



PRESS RELEASE

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AGRANA Group revenue surpasses €3 billion for the first time

Steady dividend proposal of €3.60 per share

- Revenue growth of 18.9% to €3,065.9 million, driven by all segments
- Operating profit up 1.9% to €236.9 million before exceptional items
- Exceptional items expense of €19.1 million in Fruit segment weighs on EBIT
- Equity ratio of 47.0% (prior year: 45.4%)
- Outlook:
 - Modest revenue growth expected for 2013|14
 - Pre-exceptionals operating profit expected to be significantly lower than 2012|13

In the 2012|13 financial year the AGRANA Group boosted its revenue for the third year in succession. With growth of 18.9%, revenue for the first time surpassed three billion euros, reaching €3,065.9 million. Operating profit before exceptional items also rose to a new record of €236.9 million (up 1.9%), while the operating margin eased to 7.7% (from 9.0% in the prior year) on the disproportionate revenue growth. Higher sales volumes in all three segments and stronger selling prices for quota sugar were key drivers of the continuing high profitability. In the Fruit segment, reorganisation measures in Europe and provisions for irregularities discovered at a Mexican subsidiary made a negative difference of €19.1 million in operating profit after exceptional items.

A modest increase in the net financial items expense to €27.7 million (prior year: €24.7 million) was mainly the result of interest expense (which rose by €1.9 million) for the financing of the higher working capital. The currency translation loss of €0.7 million was nearly unchanged from the prior year's (€0.8 million). Profit before tax eased somewhat from €206.3 million in the prior year to €190.2 million. After an income tax expense of €33.7 million based on a tax rate of 17.7% (prior year: 24.5%), the Group's profit for the period was €156.5 million (prior year: €155.7 million). Profit for the period attributable to shareholders of AGRANA amounted to €149.4 million (prior year: €152.4 million); earnings per share were €10.52 (prior year: €10.73).

With total assets up by almost 9% from the prior year-end, AGRANA's equity ratio improved from 45.4% to 47.0%. Net debt at the balance sheet date of 28 February 2013 was €483.7 million, or just above the year-earlier level (€469.2 million), but the debt-equity gearing of 39.9% was lower – and thus better – than a year ago (43.7%).

AGRANA Group results (IFRS)

	Q4 2012 13	Q4 2011 12	FY 2012 13	FY 2011 12
Revenue	€ 676.6 m	€ 625.4 m	€ 3,065.9 m	€ 2,577.6 m
Operating profit before exceptional items	€ 32.6 m	€ 33.7 m	€ 236.9 m	€ 232.4 m
Operating margin	4.8%	5.4%	7.7%	9.0%
Profit before tax	€ 8.4 m	€ 39.6 m	€ 190.2 m	€ 206.3 m
Profit for the period	€ 17.9 m	€ 26.0 m	€ 156.5 m	€ 155.7 m
Earnings per share	€ 1.08	€ 1.83	€ 10.52	€ 10.73
Purchases of property, plant and equipment and intangibles ¹	€ 51.1 m	€ 34.4 m	€ 149.8 m	€ 97.1 m
Staff count (average)			8,449	7,982

¹ Excluding goodwill

AGRANA Chief Executive Officer Johann Marihart says: "In an adverse environment, we again topped the prior year's revenue and pre-exceptionals operating profit. We also successfully cushioned short-term volatility in raw material markets through effective hedging. The earnings result further strengthens our confidence in our sustainable business strategy. Consequently, the Management Board will propose to the Annual General Meeting a constant dividend of € 3.60 per share."

Sugar segment

	Q4 2012 13	Q4 2011 12	FY 2012 13	FY 2011 12
Revenue	€ 195.0 m	€ 193.0 m	€ 1,121.5 m	€ 884.4 m
Operating profit before exceptional items	€ 13.8 m	€ 18.0 m	€ 119.1 m	€ 112.3 m
Operating margin	7.1%	9.3%	10.6%	12.7%

Revenue in the Sugar segment grew by 26.8% in the 2012|13 financial year, to €1,121.5 million (prior year: €884.4 million). Operating profit of €119.1 million before exceptional items was above the prior year's result of €112.3 million. The positive trend in the Sugar segment was made possible by sufficient quantities of non-quota sugar, agility in responding to changing market conditions, the favourable price trend for quota sugar and a good performance in by-products (dried beet pulp and molasses).

Starch segment

	Q4 2012 13	Q4 2011 12	FY 2012 13	FY 2011 12
Revenue	€ 200.6 m	€ 176.8 m	€ 804.3 m	€ 764.3 m
Operating profit before exceptional items	€ 11.8 m	€ 13.7 m	€ 72.6 m	€ 81.9 m
Operating margin	5.9%	7.7%	9.0%	10.7%

Starch segment revenue grew by 5.2% in 2012|13, to €804.3 million (prior year: €764.3 million). The increase was driven by higher sales quantities, as well as better selling prices in saccharification products. Operating profit of € 72.6 million before exceptional items was € 9.3 million less than the record result of the prior year. Amid drought-related rising raw material costs in the second half, the high profitability of the first six months could not be maintained for the full year.

Fruit segment

	Q4 2012 13	Q4 2011 12	FY 2012 13	FY 2011 12
Revenue	€ 281.0 m	€ 255.5 m	€ 1,140.1 m	€ 928.9 m
Operating profit before exceptional items	€ 7.0 m	€ 2.0 m	€ 45.2 m	€ 38.2 m
Operating margin	2.5%	0.8%	4.0%	4.1%

Revenue in the Fruit segment rose by € 211.7 million or 22.7% in 2012|13, to € 1,140.1 million (prior year: € 928.9 million). Operating profit before exceptional items, at € 45.2 million, significantly exceeded the previous year's figure of € 38.2 million. Selling prices for fruit preparations were advantageous compared to the prior year and reflected the rise in raw material costs. The production volume of fruit juice concentrates was expanded by about 75%. The volume-driven revenue growth in this part of the business resulted partly from the first-time full consolidation of Ybbstaler Fruit Austria GmbH from 1 June 2012.

Outlook

With a sound balance sheet structure at 28 February 2013 and a diversified business model, AGRANA considers itself well positioned for the current new financial year. "At present, we believe 2013|14 will bring a slight increase in Group revenue, driven primarily by volume growth. For operating profit before exceptional items, we expect a value below the outstanding results of the past two years," comments CEO Marihart.

As in 2012|13, capital expenditure this financial year is to remain strong and will significantly exceed depreciation. The total investment of about € 143 million in 2013|14 will continue to provide solid support for the Group's lasting growth.

This press release and the annual report 2012|13 are available in German and English at www.agrana.com.