

# ASTARTA

Integrated Agroindustrial Producer  
Results for the full year 2013



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- ❖ *Operating Highlights*
- ❖ *Key Segments Results*
- ❖ *Financials Overview*
- ❖ *Soybean Processing Plant*
- ❖ *Bioenergy Plant*

## SUGAR PRODUCTION

#1 sugar producer

26% market share

43 kt of beet per day processing capacity

- Sugar output of 305 kt, further market share consolidation
- In-house sugar beet share 85%, supporting cost efficiency
- Natural gas consumption further reduced by 7%
- Export share reached 6% of the total sugar segment sales

## AGRICULTURAL OPERATIONS

Among top 5 crop producers in Ukraine

245 thousand ha under cultivation

- Production of grains and oilseeds reached 750 kt, up 25%
- Harvest yield of major crops appreciated by up to 50%
- Export over 60% of total agricultural segment sales

## CATTLE FARMING

#2 industrial milk producer

3% market share

- Milk output increased to 91 kt, up 8%
- Average cow productivity grew to 5800 kg of milk per year
- Dairy headcount of 31 thousand as of end of 2013

## Key results

### Financial

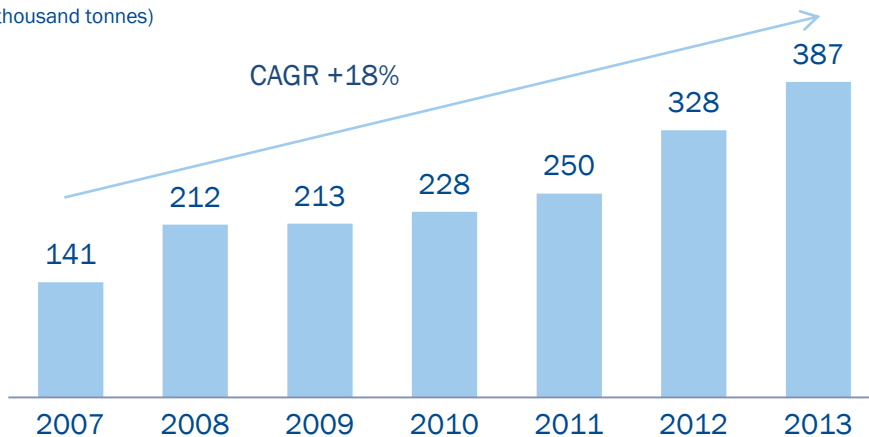
- Segment sales increased by 10% y-o-y to EUR 223 mln, or 61% of the total consolidated revenues
- Export of sugar accounted for 6% of total segment sales

### Operating

- Sugar output during production season (Sep-Dec) totaled 305 kt, securing leading market position with 26% share
- Sugar sales surged 18% y-o-y to 387 kt
- Reduced natural gas consumption by 7%, within the program of continuous improvement of energy efficiency
- Constructed biogas production facility in Globyno

## Sugar sales

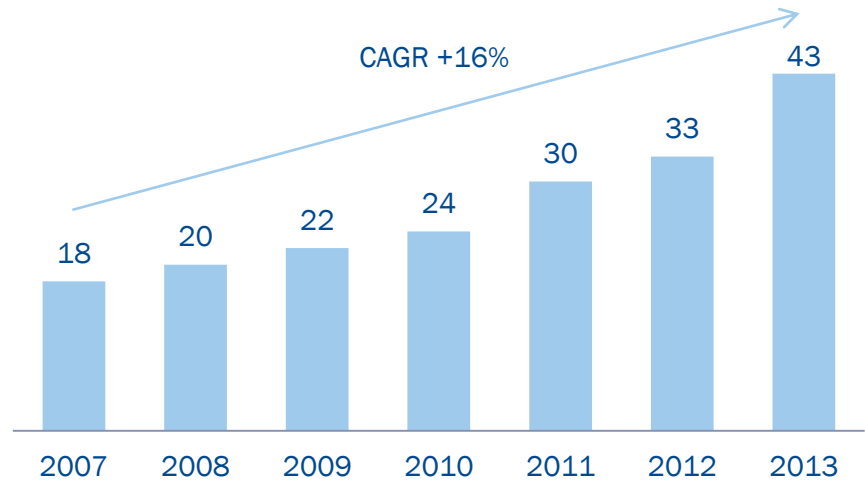
(thousand tonnes)



Source: Company data

## Processing capacity

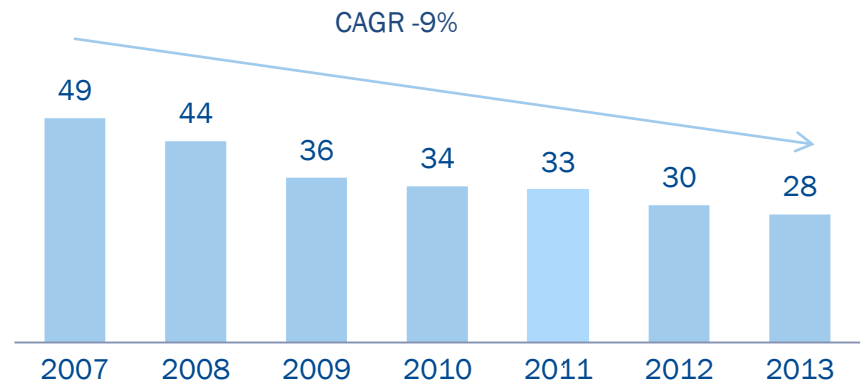
(thousand tonnes of sugar beet per day)



Source: Company data

## Natural gas consumption

(m3 per tonne of sugar beet)



Source: Company data

## Key results

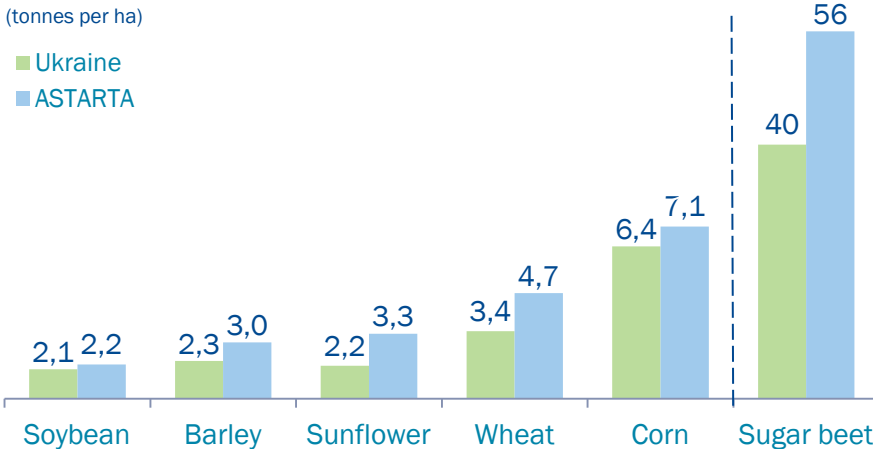
### Financial

- Segment sales totaled EUR 98 mln, or 11% of the total consolidated revenues in 2013
- Share of export revenues reached 60%, providing natural hedge for currency risk

### Operating

- Grains and oilseeds output surged 25% y-o-y to 750 kt, sales volumes reached a record high of 524 kt
- Yields of major crops improved by up to 50% y-o-y, constantly outperforming Ukrainian average
- Sugar beet harvest totaled 2,100 kt, with a record high average yield of 56 t/ha

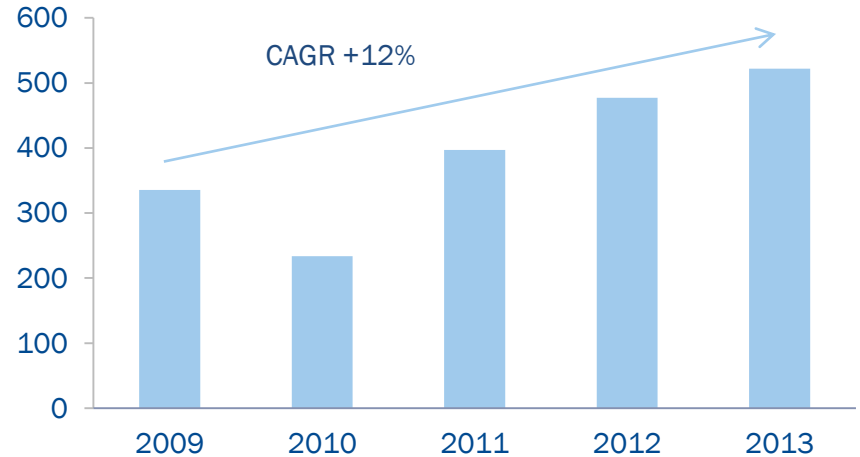
## Crops yields sustainably above Ukrainian average



Source: State Statistics Committee of Ukraine, Company data

## Sales of grains and oilseeds

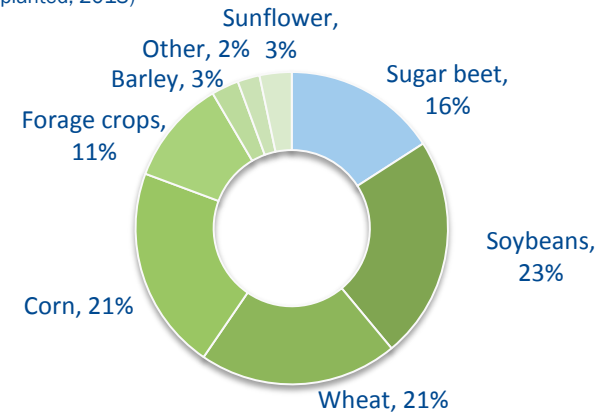
(thousand tonnes)



Source: Company data

## Diversified crop portfolio

(shares of land planted, 2013)



Source: Company data

## Key results

### Financial

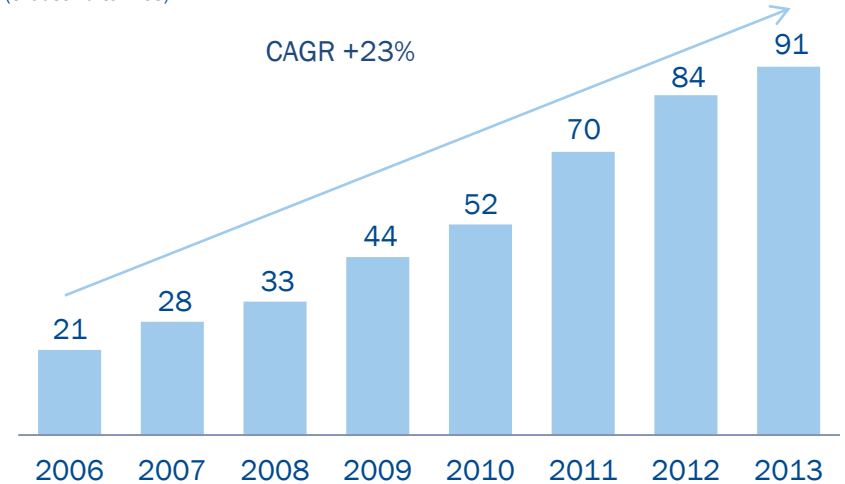
- Segment sales surged 21% y-o-y to EUR 39 mln, accounting for 11% of total consolidated revenues
- Dairy products were sold domestically, continuous deficit for industrial milk supported strong price environment

### Operating

- Milk production increased 8% y-o-y to 91 kt, and milk sales gained 7% to 87 kt
- Further improved efficiency in cattle farming by achieving 5% increase in milk yields to 5800 kg per cow per year
- #2 dairy producer in Ukraine in terms of dairy livestock with 31 thousand heads

## Production of milk

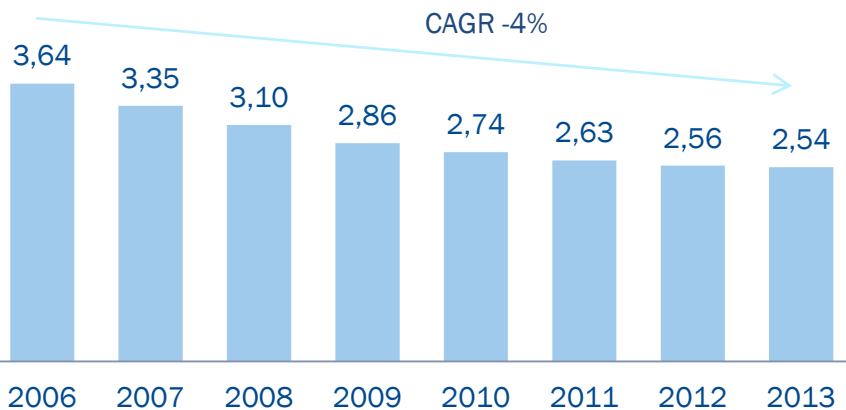
(thousand tonnes)



Source: Company data

## Dairy farm headcount in Ukraine

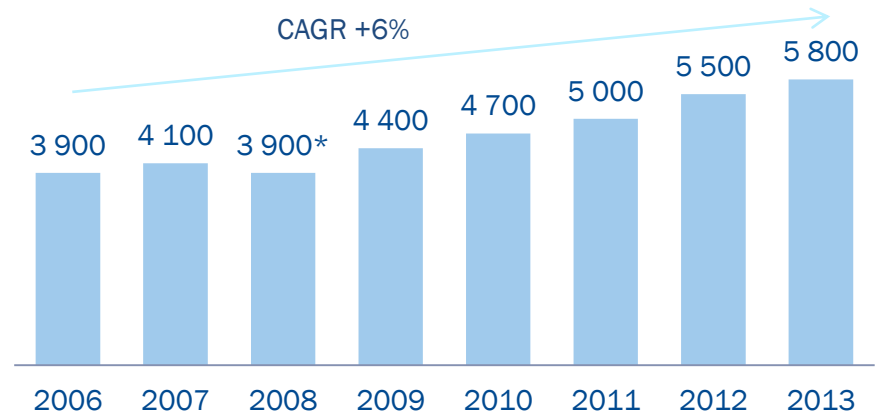
(tonnes per ha)



Source: State Statistics Committee of Ukraine

## Average milk yields

(kg per cow per year)



Source: Company data

\* Number of farms with less efficient dairy headcount was acquired

## Overview

### P&L

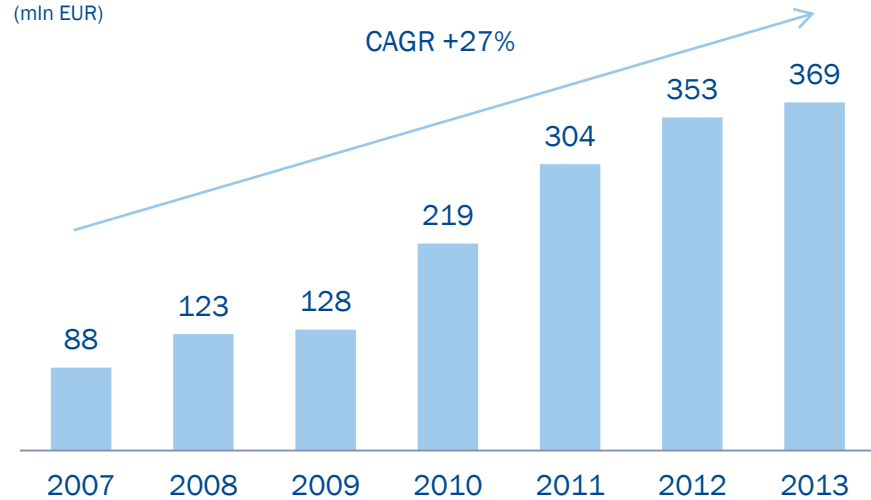
- Consolidated revenue increased 5% y-o-y to EUR 369 mln, driven mainly by 10% y-o-y growth in sugar segment sales
- Gross profit and EBITDA totaled respectively EUR 93 mln and EUR 69 mln
- Revenues from export reached 20% of total consolidated revenues, providing a natural hedge for currency risk

### Cash Flows and Balance Sheet

- Cash flow from operations more than doubled y-o-y in 2013, to EUR 38 mln
- Net debt closed at EUR 264 mln, with Net Debt-to-EBITDA ratio of 3.9

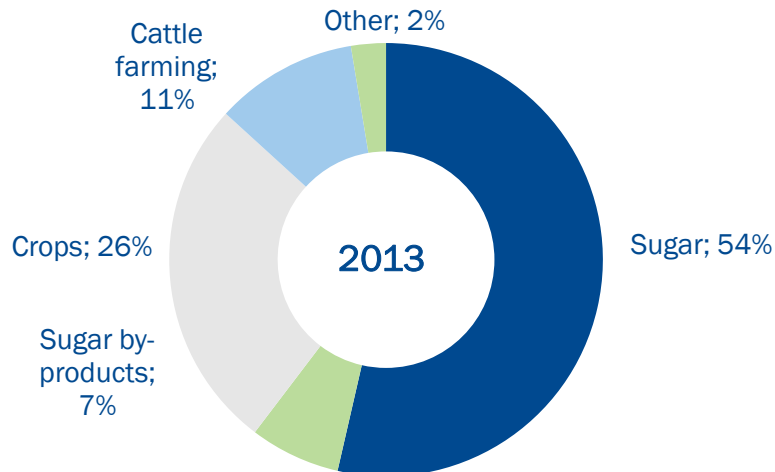
## Revenue

(mln EUR)

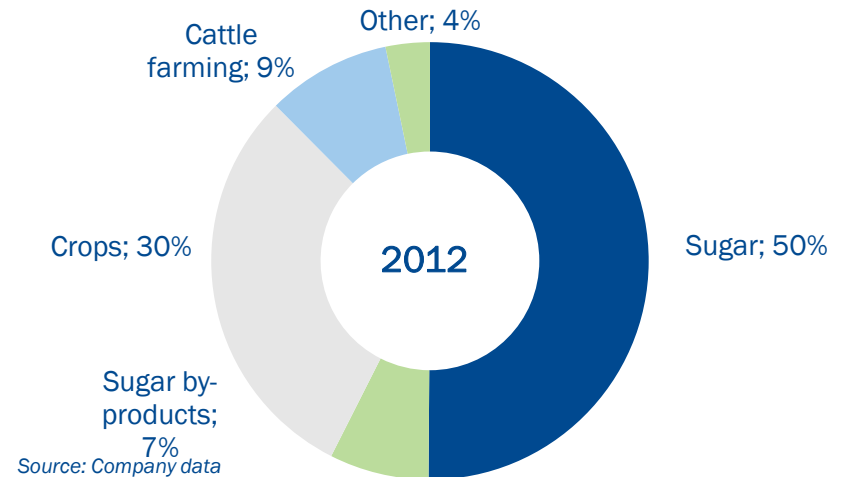


Source: Company data

## Revenue breakdown



Source: Company data



Source: Company data



## Key Facts

- Constructed in 2013
- Installed crushing capacity of 220 kt of soybeans per year
- Annual production of up to:
  - 160,000 t of meal
  - 40,000 t of oil
  - 9,000 t of husks
- Helps to extend ASTARTA's value chain

## Stages of production process

### Acceptance & storage of soybeans

- Inspection of raw materials, drying, cleaning, etc.

### Processing of soybean

- Preparation, extraction, oil hydration, meal and husk granulation

### Storage and delivery of finished products

- Storage of oil, soybeans, and husk
- Delivery



## Key facts

- Constructed in 2013
- Located in close proximity to Globyno Sugar Plant
- The first in the CIS to process wet beet pulp, which is a residue in sugar beet production
- Daily biogas production capacity of 150,000 m<sup>3</sup>

## Key benefits and synergy effect

- Provides for reduction of natural gas consumption at Globyno sugar plant by 50%
- Positive environmental effect due to closed cycle of production, reduction of natural gas usage
- Pave the way for development of bioenergy complex at ASTARTA



Harvesting campaign



Sugar beet fields



Transport fleet



Soybean crushing plant



Storage facilities



Dairy farm

