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**FOR IMMEDIATE RELEASE**  
**MAY 8, 2017**

**SYMBOL: TSX: AGT**

### **AGT Food and Ingredients Inc. Announces First Quarter 2017 Results**

**REGINA, MAY 8, 2017** – AGT Food and Ingredients Inc. (TSX:AGT) ("**AGT**" or the "**Company**") has announced its financial results for the three months ended March 31, 2017.

Results for the quarter include:

- **Consolidated revenue** for the three month period ended March 31, 2017 increased 18.01% to \$520.9 million compared to \$441.4 million for the three months ended March 31, 2016.
- **Gross profit** for the three month period ended March 31, 2017 decreased 28.32% to \$32.9 million compared to \$45.9 million for the three months ended March 31, 2016.
- **Adjusted EBITDA\*** for the three month period ended March 31, 2017 decreased 35.99% to \$20.1 million compared to \$31.4 million for the three months ended March 31, 2016.
- **Working capital as a percentage of trailing twelve month revenue** improved to 18.97% at March 31, 2017 compared to 24.32% at March 31, 2016.
- **Adjusted net earnings per share\*** increased to \$0.28 (\$0.28 fully diluted) for the three months ended March 31, 2017 compared to \$0.20 (\$0.20 fully diluted) for the three months ended March 31, 2016.
- **Bulk handling and distribution** segment contributed \$3.2 million Adjusted EBITDA\* for the three months ended March 31, 2017 compared to \$1.8 million Adjusted EBITDA\* for the three months ended March 31, 2016.
- **Food ingredients and packaged foods** contributed to 41.2% of Adjusted EBITDA\* for the three months ended March 31, 2017 compared to 29.2% for the three months ended March 31, 2016.
- **Dividend** of \$0.15 per share for the quarter (\$0.60 per share on an annualized basis).

“Our business fundamentals remain strong and our management team is experienced in the international trading environment in which we operate. Risk management is a foundational strength of AGT. This quarter was weak in terms of our earnings; however, our relative geographic balance assisted us in mitigating the impact on our margins and volumes. We chose to pull back in certain regions and markets, with geopolitical risks coupled with governmental regulatory uncertainty in certain markets, leading us to exert caution in our sales activities. In taking this approach, we preserved our capital and managed our risks. Near-term headwinds caused by non-tariff trade barriers and slower seasonal sales in certain



markets like India and Turkey, are expected to continue in the near term. However, we are geographically balanced and our core pulses business, our bulk distribution and handling business and our food ingredient and packaged foods business units are healthy. We have the financing and the management expertise and we are confident in our ability to execute our strategy,” said Mr. Murad Al-Katib, President and CEO of AGT.

“Management expects that medium and long-term prospects as well as demand fundamentals for staple foods in emerging markets will remain intact. Population growth in the world, rising incomes in emerging markets and global demand for sustainable vegetable protein are fundamental trends in the global food demand picture. Our origination of raw materials from farmers, global origin diversification of our production facilities and our container and bulk handling infrastructure are key advantages to our strategy. With a strong balance sheet and access to working capital, we are well positioned to deliver value to our shareholders,” added Mr. Huseyin Arslan, Chairman of the Board of Directors of AGT.

The financial statements and notes thereto for the three months ended March 31, 2017, as well as the related management’s discussion and analysis, have been filed under AGT’s profile on [www.sedar.com](http://www.sedar.com) and have been posted on AGT’s website at [www.agtfoods.com](http://www.agtfoods.com). All amounts are reported in Canadian dollars.

**AGT invites you to join our conference call to discuss First Quarter 2017 results scheduled for Monday May 8, 2017 at 9:00am EST. 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](http://www.agtfoods.com) on Monday, May 8, 2017. A telephone replay will also be available until midnight Eastern time, Monday, May 22, 2017. 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 1431, followed by the number sign (#).

#### **AGT Food and Ingredients Inc. Profile**

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



### **Cautionary Statements**

Certain statements in this press release are forward-looking statements. In particular, this press release contains forward looking statements with respect to, among other things, production levels, crop quality, crop quantity, consumer markets, export markets, volumes and margins, crop expectations, crop deliveries, prospects, demand fundamentals and the expected benefits of AGT's production facilities in response to the foregoing. 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 which is available on SEDAR at [www.sedar.com](http://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 39 in the related management's discussion and analysis for the three months ended March 31, 2017.

**For further information:**

**Investor Relations**

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