MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014

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The following Management's Discussion and Analysis ("**MD&A**") of financial condition and results of operations has been prepared by management to help readers interpret AGT Food and Ingredients Inc.'s ("**AGT**" or the "**Company**") unaudited consolidated financial results for the three and nine months ended September 30, 2015 and should be read in conjunction with AGT's audited consolidated financial statements and related notes thereto for the year ended December 31, 2014. The consolidated financial statements have been prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("**IFRS**"). Additional information related to AGT, including periodic quarterly and annual reports and the Annual Information Form ("**AIF**"), filed with Canadian securities regulatory authorities and certain production and market information as prepared periodically by management, is available on SEDAR at www.sedar.com and / or on AGT's website at www.agtfoods.com.

This MD&A has been prepared as at November 9, 2015. All references to AGT or the Company include its subsidiaries, as appropriate. All amounts are in Canadian dollars unless otherwise stated.

Highlights for the quarter ended September 30, 2015

- **Adjusted EBITDA*** was $23.2 million for the three months ended September 30, 2015 compared to $21.1 million for the three months ended September 30, 2014, and compared to $22.2 million for the three months ended June 30, 2015.

- **Adjusted EBITDA*** was $92.4 million for the trailing twelve months ended September 30, 2015 compared to $80.8 million for the trailing twelve months ended September 30, 2014, an increase of 14.4%.

- **Adjusted earnings per share*** increased to $0.51 ($0.51 fully diluted) for the three months ended September 30, 2015 compared to $0.46 ($0.45 fully diluted) for the three months ended September 30, 2014.

- **Food ingredients and packaged foods** segment represented 15.3% of total tonnes invoiced and 33.8% of Adjusted EBITDA* for the three months ended September 30, 2015 compared to 16.5% of total tonnes invoiced and 27.8% of Adjusted EBITDA* for the three months ended September 30, 2014.

- **Food ingredients and packaged foods** Adjusted Gross Profit* and Adjusted EBITDA* increased to $214.92 per metric tonne ("**mt**") and $141.11 per mt respectively for the three months ended September 30, 2015 compared to $188.54 per mt and $121.77 respectively per mt for the three months ended June 30, 2015.

- **Mobil Capital Holdings Ltd. and its subsidiaries acquisition** closed on October 30, 2015, augmenting AGT's pulses shipping capacity.
- **Dividend** of $0.15 per share for the quarter ($0.60 per share on an annualized basis).

Business Overview

AGT operates with three reporting segments: (1) pulses and grain processing, (2) trading and distribution and (3) food ingredients and packaged foods. The pulses and grains processing segment includes subsidiaries and facilities in Canada, the U.S., Australia, China and a portion of the operations in Turkey. The trading and distribution segment includes operations in Europe, Switzerland, Russia, India and a portion of the operations in Turkey and Australia. The food ingredients and packaged foods segment includes subsidiaries and facilities in the United States ("**U.S.**"), Canada, South Africa and a portion of the operations in Turkey.

Through its three segments, AGT handles a full range of pulses and specialty crops including lentils, peas, chickpeas, beans, popcorn, canary seed, flax and other specialty seeds packed for domestic and export markets as well as in dry small package and canned products for both domestic consumption and export markets. In North America, AGT produces pulses proteins, fibres, starches and flours for food ingredient and industrial uses. AGT's operations in Turkey produce milled durum wheat products such as semolina, pasta (under the Arbella brand) and bulgur wheat as well as medium grain and long grain milled rice. These products are sold for both domestic consumption and export markets.

AGT facilities include eighteen pulse and processing plants in Canada, a canning and retail packaging plant in Canada, two plants in the U.S., four in Australia and nine in Turkey, as well as a bean processing and food distribution facility in China and one processing and retail packaging facility in South Africa. Wholly owned subsidiaries include Alliance Pulse Processors Inc. ("**AGT Foods Canada**"); the Arbel Group in Turkey ("**Arbel**"); United Pulse Trading Inc. ("**AGT Foods USA**") in Williston and Minot, North Dakota, U.S.A.; Australia Milling Group Pty Ltd. ("**Australia Milling Group**") in Victoria, South Australia and New South Wales, Australia; Advance Seed Pty Ltd. and its subsidiary Pouyoukas Foods ("**Advance Seed**") in South Africa; A. Poortman (London) Limited in London, U.K. ("**Poortmans**") with merchandising offices in the Netherlands and Spain; Alliance Grain Traders India PVT Ltd. ("**AGT India**") in India; Alliance Grain Traders (Switzerland) SA ("**AGT Switzerland**") in Geneva, Switzerland; and AGT Food and Ingredients (Tianjin) Co. Ltd. ("**AGT China**") in Tianjin, China. AGT operates an origination office located in Rostov-on-Don, Russia ("**AGT Rostov**"). AGT's Laval, Quebec based retail packaging and canning distribution company, AGT CLIC Foods Inc. ("**AGT CLIC**"), includes packaging, canning, warehousing and distribution locations in Canada and the U.S.

AGT is among the world's largest value-added processors and splitters of pulse crops and an international producer, processor and exporter of staple food products to over 100 countries. The Company's common shares are currently listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "AGT".

Business Outlook

Summary of Operations

AGT's third quarter of 2015 ("**Q3 2015**") brought with it continued consistent performance of AGT's operations, with volumes trending up and margins relatively flat on the significant mt moving through AGT's operations overall. Significant production levels in Canada and the U.S. are being reported by Statistics Canada ("**StatsCan**") and the United States Department of Agriculture ("**USDA**"). It is anticipated that robust export levels to key consumption markets in 2015/16 based on 2014/15 export levels to India and the subcontinent and Turkey and the Middle East/North Africa ("**MENA**") regions may continue, with AGT facilities having benefited globally from ample supply in production origins and demand for pulses and staple foods strong to these markets.

Production in Canada and the U.S. has created opportunity for AGT as one of the largest pulses and staple foods exporters in the world, with customers in virtually every major pulses and staple foods consumption and import market. Previous months were restricted by low remaining stocks, as witnessed in the second quarter of 2015 ("**Q2 2015**") where global supply for export shipment was reported by AGT as substantially depleted in advance of North American harvest.

Harvest was reported by the Saskatchewan Ministry of Agriculture ("**SaskAg**") as substantially completed for lentils, peas and chickpeas for the week of October 19, 2015. High levels of production in lentils were reported by StatsCan, with slightly lower than average yield and higher than average acres. Significant production of other pulses is being reported as well, with 70% of the 2015 harvest being reported in the top two grades, consistent with expected production quality for Canada.

In AGT's pulses and grains processing segment, unfulfilled customer demand for imported pulses and staple foods from Q2 2015 was partially met with shipping starting in September from Canadian ports, with early harvested products from the August and September months. Strong demand is expected through the traditional shipment periods in the balance of 2015 and in 2016. Bulk handling and loading assets acquired by AGT from West Central Road & Rail

(“**WCRR**”) in Q2 of 2015 contributed new capacity for AGT’s Canada shipment program, with an increase in mt’s shipped from Canada using bulk rail and vessel programs, which over time is intended to assist AGT in returning value-added processing facilities back to the higher margin activities for which they are intended.

AGT’s recently announced acquisition of rail logistic, bulk grain handling and mobile processing assets by way of its acquisition of Mobil Capital Holdings Ltd. and its subsidiaries (“**Mobil**”), which closed October 30, 2015, is expected to further augment AGT’s pulses shipping capacity while adding the ability to solidify AGT’s durum wheat origination and supply chain for its growing pasta and bulgur wheat business, as well as its lentil and pulses supply to Turkey and India.

AGT’s food ingredient and packaged foods segment continues to report consistent performance as this business unit grows and matures. During the quarter, margins improved though mt’s invoiced decreased in the period. Sales of AGT’s pulse ingredient products (consisting of ingredient flours, proteins, starches and fibres derived from pulses for human food and petfood applications) are progressing positively. Construction activities for the deflavouring line at AGT’s Minot, North Dakota pulse ingredient facility (**the “Minot Facility**”) is ongoing with the project anticipated to be commissioned late in the first quarter of 2016. Sales and distribution agreements with Ingredion Incorporated (“**Ingredion**”) and major pet food ingredient users in North America are progressing as management has forecast, and sales volumes are anticipated to continue to increase in 2015 and 2016 with continued market focus on North America, Europe and China.

AGT is pleased that the third production line at the Minot Facility was running at approximately two-thirds utilization in Q3 2015. Manufacturing by petfood and food manufacturer customers is typically slower in the July and August periods as many perform annual maintenance and holiday shutdowns. Sales growth, and with it utilization, is expected to continue to increase, bringing the lines to a full utilization target by year end 2015 or early in 2016.

Overall, AGT’s segments continue to perform as per management expectations and in line with strategic initiatives surrounding growth and expansion of AGT’s business. A review of the outlook for each of AGT’s business segments is as follows:

Food Ingredients and Packaged Foods

AGT’s food ingredient and packaged foods segment has continued to perform consistently with regard to margins and mt’s shipped over the recent periods, as well as the development of ongoing opportunities for the segment for supply of pulse ingredient flours, proteins, starches and fibres to food and feed companies and distribution of packaged and canned foods to retail customers. Volumes in the segment decreased in Q3 2015 due to a number of factors, including customer programs slowing down during the summer months, the occurrence of Ramadan during the summer months and the impact of summer maintenance and slowdowns in AGT operations; however, margins trended positively, resulting in consistent performance for the segment overall. This segment has been a focus for AGT in recent periods, with investments in the Minot Facility and ongoing targeting of food retailer and retail consumer customers for listing of AGT brands and private label business in North America, Europe, Turkey, MENA and Southern Africa. The segment is advancing as expected by management, with regard to margins and mt's shipped in Q3 2015 and year-to-date.

Additionally, this segment benefits from the strong performance in AGT's other main segment, the legacy pulses and grains business, with regard to origination strength, buying products from producers directly and supplying the raw material required for food ingredient product production as well as retail product manufacturing and packaging. As this segment grows as a component of AGT's overall business, it is expected to provide an opportunity surrounding the smoothing of overall earnings over the year, as it is expected that it may have the result of offsetting the high degree of seasonality in the different periods in the pulses and grains business, which are driven by new crop harvests and customer buying patterns dictated by local production supply and demand dynamics.

In the food ingredient business unit, demand from food company customers appears to be less susceptible to volatility in commodity markets and currencies as they search for new and different ingredients for their products that are aligned with consumer demand and have non-GMO, high protein and fibre, gluten-free, micronutrient-rich and environmentally positive profiles, characteristics that pulse ingredients, with their high degree of flexibility, possess. These customers typically purchase higher-value ingredient products with specific characteristics and profiles or non-fractionated, value-added pulses with delivery contracts over a longer period of time and at potentially higher prices to guarantee delivery and quality, as well as retail packaged foods for retail sale and foodservice distribution.

Customers of the food ingredient business unit within this segment are serviced in partnership with Ingredion and AGT's other ingredient marketing partners and include many of the top international food, feed and petfood companies who operate in markets such as North America and Western Europe and whose businesses are driven by less volatile macro-economic factors as compared to customers in AGT's pulses and grains segment, where the macro-economic fundamentals of emerging markets affect the business flows.

Key points on the food ingredients and packaged food segment are as follows:

- Sales and margins in AGT's pulse ingredient business, focused on pulses ingredient flours, proteins, starches and fibres, with commercialization partner, Ingredion and other ingredient marketing partners continue to advance positively as per management expectations. The ingredient platform products have been introduced through Ingredion's global sales and marketing programs in North America, Europe and MENA, with China and Southeast Asia to follow. Growth in this business unit is, in part, being driven by success in conversion of test quantities of pulse ingredient products as research and application development programs, both independently by customers and collaboratively with AGT to sales partners, yield product and application advancements aimed at increasing usage, functionality and inclusion of pulse ingredient in food products for launch in the near term.

- Commercial production from the third line in the Minot Facility continues to ramp up in production volumes and is expected to continue in the remainder of 2015, bringing total capacity of the Minot Facility to 105,000 mt per year. Installation and commissioning of other announced expansions for the Minot Facility, including the deflavouring system, have commenced and are expected to be completed in early 2016. The announced expansions to the Minot Facility will allow for the ability to add up to 175,000 mt of capacity, with the addition of up to five lines of production should they be needed. The actual total capacity will be affected by the composition of the number of new lines versus deflavouring and modification lines as these value added lines take up a line space but do not add new capacity. If sales programs ramp up in future periods in other geographies, management may consider possible conversion of all or part of production in some facilities in Canada, Turkey, the U.S. and China to pulse ingredient production to service the growing market potential seen in Europe, Middle East and Asia.
- Feedback from the customer base is positive on the industrial trial quantities of deflavoured products produced by AGT. Management is optimistic that this investment will increase the demand from the food industry as greater inclusion rates may be achieved in a broad range of applications driving potential decisions to add additional production lines in 2016 to meet the growth in demand in food and pet food applications.
- Growth in AGT's global packaged foods business continues as market opportunities and sales and distribution efficiencies are realized. This business unit includes Arbella brand pasta, sold in over 90 countries around the globe; Arbel brand packaged pulses and staple foods, sold in many markets in Turkey, Central Asia, Europe and the MENA region; CLIC brand, with retail and food service listings providing canning, small packaging and distribution in Canada and the U.S.; and the Pouyoukas brand of packaged foods, widely available in Southern Africa, as well as distribution of other brands in key markets.
- The retail packaged foods business unit is focused on branded products under AGT-owned brands, private label packaging of pulses, pasta and other staple foods for major

retailers in many markets and foodservice outlets around the globe. Opportunities surrounding private label for retailers in Canada, the U.S. and Europe, with suppliers who can not only provide a wide range of product but also origination, packaging and distribution of these products, are being developed by management, with distribution, supply and private label/co-packing business expected to develop in the near term. Synergistic trade between AGT operations for distribution of AGT brands in other markets through AGT's global sales and merchandising strength is being initiated as well.

- Pasta production in Turkey is operating at full capacity, resulting in management's previous announcement of an expansion to add a specialty pasta production line at AGT's pasta production facilities in Mersin to produce American lasagna, vermicelli nests and noodle specialty pasta, which is expected to be completed in 2015 and running at full capacity in 2016. In addition, AGT will add a sixth traditional pasta line for long cut pasta in 2016 adding approximately 20% capacity to overall operations. Semolina production capacity is in place to supply raw materials for increased pasta production from past expansions. Investments in loading and transportation by AGT to more efficiently supply raw material durum wheat for milling from Canada through acquisition of the durum wheat handling assets in west central Saskatchewan is also expected to improve margins in this line of business in the coming years.
- Management continues to investigate opportunities to augment its capacity in the specialty pasta category, particularly gluten-free pasta produced entirely from pulse ingredients or enriched pasta products produced through a blend of durum wheat and pulse ingredients. Additionally, European and North American launches of Arbella+, with nutrient enrichment or other varieties such as tri-colour, gluten-free, high fibre and other specialty dry pasta products, are expected to assist AGT in capitalizing on specialty or gourmet market segments.

Margin gains in this segment are expected by management to continue to trend positively and are a key component to AGT's diversification initiatives to higher margin, value-added products as AGT transforms from its focus on being a commodity shipper of pulses and grains to a balanced retail packaged food and food ingredient supplier.

Pulses and Grains Processing

The pulses and grains processing segment represents the legacy business of AGT in the origination and processing (including cleaning, calibrating, sizing, splitting, packaging, bulk loading, shipping and export) of pulses and staple foods in AGT owned and operated facilities around the globe. This segment has represented the largest segment of AGT's business and provided advantages with regard to AGT's other segments of operation, including origination of raw materials, processing and logistics support of pulses and grains products. The segment performed consistently, with mt's shipped increasing and margins generally consistent with the prior quarter.

The harvest season is now complete in Saskatchewan, with SaskAg reporting completion of substantially all of harvest for lentils, peas and chickpeas in the week of October 19, 2015. Significant production volumes are being reported by StatsCan and USDA for the U.S. with significant acres and average to slightly below average yields, which were a result of lower-than-average moisture levels throughout the growing season, producing one of the highest levels of production in recent periods. Quality of the crop is consistent with market expectations, with 70% in the top two grades being reported by SaskAg.

With export of pulses, particularly lentils and peas, reported by StatsCan as high in the 2014/15 season and market demand expected by Agriculture and Agri-Food Canada ("**AAFC**") to be high in key consumption markets such as India and the subcontinent, Turkey and MENA, production at these levels are needed for exports, including AGT's programs as a large value-added pulses and staple foods exporter, to continue at potential record levels.

Lower levels of local production in India for pulses, resulting from deficient monsoon rains, and continued lower production in Turkey are in part driving the high export levels from Canada both historically and forecast in 2015/16. This is coupled with AAFC reports that global supply for pulses, particularly peas and lentils, are expected to decrease overall as a result of strong exports to key markets, and therefore result in higher prices during the traditional shipping periods in 2015 and 2016, partially supported by the weaker Canadian dollar. Strong and consistent performance in AGT's pulses and grains segment is important to the overall strength of AGT's earnings, as it is a significant component to AGT's business. Management expectations are that this segment will continue to perform well and provide the foundation for growth for AGT's operations globally.

During Q3 2015, AGT announced the acquisition of Mobil, which included assets for the operation of short-line railway between Regina and the Alberta border via Saskatoon and west central Saskatchewan, modular designed and moveable plant assets for processing and bulk commodity transloading of agricultural commodities. The acquisition of Mobil, which closed on October 30, 2015, follows from the June 2015 acquisition of bulk loading and handling facilities from WCRR serviced by the same rail line through west central Saskatchewan. These two acquisitions provide AGT with significant advantages, with loading and handling facilities from the two key growing regions for lentils, peas and durum wheat in Saskatchewan: the Regina plains and west central Saskatchewan regions. Through these acquisitions, AGT effectively takes control of its logistics and integrated supply chain for the efficient transportation of lentils and durum wheat, with ownership of handling facilities, rail logistics assets and short line rail infrastructure. The integration of the former WCRR operations has been ongoing during the Q3 2015 period and is on-track. The integration of the Mobil operations has commenced and will be ongoing through the final quarter of 2015. Integration of both acquisitions is aided by the retention of the former management teams of WCRR and Mobil, who have been integral in the operations prior to acquisition. This infrastructure will benefit both AGT customers and AGT's global operations, supplying pulses and durum wheat worldwide, particularly lentils to Turkey for processing and distribution and durum wheat for the production of pasta and other milled wheat products.

Asset utilization for the Canadian platform was limited in July and August due to low crop stocks from the previous crop year, with volumes of new crop arrivals commencing towards the end of August. The resulting impact of new crop delivery was higher utilization in September as plants were engaged in high utilization reaching functionally full utilization in the later weeks of Q3 2015. Demand in the start of the fourth quarter of 2015 is strong and management is optimistic that India and Turkey will continue to be demand drivers in the coming quarters. Additional legacy business capacity added in to AGT's system with bulk rail in Canada is expected to be an essential element to delivering strong 2016 results. It is anticipated that available seed supply in India may have inhibited plantings of lentils for their March 2016 harvest.

Demand visibility and order book sales for the spring 2016 and fall new crop 2016 have already begun, well ahead of the normal cycle and signaling that concern with regard to 2016-2017 supply is driving importers to buy forward. Strong prices in the world are likely to drive additional production in 2016 in Canada, the U.S. and Australia, setting the stage for the margin gains and utilization gains expected by management in the past 12 months to continue to contribute positively in subsequent quarters.

In the high fixed cost environment that AGT operates in, increases in prices with the significant volumes moving through AGT's system can have positive impact on earnings. The positive performance of this segment is expected by management to continue as pulses and staple foods markets demonstrate strong demand fundamentals for imported pulses and staples foods in the near term periods.

Trading and Distribution

AGT continues to offer other commodities to its global network of existing clients. These sales are reported through AGT's trading and distribution segment, which is made up of products not specifically processed in AGT facilities. These include popcorn, coffee, canola, flax, sugar and spices and a variety of seeds. While relative margins are potentially lower in this segment, they are expected to continue to be a positive contributor to AGT's earnings due to the fact that they do not require processing and facility infrastructure nor capital investments, with the working capital requirements largely financed on relatively short trade finance terms with the utilization of structured trade finance instruments and supplier credits. Management views this business as incremental margin with little commodity risk taken, as almost all sales are taken on a back-to-back basis. The sales in this segment augment AGT's ability to be a complete one-stop supplier for its key global customers.

This segment is not seen as a growth segment for AGT at this time as it focuses its efforts on ramping up its capacity utilization and margins in its other two segments; however, it has provided earnings benefits at different periods and is a cost recovery contributor to AGT's fixed cost base.

Strategy Implementation: Management Update

AGT has implemented many strategies and initiatives with respect to product and origination diversification, expanded lines of business including food ingredients and retail packaged goods, management strategies surrounding accounts receivable and inventory turns, and cost reductions with overall positive results, as evidenced by margin and earnings growth over the last periods. As AGT's food ingredients and retail packaged goods segment grows as a percentage of AGT's earnings and sales, global pulses and staple foods markets have continued their return to traditional market conditions with respect to product volumes, shipping periods and relative price levels, providing the base required for further growth and transformation of AGT through the new segments. The continuation of these management strategies and initiatives is intended to continue AGT's growth, increase capacity utilization and support AGT's overall growth plans in 2015 and in future periods.

The earnings resiliency shown by AGT in past periods is viewed by management as providing a solid foundation and a balanced global platform that is expected to contribute to management's strategy of consistent earnings growth and growing free-cash flows through its origin, geography and product diversification. Past investments by AGT have provided an ability to balance its pulses exposure in lentils with a broader range of value added pulses including chickpeas and beans and staple foods and food ingredients. AGT's strategy is diverse but focused.

By continuing management focus on the core competencies and strengths of AGT's business, including the strength of the management team, the geographic diversification of AGT's assets, AGT's global reach for sales and distribution to virtually all pulse consumption markets around the globe, a clearly defined and executed risk management program, and adequate access to capital in a capital constrained global market, AGT management is optimistic about AGT's ability to continue to grow its business operations and strengthen shareholder value in the long-term.

As AGT's business segments are supplemented by its new food ingredient and packaged goods business units, new opportunities for sales, earnings and margin growth in future periods are expected.

Summary of Quarterly Results (1)
(in thousands of Cdn. $ except as indicated, unaudited)

	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Mar 31, 2015	3 Months Ended Dec 31, 2014	3 Months Ended Sept 30, 2014	3 Months Ended June 30, 2014	3 Months Ended March 31, 2014	3 Months Ended Dec 31, 2013
Revenue	$ 362,755	$ 378,225	$ 385,230	$ 398,010	$ 287,710	$ 359,811	$ 311,287	$ 375,130
Less: cost of sales (2)	326,081	342,967	350,731	361,033	257,109	324,315	284,014	346,584
Gross profit	36,674	35,258	34,499	36,977	30,601	35,496	27,273	28,546
Add back: depreciation in cost of sales	3,908	3,711	3,900	3,684	3,802	3,703	3,615	3,192
Adjusted gross profit*	**40,582**	**38,969**	**38,399**	**40,661**	**34,403**	**39,199**	**30,888**	**31,738**
Deduct: General and administrative expenses	(11,615)	(12,433)	(10,954)	(12,207)	(9,090)	(10,573)	(9,685)	(11,057)
Deduct: Marketing, sales and distribution expenses	(7,024)	(7,104)	(6,696)	(7,080)	(6,892)	(6,278)	(5,890)	(5,339)
(Deduct) Add: Non cash foreign exchange effect	(18,606)	(4,775)	(8,173)	(19,204)	(3,291)	5,553	7,149	(5,735)
Add: Amortization in general and administrative expense	778	717	723	788	816	696	646	881
EBITDA	4,115	15,374	13,299	2,958	15,946	28,597	23,108	10,488
Add: Non-recurring and other expenses (3)	487	2,057	1,145	2,238	1,863	1,386	1,116	1,969
Add (Deduct): Non cash foreign exchange effect	18,606	4,775	8,173	19,204	3,291	(5,553)	(7,149)	5,735
Adjusted EBITDA (*)	**23,208**	**22,206**	**22,617**	**24,400**	**21,100**	**24,430**	**17,075**	**18,192**
Deduct: Finance expense	(10,316)	(7,289)	(8,391)	(6,994)	(5,128)	(6,969)	(7,931)	(6,494)
Deduct: Depreciation and amortization	(4,686)	(4,428)	(4,623)	(4,472)	(4,618)	(4,399)	(4,261)	(4,073)
Add (Deduct): Provision for income taxes	3,655	(164)	261	1,969	(2,094)	(4,249)	(1,704)	(796)
Adjusted net earnings (*)	**11,861**	**10,325**	**9,864**	**14,903**	**9,260**	**8,813**	**3,179**	**6,829**
Adjusted basic net earnings per share*	0.51	0.45	0.43	0.68	0.46	0.44	0.16	0.34
Adjusted diluted net earnings per share*	0.51	0.44	0.42	0.68	0.45	0.43	0.16	0.33
Non-recurring and other expenses (3)	(487)	(2,057)	(1,145)	(2,238)	(1,863)	(1,386)	(1,117)	(1,969)
(Deduct) Add: Non-cash foreign exchange effect	(18,606)	(4,775)	(8,173)	(19,204)	(3,291)	5,553	7,149	(5,735)
Net (loss) earnings per financial statements	**(7,232)**	**3,493**	**546**	**(6,539)**	**4,106**	**12,980**	**9,211**	**(875)**
Basic net (loss) earnings per share	(0.31)	0.15	0.02	(0.30)	0.20	0.64	0.46	(0.04)
Diluted net (loss) earnings per share	(0.31)	0.15	0.02	(0.30)	0.20	0.64	0.46	(0.04)
Total assets	1,032,646	965,258	951,389	928,853	826,265	788,022	799,237	773,792
Bank indebtedness	101,403	92,464	118,337	91,218	123,194	118,660	141,320	110,805
Long-term debt including current portion	282,292	282,190	250,230	251,173	245,770	247,010	248,332	230,605
Shareholders' equity	291,918	316,207	322,902	322,070	254,036	257,065	251,300	234,339
Dividends declared per share	$ 0.150	$ 0.150	$ 0.150	$ 0.150	$ 0.150	$ 0.150	$ 0.150	$ 0.150
Pulses and grain processing tonnes invoiced (4)	290,941	254,304	301,599	327,195	234,409	344,971	275,721	320,619
Trading and distribution tonnes invoiced (4)	122,296	86,155	136,324	130,249	112,046	115,368	131,236	127,523
Food ingredients and packaged foods tonnes invoiced (4)	55,653	70,250	59,419	55,000	56,707	61,585	53,215	54,147
Inter-company tonnes	(105,555)	(83,786)	(72,857)	(53,943)	(59,697)	(82,632)	(73,557)	(34,317)
Total tonnes invoiced	363,335	326,923	424,485	458,501	343,465	439,292	386,615	467,972
Gross profit per metric tonne	$ 100.94	$ 107.85	$ 81.27	$ 80.65	$ 89.09	$ 80.80	$ 70.54	$ 61.00
Adjusted gross profit* per metric tonne	111.69	119.20	90.46	88.68	100.16	89.23	79.89	67.82
Adjusted EBITDA (*) per metric tonne	63.87	67.92	53.28	53.22	61.43	55.61	44.17	38.87

Notes:

(1) Calculated from the condensed consolidated unaudited interim financial statements for the quarters ended September 30, 2015, June 30, 2015, March 31, 2015, September 30, 2014, June 30, 2014 and March 31, 2014 and the audited annual financial statements for the year ended December 31, 2014 and 2013.

(2) Cost of sales includes depreciation on equipment used to process inventory. Total depreciation is added back for Adjusted EBITDA*.

(3) Non-recurring and other expenses deemed by management to be non-cash, non-recurring, relating to acquisitions, financing, severance costs, share-based payments or other, predominantly reported within General and Administrative Expenses.

(4) For a breakdown on segmented information, see the section entitled "Net earnings by reporting segment".

Discussion of Quarterly Results

(in Thousands of Cdn$ except as indicated, unaudited)

Revenue, Gross Profit and Adjusted Gross Profit*

	3 Months Ended Sept 30 2015	3 Months Ended Sept 30 2014	Change	9 Months Ended Sept 30 2015	9 Months Ended Sept 30 2014	Change	3 Months Ended Sept 30 2015	3 Months Ended June 30 2015	Change
Revenue	362,755	287,710	75,045	1,126,210	958,808	167,402	362,755	378,225	(15,470)
Less: cost of sales	326,081	257,109	68,972	1,019,779	865,438	154,341	326,081	342,967	(16,886)
Gross profit	36,674	30,601	6,073	106,431	93,370	13,061	36,674	35,258	1,416
Add back: depreciation in cost of sales	3,908	3,802	106	11,519	11,120	399	3,908	3,711	197
Adjusted gross profit*	40,582	34,403	6,179	117,950	104,490	13,460	40,582	38,969	1,613
Gross profit percentage	10.1%	10.6%	-0.5%	9.5%	9.7%	-0.2%	10.1%	9.3%	0.8%
Adjusted gross profit percentage*	11.2%	12.0%	-0.8%	10.5%	10.9%	-0.4%	11.2%	10.3%	0.9%

Although invoiced metric tonnes decreased in the nine months ended September 30, 2015 compared to the prior year, revenue for the three and nine months ended September 30, 2015 increased over the same periods. This was due largely to continued sales opportunities and resulting sales volumes increases relating to food aid shipments from Turkey as well as increased commodity prices. Revenue decreased when comparing to the three months ended June 30, 2015 due largely to lower carry in stocks that affected sales early in the quarter.

Gross Profit and Adjusted Gross Profit* percentage for the three and nine months ended September 30, 2015 decreased slightly over the same period in the prior year due to margin constraints earlier in 2015 as North American old crop levels decreased. Gross Profit and Adjusted Gross Profit* percentages for the three months ended September 30, 2015 increased when compared to the three months ended June 30, 2015 due largely to continued gradual increases in food ingredients and packaged foods margins.

Gross Profit and Adjusted Gross Profit* in absolute dollars for the three months and nine months ended September 30, 2015 improved when compared to the same period last year and to the prior quarter. This is due to overall increased product sales.

Adjusted EBITDA*

	3 Months Ended Sept 30			9 Months Ended Sept 30			3 Months Ended		
	2015	2014	Change	2015	2014	Change	Sept 30 2015	June 30 2015	Change
Adjusted EBITDA*	23,208	21,100	2,108	68,031	62,605	5,426	23,208	22,206	1,002
Adjusted EBITDA* percentage of revenue	6.40%	7.33%	-0.93%	6.04%	6.53%	-0.49%	6.40%	5.87%	0.53%

Adjusted EBITDA* as a percentage of revenue for the three and nine months ended September 30, 2015 decreased over the same period in the prior year but increased over the three months ended June 30, 2015 due to costs related to recent acquisitions where earnings and efficiencies are being achieved in the current period.

General and administrative and marketing, sales and distribution expenses

	3 Months Ended Sept 30			9 Months Ended Sept 30			3 Months Ended		
	2015	2014	Change	2015	2014	Change	Sept 30 2015	June 30 2015	Change
General and administrative expenses	11,615	9,090	2,525	35,002	29,348	5,654	11,615	12,433	(818)
Marketing, sales and distribution expenses	7,024	6,892	132	20,824	19,060	1,764	7,024	7,104	(80)
	18,639	15,982	2,657	55,826	48,408	7,418	18,639	19,537	(898)

General and administrative and marketing, sales and distribution expenses for the three and nine months ended September 30, 2015 increased over the prior year due largely to the increased global footprint of AGT as well as various acquisition costs. The decrease for the three months ended September 30, 2015 compared to the prior quarter is due to decreased average share prices which impact the share based compensation accrual as well as a reduction in legal expense.

Expenses

	3 Months Ended Sept 30			9 Months Ended Sept 30			3 Months Ended		
	2015	2014	Change	2015	2014	Change	Sept 30 2015	June 30 2015	Change
Finance expense	10,316	5,128	5,188	25,996	20,028	5,968	10,316	7,289	3,027
Depreciation and amortization	4,686	4,618	68	13,737	13,278	459	4,686	4,428	258
Provision for (recovery of) income taxes	(3,655)	2,094	(5,749)	(3,752)	8,047	(11,799)	(3,655)	164	(3,819)
Non-cash foreign exchange effect	18,606	3,291	15,315	31,554	(9,411)	40,965	18,606	4,775	13,831

Finance expenses for the three and nine months ended September 30, 2015 increased from the three and nine months ended September 30, 2014 and from the three months ended June 30,

2015. The change is due largely to costs associated with the cross currency swap on the high yield bond interest that are recorded in both unrealized foreign exchange and in finance expense, throughout the life of the contract. Though these costs affect unrealized foreign exchange and finance expense, these are non-cash adjustments which have no impact on Adjusted EBITDA*. The expense also includes a fair value adjustment on this instrument. In addition, AGT utilizes various trade finance instruments and the costs associated with these instruments are also recorded in finance expense. On a normalized basis, finance expense is in the range of $6.5 to $7.5 million per quarter when considering interest on bank indebtedness, long term debt, bond interest and various trade finance instruments.

Depreciation expenses for the three and nine months ended September 30, 2015 were consistent with the same periods in the prior year and the prior quarter. Additional depreciation resulting from recent asset acquisitions was largely offset by reductions due to foreign exchange conversion.

Provision for income tax shows a recovery for the three and nine months ended September 30, 2015 and an expense for the three and nine months ended September 30, 2014 and the three months ended June 30, 2015.

The income tax expense is calculated for each subsidiary at the individual rate for that country and therefore can fluctuate depending on the earnings reported for each tax jurisdiction.

AGT estimates an average tax rate in the range of 25% to 26%, depending on which jurisdiction has earnings or losses, and the tax treatment of various revenues or expenses.

Non-cash foreign exchange was an expense for the three and nine months ended September 30, 2015. The change in non-cash foreign exchange from the three and nine months ended September 30, 2014 and from the three months ended June 30, 2015 is due to changes in foreign exchange rates associated with certain foreign denominated loans, receivables, payables and derivative contracts and includes the cross currency swap related to the high yield debt offering of $125 million. Adjustments to foreign exchange on foreign investments are recorded in Other Comprehensive Loss on AGT's Consolidated Statements of Comprehensive Income and are recorded in Accumulated Other Comprehensive Loss on AGT's Consolidated Statements of Financial Positon.

Reporting Segments

AGT's chief operating decision maker reviews AGT's operations and resource allocation by multiple business segments. Business segments are strategic business units with different products, processes and marketing strategies. AGT has three segments: (1) pulses and grain processing, (2) trading and distribution and (3) food ingredients and packaged foods.

The pulses and grain processing segment includes the operations of AGT factories across its global platform. The activities in this segment are viewed by management as the traditional and regular business of AGT: to source pulses and grains from producers, process them through its factories and sell these products to its network of clients in over 100 countries in the world. The segment includes all pulses processed in AGT factories in Canada, the United States, Australia, Turkey and China.

Trading and distribution relates to AGT's activities aimed at bringing its range of pulses and specialty crops direct to wholesale and retail markets. The segment currently captures AGT operations in the U.K., the Netherlands, Switzerland, Spain, Russia, Ukraine, Turkey, Australia and India.

Food and food ingredients includes the results from the pulse fractionation plant at the Minot Facility, as well as the results from the pasta, bulgur and semolina plants in Turkey and the operations in South Africa. This segment also includes the retail packaging and distribution business in Canada.

AGT's chief operating decision maker evaluates segment performance on the basis of Adjusted EBITDA*. Management believes that Adjusted EBITDA* is an important indicator 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 accounting policies used within each segment are consistent with the policies outlined in the notes to the financial statements. Segmented revenues, expenses and results include transactions between segments that occurred during the ordinary course of business. Certain estimates and assumptions were made by management in the determination of segment composition.

Net Earnings by Reporting Segment
(in thousands of Cdn. $ except as indicated, unaudited)

	Pulses and Grain Processing			Trading and Distribution			Food Ingredients and Packaged Foods			Corporate and Eliminations			Consolidated		
	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Sept 30, 2014	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Sept 30, 2014	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Sept 30, 2014	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Sept 30, 2014	3 Months Ended Sept 30, 2015	3 Months Ended June 30, 2015	3 Months Ended Sept 30, 2014
Quarterly comparisons															
Revenue	$ 259,479	$ 260,400	$ 198,027	$ 90,708	$ 79,874	$ 79,483	$ 58,432	$ 68,041	$ 54,541	$ (45,864)	$ (30,090)	$ (44,341)	$ 362,755	$ 378,225	$ 287,710
Cost of sales	236,880	240,551	179,361	86,952	76,029	75,464	48,113	56,477	46,625	(45,864)	(30,090)	(44,341)	326,081	342,967	257,109
Gross profit	22,599	19,849	18,666	3,756	3,845	4,019	10,319	11,564	7,916	-	-	-	36,674	35,258	30,601
Adjusted gross profit*	24,855	21,872	20,953	3,767	3,852	4,029	11,961	13,245	9,420	-	-	-	40,582	38,969	34,402
Adjusted EBITDA*	**$ 17,229**	**$ 15,808**	**$ 15,624**	**$ 589**	**$ 602**	**$ 1,083**	**$ 7,853**	**$ 8,554**	**$ 5,849**	**$ (2,463)**	**$ (2,758)**	**$ (1,456)**	**$ 23,208**	**$ 22,206**	**$ 21,100**
Total tonnes invoiced	290,941	254,304	234,409	122,296	86,155	112,046	55,653	70,250	56,707	(105,555)	(83,786)	(59,697)	363,335	326,923	343,465
Gross profit per metric tonne	$ 77.68	$ 78.05	$ 79.63	$ 30.71	$ 44.63	$ 35.87	$ 185.42	$ 164.61	$ 139.59				$ 100.94	$ 107.85	$ 89.09
Adjusted gross profit* per metric tonne	85.43	86.01	89.39	30.80	44.71	35.96	214.92	188.54	166.12				111.69	119.20	100.16
Adjusted EBITDA* per metric tonne	59.22	62.16	66.65	4.82	6.99	9.67	141.11	121.77	103.14				63.87	67.92	61.43

Net Earnings by Reporting Segment
(in thousands of Cdn. $ except as indicated, unaudited)

	Pulses and Grain Processing		Trading and Distribution		Food Ingredients and Packaged Foods		Corporate and Eliminations		Consolidated	
	9 Months Ended Sept 30, 2015	9 Months Ended Sept 30, 2014	9 Months Ended Sept 30, 2015	9 Months Ended Sept 30, 2014	9 Months Ended Sept 30, 2015	9 Months Ended Sept 30, 2014	9 Months Ended Sept 30, 2015	9 Months Ended Sept 30, 2014	9 Months Ended Sept 30, 2015	9 Months Ended Sept 30, 2014
Year to date comparisons										
Revenue	$ 792,238	$ 657,325	$ 266,447	$ 258,819	$ 189,203	$ 177,099	$ (121,678)	$ (134,435)	$ 1,126,210	$ 958,808
Cost of sales	729,095	601,399	254,691	244,827	157,671	153,647	(121,678)	(134,435)	1,019,779	865,438
Gross profit	63,143	55,926	11,756	13,992	31,532	23,452	-	-	106,431	93,370
Adjusted gross profit*	69,659	62,644	11,789	14,037	36,503	27,810	-	-	117,951	104,491
Adjusted EBITDA*	**$ 50,009**	**$ 45,807**	**$ 1,680**	**$ 4,394**	**$ 23,364**	**$ 17,733**	**$ (7,022)**	**$ (5,329)**	**$ 68,031**	**$ 62,605**
Total tonnes invoiced	846,845	855,101	344,775	358,650	185,322	171,507	(262,198)	(215,886)	1,114,744	1,169,372
Gross profit per metric tonne	$ 74.56	$ 65.40	$ 34.10	$ 39.01	$ 170.15	$ 136.74			$ 95.48	$ 79.85
Adjusted gross profit* per metric tonne	82.26	73.26	34.19	39.14	196.97	162.15			105.81	89.36
Adjusted EBITDA* per metric tonne	59.05	53.57	4.87	12.25	126.07	103.40			61.03	53.54

The pulses and grains processing segment showed Adjusted Gross Profit* of $85.43 per mt and Adjusted EBITDA* of $59.22 per mt for the three months ended September 30, 2015 relatively consistent to Adjusted Gross Profit* of $86.01 per mt and Adjusted EBITDA* of $62.16 per mt for the three months ended June 30, 2015 and compared to Adjusted Gross profit of $89.39 and Adjusted EBITDA* of $66.65 for the three months ended September 30, 2014. Mt's invoiced during the quarter increased over the same period last year as well as the prior quarter, however Adjusted Gross Profit and Adjusted EBITDA* per mt decreased over the same quarter in the prior year and over the prior quarter due largely to North American harvest later in the quarter and resulting lower margin sales from higher priced old crop.

The nine months ended September 30, 2015 showed Adjusted Gross Profit* and Adjusted EBITDA* of $82.26 and $59.05 per mt compared to $73.26 and $53.57 for the same period in the prior year.

The trading and distribution segment showed Adjusted Gross Profit* of $30.80 per mt and Adjusted EBITDA* of $4.82 per mt for the three months ended September 30, 2015 compared to Adjusted Gross Profit* of $44.71 per mt and Adjusted EBITDA* per mt of $6.99 for the three months ended June 30, 2015 and compared to Adjusted Gross Profit* of $35.96 per mt and Adjusted EBITDA* of $9.67 per mt for the three months ended September 30, 2014. Management continues to view this segment as augmenting AGT's ability to be a complete one-stop supplier for its key global customers, and margins depend entirely on the product mix that is invoiced in each quarter.

The nine months ended September 30, 2015 showed Adjusted Gross Profit* and Adjusted EBITDA* of $34.19 and $4.87 per mt compared to $39.14 and $12.25 per mt for the same period in the prior year.

Food ingredients and packaged foods showed Adjusted Gross Profit* of $214.92 per mt and Adjusted EBITDA* of $141.11 per mt for the three months ended September 30, 2015 compared to Adjusted Gross Profit* of $188.54 and Adjusted EBITDA* of $121.77 for the three months ended June 30, 2015 and compared to Adjusted Gross Profit* of $166.12 and Adjusted EBITDA* of $103.14 for the three months ended September 30, 2014. Tonnes invoiced decreased during the quarter due to the Ramadan holiday in Turkey and annual pasta machine maintenance as well as slightly lower demand from petfood customers due to seasonal maintenance. Adjusted Gross Profit* and Adjusted EBITDA* per mt, however, improved due to strong margins in food ingredient sales as well as pasta sales.

The nine months ended September 30, 2015 showed Adjusted Gross Profit* and Adjusted EBITDA* of $196.97 and $126.07 per mt compared to $162.15 and $103.40 for the same period in the prior year.

For the three months ended September 30, 2015 inter-company shipments were 105,555 tonnes and for the nine months ended September 30, 2015 inter-company shipments were 262,198 tonnes, meaning that they were sold from one AGT subsidiary to another for further manufacturing, further packaging and/or for sale to a final customer. Management continues in its efforts to increase the margin of its international business in all segments by capturing additional margins by encouraging AGT wholly owned subsidiaries to work collaboratively to increase trade that utilizes the sourcing advantage of one company and the distribution advantage of another.

Net working capital* decreased to $271.4 million at September 30, 2015, compared to $278.7 million at June 30, 2015 (see table on page 25) due mainly to increases in long term assets funded by working capital.

Net debt* is comprised of bank indebtedness, long term debt and current portion of long term debt, less cash and totaled $341.8 million at September 30, 2015 compared to $327.7 million at June 30, 2015 (see table on page 25). Net debt increased from June 30, 2015 due primarily to increased bank indebtedness resulting from the ramp up of inventory as is typical during the fall period.

Current assets were $666.4 million at September 30, 2015 compared to $603.8 million at June 30, 2015 (see table on page 25). The current asset base is largely accounts receivable and inventory. It is important to note that accounts receivables are largely insured by Export Development Canada ("**EDC**"), significantly reducing the risks associated with accounts receivable collection, since buyer risk is being replaced by Government of Canada risk through the export insurance.

Trade accounts receivable days outstanding remained consistent, at 44 days for the nine months ended September 30, 2015 compared to 44 days for the nine months ended September 30, 2014.

Trade accounts receivable decreased to $171.3 million at September 30, 2015, compared to $182.9 million at June 30, 2015 (see table on page 25). Although overall tonnes invoiced increased from the prior quarter, the accounts receivable levels did not increase due largely to the timing of shipments from Turkey and Australia that resulted in invoices later in the second quarter that were collected in the current period.

Inventory days outstanding were at 95 days for the nine months ended September 30, 2015 compared to 84 days for the nine months ended September 30, 2014. Inventory levels were impacted by North American harvest receipts of product subsequently shipped to AGT subsidiaries for distribution to various regions. In addition, inventory increased in Turkey due to receipt of product relating to various Syrian and Iraq refugee aid programs.

Inventory increased by $77.5 million, to $411.5 million at September 30, 2015, compared to $334.0 million at June 30, 2015. During the quarter, Canadian inventory increased by $63.4 million due to harvest period receipts and subsequent shipments later in the quarter. Inventory in Turkey increased by $30.6 million due to the timing of product received for processing and distribution to food aid sales. This was partially offset by a decrease of $12.9 million in Australia related to seasonality of crops and related sales. Inventory at other AGT subsidiaries decreased by $3.6 million.

The total of trade accounts receivable and inventory days outstanding has increased from 128 days for the nine months ended September 30, 2014 to 139 days for the nine months ended September 30, 2015 due to the larger scale of AGT compared to the prior year and the timing of shipments to subsidiaries that remained in inventory at September 30, 2015 and will ship during the fourth quarter. Accounts receivable and inventory days outstanding continue to be a focus for AGT management and the seasonality and timing of sales is considered when evaluating these metrics.

Working capital management in the areas of accounts receivable and inventory continue to be a focus of AGT management. While the inventory value is $411.5 million at September 30, 2015, this value represents a number of different commodities globally. Much of this inventory is also earmarked for sales contracts and will remain as inventory until substantial risks transfer from seller to buyer under AGT's revenue recognition policy. AGT management continues the practice of examining stock levels at each of its foreign operations to achieve an optimization of inventory levels. In addition, inventory management practices include book to physical inventory reconciliations monthly to ensure accurate recording of inventory values.

The majority of AGT sales are insured through EDC providing coverage on receivables in the event of customer default on payment. In addition, ownership of the original documents for the cargo in transit remains with AGT in most cases, due to the terms of sale. If a customer defaults on the contract, AGT can choose to resell the cargo to another customer or divert the cargo to another market. With extensive market reach and facilities or warehouses in key consumption markets, AGT has numerous options available to minimize or mitigate risk and exposure in these areas. AGT also has the option to make a claim to EDC to cover up to 90% of the receivable in question. AGT has extended its EDC coverage to all foreign operations, excluding China, to ensure that additional financial risks are largely mitigated in the current macro-economic environment.

Working capital and short-term debt is typically used by AGT to finance its export program and customer orders due to the long transit times. In addition, costs associated with the goods, such as processing costs, payments to the farmer from whom raw materials were purchased and freight costs, must be paid prior to receiving payment for sale. Customer purchases are typically backed by irrevocable letters of credit (LC) or cash against document (CAD) terms and therefore payment risk is mitigated. The EDC policy remains in place to ensure that a catastrophic loss in any particular region will not hinder payment. Management has implemented steps to monitor accounts receivable aging and inventory turns at each facility. Metrics are calculated for each facility and correlate to facility compensation.

In addition, much of the bank financing availability is determined based on a borrowing base calculation and therefore this financing is backed by the inventory and accounts receivable.

AGT management will continue in its efforts to optimize capital utilization and debt levels to ensure a predictable return on deployed capital for shareholders. It is anticipated that with a predicted return to more seasonal flows in the global pulse and staple foods markets, AGT management may observe a potential de-levering of the balance sheet with a gradual ramp up of working capital in the early months of the calendar year. This seasonal working capital trend has been observed in past years and reflects the normalized consumption patterns of markets for AGT's products.

Dividends - AGT paid a dividend in October 2015 of $3.5 million ($0.15 per share) in the aggregate to its shareholders of record.

It is currently anticipated that, going forward, AGT will continue to pay a quarterly dividend, the amount of which will be determined by the Board of Directors. AGT's dividend policy will be subject to the discretion of the Board of Directors and may vary depending on, among other things, AGT's earnings, financial requirements, the satisfaction of solvency tests imposed by the *Business Corporations Act* (Ontario) for the declaration of dividends and other relevant factors. AGT and its predecessors have declared and paid the quarterly dividend each quarter since its inception in 2005. Management does not anticipate a reduction of the current dividend in the coming periods.

AGT's financial statements are presented in Canadian dollars, but AGT's operating subsidiaries earn revenues and incur expenses in several currencies, including U.S. dollars ("**USD**"), Turkish lira ("**TL**"), Australian dollars ("**AUD**"), Pounds Sterling ("**GBP**"), Euros ("**EUR**"), South African rand ("**ZAR**"), Renminbi of the People's Republic of China ("**RMB**") and the Indian Rupee ("**INR**").

Balance sheet accounts of subsidiaries are valued at September 30, 2015 and December 31, 2014 foreign exchange rates as follows [Source: Bank of Canada]:

	Sept 30, 2015	**Dec 31, 2014**
USD/CDN	1.33450	1.16010
AUD/CDN	0.94020	0.94790
TL/CDN	0.44250	0.49660
GBP/CDN	2.02440	1.80710
EUR/CDN	1.49510	1.40380
ZAR/CDN	0.09693	0.10050
RMB/CDN	0.21070	0.18690
INR/CDN	0.02045	0.01840

For each subsidiary, any difference between the September 30, 2015 exchange rate and the average exchange rate used to record revenues and expenses is recorded as other comprehensive income (loss) on AGT's Consolidated Statement of Comprehensive Income and Consolidated Statement of Changes in Equity.

Liquidity and Capital Resources

Liquidity risk is the risk that AGT cannot meet a demand for cash or fund its obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

AGT has been able to generate sufficient cash from its operations and through access to equity, operating lines and other facilities to maintain its operations and development activities, and pay its declared dividends. AGT's ability to generate sufficient cash resources from its operations will depend, among other things, on future harvests of and demand for pulses and special crops. Please see "Dividends" above and "Outlook" for a discussion of these factors. Further information relating to the risks and uncertainties to which AGT and its subsidiaries are subject to is summarized in AGT's most recent AIF, which is available, together with additional information relating to AGT, on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.com.

AGT's working capital requirements fluctuate from quarter to quarter as the supply of pulses and special crops fluctuates, since payments to suppliers form the largest item of the working capital requirements. AGT's working capital requirements are met from its earnings, with its credit facility providing bridge financing until payments for sales are received.

At September 30, 2015, AGT had total operating lines available of $197.7 million (December 31, 2014 - $183.4 million). Included in these facilities is a syndicated debt facility of $153.0 million (December 31, 2014 – $153.0 million) secured by a general security agreement and security interests against real property owned by AGT and certain of its subsidiaries, maturing in January 2017. The weighted average interest rate on available operating lines is 3.4% (December 31, 2014 – 3.9%).

The Canadian credit facilities have floating interest rates, and management regularly monitors interest rates to make adjustments to its fixed versus floating interest rate management program. AGT also uses short term banker's acceptances from time to time to mitigate a portion of its floating interest rate risk in its operating credit facilities. As a result of the low interest rates prevailing in Canada in recent years, management has decided to leave its Canadian credit facilities largely at floating interest rates.

At September 30, 2015, AGT is in compliance with its financial covenants under all credit agreements.

AGT has implemented a global foreign exchange management program to effectively manage its net exposure to the U.S. dollar, while matching its local currency operations to minimize net exposure to any one foreign currency. AGT's operations in Canada, Australia and Turkey are managed such that net exposures to local currencies are mitigated through offsetting local currency receipts with local currency requirements and borrowings, and hedging programs where appropriate.

On June 2, 2015 AGT completed the purchase of the assets of WCRR by AGT's wholly owned subsidiary, APP. The acquisition includes bulk loading sites located in Saskatchewan.

On October 30, 2015, AGT acquired the outstanding shares of Mobil for total consideration of $57.5 million. The consideration transferred consisted of $19.0 million cash, the issuance of $19.0 million of common shares in the capital of AGT (being 722,803 common shares) and a $19.5 million promissory note repayable in equal instalments for a period of five years from the date of closing.

The acquisition of Mobil complements AGT's previously completed investment in bulk loading and handling assets of WCRR. Efficient transportation options are essential to the growth and expansion of AGT's business and the Mobil acquisition helps ensure AGT maintains its dominant position in pulses and grains in Canada and the world.

Capital Management

AGT manages its capital to ensure financial flexibility and to increase shareholder value through a combination of acquisitions and organic growth. This allows AGT to respond to changes in economic and/or marketplace conditions. AGT also strives to maintain an optimal capital structure to reduce the overall cost of capital. In the management of capital, AGT includes bank indebtedness, long term debt and shareholders' equity. It may be difficult to accurately predict market requirements for attracting capital. There were no changes in AGT's approach to capital management during the year.

AGT includes Net Debt* and shareholders' equity as components of its capital structure. The calculation of shareholders' equity, Net Debt* and capital is set out in the following table:

Net debt and capital

(in thousands of Cdn. $)	Sept 30, 2015 (unaudited)	June 30, 2015 (unaudited)	Dec 31, 2014
Long term debt	$ 276,165	$ 276,274	$ 245,242
Bank indebtedness, short term financing and current portion of long term debt	107,530	98,380	97,149
Cash and cash equivalents	(41,913)	(46,932)	(29,319)
Net debt*	**$ 341,782**	**$ 327,722**	**$ 313,072**
Shareholders' equity	291,918	316,207	322,070
Capital	**$ 633,700**	**$ 643,929**	**$ 635,142**

Selected asset and liability information

(in thousands of Cdn. $)	Sept 30, 2015 (unaudited)	June 30, 2015 (unaudited)	Dec 31, 2014
Cash and cash equivalents	$ 41,913	$ 46,932	$ 29,319
Trade accounts receivable	171,340	182,922	191,751
Inventory	411,538	334,045	341,757
Bank indebtedness, short term financing and current portion of long term debt	107,530	98,380	97,149
Accounts payable, accrued liabilities and deferred revenue	283,334	221,272	216,150
Long-term debt	276,165	276,274	245,242
Total current assets(1)	666,441	603,822	601,050
Total current liabilities(1)	395,019	325,117	320,026
Net working capital*	271,422	278,705	281,024

(1)Excludes derivative assets and liabilities

Consolidated capitalization information

Consolidated capitalization information of AGT includes information on the operations of AGT Foods Canada, AGT Foods USA, Australia Milling Group and Poortmans, consolidated (the "**APP Group**") as well as information on AGT and other entities, and is set out in the following table:

Capital Structure
(in thousands of Cdn. $)

	Sept 30, 2015	Dec 31, 2014	Financial Statement Caption
APP Group			
Senior secured APP bank facility	$ 91,606	$ 76,741	bank indebtedness
Senior secured APP bank facility	158,979	128,652	long term debt
Poortman facility (GBP 11.25 million)	1,329	5,105	bank indebtedness
Other	1,062	1,080	long term debt
	$ 252,976	$ 211,578	
Arbel/Other Entities (excluding AGT)			
Senior secured Advance Seed facility	$ 8,468	$ 9,372	bank indebtedness
Other	89	52	long term debt
	$ 8,557	$ 9,424	
AGT			
Notes outstanding	$ 122,162	$ 121,389	long term debt
Total debt	$ 383,695	$ 342,391	
September 30, 2015 financial statements			
Bank indebtedness	$ 101,403	$ 91,218	
Long term debt, including current portion	282,292	251,173	
	$ 383,695	$ 342,391	

Cash flow summary (unaudited)
(in thousands of Cdn. $)

	3 months ended Sept 30, 2015	3 months ended June 30, 2015	3 months ended March 31, 2015	3 months ended Sept 30, 2014	Difference Sept 30, 2015 to Sept 30, 2014
Cash flow from operating activities	$ (2,726)	$ 44,204	$ (12,115)	$ 718	$ (3,444)
Cash flow from financing activities	5,708	2,241	21,781	170	5,538
Cash flow from investing activities	(9,042)	(35,923)	(3,844)	(1,987)	(7,055)
Effect of exchange rate changes on cash	1,041	(1,072)	2,341	220	821
Change in cash	$ (5,019)	$ 9,450	$ 8,163	$ (879)	$ (4,140)

	3 months ended Sept 30, 2015	3 months ended June 30, 2015	3 months ended March 31, 2015	3 months ended Sept 30, 2014	Difference Sept 30, 2015 to Sept 30, 2014
Non-cash working capital	$ (14,103)	$ 26,859	$ (20,719)	$ (6,016)	$ (8,087)

Cash flow from operating activities for the three months ended September 30, 2015 was a decrease of $2.7 million compared to an increase of $44.2 million for the three months ended June 30, 2015 and compared to an increase of $0.7 million for the three months ended September 30, 2014. The change when comparing the three months ended September 30, 2015 to the three months ended June 30, 2015 and to the three months ended September 30, 2014 is due to an decrease in non-cash working capital, relating mainly to an increase in inventory that was received during the third quarter and will be shipped and sold during the fourth quarter. This increase was largely offset by an increased in accounts payable, accrued liabilities and deferred revenue as well as a decrease in accounts receivable.

Cash flow from financing activities for the three months ended September 30, 2015 was an increase of $5.7 million compared to an increase of $2.2 million for the three months ended June 30, 2015 and compared to an increase of $0.2 million for the three months ended September 30, 2014. This is due largely to increased bank indebtedness, offset by dividends paid in the quarter.

Cash flow from investing activities for the three months ended September 30, 2015 was a decrease of $9.0 million compared to a decrease of $35.9 million for the three months ended June 30, 2015 and a decrease of $2.0 million for three months ended September 30, 2014. The change from the three months ended September 30, 2015 compared to the three months ended June 30, 2015 is due to mainly to costs associated with the de-flavouring line in Minot as well as the pasta line in Turkey and trucking equipment in Canada. Also included are construction costs associated with the Gibbons, Alberta facility.

Cash Flow Information – Non-Cash Working Capital

Non-cash working capital for the three months ended September 30, 2015 decreased by $14.1 million compared to an increase of $26.9 million for the three months ended June 30, 2015 and compared to a decrease of $6.0 million for the three months ended September 30, 2014. This is due to increased inventory that is typical for the North American harvest period, offset by increased accounts payable, accrued liabilities and deferred revenue and decreased accounts receivables.

Accounts Payable, accrued liabilities and deferred revenue

Accounts payable, accrued liabilities and deferred revenue increased by $62.0 million, from $221.3 million at June 30, 2015 to $283.3 million at September 30, 2015. This is due largely to increased deferred producer cheques which are typical as the end of the year approaches, as well as utilizing alternatives to improve cash flows with various instruments available to AGT.

Leases

AGT classifies leases as either finance or operating. Leases that transfer substantially all of the benefits and risk of ownership to AGT are accounted for as finance leases. Assets under finance leases are depreciated on a straight-line basis over the term of the lease unless the terms contain a bargain purchase option in which case the asset is amortized over the asset's estimated economic life on a straight-line basis. Rental payments under operating leases are expensed as incurred.

Transactions with other related parties

AGT has defined key management personnel as senior executive officers, as well as the Board of Directors, as they have the collective authority and responsibility for planning, directing and controlling the activities of AGT. The following table outlines the total compensation expense for key management personnel:

(in thousands of Cdn. $)

	Sept 30, 2015	Sept 30, 2014
Short term benefits (wage, bonus, vacation paid out, directors fees)	$ 3,071	$ 2,039
Post employment benefits (RRSP)	95	65
Other long term benefits including stock based compensation (long term incentive plan)	2,285	2,180
	$ 5,451	$ 4,284

Certain key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The transactions were conducted in the normal course of business and were accounted for at the exchange amount.

Transactions with key management and corporations significantly influenced or controlled by AGT directors or key management

	Sept 30, 2015	Dec 31, 2014
Accounts receivable	$ 559	$ 256
Accounts payable	2,208	3,104

	Sept 30, 2015	Sept 30, 2014
Revenue	$ 13	$ 2,715
Purchases	4,128	7,051

AGT contracted labour and construction support for ongoing construction projects from entities owned or controlled by directors of AGT or its subsidiaries. The accounts payable in the table above relate primarily to deferred compensation for key management and payables related to the construction projects.

Off Balance Sheet Arrangements

The nature of AGT's derivatives are disclosed in note 10 of AGT's December 31, 2014 annual audited consolidated financial statements. AGT has no other off balance sheet arrangements.

Critical Accounting Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires AGT management to make judgments, estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity or where assumptions and estimates are significant to the consolidated financial statements are as follows:

Impairment of long-lived and intangible assets

In assessing the recoverability of long-lived and intangible assets, judgment is required in the determination of the appropriate grouping of assets that generate cash inflows or cash generating units ("**CGU's**"). The determination of CGU's is based on management's assessment of independence of revenue earned, operating asset utilization, shared infrastructure, geographic proximity and similarity of risk exposures. AGT also uses significant judgment in evaluating if a triggering event occurs which would warrant an evaluation of impairment of long-lived and intangible assets based on the identified CGU's.

AGT assesses the carrying values of property, plant and equipment, intangibles assets, and goodwill annually. Recoverability is determined through assumptions and estimates regarding future cash flows, sustaining capital requirements, discount rates, and asset lives. A material change in assumptions may impact the potential recoverability of these assets, resulting in amounts charged against current earnings.

Income Taxes

AGT operates in a number of tax jurisdictions and is required to estimate its income taxes in each of these jurisdictions in preparing its financial statements. Significant judgment is required related to the classification of transactions and assessment of probable outcomes as well as timing of future results. Significant estimates are required in determining income tax provisions and the recoverability of deferred income tax assets. In calculating income taxes, consideration is given to items such as tax rates in each jurisdiction, deductibility of expenses, changing tax laws and management's expectations about future results. AGT estimates deferred income taxes based on temporary differences, income and losses for financial reporting purposes and income and losses determined under the substantively enacted tax laws and rates. The tax effect of these temporary differences is recorded as a deferred tax assets or liabilities in the financial statements. If these estimates prove to be inaccurate, future earnings may be materially impacted.

Derecognition of accounts receivable

Significant judgment is applied when determining whether financial instruments qualify for derecognition and whether substantially all of the risks, as well as the rights, control and ownership of the accounts receivable and their cash flows were transferred to a third party. AGT has removed the related accounts receivable from the statement of financial position and recognizes any costs in finance expense.

Fair value of derivative instruments

The fair value of derivative instruments is estimated using inputs, including foreign exchange rates and interest rates (Level 2), as described in note 10 of AGT's December 31, 2014 annual audited consolidated financial statements. These inputs are subject to change on a regular basis based on the interplay of various market forces. Consequently, the fair value of AGT's derivative instruments is subject to change each reporting period.

Functional Currency

The identification of functional currency for each of the legal entities involves significant judgment. AGT has assessed the factors in determining the appropriate functional currency and summarized the results in note 3(c) of AGT's December 31, 2014 annual audited consolidated financial statements.

Financial Instruments:

Non-derivative financial assets

AGT initially recognizes loans and receivables and deposits on the date that they are originated at fair value and subsequently measured at amortized cost. All other financial assets are recognized initially on the trade date at which AGT becomes a party to the contractual provisions of the instrument.

AGT derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interests in transferred financial assets that are created or retained by AGT are recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, AGT has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets at fair value through profit and loss

A financial asset is classified at fair value through profit and loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit and loss if AGT manages such investments and makes purchase and sale decisions based on their fair value in accordance with AGT's documented risk management or investment strategy. Upon initial recognition relevant transaction costs are recognized in net earnings as incurred. Financial assets at fair value through profit and loss are measured at fair value, and changes therein are recognized in net earnings.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Non-derivative financial liabilities

AGT initially recognizes short term debt securities on the date that they are originated at fair value and expenses related transaction costs. Debt associated with long term agreements is initially recognized at fair value less any directly attributable transaction costs. All other financial liabilities (including liabilities designated at fair value through profit and loss) are recognized initially on the trade date at which AGT becomes a party to the contractual provisions of the instrument. AGT derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Subsequent to initial recognition, liabilities are categorized as fair value through profit and loss or other liabilities measured at amortized cost using the effective interest method. Refer to note 3 of AGT's December 31, 2014 annual audited consolidated financial statements for current year presentation of financial liabilities by category.

Derivative financial instruments

AGT holds derivative financial instruments to mitigate its foreign currency risk exposures. Embedded derivatives are separated from the host contracts and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through net earnings.

Derivatives are recognized initially at fair value with attributable transaction costs recognized in net earnings as incurred. AGT has not elected to follow hedge accounting and subsequent to initial recognition, derivatives are measured at fair value, and changes in fair value are recognized immediately in net earnings.

AGT, as part of its operations, carries a number of financial instruments that include cash, bank indebtedness, accounts receivable, investments, accounts payable and accrued liabilities, dividends payable, and long-term debt. The fair value of cash, bank indebtedness, accounts receivable, accounts payable and accrued liabilities, and dividends payable approximate their carrying value given their short-term maturities. Long-term debt is carried at amortized cost and the carrying value does not change as interest rate changes.

To mitigate risks associated with certain financial assets, AGT utilizes sales terms such as letters of credit, cash against documents, prepayments and accounts receivable insurance. Sales are made to customers that management feel are creditworthy.

Disclosure Controls and Procedures

Disclosure Controls and Procedures ("**Disclosure Controls**") are designed to provide reasonable assurance that all relevant information required to be disclosed in documents filed with securities regulatory authorities is recorded, processed, summarized and reported on a timely basis, and is accumulated and communicated to AGT management, including the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), as appropriate, to allow timely decisions regarding required disclosure. Management, including the CEO and the CFO, do not expect that AGT's Disclosure Controls will prevent or detect all error and all fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company have been detected.

National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings", issued by the Canadian Securities Administrators ("**CSA**"), requires CEOs and CFOs to certify that they are responsible for establishing and maintaining Disclosure Controls for the issuer, that Disclosure Controls have been designed to provide reasonable assurance that material information relating to the issuer is made known to them, that they have evaluated the effectiveness of the issuer's Disclosure Controls, and that their conclusions about the effectiveness of those Disclosure Controls at the end of the period covered by the relevant annual filings have been disclosed by the issuer. AGT's CEO and the CFO evaluated the design and operating effectiveness of AGT's Disclosure Controls as at September 30, 2015 and concluded that AGT's Disclosure Controls were effective.

Internal Controls over Financial Reporting

National Instrument 52-109 also requires the CEO and CFO to certify that they are responsible for establishing and maintaining internal controls over financial reporting ("**ICFR**"), as defined by the CSA, that the ICFR have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, and that AGT has disclosed any changes in its ICFR during its most recent period that have materially affected, or are reasonably likely to materially affect, its financial reporting.

As discussed above, the inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, have been detected. Therefore, no matter how well-designed, ICFR have inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

Management, under the supervision of the CEO and the CFO, has evaluated the ICFR using the framework and criteria established in the 2013 Internal Controls – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management, including the CEO and CFO, evaluated the design effectiveness of AGT's ICFR. Based on this evaluation, the CEO and the CFO have concluded that as at September 30, 2015, ICFR (as defined in NI 52-109) were designed effectively.

During the quarter, AGT's Canadian subsidiary implemented a new financial management and reporting system. This resulted in no material change to AGT's ICFR.

There were no other changes in our ICFR during the period ended September 30, 2015 that have materially affected, or are reasonably likely to affect our ICFR.

New Standards and Interpretations

The International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") have issued the following standards and amendments that have not been applied in preparing these consolidated financial statements, as their effective dates fall in annual periods beginning subsequent to the current reporting period.

Proposed standards	Description	Previous Standard	Effective Date
Amendments to IAS 1 Presentation of Financial Statements	Issued in December 2014. Amendments will not require a significant change to current practice, but expected to improve financial statement disclosure	IAS 1 Presentation of Financial Statements	January 1, 2016
Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangibles Assets	Issued in May 2014. Standards explicitly state that revenue based depreciation is not acceptable.	IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets	January 1, 2016
IFRS 15 Revenue from Contracts with Customers	Issued in May 2014. Standard creates a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. This standard may change how much and when revenue can be recognized.	IAS 18 Revenue, IFRIC 18 Transfer of Assets from Customers	Fiscal years beginning on or after January 1, 2018
IFRS 9 Financial Instruments	Initially issued in November 2009 to address the classification and measurement of financial assets. Additional guidance issued in October 2010 on the classification and measurement of financial liabilities.	IAS 39 Financial Instruments: Recognition and Measurement	January 1, 2018

Management is assessing the potential impact of standards and amendments effective in future years for impacts on both quantitative and qualitative disclosure. AGT expects to adopt these standards on their respective effective dates on a prospective basis. AGT does not expect any significant impact.

Outstanding Share Data

As at the date hereof, there are issued and outstanding 23,793,157 common shares and 411,667 options of AGT.

Risks and Uncertainties

Information relating to the risks and uncertainties to which AGT and its subsidiaries are subject is summarized in AGT's most recent AIF, which is available, together with additional information relating to AGT, on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.com. Potential risks and uncertainties include operating requirements, volume, transportation and transloading, distribution and supply contracts, customer retention and competitive environment, foreign operations, integration of acquisitions, realization of benefits from acquisitions, acquisition and expansion, reliance on key personnel, localized decision making, potential undisclosed liabilities, uninsured and underinsured losses, global financial crisis and general economic conditions, wholesale price volatility, capital markets, leverage and capital requirements, financing and credit liquidity, reduced dividend payment, international agricultural trade, foreign exchange, counterparty and export, geographic and political, environmental protection, energy price fluctuation, information technology, regulatory oversight, financial reporting, control of AGT and dilution of shareholders. To Management's knowledge, no significant changes to these risks and uncertainties have occurred in the period ended September 30, 2015.

Commitments and Contingencies

AGT enters into contracts with producers. The contracts provide for delivery of specific quantities and include specific prices based on the grade that is delivered. The terms of the production contracts are not longer than one year.

At September 30, 2015, AGT had letters of credit in favour of the Canadian Grain Commission in the amount of $13.0 million (December 31, 2014 - $13 million). The letter of credit is callable by the beneficiary in the event of a producer grain payment default. The letter of credit expires on December 31, 2016.

At September 30, 2015, AGT had letters of guarantee in Turkey for the amount of $4.3 million (December 31, 2014 - $2.8 million).

At September 30, 2015, AGT had capital project commitments related to the food ingredients and packaged food segment for the amount of $5.2 million (December 31, 2014 - nil).

AGT has various legal matters pending which, in the opinion of management, will not have a material effect on AGT's unaudited consolidated financial position or results of operations. Should the ultimate resolution of actions differ from management's assessments and assumptions, a material adjustment to AGT's financial position or results of operations could result. Should circumstances change, provisions could change materially.

Interest Rate Risk

Fluctuations in interest rates impact the future cash flows and fair values of various financial instruments. With respect to its debt portfolio, AGT addresses interest rate risk by using various floating rate instruments. The exposure is also managed by aligning current and long term assets with outstanding debt and making use of global credit facilities.

AGT is exposed to interest rate fluctuations on its variable-rate debt. Changes in market interest rates cause the fair value of long term debt with fixed interest rates to fluctuate but do not affect net earnings as AGT's debt is carried at amortized cost and the carrying value does not change as interest rate changes.

Foreign Currency Risk

To mitigate risk associated with foreign currency, AGT enters into sales denominated in U.S. currency for which the related revenue and accounts receivable balances are subject to exchange rate fluctuations. AGT has entered into certain foreign exchange contracts with maturities of less than two years to manage risks associated with entering into new sales contracts denominated in U.S. dollars, Euros, British pounds and Australian dollars. AGT has also entered into a cross currency swap as a part of the management of its senior secured second lien notes which are disclosed in note 8 of AGT's December 31, 2014 audited consolidated financial statements. For the Arbel Group, transactions in foreign currencies expose AGT to foreign currency risk, arising mainly from the fluctuation of foreign currency used in the conversion of foreign denominated assets and liabilities into Turkish lira. This risk is mitigated by the use of Turkish lira to satisfy local operating requirements and the Turkish lira position is monitored by Management.

Foreign currency risk arises as a result of foreign exchange rates in the future and the difference between the assets and liabilities recognized. In this regard, AGT manages this risk by matching foreign currency denominated assets and liabilities. Management reviews the foreign currency open position and takes risk management measures if required.

AGT measures its exposure to foreign exchange risk on financial instruments as the change in carrying values that would occur as a result of reasonably possible changes in foreign exchange rates, holding all other variables constant.

Translation exposures arise from financial and non-financial items of operations with functional currencies different from the Company's reporting currency. AGT recognizes currency translation adjustments in other comprehensive income.

The exchange rate between the functional currencies of AGT and its subsidiaries and the U.S. dollar affects the financial results of AGT's operations.

Sales are routinely denominated in U.S. dollars, while production costs are largely denominated in the functional currency of a subsidiary. AGT uses derivative instruments to try to protect net inflows (total sales less U.S. dollar cash expenses and product purchases) against changes in the USD in the shorter term. AGT also swapped its proceeds of the Senior Secured Notes issued in 2013 to U.S. dollar as operating costs in many jurisdictions can be denominated in U.S. dollars. The terms of the swap payments align with the payments of the Senior Secured Notes.

Commodity Price Risk

AGT is a significant processor and supplier of pulse crops and bears significant exposure to changes in prices to these products. A substantial change in prices will affect the Company's net earnings, working capital and operating cash flows. Prices for AGT's products are volatile and are influenced by numerous factors beyond the Company's control, such as supply and demand fundamentals, geographical events and weather.

AGT's sales contracting strategy focuses on reducing the volatility in future earnings and cash flow while providing protection against decreases in market price and retention of future market price increases. To mitigate the risks associated with the fluctuations in the market price for pulse crops, AGT maintains a portfolio of product sales contracts with a variety of delivery dates and pricing mechanisms that provide a degree of protection from pricing volatility.

Caution about forward looking statements

This MD&A contains certain forward-looking statements. Forward-looking statements include but are not limited to, those with respect to: the performance of certain of AGT's segments, including without limitation, export levels, production quality, conditions, demand, capacity utilization, capital expenditures utilization, yields, sales volumes, de-risking impact, capital expenditures and growth expectations; the Minot Facility, including without limitation, additional facilities that may be commissioned, sales volumes in 2015 and 2016, the requirement for additional capacity, the capital budget regarding expansion and capacity increases; expected synergies; global supplies; global demand; pasta production line at Mersin; sales opportunities; AGT's dividend policy; and internal controls over financial reporting. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

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 AGT's most recent AIF, which is available on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.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.

Although AGT believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as at the date of this MD&A. In addition to other assumptions identified in this MD&A, assumptions have been made regarding, among other things, Western Canadian, U.S. Northern Plains, Southern Australian crop and Turkish production quality; the volume and quality of crops held on-farm by producer customers in North America; demand for and supply of open market pulses; movement and sale of pulses in Australia and Turkey, particularly in the Australian states of South Australia, New South Wales and Victoria; agricultural commodity prices; demand for lentils, peas, chickpeas and bean crop products and the market share of these products that will be achieved; general financial conditions for Western Canadian, U.S. Northern Plains, Turkish and Southern Australian agricultural producers; market share of pulse deliveries and sales that will be achieved by AGT; the ability of the railways to ship pulses to port facilities for export without labor or other service disruptions; the ability to maintain existing customer contracts and relationships; the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; and currency, exchange and interest rates.

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 as may be required 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* 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 40.

Reconciliation of Net Earnings, Adjusted Net Earnings*, Adjusted Net Earnings Per Share* and Adjusted EBITDA*

(in thousands of CDN $ except as indicated, unaudited)

(1) Non-recurring costs deemed by Management to be non-cash, non-recurring, relating to acquisitions, financing, severance costs, share-based payments or other, predominantly reported within General and Administrative Expenses.

	For the three months ended Sept 30, 2015	For the three months ended Sept 30, 2014
Net (loss) earnings	$ (7,232)	$ 4,106
(Deduct) Add:		
Income tax (recovery) expense	(3,655)	2,094
Depreciation and amortization expense	4,686	4,618
Finance expense	10,316	5,128
EBITDA	4,115	15,946
Non-cash foreign exchange loss	18,606	3,291
Non-recurring and other expenses (1)	487	1,863
Adjusted EBITDA*	**23,208**	**21,100**
Less:		
Finance expense	10,316	5,128
Depreciation and amortization expense	4,686	4,618
Income tax (recovery) expense	(3,655)	2,094
Adjusted net earnings*	**$ 11,861**	**$ 9,260**
Basic adjusted net earnings* per share	0.51	0.46
Diluted adjusted net earnings* per share	0.51	0.45
Basic weighted average number of shares outstanding	23,070,354	20,201,358
Diluted weighted average number of shares outstanding	23,297,482	20,410,584

Reconciliation of Net Working Capital* and Net Debt*

(in thousands of CDN $, unaudited)

	Sept 30, 2015	Dec 31, 2014
Current assets(1)	$ 666,441	$ 601,050
Current liabilities(1)	395,019	320,026
Net working capital*	$ 271,422	$ 281,024
Long term debt	$ 276,165	$ 245,242
Bank indebtedness and current portion of long term debt	107,530	97,149
Cash and cash equivalents	(41,913)	(29,319)
Net debt*	$ 341,782	$ 313,072

(1) excludes derivative assets and liabilities

Market Share, Industry Data and Other Statistical Information

This MD&A includes market share, industry data and other statistical information that AGT has obtained from independent industry publications, government publications, market research reports and other published independent sources. Such publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although AGT believes these publications and reports to be reliable, it has not independently verified any of the data or other statistical information contained therein, nor has it ascertained or validated the underlying economic or other assumptions relied upon by these sources and cannot, and does not, provide any representation or assurance as to the accuracy or completeness of the information or data, or the appropriateness of the information or data for any particular analytical purpose and, accordingly, disclaims any liability in relation to such information and data. AGT has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.