



EMPIRE STATE CAPITAL PARTNERS



UX
-0.1%

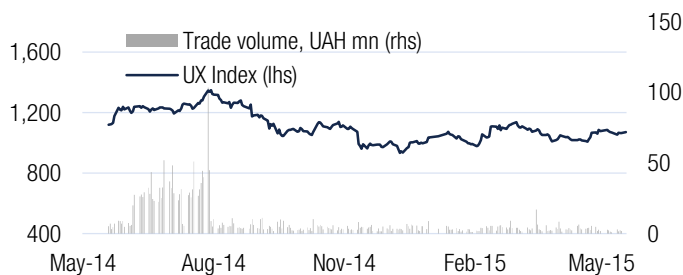


USD/UAH
2.0%



Ukraine CDS
-0.6%

Ukrainian market performance (UX)



Source - Bloomberg

Currencies	Last	1d	1m	YTD *
USD/UAH	20.90	2.0%	-7.1%	28.4%
EUR/UAH	23.94	2.3%	-0.4%	20.6%
RUB/UAH	0.42	1.8%	-6.7%	47.9%
Indices	Last	1d	1m	YTD
UX	1,063	-0.1%	4.7%	2.9%
PFTS	364	-0.2%	1.5%	-5.9%
WIG UKR	298	2.4%	-0.3%	22.0%
MICEX	1,691	0.8%	2.1%	21.1%
MSCI EM	1,043	0.7%	0.1%	9.1%
S&P500	2,123	0.1%	2.0%	3.1%
DAX	11,447	-1.0%	-2.1%	16.7%
Dow Jones	18,273	0.1%	2.5%	2.5%
Nikkei	19,733	0.8%	0.4%	13.1%
Shanghai Comp	4,309	-1.6%	0.5%	33.2%
WIG	56,901	0.1%	2.6%	10.7%
Commodities	Last	1d	1m	YTD
Oil (Brent)	67	0.3%	5.3%	16.5%
Gold	1,225	0.0%	1.9%	3.5%
Iron ore	59	0.8%	19.8%	-14.7%
Steel	450	0.0%	-1.1%	-25.6%
Wheat	207	0.0%	0.5%	-18.8%
Corn	155	-0.3%	-6.6%	-4.9%

Source - Bloomberg, Minfin.com.ua (*)

Futures - UX	Last	1d	Vol, UAH mn	Open acc, ths
DX-6.15 (USD)	22.52	1.0%	0.8	0.5
UX-6.15	1,097	0.6%	2.5	14.3
UX-9.15	1,163	-	0.0	0.1

Source - UX

Market comment

The UX Index was down marginally by 0.1% on Friday, and down by 2.1% in the US dollar terms, while the PFTS index was down by 0.2% in UAH terms. However, only four out of ten companies in the UX index were down in UAH terms, with the largest decrease in prices observed for Ukrnafta (-1.0%), Azovsteel (-0.5%) and Enakievo MP (-0.4%), while Centrenergo (+0.9%) and DonbassEnergog (+0.9%) were among the top gainers.

On the interbank exchange market, the USD/UAH spot rate was up by 2.0% with the closing price of 20.90 (mid price) on Friday according to Bloomberg. The official exchange rate reported by the NBU was 20.70.

Ukraine 5-year CDS were down by 0.6% on Friday.

Market news

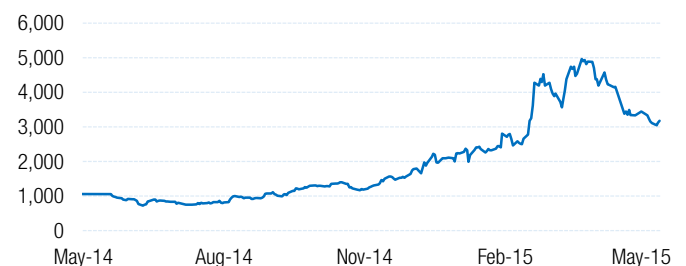
- The Ukrainian Parliament approved the law on term deposits for individuals
- Ovostar's sales down 11% y/y, EBITDA down 4% y/y in 1Q2015
- Milkiland's sales down 40% y/y, EBITDA down by 61% y/y in 1Q2015

Best performers	Ticker	Price, \$	1d	YTD
Ovostar	OVO PW	23.438	9.2%	15.2%
Milkiland	MLK PW	0.683	4.0%	63.4%
Kernel	KER PW	10.194	3.7%	26.8%

Worst performers	Ticker	Price, \$	1d	YTD
Hawkey Oil&Gas	HOG AU	0.004	-16.1%	22.8%
Black Iron	BKI CN	0.025	-14.5%	-42.1%
Serinus Energy	SEN PW	0.873	-5.7%	-23.0%

Source - UX, Bloomberg

Ukraine 5Y CDS spreads



The Ukrainian Parliament approved the law on term deposits for individuals

The Ukrainian Parliament adopted in full at a second hearing some amendments to the laws of Ukraine, concerning banks' retail deposits. The amendments specify the distinction between term and demand retail deposits, and allow individuals' deposit withdrawal only on the conditions stated in banks contracts, namely at the maturity of the contract. Earlier the distinction between different banking retail deposit contracts was virtually inexistent, given legislative requirements to the bank to return customers' fund on every bank individuals' deposit on first requirement. This legislative vacuum allowed the huge run on banking deposits during the crisis of 2004, 2008-2009 and 2014, sending the overall banking system to near bankrupt, and exerting heavy pressure on the National Bank of Ukraine (NBU) and money market liquidity due to the Central Bank's refinancing duties. The ratio of deposits to loans decreased from 73.34% by end of 2013 to 64.45% by end of 2014, according to the NBU.

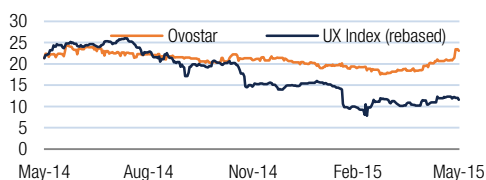
Our view:

The decision is beneficial to the banking system and received positive feedback from the banking community. The amendments will allow banks to manage their balance sheet more efficiently, and stabilize banks' resource base and strengthen liquidity positions. The amendments will also create the preconditions for banks to develop longer-term lending and investment strategies. The legislative changes are not applicable to past retail deposit contracts, and therefore are mostly forward looking, intended to shape the future banking system. The legislative changes take force the next day form their official publication.

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UKRAINE	AGRICULTURE
Bloomberg ticker	OVO PW
Current price, \$	23.44
Market cap, \$ mn	141
EV, \$ mn	150

Price performance



Ovostar's sales down 11% y/y, EBITDA down 4% y/y in 1Q2015

Ovostar [OVO PW], one of the leading Ukrainian producers of shell eggs and liquid egg products, published its financial results for 1Q2015. The company's revenues were down by 11% to USD 17 mn in 1Q2015, mostly due to the devaluation of the local currency. Ovostar reported that the share of export sales increased to around 25% of total revenue in 1Q2015 (1Q2014: 16%). The company's gross profit for the quarter fell by 12% y/y to USD 8 mn, while the company's EBITDA decreased by 4% y/y as a result of higher VAT tax refunds (USD 1.1 mn) and lower SG&A costs. Ovostar reported a net income of USD 9 mn in 1Q2015, up by 16% y/y.

The company's cash flow from operating activity increased by 9% y/y to USD 8 mn. Ovostar's capital expenditures amounted to USD 5 mn in 1Q2015, down by 18% y/y, while net cash flow from financing activities was positive at USD 2 mn as a result of higher volume of borrowings. Ovostar reported a cash balance of USD 7.1 mn as of end-March 2015, down by 18% y/y.

Our view:

The news is POSITIVE for the company. Despite a 50% devaluation of UAH in 2014, and a subsequent 30% devaluation in 1Q2015, Ovostar managed to retain high sales volumes and increase profitability due to a 21% growth of production volumes and a significant increase of exports. The company's positioning in the high-end branded segment and high inflation of shell egg prices in Ukraine also contributed to the improvement of Ovostar's margins.

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Performance	1d	1m	YTD
Stock (USD)	9.2%	21.0%	15.2%
Index (USD)	-2.0%	10.2%	-19.9%

Financials, \$ mn	2013	2014	2015f
Revenues	90	75	78
EBITDA	37	29	26
E. margin	41%	39%	33%
Net income	30.6	26	22.4
EPS, \$	5.1	4.3	2.9
Div/GDR, \$	-	-	-

Valuation, gearing and yield

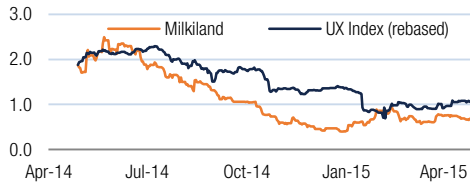
EV/EBITDA	4.13	5.17	5.75
P/E	4.60	5.41	6.27

Source: Bloomberg, Company data

Milkiland

UKRAINE	DAIRY
Bloomberg ticker	MLK PW
Current price, \$	0.68
Market cap, \$ mn	21
EV, \$ mn	133

Price performance



Performance	1d	1m	YTD
Stock (USD)	4.0%	-10.6%	63.4%
Index (USD)	-2.0%	10.2%	-19.9%

Source: Bloomberg

Financials, \$ mn	2013	2014	2015f
Revenues	453	384	244
EBITDA	44	23	30
E. margin	10%	6%	12%
Net income	14.4	-96	-30
EPS, \$	0.5	-3.1	-1.0
Div/share, \$	0.1	-	-

Valuation, gearing and yield

EV/EBITDA	0.46	5.76	4.42
P/E	1.48	neg.	neg.

Source: Bloomberg, Company data

Milkiland's sales down 40% y/y, EBITDA down by 61% y/y in 1Q2015

Milkiland [MLK PW], the diversified dairy producer with assets in Ukraine, Russia and Poland, published its financial results for 1Q2015. The company's revenue was down by 40% y/y to EUR 47 mn in 1Q2015 as a result of a depreciation of UAH and RUB against the euro, and the Russian ban on food imports from the EU and Ukraine. Milkiland's gross profit fell by 49% y/y to EUR 7 mn in 1Q2015, while the company's EBITDA decreased by 61% y/y to EUR 2 mn due to a less significant reduction in operating costs (-37% y/y) and selling expenses (-29% y/y). Milkiland reported a net loss of EUR 35 mn, which included EUR 33.6 mn of non-cash FX losses (adjusted net loss: EUR 1.6 mn).

Milkiland reported that its whole-milk dairy segment generated 59% of total revenue (49% in 1Q2014) and was the only EBITDA-generating segment in 1Q2015. The segment revenue declined by 27% y/y to EUR 27.6 mn on a back operational currencies devaluation, while segment EBITDA grew by 29% y/y from to EUR 2.7 mn, reflecting improving profitability of the Russian division. The company's cheese and butter segment contributed approximately 31% of total revenues (40% in 1Q2014). Segment's revenue decreased by 53% y/y to EUR 14.3 mn due to both volume contraction and operational currencies devaluation. The revenue of Milkiland's ingredients and other products segment decreased by 45% y/y to EUR 4.8 mn on the back of lower prices.

The company's net operating cash flow was positive at EUR 3 mn in 1Q2015 compared to negative EUR 7 mn in 1Q2014, which was mainly caused by a EUR 3 mn decrease in working capital (operating cash flow before WC charges dropped by 58% y/y in 1Q2015). Milkiland's capital expenditures amounted to just EUR 0.7 mn in 1Q2015, a 29% y/y drop compared to 1Q2014. The company's net financing cash flow was negative at EUR 2 mn as a result of lower borrowings volume. Milkiland reported a cash balance of EUR 10 mn as of end-March 2015.

Our view:

The news is NEGATIVE for the company. The decrease of EBITDA margin to a mere 4% in 1Q2015 compared to 7% a year ago (and 10-12% standard for the dairy industry in Ukraine) is a worrying sign which indicates that Milkiland's costs grew faster than prices. The reason for this might be an oversupply of cheese and other exported dairy products in the Ukrainian market after the ban on food imports to Russia. Furthermore, the company's sales volumes have dropped significantly, while Milkiland's main business segment shifted to whole-milk production, which usually has lower margins.

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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	19.7	0.001	0.001	0.001	-1.3%	21.3%	-18.9%	1.3	0.001	0.004
Avdeevsky Coke	AVDK UK	12.8	0.065	0.063	0.064	-1.8%	3.1%	-39.2%	1.0	0.066	0.309
Azovstal	AZST UK	172.8	0.040	0.040	0.041	-2.9%	10.6%	-11.6%	5.9	0.030	0.074
Bank Aval	BAVL UK	137.3	0.005	0.005	0.005	-2.0%	3.0%	-22.3%	13.9	0.005	-
CentrEnerg	CEEN UK	146.8	0.395	0.393	0.395	-1.2%	9.3%	-14.7%	19.7	0.253	0.746
DonbassEnerg	DOEN UK	27.1	1.126	1.126	1.147	-2.0%	11.0%	-44.4%	10.6	0.940	4.111
Enakievo MP	ENMZ UK	9.0	0.832	0.802	0.832	-2.3%	3.8%	-35.4%	2.2	0.578	5.365
Motor Sich	MSICH UK	274.8	132.25	131.34	132.15	-2.1%	11.6%	-13.3%	40.9	146.69	110.1
Ukrnafta	UNAF UK	707.3	13.033	13.048	13.110	-3.1%	14.3%	4.4%	41.1	4.563	29.07
Kryukiv carriage	KVBZ UK	61.1	0.533	0.521	0.533	-1.6%	13.3%	-32.5%	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	476.6	0.407	0.268	0.421	-1.9%	-	-	-	-	-
Donetsk Coke	DKOK UK	3.8	0.015	-	0.023	-1.9%	-	-	-	-	-
DniproEnerg	DNON UK	27.8	4.641	3.828	4.784	-1.9%	-	-	-	-	-
DonetskOblEner	DOON UK	8.5	0.129	0.067	0.194	-1.9%	-	-	-	-	-
Farmak	FARM UK	52.2	7.177	7.177	10.766	-1.9%	-	-	-	-	-
Forum Bank	FORM UK	-	-	-	-	-	-	-	-	-	-
KhmelnytskOblEner	HMON UK	14.5	0.108	0.054	0.153	-1.9%	-	-	-	-	-
Hartsyzk pipes	HRTR UK	36.1	0.014	0.014	0.016	-1.9%	-23.7%	-41.1%	0.1	0.013	0.086
KievEnerg	KIEN UK	66.9	0.617	0.617	0.717	-1.9%	-	-	-	-	-
KirovogradOblEner	KION UK	12.9	0.108	0.054	0.153	-1.9%	-	-	-	-	-
AvtoKRAZ	KRAZ UK	13.0	0.006	0.005	0.006	-1.9%	-	-	-	-	-
DTEK KrymEnerg	KREN UK	4.4	0.025	0.013	0.036	-1.9%	1.6%	-79.0%	0.2	0.031	0.214
Kryukiv carriage	KVBZ UK	61.1	0.533	0.521	0.533	-1.6%	13.3%	-32.5%	1.5	0.418	1.814
Lugansk Locomotive	LTPL UK	12.6	0.057	0.048	0.057	-1.9%	-15.8%	-13.5%	0.1	0.072	0.066
Bogdan Motors	LUAZ UK	5.4	0.001	0.001	0.001	-1.9%	-2.3%	1.3%	0.1	0.001	0.007
Ilyich iron and steel	MMKI UK	112.5	0.009	0.008	0.009	-1.9%	-	-	-	-	-
Mariupol machinery	MZVM UK	1.1	0.003	0.003	0.003	-1.9%	4.5%	-55.7%	0.5	0.005	0.017
MHP	MHPC UK	1,359.5	12.866	11.723	12.679	-1.9%	-	-	-	-	-
Nord	NORD UK	5.2	1.914	0.957	3.349	-1.9%	-	-	-	-	-
Poltavkhimmash	PHMSH UK	1.8	0.742	0.371	-	-1.9%	-	-	-	-	-
South GZK	SGOK UK	859.9	0.373	0.301	0.382	-1.9%	5.3%	-27.4%	0.7	0.280	0.777
Pokrovske mine	SHCHZ UK	13.4	0.016	0.011	0.016	-1.9%	20.2%	-45.5%	0.1	0.011	0.068
Universalna insur.	SKUN UK	2.4	0.014	0.007	-	-1.9%	5.3%	-22.1%	-	0.025	0.669
Slavutich	SLAV UK	318.0	0.311	0.321	0.450	-1.9%	-	-	-	-	-
Stakhanov railway	SVGZ UK	2.9	0.013	0.010	0.017	-1.9%	-	-	-	-	-
Ukrtelecom	UTLM UK	161.3	0.009	0.007	0.009	-1.9%	2.5%	-7.8%	13.9	0.008	0.010
Yasynivsky Coke	YASK UK	3.9	0.014	0.012	0.016	9.0%	5.3%	-16.5%	0.0	0.012	0.072
Zakhidenergo	ZAEN UK	101.6	7.943	6.703	8.038	-1.9%	16.5%	-12.7%	0.1	7.693	15.488
ZakarpattyaOblEner	ZOEN UK	6.6	0.053	0.026	-	-1.9%	5.3%	-22.1%	-	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	57.3	0.10	0.10	0.10	0.0%	33.3%	117.3%	118.1	0.03	0.19
Agrogeneration	ALAGR FP	52.8	0.57	0.56	0.56	2.5%	14.1%	9.8%	16.6	0.33	1.32
Agroton	AGT PW	5.8	0.27	0.27	0.27	-4.0%	-12.9%	-22.8%	8.8	0.26	0.91
Astarta-Kyiv	AST PW	171.5	6.86	6.78	6.78	0.2%	7.7%	21.4%	247.3	4.05	13.62
Avangard	AVGR LI	172.5	2.70	2.57	2.57	0.0%	-2.7%	31.7%	85.5	1.81	10.35
Black Iron	BKI CN	4.0	0.02	0.02	0.02	-14.5%	24.5%	-42.1%	4.8	0.02	0.15
Cadogan Oil	CAD LN	31.9	0.14	0.13	0.13	0.0%	9.8%	-11.5%	12.6	0.13	0.19
Cereal Planet	CRP PW	6.2	3.47	3.42	3.42	1.0%	7.3%	4.3%	0.0	2.99	3.48
Coal Energy	CLE PW	7.0	0.16	0.16	0.16	-4.2%	-10.0%	-11.3%	1.3	0.14	0.41
Cub Energy	CUB CN	5.2	0.02	0.02	0.02	0.0%	4.0%	-44.7%	2.7	0.01	0.15
Ferrexpo	FXPO LN	709.8	1.21	1.21	1.21	1.3%	19.5%	58.2%	890.5	0.69	2.10
Hawkey Oil&Gas	HOG AU	1.2	0.00	0.00	0.00	-16.1%	-12.1%	22.8%	-	0.00	0.01
IMC	IMC PW	43.6	1.39	1.33	1.33	0.0%	-4.6%	-13.1%	1.6	1.41	2.98
JKX Oil&Gas	JKX LN	81.4	0.47	0.46	0.46	0.0%	10.3%	152.8%	25.5	0.17	0.99
KDM Shipping	KDM PW	10.4	1.12	0.01	0.01	0.0%	-18.3%	-2.3%	0.8	0.99	3.12
Kernel	KER PW	812.3	10.19	10.11	10.11	3.7%	-0.5%	26.8%	1,860.9	5.95	11.31
MHP	MHPC LI	1,215.2	11.50	10.70	10.70	0.0%	4.5%	25.0%	646.8	8.24	15.60
Milkiland	MLK PW	21.4	0.68	0.66	0.66	4.0%	-10.6%	63.4%	18.4	0.40	2.15
Misen Energy	MISE SS	119.2	0.82	0.82	0.82	-2.8%	5.1%	-5.7%	-	0.68	3.17
Mriya	MAYA GF	8.5	0.08	0.17	0.17	0.5%	-76.7%	-88.2%	0.1	0.06	6.31
Ovostar	OVO PW	140.6	23.44	22.59	22.59	9.2%	21.0%	15.2%	217.9	17.72	23.53
Regal Petroleum	RPT LN	25.2	0.08	0.06	0.06	3.0%	11.7%	61.6%	1.6	0.04	0.16
Serinus Energy	SEN PW	68.6	0.87	0.87	0.87	-5.7%	7.1%	-23.0%	270.1	0.81	2.46
Westa ISIC	WES PW	1.0	0.02	0.02	0.02	0.0%	-7.2%	-53.9%	0.1	0.02	0.14

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	13.03	-	707	975	8%	30.4	6.7	16.2	3.4	2.6	5.7	0.4	0.5	0.7	0.3
JKX Oil & Gas	JKX LN	0.47	-	81	92	48%	12.5	neg.	neg.	1.4	2.0	1.6	0.5	0.6	0.6	0.2
Misen Energy	MISE SS	0.82	-	119	136	1%	3.7	-	-	2.9	-	-	1.4	-	-	1.4
Serinus Energy	SER PW	0.87	-	69	95	39%	neg.	neg.	neg.	1.3	1.3	2.6	0.6	0.6	0.8	0.4
Cub Energy	KUB CN	0.02	0.03	5	4	26%	neg.	neg.	neg.	neg.	neg.	neg.	1.5	0.5	0.6	0.1
Active Energy	AEG LN	0.10	0.26	57	59	40%	neg.	neg.	1.0	neg.	118.3	1.0	7.2	2.2	0.6	9.8
METALS & MINING																
Ferrexpo	FXPO LN	1.21	-	710	1,298	26%	2.7	3.9	10.9	2.6	2.6	5.4	0.8	0.9	1.2	0.4
Central GZK	CGOK UK	0.41	-	477	462	0%	2.5	2.9	-	1.4	1.7	-	0.7	0.7	-	0.6
South GZK	SGOK UK	0.37	-	860	1,168	1%	1.6	1.9	-	1.3	1.4	-	0.7	0.8	-	0.4
Pokrovske coal	SHCHZ UK	0.02	-	13	140	2%	neg.	-	-	1.4	-	-	0.3	-	-	0.1
Azovsteel	AZST UK	0.04	-	170	170	4%	neg.	2.2	3.3	neg.	1.1	1.6	0.1	0.1	0.1	0.1
Enakievo MP	ENMZ UK	0.83	-	9	1	14%	neg.	neg.	neg.	neg.	0.0	0.0	0.0	0.0	0.0	0.3
AGRI/FOOD																
Kernel	KER PW	10.19	-	812	1,547	55%	7.3	neg.	5.9	5.3	6.9	4.7	0.6	0.6	0.7	0.6
MHP	MHPC LI	11.50	-	1,215	2,394	29%	7.8	neg.	5.1	6.1	4.3	4.7	1.6	1.7	1.8	1.0
Astarta	AST PW	6.86	-	172	435	32%	5.8	neg.	neg.	5.1	2.7	4.4	1.0	0.9	1.1	0.3
Agrogeneration	ALAGR FP	0.57	-	53	145	18%	neg.	neg.	-	neg.	5.4	-	1.4	1.7	-	0.8
Avangard	AVGR LI	2.70	4.52	172	330	23%	0.7	neg.	4.9	1.1	2.5	2.9	0.5	0.8	1.0	0.1
Ovostar	OVO PW	23.44	-	141	150	26%	4.6	5.1	6.3	4.1	5.2	5.8	1.7	2.0	1.9	1.0
Mriya	MAYA GF	0.08	-	9	797	20%	0.1	-	-	4.8	-	-	1.6	-	-	0.0
IMC	IMC PW	1.39	-	44	168	27%	1.7	neg.	5.4	3.4	3.0	3.4	1.5	1.2	1.0	0.3
Milkiland	MLK PW	0.68	-	21	133	22%	1.5	neg.	neg.	3.0	5.8	4.4	0.3	0.3	0.5	0.1
UTILITIES																
CentrEnerg	CEEN UK	0.40	-	146	157	22%	2.4	24.3	neg.	1.7	6.0	neg.	0.2	0.2	0.3	0.5
DonbassEnerg	DOEN UK	1.13	-	27	123	14%	0.4	1.1	neg.	1.1	2.6	38.2	0.2	0.3	0.7	0.2
KievEnerg	KIEN UK	0.62	-	67	7	3%	0.5	-	-	0.0	-	-	0.0	-	-	0.1
Zakhidenerg	ZAEN UK	7.94	-	102	132	3%	1.4	-	-	0.9	-	-	0.1	-	-	0.5
INDUSTRIALS																
Hartsyzk pipes	HRTR UK	0.01	-	36	37	2%	7.7	7.2	-	1.5	1.2	-	0.3	0.1	-	0.2
AutoKRAZ	KRAZ UK	0.006	0.017	13	148	13%	5.4	neg.	0.6	11.4	3.4	3.3	1.7	1.0	1.0	-
Kryukiv carriage	KVBZ UK	0.53	-	61	65	32%	1.5	neg.	neg.	1.3	neg.	13.0	0.1	0.5	1.0	0.2
Motor Sich	MSICH UK	132.25	-	275	211	19%	1.7	2.1	1.9	0.6	0.6	0.8	0.2	0.2	0.3	0.2
Bogdan Motors	LUAZ UK	0.001	-	5	181	42%	neg.	-	-	neg.	-	-	1.4	-	-	0.1
BANKING																
Ukrsotsbank	USCB UK	0.005	-	118	860	2%	neg.	6.2	neg.	-	-	-	1.4	-	-	0.1
Bank Aval	BAVL UK	0.005	-	137	550	4%	1.1	neg.	neg.	-	-	-	0.6	1.2	2.2	0.1
TELECOMS																
Ukrtelecom	UTLM UK	0.009	-	161	147	7%	neg.	6.7	20.1	1.0	1.3	2.1	0.2	0.3	0.7	0.3
PHARMA																
Farmak	FARM UK	7.18	-	52	84	22%	1.4	-	-	1.3	-	-	0.4	-	-	0.3

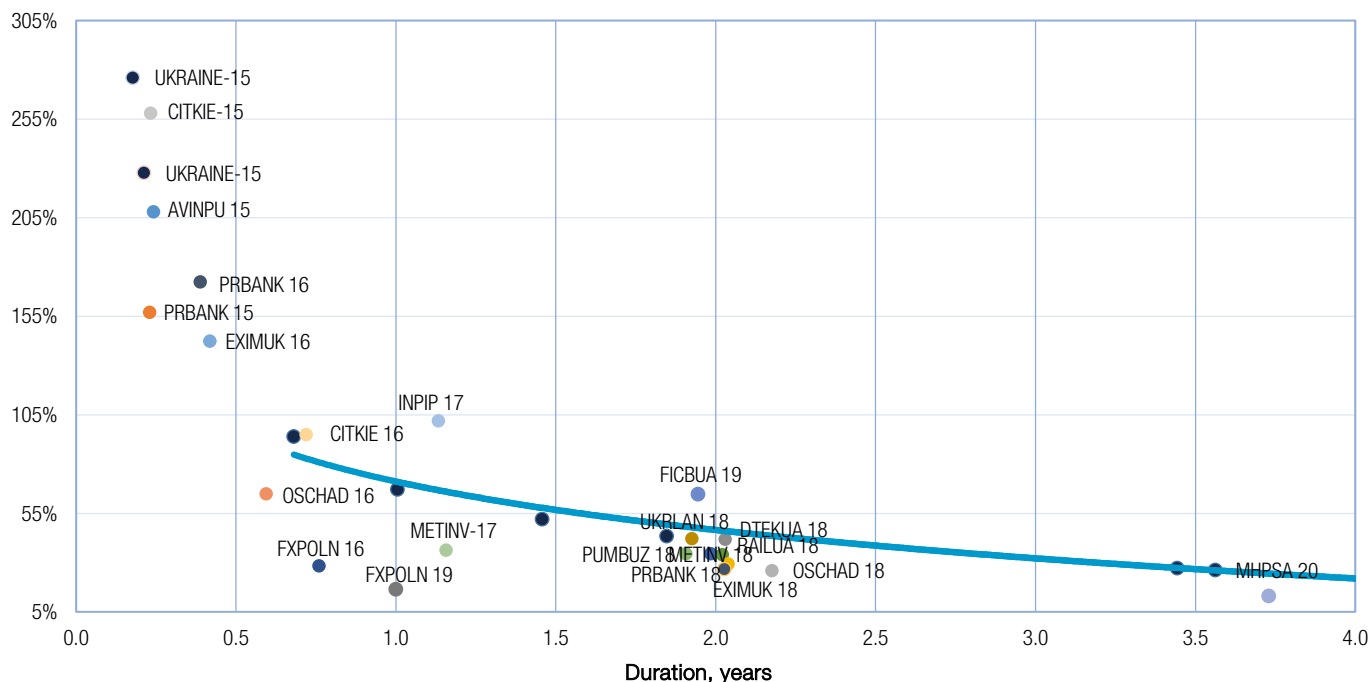
Source: Bloomberg, ESCP estimates. Market value of debt is used where applicable.

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	51.95	51.15	52.75	276.1	0.18	14,350	CC/Ca/CCC-
Ukraine-15	UKRAIN	4.95	13.10.2015	600	51.77	50.97	52.58	227.9	0.21	10,157	CC/Ca/CCC-
Ukraine-15 (RU)	UKRAIN	5.00	20.12.2015	3,000	52.50	50.00	55.00	155.0	0.33	4,447	CCC/Caa3/CCC
Ukraine-16	UKRAIN	6.25	17.06.2016	1,250	47.25	46.50	48.00	94.0	0.68	920	CC/Ca/CCC-
Ukraine-16	UKRAIN	6.58	21.11.2016	1,000	47.50	47.00	48.00	67.2	1.00	-381	CC/Ca/CCC-
Ukraine-17	UKRAIN	9.25	24.07.2017	2,600	47.63	47.25	48.00	52.1	1.46	-572	CC/Ca/CCC-
Ukraine-17	UKRAIN	6.75	14.11.2017	700	47.25	46.75	47.75	43.5	1.85	-586	CC/Ca/CCC-
Ukraine-20	UKRAIN	7.75	23.09.2020	1,500	46.73	46.23	47.23	27.2	3.44	-6	CC/Ca/CCC-
Ukraine-21	UKRAIN	7.95	23.02.2021	1,500	47.05	46.55	47.55	26.3	3.56	21	CC/Ca/CCC-
Ukraine-22	UKRAIN	7.8	28.11.2022	2,250	47.03	46.62	47.44	22.9	4.10	181	CC/Ca/CCC-
Ukraine-23	UKRAIN	7.5	17.04.2023	1,250	49.00	48.00	50.00	21.0	4.66	442	CC/Ca/CCC-
Fin. of infr. pr.-17	UKRINF	8.38	03.11.2017	568	46.00	45.00	47.00	48.1	1.74	-331	-/Ca/-
Fin. of infr. pr.-17	UKRINF	9	07.12.2017	550	46.25	45.50	47.00	47.5	1.66	-577	-(P)Ca/-
Fin. of infr. pr.-18	UKRINF	7.4	20.04.2018	690	46.00	45.00	47.00	40.6	2.10	-427	-/Ca/-
Municipals											
City of Kiev-15	CITKIE	8	06.11.2015	250	47.08	44.17	50.00	257.9	0.23	13,505	CC/Ca/CC
City of Kiev-16	CITKIE	9.38	11.07.2016	300	46.75	44.50	49.00	94.9	0.72	1,201	CC/Ca/CC
Corporates											
Mriya-16	MRIYA	10.95	30.03.2016	250	13.46	12.25	14.67	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	50.63	49.76	51.49	42.1	1.93	-574	WD/-/CC
Ferrexpo-16	FXPOLN	7.88	07.04.2016	500	84.91	83.65	86.17	28.3	0.76	-5,263	CCC/Caa3/CCC+
Ferrexpo-19	FXPOLN	10.38	07.04.2019	161	83.00	82.00	84.00	16.5	2.62	-2,050	CCC/Caa3/CCC+
MHP-20	MHPSA	8.25	02.04.2020	750	82.76	82.09	83.43	13.2	3.73	-1,128	CCC/-/CCC-
DTEK-18	DTEKUA	7.88	04.04.2018	750	46.00	45.00	47.00	41.9	2.03	-417	C/Ca/-
Metinvest-15	METINV	10.25	20.05.2015	500	70.50	69.50	71.50	flat	0.00	-	C/Caa3/-
Metinvest-17	METINV	10.5	28.11.2017	290	59.50	58.00	61.00	36.3	1.16	-2,967	C/-/-
Metinvest-18	METINV	8.75	14.02.2018	750	56.53	55.30	57.75	34.5	1.98	-1,232	C/Caa3/-
Ukraine Railways-18	RAILUA	9.5	21.05.2018	500	55.83	55.00	56.67	34.1	2.02	-1,206	C/-/CC
Avangard-15	AVINPU	10	29.10.2015	200	54.01	52.01	56.00	208.0	0.24	8,652	WD/ /-
Interpipe-17	INPIP	10.25	02.08.2017	200	27.50	25.00	30.00	101.9	1.13	3,521	C/-/NR
Banks											
PrivatBank-15	PRBANK	9.38	23.09.2015	200	66.50	64.00	69.00	156.9	0.23	-11,917	CC/Cau/CCC-
PrivatBank-16 (sub.)	PRBANK	5.80	09.02.2016	150	42.50	40.00	45.00	172.5	0.39	6,767	-/Cu/-
Privatbank-18	PRBANK	10.88	28.02.2018	175	66.50	64.00	69.00	29.3	2.04	-1,659	CC/Cau/CCC-
Ukreximbank-15	EXIMUK	8.38	27.07.2015	750	75.50	74.00	77.00	flat	0.14	-	RD/Ca/-
Ukreximbank-16 (sub.)	EXIMUK	5.79	09.02.2016	125	48.00	46.00	50.00	142.4	0.42	4,029	C/C/-
Ukreximbank-18	EXIMUK	8.75	22.01.2018	600	67.00	66.00	68.00	26.8	2.03	-1,930	C/Ca/-
Oschadbank-16	OSCHAD	8.25	10.03.2016	700	68.00	67.00	69.00	64.9	0.59	-2,473	CC/Ca/-
Oschadbank-18	OSCHAD	8.88	20.03.2018	500	67.00	66.00	68.00	26.0	2.18	-1,754	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	64.7	1.94	1,718	-/-/-
PUMB-18	PUMBUZ	11.00	31.12.2018	275	52.50	51.00	54.00	34.5	1.91	-1,378	NR/WR/-

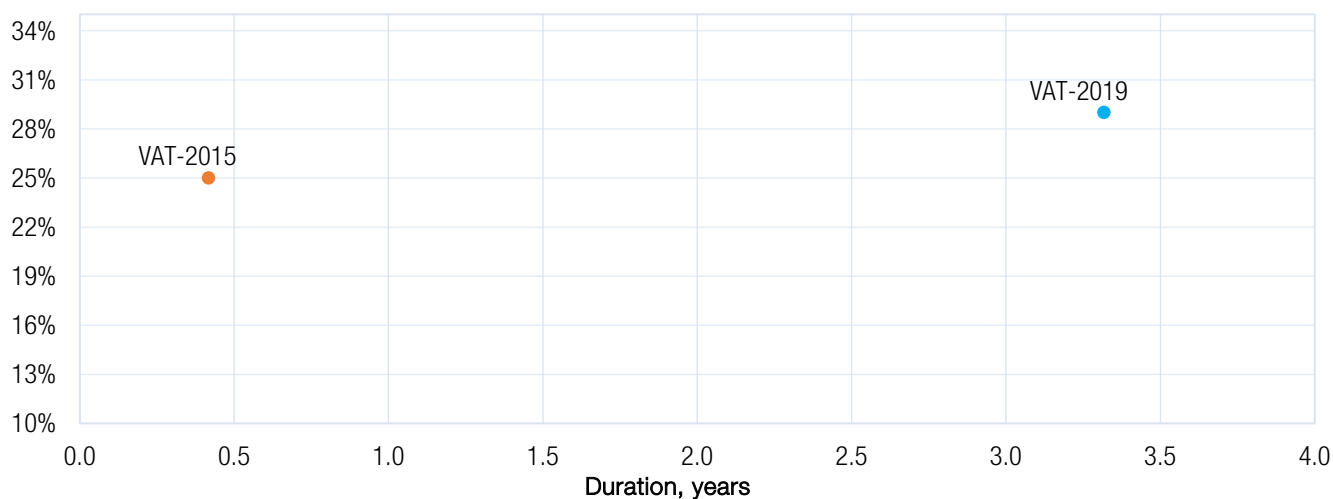
Source: Bloomberg, ESCP

Eurobonds yield curve



Source: Bloomberg. Sovereign yield curve excludes short-term issues as outliers.

OVDP yield curve



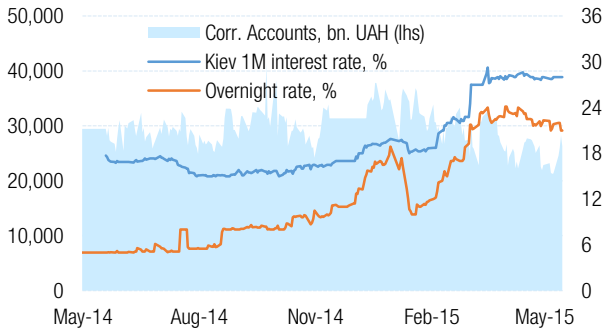
Source: TRDATA

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

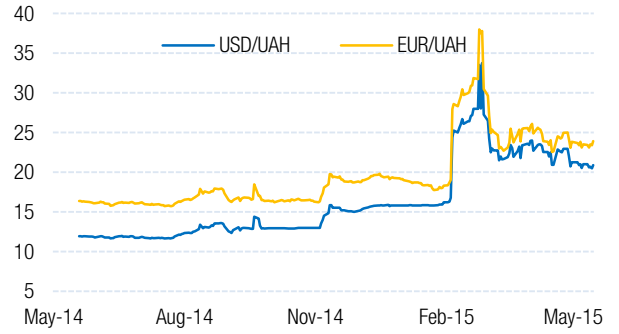
Source: Ministry of Finance of Ukraine

Liquidity indicators



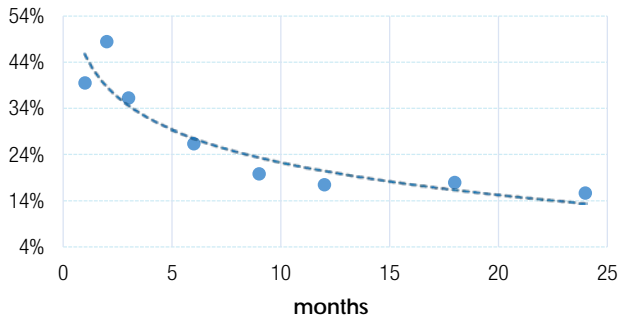
Source: NBU, Bloomberg

Exchange rate dynamics



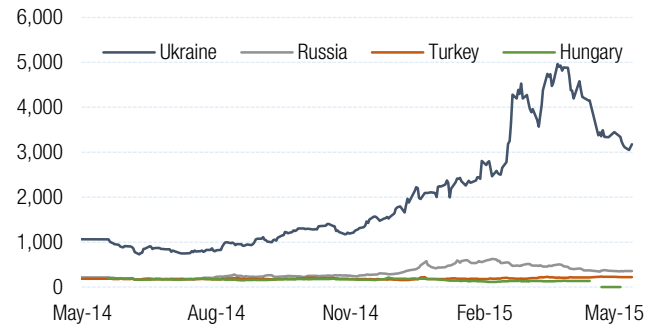
Source: Bloomberg

UAH/USD NDF implied yield curve



Source: Bloomberg, ESCP estimates

CDS USD 5Y: Ukraine and comparables



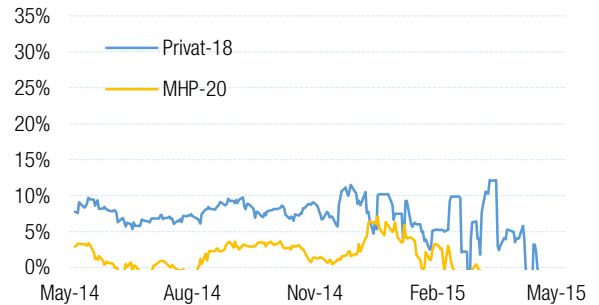
Source: Bloomberg

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



Source: Bloomberg

Spread of corp. issues to Ukraine gov. bonds



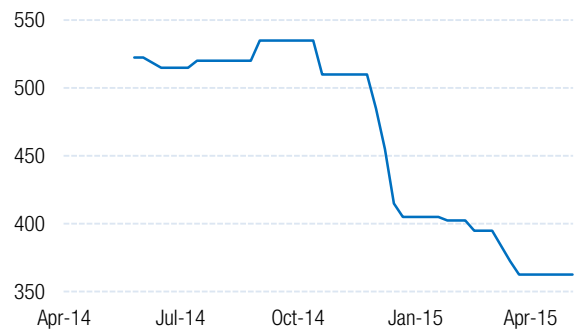
Source: Bloomberg

S&P GSCI Agriculture index



Source: Bloomberg

Ukraine hot-rolled coil, FOB \$/t



Source: Bloomberg

Important disclosure

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