

IN OUR HANDS



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AGRANA Beteiligungs-AG
Roadshow Geneva | Lancy

Berenberg Bank

31 October 2014



— In our Hands

At AGRANA, the globally operating processor of agricultural raw materials, an average of about 8,800 pairs of hands in the Sugar, Starch and Fruit business segments work for the **economic future** of the Group.



In going about our work, it is important to us to consider the **environmental** impacts of our actions and honour our **social responsibility** to employees, colleagues and fellow citizens. This is a daily balancing act which, especially in a demanding business environment, requires dedication and a deft touch.



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INTRODUCTION
BUSINESS OVERVIEW

HIGHLIGHTS
H1 2014|15

At a glance

— AGRANA-products in daily life



| Sugar.

- Sugar is sold
 - to consumers via the food trade (25%) and
 - to manufacturers: e.g. soft drinks industry, confectionery industry, fermentation industry, other food and beverage industries (75%).

| 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.



— Quick facts update

Today, AGRANA is ...

- The leading **sugar** manufacturer in Central, Eastern and Southeastern Europe
- Major manufacturer of customised **starch** products in Europe and leading producer of bioethanol in Austria
- World market leader in the production of **fruit preparations**
- The largest manufacturer of **fruit juice concentrates** in Europe



Today, AGRANA has ...

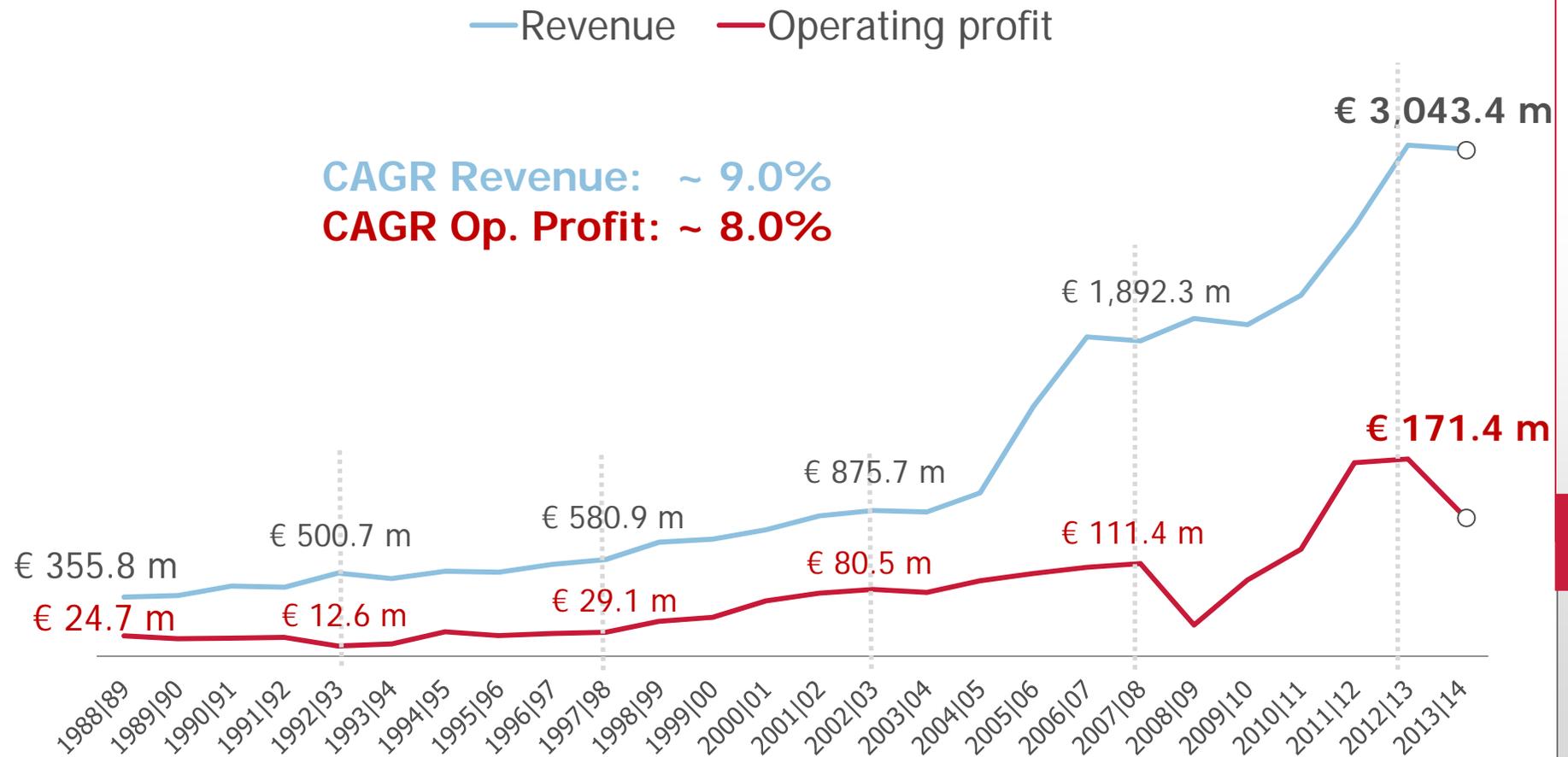
- Approximately **9,000 employees** worldwide
- **55 production sites** in **25 countries** around the world



AGRANA history in numbers



— Solid economic growth





— Growth by strategy

Our strategic goals

Customer- and market-oriented growth in CEE and Southeastern Europe



Refining of agricultural raw materials



Organic growth, and the creation of value-added by tailor-made products



A long-term asset for shareholders



Customer- and market-oriented global growth

SYNERGIES

Use synergies between business segments to position the Group optimally for the increasingly volatile operating environment in the segments

Investor and customer value from:

- Balance of risk
- Exchange of know how
- Cost savings from synergies



Int. production meets int. customers

— 55 production sites worldwide



Sugar



Starch

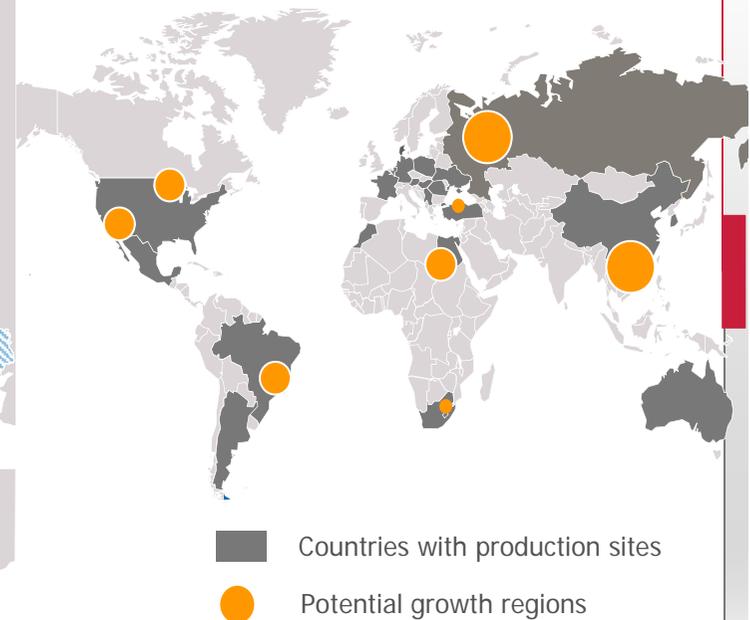
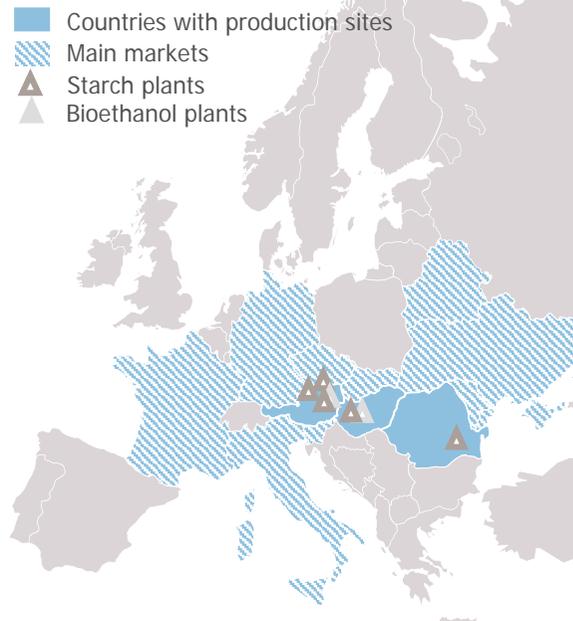
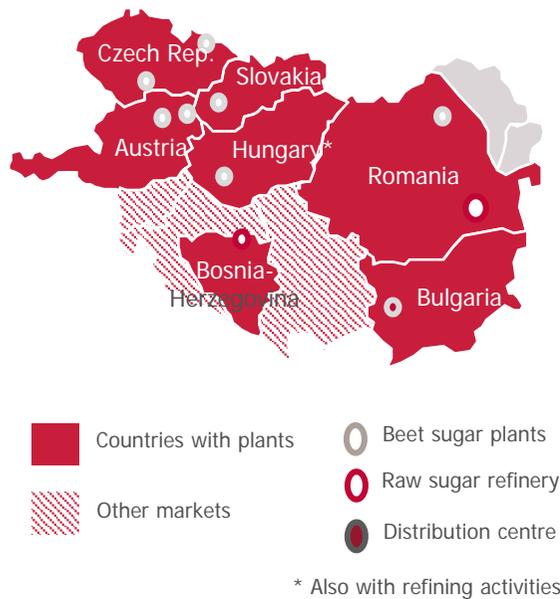


Fruit

7 sugar beet plants
2 raw sugar refineries + Instantina plant

5 starch plants (incl. 2 bioethanol plants)

26 fruit preparation plants and
14 fruit concentrate plants

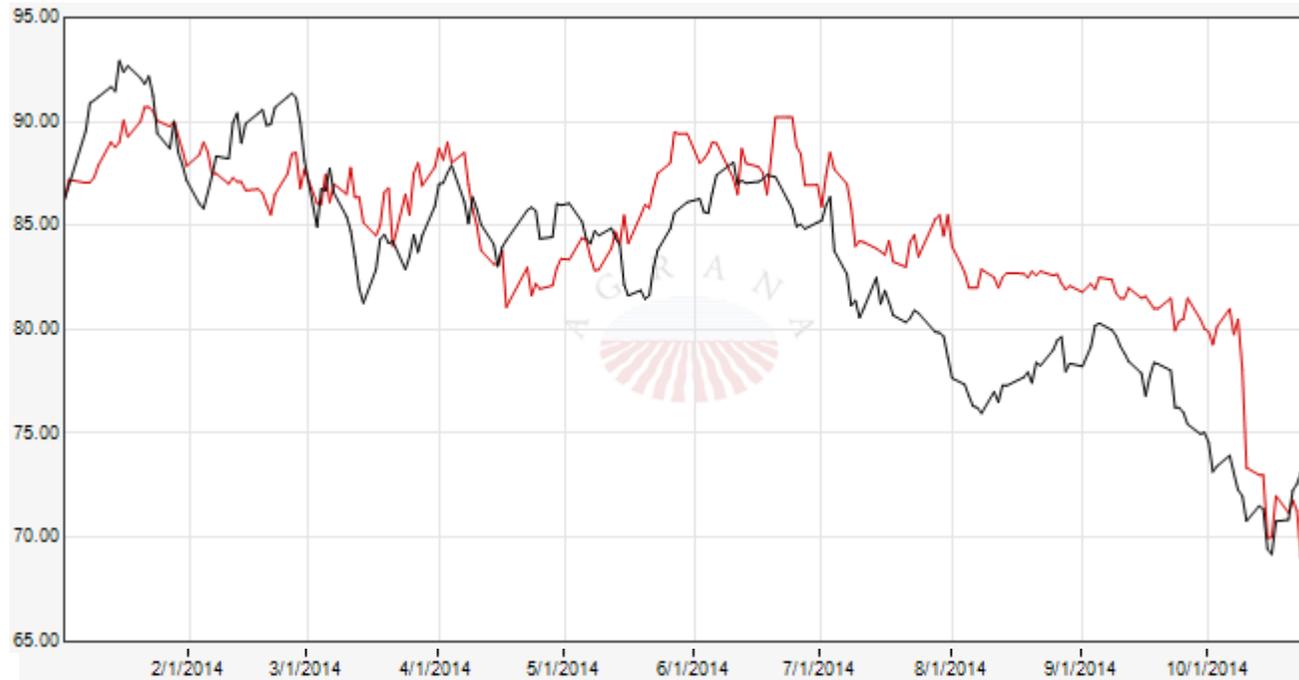


AGRANA share in 2014 calendar year



— Steady dividend policy

Dividend yield: **4.1¹%** P/E ratio: **11.5¹** Market capitalisation: **€ 1,166.0² m**



¹ as of 28 Feb. 2014

² as of 31 Aug. 2014

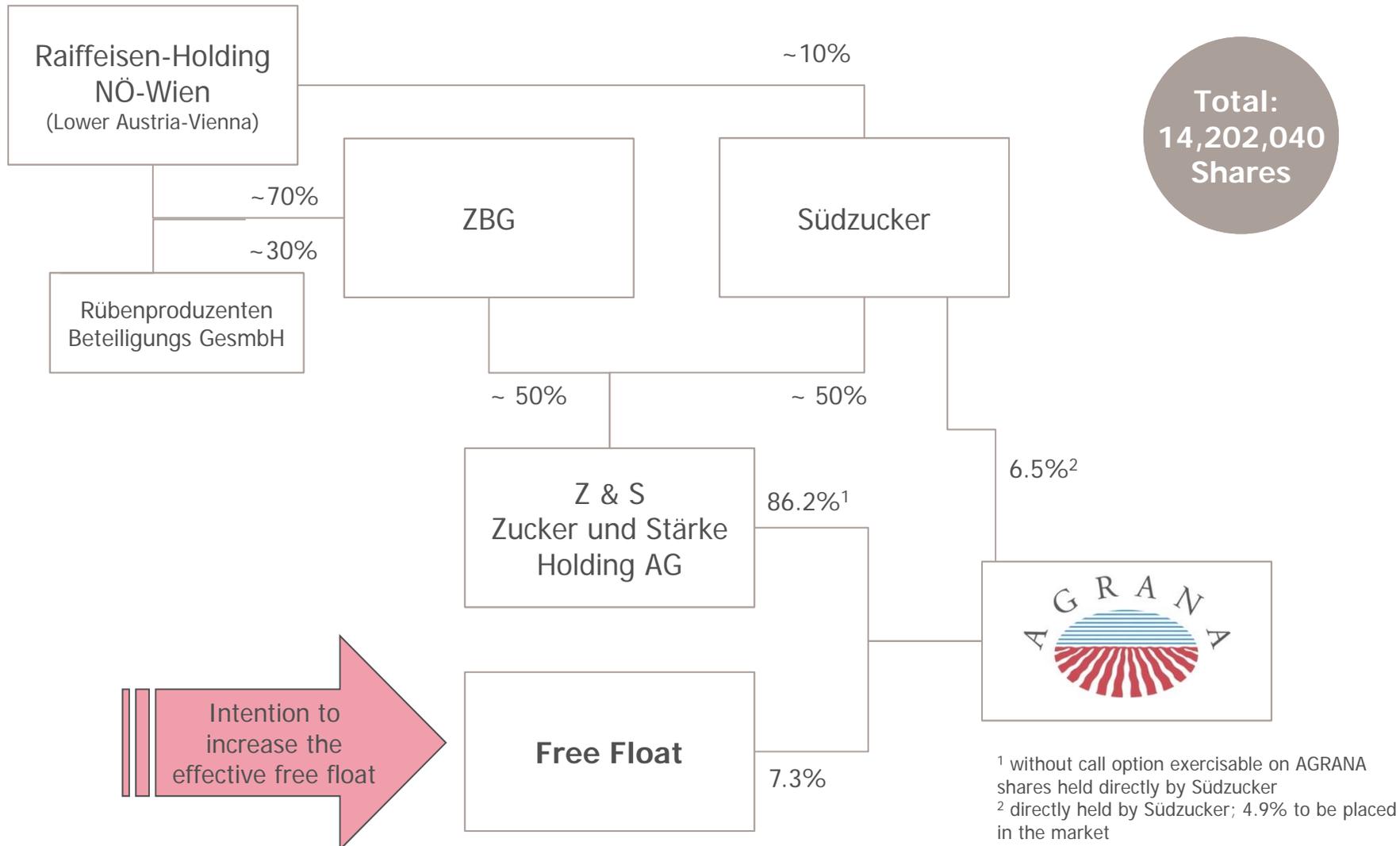
Performance
(1/1/2014 – 27/10/2014):
AGRANA -18.9 %
ATX -14.5 %

AGRANA:
1/1/14: 86.27 >> 27/10/14: 70.00
ATX:
1/1/14: 2,533.77 >> 27/10/14: 2,165.28

- Change in the shareholder structure in February 2014
- Z&S and Südzucker took over the shares held by M&G (15.6%)
- Clear commitment to the AGRANA Group's continuing listing on the stock market
- Intention to increase the effective free float again

"Transition" shareholder structure

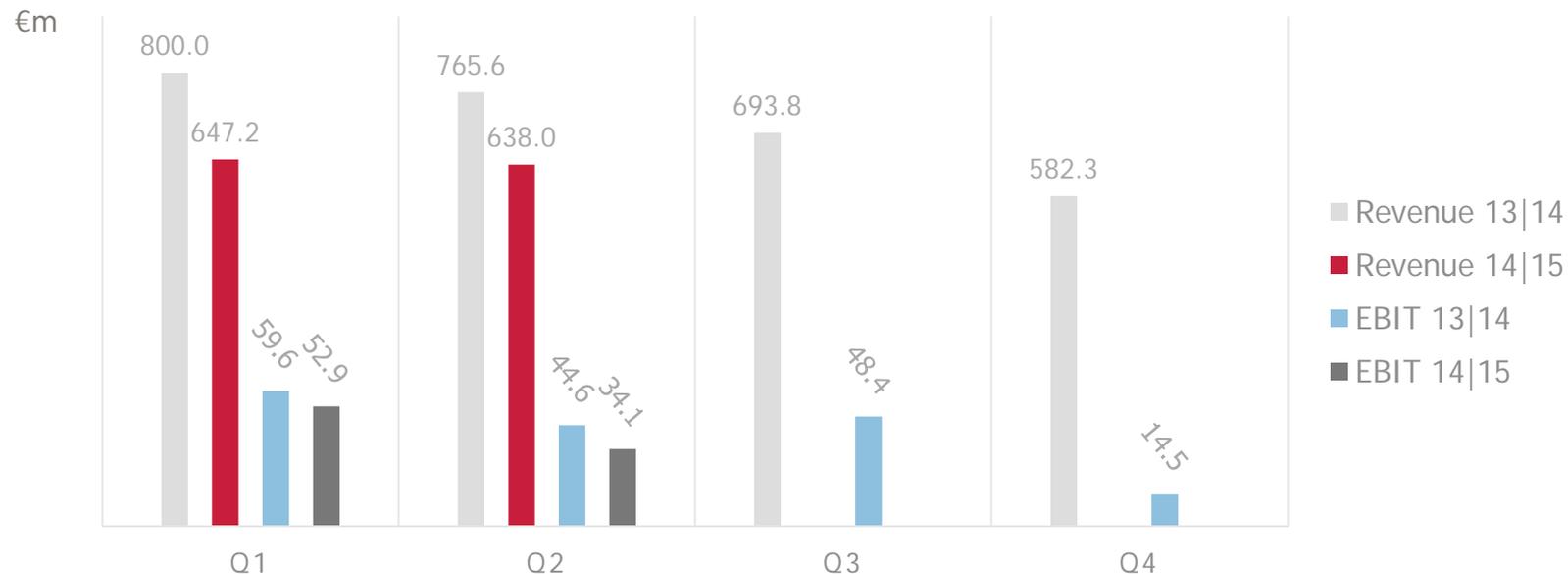
Clear commitment to the AGRANA Group's continuing listing on the stock market





— Overview H1 2014|15

- Price pressure in the Sugar segment and non-recurring structural effects in Fruit (expenses for planned closure) led to reduction in revenue and EBIT



- Fourth US fruit preparations plant in Lysander, New York, started operation
- New research and innovation center, ARIC, opened in Tulln, Austria
- Staff count: 8,985 (H1 2013|14: 8,688)



— Overview H1 2014|15 results

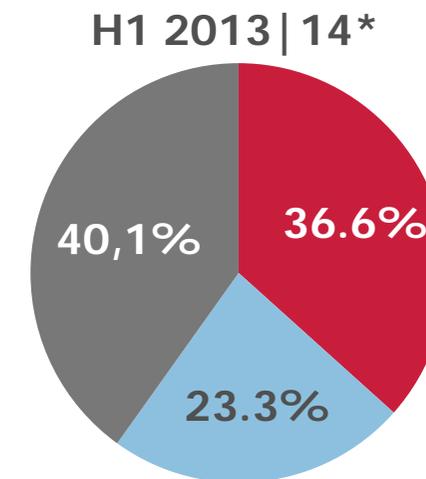
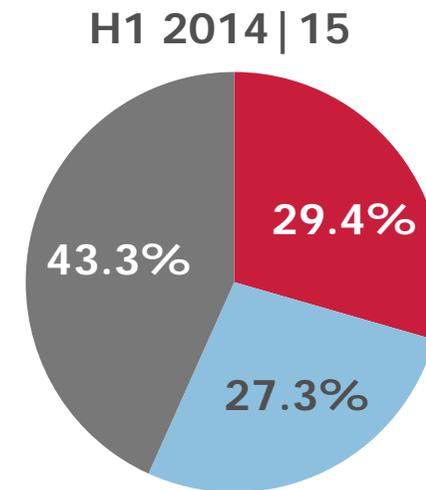
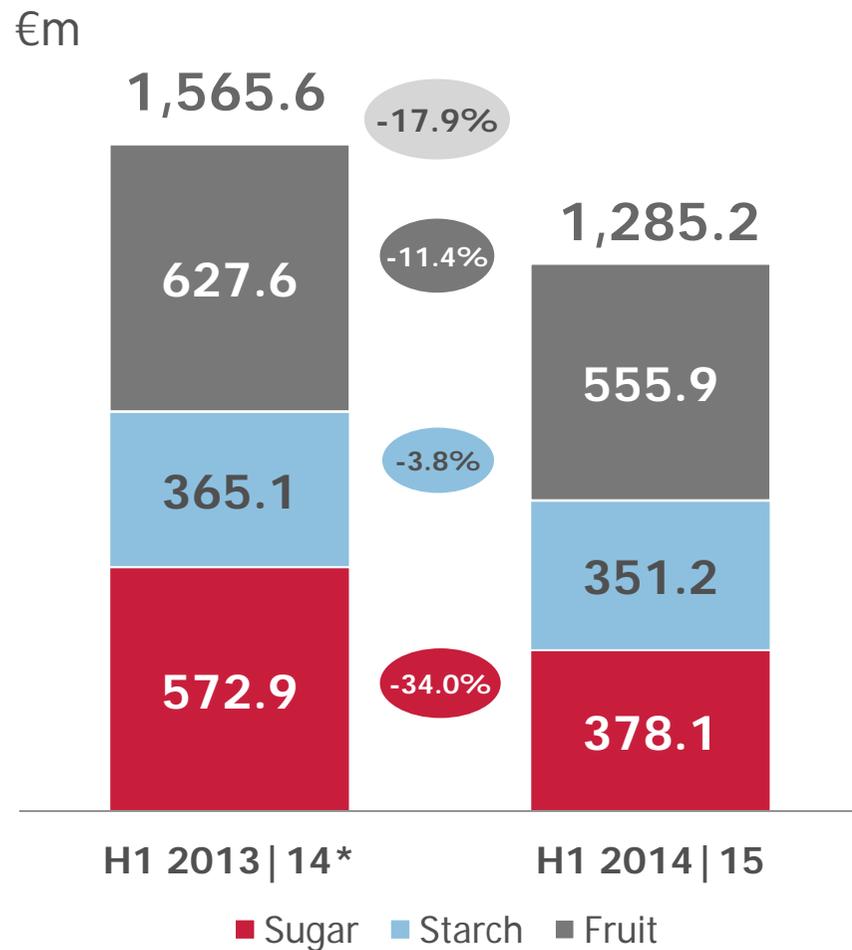
€m	H1 2014 15	H1 2013 14 ¹	△ %	Q2 2014 15	Q2 2013 14 ¹	△ %
Revenue	1,285.2	1,565.6	-17.9	638.0	765.6	-16.7
Exceptional items	(4.1)	0.0	n/a	(4.1)	0.0	n/a
EBIT	87.0	104.2	-16.5	34.1	44.6	-23.5
EBIT margin (%)	6.8 %	6.7 %	1.5	5.3 %	5.8 %	-8.6
Profit for the period	60.9	69.2	-12.0	21.7	29.3	-25.9
EPS (€)	€ 4.08	€ 4.59	-11.1	€ 1.42	€ 1.94	-26.8

	31 Aug. 2014	△%	28 Feb. 2014 ¹
Equity ratio	52.1 %	4.4	49.9 %
Gearing	24.1 %	25.6	32.4 %

Revenue by segment



— H1 2014|15

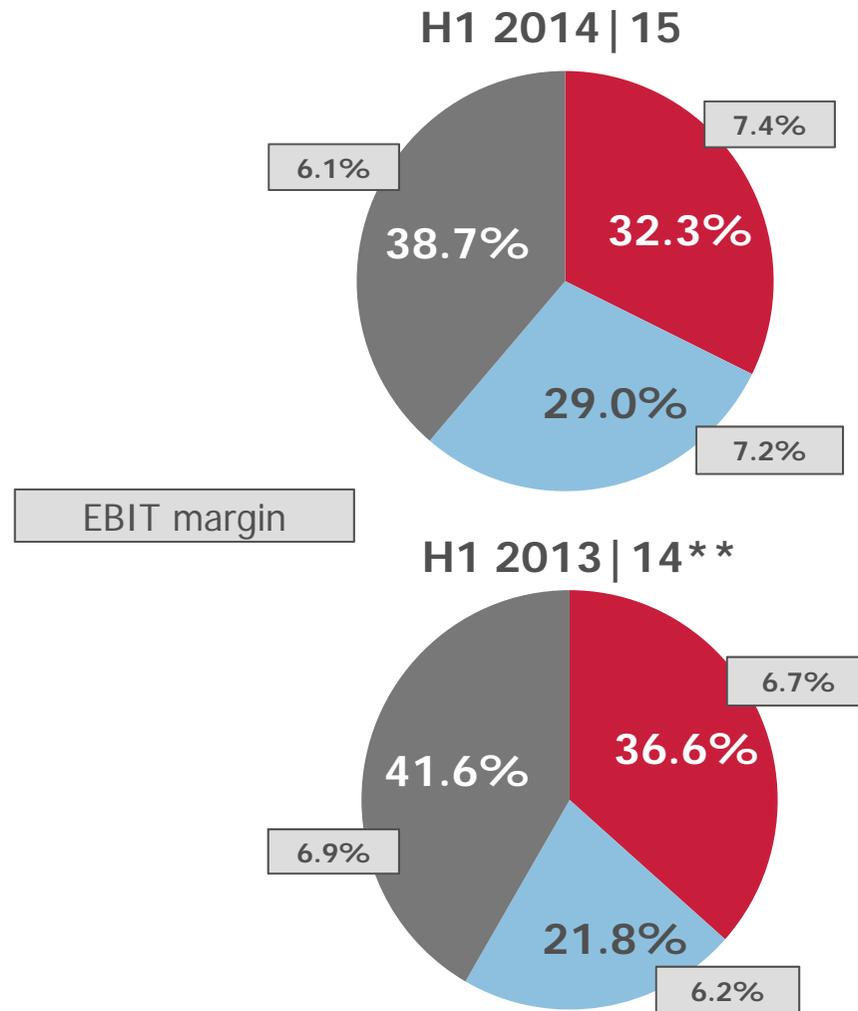
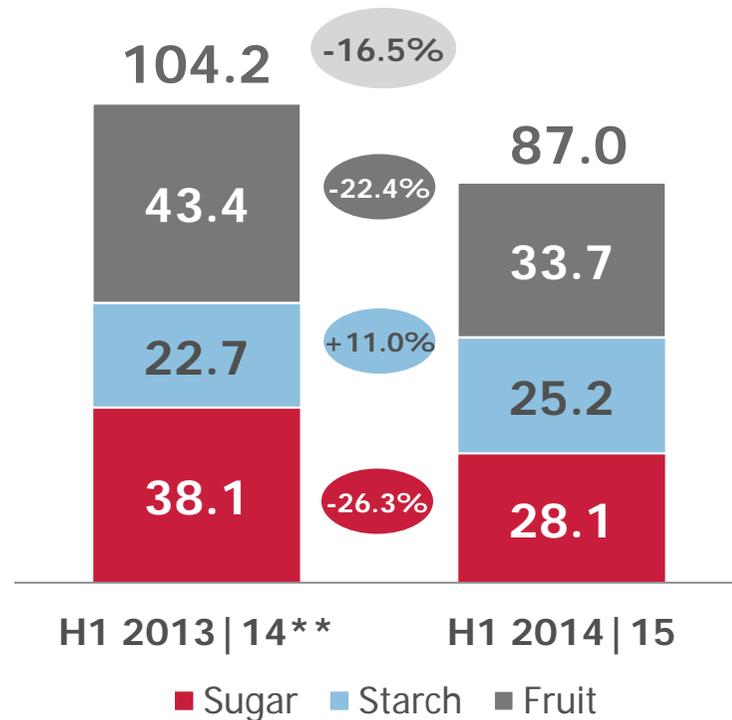




EBIT* by segment

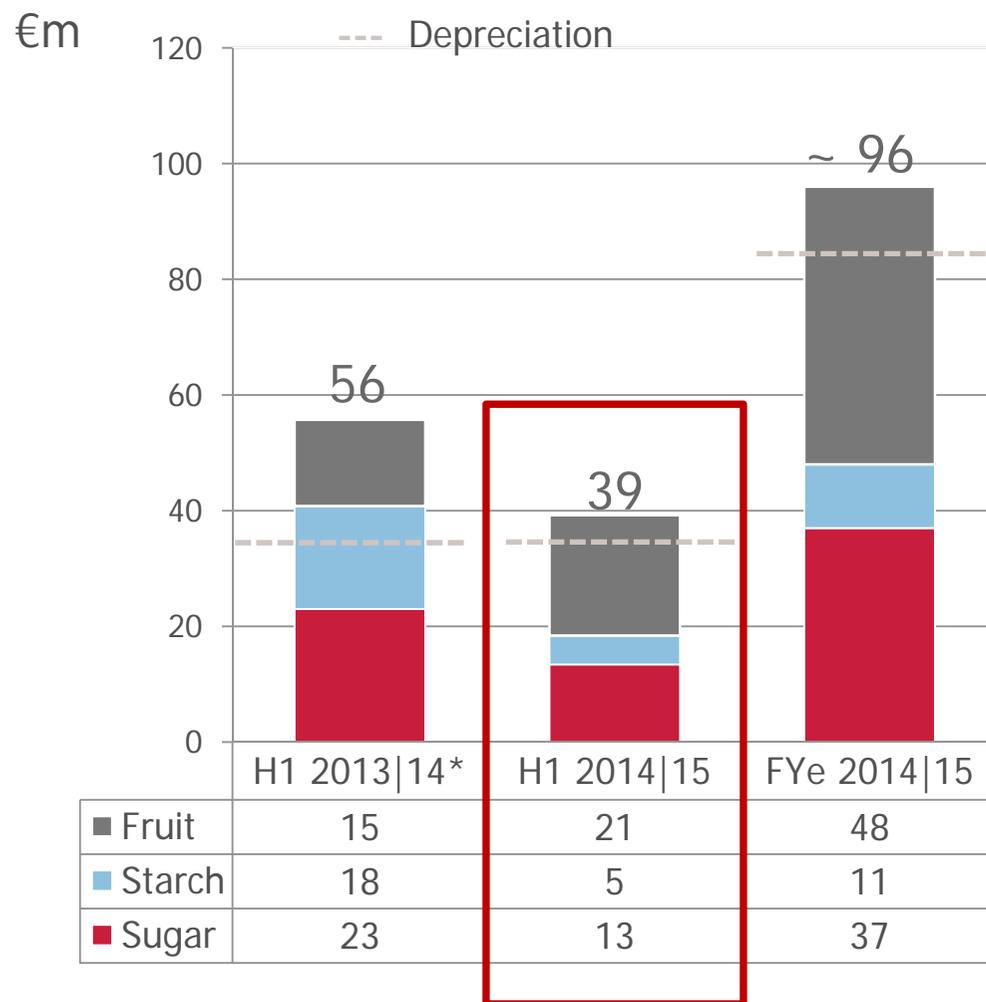
— H1 2014|15

€m



Investment overview

— H1 2014|15



Most important projects in the Group:

- Expansion of molasses desugaring plant in Tulln, Austria (**SUGAR**)
- Erection of packaging centre in Kaposvar, Hungary (**SUGAR**)
- Capacity expansion of waxy corn derivative production in Aschach, Austria (**STARCH**)
- Completion of the new US fruit preparations plant in New York state, which was successfully opened in Q1 2014|15 (**FRUIT**)
- Relocation of fruit juice concentrate production within Austria from Gleisdorf to Kröllendorf, with capacity at the latter site boosted by 30% (**FRUIT**)



SEGMENT
OVERVIEW
H1 2014|15



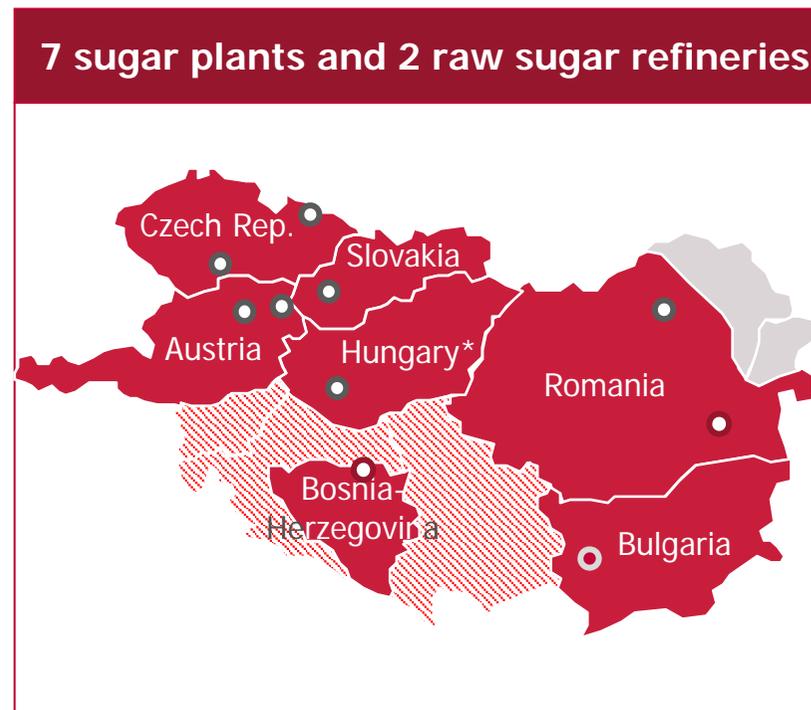
SUGAR

AGRANA Sugar



— Benefit from the strong market position in CEE and SEE

1,000 tonnes	EU-quota	AGRANA sugar beet quota ⁽¹⁾	Market position
Austria	351	351	#1
Hungary	105	105	#1
Czech Republic	372	94	#2
Slovakia	112	44	#2
Romania	105	24	n.a.
Total	1,045	618	
Bosnia-Herzegovina		150 ⁽²⁾	#1
refining activities in total		275 ⁽³⁾	n.a.



(1) AGRANA beet quota for 2013|14 Sugar Marketing Year (SMY)

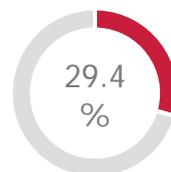
(2) Capacity for refined raw sugar (50:50 joint venture)

(3) Refined raw sugar production (2013|14)

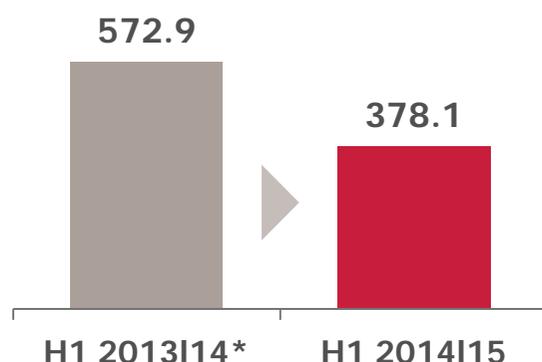
SUGAR segment

Financial results H1 2014|15

Share of total revenue



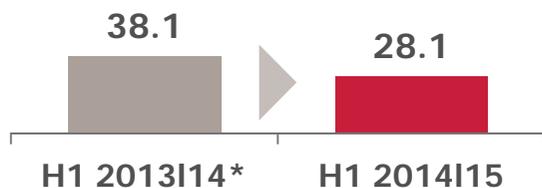
Revenue
€m



Revenue fell to € 378.1 million

- The reason was a continued reduction in sales prices
- To a lesser extent caused by a decrease in quantities sold into the sugar-using industry and to resellers
- Revenues from by-products rose slightly

EBIT
€m



EBIT down to € 28.1 million

- EBIT was down from the high year-ago value as expected
- Margin contraction in the 2nd quarter was driven by the persistent erosion in sugar prices
- The positive net exceptional items (€ 0.5 m) amount resulted from refunds in connection with the EU production levy

SUGAR segment

— Market environment H1 2013|14

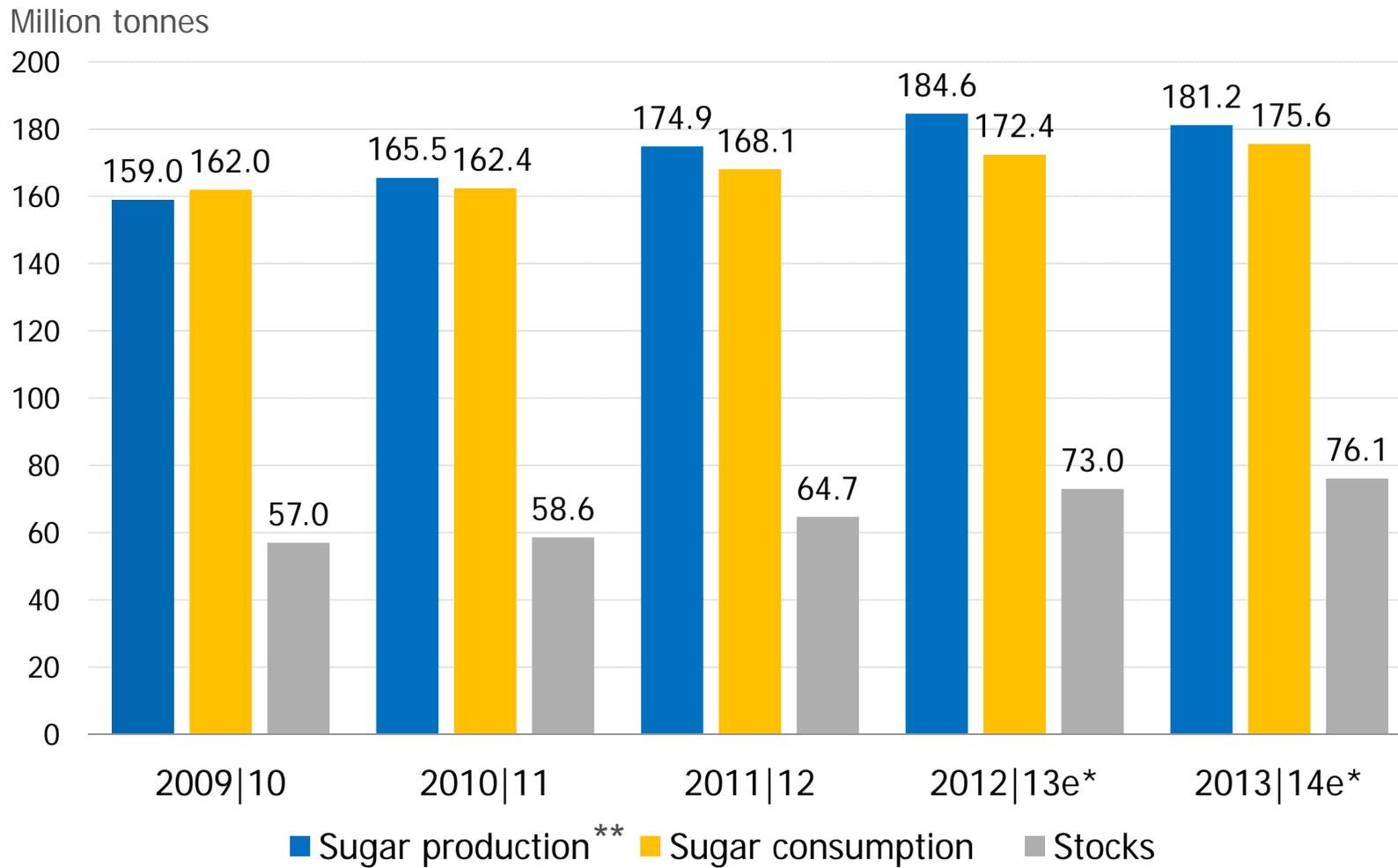


SUGAR Segment

- Supply will continue to exceed demand, **making greater pressure on prices** likely
- Amid **considerable volatility** during the first half of the year due to continually changing crop forecasts, especially for the main Brazilian production regions, the world market price towards the end of August was **at a very low level**
- In the just-completed SMY 2013|14, with total EU sugar production of 16.8 million tonnes (prior SMY: 17.4 million tonnes) and stable quota sugar production, **preferential imports continued to increase**; overall, sugar supply and demand were largely in balance



World sugar production & consumption



Source: F.O. Licht (16 June 2014)

* Expectation

** Production: October-September



— September 2017 - 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
 - The company operates its own raw sugar refineries; safeguarding of existing market share in CEE
- **“3-legs-strategy”** with beet, refining and trading; focus on balanced strategy between these three fields of activity
- 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



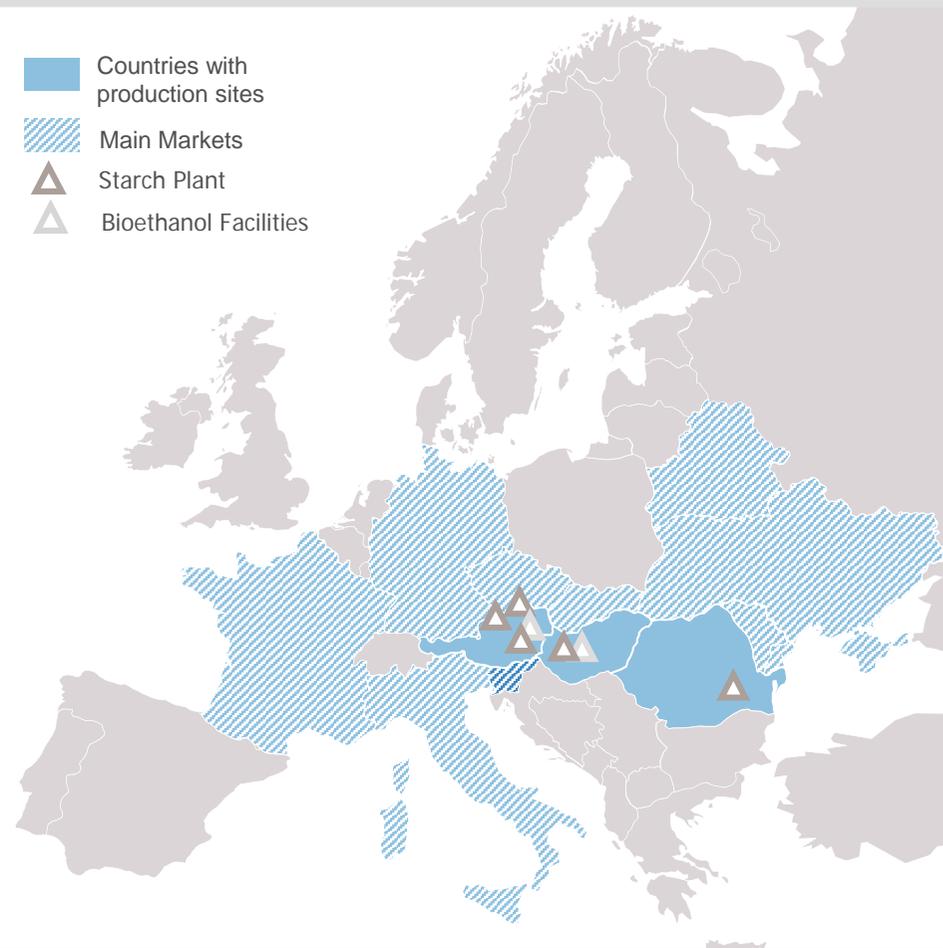
STARCH



— STARCH segment - market position

- Austrian production sites:
 - potato starch factory in Gmünd
 - corn starch plant in Aschach
 - wheat starch 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

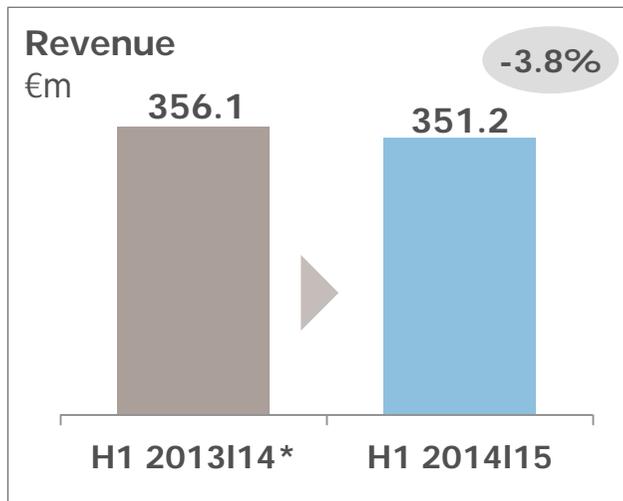
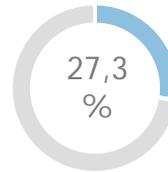
5 Starch plants incl. 2 Bioethanol facilities



STARCH segment

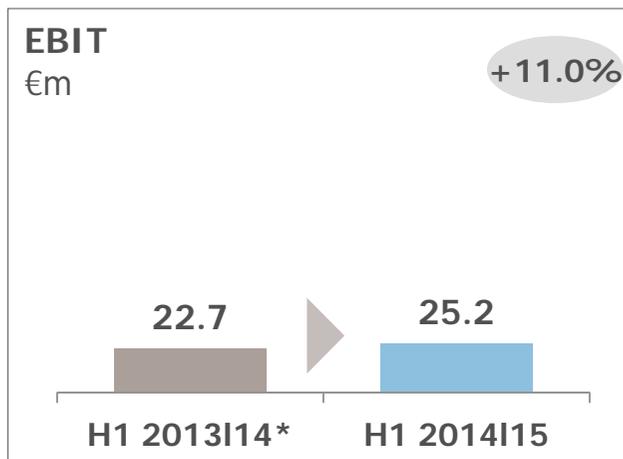
Financial results H1 2014|15

Share of total revenue



Revenue slightly down to € 351.2 million

- The decline was caused primarily by lower selling prices for bioethanol, native corn (maize) starch and starch saccharification products
- The positive effect of higher volumes from the wheat starch plant in Pischelsdorf - production began in June 2013 - could not outweigh lower sales prices



EBIT up to € 25.2 million

- EBIT was up 11.0% yoy and profitability (EBIT margin) expanded by one percentage point to 7.2%
- Both in starch and bioethanol, lower selling prices were more than recouped through reduced raw material prices
- HUNGRANA performed at the same level as in p/y

STARCH segment

— Market environment H1 2014|15



STARCH Segment

- World grain production in the 2014|15 grain marketing year is estimated by the International Grains Council at 1.98 billion tonnes (prior year: 1.99 billion tonnes), somewhat **above the expected level of consumption**
- Global wheat production is forecast at slightly above predicted consumption, while global corn production is expected to exceed demand somewhat more visibly; there will thus be **further growth in global stocks**
- As a result of the positive crop outlook and good global supply situation, **commodity quotations have fallen significantly** in the past months



Price development of cereals

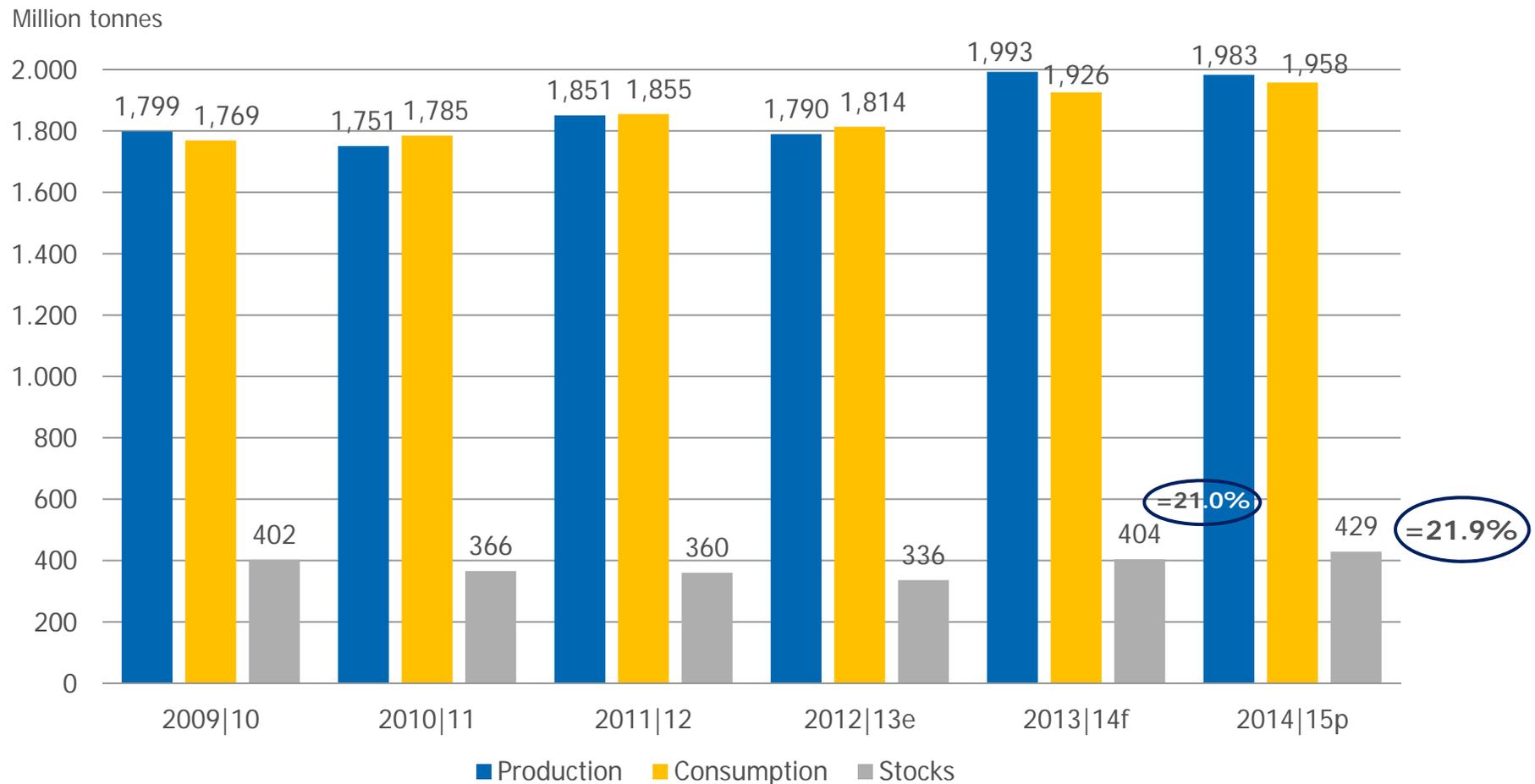
Wheat & corn (Paris)

January 2006 – October 2014 (EUR)





World cereal production & consumption



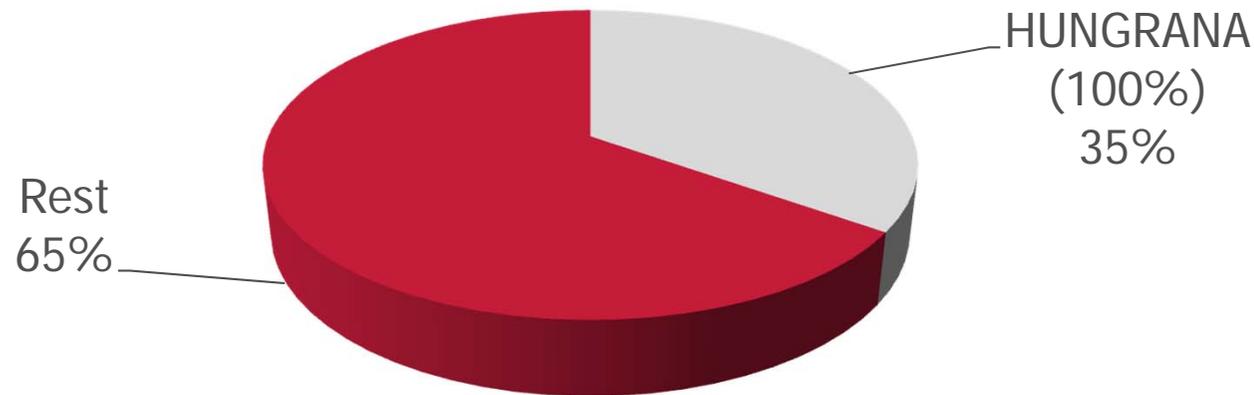
Source: IGC, 25 September 2014
 e...estimate f...forecast p...projected
 Period: July - June

Critical stocks limit at 20 % of consumption



— Isoglucose market in the EU

Isoglucose Quota of the EU-28 ~ < 5% of sugar consumption
720,000 tonnes



AGRANA holds a share (via HUNGRANA) of 50% of 250,000 tonnes.

Starting with 1st of October 2017 also the quotas for isoglucose will be abolished, which means new **growth potential** for AGRANA.

20% market share of isoglucose expected.



— Market opportunities for isoglucose

- Main application area for isoglucose is the "SOFT DRINKS" market
- Substitution potential on the European market of approximately 20% of granulated sugar
- The main argument for the use of isoglucose in place of granulated sugar is the current price advantage of approximately 10 %



AGRANA bioethanol activities

PISCHELSDORF (Austria)

Total investment € 125 million
Theoretical capacity up to 240,000m³ (= 190,000 tonnes)
Production start **June 2008**
Raw material base wheat, corn and sugar beet thick juice
By-product up to 190,000 tonnes of ActiProt© (animal feed)



HUNGRANA (Hungary)

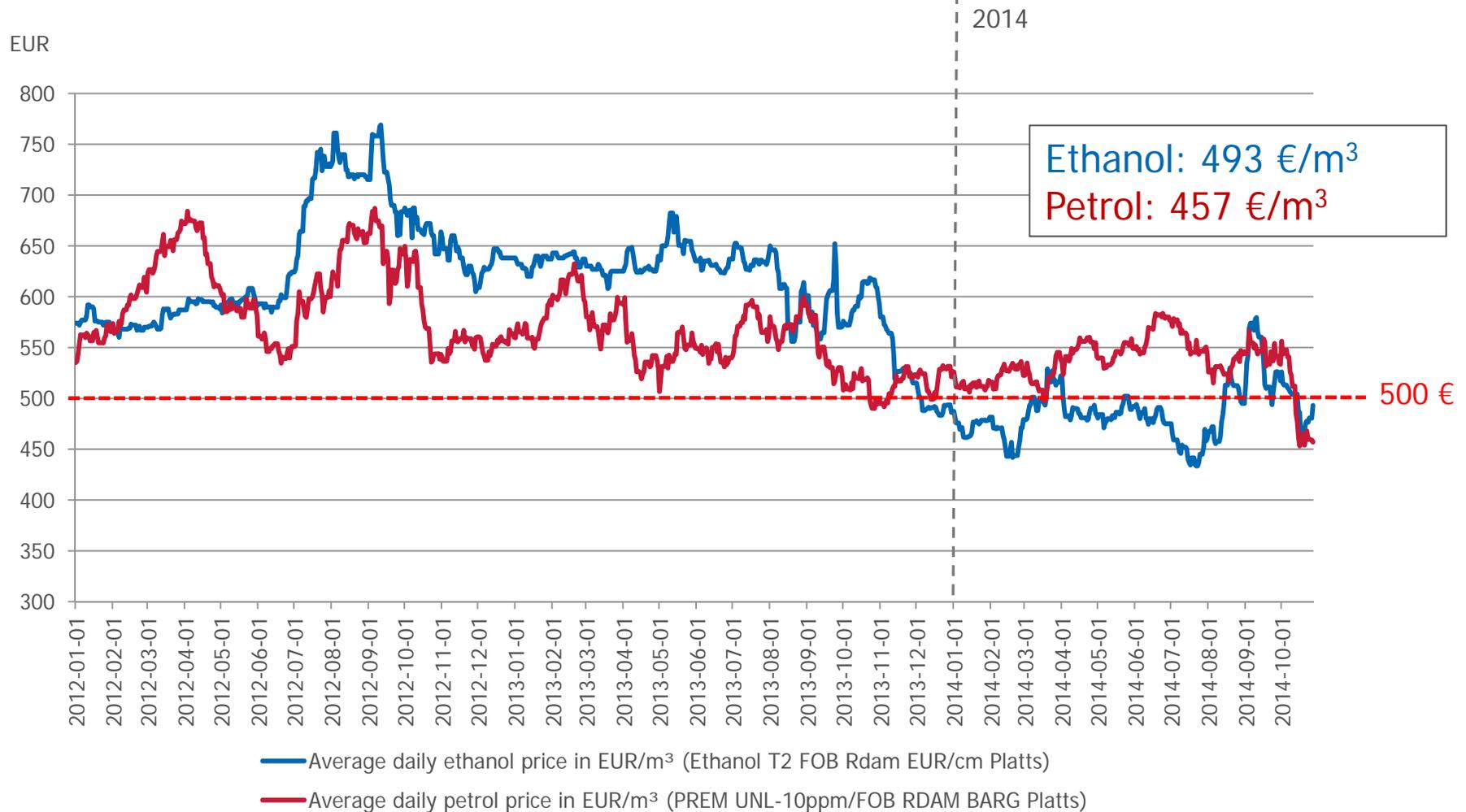
Investment volume ~ € 100 m (50% share held by AGRANA: ~ € 50 m)
for grind increase from 1,500 to 3,000 tonnes/day
for isoglucose capacity increase due to quota increase
for bioethanol expansion
Theoretical capacity up to 187,000 m³
Conclusion of expansion programme July 2008
Raw material base corn



Development of ethanol prices



1 January 2012 – 27 October 2014

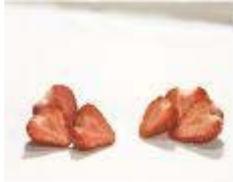




FRUIT —



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 segment – market position

Fruit preparations

World Market Leader in Fruit preparations
global market share > 30%

While the market's sales volumes of fruit preparations in Europe are stagnating at a high absolute level, the Americas and the Asia-Pacific region are showing very good market growth rates

Fruit juice concentrates

- Largest producer of fruit juice concentrates in Europe (AUSTRIA JUICE)
- Additional customer portfolio and new markets
- Optimisation measures taken in previous years show their positive effects

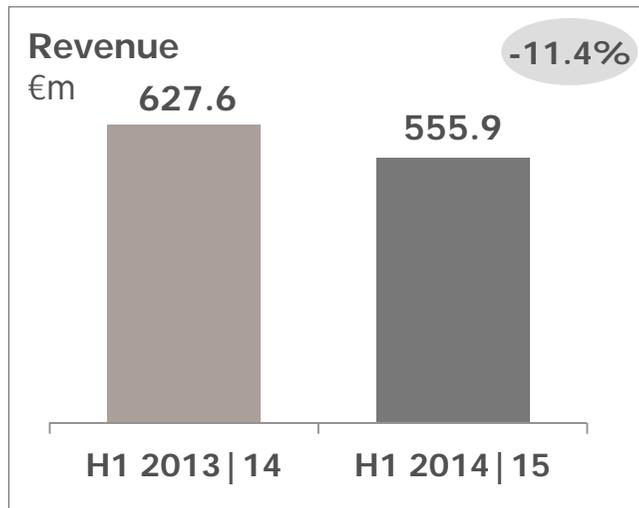
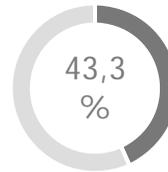
26 Fruit Preparation Plants & 14 Fruit Juice Concentrate Plants



FRUIT segment

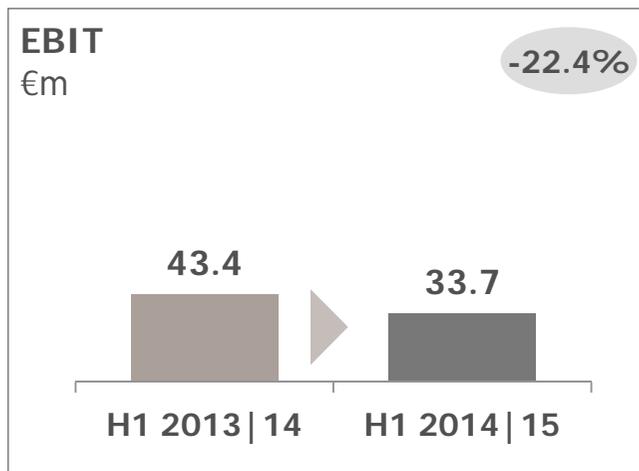
Financial results H1 2014|15

Share of total revenue



Revenue down to € 555.9 million

- In fruit preparations, sales quantities were held nearly at the prior-year level
- But foreign exchange effects from the stronger euro led to a revenue decline of close to 5%
- The revenue reduction of about one-quarter in the fruit juice concentrate business resulted from both a yoy decline especially from lower selling prices for apple juice concentrate



EBIT with € 33.7 million less than in p/y

- Fruit juice concentrate activities generated a small improvement in margins
- Earnings in the fruit preparations business were adversely affected by a provision expense (€ 4.6 million) for closing the fruit ingredients plant in Kröllendorf and moving the production to Gleisdorf as well as by currency translation

FRUIT segment

— Market environment H1 2014|15



FRUIT Segment

Fruit preparations:

- For fruit preparations, there is continuing **growth in the non-European markets** and a slight demand decline within the EU
- Specifically, current market data for the last 52 weeks show a 2% decrease in Europe, while Russia saw growth of 4% and the US market was steady (up 0.2%)
- In Ukraine the political uncertainty had the effect of reducing demand, but thus far only by percentage rates in the single digits

Fruit juice concentrates:

- Concerning fruit juice concentrates, Western European consumption of beverages high in fruit juice remains on a gentle easing trend, with most of this decrease occurring in Germany
- **Prices of apple juice concentrate are very low** because of good crops and the Russian import sanctions for fresh fruit from the EU



IFRS 11 TRANSITION

CONSOLIDATED FINANCIAL STATEMENTS H1 2014|15

Changes resulting from use of equity accounting from 2014|15 FY



A quick reminder...

- The application of **IFRS 11 (Joint Arrangements)** is mandatory from the new 2014|15 financial year
- As a result, the companies of the **HUNGRANA group** (in the **Starch** segment) and of the **West Balkans group** (in the **Sugar** segment) will no longer be proportionately consolidated in AGRANA's consolidated financial statements but instead will be accounted for using the **equity method**
- The transition to the equity method of accounting **has impacts particularly on the reporting of sales revenue, operating profit before special items and operating profit (EBIT)**



— Consolidated income statement

€m (condensed)	H1 2014 15	H1 2013 14 ¹	Q2 2014 15	Q2 2013 14 ¹
Revenue	1,285.2	1,565.6	638.0	765.6
Operating profit before exc. items & JV	78.2	90.6	31.7	38.9
Exceptional items	(4.1)	0.0	(4.1)	0.0
Share of results of equity-accounted JV	12.9	13.6	6.5	5.8
EBIT	87.0	104.2	34.1	44.6
Net financial items	(7.1)	(15.2)	(4.4)	(7.6)
Profit before tax	79.8	89.0	29.7	37.0
Income tax expense	(18.9)	(19.8)	(8.0)	(7.7)
Profit for the period	60.9	69.2	21.7	29.3
Attributable to shareholders of the parent	57.9	65.2	20.2	27.6
Earnings per share (€)	4.08	4.59	1.42	1.94



— Analysis of net financial items

€m	H1 2014 15	H1 2013 14 ¹
Net interest expense	(7.6)	(7.4)
Currency translation differences	→ 2.9	(7.8)
Other financial items	(2.4)	0.0
Total of net financial items	(7.1)	(15.2)



— Consolidated cash flow statement

€m (condensed)	H1 2014 15	H1 2013 14 ¹
Operating cash flow before change in working capital	93.3	92.0
(Gains) on disposal of non-current assets	(0.5)	(0.6)
Change in working capital	127.4	119.1
Net cash from operating activities	220.2	210.5
Net cash (used in) investing activities	(38.3)	(55.2)
Net cash (used in) financing activities	(94.4)	(93.4)
<i>Net increase in cash and cash equivalents</i>	<i>87.5</i>	<i>61.9</i>



— Consolidated balance sheet

€m (condensed)	31 August 2014	28 February 2014 ¹
Non-current assets	1,121.3	1,103.9
Current assets	1,166.4	1,287.7
<i>Total assets</i>	<i>2,287.7</i>	<i>2,391.6</i>
Equity	1,192.7	1,192.7
Non-current liabilities	390.3	411.0
Current liabilities	704.7	787.9
<i>Total equity and liabilities</i>	<i>2,287.7</i>	<i>2,391.6</i>
Equity ratio	→ 52.1%	49.9%
Net debt	287.4	386.8
Gearing	→ 24.1%	32.4%



Sugar.
Starch.
Fruit.

NEWS UPDATE & OUTLOOK



— “Special activities” in the FRUIT segment

Market growth in North America

- Start of the 4th US fruit preparations plant in Lysander|NY was successful
- Total investment: € 30 million
- New production capacity of 45,000 tonnes annually
- New facility will serve as a response to rising customer demand in Canada and the Northeastern region of the US



Optimising the organisational structure in Austria

- The **fruit preparations plant** in Kröllendorf|Austria, which had been operating at below capacity, is being **relocated** to the larger fruit preparations facility in Gleisdorf|Austria
- Intention to complete the relocation process by the end of the 2014|15 FY
- Kröllendorf remains head office of **AUSTRIA JUICE** and the site for **fruit juice concentrate production**
- As part of the streamlining of the site network for **Fruit juice concentrate** production in Austria, **AUSTRIA JUICE closed the facility in Gleisdorf** after the 2013 processing season; key components of the plant were relocated to the Austrian site in Kröllendorf to expand the processing capacity there

AGRANA Research & Innovation Center



— Investment for the future

- Opening of the **new AGRANA Research & Innovation Center (ARIC)** in Tulln, Austria, in September signals the beginning of a new chapter for AGRANA research
- With these new premises, AGRANA has combined all research and innovation activities of “Zuckerforschung Tulln” (ZFT) and the Innovation and Competence Center (ICC), previously at different geographical locations, under one roof in Tulln
- This will create **synergies for cross-divisional research** focal areas such as nutrition physiology, sweeteners and aromas, microbiology, product quality and safety, and organic products; furthermore, this new AGRANA research headquarters enables an ideal connection to universities and their graduates
- Extension and new equipment: ~ **€ 4 million**
- Operating costs (annually): ~ **€ 6 million**
- 60 employees; area of around 4,000 m²



Outlook 2014|15 FY

Quantitative definitions of

— selected common modifying words used



To help ensure that our financial communications are clear and easy to understand:

Modifier	Visualisation	Numerical rate of change
Steady	→	+/- 0% up to 1%
Slight(ly)	↗ or ↘	+/- more than 1% and up to 5%
Moderate(ly)	↑ or ↓	+/- more than 5% and up to 10%
Significant(ly)	↑↑ or ↓↓	+/- more than 10%

Certain modifiers such as “slightly” and “significant” are very common in AGRANA’s financial reporting. For example, when we make statements about trends and rates of change, such as “we expect significant growth”. **To ensure transparency and clarity, we have defined four of the most common such descriptors**, as well as associated visualisations, **by assigning a range of percentage rates and visualisations to each word**. Starting today, whenever one of these words is used in a sense that can be quantified as a percentage, the word means a percentage within the specific range ascribed to the term. The same applies to the defined visualisations. The definitions are found in the table above. For instance, the word “steady” means a change of less than 1%. Note that for stylistic and other reasons, we may sometimes still use different words to describe these same percentage ranges (e.g., stable instead of steady).

Segment outlook 2014|15 FY

On the basis of using equity accounting to restate the
 2013|14 comparative data



SUGAR Segment

Revenue	↓↓
EBIT	↓↓

- AGRANA predicts a **significant revenue contraction** in Sugar (2013|14: € 962.9 million) as a consequence of the decline in sugar selling prices that is continuing in the second half of 2014|15
- As the revenue reduction will only partly be offset by lower raw material costs, a **significant decrease in EBIT** is projected (2013|14: € 49.2 million)

STARCH Segment

Revenue	↘
EBIT	↘

- AGRANA expects the 2014|15 financial year to bring a **slight reduction in Starch revenue** (2013|14: € 706.7 million)
- The significant contractions in the prices of bioethanol and isoglucose should be largely made up through higher volumes
- Currently, AGRANA believes that in the Starch segment, the probably difficult market situation for bioethanol and saccharification products will result in **EBIT slightly below the prior-year** level (2013|14: € 54.0 million)

FRUIT Segment

Revenue	↘
EBIT	↓

- The Fruit segment's **revenue** is predicted to **dip slightly** for the 2014|15 financial year (2013|14: € 1,172.1 million); **EBIT earnings** are seen **moderately lower** than in the prior year (2013|14: € 63.8 million) on continuing restructuring measures
- Restructuring measures and the strong euro will weigh on consolidated EBIT in fruit preparations
- The outlook for the Fruit segment is based on the assumption that the current slight decline in sales volume in Russia and Ukraine continues, but without turning into a plunge

Outlook AGRANA Group for 2014|15 FY

On the basis of using equity accounting to restate the
— 2013|14 comparative data



AGRANA Group

Revenue 2014 | 15 FY



EBIT 2014 | 15 FY



- For the 2014|15 financial year as a whole, AGRANA expects a **significant decrease** in **Group revenue** (2013|14: € 2,841.7 million), driven by much lower average prices
- For **EBIT** the Group is forecasting a **significant reduction** (2013|14: € 167.0 million) as a result of the price declines that are manifesting notably for sugar and ethanol
- AGRANA Group's **total investment** of about **€ 96 million** will be approximately in line with the rate of depreciation



— Financial calendar for 2014|15

13 January 2015

Results for the first three quarters of 2014 | 15

13 May 2015

Annual results for 2014|15 (press conference)

3 July 2015

Annual General Meeting for 2014|15

8 July 2015

Ex-dividend date and dividend payment

9 July 2015

Results for the first quarter of 2015|16



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Quantitative definitions of selected common modifying words used:

Modifier	Visualisation	Numerical rate of change
Steady	→	+/- 0% up to 1%
Slight(ly)	↗ or ↘	+/- more than 1% and up to 5%
Moderate(ly)	↑ or ↓	+/- more than 5% and up to 10%
Significant(ly)	↑↑ or ↓↓	+/- more than 10%