Annual Accounts

2009

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ROYAL COSUN

Consolidated balance sheet

(after profit appropriation; in EUR million)

At year-end	*Notes*	**2009**	2008
ASSETS			
Fixed assets			
Intangible fixed assets	(1)	172.5	182.3
Tangible fixed assets	(2)	574.1	557.7
Financial fixed assets	(3)	54.8	114.0
		801.4	854.0
Current assets			
Inventories	(4)	428.6	427.9
Trade and other receivables	(5)	258.9	298.5
Cash and cash equivalents	(6)	76.3	88.8
		763.8	815.2
Total assets		1,565.2	1,669.2
EQUITY AND LIABILITIES			
Group equity			
Capital and reserves	(7)	732.4	701.3*
Minority interests	(8)	20.6	22.4
		753.0	723.7
Provisions	(9)	99.7	132.0
Non-current liabilities	(10)	206.2	260.3
Current liabilities	(11)		
Current liabilities to credit institutions and liabilities of a financing nature		104.5	206.2
Other liabilities, accruals and deferrals		401.8	347.0*
		506.3	553.2
Total equity and liabilities		1,565.2	1,669.2

* Comparative figures have been adjusted for comparison reasons; refer to the text in the notes on page 31.

Consolidated profit and loss account

(in EUR million)

For the financial year	*Notes*	**2009**	2008
Net turnover	(14)	1,757.9	1,689.3
Changes in inventories of finished products		-/- 20.5	-/- 15.4
Other operating income	(15)	26.0	74.4
Total operating income		1,763.4	1,748.3
EU levies	(16)	86.1	122.6
Cost of raw materials and consumables	(17)	1,004.5	944.6
Cost of outsourced work and other external costs	(18)	268.0	264.0
Staff costs	(19)	206.9	191.0
Amortisation and depreciation on intangible and tangible fixed assets		86.3	90.0
Other changes in the value of intangible and tangible fixed assets	(20)	2.9	17.1
Other operating expenses		15.3	33.1
Total operating expenses		1,670.0	1,662.4
Operating profit		93.4	85.9
Interest receivable and similar income		4.7	4.0
Interest payable and similar charges		-/- 19.1	-/- 26.0
Financial income and expense	(21)	-/- 14.4	-/- 22.0
Result from ordinary activities before taxation		79.0	63.9
Taxation	(22)	-/- 17.9	-/- 19.5
Share in results from participating interests		0.2	-
Result from ordinary activities after taxation		61.3	44.4
Minority interests		-/- 1.9	-/- 3.4
Net result		59.4	41.0

Consolidated cash flow statement

(in EUR million)

	2009	2008
Operating profit	93.4	85.9
Depreciation and amortisation	86.3	90.0
Other value adjustments	2.9	17.1
Changes in provisions	-/- 57.1	-/- 8.2
Result on the sale of participating interests and tangible fixed assets	-/- 5.8	-/- 13.4
Changes in working capital (excluding cash and cash equivalents and short-term bank overdrafts)	101.6	-/- 19.0
Cash flow from business operations	**221.3**	**152.4**
Dividend received	-	0.1
Interest paid/received	-/- 13.5	-/- 22.0
Income tax paid/received	17.5	-/- 15.6
Other movements	-/- 0.3	-/- 0.6
	3.7	**-/- 38.1**
Cash flow from operating activities	**225.0**	**114.3**
Investments in (in)tangible fixed assets	-/- 46.5	-/- 67.9
Proceeds from the sale of tangible fixed assets	7.3	16.1
Acquisitions/divestments of participating interests	-/- 66.4	-/- 1.8
Cash flow from investing activities	**-/- 105.6**	**-/- 53.6**
Shares issued/redeemed and premium	-/- 0.2	-/- 3.6
Distribution on shares	-/- 0.7	-/- 18.6
Gross distribution arising from the Sugar Beet Delivery Payment Regulations	-/- 5.8	-/- 13.2
Decrease/increase in long-term receivables	55.6	-/- 18.3
Decrease in non-current liabilities	-/- 5.1	-/- 22.0
Decrease/increase in current liabilities to credit institutions and liabilities of a financing nature	-/- 176.5	9.3
Cash flow from financing activities	**-/- 132.7**	**-/- 66.4**
Changes in cash and cash equivalents	**-/- 13.3**	**-/- 5.7**
Cash and cash equivalents at the beginning of the year	88.8	93.3
Cash and cash equivalents at participating interests acquired	1.1	3.6
Cash and cash equivalents at divested participating interests	-/- 0.3	-/- 2.4
Cash and cash equivalents at the end of the year	**76.3**	**88.8**

Notes to the consolidated annual accounts

(in EUR million)

GENERAL

Koninklijke Coöperatie Cosun U.A. (hereinafter: 'Cosun'), with its registered office in Breda, the Netherlands, processes and prepares raw materials, mostly from agricultural sources, producing semi-manufactures for the international food and beverage industry and the food service industry (restaurants, caterers and wholesalers), and finished products that are sold to costumers through retail outlets. The group also processes organic residuals into products such as bio-ethanol and animal feed.

The activities are organised in four groups:

- Basic ingredients, such as sugar and inulin (Suiker Unie and Sensus).
- Alcohol and bio-ethanol (Nedalco and Anklam bio-ethanol).
- Potato products, such as chilled, frozen and dried potato products and a range of other prepared potato specialities (Aviko), including process-related products.
- Compound ingredients, including fine bakery specialties, blends, and fruit and vegetable applications (Unifine Food & Bake Ingredients and SVZ).

APPLICABLE STANDARDS

The annual accounts have been prepared in accordance with the legal requirements as set out in Title 9, Book 2 of the Netherlands Civil Code. For the cooperative profit and loss account, Cosun has availed itself of the exemption available under Section 402, Book 2 of the Netherlands Civil Code.

COMPARATIVE FIGURES

Certain comparative figures have been adjusted for comparison reasons. In accordance with Guideline 620 of the Dutch Accounting Standards Board (hereinafter: 'RJ 620'), the part of the paid-up capital that is payable on demand of the members has been presented as liability. This Guideline only applies to the consolidated accounts. As a result the consolidated equity differs from the equity in the cooperative annual accounts.

	Annual accounts 2008	Impact RJ 620	Comparative figures
Consolidated capital and reserves	702.5	-/- 1.2	701.3
Other liabilities, accruals and deferrals	345.8	1.2	347.0

CONSOLIDATION PRINCIPLES

The consolidated annual accounts include the financial data of Cosun and its group companies and other companies controlled by the company. Control exists when Cosun has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Group companies are participating interests in which Cosun has a direct and indirect controlling interest.

Group companies acquired during the year under review are included as from the date at which direct or indirect influence can be exercised on the business and financial policy. The results of group companies sold are incorporated up to the time the overriding control ended.

Intercompany payables, receivables and transactions, as well as profits already recognised on these within Cosun but not yet realised, are eliminated in the consolidated annual accounts. The group companies are consolidated in full with the third-party minority interest being presented separately. Joint ventures are consolidated proportionally.

In accordance with Articles 379 and 414, Book 2 of the Netherlands Civil Code, a list of data on group companies and other participating interests has been filed with the Chamber of Commerce in Breda, The Netherlands.

ACQUISITIONS AND DIVESTMENTS

During 2009 Cosun acquired and divested the following companies:

- On 1 March 2009, Aviko acquired the remaining shares of Investmentaktiebolaget Algen AB.
- On 2 March 2009, Suiker Unie acquired Danisco Sugar GmbH, the sugar- and bioethanol factory in Anklam (North Germany).
- On 4 March 2009, Cosun sold its majority interest in Sisterna to the Japanese company Dai-Ichi Kogyo Seiyaku CO Ltd.
- On 23 April 2009, Aviko acquired part of the shares of the Spanish potato- and specialities company Eurofrits, S.A.
- On 30 June 2009, Nedalco acquired the remaining shares of the joint-venture Brüggemann Alcohol GmbH & Co. KG.
- On 24 September 2009, Aviko sold the potato trader N.V. Seru & Annoot.
- On 3 November 2009, Aviko sold Desertenne Rungis SARL.

ACCOUNTING POLICIES

GENERAL

The accounting policies adopted for the valuation of assets and liabilities and determination of the result are based on the historical cost convention. Insofar as not stated otherwise, assets and liabilities are shown at nominal value. An asset is included in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably measured. A liability is included in the balance sheet if it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

The income and expenses are accounted for in the period to which they relate.

POLICIES FOR THE TRANSLATION OF FOREIGN CURRENCIES

The reporting currency and the functional currency of the annual accounts of Cosun is the euro (EUR). The costs and income arising from transactions in foreign currencies and non-monetary balance sheet items or monetary receivables and payables are translated at the exchange rate applicable on the transaction date or balance sheet date respectively. Translation gains and losses are taken to the profit and loss account.
Foreign currency balance sheet items of foreign participating interests are all translated at the exchange rate applicable on balance sheet date. Foreign currency profit and loss account items of foreign participating interests are translated at the exchange rate applicable on transaction date. Translation gains and losses are taken directly to the statutory reserve for exchange rate differences as part of Cosun's group equity, less tax effects if applicable. Translation gains and losses on long-term financing and financial instruments used to hedge exchange rate risks arising from foreign participating interests are treated accordingly.

FINANCIAL INSTRUMENTS

Financial instruments include loans granted, trade and other receivables, cash items, loans and other financing commitments, trade and other payables, as well as derivative financial instruments. Financial instruments also include derivative financial instruments (derivatives) embedded in contracts. Financial instruments embedded in contracts are recognised in accordance with the host contract.

LOANS GRANTED AND TRADE AND OTHER RECEIVABLES

Loans granted and trade and other receivables are carried at amortised cost using the effective interest method, less impairment losses. The effective interest method is used to recognise transaction costs in the profit and loss account as part of the effective interest.

LOANS AND OTHER FINANCIAL OBLIGATIONS

Loans and other financial obligations are carried at amortised cost using the effective interest method. The effective interest method is used to recognise transaction costs in the profit and loss account as part of the effective interest.

DERIVATIVE FINANCIAL INSTRUMENTS

Cosun uses derivative financial instruments to hedge the exchange and interest rate risks arising from primary financial instruments.

Cosun also uses derivative financial instruments to hedge the exchange rate risks arising from future sales and purchases in non-local functional currencies. Forward exchange contracts, interest rate swaps and other derivative financial instruments are used to hedge exchange rate and interest rate risks.

HEDGE ACCOUNTING

Currency derivatives

Cosun applies cost price hedge accounting in order to simultaneously recognise both the results from changes in the value of the forward foreign exchange contract and the future transaction in the profit and loss account.
The application of cost price hedge accounting leads to the following exception to the above-mentioned accounting policies and accounting treatment for financial instruments.
As long as the forward exchange contract concerns the expected future transaction, the forward exchange contract will not be revalued. As soon as the hedged position of the expected transaction leads to the recognition of a financial asset or financial liability, the gains or losses associated with the forward foreign exchange contract are recognised in the profit or loss account in same period in which the asset or liability affects the profit or loss.
The results from the non-effective part of the hedge relationship are included in the profit and loss account.
If a forward exchange contract no longer qualifies for hedge accounting, expires or is sold, the hedging relationship is terminated. The cumulative profit or loss that has not been included in the profit and loss account is recognised as deferred income/ liability on the balance sheet until the expected transaction has taken place. Should the transaction no longer be expected to take place, the accumulated profit or the accumulated loss is reclassified to the profit and loss account.

Interest rate swap

Interest income and expense from interest rate swaps is determined on a straight-line basis. Unsettled interest income and expense is presented under receivables and accrued income and current liabilities and accruals respectively. If an interest rate swap no longer qualifies for hedge accounting, expires or is sold, the hedging relationship is terminated. The cumulative profit or loss that has not been included in the profit and loss account is recognised as accruals and deferrals on the balance sheet until the expected transaction has taken place. Should the transaction no longer be expected to take place, the accumulated profit or the accumulated loss is reclassified to the profit and loss account.

Forward commodity transactions

Forward commodity contracts with a listed underlying asset are carried at fair value provided no actual deliveries are associated with these contracts and/or no net cash payment takes place.

INTANGIBLE FIXED ASSETS

Goodwill is the excess of the purchase price and the fair value of the identifiable assets and liabilities of the acquired participating interest at the date of acquisition. Goodwill paid upon the acquisition of foreign group companies and subsidiaries is translated at the exchange rate applicable at the moment of acquisition. The capitalised goodwill is amortised according to the straight-line method over the estimated useful life, determined at a maximum period of 20 years.

Other tangible fixed assets are carried at cost net of accumulated depreciation and other downward value adjustments.

TANGIBLE FIXED ASSETS

Land and buildings, machinery and equipment, other tangible fixed assets, tangible fixed assets in production and prepayments are stated at cost of purchase or manufacture, less accumulated depreciation and other downward value adjustments. Grants and subsidies are deducted from the cost of purchase or manufacture of the asset in question.

Depreciation is calculated as a percentage of the cost of acquisition or manufacture according to the straight-line method on the basis of useful life. Land, tangible fixed assets in production and prepayments on tangible fixed assets are not depreciated. Maintenance expenditure is only capitalised if it extends the useful life of the asset.

FINANCIAL FIXED ASSETS

Participating interests where significant influence can be exercised over the business and financial policy are stated on the basis of net asset value. Cosun's accounting policies are applied to determine their net asset value. Participating interests in which no significant influence is exercised are valued at the lower of cost and sustainable realisable value.

Deferred tax assets, including from offsettable tax losses, are stated insofar as it is deemed probable that these will be realised in future and are calculated on the basis of the tax rate applicable at the time at which these are expected to be realised.

Other receivables are carried at amortised cost, less a provision deemed necessary for uncollectability.

IMPAIRMENT OR VALUE ADJUSTMENT OF FIXED ASSETS

Cosun recognises intangible, tangible and financial fixed assets in accordance with accounting policies generally accepted for financial reporting in the Netherlands. Pursuant to these policies, assets with a long life should be subject to an impairment test in the case of changes or circumstances arising that lead to the suspicion that the book value of the asset will not be recovered. The recoverability of assets in use is determined by comparing the book value of an asset with the future net cash flow that the asset is expected to generate.
In the case of a higher book value, the difference is charged to the result.
Assets for sale are stated at book value or lower market value, less selling costs.

INVENTORIES

Raw materials and consumables are carried at the lower of cost in accordance with the FIFO ('first in, first out') method and market value. Finished products are valued on the basis of cost of manufacture, including the purchase costs of used raw materials and consumables and the other costs directly attributable to manufacture. In addition, part of the indirect costs over the period of manufacture is attributed to the cost of manufacture. Goods for resale are valued at cost. Cost includes the purchase price plus additional related costs. When valuing inventories, account is taken of any value adjustment occurring on the balance sheet date.

RECEIVABLES

Receivables are carried at amortised cost, less a provision deemed necessary for uncollectability. Provisions are determined on the basis of individual assessment of the collectability of receivables.

MINORITY INTERESTS

The third-party minority interests are valued at the third parties' share of the net asset value, which is determined in accordance with the accounting policies of the entity in question.

PROVISION FOR DEFERRED TAX LIABILITIES

Insofar as valuations for tax purposes differ from the policies described in this section, and these result in deferred tax liabilities, a provision is formed for these liabilities, calculated according to the tax rate applicable at the time when they are expected to be realised.

PENSIONS AND OTHER DEFERRED EMPLOYEE BENEFITS

Defined contribution plans

Obligations for contributions to defined contribution pension plans are charged to the profit and loss account as incurred. Obligations for contributions to defined benefit plans administered by an industrial pension fund are also accounted for as defined contribution plans, provided these meet the conditions stipulated by Guideline 271 of the Dutch Accounting Standards Board (hereinafter: 'RJ 271').

Defined benefit plans
Cosun's net obligations in respect of defined benefit plans are calculated separately for each plan by estimating the amount of future pension entitlements that employees have earned in return for their services during the current and prior periods.
These benefits are discounted to determine the present value, and the fair value of the plan assets is deducted from this. The discount rate is the yield at balance sheet date on AA credit rated bonds that have maturity dates approximating the terms of Cosun's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the profit and loss account on a straight-line basis over the average period until the benefits become unconditional.
To the extent that the benefits vest immediately, the expense is recognised immediately in the profit and loss account.

Actuarial gains and losses on pension plans that amount to more than 10% of the highest of obligations and/or plan assets are recognised in the profit and loss account over the expected average remaining term of service of the members.
Otherwise no actuarial gains or losses are recognised.

When the calculation results in a positive balance for Cosun, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the fund or lower future pension premiums.

Other deferred employee benefits
Cosun's net obligation in respect of other deferred employee benefits (such as long-service awards) are treated in the same manner as the defined benefit pension plans with the exception of actuarial gains and losses, which are taken directly to the result.

NEGATIVE GOODWILL

Given its long-term nature, negative goodwill is presented as a non-current liability. The negative goodwill is recognised in the profit and loss account in proportion to the weighted average of the remaining useful life of the acquired depreciable assets.

DETERMINATION OF THE RESULT

Net turnover concerns the income from goods and services delivered to third parties, less discounts awarded and turnover tax.
Turnover is only accounted for if there is reasonable assurance that future benefit will be accrued by the business and that such benefit can be estimated reliably. Income is recognised when the significant risks and rewards of ownership have been transferred to the buyer, receipt of the consideration is probable, and the associated costs and possible return of goods can be estimated reliably.

The share in the result of participating interests represents Cosun's share in the result of these participating interests.

Taxation on the result comprises both taxes payable in the short term and deferred taxes, taking account of tax facilities and non-deductible costs. No taxes are deducted from profits if and insofar as these can be offset against losses from previous years and a deferred tax asset had not been recognised. Taxes are deducted from losses if these can be offset against profits in previous years. In addition, taxes will be deducted if and insofar as it may be reasonably expected that losses can be offset against future profits.

FAIR VALUE
Fair value represents the amount for which an asset is traded or an obligation settled between properly informed independent parties prepared to enter into a transaction.

THE USE OF ESTIMATES
During the preparation of the annual accounts, the management must, in accordance with the general prevailing policies, make certain estimates and assumptions that co-determine the stated amounts. The actual results may deviate from these estimates.

CASH FLOW STATEMENT
The cash flow statement has been prepared using the indirect method. The amounts in the cash flow statement comprise cash and cash equivalents. Cash flows denominated in foreign currencies have been translated into euros at average exchange rates. The cost of group companies acquired and the selling price of group companies disposed of are included in cash flow from investing activities.

(1) INTANGIBLE FIXED ASSETS
Movements in intangible fixed assets were as follows:

	Goodwill	Other intangible fixed assets	Total
Book value as at 1 January 2009	177.0	5.3	182.3
Movements:			
- New in consolidation	-	0.3	0.3
- Acquisitions	8.0	-	8.0
- Investments	-	1.2	1.2
- Divestments	-/- 1.0	-	-/- 1.0
- Amortisation	-/- 14.6	-/- 3.4	-/- 18.0
- Other movements	-/- 0.2	-/- 0.1	-/- 0.3
BOOK VALUE AS AT 31 DECEMBER 2009	169.2	3.3	172.5
Accumulated amortisation and other value adjustments as at 1 January 2009	64.5	40.9	105.4
Accumulated amortisation and other value adjustments as at 31 December 2009	78.8	17.5	96.3

GOODWILL
Goodwill paid upon acquisitions with a strategic nature is amortised over a maximum period of 20 years.

OTHER INTANGIBLE FIXED ASSETS
The other items under intangible assets, including software and licensing expenses, are amortised over a period of three to five years. Cosun has received 'free' CO_2 emission rights. The rights surplus at year-end is not valued.

(2) TANGIBLE FIXED ASSETS

Movements in tangible fixed assets were as follows:

	Land and buildings	Machinery and equip-ment	Other tangible fixed assets	Prepay-ments and in production	Not used for operations	Total
Book value as at 1 January 2009	153.7	373.3	15.4	3.4	11.9	557.7
Movements:						
- New in consolidation	14.3	35.0	0.8	1.1	-	51.2
- Discontinued consolidations	-/- 0.2	-/- 0.2	-	-	-	-/- 0.4
- Investments	1.3	38.7	3.2	2.1	-	45.3
- Divestments	-/- 0.9	-/- 0.4	-/- 0.1	-	-/- 0.1	-/- 1.5
- Depreciation	-/- 10.0	-/- 60.1	-/- 5.2	-	-	-/- 75.3
- Other value adjustments	-/- 1.3	-/- 1.6	-	-	-	-/- 2.9
- Transfer	1.4	1.3	-	-/- 3.0	-	-/- 0.3
- Exchange differences	0.2	0.1	-	-	-	0.3
BOOK VALUE AS AT 31 DECEMBER 2009	**158.5**	**386.1**	**14.1**	**3.6**	**11.8**	**574.1**
Accumulated depreciation and other value adjustments as at 1 January 2009	164.6	495.8	58.3	3.4	2.7	724.8
Accumulated depreciation and other value adjustments as at 31 December 2009	174.4	554.2	59.5	-	1.9	790.0

The expected useful life and associated depreciation period is 10 to 40 years for the buildings, 10 to 20 years for the machinery and equipment and four years on average for the other tangible fixed assets. The insured value of the buildings, machinery, equipment and inventories is approximately EUR 2.5 billion (2008: EUR 2.2 billion).

(3) FINANCIAL FIXED ASSETS

Movements in financial fixed assets were as follows:

	Participating interests	Receivables from participating interests	Receivables from members	Deferred tax assets	Other receivables	Total
Balance as at 1 January 2009	1.4	1.0	14.8	29.0	67.8	114.0
Movements:						
- Acquisitions	3.2	-	-	-	-	3.2
- Divestments	-	-	-	-/- 0.6	-	-/- 0.6
- New in consolidation	-	-	-	3.3	-	3.3
- Investements and issuances	-	0.6	-	2.6	1.3	4.5
- Repayments and releases	-	-	-	-/- 11.7	-/- 57.5	-/- 69.2
- Share in results of participating interests and dividend received	-/- 0.4	-	-	-	-	-/- 0.4
BALANCE AS AT 31 DECEMBER 2009	**4.2**	**1.6**	**14.8**	**22.6**	**11.6**	**54.8**

PARTICIPATING INTERESTS

The participating interests relate, among other, to the non-consolidated interest in Eemshaven Sugar Terminal C.V., in Aviko Kloosterboer Verpakkingen B.V. and in the Spanish potato specialities company Eurofrits, S.A. As no significant control can be exercised on these interests, they are stated at the lower of cost of acquisition and value.

RECEIVABLES FROM MEMBERS

The non-interest-bearing receivables from members (EUR 14.8 million) relate to the long-term portion of amounts still to be deposited for issued shares (2008: EUR 14.8 million).

DEFERRED TAX ASSETS

The deferred tax assets item relates to the recognised available tax loss carry-forwards and temporary differences in the fiscal and commercial valuations. It is expected that EUR 3.7 million (2008: EUR 3.6 million) of this receivable will be recovered within one year.

The tax loss carry-forwards, insofar as they are not included in the balance sheet under deferred tax assets, amounts to EUR 18.8 million gross (2008: EUR 15.5 million).

OTHER RECEIVABLES

Cosun and the co-seller, joint venture partner AstraZeneca Holdings B.V., have accepted joint and several liability for possible claims following the sale of Advanta B.V. in 2004. Other receivables accordingly include an interest-bearing escrow of EUR 10.0 million (2008: EUR 20.0 million) that is not available on demand. This escrow will be settled not later than 2011.
In 2009, the restructuring aid (EUR 47.5 million) has been received in advance of the expected date. This aid relates to the renunciation of 13.6% of the quota and the termination of beet sugar production in Groningen by Suiker Unie.

(4) INVENTORIES

	2009	2008
Raw materials and consumables	56.6	71.8
Finished products and goods for resale	372.0	356.1
	428.6	**427.9**

Of the inventories, EUR 7.4 million (2008: EUR 6.5 million) is stated at lower market value. The provision for obsolete inventories amounts to EUR 8.3 million (2008: EUR 7.5 million).

(5) TRADE AND OTHER RECEIVABLES

	2009	2008
Trade accounts receivable	181.5	184.8
Receivables from members	0.7	0.8
Income tax receivable	0.8	4.4
Other tax receivables	26.0	25.9
Other receivables, prepayments and accrued income	49.9	82.6
	258.9	**298.5**

Included under other receivables, prepayments and accrued income is an amount of EUR 20.5 million (2008: EUR 8.2 million) for the pension asset arising from RJ 271 (refer to note 9).
The decrease of the other receivables, prepayments and accrued income mainly relates to the receipt of the restructuring aid of EUR 31.6 million relating to the renunciation of 13.6% of the quota and the termination of beet sugar production in Groningen by Suiker Unie as well as the receipt of the aid of EUR 23.4 million claimable for renouncing the sugar quota of Tovarna Sladkorja Ormoz d.d. in liquidation.

(6) CASH AND CASH EQUIVALENTS

An amount of EUR 27.8 million is not available on demand. This mainly relates to the blocked deposits regarding the received restructuring aid at Tovarna Sladkorja Ormoz d.d. in liquidation. In 2008 the cash and cash equivalents were freely available.

(7) CAPITAL AND RESERVES

For a breakdown of capital and reserves, please refer to the notes to the cooperative annual accounts.

As a result of Guideline 620 of the Dutch Accounting Standards Board, the part (2%) of the paid-up capital that is payable on demand of the members needs to be presented as liability in the consolidated annual accounts. This Guideline only applies to the consolidated accounts. As a result the consolidated equity differs from the equity in the cooperative annual accounts.

	2009	2008
Consolidated capital and reserves	732.4	701.3
Impact RJ 620	1.2	1.2
Cooperative capital and reserves	733.6	702.5

The consolidated statement of total recognised gains and losses is as follows:

	2009	2008
NET RESULT	59.4	41.0
Translation differences on foreign participating interests	-/- 0.1	-/- 0.6
TOTAL RESULT RECOGNISED BY COSUN	59.3	40.4

(8) MINORITY INTERESTS

	2009	2008
Balance as at 1 January	22.4	19.3
Movements:		
- Share in results	1.9	3.4
- Change in consolidation and capital contributions	-/- 1.8	2.7
- Dividend	-/- 1.8	-/- 3.0
- Exchange differences and other movements	-/- 0.1	-
BALANCE AS AT 31 DECEMBER	20.6	22.4

The minority interests consist largely of third-party shares in the Slovenian sugar factory Tovarna Sladkorja Ormoz d.d. in liquidation, the potato-processing factory Gansu Aviko Potato Processing Co. Ltd. and the trading company Limako B.V.

(9) PROVISIONS

	2009	2008
Deferred tax liabilities	38.1	59.9
Restructuring and reorganisation	12.1	14.4
Other provisions	31.8	36.1
	82.0	**110.4**
Pensions and other deferred employee benefits	17.7	21.6
	99.7	**132.0**

Of the provisions EUR 70.6 million (2008: EUR 107.7 million) is long term in nature.

Movements in provisions other than the provision for pensions and other deferred employee benefits were as follows:

	Deferred tax liabilities	Restructuring and reorganisation	Other provisions	Total
Balance as at 1 January 2009	59.9	14.4	36.1	110.4
Movements:				
- New in consolidation	-	-	3.8	3.8
- Additions	0.2	5.8	10.9	16.9
- Withdrawals	-/- 21.8	-/- 7.7	-/- 13.5	-/- 43.0
- Release to profit and loss account	-/- 0.3	-/- 0.4	-/- 5.5	-/- 6.2
- Exchange differences	0.1	-	-	0.1
BALANCE AS AT 31 DECEMBER 2009	**38.1**	**12.1**	**31.8**	**82.0**

DEFERRED TAXATION

The provision for deferred tax liabilities comprises the tax effect of the temporary differences between the commercial and the fiscal profit determination.

RESTRUCTURING AND REORGANISATION

The provision for restructuring and reorganisation relates to distributions and other expenses as a result of announced reorganisations and reorganisations commenced before the balance sheet date. A significant amount of the provisions relate to the closing of the sugar factory in Groningen, the integration process of CSM Suiker B.V. within Suiker Unie, the reorganisation of Nedalco and the closing of the Slovenian sugar factory Tovarna Sladkorja Ormoz d.d. in liquidation.

OTHER PROVISIONS

Other provisions amounting to EUR 1.8 million (2008: EUR 4.3 million) have been formed in respect of contract risks, claims and fines. Other provisions amounting to EUR 30.0 million (2008: EUR 31.8 million) have been formed for environmental risk, obligations related to the dismantling of assets and other risks.

PENSIONS AND OTHER DEFERRED EMPLOYEE BENEFITS

Several pension plans and other deferred employee benefits apply within Cosun. The life-long pension plans for a part of the employees of Cosun Holding and for the employees of the business groups Suiker Unie, Sensus, Nedalco and Aviko are administered separately by the business groups' own pension funds. Several other pension plans, including the transitional early retirement plans at Cosun Holding and Suiker Unie and the life-long pension plan at SVZ, are administered by insurance companies. A number of schemes have also been implemented within an industrial-sector pension fund or own management (long-service award and mortality schemes) by the company concerned. In the implementation of these various schemes, local legal frameworks are taken into account and the regulations are carried out as described in the terms and conditions of employment.

The breakdown of the net obligation for pensions and other deferred employee benefits is as follows:

	31 december 2009	31 december 2008
Present value of funded obligations	546.4	573.1
Present value of unfunded obligations	3.7	3.4
Present value of other deferred employee benefits	4.1	4.3
Fair value of plan assets	-/- 732.2	-/- 682.9
Present value of net obligations	**-/- 178.0**	**-/- 102.1**
Unrecognised actuarial gains and losses	147.3	94.5
Unrecognised past service costs for conditional pension benefits	-/- 7.1	-/- 7.9
Asset ceiling	35.0	28.9
NET ASSET/OBLIGATION	-/- 2.8	13.4
Presented in the balance sheet:		
Included under the other receivables, prepayments and accrued income	-/- 20.5	-/- 8.2
Included under provisions	17.7	21.6
BALANCE AS AT 31 DECEMBER	-/- 2.8	13.4

The break-down of movements in the net obligation disclosed in the balance sheet for pensions and other deferred employee benefits granted is as follows:

	2009	2008
Balance as at 1 January	13.4	20.1
Movements:		
- Reclassification	-	0.8
- New in consolidation	0.9	-
- Additions	-	1.9
- Sale of company	-	-/- 2.4
- Premiums paid	-/- 23.3	-/- 10.3
- Result included in the profit and loss account (see below)	6.2	3.3
BALANCE AS AT 31 DECEMBER	-/- 2.8	13.4

The break-down of the result included in the profit and loss account in respect of the pension plans accounted for as defined benefit plans is as follows:

	2009	2008
Current service cost	15.1	14.3
Employee contributions	-/- 1.2	-/- 1.4
Interest on obligations	31.1	28.7
Expected return on plan assets	-/- 39.6	-/- 35.1
Actuarial results	0.7	-/- 4.7
Past service costs	0.1	1.5
TOTAL	6.2	3.3

The pension cost is included in the staff costs in the profit and loss account.

Whereas in 2008 the interest rate hedging instruments produced a high investment result, the investment portfolio contributed from the recovering stock market climate in 2009. On balance, the return on investment for the total portfolio was EUR 51.1 million (2008: EUR 59.8 million).

The main actuarial assumptions were:

	2009	2008
Discount rate	6.0 %	5.5 %
Expected return on shares	8.6 %	8.4 %
Expected return on bonds	3.1 %	4.3 %
Future salary increases	2.0 %	2.0 %
Inflation rate medical costs	4.0 %	4.0 %
Future pension increases	1.0 - 2.0 %	1.0 – 2.0 %

The mortality table used was the forecast for 2050 of the Actuarieel Genootschap [Actuarial Association], with an adjustment of one year for men and women; before and after retirement age and starting table 2007-2012. This dynamic mortality table takes into account that mortality rates increase with the age of populations.

(10) NON-CURRENT LIABILITIES

	2009	**Effective interest rate**	2008	**Effective interest rate**
Debts to credit institutions	6.8	5.8 %	12.9	5.4 %
Debts to institutional investors	141.9	5.0 %	203.5	4.9 %
Long-term derivatives	29.7	-	42.6	-
Negative goodwill	27.8	-	1.3	-
	206.2		260.3	

DEBTS TO CREDIT INSTITUTIONS

The non-current debts to credit institutions have a residual term of between one and five years. EUR 3.6 million (2008: EUR 5.0 million) carries variable interest.

DEBTS TO INSTITUTIONAL INVESTORS

Amounts owed to institutional investors consist entirely of loans placed with Dutch, UK and US financial parties with a lump-sum repayment in the years 2010, 2013, 2015 and 2018 and financial instruments to mitigate the entire exchange rate risk for both the principal and interest payments. The loans are denominated partly in euros (EUR 56.0 million) and partly in US dollars (USD 207.5 million). An amount of EUR 74.5 million (USD 84.5 million) is repayable in 2010 and as a result has been presented as a current liability of a financing nature. Loans with a residual term of one to five years amount to EUR 72.5 million (2008: EUR 135.0 million). Financing is provided based on certain financial conditions agreed by the parties. All of these conditions are met.

LONG-TERM DERIVATIVES

Long-term derivatives include currency and interest rate swaps to hedge interest and exchange rate risk arising from liabilities to institutional investors.

These also include a swap concerning CO_2 emission rights. Under this swap, CO_2 emission rights were sold in 2008 with the obligation to buy the rights back in 2012.

NEGATIVE GOODWILL

The negative goodwill, relating to acquisitions, is amortised in proportion to the weighted average of the remaining useful life of the acquired depreciable assets.

(11) CURRENT LIABILITIES

	2009	2008
Debts to credit institutions	26.3	202.8
Liabilities of a financing nature	78.2	3.4
Total current liabilities to credit institutions and liabilities of a financing nature	104.5	206.2
Payables to members	130.7	83.3
Payables to suppliers and trade creditors	132.2	108.8
Income tax payable	6.0	5.7
Other taxes and social security contributions payable	17.8	10.8
Other current liabilities and accruals	115.1	138.4
Total other liabilities, accruals and deferrals	401.8	347.0

The other current liabilities and accruals relate to production levies, interest, holiday entitlements, bonuses and other expenses still be to paid.

Cosun can avail itself of a committed credit facility of EUR 150.0 million, furnished by a consortium of banks, with a residual term to the end of 2011. As at year-end 2009, an amount of EUR 15.0 million (2008: EUR 95.0 million) was drawn down from this credit facility. The credit facility is furnished under the condition that the financial ratios agreed by the parties are complied with. At year end all of these conditions were met.

As part of a special financing arrangement, Cosun can sell and buy back sugar. As at year-end, sales of sugar under this arrangement amounted to EUR 16.8 million (2008: EUR 90.3 million).

(12) FINANCIAL INSTRUMENTS

GENERAL

Cosun's treasury policy is aimed at hedging exchange and interest rate risks as much as possible. The exchange rate risk on financing contracts regarding group companies denominated in foreign currency is hedged by currency swaps. In accordance with its treasury policy, Cosun neither holds nor issues derivatives for trading purposes.

EXCHANGE RATE RISK

The following table shows the contract volumes and fair market value of the contracts outstanding at 31 December all of which have been concluded with financial institutions with an S&P credit rating of A or higher.

	Contract volume 2009	**Book value 2009**	**Fair market value 2009**	Contract volume 2008	Book value 2008	Fair market value 2008
Forward exchange contracts and currency swaps:						
US dollar	46.6	-	0.8	32.3	-/- 0.2	0.1
British pound	44.0	-/- 0.1	0.5	39.1	1.9	6.6
Hungarian forint	0.2	-	-	0.2	-	-
Polish zloty	12.2	-/- 0.5	-/- 0.1	14.5	-	0.7
Australian dollar	1.6	-	-	-	-	-
Swedish crown	2.0	-	-	1.8	-	0.1
TOTAL	**106.6**	**-/- 0.6**	**1.2**	**87.9**	**1.7**	**7.5**
Commodity futures contracts	-	0.5	0.5	-	0.5	0.5
Currency and interest rate swaps concerning liabilities to institutional investors	144.9	-/- 38.8	-/- 45.0	147.5	-/- 36.1	-/- 34.4
Other interest rate derivatives	20.0	-/- 0.5	-/- 0.5	60.0	-	-/- 0.3

The contract volume is the product of the contracted amount and applicable exchange rate as at the balance sheet date. The book value is the part of the contract volume for which the hedged position is realised, and is carried as the difference between the exchange rate as at balance sheet date and the hedged exchange rate. The fair value pertains to the total contract volume.

The fair value of the financial instruments not included in the table is not significantly different from the book value as at balance sheet date.

As in 2008, the forward exchange contracts, currency swaps and commodity future contracts have mainly a term shorter than one year. The contract volume with a term longer than one year amounts to EUR 20.6 million.
Of the currency and interest rate swaps concerning liabilities to institutional investors EUR 59.0 million (2008: nil) has a term shorter than one year. Of the other interest rate derivatives an amount of EUR 20.0 million (2008: EUR 27.5 million) has a term longer than one year.

CREDIT RISK

Credit risks differ by country and individual counterparty and are managed by means of credit limits for each country and counterparty. The credit risk relating to derivatives and other financial instruments is managed by only concluding contracts with financial institutions and counterparties with an S&P credit rating of A or higher.

INTEREST RATE RISK

To manage interest rate risks, between 50% and 100% of the interest payable on the long-term financing requirement is hedged by means of derivative financial instruments.

(13) OFF-BALANCE SHEET COMMITMENTS

SECURITIES PROVIDED
Financing agreements include negative pledges with pari passu clauses. A number of group companies have given security to credit institutions and tax authorities in the form of non-possessory pledges on inventories, machinery and business equipment, silent pledges on receivables and mortgages on a number of properties.

CLAIMS
Cosun and/or its group companies are involved in a number of legal cases in connection with the group's ordinary activities. Although the outcome of these disputes cannot be predicted with any certainty, it is assumed – partly on the basis of legal advice – that the total obligations arising from these will not have any significant effect on the consolidated financial position. Provisions have been formed for all third party claims likely to be awarded for which the size of the potential settlement can be reasonably estimated.

GUARANTEES
Cosun has given guarantees to third parties to an amount of approximately EUR 136.1 million (2008: EUR 45.1 million). Of this amount EUR 85.4 million relates to guarantees toward the government regarding the received restructuring aid.

LONG-TERM FINANCIAL COMMITMENTS
Long-term unconditional commitments have been entered into in respect of rent and operating lease. The obligations ensuing from this amount to EUR 6.5 million at year-end 2009 (2008: EUR 7.3 million). The rental and lease instalments payable within one year amount to approximately EUR 2.9 million (2008: EUR 2.5 million). Instalments payable after five years amount to nil (2008: EUR 0.1 million). Contingent investment liabilities amount to EUR 0.5 million (2008: EUR 3.3 million).

(14) NET TURNOVER
The break-down of net turnover per group is as follows:

	2009	%	2008	%
Basic ingredients	808.7	46.0	738.6	43.7
Alcohol and bio-ethanol	116.5	6.7	123.3	7.3
Potato products	582.2	33.1	588.0	34.8
Compound ingredients	301.4	17.1	315.0	18.6
TOTAL	1,808.8		1,764.9	
Intercompany supplies	-/- 50.9	-/- 2.9	-/- 75.6	-/- 4.4
	1,757.9	100.0	1,689.3	100.0

Net turnover per geographical region can be broken down as follows:

	2009	%	2008	%
The Netherlands	669.7	38.1	704.1	41.7
Rest of the EU	917.6	52.2	837.8	49.6
Rest of Europe	37.2	2.1	44.2	2.6
North and South America	63.5	3.6	53.9	3.2
Rest of the world	69.9	4.0	49.3	2.9
	1,757.9	100.0	1,689.3	100.0

(15) OTHER OPERATING INCOME
Book profits on sold assets, insurance payments received, subsidies, fees received for services to third parties and rental income are included under these revenues.
In 2009, this concerns various items including the revenue from the sale of assets proceeding from the closing of the sugar factory in Groningen and the Slovenian sugar factory Tovarna Sladkorja Ormoz d.d. in liquidation. In 2008, this item included the income related to restructurering aid (EUR 50.1 million) for closing down the sugar factory in Groningen.

(16) EU LEVIES
This item primarily relates to the balance of the expenses recognised for restructuring levies (EUR 75.8 million, 2008: EUR 127.8 million) imposed by the EU to finance the amended sugar market regime and production levies (EUR 10.8 million, 2008: EUR 8.8 million). The item also included export refunds.

(17) COST OF RAW MATERIALS AND CONSUMABLES
This item includes the cost of raw materials and consumables, purchased finished goods and production-related energy costs. Sugar beet purchases from members amounted to approximately EUR 231 million (2008: EUR 221 million).

(18) COST OF OUTSOURCED WORK AND OTHER EXTERNAL COSTS
This expense item includes, among other things, rental costs, research costs, repair and maintenance costs, indirect energy costs, transport costs, office expenses, selling expenses, insurance costs and IT costs, insofar as such expenses are charged by third parties.

The total Research & Development costs, including staff costs, amounted to EUR 7.8 million (2008: EUR 8.7 million).

(19) STAFF COSTS

	2009	2008
Wages and salaries	166.8	151.6
Social security contributions	33.8	31.4
Pension costs	6.3	8.0
	206.9	**191.0**

For an explanation of the results of defined benefit plans included in staff costs, refer to note 9.

NUMBER OF EMPLOYEES
Expressed in full-time equivalents, the average number of employees at Cosun during the 2009 financial year was 4,443 (2008: 4,266). The employees were engaged in the following activities (average number of employees):

	2009	2008
Basic ingredients	893	781
Alcohol and bio-ethanol	154	128
Potato products	1,877	1,833
Compound ingredients	1,402	1,414
Other	117	110
	4,443	**4,266**
Of whom employed outside the Netherlands	1,906	1,709

(20) OTHER CHANGES IN THE VALUE OF INTANGIBLE AND TANGIBLE FIXED ASSETS
In 2009, downward adjustment in value amounted to EUR 2.9 million and mainly related to the downward revaluation of the tangible fixed assets of SVZ and Tovarna Sladkorja Ormoz d.d. in liquidation. The downward adjustment in value in 2008 mainly related to the downward revaluation of the assets of the sugar factory in Groningen and amounted to EUR 17.1 million.

(21) FINANCIAL INCOME AND EXPENSE

Financial income and expense includes interest on interest-bearing amounts receivable and debts. The decrease of financial expenses in comparison to 2008 can primarily be explained by the decrease in the financing positions of Cosun and lower levels of interest rates.

(22) TAXATION ON RESULTS FROM ORDINARY ACTIVITIES

The corporate income tax disclosed in the profit and loss account amounts to EUR 17.9 million on a result of EUR 79.0 million. The effective tax rate was 22.7% (2008: 30.5%). The difference from the nominal tax rate can be specified as follows:

	2009	%	2008	%
Profit before taxation	79.0		63.9	
Income tax based on Dutch tax rates	20.1	25.5	16.3	25.5
Effect of foreign tax rates	1.0	1.3	2.6	4.1
Non-deductible charges / permanent differences	-/- 3.8	-/- 4.8	-/- 0.2	-/- 0.3
Effect of change in the valuation of tax loss carry-forwards	1.2	1.5	0.3	0.5
Other	-/- 0.6	-/- 0.8	0.5	0.7
Total tax burden	17.9	22.7	19.5	30.5

(23) CASH FLOW STATEMENT

Movements in the cash flow statement can be derived largely from the movements in the relevant balance sheet items. The balance sheet movement and the cash flow statement movement of certain items are reconciled below:

	Working capital	Provisions	Non-current liabilities
Balance at year-end 2008	379.4	-/- 132.0	-/- 260.3
Balance at year-end 2009	285.7	-/- 99.7	-/- 206.2
Balance sheet movements	**93.7**	**-/- 32.3**	**-/- 54.1**
Adjustments for:			
- Changes in consolidation and sale of participating interests	35.4	-/- 3.0	-/- 32.7
- Payment on shares	-/- 23.7	-	-
- Changes in income tax positions	-/- 3.9	-/- 21.8	-
- Reclassification	0.1	-	81.7
CASH FLOW	101.6	-/- 57.1	-/- 5.1

Cooperative balance sheet

(after profit appropriation; in EUR million)

At year-end	*Notes*	**2009**	2008
ASSETS			
Fixed assets			
Intangible fixed assets	(24)	123.9	133.5
Tangible fixed assets	(25)	176.3	183.9
Financial fixed assets	(26)	554.0	514.8
		854.2	832.2
CURRENT ASSETS			
Inventories	(27)	230.3	228.0
Trade and other receivables	(28)	299.2	408.0
Cash and cash equivalents		0.1	31.3
		529.6	667.3
Total assets		1.383.8	1,499.5
EQUITY AND LIABILITIES			
Capital and reserves	(29)	733.6	702.5
Provisions	(30)	66.1	91.5
Non-current liabilities	(31)	171.6	246.1
Current liabilities	(32)		
Current liabilities to credit institutions and liabilities of a financing nature		87.9	186.7
Other liabilities, accruals and deferrals		324.6	272.7
		412.5	459.4
Total equity and liabilities		1,383.8	1,499.5

Cooperative profit and loss account

(in EUR million)

For the financial year	**2009**	2008
Cooperative result after taxation	48.5	42.7
Profit of participating interests after taxation	10.9	-/- 1.7
NET RESULT	59.4	41.0

APPROPRIATION OF PROFIT IN ACCORDANCE WITH ARTICLE 1 OF THE SUGAR BEET DELIVERY PAYMENT REGULATIONS

Result of participating interests less dividends received	7.2	-/- 5.7
Cooperative result including dividends from participating interests	52.2	46.7

Notes to the cooperative annual accounts

(in EUR million)

GENERAL

Insofar as notes on items in the cooperative balance sheet and profit and loss account are not provided below, reference is made to the notes to the consolidated balance sheet and profit and loss account.

ACCOUNTING POLICIES

The cooperative balance sheet and profit and loss account are prepared using the same accounting policies as applied for the consolidated balance sheet and profit and loss account.

(24) INTANGIBLE FIXED ASSETS

Movements in intangible fixed assets were as follows:

	Goodwill	Other intangible fixed assets	Total
Book value as at 1 January 2009	133.4	0.1	133.5
Movements:			
- Investments	0.3	-	0.3
- Amortisation	-/- 9.9	-	-/- 9.9
BOOK VALUE AS AT 31 DECEMBER 2009	**123.8**	**0.1**	**123.9**
Accumulated amortisation and other value adjustments as at 1 January 2009	54.9	27.0	81.9
Accumulated amortisation and other value adjustments as at 31 December 2009	64.8	1.4	66.2

(25) TANGIBLE FIXED ASSETS

Movements in tangible fixed were as follows:

	Land and buildings	Machinery and equipment	Other tangible fixed assets	Prepay-ments and in production	Not used for operations	Total
Book value at 1 January 2009	43.6	125.4	3.2	0.9	10.8	183.9
Movements:						
- Investments	-	18.0	0.5	0.7	-	19.2
- Depreciation	-/- 3.4	-/- 22.4	-/- 1.0	-	-	-/- 26.8
- Transfer	-/- 0.4	1.1	-	-/- 0.7	-	-
BOOK VALUE AS AT 31 DECEMBER 2009	**39.8**	**122.1**	**2.7**	**0.9**	**10.8**	**176.3**
Accumulated depreciation and other value adjustments as at 1 January 2009	47.5	129.8	17.4	-	-	194.7
Accumulated depreciation and other value adjustments as at 31 December 2009	50.6	152.1	17.6	-	-	220.3

(26) FINANCIAL FIXED ASSETS

	2009	2008
Participating interests in group companies	338.7	228.6
Receivables from group companies	197.0	212.5
Deferred tax assets	3.3	11.2
Receivables from members	14.8	14.8
Other receivables	0.2	47.7
	554.0	514.8

Movements in financial fixed assets were as follows:

	Participating interests in group companies	Receivables from group companies	Receivables from members	Deferred tax assets	Other receivables	Total
Balance as at 1 January 2009	228.6	212.5	14.8	11.2	47.7	514.8
Movements:						
- Share in result of participating interests	10.9	-	-	-	-	10.9
- Acquisitions	10.0	-	-	-	-	10.0
- Investments and issuances	100.0	88.5	-	-	-	188.5
- Repayments and releases	-	-/- 104.0	-	-/- 7.9	-/- 47.5	-/- 159.4
- Dividend	-/- 3.7	-	-	-	-	-/- 3.7
- Exchange differences	0.9	-	-	-	-	0.9
- Other movements	-/- 8.0	-	-	-	-	-/- 8.0
BALANCE AS AT 31 DECEMBER 2009	338.7	197.0	14.8	3.3	0.2	554.0

PARTICIPATING INTERESTS IN GROUP COMPANIES

In 2009, a loan of EUR 100 million granted to Wagenberg Breda B.V. has been converted into share capital and share premium. Furthermore, an amount of EUR 10 million has been contributed to the capital of Cosun Germany GmbH, for the purpose of the acquisition of Danisco Sugar GmbH.

RECEIVABLES FROM GROUP COMPANIES

In 2009, EUR 85 million of short-term financing granted to SVZ International B.V. has been converted into a long-term loan.

RECEIVABLES FROM MEMBERS

Other receivables include EUR 14.8 million relating to the long-term portion of amounts still to be deposited for issued shares (2008: EUR 14.8 million).

OTHER RECEIVABLES

In 2009, EUR 47.5 million restructuring aid has been received in advance of the expected date.

(27) INVENTORIES

	2009	2008
Raw materials and consumables	6.5	7.2
Finished products and goods for resale	223.8	220.8
	230.3	228.0

Of the inventories, EUR 0.1 million (2008: 0.1 million) is stated at lower market value. The provision for obsolete inventories amounts to EUR 2.8 million (2008: EUR 3.8 million). As part of a special financing arrangement, Cosun can sell and buy back sugar. As at year-end, sales of sugar under this arrangement amounted to EUR 16.8 million (2008: EUR 90.3 million).

(28) TRADE AND OTHER RECEIVABLES

	2009	2008
Trade accounts receivable	49.2	48.5
Receivables from group companies	202.5	305.6
Short-term portion of amount still to be paid up for issued shares	0.7	0.8
Income tax receivable	-	0.7
Other tax receivables	14.4	9.0
Other receivables and accrued income	32.4	43.4
	299.2	408.0

(29) CAPITAL AND RESERVES

	2009	2008
Issued share capital and share premium	61.0	61.3
Reserve for participating interests	2.8	3.0
Reserve for exchange differences	-/- 5.8	-/- 6.8
Total statutory reserves	-/- 3.0	-/- 3.8
Other reserves	675.6	645.0
	733.6	702.5

ISSUED SHARE CAPITAL AND SHARE PREMIUM

	Share capital	Share premium reserve	Total 2009	Total 2008
Balance as at 1 January	7.3	54.0	61.3	64.9
Movements:				
- Shares issued	0.3	0.9	1.2	1.2
- Shares redeemed	-/- 0.4	-/- 1.1	-/- 1.5	-/- 4.8
BALANCE AS AT 31 DECEMBER	7.2	53.8	61.0	61.3

The total number of issued shares is 158,945 (2008: 160,238), with the nominal value amounting to EUR 45.40 per share. In 2009, 6,897 shares were issued and 8,190 shares were redeemed and withdrawn. Based on RJ 620, EUR 1.2 million has been presented as liability in the consolidated annual accounts (refer to note 7).

STATUTORY RESERVES, OTHER RESERVES AND RESULTS

	Participating interests reserve	Exchange differences reserve	Other reserves	Total 2009	Total 2008
Balance as at 1 January	3.0	-/- 6.8	645.0	641.2	620.8
Movements:					
- Profit appropriation	-	-	52.5	52.5	40.3
- Paid to members	-	-	-/- 23.3	-/- 23.3	-/- 12.8
- Exchange differences	-	1.0	-	1.0	-/- 7.1
- Other movements	-	-	1.2	1.2	-
- Transfer	-/- 0.2	-	0.2	-	-
BALANCE AS AT 31 DECEMBER	**2.8**	**-/- 5.8**	**675.6**	**672.6**	**641.2**

From the 2009 net result of EUR 59.4 million, EUR 52.5 million has been added to the other reserves and the remainder is included under the current liabilities (EUR 6.9 million to be paid by virtue of the Share Payment Scheme), in accordance with the proposed profit appropriation.

RESERVE FOR PARTICIPATING INTERESTS
The reserve for participating interests is composed of reserves maintained by participating interests, on which limitations lie as a result of statutory regulations or the articles of association.

OTHER RESERVES
On the basis of section 46 of the articles of association, payments take place to members and contracted parties. Effective from January 2000, these payments are in accordance with the Sugar Beet Delivery Payment Regulations; previously the Cessation of Business Regulations had been applicable. The payment amount depends on the average number of tonnes of sugar beet delivered, the average cooperative result including the dividend from participating interests per tonne of sugar beet for the three previous financial years, and a factor per campaign.

During the transitional period, the payments will also be made based on the Cessation of Business Regulations, for which the amount depends on the number of shares possessed by the members, the number of financial years that the shares have been in the possession of the members, and the average cooperative result including dividend from participating interests per share for the three previous financial years. The payment may be demanded from the moment business operations ceased, or after a delivery period of at least 15 consecutive campaigns. In the event that all members would have had the right to receive payment as at 31 December 2009, this would amount to EUR 75.2 million (2008: 62.1 million). Payments are charged to other reserves. On the basis of the cooperative entry conditions, as agreed by Cosun with the former CSM sugar beet growers, a capital contribution of EUR 500 per share has been made by the parties concerned. In accordance with these agreements, Cosun has undertaken to pay back at least the aforementioned contribution by 2016, provided that the conditions for the membership application and the requirements of the Sugar Beet Payment Regulations are observed. The present value of the obligation to these members as at 2016 amounts, with a discount rate of 5% and a term of 7 years in accordance with the conditions for entry into the cooperative, to EUR 20.7 million (2008: EUR 20.5 million).

In 2009, it is decided to align the rights resulting from shares issued before 2007 (old shares) and the rights resulting from the shares issued as of 2007 (new shares) in an earlier stage than planned.
A reduction of the assimilation period is made possible by simultaneously granting an additional payment to the members with old shares. This additional payment is financed from incidental profits. Early 2010, it is decided to realise a first reduction of 3 years.

(30) PROVISIONS

	2009	2008
Deferred tax liabilities	32.3	53.8
Restructuring and reorganisation	5.1	9.0
Other	25.6	27.3
	63.0	**90.1**
Pensions and other deferred employee benefits	3.1	1.4
	66.1	**91.5**

Approximately EUR 42.3 million (2008: EUR 68.4 million) of the provisions is long term in nature.

Movements in provisions other than the provision for pensions and other deferred employee benefits were as follows:

	Deferred tax liabilities	Restructuring and reorganisation	Other	Total
Balance as at 1 January 2009	53.8	9.0	27.3	90.1
Movements:				
- Additions	-	0.2	8.7	8.9
- Withdrawals	-/- 21.5	-/- 3.7	-/- 10.4	-/- 35.6
- Release to profit and loss account	-	-/- 0.4	-	-/- 0.4
BALANCE AS AT 31 DECEMBER 2009	32.3	5.1	25.6	63.0

PENSIONS AND OTHER DEFERRED EMPLOYEE BENEFITS

	2009	2008
Present value of funded obligations	349.8	368.4
Present value of unfunded obligations	2.0	2.1
Present value of other deferred employee benefits	1.9	1.8
Fair value of plan assets	-/- 488.3	-/- 462.4
Present value of net obligations	**-/- 134.6**	**-/- 90.1**
Unrecognised actuarial gains and losses	88.6	58.0
Unrecognised past service costs for conditional pension benefits	-/- 3.1	-/- 3.5
Asset ceiling	33.1	28.9
NET OBLIGATION	-/- 16.0	-/- 6.7
Presented in the balance sheet:		
Included under the other receivables, prepayments and accrued income	-/- 19.1	-/- 8.1
Included under provisions	3.1	1.4
BALANCE AS AT 31 DECEMBER	-/- 16.0	-/- 6.7

Movements in the net obligation disclosed in the balance sheet for pensions and other deferred employee benefits granted were as follows:

	2009	2008
Balance as at 1 January	-/- 6.7	-/- 6.1
Movements:		
- Additions	-	1.9
- Reclassification	-	1.1
- Premiums paid	-/- 9.9	-/- 3.6
- Charge included in the profit and loss account (see below)	0.6	0.0
BALANCE AS AT 31 DECEMBER	-/- 16.0	-/- 6.7

The result included in the profit and loss account in respect of the pension plans accounted for as defined benefit plans can be specified as follows:

	2009	2008
Current service costs	7.3	7.0
Interest on obligations	19.9	18.6
Expected return on plan assets	-/- 26.8	-/- 24.0
Actuarial results	-/- 0.2	-/- 2.7
Past service costs	0.4	1.1
TOTAL	0.6	0.0

The actual return on plan assets amounts to EUR 38.7 million (2008: EUR 40.7 million). For details about the applied actuarial assumptions and an explanation of the return on investment, please refer to the notes to the consolidated figures.

(31) NON-CURRENT LIABILITIES

	2009	**Effective interest rate**	2008	Effective interest rate
Debts to institutional investors	141.9	5.0 %	203.5	4.9 %
Long-term derivatives	29.7	-	42.6	-
Total non-current liabilities	171.6		246.1	

LONG-TERM DERIVATIVES

Long-term derivatives include currency and interest rate swaps to hedge interest and exchange rate risks arising from liabilities to institutional investors.
These also include a swap concerning CO_2 emission rights. Under this swap, CO_2 emission rights were sold in 2008 with the obligation to buy the rights back in 2012.

(32) CURRENT LIABILITIES

	2009	2008
Debts to credit institutions	9.7	183.3
Liabilities of a financing nature	78.2	3.4
Total current liabilities to credit institutions and liabilities of a financing nature	87.9	186.7
Payables to group companies	93.3	62.0
Payables to members	130.1	83.1
Payables to suppliers and trade creditors	28.2	29.3
Income tax payable	2.9	-
Other taxes and social security contributions payable	10.3	2.2
Other current liabilities and accruals	59.8	96.1
Total other liabilities, accruals and deferrals	324.6	272.7

(33) OFF-BALANCE SHEET COMMITMENTS

Several liability and guarantees

Cosun has given guarantees to third parties to an amount of approximately EUR 104.5 million (2008: EUR 32.0 million). Of this amount EUR 85.4 million relates to guarantees toward the government regarding the received restructuring aid.

(34) FEES OF THE AUDITOR

The following fees have been charged by KPMG Accountants to the company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a (1 and 2) of the Netherlands Civil Code.

	KPMG Accountants N.V.	Other KPMG network	Total KPMG
Audit of the annual accounts	0.3	0.4	0.7
Other assurance services	0.1	-	0.1
Tax advisory services	-	0.1	0.1
Other non-audit services	0.1	-	0.1
TOTAL	0.5	0.5	1.0

In the year 2008 the following fees were charged to the company:

	KPMG Accountants N.V.	Other KPMG network	Total KPMG
Audit of the annual accounts	0.4	0.3	0.7
Other assurance services	-	-	-
Tax advisory services	-	0.1	0.1
Other non-audit services	0.1	-	0.1
TOTAL	0.5	0.4	0.9

(35) OTHER INFORMATION

The remuneration, including pension costs as referred to in Section 2:383(1) of the Netherlands Civil Code, of current and former members of the Board amounted to EUR 0.5 million (2008: EUR 0.5 million) and that of current and former members of the Supervisory Board to EUR 0.1 million (2008: EUR 0.1 million). The remuneration was charged to the result.

Board

J.E.M. van Campen
G.M. van Tilburg
I.L.G. van Melle
P.W.M van den Berg
J.M. Klompe
D. H. de Lugt
A. Maarsingh
J.M.M. Megens
Ms. G. Prins
J.A. Smid
T. van der Torren

Supervisory Board

W. van der Zee
J.F. Botma
J. Bartelds
C.E.M. de Waal
N.H. van Halder
P. Molenaar
F. Wiersema

Breda, 11 March 2010

Other information

AUDITOR'S REPORT
To the Supervisory Board of Koninklijke Coöperatie Cosun U.A.

REPORT ON THE ANNUAL ACCOUNTS
We have audited the accompanying annual accounts 2009 of Koninklijke Coöperatie Cosun U.A., Breda, which comprise the consolidated and company balance sheet as at 31 December 2009, the consolidated and company profit and loss account for the year then ended and the notes.

MANAGEMENT'S RESPONSIBILITY
Management is responsible for the preparation and fair presentation of the annual accounts and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY
Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION
In our opinion, the annual accounts give a true and fair view of the financial position of Koninklijke Coöperatie Cosun U.A. as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS
Pursuant to the legal requirements under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the annual review, as included in a separate publication, is consistent with the annual accounts as required by 2:391 sub 4 of the Netherlands Civil Code.

Eindhoven, 11 March 2010

KPMG ACCOUNTANTS N.V.
L.J.J.M. Vale RA

PROVISIONS IN THE ARTICLES OF ASSOCIATION GOVERNING THE APPROPRIATION OF PROFIT

The appropriation of the profit for the year is laid down in the Articles of Association (Article 42, paragraphs 1 and 2) as follows: the Board shall determine what proportion of the cooperative's profit for the year shall be added to reserves. Unless the Members' Council resolves otherwise on the Boards' recommendation, the amount remaining after the above addition shall be distributed among those members who were A members or B members at the end of the financial year in question, or who had ceased to be A members or B members during or at the end of that financial year; with regard to B members, the distribution shall be made with due regard for the Membership Agreement and at the direction of the relevant C members in accordance with the quantity of produce supplied to the cooperative in that financial year and in accordance with the method of payment stipulated in the Sugar Beet Regulation.

PROPOSED PROFIT APPROPRIATION

The net result for the 2008 financial year is added to the other reserves, in accordance with the decision of the Board on 12 March 2009.

The Board decided on 20 January 2010 to make a distribution on shares totalling EUR 6.9 million. The Board intends to decide that EUR 52.5 million, the remainder of the net result of EUR 59.4 million, be added to the other reserves.

The above has already been included in the cooperative's 2009 annual accounts.

POST-BALANCE SHEET EVENTS

On 12 February 2010 the land of Nedalco in Bergen op Zoom was transferred to the municipality of Bergen op Zoom. The income on the sale was EUR 60 million.

Addresses

Royal Cosun
Cosunpark 1
P.O. Box 3411
NL-4800 MG Breda
Telephone +31 76 530 33 22
Fax +31 76 530 33 03
Internet www.cosun.nl
E-mail infocosun@cosun.com

Cosun Food Technology Center
P.O. Box 1308
NL-4700 BH Roosendaal
Telephone +31 165 58 28 10
Fax +31 165 55 13 52
Internet www.cosun.nl

Suiker Unie
P.O. Box 100
NL-4750 AC Oud-Gastel
Telephone +31 165 52 52 52
Fax +31 165 52 52 55
Internet www.suikerunie.nl
E-mail info@suikerunie.com

Sensus
P.O. Box 1308
NL-4700 BH Roosendaal
Telephone +31 165 58 25 00
Fax +31 165 54 60 83
Internet www.sensus.nl
E-mail info@sensus.com

Royal Nedalco
P.O. Box 6
NL-4600 AA Bergen op Zoom
Telephone +31 164 21 34 00
Fax +31 164 21 34 01
Internet www.nedalco.nl
E-mail info@nedalco.nl

Aviko
P.O. Box 8
NL-7220 AA Steenderen
Telephone +31 575 45 82 00
Fax +31 575 45 83 80
Internet www.aviko.nl
E-mail info@aviko.nl

SVZ
P.O. Box 27
NL-4870 AA Etten-Leur
Telephone +31 76 504 94 94
Fax +31 76 504 94 00
Internet www.svz.com
E-mail info@svz-nl.com

Unifine Food & Bake Ingredients
P.O. Box 9394
NL-4801 LJ Breda
Telephone +31 76 572 41 40
Fax +31 76 572 41 50
Internet www.unifine.nl
E-mail info@unifine.com