REPORT OF THE BOARD OF DIRECTORS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010

ASTARTA HOLDING N.V.

Contents

1. Overview of the Nine Months of the Year and Outlook

Macroeconomic situation and business environment in Ukraine have not considerably changed since our last report in August: recovery is gaining momentum, industrial production and internal demand are mounting, national currency is stable and trade balance has significantly improved. There still remain issues of a budget deficit of around 6,5%, and inflation of about 10,5% y-o-y, but with open IMF financing and renewing capital inflows into Ukraine, they do not seem to be obstacles for a further recovery of Ukrainian economy.

In line with the preceding reporting periods, the financial results of the third quarter kept on with a high level of profitability. In September ASTARTA smoothly transitioned into a new 2010/2011 marketing and production year. The Group retained optimal volumes of sales while efficiently balancing with its product line following developments on its markets. On this side we witnessed a strong revival of international and domestic sugar prices, as well as high crop pricing levels, albeit the later somehow overshadowed by domestic limitations of exports of grains and oilseeds. The good margins were achieved and the risks covered thanks to ASTARTA diversified production portfolio and elaborate marketing policy.

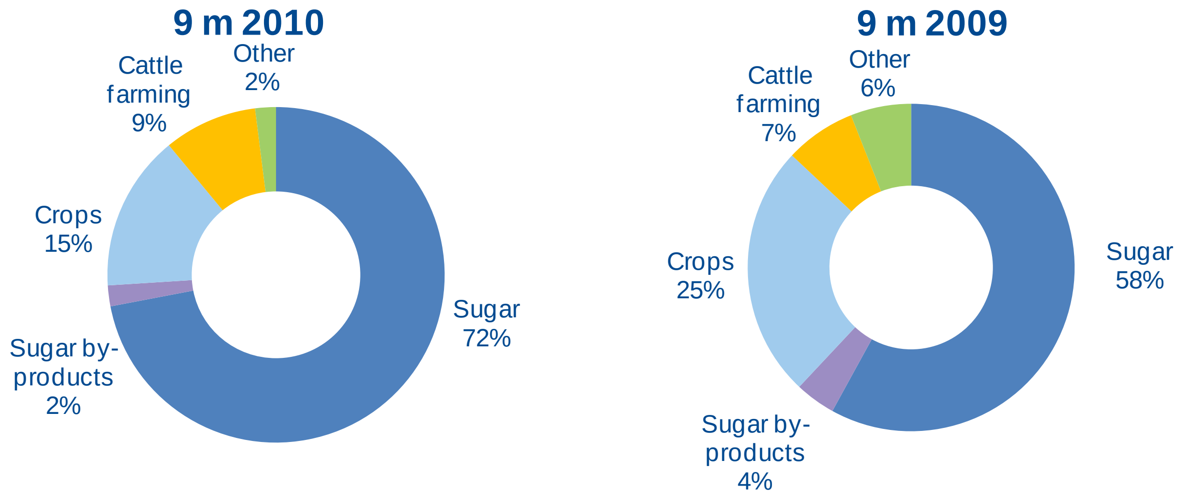
Commenting on operational results, we accurately and timely conducted autumn agri-operations, i.e. sowing of winter grains, harvesting technical crops and preparing soil for the spring sowing campaign. While yields of later crops proved to be lower than expected (we anticipate this to be offset by higher market prices), we laid a solid foundation for a good next season's harvest. The sugar season is also running well on a schedule. Due to lower than anticipated sugar beet yields we would have to correct the estimated sugar production guidance (again as we believe to be neutralized by growing sugar price). At the same time, fully in line with our energy saving program, which we develop together with the EBRD, FMO and other reputable financial and industrial agencies, energy and processing efficiency of our plants was substantially increased this season providing for improved production economics.

Development of the Group is also on a way. We continue to reinforce the existing five business units by adding up land and building up agri-technological potential and infrastructure (self-sufficiency in crop storages was proved to be very positive in view of ongoing limitations of exports). We can't but mention that we are looking very intensively, and at the same time carefully, into number of development options that shall provide for sizable growth of the Group and seize an opportunities currently existing in Ukraine to sustain our role as an efficient consolidator in agri-industrial sector.

2. The Group's Operations, Markets and Sales of Primary Products

In the nine months of 2010, revenue grew 74% (in EUR terms) compared to the nine months of 2009 owing mainly to higher sales of sugar and cattle farming produce following better pricing environment. Sugar sales represented 72% of the total revenues vs. 58% in the nine months of 2009. Owing to aggressive growth in revenue from sugar sales and limitations on sales of grains, the share crop sales dropped from 25% to 15%. Revenue from cattle farming (mostly milk sales) represented 8% vs. 7% in nine months of 2009 on a back of higher volumes and an increase in prices.

Figure 1. Breakdown of the Group's external revenues in nine months of 2010 and 2009



In the nine months of 2010 revenues from export sales reached USD 24.4 mln increasing 98% from USD 12.3 mln in the nine months of 2009 and constituting more than 14% of the total revenues. Thus, ASTARTA stayed fully hedged on cash flow level as export revenues, despite grain exports limitations, amply covered interest payments and amortizing part of principal repayments of banking debts received in foreign currencies.

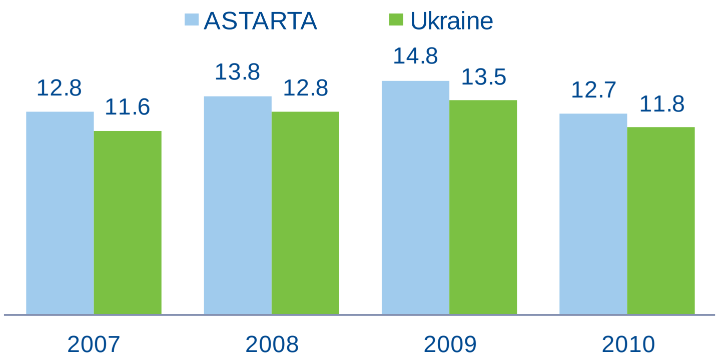
To increase diversification of our business, and raise revenues and profitability, in 2010 we initiated trading by crops and sugar, as well as continued trading with natural gas.

2.1. Sugar Production, Markets and Sales

2.1.1. Sugar Production: Entering New Season

At the end of August, ASTARTA started sugar production campaign of 2010/11. In 2010, weather conditions throughout the main beet growing regions of Ukraine were not favorable for beet producers. In October, the Ukrainian National Association of Sugar Producers lowered the domestic sugar production forecast for the season 2010/2011 to 1.5-1.6 mln tons. In contrast to previous years, when sugar content and beet weight usually grew in September and October, this year, sugar beet has not provided for expected growth of root and sugar content. Average gross yield of sugar beet through ASTARTA fields at the date of this report comprise around 37 tons per ha. Average sugar content in sugar beet comprise about 15.45%, that is higher than the national industry average of 15.25%, but lower 18 b.p. y-o-y, that eventually influenced sugar extraction ratio (Figure 2).

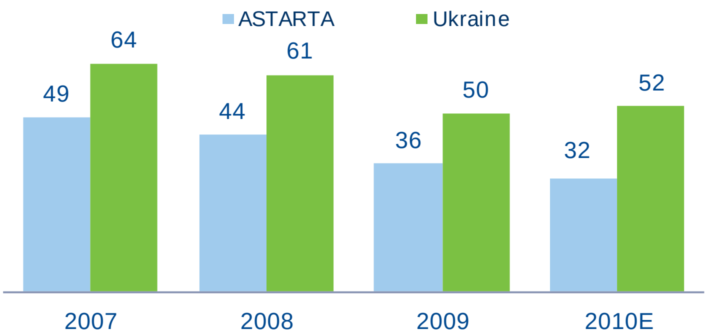
Figure 2. Sugar yield per ton of sugar beet at ASTARTA's mills and in Ukraine on average in 2007-2010, %%



Source: National Association of Sugar Producers of Ukraine Ukrtsukor, management estimates

On processing side, the main emphasis continues to be on downsizing the cost of sugar produced and securing production facilities' efficient capacity utilization. An energy efficiency program implemented by the Group together with the EBRD, FMO and other agencies, led to a further cut in natural gas consumption by another 10% to 32 cubic meters per ton of beet processed. This partially compensates for an increase in price of natural gas following a price hike of major supplier to Ukraine, Russian monopolist Gazprom. ASTARTA intends to continue implementation of the energy efficiency program, to achieve more ambitious targets in energy saving.

Figure 3. Natural gas consumption for processing one ton of sugar beet, Ukraine and ASTARTA averages



Source: National Association of Sugar Producers of Ukraine Ukrtsukor, management estimates

The sugar campaign in ASTARTA is expected to last till mid-December. The integrated business processes, including beet harvesting, delivery, storage, processing, and white sugar storage and supply to customers are running smoothly.

Taking into account another sugar deficit year in Ukraine, and potential to make good this shortage by processing imported raw cane sugar, ASTARTA reconstructed its Yaresky sugar plant for raw sugar processing. Management intends to apply for a WTO raw sugar import quota in 2011 to produce white sugar that would increase volumes of production and sales in 2010/2011 marketing season.

2.1.2. Sugar Markets and Sales

In the nine months of 2010, revenue from sugar sales more than doubled compared to the nine months of 2009 to EUR 93.7 million on a back of favorable pricing. In terms of volume, sugar sales grew 12.5% from about 136 thousand tons to around 153 thousand tons.

Table 1. Sugar sales in 2009 and in the nine months of 2010, thousands tons

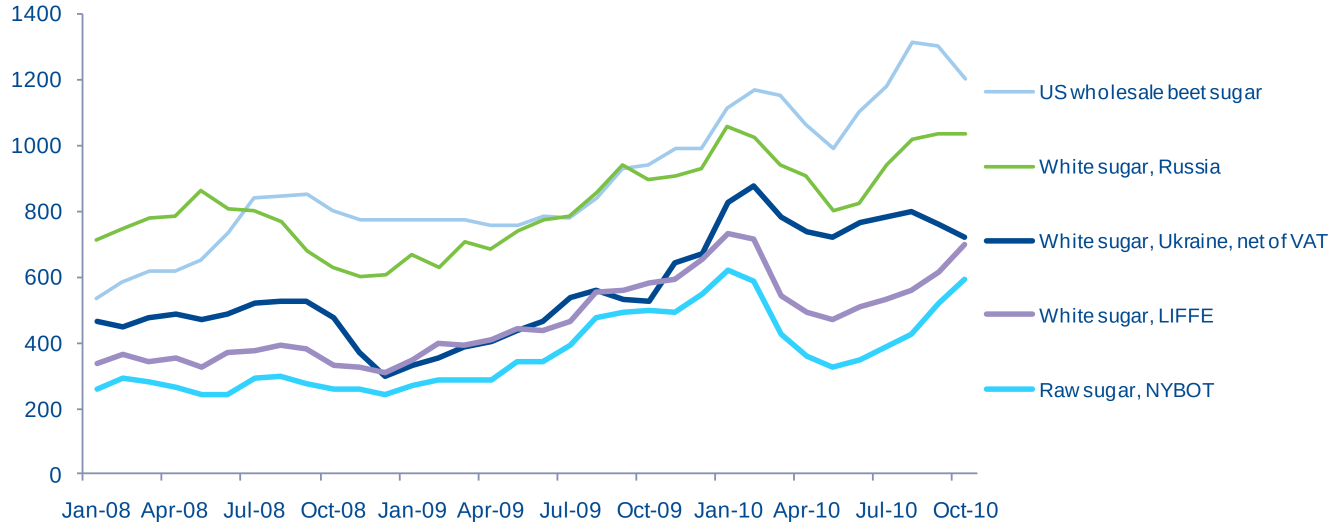
	2010	2009
1 quarter	43	44
2 quarter	58	46
3 quarter	52	46
4 quarter	-	63
Total:	**153**	**199**

About 74% of sugar was sold to large industrial consumers, Konti (leading Ukrainian confectionary producer) being the largest intaker. The other top-4 sugar consumers also include another confectionary, AVK, and two beverage producers, Coca-Cola Ukraine and Sandora (the country's largest juice producer, part of PepsiCo).

A significant sugar production shortfall in Ukraine in the season of 2009 led domestic sugar prices to their historical highs in January 2010. In late February, a 3-months downward correction began, as farmers started to sell off their sugar stocks to finance the spring sowing campaign. A further seasonal rise started in late May, as stocks were tight and beverage producers activated their purchases. Seasonal price rise stopped in September, when the new production began. However, unlike in previous years, prices started to grow again in mid-October, in the top production season. Given a projected shortage of sugar in Ukraine (with supply forecast at around 1.5-1.6 million tons and demand at about 2.0 million tons), the outlook for sugar prices in Ukraine remains strong.

The world market strongly supported this trend. Tight supply, resilient demand and a weak dollar contributed to a new world price hike starting from September. As some of Brazil's main sugar and ethanol groups see a possible drop in cane and sugar output in the coming crop as a result of below-average rainfall in recent months and low investments in cane replanting, raw sugar price reached 9-months high by end-October. If confirmed, this output drop would be the first one in 11 years in Brazil's center-south, a region that accounts for 90 percent of the country's total cane production. The chance of a decline is still largely contingent on weather conditions between now and April 2011 when the new season starts. Later in October, the spate of sugar downgrades extended to Australia, the third-ranked exporter of the sweetener, where production now looks set for a 19-year low, and may not rebound strongly next season. National Australia Bank, in a report forecasting continued strength in sugar prices, pegged Australia's output in 2010-11 at the lowest level since 1991-92 due to excessive rains, which led to a decrease in cane plantings.

Figure 4. International Exchanges and national sugar prices in January 2008 through October 2010, US$ per ton



Source: USDA, Bloomberg, National Association of Sugar Producers of Ukraine

On a demand side, world consumption of sugar is expected to grow by about 50% from the current 168 million tons to 260 in the next 20 years due to the growth economies of China, India and Africa. Asia's share in the structure of world sugar consumption will increase from 40% to 50%, Africa's share - from 10% to 13%.

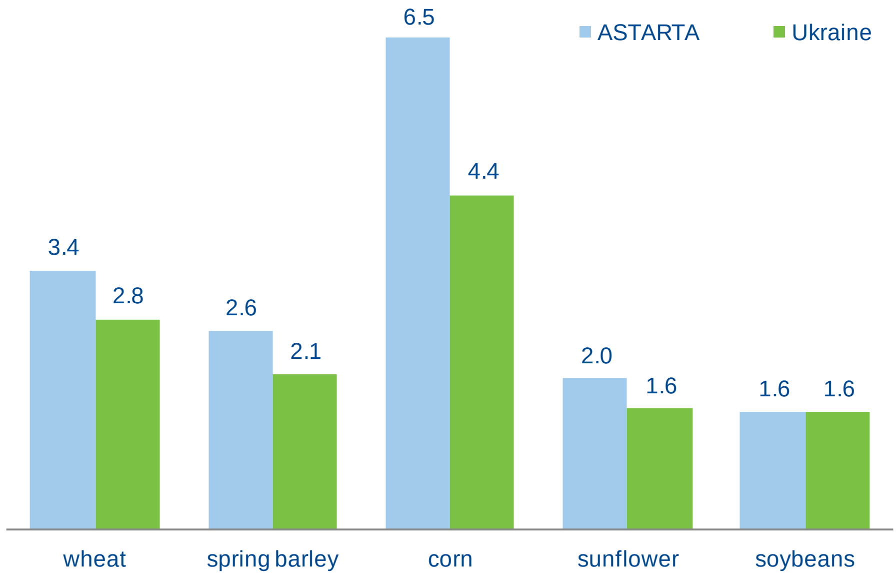
2.2. Crop Production, Markets and Sales

2.2.1. Crop Production: Expanding the Volumes

In 2010, ASTARTA's agri-companies increased the area of arable land under cultivation by around 11% y-o-y to 176 thousand ha compared to 159 thousand ha a year before. Increased areas under crops represent ASTATRA's strategy to expand land bank and to increase the share of wheat, corn and soybeans in the crop rotation structure.

By the date of this report, ASTARTA's agricultural companies harvested 159 thousand tons of early grains on the area of 53 thousand hectares. The Group's regional subsidiaries are finishing harvesting of technical crops. Sunflower has been already harvested on the area of c. 15 thousand ha (+25% y-o-y) with an average yield of 2.0 tons per ha (-16% y-o-y), soybeans on the area of 26 thousand ha (+73% y-o-y) with an average yield of 1.6 tons per ha (unchanged y-o-y), and corn on the area of about 20 thousand ha (+12% y-o-y) with an average yield of 6.5 tons per ha (-7% y-o-y) has been almost completed. It should be noted that the best Group's regional subsidiaries harvested sunflower with an average yield of 2.8 tons per ha, soybeans - 2.3 tons per ha, and corn - 7.4 tons per ha. ASTARTA's yields in 2010 (except soybean) were traditionally 15-30% above Ukrainian averages.

Figure 6. Average yields of key crops by ASTARTA and in Ukraine on average in 2010, tons per hectare



Source: State Statistics Committee of Ukraine, management estimates

Soil preparation for sowing of sugar beet and other crops in spring 2011 is almost completed. ASTARTA also provides technical support and financing to prepare fields of other agricultural producers in the "sugar beet belt" around its sugar plants as well as in the fields of farms that are in transition to become a part of ASTARTA this year. In full conformity with the technological scheme, cultivation of soil has been finished, complex mineral fertilizers and anhydrous ammonia for the next sugar beet harvest at about 40,000 ha has been applied.

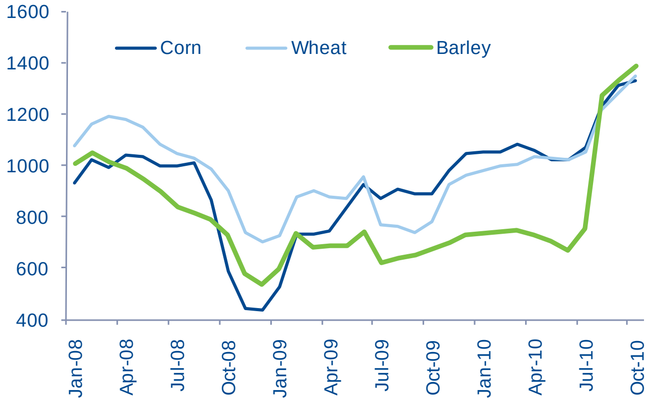
ASTARTA's regional subsidiaries also successfully finished winter sowing campaign for 2011 harvest on the area of 39 thousand ha including 36 thousand ha of winter wheat (+9% y-o-y). High-quality primary seeds specially processed and prepared at ASTARTA's new pre-sowing seed processing facility in Poltava region were used as a sawing material.

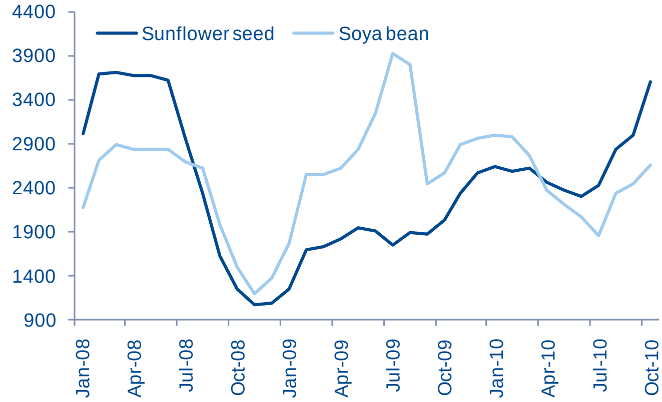
2.2.2. Crop Market and Sales

Revenue from crop sales was almost flat at EUR 19.3 million. In terms of volume, sales of the key five crops were lower c.15% than in nine months of 2009, following limitations of crop exports from Ukraine. ASTARTA's self-sufficiency in grain storages was proved to be positive in view of introduced restrictions, which, we believe, are temporary.

Pricing situation in the crop markets was mostly favorable in the nine months of 2010. Following this summer's unprecedented drought, Russia imposed an embargo on grain exports. As a reaction to this restriction in Russia and unfavorable weather conditions in a number of other grain producing countries, including Ukraine, international grain markets started a price rally. A decrease in Ukraine's domestic crop production, as well as international market trends led to a sharp rise in the Ukrainian domestic prices for crops.

Figure 7. Average Ukrainian prices for crops in 2009 through October 2010, UAH per ton, VAT excl.





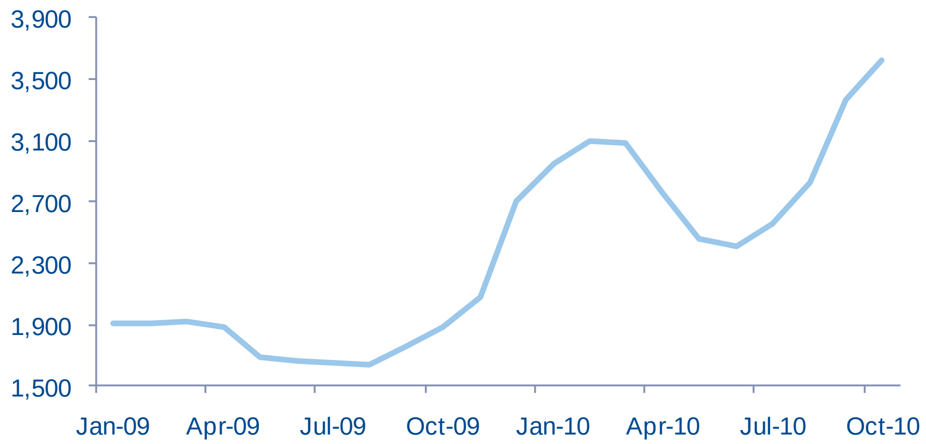
Source: APK-inform analytical agency

On October 4, 2010, the Ukrainian government approved export quotas effective until 31 December 2010 on certain agricultural products, including wheat, corn, barley, buckwheat, and rye. The quotas will be allocated among applicants by the Ministry of Economy.

2.3. Production and Sales of Farming Produce

In the nine months of 2010, ASTARTA's farms produced 39.6 thousand tons of milk, of which 37.4 thousand tons were sold to dairy processors (+16% y-o-y). Due to better pricing and increased volumes, the Group's revenues from sales of cattle farming produce grew 90% y-o-y to EUR 11.1 million to secure 8% of the total revenues. Unlike in previous years, in 2010 the seasonal price rise started as early as in August, as a response to a shortfall in high quality raw milk production in Ukraine due to both a decrease in the cattle herd and extremely hot summer resulting in a worse productivity per cow.

Figure 8. Average Ukrainian prices for raw milk in 2009 through October 2010, UAH per ton, VAT excl.



3. Financial Performance and Position

3.1. Selected Financials

The Table below provides selected financial data as of and for the nine months ended 30 September 2010 and 2009 in thousands of Ukrainian hryvnia and Euro.

Table 2. Selected financial data

	UAH		EUR	
	9m 2010	9m 2009	**9m 2010**	9m 2009
I. Revenues	**1,366,166**	839,809	**130,741**	75,270
II. Profit from operations	**847,593**	322,089	**81,605**	29,215
III. Profit before tax	**800,700**	228,572	**77,017**	21,077
IV. Net profit	**793,135**	228,306	**76,207**	21,077
V. Cash flows provided by operating activities	**253,781**	92,803	**24,941**	8,640
VI. Cash flows used in investing activities	**(324,163)**	(8,665)	**(30,894)**	(1,142)
VII. Cash flows provided by financing activities	**71,940**	(80,348)	**6,859**	(7,232)
VIII. Total net cash flow	**1,558**	3,790	**906**	266
IX. Total assets	**3,669,148**	2,271,678	**338,480**	188,210
X. Current liabilities	**660,999**	763,162	**60,979**	63,229
XI. Non-current liabilities	**894,327**	589,098	**82,502**	48,806
XII. Share capital	**1,663**	1,663	**250**	250
XIII. Total equity	**2,113,822**	919,418	**194,999**	76,175
XIV. Number of shares (in shares)	**25,000,000**	25,000,000	**25,000,000**	25,000,000
XV. Profit per ordinary share (in UAH and EUR)	**31.73**	9.14	**3.05**	0.84

3.2. Financial Performance: Income Statement

On a back of the favorable situation on all key markets, revenues grew 74% y-o-y to EUR 130,741 thousand. The cost of goods sold grew less significantly, by 45% to EUR 74,014 thousand. Due to a rapid growth in the crop prices, the Group received an IFRS 41 gain from the remeasurement of agricultural produce to fair value of EUR 7,086 thousand (a loss of EUR 1,275 thousand a year before). The above factors contributed to an almost triple rise in the gross profit from EUR 22,793 thousand in the nine months of 2009 to EUR 63,813 thousand in the nine months of 2010. The gross margin constituted 49% in 9M2010 compared to 30% in the nine months of the last year.

The Group also made a considerable effort to control overhead expense. Despite an active expansion of the Group's assets and operations, the general and administrative expense was growing slower than the revenue and constituted 5.7% of the total revenue vs. 7.9% in 9M 2009. As a result of growing transportation costs, as well as increased sugar sales, selling and distribution expense grew 68% to EUR 6,164 thousand and constituted 4.7% of the total revenues (4.9% last year). Other operating income grew 158% to EUR 6,895 thousand as a result of an increase in government subsidies related to cattle farming. A considerable growth in prices for all key products of the Group contributed to a positive change in fair value of biological assets (both in cattle farming and crop growing). The net result of such change was EUR 27,105 thousand (EUR 15,272 thousand a year before). The above factors contributed to an increase in Profit from operations (EBIT) that also almost tripled y-o-y to EUR 81,605 thousand. EBIT margin grew to 62% vs. 39% in 9M 2009. The EBITDA grew 165% to EUR 93,909 thousand with EBITDA margin of 72% vs. 47% last year.

The management's efforts to restructure the loan portfolio and attract cheaper debt, as well lowering the country and business related risks, led to a decrease in financial expense by 13% in the UAH equivalent (by 3% in the EUR equivalent).

Profit before tax grew 265% to EUR 77,017 thousand from EUR 21,077 thousand in the nine months of 2009, and the net profit 262% to EUR 76,207 thousand. The net margin constituted 58% vs. 28% in 9M 2009.

3.3. Financial Position: Balance Sheet

As of September 30, 2010, the Group's total assets grew up to EUR 338,480 thousand - an 80% increase compared to the same date of 2009. Out of all assets, current assets and non-current assets account for 54% and 46% respectively. The assets structure on the same date of 2009 was as follows: current assets – 60%, non-current assets – 40%. Equity increased by 156% to EUR 194,999 thousand from the year before, mainly due to a triple increase in retained earnings. Net debt/equity ratio improved significantly as compared with the prior year from 105% in 2009 to 50% as of September 30, 2010.

Equity was 58%, non-current liabilities - 24% and current liabilities - 18% in the total assets (respectively: 40%, 26%, and 34% as of 30 September, 2009).

3.4. Financial Ratios

Table 3. Financial Ratios

In thousand of Euros and in percents

Margins	9 months to 30 September 2010	9 months to 30 September 2009	Change y-o-y, %
Revenues	**130,741**	75,270	74%
Gross profit	**63,813**	22,793	180%
Gross profit margin %	**49%**	30%	+19 p.p.
Operating profit (EBIT)	**81,605**	29,215	179%
EBIT margin %	**62%**	39%	+23 p.p.
EBITDA	**93,909**	35,412	165%
EBITDA margin %	**72%**	47%	+25 p.p.
Net profit	**76,207**	21,077	262%
Net profit margin %	**58%**	28%	+30 p.p.
Ratios			
Current Ratio	**3.01**	1.78	69%
Quick Ratio	**0.45**	0.38	18%
EPS	**3.05**	0.84	263%
Market Capitalization	**472,787**	148,664	218%
Net debt	**97,717**	79,712	22%
EV	**576,185**	231,322	149%
Total debt ratio	**42%**	60%	-18 p.p.
Net Debt/Equity	**50%**	105%	-55 p.p.

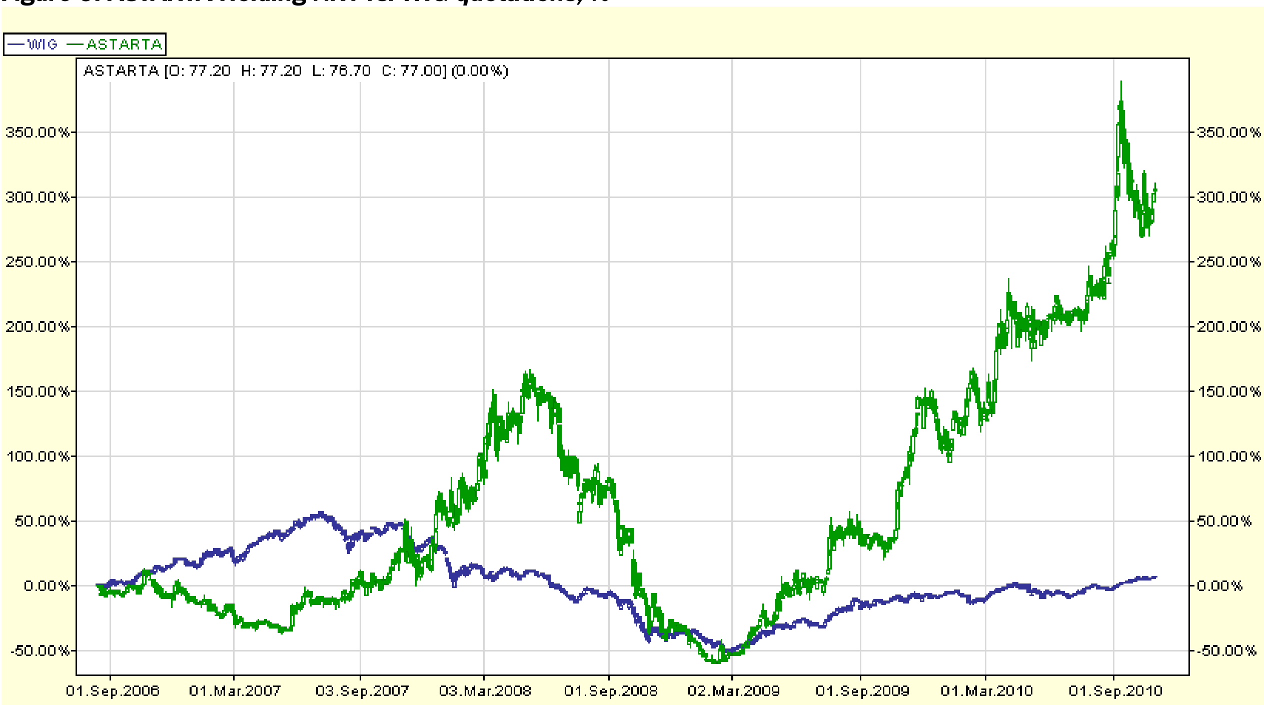
3.5. Basis for preparation of the Condensed Consolidated Interim Financial Statements

These condensed consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

3.6. Share Price Performance of ASTARTA Holding N.V. on the Warsaw Stock Exchange

Following development of ASTARTA assets and their efficiency, favorable trends on the Group's key markets, as well as good expectations of the Group's performance, share price of ASTARTA Holding N.V. has been developing positively in 2010. This year to date, prices for shares of ASTARTA Holding N.V. gained 89%. The monthly turnover of the Company's shares already reached the pre-crisis level. Moreover, ASTARTA shares maintained a positive margin compared to the Warsaw Stock Exchange Index (WIG), outperforming this index. As of November 10, 2010 the closing price was PLN 79.40 (EUR 20.38).

Figure 9. ASTARTA Holding N.V. vs. WIG quotations, %



Source: Warsaw Stock Exchange

Table 4. The Company's significant stock quotation data

	9m 2010	9m 2009
Opening price (PLN)	42.00	11.00
Highest trading price (PLN)	93.00	29.99
Lowest trading price (PLN)	37.10	7.70
Closing price (PLN)	75.40	24.32
Closing price (EUR)	18.91	5.76
Price change, y-t-d (September 30)	+79.5%	+121.1%

4. Material Events during the Reporting Period

4.1. Loan Portfolio Optimization

- On March 2, 2010, Landesbank Baden-Wurttemberg signed a loan agreement to provide financing to Ancor Investments Limited, a subsidiary of ASTARTA Holding N.V. The financing of up to EUR 3,755 thousand expressed in USD was granted to invest into the purchase of agricultural machinery. The financing comprised a secured long-term loan for 5 years with a 6-month grace period.
- On February 22, 2010, Pravex Bank signed loan agreements to provide finance to two of the Group's agricultural subsidiaries. The total amount of these agreements is UAH 30 million granted for working capital needs.
- On April 22, 2010, Wells Fargo HSBC Trade Bank signed a loan agreement to provide financing to Ancor Investments Limited, a subsidiary of ASTARTA Holding N.V. The financing of up to USD 9,789 thousand was granted to invest into the purchase of agricultural machinery. The financing comprised a secured long-term loan for 5 years with a 6-month grace period.
- On May 12, 2010, Index Bank signed loan facility agreements to provide finance to the Group's agricultural subsidiaries. The total amount of these agreements is UAH 120 million granted for working capital needs.
- On July 7, 2010, the European Bank for Reconstruction and Development (EBRD) signed a Loan agreement to provide financing to LLC Firm "Astarta-Kyiv", an indirect subsidiary of ASTARTA Holding N.V. The financing of up to EUR 10 million is granted to further modernize ASTARTA's sugar plants that should result in considerable energy savings of the current energy consumption, mainly natural gas, as well as to construct storage facilities. Productivity increases and cost reductions will bring the ASTARTA's operating performance closer to EU standards. The financing comprises a secured long term loan for 7 years with 18 month grace period, fully guaranteed by ASTARTA Holding N. V. and five material indirect subsidiaries of the company. This is the third EBRD's project with ASTARTA. Two previous loan agreements were signed in 2008 and 2009 for the total amount of USD 40 million.

4.2. Acquisition of Subsidiaries

During the reporting period, the Group was engaged in active expansions of the land bank and agri-production assets. Seven new agricultural companies with the total land bank of more than 10 thousand hectares in long term lease were acquired in 9 months. The Group received a gain of EUR 3,203 thousand on acquisition of these subsidiaries.

- On February 5, 2010, Astarta-Kyiv acquired the corporate rights with 85% stake in the Agricultural Company "Goropayivske" in the Zhytomyr Oblast (administrative region) of Ukraine.
- On March 10, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Company "Zaricha-Agro" in the Vinnytsia Oblast (administrative region) of Ukraine.
- On March 11, 2010, Astarta-Kyiv established subsidiary "Mriya-97 Plus" in the Khmelnytsky Oblast (administrative region) of Ukraine.

- On April 1, 2010, Astarta-Kyiv acquired the corporate rights with 75% stake in the Company “Varovetske” in the Khmelnytsky Oblast (administrative region) of Ukraine. On June 4, 2010, Astarta-Kyiv increased its stake in the Company to 100%.
- On April 2, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Company “AINA” in the Poltava Oblast (administrative region) of Ukraine. After this acquisition, "AINA" was merged to another ASTARTA subsidiary, LLC Agricultural Company "Dobrobut".
- On May, 17, 2010, Astarta-Kyiv acquired the corporate rights with 97.282% stake in the “Kobeliaky Mixed Fodder Plant” in the Poltava Oblast (administrative region) of Ukraine.
- On June 2, 2010, Astarta-Kyiv increased its share in the Agricultural Company “Musiivske” to 88.36%.
- On June 8, 2010, Astarta-Kyiv increased its share in the Agricultural Company “Khmilnitske” to 97.84%.
- On July 23, 2010, Astarta-Kyiv increased its share in the Agricultural Company “Musiivske” to 90.00%.
- On August 18, 2010, Astarta-Kyiv acquired the corporate rights with 75% stake in the Company “named after Ostrovsky” in the Khmelnytsky Oblast (administrative region) of Ukraine.
- On September 21, 2010, Astarta-Kyiv increased its share in the Agricultural Company “Agrocomplex” to 83.813%.
- On September 29, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Agricultural Company “Nadiya” in the Ternopil Oblast (administrative region) of Ukraine.

4.3. Changes in the Shareholder Structure of ASTARTA Holding N.V.

- On April 6, 2010, Aviva Investors Poland SA, an entity involved in the management of investment portfolios governed by Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych SA, Aviva Investors Fundusz Inwestycyjny Otwarty and Aviva Investors Specjalistyczny Fundusz Inwestycyjny Otwarty, increased their interest in the Company to more than 5%. The interest in ASTARTA Holding N.V. changed due to the acquisition of shares of the Company. As of April 6, 2010 the investment funds managed by Aviva Investors Poland SA held a total of 1,287,837 shares of ASTARTA Holding N.V., which constituted 5.15% of the share capital of the Company.
- On September 23, 2010, one of the two majority shareholders of the Company wholly owned by Mr. Valery Korotkov, Chairman of the Board of ASTARTA Holding N.V. sold 1,600,000 shares, each share representing one vote, in the Company, bringing the total shareholding of Aluxes Holding Limited from 8,796,883 shares prior to the sale, to 7,196,883 shares following the transaction, such shareholding, post transaction, being equivalent to 28.79% of total shares outstanding. The shareholding of the other majority shareholder of the Company, Albacon Ventures Limited wholly owned by Mr. Viktor Ivanchyk, CEO of ASTARTA Holding N.V., has not changed and represents 40.19% of total shares outstanding. After this transaction, the total free float of the Company's shares has been increased from 24.62% to 31.02%.

5. Material Events after the Reporting Date

5.1. Marketing Activities

- On October 28, 2010, Astarta-Kyiv signed a purchase and sale agreement for sugar with Ukraine's leading confectionary, Konti. Under this agreement, ASTARTA shall supply 70,000 tons of sugar to Konti confectionary within 12 months. The agreement provides for standard terms and conditions. Konti confectionary has been the Group's largest client in 2010.

5.2. Loan Portfolio Optimization

- On October 7, 2010, Erste Bank signed loan facility agreements to provide finance to the Group's agricultural subsidiaries. The total amount of these agreements is UAH 78 million granted for working capital needs.

5.3. Acquisition of Subsidiaries

- On October 12, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Agricultural Company "Agro-KORS" in the Ternopil Oblast (administrative region) of Ukraine.
- On November 10, 2010, Astarta-Kyiv acquired the corporate rights with 100% stake in the Private Agricultural Company "Nove Zhyttia" in the Poltava Oblast (administrative region) of Ukraine.

6. Shareholders' Structure of ASTARTA Holding N.V.

According to the information available to the Company, as of September 30, 2010, the following shareholders provided information concerning direct or indirect (through subsidiaries) ownership of at least 5% of total votes at the General Shareholders Meeting of ASTARTA Holding N.V.

Table 5. Shareholders' Structure of ASTARTA Holding N.V. as of September 30, 2010

Shareholder	Number of shares	Percentage of owned share capital	Number of votes at the General Meeting	Percentage of votes at the General Meeting
Viktor Ivanchyk through his wholly owned Cypriot company Albacon Ventures Ltd.	10,046,883	40.19	10,046,883	40.19
Valery Korotkov through his wholly owned Cypriot company Aluxes Holding Ltd.	7,196,883	28.79	7,196,883	28.79
Aviva Investors Poland SA	1,287,837	5.15	1,287,837	5.15
Other shareholders	6,468,397	25.87	6,468,397	25.87
TOTAL	**25,000,000**	**100.00**	**25,000,000**	**100.00**

7. Board of Directors

The Board of Directors of ASTARTA Holding N.V. consists of five members: Viktor Ivanchyk (Chief Executive Officer), Petro Rybin (Chief Operating and Financial Officer), Marc van Campen (Chief Corporate Officer), Valery Korotkov (Chairman of the Board, Non-Executive Director), Wladyslaw Bartoszewski (Vice Chairman of the Board, Non-Executive Director, Chairman of the Audit Committee).

Viktor Ivanchyk and Valery Korotkov, as owners of companies in Cyprus, hold indirectly 40.19% and 28.79% of the votes at the General Shareholders Meeting of the Company respectively. In addition, Viktor Ivanchyk and Valery Korotkov each own directly 0.01% of the share capital of Astarta-Kyiv.

The rest of the directors do not own, directly or indirectly, any shares or other securities giving them rights to acquire these shares, either from the date of the Company's registration up to the date of this statement, or after this period.

8. Statement of the Board of Directors

REPRESENTATION
of the Board of Directors

of ASTARTA Holding N.V.

on compliance of the condensed consolidated interim financial statements

The Board of Directors of ASTARTA Holding N.V. hereby represent that to the best of their knowledge the condensed consolidated interim financial statements of ASTARTA Holding N.V. for the period ended 30 September 2010 and the comparable information are prepared in accordance with the applicable accounting standards and that they give a true, fair and clear view of the assets, financial standing and financial results of ASTARTA Holding N.V., and that the interim statement for the nine months ended 30 September 2010 gives a true view of the developments, achievements and situation of the Company, including a description of the key risks and threats.

Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk _____(signed)______

P. Rybin _____(signed)______

M.M.L.J. van Campen _____(signed)______

V. Korotkov _____(signed)______

W.T. Bartoszewski _____(signed)______

11 November 2010,
Amsterdam, The Netherlands

Caution note regarding forward-looking statements

Certain statements contained in this report may constitute forecasts and estimates. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ from the anticipated results expressed or implied by these forward-looking statements.

ASTARTA HOLDING N.V.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2010

These condensed consolidated interim financial statements contain 41 pages

CONTENT

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Ukrainian hryvnias)		**30 September 2010**	**30 June 2010**	**31 December 2009**	**30 September 2009**
		(unaudited)	**(unaudited)**	**(audited)**	**(unaudited)**
Assets					
Non-current assets					
Property, plant and equipment		**1,413,214**	1,314,293	1,219,524	796,168
Intangible assets		**45,051**	46,800	43,455	46,604
Biological assets	*6*	**181,587**	136,142	147,358	56,843
Financial instruments available-for-sale		**14,294**	14,294	846	6,317
Other long-term assets		**19,873**	15,944	8,691	629
Deferred tax assets		**3,098**	7,807	11,759	6,514
		1,677,117	1,535,280	1,431,633	913,075
Current assets					
Inventories	*5*	**872,717**	369,202	767,935	525,052
Biological assets	*6*	**819,700**	882,328	230,758	545,074
Trade accounts receivable		**111,646**	96,377	89,526	91,985
Other accounts receivable and prepayments		**157,609**	141,739	97,088	181,582
Current income tax		**779**	518	415	432
Promissory notes available-for-sale		**644**	4	4	8
Short-term deposits		**5,065**	5,173	-	-
Cash and cash equivalents		**23,871**	12,742	22,313	14,470
		1,992,031	1,508,083	1,208,039	1,358,603
Total assets		**3,669,148**	3,043,363	2,639,672	2,271,678

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Ukrainian hryvnias)	**30 September 2010**	**30 June 2010**	**31 December 2009**	**30 September 2009**
	(unaudited)	**(unaudited)**	**(audited)**	**(unaudited)**
Equity and liabilities				
Equity				
Share capital	**1,663**	1,663	1,663	1,663
Additional paid-in capital	**398,522**	398,446	398,218	399,408
Retained earnings	**1,264,560**	900,153	436,640	339,616
Fair value reserve	**-**	-	-	7,940
Revaluation surplus	**453,157**	456,888	487,814	158,791
Currency translation adjustment	**(5,255)**	48	10,166	11,108
Total equity attributable to equity holders of the company	**2,112,647**	1,757,198	1,334,501	918,526
Minority interests relating to open joint stock companies	**1,175**	1,302	864	892
Total equity	**2,113,822**	1,758,500	1,335,365	919,418
Non-current liabilities				
Loans and borrowings	**726,497**	505,891	606,164	506,183
Minority interests relating to limited liability companies	**71,252**	51,901	39,375	34,671
Other long-term liabilities	**11,566**	9,054	10,018	8,867
Promissory notes issued	**-**	-	-	16,005
Deferred tax liabilities	**85,012**	93,767	86,611	23,372
	894,327	660,613	742,168	589,098
Current liabilities				
Short-term loans and borrowings	**107,315**	88,743	240,993	378,598
Current portion of long-term loans and borrowings	**243,530**	230,027	133,073	91,817
Trade accounts payable	**172,956**	189,818	45,455	156,594
Promissory notes issued	**-**	-	2,400	8,695
Current income tax	**11**	7	-	5
Other liabilities and accounts payable	**137,187**	115,655	140,218	127,453
	660,999	624,250	562,139	763,162
Total equity and liabilities	**3,669,148**	3,043,363	2,639,672	2,271,678

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

(in thousands of Euros)		**30 September 2010**	**30 June 2010**	**31 December 2009**	**30 September 2009**
		(unaudited)	**(unaudited)**	**(audited)**	**(unaudited)**
Assets					
Non-current assets					
Property, plant and equipment		**130,370**	135,739	105,495	65,962
Intangible assets		**4,156**	4,821	3,759	3,861
Biological assets	*6*	**16,752**	14,060	12,747	4,710
Financial instruments available-for-sale		**1,319**	1,476	73	523
Other long-term assets		**1,833**	1,646	752	52
Deferred tax assets		**286**	806	1,017	540
		154,716	158,548	123,843	75,648
Current assets					
Inventories	*5*	**80,509**	38,132	66,429	43,501
Biological assets	*6*	**75,617**	91,125	19,962	45,160
Trade accounts receivable		**10,299**	9,953	7,744	7,621
Other accounts receivable and prepayments		**14,539**	14,639	8,399	15,044
Current income tax		**72**	53	36	36
Promissory notes available-for-sale		**59**	-	-	1
Short-term deposits		**467**	534	-	-
Cash and cash equivalents		**2,202**	1,316	1,930	1,199
		183,764	155,752	104,500	112,562
Total assets		**338,480**	314,300	228,343	188,210

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT, CONTINUED

(in thousands of Euros)	**30 September 2010**	**30 June 2010**	**31 December 2009**	**30 September 2009**
	(unaudited)	**(unaudited)**	**(audited)**	**(unaudited)**
Equity and liabilities				
Equity				
Share capital	**250**	250	250	250
Additional paid-in capital	**58,168**	58,160	58,142	58,284
Retained earnings	**129,659**	94,410	50,243	42,224
Fair value reserve	**-**	-	-	728
Revaluation surplus	**47,112**	47,115	50,309	21,859
Currency translation adjustment	**(40,298)**	(18,466)	(43,507)	(47,244)
Total equity attributable to equity holders of the company	**194,891**	181,469	115,437	76,101
Minority interests relating to open joint stock companies	**108**	134	75	74
Total equity	**194,999**	181,603	115,512	76,175
Non-current liabilities				
Loans and borrowings	**67,020**	52,248	52,436	41,937
Minority interests relating to limited liability companies	**6,573**	5,360	3,406	2,872
Other long-term liabilities	**1,067**	935	867	735
Promissory notes issued	**-**	-	-	1,326
Deferred tax liabilities	**7,842**	9,684	7,492	1,936
	82,502	68,227	64,201	48,806
Current liabilities				
Short-term loans and borrowings	**9,900**	9,165	20,847	31,367
Current portion of long-term loans and borrowings	**22,466**	23,757	11,512	7,607
Trade accounts payable	**15,955**	19,604	3,932	12,974
Promissory notes issued	**-**	-	208	720
Current income tax	**1**	1	-	-
Other liabilities and accounts payable	**12,657**	11,943	12,131	10,561
	60,979	64,470	48,630	63,229
Total equity and liabilities	**338,480**	314,300	228,343	188,210

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER

(in thousands of Ukrainian hryvnias)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues	*7*	**458,020**	340,857
Cost of revenues		**(294,375)**	(220,762)
Gain arising from remeasurement of agricultural produce to fair value		**109,234**	52,132
Gross profit		**272,879**	172,227
Changes in fair value of biological assets	*8*	**163,384**	(51,270)
Other operating income	*9*	**11,153**	14,080
General and administrative expense	*10*	**(30,338)**	(20,672)
Selling and distribution expense	*11*	**(18,514)**	(11,529)
Other operating expense	*12*	**(6,073)**	(4,055)
Profit from operations		**392,491**	98,781
Financial expense	*13*	**(45,108)**	(69,173)
Financial income	*13*	**198**	493
Other income		**8**	1,323
Gain on acquisition of subsidiaries		**9,400**	-
Profit before tax		**356,989**	31,424
Income tax benefit (loss)		**3,644**	(3,679)
Net profit		**360,633**	27,745
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(43)**	(73)
Equity holders of the company		**360,676**	27,818
Net profit		**360,633**	27,745
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)		**14.43**	1.11

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER

(in thousands of Euros)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues	*7*	**44,758**	28,883
Cost of revenues		**(28,766)**	(18,706)
Gain arising from remeasurement of agricultural produce to fair value		**10,674**	4,417
Gross profit		**26,666**	14,594
Changes in fair value of biological assets	*8*	**15,966**	(4,344)
Other operating income	*9*	**1,090**	1,193
General and administrative expense	*10*	**(2,965)**	(1,752)
Selling and distribution expense	*11*	**(1,809)**	(977)
Other operating expense	*12*	**(593)**	(344)
Profit from operations		**38,355**	8,370
Financial expense	*13*	**(4,408)**	(5,862)
Financial income	*13*	**19**	42
Other income		**1**	112
Gain on acquisition of subsidiaries		**919**	-
Profit before tax		**34,886**	2,662
Income tax benefit (loss)		**356**	(312)
Net profit		**35,242**	2,350
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(4)**	(6)
Equity holders of the company		**35,246**	2,356
Net profit		**35,242**	2,350
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)		**1.41**	0.09

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Ukrainian hryvnias)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues		**1,366,166**	839,809
Cost of revenues		**(771,273)**	(570,617)
Gain (loss) arising from remeasurement of agricultural produce to fair value		**71,545**	(9,093)
Gross profit		**666,438**	260,099
Changes in fair value of biological assets		**277,010**	159,189
Other operating income		**73,711**	29,976
General and administrative expense		**(78,684)**	(65,576)
Selling and distribution expense		**(64,322)**	(40,438)
Other operating expense		**(26,560)**	(21,161)
Profit from operations		**847,593**	322,089
Financial expense		**(86,515)**	(99,744)
Financial income		**3,365**	3,013
Other income		**2,792**	1,898
Gain on acquisition of subsidiaries	*4*	**33,465**	1,316
Profit before tax		**800,700**	228,572
Income tax loss		**(7,565)**	(266)
Net profit		**793,135**	228,306
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(128)**	(107)
Equity holders of the company		**793,263**	228,413
Net profit		**793,135**	228,306
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Ukrainian hryvnias)		**31.73**	9.14

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Euros)		**2010 (unaudited)**	**2009 (unaudited)**
Revenues		**130,741**	75,270
Cost of revenues		**(74,014)**	(51,202)
Gain (loss) arising from remeasurement of agricultural produce to fair value		**7,086**	(1,275)
Gross profit		**63,813**	22,793
Changes in fair value of biological assets		**27,105**	15,272
Other operating income		**6,895**	2,674
General and administrative expense		**(7,515)**	(5,925)
Selling and distribution expense		**(6,164)**	(3,666)
Other operating expense		**(2,529)**	(1,933)
Profit from operations		**81,605**	29,215
Financial expense		**(8,389)**	(8,682)
Financial income		**326**	262
Other income		**272**	160
Gain on acquisition of subsidiaries	*4*	**3,203**	122
Profit before tax		**77,017**	21,077
Income tax loss		**(810)**	-
Net profit		**76,207**	21,077
Net profit attributable to:			
Minority interests of open joint stock company subsidiaries		**(12)**	(9)
Equity holders of the company		**76,219**	21,086
Net profit		**76,207**	21,077
Weighted average basic and diluted shares outstanding (in thousands of shares)		**25,000**	25,000
Basic and diluted earnings per share attributable to shareholders of the company (in Euros)		**3.05**	0.84

The condensed consolidated interim income statement is to be read in conjunction with the notes to and forming part of the condensed consolidated financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Ukrainian hryvnias)	**2010 (unaudited)**	**2009 (unaudited)**
Net profit	**793,135**	228,306
Other comprehensive (loss) income		
Currency translation differences	**(15,421)**	21,748
Change in fair value of promissory notes issued	**-**	3,764
Other comprehensive (loss) income net of tax	**(15,421)**	25,512
Total comprehensive income	**777,714**	253,818
Attributable to:		
Minority interests of open joint stock company subsidiaries	**(128)**	3,656
Equity holders of parent company	**777,842**	250,162
Total comprehensive income as at 30 September	**777,714**	253,818

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Euros)	**2010 (unaudited)**	**2009 (unaudited)**
Net profit	**76,207**	21,077
Other comprehensive income (loss)		
Currency translation differences	**3,212**	(4,407)
Change in fair value of promissory notes issued	**-**	357
Other comprehensive income (loss) net of tax	**3,212**	(4,050)
Total comprehensive income	**79,419**	17,027
Attributable to:		
Minority interests of open joint stock company subsidiaries	**(12)**	348
Equity holders of parent company	**79,431**	16,679
Total comprehensive income as at 30 September	**79,419**	17,027

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Ukrainian hryvnias)		**2010**	**2009**
		(unaudited)	**(unaudited)**
Operating activities			
Profit before tax		**800,700**	228,572
Adjustments for:			
Depreciation and amortization		**129,051**	68,854
Allowance for trade and other accounts receivable		**8,605**	2,794
Gain on acquisition of subsidiaries	*4*	**(33,465)**	(1,316)
Loss on sales of property, plant and equipment		**65**	69
Write down of inventories and NRV allowance		**4,220**	2,326
Interest expense		**54,950**	71,550
Gain from changes in fair value of biological assets		**(277,010)**	(159,189)
(Increase) decrease in inventories		**(96,302)**	96,647
Written off assets recovered		**(1,982)**	(734)
Increase in trade and other receivables		**(86,656)**	(114,441)
Minority interests of limited liability company subsidiaries		**27,002**	6,206
Decrease in other long-term assets		**26**	1,508
Increase in biological assets due to other changes		**(330,331)**	(171,023)
Increase in trade and other payables		**105,807**	98,350
(Decrease) increase in other long-term payables		**(1,082)**	185
Gain from promissory note transactions		**-**	(543)
Income taxes paid		**(634)**	(752)
Interest paid		**(46,857)**	(68,229)
Forex (gain) loss on loans and borrowings		**(2,326)**	31,969
Cash flows provided by operating activities		**253,781**	92,803
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		**(291,748)**	(38,269)
Proceeds from sales of property, plant and equipment		**218**	1,868
Purchase of long-term investments		**(13,448)**	(1,185)
(Purchase) sale of promissory notes available-for-sale		**(640)**	2,954
Interest received		**626**	2,470
Acquisition of subsidiaries net of cash acquired	*4*	**(14,106)**	(711)
Short-term deposits (placement) withdrawal		**(5,065)**	49,422
Acquisition from minority shareholders		**-**	(25,214)
Cash flows used in investing activities		**(324,163)**	(8,665)

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER, CONTINUED

(in thousands of Ukrainian hryvnias)	**2010**	**2009**
	(unaudited)	**(unaudited)**
Financing activities		
Proceeds from loans and borrowings	**574,919**	152,741
Principal payments on loans and borrowings	**(486,310)**	(247,767)
Transaction costs on loans and borrowings	**(14,269)**	(1,585)
(Decrease) increase in promissory notes issued	**(2,400)**	16,263
Cash flows provided by (used in) financing activities	**71,940**	(80,348)
Net increase in cash and cash equivalents	**1,558**	3,790
Cash and cash equivalents as at 1 January	**22,313**	10,680
Cash and cash equivalents as at 30 September	**23,871**	14,470

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(in thousands of Euros)		**2010**	**2009**
		(unaudited)	**(unaudited)**
Operating activities			
Profit before tax		**77,017**	21,077
Adjustments for:			
Depreciation and amortization		**12,304**	6,197
Allowance for trade and other accounts receivable		**820**	251
Gain on acquisition of subsidiaries	*4*	**(3,203)**	(122)
Loss on sales of property, plant and equipment		**6**	6
Write down of inventories and NRV allowance		**402**	209
Interest expense		**5,328**	6,228
Gain from changes in fair value of biological assets		**(27,105)**	(15,272)
(Increase) decrease in inventories		**(9,182)**	8,698
Written off assets recovered		**(193)**	(66)
Increase in trade and other receivables		**(8,307)**	(10,300)
Minority interests of limited liability company subsidiaries		**2,618**	559
Decrease in other long-term assets		**3**	136
Increase in biological assets due to other changes		**(30,801)**	(14,448)
Increase in trade and other payables		**10,088**	8,851
(Decrease) increase in other long-term payables		**(103)**	17
Gain from promissory note transactions		**-**	(49)
Income taxes paid		**(61)**	(68)
Interest paid		**(4,468)**	(6,141)
Forex (gain) loss on loans and borrowings		**(222)**	2,877
Cash flows provided by operating activities		**24,941**	8,640
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		**(27,816)**	(3,444)
Proceeds from sales of property, plant and equipment		**21**	168
Purchase of long-term investments		**(1,282)**	(107)
(Purchase) sale of promissory notes available-for-sale		**(61)**	266
Interest received		**61**	215
Acquisition of subsidiaries net of cash acquired	*4*	**(1,350)**	(66)
Short-term deposits (placement) withdrawal		**(467)**	4,095
Acquisition from minority shareholders		**-**	(2,269)
Cash flows used in investing activities		**(30,894)**	(1,142)

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSDOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER, CONTINUED

(in thousands of Euros)	**2010**	**2009**
	(unaudited)	**(unaudited)**
Financing activities		
Proceeds from loans and borrowings	**54,815**	13,747
Principal payments on loans and borrowings	**(46,367)**	(22,300)
Transaction costs on loans and borrowings	**(1,360)**	(143)
(Decrease) increase in promissory notes issued	**(229)**	1,464
Cash flows provided by (used in) financing activities	**6,859**	(7,232)
Net increase in cash and cash equivalents	**906**	266
Cash and cash equivalents as at 1 January	**1,930**	949
Currency translation difference	**(634)**	(16)
Cash and cash equivalents as at 30 September	**2,202**	1,199

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010

	Attributable to equity holders of the company								
(in thousands of Ukrainian hryvnias)	**Share capital (unaudited)**	**Additional paid-in capital (unaudited)**	**Retained earnings (unaudited)**	**Fair value reserve (unaudited)**	**Revaluation surplus (unaudited)**	**Currency translation adjustment (unaudited)**	**Sub - total (unaudited)**	**Minority interests (unaudited)**	**Total equity (unaudited)**
As at 1 January 2010	**1,663**	**398,218**	**436,640**	**-**	**487,814**	**10,166**	**1,334,501**	**864**	**1,335,365**
Net profit	-	-	**793,263**	-	-	-	**793,263**	-	**793,263**
Net loss attributable to minority shareholders of open joint stock companies	-	-	-	-	-	-	-	**(128)**	**(128)**
Other comprehensive loss, net of tax	-	-	-	-	-	**(15,421)**	**(15,421)**	-	**(15,421)**
Total comprehensive income	-	-	**793,263**	-	-	**(15,421)**	**777,842**	**(128)**	**777,714**
Acquisitions from minority shareholders and other changes	-	**658**	-	-	-	-	**658**	**439**	**1,097**
Realisation of revaluation surplus, net of tax	-	-	**34,657**	-	**(34,657)**	-	-	-	-
Other changes		**(354)**					**(354)**	-	**(354)**
As at 30 September 2010	**1,663**	**398,522**	**1,264,560**	**-**	**453,157**	**(5,255)**	**2,112,647**	**1,175**	**2,113,822**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on the pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010

	Attributable to equity holders of the company								
(in thousands of Euros)	**Share capital**	**Additional paid-in capital**	**Retained earnings**	**Fair value reserve**	**Revaluation surplus**	**Currency translation adjustment**	**Sub - total**	**Minority interests**	**Total equity**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
As at 1 January 2010	**250**	**58,142**	**50,243**	**-**	**50,309**	**(43,507)**	**115,437**	**75**	**115,512**
Net profit	**-**	**-**	**76,219**	**-**	**-**	**-**	**76,219**	**-**	**76,219**
Net loss attributable to minority shareholders of open joint stock companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(12)**	**(12)**
Other comprehensive loss, net of tax	**-**	**-**	**-**	**-**	**-**	**3,209**	**3,209**	**3**	**3,212**
Total comprehensive income	**-**	**-**	**76,219**	**-**	**-**	**3,209**	**79,428**	**(9)**	**79,419**
Acquisitions from minority shareholders and other changes	**-**	**63**	**-**	**-**	**-**	**-**	**63**	**42**	**105**
Realisation of revaluation surplus, net of tax	**-**	**-**	**3,197**	**-**	**(3,197)**	**-**	**-**	**-**	**-**
Other changes	**-**	**(37)**	**-**	**-**	**-**	**-**	**(37)**	**-**	**(37)**
As at 30 September 2010	**250**	**58,168**	**129,659**	**-**	**47,112**	**(40,298)**	**194,891**	**108**	**194,999**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on the pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009

	Attributable to equity holders of the company								
(in thousands of Ukrainian hryvnias)	**Share capital**	**Additional paid-in capital**	**Retained earnings**	**Fair value reserve**	**Revaluation surplus**	**Currency translation adjustment**	**Sub - total**	**Minority interests**	**Total equity**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
As at 1 January 2009	**1,663**	**372,042**	**107,955**	**4,176**	**162,039**	**(10,640)**	**637,235**	**10,876**	**648,111**
Net profit	-	-	**228,413**	-	-	-	**228,413**	-	**228,413**
Net loss attributable to minority shareholders of open joint stock companies	-	-	-	-	-	-	-	**(107)**	**(107)**
Other comprehensive income, net of tax	-	-	-	**3,764**	-	**21,748**	**25,512**	-	**25,512**
Total comprehensive income	-	-	**228,413**	**3,764**	-	**21,748**	**253,925**	**(107)**	**253,818**
Acquisitions from minority shareholders and other changes	-	**25,214**	-	-	-	-	**25,214**	**(7,300)**	**17,914**
Realisation of revaluation surplus, net of tax	-	-	**3,248**	-	**(3,248)**	-	-	-	-
Other changes	-	**2,152**	-	-	-	-	**2,152**	**(2,577)**	**(425)**
As at 30 September 2009	**1,663**	**399,408**	**339,616**	**7,940**	**158,791**	**11,108**	**918,526**	**892**	**919,418**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on the pages 20 to 41.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009

	Attributable to equity holders of the company								
(in thousands of Euros)	**Share capital**	**Additional paid-in capital**	**Retained earnings**	**Fair value reserve**	**Revaluation surplus**	**Currency translation adjustment**	**Sub - total**	**Minority interests**	**Total equity**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
As at 1 January 2009	**250**	**55,837**	**20,870**	**371**	**22,127**	**(42,811)**	**56,644**	**967**	**57,611**
Net profit	**-**	**-**	**21,086**	**-**	**-**	**-**	**21,086**	**-**	**21,086**
Net loss attributable to minority shareholders of open joint stock companies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(9)**	**(9)**
Other comprehensive income, net of tax	**-**	**-**	**-**	**357**	**-**	**(4,433)**	**(4,076)**	**26**	**(4,050)**
Total comprehensive income	**-**	**-**	**21,086**	**357**	**-**	**(4,433)**	**17,010**	**17**	**17,027**
Acquisitions from minority shareholders and other changes	**-**	**2,269**	**-**	**-**	**-**	**-**	**2,269**	**(678)**	**1,591**
Realisation of revaluation surplus, net of tax	**-**	**-**	**268**	**-**	**(268)**	**-**	**-**	**-**	**-**
Other changes	**-**	**178**	**-**	**-**	**-**	**-**	**178**	**(232)**	**(54)**
As at 30 September 2009	**250**	**58,284**	**42,224**	**728**	**21,859**	**(47,244)**	**76,101**	**74**	**76,175**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to and forming part of the condensed consolidated interim financial statements set out on the pages 20 to 41.

1 BACKGROUND

(a) Organization and operations

These condensed consolidated interim financial statements are prepared by ASTARTA Holding N.V. (the Company), a Dutch public company incorporated in Amsterdam, the Netherlands, on 9 June 2006 under Dutch law.

The Company's legal address is Koningslaan 17, 1075 AA, Amsterdam, the Netherlands.

On 4 July 2006 the shareholders of the Company contributed their shares in the Cyprus based company Ancor Investments Ltd to ASTARTA Holding N.V. After the contribution, ASTARTA Holding N.V. owns 100% of share capital of Ancor Investment Ltd.

Ancor Investments Ltd owns 99.98% of the capital of LLC Firm "Astarta-Kyiv" (Astarta-Kyiv) registered in Ukraine, which in turn controls a number of subsidiaries in Ukraine (hereinafter the Company and its subsidiaries are collectively referred as the Group).

On 16 August 2006 the Company's shares were admitted for trading on the Warsaw Stock Exchange. The first quotation of the shares on the Warsaw Stock Exchange took place on 17 August 2006.

Historically the principal operation of the Group was sugar production. It specializes in sugar production, crop growing and cattle farming. The croplands, sugar plants and cattle operations are mainly located in the Poltava, Vinnytsia, Ternopyl and Khmelnytsky oblasts (administrative regions) of Ukraine. The Group's business is vertically integrated because sugar is produced primarily using own-grown sugar beet.

Two individual major shareholders own 40.19% and 35.19% of the Group.

(b) Ukrainian business environment

The Ukrainian economy while being of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, insufficient level of liquidity in the capital markets, high inflation and the national currency illiquidity outside of Ukraine. The stability of the Ukrainian economy could be significantly impacted by the Government's policies and actions with regard to administrative, legal, and economic reforms. As a result, operations in Ukraine involve risks that are not typical for developed markets.

The Ukrainian economy is vulnerable to global market downturns and economic slowdowns. The recent global financial crisis has resulted in a decline in the gross domestic product, capital markets instability, and significant deterioration in the liquidity in the banking sector, tighter credit conditions within Ukraine, and significant devaluation of the Ukrainian hryvnia against major currencies. The Ukrainian Government continues to introduce various stabilization measures aimed at supporting the exchange rate and the banking sector. At the same time, the global economic situation may have a significant impact on Ukraine's balance of payments and currency stability. These factors could affect the Group's financial position, results of operations and business prospects.

These condensed consolidated interim financial statements reflect management's current assessment of the possible impact of the Ukrainian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment. The impact of such differences on the operations and the financial position may be significant.

2 BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise to obtain benefits from its activities. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements of the Company from the date that control effectively commences until the date that control effectively ceases.

Associates are those enterprises in which the Company has significant influence, but not control, over its financial and operating policies. The condensed consolidated interim financial statements include the Company’s share of the total recognized gains and losses of an associate on an equity accounted basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases. When the Company’s share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred obligations in respect of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

These condensed consolidated interim financial statements include the Company and its subsidiaries. The operating subsidiaries in Ukraine are owned by Astarta-Kyiv, a Ukrainian limited liability company.

During the nine months ended 30 September 2010 the Company acquired LLC “Goropayivske”, LLC “Zaricha-Agro”, LLC “Varovetske”, LLC “Aina” and LLC “Kobeliatsky combined forage factory”, LLC “named after Ostrovsky” and LLC “Nadiya” (Ternopylskiy region). Subsequent to the acquisition date LLC “Aina” was consolidated into a business unit LLC “Agricultural company “Dobrobut” and LLC “Zaricha-agro” was consolidated into LLC “Khmilnitske”. On 11 March 2010, the Group established the subsidiary LLC “Mria-97 plus” with the authorised share capital amounting to UAH 87 thousand (EUR 8 thousand).

As at 30 September 2010 Astarta Holding N.V. owns shares, directly and indirectly, in a number of subsidiaries and an associate with the following percentage of ownership:

		30 September 2010	**31 December 2009**	**30 September 2009**
Name	**Activity**	**% of ownership**	**% of ownership**	**% of ownership**
Subsidiaries:				
Ancor Investments Ltd	Investment activities	100.00%	100.00%	100.00%
LLC Firm “Astarta-Kyiv”	Asset management	99.98%	99.98%	99.98%
LLC “Agropromtsukor”	Sugar production	-	-	99.98%
LLC “APO “Tsukrovyk Poltavshchyny”	Sugar production	98.53%	98.53%	98.53%
LLC “Agricultural company “Dovzhenko”	Agricultural	96.58%	96.58%	96.58%
LLC “Shyshaki combined forage factory”	Fodder production	82.71%	82.71%	82.71%
LLC “Agricultural company “Dobrobut”	Agricultural	98.08%	98.08%	98.08%
LLC “Agricultural company “Musievske”	Agricultural	89.98%	74.99%	74.99%
Globino canning factory "Globus”	Canning production, trade	99.98%	99.98%	99.98%
LLC “Dobrobut” (Novo-Sanzharskiy region)	Agricultural	99.98%	99.88%	-
LLC “Agricultural Company “Agro-Maiak”	Agricultural	-	97.98%	97.98%
OJSC “Agricultural Company “Agrocomplex”	Agricultural	83.80%	81.24%	81.24%
OJSC “Agricultural Company “Zhdanivske”	Agricultural	97.97%	97.97%	97.97%
LLC “Investment company “Poltavazernoproduct”	Agricultural	98.33%	98.33%	97.98%

Name	Activity	30 September 2010 % of ownership	31 December 2009 % of ownership	30 September 2009 % of ownership
Subsidiaries:				
LLC “List-Ruchky”	Agricultural	74.99%	74.99%	74.99%
LLC "Agropromgaz"	Trade	89.98%	89.98%	89.98%
LLC “Khmilnitske”	Agricultural	97.82%	97.08%	97.08%
LLC “Volochysk-Agro”	Agricultural	92.02%	92.01%	92.01%
SC “Tsukrovyk Podillya”	Sugar production	99.98%	99.98%	99.98%
SC “Agricultural company “Ridny kray”	Agricultural	-	99.98%	99.98%
LLC “Ukraine-Brataliv”	Agricultural	-	95.98%	74.99%
SC “Agricultural company “Lubenska Zoria”	Agricultural	-	99.98%	99.98%
LLC “Victoriya”	Agricultural	93.11%	93.11%	93.11%
Private Company “Zaluchanske-1”	Agricultural	-	99.98%	-
LLC “Agricultural Company “Mirgorodska”	Agricultural	89.98%	89.98%	-
LLC “Astarta-trade”	Trade	94.98%	94.98%	-
LLC “Goropayivske”	Agricultural	84.98%	-	-
LLC “Mria-97 plus”	Agricultural	74.99%	-	-
LLC “Varovetske”	Agricultural	99.98%	-	-
LLC “Kobeliatsky combined forage factory”	Fodder production	97.26%	-	-
OJSC “named after Ostrovskiy”	Agricultural	74.99%	-	-
OJSC “Nadiya”	Agricultural	99.98%	-	-
Associate:				
LLC “Agricultural company “Pokrovska”	Agricultural	49.99%	49.99%	49.99%

Ancor Investments LTD is incorporated under Cyprus legislation and all other subsidiaries and the associate are incorporated in Ukraine.

(c) Acquisition and disposal of minority interests presented in equity

Any difference between the consideration paid to acquire minority interests or any difference between the consideration received upon disposal of minority interests and the carrying amount of that portion of the Group’s interest in the subsidiary, is recognized as an increase (or decrease) in shareholders’ equity, so long as the Company controls the subsidiary. The presentation of minority interests within equity supports the recognition of increases and decreases in ownership interests in subsidiaries without a change in control as equity transactions in the condensed consolidated interim financial statements. Accordingly, any premiums or discounts on subsequent purchases of equity instruments from (or sales of equity instruments to) minority interests are recognized directly in shareholders’ equity.

(d) Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized gains arising from intercompany transactions, are eliminated in preparing the condensed consolidated interim financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group’s interest in the enterprise. Unrealized gains resulting from transactions with associates are eliminated against the investment in the associate. Unrealized losses are eliminated in the same way as unrealized gains except that they are only eliminated to the extent that there is no evidence of impairment.

(e) Basis of accounting

The condensed consolidated interim financial statements are prepared using the fair value basis for property, biological assets, agricultural produce and promissory notes available-for-sale. Biological assets are stated at their fair value less estimated costs to sell, whereas agricultural produce is stated at its fair value less estimated costs to sell at the point of harvest. Promissory notes available-for-sale are stated at fair value. As from 31 December 2007 property (buildings) is carried at fair value as determined by independent appraisal. Promissory notes issued are stated at amortized cost. All other assets and liabilities are carried at historical cost.

(f) Minority interest participants

Substantially all of the Company's subsidiaries are Ukrainian limited liability companies. Under Ukrainian law, a participant in a limited liability company may unilaterally withdraw from the company. In such case, the company is obliged to pay the withdrawing participant’s share of the net assets of the company not less than 12 months from the date of the withdrawal. Consequently, minority interests in limited liability companies that are subsidiaries are recognized as a non-current liability. Limited liability company minority interest share in the net profit/loss is recorded as a finance expense.

Since a participant in an open joint stock company may not withdraw his share in a company, the corresponding minority interests are recognized in equity.

(g) Functional and presentation currency

The functional currency of the Company is Euro (EUR). The operating subsidiaries and the associate in Ukraine have the Ukrainian hryvnia (UAH) as their functional currency. For the benefits of principal users, the management chose to present the condensed consolidated interim financial statements in two currencies, EUR and UAH.

For the purposes of presenting condensed consolidated interim financial statements, assets and liabilities are translated for companies operating in Ukraine from UAH to EUR, for the Company from EUR to UAH using the closing rates at each statement of financial position date, and income and expenses are translated at the average rates for each respective period. The Group uses the interbank foreign exchange rates since the Group expects to settle foreign currency transactions at these rates. The resulting translation differences are recognized in equity.

(h) Critical accounting estimates and judgments in applying accounting policies

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Although these estimates are based on management’s best knowledge of current events and actions, actual results ultimately may differ from these estimates. The most significant estimates and assumptions are as follows:

Impairment of trade accounts receivable

Management estimates impairment by assessing the likelihood of the collection of trade accounts receivable based on an analysis of individual accounts. Factors taken into consideration when assessing individual accounts include an ageing analysis of trade accounts receivable in comparison with the credit terms provided to customers, the financial position and collection history with the customer.

Fair value of property

As at 31 December 2007 management adopted the revaluation model of accounting for property (buildings). Under this method, property is carried at fair value less any subsequent accumulated depreciation and impairment losses. As buildings in the sugar production, agricultural and cattle-farming businesses are specialized and rarely sold except as part of a continuing business; they are valued using the depreciated replacement cost approach. The administrative building of LLC Firm “Astarta-Kiev” is valued using the market approach. Estimating the fair value of property requires the exercise of judgment and the use of assumptions. Prior to 31 December 2007 property was stated at cost less accumulated depreciation and impairment losses. Buildings were not subject to revaluation in 2008 due to insignificant changes in fair value based on management estimations. Management engaged external independent appraisers to estimate the fair value of buildings, machines and equipment as at 31 December 2009 due to significant changes in fair value. Machines and equipment are carried at fair value less any subsequent accumulated depreciation and impairment losses and are valued using the market approach.

Fair value of biological assets

Due to the lack of an active market as defined by International Financial Reporting Standard IAS 41 *Agriculture*, the fair value of biological assets is estimated by present valuing the net cash flows expected to be generated from the assets discounted at a current market-determined pre-tax rate. The discount rate is based on the average cost of capital for the Group in Ukraine effective at the reporting date. The fair value is then reduced for estimated costs to sell.

Fair value of agricultural produce

Management estimates the fair value of agricultural produce by reference to quoted prices in an active market, as defined by International Financial Reporting Standard IAS 41. In addition, costs to sell at the point of harvest are estimated and deducted from the fair value. The fair value less costs to sell becomes the carrying value of inventories at that date.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3 SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are applied in the preparation of the condensed consolidated interim financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to the functional currency at the foreign exchange rate ruling at that date. Non monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined. Foreign exchange differences arising on translation are recognised in statement of comprehensive income.

The principal UAH exchange rates used in the preparation of the condensed consolidated interim financial statements are as follows:

Currency	Average reporting period rate		Reporting date rate	
	2010	**2009**	**2010**	**2009**
EUR	**10.4883**	11.1107	**10.8400**	12.0700
USD	**7.9489**	8.0576	**7.9430**	8.2400

As at the date of these condensed consolidated interim financial statements, 11 November 2010, the average interbank exchange rate is UAH 7.9650 to USD 1.000 and UAH 11.1300 to EUR 1.000.

(b) Property, plant and equipment

Owned assets

As at 30 September 2010 buildings held for production, selling and distribution or administrative purposes, machines and equipment are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. At the date of the revaluation accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Prior to 31 December 2007, property was stated at cost less accumulated depreciation and impairment losses. Management adopted the revaluation model for property because the carrying value differed significantly from the fair value. As at 31 December 2009 revaluations were carried out by independent appraisers and will be performed frequently enough to ensure that the fair value of a revaluated asset does not differ materially from its carrying amount at the statement of financial position date.

A revaluation increase on property is recognized directly in equity, except to the extent that it reverses a previous revaluation decrease recognized in the income statement. A revaluation decrease on property is recognized in the income statement, except to the extent that it reverses a previous revaluation increase recognized directly in equity.

Upon disposal, any revaluation reserve relating to the building being sold is transferred to retained earnings.

The Group elected to use a fair value as a deemed cost as of the date of transition to IFRS. Items of property, plant and equipment, other than buildings, machines and equipment, acquired before 1 January 2003 are stated at deemed cost less subsequent accumulated depreciation and impairment losses. Deemed cost is based on the fair values of property, plant and equipment, other than buildings, machines and equipment as at 1 January 2003 based on an independent appraisal. Items of property, plant and equipment, other than buildings, machines and equipment, acquired on or after 1 January 2003 are stated at cost less accumulated depreciation and impairment losses.

Uninstalled equipment comprises costs directly related to construction of property, plant and equipment including an appropriate allocation of directly attributable variable overheads that are incurred in construction. Uninstalled equipment is not depreciated.

Construction is a tripartite building that does not have a roof, a foundation or a wall. Constructions are mainly used in agriculture and sugar production and are presented by hangars, silos, stockpile sites and grain dryings.

The gain or loss arising on a sale or disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

Depreciation methods, useful lives and residual values are reviewed at each reporting date. The effect of any changes from previous estimates is accounted for as a change in an accounting estimate.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Property and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, is capitalized and the carrying amount of the component replaced is written off. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the income statement as expenses as incurred.

Depreciation and amortization

Depreciation on property, plant and equipment is charged to the income statement on a straight-line basis over the estimated useful lives of the individual assets. Depreciation on revalued assets is charged to the income statement. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

The depreciable amount of assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation commences on the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land and assets under construction are not depreciated.

Amortization on land lease rights is charged to the income statement on a straight-line basis over the operating lease agreements contract time that typically run for an initial period of 5 to 10 years.

The estimated useful lives are as follows:

Buildings	50 years
Constructions	50 years
Machines and equipment	20 years
Vehicles	10 years
Other fixed assets	5 years

(c) Intangible assets

Intangible assets, which are acquired by the Group and which have finite useful lives, consist mainly from land lease rights and computer software.

For business combinations the fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Fair value is valued using the market approach. Management commissioned an independent appraiser to determine the fair value of the land lease rights. Non-cancellable operating lease agreements typically run for an initial period of 5 to 10 years. As such, the land lease rights are amortized over 5 to 10 years on a straight line basis. The amortization expense is recognized in the income statement in the expense category consistent with the function of intangible asset.

Software is stated at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement in the expense category consistent with the function of intangible asset on a straight-line basis over the estimated useful lives, normally 4 years.

The amortization period and the amortization method for intangible asset with a finite useful life is reviewed at least at each year end.

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative, it is recognized immediately in the income statement.

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of exchange. The carrying value of net assets of earlier acquisitions is revalued with the adjustment recognized in equity.

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment.

(d) Biological assets

The Group classifies livestock (primarily cattle) and crops as biological assets. Biological assets are carried at their fair value less estimated costs to sell, except when the fair value cannot be measured reliably. If fair value cannot be measured reliably, biological assets are carried at cost less accumulated depreciation and accumulated impairment losses. Costs to sell include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of a biological asset is included in net profit or loss for the period in which it arises.

The Group classifies biological assets as current or non-current depending upon the average useful life of the particular group of biological assets.

(e) Agricultural produce

The Group classifies crops as agricultural produce. Agricultural produce harvested from biological assets is measured at its fair value less estimated costs to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less estimated costs to sell is included in net profit or loss for the period in which it arises. After harvesting agricultural produce is transferred to inventories.

(f) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of raw materials at the agricultural and sugar production facilities is determined using the weighted average method including costs incurred in bringing them to their existing location and condition, such as transportation.

Work in progress and finished goods are stated at cost. Cost includes the cost of raw materials, labor and manufacturing overheads allocated proportionately to the stage of completion of the inventory.

Investments into future crops represent seeds, fertilizers and land cultivation to prepare for the subsequent growing season and are stated at cost.

(g) Income tax

In accordance with the Law of Ukraine "On the Fixed Agricultural Tax", dated 17 December 1998, as amended (the Law on Fixed Agricultural Tax), agricultural companies engaged in the production, processing and sale of agricultural products may choose to be registered as payers of fixed agricultural tax (FAT), provided that their sales of agricultural goods of their own production account for more than 75% of their gross revenues.

FAT is paid in lieu of corporate income tax, land tax, duties for special use of water objects, municipal tax, duties for geological survey works and duties for trade patents. The amount of FAT payable is calculated as a percentage of the deemed value of all land plots (determined by the state) leased or owned by a taxpayer.

As at 30 September 2010 14 subsidiaries elected to pay FAT in lieu of other taxes in 2010 and 13 in 2009. The remaining companies are subject to income taxes at a 25% rate.

For these companies, income tax on the profit or loss comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income, using tax rates enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the statement of financial position date. No deferred tax is recognized for companies that are involved in the agricultural business and that are exempt from income taxes until 1 January 2011 as management believes it is likely that this exemption will be extended as has historically been the case.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4 BUSINESS COMBINATIONS

During the nine months ended 30 September 2010, the Group completed acquisitions of two entities. The purchase consideration consisted only of cash, and the direct costs related to the acquisition are not significant.

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of acquisition
LLC "Goropayivske"	Ukraine	Agricultural	11.02.2010	84.98%
LLC "Zaricha-agro"	Ukraine	Agricultural	10.03.2010	99.98%
LLC "Varovetske"	Ukraine	Agricultural	01.04.2010	74.99%
LLC "Aina"	Ukraine	Agricultural	02.04.2010	99.98%
LLC "Kobeliatsky combined forage factory"	Ukraine	Fodder production	17.05.2010	97.26%
LLC "named after Ostrovsky"	Ukraine	Agricultural	18.08.2010	74.99%
LLC "Nadiya" (Ternopylskiy region)	Ukraine	Agricultural	29.09.2010	99.98%

The fair value of land lease rights acquired is recognized as part of the identifiable intangible assets at the date of acquisition. Management commissioned an independent appraiser to determine the fair value of the land lease rights. As LLC "Aina" was consolidated into a business unit LLC "Agricultural company "Dobrobut" and LLC "Zaricha-agro" into LLC "Khmilnitske" subsequent to the acquisition date it is impossible to estimate financial results incurred by the acquired companies from the date of acquisition. From the date of acquisition the net loss incurred by LLC "Goropayivske", LLC "Varovetske" and LLC "Kobeliatsky combined forage factory", LLC "named after Ostrovsky", LLC "Nadiya" (Ternopylskiy region) amounted to UAH 4,653 thousand (EUR 444 thousand). The acquisition of the companies had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired:

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias)	*(in thousands of Euros)*
Non-current assets		
Property, plant and equipment	**26,917**	**2,576**
Construction in progress	**455**	**44**
Non-current biological assets	**5,219**	**500**
Intangible and other non-current assets	**13,366**	**1,279**
Current assets		
Inventories	**10,718**	**1,026**
Current biological assets	**10,611**	**1,016**
Trade accounts receivable	**18**	**2**
Other accounts receivable and prepayments	**1,876**	**180**
Cash and cash equivalents	**211**	**20**
Non-current liabilities		
Long-term loans and borrowings	**(738)**	**(71)**
Other long-term liabilities	**(2,630)**	**(252)**
Current liabilities		
Short-term loans and borrowings	**(2,179)**	**(209)**
Trade accounts payable	**(884)**	**(85)**
Other liabilities and accounts payable	**(9,206)**	**(881)**
Minority interest acquired	**(5,972)**	**(572)**
Net identifiable assets, liabilities and contingent liabilities	**47,782**	**4,573**
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	**33,465**	**3,203**
Consideration paid	**(14,317)**	**(1,370)**
Cash acquired	**211**	**20**
Net cash outflow	**(14,106)**	**(1,350)**

During the nine months ended 30 September 2009, the Group completed acquisitions of one entity. The purchase consideration consisted only of cash, and the direct costs related to the acquisition are not significant.

Name	Country of incorporation	Activity	Date of acquisition	% of ownership as at the date of aquisition
PC "Bilogirsky Sokyl"	Ukraine	Agricultural	18.02.2009	99.98%

The acquisition of the company had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired:

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias) **(unaudited)**	*(in thousands of Euros)* **(unaudited)**
Non-current assets		
Intangible asset	1,990	184
Current assets		
Inventories	374	35
Current biological assets	175	16
Cash and cash equivalents	5	-
Current liabilities		
Trade accounts payable	(347)	(32)
Other liabilities and accounts payable	(165)	(15)
Net identifiable assets, liabilities and contingent liabilities	2,032	188
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	1,316	122
Consideration paid	(716)	(66)
Cash acquired	5	-
Net cash outflow	(711)	(66)

As PC "Bilogirsky Sokyl" was consolidated into a business unit LLC "Volochysk-Agro" subsequent to the acquisition date it is impossible to estimate financial results incurred by the acquired company from the date of acquisition.

It is not practicable to determine what would be the total revenue and net profit for the nine months ended 30 September 2010 had the acquisitions occurred on 1 January 2010 in accordance with IFRS because the acquired companies' financial statements were prepared only in accordance with Ukrainian National Accounting Standards, which are different from IFRSs.

The excess of net assets acquired over the consideration paid is recognized in the income statement as a gain on acquisition of subsidiaries. This gain arises because the fair value of the acquired non-monetary assets exceeds the amount paid for those assets. This situation is due to the significant risks involved in agricultural business in Ukraine, the lack of financial resources in the acquired companies which prevents them from efficient use of their assets, and a lack of interested buyers.

Because modern agriculture just commenced its development in Ukraine, there is a lack of buyers who are interested in acquiring existing agri-businesses. In addition, the shareholder base of these agri-businesses is, as a rule, significantly fragmented among local residents, who agree to sell their shares cheaply.

It is important to note that often some of the assets in the companies acquired were idle for a number of years prior to acquisition. Therefore, these assets had little value to existing owners, while their fair value is much higher.

Thus, the management is in the position to acquire agri-businesses at prices lower than the fair value of the net assets acquired. Usually the fair value of the property, plant and equipment alone exceeded the purchase price.

5 INVENTORIES

Inventories are as follows:

(in thousands of Ukrainian hryvnias)	**30 September 2010 (unaudited)**	**31 December 2009 (audited)**	**30 September 2009 (unaudited)**
Finished goods:			
Sugar production	**127,675**	412,384	83,546
Sugar beet	**30,273**	1,315	15,740
Agricultural produce	**331,111**	158,478	212,451
Cattle farming	**7,889**	7,014	7,650
Other production	**2,276**	1,517	1,827
Raw materials and consumables for:			
Sugar production	**144,116**	10,562	69,963
Agricultural produce	**86,361**	33,115	69,827
Cattle farming	**27,848**	14,765	20,606
Other production	**317**	674	1,203
Investments into future crops	**114,851**	128,111	42,819
NRV allowance	**-**	-	(580)
	872,717	767,935	525,052

(in thousands of Euros)	**30 September 2010 (unaudited)**	**31 December 2009 (audited)**	**30 September 2009 (unaudited)**
Finished goods:			
Sugar production	**11,778**	35,673	6,922
Sugar beet	**2,793**	114	1,304
Agricultural produce	**30,545**	13,709	17,602
Cattle farming	**728**	607	634
Other production	**210**	129	151
Raw materials and consumables for:			
Sugar production	**13,295**	914	5,796
Agricultural produce	**7,967**	2,865	5,785
Cattle farming	**2,569**	1,278	1,707
Other production	**29**	58	100
Investments into future crops	**10,595**	11,082	3,548
NRV allowance	**-**	-	(48)
	80,509	66,429	43,501

6 BIOLOGICAL ASSETS

Non-current cattle are represented by dairy livestock with an average yearly lactation period of nine months. Current cattle comprise immature cattle and cattle intended for sale. Other biological assets mainly represent pigs, horses and sheep.

To estimate the fair value of biological assets, a valuation, which conforms to International Valuation Standards, was developed by an independent appraiser fair value is estimated as the present value of the net cash flows expected to be generated from biological assets discounted at a current market discount rate.

Fair values of biological assets were based on the following key assumptions:

- crops revenue is projected based on the expected volume of harvested grains and oilseeds. For dairy cattle revenue is projected based on the expected milk produced during their productive life after the reporting date and expected volume of meat at the date of slaughter
- the average productive life of a cow is determined based on internal statistical information
- prices for grains, oilseeds, milk and meat are obtained from market resources as at the end of the reporting period
- production and costs to sell are projected based on actual operating costs
- the growth in sales prices as well as in production and costs to sell is assumed to be in line with forecasted consumer price index in Ukraine
- a pre-tax discount rate of 17.74% (2009: 20.48%) is applied in determining fair value of biological assets. The discount rate is based on the average cost of capital for the Group in Ukraine effective at the reporting date.

The key assumptions represent management's assessment of future trends in agriculture and cattle farming business and are based on both external and internal sources of data.

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Biological assets comprise the following groups:

(in thousands of Ukrainian hryvnias)	**30 September 2010**		**31 December 2009**		**30 September 2009**	
	Units	**Amount (unaudited)**	**Units**	**Amount (audited)**	**Units**	**Amount (unaudited)**
Non-current biological assets:						
Cattle	**9,149**	**179,405**	8,347	145,438	6,968	55,046
Other livestock		**2,182**		1,920		1,797
		181,587		147,358		56,843
Current biological assets:						
Cattle	**12,657**	**208,512**	12,148	105,875	12,798	46,963
Other livestock		**2,492**		2,304		2,223
		211,004		108,179		49,186
Crops:	**Hectares**		**Hectares**		**Hectares**	
Sugar beet	**21,799**	**274,927**	-	-	25,888	339,976
Wheat	**30,150**	**180,060**	33,655	107,437	26,373	64,836
Corn	**15,981**	**120,616**	328	2,164	12,135	68,688
Sunflower	**2,858**	**18,146**	-	-	1,183	4,305
Soy	**4,367**	**11,097**	-	-	5,011	14,745
Rye	**725**	**1,673**	769	974	320	232
Barley	**374**	**1,158**	3,538	12,004	2,148	3,106
Buckwheat	**130**	**650**	-	-	-	-
Peas	**40**	**324**	-	-	-	-
Oats	**20**	**45**	-	-	-	-
	76,444	**608,696**	38,290	122,579	73,058	495,888
		819,700		230,758		545,074
Total biological assets		**1,001,287**		378,116		601,917

(in thousands of Euros)	**30 September 2010**		**31 December 2009**		**30 September 2009**	
	Units	**Amount (unaudited)**	**Units**	**Amount (audited)**	**Units**	**Amount (unaudited)**
Non-current biological assets:						
Cattle	**9,149**	**16,550**	8,347	12,581	6,968	4,561
Other livestock		**202**		166		149
		16,752		12,747		4,710
Current biological assets:						
Cattle	**12,657**	**19,234**	12,148	9,159	12,798	3,891
Other livestock		**230**		199		184
		19,464		9,358		4,075
Crops:	**Hectares**		**Hectares**		**Hectares**	
Sugar beet	**21,799**	**25,362**	-	-	25,888	28,167
Wheat	**30,150**	**16,611**	33,655	9,295	26,373	5,372
Corn	**15,981**	**11,127**	328	187	12,135	5,691
Sunflower	**2,858**	**1,673**	-	-	1,183	357
Soy	**4,367**	**1,024**	-	-	5,011	1,222
Rye	**725**	**154**	769	84	320	19
Barley	**374**	**107**	3,538	1,038	2,148	257
Buckwheat	**130**	**60**	-	-	-	-
Peas	**40**	**30**	-	-	-	-
Oats	**20**	**5**	-	-	-	-
	76,444	**56,153**	38,290	10,604	73,058	41,085
		75,617		19,962		45,160
Total biological assets		**92,369**		32,709		49,870

7 REVENUES

Revenues for the three months ended 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		_(in thousands of Euros)_	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Sugar and related sales:				
Sugar	**329,492**	194,582	**32,198**	16,488
Molasses	**6,470**	9,986	**632**	846
Pulp	**589**	597	**58**	51
Other sugar related sales	**12,578**	5,556	**1,229**	471
	349,129	210,721	**34,117**	17,856
Crops	**58,996**	102,412	**5,765**	8,678
Cattle farming	**43,033**	22,212	**4,205**	1,882
Other sales	**6,862**	5,512	**671**	467
	108,891	130,136	**10,641**	11,027
	458,020	340,857	**44,758**	28,883

8 CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS

Changes in fair value of biological assets represent increase (decrease) in the statement of financial position amount of livestock and crops as compared with amounts at the beginning of the year. Increases (decreases) in fair value of biological assets for the three months ended 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		_(in thousands of Euros)_	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Non-current livestock	**39,803**	(4,543)	**3,890**	(385)
Current livestock	**105,048**	(5,552)	**10,265**	(470)
Crops	**18,533**	(41,175)	**1,811**	(3,489)
	163,384	(51,270)	**15,966**	(4,344)

9 OTHER OPERATING INCOME

Other operating income for the three months ended 30 September is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Government subsidies relating to:				
VAT	**6,478**	8,302	**633**	703
Cattle farming	**4,165**	2,841	**407**	241
Crop production	**-**	2,011	**-**	170
Interest and financing costs	-	739	-	63
Other operating income	**510**	187	**50**	16
	11,153	14,080	**1,090**	1,193

10 GENERAL AND ADMINISTRATIVE EXPENSE

General and administrative expense for the three months ended 30 September is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010 (unaudited)	**2009 (unaudited)**	**2010 (unaudited)**	**2009 (unaudited)**
Salary and related charges	**14,093**	11,579	**1,377**	981
Depreciation	**7,554**	2,649	**738**	224
Professional services	**1,798**	1,019	**176**	86
Taxes other than corporate income tax	**1,729**	1,004	**169**	85
Fuel and other materials	**1,118**	1,544	**109**	131
Insurance	**924**	10	**90**	1
Communication	**698**	584	**68**	49
Maintenance	**539**	548	**53**	46
Office expenses	**425**	52	**42**	4
Rent	**200**	317	**20**	27
Transportation	**163**	241	**16**	20
Other services	**505**	657	**49**	57
Other general and administrative expense	**592**	468	**58**	41
	30,338	20,672	**2,965**	1,752

11 SELLING AND DISTRIBUTION EXPENSE

Selling and distribution expense for the three months ended 30 September is as follows:

	(in thousands of Ukrainian hryvnias)		_(in thousands of Euros)_	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Transportation	**4,847**	7,258	**474**	615
Salary and related charges	**3,926**	2,200	**384**	186
Allowance for trade and other accounts receivable	**3,277**	(1,233)	**320**	(104)
Fuel and other materials	**2,386**	1,412	**233**	120
Professional services	**1,856**	577	**181**	49
Storage and logistics	**1,080**	176	**106**	15
Commissions	**69**	110	**7**	9
Advertising	**52**	5	**5**	-
Depreciation	**31**	29	**3**	2
Other services	**690**	606	**67**	52
Other selling and distribution expense	**300**	389	**29**	33
	18,514	11,529	**1,809**	977

12 OTHER OPERATING EXPENSE

Other operating expense for the three months ended 30 September is as follows:

	(in thousands of Ukrainian hryvnias)		_(in thousands of Euros)_	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Charity and social expenses	**2,651**	933	**259**	79
Penalties paid	**2,505**	831	**245**	70
Inventory written off	**1,571**	1,454	**153**	123
Fixed assets written off	**1,126**	(856)	**110**	(73)
Other salary and related charges	**628**	522	**61**	44
Depreciation	**227**	202	**22**	17
Representative expenses	**163**	89	**16**	8
Canteen expenses	**63**	389	**6**	33
VAT recovered	**(3,640)**	(273)	**(355)**	(23)
Other operating expenses	**779**	764	**76**	66
	6,073	4,055	**593**	344

13 FINANCIAL (EXPENSE) INCOME

Financial (expense) income for the three months ended 30 September is as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Financial expense				
Interest expense	**(18,741)**	(23,307)	**(1,832)**	(1,975)
Net profit (loss) attributable to minority interests of limited liability company subsidiaries	**(16,779)**	1,480	**(1,640)**	125
Foreign currency exchange loss	**(7,455)**	(45,467)	**(729)**	(3,853)
Other financial expense	**(2,133)**	(1,879)	**(207)**	(159)
	(45,108)	(69,173)	**(4,408)**	(5,862)
Financial income				
Interest income	**198**	56	**19**	5
Gain from promissory note transactions	**-**	437	**-**	37
	198	493	**19**	42

14 RELATED PARTY TRANSACTIONS

The Group performs transactions with related parties in the ordinary course of business. Related parties comprise the Group associate, the shareholders, companies that are under common control of the Group's controlling owners, key management personnel and their close family members, and companies that are controlled or significantly influenced by shareholders. Prices for related party transactions are determined on an ongoing basis. The terms of some related party transactions may differ from market terms.

Balances and transactions with related parties, which are with companies under significant influence of the Group and the associate are shown at their carrying value and are as follows:

(a) Revenues

Sales to related parties outside the condensed consolidated Group for the three months ended 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Companies under common control:				
Agriculture produce	**1,315**	7,276	**129**	617
Services	**5**	-	**1**	-
Other	**-**	6	**-**	1
	1,320	7,282	**130**	618
Associate:				
Consumables for agricultural produce	**420**	-	**41**	-
Other	**31**	-	**3**	-
	451	-	**44**	-
	1,771	7,282	**174**	618

(b) Purchases

Purchases for the three months ended 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Companies under common control:				
Services	**37**	32	**4**	3
Fixed assets	**-**	1,233	**-**	104
Agriculture produce	**-**	952	**-**	81
Other	**-**	8	**-**	1
	37	2,225	**4**	189
Associate:				
Agriculture produce	**1,473**	-	**144**	-
Sugar and by-products	**-**	3,108	**-**	263
	1,473	3,108	**144**	**263**
	1,510	5,333	**148**	452

(c) Receivables

Receivables from related parties as at 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Trade accounts receivable	**5,986**	5,095	**552**	422
Advances made	**4**	213	**-**	18
Other receivables	**216**	216	**20**	18
	6,206	5,524	**572**	458
Associate:				
Trade accounts receivable	**257**	-	**24**	-
	6,463	5,524	**596**	458

There is no contractual maturity for the receivables from related parties. Balances are unsecured. No provision for doubtful debts is created on these balances as at 30 September 2010 and 2009.

(d) Payables

Payables to related parties as at 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Advances received	**4,009**	2,338	**370**	194
Trade accounts payable	**93**	1,080	**9**	89
Other payables	**147**	952	**14**	79
	4,249	4,370	**393**	362
Associate:				
Trade accounts payable	**2,512**	3,792	**232**	314
	6,761	8,162	**625**	676

(e) Loans and borrowings

Loans and borrowings from related parties as at 30 September are as follows:

	(in thousands of Ukrainian hryvnias)		*(in thousands of Euros)*	
	2010	**2009**	**2010**	**2009**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Loans and borrowings	-	166	-	14

15 EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

Loan Portfolio Optimization

On 7 October 2010 the Erste Bank signed loan facility agreements in amount of UAH 78,000 thousand granted for the Group's working capital needs.

Acquisitions

On 12 October 2010 the Group acquired the following agricultural company incorporated in Ukraine:

Name	**Country of incorporation**	**Activity**	**Date of acquisition**	**% of ownership as at the date of aquisition**	**Consideration paid, thousands of**	
					Ukrainian hryvnias	Euros
SC "APC Agro-Kors"	Ukraine	Agricultural	12.10.2010	99.98%	2,200	203

The purchase consideration consisted only of cash, and the direct costs related to this acquisition are not significant.

The disclosure of amounts recognised at the acquisition date for each class of the acquiree's assets, liabilities and contingent liabilities and carrying amounts of each of those classes immediately before the combination is impracticable. This is due to the fact that the acquired agri-business maintains its books based on Ukrainian Accounting Standards, which are different from IFRS. For the same reason it is not practicable to determine the total revenue and net profit incurred by the acquired company from the date of acquisition.

The disclosure of amount of the acquiree's profit or loss recognised since the acquisition was not available as at the time these condensed consolidated interim financial statements as at and for the nine months ended 30 September 2010 were made public 11 November 2010, because assessment of the fair value of the acquired assets and liabilities was not complete.

Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk	______(signed)_____
P. Rybin	______(signed)_____
M.M.L.J. van Campen	______(signed)_____
V. Korotkov	______(signed)_____
W.T. Bartoszewski	______(signed)_____

11 November 2010,
Amsterdam, The Netherlands

Press-release

ASTARTA HOLDING N.V.

ASTARTA Holding N.V. Key Results for the nine month of 2010

November 12, 2010

On November 12, ASTARTA published report for the nine months of 2010. The Group's financial results demonstrate sustainable growth following efficiency improvements, successful consolidation of assets and positive market movements.

Key Financial Highlights

- Consolidated revenues increased by 74% y-o-y to EUR 130.7 mln
- Gross profit increased by 180% y-o-y to EUR 63.8 mln. Gross profit margin grew to 49% from 30%
- EBIT up 179% y-o-y to EUR 81.6 mln. EBIT margin grew to 62% from 39%
- EBITDA increased by 165% y-o-y to EUR 93.9 mln. EBITDA margin grew from 47% to 72%
- Net income up 262% to EUR 76.2 mln. Net margin grew from 28% to 58%
- Cash flows provided by operating activities grew to EUR 24.9 mln from EUR 8.6 mln a year before

Key Operational Highlights

- ASTARTA holds the position of sugar producer No. 1 in Ukraine
- Land bank increased up to 190 thousand hectares
- Yields of main crops down y-o-y due to unfavorable weather conditions but still 15-30% above Ukrainian averages. Decrease in production will be compensated by higher prices for key products
- Average consumption of natural gas per ton of beet processed down by 10% y-o-y
- Winter sowing campaign for 2011 harvest finished on the area of 39 thousand ha, including 36 thousand ha of winter wheat or 9% up y-o-y
- In full conformity with the technological scheme, cultivation of soil has been finished, mineral fertilizers for the next sugar beet harvest has been applied at over 40,000 ha

Revenues and gross profit

On the back of growth of the volumes of sales and favorable situation on all key markets, revenues grew 74% y-o-y to EUR 130.7 million. The cost of goods sold grew less significantly, by 45% to EUR 74 mln. Due to a rapid growth in the crop prices, the Group received an IFRS 44 gain from the remeasurement of agricultural produce to fair value of EUR 7.1 mln (a loss of EUR 1.3 mln. a year before). The above factors contributed to an almost triple rise in the gross profit from EUR 22.8 mln in the nine months of 2009 to EUR 63.8 mln in the nine months of 2010. The gross margin constituted 49% compared to 30% in the nine months of the last year.

Operating expense/income

The Group also made a considerable effort to control overhead expense. Despite an active expansion of the Group's assets and operations, the general and administrative expense was growing slower than the revenue and constituted 5.7% of the total revenue vs.7.9% in 9M 2009. As a result of growing transportation costs, as well as increased volume of sales, selling and distribution expense grew 68% to EUR 6.2 mln and constituted 4.7% of the total revenues (4.9% last year). Other operating income grew 158% to EUR 6.9 mln as a result of an increase in government subsidies related to cattle farming. A considerable growth in prices for all key products of the Group contributed to a positive change in fair value of biological assets (both in cattle farming and crop growing). The net result of such change was EUR 27.1 mln (EUR 15.3 mln a year before). As a result of the above factors and based on the growth of revenues, profit from operations (EBIT) almost tripled y-o-y to EUR 81.6 mln. EBIT margin to 62% vs. 39% in 9M 2009. The EBITDA grew 165% to EUR 93.9 mln with EBITDA margin of 72% vs. 47% last year.

Profit before tax/ Net profit

Profit before tax grew 265% to EUR 77 mln from EUR 21.1 mln in the nine months of 2009, and the net profit 262% to EUR 76.2 mln. The net margin constituted 58% vs. 28% in 9M 2009.

Sugar production and sales

Volumes of sales of sugar grew 12.5%, and revenues from sugar sales amounted to EUR 93.3 mln that is up 114% y-o-y. At the end of August, ASTARTA started sugar production campaign of 2010/2011. Modernization policy performed on the sugar plans led to further cut in natural gas consumption by another 10% y-o-y.

In 2010, weather conditions were not favorable for beet producers. In contrast to previous years, when sugar content and beet weight usually grew in September and October, this year, sugar beet has not provided for expected growth of root and sugar content. Average gross yield of sugar beet through ASTARTA fields comprise around 37 tons per ha. In October, the Ukrainian National Association of Sugar Producers lowered the domestic sugar production forecast for the season 2010/2011 to 1.5-1.6 mln tons. Thus, sugar prices have significant potential of growth, as Ukraine faces a shortage of sugar in the domestic market, and cost of sugar of Ukrainian producers will increase due to lower crop yields following adverse weather conditions.

Crop production and sales

By the date of this report, ASTARTA's agricultural companies successfully finished harvesting of technical crops. Sunflower has been already harvested on the area of c. 15 thousand ha (+25% y-o-y) with an average yield of 2.0 tons per ha, soybeans on the area of 26 thousand ha with an average yield of 1.5 tons per ha (+73% y-o-y), and corn on the area of about 20 thousand ha (+12% y-o-y) with an average yield of 6.5 tons per ha. It should be noted that the best ASTARTA's yields in 2010 (except soybean) were traditionally 15-30% above Ukrainian averages.

Volumes of crop sales decreased 15% y-o-y following restrictions on exports, and revenues from crop sales didn't materially change y-o-y on the back of growing prices.

Production and Sales of Farming Produce

In the nine months of 2010, ASTARTA's farms produced 39.6 thousand tons of milk, of which 37.4 thousand tons were sold to dairy processors (+16% y-o-y). The Group's revenues from sales of cattle farming grew to EUR 11.1 million that is 90% higher y-o-y.

Viktor Ivanchyk, CEO of ASTARTA Holding N. V. said:

"Management efforts and investments into modernization provided for a substantial growth of efficiency and as a result in an increase in the Group's profitability. After consolidation of the Group's main operational assets and improvement of the business processes, the non-production expense went down providing for better competitiveness of our products. We are well in schedule in all production activities, and continue our development through organic growth and quality improvements."

Information about ASTARTA Holding N.V.

ASTARTA Holding N.V. controls the agri-industrial holding "Astarta-Kyiv" that was established in 1993. As of today, "Astarta-Kyiv" consolidates five regional subsidiaries, three of them located in the Poltava region, one in the Vinnitsa and one in the Khmelnytsky regions.
The Group's main activity is production of high quality sugar and sugar by-products (molasses and dry granulated pulp), growing and sales of grains and oilseeds, and also meat and milk. Implementing its strategy of vertical integration, the Group operates about 190 thousand hectares of land under long-term lease and provides significant part of sugar beet grown in-house to the own sugar plants. Cattle farming is a synergic segment of the Group's business. Since August 2006, ASTARTA Holding N.V. shares have been listed on the Warsaw Stock Exchange.

ASTARTA Holding N.V. 9M 2009 BOD Interim statement and consolidated financial statements as at and for the nine month ended 30 September 2009 are available on our corporate website (www.astartakiev.com).

Caution note regarding forward-looking statements

Certain statements contained in this press release may constitute forecasts and estimates. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from the anticipated results, expressed or implied by these forward-looking statements.