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Forward-looking statements and forecasts
This quarterly statement 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 74 of the 2016/17 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 2017/18

QUARTERLY STATEMENT

1st – 3rd Quarter
1 March to 30 November 2017

Mannheim, 10 January 2018

SÜDZUCKER GROUP

Contents

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:
3rd quarter: 1 September – 30 November
1st – 3rd 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 2017/18

■ Revenues up to € 678.9 (564.6) million	€ +114 million
■ EBITDA increases slightly to € 88.2 (87.1) million	€ +1 million
■ Operating profit virtually constant at € 59.3 (59.5) million	
■ Net earnings grow to € 42.3 (35.9) million	€ +6 million
■ Bioethanol production rises to 847,000 (735,000) m^3	+15%
■ Net financial assets of € 20 million (as of 28 February 2017: net financial debt of € 9 million)	

Outlook for the 2017/18 financial year

- Revenue expectations of between € 880 and € 920 million confirmed.
- Operating profit rendered more precise: it is now expected to range between € 65 and € 85 million (previous expectation: between € 60 and € 90 million).

Main events

Operating environment

Current framework in the EU

In the EU, the "Renewable Energies Directive" and the "Fuel Quality Directive" are paving the way for more climate protection in the transport sector. According to these directives, the proportion of renewable energies in 2020 is set to increase to 10%, with biofuels from arable crops certified as sustainable being able to account for up to 7%. Biofuels in the EU must comply with strict sustainability criteria and, from 2018, reduce greenhouse gas emissions by at least 50 wt.-% in comparison with fossil fuels across the entire value chain. In addition, by 2020 the blending of biofuels is to contribute to a reduction in greenhouse gases of 6 wt.-% compared with the base value of 94.1 g CO_{2eq}/MJ, calculated in terms of overall fuel consumption. Renewable ethanol from European raw materials reduces greenhouse gas emissions by around 70%.

"2030 climate and energy package"

On 30 November 2016, the European Commission proposed a new version of the "Renewable Energies Directive" for the period after 2020. It states that the proportion of renewable energies in the EU is to rise to at least 27% by 2030. The European Commission thereby took up the European Council's decision of October 2014. No specific target is envisaged for the transport sector. The aim is merely to achieve a gradual increase in the proportion of specific alternative fuels, mainly from waste and residues as well as e-mobility, from 1.5% in 2021 to 6.8% in 2030. The use of renewable fuels from arable crops, on the other hand, is to fall, as of 2021, from 7% to a maximum of 3.8% in 2030.

The European Commission justifies its proposals by citing doubts about the sustainability of renewable fuels from arable crops.

However, European ethanol is already shown to cut around 70 wt.-% of greenhouse gas emissions compared with petrol and also to reduce the excessive dependence on fossil fuel imports. The unchanged implementation of the Commission proposal would neither lower the consumption of fossil fuels nor reduce the exploitation of fossil fuel sources. The 2020s could therefore develop into a lost decade for climate and environmental protection on Europe's roads. At the same time, the proposal will put jobs and incomes in domestic agriculture and industry at risk, particularly in structurally weak rural regions.

Changes that will provide a boost for climate protection in the transport sector are becoming apparent in the course of deliberations in the European Parliament and Council. Together with associations at national and European level, CropEnergies is campaigning so that sustainably produced renewable fuels can be used even after 2020. Above all, binding targets for increasing the proportion of renewable energies in the transport sector are required to actually lower the consumption of fossil fuels and to improve the climate footprint of fuels.

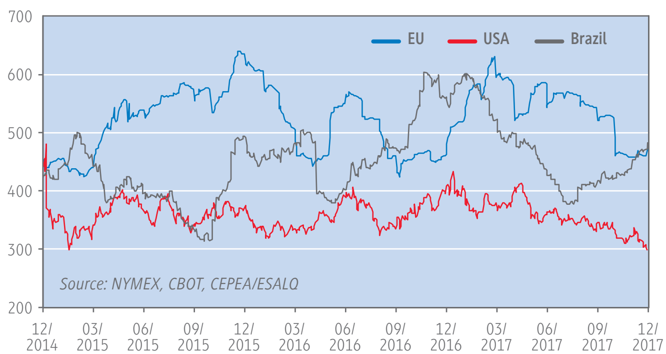
Germany

In Germany, the greenhouse gas reduction target was increased from 3.5 wt.-% to 4.0 wt.-% as of 1 January 2017. A further increase to 6.0 wt.-% is planned from 2020 onwards. The introduction of the binding greenhouse gas reduction target turned specific greenhouse gas reduction into a crucial competitive characteristic of renewable fuels. In 2016, biofuels in Germany cut greenhouse gas emissions by 77 wt.-% in comparison with fossil fuels. The 38th Ordinance for Implementing the Federal Immission Control Act (38th Federal Immission Control Ordinance – BImSchV) came into force on 1 January 2018. Among other things, the 38th Federal Immission Control Ordinance has raised the greenhouse gas base value from 83.8 g CO_{2eq}/MJ to 94.1 g CO_{2eq}/MJ, thereby bringing it into line with actual market conditions. With the limitation of the proportion of renewable energies from arable crops to 6.5% and a minimum proportion for specific renewable fuels, mainly from residues and wastes, further European requirements have been implemented in national law.

Ethanol markets

In the **USA**, the one-month futures contract for ethanol on the Chicago Board of Trade (CBOT) declined from the equivalent of € 347/m³ at the beginning of September 2017 to around € 300/m³ at the end of November 2017. The decline in price is mainly due to the continuing high production surplus, which is expected to result in a further increase in US net exports to 4.6 (4.3) million m³. Initial estimates for 2018 again suggest a slight increase in production to 61.2 (60.8) million m³ and in net exports to 4.7 (4.6) million m³.

International bioethanol prices (€/m³)



In **Brazil**, ethanol prices rose from the equivalent of € 420/m³ at the beginning of September 2017 to around € 475/m³ at the end of November 2017. One of the factors contributing to the price increase was the limitation of ethanol imports from the USA which had been in place since the beginning of September

2017. The import restrictions are being accompanied by lively domestic demand for ethanol, which, in the current 2017/18 sugar year, is expected to be largely in line with domestic production of 26.7 (27.1) million m³. No major change in the market situation is expected in the coming year.

Ethanol prices in **Europe**, after hovering around € 530/m³ in September 2017, experienced a sharp decline in October 2017. Speculations about the impact of the discontinuation of the EU sugar market regulations, in particular, contributed to this decline. At the end of November 2017, the European ethanol price stood at € 465/m³.

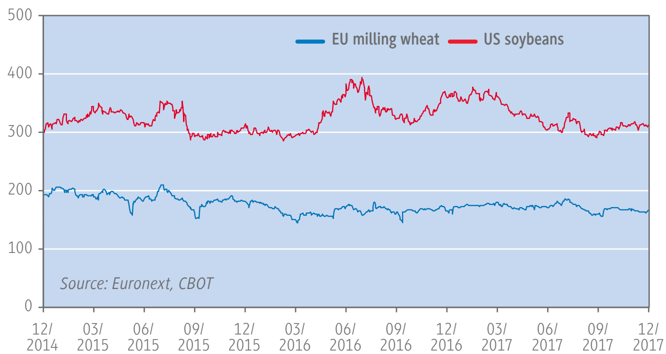
Fuel ethanol consumption in the EU is expected to rise by 2% to 5.3 (5.2) million m³ in 2017. With production standing at around 5.2 (4.7) million m³, this demand is largely being met from domestic production. In 2018, both demand for, and production of, fuel ethanol are expected to grow to around 5.4 million m³. With consumption of 1.5 (1.5) million m³ in 2017, Germany continues to be the largest fuel ethanol market within the EU. E10 sales have so far been unable to benefit from the raising of the greenhouse gas reduction target.

Grain and protein markets

According to the US Department of Agriculture, world grain production (excluding rice) is expected to decline to 2,079 (2,120) million tonnes in 2017/18 and therefore to be below the anticipated grain consumption of 2,096 (2,096) million tonnes. By contrast, the European Commission expects the EU grain harvest in 2017/18, at 306 (297) million tonnes, to far exceed consumption of 285 (284) million tonnes. The starch content of merely 4% of the EU grain harvest is used for the production of fuel ethanol. The other components of the processed grain, particularly proteins, are refined to valuable food and animal feed products, thereby reducing dependence on soy imports from North and South America.

European wheat prices on the Euronext in Paris in the reporting period hovered around € 160/tonne, reflecting a continuously comfortable supply situation, particularly in the light of larger wheat harvests in Russia and the Black Sea region.

International agricultural prices (€/t)



While the global soybean harvest in 2017/18, at 348 (351) million tonnes, is expected to fall just below last year's record, it is still set to exceed global consumption of 345 (330) million tonnes. In line with the continuing good supply situation, the one-month soybean futures contract on the CBOT was largely below the US$ 10/bushel*

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

mark in the last few months. Converted to euro, this was equivalent to around € 305/tonne at the end of November 2017. European rapeseed meal prices likewise remained stable, standing at around € 175/tonne at the end of November 2017.

Business development

Increase in the production of ethanol and food and animal feed products

CropEnergies' biorefineries, with their broad range of products covering, among other things, renewable ethanol and protein-rich food and animal feed products, all achieved high capacity utilisation rates in the first nine months of the 2017/18 financial year. As a result, CropEnergies increased ethanol production to 847 (735) thousand m³ from March to November 2017. Higher capacity utilisation also meant that there was an increase in the production of food and animal feed products. The increase in production quantities is particularly due to the fact that the plant in Wilton (United Kingdom) was taken back into operation in July 2016.

Revenues and net earnings

€ thousands	3rd quarter		1st – 3rd quarter	
	2017/18	2016/17	2017/18	2016/17
Revenues	**219,120**	**214,840**	**678,856**	**564,570**
EBITDA*	**21,677**	**27,939**	**88,199**	**87,063**
EBITDA margin in %	*9.9%*	*13.0%*	*13.0%*	*15.4%*
Depreciation*	-9,707	-9,491	-28,946	-27,585
Operating profit	**11,970**	**18,448**	**59,253**	**59,478**
Operating margin in %	*5.5%*	*8.6%*	*8.7%*	*10.5%*
Restructuring costs and special items	-135	134	-677	-6,246
Income from companies consolidated at equity	-10	57	-79	165
Income from operations	**11,825**	**18,639**	**58,497**	**53,397**
Financial result	-797	-817	-631	-3,480
Earnings before income taxes	**11,028**	**17,822**	**57,866**	**49,917**
Taxes on income	-3,671	-3,908	-15,610	-13,986
Net earnings for the period	**7,357**	**13,914**	**42,256**	**35,931**
Earnings per share, diluted/undiluted (€)	**0.08**	**0.16**	**0.48**	**0.41**

* Without restructuring costs and special items

Business development: 3rd quarter

CropEnergies increased revenues slightly to € 219.1 (214.8) million in the 3rd quarter of 2017/18. It was particularly sales prices for ethanol that were slightly above the previous year's level that made this increase possible.

By contrast, higher prices than in the reference period were paid for grain. Taking into account the costs incurred for a maintenance phase in the 3rd quarter, operating profit declined to € 12.0 (18.4) million. Based on revenues, this equals an operating margin of 5.5% (8.6%). Income from operations consequently declined to € 11.8 (18.6) million.

The financial result was virtually unchanged at € -0.8 (-0.8) million, which leads to earnings before income taxes of € 11.0 (17.8) million. After income taxes, this produced net earnings of € 7.4 (13.9) million. Based on 87.25 million no-par value shares, this corresponds to earnings per share of € 0.08 (0.16).

Business development: 1st–3rd quarter

As expected, CropEnergies' revenues in the first nine months of the 2017/18 financial year, at € 678.9 (564.6) million, significantly surpassed the level achieved in the previous year as a result of the higher capacity utilisation rate. At the same time as increasing the production volume, CropEnergies was also able to generate higher revenues for ethanol and increase its trade volume. In the face of higher raw material prices and costs incurred from maintenance measures, operating profit, at € 59.3 (59.5) million, achieved the previous year's level. Based on revenues, this equals an operating margin of 8.7% (10.5%).

Restructuring or special costs declined to € 0.7 (6.2) million as the production plant in Wilton was taken back into operation in July 2016. Accordingly income from operations improved to € 58.5 (53.4) million.

The significant year-on-year improvement in the net financial position is positively reflected in the financial result, which reached € -0.6 (-3.5) million. On the basis of earnings before income taxes of € 57.9 (49.9) million, this produces net earnings after tax of € 42.3 (35.9) million for the reporting period. Based on 87.25 million no-par value shares, this corresponds to earnings per share of € 0.48 (0.41).

Statement of changes in financial position

€ thousands	1st – 3rd quarter	
	2017/18	2016/17
Gross cash flow	**71,546**	**68,233**
Change in net working capital	-2,351	-15,832
Net cash flow from operating activities	**69,195**	**52,401**
Investments in property, plant and equipment and intangible assets	-13,796	-11,143
Cash received on disposal of non-current assets	227	106
Investment subsidies received	24	0
Cash flow from investing activities	**-13,545**	**-11,037**
Cash flow from financing activities	**-49,459**	**-39,447**
Change in cash and cash equivalents due to exchange rate changes	-82	-27
Increase in cash and cash equivalents	**6,109**	**1,890**

As a result of the higher EBITDA, cash flow increased to € 71.5 (68.2) million. Including the change in net working capital, cash flow from operating activities improved to € 69.2 (52.4) million in the 1st to 3rd quarter.

Cash outflow from investing activities increased to € 13.5 (11.0) million overall, being almost entirely accounted for by capital expenditure in property, plant and equipment. The investments served to expand the capacity for gluten production and to improve the production plants.

The receipt of financial liabilities amounting to € 12.5 (10.2) million was offset by repayments of € 35.8 (36.6) million and the dividend payment, in July 2017, of € 26.2 (13.1) million. This resulted in a net cash outflow from financing activities of € 49.5 (39.4) million.

Net financial assets improved, as of 30 November 2017, to € 20.1 million (as of 30 November 2016: net financial debt of € 37.4 million).

Balance sheet

€ thousands	30 November 2017	30 November 2016	Change	28 February 2017
Assets				
Intangible assets	9,045	9,617	-572	9,482
Property, plant and equipment	399,832	419,913	-20,081	415,248
Shares in companies consolidated at equity	1,878	1,933	-55	1,957
Receivables and other assets	38	40	-2	40
Deferred tax assets	2,068	1,560	508	1,923
Non-current assets	**412,861**	**433,063**	**-20,202**	**428,650**
Inventories	52,913	57,995	-5,082	63,106
Trade receivables and other assets	94,553	82,522	12,031	84,792
Current tax receivables	6,145	6,263	-118	7,373
Cash and cash equivalents	20,108	9,921	10,187	13,999
Current assets	**173,719**	**156,701**	**17,018**	**169,270**
Total assets	**586,580**	**589,764**	**-3,184**	**597,920**

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	146,856	107,328	39,528	140,680
Shareholders' equity	**431,953**	**392,425**	**39,528**	**425,777**
Provisions for pensions and similar obligations	23,665	21,772	1,893	22,448
Other provisions	2,537	7,341	-4,804	2,751
Non-current financial liabilities	0	25,538	-25,538	15,308
Other liabilities	290	352	-62	327
Deferred tax liabilities	20,143	23,210	-3,067	24,391
Non-current liabilities	**46,635**	**78,213**	**-31,578**	**65,225**
Other provisions	15,851	10,052	5,799	12,688
Current financial liabilities	0	21,812	-21,812	7,976
Trade payables and other liabilities	76,912	76,097	815	74,346
Current tax liabilities	15,229	11,165	4,064	11,908
Current liabilities	**107,992**	**119,126**	**-11,134**	**106,918**
Total liabilities and shareholders' equity	**586,580**	**589,764**	**-3,184**	**597,920**
Net financial assets (+) / net financial debt (-)	20,108	-37,429	57,537	-9,285
Equity ratio	73.6%	66.5%		71.2%

Income statement

€ thousands	3rd quarter		1st – 3rd quarter	
	2017/18	2016/17	2017/18	2016/17
Revenues	**219,120**	**214,840**	**678,856**	**564,570**
Change in work in progress and finished goods inventories and internal costs capitalised	-8,097	766	-10,752	-507
Other operating income	985	278	2,341	3,717
Cost of materials	-166,674	-166,152	-509,667	-420,225
Personnel expenses	-8,873	-8,287	-26,178	-24,952
Depreciation	-9,707	-9,469	-28,946	-29,771
Other operating expenses	-14,919	-13,394	-47,078	-39,600
Income from companies consolidated at equity	-10	57	-79	165
Income from operations	**11,825**	**18,639**	**58,497**	**53,397**
Financial result	-797	-817	-631	-3,480
Earnings before income taxes	**11,028**	**17,822**	**57,866**	**49,917**
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Net earnings for the period	**7,357**	**13,914**	**42,256**	**35,931**
Earnings per share, diluted/undiluted (€)	**0.08**	**0.16**	**0.48**	**0.41**

Risk and opportunities report

CropEnergies uses an integrated system for the early detection and monitoring of group-specific risks. 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 74 of the Annual Report for the 2016/17 financial year. The disclosures provided there are still valid.

Outlook

CropEnergies significantly increased revenues to € 678.9 (564.6) million in the first nine months of the 2017/18 financial year, particularly due to higher production and sales quantities. However, there was wide fluctuation in ethanol prices. High volatility must also continue to be expected.

Aggregated for the first nine months of the 2017/18 financial year, operating profit of € 59.3 (59.5) million almost equals previous year’s level. Compared to high ethanol prices in the final quarter of the preceding financial year, CropEnergies expects prices to be significantly lower until the end of the current financial year.

Against this background, CropEnergies confirms that it expects revenues in the 2017/18 financial year to range between € 880 and € 920 million. Operating profit is now expected to range between € 65 and € 85 million (previous expectation: between € 60 and € 90 million). This is equivalent to an EBITDA of between € 105 and € 125 million (previous expectation: between € 100 and € 130 million). In the previous year, revenues of € 802 million and operating profit of € 98 million were generated.

Financial calendar

■ Annual press and analysts' conference for the 2017/18 financial year	16 May 2018
■ Statement for the 1st quarter of 2018/19	11 July 2018
■ Annual General Meeting 2018	17 July 2018
■ Report for the 1st half of 2018/19	10 October 2018
■ Statement for the 1st–3rd quarter of 2018/19	9 January 2019