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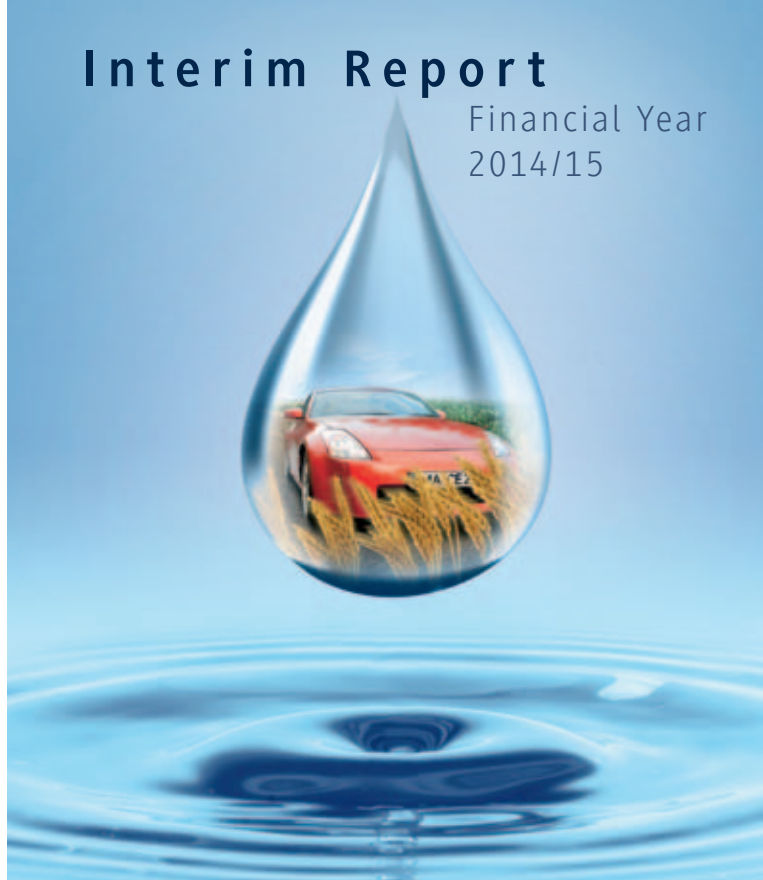
<http://www.cropenergies.com>

#### Forward-looking statements and forecasts

This report contains forward-looking statements. These statements are based on current estimates and forecasts of the executive board and information currently available to it. The forward-looking statements are not guarantees of the future developments and results mentioned therein. Rather, the future developments and results depend on a number of factors, entail various risks and imponderables and are based on assumptions that may not prove to be accurate. The risk report on pages 62 to 69 of the 2013/14 Annual Report provides an overview of the risks, which is supplemented by disclosures in this report. We do not accept any obligation to update the forward-looking statements made in this report.

# Interim Report

Financial Year  
2014/15



**1<sup>st</sup>–3<sup>rd</sup> Quarter**

1 March to 30 November 2014

Mannheim, 12 January 2015

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The figures stated in brackets on the following pages refer to the same period or point in time in the previous year.

CropEnergies AG's financial year differs from the calendar year.

The periods referred to are thus defined as follows:

3<sup>rd</sup> quarter: 1 September – 30 November

1<sup>st</sup> – 3<sup>rd</sup> quarter: 1 March – 30 November

The interim report is also available in German. This English translation is provided for convenience only and should not be relied upon exclusively. The German version of the interim report is definitive and takes precedence over this translation.

## Highlights first three quarters of 2014/15

- Revenues grow to € 626.4 (572.6) million 9%
- EBITDA declines to € 20.8 (62.1) million -67%
- Operating profit falls to € -6.1 (37.7) million
- Net earnings decline to € -12.7 (19.7) million
- Bioethanol production up to 777,000 (626,000) m<sup>3</sup> 24%
- Net financial debt rises to € 140  
(as of 28 February 2014: 135) million

## Outlook for the 2014/15 financial year confirmed

- Revenue growth to between € 820 and € 860 million
- Operating profit is expected to range between € 0 and minus € 20 million

## Interim management report

### Operating environment

#### Implementation of the European climate and energy package

The EU's "Renewable Energies Directive" defines the legal framework for the mandatory blending target of 10% for renewable energies in the transport sector for the year 2020. Sustainability criteria ensure that all biofuels used in the EU are sustainably produced. Among other things, they must reduce greenhouse gas emissions by at least 35 wt.-% (from 2017, even as much as 50 wt.-%) compared with fossil fuels. In addition, the "Fuel Quality Directive" stipulates that, by the year 2020, there needs to be a reduction in greenhouse gases of 6 wt.-%, calculated in terms of overall fuel consumption.

### Proposal for amending the "Renewable Energies Directive" and the "Fuel Quality Directive"

The European Commission submitted a draft amendment of the "Renewable Energies Directive" and the "Fuel Quality Directive" to the European Parliament and the European Council as early as 17 October 2012. The key elements of the proposal were the limitation of the proportion of conventional biofuels to 5% of the 10% target in the transport sector, the multiple counting of biofuels from wastes and residues and the introduction of so-called iLUC factors, designed to capture the greenhouse gas emissions from theoretically possible land use changes in third countries.

Following the European Parliament's acceptance of the draft directive with amendments at first reading on 11 September 2013, the EU member states in the European Council adopted a common position on the draft amendment of the directive on 9 December 2014. Completion of the first reading in the European Council represents progress in the discussion about the proposed amendment of the directive, which has now been ongoing for more than two years, and is also the prerequisite for being able to end the uncertainty for the European biofuel industry sometime soon. By increasing the proportion of conventional biofuels to 7%, abolishing quadruple counting of biofuels from wastes and residues and performing increased checks on their sustainability, the compromise contains a number of significant improvements over the European Commission's original draft. The multiple counting of biofuels from wastes and residues and of electricity in the transport sector, for which provision continues to be made, must, however, be rejected. Such multiple counting would significantly reduce the incentive for substituting fossil fuels and hence the greenhouse gas savings that can actually be achieved and/or it would lead to the "production" of wastes and a further increase in global waste tourism. In addition, it does not include the European Parliament's demand for a mandatory separate blending rate of 7.5% of renewable energies in the petrol sector.

Once the common position has been communicated to the European Parliament in January 2015, the second reading will be introduced. The legislative process is expected to be completed in the spring of 2015. In the context of the coming deliberations, CropEnergies will campaign for the continuation of a sustainable biofuels policy, supporting the bioethanol associations at a national and European level in their endeavours to create reliable framework conditions for the period up to 2020 and beyond.

### **Proposed directive for implementing the "Fuel Quality Directive"**

On 6 October 2014, the European Commission submitted a directive on laying down calculation methods and reporting requirements in relation to greenhouse gas emissions of fuels pursuant to the "Fuel Quality Directive". The "Fuel Quality Directive" defines a decarbonisation target for fuels of 6 wt.-%. This reduction is to be calculated on the basis of the average greenhouse gas intensity of fuels consumed in 2010, which stood at 94.1 g CO<sub>2eq</sub>/MJ. The greenhouse gas intensity of fossil petrol or diesel is to be included in the calculations using separate default values of 93.3 or 95.1 g CO<sub>2eq</sub>/MJ. As the European Parliament raised no objection to the draft directive in December 2014, the European Council is expected to agree to the directive at the beginning of 2015. In CropEnergies' view, fossil fuels need to be differentiated according to raw material sources in the same way as biofuels. This would enable particular account to be taken of the higher greenhouse gas emissions of fuels from unconventional oil sources, such as tar sands and oil shale. In addition, the draft directive fails to define a uniform methodology for taking account of the reduction of greenhouse gas emissions in upstream value-added steps. The more realistic assessment of the greenhouse gas emissions associated with fossil fuels is, in principle, welcome and shows that the use of biofuels actually saves significantly more greenhouse gas emissions than has hitherto been officially recognised.

### **Energy and climate policy targets until 2030**

On 24 October 2014, the European Council agreed on key parameters for an energy and climate package for the period between 2020 and 2030. These include mandatory total greenhouse gas emission savings of 40 wt.-% in comparison with 1990 and a 27% proportion of renewable energies that is mandatory at EU level. In addition, the aim is to seek a 27% improvement in energy efficiency. Although the European Council has essentially taken up the European Commission's proposals from January 2014 without defining any separate targets for the transport sector, it does, at the same time, determine that greenhouse gas emissions and the dependence on fossil fuels need to be further lowered in the transport sector. The Council has therefore requested the European Commission to examine, among other things, measures for promoting the use of renewable energies and for lowering greenhouse gas emissions in the transport sector even after 2020. As early as February 2014, the European Parliament had, in a resolution on climate and energy policy up to 2030, come out in favour of a special framework for the transport system and the retention of the target of reducing lifecycle greenhouse gas emissions from fuels under the "Fuel Quality Directive". The bioethanol industry is also advocating a mandatory regulation for the transport sector in respect of the proportion of renewable energies and the reduction of greenhouse gas emissions up to 2030.

## **Introduction of greenhouse gas reduction quotas in**

### **Germany**

In Germany, the biofuel quota has been replaced, as of 1 January 2015, by a greenhouse gas reduction quota as part of the decarbonisation strategy. In order to implement this systemic change, the legislature has enacted an amendment to the Federal Immissions Control Act (BImSchG). According to this amendment, the prescribed greenhouse gas savings in the fuel sector have been increased from 3 to 3.5 wt.-% for 2015 and 2016. However, the greenhouse gas savings targets have been lowered from 4.5 to 4 wt.-% from 2017 onwards and from 7 to 6 wt.-% from 2020, respectively. Although the German bioethanol industry had come out, in principle, in favour of the introduction of greenhouse gas reduction quotas, it had also pointed out that lowering the reduction targets from 2017 onwards meant that the high greenhouse gas savings potential of biofuels was not being exploited.

### **Biofuel regulation in Belgium**

In Belgium, a new support scheme for biofuels, designed to encourage the use of particularly sustainable biofuels and provide incentives for introducing E10, was enacted by the legislature at the end of April 2014. The new support schemes encouraging the use of biofuels are currently being examined by the European Commission.

### **European ethanol prices still at a low level**

Market observers expect ethanol production in the USA in 2015 to be at the prior-year level, at 54.9 million m<sup>3</sup>, and to continue to be well above domestic consumption of 52.2 million m<sup>3</sup> (-0.5%). The proportion of net exports of bioethanol, at 2.7 (2.6) million m<sup>3</sup>, is therefore expected to remain high. The one-month futures contract for bioethanol on the Chicago Board of Trade (CBOT) fell slightly from around US\$ 2.20/gallon\* at the beginning of September 2014 to around US\$ 2.10/gallon at the end of November 2014. In the interim, ethanol prices had significantly declined

to US\$ 1.50/gallon by the beginning of October 2014 in view of the fall in raw material costs, high stock levels and lower petrol prices. In Brazil, bioethanol production is expected to decline by 4.2% to 26.8 million m<sup>3</sup> in view of a fall in the sugar cane harvest in the 2014/15 sugar year, whereas domestic consumption is expected to increase by 3.5% to 26.3 million m<sup>3</sup>. A slight decline in bioethanol production to 26.6 million m<sup>3</sup> (-0.7%) and in bioethanol consumption to 26.1 million m<sup>3</sup> (-0.7%) is expected in the 2015/16 sugar year. Bioethanol prices in Brazil fell from US\$ 672/m<sup>3</sup> FOB Santos at the beginning of September 2014 to US\$ 560/m<sup>3</sup> at the end of November 2014. The decline is due to advances in the sugar cane harvest and to weaker demand, both in domestic and international terms.

European bioethanol prices, at € 447/m<sup>3</sup> FOB Rotterdam at the end of November 2014, were well below prices of € 514/m<sup>3</sup> at the beginning of September 2014. They thus also continue to be at a very low level when compared globally. In the interim, a price increase to more than € 570/m<sup>3</sup> had been observable in September 2014, which was caused by a temporarily reduced supply of bioethanol at the same time as a seasonal increase in demand. European bioethanol prices are currently being determined by price reporting agencies, based on only small volumes. The extent to which this process is giving rise to irregularities or distortions has been the subject of an investigation by European competition authorities since May 2013.

In view of a decline in the consumption of petrol and little or no change in blending regulations in the EU member states, market observers expect fuel ethanol consumption in the EU to fall by 2.5% to 5.3 million m<sup>3</sup> in 2014, whereas it is expected to increase slightly by 0.9% in 2015. In Germany, fuel ethanol consumption, at 1.5 million m<sup>3</sup>, is expected to be 4.7% below the previous year's level.

\*A gallon is the equivalent of 3.7854 litres.

Between January and October 2014, fuel ethanol sales in Germany fell by 4.0% year over year to around 1.2 million m<sup>3</sup>. Between January and October 2014, E10 sales, on the other hand, rose by 3.9% to 2.4 million tonnes, which is equivalent to a 15.3% share of the petrol market. Overall, 1,072,000 m<sup>3</sup> of bioethanol were blended directly with petrol and 146,000 m<sup>3</sup> were used for the production of the octane booster ETBE.

### **Decline in grain and protein prices**

According to its forecast for the 2014/15 harvest published on 10 December 2014, the US Department of Agriculture (USDA) expects world grain production (excluding rice) to stand at 1,998 million tonnes, which is set to be slightly above the previous year's record level. World grain consumption is expected to increase by 1.4% to 1,970 million tonnes. World grain stocks are expected to rise by 6.9% to 422 million tonnes. For the 2014/15 grain year, the European Commission expects the EU to increase its grain harvest by 6.5% to 322 million tonnes. It will therefore significantly exceed the expected grain consumption of around 280 million tonnes (+2.5%). As a result of the harvest surplus, stocks are expected to grow sharply by 42.2% to 47 million tonnes. More than half of the EU's grain harvest will continue to be used as animal feed. The EU is expected to continue to use only 3% of the harvest for the production of bioethanol and food and animal feed products from bioethanol production.

European wheat prices on Euronext Paris declined, in view of the very good harvest expectations, from around € 192/tonne at the beginning of September 2014 to around € 184/tonne at the end of November 2014. At the end of September 2014, they had fallen to € 150/tonne and subsequently increased again in view of delays with regard to the maize harvest. The weakening of the euro against the US dollar also contributed to the price increase.

The USDA is expecting a soybean harvest of 313 million tonnes in 2014/15, which is therefore set to exceed the previous year's record harvest by almost 10%. The one-month soybeans future

contract on CBOT, at US\$ 10/bushel\* at the end of November 2014, was below the price of US\$ 11/bushel at the beginning of September 2014. European prices for soy meal fell significantly from € 400/tonne at the beginning of September 2014 to € 363/tonne at the end of November 2014. Rapeseed meal prices also declined initially, but recently again experienced a slight increase and, at around € 215/tonne at the end of November 2014, were even back above the level of € 203/tonne at the beginning of September 2014.

\* A bushel of soybeans is equivalent to 27.216 kg of soybeans.

## Business development

### Increase in the production of bioethanol and food and animal feed products

CropEnergies again significantly increased bioethanol production year over year to 299,000 (249,000) m<sup>3</sup> in the 3<sup>rd</sup> quarter of 2014/15. The growth in production is mainly due to better utilisation of the plant in Wilton after it had initially started operating with reduced capacity utilisation in the 3<sup>rd</sup> quarter of the previous year. For the first nine months of the 2014/15 financial year, CropEnergies increased bioethanol production by 24% to 777,000 (626,000) m<sup>3</sup>, while simultaneously providing a significant increase in the quantity of food and animal feed products. All production facilities contributed to this growth, with the plant in Wilton being taken into account for the entire reporting period for the first time.

At Zeitz, the construction of a new plant with an annual production capacity of up to 60,000 m<sup>3</sup> of high-quality food-grade neutral alcohol is close to completion. The remaining work is expected to be completed in the next few weeks, thereby enabling the plant to go into operation at the beginning of 2015. The neutral alcohol plant will enable CropEnergies to exploit additional attractive sales opportunities in traditional market segments (e.g. the beverage, cosmetics, pharmaceutical and chemical industries) in which the CropEnergies Group is already operating through Ryssen Alcools SAS.

## Revenues and net earnings

| € thousands                                      | 3 <sup>rd</sup> quarter |                | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |                |
|--|-------------------------|----------------|--|----------------|
|  | 2014/15                 | 2013/14        | 2014/15                                  | 2013/14        |
| <b>Revenues</b>                                  | <b>221,849</b>          | <b>200,979</b> | <b>626,405</b>                           | <b>572,623</b> |
| <b>EBITDA</b>                                    | <b>7,296</b>            | <b>19,966</b>  | <b>20,755</b>                            | <b>62,100</b>  |
| <i>EBITDA margin in %</i>                        | <i>3.3%</i>             | <i>9.9%</i>    | <i>3.3%</i>                              | <i>10.8%</i>   |
| Depreciation*                                    | -9,018                  | -8,510         | -26,873                                  | -24,416        |
| <b>Operating profit</b>                          | <b>-1,722</b>           | <b>11,456</b>  | <b>-6,118</b>                            | <b>37,684</b>  |
| <i>Operating margin in %</i>                     | <i>-0.8%</i>            | <i>5.7%</i>    | <i>-1.0%</i>                             | <i>6.6%</i>    |
| Restructuring costs and special items            | 0                       | -4,020         | 0  | -6,325         |
| Income from companies consolidated at equity     | 384                     | -381           | 315                                      | -603           |
| <b>Income from operations</b>                    | <b>-1,338</b>           | <b>7,055</b>   | <b>-5,803</b>                            | <b>30,756</b>  |
| Financial result                                 | -1,386                  | -1,542         | -3,791                                   | -3,336         |
| <b>Earnings before income taxes</b>              | <b>-2,724</b>           | <b>5,513</b>   | <b>-9,594</b>                            | <b>27,420</b>  |
| Taxes on income                                  | -644                    | -1,567         | -3,094                                   | -7,705         |
| <b>Net earnings (loss) for the period</b>        | <b>-3,368</b>           | <b>3,946</b>   | <b>-12,688</b>                           | <b>19,715</b>  |
| <b>Earnings per share, diluted/undiluted (€)</b> | <b>-0.04</b>            | <b>0.05</b>    | <b>-0.14</b>                             | <b>0.23</b>    |

\* Without restructuring costs and special items

### Business development: 3<sup>rd</sup> quarter

In the 3<sup>rd</sup> quarter of 2014/15, CropEnergies further increased its group revenues by 10% to € 221.8 (201.0) million. This was made possible by another sharp increase in the sales volume of bioethanol and food and animal feed products. This increase in volume, however, was also offset by much lower selling prices for bioethanol in the 3<sup>rd</sup> quarter compared with the previous year. Selling prices for food and animal feed products were in line with the lower prices of raw materials.

CropEnergies was able to offset the continued decline in selling prices only partially by lower raw material prices, resulting in a significantly lower gross margin. As the additional contribution margins from the increase in quantities sold were able to attenuate this negative impact only to a limited extent, EBITDA in the 3<sup>rd</sup> quarter declined to € 7.3 (20.0) million.

After depreciation of € 9.0 (8.5) million, an operating loss of € -1.7 (+11.5) million resulted. After taking earnings from entities included at equity into account, income from operating activities came out with € -1.3 (+7.1) million. The previous year's earnings had been burdened by restructuring costs and special items.

The financial result improved slightly to € -1.4 (-1.5) million. Allowing for tax expense, net loss in the 3<sup>rd</sup> quarter of 2014/15 was € -3.4 (+3.9) million. That translates into earnings per share of € -0.04 (+0.05). The calculation is based on 87.25 million non-par-value shares.

### **Business development: 1<sup>st</sup> – 3<sup>rd</sup> quarter**

In the first nine months of the 2014/15 financial year, CropEnergies increased its group revenues by 9% to € 626.4 (572.6) million. This growth was mainly due to the sale of increased production quantities. The further expansion of trading activities also contributed to the increase in revenue. This sales growth, however, was offset by a significant reduction in selling prices for bioethanol and lower proceeds for food and animal feed products.

The continued negative impact caused by the sharp decline in selling prices was compensated only in part by lower raw material prices. The additional contribution margins from the significant increase in quantities sold were also able to attenuate this negative impact only to a limited extent. Consequently, EBITDA in the reporting period declined to € 20.8 (62.1) million.

Depreciation rose to € 26.9 (24.4) million, resulting in an operating loss of € -6.1 (+37.7) million in the first nine months of the 2014/15 financial year. Income from operating activities, at € -5.8 (+30.8) million, is virtually the same as operating profit, differing from it, in the reporting period, only in the income from entities included at equity amounting to € 0.3 (-0.6) million, while there had been restructuring costs and special items in the previous year.

Including the financial result of € -3.8 (-3.3) million and the tax expense, the reporting period showed a net loss of € -12.7 (+19.7) million. That translates into earnings per share of € -0.14 (+0.23). The calculation is based on 87.25 (86.1) million non-par-value shares.



## Statement of changes in financial position

| € thousands  | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |                |
|--|--|----------------|
|  | 2014/15                                  | 2013/14        |
| <b>Gross cash flow</b>   | <b>15,405</b>                            | <b>54,595</b>  |
| Change in net working capital                                      | 10,984                                   | -65,747        |
| <b>Net cash flow from operating activities</b>                     | <b>26,389</b>                            | <b>-11,152</b> |
| Investments in property, plant and equipment and intangible assets | -23,174                                  | -14,363        |
| Cash received on disposal of non-current assets                    | 109                                      | 23             |
| <b>Cash flow from investing activities</b>                         | <b>-23,065</b>                           | <b>-14,340</b> |
| <b>Cash flow from financing activities</b>                         | <b>-9,240</b>                            | <b>28,653</b>  |
| Change in cash and cash equivalents due to exchange rate changes   | 51                                       | 32             |
| <b>Decrease (-) / Increase (+) in cash and cash equivalents</b>    | <b>-5,865</b>                            | <b>3,193</b>   |

The reduction in cash flow to € 15.4 (54.6) million follows the development of EBITDA. Including the change in net working capital, cash flow from operating activities in the 1<sup>st</sup>–3<sup>rd</sup> quarter amounted to € 26.4 (cash outflow: 11.2) million.

Cash outflow from investing activities increased to € 23.1 (14.3) million overall, being almost entirely accounted for by investments in property, plant and equipment. The investments served, in particular, to diversify the product portfolio in Zeitz and to make improvements in production plants.

The receipt of financial liabilities amounting to € 55.1 million was offset by repayments of € 55.6 million and the dividend payment, in July 2014, of € 8.7 (22.1) million. This resulted in a net cash outflow from financing activities of € 9.2 (cash inflow: 28.7) million.

## Balance sheet structure

| € thousands                                       | 30 November 2014 | 30 November 2013 | Change        | 28 February 2014 |
|---|------------------|------------------|---------------|------------------|
| <b>Assets</b>                                     |                  |                  |               |                  |
| Non-current assets                                | 501,289          | 507,617          | -6,328        | 502,312          |
| Current assets                                    | 163,784          | 161,494          | 2,290         | 163,993          |
| <b>Total assets</b>                               | <b>665,073</b>   | <b>669,111</b>   | <b>-4,038</b> | <b>666,305</b>   |
| <b>Liabilities and shareholders' equity</b>       |                  |                  |               |                  |
| Shareholders' equity                              | 374,767          | 402,108          | -27,341       | 395,344          |
| Non-current liabilities                           | 117,228          | 139,228          | -22,000       | 130,773          |
| Current liabilities                               | 173,078          | 127,775          | 45,303        | 140,188          |
| <b>Total liabilities and shareholders' equity</b> | <b>665,073</b>   | <b>669,111</b>   | <b>-4,038</b> | <b>666,305</b>   |
| Net financial debt                                | 140,024          | 127,958          | 12,066        | 134,674          |
| Equity ratio                                      | 56.3%            | 60.1%            |               | 59.3%            |

Due to scheduled depreciation, in particular, **non-current assets** as of 30 November 2014 declined by € 6.3 million to € 501.3 million. This amount includes goodwill, which was unchanged at € 5.6 million.

**Current assets** rose slightly by € 2.3 million year over year to € 163.8 million, with trade receivables and other assets, in particular, increasing by € 11.8 million to € 88.0 million, due to the expansion in business volume. This also includes the positive mark-to-market values from derivative hedging instruments of € 3.4 (1.6) million. However, inventory stocks were reduced by € 6.0 million to € 67.2 million. Furthermore, cash and cash equivalents declined by € 3.2 million to € 8.0 million and tax refund claims fell by € 0.3 million to € 0.6 million.

**Non-current liabilities** declined overall by € 22.0 million to € 117.2 million, due, in particular, to a reduction of € 22.8 million in long-term financial liabilities to € 75.1 million. Provisions for pensions and similar obligations as well as other provisions increased, mainly due to the lowering of the discount rate, by € 3.8 million to € 16.8 million. Deferred tax liabilities declined by

€ 3.9 million to € 24.5 million and other liabilities amounted to € 0.8 (0.0) million.

**Current liabilities** increased by € 45.3 million to € 173.1 million, with short-term financial liabilities experiencing a net rise of € 31.6 million to € 73.0 million. Trade payables and other liabilities increased by € 16.1 million to € 91.9 million, particularly due to the expansion in business volume. This also includes the negative mark-to-market values from derivative hedging instruments of € 2.5 (2.2) million. In addition, other provisions increased by € 0.6 million to € 5.8 million, while tax liabilities decreased by € 3.0 million to € 2.4 million.

**Net financial debt** increased by € 12.0 million to € 140.0 (128.0) million, due to the financing of investments and the rise in net working capital. Of the financial liabilities, € 75.1 million are long-term and € 73.0 million are due in the short term. Set against this, there are cash and cash equivalents of € 8.0 million.

**Shareholders' equity** decreased to € 374.8 (402.1) million. That corresponds to an equity ratio of 56.3% (60.1%).

### **Report on events after the balance sheet date**

Since 30 November 2014, there have been no transactions of particular importance which can be expected to have a significant impact on the assets, liabilities, financial position and profit or loss.

## Risk report

CropEnergies uses an integrated system for the early detection and monitoring of group-specific risks. The successful treatment of risks is based on achieving an appropriate balance between income and risks. The company's risk culture is characterised by risk-conscious conduct, clearly defined responsibilities, independence during risk controlling and the implementation of internal controls.

There are no risks posing a threat to the company's continued existence and there are none discernible at the present time.

For detailed information on the risk management system and the group's opportunities and risks, please refer to the "Risk Report" on pages 62 to 69 of the Annual Report for the 2013/14 financial year. The disclosures provided there are still valid. Regarding the regulatory environment, the following developments took place: With respect to the importing of bioethanol from the USA via Norway, the EU clarified that the anti-dumping duty is to be levied. In Belgium, a new support scheme for biofuels was enacted, which is currently being examined by the European Commission. The EU energy ministers have suggested restricting the share of biofuels in the transport sector to 7% in 2020, provided that agricultural crops are used for the production of biofuels. In order to introduce greenhouse gas reduction quotas, the legislature enacted an amendment to the Federal Immissions Control Act, to take effect from 1 January 2015.

## Outlook

Adverse market conditions are currently taking their toll on the European bioethanol industry. Bioethanol prices in Europe fell sharply compared with the previous year and are currently at a very low level. The fall in the oil price has also contributed to this.

This price slump is due to the sluggish implementation of political objectives for reducing greenhouse gas emissions and for lowering oil consumption in the European transport sector. This delay comes at a time when European capacities for the production of high-quality, renewable alternatives to fossil fuel have been expanded in reliance upon political priorities. Moreover, the price slump on the European bioethanol market may also have been exacerbated by the current price determination practice. European bioethanol prices are currently being set by price reporting agencies, based on only small volumes. The extent to which this process is giving rise to irregularities or distortions has been the subject of an investigation by European competition authorities since May 2013.

Owing to the low ethanol prices, the earnings situation of European bioethanol producers has deteriorated significantly. CropEnergies therefore continues to expect a challenging market environment, which, as one of the leading manufacturers, it is well equipped to deal with.

CropEnergies confirms its forecast for the whole financial year of 2014/15, continuing to expect revenue to grow by 5 to 10% to between € 820 and € 860 (previous year: € 781) million. EBITDA is expected to range between € 20 and € 40 (previous year: € 68) million. Owing to further uncertainties regarding price and market developments, CropEnergies expects to achieve an operating profit ranging between € 0 and minus € 20 million.

CropEnergies expects continuing difficult market conditions in the 1<sup>st</sup> half of 2015/16, since a decision, at EU level, about the use of biofuels up to 2020 and beyond is only expected to be taken in April 2015. CropEnergies expects this decision to give new momentum to the industry.

## Interim financial statements

### Statement of comprehensive income\*

| € thousands  | 3 <sup>rd</sup> quarter |                | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |                |
|--|-------------------------|----------------|--|----------------|
|  | 2014/15                 | 2013/14        | 2014/15                                  | 2013/14        |
| Income statement   |                         |                |  |                |
| <b>Revenues</b>  | <b>221,849</b>          | <b>200,979</b> | <b>626,405</b>                           | <b>572,623</b> |
| Change in work in progress and finished goods inventories and internal costs capitalised | 6,680                   | 16,550         | 2,265                                    | 6,340          |
| Other operating income   | 1,241                   | 1,724          | 5,084                                    | 3,799          |
| Cost of materials  | -196,351                | -175,873       | -538,523                                 | -460,171       |
| Personnel expenses   | -8,629                  | -8,715         | -25,014                                  | -22,487        |
| Depreciation   | -9,018                  | -8,772         | -26,873                                  | -24,938        |
| Other operating expenses   | -17,494                 | -18,457        | -49,462                                  | -43,807        |
| Income from companies consolidated at equity   | 384                     | -381           | 315                                      | -603           |
| <b>Income from operations</b>  | <b>-1,338</b>           | <b>7,055</b>   | <b>-5,803</b>                            | <b>30,756</b>  |
| Financial income   | 157                     | 461            | 638                                      | 982            |
| Financial expenses   | -1,543                  | -2,003         | -4,429                                   | -4,318         |
| <b>Earnings before income taxes</b>  | <b>-2,724</b>           | <b>5,513</b>   | <b>-9,594</b>                            | <b>27,420</b>  |
| Taxes on income  | -644                    | -1,567         | -3,094                                   | -7,705         |
| <b>Net earnings (loss) for the period</b>  | <b>-3,368</b>           | <b>3,946</b>   | <b>-12,688</b>                           | <b>19,715</b>  |
| <b>Earnings per share, diluted/undiluted (€)</b>   | <b>-0.04</b>            | <b>0.05</b>    | <b>-0.14</b>                             | <b>0.23</b>    |

### Table of other comprehensive income

|  |               |               |                |               |
|--|---------------|---------------|----------------|---------------|
| <b>Net earnings (loss) for the period</b>  | <b>-3,368</b> | <b>3,946</b>  | <b>-12,688</b> | <b>19,715</b> |
| Mark-to-market gains and losses**  | 2,896         | 5,168         | 813            | -436          |
| Exchange differences on net investments in foreign operations**                            | -143          | 0             | -143           | 0             |
| Foreign currency differences from consolidation  | 287           | 1,442         | 2,551          | 1,543         |
| <b>Income and expenses to be reclassified in future in the profit and loss account</b>     | <b>3,040</b>  | <b>6,610</b>  | <b>3,221</b>   | <b>1,107</b>  |
| Remeasurement of defined benefit plans and similar obligations**                           | 0             | 0             | -2,385         | 0             |
| <b>Income and expenses not to be reclassified in future in the profit and loss account</b> | <b>0</b>      | <b>0</b>      | <b>-2,385</b>  | <b>0</b>      |
| <b>Income and expenses recognised in shareholders' equity</b>                              | <b>3,040</b>  | <b>6,610</b>  | <b>836</b>     | <b>1,107</b>  |
| <b>Total comprehensive income</b>  | <b>-328</b>   | <b>10,556</b> | <b>-11,852</b> | <b>20,822</b> |

## Cash flow statement\*

| € thousands   | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |                |
|---|--|----------------|
|   | 2014/15                                  | 2013/14        |
| Net earnings (loss) for the period  | -12,688                                  | 19,715         |
| Depreciation and amortisation of intangible assets, property, plant and equipment and other investments | 26,873                                   | 24,938         |
| Other items   | 1,220                                    | 9,942          |
| <b>Gross cash flow</b>  | <b>15,405</b>                            | <b>54,595</b>  |
| Change in net working capital   | 10,984                                   | -65,747        |
| <b>I. Net cash flow from operating activities</b>   | <b>26,389</b>                            | <b>-11,152</b> |
| Investments in property, plant and equipment and intangible assets                                      | -23,174                                  | -14,363        |
| Cash received on disposal of non-current assets   | 109                                      | 23             |
| <b>II. Cash flow from investing activities</b>  | <b>-23,065</b>                           | <b>-14,340</b> |
| Dividends paid  | -8,725                                   | -22,100        |
| Receipt of financial liabilities  | 55,090                                   | 75,381         |
| Repayment of financial liabilities  | -55,605                                  | -24,628        |
| <b>III. Cash flow from financing activities</b>   | <b>-9,240</b>                            | <b>28,653</b>  |
| <b>Change in cash and cash equivalents (Total of I., II. and III.)</b>                                  | <b>-5,916</b>                            | <b>3,161</b>   |
| Change in cash and cash equivalents due to exchange rate changes  | 51                                       | 32             |
| <b>Decrease (-) / Increase (+) in cash and cash equivalents</b>   | <b>-5,865</b>                            | <b>3,193</b>   |
| Cash and cash equivalents at the beginning of the period  | 13,870                                   | 8,041          |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>8,005</b>                             | <b>11,234</b>  |

| € thousands      | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |         |
|------------------|--|---------|
|                  | 2014/15                                  | 2013/14 |
| Interest expense | 3,990                                    | 3,103   |
| Tax payments     | 7,083                                    | 5,406   |

\* The prior-year figures have been restated in accordance with IAS 8

## Balance sheet\*

| € thousands                                | 30 November 2014 | 30 November 2013 | Change        | 28 February 2014 |
|--|------------------|------------------|---------------|------------------|
| <b>Assets</b>                              |                  |                  |               |                  |
| Intangible assets                          | 10,559           | 9,878            | 681           | 10,854           |
| Property, plant and equipment              | 465,730          | 473,323          | -7,593        | 467,260          |
| Shares in companies consolidated at equity | 1,753            | 1,422            | 331           | 1,438            |
| Receivables and other assets               | 45               | 46               | -1            | 45               |
| Deferred tax assets                        | 23,202           | 22,948           | 254           | 22,715           |
| <b>Non-current assets</b>                  | <b>501,289</b>   | <b>507,617</b>   | <b>-6,328</b> | <b>502,312</b>   |
| Inventories                                | 67,161           | 73,151           | -5,990        | 72,883           |
| Trade receivables and other assets         | 87,968           | 76,198           | 11,770        | 75,875           |
| Current tax receivables                    | 650              | 911              | -261          | 1,365            |
| Cash and cash equivalents                  | 8,005            | 11,234           | -3,229        | 13,870           |
| <b>Current assets</b>                      | <b>163,784</b>   | <b>161,494</b>   | <b>2,290</b>  | <b>163,993</b>   |
| <b>Total assets</b>                        | <b>665,073</b>   | <b>669,111</b>   | <b>-4,038</b> | <b>666,305</b>   |

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>Liabilities and shareholders' equity</b>       |                |                |                |                |
| Subscribed capital                                | 87,250         | 87,250         | 0              | 87,250         |
| Capital reserves                                  | 222,764        | 222,764        | 0              | 222,764        |
| Revenue reserves and other equity accounts        | 64,753         | 92,094         | -27,341        | 85,330         |
| <b>Shareholders' equity</b>                       | <b>374,767</b> | <b>402,108</b> | <b>-27,341</b> | <b>395,344</b> |
| Provisions for pensions and similar obligations   | 14,643         | 10,656         | 3,987          | 10,789         |
| Other provisions                                  | 2,172          | 2,313          | -141           | 2,122          |
| Non-current financial liabilities                 | 75,069         | 97,864         | -22,795        | 93,853         |
| Other liabilities                                 | 809            | 0              | 809            | 724            |
| Deferred tax liabilities                          | 24,535         | 28,395         | -3,860         | 23,279         |
| Non-current tax liabilities                       | 0              | 0              | 0              | 6              |
| <b>Non-current liabilities</b>                    | <b>117,228</b> | <b>139,228</b> | <b>-22,000</b> | <b>130,773</b> |
| Other provisions                                  | 5,817          | 5,192          | 625            | 5,170          |
| Current financial liabilities                     | 72,960         | 41,328         | 31,632         | 54,691         |
| Trade payables and other liabilities              | 91,907         | 75,838         | 16,069         | 71,420         |
| Current tax liabilities                           | 2,394          | 5,417          | -3,023         | 8,907          |
| <b>Current liabilities</b>                        | <b>173,078</b> | <b>127,775</b> | <b>45,303</b>  | <b>140,188</b> |
| <b>Total liabilities and shareholders' equity</b> | <b>665,073</b> | <b>669,111</b> | <b>-4,038</b>  | <b>666,305</b> |

\* The prior-year figures have been restated in accordance with IAS 8

## Development of shareholders' equity

| € thousands   | Subscribed capital | Capital reserves | Revenue reserves and other equity accounts |                  |   |                | Total consolidated shareholders' equity |
|---|--------------------|------------------|--|------------------|---|----------------|---|
|   |                    |                  | Revenue reserves                           | Cash flow hedges | Cumulative foreign currency differences | Total          |   |
| <b>1 March 2013</b>   | <b>85,000</b>      | <b>211,333</b>   | <b>95,389</b>                              | <b>-2,067</b>    | <b>50</b>                               | <b>93,372</b>  | <b>389,705</b>                          |
| <b>Net earnings (loss) for the period</b>                         |                    |                  | <b>19,715</b>                              |                  |   | <b>19,715</b>  | <b>19,715</b>                           |
| Mark-to-market gains and losses on cash flow hedging instruments* |                    |                  |  | -436             |   |                |   |
| Foreign currency differences from consolidation                   |                    |                  |  |                  | 1,543                                   |                |   |
| Remeasurement of defined benefit plans and similar obligations*   |                    |                  | 0  |                  |   |                |   |
| <b>Income and expenses recognised in shareholders' equity</b>     |                    |                  | <b>0</b>                                   | <b>-436</b>      | <b>1,543</b>                            | <b>1,107</b>   | <b>1,107</b>                            |
| <b>Total comprehensive income</b>                                 |                    |                  | <b>19,715</b>                              | <b>-436</b>      | <b>1,543</b>                            | <b>20,822</b>  | <b>20,822</b>                           |
| <b>Dividends paid</b>   |                    |                  | <b>-22,100</b>                             |                  |   | <b>-22,100</b> | <b>-22,100</b>                          |
| <b>Capital increase</b>   | <b>2,250</b>       | <b>11,431</b>    |  |                  |   |                | <b>13,681</b>                           |
| <b>30 November 2013</b>   | <b>87,250</b>      | <b>222,764</b>   | <b>93,004</b>                              | <b>-2,503</b>    | <b>1,593</b>                            | <b>92,094</b>  | <b>402,108</b>                          |
| <b>1 March 2014</b>   | <b>87,250</b>      | <b>222,764</b>   | <b>85,510</b>                              | <b>-2,158</b>    | <b>1,978</b>                            | <b>85,330</b>  | <b>395,344</b>                          |
| <b>Net earnings (loss) for the period</b>                         |                    |                  | <b>-12,688</b>                             |                  |   | <b>-12,688</b> | <b>-12,688</b>                          |
| Mark-to-market gains and losses on cash flow hedging instruments* |                    |                  |  | 813              |   |                |   |
| Exchange differences on net investments in foreign operations*    |                    |                  |  |                  | -143                                    |                |   |
| Foreign currency differences from consolidation                   |                    |                  |  |                  | 2,551                                   |                |   |
| Remeasurement of defined benefit plans and similar obligations*   |                    |                  | -2,385                                     |                  |   |                |   |
| <b>Income and expenses recognised in shareholders' equity</b>     |                    |                  | <b>-2,385</b>                              | <b>813</b>       | <b>2,408</b>                            | <b>836</b>     | <b>836</b>                              |
| <b>Total comprehensive income</b>                                 |                    |                  | <b>-15,073</b>                             | <b>813</b>       | <b>2,408</b>                            | <b>-11,852</b> | <b>-11,852</b>                          |
| <b>Dividends paid</b>   |                    |                  | <b>-8,725</b>                              |                  |   | <b>-8,725</b>  | <b>-8,725</b>                           |
| <b>30 November 2014</b>   | <b>87,250</b>      | <b>222,764</b>   | <b>61,712</b>                              | <b>-1,345</b>    | <b>4,386</b>                            | <b>64,753</b>  | <b>374,767</b>                          |

\* After deferred taxes

# Notes to the interim financial statements

## Basis of preparation of the interim consolidated financial statements

The interim financial statements of the CropEnergies Group as of 30 November 2014 have been prepared according to the rules for interim financial reporting of IAS 34 (Interim Financial Reporting) in compliance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). In accordance with IAS 34, the consolidated financial statements of CropEnergies AG as of 30 November 2014 are presented in a condensed form. The interim consolidated financial statements as of 30 November 2014 have not been audited or reviewed. The executive board of CropEnergies AG prepared these interim financial statements on 30 December 2014.

As shown in the notes to the Annual Report for the 2013/14 financial year in item (1) "Principles of preparation of the consolidated financial statements" on pages 78 to 83, new or amended standards and interpretations were applicable for the first time to the interim reporting.

Provisions for pensions and similar obligations were discounted at 2.50% on 30 November 2014 after the discounting rate had already been lowered to 3.00% on 31 May 2014. A discounting rate of 3.50% was used throughout the 2013/14 financial year.

Income taxes were calculated on the basis of country-specific income tax rates, taking into account income tax planning for the entire financial year. Irrespective of the annual tax rate calculation, significant special items are fully recognised in the respective quarter.

Otherwise, the same accounting principles as used in the preparation of the consolidated annual financial statements as of

28 February 2014 have been applied. Their explanations in the notes to the 2013/14 Annual Report in item (5) "Accounting principles" on pages 88 to 94 therefore apply accordingly.

## IFRS changes to presentation

The first-time adoption of IFRS 11 (Joint Arrangements) at the beginning of the 2014/15 financial year resulted in effects on the balance sheet and the statement of comprehensive income and on other components of the financial statements. For example, the joint venture CT Biocarbonic GmbH, which has been consolidated proportionately hitherto, will be included at equity from the start of the 2014/15 financial year. The retrospective application of the new standard resulted in analogous effects on the comparative periods presented. The following overview provides a breakdown of the assets and liabilities that were combined in an "at equity" interest item for the first time as of 1 March 2013:

| € million  | Effects from the first-time adoption of IFRS 11 |
|--|---|
| 1 March 2013                                     |   |
| Non-current assets                               | 5.3   |
| Receivables and other assets                     | 0.2   |
| <b>Total assets</b>                              | <b>5.5</b>                                      |
| Non-current liabilities                          | -2.6  |
| Current liabilities                              | -0.9  |
| <b>- Total liabilities</b>                       | <b>-3.5</b>                                     |
| <b>= Book value of investments in associates</b> | <b>2.0</b>                                      |

The decline in assets and liabilities will result in a decline in net financial debt. In the statement of comprehensive income, not only will there be a decline in revenues, but also all income statement items in the area of income from operating activities and the financial result will be affected by the restatement. Earnings before income taxes, net earnings and earnings per share will remain unchanged. CT Biocarbonic GmbH's contribution to earnings will be included only in earnings from entities included at equity. In order to take account of the fact that this entity is an operating equity interest and not a financial investment, the earnings from entities included at equity are presented as a component of income from operating activities. The tables below show, in accordance with IAS 8, the values published in the

1<sup>st</sup>–3<sup>rd</sup> quarter of 2013/14 or the balance sheet published as of 28 February 2014, their adjustment and the adjusted values:

### Statement of comprehensive income from 1 March to 30 November 2013

| € thousands  | Amount reported<br>1 <sup>st</sup> –3 <sup>rd</sup><br>quarter<br>2013/14 | Adjustment  | Amount restated<br>1 <sup>st</sup> –3 <sup>rd</sup><br>quarter<br>2013/14 |
|--|---|-------------|---|
| <b>Income statement</b>  |   |             |   |
| <b>Revenues</b>  | <b>572,802</b>  | <b>-179</b> | <b>572,623</b>  |
| Change in work in progress and finished goods inventories and internal costs capitalised | 6,345   | -5          | 6,340   |
| Cost of materials  | -460,482  | 311         | -460,171  |
| Depreciation   | -25,180   | 242         | -24,938   |
| Other operating expenses   | -43,944   | 137         | -43,807   |
| Income from companies consolidated at equity   | 0   | -603        | -603  |
| <b>Income from operations</b>  | <b>30,853</b>   | <b>-97</b>  | <b>30,756</b>   |
| Financial expenses   | -3,433  | 97          | -3,336  |
| <b>Earnings before income taxes</b>  | <b>27,420</b>   | <b>0</b>    | <b>27,420</b>   |
| Taxes on income  | -7,705  | 0           | -7,705  |
| <b>Net earnings for the period</b>   | <b>19,715</b>   | <b>0</b>    | <b>19,715</b>   |
| <b>Earnings per share, diluted/undiluted (€)</b>   | <b>0.23</b>   | <b>0</b>    | <b>0.23</b>   |

### Cash flow statement from 1 March to 30 November 2013

| € thousands  | Amount reported<br>1 <sup>st</sup> –3 <sup>rd</sup><br>quarter<br>2013/14 | Adjustment  | Amount restated<br>1 <sup>st</sup> –3 <sup>rd</sup><br>quarter<br>2013/14 |
|--|---|-------------|---|
| <b>Gross cash flow</b>   | <b>54,233</b>   | <b>362</b>  | <b>54,595</b>   |
| <b>I. Net cash flow from operating activities</b>                      | <b>-10,640</b>  | <b>-512</b> | <b>-11,152</b>  |
| <b>II. Cash flow from investing activities</b>                         | <b>-14,562</b>  | <b>222</b>  | <b>-14,340</b>  |
| <b>III. Cash flow from financing activities</b>                        | <b>28,384</b>   | <b>269</b>  | <b>28,653</b>   |
| <b>Change in cash and cash equivalents (total of I., II. and III.)</b> | <b>3,182</b>  | <b>-21</b>  | <b>3,161</b>  |
| <b>Increase in cash and cash equivalents</b>                           | <b>3,214</b>  | <b>-21</b>  | <b>3,193</b>  |
| <b>Cash and cash equivalents and the end of the period</b>             | <b>11,258</b>   | <b>-24</b>  | <b>11,234</b>   |

### Balance sheet as of 30 November 2013 and 28 February 2014

| € thousands                                       | Amount reported<br>30 Novem-<br>ber 2013 | Adjustment    | Amount restated<br>30 Novem-<br>ber 2013 |
|---|--|---------------|--|
| Intangible assets                                 | 9,913                                    | -35           | 9,878                                    |
| Property, plant and equipment                     | 478,499                                  | -5,176        | 473,323                                  |
| Shares in companies consolidated at equity        | 0  | 1,422         | 1,422                                    |
| Receivables and other assets                      | 48                                       | -2            | 46                                       |
| <b>Non-current assets</b>                         | <b>511,408</b>                           | <b>-3,791</b> | <b>507,617</b>                           |
| Inventories                                       | 73,190                                   | -39           | 73,151                                   |
| Trade receivables and other assets                | 75,517                                   | 681           | 76,198                                   |
| Current tax receivables                           | 917                                      | -6            | 911                                      |
| Cash and cash equivalents                         | 11,258                                   | -24           | 11,234                                   |
| <b>Current assets</b>                             | <b>160,882</b>                           | <b>612</b>    | <b>161,494</b>                           |
| <b>Total assets</b>                               | <b>672,290</b>                           | <b>-3,179</b> | <b>669,111</b>                           |
| <b>Shareholders' equity</b>                       | <b>402,108</b>                           | <b>0</b>      | <b>402,108</b>                           |
| Other provisions                                  | 2,319                                    | -6            | 2,313                                    |
| Non-current financial liabilities                 | 99,748                                   | -1,884        | 97,864                                   |
| Deferred tax liabilities                          | 28,432                                   | -37           | 28,395                                   |
| <b>Non-current liabilities</b>                    | <b>141,155</b>                           | <b>-1,927</b> | <b>139,228</b>                           |
| Other provisions                                  | 5,193                                    | -1            | 5,192                                    |
| Current financial liabilities                     | 41,687                                   | -359          | 41,328                                   |
| Trade payables and other liabilities              | 76,730                                   | -892          | 75,838                                   |
| <b>Current liabilities</b>                        | <b>129,027</b>                           | <b>-1,252</b> | <b>127,775</b>                           |
| <b>Total liabilities and shareholders' equity</b> | <b>672,290</b>                           | <b>-3,179</b> | <b>669,111</b>                           |



| € thousands                                       | Amount reported<br>28 February<br>2014 | Adjustment    | Amount restated<br>28 February<br>2014 |
|---|--|---------------|--|
| Intangible assets                                 | 10,922                                 | -68           | 10,854                                 |
| Property, plant and equipment                     | 472,314                                | -5,054        | 467,260                                |
| Shares in companies consolidated at equity        | 0                                      | 1,438         | 1,438                                  |
| <b>Non-current assets</b>                         | <b>505,996</b>                         | <b>-3,684</b> | <b>502,312</b>                         |
| Inventories                                       | 72,916                                 | -33           | 72,883                                 |
| Trade receivables and other assets                | 75,103                                 | 772           | 75,875                                 |
| Current tax receivables                           | 1,372                                  | -7            | 1,365                                  |
| Cash and cash equivalents                         | 14,028                                 | -158          | 13,870                                 |
| <b>Current assets</b>                             | <b>163,419</b>                         | <b>574</b>    | <b>163,993</b>                         |
| <b>Total assets</b>                               | <b>669,415</b>                         | <b>-3,110</b> | <b>666,305</b>                         |
| <b>Shareholders' equity</b>                       | <b>395,344</b>                         | <b>0</b>      | <b>395,344</b>                         |
| Other provisions                                  | 2,128                                  | -6            | 2,122                                  |
| Non-current financial liabilities                 | 95,647                                 | -1,794        | 93,853                                 |
| Deferred tax liabilities                          | 23,315                                 | -36           | 23,279                                 |
| <b>Non-current liabilities</b>                    | <b>132,609</b>                         | <b>-1,836</b> | <b>130,773</b>                         |
| Other provisions                                  | 5,177                                  | -7            | 5,170                                  |
| Current financial liabilities                     | 55,050                                 | -359          | 54,691                                 |
| Trade payables and other liabilities              | 72,328                                 | -908          | 71,420                                 |
| <b>Current liabilities</b>                        | <b>141,462</b>                         | <b>-1,274</b> | <b>140,188</b>                         |
| <b>Total liabilities and shareholders' equity</b> | <b>669,415</b>                         | <b>-3,110</b> | <b>666,305</b>                         |

## Consolidated companies

The separate financial statements of CropEnergies AG and the entities which it controls (subsidiary companies) are included in the consolidated financial statements according to the principles of full consolidation. Control is deemed to be given if the company has the power to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities. Accordingly, the following subsidiary companies are consolidated:

- CropEnergies Bioethanol GmbH, Zeitz
- CropEnergies Beteiligungs GmbH, Mannheim
- BioWanze SA, Brussels (Belgium)
- Ryssen Alcools SAS, Loon-Plage (France)
- Compagnie Financière de l'Artois SA, Paris (France)
- Ensus Ltd, Yarm (United Kingdom)
- Ensus UK Ltd, Yarm (United Kingdom)
- Ryssen Chile SpA, Lampa, Santiago de Chile (Chile)
- CropEnergies Inc., Houston (USA)

The joint venture

- CT Biocarbonic GmbH, Zeitz, in which CropEnergies has a 50% interest and which is under joint management, was included at equity in the consolidated financial statements for the first time. CT Biocarbonic GmbH's contribution to earnings will be included only in earnings from entities included at equity.

## Revenue, profit, investment, and employees

| € thousands   | 3 <sup>rd</sup> quarter |                | 1 <sup>st</sup> –3 <sup>rd</sup> quarter |                |
|---|-------------------------|----------------|--|----------------|
|   | 2014/15                 | 2013/14        | 2014/15                                  | 2013/14        |
| <b>Revenues</b>   | <b>221,849</b>          | <b>200,979</b> | <b>626,405</b>                           | <b>572,623</b> |
| <b>EBITDA</b>   | <b>7,296</b>            | <b>19,966</b>  | <b>20,755</b>                            | <b>62,100</b>  |
| <i>EBITDA margin in %</i>   | <i>3.3%</i>             | <i>9.9%</i>    | <i>3.3%</i>                              | <i>10.8%</i>   |
| Depreciation*   | -9,018                  | -8,510         | -26,873                                  | -24,416        |
| <b>Operating profit</b>   | <b>-1,722</b>           | <b>11,456</b>  | <b>-6,118</b>                            | <b>37,684</b>  |
| <i>Operating margin in %</i>  | <i>-0.8%</i>            | <i>5.7%</i>    | <i>-1.0%</i>                             | <i>6.6%</i>    |
| Restructuring costs and special items                                     | 0                       | -4,020         | 0  | -6,325         |
| Income from companies consolidated at equity                              | 384                     | -381           | 315                                      | -603           |
| <b>Income from operations</b>   | <b>-1,338</b>           | <b>7,055</b>   | <b>-5,803</b>                            | <b>30,756</b>  |
| <b>Investments in property, plant and equipment and intangible assets</b> | <b>11,806</b>           | <b>7,411</b>   | <b>23,174</b>                            | <b>14,363</b>  |
| <b>Employees</b>  | <b>441</b>              | <b>422</b>     | <b>443</b>                               | <b>421</b>     |

\* Without restructuring costs and special items

The continued negative impact caused by the sharp decline in selling prices was compensated only in part by lower raw material prices. The additional contribution margins from the significant increase in quantities sold were also able to attenuate this negative impact only to a limited extent. Consequently, EBITDA in the reporting period declined to € 20.8 (62.1) million. Depreciation rose to € 26.9 (24.4) million, resulting in an operating loss of € -6.1 (+37.7) million in the first nine months of the 2014/15 financial year. Income from operating activities, at € -5.8 (+30.8) million, was virtually the same as operating profit, differing from it, in the reporting period, only in the income from entities included at equity amounting to € 0.3 (-0.6) million, while there had been restructuring costs and special items in the previous year.

Of the capital expenditures, € 23.1 (14.4) million were on property, plant and equipment. Of the total, € 14.4 million were invested at CropEnergies Bioethanol GmbH, € 4.2 million at BioWanze SA and € 4.1 million at Ensus UK Ltd.

The average number of employees in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year increased by 22, compared with the same period in the previous year, to 443. Of the total, 43 were employed at CropEnergies AG, 118 at CropEnergies Bioethanol GmbH, 127 at BioWanze SA, 46 at Ryssen Alcools SAS, 102 at Ensus Ltd and 7 at Ryssen Chile SpA.

## Earnings per share

The net loss of € -12.7 million in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year is fully attributable to the shareholders of CropEnergies AG. Earnings per share (IAS 33) have been calculated on the basis of 87.25 (86.1) million shares. This produces earnings per share for the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year of € -0.14 (+0.23).

## Inventories

| € thousands                    | 30 November   |               |
|--------------------------------|---------------|---------------|
|                                | 2014          | 2013          |
| Raw materials and supplies     | 18,761        | 25,239        |
| Work in progress               | 4,807         | 4,786         |
| Finished goods and merchandise | 43,593        | 43,126        |
|                                | <b>67,161</b> | <b>73,151</b> |

Inventories declined by € 6.0 million to € 67.2 million, mainly due to smaller stocks of raw materials and supplies.

## Trade receivables and other assets

| € thousands                           | 30 November   |               |
|---------------------------------------|---------------|---------------|
|                                       | 2014          | 2013          |
| Trade receivables                     | 54,632        | 42,994        |
| Receivables from affiliated companies | 10,123        | 7,385         |
| Other assets                          | 23,213        | 25,819        |
|                                       | <b>87,968</b> | <b>76,198</b> |

The increase of € 14.4 million in trade receivables and receivables from affiliated companies to € 64.8 million mainly reflects the growth in revenues achieved.

Other assets, amounting to € 23.2 (25.8) million, consist, in particular, of receivables from advance payments of € 6.5 (9.7) million, claims arising from the production of renewable energies of € 5.5 (5.8) million, VAT receivables of € 4.5 (6.0) million as well as financial assets in the form of positive mark-to-market values of derivative hedging instruments of € 3.4 (1.6) million and other financial assets of € 3.3 (2.7) million.

The positive mark-to-market values of derivative hedging instruments include product derivatives of € 2.2 million. With product derivatives, the hedged item and the hedge together constitute a closed position. Consequently, set against the positive mark-to-market values there are negative mark-to-market values in the same amount. They are reported as other liabilities.

## Shareholders' equity

Shareholders' equity decreased to € 374.8 (402.1) million. The revenue reserves and other equity accounts consist of the retained net earnings for the year, the changes in cash flow hedges, pensions and similar obligations recognised directly in equity, consolidation-related currency translation effects and currency differences on net investments in foreign operations. The cash flow hedges include the changes in the mark-to-market values – including deferred taxes – of wheat and currency derivatives including accruals amounting to € 0.8 (-0.4) million.

## Trade payables and other liabilities

| € thousands                      | 30 November   |               |
|----------------------------------|---------------|---------------|
|                                  | 2014          | 2013          |
| Trade payables                   | 43,912        | 31,676        |
| Payables to affiliated companies | 31,342        | 15,158        |
| Other liabilities                | 16,653        | 29,004        |
|                                  | <b>91,907</b> | <b>75,838</b> |

The increase of € 28.4 million to € 75.2 million in trade payables and liabilities to affiliated companies was mainly due to the expansion in business volume.

Other liabilities, amounting to € 16.7 (29.0) million, mainly comprise financial liabilities of € 5.7 (5.7) million in respect of other taxes, liabilities in respect of personnel expenses of € 4.8 (7.3) million, liabilities in the form of negative mark-to-market values of derivative hedging instruments of € 2.5 (2.2) million and liabilities in respect of outstanding invoices of € 0.7 (12.2) million.

## Financial liabilities

| € thousands                         | 30 November    |                |
|-------------------------------------|----------------|----------------|
|                                     | 2014           | 2013           |
| Liabilities to banks                | 12,908         | 21,050         |
| Liabilities to affiliated companies | 135,000        | 118,000        |
| Liabilities from finance leasing    | 121            | 162            |
| <b>Financial liabilities</b>        | <b>148,029</b> | <b>139,192</b> |
| Cash and cash equivalents           | -8,005         | -11,234        |
| <b>Net financial debt</b>           | <b>140,024</b> | <b>127,958</b> |

Net financial debt as of 30 November 2014 increased to € 140.0 (128.0) million. This includes long-term financial liabilities of € 75.1 (97.9) million.

Of the financial liabilities to banks and liabilities in respect of financial leasing, € 0.1 (9.9) million are due in more than one year. In the case of the financial liabilities to affiliated companies of the Südzucker Group, € 75.0 (88.0) million are due in more than one year.

## Financial instruments and financial liabilities

### Financial instruments

In the table below, the financial assets and liabilities measured at fair value are classified by measurement level (Fair Value Hierarchy) and are defined as follows:

Measurement level 1 comprises financial instruments traded on active markets, whose listed prices are taken over unchanged into the measurement. Measurement level 2 applies when measurement is based on methods whose influencing factors are derived directly or indirectly from observable market data. The measurement of level 3 derivatives is based on a method involving at least one significant influencing factor that cannot be observed. CropEnergies does not use any level 3 derivatives.

### Financial liabilities

The fair values of liabilities to banks are calculated as the present values of the interest and capital payments associated with the liabilities, based on the applicable yield curve. The fair values of liabilities to banks amounted to € 13.1 (21.6) million as of 30 November 2014 with book values of € 12.9 (21.0) million.

Owing to their short maturities, it is assumed in the case of trade receivables, other receivables and cash items that fair values correspond to the book values.

The same applies to trade payables, liabilities to affiliated companies and other current liabilities.

Further details on calculating the fair values of the individual financial instruments as well as their allocation to measurement levels can be found in the notes to the consolidated financial statements of the Annual Report for the 2013/14 financial year in item (27) "Additional disclosures on financial instruments" on pages 118 to 121.

| € thousands   | Fair Value Hierarchy |            |              |          |                  |            |              |          |
|---|----------------------|------------|--------------|----------|------------------|------------|--------------|----------|
|   | 30 November 2014     | Level 1    | Level 2      | Level 3  | 30 November 2013 | Level 1    | Level 2      | Level 3  |
| Positive market values – Cash flow hedge derivatives  | 1,002                | 705        | 297          | 0        | 269              | 216        | 53           | 0        |
| Positive market values – Derivatives held for trading | 2,366                | 126        | 2,240        | 0        | 1,304            | 32         | 1,272        | 0        |
| <b>Financial assets</b>                               | <b>3,368</b>         | <b>831</b> | <b>2,537</b> | <b>0</b> | <b>1,573</b>     | <b>248</b> | <b>1,325</b> | <b>0</b> |
| Negative market values – Cash flow hedge derivatives  | 176                  | 0          | 176          | 0        | 112              | 32         | 80           | 0        |
| Negative market values – Derivatives held for trading | 2,314                | 0          | 2,314        | 0        | 2,114            | 863        | 1,251        | 0        |
| <b>Financial liabilities</b>                          | <b>2,490</b>         | <b>0</b>   | <b>2,490</b> | <b>0</b> | <b>2,226</b>     | <b>895</b> | <b>1,331</b> | <b>0</b> |

## **Relations with related companies and persons (related party transactions)**

"Related parties" for the purposes of IAS 24 (Related Party Disclosures) are Südzucker AG as majority shareholder, its executive and supervisory boards together with their close family members, and its subsidiaries (Südzucker Group), the joint venture CT Biocarbonic GmbH, and the members of the executive board and supervisory board of CropEnergies AG together with their close family members. Furthermore, there is Süddeutsche Zuckerrüben-Verwertungs-Genossenschaft eG (SZVG), Ochsenfurt, whose own holdings of Südzucker shares plus the shares held in trust for its members represent a majority stake in Südzucker AG.

## **Südzucker AG**

The transactions with Südzucker AG in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year involved supplies, especially raw materials and energy, by Südzucker AG amounting to € 34.1 (35.9) million. In addition, services worth € 2.6 (2.5) million and research & development work worth € 1.6 (1.2) million were provided.

Set against this, the CropEnergies Group received € 0.8 (2.6) million from Südzucker AG for supplies of goods. The CropEnergies Group incurred net interest expense of € 3.4 (2.4) million on intercompany lendings and borrowings.

As of 30 November 2014, there were receivables of € 0.2 (0.1) million outstanding from Südzucker AG and liabilities of € 15.1 (5.5) million outstanding to Südzucker AG in respect of the aforesaid related party transactions. Financial liabilities due to Südzucker AG amounted to € 60.0 (30.0) million.

## **Affiliated companies of Südzucker AG**

The transactions with the affiliated companies of Südzucker AG in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year involved supplies, especially raw materials and traded commodities, amounting to € 61.4 (53.1) million. In addition, services worth € 0.7 (0.8) million were provided.

Set against this, the CropEnergies Group received € 47.3 (41.4) million from the affiliated companies of Südzucker AG for supplies of goods. In addition, the CropEnergies Group received compensation payments of € 1.5 (2.1) million and service revenues of € 0.8 (1.5) million.

As of 30 November 2014, there were receivables of € 9.9 (7.3) million outstanding from, and liabilities of € 16.2 (9.7) million outstanding to the affiliated companies of Südzucker AG in respect of the aforesaid related party transactions. Financial liabilities due to the affiliated companies of Südzucker AG amounted to € 75.0 (88.0) million.

The related party transactions with Südzucker AG and its affiliated companies were settled at usual market prices and interest rates; performance and consideration were commensurate, so no party was placed at a disadvantage. No significant transactions were conducted with related persons.

Services were provided and goods were supplied, at usual market prices, for the joint venture CT Biocarbonic GmbH amounting to € 0.9 (0.6) million in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year.

There were no transactions with Süddeutsche Zuckerrüben-Verwertungs-Genossenschaft eG in the 1<sup>st</sup>–3<sup>rd</sup> quarter of the 2014/15 financial year.

Mannheim, 30 December 2014

CropEnergies AG

The Executive Board

Dr. Marten Keil

Joachim Lutz

## Financial calendar

- Annual press and analysts' conference for the 2014/15 financial year 19 May 2015
- Report for the 1<sup>st</sup> quarter of 2015/16 8 July 2015
- Annual General Meeting 2015 14 July 2015
- Report for the 1<sup>st</sup> half of 2015/16 8 October 2015
- Report for the 1<sup>st</sup> to 3<sup>rd</sup> quarter of 2015/16 12 January 2016