

ANTIMONOPOLY COMMITTEE DECISION ON FINING OF LLC KERNEL - TRADE

Kernel Holding S.A. informs that LLC Kernel Trade, a subsidiary company of Kernel Holding S.A., was invited to attend on 3 March 2008 a session of the Antimonopoly Committee of Ukraine, during which the company was informed that the Antimonopoly Committee would seek to impose on LLC Kernel-Trade and SSE Suntrade, a subsidiary of Bunge, a fine of UAH 60 million (equivalent to USD 11.88 Mio) per company for abuse of their joint dominant position in the oil market in Ukraine. The session of the Antimonopoly Committee was followed by a press conference.

While, as of 3 March, no written notice has been provided to LLC Kernel – Trade on such decision, the Company can already state that, on the basis of information received during the proceedings, it considers the decision of the Antimonopoly Committee unfounded and fines imposed without any grounds and therefore shall appeal against the decision of the Antimonopoly Committee. If the decision on fine is actually issued, it would not be final and would be subject to appeal either directly with the AMC or through legal proceedings.

LLC Kernel – Trade conducts its business and pricing policy strictly on the basis of fair market practice. The price increase in bottled sunflower seed oil has been dictated by the dramatic increase in the price of sunflower seed, and not by any controlling position of the Company.

Legal grounds: Art. 56.1.1 of the Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organised trading system and on public companies.

Signatures of individuals authorised to represent the Company:

Andrey Verevskyy

Patrick Conrad