



# 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 8,459 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  
**German Corporate Conference 2018**  
UniCredit & Kepler Cheuvreux

Frankfurt | 16 January 2018



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- 1 Introduction & Business overview
- 2 AGRANA share
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- 4 Financial statements Q1-3 2017|18
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(FINANCIAL) HIGHLIGHTS

Q1-3 2017|18

# INTRODUCTION & BUSINESS OVERVIEW



To most, it is  
**three segments.**





AGRANA GROUP

## EVERYONE KNOWS „WIENER ZUCKER“...





STRATEGIC POSITIONING B2B

# WE ALL CONSUME AGRANA (PRODUCTS)

At the beginning there is always agriculture...



AGRANA refines agrarian raw materials...



AGRANA supplies the Big Names...



confectionery, beverage, fermentation industries, food retailers; paper, textile, pharmaceutical industries; feed industry; dairy, ice-cream, bakery industries and many more



We all consume AGRANA every day without noticing it...





## AGRANA PRODUCTS IN DAILY LIFE AT A GLANCE

### SUGAR



Sugar is sold

- to consumers via the food trade and
- to manufacturers: e.g. soft drinks industry, confectionery industry, fermentation industry, other food and beverage industries

### STARCH



- AGRANA produces starch and special starch products
- Starch is a complex carbohydrate which is insoluble in water. Starch is used in food processing e.g. as thickener and for technical purposes e.g. in the paper manufacturing process
- Bioethanol is part of our starch business

### FRUIT



- Fruit juice concentrates customers are fruit juice and beverage bottlers and fillers
- Fruit preparations are special customized products for
  - the dairy industry,
  - the baked products industry,
  - the ice-cream industry.

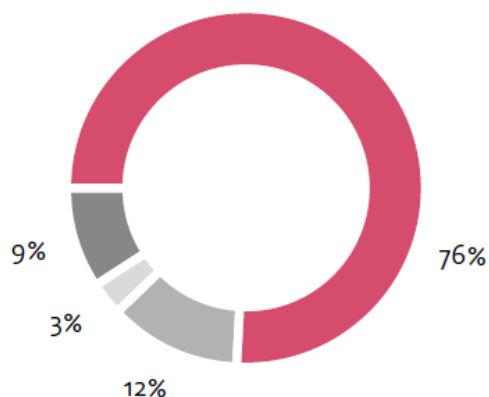


AGRANA PRODUCTS IN DAILY LIFE

## REVENUE BY PRODUCT GROUP (2016|17)

### SUGAR

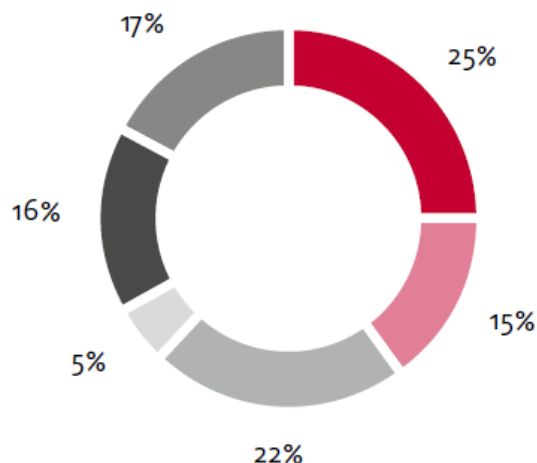
€ 671.9 m



- Quota sugar
- Non-quota sugar
- By-products (molasses, beet pulp, etc.)
- Others (products of INSTANTINA, seed, services, etc.)

### STARCH

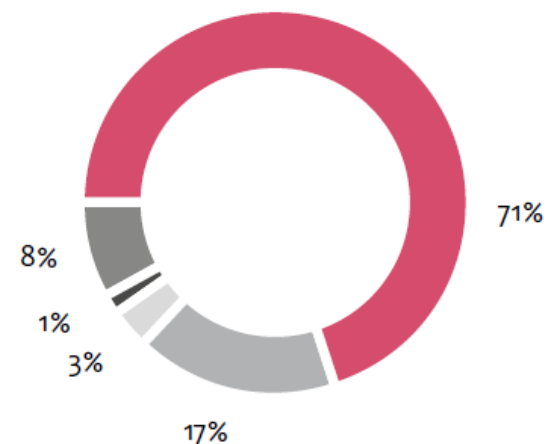
€ 733.9 m



- Native and modified starches
- Saccharification products
- Alcohol and ethanol
- Other core products (dairy and instant products, long-life potato products, etc.)
- By-products (protein products, DDGS, etc.)
- Others (soy, dried beet pulp, etc.)

### FRUIT

€ 1,155.5 m



- Fruit preparations (dairy and non-dairy)
- Fruit juice concentrates
- Other juice core products (NFC, fruit wine, etc.)
- Juice by-products (especially pomace)
- Other (fruit reselling, frozen fruits, etc.)



## 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





57 PRODUCTION SITES WORLDWIDE

# SEGMENTATION BY SEGMENT

## SUGAR

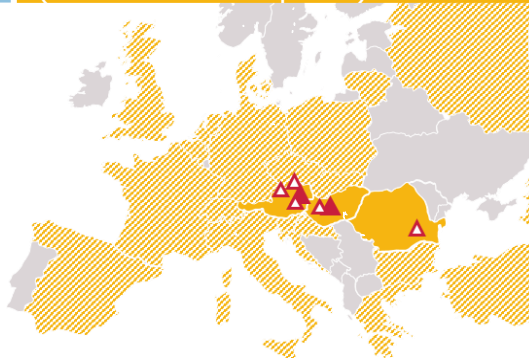
7 sugar beet plants  
2 raw sugar refineries & Instantina plant



- Countries with plants
- ▨ Other markets
- Beet sugar plants
- Raw sugar refinery
- Distribution centre
- \* Also with refining activities

## STARCH

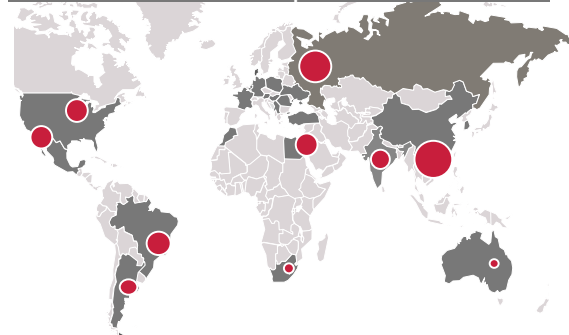
5 starch plants  
(incl. 2 bioethanol plants)



- Countries with production sites
- ▨ Main markets
- ▲ Starch plants
- ▲ Bioethanol plants

## FRUIT

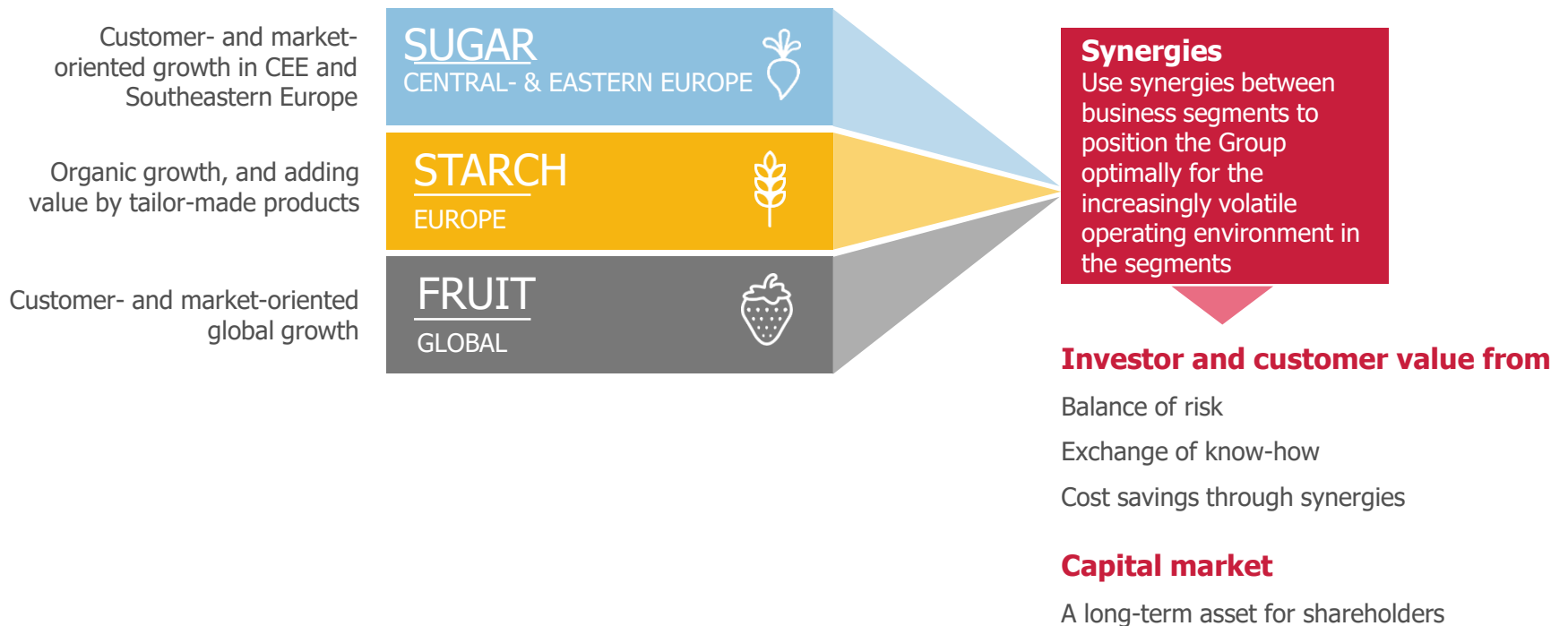
28 fruit preparation plants and  
14 fruit concentrate plants



- Countries with production sites
- Potential growth regions



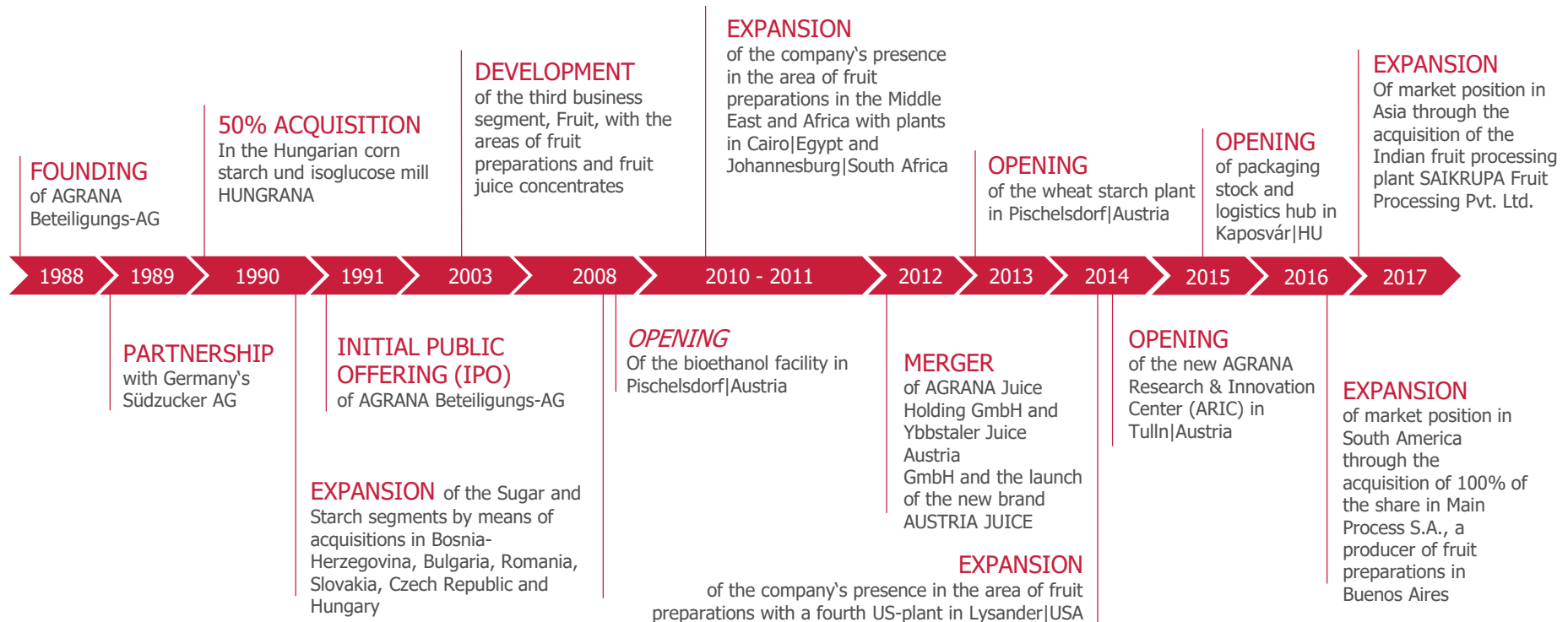
# GROWTH BY STRATEGY





AGRANA GROUP

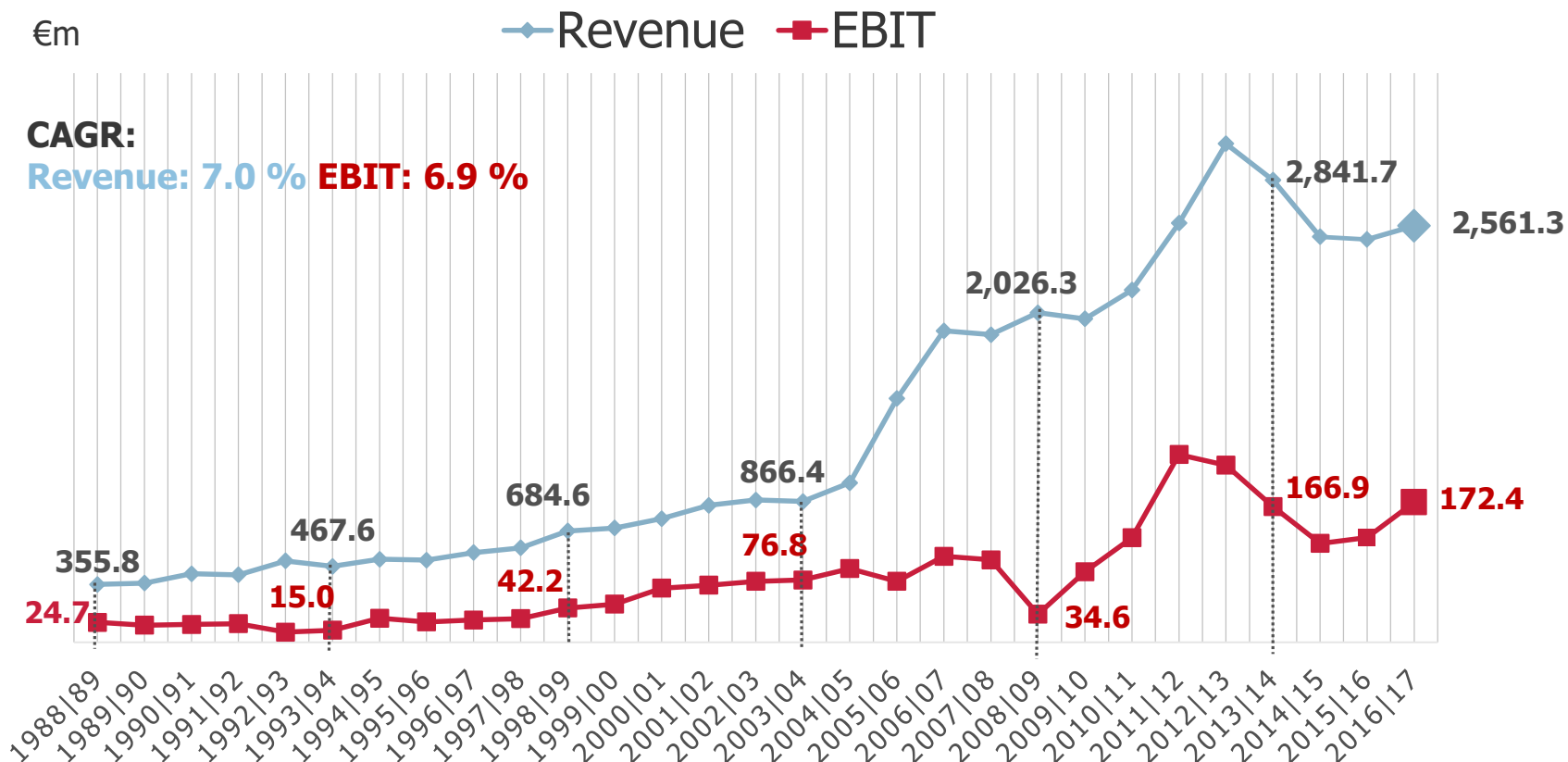
# OUR HISTORY





SINCE 1988

# SOLID ECONOMIC GROWTH

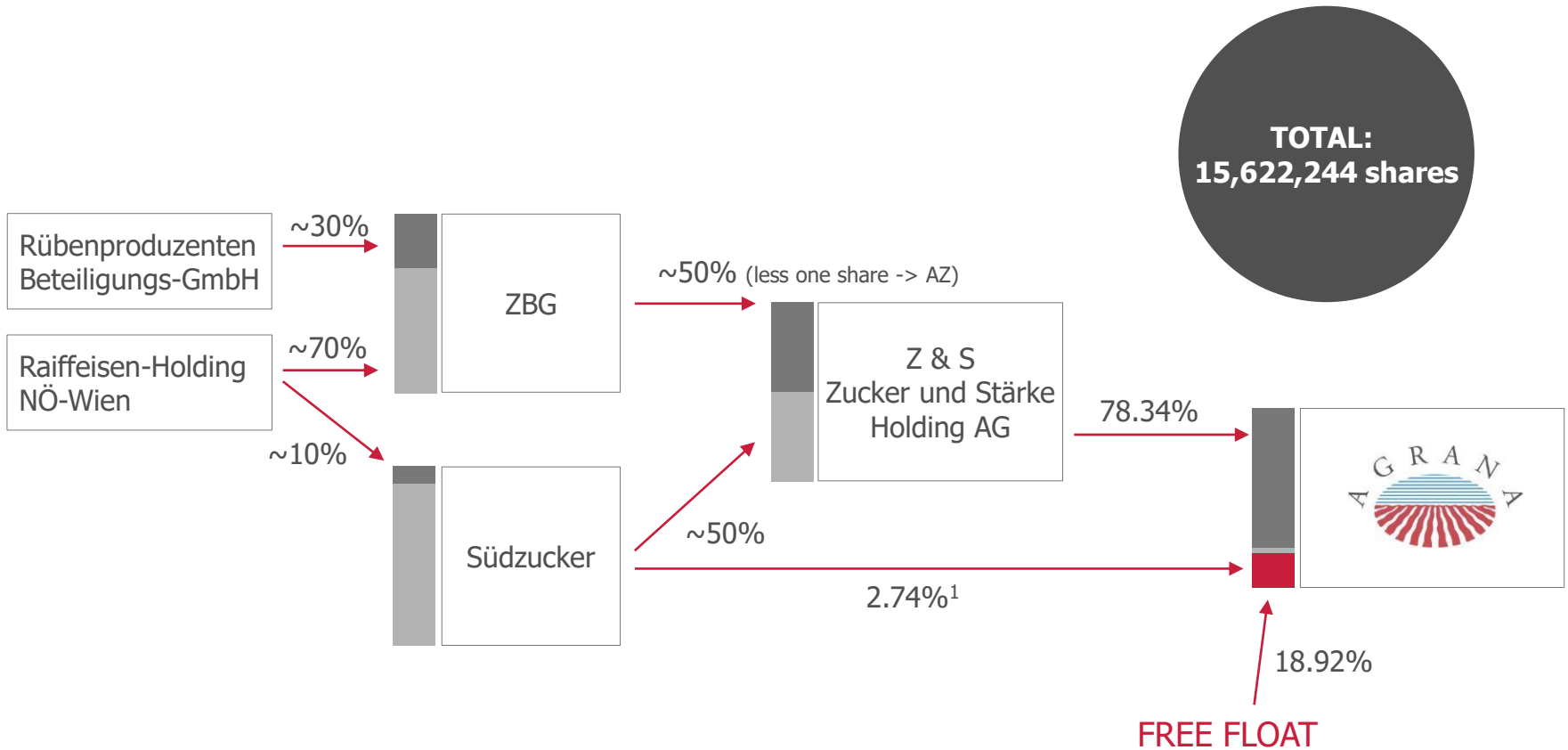






## CURRENT STATUS

# SHAREHOLDER STRUCTURE



<sup>1</sup> directly held by Südzucker



CY 2017 & Q1-3 2017|18

# AGRANA SHARE & CAPITAL INCREASE

A close-up photograph of a hand holding a glass petri dish filled with a clear liquid. The background is a soft blue, and a green curved shape is visible on the right side of the frame.

To most,  
it is **a**  
**laboratory.**



Q1-3 2017|18

# AGRANA SHARE

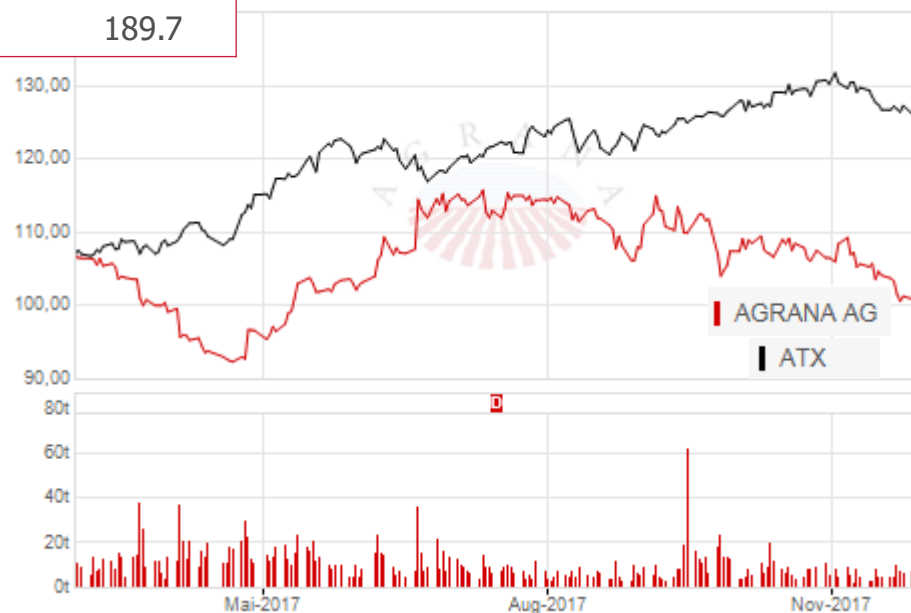
## AGRANA SHARE DATA

		Q1-3 2017 18	Q1-3 2016 17
Closing price (30 November)	€	100.95	109.10
High	€	115.80	111.00
Low	€	92.32	78.80
Book value per share	€	88.78	83.12
Number of shares	000	15,622.2	14,202.0
Closing market capitalisation	€m	1,577.1	1,549.4
Av. daily traded volume*		20,210	1,943
Av. daily traded value*	€000	2,125.7	189.7

\* Based on double counting, as published by the Vienna Stock Exchange.

Performance in the **liquidity of the share** was gratifying due to the capital increase in February 2017

**Performance**  
**(1/3/2017 – 30/11/2017):**  
**AGRANA -4.76% (closing: 100.95)**  
**ATX +21.79% (closing: 3,344.94)**





POSITIVE IMPACT FOR THE FREE FLOAT

## CAPITAL INCREASE IN FEBRUARY 2017

- Towards the end of the 2016|17 financial year AGRANA completed a capital increase **from authorised capital**, resulting in an expansion of free float
- AGRANA intends to use the net **proceeds** from the issue of the new shares for purposes of **financing further profitable growth**, including through acquisitions, as well as for general business purposes
- About **1.42 million new shares** as well as **500,000 existing AGRANA shares** from the direct shareholding of Südzucker were placed with institutional investors and existing retail shareholders
- **Offering price of € 100** per new share, AGRANA's **gross issue proceeds** from the cash capital increase were approximately **€ 142 million**
- As **major shareholders waived their subscription rights**, free float was increased significantly from 7.3% to 18.9% to **improve AGRANA's capital market presence** and greatly **strengthen its trading liquidity**
- The new AGRANA shares as well were entitled to dividends from the 2016|17 financial year



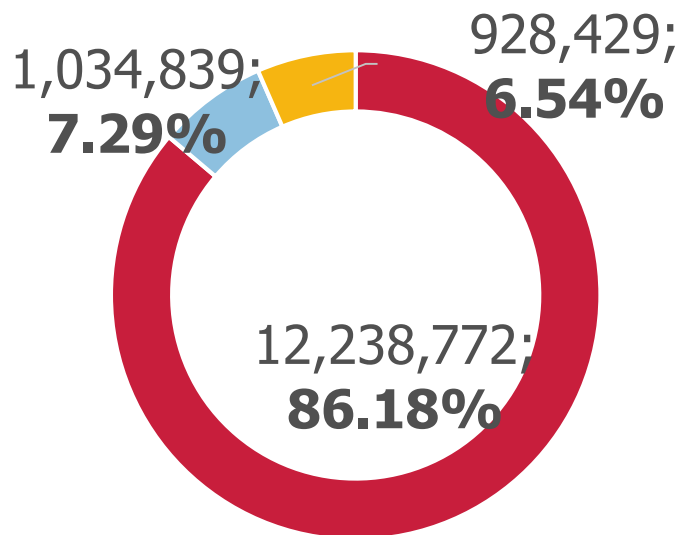


CAPITAL INCREASE 2017

## CHANGE IN SHAREHOLDER STRUCTURE

Shareholders BEFORE

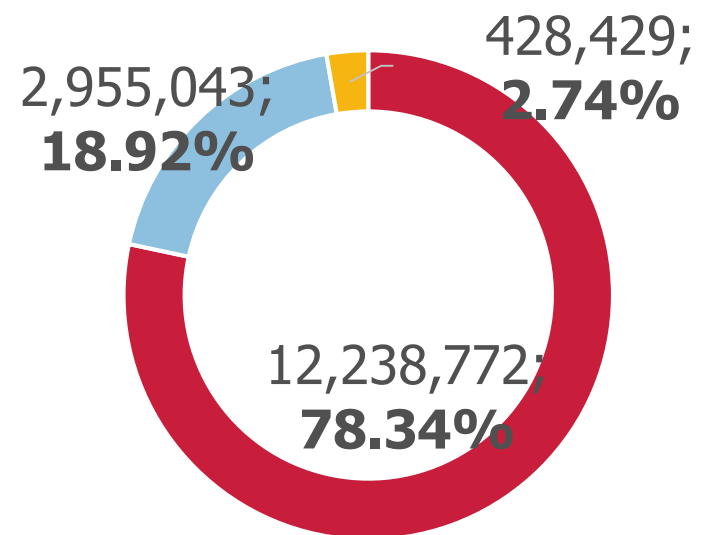
**14,202,040** shares



■ Z&S ■ Free float ■ SZ (directly)

Shareholders AFTER

**15,622,244** shares



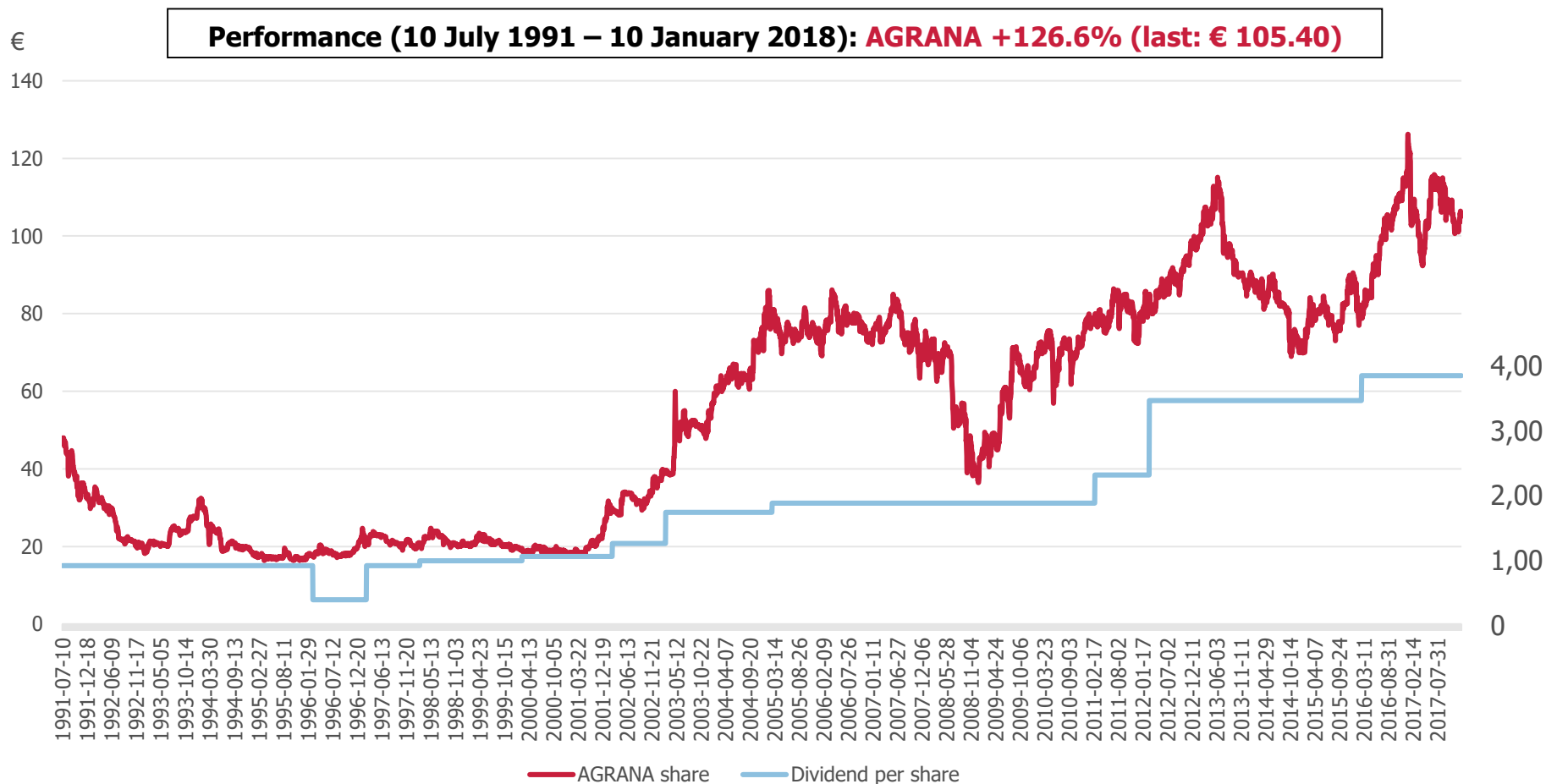
■ Z&S ■ Free float ■ SZ (directly)

Market capitalisation as of 28 Feb 2017:  
**€ 1,656.0 million** (29 Feb 2016: € 1,143.3 million)



LISTED AT THE VIENNA STOCK EXCHANGE SINCE 1991

## STEADY DIVIDEND POLICY



**Dividend for 2016|17: € 4.00 per share**



Q1-3 2017|18

# SEGMENT OVERVIEW



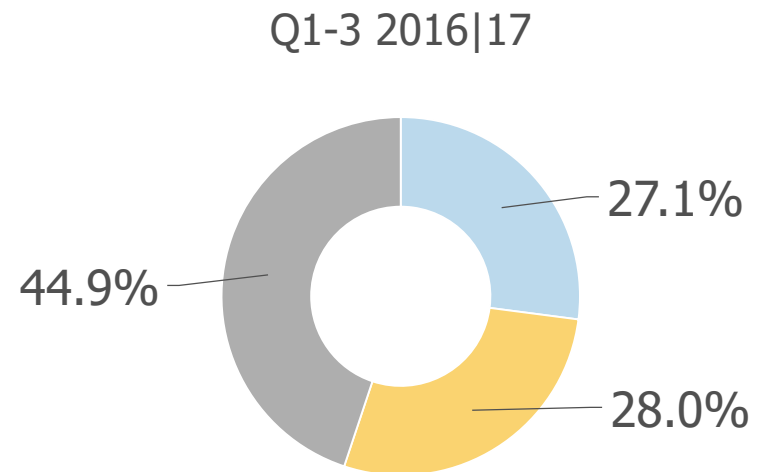
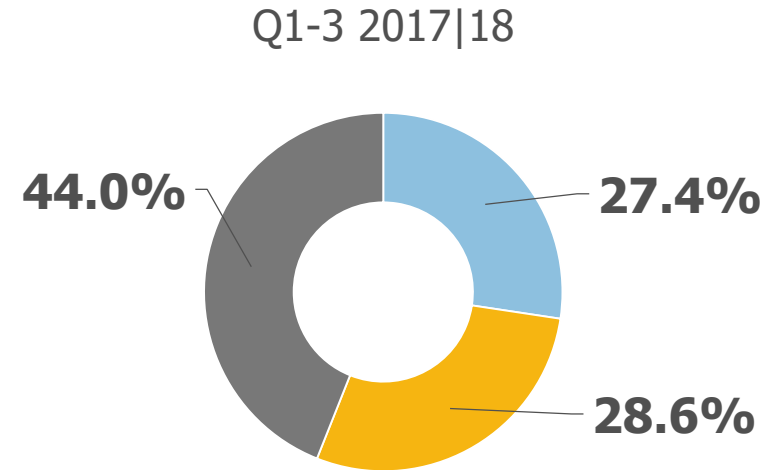
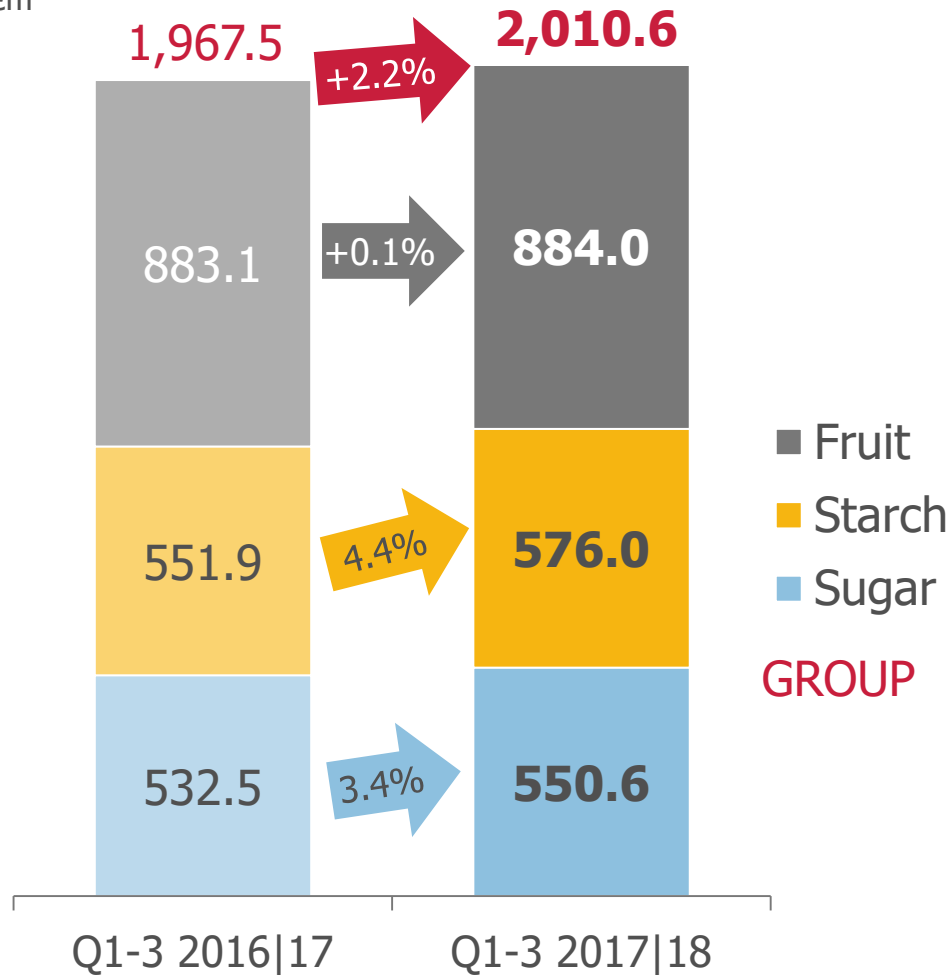
To most, it is  
**three segments.**



Q1-3 2017|18 VS PRIOR YEAR

## REVENUE BY SEGMENT

€m

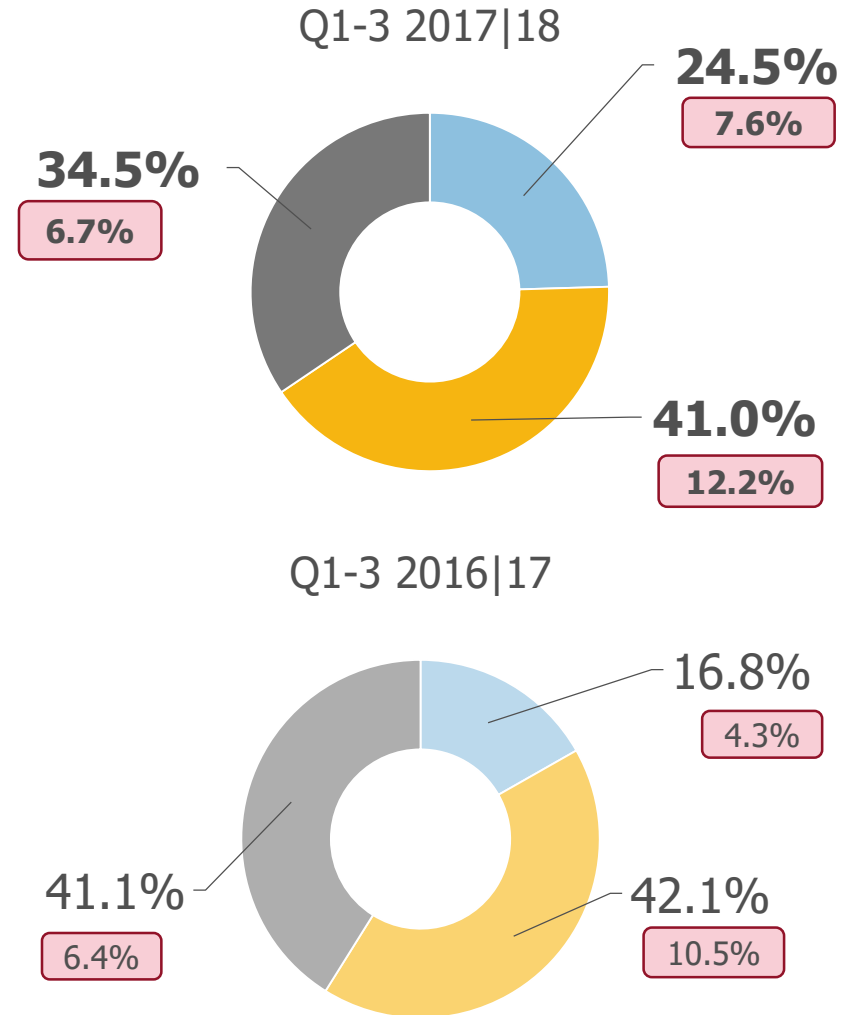
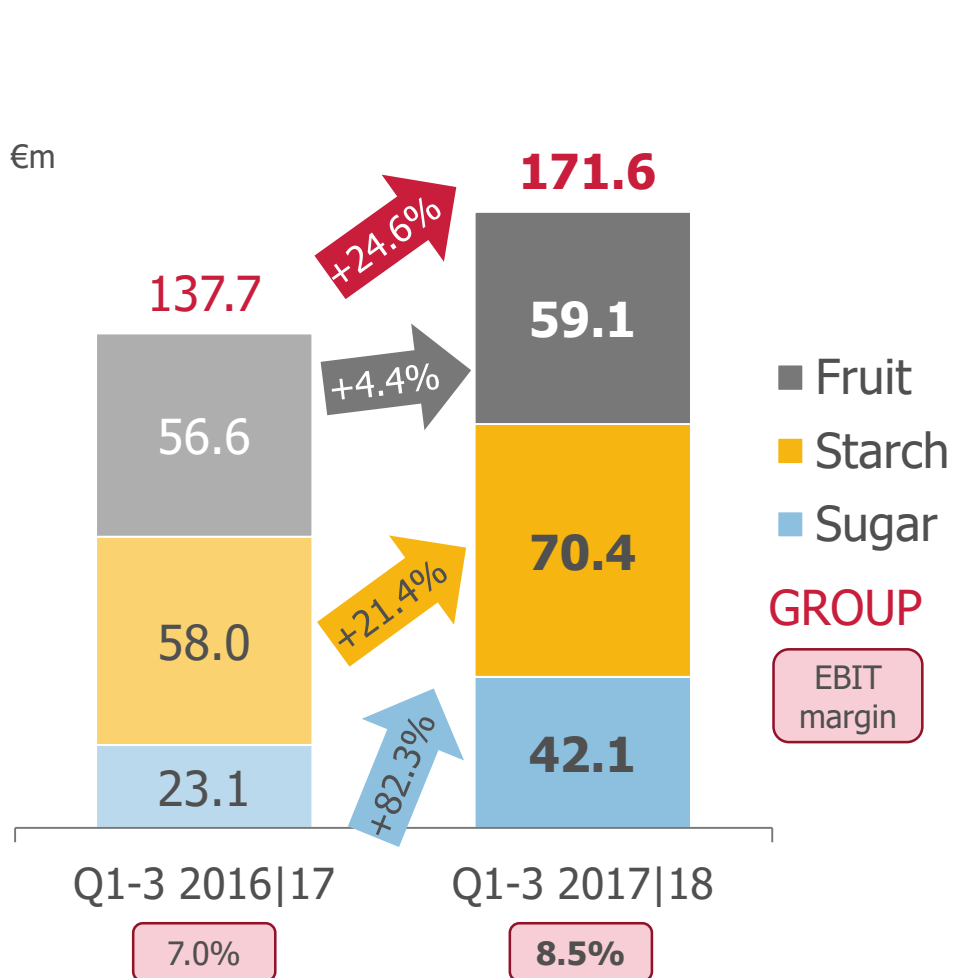






Q1-3 2017|18 VS PRIOR YEAR

## EBIT BY SEGMENT



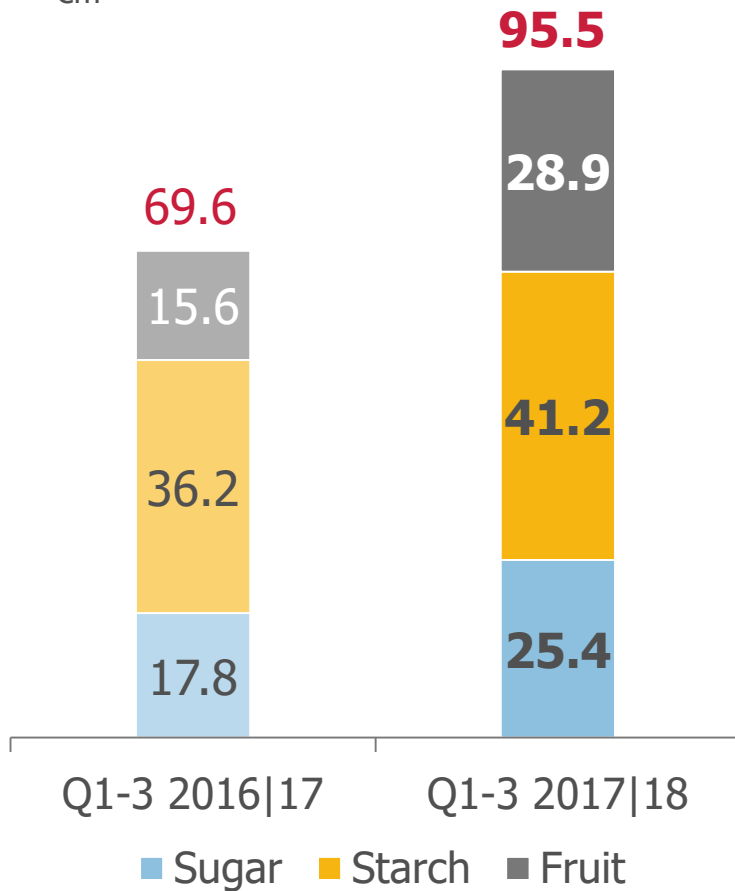


## MOST IMPORTANT PROJECTS IN THE GROUP

# 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

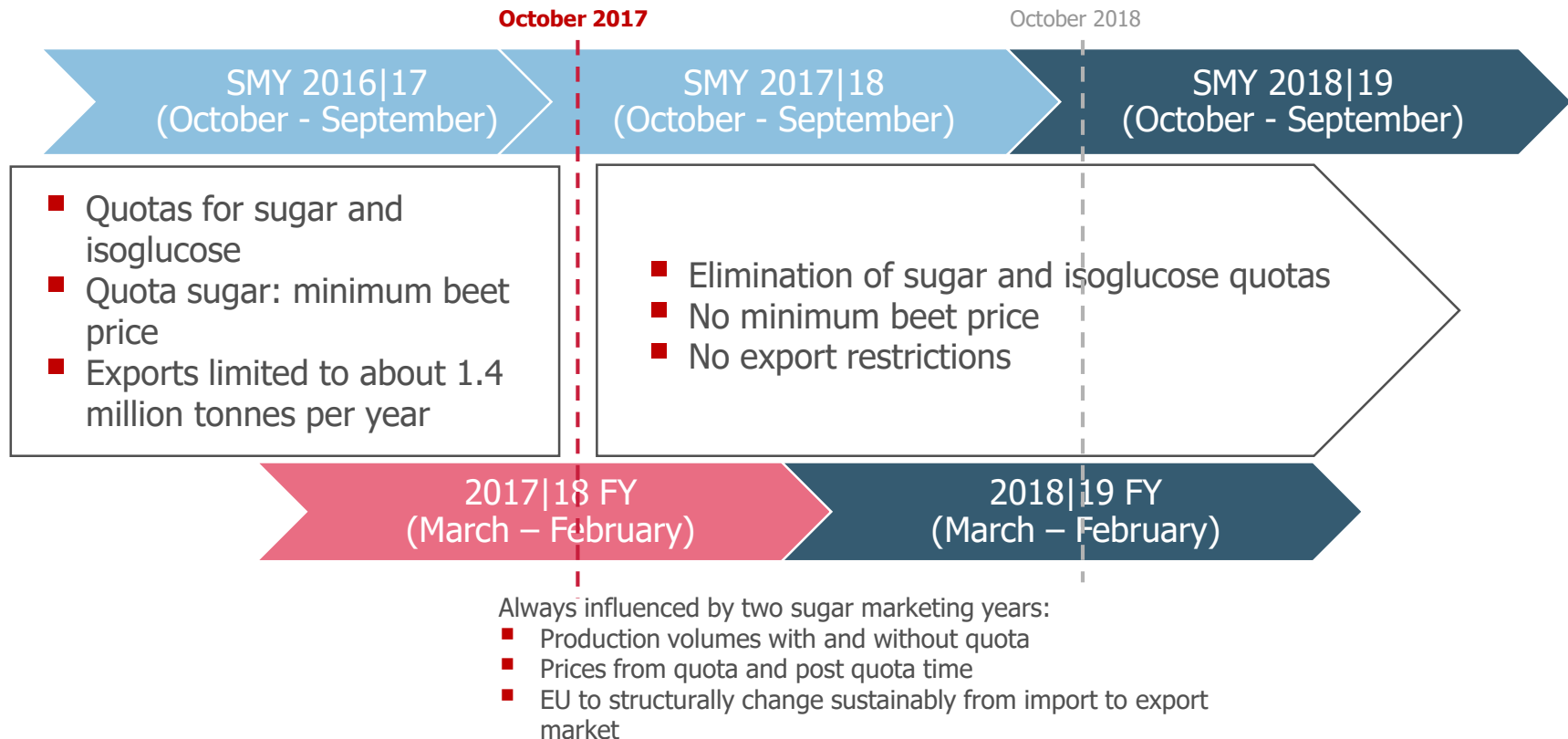
# SUGAR



To most, it is  
**three segments.**



# MARKET STRUCTURE SINCE OCTOBER 2017



## Border protection: unchanged

Import duty of € 419 per tonne (white sugar) and € 339 per tonne (raw sugar) from non-preferential countries  
Preferential agreements with LDC-/ACP- and other countries



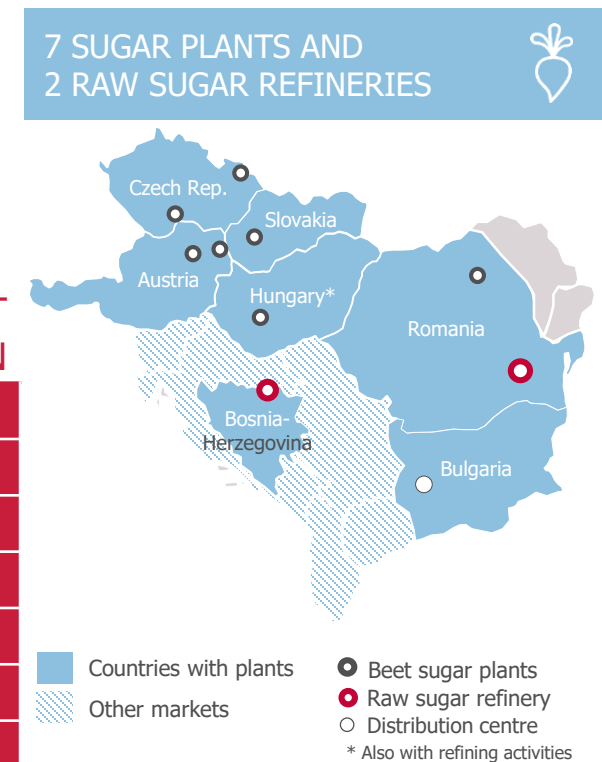
BENEFIT FROM THE STRONG MARKET POSITION IN CEE AND SEE

# AGRANA SUGAR AFTER THE END OF QUOTAS

- CEE area will continue to be a “sugar deficit region” (AGRANA is located in these main deficit areas)
  - Complexity in logistics and costs from Western Europe are somehow a protection of intra-EU imports
  - Defend and extend existing market share in CEE
- AGRANA has established **long-term relationships** with key sugar producers in the LDCs and ACPs (duty-free-imports)
- Uncertain market development requires **continuous flexibility**
- High volatility** expected

## MARKET POSITION

Austria	#1
Hungary	#1
Czech Republic	#2
Slovakia	#2
Romania	n/a
Bosnia and Herzegovina	n/a
Bulgaria	n/a



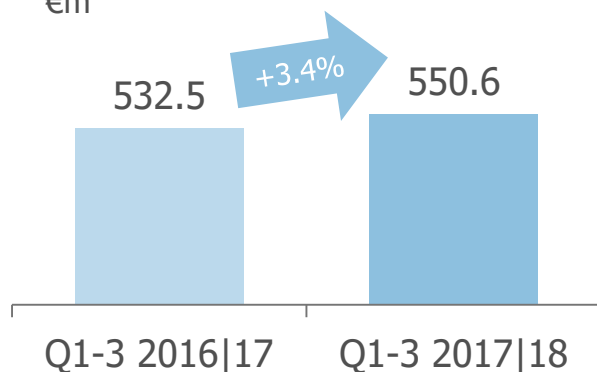




## SUGAR SEGMENT

### REVENUE

€m

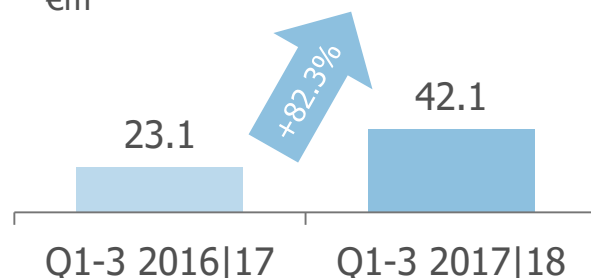


### REVENUE slightly up at € 550.6 million

- 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



## 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

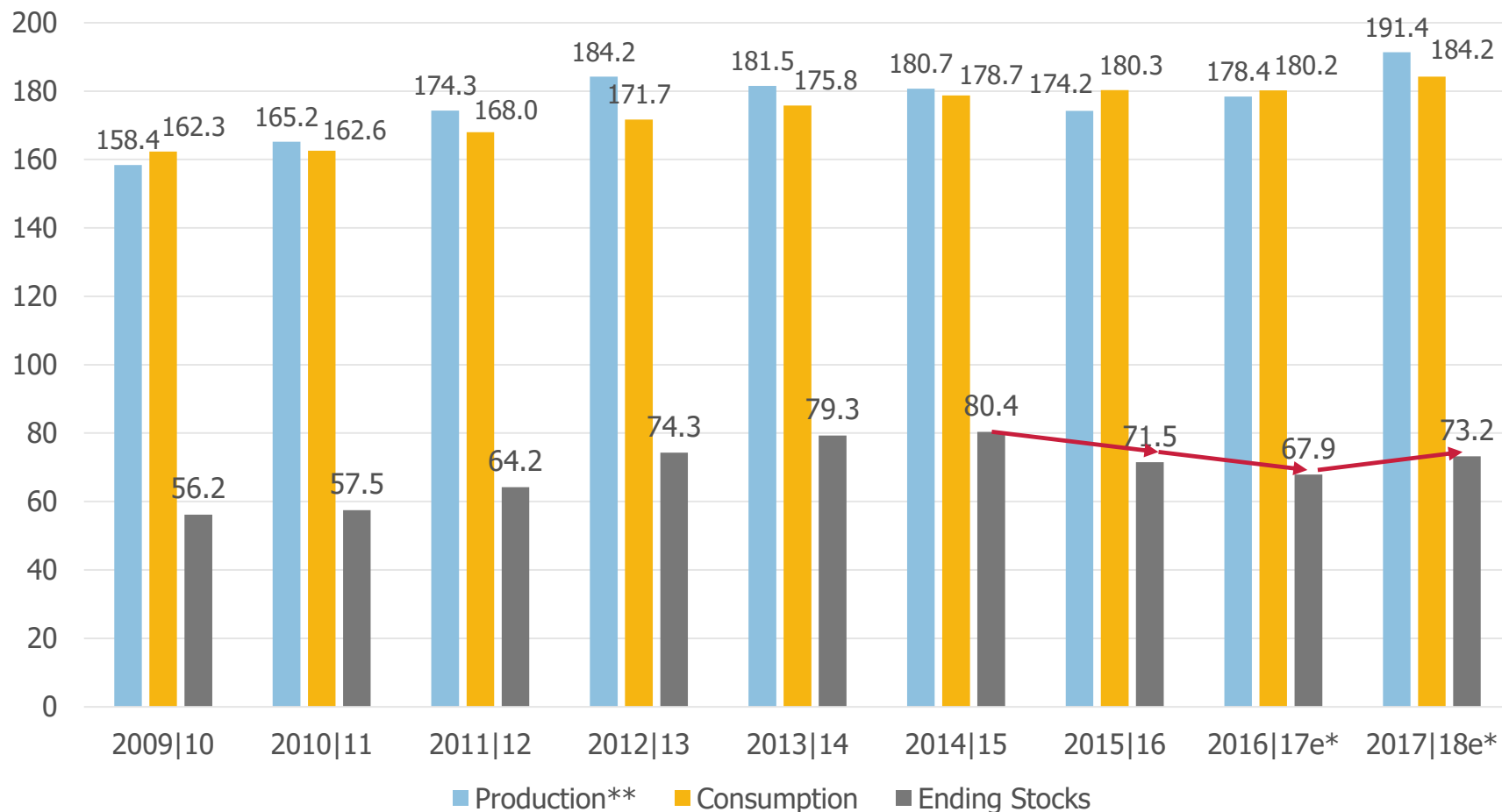
1 January 2006 – 9 January 2018 (USD)





# WORLD SUGAR PRODUCTION & CONSUMPTION

Million tonnes



Source: F.O. Licht (25 September 2017)

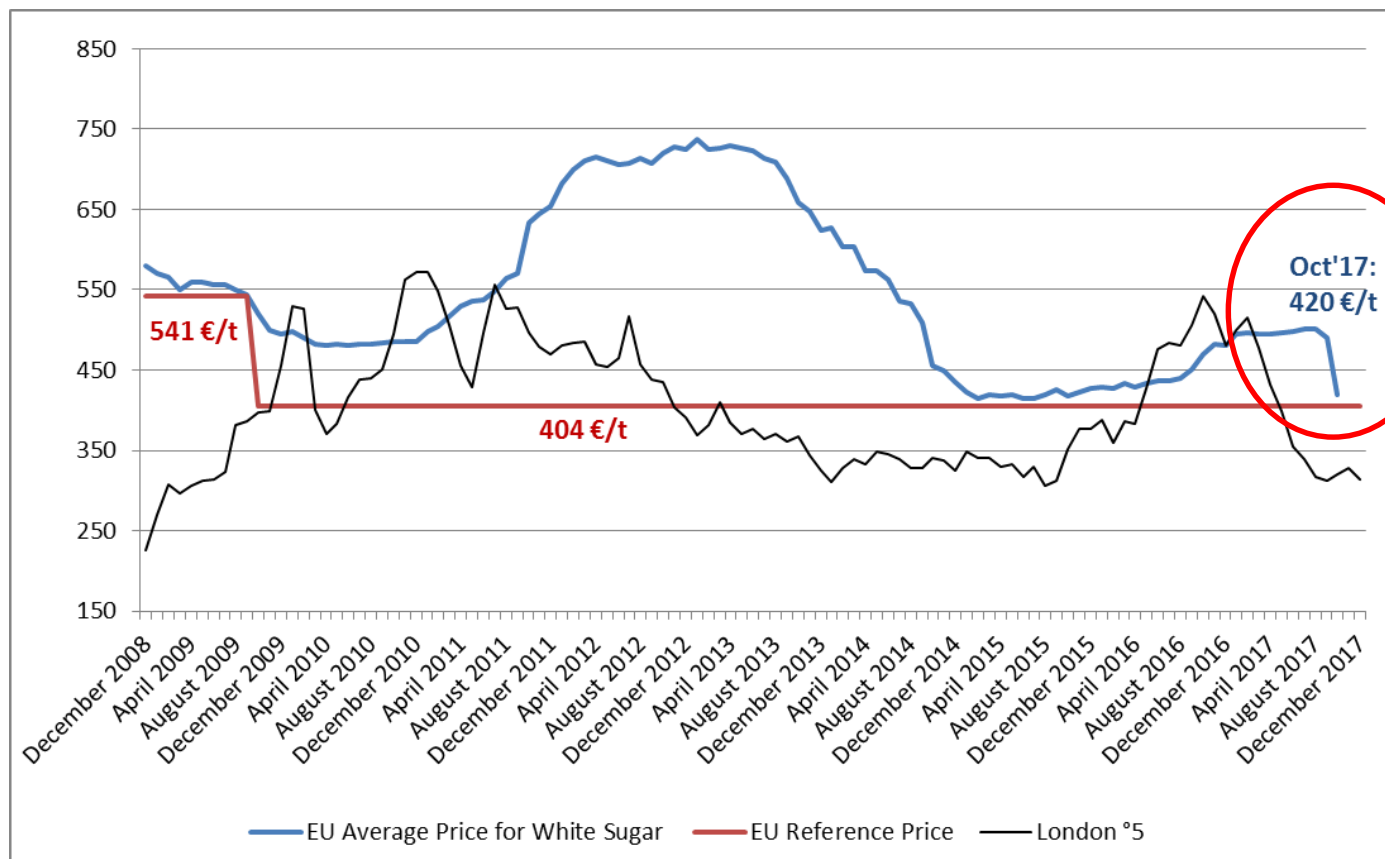
\* Estimates

\*\* Production: October-September



## 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)





SEGMENT

# STARCH



To most, it is  
**three segments.**





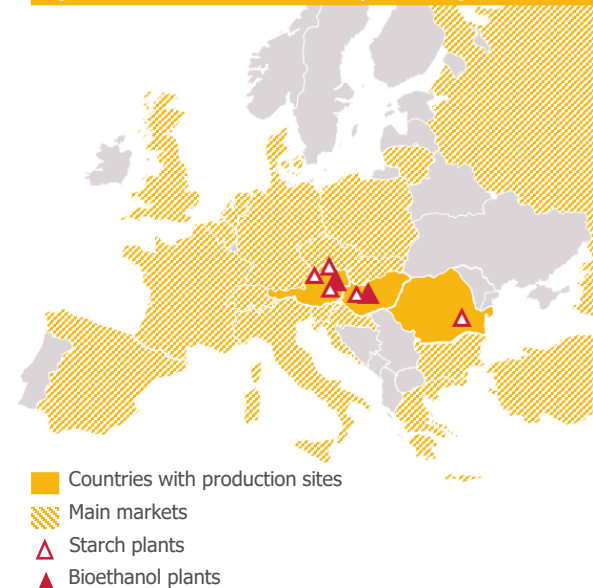
STARCH SEGMENT

## MARKET POSITION

- Austrian production sites:
  - **Potato** starch factory in Gmünd
  - **Corn** starch plant in Aschach
  - **Wheat** starch & bioethanol plant in Pischelsdorf
- Operational management and coordination of international holdings in Hungary and Romania
- The bioethanol business also forms part of the Starch segment
- Focus on **highly refined speciality products**
- **Innovative, customer-driven products** supported by application advice
- **Leading position in organic and in GMO-free** starches for the food industry

### STARCH

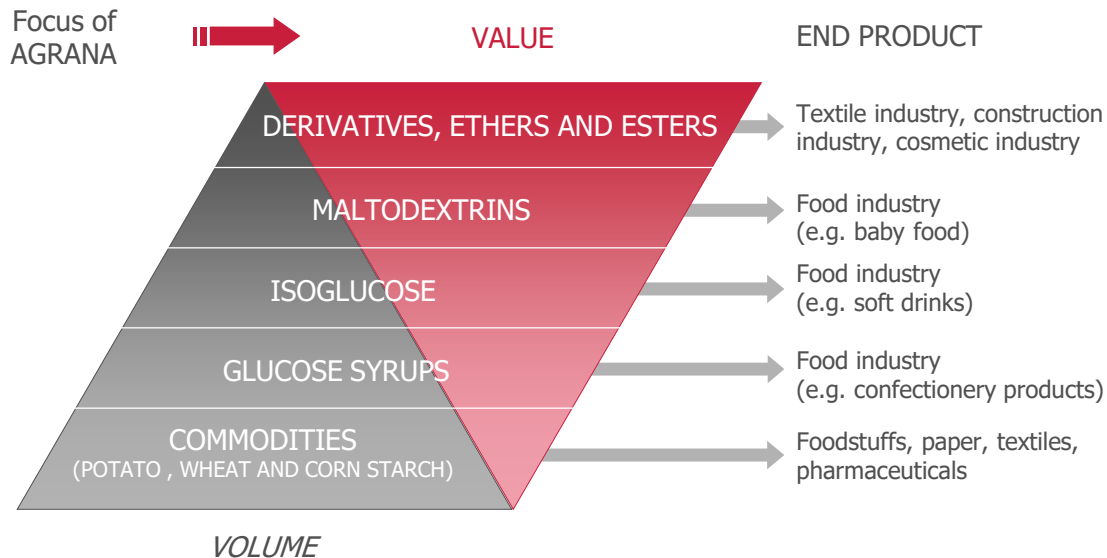
5 starch plants  
(incl. 2 bioethanol plants)





STARCH SEGMENT

# SPECIALISATION STRATEGY



## FOOD

- Growth in products from special raw materials (market leadership)
- Growth in starch derivatives for fruit preparations
- Growth in „high care“-starches

## NON-FOOD

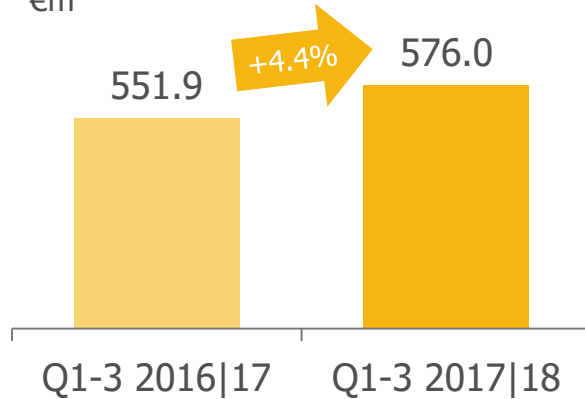
- Innovation and market leadership in
  - Special applications for construction industry
  - Adhesive (sack adhesive)
- Growth in cosmetics industry
- Growth in special applications for paper, textile & cardboard industry



## STARCH SEGMENT

### REVENUE

€m

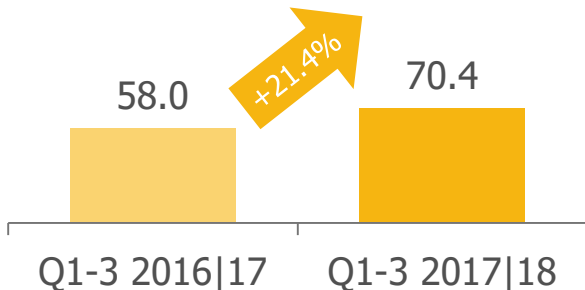


### REVENUE at € 576.0 m slightly above prior year

- 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



## 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



2017|18 FY



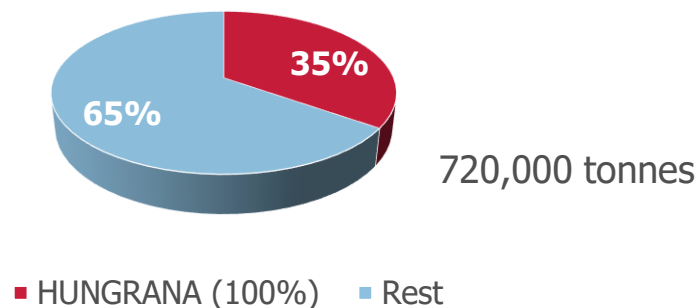


## ISOGLUCOSE MARKET IN THE EU

As of 1<sup>st</sup> of October 2017 also the quotas for isoglucose were abolished, which means new **growth potential** for AGRANA.

**Before**, AGRANA held 125,000 tonnes (->> HUNGRANA: 250,000 tonnes).

**Former** isoglucose quota of the EU-28  $\sim < 5\%$  of sugar consumption



**Higher market share** of isoglucose expected.





# AGRANA BIOETHANOL ACTIVITIES

## PISCHELSDORF (Austria)

- Total investment: € 125 million
- Capacity: up to 240,000m<sup>3</sup> (= 190,000 tonnes)
- Production start: June 2008
- Raw material base: wheat, corn and sugar beet thick juice
- By-products: up to 190,000 tonnes of ActiProt© (animal feed)

## HUNGRANA (Hungary)

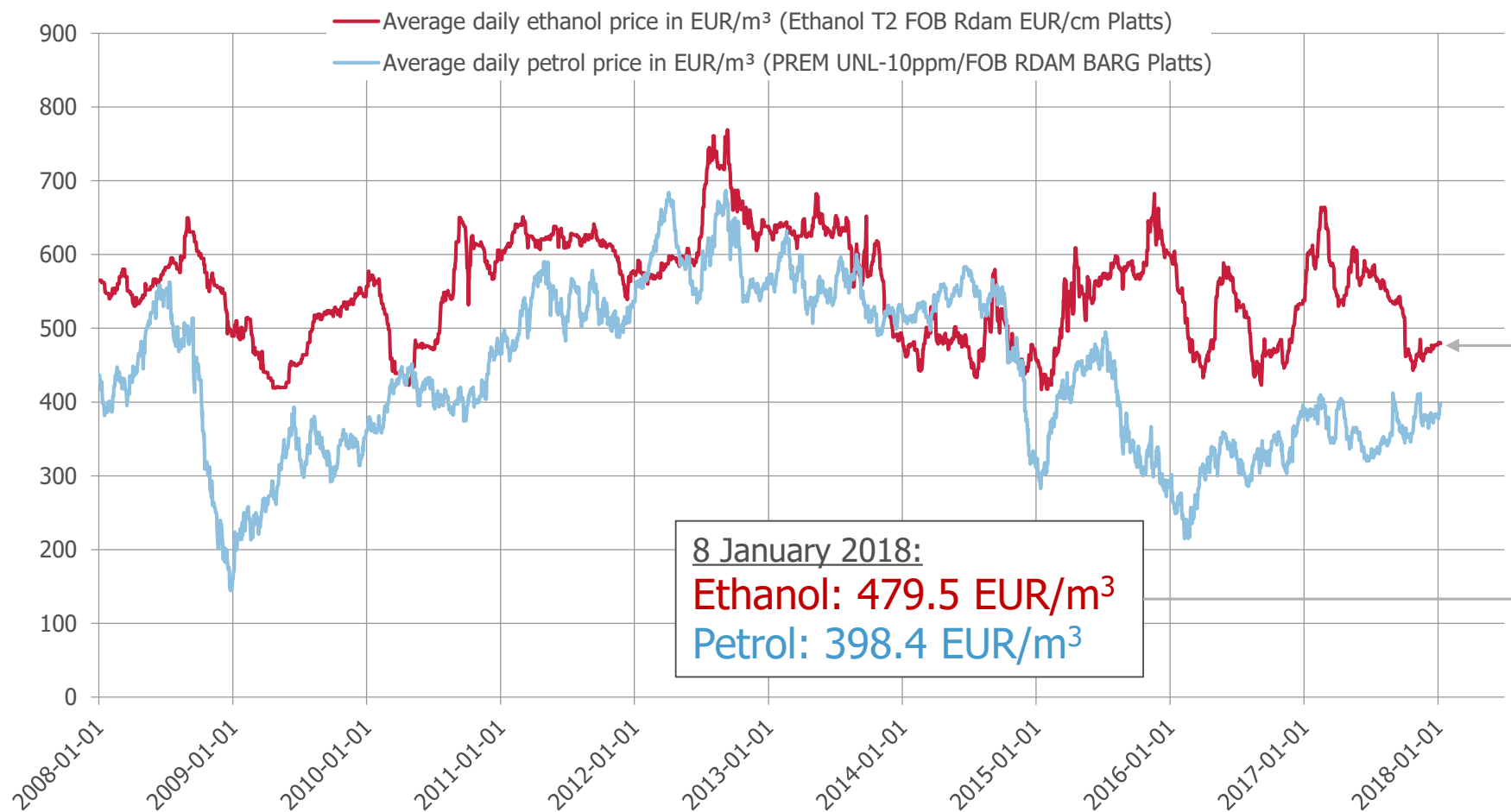
- Investment volume: ~ € 100 m (50% share held by AGRANA: ~ € 50 m)
  - for grind increase from 1,500 to 3,000 tonnes/day
  - for isoglucose capacity increase due to quota increase
  - for bioethanol expansion
- Capacity: up to 187,000 m<sup>3</sup>
- Conclusion of expansion programme: July 2008
- Raw material base: corn





1 JANUARY 2008 – 8 JANUARY 2018 (EUR)

## DEVELOPMENT OF ETHANOL PRICES





SEGMENT

# FRUIT





# FRUIT SEGMENT - BUSINESS MODEL

## FRUIT PREPARATIONS

- Based on mostly frozen fruits
- Tailor-made customer products (several thousand recipes worldwide)
- Customers: dairy, bakery and ice cream industry
- Shelf life of the fruit preparation ~6 weeks -> necessity to produce regionally



## FRUIT JUICE CONCENTRATES

- Based on fresh fruits
- Production in the growing area of the fruits (water content and quality of the fruits don't allow far transports)
- Customers: bottling industry
- Shelf life of fruit juice concentrates ~2 years -> can be shipped around the world



# FRUIT PREPARATION – WHAT IS IT ABOUT?

## FRUIT



... most important ingredient of fruit preparations

- Frozen (IQF or block)
- Aseptic
- Purees
- Concentrates

## SUGAR



... sweetens and supports taste and durability

- Crystal sugar
- Liquid sugar (syrup)
- Other sweeteners

## FRUIT PREPARATIONS



optional flavours and colours for an even fruitier taste and an intense colour

## THICKENERS

- create a good mouth-feel and prevent emulsions
- Pectins
- Starch
- Guar flour...



FRUIT SEGMENT

## MARKET POSITION

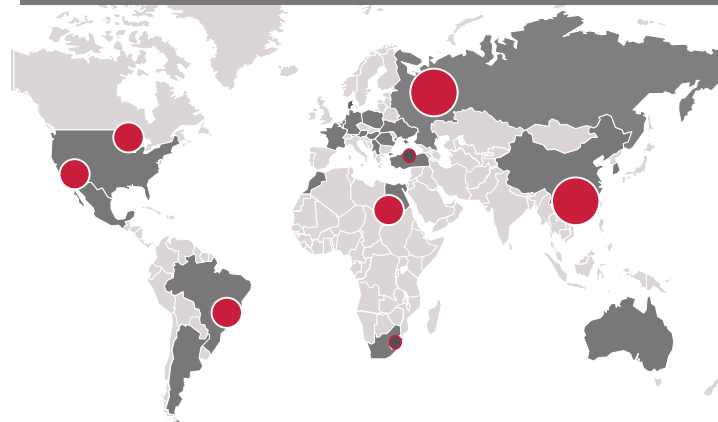
### FRUIT PREPARATIONS

- World Market Leader in Fruit preparations global market share > 30%
- The non-European regions are overall showing good market growth rates, while the market's sales volumes of fruit preparations in Europe are stagnating at a high absolute level

### FRUIT JUICE CONCENTRATES

- Largest producer of fruit juice concentrates in Europe (AUSTRIA JUICE)
- In general, optimisation measures taken in previous years show their positive effects
- Customer portfolio extended and new markets

28 FRUIT PREPARATION PLANTS &  
14 FRUIT JUICE CONCENTRATE PLANTS



■ Countries with production sites  
● Potential growth regions

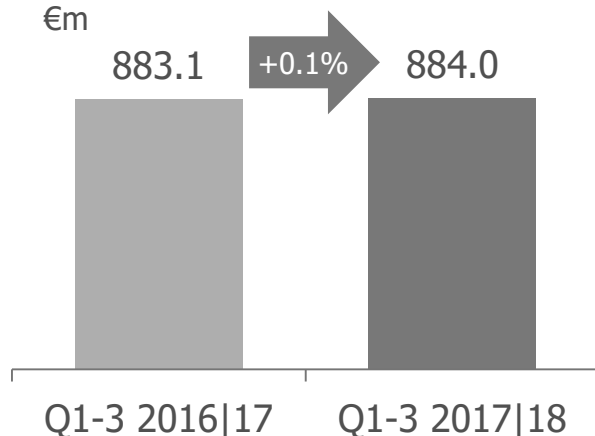




## FRUIT SEGMENT

### REVENUE

€m

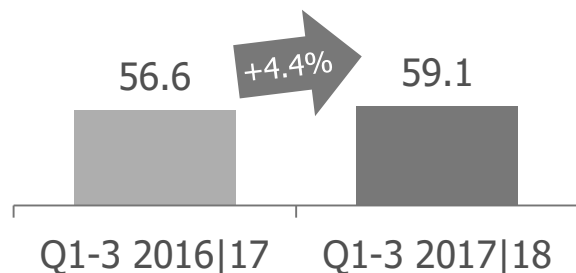


### REVENUE stable at € 884.0 million

- 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



## FRUIT SEGMENT

### Fruit preparations

- Global market for spoonable fruit yoghurts is expected to grow at about 1% in the 2017 calendar year<sup>(1)</sup>
  - 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%)<sup>(1)</sup>
  - Drinkable yoghurts continue to show a worldwide growth trend of 5.3%<sup>(1)</sup>
- Global market for ice-cream continues to grow by about 2% p.a. until 2020<sup>(1)</sup>
- 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

<sup>(1)</sup> Euromonitor data



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

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

<sup>2</sup> 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)



## 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%
<b>Total</b>	<b>(11.0)</b>	<b>(13.3)</b>	<b>+17.3%</b>

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



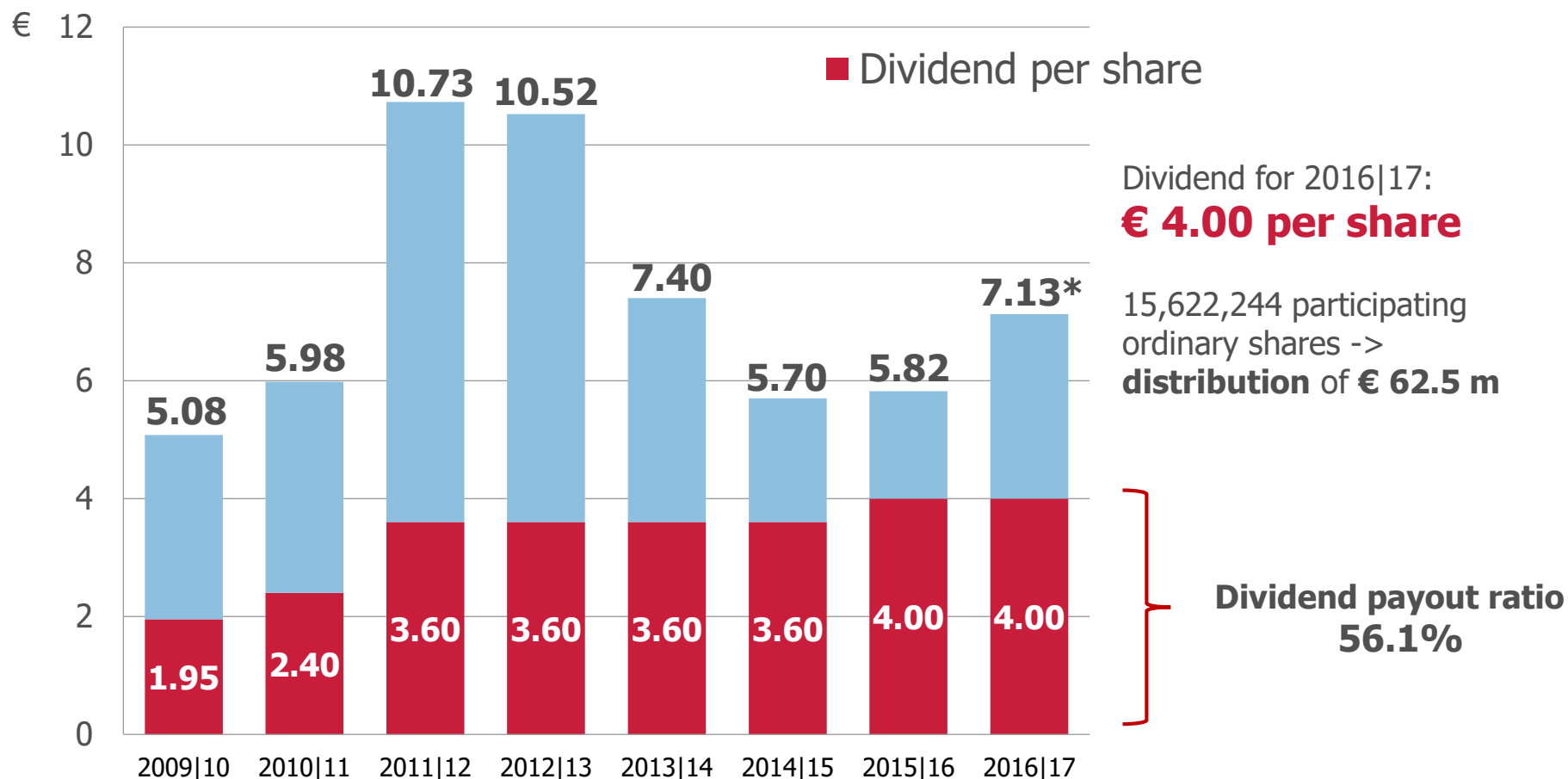


## CONSOLIDATED BALANCE SHEET

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



## DIVIDEND PAYOUT APPROVED AT THE AGM



\* EPS is calculated on the basis of  
15,622,244 outstanding shares at the  
balance sheet date (29 Feb 2017)

**Dividend yield** (based on the closing share  
price at the last balance sheet date): **3.8 %**



2017|18

# PROJECTS & OUTLOOK





## PROJECTS IN THE FRUIT SEGMENT **ARGENTINA & INDIA**

- **Fruit expansion and integration process in Argentina** on track
- Acquisition will **expand the market presence in South America** and **raise global synergies** in the Fruit segment
- **Further sales potential** in the area of quick-service restaurants (such as fast-food chains) and the food service sector (for example, hotels and catering)



- New **step into India**
- **New site** in the Indian state of **Maharashtra** as nucleus for future own production in connection with the local market entry strategies of AGRANA's customers
- Operational **production (fruit puree)** and **sales activities started** in 2017|18



## PROJECTS IN THE FRUIT SEGMENT

# NEW PRODUCTION SITE IN CHINA



- Ground-breaking ceremony for **second Chinese fruit preparation plant** near Shanghai
- Start of production expected in **November 2018**
- Total **investment: € 22 million**
- Planned production **capacity: 30,000 tonnes**

China

Customer locations

AF Dachang

Beijing

New site

Shanghai

- China with 3.7 million tonnes **world's largest yoghurt market** with strongest growth
- **Yoghurt consumption** per capita: 2.8kg (EU: 12kg, USA: 7kg) and should be doubled by 2020
- China is **also the world's largest market for ice cream** (market volume: 4.3 billion litres in 2016)



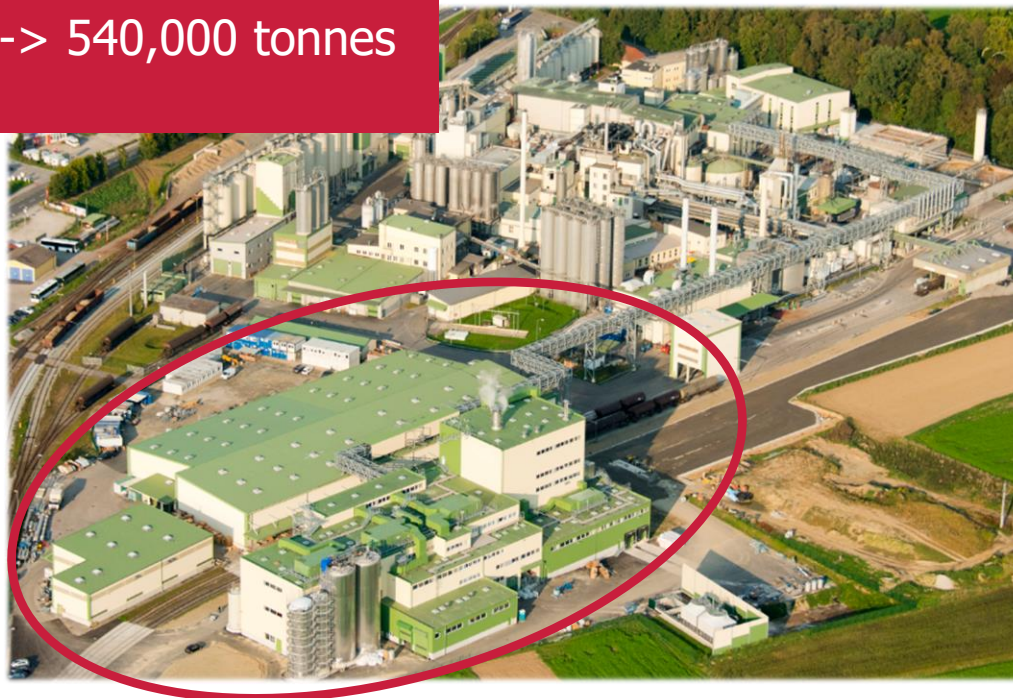


PROJECTS IN THE STARCH SEGMENT

## CORN STARCH CAPACITY INCREASE

- Expansion project in Aschach|Austria **completed successfully**
- Expansion in the fields of wet corn grinding processes, waxy corn derivative production and spraying capacities for maltodextrin production

- Total investment: **€ 80 million**
- **Capacity increase: +30%** -> 540,000 tonnes
- 25 new jobs







## PROJECTS IN THE STARCH SEGMENT

# WHEAT STARCH CAPACITY INCREASE

- **Double the production capacity of the wheat starch factory** in Pischelsdorf|Austria
- Total investment: **€ 92 million**
- Intention to start construction work in early 2018 and to **commission the new facility at the beginning of 2020**
- Important step in terms of sustainably **consolidating AGRANA's position in the starch market**
- Expansion reflects the **increasing demand**, particularly from the **paper industry** -> high proportion of recycled paper and rising demand for packaging stemming from internet/mail order trade
- Expansion project will create **44 new jobs**



	Processed raw materials (to)	Investment
Ethanol plant:	621,000	€ 130 million (until 2008)
Wheat starch plant I:	196,000	€ 70 million (until 2013)
Wheat starch plant II:	215,000	€ 92 million (until 2020)
<b>TOTAL:</b>	<b>1,032,000</b>	<b>€ 292 million (until 2020)</b>

### **TARGET:**

1 million tonnes  
processing capacity

~ 3,000 to per day



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%