FINEXSI AUDIT

ERNST & YOUNG et Autres

This is a free translation into English of the statutory auditors' review report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

AgroGeneration

Period from January 1 to June 30, 2015

Statutory auditors' review report on the interim condensed consolidated financial statements

FINEXSI AUDIT
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S.A. au capital de € 57.803

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

AgroGeneration

Period from January 1 to June 30, 2015

Statutory auditors' review report on the interim condensed consolidated financial statements

To the Executive Director,

In our capacity as statutory auditors of AgroGeneration and in accordance with your request, we have performed a review of the accompanying interim condensed consolidated financial statements for the period from January 1 to June 30, 2015.

The preparation of these interim condensed consolidated financial statements is the responsibility of your board of directors. Our role is to express a conclusion on the interim condensed consolidated financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

Without modifying the conclusion expressed above, we draw your attention to the following points disclosed in the notes to the financial statements:

- The macroeconomic environment in Ukraine and its potential evolutions that could negatively affect the operating results, as well as the financial situation of the group (note 3.1 *Political risks in Ukraine*).

- The sensitivity of income statement to management assumptions related to biological assets valuation according to IAS 41 (note 4.2 *Fair value of biological assets and net realizable value of agricultural produce).*

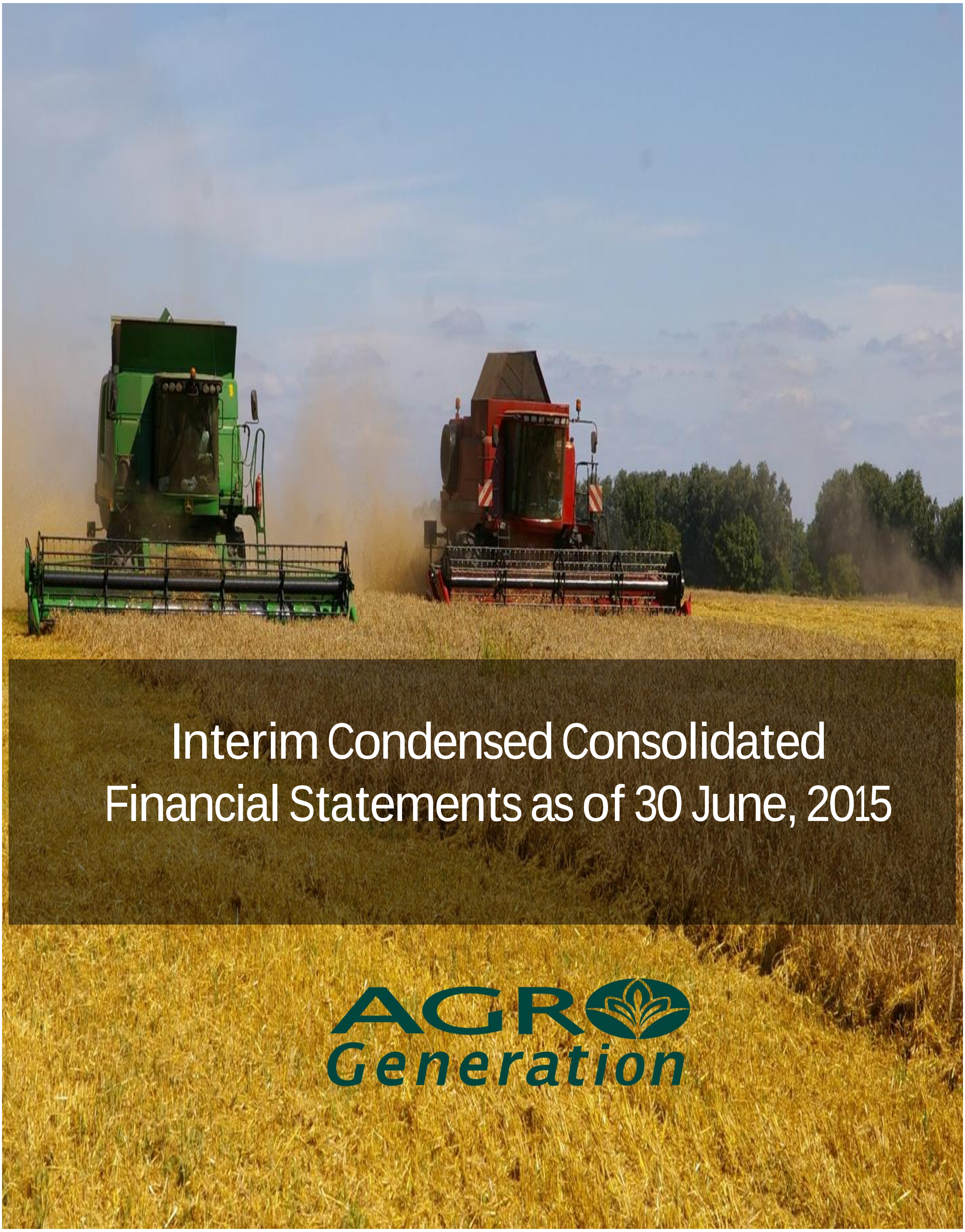
- The revaluation of the fixed assets situated in Ukraine (note 2.4 *Revaluation of the fixed assets*).

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim, dispute or difference resulting from our engagement letter or the present report, or any related matters. Each party irrevocably waives its right to oppose any action brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

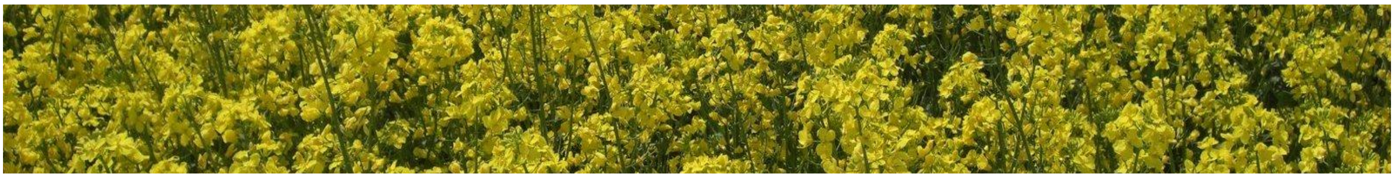
Paris and Paris-La Défense, October 30, 2015

The statutory auditors

FINEXSI AUDIT	ERNST & YOUNG et Autres
Olivier Péronnet	Jean-Christophe Goudard



Interim Condensed Consolidated Financial Statements as of 30 June, 2015



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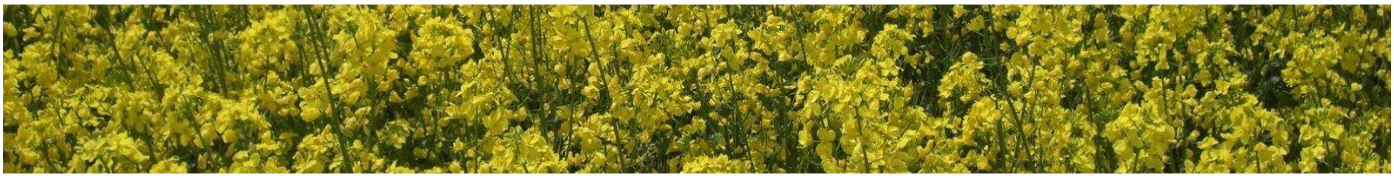
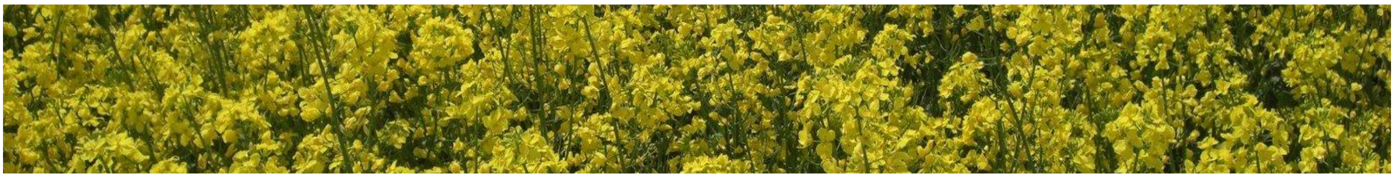


Consolidated statement of financial position

(in thousands of Euros)

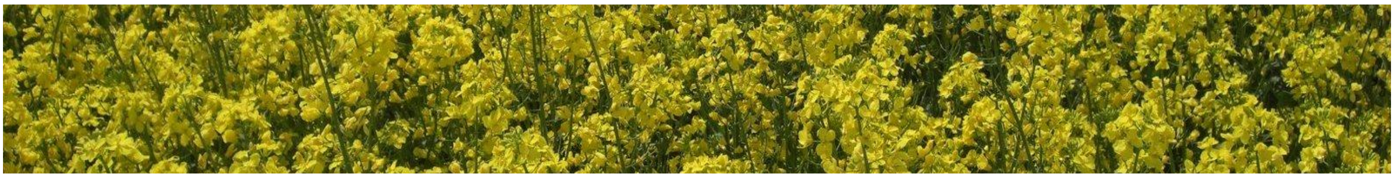
Assets	*Note*	June 30, 2015	December 31, 2014
Non-current assets		79 662	63 560
Intangible assets and leasehold rights	*8*	42 771	40 876
Property, plant and equipment	*9*	36 451	22 181
Financial assets	*10*	243	275
Biological assets	*12*	197	228
Deferred tax assets		-	-
Current Assets		61 699	35 323
Inventories	*11*	4 672	10 916
Financial assets	*10*	3 878	1 798
Biological assets	*12*	46 738	12 093
Trade and other receivables	*13*	4 802	5 101
Cash and cash equivalents	*14*	1 609	5 415
Total assets		141 361	98 883

Equity and Liabilities	*Note*	June 30, 2015	December 31, 2014
Equity		59 778	6 569
Share capital	*16*	4 618	4 618
Share premium	*16*	166 468	166 468
Other reserves		(33 756)	(101 199)
Retained earnings		(39 940)	(18 275)
Currency translation differences		(32 202)	(23 378)
Net Income		(5 410)	(21 665)
Non-controlling interests		-	-
Non-current liabilities		13 449	58 362
Provisions	*17*	-	-
Non current borrowings	*15*	11 955	58 362
Non current payables	*18*	1 494	
Deferred tax liabilities		-	-
Current liabilities		68 134	33 952
Provisions	*17*	-	-
Current borrowings	*15*	39 846	24 241
Trade and other payables	*18*	27 240	8 894
Current income tax liability		1 048	817
Total equity and liabilities		141 361	98 883



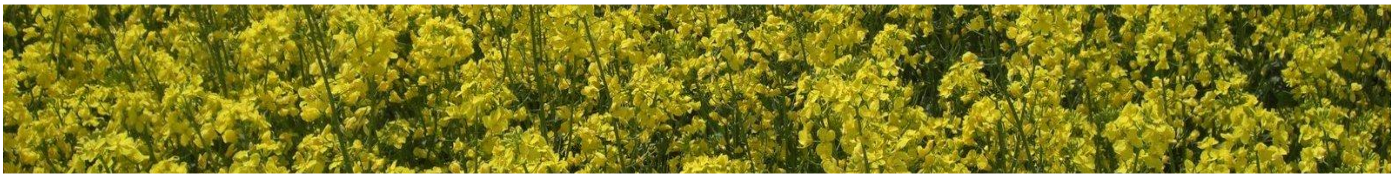
Consolidated income statement

(in thousands of Euros)	*Note*	first-half 2015	first-half 2014
Revenue	*20*	3 082	4 940
Change in fair value of biological assets and finished goods	*12*	10 769	8 258
Cost of sales	*21*	(2 003)	(5 239)
Gross profit / (loss)		11 848	7 959
Selling, general and administrative expenses	*21*	(5 000)	(6 669)
Other income and expenses	*22*	(700)	2 079
Profit before interest and tax		6 148	3 369
Financial net expenses	*23*	(11 838)	(16 751)
Income tax expense		280	25
Profit / (loss) from continued operations		(5 410)	(13 357)
Profit after tax from discontinued operations (attributable to the Group)		-	1 429
Profit / (loss) for the period		(5 410)	(11 928)
Non-controlling interests		-	-
Profit / (loss) from continued and discontinued operations attributable to the Group		(5 410)	(11 928)
Profit / (Loss) attributable to equity holders of the company (€, 000)		(5 410)	(11 928)
Weighted average number of ordinary shares		91 868 083	91 948 633
Basic earnings / (loss) per share (in Euros per share)	*24*	(0,06)	(0,13)
Profit / (loss) attributable to equity holders of the company after dilution (€, 000)		(4 975)	(11 928)
Weighted average number of ordinary and potential shares		190 616 183	91 948 633
Diluted earnings / (loss) per share (in Euros per share)	*24*	(0,03)	(0,13)



Consolidated statement of comprehensive income

(in thousands of Euros)	first-half 2015	first-half 2014
Profit / (loss) for the period	(5 410)	(11 928)
Items non-recyclable in income, net of tax	25 146	-
Gains on Property, plant and equipment revaluation	25 146	-
Items recyclable in income, net of tax	(8 824)	(17 549)
Currency translation differences	(8 824)	(17 549)
Total comprehensive income of the period	**10 912**	**(29 477)**



Consolidated statement of changes in equity

(in thousands of euros)	Share capital	Share premium	Other reserves	Retained earnings	Other compre-hensive income (expense)	Total, Group share	Non-control-ling interest	Total equity
Balance as of December 31, 2013	4 618	166 468	(101 169)	(18 275)	(587)	51 055	-	51 055
Issue of new shares	-	-	-	-	-	-	-	-
Change in scope	-	-	-	-	-	-	-	-
Currency translation differences*	-	-	-	-	(17 549)	(17 549)	-	(17 549)
Shared-based payments	-	-	(4)	-	-	(4)	-	(4)
Own shares	-	-	27	-	-	27	-	27
Net Income / (loss) for the year	-	-	-	(11 928)	-	(11 928)	-	(11 928)
Balance as of June 30, 2014	4 618	166 468	(101 146)	(30 203)	(18 136)	21 601	-	21 601
Issue of new shares	-	-	-	-	-	-	-	-
Change in scope	-	-	12	-	-	12	-	12
Currency translation differences*	-	-	-	-	(5 242)	(5 242)	-	(5 242)
Shared-based payments	-	-	-	-	-	-	-	-
Own shares	-	-	(65)	-	-	(65)	-	(65)
Net Income / (loss) for the year	-	-	-	(9 737)	-	(9 737)	-	(9 737)
Balance as of December 31, 2014	4 618	166 468	(101 199)	(39 940)	(23 378)	6 569	-	6 569
Issue of new shares	-	-	-	-	-	-	-	-
Issue of OSRANE**	-	-	42 290	-	-	42 290	-	42 290
Change in scope	-	-	(3)	-	-	(3)	-	(3)
Currency translation differences*	-	-	-	-	(8 824)	(8 824)	-	(8 824)
Fixed assets revaluation ***	-	-	-	-	25 146	25 146	-	25 146
Own shares	-	-	10	-	-	10	-	10
Net Income / (loss) for the year	-	-	-	(5 410)	-	(5 410)	-	(5 410)
Balance as of June 30, 2015	4 618	166 468	(58 902)	(45 350)	(7 056)	59 778	-	59 778

(*) Currency translation differences

Significant devaluation of Ukrainian hryvnia in 2014 had significant impact on assets and liabilities of the Consolidated Financial Statements (cf. Consolidated statement of changes in equity of Consolidated Financial Statements as of December 31, 2014).

The negative impact of currency translation differences for 6 months 2015 amounts to €8 824 and is composed of:

€ 15 101k loss related to inter-company loans of Ukrainian entities denominated in USD and translated into the functional currency, Ukrainian hryvnia, at the closing rate. These loans were treated as net investment (cf. Note 23).

€ 2k gain due to translation difference on *current year income* arising from the difference between average and closing rate (23,74 UAH/ EURO and 23,54 UAH/EURO respectively).

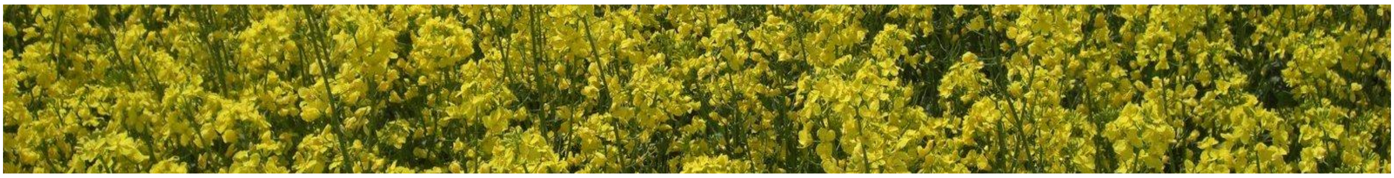
€ 6 275 K gain due to translating the opening *net assets* at a closing rate (23,54 UAH/EURO) that differs from the previous closing rate (19,23 UAH/EURO): the gain is due to the fact that retained earnings of Ukrainian entities are negative.

(**) OSRANE issue

On 31th March 2015 the Group issued OSRANE for a total amount of €57,4 m (net of issuance costs) which result in the increase of equity by €42.3 m (cf. Note 2.1).

(***) Fixed assets revaluation

The impact of revaluation of fixed assets recognised in other comprehensive income amounts to €25.1 m (cf. Note 2.4).



Consolidated cash flow statement

(in thousands of Euros)	Note	June 30, 2015	June 30, 2014
Profit / (loss) for the period		(5 410)	(11 928)
Depreciation on fixed assets		1 107	1 769
Provisions*		-	(3 052)
Capital (gains) / losses from disposals*		(4)	1 627
Net financial (income) / loss	23	11 838	16 755
Deferred and income taxes (income) / expense		(280)	218
Impairment of finished goods inventory		-	(73)
Biological assets and finished goods fair value decrease / (increase)		(10 822)	(9 515)
Impairment of fixed assets	22	1 113	-
Other (income) / expense with no cash impact		2	121
Cash flow from operating activities		(2 456)	(4 078)
Trade and other payables (decrease) / increase**		12 011	7 433
Inventories decrease / (increase)		(823)	3 497
Biological assets cost decrease / (increase)		(17 842)	(17 344)
Trade and other receivables decrease / (increase) ***		5 667	(1 131)
Income tax paid		-	(37)
Working capital variation		(987)	(7 852)
Net operating cash flow		(3 443)	(11 660)
Cah flow from investing activities			
Acquisition of subsidiaries	2.3	(413)	-
Purchase of property, plant and equipment		(810)	(926)
Purchase of intangible assets		(29)	(131)
Purchase of financial assets		(23)	(28)
Disposal of subsidiaries		-	1 284
Disposal of property, plant and equipment		48	63
Disposal of intangible assets		-	-
Disposal of financial assets		37	-
Net investing cash flow		(1 190)	262
Cash flow from financing activities			
Amounts received from shareholders following a capital increase		-	-
Purchase/sale of treasury shares		273	27
Pledged term deposits decrease / (increase)	10	(2 462)	-
Proceeds from borrowings		9 102	17 129
Repayment of borrowings		(1 917)	(5 027)
Gain / (losses) from realised foreign exchange	23	(231)	(652)
Paid interests		(3 062)	(3 255)
Costs of capital increase		-	-
Net cash generated from financing activities		1 703	8 222
Effects of exchange rate changes on cash and cash equivalents		(876)	(1 430)
Net movement in cash and cash equivalents		(3 806)	(4 606)
Cash and cash equivalents at beginning of period	14	5 415	7 225
Cash and cash equivalents at end of period	14	1 609	2 619

** The operating cash flows for 6 months 2014 included the impact of disposal of operations in Argentina of €1 018k, represented by provision write back of € 2 500k and € 1 482k of actual loss from the deal.*

*** In the consolidated balance sheet, the accounts receivable as of June 30, 2015 include prepayments made to suppliers of the Group in connection with inputs for the 2015 harvest. In the consolidated cash flow statement, the variation in prepayments to suppliers (negative cash flow / increase in receivable), which stands at € 6k, not inclusive of exchange rate effects, is presented as a change in accounts payable.*

**** In the consolidated balance sheet, the accounts payable as of June 30, 2015 include prepayments received from Group customers in respect of upcoming deliveries in the end of financial year 2015. In the consolidated cash flow statement, the change in customer prepayments (positive cash flow / increase in debt), which amounts to € 6 080k, not inclusive of exchange rate effects, is presented as a change in accounts receivable.*

Notes to the Consolidated Financial Statements

The Interim Condensed Consolidated Financial Statements of the AgroGeneration Group ("AgroGeneration", "the Group" or "the Company") for the six months ended June 30, 2015 were authorized for issue by the Board of Directors on October 22, 2015. These Financial Statements are presented in thousands of euro for all financial years, except for the per-share information.

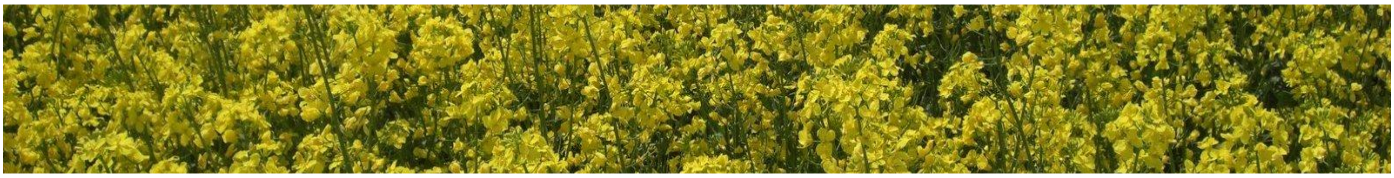
1. Scope of consolidation

The Group's Interim Condensed Consolidated Financial Statements for the six months ended June 30, 2015 include the accounts of AgroGeneration SA and of all companies controlled by the Group, as well as those of jointly controlled companies and companies over which the Group exercises significant influence. Please refer to the Note 27 for the List of consolidated entities.

General information and background

AgroGeneration was created in March 2007. The parent company is a Joint Stock Company (AgroGeneration SA) recorded on the Paris Trade and Companies Register with number 494 765 951, whose shares have been listed on the Alternext market of NYSE-Euronext Paris since March 1, 2010.

The registered office address is 18 rue Pasquier, 75008 Paris.



2. Major events of the period

2.1. Debt restructuring by issuing Subordinated Bonds Redeemable into New or Existing Shares (OSRANE)

AgroGeneration announced on 30 December 2014 its *plan on debt restructuring* which consisted in:

- redemption of the listed and non-listed bonds of the Company into Subordinated Bonds Redeemable into New or Existing Shares (OSRANE); and
- amendment of the loan granted by the European Bank for Reconstruction and Development ("EBRD") mainly consisting in waiving the ongoing breaches of financial ratios, an extension of the maturity of the loan granted and a reset of the financial ratios for the future (c.f. Note 2.2)

Being unable to obtain the unanimous consent of the holders of listed bonds, AgroGeneration filed for an Accelerated Financial Safeguard Procedure with the Paris Commercial Court on 15 January 2015. The court announced the procedure opened on 22 January 2015 and issued the decision approving the Financial Safeguard Plan on 27 February 2015.

On 31 March 2015, the Group issued 595 753 OSRANE ("Obligations Subordonnées Remboursables en Actions Nouvelles ou Existantes") with a nominal value of €100 per OSRANE and a coupon interest of 8% payable semi-annually (on the 1st of April and 1st of October).

The issuance was settled partly in cash, € 1 878 200, and partly, €57 697 100, against existing receivables including those of listed bondholders (€ 21,1 m), Konkur Investments Limited (€ 36 m), and other current liabilities (€ 0,6 m).

The OSRANE will be redeemed at maturity, on 1 April 2019, into 192 new or existing shares per OSRANE. At each coupon payment date, the bondholders might opt for early redemption and will be entitled to bonus shares (additional four shares per OSRANE and per each remaining half year). The maximum number of shares at early redemption is limited to 220 shares per OSRANE, as of September 30, 2015.

The OSRANE bonds are traded on the regulated market of Alternext Paris under the ISIN code: FR0012600872.

Recognition of OSRANE in the Consolidated Financial Statements as of 30 June 2015

OSRANE are recognised as *compound financial instruments* according to IFRS 32.28 "Financial instruments" comprising a *debt component* (repayment of coupon interest over 4 years) and an *equity component* for the remaining balance.

(in thousands of Euros)	*Nominal amount*	*Carrying amount at recognition date 31 March 2015*	*Carrying amount at closing date 30 June 2015*
OSRANE (nominal amount)	59 575		
Issuance costs	(2 193)		
Fair value of debt component		15 092	
Amortised cost of debt component			14 338
Equity component		42 290	42 290
TOTAL	57 382	57 382	56 628

The present value of the debt component is calculated using a discount rate of 15%. The debt is amortised over 4 years using the effective interest rate of 11,6% (this effective interest rate takes into account the issuance costs allocated to the debt and actual cash flow).

As of 30 June, 2015 the debt of OSRANE within 1 year amounts to € 3 254k.

2.2. Amendment of EBRD loan

On 15 January 2015, the Group signed an amendment to the loan agreement with effective date on 31 March 2015 which included the following major changes:

- Postponing loan repayment schedule for a year (new terms: ten equal semi-annual instalments starting on the 1st March 2016 with the final repayment on 3 September 2020);
- Updating definitions and ratio calculations for covenants;
- Increasing of fixed part of interest rate from 8% to 8.5%.

2.3. Purchase of the new subsidiary in February 2015

In February 2015 the Group acquired 100%shares of « Agroholding Tornado”. The acquisition is financed by operating cash flow and the consideration is payable in installments till December 2016. As of June 30, 2015 the settlement made under this acquisition amounts to € 413 k.

The “Agroholding Tornado” owns a grain elevator with the storage capacity of 39,100 tons and provides full range of grain-storage related services. The acquisition will allow the company to increase its storage capacities.

The purchase price allocation is in progress as of June 30, 2015 and must be completed within a maximum period of 12 months following the effective date of the business combination.

2.4. Revaluation of the fixed assets

The Group performed revaluation of all classes of tangible assets situated in Ukraine. The revaluation was performed by independent appraiser as of 1 January 2015. The fair value was determined in Ukrainian hryvnia and American dollar and accounted by the Ukrainian entities in their functional currency.

At revaluation date, the total net impact on the revaluation reserve (before tax) amounted to € 24,4m which included the increase of fair value for some assets by € 25,8m, recognised directly in other comprehensive income, and decrease for the other assets by €1,4m, recognised in the income statement. The details by class of asset are presented below:

(in thousands of Euros)	*Increase in value*	*Decrease in value*	*Net impact on revaluation surplus*
Buildings	9 933	(614)	9 319
Machinery and equipment	13 266	(443)	12 823
Machinery and equipment under leasing	2 004	(58)	1 946
Other tangible assets	606	(160)	446
Tangible assets in progress	20	(99)	(79)
Impact of revaluation as of 1 January 2015	25 829	(1 374)	24 455
Deferred tax on revaluation	(683)	-	(683)
Net impact of revaluation as of 1 January 2015	25 146	(1 374)	23 772

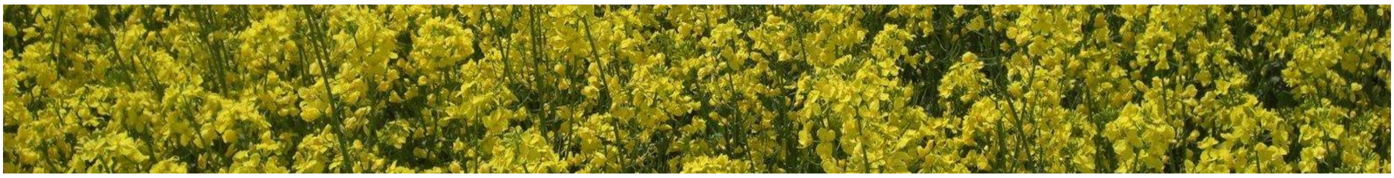
Tax impact of revaluation resulted in the initial recognition of the Deferred Tax Liability amounting to € 683k. These liabilities were recognised by the Ukrainian entities which are subject to the income tax. These companies having accumulated tax losses which can be off-set against future taxable profits, a Deferred Tax Asset has also been recognized for the amount equivalent to the Deferred Tax Liability.

3. Financial risk management

3.1. Political risks in Ukraine

The Group conducts most of its operations in Ukraine. The Ukrainian economy while deemed to be of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, low levels of liquidity in the capital markets, high inflation, and significant imbalances in the public finance and foreign trade.

In 2014, Ukrainian political and economic situation deteriorated significantly. The political and social unrest combined with the illegal Russian annexation of the Autonomous Republic of Crimea, full-fledged armed confrontations with Russian-backed separatists in certain parts of the Donetsk and Lugansk regions, led to the significant deterioration of the political and economic relations of Ukraine with the Russian Federation. These factors have contributed to the decline of key economic indices, increase of the state budget deficit, depletion of the NBU’s foreign currency reserves and, as a result, further downgrading of the Ukrainian sovereign debt credit ratings.



To date, the country's political and economic situation is slowly improving. The conflict zone seems to be frozen with no notable military activity. As well, following an agreement with its principal creditors, Ukraine obtained a USD 17 billion loan from the IMF this summer, an encouraging sign for the country's recovery. More recently, the Standard & Poors rating agency upgrade its rating from CCC+ to B-.

From 1 January 2015 till 30th September 2015, the Ukrainian Hryvnia (the "UAH") depreciated against major foreign currencies by approximately 30% calculated based on the National Bank of Ukraine (the "NBU") exchange rate of UAH to US Dollar and EURO. The NBU imposed certain restrictions on purchase of foreign currencies, cross border settlements, and also strengthened requirements on obligatory conversion of foreign currency proceeds into UAH. To date the hryvnia is stable.

The known and estimable effects of the above events on the financial position and performance of the Group in the reporting period have been taken into account in preparing these interim condensed consolidated financial statements.

The Government has committed to direct its policy towards the association with the European Union, to implement a set of reforms aiming at the removal of the existing imbalances in the economy, public finance and public governance, and the improvement of the investment climate.

Stabilisation of the Ukrainian economy in the foreseeable future depends on the success of the actions undertaken by the Government and securing continued financial support of Ukraine by international donors and international financial institutions.

The Group has a number of farming subsidiaries in the Kharkiv oblast of Ukraine, where there is a limited risk in the escalation of protests and possible military conflicts as the situation has stabilized significantly. As of 30 June 2015, the carrying value of the Group's assets located in the Kharkiv oblast is EUR 52,702 thousand. Sowings of the Group in 2015 in Kharkiv oblast represents 64 267 ha.

Management is monitoring the developments in the current environment and taking actions, where appropriate, to minimize any negative effects to the extent possible. Further adverse developments in the political, macroeconomic and/or international trade conditions may further adversely affect the Group's financial position and performance in a manner not currently determinable.

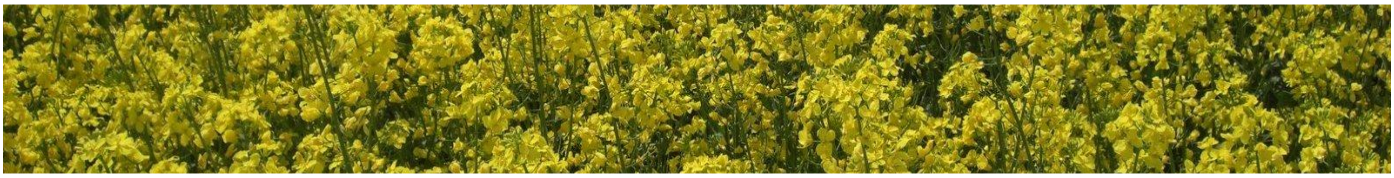
3.2. Risks related to changes in exchange rates

Incomes and expenses of the Group are partly exposed to changes in exchange rates, particularly the euro, the USD and the hryvnia.

Ukraine operations

Starting 9 July 2012 the National Bank of Ukraine (NBU) fixed the exchange rate for USD / hryvnia at the rate of 7,993 hryvnia per 1 USD. On 6 February 2014 this measure was released and NBU stopped supporting the exchange rate of hryvnia. This measure together with the economic situation resulted in a sharp decline of hryvnia foreign exchange rate which reached 15,77 UAH/USD as of the end of 2014. During the first 6 months 2015 hryvnia continued its decline and stabilized at 21,02 UAH/USD.

The devaluation of hryvnia against the euro was in line with EURO/USD exchange rate.



Ukrainian legislation concerning the hryvnia prohibits the use of most of the exchange rate hedging instruments that are available in other countries. Options, futures, forwards, and swaps are not available in hryvnia. Therefore, AgroGeneration does not actively cover its exposure to fluctuations in the hryvnia on financial markets.

The Group is partially naturally hedged against a risk of change in exchange rate of the hryvnia against the USD. Indeed, in the scope of its operations in Ukraine, crop revenues and some of the Group's costs (seeds, chemicals, pesticides, etc.) are influenced by worldwide commodity market in USD even if denominated in UAH. In case the local price is not automatically adjusted to the international market, the Group has sufficient storage capacity to postpone its sales.

At last, the currency risk in relation to USD denominated liabilities for crop financing is partially mitigated by the existence of USD export sales.

Financial debt

Interest rate risk sensitivity analysis

At 30 June 2015, if interest rates (for both variable-rate and fixed-rate borrowings) at that date had been 10 basis points higher/lower with all other variables held constant, interest expense for the half year would have been € 496k (2014 — € 792k) higher/lower.

Foreign currency exchange rate sensitivity analysis

The Group's foreign currency denominated monetary assets and liabilities as of 30 June 2015 consist of US dollar denominated loans and other debts. Other monetary assets and liabilities are not significant.

At 30 June 2015, if the USD had weakened/increased by 10 per cent with all other variables held constant, pre-tax profit for the year would have been € 3 640k lower/higher.

3.3. Risks related to commodities price changes

Due to the size of its grain production, the Group is exposed to fluctuations of crop prices.

For a few years now, agricultural markets have been characterized by high volatility of prices, which depend on world prices which are mainly formed on the stock exchanges of agricultural products. The main factors affecting prices are the climatic factors, the level of energy and inputs prices, and the seasonality of demand.

The market for agricultural commodities in Ukraine is subject to fluctuations in agricultural commodity prices on international markets. It is also subject to conditions of Ukraine's local demand and export capacity, especially when export quota policies are set up, as was the case in 2010. Since Ukraine is a member of the WTO, these quotas are intended to be exceptional and of limited duration, justified only by a significant reduction in production on a country-wide scale. To limit this risk, the Group has developed its own storage capacity enabling it to better manage the pace of commercialization of its production.

The Group hedges against the pricing risk, making forward sales in Ukraine (sales at a fixed price with forward delivery, denominated in U.S. dollars) in the months prior to the harvest, so as to lock in its margin. The Group's goal is to be hedged at the rate of around 30% to 40% of its production prior to the harvest.

3.4. Liquidity risks on crop financing

The main liquidity risk arises from the seasonality of agricultural production. Costs and required working capital reach their peak in spring ahead of the harvest. The cash inflows are concentrated in the second half of the year after harvest. The Group has remedied this seasonality by acquiring its own storage capacity which allows it to sell its production throughout the year. In addition, the management team controls the liquidity risk by monitoring key performance indicators, including those regarding cash flow.

Companies face significant liquidity problems due to poor sources of foreign investment and low lending capacity by the domestic banking system.

The Group continues collaboration with Ukrainian private bank, Alfa-Bank, which granted a crop financing "revolver" credit line of $35m until 2019 subject to annual review, releasable in several instalments. From the period between October 2014 and July 2015, Alfa-Bank provided 24,4m US dollars for the financing of 2014/2015 campaign. In October 2015 the Group renewed its crop financing with Alfa-Bank for a maximum amount of €35 m. This financing will be released in successive instalments, out of which the first instalment amounting to $6,2 m was already received and $12,8 m are rolled-over till the end of December 2016.

In addition to the above elements, the Group is putting in place alternative sources of financing, such as prepayments of forward contracts and the use of guaranteed promissory notes to pay some of the input suppliers. These additional sources of financing give additional comfort to continue normal operations through the harvest season.

3.5. Counterparty risks

The Group is exposed to credit risks through its cash and cash equivalents, which are kept in current accounts and with financial institutions (local banks), its supplier credit and customer credit, which includes delinquencies and commitments towards third parties. Credit risks are not concentrated in a particular counterpart. Although the company receives lines of credit from many input suppliers during the season, there is no line of credit secured in advance by the company because the Group manages its positions on a case by case basis. The Group tends to work with banks and financial institutions owned by leading international groups.

3.6. Capital repatriation risks

Risks related to repatriation of capital come from the investments in its Ukrainian subsidiaries. To date, foreign groups are able to repatriate their capital through dividend payments or the repayment of shareholder loans without tax implications. AgroGeneration finances most of its investments in Ukraine via shareholder loans, normally through its Cypriot entities. The capital repatriation risks are linked to these investments. Possible changes in the political environment in Ukraine or in Cyprus could lead to restrictions on repatriation of capital invested in this country.

4. Critical accounting judgments and estimates

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are the following.

Estimates and judgments are continually evaluated on the basis of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1. Impairment test on intangible assets

Intangible assets are tested for impairment at each balance sheet date and whenever there are indications of impairment. The outcome of this exercise is highly sensitive to certain assumptions (weighted average cost of capital, fluctuation of the commodities price (cf. Note 8 of Consolidated Financial Statements as of December 31, 2014)).

4.2. Fair value of biological assets and net realisable value of agricultural produce

The Group's biological assets are measured at fair value less point-of-sale costs at each balance sheet date. The fair value of biological assets varies according to climatic conditions during growth and harvest, yield potential and price development. A change in any of these estimates could lead to a material change in the income statement. If the management team's assumptions as of June 30, 2015, would have been different by 10% better/lower, then the fair value of the biological assets and gross margin would increase/decrease by around € 5 601 k.

The agricultural produce harvested by the Group is first fair valued at the harvest date when accounted for in inventory in the "Agricultural produce". They are later re-valued at the lower of that fair value and the net realizable value at the balance sheet date. The value used for agricultural produce in the assessment of fair value at harvest time and subsequently for the net realizable value at the balance sheet date is determined based on the actual prices on the principle market and contract prices on the presold crops.

4.3. Equity-settled share-based transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and model used for payments made through shares within the Group are disclosed in note 26 "Share-based compensation" of Consolidated Financial Statements as of December 31, 2014.

4.4. Pre-emptive rights on land leases

Due to the existence of a moratorium on any sale of arable land in Ukraine, either to nationals or foreigners, it has been decided to recognise land leases as operational leases, and not to take into account the pre-emptive rights to buy the land at the term of the lease in the assessment of the qualification of the lease. The moratorium will be lifted after the laws on the State land registry and the real estate market are passed. The deadline to pass these laws has already been pushed forward several times, and the Group is retaining this accounting method in the absence of any information concerning the actual lifting of the moratorium.

4.5. Fair value of fixed assets

Starting from 1 January 2015 the Group applies revaluation model to its tangible assets situated in Ukraine. The carrying amount of these fixed assets amounts to its fair value on 1 January 2015 (c.f. Note 2.4) less subsequent accumulated depreciation.

At each reporting date, the Group carries out a review of the carrying amount of these assets to determine whether the carrying amount differs materially from fair value. The Group carries out such review by preparing a discounted cash flow analysis involving assumptions on projected revenues and costs, and a discount rate. Additionally, the Group considers economic stability and the availability of transactions with similar assets in the market when determining whether to perform a fair value assessment in a given period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognized in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

5. Events after the balance sheet date

5.1. Early redemption of OSRANE bonds into shares

On 30 September 2015 some bondholders of OSRANE opted for early redemption. As a result 27 943 OSRANE subordinated bonds were exchanged for 6 147 460 shares. AgroGeneration's share capital is made up of 98,509,388 shares.

5.2. Share warrants issuance

The 57 264 394 warrants issued to Konkur according to the terms of the agreement of merger with Harmelia (cf. Note 16 of Consolidated Financial Statements as of December 31, 2014) will not be exercisable and henceforth they were cancelled.

Furthermore, on 25 June 2015 the Company held the Ordinary and Extraordinary General Shareholders Meeting which authorised the Board of directors to issue subscription warrants with cancellation of the preferential subscription rights in favour of Konkur Investments Limited. The Board of directors held on 30 September issued 1 379 487 warrants for prices ranging from € 1,79 up to € 2,5.

6. Summary of significant accounting policies

The principal accounting policies applied are summarized below.

6.1. Basis of preparation

The Interim Condensed Consolidated Financial Statements for the six months ended June 30, 2015 are prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union. They do not include all the information required for complete annual financial statements and should be read in conjunction with the Group's Consolidated Financial Statements for the year ended December 31, 2014.

Pursuant to IAS 34, the Notes to these Interim Condensed Consolidated Financial Statements are designed to:

- update the accounting and financial information contained in the last published Consolidated Financial Statements at December 31, 2014;

- include new accounting and financial information about significant events and transactions that occurred during the period.

Except for the application of standards, interpretation and amendments being mandatory as of January 1, 2015, the accounting principles used for the preparation of the Interim Condensed Consolidated Financial Statements are identical to those used for the preparation of the Consolidated Financial Statements for the year ended December 31, 2014. They were drawn up in accordance with IFRS, as adopted by the European Union as of June 30, 2015.

(a) Standards and amendments for mandatory application in the European Union for financial years ended 30 June 2015 and that may have an effect on the Group's Financial Statements

- IFRIC Interpretation 21 Levies
- Annual Improvements to IFRSs 2011–2013 Cycle

The application of these standards and amendments has had no significant impact on the Group's accounts as of 30 June 2015.

(b) Standards and Interpretations published by IASB and approved by the EU (application of the following texts published by the IASB is not yet mandatory for financial periods ended 30 June 2015):

- Amendments to IAS 19 "Defined Benefit Plans": Employee contributions

- Annual Improvements to IFRSs 2010–2012 Cycle

The potential impact of the above standards is currently under examination.

(c) Standards and Interpretations published by the IASB but not yet endorsed by the EU

- IFRS 14 Regulatory Deferral Accounts
- IFRS 15 Revenue from Contracts with Customers
- Amendments to IAS 16 and IAS 41: Bearer Plants (issued on 30 June 2014)
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (issued on 12 May 2014)
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- IFRS 9 Financial Instruments
- Amendments to IAS 27: Equity Method in Separate Financial Statements
- Annual Improvements to IFRSs 2012–2014 Cycle
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception
- Amendments to IAS 1: Disclosure Initiative
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The potential impact of the above standards are currently under examination.

6.2. Consolidation

All intercompany balances and transactions as well as income, expenses and unrealised gain/losses, which are included in the net book value of assets, which derive from intercompany transactions, are fully eliminated. Subsidiaries are consolidated with effect from the date of acquisition, which corresponds to the date on which the Group obtained control, and they continue to be consolidated until the date when the Group loses control. The entities over which the Group does exert sole control are consolidated according to the full consolidation method. The Group does not exert joint control over any of the entities within its scope of consolidation as at 30 June 2015.

(a) Subsidiaries

The Consolidated Financial Statements include all subsidiaries of AgroGeneration. Subsidiaries are those entities controlled by the Group, in other words, whose financial and operating policies it is able to control. An entity is presumed to be controlled by AgroGeneration when the latter holds more than 50% of its voting rights. Potential voting rights that may be exercised or converted immediately are also taken into account in assessing control of an entity.

Business combinations are accounted for under the purchase method of business, all identifiable assets acquired, liabilities and contingent liabilities incurred or assumed are recorded at fair value at the date of transfer of control in favour of AgroGeneration (acquisition date). The price of a business combination is assessed based on the fair value of assets given to the seller, equity instruments issued and liabilities incurred or assumed at the date of the exchange. Any excess of the price of the business combination on the fair value of identifiable net assets acquired, liabilities or contingent liabilities is recognised in the assets as goodwill. If the cost of an acquisition is less than the fair value of net assets of the subsidiary acquired, the remaining difference is immediately recognised in the consolidated income statement.

(b) Non-controlling interests (NCI)

In accordance with IAS 27, acquisitions of NCI from outside the period of takeover do not generate goodwill and are charged directly to the reserves of the Group and of the NCI.

6.3. Foreign currency translation

(a) Functional and presentation currency

Items included in the Financial Statements of each Group entity are measured using the currency of primary economic environment in which the entity operates ("the functional currency").

The functional currency of the parent and Cypriote subsidiaries is the euro (EUR) and the functional currency of Ukrainian subsidiaries is the hryvnia (UAH).

The presentation currency of the Consolidated Financial Statements is the euro (EUR).

(b) Foreign transactions

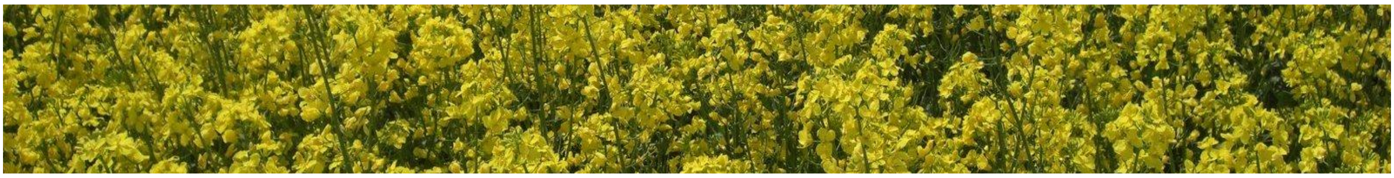
Foreign currency transactions are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as financial income and expense in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

(c) Translation of Financial Statements expressed in foreign currencies

The income statements and balance sheets of all Group entities that have a functional currency different from the presentation currency (none having a currency of a hyperinflationary economy as of 30 June 2015) are translated into the presentation currency as follows:

- Assets and liabilities of the balance sheet are translated at the exchange rate of closing date,
- Revenues and charges in the income statement are translated at average exchange rate for the year,
- Residual foreign exchange differences are recognised in a separate component of equity.

The exchange rates used for translating Financial Statements of subsidiaries in Ukraine are the following:



Monetary unit per € 1	June 30, 2015		December 31, 2014		June 30, 2014	
	Average	Closing	Average	Closing	Average	Closing
Ukrainian Hryvnia (UAH)	23,7448	23,5414	15,6833	19,2329	13,9529	16,0868
American Dollar (USD)	1,1193	1,1202	1,3287	1,2197	1,3709	1,3606

The rates used for the hryvnia and the U.S. dollar are those of the National Bank of Ukraine (“NBU”) in force.

Exchange rate differences on a monetary item forming part of the net investment of the entity presenting the Financial Statements in a foreign operation are recognised in other comprehensive income and reclassified from equity to profit or loss upon partial or total disposal of this net investment.

Goodwill and fair value adjustments recognised in the acquisition of a foreign entity are recognised as assets and liabilities of the foreign entity and translated at closing exchange rate.

6.4. Intangible assets and leasehold rights

The main intangible assets recognised are goodwill and leasehold rights. These have been recognised as part of the business combination process. Depreciation of the leasehold rights is calculated on a linear basis using average residual useful lives until the term of the lease contract.

The average residual term of depreciation of the leasehold rights is 7 years as of 30 June 2015.

6.5. Property, plant and equipment

Fixed assets are stated at their acquisition cost or fair value, net of depreciation and impairment losses. The fair value is estimated for the assets acquired in business combinations or for the assets situated in Ukraine and applying revaluation model starting from 1 January 2015. Revaluations shall be 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 end of the reporting period.

The acquisition cost of the tangible fixed assets includes all the expenses directly attributable to the acquisition of the fixed assets.

The carrying amount of the replaced limited-life component is derecognised. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Fixed assets are depreciated over their estimated useful lives:

- Buildings 10 – 40 years
- Machinery and equipment 5 – 20 years
- Other tangible assets 3 - 20 years

Production facilities represent immobile agricultural production equipment, mainly dryers and cleaners. Machinery and vehicles include other mobile agricultural equipment (tractors, combines, harvesters, seed planters, trucks etc.).

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

6.6. Agriculture

(a) Definitions

The Group accounting policies for agricultural activities are based on IAS 41 "Agriculture".

Agricultural activity is defined as an activity to transform biological assets into agricultural products or into other biological assets.

Biological assets are plants grown for a future sale which are plants in the ground, as well as livestock.

Agricultural produce are the products of the harvest of biological assets of the Group and produce received from cattle breeding, i.e. harvested grain that is stored, milk, meat and other livestock produce.

(b) Biological assets

Biological assets are measured at initial recognition and at each balance sheet date at their fair value less point-of-sale cost at harvest date, except where fair value cannot be measured reliably.

The fair value of livestock is based on expected volume of milk produced during the productive lives of the dairy cattle and expected volume of meat at the date of slaughter, respective anticipated prices, average expected productive lives of the livestock and future production costs.

The fair value of plant-growing Biological assets is determined based on, among other estimates, weather conditions, quality of soils, growth potential, yields, harvest conditions and price development.

As of 30 June 2015, the Group had identified for each type of plant growing biological asset their respective principle market, and measures their fair value based on the following:

(i) in determining prices

- Management assessment of future prices at the date of harvest reconciled to the Ukrainian FOB prices or Western markets offset prices on the balance sheet date. These prices have been reduced by fobbing and transport costs.

(ii) in determining yields

- Management assessment of future yields for crop based on the most relevant recent data from the crop surveys carried out in the fields.

Given the nature of these input parameters, the fair value of the biological assets is categorised as Level 3 as defined by IFRS 13. Change in any estimates could lead to recognition of significant fair values changes in income statement.

Biological assets are recorded as current or non-current assets based on the operational cycle of the Group's biological assets.

(c) Agricultural produce

Agricultural produce harvested by the Group is initially measured at the time of harvest at its fair value less estimated point-of-sale costs. It is subsequently recorded as inventory in "Finished Goods" and stated at the lower of fair value at the time of harvest and net realizable value. This valuation at net realizable value is presented in the form of inventory depreciation ("Change in fair value of finished goods", cf. Note 13).

The value of agricultural produce used for the assessment of fair value at the time of harvest and subsequent net realizable value is determined based on the actual prices on the principle market and contract prices on the presold crops.

(d) Work in progress (inventory of work in progress)

Work in progress is represented by the costs of preparing the land which has not been sown at balance sheet date (case of spring plants in Ukraine – corn, soybean, sunflower, etc. – when valued as of December 31). The soil preparation costs are appraised on the basis of the historical costs incurred by the Group.

6.7. Current and deferred income tax

(a) General tax treatment

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The tax rates applicable on 30 June 2015 are 33,33% in France, 18% in Ukraine (see (b) Agricultural tax schemes for agricultural concerns in Ukraine) and 12,5% in Cyprus.

The deferred tax is determined using the tax rate and the tax regulations in effect or in effect in essence at the balance sheet date and which are likely to be applied when the deferred tax assets will be used or when the deferred tax liability will be paid.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

However, the deferred tax is not accounted for if, at initial recognition of an asset or a liability at the time of a transaction other than a combination of companies, the transaction has no implications for the accounting income or the taxable income.

(b) Agricultural tax scheme for agricultural companies in Ukraine

In Ukraine, a company is considered to be a farming company if at least 75% of its revenues from the previous fiscal year arise from the sale of agricultural products. In this case, a farming company enjoys special regime on corporate income tax and privileged VAT regime as described below.

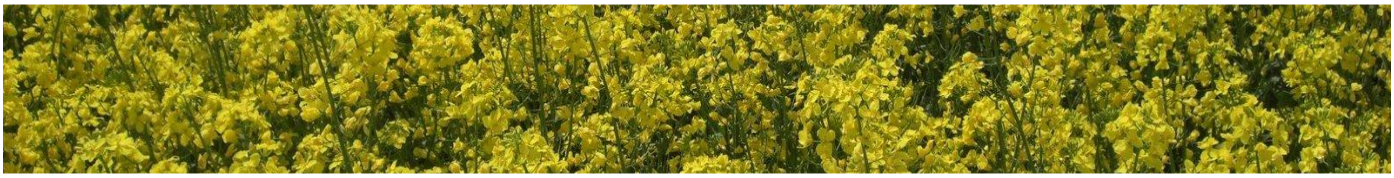
- Corporate income tax: agricultural companies are not subject to corporate income tax but to the tax on land which is calculated on the basis of a percentage of the value of the land used for agricultural production. The related corresponding costs are classified in "Cost of sales".
- Privileged VAT regime:
  - Revenues expenses and assets are recognized net of VAT, except where the VAT incurred on purchase of assets or services is not recoverable from tax authorities, in which case the VAT is recognized as part of the acquisition cost of the assets or as part of the expense item as applicable. Receivables, payables, prepayments made and advances received are stated with the VAT amounts included.
  - The net amount of VAT recoverable from or payable to the tax authorities is recorded in a specific account as part of other current assets or liabilities in the statement of financial position.
  - The entities eligible to the privileged VAT regime transfer net VAT payable to special restricted accounts and are allowed to use the funds accumulated on these accounts for the purchase of goods and services related to their agricultural activities, rather than remitting such amounts to the state budget, as other taxpayers are required to do. At the same time, such entities are not allowed to claim net VAT credit for refund from the state budget. The net amount of VAT payable, established at the entity level, is recorded as deferred income on government grants in the statement of financial position until the moment the respective entity incurred qualifying expenses, upon which the related amount was recognized in profit and loss as income from government grants.

Among the 26 legal entities that the Group controls in Ukraine in as of 30 June 2015, 15 are involved in agricultural production and are eligible for the special tax arrangements for agricultural companies in Ukraine in 2015.

6.8. Leases – The Group as a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Leases in which the risks and rewards incidental to the ownership of an asset are transferred substantially to the lessee are classified as finance leases. At the commencement of the lease, the Group recognises the asset purchased on finance lease term (cf. note 9) and the relative debt (cf. note 15) on its balance sheet at the amount equal to the fair value of the leased asset or, if it is lower, at the present value of the minimum rent payments of the deal.

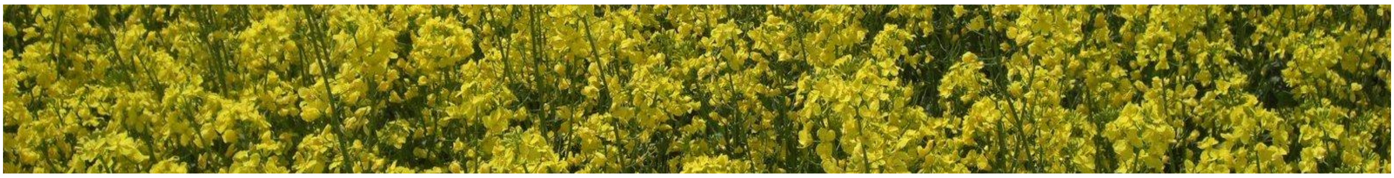


Each lease payment is allocated between the liability and finance charges and amortization of the balance of the debt so as to achieve a constant periodic rate on the finance balance outstanding.

The assets acquired under finance leases are depreciated over the shorter of their useful life or lease term if it is lower and if the Group is not reasonably certain that it will obtain ownership by the end of the lease term.

6.9. Share-based payment

The fair value of services assumed to have been received in exchange for the equity instruments (warrants) issued is recognised as an expense in the income statement and in other reserves in equity during the vesting period (from the grant date of warrants until the vesting date). The fair value of the services received is determined by reference to the fair value (market value) of equity instruments granted at the grant date.



7. Segment reporting

After the disposal of operations in Argentina occurred in 2014 (cf. Note 2.1 in Consolidated Financial statements as of 31 December 2014), the Group has one operating segment in Ukraine, which is composed of 26 agricultural legal entities operating around 120,000 hectares of farmland.

Furthermore, all operating and financing decisions are taken on the basis of agricultural season performances. Therefore, the Group presents gross margin by harvest.

(in thousands of Euros)	Financial year 6 months 2015						
		Crops					
	Harvest 2013	Harvest 2014	Harvest 2015	Total crops result	Livestock	Services & Other	Total result
Revenue	-	2 067	30	2 097	174	811	3 082
Cost of sale	-	(1 085)	(42)	(1 127)	(248)	(628)	(2 003)
Fair value of Biological Assets variation	-	-	10 797	10 797	(28)	-	10 769
Gross Margin	-	982	10 785	11 767	(102)	183	11 848

(in thousands of Euros)	Financial year 6 months 2014						
		Crops					
	Harvest 2013	Harvest 2014	Harvest 2015	Total crops result	Livestock	Services & Other	Total result
Revenue	4 232	18	-	4 250	262	428	4 940
Cost of sale	(4 285)	(69)	-	(4 354)	(418)	(467)	(5 239)
Fair value of Biological Assets variation	-	8 354	-	8 354	(96)	-	8 258
Gross Margin	(53)	8 303	-	8 250	(252)	(39)	7 959

8. Intangible fixed assets and land leases

(in thousands of Euros)	Gross value				Depreciation				Net value			
	Good-will	Lease-hold rights	Others	Total	Good-will	Leasehold rights	Others	Total	Good-will	Leasehold rights	Others	Total
December 31, 2013	34 350	15 072	816	50 238	-	(1 358)	(257)	(1 615)	34 350	13 714	559	48 623
Change in scope	-	-	4	4	-	-	-	-	-	-	4	4
Purchases of assets	-	-	64	64	-	-	-	-	-	-	64	64
Depreciation	-	-	-	-	-	(1 694)	(99)	(1 793)	-	(1 694)	(99)	(1 793)
Exchange rate differences	(285)	(6 472)	(246)	(7 003)	-	892	90	982	(285)	(5 580)	(156)	(6 021)
Disposals of assets	-	-	(19)	(19)	-	-	18	18	-	-	(1)	(1)
Other transactions	-	124	(149)	(25)	-	-	25	25	-	124	(124)	-
December 31, 2014	34 065	8 724	470	43 259	-	(2 160)	(223)	(2 383)	34 065	6 564	247	40 876
Change in scope *	2 954	-	-	2 954	-	-	-	-	2 954	-	-	2 954
Purchases of assets	-	-	29	29	-	-	-	-	-	-	29	29
Depreciation	-	-	-	-	-	(560)	(36)	(596)	-	(560)	(36)	(596)
Exchange rate differences	749	(1 597)	(55)	(903)	-	391	20	411	749	(1 206)	(35)	(492)
Disposals of assets	-	-	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	-	-	-	-	-	-	-	-	-	-
June 30, 2015	37 768	7 127	444	45 339	-	(2 329)	(239)	(2 568)	37 768	4 798	205	42 771

(*) The goodwill arising from the acquisition of Tornado (cf. Note 2.3)

As of June 30, 2015, the Group did not identify any indicator of impairment.

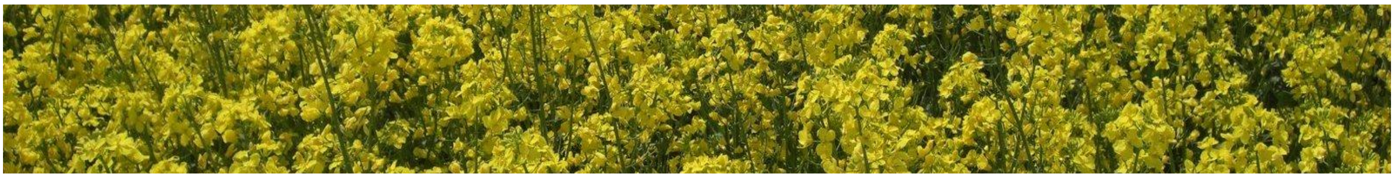
9. Property, plant and equipment

(in thousands of Euros)	Gross value				Depreciation			Net Book Value			
	Build-ings	Agricultu-ral machinery and others	Construction in progress and prepayments	Total	Build-ings	Agricultu-ral machinery and others	Total	Build-ings	Agricultu-ral machinery and others	Construction in progress and prepayments	Total
December 31, 2013	17 286	40 886	878	59 050	(2 070)	(12 027)	(14 097)	15 216	28 859	878	44 953
Change in scope	-	37	(10)	27	-	(21)	(21)	-	16	(10)	6
Purchases of assets	248	1 884	131	2 263	-	-	-	248	1 884	131	2 263
Depreciation	-	-	-	-	(1 135)	(5 047)	(6 182)	(1 135)	(5 047)	-	(6 182)
Exchange rate differences	(7 546)	(18 587)	(285)	(26 418)	1 239	6 920	8 159	(6 307)	(11 667)	(285)	(18 259)
Disposals of assets	(176)	(456)	(12)	(644)	21	197	218	(155)	(259)	(12)	(426)
Other movements	51	59	(319)	(209)	21	14	35	72	73	(319)	(174)
December 31, 2014	9 863	23 823	383	34 069	(1 924)	(9 964)	(11 888)	7 939	13 859	383	22 181
Change in scope	659	49	-	708	-	-	-	659	49	-	708
Revaluation to fair value	9 319	15 215	(79)	24 455	-	-	-	9 319	15 215	(79)	24 455
Impact of revaluation on depreciation	(1 924)	(9 914)	-	(11 838)	1 924	9 914	11 838	-	-	-	-
Purchases of assets	85	763	32	880	-	-	-	85	763	32	880
Depreciation	-	-	-	-	(666)	(2 702)	(3 368)	(666)	(2 702)	-	(3 368)
Exchange rate differences	(2 975)	(5 301)	(55)	(8 331)	(6)	(23)	(29)	(2 981)	(5 324)	(55)	(8 360)
Disposals of assets	-	(47)	(1)	(48)	-	6	6	-	(41)	(1)	(42)
Other movements	-	2	(6)	(4)	-	1	1	-	3	(6)	(3)
June 30, 2015	15 027	24 590	274	39 891	(672)	(2 768)	(3 440)	14 355	21 822	274	36 451

At June 30, 2015, total net value of property, plant and equipment acquired under finance leases amounted to €4,5 million (December 31, 2014: €4,3 million).

The total net carrying amount of tangible assets pledged as of 30 June, 2015 amounts to €11 015k (€ 4 719k pledge on buildings, and € 6 296k pledge on agricultural machinery and other tangible fixed assets).

In 2015 the Group performed revaluation of the tangible assets by independent appraiser (c.f. Note 2.4).



10. Financial assets

(in thousands of Euros)	Non-current		Current	
	Non-consolidated subsidiaries (1)	Other financial assets (2)	Term deposit (3)	Total
December 31, 2013	**192**	**202**	**-**	**394**
Change in scope	-	-	-	-
Acquisition of subsidiaries	-	-	-	-
Purchases of financial assets	-	29	2 001	2030
Disposals of financial assets	-	(73)	-	(73)
Other transactions	-	(5)	-	(5)
Exchange rate difference	(70)	-	(203)	(273)
Depreciation	-	-	-	-
December 31, 2014	**122**	**153**	**1 798**	**2073**
Change in scope	-	-	-	-
Acquisition of subsidiaries	-	-	-	-
Purchases of financial assets	-	22	3 818	3 840
Disposals of financial assets	-	(37)	(1 356)	(1 393)
Other transactions	-	-	-	-
Exchange rate difference	(17)	-	(382)	(399)
Depreciation	-	-	-	-
June 30, 2015	**105**	**138**	**3 878**	**4 121**

(1) Non-consolidated subsidiaries include 8,96% shares of Agro-Farme, acquired in March 2013, and 10% shares of Agropervomaisk, acquired in 2008.

(2) The "Other financial assets" are mainly a deposit made with a specialized financial intermediary in the scope of liquidity contract concerning transactions on the AgroGeneration share on the NYSE Euronext Alternext market. This contract has been in place since March 1, 2010, the date that the AgroGeneration security was admitted to Alternext. It is in line with the code of ethics of the AFEI approved by the AMF by decision of September 11, 2006.

The amount allocated to this liquidity contract is € 800k as of 30 June, 2015. Over the financial year 2015, and in the application of the liquidity contract, 174 000 securities were purchased at the average price of € 0,44 and 183 000 securities were sold at the average price of € 0,47.

As of 30 June 2015, the situation of the contract was as follows:

- 488 515 shares valued at € 210k (€ 0,43 / share) were owned by the Group under its liquidity contract (cf. Statement of change in consolidated shareholders' equity on page 7),

- The cash position available under this contract came to € 125k which was shown in “Other financial assets” in the above statement.

(3) These term deposits of the Ukrainian subsidiaries are pledged as security for liabilities under the loan contracts with Alfa-Bank (cf. Note 15). These deposits may be withdrawn after the repayment of the related loan tranches and are classified as “Financial assets (current)” (cf. Note 19).

11. Inventories

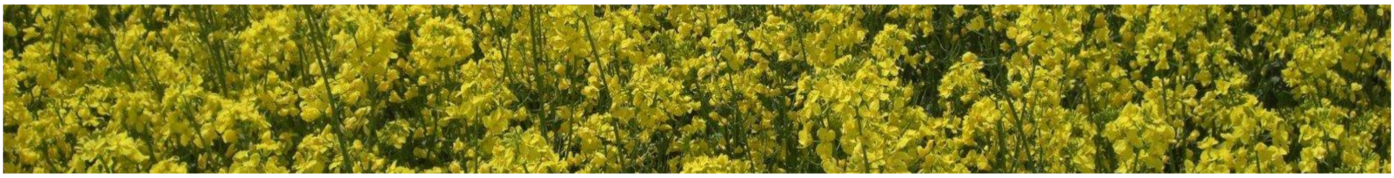
	30 June 2015			31 December 2014		
(in thousands of Euros)	*Gross Value*	*Depreciation*	*Net value*	*Gross Value*	*Depreciation*	*Net value*
Raw materials and other supplies	4 031	(82)	3 949	2 469	(100)	2 369
Works in progress	643	-	643	6 069	-	6 069
Agricultural produce	80	-	80	2 478	-	2 478
Total	4 754	(82)	4 672	11 016	(100)	10 916

Raw materials and other supplies are inputs to be used in the agricultural campaign 2015/2016, including purchased seeds, fertilizers, fuel, spare parts and other suppliers. *Work in progress* includes costs accumulated before crop sowing.

As of June 30, 2015, *agricultural produce* representing €80 k, is mainly made up of 429 tons of grains from the 2013/2014 harvest (25 448 tons as of December 31, 2014).

Depreciation represents write-down provisions of inventory to the net realizable value at the reporting date.

As of June 30, 2015 finished goods are not pledged (€ 59.4k (829 tons) of finished goods has been pledged for the trade financing credit facility as of December 31, 2014).



12. Biological assets

(in thousands of Euros)	30 June 2015 *Biological assets at cost*	*Adjustment to fair value*	*Fair value*	31 December 2014 *Biological assets at cost*	*Adjustment to fair value*	*Fair value*
Non-current						
Crops in fields	10	-	10	12	-	12
Livestock	186	1	187	220	(4)	216
Total non-current biological assets	196	1	197	232	(4)	228
Current						
Crops in fields	35 200	11 374	46 574	11 346	585	11 931
Livestock	311	(147)	164	433	(271)	162
Total current biological assets	35 511	11 227	46 738	11 779	314	12 093
TOTAL BIOLOGICAL ASSETS	35 707	11 228	46 935	12 011	310	12 321

The Group's biological assets are cereals and oilseeds that are planted as of June 30, 2015 for harvest in the second half of 2015 in Ukraine. It also includes livestock consisting of milk and meat cows and other cattle.

The biological assets of the Group are measured at fair value less estimated point of sale costs and are within level 3 of the fair value hierarchy (for more details refer to Note 6.6).

At the balance sheet date, the fair value of *the current crops in fields* is determined on the basis of the planted area and the following significant unobservable inputs as of 30 June 2015:

- Crops price
- Crops yields (tonnes per hectare)
- Expected production costs discounted to the date of reporting

	30 June, 2015 *Cultivated area (in hectares)*	*Average yields (ton / ha)*	*Average price (EURO/ton)*	*Fair value (in kEURO)*	31 December, 2014 *Cultivated area (in hectares)*	*Average yields (ton / ha)*	*Average price (EURO/ton)*	*Fair value (in kEURO)*
Winter Wheat	45 621	4,2	106	15 267	45 750	4,6	120	8 001
Winter Barley	4 101	4,4	105	1 568	4 218	4,8	114	670
Winter Rapeseed	8 999	2,6	337	6 921	9 034	2,9	312	3 260
Spring barley	6 590	4,2	115	2 364				
Corn	5 307	6,0	113	1 992				
Sunflower	18 894	2,6	320	12 615				
Pea	8 280	2,1	212	2 812				
Chick-pea	1 262	1,5	310	456				
Soy	7 767	1,7	275	2 365				
TOTAL	106 821			46 360	59 002			11 931

If the management team's assumptions as of June 30, 2015, would have been different by 10% better/lower, then the fair value of the biological assets and gross margin would increase/decrease by around € 5 601k.

The significant unobservable inputs used in the fair value measurement of the *livestock* are as follows:

- Average number of heads and its weight
- Expected future inflows from livestock

The following table represents movements in biological assets for the year ended 31 December 2014 and the first-half 2015:

(in thousands of Euros)	Crops	Livestock	TOTAL
Book value as of December 31, 2013	10 094	609	10 703
Current Biological Assets	*10 073*	*325*	*10 398*
Non-current Biological Assets	*21*	*284*	*305*
Acquisition of subsidiaries	-	-	-
Acquisition of non-current biological assets	-	-	-
Reclassification of work in progress to biological assets	7 667	-	7 667
Costs incurred over the period	41 633	826	42 459
Biological assets decrease due to harvest	(54 643)	(642)	(55 285)
Gain/loss due to change in fair value	12 881	(149)	12 732
Impairment of biological assets	-	-	-
Exchange rate differences	(15 127)	(266)	(15 393)
Other movements	-	-	-
Book value as of December 31, 2014	11 943	378	12 321
Current Biological Assets	11 931	162	12 093
Non-current Biological Assets	*12*	*216*	*228*
Reclassification of work in progress to biological assets	4 655	-	4 655
Costs incurred over the period	21 237	318	21 555
Biological assets decrease due to harvest	(62)	(248)	(310)
Gain/loss due to change in fair value	10 797	(28)	10 769
Impairment of biological assets	(116)	-	(116)
Exchange rate differences	(1 870)	(69)	(1 939)
Other movements	-	-	-
Book value as of June 30, 2015	46 584	351	46 935
Current Biological Assets	46 574	164	46 738
Non-current Biological Assets	*10*	*187*	*197*

As of 30 June, 2015 € 24 962k (58 990 ha) of biological assets have been pledged for the trade financing credit facility (cf. Notes 15).

13. Trade and other receivables

(in thousands of Euros)	June 30, 2015	December 31, 2014
Trade receivables	332	993
Prepayments to suppliers (1)	219	287
Other receivables	315	1 325
Social and tax receivables (excl. VAT receivables)	129	169
VAT receivables (2)	3 736	1 417
Prepaid expenses	71	910
Trade and other receivables	4 802	5 101

(in thousands of Euros)	June 30, 2015	December 31, 2014
Currency:		
Denominated in EUR	529	236
Denominated in USD	41	1 227
Denominated in UAH	4 232	3 638
Trade and other receivables	4 802	5 101

The maximum exposure to credit risk as at the balance sheet date amounts to the fair value of each class of receivables mentioned above. The Group has no collateral for hedging.

(1) The advances paid correspond to prepayments to suppliers of inputs for the 2015 harvest.

(2) The VAT receivable of €3 736k includes:

€1 569k related to the Ukrainian entities enjoying special agricultural regime (Note 6.7 (b)).

€1 705k related to the Ukrainian entities that did not opt for the special tax scheme for agricultural producers. It represents input VAT received at purchases that has been declared and is to decrease future VAT obligations.

€462k related to the input VAT of AgroGeneration SA.

14. Cash and cash equivalents

(in thousands of euros)	June 30, 2015	December 31, 2014
Cash at bank and in hand	1 609	5 415
Investment securities	-	-
Cash and cash equivalents	**1 609**	**5 415**
Bank overdraft	-	-
Net cash & cash equivalent	**1 609**	**5 415**

The Cash and cash equivalents are denominated in the following currencies as of June 30th, 2015:

	June 30, 2015	December 31, 2014
(in thousands of euros)	Cash and cash equivalents	Cash and cash equivalents
Currency :		
Denominated in EUR	43	48
Denominated in USD	1 011	2 602
Denominated in UAH	555	2 765
Total	**1 609**	**5 415**

15. Borrowings

(in thousands of euros)		June 30, 2015 Non-current	Current			TOTAL	December 31, 2014 Non-current	Current			TOTAL
		Borrow-ings	*Borrow-ings*	*Interest*	*Total*		*Borrow-ings*	*Borrow-ings*	*Interest*	*Total*	
OSRANE	*(1)*	11 084	3 254	1 188	4 442	15 526	-	-	-	-	-
Listed bonds		-	-	-	-	-	19 784		411	411	20 195
Konkur bonds		-	-	527	527	527	32 795		2 564	2 564	35 359
Financial lease	*(2)*	871	1 558	39	1 597	2 468	1 191	1 824	56	1 880	3 071
Bank borrowings	*(3)*	-	29 767	499	30 266	30 266	4 592	18 831	377	19 208	23 800
Other financial debt	*(4)*	-	3 002	12	3 014	3 014		159	19	178	178
Total borrowings		**11 955**	**37 581**	**2 265**	**39 846**	**51 801**	**58 362**	**20 814**	**3 427**	**24 241**	**82 603**

(1) The liability component of OSRANE (c.f. Note 2.1) was initially recognised at its fair value net of transaction costs and amounted to €15,1 m. As of 30 June 2015, the amortised cost amounts to €14,3 m and accrued interest to €1,2 m.

(2) Current and non-current lease payments are presented at the present value of the future minimum lease payments (cf. Note 25).

(3) Bank borrowings include borrowing from Alfa-Bank (€23,6 m), and EBRD (€6,2 m).

In the scope of the borrowings with Alfa-Bank, the Group has pledged part of its current and non-current assets including:

- Some of the Fixed assets (Buildings and Agricultural machinery; cf. Note 9),
- Short-term deposits (cf. Note 10),
- Some of the biological assets (cf. Notes 12),
- Shares in Ukrainian and Cyprus subsidiaries

The shares in the subsidiaries Marrimore, AJU, AFU and UCD are pledged to the benefit of the European Bank of Reconstruction and Development (EBRD) in the scope of the financing agreement signed in 2011. In accordance with the agreement signed on September 29, 2011, EBRD obtained 850 000 warrants which entitle EBRD for additional 850 000 shares with exercise price of €2,05, these warrants have been classified as equity instruments.

The loans granted by the Alfa-Bank and the EBRD are subject to covenants. The Group is not compliant with some of these covenants. Thus the EBRD loan is classified as of 30 June 2015 as short-term debt. The Group is currently in the process of obtaining the waivers relating to the breach of these covenants.

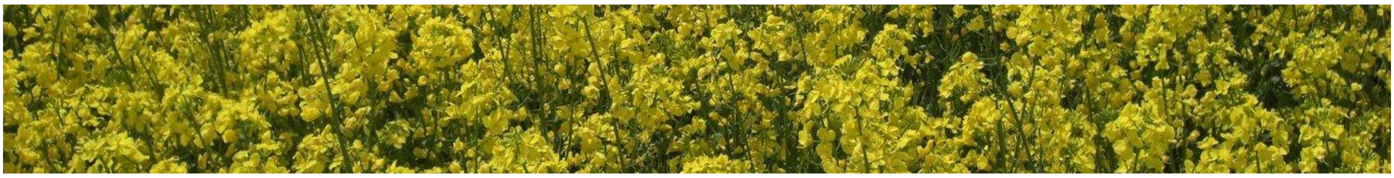
(4) Other financial debt relate to the borrowings from a private investor (€2,1 m) and related party SBT Investment (€0,9 m).

The maturity of the current and non-current borrowings is as follows:

(in thousands of euros)	2 016	2 017	2 018	2019 and after	Total
OSRANE	4 442	3 638	4 078	3 368	15 526
Listed bonds	-	-	-	-	-
Konkur bonds	527	-	-	-	527
Financial lease	1 597	401	375	95	2 468
Bank borrowings	30 266	-	-	-	30 266
Other financial debt	3 014	-	-	-	3 014
Total borrowings	39 846	4 039	4 453	3 463	51 801

Details of the variable-rate and fixed-rate borrowings:

	June 30, 2015		December 31, 2014	
(in thousands of euros)	Variable	Fixed	Variable	Fixed
OSRANE	-	14 338	-	-
Bonds	-	-	-	55 554
Bank borrowings	6 200	23 567	5 849	17 951
Financial lease	1 150	1 279	1 343	1 728
Other financial debt	-	3 002	-	178
Total borrowings	7 350	42 186	7 192	75 411



The carrying amounts of the Group's borrowings are denominated in the following currencies:

(in thousands of euros)	June 30, 2015	December 31, 2014
Currency:		
EUR	16 160	21 117
USD	31 211	61 484
UAH	4 430	2
Total borrowings	51 801	82 603

The average interest rates of the Group by currency are:

Currency	June 30, 2015	December 31, 2014
EUR	8,6%	8,4%
USD	13,6%	10,6%
UAH	19%	-

16. Share Capital

	Share capital in euros	Number of shares	Share premium in euros
December 31, 2013	4 618 096	92 361 928	166 467 669
Additional shares issued	-	-	-
December 31, 2014	4 618 096	92 361 928	166 467 669
Additional shares issued	-	-	-
June 30, 2015	4 618 096	92 361 928	166 467 669

Instruments in circulation as of 30 June, 2015

As of June 30, 2015, the financial instruments in circulation and the respective numbers of shares that could be issued by exercise of these instruments are presented below:

	Note	Number of instruments	Potential additional shares
BSPCE		5 327	106 540
Stock-options		1 317 833	1 317 833
EBRD warrants		850 000	850 000
OSRANE (1)		595 753	131 065 660
Total number of potential additional shares			133 340 033

(1) The number of OSRANE potential additional shares is calculated considering 220 shares per OSRANE (the number maximum which could be redeemed).

17. Provisions

(in thousands of euros)	Provisions for litigation	Provisions for liabilities and expenses	Provisions for restructuring	Total
December 31, 2013	559	4	100	663
Additionnal	-	-	-	-
Reversal (used)	(163)	-	(100)	(263)
Reversal (unused)	(279)	(4)	-	(283)
Change in perimeter	-	-	-	-
Other variations	-	-	-	-
Exchange rate differences	(117)	-	-	(117)
December 31, 2014	-	-	-	-
Additionnal	-	-	-	-
Reversal (used)	-	-	-	-
Reversal (unused)	-	-	-	-
Change in perimeter	-	-	-	-
Other variations	-	-	-	-
Exchange rate differences	-	-	-	-
June 30, 2015	-	-	-	-

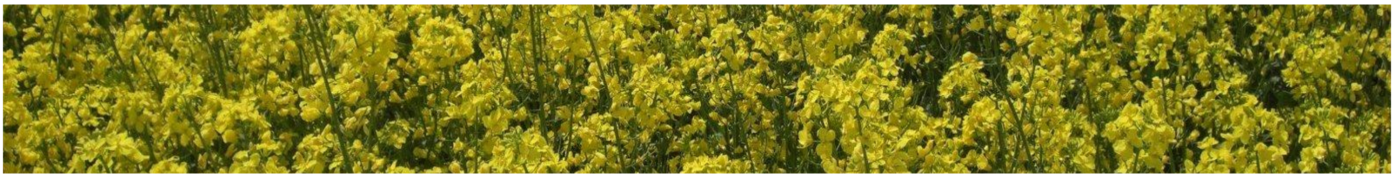
In 2013 the Group accrued the provision for litigation relating to the usage of land rights. The appeal court was lost by AgroGeneration in April 2014. The amount provided (€412 k) includes missed profit of third party and court expenses. In May 2014 Supreme Court of Appeal cancelled the decision of appeal court in favour of AgroGeneration, therefore, the provision was reversed in 2014.

The management closely monitors legal and tax litigations and assesses the relating risks. As of 30 June, 2015, the Group is not exposed to any other significant legal or tax litigation.

18. Trade and other payables

(in thousands of Euros)	June 30, 2015	December 31, 2014
Trade payables	14 073	5 029
Advance payments received	6 984	1 049
Social & tax payables	1 295	1 302
VAT payables (1)	24	468
Deffered income	125	281
Other payables	3 381	765
Payables on subsidiary's purchase	2 852	-
Trade and other payables	28 734	8 894

(1) VAT payables represents the amount paid to the special restricted account and can be used to fund the purchase of goods and services for agricultural activities. Once it is used, it will be reclassified to government grant in P&L (Note 6.7 (b)).



The Trade and other payables are denominated in the following currencies :

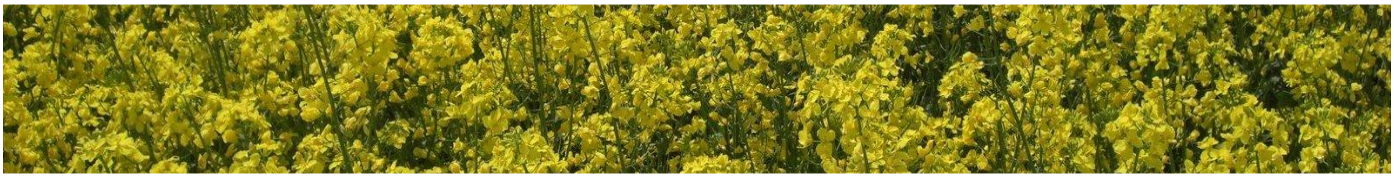
(in thousands of Euros)	June 30, 2015	December 31, 2014
Currency:		
Denominated in EUR	2 041	1 290
Denominated in USD	6 242	2 421
Denominated in UAH	20 451	5 183
Trade and other payables	28 734	8 894

19. Financial assets and liabilities

Financial assets and liabilities are classified as follows in accordance with IFRS 7:

Financial assets and liabilities by category and fair value as of 30 June 2015

(in thousands of Euros)	Note	Measured at amortised cost	Measured at fair value		Total carrying amount 30 June 2015	Valued at cost	Financial instrument at fair value hierarchy under IFRS 7		
			through profit or loss	*through share-holders' equity*			*Level 1: quoted prices and cash*	*Level 2: valuation based on obser-vable market data*	*Level 3: valuation based on unobser-vable market data*
Assets									
Financial assets (non-current)	10								
Shares in non-consolidated subsidiaries				105	105	105			
Other financial assets		1	137		138	1	137		
Financial assets (current)	10								
Term deposits			3 878		3 878		3 878		
Trade and other receivables	13	4 802			4 802	4 802			
Cash and cash equivalents	14		1 609		1 609		1 609		
Liabilities									
OSRANE	15	(15 526)			(15 526)	(15 526)			
Bonds	15	(527)			(527)	(527)			
Non-current and current bank borrowings	15	(30 266)			(30 266)	(30 266)			
Non-current and current financial lease	15	(2 468)			(2 468)	(2 468)			
Other financial debt	15	(3 014)			(3 014)	(3 014)			
Trade and other payables	18	(28 734)			(28 734)	(28 734)			



Financial assets and liabilities by category and fair value as of 31 December 2014

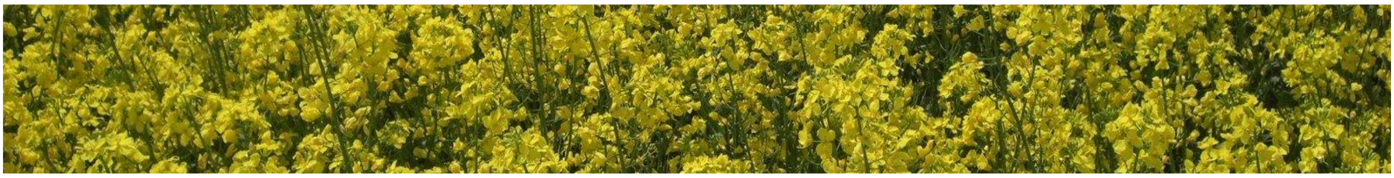
(in thousands of Euros)	Note	Measured at amortised cost	Measured at fair value: *through profit or loss*	Measured at fair value: *through share-holders' equity*	Total carrying amount 31 December 2014	Valued at cost	Financial instrument at fair value hierarchy under IFRS 7: *Level 1: quoted prices and cash*	Financial instrument at fair value hierarchy under IFRS 7: *Level 2: valuation based on obser-vable market data*	Financial instrument at fair value hierarchy under IFRS 7: *Level 3: valuation based on unobser-vable market data*
Assets									
Financial assets (non-current)	10								
Shares in non-consolidated subsidiaries				122	122	122			
Other financial assets		1	152		153	1	152		
Financial assets (current)	10								
Term deposits			1 798		1 798		1 798		
Trade and other receivables	13	5 101			5 101	5 101			
Cash and cash equivalents	14		5 415		5 415		5 415		
Liabilities									
Bonds	15	(55 554)			(55 554)	(55 554)			
Non-current and current bank borrowings	15	(23 800)			(23 800)	(23 800)			
Non-current and current financial lease	15	(3 071)			(3 071)	(3 071)			
Other financial debt	15	(178)			(178)	(178)			
Trade and other payables	18	(8 894)			(8 894)	(8 894)			

20. Revenues from operating activities

(in thousands of euros)	first-half 2015	first-half 2014
Sales of agricultural produce (1)	2 271	4 501
Services and others (2)	811	439
Total revenue from operating activities	**3 082**	**4 940**

(1) In first-half 2015, AgroGeneration sold 15 011 tons of cereals and oilseeds

(2) The services are mainly composed of activities of drying, storage or loading grain for third parties.



21. Functional costs / costs by nature

(in thousands of euros)	first-half 2015	first-half 2014
Cost of sales	(2 003)	(5 239)
Administrative & Selling expenses	(5 000)	(6 669)
Costs by function	(7 003)	(11 908)
Raw materials, purchases services and leasing	(3 545)	(7 676)
Personnel costs	(1 711)	(2 684)
Depreciation	(1 107)	(1 736)
Fair value adjustment at the harvest date (for goods sold)	53	952
Other expenses	(693)	(764)
Costs by nature	(7 003)	(11 908)

On average, in first-half 2015 the Group had 1 471 employees.

22. Other income and expense

(in thousands of euros)	first-half 2015	first-half 2014
Proceeds from fixed assets sold	48	63
Revers of litigation provision	-	313
Government grant	378	1 718
Other income	245	458
Other operating Income	671	2 552
Net book value of fixed assets sold	(46)	(209)
Impairment of fixed assets (1)	(1 113)	-
Other expenses	(212)	(264)
Other operating expenses	(1 371)	(473)
Other operating income and expenses	(700)	2 079

(1) Decrease in value of fixed assets consequent to the revaluation (cf Note 2.4). The difference between values of impairment of fixed assets recognized in the income statement and presented in Note 2.4 is attributed to the different exchange rates applied. In the Note 2.4 decrease in value of fixed assets was translated at the spot rate at the date of revaluation, whereas impairment of fixed assets recognized in the income statement was translated at the average exchange rate for the period of 6 months ended 30 June 2015.

23. Net financial income / (expenses)

(in thousands of euros)		first-half 2015	first-half 2014
Cost of debt	(1)	(4 140)	(4 087)
Foreign exchange gains and losses		(8 330)	(12 607)
realised foreign exchange gains/losses	(2)	*(231)*	*(643)*
unrealised foreign exchange gains/losses	(3)	*(8 099)*	*(11 964)*
Other	(4)	632	9
Net financial expense		(11 838)	(16 751)

Interest expense

(1) Cost of debt is mostly composed of:

€435 k interest on OSRANE bonds;
€1 523 k interest on listed and Konkur bonds;
€2 292 k interest on bank loans.

Foreign exchange gains and losses

The Group's foreign currency denominated monetary assets and liabilities as of 30 June 2015 consist of USD and EURO denominated loans and other debts. Other monetary assets and liabilities are not significant.

Due to the impact of the current political situation on the volatility of Ukrainian hryvnia (cf. Note 3.2), the exchange rate Ukrainian hryvnia/USD fluctuated during the year and as of reporting date decrease from 15,77 UAH/USD on 31 December 2014 to 21,02 UAH/USD on 30 June 2015.

(2) Realised Foreign exchange gains and losses (net amount €231 k loss) generated by the Group in the first-half 2015 due to the change in foreign exchange rate between the dates when the invoice was received / issued and when the liability/asset was settled.

(3) Unrealised Foreign exchange gains and losses generated by the Group in the first half of 2015 due to the translation of all monetary items of Ukrainian entities (mostly bank loans and intercompany loans) from foreign currency (mostly USD) into functional currency (UAH). Unrealised foreign exchange loss generated included:

- €3 768 k loss related to the bank loans and other debt;
- €2 690 k loss related to the inter-company loans, interest on loans and other ICO debt between Ukrainian, Cyprus and French entities.
- €1 641 k loss related to the redemption of Konkur bonds with OSRANE bonds.

Note that certain intercompany loans are classified as net investments (cf Note 6.3), therefore, corresponding unrealised foreign exchange loss (€ 15 101 K) is recognised directly in equity.

Other financial income and expenses

(4) The net amount of other financial income includes the *income* for amount of €487 k related to the recognition of payables at amortized costs.

24. Earnings per share

The basic earnings per share are calculated by dividing:

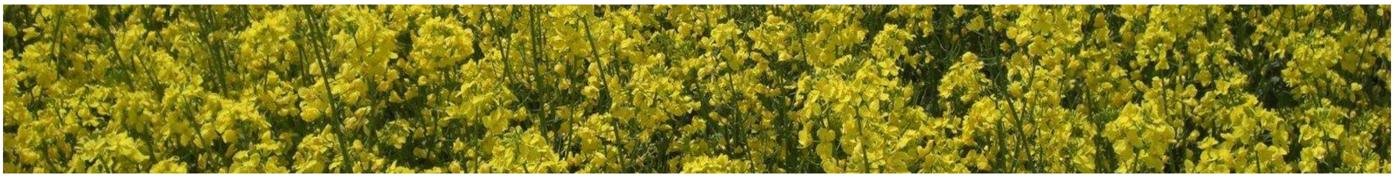
- The net earnings (group share)
- By the weighted average number of ordinary shares in circulation during the financial year.

The diluted earnings per share are calculated by dividing:

- The net earnings (group share) taking into account the instruments that cause dilution,
- By the weighted average number of ordinary shares in circulation during the financial year plus the weighted average number of ordinary shares that would have been issued following the conversion of all the potential ordinary shares that cause dilution into ordinary shares.

(in thousands of euros)	first-half 2015	first-half 2014
Net consolidated income / (loss) - group from continued activity (K€)	(5 410)	(13 357)
Net consolidated income / (loss) - group from discontinued activity (K€)	-	1 429
Net consolidated income / (loss) - group share (K€)	(4 410)	(11 928)
Dilution impact (K€)	435	-
Net consolidated income / (loss) after dilution impact	(4 975)	(11 928)
Weighted average number of ordinary shares	91 868 083	91 948 633
Potential dilution	98 748 100	-
Weighted average number of shares after dilution impact	190 616 183	91 948 633
Net income / (loss) per share (Euros) - group share	(0,06)	(0,13)
Net income / (loss) per share (Euros) after dilution - group share	(0,03)	(0,13)
Net income / (loss) per share (Euro) - from continued operations	(0,06)	(0,15)
Net income / (loss) per share (Euro) after dilution - from continued operations	(0,03)	(0,15)
Net income / (loss) per share (Euros) - from discontinued operations	-	0,02
Net income / (loss) per share (Euros) after dilution - from discontinued operations	-	0,02

As of June 30th, 2015, the weighted average number of shares after dilution includes the maximum number of potential shares from OSRANE early redemption.



However, the potential ordinary shares that would have been issued after the conversion of the stock-options and warrants are not included in the measurement, since they have an anti-dilutive effect.

25. Commitments

25.1. Financing-related commitments

The Group's commitments related to debt and financial instruments are discussed in Note 15.

25.2. Commitments related to operating activities

Non-current assets acquired under finance leases are recognized as an asset and a liability in the consolidated balance sheet.

At June 30, 2015, €2 429 thousands of future minimum lease payments due under finance leases concerned agricultural machinery and vehicles. Total assets under finance leases recognized in consolidated assets amounted to €4,5 million at June 30, 2015 (December 31, 2014: €4,3 million).

(in thousands of Euros)	June 30, 2015	31 December 2014
Future minimum lease payments		
Due within 1 year	1 918	2 307
Due in 1 to 5 years	1 084	1 506
Due beyond 5 years	-	-
Total minimum lease payments	3 002	3 813
Less finance cost	(573)	(798)
Present value of future minimum lease payments	2 429	3 015

26. Transactions with related parties

Material transactions entered into over the period and remaining balances as at 30 June 2015 with parties that have significant influence over the Group are as follows:

kEURO	30 June 2015 ASSETS	30 June 2015 LIABILITIES	first-half 2015 INCOME	first-half 2015 EXPENSE	31 December 2014 ASSETS	31 December 2014 LIABILITIES	2014 INCOME	2014 EXPENSE
SigmaBleyzer group : various entities under common control								
Management Fees		(108)		(130)		-		(318)
Bonds issued to Konkur						(32 795)		
Interest on bonds (Konkur)		(527)		(575)		(2 564)		(2 408)
Consulting services		(270)		(66)		(5)		(273)
Rent of premises						-		(6)
Loans		(893)			315	(83)		(1)
Gravitation SAS : shareholder								
Re-invoicing of rent and office expenses	16		10		28		88	(3)
Consulting services		(108)		(29)				(151)
Group Vivescia shareholder								
Interest on debt								(15)
Other debt payable						(69)		
Safari Arms : controlled by a member of the Board of Directors								
Security services		(168)		(876)		(166)		(1 643)
Raw materials and other supplies	2			(17)				
John Shmorhun Key management								
Consulting services		(7)		(261)		(82)		(412)
Cordial Consulting : Controlled by a member of the Board of Directors								
Consulting services						(77)		(193)
TOTAL	18	(2 081)	10	(1 954)	343	(35 841)	88	(5 423)

27. List of consolidated companies

All companies are fully consolidated.

	Name	Conso name	Registered office	Activity	30 June 2015	31 December 2014
					% of interest	% of interest
1	AgroGeneration	AgroGeneration	Paris - France	Group Holding	Consolidating entity	Consolidating entity
2	Marrimore Holdings Ltd	Marrimore	Nicosia - Cyprus	Holding company	100%	100%
3	Haberly Properties Ltd	Haberly	Nicosia - Cyprus	Holding company	100%	100%
4	Harmelia Investments Limited	Harmelia	Nicosia - Cyprus	Holding company	100%	100%
5	Zeanovi Limited	Zeanovi	Nicosia - Cyprus	Holding company	100%	100%
6	Wellaxo Investments Limited	Wellaxo	Nicosia - Cyprus	Holding company	100%	100%
7	Azent Limited Company	Azent	Nicosia - Cyprus	Holding company	100%	100%
8	Zito Investments Limited	Zito	Nicosia - Cyprus	Holding company	100%	100%
9	UCD Ukraine	UCD UA	Kiev - Ukraine	Service operating company	100%	100%
10	LLC Agro NovaNyva	ANN	Kiev - Ukraine	Service operating company	100%	100%
11	Agrofuel Ukraine	Agrofuel	Kiev - Ukraine	Trading company	100%	100%
12	AFT-Agro	AFT	Kiev - Ukraine	Service operating company	100%	100%
13	Agroziom	AGZ	Sumy - Ukraine	Agricultural producer	100%	100%
14	Vinal Agro	VKD	Lviv - Ukraine	Agricultural producer	100%	100%
15	Knyazhi Lany (VKL)	VZL	Lviv - Ukraine	Agricultural producer	100%	100%
16	Zborivski Lany (VZB)	VZL	Ternopol - Ukraine	Agricultural producer	100%	100%
17	Agrodruzstvo Jevisovice Ukraine	AJU	Ternopol - Ukraine	Agricultural producer	100%	100%
18	Lishchynske*	VLY	Zhitomir - Ukraine	Agricultural producer	100%	100%
19	Vidrodzhennya*	VZH	Zhitomir - Ukraine	Service operating company	-	100%
20	Agro Fund Terestchenko	AFT	Zhitomir - Ukraine	Agricultural producer	100%	100%
21	APK Novy Stil LLC	NST	Kharkiv - Ukraine	Service operating company	100%	100%
22	APK Donets LLC	DON	Kharkiv - Ukraine	Agricultural producer	100%	100%
23	Burlukskoje PC	BUR	Kharkiv - Ukraine	Agricultural producer	100%	100%
24	Zachepilovskoje LLC	ZACH	Kharkiv - Ukraine	Agricultural producer	100%	100%
25	AF Barvenkovskaya LLC	BAR	Kharkiv - Ukraine	Agricultural producer	100%	100%
26	APK Ukraina Nova LLC	APK	Kharkiv - Ukraine	Service operating company	100%	100%
27	AF Podoljevskaja LLC	POD	Kharkiv - Ukraine	Agricultural producer	100%	100%
28	FG Podoljevskaja	POD	Kharkiv - Ukraine	Service operating company	100%	100%
29	AF Ukraina Nova LLC	UNA	Kharkiv - Ukraine	Agricultural producer	100%	100%
30	Lan LLC	LAN	Kharkiv - Ukraine	Agricultural producer	100%	100%
31	Vybor LLC	VYB	Kharkiv - Ukraine	Agricultural producer	100%	100%
32	Harmelia Trading LLC	HAR	Kharkiv - Ukraine	Trading company	100%	100%
33	Agro Dom Plus	AgroDom	Kharkiv - Ukraine	Service operating company	100%	100%
34	Register LLC	Register	Kharkiv - Ukraine	Service operating company	100%	100%
35	Tornado Agro-holding PC **	Tornado	Kharkiv - Ukraine	Service operating company	100%	-

* Vidrodzhennya was merged with another subsidiary of the Group, Lishchynske, in February 2015 and ceased to exist as a separate legal entity.

** Tornado Agro-holding PC was acquired by the Group on 17 February 2015.