



PRESS RELEASE

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AGRANA expands Group EBIT to € 129.0 million

Positive outlook – Dividend increase to € 4.00

- Revenue of € 2,477.6 million (prior year: € 2,493.5 million)
- Starch and Fruit segment carry Group operating profit
- Operating profit (EBIT) of € 129.0 million (prior year: € 121.7 million)
- Positive EBIT in Sugar segment even with depressed prices
- Attractive results in Starch segment, with EBIT growth of 21.8%
- Revenue and EBIT in Fruit segment steady despite significant fall in concentrate prices
- Equity ratio: 53.5% (prior year: 49.6%)
- Earnings per share of € 5.82 (prior year: € 5.70); dividend proposal of € 4.00 per share (prior year: € 3.60)
- Outlook for 2016|17: Expecting further moderate rise in revenue and EBIT

In the 2015|16 financial year, AGRANA Beteiligungs-AG achieved an improvement of about 6% in operating profit (EBIT) to € 129 million (prior year: € 121.7 million). The Group's revenue was steady at € 2,477.6 million (prior year: € 2,493.5 million), with the small decrease of 0.6% attributable mainly to sugar prices that were low all year. While EBIT in the Starch segment rose substantially by 21.8% to € 65.9 million, in the Sugar segment the lower revenue led to markedly reduced, but positive, EBIT of € 4.3 million. In the Fruit segment, despite a significant reduction in fruit juice concentrate earnings, the more profitable fruit preparations business held the segment's EBIT steady at € 58.8 million.

| AGRANA Group results (IFRS) € million, except % | FY 2015 16 | FY 2014 15 |
|--|-------------------|-------------------|
| Revenue | 2,477.6 | 2,493.5 |
| EBITDA ¹ | 192.0 | 181.9 |
| Operating profit before exceptional items and results of equity-accounted joint ventures | 107.5 | 102.0 |
| EBIT margin | 5.2% | 4.9% |
| Operating profit (EBIT) | 129.0 | 121.7 |
| Profit for the period | 80.9 | 84.6 |
| Earnings per share | 5.82 | 5.70 |
| Purchases of property, plant and equipment and intangibles ² | 116.0 | 91.2 |
| Number of employees ³ | 8,510 | 8,550 |

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

² Excluding goodwill.

³ Average number of full-time equivalents in the financial year.

AGRANA Chief Executive Officer Johann Marihart says: "More than ever, we are benefiting from our diversification across three pillars, which led to a respectable earnings result for the year. While in the Sugar segment the price-driven lower revenue was reflected in the expected weaker, but positive operating profit, the Starch and Fruit segment proved dependable pillars of the Group's earnings. In fact, the Starch segment, buoyed not just by its product diversity in food and non-food starches but also by ethanol prices above the prior year's level, delivered the best EBIT result in its history. The Fruit segment achieved EBIT at the prior-year level, with a significant increase in profit on the fruit preparations side. In the fruit juice concentrate business, the result was hurt especially by the low prices for apple juice concentrate from the 2014 crop."

Net financial items in the 2015|16 financial year amounted to a net expense of € 24.5 million (prior year: net expense of € 5.2 million); the significant negative year-on-year change was attributable to net foreign exchange losses caused by depreciation in the currencies of Argentina, Brazil, China, Mexico and Russia. Profit before tax decreased from the prior year's € 116.5 million to € 104.4 million. After an income tax expense of € 23.5 million based on a tax rate of 22.5% (prior year: 27.4%), the Group's profit for the period was € 82.7 million (prior year: € 80.9 million). Earnings per share rose to € 5.82 (prior year: € 5.70).

With total assets of € 2,243.2 million (down € 163.7 million from the prior year), AGRANA improved its equity ratio from 49.6% to 53.5% or by about 4 percentage points. Net debt as of 29 February 2016 stood at € 405.8 million, up significantly as expected (by € 75.5 million) from the 2014|15 year-end level. The gearing ratio of 33.8% at the balance sheet date was thus higher than on 28 February 2015, when it stood at 27.7%. Consistent with AGRANA's reliable dividend policy, and in view of a moderate increase in earnings, the Management Board will propose at this year's Annual General Meeting to pay a dividend of € 4.00 per share (prior year: € 3.60), representing a dividend yield of about 5%.

| Sugar segment | FY 2015 16 | FY 2014 15 |
|-------------------------|---------------------|------------|
| Revenue | 672.6 | 731.1 |
| Operating profit (EBIT) | 4.3 | 9.0 |
| EBIT margin | 0.6% | 1.2% |

Sugar segment revenue declined by 8.0% in the 2015|16 financial year to € 672.6 million. EBIT, at € 4.3 million, as expected was down significantly from one year earlier, by 52.2%. Despite lasting very low selling prices, in the second half of the year the reduction in raw sugar prices compared to the prior year, together with the additional contribution margin from higher sales volumes, drove a sufficient improvement in operating profit to ensure positive EBIT for the year as a whole.

| Starch segment | FY 2015 16 | FY 2014 15 |
|-------------------------|---------------------|------------|
| Revenue | 721.6 | 700.1 |
| Operating profit (EBIT) | 65.9 | 54.1 |
| EBIT margin | 9.1% | 7.7% |

Revenue in the Starch segment was € 721.6 million, up slightly by 3.1% from the previous year. Among other areas, the revenue growth was achieved in the bioethanol business on higher selling prices and in starch derivatives thanks to higher sales volumes. EBIT of € 65.9 million significantly surpassed the year-earlier result, by 21.8%. This earnings increase was

explained both by revenue growth thanks to product sales prices (notably for ethanol) and sales volumes, and by lower raw material and energy prices.

| Fruit segment | FY 2015 16 | FY 2014 15 |
|-------------------------|---------------------|---------------------|
| Revenue | 1,083.4 | 1,062.3 |
| Operating profit (EBIT) | 58.8 | 58.6 |
| EBIT margin | 5.4% | 5.5% |

Fruit segment revenue rose by 2.0% to € 1,083.4 million. In the fruit preparations division, sales volume increased slightly from one year earlier. This and higher sales prices, amplified by favourable currency effects, led to revenue growth of about 8% in fruit preparations. In the fruit juice concentrates division, on the other hand, revenue declined by about 18% as a result mainly of sharply lower selling prices for apple juice concentrate from the 2014 crop. EBIT for the Fruit segment, at € 58.8 million, was in line with the prior year.

Outlook

With its sound finances and diversified business model built on the Sugar, Starch and Fruit segments, AGRANA considers itself well positioned for the new financial year. "For the 2016|17 financial year we currently expect both Group revenue and operating profit (EBIT) to show a moderate increase," comments CEO Marihart.

In 2016|17 the total investment in the three business segments – about € 114 million – will significantly exceed depreciation of just under € 90 million.

About AGRANA

AGRANA converts agricultural raw materials into high-quality foods and numerous industrial intermediate products. About 8,600 employees at more than 50 production sites worldwide generate annual Group sales of around € 2.5 billion. Established in 1988, the company today is the leading sugar producer in Central and Eastern Europe, and its Starch segment is both a major European manufacturer of specialty products and the largest producer of bioethanol in Austria. AGRANA is also the world market leader in fruit preparations and Europe's largest maker of fruit juice concentrates.

This announcement is available in German and English at www.agrana.com.