3rd Quarterly Report 2015|2016

July 1, 2015, to March 31, 2016

SEEDING
THE FUTURE
SINCE 1856

KWS

KWS Update – 3rd Quarter of 2015/2016

Economic environment

- Regional reductions in crop areas for corn and cereals
- High levels of supply and low prices for agricultural raw materials
- Currencies in South America and Eastern Europe remain weak

Earnings

- Consolidated net sales increase by 7% in the first nine months
- All segments post growth in net sales
- Currency effects and planned increase in costs impact net income for the period – EBIT down year on year

Guidance

- Net sales growth to remain at 5% to 10%
- EBIT margin of at least 10%
- R&D intensity of about 17%
- Capital expenditure > €100 million

The KWS Group at a glance

		1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Net sales and income			
Net sales	in € millions	833.2	777.8
EBIT	in € millions	128.7	140.1
Net income for the period	in € millions	96.6	103.2
Capital expenditure			
Capital expenditure on property, plant and equipment	in € millions	41.0	69.7
Capital expenditure on intangible assets	in € millions	26.6	25.6
Investments in financial assets	in € millions	0.7	0.3
Total capital expenditure	in € millions	68.3	95.6
Depreciation, amortization and write-downs	in € millions	35.6	29.8
Capital structure			
Total assets	in € millions	1,603.4	1,581.5
Equity	in € millions	796.0	789.0
Equity ratio	in %	49.6	49.9
Net borrowings	in € millions	175.2	177.7
Net borrowings as a % of equity (gearing)	in %	22.0	22.5
Employees in the KWS Group		4,903	4,753

Interim group management report

Change in accounting

We changed the presentation of the KWS Group's financial reports at the beginning of fiscal 2014/2015 due to an amendment to the International Financial Reporting Standards (IFRS 11). The main change is that we can no longer carry the net sales and costs of our 50:50 joint ventures which are operated in the Corn Segment in the statement of comprehensive income in the KWS Group, so the KWS Group's reported net sales and EBIT are lower by the contribution made by them. The contributions to earnings from our 50:50 joint ventures are instead included in net financial income/expenses. In addition, the associated assets are included in the KWS Group's balance sheet as equity-accounted financial assets in accordance with the new accounting regulations. This change also means that there are changes in a number of key ratios, such as the R&D intensity.

Business performance

Overall economic environment
The overall economic environment did not change significantly from that reported in the Semiannual Report and was still challenging. The economic situation in Brazil, one of our growth regions, remained strained in the third quarter, with the Brazilian real still subject to large fluctuations in its exchange rates. However, exchange rates also influenced our business performance outside South America. For example, the in some cases sharp depreciation in the currencies of Russia, Ukraine and Turkey had a negative impact, while the appreciation of the US dollar helped our business in North America. All in all, however, the negative currency effects outweighed the positive ones in terms of impact on net sales. Prices for agricultural raw materials also did not recover given that levels of supply remained almost the same.

Latest developments in the third quarter
Particularly in today's difficult market environment, we need to secure and expand our good competitive position in all regions with seed of a top-class quality. To win over customers with high-yielding varieties and innovative products, we therefore increased our expenditure on research and breeding as planned. In addition, we are expanding our research & development facilities in Germany by building a greenhouse and a new breeding station. We have also further expanded our global distribution network as planned. In doing so, we have been able to increase our share in just about all markets, despite the fact that there were in some cases sharp reductions in cultivation area.

Earnings, financial position and assets

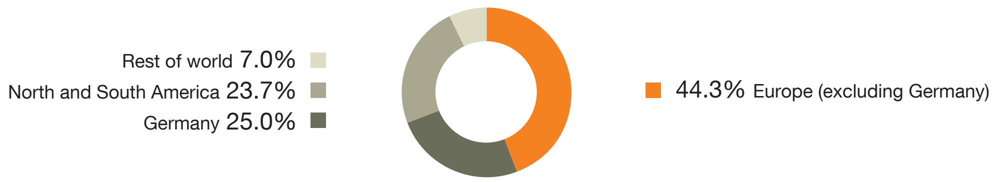
Earnings

Abridged income statement

in € millions	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Net sales	833.2	777.8
Operating income (EBIT)	128.7	140.1
Net financial income/expenses	14.4	7.6
Result of ordinary activities	143.1	147.7
Income taxes	46.5	44.5
Net income for the period	**96.6**	**103.2**
Earnings per share (€)	**14.63**	**15.30**

Growth in net sales in all product segments
The KWS Group increased its net sales in the first nine months of fiscal 2015/2016 to €833.2 (777.8)[1] million or by 7.1% year on year. All the product segments contributed to this growth, although the main drivers were the Sugarbeet and Corn Segments.

Net sales by region (1st – 3rd quarter 2015/2016)



Planned increases in costs reduce net income for the period
Operating income (EBIT) at the end of the third quarter was €128.7 (140.1) million, a drop of 8.1% year on year. As already described in the Semiannual Report, this was mainly impacted by the targeted increase in costs for distribution and research & development totaling around €21 million. Moreover, the higher cost of sales reduced operating income and counteracted the growth in net sales.

However, net financial income/expenses rose sharply by 89.5% in the period under review to €14.4 (7.6) million. This increase is mainly attributable to the rise in net income from equity investments, which was impacted in part by early seed sales in the third quarter. The net income for the period totaled €96.6 (103.2) million, corresponding to earnings per share for the period of €14.63 (15.30).

1 The figures in parentheses are those for the previous year.

Segment report

In the segment report, we present our business performance in accordance with our corporate controlling structure. That means that the revenue and expenses for our 50:50 joint ventures whose business is managed in the Corn Segment are shown proportionately in accordance with the stake in them. Consequently, the net sales and EBIT at the Group level in the table below differ from the net sales disclosed in the statement of comprehensive income. The reconciliation shows this difference.

Net sales

in € millions	3rd quarter 2015/2016	3rd quarter 2014/2015	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Corn	532.8	497.2	648.5	596.9
Sugarbeet	284.5	259.7	331.4	288.6
Cereals	18.3	14.5	104.3	98.2
Corporate	0.7	0.8	3.3	3.4
Net sales	**836.3**	**772.2**	**1,087.5**	**987.1**
Reconciliation	–222.6	–188.3	–254.3	–209.3
Net sales according to statement of comprehensive income	**613.7**	**583.9**	**833.2**	**777.8**

EBIT

in € millions	3rd quarter 2015/2016	3rd quarter 2014/2015	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Corn	158.7	151.0	71.4	87.8
Sugarbeet	136.9	130.8	108.3	88.6
Cereals	–2.3	–2.8	16.7	20.9
Corporate	–10.5	–7.9	–43.4	–40.5
Operating income	**282.8**	**271.1**	**153.0**	**156.8**
Reconciliation	–47.8	–34.1	–24.3	–16.7
Operating income according to statement of comprehensive income	**235.0**	**237.0**	**128.7**	**140.1**

Corn Segment

Despite the still strained economic situation and declines in cultivation area in many regions, the Corn Segment grew its net sales in the first three quarters to €648.5 (596.9) million, an increase of 8.6% over the previous year. Specifically in South America, we were again able to increase net sales sharply and, despite the depreciation of the Brazilian real, net sales in Brazil grew in euro terms. Business in North America, helped in part by exchange rate effects, and the positive trend in rapeseed business in Europe also contributed to the rise in net sales. We were largely able to defend our market shares in Europe, despite regional drops in net sales, such as in France. In Germany, we even managed to grow net sales slightly. Net sales in euro terms were impacted negatively by the depreciation of local currencies, especially in Eastern and Southeastern Europe. The planned high level of expenditure for expanding distribution and intensifying breeding work, acquisition of the remaining shares in RIBER KWS SEMENTES in Brazil, lower reversals of provisions than in the previous year and exchange rate effects meant that the segment's income at the end of the third quarter was down year on year at €71.4 (87.8) million.

Sugarbeet Segment
Net sales at the Sugarbeet Segment rose in the first nine months of the current fiscal year by 14.8% to €331.4 (288.6) million. We were able to grow our net sales under difficult conditions in many markets. Our convincing variety performance won market share in Eastern Europe and Turkey in particular. As a result, the negative exchange rate effects in these two regions were more than offset. The positive trend in North America was also helped by the positive exchange rate effect. Following the reductions in area in previous years, 2016 again saw an increase in cultivation area in Europe, resulting in higher market shares – especially in the UK – and an increase in net sales. The segment's income rose by 22.2% to €108.3 (88.6) million, mainly due to the growth in net sales, positive currency effects from the performance of the US dollar and lower write-downs of receivables than in the previous year.

Cereals Segment
Cultivation area for hybrid rye continued to decline in our core markets as a result of high inventories, low world market prices for cereals and the poorer price for rye relative to wheat. Despite this difficult market situation, the segment's net sales after the first nine months of the fiscal year were €104.3 (98.2) million and thus slightly up year on year. This increase is largely attributable to the acquisition of the remaining shares in MOMONT (SOCIETÉ DE MARTINVAL S.A.) last year and the positive net sales trend for winter barley. Due to the increased expenditure on research & development and distribution in line with planning, as well as the lower contribution margin from hybrid rye business, the segment's income after the third quarter was €16.7 million and thus below that of the previous year (€20.9 million).

Corporate Segment
Net sales in the Corporate Segment are generated primarily by our farms and in the first nine months of the fiscal year were €3.3 (3.4) million. Since all cross-segment costs for the central functions of the KWS Group and basic research expenditure are allocated to this segment, its income is usually negative. It was € –43.4 (–40.5) million at the end of the period under review.

Financial situation

Abridged cash flow statement

in € millions	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Cash and cash equivalents at March 31	98.8	85.1
Net cash from operating activities	23.7	–47.2
Net cash from investing activities	–74.8	–93.9
Net cash from financing activities	43.3	95.6

The net cash from operating activities in the first nine months of the fiscal year was €23.7 (€ –47.2) million, a year-on-year increase of €70.9 million. This increase is mainly due to the lower funds tied up in inventories. The net cash from investing activities fell to € –74.8 (–93.9) million. The positive net cash from financing activities fell year on year by €52.3 million. The main factors in this were, as described in the Semiannual Report, the issue of a new borrower's note loan for €70 million and exercise of the option to buy the remaining shares in RIBER KWS SEMENTES, as well as the lower volume of new short-term loans we raised.

All in all, cash and cash equivalents at the end of the period under review were €98.8 (85.1) million, a year-on-year increase of €13.7 million.

Capital expenditure

in € millions	3rd quarter 2015/2016	3rd quarter 2014/2015	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Total	**13.7**	**18.3**	**67.6**	**95.3**
Corn	7.5	6.2	45.3	25.2
Sugarbeet	2.5	7.1	8.3	16.1
Cereals	0.8	2.6	5.9	43.1
Corporate	2.9	2.4	8.1	10.9

Up to the end of the third quarter, KWS invested €67.6 (95.3) million in property, plant and equipment and intangible assets. 55.8% of this was in Germany, 28.9% in Europe (excluding Germany), 12.9% in North and South America and the remaining 2.4% in the rest of the world.

As noted in the Semiannual Report, the large volume of investment in the Corn Segment is attributable to the licensing agreement for corn traits that was concluded in October 2015. The volume of investment was markedly higher in the previous year, in particular as a result of the acquisition of cereal business in France (MOMONT). Total capital expenditure by the KWS Group, including financial investments, was €68.3 (95.6) million. Depreciation, amortization and write-downs were €35.6 (29.8) million.

Assets

Abridged balance sheet

in € millions	March 31, 2016	June 30, 2015
Assets		
Noncurrent assets	663.6	651.4
Current assets	939.8	704.1
Equity and liabilities		
Equity	796.0	738.7
Noncurrent liabilities	374.3	334.9
Current liabilities	433.1	281.9
Total assets	**1,603.4**	**1,355.5**

Total assets increased from June 30, 2015, to March 31, 2016, to €1,603.4 (1,355.5)[2] million. A considerable factor in this rise were receivables, which at the end of the period under review totaled €509.3 (309.7) million. Higher receivables can regularly be observed at KWS at the end of the third quarter and reflect the seasonal course of our business. The equity ratio at March 31, 2016, was 49.6% (54.5%). Net financial debt fell only slightly year on year from €177.7 million to €175.2 (105.9) million.

2 The figures in parentheses in this section are those at June 30, 2015.

Employees

Employees by region[3]

	March 31, 2016	March 31, 2015
Germany	1,875	1,849
Europe (excluding Germany)	1,368	1,356
North and South Amerika	1,509	1,394
Rest of world	151	154
Total	**4,903**	**4,753**

3 Headcount on the reporting date.

At March 31, 2016, we had 4,903 (4,753) employees worldwide. Including the associated companies, that number was 5,468 (5,277).

Report on events after the balance sheet date

In the future, KWS intends to focus fully on breeding hybrid potatoes and has sold its conventional seed potato business to Stet Holland B.V. This sale comprises variety and breeding material for producing French fries and chips, as well as ware potatoes for traditional export markets. An agreement to that effect was signed on April 11, 2016. The sale is expected to be completed by mid-2016. Due to the fact that we already intended to sell this business in the third quarter, the noncurrent assets held for sale in accordance with IFRS 5 are carried separately in the balance sheet.

Opportunity and risk report

There has been no significant change in the situation as to opportunities and risks compared with at June 30, 2015. Risks that jeopardize the company's existence are not currently discernible.

You can find detailed information on the risk management system and the risk situation at the KWS Group in the Management Report in the section “Opportunity and risk report” beginning on page 55 of the 2014/2015 Annual Report.

Forecast report

Forecast for the KWS Group's statement of comprehensive income

After the first nine months, we are confident of achieving our net sales target in the current fiscal year 2015/2016 and still expect them to increase by 5% to 10%. The anticipated figure for net sales in the Sugarbeet Segment was raised slightly again compared with the first half of the year, while corn business will probably grow a little more weakly than originally expected. However, we still expect an EBIT margin of at least 10% for the KWS Group. Our research & development expenditure will be around 17% of net sales at the end of the fiscal year. Capital expenditure will again exceed €100 million this fiscal year, due to expansion of our research and production structures and the acquisition of trait technology in the first quarter.

Forecast for segment reporting[4]

In the **Corn Segment**, net sales in Europe due to the strained competitive situation will be lower than anticipated. France and Central and Eastern Europe are particularly affected by that. Currency effects from South America, Eastern Europe (especially Russia and Ukraine) and Turkey will have a negative impact on net sales. Even though we had to slightly reduce our growth targets again due to the difficult environment, following the first nine months of the fiscal year we still expect sales growth of 5% to 6%. The segment income at the end of the fiscal year will show the planned higher expenditure on expanding research & development and distribution. In addition, currency effects, extreme weather conditions, exercise of the option to buy the remaining shares in RIBER KWS SEMENTES and the acquisition of trait technology will have a negative impact on the segment's income. We therefore anticipate that the segment's EBIT margin will fall slightly year on year to around 8%.

In the **Sugarbeet Segment**, we have revised our expectations slightly upward after the first nine months of the fiscal year due to our gratifying performance and now anticipate net sales for the segment to grow by around 10%. In particular North America, helped in part by the US dollar, will make a significant increase to growth in net sales. Despite difficult market conditions, we expect net sales to increase in the EU and Eastern Europe due to the expansion in cultivation area in some cases and gains in market share. Despite sale of the seed potato operations, the segment's income will likewise improve and the EBIT margin is expected to be around 25%.

We expect the **Cereals Segment** to grow its net sales slightly by around 5% for the current fiscal year as a whole. This is mainly due to last year's acquisition of MOMONT and the rise in sales revenues from winter barley. As a result of the expansion of research & development and distribution in line with planning, as well as the lower contribution margin from hybrid rye and wheat business, the segment's EBIT margin will be around 8%.

At the **Corporate Segment**, we still expect stable net sales from our farms. Due to the fact that all cross-segment costs are allocated to it, the segment's income is usually negative and will be about €–55 (–51) million at the end of the fiscal year.

4 The segment reporting includes the net sales and contributions to earnings from our 50:50 joint ventures in accordance with our internal corporate controlling structure.

Abridged interim consolidated financial statements

Statement of comprehensive income

in € millions	3rd quarter 2015/2016	3rd quarter 2014/2015	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Net sales	613.7	583.9	833.2	777.8
Operating income	235.0	237.0	128.7	140.1
Net financial income/expenses	43.1	29.0	14.4	7.6
Result of ordinary activities	278.0	265.9	143.1	147.7
Income taxes	85.7	82.6	46.5	44.5
Net income for the period	**192.4**	**183.3**	**96.6**	**103.2**
of which shareholders of KWS SAAT SE	191.8	181.3	96.6	101.0
of which minority interest	0.6	2.0	0.0	2.2
Earnings per share (€)	29.05	27.47	14.63	15.30
Net income for the period	**192.4**	**183.3**	**96.6**	**103.2**
Revaluation of available-for-sale financial assets	–0.3	0.0	–0.3	0.0
Currency translation difference for economically independent foreign entities	–8.5	24.5	–16.1	36.4
Currency translation difference of equity-accounted financial assets	–4.8	15.3	–2.8	25.5
Items that may have to be subsequently reclassified as profit or loss	–13.6	39.8	–19.2	61.9
Revaluation of net liabilities/assets from defined benefit plans	0.0	0.0	0.0	0.0
Items not reclassified as profit or loss	0.0	0.0	0.0	0.0
Other comprehensive income after taxes	–13.6	39.8	–19.2	61.9
Comprehensive income for the period	**178.8**	**223.1**	**77.3**	**165.1**
of which shareholders of KWS SAAT SE	178.2	222.6	78.0	165.0
of which minority interest	0.6	0.5	–0.7	0.1

Balance sheet

Assets

in € millions	March 31, 2016	June 30, 2015	March 31, 2015
Intangible assets	96.1	85.7	89.8
Property, plant, and equipment	359.5	351.9	337.3
Equity-accounted financial assets	149.0	153.0	141.3
Financial assets	2.7	2.5	2.7
Noncurrent tax assets	3.2	4.0	3.3
Deferred tax assets	53.1	54.3	68.0
Noncurrent assets	**663.6**	**651.4**	**642.4**
Inventories and biological assets	217.9	190.3	227.2
Trade receivables	509.3	309.7	512.0
Marketable securities	8.2	67.0	29.4
Cash and cash equivalents	90.6	41.2	55.7
Current tax assets	50.6	57.5	48.2
Other current assets	59.2	38.4	66.6
Noncurrent assets held for sale	4.0	0.0	0.0
Current assets	**939.8**	**704.1**	**939.1**
Total assets	**1,603.4**	**1,355.5**	**1,581.5**

Equity and liabilities

in € millions	March 31, 2016	June 30, 2015	March 31, 2015
Subscribed capital	19.8	19.8	19.8
Capital reserve	5.5	5.5	5.5
Retained earnings	768.3	705.7	755.5
Minority interests	2.4	7.7	8.2
Equity	**796.0**	**738.7**	**789.0**
Long-term provisions	113.6	110.6	97.9
Long-term borrowings	219.5	181.8	189.8
Trade payables	1.4	1.6	1.6
Deferred tax liabilities	24.4	28.1	32.3
Other long-term liabilities	15.4	12.8	13.0
Noncurrent liabilities	**374.3**	**334.9**	**334.6**
Short-term provisions	112.8	87.4	101.3
Short-term borrowings	54.5	32.3	73.0
Trade payables	104.4	59.7	120.5
Current tax liabilities	68.9	30.1	80.0
Other liabilities	92.5	72.4	83.1
Current liabilities	**433.1**	**281.9**	**457.9**
Liabilities	**807.4**	**616.8**	**792.5**
Total equity and liabilities	**1,603.4**	**1,355.5**	**1,581.5**

Statement of changes in equity

Changes in equity

in € millions	Group interests	Minority interests	Group equity
Balance as at June 30, 2014	**629.7**	**8.1**	**637.8**
Dividends paid	–19.8	0.0	–19.8
Net income for the year	101.0	2.2	103.2
Other comprehensive income after taxes	64.0	–2.1	61.9
Total comprehensive income	165.0	0.1	165.1
Changes in minority interests	0.0	0.0	0.0
Other changes	5.9	0.0	5.9
Balance as at March 31, 2015	**780.8**	**8.2**	**789.0**
Balance as at June 30, 2015	**731.1**	**7.7**	**738.7**
Dividends paid	–19.8	–0.2	–20.0
Net income for the year	96.6	0.0	96.6
Other comprehensive income after taxes	–18.5	–0.7	–19.2
Total comprehensive income	78.0	–0.7	77.3
Changes in minority interests	4.3	–4.3	0.0
Other changes	0.0	0.0	0.0
Balance as at March 31, 2016	**793.6**	**2.4**	**796.0**

Cash flow statement

July 1 to March 31

in € millions	1st–3rd quarter 2015/2016	1st–3rd quarter 2014/2015
Net income for the period	**96.6**	**103.2**
Cash earnings	**108.8**	**102.7**
Funds tied up in net current assets	–85.1	–149.9
Net cash from operating activities	**23.7**	**–47.2**
Net cash from investing activities	**–74.8**	**–93.9**
Net cash from financing activities	**43.3**	**95.6**
Change in cash and cash equivalents	–7.8	–45.5
Cash and cash equivalents at beginning of period (July 1)	108.2	122.3
Changes in cash and cash equivalents due to exchanging rate, consolidated group and measurement changes	–1.6	8.3
Cash and cash equivalents at end of period (March 31)	**98.8**	**85.1**

Abridged notes to the interim financial statements

Basis of accounting and reporting

The KWS Group is a consolidated group as defined in the International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board (IASB), London, taking into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All disclosures on KWS are therefore disclosures on the Group within the meaning of these regulations. Income taxes were calculated on the basis of the individual country-specific income tax rates, taking account of the planning for the fiscal year as a whole. The abridged interim financial statements of the KWS Group as of March 31, 2016, were prepared in accordance with IAS 34. Exactly the same accounting methods applied in the preparation of the consolidated financial statements as of June 30, 2015, were used. The explanations in the Notes to the annual financial statements as of June 30, 2015, on pages 88 to 93 of the Annual Report therefore apply accordingly. The 2014/2015 Annual Report of the KWS Group can be read and downloaded at www.kws.com/ir.

Consolidated group and changes in the consolidated group

The abridged interim financial statements of the KWS Group for the first three quarters of fiscal year 2015/2016 include the single-entity financial statements of KWS SAAT SE and its subsidiaries in Germany and other countries, as well as joint ventures and associated companies. A subsidiary is included if KWS SAAT SE directly or indirectly controls more than 50% of the voting rights in it. Joint ventures are carried according to the equity method using IFRS 11 and IAS 28. Subsidiaries and joint ventures that are considered immaterial for the presentation and evaluation of the financial position and performance of the Group are not included.

The number of companies consolidated in the KWS Group fell by three compared with at June 30, 2015. First, there was the merger of KWS MAIS GMBH with KWS SAAT SE on November 2, 2015 (see the Semiannual Report). Second, the companies Société de Martinval S.A., Labogerm S.A.R.L. and Momont Hennette S.A. merged in February and now operate under the name KWS Momont S.A.S. In addition, the company Adrien Momont S.A.R.L. was renamed KWS Momont Recherche S.A.R.L. At March 31, 2016, a total of 59 companies were thus fully consolidated in the consolidated financial statements, while four joint ventures or associated companies were measured using the equity method.

Related parties

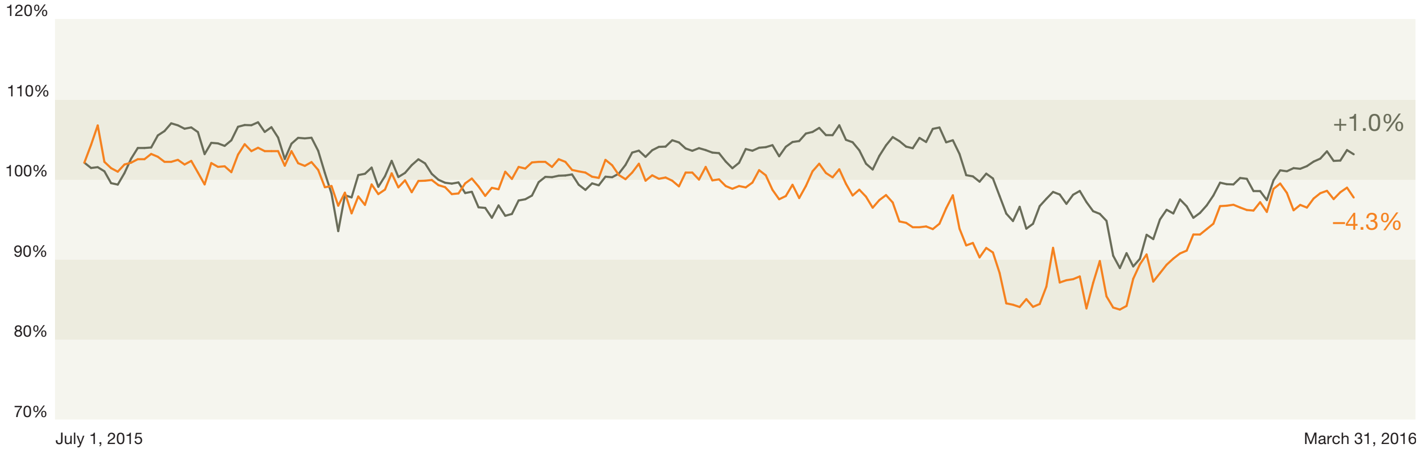
The related party disclosures in the 2014/2015 Annual Report and under “Other notes” in the section “Notes for the KWS Group” are essentially the same.

Einbeck, May 26, 2016
KWS SAAT SE
The Executive Board

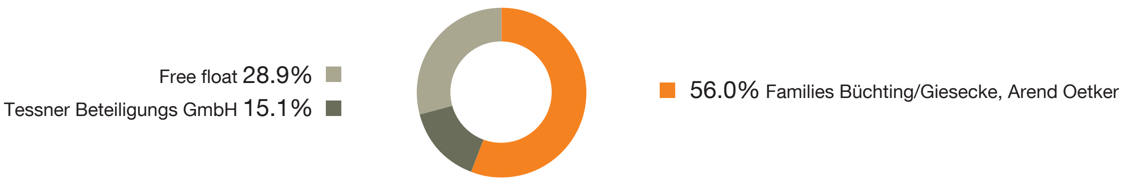
Hagen Duenbostel | Léon Broers | Peter Hofmann | Eva Kienle

Share

Share performance
July 1, 2015, to March 31, 2016, XETRA closing prices



Shareholder structure
Number of shares: 6,600,000



Key share data

KWS SAAT SE	
Securities identification number	707400
ISIN	DE0007074007
Stock exchange identifier	KWS
Transparency level	Prime Standard
Index	SDAX
Share class	Individual share certificates
Number of shares	6,600,000

Financial calendar

Date	
October 25, 2016	Publication of the 2015/2016 annual statements, Annual Press Conference and Analysts' Conference in Frankfurt
November 24, 2016	Report on the 1st quarter 2016/2017
December 15, 2016	Annual Shareholders' Meeting in Einbeck

Safe Harbor Statement

This document contains forward-looking statements about future developments based on the current assessments of management. These forward-looking statements may be identified by words such as “forecast,” “assume,” “believe,” “assess,” “expect,” “intend,” “can/may/might,” “plan,” “should” or similar expressions. These statements are subject to certain elements of uncertainty, risks and other factors that may result in significant deviations between expectations and actual circumstances. Examples of such risks and factors are market risks (such as changes in the competitive environment or risks of changes in interest or exchange rates), product-related risks (such as production losses as a result of bad weather, failure of production plants or quality-related risks), political risks (such as changes in the regulatory environment, including those with regard to the general regulatory framework for the cultivation of energy plants, or violations of existing laws and regulations, for example those regarding genetically modified organisms in corn seed) and general economic risks. Forward-looking statements must therefore not be regarded as a guarantee or pledge that the developments or events they describe will actually occur. We do not intend, nor do we assume any obligation, to update or revise these forward-looking statements, since they are based solely on circumstances on the day they were published.

This translation of the original German version of the 3rd Quarterly Report has been prepared for the convenience of our English-speaking shareholders. The German version is legally binding.

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