

The logo for Verbio, featuring the word "Verbio" in a bold, italicized, green sans-serif font.

Biofuel and Technology

The background is a solid green color. On the left side, there is a large, white, abstract shape that resembles a stylized leaf or a drop with a curved bottom edge. This shape is partially cut off by the left edge of the frame. The text is positioned on the right side of the slide, set against the green background.

**Analyst Conference/
Annual Financial Statements
Press Conference
Financial Year 2015/2016**

VERBIO Vereinigte BioEnergie AG

Claus Sauter (CEO)

Leipzig, September 21, 2016

Disclaimer

This presentation contains forward-looking statements which are based on assumptions and judgements made by the management of VERBIO Vereinigte BioEnergie AG. Although the Company's management is of the opinion that those assumptions and estimations are realistic, actual future developments and future actual results may differ significantly from these assumptions and estimates due to a variety of factors. For example, these factors can include changes to the overall economic climate, changes to the legal and regulatory framework in Germany and the EU, and changes in the industry. VERBIO can give no guarantee and accepts no liability as to whether future development and the results actually achieved in future will match the assumptions and estimates made in this publication.

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**Market
conditions**

1.1 Biofuels in Germany



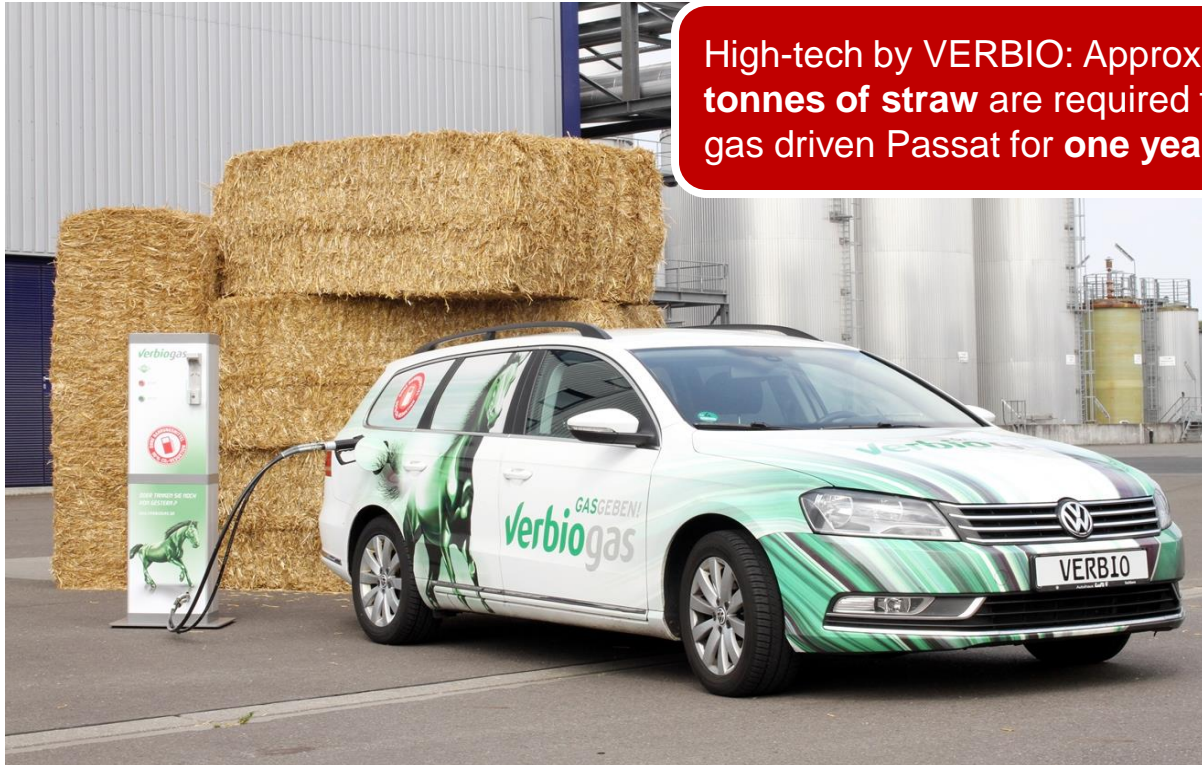
Greenhouse gas reduction quota in Germany

- Quota increases from **3.5%** to **4%** in 2017 and further to **6%** in 2020
- The higher the CO_2 reduction compared to the legally set fossil base value of 83.8 kg $\text{CO}_2\text{eq/gigajoule}$, the higher fulfilment of the quota.
- Calculations of GHG emissions from farming and production process are complicated and difficult to verify.
- No uniform international standard for calculation of GHG emissions defined.
- Linear increase in the GHG quota not approved by the BMU
- Introduction of an obligatory sub-quota for second generation biofuels from 2018
- BMF draft proposes extension of current tax benefits for natural gas (CNG) through to 2024.

- We expect GHG reduction quota of biofuels to be further improved so that the market volume for biofuels will only increase slightly in 2017.
- GHG quota of 6% set for 2020 (which means an increase by 50% against 2019) is impossible to be fulfilled without a binding sub-quota for advanced biofuels.

1. Market conditions

1.2 VERBIO technology - advanced biofuel



High-tech by VERBIO: Approximately **2 metric tonnes of straw** are required to run a natural gas driven Passat for **one year**.

VERBIO technology makes it possible: biomethane produced with 100% straw.

Four bales of straw are sufficient to run a car for one year.

- Ground-breaking and worldwide unique technology, **advanced second generation biofuel**
- Development of this innovative technology is supported by the EU's NER300 subsidy project
- Design the future: VERBIO – *Biofuel and Technology*

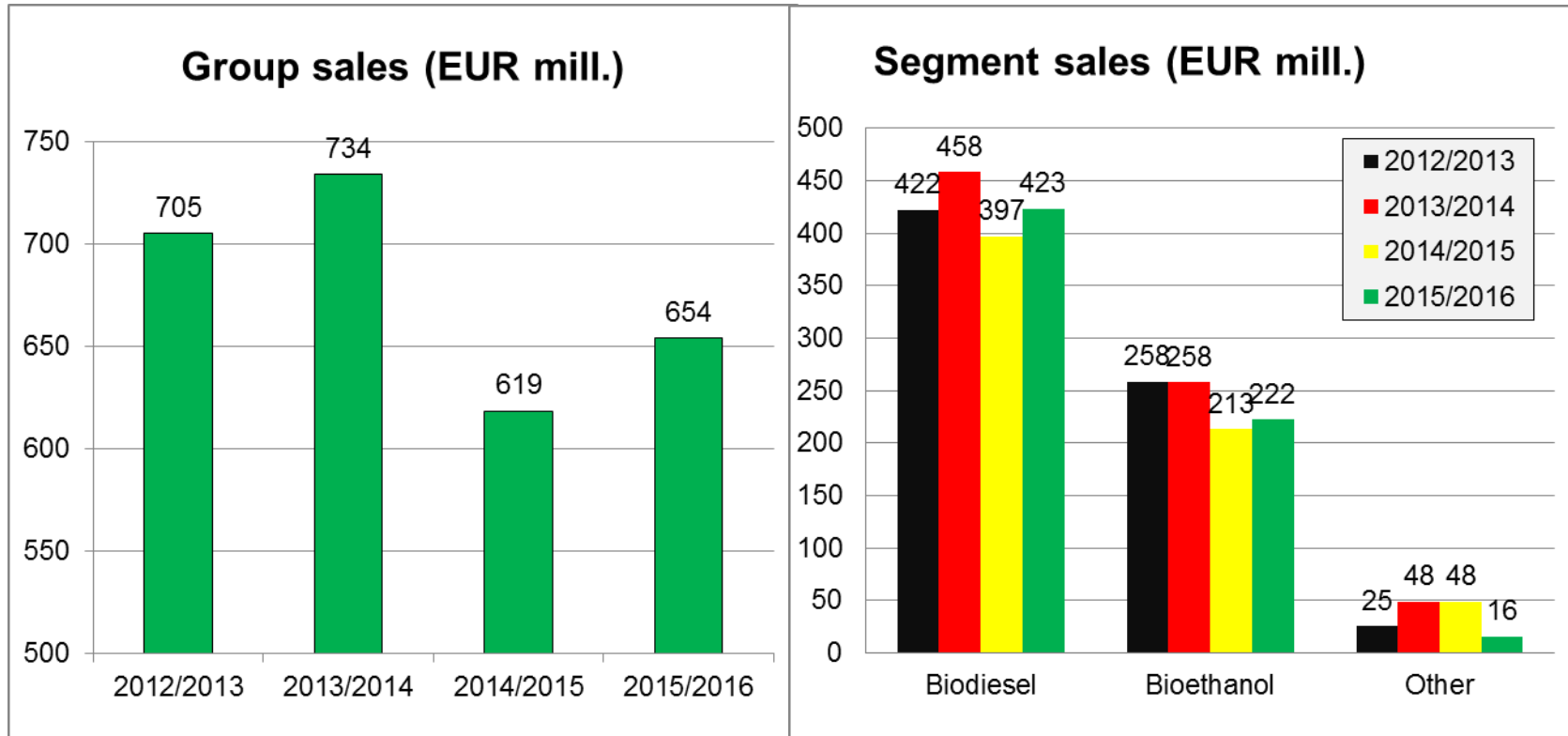
A large, stylized number '2' graphic in green, positioned on the left side of the slide. The number is composed of solid green shapes with white cutouts, creating a modern, abstract look.

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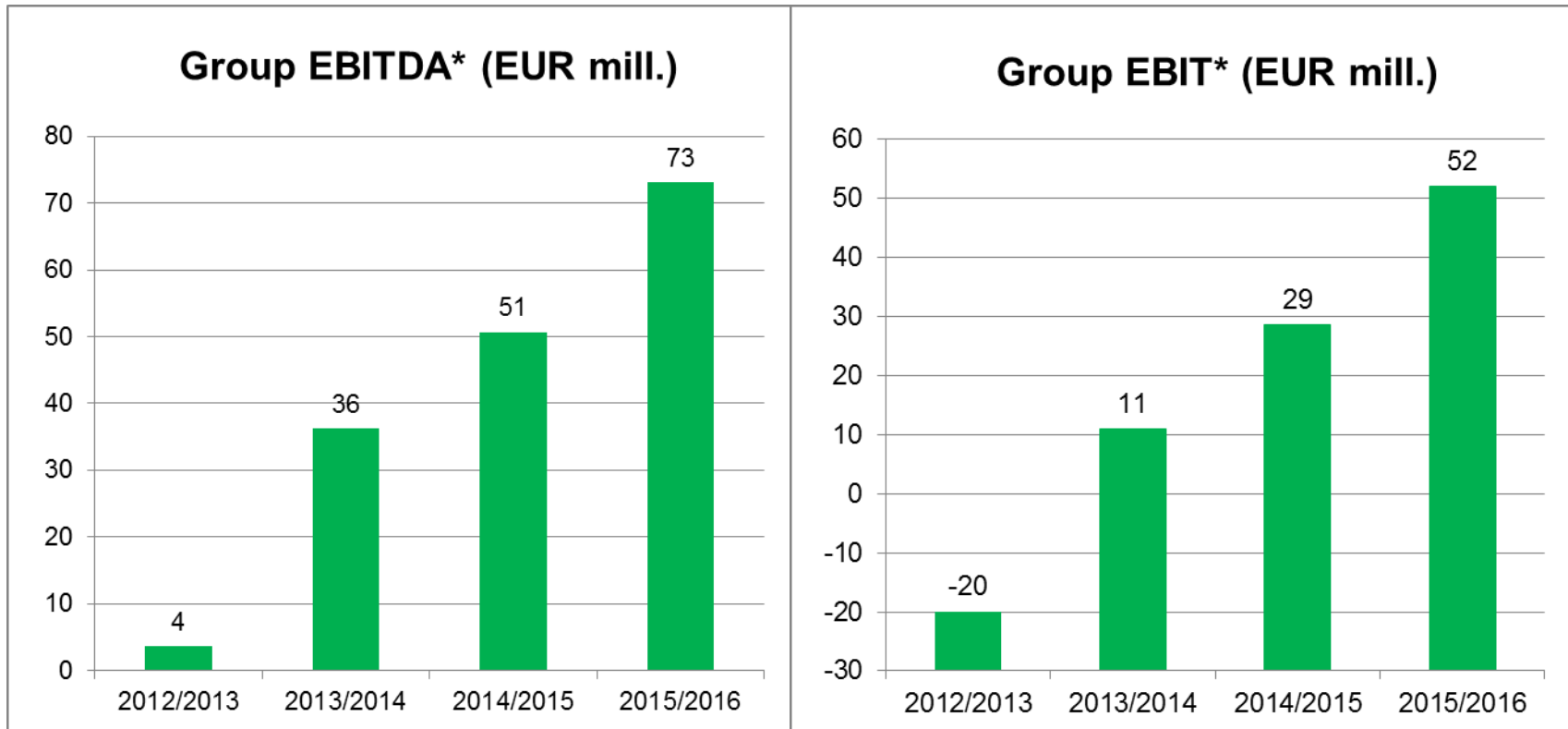
**Business performance
VERBIO Group
FY 2015/2016**

2.1 Group sales



- Group sales in 2015/2016 include sales of merchandise (mostly biogenic fuels) of EUR 41 mill. (PY: EUR 22 mill.) for margin and logistic optimisation.
- Sales on the Other segment primarily include transport and logistics services of EUR 15.8 mill. (PY: EUR 15.8 mill.).

2.2 Development EBITDA and EBIT



* Extraordinary items; refer to Annual report 2012/2013

- EBITDA 2015/2016 increased by EUR 22.4 mill. compared to PY as a result of further optimisation measures and higher margins.
- EBIT 2015/2016 affected by lower depreciation. 2015/2016 EUR 21.0 mill. (PY: EUR 22.2 mill.).

2.3 Key financials

EUR mill.	June 30, 2016	June 30, 2015	change
Production (t)	688,362	690,970	-0.4%
Sales	654.3	618.5	5.8%
EBITDA	73.1	50.7	44.2%
EBIT	52.0	28.5	82.5%
EPS (EUR/share)*	0.77	0.43	79.1%
Equity ratio (%)	78.7	70.8	
Operating Cash Flow	76.3	46.6	EUR 29.7 mill.
Liquid funds	77.5	26.7	EUR 50.8 mill.
Net financial assets	65.6	7.8	EUR 57.8 mill.

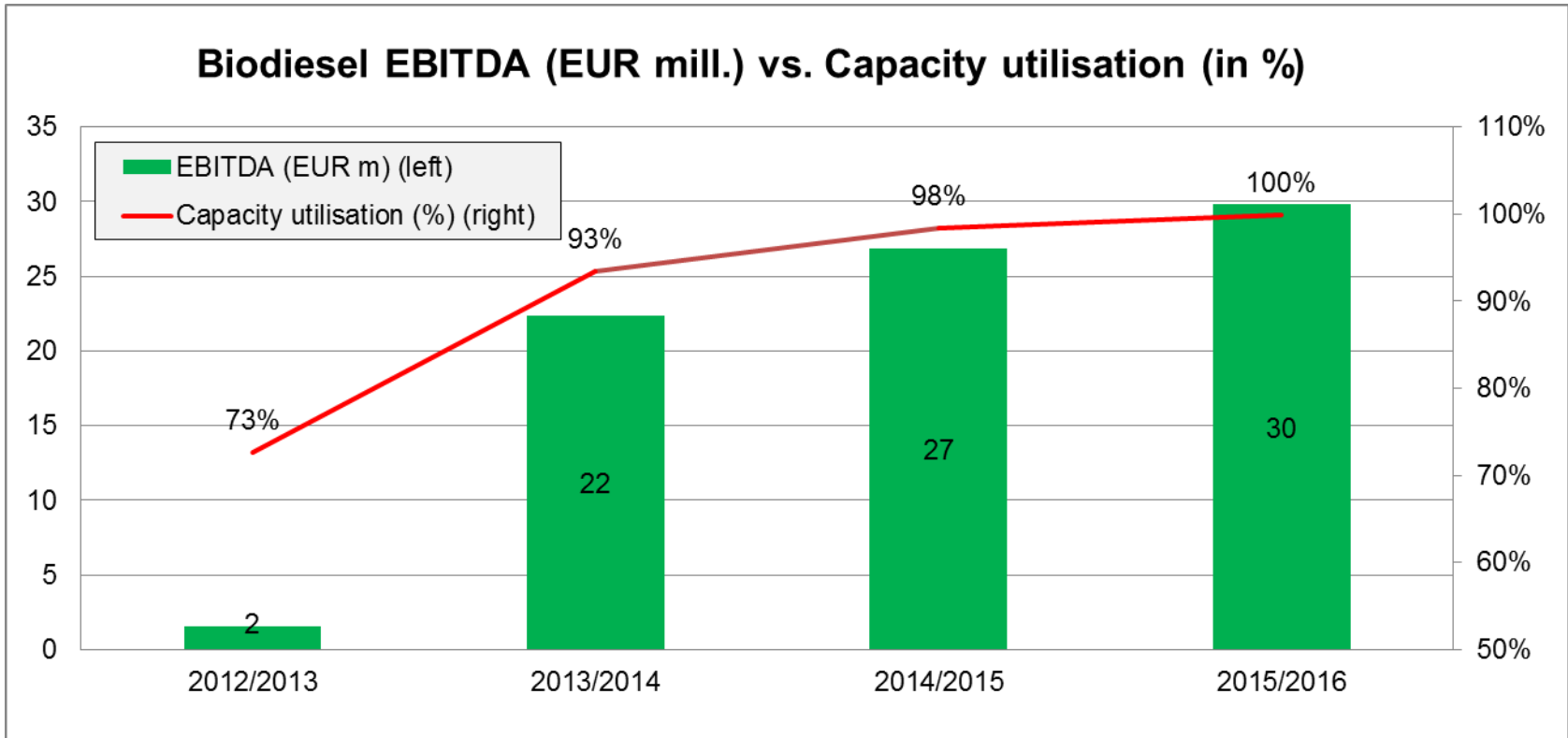
* EPS: affected by actual / deferred taxes 2015/2016 EUR -1.7 mill. (prev. EUR 2.1 mill.).

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**Biodiesel
segment**

3.1 EBITDA and capacity utilisation



- EBITDA increase in the financial year 2015/2016 primarily due to further efficiency improvements and the increased capacity utilisation levels
- Production capacity for sterols almost fully in use at the end of the financial year 2015/2016

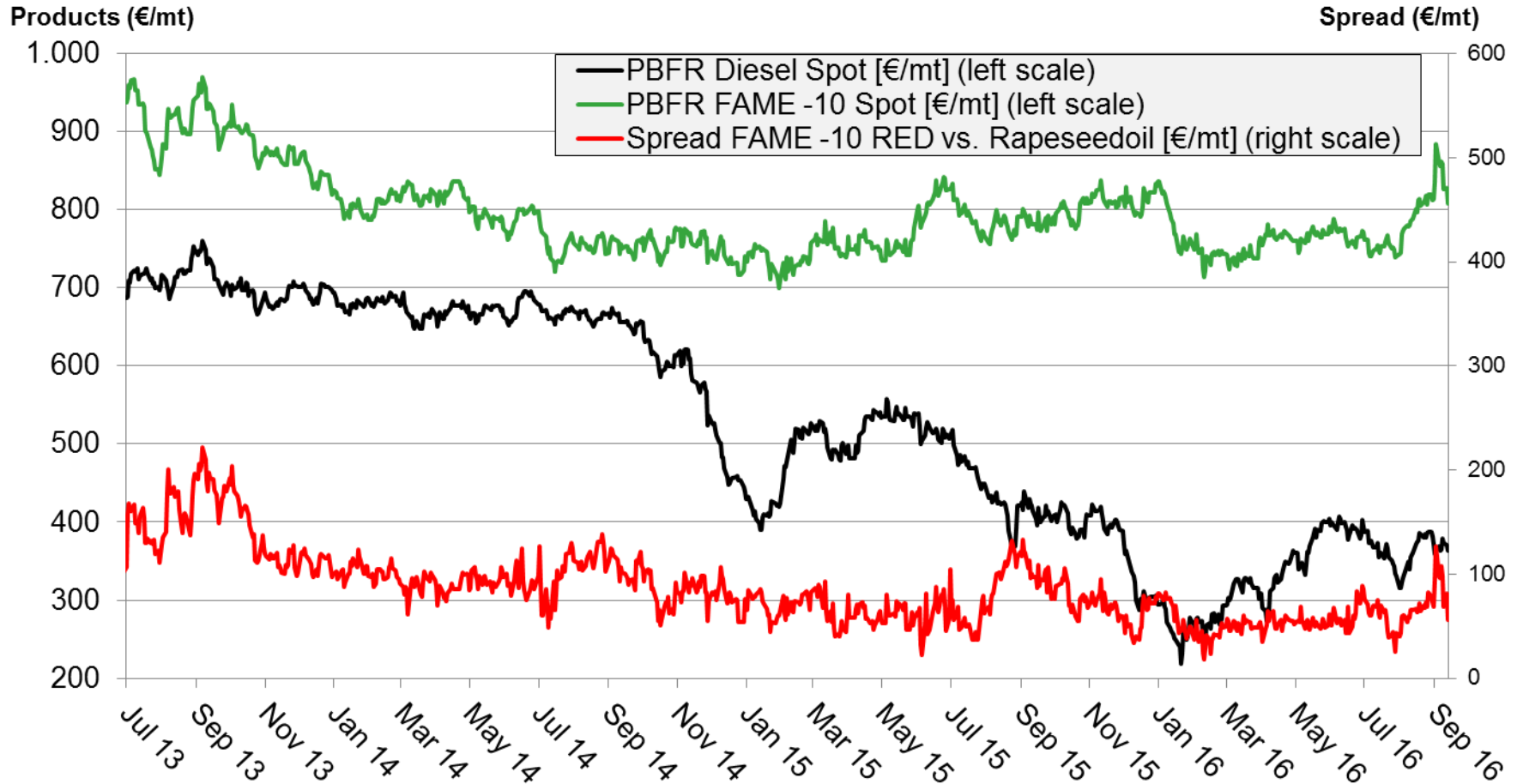
3.2 Key figures segment biodiesel

EUR mill.	2015/2016	2014/2015	change
Production (mt)	449,303	442,867	1.5%
Utilisation (percent)	99.9	98.4	
Sales	423.2	397.0	6.6%
Gross margin	48.3	43.6	10.8%
EBITDA	29.8	26.9	10.8%
EBIT	25.3	21.7	16.6%

- 2015/2016 saw the highest level of annual production in the Group's history
- Market share maintained. We continue to aim for high capacity utilisation levels
- Production capacity at the start of the financial year 2016/2017 increased to 470,000 tonnes annually p.a. (previously 450,000 tonnes) with a view to capacity optimisation
- Investments of EUR 4.4 mill. (PY: EUR 6.0 mill) primarily to complete the sterol plant at VERBIO Diesel Bitterfeld

3. Biodiesel segment

3.3 Market price trends biodiesel, rapeseed oil and diesel



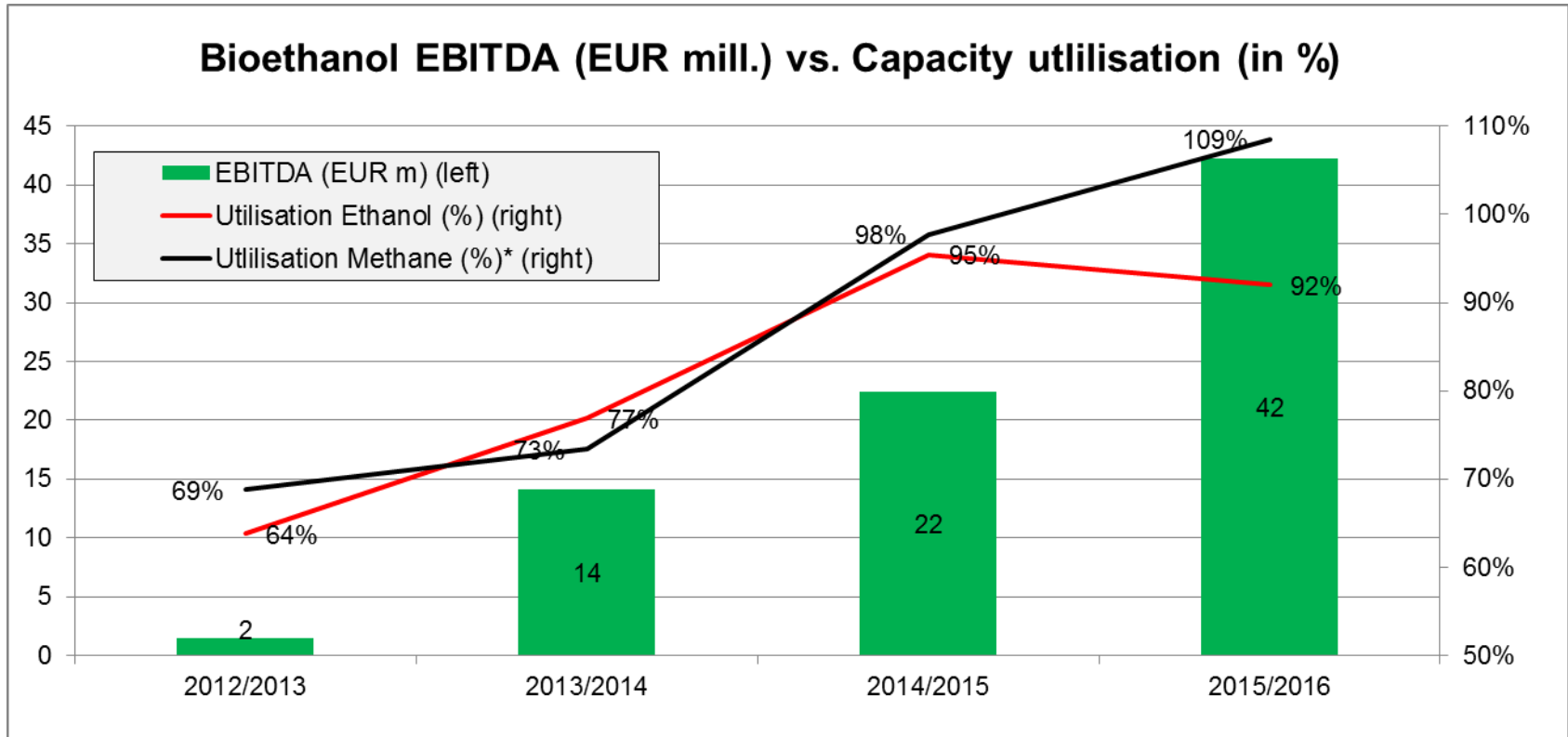
- Production margin comparatively stable in the last two years.
- Low diesel prices have no effect on market margins.
- No significant changes in the production margins in the first half-year 2016/2017 expected.

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**Bioethanol
segment**

4.1 EBITDA and capacity utilisation



* Based on capacity of 480 GWh p.a.

- The increased EBITDA in the financial year 2015/2016 is primarily a result of increased efficiency, increased plant capacity utilisation of the bio-methane plant, and good margins
- The capacity utilisation for bioethanol was lower than in the previous year as a result of planned maintenance downtime at both locations

4. Bioethanol segment

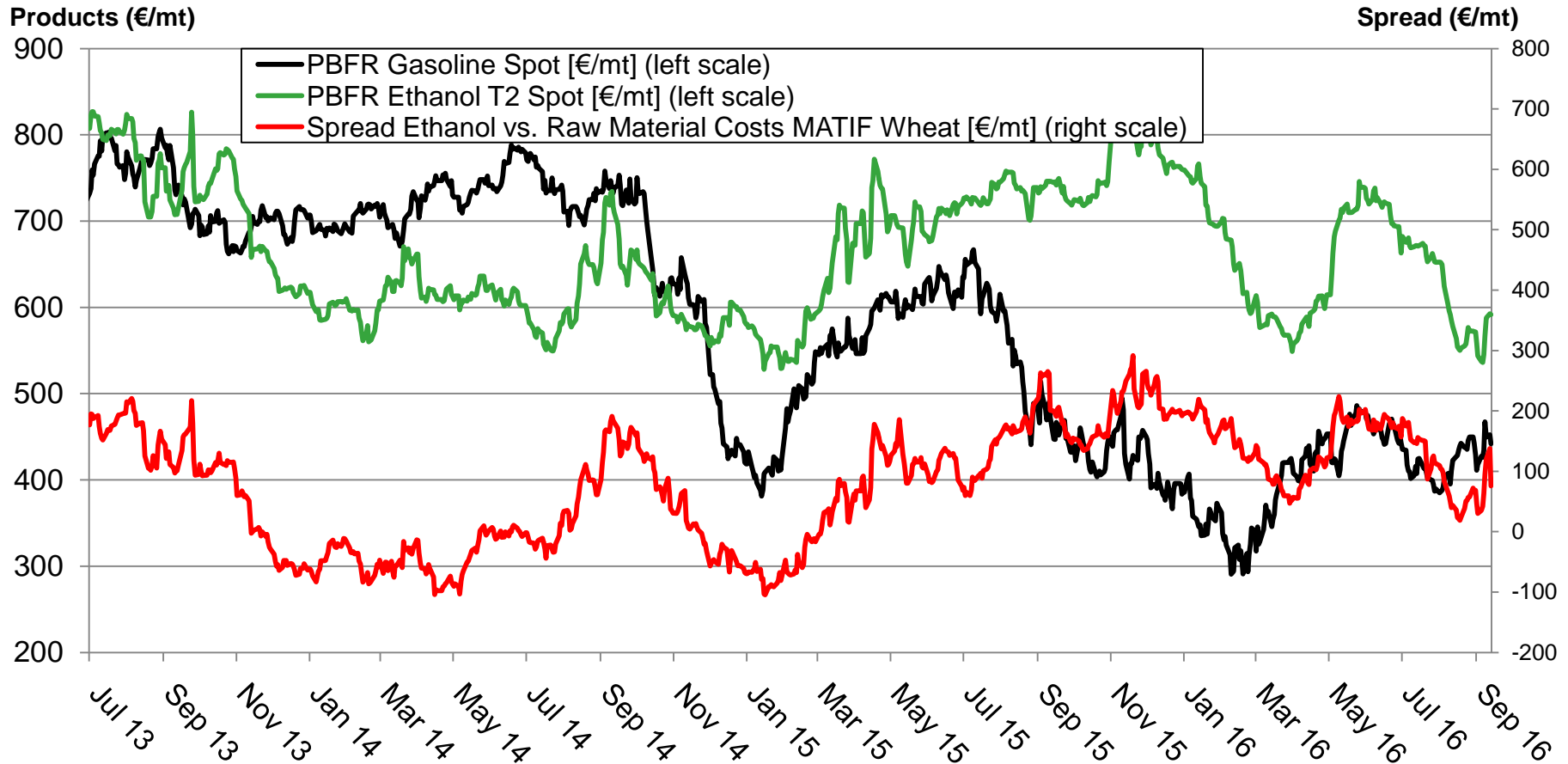
4.2 Key figures segment bioethanol

EUR mill.	2015/2016	2014/2015	change
Production (mt)	239,059	248,103	-3.6%
Utilisation (percent)	92.0	95.4	
Production (GWh)	520.9	469.2	11.0%
Utilisation (percent)	108.5	97.7	
Sales	222.1	212.9	4.3%
Gross margin	66.0	44.0	50.0%
EBITDA	42.2	22.4	88.4%
EBIT	26.2	6.3	315.9%

- Market share maintained. We continue to aim for high capacity utilisation levels
- Biomethane production capacity increased to 600 GWh p.a. (previously 480 GWh p.a.) at the start of the financial year 2016/2017 due to technical process improvements
- Investments of EUR 7.8 Mio. (PY: EUR 7.0 mill.), primarily for biomethane optimisation

4. Bioethanol segment

4.3 Market price trends - gasoline, bioethanol and wheat



- Production margins for Bioethanol remain volatile.
- Forecast of further margin developments cannot be estimated due to volatile Ethanol T2 prices.

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**Outlook
FY 2016/2017**

Outlook business performance

■ Capacity utilisation:

Good capacity utilisation in all segments during 1st HY 2016/2017 expected.

■ Market margins:

Good and stable biodiesel margins expected. Uncertainty regarding bioethanol margins with regard to stable prices of raw materials against volatile market prices for bioethanol.

■ CAPEX FY 2016/2017:

Biodiesel:	ca. EUR 3.5 mill.	Expansion sterol plant at Bitterfeld and other
Bioethanol:	ca. EUR 8.6 mill.	Mainly optimisation / expanding bio-methane production (excl. strategic investments)

■ Others:

Financial debt: repayment of ca. EUR 10.0 mill. planned

■ Dividend proposal of 15 cent/share for FY 2015/2016 made*

■ Outlook FY 2016/2017:

EBITDA: around EUR 55 mill.

Net cash: around EUR 88 mill. (end of FY)

* see additional information in the annual report 2015/2016



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**Thank you for
your attention!**

VERBIO Vereinigte BioEnergie AG

Ritterstraße 23 • 04109 Leipzig
T: +49 (0) 341 308530-0 • F: +49 (0) 341 308530-999
info@verbio.de • www.verbio.de

VERBIO is a leading independent manufacturer and supplier of biofuels to Germany and Europe.

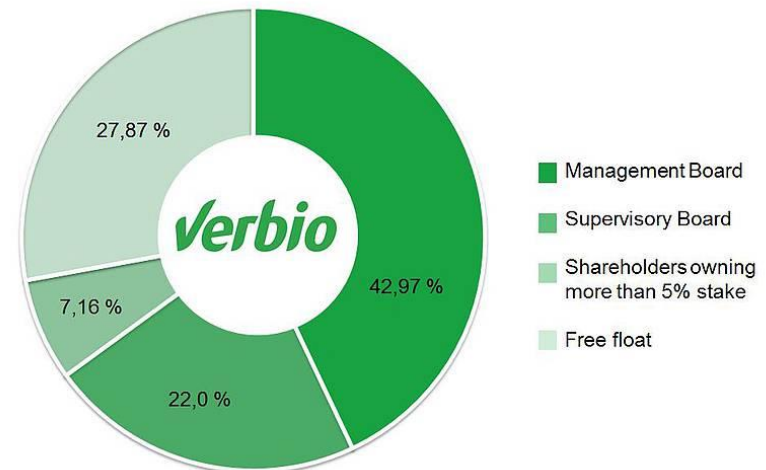
It produces biodiesel, bioethanol and bio-methane on an industrial scale at three sites, making us a one-stop shop for all the biofuels in current use.

verbiodiesel *verbioethanol* *verbioogas*

- Approximately 488 employees
- Three production sites in Germany
- Market share in Germany > 20%
- Export markets are (but not limited to) Netherlands, Poland, Czech Republic
- World's biggest bio-methane producer

General Information

<u>Stock Exchange:</u>	XETRA, Frankfurt
<u>ISIN Code:</u>	DE000A0JL9W6
<u>Primary Index:</u>	Prime All Share/ CDAX
<u>TRBC Industry:</u>	Renewable Fuels
<u>Average Turn Over:</u>	135k shares p.d. XETRA
<u>No. of Shares:</u>	63m bearer shares
Market Cap:	ca. EUR 350m



Investor Relations

Olaf Tröber
Investor Relations
Ritterstraße 23
04109 Leipzig
T: + 49 341 308530-251
F: + 49 341 308530-998
E-Mail: ir@verbio.de

Public Relations

Ulrike Kurze
Marketing/PR
Ritterstraße 23
04109 Leipzig
T: + 49 341 308530-287
M: + 49 176 13085404
E-Mail: ulrike.kurze@verbio.de