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Forward-looking statements and forecasts
This report contains forward-looking statements. These statements are based on current estimations 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 and opportunities report on pages 66 to 73 of the 2015/16 Annual Report provides an overview of the risks. We do not accept any obligation to update the forward-looking statements made in this report.

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Financial Year 2016/17

INTERIM REPORT

1st Quarter
1 March to 31 May 2016

Mannheim, 6 July 2016

SÜDZUCKER GROUP

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 1st quarter relates to the period from 1 March to 31 May.

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.

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Highlights 1st Quarter 2016/17

• Revenues decline to € 167.5 (197.8) million	€ -30 million
• EBITDA grows to € 28.0 (22.2) million	€ +6 million
• Operating profit increases to € 19.4 (13.7) million	€ +6 million
• Net earnings in the 1st quarter rise to € 8.9 (4.9) million	€ +4 million
• Bioethanol production down slightly to 203,000 (205,000) m³	-1%
• Net financial debt up slightly to € 70 million (as of 29 February 2016: € 66 million)	

Outlook for the 2016/17 financial year raised

- Revenues are expected to range between € 640 and € 700 million (previously expected: € 625 to € 700 million).
- Operating profit (before restructuring costs and special items) is expected to range between € 50 and € 80 million (previously expected: € 30 to € 70 million).

Interim management report

Operating environment

"Renewable Energies Directive"

The "Renewable Energies Directive" continues to define the legal framework for the mandatory target of 10% for renewable energies in the EU's transport sector for the year 2020. Up to 7% can come from conventional biofuels certified as sustainable. The remaining 3% are to be achieved, on the one hand, by using double counting of biofuels from wastes and residues, which will also be promoted, in part, by means of a sub-quota of at least 0.5%. On the other hand, the electricity from renewable sources used in rail and road transport will benefit from multiple counting. The main prerequisite for biofuels to access the market in the EU is that they should comply with strict sustainability criteria, which, for example, stipulate minimum requirements on sustainable biomass production and processing. This includes greenhouse gas savings of at least 35 wt.-% (from 2018: at least 50 wt.-%) in comparison with fossil fuels and rigorous documentation of the origin of the processed biomass. As the extent of greenhouse gas emissions from indirect land use changes (iLUC) is controversial, member states are to report on these assumed indirect effects in future, but they will continue not to be directly allocated to individual biofuels.

"Fuel Quality Directive"

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. The average greenhouse gas intensity of fossil fuels consumed in 2010 amounting to 94.1 g CO_{2eq}/MJ is used as the base value. The greenhouse gas intensity of European bioethanol was around 30 g CO_{2eq}/MJ on average in 2015, which, compared with the base value proposed in the "Fuel Quality Directive", is equivalent to a greenhouse gas reduction of almost 70%. In addition, the

"Fuel Quality Directive" created an opportunity for the introduction of E10 fuel, i.e., the blending of 10 vol.-% of bioethanol in petrol, throughout Europe. However, E10 continues to be extensively available only in Germany, France, and Finland. The 28 member states are thus far from utilising the potential of bioethanol for cutting greenhouse gas emissions and reducing the dependence on oil imports.

"2030 climate and energy package"

From CropEnergies' perspective, it is also imperative to define mandatory targets for the use of renewable energies and the reduction of greenhouse gas emissions in the transport sector for the period after 2020. Otherwise, in view of the transport sector's ever higher share of total greenhouse gas emissions in the EU, it will not be possible to keep to the ambitious target, set at the Paris climate summit, of limiting long-term global warming to no more than 2 °C by the end of the century. In discussions regarding a climate and energy package for 2030, CropEnergies, together with bioethanol associations at national and European level, is therefore campaigning for the continuation of a policy aimed at promoting the use of sustainably produced biofuels. For the foreseeable future, biofuels are the only alternative to fossil fuels that is available in significant and cost-efficient quantities. They make an indispensable contribution to climate protection in the transport sector.

Germany

In Germany, a greenhouse reduction target of 3.5 wt.-% compared with fossil fuels has applied since 1 January 2015. From 2017 onwards, this reduction target will rise to 4.0 wt.-% and, from 2020 onwards, to 6.0 wt.-%. The German bioethanol industry, however, is calling for more ambitious targets. Instead of an abrupt rise to 6 wt.-% in 2020, it wants a staged increase to take place earlier and in annual increments. This would ensure that the greenhouse gas reduction target of 6 wt.-%, which will apply from 2020 onwards, is also actually achieved.

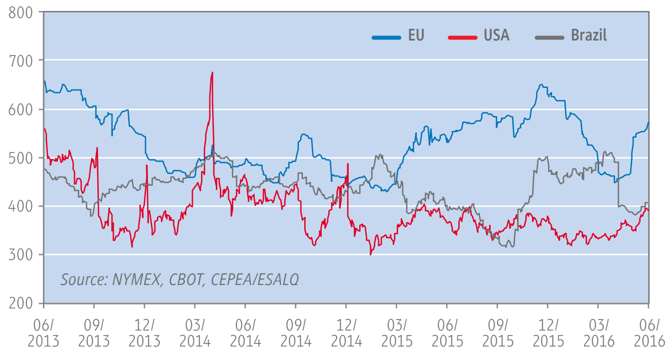
Belgium

In Belgium, the current blending obligation of 4 vol.-% of bioethanol is to increase to 8.5 vol.-% with effect from 1 January 2017. After the royal decree, which also facilitates the introduction of E10 in Belgium, was submitted to the European Commission by way of notification on 17 February 2016 and no objections were received, it is expected to be published shortly in the Belgian Official Journal.

Increase in European ethanol prices

Global bioethanol production rose to 117.5 million m³ (+3.4%) in 2015. This was due to the 3.9% growth in the production of fuel ethanol to 98.3 million m³. Global bioethanol production of 117.6 million m³ is expected for 2016, which will mean that it is at the previous year's level. The production of fuel ethanol is expected to account for 99.0 million m³ of this figure.

International bioethanol prices (€/m³)



In the USA, bioethanol production of 58.0 million m³ (+0.8%) and an increase in net exports of bioethanol to 3.0 million m³ (+12.2%) are expected in 2016. The one-month futures contract for ethanol on the Chicago Board of Trade (CBOT) stood at the equivalent of € 390/m³ at the end of May 2016, and hence significantly above the level of € 330/m³ reached at the beginning of March 2016. One of the factors that contributed to the price increase was the sharp rise in oil prices. The US grade West Texas Intermediate (WTI), for example, cost almost US$ 50/barrel at the end of May 2016, over 40% more than at the beginning of March 2016.

In Brazil, 30.0 million m³ (-1.6%) of bioethanol are expected to be produced in the 2016/17 sugar year. Despite lower domestic demand of 28.7 million m³ (-4.6%), a significant decline in net exports to 1.0 million m³ (-36.7%) is expected, following a sharp reduction in stocks in the same period in the previous year. At the equivalent of around € 400/m³ at the end of May 2016, Brazilian ethanol prices largely fell in line with the US level. This means, however, that they are trading significantly below the level of € 490/m³ reached at the beginning of March 2016. The decline is due to the start and hitherto favourable development of the new sugar cane harvest.

Ethanol prices in Europe rose significantly in the reporting period and, at around € 560/m³ FOB Rotterdam at the end of May 2016, were considerably above the level of around € 490/m³ at the beginning of March 2016. This development is in line with the seasonal increase in demand. Speculation about a tighter supply situation as a result of shutdowns at several European bioethanol plants drove prices up.

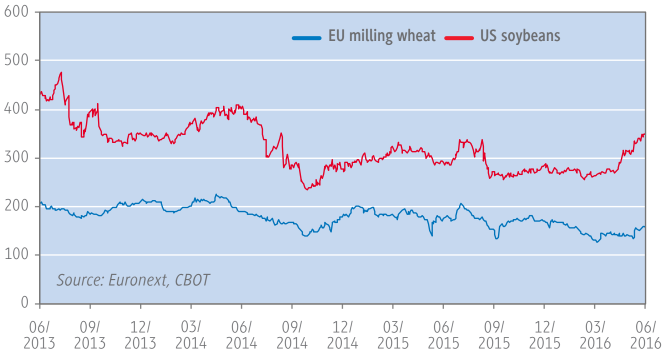
In view of a downward trend in the consumption of petrol and without any momentum from an increase in blending targets, 2016 is expected to bring a further 2.8% reduction in the consumption of fuel ethanol in the EU to 5.1 (5.2) million m³. It should be possible to cover this demand to a large extent from European production, which is expected to be around 5.2 (5.1) million m³. The existing potential for bioethanol to bring about a rapid and cost-efficient reduction in greenhouse gas emissions continues to be insufficiently utilised. Prompt introduction of E10 in further EU member states would speed up decarbonisation in the transport sector and significantly improve its climate footprint. This would enable the transport sector to catch up with other sectors that are far ahead of it in terms of lowering greenhouse gas emissions.

In Germany, fuel ethanol consumption is expected to fall by 6.3% to 1.4 million m³ in 2016. Petrol consumption, which is continuing to experience a slight downward trend, and the currently far-from-ambitious greenhouse gas reduction target of only 3.5 wt.-% are being blamed for this. In fact, however, the provisional consumption data for January to March 2016 shows a 3.0% increase in sales of fuel ethanol to around 0.3 million m³. Sales of petrol fell by 1.6% to 4.2 million tonnes in the same period. Sales of E10 in the petrol market declined to 0.6 million tonnes, which is equivalent to a market share of 13.1% (14.6%).

Increase in grain and oilseed prices

According to its forecast published on 10 June 2016, the US Department of Agriculture (USDA) expects to see record world grain production (excluding rice) of 2,034 million tonnes (+2.3%) in 2016/17. Given anticipated grain consumption of 2,022 million tonnes (+2.9%), a further increase in stocks to 497 (486) million tonnes is expected. The European Commission expects to see an EU grain harvest of 313 million tonnes in 2016/17, an increase of 0.8%. An above-average amount of grain is therefore still expected to be harvested, and the anticipated consumption of 284 million tonnes is set to be significantly exceeded once more. Animal feed products, with a share of more than 61%, account for the majority of grain consumption. With net exports of 27 (26) million tonnes, the EU continues to make a significant contribution to the supply of the world market. Only 12 million tonnes of grain are expected to be used for the production of bioethanol, with around a third of this quantity flowing back into the market as food and animal feed products, thereby reducing soy imports from South America.

International agricultural prices (€/t)



European wheat prices on Euronext in Paris rose from € 145/tonne at the beginning of March 2016 to around € 170/tonne at the end of May 2016. This was mainly due to increased export demand and a relatively high premium for the new wheat harvest in 2016/17.

The USDA is expecting another record soybean harvest of 324 (313) million tonnes for 2016/17. In view of a significant increase in global consumption to 328 (318) million tonnes, however, global stocks are expected to fall to 66 (72) million tonnes. The one-month soybean futures contract on CBOT rose, as a result of the tighter supply situation, from US$ 8.50/bushel* at the beginning of March 2016 to around US$ 11/bushel at the end of May 2016. Translated into euro, the price rose from € 290/tonne to € 360/tonne. Rapeseed meal prices followed this trend, increasing from € 180/tonne at the beginning of March 2016 to around € 240/tonne at the end of May 2016.

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

Business development

Production of bioethanol and food and animal feed products at the previous year's level

CropEnergies' bioethanol production in the first three months of the 2016/17 financial year, at 203,000 (205,000) m³, was slightly below that of the previous year. The production of food and animal feed products increased due to a change in raw material use.

The temporary closure of the bioethanol plant in Wilton, which has been continuing since February 2015, was used to carry out numerous modifications with a view to improving the plant's reliability and energy efficiency. Once the work has been completed, these optimisations are to be tested intensively, with the plant due to start up again in July 2016.

Revenues and net earnings

€ thousands	1st quarter	
	2016/17	2015/16
Revenues	**167,517**	**197,772**
EBITDA*	**28,031**	**22,218**
EBITDA margin in %	*16.7%*	*11.2%*
Depreciation*	-8,655	-8,567
Operating profit	**19,376**	**13,651**
Operating margin in %	*11.6%*	*6.9%*
Restructuring costs and special items	-3,741	-4,957
Income from companies consolidated at equity	37	-3
Income from operations	**15,672**	**8,691**
Financial result	-610	-1,244
Earnings before income taxes	**15,062**	**7,447**
Taxes on income	-6,161	-2,533
Net earnings for the period	**8,901**	**4,914**
Earnings per share, diluted / undiluted (€)	**0.10**	**0.06**

* Without restructuring costs and special items

As expected, CropEnergies' revenues in the 1st quarter of 2016/17, at € 167.5 (197.8) million, were significantly below the previous year's level. Lower selling prices for bioethanol were a contributory factor in this decline in revenues. In addition, sales volumes from Ensus had occurred in the same period in the previous year.

Despite the reduction in business volume, CropEnergies significantly improved its earnings situation. This was due not only to a fall in raw material prices, but also to lower expenses for energy and maintenance. Overall, EBITDA increased significantly to € 28.0 (22.2) million.

Operating profit was increased accordingly by 42% to € 19.4 (13.7) million. Based on revenues, the operating margin increased to 11.6% (6.9%). Restructuring or special costs incurred as a result of the temporary closure of the production plant in Wilton declined to € 3.7 (5.0) million. Income from operations, as the sum of operating profit, earnings from entities consolidated at equity and special items, rose by 80% to € 15.7 (8.7) million.

The financial result improved to € -0.6 (-1.2) million as a result of the significant fall in net financial debt, with the result that earnings before income taxes more than doubled to € 15.1 (7.4) million. After taxes, this produces net earnings of € 8.9 (4.9) million for the 1st quarter of 2016/17. Based on 87.25 million no-par value shares, that translates into earnings per share of € 0.10 (0.06).

Statement of changes in financial position

€ thousands	1st quarter	
	2016/17	2015/16
Gross cash flow	**19,416**	**14,577**
Change in net working capital	-20,795	-3,287
Net cash flow from operating activities	**-1,379**	**11,290**
Investments in property, plant and equipment and intangible assets	-2,490	-7,978
Cash received on disposal of non-current assets	14	11
Cash flow from investing activities	**-2,476**	**-7,967**
Cash flow from financing activities	**202**	**-6,886**
Change in cash and cash equivalents due to exchange rate changes	-6	-2
Decrease in cash and cash equivalents	**-3,659**	**-3,565**

As a result of the higher EBITDA, cash flow increased to € 19.4 (14.6) million. Including the change in net working capital, cash outflow from operating activities in the 1st quarter of the 2016/17 financial year amounted to € 1.4 (cash inflow: 11.3) million.

Cash outflow from investing activities declined to € 2.5 (8.0) million overall and was almost entirely attributable to investments in property, plant and equipment. The investments served, in particular, to make improvements in the production plants.

The receipt of financial liabilities amounting to € 2.8 million was offset by repayments of € 2.6 million. This resulted in a net cash inflow from financing activities of € 0.2 (cash outflow: 6.9) million.

Balance sheet structure

€ thousands	31 May 2016	31 May 2015	Change	29 February 2016
Assets				
Non-current assets	450,430	493,699	-43,269	459,788
Current assets	145,762	140,624	5,138	131,688
Total assets	**596,192**	**634,323**	**-38,131**	**591,476**
Liabilities and shareholders' equity				
Shareholders' equity	380,779	333,330	47,449	367,215
Non-current liabilities	100,656	150,053	-49,397	103,035
Current liabilities	114,757	150,940	-36,183	121,226
Total liabilities and shareholders' equity	**596,192**	**634,323**	**-38,131**	**591,476**
Net financial debt	69,539	146,827	-77,288	65,678
Equity ratio	63.9%	52.5%		62.1%

Non-current assets declined by € 43.3 million to € 450.4 million as of 31 May 2016, with fixed assets, in particular, decreasing by € 32.0 million to € 447.4 million as a result of scheduled depreciation and allowing for investments. This amount includes goodwill, which was unchanged at € 5.6 million. Deferred tax assets declined by € 11.4 million to € 1.2 million. Furthermore, the interest in entities consolidated at equity rose by € 0.1 million to € 1.8 million.

Current assets rose slightly by € 5.1 million year over year to € 145.8 million, with trade receivables and other assets, in particular, increasing by € 8.2 million to € 86.2 million. This also includes the positive mark-to-market values from derivative hedging instruments of € 0.1 (0.6) million. Inventory stocks were reduced by € 4.4 million to € 46.4 million. Furthermore, tax assets increased by € 3.1 million to € 8.8 million and cash and cash equivalents declined by € 1.8 million to € 4.4 million.

Non-current liabilities decreased by € 49.4 million to € 100.7 million, with non-current financial liabilities, in particular, being reduced by € 41.0 million to € 50.0 million through repayments. In addition, other provisions decreased by € 8.3 million to € 9.0 million, while provisions for pensions and similar obligations increased by € 3.0 million to € 19.7 million. Deferred tax liabilities declined by € 3.0 million to € 21.6 million and other liabilities by € 0.1 million to € 0.4 million.

Current liabilities declined by € 36.2 million to € 114.7 million, with current financial liabilities, in particular, decreasing by € 38.0 million to € 23.9 million through repayments. As a result of the positive earnings development, however, current tax liabilities increased by € 12.6 million to € 15.5 million. Furthermore, trade payables and other liabilities declined by € 8.9 million to € 61.7 million. This also includes the negative mark-to-market values from derivative hedging instruments of € 2.5 (4.7) million. Other provisions decreased slightly by € 1.9 million to € 13.6 million.

On balance, **net financial debt** was significantly reduced to € 69.5 (146.8) million. Of the financial liabilities, € 50.0 million is due in the long term and € 23.9 million in the short term. Set against this, there are cash and cash equivalents of € 4.4 million.

Shareholders' equity rose to € 380.8 (333.3) million thanks to the pleasing earnings situation; the equity ratio increased to 63.9% (52.5%).

Report on events after the balance sheet date

Since 31 May 2016, there have been no events of particular importance which can be expected to have a significant impact on the assets, liabilities, financial position and profit or loss.

Risk and opportunities 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 return 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 risks and opportunities, please refer to the "Risk and opportunities report" on pages 66 to 73 of the Annual Report for the 2015/16 financial year. The disclosures provided there are still valid.

Outlook

CropEnergies has made a good start into the 2016/17 financial year, being able to record a pleasing earnings situation in the 1st quarter despite a year-on-year fall in bioethanol prices. The main contributory factor here was lower raw material costs. Since May 2016, the price situation on the bioethanol market has significantly improved, but considerable volatility is still to be expected.

In view of the good start to the year, CropEnergies is raising its forecast for the 2016/17 financial year. Revenues are now expected to range between € 640 and € 700 million. On the assumption that bioethanol prices will be below those achieved in the good previous year, CropEnergies expects EBITDA, adjusted for special items, to range between € 85 and € 115 million in the 2016/17 financial year. Operating profit is expected to range between € 50 and € 80 million and the result of restructuring and special items to be up to € 16 million.

CropEnergies already communicated on 17 May 2016 that the bioethanol plant in Wilton, which has been shut down since 2015, will start up again in July 2016. The modifications that have been carried out in the meantime to increase reliability and improve energy efficiency are to be tested intensively. Depending on duration and outcome, this may also impact revenues and earnings. Corresponding effects have, however, not yet been taken into account in the above forecast.

CropEnergies' medium-term expectation is that the resolutions of the Paris climate summit and the EU decisions to increase the proportion of renewable energies in the transport sector will ensure further market growth. As one of the leading producers in Europe and owing to the flexibility and capacity of its plants, CropEnergies is well equipped for the corresponding increase in demand.

Interim financial statements

Statement of comprehensive income

€ thousands	1st quarter	
	2016/17	2015/16
Income statement		
Revenues	**167,517**	**197,772**
Change in work in progress and finished goods inventories and internal costs capitalised	-7,859	-12,696
Other operating income	947	2,003
Cost of materials	-112,898	-143,638
Personnel expenses	-8,498	-9,503
Depreciation	-9,550	-9,552
Other operating expenses	-14,024	-15,692
Income from companies consolidated at equity	37	-3
Income from operations	**15,672**	**8,691**
Financial income	193	296
Financial expenses	-803	-1,540
Earnings before income taxes	**15,062**	**7,447**
Taxes on income	-6,161	-2,533
Net earnings for the period	**8,901**	**4,914**
Earnings per share, diluted/undiluted (€)	**0.10**	**0.06**

Table of other comprehensive income		
Net earnings for the period	**8,901**	**4,914**
Mark-to-market gains and losses*	3,457	-3,390
Foreign currency differences from consolidation	1,206	146
Income and expenses to be reclassified in future in the profit and loss account	**4,663**	**-3,244**
Remeasurement of defined benefit plans and similar obligations*	0	0
Income and expenses not to be reclassified in future in the profit and loss account	**0**	**0**
Income and expenses recognised in shareholders' equity	**4,663**	**-3,244**
Total comprehensive income	**13,564**	**1,670**

* After deferred taxes

Cash flow statement

€ thousands	1st quarter	
	2016/17	2015/16
Net earnings for the period	8,901	4,914
Depreciation and amortisation of intangible assets, property, plant and equipment and other investments	9,550	9,552
Other items	965	111
Gross cash flow	**19,416**	**14,577**
Change in net working capital	-20,795	-3,287
I. Net cash flow from operating activities	**-1,379**	**11,290**
Investments in property, plant and equipment and intangible assets	-2,490	-7,978
Cash received on disposal of non-current assets	14	11
II. Cash flow from investing activities	**-2,476**	**-7,967**
Receipt of financial liabilities	2,810	6,000
Repayment of financial liabilities	-2,608	-12,886
III. Cash flow from financing activities	**202**	**-6,886**
Change in cash and cash equivalents (Total of I., II. and III.)	**-3,653**	**-3,563**
Change in cash and cash equivalents due to exchange rate changes	-6	-2
Decrease in cash and cash equivalents	**-3,659**	**-3,565**
Cash and cash equivalents at the beginning of the period	8,031	9,718
Cash and cash equivalents at the end of the period	**4,372**	**6,153**

€ thousands	1st quarter	
	2016/17	2015/16
Interest expense	441	1,311
Tax payments	709	1,237

Balance sheet

€ thousands	31 May 2016	31 May 2015	Change	29 February 2016
Assets				
Intangible assets	9,980	10,255	-275	10,166
Property, plant and equipment	437,407	469,124	-31,717	442,605
Shares in companies consolidated at equity	1,805	1,725	80	1,768
Receivables and other assets	46	45	1	46
Deferred tax assets	1,192	12,550	-11,358	5,203
Non-current assets	**450,430**	**493,699**	**-43,269**	**459,788**
Inventories	46,409	50,843	-4,434	56,845
Trade receivables and other assets	86,156	77,933	8,223	60,181
Current tax receivables	8,825	5,695	3,130	6,631
Cash and cash equivalents	4,372	6,153	-1,781	8,031
Current assets	**145,762**	**140,624**	**5,138**	**131,688**
Total assets	**596,192**	**634,323**	**-38,131**	**591,476**

Liabilities and shareholders' equity				
Subscribed capital	87,250	87,250	0	87,250
Capital reserves	197,847	197,847	0	197,847
Revenue reserves and other equity accounts	95,682	48,233	47,449	82,118
Shareholders' equity	**380,779**	**333,330**	**47,449**	**367,215**
Provisions for pensions and similar obligations	19,680	16,663	3,017	19,414
Other provisions	9,019	17,305	-8,286	11,208
Non-current financial liabilities	50,015	91,054	-41,039	51,023
Other liabilities	344	491	-147	359
Deferred tax liabilities	21,598	24,540	-2,942	21,031
Non-current liabilities	**100,656**	**150,053**	**-49,397**	**103,035**
Other provisions	13,635	15,529	-1,894	14,559
Current financial liabilities	23,896	61,926	-38,030	22,686
Trade payables and other liabilities	61,687	70,584	-8,897	65,115
Current tax liabilities	15,539	2,901	12,638	18,866
Current liabilities	**114,757**	**150,940**	**-36,183**	**121,226**
Total liabilities and shareholders' equity	**596,192**	**634,323**	**-38,131**	**591,476**

Developement of shareholders' equity

€ thousands	Subscribed capital	Capital reserves	Revenue reserves and other equity accounts: Revenue reserves	Cash flow hedges	Cumulative foreign currency differences	Total	Total consolidated shareholders' equity
1 March 2015	**87,250**	**222,764**	**15,921**	**16**	**5,709**	**21,646**	**331,660**
Net earnings for the period			**4,914**			**4,914**	**4,914**
Mark-to-market gains and losses on cash flow hedging instruments*				-3,390			
Foreign currency differences from consolidation					146		
Remeasurement of defined benefit plans and similar obligations*			0				
Income and expenses recognised in shareholder's equity			**0**	**-3,390**	**146**	**-3,244**	**-3,244**
Total comprehensive income			**4,914**	**-3,390**	**146**	**1,670**	**1,670**
Other changes		**-24,917**	**24,917**	**0**	**0**	**24,917**	**0**
31 May 2015	**87,250**	**197,847**	**45,752**	**-3,374**	**5,855**	**48,233**	**333,330**
1 March 2016	**87,250**	**197,847**	**84,229**	**-6,097**	**3,986**	**82,118**	**367,215**
Net earnings for the period			**8,901**			**8,901**	**8,901**
Mark-to-market gains and losses on cash flow hedging instruments*				3,457			
Foreign currency differences from consolidation					1,206		
Remeasurement of defined benefit plans and similar obligations*			0				
Income and expenses recognised in shareholder's equity			**0**	**3,457**	**1,206**	**4,663**	**4,663**
Total comprehensive income			**8,901**	**3,457**	**1,206**	**13,564**	**13,564**
31 May 2016	**87,250**	**197,847**	**93,130**	**-2,640**	**5,192**	**95,682**	**380,779**

* 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 31 May 2016 have been prepared according to the rules for interim financial reporting of IAS 34 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 31 May 2016 are presented in a condensed form. The interim consolidated financial statements as of 31 May 2016 have not been reviewed. The executive board of CropEnergies AG prepared these interim financial statements on 27 June 2016.

As shown in the notes to the Annual Report for the 2015/16 financial year in item (1) "Principles of preparation of the consolidated financial statements" on pages 82 to 86, new or amended standards and interpretations were applicable for the first time to the interim reporting.

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 in which they arise.

Otherwise, the same accounting principles as used in the preparation of the consolidated annual financial statements as of 29 February 2016 have been applied. Their explanations in the notes to the 2015/16 Annual Report in item (5) "Accounting principles" on pages 89 to 93 therefore apply accordingly.

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 UK Ltd, Yarm (United Kingdom)
- Ryssen Chile SpA, Lampa, Santiago de Chile (Chile)
- CropEnergies Inc., Houston (USA)

Ensus Ltd, a British holding company with no production facilities of its own, was dissolved as of 1 March 2016.

The joint venture CT Biocarbonic GmbH, Zeitz, in which CropEnergies has a 50% interest and which is under joint management, is included at equity in the consolidated financial statements. CT Biocarbonic GmbH's contribution to earnings is thereby included only in earnings from entities consolidated at equity.

Revenue, profit, investment, and employees

€ thousands	1st quarter	
	2016/17	2015/16
Revenues	**167,517**	**197,772**
EBITDA*	**28,031**	**22,218**
EBITDA margin in %	*16.7%*	*11.2%*
Depreciation*	-8,655	-8,567
Operating profit	**19,376**	**13,651**
Operating margin in %	*11.6%*	*6.9%*
Restructuring costs and special items	-3,741	-4,957
Income from companies consolidated at equity	37	-3
Income from operations	**15,672**	**8,691**
Investments in property, plant and equipment and intangible assets	**2,490**	**7,978**
Employees	**405**	**429**

* Without restructuring costs and special items

EBITDA increased significantly to € 28.0 (22.2) million. Operating profit was increased accordingly by 42% to € 19.4 (13.7) million. Based on revenues, the operating margin increased to 11.6% (6.9%). Restructuring or special costs incurred as a result of the temporary closure of the production plant in Wilton declined to € 3.7 (5.0) million. Income from operations, as the sum of operating profit, earnings from entities consolidated at equity and special items, rose by 80% to € 15.7 (8.7) million.

The capital expenditures amounting to € 2.5 (8.0) million were attributable almost entirely to property, plant and equipment. Of the total, € 1.1 million was invested at BioWanze SA, € 0.7 million at Ensus UK Ltd and € 0.5 million at CropEnergies Bioethanol GmbH.

As of the end of the first three months of the 2016/17 financial year, the number of employees (full-time equivalents) stood at 405 (429). Of the 405 employees, 45 were employed at CropEnergies AG, 114 at CropEnergies Bioethanol GmbH, 122 at BioWanze SA, 46 at Ryssen Alcools SAS, 71 at Ensus UK Ltd and 7 at Ryssen Chile SpA.

Earnings per share

The net earnings of € 8.9 million in the 1st quarter of the 2016/17 financial year are fully attributable to the shareholders of CropEnergies AG. Earnings per share (IAS 33) continue to be calculated on the basis of 87.25 (87.25) million shares. This produces earnings per share for the 1st quarter of the 2016/17 financial year of € 0.10 (0.06); there was no dilution of earnings per share.

Inventories

€ thousands	31 May	
	2016	2015
Raw materials and supplies	12,179	15,900
Work in progress	2,793	2,881
Finished goods and merchandise	31,437	32,062
	46,409	**50,843**

There was a volume-related reduction of € 4.4 million in inventories to € 46.4 million.

Trade receivables and other assets

€ thousands	31 May	
	2016	2015
Trade receivables	50,297	55,540
Receivables from affiliated companies	10,389	9,652
Other assets	25,470	12,741
	86,156	**77,933**

Trade receivables and receivables from affiliated companies declined by € 4.5 million to € 60.7 million.

Other assets, amounting to € 25.5 (12.7) million, mainly consist of financial assets in the form of ring-fenced credits for hedges of € 8.8 (0.0) million, positive mark-to-market values of derivative hedging instruments of € 0.1 (0.6) million, non-financial assets in the form of receivables from advance payments of € 7.4 (4.3) million and VAT receivables of € 6.4 (5.7) million.

Shareholders' equity

Shareholders’ equity rose to € 380.8 (333.3) 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, and consolidation-related currency translation effects. The "cash flow hedges" item contains the changes in the mark-to-market values – including deferred taxes – of wheat and currency derivatives including accruals amounting to € 3.5 (-3.4) million.

Trade payables and other liabilities

€ thousands	31 May	
	2016	2015
Trade payables	23,088	36,713
Liabilities to affiliated companies	15,876	17,633
Other liabilities	22,723	16,238
	61,687	**70,584**

Trade payables and liabilities to affiliated companies declined by € 15.4 million to € 39.0 million.

Other liabilities, amounting to € 22.7 (16.2) million, comprise financial liabilities in the form of negative mark-to-market values of derivative hedging instruments of € 2.5 (4.7) million as well as non-financial liabilities in the form of liabilities in respect of other taxes amounting to € 12.7 (5.9) million and liabilities in respect of personnel expenses of € 6.5 (4.4) million.

Financial liabilities

€ thousands	31 May	
	2016	2015
Liabilities to banks	8,861	4,875
Liabilities to affiliated companies	65,000	148,000
Liabilities from finance leasing	50	105
Financial liabilities	**73,911**	**152,980**
Cash and cash equivalents	-4,372	-6,153
Net financial debt	**69,539**	**146,827**

Net financial debt as of 31 May 2016 amounted to € 69.5 (146.8) million. This includes non-current financial liabilities of € 50.0 (91.1) million.

All financial liabilities to banks are short-term. Of the financial liabilities to affiliated companies of the Südzucker Group, € 50.0 (91.0) million are due in more than one year.

Financial instruments and financial liabilities

Financial instruments

In the table below, the financial assets and liabilities calculated at fair value are classified by measurement level (fair value hierarchy) and defined as follows according to IFRS 13:

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 methods involving at least one significant influencing factor that cannot be observed. CropEnergies does not use any level 3 derivatives.

€ thousands	Fair Value Hierarchy							
	31 May 2016	Level 1	Level 2	Level 3	31 May 2015	Level 1	Level 2	Level 3
Positive market values – Cash flow hedge derivatives	40	0	40	0	87	0	87	0
Positive market values – Derivatives held for trading	53	31	22	0	494	491	3	0
Financial assets	**93**	**31**	**62**	**0**	**581**	**491**	**90**	**0**
Negative market values – Cash flow hedge derivatives	1,268	1,268	0	0	4,384	4,384	0	0
Negative market values – Derivatives held for trading	1,240	1,236	4	0	296	0	296	0
Financial liabilities	**2,508**	**2,504**	**4**	**0**	**4,680**	**4,384**	**296**	**0**

Financial liabilities

The fair values of liabilities to banks and affiliated companies are calculated as the present values of the cash outflows associated with the liabilities, based on the applicable yield curve. The fair values of liabilities to banks amounted to € 8.9 (4.9) million as of 31 May 2016, with book values of € 8.9 (4.9) million, while the fair values of liabilities to affiliated companies amounted to € 65 (148) million as of 31 May 2016, with book values of € 65 (148) 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 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 2015/16 financial year in item (28) "Additional disclosures on financial instruments" on pages 118 to 121.

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), Stuttgart, 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 involved supplies, especially raw materials and energy, by Südzucker AG amounting to € 8.1 (10.8) million. In addition, services worth € 1.0 (0.8) million and research & development work worth € 0.4 (0.4) million were provided.

Set against this, the CropEnergies Group received € 0.4 (0.3) million from Südzucker AG for supplies of goods. The CropEnergies Group incurred net interest expense of € 0.5 (1.2) million on intercompany lendings and borrowings.

On the balance sheet date, there were receivables of € 0.3 (0.1) million outstanding from Südzucker AG and liabilities of € 6.3 (5.3) million outstanding to Südzucker AG in respect of the aforesaid related party transactions. Financial liabilities due to Südzucker AG amounted to € 31.0 (73.0) million.

Affiliated companies of Südzucker AG
The transactions with the affiliated companies of Südzucker AG involved supplies, especially raw materials and traded commodities, amounting to € 11.7 (17.4) million. In addition, services worth € 0.3 (0.2) million were provided.

Set against this, the CropEnergies Group received € 17.9 (15.7) million from the affiliated companies of Südzucker AG for supplies of goods. In addition, the CropEnergies Group received compensation payments of € 0.2 (0.8) million and service revenues of € 0.2 (0.3) million.

On the balance sheet date there were receivables of € 10.1 (9.6) million outstanding from the affiliated companies of Südzucker AG and liabilities of € 9.6 (12.3) million outstanding to Südzucker AG in respect of the aforesaid related party transactions. Financial liabilities due to the affiliated companies of Südzucker AG amounted to € 34.0 (75.0) 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 € 0.3 (0.3) million.

There were no transactions with Süddeutsche Zuckerrüben-Verwertungs-Genossenschaft eG (SZVG) in the 1st quarter of the 2016/17 financial year.

Mannheim, 27 June 2016

CropEnergies AG

The Executive Board

Joachim Lutz (Chief Executive Officer)	Michael Friedmann	Dr. Stephan Meeder

Financial calendar

• Annual General Meeting 2016	12 July 2016
• Report for the 1st half of 2016/17	12 October 2016
• Report for the 1st to 3rd quarters of 2016/17	11 January 2017
• Annual press and analysts' conference for the 2016/17 financial year	17 May 2017
• Report for the 1st quarter of 2017/18	12 July 2017
• Annual General Meeting 2017	18 July 2017