



Press release

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Tereos Europe €500,000,000 6 ³/₈% Senior Notes due 2014

For the three month period ending December 31st, 2009

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Q1 2009/10 RESULTS
(Non-audited figures)

REVENUE OF €695 MILLION, UP 4.1%
EBITDA OF €133 MILLION, UP 9.4%

NET DEBT DOWN 11.3%

Key financial and operational highlights:

- **Net Revenue** of €695 million up 4.1% in Q1 2009/10 versus Q1 2008/09, due to higher volumes in EU (sugar, starch & alcohol) and higher prices in Brazil
- Higher **Sugar Sales** (+13.2%), **Alcohol Sales** (+7.9%), and **Starch Sales** (+3.7%) compared to Q1 2008/09
- **EBITDA** rose 9.4% to €133 million, with an EBITDA margin of 19.1% in Q1 2009/10, one point higher than in Q1 2008/09 (18.2%)
- **Sugar & Alcohol EBITDA in Europe** up 21.5% versus Q1 2008-09
- **Net Debt (IFRS basis)** reduced by 11.3% to €1,828 million at December 31, 2009 versus €2,062 million at December 31, 2008

Q1 2009/10 OVERVIEW

Financial Highlights			
€ Million	2009/10	2008/09	Variation
Net Revenues	695.2	667.5	+4.1%
EBITDA (before price complements)	133.1	121.6	+9.4%
EBITDA Margin	19.1%	18.2%	+ 0.9 point
Net Debt	1 828.2	2 061.6	-11.3%
Sugar sales ('000 t)	795	703	+13.2%
Alcohol sales ('000 m³)	380	329	+7.9%
Starch & glucose sales (000 t)	312	301	+3.7%

Price complements: We pay to our cooperative member a price complement based on the amount of sugarbeet supplied to Tereos France. Price complement is proposed by our Executive Board and voted by Tereos Supervisory Board. Price complement payments are now linked to Tereos France results. Unlike dividends, which are paid in proportion to share capital, price complements will continue to be paid based on the amount of sugarbeet delivered. As a result, we consider Price complement as payment for the purchase of raw materials and recognize it in our financial statements in the line item "Purchases and changes in inventory", above operating income. However, in order to have comparable financial statements with non cooperative companies, we calculate our EBITDA, during the periods under review by adding back the price complement.

NET REVENUES

Tereos posted total revenues of €695.2 million for the three months ended December 31, 2009 compared with €667.5 million for the three months ended December 31, 2008.

Net revenues for our European activities were stable while Brazil & Rest of the world increased by €27.5 million (+23.2%):

€ million	Q1 2009/10	Q1 2008/09	Variation	%
Sugar & Alcohol in EU	360.4	322.0	+38.4	+11.9%
Western Europe	297.0	266.3	+30.7	+11.5%
Eastern Europe	54.5	44.8	+9.7	+21.7%
Reunion Island	8.9	10.9	-2.0	-18.3%
Starch Products in Europe	189.0	227.2	-38.2	-16.8%
Sugar & Alcohol in Brazil	145.8	118.3	+27.5	+23.2%
Total	695.2	667.5	+27.7	+4.1%

Sugar and Alcohol revenues in Western Europe (+11.5%): Increase due to sugar sales out of quota and alcohol

Sugar & Alcohol sales in Western Europe for the three month period ended December 31, 2009 totalled €297.0 million, compared with €266.3 million for the three months ended December 2008.

The €30.7 million increase in net revenues is mainly due to:

- Volumes impact : +22.5%, due to sugar sales out of quota (strong increase linked to the historical high crop) and alcohol sales (alcohol market is improving while ethanol market is steady).
- Price/product mix impact : -11.0% due to lower prices for sugar under quota for Q1 2009-10 compared with Q1 2008-09 as a result of the EU sugar reform; alcohol market is improving but prices are still lower than during Q1 2008-09,

Sugar and Alcohol revenues in Eastern Europe (+21.7%): Strong increase due to sugar sales out of quota and alcohol

Total Sugar & Alcohol sales in Eastern Europe for the three month period ended December 2009 was €54.5 million, compared with €44.8 million for the three months ended December 2008.

This increase by 21.7% (€9.7 million) is the cumulative consequence of :

- Volumes impact : +31.4% due to sugar sales out of quota and alcohol sales,
- Price/product mix impact : -7.8% due to lower prices for sugar under quota as a result of EU sugar reform,
- Exchange rate impact : -1.9%

Starch sales in Europe (-16.8%): Decrease in prices

Starch sales in Syral for the three month period ended December 31, 2009 reached €189.0 million, compared with €227.2 million for the three months ended December 31, 2008.

This decrease by 16.8% (€38.2 million) is the cumulative consequence of :

- Volumes impact : +4.6%, supported by an improving starch market,
- Price/product mix impact: -21.4% due to lower prices for sweeteners as a result of the EU sugar reform, and the decline of grains prices (Q1 2009-10 compared with Q1 2008-09).

Sugar and Alcohol revenues in Brazil (+23.2%): Increase in sugar prices

Total Sugar & Alcohol sales in Brazil (incl. Mozambique) for the three month period ended December 31, 2009 was €145.8 million, compared with €118.3 million for the three months ended December 2008.

The increase in Brazil's turnover by 23.2% (€27.5 million) is due to :

- Volumes impact: -6.3%, linked to a reduction of total production by 11% due to unfavorable weather,
- Price/product mix impact: +12.5% supported by positive market fundamentals mainly for sugar but also for ethanol,
- Exchange rate impact : +17.0%

EBITDA (before price complements)

EBITDA totaled €133.1 million for the three months ended December 31, 2009 compared with €121.6 million for the three months ended December 31, 2008, a rise of 9.4%.

EBITDA for our European activities increased by €11.7 million (+12.1%) while Brazil & Rest of the world decreased by €0.2 million (-0.5%).

€ million	Q1 2009/10	Q1 2008/09	Variation	%
Sugar & Alcohol in EU	68.3	56.2	+12.1	+21.5%
Western Europe	57.6	49.2	+8.4	+17.0%
Eastern Europe	8.1	6.6	+1.5	+22.7%
Reunion Island	2.6	0.4	+2.2	-
Starch Products in Europe	28.6	29.0	-0.4	-1.4%
Sugar & Alcohol in Brazil	36.2	36.4	-0.2	-0.5%
Total	133.1	121.6	+11.5	+9.4%

EBITDA margin was 19.1% for the period compared to 18.2% for Q1 2008/09.

Sugar and Alcohol EBITDA in Western Europe (+17.0%): Increase due to sugar sales (under quota & out of quota)

Sugar & Alcohol EBITDA in Western Europe for the three month period ended December 31, 2009 totalled €57.6 million, compared with €49.2 million for the three months ended December 2008.

The increase in EBITDA of €8.4 million is due to improved margin for sugar under quota and high margin for exports of sugar out of quota.

Sugar and Alcohol EBITDA in Eastern Europe (+22.7%): Strong increase due to improved margins on sugar sales under quota and alcohol

Total Sugar & Alcohol EBITDA in Eastern Europe for the three month period ended December 2009 was €8.1 million, compared with €6.6 million for the three months ended December 2008.

This increase by €1.5 million is due to the increase in margin both on sugar sales under quota and in alcohol.

Starch EBITDA in Europe (-1.4%) : strong resilience of margins in a context of decreasing prices and grain costs

Syrals' EBITDA for the three month period ended December 31, 2009 reached €28.6 million, compared with €29.0 million for the three month ended December 31, 2008.

Despite the significant decrease in prices (-21.4%), margins have been stabilized (-€0.4 million).

Sugar and Alcohol EBITDA in Brazil (-0.5%): stable, despite lower sales

Total Sugar & Alcohol EBITDA in Brazil (incl. Mozambique) for the three month period ended December 31, 2009 was €36.2 million, compared with €36.4 million for the three months ended December 2008.

We confirm our EBITDA guidance for 2009-10 will be above €500 million.

NET FINANCIAL EXPENSES

Our net financial expense decreased by €6.9 million, from a loss of €27.5 million for three month period ended December 31, 2008 to a loss of €20.6 million for the three month period ended December 31, 2009, in line with the decrease of our net financial debt from €2,061.6 million at December 31, 2008 to €1,828.2 million at December 31, 2009.

CAPEX

For the three months ended December 31, 2009, our capital expenditures were €36 million, compared with €23 million at the end of December 2008.

NET DEBT

Our net financial debt at the end of December, 2009 was €1,828.2 million compared with €2,061.6 million at the end of December 2008: the net debt has been reduced by €233.4 million (-11.3%).

At year end, Tereos' cash position was a positive € 104.2 million.

The analysis of the net debt can be summarized as follows:

	Short Term	Medium & Long Term	Total	Adj. Fair Value	Cash	Net Debt
Overdraft	19.9	0.0	19.9	0.0	24.9	(5.0)
Revolving Credit facility	10.0	0.0	10.0	0.0	0.0	10.0
Term Loan	80.0	224.4	304.4	-0.1	0.0	304.3
High Yield Bond	0.0	500.0	500.0	6.3	0.0	506.3
Subordinated Loan	0.0	103.7	103.7	0.0	0.0	103.7
Debentures Loan	1.8	10.2	12.0	0.0	0.0	12.0
Others Debt	3.0	7.8	10.8	0.0	0.0	10.8
Total Tereos France	114.7	846.1	960.7	6.2	24.9	942.1
Berneuil Participation	12.5	75.0	87.5	0.0	0.0	87.5
TTD	37.3	23.5	60.8	0.0	8.1	52.7
SYRAL	152.8	168.3	321.1	0.8	1.8	320,1
BENP	34.3	101.4	135.7	1.0	22.1	114,6
DVO	0.0	0.0	0.0	0.0	0.0	0.0
Guarani (Brazil)	170.0	121.4	291.4	0.0	44.6	246.8
Guarani (Mozambique)	17.3	23.4	40.7	0.0	0.5	40.2
Bois Rouge (Réunion)	23.9	2.7	26.5	0.0	2.3	24.2
Total Net Debt	562.7	1,361.7	1,924.4	8.0	104.2	1,828.2

At December 31st 2009, the €842.9 million credit facility concluded with Calyon was drawn for €526.9 million.

At year end, €316 million are available from the credit facilities with Calyon, plus €104.2 million in our operating subsidiaries.

The unused credit lines cumulated with cash available at year end totalled €420.2 million.

CONTACTS

For further information, please contact:

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Tereos is an agro-industrial cooperative group with 13,000 employees that processes sugar beet, sugar cane and grains into sugars and alcohols. We operate 32 industrial facilities in Europe, Brazil and Africa. In 2009, Tereos produced 2.8 million tons of sugar, 1.3 million tons of starch products and 1.4 million of cubic meters of alcohol and ethanol. With revenues of €3,309.2 million and EBITDA (before price complement) of €429.0 million for the 2009 financial year, we are one of the leading sugar, starch and ethanol producers in Europe and Brazil.

FINANCIAL CALENDAR

Q2 2009-2010 (January- March): Wednesday 30th June 2010

Q3 2009-2010 (April-June): Friday 13th August 2010

Annual 2009-2010: Friday 28th January 2011

APPENDICES

CONSOLIDATED SALES VOLUMES

	Q1 2009-10	Q1 2008-09
Sugar - Europe (000 tons)	359	323
Sugar - Brazil (000 tons)	204	187
Sugar - Rest of the world (000 tons)	232	193
Total sugar	795	703
Alcohol - Europe (000 cubic meters)	218	167
Alcohol - Brazil (000 cubic meters)	119	123
Alcohol - Rest of the world (000 cubic meters)	43	39
Total alcohol	380	329
Starch sales in Europe (000 tons dry material)	312	301
Total starch	312	301

REVENUE, EBITDA & NET DEBT

	December 31 2009			December 31 2008		
	€ million			€ million		
	Revenue	Ebitda	Net Debt	Revenue	Ebitda	Net Debt
Sugar & Alcohol in Europe	360.4	68.3	1 133.7	322.0	56.2	1 353.2
Sugar & Alcohol in Brazil	145.8	36.2	363.0	118.3	36.4	280.7
Starch Products in Europe	189.0	28.6	331.5	227.2	29.0	427.7
Total	695.2	133.1	1 828.2	667.5	121.6	2 061.6