



PRESS RELEASE

January 31, 2012, Kyiv, Ukraine

MHP S.A. Pre-close trading update for the year ended 31 December 2011

MHP S.A. (LSE: MHPC) (“MHP” or “The Company”), one of the leading agro-industrial companies in Ukraine, focusing on the production of poultry and the cultivation of grain, today announces its pre-close trading update for Q4 2011 and the full year ended 31 December 2011.

Poultry and Poultry Related Operations

Poultry	Q4 2011	Q4 2010	% change	FY 2011	FY 2010	% change
Sales volume, third parties tons	88,900	81,900	9%	370,900	331,400	12%
Price per 1 kg net VAT, UAH	17.00	14.35	18%	15.00	13.65	10%

In 2011 MHP increased its poultry productions volumes by 7% and produced 384,000 tons of poultry meat (2010: 360,000 tons of poultry meat). The growth of volumes produced was a result of more effective use of existing production capacities in spite of all the Company's existing poultry production facilities operated at their full production capacity during the year.

Annual MHP's poultry sales volumes to third parties increased by 12% to 370,900 tons (including sales from stocks) compared to 331,400 tons in 2010.

Domestic demand for chicken meat during 2011 remained high and the Company was able to sell close to 100% of the chicken produced. Export sales of chicken for the total 2011 increased by almost 80% compared to 2010 and constituted close to 10% of total sales volumes.

In 2011 the Company opened new export sales markets, which are Libya, Lebanon, Uzbekistan, Angola etc.

During the fourth quarter of 2011 the volume of chicken meat sales to third parties continued the growing dynamics of previous quarters and reached 88,900 tons, which is 9% higher than in Q4 2010.

Average chicken meat sales prices to third parties in 2011 increased by 10% to UAH 15.00 per kg of adjusted weight (excluding VAT) against UAH 13.65 per kg in 2010 that is in line with world poultry price trends and which is a procrastinated growth as a consequence of the grain price increase (majority of the production costs) in Ukraine and worldwide. In Q4 2011 average price was UAH 17.00 per kg, which is 18% higher than in Q4 2010.

In 2011 MHP sold 173,600 tons of sunflower oil, which is 11% less than in 2010. The reason of decrease of sunflower oil production volumes is a partial purchase of sunflower meal at the market lower price despite own production of sunflower meal that is needed for further fodder production. All sunflower oil produced was sold to external customers at an average price of US\$ 1,245 per ton, which is 35% higher than the average price of US\$ 919 in 2010.

In Q4 2011, 48,200 tons of sunflower oil were produced and sold for export at an average price of US\$ 1,109 per ton, which is 5% lower than in Q4 2010 in line with world pricing trends.

All the income from export sales of sunflower oil is denominated in US dollars that hedge the currency risk of the Company. In 2011 foreign currency income from export sales of sunflower oil constituted US\$ 216 million compared to US\$ 180 million in 2010, demonstrated 20% growth.

Grain Growing Operations

At the end of 2011 MHP's total land bank constituted 280,000 hectares among which 250,200 hectares were cultivated and harvested in 2011 in grain growing segment, which is 67% more than in 2010 (2010: 150,000 hectares were cultivated in grain growing segment out of total 180,000 hectares). Total harvest of MHP accounted over 1.7 million tons of grains and oilseeds in 2011, which is 88% more than the harvest of 2010.

	2011		2010 (for land under control as of 01.01.2010)	
	Production, tons	Cropped hectares	Production, tons	Cropped hectares
Corn	1,022,783	107,750	492,642	63,165
Wheat	267,250	52,210	183,785	39,360
Sunflower	73,735	27,000	65,455	25,630
Rapeseed	25,400	9,150	9,010	3,020
Other**	322,900	54,090***	162,166	15,442
Total:	1,712,068	250,200	913,058	146,617

** - Includes soybean, barley, sugar beet and other crops

*** - Includes fallow lands in 2011

Good weather conditions in 2011 stimulated large harvest throughout Ukraine that was resulted in very high average grain yields across all crops in Ukraine. Moreover, MHP obtained higher yields than Ukraine's average. The only drawback of high yields within the country is a decrease of grain prices as a consequence of large supply.

	2011		2010 (for land under control as of 01.01.2010)	
	MHP's average*	Ukraine's average**	MHP's average*	Ukraine's average**
Corn	9.5	6.4	7.8	4.3
Wheat	5.1	3.4	4.7	2.9
Sunflower	2.7	1.8	2.6	1.6
Rapeseed	2.8	1.7	3.0	1.7

* - Tons per hectare

** - Source: the State Statistics Committee of Ukraine, based on bunker weight

Other Agricultural Operations

Meat processing products	Q4 2011	Q4 2010	% change	FY 2011	FY 2010	% change
Sales volume, third parties tons	8,800	8,800	-	37,000	32,900	12%
Price per 1 kg net VAT, UAH	21.44	18.52	16%	20.01	17.59	14%

In 2011 MHP continued to increase its production of processed meat products. The sales volumes went up by 12% to 37,000 tons in 2011 compared to 32,900 tons in 2010. In Q4 2011 sausage and cooked meat production volumes remained stable at 8,800 tons compared to Q4 2010. Managements expect further growth of production of meat processing products in 2012.

Average sausage and cooked meat prices during 2011 increased greatly by 14% to UAH 20.01 per kg (excluding VAT) compared to UAH 17.59 per kg in 2010. The average price in Q4 2011 was UAH 21.44 per kg, which is 16% more than in Q4 2010.

MHP is a market leader in meat processing in Ukraine; its current market share is about 10%. Management expects further increase of the market share in forthcoming year. More than 50% of the raw materials required for the Company's meat processing operations are internally produced chicken meat.

Vinnitsia – expansion project

MHP's new green field Vinnitsia project is being constructed to schedule and in line with the investment plans. New storage capacities for grains (200,000 m³) and oilseeds (200,000 m³) are already came into commission at fodder complex "Ladyzhinsky".

To follow the progress on the site please visit: <http://www.mhp.com.ua/en/node/1082/>.

The exact date for the financial results for Q4 2011 and full year 2011 will be provided in a due course.

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Notes to Editors:

About MHP

MHP is the leading producer of poultry products in Ukraine with the greatest market share and highest brand recognition for its products. MHP owns and operates each of the key stages of chicken production processes, from feed grains and fodder production to egg hatching and grow out to processing, marketing, distribution and sales (including through MHP's franchise outlets). Vertical integration reduces MHP's dependence on suppliers and its exposure to increases in raw material prices. In addition to cost efficiency, vertical integration also allows MHP to maintain strict biosecurity and to control the quality of its inputs and the resulting quality and consistency of its products through to the point of sale. To support its sales, MHP maintains a distribution network consisting of 11 distribution and logistical centers, within major Ukrainian cities. MHP uses its trucks for the distribution of its products, which Management believes reduces overall transportation costs and delivery times.

MHP also has a leading grain cultivation business growing corn to support the vertical integration of its chicken production and increasingly other grains, such as wheat and rape, for sale to third parties. MHP leases agricultural land located primarily in the highly fertile black soil regions of Ukraine.

Since May 15, 2008, MHP has traded on the London Stock Exchange under the ticker symbol MHPC.

Forward-Looking Statements

This press release might contain forward-looking statements that refer to future events or forecast financial indicators for MHP S.A. Such statements do not guarantee that these are actions to be taken by MHP S.A. in the future, and estimates can be inaccurate and uncertain. Actual final indicators and results can considerably differ from those declared in any forward-looking statements. MHP S.A. does not intend to change these statements to reflect actual results.