

Management Presentation

MCB AGRICOLE HOLDING AG

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Key highlights

1 DRIVERS OF GLOBAL AGRICULTURAL BOOM

- Increase in the world's population
- Growing food and feed consumption
- Declining agri commodities stocks
- Global warming and rising biofuels production
- The highest prices for commodities in a decade

2 MARKET OF GREAT OPPORTUNITIES

- Strong macro fundamentals in Ukraine
- 32 mln ha of fertile and high-quality arable land
- One of the lowest land lease and labor costs in the world
- High growth opportunities for increasing crop yields
- Significant land value appreciation potential

The issue at a glance...

- 8 years of extensive industry expertise
- 70,777 ha under control
- 39,924 ha already planted with crops
- Diversified agricultural, climatic, political and social risks
- Shareholders and management with strong credentials
- 3 Independent directors on the Board

- Further land bank expansion
- 400,000 hectares by 2010
- Focus on high margin crops
- Western agrarian technologies and equipment
- Improvement of operating efficiency
- Full-scale IPO in 2010-2011

3 BUSINESS TRACK RECORD

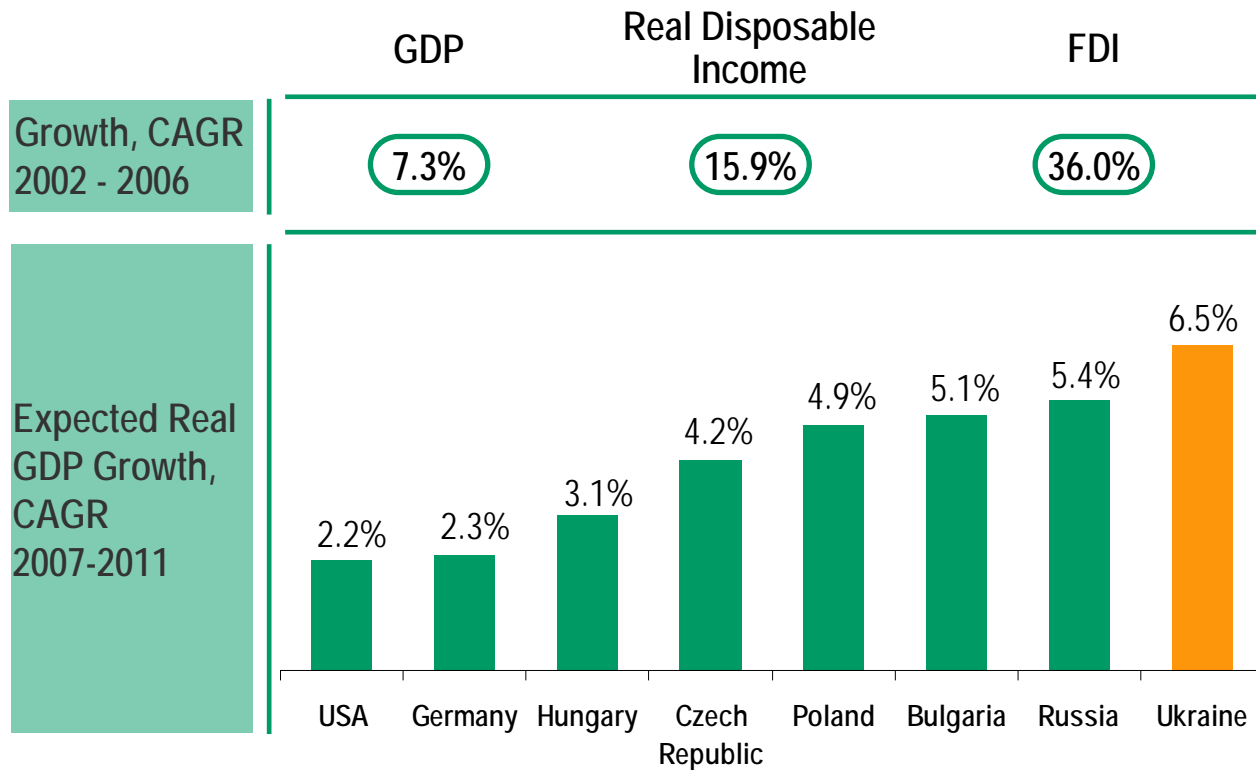
4 STRATEGY OF GROWTH

Economy and Market





Ukrainian economy on the rise



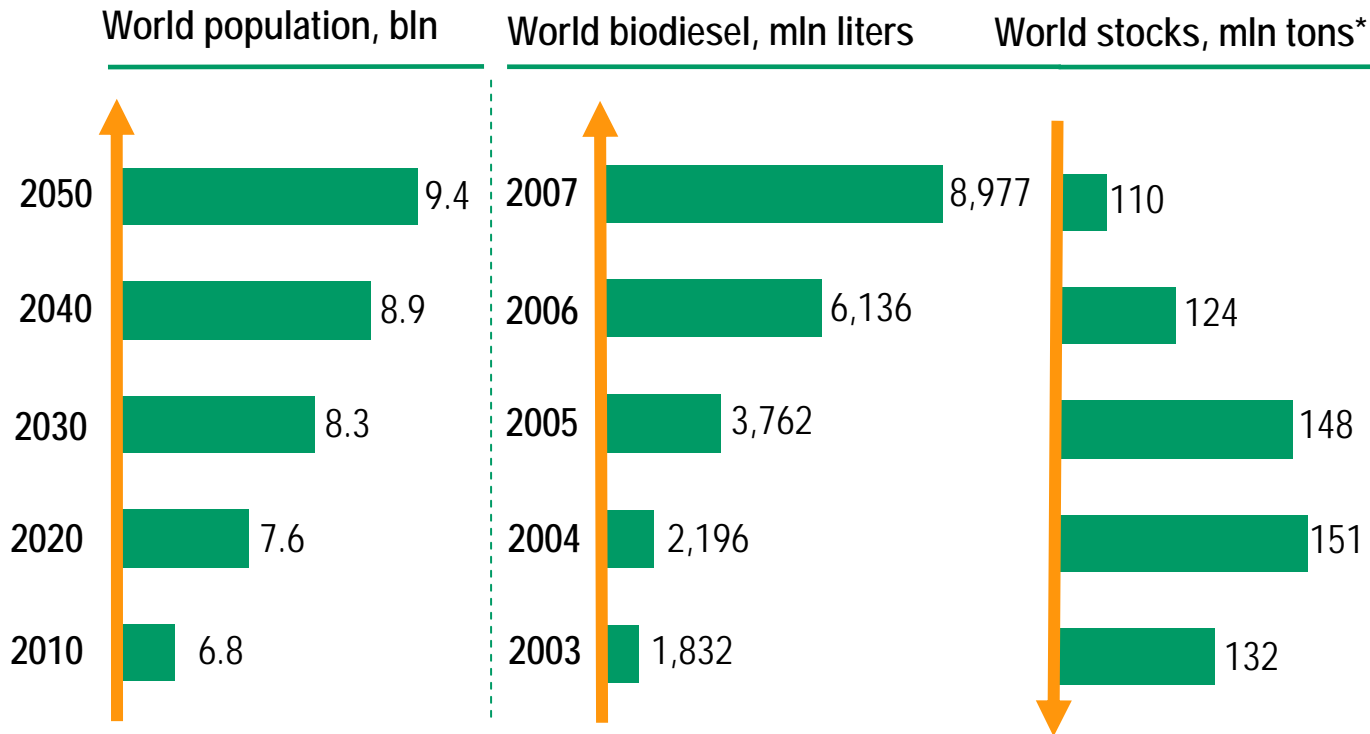
Main Trends

Steady FDI inflows signal investors' confidence in Ukraine

Healthy real GDP growth is likely to average 6.5% CAGR in 2007 – 2011, supported by solid domestic demand and improving export prospects



The highest agricultural prices in a decade



Comments

Increasing population, growing food and feed consumption, and boom in biofuels production result in an increase in agricultural commodities' prices

In the short to long term, strengthening demand will push agricultural prices to higher levels

Wheat Price, USD



Rapeseed Price, USD



* Wheat

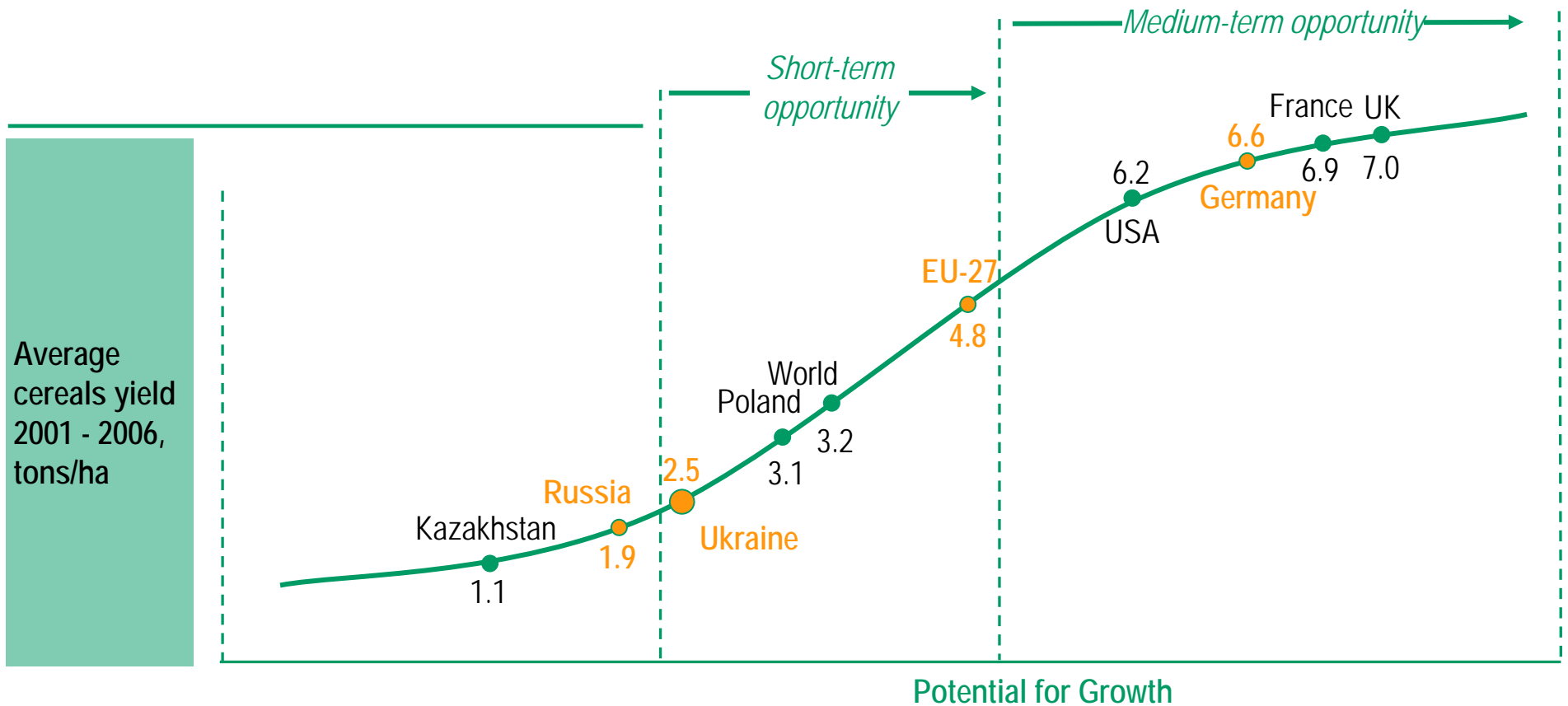




High efficiency growth opportunities

Lack of appropriate financing is the main constraining factor for Ukrainian low yields

Productivity can be increased twofold in the medium-term due to proper financing and use of modern agricultural technology and equipment



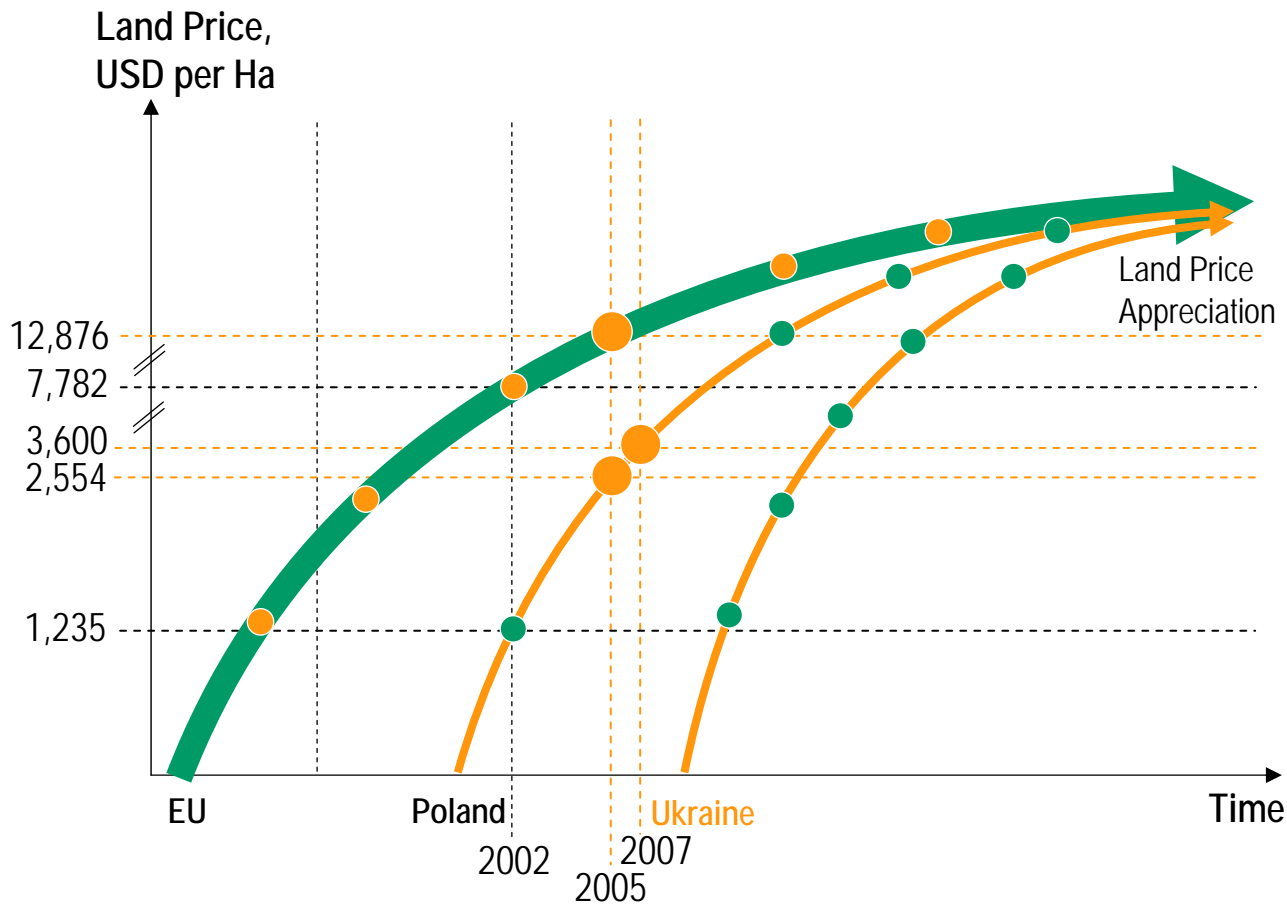


One of the lowest agricultural costs in the world

| Average annual land lease payment per 1 hectare, USD | Average monthly labor cost, USD | Comments |
|--|---------------------------------|--|
| Ireland 488 | 2,701 | Average production cost of wheat in Ukraine is 50% lower than in the EU |
| USA 213 | 4,312 | Labor and land lease costs in Ukraine are one of the lowest in the world |
| England 166 | 2,349 | |
| Bulgaria 103 | 293 | |
| Russia 50 | 530 | |
| Ukraine 30 | 262 | |



Land price appreciation potential



Similar assets should sell at similar prices

Land prices in Poland increased by 14 times up to \$3,600 per ha over 10 years



Company Overview





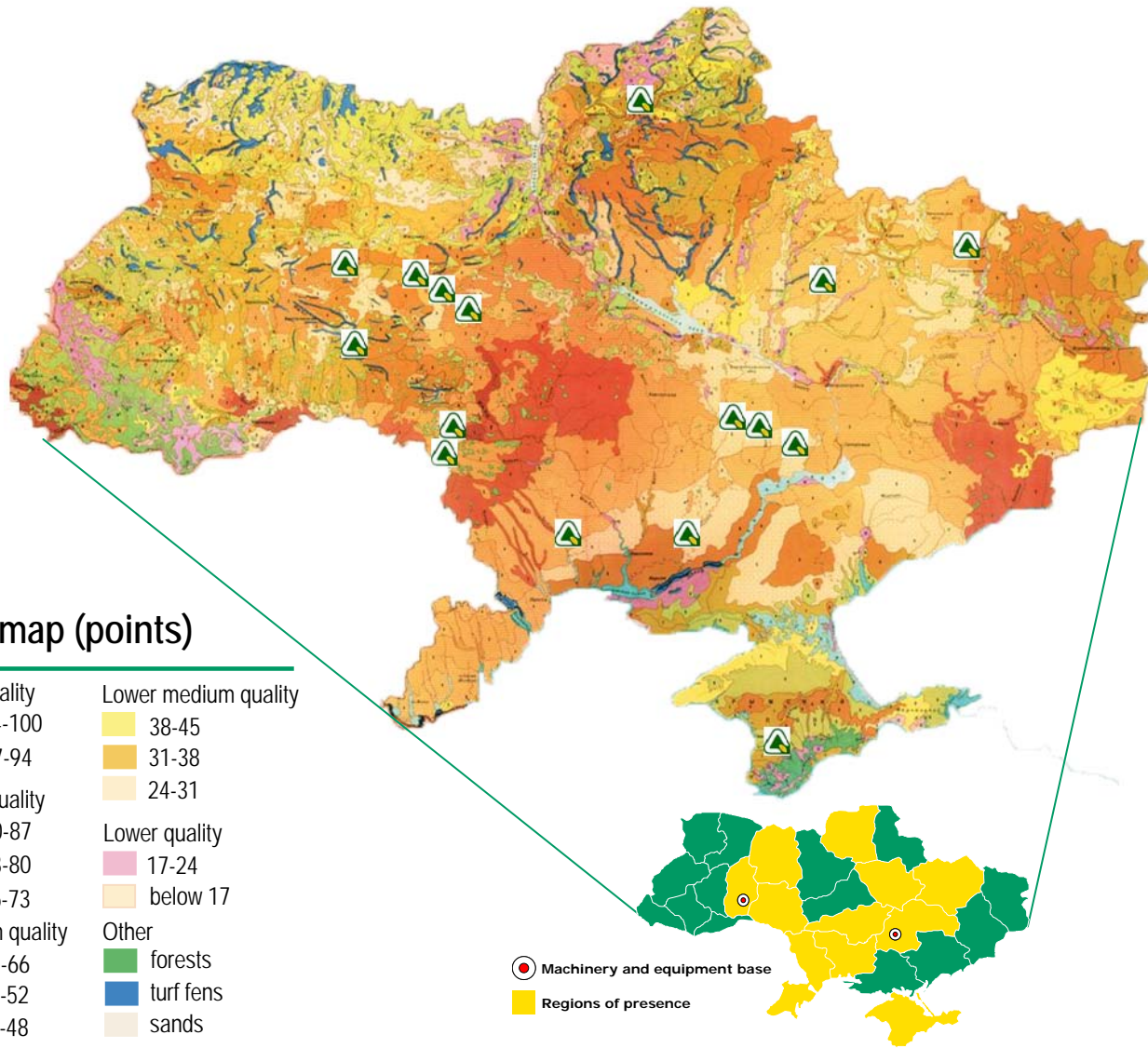
One of the largest agricompanies in Europe

Competitive Strengths

- | | | | | | |
|----------|--------------------------------------|--|----------|--|--|
| 1 | Industry Expertise | <p>In agriculture since 1999</p> <p>20%-30% premium to average agricultural yields in Ukraine</p> <p>Highly-professional management team working together for more than 8 years</p> <p>Extensive network of connections at local and government levels</p> | 3 | Diversified Risks | <p>Land portfolio is geographically diversified over 10 regions to minimize exposure to climatic, political and social risks</p> <p>Strategic distribution of land between winter (56%) and spring (44%) crops</p> |
| 2 | 70,777 hectares under control | <p>Favorably positioned fertile land</p> <p>39,924 hectares harvested with winter crops, including 12,567 hectares of rapeseed of German selection</p> <p>Own machinery and equipment fleet enabling cultivation of 40,000 hectares</p> | 4 | Western Standards of Corporate Governance | <p>3 out of 5 Independent Directors on the Supervisory Board</p> <p>IFRS audit on the horizon</p> |



Favorably positioned black soils



Soil quality

The land bank is diversified across the most fertile regions of Ukraine with 88% share of chernozems (black soil)

Land by region, hectares

| | |
|----------------|---------------|
| Vinnytsya | 15,976 |
| Khmelnysk | 11,994 |
| Dnipropetrovsk | 10,991 |
| Odesa | 7,347 |
| Kharkiv | 6,010 |
| Zhytomyr | 4,877 |
| Mykolaiv | 4,465 |
| Poltava | 4,111 |
| Chernigiv | 3,267 |
| Crimea | 1,739 |
| Total | 70,777 |

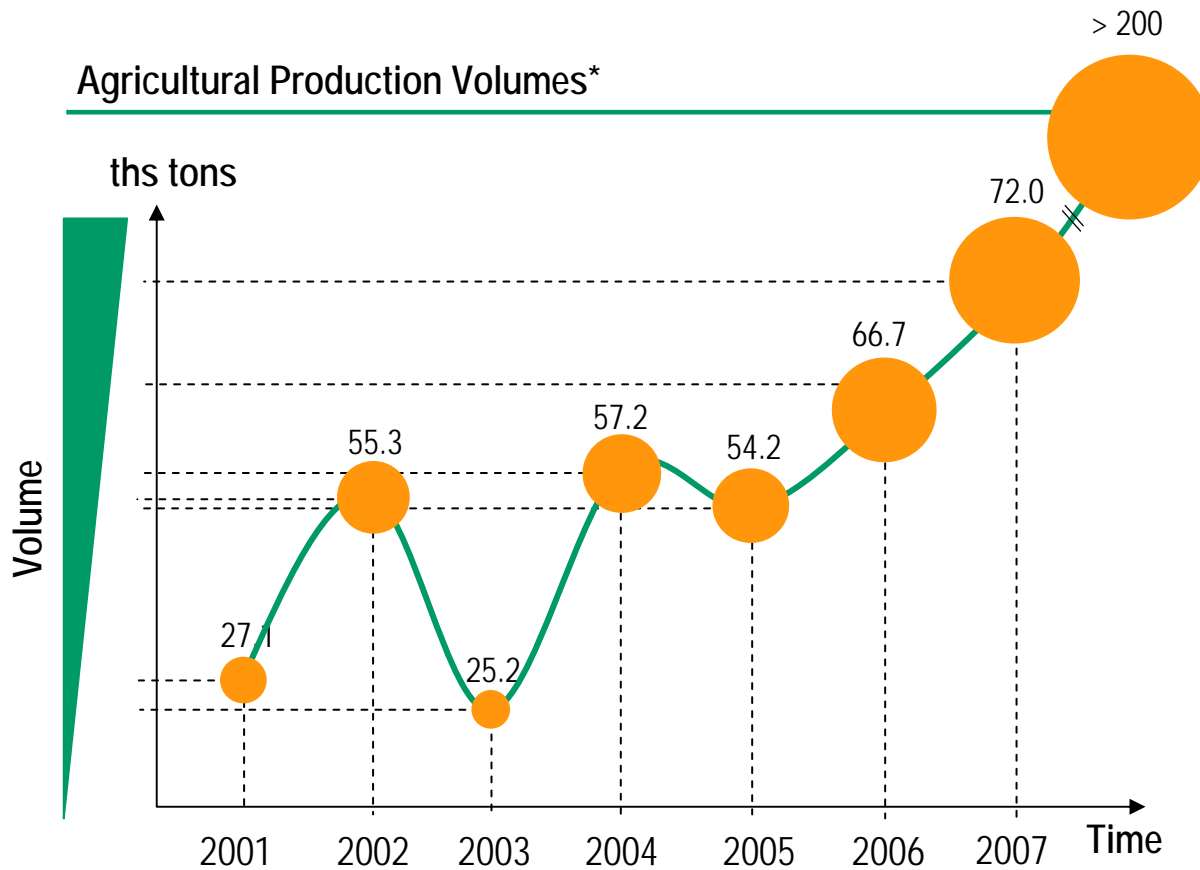
Additional 30,000 ha currently in the process of concluding agreements












39,924 ha already planted with crops

Agricultural Production Volumes*



Harvest

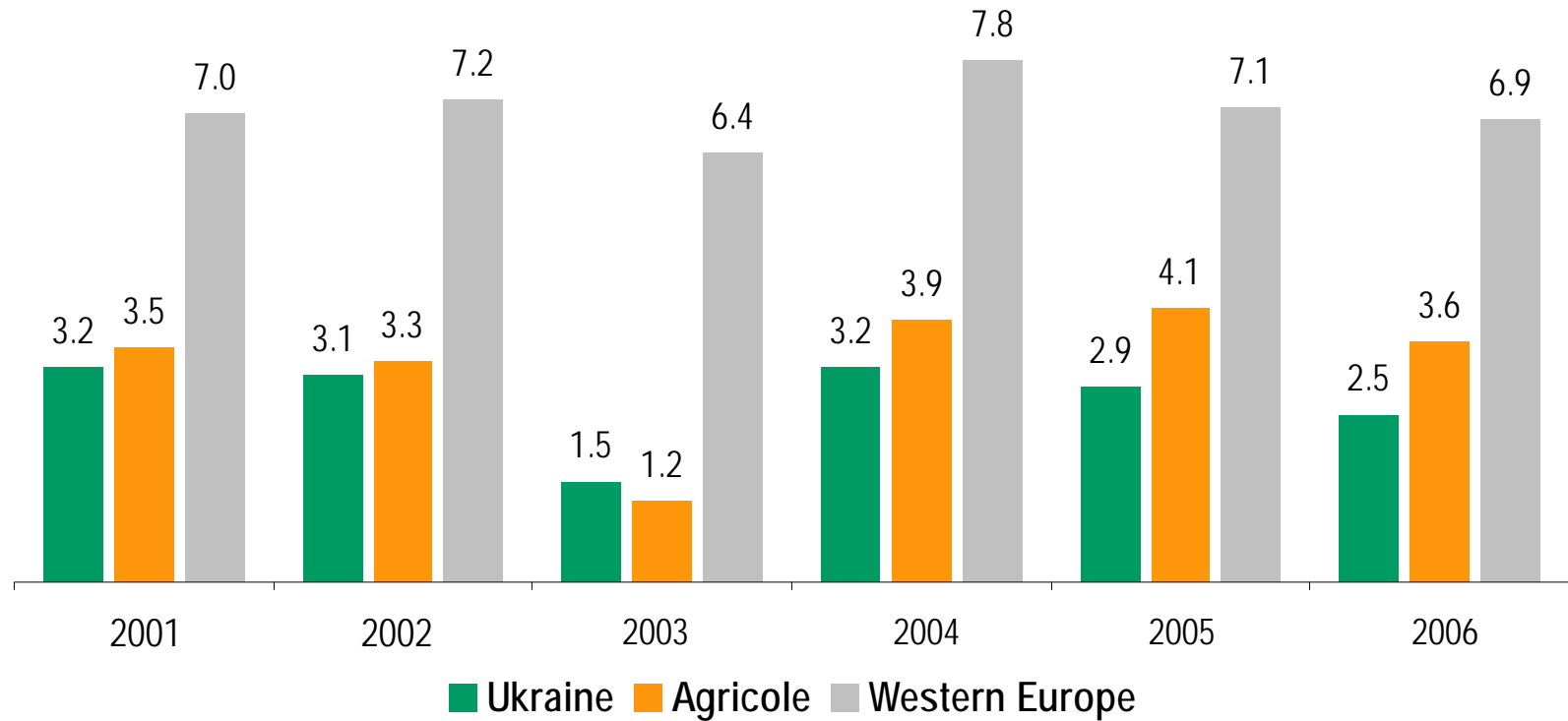
| th tons | 2005 | 2006 | 2007 |
|--|-------------|-------------|-------------|
| Wheat  | 34.8 | 40.2 | 31.1 |
| Rapeseed  | - | 3.5 | 11.2 |
| Sunflower  | 4.3 | 6.0 | 4.8 |
| Barley  | 7.0 | 11.1 | 8.2 |
| Corn  | 3.4 | 2.8 | 12.1 |
| Rye  | 4.7 | 3.4 | 4.6 |
| Total  | 54.2 | 67.0 | 72.0 |

* Includes production of wheat, rapeseed, sunflower, barley, corn, and rye.



20-30% premium to average Ukrainian yields

Comparison of average wheat yields





Agricole Supervisory and Management Board



Anton Shyshkin
Chairman of the Supervisory Board

- One of the founders of Ukrzernoprom Group
- Awarded with the State Honor of Ukraine of III and II Grade for contribution to Ukrainian agricultural industry
- Master's Degree in Physics (Lomonosov Moscow State University, Russia)



Kirill Sintsov
Chairman of the Management Board

- One of the founders of Ukrzernoprom Group
- 1996-98: CEO for Ukrpetroleum Group
- 1990-96: USSR Academy of Sciences
- Master's Degree in Physics (Lomonosov Moscow State University, Russia)



Vladimir Bernstein, MBA
Member of the Supervisory Board

- 4 years and 12 strategy-consulting projects at Bain (Boston)
- 2003-07: Partner, Russian Technologies Venture Fund
- 2001-03: Director of Strategic Investment and Planning of Alfa Group
- MBA (Stanford University, USA)
- BS (Wharton Business School, USA)



Olexander Derkach, PhD
Independent member of the Supervisory Board

- Chairman of the Board of Directors of Prestige Group
- 2002-05: Chairman of Aval Bank, 2nd largest Ukrainian bank
- 2002: Best top-manager in Ukrainian banking sector
- PhD in Management, Marketing and Entrepreneurship (Taras Shevchenko University, Ukraine)



Vladimir Slabovsky
Independent member of the Supervisory Board

- Since 1998: President of TiC Holding, in top 3 leaders of the bread baking industry of Ukraine
- Head of Ukrainian Baker's Association
- Honored Economist of Ukraine since 2004



Andrey Visnjevsky, PhD
Independent member of the Supervisory Board

- Current: Member of the Supervisory Board of Metinvest B.V.
- Since 1997: Partner of Sergey Kozyakov & Partners law firm
- PhD in Private International Law (Taras National Taras Shevchenko University, Ukraine)



Ukrzernoprom Agro management team



Eugene Leng
CEO

- One of the founders of Ukrzernoprom Group
- Extensive international employment experience
- 8 years of managerial experience in agricultural companies
- MSc in International Finance and Business (Columbia University in NY, USA)



Mikhail Golubitsky
Member of the Management Board, CFO

- One of the founders of Ukrzernoprom Group
- 8 years of managerial experience in agricultural companies
- 1998-01: Commercial Director of Ukrpetroleum Group
- Master's in Engineering (Moscow State Institute of Transport Engineers, Russia)



Valeriy Zakharov
Head of Production

- 16 years of managerial experience in various industries, including agriculture
- 2000-04: managed agricultural business in large-scale agricultural companies
- Graduated from Kramatorsk University (Ukraine)



Igor Vengeruk, PhD
Deputy Head of Production

- 8 years of agrarian experience
- Graduated from National Agrarian University
- PhD in Economics



Victor Esypenko
Chief Agronomist

- 10 years of experience as a chief agronomist
- 2002: joined Ukrzernoprom as a chief agronomist
- Degree in Agrarian Chemistry and Soils (Kharkiv State Agrarian University)

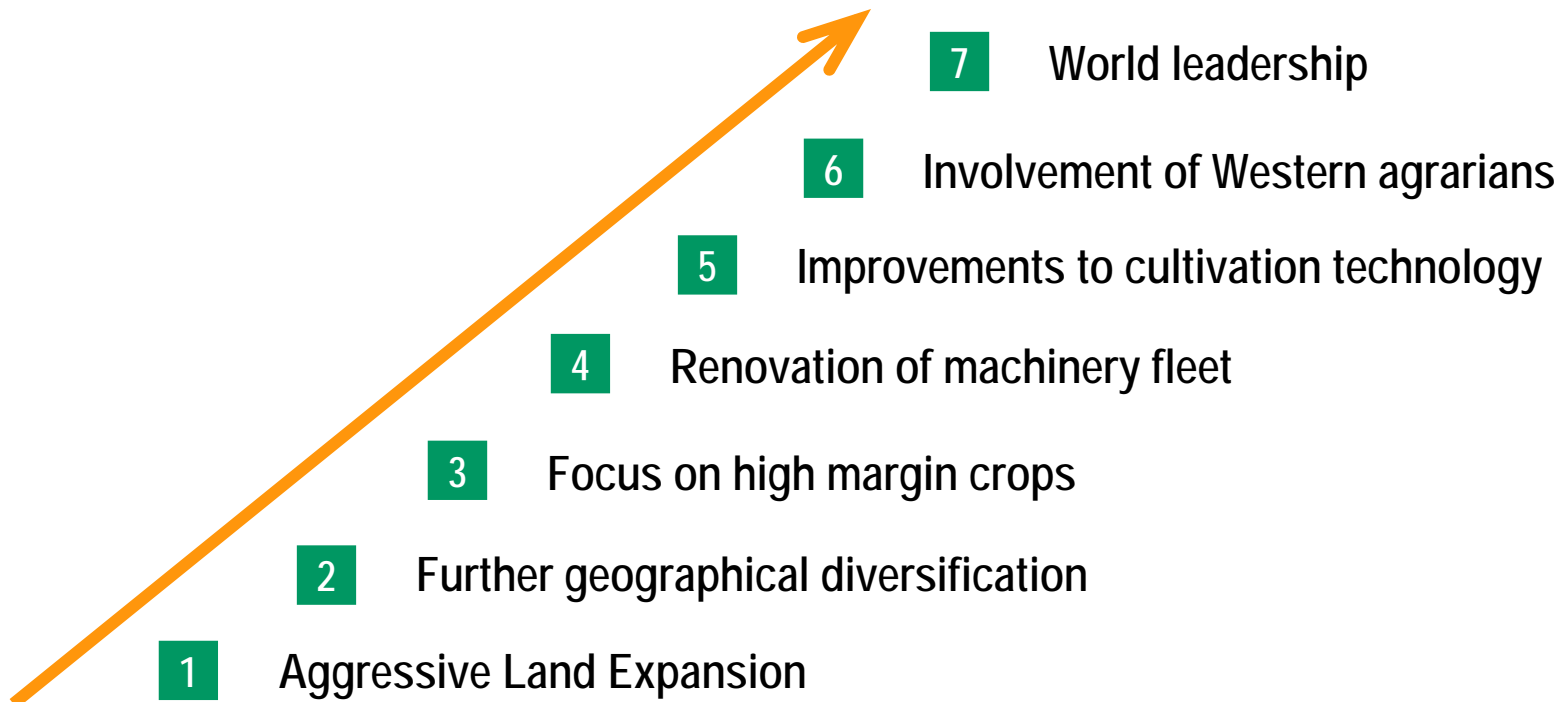
Strategy





Targeting the world's leadership

The strategic goal is to become one of the leading agricultural companies in the world





400,000 hectares under control by 2010



2008 year-end: 150,000 ha
2009 year-end: 275,000 ha
2010 year-end: 400,000 ha

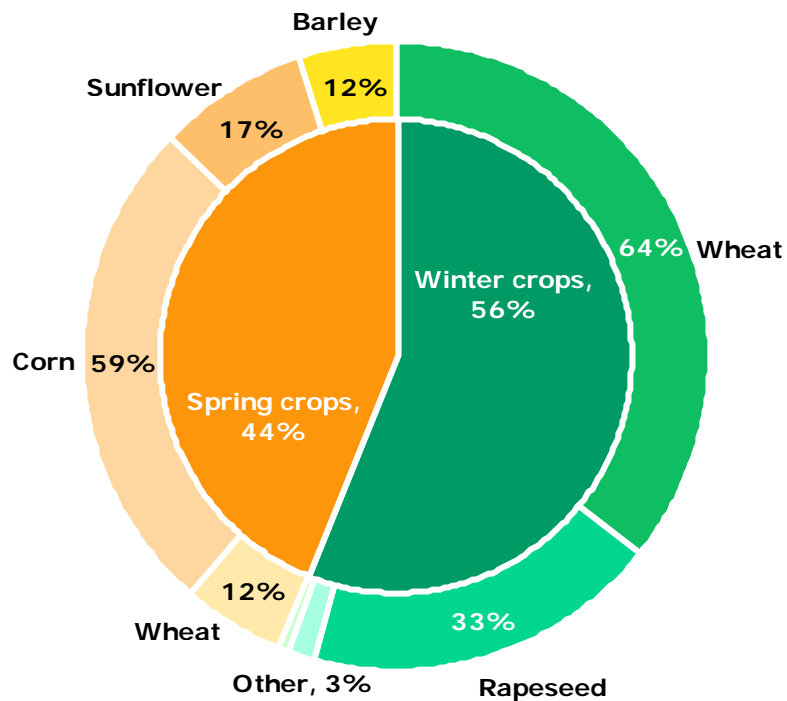
Land under control in 2010, ha

| | |
|----------------|----------------|
| Kharkiv | 51,010 |
| Odesa | 47,347 |
| Khmel'nits'k | 46,994 |
| Vinnitsa | 45,976 |
| Dnipropetrovsk | 30,991 |
| Cherkasy | 30,000 |
| Kyiv | 30,000 |
| Poltava | 29,111 |
| Kyrovograd | 20,000 |
| Ternopil | 20,000 |
| Volyn | 20,000 |
| Zhytomyr | 19,100 |
| Mykolaiv | 4,465 |
| Chernihiv | 3,267 |
| Crimea | 1,739 |
| Total | 400,000 |



Effective crop rotation mix

Targeted crop rotation mix



Harvested area, ths ha

Winter crops

| | 2008 | 2009 | 2010 |
|----------|------|------|-------|
| wheat | 24.1 | 60.3 | 108.7 |
| rapeseed | 12.7 | 30.8 | 55.0 |
| rye | 2.7 | 2.7 | 2.7 |
| barley | 0.8 | 0.8 | 0.8 |

Spring crops

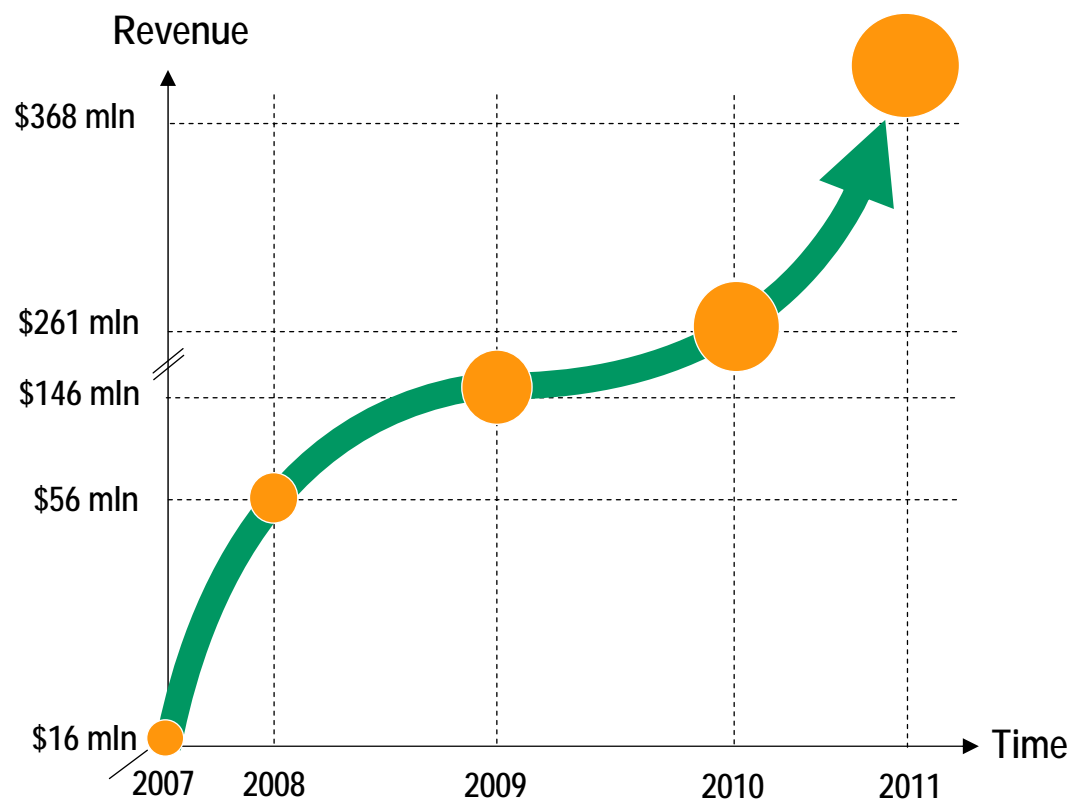
| | | | |
|--------------|-------------|--------------|--------------|
| wheat | 2.0 | 9.5 | 17.0 |
| corn | 14.2 | 46.7 | 79.2 |
| sunflower | 6.2 | 13.7 | 21.2 |
| barley | 6.6 | 9.1 | 11.6 |
| Total | 69.3 | 173.6 | 296.2 |



Business plan

Land bank expansion will dominate till 2010

After that the main driving force will be improving operating efficiency



| | 2008 | 2009 | 2010 | 2011 |
|------------------------|------|------|-------|-------|
| Revenue | 56 | 146 | 261 | 368 |
| COS | (33) | (90) | (168) | (226) |
| Gross profit | 23 | 56 | 93 | 142 |
| SG&A | (4) | (10) | (18) | (24) |
| EBITDA | 19 | 46 | 75 | 118 |
| <i>EBITDA margin</i> | 34% | 32% | 29% | 32% |
| EBIT | 16 | 40 | 67 | 109 |
| <i>EBIT margin</i> | 29% | 27% | 26% | 30% |
| Net income | 14 | 32 | 54 | 93 |
| <i>Net margin</i> | 25% | 22% | 21% | 25% |
| Nonrecurring expenses* | (8) | (13) | (13) | - |

* Includes one-off expenses associated with obtaining control over land

Financial Results





Pro forma selected financials*

P&L summary

| | 2006 | 2007 |
|-------------------------------|--------------|--------------|
| Net Revenues | 10,330 | 15,679 |
| Cost Of Sales | (6,903) | (8,320) |
| Gross Profit | 3,427 | 7,359 |
| <i>Gross Margin, %</i> | <i>33%</i> | <i>47%</i> |
| SG&A | (796) | (1,337) |
| EBITDA | 2,631 | 6,022 |
| <i>EBITDA margin, %</i> | <i>25%</i> | <i>38%</i> |
| Depreciation and Amortization | (617) | (711) |
| EBIT | 2,014 | 5,311 |
| <i>EBIT margin, %</i> | <i>19%</i> | <i>34%</i> |
| Interest Expense | (318) | (1,033) |
| Tax | - | - |
| Net Income | 1,696 | 4,278 |
| <i>Net Margin, %</i> | <i>16%</i> | <i>27%</i> |

* Management accounts

Balance Sheet summary

| | 2006 | 2007 |
|---------------------------------------|---------------|---------------|
| Current Assets | 12,671 | 23,380 |
| Cash & Equivalents | 58 | 342 |
| Trade Receivables | 4,313 | 3,500 |
| Inventories | 6,335 | 15,631 |
| Other current assets | 1,965 | 3,907 |
| Fixed Assets | 6,101 | 8,692 |
| PP&E, net | 5,618 | 8,188 |
| Other non-current assets | 483 | 504 |
| Total Assets | 18,772 | 32,072 |
| Shareholders' Equity | 10,089 | 14,367 |
| Share Capital | 4,571 | 4,571 |
| Reserves and Other | 370 | 370 |
| Retained Earnings | 5,148 | 9,426 |
| Current Liabilities | 6,756 | 17,807 |
| ST Interest Bearing Debt | 5,754 | 11,034 |
| Trade Payables | 638 | 701 |
| Other Current Liabilities | 364 | 1,072 |
| LT Liabilities | 1,927 | 4,898 |
| LT Interest Bearing Debt | 1,927 | 4,898 |
| Total Liabilities & Equity | 18,772 | 32,072 |

Post Placement





Placement details



| | |
|-----------------------------|--------------------------------------|
| Issuer | MCB Agricole Holding AG |
| Country | Ukraine |
| Sector | Agriculture |
| Listing | Frankfurt Stock Exchange, March 2008 |
| MCap at placement, USD mln | 230.0 |
| Free float, % | 24.4% |
| Hectares under control | 70.8 |
| MCap per hectare, USD ths | 3.3 |
| Placement proceeds, USD mln | 56.1 |
| Current MCap, USD mln | 271.5 |

- ▶ Over 50 large institutional investors
- ▶ 5 times oversubscribed
- ▶ Share price grew by 18% since placement date



Post-placement developments

Post Placement Strategy Realization

1 New Machinery

The Company purchased a fleet of modern agricultural machinery for the total amount of USD 11 mln, which is comprised of:

- 19 combines
- 19 corn reapers
- 13 tractors made by John Deere, Deutz-Fahr
- 63 MTZ tractors
- Seeders, cultivators and other agricultural machinery made by Claas, John Deere, Amazone, Geringoff, Deutz-Fahr

2 Spring Sowing Season

- Spring crops sowing is in process. As of mid April, 6,800 hectares have been sown with early spring crops (including wheat, barley, oats and sunflower)
- Seeds and fertilizers are being delivered to the Company's production subsidiaries

3 Optimization Project

- Reengineering of existing business processes
- Development and approval of a new organizational and management structure
- Establishment of Investor relations department
- Organization of IFRS reporting department
- Workout of technical requirements for ERP system

4 Expansion

- Over 100,000 ha of land under control. New land lease agreements to be registered within next few months
- Target of 150,000 by the end of 2008

Thank you for your attention!

