SEMI-ANNUAL REPORT OF THE BOARD OF DIRECTORS

FOR THE SIX MONTHS ENDED JUNE 30, 2010

ASTARTA HOLDING N.V.

Contents

1. Overview of the First Half of the Year and Outlook for the Whole Year 2010

The reporting period was positive in terms of further macroeconomic stabilization and resuming economic growth in Ukraine. Country's GDP grew 6% in the first half of the year, and the whole year forecasts of the GDP growth range from 4,5% to 5%. Recently Ukrainian government has secured approval of the IMF $15.2 bln standby loan facility. The government was prized by the Fund for acting swiftly and decisively to reduce the budget deficit and strengthen the country's financial system. The IMF financing, increasing National bank reserves, positive balance of payments, and strong industrial growth are regarded as positive and are reflected in improving Ukraine's sovereign ratings and stability of Ukrainian Hryvnia.

The first six months of 2010 were also firmly positive for strengthening ASTARTA market and financial position, as well as securing a good ground for the Groups' further strategic development. Thus, ASTARTA kept on growing in assets and their efficiency within main business segments. As in the previous years, efforts of the management were aimed at combining dynamic growth with effective operations and profitability.

With an increase of total land bank to 185 thousand hectares, a spring sowing campaign, cultivating operations, and harvesting of early crops were conducted in concerted manner and within the optimal time span. A year after consolidation of the Group's structure into a five regional business units with high level of geographical synergy, we could clearly see the advantages of this transaction not only for the current effective operations, but for setting an optimal platform for further growth of a land bank, boosting up the processing capacities and farms potential.

In summer, our crops in fields were exposed to extraordinary hot weather. This climatic extreme had an impact on productivity of wheat and barley, reducing harvest from the targets we set for this year. To the time of preparation of this report, later crops like corn, soy, sunflower and sugar beet were not that strongly affected. As during this summer we clearly witnessed weather risks strongly influencing agricultural business, ASTARTA's geographical diversification (East and West of Ukraine) and multi-sector production profile shall provide for stability and reduce these risks. We also see that lower yields resulting from adverse weather conditions will be offset by higher prices for agricultural commodities that dominate markets starting from July.

At the same time positive trends in sugar, crop and milk prices in the reporting period provided ASTARTA with a good operational cash flow that was actively used in investing activities. During the first six months of 2010 we have invested about EUR 23 mln in acquisition of long-term land lease rights, agricultural machinery, storage capacities, and modern equipment for sugar plants and farms. Following essential engineering improvements and installation of a number of key equipment elements in sugar plants, their capacity is expected to substantially increase during the 2010 campaign providing for lower energy consumption and higher volumes of sugar production.

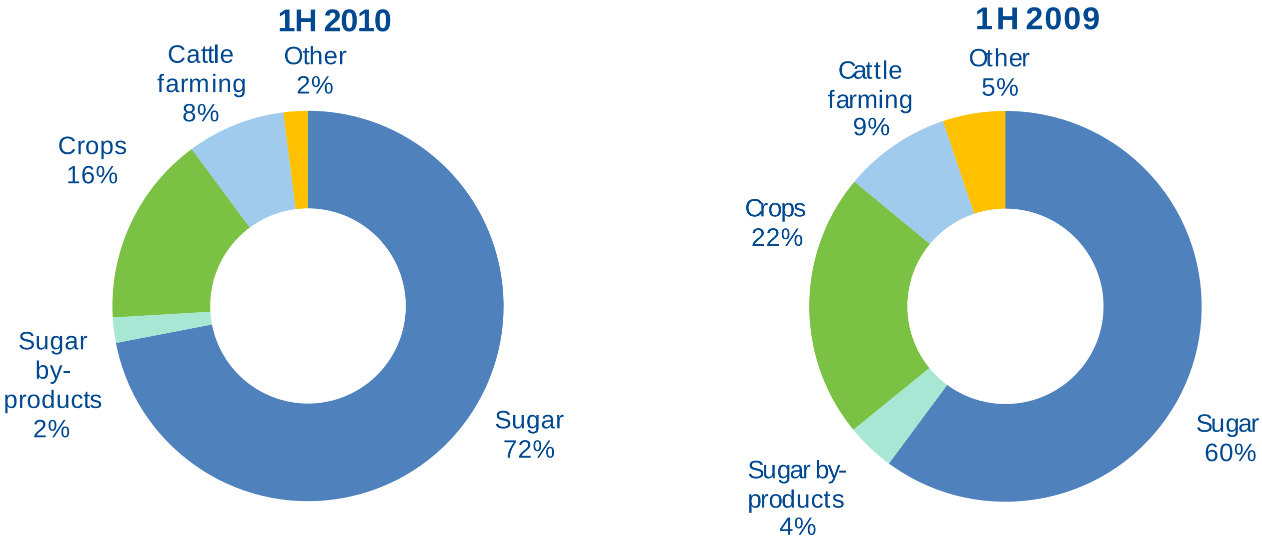
There were announcements by ASTARTA on commissioning of new cattle farm and a modern seed treatment plant in the Poltava region, and an elevator in the Vinnytsia region. These are the elements of the Group development strategy that includes not only expanding land bank and plants' upgrade, but securing growing rate of vertical integration, higher technological level of production and synergy within business units. On top of conventional development projects we continue to work hard on new horizons and study technical and economic feasibility of methanization of bio-waste and sugar by-products, introduce GPS precision farming into agri-operations and logistics, apply new bio-technologies in crop growing to secure higher yields etc.

Now we are at the final stage of preparation for the new sugar campaign, started harvesting of sugar beet, soy, sunflower, and corn and cultivation of soil for the winter crops and next year beet. Operations are going smoothly and we plan to arrange them in the optimal time. On the development side we are continuing to look closely at some interesting acquisition opportunities in Ukraine that might result in a faster growth of the Group's assets already this year.

2. The Group's Operations, Markets and Sales of Primary Products

In the first half of 2010, revenue grew 85% (in EUR terms) compared to the first half of 2009 owing mainly to higher sales of sugar and cattle farming produce following better pricing environment. Sugar sales represented 72% of the total revenues vs. 60% in the first half of 2009. Owing to a more aggressive growth in revenue from sugar sales, the share of revenues from crop sales dropped from 22% to 16%. Revenue from cattle farming (meat and milk sales) represented 8% vs. 9% in H1 2009 despite higher volumes and an increase in prices.

Figure 1. Breakdown of the Group's revenues in H1 2010 and H1 2009



In the first half of 2010 revenues from export sales reached USD 11.6 mln increasing 57% from USD 7.4 mln in H1 2009 and constituting more than 10% of the total revenues. Thus, ASTARTA stayed fully hedged on cash flow level as export revenues amply covered interest payments and amortizing part of principal repayments of banking debts received in foreign currencies.

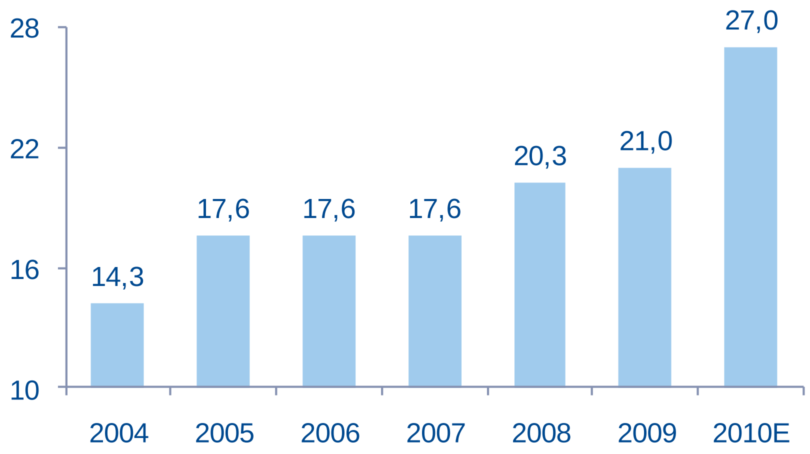
To increase diversification of our business, and raise revenues and profitability, in 2010 we initiated trading by crops and sugar, as well as continued trading with natural gas. Revenue from trading amounted for about EUR 4.3 million. We believe that this segment will be growing at ASTARTA in coming years.

2.1. Sugar Production, Markets and Sales

2.1.1. Sugar Production: Preparing for the Next Season

During preparation to the next production season, ASTARTA continues modernizing its sugar plants aimed to increase energy efficiency and to raise processing capacity. The reconstruction program envisages debottlenecking of key production elements. The Group's management believes that this reconstruction will lead to a cut in the sugar prime cost through improved efficiency, and expects an increase in processing capacities from 21,000 tons of beet per day in 2009 to 27,000 tons this year.

Figure 2. Processing capacity of ASTARTA's sugar plants, thousand tons of beet per day



The 2010 modernization program also envisages reconstruction of Yaresky sugar plant for raw sugar processing, construction of bulk storage for sugar, as well as an initial stage (a Feasibility study) of the pulp and biomass methanization project. A new storage facility for raw cane sugar and dry granulated pulp with total capacity of 14 thousand tons has been recently completed. Fully automated loading facilities provide for simultaneous handling of 4 railway wagons with raw cane sugar or granulated pulp. Launching of this storage facility would make it possible to refine raw sugar at the plant thus contributing to better sugar production capacity utilization. The use of this facility for dry granulated pulp storage will provide for better marketing of the product.

On the supply side, ASTARTA increased its areas under own sugar beet by c. 15% to 39 thousand hectares. Additionally, the Group also entered into joint operation agreements with local farmers to cultivate sugar beet, as well as contracted local traditional suppliers, all together at about 10 thousand hectares. Such an expansion shall provide the Group's sugar plants with enough raw materials to boost production at the uprated plants.

2.1.2. Sugar Markets and Sales

In the first half of 2010, revenue from sugar sales more than doubled compared to the first half of 2009 to EUR 61.5 million (UAH 650.0 million) on a back of favorable pricing. In terms of volume, sugar sales grew from about 90 thousand tons in the first half of 2009 to around 101 thousand tons.

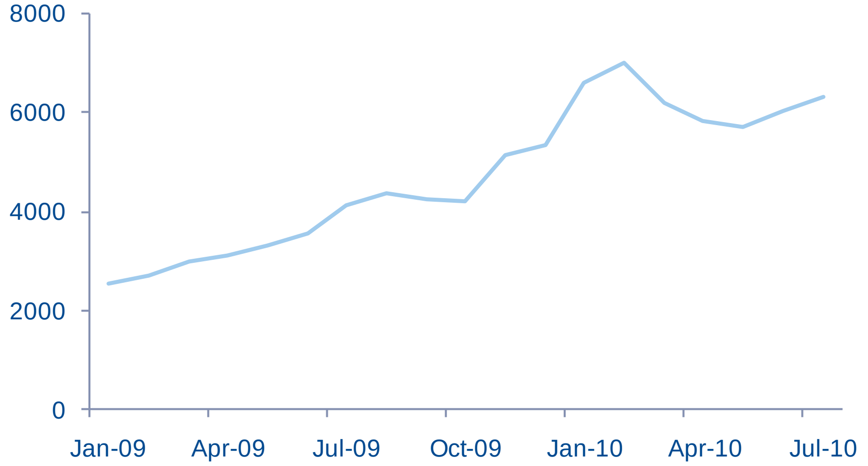
Table 1. Sugar sales in 2009 and in the first half of 2010, thousands tons

	2010	2009
1 quarter	43	44
2 quarter	58	46
3 quarter	-	46
4 quarter	-	63
Total:	**101**	**199**

About 78% of sugar was sold to large industrial consumers, Konti confectionary being the largest intaker. The other top-4 sugar consumers also include another confectionary, AVK, and two beverage producers, Coca-Cola Ukraine and Sandora (the country's largest juice producer, part of PepsiCo).

A significant sugar production shortfall in Ukraine in the season of 2009 led domestic sugar prices to their historical highs in January 2010. In late February, a 3-months downward correction began, as farmers started to sell off their sugar stocks to finance the spring sowing campaign. A further seasonal rise started in late May, as stocks were tight and beverage producers activated their purchases.

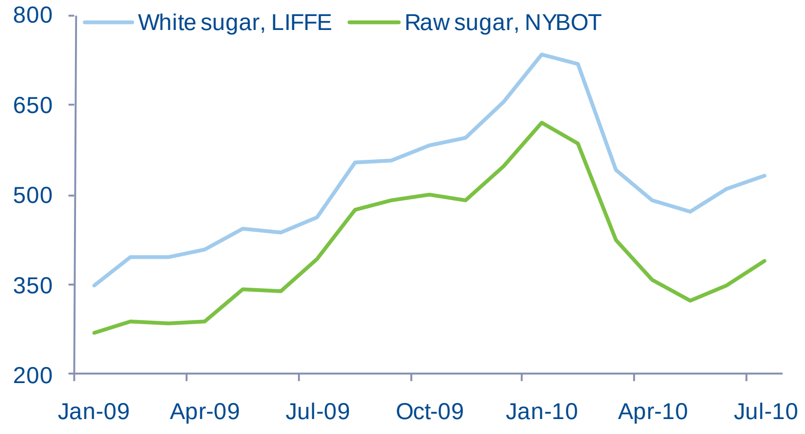
Figure 3. The Average Ukrainian prices for sugar in 2009 through July 2010, UAH per ton, VAT excl.



Source: National Association of Sugar Producers of Ukraine Ukrtsukor

Raw sugar imports under WTO quota failed to contribute to a considerable domestic price decrease, since after a downward correction in spring world sugar prices also remained relatively high on a back of adverse weather conditions in a number of important producing regions, and logistical bottlenecks in the world's leading sugar producer and exporter, Brazil.

Figure 4. World sugar prices in January 2009 through July 2010, US$ per ton



Given poor weather conditions in a number of sugar producing countries, such as Russia, Pakistan, Thailand and Indonesia, as well as slowly improvements of Brazilian logistics, key international analytical agencies do not expect any sharp fall in international sugar prices this year. At the same time, forecast of Ukrainian beet sugar production in 2010 was recently corrected as beet harvest projections were reduced following extremely high temperatures in some regions of Ukraine, and expected production of 1.7 – 1.8 mln tons might not meet the national demand (the initial official forecast of the Ministry of agrarian policy was 2.1- 2.3 mln tonnes). This together with increasing cost of production could provide a support for domestic sugar prices during usual seasonal correction at the time of production campaign later this year.

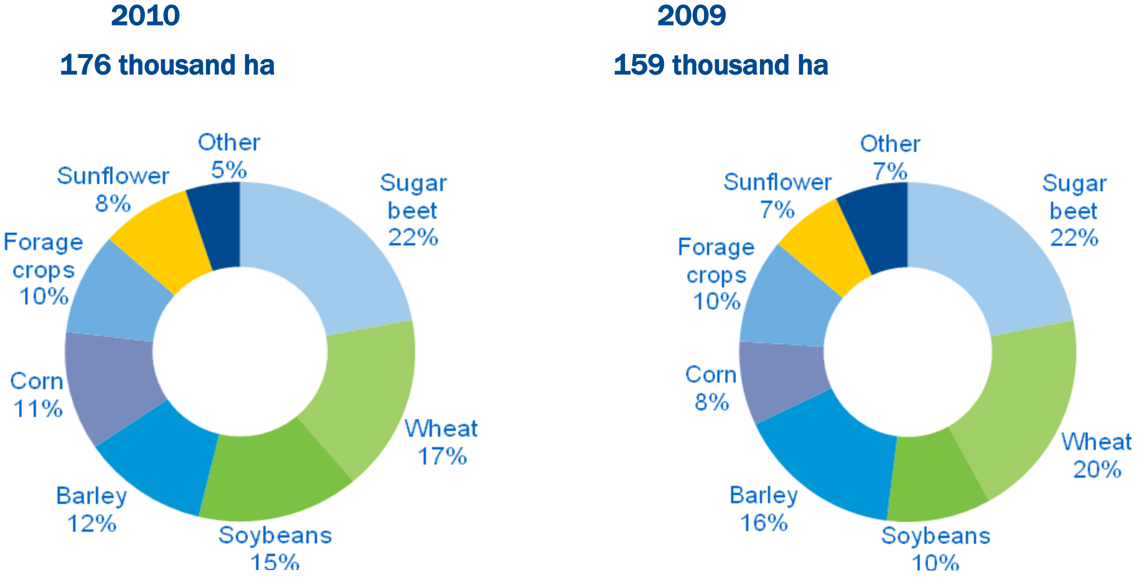
2.2. Crop Production, Markets and Sales

2.2.1. Crop production

After we spent 2009 to restructure our production units and to streamline their management, this year we have actively invested into agricultural production. To the date of this report, we have increased our land bank to 185 thousand hectares.

In the first half of 2009, ASTARTA's agri-companies increased the area of arable land by around 10% to 176 thousand ha compared to 159 thousand ha a year before.

Figure 5. The breakdown of arable land utilization in 2009 and 2010



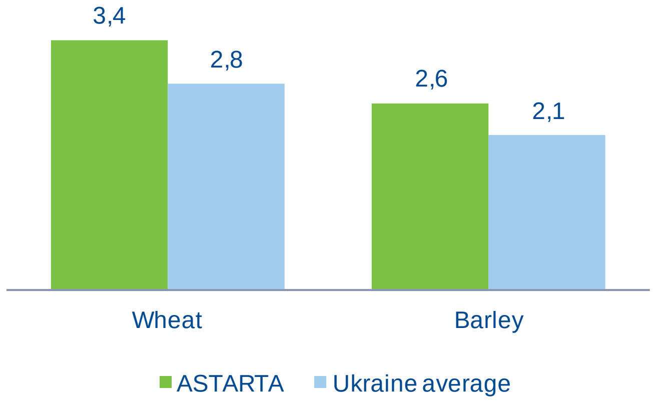
We have also expanded our agricultural fleet, acquiring German Fendt tractors, Russian heavy load trucks to transport beet to sugar plants, as well as seeding and cultivating equipment from the leading US and EU producers.

We have also launched a grain elevator facility in Khmilnyk (the Vinnytsia region) that will become a regional logistic center for crop handling and trading. It will allow optimizing costs, reducing transportation losses, and generally improving the efficiency of the crop segment in the region. The designed capacity of the elevator is 50 thousand tons. The capacity of transportation lines is 200 tons per hour. Similar elevator facility is to be inaugurated in Viytivtsy (the Khmelnitsky region) in the beginning of this September, and a design and planning for a one more silo in Poltava region has been initiated. To meet the growing demand for storage capacities following increasing production and initiating of trading in the Poltava region, ASTARTA has also acquired a grain storage and handling facility in Kobelyaky with capacity of around 20 thousand tons.

In line with its strategy to improve efficiency of agricultural production, ASTARTA has launched a modern pre-sowing seed processing facility in the Poltava region. The facility is equipped with modern machinery for seed separation, cleaning, and sorting produced by Austrian HDT Company. Facility launch will allow reducing the seeding rate, optimizing application of seed disinfectants, as well as improving yields.

By the late August 2010, ASTARTA's agricultural companies have harvested 160 thousand tons of early grains on the area of 53 thousand hectares. The average yield of winter wheat was about 3.4 tons per hectare, and 2.6 tons per hectare for spring barley. The decline in the yield of wheat and barley compared to 2009 was caused by weather conditions. On a positive side, because of hot weather the most part of wheat produced this year is of high milling quality, and will have much better pricing than the lower grade grain. As usually, ASTARTA's yields in 2010 were traditionally above Ukrainian averages by c. 20% - 25%.

Figure 6. Average yields of early grains by ASTARTA and in Ukraine in 2010, tons per hectare

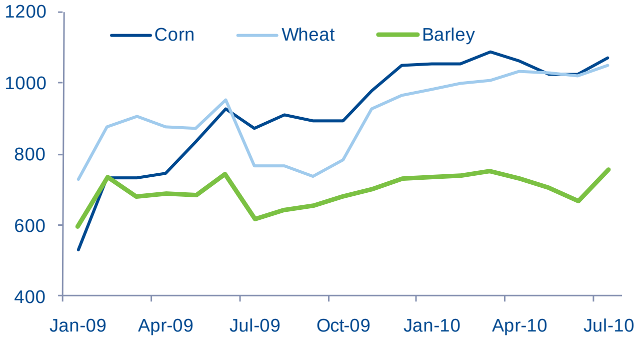


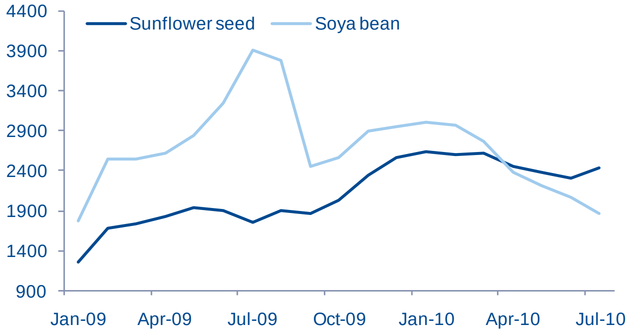
Source: State Statistics Committee of Ukraine, management estimates

2.2.2. Crop market and sales

Revenue from crop sales grew 37% to EUR 13.5 million (UAH 142.7 million). In terms of volume, sales of the key five crops were just marginally lower than in H1 2009. Pricing situation in the crop markets was mostly favorable in the first half of 2010, despite the downward correction for some major commodities internationally.

Figure 7. Average Ukrainian prices for crops in 2009 through July 2010, UAH per ton, VAT excl.





Source: APK-inform analytical agency

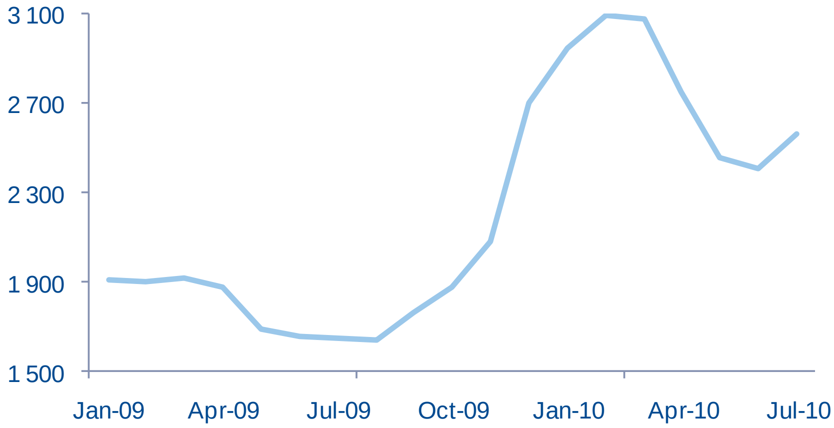
Exports amounted to about 62% of the total revenues from crop sales. The major international traders became the largest clients in crop sales.

2.3. Production and Sales of Farming Produce

In order to further develop its synergy segment, cattle farming, ASTARTA has launched a modern dairy farm in the Poltava region this year. The facility is designed for 1,000 cows with loose-housing system to better meet the physiological needs of animals that will have a positive effect on increasing yields. Premises of the dairy livestock facility were built according to technology of the Czech company Bauer Technics. The facility has an automated milking room produced by the Israeli manufacturer Afimilk and is also equipped with high-quality refrigeration equipment made by the Swedish company DeLaval, aimed at fast and efficient milk cooling.

In the first half of 2010, ASTARTA's farms produced 24.7 thousand tons of milk, of which 23.3 thousand tons (+13% y-o-y) were sold to dairy processors. Due to better pricing, the Group's revenues from sales of cattle farming produce grew 74% y-o-y to EUR 7.0 million (UAH 73.4 million) to secure 8% of the total revenues.

Figure 8. Average Ukrainian prices for raw milk in 2009 through July 2010, UAH per ton, VAT excl.



3. Financial Performance and Position

3.1. Selected Financials

The Table below provides selected financial data as of and for the six months ended 30 June 2010 and 2009 in thousands of Ukrainian hryvnia and Euro.

Table 2. Selected financial data

	UAH		EUR	
	H1 2010	H1 2009	**H1 2010**	H1 2009
I. Revenues	**908,146**	498,952	**85,983**	46,387
II. Profit from operations	**455,102**	223,308	**43,250**	20,845
III. Profit before tax	**443,711**	197,148	**42,131**	18,415
IV. Net profit	**432,502**	200,561	**40,965**	18,727
V. Cash flows provided by operating activities	**325,883**	86,836	**31,080**	8,152
VI. Cash flows used in investing activities	**(180,065)**	2,770	**(17,011)**	194
VII. Cash flows provided by financing activities	**(155,389)**	(71,504)	**(14,634)**	(6,645)
VIII. Total net cash flow	**(9,571)**	18,102	**(565)**	1,701
IX. Total assets	**3,043,363**	2,141,516	**314,300**	196,287
X. Current liabilities	**624,250**	748,850	**64,470**	68,640
XI. Non-current liabilities	**660,613**	515,704	**68,227**	47,268
XII. Share capital	**1,663**	1,663	**250**	250
XIII. Total eqity	**1,758,500**	876,962	**181,603**	80,379
XIV. Number of shares (in shares)	**25,000,000**	25,000,000	**25,000,000**	25,000,000
XV. Profit per ordinary share (in UAH and EUR)	**17.30**	8.02	**1.64**	0.75

3.2. Financial Performance: Income Statement

On the back of a favorable situation on all key markets, H1 revenues grew 85% y-o-y to EUR 85,983 thousand. In the Ukrainian hryvnia equivalent, revenues grew 82% y-o-y to UAH 908,146 thousand. Due to a rise in the sugar and milk sales, the cost of goods sold grew 39% to EUR 45,248 thousand. Due to positive changes in the crop markets, the IFRS loss from remeasurement of agricultural produce to fair value was lower than a year ago. The above factors contributed to a rise in the gross profit from EUR 8,199 thousand in H1 2009 to EUR 37,147 thousand in H1 2010. The gross margin constituted 43% in H1 2010 compared to 18% in the first half of the last year.

Profit from operations more than doubled y-o-y due to a significant increase in the gross profit and rigid cost control procedures. Like in 2009, a major focus was done to control transaction costs. As a result, general and administrative expense was almost stable, thus constituting 5.3% of the revenue vs. 9.0% in H1 2009. Selling and distribution expense was growing in line with growing sales, representing 5.1% of the revenue vs. 5.8% in H1 2009. VAT-related subsidies grew more than five times, following restructuring of the Group and the application of the VAT special regime to key production business units. At the same time, changes in the fair value of biological assets were more moderate than a year ago and represented EUR 11,139 thousand instead of EUR 19,616 thousand.

The Group's profit from operations (EBIT) grew 107% (104% in the Ukrainian hryvnia equivalent) from EUR 20,845 thousand to EUR 43,250 thousand, while the EBIT margin improved from 45% to 50%. EBITDA grew 104% (100% in the Ukrainian hryvnia equivalent) to EUR 51,107 thousand, EBITDA margin to 59% from 54% a year before.

As a result of the successful loan portfolio optimization, interest expense decreased 22% to EUR 3,479 thousand from EUR 4,472 thousand a year before.

Profit before tax was up 129% to EUR 42,131 thousand in H1 2010 vs. EUR 18,415 thousand in H1 2009, and the net profit up 119% to EUR 40,965 thousand vs. EUR 18,727 thousand respectively. Net profit margin constituted 48% vs. 40% a year ago.

Cash flows provided by operating activities grew almost four times from EUR 8,152 thousand in H1 2009 to EUR 31,080 thousand in H1 2010.

3.3. Financial Position: Balance Sheet

As of June 30, 2010, the Group's total assets grew up to EUR 314,300 thousand - a 60% increase compared to the same date of 2009. Out of all assets, current assets and non-current assets account for 50% each. The assets structure in the same date of 2009 was as follows: current assets – 57%, non-current assets – 43%. Equity increased by 126% to EUR 181,603 thousand from the year before, mainly due to an increase in retained earnings and revaluation surplus, as well as a decrease in the currency translation adjustment. During the first six month of 2010 the Group repaid some part of the short-term debt denominated in UAH, and secured the long term financing from Landesbank Baden-Wurttemberg, Wells Fargo HSBC Trade Bank, and EBRD. As the total debt in EURO equivalent remained almost unchanged y-o-y, it substantially decreased (11%) in the Ukrainian hryvnia equivalent. Net debt/equity ratio improved significantly as compared with the prior year from 103% in 2009 to 46% in 2010.

Equity was 58%, non-current liabilities - 22% and current liabilities - 20% in the total assets (respectively: 41%, 24%, and 35% as of 30 June, 2009).

3.4. Financial Ratios

Table 3. Financial Ratios
In thousand of Euros and in percents

Margins	6 months to 30 June 2010	6 months to 30 June 2009
Revenues	85,983	46,387
Gross profit	37,147	8,199
Gross profit margin %	43%	18%
EBITDA	51,107	25,111
EBITDA margin %	59%	54%
Net profit	40,965	18,727
Net profit margin %	48%	40%
Ratios		
Current Ratio	2.42	1.63
Quick Ratio	0.41	0.29
EPS	1.64	0.75
Market Capitalization	349,752	110,468
Net debt	83,320	82,688
EV	438,432	196,650
Total debt ratio	42%	59%
Net Debt/Equity	46%	103%

3.5. Basis for preparation of the Condensed Consolidated Interim Financial Statements

These condensed consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

3.6. Share Price Performance of ASTARTA Holding N.V. on the Warsaw Stock Exchange

Following development of ASTARTA assets and their efficiency, favorable trends on the Group's key markets, as well as good expectations of the Group's performance, share price of ASTARTA Holding N.V. has been developing positively in 2010. This year to date, prices for shares of ASTARTA Holding N.V. gained 54.3%. The monthly turnover of the Company's shares already achieved the pre-crisis level. Moreover, ASTARTA shares maintained a positive margin compared to the Warsaw Stock Exchange Index (WIG), outperforming this index. As of August 24, 2010 the closing price was PLN 64.80 (EUR 16.16).

Figure 9. ASTARTA Holding N.V. vs. WIG quotations, %

Source: Warsaw Stock Exchange

Table 4. The Company's significant stock quotation data

	H1 2010	H1 2009
Opening price (PLN)	42.00	11.00
Highest trading price (PLN)	64.00	21.40
Lowest trading price (PLN)	37.10	7.70
Closing price (PLN)	58.00	19.75
Closing price (EUR)	13.99	4.42
Price change, y-t-d (June 30)	+38.1%	+79.5%

4. Material Events during the Reporting Period

4.1. Loan Portfolio Optimization

- On March 2, 2010, Landesbank Baden-Wurttemberg signed a loan agreement to provide financing to Ancor Investments Limited, a subsidiary of ASTARTA Holding N.V. The financing of up to EUR 3 755 thousand expressed in USD was granted to invest into the purchase of agricultural machinery. The financing comprised a secured long-term loan for 5 years with a 6-month grace period.
- On February 22, 2010, Pravex Bank signed loan agreements to provide finance to two of the Group's agricultural subsidiaries. The total amount of these agreements is UAH 30 million granted for working capital needs.
- On April 22, 2010, Wells Fargo HSBC Trade Bank signed a loan agreement to provide financing to Ancor Investments Limited, a subsidiary of ASTARTA Holding N.V. The financing of up to USD 9 789 thousand was granted to invest into the purchase of agricultural machinery. The financing comprised a secured long-term loan for 5 years with a 6-month grace period.
- On May 12, 2010, Index Bank signed loan facility agreements to provide finance to the Group's agricultural subsidiaries. The total amount of these agreements is UAH 120 million granted for working capital needs.

4.2. Acquisition of Subsidiaries

- On February 5, 2010, Astarta-Kyiv acquired the corporate rights with 85% stake in the Agricultural Company "Goropayivske" in the Zhytomyr Oblast (administrative region) of Ukraine.
- On March 10, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Company "Zaricha-Agro" in the Vinnytsia Oblast (administrative region) of Ukraine.
- On March 11, 2010, Astarta-Kyiv established subsidiary "Mriya-97 Plus" in the Khmelnytsky Oblast (administrative region) of Ukraine.
- On April 1, 2010, Astarta-Kyiv acquired the corporate rights with 75% stake in the Company "Varovetske" in the Khmelnytsky Oblast (administrative region) of Ukraine. On June 4, 2010, Astarta-Kyiv increased its stake in the Company to 100%.
- On April 2, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Company "AINA" in the Poltava Oblast (administrative region) of Ukraine. After this acquisition, "AINA" was merged to another ASTARTA subsidiary, LLC Agricultural Company "Dobrobut".
- On June 2, 2010, Astarta-Kyiv increased its share in the Agricultural Company Musiivske to 88.36%.
- On June 8, 2010, Astarta-Kyiv increased its share in the Agricultural Company Khmilnitske to 97.84%.
- On May, 17, 2010, Astarta-Kyiv acquired the corporate rights with 97.282% stake in the Kobeliaky Mixed Fodder Plant in the Poltava Oblast (administrative region) of Ukraine.

4.3. Changes in the Shareholder Structure of ASTARTA Holding N.V.

- On April 6, 2010, Aviva Investors Poland SA, an entity involved in the management of investment portfolios governed by Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych SA, Aviva Investors Fundusz Inwestycyjny Otwarty and Aviva Investors Specjalistyczny Fundusz Inwestycyjny Otwarty, increased their interest in the Company to more than 5%. The interest in ASTARTA Holding N.V. changed due to the acquisition of shares of the Company. As of April 6, 2010 the investment funds managed by Aviva Investors Poland SA held a total of 1,287,837 shares of ASTARTA Holding N.V., which constituted 5.15% of the share capital of the Company.

5. Material Events after the Reporting Date

5.1. Loan Portfolio Optimization

- On July 7, 2010, the European Bank for Reconstruction and Development (EBRD) signed a Loan agreement to provide financing to LLC Firm "Astarta-Kyiv", an indirect subsidiary of ASTARTA Holding N.V. The financing of up to EUR 10 million is granted to further modernize ASTARTA's sugar plants that should result in considerable energy savings of the current energy consumption, mainly natural gas, as well as to construct storage facilities. Productivity increases and cost reductions will bring the ASTARTA's operating performance closer to EU standards. The financing would comprise a secured long term loan for 7 years with 18 month grace period, fully guaranteed by ASTARTA Holding N. V. and five material indirect subsidiaries of the company. This is the third EBRD's project with ASTARTA. Two previous loan agreements were signed in 2008 and 2009 for the total amount of USD 40 million.

5.2. Acquisition of Subsidiaries

- On July 23, 2010, Astarta-Kyiv increased its share in the Agricultural Company Musiivske to 90%.

6. Shareholders' Structure of ASTARTA Holding N.V.

According to the information available to the Company, as of June 30, 2010, the following shareholders provided information concerning direct or indirect (through subsidiaries) ownership of at least 5% of total votes at the General Shareholders Meeting of ASTARTA Holding N.V.

Table 5. Shareholders' Structure of ASTARTA Holding N.V. as of June 30, 2010

Shareholder	Number of shares	Percentage of owned share capital	Number of votes at the General Meeting	Percentage of votes at the General Meeting
Viktor Ivanchyk through his wholly owned Cypriot company Albacon Ventures Ltd.	10,046,883	40.19	10,046,883	40.19
Valeriy Korotkov through his wholly owned Cypriot company Aluxes Holding Ltd.	8,796,883	35.19	8,796,883	35.19
Aviva Investors Poland SA	1,287,837	5.15	1,287,837	5.15
Other shareholders	4,868,397	19.47	4,868,397	19.47
TOTAL	**25,000,000**	**100.00**	**25,000,000**	**100.00**

7. Board of Directors

The Board of Directors of ASTARTA Holding N.V. consists of five members: Viktor Ivanchyk (Chief Executive Officer), Petro Rybin (Chief Operating and Financial Officer), Marc van Campen (Chief Corporate Officer), Valery Korotkov (Chairman of the Board, Non-Executive Director), Wladyslaw Bartoszewski (Vice Chairman of the Board, Non-Executive Director, Chairman of the Audit Committee).

Viktor Ivanchyk and Valery Korotkov, as owners of companies in Cyprus, hold indirectly 40.19% and 35.19% of the votes at the General Shareholders Meeting of the Company respectively. In addition, Viktor Ivanchyk and Valery Korotkov each own directly 0.01% of the share capital of Astarta-Kyiv.

The rest of the directors do not own, directly or indirectly, any shares or other securities giving them rights to acquire these shares, either from the date of the Company's registration up to the date of this statement, or after this period.

8. Statement of the Board of Directors

REPRESENTATION
of the Board of Directors

of ASTARTA Holding N.V.

on compliance of the condensed consolidated interim financial statements

The Board of Directors of ASTARTA Holding N.V. hereby represent that to the best of their knowledge the condensed consolidated interim financial statements of ASTARTA Holding N.V. for the period ended 30 June 2010 and the comparable information are prepared in accordance with the applicable accounting standards and that they give a true, fair and clear view of the assets, financial standing and financial results of ASTARTA Holding N.V., and that the interim statement for the six months ended 30 June 2010 gives a true view of the developments, achievements and situation of the Company, including a description of the key risks and threats.

Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk	_____(signed)______
P. Rybin	_____(signed)______
M.M.L.J. van Campen	_____(signed)______
V. Korotkov	_____(signed)______
W.T. Bartoszewski	_____(signed)______

25 August 2010,
Amsterdam, The Netherlands

Caution note regarding forward-looking statements

Certain statements contained in this report may constitute forecasts and estimates. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ from the anticipated results expressed or implied by these forward-looking statements.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT AND FOR THE SIX MONTHS ENDED JUNE 30, 2010

ASTARTA HOLDING N.V.

These condensed consolidated interim financial statements contain 72 pages

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Ukrainian hryvnias)		**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Assets				
Non-current assets				
Property, plant and equipment	*5*	**1,314,293**	1,219,524	802,986
Intangible assets	*6*	**46,800**	43,455	49,830
Biological assets	*7*	**136,142**	147,358	58,680
Financial instruments available-for-sale	*8*	**14,294**	846	1,235
Other long-term assets		**15,944**	8,691	5,344
Deferred tax assets		**7,807**	11,759	6,059
		1,535,280	1,431,633	924,134
Current assets				
Inventories	*9*	**369,202**	767,935	273,219
Biological assets	*7*	**882,328**	230,758	725,798
Trade accounts receivable	*10*	**96,377**	89,526	78,338
Other accounts receivable and prepayments	*11*	**141,739**	97,088	106,681
Current income tax		**518**	415	453
Promissory notes available-for-sale		**4**	4	4,111
Short-term deposits	*12*	**5,173**	-	-
Cash and cash equivalents	*13*	**12,742**	22,313	28,782
		1,508,083	1,208,039	1,217,382
Total assets		**3,043,363**	2,639,672	2,141,516

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Ukrainian hryvnias)		**30 June 2010**	**31 December 2009**	**30 June 2009**
		(unaudited)	**(audited)**	**(unaudited)**
Equity and liabilities				
Equity	*14*			
Share capital		**1,663**	1,663	1,663
Additional paid-in capital		**398,446**	398,218	392,782
Retained earnings		**900,153**	436,640	310,670
Fair value reserve		**-**	-	7,940
Revaluation surplus		**456,888**	487,814	159,919
Currency translation adjustment		**48**	10,166	3,022
Total equity attributable to equity holders of the company		**1,757,198**	1,334,501	875,996
Minority interests relating to open joint stock companies	*15*	**1,302**	864	966
Total equity		**1,758,500**	1,335,365	876,962
Non-current liabilities				
Loans and borrowings	*16*	**505,891**	606,164	434,051
Minority interests relating to limited liability companies	*15*	**51,901**	39,375	38,122
Other long-term liabilities		**9,054**	10,018	8,285
Promissory notes issued		**-**	-	16,005
Deferred tax liabilities		**93,767**	86,611	19,241
		660,613	742,168	515,704
Current liabilities				
Short-term loans and borrowings	*16*	**88,743**	240,993	408,710
Current portion of long-term loans and borrowings	*16*	**230,027**	133,073	88,157
Trade accounts payable		**189,818**	45,455	136,826
Promissory notes issued		**-**	2,400	14,737
Current income tax		**7**	-	-
Other liabilities and accounts payable	*17*	**115,655**	140,218	100,420
		624,250	562,139	748,850
Total equity and liabilities		**3,043,363**	2,639,672	2,141,516

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Euros)		**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Assets				
Non-current assets				
Property, plant and equipment	*5*	**135,739**	105,495	73,600
Intangible assets	*6*	**4,821**	3,759	4,567
Biological assets	*7*	**14,060**	12,747	5,378
Financial instruments available-for-sale	*8*	**1,476**	73	113
Other long-term assets		**1,646**	752	490
Deferred tax assets		**806**	1,017	555
		158,548	123,843	84,703
Current assets				
Inventories	*9*	**38,132**	66,429	25,042
Biological assets	*7*	**91,125**	19,962	66,526
Trade accounts receivable	*10*	**9,953**	7,744	7,180
Other accounts receivable and prepayments	*11*	**14,639**	8,399	9,779
Current income tax		**53**	36	42
Promissory notes available-for-sale		**-**	-	377
Short-term deposits	*12*	**534**	-	-
Cash and cash equivalents	*13*	**1,316**	1,930	2,638
		155,752	104,500	111,584
Total assets		**314,300**	228,343	196,287

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Euros)		**30 June 2010**	**31 December 2009**	**30 June 2009**
		(unaudited)	**(audited)**	**(unaudited)**
Equity and liabilities				
Equity	*14*			
Share capital		**250**	250	250
Additional paid-in capital		**58,160**	58,142	57,768
Retained earnings		**94,410**	50,243	39,794
Fair value reserve		**-**	-	728
Revaluation surplus		**47,115**	50,309	21,933
Currency translation adjustment		**(18,466)**	(43,507)	(40,183)
Total equity attributable to equity holders of the company		**181,469**	115,437	80,290
Minority interests relating to open joint stock companies	*15*	**134**	75	89
Total equity		**181,603**	115,512	80,379
Non-current liabilities				
Loans and borrowings	*16*	**52,248**	52,436	39,784
Minority interests relating to limited liability companies	*15*	**5,360**	3,406	3,494
Other long-term liabilities		**935**	867	759
Promissory notes issued		**-**	-	1,467
Deferred tax liabilities		**9,684**	7,492	1,764
		68,227	64,201	47,268
Current liabilities				
Short-term loans and borrowings	*16*	**9,165**	20,847	37,462
Current portion of long-term loans and borrowings	*16*	**23,757**	11,512	8,080
Trade accounts payable		**19,604**	3,932	12,541
Promissory notes issued		**-**	208	1,351
Current income tax		**1**	-	-
Other liabilities and accounts payable	*17*	**11,943**	12,131	9,206
		64,470	48,630	68,640
Total equity and liabilities		**314,300**	228,343	196,287

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Ukrainian hryvnias)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues	*19*	**908,146**	498,952
Cost of revenues	*20*	**(476,898)**	(349,855)
Loss arising from remeasurement of agricultural produce to fair value	*21*	**(37,689)**	(61,225)
Gross profit		**393,559**	87,872
Changes in fair value of biological assets	*26*	**113,626**	210,459
Other operating income	*22*	**62,558**	15,896
General and administrative expense	*23*	**(48,346)**	(44,904)
Selling and distribution expense	*24*	**(45,808)**	(28,909)
Other operating expense	*25*	**(20,487)**	(17,106)
Profit from operations		**455,102**	223,308
Financial expense	*27*	**(48,862)**	(57,655)
Financial income	*27*	**10,622**	29,604
Other income	*28*	**2,784**	575
Gain on acquisition of subsidiaries	*4*	**24,065**	1,316
Profit before tax		**443,711**	197,148
Income tax (loss) benefit	*29*	**(11,209)**	3,413
Net profit		**432,502**	200,561
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(85)**	(34)
Equity holders of the company		**432,587**	200,595
Net profit		**432,502**	200,561
Weighted average basic and diluted shares outstanding (in thousands of shares)	*14*	**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)	*14*	**17.30**	8.02

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Euros)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues	*19*	**85,983**	46,387
Cost of revenues	*20*	**(45,248)**	(32,496)
Loss arising from remeasurement of agricultural produce to fair value	*21*	**(3,588)**	(5,692)
Gross profit		**37,147**	8,199
Changes in fair value of biological assets	*26*	**11,139**	19,616
Other operating income	*22*	**5,805**	1,481
General and administrative expense	*23*	**(4,550)**	(4,173)
Selling and distribution expense	*24*	**(4,355)**	(2,689)
Other operating expense	*25*	**(1,936)**	(1,589)
Profit from operations		**43,250**	20,845
Financial expense	*27*	**(4,695)**	(5,344)
Financial income	*27*	**1,021**	2,744
Other income	*28*	**271**	48
Gain on acquisition of subsidiaries	*4*	**2,284**	122
Profit before tax		**42,131**	18,415
Income tax (loss) benefit	*29*	**(1,166)**	312
Net profit		**40,965**	18,727
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(8)**	(3)
Equity holders of the company		**40,973**	18,730
Net profit		**40,965**	18,727
Weighted average basic and diluted shares outstanding (in thousands of shares)	*14*	**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)	*14*	**1.64**	0.75

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 JUNE

(in thousands of Ukrainian hryvnias)	**2010 (unaudited)**	**2009 (unaudited)**
Revenues	**487,190**	265,173
Cost of revenues	**(266,666)**	(155,076)
Loss arising from remeasurement of agricultural produce to fair value	**(22,418)**	(32,845)
Gross profit	**198,106**	77,252
Changes in fair value of biological assets	**104,442**	164,287
Other operating income	**20,078**	11,023
General and administrative expense	**(22,902)**	(22,711)
Selling and distribution expense	**(26,634)**	(16,939)
Other operating expense	**(10,528)**	(7,887)
Profit from operations	**262,562**	205,025
Financial expense	**(27,048)**	(33,072)
Financial income	**444**	27,261
Other income (expense)	**2,361**	(4,977)
Gain on acquisition of subsidiaries	**13,478**	-
Profit before tax	**251,797**	194,237
Income tax loss	**(17,901)**	(3,297)
Net profit	**233,896**	190,940
Net profit attributable to:		
Minority interests of open joint stock company subsidiaries	**(62)**	545
Equity holders of the company	**233,958**	190,395
Net profit	**233,896**	190,940
Weighted average basic and diluted shares outstanding (in thousands of shares)	**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)	**9.36**	7.62

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 JUNE

(in thousands of Euros)	**2010 (unaudited)**	**2009 (unaudited)**
Revenues	**48,107**	24,769
Cost of revenues	**(26,332)**	(14,485)
Loss arising from remeasurement of agricultural produce to fair value	**(2,214)**	(3,068)
Gross profit	**19,561**	7,216
Changes in fair value of biological assets	**10,313**	15,346
Other operating income	**1,983**	1,030
General and administrative expense	**(2,261)**	(2,121)
Selling and distribution expense	**(2,630)**	(1,582)
Other operating expense	**(1,040)**	(737)
Profit from operations	**25,926**	19,152
Financial expense	**(2,732)**	(3,072)
Financial income	**105**	2,529
Other income (expense)	**233**	(465)
Gain on acquisition of subsidiaries	**1,331**	-
Profit before tax	**24,863**	18,144
Income tax loss	**(1,768)**	(308)
Net profit	**23,095**	17,836
Net profit attributable to:		
Minority interests of open joint stock company subsidiaries	**(6)**	51
Equity holders of the company	**23,101**	17,785
Net profit	**23,095**	17,836
Weighted average basic and diluted shares outstanding (in thousands of shares)	**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)	**0.92**	0.71

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Ukrainian hryvnias)	**2010 (unaudited)**	**2009 (unaudited)**
Net profit	**432,502**	200,561
Other comprehensive (loss) income		
Currency translation differences	**(10,118)**	13,662
Change in fair value of promissory notes issued	**-**	3,764
Income tax on other comprehensive income	-	-
Other comprehensive (loss) income net of tax	**(10,118)**	17,426
Total comprehensive income	**422,384**	217,987
Attributable to:		
Minority interests of open joint stock company subsidiaries	**(85)**	672
Equity holders of parent company	**422,469**	217,315
Total comprehensive income	**422,384**	217,987

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Euros)	**2010 (unaudited)**	**2009 (unaudited)**
Net profit	**40,965**	18,727
Other comprehensive (loss) income		
Currency translation differences	**25,059**	2,671
Change in fair value of promissory notes issued	**-**	357
Income tax on other comprehensive income	-	-
Other comprehensive (loss) income net of tax	**25,059**	3,028
Total comprehensive income	**66,024**	21,755
Attributable to:		
Minority interests of open joint stock company subsidiaries	**(8)**	64
Equity holders of parent company	**66,032**	21,691
Total comprehensive income	**66,024**	21,755

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Ukrainian hryvnias)		**2010 (unaudited)**	**2009 (unaudited)**
Operating activities			
Profit before tax		**443,711**	197,148
Adjustments for:			
Depreciation and amortization		**83,426**	45,906
Allowance for trade and other accounts receivable	*18*	**5,328**	4,027
Gain on acquisition of subsidiaries	*4*	**(24,065)**	(1,316)
Loss on sales of property, plant and equipment		**81**	61
Write down of inventories and NRV allowance		**2,649**	872
Interest expense	*27*	**36,209**	48,243
Gain from changes in fair value of biological assets	*26*	**(113,626)**	(210,459)
Decrease in inventories		**402,224**	349,844
Written off assets recovered		**(1,322)**	(644)
Increase in trade and other receivables		**(55,515)**	(27,147)
Minority interests of limited liability company subsidiaries		**10,223**	7,686
Decrease in other long-term assets		**663**	1,606
Increase in biological assets due to other changes		**(524,258)**	(317,025)
Increase in trade and other payables		**110,163**	52,687
Decrease in other long-term payables		**(962)**	(397)
Gain from promissory note transactions		**-**	(106)
Income taxes paid		**(342)**	(517)
Interest paid		**(30,526)**	(46,626)
Forex gain		**(18,178)**	(17,007)
Cash flows provided by operating activities		**325,883**	86,836
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		**(152,700)**	(24,843)
Proceeds from sales of property, plant and equipment		**207**	1,738
Purchase of long-term investments		**(13,448)**	(859)
Purchase of promissory notes available-for-sale		**-**	(1,149)
Interest received		**428**	2,414
Acquisition of subsidiaries net of cash acquired	*4*	**(9,379)**	(711)
Short-term deposits (placement) withdrawal		**(5,173)**	49,422
Acquisitions from minority shareholders	*15*	**-**	(23,242)
Cash flows (used in) provided by investing activities		**(180,065)**	2,770

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE, CONTINUED

(in thousands of Ukrainian hryvnias)	**2010 (unaudited)**	**2009 (unaudited)**
Financing activities		
Proceeds from loans and borrowings	**208,695**	109,833
Principal payments on loans and borrowings	**(353,768)**	(201,563)
Transaction costs on loans and borrowings	**(7,916)**	(1,642)
(Decrease) increase in promissory notes issued	**(2,400)**	21,868
Cash flows used in financing activities	**(155,389)**	(71,504)
Net (decrease) increase in cash and cash equivalents	**(9,571)**	18,102
Cash and cash equivalents as at 1 January	**22,313**	10,680
Cash and cash equivalents as at 30 June	**12,742**	28,782

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE

(in thousands of Euros)		**2010**	**2009**
		(unaudited)	**(unaudited)**
Operating activities			
Profit before tax		**42,131**	18,415
Adjustments for:			
Depreciation and amortization		**7,857**	4,266
Allowance for trade and other accounts receivable	*18*	**502**	374
Gain on acquisition of subsidiaries	*4*	**(2,284)**	(122)
Loss on sales of property, plant and equipment		**8**	6
Write down of inventories and NRV allowance		**249**	81
Interest expense	*27*	**3,479**	4,472
Gain from changes in fair value of biological assets	*26*	**(11,139)**	(19,616)
Decrease in inventories		**37,881**	32,510
Written off assets recovered		**(129)**	(55)
Increase in trade and other receivables		**(5,248)**	(2,521)
Minority interests of limited liability company subsidiaries		**982**	712
Decrease in other long-term assets		**62**	150
Increase in biological assets due to other changes		**(48,937)**	(29,408)
Increase in trade and other payables		**10,376**	4,897
Decrease in other long-term payables		**(91)**	(37)
Gain from promissory note transactions		**-**	(10)
Income taxes paid		**(32)**	(48)
Interest paid		**(2,875)**	(4,333)
Forex gain		**(1,712)**	(1,581)
Cash flows provided by operating activities		**31,080**	8,152
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		**(14,380)**	(2,309)
Proceeds from sales of property, plant and equipment		**19**	162
Purchase of long-term investments		**(1,267)**	(80)
Purchase of promissory notes available-for-sale		**-**	(107)
Interest received		**41**	224
Acquisition of subsidiaries net of cash acquired	*4*	**(890)**	(66)
Short-term deposits (placement) withdrawal		**(534)**	4,530
Acquisitions from minority shareholders	*15*	**-**	(2,160)
Cash flows (used in) provided by investing activities		**(17,011)**	194

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE, CONTINUED

(in thousands of Euros)	**2010 (unaudited)**	**2009 (unaudited)**
Financing activities		
Proceeds from loans and borrowings	**19,655**	10,208
Principal payments on loans and borrowings	**(33,318)**	(18,733)
Transaction costs on loans and borrowings	**(745)**	(153)
(Decrease) increase in promissory notes issued	**(226)**	2,033
Cash flows used in financing activities	**(14,634)**	(6,645)
Net (decrease) increase in cash and cash equivalents	**(565)**	1,701
Cash and cash equivalents as at 1 January	**1,930**	949
Currency translation difference	**(49)**	(12)
Cash and cash equivalents as at 30 June	**1,316**	2,638

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Attributable to equity holders of the company								
(in thousands of Ukrainian hryvnias)	**Share capital (unaudited)**	**Additional paid-in capital (unaudited)**	**Retained earnings (unaudited)**	**Fair value reserve (unaudited)**	**Revaluation surplus (unaudited)**	**Currency translation adjustment (unaudited)**	**Sub - total (unaudited)**	**Minority interests (unaudited)**	**Total equity (unaudited)**
As at 1 January 2010	**1,663**	**398,218**	**436,640**	**-**	**487,814**	**10,166**	**1,334,501**	**864**	**1,335,365**
Net profit	**-**	**-**	**432,587**	**-**	**-**	**-**	**432,587**	**-**	**432,587**
Net loss attributable to minority shareholders of open joint stock companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(85)**	**(85)**
Other comprehensive loss, net of tax	**-**	**-**	**-**	**-**	**-**	**(10,118)**	**(10,118)**	**-**	**(10,118)**
Total comprehensive income	**-**	**-**	**432,587**	**-**	**-**	**(10,118)**	**422,469**	**(85)**	**422,384**
Acquisitions from minority shareholders and other changes	**-**	**582**	**-**	**-**	**-**	**-**	**582**	**523**	**1,105**
Realisation of revaluation surplus, net of tax	**-**	**-**	**30,926**	**-**	**(30,926)**	**-**	**-**	**-**	**-**
Other changes	**-**	**(354)**	**-**	**-**	**-**	**-**	**(354)**	**-**	**(354)**
As at 30 June 2010	**1,663**	**398,446**	**900,153**	**-**	**456,888**	**48**	**1,757,198**	**1,302**	**1,758,500**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Attributable to equity holders of the company								
(in thousands of Euros)	Share capital (unaudited)	Additional paid-in capital (unaudited)	Retained earnings (unaudited)	Fair value reserve (unaudited)	Revaluation surplus (unaudited)	Currency translation adjustment (unaudited)	Sub - total (unaudited)	Minority interests (unaudited)	Total equity (unaudited)
As at 1 January 2010	**250**	**58,142**	**50,243**	**-**	**50,309**	**(43,507)**	**115,437**	**75**	**115,512**
Net profit	-	-	40,973	-	-	-	40,973	-	40,973
Net loss attributable to minority shareholders of open joint stock companies	-	-	-	-	-	-	-	(8)	(8)
Other comprehensive loss, net of tax	-	-	-	-	-	25,041	25,041	18	25,059
Total comprehensive income	-	-	40,973	-	-	25,041	66,014	10	66,024
Acquisitions from minority shareholders and other changes	-	55	-	-	-	-	55	49	104
Realisation of revaluation surplus, net of tax	-	-	3,194	-	(3,194)	-	-	-	-
Other changes	-	(37)	-	-	-	-	(37)	-	(37)
As at 30 June 2010	**250**	**58,160**	**94,410**	**-**	**47,115**	**(18,466)**	**181,469**	**134**	**181,603**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2009

(in thousands of Ukrainian hryvnias)	Share capital (unaudited)	Additional paid-in capital (unaudited)	Retained earnings (unaudited)	Fair value reserve (unaudited)	Revaluation surplus (unaudited)	Currency translation adjustment (unaudited)	Sub - total (unaudited)	Minority interests (unaudited)	Total equity (unaudited)
	Attributable to equity holders of the company								
As at 1 January 2009	1,663	372,042	107,955	4,176	162,039	(10,640)	637,235	10,876	648,111
Net profit	-	-	200,595	-	-	-	200,595	-	200,595
Net loss attributable to minority shareholders of open joint stock companies	-	-	-	-	-	-	-	(34)	(34)
Other comprehensive income, net of tax	-	-	-	3,764	-	13,662	17,426	-	17,426
Total comprehensive income	-	-	200,595	3,764	-	13,662	218,021	(34)	217,987
Acquisitions from minority shareholders and other changes	-	23,242	-	-	-	-	23,242	(7,299)	15,943
Realisation of revaluation surplus, net of tax	-	-	2,120	-	(2,120)	-	-	-	-
Other changes	-	(2,502)	-	-	-	-	(2,502)	(2,577)	(5,079)
As at 30 June 2009	1,663	392,782	310,670	7,940	159,919	3,022	875,996	966	876,962

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2009

	Attributable to equity holders of the company								
(in thousands of Euros)	**Share capital (unaudited)**	**Additional paid-in capital (unaudited)**	**Retained earnings (unaudited)**	**Fair value reserve (unaudited)**	**Revaluation surplus (unaudited)**	**Currency translation adjustment (unaudited)**	**Sub - total (unaudited)**	**Minority interests (unaudited)**	**Total equity (unaudited)**
As at 1 January 2009	250	55,837	20,870	371	22,127	(42,811)	56,644	967	57,611
Net profit	-	-	18,730	-	-	-	18,730	-	18,730
Net loss attributable to minority shareholders of open joint stock companies	-	-	-	-	-	-	-	(3)	(3)
Other comprehensive income, net of tax	-	-	-	357	-	2,628	2,985	43	3,028
Total comprehensive income	-	-	18,730	357	-	2,628	21,715	40	21,755
Acquisitions from minority shareholders and other changes	-	2,160	-	-	-	-	2,160	(678)	1,482
Realisation of revaluation surplus, net of tax	-	-	194	-	(194)	-	-	-	-
Other changes		(229)					(229)	(240)	(469)
As at 30 June 2009	250	57,768	39,794	728	21,933	(40,183)	80,290	89	80,379

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 72.

1 BACKGROUND

(a) Organization and operations

These condensed consolidated interim financial statements are prepared by ASTARTA Holding N.V. (the Company), a Dutch public company incorporated in Amsterdam, the Netherlands, on 9 June 2006 under Dutch law.

The Company's legal address is Koningslaan 17, 1075 AA, Amsterdam, the Netherlands.

On 4 July 2006 the shareholders of the Company contributed their shares in the Cyprus based company Ancor Investments Ltd to ASTARTA Holding N.V. After the contribution, ASTARTA Holding N.V. owns 100% of share capital of Ancor Investment Ltd.

Ancor Investments Ltd owns 99.98% of the capital of LLC Firm "Astarta-Kyiv" (Astarta-Kyiv) registered in Ukraine, which in turn controls a number of subsidiaries in Ukraine (hereinafter the Company and its subsidiaries are collectively referred as the Group).

On 16 August 2006 the Company's shares were admitted for trading on the Warsaw Stock Exchange. The first quotation of the shares on the Warsaw Stock Exchange took place on 17 August 2006.

Historically the principal operation of the Group was sugar production. It specializes in sugar production, crop growing and cattle farming. The croplands, sugar plants and cattle operations are mainly located in the Poltava, Vinnytsia and Khmelnytsky oblasts (administrative regions) of Ukraine.The Group's business is vertically integrated because sugar is produced primarily using own-grown sugar beet.

Two individual major shareholders own 40.19% and 35.19% of the Group.

(b) Ukrainian business environment

The Ukrainian economy while being of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, insufficient level of liquidity in the capital markets, high inflation and the national currency illiquidty outside of Ukraine. The stability of the Ukrainian economy could be significantly impacted by the Government's policies and actions with regard to administrative, legal, and economic reforms. As a result, operations in Ukraine involve risks that are not typical for developed markets.

The Ukrainian economy is vulnerable to global market downturns and economic slowdowns. The recent global financial crisis has resulted in a decline in the gross domestic product, capital markets instability, and significant deterioration in the liquidity in the banking sector, tighter credit conditions within Ukraine, and significant devaluation of the Ukrainian hryvnia against major currencies. The Ukrainian Government continues to introduce various stabilisation measures aimed at supporting the exchange rate and the banking sector. At the same time, the global economic situation may have a significant impact on Ukraine's balance of payments and currency stability. These factors could affect the Group's financial position, results of operations and business prospects.

These condensed consolidated interim financial statements reflect management's current assessment of the possible impact of the Ukrainian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment. The impact of such differences on the operations and the financial position may be significant.

2 BASIS OF PREPARATION

(a) Statement of compliance

These interim condensed consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements of the Company from the date that control effectively commences until the date that control effectively ceases.

Associates are those enterprises in which the Company has significant influence, but not control, over its financial and operating policies. The condensed consolidated interim financial statements include the Company's share of the total recognized gains and losses of an associate on an equity accounted basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases. When the Company's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred obligations in respect of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

These condensed consolidated interim financial statements include the Company and its subsidiaries. The operating subsidiaries in Ukraine are owned by Astarta-Kyiv, a Ukrainian limited liability company.

During the six months ended 30 June 2010 the Company acquired LLC "Goropayivske", LLC "Zaricha-Agro", LLC "Varovetske", LLC "Aina" and LLC "Kobeliatsky combined forage factory". Subsequent to the acquisition date LLC "Aina" was consolidated into a business unit LLC "Agricultural company "Dobrobut". On March 11, 2010, the Group established the subsidiary LLC "Mria-97 plus" with the authorised share capital amounting to UAH 87 thousand (EUR 8 thousand).

As at 30 June 2010 Astarta Holding N.V. owns shares, directly and indirectly, in a number of subsidiaries and an associate with the following percentage of ownership:

		30 June 2010	**31 December 2009**	**30 June 2009**
Name	**Activity**	**% of ownership**	**% of ownership**	**% of ownership**
Subsidiaries:				
Ancor Investments Ltd	Investment activities	100.00%	100.00%	100.00%
LLC Firm “Astarta-Kyiv”	Asset management	99.98%	99.98%	99.98%
LLC “Agropromtsukor”	Sugar production	-	-	99.98%
LLC “APO “Tsukrovyk Poltavshchyny”	Sugar production	98.53%	98.53%	98.53%
LLC “Agricultural company “Dovzhenko”	Agricultural	96.58%	96.58%	96.58%
LLC “Shyshaki combined forage factory”	Fodder production	82.71%	82.71%	82.71%
LLC “Agricultural company “Dobrobut”	Agricultural	98.08%	98.08%	98.08%
LLC “Agricultural company “Musievske”	Agricultural	89.98%	74.99%	74.99%
Globino canning factory "Globus”	Canning production	99.98%	99.98%	99.98%
LLC “Dobrobut” (Novo-Sanzharskiy region)	Agricultural	99.98%	99.88%	-
LLC “Agricultural Company “Agro-Maiak”	Agricultural	-	97.98%	97.98%
OJSC “Agricultural Company “Agrocomplex”	Agricultural	81.24%	81.24%	81.24%
OJSC “Agricultural Company “Zhdanivske”	Agricultural	97.97%	97.97%	97.97%
LLC “Investment company “Poltavazernoproduct”	Agricultural	98.33%	98.33%	97.98%
LLC “List-Ruchky”	Agricultural	74.99%	74.99%	74.99%
LLC "Agropromgaz"	Trade	89.98%	89.98%	89.98%
LLC “Khmilnitske”	Agricultural	97.82%	97.08%	97.08%
LLC “Volochysk-Agro”	Agricultural	92.02%	92.01%	92.01%
SC “Tsukrovyk Podillya”	Sugar production	99.98%	99.98%	99.98%
SC “Agricultural company “Ridny kray”	Agricultural	-	99.98%	99.98%
LLC “Ukraine-Brataliv”	Agricultural	-	95.98%	74.99%
SC “Agricultural company “Lubenska Zoria”	Agricultural	99.98%	99.98%	99.98%
LLC “Victoriya”	Agricultural	93.11%	93.11%	74.99%
Private Company “Zaluchanske-1”	Agricultural	-	99.98%	-
LLC “Agricultural Company “Mirgorodska”	Agricultural	89.98%	89.98%	-
LLC “Astarta-trade”	Trade	94.98%	94.98%	-
LLC “Goropayivske”	Agricultural	84.98%	-	-
LLC “Zaricha-agro”	Agricultural	99.98%	-	-
LLC “Mria-97 plus”	Agricultural	74.99%	-	-
LLC “Varovetske”	Agricultural	99.98%	-	-
LLC “Kobeliatsky combined forage factory”	Fodder production	97.26%	-	-
Associate:				
LLC “Agricultural company “Pokrovska”	Agricultural	49.99%	49.99%	49.99%

Ancor Investments LTD is incorporated under Cyprus legislation and all other subsidiaries and the associate are incorporated in Ukraine.

(c) Acquisition and disposal of minority interests presented in equity

Any difference between the consideration paid to acquire minority interests or any difference between the consideration received upon disposal of minority interests and the carrying amount of that portion of the Group’s interest in the subsidiary, is recognized as an increase (or decrease) in shareholders’ equity, so long as the Company controls the subsidiary. The presentation of minority interests within equity supports the recognition of increases and decreases in ownership interests in subsidiaries without a change in control as equity transactions in the condensed consolidated interim financial statements. Accordingly, any premiums or discounts on subsequent purchases of equity instruments from (or sales of equity instruments to) minority interests are recognized directly in shareholders’ equity.

(d) Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized gains arising from intercompany transactions, are eliminated in preparing the condensed consolidated interim financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group's interest in the enterprise. Unrealized gains resulting from transactions with associates are eliminated against the investment in the associate. Unrealized losses are eliminated in the same way as unrealized gains except that they are only eliminated to the extent that there is no evidence of impairment.

(e) Basis of accounting

The condensed consolidated interim financial statements are prepared using the fair value basis for property, biological assets, agricultural produce and promissory notes available-for-sale. Biological assets are stated at their fair value less estimated costs to sell, whereas agricultural produce is stated at its fair value less estimated costs to sell at the point of harvest. Promissory notes available-for-sale are stated at fair value. As from 31 December 2007 property (buildings) is carried at fair value as determined by independent appraisal. Promissory notes issued are stated at amortized cost. All other assets and liabilities are carried at historical cost.

(f) Minority interest participants

Substantially all of the Company's subsidiaries are Ukrainian limited liability companies. Under Ukrainian law, a participant in a limited liability company may unilaterally withdraw from the company. In such case, the company is obliged to pay the withdrawing participant's share of the net assets of the company not less than 12 months from the date of the withdrawal. Consequently, minority interests in limited liability companies that are subsidiaries are recognized as a non-current liability. Limited liability company minority interest share in the net profit/loss is recorded as a finance expense.

Since a participant in an open joint stock company may not withdraw his share in a company, the corresponding minority interests are recognized in equity.

(g) Functional and presentation currency

The functional currency of the Company is Euro (EUR). The operating subsidiaries and the associate in Ukraine have the Ukrainian hryvnia (UAH) as their functional currency. For the benefits of principal users, the management chose to present the condensed consolidated interim financial statements in two currencies, EUR and UAH.

For the purposes of presenting condensed consolidated interim financial statements, assets and liabilities are translated for companies operating in Ukraine from UAH to EUR, for the Company from EUR to UAH using the closing rates at each statement of financial position date, and income and expenses are translated at the average rates for each respective period. The Group uses the interbank foreign exchange rates since the Group expects to settle foreign currency transactions at these rates. The resulting translation differences are recognized in equity.

(h) Critical accounting estimates and judgments in applying accounting policies

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. The most significant estimates and assumptions are as follows:

Impairment of trade accounts receivable

Management estimates impairment by assessing the likelihood of the collection of trade accounts receivable based on an analysis of individual accounts. Factors taken into consideration when assessing individual accounts include an ageing analysis of trade accounts receivable in comparison with the credit terms provided to customers, the financial position and collection history with the customer.

Fair value of property

As at 31 December 2007 management adopted the revaluation model of accounting for property (buildings). Under this method, property is carried at fair value less any subsequent accumulated depreciation and impairment losses. As buildings in the sugar production, agricultural and cattle-farming businesses are specialized and rarely sold except as part of a continuing business; they are valued using the depreciated replacement cost approach. The administrative building of LLC Firm "Astarta-Kiev" is valued using the market approach. Estimating the fair value of property requires the exercise of judgment and the use of assumptions. Prior to 31 December 2007 property was stated at cost less accumulated depreciation and impairment losses. Buildings were not subject to revaluation in 2008 due to insignificant changes in fair value based on management estimations. Management engaged external independent appraisers to estimate the fair value of buildings, machines and equipment as at 31 December 2009 due to significant changes in fair value. Machines and equipment are carried at fair value less any subsequent accumulated depreciation and impairment losses and are valued using the market approach.

Fair value of biological assets

Due to the lack of an active market as defined by International Financial Reporting Standard IAS 41 *Agriculture*, the fair value of biological assets is estimated by present valuing the net cash flows expected to be generated from the assets discounted at a current market-determined pre-tax rate. The discount rate is based on the average cost of capital for the Group in Ukraine effective at the reporting date. The fair value is then reduced for estimated costs to sell.

Fair value of agricultural produce

Management estimates the fair value of agricultural produce by reference to quoted prices in an active market, as defined by International Financial Reporting Standard IAS 41. In addition, costs to sell at the point of harvest are estimated and deducted from the fair value. The fair value less costs to sell becomes the carrying value of inventories at that date.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3 SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are applied in the preparation of the condensed consolidated interim financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to the functional currency at the foreign exchange rate ruling at that date. Non monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined. Foreign exchange differences arising on translation are recognised in statement of comprehensive income.

The principal UAH exchange rates used in the preparation of the condensed consolidated interim financial statements are as follows:

Currency	Average reporting period rate		Reporting date rate	
	2010	**2009**	**2010**	**2009**
EUR	**10.6180**	10.7596	**9.6825**	10.9100
USD	**7.9697**	7.9651	**7.9075**	7.7300

As at the date of these condensed consolidated interim financial statements, 25 August 2010, the average interbank exchange rate is UAH 7.8800 to USD 1.000 and UAH 10.0800 to EUR 1.000.

(b) Property, plant and equipment

Owned assets

As at 30 June 2010 buildings held for production, selling and distribution or administrative purposes, machines and equipment are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. At the date of the revaluation accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Prior to 31 December 2007, property was stated at cost less accumulated depreciation and impairment losses. Management adopted the revaluation model for property because the carrying value differed significantly from the fair value. As at 31 December 2009 revaluations were carried out by independent appraisers and will be performed frequently enough to ensure that the fair value of a revaluated asset does not differ materially from its carrying amount at the statement of financial position date.

A revaluation increase on property is recognized directly in equity, except to the extent that it reverses a previous revaluation decrease recognized in the income statement. A revaluation decrease on property is recognized in the income statement, except to the extent that it reverses a previous revaluation increase recognized directly in equity.

Upon disposal, any revaluation reserve relating to the building being sold is transferred to retained earnings.

The Group elected to use a fair value as a deemed cost as of the date of transition to IFRS. Items of property, plant and equipment, other than buildings, machines and equipment, acquired before 1 January 2003 are stated at deemed cost less subsequent accumulated depreciation and impairment losses. Deemed cost is based on the fair values of property, plant and equipment, other than buildings, machines and equipment as at 1 January 2003 based on an independent appraisal. Items of property, plant and equipment, other than buildings, machines and equipment, acquired on or after 1 January 2003 are stated at cost less accumulated depreciation and impairment losses.

Uninstalled equipment comprises costs directly related to construction of property, plant and equipment including an appropriate allocation of directly attributable variable overheads that are incurred in construction. Uninstalled equipment is not depreciated.

Construction is a tripartite building that does not have a roof, a foundation or a wall. Constructions are mainly used in agriculture and sugar production and are presented by hangars, silos, stockpile sites and grain dryings.

The gain or loss arising on a sale or disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. The effect of any changes from previous estimates is accounted for as a change in an accounting estimate.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Property and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, is capitalized and the carrying amount of the component replaced is written off. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the income statement as expenses as incurred.

Depreciation and amortization

Depreciation on property, plant and equipment is charged to the income statement on a straight-line basis over the estimated useful lives of the individual assets. Depreciation on revalued assets is charged to the income statement. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

The depreciable amount of assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation commences on the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land and assets under construction are not depreciated. Amortization on land lease rights is charged to the income statement on a straight-line basis over the operating lease agreements contract time that typically run for an initial period of 5 to 10 years.

The estimated useful lives are as follows:

Buildings	50 years
Constructions	50 years
Machines and equipment	20 years
Vehicles	10 years
Other fixed assets	5 years

(c) Intangible assets

Intangible assets, which are acquired by the Group and which have finite useful lives, consist mainly from land lease rights and computer software.

For business combinations the fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Fair value is valued using the market approach. Management commissioned an independent appraiser to determine the fair value of the land lease rights. Non-cancellable operating lease agreements typically run for an initial period of 5 to 10 years. As such, the land lease rights are amortized over 5 to 10 years on a straight line basis. The amortization expense is recognized in the income statement in the expense category consistent with the function of intangible asset.

Software is stated at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement in the expense category consistent with the function of intangible asset on a straight-line basis over the estimated useful lives, normally 4 years.

The amortization period and the amortization method for intangible asset with a finite useful life is reviewed at least at each year end.

Goodwill represents the excess of the cost of the acquisition over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative, it is recognized immediately in the income statement.

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of exchange. The carrying value of net assets of earlier acquisitions is revalued with the adjustment recognized in equity.

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment.

(d) Biological assets

The Group classifies livestock (primarily cattle) and crops as biological assets. Biological assets are carried at their fair value less estimated costs to sell, except when the fair value cannot be measured reliably. If fair value cannot be measured reliably, biological assets are carried at cost less accumulated depreciation and accumulated impairment losses. Costs to sell include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of a biological asset is included in net profit or loss for the period in which it arises.

The Group classifies biological assets as current or non-current depending upon the average useful life of the particular group of biological assets.

(e) Agricultural produce

The Group classifies crops as agricultural produce. Agricultural produce harvested from biological assets is measured at its fair value less estimated costs to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less estimated costs to sell is included in net profit or loss for the period in which it arises. After harvesting agricultural produce is transferred to inventories.

(f) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of raw materials at the agricultural and sugar production facilities is determined using the weighted average method including costs incurred in bringing them to their existing location and condition, such as transportation.

Work in progress and finished goods are stated at cost. Cost includes the cost of raw materials, labor and manufacturing overheads allocated proportionately to the stage of completion of the inventory.

Investments into future crops represent seeds, fertilizers and land cultivation to prepare for the subsequent growing season and are stated at cost.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits with an original maturity date of three months or less and are stated at fair value.

(h) Earnings per share

Earnings per share are calculated by dividing net profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the period.

(i) Loans and borrowings

Loans and borrowings are recognized initially at cost, net of any transaction costs incurred. Subsequent to initial recognition, loans and borrowings are stated at amortized cost with any differences between cost and redemption value being recognized in the income statement over the period of the borrowings.

When borrowings are repurchased or settled before maturity, any difference between the amount repaid and the carrying amount is recognized immediately in the income statement.

(j) Trade accounts payable

Trade accounts payable are stated at their amortized cost. Balances due in less than one year are not discounted.

(k) Income tax

In accordance with the Law of Ukraine “On the Fixed Agricultural Tax”, dated 17 December 1998, as amended (the Law on Fixed Agricultural Tax), agricultural companies engaged in the production, processing and sale of agricultural products may choose to be registered as payers of fixed agricultural tax (FAT), provided that their sales of agricultural goods of their own production account for more than 75% of their gross revenues.

FAT is paid in lieu of corporate income tax, land tax, duties for special use of water objects, municipal tax, duties for geological survey works and duties for trade patents. The amount of FAT payable is calculated as a percentage of the deemed value of all land plots (determined by the state) leased or owned by a taxpayer.

As at 30 June 2010 13 subsidiaries elected to pay FAT in lieu of other taxes and 13 in 2009. The remaining companies are subject to income taxes at a 25% rate.

For these companies, income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the statement of financial position date. No deferred tax is recognized for companies that are involved in the agricultural business and that are exempt from income taxes until 1 January 2011 as management believes it is likely that this exemption will be extended as has historically been the case.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(l) Revenue

Revenues from the sale of goods are recognized in the income statement when the significant risks and rewards of ownership are transferred to the buyer. No revenues are recognized if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods and when there is continuing management involvement with the goods and the amount of revenue cannot be measured reliably.

(m) Non-monetary transactions

During the six months there were no revenues and purchases received and paid for in the form of non-cash transactions (2009: 0.04%). Mutual settlement transactions are centrally managed. Prices are usually fixed in contracts with the mutual settlement transactions valued and recorded at the market prices for the goods involved in the transaction. Non-cash sales and purchases are accounted for on an accrual basis in the same manner as traditional cash transactions.

(n) Expenses

Expenses are accounted for on an accrual basis.

(o) Operating lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognized in the income statement as an integral part of the total lease payments made.

(p) Financial expense and income

All interests and other costs incurred in connection with borrowings are expensed as incurred as part of financial expense and are calculated based on the effective interest rate method. The interest expense component of finance lease payments is recognized in the income statement using the effective interest method. Interest income is recognized in the income statement as incurred as part of financial income.

(q) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the condensed consolidated interim financial statements only when there is a legally enforceable right to offset the recognized amounts, and there is an intention to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

(r) Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, financial leases, fair value changes etc., have been eliminated for the purpose of preparing this statement. Assets and liabilities acquired as part of a business combination are included in investing activities (net of cash acquired). Dividends paid to ordinary shareholders are included in financing activities. Dividends received are classified as investing activities. Interest paid is included in operating activities. Interest received is included in investing activities.

(s) New and amended standards and interpretations adopted

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual condensed consolidated interim financial statements for the year ended 31 December 2009.

(t) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective, and have not been applied in preparing these condensed consolidated interim financial statements. Of these pronouncements, the following will potentially have an impact on future condensed consolidated interim financial statements:

Standard / Interpretation	Effective for annual accounting periods beginning on or after:
IFRS 2 Share-based Payment: Group Cash-settled Share-based Payment Transactions	1 January 2010*
IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended) including consequential amendments to IAS 21, IAS 28, IAS 31 and IAS 39	1 July 2009*
IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items	1 July 2009*
IFRIC 9 Remeasurement of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement	30 June 2009*
IAS 17 Leases	1 January 2010*
IFRIC 18 Transfers of Assets from Customers	1 July 2009*

* Standards and Interpretations not endorsed by the European Union

4 BUSINESS COMBINATIONS

During the six months ended 30 June 2010, the Group completed acquisitions of 5 entities. The purchase consideration consisted only of cash, and the direct costs related to these acquisitions are not significant.

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of acquisition
LLC "Goropayivske"	Ukraine	Agricultural	11.02.2010	84.98%
LLC "Zaricha-agro"	Ukraine	Agricultural	10.03.2010	99.98%
LLC "Varovetske"	Ukraine	Agricultural	01.04.2010	74.99%
LLC "Aina"	Ukraine	Agricultural	02.04.2010	99.98%
LLC "Kobeliatsky combined forage factory"	Ukraine	Fodder production	17.05.2010	97.26%

The fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Management commissioned an independent appraiser to determine the fair value of the land lease rights. As LLC "Aina" was consolidated into a business unit LLC "Agricultural company "Dobrobut"subsequent to the acquisition date it is impossible to estimate financial results incurred by the acquired company from the date of acquisition. From the date of acquisition the net loss incurred by LLC "Goropayivske", LLC "Zaricha-agro", LLC "Varovetske" and LLC "Kobeliatsky combined forage factory" amounted to UAH 2,302 thousand (EUR 217 thousand).

The acquisition of the companies had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired:

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias) **(unaudited)**	*(in thousands of Euros)* **(unaudited)**
Non-current assets		
Property, plant and equipment	**22,134**	**2,101**
Uninstalled equipment	**455**	**43**
Non-current biological assets	**1,733**	**164**
Intangible and other non-current assets	**11,069**	**1,051**
Current assets		
Inventories	**4,818**	**457**
Current biological assets	**737**	**70**
Trade accounts receivable	**18**	**2**
Other accounts receivable and prepayments	**1,400**	**133**
Cash and cash equivalents	**13**	**1**
Non-current liabilities		
Other long-term liabilities	**2**	**-**
Current liabilities		
Short-term loans and borrowings	**(1,739)**	**(165)**
Trade accounts payable	**(743)**	**(71)**
Other liabilities and accounts payable	**(3,032)**	**(288)**
Minority interest acquired	**(3,408)**	**(323)**
Net identifiable assets, liabilities and contingent liabilities	**33,457**	**3,175**
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	**24,065**	**2,284**
Consideration paid	**(9,392)**	**(891)**
Cash acquired	**13**	**1**
Net cash outflow	**(9,379)**	**(890)**

During the six months ended 30 June 2009, the Group completed acquisitions of one entity. The purchase consideration consisted only of cash, and the direct costs related to these acquisitions are not significant.

Name	**Country of incorporation**	**Activity**	**Date of acquisition**	**% of ownership as at the date of aquisition**
PC "Bilogirsky Sokyl"	Ukraine	Agricultural	18.02.2009	99.98%

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias) **(unaudited)**	_(in thousands of Euros)_ **(unaudited)**
Non-current assets		
Intangible asset	1,990	184
Current assets		
Inventories	374	35
Current biological assets	175	16
Cash and cash equivalents	5	-
Current liabilities		
Trade accounts payable	(347)	(32)
Other liabilities and accounts payable	(165)	(15)
Net identifiable assets, liabilities and contingent liabilities	2,032	188
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	1,316	122
Consideration paid	(716)	(66)
Cash acquired	5	-
Net cash outflow	(711)	(66)

As PC "Bilogirsky Sokyl" was consolidated into a business unit LLC "Volochysk-Agro" subsequent to the acquisition date it is impossible to estimate financial results incurred by the acquired company from the date of acquisition.

It is not practicable to determine what would be the total revenue and net profit for the six months ended 30 June 2010 had the acquisitions occurred on 1 January 2010 in accordance with IFRS because the acquired companies' financial statements were prepared only in accordance with Ukrainian National Accounting Standards, which are different from IFRSs.

The excess of net assets acquired over the consideration paid is recognized in the income statement as a gain on acquisition of subsidiaries. This gain arises because the fair value of the acquired non-monetary assets exceeds the amount paid for those assets. This situation is due to the significant risks involved in agricultural business in Ukraine, the lack of financial resources in the acquired companies which prevents them from efficient use of their assets, and a lack of interested buyers.

Because modern agriculture just commenced its development in Ukraine, there is a lack of buyers who are interested in acquiring existing agri-businesses. In addition, the shareholder base of these agri-businesses is, as a rule, significantly fragmented among local residents, who agree to sell their shares cheaply.

It is important to note that often some of the assets in the companies acquired were idle for a number of years prior to acquisition. Therefore, these assets had little value to existing owners, while their fair value is much higher.

Thus, the management is in the position to acquire agri-businesses at prices lower than the fair value of the net assets acquired. Usually the fair value of the property, plant and equipment alone exceeded the purchase price.

5 PROPERTY, PLANT AND EQUIPMENT

A summary of activity in property, plant and equipment for the six months ended 30 June 2010 is as follows:

(in thousands of Ukrainian hryvnias)	**Buildings**	**Construc-tions**	**Machines and equipment**	**Vehicles**	**Other fixed assets**	**Un-installed equipment**	**Total**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Cost or valuation							
1 January 2010	**517 131**	**71 380**	**450 625**	**86 746**	**7 054**	**133 424**	**1 266 360**
Additions	**4 358**	**939**	**104 068**	**11 883**	**418**	**30 805**	**152 471**
Additions from acquisition of subsidiaries	**14 481**	**3 366**	**3 498**	**588**	**201**	**455**	**22 589**
Disposals	**(2 708)**	**(634)**	**(1 258)**	**(169)**	**(4)**	**-**	**(4 773)**
30 June 2010	**533 262**	**75 051**	**556 933**	**99 048**	**7 669**	**164 684**	**1 436 647**
Accumulated depreciation							
1 January 2010	**-**	**15 346**	**-**	**29 564**	**1 926**	**-**	**46 836**
Depreciation charge	**12 388**	**2 181**	**56 061**	**4 750**	**439**	**-**	**75 819**
Disposals	**(4)**	**(115)**	**(76)**	**(104)**	**(2)**	**-**	**(301)**
30 June 2010	**12 384**	**17 412**	**55 985**	**34 210**	**2 363**	**-**	**122 354**
Net book value 30 June 2010	**520 878**	**57 639**	**500 948**	**64 838**	**5 306**	**164 684**	**1 314 293**

A summary of activity in property, plant and equipment for the six months ended 30 June 2010 (continued):

(in thousands of Euros)	**Buildings**	**Construc-tions**	**Machines and equipment**	**Vehicles**	**Other fixed assets**	**Un-installed equipment**	**Total**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Cost or valuation							
1 January 2010	**44 735**	**6 175**	**38 981**	**7 504**	**610**	**11 542**	**109 547**
Additions	**410**	**88**	**9 801**	**1 119**	**39**	**2 901**	**14 358**
Additions from acquisition of subsidiaries	**1 375**	**320**	**331**	**56**	**19**	**43**	**2 144**
Disposals	**(255)**	**(60)**	**(118)**	**(16)**	**-**	**-**	**(449)**
Currency translation difference	**8 810**	**1 228**	**8 524**	**1 567**	**124**	**2 522**	**22 775**
30 June 2010	**55 075**	**7 751**	**57 519**	**10 230**	**792**	**17 008**	**148 375**
Accumulated depreciation							
1 January 2010	**-**	**1 328**	**-**	**2 557**	**167**	**-**	**4 052**
Depreciation charge	**1 167**	**205**	**5 280**	**447**	**41**	**-**	**7 140**
Disposals	**-**	**(11)**	**(7)**	**(10)**	**-**	**-**	**(28)**
Currency translation difference	**112**	**276**	**509**	**539**	**36**	**-**	**1 472**
30 June 2010	**1 279**	**1 798**	**5 782**	**3 533**	**244**	**-**	**12 636**
Net book value 30 June 2010	**53 796**	**5 953**	**51 737**	**6 697**	**548**	**17 008**	**135 739**

A summary of activity in property, plant and equipment for the six months ended 30 June 2009 is as follows:

(in thousands of Ukrainian hryvnias)	**Buildings**	**Construc-tions**	**Machines and equipment**	**Vehicles**	**Other fixed assets**	**Un-installed equipment**	**Total**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Cost or valuation							
1 January 2009	327 395	66 771	363 101	75 040	6 454	87 262	926 023
Additions	2 147	928	8 826	11 100	216	1 626	24 843
Disposals	(681)	(66)	(1 039)	(343)	(34)	-	(2 163)
30 June 2009	328 861	67 633	370 888	85 797	6 636	88 888	948 703
Accumulated depreciation							
1 January 2009	7 635	11 269	67 516	20 378	1 165	-	107 963
Depreciation charge	3 934	2 077	27 532	4 643	391	-	38 577
Disposals	(20)	(2)	(592)	(182)	(27)	-	(823)
30 June 2009	11 549	13 344	94 456	24 839	1 529	-	145 717
Net book value 30 June 2009	317 312	54 289	276 432	60 958	5 107	88 888	802 986

A summary of activity in property, plant and equipment for the six months ended 30 June 2009 (continued):

(in thousands of Euros)	**Buildings**	**Construc-tions**	**Machines and equipment**	**Vehicles**	**Other fixed assets**	**Un-installed equipment**	**Total**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Cost or valuation							
1 January 2009	29 102	5 935	32 276	6 670	574	7 757	82 314
Additions	200	86	820	1 032	20	151	2 309
Disposals	(63)	(6)	(97)	(32)	(3)	-	(201)
Currency translation differences	904	184	996	194	17	239	2 534
30 June 2009	30 143	6 199	33 995	7 864	608	8 147	86 956
Accumulated depreciation							
1 January 2009	679	1 001	6 002	1 811	104	-	9 597
Depreciation charge	366	193	2 559	432	36	-	3 586
Disposals	(2)	-	(55)	(17)	(3)	-	(77)
Currency translation differences	16	28	152	51	3	-	250
30 June 2009	1 059	1 222	8 658	2 277	140	-	13 356
Net book value 30 June 2009	29 084	4 977	25 337	5 587	468	8 147	73 600

As at 31 December 2009 an independent valuation of the Group's buildings, machines and equipment was performed in accordance with International Valuation Standards by a certified appraiser to estimate their fair value. Machines and equipment are valued using the market approach. The administrative building of LLC Firm "Astarta-Kiev" was valued using the market approach. The valuation of other buildings was performed using the depreciated replacement cost approach.This approach determines the cost to construct the assets in their present state and considers their remaining useful life.

The depreciated replacement cost approach was used because of the lack of an active market for the types of buildings used in the operation. These buildings are typically specialized structures that can only be used in sugar production or other agricultural activities.

The following factors were considered in determining the fair values of buildings under the depreciated replacement cost approach:

- the cost to construct the asset is based on the cost of the necessary materials and construction work as at the date of valuation
- expected usage of the asset is assessed by reference to the asset's expected capacity or physical output
- technical or commercial obsolescence arising from changes or improvements in production for the product or service output of the asset

For amount of property, plant and equipment pledged to secure bank loans refer to note 16.

Leased assets, where the Group is a lessee under finance lease arrangements, comprise machinery and equipment. A summary of activity for the six months ended 30 June is as follow:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Lease right	**58,384**	48,043	**6,030**	6,295
Accumulated depreciation as at 30 June	**(7,414)**	(6,497)	**(861)**	(757)
Currency translation difference	**-**	-	**95**	(1,730)
Net book value as at 30 June	**50,970**	41,546	**5,264**	3,808

6 INTANGIBLE ASSETS

During the six months ended 30 June 2010 the Group acquired intangible assets of UAH 10,952 thousand, or EUR 1,040 thousand. Intangible assets of UAH 10,723 thousand, EUR 1,018 thousand, were acquired through acquisition of the companies. During the six months ended 30 June 2009 the Group acquired intangible assets of UAH 1,990 thousand or EUR 184 thousand, all intangible assets were acquired through acquisition of the company. Intangible assets with a carrying amount of UAH 75 thousand, that is EUR 7 thousand, were disposed during the six months ended 30 June 2009. There were no disposals during the six months ended 30 June 2010.

7 BIOLOGICAL ASSETS

Non-current cattle are represented by dairy livestock with an average yearly lactation period of nine months. Current cattle comprise immature cattle and cattle intended for sale. Other biological assets mainly represent pigs, horses and sheep.

To estimate the fair value of biological assets, a valuation, which conforms to International Valuation Standards, was developed by an independent appraiser. The fair value is estimated as the present value of the net cash flows expected to be generated from biological assets discounted at a current market discount rate.

Fair values of biological assets were based on the following key assumptions:

- crops revenue is projected based on the expected volume of harvested grains and oilseeds. For dairy cattle revenue is projected based on the expected milk produced during their productive life after the reporting date and expected volume of meat at the date of slaughter
- the average productive life of a cow is determined based on internal statistical information
- prices for grains, oilseeds, milk and meat are obtained from market resources as at the end of the reporting period
- production and costs to sell are projected based on actual operating costs
- the growth in sales prices as well as in production and costs to sell is assumed to be in line with forecasted consumer price index in Ukraine
- a pre-tax discount rate of 17.74% (2009: 20.48%) is applied in determining fair value of biological assets. The discount rate is based on the average cost of capital for the Group in Ukraine effective at the reporting date.

The key assumptions represent management’s assessment of future trends in agriculture and cattle farming business and are based on both external and internal sources of data.

Biological assets comprise the following groups:

(in thousands of Ukrainian hryvnias)	**30 June 2010**		**31 December 2009**		**30 June 2009**	
	Units	**Amount (unaudited)**	**Units**	**Amount (audited)**	**Units**	**Amount (unaudited)**
Non-current biological assets:						
Cattle	**9,030**	**133,940**	8,347	145,438	6,702	56,924
Other livestock		**2,202**		1,920		1,756
		136,142		147,358		58,680
Current biological assets:						
Cattle	**13,308**	**99,229**	12,148	105,875	13,462	52,555
Other livestock		**1,921**		2,304		2,189
		101,150		108,179		54,744
Crops:	**Hectares**		**Hectares**		**Hectares**	
Sugar beet	**37,441**	**397,967**	-	-	34,055	297,640
Corn	**20,077**	**135,232**	328	2,164	13,739	105,459
Soy	**26,429**	**82,435**	-	-	14,757	46,090
Sunflower	**14,880**	**78,538**	-	-	11,814	51,261
Wheat	**29,628**	**63,325**	33,655	107,437	30,603	106,996
Barley	**20,673**	**21,401**	3,538	12,004	24,906	56,929
Rape	**261**	**875**	-	-	388	1,112
Rye	**896**	**671**	769	974	1,517	1,926
Other crops	**1,799**	**734**	-	-	1,751	3,641
	152,084	**781,178**	38,290	122,579	133,530	671,054
		882,328		230,758		725,798
Total biological assets		**1,018,470**		378,116		784,478

Biological assets comprise the following groups (continued):

(in thousands of Euros)	**30 June 2010**		**31 December 2009**		**30 June 2009**	
	Units	**Amount (unaudited)**	**Units**	**Amount (audited)**	**Units**	**Amount (unaudited)**
Non-current biological assets:						
Cattle	**9,030**	**13,833**	8,347	12,581	6,702	5,218
Other livestock		**227**		166		160
		14,060		12,747		5,378
Current biological assets:						
Cattle	**13,308**	**10,248**	12,148	9,159	13,462	4,817
Other livestock		**198**		199		201
		10,446		9,358		5,018
Crops:	**Hectares**		**Hectares**		**Hectares**	
Sugar beet	**37,441**	**41,102**	-	-	34,055	27,281
Corn	**20,077**	**13,967**	328	187	13,739	9,666
Soy	**26,429**	**8,514**	-	-	14,757	4,225
Sunflower	**14,880**	**8,111**	-	-	11,814	4,699
Wheat	**29,628**	**6,540**	33,655	9,295	30,603	9,807
Barley	**20,673**	**2,210**	3,538	1,038	24,906	5,217
Rape	**261**	**90**	-	-	388	102
Rye	**896**	**69**	769	84	1,517	177
Other crops	**1,799**	**76**	-	-	1,751	334
	152,084	**80,679**	38,290	10,604	133,530	61,508
		91,125		19,962		66,526
Total biological assets		**105,185**		32,709		71,904

For amount of biological assets pledged to secure bank loans refer to note 16.

The following represents the changes during the six months ended 30 June in the carrying amounts of non-current and current biological assets:

(in thousands of Ukrainian hryvnias)	**Non-current livestock (unaudited)**	**Current livestock (unaudited)**	**Crops (unaudited)**	**Total (unaudited)**
As at 1 January 2010	**147,358**	**108,179**	**122,579**	**378,116**
Purchases	**295**	**1,437**	**-**	**1,732**
Additions from acquisitions of subsidiaries	**1,733**	**737**	**-**	**2,470**
Investments into livestock and future crops	**10**	**25,062**	**551,319**	**576,391**
(Loss) gain arising from changes in fair value attributable to physical changes and to changes in market prices	**(19,140)**	**(12,203)**	**107,280**	**75,937**
Transfers	**5,899**	**(5,899)**	**-**	**-**
Sales	**(13)**	**(16,163)**	**-**	**(16,176)**
As at 30 June 2010	**136,142**	**101,150**	**781,178**	**1,018,470**

(in thousands of Euros)	**Non-current livestock (unaudited)**	**Current livestock (unaudited)**	**Crops (unaudited)**	**Total (unaudited)**
As at 1 January 2010	**12,747**	**9,358**	**10,604**	**32,709**
Purchases	**28**	**135**	**-**	**163**
Additions from acquisitions of subsidiaries	**164**	**70**	**-**	**234**
Investments into livestock and future crops	**1**	**2,360**	**51,923**	**54,284**
(Loss) gain arising from changes in fair value attributable to physical changes and to changes in market prices	**(1,876)**	**(1,196)**	**10,623**	**7,551**
Transfers	**556**	**(556)**	**-**	**-**
Sales	**(1)**	**(1,522)**	**-**	**(1,523)**
Currency translation difference	**2,441**	**1,797**	**7,529**	**11,767**
As at 30 June 2010	**14,060**	**10,446**	**80,679**	**105,185**

(in thousands of Ukrainian hryvnias)	**Non-current livestock (unaudited)**	**Current livestock (unaudited)**	**Crops (unaudited)**	**Total (unaudited)**
As at 1 January 2009	57,946	68,574	95,896	222,416
Purchases	1,190	131	-	1,321
Additions from acquisitions of subsidiaries	-	175	-	175
Investments into livestock and future crops	(377)	19,159	403,017	421,799
(Loss) gain arising from changes in fair value attributable to physical changes and to changes in market prices	(2,948)	(19,959)	172,141	149,234
Transfers	4,131	(4,131)		-
Sales	(1,262)	(9,205)		(10,467)
As at 30 June 2009	58,680	54,744	671,054	784,478

(in thousands of Euros)	**Non-current livestock (unaudited)**	**Current livestock (unaudited)**	**Crops (unaudited)**	**Total (unaudited)**
As at 1 January 2009	5,150	6,096	8,524	19,770
Purchases	111	12	-	123
Additions from acquisitions of subsidiaries	-	16	-	16
Investments into livestock and future crops	(35)	1,781	37,456	39,202
(Loss) gain arising from changes in fair value attributable to physical changes and to changes in market prices	(275)	(1,860)	16,059	13,924
Transfers	384	(384)	-	-
Sales	(117)	(856)	-	(973)
Currency translation difference	160	213	(531)	(158)
As at 30 June 2009	5,378	5,018	61,508	71,904

Risk management in agricultural business

The Group is exposed to a number of risks related to its biological assets:

Price fluctuation risk

The Group is exposed to financial risks arising from changes in sugar, grains, oilseeds and milk prices. The Company does not anticipate that prices change for its main products will significantly impact its operations in the foreseeable future. Management reviews its outlook for sugar, grains, oilseeds and milk prices regularly in considering the need for active financial risk management.

Climate and other risks

Biological assets are exposed to the risk of damage from climatic changes, diseases, fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular field and farm inspections and industry pest and disease surveys. The Group also insures itself against natural disasters.

Regulatory and environmental risks

Operations are subject to laws and regulations adopted in Ukraine. The Group has established environmental policies and procedures aimed at compliance with Ukrainian environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

8 FINANCIAL INSTRUMENTS AVAILABLE-FOR-SALE

Financial instruments available-for-sale are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Bonds	**13,549**	-	-
Other investments	**645**	646	635
Venture fund certificates	**100**	200	600
	14,294	846	1,235

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Bonds	**1,399**	-	-
Other investments	**67**	56	58
Venture fund certificates	**10**	17	55
	1,476	73	113

Other investments represent non-controlling stakes acquired with new companies.

In 2008 the Group sold bonds classified as held-to-maturity. Accordingly, the remaining investments previously classified as held-to-maturity of UAH 600 thousand (EUR 53 thousand) are reclassified to investments available-for-sale. These investments represent venture fund certificates and have the contractual maturity dates in 2030-2032.

In April 2010 denominated series B bonds totaling UAH 13,549 thousand (EUR 1,399 thousand) were purchased from a third party. The face value of each bond is UAH 1,000 (EUR 103). The bonds' original maturity date is March 2015.

All investments are stated at cost because its fair value cannot be measured reliably. Financial instruments available-for sale are neither past due nor impaired. None of investments are collateralized.

9 INVENTORIES

Inventories are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Finished goods:			
Sugar production	**131,768**	412,384	101,540
Sugar beet	**-**	1,315	-
Agricultural produce	**21,290**	158,478	24,990
Cattle farming	**9,307**	7,014	8,515
Other production	**855**	1,517	1,744
Raw materials and consumables for:			
Sugar production	**93,561**	10,562	42,337
Agricultural produce	**77,175**	33,115	61,256
Cattle farming	**11,737**	14,765	7,089
Other production	**317**	674	1,225
Investments into future crops	**23,192**	128,111	25,121
NRV allowance	**-**	-	(598)
	369,202	767,935	273,219

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Finished goods:			
Sugar production	**13,609**	35,673	9,307
Sugar beet	**-**	114	-
Agricultural produce	**2,199**	13,709	2,290
Cattle farming	**961**	607	780
Other production	**88**	129	160
Raw materials and consumables for:			
Sugar production	**9,663**	914	3,881
Agricultural produce	**7,971**	2,865	5,615
Cattle farming	**1,212**	1,278	650
Other production	**34**	58	112
Investments into future crops	**2,395**	11,082	2,302
NRV allowance	**-**	-	(55)
	38,132	66,429	25,042

For amount of inventories pledged to secure bank loans refer to note 16.

10 TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Trade receivables	**104,256**	96,933	86,135
Less allowance (note 18)	**(7,879)**	(7,407)	(7,797)
	96,377	89,526	78,338

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Trade receivables	**10,767**	8,385	7,895
Less allowance (note 18)	**(814)**	(641)	(715)
	9,953	7,744	7,180

For amount of trade accounts receivable pledged to secure bank loans refer to note 16.

11 OTHER ACCOUNTS RECEIVABLE AND PREPAYMENTS

Other accounts receivable and prepayments are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Advances to suppliers	**70 105**	28 885	31 296
Taxes recoverable and prepaid	**53 647**	52 192	37 476
Other receivables	**24 078**	19 447	41 531
Less allowance (note 18)	**(6 091)**	(3 436)	(3 622)
	141 739	97 088	106 681

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Advances to suppliers	**7 240**	2 499	2 869
Taxes recoverable and prepaid	**5 541**	4 515	3 435
Other receivables	**2 487**	1 682	3 807
Less allowance (note 18)	**(629)**	(297)	(332)
	14 639	8 **399**	9 **779**

12 SHORT-TERM DEPOSITS

As at 30 June 2010 the Group placed money on fixed interest rate deposits. Short-term bank deposit in USD is placed in amount of UAH 5,057 thousand or EUR 522 thousand at an effective interest rate of 6.5%. Short-term bank deposit in UAH is placed in amount of UAH 116 thousand or EUR 12 thousand at an effective interest rate of 18 %. There were no deposits as at 30 June 2009.

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Cash in banks in UAH	**11,622**	4,988	16,221
Cash in banks in USD	**990**	17,151	12,286
Cash in banks in EUR	**55**	122	216
Cash on hand in UAH	**75**	52	59
	12,742	22,313	28,782

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Cash in banks in UAH	**1,200**	430	1,487
Cash in banks in USD	**102**	1,484	1,126
Cash in banks in EUR	**6**	11	20
Cash on hand in UAH	**8**	5	5
	1,316	1,930	2,638

There were no restrictions on the use of cash and cash equivalents during the six months ended 30 June 2010 and 2009.

14 EQUITY

Share capital

ASTARTA Holding N.V. has one class of common shares with par value of EUR 0.01 (UAH 0.12). All shares have equal voting rights. The number of authorized shares as at 30 June 2010 is 30,000 thousand (2009: 30,000 thousand) and the number of issued and fully paid-up shares is 25,000 thousand (2009: 25,000 thousand). For amount of shares pledged to secure bank loans refer to note 16.

Share capital is as follows:

(in thousands of Ukrainian hryvanias)	**30 June 2010**		**31 December 2009**		**30 June 2009**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Astarta Holding N.V.						
Ivanchyk V.P.	**669**	**40.19%**	669	40.19%	669	40.19%
Korotkov V.M.	**585**	**35.19%**	585	35.19%	669	40.19%
Aviva Investors Poland SA	**86**	**5.15%**	-	-	-	-
Other shareholders	**323**	**19.47%**	409	24.62%	325	19.62%
	1,663	**100.00%**	1,663	100.00%	1,663	100.00%

(in thousands of Euros)	**30 June 2010**		**31 December 2009**		**30 June 2009**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Astarta Holding N.V.						
Ivanchyk V.P.	**101**	**40.19%**	101	40.19%	101	40.19%
Korotkov V.M.	**88**	**35.19%**	88	35.19%	101	40.19%
Aviva Investors Poland SA	**13**	**5.15%**	-	-	-	-
Other shareholders	**48**	**19.47%**	61	24.62%	48	19.62%
	250	**100.00%**	250	100.00%	250	100.00%

The earnings and weighted average number of ordinary shares used in calculation of earnings per share are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Net profit attributable to equity holders of the company	**432,587**	200,595	**40,973**	18,730
Weighted average basic and diluted shares outstanding (in thousands of shares)	**25,000**	25,000	**25,000**	25,000
Earnings per share attributable to shareholders of the company	**17.30**	8.02	**1.64**	0.75

15 MINORITY INTERESTS

The movements in minority interests in open joint stock company subsidiaries for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Balance as at 1 January	**864**	10,876	**75**	967
Fixed assets revaluation	**544**	-	**51**	-
Share in profit	**(85)**	(34)	**(8)**	(3)
Acquisition from minority shareholders	-	(7,299)	-	(678)
Other changes	**(21)**	(2,577)	**(2)**	(240)
Currency translation difference	**-**	-	**18**	43
Balance as at 31 December	**1,302**	966	**134**	89

The movements in minority interests in limited liability company subsidiaries for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Balance as at 1 January	**39,375**	43,802	**3,406**	3,894
Fixed assets revaluation	**5,570**	-	**525**	-
Minority interests of limited liability company subsidiaries in profit	**10,223**	7,686	**982**	712
Acquisitions from minority participants	**(6,675)**	(15,943)	**(629)**	(1,482)
Minority interests acquired with new subsidiaries	**3,408**	-	**323**	-
Other changes	**-**	2,577	**-**	240
Currency translation difference	**-**	-	**753**	130
Balance as at 31 December	**51,901**	38,122	**5,360**	3,494

16 LOANS AND BORROWINGS

Loans and borrowings are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Long-term loans and borrowings:			
Bank loans	**474,341**	571,010	404,032
Finance lease liabilities (note 31 c)	**28,958**	32,517	24,953
Interest-bearing vendor financing arrangements	**2,592**	2,637	5,066
	505,891	606,164	434,051
Current portion of long-term loans and borrowings:			
Bank loans	**210,740**	114,409	73,678
Finance lease liabilities (note 31 c)	**16,695**	15,523	11,946
Interest-bearing vendor financing arrangements	**2,592**	3,141	2,533
	230,027	133,073	88,157
Short-term loans and borrowings:			
Bank loans	**87,844**	240,094	404,421
Borrowings from non-financial institutions	**899**	899	4,289
	88,743	240,993	408,710
	824,661	980,230	930,918

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Long-term loans and borrowings:			
Bank loans	**48,988**	49,395	37,033
Finance lease liabilities (note 31 c)	**2,992**	2,813	2,287
Interest-bearing vendor financing arrangements	**268**	228	464
	52,248	52,436	39,784
Current portion of long-term loans and borrowings:			
Bank loans	**21,765**	9,897	6,753
Finance lease liabilities (note 31 c)	**1,724**	1,343	1,095
Interest-bearing vendor financing arrangements	**268**	272	232
	23,757	11,512	8,080
Short-term loans and borrowings:			
Bank loans	**9,072**	20,769	37,069
Borrowings from non-financial institutions	**93**	78	393
	9,165	20,847	37,462
	85,170	84,795	85,326

The terms and repayment schedule for loans and borrowings are as follows:

(in thousands of Ukrainian hryvnias)	**Interest type**	**Effective interest rate**	**Nominal interest rate**	**30 June 2010 (unaudited)** Less than one year	From one to two years	More than two years	Total	**31 December (audited)** Less than one year	From one to two years	More than two years	Total	**30 June 2009 (unaudited)** Less than one year	From one to two years	More than two years	Total
Loans from Ukrainian banks received in UAH	Fixed	12.0%	12.0%	**7,600**	-	-	**7,600**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	16.0%	16.0%	-	-	-	-	-	-	-	-	950	-	-	950
Loans from Ukrainian banks received in UAH	Fixed	17.0%	17.0%	-	-	-	-	-	-	-	-	388	2	-	390
Loans from Ukrainian banks received in UAH	Fixed	18.0%	18.0%	**2,641**	-	-	**2,641**	2,502	-	-	2,502	4,233	-	-	4,233
Loans from Ukrainian banks received in UAH	Fixed	19.0%	19.0%	**24,402**	-	-	**24,402**	-	-	-	-	10	-	-	10
Loans from Ukrainian banks received in UAH	Fixed	19.5%	19.5%	**6,000**	-	-	**6,000**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	20.0%	20.0%	**18,657**	-	-	**18,657**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	22.0%	22.0%	-	-	-	-	4,744	-	-	4,744	6,282	1,899	-	8,181
Loans from Ukrainian banks received in UAH	Fixed	24.0%	24.0%	-	-	-	-	96,091	-	-	96,091	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	25.0%	25.0%	**1,739**	-	-	**1,739**	108,600	-	-	108,600	108,600	-	-	108,600
Loans from Ukrainian banks received in UAH	Fixed	36.0%	36.0%	-	-	-	-	-	-	-	-	10	9	-	19
Loans from Ukrainian banks received in USD	Fixed	10.0%	10.0%	-	-	-	-	-	-	-	-	97,078	-	-	97,078
Loans from Ukrainian banks received in USD	Fixed	10.5%	10.5%	**6,732**	**6,732**	-	**13,464**	6,850	6,850	3,425	17,125	6,582	6,582	6,582	19,746

The terms and repayment schedule for loans and borrowings are as follows (continued):

(in thousands of Ukrainian hryvnias)	**Interest type**	**Effective interest rate**	**Nominal interest rate**	**30 June 2010 (unaudited)**				**31 December (audited)**				**30 June 2009 (unaudited)**			
				Less than one year	**From one to two years**	**More than two years**	**Total**	**Less than one year**	**From one to two years**	**More than two years**	**Total**	**Less than one year**	**From one to two years**	**More than two years**	**Total**
Loans from non-resident banks received in USD	Floating	2.0%	Libor+1.25%	**16,211**	**16,211**	**16,211**	**48,633**	16,493	16,493	24,739	57,725	15,846	15,846	31,691	63,383
Loans from non-resident banks received in USD	Floating	3.1%	Libor+2.3%	**5,062**	**5,062**	**7,593**	**17,717**	5,150	5,150	10,301	20,601	4,949	4,949	12,372	22,270
Loans from non-resident banks received in USD	Floating	3.0%	Libor+2.5%	**3,961**	**3,961**	**11,883**	**19,805**	-	-	-	-	-	-	-	-
Loans from non-resident banks received in USD	Floating	4.0%	Libor+2.8%	**3,399**	**6,798**	**23,793**	**33,990**	-	-	-	-	-	-	-	-
Loans from non-resident banks received in USD	Floating	3.8%	Libor+3.0%	-	-	-	-	-	-	-	-	193,250	-	-	193,250
Loans from non-resident banks received in USD	Floating	4.3%	Libor+3.5%	**26,357**	**26,357**	**79,070**	**131,784**	26,817	26,817	93,858	147,492	25,766	25,766	103,064	154,596
Loans from non-resident banks received in USD	Floating	5.3%	Libor+4.5%	**30,413**	**30,413**	**121,652**	**182,478**	30,942	30,942	139,241	201,125	-	-	-	-
Loans from non-resident banks received in USD	Floating	6.3%	Libor+5.5%	**39,535**	**39,535**	**79,070**	**158,140**	20,113	40,226	100,563	160,902	14,155	14,155	154,062	182,372
Loans from non-resident banks received in USD	Floating	6.5%	Libor+6.0%	**79,070**	-	-	**79,070**	8,044	72,405	-	80,449	-	-	-	-
Loans from non-resident banks received in USD	Floating	8.3%	Libor+7.75%	**26,805**	-	-	**26,805**	28,157	-	-	28,157	-	-	27,053	27,053
Other short-term borrowings received from Ukrainian non-financial institution in UAH	Fixed	15.0%	0.0%	**899**	-	-	**899**	899	-	-	899	4,289	-	-	4,289
Interest-bearing vendor financing arrangements in USD	Fixed	10.5%	10.5%	**2,592**	**2,592**	-	**5,184**	3,141	2,637	-	5,778	2,533	2,533	2,533	7,599
Finance lease liabilities	Fixed	6.0%	6.0%	**1,961**	**2,128**	**2,309**	**6,398**	-	-	-	-	-	-	-	-
Finance lease liabilities	Fixed	14.0-16.0%	14.0-16.0%	**2,156**	**1,900**	**206**	**4,262**	3,146	2,097	1,045	6,288	2,460	1,608	1,570	5,638
Finance lease liabilities	Floating	8.2%	Libor+7.0%	**8,653**	**8,679**	**6,513**	**23,845**	8,480	9,143	10,872	28,495	6,450	5,422	9,106	20,978
Finance lease liabilities	Floating	9.3%	Libor+8.15%	**637**	**587**	**490**	**1,714**	598	598	797	1,993	438	375	688	1,501
Finance lease liabilities	Floating	9.1%	Libor+8.6%	**3,288**	**3,384**	**2,762**	**9,434**	3,299	3,442	4,523	11,264	2,598	2,185	3,999	8,782
				318,770	**154,339**	**351,552**	**824,661**	374,066	216,800	389,364	980,230	496,867	81,331	352,720	930,918

The terms and repayment schedule for loans and borrowings are as follows:

(in thousands of Euros)	**Interest type**	**Effective interest rate**	**Nominal interest rate**	**30 June 2010 (unaudited)** Less than one year	From one to two years	More than two years	Total	**31 December (audited)** Less than one year	From one to two years	More than two years	Total	**30 June 2009 (unaudited)** Less than one year	From one to two years	More than two years	Total
Loans from Ukrainian banks received in UAH	Fixed	12.0%	12.0%	**785**	**-**	**-**	**785**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	16.0%	16.0%	**-**	**-**	**-**	**-**	-	-	-	-	87	-	-	87
Loans from Ukrainian banks received in UAH	Fixed	17.0%	17.0%	**-**	**-**	**-**	**-**	-	-	-	-	36	-	-	36
Loans from Ukrainian banks received in UAH	Fixed	18.0%	18.0%	**273**	**-**	**-**	**273**	216	-	-	216	388	-	-	388
Loans from Ukrainian banks received in UAH	Fixed	19.0%	19.0%	**2,521**	**-**	**-**	**2,521**	-	-	-	-	1	-	-	1
Loans from Ukrainian banks received in UAH	Fixed	19.5%	19.5%	**620**	**-**	**-**	**620**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	20.0%	20.0%	**1,927**	**-**	**-**	**1,927**	-	-	-	-	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	22.0%	22.0%	**-**	**-**	**-**	**-**	410	-	-	410	576	174	-	750
Loans from Ukrainian banks received in UAH	Fixed	24.0%	24.0%	**-**	**-**	**-**	**-**	8,312	-	-	8,312	-	-	-	-
Loans from Ukrainian banks received in UAH	Fixed	25.0%	25.0%	**179**	**-**	**-**	**179**	9,394	-	-	9,394	9,954	-	-	9,954
Loans from Ukrainian banks received in UAH	Fixed	36.0%	36.0%	**-**	**-**	**-**	**-**	-	-	-	-	1	1	-	2
Loans from Ukrainian banks received in USD	Fixed	10.0%	10.0%	**-**	**-**	**-**	**-**	-	-	-	-	8,898	-	-	8,898
Loans from Ukrainian banks received in USD	Fixed	10.5%	10.5%	**695**	**695**	**-**	**1,390**	592	592	296	1,480	603	603	603	1,809

The terms and repayment schedule for loans and borrowings are as follows (continued):

(in thousands of Euros)	Interest type	Effective interest rate	Nominal interest rate	**30 June 2010 (unaudited)** Less than one year	From one to two years	More than two years	Total	**31 December (audited)** Less than one year	From one to two years	More than two years	Total	**30 June 2009 (unaudited)** Less than one year	From one to two years	More than two years	Total
Loans from non-resident banks received in USD	Floating	2.0%	Libor+1.25%	**1,674**	**1,674**	**1,674**	**5,022**	1,427	1,427	2,140	4,994	1,452	1,452	2,905	5,809
Loans from non-resident banks received in USD	Floating	3.1%	Libor+2.3%	**523**	**523**	**785**	**1,831**	446	446	891	1,783	454	454	1,134	2,042
Loans from non-resident banks received in USD	Floating	3.0%	Libor+2.5%	**409**	**409**	**1,227**	**2,045**	-	-	-	-	-	-	-	-
Loans from non-resident banks received in USD	Floating	4.0%	Libor+2.8%	**351**	**702**	**2,457**	**3,510**	-	-	-	-	-	-	-	-
Loans from non-resident banks received in USD	Floating	3.8%	Libor+3.0%	-	-	-	-	-	-	-	-	17,713	-	-	17,713
Loans from non-resident banks received in USD	Floating	4.3%	Libor+3.5%	**2,722**	**2,722**	**8,166**	**13,610**	2,320	2,320	8,120	12,760	2,362	2,362	9,447	14,171
Loans from non-resident banks received in USD	Floating	5.3%	Libor+4.5%	**3,141**	**3,141**	**12,564**	**18,846**	2,677	2,677	12,045	17,399	-	-	-	-
Loans from non-resident banks received in USD	Floating	6.3%	Libor+5.5%	**4,083**	**4,083**	**8,166**	**16,332**	1,740	3,480	8,700	13,920	1,297	1,297	14,121	16,715
Loans from non-resident banks received in USD	Floating	6.5%	Libor+6.0%	**8,166**	-	-	**8,166**	695	6,261	-	6,956	-	-	-	-
Loans from non-resident banks received in USD	Floating	8.3%	Libor+7.75%	**2,768**	-	-	**2,768**	2,437	-	-	2,437	-	-	2,480	2,480
Other short-term borrowings received from Ukrainian non-financial institution in UAH	Fixed	15.0%	0.0%	**93**	-	-	**93**	78	-	-	78	393	-	-	393
Interest-bearing vendor financing arrangements in USD	Fixed	10.5%	10.5%	**268**	**268**	-	**536**	272	228	-	500	232	232	232	696
Finance lease liabilities	Fixed	6.0%	6.0%	**203**	**220**	**238**	**661**	-	-	-	-	-	-	-	-
Finance lease liabilities	Fixed	14.0-16.0%	14.0-16.0%	**223**	**196**	**21**	**440**	272	181	90	543	225	147	144	516
Finance lease liabilities	Floating	8.2%	Libor+7.0%	**892**	**897**	**674**	**2,463**	734	791	941	2,466	592	497	835	1,924
Finance lease liabilities	Floating	9.3%	Libor+8.15%	**66**	**61**	**51**	**178**	52	52	69	173	40	34	63	137
Finance lease liabilities	Floating	9.1%	Libor+8.6%	**340**	**349**	**285**	**974**	285	298	391	974	238	200	367	805
				32,922	**15,940**	**36,308**	**85,170**	32,359	18,753	33,683	84,795	45,542	7,453	32,331	85,326

Bank loans are secured as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Shares	**1,179,206**	979,825	419,668
Fixed assets	**416,061**	427,428	342,305
Inventories	**204,038**	262,968	258,059
Biological assets	**34,067**	72,287	60,827
Trade accounts receivable	**31,595**	26,941	35,522
Short-term deposit	**5,056**	-	-
	1,870,023	1,769,449	1,116,381

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Shares	**121,787**	84,760	38,466
Fixed assets	**42,970**	36,975	31,375
Inventories	**21,073**	22,748	23,653
Biological assets	**3,518**	6,253	5,575
Trade accounts receivable	**3,263**	2,331	3,256
Short-term deposits	**522**	-	-
	193,133	153,067	102,325

Shareholders Mr. Ivanchyk V.P. and Mr. Korotkov V.M. pledged 34.82% of Astarta Holding N.V. issued shares in equal parts.

17 OTHER LIABILITIES AND ACCOUNTS PAYABLE

Other liabilities and accounts payable are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Settlements with land and fixed assets lessors	**27,806**	10,196	18,305
Advances received from customers	**24,937**	53,460	27,490
Salaries payable	**14,195**	11,277	9,919
VAT settlements	**13,528**	28,035	7,160
Accrual for unused vacations	**10,367**	9,406	5,266
Social insurance payable	**6,884**	4,714	4,264
Interest payable	**6,753**	4,906	8,012
Accounts payable to government	**4,177**	3,376	3,287
Accounts payable for property, plant and equipment	**1,700**	752	504
Deferred government subsidy	**1,308**	-	3,119
Settlements for acquired companies	**644**	1,530	1,742
Other payables	**3,356**	12,566	11,352
	115,655	140,218	100,420

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Settlements with land and fixed assets lessors	**2,872**	882	1,678
Advances received from customers	**2,575**	4,625	2,520
Salaries payable	**1,466**	976	909
VAT settlements	**1,397**	2,425	656
Accrual for unused vacations	**1,071**	814	483
Social insurance payable	**711**	408	391
Interest payable	**697**	424	734
Accounts payable to government	**431**	292	301
Accounts payable for property, plant and equipment	**176**	65	46
Deferred government subsidy	**135**	-	286
Settlements for acquired companies	**66**	132	160
Other payables	**346**	1,088	1,042
	11,943	12,131	9,206

18 ALLOWANCE FOR TRADE AND OTHER ACCOUNTS RECEIVABLE

Allowance for trade and other accounts receivable are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Trade accounts receivable (note 10)	**7,879**	7,407	7,797
Other accounts receivable (note 11)	**6,091**	3,436	3,622
	13,970	10,843	11,419

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Trade accounts receivable (note 10)	**814**	641	715
Other accounts receivable (note 11)	**629**	297	332
	1,443	938	1,047

Changes in allowances for trade and other accounts receivable during the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Balance at 1 January	**10,843**	10,018	**938**	891
Charge in income statement (note 24)	**5,328**	4,027	**502**	374
Amounts written off	**(2,201)**	(2,626)	**(207)**	(244)
Currency translation difference	**-**	-	**210**	26
Balance as at 30 June	**13,970**	11,419	**1,443**	1,047

19 REVENUES

Revenues for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Sugar and related sales:				
Sugar	**650,041**	292,158	**61,546**	27,162
Molasses	**16,789**	13,462	**1,590**	1,252
Pulp	**2,221**	6,010	**210**	559
Other sugar related sales	**11,941**	17,827	**1,131**	1,657
	680,992	329,457	**64,477**	30,630
Crops	**142,672**	106,370	**13,508**	9,889
Cattle farming	**73,428**	42,922	**6,952**	3,990
Other sales	**11,054**	20,203	**1,046**	1,878
	227,154	169,495	**21,506**	15,757
	908,146	498,952	**85,983**	46,387

During the six months ended 30 June 2010 there were no sales settled through barter transactions (2009: UAH 183 thousand, EUR 17 thousand). Almost 90% of revenue is generated from sales to customers in Ukraine.

20 COST OF REVENUES

Cost of revenues for the six months ended 30 June by product is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Sugar and related sales:				
Sugar	**313,803**	208,757	**29,774**	19,390
Molasses	**9,426**	7,674	**894**	713
Pulp	**1,596**	4,424	**151**	411
Other sugar related sales	**10,598**	15,517	**1,006**	1,441
	335,423	236,372	**31,825**	21,955
Crops	**84,095**	60,609	**7,979**	5,630
Cattle farming	**47,739**	37,203	**4,529**	3,456
Other sales	**9,641**	15,671	**915**	1,455
	141,475	113,483	**13,423**	10,541
	476,898	349,855	**45,248**	32,496

21 LOSS ARISING FROM REMEASUREMENT OF AGRICULTURAL PRODUCE TO FAIR VALUE INCLUDING NET REALISABLE VALUE ADJUSTMENT

The loss arising from remeasurement of agricultural produce for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
Valuation adjustment with respect to agricultural produce as at				
30 June	**41,774**	33,365	**3,977**	3,102
1 January	**(79,463)**	(93,992)	**(9,424)**	(14,222)
Net realisable value adjustment	**-**	(598)	**-**	(55)
Currency translation difference	-	-	**1,859**	5,483
Loss arising from remeasurement of agricultural produce to fair value	**(37,689)**	(61,225)	**(3,588)**	(5,692)

22 OTHER OPERATING INCOME

Other operating income for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Government subsidies relating to:				
VAT	**53,591**	9,351	**4,973**	871
Cattle farming	**6,783**	4,754	**629**	443
Crop production	**1,738**	50	**161**	5
Interest and financing costs	**14**	617	**1**	57
Other operating income	**432**	1,124	**41**	105
	62,558	15,896	**5,805**	1,481

23 GENERAL AND ADMINISTRATIVE EXPENSE

General and administrative expense for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Salary and related charges	**20,739**	20,304	**1,952**	1,887
Depreciation	**9,193**	5,616	**865**	522
Professional services	**6,173**	4,436	**581**	412
Fuel and other materials	**2,568**	2,471	**242**	230
Taxes other than corporate income tax	**2,452**	3,795	**231**	353
Communication	**1,327**	1,143	**125**	106
Office expenses	**1,321**	1,461	**124**	136
Maintenance	**630**	997	**59**	93
Rent	**605**	725	**57**	67
Insurance	**528**	781	**50**	73
Transportation	**270**	577	**25**	54
Other services	**1,249**	1,465	**118**	136
Other general and administrative expense	**1,291**	1,133	**121**	104
	48,346	44,904	**4,550**	4,173

24 SELLING AND DISTRIBUTION EXPENSE

Selling and distribution expense for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Transportation	**14,327**	14,171	**1,363**	1,318
Professional services	**10,373**	967	**987**	90
Allowance for trade and other accounts receivable	**5,328**	4,027	**502**	374
Salary and related charges	**6,199**	3,056	**590**	284
Storage and logistics	**3,423**	2,045	**326**	190
Fuel and other materials	**3,137**	2,030	**299**	189
Commissions	**522**	545	**50**	51
Depreciation	**420**	508	**40**	47
Advertising	**17**	34	**2**	3
Other services	**1,028**	567	**98**	53
Other selling and distribution expense	**1,034**	959	**98**	90
	45,808	28,909	**4,355**	2,689

25 OTHER OPERATING EXPENSE

Other operating expense for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
VAT written off	**7,535**	10,455	**712**	971
Charity and social expenses	**3,792**	2,199	**358**	204
Inventory written off	**2,649**	872	**249**	81
Fixed assets written off	**2,109**	120	**199**	12
Penalties paid	**1,494**	1,597	**141**	148
Other salary and related charges	**969**	473	**92**	44
Representative expenses	**412**	283	**39**	26
Canteen expenses	**390**	428	**37**	40
Depreciation	**376**	570	**37**	53
Other operating expenses	**761**	109	**72**	10
	20,487	17,106	**1,936**	1,589

26 CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS

Changes in fair value of biological assets represent increase (decrease) in the statement of financial position amount of livestock and crops as compared with amounts at the beginning of the year. Increases (decreases) in fair value of biological assets for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Non-current livestock	**(19,140)**	(2,948)	**(1,876)**	(275)
Current livestock	**(12,203)**	(19,959)	**(1,196)**	(1,860)
Crops	**144,969**	233,366	**14,211**	21,751
	113,626	210,459	**11,139**	19,616

27 FINANCIAL (EXPENSE) INCOME

Financial (expense) income for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Interest expense:				
Bank loans	**(30,874)**	(41,600)	**(2,967)**	(3,856)
Finance lease liabilities	**(5,004)**	(5,134)	**(481)**	(476)
Bonds payable	**-**	(1,068)	**-**	(99)
Interest-bearing vendor financing arrangements	**(286)**	(441)	**(27)**	(41)
Borrowings from non-financial institutions	**(45)**	-	**(4)**	-
	(36,209)	(48,243)	**(3,479)**	(4,472)
Net profit attributable to minority interests of limited liability company subsidiaries	**(10,223)**	(7,686)	**(982)**	(712)
Other financial expense	**(2,430)**	(1,726)	**(234)**	(160)
	(12,653)	(9,412)	**(1,216)**	(872)
	(48,862)	(57,655)	**(4,695)**	(5,344)
Financial income				
Interest income:				
Short-term deposits	**156**	2,301	**15**	213
Cash balances	**272**	113	**26**	11
Bonds receivable	**-**	-	**-**	-
	428	2,414	**41**	224
Foreign currency exchange income	**10,194**	27,084	**980**	2,510
Gain from promissory note transactions	**-**	106	**-**	10
	10,194	27,190	**980**	2,520
	10,622	29,604	**1,021**	2,744

The foreign currency exchange loss reflects the impact of the devaluation of the UAH on the Group's borrowings denominated in foreign currencies.

28 OTHER INCOME

Other income for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Sales of non-current assets	**207**	1,738	**19**	162
Cost of non-current assets sold	**(288)**	(1,799)	**(27)**	(168)
Written off assets recovered	**1,322**	644	**129**	55
Other non-operational (one off) income	**1,543**	(8)	**150**	(1)
	2,784	575	**271**	48

29 INCOME TAX BENEFIT

Certain companies in the Group are subject to income taxes. Income tax (expense) benefit for these companies for the six months ended 30 June is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Current (expense) benefit	**(96)**	214	**(10)**	20
Deferred (expense) benefit	**(11,113)**	3,199	**(1,156)**	292
	(11,209)	3,413	**(1,166)**	312

13 subsidiaries elected to pay FAT in lieu of other taxes as at 30 June 2010 (2009: 13 companies). Amount of FAT expense during the six months ended 30 June 2010 was UAH 262 thousand (EUR 25 thousand) (2009: UAH 219 thousand, EUR 20 thousand) and is included in cost of revenues.

The remaining companies are subject to the Ukrainian corporate income tax at a 25% rate (2009: 25%) and a Dutch corporate income tax rate of 25.5% (2009: 25.5%).

30 SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

At 30 June 2010 and 2009, the group is organized into three main business segments:

- production and wholesale distribution of sugar
- growing and selling grain and oilseeds crops (agriculture), and
- dairy cattle farming.

Other group operations mainly comprise the production and sales of canned goods, fodder and gas. Neither of these constitutes a separately reportable segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker that makes strategic decisions is the management board.

Revenues from external customers are derived primarily from the sales of sugar, crops and cattle farming products and are measured in a manner consistent with that in the income statement. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Revenues of UAH 231,285 thousand (EUR 21,898 thousand) during the six months ended 30 June 2010 and UAH 109,747 thousand (EUR 10,200 thousand) during the six months ended 30 June 2009 are derived from two customers and are attributable to the sugar production segment.

The amounts provided to the Board of Directors with respect of total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Investments classified as available-for-sale financial assets are not considered to be segment assets. The amounts of total liabilities are measured in a manner consistent with that of the financial statements. Liabilities are allocated based on the operations of the segment.

The segment information for the six months ended 30 June 2010 is as follows:

(in thousands of Ukrainian hryvnias)	**Sugar production**	**Agriculture**	**Cattle farming**	**Other businesses**	**Unallocated**	**Total**
Total revenues	680,992	167,071	73,428	11,054	-	932,545
Inter-segment revenues	-	24,399	-	-	-	24,399
Revenues from external customers	680,992	142,672	73,428	11,054	-	908,146
Total cost of revenues	(335,423)	(108,494)	(47,739)	(9,641)	-	(501,297)
Inter-segment cost of revenues	-	(24,399)	-	-	-	(24,399)
Cost of revenues	(335,423)	(84,095)	(47,739)	(9,641)	-	(476,898)
Loss from remeasurement of agricultural produce to fair value	-	(37,689)	-	-	-	(37,689)
Gross profit	345,569	20,888	25,689	1,413	-	393,559
General and administrative expense	(21,674)	(6,834)	(1,964)	(2,121)	(15,753)	(48,346)
Selling and distribution expense	(31,597)	(8,819)	(899)	(350)	(4,143)	(45,808)
Other operating income (expense)	(1,873)	184,267	(17,361)	82	(9,418)	155,697
Profit (loss) from operations	290,425	189,502	5,465	(976)	(29,314)	455,102
Loss from exchange differences	-	-	-	-	10,194	10,194
Interest expense	(7,594)	(460)	-	-	(28,155)	(36,209)
Interest income	-	-	-	-	428	428
Other expense	-	-	-	-	(9,869)	(9,869)
Gain on acquisition of subsidiaries	-	-	-	-	24,065	24,065
Profit (loss) before tax	282,831	189,042	5,465	(976)	(32,651)	443,711
Taxation	-	-	-	-	(11,209)	(11,209)
Net profit (loss)	282,831	189,042	5,465	(976)	(43,860)	432,502
Total assets	802,268	1,584,561	403,537	61,666	183,524	3,035,556
Unallocated deferred tax	-	-	-	-	7,807	7,807
Consolidated total assets	802,268	1,584,561	403,537	61,666	191,331	3,043,363
Total liabilities	325,367	354,889	1,970	618	508,252	1,191,096
Unallocated deferred tax	-	-	-	-	93,767	93,767
Consolidated total liabilities	325,367	354,889	1,970	618	602,019	1,284,863
Other segment information:						
Depreciation and amortisation	22,863	55,171	2,983	1,047	1,362	83,426
Additions to non-current assets:						
Property, plant and equipment	58,884	93,968	12,729	76	9,403	175,060
Intangible assets	-	10,903	-	-	49	10,952
Biological non-current assets	-	-	2,028	-	-	2,028

The segment information for the six months ended 30 June 2010 is as follows (continued):

(in thousands of Euros)	Sugar production	Agriculture	Cattle farming	Other businesses	Unallocated	Total
Total revenues	64,477	15,818	6,952	1,046	-	88,293
Inter-segment revenues	-	2,310	-	-	-	2,310
Revenues from external customers	64,477	13,508	6,952	1,046	-	85,983
Total cost of revenues	(31,825)	(10,289)	(4,529)	(915)	-	(47,558)
Inter-segment cost of revenues	-	(2,310)	-	-	-	(2,310)
Cost of revenues	(31,825)	(7,979)	(4,529)	(915)	-	(45,248)
Loss from remeasurement of agricultural produce to fair value	-	(3,588)	-	-	-	(3,588)
Gross profit	32,652	1,941	2,423	131	-	37,147
General and administrative expense	(2,040)	(643)	(185)	(200)	(1,482)	(4,550)
Selling and distribution expense	(3,004)	(838)	(85)	(33)	(395)	(4,355)
Other operating income (expense)	(177)	17,733	(1,665)	7	(890)	15,008
Profit (loss) from operations	27,431	18,193	488	(95)	(2,767)	43,250
Loss from exchange differences	-	-	-	-	980	980
Interest expense	(730)	(44)	-	-	(2,705)	(3,479)
Interest income	-	-	-	-	41	41
Other expense	-	-	-	-	(945)	(945)
Gain on acquisition of subsidiaries	-	-	-	-	2,284	2,284
Profit (loss) before tax	26,701	18,149	488	(95)	(3,112)	42,131
Taxation	-	-	-	-	(1,166)	(1,166)
Net profit (loss)	26,701	18,149	488	(95)	(4,278)	40,965
Total assets	82,858	163,652	41,677	6,369	18,938	313,494
Unallocated deferred tax	-	-	-	-	806	806
Consolidated total assets	82,858	163,652	41,677	6,369	19,744	314,300
Total liabilities	33,604	36,653	203	64	52,489	123,013
Unallocated deferred tax	-	-	-	-	9,684	9,684
Consolidated total liabilities	33,604	36,653	203	64	62,173	132,697
Other segment information:						
Depreciation and amortisation	2,153	5,196	281	99	128	7,857
Additions to non-current assets:						
Property, plant and equipment	5,546	8,864	1,199	7	886	16,502
Intangible assets	-	1,035	-	-	5	1,040
Biological non-current assets	-	-	192	-	-	192

The segment information for the six months ended 30 June 2009 is as follows:

(in thousands of Ukrainian hryvnias)	**Sugar production**	**Agriculture**	**Cattle farming**	**Other businesses**	**Unallocated**	**Total**
Total revenues	329,457	122,714	42,922	20,203	-	515,296
Inter-segment revenues	-	16,344	-	-	-	16,344
Revenues from external customers	329,457	106,370	42,922	20,203	-	498,952
Total cost of revenues	(236,372)	(76,953)	(37,203)	(15,671)	-	(366,199)
Inter-segment cost of revenues	-	(16,344)	-	-	-	(16,344)
Cost of revenues	(236,372)	(60,609)	(37,203)	(15,671)	-	(349,855)
Loss from remeasurement of agricultural produce to fair value	-	(61,225)	-	-	-	(61,225)
Gross profit	93,085	(15,464)	5,719	4,532	-	87,872
General and administrative expense	(7,737)	(6,230)	(2,514)	(1,816)	(26,607)	(44,904)
Selling and distribution expense	(5,760)	(2,699)	-	(3,296)	(17,154)	(28,909)
Other operating income (expense)	(1,331)	232,231	(18,181)	(344)	(3,126)	209,249
Profit (loss) from operations	78,257	207,838	(14,976)	(924)	(46,887)	223,308
Gain from exchange differences	3,503	1,632	-	-	21,949	27,084
Interest expense	(6,655)	(1,768)	-	-	(39,820)	(48,243)
Interest income	-	-	-	-	2,414	2,414
Other expense	-	-	-	-	(8,731)	(8,731)
Gain on acquisition of subsidiaries	-	-	-	-	1,316	1,316
Profit (loss) before tax	75,105	207,702	(14,976)	(924)	(69,759)	197,148
Taxation	-	-	-	-	3,413	3,413
Net profit (loss)	75,105	207,702	(14,976)	(924)	(66,346)	200,561
Total assets	547,477	1,264,653	188,655	60,064	74,608	2,135,457
Unallocated deferred tax	-	-	-	-	6,059	6,059
Consolidated total assets	547,477	1,264,653	188,655	60,064	80,667	2,141,516
Total liabilities	204,829	201,377	2,383	3,722	833,002	1,245,313
Unallocated deferred tax	-	-	-	-	19,241	19,241
Consolidated total liabilities	204,829	201,377	2,383	3,722	852,243	1,264,554
Other segment information:						
Depreciation and amortisation	15,526	27,488	1,067	778	1,047	45,906
Additions to non-current assets:						
Property, plant and equipment	6,713	16,043	1,929	10	148	24,843
Intangible assets	-	1,990	-	-	-	1,990
Biological non-current assets	-	-	1,190	-	-	1,190

The segment information for the six months ended 30 June 2009 is as follows (continued):

(in thousands of Euros)	**Sugar production**	**Agriculture**	**Cattle farming**	**Other businesses**	**Unallocated**	**Total**
Total revenues	30,630	11,408	3,990	1,878	-	47,906
Inter-segment revenues	-	1,519	-	-	-	1,519
Revenues from external customers	30,630	9,889	3,990	1,878	-	46,387
Total cost of revenues	(21,955)	(7,149)	(3,456)	(1,455)	-	(34,015)
Inter-segment cost of revenues	-	(1,519)	-	-	-	(1,519)
Cost of revenues	(21,955)	(5,630)	(3,456)	(1,455)	-	(32,496)
Loss from remeasurement of agricultural produce to fair value	-	(5,692)	-	-	-	(5,692)
Gross profit	8,675	(1,433)	534	423	-	8,199
General and administrative expense	(719)	(579)	(234)	(169)	(2,472)	(4,173)
Selling and distribution expense	(534)	(251)	-	(307)	(1,597)	(2,689)
Other operating income (expense)	(124)	21,648	(1,695)	(32)	(289)	19,508
Profit (loss) from operations	7,298	19,385	(1,395)	(85)	(4,358)	20,845
Gain from exchange differences	325	151	-	-	2,034	2,510
Interest expense	(617)	(164)	-	-	(3,691)	(4,472)
Interest income	-	-	-	-	224	224
Other expense	-	-	-	-	(814)	(814)
Gain on acquisition of subsidiaries	-	-	-	-	122	122
Profit (loss) before tax	7,006	19,372	(1,395)	(85)	(6,483)	18,415
Taxation	-	-	-	-	312	312
Net profit (loss)	7,006	19,372	(1,395)	(85)	(6,171)	18,727
Total assets	50,181	115,917	17,292	5,505	6,837	195,732
Unallocated deferred tax	-	-	-	-	555	555
Consolidated total assets	50,181	115,917	17,292	5,505	7,392	196,287
Total liabilities	18,774	18,458	218	341	76,353	114,144
Unallocated deferred tax	-	-	-	-	1,764	1,764
Consolidated total liabilities	18,774	18,458	218	341	78,117	115,908
Other segment information:						
Depreciation and amortisation	1,443	2,555	99	72	97	4,266
Additions to non-current assets:						
Property, plant and equipment	624	1,491	179	1	14	2,309
Intangible assets	-	184	-	-	-	184
Biological non-current assets	-	-	111	-	-	111

31 COMMITMENTS

(a) Social commitments

The Group makes contributions to mandatory and voluntary social programs. Social assets, as well as local social programs, benefit the community at large and are not normally restricted to employees. The Group transferred certain social operations and assets to local authorities; however, management expects that the Group will continue to fund these social programs through the foreseeable future. These costs are recorded in the year they are incurred.

(b) Operating leases

The Group leases property and equipment under operating leases. Lease payments are subject to market conditions and legal regulations.

The Group leases plough-land and industrial land under non-cancellable lease agreements in its normal course of business. The leases typically run for an initial period of five to ten years, with an option to renew the lease after that date. Lease payments recognized as an expense during the six months ended 30 June 2010 are UAH 32,246 and or EUR 3,037 thousand (2009: UAH 18,377 thousand or EUR 1,708 thousand).

Future minimum lease payments under non-cancellable operating leases are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Less than one year	**72,054**	60,406	48,184
From one to five years	**148,783**	133,926	119,164
More than five years	**78,124**	38,733	57,755
	298,961	233,065	225,103

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Less than one year	**7,442**	5,225	4,416
From one to five years	**15,366**	11,585	10,922
More than five years	**8,069**	3,351	5,294
	30,877	20,161	20,632

(c) Financial leases

The future minimum lease payments payable under finance leases are as follows:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Minimal lease payments:			
Less than one year	**16,613**	15,718	13,725
From one to two years	**15,532**	14,596	10,323
More than two years	**10,901**	15,526	14,784
	43,046	45,840	38,832
Future finance charges on finance leases	**(5,001)**	(5,806)	(8,082)
Present value of minimal lease payments	**38,045**	40,034	30,750
Less than one year	**13,913**	12,936	9,955
From one to two years	**13,900**	12,733	7,992
More than two years	**10,232**	14,365	12,803
	38,045	40,034	30,750

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Minimal lease payments:			
Less than one year	**1,716**	1,360	1,258
From one to two years	**1,604**	1,263	946
More than two years	**1,126**	1,343	1,355
	4,446	3,966	3,559
Future finance charges on finance leases	**(516)**	(503)	(740)
Present value of minimal lease payments	**3,930**	3,463	2,819
Less than one year	**1,437**	1,119	913
From one to two years	**1,436**	1,101	733
More than two years	**1,057**	1,243	1,173
	3,930	3,463	2,819

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Long-term finance lease liabilities:			
Present value of minimal lease payments	**24,132**	27,098	20,795
VAT liability under finance lease	**4,826**	5,419	4,158
	28,958	32,517	24,953
Current portion of long-term finance lease liabilities:			
Present value of minimal lease payments	**13,913**	12,936	9,955
VAT liability under finance lease	**2,782**	2,587	1,991
	16,695	15,523	11,946
	45,653	48,040	36,899

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Long-term finance lease liabilities:			
Present value of minimal lease payments	**2,493**	2,344	1,906
VAT liability under finance lease	**499**	469	381
	2,992	2,813	2,287
Current portion of long-term finance lease liabilities:			
Present value of minimal lease payments	**1,437**	1,119	913
VAT liability under finance lease	**287**	224	182
	1,724	1,343	1,095
	4,716	4,156	3,382

(d) Contractual commitments

The Group has the following contractual commitments:

(in thousands of Ukrainian hryvnias)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Purchase commitments:			
Materials	**102 519**	-	-
Fixed assets	**10 455**	6 298	-
	112 974	6 298	-
Sales commitments:			
Sugar and by-products	**97 094**	10 798	110 196
Agricultural produce	**-**	35 677	-
	97 094	46 475	110 196

(in thousands of Euros)	**30 June 2010 (unaudited)**	**31 December 2009 (audited)**	**30 June 2009 (unaudited)**
Purchase commitments:			
Materials	**10 588**	-	-
Fixed assets	**1 080**	545	-
	11 668	545	-
Sales commitments:			
Sugar and by-products	**10 028**	934	10 100
Agricultural produce	**-**	3 086	-
	10 028	4 020	10 100

32 CONTINGENCIES

(a) Insurance

The insurance industry in Ukraine is in a developing state and many forms of insurance, for example, environmental risk insurance, are not yet generally available. The Group has obtained insurance over its plant facilities. However, it does not have full coverage for certain financial risks such as business interruption, damage of third party property or environmental damage. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on operations and financial position.

(b) Litigation

The Group is involved in various legal proceedings in the ordinary course of business. Management does not believe the result of any such actions will have a material effect on the financial position or results of the Group operations. As at 30 June 2010 the Group is involved in the dispute with Antimonopoly Committee and in the dispute with State Price Inspection. Both disputes is currently being processed.

Management believes that the ultimate liability, if any, arising from such claims and complaints, both presented and potential, will not have a material adverse effect on the Group’s financial condition or the results of its future operations and is less than probable, accordingly no corresponding accrual was provided in these financial statements.

(c) Taxation contingencies

The Group performs most of its operations in Ukraine and therefore within the jurisdiction of the Ukrainian tax authorities. The Ukrainian tax system can be characterized by numerous taxes and frequently changing legislation which may be applied retrospectively, open to wide interpretation and in some cases are conflicting. Instances of inconsistent opinions between local, regional, and national tax authorities and the Ministry of Finance are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose severe fines and penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years; however, under certain circumstances, a tax year may remain open longer. These facts create tax risks substantially more significant than typically found in countries with more developed systems.

In the ordinary course of business, the Group is subject to legal actions and complaints from the tax authorities side.

As at 31 December 2009 the Group's subsidiary involved in litigation with tax authorities. The amount of litigation's expouser is UAH 113,000 thousand. The Group's management believes that tax authorities' position in this litigation is ambigious. As at 30 June 2010 litigation is under consideration of the Highest Administrative Court of Ukraine.

Management believes that the ultimate liability, if any, arising from such claims and complaints, both presented and potential, will not have a material adverse effect on the Group’s financial condition or the results of its future operations and is less than probable, accordingly no corresponding accrual was provided in these financial statements.

33 RELATED PARTY TRANSACTIONS

The Group performs transactions with related parties in the ordinary course of business. Related parties comprise the Group associate, the shareholders, companies that are under common control of the Group’s controlling owners, key management personnel and their close family members, and companies that are controlled or significantly influenced by shareholders. Prices for related party transactions are determined on an ongoing basis. The terms of some related party transactions may differ from market terms.

Balances and transactions with related parties, wich are with companies under significant influence of the Group and the associate are shown at their carrying value and are as follows:

(a) Purchases

Purchases for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Companies under common control:				
Services	**84**	63	**8**	6
Materials	**-**	23	**-**	2
Other	**4**	-	**-**	-
	88	86	**8**	8
Associate:				
Agriculture produce	**408**	-	**38**	-
	496	86	**46**	8

(b) Revenues

Sales to related parties outside the condensed consolidated interim Group for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Companies under common control:				
Agriculture produce	**2,263**	-	**213**	-
Sugar and by-products	**88**	-	**8**	-
Services	**21**	33	**2**	3
Materials	**-**	7	**-**	1
Other	**-**	-	**-**	-
	2,372	40	**223**	4
Associate:				
Consumables: grains other agri production	**1,732**	-	**163**	-
Agriculture produce	**-**	916	**-**	85
Services	**-**	-	**-**	-
Other	**157**	-	**15**	-
	1,889	916	**178**	85
	4,261	956	**401**	89

(c) Receivables

Receivables from related parties for the six months ended 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Companies under common control:				
Trade accounts receivable	**4,689**	88	**484**	8
Advances made	**4**	184	**-**	17
Other receivables	**216**	215	**22**	20
	4,909	487	**506**	45

There is no contractual maturity for the receivables from related parties. Balances are unsecured. No allowance for doubtful debts is created on these balances as at 30 June 2010 and 2009.

(d) Loans and borrowings

Loans and borrowings from related parties as at 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Loans and borrowings	-	166	-	15

(e) Payables

Payables to related parties as at 30 June are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Companies under common control:				
Advances received	**4,009**	-	**414**	-
Trade accounts payable	**85**	246	**9**	23
Other payables	**147**	165	**15**	15
	4,241	411	**438**	38
Associate:				
Trade accounts payable	**2,395**	-	**247**	-
	6,636	411	**685**	38

34 EVENTS SUBSEQUENT TO THE STATEMENT OF FINANCIAL POSITION DATE

The following events occurred subsequent to the statement of financial position date:

Loan Portfolio Optimization

On 7 July 2010, the European Bank for Reconstruction and Development (EBRD) signed a Loan agreement to provide financing to LLC Firm "Astarta-Kyiv", an indirect subsidiary of ASTARTA Holding N.V. The financing of up to EUR 10,000 thousand is granted to further modernize ASTARTA's sugar plants that should result in considerable energy savings of the current energy consumption, mainly natural gas, as well as to construct storage facilities. Productivity increases and cost reductions will bring the ASTARTA's operating performance closer to EU standards. The financing would comprise a secured long term loan for 7 years with 18 month grace period, fully guaranteed by ASTARTA Holding N. V. and five material indirect subsidiaries of the company. This is the third EBRD's project with ASTARTA. Two previous loan agreements were signed in 2008 and 2009 for the total amount of USD 40,000 thousand.

25 August 2010,

Amsterdam, The Netherlands

The Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk	_______(signed)_______
P. Rybin	_______(signed)_______
M.M.L.J. van Campen	_______(signed)_______
V. Korotkov	_______(signed)_______
W.T. Bartoszewski	_______(signed)_______

Press-release

ASTARTA HOLDING N.V.

ASTARTA Holding N.V. Key Results for the First Half of 2010

August 25, 2010

ASTARTA Holding N.V., vertically integrated agri-industrial holding, leader of the sugar and agricultural sector of Ukraine has published its semi-annual report for the six months ended June 30, 2010.

Key Financial Highlights

- Consolidated revenues increased by 85% y-o-y to EUR 86 mln.
- EBIT up 107% y-o-y to EUR 43.3 mln. EBIT margin grew to 50% from 45%.
- EBITDA increased by 104% y-o-y to EUR 51.7 mln. EBITDA margin increased from 54% to 59%.
- Net income up 119% to EUR 41 mln. Net profit margin for 6 months 2010 constituted 48% vs.40% a year before.
- Cash flows provided by operating activities grew to EUR 31.1 mln from EUR 8.2 mln a year before.

Key Operational Highlights

- Total operated land bank increased to 185,000 hectares.
- Sugar plants are fully prepared for the start of the sugar campaign. Increase in the processing capacity to 27,000 tons of beet per day is due to thorough modernization campaign provided by the Company.
- Yields of early crops down due to unfavorable weather conditions but still 20-25% above Ukrainian averages. The decrease in harvest should be compensated by growing international and domestic prices for grains. Later crops like corn, soy, sunflower and sugar beet were not such strongly affected by hot weather.
- In order to increase diversification, further development of business, and raise revenues and profitability, in 2010 the Company initiated trading by crops and sugar.

Financial Highlights

Revenues, Gross profit and cost of revenues

In the first half of 2010, revenue grew 85% y-o-y to EUR 86 million owing mainly to higher sales of sugar and cattle farming produce supported by better pricing environment. At the same time, the cost of goods sold grew only to EUR 45.2 million by 39%. Gross profit raised from EUR 8.2 million in H1 2009 to EUR 37.1 million in H1 2010 respectively.

Profit from operations (EBIT) and EBITDA

Profit from operations more than doubled y-o-y due to a significant increase in the gross profit and rigid cost control procedures. General and administrative expense was almost stable, thus constituting 5.3% of the revenues vs. 9.0% in H1 2009 as a result of strong management efforts. Selling and distribution expense was growing in line with growing sales, representing 5.1% of the revenues vs. 5.8% in H1 2009. The Group's profit from operations (EBIT) grew 107% to EUR 43.3 million, while the EBIT margin improved from 45% to 50%. EBITDA grew 104%to EUR 51.1 million, EBITDA margin to 59% from 54% a year before.

Profit before tax and net profit

Profit before tax was up 129% to EUR 42.8 million in H1 2010 vs. EUR 18.4 million in H1 2009, and the net profit up 119% to EUR 41 million vs. EUR 18.7 million respectively.

Financial position and debt profile

The Group's total assets grew y-o-y by 60% to EUR 314.3 million. Equity increased by 126% to EUR 181.6 million. Net debt/equity ratio improved significantly from 103% in 2009 to 46% in 2010.

During the first six month of 2010 the Group repaid number of short-term debts and secured the long term financing from Landesbank Baden-Wurttemberg, Wells Fargo HSBC Trade Bank, and EBRD. The total debt in the Ukrainian hryvnia equivalent decreased 11% y-o-y. As a result of the successful loan portfolio optimization, interest expense on bank loans decreased 22% to EUR 3,479 million from EUR 4,472 million a year before.

Key Products, Production and Sales

Revenues breakdown

Sugar sales represented 72% of the total revenues vs. 60% in the first half of 2009. Owing to a more aggressive growth in revenue from sugar sales, the share of revenues from crop sales dropped from 22% to 16%. Share of revenue from cattle farming slightly decreased (8% vs. 9% in H1 2009) despite of higher volumes on 13% and dynamic increase in prices.

Sugar production and sales

During preparation to the next production season, ASTARTA modernized its sugar plants in order to increase energy efficiency and to raise processing capacity. This reconstruction will lead to a cut in the sugar prime cost already in the 2010 season.

Revenue from sugar sales more than doubled compared to the first half of 2009 to EUR 61.5 million (UAH 650 million) on a back of favorable pricing. In terms of volume, sugar sales grew from about 90 thousand tons in the first half of 2009 to around 101 thousand tons.

Crop production and sales

In the first half of 2010, ASTARTA actively invested into agricultural production. It increased the operated land bank by about 10% y-o-y to 185 thousand hectares, substantially upgraded the agricultural machinery fleet, and expanded the logistics and grain storage capacities.

Revenue from crop sales grew 37% to EUR 13.5 million (UAH 142.7 million). Exports amounted to about 62% of the total revenues from crop sales. In terms of volume, sales of the key five crops were just marginally lower than in H1 2009.

To the date, ASTARTA's agricultural companies have harvested 160 thousand tons of early grains on the area of 53 thousand hectares. The average yield of winter wheat is about 3.4 tons per hectare, and 2.6 tons per hectare for spring barley. The decline in yields of wheat and barley was caused by adverse weather conditions. On a positive side, because of hot summer, the most part of wheat produced this year is of high milling quality, and will have much better pricing than the lower grade grain, especially in bullish crop markets.

Production and sales of cattle farming produce

In the first half of 2010, ASTARTA's farms produced 24.7 thousand tons of milk, of which 23.3 thousand tons (+13% y-o-y) were sold to dairy processors. Due to growth of prices and effective marketing campaign, the Group's revenue from sales of cattle farming produce grew 74% y-o-y to EUR 7 million (UAH 73.4 million) to secure 8% of the total revenues.

Export sales

Revenue from export sales reached USD 11.6 mln increasing 57% from USD 7.4 mln in H1 2009 and constituting over 10% of the total revenues. Thus, ASTARTA stayed fully hedged on cash flow level as export revenues amply covered interest payments and amortizing part of principal repayments of banking debts received in foreign currencies.

MANAGEMENT COMMENT ON SEMI-ANNUAL RESULTS FOR 2010

Viktor Ivanchyk, CEO of ASTARTA Holding N. V. said:
The first half of 2010 was positive for strengthening ASTARTA's market and financial position, as well as securing a good ground for the Group's further strategic development. During the first six months of 2010 we have invested about EUR 23 mln in acquisition of long-term land lease rights, agricultural machinery, storage capacities, and modern equipment for sugar plants and farms.
Now we are at the final stage of preparation for the new sugar campaign, have started harvesting of technical crops and land cultivation for the 2011 harvest. All works are going in accordance with the plan.
We also continue looking at some acquisition opportunities in Ukraine that might result in a faster growth of the Group.

Note for editors:
ASTARTA Holding N.V. established in 1993 and is a leading Ukrainian producer of agricultural products, sugar and livestock products. Implementing its strategy of vertical integration, the Group owns six sugar-producing plants and operates more than 185 thousand hectares of land under long-term lease. Since August 2006, shares of ASTARTA Holding N.V. have been listed on the Warsaw Stock Exchange.