



Press release

Lille, February 17th, 2011

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

For the three month period ending December 31st, 2010

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Q1 2010/11 RESULTS
(Non-audited figures)

REVENUE OF €986 MILLION, UP 29.8%
ADJUSTED EBITDA OF €178 MILLION, UP 31%
NET DEBT TO ADJUSTED EBITDA RATIO DOWN TO 3.47

Key financial and operational highlights:

- **Net Revenue** of €986 million up 29.8% in Q1 2010/11 on higher prices and volumes in Brazil and higher volumes in Indian Ocean
Revenues for Q1 2010-11 included the contributions of Mandu & Vertente, in Brazil and Groupe Quartier Français in La Réunion, which were acquired in 2010
 - **Adjusted EBITDA** rose 31% to €177.8 million, with an Adjusted EBITDA margin of 18% in 2010/11 vs. 17.9% in 2009/10.
 - **Strong growth in operational results** driven by the sugarcane division, up 116.4%, and continuing high sugarbeet results, up 10.8% quarter on quarter
 - **Net Debt** (excluding related parties) increased by 21% to € 2,212.1 million at December 31, 2010 versus 1,828.2 million at December 31, 2009 reflecting higher working capital levels, as well as the recent acquisition of Groupe Quartier Français
 - Net debt¹ to Adjusted EBITDA² ratio down to 3.47x at December 31, 2010 versus 4.03x at December 31, 2009.
 - Sale of the liquor division of the Groupe Quartier Français announced on February 8, 2011, still pending antitrust authorities approval
- (1) Excluding related parties (2) 12 month basis: January-December 2009 & January-December 2010

Q1 2010/11 OVERVIEW

Financial Highlights			
€ Million	Q1 2010/11	Q1 2009/10	Variation
Net Revenues	985.7	759.5	+29.8%
Adjusted EBITDA	177.8	135.8	+31.0%
Adjusted EBITDA Margin	18.0%	17.9%	+ 0.1 point
Net Debt (excluding related parties)	2,212.1	1,828.2	+21.0%
Net Debt to Adjusted EBITDA Ratio	3.47x	4.03x	-0.56
Sugar sales ('000 t)	984	761	+29.4%
Alcohol sales ('000 m³)	403	387	+4.1%
Starch & sweeteners sales (000 t)	398	392	+1.5%

EBITDA : Net income adjusted by net financial income (loss), income taxes, depreciation and amortization. In accordance with IAS 16, the Tereos Group considers intercampaign expenses (maintenance expenses on the production equipment) as an independent component that is booked as a tangible asset and amortized during the following year.

Adjusted EBITDA : EBITDA before price complements and excluding items from discontinued operations, accounting effect of the adjustment in the fair value of the biological assets and financial instruments.

Price complements : We pay to our cooperative member a price complement based on the amount of sugarbeet supplied to Tereos France. Price complement payments are linked to Tereos France results. Like dividends, price complements are proposed by our Executive Board and voted by Tereos Supervisory Board.. Unlike dividends, which are paid in proportion to share capital, price complements are paid based on the amount of sugarbeet delivered. Price complement are booked in our financial statements as payment for the purchase of raw materials and recognized in the line "Purchases and changes in inventory", above operating income. However, in order to have comparable financial statements with non cooperative companies, we calculate our Adjusted EBITDA, EBITDA, Operating Income, Income before interests, CFO and FFO during the periods under review by adding back the price complement.

NET REVENUES

Tereos posted total revenues of €985.7 million for the three months ended December 31, 2010 compared with €759.5 million for the three months ended December 31, 2009.

€ million	Q1 2010/11	Q1 2009/10	Variation	%
Sugarbeet Division	293.1	306.3	-13.2	-4.3%
Cereal Division	320.2	296.8	+23.3	+7.9%
Starch Europe	258.0	225.5	+32.5	+14.4%
Ethanol Europe	62.2	71.4	-9.1	-12.8%
Sugarcane Division	372.4	156.4	+216.0	+138.1%
Sugar & Ethanol Brazil	271.6	133.8	+137.7	+102.9%
Sugar Indian Ocean	100.8	22.6	+78.3	+346.9%
Total	985.7	759.5	+226.1	+29.8%

Sugarbeet Division : revenues -4.3%, Slight decrease due to lower non quota sugar sales

Sugarbeet division sales for the first quarter 2010-11 were down 4.3% to €293.1 million. This €13.2 million decrease in net revenues is mainly due to:

- Price/product mix impact : +0.8% with stable selling prices for sugar and ethanol on the European market
- Volumes impact : -5.8% due to the one-off EU export contingents last year (Q1 2009-10)
- Exchange rate impact : 0.7% due to the appreciation of the Czech Crown versus the Euro

Cereal Division : revenues +7.9% - Increase due to better co-products prices and first contribution of new contracts (starch & sweeteners)

Cereal division revenues for the first quarter 2010-11 rose 7.9% to €320.2 million.

This €23.3 million increase is the cumulative consequence of a 14.4% increase in the starch and sweeteners products, partially offset by a 12.8% decrease in the Alcohol/Ethanol sales for BENP-DVO.

Increase in starch revenues are mainly driven by :

- Price/product mix impact : +11.8% due to the positive effects of new selling contracts effective in the first quarter for starch & sweeteners combined with higher selling prices for co-products, in line with cereal price trends,
- Volumes impact : +2.6% mainly driven by co-products sales, in line with the volumes and mix of cereals ground.

Alcohol & Ethanol sales decreased by 12.8% of which 8.3% was attributable to a change in the co-product scope (for the first time this year, co-products were sold through Syral's sales department and are accounted in Syral "Other Revenues"). The remaining 4.5% variation resulted from a 15.6% volume reduction that more than offset an 11.1% price increase.

Sugarcane Division : revenues +138.1%, Increase due to recent acquisitions, as well as high sugar and ethanol prices

Sugarcane division sales for the first quarter 2010-11 rose 138.1% to €372.4 million. This €216.0 million increase results from:

Brazil: increase of €137.7 million

- Volumes impact: +69.7%, with the integration of Vertente and Mandu mills in Brazil and the expansion of Tanabi, Sao Jose and Cruz Alta factories,
- Price/product mix impact: +21.6% supported by positive market fundamentals for sugar and ethanol,
- Exchange rate impact : +11.7% due to the global appreciation of the Brazilian currency versus the Euro.

La Réunion: increase of €74.3 million

- Mainly due to the acquisition of Quartier Français and to the booking for this quarter of €24.4million related to the bagasse premium for the campaign 2010-11. 85% of the total is paid back to the third party suppliers as an increase in the sugarcane price.

Mozambique: increase of €4.0 million

- Revenue benefitted from increased production and favorable pricing, as well as the timing effect of the delayed beginning of this year's crop, which led to increase in sales in this first quarter.

Adjusted EBITDA

Adjusted EBITDA totalled €177.8 million for the three months ended December 31, 2010 compared with €135.8 million for the three months ended December 31, 2009, a rise of 31%.

€ million	Q1 2010/11	Q1 2009/10	Variation	%
Sugarbeet Division	64.7	58.4	+6.3	+10.8%
Cereal Division	26.5	38.1	-11.6	-30.5%
Starch Europe	21.4	30.9	-9.5	-30.7%
Ethanol Europe	5.1	7.2	-2.1	-29.7%
Sugarcane Division	85.1	39.3	+45.8	+116.4%
Sugar & Ethanol Brazil	65.9	43.7	+22.2	+50.8%
Sugar Indian Ocean	19.3	-4.4	+23.6	-
Other	1.5	0.0	+1.5	-
Total	177.8	135.8	+42.0	+31.0%

Adjusted EBITDA margin was 18.0% for the period compared to 17.9% for Q1 2009/10.

Sugarbeet Division : Adjusted EBITDA +10.8% - Increase due to sugar sales under quota and alcohol sales

The increase in Adjusted Ebitda of €6.3 million is due to improved commercial margins in the EU market for Q1 2010-11 vs. Q1 2009-10.

Cereal Division: Adjusted EBITDA -30.5%, continued to reflect impact of higher costs

Cereal Division Adjusted EBITDA for the first quarter 2010-11 was down 30.5% to €26.5 million. This €11.6 million decrease results from:

- Starch & sweeteners division: reflecting the lingering effect of surging wheat and corn prices and a 5% remaining increase in gas prices, partially mitigated by the sale of BENP Lillebonne co-products,
- Ethanol & Alcohol division: the reduction is mainly due to lower production resulting from the plant shut-down, causing higher industrial costs, and also an increase in energy costs. For the ethanol and alcohol production of this division, cereal prices did not impact COGS significantly as raw materials used for ethanol production are purchased through long term contracts with associated French cereal cooperatives and prices are based on BENP Lillebonne's selling prices.

Sugarcane Division : Adjusted EBITDA +116.4% - Positively impacted by the recent acquisitions and the increase in sugar & ethanol prices

Sugarcane Division Adjusted EBITDA for the first quarter 2010-11 rose 116.4% to €85.1 million. The €45.8 million increase results from:

- Brazil: revenues from organic growth and acquisitions as well as favorable product mix and high sugar & ethanol prices,
- La Réunion : acquisition of Groupe Quartier Français and increasing mix of value added sugar combined with higher prices,
- Mozambique: increased production and favorable pricing.

NET FINANCIAL EXPENSES

Our net financial expenses decreased by €3.3 million, from €20.6 million for the first quarter 2009-10 to €17.3 million for the first quarter 2010-11.

CAPEX

For the three months ended December 31, 2010, our capital expenditure were €53 million, compared with €36 million at the end of December 2009, mainly destined to the Brazilian activities of the Sugarcane Division (cogeneration investments), and to the starch & sweeteners activities of the Cereal Division, (new Selby plant of premium alcohol).

NET DEBT

Our net financial debt (excluding related parties) at the end of December, 2010 was €2,212.1 million compared to €1,828.2 million at the end of December 2009.

The increase by €383.9 million includes:

- The impact of the acquisition of Mandu and Vertente mill for R\$315.2 million in Brazil as well as the impact of Petrobras' first investment (capital increase) in Guarani (R\$683 million)
- The impact of the acquisition of Groupe Quartier Français (in La Réunion) for €251 million (€173 million for equity and €78 million of net debt (end of September 2010))
- The impact of the acquisition for €64 million of Tereos Participations shares owned by NECAP. Tereos financed this acquisition by issuing bonds redeemable in shares
- The impact of the repayment of €50 million bond by Syral

At year end, Tereos' cash position was a positive €186.4 million.

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

	Short Term	Medium & Long Term	Total	Accrued Interests	Cash	Net Debt	oct-10 sept-11	oct-11 sept-12	oct-12 sept-13	oct-13 sept-14	oct-14 sept-15	+
Overdraft	-1.9	0.0	-1.9	0.0	15.5	13.6	1.9	0.0	0.0	0.0	0.0	0.0
Revolving Credit facility	-240.0	0.0	-240.0	-0.2	0.0	-240.2	240.0	0.0	0.0	0.0	0.0	0.0
Term Loan	-95.0	-130.0	-225.0	-0.2	0.0	-225.2	95.0	30.0	30.0	70.0	0.0	0.0
High Yield Bond	0.0	-500.0	-500.0	-6.6	0.0	-506.6	0.0	0.0	0.0	500.0	0.0	0.0
Debentures Loan	-2.0	-11.0	-13.0	-0.6	0.0	-13.6	2.0	3.0	2.4	2.7	2.9	0.0
Others Debt	-2.1	-5.7	-7.8	0.0	0.0	-7.8	2.1	2.4	2.0	1.1	0.1	0.0
Total Tereos France	-341.0	-646.7	-987.7	-7.6	15.5	-979.8	341.0	35.4	34.4	573.8	3.0	0.0
TTD	-24.4	-6.6	-31.0	0.0	7.0	-24.0	24.4	6.6	0.0	0.0	0.0	0.0
Tereos Participations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tereos Agro Industrie	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tereos BENP	-1.3	0.0	-1.3	-0.6	0.0	-1.9	1.3	0.0	0.0	0.0	0.0	0.0
Tereos DVO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tereos Syral	-158.8	-16.1	-174.9	-0.1	15.6	-159.4	158.8	6.6	5.0	4.1	0.2	0.0
Tereos Océan Indien	-26.2	-15.2	-41.4	0.0	19.7	-21.7	26.1	1.9	1.4	1.2	9.8	0.9
Guarani (Brazil)	-363.8	-254.2	-618.0	0.0	87.6	-530.4	363.8	60.3	63.7	47.1	43.7	39.4
Guarani (Mozambique)	-7.1	-29.7	-36.8	0.0	0.0	-36.8	7.1	4.8	15.4	4.8	4.8	0.0
Tereos Internacional	-16.5	0.0	-16.5	0.0	0.2	-16.3	16.5	0.0	0.0	0.0	0.0	0.0
Tereos EU	-145.0	-245.0	-390.0	-0.2	0.5	-389.7	145.0	35.0	35.0	35.0	140.0	0.0
Quartier Français Group	-23.0	-69.4	-92.4	0.0	40.3	-52.1	23.0	11.7	14.0	10.6	8.1	24.9
Total Net Debt	-1 107.1	-1 282.9	-2 390.0	-8.5	186.4	-2 212.1	1 107.1	162.2	169.1	676.7	209.7	65.3

Note: €1,107.1 million with a maturity of less than one year, of which €371.5 million are renewable until 2014 (RCF syndicated facility) and €77.2 million renewable until August 2011 under the factoring programme for Syral.

Syndicated Loan Draw	Usable	Drawn	Undrawn
Term loan – Tereos	150.0	150.0	0.0
Term loan – Tereos EU	275.0	275.0	0.0
Revolving credit facility - Tereos	200.0	70.0	130.0
Revolving credit facility - Tereos Sucres (formerly Commerciale Tereos)	150.0	150.0	0.0
Revolving credit facility - Tereos Alcools (formerly Brabant)	50.0	20.0	30.0
Revolving credit facility - Tereos EU	175.0	115.0	60.0
Revolving credit facility - Tereos Internacional	53.4	16.5	36.9
Total	1,053.4	796.5	256.9

At December 31, 2010, the €1,053.4 million syndicated credit facilities were drawn for €796.5 million. Therefore €256.9 million remain available under these lines. Additional €111.5 million un-drawn lines were available, in our operating subsidiaries.

The unused credit lines cumulated with cash available at year end totalled €554.8 million (€420.2 million at December 31, 2009).

CONTACTS

For further information, please contact:

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Tereos is an agro-industrial cooperative group with 14,000 employees that processes sugar beet, sugar cane and grains into sugars and alcohols. We operate 33 industrial facilities in Europe, Brazil and Africa. In 2010, Tereos produced 3.6 million tons of sugar, 1.8 million tons of starch products and 1.8 million of cubic meters of alcohol and ethanol. With revenues of €3,529 million and EBITDA (before price complement) of €596 million for the 2010 financial year, we are one of the leading sugar, starch and ethanol producers in Europe and Brazil.

FINANCIAL CALENDAR

Q2 2010-2011 (January- March) : Thursday 30th June 2011

Q3 2010-2011 (April-June) : Monday 15th August 2011

Annual 2010-2011 : Friday 27th January 2012

APPENDICES

CONSOLIDATED SALES VOLUMES

	Q1 2010-11	Q1 2009-10
Sugar - Europe (000 tons)	433	470
Sugar - Brazil (000 tons)	424	267
Sugar – Indian Ocean (000 tons)	127	24
Total sugar	984	761
Alcohol - Europe (000 cubic meters)	239	267
Alcohol - Brazil (000 cubic meters)	164	120
Total alcohol	403	387
Starch & sweeteners sales in Europe (000 tons commercial basis)	398	392
Total starch & sweeteners	398	392