Q2

INTERIM REPORT

FIRST HALF YEAR 2014/15

1 March – 31 August 2014
Publication date: 9 October 2014

- **CONSOLIDATED GROUP REVENUES** down 12 % from last year at € 3,482 (3,937) million
- **CONSOLIDATED GROUP OPERATING PROFIT** falls to € 147 (407) million on account of sharply lower sugar segment and CropEnergies segment profits
- **FORECAST FOR FISCAL 2014/15 OVERALL** remains unchanged: group revenues of about € 7.0 (7.5) billion; group operating profit of about € 200 (622) million

SÜDZUCKER

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OVERVIEW

FINANCIAL CALENDAR

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

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 half year covers the period 1 March through 31 August.

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

to 31 August 2014

		1st half year 2014/15	2013/14	+/– in %
Revenues and earnings				
Revenues	€ million	3,482	3,937	−11.6
EBITDA	€ million	249	506	−50.9
EBITDA margin	%	7.1	12.9	
Depreciation	€ million	−102	−99	2.9
Operating profit	€ million	147	407	−63.9
Operating margin	%	4.2	10.3	
Net earnings	€ million	119	312	−61.8
Cash flow and investments				
Cash flow	€ million	247	454	−45.7
Investments in fixed assets [1]	€ million	168	166	1.1
Investments in financial assets/acquisitions	€ million	0	0	−100.0
Total investments	€ million	168	166	1.0
Performance				
Fixed assets [1]	€ million	2,769	2,692	2.9
Goodwill	€ million	1,145	1,145	0.0
Working capital	€ million	1,697	1,781	−4.7
Capital employed	€ million	5,724	5,731	−0.1
Capital structure				
Total assets	€ million	7,923	8,031	−1.3
Shareholders' equity	€ million	4,547	4,768	−4.6
Net financial debt	€ million	422	276	52.8
Equity ratio	%	57.4	59.4	
Net financial debt as % of equity (Gearing)	%	9.3	5.8	
Shares				
Market capitalization	€ million	2,675	4,985	−46.3
Total shares issued as of 31 August	Millions of shares	204.2	204.2	0.0
Closing price on 31 August	€	13.10	24.42	−46.4
Earnings per share on 31 August	€	0.37	1.21	−69.4
Average trading volume/day	Thousands of shares	2,153	977	> 100
MDAX® closing price on 31 August	Points	16,085	14,386	11.8
Performance Südzucker share 1 March to 31 August	%	−35.0	−27.2	
Performance MDAX® 1 March to 31 August	%	−4.8	8.2	
Employees		18,477	18,100	2.1

[1] Including intangible assets.

OVERVIEW

First half year 2014/15

- Consolidated group revenues are down 12 % from last year at € 3,482 (3,937) million.

- Consolidated group operating profit falls to € 147 (407) million on account of sharply lower sugar segment and CropEnergies segment profits.

- The sugar segment's revenues and profits decline due to continued sharp declines in quota sugar sales revenues, especially in Southern and Eastern Europe:
  - Revenues: –19 % to € 1,699 (2,085) million
  - Operating profit: € 68 (304) million

- The special products segment's operating profit rises despite slightly lower revenues, driven especially by reduced costs:
  - Revenues: –3 % to € 855 (883) million
  - Operating profit: € 45 (34) million

- The CropEnergies segment's revenues continue to climb. Operating profit turns negative despite lower net raw material costs, driven by declining ethanol sales revenues:
  - Revenues: +9 % to € 372 (341) million
  - Operating profit: € –4 (26) million

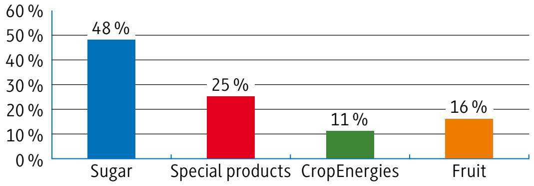
- The fruit segment reports lower revenues and operating profit due to weaker volumes and sales revenues:
  - Revenues: –11 % to € 556 (628) million
  - Operating profit: € 38 (43) million

Forecast for the 2014/15 [1] fiscal year:

- Consolidated group revenues of about € 7.0 (7.5) billion expected
- Consolidated group operating profit expected to be about € 200 (622) million.
- ROCE will decline sharply while capital employed rise slightly.

[1] forecast unchanged from 15 May 2014.

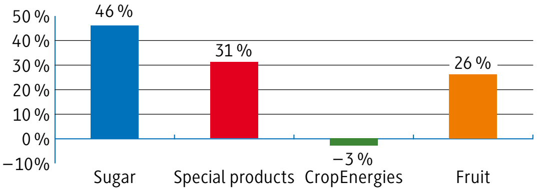
Revenues by segment first half 2014/15



€ million	1st half year 2014/15	2013/14	+/– in %
Sugar segment	1,699	2,085	–18.6
Special products segment	855	883	–3.1
CropEnergies segment	372	341	9.1
Fruit segment	556	628	–11.4
Group total	**3,482**	**3,937**	**–11.6**

TABLE 01

Operating profit by segment first half 2014/15



€ million	1st half year 2014/15	2013/14	+/– in %
Sugar segment	68	304	–77.5
Special products segment	45	34	30.0
CropEnergies segment	–4	26	–
Fruit segment	38	43	–11.8
Group total	**147**	**407**	**–63.9**

TABLE 02

ECONOMIC REPORT

Accounting rules 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 At € 3,482 (3,937) million, consolidated group revenues in the first half 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 anticipated, consolidated group operating profit for the first half of fiscal 2014/15 was down sharply to € 147 (407) million. The result was driven mainly by the decline in the sugar segment's operating profit. Neither were the CropEnergies and fruit segments able to match last year's numbers. The special products segment reported higher operating profit than last year.

Revenues and operating profit

		2nd quarter			1st half year		
		2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Revenues	€ million	**1,709**	**1,958**	**–12.7**	**3,482**	**3,937**	**–11.6**
EBITDA	€ million	102	237	–56.8	249	506	–50.9
Depreciation on fixed assets and intangible assets	€ million	–51	–50	2.2	–102	–99	2.9
Operating profit	€ million	**51**	**187**	**–72.6**	**147**	**407**	**–63.9**
Result from restructuring/special items	€ million	7	–3	–	7	–1	–
Income from companies consolidated at equity	€ million	9	15	–37.7	19	26	–26.8
Income from operations	€ million	**67**	**199**	**–66.6**	**173**	**432**	**–60.0**
EBITDA margin	%	6.0	12.1		7.1	12.9	
Operating margin	%	3.0	9.6		4.2	10.3	
Investments in fixed assets [1]	€ million	102	103	–1.5	168	166	1.1
Investments in financial assets/acquisitions	€ million	0	0	–	0	0	–100.0
Total investments	€ million	**102**	**103**	**–1.6**	**168**	**166**	**1.0**
Shares in companies consolidated at equity	€ million				309	270	14.4
Capital employed	€ million				5,724	5,731	–0.1
Employees					18,477	18,100	2.1

[1] Including intangible assets.

TABLE 03

Income statement

€ million	2nd quarter 2014/15	2nd quarter 2013/14	2nd quarter +/– in %	1st half year 2014/15	1st half year 2013/14	1st half year +/– in %
Revenues	**1,709**	**1,958**	**–12.7**	**3,482**	**3,937**	**–11.6**
Operating profit	51	187	–72.6	147	407	–63.9
Result from restructuring/special items	7	–3	–	7	–1	–
Income from companies consolidated at equity	9	15	–37.7	19	26	–26.8
Income from operations	**67**	**199**	**–66.6**	**173**	**432**	**–60.0**
Financial result	–22	–29	–24.1	–21	–29	–27.6
Earnings before income taxes	**54**	**185**	**–71.0**	**152**	**403**	**–62.2**
Taxes on income	–12	–41	–72.1	–33	–91	–63.7
Net earnings	**42**	**144**	**–70.7**	**119**	**312**	**–61.8**
of which attributable to Südzucker AG shareholders	26	115	–77.2	75	247	–69.6
of which attributable to hybrid capital	7	7	0.0	13	13	0.0
of which attributable to minority interests	9	22	–57.5	31	52	–40.5
Earnings per share (€)	**0.13**	**0.57**	**–77.2**	**0.37**	**1.21**	**–69.4**

TABLE 04

INCOME FROM COMPANIES CONSOLIDATED AT EQUITY Income from companies consolidated at equity were € 19 (26) million. The sugar segment's total of € 5 (12) million relates mainly to its share of earnings from trading company ED&F Man, Studen Group and a joint-venture distribution company. The special products segment's total of € 14 (14) million includes its earnings share from Hungrana Group's starch business.

INCOME FROM OPERATIONS Income from operations of € 173 (432) million comprise an operating profit of € 147 (407) million, the earnings contribution from companies consolidated at equity of € 19 (26) million and the result of restructuring and special items of € 7 (–1) million. The latter includes an amount related to the conclusion of a court case concerning value added tax payments for sugar deliveries to Italy in 1994 and 1995, which has already been discussed in earlier financial reports. Offsetting this are expenses attributable to the rationalization of fruit preparations production sites in Austria.

FINANCIAL RESULT The financial result in the first six months of fiscal 2014/15 improved to € –21 (–29) million. Average debt was slightly higher than the year prior and net interest expense was reported at € –21 (–20) million. The cost of other financing activities in the first six months of the fiscal year was € 0 (–9) million. The year prior this item included currency exchange losses attributable to the financing of subsidiaries in Eastern Europe, as well as South and Central America.

TAXES ON INCOME Earnings before taxes were down to € 152 (403) million and as a result taxes on income declined to € –33 (–91) million. The group's tax rate was 22 (23) %.

CONSOLIDATED NET EARNINGS Of the consolidated net earnings of € 119 (312) million, € 75 (247) million are allocated to Südzucker AG shareholders, € 13 (13) million to hybrid bondholders and € 31 (52) 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 € 0.37 (1.21). 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	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Cash flow	**94**	**204**	**–53.8**	**247**	**454**	**–45.7**
Increase (–)/decrease (+) in working capital	**430**	**490**	**–12.1**	**237**	**156**	**52.5**
Investments in fixed assets						
Sugar segment	52	62	–15.0	81	95	–15.9
Special products segment	30	28	6.4	55	49	13.8
CropEnergies segment	9	4	> 100	11	7	62.9
Fruit segment	11	9	14.9	21	15	39.6
Total investments in fixed assets [1]	**102**	**103**	**–1.5**	**168**	**166**	**1.1**
Investments in financial assets/acquisitions	**0**	**0**	**–**	**0**	**0**	**–100.0**
Total investments	**102**	**103**	**–1.0**	**168**	**166**	**1.0**
Increases in stakes held in subsidiaries	**0**	**0**	**–**	**30**	**0**	**–**
Capital increase/decrease	**0**	**0**	**–100.0**	**0**	**0**	**–100.0**
Dividends paid	**–168**	**–260**	**–35.3**	**–172**	**–260**	**–34.0**

[1] Including intangible assets.

TABLE 05

CASH FLOW Cash flow tracked operating profits and came in below the previous year's level at € 247 (454) million.

WORKING CAPITAL The cash flow from working capital of € 237 million resulted mainly from a reduction in inventories during the first half of the fiscal year, during which time it was higher than liability payments to beet farmers.

INVESTMENTS IN FIXED ASSETS Investments in fixed assets (including intangible assets) totaled € 168 (166) million. The sugar segment's investments of € 81 (95) million were mainly for replacements and investments in improving energy efficiency. The special products segment invested € 55 (49) million, most of which was for construction of the starch plant in Zeitz and the installation of the biomass boiler at the BENEO location in Pemuco, Chile. The CropEnergies segment invested € 11 (7) million to further optimize its production systems. The fruit segment invested € 21 (15) million, mainly in the fruit preparations area and the construction of a fourth fruit preparations factory in Lysander, New York.

INCREASES IN STAKES HELD IN SUBSIDIARIES This item relates mainly to the acquisition of a minority share in AGRANA Bioethanol GmbH by AGRANA Stärke GmbH.

DIVIDENDS PAID Dividends totaled € 172 (260) million and consisted mainly of a dividend of € 102 (184) million paid at the end of the annual general meetings by Südzucker AG, € 51 (51) million paid by AGRANA Beteiligungs-AG and € 9 (22) million paid by CropEnergies AG.

DEVELOPMENT OF NET FINANCIAL DEBT Cash flow of € 247 million and a seasonal cash inflow of € 237 million in working capital, driven mainly by the sale of inventories, contributed € 168 million to investment financing, € 30 million toward the acquisition of shares in AGRANA Bioethanol GmbH and € 172 million to the dividend distribution.

Net financial debt was reduced by € 114 million and went from € 536 million on 28 February 2014 to € 422 million on 31 August 2014.

Balance sheet – assets

Balance sheet

€ million	31 August 2014	31 August 2013	+/– in %
Assets			
Intangible assets	1,188	1,184	0.3
Fixed assets	2,727	2,653	2.8
Remaining assets	610	582	4.8
Non-current assets	**4,525**	**4,419**	**2.4**
Inventories	1,437	1,552	−7.4
Trade receivables	960	1,066	−10.0
Remaining assets	1,001	994	0.7
Current assets	**3,398**	**3,612**	**−5.9**
Total assets	**7,923**	**8,031**	**−1.3**
Liabilities and equity			
Equity attributable to shareholders of Südzucker AG	3,197	3,289	−2.8
Hybrid capital	684	684	0.0
Other minority interests	666	795	−16.3
Total equity	**4,547**	**4,768**	**−4.6**
Provisions for pensions and similar obligations	783	696	12.6
Financial liabilities	671	749	−10.4
Remaining liabilities	287	296	−3.0
Non-current liabilities	**1,741**	**1,741**	**−0.0**
Financial liabilities	538	319	69.0
Trade payables	493	569	−13.4
Remaining liabilities	604	634	−4.7
Current liabilities	**1,635**	**1,522**	**7.5**
Total liabilities and equity	**7,923**	**8,031**	**−1.3**
Net financial debt	422	276	52.8
Equity ratio in %	57	59	
Net financial debt as % of equity (gearing)	9	6	

TABLE 06

NON-CURRENT ASSETS Non-current assets rose € 106 million to € 4,525 (4,419) million. Fixed assets rose to € 2,727 (2,653) million. This reflects primarily the investments of € 168 million minus depreciation of € 102 million. The € 28 million increase in other assets brings the total to € 610 (582) million, mainly because of the increase in the fair value for companies consolidated at equity, bringing that total to € 309 (270) million. At € 1,188 (1,184) million, intangible assets were about the same as the previous year, while goodwill was nearly unchanged.

CURRENT ASSETS Current assets declined € 214 million to € 3,398 (3,612) million. The main reason is the lower inventory number, which declined € 115 million due to lower prices and volumes, particularly in the sugar segment, bringing the total to € 1,437 (1,552) million. In addition, trade receivables were down € 106 million to € 960 (1,066) million due to lower prices. Other assets of € 1,001 (994) million were comparable to last year.

SHAREHOLDERS' EQUITY Shareholders' equity declined € 221 million to € 4,547 (4,768) million; the equity ratio was slightly less than last year at 57 (59) % while total assets contracted. The reduction in Südzucker AG shareholders' equity to € 3,197 (3,289) million reflects mainly the impact of revalued defined benefit pension obligations following declining interest rates. The substantial drop of € 129 million in other non-controlling interests to € 666 (795) million is primarily due to the increased stake in AGRANA Beteiligungs-AG in the fourth quarter of fiscal 2013/14.

NON-CURRENT LIABILITIES Non-current liabilities are the same as last year at € 1,741 (1,741) million. The € 78 million decline in non-current financial liabilities to € 671 (749) million is due mainly to the repayment of long-term bank loans, which decreased to € 263 (342) million. The decline was offset by higher provisions for pensions and similar obligations, which rose to € 783 (696) million after the discount rate was adjusted from 3.50 % to 2.50 %. Other liabilities were down € 9 million to € 287 (296) million. Included therein are tax liabilities totaling € 76 (97) million.

CURRENT LIABILITIES Current liabilities rose € 113 million to € 1,635 (1,522) million. This results from an increase in current financial liabilities of € 219 million, bringing the total to € 538 (319) million. Of this, € 200 (0) million were borrowed via the commercial paper program. Offsetting this were liabilities to beet farmers, which totaled € 61 (159) million. Other liabilities were down, ending at € 604 (634) million. Trade payables fell to € 493 (569) million.

NET FINANCIAL DEBT Net financial debt rose € 146 million to € 422 (276) million as of 31 August 2014. The ratio of net financial debt to equity was 9 (6) %.

Employees

	1st half year		
	2014/15	2013/14	+/– in %
Sugar	7,528	7,555	−0.4
Special products	4,427	4,362	1.5
CropEnergies	444	417	6.5
Fruit	6,078	5,766	5.4
Group	**18,477**	**18,100**	**2.1**

TABLE 07

The average number of people employed by the group in the first six months of fiscal 2014/15 rose to 18,477 (18,100). The increase of 312 employees in the fruit segment was driven by a greater need for seasonal workers in Ukraine, Morocco and Mexico and the new fruit preparations factory in Lysander, New York. The segment now employs 6,078 (5,766) persons.

Sugar segment

Market developments, economic policy, general framework

WORLD SUGAR MARKET German market analyst F.O. Licht released its third estimate of the world sugar balance in June 2014, wherein it is forecast that sugar production for the 2013/14 campaign year will decline to 181.2 (184.6) million tonnes and consumption rise further to 175.6 (172.4) million tonnes. Inventories are projected to rise to 76.1 (73.0) million tonnes of sugar, 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 about 345 €/t. At the beginning of July 2014, the world market price for white sugar renewed its slide and ended the second quarter at 321 €/t.

EU SUGAR MARKET During the 2013/14 sugar marketing year just ended (1 October 2013 to 30 September 2014), total sugar production was 16.8 (17.4) million tonnes[1] and quota sugar production was pretty much fulfilled. Preferential imports rose further. Overall, supply and demand for sugar was largely balanced.

For the new 2014/15 sugar marketing year, it is expected that overall, the European beet sugar harvest will be larger and EU sugar quotas will be adequately filled while non-quota sugar production will rise. Preferential imports may shrink as sugar prices in the EU retreat. The European sugar market will have sufficient supplies without any special measures by the EU 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. Export licenses were granted in October and December 2013. To date, export licenses for 0.65 million tonnes of sugar have been granted for the 2014/15 sugar marketing year. The export licenses will be allocated at the beginning of October 2014. A further increase to 1.35 million tonnes is planned.

A duty-free non-quota sugar import volume of 0.4 million tonnes annually for use by the chemical, pharmaceutical and fermentation industries is available until the 2016/17 sugar marketing year. In previous years, this quota was hardly used.

ENERGY MARKET At the beginning of the second quarter of 2014/15, escalating turmoil in Iraq caused concerns about oil supply shortages, which drove the price for North Sea Brent to a twelve-month high of 116 USD/barrel in mid-June 2014. However, traders subsequently focused on market fundamentals. Weak economic forecasts for the EU combined with economic sanctions against Russia, the reopening of Libyan oilfields and record high US-American crude oil production combined to create an ongoing oversupply on world markets. Additionally financial investors withdrawing to the sidelines contributed to the drop in the price of Brent crude to 99 USD/barrel by mid-August. The conflict between Russia and Ukraine reescalated toward the end of the second quarter of fiscal 2014/15, and Brent crude was trading at 101 USD/barrel on 29 August 2014.

The geopolitical unrest during the second quarter also caused gas prices on European markets to fluctuate widely. In spite of this, the downward trend in gas prices has continued since the beginning of 2014 because of excess gas supplies. On 10 July 2014, the spot price of gas reached a three-year low of € 15.34 per megawatt hour (MWh). Since the end of July 2014, prices have clearly begun to trend higher.

EU SUGAR POLICIES, WTO NEGOTIATIONS AND FREE TRADE AGREEMENTS As part of an economic partnership agreement between the EU and SADC (South African Development Community), the EU and South Africa have formally agreed that South Africa is granted an annual duty-free import quota to the EU of 150,000 tonnes of sugar and 80,000 tonnes of ethanol. It is expected that this agreement will come into force in 2016, after it has been ratified by both parties.

Aside from the aforementioned, there were no material changes to the regulatory general conditions in the first half of the fiscal year related to EU sugar policies, WTO negotiations and free trade agreements than those outlined on pages 78 – 79 of the 2013/14 annual report (consolidated management report, business report, sugar segment).

[1] Source: website EU-Commission.

Business performance

REVENUES AND OPERATING PROFIT The sugar segment's revenues for the first six months of fiscal 2014/15 fell to € 1,699 (2,085) million. The main reason for this decline is sinking quota sugar sales revenues. Quota sugar volume on the other hand was up. Export prices for non-quota sugar were lower than last year as world market prices retreated.

Operating profit dropped steeply to € 68 (304) million in the first half of the fiscal year, as forecast. This decline was mainly due to substantially lower sales revenues from quota sugar, especially in the Southern and Eastern European markets. Quota sugar sales revenues continued to decline in the second quarter.

The result from restructuring and special items of € 12 (0) million is due to the conclusion of a court case concerning value added tax payments for sugar deliveries to Italy in 1994 and 1995, about which information has already been provided in earlier periods.

BEET CULTIVATION Early planting and regular adequate rainfall during the entire summer, combined with favorable temperatures, caused beets to flourish. As a result, all group companies are expecting record beet yields this year. The beet yield of 76 (67) t/ha for Südzucker Group overall is significantly higher than the five-year average. Harvest conditions at the beginning of the campaign in mid-September were generally excellent.

Except for Germany and some factories in the east, overall campaign durations at Südzucker Group will be longer than 120 days.

INVESTMENTS In the first half of 2014/15, the sugar segment invested € 81 (95) million, most of which was for replacement investments, investments in efficiency improvements, energy savings for animal feed production at the Ochsenfurt, Offstein and Rain factories, and centralization of the main headquarters at the Mannheim site. Logistics and infrastructure projects are also underway at the Plattling and Zeitz factories.

Business performance – Sugar segment

		2nd quarter			1st half year		
		2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Revenues	€ million	**835**	**1,050**	**–20.5**	**1,699**	**2,085**	**–18.6**
EBITDA	€ million	38	159	–76.2	97	333	–70.7
Depreciation on fixed assets and intangible assets	€ million	–15	–15	–2.0	–29	–29	–1.4
Operating profit	€ million	**23**	**144**	**–83.8**	**68**	**304**	**–77.5**
Result from restructuring/special items	€ million	12	0	–	12	0	–
Income from companies consolidated at equity	€ million	2	9	–74.7	5	12	–56.9
Income from operations	€ million	**37**	**153**	**–76.4**	**85**	**316**	**–73.0**
EBITDA margin	%	4.5	15.2		5.7	16.0	
Operating margin	%	2.8	13.8		4.0	14.5	
Investments in fixed assets [1]	€ million	52	62	–15.0	81	95	–15.9
Investments in financial assets/acquisitions	€ million	0	0	–	0	0	–100.0
Total investments	€ million	**52**	**62**	**–15.2**	**81**	**95**	**–16.1**
Shares in companies consolidated at equity	€ million				243	205	18.7
Capital employed	€ million				3,052	3,049	0.1
Employees					7,528	7,555	–0.4

[1] Including intangible assets.

TABLE 08

Special products segment

REVENUES AND OPERATING PROFIT The special products segments revenues were slightly lower than last year, driven mainly by lower sales revenues in the first half of the fiscal year. They came in at € 855 (883) million.

However, the segment was able to boost operating profit to € 45 (34) million in the first half of the fiscal year. Cost savings in conjunction with stable sales volume development more than offset lower sales revenues.

INVESTMENTS The special products segment invested € 55 (49) million. The BENEO division's spending was mainly on efficiency improvements and installation of a biomass boiler to improve energy use at the site in Pemuco, Chile. A large share of the starch division's investments went toward construction of the wheat starch plant at the Zeitz site.

Business performance – Special products segment

		2nd quarter			1st half year		
		2014/15	2013/14	+/– in %	**2014/15**	2013/14	+/– in %
Revenues	€ million	**422**	**435**	**–3.2**	**855**	**883**	**–3.1**
EBITDA	€ million	38	31	22.7	82	70	16.3
Depreciation on fixed assets and intangible assets	€ million	–18	–18	–	–37	–36	3.1
Operating profit	€ million	**20**	**13**	**55.0**	**45**	**34**	**30.0**
Result from restructuring/special items	€ million	0	0	–100.0	0	1	–100.0
Income from companies consolidated at equity	€ million	7	6	14.8	14	14	–0.7
Income from operations	€ million	**27**	**19**	**42.9**	**59**	**49**	**18.9**
EBITDA margin	%	9.1	7.2		9.5	7.9	
Operating margin	%	4.7	3.0		5.2	3.9	
Investments in fixed assets [1]	€ million	30	28	6.4	55	49	13.8
Investments in financial assets/acquisitions	€ million	0	0	–	0	0	–
Total investments	€ million	**30**	**28**	**6.4**	**55**	**49**	**13.8**
Shares in companies consolidated at equity	€ million				65	64	1.6
Capital employed	€ million				1,337	1,321	1.2
Employees					4,427	4,362	1.5

[1] Including intangible assets.

TABLE 09

CropEnergies segment

Market developments, economic environment, general conditions

ETHANOL MARKET Market analysts are projecting that ethanol production in the United States, the world's largest bioethanol market, will expand 5.1 % to 54.5 million m^3 in 2014. While domestic consumption remained almost constant, the higher production was largely responsible for a sharp increase in net exports of bioethanol, which went from 0.7 to 2.3 million m^3. In view of the high capacity utilization, one-month futures for bioethanol on the Chicago Board of Trade (CBOT) fell from 634 USD/m^3 at the beginning of June 2014 to about 580 USD/m^3 in July 2014. Partially prices on the CBOT have fallen below about 530 USD/m^3.

Ethanol production in Brazil for the 2014/15 sugar marketing year is expected to decline 6.0 % to 26.3 million m^3 based on lower harvest forecasts. Brazil's net exports of bioethanol are therefore expected to drop about 80 % to 0.5 million m^3. Due to a virtual balance between supply and demand, bioethanol prices at the port of Santos remained largely steady and at the end of August 2014 were quoted at 653 USD/m^3 FOB Santos, the same level as at the beginning of June 2014.

European bioethanol prices are currently being determined by price reporting agencies based on low volumes. At the end of August, prices FOB Rotterdam were quoted at 495 €/m^3, slightly above the June 2014 price level of 490 €/m^3. Even taking into account lower raw material prices, bioethanol prices, which fell to under 440 €/m^3 at the end of July 2014, were very low.

Driven by the seasonal increase in bioethanol demand and occasional significant price discounts compared to gasoline, bioethanol prices have started to recover since mid-August 2014. Reduced bioethanol supplies also contributed to the price recovery.

Because of declining gasoline consumption and largely unchanged mandatory blend ratios in EU member states, market analysts expect fuel-grade ethanol consumption in the EU market to fall 5.7 % to 5.2 million m^3 in 2014. In Germany, fuel-grade ethanol consumption is expected to come in at 1.5 million m^3 , slightly less than last year. Between January and July 2014, fuel-grade ethanol volume in Germany slid 2.1 % year-over-year to about 865 thousand m^3. In contrast, E10 volume during the same period rose 4.7 % and took a 15.4 % share of Germany's gasoline market.

GRAIN MARKET In its 11 September 2014 estimate for the 2014/15 harvest year, the US Department of Agriculture (USDA), predicted global grain production (excluding rice) to reach 1,989 million tonnes (– 0.1 %), only slightly lower than last year's record number. It is estimated that world grain consumption will climb 1.4 % to 1,965 million tonnes and global inventories are expected to jump 6.0 % to 420 million tonnes. The EU Commission estimates that the harvest for the 2014/15 grain marketing year will climb 2.7 % to 310 million tonnes, significantly higher than expected grain consumption of about 279 million tonnes (+ 2.1 %). The larger harvest is expected to boost global inventories 41 % to 46 million tonnes. More than half of the EU's grain harvest is used for animal feed. Continued only 3 % of the harvest will be allocated to produce bioethanol as well as animal feed and food byproducts out of bioethanol production.

European wheat prices on Euronext Paris fell from around 190 €/t at the beginning of June 2014 to around 175 €/t at the end of August 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 and 91 of the 2013/14 annual report (management report, economic report, CropEnergies segment) for details of the proposed amendments to these directives.

The European Parliament's draft directive dated 11 September 2014 calls for an increase in the percentage of conventional biofuels blended with gasoline to 6 %. The plenum calls for the introduction of a separate minimum blend ratio for renewable energies of 7.5 % for the gasoline sector. The Parliament also recommended that the ability to allocate biofuels from waste and scrap more than once be restricted and that a dedicated subquota of 2.5 % be introduced in 2020 for these biofuels.

On 13 June 2014, the European Council adopted a blend limit of 7 % for conventional biofuels and a nonbinding blend ratio commitment of 0.5 % for biofuels from waste and scrap (excluding used food-grade oils and animal fats). It has recommended a significantly higher multiple allocation of 2.5 and 5 respectively for electric drives from renewable sources in the rail and road traffic. The European Council did not concur with the EU Commission's recommendation to eliminate biofuel promotion after 2020.

The agreement reached by the European Council represents progress and is a prerequisite to terminate the uncertainty in the European biofuel industry soon. By increasing the share of conventional biofuels to 7 %, restricting multiple allocation of biofuels from waste and scrap and introducing greater controls concerning sustainability in its recommendation, the Council has considerably improved the EU Commission's original draft directive. However, the proposed multiple allocation of biofuels from waste and scrap and electricity in the transportation sector should be rejected. Multiple allocation would considerably reduce the incentive to utilize substitutes for fossil fuels and thus also greenhouse gas emission savings. It could also result in the "production" of scrap and further increase international trade in waste. For example, the British transport ministry has stated that in 2013/14, over one-third of the British biodiesel market's used food-grade oil originated outside the EU in countries such as Malaysia, South Korea, Saudi Arabia, United Arab Emirates and the United States. Restricting the volume of bioethanol produced from grain and sugar syrups originating from sustainable European cultivation and introducing iLUC factors ignores the benefits of integrated production of biofuels and protein-rich food and animal feed. These products contribute significantly to reducing the EU's protein deficit, thus reducing soya imports from South America. CropEnergies vigorously encourages the continuation of sustainable biofuel policies and supports national and European bioethanol associations in their efforts to establish a long-term, reliable framework for 2020 and beyond.

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. A mandatory blend ratio of 6.25 % is prescribed for the overall quota and will continue to apply until the end of 2014. Greenhouse gas savings in the fuel sector are to be raised from 3 to 3.5 % by weight in 2015 and 2016. However, contrary to current legislation, greenhouse gas savings targets are to be cut from 4.5 to 4 % by weight effective 2017 and from 7 to 6 % by weight effective 2020. Although the German bioethanol industry has argued hard in favour of the introduction of greenhouse gas savings quotas, it has also pointed out that the high potential of biofuels to cut greenhouse gases will not be realized as a result of the reduction in savings targets as of 2017.

BIOFUEL REGULATION IN BELGIUM In Belgium, legislators agreed on a new law to promote biofuels, which aims to support especially sustainable biofuels and incentivize the introduction of E10. The new law is currently being reviewed by the EU Commission.

Business performance

REVENUES AND OPERATING PROFIT CropEnergies was once again able to boost revenues to € 372 (341) million. Contributions from higher volumes of bioethanol and food and animal feed more than offset significantly lower sales revenues from ethanol. The plant in Wilton, Great Britain, which was not included in last year's report at this time, accounted for much of the volume increase. Production and volume were also higher at other locations.

Operating profit on the other hand dropped to € –4 (26) million during the period, due mainly to significantly reduced sales revenues from ethanol, which continued their downward trend in the second quarter. Although net raw material costs were also down substantially, the savings generated were not enough to offset the lower sales revenues.

INVESTMENTS The segment invested € 11 (7) million, mainly to broaden its product portfolio and improve plant efficiencies at its Belgian, German and UK sites.

Business performance – CropEnergies segment

		2nd quarter			1st half year		
		2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Revenues	€ million	**181**	**171**	**5.9**	**372**	**341**	**9.1**
EBITDA	€ million	0	19	–100.0	14	42	–67.9
Depreciation on fixed assets and intangible assets	€ million	–9	–8	12.7	–18	–16	12.6
Operating profit	€ million	**–9**	**11**	**–**	**–4**	**26**	**–**
Result from restructuring/special items	€ million	0	–3	–	–1	–2	–
Income from companies consolidated at equity	€ million	0	0	–50.0	0	0	–50.0
Income from operations	€ million	**–9**	**8**	**–**	**–5**	**24**	**–**
EBITDA margin	%	0.0	10.9		3.6	12.3	
Operating margin	%	–	6.2		–	7.7	
Investments in fixed assets[1]	€ million	9	4	> 100	11	7	62.9
Investments in financial assets/acquisitions	€ million	0	0	–	0	0	–
Total investments	€ million	**9**	**4**	**> 100**	**11**	**7**	**62.9**
Shares in companies consolidated at equity	€ million				1	2	–22.2
Capital employed	€ million				537	520	3.2
Employees					444	417	6.5

[1] Including intangible assets.

TABLE 10

Fruit segment

Market developments, economic policy, general framework

MARKETS Demand for fruit preparations continues to grow in non-European markets, while slightly declining in the EU. Current market numbers for the past fifty-two weeks indicate that demand in Europe slid 2 %, while it was up 4 % in Russia and remained steady in the United States (+ 0.2 %). The political uncertainty reduced demand in Ukraine, but percentagewise the drop is only in the single digits to date. Macroeconomic and political problems are also slowing market growth in North Africa and Argentina.

For fruit juice concentrates, consumption of juices with a high ratio of juice continues to trend lower, mainly in Germany. Prices for apple juice concentrate remain at a steady low level due to the excellent harvest.

RAW MATERIAL MARKETS This year's winter and spring harvests for tropical fruits and strawberries in regions with a Mediterranean climate (including Morocco, Egypt and Mexico) were average. Prices were driven by strong demand from the United States. In contrast, raw material supplies from summer harvests were excellent with few exceptions. As a result, prices for sour cherries, blackberries, black currents and peaches were sharply lower than last year. Inclement weather drove the price of most blueberries, raspberries and apricots higher than the year before.

Demand from the North American market is clearly rising. Drought and water shortages in California, one of the key regions catering to the American fruit and vegetables markets, caused strawberry and stone fruit harvests to be well below average. AGRANA compensates for this deficit by procuring materials from other competitive regions – chiefly Europe.

In the first half of 2014/15, fruit juice concentrates were produced mainly from pure juice from Poland. Favorable weather conditions led to excellent berry harvests and available volumes were high. Raw material prices were less than last year as a result of the volume and market developments. An excellent apple harvest is expected in all key European cultivation areas. Given the political conditions in Ukraine, additional price pressure is expected in the European raw material market.

Business performance

REVENUES AND OPERATING PROFIT The fruit segment's revenues for the first half of fiscal 2014/15 were sharply lower than last year at € 556 (628) million. Fruit preparations volume held steady as last year's level, but foreign currency exchange effects related to the strong euro caused revenues to decline. Revenues for fruit juice concentrates were down sharply as a result of lower sales revenues and volume, especially for the business unit's main product, apple juice concentrate.

The fruit segment's operating profit was also significantly less than last year, coming in at € 38 (43) million. However, the segment was able to maintain its operating margin, which is attributable to the successful implementation of material and structural cost savings programs in prior years.

The expenses of € 4 (0) million reported under the result from restructuring and special items relate to the rationalization of food preparation production sites in Austria.

INVESTMENTS The fruit segment invested € 21 (15) million in the first six months, primarily 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. Investments were also made by the fruit juice concentrates division, in particular to improve production efficiency.

Business performance – Fruit segment

		2nd quarter			1st half year		
		2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Revenues	€ million	**271**	**302**	**–10.2**	**556**	**628**	**–11.4**
EBITDA	€ million	26	28	–7.1	56	61	–8.0
Depreciation on fixed assets and intangible assets	€ million	–9	–9	4.5	–18	–18	1.1
Operating profit	€ million	**17**	**19**	**–12.4**	**38**	**43**	**–11.8**
Result from restructuring/special items	€ million	–5	0	–	–4	0	–
Income from companies consolidated at equity	€ million	0	0	–	0	0	–
Income from operations	€ million	**12**	**19**	**–36.3**	**34**	**43**	**–22.4**
EBITDA margin	%	9.7	9.3		10.1	9.7	
Operating margin	%	6.2	6.4		6.9	6.9	
Investments in fixed assets[1]	€ million	11	9	14.9	21	15	39.6
Investments in financial assets/acquisitions	€ million	0	0	–	0	0	–
Total investments	€ million	**11**	**9**	**14.9**	**21**	**15**	**39.6**
Shares in companies consolidated at equity	€ million				0	0	–
Capital employed	€ million				798	841	–5.2
Employees					6,078	5,766	5.4

[1] Including intangible assets.

TABLE 11

EVENTS AFTER THE BALANCE SHEET

No events of particular significance have occurred since 31 August 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 opportunities and risks. Information about the group's risk management system, risks and potential opportunities is provided in the 2013/14 annual report under "Risk management" on pages 99 to 110, and in the "Business report" as part of segment reporting. The opportunities and risks that arose in the first six months of fiscal 2014/15 beyond those presented in detail in the 2013/14 annual report are as follows:

Regulatory risks: The EU has stated that antidumping duties apply for bioethanol imported from the United States via Norway. New biofuel promotion legislation has been agreed in Belgium. It is currently being studied by the EU Commission. EU energy ministers have recommended limiting the ratio of biofuels in the transportation sector to 7 % in 2020 if arable crops are being used for their production. The German Federal Government has agreed upon draft legislation to introduce greenhouse gas savings quotas and has presented it to legislators.

Taking into account all known facts, we have not identified any risks, either individually or as a whole, that threaten the continued existence of Südzucker Group.

OUTLOOK

Group performance

We continue to expect consolidated group revenues to decline in fiscal 2014/15, to about € 7.0 (7.5) billion. We expect sugar segment revenues to drop significantly, special products segment revenues to remain steady, fruit segment revenues to decline slightly and a moderate rise in the CropEnergies segment's revenues.

The initial forecast for fiscal 2014/15 published as an Ad-hoc announcement in April 2014, which was last confirmed in conjunction with the release of first quarter business numbers and the annual general meeting, was based on the assumption that the business situation in the European sugar and ethanol markets will further deteriorate. These expectations have been confirmed and further reinforced. Achieving the projected significantly lower consolidated group operating profit of about € 200 (622) million has thus become more challenging. The decline in consolidated group operating profit continues to be driven primarily by sharply lower earnings in the sugar and CropEnergies segments. We now expect the special products segment's earnings to rise sharply. We continue to expect the fruit segment's earnings to remain stable.

Due to the sharply lower consolidated group operating profit, we also expect ROCE to drop significantly, while capital employed is expected to rise slightly.

Consolidated group operating profit for the third quarter of the current 2014/15 fiscal year will be significantly lower than last year at the same time. Starting in the third quarter, at the beginning of the new campaign year, the sugar segment will see a further decline in quota sugar sales revenues when new contracts become effective. Furthermore, inventories of product produced during the 2013 campaign when production costs were high will be sold in the third quarter at further declining price levels, which will have an additional negative impact on Q3 results.

Sugar segment

We expect the sugar segment's revenues to fall significantly in fiscal 2014/15, since the reduced sales revenues from the 2013/14 sugar marketing year will now impact the entire year. The continued sales revenue drop in the EU market is reinforcing the trend toward spot transactions. We also expect a significantly lower operating profit, mainly due to the further worsening of the business environment in the EU sugar market, which extended into the period covered by this report. Additional charges will result from the increase in fixed production costs because of the shorter 2013 campaign.

The significantly lower operating profit will result in a sharp drop in the sugar segment's ROCE, while capital employed will remain steady.

Achieving these forecasts is largely dependent on further developments in volumes and sales results in an increasingly difficult European sugar market environment. Our forecast also assumes the EU will not intervene further in the market, as we do not see any need for this given the high inventories.

In view of the increasing profit volatility and the changes to the EU's sugar policy effective 1 October 2017, the examining of our cost structures, particularly in the sugar segment, will be intensified.

Special products segment

We are now expecting the special products segment's fiscal 2014/15 revenue to remain stable and operating profit to rise sharply, with contributions from all divisions.

We expect the disproportionate increase in operating profit compared to the increase in capital employed to result in a higher ROCE.

CropEnergies segment

Low ethanol prices have clearly worsened the earnings situation of European bioethanol producers. Consequently CropEnergies continues to expect a challenging market environment, for which, as one of the leading producers, CropEnergies is well positioned. CropEnergies has revised its forecast for the fiscal year based on its performance during the first half of fiscal 2014/15. It now expects revenues to grow between 5 and 10 % to over € 750 million. Due to the continuing uncertainty regarding prices and market growth, CropEnergies is now forecasting an operating profit in a range between € –20 and 0 million.

Due to the lower operating profit, we expect ROCE to drop substantially, while capital employed is expected to remain stable.

Fruit segment

The fruit segment's fiscal 2014/15 operating profit should match last year's while revenues are expected to decline slightly from last year. Sharply lower revenues in the fruit juice concentrates division will not be offset completely by higher fruit preparations division volumes. We expect the fruit preparations division's operating profit to remain steady compared to last year's level despite startup costs for the new factory in the United States, while the fruit juice concentrates division's profit will be slightly less than last year's.

Overall, we expect ROCE to be unchanged as operating profit and capital employed remain steady.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [1]

€ million	1st half year			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Income Statement						
Revenues	**1,708.8**	**1,958.3**	**−12.7**	**3,481.5**	**3,936.8**	**−11.6**
Change in work in progress and finished goods inventories and internal costs capitalized	−477.9	−483.3	−1.1	−901.9	−961.6	−6.2
Other operating income	29.7	11.9	> 100	46.2	28.3	63.3
Cost of materials	−750.5	−848.1	−11.5	−1,563.2	−1,711.0	−8.6
Personnel expenses	−193.0	−193.2	−0.1	−387.5	−388.1	−0.2
Depreciation	−51.2	−50.4	1.6	−101.6	−99.0	2.6
Other operating expenses	−208.5	−210.4	−0.9	−419.9	−400.0	5.0
Income from companies consolidated at equity	9.1	14.6	−37.7	19.1	26.1	−26.8
Income from operations	**66.5**	**199.4**	**−66.6**	**172.7**	**431.5**	**−60.0**
Financial income	5.6	8.0	−30.0	16.6	16.9	−1.8
Financial expense	−18.5	−22.5	−17.8	−37.2	−45.8	−18.8
Earnings before income taxes	**53.6**	**184.9**	**−71.0**	**152.1**	**402.6**	**−62.2**
Taxes on income	−11.4	−40.9	−72.1	−32.9	−90.6	−63.7
Net earnings	**42.2**	**144.0**	**−70.7**	**119.2**	**312.0**	**−61.8**
of which attributable to Südzucker AG shareholders	26.3	115.5	−77.2	75.2	247.0	−69.6
of which attributable to hybrid capital	6.6	6.6	0.0	13.1	13.1	0.0
of which attributable to minority interests	9.3	21.9	−57.5	30.9	51.9	−40.5
Earnings per share (€)	**0.13**	**0.57**	**−77.2**	**0.37**	**1.21**	**−69.4**
Dilusion effect	0.00	0.00	–	0.00	0.00	–
Diluted earnings per share (€)	0.13	0.57	−77.2	0.37	1.21	−69.4
Other comprehensive income						
Net earnings	**42.2**	**144.0**	**−70.7**	**119.2**	**312.0**	**−61.8**
Market value of hedging instruments (cash flow hedge) after deferred taxes [2]	−7.3	−2.6	> 100	−5.8	−6.0	−3,3
Market value of securities (available for sale) after deferred taxes [2]	0.3	−0.4	–	1.1	−0.1	–
Exchange differences on net investments in foreign operations after deferred taxes	−1.3	0.4	–	−0.9	−1.8	−50.0
Foreign currency translation differences [2]	−10.7	−20.6	−48.1	4.0	−44.0	–
Income and expenses to be recognized in the income statement in the future	**−19.0**	**−23.2**	**−18.1**	**−1.6**	**−51.9**	**−96.9**
Remeasurement of defined benefit pension plans and similar obligations after deferred taxes [3]	−42.2	0.2	–	−84.5	0.1	–
Income and expenses recognized in other comprehensive income	**−61.2**	**−23.0**	**> 100**	**−86.1**	**−51.8**	**66.2**
Comprehensive income	**−19.0**	**121.0**	**–**	**33.1**	**260.2**	**−87.3**
of which attributable to Südzucker AG shareholders	−27.3	100.7	–	−4.6	207.9	–
of which attributable to hybrid capital	6.6	6.6	0.0	13.1	13.1	0.0
of which attributable to minority interests	1.7	13.7	−87.6	24.6	39.2	−37.2

[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	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Net earnings	42.2	144.0	−70.7	119.2	312.0	−61.8
Depreciation and amortization of intangible assets, fixed assets and other investments	51.2	50.4	1.6	101.6	99.0	2.6
Decrease (–) / Increase (+) in non-current provisions and deferred tax liabilities and increase (–) / decrease (+) in deferred tax assets	8.4	3.4	> 100	32.8	23.6	39.0
Other income (–) / expenses (+) not affecting cash	−7.4	6.4	–	−7.0	19.5	–
Cash flow	**94.4**	**204.2**	**−53.8**	**246.6**	**454.1**	**−45.7**
Gain (–) / Loss (+) on disposal of items included in non-current assets and of securities	−0.2	−0.2	0.0	1.4	−0.4	–
Decrease (–) / Increase (+) in current provisions	−9.0	−3.9	> 100	−38.8	−7.9	> 100
Increase (–) / decrease (+) in inventories, receivables and other current assets	520.4	557.7	−6.7	993.0	966.1	2.8
Decrease (–) / Increase (+) in liabilities (excluding financial liabilities)	−81.0	−64.3	26.0	−717.0	−802.7	−10.7
Increase (–) / Decrease (+) in working capital	**430.4**	**489.5**	**−12.1**	**237.2**	**155.5**	**52.5**
I. Net cash flow from operating activities	**524.6**	**693.5**	**−24.4**	**485.2**	**609.2**	**−20.4**
Investments in fixed assets and intangible assets	−101.6	−103.1	−1.5	−167.9	−166.1	1.1
Investments in financial assets	0.1	0.0	–	0.0	−0.2	−100.0
Investments	**−101.5**	**−103.1**	**−1.6**	**−167.9**	**−166.3**	**1.0**
Cash received on disposal of non-current assets	1.8	4.1	−56.1	0.7	5.3	−86.8
Cash paid (–) / received (+) for the purchase / sale of securities	−0.1	0.2	–	1.2	−48.9	–
II. Cash flow from investing activities	**−99.8**	**−98.8**	**1.0**	**−166.0**	**−209.9**	**−20.9**
Increases in stakes held in subsidiaries	0.0	0.0	–	−29.8	0.0	–
Capital decrease (–) / increase (+)/acquisiton (–)/sale (+) of own shares	0.0	0.3	−100.0	0.0	0.3	−100.0
Dividends paid	−168.3	−260.2	−35.3	−171.8	−260.2	−34.0
Repayment (–) / Issuance (+) of commercial papers	−122.0	−70.0	−64.9	110.0	0.0	–
Other Repayment (–) / Refund (+) of financial liabilities	−69.1	−197.1	−28.5	−82.0	−0.2	> 100
Repayment (–) / Refund (+) of financial liabilities	**−191.1**	**−267.1**	**−28.5**	28.0	**−0.2**	**–**
III. Cash flow from financing activities	**−359.4**	**−527.0**	**−31.8**	−173.6	**−260.1**	**−33.3**
Change in cash and cash equivalent (total of I., II. and III.)	**65.4**	**67.7**	**−3.4**	145.6	**139.2**	**4.6**
due to exchange rate changes	−6.4	−4.1	56.1	−5.2	−9.9	−47.5
due to changes in entities included in consolidation	0.0	0.5	−100.0	0.0	0.5	−100.0
Decrease (–) / Increase (+) in cash and cash equivalents	**59.0**	**64.1**	**−8.0**	**140.4**	**129.8**	**8.2**
Cash and cash equivalents at the beginning of the period	583.7	531.2	9.9	502.3	465.5	7.9
Cash and cash equivalents at the end of the period	**642.7**	**595.3**	**8.0**	**642.7**	**595.3**	**8.0**

€ million	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Dividends received from companies consolidated at equity and other investments	0.0	15.4	−100.0	4.0	19.9	−79.9
Interest receipts	4.3	4.0	7.5	13.5	14.2	−4.9
Interest payments	−3.1	−4.1	−24.4	−28.8	−29.1	−1.0
Income taxes paid	3.4	−17.0	–	−14.9	−55.8	−73.3

[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 August 2014	31 August 2013	+/– in %	28 February 2014	+/– in %
Assets					
Intangible assets	1,187.7	1,183.9	0.3	1,188.5	−0.1
Fixed assets	2,726.6	2,653.1	2.8	2,656.1	2.7
Shares in companies consolidated at equity	309.3	270.3	14.4	284.8	8.6
Other investments	23.8	23.9	−0.4	23.7	0.4
Securities	104.5	105.5	−0.9	104.6	−0.1
Other assets	26.3	54.8	−52.0	27.7	−5.1
Deferred tax assets	146.6	127.4	15.1	123.0	19.2
Non-current assets	**4,524.8**	**4,418.9**	**2.4**	**4,408.4**	**2.6**
Inventories	1,437.4	1,551.9	−7.4	2,359.7	−39.1
Trade receivables	960.2	1,066.3	−10.0	916.8	4.7
Other assets	264.3	232.7	13.6	373.1	−29.2
Current tax receivables	52.6	75.1	−30.0	63.7	−17.4
Securities	40.7	90.5	−55.0	40.8	−0.2
Cash and cash equivalents	642.7	595.3	8.0	502.3	28.0
Current assets	**3,397.9**	**3,611.8**	**−5.9**	**4,256.4**	**−20.2**
Total assets	**7,922.7**	**8,030.7**	**−1.3**	**8,664.8**	**−8.6**

€ million	**31 August 2014**	31 August 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	1,378.0	1,469.7	−6.2	1,486.1	−7.3
Equity attributable to shareholders of Südzucker AG	*3,197.1*	*3,288.8*	*−2.8*	*3,305.2*	*−3.3*
Hybrid capital	683.9	683.9	0.0	683.9	0.0
Other minority interests	665.8	795.6	−16.3	673.8	−1.2
Total equity	**4,546.8**	**4,768.3**	**−4.6**	**4,662.9**	**−2.5**
Provisions for pensions and similar obligations	783.4	695.8	12.6	657.6	19.1
Other provisions	99.8	85.3	17.0	81.5	22.5
Financial liabilities	671.0	748.6	−10.4	681.4	−1.5
Other liabilities	19.6	20.0	−2.0	18.2	7.7
Tax liabilities	75.9	97.3	−22.0	75.0	0.0
Deferred tax liabilities	91.1	94.3	−3.4	104.0	−12.4
Non-current liabilities	**1,740.8**	**1,741.3**	**0.0**	**1,617.7**	**7.6**
Other provisions	150.5	180.9	−16.8	189.5	−20.6
Financial liabilities	538.4	318.5	69.0	501.9	7.3
Trade payables	493.1	569.1	−13.4	1,145.3	−56.9
Other liabilities	364.6	358.8	1.6	464.3	−21.5
Current tax liabilities	88.5	93.8	−5.7	83.2	6.4
Current liabilities	**1,635.1**	**1,521.1**	**7.5**	**2,384.2**	**−31.4**
Total liabilities and equity	**7,922.7**	**8,030.7**	**−1.3**	**8,664.8**	**−8.6**
Net financial debt	421.5	275.8	52.8	535.6	−21.3
Equity ratio	57.4	59.4		53.8	
Net financial debt as % of equity (gearing)	9.3	5.8		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[1] on net investments			
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 August 2013	**204.2**	**0.0**	**1,614.9**
1 March 2014	**204.2**	**0.0**	**1,614.9**
Market valuations and exchange differences[1] on net investments			
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 August 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 share-holders	Hybrid capital	Other minority interests	Total equity
−12.0	**1,457.2**	**3,264.3**	**683.9**	**782.7**	**4,730.9**
−6.0		−6.0		−1.9	−7.9
−33.2		−33.2		−10.8	−44.0
−39.2		**−39.2**		**−12.7**	**−51.9**
	0.1	0.1		0.0	0.1
−39.2	**0.1**	**−39.1**		**−12.7**	**−51.8**
	247.0	247.0	13.1	51.9	312.0
−39.2	**247.1**	**207.9**	**13.1**	**39.2**	**260.2**
	−183.8	−183.8	−13.1	−39.7	−236.6
	0.0	0.0		14.2	14.2
	0.0	0.0			0.0
	0.4	0.4		−0.8	−0.4
−51.2	**1,520.9**	**3,288.8**	**683.9**	**795.6**	**4,768.3**
−77.8	**1,563.9**	**3,305.2**	**683.9**	**673.8**	**4,662.9**
−4.2		−4.2		−1.4	−5.6
5.4		5.4		−1.4	4.0
1.2		**1.2**		**−2.8**	**−1.6**
	−81.0	−81.0		−3.5	−84.5
1.2	**−81.0**	**−79.8**		**−6.3**	**−86.1**
	75.2	75.2	13.1	30.9	119.2
1.2	**−5.8**	**−4.6**	**13.1**	**24.6**	**33.1**
	−102.1	−102.1	−13.1	−33.0	−148.2
	0.0	0.0		0.0	0.0
	0.0	0.0			0.0
	−1.4	−1.4		0.4	−1.0
−76.6	**1,454.6**	**3,197.1**	**683.9**	**665.8**	**4,546.8**

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	11.4	−0.1	−2.2	−44.0	−34.9
Changes recognized in profit or loss	−20.4				−20.4
Deferred tax	3.0	0.0	0.4		3.4
31 August 2013	**−9.4**	**4.5**	**−12.4**	**−68.1**	**−85.4**
1 March 2014	**−2.5**	**3.2**	**−10.7**	**−114.3**	**−124.3**
Changes recognized in equity	−22.6	1.1	−1.1	4.0	−18.6
Changes recognized in profit or loss	13.2				13.2
Deferred tax	3.6	0.0	0.2		3.8
31 August 2014	**−8.3**	**4.3**	**−11.6**	**−110.3**	**−125.9**

[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	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Südzucker Group						
Gross revenues	**1,801.5**	**2,058.3**	**–12.5**	**3,667.3**	**4,126.1**	**–11.1**
Consolidation	–92.7	–100.0	–7.3	–185.8	–189.3	–1.8
Revenues	**1,708.8**	**1,958.3**	**–12.7**	**3,481.5**	**3,936.8**	**–11.6**
EBITDA	**102.6**	**237.5**	**–56.8**	**248.5**	**506.0**	**–50.9**
EBITDA margin	6.0 %	12.1 %		7.1 %	12.9 %	
Depreciation	–51.2	–50.1	2.2	–101.6	–98.7	2.9
Operating profit	**51.4**	**187.4**	**–72.6**	**146.9**	**407.3**	**–63.9**
Operating margin	3.0 %	9.6 %		4.2 %	10.3 %	
Result from restructuring/special items	6.0	–2.6	–	6.7	–1.9	–
Income from companies consolidated at equity	9.1	14.6	–37.7	19.1	26.1	–26.8
Income from operations	**66.5**	**199.4**	**–66.6**	**172.7**	**431.5**	**–60.0**
Investments in fixed assets[1]	101.6	103.1	–1.5	167.9	166.1	1.1
Investments in financial assets/acquisitions	–0.1	0.0	–	0.0	0.2	–100.0
Total investments	**101.5**	**103.1**	**–1.6**	**167.9**	**166.3**	**1.0**
Shares in companies consolidated at equity				309.3	270.3	14.4
Capital employed				5,723.6	5,730.9	–0.1
Number of employees				**18,477**	**18,100**	**2.1**
Sugar segment						
Gross revenues	**897.6**	**1,125.0**	**–20.2**	**1,819.9**	**2,221.2**	**–18.1**
Consolidation	–62.0	–74.5	–16.8	–121.8	–135.8	–10.3
Revenues	**835.6**	**1,050.5**	**–20.5**	1,698.1	**2,085.4**	**–18.6**
EBITDA	**38.0**	**159.5**	**–76.2**	**97.6**	**333.0**	**–70.7**
EBITDA margin	4.5 %	15.2 %		5.7 %	16.0 %	
Depreciation	–14.6	–14.9	–2.0	–29.2	–29.6	–1.4
Operating profit	**23.4**	**144.6**	**–83.8**	**68.4**	**303.4**	**–77.5**
Operating margin	2.8 %	13.8 %		4.0 %	14.5 %	
Result from restructuring/special items	10.6	–0.2	–	11.3	–0.5	–
Income from companies consolidated at equity	2.2	8.7	–74.7	5.3	12.3	–56.9
Income from operations	**36.2**	**153.1**	**–76.4**	**85.0**	**315.2**	**–73.0**
Investments in fixed assets[1]	52.0	61.2	–15.0	80.3	95.5	–15.9
Investments in financial assets/acquisitions	–0.1	0.0	–	0.0	0.2	–100.0
Total investments	**51.9**	**61.2**	**–15.2**	**80.3**	**95.7**	**–16.1**
Shares in companies consolidated at equity				243.4	205.0	18.7
Capital employed				3,052.0	3,048.6	0.1
Number of employees				**7,528**	**7,555**	**–0.4**

[1] Including intangible assets.

TABLE 17

€ million	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Special products segment						
Gross revenues	436.0	445.3	–2.1	886.7	905.4	–2.1
Consolidation	–14.5	–10.0	45.0	–31.7	–22.9	38.4
Revenues	421.5	435.3	–3.2	855.0	882.5	–3.1
EBITDA	38.4	31.3	22.7	81.3	69.9	16.3
EBITDA margin	9.1 %	7.2 %		9.5 %	7.9 %	
Depreciation	–18.4	–18.4	–	–36.7	–35.6	3.1
Operating profit	20.0	12.9	55.0	44.6	34.3	30.0
Operating margin	4.7 %	3.0 %		5.2 %	3.9 %	
Result from restructuring/special items	0.0	–0.1	–100.0	0.0	0.9	–100.0
Income from companies consolidated at equity	7.0	6.1	14.8	13.9	14.0	–0.7
Income from operations	27.0	18.9	42.9	58.5	49.2	18.9
Investments in fixed assets[1]	30.1	28.3	6.4	55.4	48.7	13.8
Investments in financial assets/acquisitions	0.0	0.0	–	0.0	0.0	–
Total investments	30.1	28.3	6.4	55.4	48.7	13.8
Shares in companies consolidated at equity				64.5	63.5	1.6
Capital employed				1,337.1	1,321.1	1.2
Number of employees				4,427	4,362	1.5
CropEnergies segment						
Gross revenues	196.7	185.8	5.9	404.6	371.6	8.9
Consolidation	–16.2	–15.3	5.9	–32.2	–30.3	6.3
Revenues	180.5	170.5	5.9	372.4	341.3	9.1
EBITDA	0.0	18.5	–100.0	13.5	42.1	–67.9
EBITDA margin	0.0 %	10.9 %		3.6 %	12.3 %	
Depreciation	–8.9	–7.9	12.7	–17.9	–15.9	12.6
Operating profit	–8.9	10.6	–	–4.4	26.2	–
Operating margin	–	6.2 %		–	7.7 %	
Result from restructuring/special items	0.0	–2.3	–	0.0	–2.3	–
Income from companies consolidated at equity	–0.1	–0.2	–50.0	–0.1	–0.2	–50.0
Income from operations	–9.0	8.1	–	–4.5	23.7	–
Investments in fixed assets[1]	8.7	4.2	> 100	11.4	7.0	62.9
Investments in financial assets/acquisitions	0.0	0.0	–	0.0	0.0	–
Total investments	8.7	4.2	> 100	11.4	7.0	62.9
Shares in companies consolidated at equity				1.4	1.8	–22.2
Capital employed				537.0	520.2	3.2
Number of employees				444	417	6.5

[1] Including intangible assets.

TABLE 17

€ million	2nd quarter			1st half year		
	2014/15	2013/14	+/– in %	2014/15	2013/14	+/– in %
Fruit segment						
Gross revenues	**271.2**	**302.2**	**–10.3**	**556.1**	**627.9**	**–11.4**
Consolidation	0.0	–0.2	–100.0	–0.1	–0.3	–66.7
Revenues	**271.2**	**302.0**	**–10.2**	**556.0**	**627.6**	**–11.4**
EBITDA	**26.2**	**28.2**	**–7.1**	**56.1**	**61.0**	**–8.0**
EBITDA margin	9.7 %	9.3 %		10.1 %	9.7 %	
Depreciation	–9.3	–8.9	4.5	–17.8	–17.6	1.1
Operating profit	**16.9**	**19.3**	**–12.4**	**38.3**	**43.4**	**–11.8**
Operating margin	6.2 %	6.4 %		6.9 %	6.9 %	
Result from restructuring/special items	–4.6	0.0	–	–4.6	0.0	–
Income from companies consolidated at equity	0.0	0.0	–	0.0	0.0	–
Income from operations	**12.3**	**19.3**	**–36.3**	**33.7**	**43.4**	**–22.4**
Investments in fixed assets[1]	10.8	9.4	14.9	20.8	14.9	39.6
Investments in financial assets/acquisitions	0.0	0.0	–	0.0	0.0	–
Total investments	**10.8**	**9.4**	**14.9**	**20.8**	**14.9**	**39.6**
Shares in companies consolidated at equity				0.0	0.0	–
Capital employed				797.5	841.0	–5.2
Number of employees				**6,078**	**5,766**	**5.4**

[1] Including intangible assets.

TABLE 17

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

Südzucker Group's interim financial statements as of 31 August 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 August 2014 have been condensed as per IAS 34. The consolidated interim statements dated 31 August 2014 were not subjected to any inspection or audit review. Südzucker AG's board of directors prepared these interim financial statements on 29 September 2014.

As presented in the notes to the financial statements of the 2013/14 annual report under item (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 2.50 % on 31 August 2014; the discount rate had been reduced to 3.00 % on 31 May 2014. The discount rate applied throughout fiscal 2013/14 was 3.50 %.

Income taxes were calculated on the basis of local corporate income tax rates in consideration of the income tax forecast for the entire fiscal 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 Südzucker's 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. These are then taken into account during subsequent sugar production when determining the production costs of the sugar produced and thus recognized under inventories as part of the finished goods.

The same accounting and valuation methods as those used to prepare the group annual financial statements dated 28 February 2014 were applied for the remainder of this interim report. The relevant explanatory notes under item 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/ and/or www.suedzucker.de/en/Investor-Relations/.

IFRS presentation changes

The first-time adoption of IFRS 11 (Joint Arrangements) at the beginning of fiscal 2014/15 had an impact on the balance sheet, the statement of comprehensive income and other items of the financial statements since the previously proportionally consolidated joint ventures of Studen Group (sugar segment), Hungrana Group (special products segment) and CT Biocarbonic GmbH (CropEnergies segment) are included at equity effective the beginning of fiscal 2014/15. 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 18

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 earnings 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 are presented as operating profit. The following tables include the values published last year in accordance with IAS 8 in the first quarter of fiscal 2013/14; that is, 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 August 2013

€ million	Amount adjusted 1st half year 2013/14	Adjustment	Amount reported 1st half year 2013/14
Income Statement			
Revenues	**3,936.8**	**−109.0**	**4,045.8**
EBITDA	**506.0**	**−21.4**	**527.4**
Depreciation	−98.7	4.2	−102.9
Operating profit	**407.3**	**−17.2**	**424.5**
Result from restructuring/special items	−1.9	−0.0	−1.9
Income from companies consolidated at equity	26.1	26.1	0.0
Income from operations	**431.5**	**8.9**	**422.6**
Income from companies consolidated at equity	0.0	−12.7	12.7
Financial income	16.9	−0.1	17.0
Financial expense	−45.8	0.3	−46.1
Earnings before income taxes	**402.6**	**−3.6**	**406.2**
Taxes on income	−90.6	3.6	−94.2
Net earnings	**312.0**	**0.0**	**312.0**
of which attributable to Südzucker AG shareholders	247.0	0.0	247.0
of which attributable to hybrid capital	13.1	0.0	13.1
of which attributable to minority interests	51.9	0.0	51.9
Earnings per share (€)	**1.21**	**0.00**	**1.21**
Dilusion effect	0.00	0.00	0.00
Diluted earnings per share	1.21	0.00	1.21
Comprehensive income	**260.2**	**0.0**	**260.2**
of which attributable to Südzucker AG shareholders	207.9	0.0	207.9
of which attributable to hybrid capital	13.1	0.0	13.1
of which attributable to minority interests	39.2	0.0	39.2

TABLE 19

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

€ million	Amount adjusted 1st half year 2013/14	Adjustment	Amount reported 1st half year 2013/14
Cash flow	**454.1**	**13.4**	**440.7**
Gain (–) / Loss (+) on disposal of items included in non-current assets and of securities	−0.4	0.0	−0.4
Increase (–) / Decrease (+) in working capital	155.5	−10.5	166.0
I. Net cash flow from operating activities	**609.2**	**2.9**	**606.3**
Investments in fixed assets and intangible assets	−166.1	3.7	−169.8
Investments in financial assets	−0.2	−0.0	−0.2
Investments	**−166.3**	**3.7**	**−170.0**
Cash received on disposal of non-current assets	5.3	−0.2	5.5
Cash paid (–) / received (+) for the purchase / sale of securities	−48.9	0.0	−48.9
II. Cash flow from investing activities	**−209.9**	**3.5**	**−213.4**
III. Cash flow from financing activities	**−260.1**	**6.2**	**−266.3**
Change in cash and cash equivalent (total of I., II. and III.)	**139.2**	**12.6**	**126.6**
Change in cash and cash equivalents			
due to exchange rate changes	−9.9	0.5	−10.4
due to changes in entities included in consolidation	0.5	0.0	0.5
Decrease (–) / Increase (+) in cash and cash equivalents	**129.8**	**13.1**	**116.7**
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	**595.3**	**−4.9**	**600.2**

TABLE 20

Balance sheet as at 31 August 2013 and 28 February 2014

€ million	Amount adjusted 31.08.2013	Adjustment	Amount reported 31.08.2013	Amount adjusted 28.02.2014	Adjustment	Amount reported 28.02.2014
Assets						
Intangible assets	1,183.9	−2.1	1,186.0	1,188.5	−4.5	1,193.0
Fixed assets	2,653.1	−77.1	2,730.2	2,656.1	−73.1	2,729.2
Shares in companies consolidated at equity	270.3	71.2	199.1	284.8	58.5	226.3
Other investments	23.9	−4.5	28.4	23.7	−0.1	23.8
Securities	105.5	0.0	105.5	104.6	0.0	104.6
Other assets	54.8	−0.1	54.9	27.7	0.1	27.6
Deferred tax assets	127.4	−0.8	128.2	123.0	−0.4	123.4
Non-current assets	**4,418.9**	**−13.4**	**4,432.3**	**4,408.4**	**−19.5**	**4,427.9**
Inventories	1,551.9	−19.4	1,571.3	2,359.7	−26.8	2,386.5
Trade receivables	1,066.3	−25.1	1,091.4	916.8	−14.2	931.0
Other assets	232.7	7.4	225.3	373.1	5.8	367.3
Current tax receivables	75.1	−0.8	75.9	63.7	−0.1	63.8
Securities	90.5	0.0	90.5	40.8	0.0	40.8
Cash and cash equivalents	595.3	−4.9	600.2	502.3	−8.8	511.1
Current assets	**3,611.8**	**−42.8**	**3,654.6**	**4,256.4**	**−44.1**	**4,300.5**
Total assets	**8,030.7**	**−56.2**	**8,086.9**	**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	1,469.7	0.0	1,469.7	1,486.1	0.0	1,486.1
Equity attributable to shareholders of Südzucker AG	*3,288.8*	*0.0*	*3,288.8*	*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	795.6	0.0	795.6	673.8	0.0	673.8
Shareholders' equity	**4,768.3**	**0.0**	**4,768.3**	**4,662.9**	**0.0**	**4,662.9**
Provisions for pensions and similar obligations	695.8	−0.1	695.9	657.6	0.0	657.6
Other provisions	85.3	−97.3	182.6	81.5	0.0	81.5
Financial liabilities	748.6	−6.6	755.2	681.4	−5.6	687.0
Other liabilities	20.0	0.1	19.9	18.2	−0.1	18.3
Tax liabilities	97.3	97.3	0.0	75.0	0.0	75.0
Deferred tax liabilities	94.3	−0.9	95.2	104.0	−3.1	107.1
Non-current liabilities	**1,741.3**	**−7.5**	**1,748.8**	**1,617.7**	**−8.8**	**1,626.5**
Other provisions	180.9	0.0	180.9	189.5	0.0	189.5
Financial liabilities	318.5	−25.8	344.3	501.9	−28.9	530.8
Trade payables	569.1	−9.7	578.8	1,145.3	−14.7	1,160.0
Other liabilities	358.8	−13.2	372.0	464.3	−10.6	474.9
Current tax liabilities	93.8	0.0	93.8	83.2	−0.6	83.8
Current liabilities	**1,521.1**	**−48.7**	**1,569.8**	**2,384.2**	**−54.8**	**2,439.0**
Total liabilities and shareholders' equity	**8,030.7**	**−56.2**	**8,086.9**	**8,664.8**	**−63.6**	**8,728.4**
Net financial debt	275.8	−27.5	303.3	535.6	−25.7	561.3
Equity ratio in %	59.4		59.0	53.8		53.4
Net financial debt as % of equity (gearing)	5.8		6.4	11.5		12.0

TABLE 21

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

(2) Companies included in consolidation

As of the end of the first half of fiscal 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, 14 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 August 2014 was based on a time-weighted average of 204.2 million shares outstanding. Earnings per share came in at € 0.13 (0.57) for the second quarter and € 0.37 (1.21) for the first fiscal half and were not diluted.

(4) Inventories

€ million 31 August	2014	2013
Raw materials and supplies	401.2	423.1
Work in progress and finished goods		
Sugar segment	627.7	705.7
Special products segment	176.5	177.3
CropEnergies segment	38.0	26.6
Fruit segment	112.4	138.6
Total of work in progress and finished goods	954.6	1,048.2
Merchandise	81.6	80.6
	1,437.4	**1,551.9**

TABLE 22

Inventories were lower than the year prior at € 1,437.4 (1,551.9) million, mainly due to lower raw material costs and lower inventory levels. The sugar segment depreciated inventories in the amount of € 17.7 (0.0) million because of lower net sales revenues for quota sugar from the 2013/14 campaign.

(5) Trade receivables and other assets

€ million 31 August	Remaining term 2014	to 1 year	over 1 year	Remaining term 2013	to 1 year	over 1 year
Trade receivables	**960.2**	**960.2**	**0.0**	**1,066.3**	**1,066.3**	**0.0**
Receivables due from the EU	44.9	44.9	0.0	4.3	4.3	0.0
Other taxes recoverable	69.5	69.5	0.0	89.1	89.1	0.0
Positive market value derivatives	3.6	3.6	0.0	3.6	3.6	0.0
Remaining financial assets	98.5	72.2	26.3	122.6	67.8	54.8
Remaining non financial assets	74.1	74.1	0.0	67.9	67.9	0.0
Other assets	**290.6**	**264.3**	**26.3**	**287.5**	**232.7**	**54.8**

TABLE 23

Trade receivables tracked declining revenues and were thus lower than the year prior at € 960.2 (1,066.3) million. Receivables from the EU in the amount of € 44.9 (4.3) million include the claims against the EU for reimbursement from the excess production levy imposed for 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 August	Remaining term 2014	to 1 year	over 1 year	Remaining term 2013	to 1 year	over 1 year
Liabilities to beet growers	61.1	61.1	0.0	159.4	159.4	0.0
Liabilities to other trade trade payables	432.0	432.0	0.0	409.7	409.7	0.0
Trade payables	**493.1**	**493.1**	**0.0**	**569.1**	**569.1**	**0.0**
Liabiliities for production levy	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities for personnel expenses	96.7	95.7	1.0	109.5	108.5	1.0
Liabilities for other taxes and social security contributions	59.3	59.3	0.0	65.9	65.9	0.0
Negative market value derivatives	19.2	19.2	0.0	14.7	14.7	0.0
Remaining financial liabilities	197.0	178.4	18.6	175.0	156.0	19.0
Remaining non financial liabilities	10.4	10.4	0.0	13.3	13.3	0.0
On-account payments received on orders	1.6	1.6	0.0	0.4	0.4	0.0
Other liabilities	**384.2**	**364.6**	**19.6**	**378.8**	**358.8**	**20.0**

TABLE 24

Liabilities for personnel expenses mainly represent commitments for bonuses, premiums, vacation and overtime pay. Other financial liabilities totaling € 197.0 (175.0) million include, among other things, outstanding claims of beet growers effective 31 August 2014 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. The claims had not yet been recognized this time last year. Other non-financial liabilities totaling € 10.4 (13.3) million mainly include accrued and deferred items.

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

€ million		Remaining term			Remaining term	
31 August	2014	to 1 year	over 1 year	2013	to 1 year	over 1 year
Bonds	635.2	226.9	408.3	433.4	26.9	406.5
of which convertible	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to banks	573.9	311.4	262.5	633.4	291.5	341.9
Liabilities from finance leasing	0.3	0.1	0.2	0.3	0.1	0.2
Financial liabilities	**1,209.4**	**538.4**	**671.0**	**1,067.1**	**318.5**	**748.6**
Securities (non-current assets)	−104.5			−105.5		
Securities (current assets)	−40.7			−90.5		
Cash and cash equivalents	−642.7			−595.3		
Investments in securities and cash and cash equivalents	**−787.9**			**−791.3**		
Net financial debt	**421.5**			**275.8**		

TABLE 25

Financial liabilities rose € 142.3 million to € 1,209.4 (1,067.1) million with an almost unchanged investment level (securities, cash and cash equivalents) totaling € 787.9 (791.3) million. As a result, net financial debt rose € 145.7 million to € 421.5 (275.8) million.

(8) Additional disclosures on financial instruments

CARRYING AMOUNTS AND FAIR VALUES The following table shows the changed carrying amounts and applicable 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; that is, the price that would be paid for the transfer of a liability in an orderly transaction between market participants at the measurement date.

€ million 31. August	IAS 39 measurement category	2014 Carrying amount	2014 Fair value	2013 Carrying amount	2013 Fair value
Bonds	Financial liabilities measured at armotised cost	635.2	679.0	433.4	478.6
Liabilities to banks	Financial liabilities measured at armotised cost	573.9	581.0	633.4	639.1
Liabilities from finance leasing	n/a	0.3	0.3	0.3	0.3
Gross financial liabilities		**1,209.4**	**1,260.3**	**1,067.1**	**1,118.0**

TABLE 26

The carrying amount of cash and cash equivalents, trade receivables and other financial receivables, trade payables and other 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 I: 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 31 August	Fair value hierachy 2014	Evaluation level 1	Evaluation level 2	2013	Evaluation level 1	Evaluation level 2
Securities – Available for Sale	60.2	20.2	40.0	111.0	71.0	40.0
Positive market values – derivatives without hedge accounting	3.3	2.5	0.8	3.4	0.0	3.4
Positive market values – hedge accounting derivatives	0.3	0.0	0.3	0.2	0.0	0.2
Financial assets	**63.8**	**22.7**	**41.1**	**114.6**	**71.0**	**43.6**
Negative market values – derivatives without hedge accounting	4.2	0.5	3.7	7.6	0.9	6.7
Negative market value – hedge accounting derivatives	15.0	7.9	7.1	7.1	4.9	2.2
Financial liabilities	**19.2**	**8.4**	**10.8**	**14.7**	**5.8**	**8.9**

TABLE 27

For more details on how the fair value of each financial instrument is determined and their allocation to measurement levels, please refer to the notes to the consolidated financial statements in the 2013/14 annual report under item (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 in the notes to the 2013/14 annual report under item (36) on pages 199 to 201.

(10) Personnel changes on the supervisory board

The following changes occurred among shareholder representatives on the supervisory board during the period covered by this report: Supervisory board shareholder representatives Dr. Ralf Bethke, Deidesheim, and Dr. Christian Konrad, Vienna, Austria, had resigned from the supervisory board effective as of the adjournment of the annual general meeting on 17 July 2014. As a result, two new shareholder representatives had to be elected for the remaining term of office of the current supervisory board. At the recommendation of the supervisory board, shareholders at the annual general meeting on 17 July 2014 chose Ms Veronika Haslinger, Vienna, CEO of Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H., Vienna and Ms Susanne Kunschert, Stuttgart, managing shareholder of Pilz GmbH & Co. KG, Ostfildern, Germany, as their new representatives on the supervisory board. Both elections are effective the end of the 17 July 2014 annual general meeting, for the remaining term of office of the present supervisory board; that is, to the end of the annual general meeting at which shareholders will vote on ratification for fiscal 2016/17.

At its meeting of 16 July 2014, the supervisory board chose Mr. Erwin Hameseder to succeed Dr. Konrad as the second deputy supervisory board chair. The election is effective as of the close of the annual general meeting of 17 July 2014.

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 fiscal year.

Mannheim, 29 September 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 report contains forward looking statements. The statements are based on current assumptions and estimates made by the executive board and information currently available to its members. The forward looking statements are not to be viewed as guarantees of the future developments and results presented therein. Future developments and results are in fact dependent on a variety of factors and are subject to various risks and imponderables. They are based on assumptions that could in fact prove to be invalid. The risk management report in the 2013/14 annual report on pages 99 to 110 presents an overview of the risks. It is supplemented by information in this interim report. We assume no obligation to update the forward-looking statements made in this report.

SÜDZUCKER AG

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Published by

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