



PRESS RELEASE

Vienna, 7 September 2011

AGRANA decisively repudiates allegations of market manipulation asserted by AK

AGRANA decisively repudiates all accusations relating to alleged market manipulation as asserted by the Director of the Austrian Chamber of Labour (AK) earlier today.

The high sugar prices at present are neither entirely an Austrian development nor within the scope of influence of AGRANA. On the one hand, they are a consequence of the current high level of sugar prices on the global market and, on the other, due to the undersupply of sugar in the EU: Specifically given that, since the reform of the European Sugar Market Regime, the production of sugar in the EU in order to supply the EU market has been restricted to 13.3 million tonnes. The requirements, however, presently amount to around 17.3 million tonnes. The shortfall has to be imported from the global market as a result of which the price level on the global sugar market has a direct impact on sugar prices in Europe. As the Director of the AK mentioned in his statement, the enormous increase in market speculation has also played a role in the current high level of sugar prices on the global market.

The EBIT generated by the Sugar segment in the past three years in actual fact amounts to around € 64.0m, with this figure also taking into account the activities of the Group's Eastern European subsidiaries. The EBIT-margin is therefore equivalent to an average of 3.1%.

This press release is available in German and English at www.agrana.com.