



PRESS RELEASE

July 19, 2016, Kyiv, Ukraine

MHP S.A.

Pre-close trading update for the second quarter and first half of 2016

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, today announces its pre-close trading update for the second quarter and the first six months of the year ending 30 June 2016.

Poultry and Poultry Related Operations

As usual, the Company’s poultry production facilities continued to operate at full capacity during the period.

Owing to the increasing production volumes at the Company’s farms (Myronivka and Oril Leader, working in a trial mode), poultry production volumes in Q2 2016 increased by 9% to 149,935 tonnes (Q2 2015: 138,050 tonnes) and in H1 2016 increased by 10% to 305,540 tonnes (H1 2015: 278,430 tonnes).

Poultry	Q2 2016	Q2 2015	% change	H1 2016	H1 2015	% change
Sales volume, third parties tonnes	148,870	143,780	4%	266,585	257,420	4%
Price per 1 kg net VAT	29.20	27.73	5%	29.43	26.65	11%

As a result of an overall increase in poultry production volumes during the second quarter of 2016 the sales volume of chicken meat to external consumers increased to 148,870 tonnes, which is 4% higher than in Q2 2015 and 26% higher than in Q1 2016 mainly due to the increased export sales. During the first six months of 2016 third parties sales amounted to 266,585 tonnes of poultry, which is 4% higher than in H1 2015.

The main driver in total poultry sales growth was export. During the second quarter of 2016 the volume of chicken meat exports totaled 54,400 tonnes, which is by 36% higher compared to Q2 2015. During the first half of 2016, poultry exports increased by 31% compared to H1 2015 and reached 86,370 tonnes. MHP continues to follow a strategy of diversification and geography expansion, therefore is exploring new business opportunities in the countries of the Middle East, the EU, Asia and Africa building-up the export volumes of chicken meat in those regions.

Despite different challenges on different markets, MHP's exports (H1 2016/H1 2015) in the Middle East increased by over 50%, in the EU – by 26%, in Africa – by 6 times.

Prices: Through the second quarter of 2016 the average chicken meat price (both domestic and export) constituted UAH 29.20 per 1 kg of adjusted weight (excluding VAT), relatively stable compared to Q1 2016 and an increase of 5% year-on-year. H1 2016 average chicken meat price was UAH 29.43, which is 11% higher than in H1 2015. The increase in price year-over-year is mainly driven by the increased prices on the domestic market.

Oils

Sales volume, tonnes	Q2 2016	Q2 2015	% change	H1 2016	H1 2015	% change
Sunflower oil	81,690	79,030	3%	164,430	153,800	7%
Soybean oil	5,640	5,100	11%	14,030	5,100	175%

In Q2 2016, due to increased production of fodder for chicken at MHP fodder plants, MHP's sales of sunflower oil increased by 3% to 81,690 tonnes compared to 79,030 tonnes in Q2 2015. In H1 2016 sunflower oil exports constituted 164,430 tonnes, which is 7% higher year-over-year.

MHP's soybean extraction plant was launched into operations in Q2 2015. Working at 80% capacity now, it covers all MHP's needs in soybean cake for fodder production. MHP also sells soybean cake to third parties. In Q2 2016, soybean oil export sales were at 5,640 tonnes and accumulatively for the first six months of 2016 – 14,030 tonnes.

The Company considers vegetable oils exports as one of the “natural hedge” routes accumulating additional hard currency revenues and protecting the Company from volatilities in local currency.

Grain Growing Operations

In 2016 in grain growing operations the Company is to harvest around 355,000 hectares of land in Ukraine.

The Company's harvesting campaign of rapeseeds, barley and wheat is on track, so that 40% of land under winter crops is harvested with record harvest yields in crops both for MHP and Ukraine.

As of today, MHP harvested around 60% of rapeseed with current yield 3.7 t/ha and around 20% of wheat with yield 6.7 t/ha.

Spring crops (corn, soybeans and sunflower) are in good condition.

Other Agricultural Operations

Meat products	processing	Q2 2016	Q2 2015	% change	H1 2016	H1 2015	% change
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Sales volume, tonnes	9,640	6,714	44%	17,980	11,990	50%
Price per 1 kg net VAT	46.13	44.44	4%	45.80	42.33	8%

In the second quarter of 2016, sausage and cooked meat sales volumes increased by 44% to 9,640 tonnes compared to 6,714 tonnes in the second quarter of 2015. In the first half of 2016 sausage and cooked meat sales volumes increased by 50% to 17,980 tonnes compared to 11,990 tonnes in H1 2015 as a result of a new product promotion strategy and advertisement campaign not only for the product range but also for the brand.

Average sausage and cooked meat prices during the second quarter of 2016 increased by 4% to UAH 46.13 per kg excluding VAT. In H1 2016 the average price increased by 8% to UAH 45.80 per kg excluding VAT.

Chairman resignation/appointment

The Board of Directors of MHP S.A. (LSE:MHPC.LI) announced today that Mr Charles Adriaenssen has resigned as Chairman of the Board of Directors of MHP S.A. and Chairman of the Nominations and Remunerations Committee for family reasons, effective immediately. Dr John Rich has been named Interim Chairman of the Board of Directors of MHP S.A. and Chairman of the Nominations and Remunerations Committee (more details about Dr. Rich: <http://www.mhp.com.ua/en/about/board>). The Board has begun a search for a permanent successor to Mr. Adriaenssen and will consider both internal and external candidates.

Next release

The financial results for Q2 and H1 2016 will be published on **August 17, 2016**. There will be a conference call for investors and analysts on the day that will take place at 4pm Kyiv time (2 pm London/5 pm Moscow). 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 centres, 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.

Forward-Looking Statements

This press release might contain forward-looking statements that refer to future events or forecast financial indicators for MHP S.A. Such statements do not guarantee that these are actions to be taken by MHP S.A. in the future, and estimates can be inaccurate and uncertain. Actual final indicators and results can considerably differ from those declared in any forward-looking statements. MHP S.A. does not intend to change these statements to reflect actual results.