



PRESS RELEASE

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AGRANA results for first three quarters of 2012 | 13 (ended 30 November 2012) – Revenue growth continues, with earnings expectations confirmed for full year

In the first nine months of the financial year, AGRANA delivered significant revenue growth (of 22.4% to € 2,389.3 million) and a slight increase in pre-exceptionals operating profit (up 2.8% to € 204.3 million). The revenue expansion was driven above all by positive market developments and growing sales volumes in the Sugar and Fruit segments. These two businesses also accounted for the profit growth in the first three quarters. The Starch segment operated in market conditions that were good in the first half of the year and later cooled as expected, leading to an earnings decline for the segment in the third quarter. The Sugar segment posted earnings growth over the nine-month reporting period as a whole, but the market setting became more challenging in the past few months, with the result that segment earnings in the third quarter were lower than in the year-earlier period. In the Fruit segment, profit rose modestly compared to the first nine months of the prior year.

After a net financial items expense of € 21.1 million and a tax expense of € 43.1 million (at a tax rate of 23.7%), the Group recorded profit for the period of € 138.6 million (Q1-Q3 2011|12: € 129.7 million). At 30 November 2012, net debt amounted to € 498.8 million (29 February 2012: € 469.2 million). The gearing ratio of net debt to total equity was 41.1%, representing a downtick from the level of 43.7% at the end of the prior year. The main reasons for the increase in net debt were higher investment and the financing of the seasonally higher working capital.

AGRANA results (1 March to 30 November 2012)

	Q1-Q3 2012 13	Q1-Q3 2011 12	Q3 2012 13	Q3 2011 12
Revenue	€ 2,389.3 m	€ 1,952.2 m	€ 786.2 m	€ 667.6 m
Operating profit before exceptional items	€ 204.3 m	€ 198.7 m	€ 61.7 m	€ 80.5 m
Operating margin	8.6%	10.2%	7.8%	12.1%
Exceptional items	€ -1.4 m	€ -1.4 m	€ -0.4 m	€ 0.0 m
Profit before tax	€ 181.8 m	€ 166.7 m	€ 53.3 m	€ 67.8 m
Profit for the period	€ 138.6 m	€ 129.7 m	€ 39.1 m	€ 52.0 m
Earnings per share	€ 9.44	€ 8.90	€ 2.58	€ 3.55
Purchases of property, plant and equipment and intangibles ¹	€ 98.7 m	€ 62.7 m	€ 39.1 m	€ 27.2 m
Average staff count	8,555	8,109		

¹ Excluding goodwill.

AGRANA Chief Executive Officer Johann Marihart comments: "As expected, the market setting in the third quarter was challenging, characterised by higher raw material costs and by price pressure. For the full year, we reiterate our guidance despite a continuing difficult environment."

Sugar segment

	Q1-Q3 2012 13	Q1-Q3 2011 12	Q3 2012 13	Q3 2011 12
Revenue	€ 926.6 m	€ 691.4 m	€ 292.6 m	€ 255.5 m
Operating profit before exceptional items	€ 105.3 m	€ 94.3 m	€ 34.1 m	€ 43.7 m
Operating margin	11.4%	13.6%	11.7%	17.1%

Sales volumes rose year-on-year in all business areas. Sales of non-quota sugar into the sugar-using industry showed an especially positive trend. The increase in raw material costs prevented a repetition of the year-ago-quarter's record result, but the profit margin achieved was satisfactory.

Starch segment

	Q1-Q3 2012 13	Q1-Q3 2011 12	Q3 2012 13	Q3 2011 12
Revenue	€ 603.7 m	€ 587.5 m	€ 208.0 m	€ 199.8 m
Operating profit before exceptional items	€ 60.8 m	€ 68.2 m	€ 14.3 m	€ 32.0 m
Operating margin	10.1%	11.6%	6.9%	16.0%

The revenue growth arose primarily from generally higher sales quantities and from better selling prices on some products. While profitability in the first half of 2012|13 was still clearly above that of a year earlier, the increase in raw material costs led to a significant decline in Starch segment operating profit in the third quarter.

Fruit segment

	Q1-Q3 2012 13	Q1-Q3 2011 12	Q3 2012 13	Q3 2011 12
Revenue	€ 859.1 m	€ 673.4 m	€ 285.7 m	€ 212.3 m
Operating profit before exceptional items	€ 38.2 m	€ 36.2 m	€ 13.4 m	€ 4.8 m
Operating margin	4.4%	5.4%	4.7%	2.3%

The strong revenue growth in the Fruit segment was fuelled largely by volume gains relative to the prior year. In the fruit preparations division, all regions outside the EU registered growth in sales quantities, with a particularly gratifying trend witnessed in the USA. The Fruit segment's profit increase was contributed mainly by the fruit juice concentrates division, which posted a strong Q3 result. After the merger with Ybbstaler Fruit Austria GmbH, the first six months of the company's consolidation in the Group's accounts already saw a small positive earnings effect. Going forward, additional synergies are expected to accrue from the merging of processes and structures in the new organisation.

Outlook

For the full year 2012|13, AGRANA's unchanged expectation is that Group revenue will increase to more than € 3 billion (2011|12: € 2.6 billion) on overall slight volume growth and continuing high price levels. For the year as a whole, AGRANA should be able to reach a pre-exceptionals operating profit approximately in line with that of last year.

In the 2012|13 financial year, total investment in all three segments will expand to about € 145 million and thus provide sound support for the Group's long-term growth trajectory and earnings.

This press release is also available on the AGRANA website at www.agrana.com.