

## Regulatory Story

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**PJSC Cherkizovo Group** - CHE TRADING UPDATE FOR THE FIRST HALF OF 2015  
Released 08:05 29-Jul-2015

RNS Number : 4016U  
PJSC Cherkizovo Group  
29 July 2015

July 29, 2015

### TRADING UPDATE FOR THE FIRST HALF OF 2015

Cherkizovo Group (LSE:CHE, MOEX:GCHE), Russia's leading integrated meat and finished feed producer, announces its operational results for the first half of 2015.

#### Poultry Division

Sales volume for the first half of 2015 increased by 9% to 225 223 tonnes of sellable weight (1H 2014: 205 775 tonnes). The average price (*all prices hereinafter are net of VAT*) increased by 17% to 95.38 RUB/kg from 81.53 RUB/kg in the first half of 2014. Compared to the price of 96.49 RUB/kg in the first quarter of 2015, the price in the second quarter of 2015 decreased by 2%.

|                       | 1H2015  | 1H2014  | 2Q2015  | 1Q2015  | chg y-o-y | chg q-o-q |
|-----------------------|---------|---------|---------|---------|-----------|-----------|
| Volume, tonnes        | 225 223 | 205 775 | 117 056 | 108 168 | 9%        | 8%        |
| Average price, RUB/kg | 95.38   | 81.53   | 94.36   | 96.49   | 17%       | -2%       |

#### Pork Division

Sales volume in the first half of 2015 decreased by 9% to 74 379 tonnes of live weight from 81 318 tonnes in the first half of 2014. The decrease was due mostly to the quarantine closure of two finishing facilities after the african swine fever outbreak in December 2014. The average price increased by 17% to 103.37 RUB/kg in the first half of 2015 from 88.72 RUB/kg in the first half of 2014. Compared to the price in the first quarter of 2015 of 98.29 RUB/kg, the price in the second quarter of 2015 increased by 10%.

|                       | 1H2015 | 1H2014 | 2Q2015 | 1Q2015 | chg y-o-y | chg q-o-q |
|-----------------------|--------|--------|--------|--------|-----------|-----------|
| Volume, tonnes        | 74 379 | 81 318 | 38 279 | 36 100 | -9%       | 6%        |
| Average price, RUB/kg | 103.37 | 88.72  | 108.16 | 98.29  | 17%       | 10%       |

#### Meat Processing Division

Sales volume in the first half of 2015 increased by 28% to 81 755 tonnes from 64 033 tonnes in the first half of 2014 on the back of increased sales of case-ready products and meat-on-bone, all made of the meat supplied by the Company's own farms. The average price increased by 8% to 172.93 RUB/kg in the first half of 2015 from 160.78 RUB/kg in the first half of 2014. Compared to the price of 168.85 RUB/kg in the first quarter of 2015, the price in the second quarter of 2015 increased by 5%.

|                       | 1H2015 | 1H2014 | 2Q2015 | 1Q2015 | chg y-o-y | chg q-o-q |
|-----------------------|--------|--------|--------|--------|-----------|-----------|
| Volume, tonnes        | 81 755 | 64 033 | 43 909 | 37 846 | 28%       | 16%       |
| Average price, RUB/kg | 172.93 | 160.78 | 176.45 | 168.85 | 8%        | 5%        |

#### Grain Division

Due to seasonality of this business results of this segment are reported annually to better reflect the business performance and provide the appropriate comparison basis.

Percentage figures in tables are rounded to whole numbers.

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#### **About Cherkizovo Group**

Cherkizovo Group (LSE:CHE; MOEX:GCHE) is the largest meat and feed producer in Russia and one of the top three companies serving Russia's poultry, pork and sausages markets. The Company's most famous brands are Cherkizovo, Petelinka and Kurinoe Tsarstvo. Chairman of the Board Igor Babaev and his family control 65% of Cherkizovo Group, and free float on LSE and MOEX amounts to 35%.

Due to its vertically integrated structure, which includes agricultural land, grain storage facilities, feed production, livestock breeding, growing and slaughtering as well as meat processing and distribution, Cherkizovo has consistently delivered sustainable revenue and profit growth. In 2014, Cherkizovo's US GAAP consolidated revenue reached RUB 69 billion, and the Group produced more than 800 thousand tonnes of meat and processed meat products as well as 1.4 million tonnes of feed.

Cherkizovo's strategy includes both organic growth and consolidation of the Russian meat market. Within the last decade, Cherkizovo has invested more than RUB 50 billion into the development of Russia's agriculture sector.

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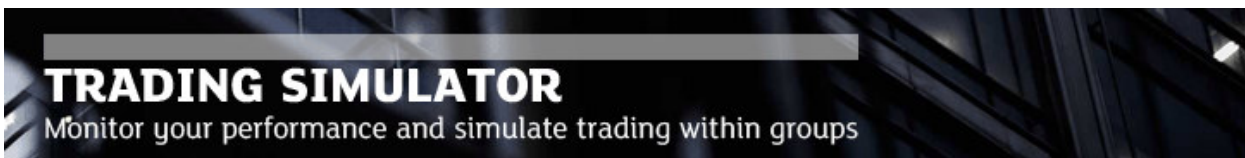
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