



24 October 2014

AVANGARDCO INVESTMENTS PUBLIC LIMITED
OPERATIONAL RESULTS FOR THE FIRST 9 MONTHS OF 2014

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, announces its operational results for the 9 months ended September 30, 2014.

| | Units | As at 30.09.2014 | As at 30.09.2013 | Change,% |
|---------------------|--------------|-------------------------|-------------------------|-----------------|
| Total Poultry Flock | Heads (mln) | 25.9 | 31.4 | (18%) |
| Laying Hens | Heads (mln) | 18.5 | 24.6 | (25%) |

As at September 30, 2014, the total poultry flock was down by 18% year-on-year to 25.9 mln heads (September 30, 2013: 31.4 mln heads) and the population of laying hens decreased by 25% year-on-year to 18.5 mln heads (September 30, 2014: 24.6 mln heads). As previously disclosed, the renewal of poultry flock at farms located in the Donetsk and Lugansk regions was suspended in order to minimize the risk of flock loss as a result of the ongoing military operations in Eastern Ukraine.

Shell Egg Segment

| | Unit | 9 months 2014 | 9 months 2013 | Change,% |
|------------------------------|-----------------|----------------------|----------------------|-----------------|
| Total Production | Pieces (mln) | 5,114 | 5,118 | (0.1%) |
| Total Sales to Third Parties | Pieces (mln) | 3,499 | 3,742 | (6%) |
| Export | Pieces (mln) | 462 | 349 | 32% |
| Average Sales Price | UAH (excl. VAT) | 0.71 | 0.65 | 9% |

In the first 9 months of 2014, the production volume of shell eggs was 5.114 bln pieces (9M 2013: 5.118 bln pieces) as a result of the decrease in the total population of laying hens, which also led to a decline in the sales of shell eggs to third parties.

At the same time, the export demand remained robust. As a result the Company increased its exports which have partially offset the lower demand in the domestic market. In the first 9 months of 2014, export sales of shell eggs increased by 32% year-on-year to 462 mln pieces (9M 2013: 349 mln pieces). In the reporting period, the Company exported shell eggs mainly to the Middle East and North Africa, Central and West Africa, and the CIS countries.

In line with its strategy the Company continued to grow its products' presence in retail chains. In the first 9 months of 2014, the share of shell egg sales through supermarkets reached 36% of total sales to third parties (9M 2013: 33%). In the first 9 months of 2014, the Company's sales of packaged eggs under the umbrella brand "Kvochka" increased by five times to 160 mln pieces (9M 2013: 33 mln pieces).

In the first 9 months of 2014, the average sales price increased by 9% year-on-year to 0.71 UAH per unit, excluding VAT (9M 2013: 0.65 UAH per unit, excluding VAT) as a result of the increased share of shell eggs sales through supermarket chains and export channels.

Egg Products Segment

In the first 9 months of 2014, the volume of processed shell eggs increased by 20% year-on-year to 1.518 bln pieces (9M 2013: 1.268 bln pieces). As a result, the production of dry egg products increased by 15% year-on-year and amounted to 17,739 tonnes (9M 2013: 15,457 tonnes).

In line with the stated strategy, the Company continued to grow its export volumes of dry egg products to existing markets. In the reporting period, the Company exported its dry egg products to the Middle East, North Africa and Asia, as well as implemented a number of important steps in order to diversify its export channels. On September 30, 2014 "Imperovo Foods" egg processing plant obtained a certificate allowing it to start the exports of its egg products to EU countries.

On August 18, 2014 the Company received Kosher certification of its shell eggs and egg products, and is currently preparing to make the first shipment to Israel.

Dividends:

On October 1, 2014 the Board of Directors of AVANGARDCO IPL has declared the total dividend payment of US\$29.5 mln for the full year 2013, which represents a US\$4.625 dividend per ordinary share (1 share = 10 GDRs). The dividend payment will be made by 31 December 2014 to shareholders of record as of 14 October 2014.

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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 2014 the Company holds a 55% share of the industrial shell egg market and a 92% share of the dry egg products market in Ukraine.

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, 3 second order breeder farms, 10 farms for rearing young laying hens, 6 feed mills, 3 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 exports its products to 33 countries, with its primary export markets in the Middle East, Africa, Asia and the CIS.

As of 30 June 2014, the Company's revenues amounted to US\$262.7 mln (1H 2013: US\$304.3 mln) and EBITDA was US\$79.0 mln (1H 2013: US\$134.7 mln).

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

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Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Avangardco IPL. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might", the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in the Company's geographical locations, rapid technological and market changes in our industry, as well as many other risks specifically related to Avangardco IPL and its operations.