



AGROWILL GROUP presentation

January, 2009



Present today



Mindaugas Juozaitis

Current positions:

General director,
Member of the Board,
Agrowill Group



Gediminas Žiemelis

Current positions:

Partner,
Žia Valda
Chairman of the Board,
Agrowill Group

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Agrowill Group profile

Brief description

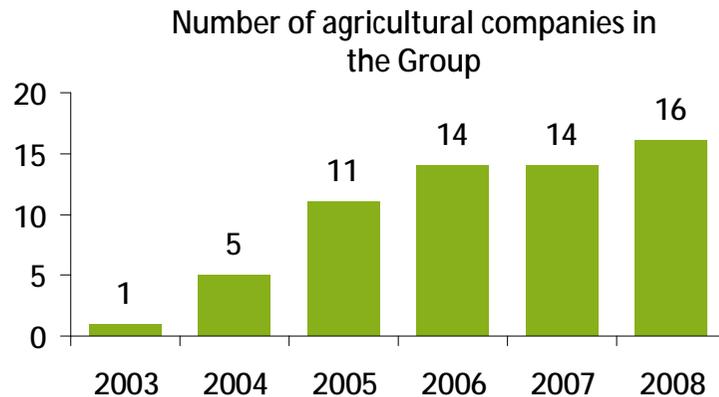
Establishment	2003
Activities	<p>Primary agricultural production and related activities:</p> <ul style="list-style-type: none"> • Dairy farming • Crop farming • Agricultural land investment and management
Business model	Consolidate and modernise regional medium-sized farms
Group structure	Agrowill Group controls 15 agricultural entities in Lithuania, one in Estonia, and a number of land investment vehicles
Operational indicators	Land under management: 35,300 ha; milking cows: 6,100; revenues in 2008*: EUR 18.4 million
Corporate governance	Two-layer management structure – Board and General Director. Collegial body – Supervisory Board
Employees	979 (as of 30.11.2008)
Competitive position	<ul style="list-style-type: none"> • The only centrally managed agricultural company in Lithuania • The largest and fastest growing agricultural company in the Baltics • The biggest investor in agricultural sector in the Baltics

* Preliminary results

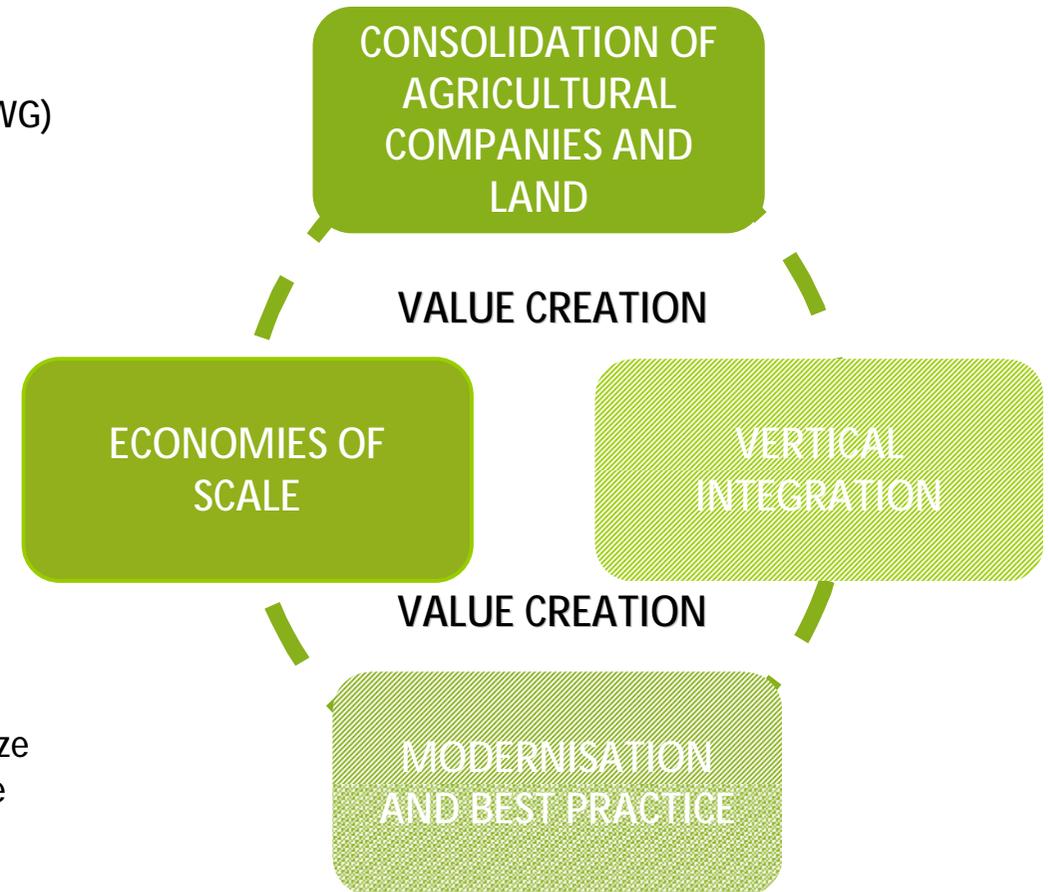
Value creation

2003 - 2008

- Since the establishment in 2003 Agrowill Group (AWG) has focused on expansion through acquisitions of agricultural companies.



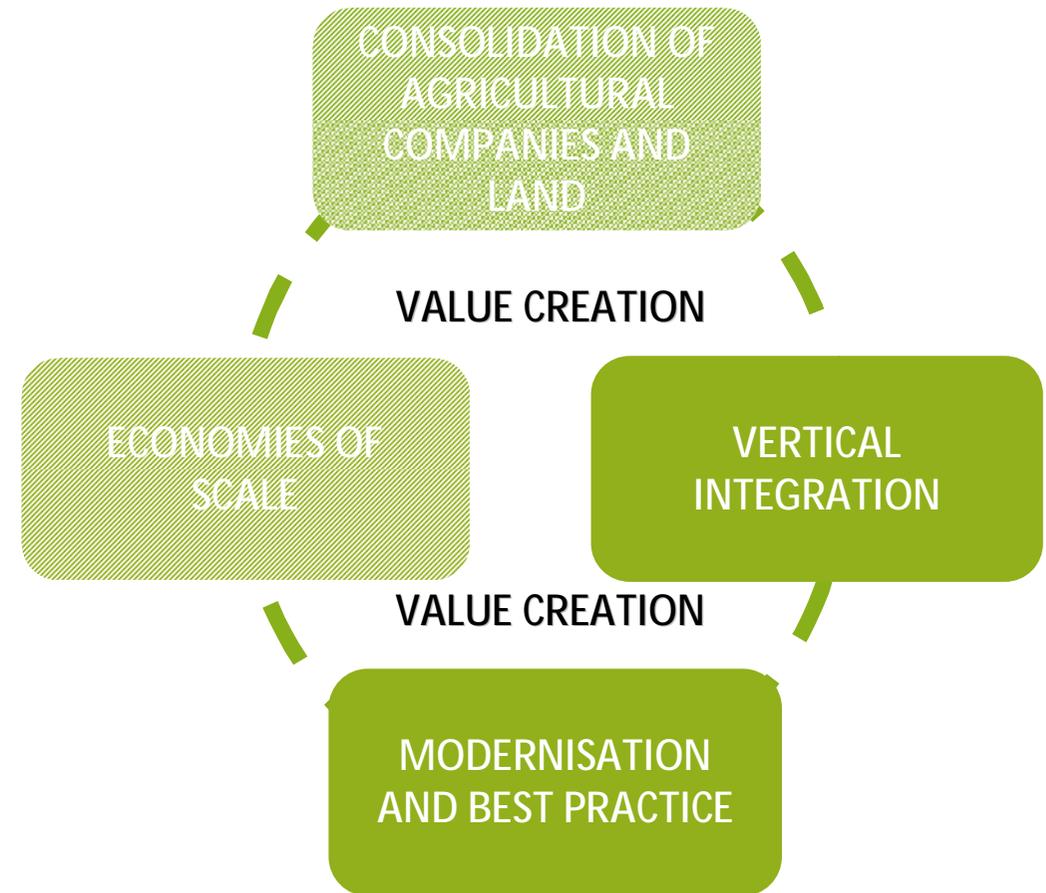
- During 2008 the Group has reached a substantial size of farming operations, which allows it to exploit the economies of scale.
- Agrowill Group has centralised the functions of strategy, marketing and sales, M&A and financing, accounting, procurement, law, R&D, EU aid management.



Value creation

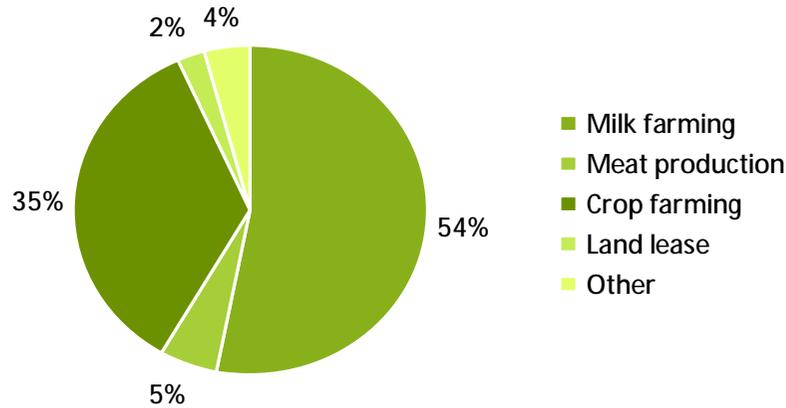
2009 - ...

- As the Group is reaching substantial size, the focus is shifting to the value creation through increase in productivity and efficiency.
- Currently Agrowill Group utilizes only 40% of its efficiency potential. The two main sources of unrealized potential are higher productivity and more centralized operations.
- Since the beginning of 2009 the Group has delegated the management of its dairy and crop farming to industry experts from abroad.
- Agrowill plans to expand to the related business activities in the coming years.
- Further expansion of the Group should resume after the situation in the credit markets improve.

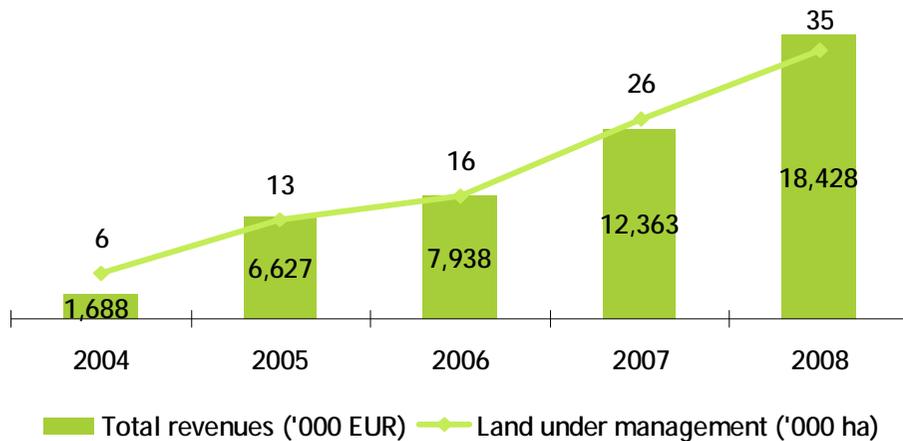


Historical development

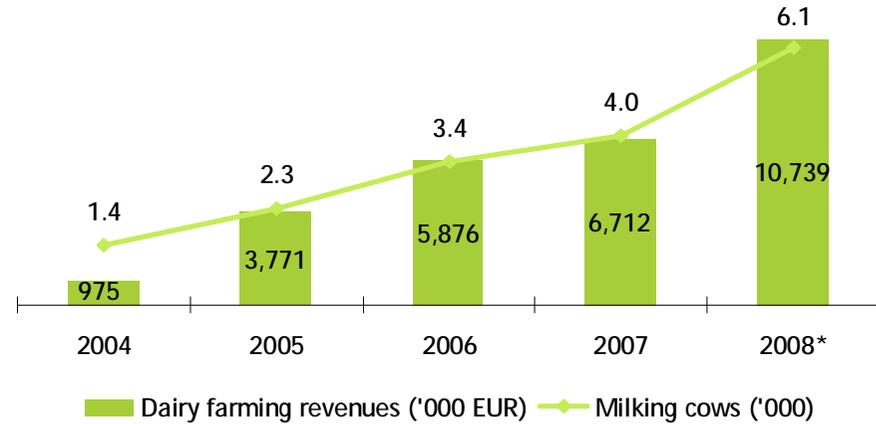
Revenues composition 2008*



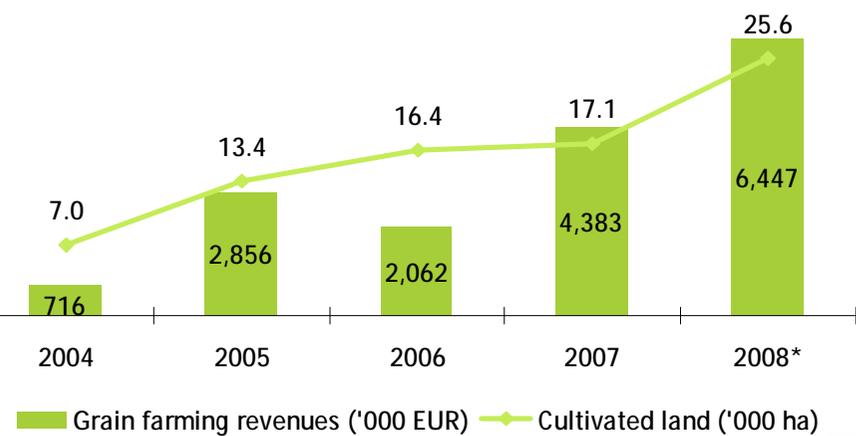
Land under management and total revenues 2004-2008



Number of milking cows and revenues from dairy farming 2004-2008

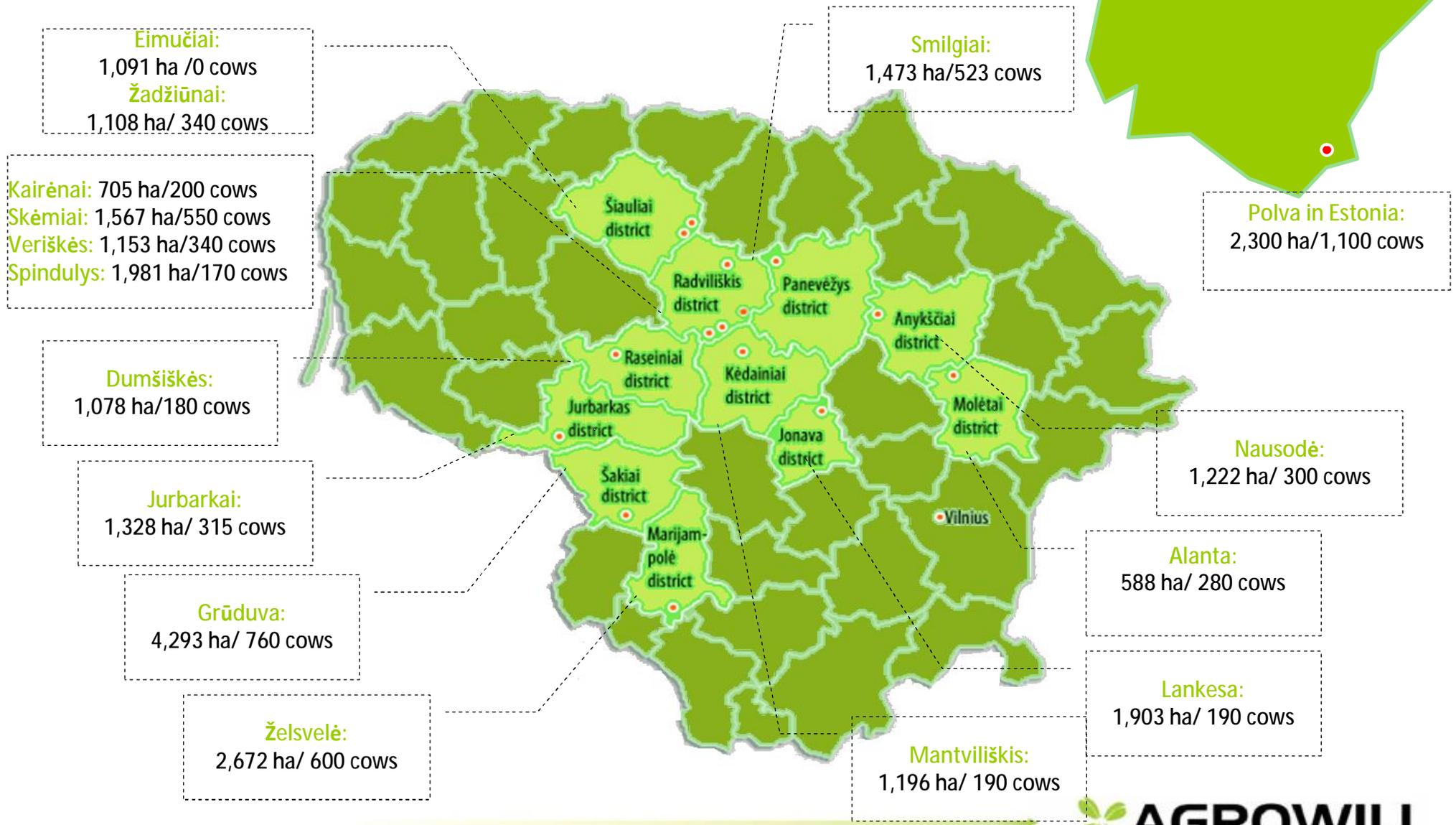


Cultivated land and revenues from crop farming 2004-2008



* Preliminary results

Agricultural companies of the Group*



* Leased and owned land areas
Number of milking cows as of 01.01.2009

Organisational structure

- In November 2008, the Supervisory Board approved the new composition of the Board of Directors.
- New Board members:
 - Vladas Bagavičius (Agrowill Group legal counsel) ;
 - Mindaugas Juozaitis.
- Board member Domantas Savičius is the Financial director of Agrowill Group since 2005.
- Board member Linas Strėlis was involved in the management of three Lithuanian dairy companies since 2001.
- On 1 December 2008 Mindaugas Juozaitis was appointed as the new General Director.
- The change of the General Director was triggered by the review of the current Agrowill Group strategy.
- Mindaugas Juozaitis has 11 years of professional experience in investment and management of agricultural companies.

SUPERVISORY BOARD



Edvardas Makelis Ramūnas Audzevičius Hugh M. Thomas

BOARD



Gediminas Žiemelis Linas Strėlis Mindaugas Juozaitis Domantas Savičius Vladas Bagavičius

GENERAL DIRECTOR



Mindaugas Juozaitis

Shareholders

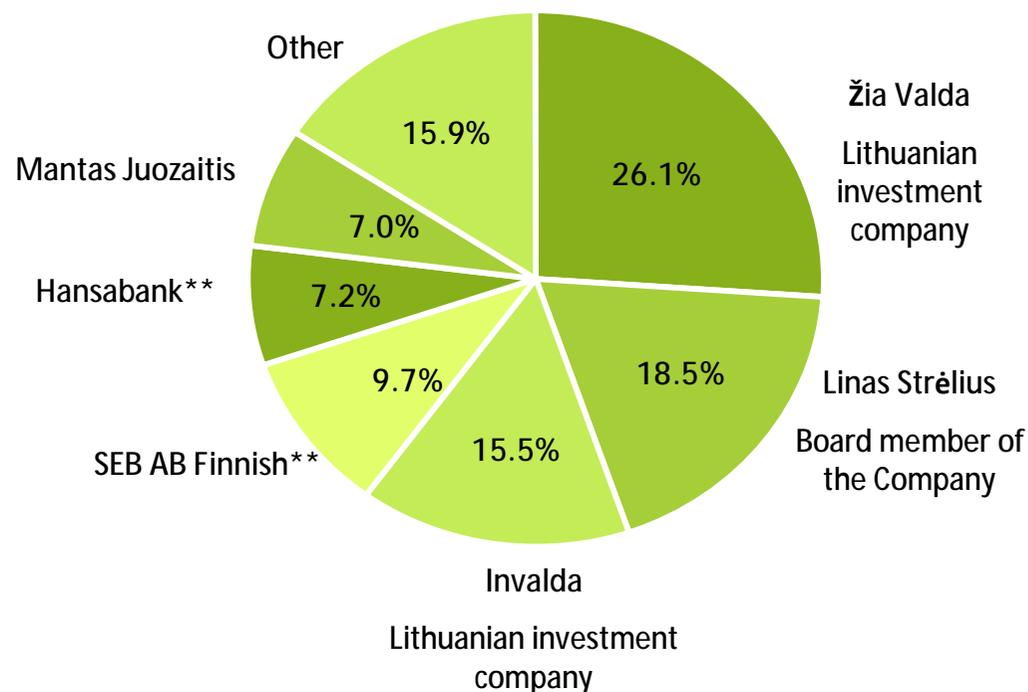
- The Company completed its initial public offering (IPO) on NASDAQ OMX Vilnius Stock Exchange in April 2008.
- The shares were several times oversubscribed.
- In December 2008 the Company was awarded by NASDAQ OMX Baltic for its successful IPO.
- Agrowill is currently listed on the Baltic Main list.

Share information

Ticker	AVG1L
Number of shares	26,142,732
Nominal value	1.0 LTL
Share price	1.5 LTL*

* as of 15.01.2008

Main shareholders of the Company*



* As of 14.07.2008

** Act as securities account managers



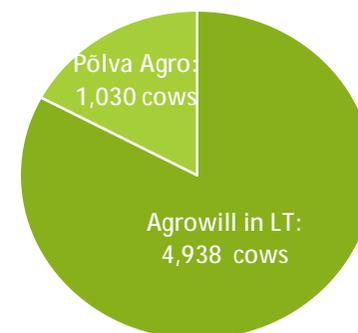
Dairy farming

Dairy farming: overview

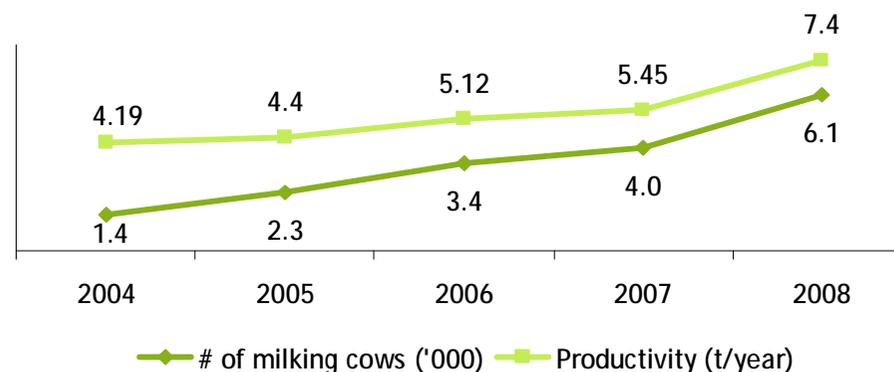
OVERVIEW

- The most stable and profitable business line of Agrowill Group.
- In Lithuania the Group has 15 dairy farms (close to 5,000 milking cows).
- In summer 2008 Agrowill Group has acquired Põlva Agro - one of the largest and most efficient milk farms in Estonia.
- Polva Agro controls 2,345 ha of land and 1,130 milking cows in the Southern part of Estonia.
- In 2008 Agrowill invested nearly EUR 3 million into modernisation of manure handling systems, EUR 500 thousand into cow-houses and bought cows for EUR 1 million.
- The goal for 2009 is to increase the productivity of cows and efficiency of dairy business operations.
- The fulfilment of these goals is based on three main premises:
 - I. implementation of the global best practise;
 - II. knowledge transfer from Põlva Agro;
 - III. other initiatives.

Number of milking cows at the end of 2008



Number of milking cows and productivity



Dairy farming: experts

I. EXTERNAL EXPERTISE

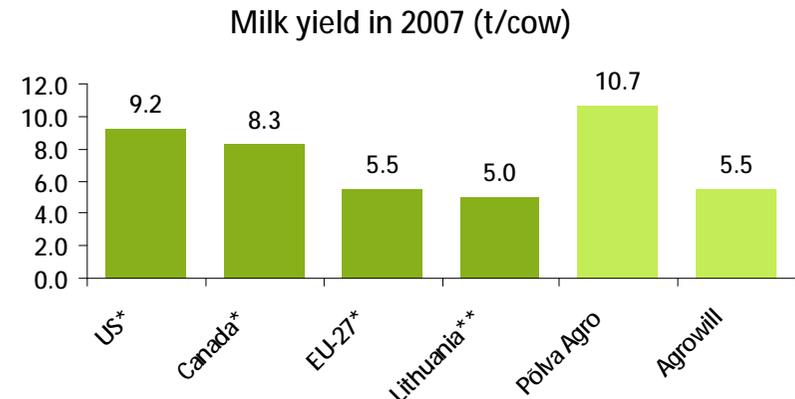
- Dairy industry expert Mr. Teun Sleurink (45) began to work as a consultant at Agrowill Group starting from December 2008.
- Mr. Teun specialises in cow breeding programs and currently is supervising farms with over 60,000 cows mainly in the US.
- For the last 15 years T. Sleurink has worked as an independent consultant in the Netherlands, Germany, Denmark and the United States, which has the most advanced dairy farming in the world.
- Teun Sleurink has graduated from the Dutch Agricultural University in the Netherlands.
- PLAN for 2009:
 - Increase cow productivity in Agrowill Lithuanian farms by 40% during the first year by:
 - Enhanced cow living conditions: better bedding, air conditioning, nutrition, disease prevention.
 - Reorganisation of the herds: the herds will be decreased by leaving only the best cows; farms will be computerised.
 - Introduction of the modern cow breeding model.



Dairy farming: Põlva Agro

II. ACQUISITION OF PÕLVA AGRO

- Põlva Agro is the most productive dairy company in Estonia and the most modern milk production company in the Baltic States.
- The aim of the acquisition is to transfer the farm's know-how to Agrowill farms in Lithuania.
- Farm's average cow productivity exceeds both Lithuanian and the EU level.
- Agrowill farms in Lithuania have already started implementing changes according to Põlva farming model.



*Source: USDA

** Source: Lithuanian Department of Statistics

III. OTHER INITIATIVES

CROSS-BREEDING

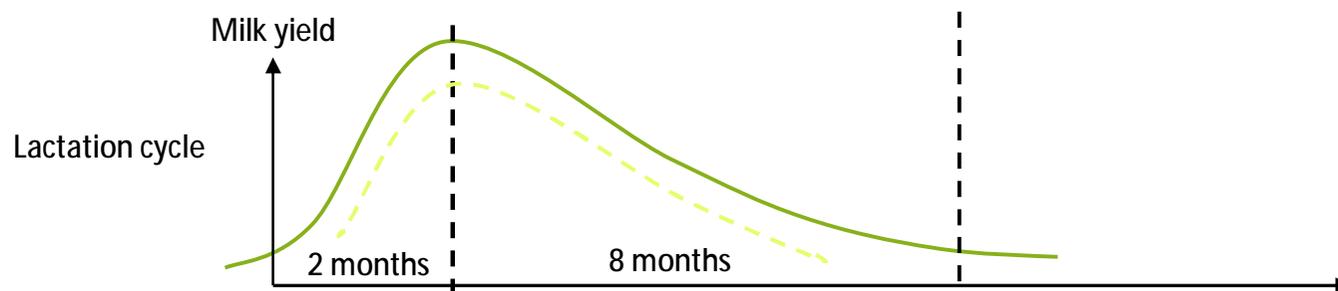
- With Mr. Teun Sleurink help, Agrowill will also start breeding cows using variable cross-breeding model.
- Although this model is already used in Põlva Agro, Agrowill will be the first to implement it in Lithuania.
- Number of breeds will be limited to three (currently seven breeds are used) which will be bred by rotation in order to gain the desirable characteristics of the herd.
- This method should allow cows to reach a milk yield of 10,000 kg/year during lactation (currently 6,500 kg).

Dairy farming: other initiatives

III. OTHER INITIATIVES

COW PROGRAMMING

- Agrowill intends to establish two centres (in Grūduva and Smilgiai farms) for nurturing cows during the first 60 days after their parturition, since the cows reach peak milk yield during this time.
- Total milk yield is predominantly dependant on the quality of care and feeding of cows during this period.
- Additionally, separate centres for heifers will be established.



PARTNERSHIP WITH DELAVAL

- In December 2008 Agrowill signed a strategic partnership agreement with Swedish company DeLaval, the world's largest supplier of the integrated livestock farm solutions.
- Agrowill plans to use the solutions of DeLaval for more advanced animal care, centralized provision of the equipment, hygiene and cleaning, feeding, removal of manure, automatic milking and milk cooling.
- It should shorten the required time for the supervision and the use of human resources, which in turn will reduce the cost of milk.

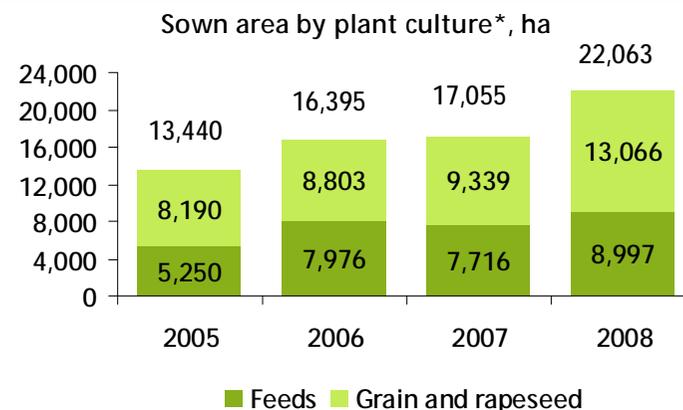


Crop farming

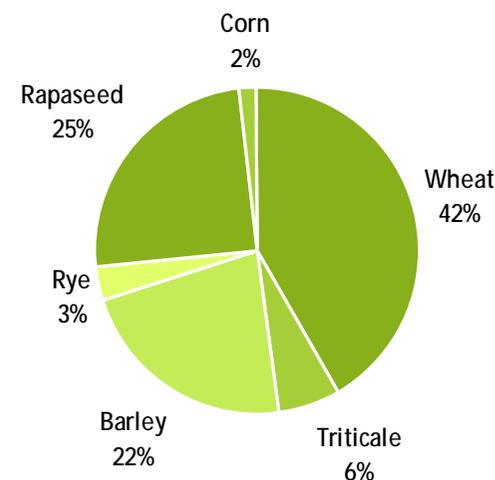
Crop farming: overview

OVERVIEW

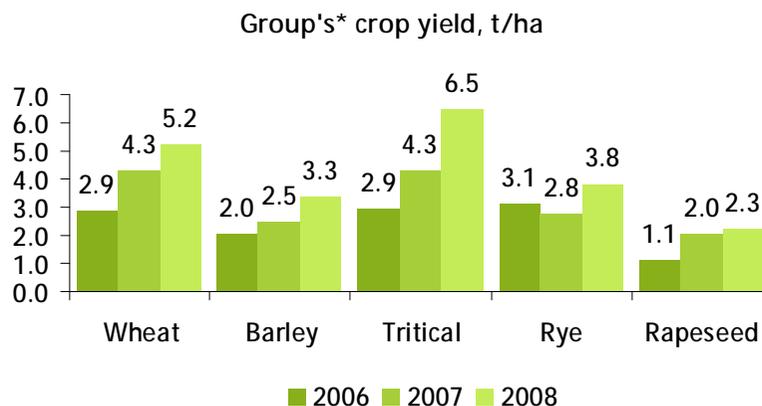
- Agrowill Group agricultural companies lease close to 80% of the cultivated land from the state and private individuals.
- Group companies produce crop for feed and trade.
- In September, 2008 Agrowill has acquired GRŪDUVA - one of the most modern crop cultivation companies in Lithuania.
- During 2008 Agrowill invested over EUR 4 million into modernisation of machinery base and more than EUR 1.5 million into construction of silos.
- In 2009 AWG will focus on increasing crop yield and operational efficiency with the help of:
 - external expertise;
 - acquisition of Grūduva;
 - other initiatives.



Sown area by cultures in 2008* (w/o feeds)



* without Põlva Agro



Crop farming: experts

I. EXTERNAL EXPERTISE

- In 2009 agriculturalist Linne Fromm-Christiansen began to manage the crop farming operations of Agrowill Group.
- Linne has studied at Aarhus Agricultural University in Denmark (Scandinavian countries are considered to be the most advanced in the crop farming).
- She gained professional experience in her parents' farm, worked on the largest farm Frijsenborg Landbrugs in Denmark, and participated in the modernisation of the farming activities in Slovakia and Russia.
- Linn Fromm-Christiansen was awarded as "the best manager in agronomy" in 2003.
- Linne plans to increase the efficiency of crop farms in Agrowill Group by 35 % within the next two years.

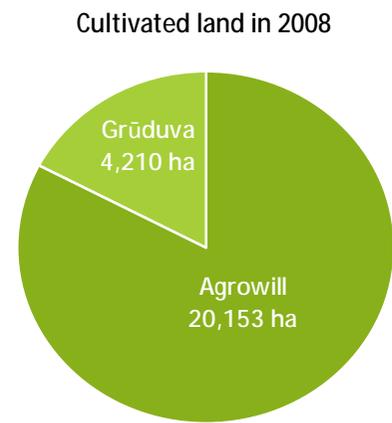
- The expert plans to increase the fertility of soil by:
 - reunification of the technical equipment;
 - cultivation of land under the latest requirements of agronomy;
 - usage of modern management systems and IT solutions.



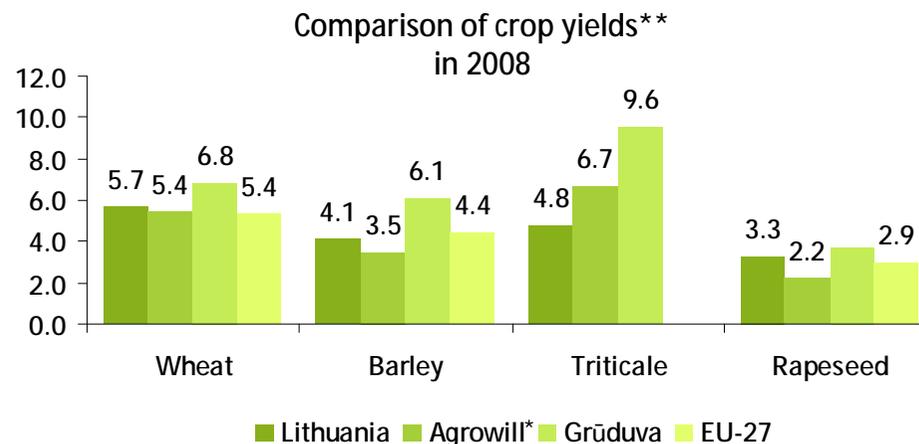
Crop farming: Grūduva

II. ACQUISITION OF GRŪDUVA

- Acquisition of Grūduva added more than 4,200 ha of land and 760 milking cows to the Group.
- Grūduva is one of the most advanced companies in the production of combined animal feed in Lithuania, which will allow the companies of the Group to reduce the feed costs in dairy farming operations.
- Grūduva has implemented the newest grain production technologies which have resulted in higher than Lithuanian or EU average crop yields.
- With the help of Linne Fromm-Christiansen and the know-how from Grūduva, Agrowill plans to increase crop yields significantly in 2009.



t/ha	Agrowill		Grūduva	
	2008	2009F	2008	2009F
Wheat	5.4	6.1	6.8	7.1
Barley	3.5	4.1	6.1	6.1
Triticale	6.7	6.5	9.6	9.1
Rapeseed	2.2	3.0	3.7	3.7



* without Pólva Agro

** Preliminary figures for AWG and Grūduva, EUROSTAT forecasts for EU-27 and The Center of Agricultural Information and Rural Activities preliminary figures for Lithuania



Crop farming: other initiatives

III. OTHER INITIATIVES

CROP ROTATION SYSTEM

- Implementation of modern crop rotation system will enable the significant increase in the operational efficiency.

MACHINERY REORGANISATION

- In 2009 Agrowill plans to reorganise its crop farming machinery - each agricultural company will use the machinery provided by a single supplier.
- In this way technical maintenance services will be improved and cost of machinery lowered.
- In January 2009 strategic partnership agreement will be signed with Dojus Agro, one of the largest agricultural machinery supplier in Lithuania.

LAND CONSOLIDATION

- In January 2009 strategic partnership agreement will be signed with Dojus Agro, one of the largest agricultural machinery supplier in Lithuania.
- Agrowill intends to continue land swaps between the owners of the land near AWG farms and Agrowill owned land slots further out. The Group has swapped close to 1,000 ha of land in 2008.
- In order to increase crop farming efficiency, the goal is to cultivate not smaller than 30 ha land plots not further than 7 km from the machinery base.

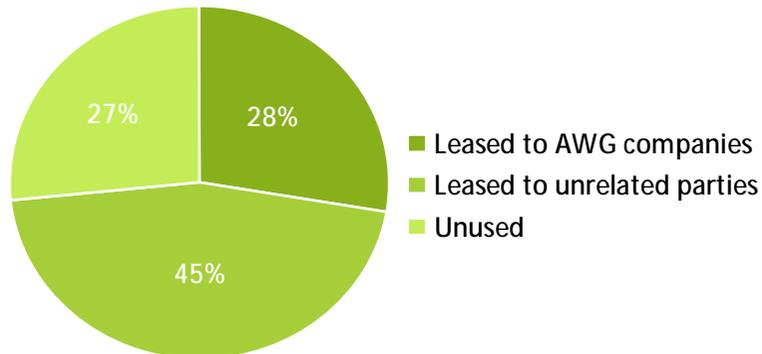




Land management activities

Land management activities

- As of 1 January 2009, the land management companies of the Group owned in total 13,384 ha of land.
- Majority of the owned land is concentrated in the Central and Northern parts of Lithuania, the most fertile area in the country.
- Out of the total 13,384 ha:



- In 2008 land lease prices to unrelated parties increased on average by 15%.
- Agrowill intends to concentrate on its farming activities; therefore it is considering sale of the land to an investment fund, which would lease-back the land necessary for the Agrowill activities.
- Over 12,000 ha of Group's land holding is currently valued at least at 2,500 EUR/ha.
- Proceeds of such sale would cover up to 50% of outstanding financial liabilities.



New business activities

New business activities

ANIMAL FEED PRODUCTION

- In February 2009 Agrowill Group is planning to start the combined animal feed production in its recently acquired Grūduva farm.
- All the needed equipment and machinery for the production are already available.
- Agrowill estimates that running the plant in two shifts it could produce all the internally required animal feed.
- Cost savings on animal feed should amount to more than EUR 140 thousand per year.

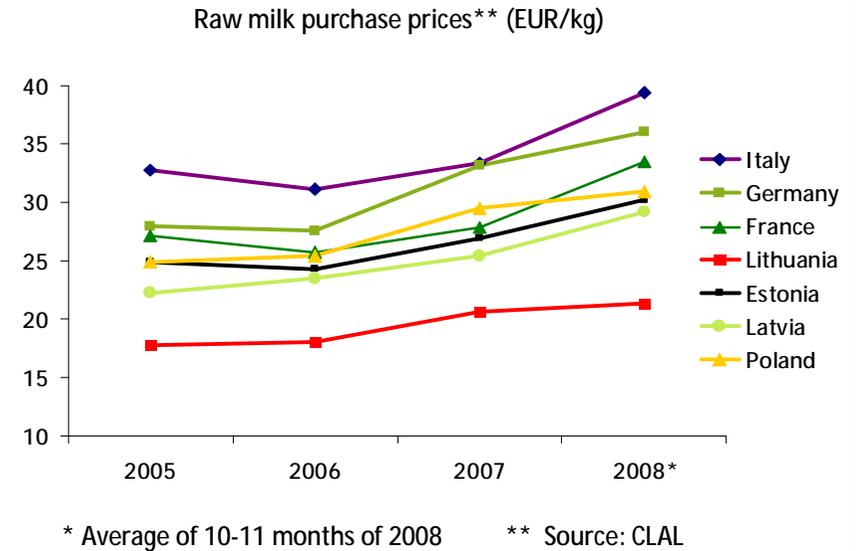
BIOGAS ENERGY

- In partnership with Vyrybalt Ltd. Agrowill is planning to take part in biogas energy project.
- Vyrybalt is planning to build and manage seven biogas plants near the farms of Agrowill.
- All the needed investments will be made by Vyrybalt over the course of two years. Agrowill will only ensure the supply of cow manure.
- The Group is offered 25% stake in the project for participation.
- New biogas plants should generate 21,036- 46,750 thousands kW of energy per year.
- Project's estimated total revenues could range from EUR 731 thousand to 1,625 thousand per year.

New business activities (contd.)

MILK SEPARATION

- Raw milk prices in Lithuania are still the lowest in the EU.
- Since the transportation of fresh milk outside Lithuania is limited, Agrowill considers processing (separating) milk into cream and skimmed milk.
- Whole and skimmed milk powders (WMP and SMP), which will be produced after separation, can be transportable over the long distances.
- The Group will be able to widen its geographical reach and sell production in more profitable markets.



Long-term plans

LONG-TERM PLANS

POSITION IN THE MILK MARKET

- Agrowill plans to actively participate in the development of milk cooperatives, in order to reach the sufficient size for larger negotiating power.
- Agrowill intends to strengthen its selling position by purchasing milk from small producers.
- Due to the low purchasing prices of milk, small producers are exiting the market, which will increase Agrowill bargaining power.

ORGANIC FARMING

- Agrowill plans to engage in organic farming, which relies on crop rotation, green manure, biological pest control as well as raising livestock in free-range, open-air system and providing them with organic feed.
- Recently renovated manure handling system will allow Agrowill to use natural manure instead of chemical fertilizers.

SERVICES TO LOCAL COMMUNITY

- Lithuanian purchase prices of raw milk are still the lowest in the EU.

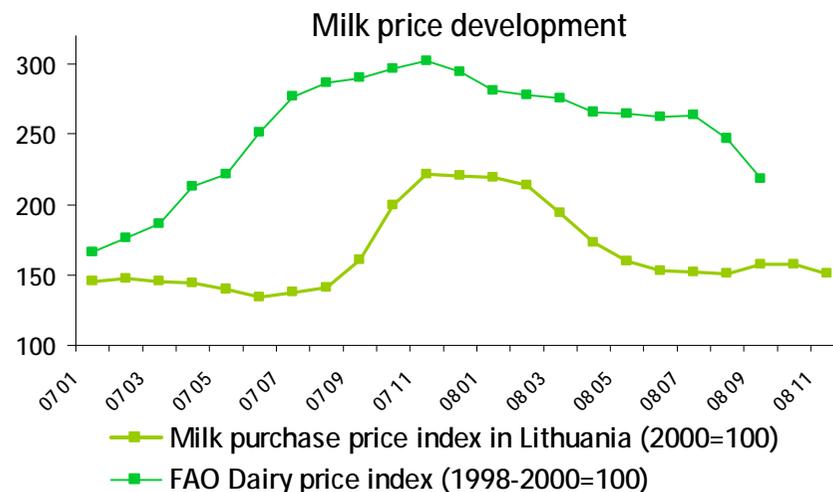


Market overview

Market overview: dairy farming

DAIRY FARMING

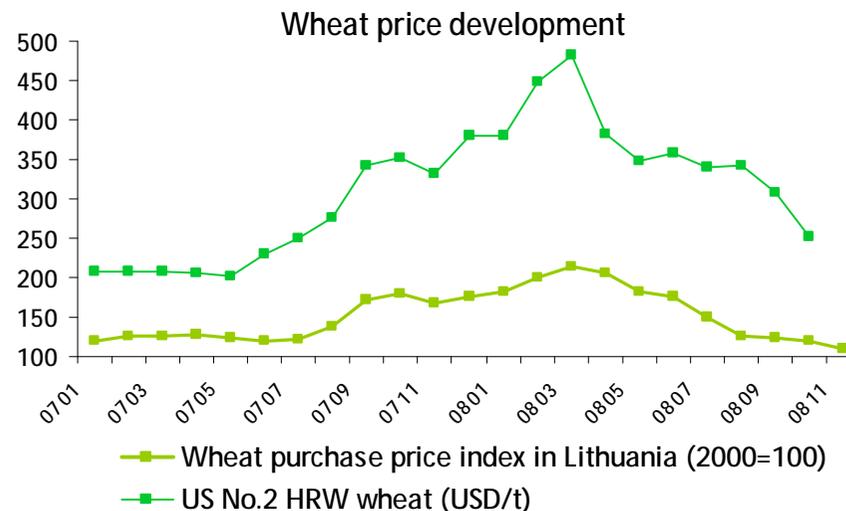
- Growing global demand, lower production in key exporting countries and depleting stocks of dairy products resulted in rising milk prices in the spring of 2007.
- Growth in export demand and higher domestic consumption also stimulated the production and price increase in the EU-27.
- Milk purchase price in Lithuania surged in the summer and peaked in November 2007.
- Sudden slowdown of the global economy and increasing milk supply have put a downward pressure on global milk prices in 2008.
- However, recent price developments might be a short-term effect of general turbulence in the global economy.
- Fundamentals for global dairy market growth remain strong: growing population, limited natural resources and changing eating habits.
- FAO forecasts that global consumption of dairy products per capita will increase by 1.5% in 2009.
- USDA GAIN report states that EU-27 milk production should increase by 1% in 2009 as a result of increased milk quotas, strong domestic consumption and larger export volumes.



Market overview: crop farming

CROP FARMING

- The underlying factors behind the price surge of cereals and oilseeds in 2007/08 were:
 - growing global demand (both for food and bio-energy);
 - record low global stocks (a result of smaller crop areas in some countries, export restrictions and adverse climate impacts);
- Lithuanian as well as European Union prices followed the same pattern.

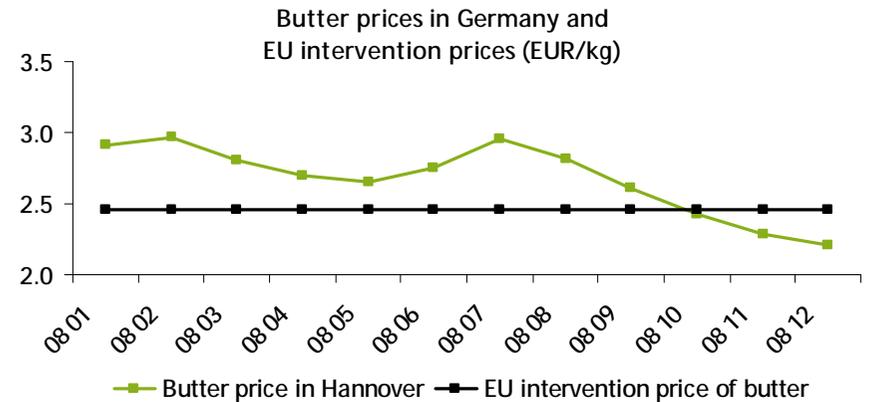
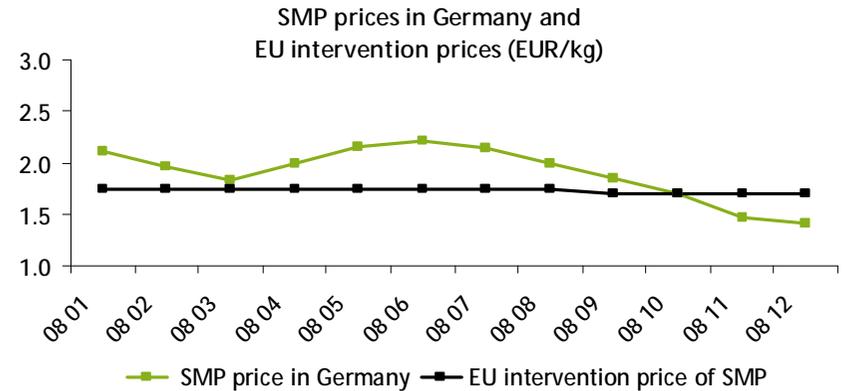


- Sudden decrease of commodity prices resulted from:
 - larger crop areas as a result of price increases in 2007/2008 season;
 - high productivity due to the favourable climate conditions;
 - replenishment of global stocks;
 - global economic slowdown.
- Farmers facing low agricultural commodity prices, high costs of inputs and difficulties in arranging financing are currently decreasing planting areas for the next season (by 1.6% according to USDA).
- FAO forecasts that price surge may be witnessed in 2009/10 season as utilisation of cereals and oilseeds is forecasted to increase by 3.3% and 3.6% in 2008/2009 respectively.

Market overview: limited downside

EU intervention

- In the end of 2008 butter and SMP (skimmed milk powder) prices in Europe reached European Commission set intervention price levels.
- In January 2009 purchase prices of cereals in Lithuania were also almost equal or below EU intervention price of 101 EUR/t:
 - wheat: 127 EUR/t
 - barley: 109 EUR/t
 - rye: 99 EUR/t.
- This indicates a limited downside for a further substantial prices decrease.

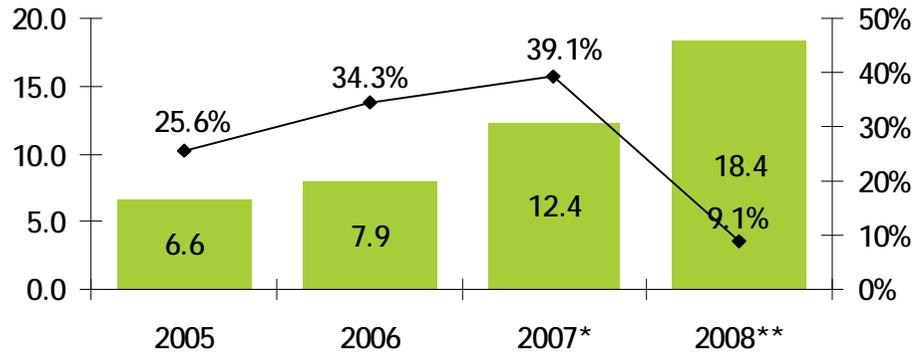




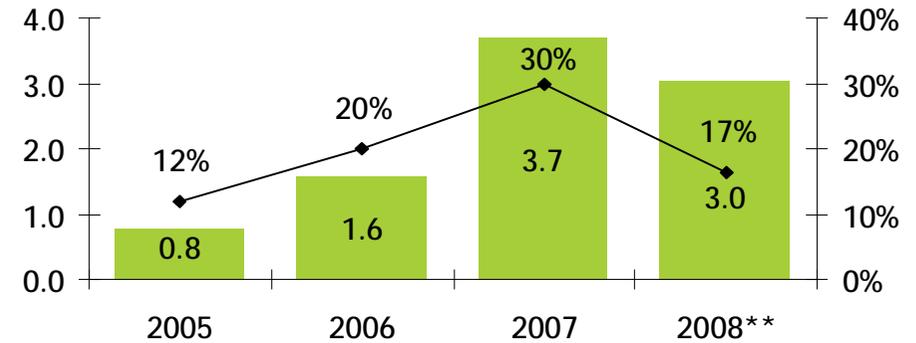
Financial information

Financial performance indicators

Revenue (mEUR) and gross margin, %



EBITDA** (mEUR) and EBITDA margin, %



- Revenues of Agrowill Group have increased by 48% in 2008.
- Lower gross profit and EBITDA in 2008 are mainly attributable to:
 - high production costs (fertilizers, fuel, labour) during the whole season;
 - adverse change in milk and crop prices at the end of the season.

* Excluding revaluation of land

** Preliminary results excluding revaluation of land

Agrowill Group financial forecasts for 2009

- The Group's preliminary estimate of 2009 results:
 - revenues: EUR 26.5 million (+44% y-o-y);
 - EBITDA: EUR 5.7 million (+87% y-o-y).
- Growth in revenues and profit will be driven by:
 - Full year consolidation of Grūduva and Polva Agro, both of which were acquired in the third quarter of 2008.
 - Substantial increase in crop and milk yields due to the implementation of the global best practises.
 - Cost optimization initiatives (in-house feed production, herd and farms restructuring, shift towards the farming of the most profitable crops).
- Growth in revenues and profit will be limited by:
 - Decrease in the herd size (disposal of the least productive cows) and the resulting one-off accounting loss.
 - Low milk and crop prices (2009 prices are estimated at the current price level, which is 40%-50% lower than a year ago).
- EBITDA increase of EUR 3 million in 2009 represents the financial gain from higher productivity and cost saving programs. Actual gain could be higher but it is partly offset by the lower production prices and the accounting loss from the herd size decrease.





AGROWILL

GROUP

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