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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 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

INTERIM REPORT

1st Quarter
1 March to 31 May 2017

Mannheim, 12 July 2017

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.

Contents

Highlights 1st Quarter 2017/18

- Revenues up significantly to € 231.0 (167.5) million — € +64 million
- EBITDA improves to € 33.1 (28.0) million — € +5 million
- Operating profit increases to € 23.5 (19.4) million — € +4 million
- Net earnings in the 1st quarter grow to € 17.5 (8.9) million — € +9 million
- Bioethanol production up to 280,000 (203,000) m^3 — +38%
- Net financial assets of € 20 million (as of 28 February 2017: net financial debt of € 9 million)

Outlook for the 2017/18 financial year raised

- Revenues are now expected to range between € 850 and € 900 million (previous expectation: between € 800 and € 875 million)
- Operating profit is expected to range between € 50 and € 90 million (previous expectation: between € 40 and € 80 million)

Interim management report

Operating environment

"Renewable Energies Directive"

The "Renewable Energies Directive" defines a mandatory target of 10% for renewable energies in the EU's transport sector for the year 2020, with biofuels from arable crops certified as sustainable being able to account for up to 7%. The prerequisite for biofuels to access the market in the EU is that they should comply with strict sustainability criteria. One of the minimum requirements is that biofuels should generate at least 35 wt.-% (from 2018: at least 50 wt.-%) fewer greenhouse gases than fossil fuels across the entire value chain, from raw material production through to fuelling.

"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 fuels consumed in 2010 amounting to 94.1 g CO_{2eq}/MJ is used as the base value. By comparison, renewable bioethanol from European raw materials reduces greenhouse gas emissions by around 70% on average. This greenhouse gas advantage is particularly being marketed through blending with petrol, that is to say, E5 and E10, i.e., petrol fuel with bioethanol content of up to 5 or 10 vol.-% respectively. E10 is currently nationwide available in Germany, France and Finland and has also been so in Belgium since the beginning of 2017. It has developed into the most popular and best-selling petrol fuel there within a few months. By introducing the more climate-friendly E10 fuel in other member states, as is currently being discussed in the Netherlands, for example, the EU could utilise the potential of bioethanol for cutting greenhouse gas emissions and reducing the dependence on oil imports even more effectively.

"2030 climate and energy package"

The European Council defined the framework for the climate and energy policy until 2030 as early as October 2014. According to this framework, greenhouse gas emissions in the EU are to fall by at least 40% compared with 1990, and the share of renewable energies is to rise to at least 27%. The Council also emphasised the necessity of reducing greenhouse gas emissions in the transport sector and the risks that arise from the dependence on fossil fuels.

On 30 November 2016, therefore, the European Commission proposed, among others, a new version of the "Renewable Energies Directive" for the period after 2020. However, the proposal put forward by the European Commission lacks specific targets for the transport sector. The package merely envisages gradually increasing 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 alleged doubts about the sustainability of renewable fuels from arable crops. However, European bioethanol is already shown to cut 70 wt.-% of greenhouse gas emissions compared with fuel and also to reduce the excessive dependence on fossil oil imports. Promoting alternative fuels from wastes and residues can make sense; they must not, however, be used as a replacement for biofuels from arable crops, but as a supplement to them. This is the only way to further reduce the consumption of fossil fuels. On the other hand, the unchanged implementation of the Commission proposal would neither lower the consumption of fossil fuels nor reduce the exploitation of fossil oil sources. The danger is that the 2020s could develop into a lost decade for climate and environmental protection on Europe's roads. At the same time, however, the proposals will put countless jobs and incomes in domestic agriculture and industry at risk, particularly in structurally weak rural regions. As a result, these regions with few alternative employment opportunities would be affected twofold. On the one hand, studies have demonstrated that bioethanol production is associated with above-average added value, in particular with the creation of highly qualified jobs. On the other hand, the European bioethanol industry is highly integrated with the domestic economy and therefore significantly contributes towards securing additional jobs in upstream and downstream sectors. In this way, the CropEnergies bioethanol plant in Zeitz alone secures around 3,500 jobs in total, thereby also contributing towards the employment situation in Burgenlandkreis district around Zeitz being better than the state average for Saxony-Anhalt.

Together with associations at national and European level, CropEnergies will therefore campaign, within the current legislative process, for the use of renewable, sustainably produced biofuels to be promoted even after 2020. This particularly includes binding targets for increasing the proportion of renewable energies in the transport sector. This is the prerequisite for actually lowering the consumption of fossil fuels and improving the climate footprint of fuels. The adoption of a new "Renewable Energies Directive" requires the agreement of the European Parliament and Council. The European Parliament's initial positioning is expected by the end of 2017.

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 for the oil industry turned specific greenhouse gas reduction into a crucial competitive characteristic of renewable fuels. As a result, biofuel producers have continually increased the specific greenhouse gas savings of biofuels. In 2016, biofuels in Germany cut greenhouse gas emissions by more than 70 wt.-% in comparison with fossil fuels. CropEnergies encourages the German legislative body not only to pursue the path of more climate protection in the transport sector in Germany, but also to campaign in the EU for higher and binding greenhouse gas reduction targets in transport.

Belgium

In Belgium, the content of bioethanol in petrol fuels was increased from an average of at least 4 vol.-% to 8.5 vol.-% in January 2017. At the same time, E10 was extensively introduced and has already achieved a share of around 80% of the market for petrol fuels.

United Kingdom

In the United Kingdom there is a mandatery biofuel blending of 4.75 vol.-% the so called "Renewable Transport Fuel Obligation" (RTFO). In November 2016, the Department for Transport proposed an amendment to the RTFO, incorporating a gradual increase in the blending obligation to 9.75 vol.-% from 2020 onwards. According to the proposal, alternative fuels, mainly from wastes and residues, are to be promoted by means of a sub-quota, which is to increase gradually to 1.2 vol.-% in 2030.

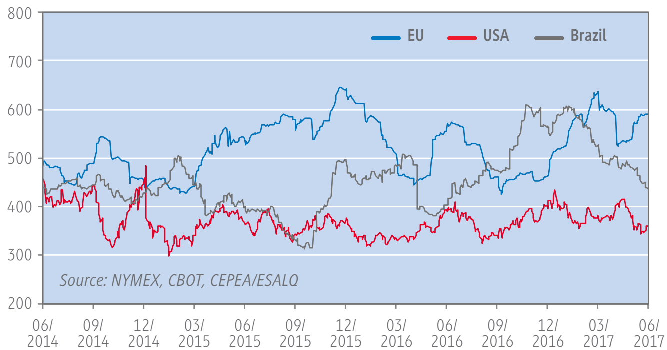
France

France has an energy-based blending obligation, which was increased to 7.5% in the petrol sector at the beginning of 2017 and stands at 7.7% in the diesel sector. E10's share of the French petrol market has already increased to around 40% and is continuing to grow. Despite the discussion at EU level about an energy and climate package for 2030, France has already imposed a legal requirement to increase the proportion of renewable energies in the transport sector to 15% by 2030. France is thereby sending a clear signal that mandatory targets for renewable energies are also indispensable in the transport sector after 2020.

Continuing volatility in bioethanol prices

In the USA, ethanol production of 60.6 (59.5) million m³ is expected in 2017. In view of the persistently high production surplus, US net exports are expected to remain at the previous year's level of 3.9 (3.9) million m³. The one-month futures contract for ethanol on the Chicago Board of Trade (CBOT) declined, in the reporting period, from the equivalent of € 380/m³ at the beginning of March 2017 to around € 360/m³ at the end of May 2017. The decline in price is mainly due to the appreciation of the euro against the US dollar. In US American currency, prices remained largely unchanged in spite of high production and stocks.

International bioethanol prices (€/m³)



26.0 (27.1) million m³ of bioethanol are expected to be produced in Brazil in the 2017/18 sugar year. The production is expected to largely correspond to the consumption figure of 25.8 (26.7) million m³ of bioethanol. In view of a balanced supply situation that remains virtually even, only a slight rise in net exports to 0.2 (0.1) million m³ is expected. Starting from a high price level intermittently above € 600/m³ at the beginning of the year, downward prices were observable at the time the sugar cane harvest began. Taking the depreciation of the Brazilian real in the reporting period into account, prices fell significantly from the equivalent of € 530/m³ at the beginning of March 2017 to around € 440/m³ at the end of May 2017.

Ethanol prices in Europe, at € 590/m³ at the end of May 2017, were slightly below the level of around € 600/m³ at the beginning of March 2017. Meanwhile, the one-month futures contract had fallen to around € 530/m³ at the beginning of April 2017.

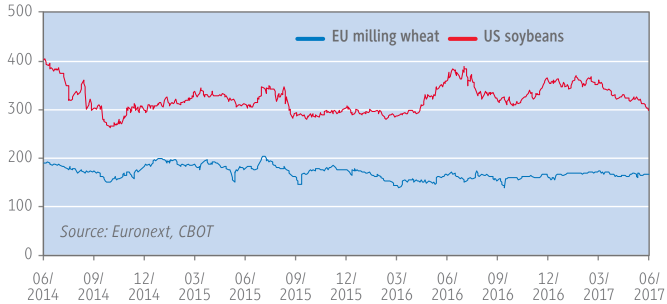
In view of demand impetus for more climate-friendly fuels with lower greenhouse gas emissions as a result of higher blending requirements, fuel ethanol consumption in the EU is expected to rise by 4% to 5.4 (5.2) million m³. European production of fuel ethanol is expected to increase significantly to around 5.4 (4.8) million m³ in view of a largely even trade balance.

In Germany, fuel ethanol consumption is expected to remain largely unchanged at 1.5 (1.5) million m³ in 2017. Despite the slight increase in the greenhouse gas reduction target to 4 wt.-% at the beginning of the year, according to provisional data, fuel ethanol sales from January to April 2017 fluctuated just below the previous year's level, at 443,000 (445,000) m³. Sales of E10 declined to 713,000 tonnes, which equates to a market share of 12% (13%).

Decline in grain and oilseed prices

According to its forecast published on 9 June 2017, the US Department of Agriculture (USDA) expects to see world grain production (excluding rice) of 2,050 (2,114) million tonnes in 2017/18. Given anticipated grain consumption of 2,084 (2,089) million tonnes, this is expected to result in a slight decline in stocks to 482 (517) million tonnes. The European Commission expects the EU to have a higher grain harvest of 305 (295) million tonnes in the 2017/18 grain year, which is therefore again expected to be above the consumption figure of 287 (285) million tonnes. Animal feed products, with a share of more than 60%, continue to account for the majority of domestic grain consumption. The starch content of merely 4% of the EU grain harvest, on the other hand, is used for the production of fuel ethanol. The other components of the processed grain, particularly proteins, dietary fibres, fats, minerals and vitamins, are enriched into valuable food and animal feed products. The local bioethanol industry thus helps to avoid soy imports, particularly from North and South America.

International agricultural prices (€/t)



European wheat prices on the Euronext in Paris, at € 167/tonne at the end of May 2017, were slightly below the level of € 174/tonne at the beginning of March 2017. The grain price development reflects the comfortable global supply situation that is due to record production and stocks from the previous year as well as the good expectations so far for the 2017/18 grain year.

The USDA again expects a high global soybean harvest of 345 (351) million tonnes in 2017/18. In view of a further increase in global consumption to 344 (331) million tonnes, global stocks are expected to remain virtually unchanged at 92 million tonnes. In line with the continuing good supply situation, the one-month soybean futures contract on the CBOT declined from around US$ 10/bushel* at the beginning of March 2017 to around US$ 9/bushel at the end of May 2017. The soybean price fell from the equivalent of € 360/tonne at the beginning of March 2017 to € 300/tonne at the end of May 2017. More rapeseed than in the previous year is expected to be harvested in the EU in 2017/18, at 22 (20) million tonnes. European rapeseed meal prices also fell from around € 225/tonne at the beginning of March 2017 to around € 210/tonne at the end of May 2017.

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

Business development

Increase in the production of bioethanol as well as food and animal feed products

CropEnergies increased bioethanol production to 280,000 (203,000) m^3 in the first three months of the 2017/18 financial year. Higher capacity utilisation also lead to an increase in the production of food and animal feed products. The increase in production quantities is particularly due to the fact that the bioethanol plant in Wilton (United Kingdom) was taken back into operation in July 2016.

Revenues and net earnings

€ thousands	1st quarter	
	2017/18	2016/17
Revenues	**231,021**	**167,517**
EBITDA*	**33,084**	**28,031**
EBITDA margin in%	*14.3%*	*16.7%*
Depreciation*	-9,545	-8,655
Operating profit	**23,539**	**19,376**
Operating margin in%	*10.2%*	*11.6%*
Restructuring costs and special items	-271	-3,741
Income from companies consolidated at equity	-52	37
Income from operations	**23,216**	**15,672**
Financial result	-136	-610
Earnings before income taxes	**23,080**	**15,062**
Taxes on income	-5,531	-6,161
Net earnings for the period	**17,549**	**8,901**
Earnings per share, diluted/undiluted (€)	**0.20**	**0.10**

* Without restructuring costs and special items

As expected, CropEnergies' revenues in the 1st quarter increased significantly by 38% to € 231.0 (167.5) million. This was due to significantly higher sales volumes of bioethanol as well as food and animal feed products as a result of the restart of the production plant in Wilton in the 2nd quarter of the previous year. Most of the sales prices obtained were also above the level of the reference period.

These positive effects on sales were offset by slightly higher prices for the raw materials used. Allowing for operating costs after taking the production plant in Wilton back into operation, EBITDA improved to € 33.1 (28.0) million.

Accordingly, operating profit was also significantly increased by 21% to € 23.5 (19.4) million. Based on revenues, this gives rise to an operating margin of 10.2% (11.6%). Restructuring or special costs declined to € 0.3 (3.7) million. Income from operations, as the sum of operating profit, earnings from entities consolidated at equity and special items, rose significantly by 48% to € 23.2 (15.7) million.

The improvement of the financial result to € -0.1 (-0.6) million follows the now positive net financial position. On the basis of earnings before income taxes of € 23.1 (15.1) million, this produces net earnings of € 17.5 (8.9) million for the 1st quarter of 2017/18. Based on 87.25 million no-par-value shares, that translates into a doubling of earnings per share to € 0.20 (0.10).

Statement of changes in financial position

€ thousands	1st quarter	
	2017/18	2016/17
Gross cash flow	**27,306**	**19,416**
Change in net working capital	6,803	-20,795
Net cash flow from operating activities	**34,109**	**-1,379**
Investments in property, plant and equipment and intangible assets	-4,386	-2,490
Cash received on disposal of non-current assets	34	14
Cash flow from investing activities	**-4,352**	**-2,476**
Cash flow from financing activities	**-35,573**	**202**
Change in cash and cash equivalents due to exchange rate changes	-49	-6
Decrease in cash and cash equivalents	**-5,865**	**-3,659**

As a result of the higher EBITDA, cash flow increased to € 27.3 (19.4) million. Including the change in net working capital, cash flow from operating activities in the 1st quarter of the 2017/18 financial year amounted to € 34.1 (cash outflow: 1.4) million.

Cash outflow from investing activities increased to € 4.4 (2.5) million overall, being almost entirely accounted for by investments in property, plant and equipment. The investments served, in particular, to improve the production plants.

The receipt of financial liabilities amounting to € 3.2 million was offset by repayments of € 18.8 million and an increase in short-term financial receivables amounting to € 20.0 million. This resulted in a net cash outflow from financing activities of € 35.6 (cash inflow: 0.2) million.

Balance sheet structure

€ thousands	31 May 2017	31 May 2016	Change	28 February 2017
Assets				
Non-current assets	422,235	450,430	-28,195	428,650
Current assets	177,582	145,762	31,820	169,270
Total assets	**599,817**	**596,192**	**3,625**	**597,920**
Liabilities and shareholders' equity				
Shareholders' equity	440,089	380,779	59,310	425,777
Non-current liabilities	49,680	100,656	-50,976	65,225
Current liabilities	110,048	114,757	-4,709	106,918
Total liabilities and shareholders' equity	**599,817**	**596,192**	**3,625**	**597,920**
Net financial assets (+) / Net financial debt (-)	20,423	-69,539	89,962	-9,285
Equity ratio	73.4%	63.9%		71.2%

Non-current assets declined by € 28.2 million to € 422.2 million as of 31 May 2017, with fixed assets, in particular, decreasing by € 29.2 million to € 418.2 million as a result of scheduled depreciation and allowing for investments. This includes good-will, which was unchanged at € 5.6 million. Deferred tax assets increased by € 0.9 million to € 2.1 million. Furthermore, the interest in entities consolidated at equity rose by € 0.1 million to € 1.9 million.

Current assets rose by € 31.8 million year over year to € 177.6 million. Inventories, in particular, increased, rising by € 12.6 million to € 59.0 million. Furthermore, short term financial assets increased to € 20.0 million and cash and cash equivalents rose by € 3.8 million to € 8.1 million. Trade receivables and other assets, on the other hand, declined slightly by € 3.3 million to € 82.8 million. This also includes the positive mark-to-market values from derivative hedging instruments of € 0.2 (0.1) million. Tax assets declined by € 1.2 million to € 7.6 million.

Non-current liabilities decreased by € 51.0 million to € 49.7 million, with long-term financial liabilities of € 50.0 million, in particular, being completely reduced through repayments. In addition, other provisions decreased by € 6.1 million to € 3.0 million, while provisions for pensions and similar obligations increased by € 3.1 million to € 22.8 million and deferred tax liabilities rose by € 2.0 million to € 23.6 million. Other liabilities were virtually unchanged, at € 0.3 million.

Current liabilities declined by € 4.7 million to € 110.0 million, with short-term financial liabilities, in particular, decreasing by € 16.2 million to € 7.7 million through repayments. By contrast, trade payables and other liabilities rose by € 10.7 million to € 72.4 million. This also includes the negative mark-to-market values from derivative hedging instruments of € 1.8 (2.5) million. In addition, current tax liabilities rose by € 1.0 million to € 16.6 million, while other provisions decreased slightly by € 0.3 million to € 13.4 million.

The **net financial position** as at 31 May 2017 shows **net financial assets** of € 20.4 million (as at 31 May 2016: **net financial debt** of € 69.5 million). Of the financial liabilities, € 7.7 million is due in the short term. Set against this, there are cash and cash equivalents of € 8.1 million and short-term financial receivables amounting to € 20.0 million.

Shareholders' equity rose to € 440.1 (380.8) million thanks to the pleasing earnings situation; the equity ratio increased to 73.4% (63.9%).

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 74 of the Annual Report for the 2016/17 financial year. The disclosures provided there are still valid.

Outlook

CropEnergies has made a good start to the 2017/18 financial year, being able to record a pleasing earnings situation in the 1st quarter. Revenues in the 1st quarter reached € 231.0 (167.5) million. The increase in revenues is mainly due to the higher production and sales quantities. The price situation on the bioethanol market and with regard to food and animal feed products also contributed here. However, considerable volatility in prices, particularly for bioethanol, is still to be expected.

Operating profit in the 1st quarter was increased to € 23.5 (19.4) million, since it had been possible to offset rises in raw material prices. The possibility of a further increase in grain prices cannot be ruled out in the further course of the financial year.

Against the background of the good 1st quarter, CropEnergies is raising its forecast for the 2017/18 financial year and now expects revenues to range between € 850 and € 900 million (previous expectation: between € 800 and € 875 million). Operating profit is expected to range between € 50 and € 90 million (previous expectation: between € 40 and € 80 million). This is equivalent to an EBITDA of between € 90 and € 130 million (previous expectation: between € 80 and € 120 million). In the previous year, revenues of € 802 million and operating profit of € 98 million were generated.

Interim financial statements

Statement of comprehensive income

€ thousands	1st quarter	
	2017/18	2016/17
Income statement		
Revenues	**231,021**	**167,517**
Change in work in progress and finished goods inventories and internal costs capitalised	-7,623	-7,859
Other operating income	285	947
Cost of materials	-166,486	-112,898
Personnel expenses	-8,895	-8,498
Depreciation	-9,545	-9,550
Other operating expenses	-15,489	-14,024
Income from companies consolidated at equity	-52	37
Income from operations	**23,216**	**15,672**
Financial income	357	193
Financial expenses	-493	-803
Earnings before income taxes	**23,080**	**15,062**
Taxes on income	-5,531	-6,161
Net earnings for the period	**17,549**	**8,901**
Earnings per share, diluted/undiluted (€)	**0.20**	**0.10**
Table of other comprehensive income		
Net earnings for the period	**17,549**	**8,901**
Mark-to-market gains and losses*	-1,922	3,457
Foreign currency differences from consolidation	-1,315	1,206
Income and expenses to be reclassified in future in the profit and loss account	**-3,237**	**4,663**
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	**-3,237**	**4,663**
Total comprehensive income	**14,312**	**13,564**

* After deferred taxes

Cash flow statement

€ thousands	1st quarter	
	2017/18	2016/17
Net earnings for the period	17,549	8,901
Depreciation and amortisation of intangible assets, property, plant and equipment and other investments	9,545	9,550
Other items	212	965
Gross cash flow	**27,306**	**19,416**
Change in net working capital	6,803	-20,795
I. Net cash flow from operating activities	**34,109**	**-1,379**
Investments in property, plant and equipment and intangible assets	-4,386	-2,490
Cash received on disposal of non-current assets	34	14
II. Cash flow from investing activities	**-4,352**	**-2,476**
Increase of current financial receivables	-20,000	0
Receipt of financial liabilities	3,204	2,810
Repayment of financial liabilities	-18,777	-2,608
III. Cash flow from financing activities	**-35,573**	**202**
Change in cash and cash equivalents (Total of I., II. and III.)	**-5,816**	**-3,653**
Change in cash and cash equivalents due to exchange rate changes	-49	-6
Decrease in cash and cash equivalents	**-5,865**	**-3,659**
Cash and cash equivalents at the beginning of the period	13,999	8,031
Cash and cash equivalents at the end of the period	**8,134**	**4,372**

€ thousands	1st quarter	
	2017/18	2016/17
Interest expense	360	441
Tax payments	1,175	709

Balance sheet

€ thousands	31 May 2017	31 May 2016	Change	28 February 2017
Assets				
Intangible assets	9,352	9,980	-628	9,482
Property, plant and equipment	408,821	437,407	-28,586	415,248
Shares in companies consolidated at equity	1,905	1,805	100	1,957
Receivables and other assets	35	46	-11	40
Deferred tax assets	2,122	1,192	930	1,923
Non-current assets	**422,235**	**450,430**	**-28,195**	**428,650**
Inventories	59,008	46,409	12,599	63,106
Current financial receivalbles	20,000	0	20,000	0
Trade receivables and other assets	82,846	86,156	-3,310	84,792
Current tax receivables	7,594	8,825	-1,231	7,373
Cash and cash equivalents	8,134	4,372	3,762	13,999
Current assets	**177,582**	**145,762**	**31,820**	**169,270**
Total assets	**599,817**	**596,192**	**3,625**	**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	154,992	95,682	59,310	140,680
Shareholders' equity	**440,089**	**380,779**	**59,310**	**425,777**
Provisions for pensions and similar obligations	22,812	19,680	3,132	22,448
Other provisions	2,966	9,019	-6,053	2,751
Non-current financial liabilities	0	50,015	-50,015	15,308
Other liabilities	328	344	-16	327
Deferred tax liabilities	23,574	21,598	1,976	24,391
Non-current liabilities	**49,680**	**100,656**	**-50,976**	**65,225**
Other provisions	13,383	13,635	-252	12,688
Current financial liabilities	7,711	23,896	-16,185	7,976
Trade payables and other liabilities	72,379	61,687	10,692	74,346
Current tax liabilities	16,575	15,539	1,036	11,908
Current liabilities	**110,048**	**114,757**	**-4,709**	**106,918**
Total liabilities and shareholders' equity	**599,817**	**596,192**	**3,625**	**597,920**

Development 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 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**
1 March 2017	**87,250**	**197,847**	**138,984**	**632**	**1,064**	**140,680**	**425,777**
Net earnings for the period			**17,549**			**17,549**	**17,549**
Mark-to-market gains and losses on cash flow hedging instruments*				-1,922			
Foreign currency differences from consolidation					-1,315		
Remeasurement of defined benefit plans and similar obligations*			0				
Income and expenses recognised in shareholder's equity			**0**	**-1,922**	**-1,315**	**-3,237**	**-3,237**
Total comprehensive income			**17,549**	**-1,922**	**-1,315**	**14,312**	**14,312**
31 May 2017	**87,250**	**197,847**	**156,533**	**-1,290**	**-251**	**154,992**	**440,089**

* 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 2017 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 2017 are presented in a condensed form. The interim consolidated financial statements as of 31 May 2017 have not been reviewed. The executive board of CropEnergies AG prepared these interim financial statements on 3 July 2017.

As shown in the notes to the Annual Report for the 2016/17 financial year in item (1) "Principles of preparation of the consolidated financial statements" on pages 84 to 87, 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 28 February 2017 have been applied. Their explanations in the notes to the 2016/17 Annual Report in item (5) "Accounting principles" on pages 90 to 94 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. Under IFRS 10, control exists if a company is exposed, or has rights, to positive or negative returns from its involvement with another entity. It must also have the ability to affect these variable returns by controlling the entity's activities. Control can exist due to voting rights or prevailing circumstances, due, among other things, to contractual arrangements. 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)

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	
	2017/18	2016/17
Revenues	**231,021**	**167,517**
EBITDA*	**33,084**	**28,031**
EBITDA margin in %	*14.3%*	*16.7%*
Depreciation*	-9,545	-8,655
Operating profit	**23,539**	**19,376**
Operating margin in %	*10.2%*	*11.6%*
Restructuring costs and special items	-271	-3,741
Income from companies consolidated at equity	-52	37
Income from operations	**23,216**	**15,672**
Investments in property, plant and equipment and intangible assets	**4,386**	**2,490**
Employees	**411**	**405**

* Without restructuring costs and special items

EBITDA increased to € 33.1 (28.0) million. Accordingly, operating profit was also significantly increased by 21% to € 23.5 (19.4) million. Based on revenues, this gives rise to an operating margin of 10.2% (11.6%). Restructuring or special costs declined to € 0.3 (3.7) million. Income from operations, as the sum of operating profit, earnings from entities consolidated at equity and special items, rose significantly by 48% to € 23.2 (15.7) million.

The capital expenditures amounting to € 4.4 (2.5) million were attributable almost entirely to property, plant and equipment. Of the total, € 2.1 million was invested at BioWanze SA, € 1.8 million at CropEnergies Bioethanol GmbH and € 0.3 million at Ensus UK Ltd.

As of the end of the first three months of the 2017/18 financial year, the number of employees (full-time equivalents) stood at 411 (405). Of this figure, 43 were employed at CropEnergies AG, 122 at CropEnergies Bioethanol GmbH, 119 at BioWanze SA, 46 at Ryssen Alcools SAS, 74 at Ensus UK Ltd and 7 at Ryssen Chile SpA.

Earnings per share

The net earnings of € 17.5 million in the 1st quarter of the 2017/18 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 2017/18 financial year of € 0.20 (0.10). There was no dilution of earnings per share.

Inventories

€ thousands	31 May	
	2017	2016
Raw materials and supplies	17,022	12,179
Work in progress	3,020	2,793
Finished goods and merchandise	38,966	31,437
	59,008	**46,409**

There was a volume-related increase of € 12.6 million in inventories to € 59.0 million.

Trade receivables and other assets

€ thousands	31 May	
	2017	2016
Trade receivables	47,223	50,297
Receivables from affiliated companies	8,418	10,389
Other assets	27,205	25,470
	82,846	**86,156**

Trade receivables and receivables from affiliated companies declined by € 5.0 million to € 55.6 million.

Other assets, amounting to € 27.2 (25.5) million, mainly consist of financial assets in the form of ring-fenced credits for hedges of € 8.3 (8.8) million, positive mark-to-market values of derivative hedging instruments of € 0.2 (0.1) million, non-financial assets in the form of receivables from advance payments of € 9.8 (7.4) million and VAT receivables of € 6.5 (6.4) million.

Shareholders' equity

Shareholders' equity rose to € 440.1 (380.8) 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 € -1.9 (3.5) million.

Trade payables and other liabilities

€ thousands	31 May	
	2017	2016
Trade payables	43,320	23,088
Payables to affiliated companies	14,630	15,876
Other liabilities	14,429	22,723
	72,379	**61,687**

Trade payables and liabilities to affiliated companies increased by € 19.0 million to € 58.0 million.

Other liabilities, amounting to € 14.4 (22.7) million, comprise financial liabilities of € 1.8 (2.5) million in the form of negative mark-to-market values of derivative hedging instruments as well as non-financial liabilities of € 6.7 (6.5) million in the form of personnel expenses and liabilities in respect of other taxes of € 5.0 (12.7) million.

Financial receivables / financial liabilities

€ thousands	31 May	
	2017	2016
Liabilities to banks	-7,698	-8,861
Liabilities to affiliated companies	0	-65,000
Liabilities from finance leasing	-13	-50
Financial liabilities	**-7,711**	**-73,911**
Receivables from affiliated companies	20,000	0
Cash and cash equivalents	8,134	4,372
Net financial assets (+) / Net financial debt (-)	**20,423**	**-69,539**

The net financial position as at 31 May 2017 shows a net financial credit of € 20.4 million (as at 31 May 2016: net financial debt of € 69.5 million). This no longer includes any long-term financial liabilities.

All financial liabilities to banks and financial receivables from affiliated companies are short-term.

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 2017	Level 1	Level 2	Level 3	31 May 2016	Level 1	Level 2	Level 3
Positive market values – Cash flow hedge derivatives	0	0	0	0	40	0	40	0
Positive market values – Derivatives held for trading	155	155	0	0	53	31	22	0
Financial assets	**155**	**155**	**0**	**0**	**93**	**31**	**62**	**0**
Negative market values – Cash flow hedge derivatives	1,331	1,051	280	0	1,268	1,268	0	0
Negative market values – Derivatives held for trading	458	457	1	0	1,240	1,236	4	0
Financial liabilities	**1,789**	**1,508**	**281**	**0**	**2,508**	**2,504**	**4**	**0**

Financial liabilities

The fair values of liabilities to banks are calculated as the present values of the cash outflows associated with the liabilities, based on the applicable yield curve. Owing to their short maturities, it is assumed that fair values correspond to the book values.

The fair values of trade receivables, other receivables, financial receivables and cash items are also assumed, owing to the short maturities, to 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 2016/17 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 € 8.0 (8.1) million. In addition, services worth € 0.9 (1.0) million and research & development work worth € 0.2 (0.4) million were provided.

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

On the balance sheet date, there were receivables of € 0.2 (0.3) million outstanding from Südzucker AG and liabilities of € 4.2 (6.3) million outstanding to Südzucker AG in respect of the aforesaid related party transactions. Short-term financial assets held at Südzucker AG amounted to € 20.0 (financial liabilities: 31.0) 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 € 17.8 (11.7) million. In addition, services worth € 0.2 (0.3) million were provided.

Set against this, the CropEnergies Group received € 16.3 (17.9) million from the affiliated companies of Südzucker AG for supplies of goods. In addition, the CropEnergies Group received compensation payments of € 0.1 (0.2) million and service revenues of € 0.1 (0.2) million.

On the balance sheet date there were receivables of € 8.2 (10.1) million outstanding from the affiliated companies of Südzucker AG and liabilities of € 10.4 (9.6) million outstanding to Südzucker AG in respect of the aforesaid related party transactions. Financial liabilities due to the affiliated companies of Südzucker AG were completely reduced to € 0 (34.0) 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 2017/18 financial year.

Report on events after the balance sheet date

Since 31 May 2017, 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.

Mannheim, 3 July 2017

CropEnergies AG

The Executive Board

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

Financial calendar

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