



REPORT ON THE FIRST  
THREE QUARTERS OF 2012|13

## HIGHLIGHTS OF THE FIRST THREE QUARTERS OF 2012|13

- Revenue: € 2,389.3 million (Q1–Q3 2011|12: € 1,952.2 million), up 22.4%
- Operating profit before exceptional items:  
€ 204.3 million (Q1–Q3 2011|12: € 198.7 million), up 2.8%
- Operating margin: 8.6% (Q1–Q3 2011|12: 10.2%)
- Profit for the period: € 138.6 million (Q1–Q3 2011|12: € 129.7 million), up 6.9%
- Equity ratio: 44.8% (29 February 2012: 45.4%)
- Gearing<sup>1</sup>: 41.1% (29 February 2012: 43.7%)

<sup>1</sup> Debt-equity ratio (ratio of net debt to total equity).

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# GROUP MANAGEMENT REPORT

## FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2012

### RESULTS FOR THE FIRST THREE QUARTERS OF 2012|13

#### Revenue and earnings

| Results   | Q1–Q3<br>2012 13 | Q1–Q3<br>2011 12 |
|---|------------------|------------------|
| <b>AGRANA Group</b>   |                  |                  |
| Revenue   | € 2,389.3m       | € 1,952.2m       |
| EBITDA <sup>1</sup>   | € 262.8m         | € 256.2m         |
| Operating profit before exceptional items                               | € 204.3m         | € 198.7m         |
| Operating margin  | 8.6%             | 10.2%            |
| Exceptional items   | € (1.4m)         | € (1.4m)         |
| Operating profit after exceptional items                                | € 202.9m         | € 197.3m         |
| Purchases of property, plant and equipment and intangibles <sup>2</sup> | € 98.7m          | € 62.7m          |
| Staff count <sup>3</sup>  | 8,555            | 8,109            |

**Revenue** of the AGRANA Group increased by 22.4% in the first three quarters of the 2012|13 financial year (1 March to 30 November 2012) to € 2,389.3 million (Q1–Q3 2011|12: € 1,952.2 million). This positive trend was driven especially by the Sugar and Fruit segments, which benefited from favourable market developments and resulting higher sales volumes than in the year-earlier period.

In the first three quarters of 2012|13 the Group's **operating profit before exceptional items** was € 204.3 million, up 2.8% from the year-ago period's € 198.7 million. The slight revenue growth in the first nine months was attributable to the Sugar and Fruit segments. As expected, the good market conditions in the Starch segment in the first half of the year deteriorated in the past three months, leading to a significant earnings decrease for this segment in the third quarter. The Sugar segment recorded earnings growth compared to the first nine months of the prior year, but there was a discernible reduction in the segment's third-quarter earnings relative to the high level of the comparative third

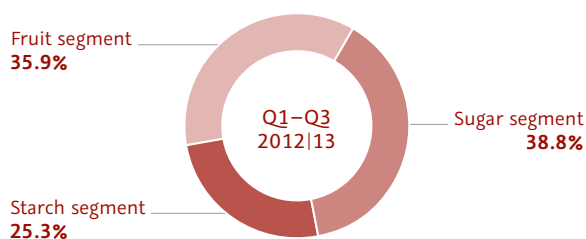
quarter. The Fruit segment generated an improved quarterly profit result, lifting its cumulative earnings for the first nine months beyond the prior-year level. In the fruit preparations division, reorganisation measures starting in the second quarter of 2012|13 translated into a **net exceptional items expense** of € 1.4 million; in the prior year's comparative period, the unwinding of the Chinese joint ventures between AGRANA and Yantai North Andre (in the fruit juice concentrates business) had also led to a net exceptional items expense of € 1.4 million.

**Net financial items** in the first three quarters of 2012|13 amounted to a net expense of € 21.1 million (Q1–Q3 2011|12: net expense of € 30.6 million). The improvement year-on-year resulted primarily from lower unrealised currency translation losses. After an income tax expense of € 43.1 million, corresponding to a tax rate of 23.7% (Q1–Q3 2011|12: 22.2%), the AGRANA Group's **profit for the period** was € 138.6 million (Q1–Q3 2011|12: € 129.7 million). Earnings per share attributable to AGRANA shareholders grew from € 8.90 to € 9.44.

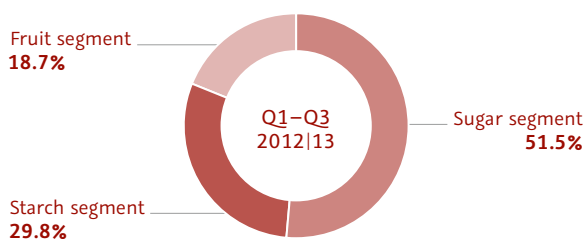
#### Investment

In the first three quarters of 2012|13, AGRANA invested € 98.7 million in purchases of property, plant and equipment and intangibles (Q1–Q3 2011|12: € 62.7 million). The **Sugar segment's** € 44.8 million share of this (Q1–Q3 2011|12: € 18.4 million) related mainly to the construction of the two low-temperature dryers at the Tulln and Leopoldsdorf sites in Austria; they began operation on schedule at the beginning of the 2012|13 campaign. In Kaposvár, Hungary, the thin-juice softening plant was brought on stream, and the end of the financial year is to see the completion of the foundations for the new 60,000 tonne capacity sugar silo being built in 2013|14. In Hrušovany in the Czech Republic, the new gas line was connected to the high pressure network and three steam boilers were successfully commissioned after conversion to gas firing. At the site in Roman, Romania, the construction of the membrane filter press station was completed. Following the installation of the 1 kg packaging

#### REVENUE BY SEGMENT



#### OPERATING PROFIT BY SEGMENT



<sup>1</sup> Before exceptional items (operating profit before exceptional items, plus depreciation and amortisation before exceptional items).

<sup>2</sup> Excluding goodwill.

<sup>3</sup> Average number of employees in the period.

machine in Buzău, Romania, the associated conveying paths were modernised accordingly.

In the **Starch segment**, AGRANA invested a total of € 33.3 million (Q1–Q3 2011|12: € 18.7 million), especially for the construction of the wheat starch plant begun in the prior year in Pischelsdorf, Austria, and the implementation of the biomass boiler and expansion of corn (maize) processing capacity in Szabadegyháza, Hungary. Investment at the plant in Aschach, Austria, related to the expansion of corn storage capacity; at the facility in Gmünd, Austria, capital expenditure focused on building a can filling line for infant formula.

Investment in the **Fruit segment** amounted to approximately € 20.6 million (Q1–Q3 2011|12: € 25.6 million). The activities in connection with the plant relocation and expansion in Dachang, China, are progressing well, with the first production line already operating since November 2012. The transfer of three other production lines from the old plant is expected to be complete by March 2013. In Serpuchov, Russia, the plant expansion was successfully concluded in October 2012. An additional production line at the US facility in Centerville, Tennessee, is to be installed by the end of February 2013.

#### Cash flow

In the first nine months, operating cash flow before change in working capital increased by 4.5% year-on-year to € 219.0 million (Q1–Q3 2011|12: € 209.5 million), in step with the slight rise in operating profitability.

With a seasonal and raw-materials-driven increase of € 75.4 million in working capital in the first three quarters of 2012|13 (Q1–Q3 2011|12: increase of € 186.6 million, partly as a result of the prior year's record harvest), net cash from operating activities amounted to € 142.7 million (Q1–Q3 2011|12: € 22.7 million). Net cash used in investing activities was € 90.4 million (Q1–Q3 2011|12: net cash used of € 62.2 million) on higher outflows for investment in property, plant and equipment and intangible assets. After a net increase in borrowings and after payment of the dividend for the 2011|12 financial year, net cash used in financing activities was € 5.8 million (Q1–Q3 2011|12: net cash from financing activities of € 32.1 million).

#### Financial position

Total assets were up significantly from the 2011|12 balance sheet date and the equity ratio was 44.8% (29 February 2012: 45.4%).

Current assets increased seasonally, due mainly to the campaign-driven expansion of inventories and the rise in trade receivables. Non-current liabilities rose as a result of the placement of a € 110 million promissory note loan

(in German: *Schuldscheindarlehen*, a type of loan resembling a bond) in the first quarter of 2012|13 with terms of five, seven and ten years, while current borrowings were reduced and the Group's debt maturity structure was lengthened. Current liabilities nonetheless increased, as a result mainly of higher trade and other payables.

Net debt at 30 November 2012 measured € 498.8 million, up € 29.6 million from the 2011|12 financial year-end level of € 469.2 million. The gearing ratio of 41.1% at the quarterly balance sheet date was somewhat below the level of 29 February 2012 (43.7%).

#### AGRANA in the capital market

| Share data                                  | Q1–Q3<br>2012 13 |
|---|------------------|
| High (30 Nov 2012)                          | € 95.00          |
| Low (23 Mar 2012)                           | € 80.00          |
| Closing price (30 Nov 2012)                 | € 95.00          |
| Closing book value per share (30 Nov 2012)  | € 79.48          |
| Closing market capitalisation (30 Nov 2012) | € 1,349.2m       |

AGRANA started the 2012|13 financial year at a share price of € 84.99 on 1 March. On an average trading volume of just under 1,400 shares per day (based on double counting, as published by the Vienna Stock Exchange), in a fluctuating environment, AGRANA's share price reached a new all-time high of € 95.00 at the quarterly balance sheet date. The Austrian blue-chip index, the ATX, largely tracked the European and global economic issues and drivers; it rose by 3.21% from 1 March to 30 November 2012. AGRANA's share price outperformed with a gain of 11.78%.

Further details of the share price performance are provided in the investor relations section of the AGRANA homepage at [www.agrana.com](http://www.agrana.com). The market capitalisation at 30 November 2012 was € 1,349.2 million, with an unchanged 14,202,040 shares outstanding.

At its meeting of 16 November 2012, the Supervisory Board renewed the appointment of Johann Marihart as Chief Executive Officer for another five years. This reappointment is for the period from 1 October 2013 to 30 September 2018.

#### SUGAR SEGMENT

##### Market environment

##### World sugar market

In its preliminary estimate for the 2012|13 sugar marketing year (SMY), the analytics firm F.O. Licht predicts a surplus of world sugar supply over demand and thus an expansion

in sugar stocks. While the projected total production of sugar is 177.3 million tonnes (SMY 2011|12: 175.9 million tonnes), the forecast for total consumption is 167.7 million tonnes (SMY 2011|12: 164.8 million tonnes).

The forecast increase in world sugar stocks is to stem primarily from Latin American production growth of 2.8 million tonnes to a total of 45.7 million tonnes. Sugar output in Europe is projected at 28.0 million tonnes, or 2.5 million tonnes less than last year.

The trend in the world market price for sugar in this financial year remained highly volatile. From USD 548 or € 412 per tonne at the start of the financial year on 1 March, raw sugar rose to interim highs in March and July before declining to USD 424 or € 327 per tonne as of the end of the reporting period. White sugar, which traded at USD 646 or € 485 per tonne at the beginning of the financial year, quoted at USD 516 or € 397 per tonne at the end of the reporting period.

#### EU sugar market

Despite the likely increase in preferential imports amid new free trade agreements, the European Commission, as in the completed SMY 2011|12, is again planning "exceptional measures" for 2012|13. It is once more considering permitting the sale of non-quota sugar into the EU food market (through reclassification, which reduces the surplus levy payable). The Commission is also contemplating a standing invitation to tender for sugar imports at reduced tariffs. The tender dates would probably be set for spring 2013. At the time of publication of this report, neither the amount of the surplus levy nor the quantities involved in the two exceptional measures were known.

The total ceiling for exports of European non-quota sugar for the 2011|12 sugar marketing year was 1.35 million tonnes. For SMY 2012|13 the Commission has already released 650,000 tonnes for export. An increase of this amount by 700,000 tonnes is expected for January 2013.

#### Financial results

| Sugar segment  | Q1-Q3<br>2012 13 | Q1-Q3<br>2011 12 |
|--|------------------|------------------|
| Revenue  | € 926.6m         | € 691.4m         |
| EBITDA   | € 118.0m         | € 107.1m         |
| Operating profit before<br>exceptional items                               | € 105.3m         | € 94.3m          |
| Operating margin   | 11.4%            | 13.6%            |
| Purchases of property, plant<br>and equipment and intangibles <sup>1</sup> | € 44.8m          | € 18.4m          |

<sup>1</sup> Excluding goodwill.

| Sugar segment  | Q3<br>2012 13 | Q3<br>2011 12 |
|--|---------------|---------------|
| Revenue  | € 292.6m      | € 255.5m      |
| EBITDA   | € 41.5m       | € 51.4m       |
| Operating profit before<br>exceptional items                               | € 34.1m       | € 43.7m       |
| Operating margin   | 11.7%         | 17.1%         |
| Purchases of property, plant<br>and equipment and intangibles <sup>1</sup> | € 19.0m       | € 6.6m        |

Revenue in the Sugar segment grew in the first three quarters of 2012|13 on favourable market conditions, from € 691.4 million in the prior-year comparative period to € 926.6 million. Year-on-year, sales volumes rose in all areas. Sales of out-of-quota sugar into the EU's sugar-using industry and into the world market were especially strong.

As the higher raw material prices are now increasingly reflected in earnings, operating profit did not match the record third quarter of the prior year even as the operating margin remained good. Pre-exceptionals operating profit in the third quarter amounted to € 34.1 million (Q1 2011|12: € 43.7 million), approximately in line with the previous two quarters (Q1 2012|13: € 34.6 million; Q2 2012|13: € 36.6 million). In the first nine months, the higher sales volumes and prices outweighed the rise in raw material costs to generate an operating profit of € 105.3 million (Q1-Q3 2011|12: € 94.3 million) before exceptional items. Thanks to the high grain prices, co-products (such as dried beet pulp and molasses) helped account for the good earnings.

#### Raw materials, crops (or crop forecasts) and production

The area planted to sugar beet for the AGRANA Group in the 2012|13 sugar marketing year (SMY) was about 104,000 hectares (SMY 2011|12: 92,000 hectares); a little over 900 hectares was used for organic production in Austria. Around 6,000 hectares was lost in the spring as a result of unfavourable weather and muddy conditions, but was largely replanted. A shortage or absence of precipitation in July, August and September had a negative impact on beet yields in much of the Group's beet growing region. In total, AGRANA harvested approximately 5.5 million tonnes of beet (SMY 2011|12: 5.9 million tonnes). As a result of the high temperatures last summer, the sugar content of the 2012 crop was below average.

## STARCH SEGMENT

### Market environment

The International Grains Council (IGC) is estimating the world's grain production in the 2012|13 grain marketing year<sup>1</sup> at 1.76 billion tonnes (2011|12 marketing year: 1.85 billion tonnes), which is less than the forecast consumption of 1.81 billion tonnes. Wheat production is forecast at 654 million tonnes (2011|12: 695 million tonnes), with predicted demand of 678 million tonnes. Corn (maize) production is forecast by the IGC at 830 million tonnes (2011|12: 876 million tonnes), versus estimated consumption of 849 million tonnes. Both for wheat and corn, global inventories are thus expected to decline amid the projected undersupply.

Total grain production in the European Union in 2012|13 is estimated at approximately 272 million tonnes (2011|12: 285 million tonnes). About 123 million tonnes (2011|12: 129 million tonnes) of this is expected to be soft wheat, and the corn harvest is forecast at approximately 54 million tonnes (19% less than in the prior year).

The prices of wheat and corn in commodity markets have shot up since the middle of June in response to worldwide drought losses and crop failures. At the end of the reporting period, on the NYSE Liffe commodity derivatives exchange in Paris, corn futures quoted at about € 253 per tonne and wheat futures at € 270 per tonne (compared with respective year-earlier quotations of € 184 and € 179 per tonne).

### Financial results

| Starch segment  | Q1-Q3<br>2012 13 | Q1-Q3<br>2011 12 |
|---|------------------|------------------|
| Revenue   | € 603.7m         | € 587.5m         |
| EBITDA  | € 78.2m          | € 86.5m          |
| Operating profit before exceptional items                               | € 60.8m          | € 68.2m          |
| Operating margin  | 10.1%            | 11.6%            |
| Purchases of property, plant and equipment and intangibles <sup>2</sup> | € 33.3m          | € 18.7m          |

| Starch segment  | Q3<br>2012 13 | Q3<br>2011 12 |
|---|---------------|---------------|
| Revenue   | € 208.0m      | € 199.8m      |
| EBITDA  | € 20.2m       | € 37.5m       |
| Operating profit before exceptional items                               | € 14.3m       | € 32.0m       |
| Operating margin  | 6.9%          | 16.0%         |
| Purchases of property, plant and equipment and intangibles <sup>2</sup> | € 13.9m       | € 11.0m       |

The Starch segment's revenue growth in the first three quarters of 2012|13 to a new total of € 603.7 million (an increase of 2.8%) was the result mainly of generally higher sales volumes as well as of better selling prices for saccharification products. In the bioethanol activities, both sales prices and volumes were narrowly below the year-earlier levels.

The operating profit of € 60.8 million before exceptional items was € 7.4 million less than the very good value of the prior year's comparative period; the operating margin thus eased from 11.6% to 10.1%. While profitability in the first half of 2012|13 was still clearly above that of a year earlier, an increase in raw material costs led to a significant decline in segment operating profit in the third quarter.

### Raw materials, crops (or crop forecasts) and production

On a planting area of about 6,800 hectares (an increase from the prior year), the starch potato harvest in Austria amounted to approximately 219,000 tonnes in the 2012|13 financial year (2011|12: 236,000 tonnes). In Aschach, Austria, about 123,000 tonnes of freshly harvested wet corn was processed (2011|12: around 113,000 tonnes). Since then, production has switched back to the use of dry corn. For the full financial year, corn processing volume in Aschach is expected to total about 400,000 tonnes (2011|12: 396,000 tonnes).

In Hungary, a total of 1.07 million tonnes of corn is expected to be processed in 2012|13 (2011|12: 1.03 million tonnes). The utilization of wet corn was completed in the middle of November; as a result of drought, only 160,000 tonnes of wet corn was processed, significantly less than the prior year's 215,000 tonnes. Total corn processing by the Romanian subsidiary in the 2012|13 financial year is projected at around 52,000 tonnes (2011|12: 42,000 tonnes).

In the bioethanol plant at Pischelsdorf, Austria, approximately 116,500 tonnes of wet corn was processed from the end of August to early December (2011|12: 85,000 tonnes). For the full financial year, total grain processing volume (of wheat, corn and triticale) at the plant is expected to reach about 548,000 tonnes (2011|12: 544,000 tonnes). The bioethanol plant in Pischelsdorf has been operating at full capacity for years and half of its production is exported.

<sup>1</sup> Grain marketing year: July 2012 to June 2013.

<sup>2</sup> Excluding goodwill.

## FRUIT SEGMENT

### Market environment

While sales of fruit preparations in the EU are flat at a high absolute level (owing in part to consumers holding back as a result of the debt crisis), market growth rates are very good in the Americas and the Asia-Pacific region, driven by trends such as growth of the more affluent middle class in emerging markets and an increase in these countries' still very low per capita consumption of yoghurt. The US fruit preparations market is showing a pronounced trend towards Greek yoghurt with a significantly higher fruit content.

In Europe the trend in consumption of beverages with a high fruit juice content was relatively subdued, not least as a result of the raw-materials-driven rise in fruit juice concentrate prices over the last two years. In the USA, the top market for Chinese apple juice concentrate, apple juice consumption fell significantly in the past year, due largely to the sustained increase in prices.

### Financial results

| Fruit segment  | Q1-Q3<br>2012 13 | Q1-Q3<br>2011 12 |
|--|------------------|------------------|
| Revenue  | € 859.1m         | € 673.4m         |
| EBITDA   | € 66.6m          | € 62.6m          |
| Operating profit before<br>exceptional items                               | € 38.2m          | € 36.2m          |
| Operating margin   | 4.4%             | 5.4%             |
| Purchases of property, plant<br>and equipment and intangibles <sup>1</sup> | € 20.6m          | € 25.6m          |

| Fruit segment  | Q3<br>2012 13 | Q3<br>2011 12 |
|--|---------------|---------------|
| Revenue  | € 285.7m      | € 212.3m      |
| EBITDA   | € 24.5m       | € 15.2m       |
| Operating profit before<br>exceptional items                               | € 13.4m       | € 4.8m        |
| Operating margin   | 4.7%          | 2.3%          |
| Purchases of property, plant<br>and equipment and intangibles <sup>1</sup> | € 6.2m        | € 9.6m        |

Revenue in the Fruit segment added 27.6% in the first three quarters of 2012|13, rising to € 859.1 million, which was made possible above all by year-on-year volume growth. In the fruit preparations business, all regions outside the EU saw sales volumes rise. The increases were particularly gratifying in the USA, China, Russia, Ukraine, Turkey and Brazil. Selling prices were elevated compared to the prior year, reflecting the rise in raw material costs.

In the fruit juice concentrates division, the principal trend was volume-driven revenue growth, part of which came from the first-time, full consolidation of Ybbstaler Fruit Austria GmbH ("Ybbstaler") with effect from 1 June 2012.

The Fruit segment's operating profit before exceptional items increased by 5.5% year-on-year to € 38.2 million. Especially in the juice concentrates business, the weaker first two quarters were followed by strong earnings in the third quarter that marked considerable growth from the year-earlier result. In the last three months the fruit preparations division too posted higher operating earnings than in the third quarter of the prior year. Profitability of the Fruit preparations business is nevertheless still affected by the negative sales volume situation in Europe, which, however, has already been partly made up for by cost reductions.

In the first six months of consolidation of the Ybbstaler companies as part of the new "Austria Juice" organisation (see details in the notes to the consolidated financial statements), a small positive effect on the AGRANA Group's earnings was achieved. Going forward, growing synergies are expected to accrue from the merging of processes and structures in the new organisation.

### Raw materials, crops (or crop forecasts) and production

Fruit prices for AGRANA stabilised at the high level of the prior year. The reasons for this included the average spring and summer harvests in Europe, North America and China. Within the AGRANA Group, negative commodity price effects were successfully cushioned by an effective hedging strategy and the leveraging of the global sourcing network.

Prices of stone fruits and pomes increased slightly overall as a result of raw material price volatility in Spain and Greece. The situation was the same in North and Latin America, where prices regionally climbed even more than in Europe, buoyed primarily by the robust demand in emerging markets. Prices for tropical fruits were stable thanks to the ample harvest compared to the prior year.

In apple juice concentrates, the crop forecasts for China were up from the prior year. For Europe a low crop volume was predicted; however, as a silver lining, poor weather conditions for fresh fruit (eating apples) in the main production countries of Poland and Hungary led to a higher proportion of processing apples than in the previous years. A substandard harvest in the western European countries had been expected since the summer, and this prediction came true, leading to higher raw material prices in this region (particularly in the first one-third of the processing season).

<sup>1</sup> Excluding goodwill.

The berry processing season was marked by reduced availability and higher purchasing prices of major fruits such as strawberry and sour cherry; only the prices for black currants were significantly below the prior year's.

#### MANAGEMENT OF RISKS AND OPPORTUNITIES

AGRANA uses an integrated system for the early identification and monitoring of risks that are relevant to the Group. There are at present no known risks to the AGRANA Group's ability to continue in operational existence, and no future risks of this nature are currently discernible. A detailed description of the Group's business risks is provided on pages 74 to 77 of the annual report 2011|12.

As was noted there, antitrust investigations were initiated in the 2009|10 financial year against AGRANA companies in Hungary. These inquiries were dropped in December 2012.

Amid the ongoing crisis of confidence in capital markets, the general risk of customer/counterparty default has risen, as has the level of currency risk. To control these risks, the risk management system is continually refined.

#### SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the balance sheet date of 30 November 2012 that had a material effect on AGRANA's financial position, results of operations or cash flows.

#### OUTLOOK

For the full year 2012|13, AGRANA's unchanged expectation is that Group revenue will increase to more than € 3.0 billion (2011|12: € 2.6 billion) on overall slight volume growth and continuing high price levels. For the year as a whole, AGRANA should be able to reach an operating profit approximately in line with that of last year.

In the **Sugar segment** in the fourth quarter of 2012|13, revenue and earnings are expected to be seasonally lower than in the third quarter. Higher raw material costs are reflected in lower margins, although these remain at a good absolute level. With its good first nine months, the Sugar segment will deliver very attractive operating earnings for the full year and even surpass last year's record result.

For the **Starch segment**, the likely consequence of the higher raw material costs and increased price pressure will be a fourth-quarter earnings performance below that of this year's third quarter. Although AGRANA anticipates stable market demand for starch products (non-food applications, saccharification products, bioethanol and co-products) and a sound revenue trend, the higher input costs will weigh on margins.

The **Fruit segment's** operating profit before exceptional items is expected to rise for the 2012|13 financial year. The fruit preparations division believes the market environment will remain challenging. In terms of sales volumes, the fourth quarter will bring a continuation of the recent trend; while low demand will continue to hurt volume in Europe, sustained significant growth is forecast for the non-European markets. For fruit juice concentrates, continuing revenue growth is expected thanks to increasing volume and (in the near term) relatively stable product prices. The course of business in the third quarter strongly implies that the positive trend will continue through to the end of the financial year.

In the 2012|13 financial year, total investment in all three segments will expand to about € 145 million, thus providing solid support for the Group's long-term growth trajectory and earnings situation.



# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2012 (UNAUDITED)

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|   | Third quarter<br>(1 September – 30 November) |                 | First nine months<br>(1 March – 30 November) |                 |
|---|--|-----------------|--|-----------------|
| CONSOLIDATED INCOME STATEMENT                           | 2012 13<br>€000                              | 2011 12<br>€000 | 2012 13<br>€000                              | 2011 12<br>€000 |
| Revenue   | 786,197                                      | 667,560         | 2,389,327                                    | 1,952,229       |
| Changes in inventories of finished and unfinished goods | 302,464                                      | 233,842         | 16,497                                       | 108,122         |
| Own work capitalised                                    | 2,792  | 929             | 4,071  | 2,276           |
| Other operating income                                  | 9,285  | 13,336          | 27,755                                       | 26,670          |
| Cost of materials                                       | (855,378)                                    | (634,858)       | (1,705,996)                                  | (1,410,223)     |
| Staff costs   | (72,331)                                     | (63,911)        | (199,335)                                    | (178,043)       |
| Depreciation, amortisation and impairment losses        | (24,461)                                     | (23,562)        | (58,539)                                     | (57,539)        |
| Other operating expenses                                | (87,255)                                     | (112,808)       | (270,928)                                    | (246,218)       |
| <b>Operating profit after exceptional items</b>         | <b>61,313</b>                                | <b>80,528</b>   | <b>202,852</b>                               | <b>197,274</b>  |
| Finance income  | 978  | 2,369           | 7,483  | 4,351           |
| Finance expense   | (9,035)                                      | (15,096)        | (28,572)                                     | (34,938)        |
| <b>Net financial items</b>                              | <b>(8,057)</b>                               | <b>(12,727)</b> | <b>(21,089)</b>                              | <b>(30,587)</b> |
| <b>Profit before tax</b>                                | <b>53,256</b>                                | <b>67,801</b>   | <b>181,763</b>                               | <b>166,687</b>  |
| Income tax expense                                      | (14,174)                                     | (15,820)        | (43,123)                                     | (36,997)        |
| <b>Profit for the period</b>                            | <b>39,082</b>                                | <b>51,981</b>   | <b>138,640</b>                               | <b>129,690</b>  |
| <i>Attributable to shareholders of the parent</i>       | <i>36,651</i>                                | <i>50,365</i>   | <i>134,130</i>                               | <i>126,459</i>  |
| <i>Attributable to non-controlling interests</i>        | <i>2,431</i>                                 | <i>1,616</i>    | <i>4,510</i>                                 | <i>3,231</i>    |
| Earnings per share under IFRS (basic and diluted)       | € 2.58                                       | € 3.55          | € 9.44                                       | € 8.90          |

|  | Third quarter<br>(1 September – 30 November) |                 | First nine months<br>(1 March – 30 November) |                 |
|--|--|-----------------|--|-----------------|
| CONSOLIDATED STATEMENT<br>OF COMPREHENSIVE INCOME  | 2012 13<br>€000                              | 2011 12<br>€000 | 2012 13<br>€000                              | 2011 12<br>€000 |
| Profit for the period  | 39,082                                       | 51,981          | 138,640                                      | 129,690         |
| Other comprehensive income/(expense)   |  |                 |  |                 |
| – Currency translation differences   | (2,533)                                      | (21,272)        | 5,240  | (31,991)        |
| – Available-for-sale financial assets under IAS 39   | (89)   | (404)           | 28   | (370)           |
| – Cash flow hedges under IAS 39  | 2,070  | (3,442)         | 9,337  | (4,145)         |
| – Change in actuarial gains and losses<br>on defined benefit pension obligations<br>and similar liabilities under IAS 19 | 5  | 0               | (9)  | 0               |
| – Tax effect of IAS 19 and IAS 39  | (565)  | 755             | (2,356)                                      | 952             |
| Other comprehensive income/(expense) for the period  | (1,112)                                      | (24,363)        | 12,240                                       | (35,554)        |
| <b>Total comprehensive income for the period</b>   | <b>37,970</b>                                | <b>27,618</b>   | <b>150,880</b>                               | <b>94,136</b>   |
| <i>Attributable to shareholders of the parent</i>  | <i>34,805</i>                                | <i>27,284</i>   | <i>142,180</i>                               | <i>92,273</i>   |
| <i>Attributable to non-controlling interests</i>   | <i>3,165</i>                                 | <i>334</i>      | <i>8,700</i>                                 | <i>1,863</i>    |

| <b>CONSOLIDATED BALANCE SHEET</b>  | <b>30 November<br/>2012</b> | <b>29 February<br/>2012</b> |
|--|-----------------------------|-----------------------------|
|  | €000                        | €000                        |
| <b>ASSETS</b>  |                             |                             |
| <b>A. Non-current assets</b>   |                             |                             |
| Intangible assets  | 251,575                     | 248,383                     |
| Property, plant and equipment  | 666,359                     | 595,924                     |
| Securities   | 106,280                     | 104,909                     |
| Investments in non-consolidated subsidiaries and outside companies, and loan receivables | 6,205                       | 7,265                       |
| Receivables and other assets   | 5,637                       | 6,558                       |
| Deferred tax assets  | 27,111                      | 29,764                      |
|  | <b>1,063,167</b>            | <b>992,803</b>              |
| <b>B. Current assets</b>   |                             |                             |
| Inventories  | 918,839                     | 768,569                     |
| Trade receivables and other assets   | 573,353                     | 492,720                     |
| Current tax assets   | 12,807                      | 8,173                       |
| Securities   | 454                         | 1,352                       |
| Cash and cash equivalents  | 145,746                     | 98,504                      |
|  | <b>1,651,199</b>            | <b>1,369,318</b>            |
| <b>Total assets</b>  | <b>2,714,366</b>            | <b>2,362,121</b>            |
| <b>EQUITY AND LIABILITIES</b>  |                             |                             |
| <b>A. Equity</b>   |                             |                             |
| Share capital  | 103,210                     | 103,210                     |
| Share premium and other capital reserves   | 411,362                     | 411,362                     |
| Retained earnings  | 614,224                     | 524,900                     |
| Equity attributable to shareholders of the parent  | 1,128,796                   | 1,039,472                   |
| Non-controlling interests  | 86,450                      | 33,516                      |
|  | <b>1,215,246</b>            | <b>1,072,988</b>            |
| <b>B. Non-current liabilities</b>  |                             |                             |
| Retirement and termination benefit obligations   | 54,313                      | 52,674                      |
| Other provisions   | 13,781                      | 12,397                      |
| Borrowings   | 426,515                     | 332,090                     |
| Other payables   | 1,981                       | 2,013                       |
| Deferred tax liabilities   | 20,461                      | 17,253                      |
|  | <b>517,051</b>              | <b>416,427</b>              |
| <b>C. Current liabilities</b>  |                             |                             |
| Other provisions   | 26,959                      | 26,777                      |
| Borrowings   | 324,789                     | 341,885                     |
| Trade and other payables   | 580,026                     | 469,465                     |
| Current tax liabilities  | 50,295                      | 34,579                      |
|  | <b>982,069</b>              | <b>872,706</b>              |
| <b>Total equity and liabilities</b>  | <b>2,714,366</b>            | <b>2,362,121</b>            |

| <b>CONDENSED CONSOLIDATED CASH FLOW STATEMENT</b>                          | <b>2012 13</b> | <b>2011 12</b> |
|--|----------------|----------------|
| for the first nine months (1 March – 30 November)                          | €000           | €000           |
| Operating cash flow before change in working capital                       | 218,997        | 209,472        |
| (Gains)/losses on disposal of non-current assets                           | (831)          | 80             |
| Change in working capital  | (75,448)       | (186,821)      |
| <b>Net cash from operating activities</b>                                  | <b>142,718</b> | <b>22,731</b>  |
| Net cash (used in) investing activities                                    | (90,401)       | (62,180)       |
| Net cash (used in)/from financing activities                               | (5,754)        | 32,140         |
| <b>Net increase in cash and cash equivalents</b>                           | <b>46,563</b>  | <b>(7,309)</b> |
| Effect of movements in foreign exchange rates on cash and cash equivalents | 679            | (1,687)        |
| Cash and cash equivalents at beginning of period                           | 98,504         | 70,427         |
| <b>Cash and cash equivalents at end of period</b>                          | <b>145,746</b> | <b>61,432</b>  |

| <b>CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>  | <b>Equity attributable to shareholders of the parent</b> | <b>Non-controlling interests</b> | <b>Total</b>     |
|---|--|----------------------------------|------------------|
| for the first nine months (1 March – 30 November)   | €000   | €000                             | €000             |
| <b>2012 13</b>  |  |                                  |                  |
| <b>At 1 March 2012</b>  | <b>1,039,472</b>   | <b>33,516</b>                    | <b>1,072,988</b> |
| Fair value movements under IAS 39   | 4,523  | 2,486                            | 7,009            |
| Change in actuarial gains and losses on defined benefit pension obligations and similar liabilities | 21   | (30)                             | (9)              |
| Currency translation gain   | 3,506  | 1,734                            | 5,240            |
| Other comprehensive income for the period   | 8,050  | 4,190                            | 12,240           |
| Profit for the period   | 134,130  | 4,510                            | 138,640          |
| <b>Total comprehensive income for the period</b>  | <b>142,180</b>   | <b>8,700</b>                     | <b>150,880</b>   |
| Dividends paid  | (51,127)   | (1,322)                          | (52,449)         |
| Other changes   | (1,729)  | 45,556                           | 43,827           |
| <b>At 30 November 2012</b>  | <b>1,128,796</b>   | <b>86,450</b>                    | <b>1,215,246</b> |
| <b>2011 12</b>  |  |                                  |                  |
| <b>At 1 March 2011</b>  | <b>942,136</b>   | <b>28,558</b>                    | <b>970,694</b>   |
| Fair value movements under IAS 39   | (3,647)  | 84                               | (3,563)          |
| Currency translation loss   | (30,539)   | (1,452)                          | (31,991)         |
| Other comprehensive (expense) for the period  | (34,186)   | (1,368)                          | (35,554)         |
| Profit for the period   | 126,459  | 3,231                            | 129,690          |
| <b>Total comprehensive income for the period</b>  | <b>92,273</b>  | <b>1,863</b>                     | <b>94,136</b>    |
| Dividends paid  | (34,085)   | (765)                            | (34,850)         |
| Other changes   | (202)  | 4,497                            | 4,295            |
| <b>At 30 November 2011</b>  | <b>1,000,122</b>   | <b>34,153</b>                    | <b>1,034,275</b> |

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2012 (UNAUDITED)

12

| <b>SEGMENT REPORTING</b>  | <b>2012 13</b> | <b>2011 12</b> | <b>2012 13</b> | <b>2011 12</b> |
|---|----------------|----------------|----------------|----------------|
| for the first nine months<br>(1 March – 30 November)                              | €000           | €000           | €000           | €000           |
| <b>Total revenue</b>  |                |                |                |                |
| Sugar   | 988,663        | 751,150        |                |                |
| Starch  | 610,958        | 594,492        |                |                |
| Fruit   | 859,996        | 674,439        |                |                |
| Group   | 2,459,617      | 2,020,081      |                |                |
| <b>Inter-segment revenue</b>  |                |                |                |                |
| Sugar   | (62,095)       | (59,747)       |                |                |
| Starch  | (7,272)        | (7,034)        |                |                |
| Fruit   | (923)          | (1,071)        |                |                |
| Group   | (70,290)       | (67,852)       |                |                |
| <b>Revenue</b>  |                |                |                |                |
| Sugar   | 926,568        | 691,403        |                |                |
| Starch  | 603,686        | 587,458        |                |                |
| Fruit   | 859,073        | 673,368        |                |                |
| Group   | 2,389,327      | 1,952,229      |                |                |
| <b>Operating profit</b>   |                |                |                |                |
| Sugar   |                |                | 105,311        | 94,300         |
| Starch  |                |                | 60,759         | 68,166         |
| Fruit   |                |                | 38,180         | 36,241         |
| Group   |                |                | 204,250        | 198,707        |
| Exceptional items   |                |                | (1,398)        | (1,433)        |
| Operating profit<br>after exceptional items                                       |                |                | 202,852        | 197,274        |
| <b>Purchases of property, plant<br/>and equipment and intangibles<sup>1</sup></b> |                |                |                |                |
| Sugar   |                |                | 44,811         | 18,420         |
| Starch  |                |                | 33,330         | 18,671         |
| Fruit   |                |                | 20,573         | 25,600         |
| Group   |                |                | 98,714         | 62,691         |
| <b>Staff count</b>  |                |                |                |                |
| Sugar   |                |                | 2,317          | 2,255          |
| Starch  |                |                | 944            | 908            |
| Fruit   |                |                | 5,294          | 4,946          |
| Group   |                |                | 8,555          | 8,109          |

## BASIS OF PREPARATION

The interim report of the AGRANA Group for the nine months ended 30 November 2012 was prepared in accordance with the rules for interim financial reporting under IAS 34, in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and their interpretation by the IFRS Interpretations Committee. The interim consolidated financial statements at and for the period ended 30 November 2012 were not audited or reviewed. These interim financial statements were released by the Management Board of AGRANA Beteiligungs-AG on 7 January 2013 for publication.

The annual report 2011|12 of the AGRANA Group is available on the Internet at [www.agrana.com](http://www.agrana.com) for online viewing or downloading.

## ACCOUNTING POLICIES

In the preparation of these interim accounts, the IFRS and interpretations which became effective in the 2012|13 financial year were applied. This did not have an impact on the presentation of the Group's financial statements or on its financial position, results of operations or cash flows. Except for these newly effective IFRS and interpretations, the same accounting methods were applied as in the preparation of the annual consolidated financial statements for the year ended 29 February 2012 (the 2011|12 financial year). The notes to those annual consolidated financial statements therefore apply mutatis mutandis to these interim accounts. Corporate income taxes were determined on the basis of country-specific income tax rates, taking into account the tax planning for the full financial year.

<sup>1</sup> Excluding goodwill.

## SCOPE OF CONSOLIDATION

In the third quarter of 2012|13 there were no further changes in the list of entities included in the consolidated financial statements.

The merger of AGRANA Juice Holding GmbH, Gleisdorf, Austria, with Ybbstaler Fruit Austria GmbH, Kröllendorf/Allhartsberg, Austria, closed on 1 June 2012.

AUSTRIA JUICE GmbH (formerly YBBSTALER AGRANA JUICE GmbH), Kröllendorf/Allhartsberg, Austria, is the parent company for the juice activities. It is 50.01% owned by AGRANA and 49.99% owned by RWA Raiffeisen Ware Austria (RWA), Vienna, and is fully consolidated in the Group financial statements of AGRANA Beteiligungs-AG.

The business combination of AGRANA Juice Holding GmbH and Ybbstaler Fruit Austria GmbH is intended to raise synergies. The goal of AUSTRIA JUICE GmbH (formerly YBBSTALER AGRANA JUICE GmbH) is to strengthen international marketing capabilities and thus create further opportunities for growth. The company aims to establish itself as a leading supplier of fruit juice concentrates, fruit purees, beverage bases, natural aromas and not-from-concentrate juices for the downstream beverage industry. The company, which employs about 800 people, has its registered office in Kröllendorf/Allhartsberg, Austria, and operates 15 sites in Austria, Denmark, Germany, Hungary, Poland, Romania, Ukraine and China.

With the closing of the transaction, two Ybbstaler companies and the shares of the AGRANA Juice companies were transferred to AUSTRIA JUICE GmbH (formerly YBBSTALER AGRANA JUICE GmbH). The two Ybbstaler firms (Ybbstaler Fruit Austria GmbH and Ybbstaler Fruit Polska Sp. z o.o., which is based in Chełm, Poland) are – directly or indirectly – wholly owned by AUSTRIA JUICE GmbH.

On 1 June 2012, in connection with this transaction, AGRANA acquired 50.01% of the shares of Ybbstaler Fruit Austria GmbH while at the same time ceding 49.99% of the shares of AGRANA Juice Holding GmbH to RWA. As the consideration received consisted of shares of AUSTRIA JUICE GmbH (formerly YBBSTALER AGRANA JUICE GmbH), these represent the purchase cost and are measured at fair value at the acquisition date.

The net assets at initial full consolidation and the goodwill arising on acquisition were as follows:

| Fair value at acquisition date        | 1 June 2012    |
|---------------------------------------|----------------|
|                                       | €000           |
| Non-current assets                    | 23,617         |
| Current assets                        |                |
| Inventories                           | 41,083         |
| Receivables and other assets          | 29,751         |
| Cash, cash equivalents and securities | 9,625          |
| Current assets                        | 80,459         |
| <b>Total assets</b>                   | <b>104,076</b> |
| Less non-current liabilities          | (2,986)        |
| Less current liabilities              | (67,399)       |
| <b>Net assets (equity)</b>            | <b>33,690</b>  |
| Less non-controlling interests        | (16,843)       |
| Goodwill                              | 6,534          |
| <b>Purchase cost</b>                  | <b>23,381</b>  |

Equity attributable to non-controlling interests increased by € 41,648 thousand at the acquisition date.

## SEASONALITY OF BUSINESS

Most of the Group's sugar production falls into the three months from October to December. Depreciation and impairment of plant and equipment used in the campaign are therefore incurred largely in the financial third quarter. The material costs, staff costs and other operating expenses incurred before the sugar campaign in preparation for production are recognised intra-year under the respective type of expense and capitalised within inventories as unfinished goods.

## NOTES TO THE CONSOLIDATED INCOME STATEMENT

Operating profit after exceptional items in the first three quarters of 2012|13 was € 202.9 million (Q1–Q3 2011|12: € 197.3 million). The principal driver of this profit growth was the Sugar segment.

Exceptional items consisted of expenses for reorganisation measures in the Fruit segment.

Net financial items totalled a net expense of € 21.1 million (Q1–Q3 2011|12: net expense of € 30.6 million) and resulted largely from the net interest expense.

After taxes, Group profit for the period was € 138.6 million (Q1–Q3 2011|12: € 129.7 million).

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

In the nine months to the end of November 2012, cash and cash equivalents grew to € 145.7 million, an increase of € 47.2 million from the beginning of the financial year.

Operating cash flow before change in working capital grew by € 9.5 million from the prior-year comparative period, to € 219.0 million. The key driver of this movement was profit for the period, which improved by € 8.9 million to € 138.6 million. The reduction of € 75.4 million in working capital was smaller than in the same period one year earlier (Q1–Q3 2011|12: reduction of € 186.8 million). This was attributable primarily to inventory growth and ultimately resulted in net cash from operating activities of € 142.7 million (Q1–Q3 2011|12: € 22.7 million).

Net cash used in investing activities, at € 90.4 million (Q1–Q3 2011|12: net cash used of € 62.2 million), reflected this year's higher purchases of property, plant and equipment in the Sugar segment (especially in Austria) and in the Starch segment (notably at the Austrian wheat starch plant).

The increase in non-current borrowings included the € 110 million promissory note loan placed in April 2012 (in German: *Schuldscheindarlehen*, a type of loan with some bond-like characteristics). The reduction in current borrowings, together with the dividend payment by AGRANA Beteiligungs-AG, led to a net cash outflow of € 5.8 million from financing activities (Q1–Q3 2011|12: net cash inflow of € 32.1 million).

## NOTES TO THE CONSOLIDATED BALANCE SHEET

The increase of € 352.3 million in total assets since 29 February 2012 to a new total of € 2,714.4 million was driven mainly by seasonal inventory growth in the Sugar and Fruit segments and an increase in trade receivables.

On the liabilities side, the reasons for the expansion in the balance sheet total were higher non-current borrowings and an increase in trade payables. With total equity of € 1,215.2 million (29 February 2012: € 1,073.0 million), the equity ratio at the end of November was 44.8% (29 February 2012: 45.4%).

## STAFF COUNT

In the first nine months of the financial year the AGRANA Group had an average of 8,555 employees (Q1–Q3 2011|12: 8,109). An increase of about 470 positions in the Fruit segment resulted mainly from the inclusion of the two Ybbstaler companies, Ybbstaler Fruit Austria GmbH and Ybbstaler Fruit Polska Sp. z o.o., as well as from seasonal hiring at the Dirafrost fruit plant in Morocco.

## RELATED PARTY DISCLOSURES

There were no material changes in related party relationships since the year-end balance sheet date of 29 February 2012. Transactions with related parties as defined in IAS 24 are conducted on arm's length terms. Details of individual related party relationships are provided in the AGRANA annual report for the year ended 29 February 2012.

## SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the balance sheet date of 30 November 2012 that had a material effect on AGRANA's financial position, results of operations or cash flows.

We confirm that, to the best of our knowledge:

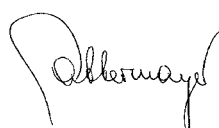
■ the condensed consolidated interim financial statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's financial position, results of operations and cash flows; and

■ the Group's management report for the first nine months gives a true and fair view of the financial position, results of operations and cash flows of the Group in relation to (1) the important events in the first three quarters of the financial year and their effects on the condensed consolidated interim financial statements, (2) the principal risks and uncertainties for the remaining quarter of the financial year, and (3) the reportable significant transactions with related parties.

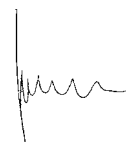
Vienna, 7 January 2013



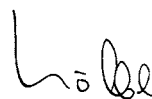
Johann Marihart  
Chief Executive Officer



Fritz Gattermayer  
Member of the Management Board



Walter Grausam  
Member of the Management Board



Thomas Kölbl  
Member of the Management Board

## FORWARD-LOOKING STATEMENTS

This interim report contains forward-looking statements, which are based on assumptions and estimates made by the Management Board of AGRANA Beteiligungs-AG. Although these assumptions, plans and projections represent the Management Board's current intentions and best knowledge, a large number of internal and external factors may cause actual future developments and results to differ materially from these assumptions and estimates. Some examples of such factors are, without limitation: negotiations concerning world trade agreements; changes in the overall economic environment, especially in macroeconomic variables such as exchange rates, inflation and interest rates; EU sugar policy; consumer behaviour; and public policy related to food and energy.

AGRANA Beteiligungs-AG does not guarantee in any way that the actual future developments and actual future results achieved will match the assumptions and estimates expressed or made in this interim report, and does not accept any liability in the event that assumptions and estimates prove to be incorrect.

As a result of the standard round-half-up convention used in rounding individual amounts and percentages, this report may contain minor, immaterial rounding errors.

No liability is assumed for misprints, typographical and similar errors.

## FINANCIAL CALENDAR

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|                 |  |
|-----------------|--|
| 14 May 2013     | Press conference on annual results for 2012 13             |
| 5 July 2013     | Annual General Meeting for 2012 13                         |
| 10 July 2013    | Dividend payment and ex-dividend date                      |
| 11 July 2013    | Publication of results for first quarter of 2013 14        |
| 10 October 2013 | Publication of results for first half of 2013 14           |
| 13 January 2014 | Publication of results for first three quarters of 2013 14 |

## FOR FURTHER INFORMATION

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For the AGRANA online annual report 2011|12,  
visit <http://ir.agrana.com>

This English translation of the AGRANA report  
is solely for readers' convenience.  
Only the German-language report is definitive.

**WWW.AGRANA.COM**