



# *REPORT*

*ON THE FIRST HALF OF 2015/16*

## ***FIRST HALF OF 2015/16 AT A GLANCE<sup>1</sup>***

- EBIT decrease from one year earlier on low prices in Sugar segment
- Starch and Fruit segments are a stabilising influence for Group's operating profitability
- Revenue: € 1,263.5 million (H1 prior year: € 1,285.2 million)
- Operating profit (EBIT): € 68.7 million (H1 prior year: € 87.0 million)
- EBIT margin: 5.4% (H1 prior year: 6.8%)
- Profit for the period: € 43.9 million (H1 prior year: € 60.2 million)
- Equity ratio: 52.9% (28 February 2015: 49.6%)
- Gearing ratio<sup>2</sup>: 31.8% (28 February 2015: 27.7%)
- Number of employees (FTE)<sup>3</sup>: 8,098 (year earlier: 7,934)

<sup>1</sup> The prior-year data have been restated under IAS 8. Detailed information is provided on page 18.

<sup>2</sup> Ratio of net debt to total equity.

<sup>3</sup> Full-time equivalents, in August.

## **CONTENTS**

3	Letter from the CEO
4	<b><i>GROUP MANAGEMENT REPORT</i></b>
4	Results of the first half of 2015 16
6	Sugar segment
8	Starch segment
10	Fruit segment
11	Management of risks and opportunities
11	Significant events after the interim reporting date
12	Outlook
13	<b><i>INTERIM CONSOLIDATED FINANCIAL STATEMENTS</i></b>
13	Consolidated income statement
14	Consolidated statement of comprehensive income
14	Condensed consolidated cash flow statement
15	Consolidated balance sheet
16	Condensed consolidated statement of changes in equity
17	Notes to the interim consolidated financial statements
22	<b><i>MANAGEMENT BOARD'S RESPONSIBILITY STATEMENT</i></b>
23	Further information

## LETTER FROM THE CEO

### DEAR INVESTOR,

We had forecast a challenging 2015|16 financial year, especially for sugar and bioethanol, and had therefore offered a subdued outlook.

At the half-year mark, the price situation for sugar remains difficult as predicted, but the volatile and currently unexpectedly high bioethanol prices are strengthening the Starch segment. The Fruit segment is in line with one year earlier.

After a good wheat harvest, the raw material situation in potatoes, corn and sugar beets is difficult as a result of the extreme drought in the summer. For starch potatoes the impact on crop volumes will be powerful, and lower yields must also be expected for beet and corn. That's why it is good that, after the prior year's record crop, the area planted to beet by AGRANA contract growers was reduced by less than the European average, while in bioethanol production, wheat will be given preference as a feedstock (when priced equivalent to corn).

In the Sugar segment the enlarged molasses desugaring plant in Tulln, Austria, using a chromatographic process, successfully began operation to improve sugar yield and extract valuable betaine. A new evaporator station in Leopoldsdorf, Austria, is generating further energy savings. Our new sugar logistics hub in Kaposvár, Hungary, is now completed, with a newly built silo and the finished high-bay warehouses and retail-packaging station. The Hungarian sugar facility is also a year-round producer of biomethane (from biogas) for feeding into the local natural gas grid.

Given the challenging sugar price situation and the end of the sugar quotas in October 2017, we began back in the last financial year to implement numerous cost reduction measures. The elimination of the quota system with its national restrictions facilitates a model of more highly production-focused manufacturing plants with less plant-based administration and greater central control.

Sales quantities in the Fruit segment, as expected, showed a very good trend. In the Starch segment with its diversity of manufacturing technologies and complex product mix, a project was launched to optimise operational processes and thus boost throughput and output. Purchasing synergies across all three segments, combined with the reduction of complexity, are saving costs.

As previously announced, the 2015|16 financial year will be a challenging one for AGRANA. However, as a result of the improved business conditions for bioethanol, the Group now expects operating profit to be only "moderately" rather than "significantly" below the level of the prior year.

Sincerely



Johann Marihart

Chief Executive Officer

# GROUP MANAGEMENT REPORT

## RESULTS FOR THE

### FIRST HALF OF 2015/16<sup>1</sup>

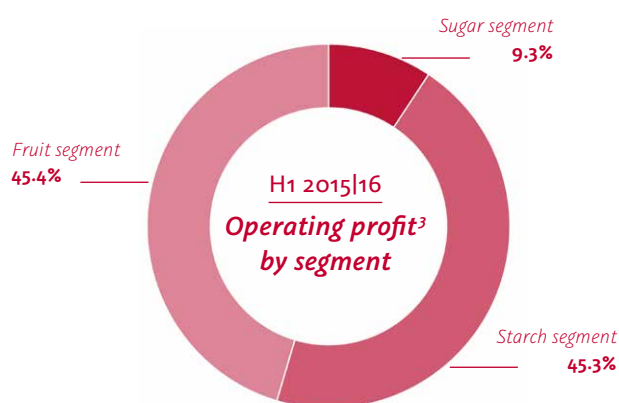
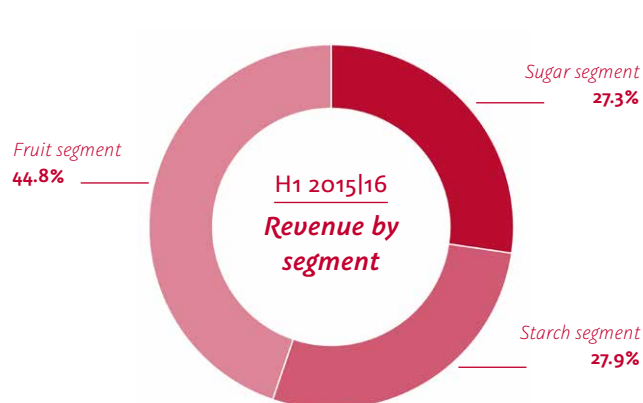
#### Revenue and earnings

AGRANA GROUP €m, except % and per-share data	H1 2015 16	H1 2014 15
Revenue	1,263.5	1,285.2
EBITDA <sup>2</sup>	93.1	113.2
Operating profit before exceptional items and results of equity-accounted joint ventures	58.0	78.2
Share of results of equity-accounted joint ventures	12.0	12.9
Exceptional items	(1.3)	(4.1)
<b>Operating profit [EBIT]<sup>3</sup></b>	<b>68.7</b>	<b>87.0</b>
<b>EBIT margin</b>	<b>5.4%</b>	<b>6.8%</b>
Net financial items	(11.2)	(8.1)
Income tax expense	(13.6)	(18.7)
Profit for the period	43.9	60.2
Earnings per share	€ 3.08	€ 4.03

AGRANA GROUP €m, except % and per-share data	Q2 2015 16	Q2 2014 15
Revenue	650.8	638.0
EBITDA <sup>2</sup>	49.9	49.7
Operating profit before exceptional items and results of equity-accounted joint ventures	32.0	31.7
Share of results of equity-accounted joint ventures	6.3	6.5
Exceptional items	(1.1)	(4.1)
<b>Operating profit [EBIT]<sup>3</sup></b>	<b>37.2</b>	<b>34.1</b>
<b>EBIT margin</b>	<b>5.7%</b>	<b>5.3%</b>
Net financial items	(9.5)	(5.4)
Income tax expense	(5.3)	(7.7)
Profit for the period	22.4	21.0
Earnings per share	€ 1.63	€ 1.37

In the first half of 2015|16 (ended 31 August 2015), **revenue** of the AGRANA Group was € 1,263.5 million, a small decrease of 1.7% from the prior-year comparative period. Revenue in the Fruit segment was slightly above the year-earlier level, and Starch segment revenue was as high as one year ago. The revenue decrease in the Sugar segment resulted from the lower sales prices.

As expected, **operating profit (EBIT)**, at € 68.7 million, was down materially, with a decline of 21.0% from the first six months of 2014|15. While EBIT in the Starch segment improved significantly, the lower revenues in the sugar business led to markedly weaker EBIT in the Sugar segment. In the Fruit segment, EBIT eased moderately as a result of a significant decrease in earnings



<sup>1</sup> The prior-year data have been restated under IAS 8. Detailed information is provided on page 18.

<sup>2</sup> EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation.

<sup>3</sup> Operating profit (EBIT) is after exceptional items and results of equity-accounted joint ventures.

in fruit juice concentrates. **Net financial items** in the first half of 2015|16 amounted to a net expense of € 11.2 million (H1 prior year: net expense of € 8.1 million); the year-on-year increase in expense resulted mainly from net currency translation losses. After an income tax expense of € 13.6 million, corresponding to a tax rate of about 23.7% (like one year earlier), **profit for the period** was € 43.9 million (H1 prior year: € 60.2 million).

**Earnings per share** attributable to shareholders of AGRANA were € 3.08 (H1 prior year: € 4.03).

### Investment<sup>1</sup>

In the first half of 2015|16, AGRANA invested a total of € 40.8 million, or € 2.2 million more than in the year-earlier period. Capital expenditure by segment was as follows:

€m	H1 2015 16	H1 2014 15
Sugar	22.0	13.4
Starch	6.6	4.4
Fruit	12.2	20.8
<b>AGRANA GROUP</b>	<b>40.8</b>	<b>38.6</b>

A short overview of the most important investment projects in the AGRANA Group:

#### Sugar segment

- Expanded evaporator station in Leopoldsdorf, Austria, successfully started operation at beginning of beet campaign
- Upgraded and enlarged molasses desugaring plant in Tulln, Austria, came on-stream in May 2015
- Incremental start of operation of packing lines at new packaging centre in Kaposvár, Hungary, is progressing on schedule

#### Starch segment

- Project to increase capacity and save energy started in Pischelsdorf, Austria; new heat exchanger to be commissioned in October

- Dry mixing plant project for infant formula in Gmünd, Austria: Construction in progress
- Plant expansion project in Aschach, Austria: Negotiations with authorities completed, detailed planning under way

#### Fruit segment

- Installation of a second IQF<sup>2</sup> freezer tunnel in Mexico
- Completion of new container cleaning system at AGRANA Fruit in Australia
- SAP rollout at AGRANA Fruit in Brazil
- Various asset replacement investments in fruit juice concentrate division

Additionally in the first half of 2015|16, € 8.4 million (H1 prior year: € 5.5 million) was invested in the equity-accounted joint ventures (the HUNGRANA and STUDEN groups; since the switch to equity accounting, investment in these entities is stated at 100% of the total rather than 50% as in the past).

#### Cash flow

Operating cash flow before changes in working capital was € 73.3 million in the first six months of 2015|16 (H1 prior year: € 92.6 million), easing primarily as a result of the lower profit for the period. After an increase of € 11.3 million in working capital (H1 prior year: decrease of € 128.1 million) that was due partly to a smaller reduction in inventories and a greater increase in receivables, net cash from operating activities in H1 2015|16 was € 62.3 million (H1 prior year: € 220.2 million). Net cash used in investing activities rose to € 42.7 million (H1 prior year: net cash use of € 38.3 million) as a result of higher payments for purchases of property, plant and equipment and intangibles. Net cash used in financing activities of € 103.2 million (H1 prior year: net cash use of € 94.4 million) reflected both the dividend payment and a greater reduction in current borrowings than in the year-earlier period.

#### Financial position

Total assets eased moderately compared with 28 February 2015, from € 2.41 billion to € 2.22 billion, and the equity ratio rose from 49.6% to 52.9%.

<sup>1</sup> Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.

<sup>2</sup> Individual quick-freeze.

Especially the change in equity-accounted joint ventures led to a reduction in non-current assets. While trade receivables and other assets expanded markedly, inventories contracted and cash and cash equivalents also declined. All in all, this translated to a net decrease in current assets. On the other side of the balance sheet, non-current liabilities remained almost constant. Current liabilities fell, for reasons including the payments made to beet growers (which brought down trade payables) and the reduction of current borrowings.

Net debt as of 31 August 2015 stood at € 373.0 million, up by a significant € 42.7 million from the 2014|15 year-end level. The gearing ratio rose accordingly to 31.8% as of the mid-year balance sheet date (28 February 2015: 27.7%).

### AGRANA in the capital market

SHARE DATA	H1 2015 16
High (11 June 2015)	€ 84.52
Low (28 August 2015)	€ 73.00
Closing price (31 August 2015)	€ 74.00
Closing book value per share	€ 78.46
Closing market capitalisation	€ 1,051.0m

AGRANA started the 2015|16 financial year at a share price of € 80.51 and closed at € 74.00 on the last trading day in August 2015. This represented a price decline of 8.09% for the reporting period, on an average trading volume of just over 1,100 shares per day (based on double counting, as published by the Vienna Stock Exchange). The Austrian blue-chip index, the ATX, fell by 6.82% over the same period.

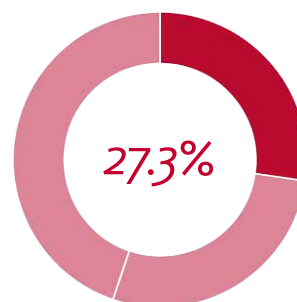
AGRANA's share price performance can be followed in the investor relations section of the Group's website at [www.agrana.com](http://www.agrana.com). The market capitalisation at the end of August 2015 was € 1,051.0 million, with an unchanged 14,202,040 shares outstanding.

The 28<sup>th</sup> Annual General Meeting of AGRANA Beteiligungs-AG on 3 July 2015 approved the payment of a dividend (unchanged from the previous year) of € 3.60 per share for the 2014|15 financial year; the dividend was paid in July 2015.

H1 2015|16

### SUGAR SEGMENT

Share of total revenue



### Financial results

SUGAR SEGMENT €m, except %	H1 2015 16	H1 2014 15
Revenue	345.0	378.1
EBITDA <sup>1</sup>	12.1	34.5
Operating profit before exceptional items and results of equity-accounted joint ventures	6.0	28.6
Share of results of equity-accounted joint ventures	0.4	(1.0)
Exceptional items	0.0	0.5
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>6.4</b>	<b>28.1</b>
<b>EBIT margin</b>	<b>1.9%</b>	<b>7.4%</b>

SUGAR SEGMENT €m, except %	Q2 2015 16	Q2 2014 15
Revenue	197.2	193.0
EBITDA <sup>1</sup>	11.2	14.2
Operating profit before exceptional items and results of equity-accounted joint ventures	7.9	11.1
Share of results of equity-accounted joint ventures	0.5	(0.5)
Exceptional items	0.0	0.5
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>8.4</b>	<b>11.1</b>
<b>EBIT margin</b>	<b>4.3%</b>	<b>5.8%</b>

In the first half of 2015|16, revenue in the Sugar segment declined moderately, by 8.8% year-on-year to € 345.0

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

<sup>2</sup> Operating profit (EBIT) is after exceptional items and results of equity-accounted joint ventures.

million. The chief reason was a significant reduction in sales prices to resellers and industry. The sales volumes of quota sugar increased, particularly with industrial customers, while the amounts of non-quota sugar sold to the chemical industry were largely in line with one year earlier. Exports to non-EU countries were lower than in the year-ago period. Revenue from by-products receded slightly.

EBIT in the first six months of 2015|16 (€ 6.4 million) was driven by the significant decline in sugar selling prices compared to the same period of the prior year, when higher prices were still being received from the 2013|14 campaign. Lower raw material costs (especially for raw sugar) were not able to make up for the revenue reduction.

## Market environment

### *World sugar market*

In its fourth, revised estimate from 30 July 2015 of the world sugar balance for the 2014|15 sugar marketing year (SMY, October 2014 to September 2015), the analytics firm F.O. Licht continues to forecast steady to slightly rising world sugar production and further growth in consumption. The estimate predicts an increase of 2 million tonnes in global sugar stocks by the end of the current sugar marketing year on 30 September 2015.

The downward trend on world sugar markets witnessed since June 2014 took the white and raw sugar quotations to lows not seen since 2009. At the end of the reporting period, the world market price of white sugar was around US\$ 341 per tonne (or € 304) and raw sugar quoted at about US\$ 236 (€ 210). The worldwide high sugar stocks, the rapid depreciation of the Brazilian real (to a 12-year low) and the persistently weak oil prices can be pinpointed as the chief causes of the depressed sugar quotations.

### *EU sugar market*

Record-high yields in the 2014|15 European sugar beet campaign resulted in the full utilisation of the EU sugar quota and in the production of 6.4 million tonnes of non-quota sugar. As a consequence of drastically fallen sugar prices in the EU, preferential import volumes in SMY 2014|15 remained well below the prior year. The

quota sugar stocks at the end of SMY 2014|15 were therefore down significantly.

For SMY 2015|16, a significant cut in production volume is currently predicted. The area planted to sugar beet in important production countries has been markedly reduced. Moreover, weather conditions (drought) in Central and Eastern Europe led to significantly lower yield expectations. However, as some surplus sugar is carried over from non-quota stocks of the old SMY to become quota sugar of the new SMY, it is projected that the quota will be fully utilised and there will be sufficient non-quota supply. At the end of SMY 2015|16, another decrease in quota sugar stocks is expected. Nonetheless, the European sugar market is adequately supplied by EU sugar production.

### *Customers in industry and resellers*

With its industrial accounts and with wholesalers and retailers, AGRANA continues to focus on an effective market positioning and the expansion of existing market share. The aim is to remain the preferred partner to the Group's long-standing customers.

In Romania the cut in value-added tax on sugar from 24% to 9% in June led to record sales quantities. In Hungary there are successes in combatting VAT fraud and the market situation thus improved here as well.

The volumes sold to the sugar-using industry increased year-on-year; in particular, the hot weather in the summer months spurred higher consumption of non-alcoholic beverages.

### *Raw materials and production*

The area planted to sugar beet by AGRANA's contract growers for SMY 2015|16 was reduced by approximately 3,100 hectares, or 3.3%, in light of the current difficult market setting. In Austria about 840 hectares of land are dedicated to organic beet production this year.

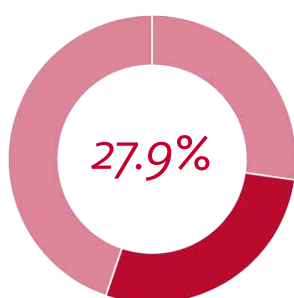
In all beet-growing areas except Romania, sowing began early as a result of the moderate winter. Thanks to the comparatively very good rainfall in April and May, the beet stocks developed well until June. Following the extremely unfavourable weather and growing conditions in July and August, beet yields particularly in Austria,

the Czech Republic and Romania are likely to come in below average. In Slovakia and Hungary some of the crop, at least, received the necessary precipitation and an average harvest can thus be expected. The first sugar plants began beet processing on or about 10 September 2015.

H1 2015|16

## STARCH SEGMENT

Share of total revenue



### Financial results

STARCH SEGMENT €m, except %	H1 2015 16	H1 2014 15
Revenue	352.7	351.2
EBITDA <sup>1</sup>	31.0	22.6
Operating profit before exceptional items and results of equity-accounted joint ventures	19.5	11.3
Share of results of equity-accounted joint ventures	11.6	13.9
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>31.1</b>	<b>25.2</b>
<b>EBIT margin</b>	<b>8.8%</b>	<b>7.2%</b>

STARCH SEGMENT €m, except %	Q2 2015 16	Q2 2014 15
Revenue	178.6	173.9
EBITDA <sup>1</sup>	16.4	9.3
Operating profit before exceptional items and results of equity-accounted joint ventures	10.6	3.7
Share of results of equity-accounted joint ventures	5.8	7.0
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>16.4</b>	<b>10.7</b>
<b>EBIT margin</b>	<b>9.2%</b>	<b>6.2%</b>

Revenue in the first half of 2015|16, at € 352.7 million, was somewhat higher than one year earlier. The revenue growth was achieved in, among other areas, the bioethanol business, which benefited from higher selling prices. Decreased revenue from saccharification products reflects the unabating low prices in the European sugar market. Revenue with by-products, amid lower prices, was off slightly from the prior-year comparative period.

EBIT of € 31.1 million significantly surpassed the year-earlier result, by 23.4%. Profitability in terms of EBIT margin thus rose from 7.2% to 8.8%. This operating profit growth was driven above all by the improved sales price situation in ethanol; at the same time, average raw material costs for the Starch segment as a whole also eased slightly year-on-year. The earnings decrease at HUNGRANA, the equity-accounted subsidiary, reflects the lower selling prices for saccharification products.

### Market environment

The size of the market for food starch is steady in terms of sales quantities. The disappointing harvest outlook for starch potatoes (especially in southern Germany, Austria and Eastern Europe) is causing a moderate rise in market prices.

Starch saccharification products in general and isoglucose in particular are showing direct impacts of the pressure in sugar markets, reflected in the strained current market environment for these products.

The paper and corrugated board sector is marked by higher-than-expected demand in the EU. This positive development is driven by an increase in export volumes of paper and packaging materials, which benefit from the weak euro.

For bioethanol the market setting in the EU picked up again, after passing through a difficult stage at the beginning of the calendar year. Ethanol prices in Europe largely defied the negative influences from farther afield, rising to € 583 per cubic metre FOB Rotterdam at the end of August. This was due in part to seasonal demand growth that coincided with tight supply especially in Rotterdam, Europe's main trading centre for bioethanol.

In protein by-products, there is firm demand for high-protein offerings (for example, potato protein and

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

<sup>2</sup> Operating profit (EBIT) is after exceptional items and results of equity-accounted joint ventures.



corn gluten meal) and continuing high demand for vital wheat gluten.

### Raw materials and production

World grain production in the 2015|16 grain marketing year (July to June) is estimated<sup>1</sup> by the International Grains Council at 1.99 billion tonnes (prior year: 2.02 billion tonnes), approximately equalling the expected consumption. Global wheat production is forecast at 720 million tonnes (as in the prior year), compared to expected consumption of 716 million tonnes. The world's corn production is projected at 968 million tonnes (prior year: 1,003 million tonnes), versus expected consumption of 972 million tonnes. This implies a small increase in global stocks for wheat and a modest reduction for corn. Overall, the global balances of both these grains, at about 200 million tonnes each, are relatively high.

In view of the high stocks and a satisfactory crop picture, the commodity quotations for wheat and corn have fallen in the past few months. Thus, at the end of August 2015 on the commodity derivatives exchange in Paris, wheat futures for December 2015 delivery quoted at about € 173 per tonne and corn futures for November delivery were around € 169.

Grain production in Austria, excluding grain corn (non-silage corn), is estimated by Agrarmarkt Austria (AMA) at approximately 3.3 million tonnes, or about 2% less than in the prior year. For grain corn, production is expected to decline by just under 23% to 1.8 million tonnes.

### Potato

On 2 September the potato starch factory in Gmünd, Austria, began the processing of starch potatoes from the 2015 harvest. As a result of the past summer's heat and exceptional dryness, fulfilment is expected to reach only about 65% of the contracted amount of starch potatoes. The average starch content will be approximately 18.5%, an increase from the prior year's 17.3%.

### Corn and wheat

Receiving of freshly harvested wet corn at the corn starch plant in Aschach, Austria, began on 26 August. Wet corn volume is expected to be somewhat lower

than in the prior year and is to reach about 90,000 to 100,000 tonnes; processing should be completed at the end of November. Production will then switch to the use of dry corn. Approximately 197,000 tonnes of corn was processed in the first half of 2015|16, in line with the prior year.

In the reporting period the bioethanol and wheat starch plant in Pischelsdorf, Austria, used about two-thirds cereals (wheat, triticale and rye) and one-third corn. The total processing volume at this facility for the first six months of the financial year was approximately 370,000 tonnes (H1 prior year: 368,000 tonnes). Processing of wet corn began at the start of September and is expected to total 75,000 tonnes, down about 25% from the prior year for weather reasons.

In Romania some 27,000 tonnes of corn were processed in the first half of the financial year (H1 prior year: 24,000 tonnes), with wet corn used since the beginning of September.

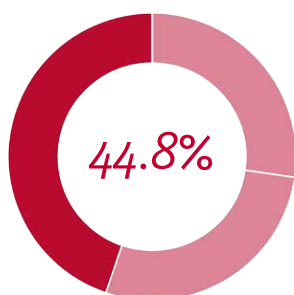
The equity-accounted plant in Hungary (HUNGRANA) launched its wet corn campaign in mid-August. The forecast wet corn processing volume is lower year-on-year at roughly 200,000 to 250,000 tonnes (prior year: 250,000 tonnes). Approximately 578,000 tonnes of corn was processed in the first half of 2015|16 (with AGRANA's share being 50%), an increase from the year-earlier amount.

<sup>1</sup> Estimate dated 27 August 2015.

H1 2015|16

## FRUIT SEGMENT

Share of total revenue



### Financial results

FRUIT SEGMENT €m, except %	H1 2015 16	H1 2014 15
Revenue	565.8	555.9
EBITDA <sup>1</sup>	50.0	56.1
Operating profit before exceptional items and results of equity-accounted joint ventures	32.5	38.3
Exceptional items	(1.3)	(4.6)
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>31.2</b>	<b>33.7</b>
<b>EBIT margin</b>	<b>5.5%</b>	<b>6.1%</b>

FRUIT SEGMENT €m, except %	Q2 2015 16	Q2 2014 15
Revenue	275.0	271.1
EBITDA <sup>1</sup>	22.3	26.2
Operating profit before exceptional items and results of equity-accounted joint ventures	13.5	16.9
Exceptional items	(1.1)	(4.6)
<b>Operating profit [EBIT]<sup>2</sup></b>	<b>12.4</b>	<b>12.3</b>
<b>EBIT margin</b>	<b>4.5%</b>	<b>4.5%</b>

Fruit segment revenue grew somewhat in the first half of 2015|16, by 1.8% to € 565.8 million. In fruit preparations, sales volume rose slightly from one year earlier and higher sales prices, amplified by favourable

currency effects, likewise helped achieve the revenue growth of about 10%. In the fruit juice concentrate business, revenue declined by around 20% as a result of sharply lower selling prices for apple juice concentrate.

The Fruit segment generated EBIT of € 31.2 million in the first six months of 2015|16, a decrease of 7.4% from one year earlier. While the fruit preparations division showed a significant improvement in EBIT, the lower apple prices of the 2014 campaign and the associated considerable decline in concentrate prices had a negative impact on margins in the fruit juice concentrate activities. In fruit preparations, the operating business trend was positive, particularly in Europe, North and Latin America, Korea and China, while currencies that strengthened against the euro (most notably the US dollar) also contributed to the gain in EBIT. The net exceptional items expense of € 1.3 million related to the restructuring project of Dirafrost FFI N.V., Herk-de-Stad, Belgium; however, most of the project's one-time costs were already recognised in the 2014|15 consolidated financial statements.

### Market environment

For *fruit preparations* there is an ongoing gentle decrease in demand in the EU, but slight growth in the non-European markets. Macroeconomic and political problems are, however, slowing market development in the growth regions of Eastern Europe (Russia, Ukraine, Belarus), North Africa (Egypt, Algeria), the Middle East and Argentina. Markets such as Brazil, China and Turkey are showing a sustained positive trend. The sales situation in Mexico rallied since June thanks to good demand for fruit ingredients for the bakery industry.

In the *fruit juice concentrates* division, low apple prices as a result of large crops and of Russia's import ban on fresh fruit from the EU led to a significant drop in prices for apple juice concentrate in the 2014 campaign. In the past weeks – the 2015 apple campaign started in the middle of September – selling prices in Europe rose again as a result of low supplies of raw material. The competitive situation for Chinese apple juice concentrate remains challenging, and will depend on how the local processing season unfolds. The Russian import restrictions on goods from Ukraine still make it necessary to import the Ukrainian production to the EU for centralised marketing.

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<sup>2</sup> Operating profit (EBIT) is after exceptional items and results of equity-accounted joint ventures.

## Raw materials and production

In the fruit preparations division, the spring and summer harvests have largely been concluded. The crop yields in the early part of the summer were mostly good, but subsequently the drought in Europe led to crop losses and rising fruit prices (e.g., for peach and apricot). The situation grew even more strained for the late-season crops (for example, raspberry and blackberry) in Central and Eastern Europe, where yields were less than half of normal levels.

In tropical fruits, the adverse movement in the euro against the US dollar, in combination with regional crop failures for mango and pineapple, led to steep price increases. Strawberry prices in the USA climbed in response to increased demand and insufficient domestic supply.

For the fruit juice concentrates division, the drought during the summer resulted in a lower quality and quantity of berry fruits in Europe. Apples are showing reduced growth in size, which also means the fruit has lower weight. The 2015 apple campaign is therefore expected to produce a smaller crop and lower processing quantities than last year's, with the added effect of higher raw material prices.

## AGRANA

### 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 currently no known risks to the AGRANA Group's ability to continue in operational existence, and no future risks of this nature are discernible at present.

A detailed description of the Group's business risks is provided on pages 86 to 89 of the annual report 2014/15.

## AGRANA

### SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the interim balance sheet date of 31 August 2015 that had a material effect on AGRANA's financial position, results of operations or cash flows.

AGRANA

OUTLOOK

AGRANA GROUP €m	2014 15 ACTUAL	2015 16 FORECAST
Revenue	2,493.5	→
EBIT	121.7	↓
Investment <sup>1</sup>	91.2	~93

→ Steady

↓ Moderate reduction

AGRANA continues to expect Group revenue to remain steady in the 2015|16 financial year. For operating profit (EBIT) the Group is now projecting a moderate rather than a significant decrease.

STARCH SEGMENT €m	2014 15 ACTUAL	2015 16 FORECAST
Revenue	700.1	→
EBIT	54.1	→
Investment <sup>1</sup>	13.7	~28

→ Steady

In the **Starch segment**, AGRANA's forecast for the 2015|16 financial year calls not just for constant sales quantities but now also for steady revenue. The ongoing competitive pressure in saccharification products will detract from the EBIT result of HUNGRANA. However, with the improved margin projection for the ethanol business, the Starch segment is expected to deliver EBIT at least matching that of the prior year.

SUGAR SEGMENT €m	2014 15 ACTUAL	2015 16 FORECAST
Revenue	731.1	↓↓
EBIT	9.0	↓↓
Investment <sup>1</sup>	34.5	~32

↓↓ Significant reduction

In the **Sugar segment**, AGRANA expects a further significant decline in revenue as a result of the current market environment. Reduced beet costs and a cost-saving programme already begun in the 2014|15 financial year for all countries will not be able to make up for the declining selling prices; a negative EBIT should thus be expected in 2015|16 for the Sugar segment.

FRUIT SEGMENT €m	2014 15 ACTUAL	2015 16 FORECAST
Revenue	1,062.3	↑
EBIT	58.6	↑↑
Investment <sup>1</sup>	43.0	~33

↑ Moderate increase

↑↑ Significant increase

AGRANA expects that in the 2015|16 financial year, the **Fruit segment** will achieve moderate revenue growth and a significant gain in EBIT. For the fruit preparations division a positive revenue trend is predicted – especially in the Europe and North America regions – driven by rising sales volumes. In the fruit juice concentrate business, as a result of lower prices, revenue is expected to be at the prior-year level.

In 2015|16 the AGRANA Group's total investment of about € 93 million for the financial year will be slightly ahead of depreciation.

<sup>1</sup> Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the first six months ended 31 August 2015 (unaudited)

## CONSOLIDATED INCOME STATEMENT

FIRST SIX MONTHS  
(1 MARCH–31 AUGUST)

SECOND QUARTER  
(1 JUNE–31 AUGUST)

	H1 2015 16 €000	H1 2014 15 <sup>1</sup> €000	Q2 2015 16 €000	Q2 2014 15 <sup>1</sup> €000
Revenue	1,263,460	1,285,206	650,805	637,983
Changes in inventories of finished and unfinished goods	(173,910)	(228,120)	(73,332)	(115,285)
Own work capitalised	1,287	1,376	529	446
Other operating income	17,558	14,475	10,950	6,688
Cost of materials	(739,887)	(689,342)	(399,110)	(344,227)
Staff costs	(139,029)	(137,043)	(70,375)	(69,416)
Depreciation, amortisation and impairment losses	(35,879)	(35,023)	(18,695)	(18,048)
Other operating expenses	(136,918)	(137,420)	(69,853)	(70,535)
Share of results of equity-accounted joint ventures	12,030	12,857	6,268	6,475
<b>Operating profit [EBIT]</b>	<b>68,712</b>	<b>86,966</b>	<b>37,187</b>	<b>34,081</b>
Finance income	26,553	5,659	23,127	1,011
Finance expense	(37,733)	(13,701)	(32,563)	(6,383)
<b>Net financial items</b>	<b>(11,180)</b>	<b>(8,042)</b>	<b>(9,436)</b>	<b>(5,372)</b>
<b>Profit before tax</b>	<b>57,532</b>	<b>78,924</b>	<b>27,751</b>	<b>28,709</b>
Income tax expense	(13,592)	(18,703)	(5,342)	(7,725)
<b>Profit for the period</b>	<b>43,940</b>	<b>60,221</b>	<b>22,409</b>	<b>20,984</b>
▪ Attributable to shareholders of the parent	43,720	57,208	23,127	19,470
▪ Attributable to non-controlling interests	220	3,013	(718)	1,514
Earnings per share under IFRS (basic and diluted)	€ 3.08	€ 4.03	€ 1.63	€ 1.37

<sup>1</sup>The prior-year data were restated in accordance with IAS 8. Detailed information is provided on page 18.

**CONSOLIDATED STATEMENT  
OF COMPREHENSIVE INCOME**
**FIRST SIX MONTHS**  
(1 MARCH–31 AUGUST)

**SECOND QUARTER**  
(1 JUNE–31 AUGUST)

	H1 2015 16 €000	H1 2014 15 <sup>1</sup> €000	Q2 2015 16 €000	Q2 2014 15 <sup>1</sup> €000
<b>Profit for the period</b>	<b>43,940</b>	<b>60,221</b>	<b>22,409</b>	<b>20,984</b>
Other comprehensive (expense)/income				
▪ Currency translation differences	(7,751)	(2,453)	(18,112)	(5,312)
▪ Available-for-sale financial assets under IAS 39, after deferred taxes	(218)	72	(196)	149
▪ Cash flow hedges under IAS 39, after deferred taxes	(1,233)	(1,740)	(285)	(507)
▪ Equity-accounted joint ventures	(2,842)	(1,072)	(1,130)	(2,423)
(Expense) to be recognised in the income statement in the future	(12,044)	(5,193)	(19,723)	(8,093)
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities (IAS 19), after deferred taxes	3,418	(31)	3,442	(13)
<b>(Expense) recognised directly in equity</b>	<b>(8,626)</b>	<b>(5,224)</b>	<b>(16,281)</b>	<b>(8,106)</b>
<b>Total comprehensive income for the period</b>	<b>35,314</b>	<b>54,997</b>	<b>6,128</b>	<b>12,878</b>
▪ Attributable to shareholders of the parent	36,173	52,775	8,444	12,461
▪ Attributable to non-controlling interests	(859)	2,222	(2,316)	417

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

<b>FOR THE FIRST SIX MONTHS</b> (1 MARCH–31 AUGUST)	H1 2015 16 €000	H1 2014 15 <sup>1</sup> €000
Operating cash flow before changes in working capital	73,257	92,564
Losses/(gains) on disposal of non-current assets	397	(419)
Changes in working capital	(11,331)	128,091
<b>Net cash from operating activities</b>	<b>62,323</b>	<b>220,236</b>
Net cash (used in) investing activities	(42,682)	(38,254)
Net cash (used in) financing activities	(103,161)	(94,438)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(83,520)</b>	<b>87,544</b>
Effect of movements in foreign exchange rates on cash and cash equivalents	536	(1,220)
Cash and cash equivalents at beginning of period	193,818	135,856
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>110,834</b>	<b>222,180</b>

## CONSOLIDATED BALANCE SHEET

<b>ASSETS</b>	<b>31 AUGUST 2015</b> €000	<b>28 FEBRUARY 2015</b> €000
<b>A. Non-current assets</b>		
Intangible assets, including goodwill	238,719	241,475
Property, plant and equipment	664,669	661,537
Equity-accounted joint ventures	67,672	84,384
Securities	104,857	104,879
Investments in non-consolidated subsidiaries and outside companies	1,124	1,114
Receivables and other assets	11,387	21,070
Deferred tax assets	22,119	22,184
	<b>1,110,547</b>	<b>1,136,643</b>
<b>B. Current assets</b>		
Inventories	455,660	625,313
Trade receivables and other assets	531,548	439,793
Current tax assets	13,083	11,274
Securities	46	46
Cash and cash equivalents	110,834	193,818
	<b>1,111,171</b>	<b>1,270,244</b>
<b>TOTAL ASSETS</b>	<b>2,221,718</b>	<b>2,406,887</b>

## EQUITY AND LIABILITIES

<b>A. Equity</b>		
Share capital	103,210	103,210
Share premium and other capital reserves	411,362	411,362
Retained earnings	599,735	614,687
Equity attributable to shareholders of the parent	1,114,307	1,129,259
Non-controlling interests	60,473	65,161
	<b>1,174,780</b>	<b>1,194,420</b>
<b>B. Non-current liabilities</b>		
Retirement and termination benefit obligations	65,782	71,885
Other provisions	14,625	14,879
Borrowings	323,890	319,672
Other payables	1,107	1,204
Deferred tax liabilities	12,144	10,424
	<b>417,548</b>	<b>418,064</b>
<b>C. Current liabilities</b>		
Other provisions	39,472	41,757
Borrowings	264,822	309,354
Trade and other payables	308,146	411,193
Current tax liabilities	16,950	32,099
	<b>629,390</b>	<b>794,403</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,221,718</b>	<b>2,406,887</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<b>FOR THE FIRST SIX MONTHS</b> (1 MARCH–31 AUGUST)	Equity attributable to shareholders of the parent €000	Non- controlling interests €000	<b>TOTAL</b> €000
<b>2015 16</b>			
<b>At 1 March 2015</b>	<b>1,129,259</b>	<b>65,161</b>	<b>1,194,420</b>
Fair value movements under IAS 39	(1,451)	0	(1,451)
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities	3,419	(1)	3,418
Currency translation loss	(9,515)	(1,078)	(10,593)
<b>Other comprehensive (expense) for the period</b>	<b>(7,547)</b>	<b>(1,079)</b>	<b>(8,626)</b>
Profit for the period	43,720	220	43,940
<b>Total comprehensive income for the period</b>	<b>36,173</b>	<b>(859)</b>	<b>35,314</b>
Dividends paid	(51,127)	(3,833)	(54,960)
Other changes	2	4	6
<b>AT 31 AUGUST 2015</b>	<b>1,114,307</b>	<b>60,473</b>	<b>1,174,780</b>
<b>2014 15<sup>1</sup></b>			
<b>At 1 March 2014</b>	<b>1,124,733</b>	<b>66,255</b>	<b>1,190,988</b>
Fair value movements under IAS 39	(1,668)	0	(1,668)
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities	(27)	2	(25)
Currency translation loss	(2,738)	(793)	(3,531)
<b>Other comprehensive (expense) for the period</b>	<b>(4,433)</b>	<b>(791)</b>	<b>(5,224)</b>
Profit for the period (including IAS 8 restatement)	57,208	3,013	60,221
<b>Total comprehensive income for the period</b>	<b>52,775</b>	<b>2,222</b>	<b>54,997</b>
Dividends paid	(51,128)	(3,906)	(55,034)
Other changes	(89)	72	(17)
<b>AT 31 AUGUST 2014</b>	<b>1,126,291</b>	<b>64,643</b>	<b>1,190,934</b>



# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the first six months ended 31 August 2015 (unaudited)

## SEGMENT REPORTING

FOR THE FIRST SIX MONTHS (1 MARCH–31 AUGUST)	H1 2015 16 €000	H1 2014 15 €000
-------------------------------------------------	-----------------------	-----------------------

### TOTAL REVENUE

Sugar	375,241	419,301
Starch	356,437	355,562
Fruit	565,933	556,081
<b>Group</b>	<b>1,297,611</b>	<b>1,330,944</b>

### INTER-SEGMENT REVENUE

Sugar	(30,279)	(41,218)
Starch	(3,755)	(4,375)
Fruit	(117)	(145)
<b>Group</b>	<b>(34,151)</b>	<b>(45,738)</b>

### REVENUE

Sugar	344,962	378,083
Starch	352,682	351,187
Fruit	565,816	555,936
<b>Group</b>	<b>1,263,460</b>	<b>1,285,206</b>

### OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS AND RESULTS OF EQUITY-ACCOUNTED JOINT VENTURES

Sugar	5,995	28,634
Starch	19,491	11,295
Fruit	32,499	38,270
<b>Group</b>	<b>57,985</b>	<b>78,199</b>

### EXCEPTIONAL ITEMS

Sugar	0	460
Starch	0	0
Fruit	(1,303)	(4,550)
<b>Group</b>	<b>(1,303)</b>	<b>(4,090)</b>

	H1 2015 16 €000	H1 2014 15 €000
--	-----------------------	-----------------------

### SHARE OF RESULTS OF EQUITY- ACCOUNTED JOINT VENTURES

Sugar	396	(1,016)
Starch	11,634	13,873
Fruit	0	0
<b>Group</b>	<b>12,030</b>	<b>12,857</b>

### OPERATING PROFIT [EBIT]<sup>1</sup>

Sugar	6,391	28,078
Starch	31,125	25,168
Fruit	31,196	33,720
<b>Group</b>	<b>68,712</b>	<b>86,966</b>

### INVESTMENT<sup>2</sup>

Sugar	21,952	13,401
Starch	6,586	4,364
Fruit	12,244	20,840
<b>Group</b>	<b>40,782</b>	<b>38,605</b>

### AVERAGE NUMBER OF EMPLOYEES (FTE)<sup>3</sup> [MONTH OF AUGUST]

Sugar	2,032	2,040
Starch	900	867
Fruit	5,166	5,027
<b>Group</b>	<b>8,098</b>	<b>7,934</b>

<sup>1</sup> Operating profit (EBIT) is after exceptional items and results of equity-accounted joint ventures.

<sup>2</sup> Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.

<sup>3</sup> Full-time equivalents.

The interim report of the AGRANA Group for the six months ended 31 August 2015 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. Consistent with IAS 34, the consolidated financial statements of AGRANA Beteiligungs-Aktiengesellschaft ("AGRANA Beteiligungs-AG") at and for the period ended 31 August 2015 are presented in condensed form. These interim consolidated financial statements, which were not audited or reviewed, were prepared by the Management Board of AGRANA Beteiligungs-AG on 28 September 2015.

The annual report 2014|15 of the AGRANA Group is available on the Internet at [www.agrana.com/en/investor](http://www.agrana.com/en/investor) for viewing or downloading.

### ACCOUNTING POLICIES

In the preparation of these interim financial statements, certain new or changed standards and interpretations became effective for the first time, as described on pages 105 to 111 of the 2014|15 annual report in the notes to the consolidated financial statements, section 2, "Basis of preparation".

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 28 February 2015 (the latest full financial year).

The notes to those 2014|15 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.

### IFRS CHANGES IN PRESENTATION

From the beginning of the 2015|16 financial year, the presentation of the statement of comprehensive income was expanded by adding the line item "equity-accounted joint ventures", within income/expense recognised directly in equity. The new item represents the effects –

recognised directly in equity – of IAS 39 fair value movements and currency translation differences from equity-accounted joint ventures. Previously, these effects were included in the separate line items for IAS 39 fair value movements and currency translation differences.

Regarding the adjustments under IAS 8 made at 28 February 2014 and 1 March 2013 and their effects on these interim financial statements, please refer to the amounts and explanations presented on pages 110 to 115 of the 2014|15 annual report in the notes to the consolidated financial statements (within section 2, "Basis of preparation", under "Restatements in accordance with IAS 8").

### BASIS OF CONSOLIDATION

In the first quarter of 2015|16, AGRANA Juice Poland Sp.z.o.o., based in Bialobrzegi, Poland, was merged into AUSTRIA JUICE Poland Sp.z.o.o. (formerly Ybbstaler Fruit Polska Sp.z.o.o.), Chelm, Poland, and AGRANA Trading EOOD, based in Sofia, Bulgaria, was merged into AGRANA Bulgaria AD, Sofia, Bulgaria. In addition, AGRANA Fruit Services Inc. of Brecksville, Ohio, USA, was merged into AGRANA Fruit US, Inc., Brecksville, Ohio. The second quarter saw the initial consolidation of AGRANA Research & Innovation Center GmbH, Vienna, which until then had been a non-consolidated subsidiary. A positive effect of € 3.6 million from the first-time consolidation was recognised in other operating income. As well, AGRANA J&F Holding GmbH, Vienna, was merged into AGRANA Internationale Verwaltungs- und Asset-Management GmbH, Vienna. In total, 60 companies were fully consolidated (28 February 2015 year-end: 63 companies) and 11 companies were accounted for using the equity method (28 February 2015: 11 companies).

### SEASONALITY OF BUSINESS

Most of the Group's sugar production falls into the period from September to January. 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 (through the

item “changes in inventories of finished and unfinished goods”).

### **NOTES TO THE CONSOLIDATED INCOME STATEMENT**

Operating profit (EBIT) in the first half of 2015|16 was € 68.7 million (H1 prior year: € 87.0 million). This decrease stemmed primarily from an earnings reduction in the Sugar segment. A net exceptional items expense of € 1.3 million from the closure of the production facility in Belgium is included in EBIT of the Fruit segment.

Net financial items amounted to an increased net expense of € 11.2 million (H1 prior year: net expense of € 8.0 million), reflecting the net effects of an improvement of € 3.6 million in net interest result, an improvement of € 2.2 million in net other finance income and expense (especially from derivatives) and a deterioration of € 9.0 million in currency translation differences.

Profit for the period was € 43.9 million (H1 prior year: € 60.2 million).

### **NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**

In the six months to the end of August 2015, cash and cash equivalents declined by € 83.0 million to € 110.8 million.

The operating cash flow of € 73.3 million before changes in working capital was down by € 19.3 million from one year earlier (H1 prior year: € 92.6 million). The reduction was attributable largely to lower profit for the period. Operating cash flow before changes in working capital included dividends and dividend prepayments of € 20.3 million from equity-accounted companies. Net cash from operating activities in the first half of 2015|16 was € 62.3 million (H1 prior year: € 220.2 million). The decline was driven mainly by a greater increase in trade receivables and a smaller reduction in inventories.

Higher investment in the Sugar segment (particularly in Austria and Hungary) and Starch segment (Austria) and lower capital expenditure in Fruit translated into an overall rise of € 4.4 million in net cash used in investing activities.

Net cash used in financing activities, at € 103.2 million (H1 prior year: € 94.4 million) was somewhat more than a year ago. The key reason was a greater reduction in borrowings compared with one year earlier. A second contributing factor was the prior-year period's disbursement of € 29.8 million for the acquisition of non-controlling interests in AGRANA Bioethanol GmbH by AGRANA Stärke GmbH.

### **NOTES TO THE CONSOLIDATED BALANCE SHEET**

Total assets eased by € 185.2 million from the level of 28 February 2015, to € 2,221.7 million. The decrease on the assets side was driven primarily by lower inventories, reduced cash and cash equivalents and a reduction in the carrying amount for joint ventures accounted for using the equity method, all of which outweighed an increase in trade receivables and other assets. On the liabilities side, it was especially a significant decline in trade and other payables and a decrease in borrowings which contributed to the lower balance sheet total. An additional reason for the reduction in liabilities was the drop in provisions for retirement and termination benefit obligations, resulting from an adjustment of the discount rate to 1.9% (28 February 2015: 1.4%).

With shareholders' equity of € 1,174.8 million (28 February 2015: € 1,194.4 million), the equity ratio at the end of August was 52.9% (28 February 2015: 49.6%).

### **FINANCIAL INSTRUMENTS**

To hedge risks from operating and financing activities (risks related to changes in interest rates, exchange rates and commodity prices), the AGRANA Group to a limited extent uses common derivative financial instruments. Derivative financial instruments are recognised at cost at the inception of the derivative contract and are subsequently measured at fair value at every balance sheet date. Changes in value are as a rule recognised in profit or loss. Where the conditions for cash flow hedge accounting under IAS 39 are met, the unrealised changes in value are recognised directly in equity.

In the table below, the financial assets and liabilities measured at fair value are analysed by their level in the fair value hierarchy. The levels are defined as follows under IFRS 7:

- Level 1 consists of those financial instruments for which the fair value represents exchange or market prices quoted for the exact instrument on an active market (i.e., these prices are used without adjustment or change in composition).
- In Level 2, the fair values are determined on the basis of exchange or market prices quoted on an active market for similar assets or liabilities, or using other valuation techniques for which the significant inputs are based on observable market data.
- Level 3 consists of those financial instruments for which the fair values are determined on the basis of valuation techniques using significant inputs that are not based on observable market data.

In the reporting period no reclassifications were made between levels of the hierarchy.

<b>31 AUGUST 2015</b>	<b>LEVEL 1</b> €000	<b>LEVEL 2</b> €000	<b>LEVEL 3</b> €000	<b>TOTAL</b> €000
Securities (non-current)	20,147	0	0	20,147
Investments in non-consolidated subsidiaries and outside companies (non-current)	0	0	277	277
Derivative financial assets at fair value through equity (hedge accounting)	74	25	0	99
Derivative financial assets at fair value through profit or loss (held for trading)	0	1,117	0	1,117
Securities (current)	46	0	0	46
<b>FINANCIAL ASSETS</b>	<b>20,267</b>	<b>1,142</b>	<b>277</b>	<b>21,686</b>
Liabilities from derivatives at fair value through equity (hedge accounting)	1,084	0	0	1,084
Liabilities from derivatives at fair value through profit or loss (held for trading)	141	6,777	0	6,918
<b>FINANCIAL LIABILITIES</b>	<b>1,225</b>	<b>6,777</b>	<b>0</b>	<b>8,002</b>

<b>31 AUGUST 2014<sup>1</sup></b>	<b>LEVEL 1</b> €000	<b>LEVEL 2</b> €000	<b>LEVEL 3</b> €000	<b>TOTAL</b> €000
Securities (non-current)	19,550	0	0	19,550
Investments in non-consolidated subsidiaries and outside companies (non-current)	0	0	276	276
Derivative financial assets at fair value through equity (hedge accounting)	210	0	0	210
Derivative financial assets at fair value through profit or loss (held for trading)	2,233	742	0	2,975
Securities (current)	48	0	0	48
<b>FINANCIAL ASSETS</b>	<b>22,041</b>	<b>742</b>	<b>276</b>	<b>23,059</b>
Liabilities from derivatives at fair value through equity (hedge accounting)	2,213	0	0	2,213
Liabilities from derivatives at fair value through profit or loss (held for trading)	0	6,899	0	6,899
<b>FINANCIAL LIABILITIES</b>	<b>2,213</b>	<b>6,899</b>	<b>0</b>	<b>9,112</b>

<sup>1</sup>The prior-year data were restated in accordance with IAS 8. Further information is provided on page 18.

For cash and cash equivalents, securities, trade and other receivables and trade and other payables, the carrying amount can be assumed to be a realistic estimate of fair value.

The following table presents the carrying amounts and fair values of borrowings. The fair values of bank loans and overdrafts, other loans from non-Group entities, borrowings from affiliated companies in the Südzucker group and obligations under finance leases are measured at the present value of the payments related to the borrowings:

<b>31 AUGUST 2015</b>	<b>CARRYING AMOUNT</b> €000	<b>FAIR VALUE</b> €000
Bank loans and overdrafts, and other loans from non-Group entities	338,674	341,606
Borrowings from affiliated companies in the Südzucker group	250,000	255,592
Finance lease obligations	38	40
<b>BORROWINGS</b>	<b>588,712</b>	<b>597,238</b>

<b>31 AUGUST 2014</b>	<b>CARRYING AMOUNT</b> €000	<b>FAIR VALUE</b> €000
Bank loans and overdrafts, and other loans from non-Group entities	364,048	367,534
Borrowings from affiliated companies in the Südzucker group	250,000	256,361
Finance lease obligations	82	90
<b>BORROWINGS</b>	<b>614,130</b>	<b>623,985</b>

Further details on the fair value measurement of the individual types of financial instruments and their assignment to levels of the fair value hierarchy are provided on pages 157 to 162 of the annual report 2014|15, in section 10.3, "Additional disclosures on financial instruments".

### STAFF COUNT

In August 2015 the AGRANA Group employed an average of 8,098 full-time equivalents (August prior year: 7,934). The increase in staff numbers was the result mainly of higher seasonal labour requirements in the Fruit segment in Mexico, Ukraine, Poland and Argentina. The average head count in H1 2015|16 was 9,143 employees (H1 prior year: 8,985).

### RELATED PARTY DISCLOSURES

There were no material changes in related party relationships since the year-end balance sheet date of 28 February 2015. Transactions with related parties as defined in IAS 24 are conducted on arm's length terms. Details of individual related party relationships are given in the AGRANA annual report 2014|15.

### SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the interim balance sheet date of 31 August 2015 that had a material effect on AGRANA's financial position, results of operations or cash flows.

# MANAGEMENT BOARD'S RESPONSIBILITY STATEMENT

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 within the meaning of the Austrian Stock Exchange Act; and
- the Group's management report for the first six months gives a true and fair view of the financial position, results of operations and cash flows of the Group, within the meaning of the Stock Exchange Act, in relation to (1) the important events in the first half of the financial year and their effects on the condensed consolidated interim financial statements, (2) the principal risks and uncertainties for the remaining six months of the financial year, and (3) the reportable significant transactions with related parties.

Vienna, 28 September 2015

## THE MANAGEMENT BOARD OF AGRANA BETEILIGUNGS-AG



**Johann Marihart**  
*Chief Executive Officer  
Business Strategy, Production, Quality Management,  
Human Resources, Communication (incl. Investor Relations),  
Research & Development,  
and Starch segment*



**Stephan Büttner**  
*Member of the Management Board  
Finance, Controlling, Treasury,  
Information Technology & Organisation,  
Mergers & Acquisitions, Legal, Compliance,  
and Fruit segment*



**Fritz Gattermayer**  
*Member of the Management Board  
Sales, Raw Materials, Purchasing & Logistics,  
and Sugar segment*



**Thomas Kölbl**  
*Member of the Management Board  
Internal Audit*

## FURTHER INFORMATION

### FINANCIAL CALENDAR

<b>13 January 2016</b>	Results for first three quarters of 2015 16
<b>17 May 2016</b>	Results for full year 2015 16 (annual results press conference)
<b>1 July 2016</b>	Annual General Meeting for 2015 16
<b>6 July 2016</b>	Ex-dividend date
<b>7 July 2016</b>	Results for first quarter of 2016 17
<b>7 July 2016</b>	Record date for dividend
<b>8 July 2016</b>	Dividend payment date
<b>13 October 2016</b>	Results for first half of 2016 17
<b>12 January 2017</b>	Results for first three quarters of 2016 17

### CONTACTS AND MORE INFORMATION

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#### **AGRANA 2014|15 online:**

<http://reports.agrana.com>

*This English translation of the AGRANA report is solely for readers' convenience and is not definitive. In the event of discrepancy or dispute, only the German-language version shall govern.*

## 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.

*In the interest of readability, this document may sometimes use language that is not gender-neutral. Any gender-specific references should be understood to include masculine, feminine and neuter as the context permits.*

*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.*



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