ASTARTA HOLDING N.V.

Interim Statement

Results for the first quarter of 2011

Overview of the quarter and outlook

The first quarter of 2011 was marked by dynamic growth in economic activity in Ukraine. Exports were supported by strong external demand, domestic consumption remained upbeat. High level of international prices for agricultural commodities and consistent demand for high quality sugar from industrial clients contributed to strong financial results of the Group: revenues increased by 13% and EBITDA by 10% y-o-y.

In the reporting period ASTARTA took control over two sugar plants in Kharkiv region. These acquisitions will diversify geographical structure of the business, and develop production capacities in proximity of important industrial consumers in the Eastern part of Ukraine, and, in the future, of potential buyers in Russia. Speaking about development of ASTARTA's business in the new region, one might draw a parallel with our activities in Khmelnitsky region, where ASTARTA initiated its business activities in 2008 by acquiring the Narkevychi sugar plant. In 2010, the integrated business unit "Volochisk-agro" which includes this sugar plant and other production assets, cultivated over 30 thousand ha of land, and generated EUR 33 million of revenues, and about EUR 15 million of EBITDA.

Alongside with expansion of processing capacities, the Group increased its land bank to 225 thousand ha and boosted its agricultural- and transportation machinery fleet by 200 modern units. Besides, within its strategy of cattle farming development, ASTARTA launched a newly uprated feed factory with monthly capacity of up to 5 thousand tonnes, and started a second phase of modern dairy livestock facility in Poltava region.

To diversify a sourcing of raw materials for processing, a technological preparation for raw cane sugar refining was conducted at one sugar plant (a daily processing capacity is 800 tonnes of sugar per day with potential for an uprate). The Group intends to process raw cane sugar in-between beet sugar production campaigns to increase volumes of sales, expand its share in sugar market, and reduce fixed costs per production item.

Traditionally, for the first quarter, one of the key priorities for the management was a preparation for spring field operations. All the actions were done in accordance with the plan and a spring sawing campaign is expected to be successfully completed in the second half of May, thus providing for an increase in total land under cultivation (including winter and spring crops) by c. 15% y-o-y.

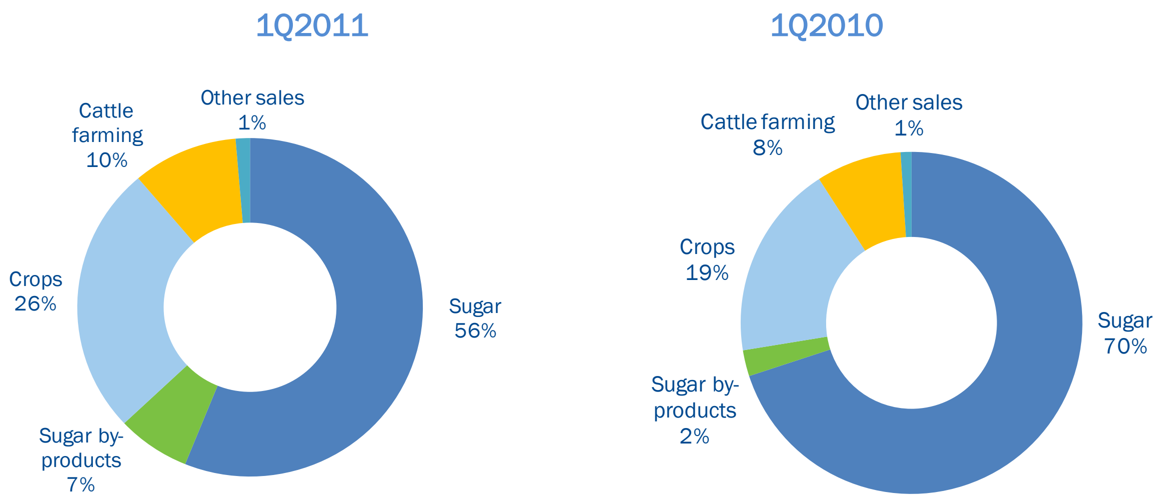
Till the end of 2011, ASTARTA intends to expand a land bank up to 250 thousand ha, synchronously concentrating on improvements in efficiency of processing facilities, increasing livestock and milk yields, development of agri-machinery fleet and crop storage capacities, as well as promotion of bio-energy projects. For this purpose we plan CAPEX of up to EUR 60 million to be financed from retained earnings and loan facilities. ASTARTA production plans are also ambitious: we intend to increase grain and oilseed crops production to over 500 thousand tonnes, white sugar output to 330-350 thousand tonnes, milk to over 65 thousand tonnes.

We can't but mention the inclusion of ASTARTA shares into WIG-40, that was an important event in the reporting period, rewarding development of the Group after an IPO in 2006. We intend to continue developing the Group in key segments, as well as looking very closely at opportunities in synergetic sectors. We also believe that the current situation provides good provisions for ASTARTA's growth, either by organic development or acquisition of synergetic businesses.

Revenues composition

Revenues demonstrated solid 13% growth, sugar and sugar by-products sales remained the main contributor with a 63% share (72% in the 1 quarter of 2010). Increased sales of molasses provided for a bigger share of sugar by-product revenues. A share of crop sales increased from 19% a year before to 26% following positive y-o-y movement of crop prices and increased volumes in segment sales. Revenues from cattle farming demonstrated positive dynamics as well, providing for 10% in total (8% a year before).

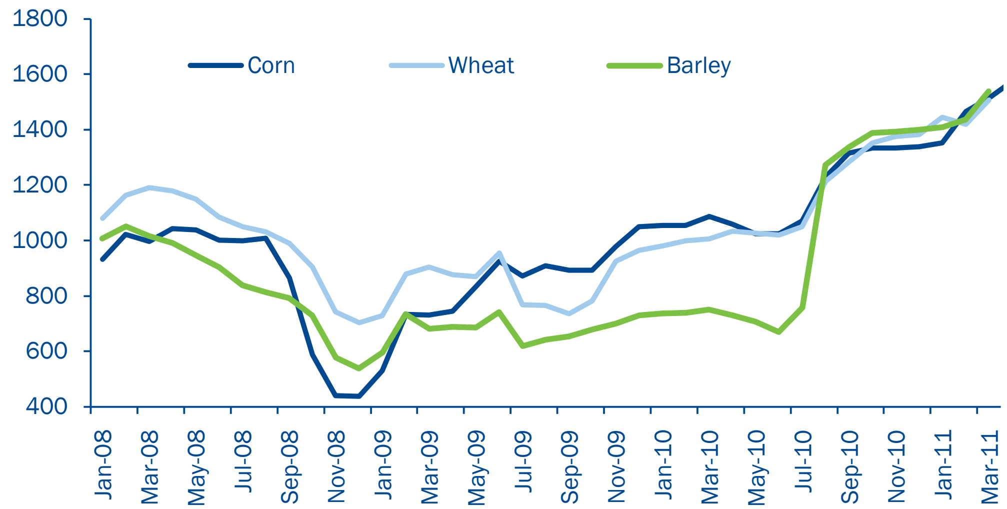
Figure 1. Breakdown of the Group's revenues in Q1 2011 and Q1 2010



Crop Sales

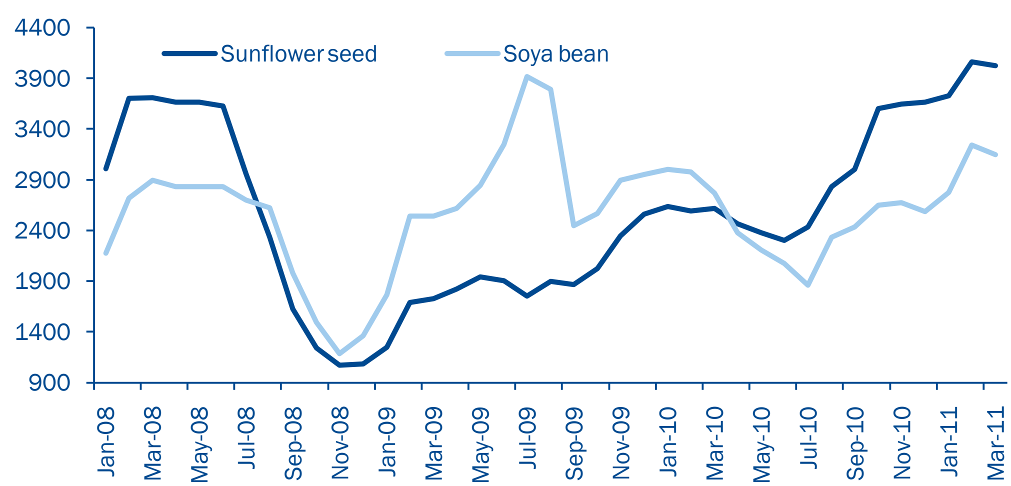
Volume of crop sales increased by 5% y-o-y and contributed EUR 13,102 thousand to total revenues. Selling prices for different types of crops grew differently y-o-y (from 20% for soy beans to more than 64% for corn), still on average more than 45%. This trend in domestic crop prices (as exports remained restricted in 1Q of 2011) was following a rally in international agricultural markets, driven by strong performance of other commodities, weaker US dollar, and fundamental reasons like low inventories of some key crops worldwide, and shifts in weather conditions in major agricultural regions.

Figure 2. Average Ukrainian prices for grains, UAH per ton, VAT excl.



Source: APK-inform analytical agency

Figure 3. Average Ukrainian prices for oilseeds, UAH per ton, VAT excl.



Source: APK-inform analytical agency

In late April, Ukraine's Cabinet of Ministers approved a decision to release the existing corn export quotas. All of the other grain export restrictions remain in force, still there were reports that the Government might abolish restrictions starting from July 2011.

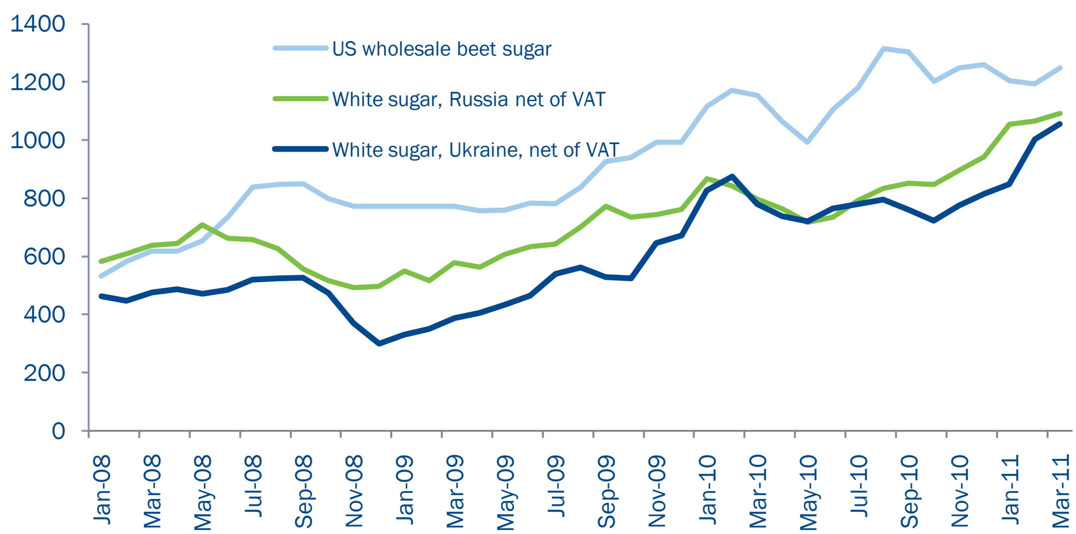
Sugar Sales

Around 38 thousand tonnes of sugar were sold, as sales have been accelerated by the second part of the reporting period following upward trend in price. Revenues from sugar sales comprised EUR 28,487 thousand and sugar by-products – EUR 3,478 thousand.

Around 80% of sugar was sold to large domestic and international industrial consumers. One client, a big international company, was the largest buyer, consuming around 17% of sugar sold. As the confectionary industry continued to recover, demand from clients in the segment was high. Soft drinks producers increased their consumption too, thus absorbing around 18% of volumes sold (9% a year ago).

During the first quarter of 2011, average prices for sugar were (around 3% higher than a year ago) reflecting higher cost of production in 2010, and a fourth consecutive year of underproduction of this staple product in the country. Management believes that sugar price will be further supported by these factors at list till the start of a new beet sugar production campaign in autumn.

Figure 4. The Average prices for sugar, USD per ton, VAT excl.



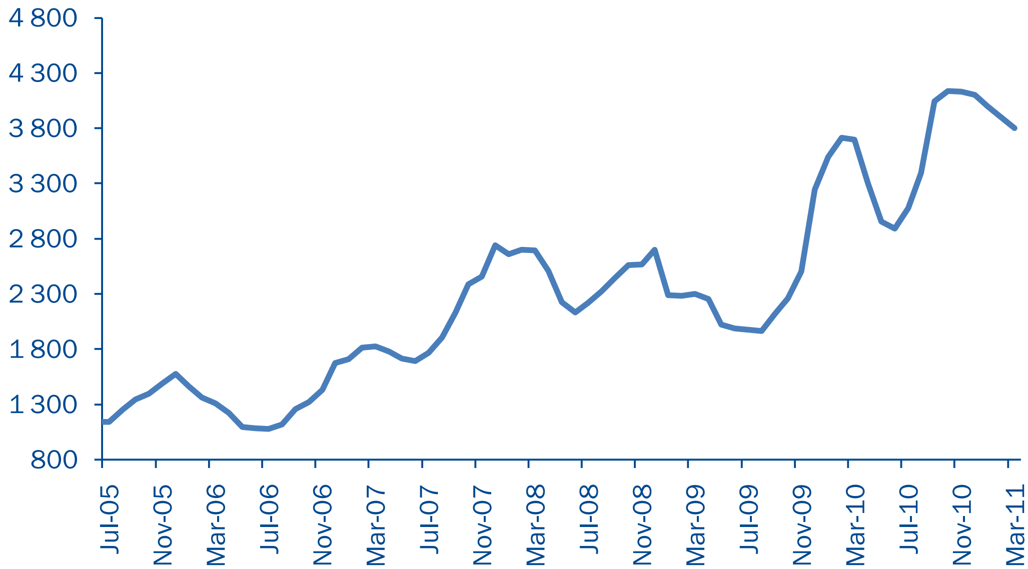
Source: Ukrtsukor, USDA, Association of Russian sugar producers

The Government of Ukraine has already announced a distribution of sugar production quotas among the refineries for the MY 2011/2012, setting Quota A (sugar for domestic consumption) at 1.86 million tonnes (in MY 2011 this quota was set at 1.89 million tonnes). According to this distribution, ASTARTA obtained a 348,000 tonnes quota and plans to exercise it in full.

Production and Sales of Farming Produce

Volumes of milk sales increased 36% y-o-y, and revenues from the cattle farming segment reached EUR 5,006 thousand. Selling price remained almost unchanged y-o-y. Number of cattle increased by 7% y-o-y to around 24,8 thousand heads, and milking cows by 13% to around 11,6 thousand heads.

Figure 5. Average Ukrainian prices for raw milk, UAH per ton, VAT incl.



Source: State Statistics Committee of Ukraine.

Generally, in Ukraine in the 1Q 2011, raw milk production decreased by another 1,3%, thus following a downgrading trend of previous years and building up a potential for further price growth resulting from shrinking supply.

Financial Performance

Table 1. Selected financial data

	UAH		EUR	
	1 Q 2011	1 Q 2010	1 Q 2011	1 Q 2010
I. Revenues	**553,577**	499,080	**50,752**	44,905
II. Profit from operations	**236,688**	215,819	**21,699**	19,418
III. Profit (loss) before tax	**223,083**	214,378	**20,452**	19,289
IV. Net profit (loss)	**219,820**	221,070	**20,153**	19,891
V. Cash flows provided (used) by operating activities	**90,574**	174,360	**7,477**	15,688
VI. Cash flows used in investing activities	**(337,416)**	(80,251)	**(30,111)**	(7,252)
VII. Cash flows (used in) provided by financing activities	**264,380**	(81,846)	**24,239**	(7,364)
VIII. Total net cash flow	**17,538**	12,263	**1,605**	1,072
IX. Total assets	**4,369,071**	2,822,749	**385,621**	265,045
X. Current liabilities	**1,056,827**	599,362	**93,277**	56,277
XI. Non-current liabilities	**885,735**	639,238	**78,178**	60,015
XII. Share capital	**1,663**	1,663	**250**	250
XIII. Total equity	**2,426,509**	1,584,149	**214,166**	148,753
XIV. Number of shares	**25,000**	25,000	**25,000**	25,000
XV. Profit (loss) per ordinary share	**8.79**	8.84	**0.81**	0.80

Revenues grew 13% y-o-y to EUR 50,752 thousand following increase in volumes of sales of milk and crops as well as strong pricing environment in the Group's market segments. Cost of revenues grew 37% y-o-y to EUR 27,109 thousand resulting mostly from lower than expected productivity per hectare of key crops including sugar beet, and rising prices for inputs in 2010 production campaign. *For more details, refer to Group's Annual report for 2010, section Financial Performance and Financial Position.*

Due to higher volumes of crop sales, loss arising from remeasurement of agricultural produce to fair value grew 37% y-o-y. Increase in COGS and the loss from the remeasurement provided for a 8% correction of Gross profit to EUR 21,766 thousand. The gross margin was 43% compared to 53% for the same period of 2010.

Following management efforts to keep cost under control, general and administrative expenses grew only by 3%, selling and distribution expenses grew just by 1%. General and administrative expenses comprised 5% of the revenues (the same as in the 1Q 2010), selling and distribution expenses 3% (4% in the 1Q 2010). Resulting from increase in areas under crops, and positive changes in crop and milk pricing, changes in fair value of biological assets totalled to EUR 4,640 thousand.

The Group's profit from operations (EBIT) grew from EUR 19,418 thousand to EUR 21,699 thousand, the EBIT margin constituted 43% (the same a year before). EBITDA grew solid 10% to EUR 25,352 thousand, EBITDA margin was 50% (51% in the 1Q 2010).

Profit before tax was EUR 20,452 thousand in Q1 2011 compared to EUR 19,289 thousand in Q1 2010, and the net profit amounted to EUR 20,153 thousand vs. EUR 19,891 thousand respectively. Net profit margin decreased y-o-y from 40% to 44%.

As of March 31, 2011, the Group's assets grew up to EUR 385,621 thousand compared to EUR 265,045 thousand on March 31, 2010. Current assets grew 63% to EUR 204,538 thousand mainly due to increase in inventories and biological assets. Non-current assets grew 30% and totalled EUR 181,083 thousand. The structure of current and non-current assets comprised 53% and 47% respectively (47% and 53% a year before).

Table 2. Selected Financial Ratios and Margins

Margins	3 months to 31 March 2011	3 months to 31 March 2010
EBITDA margin %	50%	51%
EBIT margin %	43%	43%
Net margin %	40%	44%
Ratios		
Current Ratio	2.19	2.23
Quick Ratio	0.49	0.46
EPS (EUR)	0,81	0,80

Material Events during the Reporting Period

Loan Portfolio Optimization

- In February 2011, the Hellenic Bank Public Company Ltd. signed three loan agreements to provide financing to LLC Firm "Astarta-Kyiv", an indirect subsidiary of ASTARTA Holding N.V. The financing of up to USD 50 million was granted to restructure a loan portfolio and/or the financing of the working capital needs of the Company. The financing of up to USD 30 million comprises of a long-term loan for 3 years and two loans in the amount of USD 10 million each have a one year maturity.

- In February 2011, The Landesbank Baden-Wurttemberg signed a loan agreement to provide financing to Ancor Investments Ltd. (an indirect subsidiary of ASTARTA Holding N.V.) The financing of up to EUR 8.6 million (in USD equivalent) was granted to finance the purchase of agricultural equipment from the EU suppliers. Payment obligations of the Borrower under the loan agreement shall be guaranteed by the Euler Hermes. The loan is secured by the equipment purchased under the loan agreement. The financing comprises a secured long-term loan for seven years.

Acquisition of Subsidiaries

- On 4 February 2011, Astarta-Kyiv acquired the corporate rights with 97.98% stake in the LLC “Tarasivske” (Kharkiv region).

- On 11 February 2011, Astarta-Kyiv acquired the corporate rights with 99.98% stake in the LLC “Nika” in the Kharkiv oblast (administrative region) of Ukraine.
- On 21 February 2011, Astarta-Kyiv increased its share with 74.99% stake in the LLC “Zhytnicya”.
- On 25 February 2011, Astarta-Kyiv acquired the corporate rights with 99.98% stake in the SC “Valmer” (Kharkiv region).
- On 31 March 2011, Astarta-Kyiv increased its share with 99.98% stake in the company “Zdobutok”.
- On 31 March 2011, Astarta-Kyiv increased its share in the LLC “Chervona Zirka” to 99.98%.

Changes in the Shareholder Structure of ASTARTA Holding N.V.

- On 28 January 2011, the Chief Executive Officer Mr.Viktor Ivanchyk delivered and the Non Executive Director Mr. Valery Korotkov received 800 thousand shares that correspond to 3.2% of the Company’s share capital. As a result of the abovementioned transaction, Mr. Viktor Ivanchyk held 36.99% and Mr.Valery Korotkov held 31.99% of the Company's share capital.

- On 10 March 2011, Mr.Valery Korotkov sold 1,500 thousand shares reducing his holdings in the company from 31,99% to 25,99%. After this transaction, the total free float of the Company's shares increased from 31.02% to 37.02%.

Material Events after the Reporting Period

- Subsequent to 31 December 2010, the Group disposed of LLC “Astarta-trade” for UAH 665,000 (EUR 63,000) and established two subsidiaries LLC “Astarta-Selekciya” and LLC “Agro-Tradex” with the authorized share capital amounting to UAH 10,000 (EUR 1,000) each.
- On 4 April, 2011, “Astarta-Kyiv” increased its share in the agricultural company LLC "Niva" to 99.98%.

Statement of the Board of Directors

REPRESENTATION of the Board of Directors of ASTARTA Holding N.V. on compliance of the condensed consolidated interim financial statements.

The Board of Directors of ASTARTA Holding N.V. hereby represent that to the best of their knowledge the condensed consolidated interim financial statements of ASTARTA Holding N.V. for the period ended 31 March 2011 and the comparable information are prepared in accordance with the applicable accounting standards and that they give a true, fair and clear view of the assets, financial standing and financial results of ASTARTA Holding N.V., and that the interim statement for the three months ended 31 March 2011 gives a true view of the developments, achievements and situation of the Company, including a description of the key risks and threats.

Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk ______(signed) ________

P. Rybin ______ (signed) ________

M.M.L.J. van Campen ___(signed) ____

V. Korotkov ______ (signed) _______

W.T. Bartoszewski __(signed) _______

12 May 2011,

Amsterdam, The Netherlands

Caution note regarding forward-looking statements

Certain statements contained in this interim statement may constitute forecasts and estimates. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ from the anticipated results expressed or implied by these forward-looking statements.

ASTARTA HOLDING N.V.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED 31 MARCH 2011

These condensed consolidated interim financial statements contain 37 pages

CONTENT

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Ukrainian hryvnias)		31 March 2011 (unaudited)	31 December 2010 (audited)	31 March 2010 (unaudited)	31 December 2009 (audited)
Assets					
Non-current assets					
Property, plant and equipment		**1,543,914**	1,485,584	1,262,518	1,219,524
Intangible assets		**52,247**	47,151	42,346	43,455
Biological assets	*5*	**180,511**	158,064	162,488	147,358
Long-term deposits		**241,098**	-	-	-
Financial instruments available-for-sale		**19,068**	14,295	1,202	846
Other long-term assets		**14,586**	13,931	9,148	8,691
Deferred tax assets		**246**	3,762	10,818	11,759
		2,051,670	1,722,787	1,488,520	1,431,633
Current assets					
Inventories	*6*	**1,289,993**	1,265,642	812,126	803,435
Biological assets		**511,272**	412,542	245,721	230,758
Trade accounts receivable		**192,632**	132,375	79,549	89,526
Other accounts receivable and prepayments		**279,769**	175,211	153,975	97,088
Current income tax		**633**	358	353	415
Promissory notes available-for-sale		**2,714**	2,714	4	4
Short-term deposits		**10,978**	10,978	7,925	-
Cash and cash equivalents		**29,410**	11,872	34,576	22,313
		2,317,401	2,011,692	1,334,229	1,243,539
Total assets		**4,369,071**	3,734,479	2,822,749	2,675,172

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Ukrainian hryvnias)	31 March 2011	31 December 2010	31 March 2010	31 December 2009
	(unaudited)	(audited)	(unaudited)	(audited)
Equity and liabilities				
Equity				
Share capital	**1,663**	1,663	1,663	1,663
Additional paid-in capital	**370,180**	369,798	370,170	370,358
Retained earnings	**1,625,630**	1,391,589	726,632	499,130
Revaluation surplus	**440,297**	452,448	474,665	487,814
Currency translation adjustment	**(12,423)**	(2,762)	9,655	10,166
Total equity attributable to equity holders of the company	**2,425,347**	2,212,736	1,582,785	1,369,131
Non-controlling interests relating to open joint stock companies	**1,162**	1,191	1,364	864
Total equity	**2,426,509**	2,213,927	1,584,149	1,369,995
Non-current liabilities				
Loans and borrowings	**751,259**	590,648	488,317	606,164
Non-controlling interests relating to limited liability companies	**70,663**	66,785	52,245	40,245
Other long-term liabilities	**16,253**	14,072	9,674	10,018
Deferred tax liabilities	**47,560**	50,311	89,002	86,611
	885,735	721,816	639,238	743,038
Current liabilities				
Short-term loans and borrowings	**517,867**	363,085	175,572	240,993
Current portion of long-term loans and borrowings	**205,733**	238,557	221,292	133,073
Trade accounts payable	**177,238**	59,518	88,929	45,455
Promissory notes issued	**-**	-	2,400	2,400
Current income tax	**10**	1,623	52	-
Other liabilities and accounts payable	**155,979**	135,953	111,117	140,218
	1,056,827	798,736	599,362	562,139
Total equity and liabilities	**4,369,071**	3,734,479	2,822,749	2,675,172

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Euros)		31 March 2011 (unaudited)	31 December 2010 (audited)	31 March 2010 (unaudited)	31 December 2009 (audited)
Assets					
Non-current assets					
Property, plant and equipment		**136,267**	140,282	118,545	105,495
Intangible assets		**4,612**	4,452	3,976	3,759
Biological assets	*5*	**15,932**	14,926	15,257	12,747
Long-term deposits		**21,280**	-	-	-
Financial instruments available-for-sale		**1,683**	1,350	113	73
Other long-term assets		**1,287**	1,315	859	752
Deferred tax assets		**22**	355	1,016	1,017
		181,083	162,680	139,766	123,843
Current assets					
Inventories	*6*	**113,857**	119,512	76,255	69,500
Biological assets		**45,125**	38,955	23,073	19,962
Trade accounts receivable		**17,002**	12,500	7,470	7,744
Other accounts receivable and prepayments		**24,693**	16,544	14,457	8,399
Current income tax		**56**	34	33	36
Promissory notes available-for-sale		**240**	256	-	-
Short-term deposits		**969**	1,037	744	-
Cash and cash equivalents		**2,596**	1,121	3,247	1,930
		204,538	189,959	125,279	107,571
Total assets		**385,621**	352,639	265,045	231,414

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Euros)	31 March 2011 (unaudited)	31 December 2010 (audited)	31 March 2010 (unaudited)	31 December 2009 (audited)
Equity and liabilities				
Equity				
Share capital	**250**	250	250	250
Additional paid-in capital	**55,672**	55,638	55,673	55,691
Retained earnings	**162,592**	141,177	76,212	55,690
Revaluation surplus	**45,897**	46,969	49,074	50,309
Currency translation adjustment	**(50,348)**	(35,092)	(32,584)	(43,507)
Total equity attributable to equity holders of the company	**214,063**	208,942	148,625	118,433
Non-controlling interests relating to open joint stock companies	**103**	112	128	75
Total equity	**214,166**	209,054	148,753	118,508
Non-current liabilities				
Loans and borrowings	**66,308**	55,774	45,851	52,436
Non-controlling interests relating to limited liability companies	**6,237**	6,306	4,899	3,481
Other long-term liabilities	**1,435**	1,329	908	867
Deferred tax liabilities	**4,198**	4,751	8,357	7,492
	78,178	68,160	60,015	64,276
Current liabilities				
Short-term loans and borrowings	**45,708**	34,286	16,486	20,847
Current portion of long-term loans and borrowings	**18,158**	22,527	20,779	11,512
Trade accounts payable	**15,643**	5,620	8,350	3,932
Promissory notes issued	**-**	-	225	208
Current income tax	**1**	153	5	-
Other liabilities and accounts payable	**13,767**	12,839	10,432	12,131
	93,277	75,425	56,277	48,630
Total equity and liabilities	**385,621**	352,639	265,045	231,414

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Ukrainian hryvnias)		2011 (unaudited)	2010 (unaudited)
Revenues	*7*	**553,577**	499,080
Cost of revenues		**(295,694)**	(220,726)
Loss arising from remeasurement of agricultural produce to fair value		**(20,469)**	(15,271)
Gross profit		**237,414**	263,083
Changes in fair value of biological assets	*12*	**50,608**	1,437
Other operating income	*8*	**2,570**	3,586
General and administrative expense	*9*	**(25,656)**	(25,444)
Selling and distribution expense	*10*	**(18,122)**	(18,230)
Other operating expense	*11*	**(10,126)**	(8,613)
Profit from operations		**236,688**	215,819
Financial expense	*13*	**(47,485)**	(24,052)
Financial income	*13*	**4,308**	11,601
Other income		**1,967**	423
Gain on acquisition of subsidiaries	*4*	**27,605**	10,587
Profit before tax		**223,083**	214,378
Income tax (expense) benefit		**(3,263)**	6,692
Net profit		**219,820**	221,070
Net profitattributable to:			
Non-controlling interests of open joint stock company subsidiaries		**(28)**	(23)
Equity holders of the company		**219,848**	221,093
Net profit		**219,820**	221,070
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)		**8.79**	8.84

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Euros)		2011 (unaudited)	2010 (unaudited)
Revenues	*7*	**50,752**	44,905
Cost of revenues		**(27,109)**	(19,860)
Loss arising from remeasurement of agricultural produce to fair value		**(1,877)**	(1,374)
Gross profit		**21,766**	23,671
Changes in fair value of biological assets	*12*	**4,640**	129
Other operating income	*8*	**236**	323
General and administrative expense	*9*	**(2,352)**	(2,289)
Selling and distribution expense	*10*	**(1,661)**	(1,640)
Other operating expense	*11*	**(930)**	(776)
Profit from operations		**21,699**	19,418
Financial expense	*13*	**(4,353)**	(2,164)
Financial income	*13*	**395**	1,044
Other income		**180**	38
Gain on acquisition of subsidiaries	*4*	**2,531**	953
Profit before tax		**20,452**	19,289
Income tax (expense) benefit		**(299)**	602
Net profit		**20,153**	19,891
Net profitattributable to:			
Non-controlling interests of open joint stock company subsidiaries		**(3)**	(2)
Equity holders of the company		**20,156**	19,893
Net profit		**20,153**	19,891
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)		**0.81**	0.80

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Ukrainian hryvnias)	2011 (unaudited)	2010 (unaudited)
Net profit	**219,820**	221,070
Other comprehensive loss		
Currency translation differences	**(9,661)**	(511)
Other comprehensive lossnet of tax	**(9,661)**	(511)
Total comprehensive income	**210,159**	220,559
Attributable to:		
Non-controlling interests of open joint stock company subsidiaries	**(28)**	(23)
Equity holders of parent company	**210,187**	220,582
Total comprehensive income as at 31 March	**210,159**	220,559

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Euros)	2011 (unaudited)	2010 (unaudited)
Net profit	**20,153**	19,891
Other comprehensive income (loss)		
Currency translation differences	(15,262)	10,931
Other comprehensive income (loss) net of tax	(15,262)	10,931
Total comprehensive income	**4,891**	30,822
Attributable to:		
Non-controlling interests of open joint stock company subsidiaries	(9)	6
Equity holders of parent company	4,900	30,816
Total comprehensive income as at 31 March	**4,891**	30,822

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Ukrainian hryvnias)		2011 (unaudited)	2010 (unaudited)
Operating activities			
Profit before tax		223,083	214,378
Adjustments for:			
Depreciation and amortization		39,848	39,681
Allowance for trade and other accounts receivable		3,685	2,252
Gain on acquisition of subsidiaries	*4*	(27,605)	(10,587)
Loss (gain) on sales of property, plant and equipment		2,018	(4)
Write down of inventories and NRV allowance	*11*	291	811
Interest expense	*13*	38,261	16,503
Gain from changes in fair value of biological assets	*12*	(50,608)	(1,437)
Increase in inventories		(16,208)	(8,291)
Written off assets recovered		(335)	(152)
Increase in trade and other receivables		(166,310)	(43,533)
Non-controlling interests of limited liability company subsidiaries		5,437	3,852
(Increase) decrease in other long-term assets		(655)	3,202
Increase in biological assets due to other changes		(56,455)	(25,547)
Increase in trade and other payables		112,920	13,950
Increase (decrease) in other long-term payables		804	(344)
Loss (gain) from promissory note transactions		-	(1,423)
Income taxes paid		(1,176)	-
Interest paid		(22,999)	(18,508)
Forex loss (gain) on loans and borrowings		6,578	(10,443)
Cash flows provided by operating activities		90,574	174,360
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(71,249)	(70,430)
Proceeds from sales of property, plant and equipment		58	3
Purchase of long-term investments		(4,773)	(356)
Interest received		266	189
Acquisition of subsidiaries net of cash acquired	*4*	(20,620)	(1,732)
Deposits placement		(241,098)	(7,925)
Cash flows used in investing activities		(337,416)	(80,251)

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH, CONTINUED

(in thousands of Ukrainian hryvnias)	**2011** (unaudited)	2010 (unaudited)
Financing activities		
Proceeds from loans and borrowings	**572,967**	41,870
Principal payments on loans and borrowings	**(290,045)**	(121,480)
Transaction costs on loans and borrowings	**(18,542)**	(3,659)
Decrease in promissory notes issued	**-**	1,423
Cash flows provided by (used in) financing activities	**264,380**	(81,846)
Net increase in cash and cash equivalents	**17,538**	12,263
Cash and cash equivalents as at 1 January	**11,872**	22,313
Cash and cash equivalents as at 31 March	**29,410**	34,576

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH

(in thousands of Euros)		2011 (unaudited)	2010 (unaudited)
Operating activities			
Profit before tax		20,452	19,289
Adjustments for:			
Depreciation and amortization		3,653	3,570
Allowance for trade and other accounts receivable		338	203
Gain on acquisition of subsidiaries	*4*	(2,531)	(953)
Loss (gain) on sales of property, plant and equipment		185	-
Write down of inventories and NRV allowance	*11*	27	73
Interest expense	*13*	3,507	1,485
Gain from changes in fair value of biological assets	*12*	(4,640)	(129)
Increase in inventories		(1,486)	(746)
Written off assets recovered		(31)	(14)
Increase in trade and other receivables		(16,071)	(3,916)
Non-controlling interests of limited liability company subsidiaries		498	346
(Increase) decrease in other long-term assets		(60)	288
Increase in biological assets due to other changes		(5,176)	(2,299)
Increase in trade and other payables		10,352	1,255
Increase (decrease) in other long-term payables		74	(31)
Loss (gain) from promissory note transactions		-	(128)
Income taxes paid		(108)	-
Interest paid		(2,109)	(1,665)
Forex loss (gain) on loans and borrowings		603	(940)
Cash flows provided by operating activities		7,477	15,688
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(6,532)	(6,337)
Proceeds from sales of property, plant and equipment		5	-
Purchase of long-term investments		(438)	(32)
Interest received		24	17
Acquisition of subsidiaries net of cash acquired	*4*	(1,890)	(156)
Deposits placement		(21,280)	(744)
Cash flows used in investing activities		(30,111)	(7,252)

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH, CONTINUED

(in thousands of Euros)	2011 (unaudited)	2010 (unaudited)
Financing activities		
Proceeds from loans and borrowings	52,530	3,767
Principal payments on loans and borrowings	(26,591)	(10,930)
Transaction costs on loans and borrowings	(1,700)	(329)
Decrease in promissory notes issued	-	128
Cash flows provided by (used in) financing activities	24,239	(7,364)
Net increase in cash and cash equivalents	1,605	1,072
Cash and cash equivalents as at 1 January	1,121	1,930
Currency translation difference	(130)	245
Cash and cash equivalents as at 31 March	2,596	3,247

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2011

	Attributable to equity holders of the company							
(in thousands of Ukrainian hryvnias)	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Sub - total	Non-controlling interests	Total equity
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
As at 1 January 2011	1,663	369,798	1,391,589	452,448	(2,762)	2,212,736	1,191	2,213,927
Net profit	-	-	219,848	-	-	219,848	-	219,848
Net loss attributable to non-controlling shareholders of open joint stock companies	-	-	-	-	-	-	(28)	(28)
Other comprehensive loss, net of tax	-	-	-	-	(9,661)	(9,661)	-	(9,661)
Total comprehensive income	-	-	219,848	-	(9,661)	210,187	(28)	210,159
Acquisitions from non-controlling shareholders and other changes	-	-	2,042	-	-	2,042	(1)	2,041
Realisation of revaluation surplus, net of tax	-	-	12,151	(12,151)	-	-	-	-
Other changes	-	382	-	-	-	382	-	382
As at 31 March 2011	1,663	370,180	1,625,630	440,297	(12,423)	2,425,347	1,162	2,426,509

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2011

	Attributable to equity holders of the company							
(in thousands of Euros)	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Sub - total	Non-controlling interests	Total equity
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
As at 1 January 2011	250	55,638	141,177	46,969	(35,092)	208,942	112	209,054
Net profit	-	-	20,156	-	-	20,156	-	20,156
Net loss attributable to non-controlling shareholders of open joint stock companies	-	-	-	-	-	-	(3)	(3)
Other comprehensive loss, net of tax	-	-	-	-	(15,256)	(15,256)	(6)	(15,262)
Total comprehensive income	-	-	20,156	-	(15,256)	4,900	(9)	4,891
Acquisitions from non-controlling shareholders and other changes	-	-	187	-	-	187	-	187
Realisation of revaluation surplus, net of tax	-	-	1,072	(1,072)	-	-	-	-
Other changes	-	34	-	-	-	34	-	34
As at 31 March 2011	250	55,672	162,592	45,897	(50,348)	214,063	103	214,166

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2010

(in thousands of Ukrainian hryvnias)	Attributable to equity holders of the company							
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Sub - total	Non-controlling interests	Total equity
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
As at 1 January 2010	1,663	370,358	499,130	487,814	10,166	1,369,131	864	1,369,995
Net profit	-	-	221,093	-	-	221,093	-	221,093
Net loss attributable to non-controlling shareholders of open joint stock companies	-	-	-	-	-	-	(23)	(23)
Other comprehensive loss, net of tax	-	-	-	-	(511)	(511)	-	(511)
Total comprehensive income	-	-	221,093	-	(511)	220,582	(23)	220,559
Acquisitions from non-controlling shareholders and other changes	-	-	(6,740)	-	-	(6,740)	523	(6,217)
Realisation of revaluation surplus, net of tax	-	-	13,149	(13,149)	-	-	-	-
Other changes	-	(188)	-	-	-	(188)	-	(188)
As at 31 March 2010	1,663	370,170	726,632	474,665	9,655	1,582,785	1,364	1,584,149

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2010

	Attributable to equity holders of the company							
(in thousands of Euros)	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Currency translation adjustment	Sub - total	Non-controlling interests	Total equity
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
As at 1 January 2010	250	55,691	55,690	50,309	(43,507)	118,433	75	118,508
Net profit	-	-	19,893	-	-	19,893	-	19,893
Net loss attributable to non-controlling shareholders of open joint stock companies	-	-	-	-	-	-	(2)	(2)
Other comprehensive loss, net of tax	-	-	-	-	10,923	10,923	8	10,931
Total comprehensive income	-	-	19,893	-	10,923	30,816	6	30,822
Acquisitions from non-controlling shareholders and other changes	-	-	(606)	-	-	(606)	47	(559)
Realisation of revaluation surplus, net of tax	-	-	1,235	(1,235)	-	-	-	-
Other changes	-	(18)	-	-	-	(18)	-	(18)
As at 31 March 2010	250	55,673	76,212	49,074	(32,584)	148,625	128	148,753

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 18 to 37.

1 BACKGROUND

(a) Organization and operations

These condensed consolidated interim financial statements are prepared by ASTARTA Holding N.V. (the Company), a Dutch public company incorporated in Amsterdam, the Netherlands, on 9 June 2006 under Dutch law.

The Company's legal address is Koningslaan 17, 1075 AA, Amsterdam, the Netherlands.

On 4 July 2006 the shareholders of the Company contributed their shares in the Cyprus based company Ancor Investments Ltd to ASTARTA Holding N.V. After the contribution, ASTARTA Holding N.V. owns 100% of share capital of Ancor Investment Ltd.

Ancor Investments Ltd owns 99.98% of the capital of LLC Firm "Astarta-Kyiv" (Astarta-Kyiv) registered in Ukraine, which in turn controls a number of subsidiaries in Ukraine (hereinafter the Company and its subsidiaries are collectively referred as the Group).

On 16 August 2006 the Company's shares were admitted for trading on the Warsaw Stock Exchange. The first quotation of the shares on the Warsaw Stock Exchange took place on 17 August 2006.

Historically the principal operation of the Group was sugar production. It specializes in sugar production, crop growing and cattle farming. The croplands, sugar plants and cattle operations are mainly located in the Poltava, Vinnytsia, Kharkiv and Khmelnytsky oblasts (administrative regions) of Ukraine. The Group's business is vertically integrated because sugar is produced primarily using own-grown sugar beet.

Two individual major shareholders own 36.99% and 25.99% of the Group.

(b) Ukrainian business environment

The Ukrainian economy while deemed to be of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, low levels of liquidity in the capital markets, high inflation and the existence of currency controls which cause the national currency to be illiquid outside of Ukraine. The stability of the Ukrainian economy will be significantly impacted by the Government's policies and actions with regard to administrative, legal, and economic reforms. As a result, operations in Ukraine involve risks that are not typical for developed markets.

The Ukrainian economy is vulnerable to market downturns and economic slowdowns elsewhere in the world. The global financial crisis has resulted in a decline in the gross domestic product, capital markets instability, significant deterioration in the liquidity of the banking sector and tighter credit conditions within Ukraine.

2 BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements are prepared in accordance with IAS-34 Interim Financial Reporting International. These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjuction with the Company's annual financial statements for the year ended 31 December 2010. The condensed consolidated interim financial statements were authorized by the Board of Directors on 12 May 2011.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements of the Company from the date that control effectively commences until the date that control effectively ceases.

Associates are those enterprises in which the Company has significant influence, but not control, over financial and operating policies. The condensed consolidated interim financial statements include the Company's share of the total recognized gains and losses of an associate on an equity accounted basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases. When the Company's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred obligations in respect of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

These condensed consolidated interim financial statements include the Company and its subsidiaries. The operating subsidiaries in Ukraine are owned by Astarta-Kyiv, a Ukrainian limited liability company.

During the three months ended 31 March 2011 the Group completed acquisitions of 6 companies.

On 22 February 2011, the Group established the subsidiary LLC "Astarta-Selekciya" with the authorised share capital amounting to UAH 10 thousand (EUR 1 thousand). On 29 March 2011, the Group established the subsidiary LLC "Agro-Tradex"with the authorised share capital amounting to UAH 10 thousand (EUR 1 thousand).

Astarta Holding N.V. owns shares, directly and indirectly, in a number of subsidiaries and an associate with the following percentage of ownership:

Name	Activity	31 March 2011 % of ownership	31 March 2011 % of ownership	31 March 2010 % of ownership
Subsidiaries:				
Ancor Investments Ltd	Investment activities	100.00%	100.00%	100.00%
LLC Firm "Astarta-Kyiv"	Asset management	99.98%	99.98%	99.98%
LLC "APO "Tsukrovyk Poltavshchyny"	Sugar production	98.53%	98.53%	98.53%
LLC "Agricultural company "Dovzhenko"	Agricultural	97.03%	97.03%	96.58%
LLC "Shyshaki combined forage factory"	Fodder production	82.71%	82.71%	82.71%
LLC "Agricultural company "Dobrobut"	Agricultural	98.11%	98.11%	98.08%
LLC "Agricultural company "Musievske"	Agricultural	89.98%	89.98%	74.99%
Globino canning factory "Globus"	Canning production, trade	99.98%	99.98%	99.98%
LLC "Dobrobut" (Novo-Sanzharskiy region)	Agricultural	99.98%	99.98%	99.98%
OJSC "Agricultural company "Agrocomplex"	Agricultural	83.80%	83.80%	81.24%
OJSC "Agricultural company "Zhdanivske"	Agricultural	97.97%	97.97%	97.97%
LLC "Investment company "Poltavazernoproduct"	Agricultural	98.33%	98.33%	98.33%
LLC "List-Ruchky"	Agricultural	74.99%	74.99%	74.99%
LLC "Agropromgaz"	Trade	89.98%	89.98%	89.98%
LLC "Khmilnitske"	Agricultural	97.82%	97.82%	97.08%
LLC "Volochysk-Agro"	Agricultural	92.02%	92.02%	92.01%
SC "Tsukrovyk Podillya"	Sugar production	99.98%	99.98%	99.98%
SC "Agricultural company "Lubenska Zoria"	Agricultural	-	-	99.98%
LLC "Victoriya"	Agricultural	99.98%	99.98%	93.11%
LLC "Agricultural company "Mirgorodska"	Agricultural	89.98%	89.98%	89.98%
LLC "Astarta-trade"	Trade	-	94.98%	94.98%
LLC "Goropayivske"	Agricultural	99.98%	84.98%	84.98%
LLC "Zaricha-agro"	Agricultural	-	-	99.98%
LLC "Mria-97 plus"	Agricultural	74.99%	74.99%	74.99%
LLC "Varovetske"	Agricultural	99.98%	99.98%	-
LLC "Kobeliatsky combined forage factory"	Fodder production	97.26%	97.26%	-
LLC "named after Ostrovskiy"	Agricultural	74.99%	74.99%	-

Name	Activity	31 March 2011 % of ownership	31 March 2011 % of ownership	31 March 2010 % of ownership
Subsidiaries:				
LLC “Nadiya”	Agricultural	99.98%	99.98%	-
SC “Agricultural company “Agro-Kors”	Agricultural	99.98%	99.98%	-
Private agricultural company “Nove Zhyttia”	Agricultural	99.98%	99.98%	-
LLC “Volodarka Ko”	Agricultural	99.98%	99.98%	-
LLC “Agricultural company “Horolska”	Agricultural	99.88%	99.88%	-
LLC “Lan”	Agricultural	99.98%	99.88%	-
LLC “Nika”	Agricultural	99.98%	-	-
LLC “Zhytnytsya Podillya”	Agricultural	74.99%	-	-
LLC “Astarta-Selekciya”	Research and development	74.99%	-	-
Private company “Valmer”	Agricultural	99.98%	-	-
LLC “Tarasivske”	Agricultural	97.98%	-	-
LLC “Agro-Tradex”	Trade	99.88%	-	-
LLC “Zdobutok”	Agricultural	99.98%	-	-
LLC “Chervona Zirka”	Agricultural	99.98%	-	-
Associate:				
LLC “Agricultural company “Pokrovska”	Agricultural	49.99%	49.99%	49.99%

Ancor Investments Ltd is incorporated under Cyprus legislation and all other subsidiaries and the associate are incorporated in Ukraine.

(c) Business combinations and goodwill

Since 1 January 2010 business combinations have been accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Prior to 1 January 2010 business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest(formerly known as minority interest) was measured at the proportionate share of the acquiree’s identifiable net assets. Business combinations achieved in stages were accounted for asseparate steps. Any additional acquired share of interest did not affect previously recognised goodwill. When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract. Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

(d) Acquisition and disposal of non-controlling interests presented in equity

Any difference between the consideration paid to acquire non-controlling interests or any difference between the consideration received upon disposal of non-controlling interests and the carrying amount of the respective portion of the Group's interest in the subsidiary, is recognized as an increase (or decrease) in shareholders' equity, so long as the Company controls the subsidiary. The presentation of non-controlling interests within equity supports the recognition of increases and decreases in ownership interests in subsidiaries without a change in control as equity transactions in the condensed consolidated interim financial statements. Accordingly, any premiums or discounts on subsequent purchases of equity instruments from (or sales of equity instruments to) non-controlling interests are recognized directly in shareholders' equity.

(e) Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized gains arising from intercompany transactions, are eliminated in preparing the condensed consolidated interim financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group's interest in the enterprise. Unrealized gains resulting from transactions with associates are eliminated against the investment in the associate. Unrealized losses are eliminated in the same way as unrealized gains except that they are only eliminated to the extent that there is no evidence of impairment.

(f) Basis of accounting

The condensed consolidated interim financial statements are prepared using the fair value basis for property, biological assets, agricultural produce and promissory notes available-for-sale. Biological assets are stated at their fair value less estimated costs to sell, whereas agricultural produce is stated at its fair value less estimated costs to sell at the point of harvest. Promissory notes available-for-sale are stated at fair value. Starting from 31 December 2007 property (buildings) is carried at fair value as determined by independent appraisal. As from 31 December 2009 property (machines and equipment) is carried at fair value as determined by independent appraisal. Promissory notes issued are stated at amortized cost. All other assets and liabilities are carried at historical cost.

(g) Non-controlling interest participants

Substantially all of the Company's subsidiaries are Ukrainian limited liability companies. Under Ukrainian law, a participant in a limited liability company may unilaterally withdraw from the company. In such case, the company is obliged to pay the withdrawing participant's share of the net assets of the company not less than 12 months from the date of the withdrawal. Consequently, non-controlling interests in limited liability companies that are subsidiaries are recognized as a non-current liability. Limited liability company non-controlling interest share in the net profit/loss is recorded as a finance expense.

Since a participant in an open joint stock company may not withdraw his share in a company, the corresponding non-controlling interests are recognized in equity.

(h) Interest in a joint venture

The Group has an interest in a joint venture which is a jointly controlled operations, whereby the venturers have a contractual arrangement that establishes joint control over the economic activities of the entity. The agreement requires unanimous agreement for financial and operating decisions among the venturers. The Group recognizes its interest in the joint venture using the proportionate consolidation method. The Group combines its proportionate share of each of the assets, liabilities, income and expenses of the joint venture with similar items, line by line, in its condensed consolidated interim financial statements. The financial statements of the joint venture are prepared for the same reporting period as the Group. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.

Adjustments are made in the Group's condensed consolidated interim financial statements to eliminate the Group's share of intragroup balances, transactions and unrealised gains and losses on such transactions between the Group and its jointly controlled operations. Losses on transactions are recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss. The joint venture is proportionately condensed consolidated interim until the date on which the Group ceases to have joint control over the joint venture.

Upon loss of joint control the Group measures and recognises its remaining investment at its fair value. Any difference between the carrying amount of the former joint controlled operations upon loss of joint control and thefair value of the remaining investment and proceeds from disposal are recognised in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in an associate.

(i) Functional and presentation currency

The functional currency of the Company is Euro (EUR). The operating subsidiaries and the associate in Ukraine have the Ukrainian hryvnia (UAH) as their functional currency. For the benefits of principal users, the management chose to present the condensed consolidated interim financial statements in two currencies, EUR and UAH.

For the purposes of presenting condensed consolidated interim financial statements, assets and liabilities are translated for companies operating in Ukraine from UAH to EUR, for the Company from EUR to UAH using the closing rates at each reporting date, and income and expenses are translated at the average rates for each respective period. The Group uses the interbank foreign exchange rates since the Group expects to settle foreign currency transactions at these rates. The resulting translation differences are recognized in other comprehensive income.

(j) Critical accounting estimates and judgments in applying accounting policies

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. The most significant estimates and assumptions are as follows:

Impairment of trade accounts receivable

Management estimates impairment by assessing the likelihood of the collection of trade accounts receivable based on an analysis of individual accounts. Factors taken into consideration when assessing individual accounts include an ageing analysis of trade accounts receivable in comparison with the credit terms provided to customers, the financial position and collection history with the customer.

Fair value of property

As at 31 December 2007 management adopted the revaluation model of accounting for property (buildings). Under this method, property is carried at fair value less any subsequent accumulated depreciation and impairment losses. As buildings in the sugar production, agricultural and cattle-farming businesses are specialized and rarely sold except as part of a continuing business; they are valued using the depreciated replacement cost approach. The administrative building of LLC Firm "Astarta-Kiev" is valued using the market approach. Estimating the fair value of property requires the exercise of judgment and the use of assumptions. Prior to 31 December 2007 property was stated at cost less accumulated depreciation and impairment losses. Management engaged external independent appraisers to estimate the fair value of buildings, machines and equipment as at 31 December 2009 due to significant changes in fair value. Machines and equipment are carried at fair value less any subsequent accumulated depreciation and impairment losses and are valued using the market approach.

Fair value of biological assets

Due to the lack of an active market as defined by International Accounting Standard IAS 41 *Agriculture*, the fair value of biological assets is estimated by present valuing the net cash flows expected to be generated from the assets discounted at a current market-determined pre-tax rate. The discount rate is based on the average cost of capital in Ukraine effective at the reporting date. The fair value is then reduced for estimated costs to sell.

Fair value of agricultural produce

Management estimates the fair value of agricultural produce by reference to quoted prices in an active market, as required by International Accounting Standard IAS 41. In addition, costs to sell at the point of harvest are estimated and deducted from the fair value. The fair value less costs to sell becomes the carrying value of inventories the date of harvesting.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3 SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are applied in the preparation of the condensed consolidated interim financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined. Foreign exchange differences arising on translation are recognised in the income statement.

The principal UAH exchange rates used in the preparation of the condensed consolidated interim financial statements are as follows:

Currency	Average reporting period rate		Reporting date rate	
	2011	2010	2011	2010
EUR	**10.9074**	11.1142	**11.3300**	10.6500
USD	**7.9699**	8.0170	**7.9740**	7.9275

As at the date of these condensed consolidated interim financial statements, 12 May 2011, the average interbank exchange rate is UAH 7.9684 to USD 1.000 and UAH 11.4410 to EUR 1.000.

(b) Property, plant and equipment

Owned assets

As at 31 March 2011 buildings held for production, selling and distribution or administrative purposes, machines and equipment are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. At the date of the revaluation accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Prior to 31 December 2007, property was stated at cost less accumulated depreciation and impairment losses. Management adopted the revaluation model for property because the carrying value differed significantly from the fair value. As at 31 December 2009 revaluations were carried out by independent appraisers and will be performed frequently enough to ensure that the fair value of a revaluated asset does not differ materially from its carrying amount at each reporting date.

A revaluation increase on property is recognized directly in equity, except to the extent that it reverses a previous revaluation decrease recognized in the income statement. A revaluation decrease on property is recognized in the income statement, except to the extent that it reverses a previous revaluation increase recognized directly in equity.

Upon disposal, any revaluation reserve relating to the buildings, and machines and equipment being sold is transferred to retained earnings.

Uninstalled equipment comprises costs directly related to construction of property, plant and equipment including an appropriate allocation of directly attributable variable overheads that are incurred in construction. Uninstalled equipment is not depreciated.

Construction is a tripartite building that does not have a roof, a foundation or a wall. Constructions are mainly used in agriculture and sugar production and are presented by hangars, silos, stockpile sites and grain dryings.

The gain or loss arising on a sale or disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. The effect of any changes from previous estimates is accounted for as a change in an accounting estimate.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Property and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, is capitalized and the carrying amount of the component replaced is written off. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the income statement as expenses as incurred.

Depreciation

Depreciation on property, plant and equipment is charged to the income statement on a straight-line basis over the estimated useful lives of the individual assets. On the subsequent sale or retirement of a revalued asset, the atributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

The depreciable amount of assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation commences on the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land and assets under construction are not depreciated.

The estimated useful lives are as follows:

Buildings	50 years
Constructions	50 years
Machines and equipment	20 years
Vehicles	10 years
Other fixed assets	5 years

(c) Intangible assets, other than goodwill

Intangible assets, which are acquired by the Group and which have finite useful lives, consist mainly from land lease rights and computer software.

For business combinations the fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Fair value is valued using the market approach. Management commissioned an independent appraiser to determine the fair value of the land lease rights. Non-cancellable operating lease agreements typically run for an initial period of 5 to 10 years. As such, the land lease rights are amortized over 5 to 10 years on a straight line basis. The amortization expense is recognized in the income statement in the expense category consistent with the function of intangible asset.

Software is stated at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement in the expense category consistent with the function of intangible asset on a straight-line basis over the estimated useful lives, normally 4 years.

The amortization period and the amortization method for intangible asset with a finite useful life is reviewed at least at each year end.

(d) Biological assets

The Group classifies livestock (primarily cattle) and unharvested crops as biological assets. Biological assets are carried at their fair value less estimated costs to sell, except when the fair value cannot be measured reliably. If fair value cannot be measured reliably, biological assets are carried at cost less accumulated depreciation and accumulated impairment losses. Costs to sell include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of a biological asset is included in net profit or loss for the period in which it arises.

The Group classifies biological assets as current or non-current depending upon the average useful life of the particular group of biological assets.

(e) Agricultural produce

The Group classifies harvested crops as agricultural produce. Agricultural produce harvested from biological assets is measured at its fair value less estimated costs to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less estimated costs to sell is included in net profit or loss for the period in which it arises. After harvesting, agricultural produce is transferred to inventories.

(f) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of raw materials at the agricultural and sugar production facilities is determined using the weighted average method including costs incurred in bringing them to their existing location and condition, such as transportation.

Work in progress and finished goods include the the cost of raw materials, labor and manufacturing overheads allocated proportionately to the stage of completion of the inventory.

Investments into future crops represent seeds, fertilizers and land cultivation to prepare for the subsequent growing season.

(g) Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Group's income was subject to taxation in Ukraine. During the years ended 31 December 2010 and 2009 Ukrainian corporate income tax was levied on taxable income less allowable expenses at a rate of 25% according to the Law of Ukraine on Corporate Income Tax. In 2010 Ukrainian Parliament approved the Tax Code, which superseded the Law of Ukraine on Corporate Income Tax. New Tax Code significantly changed the rules for tax base calculation and provided for gradual decrease in tax rates from 25% to 16% over the next few years.

The decrease of income tax rate will be conducted in the following manner:

1 April 2011 - 31 December 2011:	23%
1 January 2012 - 31 December 2012:	21%
1 January 2013 - 31 December 2013:	19%
from 1 January 2014 and on:	16%

The Group has calculated its deferred tax position as at 31 March 2011 in accordance with corporate income tax rates as prescribed by the new Tax Code.

4 BUSINESS COMBINATIONS

During the three months ended 31 March 2011, the Group completed acquisitions of 6 entities. The purchase consideration consisted only of cash, and the direct costs related to these acquisitions are not significant.

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of aquisition
LLC "Tarasivske"	Ukraine	Agricultural	04.02.2011	97.98%
LLC "Nika"	Ukraine	Agricultural	11.02.2011	99.98%
LLC "Zhytnytsya Podillya"	Ukraine	Agricultural	21.02.2011	74.99%
PC "Valmer"	Ukraine	Agricultural	25.02.2011	99.98%
LLC "Zdobutok"	Ukraine	Agricultural	31.03.2011	99.98%
LLC "Chervona Zirka"	Ukraine	Agricultural	31.03.2011	99.98%

For the business combinations the fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Management commissioned an independent appraiser to determine the fair value of the land lease rights. From the date of acquisition the net profit incurred by acquired companies amounted to UAH 35 thousand (EUR 3 thousand).

For the business combinations for the three months ended 31 March 2011 and 2010 there are no significant differences between fair value and carrying value of acquired assets and liabilities. Non-controlling interest is measured as the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

The acquisition of the companies had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired:

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias)	*(in thousands of Euros)*
	(unaudited)	(unaudited)
Non-current assets		
Property, plant and equipment	19,465	1,785
Construction in progress	1,569	144
Non-current biological assets	2,710	248
Intangible and other non-current assets	10,825	993
Current assets		
Inventories	8,100	743
Current biological assets	11,404	1,046
Trade accounts receivable	226	21
Other accounts receivable and prepayments	2,239	205
Cash and cash equivalents	10,749	986
Non-current liabilities		
Other long-term liabilities	(1,377)	(126)
Current liabilities		
Short-term loans and borrowings	(24)	(2)
Trade accounts payable	(892)	(82)
Other liabilities and accounts payable	(7,779)	(708)
Non-controlling interest acquired	(482)	(44)
Net identifiable assets, liabilities and contingent liabilities	56,733	5,209
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	27,605	2,531
Goodwill	(2,241)	(198)
Consideration paid	(31,369)	(2,876)
Cash acquired	10,749	986
Net cash outflow	(20,620)	(1,890)

During the three months ended 31 March 2010, the Group completed acquisitions of 2 entities. The purchase consideration consisted only of cash, and the direct costs related to these acquisitions were not significant.

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of aquisition
LLC “Goropayivske”	Ukraine	Agricultural	11.02.2010	84.98%
LLC “Zaricha-agro”	Ukraine	Agricultural	10.03.2010	99.98%

The acquisition of these companies had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired:

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias) **(unaudited)**	*(in thousands of Euros)* **(unaudited)**
Non-current assets		
Property, plant and equipment	7,458	671
Construction in progress	455	41
Non-current biological assets	1,733	156
Intangible and other non-current assets	3,222	290
Current assets		
Inventories	1,056	95
Current biological assets	1,376	124
Other accounts receivable and prepayments	224	20
Cash and cash equivalents	10	1
Current liabilities		
Trade accounts payable	(678)	(61)
Other liabilities and accounts payable	(594)	(53)
Minority interest acquired	(1,933)	(174)
Net identifiable assets, liabilities and contingent liabilities	12,329	1,110
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	10,587	953
Consideration paid	(1,742)	(157)
Cash acquired	10	1
Net cash outflow	(1,732)	(156)

From the date of acquisition the net loss incurred by these companies amounted to UAH 472 thousand (EUR 42 thousand)

It is not practicable to determine what would be the total revenue and net profit for the three months ended 31 March 2011 had the acquisitions occurred on 1 January 2011 in accordance with IFRS because the acquired companies’ financial statements were prepared in accordance with Ukrainian National Accounting Standards, which are different from IFRSs.

The excess of net assets acquired over the consideration paid is recognized in the income statement as a gain on acquisition of subsidiaries. This gain arises because the fair value of the acquired non-monetary assets exceeds the amount paid for those assets. This situation is due to the significant risks involved in agricultural business in Ukraine, the lack of financial resources in the acquired companies which prevents them from efficient use of their assets, and a lack of interested buyers.

Because modern agriculture just commenced its development in Ukraine, there is a lack of buyers who are interested in acquiring existing agri-businesses. In addition, the shareholder base of these agri-businesses is, as a rule, significantly fragmented among local residents, who agree to sell their shares cheaply.

It is important to note that often some of the assets in the companies acquired were idle for a number of years prior to acquisition. Therefore, these assets had little value to existing owners, while their fair value is much higher.

Thus, the management is in the position to acquire agri-businesses at prices lower than the fair value of the net assets acquired. Usually the fair value of the property, plant and equipment alone exceeded the purchase price.

5 BIOLOGICAL ASSETS

Non-current cattle are represented by dairy livestock with an average yearly lactation period of nine months. Current cattle comprise immature cattle and cattle intended for sale. Other biological assets mainly represent pigs, horses and sheep.

To estimate the fair value of biological assets, a valuation, which conforms to International Valuation Standards, was performed by an independent appraiser fair value is estimated as the present value of the net cash flows expected to be generated from biological assets discounted at a current market discount rate.

Fair values of biological assets were based on the following key assumptions:

- crops' revenue is projected based on the expected volume of harvested grains and oilseeds. For dairy cattle revenue is projected based on the expected milk produced during their productive life after the reporting date and expected volume of meat at the date of slaughter
- the average productive life of a cow is determined based on internal statistical information
- prices for grains, oilseeds, milk and meat are obtained from market resources as at the end of the reporting period
- production and costs to sell are projected based on actual operating costs
- the growth in sales prices as well as in production and costs to sell is assumed to be in line with forecasted consumer price index in Ukraine
- a pre-tax discount rate of 15.00% (2010: 17.74%) is applied in determining fair value of biological assets. The discount rate is based on the average cost of capital in Ukraine effective at the reporting date.

The key assumptions represent management's assessment of future trends in agriculture and cattle farming business and are based on both external and internal sources of data.

Biological assets comprise the following groups:

(in thousands of Ukrainian hryvnias)	31 March 2011		31 December 2010		31 March 2010	
	Units	Amount (unaudited)	Units	Amount (audited)	Units	Amount (unaudited)
Non-current biological assets:						
Cattle	10,815	177,243	10,169	156,623	8,740	160,473
Other livestock		3,268		1,441		2,015
		180,511		158,064		162,488
Current biological assets:						
Cattle	13,953	176,478	12,484	154,286	13,347	126,491
Other livestock		3,897		1,435		2,551
		180,375		155,721		129,042
Crops:	Hectares		Hectares		Hectares	
Wheat	40,387	322,780	37,863	247,931	27,758	107,597
Rape	979	2,939	702	3,008	134	286
Barley	612	2,808	660	3,284	1,719	4,922
Rye	1,045	2,370	988	2,598	792	1,607
Corn	-	-	-	-	328	2,267
	43,023	330,897	40,213	256,821	30,731	116,679
		511,272		412,542		245,721
Total biological assets		691,783		570,606		408,209

Biological assets comprise the following groups (continued):

(in thousands of Euros)	31 March 2011		31 December 2010		31 March 2010	
	Units	Amount (unaudited)	Units	Amount (audited)	Units	Amount (unaudited)
Non-current biological assets:						
Cattle	10,815	15,644	10,169	14,790	8,740	15,068
Other livestock		288		136		189
		15,932		14,926		15,257
Current biological assets:						
Cattle	13,953	15,576	12,484	14,569	13,347	11,877
Other livestock		344		136		240
		15,920		14,705		12,117
Crops:	Hectares		Hectares		Hectares	
Wheat	40,387	28,489	37,863	23,412	27,758	10,103
Rape	979	259	702	284	134	27
Barley	612	248	660	310	1,719	462
Rye	1,045	209	988	244	792	151
Corn	-	-	-	-	328	213
	43,023	29,205	40,213	24,250	30,731	10,956
		45,125		38,955		23,073
Total biological assets		61,057		53,881		38,330

6 INVENTORIES

Inventories are as follows:

(in thousands of Ukrainian hryvnias)	31 March 2011 (unaudited)	31 December 2010 (audited)	31 March 2010 (unaudited)
Finished goods:			
Sugar and sugar production	476,209	656,137	314,845
Sugar beet	-	-	444
Agricultural produce	254,061	283,883	106,666
Cattle farming	513	390	1,256
Other production	2,160	2,248	836
Raw materials and consumables for:			
Sugar and sugar production	48,253	15,565	27,805
Agricultural produce	126,283	50,526	132,087
Cattle farming	18,894	25,392	11,898
Other production	1,149	1,133	673
Investments into future crops	362,471	230,368	215,616
	1,289,993	1,265,642	812,126

(in thousands of Euros)	31 March 2011 (unaudited)	31 December 2010 (audited)	31 March 2010 (unaudited)
Finished goods:			
Sugar and sugar production	42,031	61,958	29,563
Sugar beet	-	-	42
Agricultural produce	22,424	26,807	10,015
Cattle farming	45	37	118
Other production	190	212	78
Raw materials and consumables for:			
Sugar and sugar production	4,259	1,470	2,611
Agricultural produce	11,146	4,771	12,402
Cattle farming	1,669	2,398	1,117
Other production	101	106	61
Investments into future crops	31,992	21,753	20,248
	113,857	119,512	76,255

7 REVENUES

Revenues for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011 (unaudited)	2010 (unaudited)	2011 (unaudited)	2010 (unaudited)
Sugar and related sales:				
Sugar	310,723	349,076	28,487	31,408
Molasses	7,502	6,748	688	607
Pulp	8,779	2,543	805	229
Other sugar related sales	21,648	3,054	1,985	275
	348,652	361,421	31,965	32,519
Crops	142,910	92,426	13,102	8,317
Cattle farming	54,604	40,134	5,006	3,610
Other sales	7,411	5,099	679	459
	204,925	137,659	18,787	12,386
	553,577	499,080	50,752	44,905

8 OTHER OPERATING INCOME

Other operating income for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	**2011**	2010
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Government subsidies relating to:				
Cattle farming	**2,186**	3,361	**201**	302
Crop production	**1**	4	**-**	-
Other operating income	**383**	221	**35**	21
	2,570	3,586	**236**	323

9 GENERAL AND ADMINISTRATIVE EXPENSE

General and administrative expense for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	**2011**	2010
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Salary and related charges	**11,476**	11,534	**1,052**	1,038
Depreciation	**5,660**	4,875	**519**	439
Professional services	**2,821**	3,443	**259**	310
Taxes other than corporate income tax	**1,029**	835	**94**	75
Fuel and other materials	**1,019**	1,025	**93**	92
Rent	**732**	804	**67**	72
Communication	**730**	640	**67**	58
Office expenses	**447**	609	**41**	55
Insurance	**418**	280	**38**	25
Maintenance	**263**	230	**24**	21
Transportation	**47**	-	**4**	-
Other services	**524**	511	**48**	46
Other general and administrative expense	**490**	658	**46**	58
	25,656	25,444	**2,352**	2,289

10 SELLING AND DISTRIBUTION EXPENSE

Selling and distribution expense for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Transportation	4,994	7,275	458	654
Salary and related charges	3,437	2,610	315	235
Fuel and other materials	2,446	1,434	224	129
Allowance for trade accounts receivable	2,322	1,308	213	118
Commissions	1,727	170	158	15
Depreciation	870	178	80	16
Storage and logistics	722	3,094	66	278
Professional services	469	979	43	88
Advertising	5	15	-	1
Other services	702	661	64	59
Other selling and distribution expense	428	506	40	47
	18,122	18,230	1,661	1,640

11 OTHER OPERATING EXPENSE

Other operating expense for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Fixed assets written off	3,190	2,493	293	224
Charity and social expenses	1,759	1,181	162	106
VAT written off	1,614	951	148	87
Allowance for other accounts receivable	1,363	944	125	85
Penalties paid	538	964	49	87
Other salary and related charges	538	452	49	41
Inventory written off	291	811	27	73
Depreciation	188	193	17	17
Representative expenses	128	112	12	10
Canteen expenses	27	27	2	2
Other operating expenses	490	485	46	44
	10,126	8,613	930	776

12 CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS

Changes in fair value of biological assets represent increase (decrease) in the carrying value at the reporting date of livestock and crops as compared with the respective values at the beginning of the year. Increases (decreases) in fair value of biological assets for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011 (unaudited)	2010 (unaudited)	2011 (unaudited)	2010 (unaudited)
Non-current livestock	**16,092**	11,187	**1,475**	1,007
Current livestock	**13,867**	16,773	**1,271**	1,510
Crops	**20,649**	(26,523)	**1,894**	(2,388)
	50,608	1,437	**4,640**	129

13 FINANCIAL (EXPENSE) INCOME

Financial (expense) income for the three months ended 31 March is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011 (unaudited)	2010 (unaudited)	2011 (unaudited)	2010 (unaudited)
Financial expense				
Interest expense	**(38,261)**	(16,503)	**(3,507)**	(1,485)
Net profit attributable to non-controlling interests of limited liability company subsidiaries	**(5,437)**	(3,852)	**(498)**	(346)
Other financial expense	**(3,787)**	(3,697)	**(348)**	(333)
	(47,485)	(24,052)	**(4,353)**	(2,164)
Financial income				
Interest income	**266**	189	**24**	17
Foreign currency exchange income (loss)	**501**	9,989	**46**	899
Gain from promissory note transactions	**-**	1,423	**-**	128
Other financial income	**3,541**	-	**323**	-
	4,308	11,601	**393**	1,044

14 RELATED PARTY TRANSACTIONS

The Group performs transactions with related parties in the ordinary course of business. Related parties comprise the Group associate, the shareholders, companies that are under control of the Group's owners, key management personnel and their close family members, and companies that are controlled or significantly influenced by shareholders. Prices for related party transactions are determined on an ongoing basis. The terms of some related party transactions may differ from market terms.

Balances and transactions with related parties, wich are with companies under significant influence of the Group and the associate are shown at their carrying value and are as follows:

(a) Revenues

Sales to related parties outside the condensed consolidated interim Group for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011 (unaudited)	2010 (unaudited)	2011 (unaudited)	2010 (unaudited)
Associate	**922**	1,519	**85**	137

(b) Purchases

Purchases for the three months ended 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under significant influence	**84**	49	**8**	4

(c) Receivables

Receivables from related parties as at 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under significant influence:				
Advances made	**4,806**	4	**424**	-
Trade accounts receivable	**3,939**	4,708	**348**	442
Other receivables	**1,650**	216	**146**	20
	10,395	4,928	**918**	462
Associate:				
Trade accounts receivable	**2,001**	1,519	**177**	143
	12,396	6,447	**1,095**	605

(d) Payables

Payables to related parties as at 31 March are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under significant influence:				
Advances received	**10,408**	17,600	**919**	1,653
Trade accounts payable	**34**	114	**3**	11
Other payables	**147**	147	**13**	14
	10,589	17,861	**935**	1,678
Associate:				
Trade accounts payable	**2,262**	4,133	**200**	388
	12,851	21,994	**1,135**	2,066

15 EVENTS SUBSEQUENT TO THE STATEMENT OF FINANCIAL POSITION DATE

The following events occurred subsequent to the reporting date :

Acquisition

Subsequent to 31 March 2011 the Group acquired the following agricultural company incorporated in Ukraine:

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of aquisition	Consideration paid, thousands of	
					Ukrainian hryvnias	Euros
LLC "Niva"	Ukraine	Agricultural	04.04.2011	99.98%	1,900	168

The purchase consideration consisted only of cash, and the direct costs related to this acquisition are not significant.

The disclosure of amounts recognised at the acquisition date for each class of the acquiree's assets, liabilities and contingent liabilities and carrying amounts of each of those classes immediately before the combination is impracticable. This is due to the fact that the acquired agri-business maintains its books based on Ukrainian Accounting Standards, which are different from IFRS. For the same reason it is not practicable to determine the total revenue and net profit incurred by the acquired company from the date of acquisition.

The disclosure of amount of the acquiree's profit or loss recognised since the acquisition was not available as at the time these financial statements were made public (12 May 2011), because assessment of the fair value of the acquired assets and liabilities was not complete.

Subsequent to the statement of financial position date, the Group stablished two subsidiaries LLC "APC Savinska" and LLC "Agrosvit-Savincy" with the authorised share capital amounting to UAH 10 thousand (EUR 1 thousand) each.

12 May 2011,

Amsterdam, The Netherlands

The Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk	_______(signed)_______
P. Rybin	_______(signed)_______
M.M.L.J. van Campen	_______(signed)_______
V. Korotkov	_______(signed)_______
W.T. Bartoszewski	_______(signed)_______

Media-release

ASTARTA published interim report for the 1Q 2011

ASTARTA demonstrated solid financial results on a back of increasing volumes of crop and milk sales as well as favorable markets. Revenues grew 13% to EUR 50,8 million and profit from operations increased 12% to EUR 21,7 million. EBITDA increased 10% to EUR 25,4 million and net profit grew by 1% to EUR 20,2 million.

In the reporting period along with current operating activities management provided for further active development of the Group. ASTARTA took under control two sugar plants and other assets in Kharkiv region to develop its businesses there. Land bank in operation was increased to 225 thousand ha, agricultural- and transportation machinery fleet was boosted by more than 200 modern tractors, combines, trucks and other vehicles. Within the Group's strategy of cattle farming development, a newly uprated feed factory with monthly capacity up to 5 thousand tonnes was launched, and the second phase of modern dairy livestock facility in Poltava region was started.

Comments of Viktor Ivanchyk, CEO: *"Board of directors has set ambitious targets for 2011: to increase substantially output and production assets, while maintaining high level of efficiency. We will continue to grow in traditional segments; to pay high attention to products' quality improvement; to invest in energy-saving technologies and bio-energy projects. At the same time, we are looking closely at opportunities in synergetic sectors which can provide further diversification and synergy to the business".*