Press Release – 2019/20 Annual Press Conference Paris, June 3, 2020

Tereos: strong growth of results in all divisions

EBITDA up 53% to €420 million. Net income of €24 million.

The Tereos Executive Committee presented the Group's consolidated annual results for the year ended March 31, 2020 to the Supervisory Board on Tuesday, June 2, 2020.

Says Alexis Duval, Tereos Chief Executive Officer: *"In a food sector undergoing profound change, the strategy implemented by Tereos is bearing fruit. Tereos has come out strengthened from the deregulated European sugar sector, showing robust growth results. The group's EBITDA stood at €420 million, up 53% and cash flow at €234 million, up 43%. Within all three main divisions of Tereos, both activities and results are experiencing growth, including on the European market which is marked by a decrease in agricultural land but also in sugar consumption. Tereos consolidates its position as the 2nd world producer of sugar.*
Our Sugar Europe activity experienced the strongest upturn, with Ebitda up 157% to €95 million euros. The Sugar International division remains the main contributor to the Group's operating results, with Ebitda of €222 million, up 32% (36% at constant exchange rates). Our starch activities posted a 7% growth in results, to €93 million, despite a more difficult environment, driven by their strategic positions in wheat and our Indonesian activities. The Group's performance plan, Ambitions 2022, recorded €75 million in gains 18 months after its launch.
Tereos successfully pursued the deployment of its strategic transformation. In terms of energy, Tereos reached the symbolic threshold of 50% renewable energies in its energy mix during the year thanks to the growth of its green electricity activity in Brazil, the inauguration of two cogeneration units in France and Indonesia, as well as that of a large-scale biogas plant in Brazil. Tereos was ranked by EcoVadis in the top 1% of companies in its sector for its sustainable energy practices on its sugar activities in France. Tereos continued its development in the fast-growing plant-based protein market with the launch of an organic version of Epi&Co, a partnership in Asia with Jinnong in rice proteins while welcoming the investment, on its Nesle site, of insect-based protein production by Innovafeed. Tereos confirms its position as world number 2 in wheat protein.
This year I would like to pay tribute to the exceptional commitment of all Tereos teams and Cooperative Associates during the crisis that we have experienced in recent weeks. This steadfast engagement has ensured the safety of our employees during this period while continuing to serve our customers. The continuity of our agricultural, industrial and commercial operations has been carried out all over the world. In France, we increased our production of pharmaceutical alcohol by 60% and our sales of packed sugar by almost 50% during confinement."

Commenting on these results, Jean-Charles Lefebvre, Chairman of the Supervisory Board of Tereos, stated: *"The results published by Tereos demonstrate the effectiveness of its strategy and of the work accomplished to deeply transform the beet sector that has been protected during 50 years in Europe. Thanks to its performance, Tereos has emerged stronger from the crisis resulting from the deregulation. The Group offers attractive prospects for the agricultural activity of its Cooperative Associates (beet, starch potatoes and alfalfa), based on a visionary strategy, a first-rate industrial and commercial performance as well as positive economic results. These are assets to face the hazards inherent in our businesses. The commitment of our Cooperative Associates is once more demonstrated by a renewal of the membership rate over 99.5%. This shows their confidence and their vision of a long-term collaboration with Tereos, for which we thank them.*
The acreages for the 2020-21 campaign in beet and potato increased by 3.4% and 4.3% respectively, which confirms Tereos' agricultural momentum and potential. As a reminder, for 4 years, our cooperative has offered one of the best remunerations for beet whatever the market environment. More than half of the price difference with our French competitors comes from the dividends received from the Group's diversification. Over the last 5 campaigns, Tereos members have received almost €150 in dividends per hectare per year thanks to our diversification strategy."

HIGHLIGHTS

• Tereos consolidates its position as the 2nd largest sugar group in the world, with 4,475 Mt of sugar (source F.O. LICHT). The Group is experiencing growth across all its activities: Sugar: + 4%; Starch: + 4% to 4.1 Mt grinding; Alcohol: + 7% at 1.6 Mm3.

• Strong increase in Group EBITDA to €420 million (+ 53%). Increase in operating results across all activities. 53% of the Group's EBITDA is generated by the International Sugar division (€ 222 million, + 32%), 23% by its historic Sugar Europe activity (€95 million, + 157%) and 22% by its Starch and Sweeteners division (€93 million, + 7%).

• This strong growth reflects, across all activities, a very good level of operational performance, as well as good commercial and agricultural results, leading to record an overall activity growth. The *Ambitions 2022* transformation program has generated €75 million to date (Sugar Europe: €33 million, Sugar International: €26 million, Starch and Sweeteners: €16 million) of which €60 million over the period.

• Sugar Europe: strong uplift in second half results. The positive momentum in sales (27% growth in Tereos' market share in sugar in Europe since the end of the quotas) and in agriculture (22% growth in sugar beet acreage in France since the end of the quotas) helped to capture the full benefit of the €58 increase in the sugar market in Europe in the second half. Tereos' beet acreage will increase by 4% in Europe for the 2020/21 campaign. Tereos now processes 50% of beet volume in France.

• Sugar International: EBITDA increase of 32% (+ 36% at constant exchange rates), supported by growth in cane volumes of 8% and 16% in sales of green electricity in Brazil, as well as a recovery in world sugar prices at the end of the year. Cane volumes for the 2020/21 campaign which started in March are expected to increase again by more than 6%.

• Starch and Sweeteners: EBITDA increase of 7%, supported by the good results of the European activity transformation plan and the growth of our results in Indonesia. In Europe, this allowed a 2% turnover growth, despite an adverse market situation for Sweeteners (fall in prices in line with sugar and decrease in volumes). Tereos consolidates its position as world number 2 in wheat protein, which now represents more than 10% of the division's sales. In Indonesia, Tereos has become the market leader in starch. Tereos Indonesia recorded turnover growth of 15% in its sales and in its EBITDA (€8 million).

• The end of the fiscal year was marked by the sanitary crisis caused by the Covid-19. As leading company in alcohol for pharma industry in France and in Europe, for sugar in food industry and retail, Tereos has remained fully engaged to ensure the safety of its employees, serve its customers and respond to booming demand for pharmaceutical alcohol and packed sugar. Thanks to all its Employees worldwide and to its Cooperative Associates, the Group delivered successful achievements which allowed to:

- **ensure safety** for all its employees in the 48 industrial sites around the world
- **maintain business continuity** across all activities to serve customers throughout the period
- **produce additional alcohol for pharmaceutical sector** (+ 60% in France during confinement) as well as **packed sugar** (+ 48% in France during confinement) to meet the demand of consumers in the need for these products
- **demonstrate a strong sense of citizenship** in all of our communities worldwide. In France, Tereos employees implemented new production lines of hydroalcoholic solution on 6 of the French plants, and thus produced 200,000 liters donated to healthcare staff via the Regional Health Agencies of Grand-Est, Centre Val-de-Loire, Hauts-de-France and Île-de-France regions of France.

• On July 29, 2019, the Group closed the transaction relating to its evolving partnership with ETEA, which resulted in reducing the Group's debt by €215 million and strengthening the Group's alcohol/ethanol production network in Europe with the integration of the Nesle distillery (France) into its facilities.

KEY FIGURES

Key figures M€	18/19 FY	19/20 FY	var	
Revenues	**4 438**	**4 492**	***53***	***1%***
Adjusted EBITDA	**275**	**420**	***145***	***53%***
Adjusted EBITDA margin	*6,2%*	*9,3%*		
Net results	**-260**	**24**	***285***	
Operating free cash flow	**163**	**234**	***71***	***43%***
Net debt [1]	**2 631**	**2 558**	***-73***	***-3%***
Net debt excluding IFRS16	**2 500**	**2 443**	***-57***	***-2%***

(1) Net Dept at 31 March 2019 restated with IFRS impact on the openning period

OUTLOOK/FORESEEABLE TRENDS

Sugar and Ethanol Europe

Market balance (supply / demand ratio) for world and Europe sugar remain solid despite the Covid-19 epidemic, which triggered on the one hand an episode of high market volatility (foreign exchange, oil, sugar, etc.) and, on the other hand, a short-term upheaval in the agri-food economy (due to contraction in transportation and fuel consumption, shutdown of out-of-home dining, etc.).

During the months of March / April, the impact in volume remains contained, sales having benefited partially from carryovers between categories or segments. As most contracting was carried out in the pre-Coronavirus market context, the impact in terms of value is non-existent. Over the rest of the year, the anticipated drop in consumption in Europe (estimated -3%) due to the Covid-19 crisis should not disrupt the balance in European markets, insomuch as surfaces being cultivated in Europe are down (-3%). The trend remains buoyant for B2B sales prices in Europe, as confirmed by the first contracts signed despite the Covid-19 crisis. In terms of agricultural supply, Tereos is well positioned for the 2020/21 sugar campaign, with a 3% increase in planting in Europe (to nearly 250,000 hectares), and 2.5% in France (204,500 hectares). To date, it is impossible to assess the impact of this spring's drought and bio-aggressors situation.

The ethanol market, while showing very positive momentum in 2019, was strongly impacted by the measures restricting transportation during the Covid-19 crisis (reduction of around 75% in demand in France over the month of April, and around 55% in Europe) and by falling oil prices. In the short term, the impact on Tereos remains moderate, thanks to sales of traditional alcohol (almost half of all alcohol sales) and the sharp increase in demand for pharmaceutical alcohol. The timing and execution speed of measures put in place to end the lockdown, initiated in May, will determine both the pace and extent to which consumption will recover. From a price point of view, ethanol prices in Europe have fallen, but to a lesser extent than oil prices (respectively around -30% versus -70% since January 2020), yet remain higher than those observed during the sugar crisis over the same period in 2018. Also noteworthy is the fact that French authorities have responded favorably to the steps taken by Tereos and the union of professional players to support demand at the European level by means of safeguard measures on ethanol imports.

Sugar and Ethanol in Brazil

The Covid-19 crisis generated high volatility on world sugar markets and had a major impact on ethanol demand in the Brazilian market (down 35%-40%), although to a lesser extent than in Europe.
Prices in the global sugar market have, to date, returned to levels equivalent to those of the second quarter of 2019, despite a slight deficit/balance expectation for 2020/21. Global prices continue to be adversely affected in the short term by weak oil prices. At the same time, the Covid-19 pandemic led to a fall in the Brazilian real, which offsets the impact of falling world sugar prices in local currency. NY 11 sugar prices in real - supported by the depreciation of the real - thus stood at around R $ 1,400 per ton in April 2020, up from the pre-Covid situation.

Tereos should benefit from the expected increase in volumes to more than 20 million metric tons of cane crushed compared to 19 million metric tons in 2019, a trend heralded by the very positive start to the campaign since March 2020. From a price point of view, Tereos had made the decision to hedge more than 80% of its 2020/21 sales on the world market before the crisis, at an average price of 13.8cts/lb. As regards ethanol, the upturn in consumption will depend in the coming months on developments in transportation-restriction measures related to the Covid-19 situation in the country.

Starch and sweeteners

The industrial reorganization plan for Tereos' starch activities is paying off, with the European and Asian plants achieving their best operating performances, supporting the continued gains in market share despite a falling starch and sweeteners market. The Europe division also benefited from having the assets of Sedalcol France (Nesle distillery) fully integrated into its ethanol operations. At this point, the Covid-19 crisis has a limited impact on the starch business, due to transfers between categories (decrease in sweeteners, increase in proteins, pharmaceuticals and paper/cardboard) and to the shutdown or slowdown of several European competitors in April 2020.

Outlook for the Group

While it is still too early to assess the effect of the Covid-19 crisis on the short-term prospects of certain sectors, such as ethanol, especially since measures to restart the economy have not been outlined, at this stage the Group does not anticipate a medium-term structural impact of this crisis on its markets. Operating in resilient markets such as agri-food, health and animal nutrition, the Group is committed to leveraging the flexibility of its industrial tool meet the challenges of the crisis. Tereos will continue to rely on its diversification strategy and on the performance gains delivered by the *Ambitions 2022* program, which aims to generate over €200 million in operating profits. Based on this target, and on sugar prices in line with pre-Covid market prices, as mentioned earlier, Tereos estimates that its normative EBITDA at the end of this plan (2022) should be between €600 and €700 million.

In addition, the Group is continuing the discussions initiated last year concerning its strategic development and the resources to be implemented in this regard. A horizon of 2 to 3 years is envisaged, without a precise timetable, and with regular exchanges with the Supervisory Board and the Cooperative Associates.

About Tereos

The long-term vision of Tereos is the processing of agricultural raw materials and the development of quality food products. Tereos is a leader in the sugar, alcohol and starch markets. The Group's commitments to society and the environment contribute to the company's performance in the long term while strengthening its contribution as a responsible player. The cooperative group Tereos is a union of more than 12,000 Cooperative Associates and has recognized know-how in the processing of beet, sugarcane, cereals, and potatoes. Through 48 industrial sites, a presence in 18 countries and the commitment of its 22 300 employees, Tereos supports its customers close to their markets with a broad and complementary range of products. In 2019-20, the Group achieved a €4.5 bn turnover.

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1. HIGHLIGHTS FOR FY 2019/2020

A – Key business figures:

- **Agricultural production processed: 47.3 mt (+4% compared with 2018/19)**
  - Sugar beet (France, Czech Republic, Romania): 20.6 mt (-1% compared with 2018/19)
  - Sugarcane (Brazil, Reunion Island, Mozambique, Tanzania, Kenya): 21.6 mt (+9% compared with 2018/19)
  - Cereals, Potatoes, Cassava (Europe, Brazil, Asia): 4.7 mt (+4% compared with 2018/19)
  - Alfalfa (France): 0.5 mt (+18% compared with 2018/19)

- **Production of processed products:**
  - Sugar: 4.5 mt gross sugar value (+4% compared with 2018/19)
  - Starch products: 2.5 mt (stable compared with 2018/19)
  - Alcohol and ethanol: 1.6 mm^3 (+7% compared with 2018/19)

B – Robust operating performances supported by the *Ambitions 2022* program

- **European sugar beet business: record-breaking industrial performance**

In its 2019/2020 beet campaign—the third since the liberalization of the sector in October 2017—Tereos processed nearly 17.5 million metric tons of beet in France (20.6 million metric tons in Europe) and ended on a positive note in all respects:

- **from an agricultural point of view**, with yields within the five-year average at 88 t/ha in France, one of the best performances in Europe and a successful first organic beet campaign in France in 2019/20 at the Attin sugar factory, which confirms the start of this new certified sector in France;
- **at the industrial level**, with a record output of nearly 135,000 metric tons of beet per day processed in its 9 French sugar factories during 125 days of the campaign;
- **and commercially**, thanks to a flexibility that enabled it to take advantage of the favorable ethanol market conditions over the year, and to continue to gain market shares in Europe. Tereos' current market share in sugar in Europe is estimated at more than 14% (it was 11.3% at the time of the quotas), representing a growth of almost 30%.

Robustness of the sugar beet supply model:

- More than 99.5% of the volume commitments expiring in the 2019/20 campaign have been renewed by Tereos' Cooperative Associates for an extra five years. For the next campaign (2020/21), Tereos can continue to rely on the commitment of its Associates, which is reflected in the decision to sow more than 204,500 hectares, an increase of 3%, against a downward trend observed in France (estimated -14% excluding Tereos). Since the end of the quotas, the area sown with beetroot at Tereos has increased by 22%, against a drop of 1% in France excluding Tereos. At the European level, the areas committed by Tereos for 2020/21 cover approximately 250,000 hectares, a 3% increase (compared to an overall estimated 3% decrease in European surface area).
- For the 2019-20 campaign, the Supervisory Board announces a €1.20 per ton payment as of June 30, 2020, in addition to the €21.17 already payed to date.
- The drought of spring 2020, coupled with attacks by bio-aggressors, highlight the importance of agronomic challenges for French farms and technical institutes in the years to come. It will be key to develop new agronomic solutions for farmers, so that the favorable dynamic experienced by beet culture in terms of yield growth in recent decades can be continued in a context marked by increasingly societal and environmental expectations.

Industrial restructuring in France: The French sugar sector has been strongly affected by several severance plans aimed at closing factories. Tereos had not considered this type of restructuring necessary, given the level of productivity in its factories, the high and consistent level of campaign durations at its sites, the investments made in recent years and the success of its performance plans. From a strategic point of view, the commercial success encountered since the end of the quotas also enabled Tereos to develop market opportunities. Also, the European market confirmed its recovery - as anticipated last year – while the Group recorded positive agricultural and industrial results, thus showing the relevance of maintaining all Tereos' sites active.

In the Czech Republic, Tereos TTD results are also marked by a clear turnaround after 2018/19. Sugar production this year amounted to 310,000 metric tons, almost 10,000 metric tons more than last year. This was achieved despite adverse weather conditions that affected the average yield (70 metric tons per hectare compared to 66 metric tons in 2018/19 and 84 metric tons in 2017/18). The subsidiary produced nearly 100,000 m^3 of raw alcohol and ethanol during the campaign. The efforts undertaken in terms of competitiveness are paying off. Finally, all the Czech plants were ISO 50001 certified this year, a standard confirming that the sites' energy performance has improved.

In Romania, Tereos Sugar Romania achieved the highest production of sugar produced from beet in its history (80,000 metric tons of sugar, including 37,000 metric tons from refining) in 2019/20, confirming its position as one of the main producers in the region. The factory produced more than 43,000 metric tons of sugar from sugarbeet processed in Ludus, up 17% over the previous year — a record. As in France, the Romanian sugar sector has been marked by restructuring. The closure of the Oradea sugar refinery by the German group Pfeiffer & Langen will result in a halt in sugar beet production in this historic sugarbeet area.

- **Potato Starch campaign - France**

Tereos' potato starch campaign, which lasted 168 days, with 366,000 metric tons of processed potatoes, was also marked by a strong increase in operational performance. Despite a year marked by difficult agricultural conditions, notably linked to an episode of drought resulting in lower yields (40 metric tons per hectare), the Haussimont starch plant reached a good level of industrial output. Despite these difficult agronomic conditions for the Cooperative Associates concerned, the area planted for Tereos increased by 4.2% to almost 9,500 hectares. Tereos plant now accounts for 40% of potato starch production in France.

- **Continued high level of performance in the European starch business**

The market for starch-based sweeteners has been twice affected by the situation of surpluses on the European sugar market: at the level of prices linked to the fall in sugar prices, but also by a fall in demand due to a substitution effect in favor of sugar. The fall in demand is estimated at 120,000 metric tons. Despite this context, the Starch and Sweeteners Europe activity closed the year with a 2% increase in volumes of processed cereals (3.1 million metric tons) thanks to gains in commercial market shares obtained during the period and thanks to its position in certain growing markets such as paper / cardboard. The year was marked by good cereal quality (high protein and starch contents in wheat). On the industrial level, the good performance results linked to the successful industrial transformation plan within the factory network have led to historic production records within several European sites. All Tereos Starch and Sweeteners Europe plants have received ISO 9001 certification.

- **Continued operational gains for Tereos Sugar & Energy Brazil**

In Brazil, Tereos once again achieved excellent operational performance in the 2019/20 campaign and improved its crop yield –last year marked by unfavorable weather conditions– by 8%, with an average of 11 metric tons of sugar per hectare. The Group is Brazil's second largest sugar producer, processing 19 million metric tons of sugar cane compared to 18 million metric tons in 2018/19, while maintaining its operational performance at a high level in the 7 factories (96.5% this year) after a 9% increase in the overall equipment effectiveness (OEE) index over the last 5 years. Sales of green electricity to national network reached 1,250 MWh. Tereos Sugar & Energy Brazil benefits from one of the most virtuous production models in terms of sustainability and has generated an increasing share of its revenues from green energies in recent years. Over the period, Tereos Sugar & Energy Brazil produced more than 650 million liters of ethanol and nearly 1.6 million metric tons of sugar, a mix of 60% sugar and 40% ethanol.

In Brazil, the logistics partnership between Tereos and VLI enabled the construction of two sugar storage facilities in the state of São Paulo, within VLI's rail network linking to the port of Santos. The agreement signed in 2018 provides for the transportation of 1 million metric tons of raw sugar per year using the rail network and harbor facilities operated by VLI. In addition to its logistical benefits and efficiency gains achieved in transportation and ship-loading operations, the successfully concluded transaction helped to decarbonize the supply chain (saving of 220,000 metric tons of CO_2 thanks to the increased use of rail freight).

- **Indian Ocean**

In Reunion Island, the campaign started in mid-July and ended in mid-December under satisfactory conditions. Cane volumes processed stood at 1.7 million tons, down from historical averages due to the low rainfall during the southern summer and the residual effects of the Fakir storm that hit the island in 2018.

In Mozambique, the Marromeu plant produced nearly 34,000 metric tons of cane sugar in the 2019/20 season. Tereos Sugar Mozambique also launched its first organic sugar campaign with nearly 90 hectares of certified and harvested sugar cane and continued its expansion with 400 newly planted hectares.

- **Starch and Sweeteners in Asia and Brazil: boosting capacity to meet regional and international demand**

In Indonesia, the Cilegon plant continued to boost production to supply the fast-growing domestic market, achieving record industrial performance by processing more than 350,000 metric tons of corn (+14% year-on-year). The construction of a 9 MW cogeneration plant was also completed and will make the plant more cost competitive. In 2020, the plant is expanding its product range with "55" (high fructose) corn syrup, which is in high demand in Asia, thanks to the commissioning of a new workshop. According to its estimates, Tereos FKS alone now accounts for one-quarter of national demand for corn-based starch.

In China, the Tieling plant processed a record volume of corn (around 1 million metric tons), up 18% from the previous year. To meet the growing demand for fructose, the site began construction on an additional production line with a capacity of 150,000 metric tons to double its capacity for this product. The Dongguan plant exceeded its previous record syrup production output (more than 200,000 metric tons of fructose and glucose).

Improved Results and Performance at the Palmital Starch Plant in Brazil
The Palmital plant processed nearly 160,000 metric tons of corn and 55,000 metric tons of cassava last season, reflecting improvements in its indicators (operational efficiency, yield and crop quality) for both corn and cassava. The plant also reached an environmental milestone by inaugurating a biogas plant that treats starch production effluents and generates biogas used by the industrial site. With a treatment capacity of 111,000 liters of effluent per hour, the new biogas plant is one of the largest facilities of this type installed in Latin America.

C – International Trading and Sales

Tereos Commodities consolidated its business momentum in a year marked by wide price variations, exchange rate volatility and reduced visibility since February 2020 due to the Covid-19 epidemic.

- **Tereos Commodities Sugar: growth of sugar volumes traded**

The Tereos Commodities teams marketed 1.6 million metric tons of sugar, mainly sourced this year from the Group's production units, up nearly 27%, with distribution to more than 65 countries in a highly competitive market.

- **Tereos Commodities Ethanol**

Tereos Commodities Ethanol marketed nearly 600,000 m3 of ethanol from Europe, an increase of nearly 20% compared to last year. The European market has seen an increase in ethanol consumption, particularly in France thanks to the development of E10 and E85.

- **Major Export sales for Starch and protein: good momentum driven by Asia-Pacific countries**

The global demand for functional ingredients such as fiber, cereal starch, protein and sweeteners has been confirmed. Tereos is responding with targeted business development in Asia-Pacific, where the needs are now the greatest. Thus, Tereos' commercial network in Singapore and Vietnam, which are responsible for the distribution of an extensive portfolio of starch, proteins and sweeteners in Asia-Pacific, saw its volumes increase by 50%.

D – Product Innovation to meet Societal Expectations in our Markets

- **Plant-based proteins: in a buoyant market, Tereos develops its Epi&Co product offer**

As the second largest world producer of wheat proteins, Tereos supports the growing need for healthy and sustainable plant protein products with its Epi&Co product offering. This Clean Label range is ready to cook for the foodservice industry and is available in 8 countries in Europe. At the Food Ingredients Europe show in December 2019, Tereos launched **Epi&Co bio**, an innovation that was very favorably received by restaurateurs. Finally, to meet the needs of manufacturers, a **specific B2B range called EpiWit** was launched during the year.

- **Nutritional benefits and transparency of labeling: the added value of Tereos advice in product formulation has been confirmed for players in the agri-food industry**

While facing new nutritional labeling systems (such as Nutri-score in Europe), players in the food industry are interested in solutions that allow them to reformulate their recipes. Beyond nutritional reformulation, Tereos' "Sweet&You" service offers solutions based on additive-free vegetable products to enrich nutritional qualities by adding fiber or protein. Around 60 projects are currently being developed to improve the Nutri-score of products such as cereals, ice cream, drinks and confectionery.

- **In Asia, development of R&D projects in Singapore and new market opportunities for rice plant proteins in Asia**

The opening of the Singapore R&D Center in 2018, the second in Asia along with an Applications Center in Shanghai, has already enabled the teams to pursue nearly 50 research projects in conjunction with customers based primarily in Singapore, Thailand, Indonesia, Australia and Malaysia. These application projects target 7 product categories favored by the Asian market: noodles, bakery products, confectionery, teas, sauces, snacks and beverages. A specific line of research concerns the optimization of blends of starches of various botanical origins (tapioca, corn, wheat) and fructose and sucrose formulations, particularly for teas, a fast-growing segment. In 2019/20, the know-how developed in Europe in the treatment of starches for paper and cardboard was successfully transferred to the Tereos teams in Asia.

In December 2019, Tereos signed a partnership with Jinnong, a major rice protein player in Asia, thereby strengthening Tereos' position in the plant protein market throughout the Asia-Pacific region by distributing Jinnong's products in the Asia-Pacific region outside China. These products supplement the Tereos portfolio and provide a global response to the strong demand for infant nutrition, vegetarian meals, bakery products, energy supplements and pet food.

- **Expansion of the range of organic products and launch of own production of organic sugar**

Tereos has been a major player in the marketing of organic cane sugar in Europe for more than 15 years through its distribution subsidiary Loiret & Haëntjens. In 2019, the Group reached a new milestone by becoming the leading producer of certified organic sugar in France at its site in Attin, France. Around 30 organic and in-conversion farmers have sown nearly 200 hectares of organic beet delivered and processed during the 2019/20 campaign. The commitment for 2020/21 is close to 500 hectares, allowing Tereos to continue its testing in this promising segment.
This new organic beet channel confirms Tereos' expansion in this market with the launch in 2019/20 of other organic lines: alfalfa, a range of organic vegetable proteins in France (EpiWit), organic sugar cane in Brazil and Mozambique.

- **Animal nutrition: innovation for livestock breeding in France and Brazil**

2020 confirms the success of the animal nutrition solutions developed by Tereos Resulting from the transformation process of its raw materials and 100% integrated into the local circular economy, these non-GMO solutions acclaimed by breeders for their nutritional qualities are currently being marketed through 25 product families. In France, this activity represented more than 3 million metric tons delivered in 2019/20.
In Brazil, the Tapigold solution developed by Tereos Starch & Sweeteners Brazil for cattle nutrition is a ready-to-use diet, the result of mixing corn and cassava co-products, with a high protein value and an attractive price. Marketing started in 2019/20. It offers small and medium-sized farms in the region a service combining a product with a high nutritional content at low cost, as well as advice on nutrition and logistics. A premium marketing phase is being prepared to diversify the offer starting in 2020. With a growth of 27% over the last 5 years, Brazil is the largest beef producer in the world. Livestock accounts for 8.7% of Brazil's GDP and the cattle nutrition market is worth BRL 13.5 billion.

E – Sustainable Development: The Core of Tereos Approach

The Tereos Group continued to improve its CSR performance in 2019-2020 and is among the top 1% of companies in its sector according to EcoVadis.

- According to the evaluation published in May 2020 by the EcoVadis platform, covering 4 major areas (environment, social and human rights, ethics and responsible purchasing), Tereos, like last year, was ranked 'gold' with an overall performance rating of 70/100, (i.e. 5 points higher than 2019). This year, the Group ranks in the top 2% of the companies evaluated by EcoVadis (out of a total of 60,000) and in the top 1% of the companies in its sector.

Published since 2019, the extra-financial performance report also highlights the Group's commitment to sustainability and confirms progress in several key areas:

- **Safety** is the top priority for Tereos. Thanks to the mobilization of all the teams and the actions undertaken through *Ambitions 2022*, results have improved continuously for 3 years, with an approximate 30% reduction accident frequency (with and without stoppages). The program includes a Group roadmap with common guidelines, e-learning and safety training in the field. The objective is to continue in this direction with the goal of "zero major accidents" at all sites.

- **Energy consumption and decarbonization of operations:** In 2019/20, renewable energies (biomass, biogas) continue to increase and account for 50% of the Group's energy mix (48% in 2018/19). This year, Tereos continued its efforts in terms of energy transition and reduction of consumption. The Tereos French Sugar Business Unit recorded a 4.5% drop in unit energy consumption during the 2019/20 campaign in France. These efforts and commitments have been recognized by the independent assessment body CDP, which gave the Group an A- rating in 2019 for its Sugar France business, placing it among the top 18% most committed and successful leading companies in its sector in terms of energy.

- **The Group's local footprint** continues to be assessed in order to better identify its local economic impact. In France, studies conducted by an independent body have established that one Tereos employee supports an average of 10.4 jobs in the French economy, mainly in the region where the plant is located, including indirect jobs, purchases and tax benefits.

- **Sustainability of agricultural practices:** 100% of Tereos' Cooperative Associates have been rated 'gold' or 'silver' by SAI (Sustainable Agriculture Initiative) since 2016.

The proportion of farms ranked 'gold' (up 8 points in 2019) demonstrates the commitment of Tereos' cooperating partners to sustainable and efficient agriculture. The Group extended this set-up to the Czech Republic in 2017 and to Romania and Réunion in 2019. In Brazil, nearly one-third of the sugar cane processed by Tereos is certified by Bonsucro (a rigorous standard based on nearly 200 criteria).

Tereos' agricultural and agronomic teams are also committed to supporting farmers in the transition of their farming practices, with the dual objective of improving agricultural yields while reducing the impact on the environment.

F – *Ambitions 2022* Group Transformation Program

Tereos launched the *Ambitions 2022* program in 2018, in line with previous performance plans, which generated gains of €140 million between 2015 and 2017 (compared to the initial target of €100 million) Using the various transformation initiatives instituted in the past several years, the program aims to achieve sustainable improvement in a number of key areas, with the goal of making Tereos one of the most efficient players across all industries:

- **Competitiveness:** The aim of *Ambitions 2022* is to achieve a sustainable €200 million performance improvement by 2022. Launched in July 2018, the program has already generated more than 1,500 initiatives in all operational areas and support functions. After a first stage concentrating on European activities, the program is now being rolled out to all other international activities. Since the beginning of the program, nearly €75 million in performance gains have been generated through energy savings, efficiency gains in industrial processes and supply chain optimization actions.

- **Digital transformation: *Ambitions 2022* is being implemented with a digital component**, making it possible to identify new opportunities for optimization and changes in ways of working. Over the last decade, Tereos has undertaken digital initiatives in Brazil, initially for the collection and transportation of sugar cane, and then for industrial operations. For instance, a pilot project 4.0 was launched at the Cruz Alta site during the 2018/19 campaign, testing on a large scale the potential of new technologies and new work organization. On this basis, the Connantre site in France was selected as a pilot plant for Europe for the 2020/21 season, targeting productivity gains of around 5% by digitalizing processes and data usage. The digital transformation approach also applies to other areas, such as logistics and transportation, with, for example, the implementation of the Logismart solution this year, enabling real-time optimization of beet collection circuits.

- **Safety, a significant improvement in indicators, which continues:** Safety is the top priority for Tereos. The Group has launched a comprehensive roadmap bringing together all of the company's stakeholders and external providers. In 2020, the Group's frequency rate for serious accidents was 2, a rate that has been declining steadily for the past 3 years. The objective is to achieve "zero major accidents" at our sites.

- **Food quality and safety:** Tereos is committed to providing its customers with products that are safe and comply with regulations. In order to continue to meet the growing demands of our customers and to ensure the best Quality and Food Safety standards, the Group has structured a cross-functional roadmap to harmonize and strengthen its practices.

- **Sustainability:** A cross-cutting approach has been undertaken, based on the existing CSR benchmarks, in order to prioritize and structure the various actions in terms of sustainability, whether this involves energy transition and decarbonization, agricultural transition, water management or local footprint. The objective is to integrate sustainability issues into the Group's key and decision-making processes.

- **Development of a new managerial model:** Lastly, in order to ensure a sustained impact, *Ambitions 2022* includes an important component aimed at implementing new working and management methods (largely inspired by the "lean management" model). The deployment of these methods continued in 2019/20 with the organization of training sessions, the implementation of managerial routines (visual management, daily team management routines, etc.), and the integration of a continuous improvement approach.

G – Strategic Reinforcement of Alcohol Production Capacity in Europe

On July 25, 2019, Tereos finalized changes to its partnership with ETEA, a group owned by the Frandino family. With this transaction, Tereos acquired ETEA's 50% stake in Sedalcol France (Nesle distillery) and, at the same time, sold its 50% stake in Sedamyl (Italy) and Sedalcol (United Kingdom) to ETEA. Tereos also strengthened Tereos Starch & Sweeteners Europe's industrial assets by increasing its alcohol production capacity and by improving the Nesle site's industrial flexibility. During the financial year, these additional capacities enabled Tereos to rapidly increase its production of pharmaceutical alcohol by 60% in light of the public health emergency, to respond to the Covid-19 pandemic (increasing in Europe from 9,200 hectoliters/day to 14,500 hectoliters/day during the crisis).

H – Bioethanol: a key know-how on a buoyant market for Tereos in Brazil and Europe

- **RenovaBio, a Brazilian program that uses bioethanol to reduce greenhouse gas emissions:** Designed to stimulate the development of Brazilian ethanol, the RenovaBio program was implemented in 2020 for a period of 10 years and aims to double ethanol production by 2030. With an annual production of more than 650,000 m3 of ethanol, Tereos is in the process of certifying its plants (7 plants) to take an active part in the program, which has the support of the São Paulo region.

- **Continuation of road transportation decarbonization experiments via ED95:** 95% produced from the waste generated by processing beets into sugar, ED95 contains no fossil fuels and can be used to replace diesel in trucks and buses. During the financial year, the ED95 tests for beet transportation continued successfully during the beet campaign. During the International Agricultural Fair in February 2020, a charter was signed with France's Grand-Est Region to promote the use of biofuels. Finally, discussions are currently underway with industrialists and local authorities to test ED95 on their fleets.

I – Covid-19 Crisis

The end of the financial year was marked by the Covid-19-related health crisis and the introduction of measures to lock down or restrict flows of people and travel in most countries around the world, starting in March. For Tereos, the impact on the 2019/20 financial year has been limited. Our activities have been recognized as strategic sectors in most countries (agri-food, pharmacy, disinfectant products, infant nutrition, animal feed). The Group immediately implemented a Business Continuity Plan that allowed operations to continue across our locations. Agricultural work was carried and adhered to normal deadlines, production and maintenance continued across all our production sites, and customer service was assured without supply disruptions. Most of the support teams in the countries concerned have switched to home office and specific prevention measures have been put in place in partnership with our employee representatives (barrier measures, site planning and team organization).

During this crisis, the Group, its employees and its 12,000 Cooperative Associates mobilized to help overcome health challenges. In France, Tereos produced 200,000 liters of hydroalcoholic solution, donated to the regional health authorities of the Grand-Est, Centre Val-de-Loire, Hauts-de-France and Île-de-France regions of France. Other solidarity actions have also been implemented in Europe and Brazil through donations of disinfectant alcohol or protective equipment.

2. MARKETS

Global sugar market: After a first half-year averaging US 11.9¢/lb and an increase of 5.1% compared to last year, world sugar prices continued to recover between September and February 2020, reaching over US 15.5¢/lb in mid-February. In the end, the NY11 averaged US 13.2¢/lb for the first half of the year, despite the negative impact of Covid-19 and Brent during the last month. This is consistent with the pre-Covid-19 outlook of a negative year globally, reflecting a low crop in Thailand due to deteriorating weather conditions, the projected shift in Brazil mix in favour of ethanol production through March, and a decline in acreage in the northern hemisphere, particularly in Europe.

Sugar Europe: As a result of the historically low prices recorded last year, some players announced restructuring or production cuts at the beginning of 2019, resulting in 7 plant closures in Europe, effective for the 2020/21 campaign. The surface area planted with sugar beet for the 2019/20 campaign thus fell by 6%. With balance between supply and demand at the European level, spot prices have recovered and have been above €400/metric ton since mid-2019, compared to a low point of €300/metric ton in the summer of 2018. They continued at this level, throughout the contracting campaign that took place in the summer of 2019, despite global prices remaining around 11cts/lb over this period. They were €495/metric ton at the start of the 2017/18 financial year, marked by the abolition of quotas in Europe. The average price observed by the European Sugar Price Observatory in 2019-20 is €334/metric ton, down €2 compared to the previous year.

Ethanol Brazil: Buoyed by strong demand during the 2019/20 campaign, hydrous ethanol prices averaged BRL 1.83/liter compared to BRL 1.63/liter last year. A major shift in the production mix from sugarcane to ethanol during the campaign resulted in a record 33 million m^3 of ethanol production in Brazil. In March 2020, the price of Brazilian ethanol reached a low point of BRL 1.51/liter, driven down by a 35–40% decline in consumption due to the impact of Covid-19 and the subsequent drop in Brent prices. Nevertheless, the average for the second half of the year is still 15% higher than last year's price levels.

Ethanol Europe: European ethanol fuel prices (T2) averaged €626/m^3 in the second half of 2019/20 compared to €602/m^3 in the first half of the year. The European ethanol market, which had been running at a significant deficit until mid-March, contributed to a recovery of T2, mainly due to increased demand for E10 and E85 fuels and lower beet-based ethanol production. On average, ethanol prices were 25% higher in the first nine months of the year compared to last year. The last quarter, impacted in March by the collapse of Brent and the Covid-19 crisis, nevertheless posted a price increase of 7% compared to last year due to price levels in January and February.

Cereals

Wheat: Overall, since the start of the period, wheat prices have remained on average 6% lower than last year. After reaching a low point in September 2019, MATIF wheat prices recovered to approach €190/metric ton at the end of December 2019, driven by strong demand and adverse weather conditions. The last quarter was marked by high volatility: after a drop in January/February in MATIF wheat to a low point of €173/metric ton, prices were marked by a strong rebound to near €200/metric ton at the end of March. This is due both to the uncertainties associated with Covid-19 and concerns about a significant drop in European wheat production for the next harvest.

Corn: Compared to last year, prices fell by 3% as good crops in South America and the Black Sea compensated for the weak US harvest. After the uncertainties over sowings in the United States, which led to high volatility in the first half of the year, MATIF corn prices stabilized in the second half of the year at levels slightly below the average for the first half of the year.

3. FINANCIAL RESULTS

TEREOS Group M€	18/19 Q4	19/20 Q4	var		18/19 H2	18/19 H2	var		18/19 FY	19/20 FY	var	
Revenues	1 221	1 255	*34*	*3%*	2 324	2 383	*59*	*3%*	4 438	4 492	*53*	*1%*
Adj. EBITDA	80	187	*107*	*134%*	132	309	*177*	*134%*	275	420	*145*	*53%*
EBITDA margin	*6,5%*	*14,9%*	*8,4%*		*5,7%*	*13,0%*	*7,3%*		*6,2%*	*9,3%*	*3,2%*	
Operating income	-54	103	*157*		-109	132	*241*		-150	177	*327*	
Net Result	-90	56	*146*		-164	45	*209*		-260	24	*285*	

Net debt M€	March 31 2019	March 31 2020
Net debt [1]	2 631	2 558
Net debt excluding IFRS16	2 500	2 443
Net debt to EBITDA ratio	*9,1 x*	*6,1 x*
Net debt to EBITDA ratio excluding RMI [2]	*7,7 x*	*5,2 x*

(1) Net debt at 31 March 2019 restated with IFRS impact on the openning period

(2) Readily Marketable Inventories of 358m€ as end of march 2020

2019-20 Tereos Group's consolidated income statement is shown in appendix.

It should be noted that 2019/20 was a year of sharp contrasts, with a declining first half reflecting the difficult fundamentals of the 2018/19 campaign marked in particular by historically low prices in Europe and an exceptional drought in Brazil. The second half of the year showed a sharp improvement in the Group's performance, reflecting the fundamentals of the 2019/20 campaign in Europe and Brazil as well as the Group's progress in implementing its *Ambitions 2022* plan.

Tereos Group consolidated **revenues** totaled €4,492 million in 2019/20, an increase of 1.2% compared to last year (1.1% at constant exchange rate) due to the rise in sugar and ethanol prices in the second half of the year. After a first half marked by lower sugar sales volumes due to a smaller 2018/19 harvest in both Europe and Brazil, the Group's sales increased in the second half by 2.5% compared to last year and by 13% compared to the first half due to higher volumes produced and sold in the 2019/20 campaign and the recovery in sugar and ethanol prices.

Adjusted EBITDA was €420 million in 2019/20, an increase of 53% (40% excluding the IFRS 16 impact) compared to 2018/19 (€275 million). Adjusted EBITDA increased in all the Group's divisions and was favorably impacted by the recovery in sugar and ethanol prices in the second half of the year and by the impact of the *Ambitions 2022* performance plan, which resulted in performance gains of €60 million over the year. After a first quarter of decline compared to last year, EBITDA turned a corner in the second quarter and then rose sharply in the third and fourth quarters. This improvement, which has been accelerating, reflects much stronger fundamentals for the 2019/20 campaign compared to those of the 2018/19 campaign, which dampened the first half of the financial year. The 2019/20 campaign is indeed marked by higher prices on the European sugar market for contracts negotiated during the summer of 2019, despite persistently flat global sugar prices. In Brazil, after a 2018 crop year marked by an exceptional drought, sugarcane processed in 2019 was up 8% in a context of improving sugar and ethanol prices over the second half of the year. Adjusted EBITDA thus increased by 134% in the second half of the year compared to last year (123% excluding IFRS 16).

The Group **financial result** of -€155 million remained stable compared to last year (-€157 million in 2018/19).

The Group **net income** was €24 million, up €285 million compared to 2018/19, reflecting the increase in adjusted EBITDA and the ETEA transaction.

The Group's net debt excluding related parties stood at €2,558 million at March 31, 2020. Net debt is down €73 million compared to March 31, 2019 (€2,631 million including IFRS16 proforma impact). Like the income statement, the change in net debt reflects a sharply contrasting evolution during the year. In the first half, debt increased from the combined effect of operating cash flow reflecting the difficult conditions of the 2018/19 campaign, a €64 million payment at the end of September of the beet price guarantee for the 2018/19 campaign, a sustained level of capital expenditure, and the usual seasonal effect of our activities. These effects were partly offset by the reduction in debt related to the payment at the end of July 2019 of the net proceeds from the ETEA transaction. On the other hand, the second half of the year benefited from the strong improvement in operating cash flow reflecting the positive fundamentals of the 2019/20 campaign and net debt was reduced by €93 million before the positive impact of exchange rates.
Excluding readily marketable inventories (which can be converted into cash at any time and amounted to €358 million at March 31, 2020), the Group's adjusted net debt stood at €2,200 million at March 31, 2020.

Accordingly, the **Group's debt ratio** at March 31, 2020 was 6.1x (and 5.2x excluding readily marketable inventories) compared to 9.1x last year.

DETAILED FINANCIAL INFORMATION

VOLUMES SOLD

Volumes sold	18/19 FY	19/20 FY	var	
Sugar & Sweeteners (k.tco)	6 445	6 498	*53*	*1%*
Alcohol & Ethanol (k.m3)	1 646	1 689	*43*	*3%*
Starch & Protein (k.tco)	1 071	1 074	*3*	*-*
Energy (GWh)	1 113	1 273	*160*	*14%*

INCOME STATEMENT

P&L M€	18/19 FY	19/20 FY	var	
Revenues	**4 438**	**4 492**	*53*	***1%***
Adj. EBITDA	**275**	**420**	*145*	***53%***
Adj. EBITDA Margin	*6,2%*	*9,3%*	***0***	
Seasonality adjustment	-1	-2	*-1*	
Depreciations / amortization	-367	-420	*-53*	
Others	-57	179	*236*	
Operating Income	**-150**	**177**	***327***	
Financial Result	-157	-155	*2*	
Corporate income tax	5	-8	*-13*	
Share of profit of associates	42	10	*-32*	
Net Results	**-260**	**24**	***285***	

P&L - Semester figures M€	2018/19 H1	2018/19 H2	2018/19 FY	2019/20 H1	2019/20 H2	2019/20 FY	2019/20 vs 2018/19 H1	2019/20 vs 2018/19 H2	2019/20 vs 2018/19 FY
Revenues	**2 114**	**2 324**	**4 438**	**2 108**	**2 383**	**4 492**	**-6**	**59**	**53**
Adj. EBITDA	**143**	**132**	**275**	**111**	**309**	**420**	**-32**	**177**	**145**
Adj. EBITDA margin	*6,7%*	*5,7%*	*6,2%*	*5,3%*	*13,0%*	*9,3%*	*-1,5%*	*7,3%*	*3,2%*
Seasonality adjustement	31	-32	-1	21	-23	-2	-10	8	-1
Depreciations / amortization	-203	-165	-367	-232	-188	-420	-30	-23	-53
Others	-12	-45	-57	145	34	179	157	79	236
Operating income	**-41**	**-109**	**-150**	**45**	**132**	**177**	**86**	**241**	**327**
Financial Result	-81	-76	-157	-86	-69	-155	-5	7	2
Corporate income tax	6	-1	5	14	-22	-8	8	-21	-13
Share of profit of associates	20	22	42	6	4	10	-14	-18	-32
Net results	**-96**	**-164**	**-260**	**-21**	**45**	**24**	**75**	**209**	**285**

***Adjusted EBITDA** corresponds to net income before income tax, the share of income from equity affiliates, net financial income, depreciation and amortization, the impairment of goodwill, the gains resulting from acquisitions on favorable terms, and price supplements. It is also restated for changes in the fair value of financial instruments, inventories, and sale and purchase commitments, except for the portion of these items that relates to trading activities, fluctuations in the fair value of biological assets, the seasonal effect, and non-recurring items. The seasonal effect corresponds to the temporary difference in the recognition of depreciation charges and price supplements in the Group's financial statements according to IFRS and the Group's management accounts. Adjusted EBITDA before price supplements is not a financial indicator defined as a measure of financial performance by IFRS and may not be comparable to similar indicators referred to under the same name by other companies. Adjusted EBITDA is provided for additional information purposes and cannot be considered as a substitute for operating income or operating cash flow.*

Notes on the Application of IFRS 16

As of April 1, 2019, the Group is applying the new IFRS 16 relating to leases.
The Group applied the standard on April 1, 2019 and opted for the "simplified retrospective" approach.

IFRS16 impact - adj. EBITDA M€	19/20 Q4	19/20 FY
Sugar Europe	**1**	**4**
Sugar International	**8**	**26**
Starch & Sweeteners	**1**	**5**
Other (incl. Elim)	**1**	**2**
Tereos Group	**12**	**37**

Net Debt Variation

Net debt variation M€	18/19 H1	18/19 H2	18/19 FY	19/20 H1	19/20 H2	19/20 FY
Net debt (opening position) excluding IFRS16	-2 350	-2 330	-2 350	-2 500	-2 601	-2 500
Adj. EBITDA	**143**	**132**	**275**	**111**	**309**	**420**
Other operational flows	68	-38	30	-28	-3	-32
Net financial charges	-56	-69	-125	-79	-73	-152
Income tax paid	-10	-6	-16	6	-8	-2
Cash Flow	**145**	**19**	**163**	**9**	**225**	**234**
Change working capital	106	73	179	-43	63	20
Cash Flow from operating activities	**251**	**92**	**343**	**-34**	**288**	**255**
Maintenance & Renewal	-112	-161	-274	-141	-130	-271
Other CAPEX	-89	-76	-165	-72	-90	-162
Financial investments	-0	-7	-8	-61	1	-61
Disposals	2	2	4	268	18	285
Dividends received	24	7	31	11	3	14
Cash Flow from (used in) investing activities	**-175**	**-236**	**-411**	**3**	**-198**	**-195**
Cash Flow after investing activities	**75**	**-144**	**-69**	**-30**	**90**	**60**
Dividends paid & price complement	-23	-6	-29	-85	-1	-87
Capital increases/other capital movements	-1	6	5	-3	4	1
Cash Flow from (used in) transactions relating to equity	**-24**	**0**	**-24**	**-88**	**3**	**-85**
Free Cash-Flow	**51**	**-144**	**-92**	**-118**	**93**	**-26**
Other (incl. FOREX impact)	-31	-26	-58	18	65	83
Net debt excluding IFRS16	-2 330	-2 500	-2 500	-2 601	-2 443	-2 443
Impact IFRS16				-133	-115	-115
Net debt (closing position)	-2 330	-2 500	-2 500	-2 733	-2 558	-2 558

Net Financial Debt

Net financial debt at March 31, 2020 amounted to €2,558 million and €2,443 million excluding the impact of IFRS 16, compared to €2,500 million at March 31, 2019 (€ 2631 million proforma IFRS16). Excluding immediately marketable inventories (€358 million, which can be converted into cash at any time), the Group's adjusted net debt amounted to €2,200 million.

At the end of March 2020, the Group's financial security amounted to €784 million, consisting of €655 million in cash and cash equivalents and €129 million in undrawn confirmed long-term credit lines.

Net financial debt can be summarized as follows:

Net financial debt *March 31, 2020 (M€)*	Current	Non Current	Total	Cash & Equivalents	Total
Net debt excl. IFRS16	703	2 395	**3 098**	-655	**2 443**
IFRS 16 impact	22	93	**115**	0	**115**
Net debt	**725**	**2 488**	**3 213**	**-655**	**2 558**

RESULTS BY BUSINESS ACTIVITY AND GEOGRAPHICAL REGION

Revenues by division M€	18/19 Q4	19/20 Q4	var		18/19 FY	19/20 FY	var	
Sugar Europe	463	533	*71*	*15%*	1 770	1 727	*-43*	*-2%*
Sugar International	276	277	*1*	*0%*	920	959	*39*	*4%*
Starch & Sweeteners	393	378	*-15*	*-4%*	1 461	1 501	*41*	*3%*
Other (incl. Elim)	89	66	*-23*		288	304	*16*	*6%*
Tereos Group	**1 221**	**1 255**	***34***	***3%***	**4 438**	**4 492**	***53***	***1%***

Adjusted EBITDA by division M€	18/19 Q4	19/20 Q4	var		18/19 FY	19/20 FY	var	
Sugar Europe	8	66	*58*	*na*	37	95	*58*	*157%*
Sugar International	64	80	*17*	*26%*	168	222	*53*	*32%*
Starch & Sweeteners	17	33	*16*	*96%*	87	93	*6*	*7%*
Other (incl. Elim)	-9	7	*16*		-18	9	*28*	
Tereos Group	**80**	**187**	***107***	***134%***	**275**	**420**	***145***	***53%***

SUGAR EUROPE

The **revenues** of the Sugar Europe business stood at €1.727 billion in 2019/20, a 2% decline compared to the previous year (€1,770 million). This contraction reflects the lower yields of the 2018 campaign, which impacted the volumes sold in the first half of the year. The gradual recovery in sugar and ethanol prices in the second half of the year largely offset this effect. The improvement in sugar prices, which accelerated in the fourth quarter, reflects the positive fundamentals of the 2019/20 campaign and in particular a well-balanced European market in terms of supply and demand. Revenues for the second half of the year thus increased by 9% compared to the same period last year and by 31% compared to the first half of 2019/20, thanks to the rise in sugar and ethanol prices and the increase in volumes between the first and second halves of the year.

Adjusted EBITDA stood at €95 million (compared with €37 million the previous year). After a €26 million dip compared to the first half of 2018/19 due to lower sales volumes and the low point reached by sugar prices in Europe in the 2018/19 campaign, adjusted EBITDA for the second half of the year increased by €84 million compared to the second half of last year and by €103 million compared to the first half. This reflects the improved sugar and ethanol prices in the 2019/20 campaign and the operational progress made in the rollout of the *Ambitions 2022* program.

SUGAR INTERNATIONAL

Sugar International **revenues** stood at €959 million, up 4% (7% at constant exchange rate) compared to the previous year (€920 million). After a first half marked by lower volumes due to the late start of the campaign, the division's sales increased by 10% in the second half compared to the same period last year. This increase reflects higher sales volumes and higher sugar and ethanol prices. In Brazil, where the 2018 campaign was marked by an exceptional drought, Tereos' plants processed 8% more sugarcane during the 2019 campaign.

Adjusted EBITDA was €222 million, up 32% (36% at constant exchange rate and 16% excluding IFRS 16) compared to last year (€168 million). After a first half impacted by lower sales volumes and less benefit from hedging positions compared to last year, results for the second half improved by 42% compared to last year (29% excluding IFRS 16) thanks to higher sales volumes, higher sugar and ethanol prices and performance gains through the *Ambitions 2022 program*, notably in agricultural productivity.

STARCH AND SWEETENERS

Revenues from the Starch and Sweeteners business amounted to €1,501 million, up 3% compared to last year (€1,461 million). This growth reflects the increase in volumes processed and sold, supported by the ramp-up of the *Ambitions 2022* plan in Europe, the operational progress made internationally and the higher ethanol prices in Europe going into March 2020, before the negative impact of the lock-down measures related to the Covid-19 crisis.

Adjusted EBITDA stood at €93 million, up 7% compared to last year (€87 million). In Europe, the integration of the Nesle distillery and higher ethanol prices for most of the year reduced the effect of pressure on sweetener product margins in the first half of the year due to low sugar prices and rising wheat prices. Internationally, operational gains enabled an increase in volumes sold. In the second half of the year, the division's adjusted EBITDA increased by 82% thanks to better market conditions and good operating performance. In the second half of March, ethanol production at our plants was largely switched over to the production of alcohol for pharmaceutical and industrial use, given the pressing need to combat the Covid-19 virus.

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