



AGRANA
Online Annual
Report 2010 | 11
<http://ir.agrana.com/en>

AGRANA Beteiligungs-AG
ROADSHOW LONDON
Goldman Sachs

May 25, 2011
(Presenter: CFO Walter Grausam)



SUGAR. STARCH. FRUIT.

Content



- Introduction & business overview
- Key financials 2010|11
- Segment overview
 - Sugar
 - Starch
 - Fruit
- Financial results 2010|11
- Current growth projects & outlook
 - Current growth projects
 - Outlook for FY 2011|12
 - Financial calendar



Introduction | Business overview

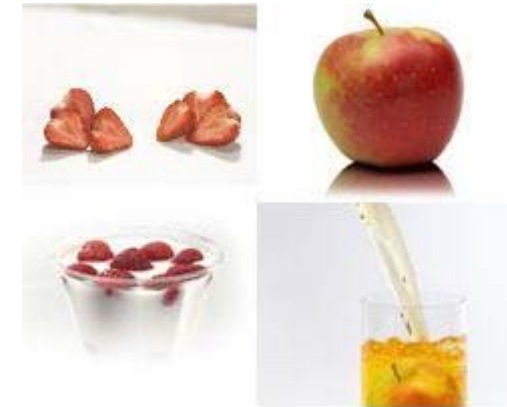


SUGAR. STARCH. FRUIT.

At a glance



AGRANA's diversified and balanced portfolio



Sugar

- Sugar is sold
 - to consumers via the food trade (20%) and
 - to manufacturers: e.g. soft drink industry, confectionery industry, fermentation industry, other food and beverage industries (80%).

Starch

- AGRANA produces starch and special starch products.
- Starch is a complex carbohydrate which is insoluble in water. Starch is used in food processing (e.g. as thickener) and for technical purposes (e.g. in the paper manufacturing process).
- Bioethanol is part of our starch business.

Fruit

- Fruit juice concentrates (20 % of segment revenue) customers are fruit juice and beverage bottlers and fillers.
- Fruit preparations (80 % of segment revenue) are specially customized products for
 - the dairy industry
 - the baked products industry
 - the ice-cream industry

Market position



Leading sugar manufacturer in Central, Eastern and Southeastern Europe



Major manufacturer of custom starch products in Europe and largest producer of bioethanol in Austria and Hungary



World market leader in the production of fruit preparations

One of the largest producers of Fruit juice concentrates in Europe

A look back to FY 2010|11...



Four important keywords on the last business year:

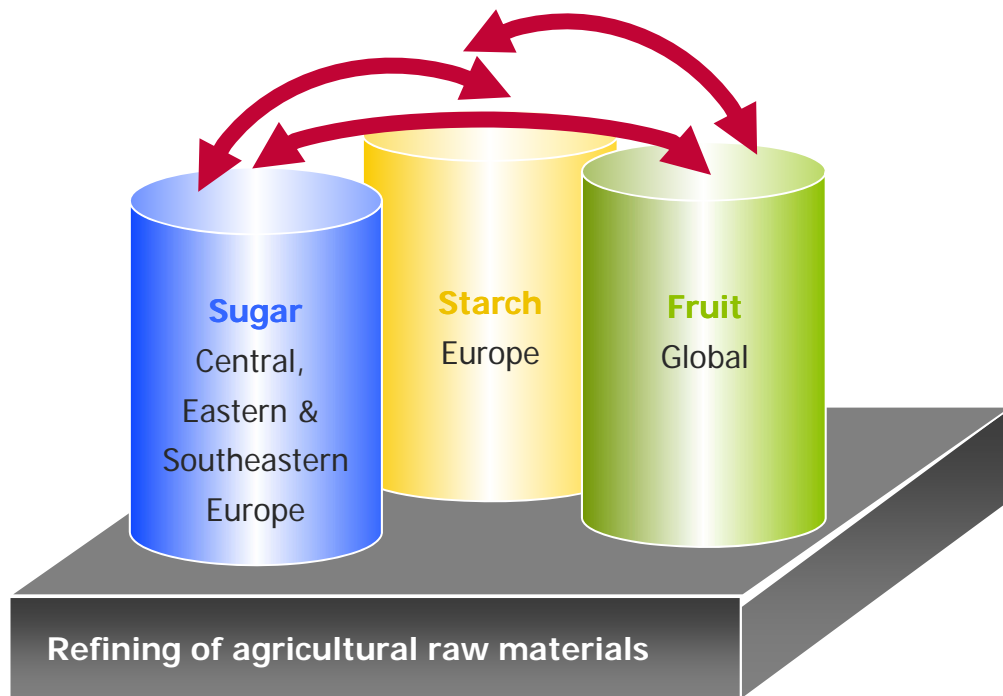


An important part of our strategy are synergies between our three segments



Investor and customer value from:

- Balance of risk
- Exchange of know-how
- **Cost savings from synergies**



The strategic goals

SUGAR:

Customer- and market-oriented growth in CEE and Southeastern Europe

STARCH:

Organic growth, and the creation of value-added by tailor-made products

FRUIT:

Customer- and market-oriented global growth

SYNERGIES:

Use synergies between business segments to position the Group optimally for the increasingly volatile operating environment in the segments

CAPITAL MARKET:

A long-term asset for shareholders

AGRANA production sites



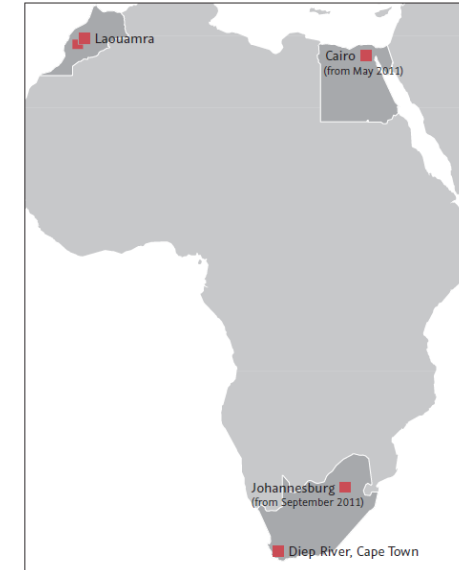
EUROPE



AMERICA



AFRICA



ASIA



OCEANIA



● Sugar ▲ Starch ■ Fruit

Segment	2011 12	2002 03
Sugar	10	15
Starch	5	5
Fruit	39*	-
TOTAL	54*	20

*incl. 2 new plants:

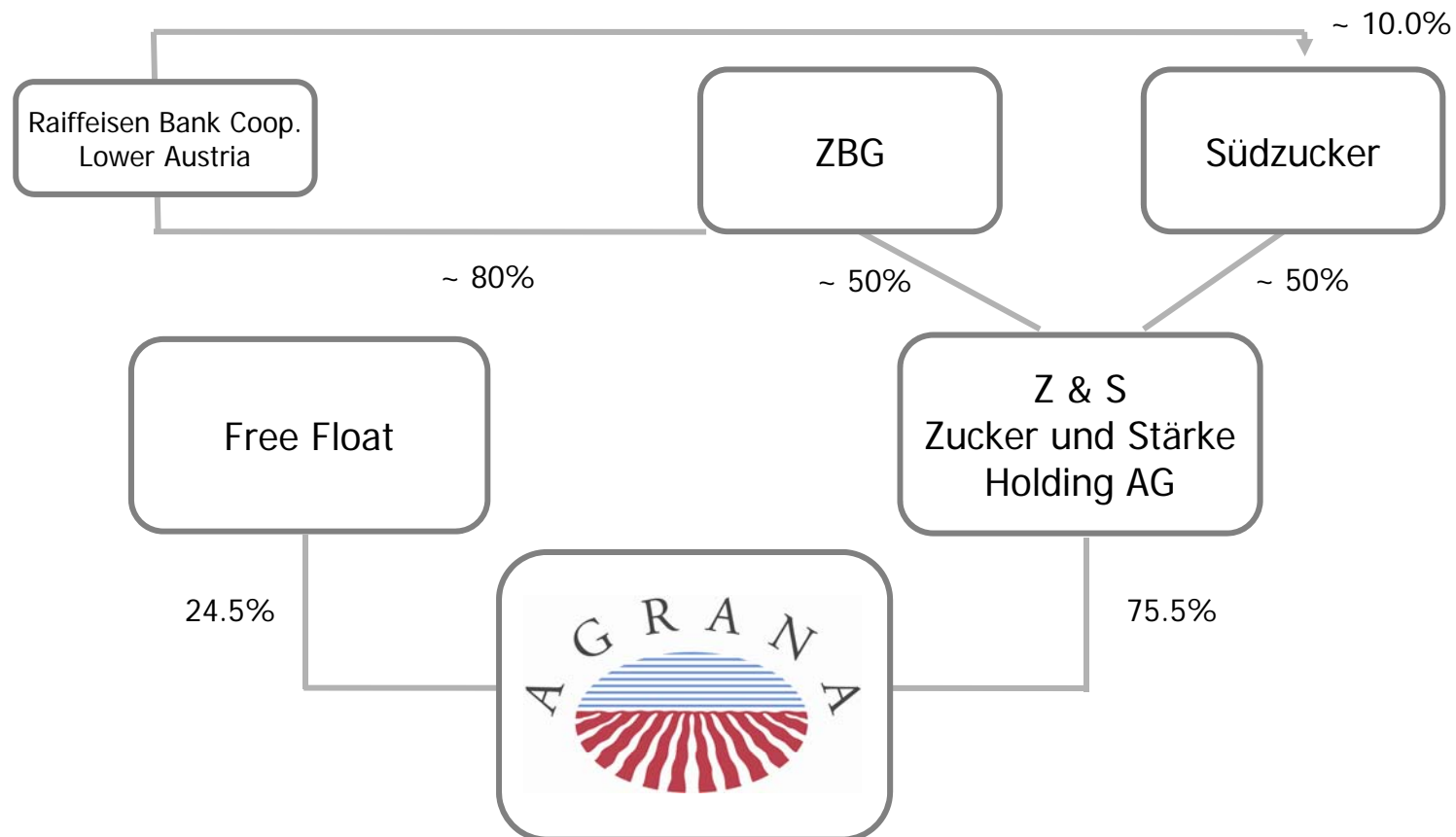
- Cairo (from May 2011)
- Johannesburg (from September 2011)

Shareholder structure



Shares outstanding: 14,202,040

Market capitalisation (as of 28 Feb. 2011): € 1,124.8 million



AGRANA & the capital market



Current coverage:

Berenberg
Hold; target price 85 €

Erste Bank
Accumulate; 88 €

Goldman Sachs
Neutral; 92.9 €

Raiffeisen Centrobank
Hold; 88 €



Share

■ AGRANA AG

Comparable

Indices

■ ATX

Overview: 1/1/2010 - 5/16/2011

	Yield	First	Last	High	Low
AGRANA AG	+20.39 %	64.79	78.00	81.00	56.88
ATX	+10.08 %	2,537.00	2,792.62	3,000.70	2,216.84



Key Financials 2010|11



SUGAR. STARCH. FRUIT.

AGRANA's performance in FY 2010|11



Records in revenue and in operating profit

- ➔ **Revenue growth** of 8.9% to € 2,165.9m (prior year: € 1,989.2m)
- ➔ **Improvement** of 39.4% **in operating profit** before exceptional items, to € 128.1m (prior year: € 91.9m)
- ➔ **Increase in operating margin** to 5.9% (prior year: 4.6%)
- ➔ **Improvement** of 19.3% **in profit for the period** to € 86.7m (prior year: € 72.7m)
- ➔ **Earnings per share** of € 5.95 (prior year: € 5.08)
- ➔ **Increased dividend** proposal to AGM:
€2.40 per share (prior year: € 1.95) → **+ 23.1%**
- ➔ Improved **gearing** of 39.4% (prior year: 41.6%)

Consolidated overview

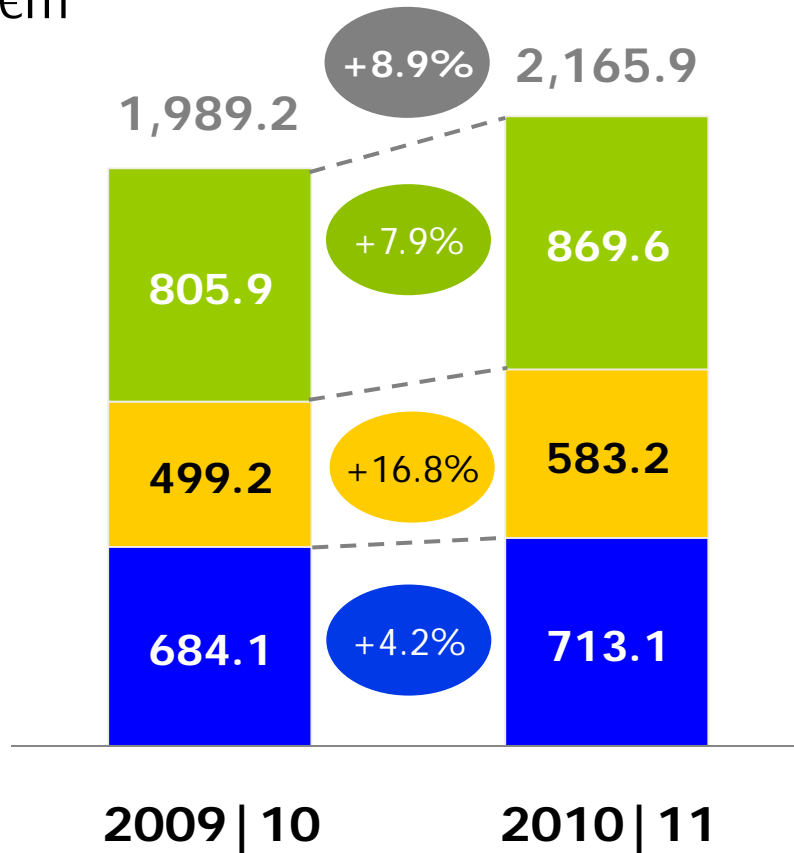


	2010 11	2009 10	Change
Revenue, €m	2,165.9	1,989.2	+8.9 %
EBITDA, €m	207.2	176.2	+17.6 %
Operating profit before exceptional items (EBIT), €m	128.1	91.9	+39.3 %
Operating margin, %	5.9	4.6	
Profit for the period (before non-controlling interests), €m	86.7	72.7	+19.2 %
Dividend, € (proposal to the Annual General Meeting)	2.40	1.95	+23.1 %
Investment in property, plant and equipment and intangibles, €m	55.9	48.4	+15.5 %
Return on capital employed, %	9.3	6.9	
Equity ratio, %	48.7	47.9	
Staff, average	8,243	7,927	+4.0 %

AGRANA's revenue by segment

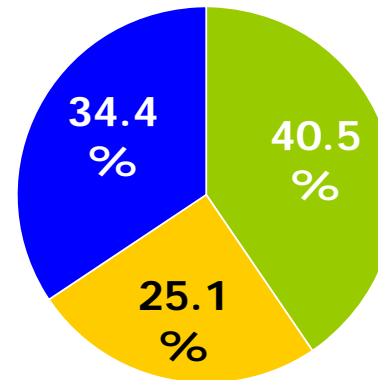


€m

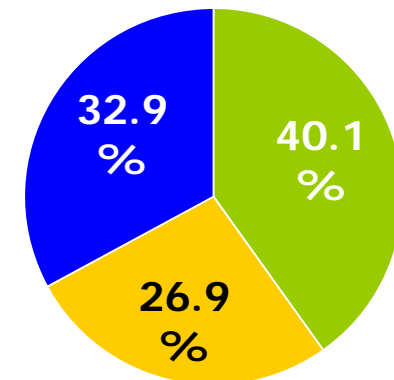


- Fruit
- Starch
- Sugar

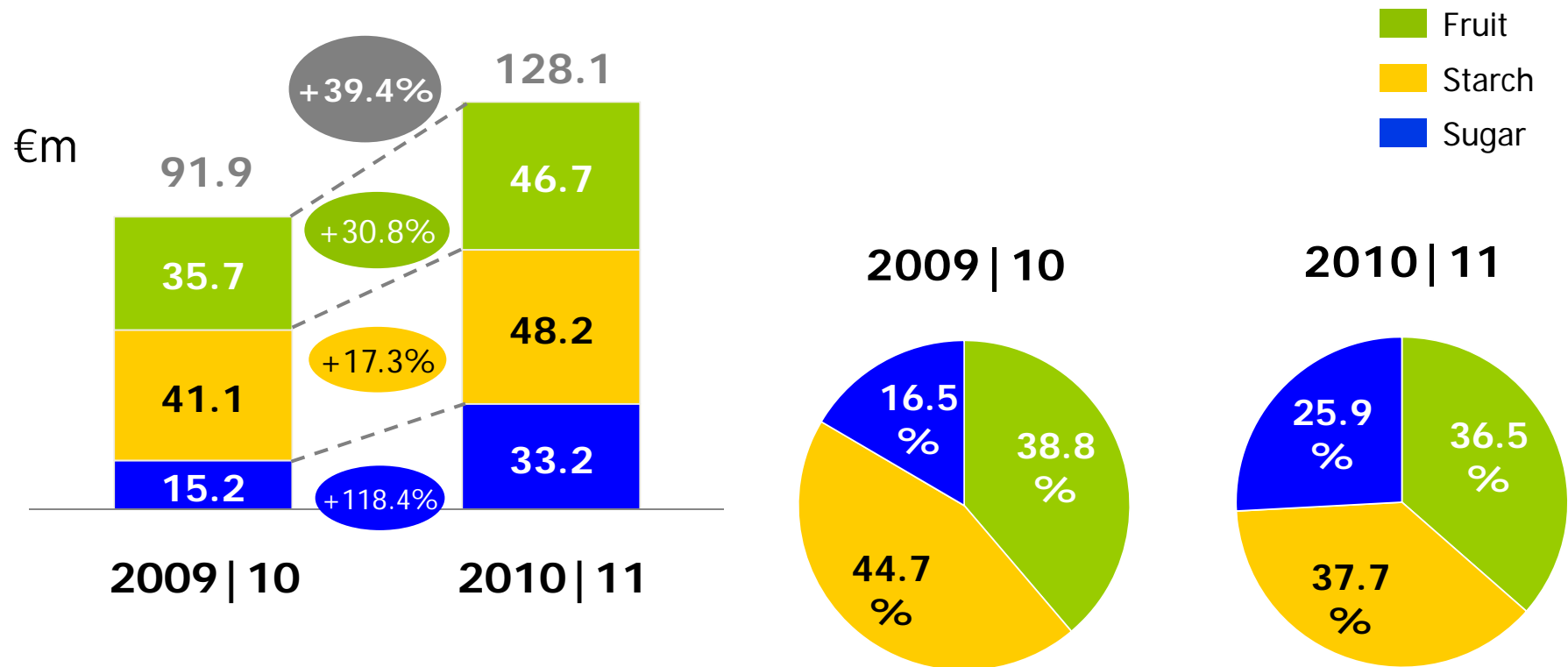
2009 | 10



2010 | 11



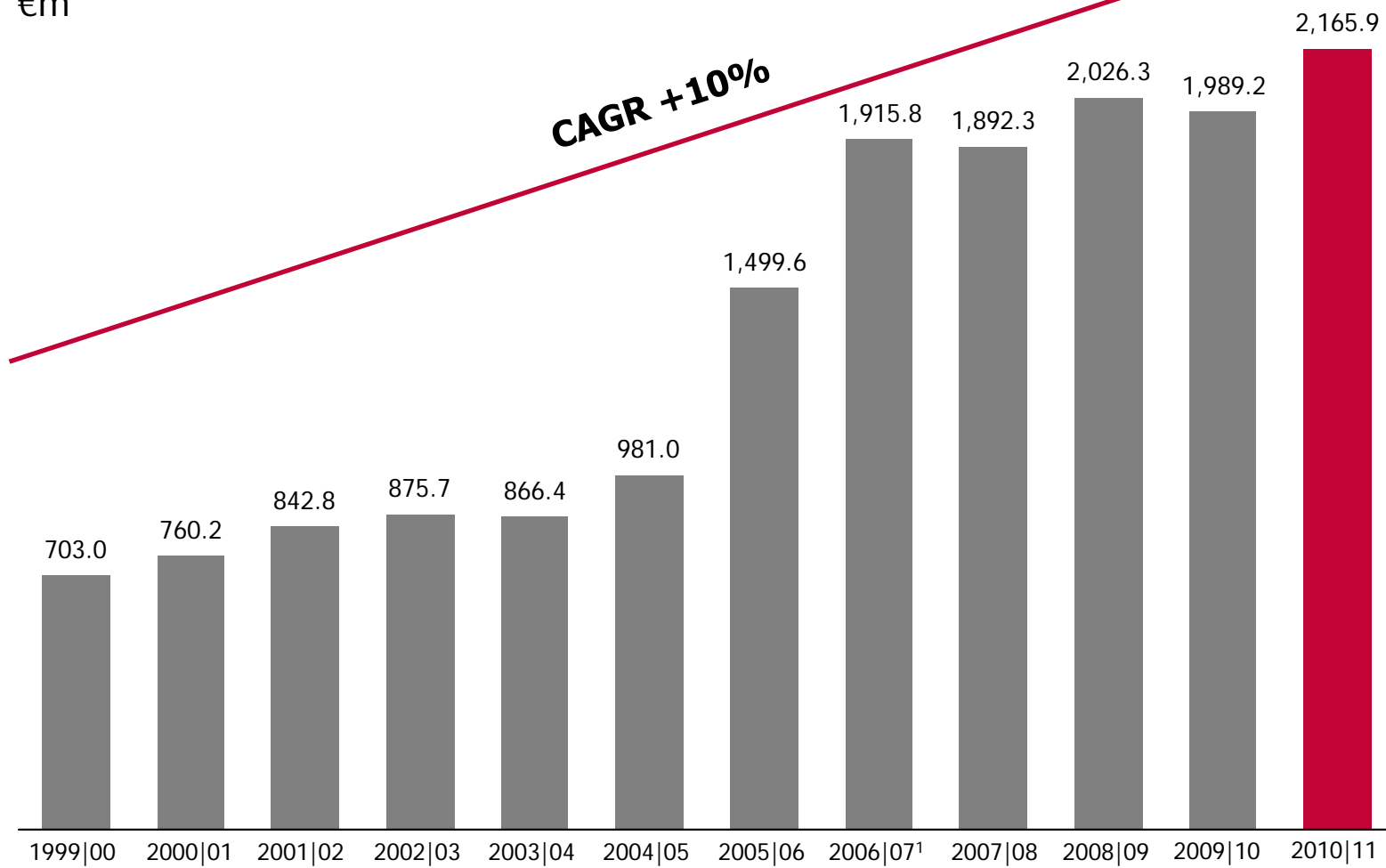
AGRANA's operating profit by segment



Evolution of revenue

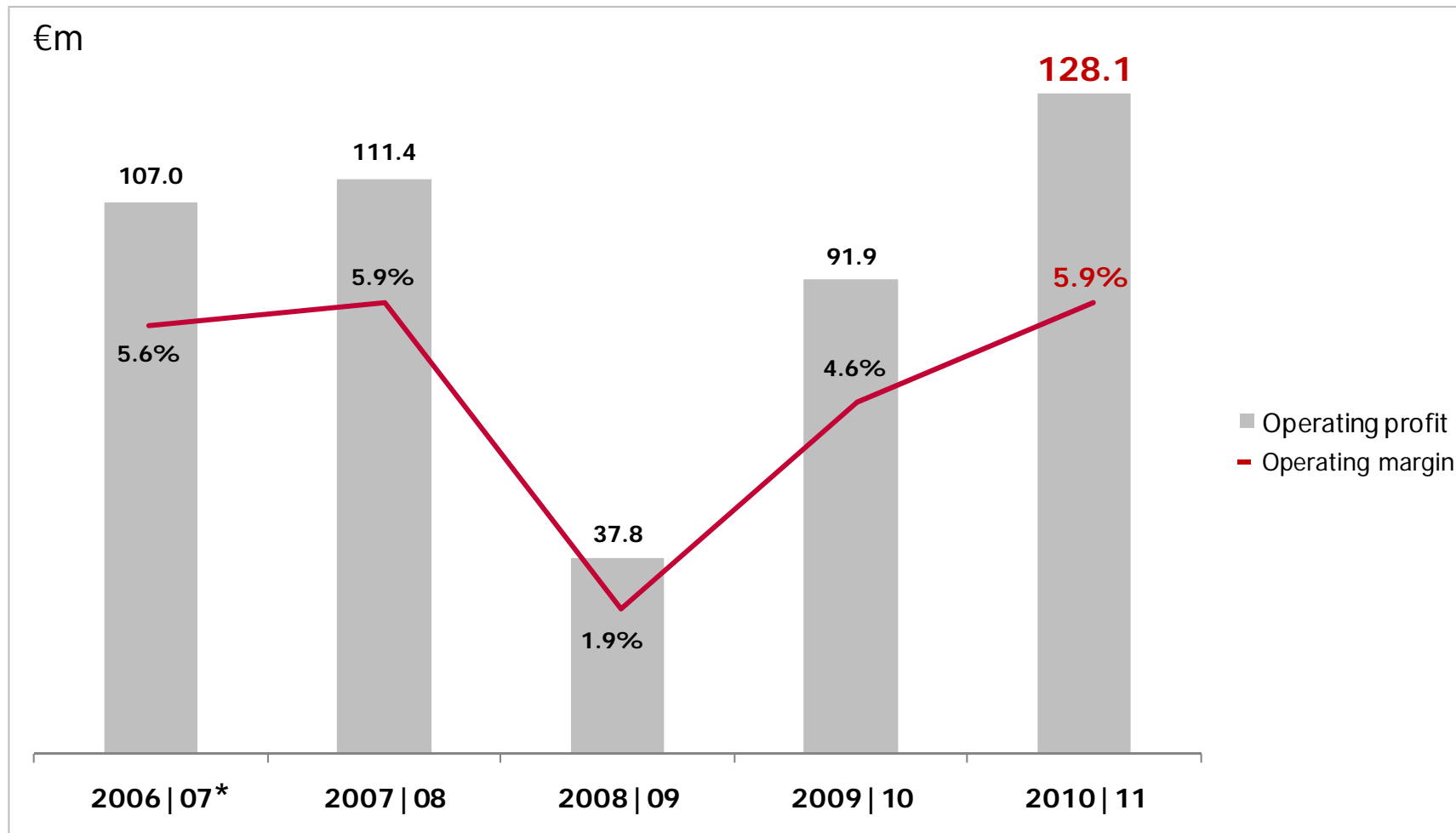


€m



¹) incl. 14 months Segment fruit

Evolution of profitability

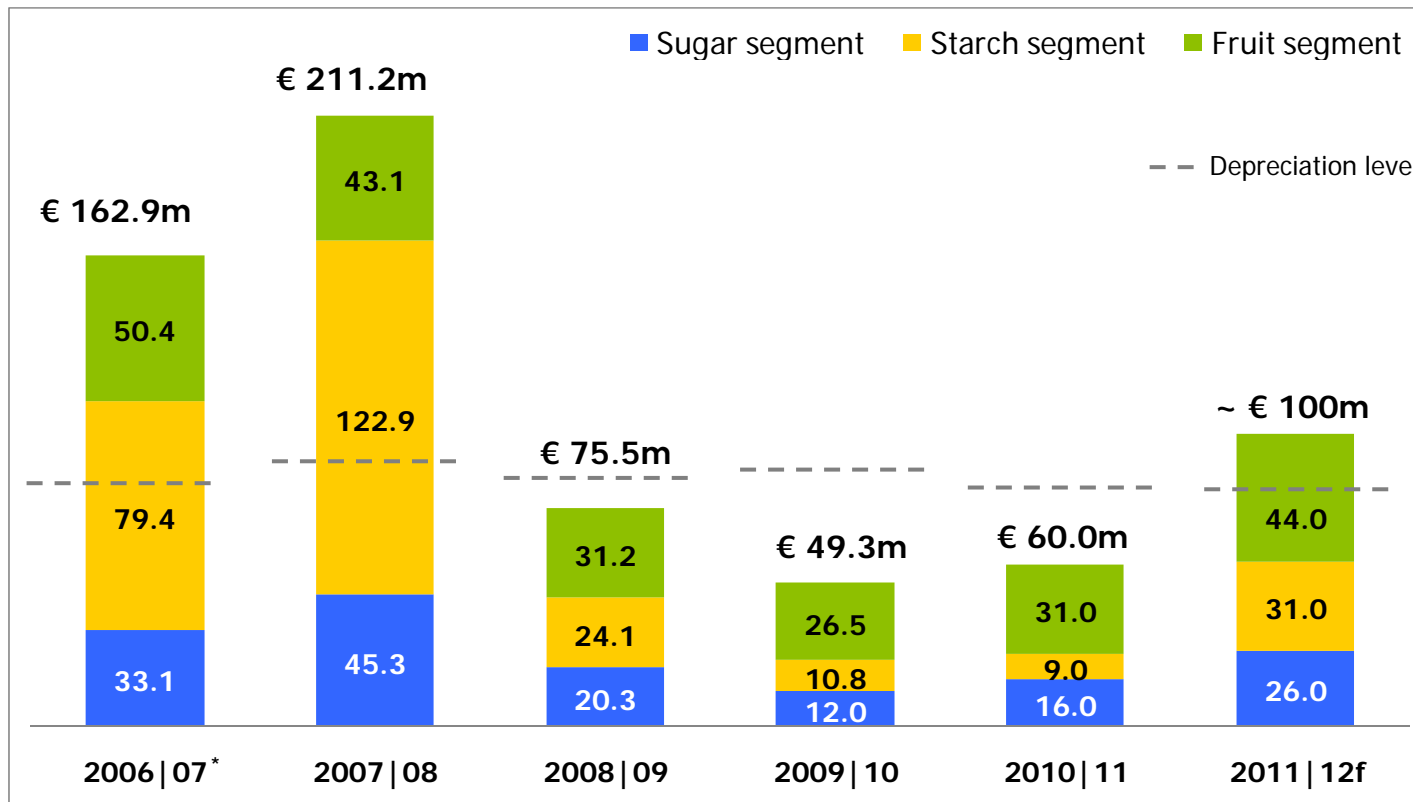


* incl. 14 months Fruit segment

Total CAPEX evolution



€m



* incl. 14 months Segment Fruit

Key drivers for FY 2010|11



SUGAR segment

- World market price was well above European levels
- Increase in out-of-quota sugar revenue (volumes and prices)
- Improved price situation in EU deficit markets in the second half of 2010|11

STARCH segment

- Market trend in all sectors was characterised by strong demand
- Sales volumes expanded for all core and by-products
- Sales price increases in the second half of 2010|11 compensated partly the higher raw material prices that prevailed from late summer

FRUIT segment

- Higher sales volumes in fruit preparations; several markets (e.g. Russia, USA etc.) saw significant growth rates in 2010; in the second half of the calendar year, market growth slowed tangibly
- From spring 2010, world market prices rose substantially for all fruit juice concentrates. European harvests in 2010 were significantly below those of prior years



Segment overview



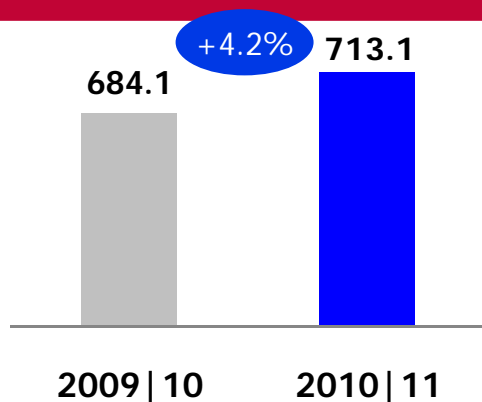
SUGAR. STARCH. FRUIT.



SUGAR segment highlights FY 2010|11



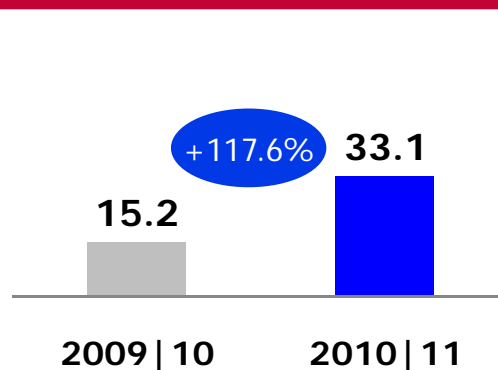
Revenue €m



Revenue rose by € 29.0m to € 713.1m

- Good sales volume situation in out-of-quota sugar and in co-products
- Price reduction in quota sugar materialised as expected in the first half of 2010|11, but was outweighed by the beneficial out-of-quota sugar exports, and the significant volume increase in this market sector
- Price increases in the second half of 2010|11 in the deficit countries

Operating Profit €m



Operating Profit of € 33.1m significantly higher than in prior year

- The Group's beet sugar countries (Czech Republic, Slovakia, Hungary and Austria) strongly improved their earnings in quota and out-of-quota sugar operations
- In Romania the increase in market prices allowed us to enhance operating result towards the end of the year

SUGAR segment Market position



('000 tons)	EU quota	AGRANA sugar beet quota ⁽¹⁾	Market position
Austria	351	351	#1
Hungary	105	105	#1
Czech Republic	372	94	#2
Slovakia	112	44	#2
Romania	105	24	n.a.
Total	1,045	618	
Bosnia-Herzegovina		150 ⁽²⁾	#1

Details:

- (1) AGRANA beet quota for 2010|11 Sugar Marketing Year (SMY)
- (2) Capacity for refined raw sugar (50:50 joint venture)

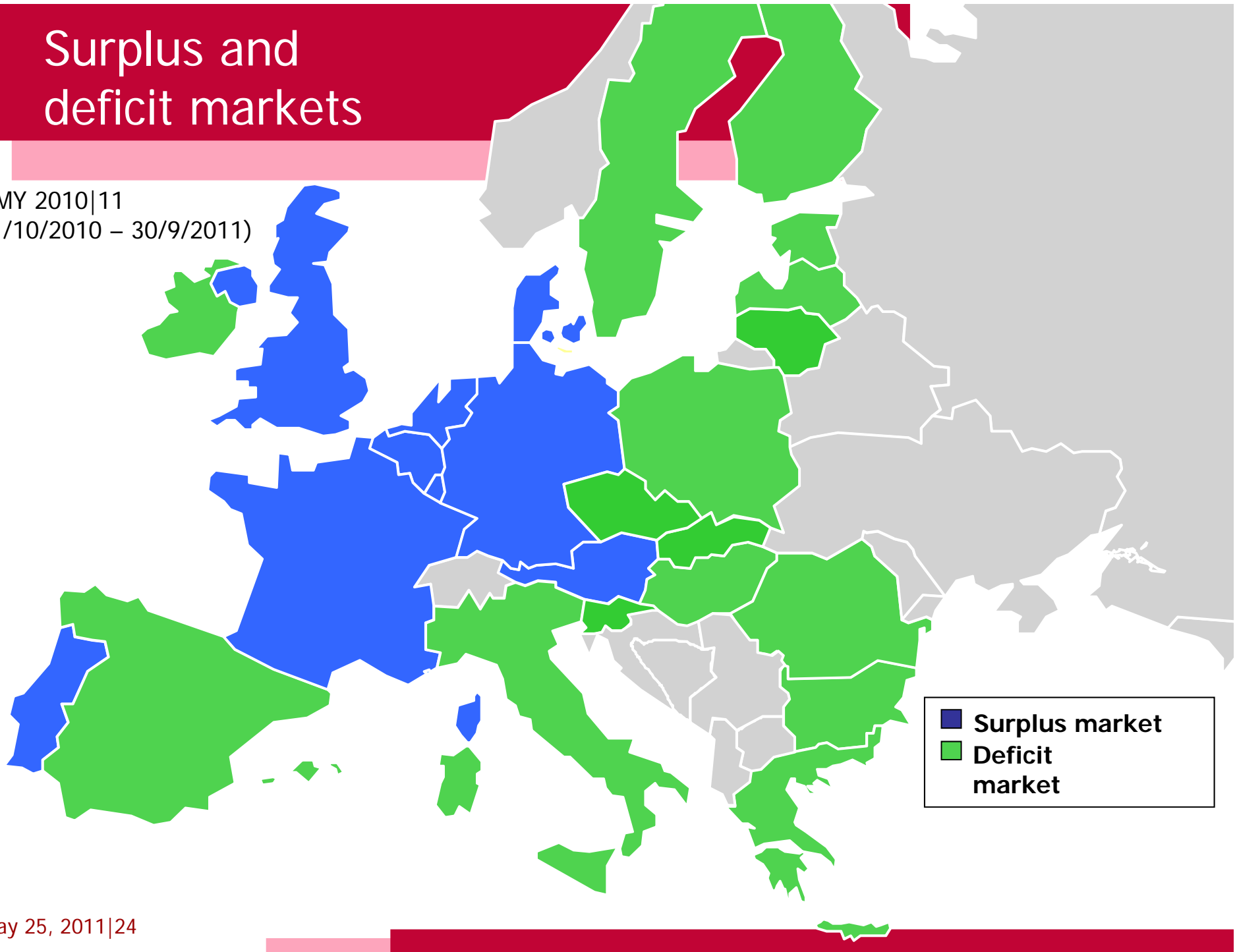
7 sugar plants and 2 raw sugar refineries



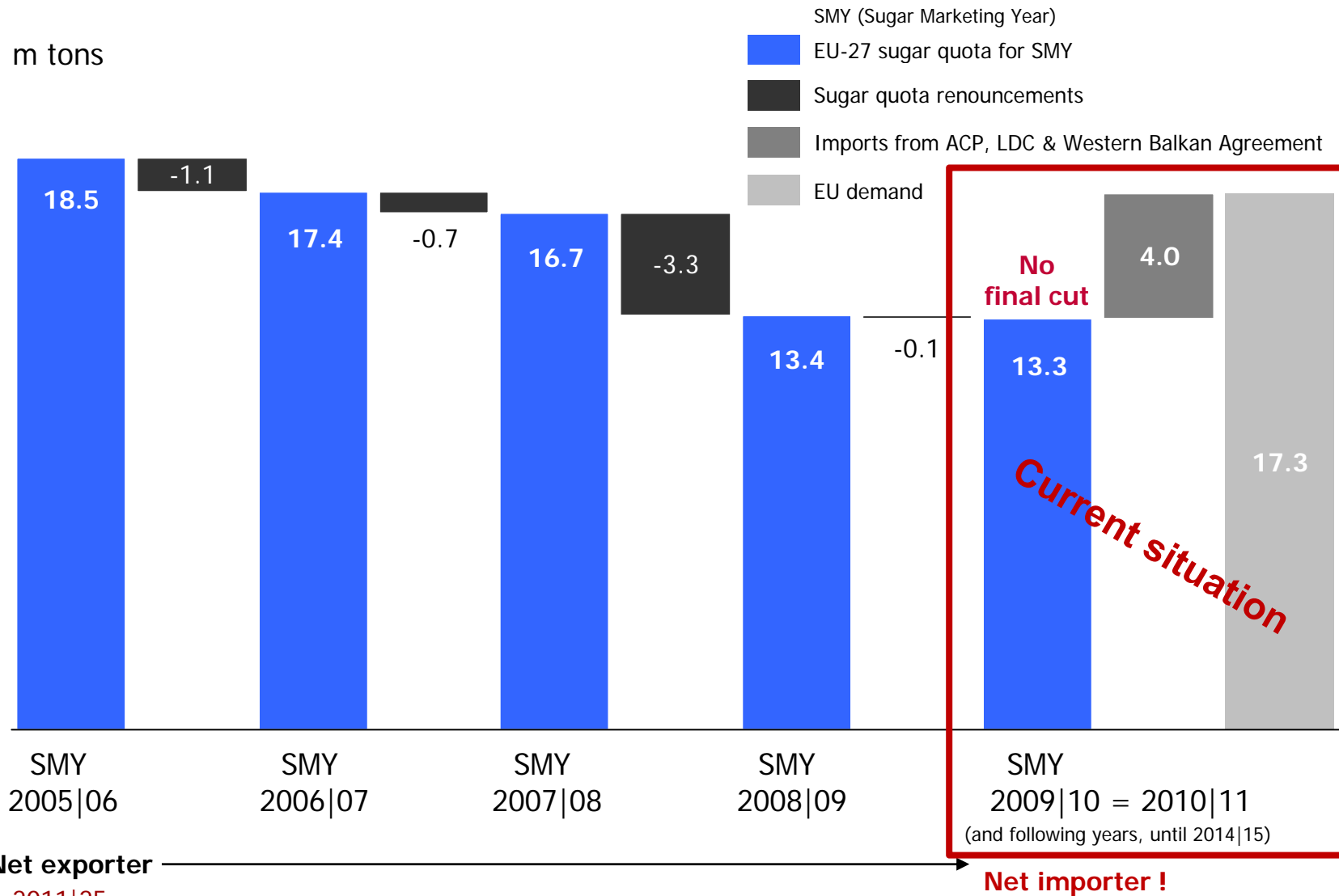
- Current production plants
- Sugar plant
- Current markets
- Raw sugar refinery
- Distribution centre

Surplus and deficit markets

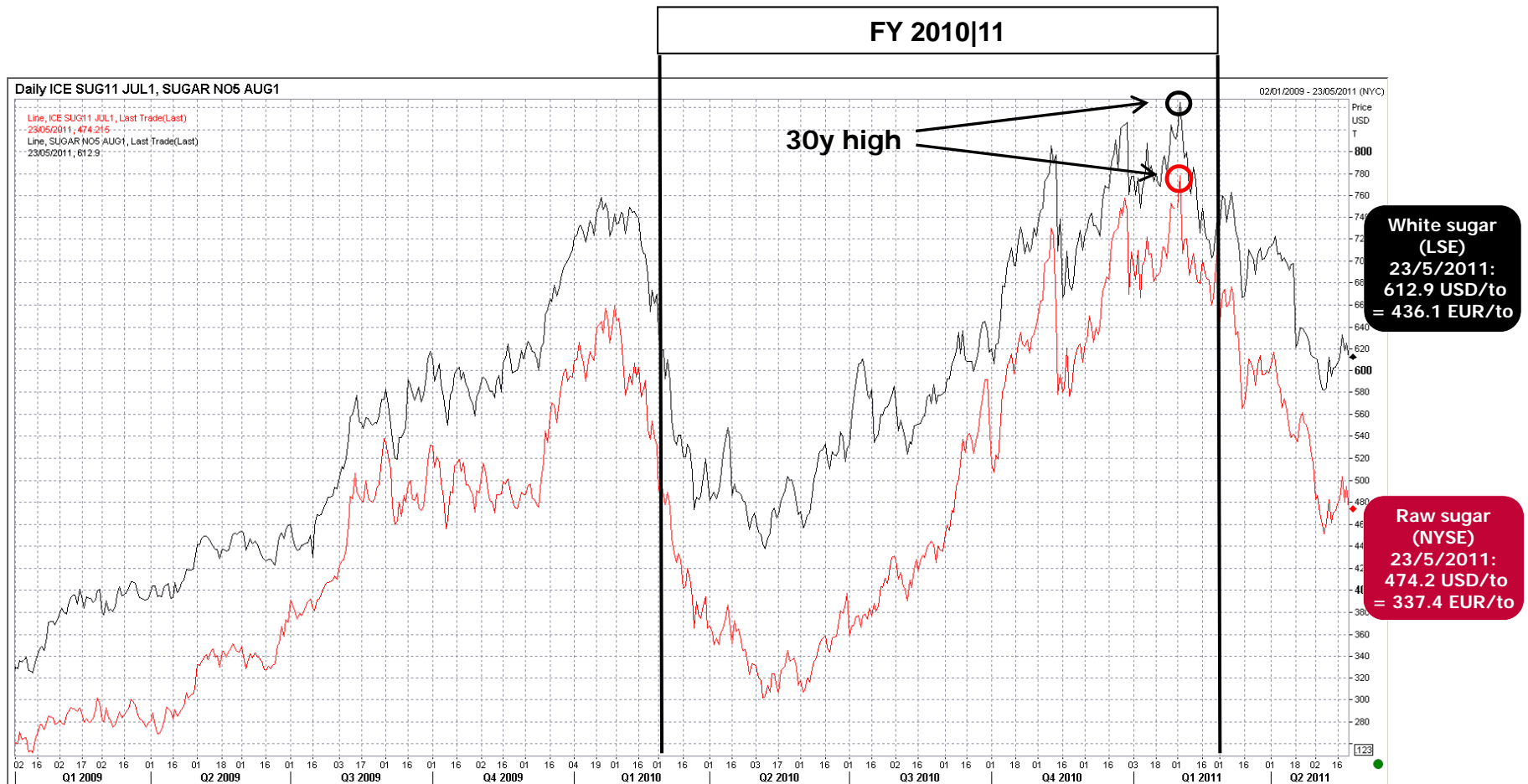
SMY 2010|11
(1/10/2010 – 30/9/2011)



Reform process of EU sugar regime



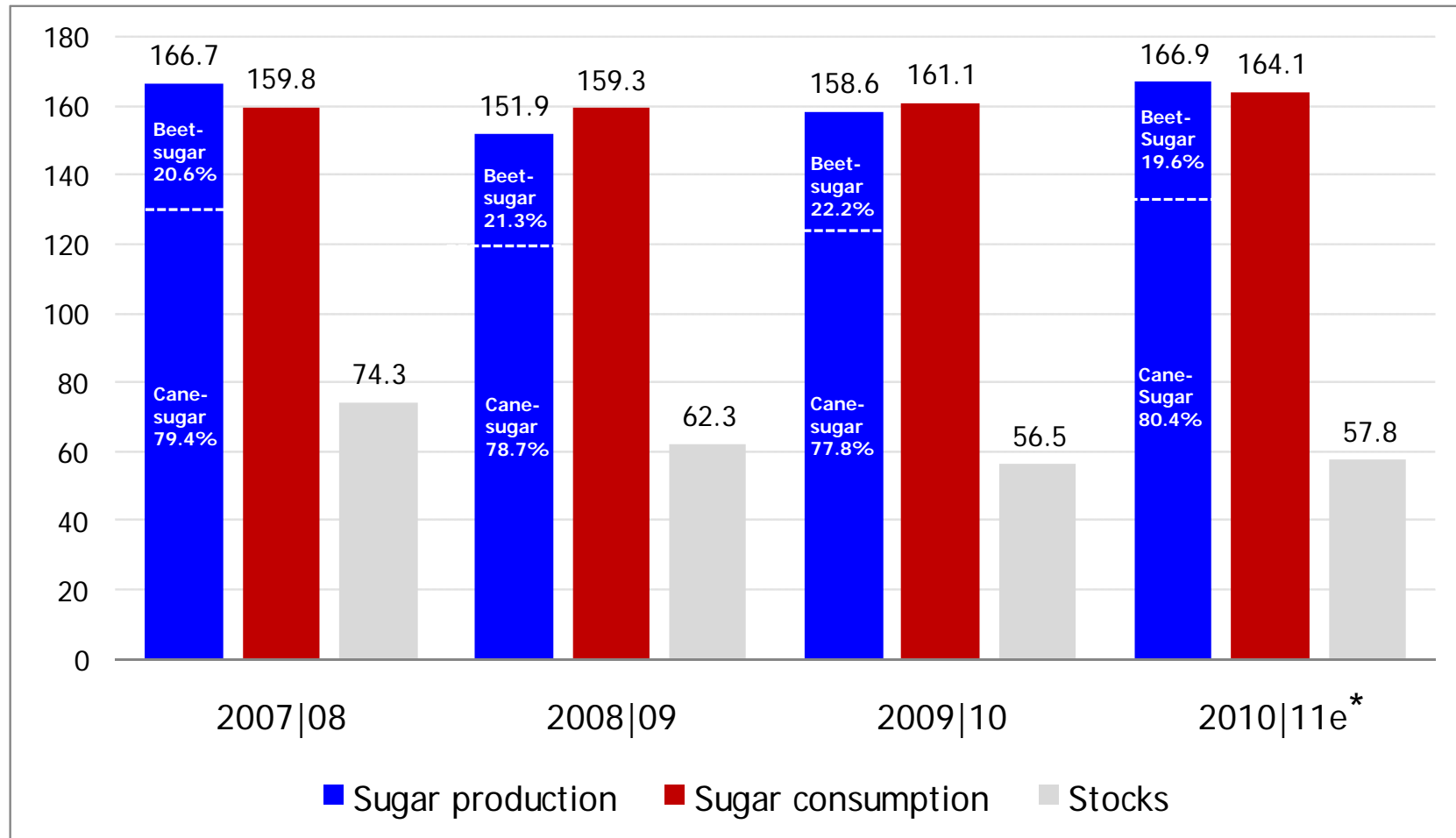
Quotation for raw sugar & white sugar January 2009 – May 2011 (in USD)



World sugar production & consumption



Million tons



Source: F.O. Licht (March 2011)

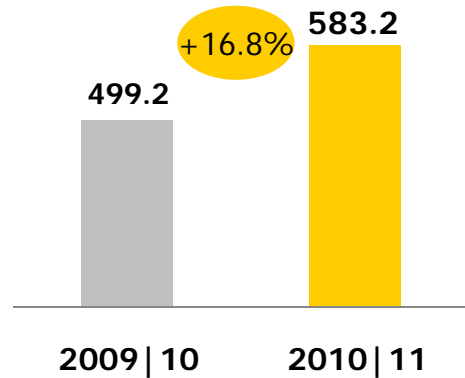
*Production: October-September



STARCH segment highlights FY 2010|11



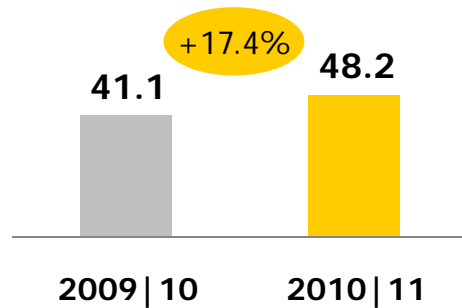
Revenue €m



Revenue growth of € 84.0m to € 583.2m

- Revenue growth was primarily driven by higher sales in all major groups of core and co-products
- Sales price increases in the second half of 2010|11 compensated the higher raw material prices that prevailed from late summer

Operating Profit €m

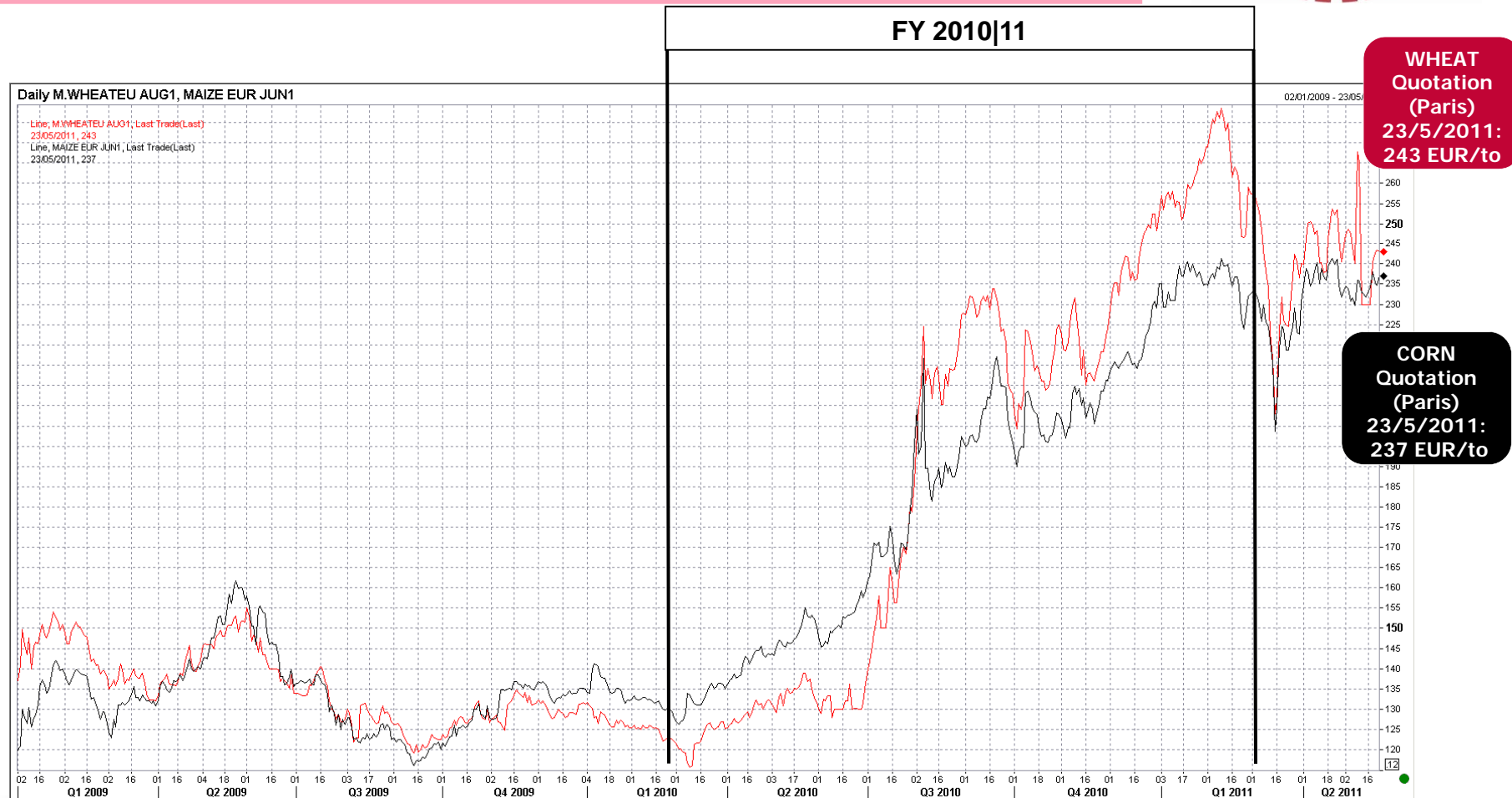


Operating profit rose to € 48.2m (prior year: € 41.1m)

- Revenue growth – driven by volume and later also by prices – combined with an effective purchasing strategy were the key reasons for the rise in operating profit
- Operating margin was slightly increased

Price development of cereals

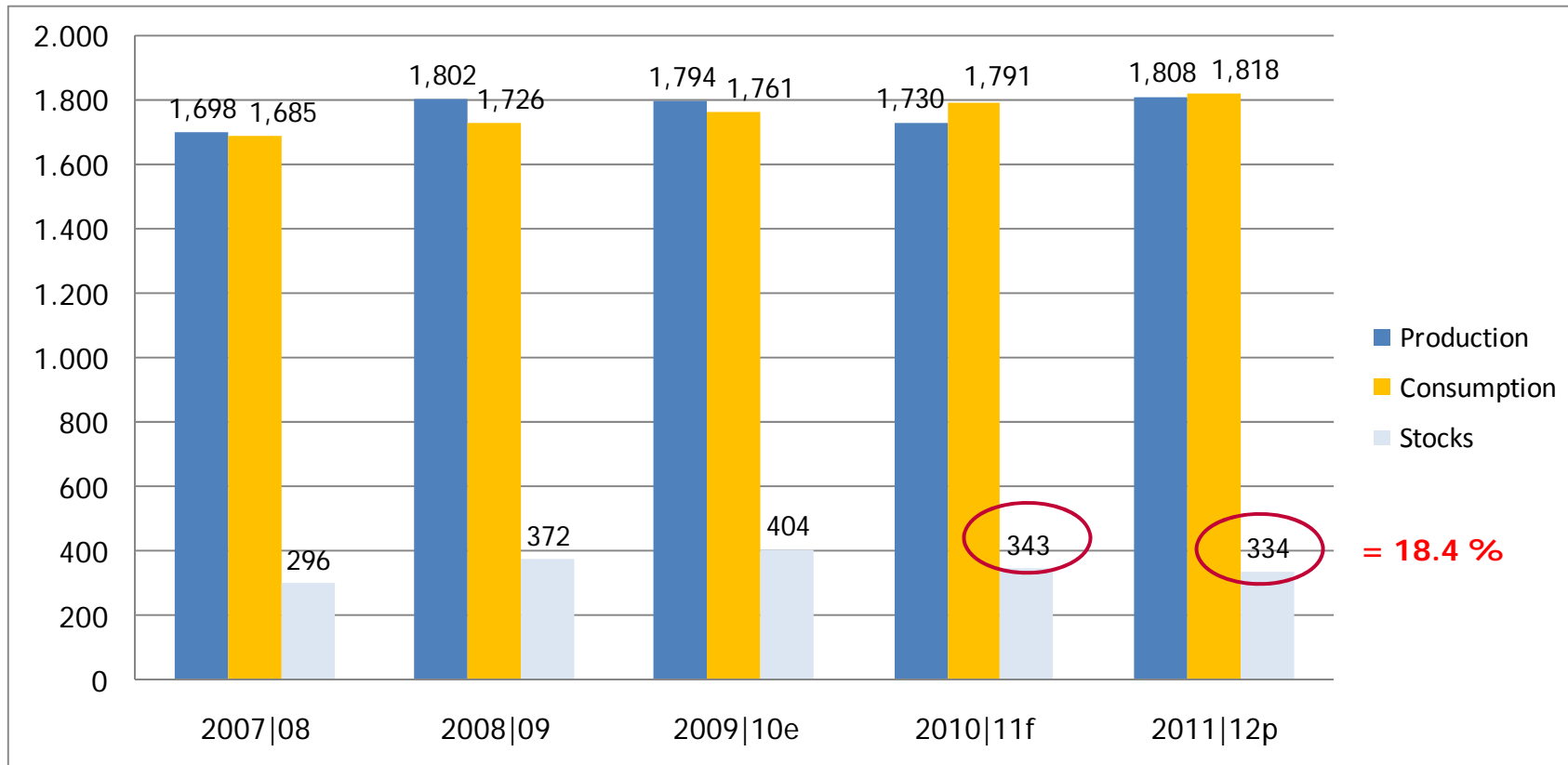
January 2009 – May 2011 (in EUR)



World grain production & consumption



Million tons



International grain stocks increased 4 years in a row from 2006|07 to 2009|10

Critical stocks limit at 20 % of consumption

Source: IGC, April 2011
e...estimate, f...forecast, p...projected

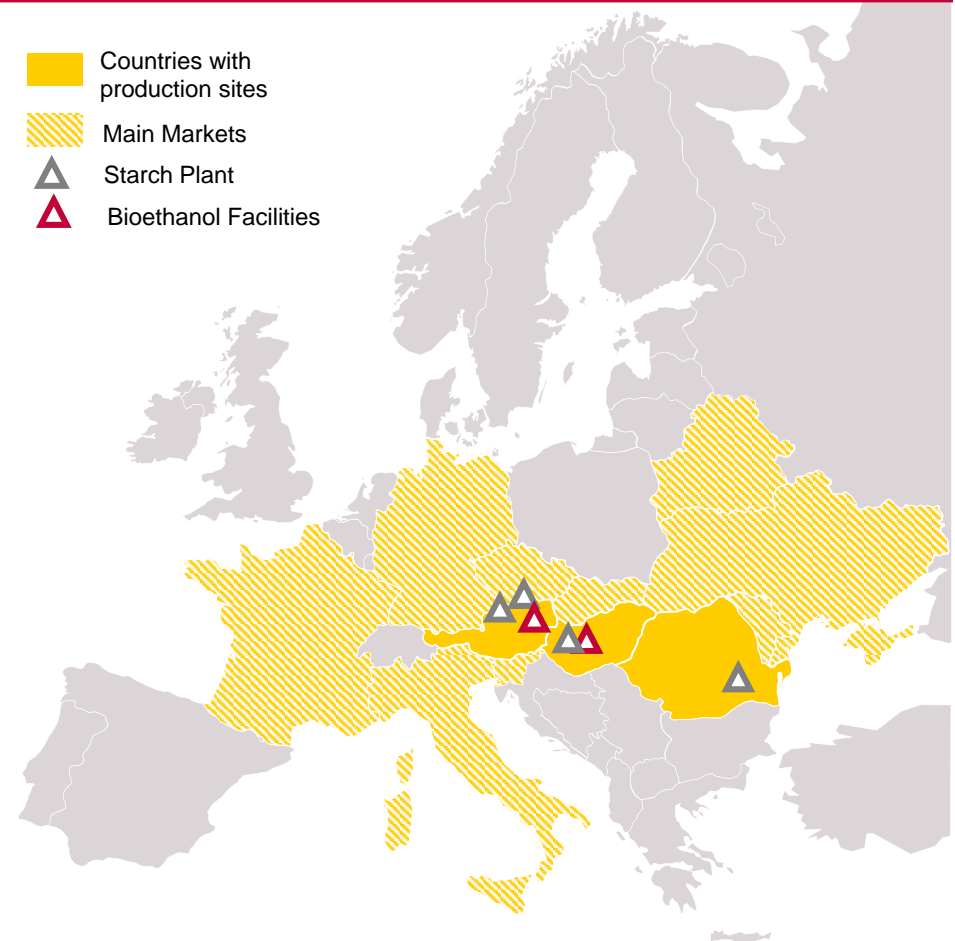
Period: July-June

STARCH Segment Market position

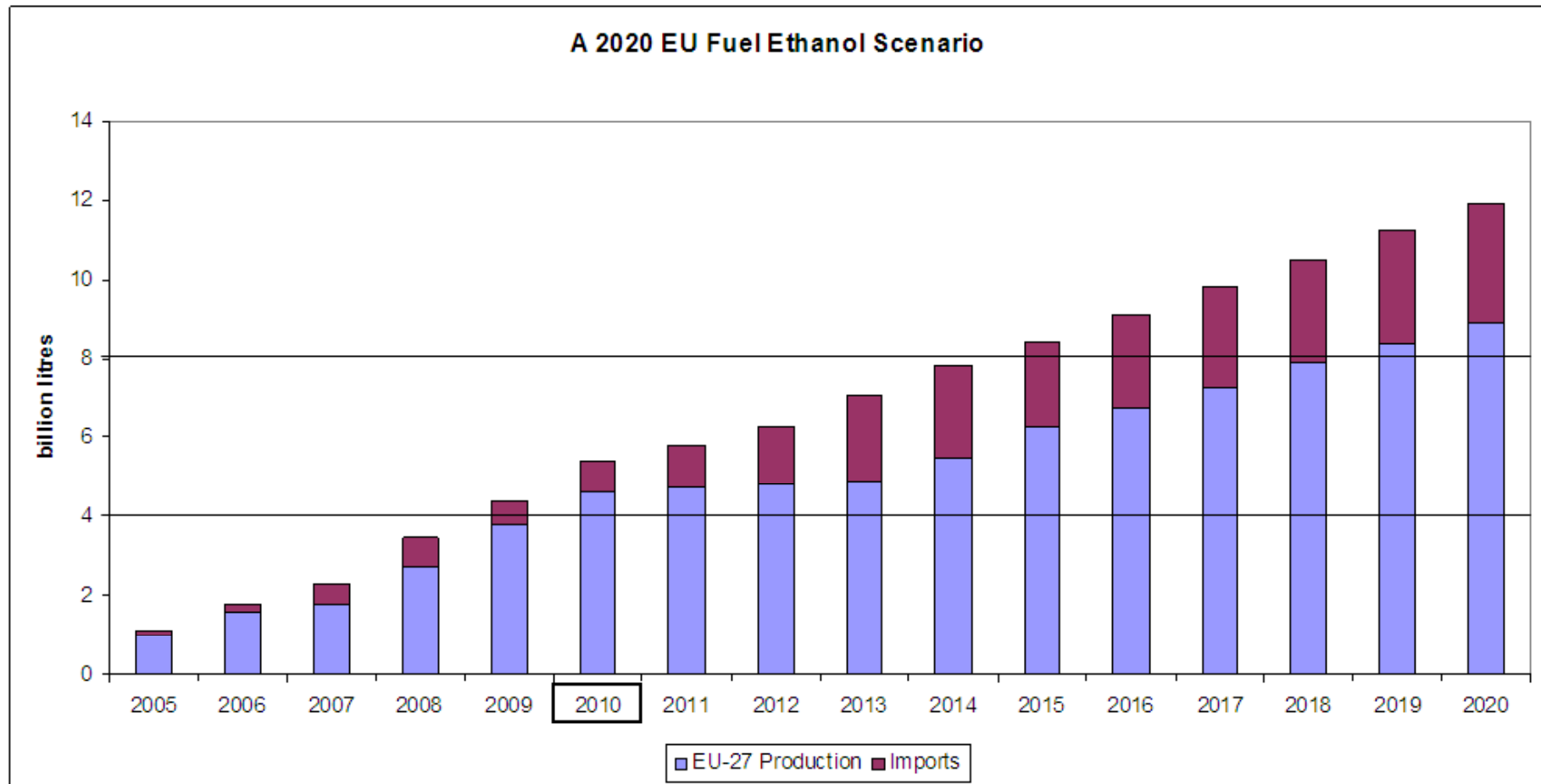


- Higher sales quantities in all core- & co-product groups
- Core-products:
 - Sales volumes of food-starches slightly higher than in 2009|10 Vorjahr
 - Higher sales quantities of technical starches especially for paper industry applications
 - Bioethanol: higher sales volumes at higher prices
 - HUNGRANA isoglucose-volumes +20% (HUNGRANA holds an isoglucose quota of 220,000 tons of a total of the EU quota of 690,000 tons)
- Co-products:
 - Higher cereal prices led to higher by-product prices
 - Sales volume increased by 11% especially due to ActiProt (by-product of AGRANA's bioethanol production)

4 Starch plants & 2 Bioethanol facilities



Development of ethanol demand until 2020



Source: F.O. Licht's World Ethanol and Biofuels Report

Raising the Austrian bioethanol admixture target from 5 to 10% in 2012



- **Planned Amendment to the Austrian Ordinance on Automotive Fuel (“Kraftstoffverordnung”)**
- **Since Oct. 2008 5.75% of the energy content of all fuels sold comes from bio-fuels**
 - 6.3% biodiesel (roughly 7% by volume)
 - 3.4% bioethanol (roughly 5% by volume)
- **According to the planned amendment: 2012 increase of biofuel’s substitution to 6.25% (= +0.5%)**
 - 6.3% biodiesel - the biodiesel share will remain unchanged
 - 6.1% bioethanol
 - Planned implementation of 6.1% substitution by:
 - approx. 15% of E5 (5% bioethanol by volume)
 - and approx. 85% of E10 (10% bioethanol by volume)

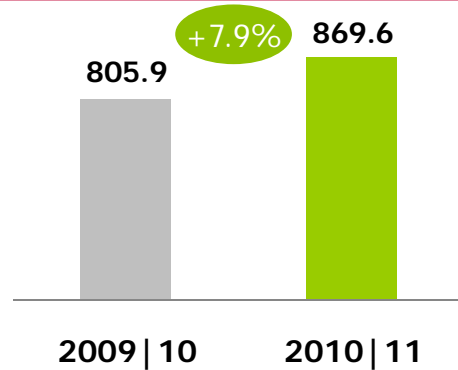
Sustainability Criteria	Implementation by AGRANA Bioethanol
Until 2017, the reduction of greenhouse gas emissions using biofuels must amount to a minimum of 35%, calculated over their lifecycle; as of 1 Jan 2017, the reduction must be 50% compared to fossil fuels	AGRANA bioethanol already meets the EU’s 50% target compared to fossil fuels! ✓
Raw material requirements for the bioethanol production: <ul style="list-style-type: none"> • Raw materials must not come from soils with high biodiversity (e.g. rain forests) • Complete traceability of the provenance of raw materials 	Sustainability criteria are met by EU raw material sources (Cross compliance criteria are met) ✓ ISCC certification of AGRANA Bioethanol plant Pischelsdorf ✓



FRUIT segment highlights FY 2010|11



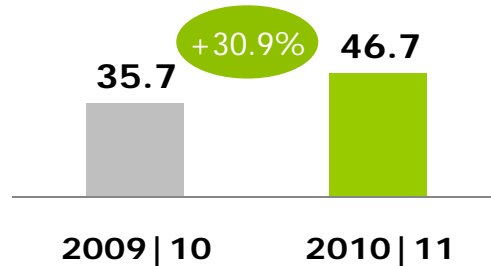
Revenue €m



Revenue rose by € 63.7 to € 869.6m

- Higher sales volumes in fruit preparations more than compensated for the effect of the somewhat lower average selling prices in the first half of 2010|11
- Although the pace of sales volumes eased in the second half, there was a rising trend in market prices, tracking the increase in raw material prices in the second half of the year
- In Fruit juice concentrates, revenue expanded, driven by significant price increases in the concentrate market after a smaller-than-average apple crop, and by higher sales quantities

Operating Profit €m



Operating profit up by € 11.0m to € 46.7m

- The reasons for this positive trend were the volume growth in fruit preparations and the strong volume sales in the concentrate business later combined with a favourable market price rise for concentrates as a result of the higher raw material costs
- Structural improvement and optimisation measures likewise contributed to the improvement of operating profit and operating margin in the Fruit segment

FRUIT Segment Market position



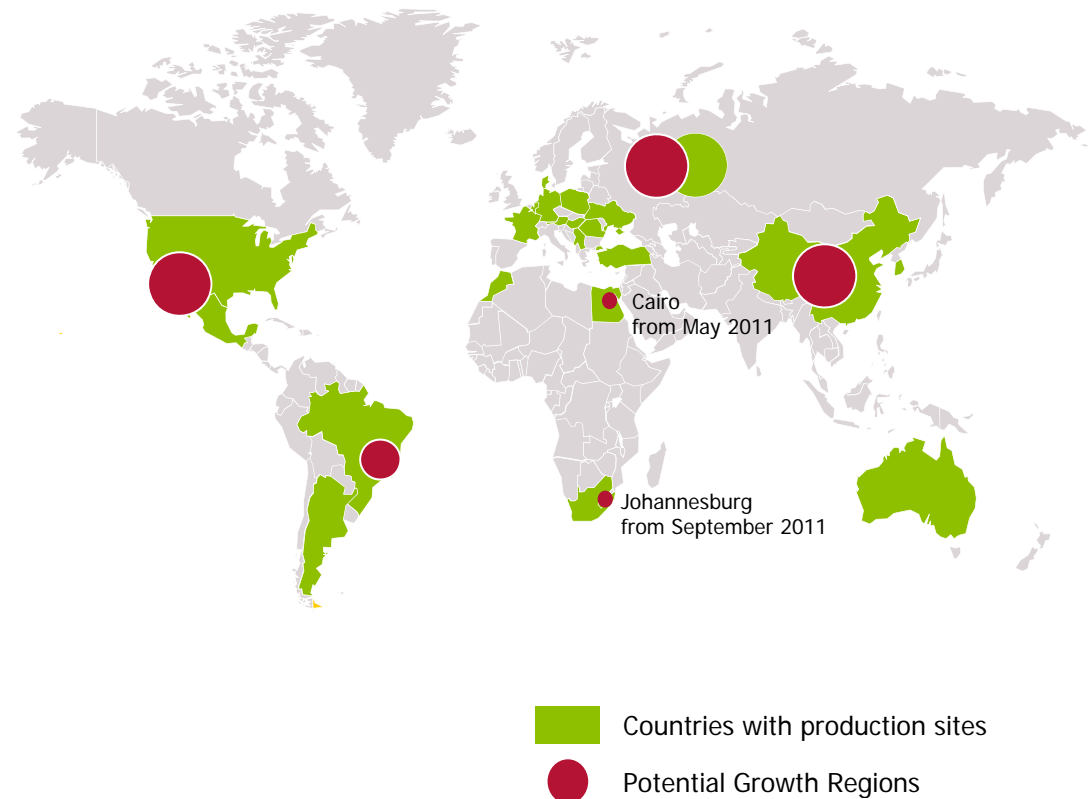
Fruit preparations

- World Market Leader in Fruit preparations ; global market share > 30%
- 2-digit growth rates in emerging markets and Germany (due to exports)
- Above average sales growth in non-core business products (e.g. for bakery and ice-cream applications)

Fruit juice concentrates

- One of the largest producers of fruit juice concentrates in Europe
- Additional customer portfolio and new markets (ongoing merger with Ybbstaler)
- Optimisation measures taken in previous years show their positive effects

Status as of 28 February 2011: 25 Fruit Preparation Plants & 12 Fruit Juice Concentrate Plants



FRUIT segment Business model



Fruit preparations



- Based on mostly frozen fruits
- Tailor-made customer products (several thousand recipes worldwide)
- Customers: dairy, bakery and ice cream industry
- Shelf life of the fruit preparation ~ 6 weeks -> necessity to produce regional



Fruit juice concentrates



- Based on fresh fruits
- Production in the growing area of the fruits (water content and quality of the fruits don't allow far transports)
- Customers: bottling industry
- Shelf life of fruit juice concentrates ~ 2 years -> can be shipped around the world



Financial results 2010|11



SUGAR. STARCH. FRUIT.

Consolidated income statement

(based on IFRS)



Key P&L figures, €m	2010 11	2009 10
Revenue	2,165.9	1,989.2
Operating profit before exceptional items (EBIT)	128.1	91.9
Exceptional items	0.0	(5.0)
Operating profit after exceptional items	128.1	86.9
Net financial items	(19.0)	0.5
Profit before tax	109.1	87.4
Income tax expense	(22.4)	(14.7)
Profit for the period before non-controlling interests	86.7	72.7
Attributable to shareholders of the parent	84.5	72.2
Earnings per share	€ 5.95	€ 5.08

Consolidated balance sheet



Key figures, €m	28 February 2011	28 February 2010
Non-current assets	981.8	1,003.7
Current assets	1.010.4	884.2
Total equity	970.7	904.7
Non-current liabilities	343.3	288.2
Current liabilities	678.2	695.0
Balance sheet total	1,992.2	1,887.9
Equity ratio	48.7%	47.9%
Net financial debt	382.4	376.6
Gearing	39.4%	41.6%

Consolidated cash flow statement



€m	2010 11	2009 10
Operating cash flow before change in working capital	169.3	149.6
Losses on disposal of non-current assets	0.1	0.4
Change in working capital	(93.9)	12.2
Net cash from operating activities	75.4	162.2
Net cash (used in) investing activities	(51.6)	(48.4)
Net cash (used in) financing activities	(25.0)	(123.7)
Net (decrease) in cash and cash equivalents	(1.2)	(9.9)

Change in net financial items



€m	2010 11	2009 10
Net interest expense	(15.9)	(21.2)
Currency translation differences	(2.5)	18.9
Other financial items and share of results of non-consolidated subsidiaries and outside companies	(0.6)	2.8
Net financial items	(19.0)	0.5

FX drivers:
HUF, PLN,
RON



Current growth projects & outlook



SUGAR. STARCH. FRUIT.

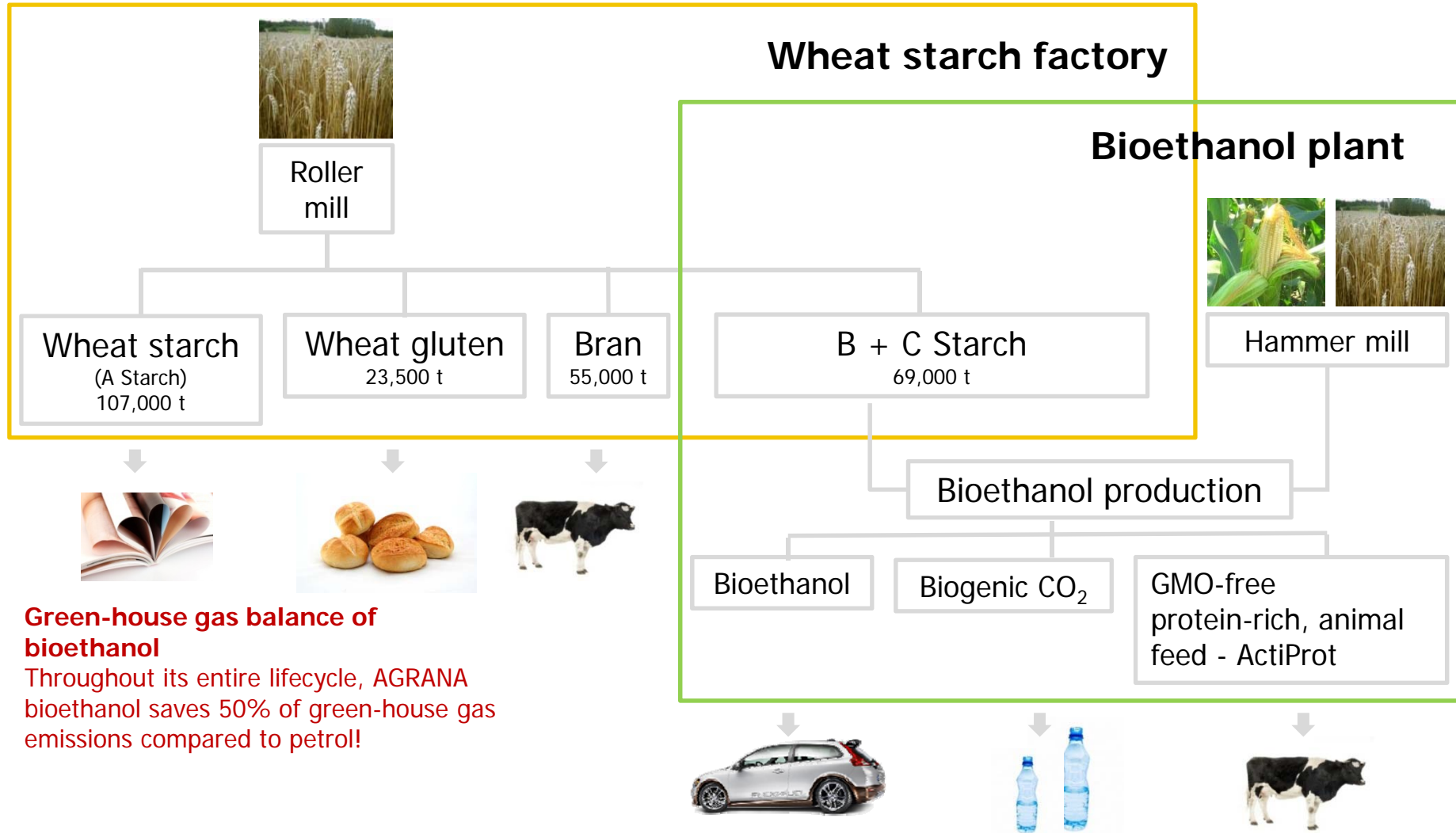
Current growth projects



- Expansion of our **fruit preparation plant in Serpuchov**
- We will invest around **€27.6m** over the next five years
- In order to be able to tap the potential of the growing market for fruit preparations in Russia and the CIS states, this expansion project will boost production capacity by 63 %
- New starch factory for the production of **wheat starch and gluten** at the site of our bioethanol plant in Pischelsdorf|Lower Austria
- Investment volume of **€ 56m** (over the next three years)
- Operations will start at the end of 2013
- AGRANA and Raiffeisen Ware Austria (RWA) are **considering a merger** of their fruit **juice concentrate subsidiaries** AGRANA Juice Holding GmbH and Ybbstaler Fruit Austria GmbH in the form of a joint venture



Integrated structure Wheat starch / Bioethanol plant



Green-house gas balance of bioethanol

Throughout its entire lifecycle, AGRANA bioethanol saves 50% of green-house gas emissions compared to petrol!

Segment outlook FY 2011|12



SUGAR segment

- Growth within the EU is constrained by the sugar market regime, but the production of out-of-quota sugar should enable utilisation of the AGRANA sugar plants
- Last year's positive earnings trend should continue in the 2011|12 financial year
- Higher refining volumes should be achieved

STARCH segment

- Higher selling prices are expected to outweigh the effect of a slight decrease in sales volumes
- Much of the raw material supply for the 2011|12 financial year is already contractually secured until the new 2011 crop
- A big challenge will once again be dealing with raw material and energy costs that are expected to stabilise at the current level

FRUIT segment

- A revenue increase is predicted for the fruit preparations and juice business amid rising volumes coupled with higher selling prices
- Volume growth and an increased price level will be the driver for increasing revenue and operating profit

Outlook AGRANA Group FY 2011|12



The very good 2010 | 11 financial year is challenging. However, AGRANA is projecting a positive earnings trend in all business segments for 2011 | 12.

- **Group revenue** to increase slightly in 2011|12 thanks to overall volume growth and higher prices
- The objective for 2011|12 is to further raise **Group operating profit**; ongoing improvements in purchasing strategies, cost management and process optimisation, as well as targeted further savings in energy consumption, will contribute to an increased profitability
- **CAPEX** ~ € 100m (vs depreciation of € 80m)

Financial calendar



1 July 2011

Annual General Meeting for 2010|11

6 July 2011

Dividend payment and ex-dividend date

14 July 2011

Publication of results for first quarter of 2011|12

Contacts



Corporate Communications / Investor Relations:

Hannes Haider

Email: investor.relations@agrana.com

Corporate Communications / Public Relations:

Christine Göller

Email: info.ab@agrana.com

Disclaimer



This presentation is being provided to you solely for your information and may not be reproduced or further distributed to any other person or published, in whole or in part, for any purpose. This presentation comprises the written materials/slides for a presentation concerning AGRANA Beteiligungs-AG ("Company") and its business.

This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or investment decision.

This presentation includes forward-looking statements, i.e. statements that are not historical facts, including statements about the Company's beliefs and expectations and the Company's targets for future performance are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore investors should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

Although care has been taken to ensure that the facts stated in the presentation are accurate, and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by the Company no representation or warranty, express or implied, is given by or on behalf of the Company any of its respective directors, or any other person as to the accuracy or completeness of the information or opinions contained in this presentation. Neither the Company nor any of its respective members, directors, officers or employees or any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.