

Verbio

Responsible . Renewable . Refined . Biological . Innovative . Optimized

Group key figures

[in EUR million]

Profitability	Q1 2014/2015	Q2 2014/2015	Q3 2014/2015	9 M 2014/2015	Q1 2013/2014	Q2 2013/2014	Q3 2013/2014	9 M 2013/2014
Sales	162.1	145.7	139.6	447.4	211.9	208.3	152.9	573.1
EBITDA	14.1	11.8	12.2	38.1	10.2	11.3	7.4	28.9
EBIT	8.5	6.2	6.8	21.5	4.7	5.8	1.9	12.4
EBIT-margin (%)	5.2	4.3	4.9	4.8	2.2	2.8	1.2	2.2
EBT	7.7	5.3	5.1	18.1	3.8	5.0	0.9	9.7
period result	7.2	4.6	4.8	16.6	3.8	4.5	0.7	9.0
Earnings per share (EUR)	0.12	0.07	0.07	0.26	0.06	0.07	0.01	0.14
Operating data	Q1 2014/2015	Q2 2014/2015	Q3 2014/2015	9 M 2014/2015	Q1 2013/2014	Q2 2013/2014	Q3 2013/2014	9 M 2013/2014
Productions (tons)	173,060	170,188	166,974	510,222	153,134	156,283	157,449	466,866
Productions (MWh)	125,212	102,329	106,607	334,148	75,463	56,998	86,762	219,223
Utilization Biodiesel/ Bioethanol (%)	97.5	95.9	94.1	95.8	87.8	89.6	87.5	88.3
Utilization Biomethane (%)	104.3	85.3	88.8	92.8	75.5	57.0	72.3	68.5
Investments in property, plant and equipment	3.0	3.4	2.2	8.6	1.6	1.3	1.5	4.4
Number of employees ¹⁾	507	495	493	493	645	585	535	535
Net asset position	30.09.2014	31.12.2014	31.03.2015	31.03.2015	30.09.2013	31.12.2013	31.03.2014	
Net financial assets	-21.7	-20.3	-9.9	-9.9	-74.1	-55.9	-42.1	
Equity	192.5	196.6	200.6	200.6	183.0	187.1	187.9	
Equity ratio (%)	60.9	64.6	65.8	65.8	46.9	54.2	59.3	
Balances sheet total	315.9	304.2	304.7	304.7	390.5	345.1	317.1	
Financial position	Q1 2014/2015	Q2 2014/2015	Q3 2014/2015	9 M 2014/2015	Q1 2013/2014	Q2 2013/2014	Q3 2013/2014	9 M 2013/2014
Operating cash flow	3.9	10.3	10.6	24.8	11.0	32.4	15.5	58.9
Operating cash flow per share (EUR)	0.06	0.17	0.16	0.39	0.17	0.52	0.25	0.93
Cash and cash equivalents ¹⁾	31.9	28.7	27.7	27.7	30.7	25.1	16.9	16.9

¹⁾ at cutoff date

Segment key figures

[in EUR million]

	Q1 2014/2015	Q2 2014/2015	Q3 2014/2015	9 M 2014/2015	Q1 2013/2014	Q2 2013/2014	Q3 2013/2014	9 M 2013/2014
Biodiesel								
Sales	100.8	94.7	93.7	289.2	124.4	133.5	103.0	360.9
EBITDA	6.7	6.8	6.8	20.3	5.9	7.4	5.9	19.2
EBIT	5.4	5.6	5.5	16.5	4.6	6.1	4.7	15.4
Production (t)	108,896	109,058	109,909	327,863	103,364	106,158	105,078	314,600
Utilization (%)	96.8	96.9	97.7	97.1	91.9	94.4	93.4	93.2
Number of employees ¹⁾	108	105	106	106	111	107	103	103
Bioethanol (incl. Biomethane)								
Sales	59.2	48.9	43.3	151.4	80.4	70.6	46.4	197.4
EBITDA	7.1	4.4	4.9	16.4	5.4	3.4	2.3	11.1
EBIT	3.0	0.4	1.0	4.4	1.6	-0.5	-1.5	-0.4
Production (t)	64,164	61,130	57,065	182,359	49,770	50,125	52,371	152,266
Production (MWh)	125,212	102,329	106,607	334,148	75,463	56,998	86,762	219,223
Utilization Bioethanol (%)	98.7	94.0	87.8	93.5	73.7	74.3	77.6	75.2
Utilization Biomethane (%)	104.3	85.3	88.8	92.8	75.5	57.0	72.3	73.1
Number of employees ¹⁾	239	233	228	228	190	184	184	184
Other								
Third party sales	3.8	3.7	4.2	11.7	8.5	10.0	16.2	34.7
EBIT	0.1	0.2	0.3	0.6	-1.5	0.2	-0.5	-1.8

¹⁾ at cutoff date

With the development of new innovative product technologies and their transfer to the large-scale use, as well as the continuous further development and optimization of existing production processes and plants in the Biodiesel and Bioethanol segments VERBIO's research and development makes an important contribution to the increase of our competitiveness and the expansion of our business.



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Group Interim Management Report

for the period from July 1, 2014 to March 31, 2015

Economic report

Economic and political environment

Market conditions in Germany

Statistics for diesel fuels published by the German Federal Office of Economics and Export Control (BAFA) are available up to and including January 2015. They show an increase in biodiesel additives (fatty acid methyl ester (FAME) and HVO – hydro-treated vegetable oil) of approximately 107,000 tons (4.9 percent) in 2014 compared to 2013. Diesel consumption volumes increased at a similar rate (4.6 percent to 36.4 million tons). For January 2015, however, a 3.2 percent fall in additives compared to the same month in the previous year was recorded, with a renewed increase in diesel consumption (4.8 percent). Due to the high processing margins, oil refinery capacity usage was 91.6 percent in January 2015, 1.6 percentage points higher than in the comparative period in 2014. This suggests that the oil companies were able to generate quota excesses in the previous year which are now being reduced in the early months of 2015.

The BAFA statistics show a slight fall in bioethanol additives in 2014 of 15,000 tons, or 1.5 percent, compared to 2013. This is due to a reduction in ETBE (ethyl-tert-butyl ether) processing due to the fall in MTBE (methyl-tert-butyl ether) prices. Increased E10 volumes and the increase in gasoline consumption in Germany of approximately 400,000 tons or 2.1 percent could not compensate for this fall. The E10 trend is particularly disappointing as the E10 share of petrol consumption in Germany fell back under 15 percent, after previously having exceeded the 15 percent mark. On average the E10 share was 15.1 percent in 2014 and 15.0 percent in 2013, but only 13.3 percent in January 2015. One reason for this declining trend may be the fall in price differentials between E5 and E10 (from 4 cent/liter to 2 cent/liter petrol) required by the oil industry due to the relatively low fossil oil price. Increasingly it seems fewer consumers see the need to fill up with E10. The consumption of gasoline, on the other hand, increased by 2.6 percent in January 2015 compared to the same month in the previous year.

Market conditions in the Group's other sales markets

Compressed natural gas (CNG)/biomethane as biofuel

The share of biomethane added to compressed natural gas (CNG) fuels exceeded 20 percent in 2014. Whereas in 2011 the blended share was 6 percent for the market taken as a whole, the share in 2012 was already at least 10 percent and 20 percent since 2013. The biomethane share is almost 100 percent provided by VERBIO.

As biomethane is the only second-generation biofuel available in large quantities which can be blended with natural gas in any quantity, there is a significant potential here to increase the biofuel share further. Experts expect that this share will increase in the future, corresponding to the increase in greenhouse gas quota values.

Markets outside Germany

Due to the dramatic falls in fossil fuel prices (crude oil prices have fallen by approximately 50 percent since April 2014) “discretionary blending”, i.e. the blending of biofuels in fossil fuels where the respective biofuels are cheaper compared to petrol and diesel fuels, has practically ceased. As a result, biofuel production capacity utilization in Asia and South America has fallen, causing increasing pressure on production margins. Indonesia, for example, is attempting to support local biodiesel production with the introduction of a surcharge on palm oil exports and by subsidizing biodiesel additives.

The Rotterdam market experienced tightness in physical supply of Ethanol in early 2015 as a result of the temporary plant closures by a European ethanol producer. This resulted in a sharp price increase for bioethanol, with the price increasing from approximately 420 EUR/cubic meter at the start of March 2015 to approximately 600 EUR/cubic meter at the start of April 2015. The tight physical supply is currently not being compensated for with imports as the ethanol price levels in North and South America do not leave room for arbitrage.

Trends in sales prices

The average price of biodiesel in the third quarter of 2014/2015 (FAME – 10 RED FOB Rotterdam) was EUR 741/ton, and the mid-range price premium compared to diesel fuels amounted to approximately EUR 268/ton (Q2 2014/2015: approximately EUR 197/ton). The price differential between biodiesel and diesel has recently undergone a correction as a result of the recovery in fossil crude oil prices reverting to approximately 250 EUR/ton. The production margin continues to remain under pressure in the third quarter of 2014/2015. Supply is high, compared to limited demand, as biodiesel is significantly more expensive than ethanol for quota fulfillment purposes. At some storage locations blending has ceased altogether – the quotas are being fulfilled by the previous year's excess or by separate purchases of biofuel quotas.

The average price of Bioethanol T2 German Specs FOB Rotterdam fell marginally in the third quarter of 2014/2015, amounting to EUR 466/cubic meter (Q2 2014/2015: EUR 469/cubic meter). The price difference between bioethanol and petrol in the third quarter of 2014/2015 was approximately EUR 107/ton (Q2 2014/2015: approximately EUR –77/ton). Ethanol has become more expensive again compared to petrol towards the end of the third quarter, in particular as a result of the fall in crude oil prices and the increase in ethanol prices since March 2015. However, it remains the cheapest option to meeting the greenhouse gas quota (GHG quota) in Germany.

Trends in raw material prices

Grain

The European wheat prices quoted on the Euronext exchange increased from approximately EUR 184/ton at the start of July 2014 to approximately EUR 191/ton at the end of March 2015 despite the expectation of a good harvest due to market expectations of a dry season in the most significant growing areas. In addition, the weakness of the euro against the US dollar caused European wheat prices to stabilize at a high level. Estimates published by the United States Department of Agriculture (USDA) on April 9, 2015 indicated that the global production of grain (excluding rice) will total 2,006 million tons in the 2014/2015 harvest year, following 1,996 million tons in the 2013/2014 harvest year. The demand for grain increased compared to the previous year by approximately 37 million tons. Together

with the expected excess supply in the current harvest year, the worldwide closing inventory increased to approximately 420 million tons compared to approximately 394 million tons in the previous year.

Oil seed

The expectation of a significantly lower 2015/2016 rapeseed harvest for important producers, especially in the EU, which is the largest producer worldwide, has caused the price of rapeseed to increase significantly in the third quarter of the 2014/2015 financial year. A slight fall in the cultivation area as well as lower yields are contributing factors. The fall is expected to affect Germany in particular, where the Federal Statistics Office reports a fall in the cultivation area of approximately six percent for the 2015/2016 harvest already. The 24 million tons harvested in the 2014/2015 season was a record total. The news information service Oil World expects that EU production in 2015/2016 will fall by 15 percent to a three year low of 20.5 million tons and that this will be accompanied by dry weather risks in the spring season.

Soya bean prices registered in Chicago have weakened in recent months. The soya bean cultivation area in South America has increased yet again and yields are expected to be at record levels.

Currently the rapeseed oil price is most heavily affected by euro exchange rates. Driven by the weakness of the euro compared to the US dollar the rapeseed oil price increased by EUR 50/ton in the third quarter of the 2014/2015 financial year. Soya bean oil was also firmer. The generous global supply of soya beans together with the continuing strength of the US dollar mean that price falls are expected in the coming months. Lower production volumes and the associated falling inventories, as well as the announcement of increased obligatory use of biodiesel additives in Malaysia and Indonesia, have resulted in increases in palm oil prices. Here, however, price trends are also expected to weaken.

Sugar

A report published by the USDA in November 2014 indicates that the global production of raw sugar in the 2014/2015 harvest year approximated 173 million tons, representing a fall of approximately 2.6 million tons compared to the previous year. The production total compares to demand of approximately 171 million tons. Against a background of three years of falling

supply overhang, excess demand is expected in the 2015/2016 harvest year with associated price increases. Over the past nine months sugar prices have remained at a comparatively low level due to the firmness of the US dollar.

The following table shows the average price movements for selected raw materials and products on international markets.

Development of selected raw materials and products

	Q1 2014/2015	Q2 2014/2015	Q3 2014/2015	9 M 2014/2015
Crude oil (Brent; USD/barrel)	102	77	54	78
Gasoil FOB Rotterdam (EUR/ton)	663	559	473	565
Biodiesel (FAME -10 RED; EUR/ton)	753	752	741	749
Gasoline FOB Rotterdam (EUR/ton)	710	585	483	593
Bioethanol (T2 German Specs; EUR/cbm)	492	469	466	476
Rapeseed oil (EUR/ton)	649	671	673	664
Palm oil (EUR/ton)	579	566	595	580
Wheat (MATIF; EUR/ton)	172	176	190	179
Sugar (EUR/ton)	265	279	276	273

Political environment for biofuels

Current regulatory situation in the European Union

The EU has set a mandatory target that 10 percent of the energy used in the transportation sector (energetic) should be derived from renewable sources by the year 2020.

At the European level, the Renewable Energy Directive (RED) and the Fuel Quality Directive (FQD) define the legal basis for the achievement of the defined targets in the transportation sector by 2020, thus paving the way for the improvement of climate protection and the safeguarding of energy supplies within the EU.

In addition, the minimum requirements for sustainable biomass production and processing were defined. A precondition for entry to the biofuels market is a respective sustainability certification and evidence of defined greenhouse gas savings in comparison to fossil fuels (currently at least 35 percent and from 2017 at least 50 percent) as well as for the source of the biomass.

Currently, there are seventeen systems approved by the EU and valid in all EU countries through which the sustainable production of biofuels can be certified.

Amendments to the RED

The amendments to the RED are of decisive importance to the VERBIO Group. However, there has been no change to the legal position in the reporting period compared with the political environment described in detail in the management report for the financial year 2013/2014.

iLUC – Indirect Land Use Change

The environment sub-committee of the European Parliament approved the compromise proposals made by the Council and the Commission on April 14, 2015. As a result, an upper limit of 7 percent applies to traditional biofuels (energetic). A non-binding minimum of 0.5 percent is proposed for advanced biofuels. The iLUC factor will be reportable but not binding. In addition, a double-counting of advanced biofuels, a factor of 2.5 for renewable electricity for train power systems and a factor of 5 for electrical power for road transport, is anticipated.

Overall, this compromise, which has yet to be formalized by the Council and the Parliament, can be seen as positive. The fact that no binding iLUC factor will be applied is consistent with the demands of the

biofuels industry. The introduction of a minimum quota, if implemented by the member states, could have a positive effect on the second generation of biofuels. With the 7 percent capping of the share of first generation biofuels, we can expect that the current market volume can be maintained. Accordingly, the resolutions approved in Brussels should be seen positively, despite the lack of commitments to subsidizing second-generation biofuels.

Tax concessions for natural gas

In a joint letter to the Federal Finance Minister, the economic policy, energy policy and environmental policy speakers in the coalition parliamentary group have again criticized the application of the urgent procedure to extend the tax concessions that end on December 31, 2018.

They see no need for the expert opinion requested by the Federal Ministry of Finance (BMF). In a meeting with parliamentarians, the BMF parliamentary state secretary Mr. Meister clarified that the expert opinion will be requested as planned. The plan is to speed up the process and, if possible, present an interim report before the summer recess. The coalition parliamentary group is now considering raising its own request in Parliament to force a quick decision.

Heating sector

In Baden-Wuerttemberg the Renewable Heating Act (Erneuerbare-Wärme-Gesetz – EWärmeG) has provided for the obligatory use of renewable energies to promote additional fossil fuel savings since January 1, 2010. The Baden-Wuerttemberg state parliament has approved a reform of the Renewable Heating Act with effect from July 1, 2015.

The new Act requires the use of 15 percent renewable energies when heating systems are updated (instead of 10 percent). This obligation can be fulfilled by the use of bioheating oil or its use in combination with other measures.

The Act provides for new uses of bioheating oil. It remains to be seen whether other Federal States (in particular North Rhine-Westphalia, Thuringia and Saarland) will follow this example. This is significant given that the Federal Government has been repeatedly hesitant to consider a Heating Act within its jurisdiction or has not succeeded due to the BMF.

Regulatory environment in Germany

There have been no changes in the regulatory environment in the period compared to the status described in the 2014/2015 half-year report.

(Energy) tax environment

Since January 1, 2013 the energy tax for B100 pure biodiesel amounts to 45 cents/liter. This is almost the same as the tax level applied to fossil diesel.

Biomethane and fuels with a bioethanol content of 70 percent or more remain tax free. As the law stands at present, E85 fuel and biomethane are exempt from the energy tax until December 31, 2015. Deutsche Energie-Agentur GmbH (Dena) together with the “Dena biogas partners” has prepared a joint position paper to draw attention to the urgent need to extend the tax-free status of biomethane beyond 2015. The position paper addressing the role of biomethane in the fuel market was submitted to the responsible Ministries at State Secretary level by the management of Dena at the beginning of March.

Tax benefits are granted to other fuels, natural gas, and liquid petroleum gas. These are subject to a reduced tax rate of 1.39 cents/kWh or 18.03 cents/kilogram until 2018. An agreement to provide for the continued application of reduced tax rates for natural gas and liquid petroleum gas beyond 2018 was included in the coalition agreement.

Business report and the Group's position

Results of operations

VERBIO produced 510,222 tons of biodiesel and bioethanol in the first nine months of the 2014/2015 financial year, compared to 466,866 tons in the comparative period in the previous year, representing a significant increase of 9.3 percent. In addition, a total of 334.148 MWh of biomethane was produced in the first nine months of the 2014/2015 financial year (9 M 2013/2014: 219.223 MWh), an increase of 52 percent compared to the equivalent period of the previous year.

Despite the significant increase in production and sales volumes, the Group's revenues for the period fell by 21.9 percent to EUR 447.4 million (9 M 2013/2014: EUR 573.1 million). The fall was primarily a result of lower price levels for biofuels compared to the first three quarters of 2013/2014, as well as to the lower

merchandise revenues from fossil and biofuel trading (EUR 16.8 million; 9 M 2013/2014: EUR 101.6 million). Further details are presented in the analysis of the individual segments.

Other operating income in the reporting period amounted to EUR 7.7 million (9 M 2013/2014: EUR 7.4 million). While the gains from the disposals of property, plant and equipment were lower at EUR 0.8 million (9 M 2013/2014: EUR 1.3 million), gains on currency exchange of EUR 1.4 million (9 M 2013/2014: none) were recorded.

Material costs in the period of EUR 387.8 million fell corresponding to the lower level of revenues, by 74.8 percent, compared with the corresponding period in the previous year (9 M 2013/2014: EUR 518.6 million). Taking account of changes in inventory of unfinished and finished goods, the gross margin amounted to EUR 62.3 million (9 M 2013/2014: EUR 54.0 million). The 15.4 percent increase in absolute gross margin was due to the higher production and sales volumes. In the third quarter of the current financial year the gross margin (EUR 21.1 million) increased further compared to the second quarter (EUR 17.5 million).

Personnel expenses in the first nine months of the financial year 2014/2015 amounted to EUR 17.1 million (9 M 2013/2014: EUR 16.5 million).

Other operating expenses in the reporting period amounted to EUR 17.2 million (9 M 2013/2014: EUR 17.5 million). Other operating expenses primarily include the costs of repair and maintenance, outgoing freight costs, motor vehicle costs, and insurance and contributions.

Earnings before interest, taxes, and depreciation (EBITDA) amounted to EUR 38.1 million, EUR 9.2 million more than in the comparative period in the previous year (9 M 2013/2014: EUR 28.9 million).

After deduction of depreciation charges, the Group operating result (EBIT) amounted to EUR 21.5 million, also significantly above the comparative period in the previous year (9 M 2013/2014: EUR 12.4 million).

The financial result (EUR -3.4 million; 9 M 2013/2014: EUR -2.6 million) consists almost entirely of interest expenses (EUR 3.5 million; 9 M 2013/2014: interest income EUR 0.2 million and interest expenses EUR 2.8 million). The increase compared to the comparative period is primarily due to costs incurred in connection with the early repayment of short and long term financial liabilities.

Accordingly, the Group result before taxes (EBT) totals EUR 18.1 million (9 M 2013/2014: EUR 9.7 million), and the net result for the period is EUR 16.6 million (9 M 2013/2014: EUR 8.7 million excluding the discontinued operation). Based on the result for the period, earnings per share (basic and diluted) is EUR 0.26 (9 M 2013/2014: EUR 0.14).

Further information is presented in the detailed comments on the individual segments.

Net assets and financial position

Assets and liabilities

The balance sheet total at March 31, 2015 amounted to EUR 304.7 million, a slight change compared to June 30, 2014 (June 30, 2014: EUR 302.7 million).

On the asset side of the balance sheet, the major changes of note were the decrease in non-current assets and the increase in current assets.

Non-current assets fell overall and amounted to EUR 180.8 million at the reporting date (June 30, 2014: EUR 190.0 million). The fall is primarily due to scheduled depreciation.

The EUR 10.1 million increase in current assets from EUR 112.7 million at June 30, 2014 to EUR 123.8 million is due to increases in inventory (EUR 4.3 million), trade receivables (EUR 3.8 million), and cash and cash equivalents (EUR 3.5 million) offset only by a fall in the balance of other current assets (EUR 1.5 million).

The increase in inventory is primarily due to the increased quantities of raw materials on hand. Details of changes in the balance of cash and cash equivalents are provided in the comments on the cash flow statement.

The liabilities and equity side of the balance sheet includes equity of EUR 200.6 million (June 30, 2014: EUR 183.5 million), representing approximately 65.8 percent (June 30, 2014: 60.6 percent) of the balance sheet total.

The lower level of liabilities reported is due to the reduction of non-current liabilities to EUR 20.6 million (June 30, 2014: EUR 35.4 million) compared to the corresponding amounts at the last financial year-end reporting date. The fall in the non-current liabilities is due to the reduced bank and other loan liabilities. Current liabilities increased, corresponding to the increase in trade receivables, as a result of timing effects around

the balance sheet date, which caused trade payables to increase by EUR 2.8 million to EUR 33.5 million (June 30, 2014: EUR 30.7 million).

Cash flows

The operating cash flow for the reporting period totaled EUR 24.8 million (9 M 2013/2014: EUR 58.9 million). The fall was primarily due to the cash flow effect of the increased level of inventory (an increase of EUR 4.2 million; 9 M 2013/2014: a decrease of EUR 24.2 million) and the increase in the trade receivables balance of EUR 3.8 million (9 M 2013/2014: decrease of EUR 28.6 million).

Cash outflows from investments in the first nine months of the 2014/2015 financial year totaled EUR 6.5 million (cash inflows; 9 M 2013/2014: EUR 19.9 million). This resulted from payments made for investments in property, plant and equipment (EUR 9.0 million; 9 M 2013/2014: EUR 5.7 million). Offsetting payments made for property, plant and equipment were receipts from the disposal of property, plant and equipment totaling EUR 2.0 million (9 M 2013/2014: EUR 24.2 million) and receipts of investment grants and subsidies (EUR 0.7 million; 9 M 2013/2014: EUR 1.4 million). Receipts from the disposal of property, plant and equipment in the previous year were primarily driven by the disposal of Märka sites.

The cash flow from financing activities for the reporting period totaled EUR –14.8 million (9 M 2013/2014: EUR –56.3 million). This was driven by repayments under financing arrangements of EUR 28.7 million (9 M 2013/2014: EUR 34.0 million), offset by receipts from draw-downs under short-term financing arrangements totaling EUR 13.9 million (9 M 2013/2014: none). Cash flows in the first three quarters of the previous financial year 2013/2014 were additionally affected by net repayments of loans based on the excess receipts from sale of raw material inventories financed by loans secured on inventories of EUR 22.3 million.

As a result, cash on hand increased by EUR 3.5 million in the period from July 1, 2014 to March 31, 2015. Liquid funds totaled EUR 27.8 million at March 31, 2015.

It should be noted that cash and cash equivalents include an amount of EUR 1.9 million of restricted cash.

Net financial assets

Liabilities for long-term loans now total EUR 16.9 million at March 31, 2015 after meeting further repayment installments. These loans were primarily for the financ-

ing of the biogas plants. Their maximum remaining term extends until 2020.

Net financial liabilities amounted to EUR –9.9 million at the reporting date representing bank and other loans net of cash and cash equivalents of EUR 27.8 million.

Investments

Investments in property, plant and equipment totaling EUR 8.6 million were made in the first nine months of the 2014/2015 financial year (9 M 2013/2014: EUR 4.4 million). The investments were made in the segments Biodiesel (EUR 3.9 million) and Bioethanol (EUR 4.4 million) segments.

Segment reporting

Biodiesel

VERBIO has an annual biodiesel production capacity of 450,000 tons. Production in the first nine months of 2014/2015 totaled 327,863 tons, higher than in the corresponding period in the previous year (314,600 tons). This represents a 97.1 percent capacity usage (9 M 2013/2014: 93.2 percent). Revenues in the Biodiesel segment in the first nine months of the 2014/2015 totaled EUR 289.2 million, following EUR 360.9 million in the corresponding period in 2013/2014. The fall in revenues despite the increased sales and production volumes is primarily a result of the lower average price levels, the reduction in biodiesel merchandise activities, and the fact that the diesel trading business has been discontinued.

The cost of materials in the reporting period amounted to EUR 255.4 million (9 M 2013/2014: EUR 327.1 million). Taking account of changes in inventory, the gross margin increased only slightly from EUR 30.2 million to EUR 31.2 million, despite the higher volumes due to pressure on processing margins. Considering the third quarter separately, the increase in the processing margin at EUR 11.3 million is higher (Q3 2013/2014: EUR 8.9 million).

Personnel expenses in the first nine months of the financial year 2014/2015 amounted to EUR 5.3 million (9 M 2013/2014: EUR 5.2 million).

Other operating expenses were EUR 8.1 million (9 M 2013/2014: EUR 9.3 million). Including gains from forward commodity contracts of EUR 0.9 million (9 M 2013/2014: EUR 1.4 million), the segment result for the period was EUR 16.5 million (9 M 2013/2014: EUR 15.4 million). In the first nine months of 2014/2015

investments of EUR 3.9 million were made in property, plant and equipment (9 M 2013/2014: EUR 1.3 million). These primarily included investments in a phytosterol (sterol) production plant at the Bitterfeld location.

The Biodiesel segment had 106 employees at March 31, 2015 (March 31, 2014: 103).

Bioethanol

VERBIO has an annual production capacity of 260,000 tons in the Bioethanol segment. In the first nine months of 2014/2015, 182,359 tons of bioethanol were produced, significantly more than in the same period of the previous year (9 M 2013/2014: 152,266 tons). This represents a 93.5 percent capacity usage (9 M 2013/2014: 75.2 percent). The production of biomethane in the 9 M 2014/2015 reporting period was also significantly higher than in the previous year with 334,148 MWh (9 M 2013/2014: 219,223 MWh). The feed-in volume generated from the 100 percent straw fermentation under the NER 300 project reached a cumulative total of 4.8 GWh by March 31, 2015.

In total, the Bioethanol segment generated revenues of EUR 151.4 million in the reporting period (9 M 2013/2014: EUR 197.4 million). The lower revenues reported by the Bioethanol segment despite higher production and sales volumes is also a result of lower price levels and the reduced level of petrol and bioethanol trading activities.

The cost of materials (EUR 127.5 million) fell compared to the previous year (9 M 2013/2014: EUR 178.6 million) with the consequence that gross margin increased significantly from EUR 21.9 million in the previous year to EUR 29.1 million in the reporting period, taking the change in inventories into account. The change in gross profit was primarily due to the continued high level of capacity utilization, and the slight improvement in processing margin.

Other operating income in this segment in the reporting period amounted to EUR 5.8 million (9 M 2013/2014: EUR 4.7 million).

Personnel expenses amounted to EUR 9.1 million (9 M 2013/2014: EUR 7.3 million). The change was primarily due to changes in the allocation of personnel costs to the business segments, made for management reporting purposes. This resulted in an increase in the personnel costs reported by the Bioethanol segment, consistent with the consumption of services provided internally within the Group; these primarily repre-

sent personnel costs remaining following the cessation of Märka GmbH trading activities.

Other operating expenses amounted to EUR 10.8 million following EUR 8.3 million in the same period of the previous year 2013/2014. These primarily include freight delivery costs and repair and maintenance expenses. Gains on forward commodity contracts in the Bioethanol segment amounted to EUR 1.3 million.

The segment result before interest and taxes amounted to EUR 4.4 million in the reporting period compared to EUR –0.4 million in the previous year period.

In total, investments of EUR 4.4 million were made in this segment (9 M 2013/2014: EUR 2.9 million). This primarily comprised investments in Project Verbiostraw (NER 300) at the Schwedt/Oder site and in optimizing and adjusting the biomethane plants at the Schwedt/Oder and Zörbig sites (EUR 2.7 million).

The Bioethanol segment had 228 employees at March 31, 2015 (March 31, 2014: 184).

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Revenues generated in the Other segment totaled EUR 11.7 million in the first nine months of the 2014/2015 financial year (9 M 2013/2014: EUR 34.7 million), primarily from transport and logistics services. The segment result amounted to EUR 0.6 million (9 M 2013/2014: EUR –1.8 million).

Outlook, risk and opportunity report

Outlook

Since January 1, 2015 biofuels have been brought into the fuel chain in accordance with the greenhouse gas emissions reductions system. It is not possible to make statements about future demand trends based on the experience of the first three months of 2015. Although VERBIO has been able to run its capacity at high utilization levels in this period and the contract position for the immediate future at least indicates stability, the statistics for both blending components – biodiesel und bioethanol – issued for January 2015 by BAFA show a significant decrease compared to the corresponding month in the previous year. Accordingly we have to wait and see how the biofuel GHG reduction potential and associated demand from those affected by quota obligations will develop.

In the third quarter VERBIO was able to gain market share and results achieved exceeded expectations.

Based on the good results for the first nine months of 2014/2015 and the very high order level for the next three months, together with the increased margins currently achieved in the Bioethanol segment the Management Board has raised its earnings forecast and estimates an EBITDA in the range of between EUR 48 million and EUR 52 million. The operating result (EBIT) is expected to be in the range of between EUR 26 million to EUR 30 million. Accordingly VERBIO expects to close the financial year 2014/2015 with the best results since the Company's initial public offering.

Risk and opportunity report

VERBIO's risk management system ensures that existing risks are systematically recognized, analyzed, evaluated, and reported. The risk management system ensures that all organizational units and processes are included in the risk management process, thereby ensuring that all risks are identified, evaluated, and communicated.

VERBIO consolidates and aggregates all risks reported by the Group's various divisions and functions in accordance with its risk management guidelines.

In the fourth quarter of the 2014/2015 financial year VERBIO will amend the risk category descriptions and the classifications of risk occurrence and risk category classes to ensure that classifications are more relevant and market oriented. These will be presented in the 2014/2015 annual report.

Detailed information on the VERBIO Group's risk management system and on the Group's opportunities and risks is presented in the risk and opportunity report included in the 2013/2014 annual report.

There have been no changes from the opportunities and risks presented in the 2013/2014 annual report and no changes in the risks and opportunities profile of the VERBIO Group during the reporting period.

There are no present risks or discernible potential risks that present a threat to the ability of the Group to continue as a going concern.

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Consolidated interim financial statements

for the period from July 1, 2014 to March 31, 2015

KEUR	Q3 2014/2015	Q3 2013/2014	9 M 2014/2015	9 M 2013/2014
Continuing operations				
1. Revenue (including energy taxes collected)	140,959	153,496	457,998	577,653
less: energy taxes	-1,347	-591	-10,561	-4,556
Revenue	139,612	152,905	447,437	573,097
2. Change in unfinished and finished goods	1,273	-241	2,605	-509
3. Capitalised production of own plant and equipment	102	117	258	273
4. Other operating income	2,277	1,745	7,719	7,372
5. Cost of materials				
a) Raw materials, consumables and supplies	-109,439	-127,282	-357,336	-483,643
b) Purchased services	-10,365	-10,221	-30,450	-34,916
6. Personnel expenses	-5,789	-5,432	-17,108	-16,532
7. Depreciation and amortisation	-5,383	-5,542	-16,575	-16,552
8. Other operating expenses	-5,838	-5,028	-17,161	-17,525
9. Result from commodity forward contracts	332	833	2,133	1,328
10. Operating result	6,782	1,854	21,522	12,393
11. Interest income	87	29	110	223
12. Interest expense	-1,720	-953	-3,511	-2,868
13. Financial result	-1,633	-924	-3,401	-2,645
14. Result before tax	5,149	930	18,121	9,748
15. Income tax expense	-331	-184	-1,514	-1,076
16. Result from continuing operations	4,818	746	16,607	8,672
Discontinued operations				
Result after tax of the discontinued operations	0	-59	0	301
17. Net result for the period	4,818	687	16,607	8,973
Result attributable to shareholders of the parent company	4,684	723	16,557	8,921
Result attributable to non-controlling interests	134	-36	50	52
Income and expenses recognized directly in equity				
Items, to be reclassified either as profit or loss:				
Translation of foreign operations	60	-4	24	30
Fair value remeasurement on cash flow hedges	-1,272	62	581	793
Deferred taxes recognized in equity	410	12	-133	-199
18. Income and expenses recognized directly in equity	-802	70	472	624
19. Comprehensive result	4,016	757	17,079	9,597
Comprehensive result attributable to shareholders of the parent company	3,881	793	17,029	9,544
Comprehensive result attributable to non-controlling interests	135	-36	50	53
Result per share (basic and diluted)	0.07	0.01	0.26	0.14
Result per share (basic and diluted) from continuing operations	0.07	0.01	0.26	0.14

Consolidated balance sheet

at March 31, 2015

KEUR	31.03.2015	30.06.2014
Assets		
A. Non-current assets		
I. Other intangible assets	121	191
II. Property, plant and equipment	180,522	189,643
III. Financial assets	58	53
IV. Deferred tax assets	143	90
Total non-current assets	180,844	189,977
B. Current assets		
I. Inventories	34,458	30,231
II. Trade receivables	37,662	33,882
III. Derivatives	1,614	579
IV. Other short-term financial assets	5,920	4,840
V. Tax refunds	5,967	5,979
VI. Other assets	9,115	10,561
VII. Cash and cash equivalents	27,765	24,288
VIII. Non-current assets held for sale	1,327	2,321
Total current assets	123,828	112,681
Total assets	304,672	302,658

KEUR	31.03.2015	30.06.2014
Liabilities and equity		
A. Equity		
I. Share capital	63,000	63,000
II. Additional paid-in capital	487,680	487,680
III. Fair value reserve	-1,095	-1,543
IV. Retained earnings	-349,484	-366,041
V. Reserve for translation differences	18	-6
Total equity, excluding non-controlling interests	200,119	183,090
VI. Non-controlling interests	504	454
Total equity	200,623	183,544
B. Non-current liabilities		
I. Bank loans and other loans	9,057	22,345
II. Provisions	152	151
III. Deferred investment grants and subsidies	9,284	10,111
IV. Other non-current liabilities	2,069	2,784
Total non-current liabilities	20,562	35,391
C. Current liabilities		
I. Bank loans and other loans	28,548	30,043
II. Trade payables	33,502	30,693
III. Derivatives	2,509	4,009
IV. Other current financial liabilities	5,341	6,713
V. Tax liabilities	9,407	8,063
VI. Provisions	909	1,546
VII. Deferred investment grants and subsidies	1,062	1,079
VIII. Other current liabilities	2,209	1,577
Total current liabilities	83,487	83,723
Total equity and liabilities	304,672	302,658

Consolidates cash flow statement

for the period Juli 1, 2014 to March 31, 2015

KEUR	9 M 2014/2015	9 M 2013/2014
Net result for the period from continuing operations	16,607	8,672
Net result for the period from discontinued operations	0	301
Net result for the period	16,607	8,973
Income taxes expense (prior-year period: income)	1,514	1,641
Interest result	3,401	4,378
Depreciation and amortization	16,574	16,846
Non-cash expense	993	863
Non-cash income	0	-29
Gains on disposal of property, plant and equipment and disposal of investment grants	-716	-4,157
Release of deferred investment grants and subsidies	-840	-1,171
Non-cash changes in derivative financial instruments	-1,954	1,092
Increase (prior-year period: decrease) in inventories	-4,227	24,197
Increase (prior-year period: decrease) in trade receivables	-3,810	28,577
Increase (prior-year period: decrease) in other assets and other current financial assets	-314	3,385
Change in provisions	-663	-10,063
Increase (prior-year period: decrease) in trade payables	3,296	-10,459
Decrease (prior-year period: increase) in other current financial and non-financial liabilities	-1,571	211
Interest paid	-3,396	-4,601
Interest received	97	522
Income taxes paid	-232	-1,283
Cash flows from operating activities	24,759	58,922
Proceeds from investment grants	652	1,397
Acquisition of intangible assets	-68	-63
Acquisition of property, plant and equipment	-9,045	-5,660
Proceeds from disposal of property, plant and equipment	1,959	24,180
Proceeds from disposal of noncurrent financial assets	0	2
Cash flows from investing activities	-6,502	19,856

KEUR	9 M 2014/2015	9 M 2013/2014
Payments on secured loans	0	-47,989
Proceeds from secured loans	0	25,674
Payments for the redemption of financial liabilities	-28,700	-57,327
Proceeds from the assumption of financial liabilities	13,917	0
Cash flows from financing activities	-14,783	-56,329
Cash-effective change in cash funds	3,474	22,449
Change in cash funds due to effects of exchange rates	3	23
Cash funds at beginning of year	24,288	17,711
Cash funds at end of year	27,765	40,172
Cash funds at year end comprise the following:		
Restricted cash and cash equivalents	1,940	4,175
Cash and cash equivalents	25,825	12,695
Cash funds at end of year	27,765	16,870

Consolidated statement of changes in equity

for the period July 1, 2014 to March 31, 2015

KEUR	Share capital	Additional paid-in capital	Fair value reserve	Retained earnings	Reserve for translation adjustments	Total equity excluding non-controlling interests	Non-controlling interests	"Total equity"
July 1, 2013	63,000	487,680	-1,731	-371,296	-55	177,598	710	178,308
Translation adjustments	0	0	0	0	29	29	1	30
Fair Value changes on cash flow hedges (after tax)	0	0	594	0	0	594	0	594
Income and expenses recognized directly in equity	0	0	594	0	29	623	1	624
Net result for the period	0	0	0	8,921	0	8,921	52	8,973
Comprehensive result for the period	0	0	594	8,921	29	9,544	53	9,597
Other changes	0	0	0	-7	0	-7	7	0
March 31, 2014	63,000	487,680	-1,137	-362,382	-26	187,135	770	187,905
July 1, 2014	63,000	487,680	-1,543	-366,041	-6	183,090	454	183,544
Translation adjustments	0	0	0	0	24	24	0	24
Fair Value changes on cash flow hedges (after tax)	0	0	448	0	0	448	0	448
Income and expenses recognized directly in equity	0	0	448	0	24	472	0	472
Net result for the period	0	0	0	16,557	0	16,557	50	16,607
Comprehensive result for the period	0	0	448	16,557	24	17,029	50	17,079
March 31, 2015	63,000	487,680	-1,095	-349,484	18	200,119	504	200,623

Selected explanatory disclosure notes

Condensed consolidated interim financial statements

Basis for preparation of the consolidated financial statements

The VERBIO Vereinigte BioEnergie AG interim report and consolidated financial statements as of June 30, 2014 were prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and adopted by the EU. The rules contained in IAS 34 “Interim financial reporting” were applied accordingly. The interim financial statements of all companies included in the consolidated financial statements of VERBIO AG were prepared using uniform accounting and valuation methods.

These condensed interim consolidated financial statements do not include all the information that is required when annual consolidated financial statements are prepared. Accordingly, they should be read in conjunction with the consolidated financial statements as of June 30, 2014.

The condensed consolidated financial statements are prepared in euros (EUR). All amounts are reported in thousands of euros (KEUR) unless stated otherwise. Amounts are rounded in accordance with common commercial practice. Rounding differences may occur.

The condensed consolidated financial statements have been prepared under the assumption that the Group is a going concern.

Entities included in the consolidation, consolidation principles, and foreign currency translation

There have been no changes in the composition of the Group since June 30, 2014. Further, the consolidation methods and the principles for the translation of amounts denominated in foreign currencies used in preparing the Group’s consolidated financial statements for the year ended June 30, 2014 have been applied consistently in the preparation of these interim financial statements.

Accounting and valuation methods

Given that the interim financial reports are based on the consolidated financial statements, please refer to the notes to the consolidated financial statements as of June 30, 2014 for a detailed description of the Group’s accounting, valuation, and consolidation methods. The accounting and valuation methods used are consistent with those used in the previous year.

The implementation of new accounting standards and the effect of amendments to existing standards applicable to the Group for the first time from July 1, 2014 did not have a material effect on the presentation of the financial statements.

Notes to individual items in the consolidated statement of comprehensive income

Other operating income

Other operating income in the reporting period amounted to KEUR 7,719 (9 M 2013/2014: KEUR 7,372). Other operating income primarily includes reimbursements of electricity and energy taxes, currency exchange gains, income from the release of investment grants and subsidies, and gains on disposal of property, plant and equipment.

Cost of materials

The cost of materials primarily includes costs incurred for the purchase of raw materials, consumables, and supplies for ongoing production requirements, and the cost of merchandise. Please refer to the segment reporting section of these disclosure notes for an analysis by segment.

Other operating expenses

Other operating expenses in the period amounted to KEUR 17,161 (9 M 2013/2014: KEUR 17,525). Significant items in other operating expenses included expenses for repair and maintenance, outgoing freight costs, vehicle costs, insurance, and contributions.

Result from commodity forward contracts

Gains and losses resulting from the change in value and closeout of forward commodity contracts for which hedge accounting could not be applied and the ineffective portion of forward commodity contracts for which hedge accounting (cash flow hedges) was applied totaled KEUR 2,133 (9 M 2013/2014: KEUR 1,328).

Income tax expense

Income tax expense for the period from July 1, 2014 to March 31, 2015 amounted to KEUR 1,514 (9 M 2013/2014: KEUR 1,076), comprising a current tax expense of KEUR 1,616 (9 M 2013/2014: KEUR 1,292) and deferred tax income of KEUR 102 (9 M 2013/2014: KEUR 216).

Discontinued operations

The discontinued operations presented in the first nine months of the 2013/2014 financial year represent the trading activities of the Märka trading business. No further income or expenses were incurred for the Märka trading business in the current financial year. The result from discontinued operations in the comparable period of the previous financial year comprised the following:

KEUR	9 M 2013/2014
Income	43,793
Expense	-41,194
Operating result	2,599
Financial result	-1,733
Result before taxes	866
Income taxes	-565
Net result from discontinued operation	301

The net cash flows from discontinued operations in the comparable period of the previous financial year were as follows:

KEUR	31.03.2014
Operating activities	29,801
Investing activities	20,207
Financing activities	-58,629
Net cash flow from discontinued operation	-8,621

Earnings per share

Earnings per share was calculated in accordance with IAS 33. The earnings per share is calculated by dividing the earnings for the period attributable to the shareholders of the parent company by the weighted average number of shares outstanding. VERBIO AG has 63,000,000 no-par shares in circulation. Each share has a nominal value of EUR 1.00. The total number of shares outstanding is identical to the average number of shares outstanding for the period. There was no dilutive effect.

The Group result for the period attributable to the shareholders of the parent company for the period from July 1, 2014 to March 31, 2015 totaled KEUR 16,557 (9 M 2013/2014: KEUR 8,921). The result per share (basic and diluted) from continuing operations amounted to EUR 0.26 (9 M 2013/2014: EUR 0.14).

Notes to individual items in the consolidated balance sheet

Non-current assets

Property, plant and equipment

Movements on property, plant and equipment included scheduled depreciation (KEUR 16,436), disposals (KEUR 1,257), new investments in property, plant and equipment (KEUR 8,571) and the effects of changes in currency exchange rates (KEUR 1). As a result, the carrying value of property, plant and equipment fell to KEUR 180,522 (June 30, 2014: KEUR 189,643).

Current assets

Inventories

KEUR	31.03.2015	30.06.2014
Raw materials, consumables and supplies	19,545	13,906
Work in process and finished products	14,074	11,469
Merchandise	839	4,856
Inventories	34,458	30,231

Inventories were tested to ensure that their carrying values do not exceed their recoverable amounts. No allowances were required to reduce inventories to their market or net realizable values at March 31, 2015 (June 30, 2014: KEUR 796).

Trade receivables

Trade receivables amounted to KEUR 37,662 (June 30, 2014: KEUR 33,882) and are presented net of valuation allowances of KEUR 1,603 (June 30, 2014: KEUR 1,659). All trade receivables have a remaining term of up to one year. Trade receivables at June 30, 2014 included amounts of KEUR 9,373, which had been sold to a special purpose entity under an ABS program. The trade receivables sold are not derecognized. The transaction is accounted for in a manner similar to an arrangement for the refinancing of a loan based on the analysis of risks and benefits arising under the transaction. No trade receivables had been sold under such programs at March 31, 2015.

Tax refund receivables

Tax refund receivables of KEUR 5,967 (June 30, 2014: KEUR 5,979) consist of construction withholding tax, corporation tax, and trade tax.

Other current financial assets

Other current financial assets of KEUR 5,920 (June 30, 2014: KEUR 4,840) include security deposits under collateral security agreements and guarantees and the amounts of deferred unrealized results from forward commodity contracts.

Other assets

Other assets of KEUR 9,115 (June 30, 2014: KEUR 10,561) include claims for investment subsidies not yet received and for reimbursements of electricity and energy tax.

Derivatives

Forward contracts have been entered into to hedge the supply price for rapeseed oil. In addition, diesel/gasoline swaps are entered into to hedge revenues under sales contracts linked to the price of diesel/gasoline. The Group held derivatives with a positive market value of KEUR 1,614 at March 31, 2015 (June 30, 2014: KEUR 579) and derivatives with negative market values of KEUR 2,190 (June 30, 2014: KEUR 2,740). For a discussion of the impact on the consolidated statement of comprehensive income please refer to the explanatory notes describing the result from commodity forward contracts and the description of other reserves.

Interest rate swaps have been used to hedge obligations arising under variable interest rate agreements. The market values of interest rate hedge arrangements are included within the derivatives total. The changes in the fair market value of instruments that are not designated as hedging instruments are reported within the financial result for the period.

Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash and cash equivalents of KEUR 25,825 (June 30, 2014: KEUR 21,096) and restricted cash and cash equivalents of KEUR 1,940 (June 30, 2014: KEUR 3,192).

Equity

Other reserves

The other reserves include the cumulative change in value of interest rate swaps and the effective portion of the valuation changes of forward commodity contracts that qualify as cash flow hedges. Cash flow hedges with a value of KEUR 2,085 were transferred from equity to revenues (increasing revenues; 9 M 2013/2014: none), KEUR 980 was transferred to material costs (increasing material costs; 9 M 2013/2014: KEUR 620), and KEUR 918 was transferred to interest expenses (increasing interest expenses; 9 M 2013/2014: KEUR 218). The change in the fair values of cash flow hedges thereafter amounted to KEUR 615. Deferred tax assets of KEUR 332 have been re-recorded at March 31, 2015 (June 30, 2014: KEUR 464). Under consideration of changes in fair values for derivatives that have been released, other reserves increased by a total of KEUR 448.

Non-current liabilities

Investment grants and subsidies

Movements on the investment grants and subsidies balance (KEUR 10,346; June 30, 2014: KEUR 11,190) result almost exclusively from the effect of scheduled releases to income.

Assets provided as collateral

Detailed information is provided in the notes to the consolidated financial statements for the financial year 2013/2014.

Current liabilities

Tax liabilities

Tax liabilities include obligations for trade taxes of KEUR 1,596 (June 30, 2014: KEUR 1,269), state, council, and federal taxes in Switzerland KEUR 157 (June 30, 2014: KEUR 157), corporation tax of KEUR 1,736 (June 30, 2014: KEUR 719), and construction withholding tax of KEUR 5,918 (unchanged from June 30, 2013).

Other current liabilities

Other current liabilities at March 31, 2015 totaling KEUR 2,209 (June 30, 2014: KEUR 1,577) primarily include short-term liabilities for value added taxes of KEUR 1,612 (June 30, 2014: KEUR 78).

Other disclosures

Segment reporting

The risks and returns of the Group are primarily those of the Group's segments. The VERBIO Group consists of the segments Biodiesel, Bioethanol, and Other, in line with the Group's internal organization and management structure. The Other segment is a collective segment that includes the Group's transport and logistics activities and the energy division.

Segmentation on a geographical basis is not reported as this is not used for the VERBIO Group's internal management purposes.

Segments according to internal corporate management

Revenues are presented net of energy taxes of KEUR 10,561 (9 M 2013/2014: KEUR 4,556). The Biodiesel and Bioethanol segments generate revenues from the sale of goods. In the Other segment, revenues are generated through the rendering of services. The valuation and accounting methods used for segment reporting purposes and for the purposes of reporting transactions between reportable segments are identical to those used by the Group as a whole in preparing its consolidated financial statements. In a change from previous reporting periods, from the first quarter of 2014/2015, the employment costs of employees who are wholly and exclusively engaged with providing services to the Group's Bioethanol segment are shown directly as costs of the Bioethanol segment. This is consistent with the Group's internal reporting system used for management purposes.

Segment reporting for the period July 1, 2014 to March 31, 2015

KEUR	Biodiesel		Bioethanol		Other		Group	
	9 M 2014/ 2015	9 M 2013/ 2014	9 M 2014/ 2015	9 M 2013/ 2014	9 M 2014/ 2015	9 M 2013/ 2014	9 M 2014/ 2015	9 M 2013/ 2014
Sales revenues	289,195	360,892	151,429	197,371	11,694	34,661	452,318	592,924
Change in finished and unfinished products	-2,536	-3,564	5,141	3,055	0	0	2,605	-509
Capitalized production of own plant and equipment	129	137	129	136	0	0	258	273
Other operating income	1,637	1,928	5,844	4,714	829	1,261	8,310	7,903
Cost of materials	-255,448	-327,138	-127,517	-178,591	-6,380	-30,433	-389,345	-536,162
Personnel expenses	-5,331	-5,179	-9,084	-7,254	-2,693	-4,099	-17,108	-16,532
Depreciation and amortization	-3,816	-3,813	-12,043	-11,468	-716	-1,271	-16,575	-16,552
Other operating expenses	-8,146	-9,292	-10,804	-8,252	-2,124	-1,872	-21,074	-19,416
Result of forward contract transactions	852	1,442	1,281	-114	0	0	2,133	1,328
Segment result	16,536	15,413	4,376	-403	610	-1,753	21,522	13,257
Financial result	-448	-690	-2,900	-2,062	-53	107	-3,401	-2,645
Result before taxes	16,088	14,723	1,476	-2,465	557	-1,646	18,121	10,612

Segment reporting for the period July 1, 2014 to March 31, 2015

KEUR	Total segments		Intersegment revenues and expenses		Group	
	9 M 2014/ 2015	9 M 2013/ 2014	9 M 2014/ 2015	9 M 2013/ 2014	9 M 2014/ 2015	9 M 2013/ 2014
Sales revenues	452,318	592,924	-4,881	-19,827	447,437	573,097
Change in finished and unfinished products	2,605	-509	0	0	2,605	-509
Capitalized production of own plant and equipment	258	273	0	0	258	273
Other operating income	8,310	7,903	-591	-531	7,719	7,372
Cost of materials	-389,345	-536,162	1,559	17,603	-387,786	-518,559
Personnel expenses	-17,108	-16,532	0	0	-17,108	-16,532
Depreciation and amortization	-16,575	-16,552	0	0	-16,575	-16,552
Other operating expenses	-21,074	-19,416	3,913	1,891	-17,161	-17,525
Result of forward contract transactions	2,133	1,328	0	0	2,133	1,328
Segment result	21,522	13,257	0	-864	21,522	12,393
Financial result	-3,401	-2,645	0	0	-3,401	-2,645
Result before taxes	18,121	10,612	0	-864	18,121	9,748

Contingent liabilities and other financial commitments*Contingent liabilities*

A description of current contingent liabilities is provided in the notes to the consolidated financial statements for the 2013/2014 financial year.

Litigation

Details of litigation are provided in the notes to the consolidated financial statements for the 2013/2014 financial year.

As of March 31, 2015 there are no open litigation issues that present a significant risk to VERBIO. Provisions made in the balance sheet are primarily accruals for the cost of open legal disputes.

Rental and leasing contracts

Other financial obligations totaling KEUR 13,421 arise from various rental, hire and long-term lease agreements. Of this total, KEUR 2,624 falls due within one year, KEUR 4,176 falls due after more than one year and within five years, and KEUR 6,621 falls due after more than five years.

Further details are provided in the notes to the consolidated financial statements for the 2013/2014 financial year.

Order commitments

Open purchase obligations for investments total KEUR 4,397 at March 31, 2015 (June 30, 2014: KEUR 2,702).

Related party disclosures

Detailed information is provided in the related party disclosures in the notes to the consolidated financial statements for the financial year 2013/2014.

In addition to the related party relationships described therein, VERBIO AG has, with effect from September 1, 2014, entered into an agency agreement to undertake hedging transactions with Sauter Verpachtungsgesellschaft mbH.

Further, VERBIO AG entered into a commercial property rental agreement with Oelßner's Hof GmbH & Co. KG with effect from December 1, 2014. Oelßner's Hof GmbH & Co. KG is one of the companies in which pool members and key management persons hold investing interests. Under this agreement Oelßner's Hof GmbH & Co. KG as landlord has let commercial office space to VERBIO AG as tenant. The rental agreement has a fixed duration of five years and is prolonged automatically by a further year if not canceled by either party at least six months before the termination date.

Repayments of KEUR 3.173 were made in February and March 2015 in respect of outstanding loans granted in 2006 totaling KEUR 9,000 by pool members Mrs. Daniela Sauter, Mr. Claus Sauter and Mr. Bernd Sauter to Märka GmbH. An agreement has been made under which the repayment of an outstanding amount due to Mr. Claus Sauter will be made on June 30, 2015. A fixed repayment schedule has been agreed for the repayment of the loan balance owed to Mr. Bernd Sauter, providing for repayment by December 2017.

The repayment date and interest terms applying to loans totaling KEUR 9,545 granted by Mr. Claus Sauter to VERBIO AG and Märka GmbH were amended in March 2015, providing for repayment by December 2017 under a fixed repayment schedule.

Significant events subsequent to the end of the reporting period

There have been no significant events with an effect on the net assets and financial position since March 31, 2015.

Audit of the interim financial statements and the interim management report

These interim consolidated financial statements and the interim management report have not been audited or been subject to review by auditors.

Executive bodies of the Company

Supervisory Board

Alexander von Witzleben

Chairman of the Supervisory Board

President,
Feintool International Holding AG, Lyss, Switzerland

Other Supervisory Board mandates:

- PVA TePla AG, Wetztenberg
- Siegwerk Druckfarben AG & Co. KGaA, Siegburg

Mandates in comparable controlling bodies:

- Kaefer Isoliertechnik GmbH & Co. KG, Bremen

Ulrike Krämer

Vice-Chairman of the Supervisory Board

Auditor and tax advisor, Ludwigsburg

Dr.-Ing. Georg Pollert

Member of the Supervisory Board

Chemist and process engineer, Berlin

Deputy Chairman of Arbeitsgemeinschaft Qualitätsmanagement Biodiesel e.V.

Management Board

Claus Sauter

Chairman of the Management Board & CEO

Responsible for strategic corporate development, business development, sales and trading, purchasing (liquid primary products), contract management, finance and accounting, taxes, press and publicity, investor relations and law

Dr. Oliver Lüdtkke

COO Bioethanol/Biomethane

Vice-Chairman of the Management Board

Responsible for the Bioethanol/Biomethane segment (production, technical investment planning, research and development, procurement of auxiliary materials, media and occupational safety), controlling and risk management and data privacy

Theodor Niesmann

COO Biodiesel, Plant Engineering and HR

Responsible for the Biodiesel segment (production, technical investment planning, research and development, procurement of auxiliary materials, media and occupational safety), plant engineering, human resources, quality management and IT

Bernd Sauter

COO Procurement and Logistics

Responsible for procurement of solid raw materials, logistics and transport, storage, fleet and property management, and occupational safety (Procurement and Logistics) and insurances

Financial calendar 2014/2015

September 24, 2014	Publication of consolidated financial statements 2013/2014 Analysts' conference/press conference on financial statements in Frankfurt/Main
November 6, 2014	Publication of the quarterly financial report up to September 30, 2014
January 29, 2015	Annual General Meeting, Radisson Blu Hotel, Leipzig
February 5, 2015	Publication of the quarterly financial report up to December 31, 2014
May 7, 2015	Publication of the quarterly financial report up to March 31, 2015
September 23, 2015	Publication of consolidated financial statements 2014/2015 Analysts' conference/press conference on financial statements in Frankfurt/Main

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Statements relating to the future

This Annual Report contains statements that relate to the future and are based on assumptions and estimates made by the management of VERBIO Vereinigte BioEnergie AG. Even if the management is of the opinion that these assumptions and estimates are appropriate the actual development and the actual future results may vary from these assumptions and estimates as a result of a variety of factors. These factors include, for example, changes to the overall economic environment, the statutory and regulatory conditions in Germany and the EU and changes in the industry.

VERBIO Vereinigte BioEnergie AG makes no guarantee and accepts no liability for future development and the actual results achieved in the future matching the assumptions and estimates stated in this Annual Report. It is neither the intention of VERBIO Vereinigte BioEnergie AG nor does VERBIO Vereinigte BioEnergie AG accept a special obligation to update statements related to the future in order to align them with events or developments that take place after this report is published. The Annual Report is available in German; if there are variances the German version has priority over the English translation. It is available for download in both languages at <http://www.verbio.de>.

We will be delighted to send you additional copies and further information material on VERBIO Vereinigte BioEnergie AG free of charge on request.

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