Q2
2010/11

Interim Report

First half year 2010/11

March 1 – August 31, 2010

Release date: Oktober 14, 2010

- Group revenues rise 5 % to € 3,068 (2,935) million
- Operating profit climbs 57 % to € 282 (179) million
- Outlook for 2010/11: group revenues of € 5.8 (5.7) billion; operating profit above € 450 (403) million

SÜDZUCKER

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Financial calendar

Q3 – 3rd quarter report 2010/11	January 13, 2011
Press and analysts' conference fiscal 2010/11	May 18, 2011
Q1 – 1st quarter report 2011/12	July 14, 2011
Annual general meeting for fiscal 2010/11	July 21, 2011
Q2 – 2nd quarter report 2011/12	October 13, 2011
Q3 – 3rd quarter report 2011/12	January 12, 2012

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 website at
www.suedzucker.de/de/Investor-Relations/Publikationen/Berichte/Berichte_2010_11/ or
www.suedzucker.de/en/Investor-Relations/Publikationen/Berichte/Berichte_2010_11/

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

Südzucker AG's financial year is not aligned with the calendar year. The first half year covers the period March 1 through August 31.

Numbers and percentages stated are subject to differences due to rounding.

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Overview

Group figures as of August 31, 2010

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	1,535	1,524	0.7	3,068	2,935	4.5
EBITDA	181	132	36.4	376	261	44.1
EBITDA margin	*11.8 %*	*8.7 %*		*12.3 %*	*8.9 %*	
Depreciation	-48	-42	14.4	-95	-82	15.1
Operating profit	133	91	46.5	282	179	57.4
Operating margin	*8.7 %*	*6.0 %*		*9.2 %*	*6.1 %*	
Restructuring costs and special items	-19	6	-	-19	5	-
Income from operations	114	97	17.7	262	184	42.6
Net earnings for the period attributable to Südzucker shareholders	50	55	-9.0	123	103	19.4
Earnings per share (€) (undiluted)	0.27	0.29	-8.9	0.65	0.54	19.4
Cash flow	135	128	5.1	270	243	10.9
Investments in fixed assets	64	65	-0.5	111	101	9.6
Net financial debt (as of reporting date)				776	962	-19.3
Average number of employees				18,062	17,598	2.6

Südzucker shares

Market data

		2nd quarter		1st half year	
		2010/11	2009/10	**2010/11**	2009/10
Average price	€/share	14.78	14.63	15.32	14.63
Highest price	€/share	15.57	15.42	17.45	15.88
Lowest price	€/share	14.16	13.51	13.94	13.20
Closing XETRA® price (as of reporting day)	€/share	14.39	13.60	14.39	13.60
Average trading volume/day	k shares	820	1,089	879	1,072
Number of issued shares	million	189.4	189.4	189.4	189.4
Market capitalization (as of reporting day)	€ million	2,724	2,575	2,724	2,575

Performance

In the first six months of fiscal 2010/11, Südzucker's share price was down 16 % from its 2009/10 close of € 17.06 and ended at € 14.39 on August 31, 2010, the last trading day of the first half of fiscal 2010/11. During the same period, the MDAX® rose 10 %.

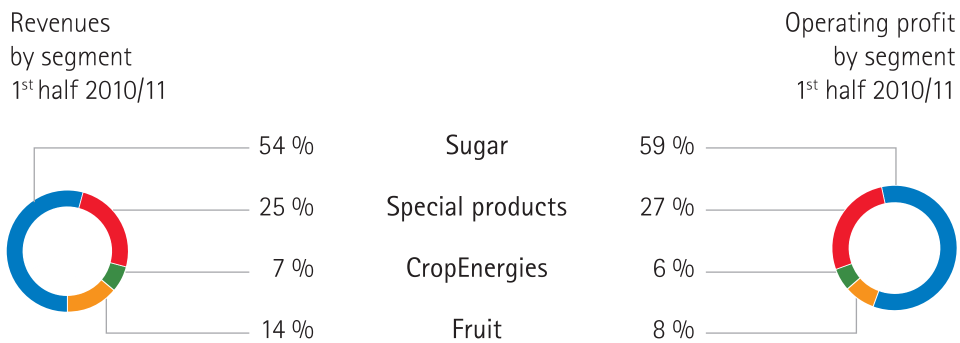
Overview

First half year 2010/11

- Group revenues up 5 % to € 3,068 (2,935) million
- Group operating profit rises sharply; up 57 % to € 282 (179) million
- Sugar segment posts higher revenues and profit, mainly due to one-time contribution of high non-quota sugar exports in first quarter:
  - Revenues: +1 % to € 1,672 (1,655) million
  - Operating profit: € 165 (107) million
- Special products segment operating profit up sharply, driven by higher starch division volumes:
  - Revenues: +11 % to € 762 (688) million
  - Operating profit: € 77 (63) million
- CropEnergies segment reports higher operating profit after normal operation commences at Wanze plant in second quarter of 2010/11:
  - Revenues: +11 % to € 200 (180) million
  - Operating profit: € 17 (-1) million
- Fruit segment operating profit up significantly due to strong volume growth:
  - Revenues: +6 % to € 435 (411) million
  - Operating profit: € 22 (11) million

Forecast for the 2010/11 financial year

- Group revenues of € 5.8 (last year: 5.7) billion expected
- Operating profit above € 450 (last year: 403) million expected



Economic policy, general framework

EU sugar market

The restructuring phase of the EU sugar market is over. In total, 5.8 million tonnes of sugar quota were returned to the restructuring fund. In January 2010, the EU Commission decided that no final quota reduction is necessary. The EU Commission saw no need for a temporary market withdrawal for the 2010/11 sugar marketing year (October 1, 2010 to September 30, 2011). The European sugar market is balanced.

Effective October 1, 2009, customs duties and volume limits for imports from LDCs (Least Developed Countries) and ACP (Africa, Caribbean, Pacific) countries were eliminated completely. During the 2009/10 sugar marketing year, these imports were lower than originally anticipated. Unrestricted market access can be limited with the help of protective clauses. In addition, the EU Commission completed its free trade negotiations with the Andean and central American countries. The EU Commission agreed to duty free, annually rising import quotas of sugar and sugary products, starting at 276,000 tonnes per annum. The agreement will come into effect after receiving approval from the EU Parliament and Council of Ministers.

In February 2010, the EU Commission raised the export quota for non-quota sugar for the 2009/10 sugar marketing year from 1,350,000 to 1,850,000 tonnes. The additional sugar was quickly exported. Currently the EU Commission has only set an export quota of 650,000 tonnes for the 2010/11 sugar marketing year.

The EU Commission has imposed an import quota of 400,000 tonnes for both the 2009/10 and 2010/11 sugar marketing years for industrial sugar (non-quota sugar)[1]. In past sugar marketing years, importers have fallen far short of utilizing this quota.

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.

European climate and energy legislation now being implemented

The renewable energy and fuel quality directives have established the legal foundation within the EU for promoting the use of renewable energies in the transport sector. The key element is the binding ultimate blend ratio target; by 2020, 10 % of total fuel consumed is to come from renewable energies. Each EU member state must enact the extensive legislative package in national law by December 5, 2010.

Each member state was obliged to submit to the EU Commission by June 30, 2010 a national action plan for promoting renewable energies. The action plans published to date make it clear that member states will in future make more use of the climate-friendly bioethanol alternative, particularly those in which it has so far played a minor role.

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

The federal government plans to utilize existing laws to achieve the 10 % blend ratio target by 2020. According to this legislation, the total mandatory biofuel blend ratio is 6.25 % until 2014. The authorities will switch to measuring biofuel ratios according to their greenhouse gas emission savings instead of their calorific value as of 2015.

The biofuel sustainability regulation (Biokraft-NachV) came into force in Germany on November 2, 2009. It uses tax relief and biofuel quota obligations to tie the promotion of liquid and gaseous fuels from biomass to certain sustainability requirements, effective as of the 2010 harvest. As of January 1, 2011, sustainable biofuels production will have to be documented via certification systems. However, a request to extend the transition phase to the beginning of the 2011 harvest has been submitted. On July 20, 2010, Germany's Federal Agency for Agriculture and Food approved the REDcert certification standard, which was developed by the agricultural and biofuel industries' associations.

In preparation for a nationwide rollout of E10 in Germany, the existing E10 fuel standard was adapted to the specifications of the EU's fuel quality directive and released on April 26, 2010. Automakers provided lists of their approved vehicles at the end of June 2010, and E10 fuel is now expected to be introduced at German gas stations as of January 2011. E5-type gasoline, which contains a maximum of 5 % by volume of bioethanol and is suitable for all gasoline engines, has been grandfathered and will remain available in the marketplace until at least 2013.

The energy concept draft presented by the federal government on September 6, 2010 makes clear that biofuels will make a lasting and indispensable contribution to greater supply security and climate protection in the transport sector. The government took up the cause of promoting Germany's biofuel industry when it announced that the switch to greenhouse gas emission savings quotas will be brought forward and the target ratios gradually raised. In addition, as an essential step toward ensuring Europe's targets for renewable energies in the transport sector can be met by 2020, the government intends to establish the technical prerequisites for introducing gasoline with more than 10 % by volume of bioethanol.

Market developments

Sugar

World market

F.O. Licht's third estimate of the world's sugar balance for the 2009/10 campaign year, released in August 2010, forecasts production at 156.6 (151.6) million tonnes and consumption at 162.7 (160.1) million tonnes. Global sugar inventories would thus continue to decline, reaching 53.1 (60.9) million tonnes, or 32.6 (38.1) % of one year's consumption.

After reaching a high in February 2010, the world market price first trended sharply lower, but then rose again substantially toward the end of the second quarter. At the end of August 2010, the world market price for raw sugar was quoted at USD 435 per tonne or € 343 per tonne. The world market price for white sugar was quoted at USD 579 per tonne or € 456 per tonne. However, only a small percentage of the sugar produced worldwide is traded at world market prices.

Bioethanol

European ethanol prices rise sharply

The start of the 2010/11 cane sugar harvest in Brazil initially relieved the tight supply situation and caused ethanol prices to fall to about USD 485/m^3 FOB Santos at the beginning of June 2010. Lower harvest expectations due to dry weather conditions and a steady high domestic demand for bioethanol had driven Brazilian ethanol prices to about USD 615/m^3 by late August 2010. Overall, volumes available for export were lower.

In Europe, increasing demand for fuel and a stronger US dollar caused ethanol prices to recover to about € 485/m^3 in mid-July, after reaching a low for the year of € 430 /m^3 FOB Rotterdam in mid-April 2010. Thereafter the upward trend in ethanol prices accelerated to the end of August, when they reached about € 545/m^3 FOB Rotterdam. In addition to higher commodity prices, the increased blending of bioethanol in the European fuel sector in combination with moderate imports drove ethanol prices up.

Market observers expect European demand for ethanol fuel to rise to 5.4 (4.4) million m^3 in 2010 due to higher mandatory blend ratios. In Germany, bioethanol consumption declined 7.2 % to 531,000 m^3 in the first half of fiscal 2010. However, compared to the first quarter of 2010, which was marked by a weather and economy related decline in bioethanol demand, bioethanol consumption in the second quarter of 2010 rose by 22 % to 292,000 m^3. About 80 % (430,000 m^3) of the bioethanol consumed in the first half of fiscal 2010 in Germany was directly blended with gasoline. During the same period, the amount of bioethanol used for the production of the octane booster ETBE continued to fall and was down 36 % to about 95,000 m^3. In contrast, the relatively high gasoline prices caused E85 volumes to jump about 74 % compared to the same period a year earlier.

Fruit

The first six months of the current 2010/11 fiscal year were marked by a significant recovery in demand for fruit preparations. The growth was evident in almost all producing countries and target markets. The growth in the European markets was particularly gratifying. Despite the already very high per capita consumption of fruit yogurt, a further increase was observed. In Europe, the Eastern European markets are particularly worth highlighting; above all Russia, where growth rates in the double-digit percentage range have been recorded. The United States is also worth positive mention. Thanks to countless new product launches and a greater focus on brand-name products, large dairy industry suppliers were able to report very satisfactory growth rates. The emerging markets Argentina and South Africa showed signs of recovery during the quarter just ended. Mexico and Brazil were also back on track to growth.

In the fruit concentrates area, beverage volumes in Western Europe were stable and single digit growth rates were observed in Eastern Europe during the reporting period. Further growth in fruit juice consumption is expected based on the positive economic forecasts. Steady growth was also noticeable in the North American market.

Grain

Uncertainty about grain supplies drives grain prices sharply higher
Due to unfavorable weather conditions in key growing areas, particularly the EU and Russia, the US Department of Agriculture (USDA) has significantly lowered harvest forecasts for the 2010/11 grain marketing year. According to the Department's September 10, 2010 estimate, global grain production (excluding rice) for the 2010/11 harvest is expected to fall 2.6 % to about 1,741 million tonnes. The USDA estimates that about 1,781 million tonnes will be consumed (+1.2 %). However, the worldwide supply situation is expected to remain excellent thanks to global grain inventories of about 345 million tonnes as of the end of the current grain marketing year. Based upon the USDA forecast harvest of 275 million tonnes of grain for the EU, supply and demand for grain will be almost completely balanced for the 2010/11 grain marketing year.

Due to the relatively sound supply situation, the price of wheat on the Euronext LIFFE exchange (formerly MATIF) was initially stable and was quoted at about € 130 per tonne in June 2010. After weather conditions led market analysts to reduce their 2010/11 grain harvest forecast, grain prices rose noticeably and had already reached about € 185 per tonne by the end of July 2010. Following the Russian government's decision on August 5, 2010 to eliminate exports to the end of 2010 because of the weak harvest, the risk premium on world commodity futures markets rose due to the supply situation. In spite of the large amount of grain available, wheat prices had risen further to about € 230 per tonne by the end of August.

Energy

Energy prices for North Sea oil (Brent) were quoted at USD 75 per barrel at the end of August, largely unchanged from the prior reporting period. The same applies to crude oil inventories in the United States, which were still at about 361 million barrels at the end of August 2010. Quotations for heavy fuel oil and coal were also largely unchanged. Natural gas was up another 10 % to € 19/MWh on the markets as of the end of August. Future price trends will be strongly tied to worldwide economic growth. Temporary influences like the hurricane season, which is starting now, should not have any long-term impact.

Business performance

Revenues and operating profit | Group

Revenues

Consolidated group revenues rose to € 3,068 (2,935) million in the first six months of the 2010/11 financial year. The special products, CropEnergies and fruit segments in particular contributed to the increase. The sugar segment's revenues declined as expected in the second quarter on the heels of the strong export-driven first quarter.

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Sugar segment	828	887	-6.7	1,672	1,655	1.0
Special products segment	385	339	13.8	762	688	10.7
CropEnergies segment	111	93	19.8	200	180	10.9
Fruit segment	211	206	2.3	435	411	5.7
Group total	**1,535**	**1,524**	**0.7**	**3,068**	**2,935**	**4.5**

Operating profit

Consolidated group operating profit rose sharply, to € 282 (179) million. The improvement is the result of higher profits in all segments.

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Sugar segment	72	51	40.2	165	107	55.3
Special products segment	37	31	17.5	77	63	23.0
CropEnergies segment	15	2	> 100.0	17	-1	-
Fruit segment	9	6	60.8	22	11	> 100.0
Group total	**133**	**91**	**46.5**	**282**	**179**	**57.4**

Revenues and operating profit | Sugar segment

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	828	887	-6.7	1,672	1,655	1.0
EBITDA	85	63	34.7	191	129	47.8
EBITDA margin	*10.2 %*	*7.1 %*		*11.4 %*	*7.8 %*	
Depreciation	-13	-11	10.0	-25	-23	12.0
Operating profit	72	51	40.2	165	107	55.3
Operating margin	*8.7 %*	*5.8 %*		*9.9 %*	*6.4 %*	

The sugar segment's revenues were slightly higher than the year prior in the first half of fiscal 2010/11, rising to € 1,672 (1,655) million. After one-off non-quota sugar exports elevated volumes in the first quarter, revenues were down in the second quarter as expected due to lower sugar sales revenues. The EU once again sharply increased the export quota for non-quota sugar in February 2010 and Südzucker Group reaped the benefits, especially in the first quarter of 2010/11.

Operating profit rose to € 165 (107) million in the first six months of the financial year. A sharp rise in quota sugar volume plus cost savings offset the lower sales revenues as of October 1, 2009 and contributed to the improved profits. Non-quota sugar exports in the first quarter also played a major role in the profit growth.

Revenues and operating profit | Special products segment

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	385	339	13.8	762	688	10.7
EBITDA	56	49	13.8	114	97	17.4
EBITDA margin	*14.4 %*	*14.4 %*		*14.9 %*	*14.1 %*	
Depreciation	-19	-17	6.9	-37	-34	7.2
Operating profit	37	31	17.5	77	63	23.0
Operating margin	*9.6 %*	*9.3 %*		*10.1 %*	*9.1 %*	

The special products segment's revenues climbed to € 762 (688) million. The revenue increase was mainly driven by substantially higher volumes, particularly in the starch and BENEO divisions.

Operating profit increased substantially, to € 77 (63) million. This profit increase was driven by the starch division's sharply higher volumes plus energy cost savings, which combined to more than offset partially significantly lower sales revenues. The other divisions also reported growth.

Revenues and operating profit | CropEnergies segment

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	111	93	19.8	200	180	10.9
EBITDA	23	7	> 100.0	32	8	> 100.0
EBITDA margin	*20.3 %*	*7.3 %*		*16.2 %*	*4.2 %*	
Depreciation	-8	-4	72.7	-15	-8	80.8
Operating profit	15	2	> 100.0	17	-1	-
Operating margin	*13.5 %*	*2.6 %*		*8.7 %*	-	

The CropEnergies segment's revenues rose to € 200 (180) million. Following extensive maintenance and optimization work at the plants in Zeitz, Germany and Wanze, Belgium during the first quarter, normal operations are now also feasible at the plant in Wanze, which led to significant volume growth.

The resulting increase in ethanol and by-product volumes and improved capacity utilization enabled CropEnergies to improve its operating profit to € 17 (-1) million. During the first half year, the segment benefited from lower commodity costs, while the higher grain prices did not yet have a significant impact on the half-year results.

Revenues and operating profit | Fruit segment

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	211	206	2.3	435	411	5.7
EBITDA	18	14	27.3	39	28	42.4
EBITDA margin	*8.4 %*	*6.8 %*		*9.0 %*	*6.7 %*	
Depreciation	-9	-8	5.5	-18	-17	3.1
Operating profit	9	6	60.8	22	11	> 100.0
Operating margin	*4.2 %*	*2.7 %*		*5.0 %*	*2.6 %*	

The fruit segment's revenues climbed to € 435 (411) million. This growth was achieved despite lower sales revenues thanks to higher volumes for fruit preparations and apple juice concentrates.

Operating profit continued to improve and came in at € 22 (11) million. The volume increase more than offset the negative impact of the lower sales revenues.

Income statement | Group

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Revenues	**1,535**	**1,524**	**0.7**	**3,068**	**2,935**	**4.5**
Operating profit	133	91	46.5	282	179	57.4
Restructuring costs and special items	-19	6	-	-19	5	-
Income from operations	**114**	**97**	**17.7**	**262**	**184**	**42.6**
Income from associated companies	0	1	-81.1	1	1	7.0
Financial result	-19	-1	> 100.0	-46	-8	> 100.0
Earnings before income taxes	**95**	**96**	**-1.5**	**218**	**177**	**23.1**
Taxes on income	-23	-23	-0.1	-53	-38	37.8
Net earnings for the year	**72**	**74**	**-2.0**	**165**	**139**	**19.0**
of which attributable to Südzucker shareholders	50	55	-9.0	123	103	19.4
of which attributable to hybrid capital	7	7	0.0	13	13	0.0
of which attributable to minority interests	16	12	27.9	29	23	28.5
Earnings per share (€)	**0.27**	**0.29**	**-8.9**	**0.65**	**0.54**	**19.4**

Income from operations in the first six months of the 2010/11 financial year was € 262 (184) million and was mainly driven by the fact that **operating profit** was sharply higher; it rose from € 179 million last year to currently € 282 million.

Restructuring costs and special items totaled € -19 (5) million. The sugar segment's expenses of € 18 (15) million were mainly related to risks in connection with value added tax back payments for sugar shipped to Italy between 1994 and 1997. Last year, most of the expenses were associated with restructuring measures and revaluation of default risks.

Income from associated companies was the same as last year at € 1 (1) million and includes the company's share of earnings from joint-venture sales organizations.

The **financial result** in the first six months of the 2010/11 financial year came in at € -46 (-8) million. The deterioration is due to the prior year's reported currency exchange gains from the euro financing of the Eastern European companies and interest income from the discounted receivables from the EU restructuring assistance.

After deducting **income taxes** in the amount of € 53 (38) million, **net earnings** were reported at € 165 (139) million.

AGRANA Group's co-owners account for most of the other **minority interests'** share of the net earnings of € 29 (23) million.

Earnings per share came in at € 0.65 (0.54), based on 189.4 million shares.

Cash flow statement | Group

€ million	1st half year		
	2010/11	2009/10	Change %
Cash flow	**270**	**243**	**10.9**
Decrease (+) in working capital	**267**	**584**	**-54.3**
Investments in fixed assets			
Sugar segment	64	51	24.4
Special products segment	28	22	24.7
CropEnergies segment	11	20	-43.2
Fruit segment	8	8	5.4
Total investments in fixed assets	**111**	**101**	**9.6**
Investments in financial assets	**6**	**4**	**38.4**
Dividends paid	**-142**	**-133**	**7.0**

The **cash flow** increase of € 27 million to € 270 (243) million tracks the group's net earnings improvement. The decline in working capital of € 267 (584) million was substantially lower than last year, because in June 2009, the company received the EU restructuring payment of € 446 million.

The group's **investments** in fixed assets (including intangible assets) in the period from March 1 to August 31, 2010 totaled € 111 (101) million. The sugar segment's investments of € 64 (51) million were mainly for completion of the packaging station in Roye, France, and replacements. The special products segment's investments were mainly for expansion of the pizza factory in Westhoughton, Great Britain. Following completion of the construction in Wanze, Belgium, the CropEnergies segment's investments declined to € 11 (20) million.

A dividend of € 85 (76) million was paid to the Südzucker AG's shareholders from the profit distribution of € 142 (133) million.

Balance sheet | Group

€ million	**31.08.2010**	31.08.2009	Change %
Assets			
Non-current assets	4,089	4,059	0.7
Current assets	2,607	2,872	-9.2
Total assets	**6,696**	**6,931**	**-3.4**
Liabilities and shareholders' equity			
Shareholders' equity	3,578	3,334	7.3
Non-current liabilities	1,859	2,036	-8.7
Current liabilities	1,259	1,561	-19.3
Total liabilities and shareholders' equity	**6,696**	**6,931**	**-3.4**
Net financial debt	776	962	-19.3
Equity ratio	53 %	48 %	
Net financial debt in percent of equity (gearing)	22 %	29 %	

The € 30 million increase in **non-current assets** to € 4,089 (4,059) million is mainly due to higher deferred tax assets. Investments in fixed assets of € 111 (101) million in the first half year exceeded the cumulative depreciation of € 90 (82) million to that point in time.

Current assets declined by € 265 million to € 2,607 (2,872) million, mainly due to reduced cash on hand. The year prior, it was still necessary to maintain sufficient liquidity to pay for the second installment of the EU restructuring levy, which was applied for the last time during the 2008/09 sugar marketing year. It was paid to the EU in October 2009.

Shareholders' equity totaled € 3,578 (3,334) million and the equity ratio was about 53 (48) %, both higher than last year.

Non-current liabilities declined by € 177 million to € 1,859 (2,036) million. Non-current bank loans were reduced by € 178 million to € 327 million in line with the policy to reduce net debt. Non-current liabilities include the € 236 million from the convertible bond placed on June 30, 2009.

The € 302 million drop in **current liabilities** to € 1,259 (1,561) million is the result of a substantial reduction in short-term loans, which were down € 251 million to € 331 million. The current liabilities also include the € 300 million ten-year bond that was repaid when it came due on June 8, 2010. Last year, other liabilities included the final installment of the EU restructuring levy, which was due in October 2009.

Net financial debt was reduced by € 186 million, from € 962 million last year to € 776 million as of August 31, 2010. The debt to equity ratio improved significantly, from about 29 % to 22 %.

Employees | Group

	1st half year	
	2010/11	2009/10
Sugar segment	7,601	7,999
Special products segment	4,318	4,184
CropEnergies segment	305	312
Fruit segment	5,838	5,103
Group total	**18,062**	**17,598**

The average number of persons employed by the group in the first six months of the 2010/11 financial year rose from 17,598 last year to 18,062. About 398 persons were cut from the sugar segment's workforce, mostly in Eastern Europe. This is offset by a harvest-season-related increase of about 735 employees in the fruit segment.

Opportunities and risks

Südzucker uses an integrated system for early identification and monitoring of group-specific risks. The successful treatment of risks is based on achieving an appropriate balance between opportunities and risks. The company's risk culture is characterized by risk-aware behavior, clear responsibilities, independent risk controlling and internal audits.

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

Detailed information about the opportunities and risk management system and the group's risk situation can be found in the 2009/10 annual report in the "Opportunities and risks" section on pages 71-78.

As already outlined therein, in March 2009, the Federal Antitrust Authority launched an inquiry into the activities of Südzucker AG and others. Among other things, the investigation concerns issues associated with the reforms and implementation of the new sugar market regulation. None of the Authority's initial allegations were substantiated during the financial year just ended. Antitrust Authorities also initiated proceedings against AGRANA subsidiaries in Slovakia and Hungary.

On September 7, 2010, Südzucker AG, Mannheim, and its subsidiary AGRANA Beteiligungs-AG, Vienna/Austria were notified that the Austrian Federal Competition Authority had, among other things, referred AGRANA Zucker GmbH and Südzucker to a Vienna cartel court, requesting a decision on a past violation of the Austrian Cartel Act. AGRANA and Südzucker are accused of engaging in agreements related to Austria that restrict competition. Südzucker and AGRANA are currently examining the new allegations.

Outlook[1]

We are forecasting group revenues for fiscal 2010/11 of € 5.8 (prior year: 5.7) billion. While revenues in the sugar segment will again be lower, we are expecting revenue increases from the special products, CropEnergies and fruit segments.

We expect operating profit to be above € 450 (403) million. We are forecasting that the sugar segment's operating profit recovery will continue in the first full year after completion of the EU sugar market restructuring phase. We are also expecting operating profit increases in the CropEnergies and fruit segments. We now estimate that the special product segment's results will only be slightly lower than the high prior year's numbers.

Sugar segment
The last phase of the restructuring was implemented at the beginning of the 2009/10 sugar marketing year (October 1, 2009). The 2010/11 fiscal year will thus be the first financial year after the reform of the EU sugar market in which the general conditions as they will apply until 2015 are fully in effect. We are expecting a slight decline in revenues in the sugar segment for 2010/11 driven by lower sales revenues.

No temporary charges associated with the restructuring phase will be incurred in fiscal 20010/11. Südzucker has already largely offset the permanently reduced sugar production quotas and lower sales revenues associated with the EU sugar policies with completed cost saving programs, which are over and above the steps taken in conjunction with factory closures and capacity adjustments. A balanced supply and demand relationship in the European sugar market is pivotal, even though the sugar policy framework is now stable. The EU commission is assuming a balanced market for the 2010/11 sugar marketing year and has thus not called for any market withdrawal. Under these conditions, we are expecting a substantial increase in operating profit. In addition, the higher export quota had a one-time positive impact on operating profit in the last quarter of 2009/10, and especially in the first quarter of 2010/11.

Special products segment
We are expecting the special products segment's 2010/11 revenues to rise. This revenue increase will be driven by higher volumes in all divisions.

Given the excellent performance during the first half year, we now expect that the special products segment's operating profit will only be slightly less than that achieved the year prior.

[1] The forecast for group revenues and operating profit contained in this report was already published in advance on September 20, 2010.

CropEnergies segment
As already stated in the ad hoc announcement dated September 20, 2010, CropEnergies is raising its guidance for the 2010/11 financial year. The division is expecting further revenue growth as a result of higher bioethanol, food and animal feed production quantities and volumes.

As a result, operating profit is expected to climb above € 30 million.

Fruit segment
We are expecting revenues to rise in fiscal 2010/11. The market recovery is reflected in the increasing volumes for fruit preparations. We are forecasting lower apple harvest yields as a result of unfavorable weather, and expect sales revenues from fruit juice concentrates to recover during the course of the year.

The fruit segment's operating profit will further recover in 2010/11. The profit improvement will be generated in particular through higher volumes for both fruit preparations and fruit juice concentrates.

Comprehensive income

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Income Statement						
Revenues	**1,535.1**	**1,524.2**	**0.7**	**3,068.0**	**2,934.8**	**4.5**
Change in work in progress and finished goods inventories and internal costs capitalized	-409.1	-581.8	-29.7	-862.9	-1,045.0	-17.4
Other operating income	22.0	28.3	-22.3	51.0	49.4	3.1
Cost of materials	-659.0	-533.7	23.5	-1,252.0	-1,084.6	15.4
Personnel expenses	-134.9	-131.7	2.4	-272.5	-263.0	3.6
Depreciation	-47.6	-41.8	13.9	-90.4	-82.4	9.7
Other operating expenses	-192.6	-166.7	15.6	-379.0	-325.3	16.5
Income from operations	**113.9**	**96.8**	**17.7**	**262.2**	**183.9**	**42.6**
Income from associated companies	0.1	0.5	-81.1	1.3	1.2	7.0
Financial income	14.4	37.8	-61.9	22.5	70.1	-67.9
Financial expense	-33.5	-38.7	-13.5	-68.3	-78.3	-12.8
Earnings before income taxes	**94.9**	**96.4**	**-1.5**	**217.7**	**176.9**	**23.1**
Taxes on income	-22.6	-22.6	-0.1	-52.6	-38.2	37.8
Net earnings for the year	**72.3**	**73.8**	**-2.0**	**165.1**	**138.7**	**19.0**
of which attributable to Südzucker shareholders	50.1	55.0	-9.0	122.6	102.7	19.4
of which attributable to hybrid capital	6.5	6.5	0.0	13.1	13.1	0.0
of which attributable to minority interests	15.7	12.3	27.9	29.4	22.9	28.5
Earnings per share (€)	**0.27**	**0.29**	**-8.9**	**0.65**	**0.54**	**19.4**
Dilusion effect	-0.02	0.00	-	-0.03	0.00	-
Diluted earnings per share (€)	0.25	0.29	-13.4	0.62	0.54	15.1
Statement of income and expenses recognized directly in equity						
Net earnings for the year	**72.3**	**73.8**	**-2.0**	**165.1**	**138.7**	**19.0**
Market value of hedging instruments (cash flow hedge)	5.4	-5.5	-	4.0	-1.9	-
Market value of securities (available for sale)	0.1	0.5	-80.0	0.3	1.0	-70.0
Exchange differences on net investments in foreign operations	1.4	5.8	-75.9	-0.4	8.5	-
Market valuations and exchange differences on net investments	**6.9**	**0.8**	**> 100.0**	**3.9**	**7.6**	**-48.7**
Foreign currency differences from consolidation	0.9	14.7	-	33.7	16.9	99.4
Other comprehensive income	**7.8**	**15.5**	**-**	**37.6**	**24.5**	**53.5**
Comprehensive income	**80.1**	**89.3**	**-10.3**	**202.7**	**163.2**	**24.2**
of which attributable to Südzucker shareholders	63.2	65.7	-3.8	157.6	114.3	37.9
of which attributable to hybrid capital	6.5	6.5	0.0	13.1	13.1	0.0
of which attributable to minority interest	10.5	17.1	-38.8	32.0	35.8	-10.6

Cash flow statement

€ million	1st half year	
	2010/11	2009/10
Net earnings for the period	165.1	138.7
Depreciation and amortization of intangible assets, fixed assets and other investments	90.4	82.4
Other items	14.0	21.9
Cash flow from operating activities	**269.5**	**243.0**
Gain (-) on disposal of items included in non-current assets and of securities	-0.9	0.0
Decrease (+) in working capital	266.9	584.1
I. Net cash flow from operating activities	**535.5**	**827.1**
Investments in fixed assets and intangible assets	-110.5	-100.8
Investments in financial assets	-5.6	-4.1
Investments	**-116.2**	**-104.9**
Cash received on disposal of non-current assets	7.7	10.2
Cash paid (-) for the purchase of securities	-82.3	-101.0
II. Cash flow from investing activities	**-190.8**	**-195.7**
Capital increase	0.0	51.7
Dividends paid	-142.3	-133.0
Refund (-) of financial liabilities	-346.4	-193.2
III. Cash flow from financing activities	**-488.7**	**-274.5**
Change in cash and cash equivalent (Total of I., II. und III.)	**-144.5**	**357.0**
Cash and cash equivalents at the beginning of the period	357.3	163.9
Cash and cash equivalents at the end of the period	**212.7**	**520.9**

Balance sheet

Assets

€ million	**31.08.2010**	31.08.2009	Change %	28.02.2010	Change %
Intangible assets	1,186.8	1,180.6	0.5	1,189.1	-0.2
Fixed assets	2,592.5	2,596.5	-0.2	2,551.5	1.6
Shares in associated companies	15.6	42.2	-63.0	19.0	-17.9
Other investments and loans	27.6	22.9	20.5	28.5	-3.2
Securities	106.2	106.2	0.0	146.2	-27.4
Receivables and other assets	27.5	8.2	> 100,0	13.0	> 100,0
Deferred tax assets	133.0	102.4	29.9	163.7	-18.7
Non-current assets	**4,089.2**	**4,058.9**	**0.7**	**4,111.0**	**-0.5**
Inventories	918.5	975.9	-5.9	1,751.3	-47.6
Trade receivables	740.9	776.4	-4.6	687.8	7.7
Other assets	398.8	335.0	19.0	274.0	45.5
Current tax receivables	17.6	19.1	-7.9	24.8	-29.0
Securities	317.7	244.6	29.9	191.3	66.1
Cash and cash equivalents	212.7	520.9	-59.2	357.3	-40.5
Current assets	**2,606.3**	**2,871.8**	**-9.2**	**3,286.5**	**-20.7**
Total assets	**6,695.5**	**6,930.7**	**-3.4**	**7,397.5**	**-9.5**

Liabilities and shareholders' equity

€ million	**31.08.2010**	31.08.2009	Change %	28.02.2010	Change %
Subscribed capital	189.4	189.4	0.0	189.4	0.0
Capital reserves	1,189.3	1,189.3	0.0	1,189.3	0.0
Revenue reserves	960.5	758.5	26.6	891.8	7.7
Equity attributable to shareholders of Südzucker AG	*2,339.2*	*2,137.1*	*9.5*	*2,270.5*	*3.0*
Hybrid capital	683.9	683.9	0.0	683.9	0.0
Other minority interests	554.7	512.5	8.2	545.8	1.6
Shareholders' equity	**3,577.8**	**3,333.5**	**7.3**	**3,500.2**	**2.2**
Provisions for pensions and similar obligations	412.9	406.9	1.5	409.2	0.9
Other provisions	175.3	198.2	-11.6	188.4	-7.0
Non-current financial liabilities	1,082.5	1,252.4	-13.6	1,118.9	-3.3
Other liabilities	13.2	12.3	7.3	14.7	-10.2
Deferred tax liabilities	174.5	166.5	4.8	190.8	-8.5
Non-current liabilities	**1,858.4**	**2,036.3**	**-8.7**	**1,922.0**	**-3.3**
Other provisions	129.2	111.9	15.5	104.1	24.1
Current financial liabilities	330.6	581.5	-43.1	641.1	-48.4
Trade payables and other liabilities	432.9	338.5	27.9	807.4	-46.4
Other liabilities	328.4	509.5	-35.6	385.3	-14.8
Current tax liabilities	38.2	19.5	95.9	37.4	2.1
Current liabilities	**1,259.3**	**1,560.9**	**-19.3**	**1,975.3**	**-36.2**
Total liabilities and shareholders' equity	**6,695.5**	**6,930.7**	**-3.4**	**7,397.5**	**-9.5**

Net financial debt	776.4	962.2	-19.3	1,065.2	-27.1
Equity ratio	53.4 %	48.1 %		47.3 %	
Net financial debt in percent of equity (gearing)	21.7 %	28.9 %		30.4 %	

Changes in equity

€ million	Equity of Südzucker shareholders	Hybrid capital	Other minority interest	Shareholders' equity
1 March 2010	**2,270.5**	**683.9**	**545.8**	**3,500.2**
Market valuations and exchange differences on net investments	2.8	0.0	1.1	3.9
Foreign currency transalation differences from consolidation	32.2	0.0	1.5	33.7
Income and expenses directly recognized in equity	**35.0**	**0.0**	**2.6**	**37.6**
Net earnings	122.6	13.1	29.4	165.1
Comprehensive income	**157.6**	**13.1**	**32.0**	**202.7**
Distributions	-85.2	-13.1	-20.0	-118.3
Capital increase	0.0	0.0	0.0	0.0
Other changes	-3.7	0.0	-3.1	-6.8
31 August 2010	**2,339.2**	**683.9**	**554.7**	**3,577.8**
1 March 2009	**2,046.6**	**683.9**	**498.9**	**3,229.4**
Market valuations and exchange differences on net investments	4.0	0.0	3.6	7.6
Foreign currency transalation differences from consolidation	7.6	0.0	9.3	16.9
Income and expenses directly recognized in equity	**11.6**	**0.0**	**12.9**	**24.5**
Net earnings	102.7	13.1	22.9	138.7
Comprehensive income	**114.3**	**13.1**	**35.8**	**163.2**
Distributions	-75.7	-13.1	-20.5	-109.3
Capital increase	51.7	0.0	0.0	51.7
Other changes	0.2	0.0	-1.7	-1.5
31 August 2009	**2,137.1**	**683.9**	**512.5**	**3,333.5**

Segment report

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
Südzucker Group						
Gross revenues	1,604.6	1,588.6	1.0	3,200.0	3,063.2	4.5
Consolidation	-69.5	-64.4	7.9	-132.0	-128.4	2.8
Revenues	1,535.1	1,524.2	0.7	3,068.0	2,934.8	4.5
EBITDA	180.5	132.3	36.4	376.2	261.1	44.1
EBITDA margin	*11.8 %*	*8.7 %*		*12.3 %*	*8.9 %*	
Depreciation	-47.6	-41.6	14.4	-94.6	-82.2	15.1
Operating profit	132.9	90.7	46.5	281.6	178.9	57.4
Operating margin	*8.7 %*	*6.0 %*		*9.2 %*	*6.1 %*	
Restructuring costs and special items	-19.0	6.1	-	-19.4	5.0	-
Income from operations	113.9	96.8	17.7	262.2	183.9	42.6
Capital Employed	64.2	64.5	-0.5	110.5	100.8	9.6
Investments in fixed assets				5,150.3	5,119.2	0.6
Average number of employees				18,062	17,598	2.6
Sugar segment						
Gross revenues	871.5	928.0	-6.1	1,753.2	1,740.2	0.7
Consolidation	-43.5	-41.0	6.1	-81.4	-84.8	-4.0
Revenues	828.0	887.0	-6.7	1,671.8	1,655.4	1.0
EBITDA	84.6	62.8	34.7	190.6	129.0	47.8
EBITDA margin	*10.2 %*	*7.1 %*		*11.4 %*	*7.8 %*	
Depreciation	-12.5	-11.4	10.0	-25.2	-22.5	12.0
Operating profit	72.1	51.4	40.2	165.4	106.5	55.3
Operating margin	*8.7 %*	*5.8 %*		*9.9 %*	*6.4 %*	
Restructuring costs and special items	-17.9	-13.9	29.0	-18.3	-15.0	22.3
Income from operations	54.2	37.5	44.5	147.1	91.5	60.8
Capital Employed	36.7	35.7	2.7	63.5	51.0	24.4
Investments in fixed assets				3,318.9	2,657.8	24.9
Average number of employees				7,601	7,999	-5.0
Special products segment						
Gross revenues	401.2	359.0	11.8	797.5	727.7	9.6
Consolidation	-16.1	-20.5	-21.5	-35.7	-39.5	-9.6
Revenues	385.1	338.5	13.8	761.8	688.2	10.7
EBITDA	55.5	48.8	13.8	113.9	97.0	17.4
EBITDA margin	*14.4 %*	*14.4 %*		*14.9 %*	*14.1 %*	
Depreciation	-18.6	-17.4	6.9	-36.8	-34.3	7.2
Operating profit	36.9	31.4	17.5	77.1	62.7	23.0
Operating margin	*9.6 %*	*9.3 %*		*10.1 %*	*9.1 %*	
Restructuring costs and special items	-1.2	20.0	-	-1.2	20.0	-
Income from operations	35.7	51.4	-30.5	75.9	82.7	-8.2
Capital Employed	13.5	14.7	-8.2	27.7	22.2	24.7
Investments in fixed assets				1,284.4	1,270.8	1.1
Average number of employees				4,318	4,184	3.2

€ million	2nd quarter			1st half year		
	2010/11	2009/10	Change %	**2010/11**	2009/10	Change %
CropEnergies segment						
Gross revenues	121.2	95.8	26.6	214.7	184.3	16.5
Consolidation	-9.9	-2.9	> 100.0	-14.9	-4.1	> 100.0
Revenues	111.3	92.9	19.8	199.8	180.2	10.9
EBITDA	22.6	6.8	> 100.0	32.4	7.5	> 100.0
EBITDA margin	*20.3 %*	*7.3 %*		*16.2 %*	*4.2 %*	
Depreciation	-7.6	-4.4	72.7	-15.0	-8.3	80.8
Operating profit	15.0	2.4	> 100.0	17.4	-0.8	-
Operating margin	*13.5 %*	*2.6 %*		*8.7 %*	-	
Restructuring costs and special items	0.2	0.0	-	0.2	0.0	-
Income from operations	15.2	2.4	> 100.0	17.6	-0.8	-
Capital Employed	9.0	9.6	-5.7	11.4	20.0	-43.2
Investments in fixed assets				525.3	511.6	2.7
Average number of employees				305	312	-2.2
Fruit segment						
Gross revenues	210.6	205.8	2.3	434.6	411.0	5.7
Consolidation	0.0	0.0	-	0.0	0.0	-
Revenues	210.6	205.8	2.3	434.6	411.0	5.7
EBITDA	17.7	13.9	27.3	39.3	27.6	42.4
EBITDA margin	*8.4 %*	*6.8 %*		*9.0 %*	*6.7 %*	
Depreciation	-8.9	-8.4	5.5	-17.6	-17.1	3.1
Operating profit	8.8	5.5	60.8	21.7	10.5	> 100.0
Operating margin	*4.2 %*	*2.7 %*		*5.0 %*	*2.6 %*	
Restructuring costs and special items	0.0	0.0	-	0.0	0.0	-
Income from operations	8.8	5.5	60.8	21.7	10.5	> 100.0
Capital Employed	4.9	4.5	9.9	8.0	7.6	5.4
Investments in fixed assets				668.1	679.0	-1.6
Average number of employees				5,838	5,103	14.4

Principles for the preparation of the consolidated interim financial statements

Südzucker Group's interim financial statements as of August 31, 2010 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 consolidated financial statements dated August 31, 2010 have been condensed as per IAS 34.

The revised IAS 27 (Consolidated and Separate Financial Statements - 2008) was applied for the first time in preparing this interim report. It specifies that differences resulting from sequential share acquisitions not be posted as goodwill, but instead recognized directly in equity without affecting net income. The remaining standards and interpretations to be applied for the first time for the 2010/11 financial year have neither any impact on the presentation of the financial statements nor on the asset, financial and earnings position of the group. The same accounting and valuation methods as those used to prepare the consolidated financial statements dated February 28, 2010 were applied for the remainder of this interim report. The relevant explanatory notes on pages 95 to 100 of the 2009/10 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 business 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. Maintenance costs arising prior to that time for the upcoming campaign are accrued for during the fiscal year and are reported under other assets.

Südzucker Group's 2009/10 annual report can be viewed and downloaded at
www.suedzucker.de/de/Investor-Relations/ or www.suedzucker.de/en/Investor-Relations/

Scope of consolidation

As of the end of the first half of fiscal 2010/11, the scope of consolidation included 157 companies in addition to Südzucker AG (end of fiscal 2009/10: 161 companies). Similar to the end of the 2009/10 financial year, proportionate consolidation was applied for nine companies and the equity method was used for seven associated companies. Effective June 18, 2010, PortionPack Europe Holding B.V. acquired 100 % of Union Edel Chocolade B.V., based in Haarlem, Holland a portion-pack company for chocolate specialties. The purchase price including conditional purchase price components is € 0.9 million. Incidental acquisition costs of € 0.2 million recognized as expenses are additional. The company's current business will be integrated into the existing PortionPack companies. The company's annual sales of € 6 million will not significantly impact Südzucker's consolidated financial statements.

Earnings per share

The calculation of earnings per share according to IAS 33 from March 1 to August 31, 2010 is based on 189.4 million shares. Earnings per share came in at € 0.27 for the second quarter and € 0.65 for the first half year. No holders of the convertible bond issued on June 30, 2009 exercised conversion rights during the reporting period. Assuming total conversion to shares, the diluted earnings per share are € 0.25 per share for the second quarter and € 0.62 per share for the first half year. The calculation is based on the theoretical conversion of 15 million shares or a total of 204.4 million shares.

Inventories

€ million	31 August	**2010**	2009
Raw materials and supplies		338.4	307.6
Work in progress and finished goods			
Sugar segment		279.3	378.1
Special products segment		133.0	133.2
CropEnergies segment		19.4	22.2
Fruit segment		74.4	81.8
Total work in progress and finished goods		506.1	615.3
Merchandise		74.0	53.0
		918.5	**975.9**

Inventories totaled € 918.5 (975.9) million, € 57.4 million less than last year. The decline in inventories in the sugar segment is attributable to lower stock levels and lower production costs as a result of eliminating the EU restructuring levy effective the 2009/10 sugar marketing year.

Trade receivables and other assets

		Remaining term			Remaining term	
€ million 31 August	**2010**	to 1 year	over 1 year	2009	to 1 year	over 1 year
Trade receivables	**740.9**	740.9	0.0	**776.4**	776.4	0.0
Receivables relating to EU restructuring assistance, export recoveries, etc.	**4.7**	4.7	0.0	**5.6**	5.6	0.0
Other taxes recoverable	**78.2**	78.2	0.0	**54.4**	54.4	0.0
Positive market value derivatives	**11.4**	11.4	0.0	**4.8**	4.8	0.0
Other financial assets	**121.7**	108.0	13.7	**103.1**	94.9	8.2
Other non-financial assets	**210.3**	196.5	13.8	**175.3**	175.3	0.0
	1,167.2	**1,139.7**	**27.5**	**1,119.6**	**1,111.4**	**8.2**

Trade payables and other liabilities

		Remaining term			Remaining term	
€ million 31 August	**2010**	to 1 year	over 1 year	2009	to 1 year	over 1 year
Liabilities to beet farmers	**30.3**	30.3	0.0	**13.3**	13.3	0.0
Other trade payables	**402.6**	402.6	0.0	**325.2**	325.2	0.0
Trade payables	**432.9**	432.9	0.0	**338.5**	338.5	0.0
Liabilities for restructuring levy	**0.0**	0.0	0.0	**149.0**	149.0	0.0
Liabilities for production levy	**1.0**	1.0	0.0	**0.8**	0.8	0.0
Liabilities for personnel expenses	**79.7**	79.0	0.7	**75.4**	74.7	0.7
Liabilities for other taxes and social security contributions	**49.2**	49.2	0.0	**59.8**	59.8	0.0
Negative market value derivatives	**17.4**	17.4	0.0	**15.0**	15.0	0.0
Other liabilities	**185.2**	172.7	12.5	**217.5**	205.9	11.6
On-account payments received on orders	**9.1**	9.1	0.0	**4.4**	4.4	0.0
	774.5	**761.3**	**13.2**	**860.4**	**848.1**	**12.3**

The increase in trade payables to € 402.6 (325.2) million is primarily due to higher liabilities related to investments in fixed assets such as completion of the packaging station in Roye, France and the expansion of the pizza factory in Westhoughton, Great Britain. The year prior, this item still contained liabilities associated with the EU restructuring levy of € 149.0 million; the sum of € 113.3 per tonne was applied for the last time for quota sugar production during the 2008/09 sugar marketing year. The second installment was paid to the EU in October 2009.

Financial liabilities, securities and cash (net financial debt)

		Remaining term			Remaining term	
€ million 31 August	**2010**	to 1 year	over 1 year	2009	to 1 year	over 1 year
Bonds (of which convertible)	**767.0** **235.5**	11.6 0.0	755.4 235.5	**1,058.3** **228.5**	311.2 0.0	747.1 228.5
Liabilities to banks	**645.7**	318.9	326.8	**775.2**	270.3	504.9
Liabilities from finance leasing	**0.4**	0.1	0.3	**0.5**	0.1	0.4
Financial liabilities	**1,413.1**	**330.6**	**1,082.5**	**1,833.9**	**581.5**	**1,252.4**
Securities (non-current assets)	-106.2			-106.2		
Securities (current assets)	-317.7			-244.6		
Cash and cash equivalents	-212.7			-520.9		
Net financial debt	**776.4**			**962.2**		

The decline of € 420.5 million in financial liabilities to € 1,413.3 (1,833.9) million is mainly due to repayment of the € 300 million bond in June 2010 and repayment of liabilities to banks. In parallel, the company was able to reduce the amount of cash on hand. The year prior, it was still necessary to maintain sufficient liquidity for the second installment of the EU restructuring levy, which was applied for the last time during the 2008/09 sugar marketing year. It was paid to the EU in October 2009.

Related parties

The related parties described in the notes of the 2009/10 annual report under item (36) remain unchanged.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for proper interim financial reporting the interim consolidated financial statements give a true and fair view of the assets, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

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

Dr. Heer Dr. Kirchberg Kölbl Prof. Dr. Kunz 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 the future actual developments and future actual results may vary considerably from the assumptions and estimates due to many external and internal factors. For example, matters to be mentioned in this connection include negotiations relating to the world trade agreement (WTA), changes to the overall economic situation, changes to EU sugar policies, consumer behavior and state 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.

SÜDZUCKER AG

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Südzucker on the Internet

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