PRESS RELEASE
17 August 2017, Kyiv, Ukraine

MHP SE

Unaudited Financial Results for the Second Quarter and Six Months Ended 30 June 2017

MHP SE (LSE:MHPC), one of the leading agro-industrial companies in Ukraine, focusing on the production of poultry and cultivation of grain, today announces its unaudited results for the six month and second quarter ended 30 June 2017.

OPERATIONAL HIGHLIGHTS

Q2 2017 highlights

- Poultry production volumes reached 145,820 tonnes, up 2% (Q2 2016: 142,591 tonnes)
- The average chicken meat price increased by 20% year-on-year to UAH 32.92 per kg (Q2 2016: UAH 27.37 per kg) (excluding VAT)
- Chicken meat exports increased by 31% to 71,332 tonnes (Q2 2016: 54,451 tonnes) as a result of increased exports mainly to countries in the EU and Africa as well as to UAE and Saudi Arabia

H1 2017 highlights

- The Company's poultry production facilities continued to operate at full capacity during the period and poultry production volumes remained relatively stable at 287,694 tonnes (H1 2016: 286,342 tonnes)
- The average chicken meat price increased by 18% year-on-year to UAH 32.35 per kg (H1 2016: UAH 27.42 per kg) (excluding VAT)
- Chicken meat exports increased by 44% to 123,042 tonnes (H1 2016: 85,263 tonnes) as a result of increased exports mainly to countries in the EU and Africa as well as to UAE and Saudi Arabia
- The Company established processing plant in Slovakia as part of its export strategy

FINANCIAL HIGHLIGHTS

Q2 2017 highlights

- Revenue of US$ 321 million, increased by 22% year-on-year (Q2 2016: US$ 263 million)
- Export revenue of US$ 185 million, 58% of total revenue (Q2 2016: US$ 139 million, 53% of total revenue)
- Operating profit of US$ 152 million increased by 15% year-on-year (Q2 2016: US$ 132 million); operating margin decreased to 47% from 53% in Q2 2016
- Adjusted EBITDA increased to US$ 173 million from US$ 152 million in Q2 2016; adjusted EBITDA margin decreased to 54% from 58%
- Profit for the period from continuing operations of US$ 153 million, compared to US$ 167 million for Q2 2016, including US$ 36 million of non-cash foreign exchange translation gains (Q2 2016: US$ 67 million)

H1 2017 highlights

- Revenue of US$ 600 million, increased by 24% year-on-year (H1 2016: US$ 483 million)
- Export revenue of US$ 349 million, 58% of total revenue (H1 2016: US$ 254 million, 53% of total revenue)
- Adjusted operating profit of US$ 226 million increased by 11% year-on-year (H1 2016: US$ 204 million); adjusted operating profit margin decreased to 38% from 42% in H1 2016
- Adjusted EBITDA increased to US$ 266 million from US$ 243 million in H1 2016; adjusted EBITDA margin decreased to 44% from 50%

- Profit for the period from continuing operations of US$ 210 million, compared to US$ 111 million for H1 2016, including US$ 43 million of non-cash foreign exchange translation gain in H1 2017, compared to US$ 40 million of non-cash foreign exchange translation loss in H1 2016.

FINANCIAL OVERVIEW

(in mln. US$, unless indicated otherwise)	**Q2 2017**	**Q2 2016**	*% change**	**H1 2017**	**H1 2016**	*% change*
Revenue	**321**	**263**	**22%**	**600**	**483**	**24%**
IAS 41 standard gains	58	73	-21%	68	103	-34%
Gross profit	**153**	**140**	**9%**	**239**	**220**	**9%**
Gross profit margin	*48%*	*53%*	*-5pps*	*40%*	*46%*	*-6 pps*
Adjusted operating profit**	**152**	**132**	**15%**	**226**	**204**	**11%**
Adjusted operating profit margin	*47%*	*50%*	*-3 pps*	*38%*	*42%*	*-4 pps*
Adjusted EBITDA	**173**	**152**	**14%**	**266**	**243**	**9%**
Adjusted EBITDA margin	*54%*	*58%*	*-4 pps*	*44%*	*50%*	*-6 pps*
Profit from continuing operations before foreign exchange differences	**117**	**100**	**17%**	**167**	**151**	**11%**
Profit from continuing operations margin before forex gain/(loss)	*36%*	*38%*	*-2 pps*	*28%*	*31%*	*-3 pps*
Foreign exchange gain/(loss)	36	67	-46%	43	(40)	-208%
Profit from continuing operations	**153**	**167**	**-8%**	**210**	**111**	**89%**
Profit from continuing operations margin	*48%*	*63%*	*-15 pps*	*35%*	*23%*	*12 pps*

** pps – percentage points*
*** Operating profit before loss on impairment of property, plant and equipment*
Average official FX rate for Q2: UAH/US$ 26.4627 in 2017 and UAH/US$ 25.2618 in 2016
Average official FX rate for H1: UAH/US$ 26.7602 in 2017 and UAH/US$ 25.4578 in 2016

DIVIDENDS

On 14 March 2017, the Board of Directors of MHP SE approved an interim dividend of US$ 0.7492 per share, equivalent to approximately US$ 80.0 million, to be paid on 29 March 2017, to shareholders on the register as of 26 March 2017. No dividend are paid on the Company's shares held in treasury.

The Board of Directors of MHP SE also acknowledged the consent of WTI Trading Limited (the Company's major shareholder) for its dividends to be paid later than on the declared dividend payment date (but not later than 1 November 2017), with no interest accrued on the amount of dividend paid later.

During the six-month period ended 30 June 2017, MHP SE paid dividends to shareholders in amount of approximately US$ 77.7 million.

EUROBONDS

In May 2017, MHP successfully completed a Eurobond transaction involving the repurchase of US$ 245.2 million of Eurobonds 2020 and issue of a new US$ 500 million 7-year Eurobond with a coupon of 7.75%. The issue was more than 3 times oversubscribed.

SUBSEQUENT EVENTS: CONVERSION TO MHP SE

According to the extract issued by the Luxembourg Trade and Companies Register on 08 August 2017, the Company has converted from a public limited liability company ("Société Anonyme") into a European company ("Societas Europaea") effective as of 07 August 2017.

This is the first step towards the possible transfer of the Company's registered office to another location within the EU to enable simplification of the group's legal structure.

DIAL-IN DETAILS
MHP's management will host a conference call for investors and analysts followed by Q&A on the day of the results.

The dial-in details are:

Time:	09.00 New York / 14.00 London / 16.00 Kyiv / 16.00 Moscow
Title:	Financial results for Q2 and H1 2017
Ukraine International/UK Dial in:	0800501306 +44 2030432440
USA free call:	+1 8778874163
Russia free call	+7 4952216523
Conference ID	EV00060929
Participant PIN code	81944792#

In order to follow the presentation together with the management, please register using the following link: http://event.onlineseminarsolutions.com/r.htm?e=1484085&s=1&k=24C10B011D2DAD2D1F1425006F626F28

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Segment Performance

Poultry and related operations

	Q2 2017	Q2 2016	% change	H1 2017	H1 2016	% change
Poultry						
Sales volume, third parties tonnes	157,245	141,097	11%	283,972	248,426	14%
Incl. Export sales volume, tonnes	*71,332*	*54,451*	*31%*	*123,042*	*85,263*	*44%*
Price per 1 kg net of VAT, UAH	32.92	27.37	20%	32.35	27.42	18%
Sunflower oil						
Sales volume, third parties tonnes	84,880	81,690	4%	167,015	164,430	2%
Soybeans oil						
Sales volume, third parties tonnes	6,250	5,640	11%	14,300	14,030	2%

Chicken meat

As a result of increased exports, the aggregate volume of chicken meat sold to third parties increased by 11% and 14% in Q2 2017 and H1 2017, respectively. Domestic sales decreased slightly to 85,913 tonnes in Q2 2017 (Q2 2016: 86,646 tonnes). Export sales in Q2 2017 increased by 31% to 71,332 tonnes (Q2 2016: 54,451 tonnes) and in the first half of 2017, poultry exports increased by 44% compared to H1 2016 and reached 123,042 tonnes as a result of both geographical diversification and product mix optimization. Total poultry exports in H1 2017 constituted around 43% vs 34% in H1 2016.

MHP's poultry prices on the domestic market in UAH terms increased year-on-year by 15% in Q2 2017 and 14% in H1 2017, mainly driven by price growth started in H2 2016. At the same time, the US$ denominated export price for chicken meat increased year-on-year by 18% in Q2 2017 and by 14% in H1 2017, mainly as a result of MHP's export product mix optimization as well as geographic diversification and slightly upward trends in price on international commodity markets.

Vegetable oil

During H1 2017 MHP's sales of sunflower oil increased by 2% compared to H1 2016 to 167,015 tonnes. Sales of soybean oil remained relatively stable compared to H1 2016 at 14,300 tonnes.

(in mln. US$, unless indicated otherwise)	Q2 2017	Q2 2016	% change*	H1 2017	H1 2016	% change*
Revenue	**281**	**240**	**17%**	**517**	**438**	**18%**
- Poultry and other	*214*	*171*	*25%*	*382*	*299*	*28%*
- Vegetable oil	*67*	*69*	*-3%*	*135*	*139*	*-3%*
IAS 41 standard gains	**(8)**	**(6)**	**33%**	**14**	**26**	**-46%**
Gross profit	**63**	**54**	**17%**	**141**	**131**	**8%**
Gross margin	*22%*	*23%*	*-1 pps*	*27%*	*30%*	*-3 pps*
Adjusted EBITDA	**85**	**64**	**33%**	**170**	**150**	**13%**
Adjusted EBITDA margin	*30%*	*27%*	*3 pps*	*33%*	*34%*	*-1 pps*
Adjusted EBITDA per 1 kg (net of IAS 41)	*0.59*	*0.50*	*18%*	*0.55*	*0.50*	*10%*

** pps – percentage points*

As a result of the increase in sales volume and price of chicken meat, revenue increased by 18% in H1 2017 compared to H1 2016.

IAS 41 standard gain in H1 2017 was US$ 14 million compared with US$ 26 million in H1 2016 mainly as a result of lower poultry meat stock as of 30 June 2017 compared to as of 30 June 2016.

Gross profit of the poultry and related operations segment for Q2 2016 increased by 17% and amounted to US$ 63 million. The increase is mainly attributable to increases in sales volume and meat prices, which was partly offset by increased production costs, reflecting higher prices of grain consumed as well as higher payroll costs.

Adjusted EBITDA for the period has increased mostly in line with the increase in gross profit. Additional positive impact is attributable to the increase in government grants income due to amendments in the Tax Code of Ukraine that became effective from 01 January 2017.

Grain growing operations

In 2017 the Company plans to harvest around 360,000 hectares of land.

As of the date of this report, the Company's harvesting campaign of winter rapeseeds, barley and wheat is complete, so that winter crops current (bunker) yields are as follows: rapeseeds 3.7 t/ha, wheat 6.1 t/ha and barley 6.0 t/ha.

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

(in mln. US$, unless indicated otherwise)	**H1 2017**	**H1 2016**	% change
Revenue	**28**	**3**	**833%**
IAS 41 standard gains	51	76	-33%
Gross profit	**86**	**82**	**5%**
Adjusted EBITDA	**95**	**90**	**6%**

Grain growing segment's revenue for H1 2017 of US$ 28 million compared to US$ 3 million in H1 2016. The increase is mainly attributable to a higher amount of crops in stock designated for sale as of 31 December 2016, compared to stock held for sale as of 31 December 2015, mainly as a result of higher yields in 2016.

IAS 41 standard gain for H1 2017 amounted to US$ 51 million compared with US$ 76 million in H1 2016 mainly as a result of a more substantial decrease in grain stock in H1 2017 compared to H1 2016.

Other agricultural operations

Meat processing products	**Q2 2017**	**Q2 2016**	% change	**H1 2017**	**H1 2016**	% change
Sales volume, third parties tonnes	8,990	8,410	7%	17,250	15,380	12%
Price per 1 kg net of VAT, UAH	46.24	41.50	11%	45.31	41.20	10%

Sales volume of meat processing products increased by 7% year-on-year to 8,990 tonnes in Q2 2017 and by 12% to 17,250 tonnes in the first half of 2017 compared to 15,380 tonnes in H1 2016, mainly as a result of increased product promotion and advertising, as well as increasing the product range and types of packaging.

The average processed meat price increased by 11% year-over-year to UAH 46.24 per kg in Q2 2017 in line with the poultry price increase.

(in mln. US$, except margin data)	Q2 2017	Q2 2016	*% change**	H1 2017	H1 2016	*% change**
Revenue	**30**	**23**	**30%**	**55**	**42**	**31%**
- Meat processing	*16*	*13*	*23%*	*29*	*24*	*21%*
*- Other***	*14*	*10*	*40%*	*26*	*18*	*44%*
IAS 41 standard gains	**1**	**-**	**100%**	**3**	**-**	**100%**
Gross profit	**6**	**5**	**20%**	**12**	**7**	**71%**
Gross margin	*20%*	*22%*	*-2 pps*	*22%*	*17%*	*5 pps*
Adjusted EBITDA	**5**	**3**	**67%**	**10**	**5**	**100%**
Adjusted EBITDA margin	*17%*	*13%*	*4 pps*	*18%*	*12%*	*6 pps*

** pps – percentage points*
*** in 2017 the Group decided to include convenience food previously reported in poultry and related operations segment to other agricultural operations in line with how Group's chief operating decision maker started to evaluate performance of the segments. Comparative information was restated retrospectively.*

Segment revenue of H1 2017 increased by 31% year-on-year, in line with the increase of sales volume and price in meat processing to US$ 55 million. Gross profit and adjusted EBITDA increased mostly as a result of higher returns earned from meat processing, livestock and milk operations.

Current Group financial position and cash flow

(in mln. US$)	Q2 2017	Q2 2016	H1 2017	H1 2016
Cash from operations	**105**	**39**	**144**	**86**
Change in working capital	(55)	(9)	(80)	42
Net Cash from operating activities	**50**	**30**	**64**	**128**
Cash from/(used in) in investing activities	**(27)**	**(20)**	**32**	**(47)**
Less net cash inflow on disposal of subsidiaries	-	-	(76)	-
CAPEX	**(27)**	**(20)**	**(44)**	**(47)**
Cash used in financing activities	**(30)**	**(49)**	**(128)**	**(93)**
Incl. Dividends	*(25)*	*(20)*	*(78)*	*(80)*
Total change in cash*	**(7)**	**(39)**	**(32)**	**(12)**

** Calculated as Net Cash from operating activities plus Cash used in investing activities plus Cash used in financing activities*

Cash flow from operations before changes in working capital for H1 2017 amounted to US$ 144 million (H1 2016: US$ 86 million).

The decrease in cash from change in working capital during H1 2017 compared to H1 2016 is mostly the result of lower investments in sunflower stocks designated for internal consumption as of 31 December 2016 compared to 31 December 2015, and subsequently more investment required in inventory during H1 2017, as well as increase of VAT receivable as of 30 June 2017 compared to 30 June 2016.

In H1 2017, CAPEX amounted to US$ 44 million mainly related to construction works for Phase 2 of the Vinnytsia poultry project.

Debt Structure and Liquidity

(in mln. US$)	**30 June 2017**	**31 December 2016**	**30 June 2016**
Total Debt	**1,203**	**1,236**	**1,286**
LT Debt	1,171	991	1,001
ST Debt	32*	245	285
Cash and bank deposits	(130)	(155)	(47)
Net Debt	**1,073**	**1,081**	**1,239**
LTM EBITDA	440	415	420
Net Debt / LTM EBITDA	*2.44*	*2.60*	*2.95*

**Short-term debt as of 30 June 2017 consists from current portion of long-term bank borrowings and finance lease obligations*

As of 30 June 2017, the share of long-term debt in the total outstanding debt increased to 97% of total debt (80% of total debt as of 31 December 2016) due to repayment of short-term bank loans as of 30 June 2017. The weighted average interest rate is approximately 8%.

As of 30 June 2017, MHP's cash and cash equivalents amounted to US$ 130 million. Net debt slightly decreased to US$ 1,073 million, compared to US$ 1,081 million as at 31 December 2016.

The Net Debt / LTM EBITDA ratio was 2.44 as of 30 June 2017, well within the Eurobond covenant limit of 3.0.

As a hedge for currency risks, revenues from the export of grain, sunflower and soybean oil, sunflower husks and chicken meat are denominated in US Dollars, more than fully covering debt service expenses. Export revenue for H1 2017 amounted to US$ 349 million or 58% of total revenue (US$ 254 million or 53% of total revenue in H1 2016).

Outlook

Taking into account export sales achieved in H1 2017, MHP expects to successfully fulfil its export sales plan for the full year and to export around 220,000 tonnes of chicken meat.

The construction of Phase 2 (Line 1) of the Vinnytsia Complex proceeds on schedule and on budget. The Company expects to launch the first new rearing sites in May-June 2018, which should add around 40,000 tonnes of poultry in 2018, and 130,000 tonnes in a full year of production.

The Company's outlook for the 2017 harvest is positive, with yields depending on weather conditions in Ukraine.

We are confident that, with our vertically integrated business model, we will continue to deliver strong financial results, supported by a significant and growing share of hard currency revenues from exports of chicken, oils and grain.

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 11 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 15 May 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 SE. Such statements do not guarantee that these are actions to be taken by MHP SE 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 SE does not intend to change these statements to reflect actual results.

MHP SE AND ITS SUBSIDIARIES

Interim Condensed Consolidated Financial Statements

As of and for the six-month period ended 30 June 2017

CONTENT

STATEMENT OF MANAGEMENT RESPOSIBILITY

To the best of our knowledge, the unaudited interim condensed consolidated financial statements of MHP SE (the "Company") and its subsidiaries (collectively the "Group") as of and for the six month period ended 30 June 2017 prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" give a true and fair view of the consolidated assets, consolidated liabilities, consolidated financial position and consolidated financial performance of the Group taken as a whole, and the management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

16 August 2017

On behalf of the Board:

Chief Executive Officer Yuriy Kosyuk

Chief Financial Officer Viktoria Kapelyushnaya

(a)

MANAGEMENT REPORT

Key financial highlights

During the six-month period ended 30 June 2017 consolidated revenue increased by 24% to US$ 599.8 million, compared to US$ 482.8 million for the six-month period ended 30 June 2016. Export sales for the six-month period ended 30 June 2017, at US$ 349.0 million, constituted 58% of total revenue compared to US$ 253.9 million or 53% of total revenue for the six-month period ended 30 June 2016. The overall increase in revenue is mainly attributable to increased exports of chicken meat and grains.

Gross profit increased by 8% to US$ 238.8 million for the six-month period ended 30 June 2017 compared to US$ 220.3 million for the six-month period ended 30 June 2016.

In line with the increase in gross profit, operating profit increased by 12% to US$ 226.1 million for the six-month period ended 30 June 2017 compared to US$ 202.1 million for the six-month period ended 30 June 2016.

Profit for the period from continuing operations for the six-month period ended 30 June 2017 amounted to US$ 210.1 million, including a foreign exchange gain of US$ 42.5 million, compared to profit of US$ 111.3 million for the six-month period ended 30 June 2016, including a foreign exchange loss of USS 40.4 million. The foreign exchange gain is mainly related to bank borrowings and bonds issued in foreign currency and results from UAH appreciation against USD during the six-month period ended 30 June 2017.

Dividends

On 14 March 2017, the Board of Directors approved an interim dividend of USD 0.7492 per share, equivalent to approximately USD 80.0 million, to be paid on 29 March 2017 to shareholders on the register on 26 March 2017. No dividend will be paid on the Company's shares held in treasury.

The Board of Directors acknowledged the consent of WTI Trading Limited (the Company's major shareholder) for its dividends to be paid later than on the declared dividend payment date (but not later than 1 November 2017), with no interest accrued on the amount of dividend paid later (Note 12).

During the six-month period ended 30 June 2017, MHP SE paid dividends to shareholders of approximately US$ 77.7 million.

Internal control and risk management

During the six-month period ended 30 June 2017 there were no changes to objectives, policies and processes for risks inherent to the Group. The summary of key risks faced by the Group and plans to mitigate them are disclosed in the Director's report for the period ended 31 December 2016.

16 August 2017

On behalf of the Board:

Chief Executive Officer — Yuriy Kosyuk

Chief Financial Officer — Viktoria Kapelyushnaya

Deloitte.

Deloitte Audit
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To the Shareholders of

MHP S.E.

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REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of MHP S.E. as of 30 June 2017, and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and explanatory notes ("the Interim Financial Information"). The Board of Directors is responsible for the preparation and fair presentation of this Interim Financial Information in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information does not give a true and fair view of the interim condensed consolidated statement of financial position of MHP S.E. as at 30 June 2017, and of its interim condensed consolidated statement of comprehensive income and its interim condensed consolidated statement of cash flows for the period then ended in accordance with IAS 34 “Interim Financial Reporting”.

For Deloitte Audit, *Cabinet de révision agréé*

John Psaila, *Réviseur d’entreprises agréé*
Partner

16 August 2017

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

	Notes	Six-month period ended 30 June 2017	Six-month period ended 30 June 2016 (Restated, Note 3)
Revenue	4	599,830	482,841
Net change in fair value of biological assets and agricultural produce	4, 5	68,250	102,812
Cost of sales		(429,290)	(365,340)
Gross profit	5	238,790	220,313
Selling, general and administrative expenses		(36,184)	(28,321)
VAT refunds and other government grants income	6	23,791	11,009
Other operating (expenses)/income, net		(259)	524
Loss on impairment of property, plant and equipment		-	(1,443)
Operating profit		226,138	202,082
Finance income		2,202	1,699
Finance costs		(59,328)	(53,887)
Foreign exchange gain/(loss), net	5,15	42,538	(40,392)
Other expenses, net		(2,701)	(2,388)
Other expenses, net		(17,289)	(94,968)
Profit before tax		208,849	107,114
Income tax benefit		1,252	4,218
Profit for the period from continuing operations	5	210,101	111,332
Discontinued operations			
Loss for the period from discontinued operations	2	(19,824)	(8,318)
Profit for the period		190,277	103,014
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Effect of revaluation of property, plant and equipment		-	141,953
Deferred tax on property, plant and equipment charged directly to revaluation reserve		-	(16,143)
Items that may be reclassified to profit or loss:			
Cumulative translation difference		29,548	(673)
Other comprehensive income for the period		29,548	125,137
Total comprehensive income for the period		219,825	228,151
Income attributable to:			
Equity holders of the Parent		187,402	101,546
Non-controlling interests		2,875	1,468
		190,277	103,014
Total comprehensive income attributable to:			
Equity holders of the Parent		216,622	225,704
Non-controlling interests		3,203	2,447
		219,825	228,151
Earnings per share from continuing and discontinued operations			
Basic and diluted income per share (USD per share)		1.79	0.87
Earnings per share from continuing operations			
Basic and diluted income per share (USD per share)		1.97	0.97

On behalf of the Board:

Chief Executive Officer — Yuriy Kosyuk

Chief Financial Officer — Viktoria Kapelyushnaya

The accompanying notes on the pages 11 to 25 form an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as of 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

	Notes	30 June 2017	31 December 2016
ASSETS			
Non-current assets			
Property, plant and equipment	7	1,221,585	1,180,334
Land lease rights		46,163	43,845
Deferred tax assets		2,412	1,561
Non-current biological assets		19,667	14,558
Long-term bank deposits		803	577
Other non-current assets		21,545	13,554
		1,312,175	1,254,429
Current assets			
Inventories	8	131,647	187,332
Biological assets	9	378,889	116,214
Agricultural produce	8	65,713	167,389
Other current assets, net		39,771	25,424
Taxes recoverable and prepaid, net		69,156	31,235
Trade accounts receivable, net		53,437	50,868
Cash and cash equivalents		129,843	154,570
Assets classified as held for sale		-	88,396
		868,456	821,428
TOTAL ASSETS		2,180,631	2,075,857
EQUITY AND LIABILITIES			
Equity			
Share capital		284,505	284,505
Treasury shares		(48,503)	(48,503)
Additional paid-in capital		175,291	175,291
Revaluation reserve		545,979	570,649
Retained earnings		851,412	719,340
Translation reserve		(977,896)	(1,024,916)
Equity attributable to equity holders of the Parent		830,788	676,366
Non-controlling interests		17,413	16,698
Total equity		848,201	693,064
Non-current liabilities			
Bank borrowings	10	187,618	259,567
Bonds issued	11	976,418	725,361
Finance lease obligations		7,421	5,581
Deferred tax liabilities		11,164	11,264
		1,182,621	1,001,773
Current liabilities			
Trade accounts payable		26,818	46,508
Other current liabilities		70,657	61,766
Bank borrowings	10	26,648	236,807
Accrued interest	10, 11	20,398	22,731
Finance lease obligations		5,288	8,044
Liabilities directly associated with assets classified as held for sale		-	5,164
		149,809	381,020
TOTAL LIABILITIES		1,332,430	1,382,793
TOTAL EQUITY AND LIABILITIES		2,180,631	2,075,857

On behalf of the Board:

Chief Executive Officer — Yuriy Kosyuk

Chief Financial Officer — Viktoria Kapelyushnaya

The accompanying notes on the pages 11 to 25 form an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

	Attributable to equity holders of the Parent								
	Share capital	*Treasury shares*	*Additional paid-in capital*	*Revaluation reserve*	*Retained earnings*	*Translation reserve*	*Total*	*Non-controlling interests*	*Total equity*
Balance as of 1 January 2017	284,505	(48,503)	175,291	570,649	719,340	(1,024,916)	676,366	16,698	693,064
Profit for the period	-	-	-	-	187,402	-	187,402	2,875	190,277
Other comprehensive income	-	-	-	-	-	29,220	29,220	328	29,548
Total comprehensive income for the period	-	-	-	-	187,402	29,220	216,622	3,203	219,825
Transfer from revaluation reserve to retained earnings	-	-	-	(22,632)	22,632	-	-	-	-
Dividends declared by the Parent *(Note 16)*	-	-	-	-	(80,000)	-	(80,000)	-	(80,000)
Derecognition of interests in subsidiaries	-	-	-	(24,841)	24,841	17,800	17,800	(2,488)	15,312
Translation differences on revaluation reserve	-	-	-	22,803	(22,803)	-	-	-	-
Balance as of 30 June 2017	284,505	(48,503)	175,291	545,979	851,412	(977,896)	830,788	17,413	848,201

On behalf of the Board:

Chief Executive Officer Yuriy Kosyuk

Chief Financial Officer Viktoria Kapelyushnaya

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2016
(in thousands of US dollars, unless otherwise indicated)

	Attributable to equity holders of the Parent								
	Share capital	*Treasury shares*	*Additional paid-in capital*	*Revaluation reserve*	*Retained earnings*	*Translation reserve*	*Total*	*Non-controlling interests*	*Total equity*
Balance as of 1 January 2016	284,505	(56,053)	178,192	567,525	645,020	(974,467)	644,722	28,127	672,849
Profit for the period	-	-	-	-	101,546	-	101,546	1,468	103,014
Other comprehensive income	-	-	-	123,960	-	198	124,158	979	125,137
Total comprehensive income for the period	-	-	-	123,960	101,546	198	225,704	2,447	228,151
Dividends	-	-	-	-	(80,000)	-	(80,000)	-	(80,000)
Transfer from revaluation reserve to retained earnings	-	-	-	(20,473)	20,473	-	-	-	-
Translation differences on revaluation reserve	-	-	-	(13,325)	13,325	-	-	-	-
Balance as of 30 June 2016	284,505	(56,053)	178,192	657,687	700,364	(974,269)	790,426	30,574	821,000

On behalf of the Board:

Chief Executive Officer — Yuriy Kosyuk

Chief Financial Officer — Viktoria Kapelyushnaya

The accompanying notes on the pages 11 to 25 form an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

	Notes	Six-month period ended 30 June 2017	Six-month period ended 30 June 2016
Operating activities			
Profit before tax		189,025	98,863
Non-cash adjustments to reconcile profit before tax to net cash flows			
Depreciation and amortization expense	*4*	40,120	42,645
Loss on disposal of subsidiaries	*2*	19,824	-
Net change in fair value of biological assets and agricultural produce	*4, 5*	(68,250)	(96,479)
Change in allowance for irrecoverable amounts and direct write-offs		(166)	(881)
Loss on disposal of property, plant and equipment and other non-current assets		452	213
Loss on impairment of property, plant and equipment		-	1,443
Finance income		(2,202)	(1,725)
Finance costs		59,328	53,887
Withholding tax related to interest		-	1,365
Unrealized foreign exchange (gain)/ loss, net	*5, 15*	(42,538)	37,214
Operating cash flows before movements in working capital		195,593	136,545
Working capital adjustments			
Change in inventories	*8*	66,605	130,980
Change in biological assets	*9*	(127,778)	(126,575)
Change in agricultural produce	*8*	65,508	33,348
Change in other current assets		(14,053)	(3,222)
Change in taxes recoverable and prepaid		(35,080)	18,206
Change in trade accounts receivable		(1,206)	(9,692)
Change in other liabilities		(9,697)	14,508
Change in trade accounts payable		(24,958)	(15,671)
Cash generated by operations		114,934	178,427
Interest received		2,135	1,723
Interest paid	*11*	(53,172)	(51,046)
Withholding tax related to interest		-	(1,365)
Income taxes paid		(110)	(76)
Net cash flows from operating activities		63,787	127,663
Investing activities			
Purchases of property, plant and equipment	*7*	(31,539)	(44,355)
Purchases of other non-current assets		(8,316)	(758)
Purchase of land lease rights		(2,266)	(1,442)
Proceeds from disposals of property, plant and equipment		148	412
Net cash inflow on disposal of subsidiaries	*2*	75,558	-
Purchases of non-current biological assets		(1,176)	(2,265)
Investments in short-term deposits		(158)	-
Withdrawals of short-term deposits		193	177
Loans provided to employees		(1)	(96)
Loans (provided to)/repaid by related parties		(19)	901
Net cash flows from/(used in) investing activities		32,424	(47,426)

The accompanying notes on the pages 11 to 25 form an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT *(continued)*
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

	Notes	*Six-month period ended 30 June 2017*	*Six-month period ended 30 June 2016*
Financing activities			
Proceeds from bank borrowings		56,764	127,082
Repayment of bank borrowings		(342,138)	(122,344)
Proceeds from bonds issued		254,800	-
Repayment of bonds		-	(294)
Repayment of finance lease obligations		(6,440)	(7,972)
Dividends paid		(77,697)	(79,985)
Transaction costs related to corporate bonds issued		(13,579)	-
Transaction costs related to bank loans received		(255)	-
Consent payment	*11*	-	(9,148)
Net cash flows used in financing activities		(128,545)	(92,661)
Net decrease in cash and cash equivalents		(32,334)	(12,424)
Net foreign exchange difference		5,397	360
Cash and cash equivalents attributable to disposal group classified as held for sale		2,098	-
Cash and cash equivalents at 1 January		150,982	59,343
Cash and cash equivalents at 30 June		126,143	47,279

Non-cash transactions

Effect of revaluation of property, plant and equipment		-	141,953
Additions of property, plant and equipment under finance leases		4,384	3,610
Property, plant and equipment purchased for credit		353	341

On behalf of the Board:

Chief Executive Officer — Yuriy Kosyuk

Chief Financial Officer — Viktoria Kapelyushnaya

The accompanying notes on the pages 11 to 25 form an integral part of these interim condensed consolidated financial statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

1. Corporate information

MHP SE (the “Parent” or “MHP SE”), a limited liability company (Societas Europaea) registered under the laws of Luxembourg, was formed on 30 May 2006 as a public limited liability company ("Société Anonyme") and converted into a European company ("Societas Europaea") effective as of 07 August 2017. MHP SE serves as the ultimate holding company of PJSC “Myronivsky Hliboproduct” (“MHP”) and its subsidiaries. Hereinafter, MHP SE and its subsidiaries are referred to as the “MHP SE Group” or the “Group”. The registered address of MHP SE is 5, rue Guillaume Kroll, L-1882 Luxembourg.

The controlling shareholder of MHP SE is Mr. Yuriy Kosyuk (“Principal Shareholder”), who owns 100% of the shares of WTI Trading Limited (“WTI”), which is the immediate majority shareholder of MHP SE.

The principal business activities of the Group are poultry and related operations, grain growing, as well as other agricultural operations (meat processing and meat products ready for consumption). The Group’s poultry and related operations integrate all functions related to the production of chicken, including hatching, fodder manufacturing, raising chickens to marketable age (“grow-out”), processing and marketing of branded chilled products and include the production and sale of chicken products, vegetable oil, mixed fodder. Grain growing comprises the production and sale of grains. Other agricultural operations comprise the production and sale of cooked meat, sausages, convenience food products, milk, goose meat, foie gras and feed grains. During the six-month period ended 30 June 2017 the Group employed about 27,900 people (31 December 2016: 31,000 people).

The primary subsidiaries, the principal activities of the companies forming the Group and the Parent’s effective ownership interest as of 30 June 2017 and 31 December 2016 were as follows:

Name	*Country of registration*	*Year established/ acquired*	*Principal activities*	*30 June 2017*	*31 December 2016*
Raftan Holding Limited	Cyprus	2006	Sub-holding Company	100.0%	100.0%
Larontas Limited	Cyprus	2015	Sub-holding Company	100.0%	100.0%
MHP	Ukraine	1998	Management, marketing and sales	99.9%	99.9%
Myronivsky Zavod po Vygotovlennyu Krup i Kombikormiv	Ukraine	1998	Fodder and sunflower oil production	88.5%	88.5%
Vinnytska Ptahofabryka	Ukraine	2011	Chicken farm	99.9%	99.9%
Peremoga Nova	Ukraine	1999	Breeder farm	99.9%	99.9%
Druzhba Narodiv Nova[1)]	Ukraine	2002	Chicken farm	0.0%	100.0%
Oril-Leader	Ukraine	2003	Chicken farm	99.9%	99.9%
Tavriysky Kombikormovy Zavod	Ukraine	2004	Fodder production	99.9%	99.9%
Myronivska Ptahofabryka	Ukraine	2004	Chicken farm	99.9%	99.9%
Starynska Ptahofabryka	Ukraine	2003	Breeder farm	100.0%	100.0%
Ptahofabryka Snyatynska Nova	Ukraine	2005	Geese breeder farm	99.9%	99.9%
Zernoproduct	Ukraine	2005	Grain cultivation	99.9%	99.9%
Katerynopilsky Elevator	Ukraine	2005	Fodder production and grain storage, sunflower oil production	99.9%	99.9%
Druzhba Narodiv[1)]	Ukraine	2006	Cattle breeding, plant cultivation	0.0%	99.9%
NPF Urozhay	Ukraine	2006	Grain cultivation	99.9%	99.9%
Agrofort	Ukraine	2006	Grain cultivation	86.1%	86.1%
Urozhayna Krayina	Ukraine	2010	Grain cultivation	99.9%	99.9%
Ukrainian Bacon	Ukraine	2008	Meat processing	79.9%	79.9%
AgroKryazh	Ukraine	2013	Grain cultivation	99.9%	99.9%
Baryshevka	Ukraine	2013	Grain cultivation	51.0%	51.0%
Zakhid-Agro MHP	Ukraine	2015	Grain cultivation	100.0%	100.0%
Scylla Capital Limited	British Virgin Islands	2014	Trading in sunflower oil and poultry meat	100.0%	100.0%

[1)] In February 2017 the Group sold its 100% ownership interest in the Crimean companies *(Note 2)*

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

1. Corporate information *(continued)*

The Group's operational facilities are located in different regions of Ukraine, including Kyiv, Cherkasy, Dnipropetrovsk, Donetsk, Lviv, Ternopil, Ivano-Frankivsk, Vinnytsia, Sumy and Khmelnitsk regions.

2. Changes in the group structure

Disposal of subsidiaries

Crimean companies

On 17 February 2017 the Group sold its 100% ownership interest in the Group's companies located in Autonomous Republic of Crimea for cash consideration of USD 77,785 thousand. The consideration consisted only of cash, there were no material direct costs related to disposal.

Assets and liabilities of Crimean companies as of the date of disposal were as follows:

	17 February 2017
Property, plant and equipment, net	52,530
Other non-current assets	1,451
Biological assets	9,938
Agricultural produce	9,242
Inventories	11,795
Trade accounts receivable, net	1,917
Taxes recoverable and prepaid, net	2,913
Other current assets	1,805
Cash and cash equivalents	2,227
Total assets	**93,818**
Trade accounts payable	(3,685)
Other current liabilities	(1,796)
Total liabilities	**(5,481)**
Intragroup accounts receivable and payable eliminated on consolidation, net	(6,040)
Net assets disposed	**82,297**

The following table presents the net result of the transaction:

Consideration received	77,785
Net assets disposed	(82,297)
Non-controlling interest	2,488
Cumulative exchange loss in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on loss of control in subsidiaries[1)]	(17,800)
Loss on disposal	**(19,824)**

[1)] Upon disposal of subsidiaries, the total cumulative exchange differences attributable to devaluation of functional currency, which were previously a component of other comprehensive income, were reclassified to profit or loss. Previously recognised gain of revaluation surplus remaining in the revaluation reserve of property, plant and equipment were not reclassified to profit or loss, but transferred directly to retained earnings in the amount of USD 24,841 thousand.

Consideration received in cash and cash equivalents	77,785
Less: cash and cash equivalents balances disposed	(2,227)
Net cash inflow arising on the disposal	**75,558**

The loss on disposal is included in the loss for the year from discontinued operations.

Information on financial result of subsidiaries for the period from 1 January 2017 until date of disposal have been considered immaterial for disclosure.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

3. Basis of preparation and accounting policies

Basis of preparation

The interim condensed consolidated financial statements for the six-month period ended 30 June 2017 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted. However, such information reflects all adjustments (consisting of normal recurring adjustments), which are, in the opinion of the Group management, necessary to fairly state the results of interim periods. Interim results are not necessarily indicative of the results to be expected for the full year.

The 31 December 2016 statement of financial position was derived from the audited consolidated financial statements.

Adoption of new and revised International Financial Reporting Standards

The adoption of the new or revised Standards did not have any material effect on the financial position or performance of the Group and did not result in any changes to the Group's accounting policies and the amounts reported in the six-month period ended 30 June 2017 or prior periods.

For the Standards and Interpretations, as well as amendments to the Standards that were in issue but not yet effective management anticipates that their adoption will not have a material effect on the consolidated financial statements of the Group in future periods, except those disclosed in the Group's annual financial statements for the year ended 31 December 2016. The Management are currently assessing it's potential impact and expects to be able to provide such information at year-end 2017.

Functional and presentation currencies

The functional currency of Ukrainian, Cyprus and Luxemburg companies of the Group is the Ukrainian Hryvnia ("UAH"); the functional currency of the Autonomous Republic of Crimea companies of the Group is the Russian Rouble ("RUB"). Transactions in currencies other than the functional currency of the entities concerned are treated as transactions in foreign currencies. Such transactions are initially recorded at the rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are translated at the rates prevailing on the reporting date. All realized and unrealized gains and losses arising on exchange differences are recognised in the interim condensed consolidated statement of comprehensive income for the period.

These interim condensed consolidated financial statements are presented in US Dollars ("USD"), which is the Group's presentation currency.

The results and financial position of the Group are translated into the presentation currency using the following procedures:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate as of the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of the transactions;
- All resulting exchange differences are recognized as a separate component of equity;
- All equity items, except for the revaluation reserve, are translated at the historical exchange rate. The revaluation reserve is translated at the closing rate as of the date of the statement of financial position.

For practical reasons, the Group translates items of income and expenses for each period presented in the financial statements using the quarterly average rates of exchange, if such translations reasonably approximate the results translated at exchange rates prevailing at the dates of the transactions.

The following exchange rates were used:

Currency	*Closing rate as of 30 June 2017*	*Average for six-months ended 30 June 2017*	*Closing rate as of 31 December 2016*	*Average for six-months ended 30 June 2016*	*Closing rate as of 31 December 2015*
UAH/USD	26.0990	26.7602	27.1909	25.4578	24.0007
UAH/EUR	29.7868	28.9372	28.4226	28.4150	26.2231
UAH/RUB	0.4417	0.4620	0.4511	0.3642	0.3293

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS for the six-month period ended 30 June 2017

(in thousands of US dollars, unless otherwise indicated)

3. Basis of preparation and accounting policies *(continued)*

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016, except those adopted starting from 1 January 2017 as described below in this note.

Change in accounting policy

Shipping and handling costs charged to customers

During the six-month period ended 30 June 2017 the Group voluntary changed its accounting policy for classification of shipping and handling costs charged to customers.

The Group sells its products for export on various terms, some of which include shipping and handling costs in the price of the product. Sales price of products for local market predominantly includes shipping and handling costs in the price of the product.

Shipping costs include costs incurred to move the product from the Group's initial point of sale to the buyer's designated location and include payments to third-party shippers. They may also include costs incurred directly by the Group (e.g. salaries and overheads related to the activities to prepare the goods for shipment).

Handling costs include costs incurred to store, move and prepare the products for shipment. Handling costs are incurred from when the product is removed from finished goods to when the product is provided to the shipper and may include an allocation of internal overheads.

Shipping and handling costs had been previously reported as part of costs reported in sales, general and administrative expenses.

In the current period the Group decided to change its accounting policy with classification of Shipping and handling costs. The presentation of amounts billed to a customer for shipping and handling depends on an analysis of the principal versus agent considerations related to shipping and handling services. If control of the goods transfers on receipt by the customer, the Group will generally be considered to be the principal in the shipping and handling service. If the Group considers to be a principal in shipping and handling, amounts related to shipping and handling billed to a customer in a sale transaction are accounted as revenues earned for the goods provided and costs related to such services are reported in cost of sales.

If control of the goods transfers when the goods are shipped, the Group will be generally considered as agent with respect to the shipping service. If the Group considers to be an agent in shipping and handling, only the net commission received is reported as revenue.

Costs related to shipping and handling, which are not charged to the customer or otherwise included in the price are reported as selling, general and administrative expenses.

The Group's management believes that this change in the accounting policy will result in the financial statements providing more relevant and reliable information about the revenue, cost of sales and selling, general and administrative expenses.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

3. Basis of preparation and accounting policies *(continued)*

Change in accounting policy *(continued)*

The effect of the retrospective application of this policy on the consolidated statement of comprehensive income was as follows:

	Six-month period ended 30 June 2017	*Six-month period ended 30 June 2016*
Cost of sales according to the old policy	(413,445)	(352,709)
Effect of the change in accounting policy	(15,845)	(12,631)
Cost of sales according to the new policy	(429,290)	(365,340)
Selling, general and administrative expenses according to the old policy	(52,029)	(40,952)
Effect of the change in accounting policy	15,845	12,631
Selling, general and administrative expenses according to the new policy	(36,184)	(28,321)

The change in accounting policies had no effect on earnings per share and on consolidated statement of financial position and on the consolidated statement of cash flows either in the current or previous periods.

Reclassifications and revisions

Certain comparative information presented in the interim condensed consolidated financial statements for the six-month period ended 30 June 2016 has been revised in order to achieve comparability with the presentation used in the interim condensed consolidated financial statements for the six-month period ended 30 June 2017. Such reclassifications and revisions were not significant to the Group financial statements.

Seasonality of operations

Poultry and related operations as well as other agricultural operations are not significantly exposed to seasonal fluctuations.

Grain growing segment, due to seasonality and implications of IAS 41, in the first half of the year mainly reflects sales of carried forward agricultural produce and the effect of biological assets revaluation, while during the second half of the year it reflects sales of crops and the effect of revaluation of agricultural produce harvested during the year. Also, grain growing segment has seasonal requirements for working capital increase from November to May, due to the sowing campaign.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

4. Segment information

The following table presents income statement information regarding the Group's operating segments for the six-month period ended 30 June 2017:

	Poultry and related operations	*Grain growing*	*Other agricultural operations*	*Eliminations*	*Consolidated*
External sales	516,688	28,271	54,871	-	599,830
Sales between business segments	13,385	74,498	141	(88,024)	-
Total revenue	530,073	102,769	55,012	(88,024)	599,830
Segment results	140,161	86,187	8,525	-	234,873
Unallocated corporate expenses					(8,735)
Other expenses, net[1)]					(17,289)
Profit before tax					208,849
Other information:					
Depreciation and amortization expense[2)]	29,452	8,577	1,512	-	39,541
Net change in fair value of biological assets and agricultural produce (Note 5)	13,959	51,084	3,207	-	68,250

1) Includes finance income, finance costs, foreign exchange gain (net) and other expenses (net).

2) Depreciation and amortization for the six-month period ended 30 June 2017 does not include unallocated depreciation and amortization in the amount of USD 579 thousand.

During the six-month period ended 30 June 2017 the Group decided to include convenience food previously reported in poultry and related operations segment to other agricultural operations in line with how Group's chief operating decision maker ("CODM") started to evaluate performance of the segments. Based on the analysis of convenience food type and nature, the Group believes this disclosure provide more relevant information about the types of goods supplied by the Group's operating divisions. This change was accounted retrospectively as change in accounting policy, and all comparative information was restated retrospectively.

The following table presents income statement information regarding the Group's operating segments for the six-month period ended 30 June 2016:

	Poultry and related operations	*Grain growing*	*Other agricultural operations*	*Eliminations*	*Consolidated*
External sales	437,620	3,037	42,184	-	482,841
Sales between business segments	10,399	53,835	113	(64,347)	-
Total revenue	448,019	56,872	42,297	(64,347)	482,841
Segment results	122,412	81,857	3,784	-	208,053
Unallocated corporate expenses					(4,528)
Loss on impairment of property, plant and equipment					(1,443)
Other expenses, net[1)]					(94,968)
Profit before tax					107,114
Other information:					
Depreciation and amortization expense[2)]	27,977	8,579	1,291	-	37,847
Net change in fair value of biological assets and agricultural produce (Note 5)	26,083	76,475	254	-	102,812

1) Includes finance income, finance costs, foreign exchange loss (net) and other expenses (net).

2) Depreciation and amortization for the six-month period ended 30 June 2016 does not include unallocated depreciation and amortization in the amount of USD 1,343 thousand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
(in thousands of US dollars, unless otherwise indicated)

5. Profit for the period

The Group’s gross profit for the six-month period ended 30 June 2017 increased compared to the six-month period ended 30 June 2016 and amounted to USD 238,790 thousand and USD 220,313 thousand respectively. The increase was primarily attributable to the increase export volumes of chicken meat and grains.

The net change in fair value, reflects IAS 41 adjustment relating to revaluation of crops in fields, poultry and breeder stock and other biological assets balances to the fair value as of 30 June.

The Group’s net profit for the six-month period ended 30 June 2017 increased compared to the six-month period ended 30 June 2016 and amounted to USD 210,101 thousand and USD 111,332 thousand, respectively. The increase is mainly attributed to foreign exchange gains amounting to USD 42,538 for the six-month period ended 30 June 2017 compared to foreign exchange losses of USD 40,392 thousand for the six-month period ended 30 June 2016. Foreign exchange gain/loss mostly attributable to bonds and bank borrowings denominated in foreign currencies due to UAH appreciation/depreciation against USD and EUR.

6. VAT refunds and other government grants income

According to the Tax Code of Ukraine issued in December 2010 and effective since 1 January 2011 (“Tax Code”), companies that generated not less than 75% of gross revenues for the previous tax year from sales of own agricultural products are entitled to retain VAT on sales of agricultural products, net of VAT paid on purchases, for use in agricultural production.

During the year ended 31 December 2015 and before, VAT collected from agricultural producers was fully retained by these companies. On 24 December 2015, the Law “On amending the Tax Code of Ukraine and certain legislative acts of Ukraine in terms of ensuring the balanced budget receipts in 2016” was adopted effective 1 January 2016. In accordance with the new legislation, agricultural producers will be entitled to retain only a portion of VAT on agricultural operations. Producers of grain and industrial crops, cattle and dairy producers, poultry and other agriculture producers shall retain VAT in a portion of 15%, 80% and 50%, respectively.

On 30 December 2016 the President of Ukraine signed the Law No. 1791 On Amendments to the Tax Code of Ukraine Regarding the Balancing of Budget Revenues in 2017 (hereinafter the “Law No. 1791”). The Law No. 1791 introduces changes to VAT administration for agricultural companies which previously enjoyed a special VAT regime. The special VAT regime for agricultural companies was terminated as of 1 January 2017.

However, in order to continue state support for agricultural companies, the Law No. 1791 introduces budget subsidies for agricultural companies by amending the Law of Ukraine On State Support of Agriculture of Ukraine. From 2017 onwards, budget subsidies will be provided for 5 consecutive calendar years, until 1 January 2022. The agricultural producers eligible for the subsidies will include those involved in poultry production and animal farming, as well as fruit and vegetable farmers.

For each agricultural producer, the amount of the subsidy is not to exceed the amount of VAT tax paid by the producers, and will be distributed on a monthly basis.

7. Property, plant and equipment

During the six-month period ended 30 June 2017, the Group’s additions to property, plant and equipment amounted to USD 36,276 thousand (six-month period ended 30 June 2016: USD 48,306 thousand).

There were no significant disposals of property, plant and equipment during the six-month period ended 30 June 2017.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended 30 June 2017
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8. Inventories and agricultural produce

Decrease in inventory and agricultural produce balances as of 30 June 2017 compared to 31 December 2016 is mainly attributable to internal consumption of corn and sunflower for chicken feed.

Changes of inventory balance apart from consumption of purchased grain stock have also occurred because as of 31 December 2016 expenses incurred in cultivating of fields which had to be planted in spring 2017 were capitalised in work in progress balance. As of 30 June 2017 those expenses were classified as crops in fields within biological assets, as the plants were already sown.

9. Biological assets

Increase in current biological assets as compared to 31 December 2016 is primarily related to crops in fields balance. The increase in crops in fields balance mainly relates to spring crops seeded in the first half of 2017 classified as biological assets as well as due to IAS 41 revaluation adjustment.

10. Bank borrowings

The following table summarizes bank borrowings and credit lines outstanding as of 30 June 2017 and 31 December 2016:

		30 June 2017		*31 December 2016*	
Bank	*Currency*	*WAIR [1)]*	*USD' 000*	*WAIR [1)]*	*USD' 000*
Non-current					
Foreign banks	USD	7.87%	171,453	8.09%	241,823
Foreign banks	EUR	1.40%	16,165	1.33%	17,744
			187,618		259,567
Current					
Ukrainian banks	USD		-	7.20%	68,752
Foreign banks	USD		-	6.93%	65,500
Current portion of long-term bank borrowings			26,648		102,555
			26,648		236,807
Total bank borrowings			214,266		496,374

[1)] WAIR represents the weighted average interest rate on outstanding borrowings.

As of 30 June 2017 and 31 December 2016 accrued interest on bank borrowings was USD 5,001 thousand and USD 7,606 thousand, respectively.

The Group's borrowings are drawn from various banks as term loans, credit line facilities and overdrafts. Repayment terms of principal amounts of bank borrowings vary from monthly repayment to repayment on maturity depending on the agreement reached with each bank. The interest on the borrowings drawn with the Ukrainian banks is payable on a monthly or quarterly basis. Interest on borrowings drawn with foreign banks is payable semi-annually and annually.

All bank loans and credit lines held by the Group as of 30 June 2017 and 31 December 2016 bear the floating interest rates.

Bank borrowings and credit lines outstanding as of 30 June 2017 and 31 December 2016 were repayable as follows:

	30 June 2017	*31 December 2016*
Within one year	26,648	236,807
In the second year	86,855	134,974
In the third to fifth year inclusive	89,913	113,758
After five years	10,850	10,835
	214,266	496,374

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10. Bank borrowings *(continued)*

As of 30 June 2017, the Group had available undrawn facilities of USD 124,401 thousand (31 December 2016: USD 56,479 thousand). These undrawn facilities expire during the period from September 2017 until January 2020.

As of 30 June 2017, the deposit with carrying amount of USD 4,502 thousand (31 December 2016: USD 4,165 thousand) was restricted as collateral to secure bank borrowings.

The Group, as well as particular subsidiaries of the Group have to comply with certain covenants imposed by the banks providing the loans. The main covenants which are to be complied with by the Group are net debt to EBITDA ratio; EBITDA to interest expenses ratio; and current ratio. The Group subsidiaries are also required to obtain approval from lenders regarding property, plant and equipment to be used as collateral.

During the reporting periods ended 30 June 2017 and 31 December 2016 the Group has complied with all covenants defined by indebtedness agreement.

11. Bonds issued

Bonds issued and outstanding as of 30 June 2017 and 31 December 2016 were as follows:

	30 June 2017	*31 December 2016*
8.25% Senior Notes due in 2020	504,800	750,000
7.75% Senior Notes due in 2024	500,000	-
Unamortized debt issue cost	(28,382)	(24,639)
Total long-term bonds issued	976,418	725,361

As of 30 June 2017 and 31 December 2016 amount of accrued interest on bonds issued was USD 15,397 thousand and USD 15,125 thousand, respectively.

7.75% Senior Notes

On 10 May 2017, MHP SE issued USD 500,000 thousand 7.75% Senior Notes due in 2024 at par value. Out of the total issue amount USD 245,200 thousand were designated for redemption and exchange of existing 8.25% Senior Notes due in 2020.

Early redemption of 8.25% Senior Notes due in 2020 out of issue of 7.75% Senior Notes due in 2024, which were placed with the same holders and where the change in the net present value of the future cash flows discounted using the original effective interest rate was less than 10% was accounted as an exchange and thus, all the related expenses, including part of consent fees, were capitalized and would be amortized over the maturity period of the 7.75% Senior Notes due in 2024 in the amount of USD 9,830 thousand.

Other related expenses, including part of consent fees, in the amount of USD 4,599 thousand were expensed as incurred.

The Senior Notes are jointly and severally guaranteed on a senior basis by MHP, Ptahofabryka Peremoga Nova, Oril-Leader, Myronivsky Zavod po Vygotovlennyu Krup i Kombikormiv, Zernoproduct, Myronivska Ptahofabryka, Starynska Ptahofabryka, Katerynopilsky Elevator, Agrofort, NPF Urozhay, Vinnytska Ptahofabryka, Scylla Capital Limited, Raftan Holding Limited.

Interest on the Senior Notes is payable semi-annually in arrears. These Senior Notes are subject to certain restrictive covenants including, but not limited to, limitations on the incurrence of additional indebtedness in excess of Net Debt to EBITDA ratio as defined by the indenture, restrictions on mergers or consolidations, limitations on liens and dispositions of assets and limitations on transactions with affiliates. If the Group fails to comply with the covenants imposed, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may, upon written notice to the Group, declare all outstanding Senior Notes to be due and payable immediately. If a change of control occurs, the Group shall make an offer to each holder of the Senior Notes to purchase such Senior Notes at a purchase price in cash in an amount equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any.

8.25% Senior Notes

On 8 April 2013, MHP SE issued USD 750,000 thousand 8.25% Senior Notes due in 2020 at an issue price of 100% of the principal amount. USD 350,000 thousand out of issued USD 750,000 thousand 8.25% Senior Notes were used to early redemption and exchange of its existed 10.25% Senior Notes due in 2015.

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11. Bonds issued *(continued)*

Early redemption of 10.25% Senior Notes due in 2015 out of issue of 8.25% Senior Notes due in 2020, which were placed with the same holders and where the change in the net present value of the future cash flows discounted using the original effective interest rate was less than 10% was accounted as exchange and thus, all the related expenses, including consent fees, were capitalized and will be amortized over the maturity period of the 8.25% Senior Notes due in 2020 in the amount of USD 28,293 thousand.

Other related expenses, including consent fees, in the amount of USD 16,515 thousand were expensed as incurred.

The Senior Notes are jointly and severally guaranteed on a senior basis by MHP, Ptahofabryka Peremoga Nova, Oril-Leader, Myronivsky Zavod po Vygotovlennyu Krup i Kombikormiv, Zernoproduct, Myronivska Ptahofabryka, Starynska Ptahofabryka, Snyatynska Ptahofabryka, Katerynopilsky Elevator, Agrofort, NPF Urozhay, Vinnytska Ptahofabryka, Scylla Capital Limited, Raftan Holding Limited, Merique Holding Limited.

Interest on the Senior Notes is payable semi-annually in arrears. These Senior Notes are subject to certain restrictive covenants including, but not limited to, limitations on the incurrence of additional indebtedness in excess of Net Debt to EBITDA ratio as defined by the indebtedness agreement, restrictions on mergers or consolidations, limitations on liens and dispositions of assets and limitations on transactions with affiliates. If the Group fails to comply with the covenants imposed, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may, upon written notice to the Group, declare all outstanding Senior Notes to be due and payable immediately. If a change of control occurs the Group shall make an offer to each holder of the Senior Notes to purchase such Senior Notes at a purchase price in cash in an amount equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any.

Consent solicitation

On 7 March 2016, the Group has received consent from the Holders of the outstanding USD 750,000 thousand 8.25% Senior Notes for certain proposed amendments to the Indenture and the Notes. Amendments were obtained before the Consent Expiration Date (7 March 2016). The Amendments were implemented by way of execution of the Supplemental Indenture on 8 March 2016, and became effective from the Consent Settlement Date (9 March 2016).

In relation to the Notes, the Company has, on the Consent Settlement Date, paid to those Holders from whom valid Consents were delivered and not revoked on or prior to the Consent Expiration Date and which Consents are accepted by the Company the Consent Payment of USD 12.50 for each USD 1 thousand in principal amount of the Notes that were subject of the relevant Electronic Instructions.

During the reporting periods ended 30 June 2017 and 31 December 2016 the Group has complied with all covenants defined by indebtedness agreement.

The weighted average effective interest rate on the Senior Notes is 9.47% per annum and 9.69% per annum for the six-months ended 30 June 2017 and 2016, respectively.

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12. Related party balances and transactions

For the purposes of these financial statements, parties are considered to be related if one party controls, is controlled by, or is under common control with the other party, or exercises significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions, which unrelated parties might not, and transactions between related parties may not be effected on the same terms and conditions as transactions between unrelated parties.

Transactions with related parties under common control

The Group enters into transactions with related parties that are under common control of the Principal Shareholder of the Group (Note 1) in the ordinary course of business for the purchase and sale of goods and services.

Terms and conditions of sales to related parties are determined based on arrangements specific to each contract or transaction. Management believes that amounts receivable due from related parties do not require an allowance for irrecoverable amounts and that the amounts payable to related parties will be settled at cost.

Transactions with related parties during the six-month periods ended 30 June 2017 and 2016 were as follows:

	Six-month period ended 30 June 2017	*Six-month period ended 30 June 2016*
Sales of goods to related parties	-	-
Sales of services to related parties	-	-
Purchases from related parties	17	51

The balances owed to and due from related parties were as follows as of 30 June 2017 and 31 December 2016:

	30 June 2017	*31 December 2016*
Trade accounts receivable	118	113
Payables due to related parties	18	6
Advances and finance aid	3,440	3,310
Payables for dividends declared	2,303	-

Compensation of key management personnel

Total compensation of the Group's key management personnel (including compensation to Mr. Yuriy Kosyuk), which consists of contractual salary and performance bonuses amounted to USD 3,838 thousand and USD 2,369 thousand for the six-month periods ended 30 June 2017 and 2016, respectively.

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13. Contingencies and contractual commitments

Operating environment

In the recent years, Ukraine has been in a political and economic turmoil. Crimea, an autonomous republic of Ukraine, was effectively annexed by the Russian Federation. In 2017, an armed conflict with separatists continued in certain parts of Luhansk and Donetsk regions. These events resulted in higher inflation, devaluation of the national currency against major foreign currencies, illiquidity and volatility of financial markets. In January 2016, the agreement on the free trade area between Ukraine and the EU came into force. As a result, the Russian Federation implemented a trade embargo or import duties on key Ukrainian export products. In response, Ukraine implemented similar measures against Russian products.

For the six-month period ended 30 June 2017 average inflation amounted to 7.9% comparing to 4.9% for the six-month period ended 30 June 2016. Despite the fact that the cumulative inflation in Ukraine for the three latest years amounted to 95%, management believes that the Ukrainian economy is not hyperinflationary due to slowing down of inflation during the six-month period ended 30 June 2017 and lack of qualitative characteristics of the hyperinflationary economic environment.

The economic situation began to stabilize in 2017, which resulted in GDP growth around 2.5% for the six-month period ended 30 June 2017 and stabilization of Ukrainian Hryvnia. This allowed the National Bank of Ukraine to ease some foreign exchange restrictions imposed during 2014-2015, including decrease of the required share of foreign currency proceeds sale to 50% and permission of dividends remittance. However, certain other restrictions were prolonged. Significant external financing is required to support the economy. As at 4 April 2017, Ukraine received the fourth tranche of extended fund facilities (EFF) agreed with the IMF. Further stabilization of the economic and political situation depends, to a large extent, upon success of the Ukrainian government's efforts, yet further economic and political developments are currently difficult to predict.

The management of the Group believes that negative impact of the political and economic turmoil at the Group's entities is reasonably limited due to significant portion of export sales, access to the international finance market and significant distance of its main production sites from a conflict zone.

Taxation and legal issues

Ukrainian tax authorities are increasingly directing their attention to the business community as a result of the overall Ukrainian economic environment. In respect of this, the local and national tax environment in Ukraine is constantly changing and subject to inconsistent application, interpretation and enforcement. Non-compliance with Ukrainian laws and regulations can lead to the imposition of severe penalties and fines. Future tax examinations could raise issues or assessments which are contrary to the Group companies' tax filings. Such assessments could include taxes, penalties and fines, and these amounts could be material. While the Group believes it has complied with local tax legislation, there have been many new tax and foreign currency laws and related regulations introduced in recent years which are not always clearly written.

Facing current economic and political issues, the Government has implemented certain reforms in the tax system of Ukraine by adopting the Law of Ukraine 'On Amending the Tax Code of Ukraine and Certain Laws of Ukraine', which is effective from 1 January 2015, except for certain provisions which will take effect at a later date.

Management believes that the Group has been in compliance with all requirements of effective tax legislation and currently is assessing the possible impact of the introduced amendments.

The Group exports Vegetable oil, Chicken meat and related products, performs intercompany transactions, which may potentially be in the scope of the Ukrainian transfer pricing ("TP") regulations. The Group has prepared all necessary documentation on controlled transactions for the year ended 31 December 2016 as required by legislation and plans to submit report.

As of 30 June 2017, the Group's management assessed its possible exposure to tax risks for a total amount of USD 5,007 thousand related to corporate income tax (31 December 2016: USD 4,210 thousand). No provision was charged of such possible tax exposure.

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13. Contingencies and contractual commitments *(continued)*

Taxation and legal issues *(continued)*

As of 30 June 2017, companies of the Group were engaged in ongoing litigation with tax authorities for the amount of USD 4,219 (2016: USD 6,069 thousand), including USD 1,585 thousand (2016: USD 2,689 thousand) of litigations with the tax authorities related to disallowance of certain amounts of VAT refunds and deductible expenses claimed by the Group. Out of this amount, USD 3,542 thousand as of 30 June 2017 (2016: USD 4,965 thousand) relates to cases where court hearings have taken place and where the court in either the first or second instance has already ruled in favour of the Group. Management believes that based on the past history of court resolutions of similar lawsuits by the Group, it is unlikely that a significant settlement will arise out of such lawsuits and no respective provision is required in the Group's financial statements as of the reporting date.

Contractual commitments on purchase of property, plant and equipment

During the six-month period ended 30 June 2017, the companies of the Group entered into a number of contracts with foreign suppliers for the purchase of property, plant and equipment for development of agricultural operations. As of 30 June 2017, purchase commitments on such contracts were primarily related to the expansion of breeding farm as well as construction of new facilities at poultry rearing farms and amounted to USD 17,670 thousand (31 December 2016: USD 2,656 thousand).

14. Fair value of financial instruments

Fair value disclosures in respect of financial instruments are made in accordance with the requirements of International Financial Reporting Standards 7 "Financial Instruments: Disclosure" and 13 "Fair value measurement". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. As no readily available market exists for a large part of the Group's financial instruments, judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the instrument. The estimates presented herein are not necessarily indicative of the amounts the Group could realize in a market exchange from the sale of its full holdings of a particular instrument.

The fair value is estimated to be the same as the carrying value for cash and cash equivalents, short-term bank deposits, trade accounts receivables, and trade accounts payable due to the short-term nature of the financial instruments.

Set out below is the comparison by category of carrying amounts and fair values of all the Group's financial instruments, excluding those discussed above, that are carried in the consolidated statement of financial position:

	Carrying amount		*Fair value*	
	30 June 2017	*31 December 2016*	*30 June 2017*	*31 December 2016*
Financial liabilities				
Bank borrowings *(Note 10)*	219,267	503,980	202,819	490,923
Senior Notes due in 2020, 2024 *(Note 11)*	991,815	740,486	1,043,957	729,000
Finance lease obligations	12,709	13,625	12,816	14,079

The carrying amount of Bank borrowings and Senior Notes issued includes interest accrued at each of the respective dates.

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14. Fair value of financial instruments (continued)

The fair value of bank borrowings and finance lease obligations was estimated by discounting the expected future cash outflows by a market rate of interest for bank borrowings: market rate of interest for bank borrowings 7.83% (2016: 8.29%) and for finance lease obligations 8.92% (2016: 7.98%), and is within Level 2 of the fair value hierarchy.

The fair value of Senior Notes was estimated based on market quotations and is within Level 1 of the fair value hierarchy. There were no transfers between any levels during the year.

15. Risk management policy

During the six-month period ended 30 June 2017 there were no changes to objectives, policies and processes for credit risk, capital risk, liquidity risk, currency risk, interest rate risk, livestock diseases risk and commodity price and procurement risk managing.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group undertakes certain transactions denominated in foreign currencies. The Group does not use any derivatives to manage foreign currency risk exposure, the Group management sets limits on the level of exposure to foreign currency fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities as of 30 June 2017 and 31 December 2016 were as follows:

	30 June 2017		*31 December 2016*	
	USD	*EUR*	*USD*	*EUR*
Total assets	127,694	6,072	141,301	10,934
Total liabilities	(1,190,668)	(43,969)	(1,214,506)	(54,244)
Net position	(1,062,974)	(37,897)	(1,073,205)	(43,310)

The table below details the Group's sensitivity to strengthening/weakening of the Ukrainian Hryvnia against USD and EUR. This sensitivity range represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for possible change in foreign currency rates.

	Change in foreign currency exchange rates	*Gain/(Loss)*
2017		
Increase in USD exchange rate	10%	(106,297)
Increase in EUR exchange rate	10%	(3,790)
Decrease in USD exchange rate	5%	53,149
Decrease in EUR exchange rate	5%	1,895
2016		
Increase in USD exchange rate	10%	(107,321)
Increase in EUR exchange rate	10%	(4,331)
Decrease in USD exchange rate	5%	53,660
Decrease in EUR exchange rate	5%	2,166

The effect of foreign currency sensitivity would prompt a fluctuation in the equity and profit and loss account by the amounts shown above. There are no hedging activities in the other comprehensive income, so the statement of comprehensive income and the statement of changes in equity impacts are the same. This analysis assumes that all other variables, in particular interest rates, remain constant.

During the six-month period ended 30 June 2017, Ukrainian Hryvnia depreciated against EUR by 4.6% and appreciated against USD by 4.2% (six-month period ended 30 June 2016: EUR and USD depreciated by 4.9% and 3.4% relative to UAH, respectively). As a result, during the six-month period ended 30 June 2017 the Group recognised net foreign exchange gain in the amount of USD 42,538 thousand (six-month period ended 30 June 2016: foreign exchange loss in the amount of USD 40,392 thousand) in the interim condensed consolidated statement of comprehensive income.

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16. Dividends

On 14 March 2017, the Board of Directors of MHP SE approved the payment of an interim dividend of USD 0.7492 per share, equivalent to approximately USD 80,000 thousand, on 29 March 2017 to shareholders on the register as of 26 March 2017. The Board of Directors approved that no dividend will be paid on the Company's shares held in treasury.

The Board of Directors of MHP SE also acknowledged the consent of WTI Trading Limited (the Company's major shareholder) to be paid later than on the declared dividend payment date (but not later than 1 November 2017), with no interest accrued on the amount of dividend paid later (Note 12).

During the six-month period ended 30 June 2017, MHP SE paid dividends to shareholders in the amount of USD 77,697 thousand.

17. Subsequent events

MHP has converted from a public limited liability company ("société anonyme") into a European company ("Societas Europaea") effective as of 07 August 2017 (the "Conversion").

The Conversion provided the Company with a legal framework, which is recognized in each of the European Union Member States. This will allow the Company's shareholders to transfer its registered office freely (subject to the applicable legal provisions) to any other place within the European Union without having to liquidate the Company or create a new legal entity.

18. Authorization of the interim condensed consolidated financial statements

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors of MHP SE on 16 August 2017.