



30 July, 2013

AVANGARDCO INVESTMENTS PUBLIC LIMITED

TRADING UPDATE FOR THE SECOND QUARTER AND THE FIRST HALF OF 2013

Kyiv, Ukraine – AVANGARDCO INVESTMENTS PUBLIC LIMITED (LSE: AVGR) (the «Company» or «AVANGARDCO IPL»), the largest producer of shell eggs and egg products in Ukraine and number one producer in Eurasia, today announces its trading update for the second quarter and the six months of 2013 ended June 30, 2013.

| | Units | As at 30.06.2013 | As at 30.06.2012 | Change, % |
|---------------------|-------------|------------------|------------------|-----------|
| Total Poultry Flock | Heads (mln) | 30.3 | 25.9 | 17.0 |
| Laying Hens | Heads (mln) | 22.8 | 20.6 | 10.7 |

The total poultry flock was up by 17% year-on-year, with the population of laying hens increasing by 10.7% year-on-year in accordance with the operational plans of the Company.

The Company's total poultry flock is increasing mainly due to the gradual launching of new capacities of its two poultry complexes for egg production "Avis" and "Chornobaivske".

As at June 30, 2013, 41.3% of the total poultry flock was housed at new poultry complexes (35% of the total laying hens flock).

Shell Egg Segment

| | Units | Q2 2013 | Q2 2012 | Change, % | H1 2013 | H1 2012 | Change, % |
|------------------------------|-----------------|---------|---------|-----------|---------|---------|-----------|
| Total Production | Pieces (mln) | 1,724 | 1,555 | 10.9 | 3,378 | 3,106 | 8.8 |
| Total Sales to Third Parties | Pieces (mln) | 1,188 | 1,209 | -1.7 | 2,503 | 2,412 | 3.8 |
| Export | Pieces (mln) | 138.2 | 43.4 | 218.4 | 241 | 154.2 | 56.3 |
| Average Sales Price | UAH (excl. VAT) | 0.59 | 0.60 | -1.7 | 0.63 | 0.67 | -6.0 |

Production: In the second quarter of 2013, the production volume of shell eggs was up by 10.9% year-on-year to 1,724 mln units (Q2 2012: 1,555 mln units) due to the increase in the number of laying hens. In the first half of 2013, the production volume of shell eggs grew by 8.8% year-on-year and amounted to 3,378 mln units (1H 2012: 3,106 mln units).

Sales: In the second quarter of 2013 sales to external customers decreased 1.7% year-on-year to 1,188 mln units due to the increase in egg processing (Q2 2012: 1,209 mln units). In the first half of 2013, sales to external customers grew by 3.8% to 2,503 mln units (1H 2012: 2,412 mln units). The Company continued to actively develop its current distribution channels by exporting its products and selling them through national retail chains.

During the first half of 2013, the share of shell eggs sales through modern retail chains (supermarkets) grew to 35% of total sales to third parties (H1 2012: 31%).

Export: In the first half of 2013, the Company increased its export volumes of shell eggs by 56.3% year-on-year to 241 mln units (1H 2012: 154,2 mln units) due to the growing confidence in the quality of products and seasonal demand for them. The Company follows its strategy to secure stable supply of its products to existing export markets. In addition to its main export markets, the Company began exporting eggs to a new market of Guinea Bissau. The Company exports a large portion of its eggs to Iraq, which indicates the stability of the demand and the quality of products, as well as the Company's recognition and strengthening of its positions in the region.

In the second half of 2013, the Company plans to develop its export to Africa. Currently, the Company is in negotiations with Bahrain, Qatar, Côte d'Ivoire.

Average sales price: In the second quarter of 2013, the average selling price decreased by 1.7% year-on-year to 0.59 UAH per unit, excluding VAT (Q2 2012: 0.60 UAH per unit, excluding VAT). In the first half of 2013, the average selling price was down by 6.0% to 0.63 UAH per unit, excluding VAT (1H 2012: 0.67 UAH per unit, excluding VAT) due to an atypical price growth in the egg market in Ukraine and Europe in 2012.

Brand "Kvochka": In the first half of 2013, sales of packaged eggs under the umbrella brand "Kvochka" increased further to 25.3 mln units, which was 23.4% higher compared to the first half of 2012. The Company continues to expand its presence in retail chains and strengthen its regional presence through its network of distributors. From April 2013, "Kvochka"-branded products are sold in "Amstor" retail chain as well. Thus, the Company supplied its "Kvochka"-branded products to more than 2,400 retail outlets

Egg Products Segment

| | Units | Q2 2013 | Q2 2012 | Change, % | H1 2013 | H1 2012 | Change, % |
|----------------------|---------------------|---------|---------|--------------|---------|---------|--------------|
| Processed Shell Eggs | Pieces (mln) | 450 | 271 | 66.1 | 721 | 541 | 33.3 |
| Average Sales Price | US\$/Kg (excl. VAT) | 7.60 | 7.51 | 1.2 | 7.65 | 7.54 | 1.5 |

Processed Shell Eggs: During the second quarter of 2013, the volume of eggs processed was up by 66.1% year-on-year to 450 mln units (Q2 2012: 271 mln units). In the first half of 2013, the volume of eggs processed increased by 33.3% year-on-year to 721 mln units (1H 2012: 541 mln units). A significant increase in egg processing is due to the capacity expansion at the egg processing plant "Imperovo Foods" in accordance with the Company's strategy.

Production: In the second quarter of 2013, the production volume of dry egg products increased to 5,494 thousand tonnes (Q2 2012: 3,367 thousand tonnes). During the first half of 2013, the volume of dry egg products amounted to 8,893 thousand tonnes (1H 2012: 7 114 thousand tonnes)

Export: During the first half of 2013, the Company continued to export its dry egg products to markets in the Middle East, Asia and North Africa.

Average sales price: In the second quarter of 2013, the average sales price for dry egg products increased by 1.2% year-on-year to US\$7.60 per kg (Q2 2012: US\$7.51 per kg). In the first half of 2013, the average sales price for dry egg products increased by 1.5% year-on-year to US\$7.65 per kg (1H 2012: US\$7.54 per kg).

Investment Projects

The Company continues to make progress with the construction of its two poultry complexes for egg production, "Avis" and "Chornobaivske" in Khmelnytsky and Kherson regions and the capacity expansion project at the egg processing plant "Imperovo Foods" LLC. The construction and assembly works are going on according to the schedule.

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Information for editors

AVANGARDCO IPL is one of the largest agro-industrial companies in Ukraine, specializing in the production of shell eggs and dry egg products. As of 30 June 2013, the Company holds a 55% share of the industrial egg market. The Company has the largest population of laying hens in Ukraine. As of 30 June 2013, the total poultry flock of the Company was 30.3 mln heads. Production cycle of AVANGARDCO IPL is vertically integrated. The Company's facilities are located in 14 regions of Ukraine and the Autonomous Republic of Crimea. The Company has 19 farms for laying hens; three second order breeder farms; ten farms for rearing young laying hens; six feed mills; three long-term storage facilities and Imperovo Foods egg processing plant, which is one of the most technologically-advanced facilities for processing eggs in Europe.

The Company is in the process of significant expansion with the construction of two poultry complexes for egg production, "Avis" and "Chornobaivske". These facilities will help the Company to increase its population of laying hens to 30.1 mln heads, while the volume of egg production will increase to 8.6 bln units.

The Company exports its products to 33 countries, generally to the Middle East, Africa, Asia and the CIS.

The Company's shares, in the form of Global Depositary Receipts, have been traded on the London Stock Exchange since May 2010. Eurobonds of around US\$200 mln with a maturity on 29 October 2015 were included in the official list of the UK Listing Authority (UKLA) and admitted to trading on a regulated market of the London Stock Exchange since November 1, 2010.