

# SUPERVISORY BOARD'S REPORT

During the 2010|11 financial year the Supervisory Board has actively supported and been involved in AGRANA's activities and performance. In a total of four meetings, of which every member of the Supervisory Board attended at least half, the Supervisory Board dealt especially with the changing business environment in all segments as a result of greater volatility in raw material and energy prices, with the strategic direction and further development of the company, and the optimisation of its corporate financing. Through regular reports from the Management Board and detailed written information, the Supervisory Board informed itself about the company's business situation and financial position, about all relevant matters concerning the business performance, about the financial situation, investment plans and exceptional business transactions as well as the corporate strategy, and discussed these subjects with the Management Board. The thorough deliberations in the meetings of the Supervisory Board and its committees centred on the corporate strategy and opportunities for the further development of the Group, as well as the current challenges of the general economic environment. In addition, the Chairman of the Supervisory Board was in regular contact with the Chief Executive Officer to discuss strategy adjustments, business performance and risk management.

The Audit Committee met twice in the 2010|11 financial year; its chairman regularly reported to the Supervisory Board on the work of the committee. The Nomination and Remuneration Committee in its meeting on 11 May 2010 prepared the re-appointment of Thomas Kölbl as a member of the Management Board.

The consolidated financial statements, group management report, parent company financial statements and parent company management report of AGRANA Beteiligungs-AG for the 2010|11 financial year presented by the Management Board, as well as the accounting records, were audited by and received an unqualified audit opinion from the independent auditor appointed by the Annual General Meeting, KPMG Austria GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. The compliance review of the corporate governance report under section 243b Austrian Commercial Code was performed by Univ.-Prof. DDR. Waldemar Jud Corporate Governance Forschung CGF GmbH and its final results did not give rise to any significant reservations. The Supervisory Board endorses the results of the audit and of the compliance review.

The Audit Committee has reviewed the parent company financial statements and reported to the Supervisory Board in the presence of the independent auditor. The Supervisory Board has reviewed the consolidated financial statements, group management report, parent company financial statements and the parent company management report and corporate governance report of AGRANA Beteiligungs-AG for the 2010|11 financial year as well as the Management Board's proposal for the allocation of profit. The final results of all of these reviews did not give rise to any reservations.

The Supervisory Board has approved the consolidated financial statements and parent company financial statements for the 2010|11 financial year prepared by the Management Board, which are thus adopted for the purposes of section 96 (4) Austrian Stock Corporation Act. The Supervisory Board endorses the group management report and parent company management report for the 2010|11 financial year and is in agreement with the proposed appropriation of profit.

The Supervisory Board would like to express its appreciation and gratitude to the Management Board and all of the Group's employees for their commitment and the work accomplished.

Vienna, May 2011



Christian Konrad  
Chairman of the Supervisory Board