

Informative meeting October 7th 2010



Through the eyes of artists

9 billion people to feed by the year 2040...

In order to anticipate and contribute to providing a better response to the evolution of food requirements, Vilmorin relies on its capacity for research and international development

With this inevitable prospective vision of food as its starting point, Vilmorin has chosen to get involved in culinary design or in other words, "What will our eating habits be like tomorrow?"

Exploring similarities between varietal and artistic creation, and after 6 years' reflection alongside a group of confirmed artists, Vilmorin has decided to turn towards the talents of tomorrow.

And so Vilmorin has opted to support the "saplings" of the culinary design workshop at the Reims Higher School of Arts and Design, accompanied by Marc BRÉTILLOT (an internationally acclaimed designer and pioneer in the discipline), by displaying their works in the following presentation.

This partnership also forms part of the pedagogical program for culinary design at the Reims Higher School of Arts and Design through a workshop to reflect on tomorrow's food.

You can admire all the artistic works in the gallery of our website www.vilmorin.info

For more information: www.esad-reims.fr / www.marcbretilot.com

Opening photo

Julie ROTHAHN | Vegetable artist

A choice of flavors organized in the form of a color chart

The vegetable artist speaks of the evolution of questions of food, as we grow more and more concerned with health.

But also also of the evolution of consumption modes, and in particular the explosion of industrial frozen foods.

A formal interpretation of the color chart relates the cross between the universe of art and graphics, and that of food.

The full color range of vegetables is highlighted and the consumer can play along by composing what is on his or her plate. Manipulation is what is important in my opinion. Even if we don't have enough time to prepare vegetables, a different relationship is created with food, and we manipulate it like an object, we actually produce things..."

AGENDA

- 1 | **Summary and highlights 2009-2010**
- 2 | **Annual results 2009-2010**
- 3 | **Strategy**
- 4 | **Trends and outlook for 2010-2011**

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1 | **Summary and highlights 2009-2010**



Annual results 2009-2010



Summary

- ▶ **Fine vigorous internal growth, particularly internationally and in the vegetable seeds division, in a market environment that remains difficult**
 - Consolidated sales: 1.064 billion Euros. +4.6%* with current data
- ▶ **Increase in operating charges (research, marketing and sales) made with the purpose of sustaining growth, and confirmation of non-recurring charges (industrial reorganization costs, impairment of brands and divestments) with a significant impact on the operating margin**
 - Operating margin: 9.1%. -1.7 percentage points*
 - Current operating margin: 10.3%, stable*
- ▶ **Slight progression of the group's share in the net result**
 - Net result group share: €54.2 M + €1.2 M*
- ▶ **A solid financial situation, strengthened by the capital increase of €200 M**
 - Gearing: 24%

* Variation compared with 2008-2009

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Annual results 2009-2010



Highlights for the fiscal year

- ▶ **A market environment still affected by the economic and financial crisis with pressure on the prices of raw agricultural materials**
- ▶ **Market shares taken, as a result of proactive innovation and distribution policies**

Crop	Zone	Competitive position	Trend
Vegetables	World	No. 2	+
Corn	North America	No. 4	+
Corn	Europe 25	No. 3	=
Sunflower	Europe 27	No. 3	++
Rapeseed	Europe 25	No. 4	+
Wheat	Europe 25	No. 1	+

Source: internal estimates

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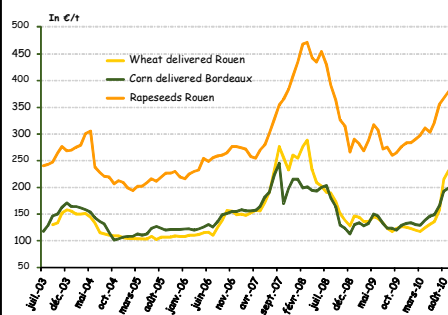
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Annual results 2009-2010

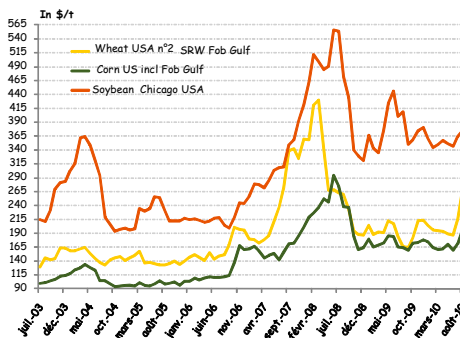


Pressure and volatility of the prices of agricultural raw materials

French market



American market



Source: France AgriMer

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Annual results 2009-2010



Highlights for the fiscal year

- ▶ Operations to consolidate the positions in vegetable seeds on strategic markets and crops, and the opening of new areas for the development of field seeds
- ▶ Intensification of research partnerships and closing of new strategic alliances: Arcadia Biosciences
- ▶ Governance extended by setting up an Audit and Risk Management Committee and the Shareholders' Consultative Committee

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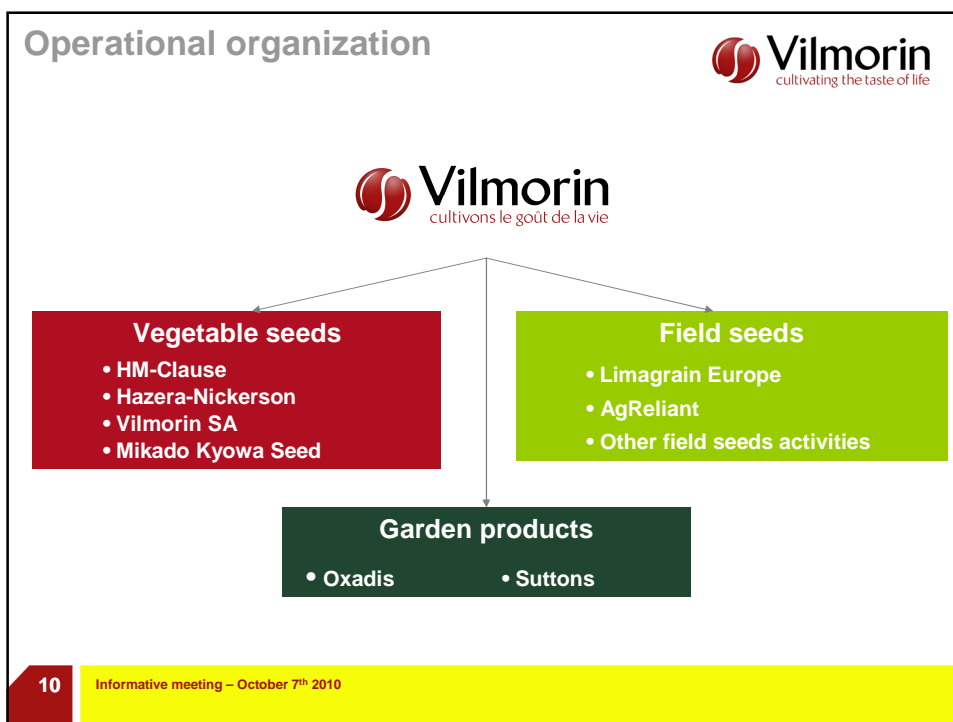




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Annual results 2009-2010





Annual results 2009-2010



► Accounting reference

- IFRS on June 30th 2010

► Main acquisitions during the fiscal year (global integrations)

- Mikado Dalian, subsidiary of Mikado Kyowa (Vegetable seeds. China) in July 2009
- Clovis Matton (Field seeds. Belgium) in August 2009
- Su Tarim (Vegetable seeds. Turkey) in December 2009
- Mesa Maize (Vegetable seeds. United States) in April 2010
- Atash (Field seeds. India) in October 2009

... and start-ups

- Limagrain Cereal Seeds (Field Seeds. United States)
- Limagrain South America (Field Seeds. Argentina)

► Rates of the main currencies (evolution since June 30th 2009)

• \$	average = 1.39 (1.37)	close = 1.23 (1.41)
• ¥	average = 127 (136)	close = 108 (136)
• £	average = 0.88 (0.86)	close = 0.82 (0.85)
• ILS	average = 5.26 (5.27)	close= 4.76 (5.53)

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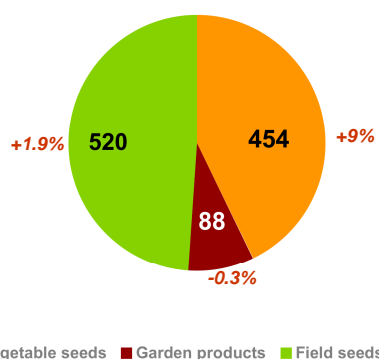
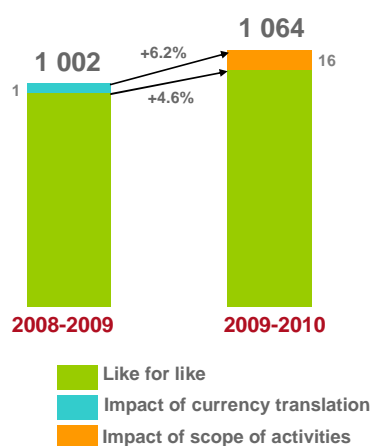
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Annual results 2009-2010



Consolidated sales*

in M€



Contribution to consolidated sales like for like

* Income from ordinary activities

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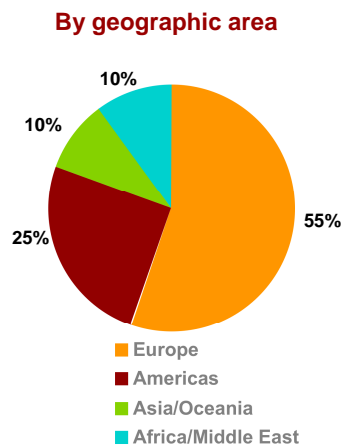
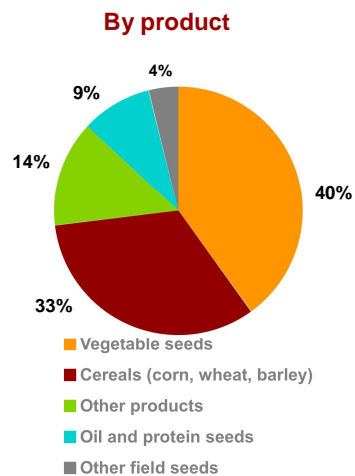
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Annual results 2009-2010



Analysis of sales of goods

in M€



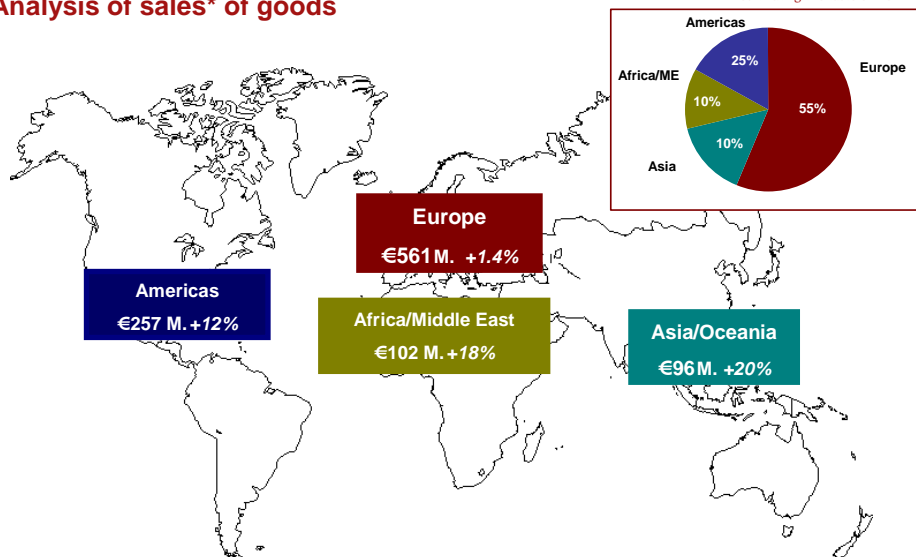
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Annual results 2009-2010



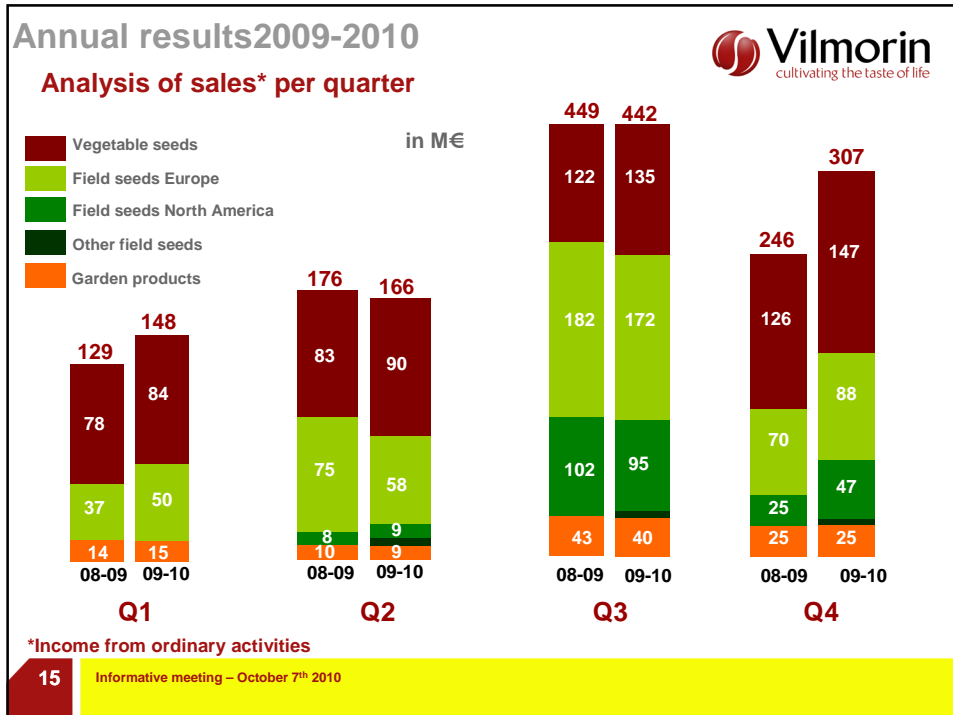
Analysis of sales* of goods



* Variation in current data compared with 2008-2009

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Annual results 2009-2010

Income statement

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In M€	06.30.09	06.30.10	Variation
Sales	1 001.7	1 063.8	+6.2%
Margin on sales	452.9	483.6	+6.8%
Margin on sales rate	45.2%	45.5%	+0.3% pts
Operating income	107.9	97.2	-10.7 M€
Operating margin	10.8%	9.1%	-1.7% pts
Financial income	(26.6)	(12.2)	+14.4 M€
Profit from associated companies	(1.1)	0.5	+1.6 M€
Income taxes	(20.0)	(27.8)	-7.8 M€
Discontinued operations	-	2.5	+2.5 M€
Net income	60.2	60.1	=
Net income Group share	53.0	54.2	+1.2 M€

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Annual results 2009-2010



Income statement – operating charges

In M€	06.30.09	06.30.10
Marketing and sales	(155.1)	(166.0)
Research and development	(83.8)	(98.5)
Administration and other charges	(106.7)	(109.7)
Impairments	(1.4)	(2.7)
Reorganizations	(0.7)	(4.8)
Divestments	2.7	(4.6)
	0.6	(12.1)
Net operating charges	(345.0)	(386.4)

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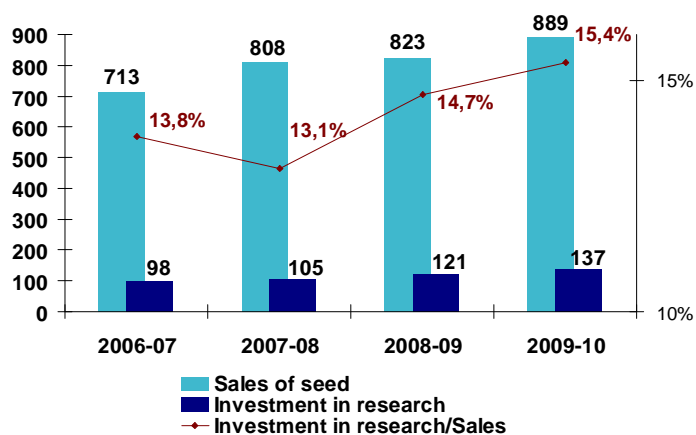
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Annual results 2009-2010



Investment in research

in M€



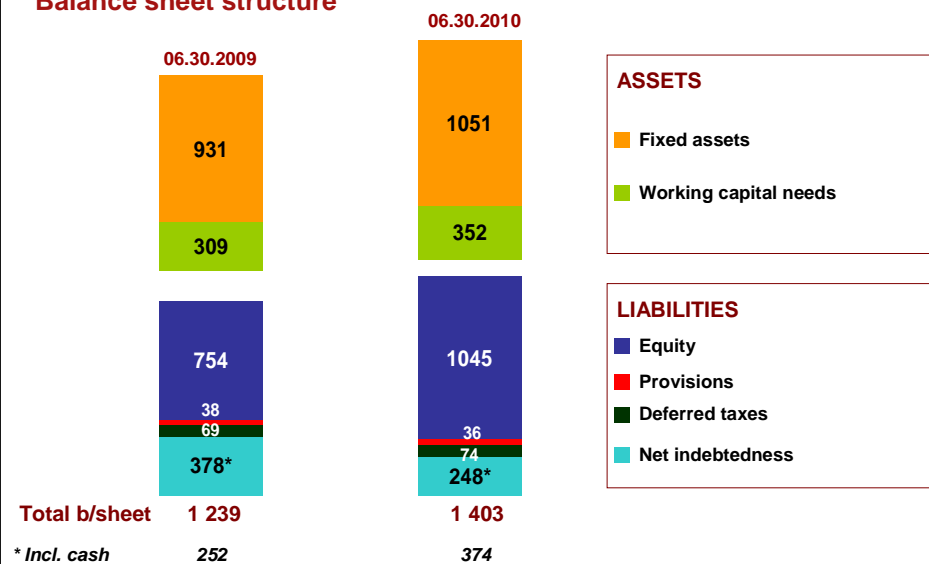
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Annual results 2009-2010



Balance sheet structure



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Annual results 2009-2010



Free cash-flow

In M€	2008-2009	2009-2010
Debts at the beginning of the fiscal year	334	378
EBITDA	207	206
Variation in working capital needs	-7	-22
Other operating items	-31	-30
Cash-flow from operating activities	169	154
Net industrial investments	-40	-50
Development costs	-89	-100
Acquisitions/divestments	-22	-34
Net financial charges	-23	-19
Dividends	-23	-24
Equity contributions	-	203
Free cash-flow	-28	130
Other restatements (IFRS, currency, scope)	-16	0
Debts at the end of the fiscal year	378	248

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Annual results 2009-2010



Key figures per division (contribution to consolidated sales)

In M€	Sales*	Operating income	Net income
Vegetable seeds	454.3	65.4	44.8
Field seeds	519.7	35.8	22.9
Garden products	88.3	2.6	1.0
Holdings	1.5	(6.6)	(8.6)
Consolidated sales	1 063.8	97.2	60.1

* Income from ordinary activities

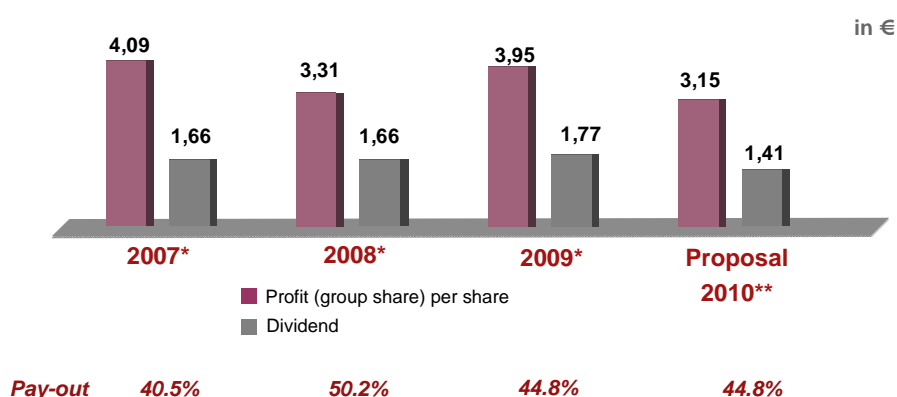
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Dividend proposal



* calculated on the basis of 13 391 857 shares

** calculated on the basis 17 218 101 shares

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3 | Strategy



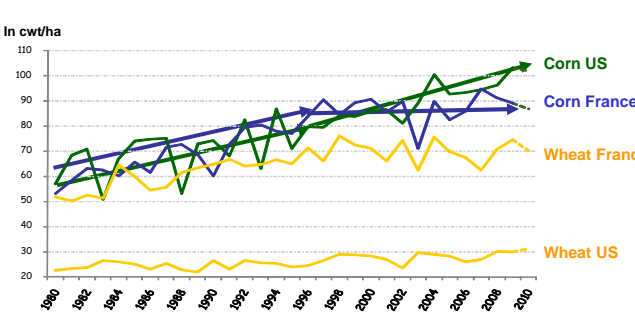
Strategy

Market for seeds: sustainable growth

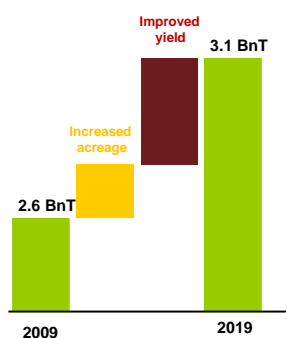
- ▶ Increase in the needs for agricultural raw materials
food/feed, agri-fuels, industrial applications
- ▶ Required improvement in yields dependent on the
improvement of varieties, the main lever for growth


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Evolution in yields for corn and wheat. France – United States



Evolution of world agricultural production (cereals and oil/protein)



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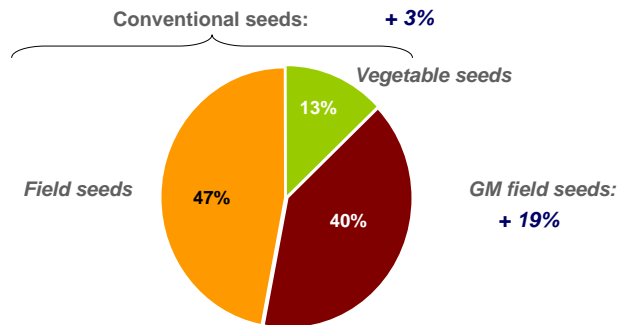
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Sources: Agreste, USDA, FAO. 2010

Strategy



Market for seeds: sustainable growth



Market value 2009: \$27 Bn

World market for seeds (main crops) per segment in 2009.
(Average growth / year between 2002 and 2009)

Source: P. McDougall
Studies in 2007, 2008 and 2009

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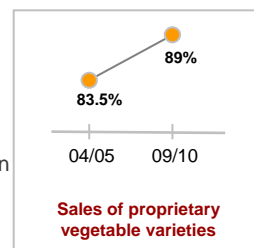
Strategy



The capacity to win market shares through innovation

- Sustained investment in innovation on vegetable seed and field seed markets (conventional and GM corn, sunflower, rapeseed) considered to be strategic

- Average renewal of product portfolio every 5 years
- Sales of proprietary varieties up in vegetable seeds and being consolidated in field seeds, a sign that research programs are on line with market expectations.
 - sales of proprietary vegetable varieties in 09-10: 89%
 - sales of proprietary field crop varieties in 09-10: 2/3



- Ambitious innovation programs to take up positions in field seeds today on the profitable markets of tomorrow: proprietary GM wheat and hybrid wheat

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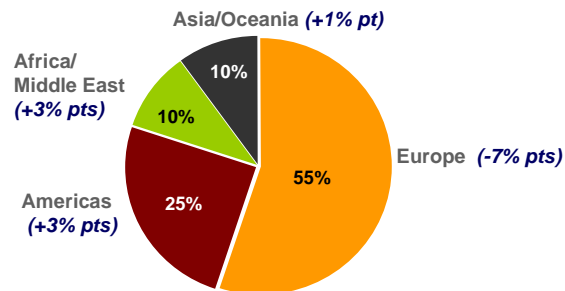
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Strategy



Business consistently getting more international

- ▶ A growing proportion of non-European countries in sales



Sales for 2009-2010 per geographic area and evolution over the past 3 years

- ▶ Priority to develop in South America (Argentina, Brazil) and Asia (India, China)

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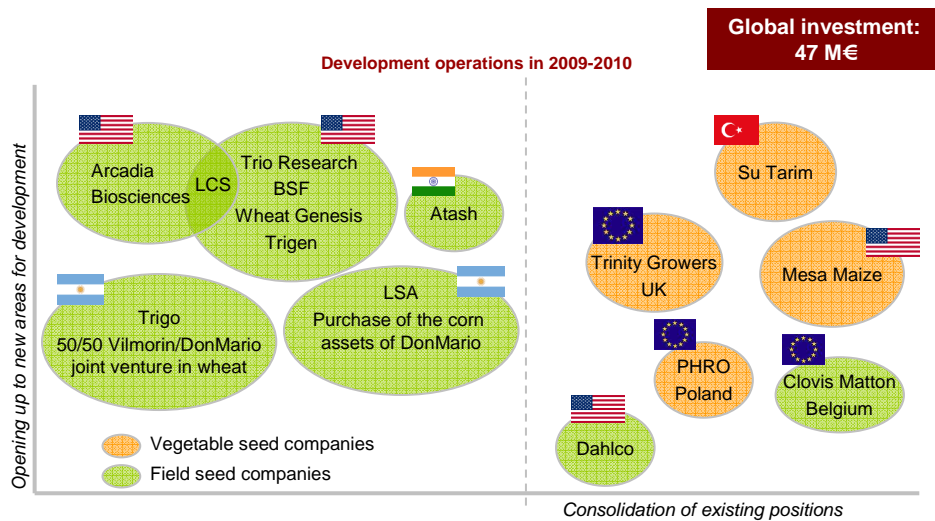
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Strategy



Business consistently getting more international

- ▶ Operations to secure existing positions and open up to new markets



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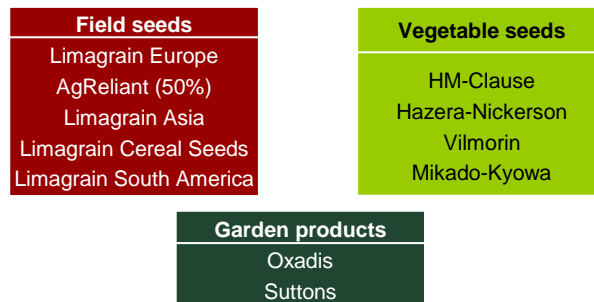
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Strategy



Development based on a specific business model

- ▶ Decentralized, multicultural organization adapted to a world market with local specificities ...
 - Organization in 11 Business Units, guaranteeing excellent knowledge of markets and fast responsiveness
- ▶ ... and centralization of horizontal functions: scientific programs, growth policy, finance ...



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Strategy



Development based on a specific business model

- ▶ Quality partnerships, sources of technical expertise and catalysts of development
 - Public institutes and private companies working in research: Arcadia Biosciences, Keygene, Australian Grain Technologies, CIMMYT, Avesthagen, Biogemma ...
 - Seeds companies: KWS, Euralis, Longping High-Tech, DonMario Semillas ...
- ▶ A long-term development vision strengthened by the shareholding structure



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**Trends and outlook
2010-2011**



Trends and outlook for 2010-2011



Challenges for each division in 2010-2011

- ▶ **Vegetable seeds**
 - Achieve business growth higher than predicted growth for the vegetable seeds market
 - Take external growth opportunities to strengthen position on strategic markets (Asia in particular) and crops
- ▶ **Field seeds**
 - Limagrain Europe
 - Continue to make market share gains in rapeseed and sunflower
 - Consolidate positions in corn and succeed with the launch of new grain corn varieties
 - Pursue redeployment in Eastern Europe and extend cover in this strategic zone
 - AgReliant
 - Increase sales of varieties with high added value in a fast-changing competitive environment
 - Limagrain Cereal Seeds and Limagrain South America
 - Actively pursue the deployment of these two new Business Units in synergy with Europe and North America
- ▶ **Garden products**
 - Continue to reposition the activity, particularly through product innovation and advertizing to the general public

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Trends and outlook for 2010-2011



Challenges for 2010-2011

- ▶ Manage the field seeds activities in the context of volatile prices for agricultural raw materials
- ▶ Set up conditions for tomorrow's organic growth through:
 - Pursuing investment in research estimated to be a total of €150 M, particularly in proprietary upstream technologies
 - Open up new development territories: South America and Asia

... with the following goals for fiscal year 2010-2011:

- Like for like growth in consolidated sales of more than 7%
- An operating margin greater than 10%

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Schedule



Further information



Coming disclosures and events

- ▶ Disclosure of sales for the 1st quarter 2010-2011
(up to September 30th 2010): November 9th 2010 at the end of the day
- ▶ Annual general Meeting of Shareholders:
December 17th 2010, 10.00 am. Pavillon Gabriel. Paris 16^{ème}
- ▶ Disclosure of sales for the first semester 2010-2011
(up to December 31st 2010): February 8th 2011 at the end of the day

**Consult all Vilmorin's financial information
on its new website: www.vilmorin.info**

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October 7th 2010**

