

IN OUR HANDS



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AGRANA Beteiligungs-AG
Investor Conference Zuers

Raiffeisen CENTROBANK

16 April 2015



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INTRODUCTION
BUSINESS OVERVIEW

FINANCIAL
HIGHLIGHTS
2014|15

At a glance

— AGRANA-products in daily life



| Sugar.

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

| Starch.

- AGRANA produces starch and special starch products
- Starch is a complex carbohydrate which is insoluble in water. Starch is used in food processing e.g. as thickener and for technical purposes e.g. in the paper manufacturing process
- Bioethanol is part of our starch business

| Fruit.

- Fruit juice concentrates customers are fruit juice and beverage bottlers and fillers
- Fruit preparations are special customized products for
 - the dairy industry,
 - the baked products industry,
 - the ice-cream industry



— Strategic Positioning „B2B“

At the beginning there is always agriculture...



AGRANA refines agrarian raw materials...



AGRANA supplies the Big Names...



We all consume AGRANA every day without noticing it...





— Quick facts update

Today, AGRANA is ...

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



Today, AGRANA has ...

- Approximately **8,700 employees** worldwide
- **54 production sites** in **25 countries** around the world



Int. production meets int. customers



— 54 production sites worldwide



Sugar



Starch

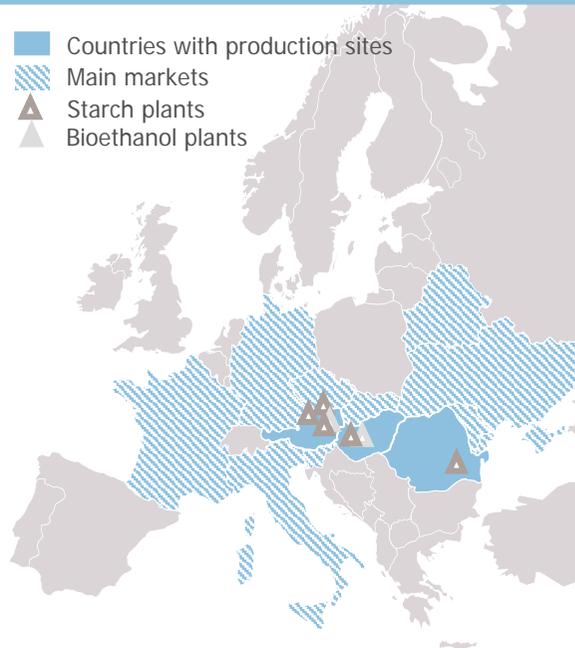
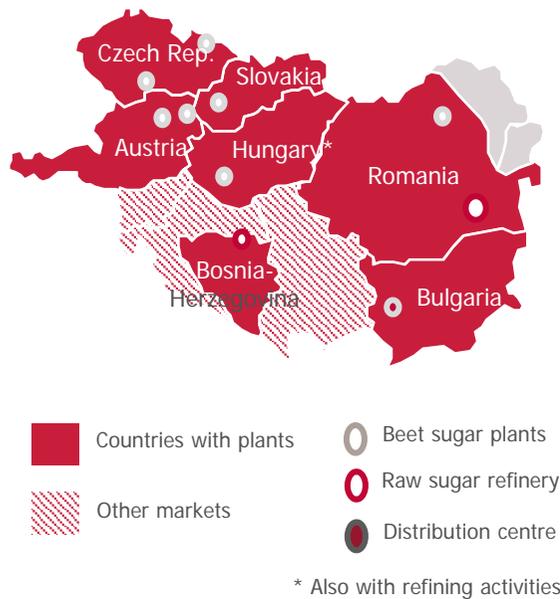


Fruit

7 sugar beet plants
2 raw sugar refineries + Instantina plant

5 starch plants (incl. 2 bioethanol plants)

25 fruit preparation plants and
14 fruit concentrate plants





— Growth by strategy

Our strategic goals

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



Refining of agricultural raw materials



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



A long-term asset for shareholders



Customer- and market-oriented global growth

SYNERGIES

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

Investor and customer value from:

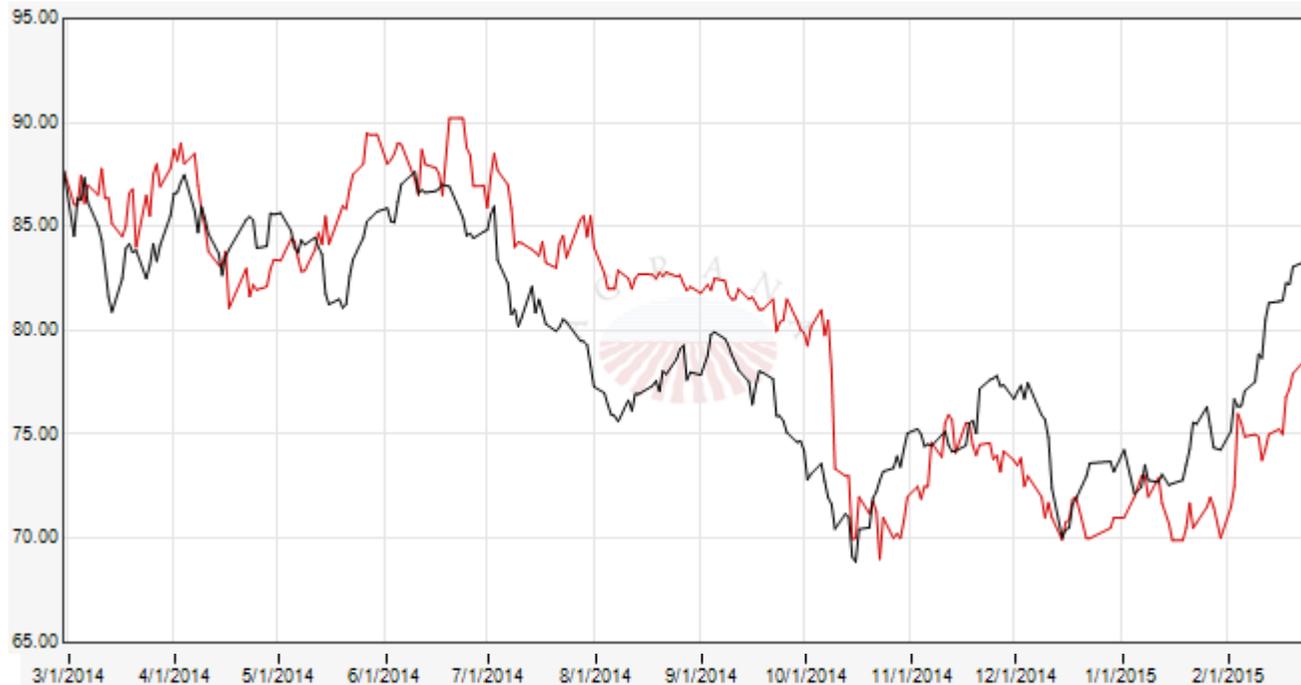
- Balance of risk
- Exchange of know how
- Cost savings from synergies

AGRANA share in 2014|15 FY



— Steady dividend policy

Dividend yield: **4.1¹%** P/E ratio: **11.5¹** Market capitalisation: **€ 1,143.4² m**



¹ as of 28 Feb. 2014

² as of 28 Feb. 2015

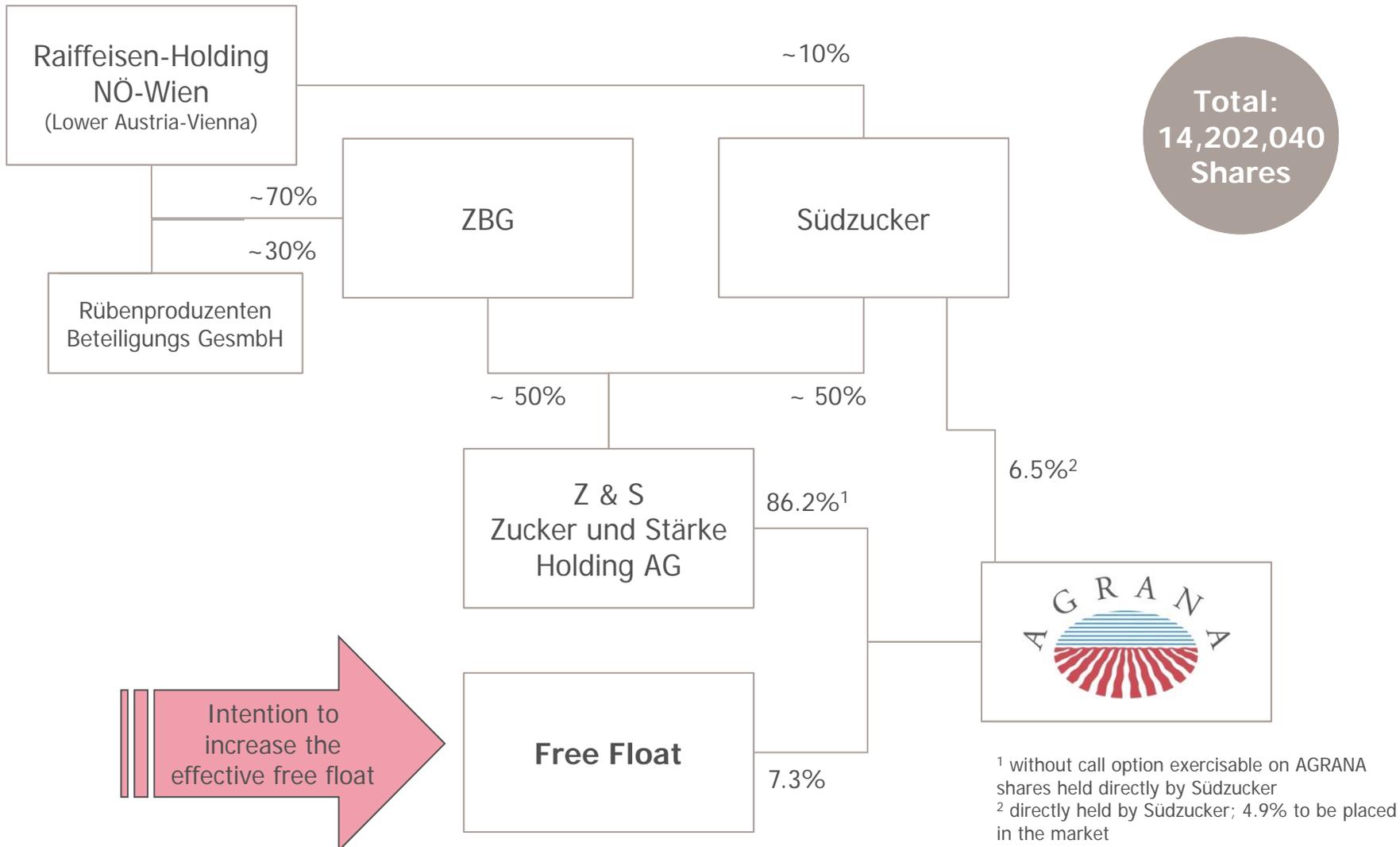
Performance
(1/3/2014 – 28/2/2015):
AGRANA -8.20 %
ATX -3.58 %

AGRANA:
1/3/14: 87.70 >> 28/2/15: 80.51
ATX:
1/3/14: 2,587.86 >> 28/2/15: 2,495.21

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

“Transition” shareholder structure

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





— Preliminary results for 2014|15

€m	2014 15	2013 14*	△%	Q4 2014 15	Q4 2013 14*	△%
Revenue	2,493.5	2,841.7		579.1	582.4	
EBIT	121.7	166.9		(2.7)	14.3	
EBIT margin (%)	4.9	5.9		n/a	2.5	

- The **decline** of approx. 12 % **in revenue** was primarily attributable to lower prices for sugar, ethanol and fruit juice concentrates
- **Operating profit after exceptional items (EBIT)** was approx. 27 % **below** the prior-year level
- The significant decline in revenue in the Sugar segment as a result of the generally difficult market environment was in contrast to the marginal year-on-year improvement in the EBIT of the Starch segment
- In the Fruit segment, exceptional items relating to the restructuring of the fruit preparation business in Europe impacted on EBIT, while operating profit was on a par with the prior year's level



— Overview 2014|15

- **Price pressure in the Sugar segment** and non-recurring structural effects in Fruit (e.g. streamlining of fruit preparations production in Austria) led to EBIT reduction
- **Fourth US fruit preparations plant** in Lysander, New York, started operation
- **New research and innovation center, ARIC**, opened in Tulln, Austria
- **Fruit preparations production in Austria** merged at Gleisdorf site

“Special activities” in the FRUIT segment



— Optimising the organisational structure in Austria

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



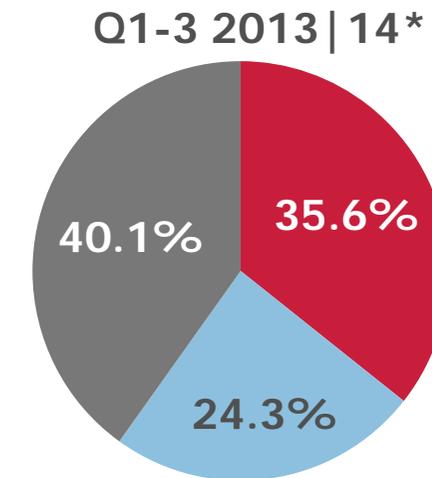
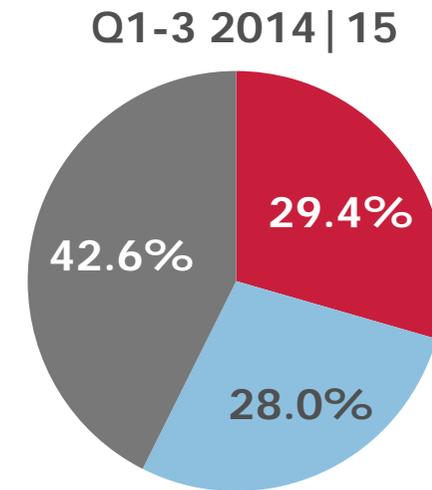
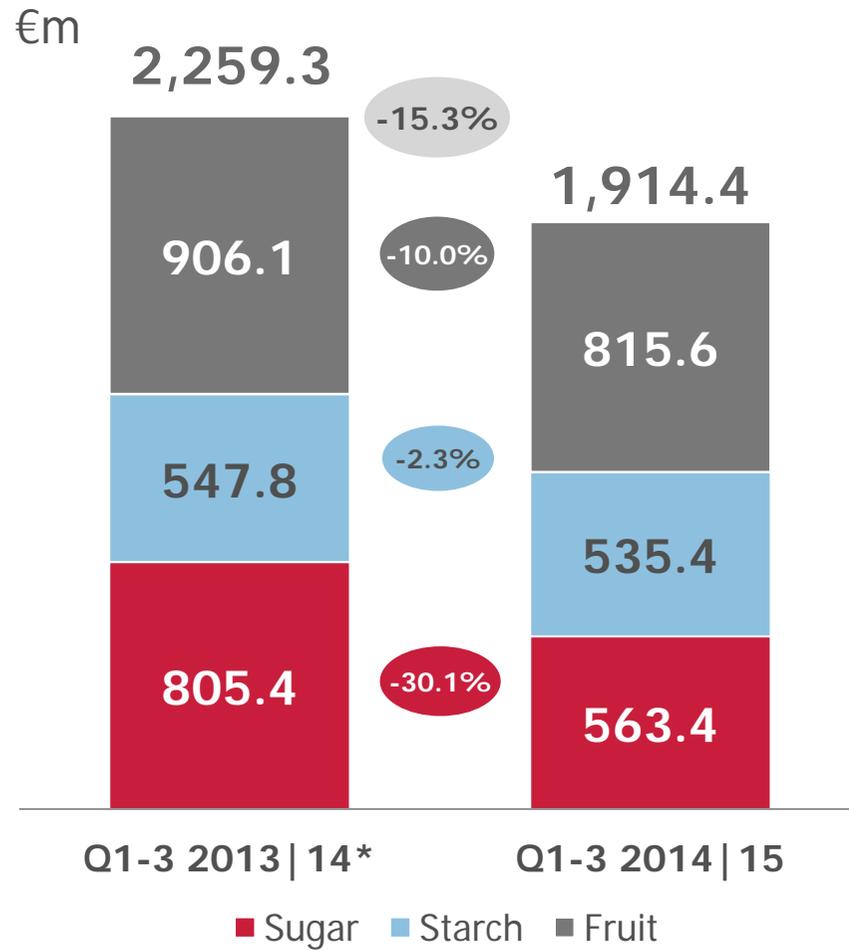


SEGMENT OVERVIEW Q1-3 2014|15



Revenue by segment

Q1-3 2014|15

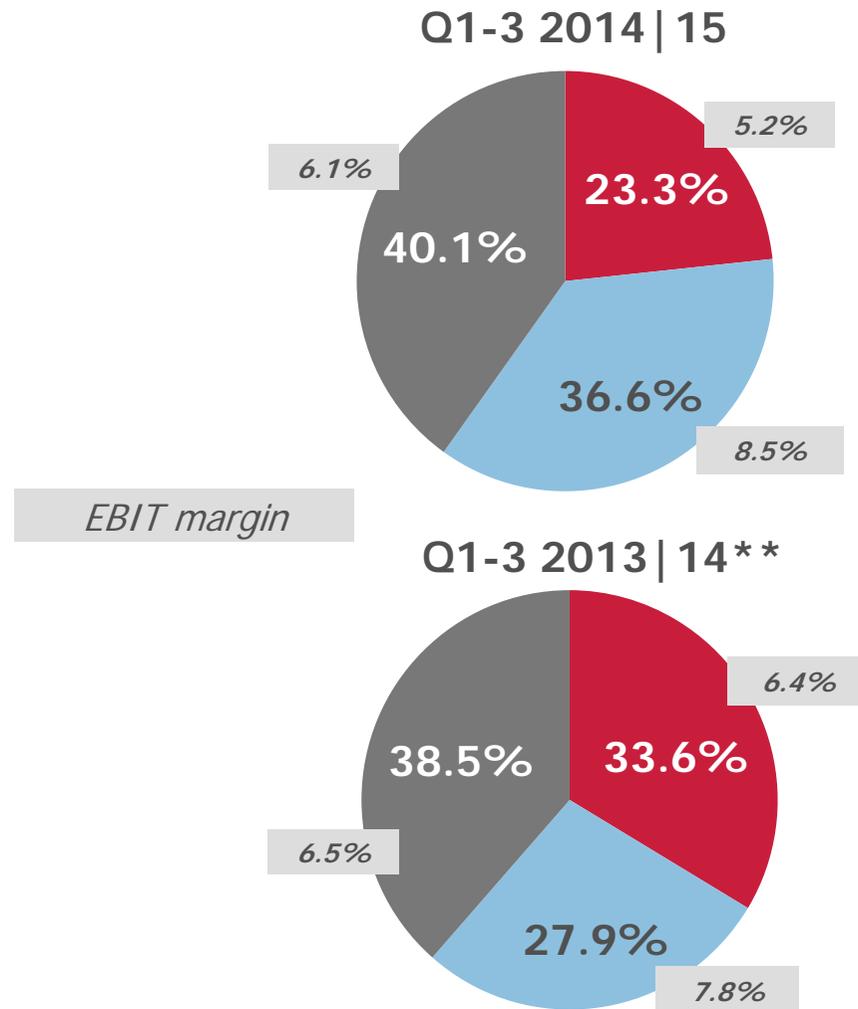
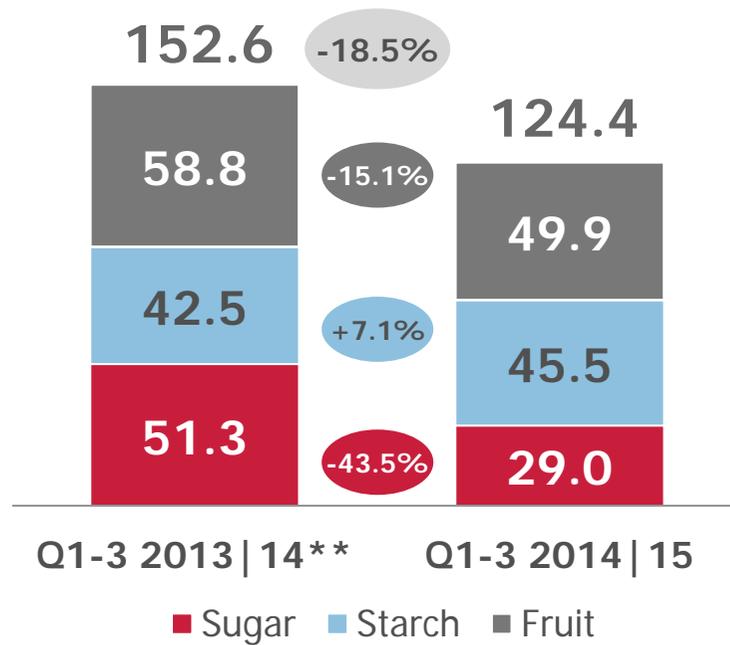




EBIT* by segment

— Q1-3 2014|15

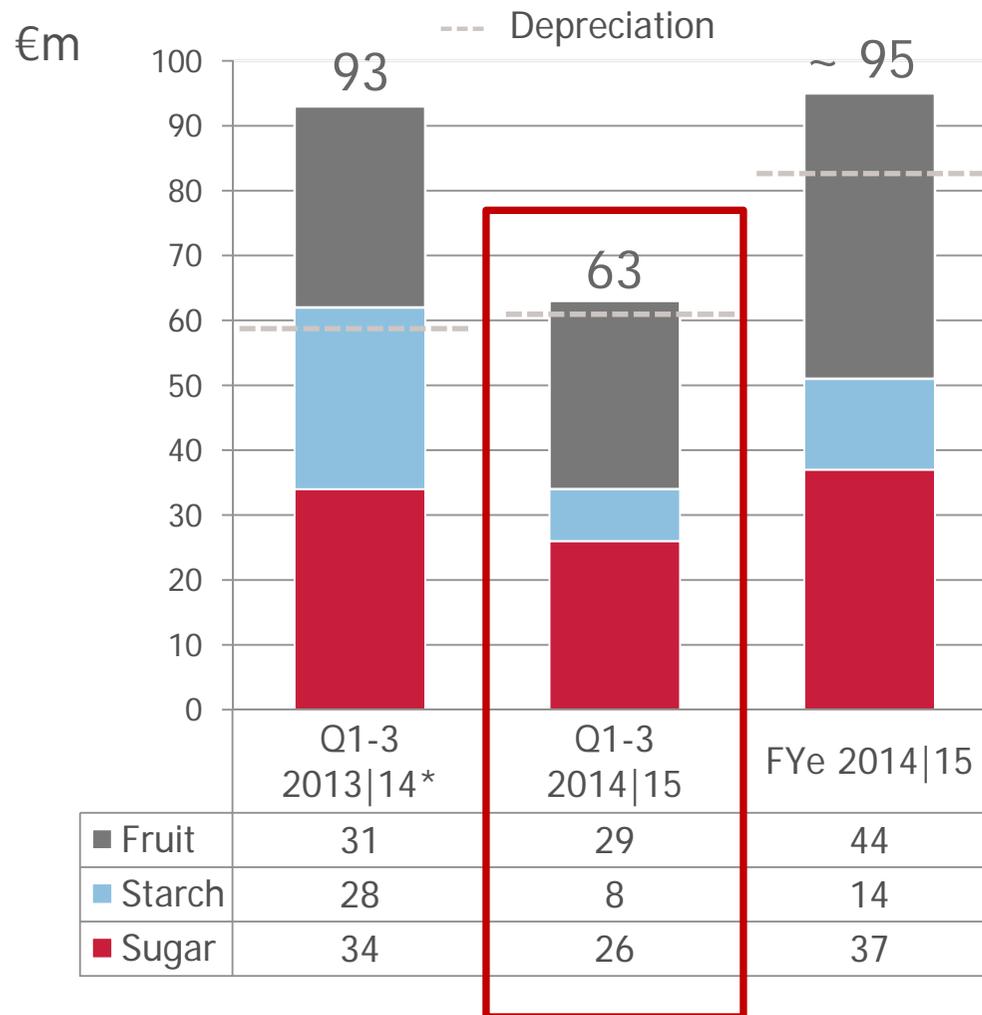
€m





Investment overview

— Q1-3 2014|15



Most important projects in the Group:

- Expansion of molasses desugaring plant in Tulln, Austria (**SUGAR**)
- Erection of packaging centre in Kaposvar, Hungary (**SUGAR**)
- Capacity expansion of waxy corn derivative production in Aschach, Austria (**STARCH**)
- Increase of spray drying capacity in Gmünd, Austria (**STARCH**)
- Completion of the US fruit preparations plant in New York state, which began production in Q1 2014|15 (**FRUIT**)
- Relocation of fruit juice concentrate production capacity from Gleisdorf to Kröllendorf, Austria; for the first time, apples were no longer pressed in Gleisdorf (**FRUIT**)



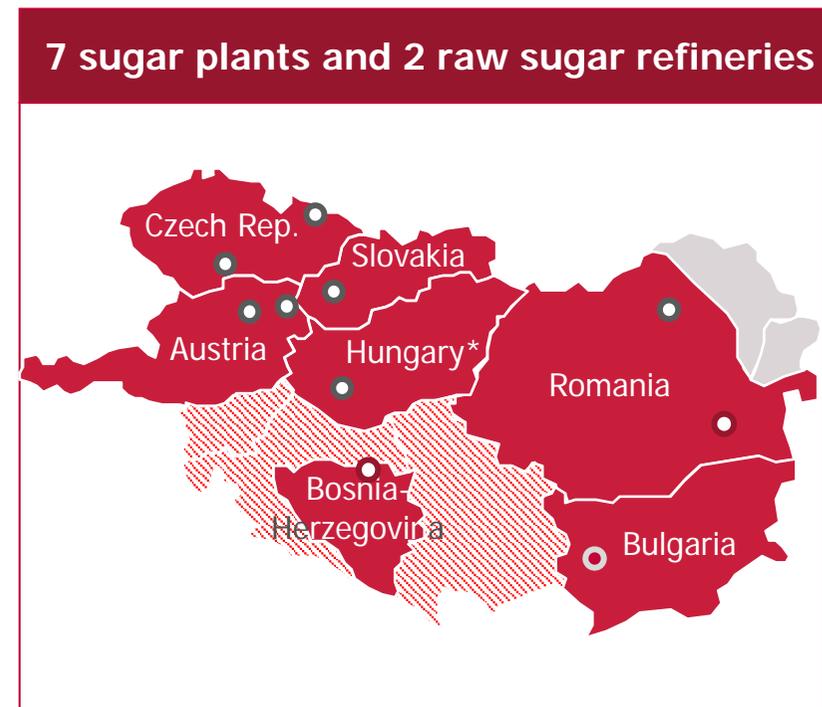
SUGAR

AGRANA Sugar



— Benefit from the strong market position in CEE and SEE

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



- Current production plants
- Sugar plant
- Raw sugar refinery
- Distribution centre
- Current markets
- * Also with refining activities

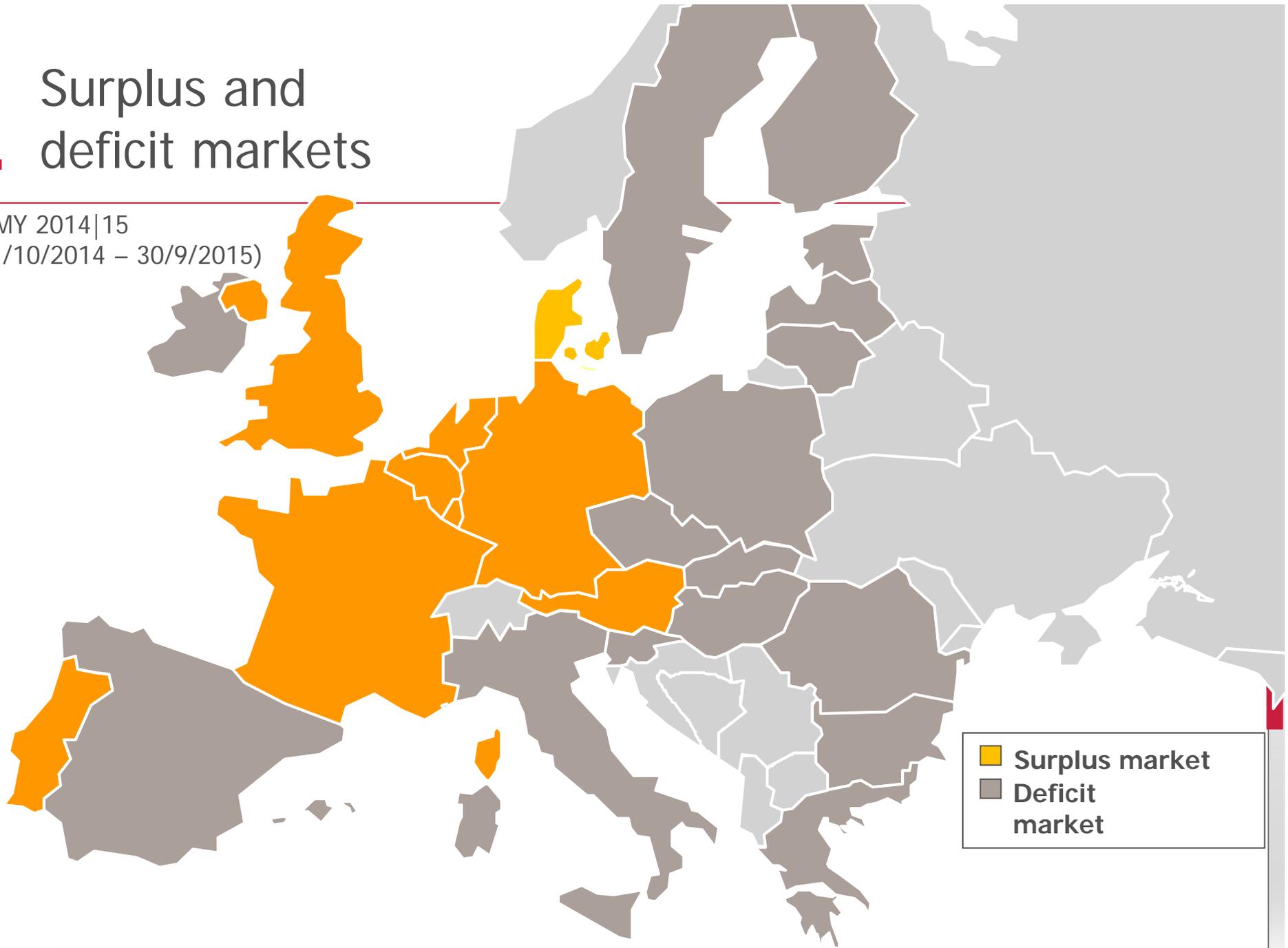
(1) AGRANA beet quota for 2013|14 Sugar Marketing Year (SMY)

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

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

Surplus and deficit markets

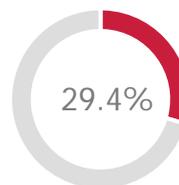
SMY 2014|15
(1/10/2014 – 30/9/2015)



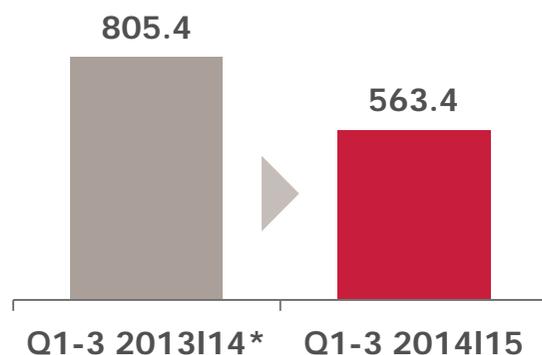
SUGAR segment

Financial results Q1-3 2014|15

Share of total revenue



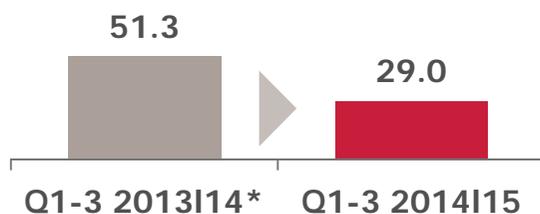
Revenue
€m



Revenue fell to € 563.4 million

- The reasons were
 - a reduction in sales prices
 - and a decrease in quantities sold into the sugar-using industry and to resellers
- Revenues from by-products rose slightly

EBIT
€m



EBIT down to € 29.0 million

- As expected EBIT was down significantly from the high value of prior year
- The margin development in the 3rd quarter was driven by the persistent erosion of sugar prices
- The Positive net exceptional items resulted from refunds in connection with the EU production levy

SUGAR segment



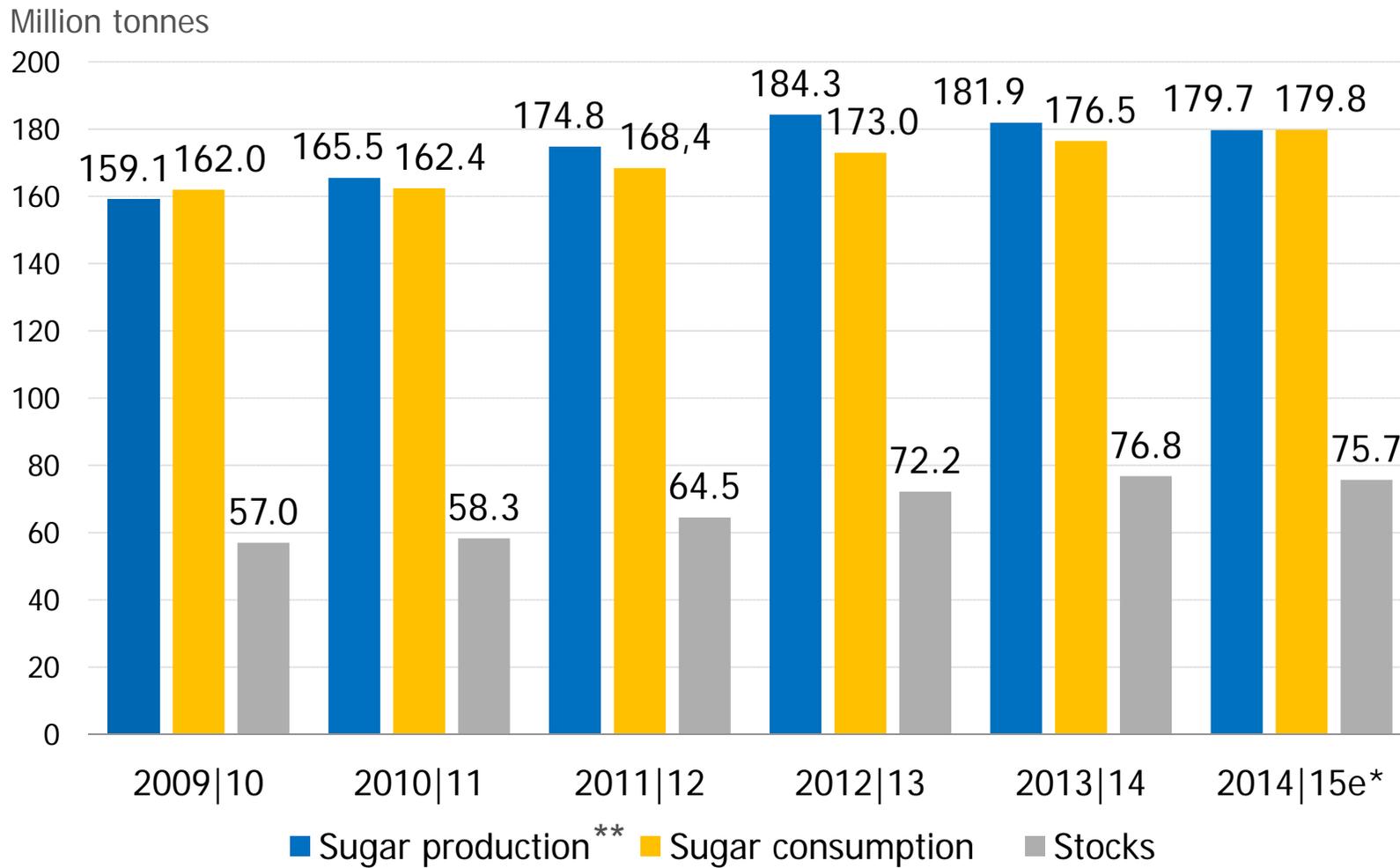
Market environment Q1-3 2014|15

SUGAR Segment

- World sugar balance: for the first time since SMY 2009|10, supply will be less than demand, which **could lead to a stabilisation** in prices
- Frequent changes in crop forecasts, particularly for the main Brazilian production regions, generated substantial **volatility** in world market prices
- Towards the end of the reporting period these were very low, with a **white sugar quotation** of US\$ 407, or € 326, per tonne at the end of November 2014; much of this trend is additionally attributed to the weakness in the Brazilian real and a falling world market price for petroleum
- Owing to the currently very low sugar prices in the EU, **preferential imports** should decline; the supply in the EU sugar **market is fully sufficient** even without exceptional measures by the European Commission



World sugar production & consumption



Source: F.O. Licht (17 February 2015)

* Expectation

** Production: October-September



— September 2017 - end of quotas

- CEE area will continue to be a **“sugar deficit region”** (AGRANA is located in these main deficit areas)
 - Complexity in logistics and costs from Western Europe are somehow a protection of intra-EU imports
 - The company operates its own raw sugar refineries; safeguarding of existing market share in CEE
- **“3-legs-strategy”** with beet, refining and trading; focus on balanced strategy between these three fields of activity
- AGRANA has established **long-term relationships** with key sugar producers in the LDCs and ACPs (duty-free-imports)
- Uncertain market development requires **continuous flexibility**
- **High volatility** expected



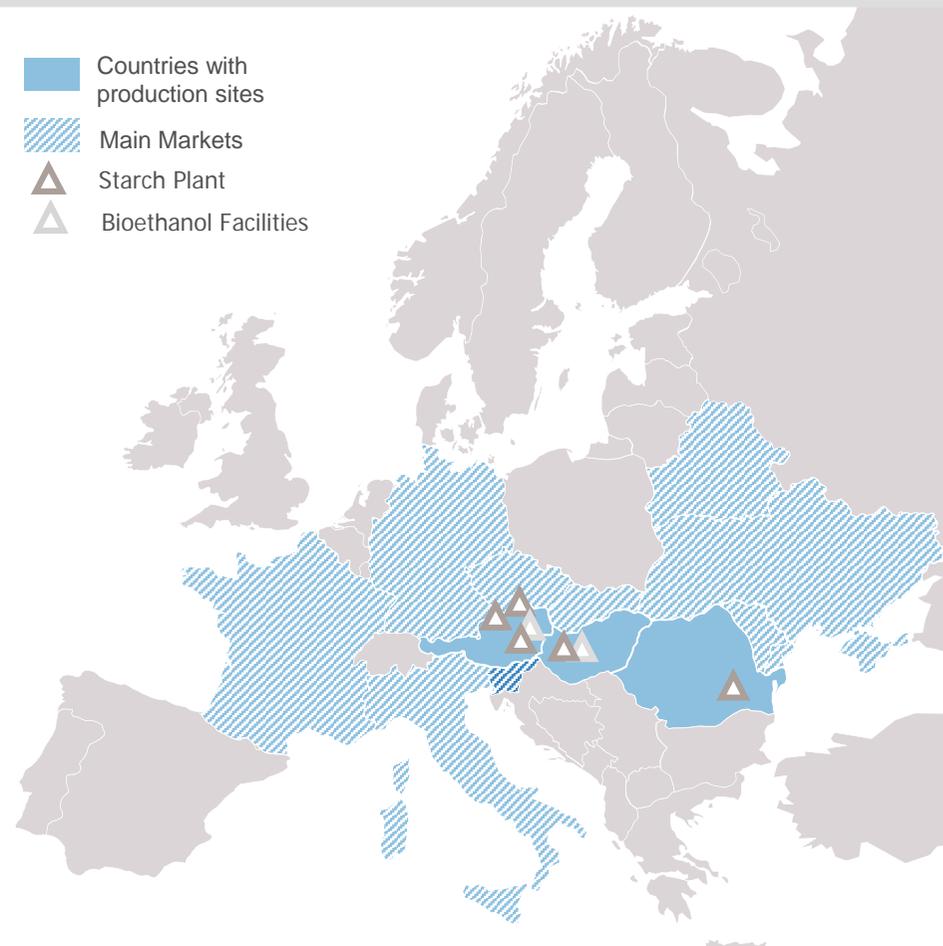
STARCH



— STARCH segment - market position

- Austrian production sites:
 - potato starch factory in Gmünd
 - corn starch plant in Aschach
 - wheat starch plant in Pischelsdorf
- Operational management and coordination of international holdings in Hungary and Romania
- The **bioethanol** business also forms part of the Starch segment
- Focus on **highly refined speciality products**
- Innovative, customer-driven products supported by application advice
- Leading position in organic and in GMO-free starches for the food industry

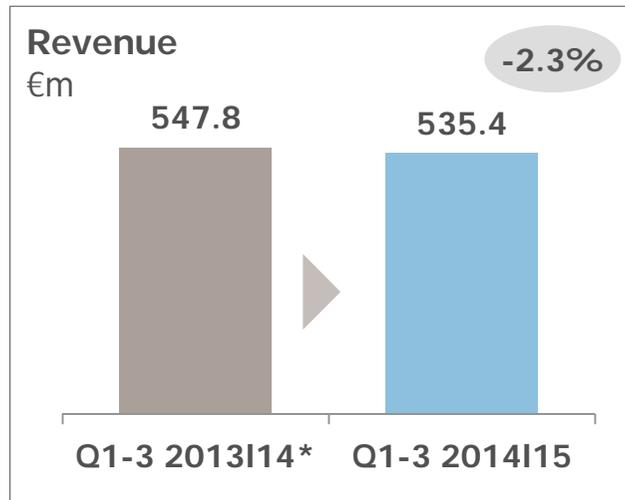
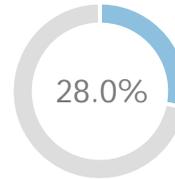
5 Starch plants incl. 2 Bioethanol facilities



STARCH segment

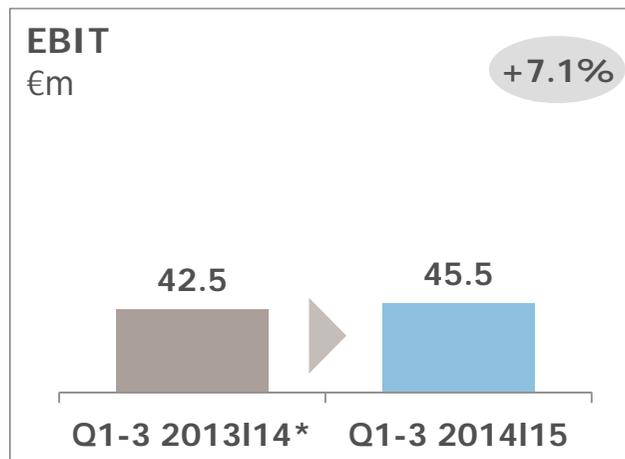
Financial results Q1-3 2014|15

Share of total revenue



Revenue slightly down to € 535.4 million

- The decline was caused primarily by lower selling prices for bioethanol, native corn starch and starch saccharification products
- The positive effect of higher volumes from, among other sources, the fully utilised wheat starch plant in Pischelsdorf, Austria, could not fully outweigh this price effect



EBIT up to € 45.5 million

- EBIT was up 7.1% y-o-y and the EBIT profit margin expanded by almost one percentage point to 8.5%
- Lower sales prices for core and by-products have been offset by reduced raw material and energy prices as well as higher sales volumes – particularly for products from the wheat starch plant in Pischelsdorf

STARCH segment

— Market environment Q1-3 2014|15



STARCH Segment

- **Potato Starch:** volumes at a high level; prices stable
- **Sweeteners:** significant price drop for new contracts due to dependence on sugar market
- **Bioethanol:** prices continuously at a low level
- **Feed/by-products:** high mycotoxin contamination in corn across all over Europe made adjustments in our raw material mix necessary



Price development of cereals

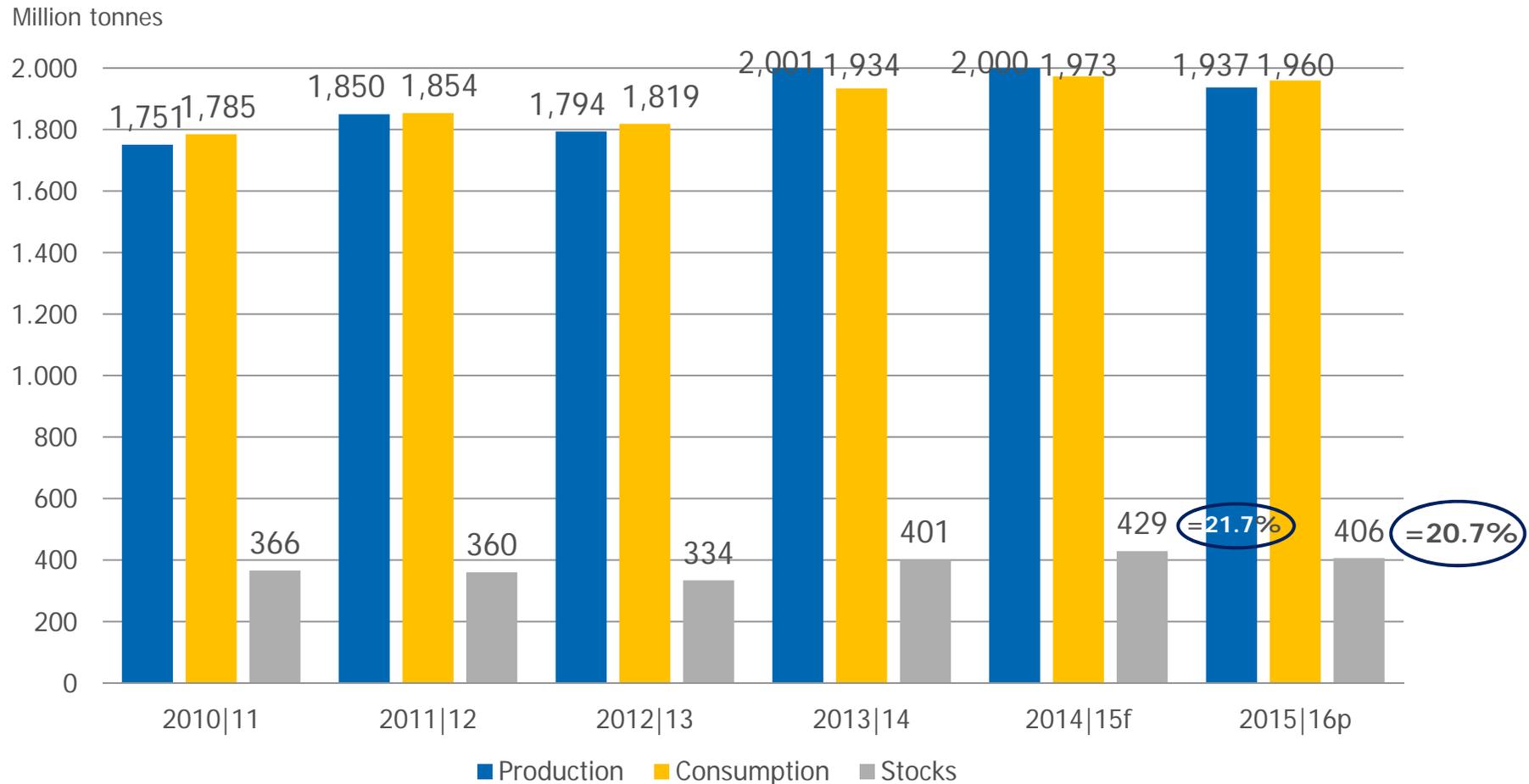
Wheat & corn (Paris)

January 2006 – April 2015 (EUR)





World cereal production & consumption



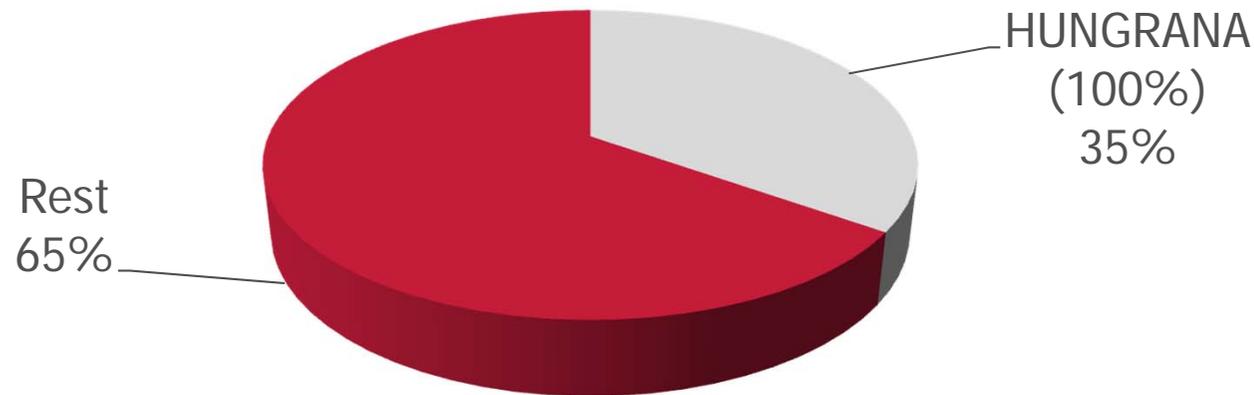
Source: IGC, 26 March 2015
 f...forecast p...projected
 Period: July - June

Critical stocks limit at 20 % of consumption



— Isoglucose market in the EU

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



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

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

20% market share of isoglucose expected.



— Market opportunities for isoglucose

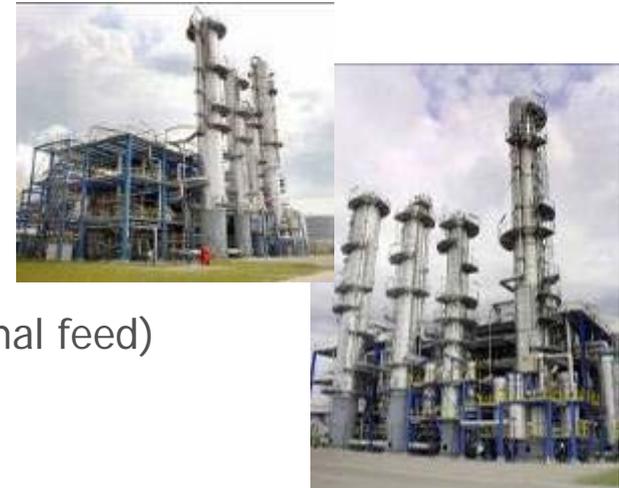
- Main application area for isoglucose is the "SOFT DRINKS" market
- Substitution potential on the European market of approximately 20% of granulated sugar
- The main argument for the use of isoglucose in place of granulated sugar is the current price advantage of approximately 10 %



AGRANA bioethanol activities

PISCHELSDORF (Austria)

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



HUNGRANA (Hungary)

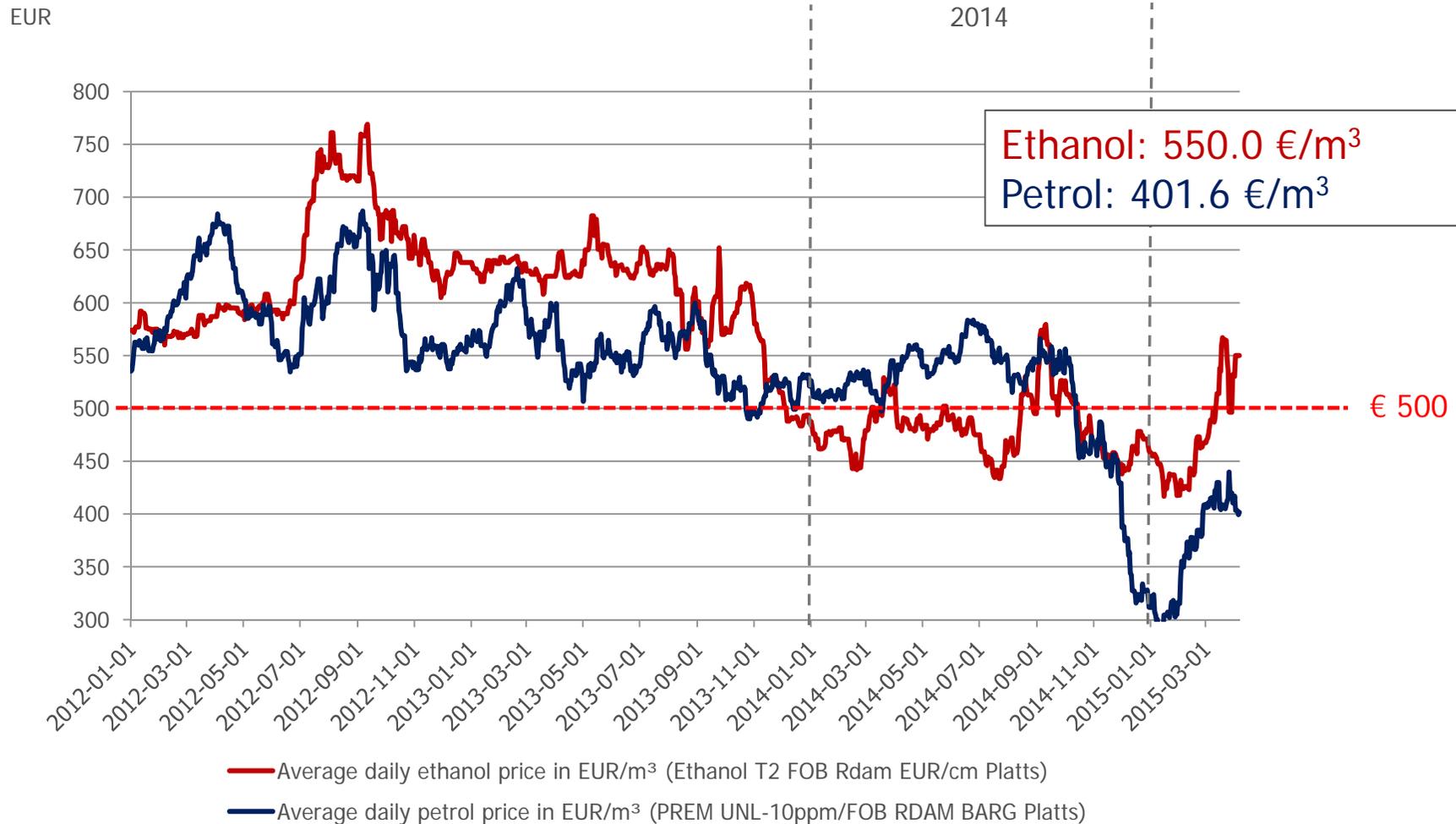
Investment volume ~ € 100 m (50% share held by AGRANA: ~ € 50 m)
for grind increase from 1,500 to 3,000 tonnes/day
for isoglucose capacity increase due to quota increase
for bioethanol expansion
Theoretical capacity up to 187,000 m³
Conclusion of expansion programme July 2008
Raw material base corn



Development of ethanol prices



— 1 January 2012 – 6 April 2015

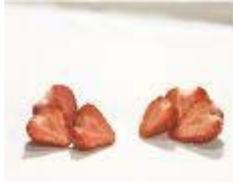




FRUIT —



FRUIT segment - business model



Fruit preparations



- Based on mostly frozen fruits
- Tailor-made customer products (several thousand recipes worldwide)
- Customers: dairy, bakery and ice cream industry
- Shelf life of the fruit preparation ~6 weeks -> necessity to produce regionally



Fruit juice concentrates



- Based on fresh fruits
- Production in the growing area of the fruits (water content and quality of the fruits don't allow far transports)
- Customers: bottling industry
- Shelf life of fruit juice concentrates ~2 years -> can be shipped around the world



FRUIT segment – market position

Fruit preparations

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

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

Fruit juice concentrates

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

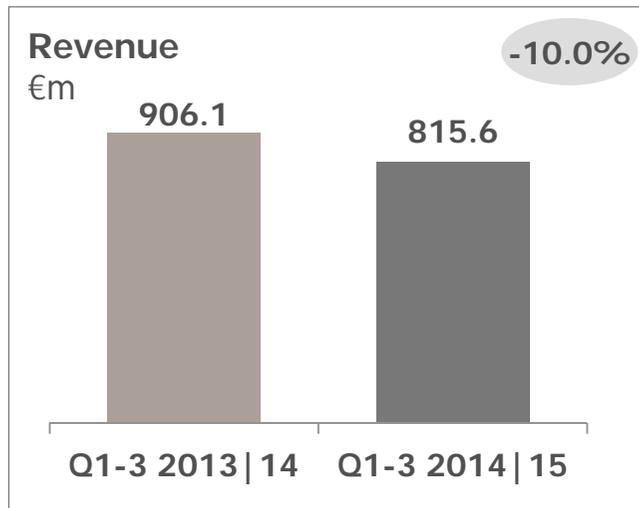
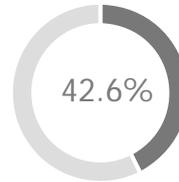
25 Fruit Preparation Plants & 14 Fruit Juice Concentrate Plants



FRUIT segment

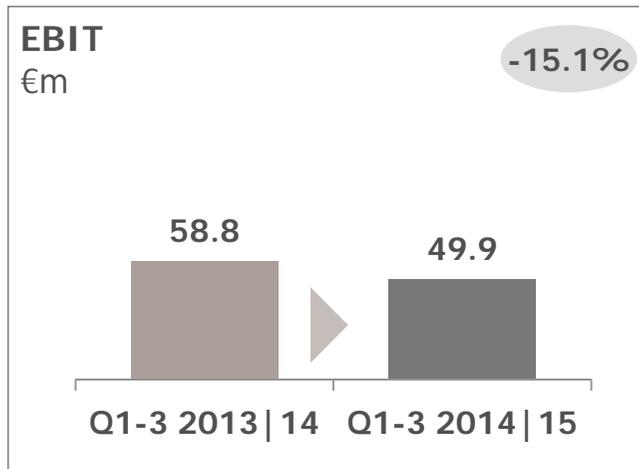
Financial results Q1-3 2014|15

Share of total revenue



Revenue down to € 815.6 million

- In fruit preparations (FP), sales quantities were at the py level, but especially FX effects caused FP revenue to ease by about 3%
- A revenue reduction of about one-quarter in the fruit juice concentrate business resulted from a decline in sales volumes reflecting crops and buying-in, and also from sharply lower selling prices for apple juice concentrate



EBIT with € 49.9 million less than in py

- Earnings on the fruit preparations side were adversely affected by a provisioning expense for the planned costs of closing the plant in Kröllendorf, Austria, and moving its production to other sites, as well as FX translation effects
- Profit margin (%) improved in the fruit juice concentrate activities compared to the prior year

FRUIT segment

— Market environment Q1-3 2014|15



FRUIT Segment

Fruit preparations:

- For fruit preparations there is slight growth in the non-European markets and a continuing mild demand decline within the EU
- Specifically, current data for the yoghurt market show a 2% decrease in Europe, while Russia still saw growth of 2%
- The political uncertainty in Ukraine led to single-digit reductions in demand there

Fruit juice concentrates:

- Western European consumption (especially in Germany) of beverages with a high fruit juice content further declined slightly
- Lower apple prices as a result of large crops and of Russia's import ban on fresh fruit from the EU are leading to a significant drop in prices for apple juice concentrate
- Given the low prices and the trend in the exchange rate of the euro against the US dollar, favouring European exports, customers in the USA are also increasingly being supplied with European apple juice concentrate



CONSOLIDATED
FINANCIAL
STATEMENTS
Q1-3 2014|15

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



A quick reminder...

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

Changes resulting from use of equity accounting for Q1-3 2013|14



The table below give the values published in the first three quarters of the prior year (2013|14), the amount of their restatement for the transition to the equity method, and the values after the transition:

AGRANA Group €m	Q1-3 2013 14 published ¹	IFRS 11 restatement	Q1-3 2013 14 restated ²
Revenue	2,416.9	(157.6)	2,259.3
Operating profit ³	158.6	(28.8)	129.8
Share of results of equity-accounted JV	0.0	22.8	22.8
EBIT	158.6	(6.0)	152.6
PAT	102.6	0.0	102.6

¹ Proportionate consolidation ² Equity accounting ³ Before special items



— Consolidated income statement

€m (condensed)	Q1-3 2014 15	Q1-3 2013 14*	Q3 2014 15	Q3 2013 14*
Revenue	1,914.4	2,259.3	629.2	693.7
Operating profit before exc. items & JV	108.0	129.8	29.8	39.2
Exceptional items	(3.7)	0.0	0.4	0.0
Share of results of equity-accounted JV	20.1	22.8	7.2	9.2
EBIT	124.4	152.6	37.4	48.4
Net financial items	(11.6)	(21.7)	(4.5)	(6.5)
Profit before tax	112.8	130.9	33.0	41.9
Income tax expense	(30.8)	(28.3)	(11.9)	(8.5)
Profit for the period	82.0	102.6	21.1	33.4
Attributable to shareholders of the parent	77.4	96.6	19.5	31.4
Earnings per share (€)	5.45	6.80	1.37	2.21



— Analysis of net financial items

€m	Q1-3 2014 15	Q1-3 2013 14*
Net interest expense	(10.0)	(11.9)
Currency translation differences	→ 1.8	(8.4)
Other financial items	(3.4)	(1.4)
Total of net financial items	(11.6)	(21.7)



— Consolidated cash flow statement

€m (condensed)	Q1-3 2014 15	Q1-3 2013 14*
Operating cash flow before change in working capital	137.4	141.6
(Gains) on disposal of non-current assets	(0.4)	(1.2)
Change in working capital	⇒ 109.9	37.4
Net cash from operating activities	246.9	177.8
Net cash (used in) investing activities	(61.2)	(92.1)
Net cash (used in) financing activities	(63.3)	(65.6)
<i>Net increase in cash and cash equivalents</i>	122.4	<i>20.1</i>



— Consolidated balance sheet

€m (condensed)	30 November 2014	28 February 2014*
Non-current assets	1,119.1	1,103.9
Current assets	1,422.7	1,287.7
<i>Total assets</i>	<i>2,541.8</i>	<i>2,391.6</i>
Equity	1,209.1	1,192.7
Non-current liabilities	415.8	411.0
Current liabilities	916.9	787.9
<i>Total equity and liabilities</i>	<i>2,541.8</i>	<i>2,391.6</i>
Equity ratio	➔ 47.6%	49.9%
Net debt	287.4	386.8
Gearing	➔ 23.5%	32.4%



Sugar.
Starch.
Fruit.

OUTLOOK



— Outlook AGRANA Group for 2015|16



- **EBIT** is again expected to **decline substantially** at the Group level in the 2015|16 financial year
- Given the persistently difficult market environment, the **Sugar segment** is expected to record a **negative operating profit** after exceptional items in the upcoming financial year
- By the same token, the unsatisfactory level of ethanol prices will **weigh down operating profit** in the **Starch segment**
- In contrast, the **Fruit segment** will see a **clear increase in EBIT**



APPENDIX I

— Financial calendar for CY 2015

13 May 2015

Annual results for 2014 | 15 (Press conference)

3 July 2015

Annual General Meeting for 2014|15

8 July 2015

Ex-dividend date and dividend payment

9 July 2015

Results for the first quarter of 2015|16

APPENDIX II

As a reminder: Quantitative definitions of selected common modifying words used



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

Modifier	Visualisation	Numerical rate of change
Steady	→	0% up to 1%, or 0% to -1%
Slight(ly)	↗ or ↘	More than 1% and up to 5%, or less than -1% and not less than -5%
Moderate(ly)	↑ or ↓	More than 5% and up to 10%, or less than -5% and not less than -10%
Significant(ly)	↗↗ or ↘↘	More than 10%, or less than -10%

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



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Quantitative definitions of selected common modifying words used:

Modifier	Visualisation	Numerical rate of change
Steady	→	0% up to 1%, or 0% to -1%
Slight(ly)	↗ or ↘	More than 1% and up to 5%, or less than -1% and not less than -5%
Moderate(ly)	↑ or ↓	More than 5% and up to 10%, or less than -5% and not less than -10%
Significant(ly)	↑↑ or ↓↓	More than 10%, or less than -10%