



PRESS RELEASE

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MHP S.A. Pre-close trading update for the third quarter and nine months of 2015

MHP S.A. (LSE: MHPC) (“MHP” or “The Company”), one of the leading agro-industrial companies in Ukraine, focusing on the production of poultry and the cultivation of grain, is pleased to announce today its pre-close trading update for the third quarter and nine months ended 30 September 2015.

Poultry and Poultry Related Operations

Owing to the increased production volumes at the Vinnytsia poultry farm (100% utilization since the beginning of 2015), poultry production volumes in Q3 2015 increased by 6% to 142,295 tonnes (Q3 2014: 133,700 tonnes) and in 9M 2015 increased by 4% to 420,720 tonnes (9M 2014: 403,300 tonnes).

Poultry	Q3 2015	Q3 2014	<i>% change</i>	9M 2015	9M 2014	<i>% change</i>
Sales volume, third parties tonnes	150,260	144,790	4%	407,680	396,780	3%
Price per 1 kg net VAT, UAH	27.62	22.08	25%	26.92	18.61	45%

As a result of higher production volumes of chicken meat year-over-year in the third quarter of 2015 sales volume constituted 150,260 tonnes, which is 4% higher than in Q3 2014 and in nine months of 2015 amounted to 407,680 tonnes, which is 3% higher than in 9M 2014.

Domestic sales: Due to significant depreciation of local currency, domestic demand for chicken meat is strengthening, as a result of consumers’ trade down from more expensive meats (pork and beef) to more affordable ones. MHP’s domestic sales volumes in Q3 and 9M 2015 increased by around 15% and 4% year-on-year accordingly.

Export Sales: During the third quarter of 2015 the volume of chicken meat export was 22% lower than in Q3 2014 and constituted 34,585 tonnes mainly due to the decreased exports to the CIS region in Q3 2015 compared to the same period last year. During the nine months of 2015, poultry export sales remained relatively stable at 100,600 tonnes compared to 102,145 tonnes. MHP continues to follow its strategy of diversified export markets and seeks for new business opportunities in the countries of Asia, the Middle East and Africa building-up the export volumes of chicken meat in those regions among which is a Saudi Arabian market.

Export to EU: The Company continues to explore new opportunities in the EU market. In Q3 2015 MHP has exported around 8,000 tonnes of chicken meat, which is 7% higher than in the same period last year. During the nine months of 2015 MHP's export to the EU market has grown by 80%, which resulted in over 19,650 tonnes of poultry. Among current export destinations there are 17 countries: the Netherlands, Germany, Romania, Poland, Ireland, Belgium, Cyprus, Italy, Lithuania, Estonia and others.

Prices: The average chicken price in Q3 2015 remained stable compared to Q2 2015 but at the same time increased by 25% year-on-year to UAH 27.62 per kg (excluding VAT) predominantly due to the Ukrainian Hryvnia depreciation. Through the nine months of 2015 the average chicken prices increased by 45% to UAH 26.92 per kg (excluding VAT) compared to the nine months of 2014. The increase in poultry prices is mostly related to the increase of domestic price by around 21% year-on-year in Q3 2015 and accumulatively in 9M 2015 by 34% year-on-year and a positive influence of Ukrainian Hryvnia devaluation due to US dollars nominated export prices.

Oils

Sunflower Oil	Q3 2015	Q3 2014	% change	9M 2015	9M 2014	% change
Volume, tonnes	71,900	74,950	-4%	217,710	212,115	26%
Price, US\$/t	801	847	-5%	786	853	-8%

In Q3 2015, MHP sold 71,900 tonnes of sunflower oil, which was 4% lower than in Q3 2014. The average price of US\$801 per tonne in Q3 2015 was 5% lower than in Q3 2014 (US\$847 per tonne) in line with world market trends. In 9M 2015, 217,710 tonnes of sunflower oil, which was 26% higher than in 9M 2014, were sold at an average price of US\$786 per tonne, which was 8% lower in price compared to 9M2014 (US\$853 per tonne).

Soybeans Oil: In October 2015 MHP has launched soya extraction plant into operations (as a part of Katerynopilsky Elevator). The production capacity of the site is 1,000 tonnes of soybeans per day. During the trial period (since the beginning of October) the plant worked at 50% capacity utilization.

Since Q2 2015 MHP has started exporting soybeans oil produced from last year harvest using one of the Ukrainian soybeans oil extraction plants (not MHP facility). At the same time, soybeans cake is used for fodder production at MHP's fodder production facilities.

In Q3 2015 MHP exported around 5,140 tonnes of soybeans oil at US\$745 per tonne. In 9M 2015 MHP exported around 10,240 tonnes of soybeans oil at US\$729 per tonne.

The Company considers soybeans oil exports as one of the "natural hedge" routes accumulating additional hard currency revenues and protecting the Company from volatilities with local currency.

Grain Growing Operations

In 2015 in grain growing operations MHP is to harvest around 340,000 hectares of land in Ukraine, of which 50,000 ha are newly acquired assets as a result of swap agreement with Agrokultura AB, whereby the Group has agreed to swap group of companies Voronezh Agroholding with the group of companies Agrokultura Ukraine.

In October 2015, MHP has expanded its land bank by acquiring corporate rights of Dnister Agro (9,200 ha with a location of land in Vinnytsia and Khmelnytsky regions).

MHP's current total land bank constitutes around 360,000 ha of land in Ukraine.

Due to the favorable weather conditions in Ukraine, operational efficiency and employment of best practice, our yields of early crops are high with wheat 6.0 t/ha and rapeseeds 3.4 t/ha in net weight and significantly higher than Ukraine's average (wheat – 3.8 t/ha, rapeseeds – 1.7 t/ha. Source: APK-Inform, bunker weight).

The Company's harvest of late crops (corn, sunflower and soybeans) is on track. As of today, 60% of corn, 98% of sunflower and 98% of soybeans have been gathered. Unfortunately, due to dry weather conditions during July and August, which mainly influenced corn yield in Ukraine, MHP's corn, sunflower and soybeans yields are expected to be lower than forecasted earlier.

Our autumn sowing campaign of winter wheat, rapeseed and barley is almost complete.

The Company is now presenting the results of wheat and rapeseed harvest from its land bank in Ukraine (including Agrokulturna).

	2015		2014	
	Production, tons	Cropped hectares*	Production, tonnes	Cropped hectares*
Corn	In process	In process	1,180,793	126,842
Wheat	313,730	52,350	260,670	43,016
Sunflower	In process	In process	167,014	49,551
Rapeseed	76,400	22,655	39,566	10,493
Soya	In process	In process	53,867	25,462
Other**	In process	In process	324,765	34,636
Total:	n/a	n/a	2,026,675	290,000

* - Actual hectares under crop and excluding land left fallow as part of crop rotation, including Agrokulturna land

** - Include barley, rye, beans and other

	2015		2014	
	MHP's average*	Ukraine's average**	MHP's average*	Ukraine's average**
Corn	7.3***	In process	9.3	6.2
Wheat	6.0	3.8	6.1	4.0
Sunflower	3.2***	In process	3.4	1.9
Rapeseed	3.4	1.7	3.8	2.5
Soya	1.7***	In process	2.1	2.2

* - Tonnes per hectare

** - MHP yields are net weight, Ukraine – bunker weight

*** - MHP's current yields of late crops

Other Agricultural Operations

Meat processing products	Q3 2015	Q3 2014	% change	9M 2015	9M 2014	% change
Sales volume, third parties tonnes	8,960	8,780	2%	20,950	23,950	-13%
Price per 1 kg net VAT, UAH	43.71	28.65	53%	42.92	26.61	61%

During the third quarter of 2015, sausage and cooked meat production volumes increased by 2% to 8,960 tonnes compared to 8,780 tonnes during the third quarter of 2014. During the first nine months of 2015 production volumes decreased by 13% to 20,950 tonnes.

At the same time the average sausage and cooked meat prices during the third quarter of 2015 increased by 35% to UAH 43.71 per kg (excluding VAT) and through the first nine months of 2015 increased by 61% to UAH 42.92 per kg (excluding VAT).

Next release: The financial results for Q3 and 9M 2014 will be published on **November 19, 2015**. There will be a conference call for investors and analysts on the day that will take place at 4pm Kyiv time (2 pm London). Dialing instructions for the call will be published in a due course.

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Notes to Editors:

About MHP

MHP is the leading producer of poultry products in Ukraine with the greatest market share and highest brand recognition for its products. MHP owns and operates each of the key stages of chicken production processes, from feed grains and fodder production to egg hatching and grow out to processing, marketing, distribution and sales (including through MHP's franchise outlets). Vertical integration reduces MHP's dependence on suppliers and its exposure to increases in raw material prices. In addition to cost efficiency, vertical integration also allows MHP to maintain strict biosecurity and to control the quality of its inputs and the resulting quality and consistency of its products through to the point of sale. To support its sales, MHP maintains a distribution network consisting of 15 distribution and logistical centers, within major Ukrainian cities. MHP uses its trucks for the distribution of its products, which Management believes reduces overall transportation costs and delivery times.

MHP also has a leading grain cultivation business growing corn to support the vertical integration of its chicken production and increasingly other grains, such as wheat and rape, for sale to third parties. MHP leases agricultural land located primarily in the highly fertile black soil regions of Ukraine.

Since May 15, 2008, MHP has traded on the London Stock Exchange under the ticker symbol MHPC.