



Q1 FY2011 Key drivers & Financial highlights ⁽¹⁾

1) Unaudited consolidated accounts for 3-month period ending 30 September 2010

Q1 FY2011 Key drivers

Markets

- ❑ International grain prices increase by 35 – 45% (depending on crop) over Q1 FY2011
- ❑ Soft measures by Ukrainian government to slow grain export and implementation of quotas depress grain prices on the domestic market

Strategy implementation

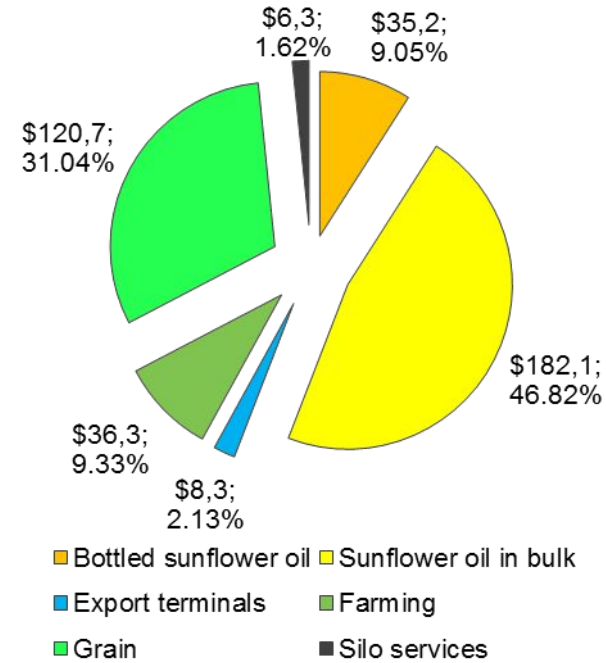
- ❑ Crushing capacity expansion leads to twofold increase in bulk oil contracts delivered over Q1

Financial developments

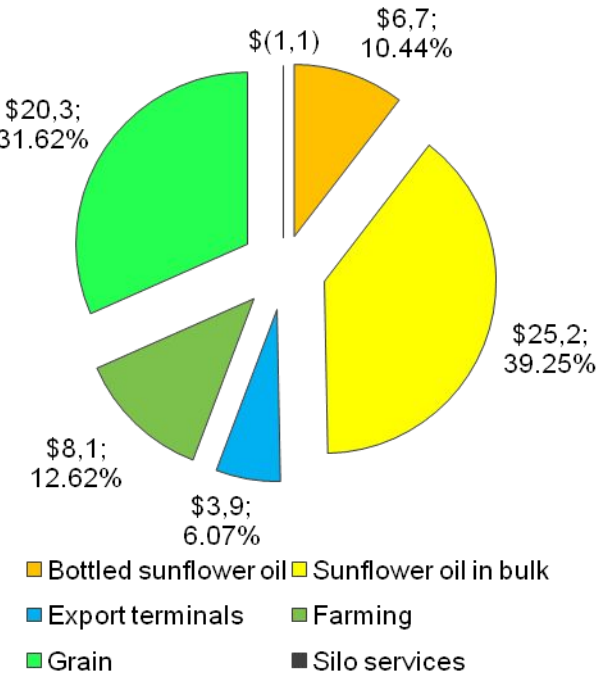
- ❑ Q1 one-off charge to reflect fair market value of VAT bonds, sold in Q2 at 12% discount to face value

Q1 FY2011 Contribution by operating segment

Revenue by operating segment ⁽¹⁾



Operating profit by segment ⁽²⁾



(1) Revenue by operating segment includes intersegment sales. Amounts provided in USD million and percentage of total revenue including intersegment sales
 (2) Operating profit by segment calculated prior certain G&A allocation. Amounts provided in USD million and percentage of total positive operating profit

Q1 FY2011 Segmental results

	Revenue ⁽¹⁾ , USD millions			Operating profit ⁽²⁾ , USD millions			Operating margin, %		Tonnage ⁽³⁾		
	Q1 FY10	Q1 FY11	% change	Q1 FY10	Q1 FY11	% change	Q1 FY10	Q1 FY11	Q1 FY10	Q1 FY11	% change
Bottled oil	27.1	35.2	29.9%	3.3	6.7	103.0%	12.2%	19.0%	28 910	33 245	15.0%
Bulk oil	77.1	182.1	136.2%	11.3	25.2	123.0%	14.7%	13.8%	77.5	184.4	138.0%
Export terminals	12.5	8.3	(33.6)%	6.6	3.9	(40.9)%	52.8%	47.0%	887.0	462.9	(47.8)%
Farming ⁽⁴⁾	19.0	36.3	91.1%	0.8	8.1	912.5%	4.2%	22.3%	260.0 ⁽⁵⁾	218.4 ⁽⁵⁾	(16.0)%
Grain	123.5	120.7	(2.3)%	8.9	20.3	128.1%	7.2%	16.8%	590.1	391.3	(33.7)%
Sib services	6.7	6.3	(0.6)%	2.3	(1.1)	--	34.3%	--	771.0	721.4	(6.4)%
Other and Rec onciliation	(25.6)	(43.5)		(2.5)	(3.4)						
Total	240.3	345.4	43.7%	30.7	59.7	94.5%	12.8%	17.3%			

- 1) Segmental revenue includes intersegment sales, reflected in item "Other and reconciliation"
- 2) Segmental operating profit is calculated prior certain G&A allocation reflected in item "Other and reconciliation"
- 3) Tonnage is expressed in thousand tons, except for bottled oil expressed in thousand liters
- 4) Farming operating profit includes gain or losses from changes in fair value of biological assets
- 5) Farming tonnage reflects total harvested tonnage for the season

Outlook for FY2011

FY2011 Guidance remains unchanged

- Revenue of USD 1 300 million
- EBITDA of USD 255 million
- Net profit of USD 195 million

Strategy

Leadership & Continued Growth in Each Segment

- ❑ **Leading positions in each business segment**
 - ❑ drive market consolidation in Ukraine
 - ❑ consolidate existing franchises to secure sustainable growth
 - ❑ continue building critical mass via increase in volumes
 - ❑ consolidate origination reach
- ❑ **Growth in each segment**
 - ❑ strengthen portfolio diversification
 - ❑ balance mix of exports/imports and products sold to maintain margins
- ❑ **Geographical expansion**
 - ❑ focus on feedstock base countries (i.e. Russia)

Conservative Risk Management

- ❑ **Key risk management policies**
 - ❑ No crop financing
 - ❑ “Balanced-book” policy through purchase and sale of physical goods: no derivatives, futures or option contracts due to the location of the Ukrainian and Black Sea markets
- ❑ **Real time management systems** provide daily company P&L, inventory and sales positions
- ❑ **Centralized management and fast decision making process:**
 - ❑ Flat management structure
 - ❑ origination, merchandizing and contract execution centralized in Kiev head office

Financial Discipline & Targets

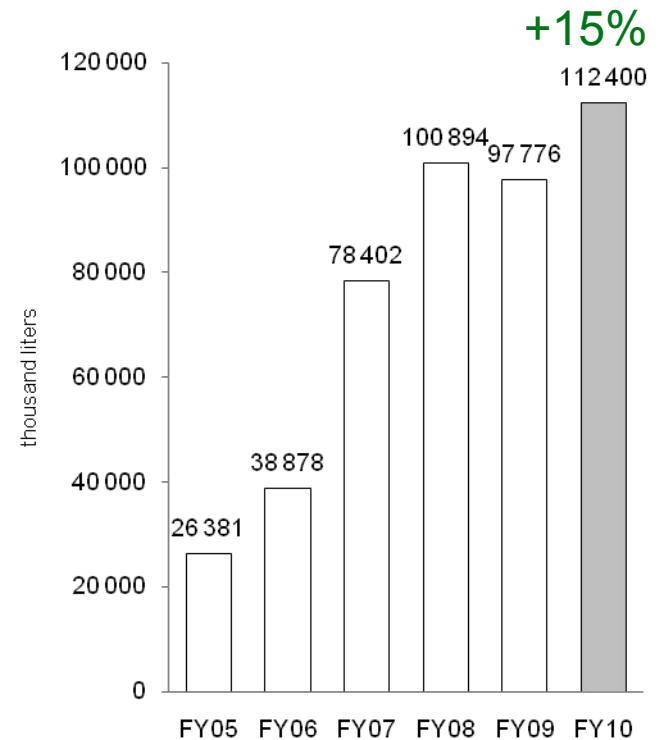
- ❑ **Segment operating margin targets**
 - ❑ Bulk oil – 17-19%
 - ❑ Bottled oil – 20-22%
 - ❑ Grain – 8-10%
 - ❑ Export terminals – 40-45%
 - ❑ Grain silos – 36-38%
 - ❑ Farming – 30-40 %
- ❑ **Maximum leverage policy (end year)**
 - ❑ Net debt/EBITDA < 2.5 x
- ❑ **Minimum interest cover**
 - ❑ EBITDA/finance costs > 5 x
- ❑ **Focus on shareholder returns**
 - ❑ ROE > 20%

Bottled oil segment

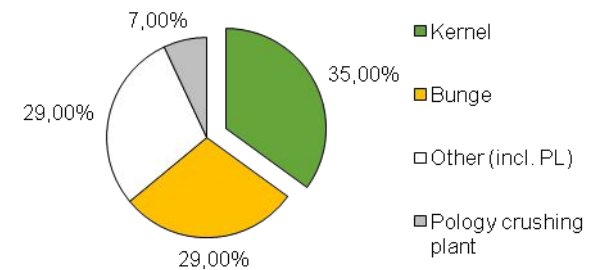
- ❑ **Kernel – No1 bottled oil producer and marketer in Ukraine with 35% market share**
- ❑ **Consolidated bottled oil sector**
 - ❑ Kernel and Bunge supply 64% of bottled oil sold in Ukraine (Kernel company estimate)
 - ❑ Kernel and Bunge only nationwide marketers of bottled oil
- ❑ **Seamless seed-to-bottle production process at two production sites with integrated crushing, refining and bottling operations**
 - ❑ 173,000 tons/year refining capacity
 - ❑ 134,000 tons/year bottling capacity
- ❑ **Three brand strategy**
 - ❑ Schedry Dar
 - ❑ Stozhar
 - ❑ Chumak Zolota
 - ❑ Private label (10% of bottled oil revenue)
- ❑ **Distribution throughout Ukraine**
 - ❑ 40 regional distributors
 - ❑ direct supply to nine largest nationwide retailers
- ❑ **Primary market: Ukraine**



Bottled oil sales, tonnage



Bottled oil sales, Ukraine market



Export terminals segment

TransBulkTerminal (“TBT”)

- ❑ 2nd largest grain terminal in Ukraine
- ❑ Located in Illichevsk, major Black Sea port and key gateway to international grain markets
- ❑ Owned and operated by Kernel since 2008, TBT is a service provider to Kernel and third parties, including transit from Russia and Kazakhstan
- ❑ Key features:
 - ❑ 200,000 tons grain storage capacity in 39 vertical bins
 - ❑ Handles all types of grain
 - ❑ Grain & oilseeds delivery by train and truck
 - ❑ Loading and export of grain onto Handy-size and Panamax vessels
 - ❑ Exclusive long-term right to two berths



OilTransTerminal (“OTT”)

- ❑ Located in Nika-Terra port, Nikolayev
- ❑ Owned and operated by Kernel since 2010
- ❑ OTT services Kernel primarily and is planned to ensure up to 500,000 tons of Kernel bulk oil export
- ❑ Key features:
 - ❑ 30,000 tons oil storage capacity
 - ❑ Bulk oil delivery by train and truck
 - ❑ Loading at berth of up to 25 000 tons oil per vessel

Silo services segment

- ❑ Largest private grain silo network in Ukraine
 - ❑ 39 inland grain silos
 - ❑ 2.3 million tons grain storage capacity
- ❑ Strategic location of silos in key origination areas and in vicinity of Kernel crushing plants
- ❑ All silos linked to national railway network and grain shipment to port by railcar
- ❑ 1 261 thousand tons FY2010 grain throughput, compared to 1 925 thousand tons in FY2009, reflecting decrease in 2009 harvest over 2008 harvest
- ❑ Kernel enters FY2011 with additional 600,000 tons of storage capacity through Allseeds acquisition

