

1 January to 30 June 2009
Interim Report 2009



Key figures HGB¹

EARNINGS SITUATION

EURM	01/01/-06/30/2008	01/01/-06/30/2009	CHANGE
Sales	8.7	11.1	27%
Total output	20.5	26.3	28%
EBIT	2.4	3.8	58%
Result from ordinary activities	1.4	2.5	79%
Group results	1.1	1.8	72%

FINANCIAL SITUATION

EURM	06/30/2008	06/30/2009	CHANGE
Shareholders equity	30.1	47.5	58%
Liabilities	52.7	74.9	42%
Non current assets	41.4	55.7	35%
Current assets	43.1	67.5	57%
Balance sheet total	85.2	125.0	47%

Land portfolio as at 30 June 2009

HECTARES	GERMANY	LITHUANIA	TOTAL
Total	23,646	5,590	29,236
Leased	21,924	2,131	24,055
Owned	1,722	3,459	5,181

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Letter to shareholders

Dear shareholders,

KTG Agrar AG had a successful start to the year 2009 and continued its profitable growth. Total output increased by an impressive 28 percent to EUR 26.3 million, while earnings before interest and taxes (EBIT) rose by a disproportionate 57.6 percent to EUR 3.8 million. Net income for the period soared by 72 percent to EUR 1.8 million. The EBIT margin for the first six months reached 13.8 percent, up from 11.6 percent in the previous year. This positive trend provides a taste of things to come in the full year 2009, which will see another increase in our total output and earnings over the previous year.

The above shows that the agricultural sector offers high planning certainty and reliability even in difficult economic times. In the past weeks and months, we have frequently been asked whether we can still generate profits now that the prices of grain have dropped sharply. Our answer to this question is that the success of KTG Agrar does not hinge on high agricultural prices. Our business model is geared to sustainability. This means that we want to generate a stable margin in times of both low and high prices – and we are successful at it. Because on the one hand, there are the prices of our products and on the other hand, there is the cost of supplies, and these always move in sync – either upwards or downwards. Sometimes they do so at the same time, sometimes with a certain delay. Let us give you an example: While the prices of agricultural products have declined since the good 2008 harvest, the price of potash initially remained relatively stable. But it was only a question of time before it would begin to decline. When farmers get less money for their products, they simply cannot afford to buy potash at a price of EUR 650 per tonne. As a result, a tonne of potash now costs EUR 450. It is important to monitor these fluctuations closely and to buy supplies when prices are low. On the other hand, own products should only be sold with an appropriate margin. To do this, you need a professional purchasing and sales management, sufficient storage capacity and financial flexibility to store products for an extended time when necessary or purchase larger quantities of supplies. Being one of the largest agricultural businesses in Europe, KTG Agrar has all this – and more.



WOLFGANG BLÄSI, DR. THOMAS R.G. BERGER, CHRISTOPH FOTH, ULF HAMMERICH, SIEGFRIED HOFREITER

This strategy will allow us to grow dynamically also in future. At present, we cultivate over 29,000 hectares, i.e. some 7,700 hectares more than last year. We want to pass the 30,000 ha mark before the end of the fiscal year. In the biogas sector, additional sites are under development, with construction of the plants scheduled to start shortly. This shows that we are already laying the foundation for a successful year 2010. The fact that we can today project an increase in both total output and earnings for the next fiscal year shows that we are on the right track. We are pleased to see you with us all the way.

Cordially,

SIEGFRIED HOFREITER
CEO

DR. THOMAS R.G. BERGER
CAO, CKO

WOLFGANG BLÄSI
CFO

CHRISTOPH FOTH
STELLV. VORSTAND

ULF HAMMERICH
COO

Business segments

Organic farming

Segment benefits from the trend towards healthy diet. For many years the demand for organic food rises with double-digit rates.

Production of organic food crops and Europe-wide direct distribution to processors like mills and feed. Production according to EU Regulation on Organic Farming. Moreover, many of our farms meet the server rules of notable organisations like Bioland and USDA organic.

- Corn maize
- Wheat
- Rye
- Spelt
- Oats
- Triticale
- Lupines



15,000 he (thereof 4,000 he in conversion)

Conventional farming



Demand for agricultural resources is dominated by megatrends: Growing world population, economic growth in the emerging countries and enegy from renewable raw materials.

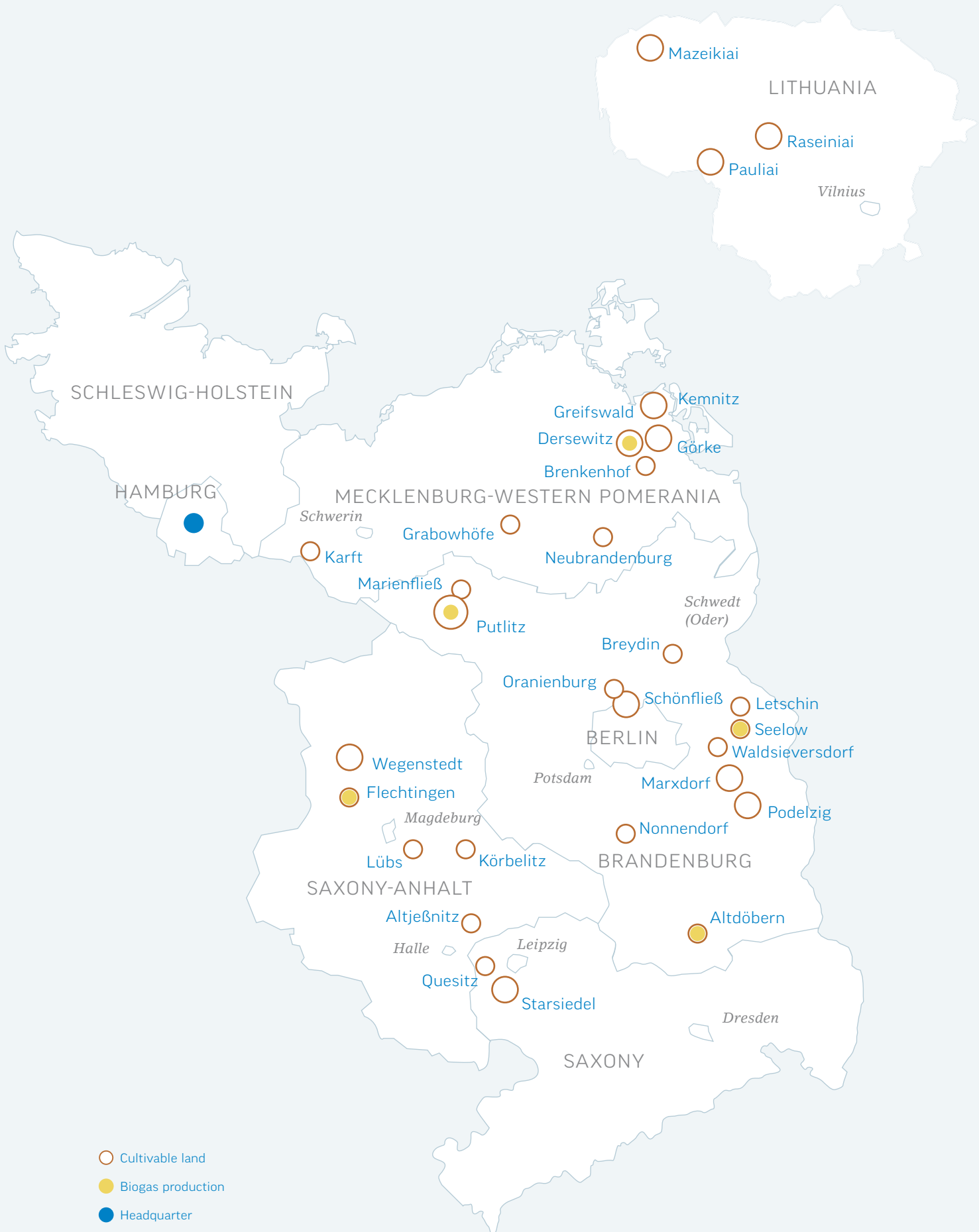
Cultivation of high quality conventional food crops. Utilisation of the know-how from organic cultivation. Europe-wide direct distribution to processors like cereal producers and mills.

- Corn maize
- Wheat
- Rye
- Barley
- Rape



12,000 he

<h2>Energy production / Biogas</h2>	<h2>Complementary agricultural activities</h2>	<p>BUSINESS SEGMENT</p>
<p>Shortage and price increase of fossil energy. Stimulation by the German Renewable Energy Sources Act (EEG).</p>	<p>Efficient cultivation of the limited resource farmland.</p>	<p>MARKET TREND</p>
<p>Operation of biogas plants with self produced renewable resources (Maize, grass, straw, millet) for the production of electricity, heat and natural fertiliser. As of April 2009 twelve plants with a total capacity of eight megawatts were on the grid.</p>	<p>Consultancy services, purchase and sale of agricultural technology, equipment. Acquisition, development and (in some cases) sale of farms. Around Berlin, KTG grows berries on an area of around 10 ha for people to pick themselves.</p>	<p>BUSINESS ACTIVITY</p>
<ul style="list-style-type: none"> - Electricity - Heat - Organic fertiliser 	<ul style="list-style-type: none"> - Farm management - Special cultures - Agricultural services - Purchase and sale of machinery 	<p>CORE PRODUCT / SERVICES</p>
 <p>2,000 he</p>	<p>10 he</p>	<p>SIZE OF THE ACREAGE (ROUND FIGURE IN HECTARES)</p>  = 200 HE

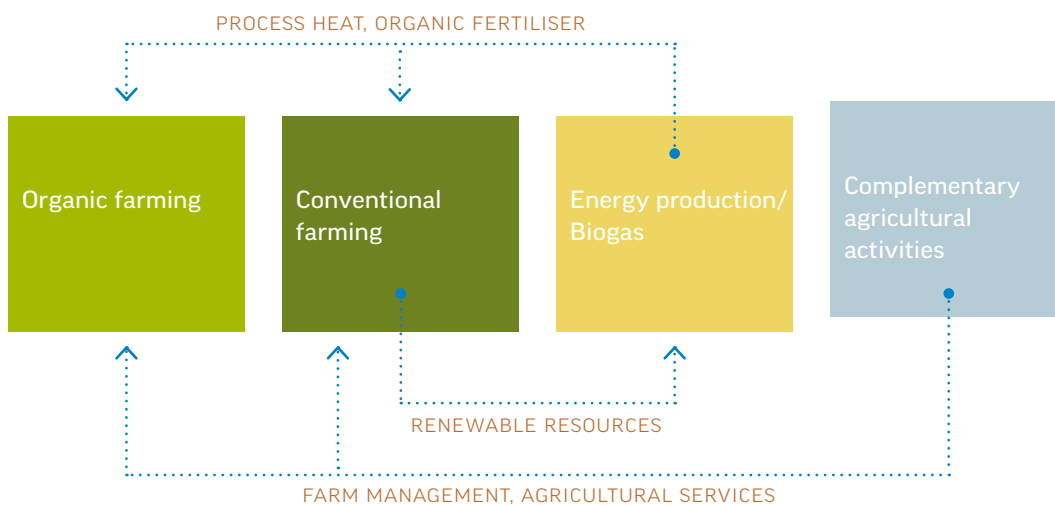


Business development in the first six months of 2009

1. Business activity

KTG Agrar is one of the leading producers of agricultural commodities in Europe, with more than 29,000 hectares of farmland situated in Germany and in Lithuania, another full EU member state. We specialise in the cultivation of food crops such as grain, maize and rape. Our core competencies are the cultivation of organic food crops, the cultivation of conventional food crops and the generation of energy from biogas. We rely on an integrated concept, with close links between the individual business segments. This way, we leverage synergies, increase our efficiency and create significant added value for the Group.

Integrated concept of the KTG Group



2. Business performance

KTG Agrar AG had a successful start to the year 2009. The company continued its profitable growth – in spite of the economic crisis – and boosted both its total output and its earnings significantly. The expansion of our farmland and the development of new biogas sites mean that we have already laid the basis for a successful year 2010.

Farmland growth

The company expanded its farmland by 3,950 hectares in the first six months of 2009 and by as much as 7,736 hectares compared to 30 June 2008, bringing the total to 29,236 hectares. In the first half of 2009, we focused on the takeover of farms in eastern Germany and acquired two operations in Brandenburg with a total size of 3,700 hectares; 750 hectares are owned by KTG Agrar and the rest is leased under long-term contracts. In the full EU member state of Lithuania, we deliberately slowed down our expansion in order to monitor the effects of the economic crisis. It is nevertheless our declared objective to expand our farmland also in Lithuania. 23,646 hectares (80.9 percent) of the total land were located in east Germany, while 5,590 hectares (19.1 percent) were located in Lithuania as of 30 June 2009. 17.7 percent of the land is owned by KTG Agrar, up from 17.2 percent at the end of June 2008.

Increase in total output and earnings

Total output increased by 28.0 percent from EUR 20.5 million in the previous year to EUR 26.3 million in the first half of 2009. Due to seasonal factors, change in finished goods and work in progress represent an important component of total output as at 30 June. They amounted to EUR 6.8 million after the first six months. They primarily comprise unharvested crops, which are harvested only in the second half of the year, when they will lead to a sharp increase in total output and earnings. As of the reporting date, they were recognised at original cost. Group sales climbed 26.7 percent to EUR 11.1 million. Part of the 2008 harvest was sold in the food crop cultivation segments. As a result, sales in the conventional segment amounted to EUR 4.2 million (H1 2008: EUR 3.2 million), while the organic segment reported EUR 1.5 million in sales (H1 2008: EUR 1.3 million). KTG Agrar operates twelve biogas plants with a total electrical connection capacity of around 8 megawatts. Revenues from the sale of electricity and heat rose to EUR 4.7 million (H1 2008: EUR 4.2 million). Complementary agricultural activities added EUR 0.7 million to the group sales (H1 2008: EUR 0.1 million). Other operating income increased by 28.6 percent to EUR 7.9 million.

KTG Agrar has expanded its farmland significantly since 30 June 2008. An additional 7,736 hectares mean more staff, fertiliser, machines and fuel. Nevertheless, the cost trend was favourable, with the cost of materials rising only very moderately. The company purchases large volumes and therefore benefits significantly from declining prices of input materials such as diesel, phosphorous and potash. At EUR 7.5 million the cost of materials was therefore up by only 2.5 percent on

the previous year (H1 2008: EUR 7.3 million). The headcount increased sharply in the reporting period. Accordingly, personnel expenses rose by 40 percent to EUR 3.0 million (H1 2008: EUR 2.2 million). Depreciation and amortisation declined moderately from EUR 1.3 million to EUR 1.2 million. Other operating expenses stood at EUR 10.8 million at the half-year stage (H1 2008: EUR 7.4 million). Due to the company's growth, expenses on machinery and maintenance increased by EUR 1.6 million, while rents and leases climbed by EUR 0.5 million.

The Group's earnings position was marked by the increase in total output against the background of stable costs. Earnings before interest and taxes (EBIT) rose by 57.6 percent from EUR 2.4 million to EUR 3.8 million in the first half of the year. As the company had to finance its growth, the financial result stood at EUR -1.2 million (H1 2008: EUR -969k). This led to a result from ordinary activities of EUR 2.5 million, up 79.4 percent on the previous year. Extraordinary expenses of EUR 191k related to the capital increase in June 2009. Tax expenses amounted to EUR 503k (H1 2008: EUR 342k). KTG Agrar's net income for the first six months totalled EUR 1.8 million, which represents an increase of 72.0 percent on the same period of the previous year (H1 2008: EUR 1.1 million).

Strong financial and net worth position

Farming and biogas production are not only profitable but also capital-intensive sectors. Moreover, the financial and net worth position of KTG Agrar is influenced by the seasonality of the agricultural business, where the main costs are incurred in the first months of the year, while actual profits are generated in the second half. Sustainable success therefore hinges on a strong financial and net worth position, and this is what KTG Agrar had at the end of the first six months of 2009. Equity capital amounted to EUR 47.5 million (31 Dec. 2008: EUR 39.2 million). As a result of the capital increase in June 2009, the subscribed capital and the capital reserve rose by EUR 430,000 and EUR 5.0 million, respectively. Liabilities amounted to EUR 74.9 million (31 Dec. 2008: EUR 66.5 million). As a result, the equity ratio climbed from 36.3% at the beginning of the year to 38.0%.

Fixed assets increased from EUR 48.9 million to EUR 55.7 million in the first six months of the year. Technical equipment and machinery were up by EUR 4.1 million, while land and buildings rose by EUR 2.1 million. Due to the seasonality of the agricultural operations described above, inventories climbed from EUR 23.8 million to EUR 31.1 million. This is primarily attributable to an increase in work in progress and unharvested crops by EUR 16.2 million. The

sale of inventories from the 2008 harvest led to a EUR 8.7 million decline in finished goods.

3. Outlook: KTG will remain on the growth track

KTG Agrar will remain on the growth track in 2009. Following the successful first half of the year, we want to boost our total output and earnings also in the full year 2009.

The overall environment remains positive. Compared to many other sectors, KTG Agrar benefits from an important advantage also in difficult economic times – and that is steady demand. With the world population growing by 200,000 every day, success is essentially determined by the volume of harvests, production costs and sales prices. The harvest in the year to date has been positive and the cost of supplies has been reduced significantly compared to the previous year.

The company also intends to push ahead the expansion of its farmland, with east Germany and Lithuania remaining the core regions. The aim is to start the 2010 season with over 30,000 hectares. A focus will also be placed on other Eastern European countries offering a good agricultural environment. At this stage, it is not clear, however, when and how these markets will be entered. Instead of buying or leasing farmland, the company may opt to initially manage individual farms. In July 2009, KTG Agrar started up another promising business segment, i.e. agricultural trading. By November 2009, the company wants to export 50,000 tonnes of high-quality grain to a Middle Eastern country for the very first time. KTG will supply not only its own grain but also grain sourced from other producers. Going forward, KTG Agrar will continue to bid for international contracts of this nature.

The biogas segment will also be expanded. Two sites are at an advanced project development stage, with construction scheduled to begin shortly. The current capacity of 8 MW will be doubled already next year. This will form the basis for a successful year 2010, which will see us boost both total output and earnings significantly.



Interim financial statements

as at 30 June 2009

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Consolidated balance sheet

AS AT 30 JUNE 2009 ACCORDING TO HGB (UNAUDITED)

ASSETS

IN EUR

06/30/2009

12/31/2008

A. NON CURRENT ASSETS

I. Intangible assets

1. Concessions, industrial and similar rights and values and licences thereto	1,486,143.72	1,351,806.51
2. Goodwill	3,677,956.81	3,796,172.51
	5,164,100.53	5,147,979.02

II. Property, plant and equipment

1. Land, freehold and leasehold and buildings including buildings on non-owned land	20,968,787.59	18,822,914.80
2. Technical equipment and machinery	24,538,770.96	20,424,559.91
3. Permanent crops	280,560.60	139,515.94
4. Other Fixtures, furniture and equipment	3,039,000.57	1,211,829.56
5. Payments in advance and plants under construction	682,369.44	2,178,074.17
	49,509,489.16	42,779,894.38

III. Financial assets

1. Interests in non-consolidated affiliated companies	90,398.50	90,398.50
2. Investments	41,864.54	6,502.52
3. Interests in associates	182,938.94	182,938.94
4. Investment securities	143,960.88	144,287.85
5. Other loans	72,734.90	82,311.09
6. Cooperative society shares	51,992.91	51,992.91
7. Reinsurance claims arising from life insurance policies	450,961.97	444,761.97
	1,034,852.64	1,003,193.78

55,708,442.33 **48,928,067.18**

B. ANIMALS

557,442.73 **60,283.25**

C. CURRENT ASSETS

I. Inventories

1. Raw materials, consumables and supplies	3,907,395.98	4,368,560.45
2. Work in progress and seed crops	22,168,375.21	6,017,396.30
3. Finished goods and merchandise, feed	1,678,915.61	10,331,757.85
4. Advance payments	3,377,817.39	3,055,487.73
	31,132,504.19	23,773,202.33

II. Receivables and other assets

1. Trade receivables	5,574,430.13	4,778,167.10
2. Receivables from affiliated companies	2,907,599.06	3,722,467.12
3. Liabilities to companies in which there is a financial investment	5,312,074.74	4,961,682.12
4. Other assets	11,767,213.91	9,080,170.87
	25,561,317.84	22,542,487.21

III. Securities

55,074.00 55,000.00

IV. Cash in hand, bank balances

10,722,204.29 11,445,820.65

Summe Umlaufvermögen **67,471,100.32** **57,816,510.19**

D. PREPAID EXPENSES

1,215,579.83 **1,182,130.27**

124,952,565.21 **107,986,990.89**

EQUITY AND LIABILITIES

IN EUR	06/30/2009	12/31/2008
A. SHAREHOLDERS EQUITY		
I. <i>Subscribed capital</i>	5,160,000.00	4,730,000
II. <i>Capital reserves</i>	32,501,000.00	27,470,000.00
III. <i>Revenue reserves</i>	5,000.00	5,000.19
IV. <i>Negative goodwill arising from consolidation</i>	4,057,156.39	3,732,859.80
V. <i>Net income</i>	2,708,575.34	1,648,434.31
VI. <i>Minority interest</i>	3,043,555.34	1,627,125.34
	47,475,287.07	39,213,419.64
B. SEPARATE ITEM FOR SPECIAL RESERVE	177,170.52	155,141.58
C. PROVISIONS		
1. Provisions for pensions and similar obligations	330,001.00	319,001.00
2. Provisions for taxes	1,113,763.93	867,615.14
3. Other provisions	862,376.30	820,454.73
	2,306,141.23	2,007,070.87
D. LIABILITIES		
1. Liabilities to banks	59,635,304.88	51,285,170.31
2. Trade payables	10,997,861.81	12,004,213.88
3. Liabilities to associated companies	967,214.57	791,225.71
4. Obtained prepayments from orders	0.00	0.00
5. Liabilities to affiliated companies	0.00	0.00
6. Liabilities to companies in which there is a financial investment	945,253.23	961,155.99
7. other liabilities	2,380,818.19	1,503,815.31
	74,926,452.68	66,545,581.20
E. PREPAID EXPENSES	67,513.71	65,777.60
	124,952,565.21	107,986,990.89

Consolidated income statement

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2009 ACCORDING TO HGB (UNAUDITED)

IN EUR	06/30/2009	06/30/2008
Sales	11,073,996.34	8,741,048.84
Increase in finished and unfinished goods	6,848,449.61	5,630,363.74
Other own work capitalised	437,000.00	0.00
Other operating income	7,910,449.13	6,153,416.03
Cost of materials		
a) Cost of raw materials, consumables and supplies and for purchased merchandise	-7,321,721.90	-6,817,165.66
b) Cost of purchased services	-170,080.96	-488,802.58
Total cost of materials	-7,491,802.86	-7,305,968.24
Staff cost		
a) Wages and salaries	-2,519,829.18	-1,781,264.73
b) Social security and post-employment benefits	-524,697.72	-383,862.91
- of which for post-employment benefits EUR 25,211.19 (PY: EUR 7,955.44)		
Total staff cost	-3,044,526.90	-2,165,127.64
Amortisation and depreciation	-1,202,888.91	-1,303,751.19
Other operating costs	-10,774,212.78	-7,366,216.30
Income from equity investments	62.95	334.86
Income from other securities and long term loans	0.00	0.00
Other interest and similar income	486,629.15	426,294.29
- of which from affiliated companies EUR 187,371.54 (PY: EUR 10,909.60)		
Interest and similar expenses	-1,705,360.52	-1,395,989.81
- of which from affiliated companies EUR 0,00 (PY: EUR 0,00)		
RESULT FROM ORDINARY ACTIVITIES	2,537,795.21	1,414,404.58
Extraordinary operating income	0.00	0.00
Extraordinary operating expenses	-191,135.00	0.00
Extraordinary result	-191,135.00	0.00
Income tax	-411,845.41	-224,667.20
Other taxes	-90,969.12	-117,820.55
NET INCOME FOR THE PERIOD	1,843,845.68	1,071,916.83
Profit carried forward	1,648,434.50	-2,291,960.63
Net income attributable to minority interests	-783,704.84	-307,501.69
BALANCE SHEET PROFIT/LOSS	2,708,575.34	-1,527,545.49

Consolidated cash flow statement

AS AT 30 JUNE 2009 ACCORDING TO HGB (UNAUDITED)

IN EURK	06/30/2009	06/30/2008
Net income before extraordinary items	2,035	1,072
Depreciation, amortisation and write-downs on fixed assets	1,203	1,304
Increase in provisions	103	336
Non-cash income and expenses	-5	-276
Loss/profits from disposal of non current assets	-67	392
Increase/decrease in other asstets, not attributable		
to investing or financing activities	-9,434	-8,621
Increase/decrease in other liabilities, not attributable		
to investing or financing activities	71	-1,039
Cash flow from operating activities	-6,094	-6,831
Proceeds from disposal of tangible non current assets	859	465
Payments for investments in tangible non current assets	-5,433	-4,517
Payments for investments in intangible non current assets	-385	-45
Payments for acquisition of consolidated companies	-4,130	-55
Proceeds from disposal of long-term financial assets	6	0
Payments for investments in long-term financial assets	-6	-181
Cash flow from investing activities	-9,089	-4,333
Proceeds from issue of capital	5,461	0
Payments for extraordinary items	-191	0
Proceeds from liabilities	9,814	3,609
Payments for scheduled repayment of bank liabilities	-2,726	-2,153
Cash flow from financing activities	12,358	1,457
Net change in cash funds	-2,825	-9,706
Change in cash funds due to consolidation structure	2,101	26
Cash funds at beginning of period	11,446	17,234
Cash funds at end of period	10,722	7,554

Consolidated statement of changes in equity

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2009 ACCORDING TO HGB (UNAUDITED)

IN EUR	PARENT COMPANY		
	SUBSCRIBED CAPITAL ORDINARY SHARES	CAPITAL RESERVE	LEGAL RESERVE
1 January 2007	50,000.00	-	5,000.00
Transfer to legal reserve			
Transfer to capital reserve		21,450,000.00	
Transfer to revenue reserve			
Capital increase from own resources	1,798,083.00		
Issue of shares	2,451,917.00		
Other changes			
Changes in basis consolidation			
Consolidated net loss			
31 December 2007	4,300,000.00	21,450,000.00	5,000.00
1 January 2008	4,300,000.00	21,450,000.00	5,000.00
Transfer to legal reserve			
Transfer to revenue reserve			
Capital increase from issue of shares	430,000.00	6,020,000.00	
Other changes			
Changes in basis consolidation			
Consolidated net profit			
31 December 2008	4,730,000.00	27,470,000.00	5,000.00
1 January 2009	4,730,000.00	27,470,000.00	5,000.00
Transfer to legal reserve			
Transfer to revenue reserve			
Capital increase from issue of shares	430,000.00	5,031,000.00	
Other changes			
Changes in basis consolidation			
Consolidated net profit			
30 June 2009	5,160,000.00	32,501,000.00	5,000.00

DIFFERENCES FROM CAPITAL CONSOLIDATION	GENERATED CONSOLIDATED EQUITY	SHAREHOLDERS EQUITY	MINORITY INTERESTS	SHAREHOLDERS CONSOLIDATED EQUITY
			MINORITY INTEREST IN EQUITY	
7,685,456.25	1,870,576.14	9,611,032.39	989,943.02	10,600,975.41
-	-	-	-	-
-	-	21,450,000.00	-	21,450,000.00
-	-1,798,083.00	-1,798,083.00	-	-1,798,083.00
-	-	1,798,083.00	-	1,798,083.00
-	-	2,451,917.00	-	2,451,917.00
-216,746.43	-	-216,746.43	-94,772.50	-311,518.93
-3,146,858.35	-	-3,146,858.35	-17,067.65	-3,163,926.00
-	-2,364,453.58	-2,364,453.58	395,154.02	-1,969,299.56
4,321,851.47	-2,291,960.44	27,784,891.03	1,273,256.89	29,058,147.92
4,321,851.47	-2,291,960.44	27,784,891.03	1,273,256.89	29,058,147.92
-	-	-	-	-
-	-	-	-	-
-	-	6,450,000.00	-	6,450,000.00
-588,991.67	-	-588,991.67	-28,011.97	-617,003.64
-	-	-	454.63	454.63
-	3,940,394.94	3,940,394.94	381,425.79	4,321,820.73
3,732,859.80	1,648,434.50	37,586,294.30	1,627,125.34	39,213,419.64
3,732,859.80	1,648,434.50	37,586,294.30	1,627,125.34	39,213,419.64
-	-	-	-	-
-	-	-	-	-
-	-	5,461,000.00	-	5,461,000.00
324,296.59	-	324,296.59	-6,162.77	318,133.82
-	-	-	638,887.93	638,887.93
-	1,060,140.84	1,060,140.84	783,704.84	1,843,845.68
4,057,156.39	2,708,575.34	44,431,731.73	3,043,555.34	47,475,287.07

Information to the consolidated financial statements for the period ended 30 June 2009

These are not the usual notes; we only refer to key items that have changed as compared to the audited financial statements for the financial year ended 31 December 2008.

Companies included in the consolidated financial statements:

The following Lithuanian companies have joined the basis of consolidation and are fully consolidated:

- UAB Agrar Raudone
- UAB Agrar Venta
- UAB Geluva
- UAB Betygala
- UAB Dubysa
- UAB Pauliai
- UAB Mituva
- UAB Kviste
- UAB Luoba

The following new subsidiaries in Germany are fully consolidated:

- Biogas Produktion Seelow GmbH
- Biogas Produktion Flechtingen GmbH
- Quesitzer Agrarprodukte GmbH
- SF Agrar GmbH
- fentus 10. GmbH
- MB norus Agrar AG
- Agrar GmbH Landwirtschaftlicher Produktionsbetrieb Altdöbern
- Schöllnitz Agrar GmbH
- Öko Landbau GmbH Altdöbern

Valuation of unharvested crops

As in the interim financial statements for the period ended 30 June 2008, unharvested crops were valued at actually incurred costs per crop type and hectare.

Fixed assets

Changes in individual asset items are presented in the consolidated statement of changes in fixed assets.

Sales

The table below shows a breakdown of sales by divisions:

EURK	H1 2009	H1 2008
Cultivation of organic food crops	1,453	1,259
Cultivation of conventional food crops	4,237	3,249
Energy production/biogas	4,703	4,151
Complementary agricultural activities	681	82
Total	11,074	8,741

Other operating income

is comprised as follows:

EURK	H1 2009	H1 2008
Sales of machinery	3,554	2,842
Investment grants and subsidies	3,688	2,792
Other income	668	519
Total	7,910	6,153

Other operating costs

are comprised as follow:

EURK	H1 2009	H1 2008
Spending on machinery, repairs and maintenance	4,283	2,719
Management, legal and consulting costs	961	1,352
Rent, leases	1,831	1,332
Lease and auto costs	1,610	555
Other costs	831	554
Other selling expenses	273	365
Insurance, contributions, duties	985	258
Disposal of assets	0	231
Total	10,774	7,366

Changes in consolidated non current assets

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2009 ACCORDING TO HGB (UNAUDITED)

IN EUR	01/01/2009	CHANGES IN BASIS CONSOLIDATION	PURCHASE AND PRODUCTION COSTS		
			ADDITIONS	RECLASSI- FICATIONS/ TRANSFERS	DISPOSALS
NON CURRENT ASSETS					
<i>I. Intangible assets</i>					
1. Concessions, industrial and similar rights and values and licences thereto	1,478,225.31	34,804.72	126,143.90	0.00	0.00
2. Goodwill	4,765,217.84	0.00	62,585.39	0.00	0.00
3. Payments in advance	0.00	0.00	0.00	0.00	0.00
	6,243,443.15	34,804.72	188,729.29	0.00	0.00
<i>II. Fixed assets</i>					
1. Land, freehold and leasehold and buildings, including buildings on non-owned land	22,134,664.01	2,445,276.84	953,000.60		
2. Technical equipment and machinery	24,260,409.78	3,612,163.71	3,723,394.90	396,306.73	879,407.20
3. Fixtures, furniture and equipment	1,963,544.56	482,802.95	117,032.36	1,626,033.02	350.00
4. Permanent crops	139,515.94	0.00	115,630.60	37,407.00	
5. Payments in advance and plants under construction	2,178,074.17	25,716.08	538,325.94	-2,059,746.75	
	50,676,208.46	6,565,959.58	5,447,384.40	0.00	879,757.20
<i>III. Financial assets</i>					
1. Interests in non-consolidated affiliated companies	90,398.50	0.00	0.00	0.00	0.00
2. Shares in associated companies	182,938.94	0.00	0.00	0.00	0.00
3. Loans at affiliated companies	0.00	0.00	0.00	0.00	0.00
4. Investments	183,150.83	41,862.02	0.00	0.00	6,500.00
5. Loans at enterprises, with which a investment relationship exists	0.00	0.00	0.00	0.00	0.00
6. Investment securities	144,287.85	0.00	0.00	0.00	326.97
7. Other loans	99,748.40	0		-9,527.34	48.85
8. Cooperative society shares	51,992.91	0.00	0.00	0.00	0.00
9. Reinsurance claims arising from life insurance policies	514,421.00	0.00	6,200.00	0.00	0.00
	1,266,938.43	41,862.02	6,200.00	-9,527.34	6,875.82
	58,186,590.04	6,642,626.32	5,642,313.69	-9,527.34	886,633.02

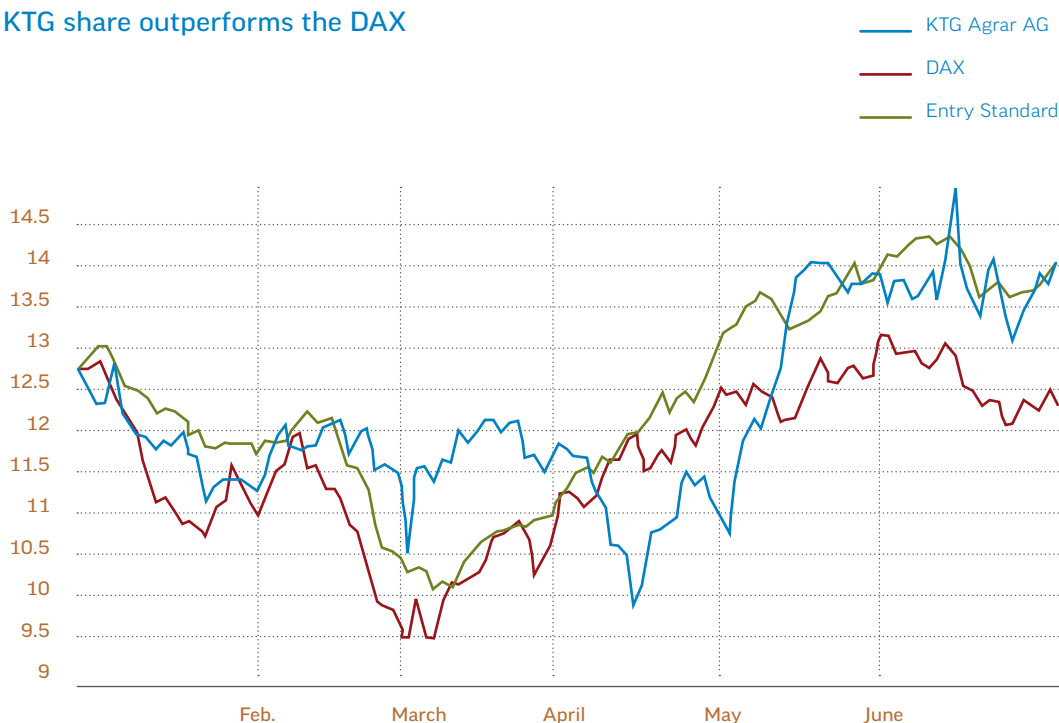
06/30/2009	ACCUMULATED AMORTISATIONS				ASSETS		
	01/01/2009	CHANGE IN SCOPE OF CONSOLIDATION	DEPRECIATION AND AMORTISATION SCHEDULED	DISPOSALS	06/30/2009	12/31/2008	06/30/2009
1,639,173.93	126,418.80	15,694.72	10,916.69	0.00	153,030.21	1,351,806.51	1,486,143.72
4,827,803.23	969,045.33	0.00	180,801.09	0.00	1,149,846.42	3,796,172.51	3,677,956.81
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6,466,977.16	1,095,464.13	15,694.72	191,717.78	0.00	1,302,876.63	5,147,979.02	5,164,100.53
25,532,941.45	3,311,749.21	1,086,169.28	166,235.37		4,564,153.86	18,822,914.80	20,968,787.59
31,112,867.92	3,835,849.87	2,058,083.35	766,816.14	86,652.40	6,574,096.96	20,424,559.91	24,538,770.96
4,189,062.89	751,715.00	332,570.64	66,126.68	350.00	1,150,062.32	1,211,829.56	3,039,000.57
292,553.54	0.00	0.00	11,992.94		11,992.94	139,515.94	280,560.60
682,369.44	0.00	0.00	0.00	0.00	0.00	2,178,074.17	682,369.44
61,809,795.24	7,899,314.08	3,476,823.27	1,011,171.13	87,002.40	12,300,306.08	42,776,894.38	49,509,489.16
90,398.50	0.00	0.00	0.00	0.00	0.00	90,398.50	90,398.50
182,938.94	0.00	0.00	0.00	0.00	0.00	182,938.94	182,938.94
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
218,512.85	176,648.31	0.00	0.00	0.00	176,648.31	6,502.52	41,864.54
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
143,960.88	0.00	0.00	0.00	0.00	0.00	144,287.85	143,960.88
90,172.21	17,437.31	0.00	0.00	0.00	17,437.31	82,311.09	72,734.90
51,992.91	0.00	0.00	0.00	0.00	0.00	51,992.91	51,992.91
520,621.00	69,659.03	0.00	0.00	0.00	69,659.03	444,761.97	450,961.97
1,298,597.29	263,744.65	0.00	0.00	0.00	263,744.65	1,003,193.78	1,034,852.64
69,575,369.69	9,258,522.86	3,492,517.99	1,202,888.91	87,002.40	13,866,927.36	48,928,067.18	55,708,442.33

KTG share

Capital market looking forward to an end to the recession

While the international capital markets were clearly marked by the negative influence of the financial and economic crisis at the beginning of the year, they have recovered significantly in the course of the second quarter. The upturn was driven by hopes of a quick recovery in the world economy and a definite end of the recession. Between April and June, the DAX gained 18% and closed at 4,809 points on 30 June 2009, which means it had almost returned to the level seen at the beginning of the year. A continuation of the upward trend will largely depend on the trend in the world economy.

KTG share outperforms the DAX



Annual General Meeting in Hamburg – Dividend for fiscal 2009 announced

This year's Annual General Meeting of KTG Agrar was held in Hamburg on 26 June 2009. At the shareholders' meeting, the Management Board informed the 80-strong audience about the successful fiscal year 2008 and presented a positive outlook on the current fiscal year. The Management Board then

announced the first dividend payout for the year 2009. The shareholders' response to the company's performance and the planned dividend was positive. All items on the agenda were approved by a large majority of shareholders. The acts of the Management Board and the Supervisory Board were approved by over 99% of the votes. In addition, the shareholders authorised the Management Board to issue option bonds and convertible bonds and to create conditional and authorised capital.

Capital increase by 10% reflects confidence in the business model

The cultivation of agricultural resources and the production of biogas offer excellent growth opportunities. With a view to seizing these opportunities aggressively, the company's share capital was increased on 18 June through the issue of 430,000 new shares. The new shares were placed with institutional investors at a price of EUR 12.70, generating gross proceeds of approx. EUR 5.5 million. The successful capital increase in a difficult capital market environment shows that investors believe in the business model and the company's future. KTG Agrar will use the proceeds from the capital increase to invest in continued dynamic growth. The company's main objectives are the acquisition and long-term lease of farmland – especially in east Germany and Lithuania – and a 100% increase in biogas production.

BASIC SHARE INFORMATION

ISIN	DE000A0DN1J4
Exchange symbol	7KT
Stock market segment	Entry Standard
Designated sponsors	equinet, DZ Bank
52-week high	EUR 15.00
52-week low	EUR 9.25
Price at 30 June 2009	EUR 13.93
Number of shares	5,160,000
Market capitalisation at 30 June 2009	EUR 71.9 million

SHAREHOLDER STRUCTURE AT 30 JUNE 2009

Beatrice Ams	50.5%
Free float	49.5%

Contact, Imprint

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