

SECURITIES AND EXCHANGE COMMISSION

FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

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FILER

Adecoagro S.A.

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SIC: **0100** Agricultural production-crops

Mailing Address
13-15 AVENUE DE LA
LIBERTE
N/A N4 L-1931

Business Address
13-15 AVENUE DE LA
LIBERTE
N/A N4 L-1931
352 2689-8213

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934**

For the month of May, 2013

Commission File Number 001-35052

Adecoagro S.A.

(Translation of registrant's name into English)

13-15 Avenue de la Liberté
L-1931 Luxembourg
R.C.S. Luxembourg B 153 681
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- .

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF AND FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2013

This report on Form 6-K is being furnished for the purpose of providing a copy of the registrant's unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2013 (the "Consolidated Financial Statements"). The Consolidated Financial Statements are presented in U.S. Dollars and prepared in accordance with International Financial Reporting Standards.

The attachment contains forward-looking statements. The registrant desires to qualify for the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995, and consequently is hereby filing cautionary statements identifying important factors that could cause the registrant's actual results to differ materially from those set forth in the attachment.

The registrant's forward-looking statements are based on the registrant's current expectations, assumptions, estimates and projections about the registrant and its industry. These forward-looking statements can be identified by words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "is/are likely to," "may," "plan," "should," "would," or other similar expressions.

The forward-looking statements included in the attached relate to, among others: (i) the registrant's business prospects and future results of operations; (ii) weather and other natural phenomena; (iii) developments in, or changes to, the laws, regulations and governmental policies governing the registrant's business, including limitations on ownership of farmland by foreign entities in certain jurisdictions in which the registrant operate, environmental laws and regulations; (iv) the implementation of the registrant's business strategy, including its development of the Ivinhema mill and other current projects; (v) the registrant's plans relating to acquisitions, joint ventures, strategic alliances or divestitures; (vi) the implementation of the registrant's financing strategy and capital expenditure plan; (vii) the maintenance of the registrant's relationships with customers; (viii) the competitive nature of the industries in which the registrant operates; (ix) the cost and availability of financing; (x) future demand for the commodities the registrant produces; (xi) international prices for commodities; (xii) the condition of the registrant's land holdings; (xiii) the development of the logistics and infrastructure for transportation of the registrant's products in the countries where it operates; (xiv) the performance of the South American and world economies; and (xv) the relative value of the Brazilian Real, the Argentine Peso, and the Uruguayan Peso compared to other currencies; as well as other risks included in the registrant's other filings and submissions with the United States Securities and Exchange Commission.

These forward-looking statements involve various risks and uncertainties. Although the registrant believes that its expectations expressed in these forward-looking statements are reasonable, its expectations may turn out to be incorrect. The registrant's actual results could be materially different from its expectations. In light of the risks and uncertainties described above, the estimates and forward-looking statements discussed in the attached might not occur, and the registrant's future results and its performance may differ materially from those expressed in these forward-looking statements due to, inclusive, but not limited to, the factors mentioned above. Because of these uncertainties, you should not make any investment decision based on these estimates and forward-looking statements.

The forward-looking statements made in the attached relate only to events or information as of the date on which the statements are made in the attached. The registrant undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Adecoagro S.A.

By

/s/ Carlos A. Boero Hughes

Name: Carlos A. Boero Hughes

Title: Chief Financial Officer and

Chief Accounting Officer

Date: May 15, 2013

Adecoagro S.A.

Condensed Consolidated Interim Financial Statements as of March 31, 2013 and for the three-month periods ended March 31, 2013 and 2012

Legal information

Denomination: Adecoagro S.A.

Legal address: 13-15 Avenue de la Liberté, L-1931, Luxembourg

Company activity: Agricultural and agro-industrial

Date of registration: June 11, 2010

Expiration of company charter: No term defined

Number of register (RCS Luxembourg): B153.681

Capital stock: 122,374,527 common shares (of which 7,390 are treasury shares)

Majority shareholder: Quantum Partners LP

Legal address: 1300 Thames St. 5th FL, Baltimore MD 21231-3495, United States of America

Parent company activity: Investing

Capital stock: 25,910,004 common shares

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Financial Position
as of March 31, 2013 and December 31, 2012**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | Note | March 31, 2013 (unaudited) | December 31, 2012 |
|--|------|----------------------------------|-------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 6 | 937,499 | 880,897 |
| Investment property | 7 | 14,923 | 15,542 |
| Intangible assets | 8 | 32,236 | 32,880 |
| Biological assets | 9 | 243,254 | 224,966 |
| Investments in joint ventures | | 1,818 | 2,613 |
| Financial assets | 10 | 11,878 | 11,878 |
| Deferred income tax assets | 18 | 35,553 | 35,391 |
| Trade and other receivables | 11 | 50,748 | 44,030 |
| Other assets | | 1,375 | 1,398 |
| Total Non-Current Assets | | <u>1,329,284</u> | <u>1,249,595</u> |
| Current Assets | | | |
| Biological assets | 9 | 58,731 | 73,170 |
| Inventories | 12 | 96,614 | 95,321 |
| Trade and other receivables | 11 | 116,129 | 135,848 |
| Derivative financial instruments | 10 | 17,196 | 5,212 |
| Cash and cash equivalents | 13 | 210,437 | 218,809 |
| Total Current Assets | | <u>499,107</u> | <u>528,360</u> |
| TOTAL ASSETS | | <u>1,828,391</u> | <u>1,777,955</u> |
| SHAREHOLDERS EQUITY | | | |
| Capital and reserves attributable to equity holders of the parent | | | |
| Share capital | 14 | 183,562 | 183,331 |
| Share premium | 14 | 940,332 | 940,332 |
| Cumulative translation adjustment | | (181,705) | (182,929) |
| Equity-settled compensation | | 18,863 | 17,952 |
| Other reserves | | (575) | (349) |
| Treasury shares | | (11) | (6) |
| Retained earnings | | 70,265 | 67,647 |
| Equity attributable to equity holders of the parent | | <u>1,030,731</u> | <u>1,025,978</u> |
| Non controlling interest | | 61 | 65 |
| TOTAL SHAREHOLDERS EQUITY | | <u>1,030,792</u> | <u>1,026,043</u> |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Trade and other payables | 16 | 4,601 | 4,575 |
| Borrowings | 17 | 391,864 | 354,249 |
| Deferred income tax liabilities | 18 | 73,190 | 75,389 |
| Payroll and social security liabilities | 19 | 1,555 | 1,512 |
| Provisions for other liabilities | 20 | 2,162 | 1,892 |

| | | | |
|--|----|-------------------------|-------------------------|
| Total Non-Current Liabilities | | <u>473,372</u> | <u>437,617</u> |
| Current Liabilities | | | |
| Trade and other payables | 16 | 97,511 | 99,685 |
| Current income tax liabilities | | 304 | 187 |
| Payroll and social security liabilities | 19 | 23,061 | 22,948 |
| Borrowings | 17 | 201,296 | 184,884 |
| Derivative financial instruments | 10 | 1,120 | 5,751 |
| Provisions for other liabilities | 20 | 935 | 840 |
| Total Current Liabilities | | <u>324,227</u> | <u>314,295</u> |
| TOTAL LIABILITIES | | <u>797,599</u> | <u>751,912</u> |
| TOTAL SHAREHOLDERS EQUITY AND LIABILITIES | | <u>1,828,391</u> | <u>1,777,955</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Income
for the three-month periods ended March 31, 2013 and 2012**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | Note | March 31, 2013 (unaudited) | March 31, 2012 (unaudited) |
|--|------|----------------------------------|----------------------------------|
| Sales of manufactured products and services rendered | 21 | 70,031 | 65,120 |
| Cost of manufactured products sold and services rendered | 22 | (49,680) | (53,802) |
| Gross Profit from Manufacturing Activities | | 20,351 | 11,318 |
| Sales of agricultural produce and biological assets | 21 | 35,682 | 41,204 |
| Cost of agricultural produce sold and direct agricultural selling expenses | 22 | (35,682) | (41,204) |
| Initial recognition and changes in fair value of biological assets and agricultural produce | | 2,036 | 27,109 |
| Changes in net realizable value of agricultural produce after harvest | | 1,399 | 2,949 |
| Gross Profit from Agricultural Activities | | 3,435 | 30,058 |
| Margin on Manufacturing and Agricultural Activities Before Operating Expenses | | 23,786 | 41,376 |
| General and administrative expenses | 22 | (11,338) | (13,206) |
| Selling expenses | 22 | (10,443) | (11,080) |
| Other operating loss, net | 24 | 13,117 | (7,695) |
| Share of loss in joint ventures | | (702) | (233) |
| Profit from Operations Before Financing and Taxation | | 14,420 | 9,162 |
| Finance income | 25 | 3,848 | 5,580 |
| Finance costs | 25 | (14,386) | (9,799) |
| Financial results, net | 25 | (10,538) | (4,219) |
| Profit Before Income Tax | | 3,882 | 4,943 |
| Income tax expense | 18 | (1,372) | (3,685) |
| Profit for the Period | | 2,510 | 1,258 |
| Attributable to: | | | |
| Equity holders of the parent | | 2,514 | 1,243 |
| Non controlling interest | | (4) | 15 |
| Earnings per share for loss attributable to the equity holders of the parent during the period: | | | |
| Basic | | 0.021 | 0.010 |
| Diluted | | 0.020 | 0.010 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Comprehensive Income
for the three-month periods ended March 31, 2013 and 2012**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | <u>March 31,</u> <u>2013</u> | <u>March 31,</u> <u>2012</u> |
|--|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Profit for the period | 2,510 | 1,258 |
| Other comprehensive income: | | |
| Exchange differences on translating foreign operations | <u>1,224</u> | <u>15,969</u> |
| Other comprehensive income for the period | <u>1,224</u> | <u>15,969</u> |
| Total comprehensive income for the period | <u><u>3,734</u></u> | <u><u>17,227</u></u> |
| Attributable to: | | |
| Equity holders of the parent | 3,738 | 17,087 |
| Non controlling interest | (4) | 140 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
for the three-month periods ended March 31, 2013 and 2012**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | Attributable to equity holders of the parent | | | | | | | Subtotal | Non Controlling Interest | Total Shareholders' Equity |
|---|--|------------------|---|--------------------------------|-------------------|--------------------|----------------------|------------------|--------------------------------|----------------------------------|
| | Share Capital (Note 14) | Share Premium | Cumulative Translation Adjustment | Equity-settled Compensation | Other reserves | Treasury shares | Retained Earnings | | | |
| Balance at January 1, | | | | | | | | | | |
| 2012 | 180,800 | 926,005 | (99,202) | 15,306 | (526) | (4) | 57,497 | 1,079,876 | 14,993 | 1,094,869 |
| Profit for the period | - | - | - | - | - | - | 1,243 | 1,243 | 15 | 1,258 |
| Other comprehensive income: | | | | | | | | | | |
| - Items that may be reclassified subsequently to profit or loss: | | | | | | | | | | |
| Exchange differences on translating foreign operations | - | - | 15,844 | - | - | - | - | 15,844 | 125 | 15,969 |
| Other comprehensive income for the period | - | - | 15,844 | - | - | - | - | 15,844 | 125 | 15,969 |
| Total comprehensive income for the period | - | - | 15,844 | - | - | - | 1,243 | 17,087 | 140 | 17,227 |
| Employee share options (Note 15): | | | | | | | | | | |
| - Value of employee services | - | - | - | 79 | - | - | - | 79 | 1 | 80 |
| - Exercised | 49 | 263 | - | (93) | - | - | - | 219 | (2) | 217 |
| - Forfeited | - | - | - | (16) | - | - | 16 | - | - | - |
| Restricted shares (Note 15): | | | | | | | | | | |
| - Value of employee services | - | - | - | 635 | - | - | - | 635 | 5 | 640 |
| - Forfeited | - | - | - | - | 1 | (1) | - | - | - | - |
| Acquisition of non controlling interest (Note 14) | 1,045 | 5,563 | (1,228) | 189 | (6) | - | 711 | 6,274 | (6,274) | - |
| Balance at March 31, | | | | | | | | | | |
| 2012 (unaudited) | 181,894 | 931,831 | (84,586) | 16,100 | (531) | (5) | 59,467 | 1,104,170 | 8,863 | 1,113,033 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
for the three-month periods ended March 31, 2013 and 2012 (continued)**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | Attributable to equity holders of the parent | | | | | | | Non Controlling Interest | Total Shareholders' Equity | |
|---|--|------------------|---------------------------|--------------------------------|-------------------|--------------------|----------------------|--------------------------------|----------------------------------|------------------|
| | Share Capital (Note 14) | Share Premium | Cumulative | | Other reserves | Treasury shares | Retained Earnings | | | Subtotal |
| | | | Translation Adjustment | Equity-settled Compensation | | | | | | |
| Balance at January 1, 2013 | 183,331 | 940,332 | (182,929) | 17,952 | (349) | (6) | 67,647 | 1,025,978 | 65 | 1,026,043 |
| Profit for the period | - | - | - | - | - | - | 2,514 | 2,514 | (4) | 2,510 |
| Other comprehensive income: | | | | | | | | | | |
| - Items that may be reclassified subsequently to profit or loss: | - | - | - | - | - | - | - | - | - | - |
| Exchange differences on translating foreign operations | - | - | 1,224 | - | - | - | - | 1,224 | - | 1,224 |
| Other comprehensive income for the period | - | - | 1,224 | - | - | - | 2,514 | 3,738 | (4) | 3,734 |
| Total comprehensive income for the period | - | - | - | - | - | - | - | - | - | - |
| Employee share options (Note 15): | | | | | | | | | | |
| - Value of employee services | - | - | - | 26 | - | - | - | 26 | - | 26 |
| - Forfeited | - | - | - | (104) | - | - | 104 | - | - | - |
| Restricted shares (Note 15): | | | | | | | | | | |
| - Value of employee services | - | - | - | 989 | - | - | - | 989 | - | 989 |
| - Issued (*) | 231 | - | - | - | (231) | - | - | - | - | - |
| - Forfeited | - | - | - | - | 5 | (5) | - | - | - | - |
| Balance at March 31, 2013 (unaudited) | 183,562 | 940,332 | (181,705) | 18,863 | (575) | (11) | 70,265 | 1,030,731 | 61 | 1,030,792 |

(*) Shares issued approved by the Board of Directors in the Decision of the Delegate on March 29, 2013 to comply with the vesting of 153,921 shares on April 1, 2013 related to the Restricted Share and Restricted Stock Unit Plan.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Cash Flows
for the three-month periods ended March 31, 2013 and 2012**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | Note | March 31, 2013 (unaudited) | March 31, 2012 (unaudited) |
|---|--------|----------------------------------|----------------------------------|
| Cash flows from operating activities: | | | |
| Profit for the period | | 2,510 | 1,258 |
| <i>Adjustments for:</i> | | | |
| Income tax expense | 18 | 1,372 | 3,685 |
| Depreciation | 22 | 5,600 | 3,805 |
| Amortization | 8 | 84 | 94 |
| Gain from disposal of other property items | 24 | (368) | (561) |
| Equity settled share-based compensation granted | 23 | 1,015 | 720 |
| (Gain) / Loss from derivative financial instruments and forwards | 24, 25 | (14,204) | 7,113 |
| Interest and other expense, net | 25 | 7,640 | 2,505 |
| Initial recognition and changes in fair value of non harvested biological assets (unrealized) | | (2,005) | (23,497) |
| Changes in net realizable value of agricultural produce after harvest (unrealized) | | (415) | (793) |
| Provision and allowances | | 378 | 1,878 |
| Share of loss from joint venture | | 702 | 233 |
| Foreign exchange gains, net | 25 | 4,233 | 1,753 |
| Subtotal | | 6,542 | (1,807) |
| Changes in operating assets and liabilities: | | | |
| Decrease / (Increase) in trade and other receivables | | 1,716 | (13,527) |
| (Increase) / Decrease in inventories | | (2,425) | 12,397 |
| Decrease in biological assets | | 25,311 | 731 |
| Decrease / (Increase) in other assets | | 24 | (99) |
| (Increase) / Decrease in derivative financial instruments | | (2,411) | 679 |
| (Decrease) / Increase in trade and other payables | | (12,480) | 22,695 |
| Increase in payroll and social security liabilities | | 157 | 2,665 |
| Increase in provisions for other liabilities | | (9) | - |
| Net cash used in operating activities before interest and taxes paid | | 16,425 | 23,734 |
| Income tax paid | | - | (2,804) |
| Net cash generated from operating activities | | 16,425 | 20,930 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

**Condensed Consolidated Interim Statements of Cash Flows
for the three-month periods ended March 31, 2013 and 2012 (continued)**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

| | <u>Note</u> | <u>March 31,</u> <u>2013</u> (unaudited) | <u>March 31,</u> <u>2012</u> (unaudited) |
|--|-------------|--|--|
| Cash flows from investing activities: | | | |
| Purchases of property, plant and equipment | | (47,232) | (75,836) |
| Purchases of intangible assets | 8 | (39) | (13) |
| Purchase of cattle and non current biological assets planting cost | | (25,096) | (26,736) |
| Interest received | 25 | 1,761 | 4,466 |
| Payment of seller financing arising on subsidiaries acquired | | – | (6,807) |
| Proceeds from sale of farmlands | | 3,018 | – |
| Proceeds from sale of property, plant and equipment | | 1,220 | 836 |
| Proceeds from disposal of subsidiaries | | 6,717 | – |
| Net cash used in investing activities | | <u>(59,651)</u> | <u>(104,090)</u> |
| Cash flows from financing activities: | | | |
| Proceeds from equity settled share-based compensation exercised | | – | 218 |
| Proceeds from long-term borrowings | | 49,989 | 20,418 |
| Payments of long-term borrowings | | (13,787) | (1,205) |
| Net increase in short-term borrowings | | 3,340 | 18,134 |
| Interest paid | | (5,091) | (6,292) |
| Net cash generated from financing activities | | <u>34,451</u> | <u>31,273</u> |
| Net decrease in cash and cash equivalents | | <u>(8,775)</u> | <u>(51,887)</u> |
| Cash and cash equivalents at beginning of period | | 218,809 | 330,546 |
| Effect of exchange rate changes on cash and cash equivalents | | 403 | 4,251 |
| Cash and cash equivalents at end of period | | <u>210,437</u> | <u>282,910</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

1. General information

Adecoagro S.A. (the “Company” or “Adecoagro”) is the Group’s ultimate parent company and is a société anonyme (stock corporation) organized under the laws of the Grand Duchy of Luxembourg. Adecoagro is a holding company primarily engaged through its operating subsidiaries in agricultural and agro-industrial activities. The Company and its operating subsidiaries are collectively referred to hereinafter as the “Group”. These activities are carried out through three major lines of business, namely, Farming; Sugar, Ethanol and Energy and Land Transformation. Farming is further comprised of five reportable segments, which are described in detail in Note 5 to these condensed consolidated interim financial statements.

Adecoagro is a public company listed in the New York Stock Exchange as a foreign registered company under the symbol of AGRO.

These condensed consolidated interim financial statements have been approved for issue by the Board of Directors on May 14, 2013.

2. Basis of preparation and presentation

The information presented in the accompanying three-month condensed consolidated interim financial statements as of March 31, 2013 and for the three-month periods ended March 31, 2013 and 2012 is unaudited and in the opinion of management reflect all adjustments necessary to present fairly the financial position of the Group as of March 31, 2013, results of operations and cash flows for the three months ended March 31, 2013 and 2012. All such adjustments are of a normal recurring nature. In preparing the accompanying condensed consolidated interim financial statements, management has made certain estimates and assumptions that affect reported amounts in the financial statements and disclosures of contingencies. Actual results may differ from those estimates. The results for interim periods are not necessarily indicative of annual results.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2012, except for the adoption of new standards and interpretations effective as of January 1, 2013.

The Group applies, for the first time, certain standards and amendments. These include IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements”, IAS 19 (Revised 2011) “Employee Benefits”, IFRS 13 “Fair Value Measurement” and amendments to IAS 1 “Presentation of Financial Statements”. As required by IAS 34, the nature and the effect of these changes are disclosed below. The Group concluded that the adoption of these standards did not require any restatement of previous financial statements. In addition, the application of IFRS 12 “Disclosure of Interest in Other Entities” would result in additional disclosures in the annual consolidated financial statements.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group.

New and amended standards adopted by the Group

The Group has adopted the following standards, together with the consequential amendments to other IFRSs, effective January 1, 2013:

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

2. Basis of preparation and presentation (continued)

IFRS 10 “Consolidated Financial Statements”: IFRS 10 was issued in May 2011 and replaces all the guidance on control and consolidation in IAS 27, ‘Consolidated and separate financial statements’, and SIC-12, ‘Consolidation - special purpose entities’. The Group assessed whether the consolidation conclusion under IFRS 10 differs from IAS 27/SIC 12 as at January 1, 2013. If the consolidation conclusion under IFRS 10 would have differed from IAS 27/SIC 12 as at January 1, 2013, the immediately preceding comparative period would have been restated to be consistent with the accounting conclusion under IFRS 10, unless impracticable. The Group assessed that adoption of IFRS 10 did not result in any change in the consolidation status of its subsidiaries.

IFRS 11 “Joint Arrangements” was issued in May 2011 and replaces IAS 31 “Interests in joint ventures” and SIC 13 “Jointly controlled entities - Non monetary contributions by venturers”. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has applied the new policy for interests in joint ventures occurring on or after January 1, 2012 in accordance with the transition provisions of IFRS 11. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Accordingly, the adoption of IFRS 11 did not result in any change in the accounting for its joint ventures.

IFRS 12 “Disclosure of interests in other entities”: IFRS 12 was issued in May 2011 and provides disclosure requirements on interests in subsidiaries, associates, joint ventures, and unconsolidated structured entities. None of these disclosure requirements are applicable for interim condensed consolidated financial statements, unless significant events and transactions in the interim period requires that they are provided. Accordingly, the Group has not made such disclosures.

IFRS 13 “Fair Value Measurement” was issued in May 2011 and replaces the fair value measurement guidance currently dispersed across different IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed consolidated financial statements period. The Group provides these disclosures in Note 10.

IAS 1 “Presentation of financial statements” was amended in June 2011 to improve the consistency and clarity of the presentation of items of other comprehensive income (“OCI”). The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Group’s financial position or performance.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Changes in accounting policies and disclosures

The Group changed the description of the following accounting policies in line with the adoption of IFRS 10 “Consolidated Financial Statements” and IFRS 11 “Joint Arrangements”:

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

2. Basis of preparation and presentation (continued)

Scope of consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group has up to 12 months to finalize the accounting for a business combination. Where the accounting for a business combination is not complete by the end of the reporting period in which the business combination occurred, the Group reports provisional amounts.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the income statement as gains on bargain purchases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

2. Basis of preparation and presentation (continued)

(d) Joint arrangements

Joint arrangements are arrangements of which the Group and other party or parties have joint control bound by a contractual arrangement. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Under the equity method of accounting, interests in joint ventures are initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the post-acquisition of profits or losses and movements in other comprehensive income in the income statement and in other comprehensive income respectively. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

On February 26, 2013, the Group formed CHS AGRO, a joint venture with CHS Inc. CHS Inc. a leading farmer-owned energy, grains and foods company based in the United States. The Group holds 50% interest in CHS AGRO. CHS AGRO will build a sunflower processing facility located in the city of Pehuajo, Province of Buenos Aires, Argentina. The facility will process black oil and confectionary sunflower into specialty products such as in-shell seeds and oil seeds, which will be entirely exported to markets in Europe and the Middle East. The joint venture will grow confectionary sunflower on leased farms, while black oil sunflower will be originated from third parties. The Group and CHS Inc are committed to make a capital contribution of approximately US\$ 4 million each during 2013 which will be used to begin the construction of the facility.

Seasonality of operations

The Group's business activities are inherently seasonal. The Group generally harvest and sell its grains (corn, soybean, rice and sunflower) between February and June, with the exception of wheat, which is harvested from December to January. Coffee and cotton are different in that while both are typically harvested from June to August, they require a conditioning process which takes about two to three months. Sales in other business segments, such as in Cattle and Dairy business segments, tend to be more stable. However, the raising of cattle and sale of milk is generally higher during the fourth quarter, when the weather is warmer and pasture conditions are more favorable. The sugarcane harvesting period typically begins April/May and ends in November/December. This creates fluctuations in sugarcane inventory, usually peaking in December to cover sales between crop harvests (i.e., January through April). As a result of the above factors, there may be significant variations in the results of operations from one quarter to another, as planting activities may be more concentrated in one quarter whereas harvesting activities may be more concentrated in another quarter. In addition, quarterly results may vary as a result of the effects of fluctuations in commodities prices, production yields and costs on the determination of initial recognition and changes in fair value of biological assets and agricultural produce.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

3. Financial risk management

Risk management principles and processes

The Group continues to be exposed to several risks arising from financial instruments including price risk, exchange rate risk, interest rate risk, liquidity risk and credit risk. A thorough explanation of the Group's risks and the Group's approach to the identification, assessment and mitigation of risks is included in Note 3 to the annual financial statements. There have been no changes to the Group's exposure and risk management principles and processes since December 31, 2012 and refers readers to the annual financial statements for information.

However, the Group considers that the following tables below provide useful information to understand the Group's interim results for the three months ended March 31, 2013. These disclosures do not appear in any particular order of potential materiality or probability of occurrence.

Exchange rate risk

The following tables show the Group's net monetary position broken down by various currencies for each functional currency in which the Group operates at March 31, 2013. All amounts are shown in US dollars.

| <u>Net monetary position</u> <u>(Liability)/ Asset</u> | <u>March 31, 2013</u> | | | | |
|---|---------------------------------|----------------------------------|---------------------------------|------------------|------------------|
| | <u>Functional currency</u> | | | | |
| | <u>Argentine</u> <u>Peso</u> | <u>Brazilian</u> <u>Reais</u> | <u>Uruguayan</u> <u>Peso</u> | <u>US Dollar</u> | <u>Total</u> |
| | | | (unaudited) | | |
| Argentine Peso | (51,137) | - | - | - | (51,137) |
| Brazilian Reais | - | (322,993) | - | - | (322,993) |
| US Dollar | (124,006) | (54,631) | 20,294 | 113,216 | (45,127) |
| Uruguayan Peso | - | - | (277) | - | (277) |
| Total | (175,143) | (377,624) | 20,017 | 113,216 | (419,534) |

The Group's analysis shown on the tables below is carried out based on the exposure of each functional currency subsidiary against the US dollar. The Group estimated that, other factors being constant, a 10% appreciation of the US dollar against the respective functional currencies for the years ended March 31, 2013 would have (decreased) the Group's **Profit Before Income Tax** for the year. A 10% depreciation of the US dollar against the functional currencies would have an equal and opposite effect on the income statement

| <u>Net monetary position</u> | <u>March 31, 2013</u> | | | | |
|---|---------------------------------|----------------------------------|---------------------------------|------------------|-----------------|
| | <u>Functional currency</u> | | | | |
| | <u>Argentine</u> <u>Peso</u> | <u>Brazilian</u> <u>Reais</u> | <u>Uruguayan</u> <u>Peso</u> | <u>US Dollar</u> | <u>Total</u> |
| | | | (unaudited) | | |
| Argentine Peso | n/a | - | - | - | - |
| Brazilian Reais | - | n/a | n/a | - | - |
| US Dollar | (12,401) | (5,463) | 2,029 | n/a | (15,835) |
| Uruguayan Peso | - | - | n/a | - | - |
| (Increase) or decrease in Profit Before Income Tax | (12,401) | (5,463) | 2,029 | - | (15,835) |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

3. Financial risk management (continued)

Interest rate risk

The following table shows a breakdown of the Group's fixed-rate and floating-rate borrowings per currency denomination and functional currency of the subsidiary issuing the loans (excluding finance leases) at March 31, 2013 (all amounts are shown in US dollars):

| <u>Rate per currency denomination</u> | <u>March 31, 2013</u> | | | |
|---|----------------------------|----------------------------|---------------------------|------------------|
| | <u>Functional currency</u> | | | |
| | <u>Argentine Peso</u> | <u>Brazilian Reais</u> | <u>Uruguayan Peso</u> | <u>Total</u> |
| | (unaudited) | | | |
| Fixed rate: | | | | |
| Argentine Peso | (35,673) | – | – | (35,673) |
| Brazilian Reais | – | (132,392) | – | (132,392) |
| Uruguayan Peso | – | – | – | – |
| US Dollar | (66,167) | (63,401) | (507) | (130,075) |
| Subtotal Fixed-rate borrowings | (101,840) | (195,793) | (507) | (298,140) |
| Variable rate: | | | | |
| Brazilian Reais | – | (235,269) | – | (235,269) |
| US Dollar | (53,059) | (4,463) | – | (57,522) |
| Subtotal Variable-rate borrowings | (53,059) | (239,732) | – | (292,791) |
| Total borrowings as per analysis | (154,899) | (435,525) | (507) | (590,931) |
| Finance leases | (2,164) | (65) | – | (2,229) |
| Total borrowings at March 31, 2013 | (157,063) | (435,590) | (507) | (593,160) |

At March 31, 2013, if interest rates on floating-rate borrowings had been 1 % higher (or lower) with all other variables held constant, **Profit Before Income Tax** for the period would decrease as follows:

| <u>Rate per currency denomination</u> | <u>March 31, 2013</u> | | | |
|--|----------------------------|----------------------------|---------------------------|----------------|
| | <u>Functional currency</u> | | | |
| | <u>Argentine Peso</u> | <u>Brazilian Reais</u> | <u>Uruguayan Peso</u> | <u>Total</u> |
| | (unaudited) | | | |
| Variable rate: | | | | |
| Brazilian Reais | – | (2,352) | – | (2,352) |
| US Dollar | (531) | (45) | – | (576) |
| Total effects on Profit Before Income Tax | (531) | (2,397) | – | (2,928) |

Credit risk

As of March 31, 2013, 7 banks accounted for more than 95% of the total cash deposited (HSBC, Rabobank, Banco Do Brasil, Votorantim, Itau, Citibank and Bradesco).

Derivative financial instruments

The following table shows the outstanding positions for each type of derivative contract as of March 31, 2013:

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

3. Financial risk management (continued)

Futures / Options

As of March 31, 2013

| <u>Type of derivative contract</u> | <u>March 31, 2013</u> | | | |
|--|-----------------------------------|-----------------|-------------------------------------|---------------------------|
| | <u>Quantities (thousands)</u> | <u>Notional</u> | <u>Market</u> | <u>(Loss)/ Profit</u> |
| | <u>(**)</u> | <u>amount</u> | <u>Value Asset/ (Liability)</u> | <u>(*)</u> |
| | | | (unaudited) | (unaudited) |
| Futures: | | | | |
| Sale | | | | |
| Corn | 102 | 24,930 | 3,474 | 2,392 |
| Soybean | 36 | 11,922 | 215 | 56 |
| Wheat | 11 | 2,354 | (9) | 144 |
| Cotton | 1 | 995 | (128) | (128) |
| Sugar | 175 | 79,972 | 9,102 | 9,102 |
| Ethanol | 5 | 2,945 | 27 | 27 |
| Coffee | 1 | 685 | 17 | 17 |
| OTC | | | | |
| Sugar | 18 | 5,543 | 1,551 | 1,551 |
| Options: | | | | |
| Buy put | | | | |
| Sugar | 49 | 1,476 | 1,685 | 712 |
| Sell call | | | | |
| Sugar | 5 | 1,354 | (122) | 1,207 |
| Total | 403 | 132,176 | 15,812 | 15,080 |

(*) Included in line "Gain from commodity derivative financial instruments" of Note 23.

(**) All quantities expressed in tons except otherwise indicated.

Commodity future contract fair values are computed with reference to quoted market prices on future exchanges.

Other derivative financial instruments

As of March 31, 2013, the Group has floating-to-fixed interest rate swap, foreign currency fixed-to-floating interest rate swap and foreign currency floating-to fixed interest rate swap agreements, which were also outstanding as of December 31, 2012.

Currency forward

During the periods ended March 31, 2013 and 2012, the Group entered into several currency forward contracts with Brazilian banks in order to hedge the fluctuation of the Brazilian Reais against US Dollar for a total notional amount of US\$ 14.0 million and US\$ 103.5 million, respectively. The currency forward contracts entered in 2013 had maturity dates between March 2013 and December 2013, while those entered in 2012 had maturity dates ranging between June and December 2013. The outstanding contracts resulted in the recognition of a loss amounting to US\$ 2.7 million in 2013 and of a gain amounting to US\$ 1.1 million in 2012. Gains and losses on currency forward contracts are included within "Financial results, net" in the statement of income.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

4. Critical accounting estimates and judgments

The Group's critical accounting policies are also consistent with those of the audited annual financial statements for the year ended December 31, 2012 described in Note 4.

5. Segment information

The Group operates in three major lines of business, namely, Farming; Sugar, Ethanol and Energy; and Land Transformation.

The Group's 'Farming' is further comprised of five reportable segments: Crops, Rice, Dairy, Coffee and Cattle.

The measurement principles for the Group's segment reporting structure are based on the IFRS principles adopted in the condensed consolidated interim financial statements. Revenue generated and goods and services exchanged between segments are calculated on the basis of market prices.

Total segment assets and liabilities are measured in a manner consistent with that of the condensed consolidated interim financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset. The Group's investment in the joint venture Grupo La Lácteo is allocated to the 'Dairy' segment.

The following table presents information with respect to the Group's reportable segments. Certain other activities of a holding function nature not allocable to the segments are disclosed in the column 'Corporate'.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)
(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

5. Segment information (continued)

Segment analysis for the three-month period ended March 31, 2013 (unaudited)

| | <i>Farming</i> | | | | | <i>Sugar,</i> | | <i>Land</i> | <i>Corporate</i> | <i>Total</i> |
|--|----------------|--------------|--------------|-----------------|---------------|-----------------------------------|-------------------------------------|-------------|------------------|---------------|
| | <i>Crops</i> | <i>Rice</i> | <i>Dairy</i> | <i>Coffee</i> | <i>Cattle</i> | <i>Farming</i> <i>subtotal</i> | <i>ethanol and</i> <i>energy</i> | | | |
| Sales of manufactured products and services rendered | 185 | 26,507 | – | – | 896 | 27,588 | 42,443 | – | – | 70,031 |
| Cost of manufactured products sold and services rendered | – | (23,821) | – | – | (25) | (23,846) | (25,834) | – | – | (49,680) |
| Gross Profit from Manufacturing Activities | 185 | 2,686 | – | – | 871 | 3,742 | 16,609 | – | – | 20,351 |
| Sales of agricultural produce and biological assets | 27,558 | 1,026 | 6,384 | 439 | 275 | 35,682 | – | – | – | 35,682 |
| Cost of agricultural produce sold and direct agricultural selling expenses | (27,558) | (1,026) | (6,384) | (439) | (275) | (35,682) | – | – | – | (35,682) |
| Initial recognition and changes in fair value of biological assets and agricultural produce | 12,051 | 5,717 | 958 | (10,947) | (45) | 7,734 | (5,698) | – | – | 2,036 |
| Changes in net realizable value of agricultural produce after harvest | 1,380 | – | – | 19 | – | 1,399 | – | – | – | 1,399 |
| Gross Profit/ (Loss) from Agricultural Activities | 13,431 | 5,717 | 958 | (10,928) | (45) | 9,133 | (5,698) | – | – | 3,435 |
| Margin on Manufacturing and Agricultural Activities Before Operating Expenses | 13,616 | 8,403 | 958 | (10,928) | 826 | 12,875 | 10,911 | – | – | 23,786 |
| General and administrative expenses | (986) | (1,209) | (275) | (281) | – | (2,751) | (4,046) | – | (4,541) | (11,338) |
| Selling expenses | (1,092) | (4,099) | (82) | (45) | (10) | (5,328) | (5,097) | – | (18) | (10,443) |
| Other operating loss, net | 2,596 | 178 | 42 | 188 | – | 3,004 | 10,170 | – | (57) | 13,117 |
| Share of loss of joint ventures | – | – | (702) | – | – | (702) | – | – | – | (702) |
| Profit/ (Loss) from Operations Before Financing and Taxation | 14,134 | 3,273 | (59) | (11,066) | 816 | 7,098 | 11,938 | – | (4,616) | 14,420 |
| Depreciation and amortization | (564) | (1,294) | (274) | (106) | (25) | (2,263) | (3,421) | – | – | (5,684) |
| Initial recognition and changes in fair value of biological assets (unrealized) | 7,946 | 176 | (15) | (9,386) | – | (1,279) | 492 | – | – | (787) |
| Initial recognition and changes in fair value of agricultural produce (unrealized) | 2,371 | 4,592 | – | (1,561) | – | 5,402 | (2,610) | – | – | 2,792 |
| Initial recognition and changes in fair value of biological assets and agricultural produce (realized) | 1,734 | 949 | 973 | – | (45) | 3,611 | (3,580) | – | – | 31 |

| | | | | | | | | | | |
|--|----------------|----------------|---------------|---------------|---------------|----------------|----------------|---|---|------------------|
| Changes in net realizable value of agricultural produce after harvest (unrealized) | 396 | - | - | 19 | - | 415 | - | - | - | 415 |
| Changes in net realizable value of agricultural produce after harvest (realized) | 984 | - | - | - | - | 984 | - | - | - | 984 |
| Property, plant and equipment, net | 194,236 | 65,145 | 22,101 | 21,304 | 10,594 | 313,380 | 624,119 | - | - | 937,499 |
| Investment property | - | - | - | - | 14,923 | 14,923 | - | - | - | 14,923 |
| Goodwill | 12,674 | 5,390 | - | 1,107 | 495 | 19,666 | 10,836 | - | - | 30,502 |
| Biological assets | 51,693 | 6,693 | 11,594 | 7,436 | 786 | 78,202 | 223,783 | - | - | 301,985 |
| Investment in joint ventures | - | - | 1,818 | - | - | 1,818 | - | - | - | 1,818 |
| Financial assets | 11,878 | - | - | - | - | 11,878 | - | - | - | 11,878 |
| Inventories | 29,432 | 40,330 | 3,072 | 1,162 | 2 | 73,998 | 22,616 | - | - | 96,614 |
| Total segment assets | 299,913 | 117,558 | 38,585 | 31,009 | 26,800 | 513,865 | 881,354 | - | - | 1,395,219 |
| Borrowings | 86,293 | 62,826 | 15,706 | 7,371 | - | 172,196 | 420,964 | - | - | 593,160 |
| Total segment liabilities | 86,293 | 62,826 | 15,706 | 7,371 | - | 172,196 | 420,964 | - | - | 593,160 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)
(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

5. Segment information (continued)

Segment analysis for the three-month period ended March 31, 2012 (unaudited)

| | <u>Farming</u> | | | | | <u>Sugar,</u> | | <u>Land</u> | <u>Corporate</u> | <u>Total</u> |
|--|----------------|--------------|--------------|----------------|---------------|-----------------------------------|-------------------------------------|-------------|------------------|---------------|
| | <u>Crops</u> | <u>Rice</u> | <u>Dairy</u> | <u>Coffee</u> | <u>Cattle</u> | <u>Farming</u> <u>subtotal</u> | <u>ethanol and</u> <u>energy</u> | | | |
| Sales of manufactured products and services rendered | 240 | 20,252 | - | - | 1,171 | 21,663 | 43,457 | - | - | 65,120 |
| Cost of manufactured products sold and services rendered | - | (18,983) | - | - | (42) | (19,025) | (34,777) | - | - | (53,802) |
| Gross Profit from Manufacturing Activities | 240 | 1,269 | - | - | 1,129 | 2,638 | 8,680 | - | - | 11,318 |
| Sales of agricultural produce and biological assets | 35,754 | 5 | 4,715 | 461 | 80 | 41,015 | 189 | - | - | 41,204 |
| Cost of agricultural produce sold and direct agricultural selling expenses | (35,754) | (5) | (4,715) | (461) | (80) | (41,015) | (189) | - | - | (41,204) |
| Initial recognition and changes in fair value of biological assets and agricultural produce | 14,769 | 3,589 | 353 | (4,234) | (74) | 14,403 | 12,706 | - | - | 27,109 |
| Changes in net realizable value of agricultural produce after harvest | 2,976 | - | - | (27) | - | 2,949 | - | - | - | 2,949 |
| Gross Profit/ (Loss) from Agricultural Activities | 17,745 | 3,589 | 353 | (4,261) | (74) | 17,352 | 12,706 | - | - | 30,058 |
| Margin on Manufacturing and Agricultural Activities Before Operating Expenses | 17,985 | 4,858 | 353 | (4,261) | 1,055 | 19,990 | 21,386 | - | - | 41,376 |
| General and administrative expenses | (1,083) | (1,032) | (215) | (231) | (17) | (2,578) | (4,660) | - | (5,968) | (13,206) |
| Selling expenses | (1,241) | (4,248) | (64) | (77) | (9) | (5,639) | (5,431) | - | (10) | (11,080) |
| Other operating loss, net | (4,138) | 282 | - | 1,918 | (12) | (1,950) | (5,610) | - | (135) | (7,695) |
| Share of loss of joint ventures | - | - | (233) | - | - | (233) | - | - | - | (233) |
| Profit/ (Loss) from Operations Before Financing and Taxation | 11,523 | (140) | (159) | (2,651) | 1,017 | 9,590 | 5,685 | - | (6,113) | 9,162 |
| Depreciation and amortization | (434) | (975) | (212) | (156) | (59) | (1,836) | (2,063) | - | - | (3,899) |
| Initial recognition and changes in fair value of biological assets (unrealized) | 11,125 | 541 | 159 | (1,088) | - | 10,737 | 12,494 | - | - | 23,231 |
| Initial recognition and changes in fair value of agricultural produce (unrealized) | 795 | 2,405 | - | (3,146) | - | 54 | 212 | - | - | 266 |
| Initial recognition and changes in fair value of biological assets and agricultural produce (realized) | 2,849 | 643 | 194 | - | (74) | 3,612 | - | - | - | 3,612 |

| | | | | | | | | | | |
|--|----------------|----------------|---------------|---------------|---------------|----------------|----------------|----------|----------|------------------|
| Changes in net realizable value of agricultural produce after harvest (unrealized) | 793 | - | - | - | - | 793 | - | - | - | 793 |
| Changes in net realizable value of agricultural produce after harvest (realized) | 2,183 | - | - | (27) | - | 2,156 | - | - | - | 2,156 |
| As of December 31, 2012: | | | | | | | | | | |
| Property, plant and equipment, net | 200,223 | 68,527 | 22,047 | 21,081 | 11,065 | 322,943 | 557,954 | - | - | 880,897 |
| Investment property | - | - | - | - | 15,542 | 15,542 | - | - | - | 15,542 |
| Goodwill | 13,201 | 5,613 | - | 1,093 | 516 | 20,423 | 10,677 | - | - | 31,100 |
| Biological assets | 42,091 | 30,836 | 12,149 | 16,211 | 979 | 102,266 | 195,870 | - | - | 298,136 |
| Investment in joint ventures | - | - | 2,613 | - | - | 2,613 | - | - | - | 2,613 |
| Financial assets | 11,878 | - | - | - | - | 11,878 | - | - | - | 11,878 |
| Inventories | 29,731 | 12,411 | 2,376 | 2,562 | - | 47,080 | 48,241 | - | - | 95,321 |
| Total segment assets | 297,124 | 117,387 | 39,185 | 40,947 | 28,102 | 522,745 | 812,742 | - | - | 1,335,487 |
| Borrowings | 79,820 | 56,567 | 14,142 | 8,686 | - | 159,215 | 379,918 | - | - | 539,133 |
| Total segment liabilities | 79,820 | 56,567 | 14,142 | 8,686 | - | 159,215 | 379,918 | - | - | 539,133 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

6. Property, plant and equipment

Changes in the Group's property, plant and equipment in the three-month periods ended March 31, 2013 and 2012 were as follows:

| | <u>Farmlands</u> | <u>Farmland improvements</u> | <u>Buildings and facilities</u> | <u>Machinery, equipment, furniture and fittings</u> | <u>Computer equipment</u> | <u>Vehicles</u> | <u>Work in progress</u> | <u>Total</u> |
|--|-----------------------|----------------------------------|-------------------------------------|---|-------------------------------|---------------------|-----------------------------|-----------------------|
| Three-month period ended March 31, 2012 | | | | | | | | |
| Opening net book amount | 313,685 | 930 | 153,617 | 204,441 | 1,474 | 993 | 84,556 | 759,696 |
| Exchange differences | (1,411) | (19) | 3,372 | 5,705 | 37 | (19) | 1,624 | 9,289 |
| Additions | - | - | 77 | 13,462 | 165 | 1,822 | 61,813 | 77,339 |
| Transfers | - | - | 1,234 | 615 | - | - | (1,849) | - |
| Disposals | - | - | - | (272) | (1) | (1) | - | (274) |
| Reclassification to non-income tax credits (*) | - | - | - | (136) | - | - | (548) | (684) |
| Depreciation (Note 22) | - | (100) | (1,502) | (2,004) | (80) | (119) | - | (3,805) |
| Closing net book amount | <u>312,274</u> | <u>811</u> | <u>156,798</u> | <u>221,811</u> | <u>1,595</u> | <u>2,676</u> | <u>145,596</u> | <u>841,561</u> |
| At March 31, 2012 (unaudited) | | | | | | | | |
| Cost | 312,274 | 4,049 | 195,387 | 339,035 | 3,556 | 4,924 | 145,596 | 1,004,821 |
| Accumulated depreciation | - | (3,238) | (38,589) | (117,224) | (1,961) | (2,248) | - | (163,260) |
| Net book amount | <u>312,274</u> | <u>811</u> | <u>156,798</u> | <u>221,811</u> | <u>1,595</u> | <u>2,676</u> | <u>145,596</u> | <u>841,561</u> |
| Three-month period ended March 31, 2013 | | | | | | | | |
| Opening net book amount | 284,281 | 8,517 | 148,886 | 212,641 | 1,593 | 1,740 | 223,239 | 880,897 |
| Exchange differences | (6,647) | (350) | 227 | 2,537 | 15 | (66) | 2,535 | (1,749) |
| Additions | - | - | 7,994 | 31,419 | 273 | 59 | 23,956 | 63,701 |
| Transfers | - | 28 | 725 | 434 | - | - | (1,187) | - |
| Disposals | - | - | - | (1,138) | (3) | - | - | (1,141) |
| Reclassification to non-income tax credits (*) | - | - | (144) | 1,535 | - | - | - | 1,391 |
| Depreciation (Note 22) | - | (527) | (1,416) | (3,380) | (146) | (131) | - | (5,600) |
| Closing net book amount | <u>277,634</u> | <u>7,668</u> | <u>156,272</u> | <u>244,048</u> | <u>1,732</u> | <u>1,602</u> | <u>248,543</u> | <u>937,499</u> |
| At March 31, 2013 (unaudited) | | | | | | | | |
| Cost | 277,634 | 13,064 | 210,688 | 397,922 | 4,400 | 4,420 | 248,543 | 1,156,671 |
| Accumulated depreciation | - | (5,396) | (54,416) | (153,874) | (2,668) | (2,818) | - | (219,172) |
| Net book amount | <u>277,634</u> | <u>7,668</u> | <u>156,272</u> | <u>244,048</u> | <u>1,732</u> | <u>1,602</u> | <u>248,543</u> | <u>937,499</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

6. Property, plant and equipment (continued)

(*) Brazilian federal tax law allows entities to take a percentage of the total cost of the assets purchased as a tax credit (PIS and COFINS). Adecoagro Vale do Ivinhema, have a tax benefit ("Credito Presumido") for their ethanol operations. This benefit allows that these credits will be capitalized in Property Plant and Equipment as cost of the asset. Monthly, the Group reclassifies part of these credits to "Non income tax credits", in order to compensate with tax debts in proportion to the sales, except ethanol sales. In January 5, 2013, the Group obtained another special benefit from the State of Mato Grosso do Sul that permit to compensate pre operational ICMS credits that the Group had registered in long term credits. As result of this new benefit the Group reclassified that credit to PP&E and they will have the same treatment to the other credits (See Note 11).

An amount of US\$ 3,810 and US\$ 2,275 of depreciation are included in "Cost of manufactured products sold and services rendered" for the three-month periods ended March 31, 2013 and 2012, respectively. An amount of US\$ 1,673 and US\$ 1,362 of depreciation are included in "General and administrative expenses" for the three-month periods ended March 31, 2013 and 2012, respectively. An amount of US\$ 117 and US\$ 168 of depreciation are included in "Selling expenses" for the three-month periods ended March 31, 2013 and 2012, respectively.

As of March 31, 2013, borrowing costs of US\$ 4,781 (March 31, 2012: US\$ 1,502) were capitalized as components of the cost of acquisition or construction of qualifying assets.

Certain of the Group's assets have been pledged as collateral to secure the Group's borrowings and other payables. The net book value of the pledged assets amounts to US\$ 320,635 as of March 31, 2013.

As of March 31, 2013 included within property, plant and equipment balances are US\$ 1,393 related to the net book value of assets under finance leases.

7. Investment property

Changes in the Group's investment property in the three-month periods ended March 31, 2013 and 2012 were as follows:

| | <u>March 31,</u> <u>2013</u> | <u>March 31,</u> <u>2012</u> |
|-----------------------------|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Beginning of the year | 15,542 | 21,417 |
| Acquisition of subsidiaries | - | 9,670 |
| Exchange differences | (619) | (1,376) |
| End of the period | 14,923 | 29,711 |
| Cost | 14,923 | 29,711 |
| Accumulated depreciation | - | - |
| Net book amount | 14,923 | 29,711 |

The following amounts have been recognized in the statement of income in the line "Sales of manufactured products and services rendered":

| | <u>March 31,</u> <u>2013</u> | <u>March 31,</u> <u>2012</u> |
|---------------|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Rental income | 1,021 | 1,389 |

As of March 31, 2013, the fair value of investment property was US\$ 67 million (2012: US\$ 87 million).

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

8. Intangible assets

Changes in the Group' s intangible assets in the three-month periods ended March 31, 2013 and 2012 were as follows:

| | <u>Goodwill</u> | <u>Trademarks</u> | <u>Software</u> | <u>Others</u> | <u>Total</u> |
|--|----------------------|---------------------|-------------------|-------------------|----------------------|
| Three-month period ended March 31, 2012 | | | | | |
| Opening net book amount | 34,886 | 1,592 | 277 | – | 36,755 |
| Exchange differences | (185) | 13 | 9 | – | (163) |
| Additions | – | – | 13 | – | 13 |
| Amortization charge (i) (Note 22) | – | (47) | (47) | – | (94) |
| Closing net book amount | <u>34,701</u> | <u>1,558</u> | <u>252</u> | <u>–</u> | <u>36,511</u> |
| At March 31, 2012 (unaudited) | | | | | |
| Cost | 34,701 | 2,680 | 840 | – | 38,221 |
| Accumulated amortization | – | (1,122) | (588) | – | (1,710) |
| Net book amount | <u>34,701</u> | <u>1,558</u> | <u>252</u> | <u>–</u> | <u>36,511</u> |
| Three-month period ended March 31, 2013 | | | | | |
| Opening net book amount | 31,100 | 1,356 | 341 | 83 | 32,880 |
| Exchange differences | (598) | (1) | (1) | 1 | (599) |
| Additions | – | – | 17 | 22 | 39 |
| Amortization charge (ii) (Note 22) | – | (43) | (41) | – | (84) |
| Closing net book amount | <u>30,502</u> | <u>1,312</u> | <u>316</u> | <u>106</u> | <u>32,236</u> |
| At March 31, 2013 (unaudited) | | | | | |
| Cost | 30,502 | 2,601 | 1,078 | 106 | 34,287 |
| Accumulated amortization | – | (1,289) | (762) | – | (2,051) |
| Net book amount | <u>30,502</u> | <u>1,312</u> | <u>316</u> | <u>106</u> | <u>32,236</u> |

- (i) For the three-month period ended March 31, 2012 an amount of US\$ 47 and US\$ 47 of amortization charges are included in “General and administrative expenses” and “Selling expenses”, respectively. There were no impairment charges for any of the periods presented.
- (ii) For the three-month period ended March 31, 2013 an amount of US\$ 41 and US\$ 43 of amortization charges are included in “General and administrative expenses” and “Selling expenses”, respectively. There were no impairment charges for any of the periods presented.

The Group tests annually whether goodwill has suffered any impairment. The last impairment test of goodwill was performed as of September 30, 2012.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

9. Biological assets

Changes in the Group's biological assets in the three-month periods ended March 31, 2013 and 2012 were as follows:

| | March 31, | March 31, |
|--|-----------------------|-----------------------|
| | 2013 | 2012 |
| | (unaudited) | (unaudited) |
| Beginning of the period | 298,136 | 239,600 |
| Increase due to purchases | 41 | 294 |
| Initial recognition and changes in fair value of biological assets (i) | 2,036 | 27,109 |
| Decrease due to harvest | (73,684) | (58,210) |
| Decrease due to sales | (723) | (445) |
| Costs incurred during the period | 74,119 | 80,753 |
| Exchange differences | 2,060 | 3,539 |
| End of the period year | <u>301,985</u> | <u>292,640</u> |

- (i) Biological asset with a production cycle of more than one year (that is, sugarcane, coffee, dairy and cattle) generated 'Initial recognition and changes in fair value of biological assets' amounting to US\$ (15,732) loss for the three-month period ended March 31, 2013 (2012: US\$ 8,751 gain). In 2013, an amount of US\$ 3,450 gain (2012: US\$ (12,853) loss) was attributable to price changes, and an amount of US\$ (19,182) loss (2012: US\$ 21,604 gain) was mainly attributable to physical changes.

Biological assets as of March 31, 2013 and December 31, 2012 were as follows:

| | March 31, | December 31, |
|--------------------------------|-----------------------|-----------------------|
| | 2013 | 2012 |
| | (unaudited) | (unaudited) |
| Non-current | | |
| Cattle for dairy production | 11,594 | 12,149 |
| Other cattle | 441 | 736 |
| Sown land - coffee | 7,436 | 16,211 |
| Sown land - sugarcane | 223,783 | 195,870 |
| | <u>243,254</u> | <u>224,966</u> |
| Current | | |
| Other cattle | 345 | 243 |
| Sown land - crops | 51,693 | 42,091 |
| Sown land - rice | 6,693 | 30,836 |
| | <u>58,731</u> | <u>73,170</u> |
| Total biological assets | <u>301,985</u> | <u>298,136</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

10. Financial instruments

As of March 31, 2013, the financial instruments recognized at fair value on the statement of financial position comprise derivative financial instruments and equity investment in Santa Regina.

In the case of Level 1, valuation is based on unadjusted quoted prices in active markets for identical financial assets that the Group can refer to at the date of the statement of financial position. A market is deemed active if transactions take place with sufficient frequency and in sufficient quantity for price information to be available on an ongoing basis. Since a quoted price in an active market is the most reliable indicator of fair value, this should always be used if available. The financial instruments the Group has allocated to this level mainly comprise crop futures and options traded on the stock market. In the case of securities, the Group allocates them to this level when either a stock market price is available or prices are provided by a price quotation on the basis of actual market transactions.

Derivatives not traded on the stock market allocated to Level 2 are valued using models based on observable market data. For this, the Group uses inputs directly or indirectly observable in the market, other than quoted prices. If the financial instrument concerned has a fixed contract period, the inputs used for valuation must be observable for the whole of this period. The financial instruments the Group has allocated to this level mainly comprise interest-rate swaps and foreign-currency interest-rate swaps.

Equity investment not traded on the stock market allocated to Level 2 is valued using the sales comparison approach of its underlying asset.

In the case of Level 3, the Group uses valuation techniques not based on inputs observable in the market. This is only permissible insofar as no observable market data are available. The inputs used reflect the Group's assumptions regarding the factors, which market players would consider in their pricing. The Group uses the best available information for this, including internal company data. The Group does not have financial instruments allocated to this level for any of the years presented.

The following tables present the Group's financial assets and financial liabilities that are measured at fair value as of March 31, 2013 and their allocation to the fair value hierarchy:

| | 2013 | | | |
|-----------------------------------|----------------------|----------------------|-----------------|-----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Assets | | | | |
| Derivative financial instruments | 14,759 | 2,437 | - | 17,196 |
| Equity investment in Santa Regina | - | 11,878 | - | 11,878 |
| Total assets | <u>14,759</u> | <u>14,315</u> | <u>-</u> | <u>29,074</u> |
| Liabilities | | | | |
| Derivative financial instruments | (497) | (623) | - | (1,120) |
| Total liabilities | <u>(497)</u> | <u>(623)</u> | <u>-</u> | <u>(1,120)</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

10. Financial instruments (continued)

When no quoted prices in an active market are available, fair values (particularly with derivatives) are based on recognized valuation methods. The Group uses a range of valuation models for this purpose, details of which may be obtained from the following table:

| <u>Class</u> | <u>Pricing Method</u> | <u>Parameters</u> | <u>Pricing Model</u> | <u>Level</u> | <u>Total</u> |
|--------------------------------------|-----------------------|---|---|--------------|---------------|
| Futures | Quoted price | – | – | 1 | 12,698 |
| Options | Quoted price | – | – | 1 | 1,564 |
| Options/ OTC | Quoted price | – | Montecarlo | 2 | 1,548 |
| Foreign-currency interest-rate swaps | Theoretical price | Swap curve; Money market interest-rate curve; Foreign-exchange curve. | Present value method | 2 | (145) |
| Interest-rate swaps | Theoretical price | Swap curve; Money market interest-rate curve | Present value method | 2 | 411 |
| Equity investment in Santa Regina | Theoretical price | Recent sales of sites of comparable zoning and utility | Sales comparison approach of its underlying asset | 2 | 11,878 |
| | | | | | <u>27,954</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

11. Trade and other receivables, net

| | March 31, | December 31, |
|---|------------------|---------------------|
| | 2013 | 2012 |
| | (unaudited) | |
| Non current | | |
| Receivables from related parties (Note 26) | 3,709 | 2,253 |
| Trade receivables - net | 3,709 | 2,253 |
| Advances to suppliers | 14,406 | 12,850 |
| Income tax credits | 4,748 | 4,594 |
| Non-income tax credits (i) | 18,469 | 16,528 |
| Receivable from disposal of subsidiary | 2,123 | 2,094 |
| Cash collateral | 2,111 | 2,049 |
| Other receivables | 5,182 | 3,662 |
| Non current portion | 50,748 | 44,030 |
| Current | | |
| Trade receivables | 22,514 | 41,067 |
| Receivables from related parties (Note 26) | 64 | 144 |
| Less: Allowance for trade receivables | (547) | (588) |
| Trade receivables - net | 22,031 | 40,623 |
| Prepaid expenses | 17,793 | 12,766 |
| Advances to suppliers | 14,073 | 11,213 |
| Income tax credits | 4,918 | 4,256 |
| Non-income tax credits (i) | 49,407 | 48,838 |
| Cash collateral | 294 | 296 |
| Receivable from disposal of farmland | - | 3,018 |
| Receivable from disposal of subsidiaries | 2,803 | 9,395 |
| Other receivables | 4,810 | 5,443 |
| Subtotal | 94,098 | 95,225 |
| Current portion | 116,129 | 135,848 |
| Total trade and other receivables, net | 166,877 | 179,878 |

- (i) Includes US\$ 144 of PIS and COFINS reclassified from property, plant and equipment as of March 31, 2013 (December 31, 2012: US\$ 962).

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

11. Trade and other receivables, net (continued)

The fair values of current trade and other receivables approximate their respective carrying amounts due to their short-term nature. The fair values of non-current trade and other receivables approximate their carrying amount, as the impact of discounting is not significant.

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies (expressed in US dollars):

| | <u>March 31,</u> <u>2013</u> | <u>December 31,</u> <u>2012</u> |
|-----------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Currency | | |
| US Dollar | 13,483 | 50,184 |
| Argentine Peso | 69,987 | 50,422 |
| Uruguayan Peso | 802 | 565 |
| Brazilian Reais | 82,605 | 78,707 |
| | <u>166,877</u> | <u>179,878</u> |

As of March 31, 2013 trade receivables of US\$ 4,347 (December 31, 2012: US\$ 2,662) were past due but not impaired. The ageing analysis of these receivables is as follows:

| | <u>March 31,</u> <u>2013</u> | <u>December 31,</u> <u>2012</u> |
|----------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Up to 3 months | 4,338 | 2,408 |
| 3 to 6 months | 18 | 46 |
| Over 6 months | 1 | 208 |
| | <u>4,357</u> | <u>2,662</u> |

The creation and release of allowance for trade receivables have been included in 'Selling expenses' in the statement of income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group holds mortgage as collateral for the sale of Agrícola Ganadera San José S.R.L. The shares of Santa Regina S.A. are also pledged in favor of the Group as collateral for the receivable of the 51% of the company.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

12. Inventories

| | March 31, 2013 | December 31, 2012 |
|------------------------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Raw materials | 31,397 | 36,607 |
| Finished goods | 64,390 | 56,508 |
| Stocks held by third parties | 415 | 2,195 |
| Others | 412 | 11 |
| | <u>96,614</u> | <u>95,321</u> |

The cost of inventories recognized as expense are included in 'Cost of manufactured products sold and services rendered' amounted to US\$ 49,680 for the three-month period ended March 31, 2013. The cost of inventories recognized as expense and included in 'Cost of agricultural produce sold and direct agricultural selling expenses' amounted to US\$ 23,089 for the three-month period ended March 31, 2013.

13. Cash and cash equivalents

| | March 31, 2013 | December 31, 2012 |
|--------------------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Cash at bank and on hand | 141,335 | 137,980 |
| Short-term bank deposits | 69,102 | 80,829 |
| | <u>210,437</u> | <u>218,809</u> |

14. Shareholders' contributions

| | Number of shares (thousands) | Share capital and share premium |
|--|---|--|
| At January 1, 2012 | 120,533 | 1,106,805 |
| Employee share options exercised (Note 15) | 32 | 312 |
| Exchange of shares | 697 | 6,608 |
| At March 31, 2012 | <u>121,262</u> | <u>1,113,725</u> |
| At January 1, 2013 | 122,220 | 1,123,663 |
| Restricted shares issued (Note 15) | 154 | 231 |
| At March 31, 2013 | <u>122,374</u> | <u>1,123,894</u> |

During March 2012, the Company issued 696,618 shares to certain limited partners of International Farmland Holdings LP ("IFH") in exchange for their residual interest, totaling 0.57230% interest in IFH thereby increasing its interest in IFH to 99.2%.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

15. Equity-settled share-based payments

The Group has set a “2004 Incentive Option Plan” and a “2007/2008 Equity Incentive Plan” (collectively referred to as “Option Schemes”) under which the Group grants equity-settled options to senior managers and selected employees of the Group’s subsidiaries. Additionally, in 2010 the Group has set a “Adecoagro Restricted Share and Restricted Stock Unit Plan” (referred to as “Restricted Share Plan”) under which the Group grants restricted shares to senior and medium management and key employees of the Group’s subsidiaries.

(a) Option Schemes

For the three-month periods ended March 31, 2013 and 2012 the Group incurred US\$ 0.03 million and US\$ 0.08 million respectively, related to the options granted under the Option Schemes.

Movements in the number of equity-settled options outstanding and their related weighted average exercise prices under plans are as follows:

2004 Incentive Option Plan

| | March 31, 2013 | | March 31, 2012 | |
|--------------------|---|------------------------|---|------------------------|
| | Average exercise price per share | Options (thousands) | Average exercise price per share | Options (thousands) |
| At January 1 | 6.68 | 2,100 | 6.68 | 2,134 |
| Granted | – | – | – | – |
| Forfeited | 8.62 | (1) | – | – |
| Exercised | – | – | 6.71 | (32) |
| Expired | – | – | – | – |
| At March 31 | 6.68 | 2,099 | 6.68 | 2,101 |

2007/2008 Equity Incentive Plan

| | March 31, 2013 | | March 31, 2012 | |
|--------------------|---|------------------------|---|------------------------|
| | Average exercise price per share | Options (thousands) | Average exercise price per share | Options (thousands) |
| At January 1 | 13.06 | 2,013 | 13.06 | 2,038 |
| Granted | – | – | – | – |
| Forfeited | 13.24 | (28) | 13.17 | (9) |
| Exercised | – | – | – | – |
| Expired | – | – | – | – |
| At March 31 | 13.06 | 1,985 | 13.06 | 2,029 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

15. Equity-settled share-based payments (continued)

Options outstanding under the plans have the following expiry date and exercise prices:

2004 Incentive Option Plan

| Expiry date: | Exercise price per share | Shares (in thousands) | |
|-------------------|--------------------------|-----------------------|----------------|
| | | March 31, 2013 | March 31, 2012 |
| May 1, 2014 | 5.83 | 674 | 674 |
| May 1, 2015 | 5.83 | 553 | 553 |
| May 1, 2016 | 5.83 | 173 | 173 |
| February 16, 2016 | 7.11 | 110 | 110 |
| October 1, 2016 | 8.62 | 590 | 592 |

2007/2008 Equity Incentive Plan

| Expiry date: | Exercise price per share | Shares (in thousands) | |
|--------------|--------------------------|-----------------------|----------------|
| | | March 31, 2013 | March 31, 2012 |
| Dec 1, 2017 | 12.82 | 1,132 | 1,149 |
| Jan 30, 2019 | 13.40 | 670 | 687 |
| Nov 1, 2019 | 13.40 | 8 | 13 |
| Jan 30, 2020 | 12.82 | 26 | 28 |
| Jan 30, 2020 | 13.40 | 68 | 71 |
| Jun 30, 2020 | 13.40 | 22 | 22 |
| Sep 1, 2020 | 13.40 | 44 | 44 |
| Sep 1, 2020 | 12.82 | 15 | 15 |

The following table shows the exercisable shares at year end under both the Adecoagro/ IFH 2004 Incentive Option Plan and the Adecoagro/ IFH 2007/ 2008 Equity Incentive Plan:

| | Exercisable shares in thousands |
|----------------|---------------------------------|
| March 31, 2013 | 4,018 |
| March 31, 2012 | 3,841 |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

15. Equity-settled share-based payments (continued)

(b) Restricted Share and Restricted Stock Unit Plan

The Restricted Share and Restricted Stock Unit Plan was effectively established in 2010 and amended in November 2011 and is administered by the Compensation Committee of the Company. Awards under this plan vest over a 3-year period from the date of grant at 33% on each anniversary of the grant date. Participants are entitled to receive one common share of the Company for each restricted share or restricted unit issued. For the Restricted Share Plan there are no performance requirements for the delivery of common shares, except that a participant's employment with the Group must not have been terminated prior to the relevant vesting date. If the participant ceases to be an employee for any reason, any unvested restricted share shall not be converted into common shares and the participant shall cease for all purposes to be a shareholder with respect to such shares.

On July 18, 2011, the Group issued and registered 427,293 restricted shares with a nominal value of US\$ 1.5 which were granted under the Restricted Share Plan. While the restricted shares are not vested, they are recognized in "Other reserves". Once they are vested, the reserve is reversed and a share premium is recognized. As of March 31, 2013, 230,734 restricted shares are outstanding.

The restricted shares under the Restricted Share and Restricted Stock Unit Plan were measured at fair value at the date of grant.

As March 31, 2013, the Group recognized compensation expense US\$ 1 million related to the restricted shares granted under the Restricted Share and Restricted Stock Unit Plan (2012: US\$ 0.6 million).

Key grant-date fair value and other assumptions under the Restricted Share and Restricted Stock Unit Plan are detailed below:

| Grant Date | Apr 1, 2011 | Apr 1, 2011 | May 13, 2011 | Apr 1, 2012 | May 15, 2012 |
|--|----------------|----------------|-----------------|----------------|-----------------|
| Fair value | 12.69 | 12.69 | 12.36 | 9.81 | 9.33 |
| Possibility of ceasing employment before vesting | 1.56 % | 2.15 % | 0 % | 3 % | 0 % |

Movements in the number of restricted shares outstanding under the Restricted Share and Restricted Stock Unit Plan are as follows:

| | Restricted shares (thousands) | Restricted stock units (thousands) |
|--------------------|-------------------------------------|---|
| | 2013 | 2013 |
| At January 1 | 234 | 515 |
| Granted | - | - |
| Forfeited | (3) | (6) |
| Exercised | - | - |
| At March 31 | 231 | 509 |

On March 19, 2013, the Board of Directors of the Company approved the award of 297 thousand restricted stock units under the Adecoagro's Restricted Share and Restricted Stock Unit Plan as compensation to senior and medium management and key employees. During April 2013, 188 thousand restricted stock units were granted out of this award.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

16. Trade and other payables

| | <u>March 31,</u> <u>2013</u> | <u>December 31,</u> <u>2012</u> |
|---|---------------------------------|------------------------------------|
| | (unaudited) | |
| Non-current | | |
| Payable from acquisition of property, plant and equipment (i) | 3,126 | 3,126 |
| Taxes payable | 65 | 37 |
| Other payables | 415 | 432 |
| Escrows arising on business combinations | 995 | 980 |
| | <u>4,601</u> | <u>4,575</u> |
| Current | | |
| Trade payables | 87,318 | 88,123 |
| Advances from customers | 4,145 | 4,529 |
| Amounts due to related parties (Note 26) | 161 | 562 |
| Taxes payable | 1,952 | 2,894 |
| Escrows arising on business combinations | 1,532 | 1,508 |
| Other payables | 2,403 | 2,069 |
| | <u>97,511</u> | <u>99,685</u> |
| Total trade and other payables | <u>102,112</u> | <u>104,260</u> |

(i) These trades payable are mainly collateralized by property, plant and equipment of the Group.

17. Borrowings

| | <u>March 31,</u> <u>2013</u> | <u>December 31,</u> <u>2012</u> |
|-----------------------------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Non-current | | |
| Bradesco Loan (*) | 12,418 | 12,199 |
| BNDES Loan Facility(*) | 37,375 | 39,238 |
| IDB Facility (*) | 53,767 | 53,659 |
| Ciudad de Buenos Aires Loan | 17,143 | 17,143 |
| Galicia Loan | 2,929 | 3,050 |
| Banco do Brazil Loan Facility (*) | 91,079 | 90,694 |
| Itaú BBA Facility (*) | 53,121 | 6,944 |
| Rabobank Loan (*) | 75,507 | 86,392 |
| Other bank borrowings | 47,949 | 44,221 |
| Obligations under finance leases | 576 | 709 |
| | <u>391,864</u> | <u>354,249</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

17. Borrowings (continued)

| | March 31, 2013 | December 31, 2012 |
|-----------------------------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Current | | |
| Bank overdrafts | 7,185 | 110 |
| BNDES Loan Facility (*) | 9,703 | 9,568 |
| IDB Facility (*) | 17,511 | 16,438 |
| Ciudad de Buenos Aires Loan | 7,167 | 7,114 |
| Galicia Loan | 9,324 | 4,207 |
| Banco do Brazil Loan Facility (*) | 4,860 | 4,796 |
| ING (*) | 50,882 | 60,364 |
| Rabobank Loan (*) | 41,970 | 26,351 |
| ITAU (*) | 1,100 | 154 |
| Other bank borrowings | 49,941 | 55,370 |
| Obligations under finance leases | 1,653 | 412 |
| | 201,296 | 184,884 |
| Total borrowings | 593,160 | 539,133 |

(*) The Group was in compliance with the related covenants under the respective loan agreements.

As of March 31, 2013, total bank borrowings include collateralized liabilities of US\$ 397,525 (December 31, 2012: US\$ 346,469). These loans are mainly collateralized by property, plant and equipment sugarcane plantations, sugar export contracts and shares of certain subsidiaries of the Group.

The maturity of the Group's borrowings (excluding obligations under finance leases) and the Group's exposure to fixed and variable interest rates is as follows:

| | March 31, 2013 | December 31, 2012 |
|-----------------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Fixed rate: | | |
| Less than 1 year | 125,331 | 60,049 |
| Between 1 and 2 years | 26,968 | 19,066 |
| Between 2 and 3 years | 29,931 | 24,364 |
| Between 3 and 4 years | 27,206 | 21,760 |
| Between 4 and 5 years | 22,327 | 20,870 |
| More than 5 years | 66,377 | 62,036 |
| | 298,140 | 208,145 |
| Variable rate: | | |
| Less than 1 year | 74,312 | 124,423 |
| Between 1 and 2 years | 82,509 | 71,978 |
| Between 2 and 3 years | 78,622 | 73,684 |
| Between 3 and 4 years | 32,244 | 45,969 |

| | | |
|-----------------------|-----------------------|-----------------------|
| Between 4 and 5 years | 16,231 | 11,100 |
| More than 5 years | <u>8,873</u> | <u>2,713</u> |
| | <u>292,791</u> | <u>329,867</u> |
| | <u>590,931</u> | <u>538,012</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

17. Borrowings (continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies (expressed in US dollars):

| | March 31, 2013 | December 31, 2012 |
|-----------------|---------------------------------|------------------------------------|
| | (unaudited) | |
| Currency | | |
| Argentine Peso | 37,423 | 18,622 |
| US Dollar | 188,011 | 203,881 |
| Uruguayan Peso | – | 44 |
| Brazilian Reais | <u>367,726</u> | <u>316,586</u> |
| | <u>593,160</u> | <u>539,133</u> |

18. Taxation

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

| | March 31, 2013 | March 31, 2012 |
|---------------------------|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Current income tax | (347) | (416) |
| Deferred income tax | <u>(1,025)</u> | <u>(3,269)</u> |
| Income tax expense | <u>(1,372)</u> | <u>(3,685)</u> |

There has been no change in the statutory tax rates in the countries where the Group operates since December 31, 2012.

The gross movement on the deferred income tax account is as follows:

| | March 31, 2013 | March 31, 2012 |
|----------------------|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Beginning of period | 39,997 | 55,908 |
| Exchange differences | (3,385) | (2,453) |
| Income tax expense | <u>1,025</u> | <u>3,269</u> |
| End of period | <u>37,637</u> | <u>56,724</u> |

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

| | March 31, 2013 | March 31, 2012 |
|---|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Tax calculated at the tax rates applicable to profits in the respective countries | 1,340 | 2,267 |
| Non-deductible items | 366 | 336 |

| | | |
|---------------------------|---------------------|---------------------|
| Unused tax losses, net | (73) | 408 |
| Non-taxable income | (241) | - |
| Others | (20) | 674 |
| Income tax expense | <u>1,372</u> | <u>3,685</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

19. Payroll and social security liabilities

| | March 31, | December 31, |
|--|------------------|---------------------|
| | 2013 | 2012 |
| | (unaudited) | |
| Non-current | | |
| Social security payable | 1,555 | 1,512 |
| | 1,555 | 1,512 |
| Current | | |
| Salaries payable | 6,807 | 4,816 |
| Social security payable | 2,859 | 3,063 |
| Provision for vacations | 8,515 | 9,745 |
| Provision for bonuses | 4,880 | 5,324 |
| | 23,061 | 22,948 |
| Total payroll and social security liabilities | 24,616 | 24,460 |

20. Provisions for other liabilities

The Group is subject to several laws, regulations and business practices of the countries where it operates. In the ordinary course of business, the Group is subject to certain contingent liabilities with respect to existing or potential claims, lawsuits and other proceedings, including those involving tax, labor and social security, administrative and civil and other matters. The Group accrues liabilities when it is probable that future costs will be incurred and it can reasonably estimate them. The Group bases its accruals on up-to-date developments, estimates of the outcomes of the matters and legal counsel experience in contesting, litigating and settling matters. As the scope of the liabilities becomes better defined or more information is available, the Group may be required to change its estimates of future costs, which could have a material effect on its results of operations and financial condition or liquidity. There have been no material changes to claimed amounts and current proceedings since December 31, 2012.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

21. Sales

| | March 31, | March 31, |
|--|------------------|------------------|
| | 2013 | 2012 |
| | (unaudited) | (unaudited) |
| Sales of manufactured products and services rendered: | | |
| Ethanol | 31,605 | 30,056 |
| Sugar | 10,548 | 12,030 |
| Rice | 25,957 | 19,909 |
| Energy | 290 | 1,370 |
| Operating leases | 1,021 | 1,389 |
| Services | 603 | 353 |
| Others | 7 | 13 |
| | 70,031 | 65,120 |
| Sales of agricultural produce and biological assets: | | |
| Soybean | 6,228 | 4,129 |
| Cattle for dairy production | 448 | 372 |
| Other cattle | 275 | 73 |
| Corn | 8,121 | 11,847 |
| Cotton | 658 | 2,314 |
| Milk | 5,936 | 4,343 |
| Wheat | 6,945 | 11,185 |
| Coffee | 439 | 461 |
| Sunflower | 4,133 | 3,426 |
| Barley | 1,211 | 2,837 |
| Seeds | 998 | 5 |
| Others | 290 | 212 |
| | 35,682 | 41,204 |
| Total sales | 105,713 | 106,324 |

Commitments to sell commodities at a future date

The Group entered into contracts to sell non financial instruments, mainly, sugar, soybean and corn through sales forward contracts. Those contracts are held for purposes of delivery the non financial instrument in accordance with the Group' s expected sales. Accordingly, as the own use exception criteria are met, those contracts are not recorded as derivatives.

The notional amount of these contracts is US\$ 72.9 million as of March 31, 2013 (2012: US\$ 16.0 million) comprised primarily of 76,574 tons of soybean (US\$ 28.2 million), 87,847 tons of corn (US\$ 18.1 million), 21,321 tons of sugar (US\$ 9.7 million) and 15,000 tons of ethanol (US\$ 10.9 million) which expire between May 2013 and December 2013.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

22. Expenses by nature

The following table provides the additional disclosure required on the nature of expenses and their relationship to the function within the Group:

| | March 31, | March 31, |
|--|-----------------------|-----------------------|
| | 2013 | 2012 |
| | (unaudited) | (unaudited) |
| Cost of agricultural produce and biological assets sold | 29,748 | 37,040 |
| Raw materials and consumables used in manufacturing activities | 28,503 | 29,345 |
| Services | 3,735 | 5,872 |
| Salaries and social security expenses (Note 23) | 15,603 | 19,033 |
| Depreciation and amortization | 5,684 | 3,899 |
| Taxes (*) | 904 | 671 |
| Maintenance and repairs | 5,361 | 7,369 |
| Lease expense and similar arrangements (**) | 854 | 1,152 |
| Freights | 6,550 | 2,632 |
| Export taxes / selling taxes | 5,216 | 3,690 |
| Fuel and lubricants | 1,250 | 1,901 |
| Others | 3,735 | 6,688 |
| Total expenses by nature | <u>107,143</u> | <u>119,292</u> |

(*) Excludes export taxes and selling taxes.

(**) Relates to various cancellable operating lease agreements for office and machinery equipment.

For the three-month period ended March 31, 2013, an amount of US\$ 49,680 is included as “cost of manufactured products sold and services rendered” (March 31, 2012: US\$ 53,802); an amount of US\$ 35,682 is included as “cost of agricultural produce sold and direct agricultural selling expenses” (March 31, 2012: US\$ 41,204); an amount of US\$ 11,338 is included in “general and administrative expenses” (March 31, 2012: US\$ 13,206); and an amount of US\$ 10,443 is included in “selling expenses” as described above (March 31, 2012: US\$ 11,080).

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

23. Salaries and social security expenses

| | March 31, 2013 | March 31, 2012 |
|---|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Wages and salaries | 11,028 | 13,853 |
| Social security costs | 3,560 | 4,460 |
| Equity-settled share-based compensation | 1,015 | 720 |
| | <u>15,603</u> | <u>19,033</u> |
| Number of employees | <u>7,431</u> | <u>6,044</u> |

24. Other operating loss, net

| | March 31, 2013 | March 31, 2012 |
|---|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Gain / (Loss) from commodity derivative financial instruments | 12,447 | (6,195) |
| Loss from onerous contracts - forwards | (228) | (1,571) |
| Gain from disposal of other property items | 368 | 561 |
| Others | 530 | (490) |
| | <u>13,117</u> | <u>(7,695)</u> |

25. Financial results, net

| | March 31, 2013 | March 31, 2012 |
|--|---------------------------------|---------------------------------|
| | (unaudited) | (unaudited) |
| Finance income: | | |
| - Interest income | 1,761 | 4,466 |
| - Gain from interest rate/foreign exchange rate derivative financial instruments | 1,985 | 653 |
| - Other income | 102 | 461 |
| Finance income | <u>3,848</u> | <u>5,580</u> |
| Finance costs: | | |
| - Interest expense | (8,576) | (5,974) |
| - Foreign exchange losses, net | (4,233) | (1,753) |
| - Taxes | (650) | (614) |
| - Other expenses | (927) | (1,458) |
| Finance costs | <u>(14,386)</u> | <u>(9,799)</u> |
| Total financial results, net | <u>(10,538)</u> | <u>(4,219)</u> |

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Adecoagro S.A.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

(All amounts in US\$ thousands, except shares and per share data and as otherwise indicated)

26. Related-party transactions

The following is a summary of the balances and transactions with related parties:

| <u>Related party</u> | <u>Relationship</u> | <u>Description of transaction</u> | <u>Income (loss) included</u> <u>in the statement of</u> <u>income</u> | | <u>Balance receivable</u> <u>(payable)</u> | |
|--|---------------------|---|--|---------------------------------|---|------------------------------------|
| | | | <u>March 31,</u> <u>2013</u> | <u>March 31,</u> <u>2012</u> | <u>March 31,</u> <u>2013</u> | <u>December</u> <u>31, 2012</u> |
| | | | (unaudited) | (unaudited) | (unaudited) | |
| Grupo La Lácteo | Joint venture | Sales of goods | 2,498 | 2,473 | – | – |
| | | Purchases of goods | – | (52) | – | – |
| | | Interest income | 170 | 62 | – | – |
| | | Receivables from related parties (Note 11) | – | – | 3,709 | 2,253 |
| Santa Regina Agropecuaria S.A. | Investment | Receivables from related parties (Note 11) | – | – | 64 | 144 |
| Mario Jorge de Lemos Vieira/ Cia Agropecuaria Monte Alegre/ Alfenas Agricola Ltda/ Marcelo Weyland Barbosa Vieira/ Paulo Albert Weyland Vieira | (i) | Cost of manufactured products sold and services rendered (ii) | – | 1,195 | – | – |
| | | Payables (Note 16) | – | – | (161) | (562) |
| Directors and senior management | Employment | Compensation selected employees | (1,513) | (1,637) | (18,982) | (18,072) |

(i) Shareholder of the Company.

(ii) Relates to agriculture partnership agreements (“parceria”).

27. Subsequent events

During May 2013, Adecoagro entered into an agreement to sell the Mimoso farm (through the sale of the Brazilian subsidiary Fazenda Mimoso Ltda.) and Lagoa do Oeste farm located in Luis Eduardo Magalhaes, Bahia, Brazil. The farms have a total area of 3,834 hectares of which 904 hectares are planted with coffee trees. In addition, Adecoagro entered into an agreement whereby the buyer will operate and make use of 728 hectares of existing coffee trees in Adecoagro’s Rio de Janeiro farm during an 8-year period. Adecoagro will receive a total of US\$ 6.1 million during 2013 and three installments of US\$ 6.1 million in the next three years.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.