



**INTERIM REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE THREE MONTHS  
ENDED MARCH 31, 2013**

## Overview of the First Quarter and Outlook

In the first quarter of 2013, Ukrainian sugar market was under influence of bearish factors. Sizable inventories of sugar and need for cash of processors and beet growers put strong pressure on domestic prices. The situation was complicated by high protective barriers for Ukrainian sugar by some traditional importers in the CIS, and high banking interest rates which made loans too expensive for many industry players.

Altogether, these factors significantly impacted the industry and predetermined decisions of processors and farmers regarding sugar production in the new season. By the date of publication of this report, beet sowing campaign is completed, and plantings of the roots nationwide decreased year-on-year by about 45%. Plenty of sugar plants, including those belonging to big integrated producers, will not operate at least in this season. Consequently, one could expect material drop in sugar production.

At the same time, better international and domestic prices for grains and oilseeds provided solid contribution to ASTARTA's first quarter's financial results. Ukrainian raw milk market also demonstrated positive performance as customers increasingly value high-quality product and security of regular bulk supply.

Owing to high competitiveness and diversification of ASTARTA, we performed sound in times of challenging sugar market. Strong performance in agri- and cattle farming segments contributed to increase of revenues and profitability: consolidated sales grew 29% to EUR 83 million, EBITDA increased by 27% to EUR 23 million and net profit grew 33% to EUR 11 million. Importantly, we managed to secure material increase in exports by 48%.

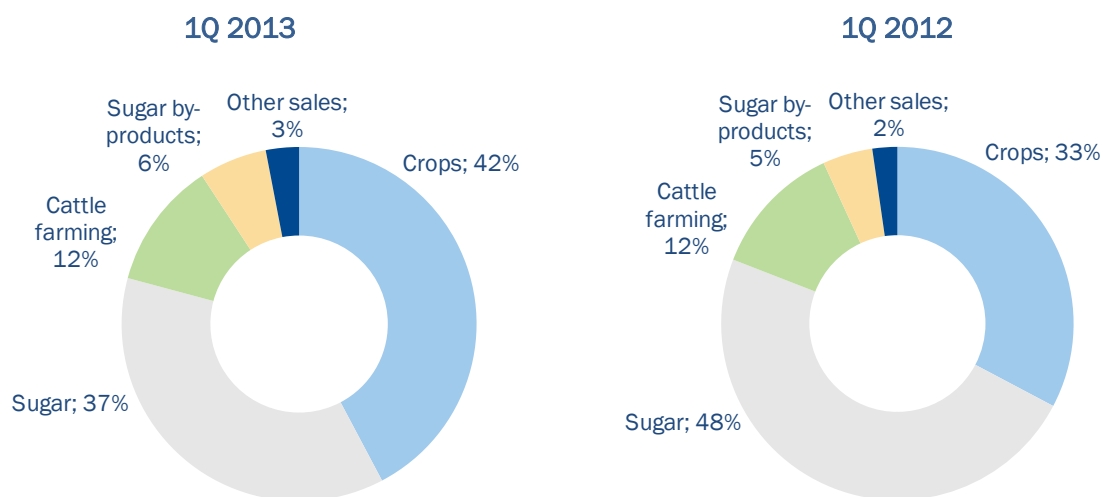
Currently a lot of attention is paid to preparation for commissioning of two new industrial facilities: soybeans processing plant and biogas station which are set for launch this fall. To reach higher level of vertical integration in soybean processing and secure high quality raw material we materially increased share of this crop in the land rotation structure.

Alongside we also increased shares of such crops as corn and wheat, and partly reduced of sugar beets. The rationale behind this decision is that higher volumes of grains and oilseeds will provide for growing export revenues, would increase diversification, accelerate working capital circulation and, eventually better hedge currency risks. Alongside with that, one of the key elements of our long-term strategy is to continue development of highly efficient sugar production, side by side with attaining dynamic growth in other business segments, such as crop growing, soybean processing and dairy farming.

## Key Financial Highlights

Consolidated revenues increased by 29% to EUR 83 million. Solid performance of agrisegment and expansion of its share to 42% in the consolidated revenues was based on boosted volumes of sales and higher market prices. Combined share of sugar and its by-products segments reduced from 53% to 43% on a back of depressed sugar pricing and despite higher volumes of sales. Dairy farming share remained unchanged at 12%.

### Revenue composition in 1Q 2013 and 1Q 2012



Revenues from exports demonstrated dynamic increase by 48% y-o-y and totaled 35% of total revenues.

## Selected financial data

(in thousands of EUR)	1Q 2013	1Q 2012
Revenues	83 289	64 320
Gross profit	17 853	18 677
Gross profit margin	21%	29%
EBIT	16 799	12 311
EBIT margin	20%	19%
EBITDA	23 228	18 286
EBITDA margin	28%	28%
Net profit	11 440	8 598
Net profit margin	14%	13%
Cash flows provided by operating activities	6 430	7 483
Cash flows used in investing activities	-1 956	-6 303
Cash flows provided by financing activities	-8 433	-2 349

## Selected financial ratios

	1Q 2013	1Q 2012
NET DEBT	249 856	194 826
ADJUSTED NET DEBT	78 752	87 313
EBITDA (LTM)	89 842	103 749
NET DEBT/EBITDA (LTM)	2,78	1,88
NET DEBT/SALES (LTM)	0,67	0,61
TOTAL DEBT RATIO	0,46	0,46
DEBT/EQUITY	0,71	0,68
CURRENT RATIO	2,85	2,36
QUICK RATIO	0,63	0,54

EBITDA	Profit (loss) from operations + depreciation and amortization + impairment of fixed assets
NET DEBT	Short-term finance debt + long-term finance debt – cash – short term deposits
ADJUSTED NET DEBT	Short-term finance debt + long-term finance debt – cash – short term deposits – marketable securities - finished goods
TOTAL DEBT RATIO	(Total current liabilities + total non-current liabilities) / Total assets
CURRENT RATIO	Total current assets / Total current liabilities
QUICK RATIO	(Total current assets – inventories – biological assets) / Total current liabilities

## Agriculture Segment

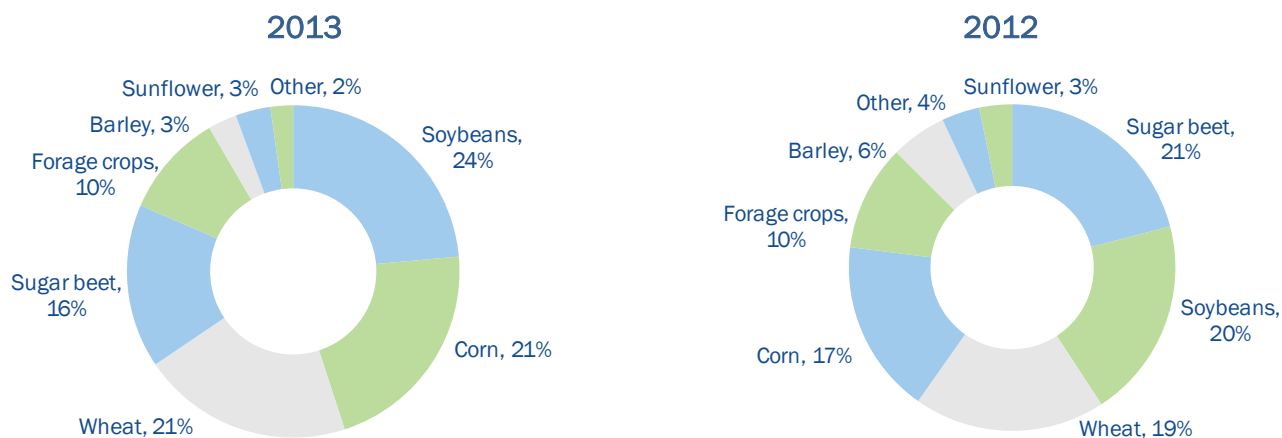
Agriculture segment was the leading one in terms of growth. Revenues increased by 66% to EUR 35 million. Growth was driven by 28% y-o-y increase in volumes of sales and favorable pricing. Volumes of crop exports totaled 61% in total sales in the segment. Proceeds from exports contributed 69% to segment's total revenues. Prices for exported crops increased y-o-y on average by 30%.

During winter and early spring, agricultural land received adequate amount of moisture. Despite colder weather in Ukraine in March and April and dry spring, winter crops in ASTARTA fields are in good condition. We used high-quality seeds which were additionally processed in our seed conditioning plants and are well secured against pests. To summarize, the outlook for winter crops now looks encouraging.

As at the date of publication of this report, ASTARTA is finishing the spring planting. Competent organization of the campaign, well-timed procurement of materials (seeds, fuel, fertilizers, and PPA), and application of a well-structured machinery fleet secured its optimal timing and proper execution. ASTARTA's subsidiaries plant this season about 235 thousand ha with top crops such as soybean, corn, wheat and sugar beet. This year's crop rotation reflects increasing vertical integration and growing level of diversification of ASTARTA. Intensified crop production

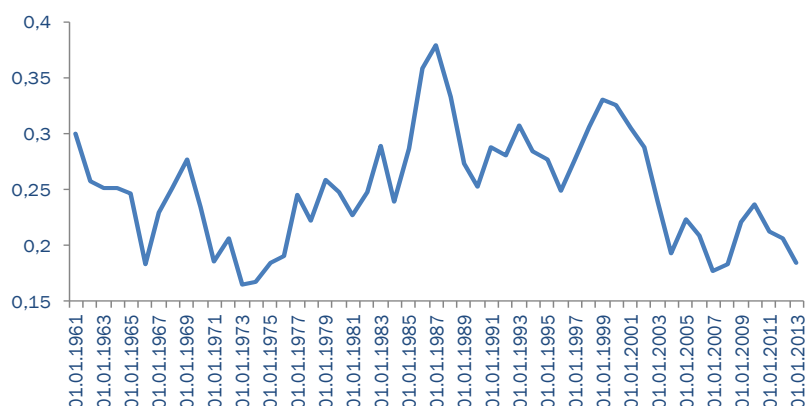
in ASTARTA provides for higher export potential and correspondingly better natural hedge against currency risks.

### ASTARTA crop rotation structure



According to preliminary estimations, this year Ukraine is expected to harvest over 50 million tonnes of grains which is about 20% more than in the previous year. At the moment, futures' prices for some crops of the new harvest, in particular corn, look relatively depressed. Still, growing demand for agricultural produce driven by fundamentals, such as increase in global population, advance in living standards in emerging markets, and growth of biofuel production remain in place. As well, global stock-to-use ratio is at low levels, thus materially increasing upside risks.

### Grains, global stock-to-use ratio



Source: USDA, Bloomberg

## Sugar Segment

Volumes of sugar sales increased by 8%. Following a drop in average prices for white sugar, revenues from sugar sales remained stable at EUR 31 million. During the reporting period 3,2 thousand tonnes of sugar was exported, revenues from export totaled 6% of sugar sales.

As mentioned above, in the first three months of 2013, Ukrainian sugar industry faced strong challenges following a second consecutive season of domestic overproduction and intensive protectionist measures in neighboring countries. As a consequence, independent farmers and integrated producers substantially decreased sugar beet plantations for the new season. As at the date of publication of this report about 250 thousand hectares of beet were planted (c. 450 thousand a year ago).

Reflecting a trend of beet plantations' decrease, Ukrainian sugar price started impressive recovery in April. Global sugar prices currently follow a side-trend and fluctuate close to a cost-of-production level of a key sugar exporter - Brazil.

For the seven months of current marketing year (September 2012 – March 2013) Ukraine exported about 53 thousand tonnes of white sugar (28 thousand for the corresponding period of 2011/2012 MY). Key export destinations for Ukrainian sugar were Georgia (28%), Kyrgyzstan (17%), and Moldova (12%).

## Dairy Farming Segment

Supported by recovery in pricing and increase in volumes of sales, revenues in the segment grew by 22% to EUR 10 million. Cow's livestock increased by 4% to 15,3 thousand. Besides we continued to focus on efficiency and achieved an average y-o-y increase of 8% in milk yields per one cow. This resulted in growth of high quality milk production by 12% to 21 thousand tonnes.

According to State statistic committee of Ukraine, during the first three months of 2013, Ukraine produced 1,2% more milk compared with the same period of last year. This growth was mainly due to increase in milk production by dairy farms (+2,8% y-o-y). The number of cows however continued declining and reduced by another 1%. Average milk prices in the country increased y-o-y by c.15%.

## 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 represents that to the best of their knowledge the condensed consolidated interim financial statements of ASTARTA Holding N.V. for the period ended 31 March 2013 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 three months ended 31 March 2013 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\_\_\_\_

*14 May 2013,  
Amsterdam, The Netherlands*

### Caution note regarding forward-looking statements

Certain statements contained in this interim statement may constitute forecasts and estimates. There are risks, uncertainties and other factors that could cause actual results to differ from the forecasts and estimates, or implied by these forward-looking statements

**ASTARTA HOLDING N.V.**

**CONDENCED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AS AT AND FOR THE THREE MONTHS ENDED 31 MARCH 2013**



## **CONTENTS**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	10
CONSOLIDATED INCOME STATEMENT	12
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	14
CONSOLIDATED STATEMENT OF CASH FLOWS	16
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	18
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	20

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

<i>(in thousands of Ukrainian hryvnias)</i>	<i>Notes</i>	<b>31 March 2013 (unaudited)</b>	<b>31 December 2012 (restated)</b>	<b>31 March 2012 (restated)</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		2,465,898	2,352,330	2,129,934
Intangible assets		61,424	63,977	78,677
Biological assets	6	321,080	261,051	233,969
Financial instruments available-for-sale		13,714	15,066	11,734
Long-term receivables		1,028	691	18,376
Other long-term assets		16,607	36,936	22,804
Long-term cash deposits		-	138,937	174,900
Deferred tax assets		101	101	651
		<b>2,879,852</b>	<b>2,869,089</b>	<b>2,671,045</b>
<b>Current assets</b>				
Inventories	7	2,422,413	2,486,338	1,939,746
Biological assets	6	820,424	774,225	617,315
Trade accounts receivable		367,018	395,523	344,660
Other accounts receivable and prepayments		477,026	303,414	400,093
Current income tax		747	420	966
Promissory notes available-for-sale		-	-	8,873
Short-term cash deposits		46,212	46,212	90,131
Cash and cash equivalents		38,675	81,220	39,945
		<b>4,172,515</b>	<b>4,087,352</b>	<b>3,441,729</b>
<b>Total assets</b>		<b>7,052,367</b>	<b>6,956,441</b>	<b>6,112,774</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		1,663	1,663	1,663
Additional paid-in capital		369,798	369,798	369,798
Retained earnings		3,057,382	2,919,776	2,517,114
Revaluation surplus		373,324	380,558	404,399
Currency translation reserve		141	697	(492)
<b>Total equity attributable to equity holders of the parent company</b>		<b>3,802,308</b>	<b>3,672,492</b>	<b>3,292,482</b>
Non-controlling interests in joint stock companies		2,515	2,742	3,174
<b>Total equity</b>		<b>3,804,823</b>	<b>3,675,234</b>	<b>3,295,656</b>
<b>Non-current liabilities</b>				
Loans and borrowings		1,624,730	1,653,260	1,221,952
Non-controlling interests in limited liability companies		77,877	92,002	98,142
Other long-term liabilities		20,340	21,175	31,923
Deferred tax liabilities		58,001	69,302	82,601
		<b>1,780,948</b>	<b>1,835,739</b>	<b>1,434,618</b>
<b>Current liabilities</b>				
Loans and borrowings		781,958	762,637	753,629
Current portion of long-term loans and borrowings		294,182	300,158	247,899
Trade accounts payable		169,692	165,248	146,288
Current income tax		-	1,161	269
Other liabilities and accounts payable		220,764	216,264	234,415
		<b>1,466,596</b>	<b>1,445,468</b>	<b>1,382,500</b>
<b>Total equity and liabilities</b>		<b>7,052,367</b>	<b>6,956,441</b>	<b>6,112,774</b>

The notes on pages 20 to 42 are an integral part of these condensed consolidated interim financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

(in thousands of Euros)	Notes	31 March 2013 (unaudited)	31 December 2012 (restated)	31 March 2012 (restated)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		235,520	220,256	198,226
Intangible assets		5,867	5,990	7,322
Biological assets	6	30,667	24,443	21,775
Financial instruments available-for-sale		1,310	1,411	1,092
Long-term receivables		98	65	1,710
Other long-term assets		1,586	3,458	2,123
Long-term cash deposits		-	13,009	16,277
Deferred tax assets		10	9	61
		275,058	268,641	248,586
<b>Current assets</b>				
Inventories	7	231,367	232,803	180,528
Biological assets	6	78,360	72,493	57,452
Trade accounts receivable		35,054	37,033	32,077
Other accounts receivable and prepayments		45,561	28,409	37,235
Current income tax		71	39	90
Promissory notes available-for-sale		-	-	826
Short-term cash deposits		4,414	4,327	8,388
Cash and cash equivalents		3,694	7,605	3,718
		398,521	382,709	320,314
<b>Total assets</b>		<b>673,579</b>	<b>651,350</b>	<b>568,899</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		250	250	250
Additional paid-in capital		55,638	55,638	55,638
Retained earnings		294,771	281,950	242,772
Revaluation surplus		39,466	40,157	42,397
Currency translation reserve		(26,962)	(34,132)	(34,632)
<b>Total equity attributable to equity holders of the parent company</b>		<b>363,163</b>	<b>343,863</b>	<b>306,425</b>
Non-controlling interests in joint stock companies		240	257	295
<b>Total equity</b>		<b>363,403</b>	<b>344,120</b>	<b>306,720</b>
<b>Non-current liabilities</b>				
Loans and borrowings		155,180	154,800	113,723
Non-controlling interests in limited liability companies		7,438	8,614	9,134
Other long-term liabilities		1,942	1,983	2,971
Deferred tax liabilities		5,540	6,489	7,687
		170,100	171,886	133,515
<b>Current liabilities</b>				
Loans and borrowings		74,686	71,408	70,138
Current portion of long-term loans and borrowings		28,098	28,105	23,071
Trade accounts payable		16,207	15,473	13,615
Current income tax		-	109	25
Other liabilities and accounts payable		21,085	20,249	21,816
		140,076	135,344	128,665
<b>Total equity and liabilities</b>		<b>673,579</b>	<b>651,350</b>	<b>568,900</b>

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**CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2013**

<i>(in thousands of Ukrainian hryvnias)</i>	<i>Notes</i>	<b>2013</b> <b>(unaudited)</b>	<b>2012</b> <b>(restated)</b>
<b>Revenues</b>	8	<b>895,084</b>	686,162
Cost of revenues		<b>(653,937)</b>	(424,468)
Loss arising from remeasurement of agricultural produce to fair value		<b>(49,279)</b>	(62,452)
<b>Gross profit</b>		<b>191,868</b>	199,242
Changes in fair value of biological assets	13	<b>51,891</b>	5,687
Other operating income	9	<b>5,319</b>	5,570
General and administrative expense	10	<b>(27,624)</b>	(35,917)
Selling and distribution expense	11	<b>(32,382)</b>	(33,056)
Other operating expense	12	<b>(8,527)</b>	(10,168)
<b>Profit from operations</b>		<b>180,545</b>	131,358
Finance costs	14	<b>(70,419)</b>	(54,580)
Finance income	14	<b>11,439</b>	10,653
Other (expense) income		<b>(460)</b>	599
Gain on acquisition of subsidiaries	5	-	5,560
<b>Profit before tax</b>		<b>121,105</b>	93,590
Income tax benefit (expense)		<b>1,853</b>	(1,839)
<b>Net profit</b>		<b>122,958</b>	91,751
<b>Net profit attributable to:</b>			
Non-controlling interests in joint stock companies		<b>(417)</b>	(498)
Equity holders of the parent company		<b>123,375</b>	92,249
<b>Net profit</b>		<b>122,958</b>	91,751
Weighted average basic and diluted shares outstanding (in thousands of shares)		<b>25,000</b>	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)		<b>4.94</b>	3.69

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**CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2013**

<i>(in thousands of Euros)</i>	<i>Notes</i>	<b>2013</b> <b>(unaudited)</b>	<b>2012</b> <b>(restated)</b>
<b>Revenues</b>	8	<b>83,289</b>	64,320
Cost of revenues		<b>(60,850)</b>	(39,789)
Loss arising from remeasurement of agricultural produce to fair value		<b>(4,586)</b>	(5,854)
<b>Gross profit</b>		<b>17,853</b>	18,677
Changes in fair value of biological assets	13	<b>4,829</b>	533
Other operating income	9	<b>495</b>	522
General and administrative expense	10	<b>(2,570)</b>	(3,367)
Selling and distribution expense	11	<b>(3,013)</b>	(3,099)
Other operating expense	12	<b>(795)</b>	(955)
<b>Profit from operations</b>		<b>16,799</b>	12,311
Finance costs	14	<b>(6,552)</b>	(5,116)
Finance income	14	<b>1,064</b>	999
Other (expense) income		<b>(43)</b>	55
Gain on acquisition of subsidiaries	5	<b>-</b>	521
<b>Profit before tax</b>		<b>11,268</b>	8,770
Income tax benefit (expense)		<b>172</b>	(172)
<b>Net profit</b>		<b>11,440</b>	<b>8,598</b>
<b>Net profit attributable to:</b>			
Non-controlling interests in joint stock companies		<b>(39)</b>	(47)
Equity holders of the parent company		<b>11,479</b>	8,645
<b>Net profit</b>		<b>11,440</b>	<b>8,598</b>
Weighted average basic and diluted shares outstanding (in thousands of shares)		<b>25,000</b>	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)		<b>0.46</b>	0.35

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# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2013**

<i>(in thousands of Ukrainian hryvnias)</i>	<b>2013</b>	<b>2012</b>
	<b>(unaudited)</b>	<b>(restated)</b>
<b>Net profit</b>	<b>122,958</b>	<b>91,751</b>
<b>Other comprehensive income</b>		
Currency translation differences	(556)	1,200
<b>Other comprehensive income, net of tax</b>	<b>(556)</b>	<b>1,200</b>
<b>Total comprehensive income</b>	<b>122,402</b>	<b>92,951</b>
<b>Attributable to:</b>		
Non-controlling interests in joint stock companies	(417)	(498)
Equity holders of the parent company	<b>122,819</b>	<b>93,449</b>
<b>Total comprehensive income as at 31 March</b>	<b>122,402</b>	<b>92,951</b>

The notes on pages 20 to 42 are an integral part of these condensed consolidated interim financial statements.

# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2013**

<i>(in thousands of Euros)</i>	<b>2013</b>	<b>2012</b>
	<b>(unaudited)</b>	<b>(restated)</b>
<b>Net profit</b>	<b>11,440</b>	<b>8,598</b>
<b>Other comprehensive income</b>		
Currency translation differences	<b>7,192</b>	<b>(9,235)</b>
<b>Other comprehensive income, net of tax</b>	<b>7,192</b>	<b>(9,235)</b>
<b>Total comprehensive income</b>	<b>18,632</b>	<b>(637)</b>
<b>Attributable to:</b>		
Non-controlling interests in joint stock companies	<b>(39)</b>	<b>(47)</b>
Equity holders of the parent company	<b>18,671</b>	<b>(590)</b>
<b>Total comprehensive income as at 31 March</b>	<b>18,632</b>	<b>(637)</b>

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## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2013

<i>(in thousands of Ukrainian hryvnias)</i>	<i>Notes</i>	<b>2013</b> <b>(unaudited)</b>	<b>2012</b> <b>(restated)</b>
<b>Operating activities</b>			
<b>Profit before tax</b>		<b>121,105</b>	93,590
<i>Adjustments for:</i>			
Depreciation and amortization		<b>69,084</b>	63,719
Allowance for impairment of trade and other accounts receivable		<b>(3,179)</b>	(2,224)
Gain on acquisition of subsidiaries	5	-	(5,560)
Gain on sales of property, plant and equipment		<b>(1,067)</b>	(55)
Write down of inventories	12	<b>244</b>	674
Finance income		<b>(11,439)</b>	(10,653)
Interest expense	14	<b>54,958</b>	53,033
Gain from changes in fair value of biological assets	13	<b>(51,891)</b>	(5,687)
Loss arising from remeasurement of agricultural produce to fair value		<b>49,279</b>	62,452
Loss from promissory note transactions		-	1,105
Recovery of assets previously written off		<b>(635)</b>	(161)
Non-controlling interests in limited liability companies		<b>(5,896)</b>	(58)
Foreign exchange (gain) loss on loans and borrowings, deposits		<b>16,372</b>	(1,596)
<i>Working capital adjustments:</i>			
Increase in inventories		<b>15,037</b>	50,861
Increase in trade and other receivables		<b>(130,657)</b>	(158,987)
Increase in biological assets due to other changes		<b>(54,337)</b>	(131,240)
Increase in trade and other payables		<b>4,002</b>	72,530
Income taxes paid		<b>(1,886)</b>	(1,913)
<b>Cash flows provided by operating activities</b>		<b>69,094</b>	79,830
<b>Investing activities</b>			
Purchase of property, plant and equipment, intangible assets and other non-current assets		<b>(167,916)</b>	(97,918)
Proceeds from sales of property, plant and equipment		<b>655</b>	163
Purchase of financial investments		<b>1,352</b>	(50)
Sale of promissory notes available-for-sale		-	(9,974)
Interest received	14	<b>5,543</b>	1,939
Acquisition of subsidiaries net of cash acquired		<b>(864)</b>	(601)
Cash deposits placement		-	(76,907)
Cash deposits withdrawal		<b>140,211</b>	116,384
<b>Cash flows used in investing activities</b>		<b>(21,019)</b>	(66,963)
<b>Financing activities</b>			
Proceeds from loans and borrowings		<b>489,087</b>	169,113
Repayment of loans and borrowings		<b>(522,469)</b>	(137,483)
Transaction costs on loans and borrowings		<b>(5,461)</b>	(4,358)
Interest paid		<b>(51,777)</b>	(52,334)
<b>Cash flows used in financing activities</b>		<b>(90,620)</b>	(25,062)
Net decrease in cash and cash equivalents		<b>(42,545)</b>	(12,195)
Cash and cash equivalents as at 1 January		<b>81,220</b>	52,140
<b>Cash and cash equivalents as at 31 March</b>		<b>38,675</b>	39,945

The notes on pages 20 to 42 are an integral part of these condensed consolidated interim financial statements



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2013

<i>(in thousands of Euros)</i>	<i>Notes</i>	<b>2013</b> <b>(unaudited)</b>	<b>2012</b> <b>(restated)</b>
<b>Operating activities</b>			
<b>Profit before tax</b>		<b>11,268</b>	8,770
<i>Adjustments for:</i>			
Depreciation and amortization		<b>6,429</b>	5,975
Allowance for impairment of trade and other accounts receivable		<b>(296)</b>	(208)
Gain on acquisition of subsidiaries	5	-	(521)
Gain on sales of property, plant and equipment		<b>(99)</b>	(5)
Write down of inventories	12	<b>23</b>	63
Finance income		<b>(1,064)</b>	(999)
Interest expense	14	<b>5,115</b>	4,971
Gain from changes in fair value of biological assets	13	<b>(4,829)</b>	(533)
Loss arising from remeasurement of agricultural produce to fair value		<b>4,586</b>	5,854
Loss from promissory note transactions		-	104
Recovery of assets previously written off		<b>(59)</b>	(15)
Non-controlling interests in limited liability companies		<b>(549)</b>	(5)
Foreign exchange (gain) loss on loans and borrowings, deposits		<b>1,523</b>	(150)
<i>Working capital adjustments:</i>			
Increase in inventories		<b>1,399</b>	4,767
Increase in trade and other receivables		<b>(12,158)</b>	(14,903)
Increase in biological assets due to other changes		<b>(5,056)</b>	(12,302)
Increase in trade and other payables		<b>372</b>	6,799
Income taxes paid		<b>(175)</b>	(179)
<b>Cash flows provided by operating activities</b>		<b>6,430</b>	7,483
<b>Investing activities</b>			
Purchase of property, plant and equipment, intangible assets and other non-current assets		<b>(15,625)</b>	(9,178)
Proceeds from sales of property, plant and equipment		<b>61</b>	15
Purchase of financial investments		<b>126</b>	(5)
Sale of promissory notes available-for-sale		-	(935)
Interest received	14	<b>515</b>	182
Acquisition of subsidiaries net of cash acquired		<b>(80)</b>	(56)
Cash deposits placement		-	(7,158)
Cash deposits withdrawal		<b>13,047</b>	10,832
<b>Cash flows used in investing activities</b>		<b>(1,956)</b>	(6,303)
<b>Financing activities</b>			
Proceeds from loans and borrowings		<b>45,510</b>	15,853
Repayment of loans and borrowings		<b>(48,617)</b>	(12,887)
Transaction costs on loans and borrowings		<b>(508)</b>	(409)
Interest paid		<b>(4,818)</b>	(4,906)
<b>Cash flows used in financing activities</b>		<b>(8,433)</b>	(2,349)
Net decrease in cash and cash equivalents		<b>(3,959)</b>	(1,169)
Cash and cash equivalents as at 1 January		<b>7,609</b>	5,003
<b>Currency translation difference</b>		<b>44</b>	<b>(116)</b>
<b>Cash and cash equivalents as at 31 March</b>		<b>3,694</b>	3,718

The notes on pages 20 to 42 are an integral part of these condensed consolidated interim financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2013

(in thousands of Ukrainian hryvnias)	Attributable to equity holders of the parent company						Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Subtotal		
	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)
<b>As at 1 January 2013 (restated)</b>	<b>1,663</b>	<b>369,798</b>	<b>2,919,776</b>	<b>380,558</b>	<b>697</b>	<b>3,672,492</b>	<b>2,742</b>	<b>3,675,234</b>
Net profit (loss)	-	-	123,375	-	-	123,375	(417)	122,958
Other comprehensive loss, net of tax	-	-	-	-	(556)	(556)	-	(556)
Total comprehensive income	-	-	123,375	-	(556)	122,819	(417)	122,402
Acquisitions from non-controlling shareholders and other changes	-	-	6,997	-	-	6,997	190	7,187
Realisation of revaluation surplus, net of tax	-	-	7,234	(7,234)	-	-	-	-
<b>As at 31 March 2013</b>	<b>1,663</b>	<b>369,798</b>	<b>3,057,382</b>	<b>373,324</b>	<b>141</b>	<b>3,802,308</b>	<b>2,515</b>	<b>3,804,823</b>

(in thousands of Euros)	Attributable to equity holders of the parent company						Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Subtotal		
	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)	(unadited)
<b>As at 1 January 2013 (restated)</b>	<b>250</b>	<b>55,638</b>	<b>281,950</b>	<b>40,157</b>	<b>(34,132)</b>	<b>343,863</b>	<b>257</b>	<b>344,120</b>
Net profit (loss)	-	-	11,479	-	-	11,479	(39)	11,440
Other comprehensive loss, net of tax	-	-	-	-	7,170	7,170	22	7,192
Total comprehensive income	-	-	11,479	-	7,170	18,649	(17)	18,632
Acquisitions from non-controlling shareholders and other changes	-	-	651	-	-	651	-	651
Realisation of revaluation surplus, net of tax	-	-	691	(691)	-	-	-	-
<b>As at 31 March 2013</b>	<b>250</b>	<b>55,638</b>	<b>294,771</b>	<b>39,466</b>	<b>(26,962)</b>	<b>363,163</b>	<b>240</b>	<b>363,403</b>

The notes on pages 20 to 42 are an integral part of these consolidated financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2012

	Attributable to equity holders of the parent company					Subtotal	Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment			
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>(in thousands of Ukrainian hryvnias)</i>								
<b>As at 1 January 2012 (restated)</b>	1,663	369,798	2,408,907	417,875	(1,692)	3,196,551	3,672	3,200,223
Net profit (loss)	-	-	92,249	-	-	92,249	(498)	91,751
Other comprehensive income, net of tax	-	-	-	-	1,200	1,200	-	1,200
Total comprehensive income	-	-	92,249	-	1,200	93,449	(498)	92,951
Acquisitions from non-controlling shareholders and other changes	-	-	2,482	-	-	2,482	-	2,482
Realisation of revaluation surplus, net of tax (note 13)	-	-	13,476	(13,476)	-	-	-	-
<b>As at 31 March 2012</b>	1,663	369,798	2,517,114	404,399	(492)	3,292,482	3,174	3,295,656

	Attributable to equity holders of the parent company					Subtotal	Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment			
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>(in thousands of Euros)</i>								
<b>As at 1 January 2012 (restated)</b>	250	55,638	232,640	43,651	(25,407)	306,772	352	307,124
Net profit (loss)	-	-	8,645	-	-	8,645	(47)	8,598
Other comprehensive loss, net of tax	-	-	-	-	(9,225)	(9,225)	(10)	(9,235)
Total comprehensive income	-	-	8,645	-	(9,225)	(580)	(57)	(637)
Acquisitions from non-controlling shareholders and other changes	-	-	233	-	-	233	-	233
Realisation of revaluation surplus, net of tax (note 13)	-	-	1,254	(1,254)	-	-	-	-
<b>As at 31 March 2012</b>	250	55,638	242,772	42,397	(34,632)	306,425	295	306,720

The notes on pages 20 to 42 are an integral part of these consolidated financial statements

## 1 BACKGROUND

### (a) Organisation and operations

These consolidated 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 the 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 number of subsidiaries in Ukraine (hereinafter the Company and its subsidiaries are collectively referred to 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.

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

### (b) Ukrainian business environment

The Ukrainian economy while deemed to be of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, low levels of liquidity in the capital markets, high inflation and the existence of currency controls which cause the national currency to be illiquid outside of Ukraine. The stability of the Ukrainian economy will 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 market downturns and economic slowdowns elsewhere in the world. The global financial crisis has resulted in a decline in the gross domestic product, capital markets instability, significant deterioration in the liquidity of the banking sector and tighter credit conditions within Ukraine.

Whilst the Ukrainian Government continues to introduce various stabilisation measures aimed at supporting the banking sector and providing liquidity to Ukrainian banks and companies, there continues to be uncertainty regarding access to capital and its cost for the Group and its counterparties, which could affect the Group's financial position, results of operations and business prospects.

Whilst management believes it is taking appropriate measures to support the sustainability of the Group's business in the current circumstances, continued and unexpected further deterioration in the areas described above could negatively affect the Group's results and financial position in a manner not currently determinable.

## 2 BASIS OF PREPARATION

### (a) Statement of compliance

These condensed consolidated interim financial statements for the three months ended 31 March 2013 have been prepared in accordance with IAS 34 Interim Financial Reporting.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2012 which have been prepared in accordance with IFRS.

**(b) Basis of consolidation**

Subsidiaries are those enterprises that are 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 consolidated financial statements of the Company from the date that control effectively commences until the date that control effectively ceases.

As at 31 March 2013 Astarta Holding N.V. owns shares, directly and indirectly, in a number of subsidiaries, joint ventures and an associate with the following percentage of ownership:

		31 March 2013	31 December 2012	31 March 2012
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 “APO “Tsukrovyk Poltavshchyny”	Sugar production	99.72%	99.26%	99.20%
LLC “Agricultural company “Dovzhenko”	Agricultural	97.53%	97.03%	97.03%
LLC “Shyshaki combined forage factory”	Fodder production	90.56%	90.56%	90.56%
LLC “Agricultural company “Dobrobut”	Agricultural	98.24%	98.24%	98.11%
LLC “Agricultural company “Musievske”	Agricultural	89.98%	89.98%	89.98%
LLC “Globino processing factory “Globus”	Canning	99.98%	99.98%	99.98%
LLC “Dobrobut” (Novo-Sanzharskiy region)	production, trade	99.98%	99.98%	99.98%
OJSC “Agricultural company “Agrocomplex”	Agricultural	99.98%	99.98%	99.98%
OJSC “Agricultural company “Zhdanivske”	Agricultural	83.80%	83.80%	83.80%
LLC “Investment company “Poltavazernoproduct”	Agricultural	97.97%	97.97%	97.97%
LLC “List-Ruchky”	Agricultural	98.68%	98.68%	98.33%
LLC “Agropromgaz”	Agricultural	74.99%	74.99%	74.99%
LLC “Khmilnitske”	Trade	89.98%	89.98%	89.98%
LLC “Volochnysk-Agro”	Agricultural	99.17%	99.09%	99.09%
LLC “Agricultural company “Mirgorodska”	Agricultural	97.48%	97.48%	93.34%
LLC “Varovetske”	Agricultural	89.98%	89.98%	89.98%
LLC “Kobelyatskiy combined forage factory”	Agricultural	-	***	****
LLC “named after Ostrovskiy”	Fodder production	98.56%	98.56%	97.26%
SC “Agricultural company “Agro-Kors”	Agricultural	74.99%	74.99%	74.99%
LLC “Agricultural company “Khorolska”	Agricultural	99.98%	99.98%	99.98%
LLC “Lan”	Agricultural	98.95%	98.99%	99.88%
LLC “Nika”	Agricultural	99.98%	99.98%	99.98%
LLC “Zhytnytsya Podillya”	Agricultural	98.98%	98.98%	99.98%
LLC “Astarta-Selektsiya”	Agricultural	74.99%	74.99%	74.99%
LLC “Tarasivske”	Research and development	-	***	97.98%
LLC “Agro-Tradex”	Trade	-	*	99.98%
LLC “Zorya”	Agricultural	-	***	99.48%
LLC “Agrosvit Savyntsi”	Agricultural	98.98%	98.98%	98.98%

		31 March 2013	31 December 2012	31 March 2012
Name	Activity	% of ownership	% of ownership	% of ownership
<b>Subsidiaries:</b>				
LLC "Pershe Travnya"	Agricultural	-	-.***	89.98%
LLC "Kolos"	Agricultural	-	-.***	89.98%
LLC "Khorolskiy combined forage factory"	Fodder production	99.24%	99.24%	92.77%
PC "Lan-M"	Agricultural	99.98%	99.98%	99.98%
LLC "Agricultural company "named after Vatutin"	Agricultural	-	-.***	79.98%
LLC "named after Vorovskiy"	Agricultural	-	-.***	99.98%
OJSC "Novoivanivskiy sugar plant"	Sugar production	94.28%	94.28%	94.28%
PC "Kumanivske"	Agricultural	-	-.***	99.98%
LLC "Zarichya"	Agricultural	-	-.***	99.98%
LLC "Zbruch"	Agricultural	-	-.***	99.98%
LLC "Geoexpertservice"	Agricultural	100.00%	100.00%	98.33%
LLC "Investpromgaz"	Trade	99.93%	99.93%	-
LLC "Tsukragromprom"	Trade	99.98%	99.91%	-
LLC "Agricultural company Slobozhansk'ka Zhytnitsa"	Agricultural	50.99%	50.99%	-
LLC "Volochnys'k-tsukor"	Trade	97.48%	97.48%	-
LLC "Globyns'kiy tsukor"	Sugar production	98.68%	98.68%	-
LLC "Podilskiy krai"	Agricultural	50.32%	-	-

\* In August 2012, the Group disposed its subsidiary LLC "Agro-Tradex" for cash proceeds of UAH 55 thousand. Net liabilities of the company at the date of disposal comprised UAH 133 thousand. Gain on disposal of UAH 188 thousand was included in income statement.

\*\*Name of the subsidiary "Globino canning factory "Globus" was changed to LLC "Globino processing factory "Globus"

\*\*\*LLC "named after Vorovskiy" was merged with LLC "Agricultural company "Dobrobut" ; LLC "Varovetske", PC "Kumanivske" and LLC "Zbruch" were merged with LLC "Volochnys'k-Agro"; LLC "Tarasivske", LLC "Zorya", LLC "Agricultural company "named after Vatutin", LLC "Pershe Travnya" and LLC "Kolos" were merged with LLC "Agricultural company "Khorolska"; LLC "Zarichya" was merged with LLC "Khmilnitske"

\*\*\*\* agri-companies in the process of deregistration with the state authorities

#### Associate:

LLC "Agricultural company "Pokrovska"	Agricultural	49,99%	49,99%
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#### Joint venture:

LLC "APK Savynska"	Agricultural	49,99%	49,99%
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#### Jointly controlled operations

SC "Konyarstvo Ukrainy"	Agricultural	80%	80%
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SC "Agricultural company named after Ivanenko"	Agricultural	80%	80%
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All subsidiaries, joint venture, jointly controlled operations and the associate, except for Ancor Investments Ltd, are incorporated in Ukraine. Ancor Investments Ltd is incorporated in Cyprus.

### (c) Functional and presentation currency

Each entity in the Group determines its own functional currency and items included in the separate financial statements of each entity are measured using that functional currency. The functional currency of the Company and its Cypriot subsidiary is Euro (EUR). The operating subsidiaries, joint ventures and associates registered in Ukraine have the Ukrainian hryvnia (UAH) as their functional currency.

The consolidated financial statements are presented in UAH and all values are rounded to the nearest thousand, except when otherwise indicated. For the benefit of certain users, the Group also presents all numerical information in EUR. The translation of UAH denominated assets and liabilities into EUR in these consolidated financial statements does not necessarily mean that the Group could realize or settle in EUR the reported values of these assets and liabilities. Likewise, it does not necessarily mean that the Group could return or distribute the reported EUR value retained earnings to its shareholders. For the purposes of presenting financial information in EUR, assets and liabilities of the Ukrainian subsidiaries, joint ventures and associates are translated from UAH to EUR using the closing rates at each reporting date, and income and expenses, and cash flows are translated at the rates ruling at transactions date. The Group uses the interbank foreign exchange rates. The resulting translation differences are recognized in other comprehensive income presented in EUR.

The principal Ukrainian Hryvnia (“UAH”) exchange rates used in the preparation of the consolidated financial statements are as follows:

Currency	Average reporting period rate		Reporting date rate	
	2013	2012	2013	2012
EUR	10.75	10.67	10.47	10.75
USD	8.13	8.12	8.15	8.03

## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed consolidated interim financial statements are the same as those applied by the Group in its annual financial statements for the year ended 31 December 2012 except for the adoption of new Standards and Interpretations noted below.

### (a) New and amended standards and interpretations adopted

#### *IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1*

The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or “recycled”) to profit or loss at a future point in time (for example, net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group’s financial position or performance.

#### *IFRS 1 Government Loans – Amendments to IFRS 1*

These amendments require first-time adopters to apply the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to IFRS. Entities may choose to apply the requirements of IFRS 9 (or IAS



39, as applicable) and IAS 20 to government loans retrospectively if the information needed to do so had been obtained at the time of initially accounting for that loan. The exception would give first-time adopters relief from retrospective measurement of government loans with a below-market rate of interest. The amendment has no impact on the Group.

#### *IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*

These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. These amendments do not impact the Group's financial position or performance.

#### *IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements*

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation - Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. The Group is currently assessing the impact of this standard.

#### *IFRS 11 Joint Arrangements*

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities using proportionate consolidation. Instead, jointly controlled entities that meet the definition of a joint venture must be accounted for using the equity method. The application of this impacts the financial position of the Group. The Group ceases proportionate consolidating the joint venture and starts equity accounting for the joint venture from 1 January 2013. For more details please refer to Note 4 Changes in accounting policy.

#### *IFRS 12 Disclosure of interests in other entities*

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. The standard affects disclosure only and has no impact on the Group's financial position or performance.

#### *IFRS 13 Fair Value Measurement*

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The standard has no impact on the Group's financial position or performance.

#### *IAS 19 Employee Benefits (Revised)*

The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The amendment becomes effective for annual periods beginning on or after 1 January 2013. The standard will have no impact on the Group's financial position or performance.

#### *IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)*

As a consequence of the new IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed IAS 28 Investments in Associates and



Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates.

#### *IAS 32 Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32*

These amendments clarify the meaning of “currently has a legally enforceable right to set-off”. The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are not expected to impact the Group’s financial position or performance and become effective for annual periods beginning on or after 1 January 2014.

#### *Annual Improvements May 2012*

These improvements do not have an impact on the Group, but include:

#### *IFRS 1 First-time Adoption of International Financial Reporting Standards*

This improvement clarifies that an entity that stopped applying IFRS in the past and chooses, or is required, to apply IFRS, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, an entity must retrospectively restate its financial statements as if it had never stopped applying IFRS.

#### *IAS 1 Presentation of Financial Statements*

This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is the previous period.

#### *IAS 16 Property Plant and Equipment*

This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

#### *IAS 32 Financial Instruments, Presentation*

This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.

#### *IAS 34 Interim Financial Reporting*

The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures.

### **(b) New and amended standards and interpretations not yet adopted**

#### *IFRS 9 Financial Instruments: Classification and Measurement*

IFRS 9 as issued reflects the first phase of the IASB’s work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected in 2012. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Group’s financial assets, but will potentially have no impact on classification and measurements of financial liabilities. The Group will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture. The standard becomes effective for annual periods beginning on or after 1 January 2015.

## **4 CHANGES IN ACCOUNTING POLICIES**

As stated in Note 3 Significant accounting policies, the Group changed its policy for accounting for jointly controlled entities under IFRS 11, from application of proportionate consolidating to equity accounting with effect from 1 January 2013.

Equity accounting has been retrospectively applied in the Consolidated financial statements and the following tables show the effect of the change for the three months of 2012, years 2012 and 2011.

## Consolidated statement of financial position

<i>(in thousands of Ukrainian hryvnias)</i>	31 December 2012	Restatement	31 December 2012 (restated)	31 March 2012	Restatement	31 March 2012 (restated)	31 December 2011	Restatement	31 December 2011 (restated)
<b>ASSETS</b>									
<b>Non-current assets</b>									
Property, plant and equipment	2,363,684	(11,354)	2,352,330	2,137,567	(7,633)	2,129,934	2,101,871	(7,771)	2,094,100
Intangible assets	63,977	-	63,977	78,677	-	78,677	84,318	-	84,318
Biological assets	261,051	-	261,051	233,969	-	233,969	209,935	-	209,935
Financial instruments available-for-sale	15,066	-	15,066	11,734	-	11,734	11,684	-	11,684
Long-term receivables	691	-	691	18,376	-	18,376	18,376	-	18,376
Other long-term assets	36,936	-	36,936	22,804	-	22,804	19,017	-	19,017
Long-term cash deposits	138,937	-	138,937	174,900	-	174,900	174,922	-	174,922
Deferred tax assets	101	-	101	651	-	651	1,809	-	1,809
	2,880,443	(11,354)	2,869,089	2,678,678	(7,633)	2,671,045	2,621,932	(7,771)	2,614,161
<b>Current assets</b>									
Inventories	2,497,865	(11,527)	2,486,338	1,947,459	(7,713)	1,939,746	1,999,638	(14,619)	1,985,019
Biological assets	774,225	-	774,225	617,315	-	617,315	563,425	-	563,425
Trade accounts receivable	397,416	(1,893)	395,523	346,537	(1,877)	344,660	303,670	(465)	303,205
Other accounts receivable and prepayments	304,970	(1,557)	303,414	385,668	14,425	400,093	269,026	(765)	268,261
Current income tax	420	-	420	966	-	966	667	-	667
Promissory notes available-for-sale	-	-	-	8,873	-	8,873	4	-	4
Short-term cash deposits	46,212	-	46,212	90,131	-	90,131	130,153	-	130,153
Cash and cash equivalents	81,265	(45)	81,220	40,147	(202)	39,945	53,211	(1,071)	52,140
	4,102,373	(15,021)	4,087,352	3,437,096	4,633	3,441,729	3,319,794	(16,919)	3,302,875
<b>Total assets</b>	6,982,816	(26,375)	6,956,441	6,115,774	(3,000)	6,112,774	5,941,726	(24,690)	5,917,036

<i>(in thousands of Ukrainian hryvnias)</i>	31 December 2012	Restatement	31 December 2012 (restated)	31 March 2012	Restatement	31 March 2012 (restated)	31 December 2011	Restatement	31 December 2011 (restated)
<b>EQUITY AND LIABILITIES</b>									
<b>Equity</b>									
Share capital	1,663	-	1,663	1,663	-	1,663	1,663	-	1,663
Additional paid-in capital	369,798	-	369,798	369,798	-	369,798	369,798	-	369,798
Retained earnings	2,910,351	9,425	2,919,776	2,513,565	3,549	2,517,114	2,405,670	3,237	2,408,907
Revaluation surplus	380,558	-	380,558	404,399	-	404,399	417,875	-	417,875
Currency translation reserve	697	-	697	(492)	-	(492)	(1,693)	-	(1,693)
<b>Total equity attributable to equity holders of the parent company</b>	<b>3,663,067</b>	<b>9,425</b>	<b>3,672,492</b>	<b>3,288,933</b>	<b>3,549</b>	<b>3,292,482</b>	<b>3,193,313</b>	<b>3,237</b>	<b>3,196,550</b>
Non-controlling interests in joint stock companies	2,742	-	2,742	3,174	-	3,174	3,672	-	3,672
<b>Total equity</b>	<b>3,665,809</b>	<b>9,425</b>	<b>3,675,234</b>	<b>3,292,107</b>	<b>3,549</b>	<b>3,295,656</b>	<b>3,196,985</b>	<b>3,237</b>	<b>3,200,222</b>
<b>Non-current liabilities</b>			-			-			-
Loans and borrowings	1,653,260	-	1,653,260	1,221,952	-	1,221,952	1,121,125	-	1,121,125
Non-controlling interests in limited liability companies	92,002	-	92,002	98,142	-	98,142	100,613	-	100,613
Other long-term liabilities	21,175	-	21,175	31,923	-	31,923	30,148	-	30,148
Deferred tax liabilities	69,302	-	69,302	82,601	-	82,601	83,505	-	83,505
	<b>1,835,739</b>	<b>-</b>	<b>1,835,739</b>	<b>1,434,618</b>	<b>-</b>	<b>1,434,618</b>	<b>1,335,391</b>	<b>-</b>	<b>1,335,391</b>
<b>Current liabilities</b>			-			-			-
Loans and borrowings	762,637	-	762,637	753,629	-	753,629	875,849	-	875,849
Current portion of long-term loans and borrowings	300,158	-	300,158	247,899	-	247,899	189,418	-	189,418
Trade accounts payable	172,873	(7,625)	165,248	147,067	(779)	146,288	95,068	(1,494)	93,574
Current income tax	1,161	-	1,161	269	-	269	1,917	-	1,917
Other liabilities and accounts payable	244,439	(28,175)	216,264	240,185	(5,770)	234,415	247,098	(26,434)	220,664
	<b>1,481,268</b>	<b>(35,801)</b>	<b>1,445,467</b>	<b>1,389,049</b>	<b>(6,549)</b>	<b>1,382,500</b>	<b>1,409,350</b>	<b>(27,928)</b>	<b>1,381,422</b>
<b>Total equity and liabilities</b>	<b>6,982,816</b>	<b>(26,375)</b>	<b>6,956,441</b>	<b>6,115,774</b>	<b>(3,000)</b>	<b>6,112,774</b>	<b>5,941,726</b>	<b>(24,691)</b>	<b>5,917,036</b>

## Consolidated statement of financial position

<i>(in thousands of Euros)</i>	31 December 2012	Restatement	31 December 2012 (restated)	31 March 2012	Restatement	31 March 2012 (restated)	31 December 2011	Restatement	31 December 2011 (restated)
<b>ASSETS</b>									
<b>Non-current assets</b>									
Property, plant and equipment	221,319	(1,063)	220,256	198,936	(710)	198,226	201,715	(746)	200,969
Intangible assets	5,990	-	5,990	7,322	-	7,322	8,092	-	8,092
Biological assets	24,443	-	24,443	21,775	-	21,775	20,148	-	20,148
Financial instruments available-for-sale	1,411	-	1,411	1,092	-	1,092	1,060	-	1,060
Long-term receivables	65	-	65	1,710	-	1,710	1,825	-	1,825
Other long-term assets	3,458	-	3,458	2,123	-	2,123	1,826	-	1,826
Long-term cash deposits	13,009	-	13,009	16,277	-	16,277	16,787	-	16,787
Deferred tax assets	9	-	9	61	-	61	174	-	174
	269,704	(1,063)	268,641	249,296	(710)	248,586	251,627	(746)	250,881
<b>Current assets</b>			-			-	-		-
Inventories	233,882	(1,079)	232,803	181,246	(718)	180,528	191,904	(1,403)	190,501
Biological assets	72,493	-	72,493	57,452	-	57,452	54,071	-	54,071
Trade accounts receivable	37,211	(178)	37,033	32,251	(175)	32,077	29,143	(45)	29,098
Other accounts receivable and prepayments	28,555	(146)	28,409	35,893	1,342	37,235	25,819	(73)	25,746
Current income tax	39	-	39	90	-	90	64	-	64
Promissory notes available-for-sale	-	-	-	826	-	826	-	-	-
Short-term cash deposits	4,327	-	4,327	8,388	-	8,388	12,491	-	12,491
Cash and cash equivalents	7,609	(4)	7,605	3,737	(19)	3,718	5,106	(103)	5,003
	384,116	(1,407)	382,709	319,883	431	320,314	318,598	(1,624)	316,974
<b>Total assets</b>	653,820	(2,470)	651,350	569,179	(280)	568,899	570,225	(2,369)	567,855

<i>(in thousands of Euros)</i>	31 December 2012	Restatement	31 December 2012 (restated)	31 March 2012	Restatement	31 March 2012 (restated)	31 December 2011	Restatement	31 December 2011 (restated)
<b>EQUITY AND LIABILITIES</b>									
<b>Equity</b>									
Share capital	250	-	250	250	-	250	250	-	250
Additional paid-in capital	55,638	-	55,638	55,638	-	55,638	55,638	-	55,638
Retained earnings	281,046	904	281,950	242,432	340	242,772	232,329	311	232,640
Revaluation surplus	40,157	-	40,157	42,397	-	42,397	43,651	-	43,651
Currency translation reserve	(34,110)	(22)	(34,132)	(34,622)	(10)	(34,632)	(25,407)	0	(25,407)
<b>Total equity attributable to equity holders of the parent company</b>	<b>342,981</b>	<b>882</b>	<b>343,863</b>	<b>306,095</b>	<b>330</b>	<b>306,425</b>	<b>306,461</b>	<b>311</b>	<b>306,772</b>
Non-controlling interests in joint stock companies	257	-	257	295	-	295	352	-	352
<b>Total equity</b>	<b>343,238</b>	<b>882</b>	<b>344,120</b>	<b>306,390</b>	<b>330</b>	<b>306,720</b>	<b>306,813</b>	<b>311</b>	<b>307,124</b>
<b>Non-current liabilities</b>			-			-	-		-
Loans and borrowings	154,800	-	154,800	113,723	-	113,723	107,593	-	107,593
Non-controlling interests in limited liability companies	8,614	-	8,614	9,134	-	9,134	9,656	-	9,656
Other long-term liabilities	1,983	-	1,983	2,971	-	2,971	2,894	-	2,894
Deferred tax liabilities	6,489	-	6,489	7,687	-	7,687	8,014	-	8,014
	171,886	-	171,886	133,515	-	133,515	128,157	-	128,157
<b>Current liabilities</b>			-			-	-		-
Loans and borrowings	71,408	-	71,408	70,138	-	70,138	84,055	-	84,055
Current portion of long-term loans and borrowings	28,105	-	28,105	23,071	-	23,071	18,178	-	18,178
Trade accounts payable	16,187	(714)	15,473	13,687	(72)	13,615	9,124	(143)	8,981
Current income tax	109	-	109	25	-	25	184	-	184
Other liabilities and accounts payable	22,887	(2,638)	20,249	22,353	(537)	21,816	23,714	(2,537)	21,177
	138,696	(3,352)	135,344	129,274	(609)	128,665	135,255	(2,680)	132,575
<b>Total equity and liabilities</b>	<b>653,820</b>	<b>(2,470)</b>	<b>651,350</b>	<b>569,179</b>	<b>(279)</b>	<b>568,900</b>	<b>570,225</b>	<b>(2,369)</b>	<b>567,856</b>

## Consolidated income statement

<i>(in thousands of Ukrainian hryvnias)</i>	31 December 2012	Restatement	31 December 2012	31 March 2012	Restatement	31 March 2012	31 December 2011	Restatement	31 December 2011
<b>Revenues</b>	3,701,605	(17,615)	3,683,990	694,111	(7,949)	686,162	3,385,529	(31,951)	3,353,578
Cost of revenues	(2,765,176)	18,503	(2,746,673)	(432,905)	8,437	(424,468)	(2,157,642)	28,979	(2,128,663)
(Loss) gain arising from remeasurement of agricultural produce to fair value	(77,344)	-	(77,344)	(62,452)	-	(62,452)	120,068	-	120,068
<b>Gross profit</b>	<b>859,085</b>	<b>888</b>	<b>859,973</b>	<b>198,754</b>	<b>488</b>	<b>199,242</b>	<b>1,347,955</b>	<b>(2,971)</b>	<b>1,344,984</b>
Changes in fair value of biological assets	171,981	-	171,981	5,687	-	5,687	20,364	-	20,364
Other operating income	24,636	(67)	24,569	5,570	-	5,570	8,711	-	8,711
General and administrative expense	(168,234)	1,957	(166,277)	(36,183)	266	(35,917)	(122,105)	2,083	(120,022)
Selling and distribution expense	(207,808)	539	(207,269)	(33,144)	88	(33,056)	(147,849)	2,548	(145,301)
Other operating expense	(62,728)	1,031	(61,697)	(9,482)	(686)	(10,168)	(65,993)	1,554	(64,439)
<b>Profit from operations</b>	<b>616,932</b>	<b>4,348</b>	<b>621,280</b>	<b>131,202</b>	<b>156</b>	<b>131,358</b>	<b>1,041,083</b>	<b>3,213</b>	<b>1,044,296</b>
Finance costs	(256,058)	1,811	(254,247)	(54,736)	155	(54,580)	(225,107)	104	(225,003)
Finance income	62,071	(22)	62,049	10,653	-	10,653	27,442	(1)	27,441
Other (expense) income	16,467	(11)	16,456	599	-	599	19,879	(22)	19,857
Gain on acquisition of subsidiaries	18,148	-	18,148	5,560	-	5,560	140,311	-	140,311
<b>Profit before tax</b>	<b>457,560</b>	<b>6,126</b>	<b>463,686</b>	<b>93,278</b>	<b>311</b>	<b>93,590</b>	<b>1,003,608</b>	<b>3,294</b>	<b>1,006,902</b>
Income tax benefit (expense)	8,874	62	8,936	(1,839)	-	(1,839)	(27,499)	(56)	(27,555)
<b>Net profit</b>	<b>466,434</b>	<b>6,188</b>	<b>472,622</b>	<b>91,439</b>	<b>311</b>	<b>91,751</b>	<b>976,109</b>	<b>3,238</b>	<b>979,347</b>
Net profit attributable to:									
Non-controlling interests in joint stock companies	(930)	-	(930)	(498)	-	(498)	(310)	-	(310)
Equity holders of the parent company	467,364	-	473,552	91,937	-	92,249	976,419	-	979,657
-									
<b>Net profit</b>	<b>466,434</b>	<b>6,188</b>	<b>472,622</b>	<b>91,439</b>	<b>311</b>	<b>91,751</b>	<b>976,109</b>	<b>3,238</b>	<b>979,347</b>
Weighted average basic and diluted shares outstanding (in thousands of shares)	25,000		25,000	25,000		25,000	25,000		25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)	18.66		18.90	3.66		3.67	39.04		39.17

## Consolidated income statement

<i>(in thousands of Euros)</i>	31 December 2012	Restatement	31 December 2012	31 March 2012	Restatement	31 March 2012	31 December 2011	Restatement	31 December 2011
<b>Revenues</b>	354,272	(1,690)	352,582	65,065	(745)	64,320	304,650	(2,865)	301,785
Cost of revenues	(264,789)	1,776	(263,013)	(40,580)	791	(39,789)	(194,126)	2,599	(191,527)
(Loss) gain arising from remeasurement of agricultural produce to fair value	(6,793)	-	(6,793)	(5,854)	-	(5,854)	10,781	-	10,781
<b>Gross profit</b>	82,690	85	82,775	18,631	46	18,677	121,305	(266)	121,039
Changes in fair value of biological assets	16,503	-	16,503	533	-	533	1,826	-	1,826
Other operating income	2,366	(6)	2,360	522	-	522	782	-	782
General and administrative expense	(16,142)	188	(15,954)	(3,392)	25	(3,367)	(10,997)	187	(10,810)
Selling and distribution expense	(19,828)	52	(19,776)	(3,107)	8	(3,099)	(13,381)	228	(13,153)
Other operating expense	(5,977)	99	(5,878)	(891)	(64)	(955)	(5,922)	139	(5,783)
<b>Profit from operations</b>	59,612	417	60,029	12,296	15	12,311	93,613	288	93,901
Finance costs	(24,640)	174	(24,466)	(5,131)	14	(5,116)	(20,295)	9	(20,286)
Finance income	5,973	(2)	5,971	999	-	999	2,474	-	2,474
Other (expense) income	1,588	(1)	1,587	56	-	56	1,775	(2)	1,773
Gain on acquisition of subsidiaries	1,745	-	1,745	521	-	521	12,548	-	12,548
<b>Profit before tax</b>	44,278	588	44,866	8,741	29	8,770	90,115	295	90,411
Income tax benefit (expense)	855	6	861	(172)	-	(172)	(2,379)	(5)	(2,384)
<b>Net profit</b>	45,133	594	45,727	8,569	29	8,598	87,736	290	88,027
<b>Net profit attributable to:</b>									
Non-controlling interests in joint stock companies	(90)	-	(90)	(47)	-	(47)	(29)	-	(29)
Equity holders of the parent company	45,223	-	45,817	8,616	-	8,645	87,765	-	88,056
<b>Net profit</b>	45,133	594	45,727	8,569	29	8,598	87,736	290	88,027
Weighted average basic and diluted shares outstanding (in thousands of shares)	25,000		25,000	25,000		25,000	25,000		25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)	1.81		1.83	0.34		0.34	3.51		3.52

As at 31 March 2013 and 2012 as well as 31 December 2012 and 2011 the jointly-controlled entity for which restatements relate was APK Savynska (49,99%).

## 5 BUSINESS COMBINATIONS

During three months ended 31 March 2013, the Group completed acquisition of LLC “Podilskiy Krai” which is non-listed agricultural company located in Ukraine with the purpose to expand the agricultural land leases bank. Share of the Group as at the date of acquisition (01.01.13) was 50,30 %

The acquisition of the company 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)	(in thousands of Euros)
	(unaudited)	(unaudited)
<b>Non-current assets</b>		
Property, plant and equipment	113	11
Construction in progress	4	-
<b>Current assets</b>		
Trade accounts receivable	4,354	408
Other accounts receivable and prepayments	1,348	126
Cash and cash equivalents	32	3
<b>Non-current liabilities</b>		
Non-controlling interest	1,042	98
<b>Current liabilities</b>		
Trade accounts payable	(7,906)	(740)
Other liabilities and accounts payable	(42)	(4)
<b>Net identifiable assets, liabilities and contingent liabilities</b>	<b>(1,055)</b>	<b>(98)</b>
Goodwill	(1,951)	(183)
Consideration paid	(896)	(84)
Cash acquired	32	3
<b>Net cash outflow</b>	<b>(864)</b>	<b>(81)</b>



During the three months ended 31 March 2012, the Group completed acquisitions of 3 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
PC "Mir"	Ukraine	Agricultural	01.01.2012	99.06%
LLC "Agricultural company "Pershe travnya"	Ukraine	Agricultural	07.01.2012	89.98%
LLC "Agricultural company "Kolos"	Ukraine	Agricultural	21.02.2012	89.98%

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)
<b>Non-current assets</b>		
Property, plant and equipment	2,991	273
<b>Current assets</b>		
Inventories	5,426	508
Current biological assets	3,495	327
Trade accounts receivable	987	92
Other accounts receivable and prepayments	735	77
<b>Non-current liabilities</b>		
Other long-term liabilities	(5,533)	(518)
Non-controlling interest	(59)	(6)
<b>Current liabilities</b>		
Trade accounts payable	(12)	(1)
Other liabilities and accounts payable	(1,869)	(175)
<b>Net identifiable assets, liabilities and contingent liabilities</b>	<b>6,161</b>	<b>577</b>
Excess of net assets acquired over consideration paid :	5,560	521
Consideration paid	(601)	(56)
<b>Net cash outflow</b>	<b>(601)</b>	<b>(56)</b>

For the business combinations in 2013 and 2012 there are no significant differences between fair value and carrying value of acquired assets and liabilities. Non-controlling interest is measured as the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

For acquisitions made during the three months ended 31 March 2013 and 2012, it is not practicable to determine what would be the total revenue and net profit for the three months ended 31 March 2013 and 2012 had the acquisitions occurred on 1 January in accordance with IFRS because the acquired companies' financial statements were prepared 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 the subsidiaries. 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.

## 6 BIOLOGICAL ASSETS

As at 31 March biological assets comprise the following groups:

<i>(in thousands of Ukrainian hryvnias)</i>	31 March 2013		31 December 2012		31 March 2012	
	Units	Amount (unaudited)	Units	Amount (audited)	Units	Amount (unaudited)
<b>Non-current biological assets:</b>						
Cattle	14,741	317,679	13,782	257,556	12,876	230,115
Other livestock		3,401		3,495		3,854
		321,080		261,051		233,969
<b>Current biological assets:</b>						
Cattle	14,366	243,268	15,247	202,563	16,047	191,862
Other livestock		6,319		5,888		7,171
		249,587		208,451		199,033
<b>Crops:</b>	<b>Hectares</b>		<b>Hectares</b>		<b>Hectares</b>	
Winter wheat	48,709	560,088	48,843	444,756	52,261	396,252
Winter rye	2,044	10,749	1,935	7,327	1,457	7,141
Corn	-	-	5,974	96,986	-	-
Sugar beet	-	-	508	8,522	-	-
Soy	-	-	793	8,183	-	-
Winter barley	-	-	-	-	3,314	14,889
	50,753	570,837	58,053	565,774	57,032	418,282
		820,424		774,225		617,315
<b>Total biological assets</b>		<b>1,141,504</b>		<b>1,035,276</b>		<b>851,284</b>

(in thousands of Euros)	31 March 2013		31 December 2012		31 March 2012	
	Units	Amount (unaudited)	Units	Amount (unaudited)	Units	Amount (unaudited)
<b>Non-current biological assets:</b>						
Cattle	14,741	30,342	13,782	24,116	12,876	21,416
Other livestock		325		327		359
		30,667		24,443		21,775
<b>Current biological assets:</b>						
Cattle	14,366	23,234	15,247	18,967	16,047	17,856
Other livestock		604		551		667
		23,838		19,518		18,523
<b>Crops:</b>	<b>Hectares</b>		<b>Hectares</b>		<b>Hectares</b>	
Winter wheat	48,709	53,495	48,843	41,644	52,261	36,878
Winter rye	2,044	1,027	1,935	686	1,457	665
Corn	-	-	5,974	9,081	-	-
Sugar beet	-	-	508	798	-	-
Soy	-	-	793	766	-	-
Winter barley	-	-	-	-	3,314	1,386
	50,753	54,522	58,053	52,975	57,032	38,929
		78,360		72,493		57,452
<b>Total biological assets</b>		<b>109,027</b>		<b>96,936</b>		<b>79,227</b>

## 7 INVENTORIES

Inventories as at 31 March are as follows:

(in thousands of Ukrainian hryvnias)	31 March 2013 (unaudited)	31 December 2012 (restated)	31 March 2012 (restated)
Finished goods:			
Sugar products	1,078,731	1,200,910	686,123
Agricultural produce	371,829	608,390	448,043
Cattle farming	859	703	824
Other production	6,437	6,517	4,614
Raw materials and consumables for:			
Sugar production	69,550	61,561	64,726
Agricultural produce	198,562	76,869	178,995
Cattle farming	60,526	88,863	46,407
Other production	1,570	520	1,164
Investments into future crops	634,349	442,005	508,849
	<b>2,422,413</b>	<b>2,486,338</b>	<b>1,939,746</b>

(in thousands of Euros)	31 March 2013 (unaudited)	31 December 2012 (restated)	31 March 2012 (restated)
Finished goods:			
Sugar products	103,030	112,444	63,855
Agricultural produce	35,514	56,965	41,698
Cattle farming	82	66	77
Other production	615	610	431
Raw materials and consumables for:		-	-
Sugar production	6,643	5,765	6,024
Agricultural produce	18,965	7,197	16,659
Cattle farming	5,781	8,321	4,319
Other production	150	49	108
Investments into future crops	60,587	41,386	47,357
	<b>231,367</b>	<b>232,803</b>	<b>180,528</b>

## 8 REVENUES

Revenues for the years ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
Sugar and related sales:				
Sugar	328,631	330,557	30,580	30,986
Molasses	9,599	13,890	893	1,302
Pulp	23,408	11,596	2,178	1,087
Other sugar related products and services	22,125	6,022	2,058	565
	<b>383,763</b>	<b>362,066</b>	<b>35,709</b>	<b>33,940</b>
Crops	376,145	224,610	35,001	21,055
Cattle farming	103,303	83,976	9,613	7,872
Other sales	31,873	15,510	2,966	1,453
	<b>511,321</b>	<b>324,096</b>	<b>47,580</b>	<b>30,380</b>
	<b>895,084</b>	<b>686,162</b>	<b>83,289</b>	<b>64,320</b>

During the three months ended 31 March 2013 and 2012 there were no sales settled through barter transactions.

## 9 OTHER OPERATING INCOME

Other operating income for the years ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
Government subsidies relating to:				
Cattle farming	5,206	3,916	484	367
Crop production	-	1,088	-	102
Other operating income	113	566	11	53
	<b>5,319</b>	<b>5,570</b>	<b>495</b>	<b>522</b>

**10 GENERAL AND ADMINISTRATIVE EXPENSES**

General and administrative expenses for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
Salary and related charges	12,613	19,622	1,173	1,839
Professional services	3,159	4,197	294	393
Depreciation	2,670	2,056	248	193
Taxes other than corporate income tax	2,113	2,246	197	211
Rent	1,537	1,417	143	133
Fuel and other materials	1,061	1,560	99	146
Communication	690	735	64	69
Office expenses	646	623	60	58
Bank charges	581	1,055	54	99
Maintenance	468	490	44	46
Insurance	240	525	22	49
Transportation	129	42	12	4
Other	1,717	1,350	160	127
	<b>27,624</b>	<b>35,917</b>	<b>2,570</b>	<b>3,367</b>

**11 SELLING AND DISTRIBUTION EXPENSES**

Selling and distribution expenses for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
Transportation	14,444	14,520	1,344	1,361
Storage and logistics	5,788	4,093	539	384
Salary and related charges	5,396	5,672	502	532
Professional services	2,622	1,669	244	156
Fuel and other materials	1,860	3,425	173	321
Depreciation	1,211	1,033	113	97
Commissions	368	1,638	34	154
Customs duties and services	82	503	8	47
Allowance for trade accounts receivable	(3,209)	(2,347)	(299)	(220)
Advertising	-	46	-	4
Other	3,820	2,804	355	263
	<b>32,382</b>	<b>33,056</b>	<b>3,013</b>	<b>3,099</b>

**12 OTHER OPERATING EXPENSES**

Other operating expenses for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
Charity and social expenses	3,546	3,223	331	303
VAT written off	2,149	2,022	200	190
Other salary and related charges	952	634	89	60
Penalties paid	501	983	47	92
Depreciation	521	527	49	50
Write down of inventories	244	674	23	63
Representative expenses	146	114	14	11
Allowance for other accounts receivable	30	123	3	12
Canteen expenses	16	12	1	1
Other	422	1,856	38	173
	<b>8,527</b>	<b>10,168</b>	<b>795</b>	<b>955</b>

**13 CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS**

Changes in fair value of biological assets for the three months ended 31 March are as follows:

	2013 (unaudited)	2012 (unaudited)	2013 (unaudited)	2012 (unaudited)
Non-current livestock	48,082	15,863	4,475	1,487
Current livestock	38,432	(4,292)	3,576	(402)
Crops	(34,623)	(5,884)	(3,222)	(552)
	<b>51,891</b>	<b>5,687</b>	<b>4,829</b>	<b>533</b>

**14 FINANCE (COSTS) INCOME**

Finance (costs) income for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		(in thousands of Euros)	
	2013 (unaudited)	2012 (restated)	2013 (unaudited)	2012 (restated)
<b>Finance costs</b>				
Interest expense:	(54,958)	(53,033)	(5,115)	(4,971)
Foreign currency exchange loss, net	(8,808)	-	(820)	-
Payment to shareholders for pledged shares	(5,197)	-	(484)	-
Loss from promissory note transactions	-	(1,105)	-	(104)
Other finance costs	(1,456)	(442)	(133)	(41)
	<b>(70,419)</b>	<b>(54,580)</b>	<b>(6,552)</b>	<b>(5,116)</b>
<b>Finance income</b>				
Interest income:	5,543	1,939	515	182
Net profit attributable to non-controlling interests of limited liability company subsidiaries	5,896	58	549	5
Foreign currency exchange gain, net	-	6,220	-	583
Other finance income	-	2,436	-	229
	<b>11,439</b>	<b>10,653</b>	<b>1,064</b>	<b>999</b>

**15 RELATED PARTY TRANSACTIONS**

The Group performs transactions with related parties in the ordinary course of business. Related parties comprise the Group's associates, joint ventures, the shareholders, companies that are under control of the Group's shareholders, 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 related party transactions may differ from market terms.

The following table provides the total amount of transactions that have been entered into with related parties for the three months ended 31 March 2013 as well as balances with related parties as of 31 March 2013:

(in thousands of Ukrainian hryvnias )	Sales to related parties: (unaudited)	Purchases from related parties: (unaudited)	Amounts owed by related parties: (unaudited)	Amounts owed to related parties: (unaudited)
Companies under common control	11	210	4,827	55
Joint venture	10,664	2,956	17,996	4,200
Associate	-	-	932	171
	<b>10,675</b>	<b>3,166</b>	<b>23,755</b>	<b>4,426</b>



<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	1	20	461	5
Joint venture	992	275	1,719	401
Associate	-	-	89	16
	993	295	2,269	422

The following table provides the total amount of transactions that have been entered into with related parties for the three months ended 31 March 2012 as well as balances with related parties as of 31 March 2012:

<i>(in thousands of Ukrainian hryvnias )</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	3,546	215	31,465	3,037
Joint venture	12,409	11,450	20,998	-
Associate	1,630	-	681	171
	17,585	11,665	53,144	3,208

<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	332	20	2,929	283
Joint venture	1,163	1,073	1,955	-
Associate	153	-	64	16
	1,648	1,093	4,948	299

## 16 EVENTS SUBSEQUENT TO THE REPORTING DATE

The following events occurred subsequent to the reporting date:

### *Acquisition of subsidiaries and increase percentage in ownership*

On May 8, 2013, Astarta-Kyiv increased its share in the agricultural company LLC "named after Ostrovskiy" to 100.00%.

14 May 2013,

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_____



***ASTARTA published interim report for the first quarter of 2013***

In the first quarter of 2013, ASTARTA demonstrated 29% growth of revenues to EUR 83 million. EBITDA increased 27% to EUR 23 million and Net profit by 33% to EUR 11 million. Exports contributed 35% to consolidated revenues.

Sales in agrisegment increased by 66%. 61% of crops sold were exported. Solid performance of agrisegment augmented its share in consolidated revenues to record high of 42%.

Despite unfavorable situation on Ukrainian sugar market, revenues from sales of sugar and sugar by-products increased 5%.

Dairy segment demonstrated robust growth: volumes of milk sales increased 12%, and revenues grew by 22%. The Group continues to focus on dairy segment's efficiency and achieved an average y-o-y increase of 8% in milk yields per one cow.

In crop rotation structure for 2013, the Group increased shares of soybeans, corn and wheat. This would provide for high level of vertical integration in soybean processing, growing export revenues, increased diversification, and better hedging of currency risks.

***Comment of ASTARTA's CEO, Viktor Ivanchyk:***

*«In the first quarter of 2013, Ukrainian sugar market was under influence of bearish factors. Now we see healthy recovery of prices which is supported by anticipated shift in supply and demand of sugar.*

*We continue with implementation of ASTARTA' growth strategy. The key elements of the strategy include development of agri- and dairy production, soybean processing, and importantly - advance in efficient sugar production”.*