year ended on February 29th, 2016 have been prepared in accordance with the following accounting principles:

<u>The Principle of Going Concern</u>

The company will continue to operate normally without going into liquidation or significant reduction in activity.

<u>The Principle of Consistency of Methods</u>

The company applies consistently, from one fiscal year to another,the accounting policies and methods of evaluation.

<u>The Prudence Principle</u>

When preparing financial statements, recognition and evaluation was made on a prudent basis and, in particular:
a) in the income statementonly profits made at the balance sheet date were included;
b) liabilities incurred during the current year or a previous fiscal year were recognized even if they become apparent only between the balance sheet date and the date;
c) impairments were recognized, whether the result of the fiscal year is either loss or profit.

<u>The Principle of Accrual Accounting</u>

The effects of transactions and other events are recognized when the transactions and events occurred (and not when cash or its equivalent has been received or paid) and were accounted for and reported in the financial statements of the related periods.
They were taken into account all income and expensesof the fiscal year, without taking into account the date of receipt or of payment.

Income and expenses resulting directly and simultaneously from the same transaction, were simultaneously accrued in accounting through direct association between costs and revenues associated with distinct highlighting of these revenues and expenses.

The Intangibility Principle

As mentioned in note 2.4 in order to ensure comparability of the information contained in the financial statements for the fiscal year ended on February 29th, 2016, the information reported in the column corresponding to the previous fiscal year ended on December 31st, 2014 respectively in the column corresponding to the period of two months ending on February 28th, 2015 were determined taking into account, on the one hand, the general account plan included in accounting regulations approved by PFMO 1802/2014 and, on the other hand, the necessityof some comparable indicators with the same meaning as those reported in the corresponding column for thefiscal year reporting (fiscal year ended on February 29th, 2016), as required in the Public Finance Ministry Order no. 123/2016.Except this, the opening balance of the fiscal year corresponds to the closing balance of the previous fiscal year.

The Principle of Separate Evaluation of Assets and Liabilities

In order to determine the appropriate value of a balance sheet position each component was separately determined as value of assets and liabilities elements.

The Non-Balancing Principle

The values of the assets were not compensated values of the liabilities or income and expenses.

Accounting and presentation of items from the financial statements considering the substance of the transaction or undertaking concerned

The recording and presentation in the financial statements of economic and financial operations reflect their economic reality, highlighting the rights and obligations, as well as the risks associated with these operations.

The Principle of Valuation at Acquisition Cost or Production Cost

The items presented in the financial statements were assessed on the basis of acquisition cost or production cost, except for certain items of tangible assets valued at fair value.

The Principle of Significance Threshold

The entity may deviate from the requirements contained in the applicable accounting regulations related to publication and disclosures, when the effect of their non-observance are insignificant.

2.3. Reporting currency

The accounts are kept in Romanian language and in the national currency ("RON").Accounting for transactions in foreign currency must be kept both in national currency and in foreign currency.Items included in these statements are presented in Romanian lei.

2.4. Comparative situations

In order to ensure comparability of the information contained in the financial statements for the fiscal year ended on February 29th, 2016, the information reported in the column corresponding to the previous fiscal year ended on December 31st, 2014 respectively in the column corresponding to the period of two months ended February 28th, 2015 were determined within view, on the one hand, of the general account plan included in accounting regulations approved by PFMO 1802/2014 and, on the other hand, the necessity of some comparable indicators with the same meaning as those reported in the corresponding column for the fiscal year reporting (fiscal year of March 1st, 2015 - February 29th, 2016), as requested by the Public Finance Ministry Order no. 123/2016.

Application of accounting regulations approved by PFMO no. 1802/2014 imposed changing accounting treatments to those applied in accordance with accounting regulations approved by PFMO no. 3055/2009 under which financial statements have been prepared for the year ended on December 31st, 2014 in the following cases in which the transitional provisions stipulated in PFMO 1802/2014 have applied:

- Accounting for sales discounts received after invoicing

as well as in the following cases in which the transitional provisions of PFMO 1802/2014 were applied:

- Advances received from customers and advances given to customershave not been the subject of revaluation according to the exchange rate at the end of the month and at the end of the fiscal year;

Net book value of tangible assets leased by the Company was transferred from construction category to real estate investment category.

Except for the above mentioned aspects, the financial statements prepared on February 29th, 2016 show the comparability of financial statements of the previous fiscal year ended on December 31st, 2014. If the values of the previous period are not comparable with those of the current period, this issue is addressed and argued in the explanatory notes without changing comparative figures belonging to the previous year.

During 2015, the Company has opted to change the fiscal year from the calendar year ended on December 31st,to the 12-month period ending on February 28th.According to the requirements of PFMO 4160/2015, when preparing the financial statements for the new fiscal year ended on February 29th, 2016, the Company will present comparative balance sheet information as of March 1st, 2015 and January 1st, 2015 namely the income statement and cash flow statement for 2-month period ended on February 28th, 2015.

2.5. Use of accounting estimates

Preparation of financial statements in accordance with PFMO 1802/2014, with subsequent amendments, involves the management making estimates and assumptionsthat affect the reported amounts of assets and liabilities and presentation of contingent assets and liabilities at the date of the financial statements and amounts of revenues and expenses in the reporting period.Actual results could differ from those estimated.These estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the profit and loss statement in the period when they become known.

2.6. Continuing the activity

In the fiscal year ended on February 29th, 2016, the Company recorded a net loss of 8,338,988 RON, for the period of March 1st, 2015-February 29th, 2016 having cumulative losses of 161,905,673 RON and current net liabilities of 173,962,434 RON, on February 29th, 2016.

According to the decision of the Shareholders' Extraordinary General Meeting no. 1 dated on 20.08.2015, published in the Official Gazette of Romania, Part IV, no.6868/ 14.XII.2015, the shareholders have decided to increase the share capital in one stage, with a maximum value of 72,271,074 lei, that is the current value of 14,454,214.80 RON up to the value of 86,725,288.80 RON, by issuing a total number of 722,710,740 new shares without first issue, each with a nominal value of 0.1 RON and a price of 0.1 RON per share, in exchange for the contribution in cash of the Company's shareholders.The increase procedure is underway.

The company benefits from funding through in-house bank and credit facilities dated June 14th, 2003 - revolving credit facility, multicurrency, amounting to 55,000,000 Euro, together with Agrana Buzau SRL, Agrana Tandarei and Agrana Agro SRL and also September 30th, 2004 - revolving credit facility, multicurrency, amounting to 20,000,000 Euro, offered by Agrana Group Services Gmbh.On February 29th, 2016, the Company has loans from affiliates/ in house banking of 407 million RON.The Company's management, based on the previous experience, as well as on previouslyapproved plans and budgets, is optimistic that these loans will not be required for refund the Agrana Group Services GmbH in the period of 12 months from the date of approval of the financial statements.

In addition, the projections made by management take into account that the work becomes profitable in the medium term.During this period, the Company is dependent, primarily, on the continued support of the majority shareholder, through granted loans.The company relies on the financial support of its majority shareholder to be able to continue their activity in the foreseeable future.

These financial statements were prepared on a going concern basis principle, which assumes that the Company will continue in the foreseeable future.To evaluate the applicability of this presumption, the management analyses projections of future cash inflows.Based on this analysis, management believes that the Company will be able to continue their activity in the foreseeable future and therefore the application of the going concern principle in preparing the financial statements is justified.

2.7. Currency conversions

Transactions made in foreign currencies are initially recorded at the exchange rate published by the National Bank of Romania at the transaction date.
On the balance sheet date, the monetary items in foreign currency and the receivables and liabilities denominated in lei, whose settlement is based on a foreign currency, are evaluated and presented in the financial statements at the exchange rate published by the National Bank of Romania for the closing date of thefiscal year.

Gains and losses from exchange rate differences, made and not made between the exchange rate of the currency market, announced by the National Bank of Romania from the registration date of claims or liabilities in foreign currency and those expressed in lei whose settlement is based on a foreign currency, or the rate at which they are accounted for and the exchange rate of the closing date of the fiscal year are recorded in the income statement in the respectivefiscal year.

Non-monetary items purchased with payment in foreign currency and recorded at historical cost (fixed assets, stocks) are presented in the financial statements using the exchange rate at the transaction date.Non-monetary items purchased with payment in foreign currency and recorded at fair value (for example, revalued tangible assets) are presented in the financial statements at this value.

Exchange rates for RON/ USD and RON/ EUR communicated by the National Bank of Romania on February 29th, 2016, February 28th, 2015 and December 31st, 2014 were as follows:

Currency	**February 29th, 2016**	**February 28th, 2015**	**December 31st, 2014**
RON/ USD	4.0970	3.9515	3.6868
RON/ EUR	4.4692	4.4381	4.4821

2.8 Intangible assets

Intangible assets are stated at cost less the accumulated impairment and the accumulated depreciation losses.

Costs related to the acquisition of licenses and computer software are capitalized and depreciated using the straight-line method over the useful life of between 1 and 8 years.

The cost of purchasing new software is capitalized and treated as an intangible asset if the software component is not part of that hardware.

Costs associated with maintenance or modification of computer software are recorded directly in the income statement in the period in which they were made.

2.9 Tangible assets

Cost / evaluation

The initial cost of property and equipment consists of the purchase price, including import duties or taxes, irrecoverable acquisition expenses, transportation expenses, handling fees, notary fees, costs of obtaining permits and other non-recoverable expenses directly attributable to tangible fixed assets and any costs directly attributable to bringing the asset to the location and in operating conditions.Commercial discounts received after the invoicing of identifiable tangible assets represent deferred income (account 475 “Investment grants”), being resumed in the income statement over the remaining life of the respective assets.Commercial discounts received after the invoicing of tangible assets which are not identifiable represent income of the period (account 758 “Other operating incomes”).Commercial discounts in the submitted purchase invoice which fully cover the equivalent assets acquired are recorded in accounting at fair value on account of deferred income (account 475 “Investment grants”), deferred income related to these assets being resumed in the profit account over the life of those assets.

The cost of self-constructed property and equipment is determined using the same principles as for an acquired asset.Thus, if the entity manufactures similar assets for the purpose of selling, within certain normal transactions, the cost of the asset is usually the same as the cost of building that asset for sale.Therefore, any internal profits are eliminated from the calculation of the cost of that asset.Similarly, expense for scrap, labour or other resources beyond the limits accepted as normal, and the losses that occurred during own construction of asset are not included in the cost of the asset.Borrowing costs attributable to assets with long production process (defined as assets that necessarily require a substantial period of time that is more than one year to get ready for its intended use or sale) are included in the productioncosts thereof, to the extent that they are related to the production period.The borrowing costs include interest on capital borrowed to finance the acquisition, construction or production of assets with long production process.Expenses representing exchange rate differences constitute expenses of the period.

In the initial cost of a tangible asset the initially estimated costs with dismantling and relocation during the deregistration are included, as well as restoring the location on which the asset is positioned, when such amounts can be reliably estimated and the Company has an obligation for dismantling, moving the tangible assets and restorationthe site.The expected costs of dismantling and moving the tangible assets and those with site restoration are recognized in the current tangible asset value, in correspondence with a procurement account.

If a building is demolished to make way for another, expenses for demolition and expenses representing the non-depreciated value of the demolished building or cost of that asset when it is revealed as stock, are recognized by their nature, without being considered costs of location arrangement.

A tangible asset must be presented in the balance sheet at cost value, less accumulated depreciation and any accumulated impairment losses.Subsequent expenses incurred in connection with a tangible asset are expenses in the period in which they were made or are increases of the value of the respective asset, in accordance with the economic benefits associated with such expenses, according to the general criteria for recognition.
The Company applies the following criteria to determine whether subsequent expenses increase the value of those assets:

- Subsequent expensesexceed50% of the full replacement cost of the assetthey refer to. The cost of replacement is either the acquisition cost of assets at the date when the subsequent expenses occur or the historic acquisition cost of the existing asset;

- The economic life of the asset extends over the initial lifetime after rendering the repair;

- Production capacity (efficiency/ quality) of the asset is increased by at least 10% as a result of performing these subsequent expenses.

Costs incurred in connection with tangible assets used under a lease, lease management, administration or other similar contracts stand out in tangible assets or expenses in the period in which they were made, according to associated economic benefits similar with expenses incurred in connection with its own tangible assets.

Daily maintenance costs of tangible assets are recognized in profit or loss account as incurred and theyprimarily include the costs of labour and consumables.

In case of replacing a component of a long-term asset, the Company recognizes the cost of partial replacement, the carrying amount of the replaced part being disposed of, the related depreciation, if the necessary information is available and the recognition criteria are met for tangible assets.

Major spare parts and safety equipment are considered tangible assets when they are expected to be used over a period that is longer than one year.

<u>Real estate investments</u>

Investmentreal estate is the property (land or a building - or part of a building - or both) held to obtain rental income or for capital appreciation or both, rather than heldto be used in the production or supply of goods or services or for administrative purposes orto be sold in the ordinary course of business.

On January 1st, 2015, the Company established, based on accounting policies and professional judgment, which owned real estate properties qualify to be classified as real estate investments.

Transfers to or from investment real-estatecategory is done if and only if there is a change in use, evidenced by commencement of owner-occupation, for a transfer from investment real estatecategory to owner-occupied property category;end of owner-occupation, for a transfer from owner-occupied property category to investment real-estate category.

If the Company decides to concede a real estate investment, with or without development, the entity continues to treat the property as an investment real estate until it is removed from accounting.

Assets held under a lease agreement

Finance leases, which transfer to the Company most of the risks and rewards of ownership of the assets, are capitalized at the lease commencement date usingthe cost of acquisition of fixed assets financed through leasing.Assets capitalized under a finance lease are depreciated on a basis consistent with the normal depreciation policy for similar goods.
The other leases are classified as operating leases.

Tangible assets under production represent unfinished investments made in-house or under a work contract.They are measured at production cost or respectively, atacquisition cost.Tangible assets in progress are put in the category of assets completed upon receipt, placing them into service or commissioning them as appropriate.

On December 31st, 2004, tangible assets have been revalued according to GD 1553/2003.The difference was reflected in account 1058 “Revaluation reserves”.GD 1553/2003 recommended revaluation of tangible assets based on the utility of goods, on their condition, on theinflation and their market value.

OnDecember 31st, 2008 the Company made the revaluation of buildings in accordance with the International Valuation Standards adopted by ANEVAR.The company chose as accounting reflection the results of the revaluation, cancellation of the accumulated depreciation until the revaluation date and presentation date of tangible assets like buildings at fair value.The revaluation surplus was credited to the revaluation reserve account withintheir own equity.

On December 31st, 2011, it made the revaluation of buildings in accordance with the International Valuation Standards adopted by ANEVAR and PFMO 3055/2009 with subsequent amendments and completions.The company chose as accounting reflection the results of the revaluation, cancellation of the accumulated depreciation until the revaluation date and presentation date of tangible assets like buildings at fair value.The revaluation surplus was credited to the revaluation reserve account within their own equity.

On December 31st, 2014, it made the revaluation of buildings in accordance with the International Valuation Standards adopted by ANEVAR and PFMO 3055/2009 with subsequent amendments and completions.The company chose as accounting reflection the results of the revaluation, cancellation of the accumulated depreciation until the revaluation date and presentation date of tangible assets like buildings at fair value.The revaluation surplus was credited to the revaluation reserve account within their own capital.

Revaluation of buildings is done at the end date of the fiscal year to adjust them at fair value.Such buildings are depreciated as values from the first month of the year following the year in which the revaluationwas made.

If an item of tangible asset is revalued, all the other assets of the group to which it belongs shall be revalued.A group of tangible assets includes assets of the same nature and similar uses operated by an entity.If the fair value of tangible assets cannot be determined by reference to an active market, the value of the asset within the balance sheet must be its revalued value since the last revaluation, net of cumulative value adjustments. Revaluations of property and equipment are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

The revaluation surplus included in the revaluation reserve is capitalized through the transfer directly to retained incomes (account 1175 "Reported incomes representing surplus from revaluation reserve"), when this surplus represents a realized gain.The gain considerations realized as the asset is used by the entity;the transferred amount of the reserve is the difference between the depreciation based on the revaluedaccounting amount and the depreciation based on the asset's original cost.

On January 1st, 2015 the account balance 1065 "Reserves representing realization of revaluation reserves" in the amount of 15,643,211 leiwas transferred to the account 1175 "Reported incomes representing surplus from revaluation reserve".

Depreciation

Depreciation of fixed assets with limited duration of economical use represents the systematic allocation of the depreciable amount of an asset for the entire duration of its economic use.The depreciable amount is the cost or other value that substitutes cost (for example,the revalued amount).

Depreciation of tangible assets is calculated in the month following the assets commissioning and until full recovery of their input value.In determining depreciation of tangible assets useful economic lives and their conditions of useare considered.

If tangible assets are passed in conservation, the entity accounts for a corresponding adjustment cost forthe ascertained depreciation.

Depreciation is calculated using the straight line depreciation method over the entire lifetime of the assets.

Investments in tangible assets used under a lease, rental management, administration or other similar agreements are subject to depreciation for the duration of the contract.

Land is not depreciated.

The useful lives of tangible for all major categories are shown in the table below:

Type	**Lifetime (years)**
Buildings and special constructions	29
Technological equipment and machinery	12
Computers and office equipment	7
Transportation means	7
Furniture and office equipment	10

The review of the depreciation period can be justified by a significant change to these terms and in the conduct of investments or repairs, other than those caused by routine maintenance or obsolescence of tangible assets.Also, if the tangible assets are passed in conservation or their use is interrupted for an extended period, it may be justified to make the revision of the duration of the depreciation. When the elements that led to the initial establishment of economic useful life have changed, the Company sets a new depreciation period. Changing economic useful life represents a change in the accounting estimate.

The depreciation method can be changed only when it is caused by an error in the estimation of consumption of that tangible asset.

Disposal and scrapping

A tangible asset is removed from accounting on disposal or scrapping when no further economic benefit is no longer expected from its future use.

In the case of deregistration of tangible assets, distinct sales revenues, expenses representing unamortized value of the asset and other expenses related to its disposal are highlighted.

In order to present the profit or loss account, earnings or losses obtained from the retirement or disposal of tangible assets shall be determined as the difference between revenues generated by the deregistration and its depreciated value, including expenses incurred by it and they should be presented as a net value as income or expense, as applicable, in the profit or loss account in the item “Other operating income” and “Other operating expenses”, respectively.

Compensation from third parties

In case of total or partial destruction of tangible assets, related receivables or compensatory amounts received from third parties and asset acquisition or subsequent constructions of assets, being distinct economic operations, are recorded as such on the basis of supporting documents.

Thus, impairment is distinguished from its finding, and the right to charge compensation is distinguished on account of revenue accrual at the time of its establishment.

2.10 Financial assets and financial investments in the short term

The financial assets include shares in affiliated entities, loans granted to affiliated entities, shares in associates and jointly controlled entities, loans granted to associates and jointly controlled entities, and other investments held as fixed assets and other loans, green certificates whose trading is postponed in accordance with Law no. 220/2008.

Short-term investments include short term bank deposits, including the term of 3 months when they are held for investment, bonds issued and redeemed securities purchased to be resold in a short period of time, and other short-term investments.

Short-term financial investments include certificates of greenhouse gas emissions which meet the conditions for recognition of short-term investments.

Classification of long-term securities in financial assets or short-term investment is made in relation to the purposes to which they are destined and the Company's intention regarding the length of owning bonds, that is more than one year or for a period of up to one year.

The financial assets are initially recorded at cost. Highlighting the accounting equivalent value of green certificates received or whose trading is postponed is made on receipt or at the finding of the right to receive them, the value determined according to the number of green certificates and trading price of green certificates, published by the electricity market operator (OPCOM - SA).

Highlighting Emissions of greenhouse gas received free of charge

Rights and obligations, as well as some goods that cannot be integrated into the entity's assets and liabilities are accounted for in the off balance account sheet, also called orders and accounts.

In this category allowances for greenhouse gas received that have not set a value and therefore cannot be recognized in balance sheet accounts are also included.

According to accounts of the duties of the accounting regulations, records Emissions of greenhouse gas received for free under the law to take account using 806 "Certificate of emissions of greenhouse '.

The financial assets are subsequently recorded at the entry value less value adjustments for impairment; adjustments for impairment are recognized on profit and lossaccount in case of financial assets other than those represented by green certificates whose trading is postponed under Law 220/2008, which recognize the deferred income account.

Short-term investments in equity securities admitted to trading on a regulated market are valued at the quotation of the last trading day, while those traded are recorded at acquisition value less any adjustments for loss in value. Green certificates received included in short-term investments are valued at the transaction price of receipt, published by the operator of the electricity market (OPCOM - SA), and at the end of the fiscal year, the green certificates are valued at the transaction price published by OPCOM - SA for the last transaction.

2.11 Impairment of fixed assets

Determination of impairment losses

The recoverable amount of intangible and tangible fixed assets is considered the higher of fair valuesless theselling costs and the value in use. Estimating the value in use of an asset involves updating the estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the value of money intime and the risks specific to the asset. If an asset that does not generate cash flows independently significant recoverable amount is determined for the cash-generating unit to which the asset belongs.
The carrying values of the Company's assets are reviewed at each balance sheet date to determine if any impairment losses exist. If such an impairment loss is probable, the estimated amount of impairment loss.

Correction values of tangible and intangible assets and bringing them to the level of inventory are performed depending on the type of existing impairment, either by recording an additional depreciation, if they are determined to be an irreversibledepreciation, either by creating or additional adjusting for impairment if they are found to have a reversible impairment.

Resumption adjustments for impairment losses

An adjustment for depreciation of assets is reversed if there was a change in the estimates used to determine the recoverable amount. An adjustment for impairment can be reversed to the extent that the asset's carrying amount does not exceed the recoverable value, less depreciation, that would have been determined if the impairment had not been recognized.

2.12 Stocks

Inventories are the main raw material, semi-finished goods, goods, spare parts, consumables and packaging.

The cost of inventories includes all acquisition and processing costs and other costs incurred in bringing the inventories in the form and place they are in. Commercial discounts granted by the supplier and submitted in the purchase invoice downward adjust the acquisition cost of goods. Commercial discounts received from the supplier after the invoice correct the cost of inventories they are referring to, if they are still in stock. If stocks for which invoice subsequent reductions were received are no longer in stock, they stand out distinctly in accounting (account 609 “Commercial discounts received”) on account of third party accounts. If commercial discounts on the purchase invoice submitted cover the entire value of the purchased goods, they are recorded in the accounts at fair value on account of current incomes (account 758 “Other operating incomes”).

The cost of finished goods comprises direct costs associated with production, namely: direct materials, energy consumption for technological purposes, direct labour and other direct production costs and indirect costs of production for the rationally allocated quota as related to their manufacture.

In case the products obtainedare produced or after the production obtain a main product and other secondary and conversion costs cannot be identified separately for each product, by-products are valued at net realizable value and this value is deducted from the cost of the main product.

The cost of inventories is determined based on the actual cost.

On accounting exit, stocks based on weighted average cost methodare evaluated.

At balance sheet date, inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price to be obtained during the ordinary course of business, less the estimated costs of completion when appropriate, and the estimated costs of necessary sales.

Where appropriate, value adjustments for obsolete,slow moving or defective inventories are constituted.

2.13 Trade receivables

Trade receivables are recognized initially recorded value as invoices, or according to documents certifying delivery of goods or services

Assessing the recoverable amount of receivables at the reporting date is likely to value the collection or payment. The negative differences between the value determined in inventory and inventory carrying value is recorded in accounts receivables on account of the impairment loss. Adjustments are made for impairment when there is evidence that the Company will not be able to collect receivables originally agreed maturity. Uncollectible accounts receivable are recorded as expenses when they are identified.

The impairment loss related to a receivable is reversed if the subsequent increase in recoverable amount can be related to an event occurring after the impairment loss was recognized.

The claim taken over by divestiture is highlighted in accounting at acquisition cost, their nominal value in emphasizing the off-balance.

In accordance with the contracts signed between the Company and beet growers, receivables and liabilities related to the same campaign are presented to the net account. The company has the obligation and intention to pay farmers the difference between the pre-financing granted only to beet growers during the year and the value of beet purchased from them.

2.14 Cash and cash equivalents

Cash and cash equivalents consist of cash, accounts at banks including loans, overdrafts to bank current accounts, term deposits for a period of three months if they are held in order to meet the need for short-term cash, checks and notes submitted to banks. The credit lines granted by the bank for temporary needs through separate bank accounts are included in the balance sheet in the amounts owed to credit institutions to be paid over a period of one year.

For the cash flow statement, cash and cash equivalents include cash in hand, bank accounts, term deposits for a period of three months if they are held in order to meet the need for short-term cash and credits uncovered account given by bank current accounts and credit lines granted by the bank for temporary needs through separate bank accounts.

2.15 Loans

Short and long term loans are recorded at the amount received. Banking fees and commissions paid in order to obtain long-term loans recognize deferred expenses account. Prepayments are recognized in current expensesinstalments, the repayment period of these loans.

Short term portion of long term loans is classified in “Debt: The amounts to be paid over a period of up to one year” and included along with interest due at the balance sheet date under current liabilities.

2.16 Debt

Commercial obligations are recorded at cost, which represents the value of the obligation will be paid in the future for goods and services received, whether or not billed to the Company.

In accordance with the contracts signed between the Company and beet growers, receivables and liabilities related to the same campaign are presented to the net account. The company has the obligation and intention to pay farmers the difference between the pre-financing granted only to beet growers during the year and the value of beet purchased from them.

2.17 Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.
Payments in respect of operating leases are recognized as an expense in the income statement on a straight lease period. Incentives received for a contract of operational leasing new or renewed are recognized as an integral part of the net value of the consideration agreed for the asset in leasing, irrespective of the nature of the incentive, shape or when the payment is made, thus reducing costs of rent for the entire lease term on a straight-line basis.

2.18 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and duty can be estimated reliably.

The amount recognized as a provision is the best estimatation at the balance sheet date of necessary costs to settle the present obligation.

The best estimatation of the costs required to settle current debt is the amount that the Company would pay it, rationally, to settle the obligation at the balance sheet date or to transfer it to a third party at that time.

If the effect of the time- value of money is material, the amount of provision represents the present value of the expenditures expected to be required to settle the obligation. The discount rate used reflects current market assessments of the time value of money and the risks specific to the liability. The update is performed by specialized personnel.

Gains on disposal of assets are not expected to be considered in measuring a provision.

If it is estimated that some or all expenses related to a provision will be reimbursed by a third party, the reimbursement should be recognized only when there is clear evidence that reimbursement will be received. Reimbursement is considered as a separate asset. The amount that is recognized as reimbursement exceeds the allowance. If the Company may request another party to pay wholly or partially for expenses incurred to settle a provision, and the Company is not liable for the amounts in question, the Company does not include those amounts in provision.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where to settle an obligation is no longer probable that an outflow of resources, provision must be canceled by resuming revenue.

<u>Provisions for restructuring</u>

Provisions for restructuring may be set in the following situations:

a) Selling or ceasing the activity for a part of the business
b) Closing several locations of the entity;
c) Modifications in the management structure, for example, eliminating a management level ;
d) Fundamental reorganisations that have a significant effect on the nature and the object of the activities of the entity

The society acknowledges in accountancy a provision for restructuring as long as the following conditions are all met:

a) The society has an official detailed plan for the restructuring which stipulates the activity or part of the activity to which it refers, the main locations affected by the restructuring , the approximate number of employees that will receive compensations for ceasing the activity, their distribution and positions, involved expenditures and the date when the restructuring plan will be implemented;
b) The society has generated expectations regarding the realisation of the restructuring plan by beginning the implementing that plan or by announcing the main characteristics to those affected by it.

A provision pertaining to the restructuring includes only the direct costs generated by the restructuring, those that – are necessarily generated by the restructuring project and are not connected to the continuation of the entity's activity. The expenditures regarding the future management of the activity are not provisioned.

<u>Provisions for warranties</u>

A provision for warranties is recognised when the products or services covered by the warranty are old. The value of the provision is based on historical information regarding the awarded warranties and it is estimated by weighing all possible results with their probability of realisation.

Provisions for onerous contracts

A provision for an onerous contract is acknowledged when the inevitable costs connected to the fulfilment of the contractual conditions exceed the economical benefits foreseen to be obtained from the present contract. The inevitable costs of a contract reflects the net cost of leaving the contract, meaning the smallest value between the cost of realising the contract and the possible compensations or penalties generated if the contract is not fulfilled. Before constituting the provision, the Society acknowledges any loss emerging from the depreciation of the assets assigned to the contract

Other provisions

Provisions are also acknowledged in case of litigations, fines and penalties, indemnifications, damages and other doubtful debts, taxes, pensions and other similar obligations, bonuses that are to be awarded to the personnel according to the realised profit.

2.19 Pensions and other benefits after employment

Within the current activity that the society is performing, the Society makes payments toward the Romanian state for the benefit of its employees. All employees of the society are included in the pension plan of the Romanian state.

According to the provisions of The Collective labour Agreement, the Society has the obligation to award royalties to its own employees on the date of their retirement. By estimating the amount of these royalties a provision for risks and expenditures has been registered on 29th February 2016.

2.20 Grants

Grants are acknowledged when there is enough certainty that: the society will meet the conditions imposed by granting them and the grants will be received.

Grants for assets, including non-monetary grants at their correct value, are registered in accountancy as grants for investments and are acknowledge in the profit and loss account as the expenditures connected to the amortisation are registered or when the assets are decommissioned or disposed of.

Grants that compensate the Society for the performed expenditures are acknowledged systematically in the profit and loss account in the same periods when the expenditures are acknowledged and they are presented in the profit and loss account as income elements.

Income realised from grants for exploitation connected to the net turnover are presented in the profit and loss account as part of the net turnover.

2.21 Share capital

The share capital composed of joined shares is registered at the value established based on the constitutive and additional acts, depending on the situation, as well as the supporting documents regarding the payments of capital.

The Society acknowledges the modifications to the share capital only after their approval in the General Assembly of the Shareholders.

2.22 Legal reserves

Legal reserves are constituted in a percentage of 5% of the gross profit of the end of the exercise until the total legal reserves reach 20 % of the share capital paid according to the legal provisions.

2.23 Equities

Equities are acknowledged as debt in the period in which their allocation is approved. The allocation of the equities is made after the approval of the financial situations.

2.24 Reported result

Accounting profit left after the allocation of the realised legal reserve quota, limited to 20% of the share capital, is taken over in the result reported at the beginning of the financial exercise that follows the one for which the financial situations are drafted, which will be allocated to the other legal destinations, according to the General Decision of the Shareholders.

Highlighting in accountancy the destinations of the accounting profit is made in the following year after the General Assembly of the Shareholders that approved the allocation of the profit, by registering the amounts representing the equities for shareholders, reserves and other destinations, according to the law.

2.25 Financial instruments

The financial instruments used by the Society are mainly made from cash and cash equivalents, claims, debts and amounts owed to the entities affiliated to loans contracted with the entities. This type of instruments is evaluated according to the specific accounting policies p-resented in Note 2 „Principles, policies and accounting methods".

2.26 Income

Income from selling goods

Income from selling goods are registered when the goods are handed to the buyers, when they are delivered based on an invoice or in other conditions established in the contract which certify the transfer of the right of ownership on the respective goods, to the clients.

Income from selling goods is acknowledged when the following conditions are met:

a) The Society has transferred to the buyer the significant risks and advantages that emerge from the property over the goods

b) The Society does not manage anymore the goods sold as it would have normally done it if it had owned the goods and it does not have control over them;

c) the amount of the income can be credibly assessed;

d) it is possible that the economic benefits associated with the transaction are generated by the entity; and

e) the costs of the transaction can be credibly assessed.

If the society maintains only an insignificant risk regarding the right of property, the transaction represents a sale and the income is acknowledged.

The moment when the transfer of significant risks and advantages regarding the right of ownership of the goods is made is determined by examining the conditions under which the transaction was made and the terms of the sale contracts.

Commercial discounts awarded after invoicing, irrespective of the period to which he refer, are highlighted distinctively in accountancy (account 709 „Awarded commercial discounts”) based on the accounts of third parties. If the commercial discounts represent events that happened after the date of the balance in account

418 „Clients - Invoices to be drafted” and it reflects in the financial situations of the exercise for which the report is made if the respective amounts are known on the date of the balance.

Income from performing services

Income from performing services is acknowledged in the period when they were performed and in correspondence with the execution stage. Performing services includes performing works and any other action that cannot be considered goods delivery.

Commission income

When the Society acts as agent and not principal in a transaction, the income is acknowledged at the net value of the Society’s commission.

Income from royalties and rentals

Income from royalties and rentals is acknowledged based on the accrual-based accounting, according to the contract. The incentives awarded for concluding a new or renewed operational leasing contract are acknowledged as an integral part of the net value of the consideration agreed for using the leased asset, irrespective of the nature if the incentive, the form or the moment when the payment is made, thus reducing the rental income during the entire leasing contract, on a linear base.

2.27 Taxes and fees

The society registers taxes on the current profit in conformity with the Romanian law on the date of the financial situations. The debts connected to taxes and fees are registered in the period to which they refer.

2.28 Income and financial expenditures

Financial income contains income from interests, royalties, income from transferred financial fixed assets, and income from short term financial investments – net, income from exchange rate differences and income from obtained discounts. The financial income is acknowledged based on the accrual-based accounting. Thus, income from interests are acknowledged periodically, proportionally, as the respective income is generated, based on the accrual-based accounting; royalties are acknowledged when the right of the shareholder to cash them is established.

Financial expenditures contain the expenditure with the interest connected to the loan, the amortisation of the update of provision, losses from depreciation acknowledged connected to the financial assets, expenditures regarding fixed transferred assets, expenditures regarding short term investments- net, expenditures from exchange rate differences and expenditures with the obtained discounts. All costs of debts that are not directly attributed to the acquisition, construction or producing assets with long fabrication cycle are acknowledged in the profit and loss account, periodically, based on the accrual-based accounting.

2.29 Accounting errors

Errors in accounting can refer to the current financial exercise, or to the previous financial exercises; errors from previous periods refer to the mistaken presentation of information in the annual financial situations. The correction of errors is made on the date when they were observed. Errors from previous periods are omissions and wrong declarations contained in the financial situations of the entity for one or more previous periods resulting from the mistake of using or not using credible information which:

a) were available at the moment when the financial situations for those periods were approved in order to be issued;

b) the information could have been reasonably obtained and taken into consideration when drafting and presenting those financial situations;

The correction of errors connected to the current financial exercise as well as insignificant errors related to the previous financial exercises is made based on the profit and loss account. The correction of the significant errors related to the previous financial exercises is made based on the reported result.

The correction of the errors related to the previous financial exercises does not determine the modification of the financial situations of those exercises. If there are errors related to the previous financial exercises, their correction dies not entails adjusting the comparative information presented in the financial situations. Comparative information regarding the financial position and performance, respective the modification of the financial position is presented in the explanatory notes. In the explanatory notes to the financial situations are also presented information regarding the nature of the errors observed and the periods affected by them.

2.30 Affiliated parties

An affiliated party is a person or entity which is affiliated to the entity that drafts the financial situations, (hereinafter referred to as reporting entity

A person or member close to the family of the respective person is affiliated to a reporting entity if that person:
(i)has control or shares control over the reporting entity;
(ii)has a significant influence over the reporting entity; or
(iii)is a member of the key personnel from the management of the reporting entity or the parent –company of the reporting entity.

An entity is affiliated to a reporting entity if meets any of the following conditions:
(i) the entity and the reporting entity are members of the same group (which means that each parent company, subsidiary and subsidiary of the same group is affiliated to the other);

(ii) an entity is an associated entity or an entity with joint control of the other entity (or entity associated or with joint control of a member of the group of the other entity);

(iii)both entities are jointly controlled entities of the same third party;

(iv)an entity is jointly controlled entity of a third party, and the other is an entity associated to a third entity;

(v) the entity is a plan of benefits after employment for the benefit of the employees of the reporting entity or of an entity affiliated to the reporting entity. If the reporting entity itself represents such a plan, the sponsor employers are also, affiliated to the reporting entity;

(vi) the entity is controlled or jointly controlled by a person or a member of the family of the respective person who has control or joint control over the reporting entity, has a significant influence over the reporting entity; or it is a member of the key personnel or of the parent-company of the reporting entity.

(vii) a person or a close member of the family of the person who has control or joint control over the reporting entity, has a significant influence over the entity or it is a member of the key personnel (or of the parent-company of the reporting entity) ;

(viii) the entity or any other member of a group to which it belongs offers services to the key personnel from the management of the reporting entity or the parent- company of the reporting entity.

The key personnel from the management represents those persons who have the authority and responsibility to plan, manage and control the activities of the entities, directly or indirectly, including any director (executive or otherwise) of the entity.
Close members of the family of a person are those members of the family from which it can be expected to influence or to be influences by the respective person in their relation with the entity and they include:

a) Children and wife or life partner of the respective person;
b) The children of the wife or of the life partner of the respective person; and

c) The persons that depend on the respective person or on the wife or life partner of this person.
According to OMF 1802/2014, affiliated entities mean two or more entities within the same group.

2.31 Contingent liabilities

A contingent liability is:
• a potential obligation, that emerged as a result of some past events, previous to the date of the balance and whose existence will be confirmed only by the occurrence or non occurrence of one or more future uncertain events which cannot be fully controlled by the entity; or
• a current obligation emerged as a result of past events, previous to the date of the balance but which is not acknowledged because:
- it is not certain that resources will be necessary for the extinction of debt; or
- the value of the debt cannot be assessed credibly enough.

Contingent liabilities are not acknowledged in the balance, they are represented only in the explanatory notes in the financial situations.
Contingent liabilities are permanently assessed in order to determine if a resource output is necessary, output that embodies economic benefits. If the resource output is considered necessary, generated by an element previously considered a Contingent liability, it will be acknowledged, depending on the case, a debt or a provision in the financial situations connected to the period when the modification of the event's classification has occurred.

2.32 Subsequent events

These financial situations reflect events subsequent to the date of the balance which offers additional information regarding the financial position of the Society and its ability to continue in the future (events that normally determine modifications in the financial situations. The events subsequent to the date of the balance that do not lead to modifications of the financial situations are presented in the notes to the financial situations when they are considered significant.

NOTE 3: FIXED ASSETS
The variation of the input value, the cumulated value adjustments and the net value of the fixed assets, during the financial exercise 01 March 2015 - 29 February 2016, as well as 01 January 205- 28 February 2015, is as it follows:

3.1 Intangible assets

Lei	**Concession patents, licenses, brands, rights and similar values**	**Advances**	**Total**
Gross value			
Balance on January 1st 2015	**1.238.172**	**-**	**1.238.172**
Acquisitions	-	-	-
Transfers	-	-	-
Sales and decommissions	-	-	-

Balance on March 1st 2015 (not audited)	**1.238.172**	**-**	**1.238.172**
Acquisitions	-	-	-
Transfers	-	-	-
Sales and decommissions	-	-	-
Balance on February 29th 2016	**1.238.172**	**-**	**1.238.172**

Amortisations and adjustments for depreciations of intangible assets			
Lei			
Balance on January 1st 2015	**860.284**	**-**	**860.284**
Amortisation during the period	21.377	-	21.377
Amortisation related to the sales and decommissions	-	-	-
Balance on March 1st 2015 (not audited)	**881.661**	**-**	**881.661**
Amortisation during the period	128.261	-	128.261
Amortisation related to the sales and decommissions	-	-	-
Balance on February 29th 2016	**1.009.922**	**-**	**1.009.922**
Net value of intangible assets			
On January 1st 2015	**377.888**	**-**	**377.888**
On March 1st 2015 (not audited)	**356.511**	**-**	**356.511**
On February 29th 2016	**228.250**	**-**	**228.250**

On February 29th 2016, the net value of the fixed assets is 228.250 lei, representing mainly licenses and computer programs.

3.2 Tangible assets

Gross value	**Land and constructions (including real property investments)**	**Technical Installations And vehicles**	**Other Installations**	**Assets In course (including advance)**	**Assets in course of supply**	**Total**
Balance on January 1st 2015	**104.746.170**	**134.156.066**	**3.078.392**	**8.870.088**	**-**	**250.850.716**
Acquisitions	36.037	74.985	31.300	2.094.241	-	2.236.563
Transfers	670.351	2.823.054	-	-3.493.405	-	-
Sales and decommissions	-	-269.077	-	-	-	-269.077

Sold on March 1st 2015 (not audited)	**105.452.558**	**136.785.028**	**3.109.692**	**7.470.924**	**-**	**252.818.202**
Acquisitions	-	1.437.929	-	7.822.683	162.777	9.423.389
Transfers	7.761.704	5.176.980	76.716	-13.015.400	-	-
Sales and decommissions	-	-2.874.194	-7.068	-		-2.881.262
Balance on February 29th 2016	**113.214.262**	**140.525.742**	**3.179.340**	**2.278.207**	**162.777**	**259.360.328**

Amortisation	**Land and constructions (including real property investments)**	**Technical Installations And vehicles**	**Other installations**	**Assets In course (including advance)**	**Assets in course of supply**	**Total**
Balance on January 1st 2015	**33.785**	**47.259.292**	**1.665.174**	**-**	**-**	**48.958.251**
Amortisation during the period	1.025.252	1.754.887	35.289	-	-	2.815.428
Sales and decommissions	-	-193.651	-	-	-	-193,651
Balance on March 1st 2015 (not audited)	**1.059.037**	**48.820.528**	**1.700.463**	-	-	**51.580.028**
Amortisation during the period	6.126.647	10.588.287	216.535	-	-	16.931.469
Sales and decommissions	-	-1.578.321	-7.068	-	-	-1.585.389
Balance on February 29th 2016	**7.185.684**	**57.830.494**	**1.909.930**	-	-	**66.926.108**

Adjustments for depreciation	**Land and Constructions (including real property investments)**	**Technical Installations And vehicles**	**Other Installations**	**Assets In course (including advance)**	**Assets in course of supply**	**Total**
Sold on January 1st 2015	**4.148.269**	**-**	**-**	**-**	**-**	**4.148.269**
Constituted adjustments for depreciation	**-**	**-**	**-**	**-**	**-**	**-**
Annulled adjustments for depreciation	-	**-**	**-**	-	**-**	**-**
Balance on March 1st 2015 (not audited)	**4.148.269**	**-**	**-**	**-**	**-**	**4.148.269**
Constituted adjustments for	1.658	-	-	-	-	1.658

depreciation						
Annulled adjustments for depreciation	-	-	-	-	-	-
Balance on February 29th 201	**4.149.927**	**-**	**-**	**-**	**-**	**4.149.927**

Net value	**Land and constructions (including real property investments)**	**Technical Installations And vehicles**	**Other installations**	**Assets In course (including advance)**	**Assets in course of supply**	**Total**
On January 1st 2015	**100.564.116**	**86.896.774**	**1.413.218**	**8.870.088**	**-**	**197.744.196**
On March 1st 2015(not audited)	**100.245.252**	**87.964.500**	**1.409.229**	**7.470.924**	**-**	**197.089.905**
On February 29th 2016	**101.878.651**	**82.695.248**	**1.269.410**	**2.278.207**	**162.777**	**188.284.293**

During the financial exercise 1.03.2015-29.02.2016, the Society has acquired fixed assets with the value of 9.423.389 lei (2.236.563 lei for the period January 1st – February 28th 2015), the main acquisitions are:

Buzau:

Modernising evaporation body: 1.366.112 lei

Modernising cooling tower: 139.675 lei

Roman:

Toxic emissions burner: 4.306.110 lei

Silo conditioning system: 1.013.074 lei

Chocolate refrigerating system: 302.780 lei

Holmer Combine: 1.017.267 lei

Bucuresti:

Vehicles: 374.678 lei

During the financial exercise 1.03.2015-29.02.2016, the Society has sold and operated decommission of fixed assets with an input value of 2.458.922 lei (net value: 1.306.471lei), respective decommission of fixed assets with an input value of 269.077 lei (net value 75.426 lei) during January 1st – February 28th 2015.

Tangible assets in course of execution and advance for tangible assets on February 29th 2016 with a value of 2.278.207 lei represents:

Closing Cordun pond : 400.033 lei

Modernising silo (2and 3): 1.358.196 lei

IT Investements: 98.775 lei

Secondary production traceability : 55.731 lei

Other investments : 365.472 lei

Land and constructions include the properties owned by the Society for using them in producing goods, respective with administrative purposes. On March 1st 2015, respective February 29th 2016 , the land of the Society has a value of 10.758.725 lei, and the arrangements on the land have a value of 337.861 lei.

Reassessing assets

On December 31st 2014 the Society performed the assessment of the construction in conformity with the International Assessment Standards adopted by ANEVAR and the provisions OMFP 3055/2009 with its subsequent amendments, by using the method of replacement cost for the constructions used in production, given their specialised character, respective by using the market approach/ by income for the constructions outside the exploitation. .

The Society has chosen as a way reflecting the results of the reassessment in the accountancy: annulment of the cumulated amortisation until the date of the reassessment and presenting the tangible assets under the form of buildings at their correct value. What remained after the reassessment was credited in the reserve account from reassessment within its own capital.

The results of the reassessment were, as follows:

- Increases with a value of 47.152.993 lei out of which 2.977.209 lei represents retakes of the decreases registered in the profit and loss account in the previous years, and 44.175.784 lei were presented as an increase in the reassessment reserve;

- Decrease in value of 2.613.298 lei out of which 2.586.128 lei were transferred in the profit and loss account, and 27.170 lei represents reductions in the reassessment reserve.

Other reassessments made by the Society have taken place on December 31st 2004, December 31st 2008 and December 31st 2011 (note 2.9).

The dynamics in the reassessment reserve during the financial exercise ended on February 29th 206 were as follows:

Reassessment Reserve on January 1st 2015	**49.439.695**
Amounts transferred to other reserves representing the profit that was made	-612.339
Reassessment Reserve on March 1st 2015(not audited)	**48.827.356**
Amounts transferred to other reserves representing the profit that was made	-3.606.612
Reassessment Reserve on February29th 2016	**45.220.743**

Real property investments

Real property investment is the property (land or building-or a part of building – or both) owned especially for obtaining rental income or for increasing capital or both, rather than being used in producing or supplying services or in administrative purposes or to e sold during normal development of the activity .

On January 1st 2015, the Society established, based on the accounting policies and professional reasoning, which of the owned real properties meet the conditions to be classified as real property investment.

On January 1st 2015, as a result of the first application of the accounting regulations approved by OMFP 1802/ 2014, a sum of 2.996.154 lei representing the net value of the buildings has been transferred from the category of land and construction to real property investments.

Gross Value	**Real property investments**
Balance on 01.01.2015	2.996.154
Acquisitions	-
Transfers	-
Reassessing constructions	-
Adjustments	-
Sales / Decommissioning	-
Balance on 28.02.2015 (not audited)	**2.996.154**
Acquisitions	-
Transfers	-
Reassessing constructions	-
Adjustments	-
Sales / Decommissioning	-
Balance on 29.02.2016	**2.996.154**

Amortisation	**Real property investments**
Balance on 01.01.2015	-
Amortization on year	20.659
Sales / Decommissioning	-
Balance on 28.02.2015 (not audited)	20.659
Amortisation on year	123.955
Sales / Decommissioning	-
Balance on 29.02.2016	144.615

Net value	**Real property investments**
01.01.2015	**2.996.154**
28.02.2015 (not audited)	**2.975.495**
29.02.2016	**2.851.539**

Tangible assets used within some leasing contracts in which the society is a lessee
The society hasn't got tangible asset used within some leasing contracts in which the Society is a lessee.

Pledged and restricted tangible assets
The Society hasn't got pledged or restricted tangible assets.

Other information

The gross accounting value of tangible assets fully amortised on February 29th 2016 is 18.161.522lei (14.802.390 lei on March 1st 2015 and 16.591.355 lei on January 1st 2015).

On February 29th 2016, the Society owns certificates for greenhouse gas emission received free of charge (see the accounting policy 2.10 Financial fixed assets and Short term financial investments):

Description/Plant	Buzau	Roman	Total
In account 01.03.2015	112.106	254.748	**366.854**
Handed over	(23.366)	(41.843)	**(65.209)**
Sold	-	(72.000)	**(72.000)**
Allocated for 2016	22.452	28.163	**50.615**
In account on 29.02.2016	111.192	169.068	**280.260**

Adjustments from depreciation

The fixed means that are not used anymore have been fully adjusted for depreciation.

For fiscal purposes, the Society uses different life cycles comparative with economical life cycles. On February 29th 2016, the net fiscal value of operating tangible assets was 185.251.003 lei.

3.3 Financial assets

In the financial assets are presented the participations owned by the group societies, other fixed assets as well as values granted under the form of warranties by the Society in favour of the suppliers according to the clauses from the contracts concluded with them, value that have 1 year liquidity term.

Gross value	Shares owned at affiliated entities	Investments owned as fixed assets	Fixed Claims	Total
Balance on January 1st 2015	**200.990**	**11.396**	**7.716**	**220.102**
Establishments during the period	-	-	3.500	**3.500**
Sales / collection, highlighting during the period	**-**	**-**	**-**	**-**
Balance on March 1st 2015 (not audited)	**200.990**	**11.396**	**11.216**	**223.602**
Establishments during the period	-	-	900	**900**
Sales / collection, highlighting during the period	(2.000)	-	(900)	**(2.900)**
Balance on February 29th 2016	**198.990**	**11.396**	**11.216**	**221.602**

Adjustents for the depreciation of financial assets	Share owned at	Investments owned as fixed	Fixed Claims	Total

	affiliated entities	assets		
Balance on January 1st 2015	-	-	-	-
Establishments during the period	-	-	-	-
Annulments during the year	-	-	-	-
Balance on March 1st 2015 (not audited)	-	-	-	-
Establishments during the year	-	-	-	-
Annulments during the year	-	-	-	-
Balance on February 29th 2016	-	-	-	-

Net value	**Share owned at affiliated entities**	**Investments owned as fixed assets**	**Fixed Claims**	**Total**
Sold on January 1st 2015	**200.990**	**11.396**	**7.716**	**220.102**
Sold on March 1st 2015 (not audited)	**200.990**	**11.396**	**11.216**	**223.602**
Sold on February 29th 2016	**198.990**	**11.396**	**11.216**	**221.602**

Details about the entities in which the Society owns financial assets are as it follows:

Entity name	**Head office**	**The nature of the relation**	**Percentage of owning**		**Value of the investment**		**February 29th 2016**		
			1.03.2015 (not audited)	**29.02.2016**	**1.03.2015 (not audited)**	**29.02.2016**	**Entity Capital**	**Entity reserves e**	**Entity Profit /(loss)**
Agrana Buzau SRL	Buzau, Aleea Industriei nor. 7, Administrative Pavilion,floor 4, Office 4	Control	99%	99%	99	99	100	2.038.129	1.143.245

Agrana Tandarei SRL	Tandarei, Aleea Teilor nr 3, office no. 7, administrative building no 2, floor 2	Control	99%	99%	99	99	100	3.554.845	-65.711
Agrana Agro SRL	Roman, Street Energiei no 6	Control	99%	99%	990	990	1	6.168	20.404
Total titles in subsidiaries						198.99			
Total associated entities and jointly controlled entities						-			
Raiffeisen Bank SA	Calea FLOREASCA 246C Bucureşti	Long term investment	N/A	N/A	11.396	11.396	N/A	N/A	N/A
General Total						**210.386**			

On February 29th 2016, the Society owned actions at the following affiliated entities:

- 9.900 social parts in S.C. Agrana Buzau S.R.L. representing 99.000 lei respective 99% of the social capital;
- 9.900 social parts in S.C. Agrana Tandarei S.R.L. representing 99.000 lei respective 99% of the social capital;
- 99 social parts in S.C. Agrana Agro S.R.L Roman representing 990 lei, respective 99% of the social capital.

During the month of February 2016, according to the decision of the associates, the societies Agrana Liesti SRL and respective Agrana Urziceni have been dissolved and liquidated.

On the date of their liquidation, Agrana Romania SA owned in these affiliated entities:

- 100 social parts in S.C. Agrana Urziceni S.R.L. representing 1.000 lei, respective 1% of the social capital. The net loss from the liquidation amounted to 517 lei.

  100 social parts in S.C. Agrana Liesti S.R.L. representing 1.000 lei, respective 1% of the social capital.

  The net loss from the liquidation amounted to 466 lei.

Details about the balances at the ending of the financial year and the transactions during the current exercise with affiliated parts are included in Note 18.

NOTE 4 Stocks

Description	January 1st 2015			February 28th 2015 (not audited)			February 29th 2016		
	Cost	Adjustments for depreciation	Total	Cost	Adjustments for depreciation	Total	Cost	Adjustments for depreciation	Total
Raw materials and consumables	20.106.732	(962.018)	19.144.714	18.326.210	(962.018)	17.364.192	14.421.028	(1.350.093)	13.070.935
Raw materials and consumables in course of acquisition	10.702.794		10.702.794	-		-	(1)		(1)
Materials and materials to thirds	-		-	-		-	-		-
Packaging at thirds	586.807		586.807	955.191		955.191	132.160		132,160
Packages	1.488.838	-	1.488.838	1.447.576		1.447.576	1.552.491	(869.156)	683,335
TOTAL	**32.885.170**	**(962.018)**	**31.923.152**	**20.728.976**	**(962.018)**	**19.766.958**	**16.105.679**	**(2.219.249)**	**13.886.429**
Production in course of execution	**783.080**		**783.080**	**-**		**-**	**-**		**-**
Semi-fabricated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Finite products and goods	191.349.609	(14.866.768)	176.482.841	187.796.615	(12,484.376)	175.312.239	166.5393263	(3.003.550)	163.535.713
Stock in course of supply	3.193.438		3.193.438	167.777		167.777	4.621.305		4.621.305
Stocks at thirds	34.773.652		34.773.652	38.210.522		38.210.522	7.891.170		7.891.170
Total	**229.316.698**	**(14.866.768)**	**214.449.930**	**226.174.914**	**(12.484.376)**	**213.690.538**	**179.051.738**	**(3.003.550)**	**176.048.188**
Advance	**1.547.885**	**(1.183.370)**	**364.515**	**1.219.748**	**(1.183.370)**	**36.378**	**1.268.060**	**(1.183.370)**	**84.689**
General Total	**264.532.834**	**(17.012.157)**	**247.520.677**	**248.123.639**	**(14.629.765)**	**233.493.874**	**196.425.476**	**(6.406.170)**	**190.019.306**

Details regarding the motions in the adjustment accounts of the values of the stocks are as it follows:

Lei	**Balance on January 1st 2015**	**Establishments**	**Reversals of income**	**Balance on March 1st 2015 (not audited)**	**Establishments**	**Reversals of income**	**Balance on February 29th 2016**
Total adjustments for the depreciation of raw materials and consumables out of which:	**962.018**	**-**	**-**	**962.018**	**1.030.820**	**642.745**	**1.350.093**
Adjustments for raw materials	-						
Adjustments for depreciation of exchange parts	640.236	-	-	640.236	623.425	471.189	792.472

Adjustments for depreciation of consumables	314.801	-	-	314.801	370.139	164.575	520.365
Adjustments for inventory objects	6.981	-	-	6.981	37.256	6.981	37.256
Adjustments for packages	**-**	**-**	**-**	**-**	**869.156**	**-**	**869.156**
Total adjustments for finite prod and goods out of which	**14.866.768**	**-**	**-**	**12.484.376**	**747.028**	**10.227.854**	**3.003.550**
Adjustments for depreciation of finite and residual products	9.749.063	-	1.848.059	7.901.004	557.952	6.352.523	2.106.433
Adjustments for depreciation of goods	5.117.705	232.737	767.070	4.583.372	189.076	3.875.331	897.117
Adjustments for advance payments awarded for stocks	**1.183.370**	**-**	**-**	**1.183.370**	**-**	**-**	**1.183.370**
Total adjustments depreciation of stocks	**17.012.156**	**232.737**	**2.382.392**	**14.629.764**	**2.647.004**	**10.870.599**	**6.406.169**

On February 29th, within the adjustments for the depreciation of the advance payments made for stock acquisition are presented:

- 1.114.974lei adjustment for the advance made to Sabion Comimpex Oradea society based on the contract for acquisition of white sugar;
- 68.396lei other adjustments for the depreciation of advances made for stock acquisition.

NOTE 5: CLAIMS

Lei	1.01.2015	1.03.2015 (not audited)	Liquidity term		29.02.2016	Liquidity term	
			Under 1year	Over 1 year		Under 1year	Over 1 year
Total, out of which:	**107.332.056**	**60.492.408**	**60.492.408**	**-**	**96.902.190**	**96.902.190**	**-**
1.Commercial claims out of which :	**56.777.789**	**35.950.376**	**35.950.376**	**-**	**65.069.361**	**65.069.361**	**-**
- Third clients	77.802.774	57.081.944	57.081.944	-	81.430.023	81.430.023	-
- Adjustments regarding depreciation claims for thirds	(21.024.985)	- (21.131.568)	(21.131.568)	-	(16.360.661)	(16.360.661)	-
2. Other claims, out of which	**13.612.134**	**7.561.374**	**7.561.374**	**-**	**20.132.154**	**20.132.154**	**-**
- Other third party claims	13.612.134	7.561.374	7.561.374	-	20.132.154	20.132.154	-
- Adjustment depreciation different debtors	-	-	-	-	-	-	-
3. Amounts to collect from affiliated parties	**36.942.133**	**16.980.658**	**16.980.658**	**-**	**11.700.675**	**11.700.675**	**-**
- Commercial Claims	36.942.133	16.980.658	16.980.658	-	11.700.675	11.700.675	-

On February 29th 2016, in order to present the real debt and claims situation of the Society, in the financial situations were presented the net claims registered from the commercial relationship with beet cultivators, existing in the balance on February 29th 2016, with debts towards the cultivators suppliers that were on the balance on the same date. According to the provisions of the contracts signed by the parties, these claims and debts have to be extinguished based on the contracts concluded by the Society with the cultivators-suppliers. The contractual provisions mention that the Society owes the difference between the value of the pre-financing granted to the beet cultivators during the year and the value of the beet bought from them.

As the society opted for a financial exercise different from the calendar year, the financial exercise 01.03.2015-29.02.2016 being the first financial exercise different from the calendar year, in order to ensure comparability of the information presented in the financial situations, on the date of 1.03.2015 the net

situation of the reciprocal debts and claims from the commercial relationships with beet cultivators is presented.
The affiliated society Agrana Agro SRL has not been included in this net presentation.

Lei	**1.01.2015**	**1.03.2015 (not audited)**	**29.02.2016**
1. Commercial claims– clients cultivators	45.585.216	33.818.381	5.702.192
2. Value adjustments regarding claims from clients cultivators	-2.418.806	-2.409.732	-2.652.351
3. Commercial debts– suppliers cultivators	-68.558.590	- -46.770.504	-7.309.411
(Debts)/net commercial claims in relation with beet cultivators *)	**-25.392.180**	**-15.361.855**	**-4.259.571**
***)**	**debt**	**debt**	**debt**

The net debts towards cultivators are presented in the Commercial Debts – suppliers, on short term.

During the financial exercise 1.03.2015-29.02.2016, the Society has granted pre-financing to the cultivators for the 2026 campaign. According to the contracts between parties, these claims will be compensated with the value of the beet that will be bought from cultivators in 2016. On February 29th 2016, the Society has granted pre-financing that amounted to 5.058.692 lei (February 28th 2015: 5.231.244 lei).

The sums that are to be collected from the affiliated parts are presented in note 18.

On February 29th 2016, doubtful commercial claims were adjusted for depreciation. The motions in adjustments for depreciation of the claims were the following:

Lei	**1.01.2015**	**Establishments**	**Reversals of income**	**1.03.2015 (not audited)**	**Establishments**	**Reversals of income**	**29.02.2016**
Adjustments for depreciation of commercial claims - clients	18.606.179	128.062	12.405	18.721.836	113.159	5.126.684	13.708.311
Adjustments for depreciation of cultivators' claims–net presented with claims	2.418.806	42.500	51.575	2.409.731	925.081	682.462	2.652.350

and debts cultivators							
Total Adjustments for commercial claims	**21.024.985**	**170.562**	**63.980**	**21.131.567**	**1.038.240**	**5.809.146**	**16.360.661**

The balance of the adjustments regarding the depreciation of commercial claims n February 29th 2016 includes also the adjustment for depreciation established for the overdue claim from 2005 from the commercial relation with SC Argirom International SA, with the value of 8.020.990 lei (selling raw sugar). In order to recover thus debt, there is an ongoing legal act.

Besides the depreciation mentioned above, the Society has registered during the financial exercise that ended on February 29th 2016 claims that were considered expenditures that amount to 119.315 lei.

Other claims include:

Lei	**1.01.2015**	**1.03.2015 (not audited)**	**29.02.2016**
VAT to be recovered	5.524.673	2.538.036	15.173.681
undue VAT	4.484.197	1.448.795	779.105
Corporate tax to be recovered	2.159.695	2.159.695	2.159.695
Claims with the budget of social insurance	477.911	487.144	527.872
Other claims	965.658	927.704	1.491.801
	13.612.134	**7.561.374**	**20.132.154**

Other claims that amount to 1.491.801 lei include also discounts of operations that are in course of being clarified that amount to 892.324 lei representing payments made to customs in the name of the company AGRANA Zucker Handels Gmbh.

NOTE 6: SHORT TERM INVESTEMENTS

On February 29th 2016, March 1st 2016 and January 1st 2015, the Society does not have short term investments.

NOTE 7: CASH ACCOUNT AND ACCOUNTS IN BANKS

Lei	**January 1st 2015**	**March 1st 2015 (not audited)**	**February 29th 2016**
Accounts in banks in lei	331.463	349.326	8.148.771

and foreign currency			
Maximum 3 months term bank deposits	2.530.905	7.441.256	1.972.089
Cash in the cash office	72.865	81.025	45.155
Other values	13.204	7.283	2.691
Total	**2.948.437**	**7.878.890**	**10.168.706**

Below it is presented the reconciliation between the cash and the cash equivalent reported in the balance and the values from the situation of treasury cash:

		Balance on March 1st 2015 (not audited)	Balance on February 29th 2016
Cash account and accounts in banks according the balance	*(a)*	**7.878.890**	**10.168.706**
Used credit lines in order to manage liquidity	*(b)*	-	-
Cash and cash equivalent in the situation of cash flows	***(c) = (a)+(b)***	**7.878.890**	**10.168.706**

NOTE 8: ACCRUED EXPENSES

On February 29th 2016 accrued expenses in the total amount of 369.444 lei represent:

Accrued expenses	**January 1st 2015**	**March 1st 2015 (not audited)**	**February 29th 2016**
Insurance	226.235	87.934	100.905
Rent	226.688	140.860	127.452
Services connected to raw sugar	56.259	-	14.745
Advance services	100.396	136.723	126.342
Total	**609.578**	**365.517**	**369.444**

NOTA 9: DEBTS

Lei	1.01.2015	1.03.2015 (not audited)	Exigibility term under 1 year	Exigibility term over 1 year	29.02.2016	Exigibility term under 1 year	Exigibility term over 1 year
Total, out of which :	**528.320.685**	**477.905.238**	**477.905.238**	**-**	**471.403.410**	**471.403.410**	**-**
1.Advance payment collected in the order account	**513.510**	**518.653**	**518.653**	**-**	**464.949**	**464.949**	**-**
2. Commercial debts out of which:	**69.149.313**	**36.992.463**	**36.992.463**	**-**	**16.564.171**	**16564.171**	**-**
Internal suppliers	65.049.589	35.363.791	35.363.791	-	15.079.845	15079.845	-
External suppliers	4.099.724	1.628.672	1.628.672	-	1.484.326	1.484.326	-
3. Amounts owed to the affiliated entities	**450.086.104**	**434.057.748**	**434.057.748**	**-**	**445,969,043**	**445,969,043**	**-**
Loans from affiliated entities	280.597.459	280.415.407	280.415.407	-	407.033.131	407.033.131	-
Commercial debts towards affiliated entities	169.488.645	153.642.341	153.642.341	-	38.935.912	38.935.912	-
4. Other debts, including fiscal debts and other debts for social insurance	**8.571.758**	**6.336.374**	**6.336.374**	**-**	**8.405.248**	**8.405.248**	**-**

According to the details presented in note 5 "Claims", commercial claims towards the suppliers – cultivators are presented in the financial situations, net from the existing commercial claims in the balance in relation with them.
The affiliated society Agrana Agro SRL has not been included in the net presentation mentioned above.

Other debts include:

Lei	**1.01.2015**	**1.03.2015 (neauditat)**	**29.02.2016**
Bonuses employees	1.054.631	1.257.466	1.275.000
Outstanding annual leave	2.075.781	1.800.397	1.701.097
Production tax	1.282.839	-	-
Salaries and social contributions	2.205.798	1.803.769	3.777.672
Equities	120.510	120.510	120.510
Other debts	1.832.199	1.354.232	1.530.969
	8.571.758	**6.336.374**	**8.405.248**

Other debts include mainly: local taxes and fees, contribution to the environment fund, warranties retained according to the contracts concluded with the suppliers.

Loans from affiliated entities

The society has implemented during the year 2015 through the affiliated society Agrana Group Services Gmbh a liquidity management programme "payment factory", having as main components:

-Inhouse bank;
-Management of internal and external payments, through the computer system ERP SAP;
-Electronic authorisation of payments packages by an approval matrix;
-Foreign exchange and derivative transactions having as support the exchange rate;
-Financing through inhouse bank and credit facilities dated June 14th 2003 –revolving credit facility , multicurrency, in amount of 55.000.000 Euro, common with Agrana Buzau SRL, Agrana Tandarei si Agrana Agro SRL and respective September 30th 2004 – revolving credit facility, multicurrency, in amount of de 20.000.000 Euro, offered by Agrana Group Services Gmbh.

The interest is e 1M EURIBOR +1.75% p.y. for creditor balances in Euro.

On February 29th, 2016, the balance of the financial debts contracted from affiliated entities is found below:

The commercial debts towards affiliated companies are detailed in Note 18.

	1.01.2015			1.03.2015 (unaudited)			2/29/2016.		
	Balance in the transaction currency	Currency	LEI Balance	Balance in the transaction currency	Currency	LEI Balance	Balance in the transaction currency	Currency	LEI Balance
RON Loan	68,043,856	RON	68,043,856	68,302,269	RON	68,302,269	82,123,542	RON	82,123,542
EURO Loan	47,422,771	EURO	212,553,603	47,793,681	EURO	212,113,138	72,699,720	EURO	324,909,589
Total			**280,597,459**			**280,415,407**			**407,033,131**

Credit facilities contracted from the credit institutions

On February 29, 2016, the Company benefitted of the following credit facilities from the credit institutions:

- Credit facility for the financing of circulating capital of Raiffeisen Bank in Romania, totally amounting 10,000,000 lei. The facility expires on Friday, September 30, 2016. On February 29, 2016 the facility was not used.

- Credit facility for the financing of circulating capital and issuance of letters of guarantee/credentials, common with Agrana Buzau SRL and Agrana Tandarei SRL, granted by Unicredit Bank, in the total amount of Euro 10,000,000 that may be used in cash up to Euro 2,500,000, a facility warranted by mortgage on the current banking accounts opened with the Bank.

For withdrawals in lei of the facility, the interest charged is O/N ROBOR + 2.5% p.a. (for overnight withdrawals) respectively ROBOR 1M + 2.05% (short-term withdrawals). The facility expires on Tuesday, November 15, 2016.

On February 29, 2016, based on this facility, the following guarantee letters were issued:

Warranty Number	Date of issuance	Beneficiary	Amount	Currency	Expiry date
Amendment 1 to 00888-02-0175807	09/11/2015	PIAA	164,934	RON	28/02/2017
00888-02-0189080	30/10/2015	PIAA	180,000	RON	31/07/2016
00888-02-0205909	04/01/2016	PIAA	465,000	RON	30/09/2016

On February 29, 2016, based on the counter-guarantees issued by Unicredit Bank Austria AG, from the facility owned by AGRANA Beteiligungs AG to this credit institution, the following letters of guarantee were issued on the decision of Agrana Romania SA by Unicredit Tiriac Bank SA:

Warranty Number	Date of issuance	Beneficiary	Amount	Currency	Expiry date
Amendment 1 to 00888-02-0087172/30.09.2014	27/10/2014	PIAA	6,961,015.58	RON	31/01/2017

Amendment 1 to 00888-020180276/25.09.2015	27/10/2015	PIAA	8,000,450.30	RON	31/01/2018

- Support credit facility for the issuance of guarantee letters and credentials, granted by Unicredit Bank, common with Agrana Buzau SRL and Agrana Tandarei SRL, in the total amount of Euro 10,000,000, a facility warranted by mortgage on the current banking accounts opened with the bank. The facility expires on April 30, 2021.

On February 29, 2016, based on this facility, the following guarantee letters were issued:

Warranty Number	Date of issuance	Beneficiary	Amount	Currency	Expiry date
GI/58000	01/01/2016	CUSTOMS OFFICE IN IASI	6,200,000	RON	31/03/2016
GI/58360	02/02/2016	PIAA	907,040	RON	31/10/2016
GI/58516	15/02/2016	CUSTOMS OFFICE IN NEAMT	5,800,000	RON	30/06/2016

All the credit facilities with credit institutions are warranted by corporate guarantees issued by Agrana Beteiligungs AG.

On February 29, 2016, March 1, 2015 and January 1, 2015, the Company had no debts to credit institutions.

NOTE 10: PROVISIONS FOR RISKS AND EXPENSES

Lei	1.01.2015	Provisions established	Provisions set out in revenue	1.03.2015 (unaudited)	Provisions established	Provisions set out in revenue	29.02.2016
Provisions for taxation.	61,523	-	-	61,523	-	-	61,523
Provisions for litigations.	1,066,338	-	-	1,066. 338	-	-	1,066,338
Other provisions for risks and expenses	3,021,791	-	(2.458.732)	609,383	1,281,449	(163.058)	1,727,774
Total	**4,149,652**	**-**	**(2.458.732)**	**1,737,244**	**1,281,449**	**(163.058)**	**2,855,635**

On 29 February 2016, the provisions for litigations include the following:

- The amount of 258,102 lei, representing provision for damages claimed by individuals in various law suits with the Company (December 31, 2014: 258,103 lei; February 28, 2015: 258,103 lei)
- 3,200 lei representing the provision established for the amounts that would be able to be paid to the employees who required the granting of rights corresponding to the Second Labor Group (December 31, 2014: 3,200 lei; February 28, 2015:3,200 lei);
- The amount of 711,116 lei, representing provision for litigation against MB Norus Biogaz for the forced termination of rental agreement (December 31, 2014: 711,116 lei; February 28, 2015: 711,116 lei)

- The amount of 93,920 lei, representing provision for litigations with various beet growers (December 31, 2014: 93,920 lei; February 28, 2015:92,920 lei);

Other provisions for risks and expenses include on February 29, 2016:

· Provision for granting allowances to the staff who are to retire, in accordance with the provisions of the Collective Labor Agreement in the amount of 1,001,505 lei (31.12.2014: 389,989 lei)

· Provision for excise duty corresponding to ethyl alcohol acquisition in indirect relief, in the amount of 234,465 lei;

· Provision for repayment of the amounts representing leaves and indemnities amounting to 346.964 lei;

· Provision for environmental packaging tax increase in the amount of 134.827 lei;

· Other provisions in the amount of 10.013 lei (31.12.2014: 10,013 lei)

NOTE 11: INCOMES IN ADVANCE

Lei	**1.01.2015**	**03/01/2015 (unaudited)**	**29.02.2016**
Incomes in advance	7,611	3,160	18,668

NOTE 12: CAPITAL AND RESERVES

On February 29, 2016, the Company has a share capital of 14,454,215 lei divided into 144,542,148 ordinary shares with a nominal value of 0.10 lei/share (December 31, 2014: 144,542,148 ordinary shares with a nominal value of 0.10 lei / share). The share capital is fully paid on February 29, 2016.

The company has a majority shareholder on Agrana Zucker GmbH, the Austrian legal entity. Agrana Zucker GmbH, too, is owned by Agrana Beteiligungs AG Austria, a company listed on the Vienna Stock Exchange.

The shareholding structure on February 29, 2016, March 1, 2015 and January 1, 2015 is found below:

Shareholders	**Share capital** RON	**no. actions**	**value/share** RON/share	**Participation** **%**
Agrana Zucker GMBH	13,270,896	132,708,955	0.10	91.81%.
ADVANCE	585,686	5,856,865	0.10	4.05%.
Others	597,633	5,976,328	0.10	4.14%.
TOTAL	**14,454,215**	**144,542,148**	**0.10**	**100**

Agrana Romania S.A. shares are listed on the alternate trading system of AERO within the Bucharest Stock Exchange, under the BETA symbol.

According to the decision of Extraordinary General Meeting of Shareholders no. 1 dated 20.08.2015 published in the Official Gazette of Romania, part IV, no. 6868/14.XII.2015, the company's shareholders have decided to increase the share capital in a single step, with the maximum value of 72,271,074 lei, i.e. from the current value of 14,454,214.80 lei, up to the amount of 86,725,288.80 lei, by issuing a total of 722,710,740 new shares without first issue, each with a nominal value of 0.1 lei and a price per share of 0.1 lei , in exchange for the contribution in cash brought by the company's shareholders.
The increase procedure is underway.

Share premium

On February 29, 2016, the Company had a first merger in the amount of 19,101,921 lei (2014: 19,101,921 lei) resulted from the merging process of entities S.C. Zaharul Romanesc S.A. Buzau, as absorbing company and S.C. Danubiana Roman S.A. and Agrana Romania Holding And Trading Company SRL Bucharest, as absorbed company.

Reevaluation reserves

On February 29, 2016, the Company had a reevaluation reserve in the amount of 45,220,743 lei (2014: 49,439,695 lei) resulting from revaluations carried at fair value at December 31, 2004, December 31, 2008, December 31, 2011 and December 31, 2014 (note 2.9).

The revaluation surplus is capitalized by direct transfer in the carried forward result, when this surplus represents an achieved gain. The gain is considered achieved as the asset is used by the entity; the amount of transferred reserve is the difference between the depreciation calculated on the basis of reevaluated accounting value and the depreciation value, calculated on the basis of the initial cost of the asset.

Fixed asset revaluation reserves, which are deducted in calculating taxable profit through tax depreciation or expenditure related to the assets transferred and/or scrapped, are charged at the same time with the deduction of tax depreciation, respectively on the reduction of management of these assets, as appropriate.

Distribution of profit

The loss registered at December 31, 2014 amounted to 65,216,952 lei was registered in the account 117 "Carried forward result", based on the decision of the AGA on April 27, 2015. On February 29, 2016, the carried result representing the uncovered loss was amounting 149,546,764 lei.

At and for the period of 2 months ended on February 28, 2015, the Company registered an accounting loss in the amount of 4,019,921 lei.

On February 29, 2016 and for the financial year beginning on March 1, 2015, ended on this date (29.029.2016), the Company registered an accounting loss amounting to 8,338,988 lei.

The losses are to be recovered in the next period.

NOTE 13: NET TURNOVER

The company's turnover achieved during the financial year 1.03.2015-29.02.2016 amounting 918,965,204 lei is made on the internal and external market by selling our own production, reselling products bought from third-party companies and companies of the group, various services and sales provisions.

Net turnover has the following structure:

Lei	**1.01.2015 28.02.2015 (unaudited)**	**1.03.2015 29.02.2016**
Sales of finished products and goods (sugar)	64,585,979	795,237,316
Volume discount granted by the Company	(230.147)	(3.504.543)
Revenue from the sales of sub-products (molasses)	216,163	6,255,653
Revenue from services rendered and rents	5,932,580	62,830,780
Revenues from sales of sweeteners; sugary foods; seeds; beet, raw sugar, fertilizer	8,012,144	55,624,284
Volume discount granted by the Company	(211.147)	(104.490)
Revenue from various sales (wastes, materials, etc.)	236,717	2,626,204
	78,542,117	**918,965,204**

Sugar sales on distribution channels in absolute values and percentages are as follows:

Lei	**1.01.2015 - 28.02.2015 (unaudited)**	**%**	**1.03.2015 – 29.02.2016**	**%**
Intern. of which:	**54,645,651**	**84.91%.**	**600,611,812**	**75.86%.**
Retail	31,681,129		440,694,060	
Industry	22,165,563		156,062,171	
Others	798,959		3,855,581	
Exported	**9,710,181**	**15,09,%**	**14,759,368**	**1.86 %.**
Intra-community deliveries/community area	-	-	**176,361,593**	**22.28%.**
Total sales of sugar (its own production and merchandise)	**64,355,832**	**100%.**	**791,732,773**	**100%.**

During the reporting period, Agrana Romania SA had acted in accordance with agreements concluded, as an intermediary for various services rendered to clients. The corresponding amounts were registered during the year on the expense accounts 628 group, i.e. on the income group 758/704. In the balance sheet, their reduction by the amount of 80,630 lei for the period of January 1st, 2015 - February 28, 2015, i.e. the amount of 2,605,202 lei for the period of March 1, 2015 - February 29, 2016.

NOTE 14: OTHER OPERATING INCOME

Lei	1.01.2015 - 28.02.2015 (unaudited)	01.03.2015 -29.02.2016
OTHER OPERATING INCOME total registrations of which:	(669.197)	19,138,821
Reduced byexpenditure accounts	-	2,605,802
Reclassified in 704	(942.815)	13,670,890
Operating income	**273,618**	**2,868,531**

Other operating revenue registered during the fiscal year ended on February 29, 2016 include mainly revenues from sales of certificates of greenhouse gas emissions (2,164,357 lei).

NOTE 15: EXPENDITURE ON STAFF AND INFORMATION REGARDING EMPLOYEES, MEMBERS OF THE ADMINISTRATION BODIES, MANAGEMENT AND SUPERVISION

The average number of employees of the Company and their structure in the financial year 1.03.2015 - 29.02.2016 respectively during the two months ended on 28.02.2015 were as follows:

	0.01.2015-28.02.2015 (unaudited)				1.03.2015 - 29.02.2016			
	Permanent employees	Seasonal employees	Total	%	Permanent employees	Seasonal employees	Total	Total
Workers	344		344	65.77%.	327	2	329	67.14%.
Technical staff/economic	179		179	34.23%.	161		161	32.86%.
TOTAL			**523**	**100%.**	**488**	**2**	**490**	**100%.**

The expenses for the salaries and related fees registered during the financial year 1.03.2015 - 29.02.2016, i.e. of the 2 months ended on 28.02.2015 were as follows:

Lei	**1.01.2015 - 28.02.2015 (unaudited)**	**01.03.2015 - 29.02.2016**
Expenses for the salaries	4,214,393	26,341,426
Expenditure on benefits in kind granted to employees (sugar)	-	64,789
Expense on vouchers granted to employees	111,760	790,874

Social security expense	1,075,606	6,726,494

The administration of the Company is achieved in two-tier system by the Supervisory Board and Directorship.

The constitution of the Supervisory Board during the period of January 1, 2015 - February 29, 2016 was the following:

Martin Doppler (1 January 2015-February 29, 2016)

Andreas Schroeckenstein (January 1, 2015 – February 29, 2016)

Roman Knotzer (January 1, 2015 – February 29, 2016)

The members of the Supervisory Council are appointed for 4 years.

The Directorship whose members are appointed by the Supervisory Board was composed of 3 members:

- Madalina Andreea Roman (1 January 2015 – 29 February 2016);
- Catalin Adrian Limbidis (January 1, 2015 - February 29, 2016);
- Iulia Gabriela Padilla (1 January 2015-2016 29 February) the President;

The members of the Directorship are appointed for 4 years.

After February 29, 2016, there were no changes in the structure of the Directorship or the Supervisory Council.

During the financial year March 1, 2015 - February 29, 2016 based on mandate agreements, the Supervisory Board members and Directorship members were remunerated by the amount of 1,907,805 lei. During the financial year January 01, 2015 - February 28, 2015, the Supervisory Board members and Directorship members were remunerated by the amount of 239,648 lei.

On February 29, 2016 there were no contractual obligations regarding the payment of pensions to former members of the administrative bodies, advance payments and granted credits or future liabilities such as guarantees assigned on their behalf.

NOTE 16: OTHER EXPLOITATION EXPENSES

Other operating expenses include mainly the expenses of external services, detailed as follows:

Description **of the expense**	**1.01.2015 - 28.02.2015 (unaudited)**	**1.03.2015 - 29.02.2016**
Expense for processing and production services	4,319,308	24,289,878
Expense for repair services	819,032	4,144,310
Expense for protocol, advertisement, marketing and sponsorship services	1,865,770	11,948,377
Expense for transport services	1,230,608	13,769,963
Expense for rents, storage and handling	404,923	4,020,576
Fees	-94,529	3,645,708
IT services	329,145	1,929,464
Guard services	512,695	3,494,114
Retailer logistics services	940,060	8,655,298
Other services provided by third parties	1,535,417	5,231,176
Other expenses	418,170	2,442,344
Expenses for the external provisions	**12,280,599**	**83,571,208**
Other operating expense	**12,978,812**	**88,935,788**

The expense on processing and production services, registered in the fiscal year ended on February 29, 2016, amounting 24,289,878 lei include expenses in the amount of 7,576,621 lei for rental of staff during processing.

The audit of the company is ensured by KPMG Audit S.R.L. company. Auditor's fee is set by agreement between the two parties and is stipulated by the service agreement concluded between the Company and KPMG Audit S.R.L.

NOTE 17: REVENUES AND FINANCIAL EXPENSES

Lei	**1.01.2015-28 02 2015 (unaudited)**	**1.03.2015 - 29.02.2016**
Revenues from interests	1,227	4,607
Revenue on disposal of financial assets	-	1,017
Revenue by the exchange rate differences	4,033,371	5,396,282
Revenue by discounts obtained from suppliers	-	92,787
Other financial revenue	-	863,264
TOTAL FINANCIAL REVENUE	**4,034,598**	**6,357,957**
Interest expenses - affiliated entities	865,547	8,351,995
Revenue on disposal of financial assets	-	2,000
Expense from the exchange rate differences	509,818	6,179,707
Expense for the discounts		12,258
TOTAL FINANCIAL EXPENSES	**1,375,365**	**14,545,960**
PROFIT FINANCIAL RESULT/(LOSS)	**2,659,233**	**-8,188,003**

NOTE 18: INFORMATION REGARDING THE RELATIONSHIPS WITH AFFILIATED ENTITIES

During the fiscal year 1.03.2015 - 29.02.2016, and during the period 1.01.2015 - 28.02.2015, the Company has carried out transactions and presented balances with these affiliated entities:

Name	Kind of relationship	Country of origin	Address	Transaction type
AGFD Tandarei S.R.L.	Other affiliated entity	Romania	Str. Teilor no. 2, Tandarei	supplier/customer
Agrana Tandarei SRL	Subsidiary company	Romania	Str. Teilor no. 2, Tandarei	-
AGRANA AGRO SRL, Roman	Subsidiary company	Romania	Str Energy No. 6, ROMAN	customer
AGRANA Beteiligungs-AG, Wien/Ö	Parent-company of Agrana Group	Austria	Friedrich-Wilhelm-Raiffeisen Platz 1-no, Vienna	Supplier
Agrana Bulgaria EAD	Other affiliated entity	Bulgaria	Shipchenski Prohod Blvd. no 18, SOFIA	supplier/customer
AGRANA Buzau SRL, Buzau	Subsidiary company	Romania	ALEEA INDUSTRIEI no. 7, Buzau	supplier/customer
AGRANA Magyarorzag Ertekesites	Other affiliated entity	Ungaria		supplier
AGRANA Fruit Austria GmbH	Other affiliated entity	Austria	Muehlwaldstraße no 1, Gleisdorf	customer
AGRANA Group-Services GmbH/Öst	Other affiliated entity	Austria	Friedrich-Wilhelm-Raiffeisen Platz 1-no, Vienna	Loan/financial services
Agrana Studen Sugar Trading	Other affiliated entity	Austria	Wilhelminenstrasse no 91/19/2, Vienna	customer
AGRANA Trading eood	Other affiliated entity	Bulgaria	Shipchenski Prohod Blvd. no 18, SOFIA	supplier/customer
AGRANA ZUCKER ZHG HANDELS GMBH	Other affiliated entity	Austria	Friedrich-Wilhelm-Raiffeisen Platz 1-no, Vienna	supplier/customer
AGRANA Zucker GmbH	Parent - company	Austria	FRIEDRICH WILHELM RAIFFEISEN PLATZ, no 1, Viena	supplier/customer
Hottlet Sugar Trading N.V., Be	Other affiliated entity	Belgium	Grote Steenweg 571, Berchem-Antwerpen	supplier/customer
INSTANTINA Nahrungsmittel Entw	Other affiliated entity	Austria	AM HEUMARKT 3, Viena	supplier
Magyar Cukorgyarto es Formalma	Other affiliated entity	Hungary	Pecsi ut 10-14, Kaposvar	supplier/customer
Moravskoslezske cukrovary, a.s.	Other affiliated entity	Czech Republic	Cukrovarska ul. 657	supplier/customer
ÖSTERREICHISCHE RÜBENSAMENZUCHT GMBH	Other affiliated entity	Austria	Reitherstrasse 21-23, Tulln	supplier
Raffinerie Tirlemontoise S.A./ Tiense Suikerraffinaderij N.V.	Other affiliated entity	Belgium	Avenue de Tervueren 182, Brussel	supplier
SAINT LOUIS SUCRE SA	Other affiliated entity	France,	Rue de gare 35, Paris	supplier
Slovenske Cukrovary, s.r.o. has been	Other affiliated	Slovacia	Cukrovarska 726, Sered	supplier/customer

Name	Kind of relationship	Country of origin	Address	Transaction type
	entity			
Südzucker AG Mannheim/Ochsenfu	Other affiliated entity	Germany	THEODOR-HEUSS-ANLAGE 12, Mannheim	supplier/customer
Südzucker Moldova S.A., Moldaw	Other affiliated entity	Moldova	STR. AUGUST 27, no. 1, DROCHIA	supplier/customer
Südzucker Versicherungs-Vermit	Other affiliated entity	Germany	MAXIMILIAN STRASSE 10, MANNHEIM	supplier
AGRANA Research & Innovation (formerly Zuckerforschung Tulln)	Other affiliated entity	Austria	Reitherstrasse 21 - 23, Tulln	supplier

The company has a majority shareholder on Agrana Zucker GmbH, the Austrian legal entity. The company is ultimately controlled by the Agrana Beteiligungs AG Austria.

Receivables from affiliated entities:

	Name of affiliated entity	**1.01.2015**	**1.03.2015 (unaudited)**	**29.02.2016**
1	AGFD TANDAREI S.R.L.	91,118	75,508	84,791
2	AGRANA AGRO SRL	491,864	491,864	305,214
3	AGRANA Buzau Srl.	6,769,280	335.167	957,701
4	AGRANA BULGARIA EAD	134,718	73,140	-
5	Agrana Studen Sugar Trading	9,004,185	-	-
6	Agrana Trading EOOD	16,809,110	14,211,512	9,821,576
7	Agrana Zucker GmbH	96,313	1,793,466	7,075
8	AGRANA Zucker Handels GmbH	-	-	310765
9	Hottlet Sugar Trading N.V., Be	357,969	-	208637
10	Magyar Cukor	-	-	4,916
11	Moravskoslezske cukrovary, a.s.	2,662,149	-	-
12	Others	525,427	-	-
	TOTAL	**36,942,133**	**16,980,658**	**11,700,675**

Debts to affiliated entities:

	Associated party	**1.01.2015**	**1.03.2015 (unaudited)**	**29.02.2016**
1	AGFD TANDAREI S.R.L.	229,169	207,408	82,032

	Associated party	1.01.2015	1.03.2015 (unaudited)	29.02.2016
2	AGRANA Beteiligungs AG	186,485	226,283	54,570
3	AGRANA BUZAU SRL	42,426,240	33,715,525	29,708,955
4	AGRANA BULGARIA EAD	41,739	48,152	-
5	AGRANA TRADING EOOD	15,815	10,247	21,532
6	AGRANA Zucker GMBH	115,533,363	115,560,023	6,014,061
7	INSTANTINA GMBH	-	62,524	63,413
8	Hottlet Sugar Trading n.v.	300,653	826,312	-
9	Magyar Cukor RT.	705,998	349,863	-
10	Moravskoslezske cukrovary, a.s.	2,361,584	-	-
11	ÖSTERREICHISCHE RÜBENSAMENZUCHT GMBH	88,375	89,472	90,099
12	Saint Louis Sucre	124,338	-	-
13	Südzucker Aktiengesellschaft	334,342	214,841	406,951
14	SUDZUCKER VERSICHERUNGS GMBH	-	12,690	-
15	Südzucker Moldova S.A., Moldaw	6,772,602	2,315,978	2,492,473
16	AGRANA Research & Innovation (fost Zuckerforschung Tulln)	12,859	3,022	1,828
17	Others	355,083	-	-
	TOTAL	**169,488,645**	**153,642,341**	**38,935,912**

	Financial debts [lei]	1.01.2015	1.03.2015 (unaudited)	29.02.2016
1	Agrana Group-Services Gmbh	280,597,459	280,415,407	407,033,131

The value of transactions carried out in the fiscal year 1.03.2015 - 29.02.2016, as well as between 01.01.2015-28.02.2015 with related entities is presented below:

	Lei **Sales to affiliated entities:**	**January 2015 - February 2015 (unaudited)**	**March 2015- February 2016**
1	AGFD Tandarei S.R.L.	62,587	376,362
2	Agrana Agro SRL	-	224,932
3	Agrana Bulgaria AD	73,140	-
4	Agrana Buzau SRL	3,870,509	45,474,479

5	Agrana Fruit Austria GmbH	-	40,107
6	Agrana Studen Sugar Trading GmbH	-	4,442,664
7	Agrana Trading EOOD	9,831,571	104,311,358
8	AGRANA Zucker GmbH	14,520,355	15,083,486
9	AGRANA Zucker Handels GmbH	-	1,892,782
10	Hottlet Sugar Trading n.v.	-	1,335,884
11	Magyar Cukor	-	17,267
12	Moravskoslezske Cukrovany	54,345	8,361,672
13	Slovenske Cukrovary. s.r.o.	-	1,464,174
14	Sudzucker AG	-	732,680
15	Sudzucker Moldova	-	188,746
	Total sales	**28,412,507**	**183,946,593**

	Purchases from affiliated entities	**January 2015 - February 2015 (unaudited)**	**March 2015- February 2016**
1	AGFD Tandarei SRL	250,147	1,324,044
2	Agrana Beteiligung -AG	425,028	3,062,092
3	Agrana Bulgaria EAD	6,391	14,546
4	Agrana Buzau SRL	13,055,875	326,415,552
5	AGRANA Magyarorzag Ertekesites	-	26,300
6	Agrana Trading EOOD	10,241	217,241
7	Agrana Studen Sugar Trading	2,754,286	-
9	AGRANA Zucker GmbH	1,949,357	108,009,461
10	AGRANA ZUCKER ZHG HANDELS GMBH	-48,802	54,229,992
12	Hottlet Sugar Trading n.v.	832,289	18,541,623
13	Instantina Gmbh	63,099	597,683
14	Magyar Cukor	351,359	11,417,583
15	Moravskoslezske Cukrovany	54,345	14,038,937
16	Raffinerie Tirlemontoise S.A.	-	667,305
17	Saint Louis Sucre	-	94,203
18	Slovenske Cukrovary S.R.O	-	378,406
19	Südzucker Aktiengesellschaft	550,956	3,732,515
20	Sudzucker Moldova	3,978,179	2,523,102
21	Sudzucker Versicherungs	12,687	28,540
22	AGRANA Research & Innovation (fost Zuckerforschung Tulln)	3,022	27,721
	Credit interests		
24	Agrana Group-Services Gmbh/dobanzi&rez.net hedging	865,547	7,488,732

	Purchases from affiliated entities	January 2015 - February 2015 (unaudited)	March 2015- February 2016
	Total purchases	**25,114,006**	**552,835,578**

		1.01.2015 - 28.02.2015 (unaudited)	1.03.2015 - 29.02.2016
	Detail on the sales to affiliated entities (lei)	***28,412,507***	***183,946,593***
A.	Sales of goods (sugar, sugar-based products, etc.)	18,665,753	132,316,040
B.	Income from rendered services	9,311,941	46,394,117
C.	Income from rents	347,627	2,320,961
D.	Income from other sales	87,186	751,118
E	Sales of certificates of greenhouse gas emissions	-	2,164,357
	Detail regarding purchases from affiliated entities (lei)	***25,114,006***	***552,835,578***
A.	Purchase of raw materials, sugar, sugar products, sweeteners, etc.	21,290,128	534,371,411
B.	Purchase of Services	2,671,856	10,669,172
C.	Compensation of insurance policies, penalties	286,475	306,263
D.	Credit interests	865,547	8,351,995
E.	Actual earnings from operations with financial derivatives	-	-863,263

The credit facilities with credit institutions are secured by corporate guarantees issued by Agrana Beteiligungs AG.

Also, based on the counter-guarantees issued by Unicredit Bank Austria AG, from the facility owned by AGRANA Beteiligungs AG to this credit institution, the guarantee letters are issued on the decision of Agrana Romania SA by Unicredit Tiriac Bank SA (note 9).

NOTE 19: SUBSEQUENT EVENTS

The company's managers have no knowledge of other events subsequent to the balance sheet date, which may have a significant impact and which should be presented in these financial statements.

NOTE 20: EXTRAORDINARY ITEMS

We have no cases of the nature of individual items of income or expense that are of exceptional size or incidence.

NOTE 21: QUOTAS

21.1 Taxation

All amounts owed to the state budget for taxes and duties were paid or registered on the balance sheet date. The fiscal system in Romania is undergoing consolidation and harmonization with the European legislation and there can be different interpretations of the authorities related to the fiscal legislation, which can determine taxes, duties and additional penalties. If the state authorities discover violations of the legal provisions in Romania, they can order, as applicable, the seizure of the related amounts, the payment of additional fiscal duties, the application of fines, delay penalties (applied on the actual remaining amounts due for payment). As a result, the fiscal sanctions resulting from violations of the legal provisions can reach important amounts to be paid to the state.

The Romanian fiscal authorities have inspected the calculation of the profit tax up to March 31st, 2005.

From November 19th, 2012, according to the Fiscal Inspection Notification sent by the General Division for the Management of Large Tax Payers in Bucharest, Agrana Romania SA is subject to a general fiscal inspection for the period between 01.01.2006 and 31.12.2011. Of the date of these Notes, the Company's management is not aware of potential significant adjustments on the tax position of the Company as a result of this ongoing fiscal control.

The company believes it has paid on time and in full all fees, taxes, penalties and penalty interests, as the case may be.

The company has opted for a different fiscal year from the calendar year, according to the provisions of Art. 27 par. (3) of the Accounting Law 82/1991 republished. The company also has opted, in accordance with art. 16 par. (3) of Law 571/2003, that the fiscal year corresponds to the financial one.

The financial and fiscal year begins on March 1st, and ends on February 28/29 of the following year. 2015 being the first financial and fiscal year other than the calendar year, exceptionally, the financial and fiscal year began on 01.01.2015 and ended on February 29th, 2016.

For the period of January 1s, 2015 - February 29th 2016, the Company registered an accounting loss amounting to 12,358,909 lei, of which, for the financial year March 1st, 2015 - February 29th, 2016 is 8,338,988 lei

The current income tax is calculated on the basis of financial statements prepared in accordance with tax legislation. The reconciliation of fiscal result with the accounting result on February 29th, 2016 is presented in the following table:

Lei		12/31/2014.	29.02.2016
1	Accounting profit/(oss)	(65.216.952)	(12.358.909)
2	Non-taxable income	30,188,830	20,888,121
3	Other deductions	14,442,127	26,958,291
4	(Loss) after deductions (line 1 - line 2 - line 3)	(109.847.909)	(60.205.321)
5	Non-deductible expenses/income similar items	47,390,611	47,189,229
6	Tax profit/(loss) before the loss carryover (line 4+line 5)	(62.457.298)	(13.016.092)
7	Tax loss from previous years	(87.848.883)	(150.306.181)
8	Taxable profit/(loss) (line 6-line 7)	(150.306.181)	(163.322.273)
9	Total profit interest	-	-
10	Amounts represented by sponsorships / patronage of arts, acc. to the law		
11	Owed profit tax (r.9-r.10)	-	-
12	Profit tax debt/(receivable) on the beginning of the fiscal year	(2.159.695)	(2.159.695)
13	Tax paid during the year	-	-
14	Profit tax to be paid /(recovered) at the end of the fiscal year	(2.159.695)	(2.159.695)

The profit tax for the year ended at February 29th, 2016 was calculated according to the fiscal regulations in effect, by applying a 16% rate on the fiscal result determined according to the aforementioned situation.

The cumulated tax loss recoverable in the coming years is 163,322,273 lei and comes from the years:

Year	Tax loss
2013	87,848,883
2014	62,457,298
2015	13,016,092
Total	163,322,273

According to the legal regulations, fiscal losses registered subsequently to January 1st, 2009 have a 7 year carry-back period.

In Romania, the financial year remains open for a period of 5 years.

21.2 Transfer price

In accordance with the relevant tax legislation, tax assessment of a transaction made with affiliated parties is based on the concept of market price related to that transaction. Based on this concept, the transfer prices shall be adjusted to reflect market prices that would have been made between entities where no association relationship did exist and which act independently on the basis of "normal market conditions".

It is likely that transfer pricing checks to be made in the future by the tax authorities, in order to determine whether those prices comply with the principle of "normal market conditions" and that the taxable base of the Romanian taxpayer is not distorted.

21.3 Legal claims

On February 29th, 2016, February 28th, 2015 and January 1st, 2015 the Company's Management estimates that besides the issues already considered in preparing the financial statements, there are no claims of legal nature that affect its financial statements.

21.4 Aspects related to the environment

Romania is currently undergoing a rapid harmonization period of the environmental legislation with the effective laws of the Economic European Community. On February 29th, 2016, the Company has not registered any debt related to the anticipated costs, including legal and consulting fees, studies, design and implementation of remedial action plans for environmental issues. The Company does not consider the costs associated with environmental issues as significant.

21.5 Interest rate risk

The Company's exposure to the risk of interest rate changes mainly refers to the variable interest carrier loans of the Company.

21.6 Risk of the exchange rate variations

The Company has transactions and loans in a different currency than the operational currency (RON).
The Company uses financial instruments to limit exposure to exchange rate variations. See also the note 22.3. Other commitments.

21.7 Credit risk

The company is subject to a credit risk due to its commercial receivables. The company's policy is that all customers who wish to develop commercial relations in terms of credit are subject to verification procedures. Moreover, receivables balances are constantly monitored so that the Company's exposure to the risk of bad debt to be minimized.

21.8 Liquidity risk

The prudent management of the liquidity risk involves the maintenance of a sufficient cash value and of several available credit lines. Due to its activity type, the company aims to have flexibility in the financing possibilities, by maintaining available credit lines to finance operation activities.

21.9 Market risk

Sugar and iso-glucose market in the European Union will be significantly changed by canceling the production system under national quotas apply to the ' 70s, the year of the market October 2016-September 2017 as the last current system.

The first effect of the cancellation of the production system under the national quota, could be the increase of competition on the market of the European Union, the current surplus production (sugar outside the quota) may be put into free circulation and marketed in the EU after the date of 30.09.2017.

A second potential immediate effect will be transformation of the European Union into a net exporter of white sugar, European manufacturers having the ability and resources to regain lost markets in 2006 following the WTO decision to limit exports to the EU.

A third likely effect is the consolidation/concentration of production in several multinational companies to the detriment of small players, with a low diversification of business and with no financial strength.

Being already a market with a deficit of production, but with surplus of processing capacity, Romania has partially felt the effects of a competitive market, restructuration of the sector resulting in the existence of only three great producers in the market, all of them being members of powerful European groups (AGRANA/Pfeiffer & Langen/TEREOS). The fourth local producer, Bod Sugar Factory, owned by a Romanian investor, is currently in insolvency, and continuing the processing/marketing is uncertain.
Restructuring the sector created, too, opportunities for world sugar traders, these trying in recent years to enter the market in Romania. Their current market share is yet low, the input, logistics (transfer) or local processing costs, being major barriers in a spectacular growth that has seriously affected the local market.

Further, the sugar market in Romania is below the European average, both in terms of consumption and of diversity of products. As the purchasing power will increase, we estimate the development of the local market.
The insistent campaigns to reduce sugar consumption in order to combat obesity had minor effects on consumption in Romania, both domestic and industrial use. The significant costs of replacement and substitutes' similar effects on obesity, have led to a mitigation campaign of demonizing sugar.
At the same time, along with the quotas, the guaranteed minimum price for sugar beet will disappear, with immediate effects in areas with weak crop yields. In Romania, these effects on culture were offset by agricultural subsidies-in 2015-2020 financial exercise, beet culture in Romania has the biggest join subsidies of the Community (over EUR 600/ha).

NOTE 22: COMMITMENTS

22.1 Capital commitments

On February 29th, 2016, the Company has certain commitments related to the procurement agreements of tangible assets, amounting 2,531,140 lei.

22.2 Assumed commitments related to the concluded operational leasing contracts

The company has concluded lease contracts for various spaces. The amounts for payment in 2014 according to these lease contracts are as follows:

Supplier's name	Contract period	Value	Currency
AGRISOL INTERNATIONAL	01/02/2013 - 31/12/2016	8,015	euro/month
AMI COMPANY	07/02/2013 - 01/05/2016	9,348	euro/month
EURORENT	01/03/2012 - 01/03/2017	3,000	euro/month
HEIN ROMANIA	15/09/2001 - undetermined	5,400	USD/month
HOTEL MANAGEMENT	27/10/2010 - 30/06/2016	1,200	lei/month
CMG Financing & Restructuring Consultancy	04/08/2015 - 03/08/2017	800	euro/month
MICUSAN VIORICA	01/01/2016 - 31/12/2016	1,400	lei/month
Pantelimon Logistics Center	01/01/2013 - 01/10/2017	375	euro/month
PATRICHI ALEXANDRU	01/03/2011-31/03/2016	400	euro/month
TRANSYLVANIA CONSTRUCTION	18/02/2016 - 18/02/2018	3,546	euro/month
Marsat SA	06/06/2015 - 31/07/2016	21,760	euro/month

Based on the lease contracts valid up to February 29th, 2016, the Company has future payment duties pertaining to these short-term contracts in value of lei 1,628,165 and on the long-term in value of lei 480,921, representing the amount of lei 2,109,086.

22.3 Other commitments

On February 29th, 2016, the Company contracted through affiliated company Agrana Group Services GMBH derivatives such as forward contracts with support rate of Exchange EUR/RON. Under the agreement, the Company has agreed to buy on May 2016 the sum of EUR 43,994,021 for the payment of RON 197,222,384. The fair value of these financial instruments on February 29th, 2016 is 197,285,468 RON.

On May 13th, 2016 by the additional no. 342 H Agrana Romania SA took over the contractual obligations of Agrana Buzau SRL in relation with Swasiland Sugar Association, concerning the acquisition of 25,000 tons of raw sugar.

22.4 Guarantees

The Company did not receive and did not offer warranties on February 29th, 2016, excluding bank guarantees issued in favor of various beneficiaries as presented in Note 9 - Debts and guarantees in favor of suppliers presented in Note 3.3.

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Directorship Member Chief Accountant

Madalina Roman Cosmin Draghici