



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

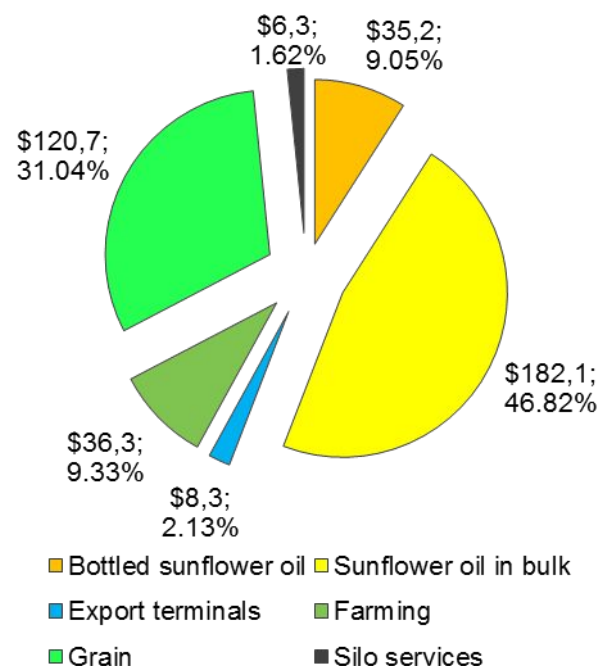
- ❑ Crushing capacity expansion leads to twofold increase in bulk oil contracts delivered over Q1

Financial developments

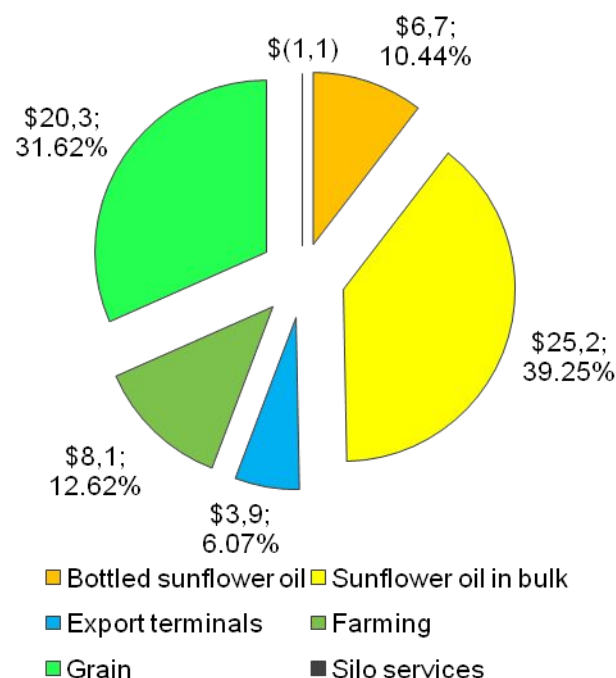
- ❑ Q1 one-off charge to reflect fair market value of VAT bonds, sold in Q2 at 12% discount to face value

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)%
Silo services	6.7	6.3	(0.6)%	2.3	(1.1)	--	34.3%	--	771.0	721.4	(6.4)%
Other and Reconciliation	(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

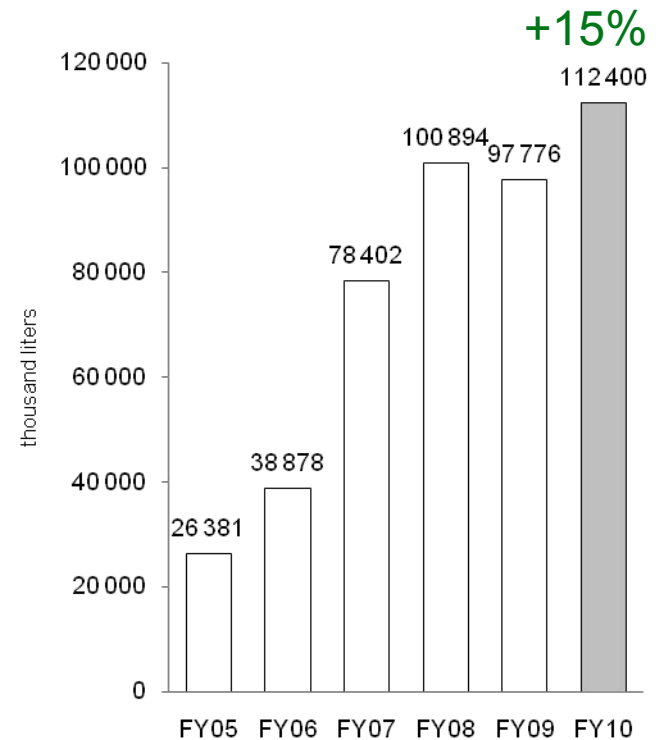
- ❑ **Segment operating margin targets**
 - ❑ Bulk oil – 17-19%
 - ❑ Bottled oil – 20-22%
 - ❑ Grain – 8-10%
 - ❑ Export terminals – 40-45%
 - ❑ Grain silos – 36-38%
 - ❑ Farming – 30-40 %
- ❑ **Maximum leverage policy (end year)**
 - ❑ Net debt/EBITDA < 2.5 x
- ❑ **Minimum interest cover**
 - ❑ EBITDA/finance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

Bottled oil segment

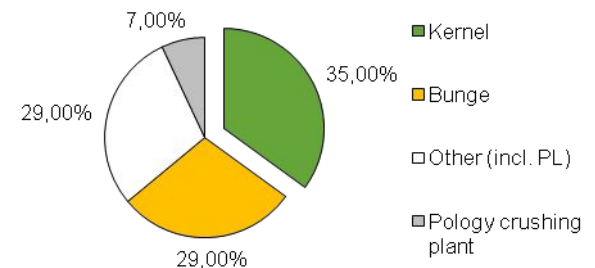
- ❑ **Kernel – No1 bottled oil producer and marketer in Ukraine with 35% market share**
- ❑ **Consolidated bottled oil sector**
 - ❑ Kernel and Bunge supply 64% of bottled oil sold in Ukraine (Kernel company estimate)
 - ❑ Kernel and Bunge only nationwide marketers of bottled oil
- ❑ **Seamless seed-to-bottle 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

