

## Update of 2007/2008 annual report



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## Governance

### Presentation of the Board of Directors

*The chapter “Governance”, section “Presentation of the Board” of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 8) is updated as follows :*

Details on the terms and lists of offices held by members of the Board appear below :

- **Chairman and CEO**

**> Gérard RENARD**

Term of office :

- Commencement : 1998
- Renewal : 2008
- Expiry : 2011



- Chairman and CEO :  
Clause SA (France), Vilmorin SA (France).

- Chairman of the Board :  
Clause Italia Spa (Italy), Clause Spain SA (Spain), Harris Moran Seeds Cie (USA), Vilmorin Ibérica SA (Spain), Vilmorin Inc (USA), Vilmorin Italia Srl (Italy).

- Chairman of the Board of Trustees :  
Nickerson Zwaan BV (Netherlands), Nickerson Zwaan GmbH (Germany).

- Member of the Board of Trustees:  
CH Van den Berg BV (Netherlands).

- Member of the Board :  
Coopérative Agricole Limagrain (Vice-Chairman) (France), Cylonie Re (Luxembourg), Groupe Limagrain Holding SA (France), Hazera Genetics Ltd (Israel), Maïcentre SCICA (France), Marco Polo Seed Ltd (Thailand), Oxadis SA (France), Suttons Seeds (Holdings) Ltd (United Kingdom).

- Director :  
Mikado Kyowa Seed Co Ltd (Japan), VCC Japan SA (Japan), Vilmorin USA Corp (USA).

- Member of the Board Committee :  
Sélia SAS (France).

- Member of the Supervisory Board :  
Vilmorin Luxembourg SA (Luxembourg).

- Member of the Board of Management :  
Semillas Limagrain de Chile (Chile).

- Manager :  
Vilmorin 1742 Sarl (France).

- **Members of the Board**

**> François HEYRAUD**

Term of Office :

- Commencement : 2000
- Renewal : 2008
- Expiry : 2011



- Chairman of the Board and CEO :  
Oxadis SA (France).

- Chairman of the Supervisory Board :  
CH Van den Berg BV (Netherlands).

- Chairman of the Board of Trustees :  
Cnos Garden (Poland).

- Chairman of the Board :  
Suttons Seeds (Holdings) Ltd (United Kingdom).

- Member of the Board :  
Clause SA (France), Clause Spain SA (Spain), Clause Italia SPA (Italy), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Harris Moran Seeds Company (United States), Maïcentre SCICA (France), Top Green SAS (France), Vilmorin Ibérica SA (Spain), Vilmorin Inc. (United States), Vilmorin Italia SRL (Italy), Vilmorin SA (France).

- Member of the Board Committee :  
Sélia SAS (France).

- Manager :  
Vilmorin 1742 SARL (France).

- Member of the Board of Trustees :  
Nickerson Zwaan BV (Netherlands).

- Member of the Board of Management:  
Semillas Limagrain de Chile (Sélia representative) (Chile).

**> Jean-Yves FOUCAULT**

Term of Office :

- Commencement : 2006
- Expiry : 2010



- Chairman of the Board and CEO :  
Jacquet SA (France), Pain Jacquet SA (France), Ulice SA (France).

- Chairman of the Board :  
Grain Auvergne Innovation (Union de Coop.) (Limagrain representative) (France), Jacquet Belgium (Jacquet SA representative) (France), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients SAS (France), Milcamps SA (Jacquet SA representative) (Belgium), Société de Viennoiserie Fine (SDVF) SAS, (France).

- Member of the Board:  
Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Le Groupement Domagri-Maïcentré GIE (France), Maïcentré SCICA (France).

- Member of the Board Committee:  
Limaclub SAS (France), Sélia SAS (France).

- Member of the Board of Management:  
Semillas Limagrain de Chile SARL (Chile).

## > Joël ARNAUD

### Term of Office :

- Commencement : 2006
- Renewal : 2008
- Expiry : 2011

- Chairman of the Board and CEO:  
Limagrain Verneuil Holding SA (France).

- Vice-Chairman and Member of the Board:  
Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et Val d'Allier (Limagrain representative) (France), Valgrain (Coopérative Agricole) (Limagrain representative) (France).

- Chairman of the Board:  
Limagrain Central Europe SE (France), Limagrain Ibérica (Spain), Limagrain Italia Spa (Italy).

- Chairman of the Supervisory Board:  
Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom).

- Member of the Board:  
Jacquet SA (France), Le Groupement Domagri-Maïcentré GIE (France), Maïcentré SCICA (France), Soltis SA (LVH representative) (France), Ulice SA (France), Unisigma GIE (France).

- Member of the Supervisory Board:  
Advanta BV (Netherlands), Vilmorin Luxembourg SA (Luxembourg).

- Member of the Board Committee:  
Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Sélia SAS (France).

- Member of the Board of Management:  
Semillas Limagrain de Chile (GLH representative) (Chile).



## > Philippe AYMARD

### Term of Office:

- Commencement: 2006
- Renewal: 2008
- Expiry: 2011



- Chairman of the Board :  
Grains Auvergne Innovation (Limagrain representative) (Union de Coop) (France), Limaclub SAS (France), Maïcentre SCICA (France).

- Chairman of the Board of Management :  
Cave Saint Verny SARL (France).

- Chairman of the Supervisory Board :  
Advanta BV (Netherlands), Eurodur SA (France).

- Member of the Board :  
AgReliant Genetics LLC (United States), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Le Groupement Domagri-Maïcentre GIE (France), Limagrain Central Europe SA (France), Limagrain Genetics Inc, (Canada), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy), Limagrain Verneuil Holding SA (France), Société Meunière du Centre SA (France), Vilmorin USA Corp (United States).

- Member of the Supervisory Board :  
Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom),

- Joint manager and Founder :  
Dôme 2000 (France).

- Member of the Board Committee :  
Limagrain Céréales Ingrédients SAS (France), Sélia SAS (France).

- Member of the Board of Management :  
Semillas Limagrain de Chile Ltd (Chile).

## **> Pierre PAGESSE**

### Term of Office :

- Commencement: 2006
- Renewal: 2008
- Expiry: 2011

- Chairman of the Board and CEO :  
Groupe Limagrain Holding SA (France).

- Chairman :  
Coopérative Agricole Limagrain (France), Momagri (non profit-making association) (France).

- Chairman of the Board Committee :  
Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Sélia SAS (France).

- Chairman of the Board :  
Cylonie Ré SA (Luxembourg), Vilmorin Luxembourg SA (Luxembourg).

- Chairman of the Strategic Committee :  
Biogemma SAS (France).

- Chairman of the Executive Council :  
Céréales Vallée (Competitiveness Cluster – non profit-making association) (France).



- Member of the Supervisory Board :  
Advanta BV (Netherlands).

- Member of the Board :  
Le Groupement Domagri-Maïcentré GIE (France), Limagrain Verneuil Holding SA (France), Maïcentré SCICA (France), Ulice SA (France).

- Member of the Board of Management :  
Cave Saint VERNY SARL (France), Semillas Limagrain de Chile (Limagrain representative) (Chile).

- Member of the Board Committee :  
Limaclub SAS (Limagrain representative) (France).

- Ex-officio member :  
LG Compagnons (Association) (France).

## **> Daniel CHERON**

### Term of Office :

- Commencement : 2004
- Renewal : 2008
- Expiry : 2011



- CEO :  
Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Sélia SAS (France).

- CEO Delegate :  
Groupe Limagrain Holding (France).

- Member of the Board :  
Cylonic Ré SA (Luxembourg), Génoplante Valor SAS (France).

- Vice-Chairman :  
Momagri (non profit-making association) (France).

- Chairman delegate :  
Céréales Vallée (Competitiveness Cluster) (France).

## **> Pascal VIGUIER**

### Term of Office :

- Commencement : 2007
- Expiry : 2010



- Member of the Board :  
Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Limagrain Central Europe SE (France), Limagrain Ibérica SA (Spain), Limagrain Italia SpA (Italy), Limagrain Verneuil Holding SA (France), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et du Val d'Allier (Limagrain representative) (France).



- Member of the Supervisory Board:  
Advanta BV (Netherlands).

- Member of the Board Committee:  
Sélia SAS (France).

- Member of the Supervisory Board:  
Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom).

- Member of the Board of Management:  
Semillas Limagrain de Chile (Chile).

- **Independant member of the Board**

**> Didier MIRATON**

Term of Office :

- Commencement : 2007
- Expiry : 2010

- Non-General Managing Partner of the Michelin group.





## Agreements with the corporate representatives and interests of the directors

The chapter "Governance", section "Agreements with the corporate representatives and interests of the directors" of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 12) is updated as follows :

- **Token payments or allowances paid to corporate representatives**

Further to the resolution passed by the Annual General Meeting of December 11<sup>th</sup> 2008, the Board of Directors has decided to allocate all the attendance allowances (9 000 Euros) to Didier MIRATON, the independent Member of the Board.

- **Control bodies**

<b>Incumbent Statutory Auditors</b>	2014
KPMG AUDIT Département de KPMG SA	(AGM for the
1, cours Valmy – 92923 Paris la Défense cedex	accounts of the fiscal
Represented by Mme Catherine PORTA	year closing on June
Date of renewal : 2008	30th 2014)
<b>VISAS 4 Commissariat</b>	
56 boulevard Gustave Flaubert – 63010 Clermont-Ferrand	2011
Represented by Mme Corinne BESSON	(AGM for the accounts of the fiscal
Date of renewal : 2005	year closing on June 30th 2011)
<b>Substitute Statutory Auditors</b>	
M. Denis MARANGE	2014
1, cours Valmy – 92923 Paris la Défense cedex	(AGM for the accounts of the fiscal
Date appointed : 2008	year closing on June 30th 2014)
<b>M. Olivier DELARUE</b>	2011
56 boulevard Gustave Flaubert – 63010 Clermont-Ferrand	(AGM for the accounts of the fiscal
Date of renewal : 2005	year closing on June 30th 2011)



## Current performances

### Vegetable seeds activity

*The chapter “Performances for 2007-2008”, section “Vegetable seeds activity” of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 16) is updated as follows :*

In February 2009 Vilmorin announced its acquisition of the American seeds companies LSL Biotechnologies / LSL Plant Science (Tucson, Arizona) and GeneFresh Technologies (Salinas, California).

- Precursors in the development of long-shelf life tomatoes, LSL Biotechnologies / LSL Plant Science are one of the main players in the market for open field tomatoes in Mexico. The company also owns top rate germplasm, highly complementary to the germplasm already developed by Vilmorin.
- Positioned as a priority on the market for pre-wrapped vegetables, GeneFresh Technologies provides top class expertise in lettuce breeding and will reinforce Vilmorin’s competitive position in this major crop on the American market.

Vilmorin has also just purchased two breeding programs: K&B Development (Gilroy, California) and Gentropic, a vegetable seed research institute belonging to the company Semillas Tropicales (Antigua, Guatemala).

- After the acquisition of Global Genetics (United States) in 2008, Vilmorin is continuing to extend its expertise in onion by acquiring the K&B Development research program on short-day hybrid onions. This activity will enrich Vilmorin’s current breeding programs, offering, in the short term, significant perspectives for sales worldwide.
- Gentropic uses the highest quality germplasm in tropical pimento and tomato, and has built up a portfolio of varieties that are particularly well-suited to the American continent. The institute has also developed know-how in plant biotechnologies.

### Garden products activity

On October 10<sup>th</sup> 2007, Vilmorin announced its plan to withdraw from its garden products activity. At the close of June 30<sup>th</sup> 2008, only the companies Flora Frey and Sperling had been sold.

After examining the economic and financial environment and progress made in negotiations on current offers, Vilmorin’s Board decided at its meeting of February 24<sup>th</sup> 2009, to suspend the process it had initiated to sell the activities of the company Oxadis. Consequently, the Oxadis and its subsidiaries have been restated, in the accounts closed on December 31<sup>st</sup> 2008, in the continuing operations, and have been reintegrated in the pro-forma figures of December 31<sup>st</sup> 2007 in order to facilitate comparability.

The sales process is still being negotiated for the company Suttons with investors and industrialists.

## Field seeds activity

In July 2008, Vilmorin signed a strategic partnership agreement with the company Australian Grain Technologies (AGT).

In agreement with the other shareholders of AGT, Vilmorin participated in a reserved stock increase operation, enabling Vilmorin to take a 25% stake in the company, consolidated using the equity method. Moreover, according to the terms of this agreement, Vilmorin and AGT will jointly develop, as of 2008-2009, new research and technology exchange programs concerning the improvement of wheat.

This operation is an important stage in the development of Vilmorin's activities in wheat seeds, extending the international dimension of its activities and its access to new resources.



## Vilmorin and its shareholders

### Information et communication for the stock markets

The chapter “Vilmorin and its shareholders”, section “Information and communication for the stock markets” of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 64) is updated as follows :

- **Scheduled agenda for 2008-2009**

<b>05.06.2009</b> (after the close of the Paris Bourse)	Disclosure of sales at the end of the third quarter
<b>08.04.2009</b> (after the close of the Paris Bourse)	Disclosure of annual sales
<b>10.06.2009</b> (after the close of the Paris Bourse)	Disclosure of annual results
<b>12.08.2009</b>	Annual General Meeting in Paris

- **Update of the annual information document**

	<b>Date of disclosure</b>
<b>PRESS RELEASES</b>	
Half- yearly results on December 31st 2008 : confirmation of outlook for 2008-2009 and suspension of the process initiated to sell Oxadis	02.25.2009
Half-yearly sales on December 31st 2008 : Vilmorin confirms its outlook for fiscal 2008-2009 and pursues its international development	02.04.2009
Sales for the 1 <sup>st</sup> quarter 2008-2009 on line with objectives: + 5.1%	11.12.2008
Vilmorin presents its annual results for 2007-2008 confirming a strong increase in its operating margin	10.07.2008
Annual sales for 2007-2008: 897 million Euros, an increase of 13.4% like-for-like.	08.05.2008
Vilmorin extends its expertise in wheat by purchasing a stake in Australian Grain Technologies (AGT)	07.15.2008
<b>ANNUAL REPORTS</b>	
Annual report 2007-2008 (AMF registration number : D08-0713)	11.08.2008
<b>INTERIM FINANCIAL REPORTS</b>	
Interim financial report – financial statements for the six months ended 12.31.2008	02.26.2009

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**GUIDES AND LETTERS TO SHAREHOLDERS**

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2007-2008 shareholder's guide	12.12.2008
Letter to shareholders –Strategy and development special	11.28.2008

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**INFORMATIVE MEETINGS**

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Results for the first six months on 12.31.2008 (presentation)	02.26.2009
Sales for the first six months on 12.31.2008 (presentation)	02.04.2009
Combined General Meeting on 12.11.2008	12.11.2008
Sales for the 1 <sup>st</sup> quarter 2008-2009 (presentation)	11.12.2008
Briefing on 10.08.2008 (annual results 2007-2008)	10.13.2008
Annual sales 2007-2008 (presentation)	08.07.2008

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**GENERAL MEETING**

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Notice to attend the Combined General Meeting of 12.11.2008	11.12.2008
Making the preparatory documents available to the Combined General Meeting of 12.11.2008	11.12.2008

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**REPORT ON INTERNAL CONTROL AND CORPORATE GOVERNANCE**

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Chairman's report on the functioning of the Board of Directors and internal control	27.10.2008
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**STATUTORY AUDITORS FEES**

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Fees paid to the Statutory Auditors, other Auditors and members of their networks	11.04.2008
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**ANNUAL INFORMATION DOCUMENTS**

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Annual information documents – Fiscal Year 2007-2008	10.27.2008
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**PURCHASE AND SALES OF SHARES**

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Monthly information report on total number of shares and voting rights	03.10.2009
	02.10.2009
	01.16.2009
	12.12.2008
	11.12.2008
	10.08.2008
	09.12.2008
	08.05.2008
	07.07.2008
Half-yearly position of liquidity agreement at 12.31.2008	01.16.2009
Description of share buyback programme authorized by the Combined General Meeting of 12.11.2008	12.12.2008
Annual position of liquidity agreement at 06.30.2008	07.10.2008

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## Vilmorin's share

The chapter "Vilmorin and its shareholders", section "Vilmorin's shares" of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 66) is updated as follows :

- **Vilmorin's share profil**

Change of capitalization compartment : As of January 16<sup>th</sup> 2009 and in compliance with the announcement published by Euronext, Vilmorin's shares are now listed in compartment B of Euronext Paris (market capitalization between 150 million and up to and including 1 billion Euros,) and remain eligible for Deferred Settlement Service (SRD).

- **Share price trend over the past 12 months**



Weekly closing rate (in Euros). Source : Euronext

Change since 07.01.08 (as of 03.06.09) : - 40 %

Change since 01.02.09 (as of 03.06.09) : - 3.9 %

- **Management and liquidity of the shares**

In January 2006, Vilmorin entered into an agreement with Oddo Corporate Finance to provide liquidity for the shares under a contract that complies with the AFEI (French Association for Investment Firms) Code of Conduct as approved by the Autorité des Marchés Financiers.

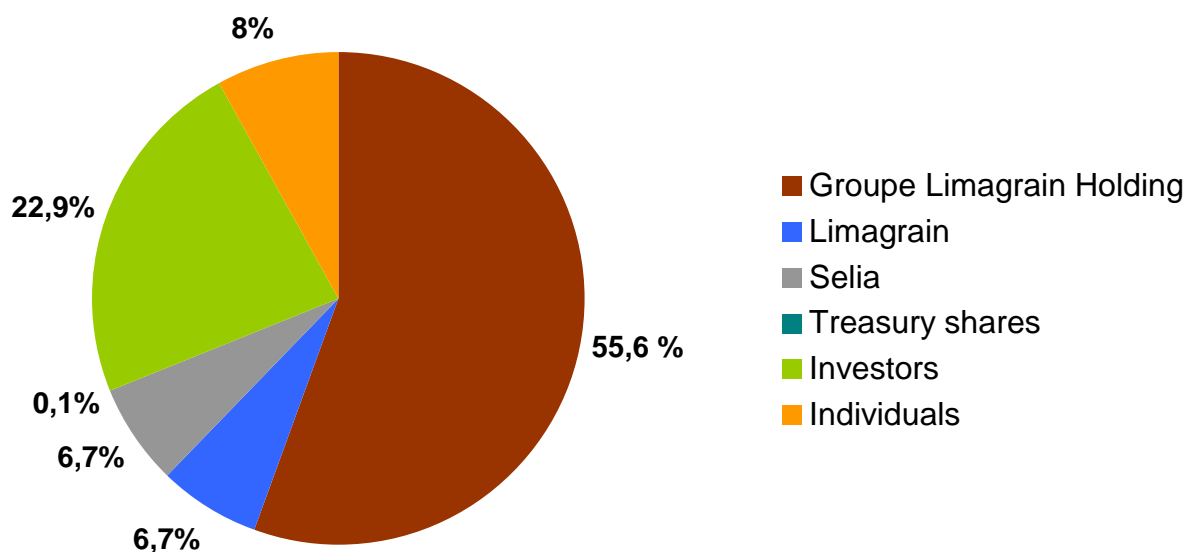
On February 27<sup>th</sup> 2009, the position of the liquidity account was as follows:

- number of shares: 9 005
- cash: 48 334 Euros

## The stock and the shareholders

The chapter “Vilmorin and its shareholders”, section “The stock and the shareholders” of the reference document D08-0713 filed on November 7<sup>th</sup> 2008 (page 68) is updated as follows :

- **Main shareholders on December 31<sup>st</sup> 2008**



(Source Euroclear et internal).

The stock comprises 13 391 857 shares with a par value of 15.25 Euros each.





## Legal and financial information

### Legal information

- **Trading by the company in its own shares**

The Ordinary Annual General Meeting of December 11<sup>th</sup> 2008, deliberating on the provisions of articles L.225-209 *et seq.* of the French Commercial Code, of Title IV of Book II of the General Regulations of the Autorité des Marchés Financiers, and application instructions of Regulation n°2273/2003 of the European Commission that came into force on December 22<sup>nd</sup> 2003, granted the Board of Directors the necessary powers to make use of the option to trade in the Company's own shares, by buying or selling them on the stock market for a maximum purchase price of 150 Euros per share, up to a maximum of 1 000 000 shares, representing a maximum potential commitment of 150 million Euros.

This trading authorization was given for a maximum period of 12 months.

- **Trading volumes and share price trend over the past five months**

Year	Month	Number of Shares exchanged	Stock exchanged (€M)	High (€)	Low (€)
<b>2008</b>	October	635 631	47.767	96.00	65.56
	November	189 387	14.224	78.07	71.50
	December	199 698	14.402	75.15	66.34
<b>2009</b>	January	161 803	12.721	87.50	73.10
	February	288 524	23.506	88.00	75.00

## Interim financial report

The fiscal year of Vilmorin & Cie ("Vilmorin") commences on July 1<sup>st</sup> and ends on June 30<sup>th</sup>. The financial statements for the six months ended December 31<sup>st</sup> 2008 were approved by the Board of Directors at its meeting on February 24<sup>th</sup> 2009.

### Consolidated financial statements

#### Accounting standards, principles and methods

Pursuant to regulation n°1606/2002 adopted by the European Parliament and European Council on July 19<sup>th</sup> 2002, these condensed interim consolidated financial statements have been drawn up in compliance with the International Financial Reporting Standards (IFRS) as adopted in the European Union on December 31<sup>st</sup> 2008.

The international accounting standards include the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS) and their Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The accounting principles and methods used to prepare the condensed consolidated financial statements for the six months to December 31<sup>st</sup> 2008 are identical to those used to prepare the consolidated financial statements for the year ended June 30<sup>th</sup> 2008.

Vilmorin did not make any changes in its accounting policies or methods of drawing up of estimates during the first semester.

Furthermore, the condensed interim consolidated financial statements for the six months ended December 31<sup>st</sup> 2008 have been prepared in accordance with IAS 34 and IFRIC 10, the IFRS applicable to interim financial reporting and endorsed by the European Union.

The condensed financial statements do not include all information required by IFRS for the preparation of full-year financial statements. They must be read in conjunction with the consolidated financial statements of Vilmorin drawn up in accordance with IFRS as endorsed by the European Union for the year ended June 30<sup>th</sup> 2008.

Following the announcement on October 10<sup>th</sup> 2007 of its plan to withdraw from its home garden business, Vilmorin has applied IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

Under this standard, transactions in connection with these assets are to be presented separately as specific items on the balance sheet and the income statement.

Amounts restated in the income statement and on the balance sheet are described in Note 3 of the Notes to the condensed interim consolidated financial statements.

At the close of June 30<sup>th</sup> 2008, only the companies Flora Frey and Sperling had been sold. The sales process is still being negotiated for the company Suttons with investors and industrialists.

However, after examining progress made in negotiations on current offers with regard to the French company Oxadis and its subsidiaries, Vilmorin's Board decided at its meeting of February 24<sup>th</sup> 2009, to suspend the process it had initiated to sell these activities

Consequently, the accounts of Oxadis and its subsidiaries have been restated, in the financial statements closed on December 31<sup>st</sup> 2008, in the continuing operations, and have been reintegrated in the pro-forma figures of December 31<sup>st</sup> 2007 in order to facilitate comparability.

## Consolidation scope

The main changes occurring in the consolidation scope during the first semester concern the purchase of a minority stake of 25% in the company Australian Grain Technologies (AGT), consolidated as of July 1<sup>st</sup> 2008 using the equity method, and the exit from the consolidation scope of the American companies Advanta Pacific and Soygenetics (previously consolidated using the equity method), which have both been wound up).

## Sales and results for the first semester

*NB: any variations with regard to fiscal 2007-2008 are expressed in comparison to the pro-forma data of December 31<sup>st</sup> 2007.*

Consolidated sales corresponding to the income from ordinary activities for the first semester of fiscal 2008-2009, closed on December 31<sup>st</sup> 2008, came to 299.5 million Euros, 3.8% lower on a reported basis.

Like-for-like (currency fluctuations, scope of activities), sales actually rose by 1.8%.

- Sales for the vegetables activity for the first semester came to 161.3 million Euros, an increase of 6.4% compared with the first semester of fiscal 2007-2008.  
Restated like-for-like, the increase was 4%.

In spite of a slowdown in business in certain areas in the Mediterranean basin during the first quarter, this semester has confirmed the fine performances of all the operating companies, particularly in the Americas.

- Sales for the field seeds activity for the first semester came to 120.3 million Euros, which is at the same level as the excellent sales recorded last year.
  - In Europe, this first semester was characterized by the excellent campaign for rape and winter cereal (wheat and barley) seeds; nevertheless it has been temporarily penalized by delayed invoicing due to a slower start to the sales campaign for corn seeds.
  - On the North American market, in spite of predictions of a drop in the market for corn seeds, the order book and reservations for the coming spring season is on line with objectives.
- Henceforth presented in the continuing operations again, sales for the garden products activity of Oxadis and its subsidiaries came to 17.5 million Euros on December 31<sup>st</sup> 2008. This figure for sales takes into account the decision to end the distribution of pet products intended for the consumer market.

After taking into account the cost of destruction and depreciation of inventory, margins on the cost of goods sold came to 133.5 million Euros, representing 44.6% of total sales, an increase of 1.5 percentage points compared with December 31<sup>st</sup> 2007.

Net operating costs came to 153.7 million Euros, an increase of 7.7 million Euros compared with December 31<sup>st</sup> 2007.

It should be noted that:

- tax relief for research, recorded as deduction of research and development costs, came to 11.7 million Euros compared with 9.4 million Euros the previous year,
- the sales of assets recorded a profit of 2.6 million Euros compared to 0.5 million Euros the previous year,

The half-yearly operating income shows a loss of 20.2 million Euros on December 31<sup>st</sup> 2008, an increase of 8.6 million Euros on a reported basis, compared to December 31<sup>st</sup> 2007, because of the increased seasonal nature of activities.

It should be remembered that on average Vilmorin derives less than one-third of its annual sales during the first semester.

The financial result shows a net charge of 10.5 million Euros, an improvement of 3.8 million Euros compared to December 31<sup>st</sup> 2007; in this first semester, in particular, gains were recorded in hedge instruments.

Income from discontinued activities came to -1.1 million Euros compared with a net loss of 6.3 million Euros on December 31<sup>st</sup> 2007.

The net income for the first six months shows a loss of 29.2 million Euros, including a Group share loss of 27.4 million Euros, a slight improvement compared with December 31<sup>st</sup> 2007.

At the end of December 2008, as is usually the case, the balance sheet structure reflected the strong influence of the seasonal nature of the annual business cycle.

Net indebtedness (after cash and cash equivalents) stood at 468.6 million Euros, including 358.2 million Euros of non-current debt.

The Group share of equity stood at 567.6 million Euros and minority interests 120.3 million Euros.

### **Parent company financial statements**

The net income of Vilmorin, the parent company, was 46.2 million Euros for the six months to 31<sup>st</sup> December 2008, compared with 35.1 million Euros the previous year.

This figure consists mainly of dividends received from the subsidiaries on fiscal 2007-2008 profits.

### **Transactions with related parties**

All transactions with related parties (primarily with Groupe Limagrain) described in Note 32 of the Notes to the consolidated financial statements on June 30<sup>th</sup> 2008 remained in effect over the first semester of fiscal 2008-2009, on the basis of the same agreements.

### **Events occurring after the close of the interim financial statements for the semester**

When it disclosed its provisional sales for the first six months at the beginning of February 2009, Vilmorin announced it had achieved targeted acquisitions of external growth in the sector of vegetable seeds, which would strengthen its competitive positions internationally (purchase of the assets of the American companies LSL Biotechnologies/LSL Plant Sciences and GeneFresh Technologies), and supplement its germplasm (acquisition of the research programs belonging to K&B Development – United States and Gentropic - Guatemala).

## **Outlook**

In view of the results obtained in the first semester, as described above, and on the basis of information currently available, Vilmorin can confirm, for fiscal 2008-2009, its objective to increase its sales significantly, while its operating margin will be slightly lower.

In the second semester, the operating margin will however depend on the evolution of surface areas for corn production, on both the European and North American markets, as well as the potential impact of the financial crisis and bank credit on markets for agricultural raw materials.

## **Condensed interim financial statements at six months on December 31<sup>st</sup> 2008**

- **Consolidated income statement on December 31<sup>st</sup> 2008 – 1<sup>st</sup> semester**
- **Consolidated balance sheet**
- **Consolidated cash flow statement for the period**
- **Statement of changes in consolidated equity**
- **Notes to the condensed interim consolidated financial statements for the first semester**

Appendix: Consolidation scope on December 31<sup>st</sup> 2008

## Consolidated income statement for the 1<sup>st</sup> semester

In millions of Euros	Notes	12.31.08	12.31.07 Disclosure	12.31.07 Pro-forma
■ <b>Revenue from ordinary activities</b>		<b>299.5</b>	<b>279.9</b>	<b>311.3</b>
Cost of goods sold		-166.0	-156.4	-176.9
Marketing and sales costs		-69.6	-58.1	-65.9
Research and development costs		-38.2	-35.3	-35.3
Administrative and general costs		-48.9	-42.5	-46.9
Other operating income and charges	5	3.0	2.6	2.1
■ <b>Operating income</b>		<b>-20.2</b>	<b>-9.8</b>	<b>-11.6</b>
Interest costs	6	-14.5	-12.6	-13.0
Other financial profits and costs	7	4.0	-1.4	-1.3
Profit from associated companies	13	-0.4	-	-
Income taxes	8	3.0	1.0	1.8
■ <b>Profit from continuing operations</b>		<b>-28.1</b>	<b>-22.8</b>	<b>-24.1</b>
■ <b>Profit from discontinued operations</b>	3	<b>-1.1</b>	<b>-7.6</b>	<b>-6.3</b>
■ <b>Net income for the period</b>		<b>-29.2</b>	<b>-30.4</b>	<b>-30.4</b>
Group share		-27.4	-27.6	-27.6
Minority share		-1.8	-2.8	-2.8
Earnings from continuing operations per share – Group share		-1.96	-1.51	-1.60
Earnings from discontinued operations per share – Group share		-0.08	-0.55	-0.46
Earnings for the period per share – Group share		-2.04	-2.06	-2.06
Diluted earnings from continuing operations per share – Group share		-1.61	N/A	N/A
Diluted earnings from discontinued operations per share – Group share		-0.07	N/A	N/A
Diluted earnings for the period per share – Group share		-1.68	N/A	N/A



## Consolidated balance sheet - Assets

In millions of Euros	Notes	12.31.08	06.30.08
Goodwill	9	274.2	271.0
Other intangible fixed assets	10	411.2	393.6
Tangible fixed assets	11	147.4	131.9
Financial fixed assets	12	33.6	32.3
Equity shares	13	41.8	30.4
Deferred taxes	8	15.3	9.6
<b>■ Total assets less current liabilities</b>		<b>923.5</b>	<b>868.8</b>
Inventories		352.6	198.8
Trade receivables and other receivables	14	342.0	385.0
Cash and cash equivalents	15	252.3	259.9
<b>■ Total current assets</b>		<b>946.9</b>	<b>843.7</b>
<b>■ Assets classified as held for sale</b>	3	<b>9.2</b>	<b>71.7</b>
<b>Total assets</b>		<b>1 879.6</b>	<b>1 784.2</b>

## Consolidated balance sheet – Liabilities

In millions of Euros	Notes	12.31.08	06.30.08
Share capital		204.2	204.2
Reserves and income- Group share		363.4	411.1
<b>■ Equity – Group share</b>	16	<b>567.6</b>	<b>615.3</b>
<b>■ Minority interests</b>	17	<b>120.3</b>	<b>123.8</b>
<b>■ Consolidated equity</b>		<b>687.9</b>	<b>739.1</b>
Provisions for employee benefits	18	19.6	17.5
Non-current financial debts	19	358.2	348.6
Deferred income taxes	8	81.6	81.7
<b>■ Total non-current liabilities</b>		<b>459.4</b>	<b>447.8</b>
Other provisions	18	22.9	25.1
Accounts payable		335.8	279.7
Deferred income		6.5	5.1
Current financial debts	19	362.7	234.6
<b>■ Total current liabilities</b>		<b>727.9</b>	<b>544.5</b>
<b>■ Liabilities classified as held for sale</b>	3	<b>4.4</b>	<b>52.8</b>
<b>Total liabilities</b>		<b>1 879.6</b>	<b>1 784.2</b>

## Consolidated cash flow statement

In millions of Euros	12.31.08	12.31.07
<b>1 – Trading operations</b>		
Income for the period	-29.2	-30.4
Results of companies consolidated under equity method after dividends	0.4	-
Depreciation, amortization and losses in value	48.7	43.3
Net non-current provisions	-9.9	-5.1
Variation in deferred taxes	-1.2	-3.0
Income from capital operations	-2.0	-0.6
Surplus of the share in interest of the acquirer in the fair value of the assets and liabilities acquired on the cost, directly recorded in the income (negative goodwill)	-	-0.1
Fair value losses and gains for financial fixed assets available for sale	0.8	0.2
■ <b>Cash flow</b>	<b>7.6</b>	<b>4.3</b>
■ <i>Of which cash flow for discontinued operations</i>	<i>-0.6</i>	<i>-8.5</i>
Variation in working capital needs with comparable scope		
• Inventories	-134.7	-56.6
• Trade debts	84.8	103.2
• Short-term debts	31.2	-26.6
■ <b>Cash flows from operating activities</b>	<b>-11.1</b>	<b>24.3</b>
■ <i>Of which cash flow from operating activities for discontinued activities</i>	<i>-2.9</i>	<i>-16.2</i>
<b>2 – Investment operations</b>		
Sale of fixed assets	3.4	1.0
Acquisition of fixed assets		
• Intangible fixed assets	-51.2	-40.1
• Tangible fixed assets	-15.0	-7.5
• Financial fixed assets	-12.1	-53.2
Variation in other financial fixed assets	0.2	0.6
Net cash flow acquired through scope entries (1)	-	2.0
Net cash flow conceded through scope exits	-	-
Net increase/decrease in assets and liabilities sold	-	-
Net increase/decrease in cash and cash equivalents	-6.3	4.3
■ <b>Cash flows from investing activities</b>	<b>-81.0</b>	<b>-92.9</b>
■ <i>Of which investment cash flows used by discontinued operations</i>	<i>-0.2</i>	<i>-0.5</i>
<b>3 – Cash flows from financing operations</b>		
Variation in equity	-	-
Increase in financial liabilities	108.8	84.7
Dividends received on non-consolidated participations	-	-
Dividends paid out	-24.1	-22.5
■ <b>Net cash used in financing operations</b>	<b>84.7</b>	<b>62.2</b>
■ <i>Of which financing cash flows from discontinued operations</i>	<i>2.8</i>	<i>16.7</i>

<b>4 – Net effect of currency translation</b>	<b>-1.5</b>	<b>-3.3</b>
■ <i>Of which currency translation from discontinued operations</i>	<i>-0.1</i>	<i>-</i>
<b>5 - Net increase/decrease in cash and cash equivalents</b>	<b>-8.9</b>	<b>-9.7</b>
<b>6 - Cash and cash equivalents at beginning of period</b>	<b>261.6</b>	<b>150.6</b>
■ <i>Of which cash at beginning of period for discontinued operations</i>	<i>1.7</i>	<i>2.9</i>
<b>7 - Cash and cash equivalents at end of period</b>	<b>252.7</b>	<b>140.9</b>
■ <i>Of which cash at end of period for discontinued operations</i>	<i>0.4</i>	<i>2.9</i>

## Statement of changes in consolidated equity

In millions of Euros	Group share					Minority interests	Total
	Capital	Premium	Income and other reserves	Currency translation reserves	Total		
<b>06.30.07</b>	<b>204.2</b>	<b>210.9</b>	<b>204.4</b>	<b>- 11.1</b>	<b>608.4</b>	<b>97.2</b>	<b>705.6</b>
Currency translation				- 15.6	- 15.6	- 1.6	- 17.2
Gains and losses recorded directly in equity			- 0.3		- 0.3	- 0.2	- 0.5
Net income			44.3		44.3	6.8	51.1
<b>Total gains and losses for the fiscal year</b>			<b>44.0</b>	<b>- 15.6</b>	<b>28.4</b>	<b>5.0</b>	<b>33.4</b>
Variation of treasury shares			- 0.5		- 0.5	-	- 0.5
Dividends paid out			- 22.2		- 22.2	- 0.6	- 22.8
Variations in scope							
Effect of share purchase commitments			0.4		0.4	0.7	1.1
Variation in stock of the parent company							
Variation in stock of the subsidiaries						11.0	11.0
Restatement for OCEANE convertibles						11.3	11.3
Others			0.8		0.8	- 0.8	
<b>06.30.08</b>	<b>204.2</b>	<b>210.9</b>	<b>226.9</b>	<b>- 26.7</b>	<b>615.3</b>	<b>123.8</b>	<b>739.1</b>
Currency translation				7.5	7.5	0.5	8.0
Gains and losses recorded directly in equity			-6.0		-6.0	-0.1	-6.1
Net income			-27.4		-27.4	-1.8	-29.2
<b>Total gains and losses for the fiscal year</b>			<b>-33.4</b>	<b>7.5</b>	<b>-25.9</b>	<b>-1.4</b>	<b>-27.3</b>
Variation of treasury shares			-0.3		-0.3		-0.3
Dividends paid out			-22.2		-22.2	-1.9	-24.1
Variations in scope							
Effect of share purchase commitments							
Variation in stock of the parent company							
Variation in stock of the subsidiaries							
Restatement for OCEANE convertibles							
Others			0.7		0.7	-0.2	0.5
<b>12.31.08</b>	<b>204.2</b>	<b>210.9</b>	<b>171.7</b>	<b>-19.2</b>	<b>567.6</b>	<b>120.3</b>	<b>687.9</b>

## Details of the gains and losses for the fiscal year

In millions of Euros	12.31.08	06.30.08
Variation of the fair value of assets available for sale		
Change in method		
Variation of the fair value of forward cover instruments	- 6.3	0.4
Variation in the rate of deferred taxation recorded for taxable temporary differences	0.2	- 0.9
<b>Net profit recorded directly in equity</b>	<b>- 6.1</b>	<b>- 0.5</b>
<b>Income for the period</b>	<b>-29.2</b>	<b>51.1</b>
<b>Total of income and charges for the period</b>	<b>-35.3</b>	<b>50.6</b>
Including:		
Group share	- 33.4	44.0
Minorities share	- 1.9	6.6

# Notes to the consolidated financial statements

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## **Note 1:**

# **Accounting methods and principles in IFRS standards**

## **1- General context and declaration of compliance**

The accounting methods and principles adopted in the condensed interim consolidated financial statements for the first semester closing on December 31st 2008, are identical to those adopted in the consolidated financial statements established on June 30th 2008.

## **2- Accounting standards**

In application of regulation n° 1606/2002 adopted on July 19<sup>th</sup> 2002 by the European Parliament and the Council of Europe, the condensed interim consolidated half-yearly financial statements of Vilmorin closed on December 31<sup>st</sup> 2008 have been prepared in compliance with the International Financial Reporting Standards (IFRS) as published by the IASB, and as adopted in the European Union.

International accounting standards include the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS) and their Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) interpretations.

No change in accounting method or estimate has been adopted by Vilmorin during the course of this semester.

The company's condensed interim consolidated financial statements for the first semester were approved on February 24<sup>th</sup> 2009 by the Board of Directors.

## **3- Specific principles applied to the intermediate financial statements**

In compliance with the provisions of IAS standard 34, there is no recording in the half-yearly financial statements of any anticipation or deferral of costs incurred by Vilmorin other than as might be carried out in the case of an annual closing of accounts. Consequently, the level of costs concerning the period of the year in which they were incurred, might well differ from one semester to another. Similarly, sales for a six-month period are subject to highly significant seasonal effects, to the extent that the first semester of the fiscal year generally represents less than 35% of total sales for the year. Yet research and development costs, as well as distribution costs, are not subject to seasonal effects in any significant way.

Commitments to employees for advantages that continue after the termination of their contract are not recalculated for the intermediate situation, but accounted for on the basis of estimates made at the beginning of the period.

For the intermediate financial statements, taxes are calculated by applying the average annual rate estimated for the fiscal year to the accounting result for the period for each entity or fiscal group.

The condensed interim consolidated financial statements of Vilmorin for the six month period closing on December 31<sup>st</sup> 2008 have been prepared in compliance with IAS standard 34 and IFRIC standard 10, specific IFRS standards that concern intermediate financial disclosure as adopted in the European Union.

Since these statements constitute a summary, they do not include all the information required by the IFRS standards for the establishment of annual financial statements, and should therefore be interpreted in relation to the consolidated financial statements of Vilmorin for the fiscal year ending June 30<sup>th</sup> 2008 established in compliance with the IFRS standards as published by the IASB, and as adopted by the European Union.



## Note 2: Events occurring during the period

The main operations occurring during the course of the period closing on December 31<sup>st</sup> 2008 were as follows:

### ■ Progress in the sale of the garden products activity

On October 10<sup>th</sup> 2007, Vilmorin announced its plan to withdraw from its garden products activity. At the close of June 30<sup>th</sup> 2008, only the companies Flora Frey and Sperling had been sold.

The sales process is still being negotiated for the company Suttons with investors and industrialists.

After examining the economic and financial environment and progress made in negotiations on current offers, Vilmorin's Board decided at its meeting of February 24<sup>th</sup> 2009, to suspend the process it had initiated to sell the activities of the company Oxadis. Consequently, the company Oxadis and its subsidiaries have been restated, in the accounts closed on December 31<sup>st</sup> 2008, in the continuing operations, and have been reintegrated in the pro-forma figures of December 31<sup>st</sup> 2007 in order to facilitate comparability.

### ■ Purchase of a stake in Australian Grain Technologies (AGT)

In July 2008, Vilmorin signed a strategic partnership agreement with the company Australian Grain Technologies (AGT).

In agreement with the other shareholders of AGT, Vilmorin participated in a reserved stock increase operation, enabling Vilmorin to take a 25% stake in the company, consolidated using the equity method. Moreover, according to the terms of this agreement, Vilmorin and AGT will jointly develop, as of 2008-2009, new research and technology exchange programs concerning the improvement of wheat.

## Note 3: Consolidation scope

### 1- Consolidation scope

**1.1** – On December 31<sup>st</sup> 2008, Vilmorin consolidated 98 companies:

	12.31.08	06.30.08
By global integration	85	86
By proportional integration	7	7
By the equity method	6	6
<b>Total</b>	<b>98</b>	<b>99</b>

**1.2** – Variations in scope occurring during the course of the first semester were as follows:

#### a. Entries to the consolidation scope

- Through the creation of companies:
  - Limagrains Ukraine
  - Vilmorin Atlas
- Through the purchase of a stake:
  - Australian Grain Technologies

## b. Exits from the consolidation scope

- Companies being wound up:
  - Advanta Pacific
  - Limagrain Ceska Republica
  - Limagrain Slovensko
  - Soygenetics

## c. Changes in name

Former names	New names
Advanta Holding (UK) Ltd	Limagrain (AHUKL) Limited
Advanta Research Ltd	Limagrain (AR) Limited
Advanta Seeds Trustees Ltd	Limagrain (AST) Limited
Advanta Seeds UK Ltd	Limagrain (ASUK) Limited
Nickerson Advanta Ltd	Limagrain UK LTD

## 2- Information concerning variations in consolidation scope

As mentioned in note 2, the company AGT (Australian Grain Technologies) was consolidated, as of the date of its entry in the scope on July 1<sup>st</sup> 2008, using the equity method, with stock acquired standing at 4.3 million Euros and goodwill of 1.8 million Euros.

## 3- The discontinued garden products activity

On October 10<sup>th</sup> 2007 Vilmorin announced a formal process of withdrawal from its garden products activity.

Consequently, a number of items have been restated in the income statement and balance sheet in order to comply with IFRS standard 5. These restatements consist in presenting the net charges and income on a specific line referred to as "Profit from discontinued operations" on the income statement for each of the periods presented and "Assets and liabilities classified as held for sale" on the balance sheet.

At its meeting of February 24<sup>th</sup> 2009, the Board decided to suspend the process to sell the activity concerned by the company Oxadis, bearing in mind the current economic and financial environment. Consequently, the financial statements of Oxadis and its subsidiaries have been restated in the continuing operations for the period closing on December 31<sup>st</sup> 2008.

It should be noted that the pro-forma statements of December 31<sup>st</sup> 2007 represent only the companies Suttons and Flora Frey.

The main lines comprising the net income from the discontinued operations are as follow:

In millions of Euros	12.31.08	12.31.07 Disclosure	12.31.07 Proforma
Revenue from ordinary activities	6.3	41.5	10.1
Cost of sales	-3.2	-27.6	-7.1
Operating income	-0.5	-9.1	-7.3
Financial income	-	-0.6	-0.3
Income taxes	-0.6	2.1	1.3
<b>Net income generated by discontinued operations</b>	<b>-1.1</b>	<b>-7.6</b>	<b>-6.3</b>

The main asset and liability items representing the position at close appear in the table below :

In millions of Euros	12.31.08	06.30.08
Goodwill	-	3.3
Other intangible fixed assets	1.5	3.3
Tangible fixed assets	1.6	7.2
Financial fixed assets	-	0.9
Deferred taxes	0.3	1.7
<b>Total non-current assets</b>	<b>3.4</b>	<b>16.4</b>
Inventories	2.4	16.6
Trade receivables and other receivables	3.0	37.0
Cash and cash equivalents	0.4	1.7
<b>Total current assets</b>	<b>5.8</b>	<b>55.3</b>
<b>Assets classified as held for sale</b>	<b>9.2</b>	<b>71.7</b>

In millions of Euros	12.31.08	06.30.08
Provisions for employee benefits	1.4	3.4
Non-current financial debts	-	- 0.1
Deferred income taxes	0.1	0.1
<b>Total non-current liabilities</b>	<b>1.5</b>	<b>3.4</b>
Other provisions	-	6.0
Accounts payable	2.9	31.3
Current financial debts	-	12.1
<b>Total current liabilities</b>	<b>2.9</b>	<b>49.4</b>
<b>Liabilities classified as held for sale</b>	<b>4.4</b>	<b>52.8</b>

The table of consolidated cash flows for the period also has a specific line concerning the discontinued operations for each flow nature defined as follows:

In millions of Euros	12.31.08	12.31.07
Cash flow concerning discontinued operations	-0.6	-8.5
Flows concerning operating activities for discontinued operations	-2.9	-16.2
Flows concerning investment schemes used by discontinued operations	-0.2	-0.5
Flows concerning funding schemes used by discontinued operations	2.8	16.7
Impact of the variation of exchange rates	-0.1	-
<b>Cash at beginning of discontinued operations</b>	<b>0.7</b>	<b>2.9</b>
<b>Cash at end of discontinued operations</b>	<b>0.3</b>	<b>2.9</b>

## Note 4: Segment information

### 1- General principles

The rules applicable to the presentation of segment information are defined in Note 1 paragraph 7 of the "Accounting methods and principles in IFRS standards" in the reference document.

The breakdown adopted by Vilmorin includes two levels of information:

- A first level according to business segment
- A second level according to geographical area

### 2- Information according to business sector

Vilmorin is organized and managed in three main segments:

- Vegetable seeds activity (formerly referred to as the vegetables activity – professional market)
- Garden products activity (formerly referred to as the vegetables activity – home garden market)
- Field seeds activity

Each of the columns in the tables presented below contains the figures for each segment. The figures shown represent the contributions with regard to Vilmorin which implicitly ignore inter-segment operations since they are not considered to be significant.

## 2.1 – Information on December 31<sup>st</sup> 2008

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Revenue from ordinary activities	161.3	17.5	120.3	0.4		299.5
Operating income	11.6	-8.6	-22.7	-0.5		-20.2
Income from continuing operations	6.1	-6.4	-22.7	-5.1		-28.1
Income from discontinued operations		-1.1				-1.1
<b>Total consolidated net income</b>	<b>6.1</b>	<b>-7.5</b>	<b>-22.7</b>	<b>-5.1</b>		<b>-29.2</b>

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Non-current assets	278.7	12.7	557.1	75.0		923.5
Current assets	333.8	39.5	388.1	185.5		946.9
Assets classified as held for sale		9.2				9.2
<b>Total assets</b>	<b>612.5</b>	<b>61.4</b>	<b>945.2</b>	<b>260.5</b>		<b>1 879.6</b>
Equity <sup>①</sup>					687.9	687.9
Non current liabilities	66.2	1.4	49.0	342.8		459.4
Current liabilities	177.1	41.3	223.8	285.7		727.9
Liabilities classified as held for sale		4.4				4.4
<b>Total liabilities</b>	<b>243.3</b>	<b>47.1</b>	<b>272.8</b>	<b>628.5</b>	<b>687.9</b>	<b>1 879.6</b>

① The figure appearing in the line "Equity" corresponds to the consolidated equity of all Vilmorin's companies which is not included in the breakdown per business segment.

## 2.2 – Information on December 31<sup>st</sup> 2007 (disclosed)

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total Disclosure
Revenue from ordinary activities	154.9		125.0			279.9
Operating income	7.6		-19.4	2.0		-9.8
Income from continuing operations	2.8		-24.2	-1.4		-22.8
Income from discontinued operations		-7.6				-7.6
<b>Total consolidated net income</b>	<b>2.8</b>	<b>-7.6</b>	<b>-24.2</b>	<b>-1.4</b>		<b>-30.4</b>

### 3- Information according to geographical area

Assets and investments for the period are divided up over the following geographical areas:

In millions of Euros	Europe	Americas	Asia and Oceania ②	Africa and Middle East ②	Total
Assets	1 339.8	279.7	135.8	124.3	<b>1 879.6</b>
Investments for the period ①	63.8	6.2	4.3	4.0	<b>78.3</b>

① A full breakdown can be seen in the consolidated cash flow statement.

② In order to respect the coherence of the presentation operating information, these geographical areas have been combined.

## Note 5: Other operating income and charges

### Evolution

In millions of Euros	12.31.08	12. 31.07 Disclosure	12. 31.07 Pro forma
Litigation	-3.3	-2.1	-2.1
Income from the sale of fixed assets	2.6	0.5	0.5
Government subsidies recorded in the income	0.2	0.2	0.2
Reorganization costs	-0.8	-	-
Loss of value on fixed assets	-	-	-
Negative goodwill recorded in the income	-	0.1	0.1
Provisions and write-back of provisions	3.6	1.6	1.5
Other charges and income	0.7	2.3	1.9
<b>Total</b>	<b>3.0</b>	<b>2.6</b>	<b>2.1</b>

## Note 6: Interest costs

### Evolution

In millions of Euros	12.31.08	12.31.07 Disclosure	12.31.07 Pro forma
Interest on loans and bank overdrafts ① ②	-17.6	-12.2	-12.6
Interest on financial leasing agreements	-0.1	-0.1	-0.1
Losses and gains of fair value on forward cover instruments	-0.3	-0.3	-0.3
Losses and gains on the sale of forward cover instruments	1.3	-	-
Cash income ①	2.2	-	-
<b>Total</b>	<b>-14.5</b>	<b>-12.6</b>	<b>-13.0</b>

① Cash income and charges have been derecognized in accordance with IFRS 7.

② On December 31<sup>st</sup> 2008, there is a supplementary charge resulting from the issue of Oceane convertibles.

## Note 7: Other financial income and charges

### Evolution

In millions of Euros	12.31.08	12.31.07 Disclosure	12.31.07 Pro-forma
Gains or losses on the sales of securities, dilution profits and winding up of business	-0.7	-	-
Interest income ①	4.2	0.4	0.5
Interest charges	-	-	-
Provisions for the impairment of securities and other financial assets	-	-	-
Gains or losses on currency translation	-0.2	-1.8	-1.8
Other financial gains and losses	0.7	-	-
<b>Total</b>	<b>4.0</b>	<b>-1.4</b>	<b>-1.3</b>

① Including 1.4 million Euros write-back on discounting and 2.4 million Euros income on future contracts.



## Note 8: Income taxes

### 1- Evolution

In millions of Euros	12.31.08	12.31.07 Disclosure	12.31.07 Pro forma
Current income taxes			
■ Taxes	1.0	-1.2	-0.6
■ Tax relief for research	-	0.1	0.1
<b>Total current taxes</b>	<b>1.0</b>	<b>-1.1</b>	<b>-0.5</b>
<b>Total deferred taxes</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>
<b>Total</b>	<b>3.0</b>	<b>1.0</b>	<b>1.8</b>

### 2- Evolution of deferred taxes

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities	Impact on the income	Impact on the reserves
<b>06.30.08</b>	<b>9.6</b>	<b>81.7</b>		
Variation affecting the income from discontinued operations	-0.8	-	-0.8	
Variation affecting the income from continuing operations	4.9	2.9	2.0	
Variation affecting the reserves	-	-3.2		3.2
Reclassification	-0.2	-0.2		
Currency translation	0.4	0.4		
Reclassification of discontinued operations	1.4	-		
<b>12.31.08</b>	<b>15.3</b>	<b>81.6</b>	<b>1.2</b>	<b>3.2</b>

## Note 9: Goodwill

### Evolution of net book values

#### 1 – Gross values

In millions of Euros	
<b>06.30.08</b>	<b>279.7</b>
Acquisitions and increases	-
Exits	-
Losses in value	-
Variations in scope	-
Reclassifications and others	-
Currency translations	-0.2
Assets classified as held for sale ①	3.3
<b>12.31.08</b>	<b>282.8</b>

#### 2 – Amortization and value losses

In millions of Euros	
<b>06.30.08</b>	<b>8.7</b>
Provisions	-
Exits	-
Losses in value	-
Variations in scope	-
Reclassifications	-
Currency translation	-0.1
<b>12.31.08</b>	<b>8.6</b>

#### 3 – Net values

In millions of Euros	
06.30.08	271.0
<b>12.31.08</b>	<b>274.2</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as “discontinued operations” appear in Note 3.

## Note 10:

### Other intangible fixed assets

#### Evolution of net book values

##### 1 – Gross values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Marques	Other intangible fixed assets ②	Current fixed assets	Total
<b>06.30.08</b>	<b>447.3</b>	<b>206.0</b>	<b>28.8</b>	<b>37.8</b>	<b>31.7</b>	<b>1.0</b>	<b>2.4</b>	<b>755.0</b>
Acquisitions and increases	42.7	1.1	0.2	2.0		4.0	1.2	51.2
Exits								
Variations in scope and others								
Currency translations	3.1	2.4	0.5	-0.9	0.2			5.3
Reclassifications		-0.2	0.3				-0.1	-
Assets classified as being held for sale ①			2.0		2.1			4.1
<b>12.31.08</b>	<b>493.1</b>	<b>209.3</b>	<b>31.8</b>	<b>38.9</b>	<b>34.0</b>	<b>5.0</b>	<b>3.5</b>	<b>815.6</b>

② Thus concerns the acquisition of a customer file.

##### 2 – Amortization and value losses

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Marques	Other intangible fixed assets	Current fixed assets	Total
<b>06.30.08</b>	<b>305.5</b>	<b>2.9</b>	<b>23.1</b>	<b>29.4</b>	<b>0.1</b>	<b>0.4</b>	<b>-</b>	<b>361.4</b>
Provisions / value losses	35.7		2.2	0.9		0.3		39.1
Exits								
Value losses								
Variations in scope and others								
Currency translations	1.8	0.1	0.5	-0.8		0.1		1.7
Reclassifications		-0.2	-0.8	0.8				-0.2
Assets classified as being held for sale ①			1.4		1.0			2.4
<b>12.31.08</b>	<b>343.0</b>	<b>2.8</b>	<b>26.4</b>	<b>30.3</b>	<b>1.1</b>	<b>0.8</b>	<b>-</b>	<b>404.4</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as "discontinued operations" appear in Note 3.

### 3 – Net values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.08	141.8	203.1	5.7	8.4	31.6	0.6	2.4	393.6
<b>12.31.08</b>	<b>150.1</b>	<b>206.5</b>	<b>5.4</b>	<b>8.6</b>	<b>32.9</b>	<b>4.2</b>	<b>3.5</b>	<b>411.2</b>

## Note 11: Tangible fixed assets

### 1. - Evolution of gross values

In millions of Euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
<b>06.30.08</b>	<b>24.0</b>	<b>117.2</b>	<b>53.9</b>	<b>89.7</b>	<b>11.1</b>	<b>32.3</b>	<b>11.8</b>	<b>340.0</b>
Acquisitions and increases	0.1	0.6	0.5	1.8	0.2	1.9	9.9	15.0
Sorties	-0.3	-0.7		-0.4	-0.1	-0.4		-1.9
Variations in scope and others								
Currency translations	2.8	4.3				0.2	0.5	7.8
Reclassifications	0.3	2.8	0.8	1.7	0.2	0.2	-6.1	-0.1
Assets classified as being held for sale ①	0.3	8.5	-0.3	7.6	1.2	1.0		18.3
<b>12.31.08</b>	<b>27.2</b>	<b>132.7</b>	<b>54.9</b>	<b>100.4</b>	<b>12.6</b>	<b>35.2</b>	<b>16.1</b>	<b>379.1</b>

## 2. – Amortization and value losses

In millions of Euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
<b>06.30.08</b>	<b>1.5</b>	<b>66.0</b>	<b>38.7</b>	<b>70.5</b>	<b>9.0</b>	<b>22.4</b>	<b>-</b>	<b>208.1</b>
Provisions / value losses	0.1	2.8	1.5	3.2	0.6	1.4		9.6
Exits		-0.5		-0.4	-0.1	-0.2		-1.2
Variations in scope and others								
Currency translations		2.4		-0.2		0.2		2.4
Reclassifications								
Assets classified as being held for sale ①		6.2	-0.3	5.0	0.9	1.0		12.8
<b>12.31.08</b>	<b>1.6</b>	<b>76.9</b>	<b>39.9</b>	<b>78.1</b>	<b>10.4</b>	<b>24.8</b>	<b>-</b>	<b>231.7</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as “discontinued operations” appear in Note 3.

## 3 – Net values

In millions of Euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
06.30.08	22.5	51.2	15.2	19.2	2.1	9.9	11.8	131.9
<b>12.31.08</b>	<b>25.6</b>	<b>55.8</b>	<b>15.0</b>	<b>22.3</b>	<b>2.2</b>	<b>10.4</b>	<b>16.1</b>	<b>147.4</b>

## 4 - Fixed assets acquired by financial leasing

Fixed assets acquired by financial leasing represent the following amounts (net value):

In millions of Euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Total
06.30.08	-	1.6	0.3	-	-	1.9
<b>12.31.08</b>	<b>-</b>	<b>1.5</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>1.7</b>

## Note 12: Financial fixed assets

### 1. - Evolution of gross values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
<b>06.30.08</b>	<b>18.7</b>	<b>5.2</b>	<b>11.5</b>	<b>35.4</b>
Increases	6.3	0.3	0.2	6.8
Exits	-0.2	-0.1	-0.4	-0.7
Variations in scope and others ②			-7.4	-7.4
Currency translations	0.2	0.1	1.6	1.9
Reclassifications				
Assets classified as being held for sale ①	0.2		0.8	1.0
<b>12.31.08</b>	<b>25.2</b>	<b>5.5</b>	<b>6.3</b>	<b>37.0</b>

② The figure appearing in the line "variations in scope" concerns the winding up of Soygenetics.

### 2. – Evolution of provisions

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
<b>06.30.08</b>	<b>0.6</b>	<b>2.1</b>	<b>0.4</b>	<b>3.1</b>
Provisions				
Write-back				
Currency translations	0.2			0.2
Assets classified as being held for sale ①	0.1			0.1
<b>12.31.08</b>	<b>0.9</b>	<b>2.1</b>	<b>0.4</b>	<b>3.4</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as "discontinued operations" appear in Note 3.

### 3. – Evolution of net values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
<b>06.30.08</b>	<b>18.1</b>	<b>3.1</b>	<b>11.1</b>	<b>32.3</b>
<b>12.31.08</b>	<b>24.3</b>	<b>3.4</b>	<b>5.9</b>	<b>33.6</b>

## Note 13: Equity shares

Details of equity shares are as follows:

In millions of Euros	12.31.08	06.03.08
Australian Grain Technologies	5.0	-
Bioseeds	3.3	3.4
Top Green	1.5	1.7
Unisigma	0.4	0.4
Genoplante Valor	1.8	1.8
Soygenetics ①	-	- 5.6
Yuanlongping High-Tech Agriculture	29.8	28.7
<b>Total</b>	<b>41.8</b>	<b>30.4</b>
<b>Variation for the fiscal year</b>	<b>11.4</b>	

Proportion of income from equity shares is as follows:

In millions of Euros	12.31.08	12.31.07 Disclosed	12.31.07 Pro forma
Australian Grain Technologies	-0.4	-	-
Bioseeds	-0.1	-	-
Top Green	-	-0.1	-0.1
Unisigma	0.1	0.2	0.2
Genoplante Valor	-	0.1	0.1
Soygenetics ①	-	-0.4	-0.4
Yuanlongping High-Tech Agriculture	-	0.2	0.2
<b>Total</b>	<b>-0.4</b>	<b>0.0</b>	<b>0.0</b>

① The company Soygenetics was wound up during the period concerned.

## Note 14: Trade receivables

Trade receivables concern the following items:

In millions of Euros	12.31.08	06.30.08
Customer receivables ①	228.0	307.2
Advance payment to suppliers	14.6	10.0
Personnel and social security	1.9	1.2
Tax receivables	78.0	59.7
Other operating receivables	19.9	10.0
Prepayments	9.5	6.6
<b>Gross total</b>	<b>351.9</b>	<b>394.7</b>
Customer receivables	- 9.7	- 9.5
Other operating receivables	- 0.2	- 0.2
<b>Total provisions</b>	<b>- 9.9</b>	<b>- 9.7</b>
<b>Net book values</b>	<b>342.0</b>	<b>385.0</b>
<b>Variation for the fiscal year</b>	<b>- 43.0</b>	

① The evolution of trade receivables can be explained by the highly seasonal nature of sales leading to a reduction of outstanding receivables compared to June 30<sup>th</sup> 2008.

## Note 15: Cash and cash equivalents

The evolution of fair values can be analyzed as follows:

In millions of Euros	12.31.08	06.30.08
Financial current accounts	2.4	2.6
Placement securities held for purposes of transaction ①	168.4	183.5
Cash and bank in hand	81.5	73.8
<b>Total</b>	<b>252.3</b>	<b>259.9</b>
<b>Variation for the fiscal year</b>	<b>- 7.6</b>	

① This line mainly concerns short-term negotiable deposit certificates with guaranteed yield.



## Note 16: Shareholders' equity - group share

### 1- Composition of the shareholders' equity – group share

In millions of Euros	12.31.08	06.30.08
Parent stock	204.2	204.2
Issue premium	210.9	210.9
Parent legal reserve	9.2	9.0
Other parent reserves	1.6	19.8
Consolidation reserves and others	188.3	153.8
Currency translation reserves	- 19.2	- 26.7
Income for the fiscal year	- 27.4	44.3
<b>Total</b>	<b>567.6</b>	<b>615.3</b>
<b>Variation for the fiscal year</b>	<b>- 47.7</b>	

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

### 2- – Breakdown of Vilmorin's shareholders

On December 31<sup>st</sup> 2008 Vilmorin was held by:

1.	Different companies belonging to Groupe Limagrain (Groupe Limagrain Holding, Société Coopérative Agricole Limagrain and Sélia)	}	70.25 %
2.	The general public		29.69 %
3.	Treasury shares		0.06 %

## Note 17: Shareholders' equity – minority interests

In millions of Euros	12.31.08	06.30.08
Consolidation reserve and others ①	123.7	119.1
Currency translation reserve	- 1.6	- 2.1
Income for the fiscal year	- 1.8	6.8
<b>Total</b>	<b>120.3</b>	<b>123.8</b>
<b>Variation for the fiscal year</b>	<b>- 3.5</b>	

① Including the "equity" component of the equity notes issued by LVH with a value of 8.4 million Euros and the "equity" component of the convertibles issued by Vilmorin with a value of 11.3 million Euros.

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

## Note 18: Provisions

### 1- Provisions for employee benefits

In millions of Euros	Provisions for employee benefits
<b>06.30.08</b>	<b>17.5</b>
Variations in scope	-
Variations in provisions	- 0.6
Provisions for fiscal year	1.0
Write-back used	- 1.4
Write-back unused	- 0.2
Reclassifications	-
Currency translations	1.1
Liabilities classified as being held for sale ①	1.6
<b>12.31.08</b>	<b>19.6</b>

### 2- Further information

A study of Vilmorin's main defined contribution pension schemes at the close of December 31<sup>st</sup> 2008, show an increased actuarial loss as a result of the economic environment and the financial markets. Depending on the final situation as closed on June 30<sup>th</sup> 2009, the actuarial differences will be amortized using the corridor method, and recorded in the financial income, in compliance with our accounting methods and principles.

### 3- Other current provisions

In millions of Euros	Provisions for commercial litigation	Other provisions	Provisions for restructuring	Provisions for currency translation losses	Total
<b>06.30.08</b>	<b>3.4</b>	<b>16.6</b>	<b>4.1</b>	<b>1.0</b>	<b>25.1</b>
Variations in scope					
Variations in provisions	- 0.5	- 6.9	- 1.3	- 0.6	- 9.3
Provisions for the fiscal year	0.4	1.5	1.4	0.4	3.7
Write-back used	- 0.6	- 8.3	- 2.0	- 1.0	- 11.9
Write-back unused	- 0.3	- 0.1	- 0.7	-	- 1.1
Reclassifications		1.1			1.1
Currency translations		- 0.1	0.1		-
Liabilities classified as held for sale ①			6.0		6.0
<b>12.31.08</b>	<b>2.9</b>	<b>10.7</b>	<b>8.9</b>	<b>0.4</b>	<b>22.9</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as "discontinued operations" appear in Note 3.

## Note 19: Current and non-current financial debts

### 1- Composition of the financial debts

#### 1.1- Non-current financial debts

In millions of Euros	12.31.08	06.30.08
Bank loans	212.2	212.2
Debt component of the equity notes	0.5	0.8
Debt component of the OCEANE derivatives	134.2	132.8
Minority redemption commitments	3.2	3.1
Derivatives	5.6	- 4.8
Lease/hire purchase	1.4	1.5
Other financial debts	1.1	3.0
<b>Total</b>	<b>358.2</b>	<b>348.6</b>
<b>Variation for the fiscal year</b>	<b>9.6</b>	

#### 1.2- Current financial debts

In millions of Euros	31.12.08	30.06.08
Bank loans	353.7	230.2
Debt components of the equity notes	0.5	0.5
Lease/hire purchase	0.2	0.2
Derivatives	- 0.7	- 0.8
Current accounts	3.5	3.0
Other financial debts	0.5	0.3
Interest incurred	5.0	1.2
<b>Total</b>	<b>362.7</b>	<b>234.6</b>
<b>Variation for the fiscal year</b>	<b>128.1</b>	

#### 1.3- Net financial indebtedness

Financial indebtedness, net of cash and bank in hand, has evolved as follows:

In millions of Euros	12.31.08	06.30.08
Non-current financial debts	358.2	348.6
Current financial debts	362.7	234.6
Cash and bank in hand (cf Note 15)	-252.3	- 259.9
<b>Net financial debts</b>	<b>468.6</b>	<b>323.3</b>
<b>Variation for the fiscal year</b> ①	<b>145.3</b>	

① The evolution of net financial indebtedness compared with June 30<sup>th</sup> 2008 can be explained by the seasonal nature of the business.

## 2- Analysis of the evolution of the financial debt

In millions of Euros	Non-current financial debts	Current financial debts	Total
<b>06.30.08</b>	<b>348.6</b>	<b>234.6</b>	<b>583.2</b>
Increase	80.6	33.4	114.0
Decrease		-5.2	-5.2
Restatement of forward cover	10.1		10.1
Reclassifications	-81.2	81.2	-
Liabilities classified as held for sale <sup>①</sup>	-0.1	12.1	12.0
Currency translation	0.2	6.6	6.8
<b>12.31.08</b>	<b>358.2</b>	<b>362.7</b>	<b>720.9</b>

① In order to interpret these figures correctly, this line includes both the variation in the assets of Suttons, reclassified as discontinued operations, and the assets of Oxadis and its subsidiaries, reclassified as continuing operations; details of Suttons assets classified as "discontinued operations" appear in Note 3.

## Note 20: Off balance sheet commitments

For its current operations, the group made commitments at the close of the fiscal period for the following amounts:

### Guarantees received

In millions of Euros	12.31.08	06.30.08
Endorsements, sureties, guarantees	1.4	1.2
Other commitments		0.6
<b>Total</b>	<b>1.4</b>	<b>1.8</b>

The company Groupe Limagrain Holding granted a tax guarantee to Vilmorin for the companies Limagrain Genetics Inc and Limagrain Verneuil Holding, at the time of the sale/contribution of these companies within the context of the contribution of the field seed activity on July 3rd 2006. Payments from Limagrain Verneuil Holding were initiated in October 2008, with no effect on the income because of the application of this guarantee.

There have been no overdue payments recorded to date involving these guarantees.

## 1- Guarantees given

In millions of Euros	12.31.08	06.30.08
Endorsements, sureties, guarantees	33.4	29.8
Clause of return to better fortune	7.0	7.0
Other commitments	0.6	0.6
<b>Total</b>	<b>41.0</b>	<b>37.4</b>

Endorsements, sureties, and guarantees given involve a letter of intent for the annual payment of rent covering the remaining duration of the long-term commercial lease (25 years) of the company Suttons for 5.4 millions Euros (6.7 million Euros on June 30<sup>th</sup> 2008) and the site of Solingen (head office of Flora Frey in Germany) for 18.5 million Euros (19.2 million Euros on 30<sup>th</sup> 2008).

The clause of return to better fortune involves a commitment of Limagrain Verneuil Holding towards Groupe Limagrain Holding following the integration of the field seeds business.

## 2- Reciprocal commitments

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
<b>12.31.08</b>				
Lease agreements	2.6	1.1	1.4	0.1
Simple rental agreements	19.7	6.8	10.8	2.1
Forward purchase of currency	20.6	20.6		
Forward interest rate cover ①	275.0	55.0	220.0	
Interest to pay on medium and long-term debts	54.0	16.6	37.3	0.1
Medium- and long-term research contracts	0.4	0.3	0.1	
Other commitments	17.9	4.5	13.4	
<b>Total</b>	<b>390.2</b>	<b>104.9</b>	<b>283.0</b>	<b>2.3</b>

① In the context of increasing interest rates in 2008, Vilmorin pursued its interest rate risk management by strengthening its SWAP portfolio.

## 3- Debts with real sureties

In millions of Euros	Debts guaranteed ①	Total amount of sureties granted	Book value of the assets provided as a guarantee
06.30.08	44.5	97.5	97.5
<b>12.31.08</b>	<b>46.5</b>	<b>103.6</b>	<b>103.6</b>

① These debts mainly concern two guarantees granted on moving assets and collateral on the securities of a subsidiary respectively to a banking pool and a bank.

## 4- Commitments of the company Cylonie RE

As part of a captive set-up, the reinsurance company Cylonie Ré has given and received the following commitments:

- First, it gave a reinsurance commitment in favor of a third party insurance company for a total amount of 43 million US dollars for a period that expired on June 30th 2007, which has been renewed for a period of 3 years. To date, 18 million US dollars have been used. Moreover it has given a reinsurance commitment of 17 million US dollars to a third party company, for a period that expires on December 31st 2009.  
As a surety for this commitment, it set up a cash pledge to a third party holder for the value 2.6 million Euros on December 31<sup>st</sup> 2008 (2.3 millions Euros on June 30th 2008). This sum appears on the balance sheet on the line "Other non-current financial assets".
- It also received a reinsurance commitment issued by a third party reinsurance company for a maximum amount of 30 million US dollars on June 30th 2008 (30 million US dollars on June 30th 2007) and for a period that expires on June 30th 2009.

## 5- Other commitments

As part of the agreement signed with DLF, Vilmorin gave a guarantee on the purchasing values until 2011 to this company.

In order to insure a good supply of markets and control over inventory levels, during the course of the fiscal year, Vilmorin makes commitments to buy certain quantities of seeds from growers.

Within the context of its operations to sell the home garden vegetables activities (in particular the companies Flora Frey and Carl Sperling sold on June 30th 2008), a provision of 5.4 million euros was set up as a result of the commitments made for the sale. 2.6 millions Euros of this provision were written back on December 31<sup>st</sup> 2008, while a charge of 2.0 million Euros was paid out. Moreover, it should be noted that there is an earn out clause which will be recorded in the accounts when the conditions and due dates come up over the three coming years.

## Note 21: Events occurring after close

In February 2009 Vilmorin announced its acquisition of the American seeds companies LSL Biotechnologies / LSL Plant Science (Tucson, Arizona) and GeneFresh Technologies (Salinas, California).

- Precursors in the development of long-shelf life tomatoes, LSL Biotechnologies / LSL Plant Science are one of the main players in the market for open field tomatoes in Mexico. The company also owns top rate germplasm, highly complementary to the germplasm already developed by Vilmorin.
- Positioned as a priority on the market for pre-wrapped vegetables, GeneFresh Technologies provides top class expertise in lettuce breeding and will reinforce Vilmorin's competitive position in this major crop on the American market.

Vilmorin has also just purchased two breeding programs: K&B Development (Gilroy, California) and Gentropic, a vegetable seed research institute belonging to the company Semillas Tropicales (Antigua, Guatemala).

- After the acquisition of Global Genetics (United States) in 2008, Vilmorin is continuing to extend its expertise in onion by acquiring the K&B Development research program on short-day hybrid onions. This activity will enrich Vilmorin's current breeding programs, offering, in the short term, significant perspectives for sales worldwide.
- Gentropic uses the highest quality germplasm in tropical pimento and tomato, and has built up a portfolio of varieties that are particularly well-suited to the American continent. The institute has also developed know-how in plant biotechnologies.

## Appendix:

### Consolidation scope on December 31<sup>st</sup> 2008

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Vilmorin	France	4 Quai de la Mégisserie Paris (75001)	377 913 728	100.00	100.00	GI
Australian Grain Technologies	Australia	University of Adelaide – Waite Campus building 4B – 1 Waite road – 5064 Urrbrae		25.00	25.00	EM
Bioseeds	Netherlands	Blaak 31 - 3011GA Rotterdam		20.00	20.00	EM
Ceekay Seeds & Seedlings Pvt. Ltd	India	59/1, 8th Main, Radhakrishna Layout Padmanabha Nagar 560070 Bangalore-Karnataka		100.00	99.97	GI
Changsa Xindaxin Vilmorin Agri-Business Co. Ltd	China	9th/F Xindaxin Building, n°168 Huangxing Middle Road Changsha (410005) Hunan		46.50	33.71	PI
Cylone Re	Luxembourg	19 rue de Bitbourg - L 1273 Luxembourg-Hamm		100.00	99.99	GI
Mikado Seed Holding K.K. Mikado Ikushu Holding	Japan	1203 Hoshiguki-Cho, Chuo-Ku Chiba-Shi		64.73	64.73	GI
Plant Development Australia	Australia	165, Templestowe Road Templestowe Lower, VIC 3107		100.00	99.97	GI
VCC Japan	Japan	15-13 Nampeidaicho Shibuya-Ku Tokyo		100.00	100.00	GI
VCC Seeds Ltd (Israel)	Israel	c/o Schwartz, Duvdevany, Lerner CPA - 76 Herzl Street - Haifa		100.00	100.00	GI
Vilmorin 1742	France	6 Quai de la Mégisserie Paris (75001)	504 933 953	100.00	100.00	GI
Vilmorin Luxembourg SA	Luxembourg	11 avenue Emile Reuter L 2420 Luxembourg		99.99	99.99	GI
Vilmorin Hong-Kong Limited	China	Level 28, Three Pacific Place, 1 Queen's Road East – Hong-Kong		72.50	72.50	GI
Yuanlongping High-Tech Agricultural Company Limited	China	Agriculture Hi-Tech Park, Mapoling, Second Yuanda Road, Furong District - Changsha		22.22	7.49	EM
<b>1 - Field seeds activity</b>						
Biogemma	France	1 rue Edouard Colonne Paris (75001)	412 514 366	55.01	55.01	GI
Biogemma UK	United Kingdom	Science Park - 200 Milton Road Cambridge CB4 0GZ		100.00	55.01	GI
Genoplante Valor	France	523, Place des Terrasses Évry (91034)	439 202 821	33.33	29.33	EM
Limagrain Verneuil Holding	France	Ferme de l'Étang - BP 3 Verneuil L'Étang (77390)	542 009 824	79.96	79.96	GI
Eurodur	France	Loudes - Castelnaudary (11400)	338 982 614	43.96	35.15	PI
GIE Semences de Brie	France	RD 402 - Chaumes-en-Brie (77390)	388 147 845	50.00	39.98	PI
Limagrain Central Europe	France	Biopôle Clermont-Limagne Saint-Beauzire (63360)	438 205 320	99.99	79.95	GI
Nickerson International Research Snc	France	Rue Limagrain - Chappes (63720)	388 170 938	100.00	79.96	GI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Soltis	France	Domaine de Sandreau Mondonville-Blagnac (31700)	420 327 231	50.00	39.98	PI
Unisigma GIE	France	2, rue Petit Sorri - Froissy (60480)	317 760 668	46.00	36.78	EM
Advanta BV	Netherlands	Van der Haveweg 2 4411 RB Rilland		100.00	79.96	GI
Limagrain (AHUK) Ltd	United- Kingdom	Sleaford, Lincolnshire - NG34 7HA		100.00	79.96	GI
Limagrain (AR) Ltd	United- Kingdom	Sleaford, Lincolnshire - NG34 7HA		100.00	79.96	GI
Limagrain (AST) Ltd	United- Kingdom	Sleaford, Lincolnshire - NG34 7HA		100.00	79.96	GI
Limagrain (ASUK) Ltd	United- Kingdom	Sleaford, Lincolnshire - NG34 7HA		100.00	79.96	GI
Limagrain A / S	Denmark	Marsalle III - 8700 Horsens		100.00	79.96	GI
Limagrain Belgium BVBA	Belgium	Esperantolaan 12 BUS B13 B 3300 Tienen		100.00	79.96	GI
Limagrain Nederland BV	Netherlands	Van der Haveweg 2 4411 RB Rilland		100.00	79.96	GI
Limagrain Bulgaria Eood	Bulgaria	5-7 Lubotran Str. F15, ap 20 1407 Sofia		100.00	79.95	GI
Limagrain Central Europe Cereals S.r.o.	Czech Republic	Sazecska 8 108 25 Prague 10 Malesice		100.00	79.95	GI
Limagrain d.o.o	Serbia	Bulevar Oslobođenja 127 Novia Sad (21000)		100.00	79.95	GI
Limagrain Iberica	Spain	Ctra Pamplona - Huesca Km 12 Elorz - Navarra 31470		100.00	79.96	GI
Limagrain Italia SPA	Italy	Via Frescarolo, 115 Busseto PR 43011		100.00	79.96	GI
Limagrain Magyarország Kft	Hungary	Gyar Ut.2, PF 325 Budaörs H 2040		100.00	79.95	GI
Limagrain Moldova Srl	Moldova	Bd. Stefan Cel Mare 162 Chisinau 2004		100.00	79.95	GI
Limagrain GmbH	Germany	2 Am Griewenkamp Edemissen - D 31234		100.00	79.96	GI
Limagrain Polska	Poland	Zo.o ul Lindigo 6 Poznan PL 60-573		100.00	79.95	GI
Limagrain Romania	Romania	Soseaua Bucuresti Ploiesti KM15.2 Orasul Otopeni Judetul Ilfov 8244		97.14	77.67	GI
Limagrain Tohum Islah ve Üretim Sanayi Ticaret AS	Turkey	Bayar Cad. Gülbahar Sokak N° 17/136 Kozyatagi-Erenkoy Istanbul 34742		67.00	53.57	GI
Limagrain UK Limited	United Kingdom	Market Rasen LN7 6DT Rothwell Lincolnshire		100.00	79.96	GI
Limagrain Ukraine t.o.v.	Ukraine	Pavlivska 10 – 01054 Kiev		100.00	79.96	GI
Nickerson Sugar Beet Seed Ltd	United Kingdom	Market Rasen LN7 6DT Rothwell Lincolnshire		100.00	79.96	GI
Sharpes Seeds Ltd	United Kingdom	Market Rasen LN7 6DT Rothwell Lincolnshire		100.00	79.96	GI



Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Limagrain Genetics Inc	Canada	Centre CDP Capital-1001 Victoria Square – Bloc E – 8 <sup>th</sup> Floor-Montreal (H2Z 2B7)		100.00	100.00	GI
AgReliant Genetics LIC	United States	1122 E 169th Street Westfield, IN 46074		50.00	50.00	PI
AgReliant Genetics Inc	Canada	Concession n°4 - Dover Township Pain Court - Ontario NOP IZO		50.00	50.00	PI
Vilmorin USA Corp.	United States	2711 Centerville Road, Suite 400 Wilmington (19808) Delaware		100.00	100.00	GI
<b>2 – Vegetable seeds activity</b>						
Clause	France	Rue Louis Saillant Portes-les-Valences (26800)	435 480 546	99.97	99.97	GI
Vilmorin SA	France	Route du Manoir La Menitre (49250)	562 050 864	99.95	99.95	GI
Alliance Semillas de Chile	Chile	Casa Matriz – Hendaya 27 – Oficina 201 Las Condas Santiago		51.00	51.00	GI
Alliance Semillas	Argentina	Cochrane 2848 CP 1419 Capital Federal Buenos Aires		100.00	100.00	GI
Asamia Cold Storage Ltd	Israel	DN Shikmim - Brurim		100.00	100.00	GI
Biotech Mah Management	Israel	DN Shikmim - Brurim		50.00	50.00	PI
Clause Tezier Australia	Australia	165, Templestowe Road Lower Templestowe 3107 Victoria		100.00	99.97	GI
Clause India	India	6-1-20/2, Walker Town 500025 New Bhoiguda Secunderabad		100.00	99.97	GI
Clause Brasil	Brazil	Rua Miguel Penteado n°138 Jardim Chapado CEP 13070118 Campesinas SP		100.00	99.97	GI
Clause Spain SA	Spain	Paraje La Reserva s/n Apdo Correos n°17 La Mojonera Almeria (04745)	A-46031258	100.00	99.97	GI
Clause Italia SPA	Italy	Via Emilia 11 Venaria Real (10078)		100.00	99.97	GI
Clause Maghreb	Algeria	Villa n°192 Quartier Amara 2 - Lotissement Alioua Fodhil - Chéraga		100.00	99.97	GI
Clause Pacific	Australia	165, Templestowe Road Lower Templestowe 3105 Bulleen Victoria		100.00	99.97	GI
Harris Moran Seeds	United States	555, Codoni Avenue 95352 Modesto (California)		100.00	100.00	GI
Hazera Brazil	Brazil	Rua Iris, 75 Holambra 13825-000 Sao Paulo		100.00	100.00	GI
Hazera Canaria	Spain	Avenida Santa Cruz 182 San Isidro Granadilla 386110 Santa Cruz de Tenerife		100.00	100.00	GI
Hazera España	Spain	c/o Landwell, Paseo de la Castellana 53 Madrid		100.00	100.00	GI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Hazera Genetics Ltd	Israel	Brurim Farm MP - 79837 Shikmim		100.00	100.00	GI
Hazera Holding International BV	Israel	DN Shikmim - 79837 Brurim		100.00	100.00	GI
Hazera Mauritius Ltd	Mauritius	c/o Abacus Fin. Sces Ltd TM Building Pope Hennessy Street Port-Louis		100.00	100.00	GI
Hazera Seeds Inc	United States	6601 Lyons Suite H 10 – Coconut Creek (33073) - Florida		100.00	100.00	GI
Hazera Tohumculuk Ve Ticaret AS	Turkey	Gencilik Mahallesi, Fevzi Cakmak Cad. 2 Mahmut Cil Apt. n°75 D7Antalaya (07100)		99.99	99.99	GI
Hazera Agriculture Technology and Services (Beijing) Co	China	17 Jian Guo Men Wai St 28th Floor, Suite 210 Chao Yan District – Beijing		100.00	100.00	GI
Ica Seeds Sac	Peru	Fundo la Viña S/N Caserio La Poruma Ica		99.83	99.83	GI
Marco Polo Seed Nusantara	Indonesia	Ruko Bumi Prayadan Permai Block B-6 Mertoyudan 56172 Magelang Jawa Tengah		100.00	100.00	GI
Marco Polo Seed Thailand	Thailand	11th Floor, Panjabhum Building 127 South Sathorn Road, Tungmahamek 10120 Sathorn Bangkok		100.00	100.00	GI
Mikado Kyowa Seed	Japan	15-13 Nanpeidai-Shibuya-Ku 150-0036 Tokyo		69.27	60.45	GI
Nickerson Zwaan BV	Netherlands	Schanseind 27 BP28 4921 Pm Made		100.00	99.95	GI
Nickerson Zwaan GmbH	Germany	2 Am Griewenkamp D31234 Edemissen		100.00	99.95	GI
Nickerson Zwaan India	India	312 Batarayanpura BB Road Opposite L&T Gate 560 092 Bangalore		100.00	99.95	GI
Nickerson Zwaan Ltd	United Kingdom	Joseph Nickerson Research Centre Market Rasen LN7 6DT Rothwell		100.00	99.95	GI
Nickerson Zwaan Sp. zo.o	Poland	Ul. Gersona 8, (03307) Warszawa		100.00	99.95	GI
Nickerson Zwaan South Africa	South Africa	319 Pine Avenue, Ferndale Randburg (2125)		100.00	99.96	GI
Nickerson Zwaan LLC	Ukraine	Professora Pidvysotstskogo Str.6-B, non residential premises 3,4,5 (01013) Kiev		100.00	99.95	GI
Semillas Harris Moran Mexicana	Mexico	Bld. V. Carranza 2378-A Mexicali, BV Mexico CP		100.00	100.00	GI
Top Green	France	ZA Les Pains - Les Alleuds Brissac Quince (49320)	432 004 679	33.33	33.33	EM
Vilmorin Anadolu Tohum Uretim Ve Pazarlama AS	Turkey	Güzelyali, Bati Sahili, Ciftlik Sok. No.9 Pendik Istanbul (34903)		100.00	99.95	GI
Vilmorin Atlas	Morocco	158 boulevard Abdellah Ben Yacine - Casablanca		70.00	69.97	GI
Vilmorin Iberica SA	Spain	Calle Joaquim Orozco 17 (03006) Alicante		99.90	99.85	GI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Vilmorin Inc	United States	2551 North Dragon (85745) Tucson Arizona		100.00	100.00	GI
Vilmorin Italia Srl	Italy	Center Gross CP 97 - Blocco 22 Via dei Notai 123, (40050) Funo		100.00	99.95	GI
Vilmorin do Brasil Comércio de Sementes Ltda	Brazil	Rua Maria Monteiro, 830, 2nd andar, sala 21 Campinas, Estado de Sao Paulo (13025-151) Cambui 151 Campinas/SP		100.00	99.95	GI

### 3 – Garden products activity

Oxadis	France	65, rue de Luzais - BP 37 St Quentin Fallavier (38291)	959 503 111	99.99	99.99	GI
Van Den Berg C.H.	Netherlands	Nijverheidsweg 1& 8A - Po Box 4 (1693) Am Wervershoof		100.00	99.99	GI
Cnos Garden Sp. zo.o	Poland	Ul Kopanina 28/32 60 951 Poznan		51.00	50.99	GI
Flora Geissler	Switzerland	Müliwisstrasse 212 (5467) Fisibach		100.00	99.99	GI
United Kingdom	United Kingdom	Woodview road – Paignton Devon - TQ4 7NG		100.00	100.00	GI

#### Consolidation method:

GI: global integration

PI: proportional integration

EM: equity method

## Recent trends

- **Interim consolidated financial statements for the first six months of fiscal 2008-2009 and suspension of the process to sell Oxadis**

It should be remembered that the consolidated financial statements for the first semester are always handicapped by the seasonal nature of the business; on average, sales for the first six months represent less than one-third of Vilmorin's annual sales.

In millions of Euros	<b>2007-2008</b> 12.31.07 disclosed	<b>2007-2008</b> 12.31.07 pro-forma	<b>2008-2009</b> 12.31.08
<b>Sales</b>	279,9	311,3	<b>299,5</b>
<b>Operating income</b>	-9,8	-11,6	<b>-20,2</b>
<b>Financial income</b>	-14,0	-14,3	<b>-10,5</b>
<b>Profit from continuing operations</b>	-22,8	-24,1	<b>-28,1</b>
<b>Profit from discontinued operations</b>	-7,6	-6,3	<b>-1,1</b>
<b>Net income</b>	-30,4	-30,4	<b>-29,2</b>
<b>Of which Group share</b>	-27,6	-27,6	<b>-27,4</b>

## Accounting standards

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards (IFRS).

Following the October 2007 announcement of its planned withdrawal from its home garden business, Vilmorin has applied IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

Under this standard, transactions in connection with these assets are to be presented separately as specific items on the balance sheet and the income statement.

At the close of June 30th 2008, only the companies Flora Frey and Sperling had been sold. The sales process is still being negotiated for the company Suttons with investors and industrialists.

**However, after examining progress made in negotiations on current offers with regard to the French company Oxadis and its subsidiaries, Vilmorin's Board decided at its meeting of February 24<sup>th</sup> 2009, to suspend the process it had initiated to sell these activities**

**Consequently, the accounts of Oxadis and its subsidiaries have been restated, in the financial statements closed on December 31<sup>st</sup> 2008, in the continuing operations, and have been reintegrated in the pro-forma figures of December 31<sup>st</sup> 2007 in order to facilitate comparability.**

## Consolidation scope

The main changes occurring in the consolidation scope during the first semester concern :

- the purchase of a minority stake of 25% in the company Australian Grain Technologies (AGT), consolidated as of July 1<sup>st</sup> 2008 using the equity method,

- the exit from the consolidation scope of the American companies Advanta Pacific and Soygenetics (previously consolidated using the equity method), which have both been wound up).

## **Sales and results for the first semester**

*NB: any variations with regard to fiscal 2007-2008 are expressed in comparison to the pro-forma data of December 31<sup>st</sup> 2007.*

> Consolidated sales corresponding to the income from ordinary activities for the first semester of fiscal 2008-2009, closed on December 31<sup>st</sup> 2008, came to 299.5 million Euros, 3.8% lower on a reported basis.

**Like-for-like (currency fluctuations, scope of activities), sales actually rose by 1.8%.**

- Sales for the vegetables activity for the first semester came to 161.3 million Euros, an increase of 6.4% compared with the first semester of fiscal 2007-2008. Restated like-for-like, the increase was 4%.

In spite of a slowdown in business in certain areas in the Mediterranean basin during the first quarter, this semester has confirmed the fine performances of all the operating companies, particularly in the Americas.

- Sales for the field seeds activity for the first semester came to 120.3 million Euros, which is at the same level as the excellent sales recorded last year.
  - In Europe, this first semester was characterized by the excellent campaign for rape and winter cereal (wheat and barley) seeds; nevertheless it has been temporarily penalized by delayed invoicing due to a slower start to the sales campaign for corn seeds.
  - On the North American market, in spite of predictions of a drop in the market for corn seeds, the order book and reservations for the coming spring season is on line with objectives.

- **Henceforth presented in the continuing operations again, sales for the garden products activity of Oxadis and its subsidiaries came to 17.5 million Euros on December 31<sup>st</sup> 2008.**

**This figure for sales takes into account the decision to end the distribution of pet products intended for the consumer market.**

> After taking into account the cost of destruction and depreciation of inventory, margins on the cost of goods sold came to 133.5 million Euros, representing 44.6% of total sales, an increase of 1.5 percentage points compared with December 31<sup>st</sup> 2007.

Net operating costs came to 153.7 million Euros, an increase of 7.7 million Euros compared with December 31<sup>st</sup> 2007.

It should be noted that :

- tax relief for research, recorded as deduction of research and development costs, came to 11.7 million Euros compared with 9.4 million Euros the previous year
- the sales of assets recorded a profit of 2.6 million Euros compared to 0.5 million Euros the previous year
- 0.8 million Euros of restructuring costs were recorded in the accounts this year.

**The half-yearly operating income shows a loss of 20.2 million Euros on December 31<sup>st</sup> 2008, an increase of 8.6 million Euros on a reported basis, compared to December 31<sup>st</sup> 2007, because of the increased seasonal nature of activities.**

> The financial result shows a net charge of 10.5 million Euros, an improvement of 3.8 million Euros compared to December 31<sup>st</sup> 2007; in this first semester, in particular, gains were recorded in hedge instruments.

> Income from discontinued activities came to -1.1 million Euros compared with a net loss of 6.3 million Euros on December 31<sup>st</sup> 2007.

**> The net income for the first six months shows a loss of 29.2 million Euros, including a Group share loss of 27.4 million Euros, a slight improvement compared with December 31<sup>st</sup> 2007.**

## **Outlook**

In view of the results obtained in the first semester, as described above, and on the basis of information currently available, Vilmorin can confirm, for fiscal 2008-2009, in compliance with the outlook presented in October, its objective to increase its sales significantly, while its operating margin will be slightly lower.

In the second semester, the operating margin will however depend on the evolution of surface areas for corn production, on both the European and North American markets, as well as the potential impact of the financial crisis and bank credit on markets for agricultural raw materials.