



PRESS RELEASE

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AGRANA plans to double wheat starch capacity in Pischelsdorf, Lower Austria

At today's supervisory board meeting, the Supervisory Board of AGRANA Beteiligungs-AG has approved plans to double the production capacity of the wheat starch factory in Pischelsdorf, Lower Austria. The total investment volume will amount to EUR 92 million. After obtaining the necessary official approvals, the intention is to start construction work in early 2018 and to commission the new facility at the beginning of 2020. The expansion project will create 44 new jobs.

"The doubling of our wheat starch production capacity in Pischelsdorf represents an important step for AGRANA in terms of sustainably consolidating our position in the starch market. The expansion of our annual processing capacity at the Pischelsdorf site from 820,000 tonnes at present to over one million tonnes is a major competitive factor. This reflects the increasing level of demand, particularly from the paper industry due to the high proportion of recycled paper and rising demand for packaging stemming from internet / mail order trade", emphasises AGRANA CEO Johann Marihart.

With 200 employees in future, the Pischelsdorf site also houses Austria's only bioethanol facility in addition to its wheat starch plant. The close integration of both plants enables the cereals processed to be utilised to an extent of 100%. After extracting wheat starch and gluten, the remaining fractions of the raw materials are used in the production of bioethanol and a high-grade, GMO-free, protein-rich animal feed. Taking into account the high-purity CO₂, which is extracted from the fermentation tanks of the bioethanol plant and liquefied by the industrial gas company Air Liquide, this makes a total of four top-quality products which are manufactured from a single commodity.

About AGRANA Starch

In addition to Fruit and Sugar, the Starch Segment is one of the three business segments of the AGRANA Group. The Starch Segment at AGRANA consists of a total of five plants, three in Austria, at Aschach/Donau, Gmünd and Pischelsdorf, and facilities at Szabadegyháza (Hungary) and Tândărei (Romania).

About starch

Starch is used in nearly all areas of the food industry, for example in the baking and confectionery sectors, in dairy products and in the production of sausage products. Due to its excellent palatability, starch is also used in infant formulas. Starch also plays a key role in the non-food sector. The main customers here are the paper and paper processing industries (e.g. corrugated board), the textiles industry (finishes and adhesives for fabrics), the construction chemicals industry (pigment pastes and shotcrete) and the petroleum industry. Starch is also contained in many pharmaceutical products (tablets) as well as in cosmetics, such as baby powder, but also in household products and medical gloves.

About AGRANA

AGRANA adds value to agricultural commodities to produce top quality foodstuffs and numerous industrial upstream products. Around 8,600 personnel working at 55 production facilities worldwide generate consolidated revenues of around EUR 2.6 billion. The Group was founded in 1988 and is today the leading sugar company in Central and Eastern Europe as well as being a key producer, in the Starch segment, of special products and bioethanol in Europe. In addition, AGRANA is the global leader in fruit preparations and a major producer of fruit juice concentrates in Europe.

This announcement is available in German and English at www.agrana.com.