

SECOND SUPPLEMENTAL EXCHANGE OFFER MEMORANDUM

*Prepared for the information of the holders of Designated Securities
in connection with Ukraine's Exchange Offer and Consent Solicitation*



Ukraine
represented by the Ministry of Finance of Ukraine,
acting on the instructions of the Cabinet of Ministers of Ukraine

Terms defined in the Exchange Offer Memorandum dated 23 September 2015 published by Ukraine in connection with the Invitation are used in this Second Supplemental Exchange Offer Memorandum as so defined.

This Second Supplemental Exchange Offer Memorandum should be read in conjunction with the Exchange Offer Memorandum dated 23 September 2015 (as supplemented by the Supplemental Exchange Offer Memorandum dated 5 October 2015 (the “Original Exchange Offer Memorandum”)) and is subject to the limitations, restrictions and disclaimers set forth therein.

As used herein, the term “Exchange Offer Memorandum” shall, unless the context otherwise requires, mean the Original Exchange Offer Memorandum, as supplemented by this Second Supplemental Exchange Offer Memorandum. In making its decision whether to participate in the Invitation, a holder of Designated Securities should rely only on the information contained in the Exchange Offer Memorandum.

The Exchange Offer is only being made to Eligible Holders. The Consent Solicitation is being made to all holders of Designated Securities. The New Notes and the GDP linked Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States.

Each holder of Designated Securities is solely responsible for making its own independent appraisal of all matters as such holder deems appropriate (including those relating to the Invitation, the New Notes, the GDP-linked Securities, Ukraine, FinInPro (if applicable) and the Extraordinary Resolutions) and each holder of Designated Securities must make its own decision as to whether to participate in the Invitation. No person has been authorised to give any information or to make any representation about Ukraine, FinInPro or the Invitation other than as contained in the Exchange Offer Memorandum (as supplemented) or on the Offer Website and, if given or made, such information or representation must not be relied upon as having been authorised by Ukraine, FinInPro, the Information Agent, the Trustees, the Settlement and Tabulation Agent or any of their respective officials, directors, officers, employees, affiliates or agents.

This Second Supplemental Exchange Offer Memorandum is, subject to certain restrictions, available on the Offer Website at <http://sites.dfkingltd.com/ukraine>.

9 October 2015

AMENDMENTS AND ADDITIONS TO THE EXCHANGE OFFER MEMORANDUM

The Original Exchange Offer Memorandum is amended and supplemented as described below and, other than as specified below, the Original Exchange Offer Memorandum remains unchanged.

The amendments and additions made herein to the Terms and Conditions of the New Notes and GDP-linked Securities and the form of GDP-linked Securities Trust Deed are shown below by means of a strike-through blackline, which illustrates the relevant deletions and insertions.

A revised, consolidated Exchange Offer Memorandum, incorporating all amendments and additions as specified herein and any additional amendments detailed in further supplements (if any) will be published before the Meetings to be held on 14 October 2015.

1. Amendments to the Terms and Conditions of the New Notes

The definition of “Exchange Offer Memorandum” contained in Condition 8 (*Events of Default*) of the terms and conditions of the New Notes shall be amended as follows:

“**Exchange Offer Memorandum**” means the Exchange Offer Memorandum published by the Issuer on [●] September 2015, ~~as supplemented by the Supplemental Exchange Offer Memorandum dated [●] October 2015~~ as supplemented from time to time;

2. Amendments to the Terms and Conditions of the GDP-linked Securities

The definition of “Exchange Offer Memorandum” contained in Condition 1 (*Definitions*) of the terms and conditions of the GDP-linked Securities shall be amended as follows:

“**Exchange Offer Memorandum**” means the Exchange Offer Memorandum published by the Issuer on [●] September 2015, ~~as supplemented by the Supplemental Exchange Offer Memorandum dated [●] October 2015~~ as supplemented from time to time;

Sub-paragraphs (iii), (iv) and (v) of Condition 3 (*Negative Pledge*) shall be amended as follows:

- (iii) any Security Interest upon any property to secure ~~indebtedness incurred~~ GDP-linked securities issued for the purpose of financing the acquisition of such property (or property which forms part of a class of assets of a similar nature where the Security Interest is by reference to the constituents of such class from time to time); or
- (iv) any Security Interest securing or providing for the payment of ~~indebtedness incurred~~ GDP-linked securities issued in connection with any Project Financing provided that (x) such Security Interest applies solely to any property which is, or forms part of, the subject of such Project Financing or (y) revenues or claims which arise from the operation, failure to meet specifications, exploitation, sale or loss, or failure to complete or damage to, any such property; or
- (v) any renewal or extension of any Security Interest described in sub-paragraphs (ii) - (iv) above, provided that the notional amount of the ~~indebtedness~~ GDP-linked securities secured thereby is not increased.

Condition 5.4 (*Holder Put*) shall be amended as follows:

If this Security is ~~represented by a global security or is in definitive form and held through Euroclear, Clearstream, Luxembourg or DTC~~a clearing system, to exercise the right to require repurchase of this Security the Holder must, within the Put Period, give notice to the Principal Paying and Transfer Agent of such exercise in accordance with the standard procedures of ~~Euroclear and Clearstream, Luxembourg and their respective~~that clearing system and its participants, or DTC, as applicable, (which may include notice being given on the Holder's instruction ~~by DTC to, or by, Euroclear or Clearstream, Luxembourg~~that clearing system or any common depositary/~~common safekeeper~~ for ~~them~~it to the Principal Paying and Transfer Agent by electronic means) in a form acceptable to ~~Euroclear, Clearstream, Luxembourg or DTC, as applicable from time to time and, if this Security is represented by a global security, at the same time present or procure the presentation of the relevant global security to the Paying and Transfer Agent for notation accordingly~~that clearing system.

3. **Revised Trust Deeds and Agency Agreements**

Noteholders are advised that revised versions of the forms of New Notes Trust Deed, GDP-linked Securities Trust Deed and the related agency agreements have been published on the Offer Website, along with blacklines showing the changes made to the versions originally published on the Offer Website.

The amendments to the form of GDP-linked Securities Trust Deed have been made, *inter alia*, to clarify certain aspects relevant to the definition of Specified Percentage by revising sub-Clause 2.2 (b) of, and adding a new sub-Clause 2.2 (c) to, the form of GDP-linked Securities Trust Deed as follows:

“(b) The Issuer may only issue Further Securities:

- (i) in exchange for the cancellation of external debt obligations included in the Schedule to the Resolution of the Cabinet of Ministers of Ukraine April 4, 2015 No. 318-p in respect of which it is not at the date of this Trust Deed bound to issue Securities; and
- (ii) in an aggregate Notional Amount not exceeding U.S.\$300,000,000.

(c) For the purpose of the definition of Specified Percentage in the Conditions (and for no other purpose in this Trust Deed or the Conditions):

- (i) the aggregate Notional Amount of Securities that have been issued pursuant to this Trust Deed shall be deemed to be the sum of the aggregate Notional Amount of Securities that have been issued under this Trust Deed at the relevant time and, if not issued, the aggregate Notional Amount of Securities which, at that time, the Issuer has become bound to issue in exchange for the cancellation of any external debt obligations as provided in sub-paragraph (b) of this sub-Clause 2.2; and
- (ii) the maximum aggregate Notional Amount of Securities permitted to be issued pursuant to this Trust Deed at the relevant time shall be deemed to be the sum of U.S.\$[20% of the Dollar equivalent of the aggregate principal amount of the Designated Securities, the precise amount being inserted in the execution version of this Trust Deed once the Applicable Exchange Rate is known] and the aggregate Notional Amount of any Further Securities which, at that time, the Issuer has become bound to issue in exchange for the

cancellation of any external debt obligations as provided in sub-paragraph (b) of this sub-Clause 2.2.”

The subsequent sub-Clauses will be renumbered accordingly.

In addition, the explanatory footnote on the front page of the form of GDP-linked Securities Trust Deed has been amended to clarify the method to be used to calculate the initial aggregate Notional Amount of the GDP-linked Securities.