



**SUGAR
STARCH
FRUIT**

The natural upgrade

To most, it is
a field.

To us,
a thousand possibilities

To most,
it is a
laboratory.

To us,
future
opportunities.

To most, it is
three segments.

To us,
important
synergies.

To most,
they are
employees.

To us,
individuals
with valuable
expertise.

AGRANA employed an average of 8,659 people worldwide in the 2017 financial year. Fully trained, motivated employees are our company's most valuable resource. We therefore want to give all of them the opportunities and support for the full development of their abilities. Last year, our training and development measures reached more than 85% of our employees.

AGRANA Beteiligungs-AG

Results for the first three quarters of 2017 | 18

Presentation for investors and analysts

Vienna, 11 January 2018



Q1-3 2017|18 OVERVIEW

- Significant improvement in Group EBIT, with all segments going up
- But EBIT in Q3 2017|18 (3 months) went down by 13.3% year-on-year
- Revenue: € 2,010.6 m (up 2.2%; Q1-3 prior year: € 1,967.5 m)
- EBIT: € 171.6 m (up 24.6%; Q1-3 prior year: € 137.7 m)
- EBIT margin: 8.5% (Q1-3 prior year: 7.0%)



~8,800

Employees (FTEs)
as of 30 Nov. 2017



57
Production sites
as of 30 Nov. 2017



€ ~2.6 billion

Group revenue
in 2016|17 FY



Leading
SUGAR

SUPPLIER
in Central, Eastern &
Southeastern Europe



Major European
manufacturer
of customised
STARCH

PRODUCTS and
bioethanol



World market leader
in the production of
FRUIT

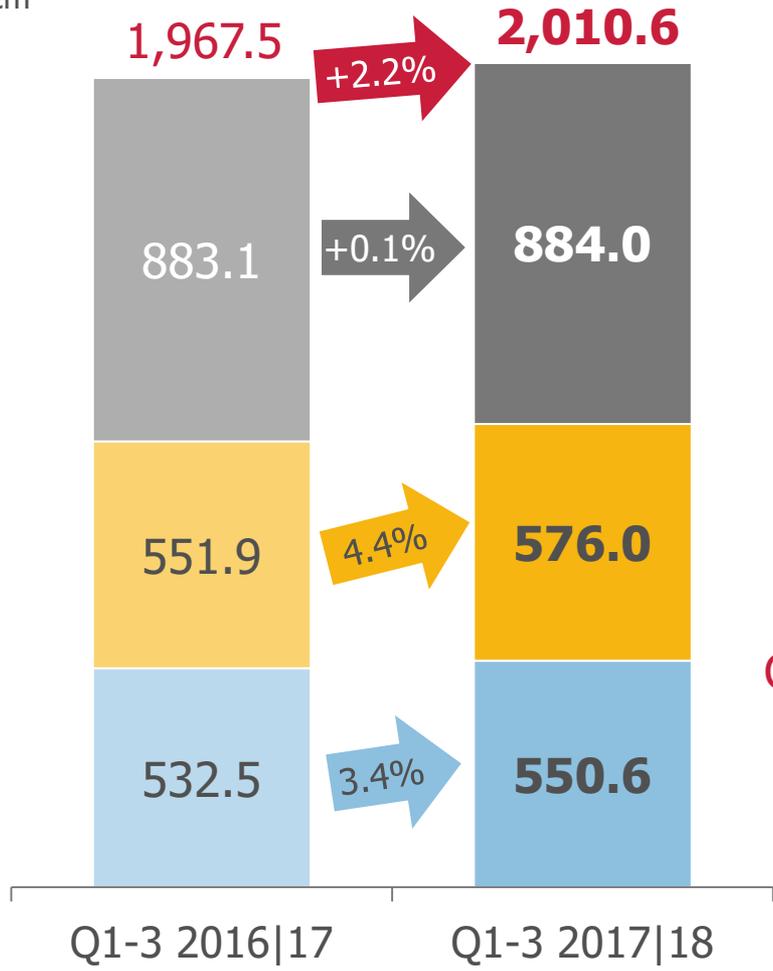
PREPARATIONS
and largest
manufacturer of
fruit juice concentrates
in Europe



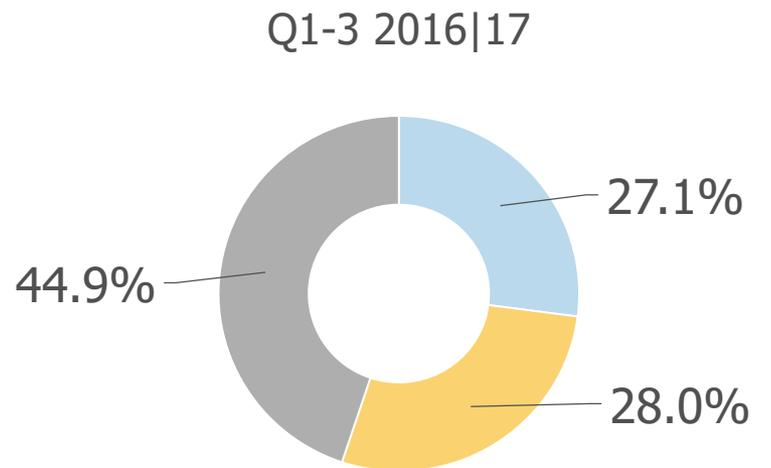
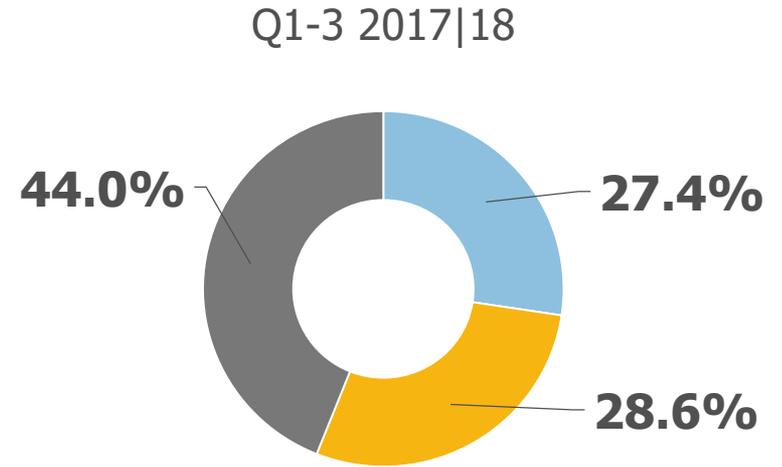
Q1-3 2017|18 VS PRIOR YEAR

REVENUE BY SEGMENT

€m



- Fruit
 - Starch
 - Sugar
- GROUP**

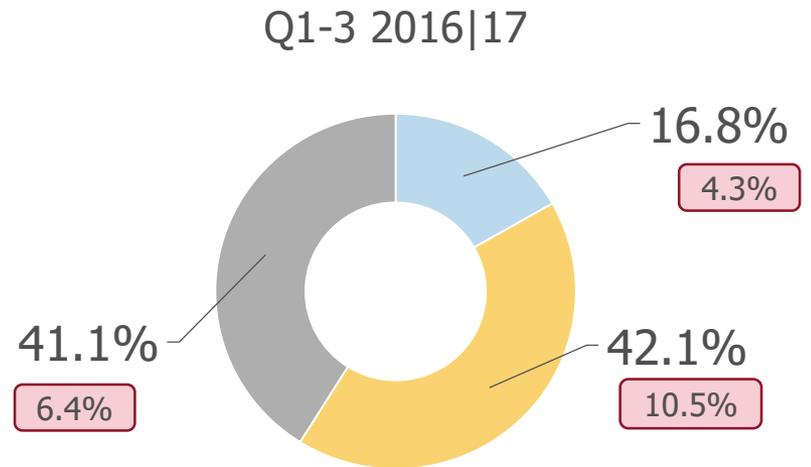
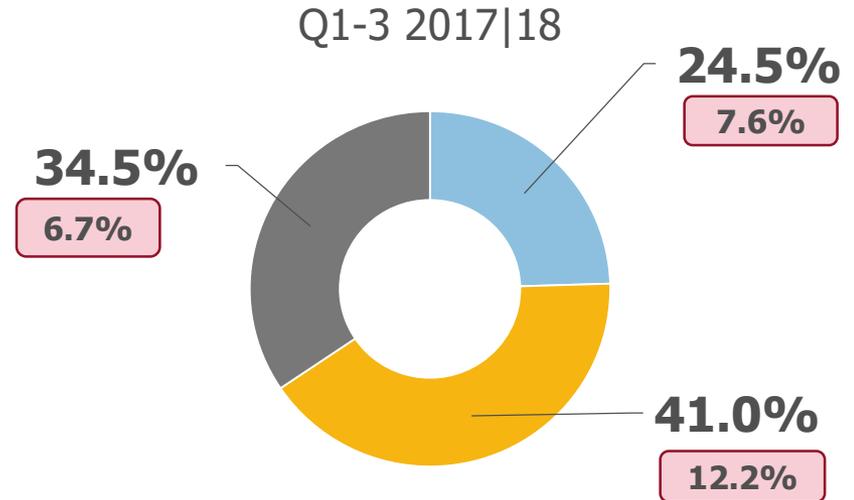
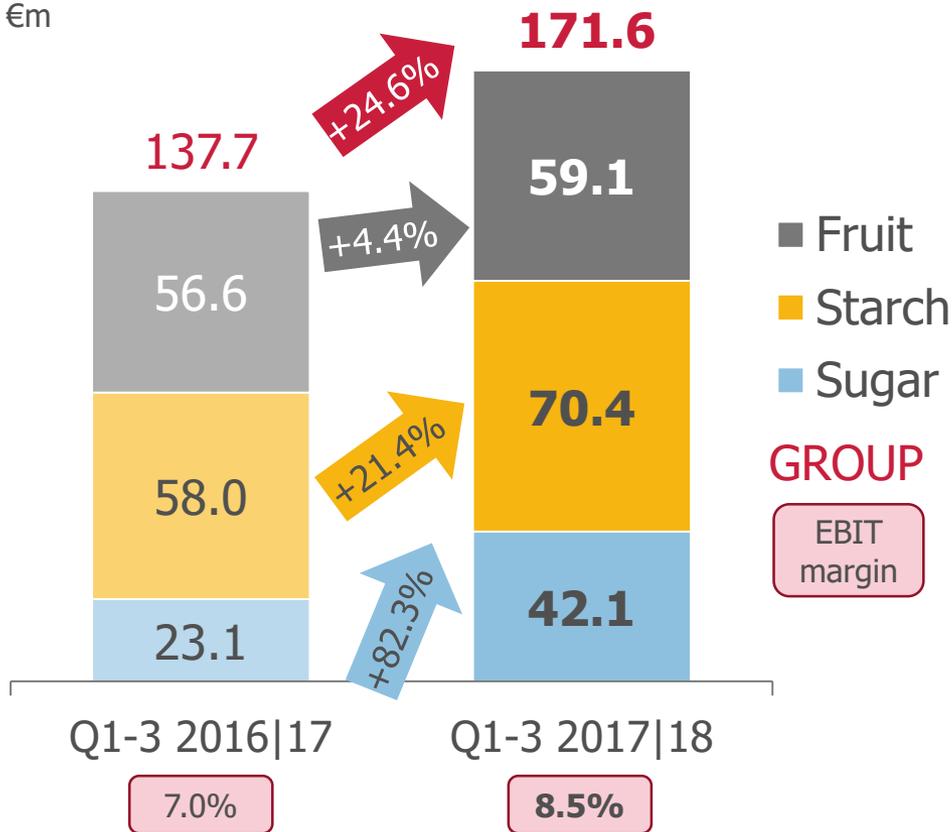




Q1-3 2017|18 VS PRIOR YEAR

EBIT BY SEGMENT

€m



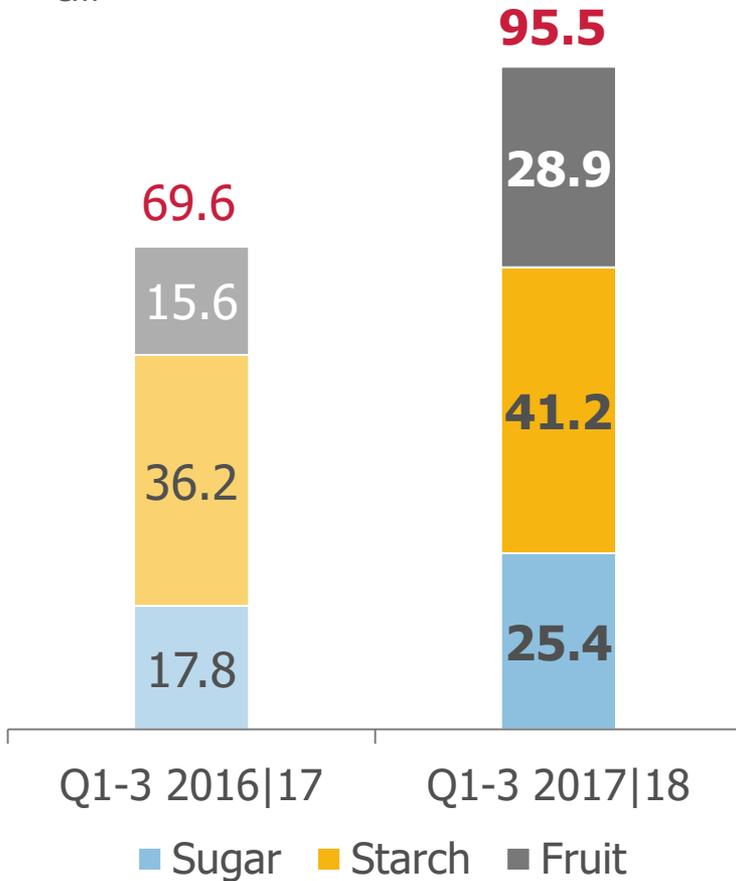


MOST IMPORTANT PROJECTS IN THE GROUP

INVESTMENT OVERVIEW

Q1-3 2017|18

€m



GROUP

FRUIT

- Various projects across all 42 production sites (including construction of the new, second fruit preparations plant in China and a new carrot concentrate production line in Hungary)

STARCH

- Expansion of corn processing in Aschach, Austria
- Expansion of starch saccharification facilities in Aschach
- Construction and commissioning of a new spray drying plant in Aschach
- Increase of potato processing capacity in Gmünd, Austria
- Installation of potato fibre dryer in Gmünd

SUGAR

- Sugar drying in Leopoldsdorf, Austria
- Replacement of two beet diffusers in Tulln, Austria
- Optimisation of the cooling crystallisation in Sereď, Slovakia



SEGMENT

SUGAR



To most, it is
three segments.



To us,
**important
synergies.**



SUGAR SEGMENT

▪ World sugar market

- After two deficit years a **production surplus** is forecasted for SMY 2017|18
- **Sugar quotations** at commodity exchanges follow a **bearish trend** mainly **driven by a surplus in the world sugar balance** linked to positive harvest outlooks in major beet and cane production regions such as the EU, India and other Asian countries

▪ EU sugar market

- SMY 2017|18: **+16% increase** in the sugar beet **planting area**, ~77 tonnes of beet per hectare -> sugar production **significantly above five year's average** expected
- European Commission is forecasting EU sugar production at about 21 million tonnes for SMY 2017|18

▪ EU policy

- Since 1 October 2017, the European sugar industry is operating in a **new environment**
- **End of the production quotas** for sugar and isoglucose and **abolition** of the **minimum beet prices**



RAW SUGAR & WHITE SUGAR SUGAR QUOTATION

1 January 2006 – 9 January 2018 (USD)

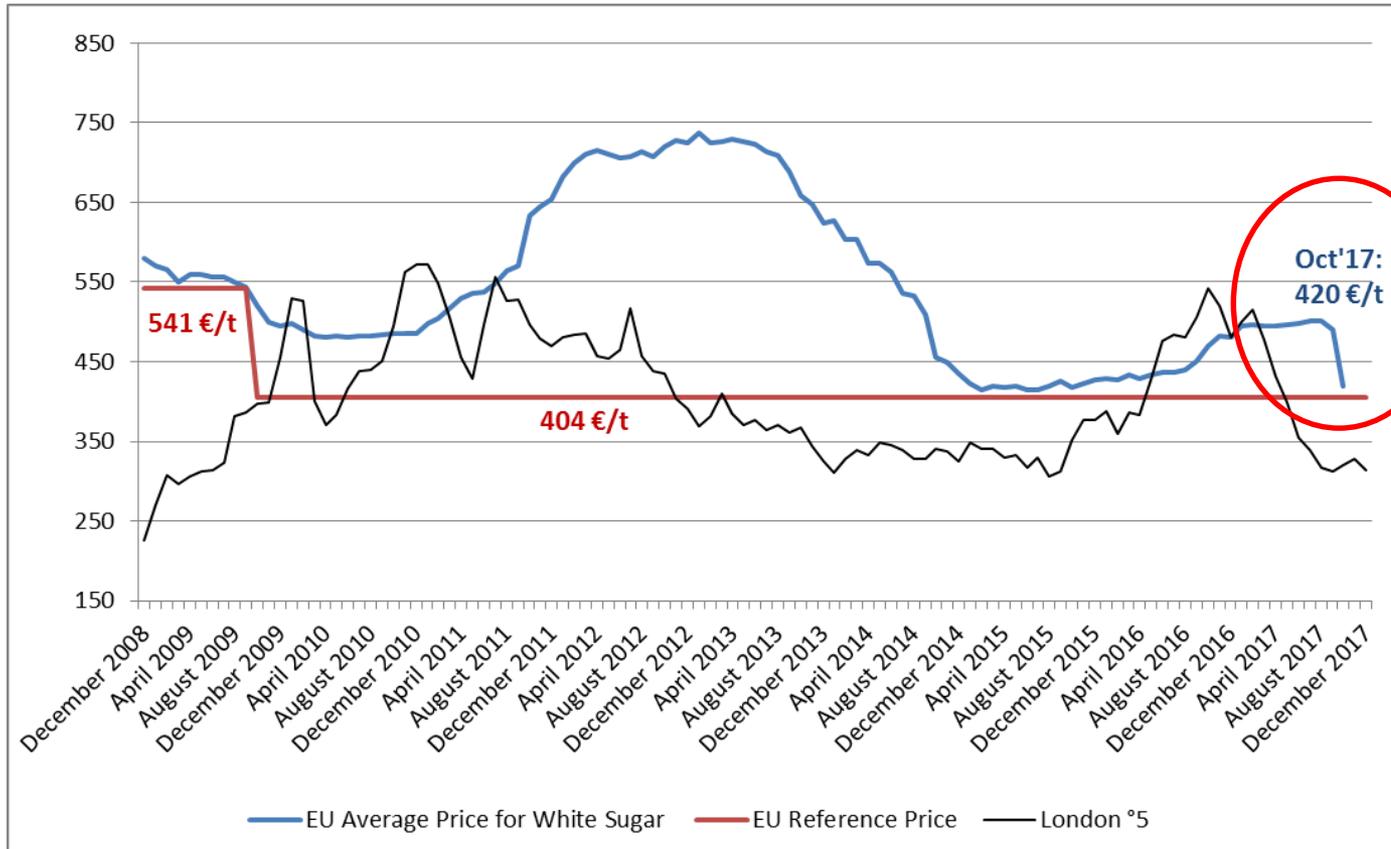




SUGAR IN THE EU

MONTHLY AVERAGE PRICES

(DECEMBER 2008 TO DECEMBER 2017; € PER TONNE)



Recent decline in October 2017
-> first month of the new SMY 2017|18
(without quotas and minimum beet prices)

QS - Min: 414 € per tonne (February, June and July 2015)

QS - Max: 738 € per tonne (January 2013)

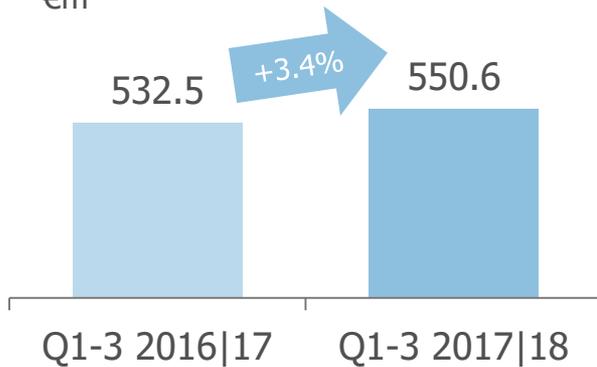
Source: European Commission, Sugar Price Reporting (as of 21 December 2017) and SugarOnline (as of 2 January 2018)



SUGAR SEGMENT

REVENUE

€m

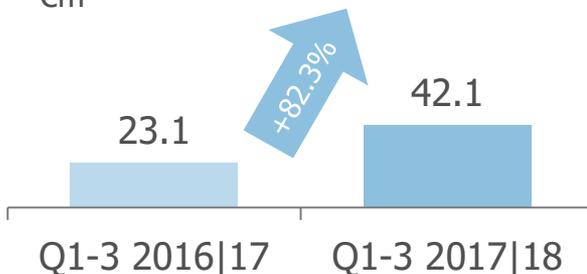


REVENUE slightly up at € 550.6 million

- Sugar segment's revenue was 3.4% up compared to the year-ago period
- Positive effects came from an increase in sugar sales prices relative to the first nine months of the prior year, and by slightly higher sales quantities

EBIT

€m



EBIT increased significantly to € 42.1 million

- EBIT rose still benefiting in the first six months from an improved sales price environment compared to the year-earlier period
- In the financial 3rd quarter – the first to fall into the new 2017|18 SMY – the earnings measure operating profit declined by 16.5%
- Exceptional items (€ 3.6 m) included expenses for reorganisation measures



SEGMENT

STARCH



To most, it is
three segments.



To us,
important synergies.



STARCH SEGMENT

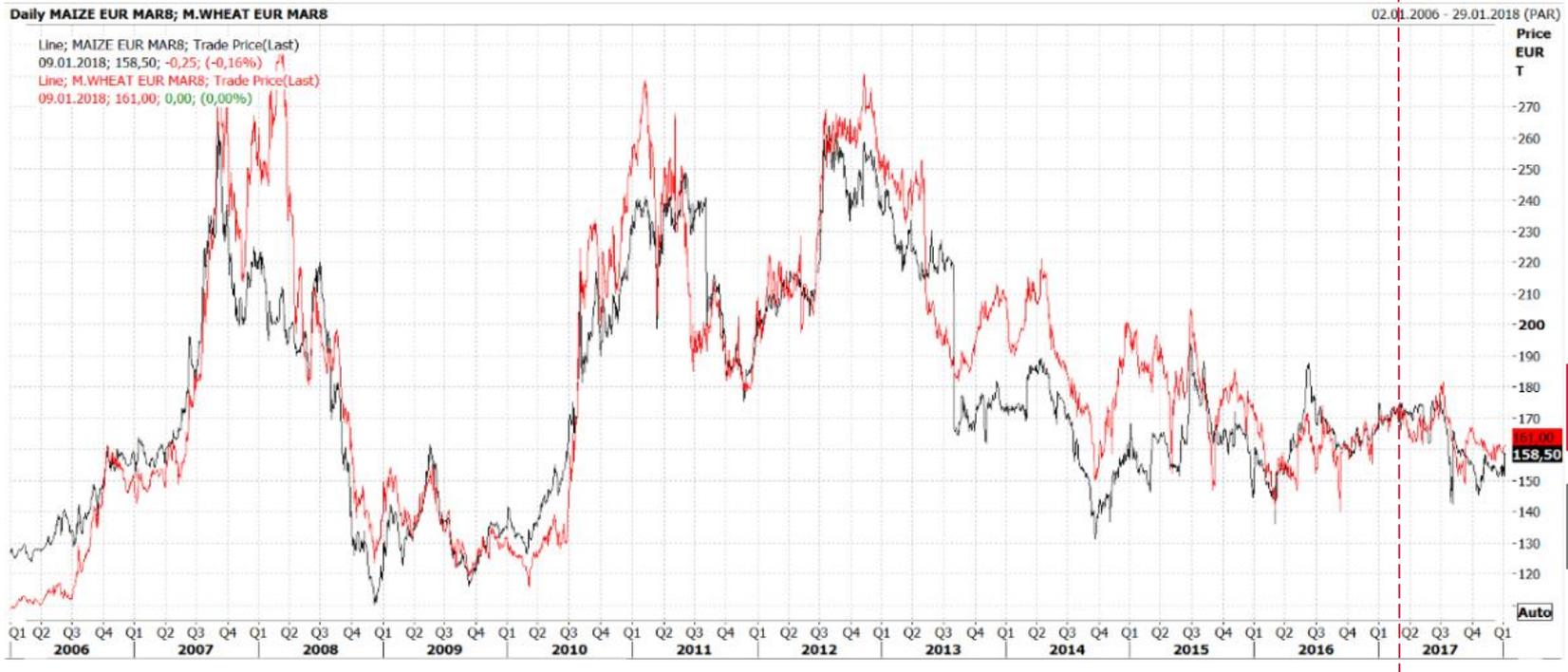
- **Food starch** segment was steady in terms of sales quantities; prices for native and modified starch products moved upward
- Principal upside driver in **non-food starches** was the demand from the paper and corrugated board industry -> steady growth of the online mail order market, which stimulates consumption of corrugated board and container board
- Concerning **starch saccharification products** in general and **isoglucose** in particular, there is high competitive pressure due to the liberalisation of the sugar market since October 2017
- **Bioethanol business** remains volatile; in the first half of 2017|18, closer correspondence between supply and demand in the EU -> stabilisation in prices; since the last quarter of the 2017 calendar year, quotations are visibly trending lower again -> downside market pressure in the European ethanol market
- **By-products** prices on a firm level with high-protein products and vital wheat gluten in particular



WHEAT & CORN (EURONEXT, PARIS) COMMODITY PRICES

1 January 2006 – 9 January 2018 (EUR)

2017|18 FY



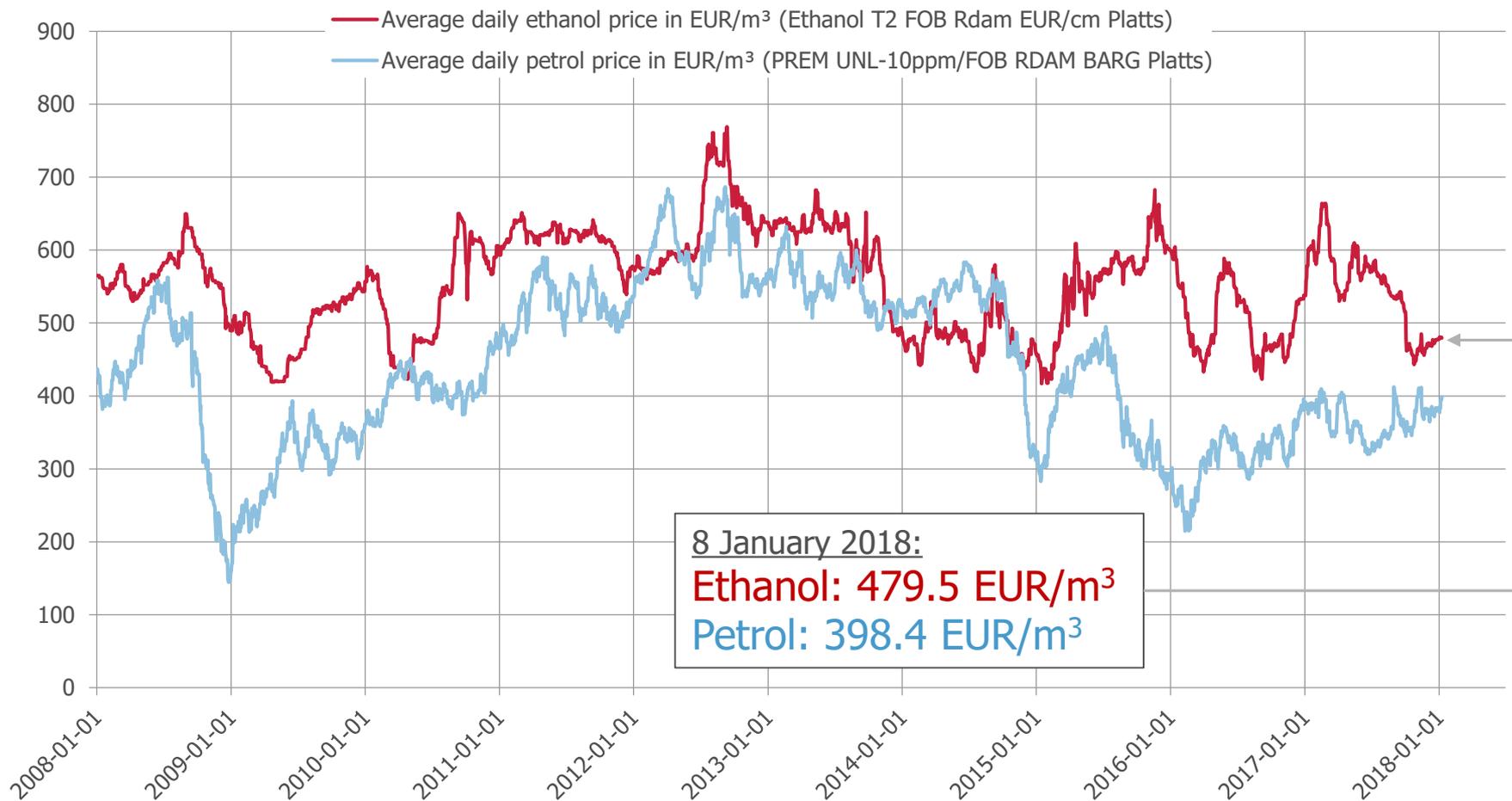
Wheat (Paris)
9 Jan. 2018:
161.0 EUR/t

Corn (Paris)
9 Jan. 2018:
158.5 EUR/t



1 JANUARY 2008 – 8 JANUARY 2018 (EUR)

DEVELOPMENT OF ETHANOL PRICES

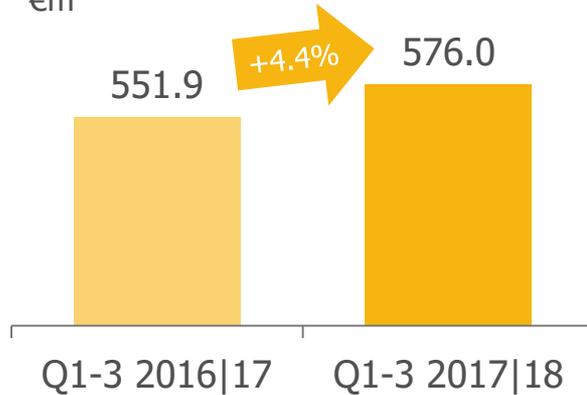




STARCH SEGMENT

REVENUE

€m

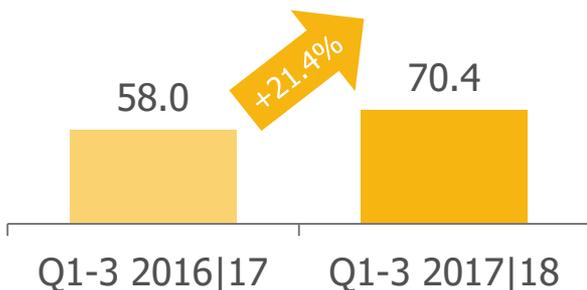


REVENUE at € 576.0 m slightly above prior year

- Growth of 4.4% compared to the previous year period
- Key positive drivers were higher sales volumes of starches and saccharification products and higher bioethanol prices than in the prior-year nine-month comparative period

EBIT

€m



EBIT significantly up to € 70.4 million

- Besides the higher bioethanol quotations, other drivers of the earnings growth were productivity gains, favourable raw material prices and lower energy prices
- Significant EBIT reduction in the third quarter yoy was the result of higher raw material costs (from the 2017 campaign); further factor was, that in October 2017 the new capacity added in Aschach, Austria, was commissioned



SEGMENT

FRUIT



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FRUIT SEGMENT

Fruit preparations

- Global market for spoonable fruit yoghurts is expected to grow at about 1% in the 2017 calendar year⁽¹⁾
 - Major markets such as Europe and North America are saturated
 - Expanding markets in the Middle East & Africa (growth of 5.1%) and Asia (growth of 4.7%)⁽¹⁾
 - Drinkable yoghurts continue to show a worldwide growth trend of 5.3%⁽¹⁾
- Global market for ice-cream continues to grow by about 2% p.a. until 2020⁽¹⁾
- Stable growth is also expected in the bakery sector

Fruit juice concentrates

- European prices for apple juice concentrate stabilised at a solid level in the first half of 2017|18 as a result of higher demand and limited quantities in supply out of the main growing regions
- Low crop volumes in the major apple production regions Poland, Hungary, Germany and Italy caused prices of concentrate from the now-completed 2017 apple campaign to rise significantly from the prior year
- Marketing of berry juice concentrates from the 2017 crop is largely complete

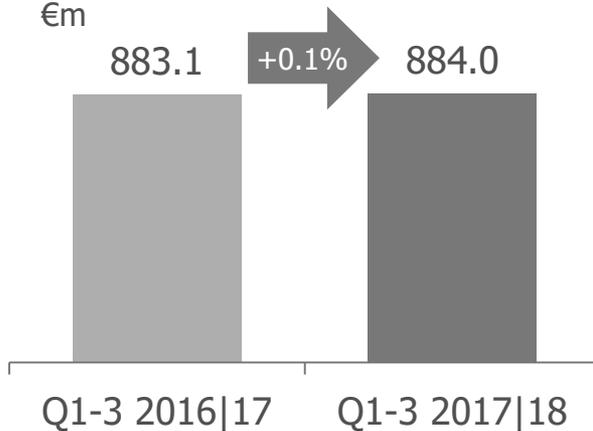
⁽¹⁾ Euromonitor data



FRUIT SEGMENT

REVENUE

€m

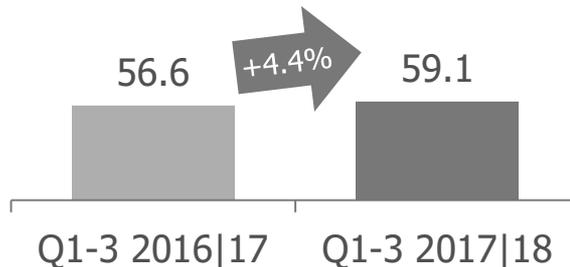


REVENUE stable at € 884.0 million

- Fruit preparations: small increase in sales volumes and somewhat higher selling prices added up to slight revenue growth
- Fruit juice concentrates: revenue decreased as a result of lower raw material prices and a reduction in concentrate prices for product from the 2016 crop compared to 2015

EBIT

€m



EBIT slightly higher than in prior year

- While the fruit preparations activities generated significant earnings growth, EBIT in the fruit juice concentrate business was down in the third quarter as a result of a reduced operating performance -> idle-capacity costs amid lower availability of apples



Q1-3 2017|18

CONSOLIDATED FINANCIAL STATEMENTS

To most, it is
a field.



CONSOLIDATED INCOME STATEMENT

€m (condensed)	Q1-3 2017 18	Q1-3 2016 17	Q3 2017 18	Q3 2016 17
Revenue	2,010.6	1,967.5	648.5	647.2
EBITDA ¹	213.8	183.9	64.2	69.7
Operating profit before except. items and results of equity-accounted JV	149.4	121.6	36.0	43.3
Share of results of equity-accounted JV	25.8	23.7	5.8	8.7
Exceptional items	(3.6)	(7.6)	(0.8)	(4.7)
EBIT	171.6	137.7	41.0	47.3
EBIT margin	8.5%	7.0%	6.3%	7.3%
Net financial items	(11.0)	(13.3)	(2.1)	(3.0)
Profit before tax	160.6	124.4	38.9	44.3
Income tax expense	(33.0)	(29.2)	(8.6)	(11.7)
Profit for the period	127.6	95.2	30.3	32.6
Attributable to shareholders of the parent	124.6	89.3	30.6	29.5
Earnings per share	€ 7.98	€ 6.29 ²	€ 1.96	€ 2.08 ²

¹ EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation.

² This figure for earnings per share in the year-earlier period is calculated on the basis of the 14,202,040 shares outstanding at that time (number of shares outstanding at 30 Nov. 2017: 15,622,244)



EXCEPTIONAL ITEMS IN THE SUGAR SEGMENT

€m (condensed)	Q1-3 2017 18	Q1-3 2016 17	Q3 2017 18	Q3 2016 17
Exceptional items	(3.6)	(7.6)	(0.8)	(4.7)

- Exceptional items in the first three quarters of 2017|18 amounted to a net expense of € 3.6 million and resulted largely from costs of restructuring measures
- Q1-Q3 prior year: net expense of € 7.6 million, on negative one-time effects in Romania



ANALYSIS OF NET FINANCIAL ITEMS

€m	Q1-3 2017 18	Q1-3 2016 17	Change
Net interest expense	(6.0)	(6.9)	+13.0%
Currency translation differences	(2.7)	(0.7)	>-100%
Other financial items	(2.3)	(5.7)	+59.7%
Total	(11.0)	(13.3)	+17.3%

- Net interest expense: lower amount of net debt + lower interest rates on debt
- Currency translation differences: deterioration mainly driven by the currencies ARS (Argentina) and BRL (Brazil) + USD deposits
- Other financial items: improvement resulted from the base effect of a prior-year impairment charge on a current finance receivable in Ukraine in the Fruit segment



CONSOLIDATED CASH FLOW STATEMENT

€m (condensed)	Q1-3 2017 18	Q1-3 2016 17	Change
Operating cash flow before changes in working capital	243.2	186.8	+30.2%
Changes in working capital	(6.7)	(7.9)	+15.2%
Total of interest paid/received and tax paid	(38.9)	(25.8)	-50.8%
Net cash from operating activities	197.6	153.1	+29.1%
Net cash (used in) investing activities	(96.1)	(72.4)	-32.7%
Net cash (used in) financing activities	(168.3)	(101.8)	-65.3%
Net (decrease) in cash and cash equivalents	(66.7)	(21.1)	>-100%



CONSOLIDATED BALANCE SHEET

€m (condensed)	30 Nov. 2017	28 Feb. 2017	Change
Non-current assets	1,173.9	1,135.3	+3.4%
Current assets	1,279.3	1,346.1	-5.0%
Total assets	2,453.2	2,481.4	-1.1%
Equity	1,444.4	1,411.9	+2.3%
Non-current liabilities	324.5	296.6	+9.4%
Current liabilities	684.3	772.9	-11.5%
Total equity and liabilities	2,453.2	2,481.4	-1.1%
Equity ratio	58.9%	56.9%	+2.0pp
Net debt	226.0	239.9	-5.8%
Gearing	15.6%	17.0%	-1.4pp



2017|18
OUTLOOK





AGRANA GROUP

OUTLOOK FOR 2017|18

AGRANA Group

Revenue 2017 | 18 

EBIT Guidance confirmed

EBIT 2017 | 18  

- For the full 2017|18 financial year, AGRANA expects Group **revenue** to **rise slightly** and **EBIT** to **increase significantly**
- Total **investment** across the three business segments in the financial year, at approximately **€ 140 million**, will significantly exceed the budgeted depreciation of about € 90 million



AGRANA SEGMENTS

OUTLOOK FOR 2017|18

SUGAR

Revenue ↘
EBIT ↑↑

- **Sugar segment:** in anticipation of stable sales volumes, AGRANA is projecting revenue slightly below that of the prior year
- Despite a continued challenging market environment in the 4th quarter of the current FY -> **significant increase** in **EBIT** in 2017|18 compared to the year before due to improved margins generated in H1 2017|18 and cost savings

STARCH

Revenue ↗
EBIT ↑

- **Starch segment:** slightly rising sales volumes and **slight growth** in **revenue**
- Despite last year's record high -> **moderate increase** in **EBIT**
 - For ethanol, the average sales prices for the year are expected to surpass those of the prior year
 - Ethanol earnings improvement, combined with a constant margin forecast for the rest of the product portfolio

FRUIT

Revenue ↗
EBIT ↑

- **Fruit segment:** slight **growth** in **revenue** and a **moderate improvement** in **EBIT**
 - Fruit preparations: positive revenue trend driven by rising sales volumes; helped by expected earnings contribution of the new company in Argentina, EBIT in the fruit preparations activities is expected to increase significantly
 - Fruit juice concentrates: revenue is expected to increase slightly; costs of idle apple juice concentrate capacity resulting from the significantly smaller apple harvest in Europe -> EBIT is projected to be significantly lower than one year earlier



2018|19

FINANCIAL CALENDAR

8 May 2018

Results for full year 2017 | 18 (annual results press conference)

26 June 2018

Record date for Annual General Meeting participation

6 July 2018

Annual General Meeting in respect of 2017|18

11 July 2018

Ex-dividend date

12 July 2018

Results for first quarter of 2018|19

12 July 2018

Record date for dividend

13 July 2018

Dividend payment date

11 October 2018

Results for first half of 2018|19

10 January 2019

Results for first three quarters of 2018|19



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Quantitative definitions of selected common modifying words used:

Modifier	Visualisation	Numerical rate of change
Steady	→	0% up to 1%, or 0% to -1%
Slight(ly)	↗ or ↘	More than 1% and up to 5%, or less than -1% and not less than -5%
Moderate(ly)	↑ or ↓	More than 5% and up to 10%, or less than -5% and not less than -10%
Significant(ly)	↑↑ or ↓↓	More than 10%, or less than -10%