



EMPIRE STATE CAPITAL PARTNERS



UX
-0.7%

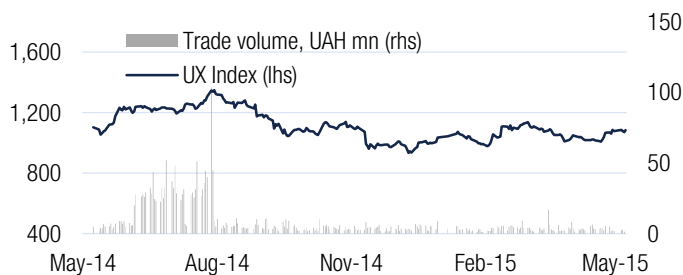


USD/UAH
-2.3%



Ukraine CDS
-2.4%

Ukrainian market performance (UX)



Source – Bloomberg

Currencies	Last	1d	1m	YTD *
USD/UAH	20.52	-2.3%	-12.8%	26.0%
EUR/UAH	23.12	-3.0%	-9.1%	16.4%
RUB/UAH	0.41	-1.6%	-4.6%	42.8%
Indices	Last	1d	1m	YTD
UX	1,070	-0.7%	3.6%	3.5%
PFTS	368	-0.4%	-12.3%	-4.9%
WIG UKR	298	0.5%	1.3%	21.9%
MICEX	1,687	-1.6%	0.2%	20.8%
MSCI EM	1,025	-1.5%	0.4%	7.2%
S&P500	2,088	0.4%	0.3%	1.4%
DAX	11,408	0.5%	-5.2%	16.3%
Dow Jones	17,924	0.5%	0.1%	0.6%
Nikkei	19,292	-1.2%	-2.5%	10.6%
Shanghai Comp	4,112	-2.8%	2.9%	27.1%
WIG	56,911	0.0%	4.1%	10.7%

Commodities	Last	1d	1m	YTD
Oil (Brent)	66	-3.3%	18.0%	14.3%
Gold	1,182	-0.7%	-1.7%	-0.2%
Iron ore	58	-2.0%	22.1%	-15.3%
Steel	445	0.5%	-4.3%	-26.4%
Wheat	207	0.0%	0.5%	-18.8%
Corn	155	0.2%	-6.1%	-4.5%

Source – Bloomberg, Minfin.com.ua (*)

Futures - UX	Last	1d	Vol, UAH mn	Open acc, ths
DX-6.15 (USD)	23.33	-0.9%	0.4	0.5
UX-6.15	1,102	-0.6%	0.9	15.9
UX-9.15	1,169	-	-	0.0

Source - UX

Market comment

The UX Index was down by 0.7% in UAH terms on Thursday, and up by 1.6% in the US dollar terms, while the PFTS index was down by 0.4% in UAH terms. Nine out of ten companies in the UX index were down in the UAH terms, with the largest decrease in prices observed for Kryukiv carriage (-2.9%), Avdiivka coke (-1.7%) and Bank Aval (-1.2%).

On the interbank exchange market, the USD/UAH spot rate was down by 2.3% with the closing price of 20.52 (mid price) on Thursday according to Bloomberg. The official exchange rate reported by the NBU was 20.72.

Ukraine 5-year CDS were down by 2.4% on Thursday.

Market news

- Metinvest proposes new refinancing terms for 2015 Eurobonds
- UkrLandFarming's sales down by 25% y/y, EBITDA down by 48% y/y in 2015

Best performers	Ticker	Price, \$	1d	YTD
Alchevsky MP	ALMK UK	0.001	7.5%	-8.6%
Misen Energy	MISE SS	0.919	7.2%	5.4%
Avdeevsky Coke	AVDK UK	0.068	5.0%	-36.1%
Worst performers	Ticker	Price, \$	1d	YTD
Hawkey Oil&Gas	HOG AU	0.004	-17.2%	20.7%
Milkiland	MLK PW	0.682	-4.9%	63.2%
Ferrexpo	FXPO LN	1.141	-2.7%	49.7%

Source – UX, Bloomberg

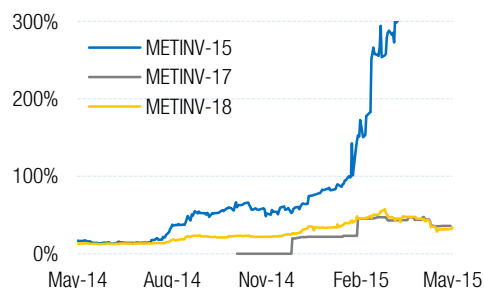
Ukraine 5Y CDS spreads



METINV-15,17,18

Ticker	METINV-15	METINV-17	METINV-18
Volume	114/500	290	750
Coupon	10.25	10.5	8.75
Mid price	69.3	58.5	57.3
Mid YTM	flat	37.0	33.9
Rating			
Fitch	C	C	C
Moody's	Caa3	-	Caa3

YTM history



Source: Bloomberg

Annual financials, USD mn			
P&L	2013	2014	Δ
Net sales	12,807	10,565	-18%
EBITDA	2,361	2,702	14%
Net income	392	159	-59%
BS	2013	2014	Δ
Assets	16,906	12,556	-26%
Liabilities	7,275	5,794	-20%
Equity	9,631	6,762	-30%
Total debt	4,308	3,231	-25%
Net debt	3,118	3,525	13%
Ratios	2013	2014	Δ
D/EBITDA	1.8	1.2	-0.5pp
ND/EBITDA	1.5	1.2	-0.5pp
EBITDA/Int. exp.	7.0	8.7	+1.7pp

Source: Company data, ESCP

Metinvest proposes new refinancing terms for its 2015 Eurobonds

Yesterday Ukraine's largest steelmaker and iron miner Metinvest B.V. originated new Consent Solicitations on its bonds maturing in 2015, 2017, and 2018 after the failure of the previous one initiated on April 8, 2015.

The issuer is seeking to defer the maturity of its remaining USD 114 mn Eurobonds maturing in May 20, 2015 until January 31, 2016, and a waiver on certain ongoing and potential events of default, including on its due payment of May 20, 2015. A positive resolution of note holders would allow sufficient time to agree a broader rescheduling solution for its PXF facilities and its outstanding Eurobonds. The purpose of the Consent Solicitation on the notes is to obtain the consent of at least 75% of note holders to make certain amendments to the terms and conditions of the notes including, inter alia, an extension of maturity to January 31, 2016 and certain other amendments, and to approve a waiver of certain events of default or potential events of default. The deadline for voting instructions on all issues is set on May 29, 2015.

The terms of the restructuring offer by the issuer are as following: redemption of the remaining 2015 notes at their principal amount in two installments: an installment of USD 28.4 mn payable on June 20, 2015; and an installment of USD 85.2 mn payable on January 31, 2016, subject to any adjustment to these amortization amounts. As to 2017 and 2018 bonds, following a positive voting of note holders, the issuer commits to pay in cash to note holders on the Settlement Date USD 2.50 per each USD 1,000 of the principal amount.

Our view:

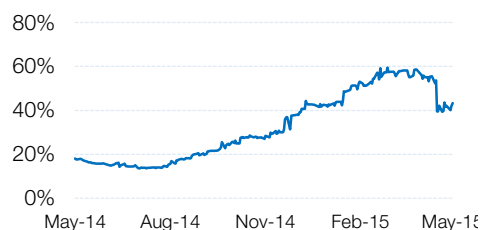
The company motivated the solicitation offer with weak liquidity position, allowing it to meet only current operating needs, interests and coupon payments. Upon releasing its 2014 Financial Report on April 8, 2015, the company has acknowledged that it is in a payment default. In the second offer the company proposes to increase the portion of outright payment to investors in case of positive voting from 10% to 25% of the due debt, effective by June 20, 2015. If the Extraordinary Resolution in respect of the 2015 Notes is not passed, the principal amount outstanding under the 2015 Notes will become immediately due and payable on May 20, 2015, the issuer stated, sending the company into full-default.

tratovohery@empirestatecap.com

UKRLAN-18

Ticker	UKRLAN-18
Volume	500
Coupon	10.88
Mid price	50.7
Mid YTM	43.3
Rating	
S&P	CC
Fitch	WD

YTM history



Source: Bloomberg

Annual financials, USD mn			
P&L	2013	2014	Δ
Net sales	2,072	1,557	-25%
EBITDA	842	434	-48%
Net income	754	-262	-
BS	2013	2014	Δ
Assets	5,832	3,305	-43%
Equity	3,651	1,287	-65%
Total debt	1,676	1,678	0%
Net debt	1,378	1,482	8%
Ratios	2013	2014	Δ
ND/EBITDA	1.64	3.41	1.8
D/EBITDA	1.99	3.87	1.9
EBITDA/Int. exp	4.77	2.55	-2.2

Source: Company data, ESCP

UkrLandFarming's sales down by 25% y/y, EBITDA down by 48% y/y in 2015

Yesterday UkrLandFarming (ULF), the largest agricultural holding in Ukraine, announced its financial results for 2014. The company's revenues dropped by 25% y/y to USD 1,557 mn due to the devaluation of the local currency and low commodity prices. At the same time, ULF's EBITDA decreased by 48% y/y to USD 434 mn as a result of an increase in distribution expenses (+16% y/y) and an increase in other operating expenses (to USD 131 mn in 2014 from USD 40 mn in 2013, mainly as a result of losses from the disposal of non-current assets, provisions for doubtful debts, litigation provisions and VAT receivables written off). The company reported a net loss of USD 262 mn, which included USD 323 mn of non-cash FX losses and USD 58 mn of impairment loss (adjusted net income: USD 120 mn).

Ukrlandfarming's operating cash flow before WC charges decreased by 28% y/y to USD 553 mn, however the company's net cash flow from operating activity dropped by 88% y/y to USD 100 mn, which was mainly caused by an increase in inventories, trade accounts receivables and prepaid taxes (USD 282 mn in total). ULF's capital expenditures dropped by 76% y/y to USD 282 mn as the company did not expand its land bank and reduced its investment programs. The company's net cash flow from financing activities decreased by 52% y/y to USD 113 mn as a result of lower borrowings. ULF reported a net cash outflow of USD 69 mn in 2014, while the company's cash balance amounted to USD 195 mn as of December 31, 2014.

ULF's total debt was flat at USD 1,678 mn as of end-2014, while net debt grew by 8% y/y to USD 1,482 mn. The company's net debt to EBITDA ratio amounted to 3.41x as of December 31, 2014.

Our view:

The news is NEGATIVE for the company's Eurobonds. The devaluation of the local currency had a negative effect on the company's domestic sales of meat and shell eggs, while low grain prices in 2014 decreased ULF's revenue from crop farming. We expect this to result in a further drop in revenues in 2015 as a result of a 26% devaluation of the UAH in 1Q2015 (from 15.77 to 21.3). However, we are moderately positive on the company's prospects going forward considering that grain prices should recover, while the Ukrainian economy is expected to return to growth in 2016. However, we note that the company is in a breach of covenant for some of its banking debts and Eurobonds due in 2018, which means that ULF cannot incur any additional debt over the USD 10 mn limit specified in the Eurobonds prospectus.

epetrusha@empirestatecap.com

Local equity – UX Index

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Alchevsky MP	ALMK UK	21.5	0.001	0.001	0.001	7.5%	45.7%	-8.6%	1.2	0.001	0.004
Avdeevsky Coke	AVDK UK	13.7	0.068	0.066	0.068	5.0%	14.0%	-36.1%	2.1	0.066	0.309
Azovstal	AZST UK	177.8	0.042	0.041	0.042	1.5%	22.9%	-8.7%	6.0	0.030	0.074
Bank Aval	BAVL UK	145.5	0.005	0.005	0.005	0.7%	15.6%	-19.3%	13.8	0.005	0.016
CentrEnerg	CEEN UK	151.2	0.406	0.404	0.406	3.3%	18.9%	-12.4%	20.7	0.253	0.746
DonbassEnerg	DOEN UK	27.4	1.142	1.124	1.142	2.1%	18.5%	-43.7%	8.9	0.940	4.111
Enakievo MP	ENMZ UK	9.6	0.879	0.849	0.879	2.6%	15.2%	-31.7%	1.5	0.578	5.365
Motor Sich	MSICH UK	281.3	133.19	132.75	133.24	0.6%	21.5%	-12.7%	58.6	144.76	110.1
Ukrnafta	UNAF UK	718.8	13.250	13.202	13.246	2.5%	5.2%	6.1%	45.5	4.563	29.07
Kryukiv carriage	KVBZ UK	64.2	0.551	0.533	0.548	-1.4%	15.1%	-30.2%	1.5	0.418	1.814

Source: Bloomberg, UX. Price calculated using the interbank exchange rate according to Bloomberg.

Other local equity

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Central GZK	CGOK UK	479.1	0.409	0.292	0.409	2.3%	-	-	-	-	-
Donetsk Coke	DKOK UK	3.9	0.016	-	0.023	2.3%	-	-	-	-	-
DniproEnerg	DNON UK	28.3	4.727	3.050	5.361	2.3%	-	-	-	-	-
DonetskOblEner	DOON UK	8.6	0.132	0.068	0.197	2.3%	-	-	-	-	-
Farmak	FARM UK	53.2	7.310	7.310	10.965	53.5%	-	-	-	-	-
Forum Bank	FORM UK	-	-	-	-	-	-	-	-	-	-
KhmelnyskOblEner	HMON UK	14.8	0.110	0.055	0.164	2.3%	-	-	-	-	-
Hartsyzk pipes	HRTR UK	38.0	0.015	0.015	0.017	2.3%	-14.3%	-37.9%	0.1	0.013	0.086
KievEnerg	KIEN UK	73.9	0.682	0.635	0.769	-20.4%	-	-	-	-	-
KirovogradOblEner	KION UK	13.1	0.110	0.055	0.164	2.3%	-	-	-	-	-
AvtoKRAZ	KRAZ UK	13.2	0.006	0.005	0.006	2.3%	-	-	-	-	-
DTEK KrymEnerg	KREN UK	4.5	0.026	0.014	0.037	2.3%	10.3%	-78.7%	0.2	0.031	0.214
Kryukiv carriage	KVBZ UK	64.2	0.551	0.533	0.548	-1.4%	15.1%	-30.2%	1.5	0.418	1.814
Lugansk Locomotive	LTPL UK	12.8	0.058	0.049	0.056	2.3%	-8.6%	-11.8%	0.1	0.072	0.066
Bogdan Motors	LUAZ UK	5.5	0.001	0.001	0.001	-1.5%	-6.9%	3.1%	0.2	0.001	0.007
Ilyich iron and steel	MMKI UK	114.5	0.009	0.008	0.010	2.3%	-	-	-	-	-
Mariupol machinery	MZVM UK	1.1	0.003	0.003	0.003	2.3%	13.5%	-54.8%	1.0	0.005	0.017
MHP	MHPC UK	1,354.3	12.817	12.671	13.157	-0.3%	-	-	-	-	-
Nord	NORD UK	5.3	1.949	0.975	3.411	2.3%	-	-	-	-	-
Poltavkhimmash	PHMSH UK	1.8	0.731	0.366	1.096	2.3%	-	-	-	-	-
South GZK	SGOK UK	920.6	0.400	0.361	0.388	2.3%	18.6%	-22.3%	0.8	0.280	0.777
Pokrovske mine	SHCHZ UK	13.6	0.016	0.011	0.016	2.3%	-22.1%	-44.5%	0.1	0.011	0.068
Universalna insur.	SKUN UK	2.4	-	-	-	-	-	-	-	0.025	0.669
Slavutich	SLAV UK	323.9	0.317	0.284	0.478	2.3%	-	-	-	-	-
Stakhanov railway	SVGZ UK	3.0	0.013	0.010	0.015	2.3%	-	-	-	-	-
Ukrtelecom	UTLM UK	178.0	0.010	0.008	0.010	25.7%	8.8%	1.8%	17.1	0.008	0.010
Yasynivsky Coke	YASK UK	3.6	0.013	0.013	0.014	2.3%	2.9%	-23.5%	0.0	0.012	0.072
Zakhidenergo	ZAEN UK	93.5	7.310	6.827	8.138	2.3%	-1.5%	-19.6%	0.4	7.693	15.488
ZakarpattyaOblEner	ZOEN UK	6.7	0.054	0.049	-	2.3%	14.3%	-20.7%	-	0.060	0.145

Source: Bloomberg, UX. Price calculated using the interbank exchange rate according to Bloomberg.

Ukrainian equities listed abroad

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Active Energy	AEG LN	56.3	0.10	0.10	0.10	-0.1%	40.4%	113.8%	86.7	0.02	0.18
Agrogeneration	ALAGR FP	51.0	0.55	0.54	0.54	-0.5%	5.3%	6.1%	17.8	0.33	1.30
Agroton	AGT PW	6.5	0.30	0.30	0.30	-2.4%	-2.5%	-14.3%	9.9	0.29	0.90
Astarta-Kyiv	AST PW	183.0	7.32	7.25	7.25	0.3%	16.2%	29.6%	251.4	3.98	13.38
Avangard	AVGR LI	159.7	2.50	2.50	2.50	0.0%	-3.8%	22.0%	87.6	1.81	10.35
Black Iron	BKI CN	4.6	0.03	0.02	0.02	-0.9%	43.8%	-33.1%	4.3	0.02	0.14
Cadogan Oil	CAD LN	30.8	0.13	0.13	0.13	-0.1%	3.7%	-14.6%	13.1	0.13	0.19
Cereal Planet	CRP PW	6.1	3.42	3.37	3.37	-0.6%	4.7%	2.8%	0.0	2.94	3.42
Coal Energy	CLE PW	7.5	0.17	0.16	0.16	1.1%	2.2%	-4.6%	1.4	0.14	0.41
Cub Energy	CUB CN	5.1	0.02	0.02	0.02	-1.0%	2.7%	-45.4%	2.7	0.01	0.14
Ferrexpo	FXPO LN	671.6	1.14	1.13	1.13	-2.7%	15.3%	49.7%	1,044.0	0.67	2.16
Hawkey Oil&Gas	HOG AU	1.1	0.00	0.00	0.00	-17.2%	-13.3%	20.7%	-	0.00	0.01
IMC	IMC PW	44.4	1.42	1.41	1.41	-0.6%	-3.1%	-11.3%	1.7	1.39	2.92
JKX Oil&Gas	JKX LN	78.6	0.46	0.44	0.44	-0.1%	-1.1%	144.0%	30.6	0.17	0.96
KDM Shipping	KDM PW	10.3	1.11	0.01	0.01	0.0%	-17.3%	-3.2%	0.5	0.97	3.06
Kernel	KER PW	784.3	9.84	9.83	9.83	-0.3%	-5.8%	22.4%	1,759.8	5.85	11.11
MHP	MHPC LI	1,215.2	11.50	11.50	11.50	0.0%	6.0%	25.0%	448.0	8.24	15.77
Milkiland	MLK PW	21.3	0.68	0.68	0.68	-4.9%	12.6%	63.2%	30.2	0.40	2.11
Misen Energy	MISE SS	133.3	0.92	0.82	0.82	7.2%	23.2%	5.4%	-	0.69	3.20
Mriya	MAYA GF	19.2	0.18	0.08	0.08	161.0%	-64.1%	-73.5%	0.1	0.06	6.21
Ovostar	OVO PW	126.1	21.02	21.02	21.02	0.8%	12.1%	3.3%	224.9	17.41	21.31
Regal Petroleum	RPT LN	23.1	0.07	0.05	0.05	-0.1%	2.1%	48.2%	0.6	0.04	0.15
Serinus Energy	SEN PW	77.9	0.99	0.99	0.99	-2.2%	20.5%	-12.5%	204.9	0.79	2.42
Westa ISIC	WES PW	1.0	0.02	0.03	0.03	0.0%	-8.1%	-53.9%	0.2	0.02	0.13

Source: Bloomberg.

Market multiples

Industry	Ticker	Last price,	Target price,	Mcap \$ mn	EV, \$ mn	Free float	P/E			EV/EBITDA			EV/Sales			P/B
		\$	\$				2013	2014E	2015F	2013	2014E	2015F	2013	2014E	2015F	
OIL&GAS, ENERGY																
Ukrnafta	UNAF UK	13.25	-	719	987	10%	30.9	6.8	9.4	3.4	2.6	4.7	0.4	0.5	0.6	0.3
JKX Oil & Gas	JKX LN	0.46	-	79	90	48%	12.1	neg.	neg.	1.4	1.9	1.6	0.5	0.6	0.6	0.2
Misen Energy	MISE SS	0.92	-	133	150	1%	4.2	-	-	3.2	-	-	1.6	-	-	1.6
Serinus Energy	SER PW	0.99	-	78	104	22%	neg.	3.7	neg.	1.4	1.3	3.3	0.7	0.6	0.8	0.5
Cub Energy	KUB CN	0.02	0.03	5	4	45%	neg.	neg.	neg.	neg.	neg.	neg.	1.5	0.5	0.6	0.1
Active Energy	AEG LN	0.10	0.26	56	58	33%	neg.	neg.	1.0	neg.	116.5	1.0	7.1	2.2	1.0	9.7
METALS & MINING																
Ferrexpo	FXPO LN	1.14	-	672	1,260	50%	2.6	3.7	10.4	2.5	2.5	5.2	0.8	0.9	1.2	0.4
Central GZK	CGOK UK	0.41	-	479	465	0%	2.5	2.9	-	1.4	1.7	-	0.7	0.7	-	0.6
South GZK	SGOK UK	0.40	-	921	1,229	1%	1.7	2.0	-	1.3	1.5	-	0.8	0.8	-	0.4
Pokrovske coal	SHCHZ UK	0.02	-	14	141	2%	neg.	-	-	1.4	-	-	0.3	-	-	0.1
Azovsteel	AZST UK	0.04	-	176	176	4%	neg.	2.2	3.5	neg.	1.1	1.7	0.1	0.1	0.1	0.1
Enakievo MP	ENMZ UK	0.88	-	9	1	14%	neg.	neg.	neg.	neg.	0.0	0.0	0.0	0.0	0.0	0.3
AGRI/FOOD																
Kernel	KER PW	9.84	-	784	1,519	61%	7.0	neg.	5.7	5.2	8.1	4.6	0.5	0.6	0.7	0.6
MHP	MHPC LI	11.50	-	1,215	2,394	34%	7.8	neg.	5.1	6.1	4.3	4.7	1.6	1.7	1.8	1.0
Astarta	AST PW	7.32	-	183	446	37%	6.2	neg.	neg.	5.3	2.8	4.5	1.0	1.0	1.2	0.4
Agrogeneration	ALAGR FP	0.55	-	51	77	100%	neg.	-	-	neg.	-	-	1.1	-	-	0.7
Avangard	AVGR LI	2.50	4.52	160	313	23%	0.7	neg.	2.5	1.0	2.4	2.6	0.5	0.7	0.7	0.1
Ovostar	OVO PW	21.02	-	126	135	29%	4.1	5.0	6.1	3.7	4.7	5.2	1.5	1.8	1.6	0.9
Mriya	MAYA GF	0.18	-	19	807	20%	0.2	-	-	4.9	-	-	1.6	-	-	0.0
IMC	IMC PW	1.42	-	44	169	31%	1.7	neg.	5.5	3.4	3.0	3.4	1.5	1.2	1.0	0.3
Milkiland	MLK PW	0.68	-	21	133	16%	1.5	neg.	neg.	3.0	4.1	4.4	0.3	0.4	0.5	0.1
UTILITIES																
CentrEnerg	CEEN UK	0.41	-	150	246	22%	2.5	25.0	neg.	2.6	9.5	neg.	0.3	0.4	0.5	0.5
DonbassEnerg	DOEN UK	1.14	-	27	123	14%	0.4	1.1	neg.	1.1	2.6	38.3	0.2	0.3	0.7	0.2
KievEnerg	KIEN UK	0.68	-	74	14	3%	0.6	-	-	0.1	-	-	0.0	-	-	0.1
Zakhidenerg	ZAEN UK	7.31	-	93	124	3%	1.3	-	-	0.8	-	-	0.1	-	-	0.5
INDUSTRIALS																
Hartsyzk pipes	HRTR UK	0.01	-	38	38	2%	8.1	7.6	-	1.5	1.3	-	0.3	0.1	-	0.3
AutoKRAZ	KRAZ UK	0.006	0.017	13	148	13%	5.5	neg.	0.6	11.4	3.4	3.3	1.7	1.0	1.0	-
Kryukiv carriage	KVBZ UK	0.55	-	63	67	32%	1.5	neg.	neg.	1.3	neg.	13.4	0.1	0.5	1.0	0.2
Motor Sich	MSICH UK	133.19	-	277	213	30%	1.7	1.7	1.9	0.6	0.5	0.8	0.2	0.3	0.3	0.2
Bogdan Motors	LUAZ UK	0.001	-	5	181	42%	neg.	-	-	neg.	-	-	1.4	-	-	0.1
BANKING																
UkrSotsbank	USCB UK	0.006	-	138	879	2%	neg.	7.3	neg.	-	-	-	1.4	-	-	0.1
Bank Aval	BAVL UK	0.005	-	143	654	5%	1.1	neg.	neg.	-	-	-	0.7	1.4	2.6	0.1
TELECOMS																
Ukrtelecom	UTLM UK	0.010	-	178	164	7%	neg.	11.1	22.2	1.0	1.6	2.3	0.2	0.4	0.7	0.3
PHARMA																
Farmak	FARM UK	7.31	-	53	80	22%	1.5	-	-	1.2	-	-	0.3	-	-	0.3

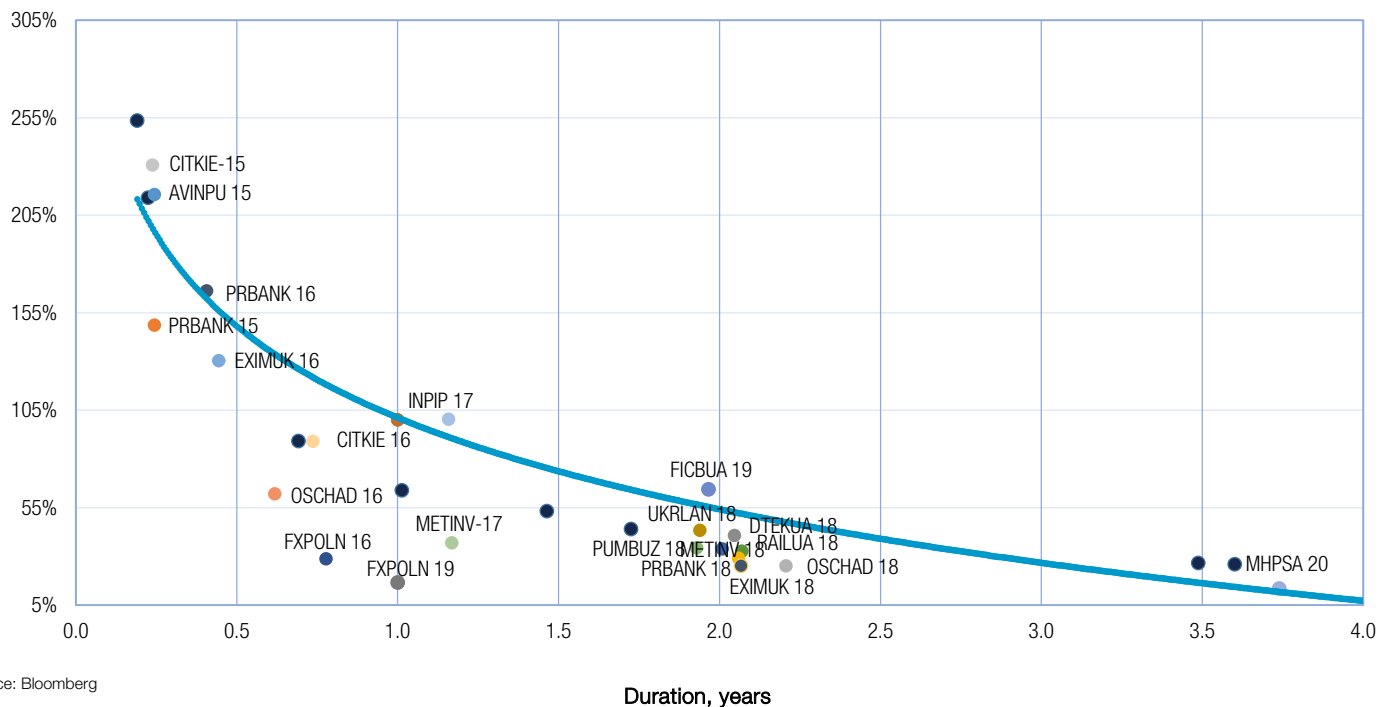
Source: Bloomberg, ESCP estimates. Market value of debt is used where applicable.

Eurobonds

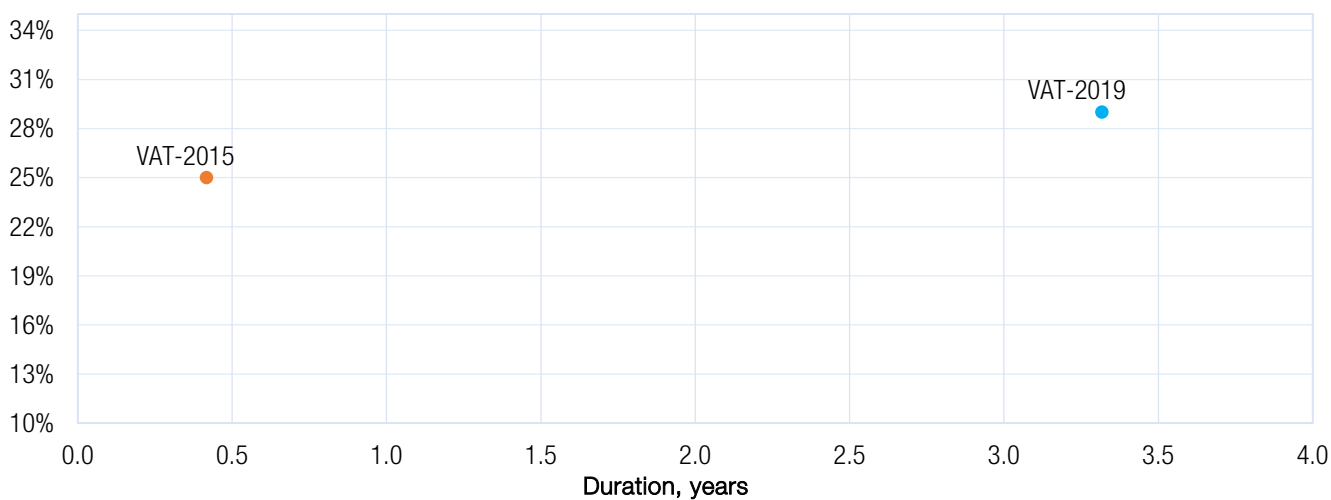
Issue	Ticker	Cpn	Maturity	Amt, \$ mn	Last	Bid	Ask	YTM (mid)	Mod. Dur.	Spread to sov., bps	Rating
Sovereigns											
Ukraine-15	UKRAIN	6.88	23.09.2015	500	52.69	51.63	53.75	253.5	0.19	4,037	CC/Ca/CCC-
Ukraine-15	UKRAIN	4.95	13.10.2015	600	52.14	51.42	52.86	214.0	0.22	1,165	CC/Ca/CCC-
Ukraine-15 (RU)	UKRAIN	5.00	20.12.2015	3,000	50.00	47.50	52.50	162.2	0.34	-1,284	CCC/Caa3/CCC
Ukraine-16	UKRAIN	6.25	17.06.2016	1,250	48.25	47.50	49.00	89.1	0.69	-3,696	CC/Ca/CCC-
Ukraine-16	UKRAIN	6.58	21.11.2016	1,000	48.75	48.00	49.50	63.8	1.01	-3,642	CC/Ca/CCC-
Ukraine-17	UKRAIN	9.25	24.07.2017	2,600	46.50	46.13	46.88	53.2	1.46	-2,214	CC/Ca/CCC-
Ukraine-17	UKRAIN	6.75	14.11.2017	700	46.50	45.75	47.25	44.1	1.73	-2,014	CC/Ca/CCC-
Ukraine-20	UKRAIN	7.75	23.09.2020	1,500	47.61	47.00	48.23	26.6	3.49	1,007	CC/Ca/CCC-
Ukraine-21	UKRAIN	7.95	23.02.2021	1,500	47.46	46.77	48.15	26.0	3.60	1,159	CC/Ca/CCC-
Ukraine-22	UKRAIN	7.8	28.11.2022	2,250	47.69	47.25	48.12	22.5	4.17	1,814	CC/Ca/CCC-
Ukraine-23	UKRAIN	7.5	17.04.2023	1,250	48.75	47.75	49.75	21.1	4.64	2,383	CC/Ca/CCC-
Fin. of infr. pr.-17	UKRINF	8.38	03.11.2017	568	46.00	45.00	47.00	47.8	1.76	-1,491	-/Ca/-
Fin. of infr. pr.-17	UKRINF	9	07.12.2017	550	46.25	45.50	47.00	47.2	1.68	-1,895	-(P)Ca/-
Fin. of infr. pr.-18	UKRINF	7.4	20.04.2018	690	46.00	45.00	47.00	40.4	2.12	-992	-/Ca/-
Municipals											
City of Kiev-15	CITKIE	8	06.11.2015	250	48.93	47.73	50.13	230.8	0.24	3,254	CC/Ca/CC
City of Kiev-16	CITKIE	9.38	11.07.2016	300	48.25	47.38	49.13	89.0	0.74	-3,286	CC/Ca/CC
Corporates											
Mriya-16	MRIYA	10.95	30.03.2016	250	12.25	10.50	14.00	flat	0.27	-	WD/-/NR
Mriya-18	MRIYA	9.45	19.04.2018	400	N/A	N/A	N/A	flat	1.78	-	WD/-/NR
Ukrlandfarming-18	UKRLAN	10.88	26.03.2018	500	49.25	46.00	52.50	43.3	1.94	-1,294	WD/-/CC
Ferrexpo-16	FXPOLN	7.88	07.04.2016	500	84.29	83.14	85.44	28.7	0.78	-8,939	CCC/Caa3/CCC+
Ferrexpo-19	FXPOLN	10.38	07.04.2019	161	82.75	81.50	84.00	16.5	2.64	-1,895	CCC/Caa3/CCC+
MHP-20	MHPSA	8.25	02.04.2020	750	81.80	80.87	82.73	13.4	3.74	160	CCC/-/CCC-
DTEK-18	DTEKUA	7.88	04.04.2018	750	46.80	46.00	47.60	40.8	2.05	-1,184	C/Ca/-
Metinvest-15	METINV	10.25	20.05.2015	500	69.06	68.12	70.00	1,687.8	0.02	-	C/Caa3/-
Metinvest-17	METINV	10.5	28.11.2017	290	58.50	57.00	60.00	37.0	1.17	-5,361	C/-/-
Metinvest-18	METINV	8.75	14.02.2018	750	57.00	56.00	58.00	33.9	2.01	-2,001	C/Caa3/-
Ukraine Railways-18	RAILUA	9.5	21.05.2018	500	57.42	56.00	58.83	32.7	2.07	-1,921	CC/-/CC
Avangard-15	AVINPU	10	29.10.2015	200	52.00	49.00	55.00	215.7	0.24	1,918	WD/ /-
Interpipe-17	INPIP	10.25	02.08.2017	200	27.50	25.00	30.00	100.3	1.16	910	C/-/NR
Banks											
PrivatBank-15	PRBANK	9.38	23.09.2015	200	66.50	64.00	69.00	148.7	0.24	-10,486	CC/Cau/CCC-
PrivatBank-16 (sub.)	PRBANK	5.80	09.02.2016	150	42.50	40.00	45.00	166.1	0.41	411	-/Cu/-
Privatbank-18	PRBANK	10.88	28.02.2018	175	66.50	64.00	69.00	29.2	2.06	-2,306	CC/Cau/CCC-
Ukreximbank-15	EXIMUK	8.38	27.07.2015	750	76.00	74.50	77.50	flat	0.16	-	RD/Ca/-
Ukreximbank-16 (sub.)	EXIMUK	5.79	09.02.2016	125	49.50	48.00	51.00	130.5	0.44	-2,565	C/C/-
Ukreximbank-18	EXIMUK	8.75	22.01.2018	600	69.00	68.00	70.00	25.3	2.07	-2,672	C/Ca/-
Oschadbank-16	OSCHAD	8.25	10.03.2016	700	68.50	67.50	69.50	62.1	0.62	-7,161	CC/Ca/-
Oschadbank-18	OSCHAD	8.88	20.03.2018	500	68.00	67.00	69.00	25.2	2.21	-2,231	CC/Ca/-
Nadra-17 (restr.)	NADRA	9.38	05.12.2017	N/A	N/A	N/A	N/A	N/A	N/A	-	-/-/-
VAB Bank-19 (restr.)	VABANK	9.00	14.06.2019	125	4.00	2.00	6.00	flat	1.50	-	WD/WR/-
Fin&Credit-19 (restr.)	FICBUA	9.25	25.01.2019	100	25.00	20.00	30.00	64.5	1.97	910	-/-/-
PUMB-18	PUMBUZ	11.00	31.12.2018	275	52.50	51.00	54.00	34.4	1.93	-2,227	NR/WR/-

Source: Bloomberg, ESCP

Eurobonds yield curve



OVDP yield curve

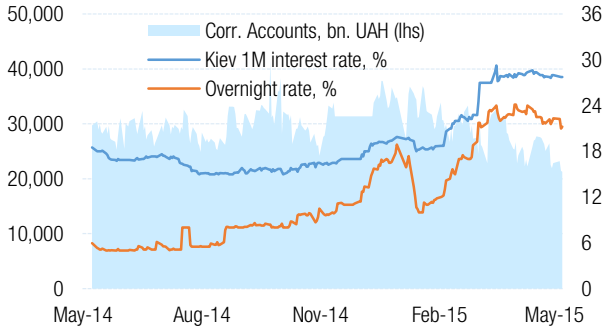


OVDP auction results

Date	ISIN	Maturity	Coupon	Avg. YTM	Auction Bids, UAH mn	Amnt placed, UAH mn	Num. of bids accepted
24.02.2015	UA4000189021	01.02.2017	16.70%	16.70%	19	19	1
18.02.2015	UA4000189294	17.03.2015	8.75%	8.75%	USD 40 mn	USD 40 mn	1
17.02.2015	UA4000189294	17.03.2015	8.75%	8.75%	USD 100 mn	USD 100 mn	1
05.02.2015	UA4000189013	24.03.2015	8.75%	8.75%	USD 100 mn	USD 100 mn	1
03.02.2015	UA4000189021	01.02.2017	16.70%	16.70%	24	24	1
03.02.2015	UA4000189013	24.03.2015	8.75%	8.75%	USD 61 mn	USD 61mn	1
27.01.2015	UA4000188940	24.04.2015	17.00%	17.00%	3,073	3,073	3
26.01.2015	UA4000188940	24.04.2015	17.00%	17.00%	1,500	1,500	2
16.01.2015	UA4000188791	01.04.2015	17.00%	17.00%	2,509	2,509	3
15.01.2015	UA4000188791	01.04.2015	17.00%	17.00%	3,227	3,227	4
26.12.2014	UA4000188536	11.12.2019	14.25%	14.25%	903	903	1
19.12.2014	UA4000188429	04.12.2019	14.25%	14.25%	500	500	1
16.12.2014	UA4000188429	04.12.2019	14.25%	14.25%	1,000	1,000	1
15.12.2014	UA4000188379	23.11.2016	17.60%	17.60%	1,000	1,000	1

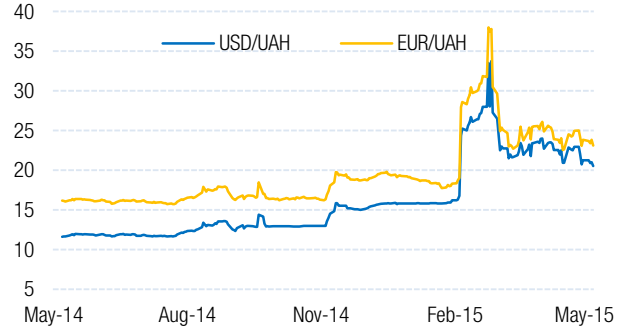
Source: Ministry of Finance of Ukraine

Liquidity indicators



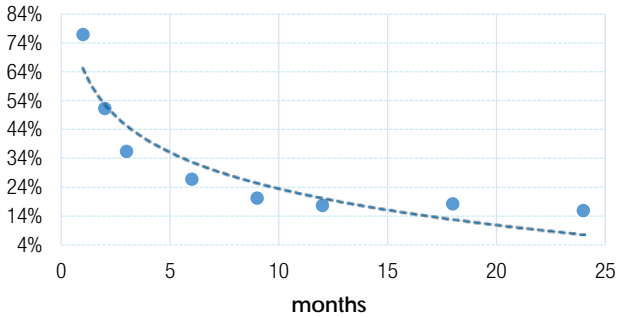
Source: NBU, Bloomberg

Exchange rate dynamics



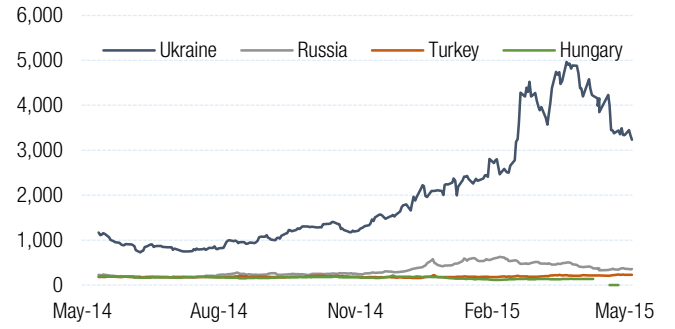
Source: Bloomberg

UAH/USD NDF implied yield curve



Source: Bloomberg, ESCP estimates

CDS USD 5Y: Ukraine and comparables



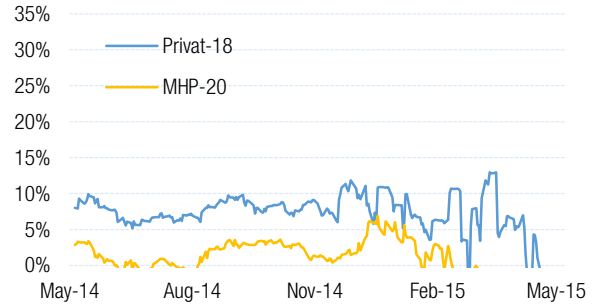
Source: Bloomberg

Spread of 10-y sov. issue to U.S. Treasuries



Source: Bloomberg

Spread of corp. issues to Ukraine gov. bonds



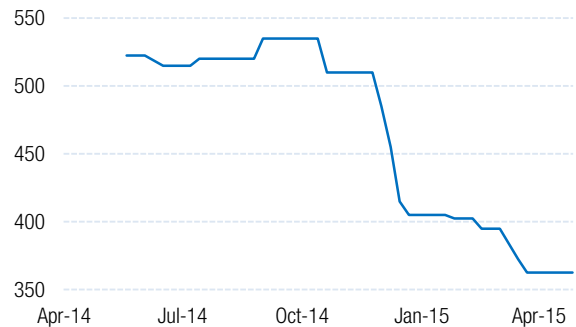
Source: Bloomberg

S&P GSCI Agriculture index



Source: Bloomberg

Ukraine hot-rolled coil, FOB \$/t



Source: Bloomberg

Important disclosure

20a Kozhumiatska Street

Kyiv, Ukraine, 04071

For direct sales inquiries call: + 38 (044) 237-7727, NY: +1 (917) 475-0447

Fax: + 38 (044) 237-7727

Email: research@empirestatecap.com

Our website: www.empirestatecap.com

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