

Semiannual Report 2015 | 2016

July 1, 2015, to December 31, 2015

**SEEDING
THE FUTURE**
SINCE 1856

KWS



KWS update – 2nd quarter of 2015/2016

Economic environment	Earnings	Guidance
<ul style="list-style-type: none"> Continued high supply of agricultural raw materials; no significant expansion in corn cultivation area in sight Business in Brazil is suffering from the weak currency Stable market environment in North America 	<ul style="list-style-type: none"> Net sales grow by around 13% Good early sales of sugarbeet First-half income (EBIT) falls by around 10%, mainly due to the planned increase in spending on research and distribution 	<ul style="list-style-type: none"> Net sales growth: 5% to 10% EBIT margin: at least 10%

The KWS Group at a glance

		1st half of 2015/2016	1st half of 2014/2015
Net sales and income			
Net sales	in € millions	219.5	194.0
EBIT	in € millions	-106.3	-96.8
Net income for the period	in € millions	-95.8	-80.1
Capital expenditure			
Capital expenditure on property, plant and equipment	in € millions	28.1	52.9
Capital expenditure on intangible assets	in € millions	25.8	24.2
Investments in financial assets	in € millions	0.3	1.6
Total capital expenditure	in € millions	54.2	78.7
Depreciation, amortization and write-downs	in € millions	24.2	19.3
Capital structure			
Total assets	in € millions	1,375.6	1,249.0
Equity	in € millions	617.2	566.7
Equity ratio	in %	44.9	45.4
Net borrowings	in € million	281.6	225.5
Net borrowings as a % of equity (gearing)	in %	45.6	39.8
Employees in the KWS Group		4,990	4,816

Interim group management report

Change in accounting

The presentation of the KWS Group's financial reporting was changed at the beginning of fiscal 2014/2015 due to an amendment to the International Financial Reporting Standards (IFRS 11). The main change is that we can no longer carry the net sales and costs of our 50:50 joint ventures* which are operated in the Corn Segment in the statement of comprehensive income in the KWS Group, so the KWS Group's reported net sales and EBIT are lower by the contribution of these joint ventures. The contributions to earnings from our 50:50 joint ventures are instead included under net financial income/expenses. In addition, the associated assets are included in the KWS Group's balance sheet as equity-accounted financial assets in accordance with the new accounting regulations. As a result of this change, various key figures such as research & development intensity have also changed.

Importance of the first half of the year for the fiscal year

The first half of the year (July to December) is usually characterized by low net sales. Only our cereals business is largely finished for the year in this period. In addition, particularly the net sales from corn and sugarbeet varieties in the southern hemisphere – Argentina, Brazil and Chile – are included in the first half of the year. However, our main markets are in the northern hemisphere, where corn and sugarbeet are not sown until spring. We therefore generate most of our revenue in the second half of the year (January to June). At the same time, our current expenditures, such as structural costs, are spread evenly over the fiscal year as a whole, so the KWS Group's operating income in the first half of the year is generally negative.

Business performance

Overall economic environment

The economic environment was still strained in the period under review (July to December). In Brazil, a key region for the first half of the fiscal year, inflation was almost 11% in calendar year 2015. It is estimated that the economy there has contracted by 8% over the past three years. While the Brazilian real remained largely stable against the euro in the second quarter, it had plunged in value in the first quarter. The agricultural reforms announced in Argentina at the end of 2015 hold the promise of an improvement in the situation for growing corn, whose cultivation area had recently declined. Argentina's new president Mauricio Macri had announced that the export tax on agricultural products, which is as much as 35%, would be scrapped. Outside South America, volatile exchange rates were of particular note in the period under review. Currencies in Eastern Europe again fell in value slightly in the second quarter. There were also hardly any positive trends on the agricultural commodities exchanges. Due to the fact that there was scarcely any change in the high level of supply, the prices of most agricultural raw materials remained relatively low: While prices for corn, soybean and wheat declined slightly, the price of sugar rose sharply toward the end of the year.

Latest developments

In line with our plans to expand our business activities, we acquired all the remaining shares (49.9%) in our Brazilian subsidiary RIBER KWS SEMENTES at the end of calendar year 2015. In China, we expect the final step in the approval of our joint venture there with our partner Kenfeng to be accomplished in summer 2016. Corn distribution has already begun in the meantime. The objective in all regions, especially in the current difficult market environment, is to secure and build on our good competitive positions with consistently high variety performance and top-class seed quality. To enable that, we are continuing to strengthen our innovativeness by increasing our research & development spending as planned. In order to achieve our growth objectives, we aim to expand distribution as envisaged in our long-term corporate planning.

* AGRELIANT GENETICS LLC., AGRELIANT GENECTICS INC., GENECTIVE S.A.

Earnings, financial position and assets

Earnings

Abridged income statement

in € millions	1st half of 2015/2016	1st half of 2014/2015
Net sales	219.5	194.0
Operating income (EBIT)	-106.3	-96.8
Net financial income/expenses	-28.7	-21.3
Result of ordinary activities	-135.0	-118.1
Income taxes	-39.2	-38.0
Net income for the period	-95.8	-80.1
Earnings per share (€)	-14.42	-12.17

All product segments grow their net sales

Particularly the Sugarbeet and Corn Segments contributed to the sharp increase in net sales of 13.1% in the first half of the year. Despite last year's acquisition, the Cereals Segment posted only slight growth in net sales. The KWS Group's total net sales at December 31, 2015, were €219.5 (194.0)¹ million.

Net sales for the first half of 2015/2016 by region



Net income for the period impacted by planned increase in costs

Operating income (EBIT) fell year on year by €9.5 million or 9.8% to €-106.3 (-96.8) million after the first six months. Although net sales increased, spending on research & development and on distribution also increased as planned by a total of around €17 million over the previous year. The higher cost of sales in the first half of the year is due in particular to the influence of the weather on seed production in Europe and South America. In South America the El Niño phenomenon had a negative impact on the whole industry.

Given a decline in net income from equity investments and higher interest expenses, net financial income/expenses fell by 34.7% to €-28.7 (-21.3) million. Net financial income/expenses is usually well in the red at this stage of the fiscal year, since our equity-accounted joint ventures do not generate their main revenue until the third quarter. Net financial income/expenses for the second half of fiscal year will also contain interest payments on the new borrower's note loan (volume: €70 million), which was raised at the end of 2nd quarter 2015/2016. Taxes on income remained virtually constant at €-39.2 (-38.0) million, and net income for the period was 19.6% lower at €-95.8 (-80.1) million, corresponding to earnings per share for the period of €-14.42 (-12.17).

¹ The figures in parentheses are those for the previous year.

Segment report

In the segment report, we present our business performance in accordance with our corporate controlling structure. That means that our 50:50 joint ventures, which are operated in the Corn Segment, are shown proportionately in accordance with the stake in them and affect the net sales and EBIT of the segments. Consequently, the total net sales and EBIT in the table below differ from the net sales disclosed in the statement of comprehensive income. The reconciliation shows this difference. The contributions to net sales and earnings from our joint ventures are carried at equity in the statement of comprehensive income and are included in the net financial income/expenses.

Net sales

in € millions	2nd quarter of 2015/2016	2nd quarter of 2014/2015	1st half of 2015/2016	1st half of 2014/2015
Corn	65.4	51.8	115.7	99.6
Sugarbeet	34.0	21.4	46.9	28.9
Cereals	29.6	27.5	86.0	83.7
Corporate	1.6	1.6	2.6	2.6
Net sales	130.6	102.3	251.2	214.8
Reconciliation	-28.3	-13.7	-31.7	-20.8
Net sales acc. to the statement of comprehensive income	102.3	88.6	219.5	194.0

EBIT

in € millions	2nd quarter of 2015/2016	2nd quarter of 2014/2015	1st half of 2015/2016	1st half of 2014/2015
Corn	-42.1	-28.6	-87.3	-63.2
Sugarbeet	-12.3	-26.8	-28.6	-42.2
Cereals	3.2	4.1	19.0	23.7
Corporate	-16.2	-15.1	-33.0	-32.6
Operating income	-67.4	-66.4	-129.9	-114.3
Reconciliation	8.2	4.6	23.6	17.5
Operating income acc. to the statement of comprehensive income	-59.2	-61.8	-106.3	-96.8

Corn Segment

In the first half of the year, the Corn Segment posted a year-on-year increase in net sales of 16.2% to €115.7 (99.6) million. This was mainly due to the early revenue from corn and soybean business in North America, higher corn revenue in Argentina and positive rapeseed business in Europe. Corn seed sales also increased in Brazil. Revenue in local currency rose sharply by 20%. However, the slump in the Brazilian real meant that net sales from Brazil in euro terms declined slightly. Early orders for corn seed in the EU remained stable by and large. There are signs of a decline in cultivation area only in France at the moment. The planned increase in expenditure on future growth and the higher cost of sales had a negative impact on the segment's income. While El Niño influenced soybean production in South America, high temperatures and aridity had a negative effect on corn production in parts of Europe. In addition, negative currency effects and the costs of taking over all the shares in RIBER KWS SEMENTES in Brazil helped reduce income. The Corn Segment thus posted income of €-87.3 (-63.2) million for the first half of the year.

Sugarbeet Segment

The Sugarbeet Segment was able to confirm the positive trend of the first quarter in the full first half of the year and report a sharp increase in net sales of 62.3% to €46.9 (28.9) million. This growth was predominantly attributable to early orders in Turkey and the UK. Almost 18% of the segment's net sales was accounted for by seed potato business, which was able to increase its revenue slightly but still makes a negative contribution to income. On the strength of the increase in net sales and lower exchange losses in Russia and Ukraine, the segment's income improved year on year by 32.2% to €-28.6 (-42.2) million.

Cereals Segment

High global cereal inventories kept market prices for cereals at a very low level. In particular hybrid rye was not as attractive to grow due to the fact that consumer prices for it were lower compared to other crops, with the result that revenue from hybrid rye business declined. KWS remained the clear market leader in hybrid rye business in Germany and Poland. Greater competitive pressure and high usage of farm saved seed meant that wheat licensing business also fell slightly in Germany and the UK. However, revenue from winter barley rose. All in all, net sales at the Cereals Segment after the first half of the year were slightly up year on year at €86.0 (83.7) million. However, this increase is also attributable to the acquisition of MOMONT (SOCIÉTÉ DE MARTINVAL S.A.) last fiscal year. The planned increase in spending on research & development and on distribution of almost €6 million and the lower contribution margin from hybrid rye business were the main reasons for the decline in the segment's income to €19.0 (23.7) million.

Corporate Segment

This segment's net sales, which are generated primarily by our farms, amounted to €2.6 (2.6) million in the first half of the year. Since all cross-segment function costs and basic research expenditures are charged to the Corporate Segment, its income is usually negative. It was €-33.0 (-32.6) million at the end of the period under review.

Financial situation

Abridged cash flow statement

in € millions	1st half of 2015/2016	1st half of 2014/2015
Cash and cash equivalents at December 31	83.9	68.9
Net cash from operating activities	-99.8	-101.4
Net cash from investing activities	-59.3	-80.1
Net cash from financing activities	135.9	121.4

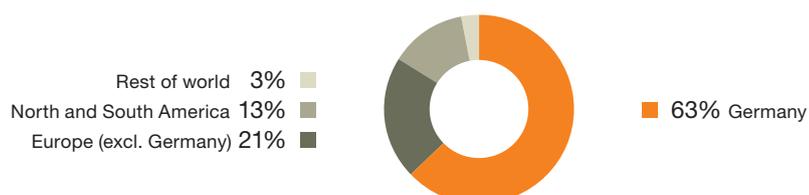
The net cash used in operating activities in the first half of the current fiscal year was € -99.8 (-101.4) million. The lower net income for the period was essentially compensated for by payments from equity-accounted companies. The net cash used in investing activities fell to €-59.3 (-80.1) million, after the remaining shares in MOMONT were acquired last year. The net cash used in financing activities increased to €135.9 (121.4) million. The main factors that influenced that rise were the issue of a further borrower's note loan totaling €70 million and the fact that we exercised our option to purchase the remaining shares in RIBER KWS SEMENTES.

Cash and cash equivalents at December 31, 2015, were €83.9 (68.9) million or 21.8% up from the previous year.

Capital expenditure

in € millions	2nd quarter of 2015/2016	2nd quarter of 2014/2015	1st half of 2015/2016	1st half of 2014/2015
Total	38.3	39.8	53.9	77.1
Corn	30.4	6.9	37.8	19.0
Sugarbeet	2.6	5.6	5.8	9.0
Cereals	2.1	22.0	5.1	40.6
Corporate	3.2	5.3	5.2	8.5

Capital expenditure on property, plant and equipment and intangible assets in 2015/2016 by region



In the first half of the year, KWS invested €53.9 (77.1) million in property, plant and equipment and intangible assets. 70.1% of this was in the Corn Segment, 10.8% in the Sugarbeet Segment, 9.5% in the Cereals Segment and 9.6% in the Corporate Segment. The large volume of investment in the Corn Segment is attributable to the licensing agreement for corn traits that was concluded in October 2015. The volume of investment was far higher in the previous year as a result of the acquisition of cereal business in France (MOMONT). Total capital expenditure in the first half of the year, including financial investments, was €54.2 (78.7) million. Depreciation, amortization and write-downs were €24.2 million compared with €19.3 million in the previous year and thus well below capital expenditure.

Assets

Abridged balance sheet

in € millions	December 31, 2015	June 30, 2015
Assets		
Noncurrent assets	671.9	651.4
Current assets	703.7	704.1
Equity and liabilities		
Equity	617.2	738.7
Noncurrent liabilities	371.0	334.9
Current liabilities	387.4	281.9
Total assets	1,375.6	1,355.5

The KWS Group's total assets increased slightly from June 30, 2015, to December 31, 2015, to €1,375.6 (1,355.5)¹ million. One of the reasons for this is the rise in inventories to €318.8 (190.3) million. This rise in inventories is connected to absorption of the harvest from seed production in the summer of 2015 and can always be observed in the first two quarters of our fiscal year for seasonal reasons. Due to the seasonal development of net income for the period, the equity ratio at December 31, 2015, was 44.9% following 54.5% on June 30, 2015. Net financial debt in the first half of the year was €281.6 (105.9) million.

¹ The figures in parentheses in this section are those at June 30, 2015.

Employees

Employees by region¹

	December 31, 2015	December 31, 2014
Germany	1,816	1,776
Europe (excluding Germany)	1,340	1,210
Americas	1,659	1,647
Rest of world	175	183
Total	4,990	4,816

At December 31, 2015, we had 4,990 (4,816) employees worldwide. Including the associated companies, that number was 5,712.

Report on events after the balance sheet date

There were no events after December 31, 2015, that can be expected to have a significant impact on the KWS Group's earnings, financial position and assets.

Opportunity and risk report

There has been no significant change in the situation as to opportunities and risks compared with at June 30, 2015. Risks that jeopardize the company's existence are not currently discernible.

You can find detailed information on the risk management system and the risk situation at the Group in the Management Report in the section "Opportunity and risk report" beginning on page 55 of the 2014/2015 Annual Report.

Forecast report

Forecast for the KWS Group's statement of comprehensive income

We are confident that we will achieve our net sales target in the current fiscal year 2015/2016 and still expect to increase net sales by 5% to 10%. That is mainly due to the large number of marketing approvals for new high-performance varieties we were awarded last year. We expect to gain market share in some regions. A crucial factor in this will be how the market develops as to volatile currencies, greater competitive pressure and our customers' liquidity. Expenditure on future growth will be expanded moderately as planned. The research & development intensity is expected to be 17% to 18% of net sales at the end of the fiscal year. We confirm our earnings expectations from the last quarter and anticipate an EBIT margin of at least 10% for the KWS Group at the end of the fiscal year. Capital expenditure will again exceed €100 million, in particular due to expansion of our research and production structures and the in the 1st quarter acquired access to additional trait-technology.

¹ Headcount on the reporting date.

Forecast for segment reporting¹

We currently expect net sales at the **Corn Segment** to grow by 8% to 10%. We will probably be able to further improve our competitive position in the corn market in South America. The indications are still that KWS will gain market share in its important regions of Eastern and Southeastern Europe, even though we had to reduce our growth targets a little there due to the tough environment. In North America, we currently expect stable corn cultivation area for the spring sowing season. Nevertheless, we now assume that net sales will increase on the strength of higher volumes and due to currency-related effects. However, we anticipate a decline in cultivation area for grain corn in France and thus a slight fall in net sales. The segment's income at the end of the fiscal year will be reduced as planned by some €17 million due to higher spending on research & development and on distribution. In addition, factors such as exchange rate influences, higher cost of sales due to extreme weather conditions, and effects from the acquisition of the remaining shares in RIBER KWS SEMENTES and the amortization of the new trait technology will have a negative impact on the segment's income. We currently expect an EBIT margin for the Corn Segment of between 9% and 10%.

We can confirm our positive expectations from the first quarter for the **Sugarbeet Segment**. North America will probably again make a major contribution to the segment's net sales growth, aided by the US dollar's current performance. There will be an increase in sugarbeet cultivation area in the EU in 2016. In particular, we expect to grow our revenue in the UK, the Netherlands and Germany. As far as can be seen at present, net sales in Turkey will rise sharply. Due to these positive trends, we are increasing our expected net sales for the Sugarbeet Segment and currently anticipate growth of between 5% and 10% (previous year: €390.5 million). The segment's income will, despite negative effects from potato business, likewise improve and rise above-proportionately relative to net sales, among other things due to lower allowances for inventories. The EBIT margin is expected to be between 24% and 25%.

In the **Cereals Segment**, the main net sales are generated in the first half of our fiscal year, namely at the time of the fall sowing season. That means we have a clear picture of the course of business for the Cereals Segment at this stage. We are sticking to our forecast of a slight increase in net sales. The growth in the segment's net sales will come from the last year's acquisition in the French cereals business. Revenue from winter barley business will also make a contribution. However, revenue from the sale of hybrid rye and wheat will be reduced. The segment's EBIT margin will be impacted in particular by the planned expansion of research & development and distribution, as well as by lower contribution margins from hybrid rye and wheat business. It will therefore be sharply down from the previous year (10.8%).

At the **Corporate Segment**, we still expect stable net sales from our farms. Since cross-segment function costs and research expenditure are charged to the segment, its income is usually negative, and an EBIT of just over €-58 million is anticipated as things stand at present.

¹ The segment reporting includes the net sales and contributions to earnings from our 50:50 joint ventures in accordance with our internal corporate controlling structure.

Abridged interim consolidated financial statements

Statement of comprehensive income

in € millions	2nd quarter of 2015/2016	2nd quarter of 2014/2015	1st half of 2015/2016	1st half of 2014/2015
Net sales	102.3	88.6	219.5	194.0
Operating income	-59.2	-61.8	-106.3	-96.8
Net financial income/expenses	-9.6	-4.4	-28.7	-21.3
Result of ordinary activities	-68.8	-66.2	-135.0	-118.1
Income taxes	-17.6	-21.3	-39.2	-38.0
Net income for the period	-51.2	-44.9	-95.8	-80.1
of which shareholders of KWS SAAT SE	-51.2	-45.5	-95.2	-80.3
of which minority interest	0.0	0.6	-0.6	0.2
Earnings per share (€)	-7.76	-6.87	-14.42	-12.17
Net income for the period	-51.2	-44.9	-95.8	-80.1
Revaluation of available-for-sale financial assets	0.0	0.0	0.0	0.0
Currency translation difference for economically independent foreign entities	-1.0	3.9	-7.7	11.9
Currency translation difference of equity-accounted financial assets	3.1	2.7	2.0	10.2
Items that may have to be subsequently reclassified as profit or loss	2.1	6.6	-5.7	22.1
Revaluation of net liabilities/assets from defined benefit plans	0.0	0.0	0.0	0.0
Items not reclassified as profit or loss	0.0	0.0	0.0	0.0
Other comprehensive income after taxes	2.1	6.6	-5.7	22.1
Comprehensive income for the period	-49.2	-38.3	-101.5	-58.0
of which shareholders of KWS SAAT SE	-49.8	-38.4	-100.2	-57.7
of which minority interest	0.6	0.1	-1.3	-0.3

Balance sheet

Assets

in € millions	December 31, 2015	June 30, 2015	December 31, 2014
Intangible assets	101.8	85.7	92.1
Property, plant, and equipment	357.6	351.9	322.9
Equity-accounted financial assets	110.1	153.0	93.7
Financial assets	2.6	2.5	2.5
Noncurrent tax assets	2.2	4.0	3.2
Deferred tax assets	97.6	54.3	101.6
Noncurrent assets	671.9	651.4	616.0
Inventories and biological assets	318.8	190.3	301.6
Trade receivables	148.9	309.7	124.7
Marketable securities	23.9	67.0	26.9
Cash and cash equivalents	60.0	41.2	42.0
Current tax assets	78.0	57.5	60.3
Other current assets	74.1	38.4	77.5
Current assets	703.7	704.1	633.0
Total assets	1,375.6	1,355.5	1,249.0

Equity and liabilities

in € millions	December 31, 2015	June 30, 2015	December 31, 2014
Subscribed capital	19.8	19.8	19.8
Capital reserve	5.5	5.5	5.5
Retained earnings	590.1	705.7	534.5
Minority interests	1.8	7.7	6.9
Equity	617.2	738.7	566.7
Long-term provisions	110.4	110.6	97.5
Long-term borrowings	221.1	181.8	192.4
Trade payables	1.4	1.6	1.4
Deferred tax liabilities	25.6	28.1	32.4
Other long-term liabilities	12.5	12.8	12.8
Noncurrent liabilities	371.0	334.9	336.5
Short-term provisions	27.2	87.4	25.1
Short-term borrowings	144.4	32.3	102.0
Trade payables	89.7	59.7	113.3
Current tax liabilities	32.6	30.1	29.3
Other liabilities	93.5	72.4	76.1
Current liabilities	387.4	281.9	345.8
Liabilities	758.4	616.8	682.3
Total equity and liabilities	1,375.6	1,355.5	1,249.0

Statement of changes in equity

Changes in equity

in € millions	Parent company	Minority interest	Group equity
Balance as at June 30, 2014	629.7	8.1	637.8
Dividends paid	-19.8	0.0	-19.8
Net income for the year	-80.3	0.2	-80.1
Other comprehensive income after taxes	22.6	-0.5	22.1
Total comprehensive income	-57.7	-0.3	-58.0
Changes in minority interests	0.0	0.0	0.0
Other changes	7.6	-0.9	6.7
Balance as at December 31, 2014	559.8	6.9	566.7
Balance as at June 30, 2015	731.1	7.7	738.7
Dividends paid	-19.8	-0.3	-20.1
Net income for the year	-95.2	-0.6	-95.8
Other comprehensive income after taxes	-5.0	-0.7	-5.7
Total comprehensive income	-100.2	-1.3	-101.5
Changes in minority interests	4.3	-4.3	0.0
Other changes	0.0	0.0	0.0
Balance as at December 31, 2015	615.4	1.8	617.2

Cash flow statement

July 1 to December 31

in € millions	1st half of 2015/2016	1st half of 2014/2015
Net income for the period	-95.8	-80.1
Cash earnings	-98.8	-102.8
Funds tied up in net current assets	-1.0	1.4
Net cash from operating activities	-99.8	-101.4
Net cash from investing activities	-59.3	-80.1
Net cash from financing activities	135.9	121.4
Change in cash and cash equivalents	-23.2	-60.1
Cash and cash equivalents at beginning of period (July 1)	108.2	122.3
Changes in cash and cash equivalents due to exchanging rate, consolidated group and measurement changes	-1.1	6.7
Cash and cash equivalents at end of period (December 31)	83.9	68.9

Abridged notes to the interim financial statements

Basis of accounting and reporting

The KWS Group is a consolidated group as defined in the International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board (IASB), London, taking into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All disclosures on KWS are therefore disclosures on the Group within the meaning of these regulations. Income taxes were calculated on the basis of the individual country-specific income tax rates, taking account of the planning for the fiscal year as a whole. The abridged interim financial statements of the KWS Group as of December 31, 2015, were prepared in accordance with IAS 34. Exactly the same accounting methods applied in the preparation of the consolidated financial statements as of June 30, 2015, were used. The explanations in the Notes to the annual financial statements as of June 30, 2015, on pages 88 to 93 of the Annual Report therefore apply accordingly. The 2014/2015 Annual Report of the KWS Group is available on the Internet at www.kws.com/ir > Financial Reports.

Consolidated group and changes in the consolidated group

The abridged interim financial statements of the KWS Group for the first half of fiscal year 2015/2016 include the single-entity financial statements of KWS SAAT SE and its subsidiaries in Germany and other countries, as well as joint ventures and associated companies. A subsidiary is included if KWS SAAT SE directly or indirectly controls more than 50% of the voting rights in it. Joint ventures are carried according to the equity method using IFRS 11 and IAS 28. Subsidiaries and joint ventures that are considered immaterial for the presentation and evaluation of the financial position and performance of the Group are not included. The merger of KWS MAIS GMBH with KWS SAAT SE on November 2, 2015, means that the number of consolidated companies has fallen by one compared with the first quarter of fiscal 2015/2016. In addition, KWS SERVICOS E PARTICIPACOES SOUTH AMERICA LTDA. acquired the remaining stake in RIBER KWS SEMENTES S.A. in December 2015. At December 31, 2015, a total of 61 companies were thus fully consolidated in the consolidated financial statements, while four joint ventures or associated companies were measured using the equity method.

Related parties

The related party disclosures in the 2014/2015 Annual Report and under "Other notes" in the section "Notes for the KWS Group" are essentially the same.

Declaration by legal representatives (Responsibility Statement)

We declare to the best of our knowledge that these interim consolidated financial statements give a true and fair view of the assets, financial position and earnings of the KWS Group in compliance with the accounting principles applicable to interim reporting, and that an accurate picture of the course of business, including business results, and the Group's situation is conveyed by the interim group management report, and that it describes the main opportunities and risks of the KWS Group's anticipated development.

Einbeck, February 25, 2016

KWS SAAT SE

The Executive Board



Hagen Duenbostel



Léon Broers



Peter Hofmann

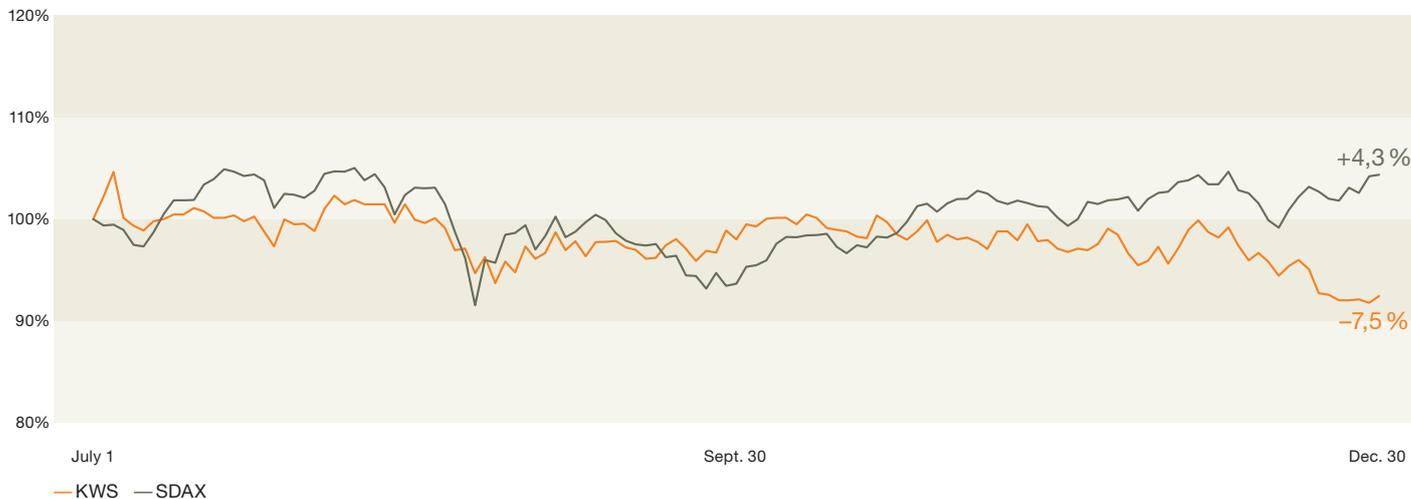


Eva Kienle

Share

Share performance

July 1, 2015, to December 31, 2015, XETRA closing prices



Shareholder structure



Key share data

KWS SAAT SE	
Securities identification number	707400
ISIN	DE0007074007
Stock exchange identifier	KWS
Transparency level	Prime Standard
Index	SDAX
Share class	Individual share certificates
Number of shares	6,600,000

Financial calendar

Date	
May 26, 2016	Report on the 3rd quarter 2015/2016
October 25, 2016	Publication of the 2015/2016 annual statements, Annual Press Conference and Analysts' Conference in Frankfurt
November 24, 2016	Report on the 1st quarter 2016/2017
December 15, 2016	Annual Shareholders' Meeting in Einbeck

Safe Harbor Statement

This document contains forward-looking statements about future developments based on the current assessments of management. These forward-looking statements may be identified by words such as “forecast,” “assume,” “believe,” “assess,” “expect,” “intend,” “can/may/might,” “plan,” “should” or similar expressions. These statements are subject to certain elements of uncertainty, risks and other factors that may result in significant deviations between expectations and actual circumstances. Examples of such risks and factors are market risks (such as changes in the competitive environment or risks of changes in interest or exchange rates), product-related risks (such as production losses as a result of bad weather, failure of production plants or quality-related risks), political risks (such as changes in the regulatory environment, including those with regard to the general regulatory framework for the cultivation of energy plants, or violations of existing laws and regulations, for example those regarding genetically modified organisms in corn seed) and general economic risks. Forward-looking statements must therefore not be regarded as a guarantee or pledge that the developments or events they describe will actually occur. We do not intend, nor do we assume any obligation, to update or revise these forward-looking statements, since they are based solely on circumstances on the day they were published.

This translation of the original German version of the Semiannual Report has been prepared for the convenience of our English-speaking shareholders. The German version is legally binding.

KWS SAAT SE

Grimsehlstr. 31
P.O. Box 14 63
37555 Einbeck
Germany

Contact

Phone +49 (0) 5561 311 0
Fax +49 (0) 5561 311 322
investor.relations@kws.com
www.kws.com

Photos: Dominik Obertreis