Crops

Crop production, or land cultivation, is the core business of the Group. The Group currently leases approximately 120,000 hectares of chernozem (black soil) farmland for its crop production, farms an additional 15,000 hectares for which the Group is renegotiating leases, is in the process of registering 16,000 hectares and is in the process of acquiring an additional 16,000 hectares. Crops sales accounted for approximately 56.6% of Agroton’s revenue in 2009. Since 1996, Agroton has produced a variety of grains and oilseeds, including wheat, sunflower, corn and rapeseed. In 2009, Agroton produced approximately 136,143 tonnes of wheat and 76,491 tonnes of sunflower seed.

Agroton is #1 Sunflower producer in Ukraine and #4 Wheat producer in Ukraine.

The Group currently focuses on the following crops:

- Winter wheat. Winter wheat has higher yield characteristics than spring crops due to its better established root system. In the 2008/2009 agricultural year which typically runs August to July, Agroton cultivated winter wheat on approximately 50,228 hectares of its land. Winter wheat is seeded and starts to grow in the autumn, lies dormant during the winter and is usually harvested at the end of July. Globally, it is considered an important human food grain, with lower quality types of wheat used as livestock feed.

- Sunflower. Sunflower seeds are primarily used for food products and for processing into sunflower oil, while the sunflower seed husks are used as livestock feed. Sunflowers have good drought resistance characteristics and therefore play an important role in the overall crop rotation mix. In the 2008/2009 agricultural year, Agroton harvested sunflower seed on approximately 47,619 hectares of land. Sunflowers are seeded in spring and harvested in September-October.

Other crops under crop rotation include corn, rapeseed, barley, rye, sorghum, triticale, oats, peas, buckwheat, vetch, millet, coriander, soybeans, flax and livestock crops.