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SODRUGESTVO REPORTS FINANCIAL RESULTS FOR FISCAL YEAR 2010

Net Revenues Increase Significantly in Year-over-year Comparison

KALININGRAD, Russia and NEW YORK, October 20, 2010 – Leading Russia-based agro-industrial company Sodrugestvo Group reported a strong increase in net profit in its 2010 fiscal year ending June 30, 2010. The company reported \$32 million in net profit on revenues of \$857 million compared to \$3 million in net profit on revenues of \$845 million the year prior.

The company reported significant positive gains across many financial metrics, including EBITDA (\$81.6 million in 2010 compared to \$41.1million); operating profit (\$55 million vs. \$14 million); and significant increases in both operating and gross margins, all compared to fiscal year 2009.

In the past year, Sodrugestvo focused mainly on improving its operations and controlling its costs, which it believes this will continue to serve the company's long-term growth strategy. In terms of investments, the company completed a minority-stake investment in the North Dakota Oilseed Mills canola processing mill in Northwood, North Dakota, USA in February 2010. In addition, its Transagro subsidiary acquired 350 grain railcars, making it one of the largest private players in the sector in Russia. The acquisition was refinanced by the European Bank for Reconstruction and Development.

Finally, Sodrugestvo recently announced the creation of a joint-venture in Brazil with one of the country's largest farmer's cooperatives, Carol. The transaction is expected to close during the fourth quarter of 2010, allowing Sodrugestvo to expand its footprint in the country.



“Despite the continuation of the global economic downturn, our business stays strong as costs remain under control and we are gradually seeing the impact of the large investments we made over the last few years, in particular in Kaliningrad. We plan to continue to invest in Russia and to grow our facility in Kaliningrad into a major specialized hub for the export and import of agricultural commodities from and into the Baltic region and the former Soviet Union, as well as to seek appropriate external expansion opportunities,” said Stephane Frappat, CEO of Sodrugestvo Group. “Sodrugestvo also benefited from the strength of the Russian agricultural sector throughout the crisis. In addition, European Union sales continued to grow, now representing nearly 40 percent of the company’s total revenues.”

About Sodrugestvo Group

Sodrugestvo Group (www.sodrugestvo.com), founded in 1994, is a rapidly growing agro-industrial company serving farmers in regional markets globally. The company specializes in the processing of soybeans and rapeseed (canola) for food products and animal feed. In 2009-10, Sodrugestvo crushed more than 1.1 million tons of soybeans and rapeseed, making it a leading player in Northern, Central and Eastern Europe. The company is vertically integrated with three business units -- specialized infrastructure (including deep-water sea port terminals), logistics (including railcars and storage facilities) and processing and marketing (of proteins and oils from vegetal and animal commodities).

Headquartered in Kaliningrad, Russia, the company has 18 facilities located in nine countries including Russia, Denmark, Brazil and the United States. With consolidated sales of \$857 million in its fiscal year ending June 30, 2010, Sodrugestvo has enjoyed average annual growth of 15 percent or more for the last 10 years. Sodrugestvo employs 900 and is privately held.

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