

Vilmorin & Cie SA

Public limited company with Board of Directors, with a capital of 288 833 642.75 Euros

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Fiscal year from July 1<sup>st</sup> to June 30<sup>th</sup>

NYSE Euronext Paris (Compartment A) - Eligible for Deferred Settlement Order

Indices: SBF 120, CAC Mid & Small, CAC All-Tradable, CAC All Share

October 8, 2013

- **RESULTS FOR FISCAL YEAR 2012-2013: NET CONSOLIDATED INCOME OF 107 MILLION EUROS, AN INCREASE OF 23%**
- **PURCHASE OF A MINORITY STAKE IN THE AFRICAN SEED COMPANY SEED CO (FIELD SEEDS)**

### RESULTS FOR FISCAL YEAR 2012-2013

The consolidated financial statements for 2012-2013, closing on June 30<sup>th</sup> 2013, were approved by the Vilmorin & Cie Board at its meeting of October 7<sup>th</sup> 2013. The Statutory Auditors have examined this annual financial information with no particular comments to make in their conclusions.

In millions of Euros	2011-2012	2012-2013	Variation with current data
<b>Sales</b>	<b>1,338</b>	<b>1,472</b>	<b>+ 10%</b>
Operating income	137.7	156.5	+ 13.7%
Financial income	- 26.3	-27.9	- €1.6 M
Income taxes	- 26.1	-23.3	+ €2.8 M
<b>Net income</b>	<b>87.1</b>	<b>107.0</b>	<b>+ 22.9%</b>
<b>Net income Group share</b>	<b>80.6</b>	<b>99.4</b>	<b>+ 23.3%</b>

Consolidated financial information has been established in accordance with the IFRS standards (International Financial Reporting Standards) in force in the European Union on June 30, 2013.

The main changes to the consolidation scope concern the acquisition of the company Century Seeds (India. Vegetable seeds) in October 2012, and the integration of Link Seed (South Africa. Field seeds) in January 2013.

Consolidated sales<sup>(1)</sup> corresponding to the income from ordinary activities for the fiscal year 2012-2013 came to 1,472 million Euros, up 10% with current data.

Restated like for like (currency, scope), they grew by 9.4% compared with the previous fiscal year.

After taking into account the cost of destruction and depreciation of inventory, the margin on the cost of goods sold came to 43.3%, down by 0.4 percentage points compared with fiscal year 2011-2012, and was this year once again directly hit by changes to the business mix.

Net operating charges stood at 480.8 million Euros as opposed to 446.4 million Euros on June 30, 2012.

In compliance with its strategic orientations, Vilmorin & Cie continued to intensify its research programs in 2012-2013, both in terms of conventional plant breeding and biotechnologies. Total

<sup>(1)</sup>cf. Vilmorin & Cie press release disclosed on July 31st, 2013

research investment came to 180.9 million Euros as opposed to 161.6 million Euros in 2011-2012 and now represents 14.2% of sales for the seeds activities intended for the professional markets. Tax relief for research, recorded as deduction of research and development costs, came to 23.2 million Euros compared with 25.6 million Euros for the previous fiscal year.

Net operating charges also take into account impairments, industrial reorganization costs and extraordinary charges for the disposal of assets, with a net total of 1.7 million Euros.

Consequently, the consolidated operating income stood at 156.5 million Euros, an increase of 18.8 million Euros compared with the previous fiscal year, resulting in an operating margin of 10.6%.

After restatement for the extraordinary items mentioned above, the current operating margin came to 10.8%, in line with the declared objective.

The financial result showed a net charge of 27.9 million Euros compared with 26.3 million Euros in fiscal 2011-2012 including provisions of 6.6 million Euros this year for depreciation and financial risks, as well as currency exchange losses of 0.9 million Euros as opposed to 9 million Euros on June 30, 2012.

In a context of more favorable lending rates, the cost of funding came to 20.4 million Euros, an improvement of 0.9 million Euros compared with the previous fiscal year.

Net income taxes came to 23.3 million Euros compared with 26.1 million Euros the previous year.

Finally, the total net income came to 107 million Euros, a strong increase (19.9 million Euros) compared with the previous fiscal year; the Group share (“attributable to the controlling company”) stood at 99.4 million Euros.

Compared with the previous fiscal year, the balance sheet structure on June 30, 2013 remained stable overall.

Net of cash and cash equivalents (360.1 million Euros), total balance sheet indebtedness stood at 337 million Euros on June 30, 2013 as opposed to 315.7 million Euros on June 30, 2012. The proportion of non-recurrent debt came to 516.7 million Euros.

The Group’s share of equity (“attributable to the controlling company”) stood at 1,025.8 million Euros and minority interests (“attributable to non-controlling minorities”) at 124.5 million Euros.

## DIVIDENDS

The Board of Vilmorin & Cie has decided to propose to the Annual General Meeting of Shareholders a dividend of 1.65 Euros per share, the same nominal value as the previous fiscal year, corresponding to a pay-out rate of 31.5%. During the course of fiscal year 2012-2013 Vilmorin & Cie also allotted free shares on the basis of one new share for ten old shares held.

Detachment date will be on December 16, 2013, with payment on December 20, 2013.

### **OUTLOOK FOR 2013-2014: ONGOING SUSTAINED GROWTH, DRIVEN BY A LONG-TERM STRATEGY COMBINING INNOVATION AND INTERNATIONALIZATION**

The fiscal year 2012-2013 was marked by a favorable market environment, in spite of the underlying volatility of the prices of agricultural raw materials. In this context, Vilmorin & Cie has once again demonstrated its development potentials and confirmed its strategic orientations, particularly with regard to investment in research and innovation, and world development on the professional markets of agriculture and market gardening.

Fiscal year 2013-2014 should provide Vilmorin & Cie with potential for organic growth in market conditions that offer better visibility; moreover Vilmorin & Cie will continue to increase its investment in research and development, particularly in upstream technologies, while remaining on the look-out for any targeted external growth opportunity that is coherent with its strategic ambitions.

In this context, Vilmorin & Cie's ambition for fiscal year 2013-2014 is to increase its consolidated sales, like for like, by more than 5%, and has fixed the objective of maintaining a current operating margin of at least 10.5%. This figure will take into account research expenditure estimated at 200 million Euros, invested for growth both in the Vegetable seed and the Field seed activities.

### **PURCHASE OF A MINORITY STAKE IN THE AFRICAN COMPANY SEED CO (FIELD SEEDS)**

Vilmorin & Cie has announced the signature of an agreement with Seed Co in Africa, and its reference shareholder, AICO Africa Limited (AICO). AICO is a conglomerate listed on the Zimbabwe Stock Exchange since 2008, controlling diversified ag-industrial activities, and above all active both in the cotton and field seeds industry.

According to the terms of this agreement, Vilmorin & Cie will acquire a block of shares in Seed Co from AICO and will also participate in a reserved capital increase, holding a stake of around 15% of Seed Co's stock.

This agreement also grants Vilmorin & Cie the option of a second reserved capital increase, meaning that by the end of 2014, it will hold 25 % of Seed Co's stock.

This operation is subject to prior approval from the Zimbabwe authorities, and that of a General Meeting of the Shareholders of Seed Co.

With a history dating back more than 70 years, Seed Co is positioned as the top African seed company. Seed Co works on a wide range of products and makes most of its sales in corn hybrids. Seed Co, whose head office is located in Zimbabwe, has facilities in around fifteen countries, mainly in southern and eastern Africa, with factories in five of them (Zimbabwe, Zambia, Ethiopia, Kenya and Tanzania), along with six research stations. The company also holds significant and diversified genetic resources, suited to the African continent. Listed on the Zimbabwe Stock Exchange since 1996, in 2012-2013 Seed Co achieved sales of more than 110 million US dollars for the year, and net income of almost 13 million US dollars.

Through this operation, which will initially lead to the development of operational partnerships, mainly in research, Vilmorin & Cie is strengthening the worldwide scope of its corn seed business, and is pursuing its strategic implantation on the African market. In January 2013, Vilmorin & Cie acquired the 4<sup>th</sup> largest seeds company in South Africa, Link Seed.

You can consult a presentation of the financial statements for the fiscal year 2012-2013 made at the information meetings held on October 9, 2013 as of 8 am on the website [www.vilmorin.info](http://www.vilmorin.info), on the home page and in the section Shareholders and Investors.

#### COMING DISCLOSURES

**Tuesday November 5, 2013\***: sales for the first quarter 2013-2014

**Friday November 22 and Saturday November 23, 2013**: Actionaria Fair in Paris

**Wednesday December 11, 2013**: Annual General Meeting of Shareholders in Paris

**Monday December 16, 2013**: dividend detachment

**Friday December 20, 2013**: payment of the dividends

*\* at the end of trading on the Paris stock market*

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 co-operative 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 on international markets that continue to expand. 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.

#### ■ For any further information:

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