



CONCORDE CAPITAL

Ukraine / Agriculture

Rainfall in Western Ukraine

Crops unaffected

July 28, 2008

Anna Dudchenko
ad@concorde.com.ua
+380 44 391 5577

Tickers

Landkom	LKI LN
Land West	4K1A GR
MCB Agricole	4GW1 GR
Mriya Agroholding	MAYA GR

	Shares, mln	MCap, USD mln	Free float %	float \$ mln
LKI LN	200.00	264.3	59.5	157.2
4K1A GR	6.25	313.2	24.0	75.2
4GW1 GR	8.60	275.6	24.4	67.2
MAYA GR	4.25	459.6	20.0	91.9

Corporate Governance

Landkom	AA
Land West	AA
MCB Agricole	AA
Mriya Agroholding	N/R

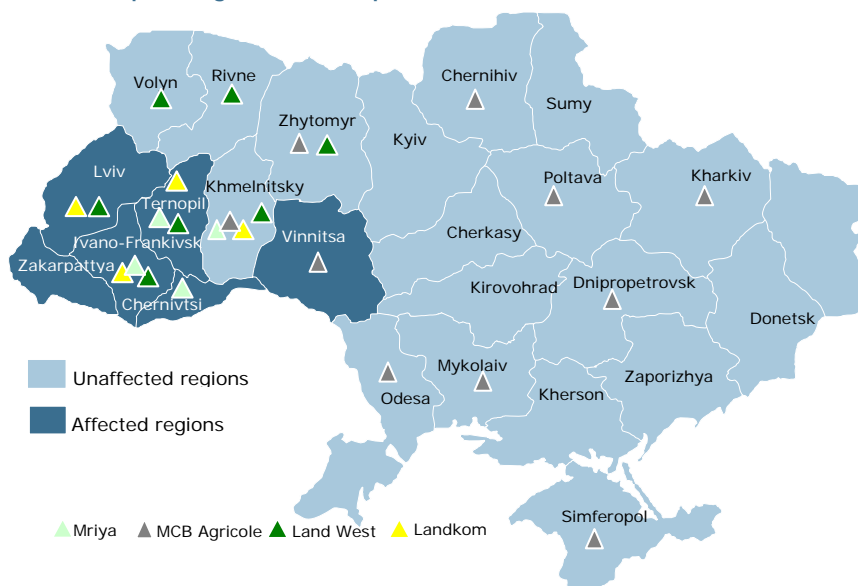
* The rating is based on Concorde Capital's corporate governance survey. Q denotes quality corporate governance standards, AA - above average standards, A - average, BA - below average and P - poor.

In conversations with us today, four Ukrainian agricultural companies confirmed that heavy rainfall this weekend (July 26-27) in Western Ukraine did no damage to their crops. Under a worst-case scenario, if nothing were harvested from the total affected 18 ths ha in the region, we estimate that the loss would be just 0.14% of the forecasted 2008 harvest in Ukraine of 43 mln mt. The Ukrainian Meteorological Center expects improved weather from today.

Public agro companies confirm no harm to their crops

Today, we spoke with representatives from Landkom, Land West, MCB Agricole and Mriya Agroholding regarding the recent rainfall on their expected harvest, as they have fields located in affected regions. All of them assured us that their planted fields were not affected by the rainfall, and they do not plan to revise expected harvest figures. They also added that there may be a slight delay in land preparation for the winter sowing campaign, but there is still plenty of lead time.

Location of public agricultural companies' land



Source: Company data, Ministry of Emergency Situations

We estimate insignificant impact on 2008 harvest

According to the Ministry of Emergency Situations, 18 ths ha in Ukraine was flooded. We estimate that, under a worst-case scenario if nothing were harvested from this area, only ~60 ths mt of crops (at an average current yield of 3.3 mt/ha) or just 0.14% of the forecasted 2008 harvest of 43 mln mt would be lost.

Weather conditions improving already

The Ukrainian Meteorological Center expects the weather to improve in Western Ukraine starting today, Monday, July 28.

Precipitation forecast for Western Ukrainian regions

	Ivano-Frankivsk	Zakarpattya	Chernivtsi	Vinnitsya	Ternopil	Lviv
July 28	none	none	none	none	none	none
July 29	none	none	none	none	none	none
July 30	not considerable	not considerable	not considerable	not considerable	not considerable	not considerable
July 31	not considerable	not considerable	not considerable	not considerable	not considerable	not considerable
August 01	not considerable	not considerable	not considerable	not considerable	not considerable	not considerable
August 02	not considerable	not considerable	not considerable	none	not considerable	not considerable

Source: Ukrainian Meteorological Center

FLASH NOTE

FLASH NOTE

FLASH NOTE

Investment Ratings

The time horizon for target prices in Concorde Capital's research is 12 months unless otherwise stated. Concorde Capital employs three basic investment ratings: Buy, Hold and Sell. Typically, Buy recommendation is associated with an upside of 15% or more from the current market price; Sell is prompted by downside from the current market price (upside <0%); Hold recommendation is generally for limited upside within 15%. Though investment ratings are generally induced by the magnitude of upside, they are not derived on this basis alone. In certain cases, an analyst may have reasons to establish a recommendation where the associated range given above does not correspond. Temporary discrepancies between an investment rating and its upside at a specific point in time due to price movement and/or volatility will be permitted; Concorde Capital may revise an investment rating at its discretion. A recommendation and/or target price might be placed Under Review when impelled by corporate events, changes in finances or operations. Investors should base decisions to Buy, Hold or Sell a stock on the complete information regarding the analyst's views in the research report and on their individual investment objectives and circumstances.

Concorde Capital ratings distribution

Buy	77	68%
Hold	21	18%
Sell	7	6%
Under Review	9	8%
Total	114	100%

Investment banking clients*

Buy	7	100%
Hold	0	0%
Sell	0	0%
Under Review	0	0%
Total	7	100%

* Within the last twelve month period, Concorde Capital has obtained compensation from these companies for investment banking services.

Concorde Capital, Head office

2 Mechnikova Street, 21st Floor
Parus Business Centre
Kyiv 01601, Ukraine
Tel.: +380 44 391 5577
Fax: +380 44 391 5571

www.concorde.ua

CEO

Igor Mazepa im@concorde.com.ua

Head of Equity Sales

Roman Nasirov rn@concorde.com.ua

Equity Sales

Anastasiya Nazarenko an@concorde.com.ua
Marina Martirosyan mm@concorde.com.ua
Andriy Supranonok sap@concorde.com.ua
Marina Cherednichenko cmg@concorde.com.ua
Alyona Degrik dav@concorde.com.ua

Director of Research

Konstantin Fisun, CFA kf@concorde.com.ua

Concorde Capital

4 Fourth Lesnoy Pereulok, 5th Floor
Capital Plaza
Moscow 125047, Russia
Tel.: +7 495 642 87 15
Fax: +7 495 225 85 00

office@concorde.com.ua

RESEARCH

Strategy

Konstantin Fisun kf@concorde.com.ua
Oleksandr Klymchuk ok@concorde.com.ua

Metals & Mining

Eugene Cherviachenko ec@concorde.com.ua
Andriy Gerus ga@concorde.com.ua

Utilities (Telecom, Energy)

Alexander Paraschiy ap@concorde.com.ua

**Oil & Gas, Chemicals,
Pharmaceuticals**

Vladimir Nesterenko vn@concorde.com.ua

Real Estate/Construction

Andriy Gostik, CFA ag@concorde.com.ua
Alexander Romanov ar@concorde.com.ua

Consumer-related

Olha Pankiv op@concorde.com.ua
Anna Dudchenko ad@concorde.com.ua

Machinery

Inna Perepelytsya pi@concorde.com.ua

Financial Services, Retail

Alexander Viktorov av@concorde.com.ua

Economics

Polina Khomenko pk@concorde.com.ua
Andrii Parkhomenko pav@concorde.com.ua

Fixed Income

Oleksandr Klymchuk ok@concorde.com.ua

Editor

Brad Wells bw@concorde.com.ua

Disclaimer

THIS REPORT HAS BEEN PREPARED BY CONCORDE CAPITAL INVESTMENT BANK INDEPENDENTLY OF THE RESPECTIVE COMPANIES MENTIONED HEREIN FOR INFORMATIONAL PURPOSES ONLY. CONCORDE CAPITAL DOES AND SEEKS TO DO BUSINESS WITH COMPANIES COVERED IN ITS RESEARCH REPORTS. AS A RESULT, INVESTORS SHOULD BE AWARE THAT CONCORDE CAPITAL MIGHT HAVE A CONFLICT OF INTEREST THAT COULD AFFECT THE OBJECTIVITY OF THIS REPORT.

THE INFORMATION GIVEN AND OPINIONS EXPRESSED IN THIS DOCUMENT ARE SOLELY THOSE OF CONCORDE CAPITAL AS PART OF ITS INTERNAL RESEARCH COVERAGE. THIS DOCUMENT DOES NOT CONSTITUTE OR CONTAIN AN OFFER OF OR AN INVITATION TO SUBSCRIBE FOR OR ACQUIRE ANY SECURITIES. THIS DOCUMENT IS CONFIDENTIAL TO CLIENTS OF CONCORDE CAPITAL AND IS NOT TO BE REPRODUCED OR DISTRIBUTED OR GIVEN TO ANY OTHER PERSON.

CONCORDE CAPITAL, ITS DIRECTORS AND EMPLOYEES OR CLIENTS MIGHT HAVE OR HAVE HAD INTERESTS OR LONG/SHORT POSITIONS IN THE SECURITIES REFERRED TO HEREIN, AND MIGHT AT ANY TIME MAKE PURCHASES AND/OR SALES IN THEM AS A PRINCIPAL OR AN AGENT. CONCORDE CAPITAL MIGHT ACT OR HAS ACTED AS A MARKET-MAKER IN THE SECURITIES DISCUSSED IN THIS REPORT. THE RESEARCH ANALYSTS AND/OR CORPORATE BANKING ASSOCIATES PRINCIPALLY RESPONSIBLE FOR THE PREPARATION OF THIS REPORT RECEIVE COMPENSATION BASED UPON VARIOUS FACTORS, INCLUDING QUALITY OF RESEARCH, INVESTOR/CLIENT FEEDBACK, STOCK PICKING, COMPETITIVE FACTORS, FIRM REVENUES AND INVESTMENT BANKING REVENUES.

PRICES OF LISTED SECURITIES REFERRED TO IN THIS REPORT ARE DENOTED IN THE CURRENCY OF THE RESPECTIVE EXCHANGES. INVESTORS IN FINANCIAL INSTRUMENTS SUCH AS DEPOSITORY RECEIPTS, THE VALUES OR PRICES OF WHICH ARE INFLUENCED BY CURRENCY VOLATILITY, EFFECTIVELY ASSUME CURRENCY RISK.

DUE TO THE TIMELY NATURE OF THIS REPORT, THE INFORMATION CONTAINED MIGHT NOT HAVE BEEN VERIFIED AND IS BASED ON THE OPINION OF THE ANALYST. WE DO NOT PURPORT THIS DOCUMENT TO BE ENTIRELY ACCURATE AND DO NOT GUARANTEE IT TO BE A COMPLETE STATEMENT OR SUMMARY OF AVAILABLE DATA. ANY OPINIONS EXPRESSED HEREIN ARE STATEMENTS OF OUR JUDGMENTS AS OF THE DATE OF PUBLICATION AND ARE SUBJECT TO CHANGE WITHOUT NOTICE. REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART WITHOUT PRIOR PERMISSION IS PROHIBITED.

NEITHER THIS DOCUMENT NOR ANY COPY HEREOF MAY BE TAKEN OR TRANSMITTED INTO THE UNITED STATES OR DISTRIBUTED IN THE UNITED STATES OR TO ANY U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")), OTHER THAN TO A LIMITED NUMBER OF "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) SELECTED BY CONCORDE CAPITAL.

THIS DOCUMENT MAY ONLY BE DELIVERED WITHIN THE UNITED KINGDOM TO PERSONS WHO ARE AUTHORIZED OR EXEMPT WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA") OR TO PERSONS WHO ARE OTHERWISE ENTITLED TO RECEIVE THIS DOCUMENT UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, OR ANY OTHER ORDER MADE UNDER THE FSMA.