

IN OUR HANDS



AGRANA
Online Annual Report 2013|14
<http://reports.agrana.com/en>



AGRANA Beteiligungs-AG **Roadshow London**

Goldman Sachs

21 May 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.



— Agenda

Introduction & Business Overview

Highlights 2013|14

Segment Overview 2013|14

Financial Statements 2013|14

IFRS 11 & Outlook 2014|15



INTRODUCTION BUSINESS OVERVIEW

HIGHLIGHTS
2013|14 —

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 ...

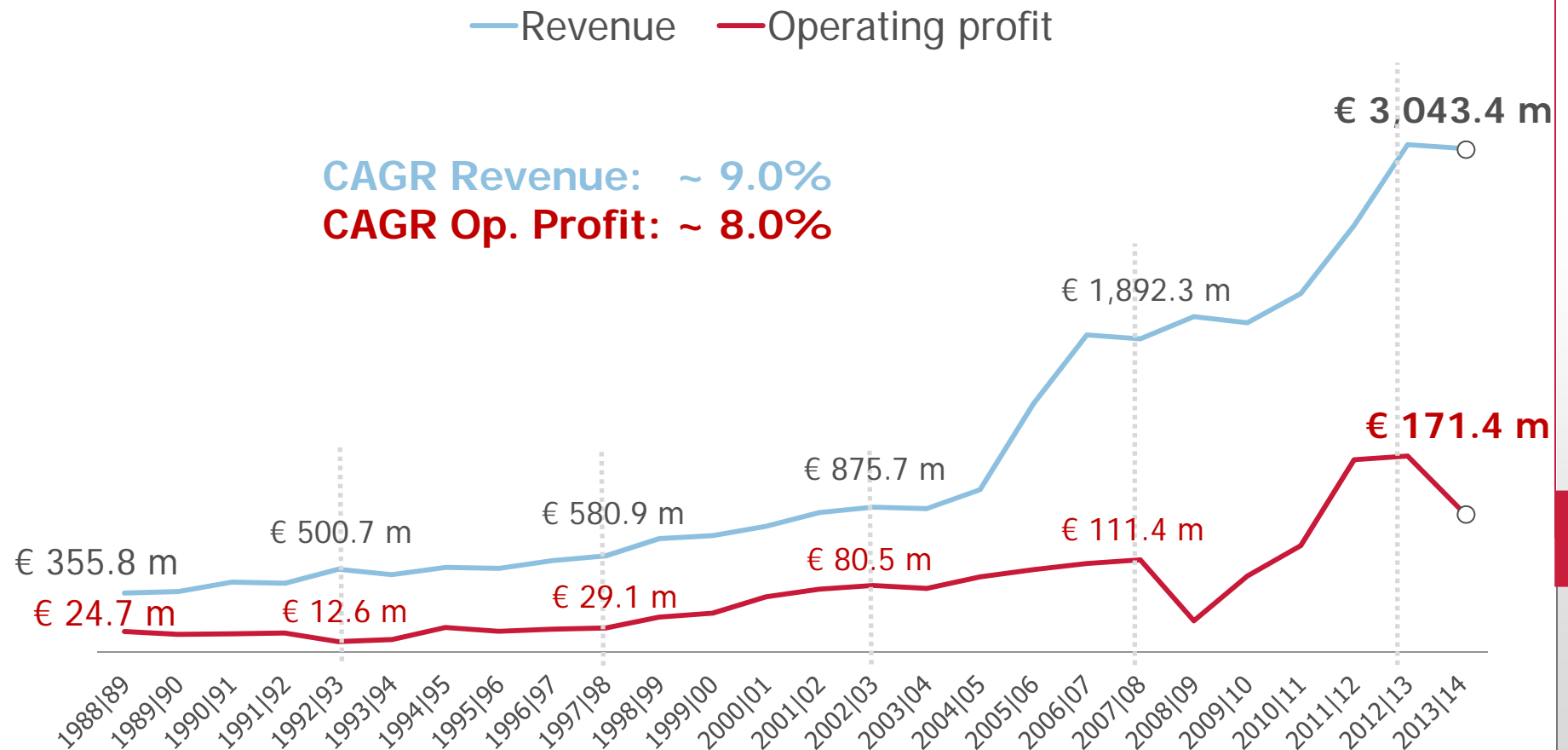
- Approximately **8,800 employees** worldwide
- **55 production sites** in **26 countries** around the world



AGRANA history in numbers



— Solid economic growth





— Growth by strategy

Our strategic goals

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

**Capital
Market**

A long-term asset for
shareholders

SUGAR
C, E & SE
Europe

**Refining
of agricultural
raw materials**

STARCH
Europe

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

FRUIT
Global

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

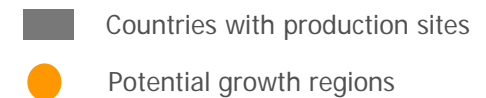
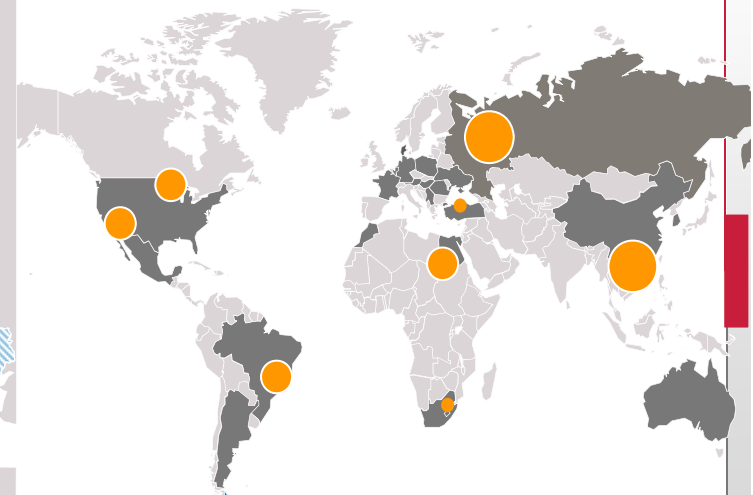
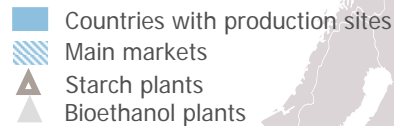
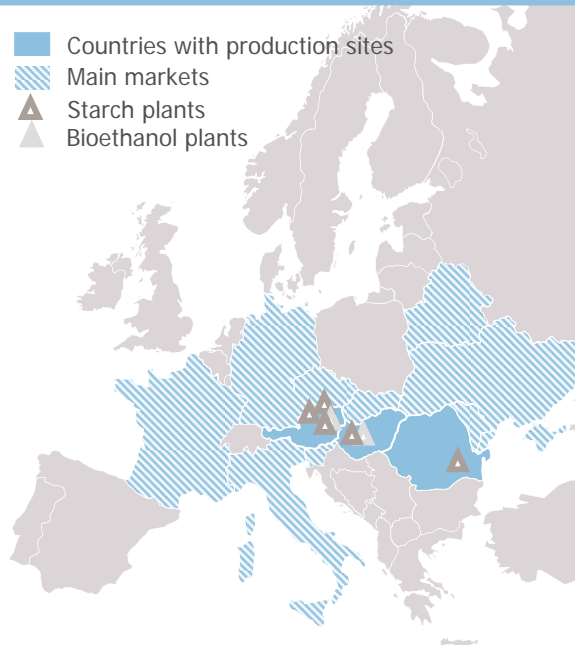
7 sugar beet plants
2 raw sugar refineries + Instantina plant

5 starch plants (incl. 2 bioethanol plants)

26 fruit preparation plants and
14 fruit concentrate plants



* Also with refining activities



AGRANA share in 2013|14

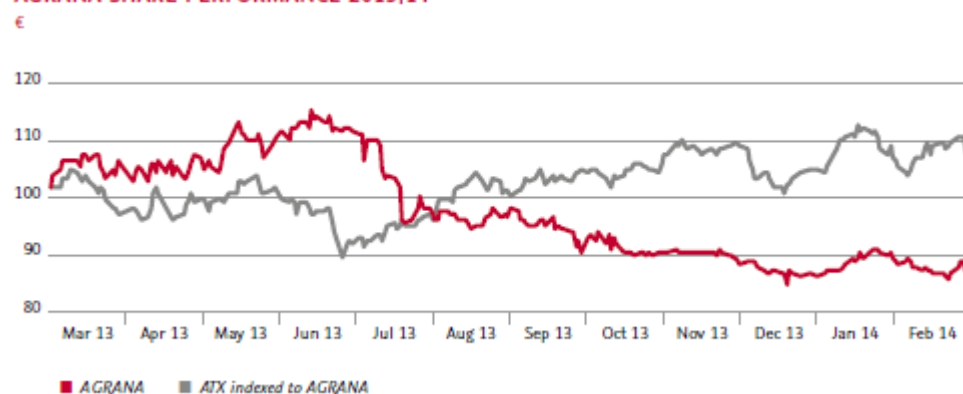


Steady dividend policy

Dividend yield: **4.1%¹** P/E ratio: **11.5¹** Market capitalisation: **€ 1,245.5² m**

¹ Proposal to AGM
² as of 28 Feb 2014

AGRANA SHARE PERFORMANCE 2013|14



STEADY DIVIDEND POLICY

	2013 14	2012 13	2011 12
Dividend per share	€ 3.60 ¹	€ 3.60	€ 3.60
Dividend yield ²	4.10% ¹	3.55%	4.29%
Dividend payout ratio	47.37% ¹	34.22%	33.55%

¹ Proposal to the Annual General Meeting.

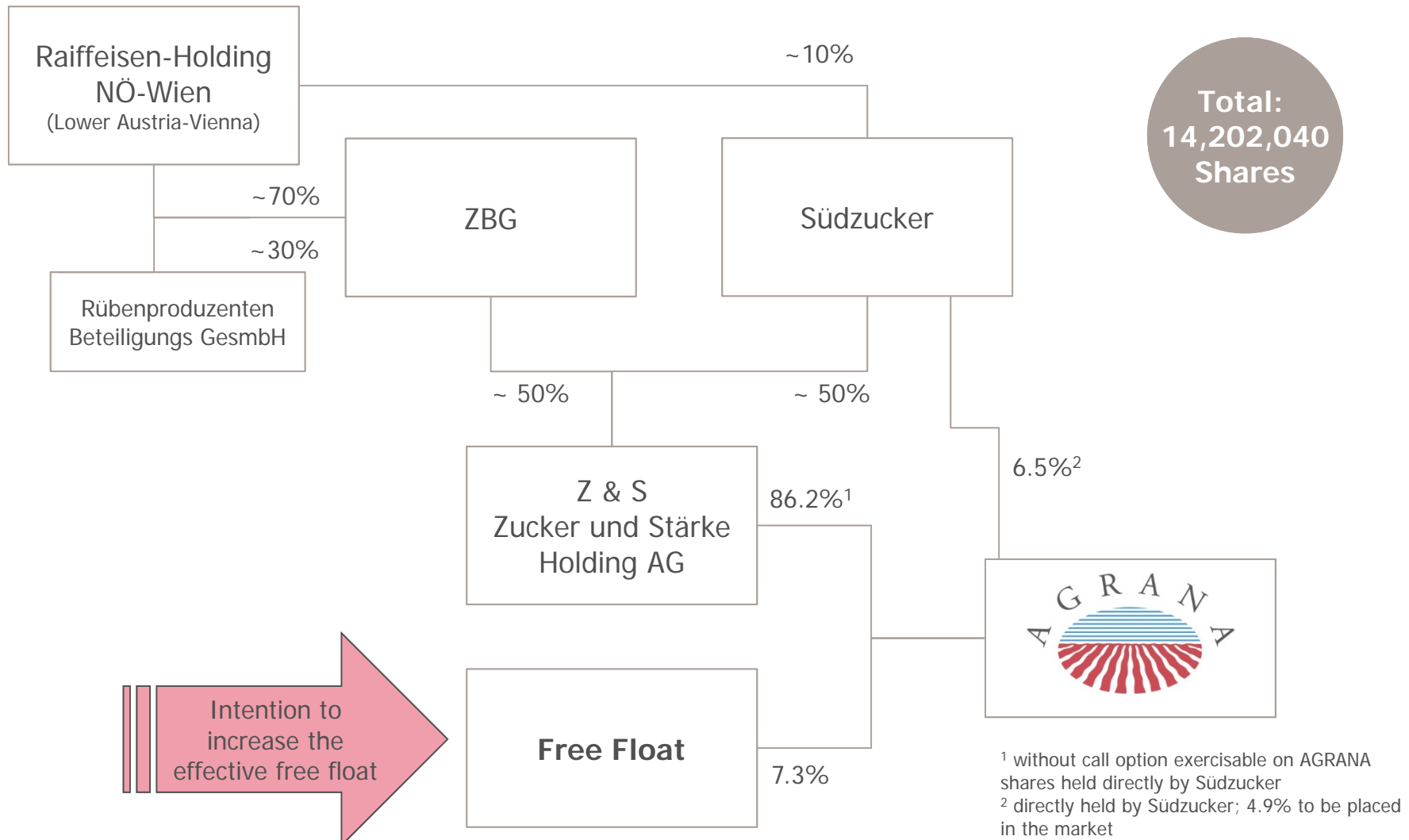
² Based on the closing share price at the balance sheet date.

Performance (1/3/2013 – 28/2/2014): **AGRANA -13.6%, ATX +4.9%**

- 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





— Highlights of 2013|14 results

	2013 14	2012 13
Revenue	€ 3,043.4 million	€ 3,065.9 million
Operating profit	€ 171.4 million	€ 236.9 million
Operating margin	5.6 %	7.7 %
EPS	7.60 €	10.52 €
Dividend	3.60 €*	3.60 €

	28 Feb. 2014	28 Feb. 2013
Equity ratio	48.6 %	47.0 %
Gearing	34.4 %	39.9 %

- Positive net exceptional items of € 3.9 million (prior year: net expense of € 19.1 million)
- Successful production start of wheat starch plant in Pischelsdorf, Austria

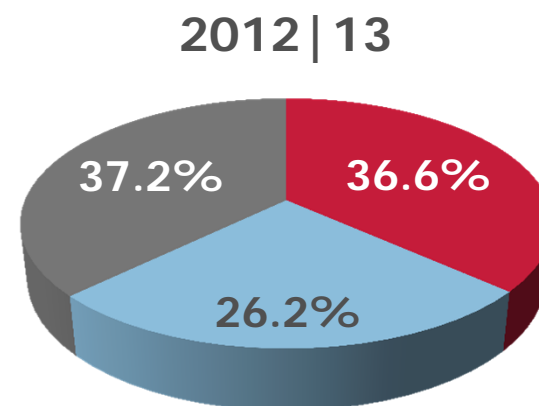
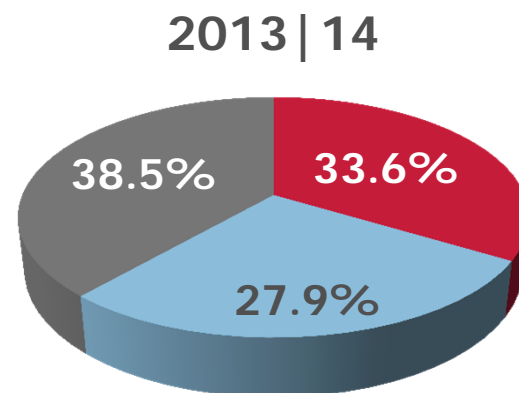
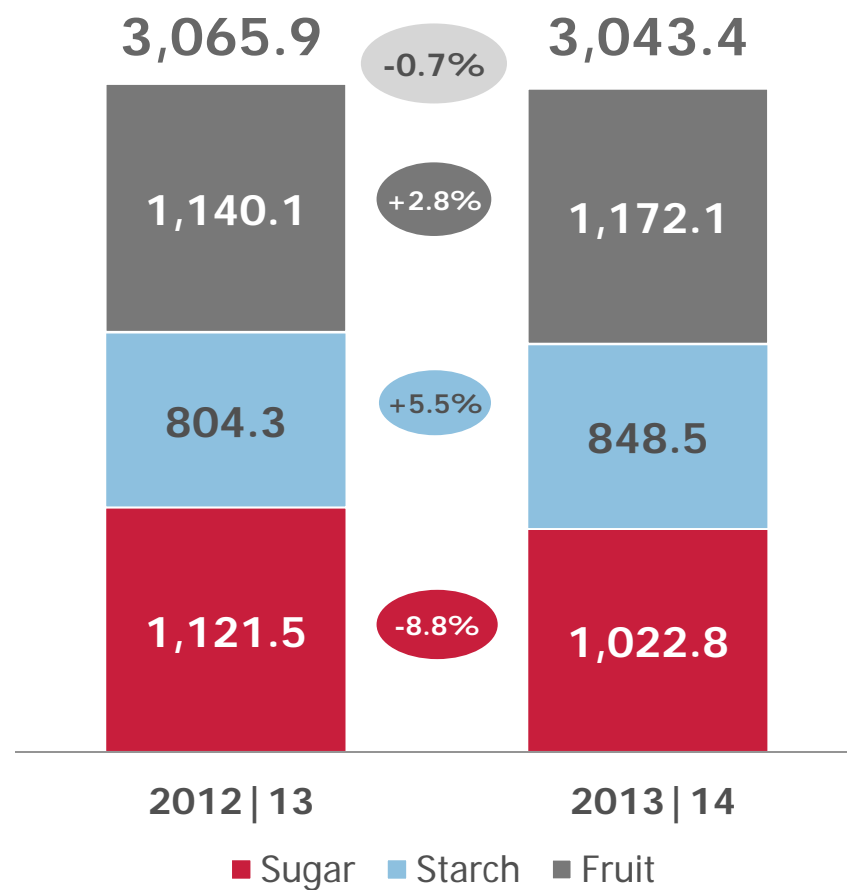
* Proposal to AGM

Revenue by segment

2013|14 FY



€m

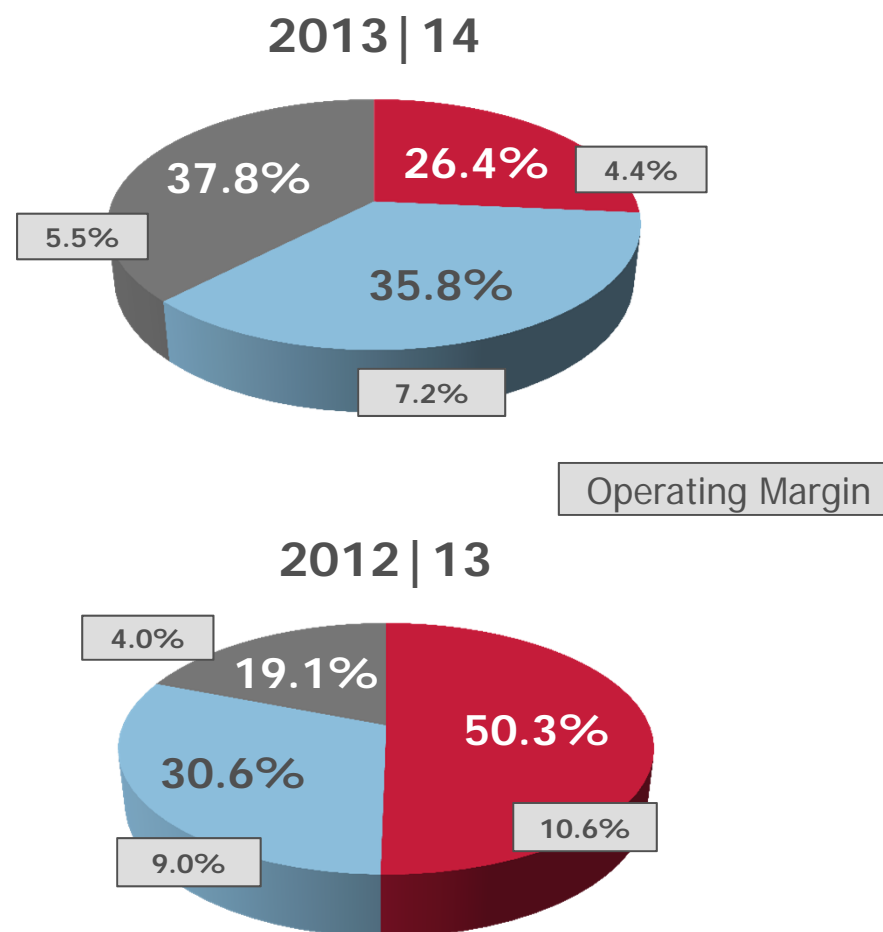
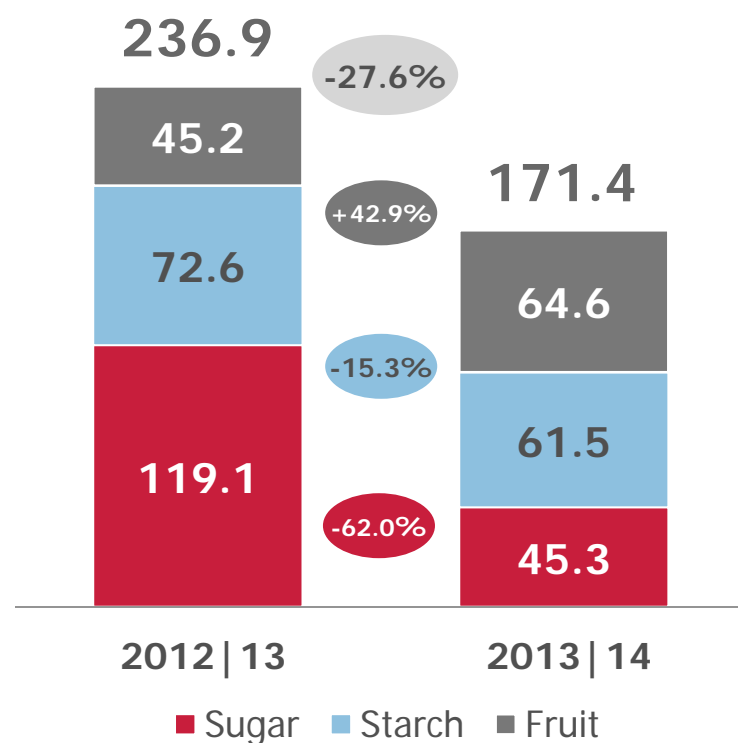


Operating profit by segment

2013|14 FY



€m



CAPEX evolution



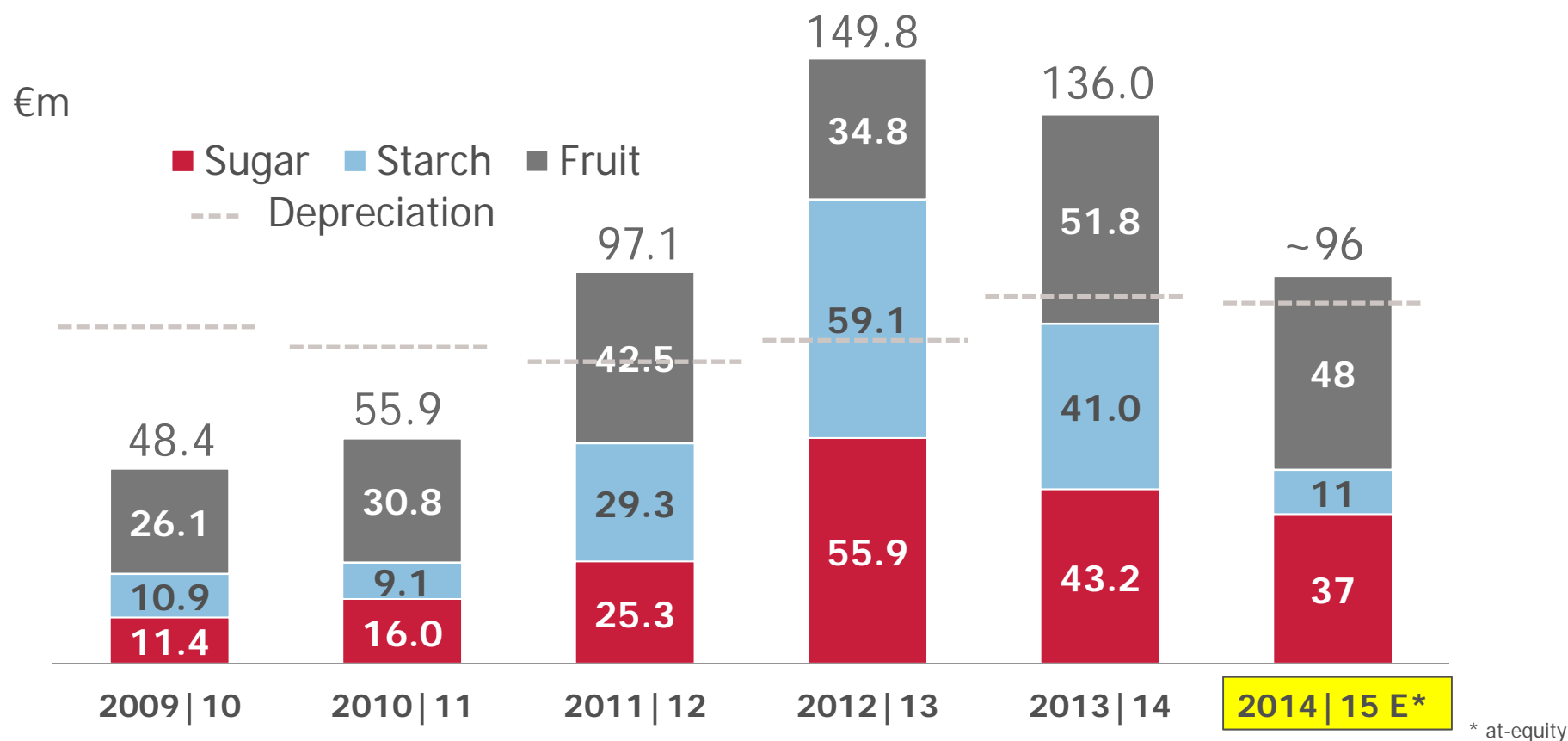
Investment for sustainable growth

2013 | 14 FY:

SUGAR: Mainly related to logistics improvements in Hungary and Romania

STARCH: Primarily for the construction of the wheat starch plant and energy efficiency measures (Pischelsdorf)

FRUIT: Related mostly to the new US fruit preparations plant in Lysander, New York





SEGMENT OVERVIEW 2013|14 —



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)

7 sugar plants and 2 raw sugar refineries



Current production plants

Current markets

Sugar plant

Raw sugar refinery

Distribution centre

* Also with refining activities

Market environment



— Drivers for 2013|14 FY

SUGAR Segment

- Further stabilisation in world sugar stocks at 76.2 million tonnes (SMY 2012|13: 72.6 million tonnes) or 43.3% (SMY 2012|13: 42.1%) of annual consumption
- Prices on sugar markets were volatile for much of the financial year
- European Commission took again exceptional measures in SMY 2012|13 to increase the level of supply in the EU sugar market (consequently higher quota sugar stocks); no measures in 2013|14 up-to-now

STARCH Segment

FRUIT Segment

SUGAR segment

— Highlights 2013|14 FY



Revenue

€m

1,121.5

1,022.8

-8.8%

2012|13

2013|14

Revenue below prior year

- Reduction was due to sharply lower selling prices
- In volume terms, both with retailers and the sugar-using industry, the market-leading position was further consolidated through high quota sugar sales quantities and good service

Operating profit

€m

119.1

45.3

-62.0%

2012|13

2013|14

Operating profit dropped to € 45.3 million

- As expected, the operating profit before exceptional items was substantially lower than the prior year's record result
- Key factors behind this were the falling sales prices combined with still high raw material costs both for beet and for raw sugar



Quotation

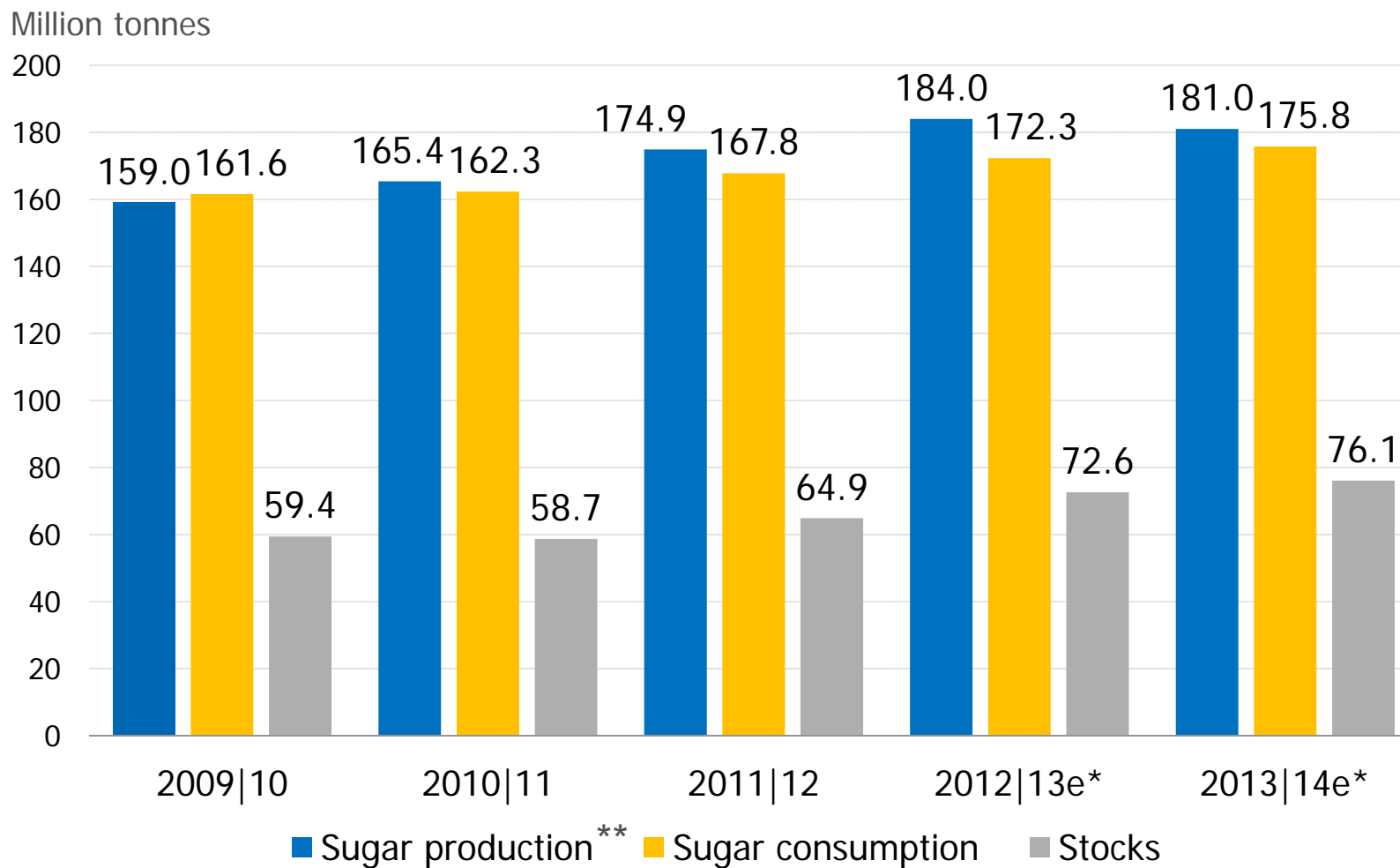
— For raw sugar & white sugar

January 2006 – May 2014 (USD)





World sugar production & consumption



Source: F.O. Licht (25 February 2014)

* Expectation

** Production: October-September

New sugar refinery plants in Romania



— In Urziceni and Liesti (Lemarco S.A.)

- AGRANA plans to increase its sugar beet production but also its sugar refining activities and, therefore, to consolidate its **presence in the South-East European market**
- The agreement is still **subject to the approval of the competent anti-trust authority in Romania**
- The refining site is located around 60km north-east of Bucharest and, being at a major road and rail network intersection, is **well connected to the port of Constanta** on the Black Sea, which is important for the supply of commodities
- With a **volume of more than 500,000 tonnes of sugar**, the Romanian sugar market is supplied only 20% with sugar from sugar beet; the remaining 80% is with sugar made from the refining of raw sugar and from imported white sugar



— 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



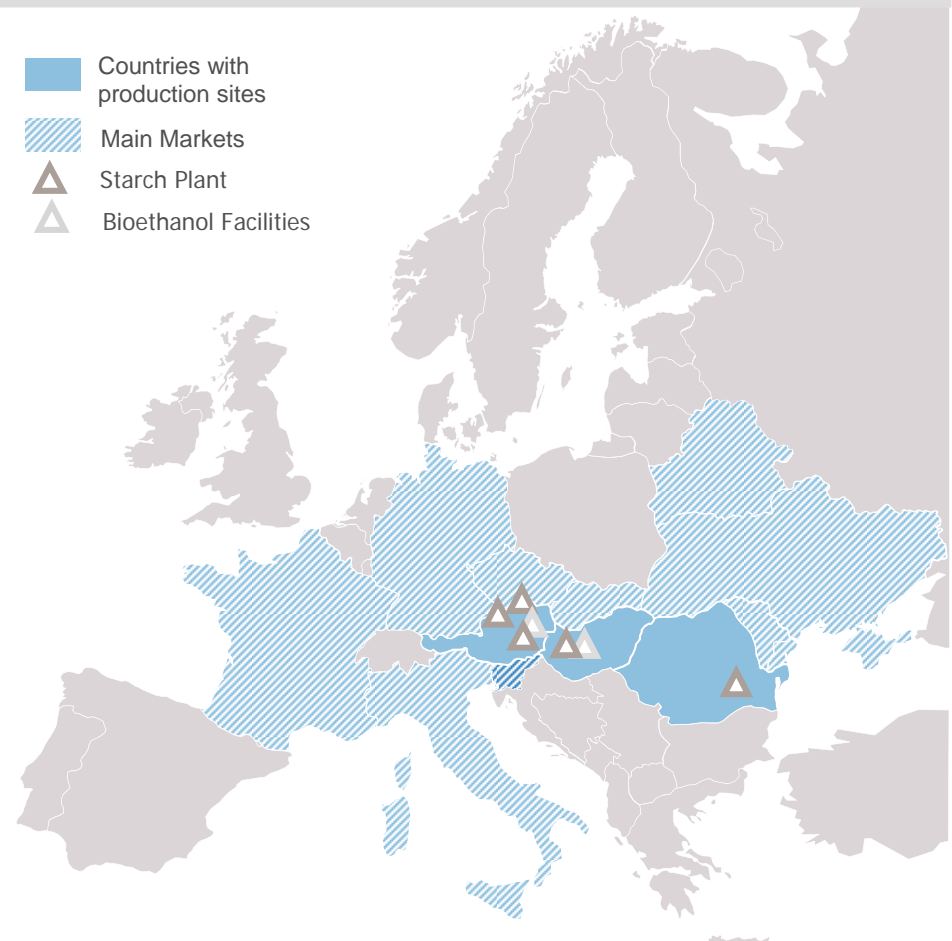
STARCH



— 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



Market environment

— Drivers for 2013|14 FY



SUGAR Segment

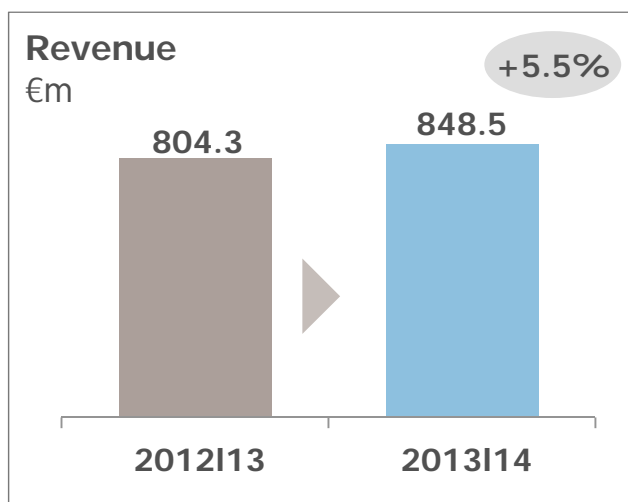
STARCH Segment

- Estimated worldwide cereal production (wheat and corn) exceeds demand resulting in increasing stock levels
- Consistent with the higher supply on international commodity markets, futures prices declined over the year

FRUIT Segment

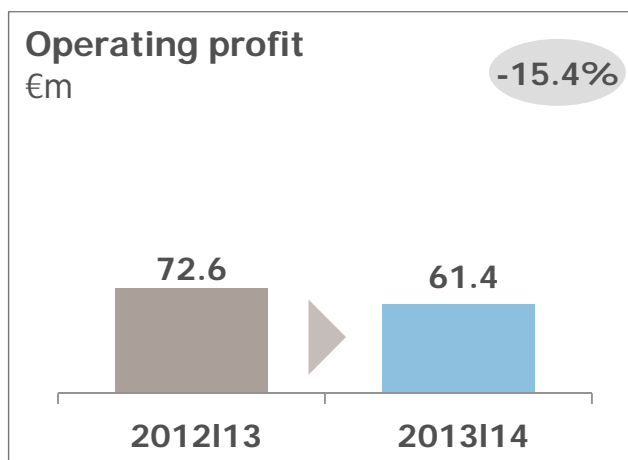
STARCH segment

— Highlights 2013|14 FY



Revenue increase to € 848.5 million

- Revenue increase mainly reflected stronger sales volumes of core products and by-products
- The newly built wheat starch plant in Pischelsdorf, Austria, boosted the quantities of starch sold by AGRANA
- The selling prices for core and by-products were somewhat lower than one year earlier



Operating profit decreased to € 61.4 million

- Earnings reduction was caused primarily by the lower profit contribution from the bioethanol activities
- As well, the commissioning of the wheat starch plant in Pischelsdorf, Austria, entailed the expected start-up losses



Price development of cereals

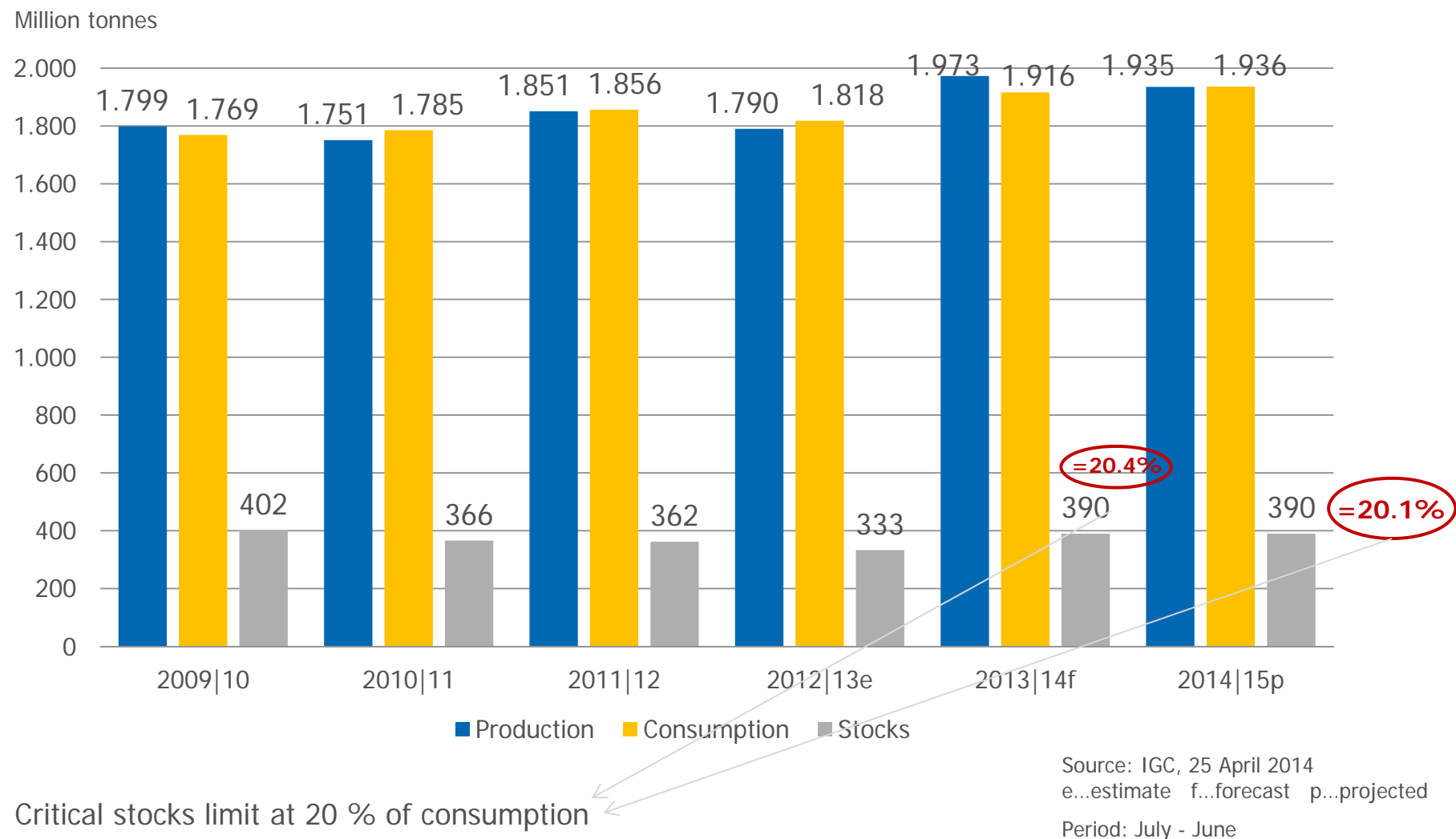
Wheat & corn (Paris)

January 2006 – May 2014 (EUR)





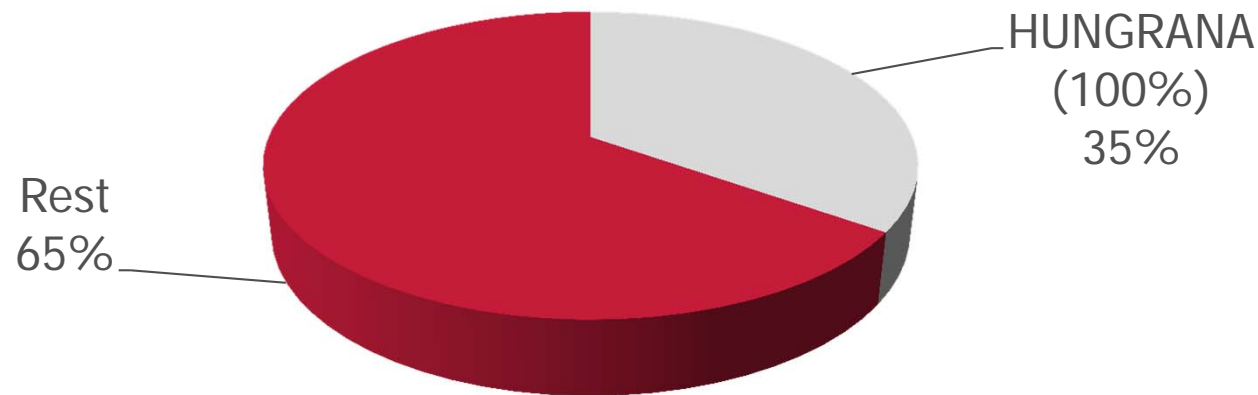
World cereal production & consumption





— 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)



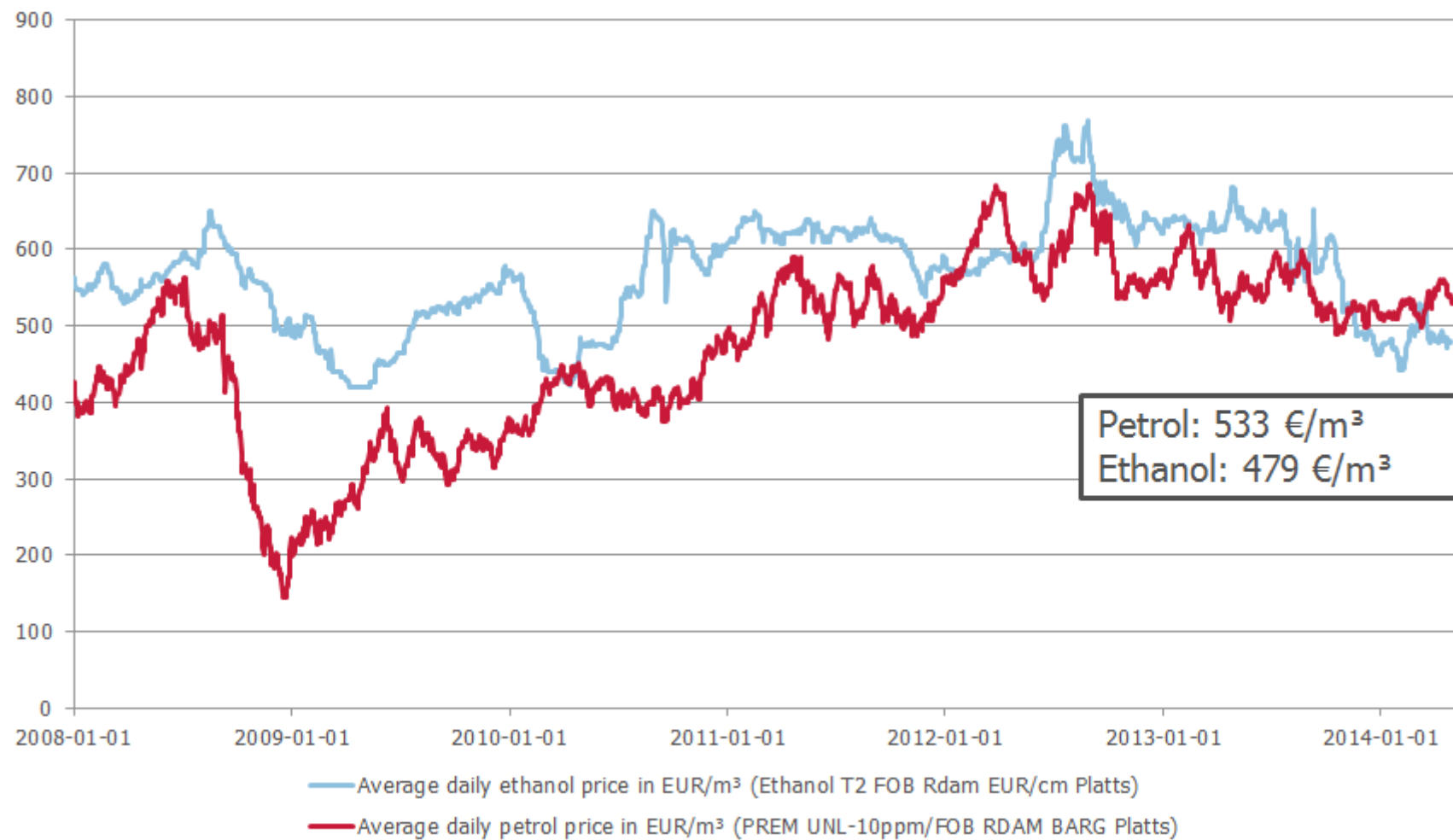
HUNGRANA (Hungary)

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 ex-
pansion programme July 2008
Raw material base corn





— Ethanol prices





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

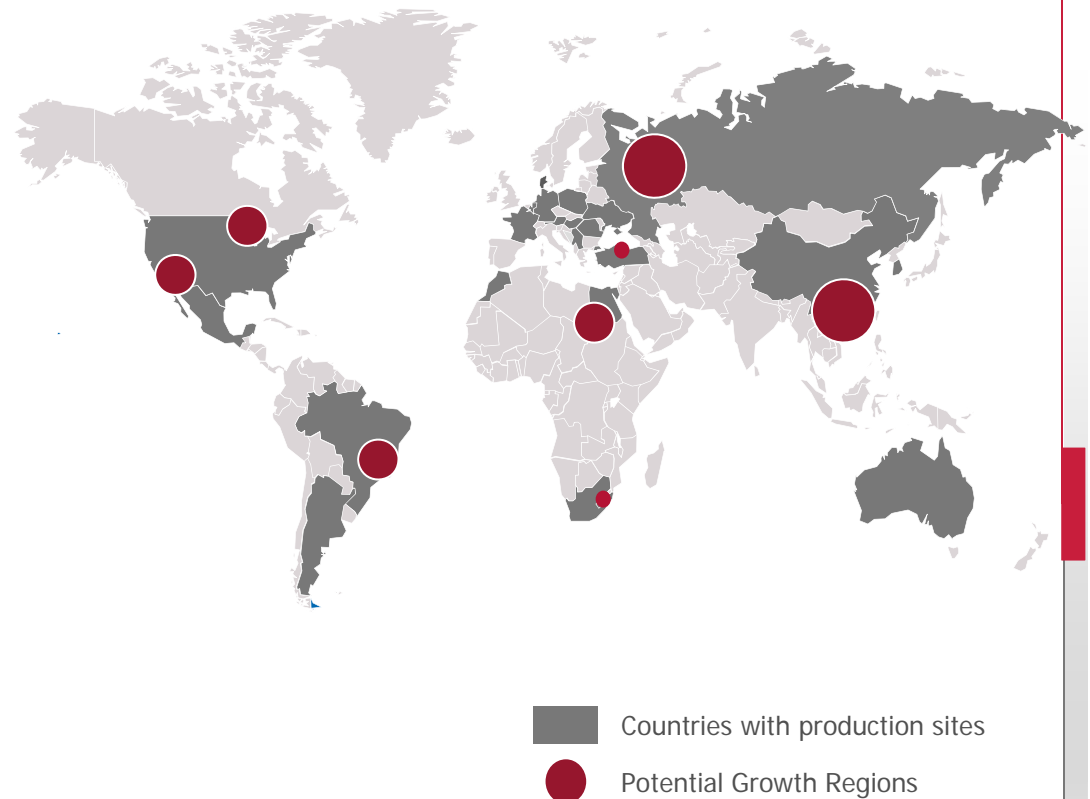
World Market Leader in Fruit preparations
global market share > 30%

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



Market environment



— Drivers for 2013|14 FY

SUGAR
Segment

STARCH
Segment

FRUIT
Segment

Fruit preparations:

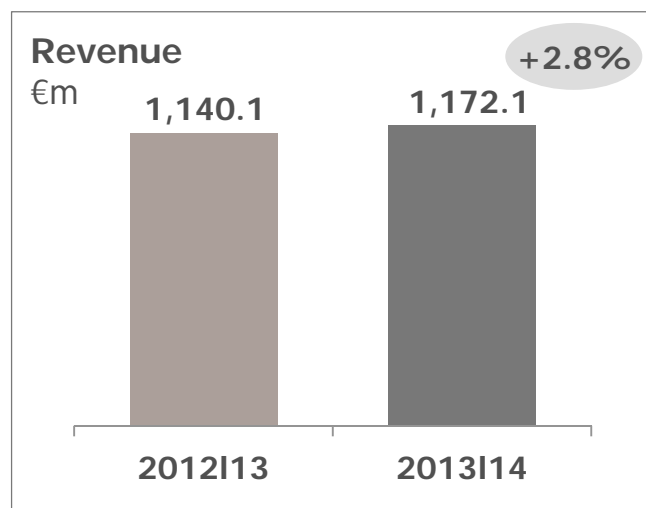
- Worldwide the demand for fruit preparations for use in yoghurts, ice-cream and food services continues to grow by about 3% per year
- A number of non-EU markets, where per-capita consumption is relatively low, are growing significantly
- In the EU, demand for fruit preparations continues to ease by about 1.5% per year

Fruit juice concentrates:

- Trend towards fruit juice beverages with low juice content continues unbroken
- For beverages high in fruit juice, consumption in Western Europe remains on a mild easing trend, with most of this decrease occurring in Germany

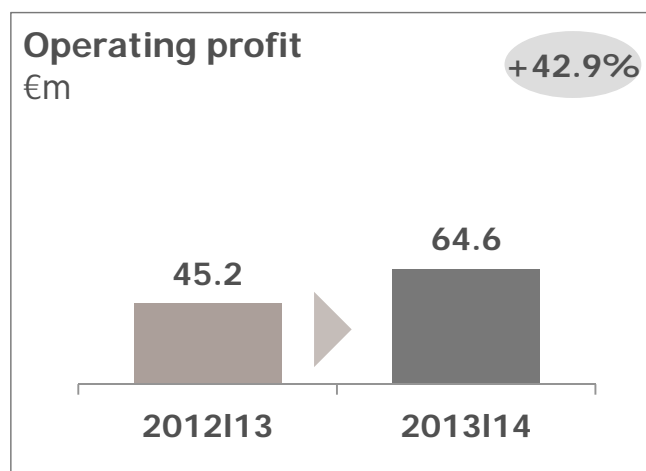
FRUIT segment

— Highlights 2013|14 FY



Revenue rose to € 1,172.1 million

- Quantity of fruit preparations sold was expanded by approximately 6%, composed of growth of about 5% at the EU plants and around 7% at the facilities outside Europe
- Growth in fruit juice concentrates was driven primarily by higher sales quantities of apple juice concentrate



Operating profit increased to € 64.6 million

- Key driving factor was sales volume growth in the fruit preparations business
- In fruit juice concentrates, operating profit before exceptional items was pushed up thanks to a favourable contract situation from the prior-year (2012) campaign

Start of new US facility in 2014|15 FY



— Fruit preparations

- Expanding market presence in North America by a new fruit preparations plant in **Lysander | NY** (Northeastern region of the US)
- Total investment amounts to around **€ 30 million**
- US market offers **strong growth** thanks to a trend toward Greek yoghurt
- New facility will serve as a response to **rising customer demand** in **Canada and the Northeastern Region** of the US
- New production capacity of **45,000 tonnes** annually
- AGRANA currently operates now four North American production sites in Botkins|Ohio, Centerville|Tennessee, Fort Worth|Texas and Lysander|NY and has its head office and New Product Development center in Brecksville|Ohio



CONSOLIDATED FINANCIAL STATEMENTS 2013|14



— Consolidated income statement

€m (condensed)	2013 14	2012 13 ¹	change
Revenue	3,043.4	3,065.9	-0.7%
Operating profit before except. items	171.4	236.9	-27.6%
Exceptional items	3.9	(19.1)	> +100%
Operating profit after exceptional items	175.3	217.9	-19.6%
Net financial items	(27.2)	(27.7)	+1.8%
Profit before tax	148.1	190.2	-22.1%
Income tax (expense)	(38.4)	(33.7)	-13.9%
Profit for the period	109.8	156.5	-29.8%
Attributable to shareholders of the parent	107.9	149.4	-27.8%
Earnings per share (€)	7.60	10.52	-27.8%
Dividend	3.60 ²	3.60	0.0%

¹ The prior-year data were restated under IAS 8 ² Proposal to AGM



Exceptional items

— In the Sugar and Fruit segments

SUGAR segment (income of EUR 4.7 million)

- In December 2013 the European Commission complied with a judgment of the European Court of Justice to reimburse the European Sugar industry for wrongly collected so-called production levies
- As a result, AGRANA received a refund of € 4.7 million

FRUIT segment (expenses of EUR 0.8 million)

- One-off effects in the fruit preparations company AGRANA Fruit South Africa (Proprietary) Ltd. For partly logistic reasons
- All South African production will from now on be concentrated at the Johannesburg site; the plant in Cape Town was closed in January 2014
- Resulted mostly from termination benefit obligations and impairment charges



— Tax rate

€m	2013 14	2012 13 ¹
Profit before tax	148.1	190.2
Income tax expense	(38.4)	(33.7)
Tax rate	25.9%	17.7%



Reasons for higher tax rate in 2013 | 14:

- 3.7 percentage points of the increase resulted from changes in local tax rates and from non-recurring tax expenses/income
- 2.6 percentage points of the increase represented the effects of different tax rates applied on foreign income
- 2.0 percentage points of the increase came from tax-effective losses/gains on remeasurement of consolidated subsidiaries

¹ The prior-year data were restated under IAS 8



— Consolidated cash flow statement

€m (condensed)	2013 14	2012 13
Operating cash flow before change in working capital	196.2	256.3
(Gains) on disposal of non-current assets	(1.1)	(0.7)
Change in working capital	88.1	(50.9)
Net cash from operating activities	283.2	204.8
Net cash (used in) investing activities	(131.1)	(136.9)
Net cash (used in) financing activities	(142.6)	(21.6)
<i>Net increase in cash and cash equivalents</i>	<i>9.5</i>	<i>46.3</i>



— Consolidated balance sheet

€m (condensed)	28 February 2014	28 February 2013 ¹
Non-current assets	1,119.8	1,097.9
Current assets	1,332.3	1,480.5
<i>Total assets</i>	<i>2,452.1</i>	<i>2,578.4</i>
Equity	1,192.7	1,211.9
Non-current liabilities	417.9	519.5
Current liabilities	841.4	847.0
<i>Total equity and liabilities</i>	<i>2,452.1</i>	<i>2,578.4</i>
Equity ratio	➡ 48,6%	47.0%
Net debt	410.6	483.7
Gearing	➡ 34,4%	39.9%

¹ The prior-year data were restated under IAS 8



Sugar.
Starch.
Fruit.

IFRS 11 & OUTLOOK

Changes resulting from use of equity accounting from 2014|15 FY (1)



- 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 **will have impacts particularly on** the reporting of **sales revenue, operating profit before exceptional items and operating profit after exceptional items**

Changes resulting from use of equity accounting from 2014|15 FY (2)



The outlook for 2014|15 is **already presented on the basis of using equity accounting** to restate the 2013|14 comparative data, as shown in the following table:

AGRANA Group €m	2013 14 published ¹	IFRS 11 restatement	2013 14 restated ²
Revenue	3,043.4	-201.7	2,841.7
Operating profit	171.4	-36.6	134.8
Share of profit of associates	0.0	+28.4	28.4
EBIT	175.3	-8.3	167.0
PAT	109.8	0.0	109.8

¹ Proportionate consolidation ² Equity accounting

Changes resulting from use of equity accounting from 2014|15 FY (3)



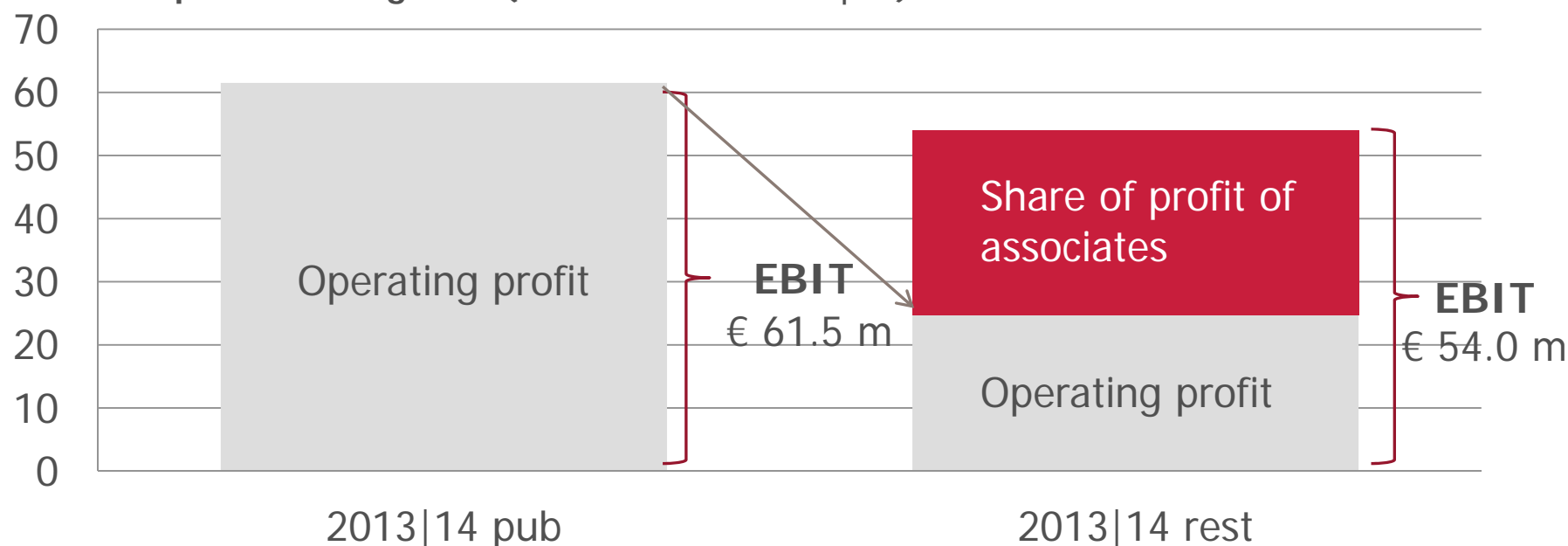
SUGAR Segment €m	2013 14 published ¹	IFRS 11 restatement	2013 14 restated ²
Revenue	1,022.8	-59.9	962.9
Operating profit	45.3	+0.2	45.5
Share of profit of associates	0.0	-0.9	-0.9
EBIT	50.0	-0.8	49.2
STARCH Segment €m	2013 14 published ¹	IFRS 11 restatement	2013 14 restated ²
Revenue	848.5	-141.8	706.7
Operating profit	61.5	-36.8	24.7
Share of profit of associates	0.0	+29.3	29.3
EBIT	61.5	-7.5	54.0



Changes resulting from use of equity accounting from 2014|15 FY (4)

- It should be noted that, as a result of the adoption of equity accounting, the **focus** of the earnings outlook is now on profit after exceptional items (**EBIT**)
- The reason is that under the new accounting standard, operating profit before exceptional items, which was the target parameter until now, no longer includes the HUNGRANA and West Balkan groups and, in the future, would thus not provide a true and fair view of the AGRANA Group's actual results

Example Starch segment (EBIT restated 2013 | 14):



Segment outlook 2014|15 FY

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



SUGAR Segment

- AGRANA expects a decline in revenue amid the continuing low selling prices for sugar
- As the revenue reduction will only partly be offset by lower raw material costs, a further decrease in EBIT is projected

STARCH Segment

- AGRANA is expecting a small, price-driven revenue reduction for 2014|15
- The new wheat starch plant in Pischelsdorf will be running at full capacity and producing native wheat starch, wheat gluten and wheat bran; the resulting positive impact on sales volumes will probably not be able to make up for the price decline – especially in saccharification products and bioethanol – as a result of the high levels of supply
- Nonetheless, AGRANA expects EBIT in the Starch segment to come in slightly ahead of the year-earlier result

FRUIT Segment

- The projection is for sustained growth in revenue thanks to rising sales volumes; EBIT is also seen as rising
- In fruit preparations, both revenue and EBIT are expected to increase; AGRANA thinks that fruit preparations volumes will expand in all regions
- In the fruit juice concentrate activities, a gentle easing trend in revenue is expected year-on-year; EBIT of AUSTRIA JUICE should be marginally below 2013|14 result

Outlook AGRANA Group 2014|15 FY

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



- At present, AGRANA expects a small decrease in **Group revenue** for the 2014|15 financial year as a result of a combination of somewhat lower average selling prices and a slight increase in sales volumes
- The Group also foresees a slight decrease in **operating profit after exceptional items (EBIT)**
- During 2014|15, **total investment** in the three segments, at **about € 96 million**, will be in line with the rate of depreciation



— Financial calendar for 2014|15

4 July 2014

Annual General Meeting for 2013 | 14

9 July 2014

Dividend payment and ex-dividend date

10 July 2014

Results for first quarter of 2014|15

9 October 2014

Results for first half of 2014|15

13 January 2015

Results for first three quarters of 2014|15



— Disclaimer

This presentation is being provided to you solely for your information and may not be reproduced or further distributed to any other person or published, in whole or in part, for any purpose. This presentation comprises the written materials/slides for a presentation concerning AGRANA Beteiligungs-AG ("Company") and its business.

This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or investment decision.

This presentation includes forward-looking statements, i.e. statements that are not historical facts, including statements about the Company's beliefs and expectations and the Company's targets for future performance are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore investors should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

Although care has been taken to ensure that the facts stated in the presentation are accurate, and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by the Company no representation or warranty, express or implied, is given by or on behalf of the Company any of its respective directors, or any other person as to the accuracy or completeness of the information or opinions contained in this presentation. Neither the Company nor any of its respective members, organs, representatives or employees or any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.