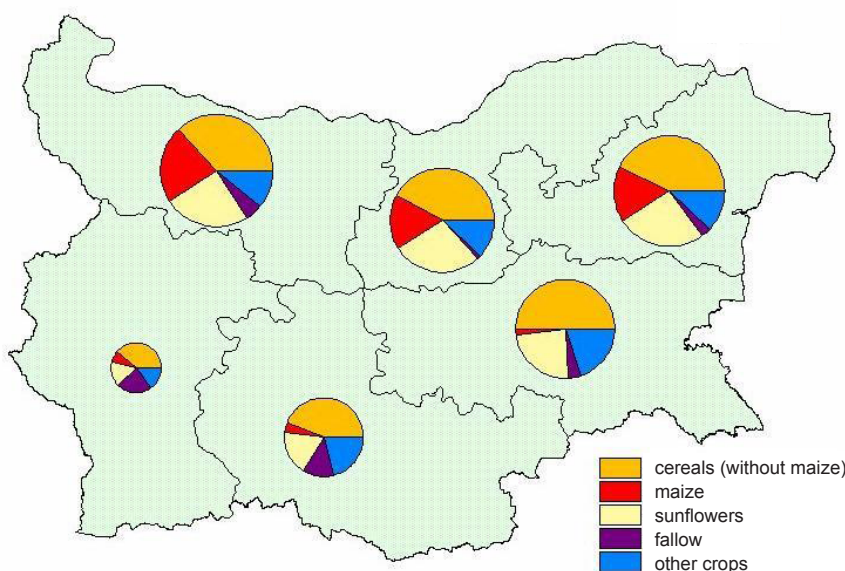


Arable farming in Bulgaria

Bulgaria has a temperate continental climate with moderate features- hot summers, long, cold winters and very distinct seasons. Abundant snowfalls may occur throughout the country from December to mid-March, especially in the mountainous areas of Bulgaria. The annual average temperature depends on latitude and ranges from 8 °C in

the North and 11 °C in the South, with temperatures of 2.6 °C in the mountains and 12 °C in the plains. In general, the warmest areas are in the southern districts of Bulgaria, influenced by the nearby Mediterranean and Black Sea. Annual average rainfall is about 700 mm.

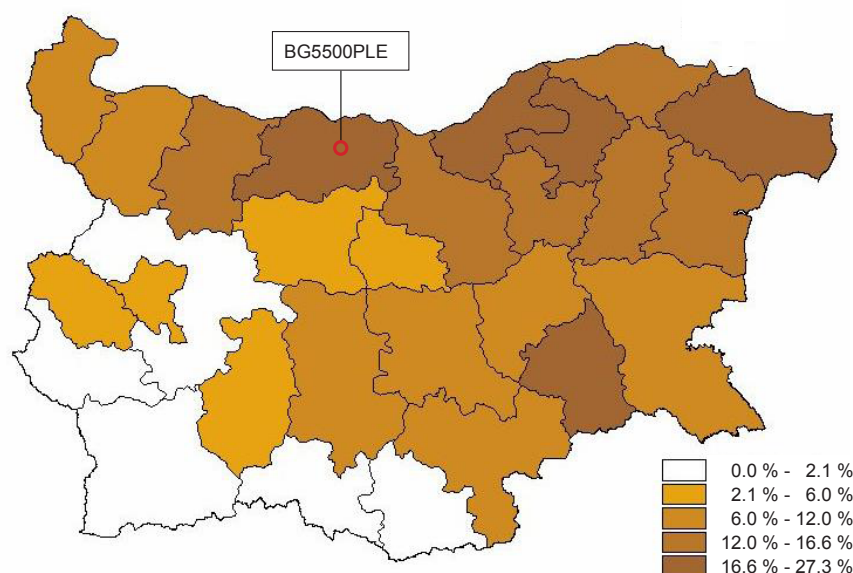


Source: Ministry of Agriculture and Food, № 182, October 2011

The map above shows data on the crop allocation by region for the agricultural year 2010/11. About 66 % of the total arable land is located in the North of Bulgaria and mainly cereals (42.6 %), corn (13.4 %) and sunflowers (24.6 %) are grown. In 2010, the corn production in North West Bulgaria accounted for 38 % of the national production, wheat and barley for 21 %, sunflower for 30 % and 27 % of the rapeseed production comes from this

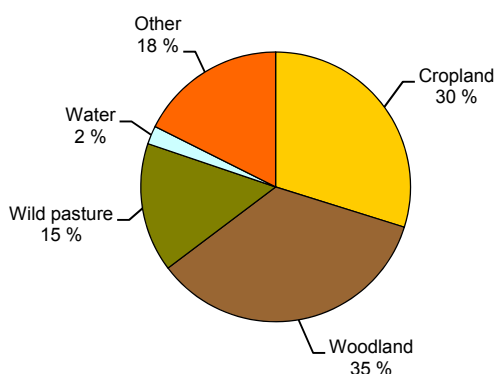
fertile region.

The map below shows the estimated proportion of the area grown with wheat in the agricultural year 2010/11. In Pleven province, where the farm is established, cereals accounted for 40.9 % of arable land, corn for 21.6 % and oil crops for 32.5 % in 2009/10. Therefore, this productive region was selected for the establishment of the first typical Bulgarian farm.



Source: Ministry of Agriculture and Food, № 182, October 2011

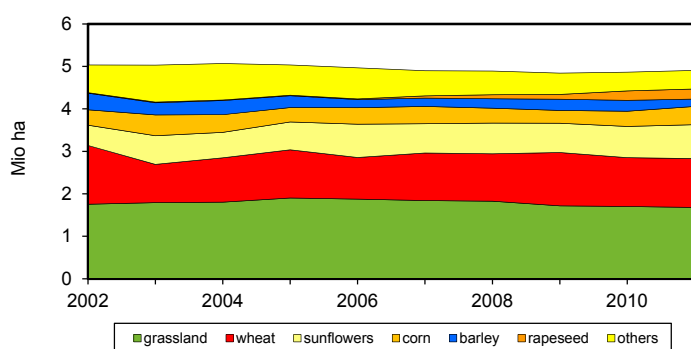
Land use in Bulgaria



A substantial amount of Bulgaria's land is covered with forest (35 %), arable land (30 %) and wild pasture (15 %).

Source: FAOSTAT 2009

Agricultural Land Use in Bulgaria



Arable farming predominates over stock-breeding in Bulgaria. Four main crops are traditionally grown - winter wheat, winter barley, corn and sunflowers. In the past decade they accounted for about 80 % of the arable land. Since 2005, the areas under winter rapeseed have grown - from 0.01 million ha to 0.24 million ha. Based on 2010 data, winter wheat is the grain with highest acreage and production (1.15 million ha and 4.1 million t) followed by sunflowers (0.73 million ha and 1.5 million t), corn (0.34 million ha and 2.0 million t), barley (0.26 million ha and 0.8 million t) and oilseed rape (0.22 million ha and 0.5 million t).

Source: Bulgarian Ministry of Agriculture and Food, 2011