

## **Ad-hoc-release according to § 15 WpHG**

### **Südzucker achieves 2013/14 full year targets and expects significant earnings decrease in 2014/15**

Mannheim, 8 April 2014

Südzucker AG Mannheim/Ochsenfurt, Mannheim, has reached for financial year 2013/14 (1 March 2013 to 28 February 2014) group revenues of EUR 7,735 (previous year: 7,879) million. Following previous year's extraordinary performance, operating profit significantly decreased as expected to EUR 658 (previous year: 972) million. Lower earnings in segments sugar, special products and CropEnergies were in contrast to higher earnings in fruit segment, as expected. Income from operations (EBIT) significantly decreased to EUR 542 (previous year: 955) million. It contains the result from restructuring and special items of EUR minus 116 million, mainly driven by the costs of the fine within the German anti-trust case and the refund claim of overpaid production levies in sugar marketing years 2001/02 to 2005/06.

The expectation of an increasingly deteriorating economic environment in the European sugar and bioethanol markets – disclosed via several ad-hoc announcements in November and December 2013 as well as in February 2014 – has been confirmed and reinforced. Against this background Südzucker expects for financial year 2014/15 a decrease in group revenues to about EUR 7.0 billion and a significant decrease in operating profit to about EUR 200 million. In this context first quarter operating profit of current financial year 2014/15 will already show a significant decrease against previous year's level.

The earnings reduction for financial year 2014/15 mainly derives from segments sugar and CropEnergies. Achievement of this forecast will mainly depend on further marketing results and sales volumes in an increasingly more difficult European sugar market environment. Based on a high European sugar market inventory level, Südzucker expects the EU not to take further market measures as there is no necessity. In light of a higher earnings volatility and the changes in context of the EU sugar policy from 1 October 2017, cost structure is under review, especially in the sugar segment. The high volatility in the European

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bioethanol pricing aggravates the forecast, too.

This revenues and earnings forecast already comprises the obligatory application of at-equity-consolidation IFRS 11 rules for joint venture businesses, which is valid from financial year 2014/15 onwards. On Südzucker Group level this leads to a reduction of about EUR 200 million in revenues and about EUR 40 million in operating profit. The accounting changes for joint venture businesses have no influence on the earnings per share.

Complete full year results for financial year 2013/14 as well as the forecast for financial year 2014/15 in detail will be published on 15 May 2014.

#### **Group figures as of 28 February 2014:**

€ million	<b>2013/14</b>	2012/13	+/- in %
Gross revenues	7,735	7,879	-2
Operating profit	658	972	-32
Operating margin	8.5%	12.3%	
Result from restructuring and special items	-116	-17	> 100
Income from operations	542	955	-43

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#### **The Südzucker Group**

Südzucker, with its sugar, special products, CropEnergies and fruit segments, is one of the leading companies in the food industry. In the traditional sugar business, the group is the world market leader, with 29 sugar factories and three refineries, extending from France in the west via Belgium, Germany and Austria, through to Poland, the Czech Republic, Slovakia, Romania, Hungary, Bosnia and Moldova in the east. The special products segment, consisting of the functional food (BNEO), deep-frozen/chilled products (Freiberger), portion packs (PortionPack Europe) and starch businesses, is an important growth driver. The CropEnergies segment covers the bioethanol activities in Germany, Belgium, France and the UK. In the fruit segment, the group operates internationally, is the world market leader for fruit preparations and is a leading supplier of fruit juice concentrates in Europe.

In 2013/14, the group employed 18,459 persons and generated revenues of about EUR 7.7 billion.