



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

FOR IMMEDIATE RELEASE
MARCH 23, 2015

SYMBOL: TSX: AGT

**AGT Food and Ingredients Inc. Announces Fourth Quarter and
Year End Results and Dividend; Update on Minot Expansion**

REGINA, MAR 23, 2015 – AGT Food and Ingredients Inc. (TSX:AGT) ("**the Company**" or "**AGT**") has announced its financial results for the three and twelve months ended December 31, 2014.

Results include:

- **Adjusted EBITDA*** was \$87.0 million for the year ended December 31, 2014 compared to \$60.0 million for the year ended December 31, 2013, an increase of 45% and compared to \$80.8 million for the trailing twelve months ended September 30, 2014. Adjusted EBITDA* was \$24.4 million for the unaudited three months ended December 31, 2014 compared to \$21.1 million for the unaudited three months ended September 30, 2014 and compared to \$18.2 million for the unaudited three months ended December 31, 2013.
- **Revenue** was \$1.36 billion for the year ended December 31, 2014 compared to \$1.14 billion for the year ended December 31, 2013, an increase of 19%.
- **Adjusted EBITDA*** as a percentage of revenue increased to 6.41% for the year ended December 31, 2014 compared to 5.27% for the year ended December 31, 2013.
- **Adjusted earnings per share*** increased to \$1.76 (\$1.75 fully diluted) for the year ended December 31, 2014 compared to \$1.09 (\$1.08 fully diluted) for the year ended December 31, 2013.
- **Improvement in total accounts receivable days** outstanding for the year ended December 31, 2014 to 48 days compared to 52 days for the year ended December 31, 2013.
- **Dividend** of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis).

“It has been a successful year for AGT with what we feel are positive results on earnings. We have a number of strategic initiatives underway to diversify our business in the short term while growing our business in the long-term. The strength of our diversification strategy, both on origins and products, was evident in 2014 and in the fourth quarter particularly, with our new business units in food ingredients and packaged foods performing well. In the rest of our business, I am pleased with the balanced earnings contributions of all operating divisions in our global system with particular strength shown in the Canadian and Turkish businesses. These two countries are the main drivers of the AGT strategy. We are also pleased with our success in new geographies like AGT India and AGT Africa. These new regions and our food ingredients business are examples of the growth opportunities we feel are ahead for AGT,” said Mr. Murad Al-Katib, President and CEO of AGT.

AGT also provided an update on the previously announced third line expansion at AGT’s Minot facility. The announced third processing line in Minot is near completion and is processing test quantities



as of March 2015. Early Q2 2015 commercial production ramp up is expected, bringing the capacity of the Minot facility to 105,000 metric tonnes per annum. Other expansions at Minot or conversions of some capacity to food ingredient production within the AGT system in Canada, the U.S., Turkey and China are being considered. Other projects that may add further value to the Minot facility are being considered by AGT as well, including pre-cooking lines, sterilization lines and blending facilities to produce pre-mixes and formulated systems, which are combinations of ingredients that are marketed to fill a specific function within a food manufacturing system that may be used by various food clients worldwide.

“Feedback from customers on our ingredient platform through our marketing and distribution agreement with Ingredion, along with our Cargill agreement, is progressing positively. We anticipate sales volumes to increase in 2015 to fully utilize the Minot processing plant. As well, we expect that additional capacity will be needed to ramp up sales opportunities as we grow this business unit in 2016 and 2017. Growth in our food ingredients platform is planned to take two dynamic and simultaneous paths. We plan to add more value to current production through further modification of the existing ingredients, like neutralizing the flavour profile of pulse flours, which we expect to assist in growing inclusion rates and sales opportunities. We are planning on dedicating a capital budget of \$10 million to modification lines as well as an additional \$10 to \$20 million in 2016 to expand our building infrastructure to allow two additional lines to be added in Minot. More sales and capacity increases as well as value-added margins in this segment are expected to combine for a compelling earnings growth story. We expect this and other initiatives in this segment may have great growth opportunities ahead for AGT,” added Mr. Al-Katib.

“Expansions in food ingredients will first go ahead in Minot, with the impressive production and quality management infrastructure we have built there, and then we will continue to look at Canada, the U.S., Turkey, India or China for further segment growth. As we ramp-up this platform, we expect to realize synergies and cost savings as we well as extracting margin value from current production while growing capacity and sales. AGT was built on a strategy of strong origination of products, processed and packaged in high quality facilities and shipped to markets around the globe. This has provided the solid foundation for earnings resiliency shown by AGT in 2014, providing optimism for a balanced global platform. We expect that this will deliver our strategy of consistent earnings growth and growing free-cash flows through our origin, geography and product diversification and increasing shareholder value,” said Mr. Huseyin Arslan, Executive Chairman of AGT’s Board of Directors.

The financial statements and notes thereto for the twelve months ended December 31, 2014, 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 has also announced a cash dividend for the quarter ending March 31, 2015 of \$0.15 per common share. The dividend will be payable on April 6, 2015 to shareholders of record on March 31, 2015. 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 Fourth Quarter and Year End 2014 conference call on Monday, March 23, 2015 at 1:00 p.m. Eastern time. To join the conference, please dial 1-800-319-4610 (Toll free in Canada & the U.S.) or +1-604-638-5340 (Outside Canada & the U.S.).

A recording of the call will be available at www.agtfoods.com on Tuesday, March 24, 2015. A telephone replay will also be available until midnight Eastern time, Monday, April 20, 2015. 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 4537, 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, AGT's growth opportunities, AGT's Minot food ingredient production facility including, among other things, additional facilities that may be commissioned, sales volumes in 2015, the requirement for additional capacity, the capital budget regarding expansion and capacity increases and expected synergies. 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 31, 2014 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 and finance income), 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* and Adjusted 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* and Adjusted 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* and Adjusted Net 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* and Adjusted Net Earnings Per Share*. Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted 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 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 Net Earnings Per Share*, see the table on page 46 in the related management's discussion and analysis for the three and twelve months ended December 31, 2014.

For further information:

Investor Relations

Omer Al-Katib

(306) 244-1318

ir@agtfoods.com