

**Vilmorin & Cie SA**

Public limited company with Board of Directors  
 with a capital of 317 717 005.50 Euros  
 Head Office: 4, Quai de la Mégisserie – F-75001 PARIS  
 SIREN Paris 377 913 728  
 Fiscal year from July 1<sup>st</sup> to June 30<sup>th</sup>  
 Euronext Paris (Compartment A) – Eligible for Deferred Settlement Order  
 Indices: CAC Mid & Small, CAC All-Tradable, CAC All Share

March 7, 2016, at 6:15 am CET

## SALES AND RESULTS FOR THE 1<sup>ST</sup> SEMESTER 2015-2016

- SALES FOR THE 1<sup>ST</sup> SEMESTER ENDING ON DECEMBER 31, 2015  
UP 6.5% WITH CURRENT DATA
- CONTRACTION IN RESULTS FOR THE 1<sup>ST</sup> SEMESTER 2015-2016: NET LOSS  
IN THE GROUP SHARE OF 61.1 MILLION EUROS
- OBJECTIVES FOR 2015-2016 MAINTAINED

**On average, sales for the first semester globally represent less than one third of the annual sales for Vilmorin & Cie. Because of this highly seasonal pattern, the consolidated financial statements for the first semester traditionally show very negative income.**

In millions of Euros	2014-2015	2015-2016	Variation with current data
<b>Sales</b>			
• Vegetable seeds	240.9	271.4	+12.7%
• Field seeds	172.2	170.5	-1.0%
• Garden products and holdings	15.5	14.6	-6.1%
<b>Sales for the first semester</b>	<b>428.6</b>	<b>456.5</b>	<b>+6.5%</b>
EBITDA	49.3	54.6	+5.3
Operating income	-30.4	-31.9	-1.5
Income from associated companies	-21.6	-24.2	-2.6
Financial income	-17.9	-22.9	-5.0
Income taxes	+13.3	+16.4	+3.1
<b>Net income</b>	<b>-56.6</b>	<b>-62.6</b>	<b>-6.0</b>
<b>of which group share in net income</b>	<b>-55.3</b>	<b>-61.1</b>	<b>-5.8</b>

The consolidated financial statements for the first semester 2015-2016, closed on December 31, 2015, were recently approved by Vilmorin & Cie Board. The Statutory Auditors have carried out a limited audit of the financial information for the first semester; in their conclusions they have not indicated any anomaly.

Consolidated financial information is established in compliance with the IFRS referential (International Financial Reporting Standards) as endorsed by the European Union on December 31, 2015.

The accounting methods and principles adopted in the consolidated financial statements for the first semester on December 31, 2015 are identical to those used in the consolidated financial statements for the fiscal year closing on June 30, 2015.

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Thus, no change in accounting methods or estimates with any impact on Vilmorin & Cie's consolidated financial statements was applied by Vilmorin & Cie over the course of the semester.

Evolution of the data for the semester is analyzed using current data and on a like-for-like basis. Comparable data is restated with constant scope and currency impact; accordingly, the result for the first semester 2014-2015 takes into account:

- the scope impacts resulting from the acquisition of Tropdicorp (Vietnam. Vegetable seeds) in March 2015, and also the purchase of a minority stake in the Canadian company Canterra Seeds and the creation of Limagrain Cereals Research Canada (Field seeds) in July 2015,
- the impact of changes in currency translation, by applying the average rate on December 31, 2015 to the income statement on December 31, 2014.

## **SALES FOR THE FIRST SEMESTER: SIGNIFICANT GROWTH IN BUSINESS DRIVEN BY THE SUSTAINED DEVELOPMENT OF THE VEGETABLE SEEDS DIVISION**

**Vilmorin & Cie's consolidated sales for the first semester of 2015-2016, closed on December 31, 2015, came to 456.5 million Euros, a rise of 6.5% with current data and 4.5% on a like-for-like basis.**

### **■ VEGETABLE SEEDS DIVISION: CONTINUING SOLID RHYTHM OF GROWTH**

Sales for the Vegetable seeds division for the first semester came to 271.4 million Euros, an increase of 12.7% with current data compared with the first semester for 2014-2015. Restated on a like-for-like basis, the division achieved an increase of 8.4%.

During the course of the second quarter, business was once again very vigorous, recording growth of almost 12% on a like-for-like basis.

All the Business Units contributed to this really fine performance marked by significant increases in volume for the main strategic crops (tomato, carrot, onion, etc.). This dynamic growth covered the main markets of Vilmorin & Cie, particularly the Americas and Southern Europe, clearly confirming that market shares continue to be gained.

### **■ FIELD SEEDS DIVISION: BUSINESS AT ALMOST THE SAME LEVEL, IN LINE WITH MARKET TRENDS**

Sales for the Field seeds division for the first semester came to 170.5 million Euros, a decrease of 1% compared with the first semester for 2014-2015; this decrease was 0.2% on a like-for-like basis.

- In Europe, the commercial campaign for rapeseed achieved solid growth, enabling Vilmorin & Cie to confirm its position as a top-ranking European player. However, the first part of the straw cereal seed campaign (wheat, barley) was marked by a slight drop in sales and royalties cashed in. In a market environment still heavily influenced by the downward trend of the prices of agricultural raw materials, prevalent over the past two campaigns, orders for corn and sunflower are today correctly oriented.
- In South America, the first corn campaign was lower than last year, in line with market trends, still marked by the increase in soybean crops.

- In the other new development areas (Asia and Africa), the level of business made overall during the first semester corresponds to expectations, though weather conditions were at times unfavorable.

Globally, the Field seeds division recorded sales for the second quarter down 3.7% on a like-for-like basis.

Finally, on the North American market, the commercial campaign for corn and soybean seeds is marked, at the end of the first semester, by an earlier start to confirmation of orders due to the market context.

## RESULTS FOR THE FIRST SEMESTER: A DECREASE DUE TO HIGHER RESEARCH EXPENDITURE AND NON-RECURRING ITEMS

- After taking into account the cost of destruction and depreciation of inventory, margin on the cost of sales came to 228.4 million Euros, representing 50% of total sales, up one percentage point compared to the first semester for the previous fiscal year; the business mix had a positive effect on this margin.

Net operating charges came to 260.3 million Euros, an increase of 19.9 million Euros compared with the first semester for fiscal year 2014-2015, including an additional investment of 11.4 million Euros in research and development.

**Consequently, the operating income for the first semester shows a loss of 31.9 million Euros on December 31, 2015, an additional loss of 1.5 million Euros compared with the first semester for 2014-2015; the operating margin, traditionally negative at the end of the first semester, came to -7%, at the same level as on December 31, 2014.**

- **The income contribution from associated companies consolidated under the equity method, in particular including AgReliant (North America. Field seeds) and Seed Co (Africa. Field seeds), stood at -24.2 million Euros at the end of the first semester for 2015-2016.**

- The financial result shows a net charge of 22.9 million Euros as opposed to 17.9 million Euros on December 31, 2014. There were foreign exchange losses of 5.4 million Euros as opposed to 1.9 million Euros for the previous fiscal year, and also non-recurring financial charges of 5.3 million Euros, relating to a further provision on a minority stake held.

- Income tax on December 31, 2015 shows a net tax income of 16.4 million Euros, an increase of 3.1 million Euros compared with the previous year.

- **As a result of these factors, the net result for the semester shows a loss of 62.6 million Euros, including a group share loss of 61.1 million Euros, an increase of 5.8 million Euros compared with the first semester for fiscal year 2014-2015.**

- At the end of December 2015, the balance sheet structure is naturally influenced to a large extent by the seasonal nature of the annual business cycle.

Net of cash and cash equivalents (229.3 million Euros), financial indebtedness came to 950.6 million Euros, including a non-current share of 721.9 million Euros.

The group share of equity stood at 1,049 million Euros and minority interests at 111.7 million Euros.

## OBJECTIVES MAINTAINED FOR 2015-2016

In view of the results for the first semester, as presented above, and on the basis of information currently available, Vilmorin & Cie maintains its global sales growth objective for fiscal year 2015-2016 at between 0 and 2% on a like-for-like basis compared with fiscal year 2014-2015, and a potential for a current operating margin close to that of fiscal year 2014-2015.

Over the second semester, reaching these objectives will nevertheless partly depend on the definitive evolution of cultivated acreage and prices for agricultural productions, in a context of pressure on margins (pricing policies, absorption of the global evolution of procurement costs) for Field seeds, particularly on European markets, and also on continuation of the excellent trend for the Vegetable seeds activity noted over the course of the first semester.



You can consult a presentation of sales and results at the end of the first semester as of 9:00 on the website [www.vilmorin.info](http://www.vilmorin.info)

### COMING DISCLOSURES FOR 2015-2016

**Wednesday April 27, 2016<sup>(1)</sup>**: sales at the end of the third quarter

**Monday August 1, 2016<sup>(1)</sup>**: sales for the fiscal year

**Wednesday October 19, 2016<sup>(1)</sup>**: results for the fiscal year

*(1) disclosure after trading on the Paris stock market*

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#### **Vilmorin & Cie develops vegetable and field seeds with high added value to better meet global food requirements.**

Accompanied by its reference shareholder, Limagrain, an international agricultural cooperative group, Vilmorin & Cie is currently the fourth largest seed company in the world.

True to its vision of sustainable development, Vilmorin & Cie relies on ongoing investments in research and international growth to strengthen its market shares. An ambition that is driven by its corporate culture which is based on the sharing of knowledge, quality of life and respect for the needs of mankind.

**APPENDIX:**
**SALES FOR THE FIRST SEMESTER 2015-2016  
AND EVOLUTION PER QUARTER AND PER DIVISION**

In millions of Euros	2014-2015	2015-2016	Variation with current data	Variation on a like-for- like basis
<b>First quarter</b>	198.9	<b>209.8</b>	<b>+5.5%</b>	<b>+3.5%</b>
Vegetable seeds	113.1	122.1	+8.0%	+4.3%
Field seeds	76.3	79.4	+4.0%	+4.3%
Garden products and holdings	9.5	8.3	-12.6%	-12.6%
<b>Second quarter</b>	229.7	<b>246.7</b>	<b>+7.4%</b>	<b>+5.4%</b>
Vegetable seeds	127.9	149.4	+16.8%	+11.9%
Field seeds	95.8	91.1	-4.9%	-3.7%
Garden products and holdings	5.9	6.2	+5.1%	+5.1%
<b>First semester</b>	<b>428.6</b>	<b>456.5</b>	<b>+6.5%</b>	<b>+4.5%</b>
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