AGRANA

REPORT ON THE FIRST THREE QUARTERS OF 2008|09

ADDING VALUE TO NATURE'S GIFTS.

Q1–Q3 2008|09

CONTENTS

GROUP MANAGEMENT REPORT

RESULTS FOR THE FIRST THREE QUARTERS OF 2008|09

General market environment

After the difficult first half of the year, a significant improvement in raw material and energy prices set in from the middle of the 2008 calendar year. Its driving factors were good crops world-wide, liquidity outflows from commodity markets, and rapidly growing fears of recession. At the same time, the US-led financial crisis worsened and thus accelerated the global economic downswing. This was accompanied by significant fluctuation in currency markets, particularly in some Eastern European countries, and a substantial increase in financing costs for companies.

The target markets for the food industry, especially from the middle of the year, were characterised by cautious customer behaviour and by downward pressure on prices. From the beginning of the third quarter of the 2008|09 financial year, certain product groups in the non-food industry likewise showed the effects of the economic downturn.

Business performance

Key financials AGRANA Group	Q1–Q3 2008|09	Q1–Q3 2007|08
Revenue (€m)	1,595.5	1,418.7
Operating profit before exceptional items (€m)	19.7	87.4
Exceptional items (€m)	(2.3)	(4.0)
Operating profit after exceptional items (€m)	17.4	83.4
Purchases of property, plant and equipment and intangibles (excluding goodwill) (€m)	48.9	157.2
Staff count	8,592	8,595

In the first three quarters of the 2008|09 financial year (1 March 2008 to 30 November 2008) the AGRANA Group boosted its revenue by € 176.8 million to € 1,595.5 million, an increase of 12.5% from the first three quarters of the prior year. This growth was driven by the Starch segment, which thanks to the capacity expansion in Austria and Hungary was able to generate additional revenue especially in bioethanol and thus recorded revenue growth of € 202.4 million to € 397.3 million (Q1–Q3 2007|08: € 194.9 million). In the Sugar segment, the external revenue of € 577.6 million matched the year-earlier level of € 579.2 million. In the Fruit segment, by contrast, AGRANA registered a decrease of 3.7% in revenue for the first three quarters to € 620.7 million (Q1–Q3 2007|08: € 644.5 million). As a share of Group revenue, the Fruit segment accounted for 38.9%, the Sugar segment for 36.2% and the Starch segment for 24.9%.

While the first half of 2008|09 was marked by the enormous rise in raw material and energy prices and closed on a deficit due to the one-time effect of the write-down on fruit juice concentrate inventories, the positive nine-month operating profit reflected the expected third-quarter trend reversal in the Fruit segment and the Group as a whole, and represents a normalisation in AGRANA's earnings situation. At the same time, as a result of the loss in the first half of the year, and despite the third quarter's performance in line with expectations, Group operating profit before exceptional items in the first three quarters was, at € 19.7 million, well below the year-earlier level of € 87.4 million. Whereas the Sugar segment saw lower prices and slimmer margins, the Starch segment's operating profit before exceptional items was affected in the first half of the year by the increase in raw material prices for the 2007 crop. With the 2008 grain crop and the fall in prices of commodity inputs, profitability improved, partly making up for the earnings decrease in the first half of the year. After a net exceptional expense of € 2.3 million (Q1–Q3 2007|08: net expense of € 4.0 million), which was unchanged from the first quarter of this financial year and related to the start-up costs at the Austrian bioethanol plant in Pischelsdorf, the Group registered a post-exceptionals operating profit of € 17.4 million (Q1–Q3 2007|08: € 83.4 million).

The unhelpful developments in international financial markets did not leave AGRANA unaffected, resulting in a significant deterioration in net financial items for the first three quarters from a net expense of € 15.7 million to one of € 28.8 million. This was attributable to higher debt and especially to the adverse exchange rate movements in Eastern Europe, Ukraine and Brazil, with the resulting valuation-driven negative translation effects from borrowings. This led to a Group loss of € 11.4 million before tax, well below the year-earlier pre-tax profit of € 67.7 million. The nominal income tax charge decreased thanks to a reduced tax base. The Group's net loss of € 16.1 million for the period (Q1–Q3 2007|08: profit of € 49.7 million) resulted in a loss per share of € 0.96 (Q1–Q3 2007|08: earnings per share of € 3.49).

Investment

Capital expenditures in the first three quarters totalled € 48.9 million (Q1–Q3 2007|08: € 157.2 million), consistent with the investment budget of a size below the level of depreciation. In the Sugar segment, AGRANA invested € 13.7 million (Q1–Q3 2007|08: € 34.9 million), focusing on the reduction of energy consumption. Investment in the Starch segment was € 17.2 million (Q1–Q3 2007|08: € 97.9 million). At the end of the third quarter, the expansion of the drum drying capacity at the Austrian potato starch plant in Gmünd came on stream. Capital expenditure in the Fruit segment was € 18.1 million (Q1–Q3 2007|08: € 24.3 million). The investment centred on the production side (new fruit preparation production lines in France and Brazil) and the SAP implementation in Germany.

Cash flow

In the first three quarters, AGRANA generated operating cash flow of € 72.7 million before changes in working capital (Q1–Q3 2007|08: € 103.0 million). Net cash used in operating activities was € 9.6 million and represented an improvement of € 58.9 million from the year-earlier level of € 68.5 million of net cash used, as a result of reduced inventories and lower liabilities for the EU restructuring levy. Net cash used in investing activities decreased substantially to € 47.9 million (Q1–Q3 2007|08: € 123.2 million). Net cash from financing activities was € 25.8 million (Q1–Q3 2007|08: € 124.7 million); the fact of the net cash inflow resulted mainly from new current borrowings.

Financial position

The significant increase of € 62.0 million in trade receivables and other current assets to € 408.0 million represented higher trade receivables as a result of the expanded distribution activities. This total also included the partial reclassification of EU restructuring fund receivables from non-current to current assets; under Regulation 320/2006, 40% of these receivables is to be disbursed in June 2009 and 60% in February 2010. As expected, net debt was higher than at the end of the last financial year, rising by € 88.0 million to € 655.6 million. The increase resulted from the continuing high requirement for working capital, driven largely by the payment of the EU restructuring levy. The equity ratio of 39.9% as of 30 November 2008 was down slightly from the end of the last financial year (29 February 2008: 41.8%). Thanks to extensive credit lines and liquid assets, AGRANA commands sufficient liquidity reserves.

Appointment of a new Management Board member

The Supervisory Board of AGRANA Beteiligungs-AG has appointed Fritz Gattermayer to the Management Board with effect from 1 January 2009. Gattermayer joined AGRANA Beteiligungs-AG in 1992 and most recently was CEO of the Sugar segment in the AGRANA Group. On the Management Board of AGRANA Beteiligungs-AG, Gattermayer's areas of responsibility will be Purchasing and Sales as well as Raw Materials.

AGRANA share

Share data	Q1–Q3 2008|09
High	€ 73.50
Low	€ 38.21
Closing price	€ 40.00
Book value per share at end of period	€ 61.50
Market capitalisation at end of period	€ 568.08 m

AGRANA's closing share price at the end of November 2008 was € 40.00. Since the beginning of March 2008 the price declined by about 45%, while the ATX Prime Market fell by 57%. The share price performance can be looked up on our homepage at www.agrana.com/Investor Relations.

SUGAR SEGMENT

Market environment

World sugar market

The latest projection (from October 2008) of world sugar inventories by F.O. Licht for the 2008|09 campaign year (1 October 2008 to 30 September 2009) predicts a global decline in production to 161.2 million tonnes and a further increase in consumption to 161.7 million tonnes, resulting in a slight decrease in world sugar inventories to 75.9 million tonnes or 46.9% of consumption. Over the third quarter, owing to the strained macroeconomic environment, the raw sugar quotation (New York) eased from US$ 281 per tonne at the end of August to US$ 262 per tonne at the end of November 2008, while prices in euros increased from € 191 to € 206 per tonne due to exchange rate movements. The white sugar quotation on London's LIFFE derivatives exchange fell significantly from US$ 398 or € 270 per tonne at the end of August to US$ 328 or € 258 per tonne at the end of November 2008.

EU sugar regime

AGRANA has returned about 117,000 tonnes of sugar quota for the 2008|09 marketing year. Under the existing schedule for the payment of restructuring premiums by the EU to producer companies for the return of quota, 40% of the amount is to be paid out in June 2009 and 60% in February 2010. However, the European Commission now intends to accelerate this schedule, paying out the entire amount in the first half of 2009.

Sugar exports

The World Trade Organization seeks a swift conclusion to the DOHA Round of trade negotiations. The negotiations resumed in autumn 2008; however, China, the USA and India were unable to reach agreement on cotton and on the Special Safeguard Clause for developing countries. Should the talks be completed in spring 2009, EU agricultural tariffs would be gradually and significantly reduced from autumn 2011 to 2020.

Business performance

Key financials Sugar segment	Q1–Q3 2008|09	Q1–Q3 2007|08
Revenue (€m)	614.9	595.3
Operating profit before exceptional items (€m)	17.3	28.9
Purchases of property, plant and equipment and intangibles (excluding goodwill) (€m)	13.7	34.9
Staff count	2,494	2,651

In the first three quarters of 2008|09, AGRANA's Sugar segment recorded revenue of € 614.9 million, an increase of € 19.6 million or 3.3% from one year earlier. Through growth in quota sugar sales in the EU and export growth, total sugar sales for the period increased to 823,000 tonnes (Q1–Q3 2007|08: 732,000 tonnes). As a result of competition and the market regime, sugar prices are below the prior-year level. The considerable restriction of production quantities from October 2008 onward is creating deficit markets, particularly in Eastern Europe, a factor which should lead to an improvement in the market situation. Sales of co-products (molasses, dried beet pulp) were satisfactory. Their prices, however, which were very good at the beginning of the year, fell sharply, paralleling the trend in grain prices.

At € 17.3 million, the Sugar segment delivered the largest operating profit contribution, although, as expected, the contribution was below the year-earlier level. Profitability was adversely affected by sugar prices, which since the start of the year have been lower than in the prior year. The depreciation of the Czech, Slovak and Hungarian currencies against the euro detracted from selling prices in the national currencies. At the same time, raw material costs did not benefit from this exchange rate effect, thus resulting in lower margins. In Brcko, Bosnia, the raw sugar refinery operated jointly with S.C. Studen was commissioned, although full capacity utilisation was not yet achieved.

In September 2008 the Austrian competition authorities approved the merger of AGRANA with Studen's Agragold distribution companies. The resulting equity stake will be proportionately consolidated from the fourth quarter onward. The acquisition of 50% ownership interests in the South-eastern European distribution companies is subject to approval by the national competition authorities; approval for Slovenia was received in November 2008.

Raw materials, crop and production

Above-average yields were achieved in all beet-processing countries thanks to very good growing and harvesting conditions. In most countries, beet processing began around 20 September 2008. As a result of the large volume of beet, the two plants in Austria will only complete the sugar campaign on or about 22 January 2009. For the first time, organic sugar beets were harvested in Austria; from this crop of 14,300 tonnes, 1,800 tonnes of organic beet sugar were produced. AGRANA's sugar factories processed a total of approximately 4.73 million tonnes of beet (prior year: 4.62 million tonnes). The expected sugar production of about 713,000 tonnes (prior year: 711,080 tonnes) is well above AGRANA's sugar quota of 618,502 tonnes for the 2008|09 marketing year. The excess quantities are marketed as industrial sugar.

STARCH SEGMENT

Market environment

In the past several months, the grain crop estimates for the 2008|09 grain marketing year (1 July 2008 to 30 June 2009) were revised upward several times by the US Department of Agriculture (the USDA) in expectation of a good crop. Good grain harvests in Europe (mainly of wheat, corn and barley) should make up for a reduced corn (maize) crop in Argentina and the smaller prospective crop of wheat and barley in Australia. In its estimate from 11 December 2008 the USDA expects an increase in world grain production (excluding rice) to 1.78 billion tonnes, representing growth of 5.5% compared with the year before. On this basis, world grain production would significantly surpass estimated global grain consumption of 1.74 billion tonnes (up 3.8%). World grain stocks could thus return to above the psychologically significant mark of 300 million tonnes. The European Commission as well has raised its crop forecast for Europe in the light of favourable weather conditions. According to the forecast, the EU grain crop in 2008|09 could reach approximately 310 million tonnes, about 21.1% more than in the prior year. Of the total crop, soft wheat accounts for about 140 million tonnes, surpassing the 2007 harvest by more than 38 million tonnes. The corn crop in the EU 27 measured 62 million tonnes (prior year: 48 million tonnes). As a consequence of the increased supply, the quotations for wheat on the euronext LIFFE exchange in Paris fell by 28% from € 186 per tonne at the end of August 2008 to € 134 per tonne at the end of November 2008; over the same period, prices quoted for corn declined from € 154 per tonne to € 118 per tonne.

On 20 November 2008 the EU agriculture ministers agreed on the reform of the Common Agricultural Policy (CAP), part of the "Health Check" for the period from 2009 to 2013. For potato starch, the reform calls for the almost unchanged retention of the market management tools such as the production quota, linked aid for farmers, and minimum prices for three marketing years (2009|10, 2010|11 and 2011|12). The payments to farmers that had until now been linked to production, as well as the producer premium for industry, are being integrated in the single payment scheme.

For grains, it was decided to abolish the set-aside scheme with effect from 1 January 2009. The energy crop premium will expire at the same time. For barley and corn, the intervention volume is set to zero.

At the summit in December 2008, the EU firmly committed itself to a 10% minimum content of renewable energies in the European transport sector by 2020. Sustainability criteria were put in place to ensure that, in the future, all biofuels used for transport will be produced by sustainable means. The greenhouse gas emission reduction target for biofuels when compared with fossil fuels was set at a minimum level of 35%, rising to a minimum of 50% in the year 2017. AGRANA's bioethanol plants in Austria and Hungary both already fulfil the 50% criterion.

Business performance

Key financials Starch segment	Q1–Q3 2008|09	Q1–Q3 2007|08
Revenue (€m)	423.1	231.9
Operating profit before exceptional items (€m)	15.3	27.9
Purchases of property, plant and equipment and intangibles (excluding goodwill) (€m)	17.2	97.9
Staff count	852	840

Revenue in the Starch segment for the first three quarters of 2008|09 was € 423.1 million, an increase of 82.4% from the year-earlier result of € 231.9 million. The growth was attributable mainly to strongly rising bioethanol sales in Austria and Hungary and the reclassification of animal feed revenue to the Starch segment (in the prior year it was still credited to the Sugar segment). In native and modified starches, revenue was improved by the necessary adjustment of sales prices, while quantities saw a small decrease. The revenue growth in saccharification products reflected especially the quota-driven volume increases in isoglucose.

Although operating profit before exceptional items, at € 15.3 million (Q1–Q3 2007|08: € 27.9 million), represented a decrease from the first three quarters of the prior year, it constituted a significant rising trend compared with the first half of 2008|09. This substantial profitability improvement in the third quarter was made possible by the start of the new harvest, specifically the launch of the processing of freshly harvested corn in September 2008 procured at prices well below the prior-year level.

Raw materials, crop and production

With an unchanged crop area of approximately 5,800 hectares, the starch potato harvest in Austria in the 2008|09 financial year reached about 200,000 tonnes (prior year: 195,000 tonnes). Sufficient precipitation and favourable temperatures led to an increase in average yields per hectare and to 95% fulfilment of contracted volumes. Average potato starch production will be about 43,000 tonnes (prior year: 40,000 tonnes). This year's production will thus reach approximately 90% of the quota.

Roughly 107,000 tonnes of freshly harvested wet corn were processed in Austria (prior year: 103,000 tonnes). After 89 days, processing switched back to dry corn as the feedstock. For the full 2008|09 financial year, processing volume is expected to reach about 340,000 tonnes (prior year: 364,000 tonnes).

At HUNGRANA, the Group's joint venture in Hungary, total corn processing in 2008|09 is forecast at 850,000 tonnes, markedly exceeding the prior-year quantity of 540,000 tonnes thanks to completion of the capacity expansion. The processing of freshly harvested corn was completed at the end of November 2008 with a total processed volume of about 186,000 tonnes. The prior year's volume of about 21,000 tonnes, which was low because of a poor corn crop, was thus greatly surpassed.

Corn processing in Romania ran until the end of November 2008, with a throughput of 11,400 tonnes.

Bioethanol

At the AGRANA bioethanol plant in Pischelsdorf, bioethanol is produced from wheat, triticale and corn. While corn is purchased on the open market, wheat and triticale are sourced largely through grower contracts with farmers via local dealers.

The high-protein feed that is a co-product of bioethanol production is marketed under the ActiProt brand in Austria and neighbouring countries; it is now certified for use in the production of non-GMO foods (foods not containing genetically modified organisms).

In the third quarter at the plant in Pischelsdorf, a ship loading and unloading facility went on stream to aid in the cost-efficient transport of raw materials and of ActiProt.

Ethanol production in Hungary (at HUNGRANA, the joint venture) is based solely on locally purchased corn. Until the launch of the wet-corn harvest in September 2008, the plant still used expensive corn from the 2007 crop. Since then, the ethanol is distilled from the much lower-priced corn from the new crop.

FRUIT SEGMENT

Market environment

In Europe, consumers are showing greater price sensitivity amid the increase in food prices and deterioration in the economic environment. This is causing a trend towards weaker performance in higher price segments in favour of lower-priced products. In fruit preparations, a slowdown in growth is emerging.

The forecast for fruit juice concentrates, especially apple juice concentrate, is for stable consumer demand at significantly decreased prices. In Europe, Chinese apple juice concentrate can currently hardly compete with European apple juice concentrate in terms of price.

Business performance

Key financials Fruit segment	Q1–Q3 2008|09	Q1–Q3 2007|08
Revenue (€m)	620.7	644.5
Operating profit/(loss) before exceptional items (€m)	(12.8)	30.6
Purchases of property, plant and equipment and intangibles (excluding goodwill) (€m)	18.1	24.3
Staff count	5,246	5,104

The segment's revenue in the first three quarters, at € 620.7 million, was off 3.7% from the year-earlier level of € 644.5 million. After low revenue in the first half of the year, the third quarter partly recouped the earlier decline in concentrates revenue. Selling prices in the first nine months were higher than in the prior year due to the raw material price increases resulting from the 2007 crop. In the apple juice concentrate business, the sales contracts for the new season were concluded during the production period.
The significantly reduced raw material prices from the new 2008 crop already made themselves felt in lower prices of apple juice concentrate in Europe, which are thus at a somewhat depressed level.

The pre-exceptionals operating-level result in the first three quarters, an operating loss of € 12.8 million, remained unsatisfactory. However, with a significantly positive operating profit in the third quarter, the trend reversal was accomplished, making possible the improved operating result for the first three quarters compared to the loss of € 21.2 million that was registered in the first six months as a consequence of the concentrate inventory write-down.

Raw materials, crop and production

The required raw material supply for all fruit categories in the fruit preparations business is covered by the procurement arrangements in place. In China a local sourcing unit was successfully established. The combination of good flowering conditions in the spring, an even distribution of rainfall over the whole growing period and a mild autumn led to optimal fruit development and satisfactory quality in apples. The target quantities for apples were reached in Poland and exceeded in Hungary. In China as well, this year's apple crop was larger than last year's. Both in Europe and China, this led to purchasing prices significantly below the prior-year level. Processing of apples into apple juice concentrate was completed in Europe at the end of November 2008. In China the processing capacities ran at high rates of utilisation in December as well; the processing campaign will probably run until January 2009.

RISK MANAGEMENT

AGRANA uses an integrated system for the early identification and monitoring of risks that are specific to the Group. A detailed description of the Group's business risks is provided in the 2007|08 annual report on pages 65 to 69.

As a specific instance of the types of risk cited there, uncertainty exists as to the exchange rate movements especially of the Ukrainian hryvnia for the final three months of the financial year. As well, in the case of the Hungarian forint and Romanian leu, euro-denominated financings can be associated with currency translation losses. In addition, local earnings of the Hungarian production sites will probably be translated at less favourable exchange rates. AGRANA strives to contain the currency risk by means of hedging.

SIGNIFICANT EVENTS AFTER 30 NOVEMBER 2008

On 15 December 2008 AGRANA received approval from the competition regulator for the Serbian portion of the acquisition of an equity interest in S.C. Studen.

OUTLOOK

As the trend in business operations for the first three quarters was in line with expectations, AGRANA reaffirms its revenue and profit forecast for the 2008|09 financial year: Group revenue is predicted to grow from € 1.9 billion to € 2.1 billion, and operating profit before exceptional items is expected to be about € 30 million.

The performance in the individual segments to the end of the financial year is projected as follows:

- Sugar segment: For the full year, AGRANA expects segment revenue slightly below last year's level, owing primarily to the lower quota sugar production in this year's campaign. For operating profit, a significant reduction is foreseen as a result of price increases for energy and supplies. In the Central and Eastern European countries, decreasing margins attributable to exchange rate fluctuation are having an effect. Not until the next financial year will the raw sugar refinery in Brcko, Bosnia, generate positive earnings contributions. Additionally, a normalisation in sugar markets can be expected in the 2008|09 sugar marketing year (October 2008 to September 2009).

- Starch segment: The strong revenue growth will continue in the fourth quarter. This revenue increase at above the rate of the Group as a whole is explained in part by the cost increases related to raw materials and energy passed through to customers and especially and mainly by the higher capacity in Hungary and rising bioethanol sales. The pre-exceptionals operating profit in the Starch segment will, however, be lower in the full year 2008|09 than the good prior-year figure. The welcome trend in grain prices associated with the new crop cannot completely offset the raw-material-induced negative impact experienced in the first half of 2008|09. For the full year 2008|09 the newly commissioned bioethanol plant in Austria is expected still to have an operating loss of approximately € 7 million.

- Fruit segment: Fruit segment revenue for the financial year 2008|09 is expected to come in slightly below the prior-year level. In the fruit preparations activities, the consequences of the challenging economic setting are showing in the second half of the financial year. Significantly reduced selling prices are expected in fruit juice concentrates. In the financial year as a whole, the one-off expense for the write-down of fruit juice concentrate inventories in the first half of 2008|09 should be almost entirely compensated for by the normalisation in the concentrate business and by the fruit preparations side. AGRANA is implementing many efficiency enhancement measures to steer safely through the very volatile market environment.

Regarding the Group's financing requirements, AGRANA expects to make total capital expenditures of about € 75 million in the 2008|09 financial year.

Vienna, 14 January 2009

The Management Board of AGRANA Beteiligungs-AG

Johann Marihart
Fritz Gattermayer
Walter Grausam
Thomas Kölbl

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

	THIRD QUARTER (1 September – 30 November)		FIRST THREE QUARTERS (1 March – 30 November)	
	2008|09 €000	2007|08 €000	2008|09 €000	2007|08 €000
Revenue	549,963	485,322	1,595,510	1,418,656
Changes in inventories of finished and unfinished goods	160,967	220,888	(96,134)	58,515
Own work capitalised	1,451	1,226	2,521	2,548
Other operating income	10,625	23,214	28,389	34,993
Cost of materials	(477,822)	(473,085)	(1,057,000)	(965,100)
Staff costs	(64,081)	(59,912)	(161,417)	(158,429)
Depreciation, amortisation and impairment losses	(26,666)	(25,267)	(62,636)	(55,409)
Other operating expenses	(126,912)	(141,793)	(231,824)	(252,395)
Operating profit/(loss) after exceptional items	**27,525**	**30,593**	**17,409**	**83,379**
Finance income	(7,733)	(575)	8,224	11,677
Finance expenses	(13,037)	(12,325)	(37,012)	(27,372)
Share of profit of associates	0	0	0	0
Net financial items	**(20,770)**	**(12,900)**	**(28,788)**	**(15,695)**
Profit/(loss) before tax	**6,755**	**17,693**	**(11,379)**	**67,684**
Income tax expense	(1,506)	(4,623)	(4,736)	(18,029)
Profit/(loss) for the period	**5,249**	**13,070**	**(16,115)**	**49,655**
Attributable to shareholders of the parent	6,102	13,321	(13,591)	49,528
Minority interests	(853)	(251)	(2,524)	127
Earnings/(loss) per share under IFRS	€ 0.43	€ 0.94	€ (0.96)	€ 3.49

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the first three quarters (1 March – 30 November)

	2008|09 €000	2007|08 €000
Operating cash flow before change in working capital	72,692	102,960
Gains on disposal of non-current assets	(5,845)	(2,595)
Change in working capital	(76,457)	(168,913)
Net cash from/(used in) operating activities	**(9,610)**	**(68,548)**
Net cash from/(used in) investing activities	(47,921)	(123,218)
Net cash from/(used in) financing activities	25,814	124,717
Net increase/(decrease) in cash and cash equivalents	**(31,717)**	**(67,049)**
Effect of movements in foreign exchange rates on cash and cash equivalents	422	1,306
Cash and cash equivalents at beginning of period	86,760	132,218
Cash and cash equivalents at end of period	55,465	66,475

CONSOLIDATED BALANCE SHEET

		30 November 2008 €000	29 February 2008 €000
	ASSETS		
A.	**Non-current assets**		
	Intangible assets	255,989	252,939
	Property, plant and equipment	646,865	653,316
	Investments in associates	600	600
	Securities	18,429	18,657
	Investments in non-consolidated subsidiaries and outside companies, and loan receivables	88,295	92,852
	Receivables and other assets	28,487	42,101
	Deferred tax assets	27,607	16,710
		1,066,272	**1,077,175**
B.	**Current assets**		
	Inventories	651,308	680,271
	Trade receivables and other assets	408,041	346,050
	Current tax assets	6,421	9,370
	Securities	1,967	4,314
	Cash and cash equivalents	55,465	86,760
		1,123,202	**1,126,765**
	Total assets	**2,189,474**	**2,203,940**
	EQUITY AND LIABILITIES		
A.	**Equity**		
	Share capital	103,210	103,210
	Share premium and other capital reserve	411,362	411,362
	Retained earnings	333,240	379,187
	Equity attributable to equity holders of the parent	847,812	893,759
	Minority interests	25,517	28,306
		873,329	**922,065**
B.	**Non-current liabilities**		
	Retirement and termination benefit obligations	45,997	46,233
	Other provisions	19,462	18,784
	Borrowings	193,034	307,286
	Other payables	2,042	2,033
	Deferred tax liabilities	41,356	38,549
		301,891	**412,885**
C.	**Current liabilities**		
	Other provisions	37,852	42,097
	Borrowings	538,467	370,116
	Trade and other payables	427,234	452,616
	Current tax liabilities	10,701	4,161
		1,014,254	**868,990**
	Total equity and liabilities	**2,189,474**	**2,203,940**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first three quarters (1 March – 30 November)

	Equity attributable to equity holders of the parent €000	Minority interests €000	Total equity €000
At 1 March 2008	**893,759**	**28,306**	**922,065**
Change in revaluation reserve (IAS 39)	(8,374)	(5)	(8,379)
Change in equity as a result of currency translation differences	3,501	146	3,647
Net income/(expense) recognised directly in equity	(4,873)	141	(4,732)
Profit/(loss) for the period	(13,591)	(2,524)	(16,115)
Total recognised income and expense	(13,591)	(2,524)	(16,115)
Dividends paid	(27,694)	(590)	(28,284)
Other changes	211	184	395
Equity at 30 November 2008	**847,812**	**25,517**	**873,329**

	Equity attributable to equity holders of the parent €000	Minority interests €000	Total equity €000
At 1 March 2007	**871,154**	**24,345**	**895,499**
Change in revaluation reserve (IAS 39)	(7,764)	0	(7,764)
Change in equity as a result of currency translation differences	219	110	329
Net income/(expense) recognised directly in equity	(7,545)	110	(7,435)
Profit/(loss) for the period	49,528	127	49,655
Total recognised income and expense	49,528	127	49,655
Dividends paid	(27,694)	(587)	(28,281)
Other changes	148	5,334	5,482
Equity at 30 November 2007	**885,591**	**29,329**	**914,920**

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

including segment reporting

SEGMENT REPORTING

for the first three quarters (1 March – 30 November)

	2008|09 €000	2007|08 €000
Revenue		
Sugar	614,942	595,319
Starch	423,120	231,925
Fruit	620,730	644,538
Group	1,658,792	1,471,782
Inter-segment revenue		
Sugar	(37,354)	(16,089)
Starch	(25,850)	(37,037)
Fruit	(78)	0
Group	(63,282)	(53,126)
External revenue		
Sugar	577,587	579,230
Starch	397,269	194,888
Fruit	620,654	644,538
Group	1,595,510	1,418,656

	2008|09 €000	2007|08 €000
Operating profit/(loss)		
Sugar	17,266	28,917
Starch	15,262	27,871
Fruit	(12,842)	30,627
Group	19,686	87,415
Exceptional item: Bioethanol	(2,277)	(4,036)
Operating profit/(loss) after exceptional items	17,409	83,379
Investment		
Sugar	13,648	34,924
Starch	17,179	97,942
Fruit	18,086	24,302
Group	48,913	157,168
Staff count		
Sugar	2,494	2,651
Starch	852	840
Fruit	5,246	5,104
Group	8,592	8,595

Accounting policies

The interim report of the AGRANA Group for the three quarters ended 30 November 2008 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 Standard Board (IASB) and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). The consolidated interim financial statements at and for the period ended 30 November 2008 were not audited or reviewed.

The same accounting policies were applied as in the preparation of the consolidated financial statements for the year ended 29 February 2008 (the 2007|08 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.

The 2007|08 annual report of the AGRANA Group is available on the Internet at www.agrana.com for online viewing or downloading.

Scope of consolidation

With effect from the beginning of the second quarter of 2008|09, Chinese fruit juice producer Yongji Andre Juice Co, Ltd., China, was consolidated for the first time. This 50%-owned joint venture is included in the financial statements by proportionate consolidation.

In September 2008 the Austrian competition authorities approved the merger of AGRANA with Studen's Agragold distribution companies. The resulting equity stake will be proportionately consolidated from the fourth quarter onward. The acquisition of 50% ownership interests in the Southeastern European distribution companies is subject to approval by the national competition authorities; approval for Slovenia was received in November 2008.

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.

Notes to the consolidated income statement

In the first three quarters of 2008|09 the operating profit of € 17.4 million after exceptional items (Q1–Q3 2007|08: € 83.4 million) represented pre-exceptionals operating profit of € 19.7 million (Q1–Q3 2007|08: € 87.4 million) and net expenses for exceptional items of € 2.3 million (Q1–Q3 2007|08: € 4.0 million).

The decrease in operating earnings was driven mainly by the losses in the first half of the year from the write-down on the apple juice inventories and from a weaker trend in all segments. The third quarter, with operating profit of € 27.5 million after exceptional items, was considerably more positive and came close to matching the year-earlier result of € 30.6 million.

Despite the continuing expenses from the bioethanol plant in Austria, the falling raw material prices made themselves felt in the Starch segment; this reduced the earnings shortfall and led to a cumulative pre-exceptionals operating profit of € 15.3 million for the first three quarters. The Sugar segment remained affected by the expenses for EU levies and the exchange-rate-induced lower selling prices. The first three quarters thus saw a year-on-year decrease of € 11.7 million in operating profit before exceptional items, to a new level of € 17.3 million. In the Fruit segment, both the fruit juice concentrates and fruit preparations businesses were profitable in the third quarter, reducing the year-to-date operating loss to € 12.8 million.

Compared to the year-earlier period, net financial items deteriorated by € 13.1 million to a net expense of € 28.8 million. The main reasons, next to the higher interest payments required for the increased net debt, were the adverse exchange rate movements in Eastern Europe, Ukraine and Brazil, with the resulting valuation-driven translation effects from borrowings.

After taxes, the AGRANA Group registered a loss for the period of € 16.1 million (Q1–Q3 2007|08: profit for the period of € 49.7 million).

Notes to the cash flow statement

In the nine months to the end of November 2008, cash and cash equivalents decreased by € 31.3 million to € 55.5 million. Compared to the first three quarters of the prior year, operating cash flow before change in working capital decreased by € 30.3 million to € 72.7 million (Q1–Q3 2007|08: € 103.0 million) and working capital was reduced by more than in the comparative period. This resulted in net cash used in operating activities of € 9.6 million (Q1–Q3 2007|08: net cash used of € 68.5 million).

The reduced net cash used in investing activities, at € 47.9 million (Q1–Q3 2007|08: net cash used of € 123.2 million), reflects the significantly smaller capital investment plans for this financial year.

The assumption of new debt, particularly of current borrowings, and the outflow of dividend payments of € 28.3 million led to net cash from financing activities of € 25.8 million.

Notes to the consolidated balance sheet

Total assets were reduced by € 14.5 million compared with 29 February 2008 to € 2,189.5 million. Intangible assets included goodwill of € 6.3 million from the first-time consolidation of Yongji Andre Juice Co, Ltd.

While gross financial debts increased by about € 54.1 million, trade and other current payables fell by € 25.4 million. With total equity of € 873.3 million, the equity ratio at the end of November was 39.9%.

Staff count

In the nine months ended 30 November 2008, the AGRANA Group had an average of 8,592 employees (Q1–Q3 2007|08: 8,595). A decrease of 157 employees in the Sugar segment resulted from the closing of a Hungarian sugar plant. The staff increase in the Fruit segment reflected primarily the first-time inclusion of Yongji Andre Juice Co, Ltd.

Management Board's responsibility statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim reporting, the consolidated financial statements give a true and fair view of the Group's financial position and the results of its operations, and the interim management report of the Group presents a true and fair review of the course of business, the business performance and the situation of the Group, together with a description of the principal opportunities and risks associated with the expected developments in the Group for the remainder of the financial year.

Vienna, 14 January 2009

The Management Board of AGRANA Beteiligungs-AG

Johann Marihart
Fritz Gattermayer
Walter Grausam
Thomas Kölbl

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 developments in macroeconomic variables such as exchange rates, inflation and interest rates; changes in market policy, such as the EU sugar regime; consumer behaviour; and public policy related to food and energy.

AGRANA Beteiligungs-AG does not guarantee in any way that the forward-looking assumptions and estimates contained in this interim report will prove correct, nor does it accept any liability for loss or damages that may result from any use of or reliance on this report.

FINANCIAL CALENDAR

6 May 2009	Publication of preliminary results for 2008/09 financial year
20 May 2009	Press conference presenting annual results for 2008/09
10 July 2009	Annual General Meeting for 2008/09
15 July 2009	Dividend payment and ex-dividend date
15 July 2009	Publication of results for first quarter of 2009/10
15 October 2009	Publication of results for first half of 2009/10
14 January 2010	Publication of results for first three quarters of 2009/10

FOR FURTHER INFORMATION

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