November 28, 2012

OJSC CHERKIZOVO GROUP
("the Company" or "the Group")

FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2012

Moscow, 28 November 2012 – Cherkizovo OJSC (LSE: CHE), Russia's leading integrated and diversified meat producer, today announces third quarter and nine months unaudited financial results for the period ended 30 September 2012.

Highlights

- Revenues increased 15% in RUR and increased 6% in dollar terms to USD 1,145.4 million for the nine months of 2012 from USD 1,079.4 million for the nine months of 2011. For the third quarter of 2012 revenues increased 11% in RUR and increased 3% in dollar terms to USD 394.5 million as compared to USD 384.6 million in the third quarter of 2011.

- Gross profit increased 33% in RUR and increased 23% in dollar terms to USD 333.4 million for the nine months of 2012 from USD 271.4 million for the nine months of 2011. In the third quarter of 2012 Gross profit increased 32% in RUR and increased 22% in dollar terms to USD 121.2 million as compared to USD 99.8 million in the third quarter of 2011.

- Group gross margin was a robust 29% for the nine months and 31% for the third quarter.

- Adjusted EBITDA* increased 45% in RUR and increased 34% in dollar terms to USD 239.1 million for the nine months of 2012 from USD 178.7 million for the nine months of 2011. For the third quarter of 2012 Adjusted EBITDA* increased 38% in RUR and increased 26% in dollar terms to USD 90.3 million as compared to USD 71.4 million in the third quarter of 2011.

- Adjusted EBITDA* margin for the nine months of 2012 was 21% vs 17% in the nine months of 2011. Adjusted EBITDA* margin in the third quarter of 2012 increased to 23%, compared to 19% for the same period of 2011, reflecting a healthy profitability level.

- Net income increased by 64% in RUR and 51% in dollar terms to USD 158.7 million for the nine months of 2012 from USD 105.0 million for the nine months of 2011. In the third quarter of 2012 Net income increased 79% in RUR and increased 64% in dollar terms to USD 62.8 million as compared to USD 38.2 million in the third quarter of 2011.

- As of 30 September 2012 Net debt** was USD 822.4 million (RUR 25,426.0 million).

- The effective cost of debt decreased from 2.3% to 2.1% for the nine months of 2012.

- Net income per share increased 51% to USD 3.69

- Cash conversion rate (CCR)*** was 135% (9M2011: 170%).

Business Developments

- Construction completed of greenfield pork farms in Tambov, Voronezh and Lipetsk; all facilities now fully stocked with sows.

- Continued development of Elets integrated poultry production facility. Construction has started on new elevator; sourcing is underway for the 120 tonnes per hour feed mill supplier; and equipment has been purchased for the 240 million egg incubation hatchery.
- The first line of the poultry breeding facility, “Pervomayskaya”, was opened at the Bryansk cluster. The facility, which was built as part of Cherkizovo’s ongoing poultry capacity increase project, consists of 28 bird houses, with a combined capacity of almost 1 million broilers.
- 21 additional bird houses were built at the poultry breeding facility “Vostochnaya, part of the Penza cluster, increasing capacity to 1 million heads.
- An agreement to set up a turkey meat production joint venture with Spain’s Grupo Fuertes was signed. The new plant, due to be operational in 2014, will be in the Tambov region of Russia, with more than EUR 100 million invested in development of the project. The annual capacity is expected to be 25,000-30,000 tonnes of turkey meat, and may be increased to 50,000 tonnes in the medium term.
- Agreement was reached to acquire agricultural assets located in Central Russia, comprising a swine nucleus unit in the Voronezh region; grain storage facilities in the Voronezh and Penza regions (total capacity exceeding 200,000 tonnes); a feed mill (under construction), and a land bank of approximately 30,000 ha in the Voronezh region.
- A renovated feed mill at the Penza cluster was opened, with a total annual capacity of 300,000 tonnes.
- The number of Non-Executive Directors on Cherkizovo’s Board of Directors has been increased to four, reflecting an increased emphasis on corporate governance and transparency.

Sergey Mikhailov, Chief Executive Officer of Cherkizovo Group, said:

I am pleased to be announcing good nine months results, with a strong third quarter performance. It is pleasing to see our nine months revenues pass the one billion dollar mark, as active management and a supportive trading environment combined to produce solid growth. We have improved profitability in the poultry and meat processing segments and invested in our pork segment to provide long term, sustainable growth beyond 2013.

The strong Poultry results reflect the infrastructure investments Cherkizovo has already made, with impressive volume and revenue growth reflecting strong organic growth and good incremental sales from Mosselprom. Meanwhile the segment’s substantial improvement in operational efficiency has produced better profitability.

In the Pork segment, major operational changes were made in 2012 to ensure the segment is well placed for future growth. A strong macro environment in the middle of the year enabled the segment to carry out a sow replacement programme, without reducing volumes or profitability. The Pork segment has now reached installed capacity of 180,000 tonnes per annum and we are well placed to deliver strong volume growth in 2013.

The Meat Processing segment has produced a record profit, as the Group’s strategy to focus on high margin, value added produce started to positively impact the segment’s financial performance. Recent examples of this strategy include the tripling of productivity at the Kaliningrad plant, which is now well placed for further growth.

This year the grain segment became a strong contributor to the Company's performance for the first time. Cherkizovo has developed its vertical integration, harvesting more than 100,000 tonnes of grain, and we continue to seek opportunities to enhance the productivity of the Group's landbank. Currently, only 35 000 hectares of the landbank are active, but as this increases we anticipate significant further growth.

Looking ahead, the operational environment in the medium term looks more challenging, but Cherkizovo is well prepared, with significantly increased grain storage capacity, enabling the Group to benefit from flexible grain procurement. The Company's diversified operations ensure that we are well placed to benefit from high meat prices at the Poultry and Pork segments, or low meat prices at the Meat Processing segment.

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About Cherkizovo Group

Cherkizovo Group (LSE:CHE) is the largest meat manufacturer in Russia and one of the top three companies serving Russia's poultry, pork and meat processing markets. The company is also Russia's largest producer of fodder.

The Group includes 7 full cycle poultry production facilities, with a total capacity of 400,000 tons live weight p.a.; 14 modern pork production facilities with a total capacity of 180,000 tons live weight p.a.; 6 meat processing plants with a total capacity of 190,000 tons p.a.; 6 fodder plants with a total capacity of 1.4 million tons p.a.; grain storage facilities with a total storage capacity exceeding 500,000 tons; and a land bank exceeding 100,000 hectares. In 2012, Cherkizovo expects to produce more than half a million tons of meat and processed meat products.

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 integrated distribution, Cherkizovo has consistently delivered sustainable revenue and profit growth. In 2011, Cherkizovo's US GAAP consolidated revenue increased 24% to USD 1,472.6 million, and net profit amounted to USD 135.9 million.

Within the last five years alone, Cherkizovo has invested more than USD 1 billion into the development of Russia's agriculture sector. In addition to existing production facilities, the Group is also investing in a 20 billion rouble hi-technology agro-industrial production complex in Elets, Lipetsk region.

Cherkizovo's strategy includes both organic growth and investment in new projects, driving the consolidation of the Russian meat market. Cherkizovo shares are quoted on LSE and RTS/MICEX.

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

Financial Overview

The table below summarizes the Group's strong performance on a rouble currency basis for the third quarter and the nine months of 2012:

RUR, mln (unaudited)	**9M2012**	**9M2011**	**Change**	**3Q2012**	**3Q2011**	**Change**
Sales	35,619.5	31,049.3	15%	12,628.2	11,325.7	11%
Gross Profit	10,368.9	7,807.0	33%	3,880.0	2,936.1	32%
Gross margin, %	*29%*	*25%*		31%	26%	
Operating expenses	(4,767.5)	(4 160.0)	15%	(1,625.6)	(1,456.6)	12%
Operating Income	5,601.4	3,647.0	54%	2,254.4	1,479.6	52%
Operating Income margin, %	*16%*	*12%*		18%	13%	
Net Income	4,935.3	3,019.0	63%	2,010.5	1,124.9	79%
Adjusted EBITDA	7,437.4	5,141.1	45%	2,888.8	2,099.7	38%
EBITDA margin, %	*21%*	*17%*		23%	19%	

USD, mln (unaudited)	9M2012	9M2011	Change	3Q2012	3Q2011	Change
Sales	1,145.4	1,079.4	6%	394.5	384.6	3%
Gross Profit	333.4	271.4	23%	121.2	99.8	22%
Gross margin, %	*29 %*	*25%*		31%	26%	
Operating expenses	(153.3)	(144.6)	6%	(50.8)	(49.4)	3%
Operating Income	180.1	126.8	42%	70.4	50.3	40%
Operating Income margin, %	*16%*	*12%*		18%	13%	
Net Income	158.7	105.0	51%	62.8	38.2	64%
Adjusted EBITDA	239.1	178.7	34%	90.3	71.4	26%
EBITDA margin, %	*21%*	*17%*		23%	19%	

On a reported currency basis sales increased for the nine months of 2012 by 6% to USD 1,145.4 million (9M2011: USD 1,079.4 million) and increased 15% on a rouble currency basis; and for the third quarter by 3% in dollar terms and 11% in rouble terms due to organic growth in selected segments and completion of Mosselprom integration. Gross profit increased 23% to USD 333.4 million (9M2011: USD 271.4 million) and increased 32% on a rouble currency basis. Operating expenses as a percentage of sales remained almost flat at 13%, as compared to the corresponding period of 2011. Net income increased 51% to USD 158.7 million (9M2011: USD 105.0 million) and increased 63% on a rouble currency basis.

Adjusted EBITDA* increased 34% to USD 239.1 million (9M2011: USD 178.7 million) and increased 45% in rouble terms. Adjusted EBITDA* margin was 21% for the 9M2012, and 23% for the third quarter of 2012, reflecting an improvement in profitability and a strong operating performance by the Group.

Poultry Division

Sales volumes in the Poultry division for the first nine months of 2012 increased by 27% to approximately 236,080 tonnes of sellable weight compared to 185,620 tonnes for the first nine months of 2011, reflecting organic volumes added in the Penza and Bryansk clusters and sales by Mosselprom, which was acquired in May 2011 and now is fully integrated.

Prices in rouble terms (excluding VAT) increased by 6% to 76.43 RUR/kg in the first nine months of 2012 (9M2011: 72.40 RUR/kg). Compared to the second quarter of 2012, the price in the third quarter increased 10% to 82.19 RUR/kg.

Prices for poultry sales (excluding VAT) **** in dollar terms decreased by 2% to USD 2.46/kg for the first nine months of 2012 (9M2011: USD 2.52/kg) due to rouble weakening. Compared to the second quarter of 2012, the price in the third quarter increased by 7% to USD 2.57/kg.

Total sales in the Poultry division increased by 31% in rouble terms and increased by 21% in dollar terms to USD 609.3 million (9M2011: USD 504.7 million), due to an increase in sales volumes and a healthy price environment. Gross Profit increased 57% in rouble terms and increased 44% in dollar terms to USD 172.7 million (9M2011: USD 119.6 million). Divisional Gross Margin increased to 28% (9M2011: 24%) due to increased pricing and sales volume. The segment also accounted for approximately 227.5 million RUR or USD 7.3 million of direct subsidies in accordance with the Penza Region Administration “2009-2013 Long Term Program of Agricultural Development”, which offset the cost of sales.

Operating expenses as a percentage of sales were 11%, down from 12% in the nine months of 2011, as a result of the completion of the Mosselprom integration and dilution of SG&A due to volume growth. Operating income of the division increased in rouble terms by 94% and increased in dollar terms by 79% to USD 104.0 million (9M2011: USD 58.2 million). Operating margin was 17%, compared to 12% in the first nine months of 2011. Profit in the Poultry division increased in rouble terms by 102% and increased 86% in dollar terms to USD 101.7 million (9M2011: USD 54.7 million).

Adjusted EBITDA* increased 77% in rouble terms and increased 63% in dollar terms to USD 135.5 million (9M2011: USD 83.1 million). Adjusted EBITDA* margin in the Poultry division was 22% in the nine months of 2012, compared to 16% in the nine months of 2011.

Pork Division

Sales volumes in the Pork division for the first nine months of 2012 increased by 7% to approximately 70,131 tonnes of live weight, compared to 65,800 tonnes for the first nine months of 2011, due to the launch of new greenfield sites in the Tambov and Voronezh regions; construction at these sites is now completed.

Prices (excluding VAT) in rouble terms increased by 4% to 81.85 RUR/kg for the first nine months of 2012 (9M2011: 78.90 RUR/kg). Compared to the price in the second quarter of 2012, the price in the third quarter increased by 1% to 82.91 RUR/kg.

In dollar terms (excluding VAT) ****, prices for pork sales decreased by 4% to USD 2.63/kg of live weight for the same period of 2012 (9M2011: USD 2.74/kg), due to rouble weakening. Compared to the second quarter of 2012, the price in the third quarter decreased by 2% to USD 2.59/kg.

The Company continued an extensive sow replacement program, in order to improve the quality of breeding stock and operational KPIs. The Group anticipates the operational benefits from this program will be reflected in 2013.

Total sales in the Pork division increased by 6% on a rouble currency basis and slightly decreased by 3% in dollar terms to USD 189.4 million (9M2011: USD 194.8 million), due to rouble weakening. Gross Profit increased 4% on a rouble currency basis and decreased 4% in dollar terms to USD 73.7 million (9M2011: USD 77.0 million). Gross Margin slightly decreased to 39% from 40%, compared to the first nine months of 2011. This was mainly attributable to the launch of new production facilities, resulting in an increase in depreciation, as well as an increase in the number of sows.

Operating Expenses as a percentage of sales grew to 9%, compared to 8% in the first nine months of 2011. Operating income of the division increased in rouble terms by 2% and decreased in dollar terms by 6% to USD 56.9 million (9M2011: USD 60.6 million). Operating margin was 30%, compared to 31% in the first nine months of 2011. Profit in the Pork division remained flat on a rouble currency basis and decreased by 8% in dollar terms to USD 49.7 million (9M2011: USD 53.8 million).

Adjusted EBITDA* generated by the division increased by 5% on a rouble currency basis and decreased by 3% in dollar terms to USD 74.2 million (9M2011: USD 76.8 million). The Adjusted EBITDA* Margin was 39% (9M2011: 39%).

Meat Processing Division

Sales volumes in the Meat Processing Division decreased by 13% to approximately 94,049 tonnes for the first nine months of 2012 from 108,420 tonnes for the first nine months of 2011, due to the closure of an inefficient slaughtering facility in southern Russia and a change in the product mix towards higher margin processed products.

Prices (excluding VAT) in rouble terms increased by 12% to 146.49 RUR/kg for the first nine months of 2012 (9M2011: 130.56 RUR/kg). Compared to the price in the second quarter, the price in the third quarter of 2012 increased by 5% to 151.11 RUR/kg.

Prices (excluding VAT) ****in dollar terms increased by 4% to USD 4.71/kg for the first nine months of 2012 (9M2011 USD 4.54/kg). Compared to the second quarter of 2012, the price in the third quarter increased by 1% to USD 4.72/kg.

Total sales in the Meat Processing division decreased 4% on a rouble currency basis and decreased 12% in dollar terms to USD 417.4 million (9M2011: USD 472.0 million). This was mainly attributable to a decrease in sales volume due to a changes in the product mix and the closure of an inefficient facility. Divisional Gross Profit increased 18% on a rouble currency basis and increased 9% in dollar terms to USD 82.6 million (9M2011: USD 75.9 million), while Gross Margin increased to 20% (9M2011: 16%). This reflected a shift to higher margin processed products, like smoked sausages, and a reduction in low-margin products. Operating expenses as a percentage of sales increased from 12% to 13%, compared to the first nine months of 2011 due to a decrease in sales volumes. Divisional profit increased by 103% on a rouble currency basis and increased by 87% in dollar terms to USD 22.9 million (9M2011: 12.3 million).

Adjusted EBITDA* for the division increased 36% on a rouble currency basis and increased by 24% in dollar terms to USD 37.1 million (9M2011: USD 29.9 million). The Adjusted EBITDA* margin increased to 9% (9M2011: 6%), due to increased pricing, a change of product mix, optimization of production facilities.

2012 Crop Harvest

Cherkizovo Group's farming division has to date reported a 2012 crop harvest of approximately 115,000 tonnes of agricultural products. The Company cultivated approximately 35,000 hectares in Voronezh and Orel regions. The 2012 harvest includes wheat (approx. 54,000 tonnes), barley (approx. 18,000 tonnes), sunflower (approx. 12,500 tonnes), corn (approx. 14,000 tonnes) and others (peas and soya). Current wheat yield is approx. 3.4 tonnes per hectare, barley yield is approx. 3.3 tonnes per hectare, sunflower yield is 2.6 tonnes per hectare, corn yield is approx. 6.1 tonnes per hectare.

Adjusted EBITDA* of the segment amounted to USD 6.4 million or RUR 198.1 million. The Adjusted EBITDA* margin amounted to 32%.

Financial Position

The Group's Capital Expenditure on property, plant and equipment and maintenance amounted to USD 152.8 million in the nine months of 2012. Of that, USD 101.3 million was invested into the Poultry division, mainly into breeding and incubation sites, as well as slaughter and processing sites within the capacity increase projects at the Bryansk and Penza clusters, and the development of the Elets project. USD 41.4 million was invested into the Pork division, mainly into the construction of three pork complexes, and USD 10.1 million was invested into the Meat Processing division, mainly to increase production facilities in Kaliningrad.

Net Debt** at the end of the nine months of 2012 was USD 822.4 million or RUR 25,426.0 million. Total Debt was USD 862.6 million or RUR 26,670.2 million. Of Total Debt, long-term debt was approximately USD 583.9 million, or 68% of the debt portfolio. Short-term debt was USD 278.8 million, or 32% of the portfolio. The Cost of Debt for the nine months of 2012 decreased to 2.1%. The portion of subsidized debt in the portfolio was 94%. Cash and cash equivalents totalled USD 40.2 million at 30 September 2012.

On 3rd October 2012, Russian President Vladimir Putin signed the federal law "On Amendments to the Tax Code of the Russian Federation and the Annulment of Certain Provisions of Legislative Acts of the Russian Federation." The law has set zero tax rates for agricultural producers on profits in perpetuity. Due to that, The Group will recognize a significant deferred tax benefit in Q4 2012.

Subsidies

For the nine months of 2012, the Group accrued direct subsidies to the amount of RUR 237 million (USD 7.6 million), mostly in accordance with the Penza Regional Administration' "2009-2013 Long Term Program of Agricultural Development". The Group accrued subsidies for interest reimbursement of RUR 1,564.8 million (USD 50.3 million) which offset interest expense (9M2011: USD 49.3 million). The Group accrued direct subsidies on capital expenditures of RUR 86.7 million (USD 2.8 million) for the development of its Poultry Division (in accordance with the Decree No 316 of the Administration of the Bryansk region from the 9th of April 2012).

Outlook

Management expects the Group to meet earnings and profit expectations for the current year. Grain prices have increased significantly in 2011, and there is a risk of pressure on pork prices, which makes operating environment for Q4 and early 2013 more challenging.

Cherkizovo remains focused on delivering sustainable improvements in profitability through operational efficiency gains, better procurement, effective inventory management and increasing demand for our products. As the leading company in the industry, the Group also continues to explore strategic development opportunities to expand the business. The management team remains confident that its stated strategy will continue to grow profits and shareholder returns over the medium and longer term.

***Non-GAAP financial measures**. This press release includes financial information prepared in accordance with accounting principles generally accepted in the United States of America, or US GAAP, as well as other financial measures referred to as non-GAAP. The non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with US GAAP.*

***Adjusted Earnings before Interest, Income Tax, Depreciation and Amortization ("Adjusted EBITDA").** Adjusted EBITDA represents income before income tax and non-controlling interests adjusted for interest, depreciation and amortization and certain other items as shown in the reconciliation in Appendix 1. Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of our net revenues. Our adjusted EBITDA may not be similar to adjusted EBITDA measures of other companies; is not a measurement under accounting principles generally accepted in the United States and should be considered in addition to, but not as a substitute for, the information contained in our consolidated statement of operations. We believe that adjusted EBITDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions and other investments and our ability to incur and service debt. While depreciation and amortization are considered operating costs under generally accepted accounting principles, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. Our adjusted EBITDA calculation is commonly used as one of the bases for investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within our industry. Adjusted EBITDA is reconciled to our consolidated statements of operations in Appendix 1.*

***** Net debt** is calculated as total debt minus cash and cash equivalents*

****** Cash Conversion rate (CCR)*** *is calculated as Total net cash from operating activities divided by Net income attributable to Group Cherkizovo*

******** *For price calculation in dollar terms the Company used the average exchange rate for the first nine months of 2012 of 31.0984 RUR/USD, for the first nine months of 2011 the average rate was 28.7664 RUR/USD. In the third quarter of 2012 the average rate was 32.0072 RUR/USD*

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APPENDIX I: KEY DATA AND FIGURES

UNAUDITED Nine months 2012 Consolidated Selected Financial Data (US$000)

(in thousands of US dollars)	Meat-Processing	Poultry	Pork	Grain	Corporate assets/expenditures	Inter-division	Combined
Total Sales	417 410	609 254	189 404	20 131	5 011	(95 829)	**1 145 380**
including other sales	2 223	45 218	3 571	-	-	-	**51 012**
including sales volume discount	(31 675)	(16 208)	-	-	-	-	**(47 883)**
Interdivision Sales	(529)	(25 955)	(56 500)	(7 865)	(4 980)	95 829	-
Sales to external customers (Sales)	416 881	583 299	132 904	12 266	31	-	**1 145 381**
% of Total sales	*36,4%*	*50,9%*	*11,6%*	*1,1%*	*0,0%*	*0,0%*	***100,0%***
Cost of Sales	(334 852)	(436 604)	(115 737)	(13 547)	(8)	88 788	**(811 960)**
Gross profit	**82 558**	**172 650**	**73 667**	**6 584**	**5 003**	**(7 041)**	333 421
Gross margin	*19,8%*	*28,3%*	*38,9%*	*32,7%*	*99,8%*	*7,3%*	***29,1%***
Operating expenses	(53 452)	(68 672)	(16 807)	(1 899)	(17 857)	5 384	**(153 303)**
Operating income	**29 106**	**103 978**	**56 860**	**4 685**	**(12 854)**	**(1 657)**	180 118
Operating margin	*7,0%*	*17,1%*	*30,0%*	*23,3%*	*-256,5%*	*1,7%*	***15,7%***
Other income and expenses, net	797	2 055	400	(4)	10 349	(11 631)	**1 966**
Financial expenses, net	(6 978)	(4 367)	(7 521)	(161)	(6 363)	11 631	**(13 759)**
Division profit / (loss)	**22 925**	**101 666**	**49 739**	**4 520**	**(8 868)**	**(1 657)**	168 325
Division profit margin	*5,5%*	*16,7%*	*26,3%*	*22,5%*	*-177,0%*	*1,7%*	***14,7%***
Supplemental information:							
Income Tax expense	5 094	(284)	(62)	45	(45)	-	**4 748**
Depreciation expense	8 014	31 524	17 310	1 687	471	-	**59 006**

Adjusted EBITDA reconciliation

	Meat-Processing	Poultry	Pork	Grain	Corporate assets/expenditures	Inter-division	Combined
Division profit / (loss)	**22 925**	**101 666**	**49 739**	**4 520**	**(8 868)**	**(1 657)**	**168 325**
Add:							
Interest expense, net	6 978	4 367	7 521	161	6 363	(11 631)	**13 759**
Interest income	(266)	(3 719)	(223)	2	(8 908)	11 631	**(1 483)**
Foreign exchange (loss) gain, net	(536)	1 679	(176)	-	(1 442)	-	**(475)**
Depreciation and amortisation	8 014	31 524	17 310	1 687	471	-	**59 006**
Adjusted EBITDA*	**37 115**	**135 517**	**74 171**	**6 370**	**(12 384)**	**(1 657)**	**239 132**
*Adjusted EBITDA Margin**	*8,9%*	*22,2%*	*39,2%*	*31,6%*			***20,9%***

Reconciliation between net division profit and income attributable to Cherkizovo Group

Total net division profit	**168 325**
Net income attributable to non-controlling interests	(4 880)
Income taxes	(4 748)
Net income attributable to Cherkizovo Group	**158 697**

UNAUDITED CONSOLIDATED INCOME STATEMENT DATA

(in thousands of US dollars)	**Nine months ended 30 September 2012**	**Nine months ended 30 September 2011 (restated)***
Sales	1 145 381	1 079 361
incl. Sales volume discount	(47 883)	(37 597)
incl. Sales returns	(10 164)	(10 916)
Cost of sales	(811 960)	(807 969)
Gross profit	**333 421**	**271 392**
Gross margin	*29,1%*	*25,1%*
Operating expenses	(153 303)	(144 612)
Operating Income	**180 118**	**126 780**
Operating margin	*15,7%*	*11,7%*
Income before income tax and minority interest	**168 325**	**112 485**
Net income attributable to Group Cherkizovo	**158 697**	**104 950**
Net profit margin	*13,9%*	*9,7%*
Weighted average number of shares outstanding	43 053 478	43 061 688
Earnings per share		
Net income attributable to Cherkizovo Group per share – basic and diluted	3.69	2.44
Consolidated Adjusted EBITDA reconciliation*		
Income before income tax and minority interest	**168 325**	**112 485**
Add:		
Interest expense, net of subsidies	13 759	14 731
Interest income	(1 483)	(1 938)
Foreign exchange (loss) gain, net	(475)	4 164
Depreciation and amortisation	59 006	49 279
Consolidated Adjusted EBITDA*	**239 132**	**178 721**
Adjusted EBITDA Margin	*20,9%*	*16,6%*

MEAT PROCESSING DIVISION UNAUDITED INCOME STATEMENT DATA

(in thousands of US dollars)	**Nine months ended 30 September 2012**	**Nine months ended 30 September 2011 (restated)***
Total Sales	417 410	472 038
Interdivision sales	(529)	(1 433)
Sales to external customers	**416 881**	**470 605**
Cost of sales	(334 852)	(396 115)
Gross profit	**82 558**	**75 923**
Gross margin	*19,8%*	*16,1%*
Operating expenses	(53 452)	(55 632)
Operating Income	**29 106**	**20 291**
Operating margin	*7,0%*	*4,3%*
Other income and expenses, net	797	124
Interest expense, net	(6 978)	(8 127)
Division profit	**22 925**	**12 288**
Division profit margin	*5,5%*	*2,6%*
Meat processing division Adjusted EBITDA reconciliation*		
Division profit	**22 925**	**12 288**
Add:		
Interest expense, net of subsidies	6 978	8 127
Interest income	(266)	(345)
Foreign exchange loss / (gain), net	(536)	650
Depreciation and amortisation	8 014	9 161
Meat processing division Adjusted EBITDA*	**37 115**	**29 881**
Adjusted EBITDA Margin	*8,9%*	*6,3%*

POULTRY DIVISION UNAUDITED INCOME STATEMENT DATA

(in thousands of US dollars)	**Nine months ended 30 September 2012**	**Nine months ended 30 September 2011 (restated)***
Total Sales	609 254	504 732
Interdivision sales	(25 955)	(37 396)
Sales to external customers	**583 299**	**467 336**
Cost of sales	(436 604)	(385 164)
Gross profit	**172 650**	**119 568**
Gross margin	*28,3%*	*23,7%*
Operating expenses	(68 672)	(61 330)
Operating Income	**103 978**	**58 238**
Operating margin	*17,1%*	*11,5%*
Other income and expenses, net	2 055	2 396
Interest expense, net	(4 367)	(5 964)
Division profit	**101 666**	**54 670**
Division profit margin	*16,7%*	*10,8%*

Poultry division Adjusted EBITDA reconciliation*		
Division profit	**101 666**	**54 670**
Add:		
Interest expense, net of subsidies	4 367	5 964
Interest income	(3 719)	(3 631)
Foreign exchange loss	1 679	3 436
Depreciation and amortisation	31 524	22 622
Poultry division Adjusted EBITDA*	**135 517**	**83 061**
Adjusted EBITDA Margin	*22,2%*	*16,5%*

PORK DIVISION UNAUDITED INCOME STATEMENT DATA

(in thousands of US dollars)	**Nine months ended 30 September 2012**	**Nine months ended 30 September 2011 (restated)***
Total Sales	189 404	194 773
Interdivision sales	(56 500)	(55 945)
Sales to external customers	**132 904**	**138 828**
Cost of sales	(115 737)	(117 807)
Gross profit	**73 667**	**76 966**
Gross margin	*38,9%*	*39,5%*
Operating expenses	(16 807)	(16 338)
Operating Income	**56 860**	**60 628**
Operating margin	*30,0%*	*31,1%*
Other income and expenses, net	400	(279)
Interest expense, net	(7 521)	(6 552)
Division profit	**49 739**	**53 797**
Division profit margin	*26,3%*	*27,6%*
Pork division Adjusted EBITDA reconciliation*		
Division profit	**49 739**	**53 797**
Add:		
Interest expense, net of subsidies	7 521	6 552
Interest income	(223)	(305)
Foreign exchange loss/ (gain), net	(176)	585
Depreciation and amortisation	17 310	16 186
Pork division Adjusted EBITDA*	**74 171**	**76 815**
Adjusted EBITDA Margin	*39,2%*	*39,4%*

GRAIN DIVISION UNAUDITED INCOME STATEMENT DATA

(in thousands of US dollars)	**Nine months ended 30 September 2012**	**Nine months ended 30 September 2011 (restated)***
Total Sales	20 131	6 421
Interdivision sales	(7 865)	(3 837)
Sales to external customers	**12 266**	**2 584**
Cost of sales	(13 547)	(6 177)
Gross profit	**6 584**	**244**
Gross margin	*32,7%*	*3,8%*
Operating expenses	(1 899)	(898)
Operating Income	**4 685**	**(654)**
Operating margin	*23,3%*	*-10,2%*
Other income and expenses, net	(4)	(64)
Interest expense	(161)	5
Division profit/(loss)	**4 520**	**(713)**
Division profit margin	*22,5%*	*-11,1%*
Grain division Adjusted EBITDA reconciliation*		
Division profit/(loss)	**4 520**	**(713)**
Add:		
Interest expense, net of subsidies	161	(5)
Interest income	2	64
Depreciation and amortisation	1 687	916
Grain division Adjusted EBITDA*	**6 370**	**262**
Adjusted EBITDA Margin	*31,6%*	*4,1%*

APPENDIX II:

UNAUDITED CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
For the nine months ended 30 SEPTEMBER 2012

	Nine months ended 30 September 2012 US$000	**Nine months ended 30 September 2011 US$000 (restated)***	**Year ended 31 December 2011 US$000 (restated)***
Sales	1 145 381	1 079 361	1 472 633
Cost of sales	(811 960)	(807 969)	(1 105 593)
Gross profit	**333 421**	**271 392**	**367 040**
Selling, general and administrative expenses	(152 985)	(144 220)	(199 577)
Impairment of assets	-	-	(3 395)
Other operating expense, net	(318)	(392)	(1 173)
Operating Income	**180 118**	**126 780**	**162 895**
Other income (expense), net	1 966	436	(19)
Financial expense, net	(13 759)	(14 731)	(18 253)
Income before income tax	**168 325**	**112 485**	**144 623**
Income tax	(4 748)	(5 123)	(5 854)
Net income	**163 577**	**107 362**	**138 769**
Less: Net income attributable to non-controlling interests	(4 880)	(2 412)	(2 839)
Net income attributable to Group Cherkizovo	**158 697**	**104 950**	**135 930**

Weighted average number of shares outstanding – basic	43 053 478	43 061 688	42 953 544
Net income attributable to Cherkizovo Group per share – basic (USD):	3.69	2.44	3.16

Weighted average number of shares outstanding – diluted	43 076 478	43 084 688	42 958 044
Net income attributable to Cherkizovo Group per share –diluted (USD):	3.68	2.43	3.16

APPENDIX III:

UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AS OF 30 SEPTEMBER 2012

	30 September 2012 US$000	31 December 2011 US$000 (restated)*
ASSETS		
Current assets:		
Cash and cash equivalents	40 245	28 715
Trade receivables, net of allowance for doubtful accounts of 5 281 and of 5 150 as of 30 September 2012 and 31 December 2011, respectively	84 831	75 494
Advances paid, net of allowance for doubtful accounts of 2 530 and of 2 845 as of 30 September 2012 and 31 December 2011, respectively	34 644	28 611
Inventory	235 163	203 497
Short-term deposits in banks	970	941
Deferred tax assets	4 362	4 189
Other receivables, net of allowance for doubtful accounts of 2 739 and of 2 769 as of 30 September 2012 and 31 December 2011, respectively	28 055	24 000
Other current assets	43 159	50 360
Total current assets	**471 429**	**415 807**
Non-current assets:		
Property, plant and equipment, net	1 398 907	1 280 610
Goodwill	18 128	17 407
Other intangible assets, net	42 930	41 597
Deferred tax assets	5 557	5 336
Long-term deposits in banks	20 911	-
Investments in joint venture	5 045	-
Notes receivable, net	1 619	1 497
Other non-current receivables	2 969	4 423
Total non-current assets	**1 496 066**	**1 350 870**
Total assets	**1 967 495**	**1 766 677**

UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
AS OF 30 SEPTEMBER 2012 (CONTINUED)

	30 September 2012 US$000	31 December 2011 US$000 (restated*)
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	90 461	86 422
Short-term borrowings	278 769	235 200
Tax related liabilities	16 578	11 785
Deferred tax liabilities	97	93
Payroll related liabilities	20 794	18 187
Advances received	3 671	8 007
Payables for non-current assets	6 838	10 892
Interest payable	2 274	1 281
Other payables and accruals	33 230	8 790
Total current liabilities	**452 712**	**380 657**
Non-current liabilities:		
Long-term borrowings	583 874	611 379
Deferred tax liabilities	35 896	36 363
Tax related liabilities	2 680	2 576
Payables to shareholders	442	463
Other liabilities	1 948	2 095
Total non-current liabilities	**624 840**	**652 876**
Equity:		
Share capital	15	15
Additional paid-in capital	234 591	269 408
Treasury shares	(18 719)	(16 195)
Other accumulated comprehensive loss	(90 214)	(120 741)
Retained earnings	728 390	569 693
Total shareholders' equity	**854 063**	**702 180**
Non-controlling interests	35 880	30 964
Total equity	**889 943**	**733 144**
Total liabilities and equity	**1 967 495**	**1 766 677**

APPENDIX IV:

UNAUDITED CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	Nine months ended 30 September 2012 US$000	Nine months ended 30 September 2011 US$000 (restated)*	Year ended 31 December 2011 US$000 (restated)*
Cash flows from (used in) operating activities:			
Net income	163 593	107 362	138 769
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortisation	59 006	49 279	70 637
Bad debt expense	1 370	1 859	3 117
Uncollectible subsidies	-	-	4 802
Impairment of assets	-	-	3 395
Foreign exchange loss	(474)	4 164	3 619
Deferred tax (benefit) expense	(2 182)	1 024	(608)
Other adjustments, net	662	3 956	(829)
Changes in operating assets and liabilities			
(Increase) decrease in trade receivables	(10 463)	(1 123)	1 766
(Increase) decrease in advances paid	(4 404)	3 754	14 668
(Increase) decrease in inventory	(3 305)	35 478	8 997
Decrease (increase) in other receivables and other current assets	4 353	(20 893)	(10 952)
Decrease in other non-current receivables	947	469	531
Increase in trade accounts payable	3 294	5 540	2 088
Increase (decrease) in tax related liabilities	3 826	(374)	405
Increase (decrease) in other current payables	218	(1 736)	697
Total net cash from operating activities	**216 441**	**188 759**	**241 102**
Cash flows from (used in) investing activities:			
Purchases of long-lived assets	(153 106)	(172 820)	(230 706)
Proceeds from sale of property, plant and equipment	2 468	2 731	3 020
Acquisitions of subsidiaries, net of cash acquired	-	(43 219)	(43 219)
Investments in joint venture	(4 581)	-	-
Issuance of long-term loans	(20 631)	(1)	(513)
Repayment on long-term loans issued	-	2 693	3 810
Issuance of short-term loans and placing of deposits	(324)	(6 062)	(5 934)
Repayment of short-term loans issued and redemption of deposits	1 080	43 668	44 105
Total net cash used in investing activities	**(175 094)**	**(173 010)**	**(229 438)**

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012 (CONTINUED)

	Nine months ended 30 September 2012 US$000	Nine months ended 30 September 2011 US$000 (restated)*	Year ended 31 December 2011 US$000 (restated)*
Cash flows from (used in) financing activities:			
Proceeds from long-term loans	78 543	133 241	172 457
Repayment of long-term loans	(91 063)	(155 682)	(176 091)
Proceeds from long-term loans from related parties	4 885	6 298	9 320
Repayment of long-term loans from related parties	(5 137)	(2 511)	(2 519)
Proceeds from short-term loans	120 668	110 735	188 406
Repayment of short-term loans	(126 481)	(127 707)	(206 079)
Purchase of treasury stock	(2 523)	(4 095)	(15 699)
Acquisitions of entities under common control and non-controlling interests	(8 960)	(16 297)	(25 615)
Total net cash used in financing activities	**(30 068)**	**(56 018)**	**(55 820)**
Total cash from (used in) operating, investing and financing activities	**11 279**	**(40 269)**	**(44 156)**
Impact of exchange rate difference on cash and cash equivalents	251	1 295	1 329
Net increase (decrease) in cash and cash equivalents	**11 530**	**(38 974)**	**(42 827)**
Cash and cash equivalents at the beginning of the period	28 715	71 542	71 542
Cash and cash equivalents at the end of the period	40 245	32 568	28 715
Supplemental Information:			
Income taxes paid	7 439	5 246	6 725
Interest paid	66 118	69 989	80 184
Subsidies for compensation of interest expense received	50 319	49 253	70 788
Property, plant and equipment acquired through vendor financing	6 838	12 819	10 892
Settlement of acquisition of Mosselprom with shares	-	-	23 660

* During the third quarter of 2012 the Group completed the acquisition of entities previously owned by the Group's majority shareholder. Since these acquisitions are transactions between entities under common control, they have been accounted for in a manner similar to a pooling of interest with assets and liabilities transferred at historical cost. Cherkizovo's historical financial information has been restated to include the acquired entities for all periods presented.

As required by US GAAP, comparative information for the year ended 31 December 2011 and for nine months ended 30 September 2011 has been also retrospectively adjusted for the finalization of the allocation of the purchase price of Mosselprom and a change in accounting principles