

Q3
2009/10



Interim Report

First to third quarter 2009/10

March 1 – November 30, 2009

Release date: January 14, 2010

■ Group revenues decline 3 % to € 4,438 (4,570) million ■ Operating profit rises to € 308 (184) million ■ Outlook for fiscal 2009/10 revenues and operating profit confirmed



SÜDZUCKER

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■ Financial calendar

Press and analysts' conference 2009/10	May 27, 2010
1 st quarter report 2010/11	July 14, 2010
Annual general meeting for fiscal 2009/10	July 20, 2010
2 nd quarter report 2010/11	October 14, 2010
3 rd quarter report 2010/11	January 13, 2011

This interim report is available in German and English. This translation is provided for convenience and should not be relied upon exclusively. PDF files of the interim report can be downloaded from the company's homepage at http://www.suedzucker.de/de/Investor-Relations/Publikationen/Berichte/Berichte_2009_10/ or http://www.suedzucker.de/en/Investor-Relations/Publikationen/Berichte/Berichte_2009_10/

On the following pages, the numbers in brackets represent the corresponding prior year's figures or items.

Südzucker AG's financial year is not aligned with the calendar year. The reporting periods discussed here are defined as follows:

3rd quarter: September 1 – November 30

1st – 3rd quarter: March 1 – November 30

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Overview

Group figures as of November 30, 2009

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	1,502.7	1,572.2	-4.4	4,437.5	4,569.7	-2.9
EBITDA	228.6	205.1	11.4	489.7	367.4	33.3
<i>EBITDA margin</i>	15.2 %	13.0 %		11.0 %	8.0 %	
Depreciation	-99.2	-103.1	-3.8	-181.4	-183.9	-1.4
Operating profit	129.4	102.0	26.8	308.3	183.5	68.0
<i>Operating margin</i>	8.6 %	6.5 %		6.9 %	4.0 %	
Restructuring costs and special items ¹⁾	-2.6	-13.0	-80.0	2.4	100.1	-97.6
Income from operations ¹⁾	126.8	89.0	42.4	310.7	283.6	9.6
Net earnings for the period attributable to Südzucker shareholders ²⁾	56.7	25.5	> 100	159.4	149.0	7.0
Earnings per share (€) (undiluted) ³⁾	0.30	0.14	> 100	0.84	0.79	6.3
Cash flow ²⁾	175.7	163.2	7.7	418.7	380.3	10.1
Investments in fixed assets	49.7	101.9	-51.2	150.5	269.4	-44.1
Net financial debt (as of reporting date)				892.9	1,617.9	-44.8
Average number of employees				17,756	18,279	-2.9

¹⁾The numbers of the first quarter of 2008/09 included a special item in the amount of € 122.4 million (before taxes and minority interests) from the restructuring assistance associated with the 2nd wave quota returns minus the cost of factory closures.

²⁾The numbers of the first quarter of 2008/09 included a special item in the amount of € 91.8 million from the restructuring assistance associated with the 2nd wave quota returns minus the cost of factory closures.

³⁾The numbers of the first quarter of 2008/09 included a one-time amount of € 0.48 per share from the restructuring assistance associated with the 2nd wave quota returns minus the incurred cost of factory closures.

Südzucker shares

Market data

		3 rd quarter		1 st – 3 rd quarter	
		2009/10	2008/09	2009/10	2008/09
Average price	€/share	14.35	9.55	14.53	11.90
Highest price	€/share	15.38	11.66	15.88	15.02
Lowest price	€/share	13.38	7.30	13.20	7.30
Closing XETRA® price (as of reporting day)	€/share	14.55	9.93	14.55	9.93
Average trading volume/day	k shares	930	1,382	1,024	1,274
Number of issued shares	million	189.4	189.4	189.4	189.4
Market capitalization (as of reporting day)	€ million	2,755	1,880	2,755	1,880

Performance

In the first nine months of fiscal 2009/10, Südzucker shares posted a gain of 7 % and closed at € 14.55 on November 30, 2009, the last trading day of the third quarter of 2009/10. During the same nine-month period, the MDAX® rose 54 %.

Overview

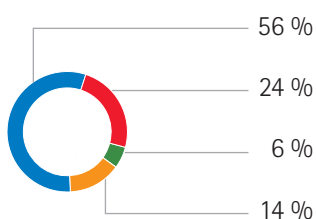
First to third quarter 2009/10

- Group revenues down by 3 % to € 4,438 (4,570) million.
- Group operating profit rises to 308 (184) million, driven by substantially higher profits in the sugar, special products and fruit segments.
- Sugar segment revenues decline as forecast, while operating profit improves due to lower costs and elimination of charges associated with the restructuring phase of the EU sugar market regulation:
 - Revenues: -5 % to € 2,507 (2,633) million
 - Operating profit: € 174 (100) million
- Special products segment operating profit up sharply, mainly because commodity prices in the starch division have normalized:
 - Revenues: -3 % to € 1,051 (1,085) million
 - Operating profit: € 106 (81) million
- CropEnergies segment reports strong revenue growth. Costs of commissioning for the new production facility in Wanze, Belgium weigh on operating profit:
 - Revenues: +18 % to € 272 (231) million
 - Operating profit: € 4 (16) million
- Fruit segment profits recover substantially after elimination of last year's negative earnings impact resulting from an inventory write-down:
 - Revenues: -2 % to € 608 (621) million
 - Operating profit: € 25 (-13) million

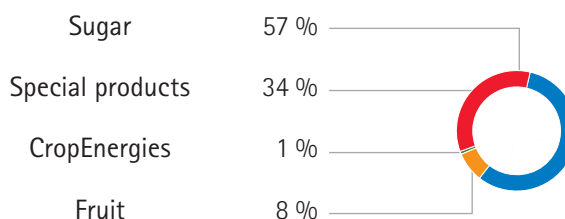
Forecast for the 2009/10 financial year:

- End of the restructuring phase in the EU sugar market and thus elimination of temporary charges associated with market regulation reforms.
- Economic crisis hampers forecast.
- Consolidated revenues expected to be comparable to last year at € 5.9 billion.
- Operating profit expected to be about € 400 (258) million.

Revenues by segment
1st – 3rd quarter 2009/10



Operating profit by segment
1st – 3rd quarter 2009/10



Economic environment | Sugar segment

World market

F. O. Licht's first estimate of the world sugar balance for the 2009/10 campaign year, which was released in November 2009, included a revised forecast for the past 2008/09 campaign year. The agency now forecasts an even greater decline in world sugar production during that period, to 153.3 (166.7) million tonnes, with slightly rising sugar consumption, which will end at 161.2 (158.6) million tonnes. For the 2009/10 campaign year, production is expected to reach 159.7 million tonnes and consumption 165.4 million tonnes. Global sugar inventories would thus fall to 57.0 (63.1) million tonnes, or 34.5 (39.1) % of one year's consumption.

Following a temporary weakening during the course of the third quarter, the steady upward trend in world market prices that began at the beginning of the year resumed toward the end of the quarter, particularly for white sugar. At the end of November 2009, the world market price for raw sugar was quoted at US-\$ 487 per tonne or € 324 per tonne. The world market price for white sugar was quoted at US-\$ 610 per tonne or € 406 per tonne. As of January 7, 2010 the world market price for white sugar of US-\$ 732 per tonne or € 511 per tonne is at its highest level in over twenty years. However, only a small percentage of the sugar produced worldwide is traded at world market prices.

EU sugar market regulation

The restructuring phase of the EU sugar market regulation is almost complete. Since the start of the sugar market regulation reform in 2006/07, 5.8 million tonnes of quota have been returned to the restructuring fund – only 0.2 million tonnes short of the EU Commission's target. The EU Commission has announced that it will review the situation in the EU sugar market again in February 2010 in order to determine whether a final quota reduction for the sugar marketing years following 2010/11 is necessary. The EU Commission saw no need for a temporary market withdrawal for the 2009/10 sugar marketing year (October 1, 2009 to September 30, 2010).

The EU has opened its sugar market to imports from the LDCs – (least developed countries) and ACP (Africa, Caribbean, Pacific) countries. Import duties and volume restrictions were completely eliminated for these countries on October 1, 2009. However, the EU Commission introduced a special protection clause, which permits reinstatement of protective tariffs when imported sugar quantities reach a certain level. To date, no significant increase in imports has been observed.

The EU eliminated export refunds for sugar – both unprocessed sugar and sugar in processed products – effective October 1, 2008.

The EU Commission has imposed an import quota of 400,000 tonnes for both the 2008/09 and 2009/10 sugar marketing years for industrial non-quota¹ sugar. In exchange, the export quota was increased to 950,000 tonnes for the 2008/09 sugar marketing year and to 1,350,000 tonnes for the 2009/10 sugar marketing year.

WTO

WTO-II negotiations, which have been in progress since 2001, have not yet generated any concrete results. An agreement is therefore unlikely in the near future. The negotiating mandate received by the EU Commission from the member states remains unchanged.

¹ Industrial sugar (non-quota sugar) = sugar for non-food applications.

Economic environment | Special products and CropEnergies segments

Stage set for further dynamic growth in the EU's bioethanol market

The legislation to promote the use of biofuels in the EU's transportation sector, the renewable energy directive and the fuel quality directive, came into force on June 25, 2009 and must be incorporated into national law by the EU member states by December 5, 2010.

The new EU Commission is expected to release national guidelines regarding sustainability criteria aimed at ensuring the use of sustainably produced biofuels, as well as recommendations for taking into consideration indirect land-use changes, in spring of 2010. Member states will be required to observe the guidelines in national action plans for promoting renewable energies. The plans must then be submitted to the EU Commission by June 30, 2010.

The German federal government has recognized the need to introduce E-10 fuel as a basis for sustainably supplying the transportation sector. This was documented in a coalition agreement on October 26, 2009. The plan is to allow E-10 fuel to be introduced voluntarily and as a clearly identified alternative product.

In addition, the biofuel sustainability regulation (Biokraft-NachV) came into force in Germany on November 2, 2009. It ties tax relief and biofuel quota obligations for liquid and gaseous fuels to compliance with certain sustainability stipulations. The directive, which outlines documentation requirements for the certification of sustainably produced biofuels, is significantly more stringent than the European rules. The German biofuel sustainability regulation will have to be revised before harmonized introduction of the European renewable energy guideline will be possible. The latter ensures a level playing field for competitors within the EU. According to the new federal government, today's existing European regulations regarding sustainable production of agricultural commodities and the biofuels produced therefrom (cross compliance) comply with the sustainability requirements outlined in the German biofuel sustainability directive (Biokraft-NachV).

In Belgium, a law prescribing a blend of at least 4 % bioethanol by volume in gasoline came into force on July 1, 2009. Südzucker subsidiary CropEnergies participated in the founding of the Belgian Bioethanol Association (BBA) on October 23, 2009. The body aims to further promote development of the Belgian bioethanol market.

Ethanol price continues to recover in Europe

In Brazil, ethanol prices rose from about US-\$ 530 to about US-\$ 665/m³ from the end of August to end of November 2009. The main reason for the price increase is the tight supply situation in Brazil's bioethanol market, where high sugar demand and delayed harvesting of Brazil's raw sugar due to heavy rains led to a shortage of bioethanol. These developments caused ethanol production in the "center south" region, home to Brazil's most important sugar cane plantations, to decline until the end of October 2009.

Ethanol prices also rose on the Chicago Board of Trade (CBOT) and Chicago Mercantile Exchange (CME) during the reporting period. One-month futures rose from about US-\$ 1.60 per gallon or US-\$ 423/m³ at the beginning of September 2009 to about US-\$ 2.14 per gallon or US-\$ 565/m³ at the end of November 2009.

Prices were also firmer in Europe. Whereas they were being quoted at around € 515/m³ at the beginning of September, by end of November they had risen to between € 525/m³ and € 540/m³ FOB Rotterdam. The increase was primarily due to reduced product availability in the European bioethanol market due to temporary shutdowns and the delayed startup of European production plants, but also reduced ethanol imports from Brazil. In addition, mandated higher blend ratios resulted in higher demand in Europe.

In Europe, bioethanol is increasingly being added directly to gasoline because of the rising mandatory blend ratios. For example, in Germany, about 674,000 m³ of bioethanol were directly blended with gasoline between January and September of 2009, 250 % more than in the prior year's comparable timeframe. In contrast, the amount of bioethanol used for the production of the octane booster ETBE during the same period fell 40.6 % to 208,000 m³. The lower gasoline prices to mid-year resulting from the recession caused E85 volumes in Germany to decline 15.6 % year-over-year between January and September 2009.

Low wheat prices continue on sideways trajectory

The US Department of Agriculture's (USDA) grain harvest forecast indicates that worldwide grain supplies will be excellent. Although in its December 10, 2009 report the Department estimated that global grain production for the 2009/10 harvest (excluding rice) will decline moderately -1.2 % to about 1,763 million tonnes – it expects this to exceed forecast consumption of about 1,748 million tonnes (+2.1 %). Global grain inventories will rise by 4.2 % to 367 million tonnes as a result. The USDA is forecasting an above average harvest of 291 (313) million tonnes for the EU's 2009/10 grain marketing year.

Due to the excellent supply situation, the price of wheat on the MATIF (Euronext) in Paris remained largely stable and was quoted at € 132 per tonne at the end of November 2009. In contrast, the price of corn improved slightly from € 123 per tonne at the beginning of September 2009 to € 136 per tonne at the end of November 2009, driven by a lower than expected harvest in Eastern Europe and increased speculation by the financial sector.

Business performance

Revenues and operating profit | Group

Revenues

In the first nine months of the 2009/10 financial year, consolidated group revenues came in at € 4,437.5 (4,569.7) million, only slightly less than last year. The decline in revenues in the sugar segment resulting from quota surrenders in the 2008/09 sugar marketing year, as well lower revenues from special products and fruit, contrasted with significantly higher revenues in the CropEnergies segment.

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Sugar segment	851.5	902.4	-5.6	2,506.9	2,633.3	-4.8
Special products segment	362.7	367.8	-1.4	1,050.9	1,085.0	-3.1
CropEnergies segment	91.8	89.7	2.3	272.0	230.7	17.9
Fruit segment	196.7	212.3	-7.3	607.7	620.7	-2.1
Group total	1,502.7	1,572.2	-4.4	4,437.5	4,569.7	-2.9

Operating profit

The group was able to improve operating profit to € 308.3 (183.5) million. This substantial increase was generated by the sugar, special products and fruit segments. The fruit segment's prior year's numbers included a € 32.4 million inventory write-down. Despite unplanned repair charges for the new factory in Belgium, the CropEnergies segment generated an operating profit that was both in the black and comparable to last year.

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Sugar segment	67.3	51.5	30.6	173.8	100.0	73.8
Special products segment	42.8	37.7	13.5	105.5	80.7	30.7
CropEnergies segment	4.4	4.5	-2.2	3.6	15.6	-76.9
Fruit segment	14.9	8.3	79.9	25.4	-12.8	-
Group total	129.4	102.0	26.8	308.3	183.5	68.0

Revenues and operating profit | Sugar segment

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	851.5	902.4	-5.6	2,506.9	2,633.3	-4.8
EBITDA	135.3	125.7	7.6	264.3	199.6	32.4
<i>EBITDA margin</i>	<i>15.9 %</i>	<i>13.9 %</i>		<i>10.5 %</i>	<i>7.6 %</i>	
Depreciation	-68.0	-74.2	-8.3	-90.5	-99.6	-9.1
Operating profit	67.3	51.5	30.6	173.8	100.0	73.8
<i>Operating margin</i>	<i>7.9 %</i>	<i>5.7 %</i>		<i>6.9 %</i>	<i>3.8 %</i>	

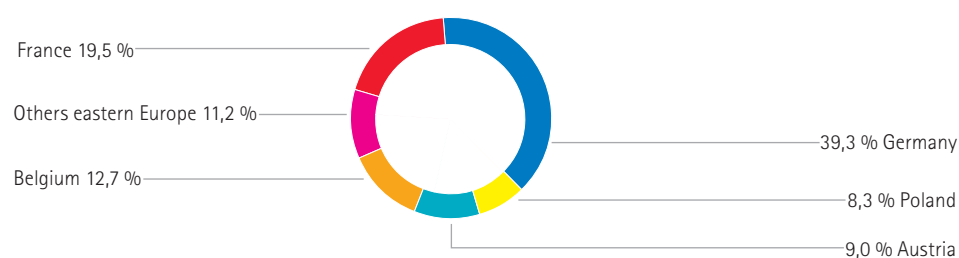
The sugar segment's revenues for the first nine months declined by 4.8 % to € 2,506.9 (2,633.3) million, mainly because 871,000 tonnes of quota were returned to the EU restructuring fund. Quota sugar sales declined as expected as a result of the EU reforms.

Operating profit in the first nine months climbed to € 173.8 (100.0) million. As expected, growth slowed in the third quarter. Reduced quota volumes and a further decline in quota sugar sales were more than offset by lower costs and the significantly lower charges associated with the restructuring phase of the EU sugar market regulation. Last year's numbers included a write-down of inventories in view of the last phase of the market-regulation-driven EU factory markup reductions.

Sugar production in 2009

Unusually good weather conditions in Germany, Belgium and France, which included moderate temperatures in summer and fall and a harvest with little rain, led to a better than average beet harvest. As a result, the average group-wide sugar yield came in at 12.3 (11.7) tonnes/ha. Some of Südzucker Group's twenty-nine beet sugar factories started processing beets as early as the first half of September 2009. The last factories will close the campaign at the end of January 2010. The average duration of the campaign is expected to be 110 (96) days. Including the refining of raw sugar, we expect total sugar production to reach 4.7 (4.2) million tonnes, 12 % higher than last year. The non-quota sugar volume is significantly higher than at the same time last year.

Sugar production 2009 by region in percent (preliminary)



Sugar production (incl. refining) 2009 (preliminary)

1,000 tonnes	2009	2008	Change %
Germany	1,849	1,530	20.8
France	916	836	9.6
Belgium	599	530	13.0
Austria	426	447	-4.7
Poland	392	330	18.8
Romania	157	162	-3.1
Czech Republic	126	134	-6.0
Hungary	107	66	62.1
Slovakia	53	45	17.8
Moldova	33	82	-59.8
Bosnia	51	49	4.1
Total	4,709	4,211	11.8

Revenues and operating profit | Special products segment

€ million	3 rd quarter			1 st - 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	362.7	367.8	-1.4	1,050.9	1,085.0	-3.1
EBITDA	60.5	54.3	11.4	157.5	129.3	21.8
<i>EBITDA margin</i>	<i>16.7 %</i>	<i>14.8 %</i>		<i>15.0 %</i>	<i>11.9 %</i>	
Depreciation	-17.7	-16.6	6.6	-52.0	-48.6	7.0
Operating profit	42.8	37.7	13.5	105.5	80.7	30.7
<i>Operating margin</i>	<i>11.8 %</i>	<i>10.3 %</i>		<i>10.0 %</i>	<i>7.4 %</i>	

The special products segment's revenues declined slightly to € 1,050.9 (1,085.0) million, driven by commodity prices. Last year's revenues had still included a € 24.3 million contribution from Paris, France-based Ryssen Alcools, which was sold to CropEnergies on June 30, 2008. On an adjusted basis, revenues were almost the same as last year.

The segment was able to improve operating profit substantially, to € 105.5 (80.7) million. As expected, growth slowed in the third quarter. High commodity prices weighed heavily on the starch division's operating profit in the first half of last year, while the lower cost of raw materials that began in last year's third quarter had already started to boost profits sharply. The other divisions' operating profits were at or above last year's levels.

Revenues and operating profit | CropEnergies segment

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	91.8	89.7	2.3	272.0	230.7	17.9
EBITDA	9.4	7.0	34.9	16.9	22.8	-25.7
<i>EBITDA margin</i>	<i>10.3 %</i>	<i>7.8 %</i>		<i>6.2 %</i>	<i>9.9 %</i>	
Depreciation	-5.0	-2.5	> 100	-13.3	-7.2	84.7
Operating profit	4.4	4.5	-2.2	3.6	15.6	-76.9
<i>Operating margin</i>	<i>4.8 %</i>	<i>5.0 %</i>		<i>1.3 %</i>	<i>6.8 %</i>	

The CropEnergies segment's revenues climbed to € 272.0 (230.7) million. CropEnergies thus continues to grow in spite of the delay in the expansion of the Belgian plant in Wanze. The prior year's numbers included only prorated revenues from Ryssen Alcools (Paris, France), acquired on June 30, 2008. The expanded production facility in Zeitz, which started operations in July 2008, and the bioethanol facility in Wanze, Belgium, which went into operation at the end of 2008, contributed to the higher volume and revenues, even though ethanol sales during the reporting period were sharply lower.

The segment was able to generate an operating profit of € 4.4 (4.5) million in the third quarter. As a result, operating profit for the first nine months was also positive at € 3.6 (15.6), even though unplanned repairs were required at the new factory in Belgium. Higher ethanol prices and steady commodity costs at normalized levels contributed significantly to this third quarter operating profit. In addition, volumes continued to expand significantly as a result of the higher production levels. If the startup costs of the Belgian bioethanol facility in Wanze were excluded, operating profit for the first nine months would be significantly higher than last year.

Revenues and operating profit | Fruit segment

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	196.7	212.3	-7.3	607.7	620.7	-2.1
EBITDA	23.4	18.1	29.3	51.0	15.7	> 100
<i>EBITDA margin</i>	<i>11.9 %</i>	<i>8.5 %</i>		<i>8.4 %</i>	<i>2.5 %</i>	
Depreciation	-8.5	-9.8	-13.6	-25.6	-28.5	-10.3
Operating profit	14.9	8.3	79.9	25.4	-12.8	-
<i>Operating margin</i>	<i>7.6 %</i>	<i>3.9 %</i>		<i>4.2 %</i>	-	

The fruit segment reported revenues of € 607.7 (620.7) million, slightly less than a year earlier. Within division apple juice concentrates, significantly rising volumes were offset by substantially lower sales. The sales decline for apple juice concentrates slowed in the third quarter. Within division fruit preparations, volumes matched prior year's level.

Operating profit jumped to € 25.4 (-12.8) million. The main reason for the prior year's loss was the € 32.4 million write-down of apple juice concentrates from the 2007 harvest. As a result of the profit increase in the third quarter, operating profit for the entire reporting period, also adjusted for the one-time charges of the previous year, was higher than the year prior. Significantly higher volumes and lower commodity costs along with cost savings more than offset the lower sales in the first nine months of the fiscal year.

Income statement | Group

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Revenues	1,502.7	1,572.2	-4.4	4,437.5	4,569.7	-2.9
Operating profit	129.4	102.0	26.8	308.3	183.5	68.0
Restructuring costs and special items	-2.6	-13.0	-80.0	2.4	100.1	-97.6
Income from operations	126.8	89.0	42.4	310.7	283.6	9.6
Income from associated companies	0.0	2.8	-100.0	1.2	20.3	-94.1
Financial result	-26.5	-39.7	-33.3	-34.7	-87.1	-60.2
Earnings before income taxes	100.3	52.1	92.5	277.2	216.8	27.9
Taxes on income	-22.0	-14.7	49.5	-60.2	-53.8	11.9
Net earnings for the year	78.3	37.4	> 100	217.0	163.0	33.1
of which attributable to Südzucker shareholders	56.7	25.5	> 100	159.4	149.0	7.0
of which attributable to hybrid capital	6.6	6.4	3.1	19.7	19.6	0.5
of which attributable to minority interests	15.0	5.5	> 100	37.9	-5.6	-
Earnings per share (€)	0.30	0.14	> 100	0.84	0.79	6.3

Income from operations in the first nine months of the 2009/10 financial year was € 310.7 (283.6) million and was mainly driven by the fact that the **operating profit** of € 308.3 (183.5) million was more than 68 % higher than last year.

Restructuring costs and special items totaled € 2.4 (100.1) million. Expenses of € 10.3 million in the sugar segment were primarily driven by restructuring programs and revised default risk assessments. The positive result from restructuring and special items of € 110.6 million reported for the sugar segment during the same period last fiscal year was mainly driven by the quota return during the second wave of the restructuring of the sugar sector. Most of the € 14.7 million income item in the special products segment came from insurance settlements for damage that occurred during a fire at the pizza production facility in Skelmersdale, Great Britain in December 2008.

Income from associated companies came in at € 1.2 (20.3) million and includes mainly the company's share of earnings from joint-venture sales organizations. The prior year's numbers had still included a large sum resulting from the Eastern Sugar B.V. settlement.

In the first nine months of the 2009/10 fiscal year, the **financial result** improved by € 52.4 million over the same period a year earlier, coming in at -€ 34.7 (-87.1) million. Among other things, the improvement is attributable to lower average debt and the strengthening of the East European currencies and the subsequent associated reversal of previously accrued currency devaluations. The interest income in part includes discounted receivables from the EU restructuring assistance paid to Südzucker in June 2009.

After deducting **income taxes** in the amount of € 60.2 (53.8) million, **net earnings** for the year were reported at € 217.0 (163.0) million. A special item in the amount of € 91.8 million from the restructuring assistance income associated with the second wave quota returns minus the cost of the factory closures was included in the prior year's first quarter.

The co-owners of the AGRANA Group account for most of the other **minority interests'** share of the net earnings of € 37.9 (-5.6) million.

Earnings per share came in at € 0.84 (0.79). The prior year's first quarter net earnings per share included a one-time impact of € 0.48 per share from the restructuring assistance income associated with the second wave quota returns minus the cost of the factory closures.

Cash flow | Group

€ million	1 st – 3 rd quarter		
	2009/10	2008/09	Change %
Cash flow	418.7	380.3	10.1
Decrease (+)/increase (-) in working capital	553.7	-103.5	-
Investments in fixed assets			
Sugar segment	79.1	78.8	0.4
Special products segment	34.3	36.9	-7.1
CropEnergies segment	24.4	135.9	-82.1
Fruit segment	12.7	17.8	-28.4
Total investments in fixed assets	150.5	269.4	-44.1
Investments in financial assets	21.9	11.5	90.7
Dividends paid	-132.8	-133.6	-0.6

The **cash flow** increase of € 38.4 million to € 418.7 (380.3) million is due to the rise in the group's consolidated net profit. The increase in working capital of € 553.7 (-103.5) million was mainly due to the EU restructuring assistance income of € 446.5 million, payment of the EU restructuring levy, which was applied for the last time in the 2008/09 sugar marketing year, and reduced inventory buildup during the 2009/10 sugar campaign.

Investments in fixed assets (including intangible assets) in the period from March 1 to November 30, 2009 were further reduced to € 150.5 million as per budget, down from € 269.4 million last year. Investments of € 79.1 (78.8) million by the sugar segment were mainly for the packaging station in Roye, France, and replacements. Following completion of the new construction in Wanze, Belgium, investments by the CropEnergies segment declined to € 24.4 (135.9) million.

A dividend of € 75.7 million was paid to the Südzucker AG's shareholders from the **profit distribution** of € 132.8 (133.6) million. The remaining profit distribution relates to hybrid capital and other minority interests, mainly the co-owners of our AGRANA subsidiary.

Balance sheet | Group

€ million	30.11.2009	30.11.2008	Change %
Assets			
Non-current assets	4,071.7	4,339.8	-6.2
Current assets	3,569.9	3,680.1	-3.0
Total assets	7,641.6	8,019.9	-4.7
Liabilities and shareholders' equity			
Shareholders' equity	3,415.5	3,295.7	3.6
Non-current liabilities	1,946.2	1,857.9	4.8
Current liabilities	2,279.9	2,866.3	-20.5
Total liabilities and shareholders' equity	7,641.6	8,019.9	-4.7
Net financial debt	892.9	1,617.9	-44.8
Equity ratio	44.7 %	41.1 %	
Asset cover ratio	131.7 %	118.8 %	

The significant decline of € 268.1 million in **non-current assets** to € 4,071.7 (4,339.8) million was primarily due to the EU restructuring assistance payment of € 446.5 million received by Südzucker in June 2009. Part of the EU restructuring fund receivable had been shown under non-current assets the year prior.

Current assets fell € 110.2 million to € 3,569.9 (3,680.1) million. Due to the receipt of the EU restructuring assistance, lower inventories caused by reduced sugar stocks and elimination of the EU restructuring levy, the decline was compensated by higher cash flow and security investments driven by the payment from the EU restructuring fund and investment of structural surpluses.

Equity totaled € 3,415.5 (3,295.7) million and the equity ratio was about 45 (41) %, both higher than last year. **Non-current liabilities** rose by € 88.3 million to € 1,946.2 (1,857.9) million.

The decline of € 586.4 million in **current liabilities** to € 2,279.9 (2,866.3) million was due to a substantial reduction in short-term bank liabilities. Loans totaling € 316 million were retired using the proceeds of the EU restructuring assistance received by Südzucker Group in June 2009. Current liabilities also fell because the final EU restructuring levy was paid at the end of October 2009. The accruals for severance agreements and partial retirement programs implemented in conjunction with the factory closures are being gradually utilized.

Net financial debt totaled € 892.9 (1,617.9) million, a significant drop of € 725.0 million from last year.

Employees | Group

	1 st – 3 rd quarter	
	2009/10	2008/09
Sugar segment	8,300	8,955
Special products segment	4,284	3,840
CropEnergies segment	308	238
Fruit segment	4,864	5,246
Group total	17,756	18,279

The average number of persons employed by the group in the first nine months of the 2009/10 financial year fell to 17,756 from last year's 18,279. The drop of 655 employees in the sugar segment was due to factory closures. This decline was offset by an expansion of the special products segment's workforce, which was primarily due to Freiberger Group's new pizza business at the Osterweddingen location as of the fourth quarter of the 2008/09 financial year. The CropEnergies segment had a higher employee count, primarily because of the Wanze, Belgium location. The lower number of persons employed by the fruit segment resulted from a step by step reduction in personnel at Kaplice because of the factory closure and above all, the reduced use of seasonal workers in the Ukraine driven by a reorganization program.

Opportunities and risks

Südzucker uses an integrated system for the early identification and monitoring of group-specific risks. Successful risk management is based on achieving an appropriate balance between opportunities and risks. The company's risk culture is characterized by risk-aware management, clearly assigned responsibilities, independence in risk controlling and by the implementation of internal controls.

Detailed information about the opportunities and risk management system and the group's risk situation can be found in the 2008/09 annual report in the "Opportunities and risks" section on pages 52–58.

Currently there are no apparent risks that threaten the organization's continued existence.

Outlook

We continue to forecast that **consolidated group revenues** for 2009/10 will be close to last year's € 5.9 billion. We are expecting the sugar segment's operating revenues to again decline. The special product segment should be able to achieve close to the same result as last year. The fruit segment is expected to match last year's results, while the CropEnergies segment will post higher revenues.

Group operating profit is expected to remain the same at about € 400 (258) million. The restructuring phase of the EU sugar market will end during the 2009/10 financial year. We are expecting the recovery in the sugar segment that began in 2008/09 to continue and that there will be no additional impact from the recessionary economy. Despite the continuing difficult market environment, we are also expecting a higher operating profit from the special products and fruit segments, whereas the startup of the new plant in Wanze will cause the CropEnergies segment's results to be lower than last year.

The prognosis remains difficult due to the effects of the economic crisis.

We expect another drop in revenue in the **sugar segment** for the 2009/10 financial year because of the sugar quotas surrendered to the restructuring fund and the final adjustment measures associated with the EU sugar market reforms effective October 1, 2009. Distribution of imported sugar from Mauritius will begin at the start of the 2010 calendar year. The temporary charges associated with market regulation reforms will no longer be incurred in fiscal 2009/10. Südzucker has also introduced cost-cutting programs that go beyond the factory closures aimed at adjusting capacities as it works toward offsetting the missing profit contributions resulting from the lower sugar quotas. A significant portion of the large amount of sugar produced during the 2009 campaign cannot be sold during the 2009/10 sugar marketing year. It must be stored, which will result in higher freight and storage costs, particularly during the fourth quarter of 2009/10. The high degree of uncertainty of the restructuring phase is behind us, but it is essential that the supply and demand ratio remain balanced. Under these conditions, we are expecting operating profit for the year in total to again be substantially higher than last year.

We are expecting the **special products segment's** revenues for fiscal 2009/10 to be close to the prior year's level. In spite of an expected increase in volumes, we are forecasting lower revenues for the starch division because market prices will drop as a result of a normalization of commodity prices. However, the decline in the starch division's revenues will be largely offset by growth in almost all other divisions. We are expecting the special products segment's operating profit for the 2009/10 financial year overall to rise at a slower pace percentagewise than during the first nine months, but the starch division especially will be unable to match the high level of the fourth quarter of 2008/09. For the special products segment, further volume growth will be a key driver of profit development. The charges associated with commissioning the Pischelsdorf bioethanol plant will not recur.

Further revenue growth in the **CropEnergies segment** will be driven in 2009/10 by the capacity expansions in Germany and Belgium, entry into the French market and the expected increase in demand for bioethanol in Europe. Volume and production levels will be substantially higher than the year prior. We expect to be able to generate substantially higher revenues than last year. Operating profit will be less than last year due to the charges from operations resulting from the startup of the new plant in Wanze.

We are expecting the **fruit segment's** revenues to be approximately the same as last year. We are forecasting volumes to remain stable for fruit preparations, but are expecting normalized commodity costs and higher volumes for apple juice concentrates. Operating profit will recover significantly in 2009/10.

Comprehensive income

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Income statement						
Revenues	1,502.7	1,572.2	-4.4	4,437.5	4,569.7	-2.9
Change in work in progress and finished goods inventories and internal costs capitalized	749.0	927.1	-19.2	-296.0	-273.8	8.1
Other operating income	48.1	19.4	> 100	97.5	203.2	-52.0
Cost of materials	-1,511.5	-1,497.1	1.0	-2,596.1	-2,641.0	-1.7
Personnel expenses	-258.7	-260.0	-0.5	-521.8	-519.1	0.5
Depreciation	-99.6	-103.7	-4.0	-181.9	-192.6	-5.6
Other operating expenses	-303.2	-568.9	-46.7	-628.5	-862.8	-27.2
Income from operations	126.8	89.0	42.4	310.7	283.6	9.6
Income from associated companies	0.0	2.8	-100.0	1.2	20.3	-94.1
Financial income	17.2	8.6	> 100	87.3	39.8	> 100
Financial expense	-43.7	-48.3	-9.5	-122.0	-126.9	-3.9
Earnings before income taxes	100.3	52.1	92.5	277.2	216.8	27.9
Taxes on income	-22.0	-14.7	49.5	-60.2	-53.8	11.9
Net earnings for the year	78.3	37.4	> 100	217.0	163.0	33.1
of which attributable to Südzucker shareholders	56.7	25.5	> 100	159.4	149.0	7.0
of which attributable to hybrid capital	6.6	6.4	3.1	19.7	19.6	0.5
of which attributable to minority interests	15.0	5.5	> 100	37.9	-5.6	-
Earnings per share (€)						
Undiluted	0.30	0.14	> 100	0.84	0.79	6.3
Diluted	0.27	0.13	> 100	0.81	0.76	6.6

Additional information on income and expense directly recognized in equity

Net earnings for the year	78.3	37.4	> 100	217.0	163.0	33.1
Market value of securities (available for sale)	-0.1	11.1	-	0.9	-4.1	-
Market value of hedging instruments (cash flow hedge)	8.2	-3.1	-	6.3	-7.8	-
Exchange differences on net investments in foreign operations	-0.7	-7.2	-90.3	7.7	-2.2	-
Market valuations and exchange differences on net investments	7.4	0.8	> 100	14.9	-14.1	-
Foreign currency differences from consolidation	2.4	-55.6	-	19.7	-34.8	-
Other comprehensive income	9.8	-54.8	-	34.6	-48.9	-
Comprehensive income	88.1	-17.4	-	251.6	114.1	> 100
of which attributable to Südzucker shareholders	70.0	-19.0	-	184.6	103.3	78.7
of which attributable to hybrid capital	6.6	6.4	3.1	19.7	19.6	0.5
of which attributable to minority interests	11.5	-4.7	-	47.3	-8.8	-

Cash flow statement

€ million	1 st – 3 rd quarter	
	2009/10	2008/09
Net earnings for the period	217.0	163.0
Depreciation and amortization of intangible assets, fixed assets and other investments	181.9	193.5
Other items	19.8	23.8
Cash flow from operating activities	418.7	380.3
Gain (-) on disposal of items included in non-current assets and of securities	-0.1	-16.5
Decrease (+)/increase (-) in working capital	553.7	-103.5
I. Net cash flow from operating activities	972.3	260.3
Investments in fixed assets and intangible assets	-150.5	-269.4
Investments in financial assets	-21.9	-11.5
Investments	-172.4	-280.9
Cash received on disposal of non-current assets	14.3	35.8
Cash paid (-)/received (+) for the purchase/sale of securities	-142.3	88.3
II. Cash flow from investing activities	-300.4	-156.9
Capital increase	51.7	0.0
Dividends paid	-132.8	-133.6
Reduction (-)/receipt (+) of financial liabilities	-246.7	114.2
III. Cash flow from financing activities	-327.8	-19.4
Change in cash and cash equivalent (Total of I., II. and III.)	344.1	84.1
Cash and cash equivalents at the beginning of the period	163.9	216.6
Cash and cash equivalents at the end of the period	508.0	300.7

Balance sheet

€ million	30.11.2009	30.11.2008	Change %	28.02.2009	Change %
Assets					
Intangible assets	1,185.9	1,160.2	2.2	1,180.9	0.4
Fixed assets	2,552.4	2,567.7	-0.6	2,569.2	-0.7
Shares in associated companies	42.2	74.8	-43.6	76.0	-44.5
Other investments and loans	27.8	111.5	-75.1	22.7	22.6
Securities	146.4	19.5	> 100	105.1	39.2
Receivables and other assets	9.1	340.3	-97.3	8.4	8.3
Deferred tax assets	107.9	65.7	64.1	108.3	-0.4
Non-current assets	4,071.7	4,339.8	-6.2	4,070.6	0.0
Inventories	1,741.2	2,132.0	-18.3	1,996.6	-12.8
Trade receivables and other assets	1,052.0	1,154.7	-8.9	1,301.2	-19.2
Current tax receivables	22.9	21.0	9.0	32.8	-30.2
Securities	245.8	71.7	> 100	143.5	71.3
Cash and cash equivalents	508.0	300.7	68.9	163.9	>100
Current assets	3,569.9	3,680.1	-3.0	3,638.0	-1.9
Total assets	7,641.6	8,019.9	-4.7	7,708.6	-0.9
Liabilities and shareholders' equity					
Subscribed capital	189.4	189.4	0.0	189.4	0.0
Capital reserves	1,189.3	1,137.6	4.5	1,137.6	4.5
Revenue reserves	829.3	744.5	11.4	719.6	15.2
<i>Equity attributable to shareholders of Südzucker AG</i>	<i>2,208.0</i>	<i>2,071.5</i>	<i>6.6</i>	<i>2,046.6</i>	<i>7.9</i>
Hybrid capital	683.9	683.9	0.0	683.9	0.0
Other minority interests	523.6	540.3	-3.1	498.9	4.9
Shareholders' equity	3,415.5	3,295.7	3.6	3,229.4	5.8
Provisions for pensions and similar obligations	408.3	403.7	1.1	404.5	0.9
Other provisions	167.1	172.6	-3.2	200.9	-16.8
Non-current financial liabilities	1,186.0	1,098.5	8.0	1,154.1	2.8
Other liabilities	14.7	17.0	-13.3	15.4	-4.5
Deferred tax liabilities	170.1	166.1	2.4	165.0	3.1
Non-current liabilities	1,946.2	1,857.9	4.8	1,939.9	0.3
Other provisions	106.3	150.0	-29.2	117.3	-9.4
Current financial liabilities	607.1	911.3	-33.4	890.9	-31.9
Trade payables and other liabilities	1,532.9	1,769.5	-13.4	1,497.7	2.4
Current tax liabilities	33.6	35.5	-5.5	33.4	0.6
Current liabilities	2,279.9	2,866.3	-20.5	2,539.3	-10.2
Total liabilities and shareholders' equity	7,641.6	8,019.9	-4.7	7,708.6	-0.9

Changes in equity

€ million	Equity of Südzucker shareholders	Hybrid capital	Other minority interest	Shareholders' equity
1 March 2009	2,046.6	683.9	498.9	3,229.4
Market valuations and exchange differences on net investments	11.2		3.7	14.9
Foreign currency translation differences from consolidation	14.0		5.7	19.7
Net earnings	159.4	19.7	37.9	217.0
Comprehensive income	184.6	19.7	47.3	251.6
Distributions	-75.7	-19.7	-20.5	-115.9
Capital increase	51.7			51.7
Other changes	0.8		-2.1	-1.3
30 November 2009	2,208.0	683.9	523.6	3,415.5
1 March 2008	2,040.8	683.9	574.8	3,299.5
Market valuations and exchange differences on net investments	-8.1		-6.0	-14.1
Foreign currency translation differences from consolidation	-37.6		2.8	-34.8
Net earnings	149.0	19.6	-5.6	163.0
Comprehensive income	103.3	19.6	-8.8	114.1
Distributions	-75.7	-19.6	-21.1	-116.4
Capital increase				0.0
Other changes	3.1		-4.6	-1.5
30 November 2008	2,071.5	683.9	540.3	3,295.7

Segment report

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
Südzucker Group						
Gross revenues	1,560.9	1,655.4	-5.7	4,624.1	4,786.7	-3.4
Consolidation	-58.2	-83.2	-30.0	-186.6	-217.0	-14.0
Revenues	1,502.7	1,572.2	-4.4	4,437.5	4,569.7	-2.9
EBITDA	228.6	205.1	11.4	489.7	367.4	33.3
<i>EBITDA margin</i>	<i>15.2 %</i>	<i>13.0 %</i>		<i>11.0 %</i>	<i>8.0 %</i>	
Depreciation	-99.2	-103.1	-3.8	-181.4	-183.9	-1.4
Operating profit	129.4	102.0	26.8	308.3	183.5	68.0
<i>Operating margin</i>	<i>8.6 %</i>	<i>6.5 %</i>		<i>6.9 %</i>	<i>4.0 %</i>	
Restructuring costs and special items	-2.6	-13.0	-80.0	2.4	100.1	-97.6
Income from operations	126.8	89.0	42.4	310.7	283.6	9.6
Investments in fixed assets	49.7	101.9	-51.2	150.5	269.4	-44.1
Average number of employees				17,756	18,279	-2.9
Sugar segment						
Gross revenues	888.8	958.2	-7.2	2,629.0	2,777.6	-5.3
Consolidation	-37.3	-55.8	-33.2	-122.1	-144.3	-15.4
Revenues	851.5	902.4	-5.6	2,506.9	2,633.3	-4.8
EBITDA	135.3	125.7	7.6	264.3	199.6	32.4
<i>EBITDA margin</i>	<i>15.9 %</i>	<i>13.9 %</i>		<i>10.5 %</i>	<i>7.6 %</i>	
Depreciation	-68.0	-74.2	-8.3	-90.5	-99.6	-9.1
Operating profit	67.3	51.5	30.6	173.8	100.0	73.8
<i>Operating margin</i>	<i>7.9 %</i>	<i>5.7 %</i>		<i>6.9 %</i>	<i>3.8 %</i>	
Restructuring costs and special items	4.7	-9.1	-	-10.3	110.6	-
Income from operations	72.0	42.4	69.8	163.5	210.6	-22.4
Investments in fixed assets	28.1	36.7	-23.5	79.1	78.8	0.4
Average number of employees				8,300	8,955	-7.3
Special products segment						
Gross revenues	379.4	393.7	-3.6	1,107.1	1,150.9	-3.8
Consolidation	-16.7	-25.9	-35.5	-56.2	-65.9	-14.7
Revenues	362.7	367.8	-1.4	1,050.9	1,085.0	-3.1
EBITDA	60.5	54.3	11.4	157.5	129.3	21.8
<i>EBITDA margin</i>	<i>16.7 %</i>	<i>14.8 %</i>		<i>15.0 %</i>	<i>11.9 %</i>	
Depreciation	-17.7	-16.6	6.6	-52.0	-48.6	7.0
Operating profit	42.8	37.7	13.5	105.5	80.7	30.7
<i>Operating margin</i>	<i>11.8 %</i>	<i>10.3 %</i>		<i>10.0 %</i>	<i>7.4 %</i>	
Restructuring costs and special items	-5.3	0.1	-	14.7	-2.2	-
Income from operations	37.5	37.8	-0.7	120.2	78.5	53.1
Investments in fixed assets	12.1	10.6	14.1	34.3	36.9	-7.1
Average number of employees				4,284	3,840	11.6

€ million	3 rd quarter			1 st – 3 rd quarter		
	2009/10	2008/09	Change %	2009/10	2008/09	Change %
CropEnergies segment						
Gross revenues	96.0	91.2	5.3	280.3	237.5	18.0
Consolidation	-4.2	-1.5	> 100	-8.3	-6.8	22.1
Revenues	91.8	89.7	2.3	272.0	230.7	17.9
EBITDA	9.4	7.0	34.9	16.9	22.8	-25.7
<i>EBITDA margin</i>	<i>10.3 %</i>	<i>7.8 %</i>		<i>6.2 %</i>	<i>9.9 %</i>	
Depreciation	-5.0	-2.5	> 100	-13.3	-7.2	84.7
Operating profit	4.4	4.5	-2.2	3.6	15.6	-76.9
<i>Operating margin</i>	<i>4.8 %</i>	<i>5.0 %</i>		<i>1.3 %</i>	<i>6.8 %</i>	
Restructuring costs and special items	-2.0	-4.0	-50.0	-2.0	-8.3	-75.9
Income from operations	2.4	0.5	> 100	1.6	7.3	-78.1
Investments in fixed assets	4.4	47.9	-90.9	24.4	135.9	-82.1
Average number of employees				308	238	29.4
Fruit segment						
Gross revenues	196.7	212.3	-7.3	607.7	620.7	-2.1
Consolidation	0.0	0.0	-	0.0	0.0	-
Revenues	196.7	212.3	-7.3	607.7	620.7	-2.1
EBITDA	23.4	18.1	29.3	51.0	15.7	> 100
<i>EBITDA margin</i>	<i>11.9 %</i>	<i>8.5 %</i>		<i>8.4 %</i>	<i>2.5 %</i>	
Depreciation	-8.5	-9.8	-13.6	-25.6	-28.5	-10.3
Operating profit	14.9	8.3	79.9	25.4	-12.8	-
<i>Operating margin</i>	<i>7.6 %</i>	<i>3.9 %</i>		<i>4.2 %</i>	-	
Restructuring costs and special items	0.0	0.0	-	0.0	0.0	-
Income from operations	14.9	8.3	79.9	25.4	-12.8	-
Investments in fixed assets	5.1	6.7	-23.2	12.7	17.8	-28.4
Average number of employees				4,864	5,246	-7.3

Principles for the preparation of the consolidated interim financial statements

The interim financial statements of the Südzucker Group as of November 30, 2009 were prepared in accordance with the rules on interim financial reporting pursuant to IAS 34 (Interim Financial Reporting), in conformance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB). Südzucker AG's group financial statement dated November 30, 2009 has been condensed as per IAS 34.

The standards and interpretations that came into effect for the first time in the 2009/10 financial year were applied for the first time in preparing these interim financial statements. Among other things, the latest revision of IAS 1 (Presentation of Financial Statements) requires a comprehensive income statement that includes income and expenses previously recognized directly in equity without affecting the operating result. The amended standard has an impact on the presentation of the financial statements, but not on the asset, financial and earnings position of the group. The same accounting and valuation methods as those used to prepare the group annual financial statements dated February 28, 2009 were applied for the remainder of this interim report. The relevant explanatory notes to the 2008/09 annual report thus also apply here.

Income taxes were calculated on the basis of local corporate income tax rates in consideration of the income tax forecast for the entire financial year.

Sugar is primarily produced in the months of October to December. This is why depreciation on systems used for the campaign is primarily applied to the third-quarter results.

COFA/Ryssen Group was sold to CropEnergies Group on June 30, 2008, during the 2008/09 financial year. Prior to that, COFA/Ryssen's results had been reported by the special products segment. The impact on the segment report is presented in the interim management report in the explanatory notes for the special products segment.

Südzucker Group's 2008/09 annual report can be viewed and downloaded at <http://www.suedzucker.de/de/Investor-Relations/> or <http://www.suedzucker.de/en/Investor-Relations/>.

Scope of consolidation

CT Biocarbonic GmbH, headquartered in Zeitz, was founded in June 2009. The joint-venture company was established to produce and sell liquid carbonic acid. CropEnergies and Bavarian gas producer Tyczka each own 50 %. The company is consolidated on a pro rata basis.

PortionPack Europe Holding B.V. acquired 100 % of **Single Source Limited**, Telford, Great Britain, the British market leader for portion packs, effective October 2, 2009. Single Source Ltd. and its five subsidiaries were fully consolidated in Südzucker Group's consolidated financial statements as of that date.

The entities have generated revenues of € 4.6 million and net earnings of about € 0.1 million since being included in Südzucker's consolidated financial statements. If initial consolidation had occurred on March 1, 2009, revenues and net earnings during the reporting period would have increased by € 19.4 million and € 1.0 million respectively.

The purchase price, which is tied to future profits, is about € 10.6 million including incidental acquisition costs. The purchase price was allocated by increasing the previous book values to the current fair values of € 2.2 million, in relation to which deferred taxes of about € 0.6 million were recognized. This revaluation applies primarily to customer-related intangibles to be capitalized as goodwill. The book values of the other assets and liabilities are largely at fair value and can be retained. The fair values of the acquired assets and liabilities, which are only preliminary because the closing was so recent, are as follows:

€ million	Fair values (preliminary)
Single Source Group	2 October 2009
Non-current assets	4.5
<i>Inventories</i>	<i>1.8</i>
<i>Receivables and other assets</i>	<i>5.1</i>
<i>Cash and cash equivalents and securities</i>	<i>0.0</i>
Current assets	6.9
Total assets	11.4
Equity	4.7
Non-current liabilities	1.4
Current liabilities	5.3
Total liabilities and equity	11.4

Goodwill of € 5.9 million was recognized based on the purchase price of € 10.6 million and acquired equity of € 4.7 million. This will be allocated to PortionPack, the cash generating unit (CGU).

At the end of the third quarter 2009/10, Austrian-based **AgroGold Holding GmbH**, which primarily bundles West Balkan sales entities, was consolidated for the first time. This is a 50 % joint venture, which will be consolidated on a pro rata basis.

Earnings per share

The calculation of earnings per share according to IAS 33 from March 1 to November 30, 2009 is based on 189.4 million shares. No holders of the convertible bond issued on June 25, 2009 exercised conversion rights during the reporting period. Assuming total conversion to shares, the diluted earnings per share are € 0.27 per share for the third quarter and € 0.81 per share for first to third quarter.

Inventories

€ million	30 November	2009	2008
Raw materials and supplies		365.5	385.8
Work in progress and finished goods			
Sugar segment		1,039.3	1,398.2
Special products segment		159.9	161.0
CropEnergies segment		16.8	12.6
Fruit segment		104.4	134.3
Merchandise		55.3	40.1
		1,741.2	2,132.0

Inventories were reported at € 1,741.2 (2,132.0) million, € 390.8 million less than last year. The decline is primarily the result of the reduced sugar stocks and the elimination of the EU restructuring levy as of the 2009/10 sugar marketing year.

Trade receivables and other assets

€ million	30 November	Remaining term			Remaining term		
		2009	to 1 year	over 1 year	2008	to 1 year	over 1 year
Trade receivables		816.1	816.1	0.0	832.7	832.7	0.0
Receivables relating to EU restructuring assistance, export recoveries, etc		3.2	3.2	0.0	446.9	119.9	327.0
Other taxes recoverable		86.0	86.0	0.0	81.9	81.9	0.0
Positive market value of derivatives		9.9	9.9	0.0	5.3	5.3	0.0
Other financial assets		86.3	77.2	9.1	84.6	71.3	13.3
Other non-financial assets		59.6	59.6	0.0	43.6	43.6	0.0
		1,061.1	1,052.0	9.1	1,495.0	1,154.7	340.3

The EU restructuring assistance of € 446.5 million was fully paid as of the end of June 2009.

Trade payables and other liabilities

€ million	30 November	Remaining term			Remaining term		
		2009	to 1 year	over 1 year	2008	to 1 year	over 1 year
Liabilities to beet farmers		618.7	618.7	0.0	609.5	609.5	0.0
Trade payables		449.9	449.9	0.0	408.8	408.8	0.0
Liabilities for restructuring levy		0.0	0.0	0.0	290.8	290.8	0.0
Liabilities for production levy		23.1	23.1	0.0	23.0	23.0	0.0
Liabilities for personnel expenses		92.0	92.0	0.0	92.6	92.6	0.0
Liabilities for other taxes and social security contributions		60.9	60.9	0.0	58.8	58.8	0.0
Negative market value of derivatives		7.3	7.3	0.0	10.5	10.5	0.0
Other liabilities		287.6	272.9	14.7	287.1	270.1	17.0
On-account payments received on orders		8.1	8.1	0.0	5.5	5.5	0.0
		1,547.6	1,532.9	14.7	1,786.6	1,769.5	17.0

The EU restructuring levy has been eliminated effective the 2009/10 sugar marketing year. For the 2008/09 sugar marketing year, € 113.30/tonne were levied for quota sugar production.

Financial liabilities, securities and cash (net financial debt)

€ million	30 November	Remaining term			Remaining term		
		2009	to 1 year	over 1 year	2008	to 1 year	over 1 year
Bonds		1,060.2	311.3	748.9	1,048.6	299.7	748.9
(of which convertible)		230.0	230.0	0.0	278.0	278.0	0.0
Liabilities to banks		732.4	295.7	436.7	961.0	611.5	349.5
Liabilities from finance leasing		0.5	0.1	0.4	0.2	0.1	0.1
Financial liabilities		1,793.1	607.1	1,186.0	2,009.8	911.3	1,098.5
Securities (non-current assets)		-146.4			-19.5		
Securities (current assets)		-245.8			-71.7		
Cash and cash equivalents		-508.0			-300.7		
Net financial debt		892.9			1,617.9		

On June 25, 2009, Südzucker International Finance B.V. placed a convertible bond, which is guaranteed by Südzucker AG and can be converted to shares of Südzucker. The convertible bond placement totaled € 283.45 million, has a term of seven years and carries a coupon rate 2.5 % per annum. Based on the initial conversion price, the bond could therefore be converted to up to 15 million Südzucker shares. The option premium recognized in equity is € 51.7 million. The debt capital portion is reported as € 230.0 million under non-current financial liabilities.

Net financial debt declined by € 725.0 million to € 892.9 (1,617.9) million.

Related parties

The related parties described in the 2008/09 notes to the financial report under item (38) remain unchanged.

Mannheim, January 14, 2010
Südzucker Aktiengesellschaft Mannheim/Ochsenfurt
The executive board

Dr. Wolfgang Heer

Dr. Thomas Kirchberg

Thomas Kölbl

Prof. Dr. Markwart Kunz

Johann Marihart

Forward looking statements/forecasts

This interim report contains forward looking statements based on assumptions and estimates made by the executive board of Südzucker AG. Although the executive board may be convinced that these assumptions and estimates are reasonable, future actual developments and future actual results may vary considerably from these assumptions and estimates due to a variety of internal and external factors. The factors to be mentioned in this connection include, for example, the negotiations relating to World Trade Agreements (WTA), changes in overall economic conditions, changes to market regulations, consumer behavior and national food and energy policies. Südzucker AG assumes no responsibility and accepts no liability for future developments and future actual results achieved being the same as the assumptions and estimates included in this interim report.

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Südzucker on the Internet

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