Q1

INTERIM REPORT

FIRST QUARTER 2014/15

1 March to 31 May 2014
Publication date: 10 July 2014

- **CONSOLIDATED GROUP REVENUES** posted at € 1,773 (1,979) million, down 10 % from last year
- **CONSOLIDATED GROUP OPERATING PROFIT** falls to € 96 (220) million due to significant decline in earnings from the sugar and CropEnergies segments
- **FORECAST FOR THE 2014/15** fiscal year remains unchanged: group revenues of about € 7.0 (7.5) billion; group operating profit of about € 200 (622) million

SÜDZUCKER

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FINANCIAL CALENDAR

Annual general meeting for fiscal 2013/14	17 July 2014
Q2 – 1st half-year report 2014/15	9 October 2014
Q3 – 1st to 3rd quarter report 2014/15	13 January 2015
Press and analysts' conference fiscal 2014/15	21 May 2015
Q1 – 1st quarter report 2015/16	9 July 2015
Annual general meeting for fiscal 2014/15	16 July 2015
Q2 – 1st half-year report 2015/16	8 October 2015

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/ or
www.suedzucker.de/en/Investor-Relations/

Südzucker AG's fiscal year is not aligned with the calendar year. The first quarter covers the period 1 March to 31 May.

On the following pages, the numbers in brackets represent the corresponding previous year's figures or items. Numbers and percentages stated are subject to differences due to rounding.

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KEY FIGURES

		1st quarter 2014/15	2013/14	+/- in %
Revenues and earnings				
Revenues	€ million	1,773	1,979	– 10.4
EBITDA	€ million	146	269	– 45.7
EBITDA margin	%	8.2	13.6	
Depreciation	€ million	– 50	– 49	3.7
Operating profit	€ million	96	220	– 56.6
Operating margin	%	5.4	11.1	
Net earnings	€ million	77	168	– 54.2
Cash flow and investments				
Cash flow	€ million	152	250	– 39.1
Investments in fixed assets [1]	€ million	66	63	5.2
Investments in financial assets/acquisitions	€ million	0	0	– 50.0
Total investments	€ million	66	63	5.1
Performance				
Fixed assets[1]	€ million	2,725	2,597	4.9
Goodwill	€ million	1,145	1,145	0.0
Working capital	€ million	2,089	2,287	– 8.6
Capital employed	€ million	6,072	6,142	– 1.1
Capital structure				
Total assets	€ million	8,303	8,447	– 1.7
Shareholders' equity	€ million	4,703	4,863	– 3.3
Net financial debt	€ million	670	611	9.8
Equity ratio	%	56.6	57.6	
Net financial debt as % of equity (Gearing)	%	14.3	12.6	
Shares				
Market capitalization	€ million	3,042	5,339	– 43.0
Total shares issued as of 31 May	Millions of shares	204.2	204.2	0.0
Closing price on 31 May	€	14.90	26.15	– 43.0
Earnings per share	€	0.24	0.64	– 62.5
Average trading volume / day	Thousands of shares	2,560	997	> 100
MDAX® closing price on 31 May	Points	16,951	14,094	20.3
Performance Südzucker share 1 March to 31 May	%	– 26.1	– 22.1	
Performance MDAX® 1 March to 31 May	%	0.3	6.0	
Employees		**18,396**	**17,999**	**2.2**

[1] Including intangible assets.

OVERVIEW

First quarter 2014/15

- Consolidated group revenues posted at € 1,773 (1,979) million, down 10 % from last year.
- Consolidated group operating profit falls to € 96 (220) million due to significant decline in earnings from the sugar and CropEnergies segments.

- Sugar segment revenues and earnings decline due to significantly lower quota sugar sales revenues, especially in Southern and Eastern Europe:
  - Revenues: – 17 % to € 862 (1,035) million
  - Operating profit: € 45 (159) million

- Special products segment reports higher operating profit – despite a slight decline in revenues – due especially to lower costs:
  - Revenues: – 3 % to € 434 (447) million
  - Operating profit: € 25 (21) million

- CropEnergies segment revenues continue to climb. Operating profit significantly below last year's level despite lower net raw material costs as a result of declining ethanol sales revenues:
  - Revenues: + 12 % to € 192 (171) million
  - Operating profit: € 5 (16) million

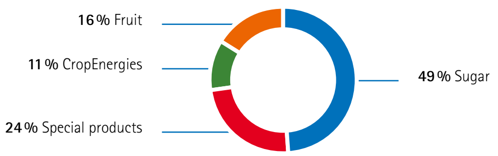
- Fruit segment reports lower revenues and earnings due to lower volume and weaker sales revenues growth:
  - Revenues: – 13 % to € 285 (326) million
  - Operating profit: € 21 (24) million

Forecast for the 2014/15 fiscal year [1]

- Consolidated group revenues expected to be about € 7.0 (7.5) billion.
- Consolidated group operating profit expected to be about € 200 (622) million.
- ROCE to decline significantly while capital employed to remain steady.

[1] Unchanged from 15 May 2014 forecast.

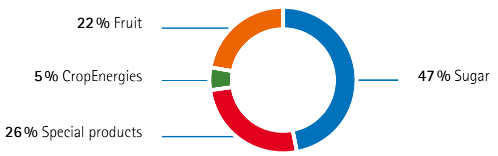
Revenues by segment first quarter 2014/15



€ million	1st quarter 2014/15	2013/14	+/- in %
Sugar segment	862	1,035	– 16.7
Special products segment	434	447	– 3.1
CropEnergies segment	192	171	12.4
Fruit segment	285	326	– 12.5
Group total	**1,773**	**1,979**	**– 10.4**

TABLE 01

Operating profit by segment first quarter 2014/15



€ million	1st quarter 2014/15	2013/14	+/- in %
Sugar segment	45	159	– 71.7
Special products segment	25	21	15.0
CropEnergies segment	5	16	– 71.2
Fruit segment	21	24	– 11.2
Group total	**96**	**220**	**– 56.6**

TABLE 02

ECONOMIC REPORT

Accounting for joint ventures Amended

Due to the mandatory application of IFRS 11 (Joint Arrangements), all joint ventures proportionately consolidated through the end of fiscal 2013/14 will be accounted for using the equity method starting with the beginning of fiscal 2014/15. This has led to changes in the income statement, the cash flow statement and the balance sheet, which are explained in detail in the notes to the interim financial statements. Prior year figures were adjusted accordingly.

Südzucker Group business development – Performance

Revenues and operating profit

		1st quarter		
		2014/15	2013/14	+/– in %
Revenues	€ million	**1,773**	**1,979**	**– 10.4**
EBITDA	€ million	146	269	– 45.7
Depreciation on fixed assets and intangible assets	€ million	– 50	– 49	3.7
Operating profit	€ million	**96**	**220**	**– 56.6**
Restructuring costs/ special items	€ million	0	0	0.0
Income from companies consolidated at equity	€ million	10	12	– 13.0
Income from operations	€ million	**106**	**232**	**– 54.2**
EBITDA margin	%	8.2	13.6	
Operating margin	%	5.4	11.1	
Investments in fixed assets	€ million	66	63	5.2
Investments in financial assets/acquisitions	€ million	0	0	– 50.0
Total investments	€ million	**66**	**63**	**5.1**
Shares in companies consolidated at equity	€ million	297	275	7.9
Capital employed	€ million	6,072	6,142	– 1.1
Employees		18,396	17,999	2.2

TABLE 03

REVENUES AND OPERATING PROFIT At € 1,773 (1,979) million, consolidated group revenues in the first quarter of fiscal 2014/15 were well below last year's. Sugar, fruit and special products segment revenues fell, while the CropEnergies segment's rose.

As expected, group operating profit fell sharply in the first quarter to € 96 (220) million, primarily because the sugar segment's operating profit declined. Neither were the CropEnergies and fruit segments able to match the prior year's results. The special products segment reported higher operating profit than last year.

Income statement

€ million	1st quarter		
	2014/15	2013/14	+/– in %
Revenues	**1,773**	**1,979**	**– 10.4**
Operating profit	96	220	– 56.6
Restructuring costs and special items	0	0	–
Income from companies consolidated at equity	10	12	– 13.0
Income from operations	**106**	**232**	**– 54.2**
Financial result	– 7	– 14	– 50.0
Earnings before income taxes	**99**	**218**	**– 54.8**
Taxes on income	– 22	– 50	– 56.7
Net earnings	**77**	**168**	**– 54.2**
of which attributable to Südzucker AG shareholders	48	131	– 62.8
of which attributable to hybrid capital	7	7	0.0
of which attributable to minority interests	22	30	– 28.0
Earnings per share (€)	**0.24**	**0.64**	**– 62.5**

TABLE 04

INCOME FROM COMPANIES CONSOLIDATED AT EQUITY Income of € 10 (12) million from companies consolidated at equity comprise mainly the share of earnings from trading company ED&F Man, Studen Group and a joint-venture segment distributor, plus the share of earnings from the starch business of the special products segment's Hungrana Group.

INCOME FROM OPERATIONS Income from operations totaling € 106 (232) million primarily include operating profit of € 96 (220) million and the earnings contribution of € 10 (12) million from companies accounted for using the equity method. There were no restructuring and special items to report.

FINANCIAL RESULT The financial result improved to € – 7 (– 14) million in the first three months of fiscal 2014/15. The net interest expense was € – 11 (– 10) million with slightly higher average debt than in the same period last year. Earnings of € 4 million were posted under the "Other financial income and expense, net" item for the first three months of the fiscal year versus an expense of € 4 million in the same period last year. The financing of subsidiaries and euro/US dollar exchange rate trends in emerging countries significantly contributed to this in both the current and prior year.

TAXES ON INCOME Lower earnings before taxes of € 99 (218) million resulted in taxes on income of € – 22 (– 50) million. The group's tax rate was 22 (23) %.

CONSOLIDATED NET EARNINGS Of the consolidated net earnings of € 77 (168) million, € 48 (131) million was allocated to Südzucker AG shareholders, € 7 (7) million to hybrid bondholders and € 22 (30) million to other non-controlling interests, mainly the co-owners of AGRANA Group and CropEnergies Group.

EARNINGS PER SHARE Earnings per share came in at € 0.24 (0.64). The calculation was based on the time-weighted average of 204.2 (204.2) million shares outstanding.

Investments and financing – Financial position

Cash flow

€ million	1st quarter		
	2014/15	2013/14	+/– in %
Cash flow	152	250	– 39.1
Increase (–)/decrease (+) in working capital	– 193	– 334	– 42.2
Investments in fixed assets			
Sugar segment	28	34	– 17.5
Special products segment	25	20	24.0
CropEnergies segment	3	3	– 3.6
Fruit segment	10	6	81.8
Total investments in fixed assets	66	63	5.2
Investments in financial assets/acquisitions	0	0	– 50.0
Total investments	66	63	5.1
Increases in stakes held in subsidiaries	30	0	–
Capital increase/decrease	0	0	–
Dividends paid	– 4	0	–

TABLE 05

CASH FLOW Cash flow tracked operating profit and came in below the previous year's level at € 152 (250) million.

WORKING CAPITAL Lower funds lockup through minor increase in working capital of € – 193 (– 334) million is due to price and volume-related lower inventories and trade receivables.

INVESTMENTS IN FIXED ASSETS Investments in fixed assets (including intangible assets) totaled € 66 (63) million. The sugar segment's investments of € 28 (34) million were mainly allocated toward replacement spending and investments to improve energy efficiency. The special products segment's investments rose to € 25 (20) million, primarily due to the construction of the starch factory in Zeitz and a biomass boiler at the BENEO site in Permuco, Chile. The CropEnergies segment invested € 3 (3) million to further optimize its production systems. The fruit segment invested € 10 (6) million, mainly in the fruit preparations area.

INCREASES IN STAKES HELD IN SUBSIDIARIES Increases in stakes held in subsidiaries mainly relate to the acquisition of minority interests in AGRANA Bioethanol GmbH by AGRANA Stärke GmbH.

DEVELOPMENT OF NET FINANCIAL DEBT The seasonal cash outflow of working capital in the amount of € – 193 million is mainly attributable to the beet cash payments made in March 2014 and could not be fully offset by the cash flow totaling € 152 million. As a result, operating activities had to be financed in the amount of € 39 million. Given investments totaling € 66 million and the € 30 million increase in stakes in AGRANA Bioethanol GmbH, net financial debt thus climbed € 134 million to € 670 million as at 31 May 2014, which compares to € 536 million on 28 February 2014.

Balance sheet – Assets

Balance sheet

€ million	31.05.2014	31.05.2013	+/– in %
Assets			
Intangible assets	1,189	1,185	0.3
Fixed assets	2,681	2,558	4.8
Remaining assets	578	570	1.4
Non-current assets	**4,448**	**4,313**	**3.1**
Inventories	1,897	2,084	– 9.0
Trade receivables	987	1,076	– 8.2
Remaining assets	971	974	– 0.3
Current assets	**3,855**	**4,134**	**– 6.7**
Total assets	**8,303**	**8,447**	**– 1.7**
Liabilities and shareholders' equity			
Equity attributable to shareholders of Südzucker AG	3,327	3,371	– 1.3
Hybrid capital	684	684	0.0
Other minority interests	692	808	– 14.4
Shareholders' equity	**4,703**	**4,863**	**– 3.3**
Provisions for pensions and similar obligations	721	693	4.0
Financial liabilities	674	750	– 10.1
Remaining liabilities	285	297	– 4.0
Non-current liabilities	**1,680**	**1,740**	**– 3.4**
Financial liabilities	725	588	23.3
Trade payables	500	575	– 13.0
Remaining liabilities	695	681	2.1
Current liabilities	**1,920**	**1,844**	**4.1**
Total liabilities and shareholders' equity	**8,303**	**8,447**	**– 1.7**
Net financial debt	670	611	9.8
Equity ratio in %	57	58	
Net financial debt as % of equity (gearing)	14	13	

TABLE 06

NON-CURRENT ASSETS Non-current assets rose by € 135 million to € 4,448 (4,313) million. This was mainly due to the € 123 million increase in fixed assets attributable to the Ensus bioethanol plant acquired by CropEnergies in the second quarter of 2013/14, which brought the total to € 2,681 (2,558) million. The increase of € 8 million in other assets brought that total to € 578 (570) million, driven mainly by the higher carrying amount (up € 22 million) of € 297 (275) million for companies accounted for using the equity method. At € 1,189 (1,185) million, intangible assets were about the same as the previous year, while goodwill was nearly unchanged.

CURRENT ASSETS Current assets declined € 279 million to € 3,855 (4,134) million. The main reason for this is the price and volume-driven reduction in inventories of € 187 million, especially in the sugar segment, which brought the total to € 1,897 (2,084) million. In addition, trade receivables were € 89 million lower due to weaker prices and now total € 987 million (1,076) million. Other assets totaled € 971 (974) million and were comparable to last year.

SHAREHOLDERS' EQUITY Shareholders' equity fell € 160 million to € 4,703 (4,863) million; since total assets were lower, the equity ratio was also down slightly from the previous year, ending at 57 (58) %. The decrease in equity was in part due to the revaluation of defined benefit obligations as a result of the further decline in interest rates. The slightly lower equity of Südzucker AG shareholders of € 3,327 (3,371) million was offset by a significant decrease in other non-controlling interests by € 116 million to € 692 (808) million, which primarily resulted from the increase in the stake held in AGRANA Beteiligungs-AG in fiscal 2013/14.

NON-CURRENT LIABILITIES Non-current liabilities fell € 60 million to € 1,680 (1,740) million. The decrease in non-current financial liabilities by € 76 million to 674 (750) million resulted primarily from the repayment of long-term bank loans, which were brought down to € 265 (343) million. This was offset by provisions for pensions and similar obligations, which rose to € 721 (693) million as a result of the adjustment of the discount rate from 3.50 % to 3.00 %. Remaining liabilities fell € 12 million to € 285 (297) million. This item includes tax liabilities in the amount of € 72 (100) million.

CURRENT LIABILITIES Current liabilities rose € 96 million to € 1,920 (1,844) million because of higher current financial liabilities, which rose € 137 million to € 725 (588) million driven by greater commercial paper program borrowing of € 322 (120) million. This was offset by lower liabilities to banks in the amount of € 376 (441) million, which includes the repayment of the promissory note in the amount of € 46 million in April 2014. Remaining liabilities increased to € 695 (681) million and include, among other things, claims from beet growers for reimbursements from the excess production levies for sugar marketing years 2001/02 through 2005/06. The EU must repay the excess levies to the sugar industry no later than September 2014, and the industry will settle the beet farmers' claims by passing on their shares. Trade payables decreased to € 500 (575) million.

NET FINANCIAL DEBT Net financial debt rose € 59 million to € 670 (611) million as of 31 May 2014. The ratio of net financial debt to equity was 14 (13) %.

Employees

	1st quarter		
	2014/15	2013/14	+/– in %
Sugar	7,450	7,453	0.0
Special products	4,448	4,429	0.4
CropEnergies	444	327	35.8
Fruit	6,054	5,790	4.6
Group	**18,396**	**17,999**	**2.2**

TABLE 07

The average number of persons employed by the group in the first three months of fiscal 2014/15 rose to 18,396 (17,999). The increase of 117 in CropEnergies segment's head count, which brought the total to 444 (327), was largely driven by the acquisition of UK bioethanol producer Ensus in the second quarter of 2013/14.

Sugar segment

Market developments, economic policy, general framework

WORLD SUGAR MARKET In its third estimate of the world's sugar balance published in June 2014, the German market analysts at F.O. Licht forecast that sugar production will decline to 181.2 (184.6) million tonnes and that consumption will continue to rise, to 175.6 (172.4) million tonnes, for the 2013/14 campaign year. Sugar inventories are expected to rise to 76.1 (73.0) million tonnes, or 43.3 (42.3) % of one year's consumption.

Following high volatility during the entire period, the world market price ended the first quarter at the same level as it was at the beginning. At the end of May 2014, the world market price for white sugar was 471 USD/t or 346 €/t.

EU SUGAR MARKET A total sugar production volume of 16.8 (17.4) tonnes with unchanged quota sugar production and a further increase in imports from preferred nations is forecast for the 2013/14 sugar marketing year. Sugar supply and demand is therefore expected to be balanced for the 2013/14 sugar marketing year without any additional special measures by the European Commission.

Export licenses for 1.35 million tonnes of non-quota sugar were granted for the 2013/14 sugar marketing year, the same as last year. The export licenses were allocated in October and December 2013. A duty-free import quota of 0.4 million tonnes was granted again in the 2013/14 sugar marketing year for non-quota sugar for use by the chemical, pharmaceutical and fermentation industries; however, in previous years this import quota was used only to a limited extent.

ENERGY MARKET Energy markets in the first quarter of 2014/15 were impacted by the simmering conflict between Russia and Ukraine, as well as weak economic data from emerging countries. The Crimean peninsula conflict initially sent the price of North Sea Brent crude oil up 2 % on 3 March 2014 to 112 USD/barrel, the highest level in several months. By the end of the first quarter of 2014/15, the price had leveled off at 110 USD/barrel.

EU SUGAR POLICY, WTO NEGOTIATIONS AND FREE TRADE AGREEMENTS There were no significant changes concerning the regulatory framework for EU sugar policy, WTO negotiations and free trade agreements in the first three months of the fiscal year compared to the information presented on pages 78 – 79 of the 2013/14 annual report (management report, economic report, the sugar segment).

Business performance

		1st quarter		
		2014/15	2013/14	+/– in %
Revenues	€ million	**862**	**1,035**	**– 16.7**
EBITDA	€ million	59	174	– 65.6
Depreciation on fixed assets and intangible assets	€ million	– 14	– 15	– 0.7
Operating profit	€ million	**45**	**159**	**– 71.7**
Restructuring costs/ special items	€ million	0	– 1	–
Income from companies consolidated at equity	€ million	3	4	– 13.9
Income from operations	€ million	**48**	**162**	**– 69.9**
EBITDA margin	%	6.9	16.8	
Operating margin	%	5.2	15.3	
Investments in fixed assets	€ million	28	34	– 17.5
Investments in financial assets/acquisitions	€ million	0	0	– 50.0
Total investments	€ million	**28**	**34**	**– 17.7**
Shares in companies consolidated at equity	€ million	236	200	18.0
Capital employed	€ million	3,375	3,465	– 2.6
Employees		7,450	7,453	0.0

TABLE 08

REVENUES AND OPERATING PROFIT In the first three months of fiscal 2014/15, the sugar segment's revenues fell to € 862 (1,035) million, driven mainly by the decline in quota sugar sales revenues. In contrast, quota sugar volumes rose. World market prices for non-quota sugar were below last year's, which drove export prices down.

Operating profit dropped sharply as expected in the first quarter to € 45 (159) million, primarily due to significantly lower quota sugar sales revenues, especially in Southern and Eastern European markets.

BEET CULTIVATION Compared to last year, Südzucker Group's beet cultivation area for 2014 expanded by 1 % to roughly 398,000 ha. The cultivation area grew at Südzucker AG, Saint Louis Sucre and Südzucker Polska, while there were slight cutbacks at Raffinerie Tirlemontoise and AGRANA. Planting began two to four weeks earlier than last year overall in all countries; 81 % of the sugar beets had already been planted by the end of March. Conditions after planting were excellent for growing beets in all regions in March, April and May, and beet development continued to be about two weeks ahead of the five-year average.

INVESTMENTS The sugar segment's investments of € 28 (34) million were mainly allocated toward replacement spending, as well as investments to improve energy efficiency, save energy and centralize the head office in Mannheim.

Special products segment

Business performance

		1st quarter		
		2014/15	2013/14	+/– in %
Revenues	€ million	**434**	**447**	**– 3.1**
EBITDA	€ million	43	38	11.1
Depreciation on fixed assets and intangible assets	€ million	– 18	– 17	6.4
Operating profit	€ million	**25**	**21**	**15.0**
Restructuring costs/ special items	€ million	0	1	– 100.0
Income from companies consolidated at equity	€ million	7	8	– 12.7
Income from operations	€ million	**32**	**30**	**4.0**
EBITDA margin	%	9.9	8.6	
Operating margin	%	5.7	4.8	
Investments in fixed assets	€ million	25	20	24.0
Investments in financial assets/acquisitions	€ million	0	0	–
Total investments	€ million	**25**	**20**	**24.0**
Shares in companies consolidated at equity	€ million	60	74	– 18.5
Capital employed	€ million	1,343	1,319	1.8
Employees		4,448	4,429	0.4

TABLE 09

REVENUES AND OPERATING PROFIT The special products segment's first quarter revenues were posted at € 434 (447) million, down slightly from last year due mainly to lower sales revenues.

However, operating profit rose to € 25 (21) million thanks to lower costs and strong volume growth.

INVESTMENTS The special products segment invested € 25 (20) million: Most of the BENEO division's investments went toward constructing a biomass boiler to improve energy efficiency at the site in Permuco, Chile, while a large share of the starch division's investments was used to build the wheat starch factory in Zeitz.

CropEnergies segment

Market developments, economic policy, general framework

ETHANOL MARKET Market observers estimate that world ethanol production will grow by 1.6 % in 2014 to 108.3 million m^3; 56.5 million m^3 of this is expected to come from the United States, now the world's largest producing country with significant growth of 3.5 % forecast for the year. One-month futures for bioethanol on the Chicago Board of Trade (CBOT) rose from around 608 USD/m^3 at the beginning of March 2014 to approximately 634 USD/m^3 at the end of May 2014. Ethanol prices in Brazil declined with the start of the sugar cane harvest from 695 USD/m^3 FOB Santos at the beginning of March 2014 to 652 USD/m^3 at the end of May 2014, despite lower harvest expectations. Brazil's ethanol production is estimated at 27.8 million m^3 for the 2014/15 sugar marketing year, only slightly (– 0.6 %) below the previous year's level.

European bioethanol prices were quoted at € 492/m^3 FOB Rotterdam at the end of May 2014, which – although higher than the € 480/m^3 quoted at the beginning of March 2014 – is still very low. Bioethanol continues to be much cheaper than gasoline, which was priced at around 560 €/m^3 FOB Rotterdam at the end of May 2014. Despite the anticipated seasonal rise in fuel demand, high EU capacity utilization, duty-free bioethanol imports and lower raw material costs limited the increase in bioethanol prices.

In view of lower gasoline consumption and nearly unchanged blending regulations in EU member states, analysts expect consumption of ethanol fuels in the EU to decline by 2.2 % to 5.4 million m^3 in 2014. The fuel consumption forecast for Germany is 1.5 million m^3, which is just below last year. Ethanol fuel volumes in Germany fell 2.7 % to around 334,000 m^3 between January and March 2014. E10 volumes were up 6.1 % for the same period, giving E10 a share of about 15.2 % in the gasoline market at the end of March 2014.

GRAIN MARKET According to the US Department of Agriculture's (USDA) 11 June 2014 estimate for the 2014/15 harvest, global grain production (excluding rice) is expected to fall slightly by 1.3 % to 1,960 million tonnes, while global grain consumption is expected to rise 0.5 % to 1,950 million tonnes. Global inventories are forecast to rise by 2.7 % to 401 million tonnes. The European Commission estimates a grain harvest of about 302 million tonnes for the EU in the 2014/15 grain marketing year, roughly the same as last year, whereas grain consumption is expected to rise 0.9 % to around 277 million tonnes. Inventories are expected to rise by 13.9 % to 38 million tonnes as a result. Roughly 55.4 % of the grain harvest will be used as animal feed. Only 3.4 % of the harvest is slated to be used for the production of bioethanol and feed and food from bioethanol production.

European wheat prices on the NYSE Liffe Paris fell from around 200 €/t at the beginning of March 2014 to around 190 €/t at the end of May 2014 thanks to good harvest expectations.

IMPLEMENTATION OF THE EUROPEAN CLIMATE AND ENERGY PACKAGE Please see page 90 of the 2013/14 annual report (management report, economic report, CropEnergies segment) for details pertaining to the Renewable Energy Directive.

PROPOSED AMENDMENTS TO THE RENEWABLE ENERGY DIRECTIVE AND THE FUEL QUALITY DIRECTIVE Please see pages 90 – 91 of the 2013/14 annual report (management report, economic report, CropEnergies segment) for details of the proposed amendments to these directives.

After the European Parliament adopted the amended proposal for the directive on 11 September 2013, the European Council reached an agreement on 13 June 2014 regarding the proposed amendment to the directive that provides for a blending limit for conventional biofuels of 7 % and a non-binding blending ratio of 0.5 % for biofuels from wastes and scrap (excluding used cooking oils and animal fats). This calls for biofuels from waste and scrap, renewable fuels of non-biological origin and biofuels from used cooking oils and animal fats to be counted twice toward the blending targets. Multiple allocation by a factor of 2.5 or 5 is proposed for electricity from renewable sources in rail and road transport. The European Commission's recommendation to end biofuel subsidies after 2020 was not included in the proposal of the European Council.

The European Council's proposal can be seen as a step in the right direction and is a prerequisite for ending the uncertainty in the European biofuel industry soon. The increase in the share of conventional biofuels to 7 %, the restriction of multiple allocation of biofuels from wastes and residues, and the heightened efforts to verify their sustainability represent significant improvements compared to the original draft directive of the European Commission. The continued planned multiple allocation of biofuels from wastes and residues and of electricity in the transportation sector, however, should be rejected. Multiple allocation would reduce incentives to substitute fossil fuels and thus significantly lower the reductions in greenhouse gases that could actually be achieved – it could also lead to the "production" of waste. The limitation of bioethanol from grains and sugar syrups from sustainable European cultivation and the introduction of iLUC factors are not appropriate for the integrated production of biofuels and protein-rich food and feed. These products contribute significantly toward reducing the protein deficit in the EU, as well as soy imports from South America. CropEnergies is committed to a sustainable biofuel policy and supports bioethanol associations at the national and European level to help create a reliable, long-term framework.

INTRODUCTION OF GREENHOUSE GAS REDUCTION QUOTAS IN GERMANY In Germany, the biofuel quota is set to be replaced from 1 January 2015 on by a greenhouse gas reduction quota as part of the decarbonization strategy. There is a mandatory blending ratio of 6.25 % in place until the end of 2014 as part of the overall quota. Starting next year, however, the biofuel quota is to be calculated based on greenhouse gas reduction targets. Greenhouse gas reductions in the fuel sector are slated to increase from 3 % by weight in 2015 to 4.5 % by weight in 2017 and 7 % by weight in 2020.

CUSTOMS TREATMENT OF BIOETHANOL IMPORTS FROM THE USA VIA NORWAY There was a major increase in US bioethanol exports to Norway in the second half of 2013 to circumvent applicable EU customs legislation. On 4 June 2014, the authorities announced that bioethanol of US origin is also subject to the anti-dumping duty when it is imported as E48 to the EU via Norway. CropEnergies welcomes the European Commission's decision, which not only promptly closes a loophole to avoid customs payments but also prevents a lengthy investigation.

BIOFUEL REGULATION IN BELGIUM A new subsidy scheme for biofuels was adopted by the Belgian government at the end of April 2014 after transitional arrangements effective through 31 May 2014 had ended. The new biofuel regulation aims to promote especially sustainable biofuels and offer incentives for the introduction of E10. The new subsidy scheme for the use of biofuels was subsequently submitted to the European Commission for review.

Business performance

		1st quarter		
		2014/15	2013/14	+/– in %
Revenues	€ million	**192**	**171**	**12.4**
EBITDA	€ million	14	24	– 42.8
Depreciation on fixed assets and intangible assets	€ million	– 9	– 8	12.5
Operating profit	€ million	**5**	**16**	**– 71.2**
Restructuring costs/ special items	€ million	0	0	–
Income from companies consolidated at equity	€ million	0	0	–
Income from operations	€ million	**5**	**16**	**– 71.2**
EBITDA margin	%	7.0	13.8	
Operating margin	%	2.3	9.1	
Investments in fixed assets	€ million	3	3	– 3.6
Investments in financial assets/acquisitions	€ million	0	0	–
Total investments	€ million	**3**	**3**	**– 3.6**
Shares in companies consolidated at equity	€ million	1	2	– 30.0
Capital employed	€ million	530	477	11.2
Employees		444	327	35.8

TABLE 10

REVENUES AND OPERATING PROFIT The CropEnergies segment's revenues increased again, to € 192 (171) million. This was achieved despite significantly lower ethanol sales revenues thanks to considerably higher bioethanol and feed/food volumes, which were largely attributable to Ensus.

However, lower net raw material costs and higher volumes were not enough to fully offset the sharp drop in ethanol sales revenues, and operating profit declined to € 5 (16) million as a result.

INVESTMENTS Investments in the first quarter of € 3 (3) million went mainly toward expanding the product portfolio and optimizing the production systems at the sites in Belgium, Germany and Great Britain.

Fruit segment

Market developments, economic policy, general framework

MARKETS Fruit preparations should continue to see a slight decline in demand in the EU and growth in the markets outside of Europe. Volumes in Russia and Ukraine are currently stagnating as a result of high inflation, falling real wages and political uncertainties. However, due to the still low per capita consumption of fruit yogurt in these countries, they will continue to have growth potential once the political situation returns to normal. Political and macroeconomic problems are currently also slowing market development in Egypt and Argentina.

The yogurt market is growing 3 to 4 % annually in the United States, with volumes of "Greek yogurt" blends with more fruit content growing exceptionally strongly.

Consumption of fruit juice concentrates is expected to continue to decline in Western Europe (mainly Germany) for beverages with a high fruit content. Prices for apple juice concentrates currently remain at a steady low level thanks to good harvest prospects.

RAW MATERIAL MARKETS Harvesting of Mediterranean varieties of strawberries and tropical fruits has this year been near the long-term average, but slightly worse than last year.

Cultivation areas with a continental climate are expected to produce higher yields of summer fruits such as strawberries, cherries and raspberries than last year. Prices for these fruits should go down since there are still plenty of goods in storage from the previous year. The extreme drought in California has led to very poor local yields, with no improvement in sight for the rest of the season. Noticeable price increases are thus expected in both the United States and importing countries.

An excellent harvest is expected for all the main fruits used in fruit juice concentrates.

Business performance

		1st quarter		
		2014/15	2013/14	+/– in %
Revenues	€ million	**285**	**326**	**– 12.5**
EBITDA	€ million	30	33	– 8.8
Depreciation on fixed assets and intangible assets	€ million	– 9	– 9	– 2.3
Operating profit	€ million	**21**	**24**	**– 11.2**
Restructuring costs/ special items	€ million	0	0	–
Income from companies consolidated at equity	€ million	0	0	–
Income from operations	€ million	**21**	**24**	**– 11.2**
EBITDA margin	%	10.5	10.1	
Operating margin	%	7.5	7.4	
Investments in fixed assets	€ million	10	6	81.8
Investments in financial assets/acquisitions	€ million	0	0	–
Total investments	€ million	**10**	**6**	**81.8**
Shares in companies consolidated at equity	€ million	0	0	–
Capital employed	€ million	823	881	– 6.5
Employees		6,054	5,790	4.6

TABLE 11

REVENUES AND OPERATING PROFIT Fruit segment revenues in the first three months of fiscal 2014/15 were well below last year's. Volumes remained at prior year levels for fruit preparations; however, foreign currency effects due to a stronger euro led to a decline in revenues. Lower revenues in the fruit juice concentrates division resulted from lower year-over-year volumes as well as lower selling prices for apple juice concentrate.

Operating profit in the fruit segment came in at € 21 (24) million, which was also well below last year's level. Nonetheless, it was still possible to at least maintain the operating margin for both fruit preparations and fruit juice concentrates, which, among other things, confirms that the measures initiated in previous years to cut material and structural costs have been successfully implemented. Without the negative foreign currency effects, operating profit and profitability would have been even better.

INVESTMENTS Investments in the first three months totaled € 10 (6) million, largely in the fruit preparations division. One of the main priorities here was completion of the fourth fruit preparation factory in the United States at the site in Lysander, New York, which was commissioned in May 2014. Investments were also made by the fruit juice concentrates division, in particular to improve production efficiency.

EVENTS AFTER THE BALANCE SHEET DATE

No events of particular significance have occurred since 31 May 2014 that are expected to have a material impact on the company's financial position and performance.

RISK MANAGEMENT

As an international company, Südzucker Group is exposed to macroeconomic, industry-specific and business-related opportunities and risks. Information about the group's risk management system and potential opportunities and risks can be found in the 2013/14 annual report under the "Risk management" section on pages 99 to 110 and in the "Economic report" as part of segment reporting. Opportunities and risks beyond those presented in detail in the 2013/14 annual report have resulted in the first three months of the 2014/15 fiscal year due to the following developments:

Further escalation of the Crimean crisis may lead to additional economic sanctions between the EU and Russia which will have a negative impact, especially on the efforts of AGRANA Fruit in Russia and Ukraine.

In terms of regulatory risks, there have been positive developments with regard to bioethanol imports from the United States via Norway, biofuel regulation in Belgium and the European Council's proposal for biofuel blending of 7 % in 2020.

Taking into account all known facts, we have not identified any risks – whether individual or in their entirety – that jeopardize the continued existence of Südzucker Group.

OUTLOOK

Group performance

We expect group revenues to decline in fiscal 2014/15 to about € 7.0 (7.5) billion. We expect a significant decline in revenues in the sugar segment, a slight decline in revenues in the special products segment, stable revenues in the fruit segment and a significant increase in revenues in the CropEnergies segment.

The expected continued deterioration of the economic environment in the European sugar markets published in ad hoc releases in November and December 2013 and February 2014 was confirmed and has since worsened. As stated in the ad hoc release published 8 April 2014, we expect group operating profit to decline significantly to about € 200 (622) million. Significantly lower earnings in the sugar and CropEnergies segments are the main reason for this development. We also expect a moderate decline in earnings in the special products segment, while earnings should be about the same as last year in the fruit segment.

Due to the significant decline in group operating profit, we expect ROCE to be sharply lower – with the same level of capital employed.

Group operating profit for the second quarter of the current fiscal year 2014/15 will be significantly below last year's level.

Sugar segment

In the sugar segment, we expect a significant drop in revenues in fiscal 2014/15 since the reduced revenues from the 2013/14 sugar marketing year will now impact the entire year. The continued drop in revenues in the European market is intensifying spot market trends. We also expect a significant decline in operating profit, mainly due to the increasing deterioration of the economic environment in the EU sugar market. There will be additional charges from increased fixed per unit production costs as a result of the even shorter campaign in 2013.

Given the reduced revenues, the decline in capital employed in the sugar segment will not be enough to offset the significant decline in operating profit, so ROCE will also decline significantly.

Whether or not this forecast will be met depends largely on how quantities and marketing results continue to develop in the increasingly difficult environment of the European sugar market. Our expectations also assume that no additional measures will be introduced on the part of the EU market; there would be no need for this in our view considering the high inventory levels in the European sugar market.

In light of rising earnings volatility and changes set to take effect from 1 October 2017 as part of EU sugar policy, we are currently reviewing cost structures, especially in the sugar segment.

Special products segment

In the special products segment we expect a slight decline in revenues in fiscal 2014/15 and a moderate decline in operating profit due to the the slight drop in bioethanol business in the starch division.

Taking into account the lower operating profit and rise in capital employed, we expect to see a drop in ROCE.

CropEnergies segment

The high volatility of ethanol prices complicates the forecast for the 2014/15 fiscal year in the CropEnergies segment. While continued revenue growth to over € 800 million is expected as a result of production capacity expansions, operating profit in the CropEnergies segment should range somewhere between € –30 to +20 million.

Due to the significant decline in operating profit, we expect ROCE to be significantly lower – with the same level of capital employed.

Fruit segment

Revenues and operating profit in the fruit segment should reach about the same level as last year in fiscal 2014/15. Here, higher volumes in all regions of the fruit preparations division should compensate for the slight decline in revenues in the fruit juice concentrates division. Higher operating profit is expected for the fruit preparations division despite the startup costs associated with the new plant in the United States, while earnings in the fruit juice concentrates division will be slightly below the previous year's level.

Overall, we expect a slight decline in ROCE with operating profit to remain stable and capital employed to rise.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [1]

€ million	1st quarter 2014/15	2013/14	+/– in %
Income Statement			
Revenues	**1,772.7**	**1,978.5**	**– 10.4**
Change in work in progress and finished goods inventories and internal costs capitalized	– 424.0	– 478.3	– 11.4
Other operating income	16.5	16.4	0.6
Cost of materials	– 812.7	– 862.9	– 5.8
Personnel expenses	– 194.5	– 194.9	– 0.2
Depreciation	– 50.4	– 48.6	3.7
Other operating expenses	– 211.4	– 189.6	11.5
Income from companies consolidated at equity	10.0	11.5	– 13.0
Income from operations	**106.2**	**232.1**	**– 54.2**
Financial income	11.0	8.9	23.6
Financial expense	– 18.7	– 23.3	– 19.7
Earnings before income taxes	**98.5**	**217.7**	**– 54.8**
Taxes on income	– 21.5	– 49.7	– 56.7
Net earnings	**77.0**	**168.0**	**– 54.2**
of which attributable to Südzucker AG shareholders	48.9	131.5	– 62.8
of which attributable to hybrid capital	6.5	6.5	0.0
of which attributable to minority interests	21.6	30.0	– 28.0
Earnings per share (€)	**0.24**	**0.64**	**– 62.5**
Dilusion effect	0.00	0.00	–
Diluted earnings per share (€)	0.24	0.64	– 62.5
Other comprehensive income			
Net earnings	**77.0**	**168.0**	**– 54.2**
Market value of hedging instruments (cash flow hedge) after deferred taxes [2]	1.5	– 3.4	–
Market value of securities (available for sale) after deferred taxes [2]	0.8	0.3	> 100
Exchange differences on net investments in foreign operations after deferred taxes	0.4	– 2.2	–
Foreign currency translation differences [2]	14.7	– 23.4	–
Income and expenses to be recognized in the income statement in the future	**17.4**	**– 28.7**	**–**
Remeasurement of defined benefit pension plans and similar obligations after deferred taxes [3]	– 42.3	– 0.1	> 100
Income and expenses recognized in other comprehensive income	**– 24.9**	**– 28.8**	**– 13.5**
Comprehensive income	**52.1**	**139.2**	**– 62.6**
of which attributable to Südzucker AG shareholders	22.7	107.2	– 78.8
of which attributable to hybrid capital	6.5	6.5	0.0
of which attributable to minority interests	22.9	25.5	– 10.2

[1] The prior year numbers have been adjusted in accordance with IAS 8. Further disclosures are included in note (1) of the notes.
[2] Including the effects from companies consolidated at equity.
[3] Will not be reclassified subseqently to profit and loss.

TABLE 12

CONSOLIDATED CASH FLOW STATEMENT[1]

€ million	1st quarter 2014/15	1st quarter 2013/14	+/– in %
Net earnings	77.0	168.0	– 54.2
Depreciation and amortization of intangible assets, fixed assets and other investments	50.4	48.6	3.7
Decrease (–) / Increase (+) in non-current provisions and deferred tax liabilities and increase (–) / decrease (+) in deferred tax assets	24.4	20.2	20.8
Other income (–) / expenses (+) not affecting cash	0.4	13.1	– 96.9
Cash flow	**152.2**	**249.9**	**– 39.1**
Gain (–) / Loss (+) on disposal of items included in non-current assets and of securities	1.6	– 0.2	–
Decrease (–) / Increase (+) in current provisions	– 29.8	– 4.0	> 100
Increase (–) / decrease (+) in inventories, receivables and other current assets	472.6	408.4	15.7
Decrease (–) / Increase (+) in liabilities (excluding financial liabilities)	– 636.0	– 738.4	– 13.9
Increase (–) / Decrease (+) in working capital	**– 193.2**	**– 334.0**	**– 42.2**
I. Net cash flow from operating activities	**– 39.4**	**– 84.3**	**– 53.3**
Investments in fixed assets and intangible assets	– 66.3	– 63.0	5.2
Investments in financial assets	– 0.1	– 0.2	– 50.0
Investments	**– 66.4**	**– 63.2**	**5.1**
Cash received on disposal of non-current assets	– 1.1	1.2	–
Cash paid (–) / received (+) for the purchase / sale of securities	1.3	– 49.1	–
II. Cash flow from investing activities	**– 66.2**	**– 111.1**	**– 40.4**
Increases in stakes held in subsidiaries	– 29.8	0.0	–
Capital decrease (–) / increase (+)/acquisiton (–)/sale (+) of own shares	0.0	0.0	–
Dividends paid	– 3.5	0.0	–
Repayment (–) / Issuance (+) of commercial papers	231.9	120.0	93.3
Other Repayment (–) / Refund (+) of financial liabilities	– 12.8	146.9	–
Repayment (–) / Refund (+) of financial liabilities	**219.1**	**266.9**	**– 17.9**
III. Cash flow from financing activities	**185.8**	**266.9**	**– 30.4**
Change in cash and cash equivalent (total of I., II. and III.)	**80.2**	**71.5**	**12.2**
due to exchange rate changes	1.2	– 5.8	–
due to changes in entities included in consolidation	0.0	0.0	–
Decrease (–) / Increase (+) in cash and cash equivalents	**81.4**	**65.7**	**23.9**
Cash and cash equivalents at the beginning of the period	502.3	465.5	7.9
Cash and cash equivalents at the end of the period	**583.7**	**531.2**	**9.9**

€ million	1st quarter 2014/15	1st quarter 2013/14	+/– in %
Dividends received from companies consolidated at equity and other investments	4.0	4.5	– 11.1
Interest receipts	9.2	10.2	– 9.8
Interest payments	– 25.7	– 25.0	2.8
Income taxes paid	– 18.3	– 38.8	– 52.8

[1] The prior year numbers have been adjusted in accordance with IAS 8. Further disclosures are included in note (1) of the notes.

TABLE 13

CONSOLIDATED BALANCE SHEET[1]

€ million	31 May 2014	31 May 2013	+/– in %	28 February 2014	+/– in %
Assets					
Intangible assets	**1,188.7**	**1,185.0**	**0.3**	**1,188.5**	**0.0**
Fixed assets	2,681.3	2,557.6	4.8	2,656.1	0.9
Shares in companies consolidated at equity	297.0	275.2	7.9	284.8	4.3
Other investments	23.8	25.7	– 7.4	23.7	0.4
Securities	104.3	105.8	– 1.4	104.6	– 0.3
Other assets	24.7	44.6	– 44.6	27.7	– 10.8
Deferred tax assets	127.9	119.5	7.0	123.0	4.0
Non-current assets	**4,447.7**	**4,313.4**	**3.1**	**4,408.4**	**0.9**
Inventories	1,897.2	2,084.2	– 9.0	2,359.7	– 19.6
Trade receivables	987.1	1,075.7	– 8.2	916.8	7.7
Other assets	284.6	251.1	13.3	373.1	– 23.7
Current tax receivables	61.8	101.0	– 38.8	63.7	– 3.0
Securities	40.7	90.6	– 55.1	40.8	– 0.2
Cash and cash equivalents	583.7	531.2	9.9	502.3	16.2
Current assets	**3,855.1**	**4,133.8**	**– 6.7**	**4,256.4**	**– 9.4**
Total assets	**8,302.8**	**8,447.2**	**– 1.7**	**8,664.8**	**– 4.2**

€ million	31 May 2014	31 May 2013	+/– in %	28 February 2014	+/– in %
Liabilities and shareholders' equity					
Issued subscribed capital	204.2	204.2	0.0	204.2	0.0
Nominal value own shares	0.0	0.0	–	0.0	–
Outstanding subscribed capital	*204.2*	*204.2*	*0.0*	*204.2*	*0.0*
Capital reserves	1,614.9	1,614.9	0.0	1,614.9	0.0
Revenue reserves and Other comprehensive Income	1,508.3	1,552.0	– 2.8	1,486.1	1.5
Equity attributable to shareholders of Südzucker AG	*3,327.4*	*3,371.1*	*– 1.3*	*3,305.2*	*0.7*
Hybrid capital	683.9	683.9	0.0	683.9	0.0
Other minority interests	691.5	808.2	– 14.4	673.8	2.6
Shareholders' equity	**4,702.8**	**4,863.2**	**– 3.3**	**4,662.9**	**0.9**
Provisions for pensions and similar obligations	720.9	693.1	4.0	657.6	9.6
Other provisions	101.2	86.9	16.5	81.5	24.2
Financial liabilities	673.8	749.8	– 10.1	681.4	– 1.1
Other liabilities	18.3	16.2	13.0	18.2	0.5
Tax liabilities	72.4	100.2	– 27.7	75.0	– 3.5
Deferred tax liabilities	93.4	93.5	– 0.1	104.0	– 10.2
Non-current liabilities	**1,680.0**	**1,739.7**	**– 3.4**	**1,617.7**	**3.9**
Other provisions	159.5	184.9	– 13.7	189.5	– 15.8
Financial liabilities	725.1	588.3	23.3	501.9	44.5
Trade payables	500.0	574.7	– 13.0	1,145.3	– 56.3
Other liabilities	448.6	401.7	11.7	464.3	– 3.4
Current tax liabilities	86.8	94.7	– 8.3	83.2	4.3
Current liabilities	**1,920.0**	**1,844.3**	**4.1**	**2,384.2**	**– 19.5**
Total liabilities and shareholders' equity	**8,302.8**	**8,447.2**	**– 1.7**	**8,664.8**	**– 4.2**
Net financial debt	670.2	610.5	9.8	535.6	25.1
Equity ratio in %	56.6	57.6		53.8	
Net financial debt as % of equity (gearing)	14.3	12.6		11.5	

[1] The prior year numbers have been adjusted in accordance with IAS 8. Further disclosures are included in note (1) of the notes.

TABLE 14

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

€ million	Issued subscribed capital	Nominal value own shares	Capital reserve	
1 March 2013	**204.2**	**0.0**	**1,614.9**	
Market valuations and exchange differences on net investments [1]				
Foreign currency translation differences[1]				
Income and expenses to be recognized in the income statement in the future				
Remeasurement of defined benefit pension plans and similar obligations after deferred taxes [2]				
Income and expenses recognized directly in equity				
Net earnings				
Comprehensive income				
Distributions				
Capital increase / decrease	0.0		0.0	
Own shares	0.0	0.0	0.0	
Other changes				
31 May 2013	**204.2**	**0.0**	**1,614.9**	
1 March 2014	**204.2**	**0.0**	**1,614.9**	
Market valuations and exchange differences on net investments [1]				
Foreign currency translation differences [1]				
Income and expenses to be recognized in the income statement in the future				
Remeasurement of defined benefit pension plans and similar obligations after deferred taxes [2]				
Income and expenses recognized directly in equity				
Net earnings				
Comprehensive income				
Distributions				
Capital increase / decrease	0.0		0.0	
Own shares	0.0	0.0	0.0	
Other changes				
31 May 2014	**204.2**	**0.0**	**1,614.9**	

[1] Including the effects from companies consolidated at equity.
[2] Will not be reclassified subsequently to profit and loss.

Other comprehensive Income	Revenue reserves	Equity of Südzucker shareholders	Hybrid capital	Other minority interests	Total shareholders' equity
–12.0	**1,457.2**	**3,264.3**	**683.9**	**782.7**	**4,730.9**
–4.3		–4.3		–1.0	–5.3
–20.0		–20.0		–3.4	–23.4
–24.3		**–24.3**		**–4.4**	**–28.7**
	0.0	0.0		–0.1	–0.1
–24.3	**0.0**	**–24.3**		**–4.5**	**–28.8**
	131.5	131.5	6.5	30.0	168.0
–24.3	**131.5**	**107.2**	**6.5**	**25.5**	**139.2**
	0.0	0.0	–6.5	0.0	–6.5
	0.0	0.0		0.0	0.0
	0.0	0.0			0.0
	–0.4	–0.4		0.0	–0.4
–36.3	**1,588.3**	**3,371.1**	**683.9**	**808.2**	**4,863.2**
–77.8	**1,563.9**	**3,305.2**	**683.9**	**673.8**	**4,662.9**
2.1		2.1		0.6	2.7
12.2		12.2		2.5	14.7
14.3		**14.3**		**3.1**	**17.4**
	–40.5	–40.5		–1.8	–42.3
14.3	**–40.5**	**–26.2**		**1.3**	**–24.9**
	48.9	48.9	6.5	21.6	77.0
14.3	**8.4**	**22.7**	**6.5**	**22.9**	**52.1**
	0.0	0.0	–6.5	–3.5	–10.0
	0.0	0.0		0.0	0.0
	0.0	0.0			0.0
	–0.5	–0.5		–1.7	–2.2
–63.5	**1,571.8**	**3,327.4**	**683.9**	**691.5**	**4,702.8**

TABLE 15

DEVELOPMENT OF THE ITEMS OF OTHER COMPREHENSIVE INCOME[1]

€ million	Other comprehensive income				
	Market value of hedging instruments (cash flow hedge)[2]	Market value of securities (available for sale)[2]	Exchange differences on net investments in foreign operations	Accumulated exchange differcences[2]	Total income and expenses to be recognized in the income statement in the future
1 March 2013	**– 3.4**	**4.6**	**– 10.6**	**– 24.1**	**– 33.5**
Changes recognized in equity	– 3.4	0.3	– 2.7	– 23.4	– 29.2
Changes recognized in profit or loss	– 1.5				– 1.5
Deferred tax	1.5	0.0	0.5		2.0
31 May 2013	**– 6.8**	**4.9**	**– 12.8**	**– 47.5**	**– 62.2**
1 March 2014	**– 2.5**	**3.2**	**– 10.7**	**– 114.3**	**– 124.3**
Changes recognized in equity	– 7.2	0.6	0.4	14.7	8.5
Changes recognized in profit or loss	9.1				9.1
Deferred tax	– 0.4	0.2	0.0		– 0.2
31 May 2014	**– 1.0**	**4.0**	**– 10.3**	**– 99.6**	**– 106.9**

[1] The disclosure includes the equity of Südzucker shareholders and other minorities interests.
[2] Including the effects from companies consolidated at equity.

TABLE 16

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Segment report

€ million	1st quarter 2014/15	2013/14	+/– in %
Südzucker Group			
Gross revenues	**1,865.8**	**2,067.8**	**– 9.8**
Consolidation	– 93.1	– 89.3	4.3
Revenues	**1,772.7**	**1,978.5**	**– 10.4**
EBITDA	**145.9**	**268.5**	**– 45.7**
EBITDA margin	8.2 %	13.6 %	
Depreciation	– 50.4	– 48.6	3.7
Operating profit	**95.5**	**219.9**	**– 56.6**
Operating margin	5.4 %	11.1 %	
Result from restructuring and special items	0.7	0.7	0.0
Income from companies consolidated at equity	10.0	11.5	– 13.0
Income from operations	**106.2**	**232.1**	**– 54.2**
Investments in fixed assets [1]	66.3	63.0	5.2
Investments in financial assets/acquisitions	0.1	0.2	– 50.0
Total investments	**66.4**	**63.2**	**5.1**
Shares in companies consolidated at equity	297.0	275.2	7.9
Capital employed	6,071.9	6,141.6	– 1.1
Number of employees	**18,396**	**17,999**	**2.2**
Sugar segment			
Gross revenues	**922.3**	**1,096.2**	**– 15.9**
Consolidation	– 59.8	– 61.3	– 2.4
Revenues	**862.5**	**1,034.9**	**– 16.7**
EBITDA	**59.6**	**173.5**	**– 65.6**
EBITDA margin	6.9 %	16.8 %	
Depreciation	– 14.6	– 14.7	– 0.7
Operating profit	**45.0**	**158.8**	**– 71.7**
Operating margin	5.2 %	15.3 %	
Result from restructuring and special items	0.7	– 0.3	–
Income from companies consolidated at equity	3.1	3.6	– 13.9
Income from operations	**48.8**	**162.1**	**– 69.9**
Investments in fixed assets [1]	28.3	34.3	– 17.5
Investments in financial assets/acquisitions	0.1	0.2	– 50.0
Total investments	**28.4**	**34.5**	**– 17.7**
Shares in companies consolidated at equity	235.6	199.6	18.0
Capital employed	3,375.4	3,465.2	– 2.6
Number of employees	**7,450**	**7,453**	**0.0**

[1] Including intangible assets.

TABLE 17

€ million	1st quarter 2014/15	2013/14	+/– in %
Special products segment			
Gross revenues	**450.7**	**460.1**	**– 2.0**
Consolidation	– 17.2	– 12.9	33.3
Revenues	**433.5**	**447.2**	**– 3.1**
EBITDA	**42.9**	**38.6**	**11.1**
EBITDA margin	9.9 %	8.6 %	
Depreciation	– 18.3	– 17.2	6.4
Operating profit	**24.6**	**21.4**	**15.0**
Operating margin	5.7 %	4.8 %	
Result from restructuring and special items	0.0	1.0	– 100.0
Income from companies consolidated at equity	6.9	7.9	– 12.7
Income from operations	**31.5**	**30.3**	**4.0**
Investments in fixed assets [1]	25.3	20.4	24.0
Investments in financial assets/acquisitions	0.0	0.0	–
Total investments	**25.3**	**20.4**	**24.0**
Shares in companies consolidated at equity	60.0	73.6	– 18.5
Capital employed	1,343.3	1,319.2	1.8
Number of employees	**4,448**	**4,429**	**0.4**
CropEnergies segment			
Gross revenues	**207.9**	**185.8**	**11.9**
Consolidation	– 16.0	– 15.0	6.7
Revenues	**191.9**	**170.8**	**12.4**
EBITDA	**13.5**	**23.6**	**– 42.8**
EBITDA margin	7.0 %	13.8 %	
Depreciation	– 9.0	– 8.0	12.5
Operating profit	**4.5**	**15.6**	**– 71.2**
Operating margin	2.3 %	9.1 %	
Result from restructuring and special items	0.0	0.0	–
Income from companies consolidated at equity	0.0	0.0	–
Income from operations	**4.5**	**15.6**	**– 71.2**
Investments in fixed assets [1]	2.7	2.8	– 3.6
Investments in financial assets/acquisitions	0.0	0.0	–
Total investments	**2.7**	**2.8**	**– 3.6**
Shares in companies consolidated at equity	1.4	2.0	– 30.0
Capital employed	530.1	476.6	11.2
Number of employees	**444**	**327**	**35.8**

[1] Including intangible assets.

TABLE 18

€ million	1st quarter 2014/15	2013/14	+/– in %
Fruit segment			
Gross revenues	**284.9**	**325.7**	**– 12.5**
Consolidation	– 0.1	– 0.1	0.0
Revenues	**284.8**	**325.6**	**– 12.5**
EBITDA	**29.9**	**32.8**	**– 8.8**
EBITDA margin	10.5 %	10.1 %	
Depreciation	– 8.5	– 8.7	– 2.3
Operating profit	**21.4**	**24.1**	**– 11.2**
Operating margin	7.5 %	7.4 %	
Restructuring costs and special items	0.0	0.0	–
Income from companies consolidated at equity	0.0	0.0	–
Income from operations	**21.4**	**24.1**	**– 11.2**
Investments in fixed assets [1]	10.0	5.5	81.8
Investments in financial assets/acquisitions	0.0	0.0	–
Total investments	**10.0**	**5.5**	**81.8**
Shares in companies consolidated at equity	0.0	0.0	–
Capital employed	823.1	880.6	– 6.5
Number of employees	**6,054**	**5,790**	**4.6**

[1] Including intangible assets.

TABLE 19

(1) Principles of preparation of the interim consolidated financial statements

Südzucker Group's interim financial statements as of 31 May 2014 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 31 May 2014 have been condensed as per IAS 34. The consolidated interim financial statements dated 31 May 2014 were not subjected to any inspection or audit review. Südzucker AG's executive board prepared these interim financial statements on 30 June 2014.

As presented in the notes to the financial statements of the 2013/14 annual report under note (1) "Principles of preparation of the consolidated financial statements" on pages 130 to 137, there were new and/or amended standards and interpretations that came into effect and were applied for the first time in preparing these interim financial statements.

Provisions for pensions and similar obligations were discounted to 3.00 % on 31 May 2014 after being reported at 3.50 % on 28 February 2014 and 31 May 2013.

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. Material special items are fully recognized neglecting the determination of the annual tax rate in the respective quarter in which they occur.

Sugar is primarily produced from September to January. This is why depreciation on systems used for the campaign is predominantly applied in the third quarter of the Südzucker fiscal year. Any material, personnel and other operating expenses incurred in preparation for production prior to the next sugar campaign are capitalized during the fiscal year via changes in inventories and recognized on the balance sheet under inventories as work in progress. In the subsequent sugar production these are then taken into account when determining production costs of the sugar produced and thus recognized under inventories as part of finished goods.

The same accounting policies as those used to prepare the consolidated annual financial statements dated 28 February 2014 were applied for the remainder of this interim report. The relevant explanatory notes under note (5) "Accounting policies", pages 145 to 152 of the 2013/14 annual report, thus also apply here.

Südzucker Group's 2013/14 annual report can be viewed or downloaded at **www.suedzucker.de/de/Investor-Relations/** or **www.suedzucker.de/en/Investor-Relations/**.

IFRS presentation changes

The first-time adoption of IFRS 11 (Joint Arrangements) at the beginning of the 2014/15 fiscal year had an impact on the balance sheet, the statement of comprehensive income and other items of the financial statements since the previously proportionately consolidated joint ventures of Studen Group (sugar segment), Hungrana Group (special products segment) and CT Biocarbonic GmbH (CropEnergies segment) are included at equity from this point on. Retrospective application of the new standard led to similar effects on the comparative periods presented. The following overview is a breakdown of the assets and liabilities grouped together for the first time as of 1 March 2013 in at-equity investment items:

€ million 1 March 2013	Effects resulting from initial application of IFRS 11
Non-current assets	87.6
Inventories	*26.4*
Receivables and other assets	*1.4*
Cash and cash equivalents and securities	*18.0*
Current assets	45.7
Total assets	**133.3**
Non-current liabilities	– 7.8
Current liabilities	– 51.0
– Total liabilities	**– 58.7**
= Carrying amount of participation value	**74.6**

TABLE 20

The decrease in assets and liabilities leads to a reduction in capital employed and net financial debt. These changes affect the statement of comprehensive income in terms of lower revenues as well as all profit/loss items in the operating results, financial result and income taxes; net earnings and earnings per share remain unchanged. Earnings after taxes from the affected companies exclusively flow into the income from companies accounted for using the equity method. To show that these companies are in fact operational investments and not financial assets, income from companies accounted for using the equity method is presented as part of operating profit. The tables below include the values published last year in accordance with IAS 8 in the first quarter of fiscal 2013/14, i.e. the balance sheet published as at 28 February 2014, their adjustment and the adjusted values.

Statement of comprehensive income (excerpt) from 1 March to 31 May 2013

€ million	Amount adjusted 1st quarter 2013/14	Adjustment	Amount reported 1st quarter 2013/14
Income Statement			
Revenues	**1,978.5**	**– 51.8**	**2,030.3**
EBITDA	**268.5**	**– 12.2**	**280.7**
Depreciation	– 48.6	2.0	– 50.6
Operating profit	**219.9**	**– 10.2**	**230.1**
Result from restructuring and special items	0.7	0.0	0.7
Income from companies consolidated at equity	11.5	11.5	0.0
Income from operations	**232.1**	**1.3**	**230.8**
Income from companies consolidated at equity	0.0	– 3.7	3.7
Financial income	8.9	0.1	8.8
Financial expense	– 23.3	0.3	– 23.6
Earnings before income taxes	**217.7**	**– 2.0**	**219.7**
Taxes on income	– 49.7	2.0	– 51.7
Net earnings	**168.0**	**0.0**	**168.0**
of which attributable to Südzucker AG shareholders	131.5	0.0	131.5
of which attributable to hybrid capital	6.5	0.0	6.5
of which attributable to minority interests	30.0	0.0	30.0
Earnings per share (€)	**0.64**	**0.00**	**0.64**
Dilusion effect	0.00	0.00	0.00
Diluted earnings per share (€)	0.64	0.00	0.64
Comprehensive income	**139.2**	**0.0**	**139.2**
of which attributable to Südzucker AG shareholders	107.2	0.0	107.2
of which attributable to hybrid capital	6.5	0.0	6.5
of which attributable to minority interests	25.5	0.0	25.5

TABLE 21

Cash flow statement (excerpt) from 1 March to 31 May 2013

€ million	Amount adjusted 1st quarter 2013/14	Amount reported	Amount reported 1st quarter 2013/14
Cash flow	**249.9**	**6.8**	**243.1**
Gain (–) / Loss (+) on disposal of items included in non-current assets and of securities	– 0.2	0	– 0.2
Increase (–) / Decrease (+) in working capital	– 334.0	0.4	– 334.4
I. Net cash flow from operating activities	**– 84.3**	**7.2**	**– 91.5**
Investments in fixed assets and intangible assets	– 63.0	2.0	– 65.0
Investments in financial assets	– 0.2	0.0	– 0.2
Investments	**– 63.2**	**2.0**	**– 65.2**
Cash received on disposal of non-current assets	1.2	0	1.2
Cash paid (–) / received (+) for the purchase / sale of securities	– 49.1	0.1	– 49.2
II. Cash flow from investing activities	**– 111.1**	**2.1**	**– 113.2**
III. Cash flow from financing activities	**266.9**	**– 0.8**	**267.7**
Change in cash and cash equivalent (total of I., II. and III.)	**71.5**	**8.5**	**63.0**
Change in cash and cash equivalents			
due to exchange rate changes	– 5.8	0.0	– 5.8
due to changes in entities included in consolidation	0.0	0.0	0.0
Decrease (–) / Increase (+) in cash and cash equivalents	**65.7**	**8.5**	**57.2**
Cash and cash equivalents at the beginning of the period	465.5	– 18.0	483.5
Cash and cash equivalents at the end of the period	**531.2**	**– 9.5**	**540.7**

TABLE 22

Balance sheet as at 31 May 2013 and 28 February 2014

€ million	Amount adjusted 31.05.2013	Adjustment	Amount reported 31.05.2013	Amount adjusted 28.02.2014	Adjustment	Amount reported 28.02.2014
Assets						
Intangible assets	**1,185.0**	**– 2.2**	**1,187.2**	**1,188.5**	**– 4.5**	**1,193.0**
Fixed assets	2,557.6	– 78.6	2,636.2	2,656.1	– 73.1	2,729.2
Shares in companies consolidated at equity	275.2	81.9	193.3	284.8	58.5	226.3
Other investments	25.7	– 4.5	30.2	23.7	– 0.1	23.8
Securities	105.8	0.0	105.8	104.6	0.0	104.6
Other assets	44.6	0.0	44.6	27.7	0.1	27.6
Deferred tax assets	119.5	– 1.0	120.5	123.0	– 0.4	123.4
Non-current assets	**4,313.4**	**– 4.4**	**4,317.8**	**4,408.4**	**– 19.5**	**4,427.9**
Inventories	2,084.2	– 20.6	2,104.8	2,359.7	– 26.8	2,386.5
Trade receivables	1,075.7	– 27.7	1,103.4	916.8	– 14.2	931.0
Other assets	251.1	7.4	243.7	373.1	5.8	367.3
Current tax receivables	101.0	– 0.4	101.4	63.7	– 0.1	63.8
Securities	90.6	0.0	90.6	40.8	0.0	40.8
Cash and cash equivalents	531.2	– 9.5	540.7	502.3	– 8.8	511.1
Current assets	**4,133.8**	**– 50.8**	**4,184.6**	**4,256.4**	**– 44.1**	**4,300.5**
Total assets	**8,447.2**	**– 55.2**	**8,502.4**	**8,664.8**	**– 63.6**	**8,728.4**
Liabilities and shareholders' equity						
Issued subscribed capital	204.2	0.0	204.2	204.2	0.0	204.2
Nominal value own shares	0.0	0.0	0.0	0.0	0.0	0.0
Outstanding subscribed capital	*204.2*	*0.0*	*204.2*	*204.2*	*0.0*	*204.2*
Capital reserves	1,614.9	0.0	1,614.9	1,614.9	0.0	1,614.9
Revenue reserves and Other comprehensive Income	1,552.0	0.0	1,552.0	1,486.1	0.0	1,486.1
Equity attributable to shareholders of Südzucker AG	*3,371.1*	*0.0*	*3,371.1*	*3,305.2*	*0.0*	*3,305.2*
Hybrid capital	683.9	0.0	683.9	683.9	0.0	683.9
Other minority interests	808.2	0.0	808.2	673.8	0.0	673.8
Shareholders' equity	**4,863.2**	**0.0**	**4,863.2**	**4,662.9**	**0.0**	**4,662.9**
Provisions for pensions and similar obligations	693.1	0.0	693.1	657.6	0.0	657.6
Other provisions	86.9	– 100.2	187.1	81.5	0.0	81.5
Financial liabilities	749.8	– 6.7	756.5	681.4	– 5.6	687.0
Other liabilities	16.2	0.0	16.2	18.2	– 0.1	18.3
Tax liabilities	100.2	100.2	0.0	75.0	0.0	75.0
Deferred tax liabilities	93.5	– 0.2	93.7	104.0	– 3.1	107.1
Non-current liabilities	**1,739.7**	**– 6.9**	**1,746.6**	**1,617.7**	**– 8.8**	**1,626.5**
Other provisions	184.9	0.0	184.9	189.5	0.0	189.5
Financial liabilities	588.3	– 32.9	621.2	501.9	– 28.9	530.8
Trade payables	574.7	– 2.7	577.4	1,145.3	– 14.7	1,160.0
Other liabilities	401.7	– 12.7	414.4	464.3	– 10.6	474.9
Current tax liabilities	94.7	0.0	94.7	83.2	– 0.6	83.8
Current liabilities	**1,844.3**	**– 48.3**	**1,892.6**	**2,384.2**	**– 54.8**	**2,439.0**
Total liabilities and shareholders' equity	**8,447.2**	**– 55.2**	**8,502.4**	**8,664.8**	**– 63.6**	**8,728.4**
Net financial debt	610.5	– 30.1	640.6	535.6	– 25.7	561.3
Equity ratio in %	57.6		57.2	53.8		53.4
Net financial debt as % of equity (gearing)	12.6		13.2	11.5		12.0

TABLE 23

Non-current tax liabilities were recognized for the first time in a separate balance sheet item as of 28 February 2014; the prior-year figures were adjusted accordingly.

(2) Companies included in consolidation

As of the end of the first quarter of 2014/15, the scope of consolidation included 159 companies in addition to Südzucker AG (end of fiscal 2013/14: 159 companies). A newly founded company was consolidated for the first time and one company sold, resulting in a loss on disposal in the amount of € 2.0 million. In total, 15 companies (end of fiscal 2013/14: 15 companies) were accounted for using the equity method (at equity).

(3) Earnings per share

The calculation of earnings per share according to IAS 33 from 1 March to 31 May 2014 was based on a time-weighted average of 204.2 million shares outstanding. Earnings per share came in at € 0.24 (0.64) for the first quarter and were not diluted.

(4) Inventories

€ million 31 May	2014	2013
Raw materials and supplies	386.6	441.3
Work in progress and finished goods		
Sugar segment	1,076.6	1,146.5
Special products segment	183.5	189.9
CropEnergies segment	48.8	34.2
Fruit segment	127.7	166.8
Total of work in progress and finished goods	1,436.6	1,537.4
Merchandise	74.0	105.5
	1,897.2	**2,084.2**

TABLE 24

Inventories were lower than the year prior at € 1,897.2 (2,084.2) million, mainly due to lower raw material prices and lower inventory levels.

(5) Trade receivables and other assets

€ million 31 May	2014	Remaining term to 1 year	over 1 year	2013	Remaining term to 1 year	over 1 year
Trade receivables	**987.1**	**987.1**	**0.0**	**1,075.7**	**1,075.7**	**0.0**
Receivables due from the EU	**44.8**	44.8	0.0	**4.4**	4.4	0.0
Other taxes recoverable	**87.3**	87.3	0.0	**99.6**	99.6	0.0
Positive market value derivatives	**3.0**	3.0	0.0	**3.9**	3.9	0.0
Remaining financial assets	**96.0**	71.3	24.7	**108.6**	64.0	44.6
Remaining non financial assets	**78.2**	78.2	0.0	**79.2**	79.2	0.0
Other assets	**309.3**	**284.6**	**24.7**	**295.7**	**251.1**	**44.6**

TABELLE 25

At € 987.1 (1,075.7) million, trade receivables were higher than a year earlier and in line with the lower revenues. Receivables from the EU in the amount of € 44.8 (4.4) million include the claims against the EU for reimbursements from the excess production levy imposed for the sugar marketing years 2001/02 through 2005/06 that have not yet been repaid to Südzucker. The corresponding reimbursement claims had not yet been recognized this time last year. The obligation to transfer the beet growers' share is recognized under other financial liabilities.

(6) Trade payables and other liabilities

€ million 31 May	2014	Remaining term to 1 year	over 1 year	2013	Remaining term to 1 year	over 1 year
Liabilities to beet growers	**84.1**	84.1	0.0	**162.7**	162.7	0.0
Liabilities to other trade trade payables	**415.9**	415.9	0.0	**412.0**	412.0	0.0
Trade payables	**500.0**	**500.0**	**0.0**	**574.7**	**574.7**	**0.0**
Liabiliities for production levy	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Liabilities for personnel expenses	**116.8**	116.1	0.7	**137.8**	137.2	0.6
Liabilities for other taxes and social security contributions	**61.7**	61.7	0.0	**71.3**	71.3	0.0
Negative market value derivatives	**10.7**	10.7	0.0	**18.9**	18.9	0.0
Remaining financial liabilities	**264.2**	246.6	17.6	**170.8**	155.2	15.6
Remaining non financial liabilities	**11.7**	11.7	0.0	**13.7**	13.7	0.0
On-account payments received on orders	**1.8**	1.8	0.0	**5.4**	5.4	0.0
Other liabilities	**466.9**	**448.6**	**18.3**	**417.9**	**401.7**	**16.2**

TABLE 26

Liabilities for personnel expenses mainly represent commitments for bonuses, premiums, vacation and overtime pay. Other financial liabilities totaling € 264.2 (170.8) million include, among other things, the claims of beet growers for reimbursements from the excess production levy imposed for the sugar marketing years 2001/02 through 2005/06. The EU must repay the sugar industry no later than September 2014. The industry will in turn pass on the monies owed to the beet farmers. Other non-financial liabilities totaling € 11.7 (13.7) million primarily include accrued and deferred items.

(7) Financial liabilities, securities and cash and cash equivalents (net financial debt)

€ million		Remaining term			Remaining term	
31 May	2014	to 1 year	over 1 year	2013	to 1 year	over 1 year
Bonds	**757.0**	348.8	408.2	**553.3**	146.9	406.4
of which convertible	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Liabilities to banks	**641.6**	376.2	265.4	**784.8**	441.4	343.4
Liabilities from finance leasing	**0.3**	0.1	0.2	**0.0**	0.0	0.0
Financial liabilities	**1,398.9**	**725.1**	**673.8**	**1,338.1**	**588.3**	**749.8**
Securities (non-current assets)	– 104.3			– 105.8		
Securities (current assets)	– 40.7			– 90.6		
Cash and cash equivalents	– 583.7			– 531.2		
Investments in securities and cash and cash equivalents	**– 728.7**			**– 727.6**		
Net financial debt	**670.2**			**610.5**		

TABLE 27

Financial liabilities rose € 60.8 million to € 1,398.9 (1,338.1) million with an almost unchanged stock of investments (securities, cash and cash equivalents) totaling € 728.7 (727.6) million. As a result, net financial debt increased by € 59.7 million to € 670.2 (610.5) million.

(8) Additional disclosures on financial instruments

CARRYING AMOUNTS AND FAIR VALUES OF GROSS FINANCIAL LIABILITIES The following table shows the carrying amounts and fair values of Südzucker's gross financial liabilities. According to the definition of IFRS 13 (Fair Value Measurement), fair value is the price that would be received for the sale of an asset, i.e. the price that would be paid for the transfer of a liability in an orderly transaction between market participants at the measurement date.

€ million	IAS 39 measurement category	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	Financial liabilities measured at armotised cost	757.0	803.0	553.3	605.9
Liabilities to banks	Financial liabilities measured at armotised cost	641.6	647.4	784.8	793.9
Liabilities from finance leasing	n/a	0.3	0.3	0.0	0.0
Gross financial liabilities		**1,398.9**	**1,450.7**	**1,338.1**	**1,399.8**

TABLE 28

The carrying amount of cash and cash equivalents, trade receivables and other financial receivables, trade payables and financial liabilities is considered a reasonable estimate of the fair value.

Fair values cannot be determined for securities measured at amortized cost since market values or exchange prices were not available in the absence of an active market.

MEASUREMENT LEVELS The following table shows the carrying amount and fair value of financial assets and liabilities by measurement level. Level 1: Measurement based on unadjusted prices determined on active markets. Level 2: Measurement using prices derived from prices determined on active markets. (Level 3: Measurement method that considers influencing factors not exclusively based on observable market data; currently not applied by Südzucker Group.)

€ million	Fair value hierachy					
31 May	2014	Evaluation level 1	Evaluation level 2	2013	Evaluation level 1	Evaluation level 2
Securities – Available for Sale	**60.0**	20.0	40.0	**111.4**	71.4	40.0
Positive market values – derivatives without hedge accounting	**2.8**	0.5	2.3	**3.3**	1.6	1.7
Positive market values – hedge accounting derivatives	**0.2**	0.1	0.1	**0.6**	0.0	0.6
Financial assets	**63.0**	**20.6**	**42.4**	**115.3**	**73.0**	**42.3**
Negative market values – derivatives without hedge accounting	**4.1**	0.1	4.0	**9.1**	0.5	8.6
Negative market value – hedge accounting derivatives	**6.6**	1.2	5.4	**9.8**	6.7	3.1
Financial liabilities	**10.7**	**1.3**	**9.4**	**18.9**	**7.2**	**11.7**

TABLE 29

For more details on how the fair value of each financial instrument is determined and their allocation to measurement levels, see the notes to the consolidated financial statements in the 2013/14 annual report under note (32) "Additional disclosures on financial instruments" on pages 195 to 198.

(9) Related parties

There have been no material changes to the related parties described on pages 199 – 201 in the notes to the consolidated financial statements of the 2013/14 annual report under note (36).

Mannheim, 30 June 2014
Südzucker Aktiengesellschaft Mannheim/Ochsenfurt
The executive board

Dr. Wolfgang Heer   Dr. Lutz Guderjahn   Dr. Thomas Kirchberg   Thomas Kölbl   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 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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