AG GROWTH INTERNATIONAL

Ag Growth Announces First Quarter 2015 Results; Declares Dividends

Winnipeg, MB, May 12, 2015 – Ag Growth International Inc. (TSX: AFN) ("AGI" or the "Company") today announced its financial results for the three month period ended March 31, 2015, and declared dividends for June, July and August 2015.

Overview of Results

(thousands of dollars)	**Three Months Ended March 31**	
	2015	**2014**
Trade sales [1]	$94,420	$86,181
Adjusted EBITDA [1]	$16,441	$14,470
Net (loss) profit	$(3,409)	$1,218
Diluted (loss) profit per share	$(0.26)	$0.09
Adjusted net profit [1]	$7,404	$4,297
Diluted adjusted profit per share [1][2]	$0.56	$0.32

(1) See "Non-IFRS Measures".
(2) See "Diluted profit per share and Diluted adjusted profit per share".

Trade sales and adjusted EBITDA increased over record first quarter 2014 results due to robust demand for on-farm equipment, higher international sales and the impact of a weaker Canadian dollar. On-farm portable grain handling sales were very strong, particularly in the U.S., as record crop production volumes resulted in strong in-season demand in 2014 and relatively low levels of post-harvest dealer inventory. International sales increased in several regions, most significantly in Russia/Ukraine/Kazakhstan ("RUK") and Latin America, due to projects in Ukraine, Bolivia and Peru. The impact of foreign exchange was also significant as AGI's sales denominated in USD exceed its USD denominated costs, resulting in an increase in sales and adjusted EBITDA when the Canadian dollar weakens against the USD. High production volumes, a favourable rate of foreign exchange and the continued benefit of lean manufacturing contributed to a strong gross margin and, combined with higher sales, resulted in record adjusted EBITDA of $16.4 million in 2015.

"Our preseason on farm business was buoyed by back to back record corn crops in the USA, leaving dealer inventory levels in need of replenishment", said Gary Anderson, Chief Executive Officer. "Commercial activity internationally made up for a more traditional start to the year in North America. We see international sales remaining robust while North American markets become watchful for evidence of a good crop. This behavior is being expressed through increased utilization of our portable grain handling warehouse inventory to bridge preseason and in-season demand. A recent uptick in North American commercial quoting activity is an encouraging sign that the slower start to the year was merely traditional seasonality and not suggestive of a longer term trend."

"Offshore business continues to grow in spite of political unrest in certain areas of Eastern Europe, where Q-1 sales in the region were $12m, up from $7.2m a year ago. Our business in Latin America is building on last year's momentum, making up 25% of our backlog at March 31st. In total sales and order backlog at the end of Q-1 totaled $55.6m up significantly over the end of Q-1, 2014 of $38.4m. We are also encouraged by current quoting activity and those of which are in the most likely to close category. This quarter we will be value stream mapping our internal processes in support of international activity to ensure that we are capable of scaling up the business as it grows."

"Solid progress was made in the first quarter to advance development of our business in Brazil. While we are keen to move forward, we are being diligent with training the team, refining the quoting process and pricing strategy, developing the manufacturing plan and determining best opportunities for both the short and long term. In April we participated in our first commercial and farm trade shows, formally launching our presence in the market. It is premature to offer metrics, but we were favourably impressed with the market's response. We expect to see a modest level of activity by Q-4, with momentum building into 2016 and beyond."

Diluted profit per share and Diluted adjusted profit per share

Diluted loss per share for the quarter ended March 31, 2015 was $0.26 (2014 – profit of $0.09). The decrease was primarily the result of non-cash losses on foreign exchange that resulted from a significant decline in the value of the Canadian dollar vs. the USD in the quarter. The non-cash losses relate primarily to translating certain U.S. dollar denominated balance sheet accounts, including long-term debt, into CAD at the rate of exchange in effect on the balance sheet debt.

(thousands of dollars)	Q1 2015	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Profit (loss) as reported Per share as reported	$(3,409) $(0.26)	$1,218 $0.09	$13,638 $0.91	$8,653 $0.65	$(19,409) $(1.45)
Non-cash CRA settlement	0	0	0	0	16,889
Non-cash loss on foreign exchange	7,935	2,359	(2,096)	3,758	2,598
Realized loss on foreign exchange	1,931	585	736	1,473	2,550
M&A Activity	1,077	135	51	973	642
Non-cash loss on available-for-sale investment	0	0	1,100	0	0
Loss (gain) on sale of PP&E	(130)	0	(918)	(12)	408
Adjusted profit [(1)] Diluted adjusted profit per share [(1)]	**$7,404** **$0.56**	**$4,297** **$0.32**	**$12,511** **$0.84**	**$14,845** **$1.11**	**$3,678** **$0.27**

(1) See "Non-IFRS Measures"

OUTLOOK

Demand for on-farm grain handling equipment is driven primarily by the volume of grains grown. A record crop in the U.S. stimulated demand in 2014 and resulted in relatively low post-harvest dealer inventory levels, albeit slightly elevated compared to the prior year, resulting in strong sales early in 2015 as dealers replenished inventory levels. Although commodity prices are not considered a key near-term demand driver for on-farm equipment and should not impact ultimate end user demand, farmer sentiment and cash flow considerations at the dealer level appear to be contributing to a deferral in purchases that historically have been made earlier in the calendar year. As a result, portable grain handling equipment backlogs are not at the levels of a year ago and management does not expect sales in the second quarter to reach the record levels achieved in 2014. Demand in the second half of 2015 will be influenced by the number of acres planted, dealer buying behavior, weather patterns, crop conditions and the timing of harvest and conditions during harvest.

The long-term trend towards increasing amounts of grain grown continues to drive demand for capacity and efficiency enhancements throughout the North American commercial grain handling infrastructure. While the domestic business climate remains positive and quoting activity remains high, customers have not committed to projects as early in the year compared to 2014. As a result, domestic commercial backlogs are lower than the very high levels of a year ago and second quarter sales are not expected to reach 2014 levels. Sales in the second half of 2015 will in large part depend on orders booked over the next several months and although the commercial market currently appears to be somewhat softer compared against a very strong 2014, the pace of customer order commitment has improved significantly subsequent to the first quarter.

International sales in the three months ended March 31, 2015 significantly exceeded the prior year and AGI exited the first quarter with a backlog of $33 million (2014 - $24 million). Projects in Ukraine, primarily with multinational grain handlers, accounted for 59% of the backlog while Latin American business accounted for 34%. Consistent with the prior quarter, we have excluded from our backlog the large Ukrainian Black Sea port project that has seen significant delays. AGI has a high quality quote log and expects to close on significant new business in Latin America and RUK in the near term. Projects in the backlog, though subject to change based on customer requirements, are expected to ship in 2015 and management expects international sales in the current year to significantly exceed 2014 levels.

AGI's financial results are impacted by the rate of exchange between the Canadian and U.S. dollars and a weaker Canadian dollar relative to its U.S. counterpart positively impacts adjusted EBITDA. AGI's average rate of exchange in fiscal 2014 of $1.10 is significantly lower than prevailing rates and accordingly AGI's financial results in 2015 may significantly benefit from a weaker Canadian dollar compared to the prior year. A portion of the Company's foreign exchange exposure has been hedged through forward foreign exchange contracts.

Sales in 2015 will be influenced by weather patterns, crop conditions and the timing of harvest and conditions during harvest. Changes in global macro-economic factors as well as sociopolitical factors in certain local or regional markets, including the ongoing uncertainty and volatility in Ukraine, and the availability of credit and export credit agency support in offshore markets, also may influence sales, primarily of commercial grain handling and storage products. Results may also be impacted by changes in steel prices and other material input costs and the rate of exchange between the Canadian and U.S. dollars.

On balance, order backlogs are currently lower compared to the prior year and accordingly sales and adjusted EBITDA in the second quarter of 2015 are expected to be below record 2014 levels. Sales of on-farm portable equipment in the second half will be influenced by a number of factors, primarily crop volume, and based on current forecasts for a large North American crop management anticipates strong in-season sales in Q3 and Q4. Although sales of commercial equipment in the second half of 2015 will in large part depend on orders booked over the next several months, quoting levels remain high and the pace of customer order commitment has improved significantly subsequent to the first quarter. Based on current backlogs and high levels of quoting activity our international business is expected to increase significantly compared to 2014. Based on the factors discussed above, and with the favourable tailwind of a weaker Canadian dollar, management maintains a positive outlook towards the second half of fiscal 2015.

Dividends

AGI today announced the declaration of cash dividends of $0.20 per common share for the months of June, July and August 2015. The dividends are eligible dividends for Canadian income tax purposes. AGI's current annualized cash dividend rate is $2.40 per share.

The table below sets forth the scheduled payable and record dates:

Monthly dividend	Payable date	Record date
June 2015	July 15, 2015	June 30, 2015
July 2015	August 14, 2015	July 31, 2015
August 2015	September 15, 2015	August 31, 2015

MD&A and Financial Statements

AGI's financial statements and MD&A for the three month period ended March 31, 2015 can be obtained at http://media3.marketwire.com/docs/AFN0512Q126.pdf and will also be available electronically on SEDAR (www.sedar.com) and on AGI's website (www.aggrowth.com).

Conference Call

Management will host a conference call at 9:30 am (ET) on Tuesday, May 12, 2015 to review the Company's results for the three month period ended March 31, 2015. To participate in the conference call, please dial 1-866-223-7781 or for local access dial 416-340-2216. An audio replay of the call will be available for seven days. To access the audio replay, please dial 1-800-408-3053 or for local access dial 905-694-9451. Please quote passcode 4744648.

Company Profile

Ag Growth International Inc. is a leading manufacturer of portable and stationary grain handling, storage and conditioning equipment, including augers, belt conveyors, grain storage bins, grain handling accessories, grain aeration equipment and grain drying systems. AGI has eleven manufacturing facilities in Canada, the United States, the United Kingdom and Finland, and distributes its products globally.

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Non-IFRS Measures

References to “EBITDA” are to profit before income taxes, finance costs, depreciation, amortization, impairment charges related to goodwill, intangibles or available for sale assets.. References to “adjusted EBITDA” are to EBITDA before the Company’s gain or loss on foreign exchange, gains or losses on the sale of property, plant & equipment, non-cash share based compensation expenses and expenses related to corporate acquisition activity. Management believes that, in addition to profit or loss, EBITDA and adjusted EBITDA are useful supplemental measures in evaluating the Company’s performance. Management cautions investors that EBITDA and adjusted EBITDA should not replace profit or loss as indicators of performance, or cash flows from operating, investing, and financing activities as a measure of the Company’s liquidity and cash flows.

References to “trade sales” are to sales net of the gain or loss on foreign exchange. Management cautions investors that trade sales should not replace sales as an indicator of performance. References to “gross margin” are to trade sales less cost of sales net of the depreciation and amortization included in cost of sales.

References to “adjusted profit” and “diluted adjusted profit per share” are to profit for the period and diluted profit per share for the period adjusted for profit before the non-cash CRA settlement, losses on foreign exchange, transaction costs, non-cash loss on available-for-sale investment and gain on sale of property, plant and equipment.

Forward-Looking Statements

This press release contains forward-looking statements that reflect our expectations regarding the future growth, results of operations, performance, business prospects, and opportunities of the Company. Forward-looking statements may contain such words as “anticipate”, “believe”, “continue”, “could”, “expects”, “intend”, “plans”, “will” or similar expressions suggesting future conditions or events. In particular, the forward looking statements in this press release include statements relating to our business and strategy, including our outlook for our financial and operating performance including our expectations for sales and adjusted EBITDA. Such forward-looking statements reflect our current beliefs and are based on information currently available to us, including certain key expectations and assumptions concerning anticipated grain production in our market areas, financial performance, business prospects, strategies, product pricing, regulatory developments, tax laws, the sufficiency of budgeted capital expenditures in carrying out planned activities, foreign exchange rates and the cost of materials, labour and services. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from results discussed in the forward-looking statements, including changes in international, national and local business conditions, weather patterns, crop planting, crop yields, crop conditions, the timing of harvest and conditions during harvest, seasonality, industry cyclicality, volatility of production costs, agricultural commodity prices, the cost and availability of capital, foreign exchange rates, and competition. These risks and uncertainties are described under “Risks and Uncertainties” in our MD&A for the three month period ended March 31 2015 and in our most recently filed Annual Information Form. These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking statements. We cannot assure readers that actual results will be consistent with these forward-looking statements and we undertake no obligation to update such statements except as expressly required by law.