REPORT ON THE FIRST HALF OF 2012|13

HIGHLIGHTS OF THE FIRST HALF OF 2012|13

- Revenue: € 1,603.1 million (H1 2011|12: € 1,284.7 million), up 24.8%
- Operating profit before exceptional items: € 142.5 million (H1 2011|12: € 118.2 million), up 20.6%
- Operating margin: 8.9% (H1 2011|12: 9.2%)
- Profit for the period: € 99.6 million (H1 2011|12: € 77.7 million), up 28.2%
- Equity ratio: 49.3% (29 February 2012: 45.4%)
- Gearing ratio[1]: 33.1% (29 February 2012: 43.7%)

[1] Debt-equity ratio (ratio of net debt to total equity).

GROUP MANAGEMENT REPORT
FOR THE FIRST SIX MONTHS ENDED 31 AUGUST 2012

RESULTS FOR THE FIRST HALF OF 2012|13

Revenue and earnings

Results AGRANA Group	H1 2012|13	H1 2011|12
Revenue	€ 1,603.1m	€ 1,284.7m
EBITDA[1]	€ 176.6m	€ 152.2m
Operating profit before exceptional items	€ 142.5m	€ 118.2m
Operating margin	8.9%	9.2%
Exceptional items	€ (1.0m)	€ (1.5m)
Operating profit after exceptional items	€ 141.5m	€ 116.7m
Purchases of property, plant and equipment and intangibles[2]	€ 59.6m	€ 35.5m
Staff count[3]	8,519	8,177

Revenue of the AGRANA Group increased by 24.8% in the first half of the 2012|13 financial year (1 March to 31 August 2012) to € 1,603.1 million (H1 2011|12: € 1,284.7 million). This positive trend was driven especially by the Sugar and Fruit segments, which benefited from favourable market developments with higher sales volumes.

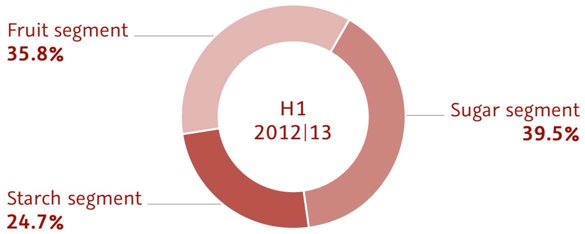
In the first half of 2012|13 the Group's **operating profit before exceptional items** was € 142.5 million, up 20.6% from the year-earlier period's € 118.2 million. The good earnings trend was propelled by the Sugar and Starch segments. Both these business areas enjoyed positive market conditions, which ensured that the good performance of the first quarter of 2012|13 continued in the second quarter. In the Fruit segment, although operating profit was less than in the first half of financial 2011|12, the profit situation stabilised sequentially compared to the fourth quarter of 2011|12 and the subsequent first-quarter improvement. In the second quarter of 2012|13, the Fruit segment (specifically, the fruit preparations division) recorded a net exceptional items expense of € 1.0 million, as a result of reorganisation measures; in the prior year's second quarter, the unwinding of the Chinese joint ventures between AGRANA and Yantai North Andre (in the fruit juice concentrates business) had led to a net exceptional items expense of € 1.5 million.

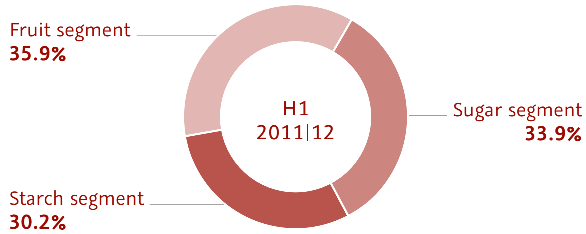
Net financial items in the first half of 2012|13 amounted to a net expense of € 13.0 million (H1 2011|12: net expense of € 17.9 million). The improvement year-on-year resulted from higher unrealised currency translation gains. After an income tax expense of € 28.9 million, corresponding to a tax rate of 22.5% (H1 2011|12: 21.4%), the AGRANA Group's **profit for the period** was € 99.6 million (H1 2011|12: € 77.7 million). Earnings per share attributable to AGRANA shareholders grew from € 5.36 to € 6.86.

Investment

In the first half of 2012|13, a total of € 59.6 million was invested in purchases of property, plant and equipment and intangibles (H1 2011|12: € 35.5 million). The **Sugar segment's** € 25.8 million share of this (H1 2011|12: € 11.8 million) related mainly to the construction of the two low-temperature dryers at the Leopoldsdorf and Tulln sites in Austria; they began operation on schedule at the beginning of the 2012|13 campaign. In Hrušovany in the Czech Republic, the work planned for 2012|13 to modernise the boiler house is in progress; the new gas connection at this location is already completed. In Kaposvár, Hungary, the planning for the new, 60,000 tonne capacity sugar silo is well advanced and the project is on schedule for completion in the next financial year. With the one-kilogram packaging machine having been successfully installed in

REVENUE BY SEGMENT





[1] Before exceptional items (operating profit before exceptional items, plus depreciation and amortisation before exceptional items).
[2] Excluding goodwill.
[3] Average number of employees in the period (head count).

Buzău, Romania, the work to integrate it into the existing storage and packaging concept will be completed in 2012|13 as planned. In Brčko, Bosnia-Herzegovina, the implementation of the new packaging centre was begun; the new one-kilo packaging machine was commissioned at the end of September.

In the **Starch segment**, AGRANA invested € 19.4 million (H1 2011|12: € 7.6 million), especially for the construction of the wheat starch plant begun in the prior year in Pischelsdorf, Austria, and the implementation of the biomass boiler and expansion of corn (maize) processing capacity in Szabadegyháza, Hungary. Investment at the plant in Aschach, Austria, targeted the expansion of the corn storage capacity; at the facility in Gmünd, Austria, capital expenditure focused on building a can filling line for infant formula.

Investment in the **Fruit segment** amounted to approximately € 14.4 million (H1 2011|12: € 16.0 million). The construction work for the plant relocation and expansion in Dachang, China, is progressing well; the production line has been installed and is currently in testing. In Serpuchov, Russia, the new cold storage facility was brought on stream in the course of the plant expansion.

Cash flow

The first half-year's operating cash flow before change in working capital increased by 23.1% year-on-year to € 147.1 million (H1 2011|12: € 119.5 million), in step with the rise in operating profitability.

With the decrease (driven by inventory reduction) of € 63.8 million in working capital in the first six months (H1 2011|12: increase of € 10.8 million), net cash from operating activities amounted to € 210.2 million (H1 2011|12: € 107.7 million). Net cash used in investing activities was € 49.9 million (H1 2011|12: net cash used of € 34.8 million) on higher outflows for investment in property, plant and equipment and intangible assets. After payment of the dividend for the 2011|12 financial year, net cash used in financing activities was € 93.6 million (H1 2011|12: net cash used of € 64.7 million).

Financial position

With total assets up marginally compared with 29 February 2012, the equity ratio improved from 45.4% to 49.3%.

Although trade receivables rose, current assets eased, as a result primarily of the seasonal reduction in inventories during the summer months. The increase in non-current liabilities was attributable to higher long-term borrowings as AGRANA placed a promissory note loan (in German: Schuldscheindarlehen, a type of loan resembling a bond) of € 110 million with terms of five, seven and ten years. This supported the repayment of current borrowings in the first quarter of 2012|13 and lengthened the Group's debt maturity structure. Current borrowings also decreased as a result of the payments made to beet growers and payment of the production levy.

Net debt at 31 August 2012 measured € 389.5 million, down significantly by € 79.7 million from the 2011|12 financial year-end level of € 469.2 million. The gearing ratio of 33.1% at the end of the second financial quarter represented a considerable improvement from the level of 43.7% marked at 29 February 2012.

AGRANA in the capital market

Share data	**H1 2012|13**
High (6 Aug 2012)	€ 91.85
Low (23 Mar 2012)	€ 80.00
Closing price (31 Aug 2012)	€ 90.00
Closing book value per share (31 Aug 2012)	€ 77.03
Closing market capitalisation (31 Aug 2012)	€ 1,278.2m

AGRANA started the 2012|13 financial year at a share price of € 84.99 on 1 March. On an average trading volume of about 1,100 shares per day (based on double counting, as published by the Vienna Stock Exchange), after marking an interim all-time high of € 91.85 in the volatile environment, AGRANA's share price reached € 90.00 at the close of the first six months of the year (up 5.89% over the reporting period). The last six months were again characterised by negative sentiment in financial markets – driven by the sovereign debt crisis – which was noticeable also in the 9.59% decline of the Austrian blue-chip index, the ATX, over the reporting period. Successfully defying this trend, AGRANA's share price proved very solid and broke the € 90 barrier for the first time in its history.

The share price performance can be followed in the investor relations section of the AGRANA homepage at www.agrana.com. The market capitalisation at 31 August 2012 was € 1,278.2 million, with an unchanged 14,202,040 shares outstanding.

The 25th Annual General Meeting of AGRANA Beteiligungs-AG on 2 July 2012 approved the payment of a dividend of € 3.60 per share for the 2011|12 financial year (an increase of 50% from the prior year's € 2.40 per share); the dividend was paid in July.

SUGAR SEGMENT

Market environment

World sugar market

In its third estimate for the 2011|12 sugar marketing year (SMY), the analytics firm F.O. Licht predicts a surplus of world sugar supply over demand. While the predicted consumption of sugar is 164.6 million tonnes (SMY 2010|11: 159.9 million tonnes), the forecast for total production is 177.8 million tonnes (SMY 2010|11: 165.0 million tonnes). This would mean a year-on-year increase of 12.8 million tonnes in production, and an expansion in world sugar stocks despite growth of 4.7 million tonnes in demand.

Recurring news reports of unfavourable weather conditions in Brazil, India and Australia prompted continual adjustments of expected sugar cane yield figures and consequently led to greater uncertainty in the markets. In the first nine months of the 2012 calendar year, world market prices for sugar thus exhibited heightened volatility. From USD 548 or € 412 per tonne at the start of the financial year on 1 March, raw sugar rose to interim highs in March and July before declining to USD 436 or € 346 per tonne as of the end of the reporting period on 31 August. White sugar, which traded at USD 646 or € 485 per tonne at the beginning of the financial year, quoted at USD 566 or € 449 per tonne at the end of the reporting period.

EU sugar market

To ensure sufficient sugar supply to the market in the 2011|12 sugar marketing year, the European Commission had taken two measures. It approved the sale of non-quota sugar into the EU food market, through a reclassification. In total, 650,000 tonnes of sugar was available for this reclassification, which meant this quantity was subject to a lower surplus levy. In addition to this measure, the Commission permitted the additional importation of 400,000 tonnes of sugar at reduced tariffs.

The total ceiling for exports of European non-quota sugar for the 2011|12 sugar marketing year was 1.35 million tonnes; this corresponds to the export limit set by the World Trade Organisation (WTO). For the 2012|13 sugar marketing year the European Commission, in April 2012, already set the preliminary export volume at 650,000 tonnes, but this can potentially be increased up to the export ceiling.

Financial results

Sugar segment	H1 2012|13	H1 2011|12
Revenue	€ 634.0m	€ 435.9m
EBITDA	€ 76.5m	€ 55.7m
Operating profit before exceptional items	€ 71.2m	€ 50.6m
Operating margin	11.2%	11.6%
Purchases of property, plant and equipment and intangibles[1]	€ 25.8m	€ 11.8m

Sugar segment	Q2 2012|13	Q2 2011|12
Revenue	€ 327.2m	€ 253.9m
EBITDA	€ 39.3m	€ 31.6m
Operating profit before exceptional items	€ 36.6m	€ 29.0m
Operating margin	11.2%	11.4%
Purchases of property, plant and equipment and intangibles[1]	€ 17.4m	€ 7.7m

In the second quarter of 2012|13, the Sugar segment continued the good performance of the first quarter in terms of sales volume, revenue and earnings.

Thanks to sustained good market conditions, revenue in the first half of 2012|13 grew to € 634.1 million from € 435.9 million in the year-earlier period. Relative to the first half of the prior year, sales volumes rose in almost all areas. Sales to resellers were especially strong, and so were sales of non-quota sugar into the sugar-using industry and the world market.

Higher selling prices and volumes outweighed higher raw material costs, resulting in a pre-exceptionals operating profit of € 71.2 million (H1 2011|12: € 50.6 million). Thanks to the high grain prices, good contribution margins were also achieved with co-products (such as dried beet pulp and molasses).

Raw materials, crops (or crop forecasts) and production

The area planted to sugar beet for the AGRANA Group was further expanded by about 10,000 hectares for the 2012|13 sugar marketing year to more than 103,000 hectares; in Austria this included approximately 900 hectares dedicated to organic beet production. Owing to the relatively unfavourable weather conditions experienced in the summer months, below-average beet yields are expected in all countries where beet was grown for AGRANA. The harvest began at the beginning of September in Austria; in the other countries, the campaign was launched around 20 September 2012.

[1] Excluding goodwill.

STARCH SEGMENT

Market environment

The International Grains Council (IGC) is estimating the world's grain production in the 2012|13 marketing year[1] at 1.78 billion tonnes (2011|12 marketing year: 1.85 billion tonnes), an amount lower than the forecast consumption of 1.81 billion tonnes. Wheat production is forecast at 662 million tonnes (2011|12: 696 million tonnes), with predicted demand of 679 million tonnes. Corn (maize) production is forecast by the IGC at 838 million tonnes (2011|12: 875 million tonnes), versus estimated consumption of 853 million tonnes. Both for wheat and corn, global inventories are thus expected to decline amid the projected undersupply.

The prices of wheat and corn in commodity markets have risen sharply since the middle of June in response to worldwide drought losses and crop failures. Thus, at the end of August 2012 on the NYSE Liffe commodity derivatives exchange in Paris, wheat futures for November delivery quoted at about € 264 per tonne and corn futures at around € 254 per tonne.

Grain production in Austria, excluding grain corn (non-silage corn) is estimated by Agrarmarkt Austria (AMA) at approximately 2.4 million tonnes (2011|12: 3.1 million tonnes), or about 25% less than in the prior year.

Financial results

Starch segment	H1 2012|13	H1 2011|12
Revenue	€ 395.7m	€ 387.7m
EBITDA	€ 58.0m	€ 49.0m
Operating profit before exceptional items	€ 46.5m	€ 36.2m
Operating margin	11.8%	9.3%
Purchases of property, plant and equipment and intangibles[2]	€ 19.4m	€ 7.7m

Starch segment	Q2 2012|13	Q2 2011|12
Revenue	€ 203.3m	€ 194.4m
EBITDA	€ 28.0m	€ 20.0m
Operating profit before exceptional items	€ 22.5m	€ 13.7m
Operating margin	11.1%	7.0%
Purchases of property, plant and equipment and intangibles[2]	€ 10.7m	€ 5.4m

The slight revenue growth to € 395.7 million in the first half of 2012|13 reflected higher selling prices for saccharification products – particularly isoglucose – and higher sales volumes both of core and by-products.

The Starch segment's operating profit of € 46.5 million before exceptional items significantly surpassed the year-earlier result of € 36.2 million. The main factors responsible for the earnings growth were the higher sales prices for saccharification products and lower raw material prices from the old crop. This allowed the operating margin to increase from 9.3% to 11.8%, thanks especially to regional raw material advantages at HUNGRANA, the joint venture in Hungary.

Raw materials, crops (or crop forecasts) and production

On 22 August the potato starch factory in Gmünd, Austria, began the processing of starch potatoes from the 2012 harvest. As a result of partly unfavourable weather, notably late frost in the spring and dry conditions in the summer, the potato crop is predicted to reach about 85% to 90% of the contracted amount; the forecast is thus for approximately 230,000 tonnes (including organic starch potatoes). With the starch content expected to be similar to last year's at about 19%, potato starch production is likely to amount to roughly 50,000 tonnes (2011|12: approximately 52,000 tonnes). Processing of freshly harvested wet corn at the corn starch plant in Aschach, Austria, began on 28 August. By the beginning of December, the facility is to process more than 100,000 tonnes of wet corn, approximately the same amount as last year. Production will then switch to the use of dry corn. In the first half of 2012|13, some 201,000 tonnes of corn was processed, in line with the prior year.

At HUNGRANA, the wet corn campaign began on 18 August. Given the local poor corn yields caused by a drought in June and July (which is expected to reduce the corn crop in Hungary to only about 50% of last year's production), the volume of wet corn processing this year will be significantly less than the prior year's 210,000 tonnes. In the first half of 2012|13 (from March to the end of August), the plant's total corn throughput was approximately 561,000 tonnes (AGRANA's share is 50%) and thus above the prior-year level. HUNGRANA's isoglucose quota in the 2012|13 marketing year (October to September) is unchanged at about 220,000 tonnes. In Romania, about 23,000 tonnes of corn were processed in the first six months of the 2012|13 financial year (H1 2011|12: 17,000 tonnes). Since early September, wet corn has been the feedstock here as well.

For raw materials for bioethanol production in the first half of 2012|13, AGRANA used wheat (or triticale) and corn in a ratio of approximately 11 to 9. A total of about 271,000 tonnes of ethanol grains was processed in the first six months

[1] Grain marketing year: July 2012 to June 2013.
[2] Excluding goodwill.

of the financial year. For the 2013 crop as well, growers are being offered cultivation contracts for ethanol grains. Processing of wet corn for ethanol production began at the end of August. The amount of wet corn used will reach approximately the prior-year volume (85,000 tonnes).

The halt of the planned introduction of E10[1] ethanol blend in Austria, announced by the government on 17 September 2012, does not mean an immediate change in the current situation for AGRANA. The bioethanol plant in Pischelsdorf, Austria, has been operating at full capacity for years and exports half of its production.

FRUIT SEGMENT

Market environment

While the market's sales volumes of fruit preparations in Europe are stagnating at a high absolute level, the Americas and the Asia-Pacific region are showing very good market growth rates. In the US fruit preparations market there is a pronounced trend towards Greek yoghurt with a significantly higher fruit content, which AGRANA was able to participate in disproportionately strongly through market share gains in this sector.

In Europe the trend in consumption of beverages with a high fruit juice content was relatively subdued, not least as a result of the raw-materials-driven rise in fruit juice concentrate prices over the last two years.

Financial results

Fruit segment	H1 2012|13	H1 2011|12
Revenue	€ 573.4m	€ 461.1m
EBITDA	€ 42.1m	€ 47.4m
Operating profit before exceptional items	€ 24.8m	€ 31.4m
Operating margin	4.3%	6.8%
Purchases of property, plant and equipment and intangibles[2]	€ 14.4m	€ 16.0m

Fruit segment	Q2 2012|13	Q2 2011|12
Revenue	€ 298.0m	€ 223.6m
EBITDA	€ 22.1m	€ 22.1m
Operating profit before exceptional items	€ 12.5m	€ 13.8m
Operating margin	4.2%	6.2%
Purchases of property, plant and equipment and intangibles[2]	€ 8.8m	€ 8.2m

Revenue in the Fruit segment added 24.4% in the first half of 2012|13, rising to € 573.4 million, which was made possible above all by sales growth in fruit juice concentrates and fruit preparations compared to the first half of the prior year. In the fruit preparations business, all regions except Central and Western Europe saw volume growth, with particularly gratifying increases in the United States (thanks to the market share gained in Greek yoghurt), in Russia (with market share gains in a moderately growing market), China and Mexico. Selling prices were elevated compared to the prior year, reflecting the rise in raw material costs. In the fruit juice concentrates division, the principal trend was volume-driven revenue growth, part of which came from the first-time, full consolidation of Ybbstaler Fruit Austria GmbH with effect from 1 June 2012.

The Fruit segment's operating profit of € 24.8 million before exceptional items was about 21% below the prior-year level of € 31.4 million. The segment operating margin thus fell to 4.3% (H1 2011|12: 6.8%). Among the key reasons for the lower operating earnings were temporary margin effects in the juice concentrate business. However, for the segment as a whole, the margin situation is improving compared to last year's financial fourth quarter, which is visible also in a positive trend in the second quarter.

The earnings effect of the initial consolidation of Ybbstaler Fruit Austria GmbH was still small in the first three months of its inclusion in the accounts; beyond this, synergy effects and a resulting sustained profit improvement will be achieved going forward, with the merging of processes and structures in the new organisation.

Raw materials, crops (or crop forecasts) and production

Fruit prices stabilised at the high level of the prior year and demand pressure consequently eased significantly. The spring and summer harvests in North America, Europe and China were quite satisfactory. For cherries and blackberries, prices rose further on a sub-par harvest in Serbia and mediocre crop volume in Poland. Prices of stone fruits and pomes increased slightly as a result of raw material price volatility in Spain and Greece. The situation is similar in North and Latin America, where prices have been climbing even more than in Europe, buoyed primarily by the robust demand in Latin American emerging markets. Prices for tropical fruits were stable thanks to the ample harvest compared to the prior year; small cost increases in this market segment resulted mainly from the weaker euro.

In the apple juice concentrate market, crop forecasts in China are higher than last year's results, although the price of fruit for processing continues to be driven by the strong fresh market demand. For the European apple crop, an average production volume is forecast. A striking pattern in

[1] "Super95 E10" is a petrol-ethanol blend containing up to 10% bioethanol, the other 90% being derived from fossil petroleum.
[2] Excluding goodwill.

this region is a steep East-West gradient: While the harvests in Poland, Ukraine and Hungary will probably be better than last year, declines are expected in some Western European countries (France, Italy, Belgium, and the Netherlands). The fresh fruit warehouses were emptied over the summer and demand in the coming months is expected to be correspondingly strong.

In Poland, AGRANA produced not-from-concentrate juice from storage apples until the middle of June. Processing of the new apple crop started early in Ukraine, at the beginning of July 2012. Berry processing in Poland, Hungary and Denmark ended in early September. While purchasing prices for strawberries and sour cherries were very high, prices for currants, raspberries and blueberries were – in some cases significantly – below prior-year levels.

MANAGEMENT OF RISKS AND OPPORTUNITIES

AGRANA uses an integrated system for the early identification and monitoring of risks that are relevant to the Group. There are at present no known risks to the AGRANA Group's ability to continue in operational existence, and no future risks of this nature are currently discernible. A detailed description of the Group's business risks is provided on pages 74 to 77 of the annual report 2011|12.

Against the backdrop of the current crisis of confidence in capital markets, the general risk of customer/counterparty default has risen, as has the level of currency risk. To control these risks, the risk management system is continually refined.

SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the balance sheet date of 31 August 2012 that had a material effect on AGRANA's financial position, results of operations or cash flows.

OUTLOOK

For the full year 2012|13, AGRANA expects Group revenue to increase to more than € 3.0 billion (2011|12: € 2.6 billion) on overall slight volume growth and continuing high price levels. After the strong earnings in the first half of the year, the next two quarters are expected to witness high volatility in raw material and selling prices. This in combination with reduced crop yields is predicted to lead to lower earnings in the second half of 2012|13. For the year as a whole, AGRANA should be able to reach an operating profit approximately in line with that of last year.

In the **Sugar segment**, earnings for the second half of 2012|13 are expected to be good, but lower than in the first six months of the financial year. For the full year, AGRANA believes Sugar revenue will rise at a solid rate, although without further growth in earnings. On balance, operating profit before exceptional items is thus projected to be approximately at the prior-year level. For weather reasons, the company expects beet sugar production to fall short of last year's output. In the deficit markets, AGRANA is refining more sugar to make the fullest possible use of the available market potential.

In the **Starch segment**, the developments in the procurement and sales markets and the intensified competition indicate that the positive earnings trend of the first half of 2012|13 will slow significantly in the months ahead. Although stable market demand is predicted for starch products both in the non-food sector and for saccharification products, bioethanol and co-products – with the expected result of a solid earnings trend – strongly risen raw material prices will adversely affect margins in the second half of the year.

The **Fruit segment's** operating profit before exceptional items is expected to increase for the 2012|13 financial year. For the fruit preparations division, AGRANA believes the market environment will remain challenging. While the reduced demand will continue to weigh on the overall market in Europe, growth in the non-European markets is accelerating. Here, significant gains in sales volumes and in market shares were achieved through new products and numerous growth-driving projects. The price trend for agricultural raw materials also remains a challenge in the fruit preparations business. In the fruit juice concentrates division, the expectation is for further revenue growth, driven by volume increases amid continuing volatile selling prices. Helped by Ybbstaler's contribution to earnings, concentrate operating profit before exceptional items should soon stabilise at the level reached in 2011|12.

In the 2012|13 financial year, total investment in all three segments will expand to about € 140 million and thus provide solid support for the Group's long-term growth trajectory and earnings performance.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST SIX MONTHS ENDED 31 AUGUST 2012 (UNAUDITED)

	Second quarter (1 June – 31 August)		First six months (1 March – 31 August)	
CONSOLIDATED INCOME STATEMENT	**2012|13**	**2011|12**	**2012|13**	**2011|12**
	€000	€000	€000	€000
Revenue	828,496	671,763	1,603,130	1,284,669
Changes in inventories of finished and unfinished goods	(119,167)	(61,395)	(285,967)	(125,720)
Own work capitalised	146	551	1,279	1,347
Other operating income	12,383	7,604	18,470	13,334
Cost of materials	(472,189)	(419,477)	(850,618)	(775,365)
Staff costs	(66,233)	(58,234)	(127,004)	(114,132)
Depreciation, amortisation and impairment losses	(18,204)	(17,120)	(34,078)	(33,977)
Other operating expenses	(94,638)	(68,573)	(183,673)	(133,410)
Operating profit after exceptional items	**70,594**	**55,119**	**141,539**	**116,746**
Finance income	3,797	(217)	6,505	1,982
Finance expense	(7,173)	(11,411)	(19,537)	(19,842)
Net financial items	**(3,376)**	**(11,628)**	**(13,032)**	**(17,860)**
Profit before tax	**67,218**	**43,491**	**128,507**	**98,886**
Income tax expense	(15,136)	(8,860)	(28,949)	(21,177)
Profit for the period	**52,082**	**34,631**	**99,558**	**77,709**
Attributable to shareholders of the parent	*50,339*	*34,492*	*97,479*	*76,094*
Attributable to non-controlling interests	*1,743*	*139*	*2,079*	*1,615*
Earnings per share under IFRS (basic and diluted)	€ 3.54	€ 2.43	€ 6.86	€ 5.36

	Second quarter (1 June – 31 August)		First six months (1 March – 31 August)	
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	**2012|13**	**2011|12**	**2012|13**	**2011|12**
	€000	€000	€000	€000
Profit for the period	52,082	34,631	99,558	77,709
Other comprehensive income/(expense)				
– Currency translation differences	16,923	(10,335)	7,773	(10,719)
– Available-for-sale financial assets under IAS 39	177	(14)	117	34
– Tax effect of available-for-sale financial assets	0	0	0	0
– Cash flow hedges under IAS 39	6,241	(890)	7,267	(703)
– Change in actuarial gains and losses on defined benefit pension obligations and similar liabilities under IAS 19	(5)	0	(14)	0
– Tax effect of IAS 19 and IAS 39	(1,354)	261	(1,791)	197
Other comprehensive income/(expense) for the period	21,982	(10,978)	13,352	(11,191)
Total comprehensive income for the period	**74,064**	**23,653**	**112,910**	**66,518**
Attributable to shareholders of the parent	*69,170*	*23,710*	*107,375*	*64,989*
Attributable to non-controlling interests	*4,894*	*(57)*	*5,535*	*1,529*

CONSOLIDATED BALANCE SHEET

		31 August 2012	29 February 2012
		€000	€000
ASSETS			
A.	**Non-current assets**		
	Intangible assets	253,618	248,383
	Property, plant and equipment	650,810	595,924
	Securities	106,294	104,909
	Investments in non-consolidated subsidiaries and outside companies, and loan receivables	6,206	7,265
	Receivables and other assets	7,678	6,558
	Deferred tax assets	28,704	29,764
		1,053,308	**992,803**
B.	**Current assets**		
	Inventories	520,002	768,569
	Trade receivables and other assets	632,469	492,720
	Current tax assets	12,097	8,173
	Securities	53	1,352
	Cash and cash equivalents	166,423	98,504
		1,331,044	**1,369,318**
	Total assets	**2,384,351**	**2,362,121**
EQUITY AND LIABILITIES			
A.	**Equity**		
	Share capital	103,210	103,210
	Share premium and other capital reserves	411,362	411,362
	Retained earnings	579,410	524,900
	Equity attributable to shareholders of the parent	1,093,982	1,039,472
	Non-controlling interests	82,517	33,516
		1,176,499	**1,072,988**
B.	**Non-current liabilities**		
	Retirement and termination benefit obligations	54,280	52,674
	Other provisions	13,194	12,397
	Borrowings	430,021	332,090
	Other payables	1,996	2,013
	Deferred tax liabilities	20,731	17,253
		520,221	**416,427**
C.	**Current liabilities**		
	Other provisions	29,008	26,777
	Borrowings	232,202	341,885
	Trade and other payables	381,425	469,465
	Current tax liabilities	44,997	34,579
		687,631	**872,706**
	Total equity and liabilities	**2,384,351**	**2,362,121**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the first six months (1 March – 31 August)

	2012|13 €000	2011|12 €000
Operating cash flow before change in working capital	147,103	119,461
Gains on disposal of non-current assets	(713)	(1,002)
Change in working capital	63,795	(10,782)
Net cash from operating activities	**210,185**	**107,677**
Net cash (used in) investing activities	(49,933)	(34,829)
Net cash (used in) financing activities	(93,597)	(64,675)
Net increase in cash and cash equivalents	**66,655**	**8,173**
Effect of movements in foreign exchange rates on cash and cash equivalents	1,264	(1,386)
Cash and cash equivalents at beginning of period	98,504	70,427
Cash and cash equivalents at end of period	**166,423**	**77,214**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first six months (1 March – 31 August)

	Equity attributable to shareholders of the parent €000	Non-controlling interests €000	Total €000
2012|13			
At 1 March 2012	**1,039,472**	**33,516**	**1,072,988**
Fair value movements under IAS 39	3,595	1,998	5,593
Change in actuarial gains and losses on defined benefit pension obligations and similar liabilities	16	(30)	(14)
Currency translation gain	6,285	1,488	7,773
Other comprehensive income for the period	9,896	3,456	13,352
Profit for the period	97,479	2,079	99,558
Total comprehensive income for the period	**107,375**	**5,535**	**112,910**
Dividends paid	(51,127)	(1,315)	(52,442)
Other changes	(1,738)	44,781	43,043
At 31 August 2012	**1,093,982**	**82,517**	**1,176,499**
2011|12			
At 1 March 2011	**942,137**	**28,558**	**970,695**
Fair value movements under IAS 39	(474)	2	(472)
Currency translation loss	(10,631)	(88)	(10,719)
Other comprehensive (expense) for the period	(11,105)	(86)	(11,191)
Profit for the period	76,094	1,615	77,709
Total comprehensive income for the period	**64,989**	**1,529**	**66,518**
Dividends paid	(34,085)	(781)	(34,866)
Other changes	(353)	882	529
At 31 August 2011	**972,688**	**30,188**	**1,002,876**

SEGMENT REPORTING

for the first six months
(1 March – 31 August)

	2012|13 €000	2011|12 €000
Total revenue		
Sugar	674,936	475,893
Starch	400,550	392,260
Fruit	574,135	461,973
Group	1,649,621	1,330,126
Inter-segment revenue		
Sugar	(40,890)	(40,042)
Starch	(4,824)	(4,575)
Fruit	(776)	(840)
Group	(46,490)	(45,457)
Revenue		
Sugar	634,046	435,851
Starch	395,726	387,685
Fruit	573,359	461,133
Group	1,603,130	1,284,669

	2012|13 €000	2011|12 €000
Operating profit		
Sugar	71,247	50,619
Starch	46,469	36,195
Fruit	24,774	31,365
Group	142,490	118,179
Exceptional items	(951)	(1,433)
Operating profit after exceptional items	141,539	116,746
Purchases of property, plant and equipment and intangibles[1]		
Sugar	25,772	11,828
Starch	19,423	7,645
Fruit	14,441	16,006
Group	59,636	35,479
Staff count		
Sugar	2,105	2,051
Starch	939	897
Fruit	5,475	5,229
Group	8,519	8,177

BASIS OF PREPARATION

The interim report of the AGRANA Group for the six months ended 31 August 2012 was prepared in accordance with the rules for interim financial reporting under IAS 34, in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and their interpretation by the IFRS Interpretations Committee. The interim consolidated financial statements at and for the period ended 31 August 2012 were not audited or reviewed. These interim financial statements were released by the Management Board of AGRANA Beteiligungs-AG on 8 October 2012 for publication.

The annual report 2011|12 of the AGRANA Group is available on the Internet at www.agrana.com for online viewing or downloading.

ACCOUNTING POLICIES

In the preparation of these interim accounts, the IFRS and interpretations which became effective in the 2012|13 financial year were applied. This did not have an impact on the presentation of the Group's financial statements or on its financial position, results of operations or cash flows. Except for these newly effective IFRS and interpretations, the same accounting methods were applied as in the preparation of the annual consolidated financial statements for the year ended 29 February 2012 (the 2011|12 financial year). The notes to those annual consolidated financial statements therefore apply mutatis mutandis to these interim accounts. Corporate income taxes were determined on the basis of country-specific income tax rates, taking into account the tax planning for the full financial year.

[1] Excluding goodwill.

SCOPE OF CONSOLIDATION

The merger of AGRANA Juice Holding GmbH, Gleisdorf, Austria, with Ybbstaler Fruit Austria GmbH, Kröllendorf/Allhartsberg, Austria, closed on 1 June 2012.

YBBSTALER AGRANA JUICE GmbH, Kröllendorf/Allhartsberg, Austria, is the new parent company for the Juice activities. YBBSTALER AGRANA JUICE GmbH is 50.01% owned by AGRANA and 49.99% owned by RWA Raiffeisen Ware Austria (RWA), Vienna, and is fully consolidated in the Group financial statements of AGRANA Beteiligungs-AG.

The business combination of AGRANA Juice Holding GmbH and Ybbstaler Fruit Austria GmbH is intended to raise synergies. The goal of YBBSTALER AGRANA JUICE GmbH is to strengthen international marketing capabilities and thus create further opportunities for growth. The company aims to establish itself as a leading supplier of fruit juice concentrates, fruit purees, beverage bases, natural aromas and not-from-concentrate juices for the downstream beverage industry. The company, which employs about 800 people, has its registered office in Kröllendorf/Allhartsberg, Austria, and operates 15 sites in Austria, Denmark, Germany, Poland, Romania, Ukraine and China.

With the closing of the transaction, two Ybbstaler companies and the shares of the AGRANA Juice companies were transferred to YBBSTALER AGRANA JUICE GmbH. The two Ybbstaler firms (Ybbstaler Fruit Austria GmbH and Ybbstaler Fruit Polska Sp. z o.o., which is based in Chełm, Poland) are – directly or indirectly – wholly owned by YBBSTALER AGRANA JUICE GmbH.

On 1 June 2012, in connection with this transaction, AGRANA acquired 50.01% of the shares of Ybbstaler Fruit Austria GmbH while at the same time ceding 49.99% of the shares of AGRANA Juice Holding GmbH to RWA. As the consideration received consisted of shares of YBBSTALER AGRANA JUICE GmbH, these represent the purchase cost and are measured at fair value at the acquisition date.

The net assets at initial full consolidation and the goodwill arising on acquisition were as shown below:

Fair value at acquisition date	1 June 2012
	€000
Non-current assets	22,937
Inventories	39,710
Receivables and other assets	29,751
Cash, cash equivalents and securities	9,625
Current assets	79,086
Total assets	**102,023**
Less non-current liabilities	(2,514)
Less current liabilities	(67,399)
Net assets (equity)	**32,110**
Less non-controlling interests	(16,053)
Goodwill	7,324
Purchase cost	**23,381**

Equity attributable to non-controlling interests increased by € 40,858 thousand at the acquisition date. At the time of publication of this report, the purchase price allocation (specifically, the determination of assets identifiable within goodwill) is not yet completed; to date, no significant assets within goodwill have been identified.

SEASONALITY OF BUSINESS

Most of the Group's sugar production falls into the three months from October to December. Depreciation and impairment of plant and equipment used in the campaign are therefore incurred largely in the financial third quarter. The material costs, staff costs and other operating expenses incurred before the sugar campaign in preparation for production are recognised intra-year under the respective type of expense and capitalised within inventories as unfinished goods.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Operating profit after exceptional items in the first half of 2012|13 was € 141.5 million (H1 2011|12: € 116.7 million). This profit improvement was driven both by the Sugar and Starch segments.

Exceptional items consisted of expenses for reorganisation measures in the Fruit segment.

Net financial items totalled a net expense of € 13.0 million (H1 2011|12: net expense of 17.9 million) and resulted largely from the net interest expense.

After taxes, Group profit for the period was € 99.6 million (H1 2011|12: € 77.7 million).

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

In the six months to the end of August 2012, cash and cash equivalents grew to € 166.4 million, an increase of € 67.9 million from the beginning of the financial year.

Operating cash flow before change in working capital grew by € 27.6 million from the prior-year comparative period, to € 147.1 million. The main driver of this movement was the rise of € 21.9 million in profit for the period. Working capital decreased by € 64.6 million in the reporting period, owing largely to greater inventory reduction (H1 2011|12: increase of € 10.7 million in working capital). Net cash from operating activities during the first half of 2012|13 was € 210.2 million (H1 2011|12: € 107.7 million).

Net cash used in investing activities, at € 49.9 million (H1 2011|12: net cash used of € 34.8 million), reflected the current reporting period's higher purchases of property, plant and equipment in the Sugar segment (especially in Austria) and in the Starch segment (notably at the Austrian wheat starch plant).

The increase in non-current borrowings included the € 110 million promissory note loan (in German: Schuldscheindarlehen, a type of loan with some bond-like characteristics) placed in April 2012. The € 142.9 million reduction in current borrowings, together with the dividend payment by AGRANA Beteiligungs-AG, led to a net cash outflow of € 93.6 million from financing activities (H1 2011|12: net cash outflow of € 64.7 million).

NOTES TO THE CONSOLIDATED BALANCE SHEET

Total assets changed only insignificantly from 29 February 2012, increasing by € 22.3 million to € 2,384.4 million. On the assets side of the balance sheet, the seasonal reduction in inventories coincided with an increase in trade receivables. On the liabilities side, lower trade and other payables accounted for the largest change. With total equity of € 1,176.5 million (29 February 2012: € 1,073.0 million), the equity ratio at the end of August was 49.3% (29 February 2012: 45.4%).

STAFF COUNT

In the first six months of the financial year the AGRANA Group had an average of 8,519 employees (H1 2011|12: 8,177). An increase of about 250 positions in the Fruit segment was driven mainly by the inclusion of the two Ybbstaler companies, Ybbstaler Fruit Austria GmbH and Ybbstaler Fruit Polska Sp. z o.o.

RELATED PARTY DISCLOSURES

There were no material changes in related party relationships after the year-end balance sheet date of 29 February 2012. Transactions with related parties as defined in IAS 24 are conducted on arm's length terms. Details of individual related party relationships are provided in the AGRANA annual report for the year ended 29 February 2012.

SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING DATE

No significant events occurred after the balance sheet date of 31 August 2012 that had a material effect on AGRANA's financial position, results of operations or cash flows.

MANAGEMENT BOARD'S RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge:

- the condensed consolidated interim financial statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's financial position, results of operations and cash flows; and
- the Group's management report for the first six months gives a true and fair view of the financial position, results of operations and cash flows of the Group in relation to (1) the important events in the first half of the financial year and their effects on the condensed consolidated interim financial statements, (2) the principal risks and uncertainties for the remaining six months of the financial year, and (3) the reportable significant transactions with related parties.

Vienna, 8 October 2012

Johann Marihart
Chief Executive Officer

Fritz Gattermayer
Member of the Management Board

Walter Grausam
Member of the Management Board

Thomas Kölbl
Member of the Management Board

FORWARD-LOOKING STATEMENTS

This interim report contains forward-looking statements, which are based on assumptions and estimates made by the Management Board of AGRANA Beteiligungs-AG. Although these assumptions, plans and projections represent the Management Board's current intentions and best knowledge, a large number of internal and external factors may cause actual future developments and results to differ materially from these assumptions and estimates. Some examples of such factors are, without limitation: negotiations concerning world trade agreements; changes in the overall economic environment, especially in macroeconomic variables such as exchange rates, inflation and interest rates; EU sugar policy; consumer behaviour; and public policy related to food and energy.

AGRANA Beteiligungs-AG does not guarantee in any way that the actual future developments and actual future results achieved will match the assumptions and estimates expressed or made in this interim report, and does not accept any liability in the event that assumptions and estimates prove to be incorrect.

As a result of the standard round-half-up convention used in rounding individual amounts and percentages, this report may contain minor, immaterial rounding errors.

FINANCIAL CALENDAR

10 January 2013	Publication of results for first three quarters of 2012|13
14 May 2013	Press conference on annual results for 2012|13
5 July 2013	Annual General Meeting for 2012|13
10 July 2013	Dividend payment and ex-dividend date
11 July 2013	Publication of results for first quarter of 2013|14
10 October 2013	Publication of results for first half of 2013|14

FOR FURTHER INFORMATION

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For the AGRANA online annual report 2011|12, visit http://ir.agrana.com

This English translation of the AGRANA report is solely for readers' convenience. Only the German-language report is definitive.

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