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PRESS RELEASE

DATE 13 August 2014

Corbion Q2 and first half 2014 results

Corbion reported Q2 2014 sales of €188.3 million, -0.9% compared to Q2 2013. Organic sales growth was 1.1%, mostly driven by the Biochemicals market segment with organic growth of 13.3%. The Biobased Food Ingredients market segment declined organically by 2.2%. EBITDA in Q2 2014 decreased by 2.9% to €26.4 million. Organic EBITDA growth in Q2 2014 amounted to 3.4%. The newly appointed management board will present a strategic update in November.

"Both sales and EBITDA grew organically in the 2nd quarter compared to Q2 2013. Similar to the 1st quarter, a contrasting performance was visible between both market segments: The performance in Biochemicals excelled in volumes and margins, while Biobased Food Ingredients, showing some improvement versus Q1, continued to disappoint. We are currently in the middle of a thorough strategic process, the outcome of which we will present in November. The strategic process is focused on future prospects for growth and value creation for Corbion and its shareholders", comments Tjerk de Ruiter, CEO.

Key financial highlights Q2 2014 and H1 2014:

- Net sales in Q2 decreased by 0.9% to € 188.3 million, 1.1% organic growth
- EBITDA before one-off costs in Q2 was € 26.4 million, an organic increase of 3.4%
- EBITDA margin before one-off costs was 14.0% in Q2 (Q2 2013: 14.3%)
- Capex in H1 2014 was € 35.1 million
- Net cash at the end of H1 2014 was € 6.4 million (Q4 2013: net cash of € 29.4 million)
- One-off costs included in EBIT of € 21.2 million related to partial, non-cash, impairment of Thailand based lactide plant (€17.5 million) and contractual obligations towards the former Board of Management (€3.7 million)

Key figures

€ million	Q2 2014	Q2 2013	H1 2014	H1 2013
Net sales	188.3	190.0	371.0	370.5
EBITDA excluding one-off costs	26.4	27.2	51.4	50.8
EBITDA	22.7	29.3	47.7	48.2
EBITDA margin excluding one-off costs	14.0%	14.3%	13.9%	13.7%

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Management review H1 2014

Net sales

Net sales in Q2 decreased slightly, mostly because of negative currency effect. Organic growth was positive at 1.1% as volume growth was 0.9%. An organic sales decline in the larger Biobased Food Ingredients segment was more than offset by organic sales growth of 13.3% in the smaller Biochemicals market segment.

H1 2014 net sales was on par compared to H1 2013 at € 371.0 million with organic growth of 2.0%, mainly driven by volume growth. Net sales were negatively impacted by exchange rate effects of € -16.2 million (-4.4%), due to a weaker Japanese yen, Brazilian real and US dollar versus the Euro.

Q2 2014 compared to Q2 2013:

	Total Growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/Mix	Volume
Biobased Food Ingredients	-3.7%	-4.7%	1.0%	3.2%*	-2.2%	-0.1%	-2.1%
Biochemicals	9.7%	-3.6%	13.3%	0.0%	13.3%	-1.2%	14.5%
Total	**-0.9%**	**-4.5%**	**3.6%**	**2.5%***	**1.1%**	**0.2%**	**0.9%**

*Sales to divested Bakery Supplies business now reclassified as 3rd party sales instead of intercompany sales

H1 2014 compared to H1 2013:

	Total Growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/Mix	Volume
Biobased Food Ingredients	-3.3%	-4.7%	1.4%	3.2%*	-1.8%	0.2%	-2.0%
Biochemicals	11.9%	-3.3%	15.2%	0.0%	15.2%	-4.0%	19.2%
Total	**0.1%**	**-4.4%**	**4.5%**	**2.5%***	**2.0%**	**-0.1%**	**2.1%**

*Sales to divested Bakery Supplies business now reclassified as 3rd party sales instead of intercompany sales

Expenses

Total SG&A and R&D costs increased € 4.2 million in H1 2014 as to support our increased R&D efforts.

In June there was a temporary production halt in our Rayong, Thailand plant due to a disruption of the waste water system. The plant was back in full operation again by mid-July, and we were able to move planned maintenance forward to reduce the impact on our supply chain. The estimated total impact on our 2014 results is estimated at €1.5 million negative of which €0.5 million in H1.

One-off costs in H1 amounted to € 21.2 million and relates to two elements:

1. Partial, non-cash, impairment of our Thailand based Lactide plant. Although we are making progress in the development of PLA related initiatives, our Lactide plant in Thailand is currently underutilized. Based on a reassessment of volume development and timing, we made a partial, non-cash impairment of these assets as per end of H1 2014 of € 17.5 million. For details see Annex 7, Segment information.

2. Contractual obligations towards former board of management. In H1 2014 agreement was reached with respect to the contractual obligations towards the former Board of Management. Related one-off costs for H1 amounted to € 3.7 million, including tax charges of € 0.9 million in relation to these costs. For details see Annex 7, Segment information.

EBITDA

EBITDA before one-off costs in H1 2014 increased by 1.2% to €51.4 million. This is the balance of, on the positive side, higher volumes and price/mix, outweighing higher selling and production costs, and higher R&D expenses.

€ million	H1 2014	H1 2013
Biobased Food Ingredients	50.4	55.5
Biochemicals	12.9	8.1
Central costs	(11.9)	(12.8)
EBITDA excluding one-off costs	**51.4**	**50.8**
One-off costs	(3.7)	(2.6)
EBITDA	**47.7**	**48.2**
EBITDA excluding one-off costs at constant currencies	**54.9**	**50.8**

Financial income and charges

Net financial charges decreased by € 13.1 million to € 2.3 million in H1 2014 due mainly to the lower net debt position.

Taxes

Net taxes of our continuing operations in H1 2014 showed a cost of € 5.8 million (93.5% of Net profit before tax; 24.5% excluding impairment Thailand lactide plant) compared to a credit of € 0.6 million in H1 2013. H1 2013 taxes have been impacted substantially by various one-off items related to the divestment of the Bakery Supplies businesses.

Balance sheet

Capital employed including goodwill increased, compared to year end 2013, by € 24.1 million to € 499.8 million. The movements were:

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€ million	
Capital expenditure on (in)tangible fixed assets	35.1
Depreciation / amortization/ impairment of (in)tangible fixed assets	-38.9
Working capital increase	21.8
Exchange rate differences	5.1
Milestone payment related to FiberLive acquisition	4.2
Tax positions	-3.0
Other	-0.2

Major capital expenditure projects in 2014 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 medical biomaterials plant in the US.

Trade working capital increased by € 23.1 million to € 102.7 million. This increase is the balance of an increase of € 21.8 million before currency effects and a currency effect of € 1.3 million.

A FiberLive milestone payment was made as we entered into a co-development & licensing agreement with a medical device company related to our medical biomaterials business.

Shareholders' equity in the first half-year increased by € 1.0 million to € 506.2 million. The movements were:

- The addition of the positive result after taxes of € 0.4 million;
- A decrease of € 5.6 million related to the dividend for financial year 2013;
- Positive exchange rate differences of € 4.4 million due to the translation of equity denominated in currencies other than the euro;
- Share based remuneration impact of € 2.0 million;
- Positive movement of € 1.2 million in the hedge reserve;
- Negative effects of defined benefit plan and tax effects € 1.4 million

At the half-year end 2014 the ratio between balance sheet total and equity was 1:0.7 (2013 year end: 1:0.7).

Cash flow/Financing

Cash flow from continued operating activities increased compared to H1 2013 by € 22.7 million to € 27.0 million. This is the balance of the higher operational cash flow before movements in working capital of € 2.0 million, a positive impact of the movement in working capital and provisions of € 9.8 million, and lower taxes and interest paid of € 10.9 million.

The cash flow required for continuing investment activities increased compared to H1 2013 by € 17.1 million to € 44.7 million. Capital expenditures accounted for most (€ 39.9 million) of this cash outflow.

The net cash position at the end of June 2014 was € 6.4 million, a decrease of € 23.3 million compared to year end 2013, mainly due to capital expenditures, the increase in working capital compared to the year-end position and the dividend payment, partly compensated by the positive cash flow from operating activities before working capital and provisions.

At June 30, 2014, the ratio of net debt to EBITDA was negative at -0.1x (end of 2013: -0.2x), reflecting the net cash position. The interest cover for H1 2014 was 23.2x (end of 2013: 13.5x). We continue to stay well within the limits of our financing covenants. In June 2014, Corbion announced that the company successfully closed a 5 years syndicated loan facility of EUR 300 million. The new Revolving Credit Facility (RCF) replaces the company's existing RCF. The main conditions for Corbion's credit facility are as follows: the net debt/EBITDA ratio may not exceed the factor 3.5 and the interest cover ratio may not be lower than 3.5. These conditions are equal to the conditions of the replaced RCF.

Strategic update scheduled for November 2014

The newly appointed Board of Management initiated a thorough fact finding tour throughout the Corbion organization over the past few months. During this process, several key strategic questions were identified requiring deeper analysis. To that end, over 50 of our people are currently engaged in this strategic process.

The strategic process will cover all areas, addressing subjects such as our market approach, product strategies, manufacturing footprint, cost structure, and core competencies.

The board will present their conclusions to the market in a strategic update, scheduled for November 2014. This will include updated financial targets.

Outlook 2014

For the remainder of the year we expect similar market circumstances as in H1 2014. For the Biobased Food Ingredients segment we see some early signs of volume growth improvement, whereas in the Biochemicals segment the comparables versus last year for volume growth will become more challenging as the year progresses. The capex level in H2 is expected to be lower compared to H1 as major capex outlays have been put on hold in view of the strategic process.

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Segment information

Biobased Food Ingredients

€ million	Q2 2014	Q2 2013		H1 2014	H1 2013
Net sales	144.2	149.8		277.8	287.2
Organic growth	-2.2%	4.4%		-1.8%	0.1%
EBITDA	27.1	29.1		50.4	54.1
EBITDA excl. one-off costs	27.1	30.5		50.4	55.5
EBITDA margin excl. one-off costs	18.8%	20.4%		18.1%	19.3%

The Biobased Food Ingredients segment reported slightly lower volumes and sales in both Q1 and Q2, which also had a negative impact on EBITDA development. These declines were also caused by negative translation effects as the US dollar weakened throughout H1 2014 versus H1 2013.

At the largest market unit, Bakery, we saw little improvement over a weak start in Q1, as the volumes in Q2 continued to be slightly down compared to last year. The innovation portfolio, launched last year, has seen increased traction with customers towards the end of H1, even though the up-take earlier in the year was slower than forecast.

In Meat & Culinary, pressure on volumes in the US, the largest market region, continued in Q2. Most customers in the US continue to look for optimal meat preservation recipes per product line after the USDA allowed the usage of certain chemical meat preservative as an alternative to natural meat preservatives. Our new low-cost-in-use alternatives are seeing good growth, but as these solutions require a significantly lower dosage than our core sodium lactate products the revenue and margin impact is evident.

Our Foods market unit continued to perform well, especially in the beverages sector, reporting volume and organic sales growth in both Q1 and Q2.

Biochemicals

€ million	Q2 2014	Q2 2013		H1 2014	H1 2013
Net sales	44.1	40.2		93.2	83.3
Organic growth	13.3%	6.9%		15.2%	2.0%
EBITDA	6.4	3.2		12.9	7.8
EBITDA excl. one-off costs	6.4	3.5		12.9	8.1
EBITDA margin excl. one-off costs	14.5%	8.7%		13.9%	9.7%

The Biochemicals segment showed strong growth across all market segments throughout H1. Most of the sales growth in Q2 was driven by Agrochemicals, where our biobased products are gaining ground versus petrochemicals as both active ingredients and solvents, and by Electronics, where our products are used as high purity cleaning solvents. Volume growth in Q2 continued to be supported by higher sales of our lower cost/lower price acidifiers for the animal feed industry, which had a limited negative impact on overall price/mix levels for the segment. Volume growth on a comparative basis for that specific product line is expected to wind down somewhat as 2014 progresses, after the initial ramp-up in volumes of this business in the latter part of 2013.

Our PLA bioplastics-related lactide sales continued to grow in H1 from a small base, both with new smaller PLA entrants in China and novel applications for our heat stable PLA.

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Risks

Our approach to risk management aims to achieve a reasonable level of assurance, in line with the Enterprise Risk Management framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO – ERM). Our approach aims to embed risk awareness and risk management at all levels of Corbion to ensure risk decisions are taken and evaluated consciously and properly.

The principal risks faced by the Company during the first half of the financial year were the same as those identified at year end 2013 and management does not presently anticipate any material changes to the nature of the risks affecting Corbion’s business over the second half of the financial year. In the 2013 Annual Report we mentioned the potential risk attached to PLA bioplastics developments not meeting expectations. This risk materialized in H1 2014: Based on a reassessment of volume development and timing, we made a partial, non-cash impairment of the related Lactide assets as per end of H1 2014 of € 17.5 million.

A description of Corbion’s risk management practices, principal risks and how they impact Corbion’s business is provided in our 2013 Annual Report.

Responsibility Statement

The Board of Management hereby declares that, to the best of their knowledge, the interim financial statements for the first half-year of 2014 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 Corbion 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).

Amsterdam, the Netherlands, 13 August 2014

Board of Management Corbion nv
T. de Ruiter, CEO
E.E. van Rhede van der Kloot, CFO
S. Thormählen, CTO

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Media call
A media call will be held at 8:00 (CET) hours on Wednesday 13 August 2014. with Mssrs. Tjerk de Ruiter and Eddy van Rhede van der Kloot.

Call details:
Dail-in number: +31(0)20 713 2790
Conference ID: 8350392

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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 and coating resins. Its products have a differentiating functionality in all kinds of consumer products worldwide. In 2013, Corbion generated annual sales of €743.6 million and had a workforce of 1,885 employees. Corbion is listed on NYSE Euronext Amsterdam. For more information: www.corbion.com

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Half year condensed Financial statements Q2 2014

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1. Consolidated income statement

	1st Half-year	
millions of euros	**2014**	**2013**
CONTINUING OPERATIONS		
Net sales	371.0	370.5
Costs of raw materials and consumables	-184.3	-188.3
Production costs	-59.8	-60.0
Impairment of tangible fixed assets	-17.5	
Warehousing and distribution costs	-21.3	-19.7
Gross profit	**88.1**	**102.5**
Selling expenses	-30.0	-28.2
Research and development costs	-15.1	-11.8
General and administrative expenses	-34.2	-35.1
Operating result	**8.8**	**27.4**
Financial income	0.1	1.5
Financial charges	-2.4	-16.9
Results from joint ventures and associates	-0.3	
Result before taxes from continuing operations	**6.2**	**12.0**
Taxes	-5.8	0.6
Result after taxes from continuing operations	**0.4**	**12.6**
DISCONTINUED OPERATIONS		
Result after taxes from discontinued operations		**-41.6**
Result after taxes	**0.4**	**-29.0**
Per common share in euros		
Basic earnings from continuing operations	-0.01	0.15
Diluted earnings	-0.01	0.15
Basic earnings from continuing and discontinued operations	-0.01	-0.42
Diluted earnings	-0.01	-0.42

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2. Consolidated statement of comprehensive income

	1st Half-year	
millions of euros	**2014**	**2013**
Result after taxes	**0.4**	**-29.0**
Other comprehensive results to be recycled:		
Translation reserve	4.4	-7.7
Hedge reserve	1.2	5.6
Taxes relating to other comprehensive results to be recycled	-0.7	0.9
Total other comprehensive results to be recycled	**4.9**	**-1.2**
Other comprehensive results not to be recycled:		
Defined benefit arrangements	-0.7	-1.8
Taxes relating to other comprehensive results not to be recycled		0.1
Total other comprehensive results not to be recycled	**-0.7**	**-1.7**
Total comprehensive result after taxes	**4.6**	**-31.9**

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3. Consolidated statement of financial position

before profit appropriation, millions of euros	**As at 30-06-2014**	**As at 31-12-2013**
Assets		
Property, plant, and equipment	292.1	310.2
Intangible fixed assets	115.5	97.5
Loans, receivables, and other	6.3	4.9
Joint ventures and associates	7.3	6.9
Deferred tax assets	18.2	16.0
Total non-current assets	**439.4**	**435.5**
Inventories	105.5	97.1
Receivables	103.3	97.1
Tax assets	12.4	12.0
Cash and cash equivalents	100.6	123.9
Total current assets	**321.8**	**330.1**
Total assets	**761.2**	**765.6**
Equity and liabilities		
Equity	**506.2**	**505.2**
Provisions	13.7	12.0
Deferred tax liabilities	14.3	10.1
Non-current liabilities	94.2	94.4
Total non-current liabilities	**122.2**	**116.5**
Interest-bearing current liabilities		0.1
Trade payables	58.5	57.7
Other non-interest-bearing current liabilities	59.8	73.4
Provisions	10.3	9.6
Tax liabilities	4.2	3.1
Total current liabilities	**132.8**	**143.9**
Total equity and liabilities	**761.2**	**765.6**

4. Consolidated statement of changes in equity

before profit appropriation, millions of euros	Share capital	Share premium reserve	Other reserves	Retained earnings	Total
As at 1 January 2013	**18.2**	**73.5**	**49.9**	**652.2**	**793.8**
Result after taxes				-29.0	-29.0
Other comprehensive result after tax			-1.2	-1.7	-2.9
Transfers to/from Other reserves			1.4	-1.4	
Total comprehensive result after tax			**0.2**	**-32.1**	**-31.9**
Cash dividend				-19.4	-19.4
Stock dividend	0.5	-0.5			
Share-based remuneration charged to result			0.4		0.4
Total transactions with shareholders	**0.5**	**-0.5**	**0.4**	**-19.4**	**-19.0**
As at 30 June 2013	**18.7**	**73.0**	**50.5**	**600.7**	**742.9**
As at 1 January 2014	**18.7**	**73.0**	**13.4**	**400.1**	**505.2**
Result after taxes				0.4	0.4
Other comprehensive result after tax			4.9	-0.7	4.2
Transfers to/from Other reserves			17.7	-17.7	
Total comprehensive result after tax			**22.6**	**-18.0**	**4.6**
Cash dividend				-5.6	-5.6
Stock dividend	0.1	-0.1			
Share-based remuneration transfers			-0.7	0.7	
Share-based remuneration charged to result			2.0		2.0
Withdrawal of shares	-2.7	-10.0		12.7	
Total transactions with shareholders	**-2.6**	**-10.1**	**1.3**	**7.8**	**-3.6**
As at 30 June 2014	**16.1**	**62.9**	**37.3**	**389.9**	**506.2**

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5. Consolidated statement of cash flows

	1st Half-year	
millions of euros	**2014**	**2013**
Cash flow from continuing operating activities		
Result after taxes	0.4	12.6
Adjusted for:		
● Depreciation/amortization of fixed assets	21.4	20.5
● Impairment of fixed assets	17.5	0.3
● Result from divestments of fixed assets	0.1	-0.6
● Share-based remuneration	2.0	0.4
● Interest income	-0.1	
● Interest expense	2.5	10.4
● Exchange rate differences	-0.1	-1.2
● Fluctuations in fair value of derivatives		6.1
● Results from joint ventures and associates	0.4	
● Taxes	5.8	-0.6
Cash flow from continuing operating activities before movements in working capital	**49.9**	**47.9**
Movement in provisions	1.3	-11.0
Movements in working capital:		
● Receivables	-3.8	-17.1
● Inventories	-7.3	0.7
● Non-interest-bearing current liabilities	-5.3	2.5
Cash flow from continuing business operations	**34.8**	**23.0**
Interest received	0.1	
Interest paid	-3.6	-10.5
Tax paid on profit	-4.3	-8.2
Cash flow from continuing operating activities	**27.0**	**4.3**
Cash flow from discontinued operating activities		**-1.8**
Cash flow from operating activities	**27.0**	**2.5**
Cash flow from continuing investment activities		
Acquisition of group companies		-2.4
Investment joint ventures and associates	-0.7	-0.3
Investment other financial assets	-4.2	-0.1
Capital expenditure on (in)tangible fixed assets	-39.9	-25.9
Divestment of (in)tangible fixed assets	0.1	1.1
Cash flow from continuing investment activities	**-44.7**	**-27.6**
Cash flow from discontinued investment activities		**-7.8**
Cash flow from investment activities	**-44.7**	**-35.4**
Cash flow from financing activities		
Proceeds from interest-bearing debts		81.0
Repayment of interest-bearing debts	-0.8	-11.7
Paid-out dividend	-5.1	-19.4
Cash flow from financing activities	**-5.9**	**49.9**
Net cash flow	**-23.6**	**17.0**
Effects of exchange rate differences on cash and cash equivalents	0.3	-2.5
Increase/decrease cash and cash equivalents	**-23.3**	**14.5**
Cash and cash equivalents at start of financial year	123.9	106.6
Cash and cash equivalents at close of financial year	100.6	121.1

6. Accounting 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 2014 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 2013.

In preparing these condensed interim financial 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 2013. Certain prior year comparatives have been reclassified to conform to the current year's presentation. In the Q2 2013 income statement, this change increased costs of raw materials and consumables by € 1.7 million (HY 2013: € 186.6 million) and research and development by € 1.0 million (HY 2013: € 10.8 million) and decreased selling expenses by € 0.6 million (HY 2013: € 28.8 million), general and administrative expenses by € 0.7 million (HY 2013: € 35.8 million) and production costs by € 1.4 million (HY 2013 € 61.4 million).

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 previous financial year except as described below.

- New and revised standards on consolidation, joint arrangements, associates, and disclosures
In May 2011, a package of five standards on consolidation, joint arrangements, associates, and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (as revised in 2011), and IAS 28 (as revised in 2011).
These five standards together with the amendments regarding the transition guidance are effective for annual periods beginning on or after 1 January 2014, with earlier application permitted. Corbion applied the standards as per 1 January 2014 which did not have a significant impact on amounts reported in the consolidated financial statements.

Related party transactions
There were no material related party transactions in the first half of 2014 other than the board remuneration as discussed in the segment information.

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7. Segment information

For its strategic decision-making process Corbion distinguishes between the Biobased Food Ingredients and Biochemicals segments. The unallocated item of the total continued operations mainly comprises central activities.

In the Biobased Food Ingredients segment, our differentiated portfolio of biobased food ingredients combined with our leading edge fermentation technology, blending capability, deep end market understanding, and strong customer relationships make us a unique player in the industry. We hold leading positions in various markets such as Bakery and Meat, and are moving into leadership positions in other markets as well. Our portfolio is tailored around natural solutions that enhance the consumer experience of products from creation to consumption, by prolonging freshness and providing safe and healthy food.

In the Biochemicals segment, our biobased chemicals, chemicals derived from renewable resources such as sugar, starch, or carbohydrates, are a sustainable alternative to fossil-based chemicals in various applications. Our biobased products offer a mix of increased performance at competitive prices and with a reduced carbon footprint. We are constantly searching for new building blocks and molecules in order to secure future revenue growth and remain competitive in the long term.

Segment information by business area

1 st Half-year *millions of euros*	**Biobased Food Ingredients**		**Biochemicals**		**Unallocated (central activities)**		**Corbion continuing operations**	
	2014	**2013 ***	**2014**	**2013 ***	**2014**	**2013**	**2014**	**2013**
Income statement information								
Net sales	277,8	287,2	93,2	83,3			371,0	370,5
Operating result	40,2	41,8	-15,2	-0,1	-16,2	-14,3	8,8	27,4
One-off costs included in operating result		1,6	17,5	0,4	3,7	0,9	21,2	2,9
Alternative non-IFRS performance measures								
EBITDA	50,4	54,1	12,9	7,8	-15,6	-13,7	47,7	48,2
One-off costs included in EBITDA		1,4		0,3	3,7	0,9	3,7	2,6
EBITDA excluding one-off costs	50,4	55,5	12,9	8,1	-11,9	-12,8	51,4	50,8
Ratios alternative non-IFRS performance measures								
EBITDA margin % excluding one-off costs	18,1	19,3	13,8	9,7			13,9	13,7

* In 2014 our Pet Food business moved from our Biochemicals segment to our Biobased Food Ingredients segment which resulted in a Net sales and EBITDA reclassification of respectively EUR 4.0M and EUR 0.8M for HY1 2013. An adjustment in the cost allocation in our segmentation resulted in an EBITDA reclassification of EUR 0.7M for HY1 2013 from our Biochemicals segment to our Biobased Food Ingredients.

Both restatements caused a shift from our Biochemical to our Biobased food Ingredients segment and had no influence on total Corbion Net Sales and EBITDA. Half year impact 2013 on net sales and EBITDA are respectively EUR 4.0M and EUR 1.5M increasing our Biobased Food Ingredients segment results.

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

One-off costs HY 2014

One-off costs in HY 2014 for the year amounted to € 21.2 million and relates to two elements: partial impairment of our Thailand Lactide plant (€ 17.5 million) recorded in the Biochemicals segment and contractual obligations towards the former Board of Management (€ 3.7 million) recorded in Unallocated (central activities).

Partial, non-cash, impairment of our Thailand based Lactide plant. Although we are making progress in the development of PLA related initiatives, our Lactide plant in Thailand is currently underutilized. Based on a reassessment of volume development and timing, we made a partial, non-cash impairment of these assets as per end of H1 2014 of € 17.5 million. In this impairment calculation, the terminal value assumes no growth. The pre-tax discount rate used is 13.1%. The net present value of the projected cashflows underlying the impairment calculation are sensitive to aforementioned assumptions, especially the volume development. In case the assumed volume development would accelerate (delay) by 1 year this would have a positive (negative) impact of approximately € 10 million on the calculated net present value.

In H1 2014 agreement was reached with respect to the contractual obligations towards the former Board of Management. Related one-off costs for H1 amounted to € 3.7 million, including tax charges of € 0.9 million in relation to these costs. End 2013 it was not fully known as to when and under which conditions the planned Board of Management changes would materialize. At that stage we provisioned for the costs which could be provided for under IFRS. Based on the situation at the end of H1 2014 we have determined and provided for the costs of the outgoing former Board of Management. The one-off costs reported in H1 2014 include contractual obligations and accruals for anticipated LTIP entitlements for 2012-2014, amounting in total to € 2.8 million. In addition, the company expects to incur tax charges of € 0.9 million in relation to these costs.

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 is 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 measures can be calculated as follows:

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

8. Discontinued operations 2013

Breakdown of comprehensive result from discontinued operations

	1st Half-year
millions of euros	**2013**
Operations	
Net sales	1,244.1
Costs of raw materials and consumables	-773.4
Production costs	-147.0
Warehousing and distribution costs	-100.2
Gross profit	**223.5**
Selling expenses	-92.6
Research and development costs	-10.2
General and administrative expenses	-65.1
Operating result	**55.6**
Results from joint ventures and associates	0.3
Result before taxes	**55.9**
Taxes	-25.6
Result operations after taxes	**30.3**
Divestment	
IFRS 5 remeasurement	-30.0
Taxes	-41.9
Result divestment after taxes	**-71.9**
Result after taxes	**-41.6**
Other comprehensive results to be recycled:	
Translation reserve	-4.6
Hedge reserve	-0.3
Taxes relating to other comprehensive results to be recycled	1.8
Total other comprehensive results to be recycled	**-3.1**
Other comprehensive results not to be recycled:	
Defined benefit arrangements	-2.7
Taxes relating to other comprehensive results not to be recycled	0.7
Total other comprehensive results not to be recycled	**-2.0**
Total comprehensive result after taxes	**-46.7**

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.

Cash flows from discontinued operations

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

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.

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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 2014	Level 1	Level 2	Level 3	Total
Derivatives				
● Foreign exchange contracts		-0.3		-0.3
● Commodity swaps/collars		0.5		0.5
Total asset		**0.2**		**0.2**

Breakdown fair values financial instruments

	30 June 2014		31 December 2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial fixed assets				
● Loans, receivables, and other	3.0	3.0	2.9	2.9
● Loans non-interest-bearing	3.4	3.4	2.0	2.0
Receivables				
● Trade receivables	90.2	90.2	83.8	83.8
● Other receivables	6.0	6.0	6.2	6.2
● Accruals and deferred income	6.4	6.4	6.9	6.9
Cash				
● Dutch treasury certificates, money market funds, and short-term deposits	60.0	60.0	83.0	83.0
● Cash other	40.6	40.6	40.9	40.9
Interest-bearing liabilities				
● Private placement 2010 (net investment hedge)	-93.0	-95.0	-92.2	-94.9
● Financial lease commitments	-0.2	-0.2	-1.2	-1.2
● Other debts	-1.0	-1.0	-1.1	-1.1
Non-interest-bearing liabilities				
● Trade payables	-58.5	-58.5	-57.7	-57.7
● Other payables	-59.8	-59.8	-73.4	-73.4
Derivatives				
● Foreign exchange contracts	-0.3	-0.3	0.2	0.2
● Commodity swaps/collars	0.5	0.5	0.2	0.2
Total	**-2.7**	**-4.7**	**0.5**	**-2.2**

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 the reporting date.
● 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 reporting 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.

10. Key figures

millions of euros	1st Half-year 2014	2013
CONTINUING OPERATIONS		
Net sales	371.0	370.5
Operating result	8.8	27.4
EBITDA excluding one-off costs	51.4	50.8
Result after taxes	0.4	12.6
Earnings in euros [1] *	-0.01	0.15
Diluted earnings in euros [1] *	-0.01	0.15
Key data per common share		
Number of issued common shares	62,041,761	71,939,942
Number of common shares with dividend rights	61,544,895	71,935,107
Weighted average number of outstanding common shares*	61,268,910	72,299,953
Price as at 30 June	15.40	15.54
Highest price in half-year	17.27	17.84
Lowest price in half-year	15.29	15.25
Market capitalization as at 30 June	948	1,118
Other key data		
Cashflow from operating activities	27.0	4.3
Cash flow from operating activities per common share, in euros [1] *	0.42	0.04
Depreciation/amortization fixed assets	21.4	20.5
Capital expenditure on (in)tangible fixed assets	35.1	27.9
Number of issued cumulative preference shares	2,574,281	2,983,794
Equity per share in euros [2]	7.89	9.92
Ratios		
ROCE % [3]	12.2	12.5
EBITDA margin % [4]	13.9	13.7
Result after taxes / net sales %	0.1	3.4
Number of employees at closing date	1,876	1,834
Net debt position/EBITDA [5]	-0.1	2.2
Interest cover [6]	23.2	11.7
Balance sheet figures as per 30/06/2014 and 31/12/2013		
Non-current assets	439.4	435.5
Current assets excluding cash and cash equivalents	221.2	206.2
Non-interest-bearing current liabilities	122.5	134.2
Net debt position [7]	-6.4	-29.4
Provisions	38.3	31.7
Equity	506.2	505.2
Capital employed [8]	499.8	475.7
Average capital employed [8]	493.2	469.9
Balance sheet total : equity	1:0.7	1:0.7
Net debt position : equity	1:-79.1	1:-17.2
Current assets : current liabilities	1:0.4	1:0.4

*previous year is restated for stock dividend

1 Per common share in euros after deduction of dividend on cumulative preference shares.
2 Equity per share is equity as per 30/06 divided by the number of shares with dividend rights.
3 Return on capital employed (ROCE) is defined by Corbion as continued EBIT excluding one-off costs for half-year x 2 divided by the average capital employed x 100. Prior year figure has been adjusted to reflect ROCE based on continued figures.
4 EBITDA margin % is EBITDA excluding one-off costs divided by net sales x 100.
5 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, including discontinued operations and excluding one-off costs.
6 Interest cover is EBITDA as defined in Note 5 divided by net interest income and charges.
7 Net debt position comprises interest-bearing debts less cash and cash equivalents.
8 Capital employed and average capital employed is based on balance sheet book values.