

**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

October 19, 2016, at 5:40 pm CET

## RESULTS FOR THE FISCAL YEAR ON JUNE 30, 2016

- SIGNIFICANT GROWTH IN ACTIVITY,  
ACCOMPANIED BY A MARKED INCREASE IN THE CURRENT  
OPERATING MARGIN RATE
- NET INCOME DOWN, AFFECTED BY NON-RECURRING CHARGES
- OUTLOOK FOR 2016-2017: OBJECTIVE OF 5 %\* GROWTH IN  
BUSINESS, AND CONTINUING DEPLOYMENT OF STRATEGIC  
ORIENTATIONS

\* On a like-for-like basis

## FINANCIAL STATEMENTS FOR FISCAL YEAR 2015-2016

The consolidated financial statements for fiscal year 2015-2016, closing on June 30, 2016, were approved by the Vilmorin & Cie Board at its meeting of October 19, 2016. The Statutory Auditors have examined this annual financial information with no particular comments to make in their conclusions.

In millions of Euros	2014-2015	2015-2016	Variation with current data
<b>Sales for the year</b>	<b>1,269.4</b>	<b>1,325.1</b>	<b>+4.4%</b>
Operating income	100.2	100.3	+0.1 M€
Income from associated companies	29.4	30.8	+1.4 M€
Financial income	-39.2	-36.5	+2.7 M€
Income taxes	-14.5	-33.8	-19.3 M€
<i>Of which:</i>			
- Current taxes	-23.2	-27.0	-3.8 M€
- Deferred taxes	+8.7	-6.8	-15.5 M€
<b>Consolidated net income</b>	<b>75.9</b>	<b>60.8</b>	<b>-15.1 M€</b>
<b>Group share of net income</b>	<b>72.9</b>	<b>59.3</b>	<b>-13.6 M€</b>

Consolidated financial information has been established in compliance with the IFRS reference (International Financial Reporting Standards), as adopted by the European Union on June 30, 2016. The main change to the consolidation scope concerns the acquisition of the company Genica Research (United States. Vegetable Seeds) in February 2016.

Consolidated sales<sup>(1)</sup>, corresponding to revenue from ordinary activities for the fiscal year 2015-2016, came to 1,325.1 million Euros, up 4.4% with current data.

Restated on a like-for-like basis (currency, scope), they grew by 4.7% 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 stood at 47.7%, slightly up, by 0.2 percentage points, compared with 2014-2015.

In compliance with its strategic orientations, Vilmorin & Cie continued to intensify its research programs in 2015-2016, both in terms of conventional plant breeding and biotechnologies. Total research investment came to 225.2 million Euros as opposed to 211.1 million Euros in 2014-2015, and now represents 15.2% of seeds activities' sales intended for the professional markets, integrating the activities of the North American company AgReliant, held 50%.

Net operating charges came to 531.9 million Euros, an increase of 28.8 million Euros compared to June 30, 2015, including 14 million Euros complementary amortization.

Consequently, the consolidated operating income stood at 100.3 million Euros, at the same level as last year, resulting in a recorded operating margin of 7.6%. This margin was significantly affected by non-recurrent charges, particularly for the reorganization of the Garden products activity, and also for extra procurement costs for the Field seeds in Western Europe. Restated for these items, the current operating margin stood at 8.4%, a marked increase compared to the previous fiscal year.

Income from associated companies came to 30.8 million Euros, including in particular AgReliant and the African company Seed Co.

The financial result showed a net charge of 36.5 million Euros compared with 39.2 million Euros in 2014-2015, this year including currency exchange losses of 5.4 million Euros compared with 3 million Euros on June 30, 2015, and an additional provision of 6.2 million Euros for shares in a minority stake. Cost of funding came to 23.8 million Euros compared with 27.2 million Euros the previous fiscal year.

Net income taxes came to 33.8 million Euros as against 14.5 million Euros in 2014-2015. They include a net charge of deferred taxes of 6.8 million Euros compared with an income of 8.7 million Euros the previous year.

Finally, the total net income came to 60.8 million Euros, down significantly (15.1 million Euros), compared with the previous fiscal year; the Group share stood at 59.3 million Euros.

Compared with the previous fiscal year, the balance sheet structure on June 30, 2016 remained solid but was once again marked by an increase in the debt ratio, due to the external growth operations and technological partnerships achieved during the course of the fiscal year, and in spite of the reduction in working capital needs for the Field seeds activity.

Net of cash and cash equivalents (206.5 million Euros), total net financial indebtedness came to 742.3 million Euros on June 30, 2016 as opposed to 660.2 million Euros on June 30, 2015. The share of non-current financial indebtedness stood at 778.5 million Euros, including 555.1 million Euros at a fixed rate.

The Group's share of equity stood at 1,151.6 million Euros and minority interests at 112.4 million Euros.

<sup>(1)</sup> cf. Vilmorin & Cie press release of August 1, 2016.

## DIVIDENDS

The Board of Vilmorin & Cie has decided to propose to the Annual General Meeting of Shareholders of December 9, 2016 a dividend of 1.10 Euros per share.

This corresponds to a pay-out rate of 38.6%. The Board is thus asserting its confidence in Vilmorin & Cie's outlook by proposing to maintain a pay-out rate similar to that of previous fiscal years.

Dividend detachment date will be on December 13, 2016, with payment on December 15, 2016.

## OUTLOOK FOR 2016-2017: DYNAMIC BUSINESS GROWTH OBJECTIVE AND CONSOLIDATION OF THE CURRENT OPERATING MARGIN

The environment for fiscal year 2015-2016 was marked by globally sluggish markets, mainly due to the persistent low level of prices for agricultural production. In this context, Vilmorin & Cie nevertheless demonstrated its potential for development, demonstrating the fine resistance of its Field seeds activity, and by achieving a fiscal year of excellent quality for its Vegetable seeds activity, with significant gains in market shares. Moreover, Vilmorin & Cie confirmed its strategic orientations, particularly in terms of investment in innovation and development throughout the world, on professional markets for agriculture and market gardening, while taking into account the unfavorable market context of field seeds through the implementation of an operational action plan.

Fiscal year 2016-2017 should allow Vilmorin & Cie to consolidate its organic growth potential in market conditions that remain tense for field seeds in Europe. Furthermore, Vilmorin & Cie will continue to strengthen, in a reasoned approach, its investments in research and development, particularly in upstream technology.

**In this context, Vilmorin & Cie's ambition for 2016-2017 is to increase its like-for-like consolidated sales significantly at the same rate as in 2015-2016, with the objective of achieving a current operating margin at the same level. This margin will take into account research expenditure estimated to be more than 240 million Euros, invested for growth both in the Vegetable seeds and Field seeds activities.**

**Looking beyond the current fiscal year, which should continue to be affected by temporary pressure on agricultural prices and marked by the consolidation operations taking place in the ag-chemical sector, Vilmorin & Cie continues to aim to grow its businesses at a higher rate than market trends, and to increase its operating margins both in Vegetable seeds and Field seeds.**



You can consult a presentation of the financial statements for fiscal year 2015-2016 on the website [www.vilmorin.info](http://www.vilmorin.info)

**COMING DISCLOSURES AND EVENTS:**

**Tuesday November 8, 2016<sup>(1)</sup>:** sales at the end of the first quarter 2016-2017

**Friday November 18 and Saturday November 19, 2016:** Actionaria Fair in Paris

**Friday December 9, 2016:** Annual General Meeting of Shareholders in Paris

**Tuesday December 13, 2016:** dividend detachment

**Thursday December 15, 2016:** payment of the dividends

*(1) at the end of trading on the Paris stock market*

**FOR ANY FURTHER INFORMATION:**

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**Vilmorin & Cie, the 4<sup>th</sup> largest seed company in the world, develops vegetable and field seeds with high added value, contributing to meeting global food requirements.**

Accompanied by its reference shareholder Limagrain, an international agricultural cooperative group, Vilmorin & Cie's strategy for growth relies on sustained investments in research and international development to durably strengthen its market shares on promising world markets.

True to its vision of sustainable development, Vilmorin & Cie ensures its achievements fully respect its three founding values: progress, at the heart of its beliefs and its mission, perseverance, inherent to farming and the seeds business, and cooperation, in the fields of science, industry and commerce.

For further information: [www.vilmorin.info](http://www.vilmorin.info)