

## PRESS RELEASE

### **KTG Agrar reports good harvest**

- **150,000 tons of grain, maize and rapeseed harvested**
- **55,000 tons of grain exported to Saudi Arabia**
- **Management anticipates successful conclusion to FY2009**

**Hamburg, 9 November 2009** – “We are satisfied with our 2009 harvest,” says Siegfried Hofreiter. The CEO of KTG Agrar AG [ISIN: DE000A0DN1J4] looks back on a good campaign, which saw the Hamburg-based agricultural company harvest more than 29,000 hectares in east Germany and Lithuania. A total of 150,000 tons of organically and conventionally cultivated grain harvested and 200,000 tons of biomass for biogas production stored make KTG Agrar a leading agricultural producer in Europe. “Contracts supporting a good margin are already in place for the bulk of our harvest and we will store the rest for the time being on the expectation of prices rising over the coming months.” Despite the dry weather in April and May, yields per hectare match the prior-year level and even show clear improvements in the case of rapeseed.

KTG Agrar continues to benefit from its specialisation in the cultivation of large homogeneous quantities of organic and conventional food crops such as grain, maize and rapeseed. The company’s ability to use key machinery almost on a year-long basis allows it to boost capacity utilisation by a good 50 percent. In addition, KTG Agrar can supply its produce directly to processors such as mills and food manufacturers, without having to go through middlemen. While sales prices are down on the year, the costs of supplies have declined as well. Siegfried Hofreiter explains: “We timed our purchasing of fertilisers and diesel fuel well and were thus able to keep our margin at the prior-year level.” In addition, the current year saw KTG Agrar make inroads into a new field of business - only a few days ago a vessel carrying more than 55,000 tons of high-quality wheat sailed from Hamburg for Saudi Arabia. The total shipment includes 10,000 tons from KTG Agrar’s own production, with the balance sourced from other producers. The CEO explains: “This deal positions us as a high-volume trader and exporter for the future, ranking us with a small group of market players in this league in Europe.”

Having completed a good harvesting campaign, management anticipates a successful conclusion to the financial year 2009. "We previously announced our resolve to demonstrate the sustainability of our business model in this challenging economic environment and to achieve a clear increase in total output and EBIT and we stand by this commitment," the CEO of KTG Agrar said.

**About KTG Agrar:**

With cultivable land of more than 29,000 hectares, KTG Agrar AG is one of the leading producers of agricultural commodities in Europe. The Hamburg-based company's core area of expertise is the organic and traditional cultivation of market products such as cereals, maize and rapeseed. KTG Agrar is the market leader for organic market products in Germany, in terms of cultivable land area. The company has had a third mainstay in the production of bioenergy. At present, KTG Agrar operates 12 biogas plants with a total electrical connection capacity of around eight megawatts. The company mainly produces in Germany but has also operated production in the EU full member state of Lithuania since 2005. In the year 2008, KTG achieved a total output of EUR 49 million and EBIT of EUR 7.5 million. Since November 2007 the company is listed on the Frankfurt Stock Exchange and currently has some 170 employees. Further information can be found at [www.ktg.ag](http://www.ktg.ag).

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