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From Producer to the World

**FOR IMMEDIATE RELEASE
MAY 10, 2012**

SYMBOL: TSX: AGT

Alliance Grain Traders Inc. Announces First Quarter 2012 Results

REGINA, MAY 10, 2012 – Alliance Grain Traders Inc. (“AGT”) has announced its financial results for the three months ended March 31, 2012. Results for the period include:

- Sales of \$197.4 million, compared to sales of \$231.5 million for Q4 2011 and \$168.1 million for Q1 2011.
- EBITDA* of \$6.1 million, compared to \$9.2 million for Q4 2011 and \$14.2 million for Q1 2011.
- Net earnings of \$2.8 million (\$0.14 per common share, basic and diluted basis), compared to a loss of \$0.693 million (a loss of \$0.04 per common share, basic and diluted basis) for Q4 2011 and net earnings of \$7.2 million (\$0.36 per common share, basic and diluted basis) for Q1 2011.

“Both AGT management and our customers are keeping a close eye on supply and demand positions for signs of normalization in the market and it seems that those signs are beginning to appear as we expected. India and Turkey’s harvests are both key events, as reduced harvest quantities in these regions may act as demand catalysts. We believe North American seeding intentions for pulses are also signaling that the supply side may not be a constraint to meeting demand when it comes. The global economic conditions that have affected staple food markets are not over. However, we remain optimistic that we will see conditions return to normal in the near term,” said Murad Al-Katib, President and CEO of AGT. “Importer hesitation brought on by decreased credit liquidity and currency devaluations, which has affected export demand, is beginning to turn around, which is good news for us. Consumption has remained strong for our products, and we expect that importers will need to refill their depleted local market stocks in the near term. We expect that to begin in the coming quarters,” added Mr. Al-Katib.

“A sound strategy is needed to navigate through difficult business environments. One of our core strengths is our global footprint. Our business and ability to execute on our strategy have been adversely affected by the recent challenging global conditions. However, it is becoming clear that the focus we have put on diversified operations, experienced management and well-equipped facilities in many important origins is the right path to normalizing our business operations and continuing to supply the world with non-GMO, gluten-free pulses and pulse ingredients as well as other staple foods,” added Huseyin Arslan, Executive Chairman of the Board of Directors of AGT. “We will continue to focus on rationalizing our cost structures to make AGT more efficient and ensure that we continue to develop our market channels to handle a broad range of products from our facilities to diversify our reliance on lentils. Working capital management is also of paramount importance to us. We are optimistic that our business will show improvements in the coming periods.”



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“Capital programs in 2012 are being scaled back and some projects and expenditures are being deferred to 2013 and beyond, as we are focused and committed to ensuring that the business returns to a more normalized profitability and margin. The pasta project announced in 2011 will be deferred, and is now planned to begin in 2013 in order to allow us to monitor developments in the North American grain industry. Pending developments, such as the de-monopolization of the Canadian Wheat Board and the proposed sale of Viterra to Glencore, as well as the free trade negotiations between Canada and the E.U., will continue to reshape the landscape of the industry. Accordingly, management believes it is prudent to focus on our balance sheet at this time and improve our business metrics. We are optimistic about the opportunities presented by our current asset footprint and will continue to examine ‘tuck-in’ opportunities to strengthen our position in new geographies for us, such as India, Russia and South America. Planning and design of our larger projects, including our Canadian pasta project, will continue so that they are ready for implementation when we feel it is the right time to do so,” said Mr. Al-Katib.

The financial statements and notes for the three months ended March 31, 2012 as well as the related management’s discussion and analysis have been filed under AGT’s profile on www.sedar.com and have been posted on the AGT web site at www.alliancegrain.com. All amounts are reported in Canadian dollars.

AGT invites you to join our first quarter 2012 conference call on Friday, May 11, 2012 at 10:30 a.m. Eastern time. To join the conference, please dial 1-800-319-4610 (toll free from Canada & the U.S.) or +1-604-638-5340 (from outside Canada & the U.S.).

A recording of the call will be available on our website at www.alliancegrain.com on May 11, 2012. A telephone replay will also be available until midnight Eastern time on Thursday, May 24, 2012. To access the replay, please call 1-800-319-6413 (toll free from Canada & the U.S.) or +1-604-638-9010 (from outside Canada & the U.S.). When prompted, enter the code 4537, followed by the number sign (#).

Alliance Grain Traders Inc. Profile

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

Cautionary Statements

Certain statements in this press release are forward-looking statements. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or



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achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT dated March 27, 2012 which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

*** Non-IFRS Financial Measures**

AGT provides some non-IFRS measures as supplementary information that Management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include EBITDA* (earnings before interest, income taxes, depreciation and amortization, and any effects of non-recurring costs and non-cash foreign exchange adjustment), Adjusted Net Earnings* (earnings before any effects of non-recurring costs and non-cash foreign exchange adjustments), Net Debt* (bank indebtedness, short term financing and long term debt less cash) and Net Working Capital* (current assets less current liabilities). Management believes that these are important measures in evaluating performance and in determining whether to invest in AGT. However, EBITDA*, Adjusted Net Earnings*, Net Debt* and Net Working Capital* are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. In addition, AGT may calculate these measures differently than other companies; therefore, such measures may not be comparable. Investors are cautioned that EBITDA*, Adjusted Net Earnings*, Net Debt* and Net Working Capital* should not be construed as an alternative to net earnings (loss) or cash flows as determined in accordance with IFRS as an indicator of AGT's performance or liquidity. For a reconciliation of net earnings (loss) determined in accordance with IFRS to EBITDA* and Adjusted Net Earnings*, see the table on page 28 in the management's discussion and analysis for the three months ended March 31, 2012 available under AGT's profile on www.sedar.com and on the AGT web site at www.alliancegrain.com.

For further information:

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