

September 18th 2006

**VILMORIN STRENGTHENS ITS POSITION AS EUROPEAN LEADER
FOR CEREAL SEEDS AND GIVES IMPETUS TO
ITS FIELD SEEDS BUSINESS PORTFOLIO IN EUROPE.**

Vilmorin has just signed a global agreement with the Danish seeds company DLF. This agreement involves the sale of Vilmorin's forage and amenity grass businesses, the acquisition of the cereals business of Innoseeds, and a strengthening of their commercial cooperation in Europe.

VILMORIN SELLS ITS FORAGE AND AMENITY GRASS SEED BUSINESSES ...

According to the terms of this agreement:

- Vilmorin is selling all its research and production businesses in forage and amenity grass seeds to DLF, and also the wholesale distribution (sale of pure varieties to wholesalers). The corresponding turnover comes to nearly 15 M€.

Nevertheless, for some European markets, Vilmorin will still have privileged and exclusive access to products from DLF's research, for which it will be responsible for distribution.

- Vilmorin is diluting its stake in the French company Top Green down from 50% to 33%, to the benefit of DLF. Top Green was set up in 2000, and in 2005-2006 made total sales of 15 M€; it is one of the key players on the European market for professional amenity grass seed, and will continue to be the supplier for Vilmorin's home garden companies.

... AND TAKES OVER THE INNOSEEDS CEREAL BUSINESS

As a measure to strengthen its position as European leader, Vilmorin has take control of the research, production and distribution of cereal seeds (mainly wheat and barley) run by Innoseeds, a subsidiary of DLF. Corresponding sales, including royalties, amount to 16 M€.

The main countries covered commercially are Benelux, the UK, Germany, France, the Czech Republic and Slovakia. The research activities are mainly based in Holland and the Czech Republic.

"Acquisition of the Innoseeds cereal businesses will enable us to consolidate our position of European leader in the strategic species of wheat and barley, with new opportunities in Eastern Europe; it will enable us to integrate a first class research program, and also to become the leading company in protein peas.

Furthermore, as part of our strategic partnership with DLF, we will be optimizing our commercial strategy by distributing, to some zones, forage and amenity grass seeds, a key complement to our product range.

Finally this operation will be financially beneficial, and corresponds to the commitments made when it was announced that the field seeds business would be integrated into Vilmorin's scope," explained Daniel Chéron, Vilmorin's Director and CEO.

From a financial perspective, all these operations will help to optimize the capital employed in Europe by the field seeds division and will immediately contribute to improving its operating margin.

The agreements reached with DLF will come into effect retroactively on July 1st 2006. The operation will be closed at the beginning of October 2006.

FORTHCOMING EVENTS

Wednesday evening, October 11th 2006: publication of the year's results for the 2005-2006 fiscal year

Monday evening, November 13th 2006: publication of sales for the first quarter of the 2006-2007.

Friday 17th and Saturday 18th November 2006: Actionaria fair. Palais des Congrès. Paris

Vilmorin is today the fourth largest operator in the world in the vegetable and field crop seed market. Its strategy and growth perspectives combined with a responsible view of its development, make its stock an efficient and high-profit security.

Listed on Euronext Paris since 1993, Vilmorin's quotation is included in the CAC Mid 100 and SBF 250 indices.

ISIN code: FR0000052516 (RIN)

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