

Press release
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STRONG DEMAND IN BLACK EARTH FARMING'S IPO

Black Earth Farming Ltd. ("Black Earth Farming"), a leading farming and land owning company operating in Russia, announces a strong demand for Swedish Depository Receipts (SDRs) in its initial public offering on OMX First North in Stockholm, Sweden.

- The offer was several times oversubscribed.
- The offering price of the Black Earth Farming SDRs has been determined at SEK 50 per SDR.
- Black Earth Farming issued SDRs for a total value of SEK 1,680 million, equivalent to approximately 28.1 percent of the share capital and votes in Black Earth Farming.
- Black Earth Farming has been approved for admission to First North. First day of trading is expected to be December 28, 2007. The ticker will be BEF.

Black Earth Farming has attracted significant interest from institutional investors in large parts of the world. Following the offering, Black Earth Farming will have in excess of 5,000 holders of SDRs.

The strong demand has resulted in the Board of Directors deciding to utilise the option to upsize the offering, which totals SEK 1,680 million in gross proceeds to Black Earth Farming. The amount equals 33,600,000 SDRs being issued, corresponding to 28.1 percent of the share capital and votes. Black Earth Farming has undertaken to issue a further 4,800,000 SDRs at the request of E. Öhman J:or Fondkommission AB during the first 30 days following the first day of trading at First North, in order to cover any overallotment or to effect stabilizing transactions in connection with the offering. Following the offering, but excluding any overallotment option, 119,566,667 SDRs will be outstanding.

Statement from the President

Michel Orlov, founder and President of Black Earth Farming said:

"We are proud to see the overwhelming trust in Black Earth Farming, both from Swedish and international investors. It is a confirmation that investors share our belief and excitement for the industry and Black Earth Farming's opportunities. It gives us the strength to continue to build one of the most efficient farming companies in the world".

E. Öhman J:or Fondkommission AB was appointed Global Co-ordinator and Bookrunner and Nomura International plc was appointed Joint Lead Manager in connection with the offering. Pareto Securities AS and UniCredit CAIB UK Ltd were appointed Co-lead Managers. Bankaktiebolaget Avanza and Nordnet Bank AB were appointed Net Managers.



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Notes to the Editor:

Black Earth Farming Ltd. is a leading farming and land owning company operating in Russia. It acquires, owns and cultivates agricultural land assets primarily in the fertile Black Earth region in southwest Russia. Black Earth Farming was among the first foreign financed companies to make substantial investments in Russian agricultural land assets, and because of its early establishment, Black Earth Farming has now gained a strong market position in the Kursk, Tambov, Lipetsk, Samara, Voronezh and Ryazan areas, controlling 277,000 hectares of what perhaps is the world's most fertile soil. Black Earth Farming will continue to acquire farmland in order to draw full benefits of economies of scale in its operations.

In 2007, Black Earth Farming harvested approximately 52,000 hectares of crops, of which the greater part was wheat.

Founded in 2005 by Michel Orlov, the company has been developed by the listed investment companies Vostok Nafta Investment Ltd. and Investment AB Kinnevik (publ).

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