



21.05.2008 – 08:03 Uhr

euro adhoc: AGRANA Beteiligungs-AG / Financial Figures/Balance Sheet / AGRANA acquires itself well in difficult 2007|08 financial year

Disclosure announcement transmitted by euro adhoc. The issuer is responsible for the content of this announcement.

annual report

21.05.2008

In the completed 2007|08 financial year the AGRANA Group sustained its growth trajectory in the Starch and Fruit segments despite difficult conditions in raw material procurement. Developments in the Sugar segment were defined by the consolidation of the sugar market in the course of the EU sugar regime reform. In the twelve months to 29 February 2007|08, based on final data, AGRANA recorded revenue of EUR 1,892.3 million, which as expected was slightly off the prior-year level of EUR 1,915.8 million. The key reason was the absence of the additional two months of revenue that had been included in the Fruit segment's prior-year results to align the segment's year end with that of the AGRANA Group. Based on a twelve-month comparison that eliminates this effect, Group revenue grew by 6%.

Thanks to the good performance in the Starch and Fruit segments, Group operating profit before exceptional items rose from EUR 107.0 million to EUR 111.4 million, or by 4%. As a result of EUR 9.9 million in restructuring costs and other exceptional items in all segments, however, operating profit after exceptional items eased from the prior year's EUR 105.8 million to EUR 101.5 million.

"Despite difficult fundamentals such as the global commodity boom and speculation in agricultural commodities, combined with the reform of the EU sugar regime, we acquitted ourselves well," notes AGRANA CEO Johann Marihart in connection with the presentation of the 2007|08 financial results. "Our strategy of diversification through the three pillars of Sugar, Starch and Fruit, coupled with our strong global expansion especially in the last few years, has definitely proven itself in this very challenging market environment."

At the Annual General Meeting on 4 July 2008 the Management Board will thus propose paying an unchanged dividend of EUR 1.95 per share for the 2007|08 financial year.

Key results:

2007 08	2006 07		
Revenue	EURm	1,892.3	1,915.8
Operating profit before exceptional items	EURm	111.4	107.0
Exceptional items	EURm	-9.9	-1.2
Operating profit after exceptional items	EURm	101.5	105.8
Profit before tax	EURm	73.1	93.5
Profit for the period	EURm	63.8	71.1
- Attributable to equity holders of the parent	EURm	64.3	68.9
- Minority interests	EURm	-0.5	2.2
Earnings per share	EUR	4.53	4.85
Purchases of property, plant and equipment and intangibles*	EURm	207.7	157.4
Staff count		8,140	8,223
* Excluding goodwill			

External revenue by business segment was as follows:

	2007 08	2006 07	
Sugar segment	EURm	751.7	784.7
Starch segment	EURm	288.1	216.5
Fruit segment (2006 07 incl. 14 months)	EURm	852.5	914.6
AGRANA Group revenue	EURm	1,892.3	1,915.8

Results for 2007|08 financial year

Group operating profit improved before net negative exceptional items of EUR 9.9 million. Thus, one plant was closed in the Fruit

and one in the Sugar segment in further streamlining measures. As well, the delay in full commissioning of the bioethanol plant in Pischelsdorf as a result of the run-up in commodity prices led to one-off expenses.

Net financial items amounted to a deficit of EUR 28.4 million (prior year: deficit of EUR 12.3 million), reflecting the brisk investment activity and the financing of the working capital as a result of the increase in raw material costs. The resulting profit before tax was EUR 73.1 million (prior year: EUR 93.5 million) and after-tax profit before minority interests reached EUR 63.8 million (prior year: EUR 71.1 million). Profit for the period attributable to AGRANA's shareholders was EUR 64.3 million, compared with EUR 68.9 million in the year before. Earnings per share were EUR 4.53 (prior year: EUR 4.85).

Ensuring growth through investment - Sustained high equity ratio The Group's capital expenditures in 2007|08 reached EUR 207.7 million (prior year: EUR 157.4 million), with the increase of EUR 50.3 million or 32% helping to drive AGRANA's growth. This was also expressed in the increase of EUR 108.3 million in property, plant and equipment to EUR 653.3 million. Total equity improved by 3% from the prior year's EUR 895.5 million to EUR 922.1 million, bringing the equity ratio to 42%. While non-current borrowings fell visibly by EUR 24.4 million from EUR 331.7 million to EUR 307.3 million, current borrowings rose from EUR 194.4 million to EUR 370.1 million as a result of inventory growth and higher commodity costs.

"Although the Starch segment received most of the capital investment in 2007|08, particularly for the completion of the bioethanol plant in Pischelsdorf, we also set the stage for sustained growth in the Fruit segment through important capital projects," says CFO Walter Grausam. "With an equity ratio of 42% despite the recent surge in our investment spending, we are very well positioned to keep growing in the years ahead both through capacity expansion and acquisitions."

Sugar segment External revenue saw a slight decrease of 4% in the 2007|08 financial year to EUR 751.7 million (prior year: EUR 784.7 million), as the EU quota reduction left sales volumes flat or declining. Nevertheless, the segment's operating profit before exceptionals was held steady year-on-year at EUR 32.6 million through a wide range of measures, including energy efficiency improvements and concentration of business locations. The Sugar segment accounted for about 40% of Group revenue.

Starch segment The Starch segment, with double-digit growth in revenue and earnings, was an important driver of AGRANA's business performance in 2007|08. Thanks to higher sales quantities and price increases, external revenue was pushed up by 33% to EUR 288.1 million (prior year: EUR 216.5 million). Despite the rise in raw material costs, operating profit before exceptional items grew to EUR 35.3 million (prior year: EUR 28.5 million). The non-capitalisable expenses for the bioethanol plant in Pischelsdorf detracted by EUR 6.8 million from 2007|08 operating profit after exceptional items. Overall, the Starch segment's share of Group revenue was approximately 15%.

Fruit segment In 2007|08 AGRANA further expanded its position as the world's leading manufacturer of fruit preparations for the dairy, bakery and ice-cream industry. The Group also cemented its market position as the largest producer of apple and berry juice concentrates in Europe. External revenue, at EUR 852.5 million (prior year with 14 months: EUR 914.6 million), was below the year- earlier level owing to the absence of the additional two months related to the prior-year alignment of the financial year end. The same was true of the pre- exceptionals operating profit of EUR 43.5 million (prior year: EUR 45.6 million). Based on a twelve-month comparison revenue and operating profit before exceptionals increased. Operating margin before exceptional items was 5.1%. Restructuring expenses of about EUR 4.6 million were recorded for, among other things, the planned closure of the fruit preparations plant in Kaplice in the Czech Republic. With a share of about 45% of Group revenue, Fruit is AGRANA's highest-revenue segment. Of the three Group segments, Fruit also generates the largest share of profit.

Outlook For the 2008|09 financial year, AGRANA expects further growth in revenue to more than EUR 2 billion. Especially further organic growth in the Starch segment is to figure prominently in this sales expansion.

In the Sugar segment, the new EU sugar regime is expected to significantly stabilise the market. By defending the leading market position in Central Europe and through further optimisation activities, AGRANA plans to safeguard the profitability of the sugar business. However, the reform of the EU sugar regime will continue to shape the segment's business performance in the coming year.

The Starch segment maintains its consistent strategic focus on specialty products. The expansion of processing capacity in Hungary and the launch of bioethanol production in Austria are expected to generate significant additional revenue growth.

In the Fruit segment, AGRANA will sustain the growth trend both in fruit preparations and fruit juice concentrates, particularly as the market offers superior growth opportunities in both businesses. In the new 2008|09 financial year this will be accomplished mainly by expanding existing capacity.

This press release and the current 2007|08 annual report are available in English and German at www.agrana.com

end of announcement euro adhoc

Further inquiry note:

AGRANA Beteiligungs-AG
Mag. Maria Fally
Investor Relations
Tel.: +43-1-211 37-12905
e-mail: maria.fally@agrana.com

Mag. Ulrike Pichler

Public Relations
Tel.: +43-1-211 37-12084
e-mail: ulrike.pichler@agrana.com

Branche: Food
ISIN: AT0000603709
WKN: 779535
Index: WBI, ATX Prime
Börsen: Börse Berlin / Präsenzhandel
Börse Frankfurt / Präsenzhandel
Börse Stuttgart / Präsenzhandel
Wiener Börse AG / official market

Original content of: AGRANA Beteiligungs-AG, transmitted by news aktuell
Diese Meldung kann unter <https://www.presseportal.de/en/pm/63352/1195246> abgerufen werden.