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FOR IMMEDIATE RELEASE
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SYMBOL: TSX: AGT

Alliance Grain Traders Inc. Announces Second Quarter 2012 Results

REGINA, AUGUST 8, 2012 – Alliance Grain Traders Inc. (“AGT”) has announced its financial results for the three and six months ended June 30, 2012. Results for the period include:

- Sales of \$201.8 million, compared to sales of \$197.4 million for Q1 2012 and \$169.9 million for Q2 2011.
- EBITDA* of \$9.3 million, compared to \$6.1 million for Q1 2012 and \$9.2 million for Q2 2011.
- Net earnings of \$ 1.7 million (\$0.08 per common share, basic and diluted basis), compared to \$2.8 million (\$0.14 per common share, basic and diluted basis) for Q1 2012 and a net loss of \$3.9 million (a loss of \$0.20 per common share, basic and diluted basis) for Q2 2011.
- Reduction of net debt of \$31.2 million or 11.6% at June 30, 2012 compared to March 31, 2012.
- Reduction of interest bearing debt of \$51.6 million or 16.1% at June 30, 2012 when comparing to December 31, 2011.
- Cash flow from operating activities (“CFFO”) of \$49.4 million for the six months ended June 30, 2012 compared to negative CFFO of \$36.6 million for the six months ended June 30, 2011.
- Dividend of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis).

“The impact of weather conditions on production, such as drought and short moisture in some regions and flooding in others, is being felt elsewhere after hitting Canada and the U.S. hard in the past few growing seasons. This year, our North American crops look very positive, as we have been relatively unaffected by the drought conditions discussed in the media. We expect an increase in the average cost of protein globally, as a result in part of drought impact on U.S. corn and soybeans and a short monsoon season in India. We have been clear in our expectations that markets would normalize when importers felt that credit liquidity was easing and currencies were stabilizing. A projected production shortfall in India, Turkey and the U.S. provides another necessary component to stimulate markets. We believe these signals are the beginning of the return of demand in the market,” said Murad Al-Katib, President and CEO of AGT. “Pulse and staple foods markets appear to be signalling towards a gradual and steady recovery; however, a recovery will not come all at once. These are good signals to normalized business in the second half of 2012,” added Mr. Al-Katib.

“Management will continue its efforts to reduce costs and optimize working capital through managing cash cycles, reducing debt utilization and boosting margins and earnings. Both AGT management and its Board of Directors remain committed to growth and yield and will continue efforts to improve free cash-flows to provide capital for debt reduction, growth and acquisitions as well as improvements to dividend yield,” said Mr. Huseyin Arslan, Executive Chairman of AGT’s Board of Directors. “All sectors of the global economy, including staple foods, have been affected through the past four years of economic turmoil and supply issues



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in agriculture. We are optimistic that AGT's strategy implementation over the past periods will demonstrate the earnings power and compelling global footprint of assets, markets and products developed in our efforts to become a global leader in the origination, processing and distribution of pulses, staple foods and pasta," added Mr. Arslan.

The financial statements and notes for the three and six months ended June 30, 2012 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 the AGT web site at www.alliancegrain.com. All amounts are reported in Canadian dollars.

AGT invites you to join our second quarter 2012 conference call on Thursday, August 9, 2012 at 10:30 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 on our website at www.alliancegrain.com on Friday, August 10, 2012. A telephone replay will also be available until midnight Eastern time on Friday, August 24, 2012. 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 (#).

Alliance Grain Traders Inc. Profile

Alliance Grain Traders Inc. (AGT) is a value-added pulse, staple food and ingredient processor for export and domestic markets. 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 and Spain 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. 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 27, 2012 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



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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 EBITDA* (earnings before interest, income taxes, depreciation and amortization, restructuring costs and any effects of non-recurring and other costs and non-cash foreign exchange adjustment), Adjusted Net Earnings* (earnings before any effects of non-recurring and other costs, restructuring costs and non-cash 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). Management believes that these are important measures in evaluating performance and in determining whether to invest in AGT. However, EBITDA*, Adjusted Net Earnings*, Net Debt* and Net Working Capital* are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. In addition, AGT may calculate these measures differently than other companies; therefore, such measures may not be comparable. Investors are cautioned that EBITDA*, Adjusted Net Earnings*, Net Debt* and Net Working Capital* should not be construed as an alternative to net earnings (loss) or cash flows as determined in accordance with IFRS as an indicator of AGT's performance or liquidity. For a reconciliation of net earnings (loss) determined in accordance with IFRS to EBITDA* and Adjusted Net Earnings*, see the table on page 29 in the management's discussion and analysis for the three and six months ended June 30, 2012 available under AGT's profile on www.sedar.com and on the AGT web site at www.alliancegrain.com.

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