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FOR IMMEDIATE RELEASE
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SYMBOL: TSX: AGT

**AGT Food and Ingredients Inc. Announces First Quarter Results and
Adoption of Shareholder Rights Plan**

REGINA, MAY 11, 2016 – AGT Food and Ingredients Inc. (TSX:AGT) ("**AGT**" or the "**Company**") has announced its financial results for the three months ended March 31, 2016 and that its board of directors (the "**Board**") has approved the adoption of a shareholder rights plan (the "**Rights Plan**") effective as of today.

Financial results for the three months ended March 31, 2016 include:

- **Adjusted EBITDA*** was \$31.4 million for the three months ended March 31, 2016, an increase of 38.9% over \$22.6 million for the three months ended March 31, 2015.
- **Adjusted EBITDA*** was \$109.7 million for the trailing twelve months ended March 31, 2016, an increase of 18.6% over \$92.5 million from the trailing twelve months ended March 31, 2015.
- **Revenue** was \$441.4 million for the three months ended March 31, 2016 compared to \$385.2 million for the three months ended March 31, 2015.
- **Food ingredients and packaged foods** segment was consistent and represented 12.2% of total tonnes invoiced and 29.2% of Adjusted EBITDA* for the three months ended March 31, 2016 compared to 14.0% of total tonnes invoiced and 30.71% of Adjusted EBITDA* for the three months ended March 31, 2015.
- **Dividend** of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis).

"We are pleased with the consistency with which our business is performing across our segments. The strides we have taken to diversify our business with regard to products, markets and seasonality are key drivers to AGT's consistent performance. While products in Canada are near depleted due to strong customer demand-led export programs, the harvest in Australia has been a positive contributor and we may see record levels of lentils and peas in Canada in 2016, which we expect will extend positively to our business. Our traditional processing infrastructure and our new bulk handling assets are certainly well positioned to capitalize on these opportunities. Additionally, our food ingredient and packaged foods business is progressing, supporting our previously announced expansions in Minot," said Mr. Murad Al-Katib, President and CEO of AGT.

The financial statements and notes thereto for the three months ended March 31, 2016, as well as the related management's discussion and analysis, have been filed under AGT's profile on www.sedar.com and have been posted on AGT's website at www.agtfoods.com. All amounts are reported in Canadian dollars.



AGT invites you to join our First Quarter 2016 conference call on Thursday, May 12, 2016 at 11:00 a.m. Eastern time. To join the conference, please dial 1-800-319-4610 (toll free from Canada & the U.S.) or +1-604-638-5340 (from outside Canada & the U.S.).

A recording of the call will be available at www.agtfoods.com on Thursday, May 12, 2016. A telephone replay will also be available until midnight Eastern time, Friday, June 10, 2016. To access the replay, please call 1-800-319-6413 (toll free from Canada & the U.S.) or +1-604-638-9010 (from outside Canada & the U.S.). When prompted, enter the code 00443, followed by the number sign (#).

Adoption of Rights Plan

The Rights Plan is designed to encourage the fair treatment of shareholders in connection with a take-over bid for the outstanding common shares of AGT.

The Rights Plan is similar to the types of rights plans adopted by other Canadian corporations, with such amendments to take into consideration recent changes to the take-over bid rules in Canada. AGT believes it is consistent with certain published institutional investor guidelines. The Rights Plan is not being adopted in anticipation of, or in response to, any known take-over bid or similar transaction, nor is the Board aware of any pending or threatened take-over bid for the Company that would trigger the provisions of the Rights Plan at this time. The Rights Plan is not intended to prevent take-over bids.

Under the terms of the Rights Plan, one right (a "**Right**") will be issued by the Company in respect of each outstanding common share. The Rights issued under the Rights Plan become exercisable only if a person acquires 20% or more of AGT's outstanding common shares without complying with the "Permitted Bid" provisions of the Rights Plan or without the approval of the Board. In this event, Rights holders (other than the offeror, its affiliates, associates and joint actors) can acquire common shares at a substantial discount to the prevailing market price at the time that the Rights become exercisable.

"Permitted Bids" under the Rights Plan must be made to all holders of AGT's common shares and must be open for acceptance for a minimum of 105 days (which period may be reduced in certain circumstances). If at the end of such prescribed period at least 50% of the outstanding common shares (other than those owned by the offeror, its affiliates, associates and joint actors) have been tendered and not withdrawn, the offeror may take up and pay for the common shares but must extend the take-over bid for a further 10 days to allow other shareholders to tender to such take-over bid.

The Rights Plan has been accepted for filing by the Toronto Stock Exchange, subject to shareholder ratification. AGT expects to seek shareholder approval and ratification of the Rights Plan at its upcoming annual and special meeting of shareholders to be held on June 15, 2016. The foregoing description of the Rights Plan is qualified in its entirety by the full text of the Rights Plan, a copy of which is available under AGT's profile on SEDAR at www.sedar.com.



AGT Food and Ingredients Inc. Profile

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

Cautionary Statements

Certain statements in this press release are forward-looking statements. In particular, this press release contains forward-looking statements with respect to, among other things, AGT's strategies, AGT's growth opportunities, the compatibility of the Rights Plan with certain published institutional investor guidelines, the timing of seeking ratification of the Rights Plan by shareholders, the level of lentils and peas in Canada in 2016 and the expected benefits therefrom. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT dated March 24, 2016 which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.



Non-IFRS Financial Measures

AGT provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include Adjusted Gross Profit (gross profit plus depreciation in cost of sales), Adjusted EBITDA* (earnings before finance expense, income taxes, depreciation and amortization, restructuring costs and any effects of non-cash, non-recurring and other costs and foreign exchange adjustment), Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share *(earnings before any effects of non-cash, non-recurring and other costs, restructuring costs and foreign exchange adjustments), Net Debt* (bank indebtedness, short term financing and long term debt less cash) and Net Working Capital* (current assets less current liabilities). Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share* do not include the tax effect of non-cash, non-recurring and other costs and foreign exchange. Management believes that Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share, Net Debt* and Net Working Capital* are important indicators of AGT's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose. The exclusion of non-cash and foreign exchange adjustments eliminates the non-cash impact on Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*. Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* are also used by investors and analysts for the purpose of valuing AGT. The intent of these measures is to provide additional useful information to investors and analysts and the measure does not have any standardized meaning under IFRS. Adjusted Gross Profit*, Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* should therefore not be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS. For a reconciliation of net earnings (loss) determined in accordance with IFRS to Adjusted EBITDA*, Adjusted Net Earnings* and Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*, see the table on page 34 in the related management's discussion and analysis for the three months ended March 31, 2016.

For further information:

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