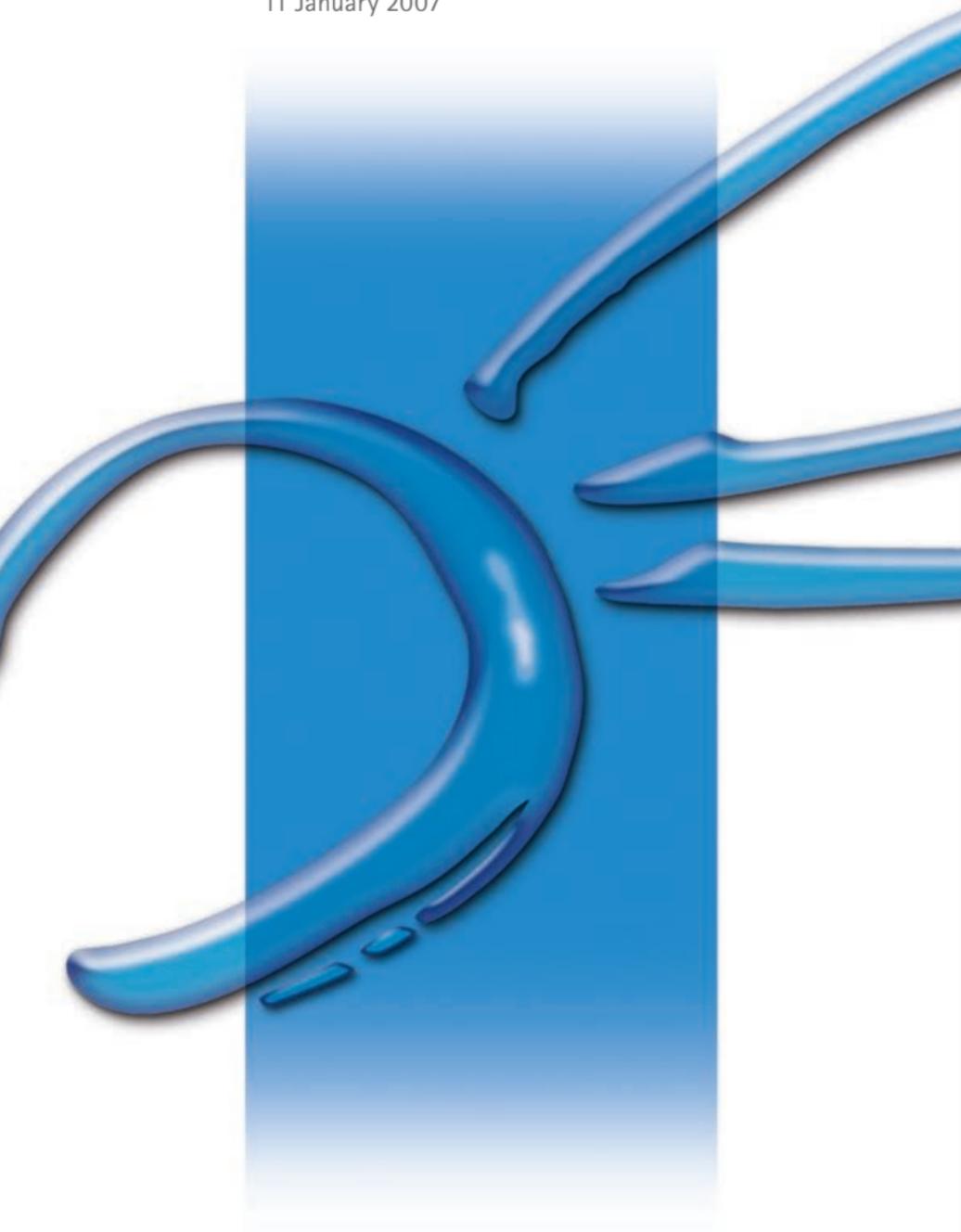


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INTERIM REPORT

Financial Year 2006/07
1 March to 30 November 2006

11 January 2007



SÜDZUCKER

The first three quarters 2006/07 at a glance

- Revenues up 8.8 % to € 4.4 (4.0)* billion.
- Income from operations ahead of the previous year: € 359 (349) million.
- Operating profit in the Sugar segment hurt in Western Europe by the EU's restrictive export policy. But rising earnings trend in Eastern Europe.
- Charges made for restructuring in the functional food business; sustained strong growth in continuing core products.
- Bioethanol revenue and earnings growth beats expectations. CropEnergies AG successfully floated with IPO proceeds of around € 200 million; Südzucker retains a controlling interest of 70.6 %.
- Strong organic growth in the Fruit segment.

* The figures in brackets refer to the same period in the previous year.

Dear Shareholders,

this interim report informs you about the development of business in the first nine months of the current 2006/07 financial year (March to November 2006).

EU Sugar Market Regulation

The new sugar market regulation, with an effective period until September 2015, came into force on 1 July 2006. The political objective is to satisfy WTO rules and at the same time strengthen the competitiveness of the EU sugar sector. This requires a reduction of quota sugar production by a total of 5–6 million tonnes. To this end the EU has set up a restructuring fund which offers inefficient sugar producers the opportunity to surrender their quotas at an attractive price. The European Commission is committed to do everything within its powers to make its restructuring offer a success.

In the 2006/07 sugar industry year the restructuring fund started off in line with expectations, with the surrender of 1.5 million tonnes of quotas. The time limit for the surrender of quotas for the 2007/08 sugar industry year ends on 31 January 2007. So far the restructuring fund has declarations of intent for the surrender of 0.7 million tonnes. As market leader, the Südzucker Group is making its contribution towards reducing quotas by surrendering the quotas for ORAFTI in Belgium and Eastern Sugar in Slovakia, the Czech Republic and Hungary. Nonetheless, the restructuring fund's present position, with a total of 2.2 million tonnes, is still not sufficient. Consequently, on 21 November 2006 the European Commission appealed to the EU member states and the sugar industry to surrender further quotas to the restructuring fund. If no further quotas are surrendered, this will already give rise to a need for temporary quota restrictions in the 2007/08 sugar industry year which could exceed the 2006/07 level of 2.5 million tonnes and, together with the again rising restructuring levy, would lead to a significant strain on earnings in the Sugar segment.

It can be assumed that the European Commission will deliver on its commitment to see that the restructuring fund is a success so that the desired adjustment and concentration of production on the most efficient locations is achieved. By itself, the threatened linear reduction of quotas for all EU sugar producers is not a suitable means to this end.

The European sugar industry is demanding that in the present transition phase the European Commission should allow exports of quota sugar to the full extent permitted by WTO rules and in this way support the market stabilisation process. The aim must be to keep the necessary quota restrictions as low as possible in the transition phase in order not to weaken the earning power of the most competitive sugar producers. The restrictive export policy still practised by the Commission, with few export permits and low export volumes, is not helpful.

Südzucker is seizing upon the new possibilities offered by the sugar market regulation to cushion the burdens from the price reduction. We will continue developing the new market segment of industrial sugar for bioethanol production as well as for chemical and pharmaceutical applications. 550,000 tonnes of sugar from the 2006 campaign are available for marketing as industrial sugar. We have therefore taken a leading position as a supplier of industrial sugar in the EU.

The Biofuels Quota Act which came into force in Germany on 1 January 2007 and sets mandatory quotas for the admixture of bioethanol in conventional motor fuels will be a driver for the fast-growing bioethanol market. For the coming 2007 campaign we have therefore offered beet growers in Germany additional contracts for the production of 300,000 tonnes of ethanol beet. Implementation of the EU Biofuels Directive in other countries will open up additional market potential. Together with the rising demand for industrial sugar as raw material for the production of specialty products in the chemical and pharmaceutical industry, this presents a market potential which can compensate for the previous C sugar business.

Together with the beet suppliers, Südzucker has also used the possibility created by the EU to buy additional production quotas of around 250,000 tonnes of sugar, and thus increase the sugar quota to a total of approximately 4.1 million tonnes.

The exploitation of the opportunities arising from the new sugar market regulation, coupled with the cost-cutting measures initiated, will place Südzucker in a position to offset the effects of the price reduction in the medium term. The transition phase at the start of the new market regulation will give rise to earnings burdens, especially if there are high temporary quota restrictions because the restructuring fund is not sufficiently used. In the event of a lasting linear quota reduction Südzucker will have to undertake additional adjustment measures. Nonetheless, Südzucker is adhering to its goal of emerging strengthened from the reform process.

New sugar markets

Romania and Bulgaria joined the European Union on 1 January 2007. Romania was allotted a sugar quota of 329,600 tonnes of raw sugar and 109,200 tonnes of beet sugar. In Romania, we stand to profit from the growing importance of these markets through the production and sales company AGRANA Romania S. A. We will be addressing the Bulgarian market with a newly established trading company and a joint venture which is currently being set up with a local partner.

Through a distribution partnership in Italy Südzucker will be further expanding its market share in this future deficit market.

The sugar refinery with a capacity of 150,000 tonnes which is currently under construction as a joint venture project in Brcko/ Bosnia-Herzegovina will be coming on stream in 2007.

Sugar production 2006

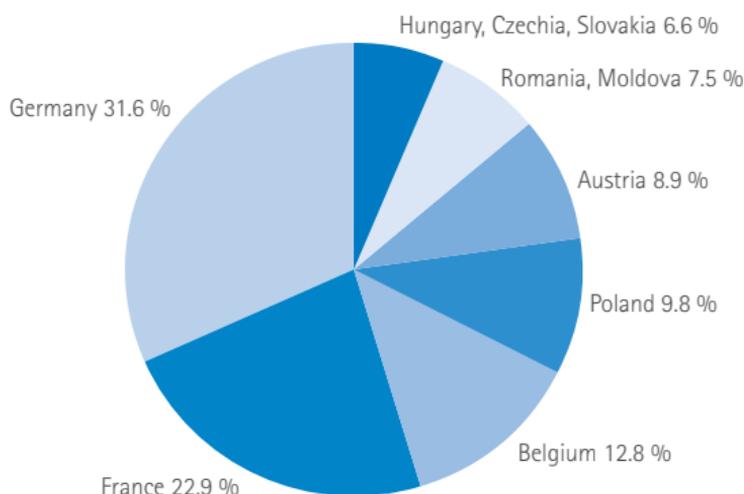
Beet acreage in the Südzucker Group was reduced by 8.1 % in the 2006/07 sugar industry year owing to the need for temporary quota restrictions; owing to weather conditions the sugar yield was lower than in the previous year at 10.6 (11.2) tonnes per hectare.

The again good beet quality and low soiling had a favourable impact on the campaign. Including the refining of cane sugar, the Südzucker Group produced a total of 4.6 (5.2) million tonnes of sugar.

Sugar production of 2006 (preliminary)

in 1,000 t	2006	2005	Change
Germany	1,454	1,706	-14.8 %
France	1,051	1,129	-6.9 %
Belgium	587	627	-6.4 %
Poland	449	540	-16.9 %
Austria	407	489	-16.8 %
Romania, Moldova	344	324	6.2 %
Hungary, Czechia, Slovakia	303	395	-23.3 %
Total	4,595	5,210	-11.8 %

Breakdown of sugar production in 2006 by region (preliminary)



The beet processing at the 40 beet sugar refineries began from the second half of September 2006 and was completed at the beginning of January 2007. Owing to the smaller volume of beet the campaign was shorter than in the previous year, averaging 86 (90) days.

Revenues

Group revenues rose by € 351.2 million, or 8.8 %, to € 4,360.4 (4,009.2) million in the first three quarters of the 2006/07 financial year.

Revenues in the **Sugar segment** were level with the previous year at € 2,739.9 (2,720.4) million. Lower sales of quota sugar due to the temporary quota reduction and lower export volumes were offset by higher revenues on the home markets in Eastern Europe.

Revenues in the **Special Products segment** were up by 13.4 %, or € 122.5 million, to € 1,036.9 (914.4) million. This is primarily due to the growth in revenues from the CropEnergies Group's bioethanol business and the integration of the Ryssen Group. The functional food and starch businesses also posted higher revenues.

The **Fruit segment** achieved revenues of € 583.6 (374.4) million. The increase of € 209.2 million versus a year earlier is mainly due to the fact that in the previous year the Atys Group was only included for six months. In addition, selling prices could be increased owing to higher raw material costs. The fruit preparations business continued to generate strong organic volume growth as well.

Earnings

Income from operations was increased in the Group in the first nine months to € 359.1 (349.1) million. While **operating profit** was slightly lower than in the previous year at € 354.7 (357.7) million, there was an improvement in **net restructuring costs and special items** to € 4.4 (-8.6) million.

Operating profit in the Sugar segment in the first nine months fell short of the previous year's level at € 231.4 (259.2) million. Earnings performance in the third quarter in Western Europe was affected for the first time by the EU's restrictive export policy. The positive market development in Eastern Europe since the beginning of the financial year continued in the third quarter. In the **Special Products segment** operating profit was increased by 15.6 %, or € 12.7 million, to € 94.2 (81.5) million. The growth was driven by the good earnings development in the bioethanol

business where, after the start-up losses the previous year, a clear earnings swing has been achieved on the back of the much improved level of capacity utilisation at the production plant in Zeitz. As expected, operating profit in the functional food business was well below the previous year level. This is partly due to the absence of the earnings contributions from the business in inulin fructose produced from chicory. With the reform of the sugar market regulation, Südzucker has decided to discontinue these activities and sell the quota to the restructuring fund. At the same time, the sustained strong growth in sales in the core functional food product lines was not able to offset cost increases and burdens from the production capacities in Chile not yet being fully utilised. In the starch business operating profit fell short of the good previous year's level owing to the unsatisfactory price level for isoglucose and the significantly higher cost of maize from the 2006 harvest. In the **Fruit segment** operating profit was up € 12.1 million to € 29.1 (17.0) million. This increase is partly due to the Alys Group being included for nine months as compared to six months in the previous year. Another contributing factor has been strong organic volume growth, especially in Russia, the USA and France. In the course of the third quarter it was possible to pass on the higher raw material and energy costs through price increases.

Net restructuring costs and special items were affected by further measures to strengthen our competitive position. In the **Sugar segment** there were charges of € -28.7 million from write-offs on old sugar quotas in France and the closure of the Lubna sugar factory in Poland. In the **Special Products segment** a positive balance of € 33.1 million was achieved. In the functional food business we allowed for the cost situation in chicory production in Chile with a one-off impairment charge against goodwill and for the discontinued inulin fructose production at the Oreye location with plant and equipment retirements and related redundancy plans. These charges were more than offset by income contributed by the sale of the inulin quota to the restructuring fund and the flotation of CropEnergies AG.

Group net earnings in the first nine months rose to € 255.7 million from € 250.5 million in the previous year. After other minority interests and hybrid capital, net earnings attributable to Südzucker shareholders were level with the previous year at € 193.3 (193.6) million.

Outlook

For the full year 2006/07 we expect double-digit growth rates in revenues in the Special Products and Fruit segments. Accordingly, **Group revenues** should increase by 6 %, from € 5.3 billion to around € 5.7 billion, despite lower revenues in the Sugar segment. In the **Sugar segment** revenues are expected to decline by approximately € 150 million to € 3.4 billion as a result of the high declassification in 2005, the temporary quota reduction in the 2006 campaign, the absence of C sugar exports from the second half of the 2006/07 financial year and the EU's restrictive quota export policy. Revenues in the **Special Products segment** will be up by about € 150 million to around € 1.4 billion on the back of the strong growth in bioethanol sales. In the **Fruit segment**, we expect revenues to rise by a good € 350 million to around € 900 million, driven above all by organic volume growth in fruit preparations and also due to the change in the financial year of the fruit companies with the inclusion of two additional months.

We expect in the group **income from operations** slightly above the previous year's level of € 397 million. While **operating profit** will fall short of the previous year's figure of € 450 million, the negative impact from the **restructuring result** (previous year: € -52.6 million) will be much lower.

Operating profit in the **Sugar segment** will be hurt by the EU's restrictive export policy. As a result of the European Commission's drastic restriction of export possibilities which took effect in the third quarter we had to cut our planned quota sugar exports; operating profit will therefore be below the 2005/06 level. The rationalisation measures resolved in the previous year, with the closure of three sugar factories, the again good C sugar business from the 2005 campaign and the gratifying sales of industrial sugar already from the 2006 campaign compensated in full for the first-time impact of the restructuring levy; however, the absence of exports and the weaker than expected price level create burdens which cannot be offset.

In the **Special Products segment**, the positive development of operating profit in the bioethanol business will be reinforced by the rising demand over the full year. In the functional food business, the gratifying development of sales in the core product lines will not be able to compensate for the burdens arising from production in Chile not yet running at full capacity and the

absence of the earnings contributions from the inulin fructose business following the sale of the quota. In the starch business we will not match the previous year's result since it has only been possible to pass on cost burdens from higher maize prices and energy costs to customers since the end of 2006. All in all, operating profit in the Special Products segment will therefore be slightly lower than in the previous year. However, this shortfall will be more than offset by a significantly improved result in the **Fruit segment**. Earnings quality has been enhanced both in fruit preparations and in fruit juice concentrates; additionally, operating profit will benefit from the consolidation of the Aty's Group now for the full year and the change of the financial year.

The development in the **Sugar segment** in the 2007/08 financial year will depend very largely on how effective the restructuring fund is in bringing about adjustments in the market. Delays in the implementation of the restructuring inevitably lead to surplus production which will accelerate the restructuring process but will also give rise to temporary earnings burdens. In the event of a lasting quota reduction Südzucker will have to undertake additional adjustment measures. However, in the medium term the essentially performance and market-driven orientation of the EU measures will strengthen the competitive position of the Südzucker Group.

Yours faithfully,
Südzucker Aktiengesellschaft
Mannheim/Ochsenfurt
The Executive Board

Assets and liabilities, financial position and results of operations

The interim financial statements of the Südzucker Group as of 30 November 2006 have been prepared according to the rules for interim financial reporting of IAS 34 in compliance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC).

The same accounting and valuation methods as applied in the preparation of the consolidated financial statements as of 28 February 2006 have been applied unchanged. The explanatory notes to the financial statements in the 2005/06 Annual Report therefore apply accordingly. Income taxes have been calculated on the basis of the local rates of income tax, allowing for the income tax planning for the full financial year.

Starting from the beginning of the 2006/07 financial year, the segment reporting has been expanded to include the Fruit segment, thus taking into account the growing importance of this business. The Südzucker Group now reports figures for the three segments: Sugar, Special Products and Fruit. The previous year figures have been restated accordingly.

In the financial statements for the first nine months of the previous year, the AtyS Group was consolidated in line with the equity method in the first three months and DSF was not yet consolidated. As of the beginning of the second quarter, the Ryssen Group, Marconne Hesdin/France, a now wholly-owned subsidiary of Saint Louis Sucre S. A., has been fully consolidated for the first time; the Ryssen Group was previously valued at equity on the basis of a holding of 50 %.

All companies in the Fruit segment are included in the first nine months of the 2006/07 financial year with their figures for the months January to September. Following completion of the restructuring in the Fruit segment, the financial year will be changed from the calendar year to the Südzucker Group financial year starting 28 February 2007. In the current 2006/07 financial year, the Fruit companies will therefore be included for a total of fourteen months.

Balance sheet

€ million	30 Nov '06	28 Feb '06	Change	30 Nov '05
Assets				
Intangible assets	1,795.8	1,794.7	1.1	1,721.3
Property, plant and equipment	2,349.5	2,319.4	30.1	2,267.5
Shares in associated companies	79.3	77.2	2.1	74.6
Other investments and loans	148.7	179.0	-30.3	164.7
Securities	26.1	26.9	-0.8	33.8
Receivables and other assets	11.2	5.1	6.1	4.8
Deferred tax assets	76.1	75.5	0.6	25.8
Non-current assets	4,486.7	4,477.8	8.9	4,292.5
Inventories	2,213.3	2,000.8	212.5	2,234.3
Trade receivables and other assets	1,000.6	894.7	105.9	1,071.4
Current tax receivables	35.4	46.2	-10.8	19.9
Securities and cash and cash equivalents	1,096.0	506.1	589.9	1,413.5
Current assets	4,345.3	3,447.8	897.5	4,739.1
Total assets	8,832.0	7,925.6	906.4	9,031.6
Liabilities and shareholders' equity				
Subscribed capital	189.4	189.4	0.0	189.4
Capital reserve	1,137.6	1,137.6	0.0	1,137.7
Revenue reserves	1,337.0	1,249.7	87.3	1,219.7
<i>Equity attributable to shareholders of Südzucker AG</i>	<i>2,664.0</i>	<i>2,576.7</i>	<i>87.3</i>	<i>2,546.8</i>
Hybrid capital	683.9	683.9	0.0	690.1
Other minority interests	529.2	472.2	57.0	541.6
Shareholders' equity	3,877.1	3,732.8	144.3	3,778.5
Provision for pensions and similar obligations	401.1	395.6	5.5	396.9
Other provisions	111.1	142.2	-31.1	99.0
Non-current financial liabilities	1,523.5	1,429.4	94.1	1,324.4
Other liabilities	148.0	26.7	121.3	41.5
Deferred tax liabilities	318.5	349.3	-30.8	341.2
Non-current liabilities	2,502.2	2,343.2	159.0	2,203.0
Other provisions	215.5	208.1	7.4	365.5
Current financial liabilities	277.3	280.3	-3.0	730.0
Trade and other payables	1,918.8	1,304.2	614.6	1,893.0
Current tax liabilities	41.1	57.0	-15.9	61.6
Current liabilities	2,452.7	1,849.6	603.1	3,050.1
Total liabilities and shareholders' equity	8,832.0	7,925.6	906.4	9,031.6
Net financial debt	678.7	1,176.7	-498.0	607.1
Equity ratio	43.9 %	47.1 %		41.8 %

Intangible assets include the additional sugar quota acquired, carried at a net value of € 126.3 million, which the EU offered former C sugar producers. Non-current liabilities are reported in the same amount. Set against the addition for the sugar quota under intangible assets are goodwill impairments of € 98.0 million in the functional food business. Regular annual impairment tests were conducted in the third quarter of 2006/07, with adjustments being made in the medium-term planning for the discontinued production of inulin fructose from chicory at the Oreye location in Belgium, the cost situation at the location in Chile and the focus on the continued strong-growing core products of isomalt, oligofructose and inulin.

The increase in current securities and cash and cash equivalents to € 1,096.0 million as of 30 November 2006 is due to outstanding sugar beet payments of € 818.0 million and the liabilities of € 438.1 million from the restructuring levy. The restructuring levy is accounted for analogously to quota sugar production in the 2006 campaign, which represented 85 % of the total quota as of 30 November 2006.

In line with the usual seasonal pattern net financial debt declined versus the closing balance sheet as of 28 February 2006 to € 678.7 million.

Income statement

€ million	3rd quarter*		1st-3rd quarter**	
	2006/07	2005/06	2006/07	2005/06
Revenues	1,440.7	1,347.9	4,360.4	4,009.2
Change in work in progress and finished goods inventories and internal costs capitalised	1,304.9	1,389.7	139.4	209.7
Other operating income	200.2	2.5	228.1	81.2
Cost of materials	-1,615.0	-1,952.9	-2,509.5	-2,658.4
Personnel expenses	-263.3	-242.7	-525.2	-515.5
Depreciation	-256.9	-118.8	-334.5	-179.1
Other operating expenses	-692.3	-313.9	-999.6	-598.0
Income from operations	118.3	111.8	359.1	349.1
Income from associated companies	2.0	3.0	10.7	9.4
Financial income	11.6	8.9	24.7	22.1
Financial expense	-29.6	-24.0	-101.8	-99.1
Earnings before income taxes	102.3	99.7	292.7	281.5
Taxes on income	-3.1	-1.0	-37.0	-31.0
Net earnings for the year	99.2	98.7	255.7	250.5
of which attributable to Südzucker shareholders	76.5	73.1	193.3	193.6
of which attributable to hybrid capital	5.7	5.7	17.2	8.8
of which attributable to minority interest	17.0	19.9	45.2	48.1
Earnings per share (€)	0.40	0.40	1.02	1.10

As regards the analysis of the development of revenues, operating profit and income from operations please refer to the general comments at the beginning of this interim report.

The increase of € 1,304.9 million in work in progress and finished good inventories and internal costs capitalised in the third quarter of 2006/07 is mostly the result of sugar production in the 2006 campaign from mid-September to 30 November 2006.

The other operating income of € 228.1 million in the first nine months of the 2006/07 financial year includes income from the reduction of our ownership interest in CropEnergies AG. In connection with CropEnergies AG's initial public offering 29.4 % were placed with institutional and private investors, which reduced Südzucker AG's stake from 100 % to 70.6 %. This item also includes the income from the sale of the inulin quota to the restructuring fund.

* 1 September to 30 November ** 1 March to 30 November

The lower cost of materials in the third quarter of 2006/07, which, at € 1,615.0 million, was well below the figure of € 1,952.9 million in the same period of the previous year, reflects the adjustment of beet prices with the reform of the sugar market regulation.

The increase in depreciation is due in particular to the one-off impairment charges in the functional food business and to old sugar quotas in France.

In the current 2006/07 financial year the other operating expenses of € 999.6 (598.0) million also include the levy payable to the restructuring fund.

The income from associated companies mainly consists of the dividend distributed by Eastern Sugar.

The financial income of € 24.7 (22.1) million and financial expense of € -101.8 (-99.1) million produces a net financial result on a par with the previous year of € -77.1 (-77.0) million. While net interest expense improved in the first nine months of the current financial year as a result of the lower average net financial debt, this positive development was neutralised by exchange losses due to the depreciation of East European currencies.

The minority interests of € 45.2 (48.1) million in Group net earnings mostly relate to the outside shareholders of the AGRANA Group.

For the period from 1 March to 30 November 2006, the relevant basis for calculating earnings per share (IAS 33) was 189.4 million shares. The previous year's figure was based on 175.9 million shares. The conditions for conversion of the convertible bond issued on 8 December 2003 were fulfilled during the reporting period. On the assumption that the conversion rights are exercised, the diluted earnings per share would be € 0.39 for the third quarter and € 0.99 for the first nine months.

Cash flow statement

€ million	1st – 3rd quarter*	
	2006/07	2005/06
Gross cash flow	403.5	393.5
Change in net current assets	336.9	245.9
Net cash flow from operating activities	740.4	639.4
Cash flow from investing activities	-323.2	-396.5
Cash flow from financing activities	118.1	248.9
Change in cash and cash equivalents	535.3	491.8
Cash and cash equivalents at the beginning of the period	458.9	110.5
Cash and cash equivalents at the end of the period	994.2	602.3
The balance sheet item is made up of:		
Cash	994.2	602.3
Securities (current assets)	101.8	811.2
Securities and cash and cash equivalents	1,096.0	1,413.5

Thanks to the gratifying market development in the Sugar segment in Eastern Europe and the extended full consolidation of the Fruit segment, cash flow was increased from € 393.5 million to € 403.5 million. Together with the seasonal reduction in working capital, this led to an improvement in the net cash flow from operating activities of € 740.4 (639.4) million.

At € -253.7 million, the net cash outflow from investing activities in property, plant and equipment was € 61.2 million lower than the previous year's level of € -314.9 million. We also expect capital expenditure for the full 2006/07 financial year to be lower than in the previous year despite the construction of the bioethanol plants at the locations in Pischelsdorf/Austria and Wanze/Belgium. Together with financial investments, the cash flow from investing activities came to € -323.2 (-396.5) million.

The net cash inflow from financing activities of € 118.1 (248.9) million is the result of the capital increase at CropEnergies AG in connection with the initial public offering, less dividends. The figure for the previous year reflects the proceeds from the Südzucker AG capital increase for cash, the issuance of hybrid capital, which was used to reduce financial liabilities, and dividends.

* 1 March to 30 November

Changes in shareholders' equity

€ million	Equity of Südzucker- shareholders	Hybrid capital	Other minority interest	Share- holders' equity
1 March, 2006	2,576.7	683.9	472.2	3,732.8
Profit after tax	193.3	17.2	45.2	255.7
Dividends	-104.1	-17.2	-20.6	-141.9
Capital infusion	0.0	0.0	195.9	195.9
Other changes	-1.9	0.0	-163.5	-165.4
30 November, 2006	2,664.0	683.9	529.2	3,877.1
1 March, 2005	2,191.4	0.0	546.2	2,737.6
Profit after tax	193.6	8.8	48.1	250.5
Dividends	-96.1	-8.8	-20.5	-125.4
Capital infusion	200.9	0.0	0.0	200.9
Other changes	57.0	690.1	-32.2	714.9
30 November, 2005	2,546.8	690.1	541.6	3,778.5

Of the dividends of € 141.9 million recognised in the current financial year, € 104.1 million represents the Südzucker AG dividend for the 2005/06 financial year paid in July 2006. This was an increase of € 8.0 million, or 8.3 %, versus the amount distributed in the previous year. Given an unchanged dividend of € 0.55 per share, this reflects the capital increase in the previous year which increased the number of shares entitled to dividend by 14.6 million from 174.8 million to 189.4 million.

The increase in minority interests in the first nine months of the 2006/07 financial year is largely due to the flotation of CropEnergies AG in summer 2006, which reduced Südzucker AG's ownership interest from 100.0 % to 70.6 %.

Segment reporting

€ million	3rd quarter*		1st-3rd quarter**	
	2006/07	2005/06	2006/07	2005/06
Third-party revenues	1,440.7	1,347.9	4,360.4	4,009.2
Sugar	895.9	873.8	2,739.9	2,720.4
Special products	342.9	316.7	1,036.9	914.4
Fruit	201.9	157.4	583.6	374.4
Operating profit	104.4	114.7	354.7	357.7
Sugar	53.2	72.8	231.4	259.2
Special products	39.3	34.3	94.2	81.5
Fruit	11.9	7.6	29.1	17.0
Operating margin	7.2 %	8.5 %	8.1 %	8.9 %
Sugar	5.9 %	8.3 %	8.4 %	9.5 %
Special products	11.5 %	10.8 %	9.1 %	8.9 %
Fruit	5.9 %	4.8 %	5.0 %	4.5 %
Restructuring costs and special items	13.9	-2.9	4.4	-8.6
Sugar	-23.0	-0.4	-28.7	-3.1
Special products	36.9	-2.5	33.1	-5.5
Fruit	0.0	0.0	0.0	0.0
Income from operations	118.3	111.8	359.1	349.1
Sugar	30.2	72.4	202.7	256.1
Special products	76.2	31.8	127.3	76.0
Fruit	11.9	7.6	29.1	17.0
Capital expenditure	105.7	111.3	253.7	314.9
Sugar	43.8	56.3	100.9	128.1
Special products	53.6	46.8	129.8	158.7
Fruit	8.3	8.2	23.0	28.1
Average number of employees			20,207	20,677
Sugar			10,900	11,928
Special products			4,451	4,102
Fruit			4,856	4,647

As regards the analysis of the development of revenues, operating profit, restructuring costs and special items, and income from operations please refer to the general comments at the beginning of this interim report.

* 1 September to 30 November ** 1 March to 30 November

Capital expenditure

€ 253.7 million were invested in property, plant and equipment in the Group in the period from 1 March to 30 November 2006, as compared with € 314.9 million in the same period of the previous year. € 129.8 (158.7) million were invested in the Special Products segment, with the focus on completing the ORAFTI production plant in Chile, building up the bioethanol business with the construction of the bioethanol plants in Wanze/Belgium and Pischelsdorf/Austria and expanding the proportionately consolidated Hungrana ethanol production in Hungary from 50,000 to 160,000 m³ p. a.

Employees

The average number of employees in the Group in the first nine months of the 2006/07 financial year was 470 lower than in the same period of the previous year. There was an increase of 349 employees in the Special Products segment, which is mostly attributable to the bioethanol business and the ORAFTI plant in Chile's first campaign. Set against this, there was a decline in the number of employees in the Sugar segment, which was mainly due to the plant closures resolved in the previous year and planned reductions in Eastern Europe.

Events after the interim reporting period

On 22 December 2006, Südzucker AG signed an agreement to acquire a 50 % interest in Italian sugar distributor Maxi S. r. l., Bozen/Italy. This ownership interest is intended to underpin the long and successful distribution partnership with this company. With this investment Südzucker aims to expand its market share in Italy, which will become a deficit market as a result of quota surrenders and discontinued production. The acquisition has still to be approved by the Italian antitrust and competition authorities. This is expected in the first quarter of 2007.

With Bulgaria's entry into the EU on 1 January 2007 this market has become more important for the Südzucker Group. We are launching our own sales activities in Bulgaria at the beginning of 2007 with the establishment of a trading company under the name AGRANA Trading EOOD. With this move, AGRANA will be able to offer a wide range of sugar and starch products in the Bulgarian market.

SÜDZUCKER AG

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Financial calendar

Annual Press and Analyst
Conference Financial Year 2006/07
23 May 2007

Report 1st Quarter 2007/08
12 July 2007

Annual General Meeting in
Mannheim Financial Year 2006/07
24 July 2007

Report 2nd Quarter 2007/08
11 October 2007

Report 3rd Quarter 2007/08
15 January 2008



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