Corbion

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PRESS RELEASE

DATE August 7, 2013

Solid growth and increased EBITDA in Q2 2013

Corbion (the new trade name of CSM nv) delivered organic sales growth of 5.0% in Q2 2013, bringing total net sales € 190.0 million, mostly driven by volume growth of 5.5%. EBITDA before one-off costs increased by 6.3% to € 27.2 million. On July 3rd, just after closing of Q2, Corbion completed the divestment of the Bakery Supplies businesses.

"In the second quarter both the Biobased Food Ingredients and the Biochemicals segments realized solid organic sales growth. I am also very happy to see that volumes showed growth in the 2nd quarter after a challenging 1st quarter. With the divestment of the Bakery Supplies businesses completed we can now fully focus on the development of our biobased products activities. Overall, the developments in the 1st half-year are encouraging.", comments Gerard Hoetmer, CEO.

Key financial highlights Q2 and H1 2013:

- Net sales increased by 2.4% to € 190.0 million, a 5.0% organic growth vs Q2 2012
- EBITDA before one-off costs was € 27.2 million, an increase of 6.3% vs Q2 2012
- EBITDA margin before one-off costs was 14.3% (Q2 2012: 13.8%)
- Capex in H1 2013 was € 27.9 million
- Net debt at the end of Q2 2013 was € 567.5 million

Key Figures

€ million	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Net Sales	190.0	185.6	370.5	376.8
EBITDA excluding one-off costs	27.2	25.6	50.8	50.6
EBITDA	29.3	25.3	48.2	49.9
EBITDA margin excluding one-off costs	14.3%	13.8%	13.7%	13.4%

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Management review H1 2013

Net sales

Net sales development strengthened in Q2, with an organic growth rate of 5.0% and 5.5% volume growth (compared to Q2 2012). Both segments contributed, especially the Biochemicals segment which showed a 9.3% volume growth, while Biobased Food Ingredients delivered a volume increase in Q2 of 4.6%. One additional business day in Q2 2013 versus Q2 2012 impacted comparisons slightly.

For H1 2013 net sales amounted to € 370.5 million, an organic growth of 0.5% (€ 1.9 million) driven by 1.5% volume growth compared to H1 2012. However, net sales were negatively impacted by exchange rate effects of € -8.3 million (-2.2%), due to weaker Japanese yen, Brazilian real and US dollar. The sales volume growth was realized at slightly lower average sales prices. Comparisons to H1 2012 are slightly impacted due to the fact that H1 2013 has two working days less.

Q2 2013 compared to Q2 2012:

	Total Growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/Mix	Volume
Biobased Food Ingredients	1.9%	-2.5%	4.4%	0.0%	4.4%	-0.2%	4.6%
Biochemicals	4.2%	-2.7%	6.9%	0.0%	6.9%	-2.4%	9.3%
Corbion	**2.4%**	**-2.5%**	**5.0%**	**0.0%**	**5.0%**	**-0.5%**	**5.5%**

H1 2013 compared to H1 2012:

	Total Growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/Mix	Volume
Biobased Food Ingredients	-2.1%	-2.2%	0.1%	0.0%	0.1%	-0.5%	0.6%
Biochemicals	-0.1%	-2.1%	2.0%	0.0%	2.0%	-3.2%	5.2%
Corbion	**-1.7%**	**-2.2%**	**0.5%**	**0.0%**	**0.5%**	**-1.0%**	**1.5%**

Expenses

Expenses excluding one-offs totaled € 153.6 million, 0.2% below H1 2012. H1 2013 includes € 2.9 million of one-off costs mainly relating to refocus of the new organization upon the divestment of Bakery Supplies businesses (e.g. a restructuring of the US offices).

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Excluding one-offs, the underlying expense development at constant currency, is 1.0% above H1 2012, which is caused by higher selling expenses and increased R&D efforts to support our short and long term business performance.
Central costs saw a small increase due to additional costs related to the transformation process compared with last year. In H2 2013 Central costs will be reduced.

€ million	H1 2013	H1 2012
R&D expenses cash-out	12.0	10.1
Capitalization	(1.5)	(1.7)
Amortization	0.3	0.3
Impairment	0.0	0.0
R&D expenses	10.8	8.7

EBITDA

EBITDA improved because of better performances of both Biobased Food Ingredients and Biochemicals. Higher volumes, albeit at somewhat lower prices were the main driver of the higher EBITDA. Raw material costs were somewhat lower, partially offsetting the lower selling prices. R&D expenses increased, in line with our strategy. The EBITDA margin before one-off costs reached 13.7%, up from 13.4% last year.

€ million	Q2 2013	Q2 2012	YTD 2013	YTD 2012
EBITDA excluding one-off costs breakdown:	**27.2**	**25.6**	**50.8**	**50.6**
- Biobased Food Ingredients	*29.8*	*28.0*	*54.0*	*53.3*
- Biochemicals	*4.2*	*4.0*	*9.6*	*9.3*
- Central Costs	*-6.8*	*-6.4*	*-12.8*	*-12.0*
Depreciation & Amortisation	10.4	11.0	20.5	21.8
EBIT excluding one-off costs	**16.8**	**14.6**	**30.3**	**28.8**

Financial income and charges

Net financial charges (under IFRS all financial income and expenses are classified under Continued Operations) increased by € 2.4 million to € 15.4 million. The main reason for the increase is a reclassification of a financial instrument, as required by IFRS, from equity to the income statement because the repayment of an underlying loan is now expected to be earlier than originally foreseen.

Taxes

Net taxes for the Continued Operations were € 0.6 million positive compared to € 1.2 million positive in the first half-year 2012.

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Result after tax from Continued Operations

The result after tax for Continued Operations of € 12.6 million versus € 16.3 million in the 1st half-year of 2012 has been impacted by various items directly related to the transformation of our company. One-off expenses of € 2.9 million, a Financial Income & Expenses charge of €5.2 million as a result of the reclassification of an Interest derivative and various items in the tax calculation have impacted the result after tax. Excluding these items our result after tax would have increased compared to H1 2012.

Result after tax from Discontinued Operations

The result after taxes from Discontinued Operations amounts to € 41.6 million negative. This result was highly impacted by an IFRS 5 re-measurement (impairment) and additional divestment related costs, including a provision for tax risks of € 42 million. The re-measurement is a result of the net profit in the first six months of the Discontinued Operations which in turn led to a re-measurement loss of € 30.0 million reflected as at June 30, 2013.

Balance sheet

Capital employed excluding goodwill on a historical-cost basis increased, compared to year end 2012 by € 5.7 million to € 1,310.5 million. The main movements were:

€ million	
Capital expenditure on (in)tangible fixed assets	27.9
Depreciation / amortization/impairment of (in)tangible fixed assets	-20.5
Working capital increase	13.9
Exchange rate differences	-2.5
Tax positions	-51.4
Other/ Discontinued Operations movements	38.3

Major capital expenditure projects in 2013 are the preparation for a full scale, latest technology lactic acid production unit, the installation of a commercial scale succinic acid plant, and the new Biomaterials plant in the US.

Trade working capital seasonally increased by € 13.9 million to € 110.2 million
Shareholders' equity in the first half-year decreased by € 50.9 million to € 742.9 million. The main movements were:

- The addition of the negative result after taxes of € 29.0 million;
- A decrease of € 19.4 million in connection with the dividend for financial year 2012;
- Negative exchange rate differences of € 7.7 million due to the translation of equity denominated in currencies other than the euro;
- Positive movement of € 5.6 million in the hedge reserve.

At the half-year end 2013 the ratio between balance sheet total and equity was 1:0.3 (2012: 1:0.4).

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Cash flow/Financing

Cash flow from continued operating activities decreased compared to H1 2012 by € 67.6 million to € 4.3 million. This is highly impacted by two incidental items; firstly, the growth in working capital, which is mainly due to increased receivables from the Continued Operations on the Discontinued Operations, which normally would have been eliminated in a going concern situation and secondly by the fact that in 2012 we received a large tax repayment. Our cash flow was further negatively impacted by divestment related provisions which were recorded in 2012 which have been released as the actual expenses have been paid.

The cash flow required for continuing investment activities increased compared to H1 2012 by € 7.4 million to € 27.6 million. Capital expenditures accounted for most (€ 25.9 million) of this cash outflow.

The net debt position at the end of June 2013 was € 567.5 million, an increase of € 56.6 million compared to year end 2012, mainly due to capital expenditures, the seasonal increase in working capital and the dividend payment.

Our financing ratios have improved by the higher operating result as well as lower debt levels. At June 30, 2013, the ratio of net debt to EBITDA was 2.2x (end of 2012: 2.0x) and the interest cover for 2013 was 11.7x (end of 2012: 10.1x). We continue to stay well within the limits of our financing covenants.

On July 3rd we have completed the sale of our Bakery Supplies businesses for an enterprise value of € 1050 million. We have received a net cash amount of € 874 million. This amount is slightly higher compared with the amount mentioned in the press release of March 25 which stated approximately € 850 million. With the proceeds we have redeemed the short term debts on our balance sheet. To the holders of our US$ denominated private placement we have proposed a voluntary repayment of the outstanding debt, in the course of August we will have more insight into the potential repayment of this loan. The remaining funds are held in secure short dated Dutch government bonds, money market funds and direct deposits with banks.

Outlook

With the divestment of the Bakery Supplies businesses completed we can now fully focus on the development of our Biobased Products activities. The developments in the 1st half-year are encouraging, and the stable to declining raw material prices will support our margins. Strengthening our innovation efforts is an integral part of Corbion's strategy. The resulting increase in R&D expenses in the 2nd half of 2013 will be partially offset by the reduction in other G&A expenses. Financial income & expenses will come down sharply as a result of the proceeds received from the divestment of our Bakery Supplies activities. The tax rate for the 2nd half of 2013 will be approximately 20%. We expect our capital expenditures for the full year 2013 to be between € 70 million and € 80 million. During the 2nd half of 2013 we intend to return € 250 million to our shareholders. The € 50 million special dividend payment has been executed in July and the share buyback has started.

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Segment information

Biobased Food Ingredients

€ million	Q2 2013	Q2 2012		YTD 2013	YTD 2012
Net Sales	147.8	145.1		283.2	289.4
Organic growth	4.4%	-3.6%		0.1%	-1.7%
EBITDA excl. one-off costs	29.8	28.0		54.0	53.3
EBITDA margin excl one-off costs	20.2%	19.3%		19.1%	18.4%

Net sales for the Biobased Food Ingredients segment in H1 2013 decreased by 2.1% to € 283.2 million, due to weaker exchange rates. The organic growth was slightly positive (0.1%) mainly on stronger volumes (0.6%). The average net sales price reduced by 0.5% due to mix effects and price reductions in selective market segments as to increase market shares. Organic growth in Q2 was 4.4% which was supported by one additional trading.

EBITDA margin in H1 2013 ended at 19.1%, up from 18.4% in 2012, while Q2 featured an even higher margin of 20.2% driven by higher volumes.

Within the Biobased Food Ingredients segment, the Meat market unit performed increasingly well in the course of H1 2013. This was especially the result of by volume gains in the US and European markets where market shares could be improved. For the US Meat market, we now see less switching to Low Cost in Use chemicals applications. At the same time our premium clean label products (Verdad) are gaining momentum.

The Bakery market unit also experienced an improved sales performance in Q2 after the slow start in Q1 which was initially impacted by the bankruptcy of a major account. In Q2 this lost business is more than fully compensated for through growth at other customers. Some incidental orders also supported growth.

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Biochemicals

€ million	Q2 2013	Q2 2012		YTD 2013	YTD 2012
Net Sales	42.2	40.5		87.3	87.4
Organic growth	6.9%	-1.9%		2.0%	2.8%
EBITDA excl. one-off costs	4.2	4.0		9.6	9.3
EBITDA margin excl one-off costs	10.0%	9.9%		11.0%	10.6%

During H1 2013 Biochemicals continued to perform well, with volume growth of 5.2%, supported by strong deliveries in the second quarter (9.3%). Due to the smaller size, this segment shows a more volatile sales pattern. The EBITDA margin was more or less stable in Q2 versus last year at 10%, but slightly lower than in Q1 due to a different product mix and higher costs (R&D).

The second quarter saw the introduction of promising new products: most notably we started production of Aloapur, an animal health product which allows poultry farmers to reduce the usage of low dosage antibiotics, used as a growth promotor. To further develop this market we engaged in a partnership with Cargill Animal Nutrition.

In our PLA/bioplastics activity, we announced a contract to supply up to 10 kT of lactides to an Asian customer, with delivery likely to start in the second half of 2014. As we stated during the Capital Markets Day in June, we expect to conclude more lactide/PLA related contracts, to bring our current lactide capacity of 75 kT close to full capacity in 2016.

Risks

Introduction

Corbion operates worldwide with operating companies in various markets and jurisdictions. Timely identification and effective management of all significant risks inherent to the execution of our strategy and realization of our objectives is of key importance. The Board of Management is responsible for the design, implementation and operation of Corbion's risk management and internal control systems. Our risk management approach is aimed at embedding risk awareness and risk management at all levels of Corbion to ensure consciously and properly evaluated risk decisions. As the divestment process of the Bakery Supplies businesses has been completed early July 2013, an important step in the transformation of Corbion into a biobased products company has been realized. This also has its implications for the risks of the company going forward.

Divestment Bakery Supplies businesses

In July 2013 Corbion announced to have successfully completed the divestment of its Bakery Supplies businesses to affiliates of Rhône Capital. In connection with the effect of significant transactions such as the divestment of the North American and European Bakery Supplies businesses, Corbion could eventually be exposed to liabilities in areas such as commercial agreements, regulatory matters, personnel, financing, taxation and others. The risk directly related towards the buyer of the Bakery Supplies activities is limited due to thresholds in the SPA which are in place before potential claims can be made. In preparing the financial statements, the effects of such potential exposures have been analyzed; where necessary, Corbion has provided for those liabilities or made disclosures, as the case may be, at the current estimated outcome.

Market for bioplastics

We have been investing substantial funds over the last years supporting the development of lactides, a monomer to produce PLA bioplastics. We are convinced that this market will develop steadily over the coming years and that our investments will prove to be highly successful and will generate substantial cash flows. However there is a risk that this market will develop at a slower pace than expected or that competing products/producers will take a large share of the market for bioplastics. The development of alternative applications for lactides next to bioplastics will mitigate this risk to a certain extent.

Currency exposure

Approximately 65% of Corbion's sales are generated in US dollars whilst our asset base in the United States amounts to approximately 40% of our total asset base. This gives our results and equity reported in euros exposure to fluctuations in the exchange rate between the euro and US dollar. Most of our US dollar related revenues, however, are produced in the United States and thus also US dollar based. To the extent there is a mismatch between US dollar sales and US dollar costs we seek to hedge this exposure. Our assets in US dollar are to a large extent offset by US dollar debts, which limits the net translation currency exposure to our equity. The translation risk of the net result is not hedged. Exposure to other currencies is limited, with the hedging policy being the same as for the US dollar.

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Raw material exposure

The exposure to fluctuations of raw materials is mainly with respect to the carbohydrates (sugars) we buy for our fermentation process and the cereals and vegetable oils we use for our food ingredients. We seek to mitigate this risk by entering into forward hedges, with a maximum period of 18 months for some specific raw materials. The hedge positions give us the time required to adjust our selling prices to reflect the fluctuating raw material costs.

R&D / Innovation

We spend annually around 3 to 4% of Net Sales on total R&D/Innovation . These funds are spent with the intent to develop and introduce new and innovative products into the market place and to innovate our production processes. There is however no certainty that the returns on our R&D/Innovation expenses will be sufficient to cover our cost of capital. We seek to mitigate the risk of low returns on R&D/Innovation by requiring every innovation project to follow a stage gate process with rigid criteria for moving on into the next phase. A disciplined execution of this stage gate process should result in projects having and realizing clear business plans and delivering the expected returns. It also allows to stop those projects, at an early enough stage when investments are still limited, in case they turn out not to deliver according to plan. Additionally, we mitigate the development risks for some of our major initiatives by entering into partnerships with reputable third parties.

Tax

As the existing structure did not reflect the actual structural, management and product line organization of our business, we have reorganized the legal structure of our company in 2012. The reorganization was complex involving several entities in various jurisdictions, and therefore could have tax consequences. Prior to carrying out the reorganization, we obtained appropriate outside professional advice confirming a limited tax risk associated with the reorganization. However, if tax authorities in the relevant jurisdictions would challenge the tax treatment of the reorganization and if they are successful in doing so, the tax consequences could be significant.

Capital Expenditures

In the years to come we do expect to invest heavily in new production capacity and new technologies to reduce costs and to adapt our production processes enabling us to use non-food feedstock like biomass. A strong project organization that follows clear procedures to execute the investment, a rigid control process and the extensive experience we have gained through other large projects we have executed in the recent past should mitigate the risks around such high capital expenditures. The support of professional outsourcing parties should be beneficial in further reducing the risk.

Business Continuity

Serious disruption of our supply chain as a result of calamities such as fire, floods or earthquakes or due to contamination, strikes or major system breakdowns, could have a major impact on our profitability. A fall out in the production of especially our lactic acid facility in Thailand could have a serious negative impact. Prevention of business disruption has the highest priority of our supply chain and risk management personnel. Training our people, setting guidelines on how to operate and investments in protection equipment are all measures to limit the risk. Where possible, back-up procedures are in place to mitigate the impact of a business discontinuity should it occur.

Responsibility Statement

The Board of Management hereby declare that, to the best of their knowledge, the interim financial statements for the first half-year of 2013 have been prepared in accordance with IAS 34, "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, financial position and profit of CSM nv and its consolidated companies included in the consolidation as a whole. Furthermore, to the best of our knowledge, this half-year report includes a fair view of the information required pursuant to Section 5:25d. subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Diemen, the Netherlands, August 7, 2013

Board of Management CSM nv
G.J. Hoetmer, CEO
N.J.M. Kramer, CFO

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Appendices: Condensed interim financial statements

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Analyst presentation (Webcast)

An analysts meeting will be held at the premises of Corbion (Nienoord 13, Diemen, the Netherlands) from 11.00 hours (CET) on Wednesday, August 7, 2013. The presentation can be followed live via www.corbion.com from 11.00 hours (CET). The slides used during the presentation can be downloaded from our website.

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Background information:

Corbion: biobased solutions, designed by science, powered by nature, and delivered through dedication.
Corbion is the global market leader in lactic acid, lactic acid derivatives and lactides, and a leading company in functional blends containing enzymes, emulsifiers, minerals and vitamins. The company delivers high performance biobased products made from renewable resources and applied in global markets such as bakery, meat, pharmaceuticals and medical devices, home and personal care, packaging, automotive, coatings and resins. Its products have a differentiating functionality in all kinds of consumer products worldwide. In 2012, Corbion generated annual sales of €753 million and had a workforce of 1,800 employees. Corbion is listed on NYSE Euronext Amsterdam (listing name is CSM). For more information: www.corbion.com

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1. Key Figures

	1st Half-year	
millions of euros	**2013**	**2012**
CONTINUING OPERATIONS		
Net sales	370.5	376.8
Operating result	27.4	28.1
EBITDA excluding one-off costs	50.8	50.6
Result after taxes	12.6	16.3
Earnings in euros [2] *	0.15	0.20
Diluted earnings in euros [2] *	0.15	0.20
Cashflow from operating activities	4.3	71.9
Cash flow from operating activities per common share, in euros [2] *	0.04	0.97
Depreciation/amortization fixed assets	20.5	21.8
Capital expenditure on (in)tangible fixed assets	27.9	33.1
EBITDA margin % [4]	13.0	13.2
Result after taxes / net sales %	3.4	4.3
Number of employees at closing date	1,834	1,797
TOTAL OPERATIONS		
Balance sheet:		
Non-current assets	1,368.4	1,580.7
Current assets excluding cash and cash equivalents	751.7	756.3
Non-interest-bearing current liabilities	491.6	483.9
Net debt position [1]	567.5	624.9
Provisions	318.1	299.6
Equity	742.9	928.6
Key data per common share		
Number of issued common shares	71,939,942	69,914,711
Number of common shares with dividend rights	71,935,107	69,914,711
Weighted average number of outstanding common shares*	71,935,107	71,867,258
Price as at 30 June	15.54	14.52
Highest price in half-year	17.84	15.28
Lowest price in half-year	15.25	10.49
Market capitalization as at 30 June	1,118	1,015
Earnings in euros [2] *	-0.42	0.39
Diluted earnings in euros [2] *	-0.42	0.39
Cash flow from operating activities per common share, in euros [2] *	0.01	0.83
Other key data		
Cash flow from operating activities	2.5	61.5
Depreciation/amortization fixed assets	20.5	53.4
Capital expenditure on (in)tangible fixed assets	35.3	43.7
Number of employees at closing date	9,614	9,896
Number of issued cumulative preference shares	2,983,794	2,983,794
Equity per share in euros [3]	9.92	12.74
Ratios		
EBITDA margin % [4]	6.4	6.6
Result after taxes / net sales %	-1.8	1.9
ROCE % [5]	10.3	7.8
Net debt position/EBITDA [6]	2.2	2.8
Interest cover [7]	11.7	7.7
Balance sheet total : equity	1:0.3	1:0.4
Net debt position : equity	1:1.3	1:1.5
Current assets : current liabilities	1:0.7	1:0.6

*previous year is restated for stock dividend

1 Net debt position comprises interest-bearing debts less cash and cash equivalents.
2 Per common share in euros after deduction of dividend on cumulative preference shares.
3 Equity per share is equity divided by the number of shares with dividend rights.
4 EBITDA margin % is EBITDA divided by net sales x 100.
5 Return on capital employed (ROCE) is defined by Corbion as EBIT for half-year x 2 dividend by the average capital employed based on balance sheet book values x 100
6 EBITDA is "Earnings Before Interest, Taxes, Depreciation and Amortization and impairment of (in)tangible fixed assets" here for the preceeding 12-month period including acquisition and divestment results and excluding one-off costs.
7 Interest cover is EBITDA as defined in Note 6 divided by net interest income and charges.

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2. Consolidated statement of financial position

before profit appropriation, millions of euros	As at 30-06-2013	As at 31-12-2012	As at 30-06-2012
Assets			
Property, plant, and equipment	309.6	303.0	590.0
Intangible fixed assets	96.3	93.4	928.4
Loans, receivables, and other	3.4	3.6	3.5
Joint ventures and associates	6.8	6.4	13.9
Deferred tax assets	18.3	14.6	44.9
Total non-current assets	**434.4**	**421.0**	**1,580.7**
Inventories	103.7	104.6	348.2
Receivables	109.0	94.4	403.5
Tax assets	14.8	20.0	4.6
Cash and cash equivalents	39.9	60.2	106.1
Assets held for sale	1,539.4	1,477.6	
Total current assets	**1,806.8**	**1756.8**	**862.4**
Total assets	**2,241.2**	**2,177.8**	**2,443.1**
Equity and liabilities			
Equity	**742.9**	**793.8**	**928.6**
Provisions	16.5	19.6	149.9
Deferred tax liabilities	57.2	14.4	128.8
Non-current liabilities	232.3	614.0	723.1
Total non-current liabilities	**306.0**	**648.0**	**1,001.8**
Interest-bearing current liabilities	455.3	2.4	7.9
Trade payables	61.5	60.4	315.8
Other non-interest-bearing current liabilities	64.5	60.5	142.0
Provisions	17.6	13.6	20.9
Tax liabilities	2.8	5.1	26.1
Liabilities directly associated with assets held for sale	590.6	594.0	
Total current liabilities	**1,192.3**	**736.0**	**512.7**
Total equity and liabilities	**2,241.2**	**2,177.8**	**2,443.1**

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3. Consolidated income statement

	1st Half-year	
millions of euros	**2013**	**2012**
CONTINUING OPERATIONS		
Net sales	370.5	376.8
Costs of raw materials and consumables	-186.6	-194.1
Production costs	-61.4	-62.5
Warehousing and distribution costs	-19.7	-20.6
Gross profit	**102.8**	**99.6**
Selling expenses	-28.8	-26.9
Research and development costs	-10.8	-8.7
General and administrative expenses	-35.8	-35.9
Operating result	**27.4**	**28.1**
Financial income	1.5	0.7
Financial charges	-16.9	-13.6
Results from joint ventures and associates		-0.1
Result before taxes from continuing operations	**12.0**	**15.1**
Taxes	0.6	1.2
Result after taxes from continuing operations	**12.6**	**16.3**
DISCONTINUED OPERATIONS		
Result after taxes from discontinued operations	**-41.6**	**14.0**
Result after taxes	**-29.0**	**30.3**
Per common share in euros		
Basic earnings from continuing operations	0.15	0.20
Diluted earnings	0.15	0.20
Basic earnings from continuing and discontinued operations	-0.42	0.39
Diluted earnings	-0.42	0.39

4. Consolidated statement of comprehensive income

	1st Half-year	
millions of euros	**2013**	**2012**
Result after taxes	**-29.0**	**30.3**
Other comprehensive results to be recycled:		
Translation reserve	-7.7	16.3
Hedge reserve	5.6	0.1
Taxes relating to other comprehensive results to be recycled	0.9	1.0
Total other comprehensive results to be recycled	**-1.2**	**17.4**
Other comprehensive results not to be recycled:		
Defined benefit arrangements	-1.8	-23.9
Taxes relating to other comprehensive results not to be recycled	0.1	6.8
Total other comprehensive results not to be recycled	**-1.7**	**-17.1**
Total comprehensive result after taxes	**-31.9**	**30.6**

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5. Consolidated Statement of changes in Equity

before profit appropriation, millions of euros	1st half-year 2013	1st half-year 2012	2nd half-year 2012	Total 2012
Opening balance	**793.8**	**948.3**	**928.6**	**948.3**
Profit half-year after tax	-29.0	30.3	-95.6	-65.3
Other comprehensive result after tax	-2.9	0.3	-39.4	-39.1
IAS 19R adjustment 1-1-2012		-29.0		-29.0
Total comprehensive result	**-31.9**	**1.6**	**-135.0**	**-133.4**
Dividend	-19.4	-21.6		-21.6
Repurchase / sale company shares		-0.1	-0.3	-0.4
Movement in Option/Share plan reserve	0.4	0.4	0.5	0.9
Total transactions with shareholders	**-19.0**	**-21.3**	**0.2**	**-21.1**
Ending balance	**742.9**	**928.6**	**793.8**	**793.8**

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6. Consolidated statement of cash flows

	1st Half-year	
millions of euros	**2013**	**2012**
Cash flow from continuing operating activities		
Result after taxes	12.6	16.3
Adjusted for:		
● Depreciation/amortization of fixed assets	20.5	21.8
● Impairment of fixed assets	0.3	
● Result from divestments of fixed assets	-0.6	-1.2
● Share-based remuneration	0.4	0.4
● Interest income		-0.1
● Interest expense	10.4	13.5
● Exchange rate differences	-1.2	-0.3
● Fluctuations in fair value of derivatives	6.1	-0.3
● Other financial income and charges		0.1
● Results from joint ventures and associates		0.1
● Taxes	-0.6	-1.2
Cash flow from continuing operating activities before movements in working capital	**47.9**	**49.1**
Movement in provisions	-11.0	-2.9
Movements in working capital:		
● Receivables	-17.1	-1.0
● Inventories	0.7	9.5
● Non-interest-bearing current liabilities	2.5	4.0
Cash flow from continuing business operations	**23.0**	**58.7**
Interest received		0.1
Interest paid	-10.5	-13.6
Tax paid on profit	-8.2	26.7
Cash flow from continuing operating activities	**4.3**	**71.9**
Cash flow from discontinued operating activities	**-1.8**	**-10.4**
Cash flow from operating activities	**2.5**	**61.5**
Cash flow from continuing investment activities		
Acquisition of group companies	-2.4	-0.5
Investment joint ventures and associates	-0.3	-4.9
Investment other financial assets	-0.1	
Repayment other financial assets		10.8
Capital expenditure on (in)tangible fixed assets	-25.9	-26.9
Divestment of (in)tangible fixed assets	1.1	1.3
Cash flow from continuing investment activities	**-27.6**	**-20.2**
Cash flow from discontinued investment activities	**-7.8**	**-16.0**
Cash flow from investment activities	**-35.4**	**-36.2**
Cash flow from financing activities		
Proceeds from interest-bearing debts	81.0	3.2
Repayment of interest-bearing debts	-11.7	-17.7
Acquisition of company shares		-0.1
Paid-out dividend	-19.4	-21.6
Cash flow from financing activities	**49.9**	**-36.2**
Net cash flow	**17.0**	**-10.9**
Effects of exchange rate differences on cash and cash equivalents	-2.5	1.0
Increase/decrease cash and cash equivalents	**14.5**	**-9.9**
Cash and cash equivalents at start of financial year	106.6	116.0
Cash and cash equivalents at close of financial year	121.1	106.1

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7. Segment information

For its strategic decision making process Corbion distinguishes between the biobased food ingredients and biochemicals segments. The reconciling item of the total continued operations mainly comprises corporate activities.
In biobased food ingredients, Corbion is a leading player offering high value added ingredients to food companies, helping them solve their food integrity issues such as food safety, microbial spoilage, look & feel and taste & smell. Corbion is especially strong in the bakery and meat sectors. Organic growth will be driven by leveraging its leadership positions into adjacent markets, and will be supported by selective M&A.
In biochemicals, Corbion is a fast-growing, innovative supplier of fermentation-derived, sustainably sourced biochemicals. Corbion's aim is to replace fossil-based chemicals in selected markets by offering products with similar or improved functionality, lower cost-in-use, and enhanced environmental credentials. Accelerating growth in biochemicals will be underpinned by investments in innovation and developing partnerships.
After the transformation into a bio-based ingredients company, focusing on Biobased food ingredients and Biochemicals, the decision process of the chief operating decision maker (CODM) on allocation of resources to the segments and assessing performance review has changed. In accordance with IFRS, Corbion changed it segment disclosure based on the components of the entity that management monitors in making decisions about operating matters.

Segment information by business area

1 st Half-year *millions of euros*	**biobased food Ingredients**		**biochemicals**		**unallocated (Corporate activities)**		**Corbion Cont. Operations**	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Income statement information								
Net sales	283.2	289.4	87.3	87.4			370.5	376.8
Operating result	40.3	40.6	1.4	1.1	-14.3	-13.6	27.4	28.1
One-off costs included in operating result	1.6	0.2	0.4	0.2	0.9	0.3	2.9	0.7
Alternative non-IFRS performance measures								
EBITDA excluding one-off costs	54.0	53.3	9.6	9.3	-12.8	-12.0	50.8	50.6
Ratios alternative non-IFRS performance measures								
EBITDA margin % excluding one-off costs	19.1	18.4	11.0	10.6			13.7	13.4

Corbion generates almost all of its revenues from the sale of goods.

Information on the use of alternative non-IFRS performance measures
In the above table and elsewhere in the Financial statements a number of non-IFRS performance measures are presented. Management is of the opinion that these so-called alternative performance measures might be useful for the readers of these Financial statements. Corbion management uses these performance measures to make financial, operational, and strategic decisions and evaluate performance of the segments. The alternative performance

- EBITDA is the operating result before amortization ,depreciation and impairment of (in)tangible fixed assets
- EBITDA margin is EBITDA divided by net sales x 100

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8. Discontinued operations

Breakdown of comprehensive result from discontinued operations

	1st Half-year	
millions of euros	**2013**	**2012**
Operations		
Net sales	1,244.1	1,248.9
Costs of raw materials and consumables	-773.4	-774.0
Production costs	-147.0	-162.4
Warehousing and distribution costs	-100.2	-103.1
Gross profit	**223.5**	**209.4**
Selling expenses	-92.6	-106.1
Research and development costs	-10.2	-11.5
General and administrative expenses	-65.1	-67.0
Other proceeds		0.3
Operating result	**55.6**	**25.1**
Financial charges	0.0	-0.1
Results from joint ventures and associates	0.3	0.1
Result before taxes	**55.9**	**25.1**
Taxes	-25.6	-11.1
Result operations after taxes	**30.3**	**14.0**
Divestment		
IFRS 5 remeasurement	-30.0	
Taxes	-41.9	
Result divestment after taxes	**-71.9**	**0.0**
Result after taxes	**-41.6**	**14.0**
Other comprehensive results to be recycled:		
Translation reserve	-4.6	11.8
Hedge reserve	-0.3	0.2
Taxes relating to other comprehensive results to be recycled	1.8	0.6
Total other comprehensive results to be recycled	**-3.1**	**12.6**
Other comprehensive results not to be recycled:		
Defined benefit arrangements	-2.7	-17.2
Taxes relating to other comprehensive results not to be recycled	0.7	4.9
Total other comprehensive results not to be recycled	**-2.0**	**-12.3**
Total comprehensive result after taxes	**-46.7**	**14.3**

The income statement is based on a stand-alone situation of the discontinued operations adjusted for elimination of intercompany transactions and reallocation of other incremental expenses directly associated with the discontinued operations. Net effects are opposite presented in continuing operations. Taxes on these adjustments are as well adjusted and calculated on the basis of the applicable nominal tax rate. Also changes in overall deferred tax liabilities and assets positions as well as current income tax positions due to the classification as discontinued operations per year end 2012 and the associated legal restructuring are taken into account in taxes in the income statement.

IFRS 5 remeasurement divestment: € 30 million
At each reporting date Corbion is required to measure its disposal group at the lower of its carrying amount and fair value less costs to sell. The re-measurement is mainly due to the net profit in the first six months of the discontinued operations which in turn led to a re-measurement loss of € 30.0 million reflected as at June 30, 2013.
A provision for potential tax risks related to the divestment of € 42 million has been formed.

Cash flows from discontinued operations

	1st Half-year	
millions of euros	**2013**	**2012**
Cash flow from operating activities	**-1.8**	**-10.4**
Cash flow from investment activities	**-7.8**	**-16.0**

The cash flow statement is also based on a stand-alone situation of discontinued operations with the following adjustments; the adjustments in the income statement are considered to be cashed immediately and the intercompany cash flows are eliminated.

Breakdown of the balance sheet of discontinued operations

millions of euros	**As at 30-06-2013**
Property, plant, and equipment	264.7
Intangible fixed assets	618.5
Loans, receivables, and other	0.4
Joint ventures and associates	7.3
Deferred tax assets	43.1
Inventories	234.3
Receivables	288.9
Tax assets	1.0
Cash and cash equivalents	81.2
Total assets held for sale	**1,539.4**
Long-term provisions	135.6
Deferred tax liabilities	84.0
Non-current liabilities	0.9
Interest-bearing current liabilities	0.1
Trade payables	255.5
Other non-interest-bearing current liabilities	91.0
Short-term provisions	7.2
Tax liabilities	16.3
Liabilities directly associated with assets held for sale	**590.6**

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9. Financial instruments

Valuation of financial instruments

Corbion measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:
● Level 1: Fair value measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
● Level 2: Fair value measurements based on inputs other than level 1 quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
● Level 3: Fair value measurements based on valuation techniques that include inputs for the asset or liability that are based on observable market data (unobservable inputs).

Breakdown valuation of financial instruments

30 June 2013	Level 1	Level 2	Level 3	Total
Derivatives				
● Foreign exchange contracts		0.8		0.8
● Commodity swaps/collars		-0.5		-0.5
● Interest rate swaps (cash flow hedges)		-5.7		-5.7
● Cancellable interest rate swap		-1.4		-1.4
Total liability		**-6.8**		**-6.8**

Breakdown fair values financial instruments

30 June 2013	Balance sheet value	Reallocation assets/liab. held for sale	Reallocated balance sheet value	Fair value
Financial fixed assets				
● Loans	1.4	0.4	1.8	1.8
● Loans non-interest-bearing	2.0		2.0	2.0
Receivables				
● Trade receivables	92.6	276.2	368.8	368.8
● Other receivables	6.4	5.5	11.9	11.9
● Accruals and deferred income	9.1	7.2	16.3	16.3
Cash				
● Cash other	39.9	81.2	121.1	121.1
Interest-bearing liabilities				
● Private placement 2010 (net investment hedge)	-229.8		-229.8	-253.3
● Owed to credit institutions	-361.7		-361.7	-361.7
● Owed to credit institutions (net investment hedge)	-84.3		-84.3	-84.3
● Financial lease commitments	-0.4	-1.0	-1.4	-1.4
● Other debts	-4.3		-4.3	-4.3
Non-interest-bearing liabilities				
● Trade payables	-61.5	-255.5	-317.0	-317.0
● Other payables	-63.9	-91.0	-154.9	-154.9
Derivatives				
● Foreign exchange contracts	0.9		0.9	0.9
● Commodity swaps/collars	-0.6		-0.6	-0.6
● Interest rate swaps (cash flow hedges)	-5.7		-5.7	-5.7
● Cancellable interest rate swap	-1.4		-1.4	-1.4
Assets/liabilities held for sale	23.0	-23.0		
Total	**-638.3**		**-638.3**	**-661.8**

Fair values are determined as follows
● The fair value of financial fixed assets does not significantly deviate from the book value.
● The fair value of receivables equals the book value because of their short-term character.
● Cash and cash equivalents are measured at nominal value which, given the short-term and risk-free character, corresponds to the fair value.
● Market quotations are used to determine the fair value of debt owed to private parties, credit institutions and other debts. As there are no market quotations for most of the loans the fair value of short- and long-term loans is determined by discounting the future cash flows at the yield curve applicable as at 30 June.
● Financial lease commitments: the fair value is estimated at the present value of the future cash flows, discounted at the interest rate for similar contracts which is applicable as at the balance sheet date. This fair value equals the book value.
● Given the short-term character, the fair value of non-interest-bearing liabilities equals the book value.
● Currency and interest derivatives are measured on the basis of the present value of future cash flows over the remaining term of the contracts, using the bank interest rate (such as Euribor) as at the reporting date for the remaining term of the contracts. The present value in foreign currencies is converted using the exchange rate applicable as at the reporting date.
● Commodity derivatives are measured on the basis of the present value of future cash flows, using market quotations or own variable market price estimations of the involved commodity as at the reporting date.

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10. Other information

Principles for the valuation of assets and liabilities and determination of the result

This condensed interim financial information for the half-year ended 30 June 2013 complies with IFRS and has been prepared in accordance with IAS 34, 'Interim financial reporting'.The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

In preparing these condensed consolidated half-year statements the main estimates and judgements made by the Board of Management when applying Corbion's accounting policies, were similar to those applied to the annual financial statements for the year ended 31 December 2012.

The figures in this half-year report have not been audited or reviewed by an external auditor.

Accounting policies:

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in the annual financial statements for the year ended 31 December 2012.

IAS 19 Employee benefits revised

Starting 1 January 2013 IAS 19 Employee benefits revised is applied by Corbion and comparitive figures in income statement, statement of financial position, changes in equity and statement of cash flows are adjusted.

The revised standard had a negative effect (excluding tax effects) of € 88 million on equity of which € 25 million related to continuing operations. If the standard would have been applied as per 2012, the total pension costs including discontinued operations would have increased by € 2 million.

IFRS 13 Fair value measurement

Starting 1 January 2013 IFRS 13 Fair value measurement is applied by Corbion. This resulted in disclosures of valuation of financial instrument in the half-year figures.

Acquisition

Bird Engineering bv

On 7 March 2013, Purac, a subsidiary of Corbion, announced that it had entered into an agreement to acquire BIRD Engineering B.V., the Netherlands. BIRD Engineering is a biotech contract research company, specifically in the field of industrial microbiology. BIRD has experience with various micro-organisms, mostly bacteria and yeasts, and has expertise in the field of the development of new strains, and development of fermentation processes.
The acquisition includes the intellectual property and 7 key employees of BIRD Engineering. BIRD Recruitment, a division of BIRD Engineering B.V. was not part of the acquisition.
The transaction has no material impact on Corbion 's financials.

Related party transactions

There were no material related party transactions in the first half of 2013

Events after balance sheet date

On July 3, 2013, Corbion announced to have successfully completed the divestment of its Bakery Supplies businesses to affiliates of Rhône Capital. The Bakery Supplies activities are divested for an Enterprise Value of € 1,050 million. In accordance with IFRS the divestment, although taken into consideration for the IFRS 5 remeasurment calculation, has not been reflected in the half year financial statements.

Upon receipt of the cash of the divestment early July, part of the receipts have been used to redeem in full the existing revolving credit facility loans.

On July 17, 2013, the trustee board of Pensionfund CSM Suiker agreed to transfer retroactively as of 1 July 2013 all historical pension rights accrued until 30 June 2013 to an industry-wide pension scheme (Pensioenfonds voor de Grafische Bedrijven).