Interim Report Q1 FY 2015/16

Conference Call Presentation, 9 July 2015

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Disclaimer

This presentation contains forward looking statements. The statements are based on current assumptions and estimates made by the executive board and information currently available to its members. The forward looking statements are not to be viewed as guarantees of the future developments and results presented therein. Future developments and results are in fact dependent on a variety of factors and are subject to various risks and imponderables. They are based on assumptions that could in fact prove to be invalid. The risk management report in the 2014/15 annual report on pages 80 to 91 presents an overview of the risks. We assume no obligation to update the forward-looking statements made in this presentation.

This presentation includes percentage and number rounding. Typing and printing errors reserved. IFRS 11 application as of financial year 2013/14.

Written and visual value statements are standardized as follows:

➔	➘/➚	➘➘/➚➚	➘➘➘/➚➚➚
± 1%	± 1-4%	± 4-10%	>/< 10%
stable	slight	moderate	significant

Agenda

Group income statement

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Revenues	1.629	1.773	-8,1
EBITDA	107	146	-26,8
EBITDA margin	*6,6%*	*8,2%*	
Depreciation	-50	-50	-1,0
Operating profit	57	96	-40,4
Operating margin	*3,5%*	*5,4%*	
Restructuring costs/special items	-5	0	-
Income from companies consolidated at equity	9	10	-7,0
Income from operations	61	106	-43,0
Net earnings for the period attributable to Südzucker shareholders	20	48	-57,5
Earnings per share (€) (undiluted)	0,10	0,24	-58,3
Cash flow	102	152	-33,3
Investments in fixed assets*	73	66	9,5
Net financial debt (as of reporting date)	829	670	23,6
Employees	18.482	18.396	0,5

* Including intangible assets

Financial Highlights – Q1 2015/16

- Group revenues decline by 8 % to 1,629 (1,773) million €
- Operating profit decreased 40 % to 57 (96) million €
- Cash flow declined 33 % to 102 (152) million €
- Earnings per share decreased to 0.10 (0.24) €
- Net financial debt increased by 159 million € to 829 (670) million €
- Net financial debt as % of equity increased to 18 (14) %
- Equity ratio still on high level at 55 (56) %

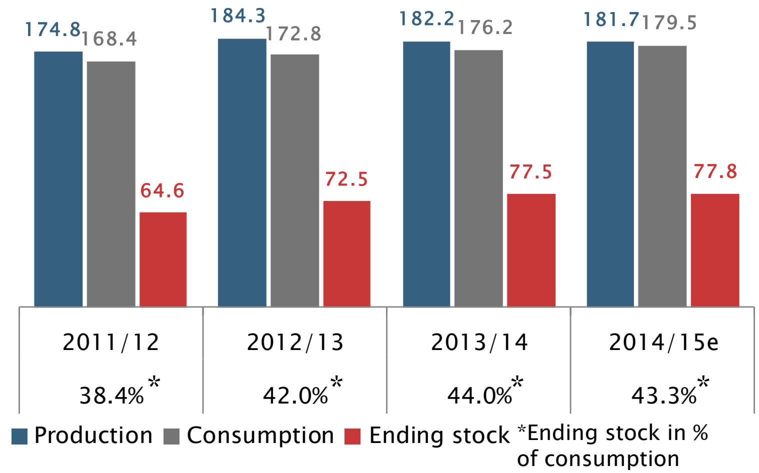
Agenda

Segment Sugar: Market environment (I)*

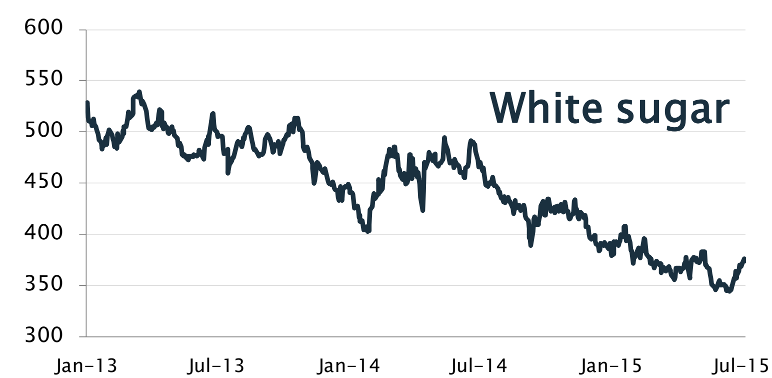
World market

- Inventories
  - After 4 years in a row no further increase since October 2014
  - Expectation of decrease in global invetories from October 2015
- Exchange rates
  - Massive depreciation of Brazilian real vs. USD since autumn 2014
- Pricing
  - Bottoming out following several years of decreasing world market prices

World Sugar Balance (mn t)



Sugar world market price (USD/t)



* Simplified

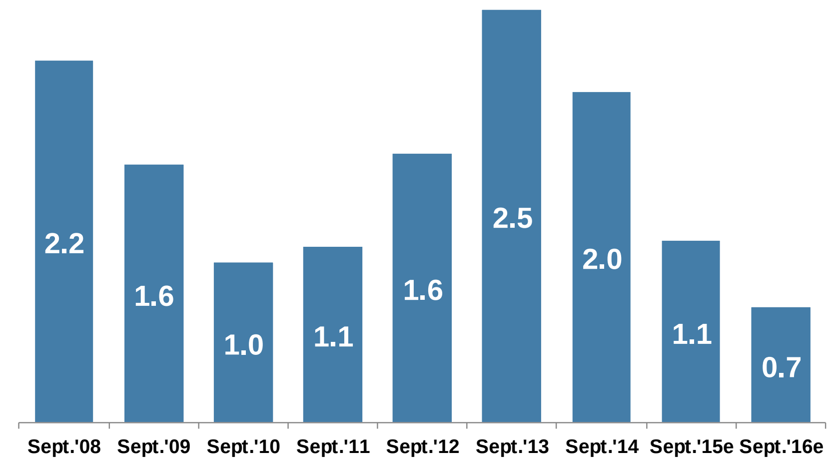
Segment Sugar: Market environment (II)*

EU

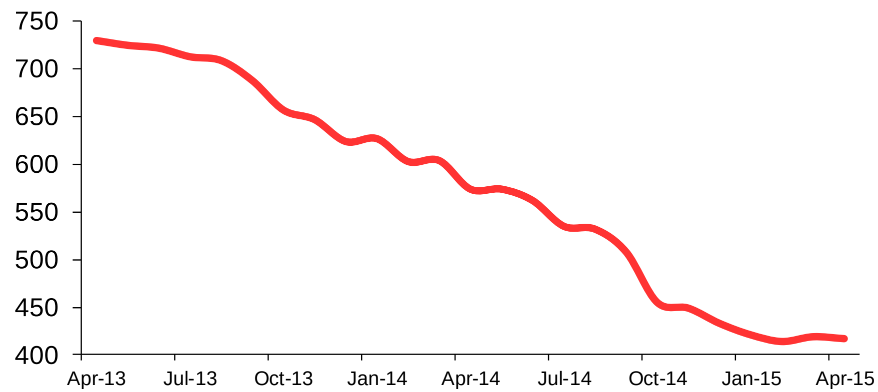
- Imports
  - Stable situation in SMY 2013/14 following multi-year increase
  - Expectation of decrease in imports SMY 2014/15
- Inventory level quota sugar
  - EU measures 2010-2013 lead to massive increase
  - Decrease in SMY 2013/14
  - Further massive decrease expected in SMY 2014/15
- Pricing quota sugar
  - Massive decrease until December 2014
  - Current bottoming out with moderate upward trend
  - Chance for increase in the course of FY 15/16

* Simplified

EU-COM quota sugar inventory (mn t)



Price reporting EU-COM (€/t)



Segment Sugar: Development Q1 2015/16

(mn €)	2015/16	1st quarter 2014/15	+/- in %
Revenues	712	862	-17,4
EBITDA	0	59	-99,3
EBITDA margin	*0,1%*	*6,9%*	
Depreciation	-13	-14	-8,2
Operating profit	-13	45	-
Operating margin	*-1,8%*	*5,2%*	

- Revenues: At the beginning of the 2014/15 sugar marketing year in October 2014, quota sugar sales revenues in the EU again fell significantly. This decline is now reflected in the year-over-year comparison. Sugar volume was also below last year's. Export prices for non-quota sugar were lower than last year as world market prices retreated.
- Operating profit: Stabilized in comparison to developments in the second half of last fiscal year. Still, as expected, operating profit was negative at € -13 (45) million. Even though quota sugar sales revenues have now stabilized, they are still sharply lower than last year, which is the main reason for the earnings decline.

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Segment Special Products: Development Q1 2015/16

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Revenues	445	434	2,6
EBITDA	56	43	31,5
EBITDA margin	*12,7%*	*9,9%*	
Depreciation	-19	-18	4,9
Operating profit	37	25	51,2
Operating margin	*8,4%*	*5,7%*	

- Revenues: Revenue increase attributable to overall volume growth and a positive currency exchange impact. On the other hand, byproduct sales revenues in the starch division were lower.
- Operating profit: Sharply higher and almost all divisions contributed to the increase. The operating profit growth was driven by higher revenues and lower raw material costs.

Segment CropEnergies: Development Q1 2015/16

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Revenues	181	192	-5,8
EBITDA	23	14	65,2
EBITDA margin	*12,3%*	*7,0%*	
Depreciation	-9	-9	-4,4
Operating profit	14	5	> 100
Operating margin	*7,6%*	*2,3%*	

- Revenues: Revenues down in spite of the recovery in ethanol sales revenues in the first quarter. This was driven especially by lower production volumes resulting from the plant overhaul in Wanze, Belgium and the temporary shutdown of the plant in Wilton, Great Britain.
- Operating profit: Significant earnings rebound. Reduced production and lower animal feed sales revenues were offset by lower raw material prices, as well as the recovery in ethanol sales revenues. The temporary shutdown of the plant in Wilton, Great Britain, generated cost savings and improved the operating cost structure.

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Segment Fruit: Development Q1 2015/16

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Revenues	291	285	2,1
EBITDA	28	30	-7,4
EBITDA margin	*9,5%*	*10,5%*	
Depreciation	-9	-9	2,4
Operating profit	19	21	-11,2
Operating margin	*6,5%*	*7,5%*	

- Revenues: While sales revenues from apple juice concentrates continued to be significantly lower than last year, sales revenues and volumes grew in the fruit preparations division.
- Operating profit: Significant decrease. Revenue growth in the fruit preparations division was offset by higher costs and lower margins on sales revenues in the fruit juice concentrates division.

Agenda

Income statement (I)

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Revenues	**1.629**	**1.773**	**-8,1**
Operating profit	57	96	-40,4
Restructuring costs/special items	-5	0	-
Income from companies consolidated at equity	9	10	-7,0
Income from operations	**61**	**106**	**-43,0**
Financial result	-5	-7	-28,6
Earnings before income taxes	**56**	**99**	**-43,1**

- Restructuring costs/special items:
  - Mainly driven by segment CropEnergies; relates to the fixed first quarter costs of the temporarily closed bioethanol factory in Wilton, Great Britain.
- Income from companies consolidated at equity:
  - Income from companies consolidated at equity contains the sugar segment's total of € 3 (3) million which relates mainly to its share of earnings from British trading company ED&F Man Holdings Ltd., Studen Group and joint-venture distributor Maxi S.r.l. The special products segment's total includes € 6 (7) million for its share of earnings from Hungrana Group's starch and bioethanol businesses.
- Financial result:
  - Financial result improved to € -5 (-7) million. Average debt was higher than the year prior and net interest expense was reported at € -8 (-11) million. The other financing activities item was positive at € 3 (4) million and is comparable to last year.

Income statement (II)

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Earnings before income taxes	**56**	**99**	**-43,1**
Taxes on income	-15	-22	-29,3
Net earnings for the year	**41**	**77**	**-47,0**
of which attributable to Südzucker AG shareholders	20	48	-57,5
of which attributable to hybrid capital	7	7	0,0
of which attributable to minority interests	14	22	-37,5
Earnings per share (€)	**0,10**	**0,24**	**-58,3**

- Taxes on income:
  - Tax rate was 27 % (22) %
- Minority interests:
  - The co-owners of AGRANA and CropEnergies account for most of the other minority interests‘ share of net earnings
- Earnings per share (EPS):
  - Decreased to 0.10 € (0.24 €)

Agenda

Cash flow statement

(mn €)	2015/16	1st quarter 2014/15	+/– in %
Cash flow	102	152	-33,3
Increase (–)/ Decrease (+) in working capital	-271	-193	40,1
Investments in fixed assets			
Sugar segment	32	28	13,1
Special products segment	29	25	12,6
CropEnergies segment	8	3	> 100
Fruit segment	4	10	–57,0
Total investments in fixed assets	73	66	9,5
Investments in financial assets/acquisitions	0	0	-100,0
Total investments	73	66	9,3
Increases in stakes held in subsidiaries	0	30	-100,0
Capital increase/decrease	0	0	–
Dividends paid	0	-4	-100,0

- Cash flow:
  - Cash flow follows earnings decrease and came in at 6.2 (8.6) % of revenues.
- Working Capital:
  - The cash flow from working capital was mainly attributable to beet payment related liabilities from the 2014/15 campaign. The latter were only partly covered by the sale of sugar inventories.
- Investments:
  - Sugar: Mainly replacement spending and investments to improve energy efficiency. Special products: Primarily due to construction of starch factory in Zeitz and commissioning of biomass boiler at the BENEO site, Chile. CropEnergies: Optimization of production systems. Fruit: Mainly in fruit preparations area.

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Balance sheet

(mn €)	31.05.2015	31.05.2014	+/- in %
Assets			
Non-current assets	4.518	4.448	1,6
Current assets	3.679	3.853	-4,5
Total assets	**8.197**	**8.301**	**-1,3**
Liabilities and shareholders' equity			
Shareholders' equity	4.515	4.665	-3,2
Non-current liabilities	1.887	1.716	10,0
Current liabilities	1.795	1.920	-6,6
Total liabilities and shareholders' equity	**8.197**	**8.301**	**-1,3**
Net financial debt	829	670	23,6
Equity ratio	55%	56%	
Net financial debt in percent of equity (gearing)	18%	14%	

- **Current assets:**
  - Reduction of € 174 million. Main reason is reduction in inventories, especially in the sugar segment.
- **Net financial debt:**
  - Seasonally driven working capital cash outflow of € 271 million could only be partially compensated by cash inflow of € 102 million. Including investments of € 73 million, this led to a seasonal increase in net financial debt from € 593 million € as of 28 February 2015 by € 236 million to € 829 million as of 31 May 2015.

Agenda

Outlook 2015/16 (I)

	Revenues		Operating Profit	
	2014/15	2015/16e	2014/15	2015/16e
Sugar	3.2 bn €	↘↘↘	7 mn €	–50 to –100 mn €
Special Products	1.7 bn €	→	120 mn €	↘↘
CropEnergies	764 mn €	>600 mn €	–11 mn €	10 to 40 mn €
Fruit	1.1 bn €	min. prev. year	65 mn €	min. prev. year
Group	**6.8 bn €**	**6.0–6.3 bn €**	**181 mn €**	**50–150 mn €**

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Outlook 2015/16 (II)

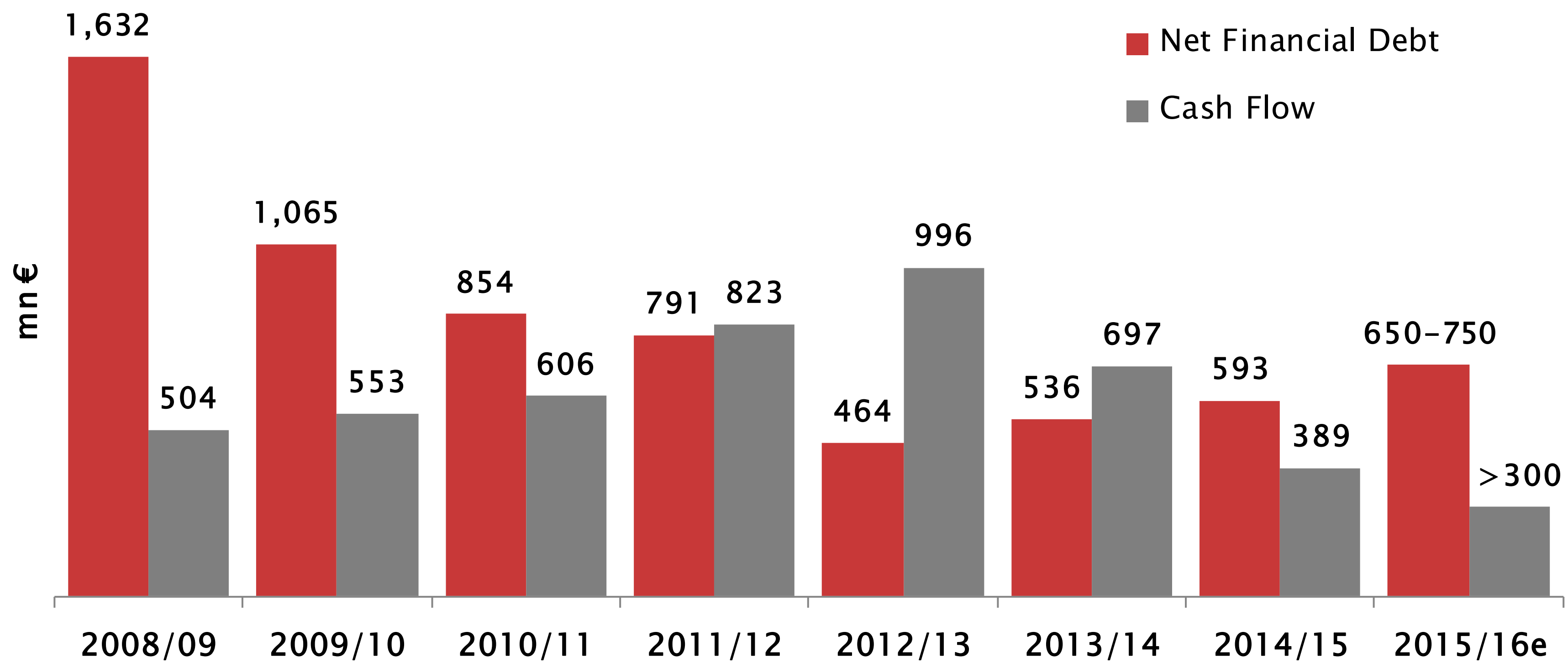
	2014/15	2015/16e
EBITDA	453 mn €	~ 330–430 mn €
Investments Fixed Assets	386 mn €	~ 400 mn €
Step-up subsidiaries	33 mn €*	–
RoCE	3.1 %	↘↘↘

* Purchase Agrana bioethanol minorities

Outlook 2015/16 (III)

	2014/15	2015/16e
Net Financial Debt	593 mn €	650–750 mn €
Cash flow	389 mn €	>300 mn €
Cash flow / Revenues	5.7 %	>5 %
Equity ratio	~ 53 %	~ 53 %

Outlook 2015/16 (IV)*



NFD/CF	3.2x	1.9x	1.4x	1.0x	0.5x	0.8x	1.5x	2.2-2.5x
Liquidity (mn €)	1,740	2,452	2,184	2,175	2,648	2,444	2,417	~2,400

* IFRS 11 adjusted since 2013/14

Summary: Financial Year 2015/16e

Sugar
- EU framework reduces latitude until 2017, e.g. volume limit, minimum beet price, export restrictions…
- Ongoing burdened by difficult market environment, but EU inventory reduction leads to potential market improvement in SMY 2015/16

Special Products
- Capacity extension starch at Zeitz site (start-up loss) leads to moderate earnings reduction against excellent previous year

CropEnergies
- Positive signalling from EU blending decision; improved ethanol price level leads to strong first quarter and increase in full year outlook

Fruit
- At least confirmation of previous year‘s earnings level

Stable net debt, cost saving measures, investments in future growth, form…

…basis to achieve mid term targets

Agenda

Sugar segment

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Gross revenues	**767,8**	**922,3**	**-16,8**
Consolidation	-55,4	-59,8	-7,4
Revenues	**712,4**	**862,5**	**-17,4**
EBITDA	**0,4**	**59,6**	**-99,3**
EBITDA margin	*0,1%*	*6,9%*	
Depreciation	-13,4	-14,6	-8,2
Operating profit	**-13,0**	**45,0**	**-**
Operating margin	*-1,8%*	*5,2%*	
Restructuring costs/special items	0,0	0,7	-100,0
Income from companies consolidated at equity	3,5	3,1	12,9
Income from operations	**-9,5**	**48,8**	**-**
Investments in fixed assets*	32,0	28,3	13,1
Investments in financial assets/acquisitions	0,0	0,1	-100,0
Total investments	**32,0**	**28,4**	**12,7**
Shares in companies consolidated at equity	255,9	235,6	8,6
Capital employed	3.414,7	3.374,7	1,2
Average number of employees	7.345	7.450	-1,4

* Including intangible assets

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Special Products segment

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Gross revenues	**459,2**	**450,7**	**1,9**
Consolidation	-14,4	-17,2	-16,3
Revenues	**444,8**	**433,5**	**2,6**
EBITDA	**56,4**	**42,9**	**31,5**
EBITDA margin	*12,7%*	*9,9%*	
Depreciation	-19,2	-18,3	4,9
Operating profit	**37,2**	**24,6**	**51,2**
Operating margin	*8,4%*	*5,7%*	
Restructuring costs/special items	-0,5	0,0	-
Income from companies consolidated at equity	5,8	6,9	-15,9
Income from operations	**42,5**	**31,5**	**34,9**
Investments in fixed assets*	28,5	25,3	12,6
Investments in financial assets/acquisitions	0,0	0,0	-
Total investments	**28,5**	**25,3**	**12,6**
Shares in companies consolidated at equity	59,6	60,0	-0,7
Capital employed	1.423,1	1.343,2	5,9
Average number of employees	4.480	4.448	0,7

* Including intangible assets

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CropEnergies segment

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Gross revenues	**197,8**	**207,9**	**-4,9**
Consolidation	-17,0	-16,0	6,3
Revenues	**180,8**	**191,9**	**-5,8**
EBITDA	**22,3**	**13,5**	**65,2**
EBITDA margin	*12,3%*	*7,0%*	
Depreciation	-8,6	-9,0	-4,4
Operating profit	**13,7**	**4,5**	**> 100**
Operating margin	*7,6%*	*2,3%*	
Restructuring costs/special items	-5,0	0,0	-
Income from companies consolidated at equity	0,0	0,0	-
Income from operations	**8,7**	**4,5**	**93,3**
Investments in fixed assets*	7,8	2,7	> 100
Investments in financial assets/acquisitions	0,0	0,0	-
Total investments	**7,8**	**2,7**	**> 100**
Shares in companies consolidated at equity	1,7	1,4	21,4
Capital employed	518,8	530,1	-2,1
Average number of employees	438	444	-1,4

* Including intangible assets

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Fruit segment

(mn €)	1st quarter 2015/16	2014/15	+/- in %
Gross revenues	**290,9**	**284,9**	**2,1**
Consolidation	-0,1	-0,1	0,0
Revenues	**290,8**	**284,8**	**2,1**
EBITDA	**27,7**	**29,9**	**-7,4**
EBITDA margin	*9,5%*	*10,5%*	
Depreciation	-8,7	-8,5	2,4
Operating profit	**19,0**	**21,4**	**-11,2**
Operating margin	*6,5%*	*7,5%*	
Restructuring costs/special items	-0,2	0,0	-
Income from companies consolidated at equity	0,0	0,0	-
Income from operations	**18,8**	**21,4**	**-12,1**
Investments in fixed assets*	4,3	10,0	-57,0
Investments in financial assets/acquisitions	0,0	0,0	-
Total investments	**4,3**	**10,0**	**-57,0**
Shares in companies consolidated at equity	0,0	0,0	-
Capital employed	816,0	823,1	-0,9
Average number of employees	6.219	6.054	2,7

* Including intangible assets

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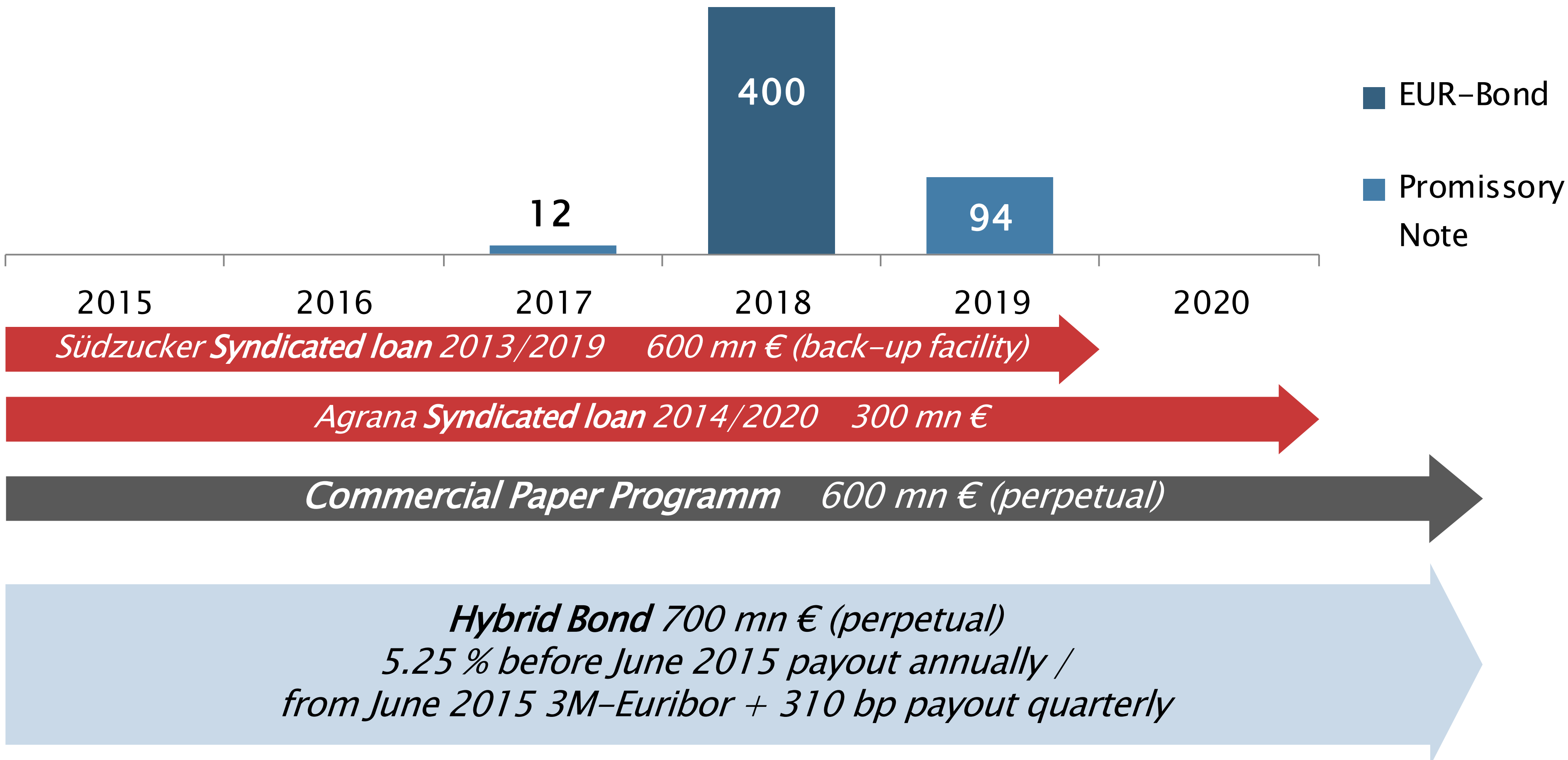
Liquidity profile end of period*

(mn €)	Q1 2015/16	Q4 2014/15	Q3 2014/15	Q2 2014/15	Q1 2014/15
Net financial debt	-829	-593	-267	-422	-670
Cash & Cash equivalents / securities	624	681	804	788	729
Gross financial debt	-1.452	-1.274	-1.070	-1.209	-1.399
Long-term financial debt	-771	-774	-679	-671	-674
Short-term financial debt	-681	-500	-391	-538	-725
Bank credit lines	802	807	679	692	735
undrawn	*351*	*364*	*321*	*268*	*293*
Syndicated loan	600	600	600	600	600
undrawn	*600*	*600*	*600*	*600*	*600*
Syndicated loan Agrana	450	450	450	450	450
undrawn	*339*	*371*	*389*	*387*	*333*
Commercial paper program	600	600	600	600	600
undrawn	*265*	*400*	*495*	*400*	*278*
Bank credit lines (undrawn)	351	364	321	268	293
+ Cash & cash equivalents / securities	624	681	804	788	729
+ Syndicated loan (undrawn)	939	971	989	987	933
+ Commercial paper (undrawn)	265	400	495	400	278
= Total liquidity reserves	*2.178*	*2.417*	*2.609*	*2.443*	*2.232*

* IFRS 11 adjusted

Financing maturity profile*

(mn €) as of 31 May 2015



* Displayed to 2020; Agrana promissory note: 14 mn € tranche due in 2021, 7 mn € tranche due in 2022

Hybrid bond 2005 / cash flow covenant*

(mn €)	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Revenues	**5.347**	**5.765**	**5.780**	**5.871**	**5.718**	**6.161**	**6.992**	**7.879**	**7.533**	**6.778**
Cash flow	527	554	498	504	553	606	823	996	697	389
Cash flow / Revenues	**9,9%**	**9,6%**	**8,6%**	**8,6%**	**9,7%**	**9,8%**	**11,8%**	**12,6%**	**9,3%**	**5,7%**

* IFRS 11 adjusted since 2013/14

- Cash flow covenant (cash flow / revenues >5 %) so far significantly exceeded
- Cash flow covenant fulfillment also expected in 2015/16

Options for hybrid bond (depending on continuous financial planning):

- Since 30 June 2015: quarterly variable interest payment, 3M Euribor plus 3.10 % p.a.
- Period from 30 June to 30 September 2015, rate of remuneration fixed at 3.085 % p.a.
- Since 30 June 2015, bond can be called and redeemed on quarterly basis at nominal value (according to § 6 (5) & (6))
- Precondition to use issuer call right is replacement through new hybrid or equity capital
- A bond repurchase – also partially – is possible at any time

➔ Still preferred option: No call of hybrid bond

Financing maturity profile

(as of 31 May 2015)

April 2017/19/21/22	Agrana promissory note, 126 mn €
March 2018	4.125% Bond 2011/2018, 400 mn €
June 2019+1+1	Syndicated loan AGRANA, 300 mn €, ▪ Margin 90 bp, short-term borrowing facility 1-6 months
Nov. 2019+1	Syndicated loan, 600 mn €, ▪ Margin 50 bp at Baa2/BBB, short-term borrowing facility 1 month < 1 year
Perpetual	5.25% Hybrid Bond 2005/perpetual, 700 mn € ▪ Issuer call right June 30 June 2015 at the earliest. Pursuant to § 6 (5) and (6) of conditions of issue the exercise of the call right is subject to having issued, within the twelve month preceding the redemption becoming effective, replacement capital (parity and/or junior securities and/or shares) against issue proceeds at least equal to the amounts payable upon redemption.
Perpetual	Commercial Paper-Program, perpetual, 600 mn € ▪ Drawn lines: 335 mn €

Investor Relations

Financial calender

16 July 2015
Annual general meeting for fiscal 2014/15

8 October 2015
Q2 – 1st half year report 2015/16

13 January 2016
Q3 – 1st to 3rd quarter report 2015/16

19 May 2016
Press and analysts' conference fiscal 2015/16

7 July 2016
Q1 – 1st quarter report 2016/17

14 July 2016
Annual general meeting for fiscal 2015/16

13 October 2016
Q2 – 1st half year report 2016/17

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