

Verbio

Biofuel and Technology

**Half-year financial report
to December 31, 2016
Financial year 2016/2017**

Group key figures

[in EUR million]

Profitability	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Sales	158.0	180.8	338.8	155.9	174.9	330.8
EBITDA	16.2	32.8	49.0	14.6	24.5	39.1
EBIT	10.8	27.5	38.3	9.4	19.3	28.7
EBIT-margin (%)	6.8	15.2	11.3	6.0	11.0	8.7
EBT	10.4	27.3	37.7	9.1	19.0	28.1
Period result	7.4	18.8	26.2	7.9	13.7	21.6
Earnings per share (EUR)	0.12	0.29	0.41	0.12	0.23	0.34
Operating data	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Productions (t)	176,767	183,375	360,142	169,646	176,361	346,007
Productions (MWh)	141,461	142,026	283,487	132,761	131,242	264,003
Utilisation Biodiesel/Bioethanol (%) ¹⁾	96.9	100.5	98.7	95.6	99.4	97.5
Utilisation Biomethane (%) ¹⁾	94.3	94.7	94.5	110.6	109.4	110.0
Investments in property, plant and equipment	3.2	5.9	9.1	4.1	1.9	6.0
Number of employees ²⁾	498	493	493	491	481	481
Net asset position	30.09.2016	31.12.2016	31.12.2016	30.09.2015	31.12.2015	31.12.2015
Net financial assets	61.8	72.6	72.6	14.4	40.5	40.5
Equity	263.0	286.3	286.3	219.1	234.8	234.8
Equity ratio (%)	80.9	80.4	80.4	72.7	74.4	74.4
Balance sheet total	325.1	356.0	356.0	301.2	315.8	315.8
Financial position	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Operating cash flow	-1.4	16.9	15.5	10.9	28.0	38.9
Operating cash flow per share (EUR)	-0.02	0.27	0.25	0.17	0.44	0.62
Cash and cash equivalents ²⁾	65.6	76.0	76.0	28.8	56.2	56.2

¹⁾ As of July 1, 2016 the annual production capacity of the production plant was amended as follows: biodiesel: from 450,000 tonnes to 470,000 tonnes; bioethanol 260,000 tonnes (unchanged) and biomethane from 480 GWh to 600 GWh

²⁾ At the balance sheet date

Segment key figures

[in EUR million]

Biodiesel	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Sales	111.4	124.9	236.3	103.9	113.3	217.2
EBITDA	9.1	18.7	27.8	7.1	8.4	15.5
EBIT	7.9	17.5	25.4	6.0	7.4	13.4
Production (t)	117,180	119,250	236,430	111,155	115,946	227,101
Utilisation (%) ¹⁾	99.7	101.5	100.6	98.9	103.1	100.9
Number of employees ²⁾	111	109	109	110	110	110
Bioethanol (incl. Biomethane)	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Sales	44.2	53.3	97.5	50.0	59.1	109.1
EBITDA	6.7	14.1	20.8	7.2	15.5	22.7
EBIT	2.7	10.0	12.7	3.2	11.5	14.7
Production (t)	59,587	64,125	123,712	58,491	60,415	118,906
Production (MWh)	141,461	142,026	283,487	132,761	131,242	264,003
Utilisation Bioethanol	91.7	98.7	95.2	90.0	92.9	91.5
Utilisation Biomethane (%) ¹⁾	94.3	94.7	94.5	110.6	109.4	110.0
Number of employees ²⁾	236	232	232	226	219	219
Other	Q1 2016/2017	Q2 2016/2017	1 HY 2016/2017	Q1 2015/2016	Q2 2015/2016	1 HY 2015/2016
Third party sales	4.1	4.1	8.2	4.4	3.9	8.3
EBIT	0.1	0	0.1	0.2	0.4	0.6

¹⁾ As of July 1, 2016 the annual production capacity of the production plant was amended as follows:
biodiesel: from 450,000 tonnes to 470,000 tonnes; bioethanol 260,000 tonnes (unchanged) and biomethane from 480 GWh to 600 GWh

²⁾ At the balance sheet date

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Group Interim Management Report

for the period from July 1, 2016 to December 31, 2016

Economic report

Economic and political environment

Market conditions in Germany

As of the date of preparing this report, the German Federal Office of Economics and Export Control (BAFA) has published statistics up until October 31, 2016. These statistics show a very strong (+5 percent) increase in the consumption of diesel fuels in Germany in the first ten months of the calendar year just ended, which represents 1.5 million tonnes more than in the comparative year 2015. Quantities of biodiesel and HVO blended in diesel did not increase at the same rate; the increase compared to 2015 amounted to 1.1 percent (20,000 tonnes). Accordingly the blend rate is declining.

The BAFA reports a stagnation in consumption of petrol-based fuels during the period from January to October 2016 compared to the same period in the previous year. At the same time, ethanol blending has fallen back slightly by -1.8 percent (15,500 tonnes), which can be attributed to the continuing fall in E10 market share. Over the first ten months as a whole blending was only 12.7 percent, as compared to 13.6 percent in 2015, with the month of October 2016 at 12.1 percent, marking a new low. The price differential compared to E5 remains at 2 cents/litre, and this is not sufficient for consumers to overcome their reservations about the fuel.

Market conditions in other sales markets

Compressed natural gas (CNG)/biomethane as biofuel

The share of biomethane added to natural gas (CNG) fuels initially progressed very well in recent years. Whereas in 2011 the blended share was 4.3 percent for the market taken as a whole, the share in 2012 was already 15.3 percent.

The statistical reports issued by the Federal Ministry of Finance that are used to provide data on the fulfilment of the biofuels quota only report separate data for biomethane from 2012. The figures are available up to 2015, and show a significant increase in the use of biomethane in the fuels sector. 486 GWh were applied to the quota from biomethane in 2013, an increase of approximately 46 percent compared to 2012 (333 GWh). Since then the share has fallen back to 2012 levels.

This is primarily due to the regulatory environment and the uncertainty concerning the quota demand under the GHG quota regulations, which is proving to be an impediment to the use of biomethane in the fuel sector.

Markets outside Germany

The sales markets for biofuels in Europe are still affected by the fact that the Renewable Energy Directive (RED) is being implemented very differently in different EU member states. On the one hand, this situation offers arbitrage possibilities. However, it can also result in market entry barriers in certain countries.

The low oil price means that biofuels are less competitive globally. Despite this, biofuels are gaining in importance in countries with predominantly agricultural economies in Asia and South America, where incentives for biofuel use, e.g. tax incentives or compulsory blending requirements, are being introduced or increased. As a result, investments are being made in new local biofuel production capacity.

Sales price trends

Biodiesel prices in the first half of the year 2016/2017 were 66 EUR/tonne above the average level recorded in the first half of the year 2015/2016. Ethanol prices were significantly lower (-110 EUR/cbm).

While the average price of biodiesel FAME -10 RED FOB Rotterdam in the first half of 2015/2016 was approximately EUR 796/tonne, the average price in the first half of 2016/2017 was EUR 863/tonne. These price movements are primarily due to the increase in raw material prices.

In the first half of 2016/2017 the price of rapeseed oil, a raw material used in biodiesel production, increased by approximately EUR 71/tonne compared to the same period in the previous year, while the price of palm oil increased by approximately EUR 160/tonne. The price increases for vegetable oils, and in particular the increases for palm oil, had a stabilising effect on the FAME complex as a whole.

Driven by demand factors, the average price of Fuel Grade Ethanol T2 FOB Rotterdam amounted to approximately EUR 485/cbm in the first half of 2016/2017. The strong demand for ethanol from South America and the USA limited the arbitrage possibilities for imports and supported prices. Added to this, a strong demand for ethanol has developed in China and South Korea.

As a result the price of ethanol has recovered steadily and is currently quoted in spot markets at approximately EUR 600/cbm.

Trends in raw material prices

Grain and oil seed

Prices for grain and oil seeds remain at historic low levels, although they have recovered from their lowest level. According to a publication from the United States Department of Agriculture (USDA) published in January 2017, the worldwide grain harvest, including rice, is expected to amount to approximately 2,560.36 million tonnes in the financial year 2016/2017, which will set a new record.

Based on the USDA estimates, wheat production in 2016/2017 will be up again for the third successive year at 752 million tonnes (2014/2015: 728 million tonnes; 2015/2016: 735 million tonnes). Wheat consumption increased to 739 million tonnes.

Overall, supply and demand continue to be in balance. Closing stocks worldwide are expected to recover by approximately 13 million tonnes to 240 million tonnes by the end of the 2015/2016 season. Inventories may increase to as much as 253 million tonnes in 2016/2017. Prices have hit historic lows in recent months. The current level of approximately 425 ct/bu was last recorded in 2010 (source: Chicago Board of Trade, CBOT). In Europe, however, the harvest totalled 194 million tonnes (2015: 215 million tonnes), a significantly fall compared to the previous year (source: Committee of the Cereals, Animal Feed, Oilseeds, Olive Oil, Oils and Fats and Agrosupply Trade – COCERAL). The fall was due to disappointing harvests in France, Germany and Great Britain, the primary growing countries.

According to the USDA at 554.8 million tonnes the worldwide production of oilseed in the 2016/2017 harvest year will significantly exceed the production levels in the previous year. The expansion of land under cultivation in North and South America and the significant increase in soya yields in the USA are the main factors leading to a stabilisation of the production of oilseed worldwide.

Current estimates for 2015/2016 rape seed oil yields issued by COCERAL indicate a total yield of 20.04 million tonnes, a fall of 2.37 million tonnes compared to 2014/2015. There are significant shortfalls reported in France, Germany, Great Britain and Poland. The causes of the low yields are primarily to be found in the growth conditions in recent months. In addition, there were some substantial losses due to winter damage in Poland.

Estimates for future vegetable oil price trends are currently primarily driven by the strength of palm oil prices, which have been at around 3,200 MYR (735 USD/tonne) for several weeks. Production volumes for 2016 have been significantly weakened as a result of the El Niño effect, and at 58.12 million tonnes were even weaker than expected in June 2016 (60.6 million tonnes). The situation will first improve in the course of the 2016/2017 season, with production expected to be 63.8 million tonnes. Prices for soya oil are also stable despite the higher soya harvest. The significantly lower rapeseed production in the European Union continues to contribute to a stabilisation of vegetable oil price levels.

Development of selected raw materials and products

	Q1 2015/2016	Q2 2015/2016	Q3 2015/2016	Q4 2015/2016	Q1 2016/2017	Q2 2016/2017	1. HY 2016/2017
Crude oil (Brent; USD/barrel)	50	44	35	47	47	51	49
Gasoil FOB Rotterdam (EUR/ton)	439	381	290	365	370	424	397
Biodiesel (FAME -10 RED; EUR/ton)	785	808	759	766	796	929	863
Gasoline FOB Rotterdam (EUR/ton)	504	413	363	444	412	455	433
Bioethanol (T2 German Specs; EUR/cbm)	579	612	514	529	482	488	485
Rapeseed oil (EUR/ton)	699	739	703	710	728	853	790
Palm oil (EUR/ton)	512	515	569	626	651	703	677
Wheat (MATIF; EUR/ton)	176	177	157	159	160	163	162
Sugar (EUR/ton)	224	296	287	333	402	426	414

Sugar

Following an increase in the past twelve months of EUR 180/tonne, the price of sugar has consolidated at a comparatively high level in the second quarter of 2016/2017. The excess demand for raw sugar in the 2015/2016 and 2016/2017 harvest year has led to, and is still causing, a massive reduction in inventory levels worldwide. Current expectations are that it will not be until the 2017/2018 harvest year when the favourable growing and harvest conditions for raw sugar in Brazil and India, the primary growing countries, will lead to a small production excess, which will be accompanied by moderate falls in the price of sugar.

Political environment and legal framework for biofuels

Political environment for biofuels

We refer to the explanations provided in the 2015/2016 Annual Report published on September 21, 2015 for a description of the current regulatory situation. There have been no significant changes in the political framework since then which have had an effect on the net assets, financial position and results of operations.

Amendment to the Renewable Energy Directive and the Fuel Quality Directive

In our view, there are a number of problems with the implementation of the Renewable Energy Directive (RED) by the Federal Ministry for the Environment (BMU).

The BMU would like to limit the share of first generation biofuels to 5 percent and to approve the use of CO-HVO (co-processed biogenic oils) for a limited period until 2020. Further, a minimum quota for second generation (advanced generation) biofuels should be introduced, initially from 2020 and in small quantities. No proposals have yet been made concerning the introduction of an upstream emissions trading scheme (upstream ETS). A permanent adoption of the quota increases up until 2020 has been rejected by the BMU.

The Federal Ministry for Economic Affairs and Energy (BMWi) and the Federal Ministry for Food and Agriculture (BMEL) want to maintain the 7 percent quota for first generation biofuels; the BMWi wants to introduce a minimum quota from 2018 with a share of at least 0.5 percent (this being on top of the 7 percent). The BMWi doesn't see any particular problems with CO-HVO; the issue is limited in any case by the planned limitation until 2020. There is a danger of the issue of biofuels being reopened generally as a result of the use of palm oil for CO-HVO.

Renewable energy directive - RED II

At the end of 2016 the Commission issued its climate protection package 2030 proposals, including the reform of the biofuels policy for the years 2020 to 2030. The RED proposals oblige the member states to increase the share of renewable energies in all sectors (transport, heating/cooling, electricity) to an average of 27 percent by 2030.

The Commission wants to successively reduce the use of first generation biofuels from a maximum of 7 percent in 2020 to a maximum of 3.8 percent by 2030. A maximum of 3.8 percent also means that the figure can be zero. We see this as a major uncertainty and see a high risk that the worst case of zero could be probable, depending on the raw material situation. The use of advanced biofuels should be expanded significantly, beginning in 2021 with at least 1.5 percent and up to at least 6.8 percent to 2030, thereof a 3.8 percent minimum quota for Appendix IX Part A raw materials (e.g. straw). The minimum share of advanced biofuels as defined by Appendix IX Part A, commencing with 1.5 percent in 2021, is in sharp contrast to the draft 38th Regulation on the Implementation of the Federal Emissions Protection Act (Verordnung zur Durchführung des Bundes-Immissionsschutzgesetzes – BImSchV) issued by the BMU which should commence with 0.05 percent in 2020. Our criticism that this quota is too low is strongly supported by the draft RED II proposals. It is planned that biofuels based on waste products such as UCOME will be limited to a maximum of 1.7 percent. Double counting of credits will no longer be used.

Tax concessions for natural gas

The Federal Ministry of Finance published a draft of the Second Energy and Electricity Tax Amendment Act on April 26, 2016, for approval by government departments. This does not include extending subsidies for liquid petroleum gas (LPG) and natural gas for an unlimited period into the future. However, the draft does propose to extend the tax advantage for LPG, declining from 2019 and limited to a period of three years. For CNG (natural gas) the tax advantage will continue for a further six years up until 2024, declining from 2022.

A significant contributor here is the newly-formed "Natural Gas Mobility Round Table" in which the BMWi is playing a leading role. The BMWi wants to transform what have until now been informal discussions led by dena into concrete industrial policies. Here we see the opportunity to advance our issues concerning biomethane, as well as the necessity for a speedy introduction of a notable level of quotas for advanced biofuels.

“DETs” – differential export taxes

At the end of the previous year the General Court of the Court of Justice of the European Union adjudged that the EU Commission had not applied the anti-dumping regulations applying to biodiesel imports from Argentina and Indonesia correctly, and that these had accordingly not been enforced in accordance with the legislation. There are potential initiatives to challenge this decision being examined both at national (e.g. by the VDB) and international (European Biodiesel Board – EBB) levels. In the meantime the Federal Government, together with other EU member states, has launched legal appeals against this decision.

In a letter dated December 20, 2016 the Commission has requested the VDB to participate in this process. We will try to use direct discussions with the BMWi to obtain clarification concerning this new process, in particular to understand which aspects will be decisive (countering the criticism of the WTO).

In parallel with this it is being examined whether a “re-opening procedure” can be initiated in order to cover the points criticised by the Court of the European Union and the World Trade Organisation (WTO) with the aim of issuing anti-dumping regulations which can be enforced in law.

Regulatory and tax environment in Germany

We refer to the explanations provided in the 2015/2016 Annual Report for a description of the regulatory and tax situation in Germany. There have been no significant changes since then which have had an effect on the net assets, financial position and results of operations.

Business report and the Group’s position*Results of operations*

VERBIO produced 360,142 tonnes of biodiesel and bioethanol in the first six months of the 2016/2017 financial year, compared to 346,007 tonnes in the comparative period in the previous year. This represents a continued capacity utilisation rate of almost 100 percent. In addition, 283,486 MWh of biomethane were produced in the first half-year of the financial year 2016/2017 (1 HY 2015/2016: 264,003 MWh).

With production and sales volumes increasing slightly over the first half-year 2016/2017 as a whole, the Group’s revenues increased by 2 percent to EUR 338.8 million (1 HY 2015/2016: EUR 330.8 million). Further information is presented in the detailed comments on the individual segments.

Other operating income is almost unchanged at EUR 5.2 million (1 HY 2015/2016: EUR 5.5 million).

Material costs amounted to EUR 275.3 million, slightly lower than in the same period of the comparative year 2015/2016 (1 HY 2015/2016: EUR 276.5 million). Taking account of changes in inventory of unfinished and finished goods, the gross margin of EUR 73.1 million is significantly higher than in the same period of the comparative year (1 HY 2015/2016: EUR 60.8 million). This is primarily due to changes in Q2 2016/2017, with a margin of EUR 45.1 million (Q2 2015/2016: EUR 36.7 million).

Personnel expenses in the first six months of the financial year 2016/2017 amounted to EUR 14.0 million (1 HY 2015/2016: EUR 13.8 million).

Other operating expenses amounted to EUR 15.0 million in the period (1 HY 2015/2016: EUR 15.1 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, depreciation and amortisation (EBITDA) in the first six months of the financial year amounted to EUR 49.0 million, significantly higher than the EBITDA in the comparative period in the previous year (1 HY 2015/2016: EUR 39.1 million). Again, this reflects the strong second quarter in 2016/2017, corresponding to the trend in gross margins. The second quarter EBITDA amounted to EUR 32.8 million (Q2 2015/2016: EUR 24.5 million).

After deduction of depreciation charges, the Group operating result (EBIT) amounted to EUR 38.3 million, EUR 9.6 million above the comparative period in the previous year (1 HY 2015/2016: EUR 28.7 million).

The financial result EUR –0.6 million (1 HY 2015/2016: EUR –0.6 million) consists almost entirely of interest and credit guarantee expenses of EUR 0.6 million (1 HY 2015/2016: EUR –0.7 million).

Accordingly, the Group result before taxes (EBT) totals EUR 37.7 million (1 HY 2015/2016: EUR 28.1 million), and the net result for the period is EUR 26.2 million (1 HY 2015/2016: EUR 21.6 million). Based on the result for the period, earnings per share (basic and diluted) is EUR 0.41 (1 HY 2015/2016: EUR 0.34).

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 December 31, 2016 amounted to EUR 356.0 million, representing only an increase of EUR 33.0 million compared to June 30, 2016 (June 30, 2016 : EUR 323.0 million).

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

The non-current assets fell only slightly, amounting to EUR 169.0 million at the balance sheet date (June 30, 2016: EUR 176.7 million), whereby the fall was primarily due to the reduction of deferred tax assets recorded as an expense in the income statement.

The EUR 40.8 million increase in current assets from EUR 146.3 million at June 30, 2016 to EUR 187.1 million is due to increases in inventory (EUR 17.6 million) and trade receivables (EUR 9.6 million).

The increase in inventories is primarily due to the higher inventories of raw materials due to grain purchases following the 2015/2016 harvest, as well as to the increase in inventory of finished goods at the year end. 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 286.3 million (June 30, 2016: EUR 254.3 million), representing approximately 80.4 percent (June 30, 2016: 78.7 percent) of the balance sheet total. On the other hand, non-current and current liabilities are little changed compared to the June 30, 2016 balance sheet date.

Cash flows

The operating cash flow for the reporting period totalled EUR 15.5 million (1 HY 2015/2016: EUR 38.9 million). The fall, despite the improvement in the result for the period, is primarily due to the change in the level of trade accounts receivable due to timing effects around the reporting date. While trade accounts receivable fell by EUR 19.8 million in the same period of the previous year, in the period to December 31, 2016 there was an increase of EUR 9.6 million.

Cash outflows from investment activities in the first half-year 2016/2017 totalled EUR 8.5 million (1 HY 2015/2016: EUR 6.2 million). This primarily resulted from payments made for investments in property, plant and equipment.

The cash flow from financing activities for the reporting period totalled EUR –8.5 million (1 HY 2015/2016: EUR –3.1 million). This was due to the repayment of financial liabilities of EUR 8.5 million (1 HY 2015/2016: EUR 5.9 million) which were not refinanced by drawdowns on new financial liabilities (1 HY 2015/2016: EUR 2.8 million).

As a result of the above, cash and cash equivalents fell by EUR 1.5 million in the period July 1, 2016 to December 31, 2016. Cash and cash equivalents at December 31, 2016 totalled EUR 76.0 million.

Net cash

The remaining bank and loan finance arrangements are more than offset by cash and cash equivalents of EUR 76.0 million, so that the reported net cash balance at the balance sheet date amounted to EUR 72.6 million (June 30, 2016: EUR 65.6 million).

Investment

Investments in property, plant and equipment totalling EUR 9.1 million were made in the first half of the financial year 2016/2017 (1 HY 2015/2016: EUR 6.0 million). The investments were primarily made in the Bioethanol/Biomethane segment (EUR 6.4 million) for investments in existing biomethane plant, among other things.

Segment reporting

Biodiesel

VERBIO has an annual production capacity of 470,000 biodiesel (previous year: 450,000 tonnes). Production in the first six months of 2016/2017 totalled 236,430 tonnes, 4.1 percent higher than in the corresponding period in the previous year (1 HY 2015/2016: 227,101 tonnes). Accordingly the production capacity was again fully utilised, despite the slight increase compared to the previous year (1 HY 2015/2016: 100.9 percent).

Revenues in the Biodiesel segment in 1 HY 2016/2017 totalled EUR 236.3 million, following EUR 217.2 million in the corresponding period in 2015/2016. The increase in revenues is due to both a slight increase in sales and production volumes and to the higher average sales price levels applying in the second quarter of 2016/2017.

The cost of materials amounted to EUR 198.1 million (1 HY 2015/2016: EUR 194.8 million), higher than the cost of materials in the corresponding period in the previous year and consistent with the trend in revenues. The gross margin has increased from EUR 24.9 million to EUR 38.7 million as a result of the combination of favourable purchasing contracts for raw materials and trends in average sales prices, and as a result of the increased quantities and changes in inventory levels.

Personnel expenses in the first half-year 2016/2017 amounted to EUR 4.8 million (1 HY 2015/2016: EUR 4.8 million).

Other operating expenses totalled EUR 6.3 million (1 HY 2015/2016: EUR 6.2 million). The segment result included gains and losses recorded on futures transactions of EUR –0.6 million (1 HY 2015/2016: EUR 0.7 million), and the segment result for the

period totalled EUR 25.4 million (1 HY 2015/2016: EUR 13.4 million).

EUR 2.4 million was invested in property, plant and equipment in the first six months of the financial year 2016/2017 (1 HY 2015/2016: EUR 3.3 million).

Bioethanol

VERBIO has an annual bioethanol production capacity of 260,000 tonnes, unchanged compared to the previous year. Production in the first six months of 2016/2017 totalled 123,712 tonnes, slightly higher than in the corresponding period in the previous year (1 HY 2015/2016: 118,906 tonnes). However, it should be taken into account that production down time was needed in the first half-year 2016/2017 to perform planned repair and maintenance procedures, meaning that it was not possible to use the capacity in full. The production of biomethane in the first half-year 2016/2017, with additional production capacity available, was higher than in the same period in the previous year, totalling 283.486 MWh (1 HY 2015/2016: 264,003 MWh).

In total, the Bioethanol segment generated revenues of EUR 97.5 million (1 HY 2015/2016: EUR 109.1 million). The change in revenues is explained by the higher sales volumes, accompanied by lower average sales prices.

The cost of materials fell compared to the previous year to EUR 72.9 million (1 HY 2015/2016: EUR 78.1 million), with the consequence that segment gross mar-

gin, after taking the change in inventories into account, was almost constant at EUR 33.8 million after EUR 34.9 million in the previous year.

Other operating income in this segment in the reporting period amounted to EUR 4.3 million (1 HY 2015/2016: EUR 4.6 million).

Personnel expenses amounted to EUR 7.4 million (1 HY 2015/2016: EUR 7.3 million).

Other operating expenses amounted to EUR 10.1 million, after EUR 10.6 million in the comparative period for the first half-year 2015/2016. This primarily consists of freight delivery costs and repair and maintenance costs.

The segment result before interest and taxation totalled EUR 12.7 million, after EUR 14.7 million in the corresponding period of the previous year.

Investments in this segment totalled EUR 6.4 million (1 HY 2015/2016: EUR 2.4 million). This primarily comprised investments of EUR 4.9 million in optimising and adjusting the biomethane plants at the Schwedt/Oder and Zörbig sites (1 HY 2015/2016: EUR 1.6 million).

Other

Revenues generated in the Other segment totalling EUR 8.2 million in the first six months of the financial year 2016/2017 primarily represent revenues from transport and logistic services (1 HY 2015/2016: EUR 8.3 million). The segment result amounted to EUR 0.1 million (1 HY 2015/2016: EUR 0.6 million).

Outlook, opportunity and risk report

Outlook

The greenhouse gas quota introduced on January 1, 2015 has now been in effect for two years. VERBIO has been successful in adapting to the challenges arising from this paradigm shift. Both biofuels segments were able to build further on their market position, even taking into account the very good first half-year in the previous financial year 2015/2016. The biofuels produced by VERBIO, which have high GHG values compared to competing products, VERBIO's unique product portfolio which makes the company a single source supplier of the three fuel types with significant volumes (bio-diesel, bioethanol and biomethane), and the high level of product quality and reliability that we offer, have been and continue to be well received by customers. Based on current sales volumes and raw material prices as well as the planned production capacity usage, the Management Board expects to achieve an EBITDA for the financial year 2016/2017 of around EUR 90 million, and to increase net cash by the end of the financial year to around EUR 120 million. Previously, the Management Board had most recently expected EBITDA of around EUR 55 million and net cash of EUR 88 million. The forecast has been amended in the light of very high plant utilisation levels, combined with unexpectedly good operating margins in the second quarter of the financial year 2016/2017, the positive developments in bioethanol prices in recent weeks and the current high order book levels for the second half of the financial year 2016/2017.

Risk and opportunity report

VERBIO's risk management system ensures that existing risks are systematically recognised, analysed, evaluated and reported on a timely basis. The risk management system ensures that all organisational 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.

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 2015/2016 annual report.

There have been no changes to the opportunities and risks presented in the 2015/2016 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 statement of comprehensive income

for the period July 1, 2016 to December 31, 2016

EUR (thousands)	Q2 2016/2017	Q2 2015/2016	1 HY 2016/2017	1 HY 2015/2016
1. Revenue (including energy taxes collected)	180,927	179,187	339,063	335,042
less: energy taxes	-188	-4,218	-279	-4,218
Revenue	180,739	174,969	338,784	330,824
2. Change in unfinished and finished goods	6,440	964	9,628	6,481
3. Capitalised production of own plant and equipment	103	74	208	186
4. Other operating income	2,891	2,437	5,220	5,454
5. Cost of materials	-142,124	-139,278	-275,299	-276,543
6. Personnel expenses	-7,322	-7,249	-13,970	-13,849
7. Depreciation and amortisation	-5,397	-5,181	-10,773	-10,363
8. Other operating expenses	-7,373	-8,059	-15,023	-15,094
9. Result from commodity forward contracts	-506	603	-506	1,606
10. Operating result	27,451	19,280	38,269	28,702
11. Interest income	5	11	5	22
12. Interest expense	-142	-301	-561	-664
13. Financial result	-137	-290	-556	-642
14. Result before tax	27,314	18,990	37,713	28,060
15. Income tax expense	-8,571	-5,228	-11,543	-6,441
16. Net result for the period	18,743	13,762	26,170	21,619
Result attributable to shareholders of the parent company	18,658	13,702	26,036	21,488
Result attributable to non-controlling interests	85	60	134	131
Income and expenses recognised directly in equity				
Items, to be reclassified either as profit or loss:				
Translation of foreign operations	-31	-6	11	-23
Fair value remeasurement on cash flow hedges	6,619	2,761	8,384	5,138
Deferred taxes recognised in equity	-2,052	-856	-2,599	-1,593
17. Income and expenses recognised directly in equity	4,536	1,899	5,796	3,522
18. Comprehensive result	23,279	15,661	31,966	25,141
Comprehensive result attributable to shareholders of the parent company	23,194	15,601	31,832	25,010
Comprehensive result attributable to non-controlling interests	85	60	134	131
Result per share (basic and diluted)	0.30	0.22	0.41	0.34

Consolidated balance sheet

at December 31, 2016

EUR (thousands)	31.12.2016	30.06.2016
Assets		
A. Non-current assets		
I. Other intangible assets	236	238
II. Property, plant and equipment	166,024	167,947
III. Financial assets	59	56
IV. Deferred tax assets	2,632	8,497
Total non-current assets	168,951	176,738
B. Current assets		
I. Inventories	43,916	26,277
II. Trade receivables	41,223	31,574
III. Derivatives	11,296	331
IV. Other short-term financial assets	4,385	718
V. Tax refunds	48	19
VI. Other assets	10,220	9,873
VII. Cash and cash equivalents	75,962	77,483
Total current assets	187,050	146,275
Total assets	356,001	323,013

EUR (thousands)	31.12.2016	30.06.2016
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	5,602	-183
IV. Retained earnings	-270,779	-296,815
V. Reserve for translation adjustments	-79	-90
Total equity owners of the parent company	285,424	253,592
VI. Non-controlling interests	867	733
Total equity	286,291	254,325
B. Non-current liabilities		
I. Bank loans and other loans	1,073	1,531
II. Provisions	153	153
III. Deferred investment grants and subsidies	6,633	7,550
IV. Other non-current liabilities	2,826	3,333
V. Deferred taxes	2,817	347
Total non-current liabilities	13,502	12,914
C. Current liabilities		
I. Bank loans and other loans	2,296	10,352
II. Trade payables	30,718	27,543
III. Derivatives	2,233	597
IV. Other current financial liabilities	5,007	7,504
V. Tax liabilities	11,382	6,225
VI. Provisions	1,498	389
VII. Deferred investment grants and subsidies	1,012	1,012
VIII. Other current liabilities	2,062	2,152
Total current liabilities	56,208	55,774
Total equity and liabilities	356,001	323,013

Consolidated cash flow statement

for the period July 1, 2016 to December 31, 2016

EUR (thousands)	1 HY 2016/2017	1 HY 2015/2016
Net result for the period	26,170	21,619
Income taxes expense	11,543	6,441
Interest result	556	642
Depreciation and amortisation	10,773	10,363
Non-cash expense	247	280
Non-cash income	-9	0
Gains on disposal of property, plant and equipment and disposal of investment grants	-32	-93
Release of deferred investment grants and subsidies	-503	-519
Non-cash changes in derivative financial instruments	-944	18
Increase in inventories	-17,639	-16,486
Increase (prior-year period: decrease) in trade receivables	-9,650	19,754
Increase in other assets and other current financial assets	-4,446	-2,224
Change in provisions	1,109	-837
Decrease in trade payables	2,652	313
Decrease in other current financial and non-financial liabilities	-3,093	-700
Interest paid	-586	-605
Interest received	5	286
Income taxes paid (prior-period year: received)	-661	627
Cash flows from operating activities	15,492	38,879
Proceeds from investment grants	0	86
Acquisition of intangible assets	-54	-87
Acquisition of property, plant and equipment	-8,519	-6,365
Proceeds from disposal of property, plant and equipment	66	141
Cash flows from investing activities	-8,507	-6,225
Payments for the redemption of financial liabilities	-8,514	-5,894
Proceeds from the assumption of financial liabilities	0	2,776
Cash flows from financing activities	-8,514	-3,118
Cash-effective change in cash funds	-1,529	29,536
Change in cash funds due to effects of exchange rates	8	-5
Cash funds at beginning of year	77,483	26,657
Cash funds at end of year	75,962	56,188
Cash funds at year end comprise the following:		
Restricted cash and cash equivalents	0	100
Cash and cash equivalents	75,962	56,088
Cash funds at end of year	75,962	56,188

Consolidated statement of changes in equity

for the period July 1, 2016 to December 31, 2016

EUR (thousands)	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, 2015	63,000	487,680	-2,279	-339,261	-9	209,131	533	209,664
Translation adjustments				0	-23	-23	0	-23
Fair Value changes on cash flow hedges (after tax)	0	0	3,545	0	0	3,545	0	3,545
Income and expenses recognised directly in equity	0	0	3,545	0	-23	3,522	0	3,522
Net result for the period				21,488		21,488	131	21,619
Comprehensive result for the period	0	0	3,545	21,488	-23	25,010	131	25,141
December 31, 2015	63,000	487,680	1,266	-317,773	-32	234,141	664	234,805
July 1, 2016	63,000	487,680	-183	-296,815	-90	253,592	733	254,325
Translation adjustments	0	0	0	0	11	11	0	11
Fair Value changes on cash flow hedges (after tax)	0	0	5,785	0	0	5,785	0	5,785
Income and expenses recognised directly in equity	0	0	5,785	0	11	5,796	0	5,796
Net result for the period				26,036		26,036	134	26,170
Comprehensive result for the period	0	0	5,785	26,036	11	31,832	134	31,966
December 31, 2016	63,000	487,680	5,602	-270,779	-79	285,424	867	286,291

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 interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and adopted by the EU, as were the consolidated financial statements as of June 30, 2016. 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, 2016.

The condensed consolidated financial statements are prepared in euros (EUR). Unless otherwise stated, all amounts are presented in thousands of euros (EUR thousand). Figures have been rounded in accordance with 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

With the exception of the formation of two wholly-owned subsidiaries, there have been no changes in the composition of the entities included in the Group since June 30, 2016. The new subsidiaries formed in the financial year 2016/2017 are VERBIO India Private Limited, Gurgaon, India and VERBIO Gas Pinnow GmbH, Pinnow, both of which are wholly-owned subsidiaries of VERBIO AG. These two newly-formed companies have not commenced significant operating activities by the reporting date.

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, 2016 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, we refer to the notes to the consolidated financial statements as of June 30, 2016 for a detailed description of the Group’s accounting, valuation and consolidation methods. The accounting and valuation methods 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, 2016 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 amounted to EUR 5,220 thousand in the reporting period (1 HY 2015/2016: EUR 5,454 thousand). This primarily includes income from the release of investment grants and subsidies of EUR 1,844 thousand (1 HY 2015/2016: EUR 1,499 thousand), electricity and energy tax reimbursements of EUR 1,263 thousand (1 HY 2015/2016: EUR 1,151 thousand) and currency exchange gains of EUR 760 thousand (1 HY 2015/2016: EUR 76 thousand).

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 EUR 15,023 thousand (1 HY 2015/2016: EUR 15,094 thousand). Significant items in other operating expenses included expenses for repair and maintenance of EUR 4,157 thousand (1 HY 2015/2016: EUR 5,343 thousand), outgoing freight costs of EUR 4,147 thousand (1 HY 2015/2016: EUR 2,942 thousand), vehicle costs of EUR 1,265 thousand (1 HY 2015/2016: EUR 1,231 thousand) and insurance and subscriptions of EUR 737 thousand (1 HY 2015/2016: EUR 691 thousand).

Result from commodity forward contracts

Gains and losses resulting from the change in value and closing out of forward 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 totalled EUR -506 thousand (1 HY 2015/2016: EUR 1,606 thousand).

Income taxes

Income tax expense for the period from July 1, 2016 to December 31, 2016 amounted to EUR 11,543 (1 HY 2015/2016: EUR 6,441 thousand), comprising a current tax expense of EUR 5,807 thousand (1 HY 2015/2016: EUR 3,044 thousand) and deferred taxes of EUR 5,736 thousand (1 HY 2015/2016: EUR 3,397 thousand).

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. 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 attributable to the shareholders of the parent company for the period from July 1, 2016 to December 31, 2016 totalled EUR 26,036 thousand (1 HY 2015/2016: EUR 21,488 thousand). The result per share (basic and diluted) amounted to EUR 0.41 (1 HY 2015/2016: EUR 0.34).

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 (EUR 10,716 thousand), disposals (EUR 272 thousand), new investments in property, plant and equipment (EUR 9,063 thousand) and the effects of changes in currency exchange rates (EUR 2 thousand). As a result, the carrying value of property, plant and equipment fell to EUR 166,024 thousand (June 30, 2016: EUR 167,947 thousand).

Current assets

Inventories

Inventories consist of the following::

EUR (thousands)	31.12.2016	30.06.2016
Raw materials, consumables and supplies	18,290	13,264
Work in process and finished products	25,539	12,922
Merchandise	87	91
Inventories	43,916	26,277

Trade receivables

Trade receivables amounted to EUR 41,223 thousand at the balance sheet date (June 30, 2016: EUR 31,574 thousand) and are presented net of valuation allowances of EUR 1,503 thousand (June 30, 2016: EUR 1,439 thousand). All trade receivables have a remaining term of up to one year.

Other current financial assets

Other current financial assets of EUR 4,385 thousand (June 30, 2016: EUR 718 thousand) include collateral deposits and guarantee security deposits totalling EUR 4,209 thousand (June 30, 2016: EUR 418 thousand).

Other assets

Other assets of EUR 10,220 thousand (June 30, 2016: EUR 9,873 thousand) include investment grants and subsidies not yet received of EUR 4,662 thousand (June 30, 2016: EUR 5,276 thousand) and reimbursements of electricity and energy tax of EUR 2,402 thousand (June 30, 2016: EUR 2,546 thousand).

Derivatives

Forward contracts have been entered into to hedge the supply price for rapeseed oil and grain. In addition, sales swaps are entered into to hedge revenues under sales contracts linked to the price of bioethanol. The positive market value of these derivatives at December 31, 2016 amounted to EUR 11,296 thousand (June 30, 2016: EUR 331 thousand), and derivatives with negative market values amounted to EUR 2,233 thousand (June 30, 2016: EUR 597 thousand). A discussion of the impact on the consolidated statement of comprehensive income is provided in the explanatory notes describing the result from forward commodity contracts, and in the description of other reserves.

The fair values of the derivatives are based on the following fair value hierarchy levels of the instruments:

- Level 2 (i.e. established by valuation methods using directly observable market data) assets of EUR 11,296 thousand (June 30, 2016: EUR 331 thousand), liabilities of EUR 2,233 thousand (June 30, 2016: EUR 597 thousand).

There were no reclassifications between the individual hierarchy levels in the period from July 1 to December 31, 2016, or in the corresponding period in the previous year.

Cash and cash equivalents

Cash and cash equivalents include unrestricted cash and cash equivalents of EUR 75,962 thousand (June 30, 2016: EUR 77,483 thousand).

Equity

Other reserves

The other reserves include the effective (hedging) element included in the cumulative change in value of forward commodity contracts that qualify as cash flow hedges. Cash flow hedges with a value of EUR 568 thousand were transferred from equity to the cost of materials in the period as part of the cash flow hedge accounting (a reduction of material costs; 1 HY 2015/2016: a reduction in the cost of materials: EUR 368 thousand), and EUR 0 thousand were transferred from equity to revenues (1 HY 2015/2016, reducing revenues by EUR 5,456 thousand). The change in the fair values of cash flow hedges thereafter amounted to EUR 8,952 thousand. Deferred tax assets of EUR –2,517 thousand have been recorded within other reserves at December 31, 2016 (June 30, 2016: EUR 83 thousand).

Non-current liabilities

Deferred investment grants and subsidies

Movements on the investment grants and subsidies balance of EUR 7,645 thousand (June 30, 2016: EUR 8,562 thousand) result almost exclusively from the effect of scheduled releases to income.

Current liabilities

Tax liabilities

Tax liabilities include obligations for trade taxes of EUR 6,762 thousand (June 30, 2016: EUR 3,215 thousand) and corporation tax of EUR 4,620 thousand (June 30, 2016: EUR 3,010 thousand).

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 Biodiesel, Bioethanol and Other segments, in line with the Group's internal organisation and management structure. The Other segment is a collective segment that includes the Group's transport and logistics activities.

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 EUR 279 thousand (1 HY 2015/2016: EUR 4,218 thousand). 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.

Segment reporting for the period June 30, 2016 to December 31, 2016

EUR (thousands)	Biodiesel		Bioethanol		Other		Total segments	
	1 HY 2016/ 2017	1 HY 2015/ 2016	1 HY 2016/ 2017	1 HY 2015/ 2016	1 HY 2016/ 2017	1 HY 2015/ 2016	1 HY 2016/ 2017	1 HY 2015/ 2016
Sales revenues	236,276	217,241	97,540	109,134	8,218	8,275	342,034	334,650
Change in finished and unfinished products	464	2,548	9,164	3,933	0	0	9,628	6,481
Capitalised production of own plant and equipment	100	93	108	93	0	0	208	186
Other operating income	868	736	4,285	4,573	145	243	5,298	5,552
Cost of materials	-198,139	-194,754	-72,879	-78,070	-4,834	-4,573	-275,852	-277,397
Personnel expenses	-4,815	-4,847	-7,424	-7,280	-1,731	-1,722	-13,970	-13,849
Depreciation and amortization	-2,382	-2,108	-8,111	-7,988	-280	-267	-10,773	-10,363
Other operating expenses	-6,319	-6,183	-10,097	-10,586	-1,382	-1,395	-17,798	-18,164
Result of forward contract transactions	-649	706	143	900	0	0	-506	1,606
Segment result	25,404	13,432	12,729	14,709	136	561	38,269	28,702
Financial result	-174	-146	-382	-497	0	1	-556	-642
Result before taxes	25,230	13,286	12,347	14,212	136	562	37,713	28,060

Reconciliation

EUR (thousands)	Total segments		Intersegment revenues and expenses		Group	
	1 HY 2016/2017	1 HY 2015/2016	1 HY 2016/2017	1 HY 2015/2016	1 HY 2016/2017	1 HY 2015/2016
Sales revenues	342,034	334,650	-3,250	-3,826	338,784	330,824
Change in finished and unfinished products	9,628	6,481	0	0	9,628	6,481
Capitalised production of own plant and equipment	208	186	0	0	208	186
Other operating income	5,298	5,552	-78	-98	5,220	5,454
Cost of materials	-275,852	-277,397	553	854	-275,299	-276,543
Personnel expenses	-13,970	-13,849	0	0	-13,970	-13,849
Depreciation and amortisation	-10,773	-10,363	0	0	-10,773	-10,363
Other operating expenses	-17,798	-18,164	2,775	3,070	-15,023	-15,094
Result of forward contract transactions	-506	1,606	0	0	-506	1,606
Segment result	38,269	28,702	0	0	38,269	28,702
Financial result	-556	-642	0	0	-556	-642
Result before taxes	37,713	28,060	0	0	37,713	28,060

Contingent liabilities and other financial commitments*Litigation*

There are no open litigation issues that present a significant risk to VERBIO at December 31, 2016.

Rental and leasing contracts

Other financial obligations totalling EUR 13,459 thousand arise from various long-term lease agreements. Of this total, EUR 3,153 thousand falls due within one year, EUR 4,221 thousand falls due after more than one year and within five years, and EUR 6,085 thousand falls due after more than five years.

Further details are provided in the notes to the consolidated financial statements for the 2015/2016 financial year.

Order commitments

Open purchase obligations for investments total EUR 2,110 thousand at December 31, 2016 (June 30, 2016: EUR 1,327 thousand).

Related party disclosures

Detailed information is provided in the related party disclosures in the notes to the consolidated financial statements for the financial year 2015/2016.

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 December 31, 2016.

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 of the Board of Directors, Feintool International Holding AG, Lyss, Switzerland
- President of the Board of Directors , interim CEO, AFG Arbonia-Forster-Holding AG, Arbon, Switzerland
- Member of the Board of Directors , Artemis Holding AG, Aarburg, Switzerland
- Chairman of the Supervisory Board, PVA TePla AG, Wetzlar
- Member of the Supervisory Board, Siegwerk Druckfarben AG & Co. KGaA, Siegburg
- Member of a comparable advisory committee, Kaefer Isoliertechnik GmbH & Co. KG, Bremen



Ulrike Krämer

Vice-Chairman of the Supervisory Board

Certified Auditor and Certified Tax Advisor, Ludwigsburg



Dr.-Ing. Georg Pollert

Member of the Supervisory Board

Chemist and process engineer, Berlin

Chairman, Arbeitsgemeinschaft Qualitätsmanagement Biodiesel e.V.

Management Board



Claus Sauter
Chairman of the Management Board

Responsible for strategic corporate development, sales and trading, procurement (liquid primary products), contract management, finance and accounting, taxes, press and publicit, investor relations, legal matters, business development und compliance



Dr. Oliver Lüdtke
*Management Board, 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 and media, occupational safety), controlling, risk management and data protection



Theodor Niesmann
*Management Board, Biodiesel, Plant
Engineering and Human Relations*

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



Bernd Sauter
*Management Board, Procurement and
Logistics*

Responsible for procurement of solid raw materials, logistics and transport, storage, contract management, vehicle fleet and facility management, occupational safety (procurement and logistics) and insurance

Financial calendar 2016/2017

November 10, 2016	Publication of the quarterly statement for the period ended September 30, 2016 (July 2016 to September 2016)
January 27, 2017	Annual General Meeting, Radisson Blu Hotel, Leipzig
February 9, 2017	Publication of the half-yearly interim report 2016/2017 (July 2016 to December 2016)
May 11, 2017	Publication of the quarterly statement for the period ended March 31, 2017 (July 2016 to March 2017)
September 27, 2017	Publication of annual report 2016/2017 Analyst's conference/annual financial statements press conference

Contact address and imprint

Publisher/editing and text

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Forward-looking statements

This semi-annual report includes various statements concerning forecasts, expectations and information that relate to the future development of the VERBIO Group and VERBIO Vereinigte BioEnergie AG. These statements are based on assumptions and estimates and may be associated with known and unknown risks and uncertainties. Actual developments and results as well as the financial and asset situation may therefore differ substantially from the expectations and assumptions stated. Such differences may be due, among other things, to market fluctuations, changes in worldwide market prices for raw materials as well as financial markets and exchange rates, changes in national and international laws and directives, or fundamental changes in the economic and political climate. VERBIO does not intend to and does not undertake an obligation to update or revise any forward-looking statements to adapt them to events or developments after the publication of this report.

This semi-annual report is published in German (original version) and in English (non-binding translation). It is available for download at <http://www.verbio.de> in both languages.

We will be delighted to send you additional information about VERBIO Vereinigte BioEnergie AG on request at no charge.

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