



P.O. Box 30029
Regina, SK CANADA S4N 7K9 Phone: (306) 525-4490
www.agtfoods.com Fax: (306) 525-4463

FOR IMMEDIATE RELEASE
AUG 10, 2016

SYMBOL: TSX: AGT

AGT Food and Ingredients Inc. Announces Second Quarter 2016 Results and Dividend

REGINA, AUG 10, 2016 – AGT Food and Ingredients Inc. (TSX:AGT) ("**AGT**" or the "**Company**") has announced its financial results for the three and six months ended June 30, 2016.

Results include:

- **Adjusted EBITDA*** was \$25.3 million for the three months ended June 30, 2016, an increase of 14.0% over \$22.2 million for the three months ended June 30, 2015.
- **Adjusted EBITDA*** was \$112.9 million for the trailing twelve months ended June 30, 2016, an increase of 25.0% over \$90.3 million from the trailing twelve months ended June 30, 2015.
- **Cash flow from operating activities** was \$56.2 million for the three months ended June 30, 2016 compared to \$44.2 million for the three months ended June 30, 2015 and compared to cash used in operating activities of \$11.6 million for the three months ended March 31, 2016.
- **Food ingredients and packaged foods Adjusted Gross Profit*** was \$197.38 per metric tonne ("mt") for the six months ended June 30, 2016, compared to \$189.27 per mt for the six months ended June 30, 2015.
- **Food ingredients and packaged foods** segment represented 13.8% of total tonnes invoiced and 30.9% of Adjusted EBITDA* for the six months ended June 30, 2016, compared to 17.3% of total tonnes invoiced and 34.6% of Adjusted EBITDA* for the six months ended June 30, 2015.
- **Dividend** of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis)

"We are pleased with these results, especially given the supply constraints that the Canadian pulse sector has faced due to shortages of product from last year's harvest. We expect good quantities of pulses from harvest this year, and we already see farmers getting ready to get out into the field and get their pulses and durum wheat into the bins. We expect new crop deliveries to start in a few weeks, and this is a positive for our plant operations and sales programs for the balance of 2016 and into 2017. Production at these volumes will really show the earnings strength of our processing and handling system and the asset base we have built. The record acreage of pulses in North America should translate to a significant quantity of good quality pulses and durum production," said Mr. Murad Al-Katib, President and CEO of AGT.

"Our business units, particularly our food ingredient business unit, are continuing to advance and mature. We are seeing volume gains and customers are looking positively to our new products from our enhancement production lines, such as de-flavouring and our additional milling capabilities. Our expansions in Minot are proceeding well and on-time. These positives are further strengthened by growth in our packaged foods business unit and strong performance for our trading and distribution segment,



which demonstrates the benefit that the seasonal diversification we have been working towards has for our business,” added Mr. Huseyin Arslan, Chairman of the Board of Directors of AGT.

The financial statements and notes thereto for the three and six months ended June 30, 2016, as well as the related management’s discussion and analysis, have been filed under AGT’s profile on www.sedar.com and have been posted on AGT’s website at www.agtfoods.com. All amounts are reported in Canadian dollars.

AGT is also pleased to announce a cash dividend for the quarter ending September 30, 2016 of \$0.15 per common share. The dividend will be payable on October 11, 2016 to shareholders of record on September 30, 2016. This dividend is an eligible dividend for Canadian income tax purposes. AGT’s current annualized cash dividend rate is approximately \$0.60 per share.

AGT invites you to join our Second Quarter 2016 conference call on Thursday, August 11, 2016 at 11:00 a.m. Eastern time. To join the conference, please dial 1-800-319-4610 (toll free from Canada & the U.S.) or +1-604-638-5340 (from outside Canada & the U.S.).

A recording of the call will be available at www.agtfoods.com on Thursday, August 11, 2016. A telephone replay will also be available until midnight Eastern time, Thursday, September 8, 2016. To access the replay, please call 1-800-319-6413 (toll free from Canada & the U.S.) or +1-604-638-9010 (from outside Canada & the U.S.). When prompted, enter the code 00713, followed by the number sign (#).

AGT Food and Ingredients Inc. Profile

AGT Food and Ingredients Inc. (AGT) is a processor of value-added pulses, staple foods and ingredients for export and domestic markets as well as a supplier of retail packaged and canned foods to retail and food service sectors. Through its offices and processing facilities located in some of the best agricultural growing regions in Canada, the U.S., Turkey, China, Australia and South Africa, merchandising and sales offices in the U.K., the Netherlands, Spain, Switzerland and India and origination offices in Russia, AGT produces a full range of pulses and specialty crops including lentils, peas, chickpeas, beans and canary seed as well as food ingredients such as pulse flours, proteins, starches and fibres. Through its subsidiaries in Turkey, the Arbel Group, AGT also produces staple foods such as Arbella Pasta, rice, and milled wheat products, including bulgur and semolina.

Cautionary Statements

Certain statements in this press release are forward-looking statements. In particular, this press release contains forward looking statements with respect to, among other things, crop expectations, crop deliveries and the expected benefits of AGT’s production facilities in response to crop expectations. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results,



performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled “Risk Factors” in the Annual Information Form of AGT dated March 24, 2016 which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

Non-IFRS Financial Measures

AGT provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include Adjusted Gross Profit (gross profit plus depreciation in cost of sales), Adjusted EBITDA* (earnings before finance expense, income taxes, depreciation and amortization, restructuring costs and any effects of non-cash, non-recurring and other costs and foreign exchange adjustment), Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share *(earnings before any effects of non-cash, non-recurring and other costs, restructuring costs and foreign exchange adjustments), Net Debt* (bank indebtedness, short term financing and long term debt less cash) and Net Working Capital* (current assets less current liabilities). Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share* do not include the tax effect of non-cash, non-recurring and other costs and foreign exchange. Management believes that Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share, Net Debt* and Net Working Capital* are important indicators of AGT's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose. The exclusion of non-cash and foreign exchange adjustments eliminates the non-cash impact on Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*. Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* are also used by investors and analysts for the purpose of valuing AGT. The intent of these measures is to provide additional useful information to investors and analysts and the measure does not have any standardized meaning under IFRS. Adjusted Gross Profit*,



Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* should therefore not be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS. For a reconciliation of net earnings (loss) determined in accordance with IFRS to Adjusted EBITDA*, Adjusted Net Earnings* and Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*, see the table on page 36 in the related management's discussion and analysis for the three and six months ended June 30, 2016.

For further information:

Investor Relations

Omer Al-Katib

(306) 244-1318

ir@agtfoods.com