

23 July 2013

## **OPERATIONAL RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2013**

Ovostar Union N.V. (WSE: OVO) (hereinafter, the "Company"), a vertically integrated holding company, one of the leading producers of eggs and egg products in Ukraine, announces its operational results for the first six months of 2013.

### **Egg segment**

As at 30 June 2013 the total flock of the Company increased by 26% to 4.4 mln birds from 3.5 mln birds as at 30 June 2012. Laying hens flock increased by 37% to 3.4 mln birds (6M2012: 2.5 mln birds).

In the 1<sup>st</sup> half of 2013 egg production increased by 30% year-on-year to 422 mln eggs (6M2012: 324 mln eggs). The volume of eggs sold increased by 14% to 257 mln from 226 mln in the first half of 2012 while volumes of eggs exported increased by 18% to 24 mln eggs. In the 1<sup>st</sup> half of 2013 egg selling price decreased by 8% to 0.60\* UAH/piece compared to 0.66\* UAH/piece in the first six months of 2012. Such a decline in price was attributed to the lack of traditional increase in egg price before Easter, as in 2013 orthodox Easter has coincided in time with May holidays.

### **Egg products segment**

In the 1<sup>st</sup> half of 2013 the Company processed 38% more eggs than in the same period last year reaching 136 mln eggs (6M2012: 99 mln eggs). In the first six months of 2013 the sales volume of dry egg products increased by 83% to 713 tons and sales volume of liquid egg products increased by 49% to 3,188 tons (6M2012: 389 and 2,133 tons, respectively). Average selling price of egg products changed immaterially, reaching 45.30\* UAH/kg for dry egg products and 14.95\* UAH/kg for liquid egg products (6M2012: dry egg products: 43.10\* UAH/kg, liquid egg products: 15.52\* UAH/kg).

### **Investment program**

The Company's 2012-2013 investment program is being implemented in accordance with schedule. Additional grain storage capacities of 10.5 ths tons have been launched ahead of schedule on the Vasylykiv egg production site.

The Group's CEO Borys Bielikov noted:

"Record high egg prices this summer season along with a decrease in grain price due to high volumes harvested make a good basis to achieve annual financial targets. Current market situation gives grounds to project lower fodder cost and higher product prices in the second half of 2013 compared to the first half of the year."

\*All prices stated in this press-release are indicated net of VAT (20%)  
UAH/USD exchange rate as at 30.06.2013 = 7.9930

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