



Stirol

ADR Ratio Change Alert

BUY

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Market Price
USD 26.0

Target Price
USD 35.0

Effective November 2 2005, Stirol will change its ADR ratio from 1:5 to 1:1. This ratio change will not require a mandatory exchange of ADRs. In order to change the ADR ratio the Depositary will execute a 400% stock distribution to the ADR holders as follows:

- **ADR Record Date:** November 1, 2005
- **Rate of Distribution:** 400% (ADR holders will receive four (4) additional American Depository Shares (ADS) for every one (1) ADS held on record)
- **ADR Distribution Date:** November 2, 2005

In addition, the Depositary will overstamp the existing inventory of ADR certificates to reflect the ratio change. Current ADSs will not be exchanged and will automatically represent the new ratio. Furthermore, this ratio change is not the result of any corporate action on the company's deposited shares. No action is required by ADR holders.

Stirol Output Trends, ths mt

	Jan-Sept 05	Share of Stirol	Change yoy %	
			Stirol	Ukraine
Ammonia	1,035.90	26.50%	13	8
Urea	677.5	25.20%	0	3
Amm. nitrate	441.4	28.00%	31	21
Polystyrene	18.3	100.00%	-17	-17

Capacity: In September, Stirol opened a new production line to make urea-formaldehyde concentrate, used in timber processing (25 ths mt annual capacity), and an electric ark furnace to produce billets needed in the production process.

Please see our report from August 8, 2005, for more information on Stirol and Ukrainian producers of nitrogen fertilizers.

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