PRESS RELEASE

November 16, 2010, Kyiv, Ukraine

MHP S.A.

Unaudited Financial Results for the Third Quarter and the Nine Months Ended 30 September 2010

MHP S.A. ("MHP" or the "Company", LSE ticker: "MHPC"), one of the leading agro-industrial companies in Ukraine, focusing on the production of poultry and the cultivation of grain, today announces its unaudited results for the third quarter and the nine months ended 30 September 2010.

Key operational highlights

Poultry and related operations

- Volume of chicken meat sales to external customers for the nine months ended 30 September 2010 increased 29% year on year to 249,500 tonnes.
- Demand for chicken meat during the first nine months of 2010 remained high as consumers continued to substitute other meats with locally produced chicken. As a result, MHP was able to sell close to 100% of the chicken produced.
- The average chicken meat price through the Q3 2010 increased 12% year-on-year to UAH 14.05 per kg of adjusted weight (excluding VAT) primarily as a consequence of the local and global increase in grain prices (majority of the production costs).
- The new sunflower crushing plant, launched in September 2009, allowed MHP to increase its sunflower oil production volumes by 64% during the first nine months of 2010 to 149,600 tonnes.

Grain growing

- During the first nine months of 2010 the Company continued to execute its stated strategy of gradually increasing its land bank and at the end of the period it had more than 230,000 hectares of land under control.
- The Company's harvest is on track, despite concerns over weather conditions and unfavorable preliminary forecasts across Ukraine and the wider region.
- In general, yields are significantly higher than Ukraine's average but lower compared to 2009 yields.

Other agriculture

- Throughout the first nine months of 2010, sausage and cooked meat production volumes increased by 32% to 24,100 tonnes (9M 2009: 18,250 tonnes).

- MHP continued to invest in marketing of its processed meat brands and as a result market share has exceeded 10%.

Key financial highlights

Q3 2010 highlights

- Revenue in UAH terms increased by 29% to 2,000 million (Q3 2009: UAH 1,548 million), and in US dollar terms by 28% to 253 million (Q3 2009: U.S.$198 million).
- EBITDA in UAH terms increased by 43% year-on-year to 783 million (Q3 2009: UAH 547 million), in US dollar terms EBITDA increased by 42% to 99 million (Q3 2009: U.S.$70 million).
- Consolidated EBITDA margin increased to 39% (Q3 2009: 35%), while EBITDA margin in the poultry segment increased to 43% (Q3 2009: 41%).
- Net income in UAH terms increased by 330% to 441 million (Q3 2009: UAH 103 million), in US dollar terms net income increased by 325% to 56 million (Q3 2009: U.S.$13 million).

9M 2010 highlights

- Revenue in UAH terms increased by 38% to 5,364 million (9M 2009: UAH 3,884 million), in US dollar terms revenue increased by 35% to 676 million (9M 2009: U.S.$502 million).
- EBITDA in UAH terms increased by 21% year-on-year to 1,838 million (9M 2009: UAH 1,522 million), in US dollar terms EBITDA increased by 18% to 232 million (9M 2009: U.S.$197 million).
- Consolidated EBITDA margin decreased to 34% (9M 2009: 39%).
- Net income in UAH terms increased by 58% to 1,253 million (9M 2009: UAH 791 million), in US dollar terms net income increased by 54% to 158 million (9M 2009: U.S.$103 million).

Post period end

- Consumer demand for poultry meat continues to remain high and the average poultry price is higher year on year.
- The harvest is largely completed and yields are significantly higher than the Ukrainian average (rape yield is 3.0 tonnes per hectare, wheat – 5.7 tonnes per hectare, corn – 7.8 tonnes per hectare, sunflower – 2.6 tonnes per hectare).

Commenting on the results, Yuriy Kosiuk, Chief Executive Officer of MHP, said:

"We are pleased with MHP's third quarter performance, which demonstrates strong year-on-year growth and the continued improvement in our key financial metrics driven by the performance of our poultry business. The current market conditions show how beneficial MHP's business model of vertical integration is, as it ensures stable profitability despite the fluctuations in grain prices.

"We continue to focus on increasing shareholder value by growing our chicken and meat processing production volumes, construction of new modern chicken farms and by expanding our agricultural land bank. High consumer demand for chicken meat, high yields across all crops, our focus on vertical integration and our ability to control costs makes us confident that the strong performance in the nine months will continue into the final quarter of the year and beyond".

- end -

MHP's management will host a conference call for investors and analysts followed by a Q&A session. The dial-in details are:

Date:	Tuesday, 16 November 2010
Time:	16.00 Kyiv / 14.00 London / 9.00 New York / 17.00 Moscow
Title:	MHP – Q3 and 9M 2010 FINANCIAL RESULTS
Conference ID	23199173
International/UK Dial in:	+44 (0) 1452 587 436
USA free call:	+1 866 854 5856
Russia free call	8108 002 440 1012

A live webcast of the presentation will be available at:

https://webconnect.webex.com/webconnect/onstage/g.php?t=a&d=668176828

Event Number: 668 176 828
Event Password: 23199173

A replay of the conference call will be available at
http://www.mhp.com.ua/en/conference_calls

OR

Please use Encore Replay details below

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Financial overview

In UAH		9M 2010	9M 2009	% change	Q3 2010	Q3 2009	% change
Revenue	**UAH, m**	**5 364**	**3 884**	**38%**	**2 000**	**1 548**	**29%**
IAS 41 standard gains		*238*	*234*	*2%*	*160*	*63*	*155%*
Gross profit	**UAH, m**	**1 788**	**1 488**	**20%**	**796**	**538**	**48%**
Gross margin	*%*	*33%*	*38%*	*-13%*	*40%*	*35%*	*14%*
Operating profit	**UAH, m**	**1 496**	**1 266**	**18%**	**663**	**446**	**49%**
Operation margin	*%*	*28%*	*33%*	*-14%*	*33%*	*29%*	*15%*
EBITDA	**UAH, m**	**1 838**	**1 522**	**21%**	**783**	**547**	**43%**
EBITDA margin	*%*	*34%*	*39%*	*-13%*	*39%*	*35%*	*11%*
Net income (con'ing operations)	**UAH, m**	**1 253**	**791**	**58%**	**441**	**103**	**330%**
Net income margin	*%*	*23%*	*20%*	*15%*	*22%*	*7%*	*233%*

In U.S.$		9M 2010	9M 2009	% change	Q3 2010	Q3 2009	% change
Revenue	**U.S.$, m**	**676**	**502**	**35%**	**253**	**198**	**28%**
IAS 41 standard gains		*30*	*30*	*-1%*	*20*	*8*	*152%*
Gross profit	**U.S.$, m**	**226**	**193**	**17%**	**101**	**69**	**46%**
Gross margin	%	*33%*	*38%*	*-13%*	*40%*	*35%*	*14%*
Operating profit	**U.S.$, m**	***189***	***164***	***15%***	***84***	***57***	***47%***
Operation margin	%	*28%*	*33%*	*-14%*	*33%*	*29%*	*15%*
EBITDA	**U.S.$, m**	**232**	**197**	**18%**	**99**	**70**	**42%**
EBITDA margin	%	*34%*	*39%*	*-13%*	*39%*	*35%*	*11%*
Net income (con'ing operations)	**U.S.$, m**	**158**	**103**	**54%**	**56**	**13**	**325%**
Net income margin	%	*23%*	*20%*	*14%*	*22%*	*7%*	*233%*

Q3 2010 Consolidated Financial Results

Consolidated revenue in UAH terms increased by 29% to 2,000 million (Q3 2009: UAH 1,548 million), and in US dollar terms by 28% to 253 million (Q3 2009: U.S.$198 million) largely due to chicken and sunflower oil production volumes growth.

Q3 2010 EBITDA in UAH terms increased by 43% to 783 million (Q3 2009: UAH 547 million), while in US dollar terms increased by 42% to 99 million as against the same period last year (Q3 2009: U.S.$70 million). EBITDA margin increased year-on-year from 35% to 39%. The EBITDA margin increase was driven by grain and poultry price increase during the period.

Net income for the third quarter in UAH terms increased by 330% to 441 million (Q3 2009: UAH 103 million) and in US dollar terms increased by 325% to 56 million (Q3 2009: U.S.$13 million). In Q3 2009 net income was negatively affected by Hryvna depreciation against US dollar as well as US dollar depreciation against Euro and as a result the Company reported U.S.$32 million currency loss in Q3 2009. Net income margin increased from 7% to 22%.

9M 2010 Consolidated Financial Results

During the nine months of 2010, MHP's consolidated revenues in UAH terms increased by 38% to 5,364 million (9M 2009: UAH 3,884 million), while in US dollar terms it increased by 35% to 676 million (9M 2009: U.S.$502 million). Revenue increase in Q3 2010 was primarily driven by the growth of chicken and sunflower production volumes.

9M 2010 EBITDA in UAH terms increased by 21% to 1,838 million (9M 2009: UAH 1,522 million), while in US dollar terms it increased by 18% to 232 million as against the same period last year (9M 2009: U.S.$197 million) and EBITDA margin decreased from 39% to 34%. The EBITDA margin decrease during the nine months of 2010 was driven by H1 2010 results, when chicken price was stable while at the same time poultry production costs went up due to the increase in the market price of corn harvested in 2009 compared to the unusually low price of corn harvested in 2008.

Net income from continuing operations for the first nine months in UAH terms increased by 58% to 1,253 million (9M 2009: UAH 791 million) and in US dollar terms increased by 54% to 158 million (9M 2009: US$103 million) partially caused by growth of EBITDA year-to-year and non-cash foreign exchange losses reported in 9M 2009 (U.S.$28 million of loss in 9M 2009 compared to U.S.$12 million gain in 9M 2010). Net income margin improved from 20% to 23%.

Poultry and related operations

		9M 2010	9M 2009	% change	Q3 2010	Q3 2009	% change
Revenue	**U.S.$, m**	**579**	**410**	**41%**	**204**	**155**	**32%**
- chicken meat, conv. food and other		453	347	31%	157	131	20%
- sunflower oil		126	63	98%	47	24	95%
IAS 41 standard gains		**8**	**12**	**-28%**	**5**	**3**	**61%**
Gross profit	**U.S.$, m**	**184**	**171**	**8%**	**78**	**62**	**26%**
Gross margin	%	32%	42%	-24%	38%	40%	-4%
EBITDA	**U.S.$, m**	**208**	**178**	**16%**	**87**	**63**	**37%**
EBITDA margin	%	36%	44%	-18%	43%	41%	4%

Q3 2010 Poultry and related operations segment financial results

Poultry	**Q3 2010**	**Q3 2009**	***% change***
Sales volume, third parties tonnes	81,000	76,600	*6%*
Price per 1 kg net VAT, UAH	14,05	12,53	*12%*
Sunflower oil			
Sales volume, third parties tonnes	54,400	31,900	*70%*
Price per 1 tonne net VAT, U.S.$	862	752	*15%*

During the third quarter of 2010, the volume of chicken meat sales to external consumers increased by 6% to 81,000 tonnes compared to the third quarter of 2009. The increase was driven primarily by the launch of production at Myronivka phase two in H2 2009 at full capacity utilization. The average chicken meat price through the third quarter of 2010 increased by 12% to UAH 14.05 per kg of adjusted weight (excluding VAT) when compared to the third quarter of 2009 due to seasonality and as a consequence of the grain price increase (majority of the production costs) in Ukraine and worldwide.

A new sunflower crushing plant in Katerynopilsky launched in September 2009, allowing MHP to increase its sunflower oil production volumes by 70% in Q3 2010 to 54,400 tonnes. With an increase of poultry production capacity last year, the new sunflower crushing plant enabled the Company to reach its full sufficiency in protein required for the production of fodder. In Q3 2010 sunflower oil was sold to external customers at an average price of U.S.$862 per tonne (Q3 2009: U.S.$752 per tonne).

The growth of poultry and sunflower oil sales volumes and average prices, segment revenue in US dollar terms increased by 32% to 204 million (Q3 2009: U.S. $155 million).

In line with management expectations and forecasts, MHP's poultry production costs in the third quarter were slightly higher year-on-year compared to Q3 2009 due to the increase in grain prices and at the same time poultry production cost in Q3 2010 decreased compared to H1 2010 due to the Company reaching complete self-sufficiency in hatchery eggs, favorable correlation between sunflower seeds and sunflower oil prices (resulted in cheaper sunflower protein production cost), as a consequence of execution during Q3 2010 of forward contracts for sunflower seeds which the Company signed in Q4 2009.

Gross profit in the segment increased by 26% from U.S.$62 million in Q3 2009 to U.S.$78 million in Q3 2010. Gross margin decreased slightly from 40% to 38%. Segment EBITDA in Q3 2010 increased by 37% to U.S.$87 million (Q3 2009: U.S.$63 million) as a result of the volume growth and favorable price trend. EBITDA margins increased to 43%.

9M 2010 Poultry and related operations segment financial results

Poultry	**9M 2010**	**9M 2009**	***% change***
Sales volume, third parties tonnes	249,500	192,900	*29%*
Price per 1 kg net VAT, UAH	13,43	12,97	*4%*
Sunflower oil			
Sales volume, third parties tonnes	149,600	91,300	*64%*
Price per 1 tonne net VAT, U.S.$	841	689	*22%*

During the nine months of 2010, the volume of chicken meat sales to external consumers increased by 29% to 249,500 tonnes (9M 2009: 192,900 tonnes). Through the nine months of 2010 average chicken prices increased by 4% to 13.43 UAH per kg (9M 2009: 12.97 UAH per kg).

Sunflower oil sales to external customers increased significantly by 64% to 149,600 tonnes through the nine months of 2010 as a result of the launch of a new sunflower crushing plant in Katerynopilsky in September 2009 and the average price increased by 22% to U.S.$841 per tonne (9M 2009: U.S.$689 per tonne).

As a result of the above factors, segment revenue in US dollar terms increased by 41% to 579 million (9M 2009: U.S. $410million).

Gross profit in the segment in US dollar terms increased by 8% from to US$ 184 million (9M 2009: U.S.$171 million), and gross margin decreased from 42% to 32% driven by H1 2010 results. Segment EBITDA in 9M 2010 in US dollar terms increased by 16% to 208 million (9M 2009: U.S.$178 million). EBITDA margin remained high but decreased from 44% to 36%.

Grain growing

		9M 2010	**9M 2009**	**% change**	**Q3 2010**	**Q3 2009**	**% change**
Revenue	**U.S.$, m**	**22**	**26**	**-16%**	**19**	**19**	**-2%**
IFRS 41 standard gains		**22**	**20**	**8%**	**15**	**5**	**173%**
EBITDA	**U.S.$, m**	**39**	**21**	**80%**	**22**	**10**	**121%**

During the first nine months of 2010 the Company continued to execute its stated strategy of gradually increasing its land bank and at the end of the period it had more than 230,000 hectares of land under control. At the same time, in 2010 the bulk of the Company's harvest will be generated from land that was under the Company's control at the beginning of the year (total land bank as on December 31, 2009: 180,000 hectares, including 150,000 hectares in Grain Growing segment).

	2010* ***(for land under control as of 01.01.2010)***		**2009**	
	Production, tonnes	**Cropped hectares***	**Production, tonnes**	**Cropped hectares***
Corn (*preliminary data*)	487,500	62,500	432,603	48,540
Wheat	187,200	39,000	208,002	35,529
Sunflower	67,000	25,800	79,845	24,002
Rapeseed	8,900	3,000	38,618	14,423
Other**	n/a	n/a	201,412	24,757
Total:	n/a	n/a	960,480	147,313

** - Actual hectares under crop and excluding land left fallow as part of crop rotation*
*** - Includes soybean, barley and sugar beet*

The Company's harvest is on track, despite concerns over weather conditions and unfavorable preliminary forecasts across Ukraine and the wider region. In general, yields are significantly higher than Ukraine's average but lower compared to 2009 yields.

	2010* ***(for land under control as of 01.01.2010)***		**2009**	
	MHP's average*	**Ukraine's average***	**MHP's average***	**Ukraine's average***
Corn (*preliminary data*)	7.8	4.3	9.0	5.0
Wheat	4.8	2.9	5.8	3.1
Sunflower	2.6	1.6	3.3	1.5
Rapeseed	3.0	1.7	2.7	1.9

** - Tonnes per hectare*

Revenue from the grain segment in Q3 2010 mostly includes export sales of rapeseeds, wheat and barley in accordance with earlier concluded forward contracts. The Q3 2010 financial results contain the profit from export sales and also, in accordance with IAS 41, partial gains from grains that will be sold or internally consumed in Q4 2010 and during nine months of 2011.

The nine months financial results contains also the revenue from the sale of certain grain stocks, mainly wheat, that have already been revalued to market prices in 2009.

Other agriculture operations

		9M 2010	**9M 2009**	**% change**	**Q3 2010**	**Q3 2009**	**% change**
Revenue	**U.S.$, m**	**75**	**66**	**14%**	**30**	**24**	**27%**
- meat processing		57	47	*22%*	24	19	*28%*
- other		18	19	*-5%*	6	5	*24%*
IAS 41 standard gains		**0**	**(2)**	**80%**	**0**	**0**	**-**
Government grants	**U.S.$, m**	**2**	**3**	**-21%**	**1**	**1**	**-31%**
EBITDA	**U.S.$, m**	**5**	**6**	**-13%**	**2**	**1**	**80%**

EBITDA margin	%	*7%*	*9%*	*-24%*	*6%*	*4%*	*41%*

Meat processing products	**Q3 2010**	**Q3 2009**	*% change*	**9M 2010**	**9M 2009**	*% change*
Sales volume, third parties tonnes	9,900	7,400	*34%*	24,100	18,250	*32%*
Price per 1 kg net VAT, UAH	17.57	17.22	*2%*	17.26	17.36	*-1%*

Through the first nine months of 2010 the Company continued to execute its strategy of growing its local meat processing market share. This growth was mostly attributed to the continuing investments and growing of production volumes at Ukrainian Bacon facility.

During the third quarter of 2010, sausage and cooked meat production volumes increased by 34% to 9,900 tonnes compared to 7,400 tonnes during the third quarter of 2009. During the first nine months of 2010 volumes increased by 32% to 24,100 tonnes (9M 2009: 18,250 tonnes).

Average sausage and cooked meat prices during the third quarter of 2010 increased by 2% to UAH 17.57 per kg. excluding VAT (Q3 2009: UAH 17.22) and through the first nine months of 2010 remained flat at UAH 17.26 per kg. excluding VAT (9M 2009: UAH 17.36 per kg).

As the result segment's revenue in Q3 2010 in US dollar terms increased by 27% to 30 million (Q3 2009: U.S.$ 24 million), through the first nine months of 2010 revenue increased by 14% from U.S.$66 million to U.S.$75 million as compared to the same periods in 2009.

Segment EBITDA in Q3 2010 increased from U.S.$1 million to U.S.$2 million and in 9M 2010 it decreased from U.S.$6 million to U.S.$5 million.

Current financial position, cash flow and liquidity

Cash Flows US$, m	**9M 2010**	**9M 2009**	**Q3 2010**	**Q3 2009**
Cash from operations	**189**	**147**	**83**	**60**
Change in working capital	**(81)**	**(52)**	**(39)**	**(11)**
Net Cash from operating activities	**108**	**95**	**44**	**49**
Cash from investing activities	(112)	(121)	*(54)*	(48)
Non-cash investments	(14)	(17)	*(12)*	(9)
CAPEX	**(126)**	**(138)**	**(66)**	**(57)**
Cash from financing activities	*174*	*(22)*	*(5)*	-
incl. Treasury shares acquisition	*(46)*	-	*(15)*	-
Non-cash financing	*14*	*17*	*12*	*9*
Deposits	(127)	25	*36*	*13*
Total financial activities	**61**	**20**	**43**	**22**
Total change in cash	**43**	**(23)**	**21**	**12**

In Q3 2010, cash flow from operations before working capital changes was U.S.$83 million (Q3 2009: U.S.$60) and in 9M 2010, it was U.S.$189 million (9M 2009: U.S.$147 million).

The main contributors to the change in working capital were:

- Purchasing of sunflower seeds stocks in 2010 through own cash and credit facilities (trade finance)

- Growth of trade accounts receivable as a result of poultry prices growth and grain exports sales
- increase in VAT tax recoverable, which is related to intensive CAPEX program

Total CAPEX was U.S.$66 million in Q3 2010 and U.S.$126 million for the nine months of 2010, and was mostly related to start of Vinnytsia poultry complex construction and to the land bank increase.

In the third quarter of 2010 the Company acquired 1,058,700 GDRs, with one GDR representing an interest in one ordinary share. As a result the total number of Global Depository Receipts ("GDR") purchased by the Company through the share buy-back programme referred to in the announcement of 19 May 2010 has reached 3,370,144 GDRs with one GDR representing an interest in one ordinary share ("Share"). The total number of repurchased GDRs constitutes approximately 3% of the Company's issued and outstanding shares at total average repurchasing price of U.S.$13.71 per GDR. As of 30 September 2010 455,000 GDRs representing 0.4% of the Group's issued shares were transferred as bonus to Mr. Shatokhin, Director Sales and Marketing.

MHP intends to use some of these purchased GDR for its compensation and incentive program and non-used GDR will be held in treasury until their resale within the next three years.

Debt	**30.09.2010**	**31.12.2009**
Total Debt U.S.$, m	**771**	**519**
Cash and bank deposits	200	30
Net Debt	**571**	**489**
LTM EBITDA	306	271
Debt /LTM EBITDA	*2.52*	*1.92*
Net Debt /LTM EBITDA	*1.87*	*1.81*

As of September 30 2010, the Company's total debt was U.S.$771 million and the average weighted cost of debt was maintained below 10%. The Net Debt/EBITDA ratio at the end of the period was 1.87 times (the main covenant of New Eurobond issue is Net Debt to EBITDA 2.5). Net debt increase was driven by new debt facilities acquired by the Company for land bank expansion and sunflower seeds stocks purchasing as well as intensive CAPEX program financing.

At the end of 9M 2010 MHP had U.S.$200 million in cash and short-term deposits mostly denominated in US dollars.

Current trading and outlook

Consumer demand for poultry meat continues to remain strong and the Company is operating at full capacity. The current chicken meat price is 15% higher than at the same period last year.

MHP's grain growing segment will also benefit for the growth of grain prices. Despite unpredictably bad weather conditions, the Company has a relatively good harvest for corn and sunflower.

In meat processing segment the Company continues to drive its market share it has a great potential for growth due to the free capacity at the time.

During the current period of growing grain prices, the Company's vertically integrated business model, which includes poultry and grain growing operations under one roof, proved its effectiveness and will support MHP in achieving a good set of financial results.

- End -

Notes to Editors:

About MHP

MHP is the leading producer of poultry products in Ukraine with the greatest market share of around 50% of industrially produced chicken in Ukraine and 97% 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 centers, within major Ukrainian cities. MHP uses its trucks for the distribution of its products, which Management believes reduces overall transportation costs and delivery times.

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

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

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.

MHP S.A.
AND ITS SUBSIDIARIES

Condensed Consolidated Interim Financial Statements
For the nine months
ended 30 September 2010

MHP S.A. AND ITS SUBSIDIARIES

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MHP S.A. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2010

(in US Dollars and in thousands)

	Notes	30 September 2010	31 December 2009
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment, net	3	668,818	627,678
Prepayments for property, plant and equipment		29,401	6,591
Deferred tax assets		10,275	10,183
Long-term VAT recoverable, net		23,689	20,670
Non-current biological assets		40,538	36,235
Other non-current assets	3	25,168	9,571
Total non-current assets		797,889	710,928
CURRENT ASSETS			
Inventories	5	68,603	92,260
Biological assets	6	150,873	112,978
Agricultural produce	5	86,503	66,227
Other current assets, net		18,541	15,297
Taxes recoverable and prepaid, net		84,588	66,958
Trade accounts receivable, net	7	57,437	43,377
Short-term bank deposits		134,885	7,632
Cash and cash equivalents		64,986	22,248
Total current assets		666, 416	426,977
TOTAL ASSETS		1,464,305	1,137,905
LIABILITIES AND SHAREHOLDERS' EQUITY			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share capital		284,505	284,505
Treasury shares	8	(40,555)	-
Additional paid-in capital		179,554	178,815
Revaluation reserve		18,781	18,781
Cumulative translation differences		(234,324)	(238,521)
Retained earnings		381,783	231,044
		589,744	474,624
MINORITY INTEREST		27,065	19,784
Total equity		616,809	494,408
NON-CURRENT LIABILITIES			
Long-term bank borrowings	9	44,215	56,043
Bonds issued	10	572,813	248,046
Long-term finance lease and vendor financing obligations	11	41,013	44,546
Other long-term payables		800	310
Deferred tax liabilities		9,535	8,970
Total non-current liabilities		668,376	357,915
CURRENT LIABILITIES			
Trade accounts payable	12	28,513	72,380
Accounts payable for property, plant and equipment		7,337	6,340
Other current liabilities		27,911	39,088
Short-term bank borrowings and current portion of long-term bank borrowings	9	65,001	139,790
Interest accrued		26,134	3,526
Current portion of finance lease obligations	11	24,224	24,458
Total current liabilities		179,120	285,582
TOTAL LIABILITIES		847,496	643,497
CONTINGENCIES AND CONTRACTUAL COMMITMENTS	13		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,464,305	1,137,905

On behalf of the Board

Yuriy Kosyuk/Chief Executive Officer

Viktoria Kapelyushnaya/Chief Financial Officer

The notes on pages 6 to 15 form an integral part of these condensed consolidated financial statements.

MHP S.A. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010
(in US Dollars and in thousands, except per share data)

		Nine months ended 30 September	
	Notes	**2010**	**2009**
REVENUE		676,101	502,273
Net change in fair value of biological assets and agricultural produce		30,143	30,349
COST OF SALES		(480,662)	(339,995)
GROSS PROFIT		225,582	192,627
Selling, general and administrative expenses	16	(76,191)	(56,913)
Government grants recognized as income		47,916	39,213
Other operating income and expenses		(8,558)	(11,032)
OPERATING PROFIT		188,749	163,895
Finance costs, net		(49,632)	(36,330)
Finance income		9,095	3,324
Foreign exchange gain/(loss), net		12,492	(27,581)
Other income and expenses, net		(625)	21
OTHER EXPENSES, NET		(28,670)	(60,566)
PROFIT BEFORE TAX		160,079	103,329
Income tax expense		(2,059)	(486)
PROFIT FOR THE PERIOD	17	158,020	102,843
Other comprehensive income			
Cumulative translation difference		4,197	(17,439)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		162,217	85,404
PROFIT ATTRIBUTABLE TO:			
Equity holders of the Parent		150,739	94,429
Minority interest		7,281	8,414
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent		154,936	76,990
Minority interest		7,281	8,414
EARNINGS PER SHARE			
Basic and diluted (USD per share):		1.38	0.85

On behalf of the Board

Yuriy Kosyuk/Chief Executive Officer

Viktoria Kapelyushnaya/Chief Financial Officer

The notes on pages 6 to 15 form an integral part of these condensed consolidated financial statements.

MHP S.A. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010

(in US Dollars and in thousands)

	Attributable to Equity Holders of the Parent							Minority interest	Total equity
	Share capital	Treasury shares	Additional paid-in capital	Revaluation reserve	Cumulative translation difference	Retained earnings	Total		
1 January 2009	**284,505**	**-**	**178,815**	**9,410**	**(222,699)**	**82,480**	**332,511**	**13,706**	**346,217**
Profit for the period	-	-	-	-	-	94,429	94,429	8,414	102,843
Cumulative translation difference	-	-	-	-	(17,439)	-	(17,439)	-	(17,439)
Total comprehensive income for the period	-	-	-	-	(17,439)	94,429	76,990	8,414	85,404
30 September 2009	**284,505**	**-**	**178,815**	**9,410**	**(240,138)**	**176,909**	**409,501**	**22,120**	**431,621**
1 January 2010	**284,505**	**-**	**178,815**	**18,781**	**(238,521)**	**231,044**	**474,624**	**19,784**	**494,408**
Profit for the period	-	-	-	-	-	150,739	150,739	7,281	158,020
Cumulative translation difference	-	-	-	-	4,197		4,197	-	4,197
Total comprehensive income for the period	-	-	-	-	4,197	150,739	154,936	7,281	162,217
Acquisition and disposal of treasury shares	-	(40,555)	739	-	-	-	(39,816)	-	(39,816)
30 September 2010	**284,505**	**(40,555)**	**179,554**	**18,781**	**(234,324)**	**381,783**	**589,744**	**27,065**	**616,809**

On behalf of the Board

Yuriy Kosyuk/Chief Executive Officer

Viktoria Kapelyushnaya/Chief Financial Officer

The notes on pages 6 to 15 form an integral part of these condensed consolidated financial statements.

MHP S.A. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010
(in US Dollars and in thousands)

	Nine months ended 30 September	
	2010	**2009**
OPERATING ACTIVITIES		
Profit before tax	160,079	103,329
Adjustments to reconcile profit to net cash provided by operations		
Depreciation of property, plant and equipment	43,075	33,100
Finance costs, net	49,632	36,330
Finance income	(9,095)	(3,324)
Net change in fair value of biological assets and agricultural produce	(30,143)	(30,349)
Non-operating foreign exchange (gain)/loss, net	(12,492)	27,581
Change in allowance for irrecoverable amounts, direct write-offs and others	9,776	7,443
Operating profit before working capital changes	210,832	174,110
Decrease/(increase) in inventories	24,864	(2,837)
Increase in biological assets	(15,313)	(15,697)
Increase in agricultural produce	(5,194)	(6,616)
(Increase)/decrease in other current assets	(1,506)	3,639
Increase in taxes recoverable and prepaid	(23,271)	(18,658)
Increase in trade accounts receivable	(13,899)	(13,673)
Increase in other long-term payables	473	287
(Decrease)/increase in trade accounts payable	(41,856)	764
(Decrease)/increase in other current liabilities	(5,153)	1,597
(Decrease)/increase in deferred income	-	(792)
Cash generated by operations	129,977	122,124
Finance costs paid	(28,340)	(28,747)
Interest received	8,511	3,262
Income tax paid	(1,749)	(1,206)
Net cash generated by operating activities	108,399	95,433
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(91,726)	(111,206)
Purchases of other non-current assets	(11,209)	(3,244)
Purchases of non-current biological assets and others	(4,054)	(6,053)
Financial aid provided in relation to acquisition of subsidiaries	(4,288)	-
Investments in short-term deposits	(127,187)	(62)
Withdrawals of short-term deposits	-	25,330
Loans (provided to)/repaid by employees and related parties, net	(1,040)	(149)
Net cash used in investing activities	(239,504)	(95,384)

The notes on pages 6 to 15 form an integral part of these condensed consolidated financial statements.

MHP S.A. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010
(in US Dollars and in thousands)

	Nine months ended 30 September 2010	2009
FINANCING ACTIVITIES		
Acquisition of treasure shares	(46,288)	-
Proceeds from loans received	267,309	369,218
Repayment of bank loans	(347,833)	(365,278)
Transaction costs related to bank loans received	(1,567)	-
Proceeds from corporate bonds issued, at par	330,000	-
Premium related to corporate bonds issued	4,792	-
Transaction costs related to corporate bonds issued	(11,441)	-
Finance lease payments	(14,438)	(13,328)
Repayment of other financing	(6,498)	(12,554)
Net cash generated by financing activities	174,036	(21,942)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	**42,931**	**(23,023)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**22,248**	**54,072**
Effect of translation to presentation currency and exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(193)	(1,130)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**64,986**	**31,049**

On behalf of the Board

Yuriy Kosyuk/Chief Executive Officer

Viktoria Kapelyushnaya/Chief Financial Officer

The notes on pages 6 to 15 form an integral part of these condensed consolidated financial statements.

(in US Dollars and in thousands)

1. DESCRIPTION OF THE BUSINESS

MHP S.A. (the "Parent" or "MHP S.A."), a limited liability company registered under the laws of Luxembourg, was formed on 30 May 2006. MHP S.A. was formed to serve as the ultimate holding company of OJSC "Myronivsky Hliboproduct" ("MHP") and its subsidiaries (the "Group"). The registered address of MHP S.A. is 5, rue Guillaume Kroll, L-1822 Luxembourg.

The primary subsidiaries and the principal activities of the companies forming the Group as of 30 September 2010 and 31 December 2009 were as follows:

Operating entity	Country of registration	Year established/ acquired	Principal activity	Effective ownership interest*, %	
				30 September 2010	31 December 2009
MHP S.A.	Luxembourg	2006	Holding company	Parent	Parent
RHL	Republic of Cyprus	2006	Sub-holding company	100	100
MHP	Ukraine	1998	Management, marketing and sales	99.9	99.9
Myronivsky Zavod po Vygotovlennyu Krup i Kombikormiv ("MZVKK")	Ukraine	1998	Fodder and sunflower oil production	88.5	88.5
Peremoga Nova ("Peremoga")	Ukraine	1999	Chicken farm	99.9	99.9
Druzhba Narodiv Nova ("Druzhba Nova")	Ukraine	2002	Chicken farm	99.9	99.9
Oril-Leader ("Oril")	Ukraine	2003	Chicken farm	99.9	99.9
Tavriysky Kombikormovy Zavod ("TKZ")	Ukraine	2004	Fodder production	99.9	99.9
Ptahofabryka Shahtarska Nova ("Shahtarska")	Ukraine	2003	Breeder farm	99.9	99.9
Myronivska Pticefabrica ("Myronivska")	Ukraine	2004	Chicken farm	99.9	99.9
Starynska Ptahofabryka ("Starynska")	Ukraine	2003	Breeder farm	94.9	94.9
Ptahofabryka Snyatynska Nova ("Snyatynska")	Ukraine	2005	Geese breeder farm	99.9	99.9
Zernoproduct	Ukraine	2005	Fodder grain cultivation	89.9	89.9

Operating entity	Country of registration	Year established/ acquired	Principal activity	Effective ownership interest*, %	
				30 September 2010	31 December 2009
Katerynopilsky Elevator	Ukraine	2005	Fodder production and grain storage	99.9	99.9
Druzhba Narodiv (“Druzhba”)	Ukraine	2006	Cattle breeding, plant cultivation	99.9	99.9
Crimean Fruit Company (“Crimean Fruit”)	Ukraine	2006	Fruits and fodder grain cultivation	81.9	81.9
NPF Urozhay (“Urozhay”)	Ukraine	2006	Fodder grain cultivation	89.9	89.9
Agrofort (“AGF”)	Ukraine	2006	Fodder grain cultivation	86.1	86.1
Zernoproduct-Lypivka (“ZPL”)	Ukraine	2006	Fodder grain cultivation	63.0	63.0
Ukrainian Bacon	Ukraine	2008	Meat processing	79.9	79.9
Urozhayna Kraina	Ukraine	2010	Fodder grain cultivation	99.9	-

* Effective voting rights in subsidiaries did not differ from effective ownership rights. Direct ownership interest in subsidiaries by the Parent differs from the effective ownership interest due to cross holdings between subsidiaries.

The principal business activities of the Group are agricultural operations (poultry and related operations), grain growing, as well as meat processing, cultivation and selling fruits and producing beef and meat products ready for consumption (other agricultural operations). 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, sunflower oil, mixed fodder and convenience food products. Grain growing comprises the production and sale of grains. Other agricultural operations comprise the production and sale of cooked meat, sausages, beef, goose meat, foie gras, fruits and feed grains.

The Group’s operational facilities are located in different regions of Ukraine, including Kyiv, Cherkasy, Dnipropetrovsk, Donetsk, Ivano-Frankivsk, Vinnytsya, Kherson and Sumy regions and Autonomous Republic of Crimea.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements are prepared on the basis of accounting policies as set forth in the Group’s consolidated financial statements as at and for the year ended 31 December 2009. 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 results to be expected for the full year. The 31 December 2009 statement of financial position was derived from the audited consolidated financial statements.

The functional currency of the Group is the Ukrainian Hryvnia (“UAH”). Transactions in currencies other than the functional currency of the Group 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 statement of financial position date. All realized and unrealized gains and losses arising on exchange differences are included in the consolidated statement of comprehensive income for the period.

These 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.

The following exchange rates were used:

Currency	Closing rate as of 30 September 2010	Average for 9 months ended 30 September 2010	Closing rate as of 31 December 2009	Average for 9 months ended 30 September 2009
UAH/USD	7.9135	7.9366	7.9850	7.7246
UAH/EUR	10.7711	10.4458	11.4489	10.5611

3. PROPERTY, PLANT AND EQUIPMENT, NET AND OTHER NON-CURRENT ASSETS

During the nine months ended 30 September 2010, the Group continues investment into its poultry and grain operations. The main capital expenditures were incurred in connection with the expansion of grain growing facilities, comprising acquisition of land lease rights (included in other non-current assets) and agricultural machinery. The expansion of grain growing facilities resulted in acquisition of the land lease right in Sumy region. Capital expenditure of poultry business segment comprised final completion of breeding farm construction, project and engineering works related to Vinnytsya poultry complex, maintenance capital expenditure of the existing facilities.

During the nine months ended 30 September 2010, the Group’s additions to property, plant and equipment amounted to USD 83,981 thousand.

There have been no significant disposals of property, plant and equipment during the nine months ended 30 September 2010.

The increase of other non-current assets is mainly attributable to the acquisition of land lease rights.

4. 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.

The following companies and individuals are considered to be related parties to the Group as of 30 September 2010:

<table>
<tr><th>Name of the related party</th><th>Nature of relations with the Group</th></tr>
<tr><td>Mr. Yuriy Kosyuk</td><td>Chief Executive Officer of MHP S.A. and the Principal Shareholder of the Group</td></tr>
<tr><td>WTI</td><td>Immediate parent, company owned by Mr. Yuriy Kosyuk</td></tr>
<tr><td>Mrs. Olena Kosyuk</td><td>Wife of Mr. Yuriy Kosyuk</td></tr>
<tr><td>Allied Tech LLP (United Kingdom)</td><td rowspan="5">Companies owned or controlled by Mr. Yuriy Kosyuk</td></tr>
<tr><td>Allied Tech Commerce LLP (United Kingdom)</td></tr>
<tr><td>ULL 15 (FÜNFZEHN) Beteiligungs und Management</td></tr>
<tr><td>LLC Zolotoniske Zvirogospodarstvo</td></tr>
<tr><td>Merkaba LLC</td></tr>
<tr><td>Agrofirma Berezanska Ptahofabryka</td><td rowspan="2">Company owned by Merkaba LLC</td></tr>
<tr><td>Spector</td></tr>
</table>

During the nine months ended 30 September 2010, the Group has been engaged in transactions with its related parties within the normal course of business. The revenue from sales to related parties has increased from USD 5,128 thousand as for the nine months ended 30 September 2009 to USD 5,232 thousand for the nine months ended 30 September 2010. The revenue relates primarily to the sale of mixed fodder and its components to Agrofirma Berezanska Ptahofabryka.

The balances of trade accounts receivable due from related parties relate primarily to the mixed fodder sale and amounted to USD 5,927 thousand and USD 3,176 thousand as of 30 September 2010 and 31 December 2009, respectively.

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

Compensation to key management personnel

Total compensation of the Group's key management personnel (including compensation to Mr. Yuriy Kosyuk), which consist of contractual salary and performance bonuses amounted to USD 13,631 thousand and USD 3,893 thousand for the nine months ended 30 September 2010 and 2009, respectively. Total compensation for the nine months ended 30 September 2010 included bonus to Mr. Shatokhin, Director Sales and Marketing, amounted to USD 7,628 thousand (USD 6,484 thousand after-tax value). This bonus has been paid in the form of 455,000 Global Depositary Receipts ("GDRs ") representing 0.4% of the issued shares of MHP S.A.

5. CHANGES IN INVENTORIES AND AGRICULTURAL PRODUCE

The decrease of the inventories as of 30 September 2010 compared to 31 December 2009 is mainly attributable to the seasonal reduction of purchased at the market sunflower seeds used in the poultry production.

The increase of the agricultural produce as of 30 September 2010 compared to 31 December 2009 is mainly attributable to the harvested wheat, which will be sold to the third parties subsequently to the balance sheet date. As of 30 September 2010 the seasonal increase of the harvested sunflower seeds stock is almost offset by the seasonal decrease of the harvested corn stock.

6. CURRENT BIOLOGICAL ASSETS

The increase of the current biological assets as of 30 September 2010 compared to 31 December 2009 is primarily attributable to the crops balances. This is due to the fact that as at 30 September 2010 the harvest campaign is duly in process. The increase refers to the costs incurred with respect to future harvest, reflecting seasonality element inherent in the grain growing segment. Also the increase is partly due to the positive change in the fair value of biological assets in crops production.

7. TRADE ACCOUNTS RECEIVABLE, NET

The increase of the trade accounts receivable as of 30 September 2010 compared to 31 December 2009 is mainly attributable to the seasonal export sales of grain as well as the increase of the poultry meat price.

8. TREASURY SHARES

During the nine months ended 30 September 2010 the Group acquired 3,370,144 GDRs, with one GDR representing an interest in one ordinary share, for the cash consideration of USD 46,288 thousand. The total number of repurchased GDRs constitutes 3.0% of the Group's issued shares. As of 30 September 2010 455,000 GDRs representing 0.4% of the Group's issued shares were transferred as bonus to Mr. Shatokhin, Director Sales and Marketing. As a result, as of 30 September 2010 the Group had 2,915,144 GDRs equal to 2.6% of the Group's issued shares and amounted to USD 40,555 thousand.

9. BANK BORROWINGS

The following table summarizes bank loans and credit lines held by the Group as of 30 September 2010 and 31 December 2009:

Bank	**Currency**	**Weighted average interest rate**	**30 September 2010**	**Weighted average interest rate**	**31 December 2009**
Foreign banks	USD	6.46%	10,000	-	-
Foreign banks	EUR	2.64%	64,019	3.24%	81,873
Ukrainian banks	USD	4.82%	10,500	8.86%	94,000
Ukrainian banks	UAH	6.00%	26,158	23.82%	19,960
Total bank borrowings (nominal value)			**110,677**		**195,833**
Less:					
Short-term borrowings and current portion of long-term borrowings			(65,001)		(139,790)
Unamortized debt issue costs, net			(1,461)		-
Total long-term bank borrowings			**44,215**		**56,043**

The following table summarizes bank loans and credit lines with respect to the type of interests charged held by the Group as of 30 September 2010 and 31 December 2009:

	30 September 2010	**31 December 2009**
Fixed interest rate	43,717	47,386
Floating interest rate	66,960	148,447
Total	**110,677**	**195,833**

Bank loans and credit lines as of 30 September 2010 were repayable as follows:

	30 September 2010		
	Foreign	Ukrainian	Total
Within one year	28,343	36,658	65,001
In the second year	17,539	-	17,539
In the third to fifth year inclusive	23,080	-	23,080
With maturity over five years	5,057	-	5,057
Total	**74,019**	**36,658**	**110,677**

Bank loans and credit lines as of 31 December 2009 were repayable as follows:

	31 December 2009		
	Foreign	Ukrainian	Total
Within one year	25,830	113,960	139,790
In the second year	25,090	-	25,090
In the third to fifth year inclusive	23,958	-	23,958
With maturity over five years	6,995	-	6,995
Total	**81,873**	**113,960**	**195,833**

As of 30 September 2010, the Group had borrowings of USD 7,684 thousand that were secured. These borrowings were secured by property, plant and equipment with the carrying amount of USD 5,426 thousand.

As of 30 September 2010, the Group had available borrowings on undrawn facilities totaling USD 208,826 thousand. These undrawn facilities expire until December 2016.

10. BONDS ISSUED

Long-term bonds outstanding as of 30 September 2010 and 31 December 2009 were as follows:

	30 September 2010	31 December 2009
10.25% Senior Notes due in 2011	9,967	250,000
10.25% Senior Notes due in 2015	584,767	-
Unamortized debt issue costs, net	(21,921)	(1,954)
Total	**572,813**	**248,046**

On 29 April 2010, MHP S.A. issued USD 330,000 thousand 10.25% Senior Notes due in 2015 for an issue price of 101.452% of principal amount.

In addition, as of 13 May 2010 the MHP S.A. exchanged 96.01% (USD 240,033 thousand) of USD 250,000 thousand of the existing 10.25% Senior Notes due in 2011 for the new Notes due 2015. As a result of exchange new Notes were issued for the total par value USD 254,767 thousand.

Proceeds from the issues are intended to finance short-term debt, a new green field project - fully-integrated chicken complex at Vinnytsia and extension of grain growing operations.

11. LONG-TERM FINANCE LEASE AND VENDOR FINANCING OBLIGATIONS

The finance lease obligations represent amounts due under agreements for lease of trucks, agricultural machinery and equipment with Ukrainian and foreign companies. The following are the minimum lease payments and present value of minimum lease payments under the finance lease agreements as of 30 September 2010:

	Minimum lease payments	**Present value of minimum lease payments**
Payable within one year	29,920	24,224
Payable in the second year	23,776	20,243
Payable in the third to fifth year inclusive	23,031	20,770
	76,727	65,237
Less:		
Future finance charges	(11,490)	-
Present value of lease obligations	**65,237**	**65,237**
Less:		
Current portion		(24,224)
Finance lease obligations, long-term portion		**41,013**

12. TRADE ACCOUNTS PAYABLE

The decrease of the trade accounts payable as of 30 September 2010 compared to 31 December 2009 is mainly attributable to the repayment of the Group payables under the grain purchase financing arrangements. They were purchased in the fourth quarter 2009 and consumed in the poultry production during 2010 till the new harvest of sunflower seeds.

13. CONTINGENCIES AND CONTRACTUAL COMMITMENTS

Continuation of economic growth – Improving situation in external environment and recovering domestic consumption continued to favor Ukraine's economic recovery during the nine months ended 30 September 2010. Industrial production growth has been driven mainly by machine building and chemistry industry while food-processing sector has demonstrated moderate growth.

As a result of unfavorable weather conditions in late summer, the average Ukrainian crop yields were slightly lower compared to the previous year. However, the harvest is still sufficient to satisfy the local demand and export of potential surplus.

After the constant deflation in the second quarter 2010, the consumer price index started rising in August 2010 and has posted a significant growth in September 2010. The main reasons for accelerating inflation were rise of utility tariffs and pressure on domestic food price from soaring world prices.

Operating environment − The principal business activities of the Group are within Ukraine. Laws and regulations affecting businesses operating in Ukraine are subject to rapid changes and the Group’s assets and operations could be at risk if there are any adverse changes in the political and business environment.

Taxation − 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 Ukraine laws and regulations can lead to the imposition of severe penalties and interest. Future tax examinations could raise issues or assessments which are contrary to the Group companies' tax filings. Such assessments could include taxes, penalties and interest, 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.

Legal issue − The Group is involved in litigations and other claims that are in the ordinary course of its business activities. Management believes that the resolution of such matters will not have a material impact on its financial position or operating results.

Contractual commitments on purchase of property, plant and equipment − During the nine months ended 30 September 2010 and the year ended 31 December 2009, 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 September 2010, purchase commitments on such contracts amounted to USD 30,837 thousand (31 December 2009: USD 2,307 thousand).

14. FOREIGN CURRENCY EXCHANGE RATE CHANGE

The Group undertakes certain transactions denominated in foreign currencies. The Group does not use any derivatives to manage foreign currency risk exposure, at the same time the management of the Group sets limits on the level of exposure by currencies.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities as of 30 September 2010 are as follows:

	USD-denominated	**EUR-denominated**
Assets		
Trade accounts receivable	8,635	-
Other current assets, net	561	-
Bank deposits with maturity over three months	75,000	-
Cash and cash equivalents	59,867	367
Total assets	**144,063**	**367**
Liabilities		
Trade accounts payable	82	3,789
Accounts payable for property, plant and equipment	42	2,087
Interest accrued	25,493	587
Long-term bank borrowings	6,670	39,006
Short-term bank borrowings	13,830	25,013
Bonds issued	594,734	-
Long-term finance lease and vendor financing obligations	23,050	17,963
Short-term finance lease and vendor financing obligations	7,869	16,355
Total liabilities	**671,770**	**104,800**

The below details the Group's sensitivity to strengthening of the Ukrainian Hryvnia against US Dollar and EUR by 5% and weakening of the Ukrainian Hryvnia against US Dollar and EUR by 10%. This sensitivity rate 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 a 5% and 10% change in foreign currency rates.

	USD-denominated	**EUR-denominated**
Profit/(loss)	26,385/(52,771)	5,222/(10,443)

The effect of foreign currency sensitivity on shareholders' equity is equal to that on profit or loss.

The official exchange rate of UAH to USD has not changed significantly and the official exchange rate of UAH to EUR has decreased by 5.9% as of 30 September 2010 compared to 31 December 2009.

15. SEGMENT INFORMATION

The following is an analysis of revenue, results for the period and gain/(loss) arising on fair value recognition of biological assets and agricultural produce by the Group's primary basis of segmentation:

	Nine months ended 30 September 2010				**Nine months ended 30 September 2009**			
	Poultry and related operations	**Other agricultural**	**Grain growing**	**Consolidated**	**Poultry and related operations**	**Other agricultural**	**Grain growing**	**Consolidated**
REVENUES								
Total revenue	599,216	75,984	68,330	743,530	423,139	66,388	43,453	532,980
Inter-segment eliminations	(20,288)	(555)	(46,586)	(67,429)	(13,093)	(200)	(17,414)	(30,707)
Sales to external customers	**578,928**	**75,429**	**21,744**	**676,101**	**410,046**	**66,188**	**26,039**	**502,273**
Segment results	**172,165**	**777**	**37,538**	**210,480**	**151,351**	**1,218**	**19,915**	**172,484**
Unallocated corporate expenses				(21,731)				(8,589)
Operating profit				**188,749**				**163,895**
Effect of fair value adjustments	8,239	(351)	22,255	30,143	11,512	(1,741)	20,578	30,349

16. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

The main reason for the increase of the selling, general and administrative expenses for the nine months ended 30 September 2010 compared to the nine months ended 30 September 2009 is the one-off bonus to Mr. Shatokhin, Director Sales and Marketing, amounting to USD 7,628 thousand. This bonus has been paid in the form of 455,000 GDRs representing 0.4% of the share capital of MHP S.A. (Note 4)

17. PROFIT FOR THE PERIOD

The Group's net profit for the nine months ended 30 September 2010 increased compared to the nine months ended 30 September 2009.

The main reasons for the increase are highest grain prices of 2010 harvest compared to 2009 harvest and the increase in volume and price of poultry meat sold during the nine months ended 30 September 2010 compared to the nine months ended 30 September 2009.

The increase of the net profit is also attributable to the foreign exchange gain on revaluation of the Group's debt due to strengthening of Ukrainian hryvnia against both US Dollar and Euro.

18. SUPPLEMENTAL CASH FLOW INFORMATION

Operating, investing and financing transactions that did not require the use of cash or cash equivalents were as follows:

	Nine months ended 30 September	
	2010	**2009**
Additions of property, plant and equipment under finance leases and vendor financing arrangements	13,202	12,449
Additions of property, plant and equipment financed through direct bank-lender payments to the vendor	-	4,527
Property, plant and equipment purchased for credit	7,337	7,833
Non-cash bonuses to key management in form of GDRs	6,484	-

19. AUTHORIZATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors of MHP S.A. on 15 November 2010.