

INVITATION FOR THE ANNUAL GENERAL MEETING

on Thursday, 16 July 2015



INVITATION AND AGENDA FOR THE ANNUAL GENERAL MEETING

of
Südzucker AG,
Mannheim

on Thursday, 16 July 2015 at 10 a.m.

at the Congress Center Rosengarten,
Rosengartenplatz 2, 68161 Mannheim, Germany

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We invite our shareholders to attend the

Annual General Meeting,

which will be held at the Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany, on Thursday, 16 July 2015 at 10 a.m. CEST.

I. AGENDA

1. Present the adopted annual financial statements and management report (including notes to the statements pursuant to section 289 (4) and (5) of the German Commercial Code (HGB)) for the fiscal year 2014/15, the approved consolidated financial statements and management report (including notes to the disclosed information pursuant to section 315 (4) HGB) for the fiscal year 2014/15 and the report of the supervisory board.
2. Appropriation of retained earnings
3. Formal approval of the actions of the members of the executive board for the fiscal year 2014/15
4. Formal approval of the actions of the members of the supervisory board for the fiscal year 2014/15
5. Election of the auditors and group auditors for the fiscal year 2015/16
6. Election of supervisory board members
7. Cancellation of the existing authorized capital, creation of new authorized capital (with option to exclude subscription rights) and amendment of the Articles of Incorporation
8. Authorization to acquire treasury shares including utilization under exclusion of subscription rights
9. Authorization to acquire treasury shares using derivatives including utilization under exclusion of subscription rights

10. Waiver of the disclosure of individual remuneration of the executive board members in the notes to the annual financial statements and the consolidated annual financial statements

II. PROPOSED RESOLUTIONS

ITEM 1

Present the adopted annual financial statements and management report (including notes to the statements pursuant to section 289 (4) and (5) of the German Commercial Code (HGB)) for the fiscal year 2014/15, the approved consolidated financial statements and management report (including notes to the disclosed information pursuant to section 315 (4) HGB) for the fiscal year 2014/15 and the report of the supervisory board.

In its meeting on 20 May 2015, the supervisory board endorsed the annual financial statements and consolidated financial statements prepared by the executive board. The annual financial statements are thus adopted. In accordance with applicable law, there is thus no resolution required regarding this item.

ITEM 2

Appropriation of retained earnings

The executive and supervisory boards propose net retained earnings of Südzucker AG for fiscal year 2014/15 of € 51,145,612.44 to be used as follows:

Distribution of a dividend of € 0.25 per share on 204,183,292 no-par value bearer shares	€ 51,045,823.00
Earnings carried forward	€ 99,789.44
Retained earnings	€ 51,145,612.44

The number of dividend-bearing shares may change by the date of the annual general meeting. In such case, an amended recommendation regarding appropriation of retained earnings will be presented to shareholders at the annual general meeting, which will reflect an unchanged dividend per dividend-bearing share and amended earnings carried forward.

The dividend will be paid on 17 July 2015.

ITEM 3**Formal approval of the actions of the members of the executive board for the fiscal year 2014/15**

The supervisory board and the executive board propose that formal approval of the actions of the members of the executive board be given for the fiscal year 2014/15.

ITEM 4**Formal approval of the actions of the members of the supervisory board for the fiscal year 2014/15**

The executive board and supervisory board propose that formal approval of the actions of the members of the supervisory board be given for the fiscal year 2014/15.

ITEM 5**Election of the auditors and group auditors for the fiscal year 2015/16**

The supervisory board proposes that PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main be elected as auditor and group auditor for the fiscal year 2015/16.

ITEM 6**Election of supervisory board members**

Supervisory board shareholder representative Erhard Landes, Donauwörth, resigned from the supervisory board effective as of the end of the annual general meeting on 16 July 2015 in accordance with the supervisory board rules of procedure of Südzucker AG. As a result, a shareholder representative must be elected for the remaining term of office of the current supervisory board.

The supervisory board proposes to elect

Helmut Friedl, residing in 86492 Egling a. d. Paar, agricultural operations manager and instructor at the Technical School of Agricultural Economics (Technikerschule für Agrarwirtschaft) in Landsberg am Lech,

to the supervisory board to replace the departing member as shareholder representative, effective as of the end of the annual general meeting on 16 July 2015, for the remaining term of office of the present supervisory board, i.e. to the end of the annual general meeting at which shareholders will vote on ratification for the fiscal year 2016/17.

Further information about the recommended candidate is available at the company's website at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

The supervisory board of Südzucker AG consists of ten shareholder representatives and ten employee representatives pursuant to section 96 (1) and section 101 (1) of the German Stock Corporation Act (AktG) and section 1 (1) and section 7 (1) no. 3 of the German Codetermination Act (MitbestG). On 1 May 2015 the "Act on Equal Participation of Women and Men in Executive Positions" (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen) came into force in the private and public sector in Germany. In amendment to the Stock Corporation Act (AktG), this new act stipulates that the supervisory board of a listed company subject to the Codetermination Act (Mitbestimmungsgesetz), the Coal and Steel Codetermination Act (Montan-Mitbestimmungsgesetz) or the Codetermination Supplementary Act (Mitbestimmungsergänzungsgesetz) must, in accordance with section 96 (2) sentence 1 AktG (latest revision), be made up of at least 30 % women and at least 30 % men. However, this minimum quota will not apply immediately. It will come into force on 1 January 2016, but will only apply to supervisory board positions that become vacant on or after this date. The statutory minimum quota of 30 % women and men, respectively, on the supervisory board is therefore to be considered only for vacancies filled on or after 1 January 2016. Existing board memberships may be exercised up to their regular period end. Nevertheless, upon entry into force of the new law, the announcement of the annual general meeting must, pursuant to section 124 (2) sentence 2 AktG (latest revision), include additional mandatory information regarding the aforementioned minimum quota. We hereby satisfy this obligation by providing the following information: From 1 January 2016, a minimum of six members of the company's supervisory board must

be women and six members must be men, respectively, in order to satisfy the statutory minimum quota of 30 %; the statutory minimum quota of 30 % must then be considered exclusively when filling vacancies. In its present composition, the supervisory board will be able to meet the statutory minimum quota of 30 % overall since neither the shareholder representatives nor the employee representatives on the company's supervisory board have objected to full compliance with this requirement. At the time this invitation to the annual general meeting was announced, 20 % of the company's supervisory board was made up of women.

The recommended candidate reflects the supervisory board's agreed composition targets. Shareholders at the general meeting are not obliged to vote for candidates proposed by the supervisory board.

Helmut Friedl is not a member of any German company's statutory supervisory board nor is he a member of a comparable domestic or foreign supervisory panel at any other company.

Disclosures pursuant to clause 5.4.1 paragraphs 4 to 6 of the German Corporate Governance Code:

Helmut Friedl is a beet farmer and as such a supplier to the company. He is chairman of the executive board of Verband der Zuckerrübenanbauer e.V., which is a member of Verband Süddeutscher Zuckerrübenanbauer e. V. (VSZ), which in turn is a member of Süddeutsche Zuckerrübenverwertungsgenossenschaft eG (SZVG). Mr. Friedl is a member of the executive board of VSZ and he is expected to be proposed for election to the executive board of SZVG.

ITEM 7

Cancellation of the existing authorized capital, creation of new authorized capital (with option to exclude subscription rights) and amendment of the Articles of Incorporation

The existing Authorized Capital 2013 pursuant to article 4 (4) of the Articles of Incorporation was not utilized. The current resolution proposes that Authorized Capital 2013 be canceled and new Authorized Capital in the amount of € 20,000,000 be established, which corresponds to about 9.8 % of the € 204,183,292 of the share capital existing at the time of the resolution.

The executive and supervisory boards propose to resolve that:

- a) The existing Authorized Capital 2013 pursuant to article 4 (4) of the Articles of Incorporation be canceled effective upon entry of the new authorized capital (defined in the following under b) and c)) into the Commercial Registry pursuant to an amendment to article 4 (4) of the Articles of Incorporation.
- b) Subject to approval by the supervisory board, the executive board shall be authorized to increase the company's share capital once or several times until 15 July 2020 by up to € 20,000,000, by issuing new no-par value bearer shares in exchange for cash contributions and/or contributions in kind, for the entire amount or in tranches (Authorized Capital 2015).

For shares issued in exchange for contributions in kind, the executive board, subject to approval by the supervisory board, shall be authorized to exclude subscription rights of shareholders to acquire shares in connection with (i) corporate mergers, (ii) the acquisition of companies, parts of companies, shares of companies (including adding to existing interests in other companies) or other assets in connection with acquisition projects or (iii) the acquisition of other assets (including claims by third parties against the company or affiliated companies).

If share capital is increased in exchange for cash contributions, shareholders are generally granted subscription rights. The shares may also be taken over by one or more banks or entities pursuant to section 186 (5) sentence 1 of the German Stock Corporation Act (AktG), with the obligation to offer these shares to shareholders of the company (indirect subscription right).

However, the executive board shall be authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights if the issue price of the new shares is not significantly lower than the market price of a similar type of the company's stock at the time of finalizing the issue price. This authorization only applies if the total number of shares issued under exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG does not exceed 10 % of the share capital, neither at the time of coming into force nor at the time of exercising this authorization. The limit of 10 % of the share capital includes shares that (i) are issued or sold during the term of this authorization under exclusion of sub-

scription rights with direct or appropriate application of section 186 (3) sentence 4 AktG and/or (ii) are issued or can be issued to service conversion and/or option rights or conversion obligations associated with convertible bonds or warrant bonds or profit participation rights, provided these bonds are issued during the term of this authorization by way of appropriate application of section 186 (3) sentence 4 AktG under exclusion of subscription rights of shareholders of the company or one of its affiliated companies.

The executive board shall be further authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights to the extent required in order to grant subscription rights for new no-par value bearer shares of the company to holders of conversion and/or option rights or holders of convertible bonds, warrant bonds or profit participation rights, issued by the company or one of its affiliated companies, to the extent to which such holders would be entitled as shareholders upon exercising their option or conversion rights or after fulfillment of conversion obligations.

The executive board shall be further authorized, subject to approval by the supervisory board, to exclude fractional amounts from the shareholder subscription rights.

The aforementioned authorizations to exclude subscription rights shall be granted independently of one another.

The executive board shall also be authorized, subject to approval by the supervisory board, to stipulate other details regarding share rights and the terms and conditions under which shares are issued.

The supervisory board shall be authorized to amend the wording of the Articles of Incorporation in accordance with the scope of the respective capital increase from Authorized Capital 2015.

c) Article 4 (4) of the Articles of Incorporation shall be amended as follows:

“(4) Subject to approval by the supervisory board, the executive board is authorized to increase the company’s share capital once or several times until 15 July 2020 by up to € 20,000,000,

by issuing new no-par value bearer shares in exchange for cash contributions and/or contributions in kind, for the entire amount or in tranches (Authorized Capital 2015).

For shares issued in exchange for contributions in kind, the executive board, subject to approval by the supervisory board, is authorized to exclude subscription rights of shareholders to acquire shares in connection with (i) corporate mergers, (ii) the acquisition of companies, parts of companies, shares of companies (including adding to existing interests in other companies) or other assets in connection with acquisition projects or (iii) the acquisition of other assets (including claims by third parties against the company or affiliated companies).

If share capital is increased in exchange for cash contributions, shareholders are generally granted subscription rights. The shares may also be taken over by one or more banks or entities pursuant to section 186 (5) sentence 1 of the German Stock Corporation Act (AktG), with the obligation to offer these shares to shareholders of the company (indirect subscription right).

However, the executive board is authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights if the issue price of the new shares is not significantly lower than the market price of a similar type of the company's stock at the time of finalizing the issue price. This authorization only applies if the total number of shares issued under exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG does not exceed 10 % of the share capital, neither at the time of coming into force nor at the time of exercising this authorization. The limit of 10 % of the share capital includes shares that (i) are issued or sold during the term of this authorization under exclusion of subscription rights with direct or appropriate application of section 186 (3) sentence 4 AktG and/or (ii) are issued or can be issued to service conversion and/or option rights or conversion obligations associated with convertible bonds or warrant bonds or profit participation rights, provided these bonds are issued during the term of this authorization by way of appropriate application of section 186 (3) sentence 4 AktG under exclusion of subscription rights of shareholders of the company or one of its affiliated companies.

The executive board is further authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights to the extent required in order to grant subscription rights for new no-par value bearer shares of the company to holders of conversion or option rights or holders of convertible bonds, warrant bonds or profit participation rights, issued by the company or one of its affiliated companies, to the extent to which such holders would be entitled as shareholders upon exercising their option or conversion rights or after fulfillment of conversion obligations.

The executive board is further authorized, subject to approval by the supervisory board, to exclude fractional amounts from the shareholder subscription rights.

The aforementioned authorizations to exclude subscription rights are granted independently of one another.

The executive board is also authorized, subject to approval by the supervisory board, to stipulate other details regarding share rights and the terms and conditions under which shares are issued.

The supervisory board is authorized to amend the wording of the Articles of Incorporation in accordance with the scope of the respective capital increase from Authorized Capital 2015."

The report of the executive board on this agenda item is presented in chapter III. REPORTS TO THE ANNUAL GENERAL MEETING.

ITEM 8

Authorization to acquire treasury shares including utilization under exclusion of subscription rights

To acquire treasury shares, unless expressly permitted by law, the company needs special authorization by the annual general meeting pursuant to section 71 (1) No. 8 AktG. The annual general meeting's resolution of 20 July 2010 granting authorization expires on 19 July 2015, thus a new authorization resolution should be proposed to the shareholders at the annual general meeting.

The executive and supervisory boards therefore propose to resolve that:

- a) The executive board be authorized in accordance with section 71 (1) No.8 of the German Stock Corporation Act (AktG) to acquire shares of the company in the amount of up to 10 % of current share capital until 15 July 2020.
- b) The acquisition may be carried out at the discretion of the executive board on the stock exchange, by means of a public offer, by means of a public invitation to shareholders of the company to submit offers to sell or by other means in accordance with section 53a AktG. The purchase price (excluding transaction costs) may not exceed or undercut the average share price of the company prior to the effective date by more than 10 %. The average share price is the non-volume-weighted average of the company's closing share price in XETRA trading (or a comparable successor system) on the stock exchange in Frankfurt am Main on the last three trading days prior to the effective date. The effective date is
 - (1) When purchasing via the stock exchange, the date of acquisition or – if earlier – the date of entering into a commitment to purchase;
 - (2) When purchasing by means of a public offer or a public invitation to shareholders of the company to submit offers to sell, the day of the decision of the executive board on the public offer or the public invitation to shareholders to submit offers to sell;
 - (3) When purchasing by other means in accordance with section 53a AktG, the day of the decision of the executive board on the acquisition of the shares.

If the purchase price is set or changed after the publication of the offer or invitation to submit offers to sell, the effective date is the day the price is set or changed. The volume of the offer may be limited. If the total amount of shares for which the shareholders accept a public offer of the company or for which the shareholders submit an offer to sell exceeds the total amount of the purchase offer of the company, acceptance is made in relation of the total amount of the purchase offer to the total amount of shares offered by the shareholders. If there is a public invitation to submit offers to sell, acceptance is made on a quota basis only if

equivalent offers are made. The company may choose to preferentially acquire small quantities of up to 100 offered shares of the company per shareholder of the company.

Treasury shares may also be acquired by an affiliate of the company or an intermediary acting on its behalf or on behalf of the company if they comply with the above limitations.

- c) The executive board shall be authorized to use the acquired treasury shares in a manner other than by sale via the stock exchange or through an offer to all shareholders under exclusion of shareholder subscription rights for all purposes permitted by law, and in particular
- (1) Subject to approval by the supervisory board, under exclusion of shareholder subscription rights, to sell to third parties in connection with (i) corporate mergers, (ii) the acquisition of companies, parts of companies, shares of companies (including adding to existing interests in other companies) or other assets in connection with acquisition projects or (iii) the acquisition of other assets (including claims by third parties against the company or affiliated companies), or
 - (2) Subject to approval by the supervisory board, under exclusion of shareholder subscription rights, to offer to sell to all shareholders, also in a manner other than via the stock exchange, provided these shares are sold in exchange for cash at a price that is not significantly below the price on the stock exchange of a similar type of the company's stock at the time of sale. However, this authorization only applies if the total number of shares issued under exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG does not exceed 10 % of the share capital, neither at the time of coming into force nor at the time of exercising this authorization. The limit of 10 % of the share capital includes those shares that (i) are issued under utilization of an authorization applicable during the term of this authorization to issue new shares from authorized capital pursuant to section 186 (3) sentence 4 AktG under exclusion of shareholder subscription rights and/or (ii) are to be issued or can be issued to service any bonds issued by the company or one of its affiliated companies with conversion or option rights or conversion or option obligations, provided the bonds are issued after the resolution on the present authorization to acquire treasury shares by way of appropriate

application of section 186 (3) sentence 4 AktG under exclusion of shareholder subscription rights, or

- (3) Subject to approval by the supervisory board, under exclusion of shareholder subscription rights, to service conversion and subscription rights from any future bonds with conversion or option rights issued by the company or one of its affiliated companies, for which the executive board has been authorized to issue by shareholders at the annual general meeting, to utilize and to transfer the treasury shares to holders of conversion and subscription rights subject to the terms and conditions to be determined in authorization resolutions by shareholders at the annual general meeting.

Treasury shares may also be transferred to a bank or another entity that satisfies the requirements of section 186 (5) sentence 1 AktG, provided it accepts these shares with the obligation to sell them on the stock exchange, to offer them to shareholders or to fulfill a purchase offer made to all shareholders or to carry out the above-mentioned purposes. The company may also acquire treasury shares to carry out the above-mentioned purposes by way of a securities loan from a bank or another entity that satisfies the requirements of section 186 (5) sentence 1 AktG; in this case, the company must ensure that the shares to repay the securities loan are purchased in compliance with section 71 (1) No. 8 sentence 3 and 4 AktG.

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- d) Treasury shares may also be acquired for the purpose of cancellation and deduction from retained earnings or other retained income, resulting in a capital decrease. The executive board may alternatively decide to retain the same capitalization level after canceling the shares by increasing the outstanding shares' proportion of share capital as per section 8 (3) AktG. In this case, the executive board is authorized to amend the number of shares stated in the Articles of Incorporation. The executive board is also authorized to cancel shares without any further resolution by shareholders at the annual general meeting.
- e) All aforementioned authorizations to acquire treasury shares and resell or cancel these shares may also be exercised in part. They may be exercised once or several times until the number of shares bought back reaches the maximum as per a).
- f) The current authorization granted by the shareholders at the annual general meeting on 20 July 2010 and valid until 19 July 2015 to acquire treasury shares shall be canceled when the new authorization takes effect; the authorization contained in the aforementioned resolution by shareholders of the annual general meeting of 20 July 2010 to utilize bought back shares based on this previous resolution shall remain in effect.

The report of the executive board on this agenda item is presented in chapter III. REPORTS TO THE ANNUAL GENERAL MEETING.

ITEM 9**Authorization to acquire treasury shares using derivatives including utilization under exclusion of subscription rights**

The executive and supervisory boards propose to resolve that:

As a supplement to the resolution to be adopted in ITEM 8 granting authorization to acquire treasury shares, the acquisition of shares may be carried out in ways other than those described therein, also through the use of derivatives.

- a) The executive board shall be authorized, within the scope adopted under ITEM 8 and in compliance with the following provisions, to also acquire treasury shares: (i) in fulfillment of option rights that oblige the company to acquire treasury shares if the option is exercised ("put options"), (ii) by exercise of the option rights that transfer the right to the company to acquire treasury shares if the option is exercised ("call options"), (iii) as a result of sales contracts by which there are more than two trading days between the conclusion of the agreement governing the purchase of shares of the company and the fulfillment by delivery of shares of the company ("forward purchases") or (iv) by use of a combination of put options, call options and/or forward purchases (hereinafter also referred to collectively as "derivatives").
- b) Here, all share purchases using derivatives are limited to max. 5% of the share capital existing at the time the shareholders at the annual general meeting adopt this resolution (at the time of convening this annual general meeting, this corresponds to 10,209,164 shares rounded off to the nearest whole number of shares). The terms of the individual derivatives must not exceed 18 months. They must end no later than 15 July 2020 and be selected so that the acquisition of treasury shares by exercising the derivatives cannot take place after 15 July 2020.

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- c) The purchase price (exercise price) to be paid for the shares upon exercise of the derivatives or the acquisition to be paid in fulfillment of forward purchases (excluding transaction costs each time) may not exceed or undercut the average share price of the company prior to the conclusion of the respective derivative transaction by more than 10 %. The premium received or paid must be considered, unless it is not more than 5 % of the exercise price. The average share price is the non-volume-weighted average of the company's closing share price in XETRA trading (or a comparable successor system) on the stock exchange in Frankfurt am Main on the last three trading days.

The purchase price paid by the company for derivatives must not be substantially higher, and the sale price received by the company for derivatives must not be substantially lower than the theoretical market value of the respective derivative calculated using recognized financial mathematical methods; the calculation of which must be determined, among other things, considering the agreed exercise price. The forward rate agreed by the company on forward purchases must not be substantially higher than the theoretical forward rate calculated using recognized financial mathematical methods; the calculation of which must be determined, among other things, considering the current market price and the term of the forward purchase.

- d) If treasury shares are acquired using derivatives in compliance with the above provisions, the right of shareholders to conclude such derivative transactions with the company is excluded by way of appropriate application of section 186 (3) sentence 4 AktG. Shareholders have a right to tender their shares only if the company is obliged to purchase the shares from them from the derivative transactions. Any further right to tender is excluded.
- e) The provisions set out in ITEM 8 shall apply mutatis mutandis to the sale and cancellation of shares acquired using derivatives.

The report of the executive board on this agenda item is presented in chapter III. REPORTS TO THE ANNUAL GENERAL MEETING.

ITEM 10

Waiver of the disclosure of individual remuneration of the executive board members in the notes to the annual financial statements and the consolidated annual financial statements:

The German Commercial Code (HGB) provides for individualized disclosure of executive board remuneration and remuneration components in the annual and consolidated financial statements.

In accordance with sections 286 (5) HGB, 314 (2) sentence 2 HGB, the individual disclosure of executive board remuneration may be waived if the shareholders at the annual general meeting so decide by a qualified majority of at least three quarters of the share capital represented at the time of the resolution. The shareholders of the annual general meeting of the company exercised this option for five years on 20 July 2010.

The executive and supervisory boards of Südzucker AG are still of the opinion that individualized disclosure constitutes too great an invasion of privacy of the persons concerned. A new opt-out resolution should be adopted at this year's annual general meeting. This will make the still valid opt-out resolution of 20 July 2010 obsolete and allow for it to be repealed.

The executive and supervisory boards therefore propose to resolve that:

The disclosures provided for in sections 285 No. 9 letter a sentence 5 to 8, 314 (1) No. 6 letter a sentence 5 to 8 of the German Commercial Code (HGB) be omitted for five years. The resolution adopted by the shareholders at the annual general meeting of 20 July 2010 on agenda item 10 shall be repealed when the resolution adopted in accordance with the preceding sentence takes effect.

III. REPORTS TO THE ANNUAL GENERAL MEETING

In RE to ITEM 7:

Report of the executive board to the annual general meeting pursuant to sections 203 (1) and (2), 186 (4) sentence 2 AktG

Under ITEM 7, the executive and supervisory boards recommend to shareholders at the annual general meeting to establish authorized capital in the amount of € 20,000,000. This represents about 9.8 % of share capital at the time of the resolution.

Authorized Capital 2015, for which the executive board is requesting approval, will give the company an opportunity to raise equity. It will enable the executive board, with approval of the supervisory board, to respond even more flexibly to favorable market conditions and take maximum advantage of these situations. The intent is to put the executive board in a position to use authorized capital, particularly for the acquisition of companies and shares of companies, as well as to improve the way it utilizes the company's financial resources, by enabling it to increase capital in exchange for both cash contributions and contributions in kind. Considering the current market situation, it is extremely important that companies be able to quickly and flexibly take steps related to corporate actions to ensure strategic flexibility at all times. In the current market environment, opportunities to raise capital arise on very short notice and are mostly short-lived. This applies to both capital increases that serve to strengthen the balance sheet and corporate actions related to strategic acquisitions. The company's strategy includes strengthening its competitive position by acquiring companies, shares of companies or parts of companies, which enable it to steadily grow earnings over the long term. At the same time, this improves the value of the company's stock. In order to have sufficient equity available to finance major spending plans, it will be necessary to raise the proposed authorized capital. The measurement of the amount of authorized capital should ensure that the company is also able to finance larger company acquisitions in exchange for cash or payments in kind. The amount of capital that must be raised very quickly in the event of an acquisition normally cannot be directly approved by shareholders at the annual general meeting, which convenes only once a year. Instead, authorized capital that the executive board can access quickly is required.

For capital increases in exchange for contributions in kind, the executive board, subject to approval by the supervisory board, shall be authorized to exclude the subscription rights of shareholders. This provides the executive board with the option to bypass the capital markets in certain cases where treasury shares can be suitably used in connection with corporate mergers, the acquisition of companies, parts of companies or shares of companies or other assets connected with acquisition projects. The authorization also includes the right to exclude shareholder subscription rights when issuing shares to acquire other assets (including claims by third parties against the company or affiliated companies). The company faces stiff competition. It must therefore be in a position at all times to quickly and flexibly respond to changing market conditions in the interest of its shareholders. This includes company mergers and the acquisition of companies, parts of companies or shares in companies or other assets associated with acquisition projects intended to improve the company's competitive position. From past experience, it is evident that such projects involve large entities. In many cases, the consideration to be paid is very high. Often, such consideration can or should no longer be transacted in the form of cash, particularly in view of optimizing the financing. In many cases, sellers insist on receiving shares of the acquiring company as consideration. The option to offer our treasury shares for acquisitions is therefore an advantage when competing for attractive acquisition targets. The proposed authorization thus gives the company the necessary leeway to quickly and flexibly take advantage of opportunities that may arise to engage in mergers, acquire companies or parts of companies or shares in companies (including adding to positions in existing entities in which the company already has an interest), and enables it to utilize the authorized capital in suitable cases to purchase larger companies, parts of companies or shares therein in exchange for treasury shares. The same applies to the acquisition of assets associated with acquisition projects and the acquisition of other assets (including claims by third parties against the company or affiliated companies). Quite often, in the course of these negotiations, there is a need to pay for such acquisitions in the form of shares rather than cash. The authorization satisfies this need.

When share capital is to be increased in exchange for cash contributions, shareholders are generally granted subscription rights. In order to facilitate processing, the new shares can also be taken over by one or more banks (or equivalent entities) in accordance with industry practice, provided they are offered to shareholders for subscription. In this case, known as indirect subscriptions right

pursuant to section 186 (5) of the German Stock Corporation Act (AktG), the statutory subscription rights are not materially restricted, but are only handled by the banks (or equivalent entities) instead of the company to facilitate processing.

However, the executive board should be authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights if the issue price of the new shares is not significantly lower than the market price of a similar type of the company's stock at the time of finalizing the issue price. This authorization only applies if the total number of shares issued under exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG does not exceed 10 % of the share capital, neither at the time of coming into force nor at the time of exercising this authorization. The limit of 10 % of the share capital includes those shares that (i) are issued or sold during the term of this authorization under exclusion of subscription rights with direct or appropriate application of section 186 (3) sentence 4 AktG and/or (ii) are issued or can be issued to service conversion and/or option rights or conversion obligations associated with convertible bonds or warrant bonds or profit participation rights, provided these bonds are issued after the effective date of this authorization by way of appropriate application of section 186 (3) sentence 4 AktG under exclusion of subscription rights of shareholders of the company or one of its affiliated companies.

The authorization to exclude subscription rights up to a total of 10 % of share capital so that new shares can be issued at a price that is not significantly lower than the price of shares of the same type trading on the stock exchange enables the executive board to set the issue price near market level when placing shares. This gives the executive board the opportunity to raise more funds when increasing capital than it would using a rights issue. This authorization also puts the company in a position to quickly and flexibly respond to market opportunities and to have the necessary capital available almost immediately. The need to protect shareholders from dilution of their shareholdings shall be taken into consideration.

The executive board shall be further authorized, subject to approval by the supervisory board, to exclude shareholder subscription rights to the extent required in order to grant subscription rights for new no-par value bearer shares of the company to holders of conversion and/or option rights or holders of convertible bonds, warrant bonds or profit participation rights, issued by the company or one of its affiliated companies, to the extent to which such holders would be

entitled as shareholders upon exercising their option or conversion rights or after fulfillment of conversion obligations. The respective terms and conditions of the issue are normally antidilutive to facilitate placing the bonds on the capital markets. One way to protect against dilution is to also grant holders of convertible bonds, warrant bonds or profit participation rights subscription rights to a share issue in which shareholders are entitled to subscription rights to the new shares. They are thus treated as though they had already exercised their option and conversion rights or conversion obligations had already been fulfilled. Since in this case the company need not grant a reduced option or conversion price to ensure protection against dilution, the issue price for the no-par value bearer shares to be issued can be higher at the time of conversion or exercising an option. However, this option is only possible if shareholder subscription rights are excluded. Since it is easier to place bonds with conversion and/or option rights or conversion obligations when the terms include protection against dilution, excluding subscription rights is in the best interests of the shareholders with regard to optimizing their company's financial structure.

Other than the aforementioned authorization to exclude subscription rights, shareholder subscription rights may only be excluded, subject to approval by the supervisory board, for fractional amounts generated after applying the conversion ratio, which can no longer be equally distributed to all shareholders. This simplifies administration.

The executive board shall also be authorized, subject to approval by the supervisory board, to stipulate other details regarding share rights and the terms and conditions under which shares are issued.

The executive board shall carefully analyze each individual case when making its decision to exercise its authorization to increase capital under exclusion of shareholder subscription rights. This option will be utilized if, in the opinion of the executive and supervisory boards, it serves the best interests of the company and thereby its shareholders.

The executive board will report on utilization of Authorized Capital 2015 at each subsequent annual general meeting.

In RE to ITEM 8:**Report of the executive board on the authorization to acquire treasury shares including utilization under exclusion of subscription rights pursuant to sections 71 (1) No. 8, 186 (4) AktG**

The existing authorization valid until 19 July 2015 to acquire treasury shares should be renewed by resolution of the annual general meeting so that the company may still have the option to acquire treasury shares after this date. The authorization should be granted for the legally permitted maximum period of five years. In regard to ITEM 8, it is therefore proposed that the company be authorized to acquire treasury shares until 15 July 2020 up to a total amount of 10 % of the share capital of the company existing at the time the resolution is adopted on 16 July 2015.

Section 71 (1) No. 8 AktG permits forms of purchase and sale other than the typical purchase and sale via the stock exchange. These options should be used here.

In addition to acquisition via the stock exchange, the company should also be given the option to acquire treasury shares by means of a public offer (tender process), by means of a public invitation to shareholders of the company to submit offers to sell or by other means in compliance with the principle of equal treatment (section 53a AktG). The purchase price (excluding transaction costs) may not exceed or undercut the average share price of the company prior to the effective date by more than 10 %. The average share price is the non-volume-weighted average of the company's closing share price in XETRA trading (or a comparable successor system) on the stock exchange in Frankfurt am Main on the last three trading days prior to the effective date defined in the proposed authorization. In a tender process and a public invitation to submit offers to sell, any shareholder of the company willing to sell can decide how many shares he wishes to offer and, when a price range is set, at what price he wishes to offer them. If the quantity offered at the fixed price exceeds the number of shares the company has requested, the acceptance of offers must be allocated. This provides the opportunity to extend preferential treatment to small offers or small parts of offers, which facilitates to avoid fractional and small residual amounts when defining the quotas to be purchased, thus simplifying administration.

Treasury shares may also be acquired by an affiliate of the company or an intermediary acting on its behalf or on behalf of the company if they comply with the above limitations.

According to the provisions of section 71 (1) No. 8 AktG, shareholders at the annual general meeting can also authorize the company to sell shares by means other than via the stock exchange.

In cases as described in c) of the proposed resolution, it is intended to allow treasury shares acquired through a buyback program to also be sold under exclusion of shareholder subscription rights.

The purpose here is to enable the executive board to have treasury shares at its disposal to use as consideration, subject to approval by the supervisory board, in connection with (i) corporate mergers, (ii) the acquisition of companies, parts of companies, shares of companies (including adding to existing interests in other companies) or other assets in connection with acquisition projects or (iii) the acquisition of other assets (including claims by third parties against the company or affiliated companies). This form of consideration is occasionally required for such transactions. The intent of the authorization proposed here is to enable the company to quickly and flexibly take advantage of opportunities that arise in conjunction with corporate mergers, the acquisition of companies, parts of companies or shares of companies. There are currently no concrete plans to utilize this authorization.

The proposed resolution also includes authorization to sell the acquired treasury shares in cases other than those mentioned such as outside the stock exchange under exclusion of shareholder subscription rights, provided these shares are sold in exchange for cash at a price that is not significantly below the price on the stock exchange of a similar type of the company's stock at the time of sale. However, this authorization only applies if the total number of shares issued under exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG does not exceed 10 % of the share capital, neither at the time of coming into force nor at the time of exercising this authorization. The limit of 10 % of the share capital includes those shares that (i) are issued under utilization of an authorization applicable during the term of this authorization to issue new shares from authorized capital pursuant to section 186 (3) sentence 4 AktG under exclusion of shareholder subscription rights and/or (ii) are issued or can be issued to service bonds with conversion and/or option rights or conversion obligations, provided

the bonds are issued based on an authorization applicable during the term of this authorization by way of appropriate application of section 186 (3) sentence 4 AktG under exclusion of shareholder subscription rights.

This authorization provides the company with greater flexibility. In particular, it enables shares to be issued specifically to business partners or financial investors, even outside of corporate mergers, the acquisition of companies, parts of companies or shares of companies. The shareholders' interests are safeguarded by the fact that the issue price must be based on the market price. Shareholders generally have the option to maintain their relative interest in the company by purchasing additional shares on the stock exchange. There are currently no concrete plans to utilize this authorization. The executive board will report to shareholders at the annual general meeting regarding each utilization of this authorization.

Finally, subject to approval by the supervisory board, the executive board should be authorized to use acquired treasury shares under exclusion of shareholder subscription rights to service conversion and subscription rights from any future bonds with conversion or option rights issued by the company or one of its affiliated companies, for which the executive board will be authorized to issue by shareholders at the annual general meeting, to utilize and to transfer the treasury shares to holders of conversion and subscription rights subject to the terms and conditions to be determined in authorization resolutions by shareholders at the annual general meeting. It may be advisable to exercise rights to shares arising from convertible bonds or warrant bonds or profit participation rights in whole or in part by using treasury shares. Therefore, a provision is made for a corresponding use of treasury shares under exclusion of subscription rights for any future bonds with conversion or option rights. In particular, transferring treasury shares to fulfill subscription rights from bonds with conversion or option rights instead of utilizing conditional capital counteracts any dilution that would otherwise occur. Shareholders are generally granted subscription rights to bonds with conversion or option rights that may be issued as a result of a future authorization by shareholders at the annual general meeting, provided this is not excluded by shareholders at the annual general meeting as specified in section 221 (4) in conjunction with section 186 AktG. The executive board will always carefully consider the interests of the company and its shareholders when deciding whether to deliver treasury shares or utilize conditional or authorized capital.

Treasury shares may also be transferred to a bank or another entity that satisfies the requirements of section 186 (5) sentence 1 AktG, provided it accepts these shares with the obligation to sell them on the stock exchange, to offer them to shareholders or to fulfill a purchase offer made to all shareholders or to carry out the above-mentioned purposes. The company may also acquire treasury shares to carry out the above-mentioned purposes by way of a securities loan from a bank or another entity that satisfies the requirements of section 186 (5) sentence 1 AktG; in this case, the company must ensure that the shares to repay the securities loan are purchased in compliance with section 71 (1) No. 8 sentence 3 and 4 AktG.

The company should also be able to cancel treasury shares without a new resolution by shareholders at the annual general meeting. The purpose of this authorization is to give the executive board the flexibility to properly align the company's longer-term dividend distribution policies with the interests of the company and its shareholders. According to section 71 (1) No. 8 sentence 6 AktG, shareholders at the annual general meeting may authorize the executive board to not only acquire treasury shares but also to cancel them. Utilization of the authorization to cancel treasury shares by the executive board leads to a corresponding reduction in capital. Alternatively, the executive board should also be authorized to cancel shares as per section 237 (3) No. 3 AktG without changing the share capital. In this case, the share of share capital of the remaining shares is proportionally increased as a result of the cancellation as per section 8 (3) AktG. The executive board should therefore also be authorized to adjust the number of shares in the Articles of Incorporation that are reduced due to cancellation. Cancellation of treasury shares has been shown in the past to stabilize or optimize the market price and strengthen the company's position in the capital markets, and is therefore in the interests of the company and its shareholders. The executive board will decide at the appropriate time and after due consideration whether to utilize the authorization to cancel shares.

The authorization to acquire treasury shares and resell or cancel these shares may also be exercised in part. The authorization may be exercised once or several times until the number of shares bought back reaches the maximum as per a) of the proposed resolution.

The current authorization resolved by the shareholders at the annual general meeting on 20 July 2010 under agenda item 7 to acquire treasury shares ends when the new authorization takes effect; the authorization contained in the aforementioned resolution by share-

holders of the annual general meeting of 20 July 2010 to utilize bought back shares based on this previous resolution shall remain in effect.

The executive board will report to shareholders at the annual general meeting regarding utilization of this authorization.

In RE to ITEM 9:

Report of the executive board to the shareholders at the annual general meeting on the authorization to acquire treasury shares using derivatives including utilization under exclusion of subscription rights pursuant to sections 71 (1) No. 8, 186 (4) AktG

In addition to the options to acquire treasury shares provided for in ITEM 8, the company should also be authorized to acquire treasury shares using put options, call options, forward purchase or a combination of these instruments (hereinafter also referred to collectively as "derivatives"). This should give the company the opportunity to optimally structure a buyback, offering the company more flexibility in determining its buyback strategy. However, this option only supplements the authorization proposed under agenda item 8 and thus does not widen the overall scope of the buyback option. It may be advantageous for the company to sell put options or purchase call options instead of directly acquiring shares in the company. In addition, it may be favorable to acquire treasury shares by means of forward purchases or using a combination of put options, call options and/or forward purchases. Moreover, the authorization proposed under ITEM 9 enables the company to reliably plan future actions that require the issue of shares.

When issuing put options, the company grants the purchaser of the put option the right to sell shares in the company to the company at a price fixed in the put option (exercise price). In return, the company receives an option premium that corresponds to the value of the disposal right considering, among other things, the exercise price, the term of the option and the volatility of the company's shares. If the put option is exercised, the option premium paid by the purchaser of the put options reduces the total consideration paid by the company to acquire the shares. Exercising the put option only makes economic sense for the option holder if the company's share price at the time the option is exercised is lower than the exercise price, because the holder would then be able to sell the shares at the higher exercise price. From the company's perspective, buying back shares using put options has the advantage that the exercise price is already fixed when the option agreement is concluded, whereas there is no

liquidity outflow until the exercise date. In addition, the acquisition costs for the shares are reduced by the option premium received. If the option holder does not exercise the option because the share price on the exercise date is higher than the exercise price, the company is not able to acquire any treasury shares in this way but it may still keep the option premium it received.

When a call option is acquired, the company receives the right upon payment of an option premium to buy a predetermined number of shares in the company at a predetermined price (exercise price) from the seller – the writer of the option. Exercising the call option only makes economic sense for the company if the company's share price is higher than the exercise price, because it would then be able to buy the shares from the writer at a lower exercise price. The company hedges rising share prices in this way. This spares the company's liquidity since the set purchase price does not have to be paid until the call option is exercised.

In the case of a forward purchase, the company agrees with the forward seller to purchase the shares at a certain point in the future. The purchase is made at a forward rate specified upon conclusion of the forward contract. When the date is reached, the company pays the forward rate to the forward seller, who in return delivers the shares.

The company may combine the use of different types of derivatives, i.e. it is not limited to utilize just one of the types of derivatives.

Acquisition of treasury shares using derivatives should merely complement the instruments of the share buyback, as already illustrated by the specific limitation to max. 5 % of the share capital existing at the time the shareholders at the annual general meeting adopt this resolution. The resolution proposed under ITEM 9 therefore does not lead to an extension of the maximum limit specified in ITEM 8 on the acquisition of treasury shares up to a total of 10 % of the share capital existing at the time the resolution is adopted. It merely provides for additional acquisition possibilities within the prescribed acquisition framework instead. The specifications for both the structure of derivatives and for the shares suitable for delivery ensure that the principle of equal treatment of shareholders is taken into account, even for this acquisition form.

The authorization is to be granted for five years. However, the terms of the individual derivatives must not exceed 18 months. This is done on the one hand for practical reasons, so there is no need to have to

propose a resolution again to the shareholders at every annual general meeting on the supplement under ITEM 9 to be granted to the authorization under ITEM 8. On the other hand, the maximum term of the individual derivatives is significantly lower than the statutory maximum for an authorization resolution pursuant to section 71 (1) No. 8 AktG. In this way it is ensured that obligations under the individual option transactions have reasonable time limits. In addition, all derivatives must end no later than 15 July 2020 and be structured so that the acquisition of treasury shares by exercising or fulfilling the derivatives cannot take place after 15 July 2020. This will ensure the company does not acquire treasury shares based on this supplementary authorization after the authorization to acquire treasury shares valid until 15 July 2020 expires.

The authorization also governs that the purchase price to be paid by the company for the shares in the company (excluding transaction costs each time) is the exercise price or forward rate agreed in the respective derivatives transaction. The exercise price or forward rate may be higher or lower than the market price of the company's shares on the date the derivative transaction is concluded; however, it may not exceed or undercut the average share price prior to the conclusion of the respective transaction by more than 10 %. The premium received or paid must be considered, unless it is not more than 5 % of the exercise price. In addition, the purchase price paid by the company for derivatives must not be substantially higher, and the sale price received by the company for derivatives must not be substantially lower than the theoretical market value of the respective options on the closing date calculated using recognized financial mathematical methods; the calculation of which must be determined, among other things, considering the agreed exercise price. The lower price than the theoretical market value calculated using recognized financial mathematical methods when selling put options or the higher price when purchasing call options will not, however, in any case be greater than 5 % of the calculated theoretical market value of the options. Similarly, the forward rate agreed by the company on forward purchases must not be substantially, i.e. not more than max. 5 % higher than the theoretical forward rate calculated using recognized financial mathematical methods; the calculation of which must be determined, among other things, considering the current market price and the term of the forward purchase.

The described determination of the option premium and exercise price as well as the obligation to only service options with shares acquired in compliance with the principle of equal treatment, in

particular on the stock exchange at the current market price of the company's shares on the date of acquisition, rules out that shareholders are at an economic disadvantage when treasury shares are acquired using derivatives. Since the company receives or pays a fair market price, shareholders who do not participate in the option transactions are not at any disadvantage in terms of value. This corresponds to the position of shareholders when shares are bought back via the stock exchange and not all shareholders can actually sell shares to the company. The specifications for both the structure of options and for the shares suitable for delivery ensure that the principle of equal treatment of shareholders is fully taken into account, even for this acquisition form. In this respect it is justified, also in terms of the underlying legal principle according to section 186 (3) sentence 4 AktG, that the shareholders should not be entitled to any right to conclude such option transactions with the company. The company is thus able to conclude option transactions at short notice and has the necessary flexibility to respond quickly to market situations.

When acquiring treasury shares using derivatives, shareholders should have a right to tender their shares only if the company is obliged to purchase the shares from them from the derivatives. Otherwise the use of derivatives in connection with the buyback of treasury shares would not be possible and the associated benefits would not be attainable for the company. After careful consideration of the interests of shareholders and those of the company, the executive board is of the opinion that the non-granting or restriction of the right to tender is justified due to the benefits for the company arising from the use of derivatives.

Treasury shares acquired using derivatives may be used in particular for the purposes resolved by the shareholders at the annual general meeting under ITEM 8 c) and d). Subscription rights may be excluded under the conditions specified therein. The remarks in the report of the executive board to the shareholders at the annual general meeting on ITEM 8 apply *mutatis mutandis*.

The executive board will report to shareholders at the annual general meeting regarding utilization of the authorization to acquire treasury shares, also using derivatives.

IV. ADDITIONAL INFORMATION REGARDING THE PROCEDURE FOR CALLING THE MEETING

1. Total number of shares and voting rights at the time the meeting was called

At the time the meeting was called, the company's share capital totaled € 204,183,292 consisting of 204,183,292 no-par value bearer shares. Each share is granted one vote at the annual general meeting. Both the total number of shares and voting rights at the time of calling the annual general meeting is thus 204,183,292. At the time the meeting was called, the company held no treasury shares.

2. Participation in the annual general meeting and exercising voting rights

Conditions for participating in the annual general meeting and exercising voting rights

Only shareholders who have registered at the following address no later than 9 July 2015 (midnight) are entitled to participate in the annual general meeting and exercise their voting rights:

Südzucker AG
c/o Deutsche Bank AG
Securities Production
– General Meetings –
P.O. Box 20 01 07
60605 Frankfurt/Main
Germany

Fax: +49 69 12012-86045
E-mail: wp.hv@db-is.com

Shareholders must also provide proof of share ownership and that they were shareholders at the start of the twenty-first day prior to the annual general meeting, i.e. 25 June 2015, 12:00 a.m. (record date), via the depositary institution. As for the registration, proof of ownership of shares of the company must also be received at the aforementioned address no later than 9 July 2015 (midnight). The registra-

tion and proof of share ownership must be submitted in either German or English. The confirmation does not have to be signed.

After timely receipt of registration and proof of share ownership at the aforementioned registration office on behalf of Südzucker AG, the registration office will send shareholders admission tickets entitling them to participate in the annual general meeting. In order to ensure that admission tickets are received on time, we ask shareholders to please request tickets from their depositary institution as early as possible. The depositary institution will look after the required registration and submission of proof of required share ownership in such case. Admission tickets are issued purely for organizational purposes and do not represent any additional conditions related to participation.

The record date is the key date determining the extent to which shareholders are entitled to participate and exercise their voting rights at the annual general meeting. In terms of their relationship to the company and for the purpose of attending the annual general meeting or to exercise voting rights, only those who have provided confirmation of their shareholdings as of the record date shall be deemed to be shareholders. Changes to shareholdings after the record date are not considered. Shareholders who did not acquire their shares until after the record date may thus not participate in the annual general meeting, unless they have obtained a power of attorney to do so or authorization to exercise such rights. Shareholders who have properly registered and have submitted proof are entitled to participate in the annual general meeting and exercise their voting rights, even if they sold their shares after the record date. The record date has no impact on a shareholder's right to sell shares and is not relevant in relation to any potential dividend entitlements.

Procedure for voting by proxy

Shareholders can also cast their votes at the annual general meeting by proxy, e.g. by the depositary bank, a shareholders' association, or other persons of their choice. The following should be noted:

Timely registration and proof of share ownership are also required if shareholders choose a proxy. If shareholders assign more than one person to act as their proxy, the company is entitled to reject one or more of these.

The proxy, its cancellation and proof of the authorization on behalf of the company need not be signed. Unless instructions from the

shareholder to the contrary exist, the personal attendance by the shareholder at the annual general meeting shall result in cancellation of the previously assigned proxy.

When assigning financial institutions, shareholders' associations or equivalent institutions, companies and persons as described in section 135 (8) or (10) of the German Stock Corporation Act (AktG) to act as proxies, special procedures must normally be observed, the details of which should be obtained from the intended proxy. We therefore ask shareholders who wish to authorize a financial institution, shareholders' association or some other equivalent institution, company or person as outlined in section 135 (8) and (10) AktG to vote on their behalf, to please coordinate with such party regarding the proper form of proxy.

Proof of assigning a proxy can be submitted to the company at the following address:

Südzucker AG
c/o Computershare Operations Center
80249 Munich
Germany

Fax: +49 89 309037-4675

The form sent to shareholders together with the admission ticket after they have registered can be used to assign a proxy.

Procedure for voting by proxies of the company

Once again this year, the company is offering its shareholders the option to assign power of attorney to a company-appointed **proxy** prior to the annual general meeting. Shareholders who wish to make representatives appointed by the company their proxy can also do so using the form sent together with the annual general meeting admission ticket to shareholders who have registered. To authorize a representative nominated by the company to vote on their behalf, shareholders must issue express voting instructions on the respective agenda items. Appointed proxies are obliged to vote in accordance with the instructions they have received. They are not permitted to vote as they see fit.

Shareholders cannot participate in votes on motions regarding annual general meeting procedures, counterproposals initiated at the annual general meeting or other motions not properly submitted by

shareholders prior to the annual general meeting pursuant to section 126 AktG and nominations pursuant to section 127 AktG via the persons appointed to act as proxies by the company. The appointed proxies also do not accept any verbal communications, file objections to annual general meeting resolutions, ask questions or table motions on behalf of shareholders.

Assignments of company-appointed proxies, cancellation or proof of the authorization must be submitted on the forms provided but need not be signed. Shareholders will receive the required documents and information together with their admission ticket.

Registered shareholders are entitled to personally attend the annual general meeting even after they have assigned a company appointee to act as their proxy.

Please send proxy forms/instructions to proxies by **regular mail or fax**, to be received no later than 15 July 2015 (by 6:00 p.m.) at the following address:

Südzucker AG
c/o Computershare Operations Center
80249 Munich
Germany

Fax: +49 89 309037-4675

Electronic submission of proxies and instructions, cancellation of proxies and proof of authorization

Proxies and instructions, cancellations of proxies and proof of proxy can also be sent electronically via the company's Internet-based proxy and instruction system. The system is accessible to shareholders at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

Instructions for using this tool are also provided. The following deadlines apply for assigning proxies or issuing instructions via this system:

- Proxy forms/instructions to proxies can be submitted, changed or canceled until 6:00 p.m. on the day prior to the annual general meeting (15 July 2015).

- Proxies to third parties can be assigned, proven, amended or canceled until the adjournment of the annual general meeting.

3. Shareholder rights

Requests for additions to the agenda pursuant to section 122 (2) AktG

Shareholders whose interest totals at least 5 % of share capital (corresponding to € 10,209,164.60 or rounded up to the next higher whole number of shares, 10,209,165 shares) or whose interest reaches € 500,000 of total share capital (corresponding to 500,000 shares) can demand that items be added to the agenda and published. Each new item must be accompanied by reasons or by a draft resolution. The request shall be in writing with signature and submitted to the executive board of Südzucker AG and must be received by the company at least thirty days prior to the annual general meeting; the day of receipt and the day of the annual general meeting shall not be counted. The deadline for acceptance is thus midnight on 15 June 2015. Requests for amendments received after this date will not be considered. Please send any requests to the following address:

Südzucker AG
Executive board
Maximilianstrasse 10
68165 Mannheim
Germany

To the extent they were not already published with the notice for the annual general meeting, amendments to the agenda subject to publication will be published in the German Federal Gazette (Bundesanzeiger) and other media the company assumes will distribute the information throughout the entire European Union immediately after the motions have been received. In addition, they will be published at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

Counter motions and nominations pursuant to sections 126 (1) and 127 AktG

Shareholders of the company can submit counter motions to executive board and/or supervisory board recommendations on specific agenda items, as well as make recommendations regarding the nomination of external auditors or supervisory board members.

Such submissions (including rationale) and nominations must be exclusively submitted to:

Südzucker AG
Investor Relations
Maximilianstrasse 10
68165 Mannheim
Germany

or by fax to: +49 621 421-449

Reasons must be given for countermotions; this does not apply to nominations.

Proper countermotions and nominations submitted by shareholders and received at the aforementioned address at least fourteen days prior to the date of the annual general meeting, i.e. no later than 1 July 2015 (midnight), will be immediately published at the following website:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

Any comments from management will also be posted at the above Internet address.

The company may decline to publish a countermotion and its rationale or a nomination if one of the conditions for exclusion pursuant to section 126 (2) AktG exists; for example, because the nomination or countermotion would result in a resolution by shareholders at the annual general meeting that contravenes either the law or the Articles of Incorporation. A nomination does not need to be published if it does not include the name, the profession and the place of residence of the nominee. The reason for a countermotion need not be pub-

lished if it is longer than 5,000 characters. Furthermore, nominations of supervisory board members need also not be published if no information is enclosed about the memberships of the recommended candidates in other legally required supervisory boards as stipulated in section 125 (1) sentence 5 AktG.

Shareholders are asked to prove the extent of their holdings at the same time they submit the countermotion or nomination. Note that countermotions and nominations sent to the company in advance will only be considered at the annual general meeting if they are presented at the meeting. The right of every shareholder to present countermotions to the various agenda items or to make nomination proposals during the annual general meeting without having submitted them to the company prior to the meeting remains unaffected.

Access to information right pursuant to section 131 (1) AktG

Section 131 (1) AktG states that every shareholder may request information from the executive board at the annual general meeting regarding company issues, including legal and business relationships with associated companies and the business situation of the group and companies included in the consolidated financial statements, provided the information is required to properly assess a particular agenda item.

Other explanations

Other explanations regarding shareholder rights pursuant to sections 122 (2), 126 (1), 127 and 131 (1) AktG are available at the company's website at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

V. ADDITIONAL INFORMATION AND DOCUMENTS FOR THE ANNUAL GENERAL MEETING

Information at the website

This invitation to the annual general meeting, other documents published in conjunction with the annual general meeting and further information related to the annual general meeting can be downloaded from the company's website at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

All information to be published by law for the annual general meeting will be available for viewing at the annual general meeting.

Voting results

The voting results determined by the chairperson of the meeting will be published at the company's website at:

www.suedzucker.de/en/ (tab: Investor Relations/Annual General Meeting)

Publication of the invitation

The invitation to the annual general meeting is published in the German Federal Gazette (Bundesanzeiger) from 29 May 2015 and was sent for publication to media that are assumed to distribute the information throughout the entire European Union.

Mannheim, May 2015
Südzucker AG
The executive board

Letter to shareholders

Dear shareholders,

As we anticipated and forewarned, the difficult situation in the European sugar and bioethanol markets has led to a turning point for Südzucker Group after years of record revenues and profits. Group revenues declined to € 6.8 (7.5) billion. The slump in operating profit was worse by far. This was driven especially by the extremely low price levels for our sugar and bioethanol products, starting especially in the second half of the fiscal year. Both segments began reporting quarterly operating losses as the year progressed. These negative developments were somewhat cushioned by the excellent results in the special products and fruit segments, but their contributions were by far not enough to offset the shortfall. For the fiscal year overall operating profit declined 70 % to € 181 (622) million.

This earnings development is also reflected in the dividend recommendation we together with the supervisory board will present for approval to you our shareholders at the annual general meeting: We propose a dividend of € 0.25 (0.50) per share.

You are of course quite rightly asking about the causes of this slump, and more importantly, what we plan to do to position Südzucker successfully for the long term.

One of the root causes is European sugar policy, which again and again presents companies with new challenges – for example, right now, the expiry of minimum beet price regulations and sugar production quotas in 2017, which has already increased pressure on prices and thereby price competition. In addition, the EU Commission introduced measures that added sugar volumes to an already well served market, even though it was unnecessary. At the same time, the volume of beets now growing in Europe far exceeds any previous volumes, which has led to record sugar production. And finally, an extremely low world market price level has added pressure to EU prices.

In response, we increased our efforts very early to adjust the company to this renewed obstacle, especially the sugar segment. We are examining every process, starting from the planting of the raw material, beets in the field, right through to the finished product we send to customers. Our goal is to be the cost leader at all stages of the value chain. Our employees have taken on this task with great passion. This commitment and the readiness of the beet growing industry to work with the company to overcome these challenges is a clear signal that we once again aim to emerge from this

crisis as a stronger company. We have already taken some steps to this end.

We see the elimination of export restrictions as of October 2017 in a positive light. The European sugar industry will once again have unrestricted access to the world market and we together with our partner ED&F Man plan to serve it.

In the bioethanol segment, strong price pressure combined with the higher value of the British pound forced CropEnergies to suspend production at Ensus in Wilton, Great Britain, toward the end of the fiscal year. This was caused among other things by the difficult situation in the European ethanol market, which is to a great extent due to the prolonged political process in the EU, which aims to increase the share of renewable energies in the transportation sector, in accordance with legislated climate targets. Countless companies, including CropEnergies, had expected the climate targets to be implemented quickly and built up their production capacities accordingly. Now large volumes of available bioethanol are adding to the pressure on prices. Initial political indicators are now making us confident. Here we are counting above all on upcoming EU policy decisions that must be made with a view toward sustainable power generation. This should increase demand and thus also boost prices.

The business results in the individual segments varied widely last fiscal year. In the third quarter we were forced for the first time in Südzucker's history to report a negative result in the **sugar segment**. Overall, operating profit slumped to € 7 (437) million on revenues of € 3.2 (3.9) billion.

Yet the record beet harvest in 2014, with an average yield per hectare of 84 tonnes, about 20 % above the five-year average, could have been cause for celebration. It was an impressive demonstration of the high yield potential of sugar beets. Looking forward, we were able to demonstrate that our sugar factories will have no problem dealing with the longer campaigns planned for the future. This will significantly cut fixed per unit costs. However, the massive volume of sugar produced then had to be sold into an already saturated market, which had a predictable impact on prices and significantly intensified volume and price competition in the European market. We were not surprised by the basic developments: What was new were the strength and speed with which the European sugar market reacted.

The news from the **special products segment** is positive: even though revenues were the same as last year at € 1.7 billion, operating profit jumped sharply, to € 120 (85) million. Our strategy of establishing and expanding businesses other than the sugar segment has paid off, even though the contributions were not enough to offset the downturn in the other divisions. This is why we are strengthening the segment through investments, a major share of which is going toward construction of a wheat starch factory at the Zeitz site. The new plant will enable us to expand our product portfolio.

We had to cope with major setbacks in the **CropEnergies segment**. Ethanol sales revenues began declining at the beginning of the fiscal year and did not recover. Instead, they came under increased pressure. Even though revenues grew from € 720 to € 764 million, operating profit was negative at € –11 (35) million. In addition to the political framework already mentioned, there is no doubt that the price of oil, which for a time fell to its lowest level in many years, also contributed to the shortfall, as well as exerting negative pressure on the production of sustainable alternatives to fossil fuels. We had to take these developments in stride and as mentioned above, temporarily shut down one factory.

Although the **fruit segment** also had to contend with falling prices and stagnating markets, it was able to cut costs because of falling raw material prices and production plant optimization. In the end, the division was able to generate the same excellent operating profit as last year, € 65 million, from revenues of € 1.1 (1.2) billion. Our goal is to grow faster than the market and capture more market share.

In an ever increasingly networked world, individual crises and conflicts might have ramifications that at first glance were neither foreseeable nor budgeted. For example, the financial markets reacted to the Greek crisis and conflict in Ukraine, currency exchange rates fluctuate from one day to the next, business and financial sanctions cause markets to dry up or create new ones. Our job is to position Südzucker to be capable of appropriately responding to all such events over the long term, which means having the leanest and most flexible organizational structures possible. We are working on just that. We are optimistic that we will again be able to generate excellent profits in the medium term.

But while many business conditions can change overnight, adjusting our strategy and implementing a new one is a process that is not necessarily quickly reflected in results and profit numbers.

What makes us optimistic about the future are the so-called megatrends, such as population growth, rising demand for food, increasing mobility – and thus demand for energy – as well as an overall rising living standard. You will see some of the ways our company can benefit from these trends in the long term as you read through the pages of the annual report 2014/15.

Still, our outlook for the current fiscal 2015/16 year from today's perspective is cautious. The continuing extremely low prices for sugar and ethanol, which already weighed on the profits of the fiscal year just ended, are having an even greater impact. We do not foresee a turnaround in sugar prices in the near term, and ethanol prices are currently fluctuating widely. We are certain that the markets will rebound, because at current prices uncompetitive manufacturers can hardly be profitable. This will reduce volumes in the market and thereby improve the price situation. Against this backdrop, we expect group revenues to decline once more in fiscal 2015/16, to between € 6.0 and 6.3 billion and operating profit to range between € 50 and 150 million.

Südzucker Group is in the midst of changing profoundly, and this harbors major challenges and uncertainties for our employees. We thank everyone for their commitment toward helping to make the necessary changes. Together with you we want to prove that the largest European sugar company can also successfully master difficult circumstances and remain an enduring player in the market.

And we thank you our shareholders for your trust. It is the basis of our sustainable corporate growth.

Sincerely,
Südzucker AG
Executive board

Key figures

		2014/15	2013/14 ¹
Revenues and earnings			
Revenues	€ million	6,778	7,533
EBITDA	€ million	453	889
EBITDA margin	%	6.7	11.8
Operating profit	€ million	181	622
Operating margin	%	2.7	8.3
Net earnings	€ million	74	387
Cash flow and investments			
Cash flow	€ million	389	697
Investments in fixed assets ²	€ million	386	377
Investments in financial assets/acquisitions	€ million	1	22
Total investments	€ million	387	399
Performance			
Fixed assets ²	€ million	2,832	2,699
Goodwill	€ million	1,145	1,145
Working capital	€ million	1,787	1,916
Capital employed	€ million	5,877	5,873
Return on capital employed	%	3.1	10.6
Capital structure			
Total assets	€ million	8,474	8,663
Shareholders' equity	€ million	4,461	4,625
Net financial debt	€ million	593	536
Net financial debt to cash flow ratio		1.5	0.8
Equity ratio	%	52.6	53.4
Net financial debt as % of equity (gearing)	%	13.3	11.6
Employees		18,460	18,186

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 intangible assets.

Südzucker Group Segments

SUGAR SEGMENT

6 Divisions



- Belgium: 2 sugar factories
- Germany: 9 sugar factories
- France: 4 sugar factories, 1 refinery
- Poland: 5 sugar factories
- Moldova: 2 sugar factories
- Agriculture

1 Division



AGRANA suga

- Austria: 2 sugar factories
- Romania: 2 sugar factories, 1 refinery
- Slovakia: 1 sugar factory
- Czech Republic: 2 sugar factories
- Hungary: 1 sugar factory

Investments / Joint venture



- ED&F Man Great Britain (25 % share)



- Agrana-Studen Sugar Trading GmbH (refinery Bosnia, 50 % Joint venture)

REVENUES

€ 3,228 [3,901] million

OPERATING PROFIT

€ 7 [437] million

CAPITAL EMPLOYED

€ 3,199 [3,186] million

ROCE

0.2 [13.7] %

CROPENERGIES SEGMENT

Listed company



- One of the leading European manufacturers of sustainably produced bioethanol, predominantly for the fuel sector, as well as protein feed
- 4 production locations

REVENUES

€ 764 [720] million

OPERATING PROFIT

€ -11 [35] million

CAPITAL EMPLOYED

€ 518 [544] million

ROCE

-2.2 [6.4] %

SPECIAL PRODUCTS SEGMENT

4 Divisions



- Functional ingredients for food, animal food, and pharmaceutical sectors
- 5 production locations



- Frozen and chilled pizza as well as frozen pasta dishes and snacks
- 5 production locations



- Portion packs
- 7 production locations



- Starch for food and non-food sectors as well as bioethanol
- 4 production locations
- Maize starch-, isoglucose- and bioethanol plant Hungrana Kft. (50% Joint venture)



- Wheat starch production plant at Zeitz

REVENUES

€ 1,724 [1,740] million

OPERATING PROFIT

€ 120 [85] million

CAPITAL EMPLOYED

€ 1,377 [1,343] million

ROCE

8.7 [6.3] %

FRUIT SEGMENT

2 Divisions



- Fruit preparations (AGRANA Fruit)
- Fruit preparations for international food companies
 - 25 production locations around the world



- Fruit juice concentrates (AUSTRIA JUICE)
- Fruit juice concentrates, fruit purees, natural flavors, beverage ingredients and pure juice for the fruit juice industry
 - 14 production locations in Europe and China

REVENUES

€ 1,062 [1,172] million

OPERATING PROFIT

€ 65 [65] million

CAPITAL EMPLOYED

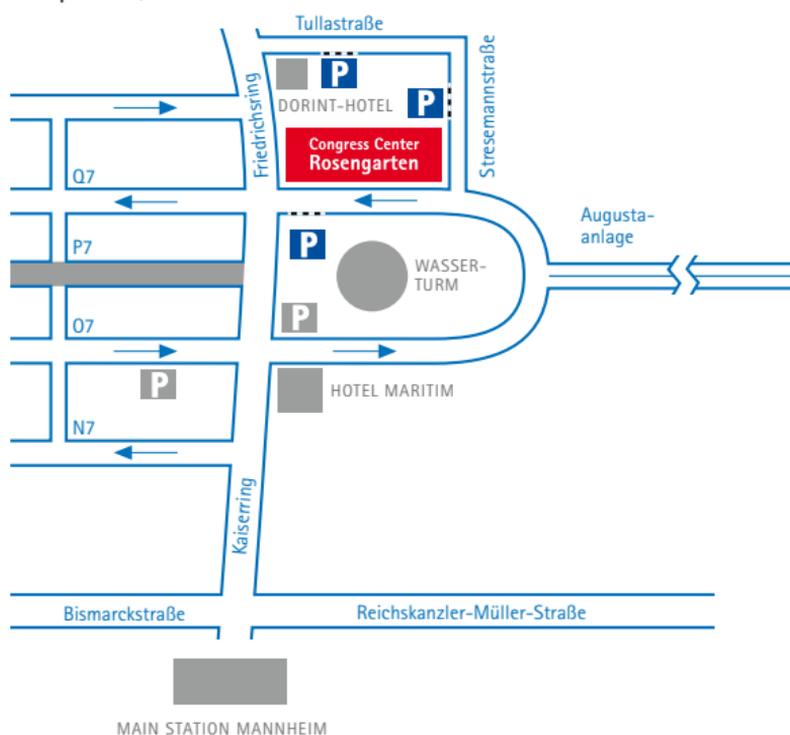
€ 782 [801] million

ROCE

8.4 [8.1] %

HOW TO GET TO THE CONGRESS CENTER ROSENGARTEN

Congress Center Rosengarten
Rosengartenplatz 2, 68161 Mannheim



HOW TO GET TO THE VENUE BY RAILWAY

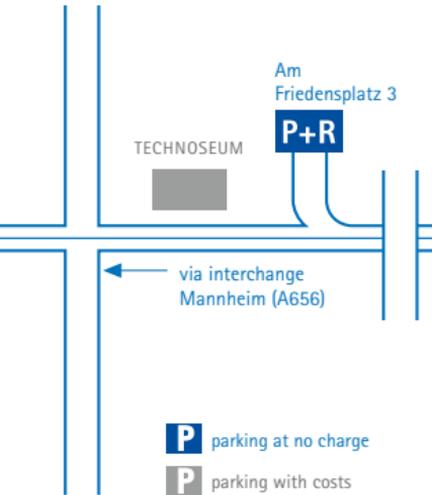
Arrival via the Rhein-Neckar (VRN) public transit system

An entry pass to the annual general meeting entitles shareholders to travel on all buses, tram and authorized trains (DB: RE, RB and S-Bahn – all in second class) that are part of the Rhein-Neckar public transit system, on the day of the event (July 16, 2015) and the following day until 3 a.m. Further information is available at www.vrn.de.

You reach the Congress Center Rosengarten from main station Mannheim

- via tram line 5, Rosengarten stop
- via tram lines 3 and 4, Wasserturm stop
- via bus numbers 60, 63, 64, Wasserturm stop
- or alternatively footwalk (approx. 10–15 minutes)





HOW TO GET TO THE VENUE BY CAR

Due to a limited number of parking spaces we recommend to arrive early or to use the park-and-ride lot or public transit, respectively.

- Motorway A 656 direction Mannheim
- Please use the park-and-ride **P+R** lot Am Friedensplatz 3 (address: Am Friedensplatz 3) off the A 656. From there you can hop on a continuously running shuttle bus that will take you to the Congress Center Rosengarten.

P PARKING OPPORTUNITIES

A limited number of free parking spaces are also available at the following downtown parking garages:

- Parking garage Wasserturm (Water tower)
- Parking garage of Congress Center Rosengarten
- Parking garage of Dorint-Hotel

When you enter the parking garage, simply show your admission card for the participation in Südzucker's annual general meeting and you will receive a ticket (if available) that you will be able to use when exiting. Please note that you can only enter the Congress Center Rosengarten via the main doors (Rosengarten plaza); not via the underground parking garage.

If the parking garages are already occupied, please use the park-and-ride **P+R** lot Am Friedensplatz 3 (address: Am Friedensplatz 3). From there you can hop on a continuously running shuttle bus that will take you to the Congress Center Rosengarten.

Financial Calendar

Q1 – 1 st quarter report 2015/16	9 July 2015
annual general meeting for fiscal 2014/15	16 July 2015
Q2 – 1 st half year report 2015/16	8 October 2015
Q3 – 1 st to 3 rd quarter report 2015/16	13 January 2016
press and analysts' conference fiscal 2015/16	19 May 2016
Q1 – 1 st quarter report 2016/17	7 July 2016
annual general meeting for fiscal 2015/16	14 July 2016

Contacts

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Südzucker on the Internet

For more information about Südzucker Group please go to our website: www.suedzucker.de

Published by

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We would be pleased to send you either the complete German or English version of Südzucker AG's annual report and financial statements. The annual report (in German and English) and the Südzucker AG financial statements can be downloaded in PDF format from Südzucker's website at www.suedzucker.de/en/Downloads/Berichte/

