



PRESS RELEASE

**KDM SHIPPING - VERY GOOD OPERATING RESULTS FOR SHIPMENT OF GOODS
IN 1H 2013**

1 August 2013

The KDM Shipping Group, one of the leaders of the Ukrainian shipping industry, primarily involved in the niche segment of dry bulk river-sea freight in the Black, Azov and Mediterranean sea regions, has published its results from operations in the cargo shipping segment for June 2013 and for 1H 2013.

In June 2013 the company shipped a total of 54.9 thousand tonnes of cargo (increase by 2,1%), generating revenues of USD 1.6 m (decrease by 16%). In the first quarter 2013, the company has shipped a total of 337.1 thousand tonnes of cargo, representing an increase of 45.4% year-on-year, generating revenues of USD 9.7 m, of 31.3% greater than the same period in 2012.

The great increase in the volume of cargo shipped in first half 2013 was connected with much better weather conditions in the region of operations in first quarter 2013 compared to the same period of 2012, that resulted in increase number of shipping days.

Dry bulk shipping is the most important area of the company's operations. The company also runs a tourist line on the Dnieper River in the Kiev region, and performs ship repairs and renovations at its own shipyard in Kherson.

DETAILS FOR SHIPMENTS IN JUNE 2013

Shipments in June 2013 by type of cargo:

Type of Cargo		Revenue, USD '000	Shipments, tonnes	Average price per 1 tonne, USD '000
1.	General	704	27,793	25.3
2.	Wheat	273	11,774	23.2
3.	Metal products	222	6,900	32.2
4.	Bran	216	8,416	25.6
5.	Equipment	144	n/a	n/a
Total		1,559	54,883	28.4



Shipments in June 2013 by country of discharge:

Country of Discharge		Revenue, USD '000	Shipments, tonnes	Average price per 1 tonne, USD '000
1.	Turkey	644	24,180	26.6
2.	Ukraine	491	22,219	22.1
3.	Russia	213	5,574	38.3
4.	Azerbaijan	144	n/a	n/a
5.	Cyprus	67	2,910	23.0
	Total	1,559	54,883	28.4

DETAILS FOR SHIPMENTS IN 1H2013

Shipments in 1H 2013 by type of cargo:

Type of Cargo		Revenue, USD '000	Shipments, tonnes	Average price per 1 tonne, USD '000
1.	Metal products	3,707	118,824	31.2
2.	General	2,823	111,890	25.2
3.	Wheat	1,293	47,219	27.4
4.	Cement	606	28,933	20.9
5.	Wood	144	5,701	25.3
6.	Gypsum	214	11,088	19.3
7.	Bran	216	8,416	25.7
8.	Silicomanganese	65	2,049	31.7
9.	Pig iron	53	3,005	17.6
10.	Equipment	609	n/a	n/a
	Total	9,730	337,125	28.9

Shipments in 1H 2013 by country of discharge:

Country of Discharge		Revenue, USD '000	Shipments, tonnes	Average price per 1 tonne, USD '000
1.	Turkey	4,276	142,845	29.9
2.	Ukraine	3,345	138,286	24.2
3.	Russia	1,177	30,266	38.9
4.	Azerbaijan	357	5,987	59.6
5.	Georgia	306	10,931	28.0
6.	Italy	117	2,950	39.7
7.	Albania	85	2,950	28.8
8.	Cyprus	67	2,910	23.0
9.	Total	9,730	337,125	28.9



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About KDM Shipping

The KDM Shipping Group is one of the leaders of the Ukrainian shipping industry in its region of activity. The group's cargo fleet consists of 9 river-sea, dry cargo vessels of total 26,703 DWT, which due to their shallow draft allow access to major river and sea ports in the Black and Azov sea regions. The group also provides passenger river transport services on the Dnieper River in the Kiev region (operating a fleet of 8 passenger river vessels), as well as ship repair services at its own shipyard in the city of Kherson. The company also has its own ship agency in selected ports as well as its own crewing department, allowing the group to benefit from certain cost efficiencies and to sustain competitive advantages.

In its main activity of dry bulk shipping, the group focuses primarily on shipments of grain, but also transports scrap metal, sunflower seed meal, wood and bran, general cargo and other products. The group transports cargo predominantly from ports in Russia and Ukraine to ports in Turkey, Russia, Georgia, Ukraine and Italy.

The company's principal shareholder is Kostiantyn Molodkovets, founder and CEO, who holds 69.9% of the shares. The company has been listed on the Warsaw Stock Exchange since August 2012.

The Group employed about 240 people as of the end of 2012.

More information also available at www.kdmshipping.com