



REPORT ON THE
FIRST THREE QUARTERS OF
2009|10

HIGHLIGHTS OF THE FIRST THREE QUARTERS OF 2009|10

- Slight decrease in revenue despite higher volumes as selling prices eased
- Operating profit for the first three quarters improved significantly, thanks particularly to earnings growth in the Starch and Fruit segment
- Increase in operating margin to 5.1%
- Reduction in net debt by 16.8% (€ 79.0 million) to € 391.1 million (28 February 2009: € 470.1 million)
- Outlook for the full year 2009|10 is confirmed, despite expected weaker fourth quarter

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GROUP MANAGEMENT REPORT

FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2009

RESULTS FOR THE FIRST THREE QUARTERS OF 2009|10

The positive business trend for the AGRANA Group in the first half of 2009|10 continued in the third quarter. Although revenue eased slightly on overall lower raw material and sale prices, the earnings situation in all three segments improved from the prior-year comparative period. At the same time, net debt was reduced and the equity ratio improved.

Revenue and earnings

Key financials	Q1-Q3 2009 10	Q1-Q3 2008 09
AGRANA Group		
Revenue	€ 1,535.8m	€ 1,595.5m
Operating profit before exceptional items	€ 78.9m	€ 19.7m
Operating margin	5.1%	1.2%
Exceptional items	€ 0.0m	(€ 2.3m)
Operating profit after exceptional items	€ 78.9m	€ 17.4m
Purchases of property, plant and equipment and intangibles ¹	€ 25.5m	€ 48.9m
Staff count	8,117	8,592

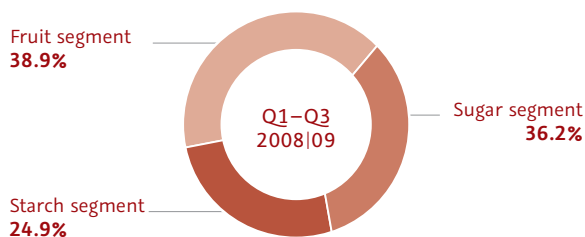
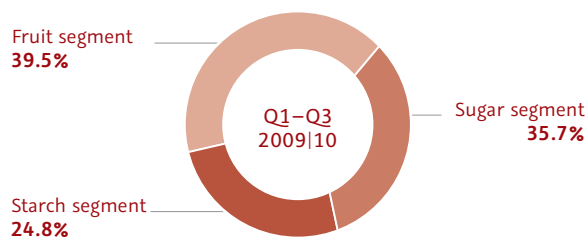
AGRANA's **Group revenue** in the first three quarters of the 2009|10 financial year (1 March to 30 November 2009) was € 1,535.8 million (Q1-Q3 2008|09: € 1,595.5 million), representing a decrease of € 59.7 million or 3.7%. In all three segments, revenues eased as a result of lower selling prices. The volume gains did not fully offset the negative price effect. In the Sugar segment, revenue from quota sugar fell as budgeted, reflecting reduced quota sugar sales as a result

of quota returns, and the lower prices for quota sugar. By contrast, sales of out-of-quota sugar (industrial sugar) were boosted significantly as new target markets were opened up. Bioethanol sales volume in Austria and Hungary expanded. Sale prices of starch products trended downward as sales contracts were adjusted to reflect the lower raw material costs. In the Fruit segment, fruit preparations revenue (accounting for about 80% of segment revenue) was narrowly below the prior-year level, on stable sales volume. In fruit juice concentrate revenue, the significant price decline compared to the prior year was made up for by growth in sales quantities.

Operating profit before exceptional items in the first three quarters of 2009|10 was pushed up from € 19.7 million to € 78.9 million. The improvement in operating margin from 1.2% to 5.1% was driven by lower input costs for raw materials and energy. The Sugar segment result was buoyed by the elimination of the EU restructuring levy. In the third quarter, the Starch segment continued to benefit from the normalisation in raw material and energy markets. The Fruit segment showed a sustained improvement in earnings, after a prior-year comparative period in which write-downs on apple juice concentrate inventory had detracted from profitability.

Net financial items in the first nine months of 2009|10 improved by € 23.9 million from a net expense of € 28.8 million to a net expense of € 4.9 million. The improvement was driven largely by currency translation gains (especially in Hungary, Poland, Brazil and Romania), but also by declining interest costs on the lower net debt, and gains on the sale of business interests. After a tax expense of € 16.2 million (representing a tax rate of 21.9%), the Group's profit for the period was € 57.8 million (Q1-Q3 2008|09: loss for the period of € 16.1 million). The earnings per share attributable to AGRANA shareholders grew from a loss of € 0.96 to a profit of € 4.04.

REVENUE BY SEGMENT



¹ Excluding goodwill.

Investment

Capital expenditure in the first three quarters of 2009|10 amounted to € 25.5 million (Q1–Q3 2008|09: € 48.9 million). In the Sugar segment, investment was € 6.8 million (Q1–Q3 2008|09: € 13.6 million), spent mainly on equipment replacement. € 5.9 million (Q1–Q3 2008|09: € 17.2 million) was invested in the Starch segment during the reporting period. This paid for process optimisation and energy efficiency gains (for example, in the form of waste heat recovery systems at the Austrian starch plants and the switch to natural gas as the primary energy source in Romania). Investment in the Fruit segment measured € 12.8 million (Q1–Q3 2008|09: € 18.1 million). Next to maintenance projects, it related to an installation for the use of liquid sugar at the Russian fruit preparations site and a production line for fruit preparations for baked goods in the USA.

Cash flow

Net cash from operating activities rose from € 0.4 million to € 121.6 million as a result of the lower working capital requirement, which was explained largely by inventory reduction and the receipt of the EU restructuring premium. The absolute final payment to the EU restructuring fund – which related to the 2008|09 sugar marketing year – was made in October 2009. Net cash used in investing activities, at € 23.5 million (Q1–Q3 2008|09: € 47.9 million), was well below the year-earlier level. Net cash of € 106.5 million was used in financing activities, because of the reduction of short-term borrowings (following the comparative period's net cash from financing activities of € 15.8 million).

Financial position

In current assets, inventories contracted by € 64.2 million compared with the beginning of the financial year, bringing the new total inventories to € 497.9 million. The inventory draw-down was attributable to the selling of sugar and apple juice concentrate from the prior-year campaign and the absence of the EU restructuring levy beginning in the 2009|10 sugar marketing year. In the reporting period, AGRANA further improved its capital structure; with total assets 2.9% lower than on 28 February 2009, the equity ratio had risen to 45.0% as of the end of November 2009 (end of 2008|09: 41.4%). Refinancing in favour of long-term credit lines, coupled with the locking-in of low interest rates, led to an increase in non-current borrowings. Meanwhile, current borrowings were reduced as a consequence of the lower capital investment and lower working capital financing thanks to the elimination of the need to fund the EU restructuring levy and to the lower inventories. Net debt at 30 November 2009 stood at € 391.1 million, a reduction of € 79.0 million from the last financial year-end.

AGRANA share

Share data	Q1–Q3 2009 10
High	€ 71.50
Low	€ 40.52
Closing price	€ 64.68
Book value per share at end of period	€ 61.36
Market capitalisation at end of period	€ 919m

In the first three quarters of 2009|10, AGRANA's share price rose substantially from € 44.10 to € 64.68, a gain of 47%. Over the same period, the ATX gained 79%. The market capitalisation at 30 November 2009 was € 919 million, with an unchanged 14.2 million shares outstanding. The share price performance can be followed in the Investor Relations section of AGRANA's homepage at www.agrana.com.

SUGAR SEGMENT

Market environment

World sugar market

In conjunction with its preliminary estimate of November 2009 for world sugar inventories for the 2009|10 campaign year, F.O. Licht revised the projection for the completed 2008|09 campaign year down further to a sharper year-on-year decrease in world sugar production, arriving at a new estimated total of 153.3 million tonnes (compared to production of 166.7 million tonnes in the 2007|08 campaign year) combined with slightly rising world sugar consumption of 161.2 million tonnes (versus 158.6 million tonnes consumed in the 2007|08 campaign year). For the 2009|10 campaign year, the forecast calls for production of 159.7 million tonnes and consumption of 165.4 million tonnes. This implies a decrease in world sugar inventories to 57.0 million tonnes (from 63.1 million tonnes in the prior campaign year) or 34.5% (from 39.1%) of the year's estimated consumption.

After a temporary drop in world market sugar quotations in the course of the third quarter, the end of the quarter saw the resumption of the rise in world market prices (especially for white sugar) that had been underway since the beginning of the calendar year. At the end of November 2009, raw sugar quoted at about USD 487 (€ 324) per tonne in the world market. The world market price for white sugar was approximately USD 610 (€ 406) per tonne. As of early January 2010, at above USD 700 or € 490 per tonne, the price of sugar in the world market is at its highest in more than 20 years.

It is too early to predict with confidence how the increased world market prices will affect the EU sugar market. Especially for exporters in the LDCs (Least Developed Countries) and ACP nations (Africa, Caribbean and Pacific), the rising prices in the world market are creating additional attractive markets outside the European Union. A minimum price is in place for raw sugar imports from the LDCs and ACP countries to the EU, but demand in the EU currently exceeds supply. This leads to import prices well above the world market level and above the minimum price. In raw sugar procurement on the world market, customs duties are incurred. As a consequence, the raw sugar processing in Romania will be profitable only when world market sugar prices normalise sufficiently. While the higher world market price generates challenging conditions on the purchasing side, it is beneficial for AGRANA when it comes to exports of non-quota sugar.

For the refinery in Brčko, Bosnia-Herzegovina, AGRANA is able to source the raw sugar requirements in the world market without restrictions, at current market prices. The local sale prices in the West Balkan region are likewise based on the international sugar quotations. The lifting of duties on raw sugar imported to and refined in Bosnia-Herzegovina represents an additional locational advantage for the Brčko production.

Sugar regime

The European Commission has announced that it will review the EU sugar market situation again in February 2010 to determine whether, at the end of the market reform implementation, a final cut in quotas is necessary for the sugar marketing years from 2010|11. Thus far, market players have returned 5.8 million tonnes of sugar quota to the restructuring fund – 0.2 million tonnes less than the target initially identified by the Commission. AGRANA currently holds a quota of 618,000 tonnes for beet sugar production.

Effective 1 October 2009, the EU opened its sugar market to imports from the LDCs and ACP countries. Customs duties and volume limits on imports from these countries were entirely eliminated. At the same time, a special safeguard provision took effect that permits the renewed introduction of protective duties if certain import quantities are exceeded.

Thanks to exceptionally favourable weather conditions, the European Commission estimates the production of non-quota sugar in the 2009|10 sugar marketing year at up to 4 million tonnes. On 14 October 2009 the Commission therefore raised the export licences for out-of-quota sugar for the 2009|10 marketing year from 650,000 to 1,350,000 tonnes. AGRANA has sufficient export licences for its non-quota sugar production.

Business performance

Key financials	Q1–Q3 2009 10	Q1–Q3 2008 09
Sugar segment		
Revenue	€ 547.7m	€ 577.6m
Operating profit before exceptional items	€ 19.2m	€ 17.3m
Purchases of property, plant and equipment and intangibles ¹	€ 6.8m	€ 13.6m
Staff count	2,372	2,494

Revenue in the Sugar segment eased by 5.2% in the first three quarters of 2009|10 to € 547.7 million. The key reason was the combination of the volume reduction in quota sugar sales and declining prices. Despite fluctuating volumes with industrial customers as a result of reduced export activities due to the crisis, AGRANA was able to hold its sugar sales to the food industry constant.

Particularly in the Eastern European countries, the purchasing behaviour of end consumers is marked by reluctance to spend. In the West Balkan region, market events were additionally influenced by the increase in the world market price. Reduced sale prices for quota sugar, combined with the current high world market quotations for raw sugar, led to stronger margin pressure on refined sugar from Bosnia. The selling prices for co-products (molasses and dried beet pulp) declined, in step with grain prices. For out-of-quota sugar, exports to non-EU countries were grown vigorously by targeting new markets.

The Sugar segment's operating profit before exceptional items rose by 11.0% in the first three quarters of 2009|10 to € 19.2 million. The drivers of this positive trend were the non-recurrence of the restructuring levy from the 2009|10 sugar marketing year onwards, and cost savings. The EBIT margin improved to 3.5% (Q1–Q3 2008|09: 3.0%).

Raw materials, crops and production

In all beet-processing countries, in addition to the quantities needed to utilise the quota, non-quota beet was contracted. High beet yields were achieved in Austria despite mixed growing conditions. In the Czech Republic, Slovakia, Hungary and Romania, yields were average as a result of interim dryness. Beet processing at the AGRANA factories began in the course of September 2009. Given the abundant beet crop, the two plants in Austria will probably complete the sugar campaign only at the end of January 2010.

¹ Excluding goodwill.

In the 2009|10 sugar marketing year, the seven AGRANA sugar mills are expected to process a total of approximately 5.1 million tonnes of beet (prior year: 4.7 million tonnes). The beet sugar production of about 742,000 tonnes (prior year: 720,000 tonnes) is again expected to be well in excess of AGRANA's sugar quota of 618,000 tonnes for the 2009|10 marketing year. The surplus amounts can be marketed outside the food sector to the chemical industry as well as exported to the world market. After the successful launch of organic sugar production in the 2008|09 financial year, the processing amount of certified organic beet grown in Austria was expanded this year to about 24,000 tonnes (prior year: 14,300 tonnes) and yielded approximately 2,900 tonnes (prior year: 1,800 tonnes) of organic sugar.

STARCH SEGMENT

Market environment

The International Grains Council (IGC) and the US Department of Agriculture (USDA) are projecting a modest dip of 34 million tonnes in world grain production in 2009|10 from the prior year, to 1.76 billion tonnes, a level that nonetheless exceeds estimated global consumption. Wheat production is forecast at 668 million tonnes (prior year: 687 million tonnes) and the forecast for corn (maize) is 787 million tonnes (prior year: 791 million tonnes).

The estimates for the total grain production of the European Union from the 2009 harvest are around 290 million tonnes (prior year: 312 million tonnes). The soft wheat harvest, at about 129 million tonnes, is expected to be about 8% less than the prior year's. The 2009 EU corn crop is predicted at 56 million tonnes (down 10% from the prior year). Responding to the good supply situation, corn and wheat futures on the Euronext LIFFE commodity futures exchange in Paris (formerly known as MATIF) at the end of November quoted at between € 130 and € 135 per tonne.

Business performance

Key financials	Q1–Q3 2009 10	Q1–Q3 2008 09
Starch segment		
Revenue	€ 380.4m	€ 397.3m
Operating profit before exceptional items	€ 34.3m	€ 15.3m
Purchases of property, plant and equipment and intangibles ¹	€ 5.9m	€ 17.2m
Staff count	881	852

¹ Excluding goodwill.

In the first three quarters of 2009|10, revenue in the Starch segment eased by 4.2% year-on-year to € 380.4 million. The decrease in sale prices for starch products resulted from the adjustment of the sales contracts to reflect the lower raw material costs. The full utilisation of the bioethanol plants in Austria and Hungary, as well as higher sales of native starches and saccharification products, meanwhile fuelled an increase in sales quantities.

The Starch segment's pre-exceptionals operating profit of € 34.3 million (Q1–Q3 2008|09: € 15.3 million) represented an EBIT margin of 9.0% (Q1–Q3 2008|09: 3.9%) and marked a very positive development. As of the end of the third quarter, the benefit of the lower raw material costs still outweighed the decrease in selling prices. A higher volume of wet corn processed, as well as the reduced energy costs, had a beneficial effect on production costs.

Raw materials, crops and production

On a planting area of about 5,600 hectares (prior year: 5,500 hectares), the starch potato harvest in Austria was approximately 187,000 tonnes in the 2009|10 financial year (prior year: 199,000 tonnes). The expected potato starch production will therefore be about 40,200 tonnes (prior year: 42,400 tonnes).

Roughly 101,000 tonnes of freshly harvested wet corn was processed in Aschach, Austria (prior year: 107,000 tonnes). In the 86 days of the campaign (prior year: 89 days), 95,000 tonnes of yellow corn and 6,000 tonnes of specialty corn (waxy corn and organic corn) were used. Since then, production was switched back to the use of dry corn. For the full financial year, corn processing volume is expected to reach about 360,000 tonnes (prior year: 335,000 tonnes).

Total corn processing in Hungary in the 2009|10 financial year is projected to run to 920,000 tonnes (prior year: 840,000 tonnes). As part of this expected total, 196,000 tonnes of wet corn were processed (prior year: 186,000 tonnes), with processing completed by the beginning of December.

Corn processing in Romania totalled 19,000 tonnes by the end of November, well more than the prior year's 11,000 tonnes. The processing of about 9,500 tonnes of wet corn was concluded by mid-December.

Bioethanol

From the middle of September to the end of October, the feedstock for the Austrian bioethanol plant in Pischelsdorf for the first time included wet corn. The main components of the raw material mix for bioethanol production were wheat, dry corn and triticale. In view of the favourable prices, the wheat component was increased. The raw materials were

procured largely from Austrian production. For the 2009|10 financial year, AGRANA expects to process a total of 469,000 tonnes of grain into bioethanol (prior year: 309,000 tonnes).

FRUIT SEGMENT

Market environment

In the dairy industry there has been a noticeable renewed interest in new product developments and innovations, a trend which is seen as an indication of the overall economic recovery. Continual marketing activities by the big brand manufacturers strengthened the demand for fruit yoghurts in Europe. Only in Western Europe was there a mild decrease in per-capita consumption of fruit yoghurt in the third quarter. In the USA, AGRANA benefited from the rallying demand.

In Germany and the United Kingdom, the largest Western European markets for fruit juice concentrates, there are visible market shifts away from 100% fruit juice towards greater use of fruit nectar, fruit juice drinks and flavoured water with a lower content of fruit juice. For pure fruit juices, the last calendar quarter brought signs of a stabilisation in demand. In the Russian and Ukrainian markets, demand for fruit juice concentrates fell by about 20% compared with the year before. Following the turmoil of the previous year and early 2009, the market prices for fruit juice concentrates recovered somewhat from early autumn onwards. However, in Western Europe a supply overhang remains. Owing to the low European prices for apple juice concentrate, imports from China are falling. Additionally, in spite of a good apple crop in China, the availability of apples for pressing was limited and Chinese prices for juice apples were in fact 10% higher on average over the season than the (depressed) European levels. As a result of the higher raw material costs and the duty on imports to the European Union, Chinese apple juice concentrate currently is not very competitive in the European market.

Business performance

Key financials	Q1-Q3 2009 10	Q1-Q3 2008 09
Fruit segment		
Revenue	€ 607.7m	€ 620.7m
Operating profit/(loss) before exceptional items	€ 25.4m	(€ 12.8m)
Purchases of property, plant and equipment and intangibles ¹	€ 12.8m	€ 18.1m
Staff count	4,864	5,246

The Fruit segment's revenue was down € 12.9 million in the first three quarters of 2009|10 to € 607.7 million. This reflected the fact that increased sales quantities of fruit juice

concentrates and stable volumes of fruit preparations coincided with lower selling prices. Prices of apple juice concentrate were, on average, one-third below the year-earlier level, with a stabilisation towards the end of the third quarter. In the third quarter, sales of not-from-concentrate apple juice picked up.

Fruit preparations revenue (80% of the Fruit segment's total revenue) overall nearly matched the year-ago result, with strong regional variation. The intensive advertising activities on the part of the dairy product manufacturers had a positive impact on the sales situation in the USA, and AGRANA succeeded in gaining further market share in Asia and Australia. While sales volumes were stable in Central Europe, they decreased in Eastern Europe amid the economic problems in these countries.

Segment operating profit before exceptional items strengthened to € 25.4 million from the year-earlier operating loss of € 12.8 million resulting from the write-down of apple juice concentrate inventories. In the reporting period, the effect of reduced sale prices was fully balanced by higher volumes and lower raw material costs. Through the annual contracts for apple juice concentrate concluded with large fruit juice manufacturers in the third quarter, the placement of much of the campaign's production is already assured. By further trimming production costs in all concentrate plants, competitiveness is to continue to be heightened going forward.

Raw materials, crops and production

During the autumn harvests, the market for fruits exhibited persistent weak demand, causing prices to decline.

At around 11 million tonnes, the European apple crop this year was about 5% smaller than in the record year 2008. However, AGRANA increased its total purchasing volume. The mild autumn delivered an apple crop of above-average quality. In China, this year's apple crop yields were higher than in the year before. According to estimates, a total of 32 million tonnes of apples was harvested, about 10% more than in 2008. As a greater percentage of production was destined for the fresh market, the apple supply for industrial processing was reduced, leading to higher raw material prices than in the previous year.

The production of apple juice concentrate began at the end of July in Ukraine, at the beginning of August in Poland and the end of August in Hungary, Austria and China. The processing campaigns were completed in December 2009. For the first time, organic apple juice concentrate was produced in Hungary. With the labelling requirements under the EU organic legislation taking effect in July 2010, corresponding demand growth is expected.

¹ Excluding goodwill.

MANAGEMENT OF RISKS AND OPPORTUNITIES

AGRANA uses an integrated system for the early identification and monitoring of risks that are relevant to the Group. A detailed description of the Group's business risks is provided on pages 52 to 56 of the 2008|09 annual report.

EVENTS AFTER THE REPORTING DATE

No significant reportable events relevant to the financial performance or financial position occurred after the balance sheet date of 30 November 2009.

OUTLOOK

In view of the positive trend in the past several quarters, AGRANA reiterates the forecast of a significant improvement in operating profit before exceptional items. As a result of the decrease in prices, Group revenue is expected to be marginally below € 2.0 billion. In the coming months, AGRANA will continue to focus on debt reduction, efficiency improvements and risk management in the areas of raw materials and energy, the two largest cost factors. These measures are complemented by an enhanced purchasing strategy and the drive to ensure consistent cost management throughout the AGRANA Group.

The market restructuring process under the EU sugar regime ends in the 2009|10 financial year, which eliminates the strain from the restructuring levy. Cost reduction measures have already been launched to offset lost contribution margins

from the lower quota production. In the months ahead, the shares of the distribution and packaging joint venture in Bulgaria that AGRANA does not already own are to be transferred to the Group, giving AGRANA sole ownership.

In the Starch segment a decrease in revenue is predicted, despite full utilisation of the bioethanol capacity in Austria and Hungary and the volume growth in sales of starch products. The reason lies in lower sale prices which will increasingly be realised in the next several months as the new contracts take effect.

Revenue at the prior-year level is anticipated in the Fruit segment. While sales volumes in fruit preparations are expected to be stable overall, the fruit juice concentrate business promises distinct growth from prior-year quantities. The diversification of fruit preparations for the baking and ice cream industry continues. In apple juice concentrates, there are signs that prices are regaining stability at a somewhat higher level.

Investment in the full 2009|10 financial year (to the end of February 2010) will remain significantly below depreciation and is budgeted at about € 50 million. Together with reduced raw material costs and rigorous management of working capital, this will substantially lower net debt and thus the net interest expense.

On balance for 2009|10, AGRANA expects to return to the approximate level of the good operating profit results of the financial years before 2008|09, although the fourth quarter earnings, especially in the Starch segment, will not be able to match the first three quarters.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2009 (UNAUDITED)

	Third quarter (1 September – 30 November)		First nine months (1 March – 30 November)	
CONSOLIDATED INCOME STATEMENT	2009 10	2008 09	2009 10	2008 09
	€000	€000	€000	€000
Revenue	501,588	549,963	1,535,801	1,595,510
Changes in inventories of finished and unfinished goods	113,143	160,967	(92,584)	(96,134)
Own work capitalised	994	1,451	2,032	2,521
Other operating income	14,950	10,625	22,787	28,389
Cost of materials	(421,245)	(477,822)	(970,747)	(1,057,000)
Staff costs	(62,596)	(64,081)	(159,336)	(161,417)
Depreciation, amortisation and impairment losses	(26,563)	(26,666)	(59,827)	(62,636)
Other operating expenses	(85,292)	(126,912)	(199,220)	(231,824)
Operating profit after exceptional items	34,979	27,525	78,906	17,409
Share of result of associates	0	0	0	0
Finance income	788	(7,733)	20,602	8,224
Finance expense	(8,151)	(13,037)	(25,526)	(37,012)
Net financial items	(7,363)	(20,770)	(4,924)	(28,788)
Profit/(loss) before tax	27,616	6,755	73,982	(11,379)
Income tax expense	(4,622)	(1,506)	(16,183)	(4,736)
Profit/(loss) for the period	22,994	5,249	57,799	(16,115)
<i>Attributable to shareholders of the parent</i>	22,464	6,102	57,363	(13,591)
<i>Minority interests</i>	530	(853)	436	(2,524)
Earnings/(loss) per share under IFRS	€ 1.58	€ 0.43	€ 4.04	€ (0.96)
CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE				
Profit/(loss) for the period	22,994	5,249	57,799	(16,115)
Income/(expense) recognised directly in equity				
– Currency translation differences	(5,424)	(19,390)	9,252	3,647
– Available-for-sale financial assets	(114)	11,597	475	(3,850)
– Cash flow hedge	9	(2,250)	5,664	(4,529)
Net income/(expense) recognised directly in equity	(5,529)	(10,043)	15,391	(4,732)
Total recognised income and expense for the period	17,465	(4,794)	73,190	(20,847)
<i>Attributable to shareholders of the parent</i>	17,044	(2,815)	71,839	(18,464)
<i>Minority interests</i>	421	(1,979)	1,351	(2,383)
CONSOLIDATED CASH FLOW STATEMENT			2009 10	2008 09
<i>for the first nine months (1 March – 30 November)</i>			€000	€000
Operating cash flow before change in working capital			107,111	82,661
Gains/(losses) on disposal of non-current assets			315	(5,845)
Change in working capital			14,132	(76,457)
Net cash from operating activities			121,558	359
Net cash (used in) investing activities			(23,509)	(47,921)
Net cash (used in)/from financing activities			(106,476)	15,845
Net (decrease) in cash and cash equivalents			(8,427)	(31,717)
Effect of movements in foreign exchange rates on cash and cash equivalents			1,334	422
Cash and cash equivalents at beginning of period			75,458	86,760
Cash and cash equivalents at end of period			68,365	55,465

CONSOLIDATED BALANCE SHEET	30 Nov 2009	28 Feb 2009
	€000	€000
ASSETS		
A. Non-current assets		
Intangible assets	256,195	260,498
Property, plant and equipment	587,963	609,866
Investments in associates	606	605
Securities	105,117	104,492
Investments in non-consolidated subsidiaries and outside companies, and loan receivables	6,370	2,499
Receivables and other assets	5,089	5,525
Deferred tax assets	37,752	35,711
	999,092	1,019,196
B. Current assets		
Inventories	497,944	562,113
Trade receivables and other assets	367,450	326,629
Current tax assets	5,343	6,980
Securities	411	5,830
Cash and cash equivalents	68,365	75,458
	939,513	977,010
Total assets	1,938,605	1,996,206
EQUITY AND LIABILITIES		
A. Equity		
Share capital	103,210	103,210
Share premium and other capital reserve	411,362	411,362
Retained earnings	331,627	289,583
Equity attributable to equity holders of the parent	846,199	804,155
Minority interests	25,214	21,758
	871,413	825,913
B. Non-current liabilities		
Retirement and termination benefit obligations	45,485	45,241
Other provisions	18,277	17,575
Borrowings	278,634	250,177
Other payables	2,438	1,958
Deferred tax liabilities	31,800	31,259
	376,634	346,210
C. Current liabilities		
Other provisions	24,068	23,513
Borrowings	286,379	405,718
Trade and other payables	368,074	390,863
Current tax liabilities	12,037	3,989
	690,558	824,083
Total equity and liabilities	1,938,605	1,996,206

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first nine months (1 March – 30 November)

	Equity attributable to equity holders of the parent	Minority interests	Total equity
	€000	€000	€000
2009 10			
At 1 March 2009	804,155	21,758	825,913
Change in revaluation reserve (IAS 39)	6,145	(6)	6,139
Change in equity as a result of currency translation differences	8,331	921	9,252
Net income recognised directly in equity	14,476	915	15,391
Profit for the period	57,363	436	57,799
Total recognised income and expense for the period	71,839	1,351	73,190
Dividends paid	(27,694)	(1,401)	(29,095)
Other changes	(2,101)	3,506	1,405
At 30 November 2009	846,199	25,214	871,413
2008 09			
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)
(Loss) for the period	(13,591)	(2,524)	(16,115)
Total recognised income and expense for the period	(18,464)	(2,383)	(20,847)
Dividends paid	(27,694)	(590)	(28,284)
Other changes	211	184	395
At 30 November 2008	847,812	25,517	873,329

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST NINE MONTHS ENDED 30 NOVEMBER 2009 (UNAUDITED)

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SEGMENT REPORTING	2009 10	2008 09	2009 10	2008 09
for the first nine months (1 March – 30 November)	€000	€000	€000	€000
Total revenue				
Sugar	587,496	614,942		
Starch	406,265	423,120		
Fruit	607,739	620,730		
Group	1,601,500	1,658,792		
Inter-segment revenue				
Sugar	(39,823)	(37,355)		
Starch	(25,847)	(25,851)		
Fruit	(29)	(76)		
Group	(65,699)	(63,282)		
Revenue				
Sugar	547,673	577,587		
Starch	380,418	397,269		
Fruit	607,710	620,654		
Group	1,535,801	1,595,510		
Operating profit/(loss)				
Sugar			19,166	17,266
Starch			34,307	15,262
Fruit			25,433	(12,842)
Group			78,906	19,686
Exceptional item: Bioethanol			0	(2,277)
Operating profit after exceptional items			78,906	17,409
Investment				
Sugar			6,788	13,648
Starch			5,938	17,179
Fruit			12,747	18,086
Group			25,473	48,913
Staff count				
Sugar			2,372	2,494
Starch			881	852
Fruit			4,864	5,246
Group			8,117	8,592

ACCOUNTING POLICIES

The interim report of the AGRANA Group for the nine months ended 30 November 2009 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 interim consolidated financial statements at and for the period ended 30 November 2009 were not audited or reviewed.

In the preparation of these interim accounts, the standards and interpretations which became mandatory in the 2009|10 financial year were applied. The revised IAS 1 (Presentation of Financial Statements) requires a statement of comprehensive income, which includes income and expense that thus far had been recognised directly in equity rather than in the income statement. The revision of the standard has effects on the financial statement presentation, but not on the Group's financial position and the results of its operations. As well, IFRS 8 (Operating Segments) was applied, which requires segmental reporting on the basis of the same segment definitions that are used in regular internal reporting. Except for these changes, the same accounting methods were applied as in the preparation of the annual consolidated financial statements for the year ended 28 February 2009 (the 2008|09 financial year). To the extent that the accounting methods are unchanged, the notes to those annual consoli-

dated 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 2008|09 annual report of the AGRANA Group is available on the Internet at www.agrana.com for online viewing and downloading.

SCOPE OF CONSOLIDATION

With effect from the end of the third quarter of 2009|10, AGROGOLD Holding GmbH, an Austrian entity which serves primarily to hold the distribution companies in the West Balkan region, was consolidated for the first time. This 50%-owned joint venture is included in the financial statements by proportionate consolidation.

SEASONALITY OF BUSINESS

Most of the Group's beet 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

Operating profit after exceptional items in the first three quarters of 2009|10 was € 78.9 million (Q1–Q3 2008|09: € 17.4 million); the prior-year comparative period's amount

included a net expense of € 2.3 million for exceptional items. The profit improvement was driven both by the Starch segment and the Fruit segment, which in the prior-year period recorded a write-down of € 32.4 million on apple juice concentrate.

Net financial items totalled a net expense of € 4.9 million (Q1–Q3 2008|09: net expense of € 28.8 million). The improvement of € 23.9 million was driven primarily by higher currency translation gains (especially in Hungary, Poland, Brazil and Romania), but also by declining interest expenses thanks to the lower net debt, and by gains on the sale of businesses.

After taxes, the Group's profit for the period was € 57.8 million (Q1–Q3 2008|09: loss for the period of € 16.1 million).

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

In the nine months to the end of November 2009, cash and cash equivalents decreased by € 7.1 million to € 68.4 million.

Operating cash flow before change in working capital was € 107.1 million (Q1–Q3 2008|09: € 82.7 million), an increase of € 24.5 million from the prior year's comparative period.

The movement in working capital improved by € 90.6 million from a decrease of € 76.5 million in the year-ago period to an increase of € 14.1 million this financial year to date, thanks particularly to the reduction of inventories and the receipt of the EU restructuring premium.

Net cash from operating activities during the nine months under review was € 121.6 million (Q1–Q3 2008|09: € 0.4 million).

The reduction in net cash used in investing activities to € 23.5 million (Q1–Q3 2008|09: net cash used of € 47.9 million) reflected the continued smaller scale of capital investment plans.

New non-current borrowings amounted to € 28.5 million while current borrowings were reduced by € 107.3 million. This and the dividend payment by AGRANA Beteiligungs-AG led to a net cash outflow of € 106.5 million in financing activities (Q1–Q3 2008|09: net cash from financing activities of € 15.8 million).

Forward-looking statements

This 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 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 actual future developments and actual results achieved in the future will match the assumptions and estimates expressed or made in this report, and does not accept any liability in the event that assumptions and estimates prove to be incorrect.

NOTES TO THE CONSOLIDATED BALANCE SHEET

The reduction of € 57.6 million in total assets since 28 February 2009 to a new total of € 1,938.6 million was driven primarily by the campaign- and price-induced contraction in inventories. On the liabilities side, the main factors in the reduction were trade and other current payables (in respect of payments to beet growers and to the restructuring fund) and the decrease in borrowings. With total equity of € 871.4 million (28 February 2009: € 825.9 million), the equity ratio at the end of November was 45.0% (28 February 2009: 41.4%).

STAFF COUNT

In the nine months to the end of the third quarter, the AGRANA Group had an average of 8,117 employees (Q1–Q3 2008|09: 8,592 employees). A decrease of 122 employees in the Sugar segment resulted from the closing of a Hungarian sugar plant and from restructuring measures in Romania. A reduction of the workforce in the Fruit segment by 382 positions was attributable to gradual downsizing in Kaplice, Czech Republic, as a result of the plant closure and especially to the reduced use of seasonal labour in Ukraine because of restructuring.

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 2010

The Management Board of AGRANA Beteiligungs-AG

Johann Marihart
 Fritz Gattermayer
 Walter Grausam
 Thomas Kölbl

FINANCIAL CALENDAR

12 May 2010	Press conference presenting annual results for 2009 10
2 July 2010	Annual General Meeting for 2009 10
7 July 2010	Dividend payment and ex-dividend date
14 July 2010	Publication of results for first quarter of 2010 11
14 October 2010	Publication of results for first half of 2010 11
13 January 2011	Publication of results for first three quarters of 2010 11

FOR FURTHER INFORMATION

AGRANA Beteiligungs-Aktiengesellschaft
Donau-City-Strasse 9
1220 Vienna, Austria
www.agrana.com

Corporate Communications/Investor Relations:
Maria Fally
Phone: +43-1-211 37-12905
Fax: +43-1-211 37-12045
E-mail: investor.relations@agrana.com

Corporate Communications/Public Relations:
Ulrike Pichler
Phone: +43-1-211 37-12084
Fax: +43-1-211 37-12045
E-mail: info.ab@agrana.com

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