AGRANA

THE COMPLETE PACKAGE: QUARTERLY RESULTS

REPORT ON THE FIRST QUARTER OF

2011/2012

HIGHLIGHTS OF THE FIRST QUARTER OF 2011|12

- Revenue growth to € 612.9 million (Q1 2010|11: € 540.5 million)
- Operating profit improvement to € 61.6 million (Q1 2010|11: € 34.3 million)
- Increase in operating margin to 10.1% (Q1 2010|11: 6.3%)
- Improvement in profit for the period to € 43.1 million (Q1 2010|11: € 19.9 million)
- Equity ratio boosted to 51.5% (28 February 2011: 48.7%)
- Gearing[1] of 38.0% (28 February 2011: 39.4%)
- Forecast for full financial year: growth in Group revenue and significant increase in operating profit before exceptional items

[1] Debt-equity gearing (ratio of net debt to total equity).

RESULTS FOR THE FIRST QUARTER OF 2011|12

Revenue and earnings

Key financials AGRANA Group	Q1 2011|12	Q1 2010|11
Revenue	€ 612.9m	€ 540.5m
EBITDA	€ 78.5m	€ 51.9m
Operating profit before exceptional items	€ 61.6m	€ 34.3m
Operating margin	10.1%	6,3%
Operating profit after exceptional items	€ 61.6m	€ 34.3m
Purchases of property, plant and equipment and intangibles[1]	€ 14.2m	€ 7.6m
Staff count	8,210	8,116

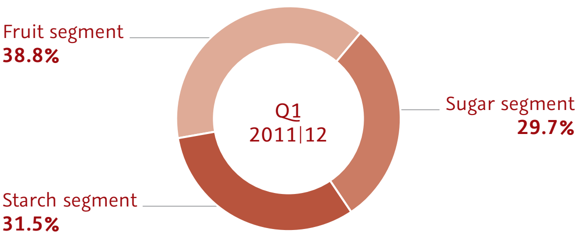
Revenue of the AGRANA Group increased by € 72.4 million or 13.4% in the first quarter of the 2011|12 financial year (1 March to 31 May 2011) to € 612.9 million (Q1 2010|11: € 540.5 million). The revenue growth in all three segments reflected the positive market trends for all products, which on balance outweighed the effect of lower sales volumes in the Sugar and Fruit segments. The revenue increase in the Sugar segment was only marginal, as higher selling prices just offset the reductions in sales quantities. Starch segment revenue saw powerful growth, driven primarily by favourable sales prices and to some extent also by higher volumes. As a result of higher raw material costs from last year's harvest, selling prices had already risen in the second half of the 2010|11 financial year; this trend continued in the first quarter of 2011|12. In Fruit as well, despite slight volume reductions, AGRANA achieved an expansion in segment revenue on improved market developments, especially in fruit juice concentrates.

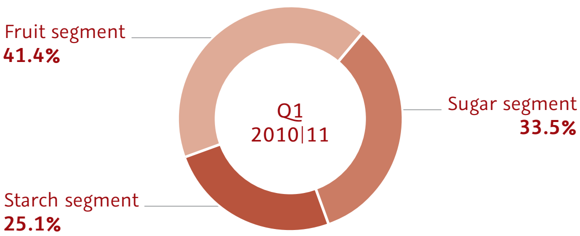
In the first three months of 2011|12, **operating profit before exceptional items** was € 61.6 million, up by 79.6% (by € 27.3 million) from the year-earlier level of € 34.3 million. This outstanding earnings growth was carried by all three segments, Sugar, Starch and Fruit. It reflects both the rewards of the optimisation measures taken in the previous years and the good market conditions in the sugar and starch businesses during the first three months of this financial year. **Net financial items**, at a net expense of € 6.2 million, were unchanged on balance from the year-earlier quarter: While net interest expense remained steady, currency translation gains made up for a decline in other financial items. After an income tax expense of € 12.3 million (based on a tax rate of 22.2%), the AGRANA Group's **profit for the period** was € 43.1 million (Q1 2010|11: € 19.9 million). The earnings per share attributable to AGRANA shareholders grew from € 1.39 to € 2.93.

Investment

In the first quarter of 2011|12, € 14.2 million was invested in purchases of property, plant and equipment and intangible assets (Q1 2010|11: € 7.6 million). The Sugar segment's € 4.1 million share of this (Q1 2010|11: € 3.7 million) was primarily for the construction of the 70,000 tonne capacity sugar silo in Tulln, Austria, which will be completed before the start of the 2011|12 campaign. In Opava in the Czech Republic, installation began of an additional beet pulp press, and the centrifuge control system at the sugar plant in Sereď, Slovakia, was upgraded. Construction of a third fermenter for the biogas plant in Kaposvár, Hungary, was also initiated. Of the € 2.2 million invested in the Starch segment (Q1 2010|11: € 0.8 million), the largest part was spent at the Hungarian corn starch plant, where the implementation of the biomass boiler and the expansion of corn processing capacity were launched. Approximately € 7.8 mil-

REVENUE BY SEGMENT





[1] Excluding goodwill.

lion (Q1 2010|11: € 3.1 million) was invested in the Fruit segment. A sizeable portion of this went for the purchase of stainless steel containers for transporting fruit preparations. The new warehouse for finished product in Serpuchov, Russia, was completed and taken into service in June 2011. In the concentrate activities, investment focused especially on asset replacement in Poland and Hungary to optimize operations.

Cash flow

First-quarter operating cash flow before change in working capital increased by 51.3% year-on-year to € 63.1 million (Q1 2010|11: € 41.7 million), in step with the rise in operating profitability. With the increase of € 52.5 million in working capital in the first quarter (Q1 2010|11: increase of € 39.9 million), net cash from operating activities amounted to € 10.4 million (prior year: € 2.3 million). Net cash used in investing activities was € 9.8 million (Q1 2010|11: net cash used of € 3.9 million) as a result of higher outflows for investment in property, plant and equipment and intangibles. Thanks to the net reduction in borrowings, net cash used in financing activities improved to € 11.1 million (Q1 2010|11: net cash used of € 13.2 million).

Financial position

With total assets down slightly by 1.1% from 28 February 2011 (the end of the prior financial year), the equity ratio improved from 48.7% to 51.5%. Despite rising trade receivables, current assets decreased, due mainly to inventory reduction and lower holdings of cash and cash equivalents and securities. Non-current liabilities declined as a result of reduced long-term borrowings. Current liabilities fell as a consequence primarily of the payments to beet growers and the production levy. Net debt at 31 May 2011, at € 384.8 million, was only very slightly higher than the year-end level of € 382.4 million. The gearing ratio of 38.0% at the end of the first quarter of 2011|12 was lower, and thus better, than the year-end level of 39.4% at 28 February 2011.

AGRANA in the capital market

Share data	Q1 2011|12
High (1 April 2011)	€ 81.00
Low (11 May 2011)	€ 74.97
Closing price (31 May 2011)	€ 76.50
Closing book value per share (31 May 2011)	€ 69.23
Closing market capitalisation (31 May 2011)	€ 1,086.5m

AGRANA started the 2011|12 financial year at a share price of € 80.00. On reduced average trading volume of slightly less than 1,800 shares per day (based on double counting, as published by the Vienna Stock Exchange) and amid greater price volatility, the share price reached € 76.50 at the end of the first quarter.

The market capitalisation at 31 May 2011 was € 1,086.5 million, with an unchanged 14.2 million shares outstanding. The share price performance can be followed in the investor relations section of the AGRANA homepage at www.agrana.com.

The 24th Annual General Meeting of AGRANA Beteiligungs-AG on 1 July 2011 approved the payment of a dividend of € 2.40 per share for the 2010|11 financial year (an increase of 23.1% from the prior year's € 1.95 per share). After the departure of Ludwig Eidmann, Jochen Fenner was newly elected to the Supervisory Board for the remainder of the ordinary tenure of his predecessor, i.e., until the conclusion of the General Meeting which decides on board members' discharge from liability for the 2011|12 financial year.

In the first quarter of 2011|12, AGRANA was in regular contact with investors, financial journalists and analysts, and met with institutional investors at events such as road shows in London and Geneva.

SUGAR SEGMENT

Market environment

World sugar market

In the second, revised estimate by F.O. Licht of March 2011 for world sugar supply and demand in the current 2010|11 campaign year, the analytics firm predicts a stabilisation in the low level of inventories. While consumption is expected to rise to 164.1 million tonnes (2009|10: 161.1 million tonnes), production is to expand to 166.9 million tonnes (2009|10: 158.6 million tonnes), leaving projected global inventories at the end of the marketing year at 57.8 million tonnes, or about the prior-year level (2009|10: 56.5 million tonnes).

After the highs of USD 780 per tonne for raw sugar and USD 845 per tonne for white sugar charted on 2 February 2011, world market prices fell for some time. Since the middle of May, however, the quotations on commodity futures exchanges have been rising again.

In Brazil, after a delayed start caused by heavy rains, harvest conditions are slowly improving. UNICA, the Brazilian sugar industry association, is nevertheless forecasting poorer crop yields and reduced quality, which in turn will lead to an adjustment in production forecasts. In response to the worldwide depletion of sugar stockpiles, the Brazilian industry is currently striving to export as much of its product as possible.

India is exporting less than expected, with authorities releasing only about 337,000 tonnes of sugar exports for the period from October 2010 to September 2011. The expansion of Indian planting acreage is predicted to raise the country's sugar production to between 26 and 26.5 million tonnes for the period from October 2011 to September 2012.

Thai exports are benefiting from these developments. As the world's third largest sugar producer after Brazil and India, Thailand will probably export about 1 million tonnes of sugar per month through the second and third quarter of 2011, for record total sugar exports of approximately 7 million tonnes in the 2011 calendar year.

EU sugar market

In March 2011 the European Commission approved a duty-free import quota of 300,000 tonnes. In May, in addition to this already imported amount, a further quota of 200,000 tonnes was authorised. The duty-free import licences will be applied for and allocated in July 2011. Additionally, the European Commission can permit further imports at reduced customs tariffs under a standing invitation to tender.

Above and beyond the already approved export licences for 650,000 tonnes for the 2010|11 sugar marketing year, the Commission authorised further export licences for 700,000 tonnes effective from September 2011. As well, for the 2011|12 marketing year, export licences for 650,000 tonnes were approved for exports from January 2012 to September 2012.

Business performance

Key financials Sugar segment	Q1 2011|12	Q1 2010|11
Revenue	€ 182.0m	€ 181.2m
EBITDA	€ 24.1m	€ 8.8m
Operating profit before exceptional items	€ 21.6m	€ 6.1m
Operating margin	11.9%	3.4%
Purchases of property, plant and equipment and intangibles[1]	€ 4.1m	€ 3.7m

Revenue in the Sugar segment increased modestly year-on-year by about 0.4% in the first quarter of 2011|12 to € 182.0 million. The high world market prices and tight sugar supply in the EU caused sugar prices in AGRANA's Eastern European markets to rise. High grain prices also buoyed the prices of co-products, such as dried beet pulp and molasses. On the other hand, the higher prices led to lower sales volumes than in the prior year. This decrease occurred not in the domestic markets but in exports to other EU and non-EU countries. AGRANA's refining capacity showed improved utilisation towards the end of the first quarter and will continue to do so for 2011|12 as a whole. This is driven both by sugar demand in the EU and the larger quantities of import licences economically available to the Group.

In the course of the first quarter, trading business (reselling) was reduced in the sales mix in favour of selling more of the Group's own product, thus significantly increasing the profit margin. The Sugar segment's operating profit of € 21.6 million before exceptional items was dramatically improved from the Q1 2010|11 level of € 6.1 million. The main success factors behind this were vigorous marketing, sufficient sugar sourcing and the flexibility to seize opportunities created by changing market conditions.

Raw materials and crops

The area planted to sugar beet for the AGRANA Group was increased by about 5,000 hectares for the 2011|12 sugar marketing year to more than 91,000 hectares. Sugar beet cultivation area was thus expanded further from the prior year (despite intense competition from other crops), by 4% to 6% in Austria, the Czech Republic and Hungary, and by more than 10% in Slovakia and Romania. In Austria about 900 hectares was reserved for organic beet production. However, in total, more than 1,000 hectares of beet fields had to be turned under due to mud deposits or drought, or could not be planted at all. Good beet yields are expected in all countries in view of the prevailing weather and growing conditions.

STARCH SEGMENT

Market environment

World grain production in the 2011|12 marketing year is estimated by the International Grains Council at 1.81 billion tonnes (prior year: 1.73 billion tonnes). It will thus remain just below the expected consumption of 1.82 billion tonnes. Global wheat production is forecast at 667 million tonnes (prior year: 649 million tonnes), less than the expected consumption of 669 million tonnes (prior year: 661 million tonnes). The world's corn (maize) production is predicted at 848 million tonnes (prior year: 812 million tonnes), falling short of the projected consumption of 853 million tonnes (prior year: 843 million tonnes).

[1] Excluding goodwill.

According to Strategie Grains, the 2011 wheat harvest in the EU is expected to measure 126 million tonnes (prior year: 127 million tonnes). For corn, analysts are expecting an EU crop of 59 million tonnes (prior year: 55 million tonnes). Wheat consumption within the EU is forecast at 116 million tonnes (prior year: 114 million tonnes) and corn consumption at 64 million tonnes (prior year: 61 million tonnes). As a result of the continuing tightness of supply, commodity futures quotations are high; on 30 June 2011, prices on Euronext LIFFE for the coming new wheat crop for November delivery stood at € 184.50 per tonne.

Business performance

Key financials **Starch segment**	**Q1** **2011|12**	**Q1** **2010|11**
Revenue	€ 193.3m	€ 135.4m
EBITDA	€ 29.0m	€ 21.5m
Operating profit before exceptional items	€ 22.5m	€ 15.3m
Operating margin	11.6%	11.3%
Purchases of property, plant and equipment and intangibles[1]	€ 2.2m	€ 0.8m

The revenue growth in the first quarter of 2011|12 from € 135.4 million to € 193.3 million was attributable mainly to higher sales prices in all core product groups and in by-products, which followed raw material prices upward. The prior year's performance was also surpassed in volume terms, thanks in particular to higher sales of isoglucose, bioethanol and by-products.

Selling prices and quantities of bioethanol were up from a year ago. For non-food starch products there is strong demand from the paper and corrugated board industries that fully utilises AGRANA's production capacity. As well, the restricted physical supply in the sugar market is stimulating sales of starch saccharification products.

The segment operating profit of € 22.5 million before exceptional items significantly exceeded the prior year's first-quarter result of € 15.3 million. This meant a small improvement in operating margin from 11.3% to 11.6%, reflecting especially a better performance by AGRANA Stärke GmbH and the Romanian holding, S.C. A.G.F.D. Tandarei s.r.l.

Raw materials, crops and production

For potato starch for the 2011 campaign year, contracts were concluded with about 1,400 farmers to grow 207,000 tonnes of regular starch potatoes and 12,600 tonnes of organic starch potatoes. The contracts for regular food potatoes and organic food potatoes, at 11,900 and 6,500 tonnes, respectively, are somewhat above the prior-year level. The favourable weather conditions promise rapid crop growth.

Corn procurement for the starch plant in Aschach, Austria, has been completed until up to the new harvest. For the 2011 production of specialty corn (organic corn, waxy corn, guaranteed non-GMO corn, and organic waxy corn), contracts were signed for approximately 61,000 tonnes.

The corn planting area in Hungary was expanded by almost 10% from the prior year, to about 1.2 million hectares. Based on HUNGRANA's projected total annual processing volume of approximately 1.1 million tonnes, about two-thirds of its raw material requirement is covered. The balance of its feedstock will consist mainly of freshly harvested wet corn and dried corn from the new harvest.

The area planted to corn in Romania is expected to be 2.5 million hectares, or 9% more than in the prior year. Conditions during this year's corn planting were favourable.

Bioethanol in Austria

The grain and corn purchases for the bioethanol plant in Pischelsdorf, Austria, are largely secured until up to the new crop. Including the ethanol grain grower contracts for the coming harvest, about 85% of the raw material sourcing for the 2011|12 financial year is already in place.

FRUIT SEGMENT

Market environment

The long-term growth potential for global fruit yoghurt markets is intact, even if consumers in some markets are currently distinctly holding back. This reticence results from a combination of higher inflation rates and the fact that the rise in costs for ingredients, energy, packaging materials, etc. is causing manufacturers to make significant reductions in advertising and promotions. The ultimate result has been a braking effect on demand for fruit yoghurts. Both factors – inflation and reduced market investment – are at work in developed as well as in emerging markets.

The macroeconomic stabilisation in Eastern European markets has continued, leading to further growth in demand for fruit juice concentrates. In the developed European markets, the economic situation had little effect on fruit

[1] Excluding goodwill.

juice consumption. The Western European market is more strongly affected by trends such as flavoured water or a lower fruit juice content to reduce the beverages' caloric value.

Business performance

Key financials Fruit segment	Q1 2011|12	Q1 2010|11
Revenue	€ 237.5m	€ 223.9m
EBITDA	€ 25.3m	€ 21.6m
Operating profit before exceptional items	€ 17.6m	€ 12.8m
Operating margin	7.4%	5.7%
Purchases of property, plant and equipment and intangibles[1]	€ 7.8m	€ 3.1m

Fruit segment revenue increased by 6.1% in the first quarter of 2011|12 to € 237.5 million. In most fruit preparations markets, sales volumes were held steady at the level of the prior year's first quarter. In Eastern Europe, the commissioning of a competitor's new plant in Russia led to a short-term, anticipated drop in sales quantities. The joint venture in Egypt, AGRANA Nile Fruits Processing (SAE), began operation at the end of May 2011 and thus did not yet have an effect on sales and profits. In fruit juice concentrates, the contracts concluded in the 2010 processing season were delivered as planned. The selling prices in the first quarter were stable at a high absolute level; as well, AGRANA was continually able to close new contracts.

The operating profit of € 17.6 million before exceptional items was higher than one year earlier (€ 12.8 million). The operating margin in the Fruit segment grew to 7.4% (Q1 2010|11: 5.7%). The top reason for this positive trend was the profitability in the fruit juice concentrate activities, achieved with the help of many organisational and cost improvement measures.

Raw materials, crops and production

For weather reasons the demand for fruit could not be fully met from the main growing regions, with a shortfall that is vividly exemplified by the winter and spring harvests for strawberry in Mexico, Morocco, Egypt and Spain. Availability of fruits from these regions on the open market is limited. There is continuing high competing demand from the fresh market, which tends to reduce availability of fruit for processing.

The relatively high levels of prices established at the beginning of the year will persist for strawberries even in the summer harvest regions, especially as early frost last autumn damaged the crops in Poland. The procurement of cherries and blueberries will pose an unusual challenge this financial year, as there are hardly any available inventories and demand in the markets remains high.

Early indicators for stone fruits point to significant price increases for peaches and apricots as a result of a difficult harvest situation in Greece and Spain. In all of these cases there are ways to mitigate supply and price risks, and AGRANA will fully utilise this potential. In North America the forecasts for stone fruits and pomes are good (examples of pomes are apples and pears), although here, too, there is likely to be strong demand and thus an increase in prices.

In Europe, the frost in May also affected apple crops, to a varying extent. While the principal growing regions in Poland remained largely unscathed, the apple growing area in Eastern Hungary sustained heavy damage with a feared crop loss of up to 70%. An average apple crop is expected in Europe at present. In the regions outside Europe (China, Turkey and Ukraine), quite favourable weather conditions and good crop forecasts are being reported. Owing to the cold weather during the flowering season, the black currant and sour cherry crops are predicted to be sub-average throughout Europe.

MANAGEMENT OF RISKS AND OPPORTUNITIES

AGRANA uses an integrated system for the early identification and monitoring of risks that are relevant to the Group. A detailed description of the Group's business risks is provided on pages 59 to 63 of the Annual Report 2010|11.

There are at present no known risks to the AGRANA Group's ability to continue in operational existence, and no future risks of this nature are currently discernible.

EVENTS AFTER THE REPORTING DATE

No significant reportable events relevant to the Group's financial position or to its results of operations or cash flows occurred after the balance sheet date of 31 May 2011.

[1] Excluding goodwill.

OUTLOOK

For the full 2011|12 financial year, based on a positive market environment, AGRANA is projecting an increase in Group revenue. Operating profit before exceptional items is now forecast to rise significantly, driven by all business segments. The profit growth is expected to be achieved through, among other ways, further process optimisation and energy efficiency gains.

In light of the current market conditions, the **Sugar segment** should be able to generate another year-on-year revenue and profit improvement in the second quarter of 2011|12. As a result of the high volatility of world market prices for sugar, which (because of the EU's need for imports) have a growing impact on the internal EU market as well, markets can change very rapidly and this can affect results. Forecasting is thus far more difficult, and more uncertain, than in the years before. Nonetheless, as AGRANA has a degree of flexibility in its sugar operations regarding the mix of own beet sugar production, refining of purchased raw sugar, and sugar reselling, as well as regarding the mix of intra-EU sales versus world market exports, a significant increase in Sugar segment profit from the prior year is expected for the full year 2011|12.

Based on the positive trends in the first quarter of 2011|12, the **Starch segment** is expected to register full-year revenue well above the prior year's. There is expected to be continuing strong market demand for non-food starch products, and sales volume growth in isoglucose, bioethanol and co-products. AGRANA is optimistic to be able to sustain the segment operating margin of the prior year.

In the **Fruit segment's** fruit preparations division, AGRANA anticipates a stable development of sales volumes with rising market prices in the second half of 2011|12. This will involve especially strawberries, cherries and tropical fruits. Revenue in the year as a whole is expected to increase due to higher average sales prices, and so is operating profit before exceptional items. In apple juice concentrates, amid the forecasts of average crops in Europe and China, AGRANA believes the market setting as the year progresses will be a challenging one from the new harvest onward. The concentrate activities will deliver considerable growth in both revenue and profit.

In the 2011|12 financial year, total investment in all three segments will expand to about € 100 million in order to provide firm support for the Group's long-term growth trajectory.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST THREE MONTHS ENDED 31 MAY 2011 (UNAUDITED)

CONSOLIDATED INCOME STATEMENT for the first three months (1 March – 31 May)	**2011|12** €000	**2010|11** €000
Revenue	612,906	540,470
Changes in inventories of finished and unfinished goods	(64,325)	(105,239)
Own work capitalised	796	722
Other operating income	5,730	6,145
Cost of materials	(355,888)	(272,956)
Staff costs	(55,898)	(52,362)
Depreciation, amortisation and impairment losses	(16,857)	(17,594)
Other operating expenses	(64,837)	(64,912)
Operating profit after exceptional items	**61,627**	**34,274**
Finance income	2,199	1,749
Finance expense	(8,431)	(7,987)
Net financial items	**(6,232)**	**(6,238)**
Profit before tax	**55,395**	**28,036**
Income tax expense	(12,317)	(8,089)
Profit for the period	**43,078**	**19,947**
Attributable to shareholders of the parent	*41,602*	*19,682*
Attributable to non-controlling interests	*1,476*	*265*
Earnings per share under IFRS (basic and diluted)	€ 2.93	€ 1.39

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the first three months (1 March – 31 May)	**2011|12** €000	**2010|11** €000
Profit for the period	43,078	19,947
Other comprehensive (expense)/income		
– Currency translation differences	(384)	11,039
– Available-for-sale financial assets	48	100
– Cash flow hedges	187	(919)
– Tax effect of cash flow hedges	(64)	269
Other comprehensive (expense)/income for the period	(213)	10,489
Total comprehensive income for the period	**42,865**	**30,436**
Attributable to shareholders of the parent	*41,279*	*30,301*
Attributable to non-controlling interests	*1,586*	*135*

CONSOLIDATED BALANCE SHEET

	31 May 2011 €000	28 February 2011 €000
ASSETS		
A. Non-current assets		
Intangible assets	246,940	248,551
Property, plant and equipment	576,804	577,709
Securities	104,750	104,598
Investments in non-consolidated subsidiaries and outside companies, and loan receivables	6,152	6,152
Receivables and other assets	13,525	13,827
Deferred tax assets	32,422	31,000
	980,593	**981,837**
B. Current assets		
Inventories	491,039	528,241
Trade receivables and other assets	429,654	400,107
Current tax assets	9,692	7,179
Securities	96	4,411
Cash and cash equivalents	59,474	70,427
	989,955	**1,010,365**
Total assets	**1,970,548**	**1,992,202**
EQUITY AND LIABILITIES		
A. Equity		
Share capital	103,210	103,210
Share premium and other capital reserves	411,362	411,362
Retained earnings	468,637	427,564
Equity attributable to shareholders of the parent	983,209	942,136
Non-controlling interests	30,656	28,558
	1,013,865	**970,694**
B. Non-current liabilities		
Retirement and termination benefit obligations	42,012	41,957
Other provisions	13,017	12,971
Borrowings	238,514	267,004
Other payables	1,962	2,308
Deferred tax liabilities	19,383	19,088
	314,888	**343,328**
C. Current liabilities		
Other provisions	42,917	39,787
Borrowings	310,577	294,868
Trade and other payables	265,370	328,619
Current tax liabilities	22,931	14,906
	641,795	**678,180**
Total equity and liabilities	**1,970,548**	**1,992,202**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the first three months (1 March – 31 May)

	2011|12 €000	2010|11 €000
Operating cash flow before change in working capital	63,101	41,683
(Losses)/gains on disposal of non-current assets	(185)	576
Change in working capital	(52,534)	(39,912)
Net cash from operating activities	**10,382**	**2,347**
Net cash (used in) investing activities	(9,802)	(3,943)
Net cash (used in) financing activities	(11,087)	(13,233)
Net decrease in cash and cash equivalents	**(10,507)**	**(14,829)**
Effect of movements in foreign exchange rates on cash and cash equivalents	(446)	2,576
Cash and cash equivalents at beginning of period	70,427	70,388
Cash and cash equivalents at end of period	**59,474**	**58,135**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first three months (1 March – 31 May)

	Equity attributable to shareholders of the parent €000	Non-controlling interests €000	Total €000
2011|12			
At 1 March 2011	**942,137**	**28,558**	**970,695**
Fair value movements under IAS 39	173	(2)	171
Change in equity as a result of currency translation differences	(496)	112	(384)
Other comprehensive (expense)/income for the period	**(323)**	**110**	**(213)**
Profit for the period	41,602	1,476	43,078
Total comprehensive income for the period	**41,279**	**1,586**	**42,865**
Other changes	(207)	512	305
At 31 May 2011	**983,209**	**30,656**	**1,013,865**
2010|11			
At 1 March 2010	**879,229**	**25,425**	**904,654**
Fair value movements under IAS 39	(554)	4	(550)
Change in equity as a result of currency translation differences	11,173	(134)	11,039
Other comprehensive income/(expense) for the period	**10,619**	**(130)**	**10,489**
Profit for the period	19,682	265	19,947
Total comprehensive income for the period	**30,301**	**135**	**30,436**
Other changes	(297)	280	(17)
At 31 May 2010	**909,233**	**25,840**	**935,073**

SEGMENT REPORTING

for the first three months (1 March – 31 May)

	2011|12 €000	2010|11 €000
Total revenue		
Sugar	199,825	193,356
Starch	195,808	143,583
Fruit	238,295	223,971
Group	633,928	560,910
Inter-segment revenue		
Sugar	(17,788)	(12,197)
Starch	(2,467)	(8,181)
Fruit	(767)	(62)
Group	(21,022)	(20,440)
Revenue		
Sugar	182,037	181,159
Starch	193,341	135,402
Fruit	237,528	223,909
Group	612,906	540,470

	2011|12 €000	2010|11 €000
Operating profit after exceptional items		
Sugar	21,596	6,138
Starch	22,481	15,304
Fruit	17,550	12,832
Group	61,627	34,274
Investment		
Sugar	4,145	3,740
Starch	2,209	799
Fruit	7,843	3,062
Group	14,197	7,601
Staff count		
Sugar	2,022	2,023
Starch	879	871
Fruit	5,309	5,222
Group	8,210	8,116

BASIS OF PREPARATION

The interim report of the AGRANA Group for the quarter ended 31 May 2011 was prepared in accordance with the rules for interim financial reporting under IAS 34, in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). The interim consolidated financial statements at and for the period ended 31 May 2011 were not audited or reviewed.

The Annual Report 2010|11 of the AGRANA Group is available on the Internet at www.agrana.com for online viewing or downloading.

ACCOUNTING POLICIES

In the preparation of these interim accounts, the IFRS and interpretations which became effective in the 2011|12 financial year were applied. This did not have an impact on the presentation of the Group's financial statements or on its financial position, results of operations or cash flows. Except for these newly effective IFRS and interpretations, the same accounting methods were applied as in the preparation of the annual consolidated financial statements for the year ended 28 February 2011 (the 2010|11 financial year). The notes to those annual consolidated financial statements therefore apply mutatis mutandis to these interim accounts. Corporate income taxes were determined on the basis of country-specific income tax rates, taking into account the tax planning for the full financial year.

SCOPE OF CONSOLIDATION

In the first quarter of 2011|12 there were no changes in the list of entities included in the consolidated financial statements.

SEASONALITY OF BUSINESS

Most of the Group's sugar production falls into the three months from October to December. Depreciation and impairment of plant and equipment used in the campaign are therefore incurred largely in the financial third quarter. The material costs, staff costs and other operating expenses incurred before the sugar campaign in preparation for production are recognised intra-year under the respective type of expense and capitalised within inventories as unfinished goods. In the prior financial year, these expenses were recognised intra-year on an accrual basis as prepaid expenses in the items "trade receivables and other assets" and "receivables and other assets", and only in the course of the campaign was the consumption then recognised under the respective type of expense.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Operating profit after exceptional items in the first quarter of 2011|12 was € 61.6 million (prior year: € 34.3 million). This profit improvement was driven by all three segments, Sugar, Starch and Fruit, with the strongest increase realised in the Sugar segment.

Net financial items totalled a net expense of € 6.2 million (the same amount as one year earlier) and resulted largely from the net interest expense.

After taxes, Group profit for the first quarter was € 43.1 million (Q1 2010|11: € 19.9 million).

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

In the three months to the end of May 2011, cash and cash equivalents decreased by € 11.0 million to € 59.5 million.

Net cash from operating activities during the quarter under review was € 10.4 million (Q1 2010|11: € 2.3 million). This increase from the year-earlier quarter was attributable to an improvement of about € 21.4 million in operating cash flow before change in working capital, less an increased cash requirement for working capital compared to the prior year.

Net cash used in investing activities was € 9.8 million (Q1 2010|11: net cash used of € 3.9 million), reflecting the new financial year's higher investment in the Starch segment (notably in Hungary) and in Fruit (particularly in Russia).

The repayment especially of non-current borrowings resulted in net cash use of € 11.1 million in financing activities (Q1 2010|11: net cash use of € 13.2 million).

NOTES TO THE CONSOLIDATED BALANCE SHEET

The reduction of € 21.7 million in total assets since 28 February 2011 to a new total of € 1,970.5 million was driven primarily by the contraction in inventories, as in the year-earlier quarter. On the liabilities side, the reduction in the balance sheet total resulted from lower borrowings and lower trade and other payables. With total equity of € 1,013.9 million (28 February 2011: € 970.7 million), the equity ratio at the end of May was 51.5% (28 February 2011: 48.7%).

STAFF COUNT

In the first quarter the AGRANA Group had 8,210 employees (Q1 2010|11: 8,116). An increase of 87 positions in the Fruit segment was driven largely by the greater use of seasonal labour in Argentina, Morocco and Serbia.

RELATED PARTY DISCLOSURES

There were no material changes in related party relationships since the year-end balance sheet date of 28 February 2011. Transactions with related parties as defined by IAS 24 are conducted on arm's length terms. Details of individual related party relationships are provided in the AGRANA Annual Report for the year ended 28 February 2011.

SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the balance sheet date of 31 May 2011 that had a material effect on AGRANA's financial position, results of operations or cash flows.

MANAGEMENT BOARD'S RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge:

- the condensed consolidated interim financial statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's financial position, results of operations and cash flows; and
- the Group's management report for the first quarter gives a true and fair view of the financial position, results of operations and cash flows of the Group in relation to (1) the important events in the first three months of the financial year and their effects on the condensed consolidated interim financial statements, (2) the principal risks and uncertainties for the remaining nine months of the financial year, and (3) the reportable significant transactions with related parties.

Vienna, 14 July 2011

Johann Marihart
Chief Executive Officer

Fritz Gattermayer
Member of the Management Board

Walter Grausam
Member of the Management Board

Thomas Kölbl
Member of the Management Board

FORWARD-LOOKING STATEMENTS

This interim report contains forward-looking statements, which are based on assumptions and estimates made by the Management Board of AGRANA Beteiligungs-AG. Although these assumptions, plans and projections represent the Management Board's current intentions and best knowledge, a large number of internal and external factors may cause actual future developments and results to differ materially from these assumptions and estimates. Some examples of such factors are, without limitation: negotiations concerning world trade agreements; changes in the overall economic environment, especially in macroeconomic variables such as exchange rates, inflation and interest rates; EU sugar policy; consumer behaviour; and public policy related to food and energy.

AGRANA Beteiligungs-AG does not guarantee in any way that the actual future developments and actual future results achieved will match the assumptions and estimates expressed or made in this interim report, and does not accept any liability in the event that assumptions and estimates prove to be incorrect.

To an insignificant extent, totals in this report may not add, as a result of the standard round-half-up convention used in rounding individual amounts and percentages.

FINANCIAL CALENDAR

13 October 2011	Publication of results for first half of 2011|12
12 January 2012	Publication of results for first three quarters of 2011|12

FOR FURTHER INFORMATION

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