

COMPANY NEWS

- ASTARTA published report for the 1H2016
- ASTARTA increased spring crops yields

ECONOMIC&SECTOR NEWS

- Ukraine harvested 35 mln tonnes of grains as of the beginning of August
- Sugar season 2016/17: Back-to-Back Deficits

IMPORTANT DATES

November 10, 2016	3Q2016 report
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TRADING DATA

Bloomberg ticker		AST PW
Share price	PLN	49.0
Share price. min	PLN	41.0
Share price. max	PLN	47.5
Last month ADT	mln PLN	0.1

Note: All data is as of June 30, 2016

	Price. \$	M-o-M. %	Y-o-Y. %
Astarta	12.5	5.3%	32.8%
WIG UKR Index	129.5	9.8%	32.6%
Ukrainian Peers			
Agroton	0.5	80.8%	60.2%
KSG Agro	0.5	37.1%	108.1%
Milkiland	0.5	28.3%	48.1%
IMC	2.0	5.8%	36.6%
Kernel	15.8	17.8%	36.3%
Ovostar	23.1	-4.8%	5.0%
Global peers			
Duda	1.6	5.2%	-0.3%
Colian SA	0.9	6.6%	-20.6%
Greencore Group	4.3	6.2%	-12.3%
Tate & Lyle	9.6	7.8%	12.3%
Indykpol	17.2	-3.3%	-31.8%
Kruszwica	17.4	0.4%	11.3%
Suedzucker Agrana	25.0	14.0%	51.6%
Beteiligungs	111.0	7.2%	27.7%

SOFT COMMODITY PRICES IN UKRAINE

	Price, \$/mt	M-o-M, %	Y-o-Y, %
Sugar, EXW	512	0.9%	7.4%
Soybean, CPT	476	6.7%	13.9%
Wheat 3rd class, EXW	162	4.7%	12.4%
Corn, EXW	195	-1.4%	24.8%
UAH/1\$ exchange rate	24.8	-1%	14%

Source: Bloomberg. AAA,NBU

Note: All data is as of July 31, 2016

Please contact ASTARTA's IR Team shall you have any questions.

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COMPANY NEWS

ASTARTA published interim report for the six months of 2016

Key Highlights

- Revenues increased by 17% to EUR 148 million
- Export sales (in volume terms) contributed 50% to consolidated revenues
- EBITDA amounted to EUR 109 million (+23% y-o-y)
- Net profit increased by almost 3 times to EUR 75 million
- Net debt reduced by 30% y-o-y to EUR 144 million with Net Debt/EBITDA ratio (LTM) at 1x.
- Cash flow from operating activities grew to EUR 54 million (+31% y-o-y)

Performance in Key Segments

Sugar production

The sugar segment generated EUR 60 million (41% of consolidated revenues), which is 2% higher y-o-y. Almost 20 thousand tonnes of sugar from total 140 thousand tonnes were sold on international markets. Currently ASTARTA is completing preparation of its sugar plants for the upcoming production season. Sugar beet plantations of the Company at 45 thousand hectares are in good-to-excellent condition.

Agriculture

Sales in the farming segment increased by 67% y-o-y to EUR 35 million (24% of consolidated revenues) with over 201 thousand tonnes of crops sold. Export sales were 86% of segment revenues in volume terms. As of the date of report publication, ASTARTA successfully completed harvesting of over 320 thousand tonnes of early grain crops. Other crops (soybean, corn, sunflower etc.) are in optimal condition.

Soybean processing

Sales in the soybean processing segment stood at EUR 38 million (26% of the Group's consolidated revenues), what is 23% higher y-o-y. Sales of both soybean oil and meal were strong due to improved geographical diversification of destination countries as well as robust oil and meal price performance. 82% of produce in volume terms was exported.

Dairy Farming

The dairy segment contributed 8% to consolidated revenues (flat y-o-y) amounting to EUR 12 million. At the date of this report publication, a total dairy headcount was about 29 thousand heads, while the number of milking cows amounted to 15,6 thousand. Average productivity of milking cows for the period improved by 8% to 19.3 kg per day.

Comments of CEO Viktor Ivanchyk

"Results for the first half of 2016 display underlying progress in ASTARTA's efficiency. We continue working on expanding our businesses, further increasing efficiency, and stepping-up our exports and diversification in farming, sugar, dairy and processing segments".

ASTARTA increased spring crops yields

This season ASTARTA's farm units harvested over 324 thousand tonnes of early grain crops. The Company increased yields of all spring crops owing to sustainable development of technological processes in crop farming.

Average spring wheat yield increased by 8% y-o-y and hit record high of 5.8 tonnes per hectare. Overall the Company harvested 310 thousand tonnes of high-class wheat.

Own seed production plays considerable role in consistently high yields. ASTARTA through its two subsidiaries, namely LLC "Volochnytsk-Agro" (Khmelnitsky region) and LLC "Agricultural company "Dovzhenko" (Poltava region), is fully secured with wheat seeds. The Company plans to enhance and further develop own seed production.

ECONOMIC&SECTOR NEWS

Ukraine harvested 35 mln tonnes of grains as of the beginning of August

As of August 5, agrarians harvested 34.992 mln tonnes of early grains and pulses (32.181 mln tonnes on the same date last year) throughout the areas of 9.012 mln ha, or 93% of the plan (9.6 mln ha, according to estimations). The average yield totaled 3.88 t/ha, reported the Ministry of Agrarian Policy and Food of Ukraine.

In particular, as of the reporting date Ukraine harvested wheat throughout 5.803 mln ha (93%). The production volumes totaled 24.398 mln tonnes, with the yield of 4.2 t/ha.

Agrarians harvested 9.289 mln tonnes of barley throughout 2.756 mln ha (96%), with the yield of 3.37 t/ha.

According to the announcement, Ukraine harvested 294 thsd tonnes of rye throughout 111 thsd ha (78%). The average yield totaled 2.64 t/ha. Agrarians harvested oats throughout 105 thsd ha (50%). The production volumes totaled 270 thsd tonnes, with the yield of 2.58 t/ha.

Also, peas production volumes reached 739 thsd tonnes, with the yield of 3.17 t/ha. The harvested areas totaled 233 thsd ha (98%).

As for winter rapeseed, agrarians harvested 1.088 mln tonnes of the

oilseed throughout 416 thsd ha (91%), with the average yield of 2.62 t/ha.

APK-inform

Sugar season 2016/17: Back-to-Back Deficits

2016/17 is forecast to be in production deficit of 9.8m metric tonnes raw value (mtrv).

This follows 2015/16's 12.5m mtrv deficit, which was the largest seen since 2008/09.

This means that across the two seasons combined, global sugar stocks will be drawn down by more than 22m mtrv once an allowance has been made for unrecorded disappearance.

The combined stock-build of the previous 4 seasons was 25.9m mtrv; almost all of this stockpiling now looks set to be unwound.

Czarnikow