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Annual report

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PROFILE

Vilmorin creates, produces and sells vegetable and field crops with high added value, thus helping to meet food needs more efficiently.

FOURTH LARGEST SEED COMPANY IN THE WORLD

- Activities with high added value, on growing markets
- Leading positions in strategic crops and territories
- A powerful research capacity, particularly in plant biotechnology *

15% of professional sales devoted to research

STRATEGIC FOUNDATIONS

- Underpin a solid, original model that gives priority to the long term.
- Intensify the two orientations for development:
 - Research, the key to creating value and competitiveness
 - Driving growth through international development

42% of sales made internationally (outside Europe)

5 200 employees spread throughout the world (average headcount)



Vegetable seeds

- Clause / Harris Moran
- Hazera / Nickerson Zwaan
- Vilmorin
- Mikado Kyowa Seed

Garden products

- Oxadis
- Suttons

Field seeds

- Limagrain Verneuil Holding
- AgReliant

MESSAGE FROM THE BOARD OF DIRECTORS



Gérard RENARD



Pierre PAGESSE, Didier MIRATON

“We are approaching fiscal 2009-2010 with prudence but conviction, confident in the foundations of a particularly solid economic model.”



Joël ARNAUD, Pascal VIGUIER, François HEYRAUD



Jean-Yves FOUCAULT, Daniel CHÉRON, Philippe AYMARD

The year 2008-2009 has confirmed our strong capacity to resist in a negative economic and financial environment

An exceptional fiscal year on many accounts. Exceptional, of course, because of the extent of the world crisis that affected all economies, amplifying the volatility of prices on agricultural markets.

Exceptional above all, because during the year Vilmorin crossed two symbolic thresholds: sales higher than one billion Euros and a net income of 60 million Euros, its best performance since its introduction to the Paris stock market in 1993.

Vilmorin continued to march forward with determination and success in its different zones of activity.

Once again the vegetable seeds activity demonstrated its extreme solidity and its capacity to come up with convincing results, achieving a fine global operational performance in spite of a temporary slowdown on certain markets such as the Mediterranean basin.

The field seeds activity was particularly influenced in Europe by our decision to manage certain Eastern European markets characterized by temporary financial risks with extreme prudence.

At the same time, on the North American market, for fiscal 2008-2009 we once more showed our capacity to benefit wisely from our innovation model.

Because of a financial context that was not favorable to selling our assets at their true value, we decided to suspend the sale of our garden products activity; nevertheless the strategic arbitration aiming to position Vilmorin solely on the professional market for seeds remains our resolute medium-term orientation.

Strengthening our international positions and accelerating our research investment to ensure long-lasting growth

This organic growth in 2008-2009 went hand in hand with the strengthening of our international positions, as a result of the successful conclusion of several targeted acquisitions. Furthermore we have significantly intensified our research investment (now representing 15% of professional sales) to ensure that Vilmorin has the means to develop in the future and remain competitive internationally; accordingly, our priorities have been to extend our genetic resources and access to new upstream technologies.

This intensification of our investment has naturally been pursued focusing on the absolute necessity to maintain a healthy financial structure and control our indebtedness.

Reinforced governance and closer dialogue with our shareholders

We are approaching fiscal 2009-2010 with prudence but conviction, confident in the foundations of a particularly solid economic model, and benefiting from the total commitment of all the Vilmorin teams.

In an environment that continues to demand strong reactivity, this year will be marked by a new development in our governance with the creation of an Audit Committee, whose role in particular will be to strengthen the quality and pertinence of our financial information and better structure our risk management systems.

The implementation of a Consultative Committee of Vilmorin's Shareholders during the course of the year will enrich dialogue with our individual investors and accompany our strategy to develop diversified shareholding.






Our philosophy, "Cultivating the taste of life", more than ever reflects our identity, emphasizing the expression of our confidence in the future, and the anchoring of Vilmorin's development in a long-term vision of its profession

GOVERNANCE

Presentation of the Board and how it functions

► Presentation of the Board





For the purpose of their office, all members of the Board can be contacted at the following address:
c/o Vilmorin – BP1 – 63720 Chappes

Name (age)	Function	Main activities	Term of office	Background
	Gérard RENARD (62) Chairman	Farmer Vice-Chairman of Groupe Limagrain	● 1998 ↻ 2008 ☑ 2011	Educated in agronomic science and agriculture, Gérard RENARD, as well as his duties at Vilmorin, is also President of the Puy-de-Dôme Chamber of Agriculture and member of the Auvergne Regional Chamber of Agriculture committee.
	Joël ARNAUD (50) Member of the Board	Farmer Vice-Chairman of Groupe Limagrain	● 2006 ↻ 2008 ☑ 2011	Joël ARNAUD joined the Groupe Limagrain Board in 1990, becoming Vice-Chairman in 1992, and is President of the field seeds activity. Furthermore his national responsibilities in France involve a position on the board of the FNPSMS (National Federation of Corn and Sorghum Seed Producers) and the AGPM (General Association of Corn Producers).
	Philippe AYMARD (50) Member of the Board	Farmer Member of the Groupe Limagrain Board	● 2006 ↻ 2008 ☑ 2011	As a member of the Groupe Limagrain Board since 1995, Philippe AYMARD has specific responsibilities to supervise the field seeds activities and agro-industrial production. He plays an important role in the cereals sector, and also participates in organizing the defense of the interests of regional cereal farmers.
	Daniel CHÉRON (58) Member of the Board	Corporate CEO of Groupe Limagrain	● 2004 ↻ 2008 ☑ 2011	A graduate in economics, Daniel CHÉRON joined Groupe Limagrain in 1976. After holding several different operational positions of responsibility in the subsidiaries, both in the vegetables and field seeds activities, he became Deputy Corporate CEO in 1996, and then Corporate CEO in 2006.
	Jean-Yves FOUCAULT (54) Member of the Board	Farmer Member of the Groupe Limagrain Board	● 2006 ↻ 2007 ☑ 2010	After beginning his professional career in consultancy and agricultural teaching, Jean-Yves FOUCAULT started and developed his own farm. He joined the Groupe Limagrain Board in 2000, and is President of the Jacquet group and board member of a local Crédit Agricole bank.

● Commencement

↻ Renewal

☑ Expiry

Name (age) Function	Main activities	Term of office	Background
 François HEYRAUD (52) Member of the Board	Farmer Member of the Groupe Limagrain Board	<ul style="list-style-type: none"> ● 2000 ➔ 2008 ☑ 2011 	After several years on the boards of different companies in the group, François HEYRAUD was elected to the Groupe Limagrain Board in 1984, and is today specifically in charge of the garden products activity.
 Didier MIRATON (51) Independent Member of the Board	Non-General Managing Partner of the Michelin Group	<ul style="list-style-type: none"> ● 2007 ☑ 2010 	Didier MIRATON, a government civil engineer, joined Michelin in 1982. After holding several responsibilities within the group in France and abroad, he was appointed Technical Director of the Civil Engineering product line and member of the line management team in 1996. In 2001, he became General Manager of the Michelin Technology Center and member of the Executive Committee of the Michelin Group. Since May 2007, he has been a member of the General Management team for Michelin alongside Michel ROLLIER and Jean-Dominique SENARD.
 Pierre PAGESSE (63) Member of the Board	Farmer Chairman of Groupe Limagrain	<ul style="list-style-type: none"> ● 2006 ➔ 2008 ☑ 2011 	As well as being Chairman of the Groupe Limagrain Board since 1992, Pierre PAGESSE, is Vice-Chairman of Génoplante (public-private research partner in plant genomics*), a member of the board of INRA (National Institute for Agronomic Research), and of Arvalis (Plant Institute) and is also on the board of the University of Auvergne. He is also Chairman of momagri (movement for a world organization for agriculture).
 Pascal VIGUIER (45) Member of the Board	Farmer Member of the Groupe Limagrain Board	<ul style="list-style-type: none"> ● 2007 ☑ 2010 	Pascal VIGUIER became a Groupe Limagrain Board member in 1999, and has held terms of office in the vegetable and field seed activities. He has also been a member of the Puy-de-Dôme Young Farmers Committee.
<ul style="list-style-type: none"> ● Commencement ➔ Renewal ☑ Expiry 			

Nearly all the directors on the Board of Vilmorin are from Groupe Limagrain. As a result they all benefit from specialist experience in agriculture and agronomy, along with real experience in seeds.

As the reference shareholder for the company, Limagrain has encouraged Vilmorin's development by providing regular and consistent investment support. As an international co-operative group, and specialist in seeds and cereal products, it approaches agriculture in a global, sustainable vision guaranteeing Vilmorin's long-term development strategy.

Limagrain is structured around a holding company, Groupe Limagrain Holding, a joint stock company, in which the cooperative company Limagrain is the majority shareholder. Located in Auvergne (France) in the plain of Limagne, Limagrain had 686 co-operative members on June 30th 2009.

Limagrain held 71.5% of Vilmorin's stock on June 30th 2009. The Group is willing to consider lowering this rate

depending on market opportunities and with the objective of developing the interests of Vilmorin.

Respecting the recommendation of the European Commission of February 15th 2005, Vilmorin opened up its Board of Directors in December 2007 to integrate an independent director Didier MIRATON. However, Vilmorin's Board of Directors has not yet adopted a corporate governance code as a reference to define its own practices.

Nevertheless in December 2008 it adopted the recommendations of AFEP/MEDEF concerning the remuneration of corporate officers. With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors wishes to pursue and further explore adaptation of its organization system during the course of fiscal 2009-2010 in order to conciliate its approach to corporate governance with the guidelines of this code.

GOVERNANCE

Vilmorin's Board answers to its majority shareholder in the same way it answers to all its other shareholders, since their common objectives and interests are to invest in a company that is both healthy and profitable with a long-term vision.

► How the Board of Directors operates

The Board of Directors meets regularly. Meetings are convened by written notice to attend from the Chairman, and are held at the head office or any other place fixed in the notice. During the fiscal year 2008-2009, the Board of Directors for Vilmorin met five times; the attendance rate for the Board of Directors was 89%.

Moreover, for the purpose of the offices they hold in the subsidiary companies of Vilmorin, the Members of the Board took part in twenty-four meetings during the course of the fiscal year 2008-2009, with an attendance rate of 93%.

The work of the Board of Directors is structured through its missions of evocation, orientation and monitoring.

The main topics discussed by the Board of Directors during the past fiscal year dealt with:

- an analysis and approval of the orientations presented by the Executive Committee for the medium-term plan;
- suspension of the plan to sell the garden products activity;
- confirmation of the objectives of the vegetable and field seeds activities both in terms of international development and research investments;
- implementation of the Group development plan, in particular on Asian markets;
- approval of the budget for the fiscal year 2009-2010;
- closing of the half-yearly and annual corporate and consolidated financial statements.

Management and control bodies

► General Management

Vilmorin's General Management is the responsibility of the Chairman, Gérard RENARD, with the assistance of Adrian HUIGE, CEO.

After managing the Advanta seed group for more than 7 years, Adrian HUIGE, 60, joined Vilmorin in 2004. He contributed particularly to the restructuring and integration of Advanta's European activities in the field seeds division of Vilmorin.

► Executive Committee

Vilmorin's Executive Committee is chaired by Mr. Adrian HUIGE. The Executive Committee meets twice every month. Its vocation is:

- to define the strategic orientations of Vilmorin, and to submit them to the Board of Directors, and then to follow their implementation;
- to arbitrate on budgetary proposals from the different business units and check regularly that budgetary decisions are respected;
- to analyze any opportunities for external growth, partnerships or divestments, to submit them to the Board, and then to make sure they are properly finalized;
- to define the main rules and operating procedures for Vilmorin;
- to establish projects to close the half-yearly and annual consolidated and corporate accounts.



The Executive Committee:

Emmanuel ROUGIER: Chief Operating Officer, and also in charge of the garden products activity.

Jean-Christophe GOUACHE: VP for the vegetable seeds activity.

Adrian HUIGE: Chief Executive Officer.

Daniel JACQUEMOND: Chief Financial Officer.

Alain PERRIN: VP for the field seeds activity.

► The Audit Committee

Starting at the beginning of 2010, the Board of Directors will consolidate its work by setting up an Audit Committee presided by its independent Director. This specialized committee will be responsible in particular for monitoring the preparation of financial information, the efficiency of all the risk management systems and the legal control of the accounts by the statutory and external auditors.

Agreements with mandatories and economic interests of the management bodies

► Stock options, stock purchasing, voting rights, agreements with mandatories

The members of the Board of Directors each hold three Vilmorin shares. No operation or agreement has been concluded by the company with its mandatories. No loan or guarantee has been granted or signed in their favor by the group's banks.

► Remuneration and advantages of any nature received by the mandatories

Following the resolution approved by the Annual General Meeting of shareholders on December 11th 2008, the Board of Directors has decided to allocate all the token payments for attendance (9 000 Euros) to Didier MIRATON, the independent Director.

Daniel CHÉRON, member of the Board, is also a salaried member of Groupe Limagrain, the reference shareholder of Vilmorin, and thus it should be noted that the proportion of gross remuneration paid for the functions he held specifically for Vilmorin in 2008-2009 amounted to 120 300 Euros, including a variable part of 17 300 Euros. The total commitments concerning end of career allowances for M. Daniel CHÉRON on June 30th 2009 came to 189 400 Euros.

Similarly, Adrian HUIGE, CEO, was a salaried member of staff of Groupe Limagrain Holding until December 2008; the gross remuneration paid for the functions he held specifically for Vilmorin came to 532 900 Euros for fiscal 2008-2009, including a variable part of 400 300 Euros. In compliance with the recommendations of AFEP/MEDEF of October 2008, the corporate office of Adrian HUIGE has no longer been governed by a contract of employment since January 2009, but by a contract of mandate; the gross allocation for this function for fiscal 2008-2009 came to 102 000 Euros.

► Remuneration of members of the management bodies

In 2008-2009, the sum of payments and income in kind made to members of the Executive Committee, comprising five members, came to 1.6 million Euros. Moreover, the total amount funded to retirement benefits of members of the Executive Committee came to 0.8 million Euros on June 30th 2009, including employers' contributions.

► Conflicts of interest

To the knowledge of the company, no pact or agreement has been signed with the shareholders, customers, suppliers or any other category to which any one of the members of the Board of Directors or any one of the members of the management is party.

To the knowledge of the company, there is no potential conflict of interest between the duties held by the Board of Directors and other members of the management with regard to the company and their private or personal interests.

To the knowledge of the company, no restriction has been accepted by the members of the Board of Directors and the other members of the management concerning the sale of their stake in the company's stock.

To the knowledge of the company, no sentence has been pronounced with regard to any of the company's mandatories which might have, or has had recently, any significant effect on his or her financial situation.

► Statutory auditors

• Incumbent statutory auditors

- KPMG AUDIT Département de KPMG SA

1, cours Valmy – F-92923 Paris la Défense Cedex
Represented by Mme Catherine PORTA

Date of renewal: 2008

Date of expiry of term of office: 2014 (AGM for the accounts of the fiscal year closing on June 30th 2014)

- VISAS 4 Commissariat

56, boulevard Gustave Flaubert – F-63010 Clermont-Ferrand
Represented by Mme Corinne BESSON

Date of renewal: 2005

Date of expiry of term of office: 2011 (AGM for the accounts of the fiscal year closing on June 30th 2011)

• Substitute Statutory Auditors

- M. Denis MARANGE

1, cours Valmy - 92923 F-Paris la Défense Cedex

Date appointed: 2008

Date of expiry of term of office: 2014 (AGM for the accounts of the fiscal year closing on June 30th 2014)

- M. Olivier DELARUE

56, boulevard Gustave Flaubert – F-63010 Clermont-Ferrand

Date of renewal: 2005

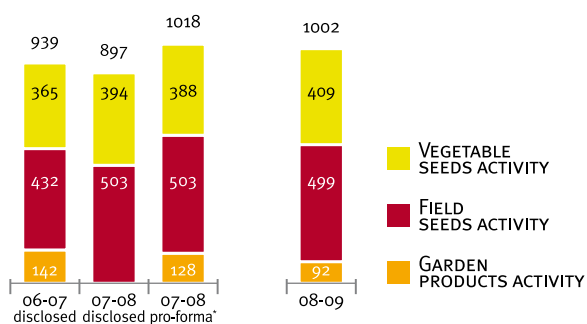
Date of expiry of term of office: 2011 (AGM for the accounts of the fiscal year closing on June 30th 2011)

KEY FIGURES

Core business with a defensive profile

In an environment hit by the economic and financial crisis, Vilmorin has shown over fiscal 2008-2009 that its vegetable and field seeds activity has the capacity to resist.

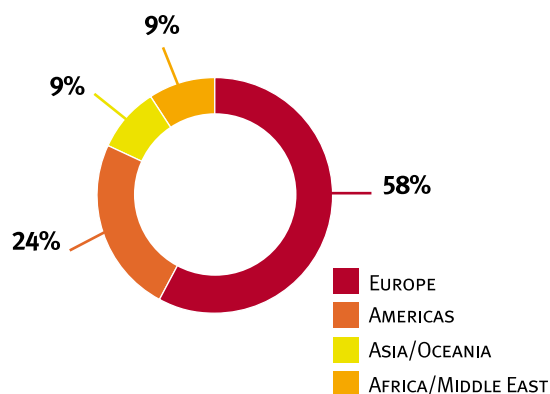
EVOLUTION OF SALES (IN M€)
(REVENUE FROM ORDINARY ACTIVITIES)



Growth driven by international development

The development of activities intended for professional markets in 2008-2009 confirmed the strong potential to provide added value to the field seeds activity in North America, and Vilmorin's capacity to strengthen its market shares in vegetable seeds beyond its historical European bases.

GEOGRAPHICAL ANALYSIS OF SALES
(AS A %)



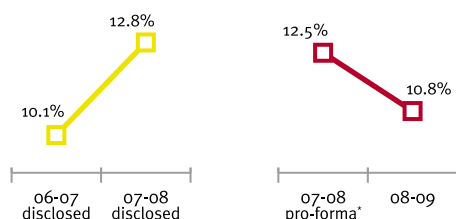
Operating margin devoted in part to the increase in investment in research

In 2008-2009 Vilmorin increased its investment in research and development, with its direct research investments reaching 121 million Euros, an increase of 15 million Euros. Consequently, Vilmorin decided to manage a slight drop in its operating margin; nevertheless this margin (10.8%) continues to show the high profitability and potential of its different activities.

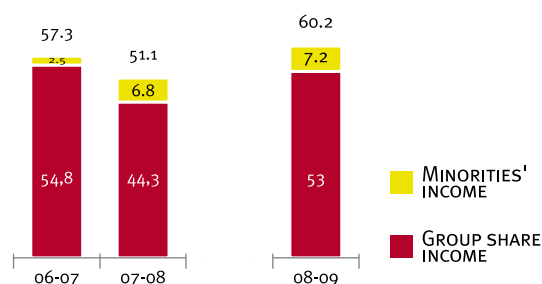
2008-2009, the highest ever net income

With a total net income of 60.2 million Euros, over the course of fiscal 2008-2009, Vilmorin achieved its best ever performance on absolute value since its introduction to the Paris stock market in 1993.

EVOLUTION OF THE OPERATING MARGIN
(AS A % OF SALES)



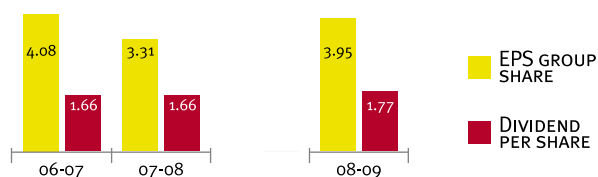
EVOLUTION OF INCOME (IN M€)



A regular and attractive policy of distributing dividends

Attached to its dynamic dividends policy, and faithful to its commitments, for 2008-2009 Vilmorin is raising its dividend to 1.77 Euro per share, corresponding to a distribution rate of its group share net income of 45%.

EVOLUTION OF THE EARNINGS PER SHARE, GROUP SHARE (EPS) AND DIVIDEND PER SHARE (IN €)

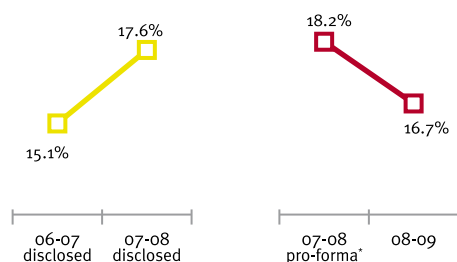


Good control of the economic profitability of the stock employed

By pursuing careful management of the working capital needs in each of its different activities, and adapting its industrial investment policy, Vilmorin has maintained a high level for the overall profitability of the stock it employs to run its operations.

EVOLUTION OF THE ROCE* RATIO (AS A %)

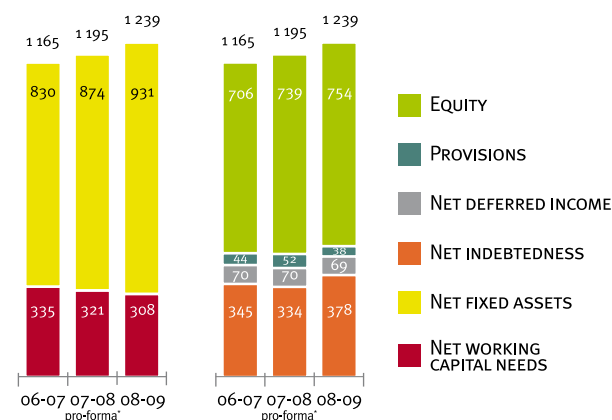
ROCE* = EBITDA* / (FIXED ASSETS + WORKING CAPITAL NEEDS)



A healthy financial structure

Taking into account an extremely unfavorable financial environment, during the course of fiscal 2008-2009, Vilmorin chose to suspend its decision to sell its garden products activity; nevertheless this decision remains a strategic orientation. Moreover Vilmorin has confirmed its capacity for a solid financial structure that can accompany its organic growth and its development projects.

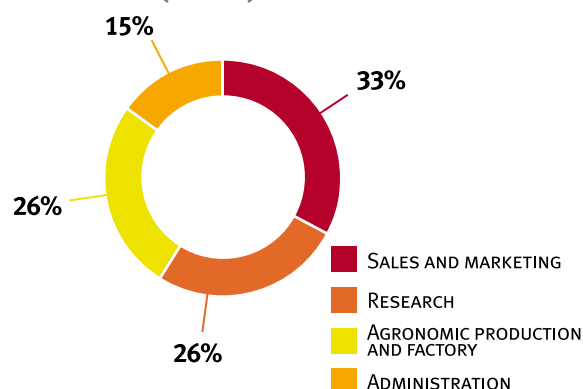
CONSOLIDATED BALANCE SHEET STRUCTURE ON JUNE 30TH (IN M€)



Human Resources largely geared to innovation and commercial success

During fiscal 2008-2009 Vilmorin employed (including the garden products activity) an average headcount of more than 5 200, and on June 30th 2009 had a permanent workforce of 4 520.

BREAKDOWN OF PERMANENT STAFF ACCORDING TO FUNCTION (AS A %)



* Pro-forma financial statements: following the announcement of its project to withdraw from its home garden activity, in 2007-2008 Vilmorin had applied IFRS standard 5 "Non-current assets held for sale and discontinued operations". Because of the significant downturn in the financial and economic environment, during the course of fiscal 2008-2009, Vilmorin's Board decided to suspend this process. Consequently the financial statements have been integrated again as "continuing operations" and have been restated pro-forma for fiscal 2007-2008 in order to facilitate comparability.

ACTIVITIES AND OUTLOOK

Vegetable seeds activity

Vilmorin creates, produces and sells novel vegetable seeds for the professional agri-food market.

Market gardeners – who will be producing vegetables for fresh markets, – and processors, specialists in canning, deep-freezing and freeze-drying, make up its target customers.

► Key indicators 2008-2009

- No. 2 worldwide.
- Contribution to consolidated sales: €409 million (+ 3.3% like for like).
- Sales from proprietary varieties*: 87%.
- Number of employees: 2 368.

► A demanding world market

• Seed with high added value

Vilmorin works on around thirty different species, and in particular those that are most widely consumed throughout the world: tomato, cucumber, onion, bell pepper, melon, carrot, water melon, lettuce, cabbage, hot pepper, bean, cauliflower.

Developed to respect the performance demands of vegetable producers and processors (increase in productivity, resistance to diseases and insects, perfect adaptation to growing and processing conditions, etc.), the varieties sold must also anticipate and meet the expectations and cultural diversity of consumers (better organoleptic* qualities, improved nutritional values, etc.) while optimizing added value for vegetable producers.

• Organization centered around four business units, for a global vision of its markets

Organization of the vegetable seeds activity is now structured as follows:

- Three business units with a worldwide vocation:

- Clause, in liaison with Harris Moran



- Hazera Genetics, in collaboration with Nickerson Zwaan



- Vilmorin SA



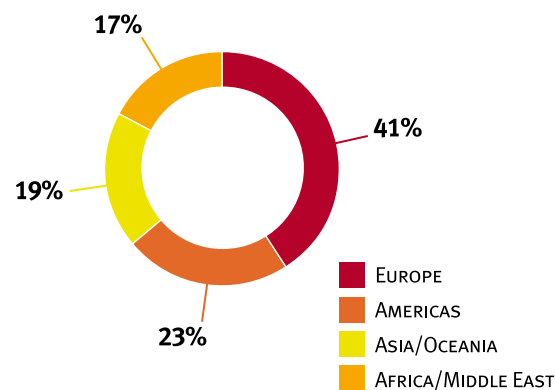
- A regional business unit, based in Asia and built around Mikado Kyowa Seed.



Organized around international, multi-cultural teams, each of these business units has its own strategy, defined in accordance with the global guidelines laid down by the management of the vegetable seeds activity, in terms of marketing and research in particular.

With its close approach to markets, from research right through to sales, this organization is suited to developing market shares, and offers a well-adapted response to highly diversified vegetable production.

GEOGRAPHICAL ANALYSIS OF SALES



► Fine performances in 2008-2009 in spite of unfavorable economic conditions

During the course of fiscal 2008-2009, sales for the vegetable seeds activity grew by 3.3% like for like, in a world economic environment that was particularly difficult. Although satisfactory overall, this growth masks the heterogeneous performances between the different operating units. Vilmorin SA and Clause/ Harris Moran achieved excellent results in North America and Europe through the launch of product innovations and market share gains.

On the other hand the Hazera Genetics/ Nickerson Zwaan business unit experienced a slowdown in activity in the Mediterranean basin, partly because of the drop in consumption of vegetables in this area, and also the economic and financial crisis affecting certain target markets in Eastern Europe.

• Organic growth at the heart of our development strategy

The key factors in the success of the vegetable seeds activity lie in the capacity of our companies to innovate, and the pertinence of their sales organization, combining their portfolio of brands, sales forces and distribution networks they have selected.

Thus we have reinforced our research programs this year and increased resources devote to the marketing and sales strategy. Furthermore, subsidiaries have been set up in the new vegetable production areas; production has been moving from the north towards the south into new production zones that ensure longer availability throughout the year.

For this purpose, Vilmorin SA has opened a new subsidiary based in Casablanca (Morocco), covering all of North Africa. There are currently projects being studied to set up business in Egypt, Greece and Sub-Saharan Africa.

• Targeted external growth operations

The external growth operations achieved by Vilmorin in 2008-2009 concerned carefully targeted objectives with the aim of strengthening competitive positions in certain strategic crops and geographical areas, such as the NAFTA zone.

- GeneFresh Technologies, Salinas (United States. California).

Positioned on the market for pre-packaged vegetables, GeneFresh Technologies provides true expertise in lettuce breeding, strengthening Vilmorin's competitive position for this crop, which is one of the most extensively sold species on the North American market.

- LSL Biotechnologies/LSL Plant Science, Tucson (United States. Arizona).

As a precursor in the development of long-life tomatoes, LSL Biotechnologies / LSL Plant Science is one of the main operators on the market for open field tomatoes in Mexico. The company owns top rate germplasm* that is highly complementary to that already developed by Vilmorin.

- K&B Development, Gilroy (United States. California).

After acquiring Global Genetics (United States) in 2008, Vilmorin continues to reinforce its expertise in onion, the third largest world vegetable market. The company's activities involve research in short day onions and will enrich Vilmorin's current breeding programs.

- Gentropic, Antigua (Guatemala).

Gentropic conducts research on high-quality tropical pepper and tomato germplasm*, with a portfolio of varieties that are particularly suited to the American continent and extensive know-how in plant biotechnology*.

► Objectives for 2009-2010

In the context of global growth in the vegetable seeds market, Vilmorin has set the following objectives for fiscal 2009-2010:

- Ensure, as it has in previous years, average growth in sales comparable to that achieved in 2008-2009.
- Stay on the look-out for any external growth opportunities, including targeted operations that strengthen our positions in research and our commercial presence in strategic zones.
- Use the new business units organization to reinforce synergy between the companies, and particularly between the research programs and organization of information systems.
- Pursue development by intensifying investment in upstream research particularly in molecular marking*.

► A constantly progressing market

The value of the world market for seeds was estimated to be at around 4.7 billion dollars in 2009, up 19% compared with 2008.

(Sources: FAO and P. Mc Dougall - 2008)

The regularly increasing consumption of vegetables drives the growth of Vilmorin's target markets.

It is a consequence of the rising world population, and the evolution of the food habits of consumers who have become more aware of a well-balanced, healthy lifestyle.

ACTIVITIES AND OUTLOOK

• A market with a wide variety of products

The operators in the professional vegetable seeds market work side by side in the major production and consumption zones. The sector has become highly concentrated over the past ten years, yet it still remains scattered in terms of products.

This trend can be explained by the numerous specificities of the vegetables market:

- A great diversity of species, with wide ranges, covering all the sales possibilities, from production in season, to that of counter season.
- Production units with all kinds of production infrastructures: open field, cold or heated greenhouses, etc.
- A vast dispersion of production zones.

• Innovation driving the market

Even though the market for vegetable seeds is powered by the world population increase, it is mainly dependent on the research results of seeds companies and the development of innovation.

• A more and more concentrated competitive market

The level of investment required, the ability to stay out in front, and the expertise required all make it difficult for any newcomer to break into the market.

The different steps taken towards concentration over the past few years have significantly strengthened the size and power of the main operators in this market. Currently the top five operators represent almost half of the world market for sales of vegetable seeds.

THE TOP FIVE PLAYERS IN THE VEGETABLE SEEDS MARKET IN 2008

Companies	Countries	Sales of vegetable seeds (in M€)
Seminis (Monsanto)*	United States	577
Vilmorin*	France	409
Syngenta	Switzerland	374
Nunhems (Bayer Crop Science)	Germany	222
Rijk Zwaan	Netherlands	213

*Data for 2009

Sources: internal and company disclosures

Field seeds activity in Europe

Limagrain Verneuil Holding (LVH), a subsidiary held 80% by Vilmorin, holds the field seeds activities in Europe (cereals and oil crops) and maintains a strong position on its main markets.

► Key indicators 2008-2009

- No. 1 in Europe for straw cereal seeds.
- No. 3 in Europe for corn seeds.
- Contribution to consolidated sales 2008-2009 (LVH and its subsidiaries): M€ 364 (- 4.6% like for like).
- Number of employees: 1 216.

► A specific strategic approach to markets

• Optimized organization

After gradually redefining its project over the past five years, LVH has now managed to integrate the organization of its activities full-scale. It has confirmed the high organic growth potential envisaged when it acquired Advanta Europe in 2005, and is now fully benefiting from the opportunities for synergy involved in this integration.

Today LVH also benefits from more efficient organization with regard to research. The system of specialized technological platforms adopted in Europe means that the company has managed to establish and strengthen the link between upstream technologies and conventional breeding*. The use of molecular marking* in particular, providing greater efficiency for breeders in their work, has been highly accelerated.

• A relevant portfolio of products well-adapted to the specificities of target markets

To optimize its research and marketing efforts, LVH has segmented its crops into three main categories:

- **Strategic crops:** corn, straw cereals (wheat and barley), rape and sunflower.

- **Support crops:** complements to the strategic crops range. For these species, research efforts are limited and production is carried out by sub-contractors.

- **Other crops:** amenity grasses, cotton, beet, etc., distributed according to market opportunities.

• Strategic crops that regularly contribute to growth

Positioned on different markets, the four strategic crops are powerful creators of growth in short- and long-term perspectives.

- **Rapeseed varieties**, because of their economic profile, have a short lifespan, with high volatility. At the same time, the crop is extremely profitable, and will be even more so as its hybrid form becomes more and more popular.

- **Corn** is traditionally subject to mild volatility in the value it creates. It suffers indirectly from the fluctuation of raw material prices, but LVH has managed to take up solid competitive positions on this market. LVH's range of corn has indeed historically benefited from high-performance germplasm that is particularly well suited to the needs of the silage corn market in Northern Europe.

Consequently, profitability for this crop is very high and is liable to improve, particularly because of the launch of new varieties, developed for corn grain, the first corn market in Europe.

- **Sunflower**, which is very similar to corn, is an extremely promising crop when it comes to LVH's development in Eastern Europe.

- **As far as straw cereals are concerned**, the volatility is weak. Indeed, the portfolio is very wide-ranging (winter wheat, spring wheat, durum wheat, barley), the royalty flow is constant throughout the duration of the variety, and the best varieties have an impressive life cycle. Profitability to some extent depends on the specific nature of the distribution circuit, which means that as a general rule LVH contracts out distribution.

• A distinctive marketing and sales approach

The segmentation strategy adopted has provided considerable added value and is undoubtedly one of the factors behind success. In corn for example, LVH has fine-tuned the segmentation of its range according to different criteria:

- **The market targeted:** market for silage corn and industrial applications.

- **The qualities targeted:** digestibility and starch content for silage corn, and varieties devoted to the production of ethanol or gas for the agrifuels segment.

An umbrella brand policy for the LG line-up embodies this segmentation.

Finally, privileged commercial partnerships with co-operative distribution networks continue to represent another sizeable advantage for LVH.



► Contrasting performances in 2008-2009

On June 30th 2009, sales for LVH came to 364 million Euros, down almost 5% like for like compared with the previous fiscal year, which was characterized by an exceptional level of activity.

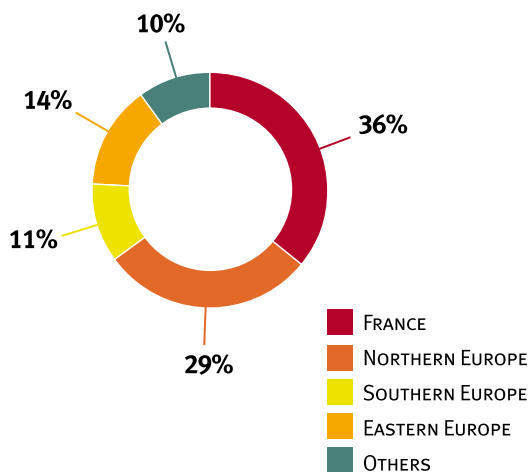
• A cautious approach to the corn seeds business

Decisions taken with regard to the management of financial risks (solvency, clients, currencies, etc.) had a direct impact on business in Eastern Europe, which fell by more than 40%. The financial and economic crisis hit most East European markets, and particularly those in Ukraine and Russia, where the drop in sales was particularly significant.

In Western Europe, LVH is pursuing its policy to valorize its line-ups and has managed to increase its prices significantly, while surface areas devoted to corn fell by around 7% in the 27 member states of the European Union.

ACTIVITIES AND OUTLOOK

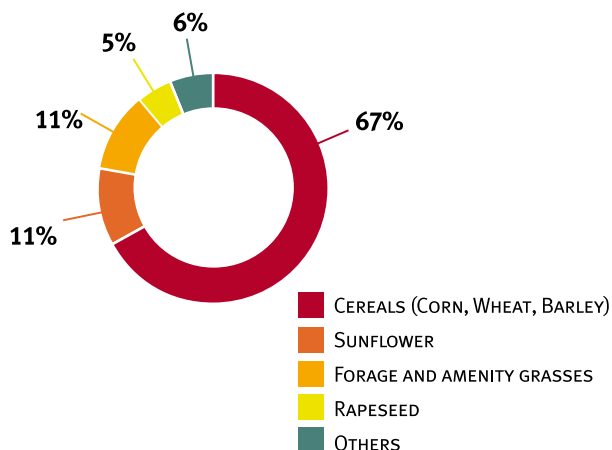
GEOGRAPHICAL ANALYSIS OF SALES (EXCLUDING ROYALTIES)



• Market shares gained for the other strategic crops

LVH benefited from renewal of its rapeseed and sunflower line-ups and, because of germplasm* well-suited to the needs of farmers, managed to win extra market shares. Furthermore the company had a highly successful wheat campaign because of its high quality germplasm*.

ANALYSIS OF SALES PER CROP (EXCLUDING ROYALTIES)



► Objectives for 2009-2010

- Insure a successful commercial campaign in Eastern Europe and continue to develop in this strategic zone.
- Continue to develop by giving a strong push to investment in upstream research, particularly in molecular marking* and transgenesis*.

- Capitalize on brands by anticipating the evolution of distribution networks and the European agricultural market.
- Anticipate and organize the medium-term introduction of genetically modified plants in Europe.

► A buoyant market

Dominated by corn, straw cereals and two fast developing oil crops (rape and sunflower), the European market has overall progressed regularly and repeatedly. 2009 was marked by an increase in cultivated acreage, the ending of set-aside, and the continuing volatility of agricultural raw material prices.

• Increasing acreage for conventional crops

In 2008-2009, more than 60 million hectares of cereals were grown in Europe, an increase of 3.3 million hectares compared to the previous year. This increase is due to the fact that land previously used for set-aside is now used for growing crops, by the high prices for cereals in 2007-2008, and by highly favorable weather conditions.

The market mainly concerns wheat (more than 26 million hectares) and grain and silage corn (around 14 million hectares). In 2008 oilseed crops represented 10.5 million hectares of crops, about the same level as the previous year, with 6 million hectares devoted to rapeseed and more than 4 million hectares to sunflower.

(Source: Eurostat)

• Marginal acreage of GMO* crops

In Europe, growing and selling genetically modified plants are subject to legal directives, and in certain countries, such as France, are currently subject to a moratorium. GMO* crops in Europe thus concerned only 108 000 hectares in 2008 (mainly in Spain, the Czech Republic and Romania), which is less than 1% of world GMO* acreage. The European Union has only certified one GMO* crop dedicated to sales. Its authorization is currently up for renewal.

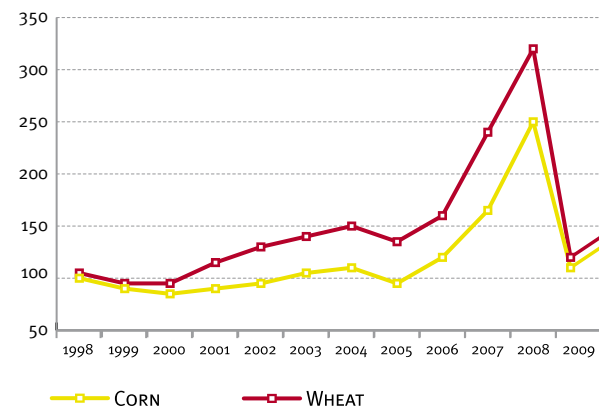
Like its main competitors, this context has no direct impact on Vilmorin, which does not currently generate many sales from genetically modified varieties in Europe. Vilmorin has varieties that are ready to be sold when the market opens up, but does not anticipate any change in the regulatory framework in the short term.

• Persistent fluctuating prices of agricultural raw materials

In spite of the contraction of the prices of raw materials in recent months today their trend is towards an increase in the medium term. Nevertheless they are extremely volatile with purely speculative positions, as could be seen in their evolution over 2009.

This trend can be explained by the increase in demand, and cereal stocks that have remained particularly low; at the end of the campaign for 2008-2009, they represented 340 million tons.

EVOLUTION OF THE PRICES OF CORN AND WHEAT IN EUROPE (IN EUROS PER TON)



Sources: Internal estimates.

THE COMPETITIVE PANORAMA

	Straw cereals	Corn	Sunflower
No.1	Vilmorin	Pioneer	Syngenta
No.2	KWS	KWS	Pioneer
No.3	RAGT	Vilmorin	Vilmorin
No.4	DSV	Monsanto	Monsanto

Sources: Internal estimates

Field seeds activity in North America

The joint venture was set up in July 2000 and is consolidated 50/50 with the German seed group KWS. AgReliant is now the fourth largest American seed producer on the corn seed market, and breeds, produces and sells corn and soybean seeds in the United States and Canada. The original objective of this collaboration was to unite the research efforts of the two companies.

In fact, distribution, research, production and administration are fully pooled today. Carried forward by a market with high potential and a single marketing approach, the company has achieved dynamic growth since it was first set up.

► Key indicators for 2008-2009

- No. 4 on the US market for corn seeds.
- Contribution to consolidated sales 2008-2009 (at 100%): M€ 270 (+ 14% like for like).
- Number of employees consolidated (at 100%): 698.

► Specific positioning on the North American market

• High added value seeds

AgReliant offers North-American farmers high-quality germplasm*, which, when combined with technical options, enables producers to adapt seeds to their specific needs.

These options concern two possibilities:

- **Traits***, giving the plant its transgenic* character. These resistance genes incorporated into the plant's genome*, protect it against certain destructive insects (corn-borer and rootworm) or herbicides. The latest genetically modified varieties now combine several resistance genes, thanks to the stacking* technique. These technologies are now considered to be a standard offer by the farmers.

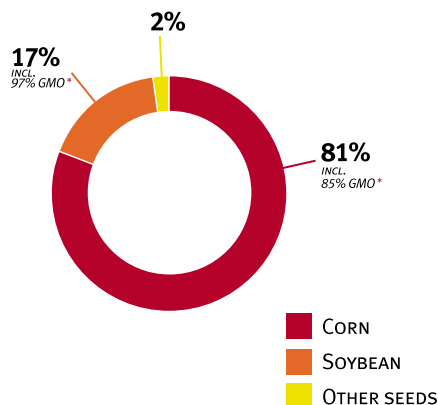
- **Plant protection products**, giving protection to the plant against certain parasites or diseases.

ACTIVITIES AND OUTLOOK

• Continuous progression in sales of genetically modified* seeds

More than 85% of AgReliant's business in corn seeds involves genetically modified varieties. This increases to 90% for soybean seeds. This growing trend reflects the company's capacity to develop high-performance genetically modified seeds, significantly increasing the profitability of the two species.

ANALYSIS OF SALES PER CROP



• An original sales policy underpinned by a diversified brand portfolio

By devoting more than half of its staff to a first rate sales team, AgReliant can cover three distribution networks in the United States: direct sales to the farmer, farmer-dealer networks and sales through distributors

In all these different distribution methods, and predominantly the first, brands, the real link between the farmer and the seed producer, are a vital factor in marketing strategy.

AgReliant's sales teams therefore rely on a portfolio of six reputable brands for the different geographical sectors that extensively cover the Corn Belt, the heart of the American market.



► A year with strong growth in value

Although the end of the season was marked by unfavorable weather conditions and low pricing policies, AgReliant achieved sustained growth of 14% like for like.

This rise is mainly due to an increase in the proportion of multi-stack* GMO* products in sales. AgReliant has thus proven its capacity to anticipate the rapid changes occurring in the market and to create value by regularly launching novel products.

► Objectives for 2009-2010

In an environment characterized by an acceleration of technological innovation and volatility of markets and prices, fiscal 2009-2010 will be devoted to:

- Intensifying sales of products with high added value.
- Continuing to develop by giving a strong push to investment in upstream research, particularly in molecular marking*.
- Adapting the marketing model to changes in the market and making sure it can react even faster.

► A volatile market

In 2009, the North American seed market was marked by stability in corn acreage and a slight increase in soybean acreage. These two crops dominate the market, which should continue to grow through the development perspectives offered by genetically modified seeds and by agrifuels.

• A slight progression in acreage

Whereas the corn market fell by 8% in 2008, one year later it was up slightly by 1% in volume, with an acreage of just over 35 million hectares. This evolution is due to choices made by farmers between corn and soybean, because of the need for crop rotation, but also the prices of agricultural raw materials. Acreage for soybean stood at about 31 million hectares in 2009, an approximate increase of 3%.

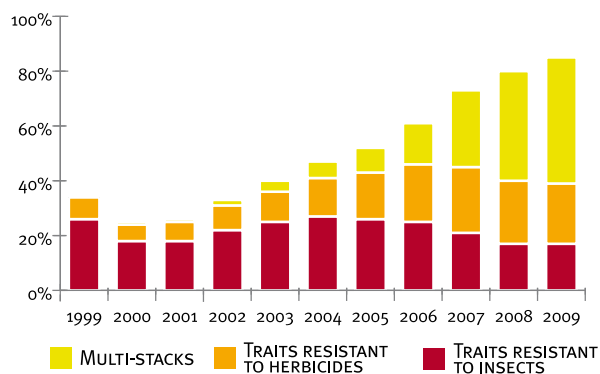
(Source: USDA 2009)

• Genetically modified plants: a virtuous growth circle

With an acreage of 62 million hectares in 2008, which is half the acreage in the world, the United States is by far the biggest producer of genetically modified plants. Their proportion is increasing regularly, and today they cover more than 85% of corn acreage and 90% of soybean acreage in the United States.

Varieties integrating several resistance traits* are being used more and more, and today represent a significant share of the market.

EVOLUTION OF GENETICALLY MODIFIED CORN ACREAGE IN THE UNITED STATES



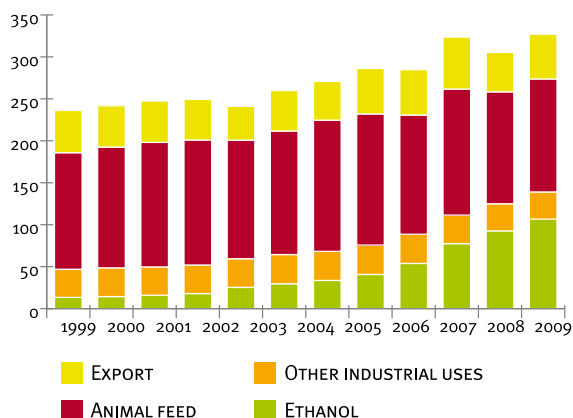
Source: USDA 2009

Although on average these seeds are 50% more expensive than conventional seeds, genetically modified seeds enable farmers to reduce their running costs considerably, in particular pesticide treatments, guaranteeing a better harvest with at least 30% higher yield.

• Agrifuels: a growth lever for corn production

Since 2000 corn acreage in the United States has risen considerably particularly because of demand from bioethanol factories. In 2009, 33% of domestic American corn production is already devoted to this market. The US government has set a target of 35% for 2018.

EVOLUTION OF THE TOTAL APPLICATIONS FOR CORN IN THE UNITED STATES (IN MILLIONS OF TONS)

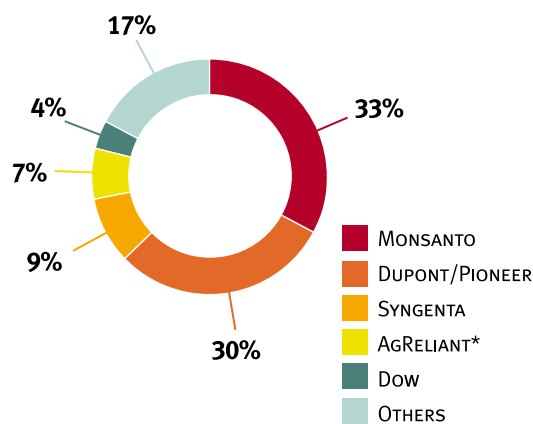


Source: USDA 2009

• Changing panorama of competitors

Considerably strengthening its commercial positions and market shares in the heart of the Corn Belt over the last few years, AgReliant now has all the means to confirm this trend in the years to come.

ESTIMATE OF MARKET SHARES IN CORN SEEDS (SPRING 2008)



* AgReliant's market share was stable in the spring of 2009.

Garden products activity

Vilmorin offers home gardeners a range of garden products mainly comprising vegetable and flower seeds, bulbs and plantcare products. Represented on all the main European gardening markets, its customers comprise garden centers, DIY stores and supermarkets.

The garden products activity is structured around two companies:

- In France: Oxadis and its subsidiaries, including Cnos Garden in Poland, Iora Geissler in Switzerland and Van den Berg in the Netherlands.



- In the United Kingdom: Suttons.

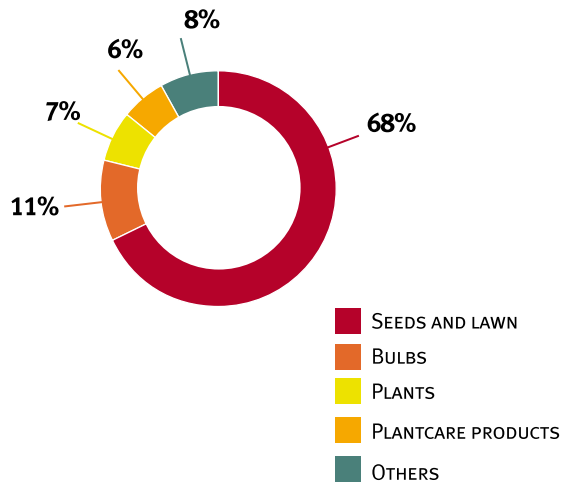


► Key indicators 2008-2009

- Contribution to consolidated sales: €92 million (- 0.1% like for like).
- Number of employees: 485.

ACTIVITIES AND OUTLOOK

ANALYSIS OF SALES PER FAMILY PRODUCT



► Suspension of the sale of the garden product activities

Following the first semester of 2008-2009, marked by a difficult financial and economic environment, Vilmorin suspended the sale of its companies Oxadis and Suttons. The unfavorable outcome of negotiations and the healthy financial profile of these companies led Vilmorin's Board to keep the garden products activity within the group.

Nevertheless the Board has confirmed its strategic arbitration to position activities as a priority on the professional seeds market, and Vilmorin is studying an action plan to redeploy the garden products activity in the short-term.

► A transition year

Restated for currency fluctuations and scope, sales reached 92 million Euros, almost the same level as the previous year, but exceeding the estimates fixed at the beginning of the fiscal year.

The year was characterized by promising performances in spite of a restrictive business decisions taken for certain European markets. Oxadis was boosted by the effects of the Vilmorin radio advertising campaign "Les Réveils Jardins" ("Awakening Gardens"), while the garden products activity overall took advantage of a consumer regain in interest for gardening.

► Objectives for 2009-2010

- Set up a new operating organization.
- Pursue product innovations and advertising to the general public.
- Study opportunities to consolidate the garden products activity.

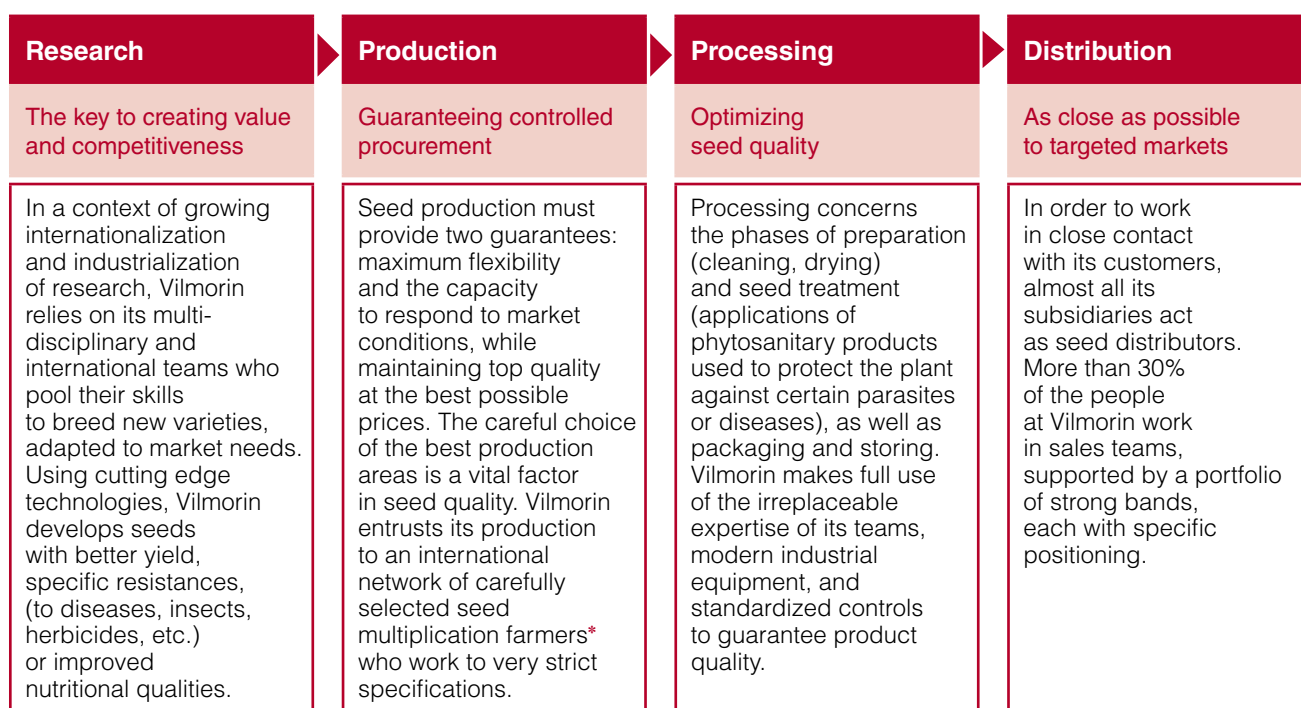
STRATEGY

Reinforcing an original model, carried forward by solid achievements in growth

In a sector of activity characterized by a strong concentration of operators, and, driven by innovation and internationalization, Vilmorin's development is anchored in a specific economic model with a legitimate ambition: to reinforce its competitive position, and position itself on growing market segments.

► A single core business: seeds

From research to sales, Vilmorin controls all the stages in its business and proposes high quality products, adapted to each market.



► **The capacity to steer a decentralized organization** close to its markets, with multicultural teams and a portfolio of strong brands, synonymous with expertise and proximity.

STRATEGY

► Know-how and longstanding experience in external growth, consolidation and strategic alliances

MAIN STAGES IN DEVELOPMENT

Sales		Acquisitions	Divestments
1993 (introduction to the Paris stock market)	€184 million		
1994		Suttons Consumer Products Ltd (United Kingdom)	
1996		Clause (France) and Harris Moran Seed Company (United States)	
1998		Nickerson Zwaan BV (Netherlands)	
2000		Keygene ⁽¹⁾ (Netherlands) and Kyowa (Japan)	
2002			Elidia (France)
2003		Hazera Genetics (Israël)	
2005			Ferry Morse (United States)
2006		Mikado (Japan) Limagrain field seeds activities (Europe and the United States) Avesthagen ⁽¹⁾ (India)	
2007		LPHT ⁽¹⁾ (China)	
2008		Global Genetics ⁽²⁾ (United States) Australian Grain Technologies ⁽¹⁾ (Australia)	Flora Frey (Germany)
2009	1 milliard €	LSL Biotechnologies – LSL Plant Science ⁽²⁾ (Mexico) Genefresh ⁽²⁾ (United States) K&B Development ⁽²⁾ (United States) Gentropic ⁽²⁾ (Guatemala)	

⁽¹⁾ Minority stakes or research partnerships

⁽²⁾ Isolated assets (intangible, inventories, personnel in some cases)

► **A rich history** that benefits from more than two centuries of innovation in botany and built on the foundation stone of real proximity to the farming community. Inheriting a botanical culture of more than 200 years, the name Vilmorin is intimately bound to the dynasty of the Vilmorin family, who were behind several technical developments still used today. A culture of innovation, the sharing of knowledge and a long-term vision of its development; these founding values remain at the heart of the company's philosophy.

► Solid growth opportunities driven by the challenges of the market

Vilmorin is above all positioned on the food market. The company innovates to develop vegetable and field crops with high added value in order to contribute to meeting world food needs. The upstream seeds market has been regularly growing by 6% per year since 2002 (source: P. Mc Dougall), as a result of several complementary factors:

• An increase in world food needs

In a context of less and less farmland, feeding more than 9 people in the year 2040 will require a considerable

increase in agricultural yields. In order to meet the challenge, progress in plant breeding, and particularly in greater yields of cereals, the world's staple diet, will play a preponderant role.

• An increase in the use of commercial seeds

Improvements in the standard of living of farmers and vegetable producers encourage them more and more to use commercial seeds that are better suited to their needs.

RATE OF THE USE OF COMMERCIAL SEEDS IN THE WORLD

Main crops	Rate of use
Corn	65%
Wheat	34%
Vegetables	50%

Source: Rabobank, 2007

• Developing more efficient seeds

Developed using conventional breeding* or transgenesis*, commercial seeds adapt better to today's agronomic constraints and farming practices, and also to more recent requirements with regard to nutrition, health

and protection of the environment. The intrinsic added value of such products contributes to the value of the market. As the food market continues to develop, new industrial markets that valorize agricultural raw materials (first generation agrifuels, green chemistry, etc.) are gaining ground fast and reinforcing the growth potential for the seeds market.

Intensifying research, the key to the creation of value and competitiveness

As the main source of added value, research is at the very heart of the development challenges in our business. With its locations worldwide and through the expertise of its research teams, Vilmorin develops solutions that are adapted to new market requirements, using innovation to strengthen its competitive position.

► Meeting the needs of each player in the supply chain

It takes seven to ten years of development to come out with a new field or vegetable crop variety if you include the time it takes to certify a new variety. Breeders need to take into account the expectations of all the players in the supply chain as they work, and thus:

- improve agronomic characteristics (yield, resistance to diseases, drought tolerance, earliness, etc.);
- meet the technical constraints of industrialists (standardization of calibration, appearance of the vegetables, etc.);
- take into account the constraints of distributors (canning, earliness, appearance, prices, etc.);
- adapt to the evolution in consumer tastes whatever their cultural origin (organoleptic* and nutritional qualities, practical aspects, etc.).

► Key indicators for 2008-2009

- Nearly 15% of professional sales reinvested in research: 25% devoted to plant biotechnology* and 75% to conventional breeding.
- €121 million investment in research in absolute value.
- €180 million investment in research including funding
- in the form of partnerships.
- More than a hundred new varieties created every year.
- Sales from proprietary* varieties of 87% in vegetables and around 65% in field seeds.
- More than 80 research stations, located throughout the five continents.

► Multi-disciplinary, international organization

Vilmorin's research is supported by a complex of internal and external skills.

• **More than 80 research stations and more than 1 100 researchers and technicians all over the world** all contribute to upstream research and conventional breeding*.

Structured in the form of skills platforms, this organization helps to optimize the process of plant breeding.

• Strategic partnerships play an important role in the upstream research set-up:

- **Keygene:** experts in genomics* applied to vegetable plants, and in which Vilmorin has held a stake since 2001 in partnership with the Dutch seed companies Enza Zaden and Rijk Zwaan, and the Japanese seed company Takii.

- **Biogemma:** European specialists in field crop plant biotechnology*, held in partnership with the seed companies Euralis and RAGT and the financial institutes for the oilseed chains (Sofiprotéol) and the cereal chains (Unigrains).

- **Australian Grain Technologies:** Australian leader for breeding*, developing and distributing novel cereal varieties. Vilmorin recently increased its initial stake in the company's stock taking it up to more than 32%, with the aim of consolidating its expertise in hybrid wheat and intensifying its current research programs (genetic resources* and technologies).

• Vilmorin's researchers also work in association with public or private research institutes:

Génoplante (France), INRA (France), CIRAD (France), Avesthagen (India), CSIRO (Australia), CAAS (China), University of Davis (United States), HRI (United Kingdom), Hebrew University (Jerusalem), Aro-Volcani Centre (Israel), PRI (Netherlands), Crop and Food Research (New Zealand), CRC (Canada), Evogène (Israel), Cogenics-Groupe Roche (United States), Yissum, subsidiary of the University of Jerusalem (Israel).

Furthermore, Vilmorin has recently signed new partnership agreements, and in particular with the research laboratory Collectis (France).

STRATEGY

► Three main research orientations

• Pursue investment in conventional plant breeding* and enrich genetic resources*

Research has its origins first of all in the diversity of plants to create new varieties. Access to genetic resources* is a fundamental aspect in sustainable business for a seed company. This heritage can be enriched, and progress can be achieved in breeding* by opening up new research stations, taking full advantage of breeders' know-how and a proactive policy of external growth and partnerships.

• Scaling up investment in plant biotechnology*

Future progress in plant breeding is therefore dependent on the ability to control plant biotechnology*. With biotech tools it is possible to accelerate considerably the process of plant breeding by saving about three years of development, depending on the program.

The breeder gains precious time by eliminating the lines which are of no interest during the initial stages of breeding*. Moreover by accelerating plant-breeding is how research can react more quickly to evolution in demand.

Investment in biotechnology* today represents 25% of the research budget and increased significantly during the course of fiscal 2008- 2009. It will also grow significantly in years to come.

This trend is being accompanied by a progressive resizing of research, in the form of skills platforms, in order to meet the needs of changes occurring in the breeding* profession. With the increase in the number of data to handle and the integration of new skills (genomics*, molecular biology, bioinformatics, etc.) today's breeder indeed has to manage multi-disciplinary project teams working in a network. This organization makes sure that different existing techniques will be applied more systematically and with better cost controls.

• Anticipating new markets

- The rise of genetically modified plants*

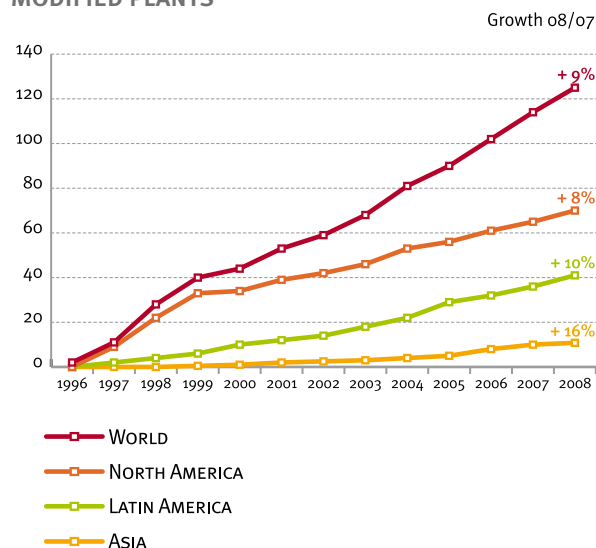
The expected explosion of the world's population along with the drop in arable land clearly begs the question of satisfying food needs in the decades to come, to which we can also add the problem of the demand for agricultural raw materials intended for industrial applications. The increase in yields per hectare will help to adapt supply to demand.

Transgenic varieties provide one of the solutions by increasing the efficiency of agricultural production. They guarantee a better harvest with considerably higher yields, while considerably reducing pesticide treatment.

Over and above yield gains, they can also play a role in improving the intrinsic qualities of the plant, whether they are sanitary, technological or, tomorrow, nutritional.

As a direct consequence of these advantages, this market is expanding fast in volume, but also in value because of the integration of several traits* with the same variety: genetically modified seeds are sold at prices 50% to 100% higher than conventional seeds, thus providing added value to the combination of genetic resources* and traits*.

EVOLUTION OF THE SURFACE AREAS OF GENETICALLY MODIFIED PLANTS



Source: ISAAA 2009

- The development of industrial applications for agricultural productions

This especially concerns agrifuels – including ethanol (produced from corn in North America) and biodiesel (obtained from oilseed crops in Europe) – and the development of plant chemistry (also known as “green chemistry”), in particular with the market of biodegradable plastics. The expansion of these markets, still modest in size, has led to an increase in the surface areas used, with a ensuing positive influence on the volume of activity. While remaining attentive to the evolution of these markets, Vilmorin has not yet initiated a significant research program devoted to these applications.

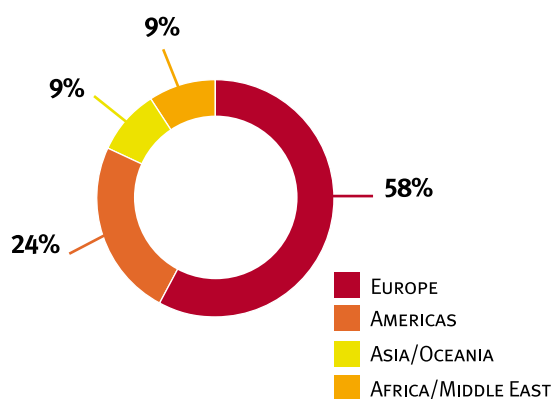
Pursuing international development, the driving force behind growth

International development is also clearly one of Vilmorin's strategic pillars. It is underpinned by a combination of organic and external growth involving acquisitions,

strategic alliances and partnerships. All the steps involved in seed development today have acquired a worldwide dimension: the vast majority of research stations are located outside the parent company country, the production and processing of seeds are carried out in both hemispheres, while the finished products are distributed all over the world.

International growth, part and parcel of market evolution, also helps to deal with several issues of great importance, including: access to genetic resources* and their enrichment, spreading out risks (climate, industrial, logistic, etc.), economic optimization, adapting products to their markets (agronomic conditions, specific cultural features, etc.) and anticipating demand.

GEOGRAPHICAL ANALYSIS OF SALES



► Continuing displacement of production areas

The need to optimize running costs and out of season supply are leading more and more frequently to the displacement of production areas. Market gardeners now prefer countries with low production costs and areas adapted to early production.

Thus countries in Eastern Europe, Africa (North Africa, Senegal), Central America and Asia have, in recent years, begun to replace some of the more traditional producing countries.

Vilmorin considers such displacement in its development strategy for new locations. New subsidiaries or breeding* stations have therefore been opened recently in Russia, Ukraine and Algeria in particular.

► A targeted strategy to anticipate the potential of each development zone

• North America: growth opportunities in value

In North America, Vilmorin is one of the top four players that share out nearly 80% of market shares in field seeds and vegetable seeds.

The market for vegetable seeds has benefited from regular growth, as populations have grown and new products have arrived.

With a slight increase in corn acreage this year, reckoned to be 1%, the market for field seeds has also been growing in value because of the increase in acreage for genetically modified crops and the rise in the sales of varieties that integrate several traits*.

• Asia: the largest world market for seed

The Asian market, characterized by a continuous population increase and changes in its consumption patterns, has progressed considerably.

Over the past few years Vilmorin has defined priority areas for action and investment such as China, India and Japan.

- China: a steady, determined approach

China alone represents more than half the production of vegetables in the world, and is also a producer of major cereals, with dominant positions in the production of rice and corn.

China remains a complex market that offers perspectives for growth in volume and in value as the population increases. Vilmorin's international development must be accompanied by conditions that guarantee protection of its intellectual property and its values, particularly with regard to management and its organization model.

Through its strategic alliance with Yuan Longping High-Tech Agriculture ("LPHT") signed in July 2007, Vilmorin is now fully integrated in China and is one of the few major players in this still very scattered market.

Based in the province of Hunan, in the south-east of China, LPHT is one of the world leaders for hybrid rice, with strong competitive positions in vegetable seeds (pimento, peppers, etc.).

STRATEGY

Listed on the Shenzhen stock exchange, in 2008-2009 LPHT made sales of 120 million Euros and invests nearly 3 million Euros every year in research.

Through this agreement, Vilmorin should accelerate its growth in this region of the world, particularly by opening up research partnerships in hybrid rice, wheat and vegetables.

- India: a market stimulated by varieties with high added value

The market for seed in India is estimated to be worth almost one billion dollars, of which about 100 million dollars are truly accessible. It is characterized by a strong dispersion of players and a rate of use of commercial seeds that is regularly progressing. Vilmorin has decided to develop a seed unit independently on this market, in particular through its Indian subsidiary, and is also pursuing its scientific co-operation with Avesthagen in the field of biotechnology*.

- Japan: a key position for vegetable activities

Now that its organization has been optimized to meet the needs of the Japanese market, Mikado Kyowa Seed, in which Vilmorin is the majority shareholder, more than ever forms a solid base to develop business in Asia. The recent opening of a new seed production factory in the province of Chiba has consolidated this strategy.

At the same time Vilmorin remains on the look-out for any opportunity for partnerships or external growth on this market with high added value.

• Europe: recurring growth

In Europe, with market shares between 10 and 20% depending on the crops, Vilmorin is a leading player and benefits fully from the recurring growth on this market. 58% of its sales are made in this zone.

Perspectives for development are linked to the evolution of markets in Eastern Europe, to the ultimate emergence of the production of genetically modified plants, and to the eventual introduction of hybrid wheat crops. Moreover, the evolution of the agrifuels market will also contribute to its, but this will depend on national energy policies.

• South America and Australia: promising bases for deployment

South America provides Vilmorin with the opportunity to produce counter-season seeds in order to extend the periods of product availability in the Northern hemisphere. Its commercial presence in this region remains limited for the time being, but will clearly need to be developed in the future.

Finally, Australia is a zone where Vilmorin is pursuing its investment through its exclusive partnership with Australian Grain Technologies (AGT), the Australian leader in breeding*, developing and distributing novel cereal varieties.

COMBINING DEVELOPMENT AND RESPONSIBILITY

Vilmorin's ambition is to pursue its expansion and consolidate its performances in order to reinforce its position as the fourth largest seeds company in the world. Its development strategy is conducted respecting five main responsibilities in terms of research and innovation, management, social and economic contribution, respect for the environment and risk management.

Mastering innovation and sharing access to knowledge

Through its continuous efforts in research and innovation, Vilmorin creates a continuing flow of new better performing plants while respecting mankind and the environment.

► Benefiting from biotechnology* while strictly respecting regulations

As part of its research activities, Vilmorin utilizes biotechnology* to support work in breeding*. Transgenesis*, used to create genetically modified plants, is one of the techniques used to develop new varieties when all other so-called conventional possibilities have been explored. It is part of the continual progress being made in plant breeding techniques, and is used to develop more and more sophisticated plants, as close as possible to market expectations.

All this research work, whether performed in a laboratory or an open field, is covered by European and international legislation and regulations. Thus in the European Union, which has some of the strictest legislation in the world, authorization is only granted after deliberation by independent expert committees concluding that the use of the technologies are without risk for health or the environment.

Once these authorizations have been granted, the crops are subject to strict environmental and sanitary monitoring.

► Sharing access to knowledge for greater biodiversity

Genetic heritage* is one of the founding concepts in seed improvement and the lasting success of a company. In order to protect this heritage, each country is free to choose its protection system, according to the following principles:

• The Proprietary Variety Certificate (PVC)

The PVC is a title of intellectual property created at the convention of the International Union for the Protection of New Varieties of Plants (UPOV). It only applies to creations from the realm of plants and protects the ownership, production and sale of the commercial variety for the duration of twenty years. However it integrates two fundamental elements:

- **The breeder's exemption:** a commercial variety protected by a PVC can be used without financial compensation by another seed company in order to create a new variety with characteristics that are original and distinct from the original variety used.

- **The farmer's exemption:** in certain conditions and for certain crops, the PVC authorizes the farmer to use a part of his harvest to re-sow in his own plots the following year.

COMBINING DEVELOPMENT AND RESPONSIBILITY

• Patents

Patents grant the seeds producer authorization for exclusive use of the invention for a limited number of years and on a defined geographical territory. In return, all information concerning this invention is made available to the general public.

The field of protection for patents covers the creation, ownership, production and distribution of the seeds. So any seeds producer wishing to use the patented variety must request authorization and pay for the right of use.

In Europe, a plant variety can only be protected by a PVC. However certain governments have authorized the system of double protection. This is the case of the United States, Japan and Australia. In such cases the breeder is free to choose single or double protection. This fundamental question is still under debate today in numerous international organizations such as the UPOV.

Vilmorin pleads in favor of the privileged use of the PVC system and for the introduction of the breeder's exception in all protection systems in order to preserve everyone's access to genetic variability, which is indispensable for the creation of new varieties. In certain cases, Vilmorin may decide to arbitrate in favor of patents when all innovation patentability conditions are respected (novelty, inventiveness, reproducibility, etc.).

► Active involvement in discussions on regulations

Vilmorin plays an active role in discussions on the use of plant biotechnology* for scientific research. It is very much involved in consultation committees that work with all those linked to the world of agriculture to investigate the impact on society of the development of biotechnology*.

The aim is to make information available to citizens so that they can form their own opinions, and at the same time, to promote the emergence of clearer, better balanced rules.

Encouraging employee involvement

Vilmorin's development is reliant on the expertise and involvement of its employees. Respecting the values of the company, human resource management must accompany growth, anticipate change and strengthen existing teams. The main guiding principles of human resource management are defined by corporate management after examining the proposals and achievements of the human resource

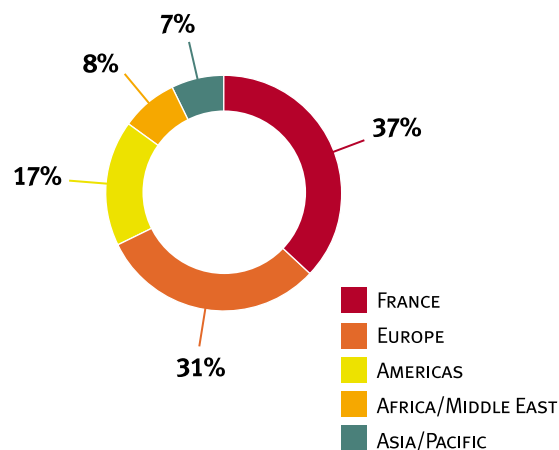
managers in the main companies in the group, who come together for corporate human resources committee meetings. Since Vilmorin has more than 30 different nationalities, each operating company then applies these orientations while respecting the specific legal and cultural framework of its own environment.

PERMANENT STAFF: KEY FIGURES

	07-08*	08-09
Activities		
Vegetable seeds	2 259	2 368
Field seeds	1 512	1 565
Garden products	-	485
Holding	84	102
Geographical zones		
France	1 391	1 682
Non-France	2 464	2 838
Gender		
Men	2 535	2 886
Women	1 320	1 634
Categories		
Management	1 163	1 304
Non-management	2 692	3 216

* Excluding the garden products activity

GEOGRAPHICAL ANALYSIS OF EMPLOYEES



► Adopting international career management

As a result of Vilmorin's increasing international dimension, its operating organization and the broadening of its scope of activities, career management must take on a global dimension. The challenges are threefold: we must encourage the mobility of managers within the different structures, detect young talent and also anticipate the replacement of staff leaving for retirement.

• **During fiscal 2007-2008 Vilmorin therefore launched a structured talent management system** anticipate needs and identify the skills required to implement its strategy and rise to the economic challenges of tomorrow.

The aim of this program is to better co-ordinate the successive stages in the career of a manager: recruitment (definition of profiles, planning etc.), professional skills assessment, change management, accompaniment of mobility right up to the end of the career which needs to be associated with the sharing of know-how.

A first threshold was crossed during the fiscal year with the implementation of a pilot phase for about fifteen executive managers, 8% of this target population. Professional skills, potential and orientation were assessed and analyzed with the objective of setting up a development plan adapted to each one.

This global approach will gradually be introduced to the Vilmorin's main companies.

• **International career management is based on a pro-active recruitment policy** to renew existing positions and anticipate the recruitment of tomorrow's skills.

Relations and communication with higher education are kept up by the main operating companies and business units in each country involved.

► Pursuing a dynamic social policy

• **Profit-sharing and savings schemes: a proactive approach**

Profit-sharing that goes beyond legal requirements, is applied in each company, and whatever the hierarchy or profession. Calculations of what is paid out are largely based on operating income, adopted as the best indicator of performance. Almost 2% of the payroll was thus devoted to profit-sharing in 2008-2009.

A corporate savings scheme, the operating costs of which are fully borne by the company, is available to all employees. It is made up of two funds that are exclusively reserved for employees.

EVOLUTION OF PROFIT-SHARING

Collective profit-sharing (in K€)	
06-07	5 533
07-08*	5 938
08-09	4 524

* Excluding the garden products activity

• Developing skills

More than half the companies run training programs that go beyond legal requirements. In most cases they involve adaptation to the workstation, in order to reinforce the employee's skills in the functions he or she holds. They also concern the evolution or consolidation of the function held, and skills development. More than half of the staff followed training in 2008-2009.

TRAINING EXPENDITURE AND HOURS

	Training expenditure (in M€)	Training hours
06-07	0.9	29 138
07-08*	1.1	31 302
08-09	1.5	35 128

* Excluding the garden products activity

► Encouraging social dialogue

• A European works council

A European works council representing the different companies in Vilmorin meets twice a year to promote information for the employees in the group, and dialog between the group's management and employee representatives for the group's European companies.

During fiscal 2008-2009, 48 agreements were negotiated, with 27 being signed, dealing mainly with working conditions and pay.

• Tools and events to encourage internal communication

Internal magazines, informative letters, some of which deal with specific themes, are devoted to employees. For example, Clause publishes three news bulletins every year on risk management with the aim of developing employee awareness of Quality, Safety and Environment issues.

COMBINING DEVELOPMENT AND RESPONSIBILITY

Different seminars and conventions are organized every year for the top executives, the executive managers, the sales and marketing teams and the researchers.

They provide the opportunity to exchange experiences, with direct and privileged contact with the general management, and can contribute to performance assessment where certain employees stand out in terms of potential.

Intranet networks have also been developed in recent years, particularly in certain companies whose teams are scattered over several sites and countries. In this respect LVH has designed a specific site to encourage better dissemination of news to employees. One of the most recent Intranet networks has been set up for Vilmorin's international community of researchers, representing more than 1 100 employees. This system involves areas such as information exchange, best practices and project work.

• Improving health and safety: prevention is the guiding principle

The risk management policy, described on page 57, has the specific objective of implementing standards in terms of safety for people which are applicable to all the Vilmorin sites.

In this context, a committee was set up to monitor swine flu during the summer of 2009. The aim of this committee is to recommend preventive actions to limit the spread of the virus, define the measures to be taken if swine flu were to affect a site, and to give recommendations to prepare a Disaster Recovery Plan (DRP). These recommendations set out a temporary reorganization plan for the company, from preparation to implementation, to deal with a possible crisis. These instructions have been sent to the Top Executives, the Human Resource Managers and the Safety Managers in all Vilmorin's companies. Most companies also have internal committees or staff members responsible for insuring the health and safety of employees are protected at their place of work. They set out reports and carry out analyses on work accidents, and propose and implement corrective measures.

Contributing to the development of the social and economic environment

► Targeted initiatives to support social and humanitarian projects

Vilmorin's companies regularly participate in different social and humanitarian projects, playing a positive role in the development of their social environment. For example, the following projects were run in fiscal 2008-2009:

• Hazera works with young people to develop awareness of the agricultural world

The Israeli company Hazera has done a lot for young people, helping them to discover the company's activities and developing awareness of the agricultural world from a very early age. Thus young children from different schools in the country are regularly invited to visit farms and greenhouses.

• Support for those struggling in the Netherlands

For more than five years, Vilmorin has been investing in a support program for those struggling to survive in the Netherlands through its company Nickerson Zwaan. In association with several companies in the south of the Netherlands, it regularly donates products (cucumbers, radish, onions, tomatoes, etc.) to a food bank based not far from Made, location of the head office. Vilmorin also occasionally supports this charity by making trucks and other means of transport available when there are logistics problems to sort out.

• Participation of the company Harris Moran in the relay race "The Relay for Life" in the United States

For several years now our company Harris Moran has been supporting "The American Cancer Society". About twenty employees are involved in different projects (selling Harris Moran T-shirts, flowers, etc.) all year long to collect funds which are then used in the fight against cancer. Once a year the Harris Moran team, which has adopted the name "Seeds of Hope", participates in the "The Relay for Life" race, running in a relay for 24 hours.

In 2008-2009, volunteers from the company were thus able to bring in more than 10 000 dollars of donations.

► Regular support to organization involved in the defense of the agricultural world

• Re-instating agriculture in its strategic place and regulating world agricultural exchanges

The globalization of agricultural markets involves the risk of subjecting every form of agriculture to economic and social pressures. And so, in order to guarantee food security and sovereignty, speculative drifts and potential market deregulation need to be anticipated.

For several years now, Vilmorin has been providing active support to initiatives that aim, with a long-term vision, to restrict and control the volatility of agricultural markets. This is why Vilmorin has chosen to support momagri, the *movement for a world organization for agriculture*.

Founded in 2005 at the initiative of the French agricultural sector, momagri's mission is to arouse international awareness in favor of the creation of international co-operation for agriculture that would open up new prospects to farmers everywhere in the world. momagri has brought together professional protagonists from the agricultural world, humanitarian associations, health, defense, business, etc. Its proposals in favor of a new vision of agriculture have led to co-operation agreements with various international organizations (FAO, IMF, etc.), think tanks (Carnegie Endowment for International Peace, etc.) or agricultural organizations in different countries (Federated co-op in Quebec, etc.). In order to achieve this goal, it relies on two instruments that form the basis of true governance for agriculture: a new economic model dedicated modeling the agricultural sector, and an international agency for assessment and grading, providing information that can be used to base political decisions and international policies.

After presenting its new economic model in June 2009, integrating all current specific aspects of agriculture, and different associated fundamental economic variables (economic, social, energy, environment) momagri formulated its ten proposals for an international agricultural and food policy. It includes new ideas for regulation such as the use of international storage, the introduction of a "safety net" and tools to stabilize prices.

• Supporting initiatives to improve agricultural production in Africa

Since 2006 Vilmorin has been participating in the French program Foundation for Agriculture and Rurality in the World (FARM), whose mission is to contribute to the development of agriculture in all developing countries. Founded in partnership with some of the major French

groups (GDF Suez, Crédit Agricole, Air France-KLM, etc.), FARM supports groundwork operations with the objective of increasing agricultural production for family food needs and creating local markets. Thus in 2008 and 2009, seven projects were sponsored in West Africa, concerning 1 900 peasant-farmers and their families. By facilitating access to credit and funding training in management, FARM helps them to buy seeds, fertilizers, and then sell their production.

Developing business while limiting its impact on the environment

► Preserving the environment through the development of more sophisticated seeds

For several years, Vilmorin has been developing vegetable and field seed varieties that are resistant to different forms of pathogens*. These resistances, integrated using conventional plant* or transgenesis*, make it possible to make significant reductions in the consumption of fertilizers and agrochemical products in the field. Pelletting* commercial seeds with protection products also contributes to minimizing treatment throughout the lifespan of the plant.

Furthermore, genetically modified plants contribute significantly to diminishing the impact of agricultural production on the environment. Their use means that there is less spraying of chemical products, growing practices become more friendly, and water consumption is limited by developing varieties that are resistant to hydric stress.

► Contributing to enriching biodiversity

With more than one hundred new varieties registered every year, a genetic heritage* of more than 10 000 plant varieties collected over the past 260 years, and 2 000 varieties proposed in its commercial line-ups, Vilmorin makes an active contribution to the conservation of biodiversity.

► Limiting impact on the environment

• Consumption of resources

- **Water:** given the modest surface areas cultivated, in all just over 3 000 hectares for research and a little over 68 000 hectares for seed production throughout the world, Vilmorin consumes very little water.

Consumption was estimated to be around 1 million m³ in 2008-2009. The main sources of consumption are for sanitary purposes and irrigation. An indication of the vigilance applied, is that several companies have set up specific irrigation systems, such as drip irrigation,

COMBINING DEVELOPMENT AND RESPONSIBILITY

in order to control and limit the quantity of water used. This is also the case of Vilmorin SA which uses acorn flotation water after it has been purified by lagooning in order to water crops. This technique consists in storing water in an outdoor pond, airing it in regular cycles before extracting the water, from which any organic matter has been removed, and then filtering it.

- Energy: even though it consumes relatively little energy (just over 40 Gwh for fiscal 2008-2009), Vilmorin regularly integrates measures to limit its consumption in its investments. An example from the field seeds activity is that the heat from the combustion of corncobs (the central part that holds the grain) is used to dry humid corn just after harvesting.

In the vegetable seeds activity, Clause has implemented several corrective actions in its replacement of greenhouses, the automated management of heating for crops grown in greenhouses and tunnels, and the insulation of buildings.

- Fuel: consumption is very low and represents a minor environmental impact for Vilmorin.

• Air, water and soil pollution

Since the surface areas used by Vilmorin are limited, pollution levels generated are relatively low. Most of the production sites are owned by Vilmorin, and they are carefully monitored and serviced.

- Air : dust generated during seed processing is the main source of any pollution. To limit such releases into the air most of Vilmorin's companies have installed systems to filter and capture this dust.

- Water: research activities are organized to limit as much as possible any discharge into water. In the greenhouses, for example, all the fertilizer-based solutions are recycled and flow through a closed circuit. All the more recent stations recycle their wastewater, using wastewater recovery stations.

- Soil: the spreading of fertilizers on commercial seed crops, and the agrochemical treatments used, can be a source of soil pollution. Different preventive and corrective actions are taken, including the strict respect of certified products and recommended dosages. Moreover, several of Vilmorin's companies have initiated biological fight* methods in the greenhouses, leading to a spectacular reduction in the number of sprays. Finally, the development of varieties resistant to insects and viruses, with fewer needs for fertilizer for growing, means that fewer chemical products are required.

• Recycling waste

Waste generated by Vilmorin mainly concerns plant matter, treated seeds or non-hazardous industrial waste. Vilmorin's activity generates very little hazardous waste.

Vilmorin is careful to recycle as much of its waste as possible, estimated to be more than 6 000 tons for the year 2008-2009. As far as possible, plant waste is used as compost or animal feed. For example Vilmorin SA recycles 75% of its waste as compost.

With regard to other forms of waste (packing materials, paper, cardboard, plastics), they are selectively sorted in most cases. On several of Vilmorin's sites, this adapted sorting is accompanied by specific communication (specific sorting instructions, notices in display areas, etc.) and monthly monitoring in some cases, in order to track the evolution of the tonnage of ultimate waste and the quantity of usable waste.

Moreover most of our companies have abandoned rock wool for their research in greenhouses, and have generally adopted liners made of coco fiber, a substrate which can be recycled, and are therefore more ecological.

Anticipating by assessing and limiting risks

With vigilance and rigor at all times, Vilmorin assesses as accurately as possible all the risks that might affect its business, and takes suitable measures to control them. A risk management program was initiated during fiscal 2007-2008 with the aim of strengthening the existing system and harmonizing minimum safety and prevention standards applicable to all the sites in the world.

This global risk management program was finally launched during fiscal 2008-2009, with a formal commitment from the management of Vilmorin.

► Gradually reinforcing internal control

• Creating a dedicated team

A team dedicated to risk management was formed during 2009. It comprises a global risk management steering committee, an operating co-ordination committee and working groups set up in each geographical zone. The full organization of this program comes under the responsibility of the corporate Chief Financial Officer, who is also a member of the Vilmorin Executive Committee.

• Listing all the risks

With the support of a consultant, in order to guarantee a methodical approach and independent analysis, Vilmorin

mapped all the risks in order to set down an exhaustive list of potential risks in order of importance. These risks were then weighted using criteria of frequency, occurrence and impact. A summary of this approach was presented to the Executive Committee and the Board of Directors. This map will be one of the key aspects used by the audit Committee to define priority themes.

• Enriching the risk management manual

The main areas adopted as being considered to be strategic are, the safety of persons, the safety of property, the coexistence of crops and the protection of intellectual property. They have been defined and presented in standards, and formalized in the first version of the risk management manual, including:

- The same level of health, safety and respect for everyone throughout the world

The standards laid down concern both the safety and health of the personnel, but also security at the different sites and the protection of property.

Examples of standards:

- One person at each site is responsible for safety issues.
- An annual risk prevention plan for each workstation in terms of safety has been implemented for each site, regularly involving more than thirty employees.
- Each workstation is assessed for risks in terms of hygiene and safety.
- All the premises are non-smoking.
- A policy has been adopted to fight against any discrimination in terms of employment and facilitating access to the workstations.
- It is forbidden to employ children under sixteen.

- Strict procedures to preserve the coexistence of different crops

Vilmorin creates, produces and sells conventional and genetically modified plants. On top of local regulatory obligations, very strict procedures have been set up in order to preserve the coexistence of crops. These procedures specifically concern the minimum isolation between plots, technical operations in the field and in the factory, and traceability procedures.

Examples of standards:

- All seeds that come in from outside are inspected and analyzed before they are used for breeding* or production programs. Results of analyses must comply with the internal specifications in force.
- Traceability is ensured throughout the process from growing in the fields right up processing in the factory, both for conventional and genetically modified seeds.

- All seed deliveries and their delivery locations are inspected and recorded. This information is preserved in order to ensure there is traceability.
- Production contracts with partners are written taking into account specific internal conditions with the aim of guaranteeing the required quality for the production.

- Reinforced protection of intellectual property

The objective of the standards laid down is to ensure that the systematic protection of plant creations is scrupulously enforced, and that all the intellectual property created by Vilmorin is respected, and also that of third parties.

Examples of standards:

- Each company is to set up an "Intellectual Property Committee" in order to validate the coherence of its intellectual property practices with those defined by Vilmorin.
- The contract of employment for every employee taken on to work in Vilmorin's companies contains clauses dealing with intellectual property.
- Employees working in research and breeding are trained in intellectual property and the preservation of legal security in their company and in Vilmorin.
- Companies must respect valid third party intellectual property rights, particularly in terms of access and usage.

These first three themes will be completed initially by the information systems security policy, before ultimately integrating complementary procedures resulting from an analysis of the list of different risks.

• Continuing progress approach

Once the manual has been disseminated, audits will be conducted as of 2009-2010, first of all in companies that have seed production units. They will be run in the spring of 2009 by internal inspectors specifically trained for this purpose. The audits, central to the system, will include assessments in the field, an analysis of discrepancies, written reports and the implementation of corrective actions. The second stage will involve raising standards, and thus ensuring that the approach will indeed serve as a tool for continuing progress.

► Assessing risks and taking suitable measures to control them

At the same time as this fundamental approach, Vilmorin has identified risks that could affect its activity and taken measures to reduce them. You will find below the risks specifically linked to its business activities.

COMBINING DEVELOPMENT AND RESPONSIBILITY

All the risks are presented in detail in the Chairman's report on the functioning of the Board of Directors and on internal control, on Page 56.

• Risks with regard to research

Vilmorin's international activities and the challenges that lie ahead with regard to access to germplasm* and brand reputation mean that there is a real risk of counterfeit varieties appearing on the market.

The company uses three ways to defend itself, depending on the circumstances:

- A legal approach through intellectual property. The Proprietary Variety Protection Certificate (PVPC), in particular the breeder's exemption, is a way of limiting counterfeit, since it authorizes another breeder to use a commercial variety to create a new variety, with original characteristics that are distinct from the first, before it can be freely exploited.
- A technical approach using molecular marking*. This tool is used to look at the genome* of a competing variety for any similarities with a variety from Vilmorin's research programs.
- A regulatory approach through the registration of varieties in official French and European catalogs. This helps to ensure marketing protection and to restrict the abusive use of varieties and their commercial name. With the rise of counterfeit seeds, European breeders are working through the ESA (European Seeds Association) to promote a professional approach to establish a guide of good practices. With this guide it will be possible to restrict the abusive use of germplasm*, brands, packaging and logos.

• Risks with regard to seed production

- The production plan, a vital aspect in the appropriate supply of markets and also control over inventory levels

With several factors taken into account (market needs, the life span of each variety, figures concerning the previous production, production zone, etc.), the production plan conditions the appropriate supply of markets and also control over inventory levels.

The production plan is run by the Production Manager, and confirmed by the General Management in each company.

- Climate and weather risks: diversifying production zones

The varied international locations of production areas, and research locations, make it possible to share out and limit the inherent risks of meteorological uncertainty.

In terms of production, this diversification of sites throughout the world is also a prerequisite because of the highly seasonal nature of the business, and the specific needs of the different species and variations in demand.

There are about twenty production basins spread out over the five continents to ensure seed production.

- Risks regarding suppliers: lasting relations based on predefined pricing systems

To produce its seeds, Vilmorin makes use of an international network of seed multiplication farmers* rigorously selected with a view to medium-, or indeed long-term partnerships. The specifications accompanying the contract that binds Vilmorin to its network of seed multiplication farmers* defines all the conditions and objectives laid down for production: surface area for production, quality, the schedule of operations required, the standard of inputs to be used, etc. It also defines the purchasing price of the seed with fixed or variable parameters, which are not structurally indexed on the evolution of the prices of agricultural raw materials. Monitoring and control of the application of the contract are run by the agronomic department in each company.

Through the contract system set up, Vilmorin retains control over its seeds, and remains totally independent economically.

• The risks involved in processing

- Process

Being able to guarantee the quality of seeds is crucial since any claims could have really unwelcome financial consequences. Indeed, the claims lodged by the professional clientele would involve not so much a reimbursement of the value of the seeds, but more the global value of the expected harvest. In order to avoid such a scenario, the seed quality is controlled throughout the processing stages, from the time the product arrives until it is distributed.

- Approved installations

With regard to approved installations, all Vilmorin's business, wherever it is located in the world, rigorously respects regulations. For example, Vilmorin's activity at its site in La Ménitré (Anjou-France) is subject to approval in several areas, including the storage of combustible materials in covered warehouses, since their volume is greater than 50 000 m³.

• Distribution risks

- Risks regarding clientele: a wide portfolio of customers

Vilmorin is not globally confronted with excessive concentration of customers that might lead to a sudden drop in business. Moreover the risks of failing to recover customer debts are moderate in most distribution areas. Vilmorin's subsidiaries, provide suitable solutions according to their particular business, and the country they operate from.

EVOLUTION OF THE WEIGHT OF THE MAIN CUSTOMERS IN THE GROUP'S RESULTS (AS A % OF CONSOLIDATED SALES)

	06-07	07-08*	08-09
Weight of the top five customers	4.9	3.2	4.2
Weight of the top ten customers	7.5	4.9	6.7

* Excluding the garden products activity

- Political risks: caution in the choice of locations

Any possible political risks are taken into account in investment decisions and in the location of industrial, technological and commercial assets. In spite of the context of international tension in recent years, particularly in the Middle East and in certain Asian countries, Vilmorin has not been affected economically in its international business.

BEING A VILMORIN SHAREHOLDER

Vilmorin on the stock market

► The capital stock and the shareholders

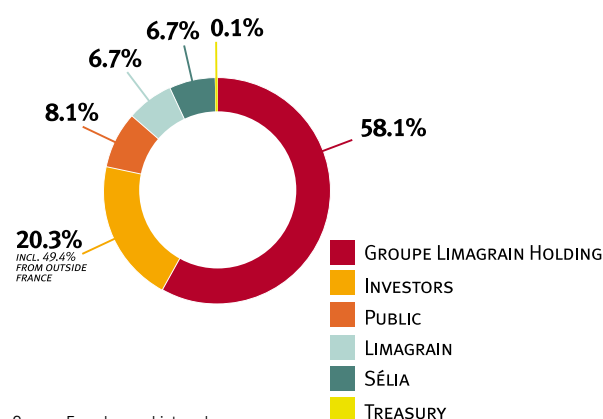
• Stock

On June 30th 2009, the capital stock was 204 225 819 25 Euros, divided into 13 391 857 nominally fully paid up shares of 15.25 Euros.

Limagrain is Vilmorin's reference shareholder and directly or indirectly holds 71.5% of its capital stock.

To the knowledge of Vilmorin, there are no other shareholders, whether directly or indirectly or acting in conjunction with others, holding 5% or more of the stock or the voting rights.

ANALYSIS OF THE CAPITAL STOCK ON JUNE 30TH 2009



ANALYSIS OF THE CAPITAL STOCK AND VOTING RIGHTS ON JUNE 30TH 2009

	Single vote shares	Double vote shares	% of stock	Total number of votes	% of the total number of votes
Groupe Limagrain Holding	4 166 288	3 620 016	58.14	11 406 320	60.69
Limagrain	-	891 603	6.66	1 783 206	9.49
Sélia	-	892 503	6.66	1 785 006	9.50
Treasury	7 191	-	0.05	-	-
Directors	18	9	0.00	27	0.00
Public	3 809 777	4 452	28.49	3 818 690	20.32
Total	7 983 274	5 408 583	100.00	18 793 249	100.00

34
35

- **Stock and voting rights held by the different administrative and management structures:** not significant.

- **Stock and voting rights held by the employees, directly or indirectly:** not significant.

- **Declaration of shareholder agreements:** none.

- **Collective commitment to preserve shares:** a shareholder has signed two collective commitments to preserve shares,

on October 15th and 22nd 2009, in compliance with article 885 I bis of the French Tax Code, under the terms of which the signing parties have committed to preserve collectively 2 715 003 shares representing, on the day of the signature of the commitments, 20.3% of the shares comprising the capital stock and 28.7% of the voting rights.

These collective commitments were signed for the duration of two years from the date of their registration. They are renewable by tacit agreement for an indefinite duration.

- **Potential capital stock:** Vilmorin diversified the nature

of its resources by issuing a debenture loan at the end of fiscal 2007-2008, with an option to convert and/or exchange the bonds into new or existing shares, with a total value of 150 million Euros (refer to Note 22.2.2 of the consolidated financial statements).

- **Non-issued authorized stock:** none, as no commitment to raise the stock had been made.

- **Shares non-representative of the stock:** none.

- **Stock options:** none.

• Notification of crossing the threshold

Any physical or moral person, acting alone or with others, who goes above, or back under, the threshold of 3% of the capital stock or voting rights or any multiple of this percentage, is required to inform the company (decision of the General Meeting of July 22nd 1993). The conditions under which the Company should be informed are laid down in article 12 of the by-laws.

If such conditions are not respected, any shares above this threshold and which should have been declared, are deprived of voting rights under conditions laid down by the law, if one or several holders of shares to the value of 5% of the capital stock so request in the minutes of the General Meeting.

At the same time, and with the aim of monitoring the composition of its shareholders, the Company is authorized to make full use of legal recommendations for the identification of holders of shares which grant immediate or subsequent voting rights in its shareholders' meetings.

There was no instance of the threshold being crossed recorded during fiscal 2008-2009.

► Vilmorin's shares

• Share data sheet

- **Date of introduction to the second market of the Paris stock exchange:** November 3rd 1993.

- **Place of quotation:** Euronext Paris. Compartment B, eligible for SRD (Deferred Settlement Order) since February 26th 2008.

- **Euronext indices:** Next 150, CACMid 100, SBF 120, SBF 80.

- **ISIN code:** - FR 0000052516 (RIN).

- **Eligible for PEA.**

- **ICB nomenclature sector:** "Farming & Fishing".

- **Number of shares:** 13 391 857.

- **Close of the fiscal year on June 30th.**

• Servicing of the shares

Vilmorin has mandated BNP Paribas Securities Services for its financial servicing. For the servicing of the shares, please contact:

BNP Paribas Securities Services

GCT Relations Actionnaires
 Immeuble Tolbiac
 F-75450 Paris Cedex 09

Tel:

For French shareholders: 0826 109 119.

For other shareholders: +33 (0)1 55 77 40 57.

Fax: +33 (0)1 55 77 34 17.

This service is available every working day from 8.45 am until 6 pm.

• Management and liquidity of the shares

Oddo Corporate Finance is in charge of running the Vilmorin liquidity contract. In compliance with the AFEI (Association Française des Entreprises d'Investissement) deontology charter, this contract is renewed every year by tacit agreement.

Assets that appear on the liquidity account:

- At the beginning of the contract:

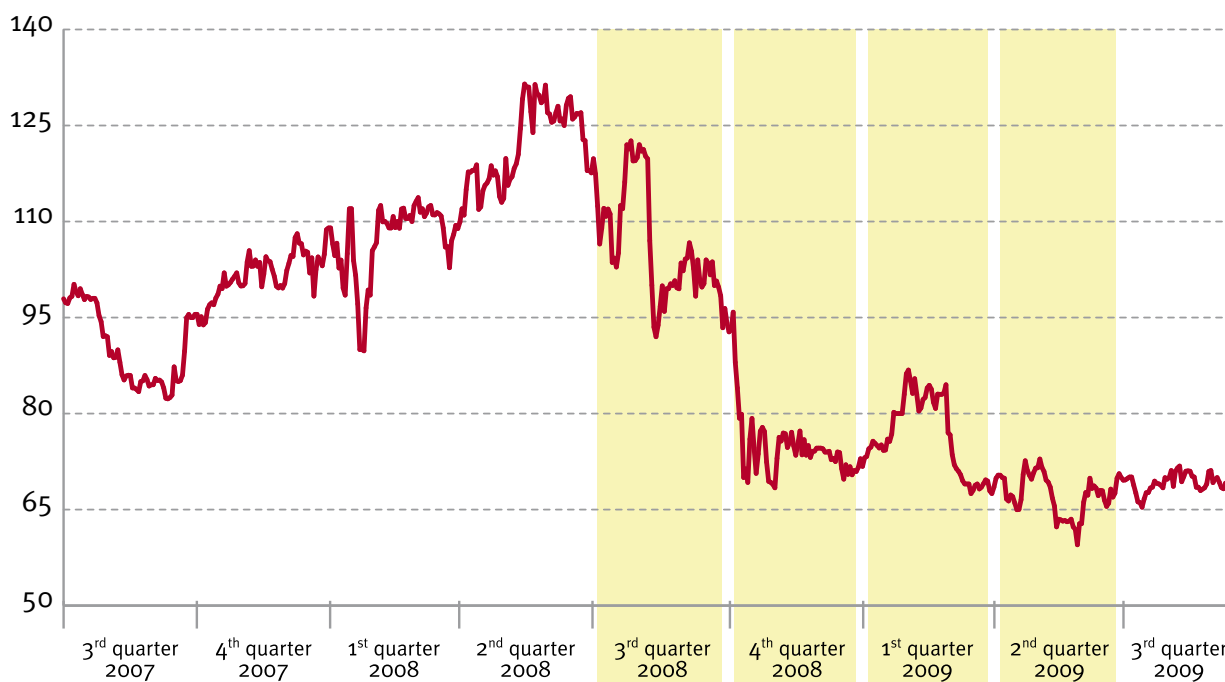
- number of shares: 7 715;
- in cash: €146 473.83.

- On June 30th 2009:

- number of shares: 7 191 ;
- in cash: €164 908.99.

BEING A VILMORIN SHAREHOLDER

EVOLUTION OF THE QUOTED PRICE OF VILMORIN'S SHARES (IN EUROS)



Source: Euronext

► Dividends over the last five fiscal years and distribution policy

With comparable economic and financial conditions, Vilmorin will do all it can, for the coming fiscal year, to maintain its profit distribution policy along the lines of previous years.

The net dividend per share proposed to the Annual General Meeting of December 8th 2009 is €1.77.

EVOLUTION OF THE DIVIDEND OVER THE PAST FIVE FISCAL YEARS

	04-05	05-06	06-07	07-08	08-09
Number of shares receiving dividend	3 185 934	13 388 283	13 391 857	13 384 191	13 391 857 ⁽¹⁾
Net dividend (Euros)	4.85	1.62	1.66	1.66	1.77

⁽¹⁾ The number of treasury shares at the date the dividend is paid out should be deducted from this figure.

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• Dividends claim limit

The legal limit of five years from the date they are payable. After this date, unclaimed dividends are paid to the State by the company.

• Tax regulations

- **French residents:** dividends received are liable to income tax in the category of stock revenue.

Taxation is applied as follows:

- general allowance of 40% on the amount of the dividends received,
- annual fixed and overall allowance of between 1 525 Euros (single) and 3 050 Euros (couple),
- taxation in accordance with the progressive rate of income tax,
- a tax credit of 50 % deducted from taxes, and for which the maximum amount is: 115 Euros (single) or 230 Euros (couple).

Since January 1st 2008 it is now possible to opt for a reduced levy of 18% at source on the gross total of dividends (this option is only of interest to those receiving a high dividend – more than 40 000 Euros for a married taxpayer). The dividends are also subject to welfare tax contribution of 12.1% on their gross value, deducted at source by the paying establishment.

- Non French residents: Dividends received by non-resident shareholders have tax withheld at source at the rate in force in France depending on agreements with countries receiving these revenues (maximum internal rate of 25%). Generally speaking, the taxes are deducted by the financial intermediaries. Taxes are withheld in France and usable in principle for a tax credit in the country of residence.

Informing and exchanging

Since its introduction to the stock market in 1993, Vilmorin has done all it can to be as precise, reliable and transparent as possible on its strategy and development perspectives, taking the expectations of its different financial partners and shareholders into consideration.

All information disclosed by Vilmorin is available electronically on its website (www.vilmorin.info) or upon request from the department of financial operations.

► Publications available to all the financial community

Every year Vilmorin publishes several tools for the purpose of the company's shareholders and the financial community in general.

• Annual report

The annual report is available both in French and in English on Vilmorin's website, or on CD-Rom upon request. The annual report is updated at the time of the disclosure of the half-yearly financial statements.

• Press releases

During the year 2008-2009, there were sixteen press releases. Most of them were also published in English and German.

• The website

All the information published by Vilmorin is accessible on its website: www.vilmorin.info: presentation of the company, regulatory information, financial analyses,

evolution of the share value, financial presentations, press files, schedules, etc. The site can also be consulted in English.

► Relations with individual shareholders

Vilmorin is concerned to maintain a healthy balance between private and institutional shareholders.

For this purpose the company takes specific action in favor of individual shareholders.

On June 30th 2009, the total of individual shareholders of either nominative or bearer shares stood at more than 5 200.

• Letters to the shareholders

The letter to the shareholders is printed in several thousand copies, in French. During the course of fiscal 2008-2009, three letters were published, including an issue with a more pedagogical vocation, explaining the fundamental principles of Vilmorin's strategy.

• The shareholder's guide

In 2007, Vilmorin published a shareholder's guide with a format and summarized content better adapted to individual shareholders.

• Shareholders' meetings

Vilmorin has been an associate member of the French Federation of Investment Clubs since 2005 and in particular, publicizes in Investment Clubs and participates in shareholders' meetings. In fiscal 2008-2009, Vilmorin participated in three shareholders' meetings in Lyon, Lille and Rennes.

• Actionaria Fair

Vilmorin, a faithful participant in the Actionaria Fair in Paris, was present for the fourth consecutive year at this 2-day event in November 2008, with very fruitful results both in terms of participation and the quality of the contacts.

It is an important event in the company's communication management with regard to individual shareholders, and Vilmorin's management and financial communication team were all present. Altogether 150 people attended the informative meeting on the company and the round table devoted to Midcaps companies, with the participation of Vilmorin. The company will be present once again for the 2009 fair.

BEING A VILMORIN SHAREHOLDER

• Plans to set up a consultative committee for shareholders

Vilmorin is reflecting on how it can set up a consultative committee for shareholders during the course of fiscal 2009-2010.

The committee will be consulted with regard to the development strategy for individual shareholders, a better understanding of shareholder expectations and the improvement of financial communication. It will comprise two directors and 5 representatives of individual shareholders.

The letter to the shareholders, the Annual General Meeting, the guide and presentations to shareholders will be among the topics examined.

► Relations with analysts, institutional investors and the press

In 2008-2009, 8 financial analysts followed the share price: Oddo Midcap, CM-CIC Securities, Crédit Agricole Cheuvreux, Exane BNP Paribas, Fortis, Gilbert Dupont, Natixis and Portzamparc.

• Informative meetings and site visits

Nine informative meetings held for investors, analysts and journalists were organized in 2008-2009 concurrently with the disclosure of financial information. Vilmorin also organized two visits to industrial sites in France and Spain.

• Meetings with investors

During the course of the year 2008-2009 Vilmorin participated in thirteen meetings with investors and analysts in the form of conferences or road-shows, including almost a third outside France (New York, London, Edinburgh, etc.).

• Press files and theme kits

The press file for journalists is regularly updated for the company's main disclosures. It is periodically supplemented with theme kits on topics chosen and dealt with in accordance with journalists' expectations and the latest news at Vilmorin: GMOs*, field seeds, research China, etc.

► Scheduled agenda for 2009-2010 (subject to modifications)

- **11.12.2009:** Disclosure of sales for the first quarter*
- **11.20.2009 and 11.21.2009:** Actionaria Fair at the Palais des Congrès in Paris
- **12.08.2009:** Annual General Meeting of the Shareholders in Paris
- **12.15.2009:** Payment of the dividend
- **02.09.2010:** Disclosure of sales for the first semester*
- **02.24.2010:** Disclosure of results for the first semester*
- **05.03.2010:** Disclosure of sales at the end of the third quarter*
- **08.03.2010:** Disclosure of sales for the year*

* Disclosure after the end of trading at the Paris Bourse

► Contacts

Daniel JACQUEMOND, Chief Financial Officer
Claire PLANCHE, Financial Communication and Investor Relations Officer

Tel: +33 (0)4 73 63 41 95

Fax: +33 (0)4 73 63 41 80

E-mail : daniel.jacquemond@vilmorin.info

claire.planche@vilmorin.info

Participating in General Meetings

► Invitations to nominative shareholders to attend

The shareholders who have held their nominative shares for at least one month at the time the meeting is published, are convened to any General Meeting by ordinary letter, or for any shareholder who so wishes, by registered letter at his or her own expense.

Invitations to attend can also be sent by electronic mail if the shareholder has opted for this form of communication in accordance with conditions laid down in article R. 225-63 of the French Commercial Code.

► Conditions of attendance

Any shareholder can attend a General Meeting, whether personally or by proxy, in the conditions laid down by law, upon justification of his or her identity and ownership of the shares, either by nominative registration, or by registration of the certificate of the authorized intermediary, at one of the places indicated in the invitation to attend, in accordance with regulations in force, stating that the bearer shares registered up until the date of the meeting are not available to be shown; the period during which these formalities must be accomplished expires on the third working day before the date of the General Meeting at midnight, Paris time.

The General Meeting can be attended by all the shareholders whatever the number of shares they hold, on condition they are fully paid up.

Any shareholder can also participate in General Meetings by means of a videoconference or by any other means of telecommunications fixed by laws and regulations, and which are stipulated in the invitation to attend the General Meeting.

► Voting rights accompanying the shares

In all the meetings, provided all laws and decrees are respected, each member attending the meeting has the same number of votes as the number of shares he holds or represents, without any limits.

Nevertheless, double voting rights compared to other shares, in proportion to the stock they represent, are granted to any shares fully paid up and held nominatively for four years at least with the same shareholder's name (decision of the AGM of July 22nd 1993).

This right is also granted, as soon as they are issued in the case of an increase in stock through incorporation of the reserves, profits or issue premiums, to nominative shares allocated free of charge to a shareholder by virtue of former shares which provide this right.



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FINANCIAL AND LEGAL INFORMATION

Legal information

► Information of a general nature

• Name, head office and administrative offices

Name:

Vilmorin & Cie.

Head Office:

4 quai de la Mégisserie - F-75001 Paris - France.

Administrative offices:

BP 1 - 63720 Chappes - France.

• Jurisdiction

French jurisdiction.

• Legal status

Vilmorin & Cie is a “société anonyme” (limited liability company) with a Board of Directors, and is governed by Book II of the French Commercial Code.

• Date of creation, and duration of the company

The Company was created on March 2nd 1990 under the name of SSBP (Société de Services de la Branche Potagères & Fleurs); this name has been since changed as follows:

- Modification of name to Ceres (EGM June 27th 1990).
- Modification of name to Vilmorin & Cie (EGM June 29th 1993).
- Modification of name to Vilmorin Clause & Cie (EGM December 9th 1997).
- Modification of management system (EGM March 16th 1998), to adopt the system of Board of Directors, replacing the Board of Management and Board of Trustees.
- Modification of the by-laws in compliance with the French law of January 15th 2001 governing new economic regulations (EGM December 3rd 2002).
- Modification of name to Vilmorin & Cie (EGM July 3rd 2006)
- Modification of the by-laws (EGM December 11th 2008).

The duration of the company is 99 years, unless it is extended or cut short by an Extraordinary General Meeting of the shareholders.

• Object of the company

Under the terms of article 2 of the by-laws, the object of Vilmorin & Cie is:

- to acquire a stake, and to participate in any company in which it thinks it may have an interest,
- to make rational and profitable use of the resources pooled by its subsidiaries and to take any civil or commercial measures for this purpose,
- to co-ordinate and develop the activity of its subsidiaries by setting up missions to provide them with monitoring and control,
- to provide its subsidiaries, or any other persons, with the means to improve their management, reduce their overheads and facilitate the distribution of their products,
- to carry out research on the subject of plants and all processes that can be applied to plant improvement and the development of new varieties,
- to exploit and sell any knowledge thus acquired, any patents, and any new plant varieties, in whatever form, directly or indirectly, or by granting a license for use or any other form,
- to acquire stakes in whatever form, interest and participation in any company, group or enterprise, whether French or of another nationality, which has a similar object or that is liable to help it develop its own business.

In order to attain these corporate objectives, the company can:

- create, acquire/sell exchange, rent or let out, with or without a promise of sale, manage and run, directly or indirectly, any industrial or commercial establishment, any factory, any site or premises whatsoever, any furniture or equipment,
- obtain or acquire any patent, license, process and trademark, exploit them, create or contribute or grant any license to manufacture or produce in any country,
- and generally, to carry out any operation of a commercial, industrial, financial nature, or regarding moving or fixed assets, that may be useful, whether directly or indirectly, to the corporate object, or contribute to its achievement.

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It may act, directly or indirectly, on its own behalf or on behalf of a third party, and either alone or in association, as a shareholder, or as a company, with any other company, or physical or moral entity, and proceed with operations that comply with its object, either directly or indirectly, whether in France or in another country, and in whatever form.

• Company Trade Register

The Company is registered on the Paris Company Trade Register under number B 377 913 728.

N° SIRET: 377 913 728 00020.

N° SIREN: 377 913 728.

N° APE: 7010 Z (Activity of head offices).

• Fiscal year

The fiscal year is for twelve months, running from July 1st until June 30th of the following year.

• Place where documents concerning the company may be consulted

The legal documents concerning Vilmorin & Cie (by-laws, minutes of Annual General Meetings, Statutory Auditors' reports and any documents available to shareholders) can be consulted at the head office of the company, 4, quai de la Mégisserie - F-75001 Paris.

• All litigation to be referred to

Tribunal de Commerce de Paris

► Information concerning the stock

• Evolution of the capital stock

Decision and date	Nature of the stock increase	Nominal amount and premium per share	Stock raised to	Total number of shares
03.02.90	Creation of company 2 500 shares issued	FRF 100	FRF 250 000	2 500
06.29.93	3 820 000 shares issued to pay for a partial contribution of assets from Groupe Limagrain Holding	FRF 100	FRF 382 250 000	3 822 500
06.29.93	Equivalent of 1 817 500 shares issued in cash reserved for Groupe Limagrain Holding	FRF 100	FRF 564 000 000	5 640 000
10.04.93	Transfer of shares at nominal price of FRF 100 to shares at FRF 300	FRF 300	FRF 564 000 000	1 880 000
12.17.93	166 700 shares issued reserved for Crédit Lyonnais	FRF 300 + Premium of FRF 6	FRF 614 010 000	2 046 700
11.26.96	921 015 shares issued with stock warrants	FRF 300 + Premium of FRF 170	FRF 890 314 500	2 967 715
11.96 – 06.30.97	177 warrants exchanged corresponding to 59 shares	FRF 300 + Premium of FRF 180	FRF 890 332 200	2 967 774
07.97 – 06.30.98	93 warrants exchanged corresponding to 31 shares	FRF 300 + Premium of FRF 180	FRF 890 341 500	2 967 805
07.98 – 06.30.99	927 warrants exchanged corresponding to 309 shares	FRF 300 + Premium of FRF 180	FRF 890 434 200 F	2 968 114
07.99 – 06.30.00	336 warrants exchanged corresponding to 112 shares	FRF 300 + Premium of FRF 180	FRF 890 467 800 F	2 968 226
07.00 – 06.30.01	662 301 warrants exchanged corresponding to 220 767 shares Conversion of the nominal unit value to €45.75 using part of the legal reserves of FRF 319 944	FRF 300 F + Premium of FRF 180	FRF 956 697 900	3 188 993
01.18.06	Division by 3 of the nominal value of the share from €45.75 € to €15.25	-	€145 896 429.75	3 188 993
07.03.06	3 824 878 shares issued to remunerate a partial contribution of assets made by the company Limagrain Agro-Industrie	€15.25	€ 204 225 819.25	13 391 857

• Modifications in the stock breakdown over the past three fiscal years

	06.30.07			06.30.08			06.30.09		
	Number of shares	% of stock	Voting rights	Number of shares	% of stock	Voting rights	Number of shares	% of stock	Voting rights
Groupe Limagrain Holding	7 610 399	56.83	60.07	7 455 304	55.67	58.93	7 786 304	58.14	60.69
Limagrain	891 603	6.66	9.41	891 603	6.66	9.49	891 603	6.66	9.49
Sélia	892 503	6.66	9.42	892 503	6.66	9.50	892 503	6.66	9.50
Treasury shares	1 312	0.01	-	5 404	0.04	-	7 191	0.05	-
Public and various	3 996 040	29.84	21.10	4 147 043	30.97	22.08	3 814 256	28.49	20.32
Total	13 391 857	100.00	100.00	13 391 857	100.00	100.00	13 391 857	100.00	100.00

• Financial authorizations granted by the Annual General Meeting of December 11th 2008

In order to provide Vilmorin with the necessary means to ensure its future development, particularly internationally, the Annual General Meeting of December 11th 2008 authorized the Board of Directors to issue, with a maximum nominal value of 350 million Euros:

- bonds or any other assimilated debt security, in one or several operations, either in France or in another country, with or without public issue;
- securities that can be used, either immediately or subsequently, to increase stock; these securities may be issued alone, or else combined with bonds or other assimilated debt securities.

During fiscal 2008-2009, none of these delegations was applied.

The Board of Directors will request new financial delegations at the Annual General Meeting of December 8th 2009.

► Information concerning the rate on the stock market and management of the shares

• Interventions of the company with regard to its own shares

The Annual General Meeting of December 11th 2008, deliberating on the provisions of articles 241-1 to 241-8 of the General Regulations of the Autorité des marchés

financiers and the European Regulations n° 2273/2003, which came into force on December 22nd 2003, granted the Board of Directors the powers to intervene by purchasing or selling its own shares on the stock market at a maximum price of 180 Euros per share, with the number of shares thus acquired being limited to a ceiling of 1 000 000 shares, representing a maximum potential commitment of 180 million Euros.

This purchasing program is authorized for a maximum period of 12 months.*

During the fiscal year ending June 30th 2009, the company conducted, either directly or indirectly, the following operations:

- number of shares purchased = 136 173;
- average purchasing price = 84.34 Euros;
- number of shares sold = 134 386;
- average selling price = 86.67 Euros;
- number of treasury shares held on June 30th 2009: 7 191 corresponding to less than 0.1% of the stock, at a purchasing value of 491 981.77 Euros, which is an average unit price of 68.42 Euros.

It is proposed to the Annual General Meeting of December 8th 2009 to authorize the Board of Directors for a maximum period of 12 months, to buy or to sell treasury shares in compliance with provisions of article L225-209 and the following articles of the French Commercial Code, with the aim of:

- ensuring the liquidity of transactions and managing the share market through an investment service provider acting independently through a liquidity contract in accordance with applicable regulations;

*Prospectus of December 12th 2008 registered with the AMF.

FINANCIAL AND LEGAL INFORMATION

- handing over shares when rights are exercised to convert securities that give access in any way, both immediately or at a future date, to company shares;
- preserving and handing over shares for the purpose of exchange or payment within the context of an external growth operation, and in compliance with generally accepted market practices and regulations in force;
- exercising any other practice which might be accepted or recognized by the Autorité des marchés financiers or any other objective that complies with regulations in force.

These operations will be carried out in compliance with regulations in force and in the following conditions:

- the maximum purchasing price is fixed at 150 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 150 million Euros.

• Share scorecard report

	06-07	07-08	08-09
Daily average of transactions			
in number of shares	7 846	17 013	17 046
in thousands of Euros	573.89	1 825.41	1 434.02
Maxima and minima			
highest rate in Euros	101.80	134.00	123.50
lowest rate in Euros	57.00	81.25	59.50
Closing rate of the fiscal year in Euros	98.70	119.81	69.63
Net yield per share % ⁽¹⁾	2.79	1.68	1.39

⁽¹⁾ Net dividend distributed in year N, in proportion to the final rate for year N-1.
Source: NYSE Euronext

• Quantities exchanged and evolution of values over the last 18 months

Year	Month	Number of shares exchanged	Stock exchanged M€	Highest recorded rate €	Lowest recorded rate €
2008	April	403 662	46.443	122.99	109.61
	May	396 734	50.508	134.00	115.00
	June	372 752	46.279	129.95	116.10
	July	398 779	45.253	123.50	100.10
	August	708 083	70.436	122.00	89.60
	September	403 843	40.294	107.50	91.00
	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
2009	January	161 803	12.721	87.50	73.10
	February	288 524	23.506	88.00	75.00
	March	214 291	14.854	76.42	63.00
	April	313 541	21.493	73.00	64.98
	May	572 701	36.850	73.30	59.50
	June	352 297	23.874	71.20	62.70
	July	162 178	11.179	71.50	65.30
	August	220 571	15.460	72.25	66.72
	September	356 050	26.315	78.41	68.00

► Further information

• Investment policy and real estate property

Each fiscal year, as part of its budgetary procedures and in reference to its medium term plan, Vilmorin fixes its investment expenditure shared out between the different operating business units.

Thus for fiscal 2008-2009, tangible investments stood at 38.9 million Euros. Depending on each case, and the operating business unit involved, these investments are funded either by bank loans or by cash.

More generally, Vilmorin's investment policy favors holding assets that are directly linked to the business activity; consequently Vilmorin does not own any significant real estate assets that are not directly linked to its business operations. Finally, it is to be stressed that currently Vilmorin has not embarked on any pluri-annual investment program significantly different to investments made in previous fiscal years.

• Reference shareholders

Groupe Limagrain, through the companies Limagrain and its subsidiaries Groupe Limagrain Holding and Selia, is Vilmorin's reference shareholder, holding 71.5% of the capital stock (refer to the chapter "How the Board of Directors operates", page 6).

Apart from shares that benefit through the by-laws from double voting rights (nominally registered and held for more than four years), Groupe Limagrain does not hold any security with any particular rights.

• Important contracts outside normal business arrangements

Vilmorin runs its business through a large number of suppliers and a diversified customer base.

For its field seeds activities in North America, Vilmorin takes out pluri-annual licenses for the use of technologies included in the sale of genetically modified seeds.

With the exception of these pluri-annual contractual relations, for which Vilmorin has alternative solutions if necessary, no contract outside normal business arrangements has been identified as being so important that it is liable to have a significant and recurring impact on its financial profile.

• Functioning of the Administration and Management bodies

- Corporate governance

In compliance with its commitments, Vilmorin has adopted a governance system that integrates an independent director with reference in particular to the suggestions of the AFEP/MEDEF report of October 2003 and the recommendation of the European Commission of February 15th 2005.

- Information on the audit committees and the remuneration committees

At the beginning of 2010, the Board of Directors will set up an Audit Committee chaired by its independent director in order to provide support for the accomplishment of its missions.

This specialized committee will, in particular, be responsible for insuring that financial information respects the elaboration process, that the risk management systems are efficient and that the Statutory and other external auditors control the financial statements in compliance with the law.

Vilmorin does not currently have a remuneration committee.

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Information on the subsidiaries

Name	Country	Head office	N° siren	% Voting rights
HOLDINGS				
VILMORIN & Cie	France	4 Quai de la Mégisserie – PARIS (75001)	377 913 728	100
GEMSTAR	France	5 rue Saint-Germain l'Auxerrois - 75001 PARIS		99.68
VILMORIN 1742	France	6 Quai de la Mégisserie – PARIS (75001)	504 933 953	100
AUSTRALIAN GRAIN TECHNOLOGIES	Australia	University of Adelaide - Waite campus building 4B - 5064 URRBRAE S.A.		28.96
BIOSEEDS	Netherlands	Blaak 31 - 3011GA ROTTERDAM		20
CHANGSA XINDAXIN VILMORIN AGRI-BUSINESS CO LTD	China	9th/F Xindaxin Building n° 168 Huangxing Middle Road Changsha (410005) Hunan		46.50
CYLONIE RE	Luxembourg	19 rue de Bitbourg – L 1273 – Luxembourg - HAMM		100
MIKADO SEED HOLDING K.K. MIKADO IKUSHU HOLDING	Japan	1203 Hoshiguki-Cho, Chuo-Ku Chiba-Shi		64.73
VCC JAPAN	Japan	15-13 Nampeidaicho SHIBUYA-KU TOKYO		100
VCC SEEDS LTD (ISRAEL)	Israel	c/o Schwartz, Duvdevany, Lerner - CPA - 76 Herzel Street - HAÏFA		100
VILMORIN LUXEMBOURG SA	China	11 avenue Emile Reuter – L 2420 Luxembourg		99.99
VILMORIN HONG-KONG LIMITED	Luxembourg	Level 28, Three Pacific Place, 1 Queen's Road East - Hong-Kong		72.50
VILMORIN USA CORP	United States	2711 Centerville Road - Suite 400 - Wilmington (19808) Delaware		100
YUAN LONGPING HIGH- TECH AGRICULTURAL COMPANY LIMITED	China	Agriculture Hi-Tech Park, Mapoling, Second Yuanda Road, Furong district, Changsha		22.22
FIELD SEEDS ACTIVITY				
BIOGEMMA	France	1, Rue Edouard Colonne - PARIS (75001)	412 514 366	55.01
BIOGEMMA UK	United Kingdom	Science Park – 200 Milton Road – CAMBRIDGE CB4 0GZ		100
GENOPLANTE VALOR	France	523, Place des Terrasses – EVRY (91034)	439 202 821	33.33
EUROPEAN MARKET				
LIMAGRAIN VERNEUIL HOLDING	France	Ferme de l'Etang, BP3 - 77390 VERNEUIL L'ETANG	542 009 824	79.96
EURODUR	France	Loudes – CASTELNAUDARY (11400)	338 982 614	47.45

% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.09	Book value of shares on June 30th 2009 in K€		Sales of goods in K€	Net income for the fiscal year in K€
				Gross	Net		
100	GI	418 020	91				36 336
99.68	GI	37		37	37		
100	GI	2 000	8	2 000	2 000	1 290	- 552
28.96	EM	10 456		7 062	7 062		- 2 179
20	EM	17 189		1 094	1 094		- 716
33.71	PI	21 588	4	27 857	27 857		15
99.99	GI	17 632		22 004	22 004		317
64.73	GI	1 780		3 028	3 028		43
100	GI	67		424	424		- 172
100	GI	-306	1				84
99.99	GI	22 060		22 642	22 642		- 6
72.50	GI	39 417		29 000	29 000		- 25
100	GI	86 394		126 623	126 623		- 8 073
7.49	EM	93 166		9 983	9 983		- 4 179
55.01	GI	45 715	81	30 800	30 800		2 745
55.01	GI	1 186		16 892	3 439		- 64
29.33	EM	3 377		2 031	1 755		- 35
79.96	GI	266 863	401	241 195	241 195	170 845	- 5 156
37.94	PI	7 274	4	4 541	4 541		222

FINANCIAL AND LEGAL INFORMATION

Name	Country	Head office	N° siren	% Voting rights
GIE SEMENCES DE BRIE	France	RD 402 – CHAUMES EN BRIE (77390)	388 147 845	50
LIMAGRAIN CENTRAL EUROPE	France	Biopôle Clermont-Limagne – St BEAUZIRE (63360)	438 205 320	99.99
NICKERSON INTERNATIONAL RESEARCH SNC	France	Rue Limagrain – CHAPPES (63720)	388 170 938	100
SOLTIS	France	Domaine de Sandreau – MONDONVILLE - BLAGNAC (31700)	420 327 231	50
UNISIGMA GIE	France	2, rue Petit Sorri – FROISSY (60480)	317 760 668	46
LIMAGRAIN NEDERLAND HOLDING BV	Netherlands	Van der Haveweg 2 – 4411RB RILLAND		100
LIMAGRAIN A/S	Denmark	Marsalle III – 8700 HORSENS		100
LIMAGRAIN BELGIUM BVBA	Belgium	Esperantolaan 12 BUS B13 B 3300 Tienen		100
LIMAGRAIN NEDERLAND BV	Netherlands	Van der Haveweg 2 – 4411RB RILLAND		100
LIMAGRAIN BULGARIA EOOD	Bulgaria	5-7 Lubotran Str. F15, ap 20 – 1407 SOFIA		100
LIMAGRAIN CENTRAL EUROPE CEREALS SRO	Czech Republic	Sazecska 8 - 108 25 Prague 10 Malesice		100
LIMAGRAIN DOO BEOGRAD	Serbia	Bulevar Oslobođenja 127 – NOVIA SAD (21000)		100
LIMAGRAIN IBERICA	Spain	Ctra Pamplona – Huesca Km 12 – ELORZ– Navarra 31470		100
LIMAGRAIN ITALIA SPA	Italy	Via Frescarolo, 115 – BUSSETO PR 43011		100
LIMAGRAIN MAGYARORSZAG KFT	Hungary	Gyar Ut.2, PF 325 – BUDAÖRS H 2040		100
LIMAGRAIN MOLDOVA SRL	Moldavia	Bd. Stefan Cel Mare 162 - CHISINAU 2004		100
LIMAGRAIN GmbH	Germany	2 Am Griewenkamp – EDEMISSSEN - D 31234		100
LIMAGRAIN POLSKA	Poland	Ul Botaniczna – POZNAN PL 60-586		100
LIMAGRAIN ROMANIA	Romania	Soseaua Bucuresti Ploiesti KM15.2, Orasul Otopeni – JUDETUL ILFOV 8244		97.14
LIMAGRAIN TOHUM ISLAH VE URETIM SANAYI TICARET AS	Turkey	Bayar Cad. Gülbahar Sokak N° 17/136 – Kozyatagi-Erenkoy ISTANBUL 34742		67
LIMAGRAIN UK LIMITED	United Kingdom	Market Rasen – LN7 6DT ROTHWELL– Lincolnshire		100
LIMAGRAIN UKRAINE t.o.v.	Ukraine	Pavlivska 10 street off. 7 - 01054 KIEV		100
LIMAGRAIN RU	Russia	Odesskaya street 41/43, room 1 - 350020 KRASNODAR		100

% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.09	Book value of shares on June 30th 2009 in K€		Sales of goods in K€	Net income for the fiscal year in K€
				Gross	Net		
39.98	PI	335	13	191	191		- 4
79.95	GI	6 793	99	6 500	4 800	43 760	- 3 482
79.96	GI	8 270		100	100		6 525
39.98	PI	9 074	14	6 995	6 995		2 045
36.78	EM	525		379	379		203
79.96	GI	33 140		126 015	63 649		21 671
79.96	GI	1 826	4	4 600	4 600	11 261	337
79.96	GI	647	11	19	19	6 664	- 9
79.96	GI	22 739	116	20 931	20 931	18 733	1 144
79.95	GI	-961		3	0		- 10
79.95	GI	2 026	32	2 399	2 399	1 576	1 723
79.95	GI	107	4	1	1	1 168	251
79.96	GI	11 403	82	10 651	10 651	23 051	772
79.96	GI	3 310	28	12 063	2 333	11 158	- 876
79.95	GI	770		435	435		- 16
79.95	GI	704	7	2	2	1 506	- 389
79.96	GI	6 586	104	12 049	9 345	29 880	277
79.95	GI	-23		164	0		- 19
77.67	GI	-92		340	3	-114	- 168
53.57	GI	10 760	42	7 900	7 900	18 734	6 948
79.96	GI	17 684	181	22 776	22 776	33 896	2 279
79.96	GI	5	9	8	8	31	- 70
79.96	GI	7		7	7		

FINANCIAL AND LEGAL INFORMATION

Name	Country	Head office	N° siren	% Voting rights
NICKERSON SUGAR BEET SEED LTD	United Kingdom	Market Rasen – LN7 6DT ROTHWELL– Lincolnshire		100
NORTH AMERICAN MARKET				
LIMAGRAIN GENETICS INC	Canada	Centre CDP Capital - 1001 Victoria Square - Bloc E - 8th Floor - Montreal (H2Z 2B7)		100
AGRELIANT GENETICS INC	Canada	Concession n° 4 – Dover Township – PAIN COURT - Ontario NOP IZO		50
AGRELIANT GENETICS LLC	États-Unis	1122 E 169th Street – WESTFIELD, IN 46074		50
VEGETABLE SEEDS ACTIVITY				
CLAUSE	France	Rue Louis Saillant – PORTES LES VALENCE (26800)	435 480 546	99.97
VILMORIN	France	Route du Manoir – LA MENITRE (49250)	562 050 864	99.95
ALLIANCE SEMILLAS	Argentina	Cochrane 2848 CP 1419 Capital federal BUENOS AIRES		100
ALLIANCE SEMILLAS DE CHILE	Chile	Casa Matriz - Hendaya 27 – Oficina 201 - Las Condas SANTIAGO		51
ASAMIA COLD STORAGE LTD	Israel	DN Shikmim – BRURIM		100
BIOTECH MAH MANAGEMENT	Israel	DN Shikmim – BRURIM		50
CEEKAY SEEDS & SEEDLINGS PVT LTD	India	59/1, 8th Main, Radhakrishna Layout Padmanabha Nagar 560070 Bangalore - Karnataka		100
CLAUSE INDIA PRIVATE LIMITED	India	6-1-20/2, Walker Town – 500025 New Bhoiguda SECUNDERABAD		100
CLAUSE BRASIL COMMERCCIO DE SEMENTES LTDA	Brazil	Rua Miguel Penteado n°138 Jardim Chapado CEP 13070118 CAMPESINAS SP		100
CLAUSE SPAIN SA	Spain	Paraje La Reserva s/n Apdo Correos n°17 La Mojonera Almeria (04745)		100
CLAUSE ITALIA SPA	Italy	Via Emilia 11 - Venaria Real (10078)		100
CLAUSE MAGHREB EURL	Algeria	Villa n°192 - Quartier Amara 2 - Lotissement Alioua Fodhil - Chéraga		100
CLAUSE PACIFIC	Australia	165, Templestowe – Road Lower Templestowe – 3105 BULLEEN Victoria		100
CLAUSE POLSKA sp z.o.o. w organizacji	Poland	Al. Jerozolimskie 56c, 00-803 WARSZAWA		100
CLAUSE (THAILANDE) LIMITED	Thailand	11th Floor, Panjabhum Building 127 South Sathorn Road, Tungmahamek 10120 SATHORN BANGKOK		100

% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.09	Book value of shares on June 30th 2009 in K€		Sales of goods in K€	Net income for the fiscal year in K€
				Gross	Net		
79.96	GI	297		1	1	1 218	59
100	GI	20 653	1	40 100	40 100		4 314
50	PI	8 573	43	5 896	5 896	14 972	677
50	PI	42 174	652			254 557	24 194
99.97	GI	40 378	474	50 194	50 194	101 592	23 247
99.95	GI	61 257	377	49 276	49 276	61 659	10 022
100	GI	439	11	728	728	2 481	183
51	GI	1 456	16	439	439	2 088	60
100	GI	7		1	1		- 1
50	PI						
99.97	GI	-124		1 791	0	21	75
99.97	GI	109	74	10	10	2 445	- 100
99.97	GI	1 774	17	36	36	7 936	523
99.97	GI	3 352	74	1 532	1 532	25 335	3 839
99.97	GI	1 930	35	1 438	1 438	21 116	2 275
99.97	GI	36	9	51	51	1 404	- 21
99.97	GI	1 555	20	3 857	3 857	3 067	- 77
99.97	GI	1		1	1		- 49
99.97	GI	1 121	35	1 300	1 300	324	- 227

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Name	Country	Head office	N° siren	% Voting rights
HARRIS MORAN SEEDS	United States	555, Codoni avenue - 95352 MODESTO (Californie)		100
HAZERA DO BRASIL COMERCIO DE SEMENTES LTDA	Brazil	Rua Iris, 75 Holambra 13825-000 Sao Paulo		100
HAZERA CANARIA	Spain	Avenida Santa Cruz 182 San Isidro Granadilla 386110 SANTA CRUZ DE TENERIFE		100
HAZERA ESPANA 1990	Spain	c/o Landwell, Paseo de la Castellana – 53 MADRID		100
HAZERA GENETICS LTD	Israel	Brurim Farm MP - 79837 SHIKMIM		100
HAZERA HOLDING INTERNATIONAL BV	Israel	D.N. Shikmim - 79837 BRURIM		100
HAZERA MAURITIUS LTD	Mauritius	c/o Abacus Fin. Sces Ltd - TM Building -Pope Hennessy Street PORT LOUIS		100
HAZERA SEEDS INC	United States	6601 Lyons Suite H 10 - Coconut Creek - (33073) FLORIDA		100
HAZERA TOHUMCULUK VE TICARET AS	Turkey	Genclik Mahalessi, Fevzi Cakmak Cad. 2 Mahmut Cil Apt n°75 D7 Antalya (07100)		99.99
HAZERA AGRICULTURE TECHNOLOGY AND SERVICES (BEIJING) CO	China	17 Jian Guo Men Wai St 28th Floor, Suite 210 Chao Yan District - BEIJING		100
ICA SEEDS SAC	Peru	Fundo la Vina S/N Caserio La Poruma ICA		99.83
MARCO POLO SEEDS NUSANTARA	Indonesia	Ruko Bumi Prayadan Permai Block B-6 - Mertoyudan 56172 MAGELANG JAWA TENGAH		100
MIKADO KYOWA K.K.	Japan	15-13 Nanpeidai-Shibuya-Ku 150-0036 TOKYO		69.27
NICKERSON ZWAAN BV	Netherlands	Schanseind 27 BP28 – 4921 PM MADE		100
NICKERSON ZWAAN GmbH	Germany	2 Am Griewenkamp – D31234 EDEMISSEN		100
NICKERSON ZWAAN INDIA	India	312 Batarayanpura BB Road Opposite L&T Gate – 560092 BANGALORE		100
NICKERSON ZWAAN Ltd	United Kingdom	Joseph Nickerson Research Centre Market Rasen LN7 6DT ROTHWELL		100
NICKERSON ZWAAN SP ZOO	Poland	Ul. Gersona 8, – 03307 WARSZAWA		100
NICKERSON ZWAAN SA (PROPRIETARY) Limites	South Africa	319 Pine Avenue, Ferndale, 2125 RANDBURG		100
NICKERSON ZWAAN UKRAINE	Ukraine	Professora Pidvysotstskogo Str.6-B non residential premises 3,4,5 (01013) KIEV		100
PLANT DEVELOPMENT AUSTRALIA	Australia	165, Templestowe Road – TEMPLESTOWE LOWER, VIC 3107		100

% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.09	Book value of shares on June 30th 2009 in K€		Sales of goods in K€	Net income for the fiscal year in K€
				Gross	Net		
100	GI	37 275	265	28 268	28 268	60 282	4 418
100	GI	6	5	204	204	1 476	- 58
100	GI			31	31		
100	GI	811	14	704	566	4 378	60
100	GI	82 404	325	83 523	83 523	70 028	4 759
100	GI	3 671		16	16		950
100	GI						12
100	GI	532	14			9 614	117
99.99	GI	178	12	106	106	4 080	- 42
100	GI	444	24	404	404		- 3
99.83	GI	239	9	182	182	543	- 440
100	GI	148	30	294	169	776	9
60.45	GI	17 736	135	12 355	12 355	63 193	2 814
99.95	GI	20 082	136	16 256	16 256	27 337	87
99.95	GI	690	19	127	127	6 002	101
99.95	GI	-98		4	4	171	99
99.95	GI	2 129	16	243	243	8 127	668
99.95	GI	785	11	64	64	1 985	- 149
99.96	GI	341	18	707	707	1 942	105
99.95	GI	37	10	8	8	844	- 96
99.97	GI	2 883		2 276	2 276		- 58

FINANCIAL AND LEGAL INFORMATION

Name	Country	Head office	N° siren	% Voting rights
SEMILLAS HARRIS MORAN MEXICANA	Mexico	Blvd. V. Carranza 2378-A Mexicali, BV MEXICO CP		100
ANADOLU TOHUM URETİM VE PAZARLAMA ANONİM ŞİRKETİ	Turkey	Güzelyalı, Bati Sahili, Çiftlik Sok. No.9 – Pendik İSTANBUL 34903		100
VILMORIN ATLAS	Morocco	158 boulevard Abdellah Ben Yacine 20300 CASABLANCA		70
VILMORIN IBERICA SA	Spain	Calle Joaquim Orozco 17 - 03006 ALICANTE		99.90
VILMORIN INC	United States	2551 North Dragon 85745 TUCSON Arizona		100
VILMORIN ITALIA SRL	Italy	Center Gross CP 97 - Blocco 22 Via dei Notai 123, 40050 FUNO		100
VILMORIN DO BRASIL COMERCIO DE SEMENTES LTDA	Brazil	Rua Maria Monteiro, 830, 2nd andar, sala 21 Campinas, Estado de São Paulo, 13025-151 CAMBUI - 151 CAMPINAS/SP		100
GARDEN PRODUCTS ACTIVITY				
OXADIS	France	65, rue de Luzais – BP 37 St QUENTIN FALLAVIER (38291)	959 503 111	99.99
TOP GREEN	France	ZA Les Pains - Les Alleuds BRISSAC QUINCE (49320)	432 004 679	33.33
CNOS GARDEN SP ZOO	Poland	Ul Kopanina 28/32 – 60 951 POZNAN		51
FLORA GEISLER	Switzerland	Müliwisstrasse 212 - 5467 FISIBACH		100
SUTTONS SEEDS LTD	United Kingdom	Woodview road – PAIGNTON – Devon – TQ4 7NG		100
VAN DEN BERG CH BV	Netherlands	Nijverheidsweg 1& 8A – Po Box 4 – 1693 AM WERVERSHOOF		100

% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.09	Book value of shares on June 30th 2009 in K€		Sales of goods in K€	Net income for the fiscal year in K€
				Gross	Net		
100	GI	991	35	0	0	18 018	867
99.95	GI	10 018	61	7 683	7 683	13 417	1 673
69.97	GI	178	5	128	128	348	-93
99.86	GI	420	30	714	714	7 056	1 820
100	GI	1 633	23	1 262	1 262	5 166	184
99.95	GI	67	21	64	64	10 608	966
99.95	GI	-91	8	18	18	800	- 38
99.99	GI	7 667	238	7 775	7 775	59 095	1 619
33.33	EM	4 679		1 000	1 000		126
50.99	GI	1 326	55	890	890	4 217	264
99.99	GI	9	9	346	0	2 171	15
100	GI	1 856	163	5 445	5 445	21 935	1 389
99.99	GI	6	20	243	0	6 819	- 177

FINANCIAL AND LEGAL INFORMATION

Chairman's Report on the functioning of the Board of Directors and on internal control

Under the responsibility of the Board of Directors, it is the role of the General Management to define and implement adequate and efficient internal control procedures.

In application of article L.225-37 of the French Commercial Code, it is my responsibility, as Chairman of the Board of Directors, to report on:

- the conditions for preparing and organizing the work of the Board of Directors,
- internal control of procedures and risk management implemented by the company,
- where relevant, the limitations that the Board of Directors applies to the powers granted to the Chairman and the CEO.

► Conditions for preparing and organizing the work of the Board of Directors

Vilmorin & Cie ("Vilmorin") directly holds the majority of the companies in the consolidation scope of its accounts.

The role of the Board of Directors consists primarily in ensuring optimization of the management of all the operating structures. For this purpose, it is more particularly required to define the global strategy of Vilmorin, check that the policies adopted are coherent, and insure that the main risks have been identified and adequately dealt with.

In order to attain these objectives, the Directors of Vilmorin have full responsibility in Board Meetings or any equivalent meetings in its main subsidiaries. Moreover, strategic decisions are regularly prepared and discussed by the members of the Board of Directors and the operational Vice-Presidents.

The Board of Directors comprises nine members.

Respecting the suggestions of the AFEP/MEDEF report of October 2003 and the recommendation of the European Commission of February 15th 2005, the Board of Directors was extended in December 2007 to integrate an independent Director.

The Board adopted the criteria defined in these recommendations to examine to what extent such a Director could truly be qualified as independent, and prevent any possible risks of conflict of interest.

Taking these criteria into account, the Board of Directors proposed to the Annual General Meeting of shareholders of December 12th 2007 to appoint Didier MIRATON as independent Director; this resolution was adopted.

Compliance of our previous analysis with criteria to qualify for independence and for the prevention of any risks of conflict of interest set out in the code of corporate governance for listed companies, published in December 2008 by l'AFEP/MEDEF, was validated during the course of this fiscal year.

However, your Board of Directors has not yet formally adopted a corporate governance code as a reference to define its own practices, because of the specific structure and reference of the governance of its reference shareholder.

Nevertheless in December 2008 it adopted the recommendations of AFEP/MEDEF concerning the remuneration of corporate officers.

With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors wished to pursue and further explore adaptation of its organization system during the course of fiscal 2009-2010 in order to conciliate its approach to governance with the guidelines of this code.

During the course of the fiscal year 2008-2009, your Board of Directors met five times, following a work schedule that is established on an annual basis. The attendance rate of its members was 89%.

The duration laid down in the by-laws for the term of office of the Directors is three fiscal years, and this term of office is renewable.

Your Board of Directors closed the corporate accounts and the consolidated accounts of Vilmorin and the associated reports during its meeting of October 2nd 2009.

Starting at the beginning of 2010, the Board of Directors will consolidate its work by setting up an Audit Committee presided by its independent Director. This specialized committee will be responsible in particular for monitoring the preparation of financial information, the efficiency of all the risk management systems and the legal control of the accounts by the statutory and external auditors.

► Procedures for internal control and risk management set up by the company

• General provisions for internal control

Vilmorin is in total agreement with the definition of internal control as proposed by the AMF, and has adopted an approach that aims to implement its framework reference. This reference defines internal control as a provision that has been implemented to insure:

- compliance with laws and regulations,
- application of the instructions and orientations fixed by the General Management,
- efficient functioning of internal corporate processes, particularly those that have been implemented to protect its assets,
- the reliability of financial information,
- and more generally, contributes to maintaining control of its activities, and ensuring the efficiency of its operations and use of its resources.

As with any control system, it can only provide an absolute guarantee if these risks are totally eliminated and can only provide reasonable assurance with regard to the successful achievement of its objectives.

Internal control is applied as a central function in the group, and concerns all the subsidiaries.

As a holding structure, the company Vilmorin & Cie plays a central role in steering internal control. Besides insuring the coherence of general policies, its role is to co-ordinate, advise and control its subsidiaries. In order to do so it has an internal audit and financial control department.

Within this general framework, the subsidiaries define and set up operational procedures adapted to their specific situations.

Rules for managing and defining functions and procedures in the companies and the group constitute the reference for implementing and applying internal rules for control.

Furthermore, a system to delegate powers has been set up in each company.

• Implementation of a risk management system

- General principles for the management of risks

During fiscal 2008-2009, Vilmorin set up a risk management committee.

From now on, the global approach to risk management in Vilmorin is based on:

- risk management, validating methodologies, work plans and control schedules, and also reporting back to the Executive Committee and the Board of Directors,
- an operational co-ordination committee responsible for implementing, in liaison with dedicated work groups, an approach to risk management with controls, and defining minimum standards to respect for each identified topic, checking that they are properly applied.

- Identification of the main risks

Risk identification implies that risks should be mapped. First level risk mapping (not set out according to operational process) was initiated during the course of fiscal 2008-2009 involving the Executive Committee and the main managers of each of the sectors of activity. It will be presented to the Audit Committee during fiscal 2009-2010.

The risk mapping process is based on a formal methodology that can be used to define a shared language and assessment criteria harmonized between the sectors of activity, the short-term objective being to see how progress can be made by mobilizing teams on a certain number of action plans. Second level mapping has been planned for 2010, based on a breakdown of the different processes.

As the risk identification process was being developed, a first version of the risk management reference document was disseminated during the course of the fiscal year analyzing three domains as a priority: safety for persons and goods, the protection of intellectual property, and the co-existence of cultures. The objective of this manual is progressively and exhaustively to deal with other areas such as legal, financial and operating domains, along with the security of information systems.

- Analysis of the main risks

During fiscal 2008-2009 Vilmorin's business covered different sectors of activity, both on professional and consumer markets, entailing various risks caused by the highly seasonal nature of its business, a relative dependence on the whims of the weather, and the importance of the high-tech products and processes used. Suitable solutions are implemented to insure that these risks are reasonably controlled.

FINANCIAL AND LEGAL INFORMATION

▪ **Risks with regard to production**

Controlling such risks is essential to insure the appropriate supply of markets, and also adequate inventory management.

In particular, this is a major concern that is taken into account when the production plans are laid down, involving all those concerned in each of the companies. Its implementation involves several different parameters, such as the life span of the products, the state of previous harvests, the potential impact of weather conditions or the agronomic value of the products.

▪ **Risks with regard to the climate**

Meteorological uncertainty may have an effect on both professional and consumer-oriented businesses.

For professional activities in both field seeds and vegetable seeds, the diversified and internationally spread production networks mean that this risk can be covered better and that regular, high quality seed production can be insured.

With regard to the garden products activity, the diversification of the product line-ups means that, to a large extent, the consequences of a year with poor weather can be attenuated by proposing different products that are not dependent on seasons.

▪ **Risks with regard to products and processes**

The products sold by the subsidiaries of Vilmorin are intended either for a professional clientele or a consumer clientele for gardening products.

In both cases, any product non-conformance may have severe financial consequences, often extending far beyond the sales price of the products. Such consequences may well be amplified by the multiplying effect of all agricultural production, by the wide distribution of consumer products, or by the complexity of the regulations applicable to different aspects (products, environment, etc.).

As far as the processes and production tools go, the subsidiaries of Vilmorin are concerned in many respects: fire risks, legally controlled product treatment, approved installations, environmental risks, information technology security, etc.

Faced with these different issues, Vilmorin has set up a number of processes:

- scrupulous respect for any applicable regulations,
- rigorous quality control procedures,

- the introduction of specialized teams to deal with crisis situations,
- the development of a prevention policy to provide greater safety for persons and equipment.

▪ **Risks inherent in research**

For Vilmorin, maintaining and developing original, quality research programs is the best possible guarantee for its future prosperity.

On top of the risks linked to the physical protection of its specialized facilities, germplasm and know-how, Vilmorin needs to insure at all times that its programs have a reasonable chance of succeeding.

The means adopted to reach these objectives primarily involve:

- making sure the facilities, germplasm and know-how are all physically secure (fencing, access restriction, duplication of resources, etc.),
- the protection of secrets and know-how,
- a suitable intellectual protection policy,
- regular consultation to ensure that strategic orientations are pertinent when compared with the competition, market needs and scientific evolution.

▪ **Risks regarding clientele**

Vilmorin is not globally confronted with an excessive concentration of its clientele, with the risk of a brutal drop in business, particularly since the relative reduction of its consumer activities as a proportion of its total business. Moreover debt recovery risks are moderate.

Vilmorin's subsidiaries are all capable of dealing with this question, providing solutions adapted to their own circumstances.

▪ **Legal risks**

In order to conduct their business, Vilmorin and its subsidiaries occasionally have to settle disputes of various kinds.

Such disputes are immediately analyzed in detail with regard to risk and responsibility and are dealt with accordingly in liaison with Vilmorin's legal department.

With the exception of provisions already made for disputes on June 30th 2009, Vilmorin had not identified any dispute that might affect its financial situation significantly.

▪ **Risks regarding exchange rates and cash**

Bearing in mind the size of Vilmorin and its international dimension, procedures have been set up in order to better identify these risks and control them.

For this reason Vilmorin manages both for itself and its subsidiaries:

- the search for diversified and suitable financial resources,
- an intra-group mutual management procedure to deal with currency translation risks with group forward cover strategies,
- specialized cash flow and interest rate risk management tools (cash flow agreements, forward cover).

On June 30th 2009, 75% of Vilmorin's bank debt involved funding at variable rates (475 million Euros). Outstanding forward exchange cover stood at 240 million Euros.

In order to reinforce the structure of its bank debt, in July 2006 Vilmorin set up syndicated credit facilities of 300 million Euros over the duration of 5 years, in partnership with 13 banking establishments.

It was agreed that the repayment of this credit and the evolution of its interest payments should be calculated according to the respect of two consolidated financial ratios (financial debt/EBITDA, EBITDA/financial costs); on June 30th 2009, Vilmorin was totally on line with these commitments.

Moreover, at the end of fiscal 2007-2008 Vilmorin diversified the nature of its financial resources by issuing convertible bonds ("OCEANE") for a total value of 150 million Euros.

Furthermore, Vilmorin occasionally uses forward cover instruments in some of its subsidiaries to compensate for the evolution of agricultural raw material prices and thus gain better control of the potential volatility of its procurement costs.

▪ Insurance

Vilmorin has insurance policies that provide broad cover of the risks facing its different subsidiaries, with a view to protecting their assets and responsibility. This cover is provided through several group policies that apply to most of the subsidiaries in the following areas:

- consequential and operating loss

The contractual compensation limit has been fixed at a maximum claim of 200 million Euros, with a certain number of specific sub-limits. This limit applies to each claim and each facility.

- general public liability and products liability

This policy is intended to cover liability both before and after delivery, with a 15.25 million Euro compensation limit per claim, and a fixed annual ceiling of 20 million Euros for liability after delivery.

- professional third party liability

The professional economic environment of Vilmorin is characterized by complex contractual relationships, as product development requires the use of more varied and sophisticated technologies, and as intellectual property issues grow more complex too (protection through patents, proprietary variety certificates, infringement risks, etc.). On July 1st 2002 Vilmorin set up a policy in conjunction with Limagrain intended to perfect the cover of specific risks in terms of contractual liability, legal proceedings for infringement or unfair competition, or transactions made for third party claims. The policy expired on June 30th 2007. A new policy was set up as of July 1st 2007 which continues to cover existing guarantees, but also now covers the following specific risks: the financial consequences of the presence of GMO in delivered products (either an unauthorized gene or presence higher than the legal thresholds), guaranteeing the cost of withdrawing and reimbursing contaminated products along with costs involved for image restoring.

The insurer's commitment with regard to all the guarantees provided is limited to the sum of 15 million Euros per claim and per year.

- third party liability for the corporate representatives

This policy covers the third party liability of managers resulting from a claim that calls into question the personal public liability or joint and several liability attributable to professional misconduct committed in the exercise of their functions. It concerns the de jure or actual managers of the company and all the subsidiaries in France or any other country in which it has a stake.

The compensation limit is 25 million Euros of insurance per year, and includes any benefits and legal defense expenses laid out.

Certain risks are the result of regulatory constraints or specific situations in certain countries which require customized insurance policies.

• Procedures used to produce financial and accounting information

Vilmorin's consolidated financial statements are set out in accordance with the international accounting standards (IFRS standards) published by the International Accounting Standards Board (IASB) and with the interpretations of the IFRS published by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as applied by the European Union on June 30th, 2009.

FINANCIAL AND LEGAL INFORMATION

The scope of application for internal control concerning the production and processing of financial and accounting information includes the parent company and all the subsidiaries integrated 100% in the consolidated financial statements.

- Financial organization

The production of financial and accounting information comes within an overall procedure that involves several phases:

▪ *the medium-term plan.*

A medium-term plan is the working reference that describes the main strategic orientations, and is set out in each of the operating structures. It is updated every year, confirmed at the level of Vilmorin, and consolidated in accordance with a formal process.

▪ *the short-term financial budget.*

A short-term financial budget is set out every year by each subsidiary during the first semester with detailed operations. This is also confirmed by Vilmorin and consolidated in accordance with a formal process.

This budget is updated as a forecast at least once over the course of the fiscal year.

▪ *monthly reporting.*

Each company produces monthly performance indicators adapted to its business activity. These are compared to the budget, and any differences are analyzed to detect any significant discrepancies or measures needed to get back on target. Data from reporting is also compared with the general accounts.

Such monitoring generally concerns business (sales and margins) and results, evolution of the headcount, cash flow and funding, and the investment plan.

The main indicators of this reporting are also consolidated every month in accordance with a formalized process.

▪ *the half-yearly and yearly financial statements.*

Preparation of the half-yearly and yearly financial statements comes under the responsibility of the financial departments and general management of each subsidiary.

Procedures are defined locally to match the business of the different companies, but must respect a general schedule defined by Vilmorin.

Any significant decisions that need to be taken when the financial statements are established are confirmed by the company before being definitively adopted by the respective Boards of Directors.

Consolidation operations are carried out using a set of tables filled in by each company in compliance with procedures and a specific schedule.

Information feedback is structured in such a way as to guarantee the permanence and homogeneity of the methods used to record transactions in accordance with Vilmorin's accounting principles:

- coherence of the accounting reference, methods and consolidation rules,
- standardization of presentation formats,
- use of a common computing tool for information feedback and consolidation.

- Control

All the data intended to be disclosed is controlled and analyzed with reference to the information reported and collected.

Instructions are given and controls made in order to guarantee standard, homogeneous formalization processes.

Corporate Finance co-ordinates closely with the Statutory Auditors, who work with the subsidiaries and the Financial Consolidation Department according to a schedule prepared in advance.

All the accounting and financial items prepared by the main consolidated subsidiaries are audited at least once by external auditors when the accounts are closed. At this audit, the General Manager and CFO of each subsidiary pledge together through a co-signed letter of confirmation that the financial information is of high quality, reliable and exhaustive.

Auditing missions in the different countries are entrusted in almost all cases to members of the network of the two statutory auditors who, after examining together all the financial statements and methods used to draw them up, certify Vilmorin's consolidated financial statements. They certify that the financial and corporate statements give a true and fair presentation of the assets, liabilities, financial position and results. They are given information prior to the elaboration of the financial statements and present a synthesis of their work to the financial and accounting managers for the six-month and yearly position.

The consolidated financial statements are reviewed by the Executive Committee before they are approved by the Board of Directors.

▶ Limits to the powers granted to the Chairman and CEO

The General Management of Vilmorin is the responsibility of the Chairman of the Board of Directors. During the course of the fiscal year 2008-2009, he was assisted by a CEO, Mr. Adrian HUIGE.

The Chairman has the widest powers to act in all circumstances on behalf of the company. He exercises these powers within the scope of the object of the company, and within the limits of the powers granted by the French law governing shareholders' meetings and Boards of Directors.

The CEO has the same powers as those of the Chairman with regard to third parties.

For purposes of the company's internal organization, the powers of the Chairman and the CEO have been partially limited by the Board of Directors (meeting of December 13th 2005), but these limits are not available against third parties.

▶ Token payments or allowances paid to corporate representatives

As in previous fiscal years, the Directors carried out their duties in 2008-2009 without any remuneration or allowances.

Nevertheless, bearing in mind the presence of an independent Director on the Board of Directors, it will be proposed to the Annual General Meeting deliberating on the annual accounts closed on June 30th 2009 to fix the directors' fees for fiscal 2008-2009 at 10 000 Euros.

The remuneration of corporate representatives who have a work contract (Daniel CHÉRON, Director for the full duration of the fiscal year, and Adrian HUIGE, CEO, a company employee until December 31st 2008) comprises:

- a fixed salary that is reviewed every year,
- a variable part defined in relation to the financial performance of each fiscal year and based on the consolidated net income, and the benefits of a company car.

Starting in January 2009, Adrian HUIGE continued to fill the function of CEO with the terms of reference stating that the remuneration should be reviewed every year.

▶ Participation of the shareholders in the Annual General Meetings

All provisions concerning notices to attend, and the holding of shareholders' Annual General Meetings are defined in Heading V of Vilmorin's by-laws, with clauses concerning the attendance and representation of shareholders appearing in articles 29 and 30.

▶ Information liable to have an impact in the case of a take-over bid

In compliance with the law, any information concerned by article L.225-100-3 of the French Commercial Code, is provided as required in the report of the Board of Directors.

This full report was discussed and approved by the Board of Directors at their meeting held on October 2nd 2009.

FINANCIAL AND LEGAL INFORMATION

Report of the Board of Directors to the Joint Annual General and Extraordinary Meeting of december 8th 2009

To the Shareholders,

The present Annual General Meeting was convened in accordance with the law and the by-laws of your company on one hand to submit for your approval the annual financial statements for the fiscal year closing on June 30th 2009, secondly to delegate to your Board of Directors the necessary powers to proceed with the purchase of your company's own shares and the issue of securities through a public issue with or without pre-emptive rights, according to the best possible market conditions, and to authorize a project to issue securities by the majority shareholder of Vilmorin & Cie, giving access to the company's existing shares.

Notice to attend, and all the documents and relevant information have been made available under the conditions and deadlines stipulated according to the law.

► Activity for the fiscal year

• Corporate financial statements

The corporate financial statements of Vilmorin & Cie ("Vilmorin") have been set out in accordance with French regulations.

Within the framework of its development strategy, over fiscal 2008-2009 Vilmorin pursued its policy of external growth, particularly in North America, and furthered its partnerships, particularly in research and the development of new technologies.

Vilmorin's sales reached 34 million Euros in 2008-2009 as opposed to 30 million Euros the year before.

These sales mainly correspond to services rendered by Vilmorin to its subsidiaries in the areas of general administration, human resource management and pooled upstream research programs.

These services are invoiced proportionately as corporate allocations between the subsidiaries of Vilmorin using economic criteria (margin on the cost of sales, EBITDA, payroll and research costs).

Total operating expenses came to 35.9 million Euros, up 6 million Euros compared with 2007-2008.

The total amount of costs not deductible from taxable income amounted to 75 468 Euros for the fiscal year 2008-2009.

The operating income showed a loss of 0.8 million Euros.

The financial result showed a net income of 36.4 million Euros, up 7.8 million Euros compared with the previous fiscal year.

This figure takes into account the dividends received from the subsidiaries, with the total amount this year standing at 48.8 million Euros, compared with 37.6 million Euros for the previous year.

It also includes a net allocation to financial provisions of 0.7 million Euros, net exchange losses of 2.0 million Euros and losses on the sale of investment securities of 0.4 million Euros.

Finally, this financial result also includes 9.3 million Euros of net interest charges.

The extraordinary result showed a net loss of 1.2 million Euros, mainly because of the sales of intra-group securities; in 2007-2008 the extraordinary result was affected by the effects of the sale of Flora Frey.

Income tax takes into account the impact of the fiscal integration system adopted on July 1st 2000 for a group of companies including Vilmorin SA, Clause SA, Oxadis SA and Vilmorin 1742; for the fiscal year 2008-2009 a net income of 7.5 million Euros was recorded, including tax relief for research of 1.1 million Euros.

As a result of the above-mentioned considerations, the net corporate income came to 37 million Euros on June 30th 2009.

The company's stock on June 30th 2009 stood at 204 225 819.25 Euros, corresponding to 13 391 857 shares with a nominal value of 15.25 Euros each.

On June 30th 2009 loans and financial debts showed a gross value of 585 million Euros.

They take into account the issue of convertible bonds ("OCEANE") by Vilmorin at the end of the financial year 2007-2008 for a total of 149.5 million Euros.

Net of cash and investment securities, and also current accounts granted to subsidiaries as part of the group's cash flow management system, financial debts stood at 230.2 million Euros.

Moreover Vilmorin granted Limagrain Verneuil Holding (field seeds business in Europe) a medium-term loan of 27 million Euros for structural funding of the European assets of Advanta, acquired in 2005.

In order to strengthen the structure of its bank debts, in July 2006 Vilmorin set up syndicated credit of 300 million Euros for the duration of 5 years, in partnership with several banks.

After redemption of the total aggregate of 30 million Euros from the amortizable loan, the authorized and confirmed credit line stood at 270 million Euros on June 30th 2009, of which 75 million Euros had not been used on this same date.

This credit and the evolution of its interest payments are accompanied by a commitment to respect two consolidated financial ratios (net financial debt/EBITDA, EBITDA/net financial costs); on June 30th 2009, Vilmorin was totally on line with these commitments.

• Consolidated financial statements

At the close of fiscal 2008-2009 Vilmorin's consolidated financial statements were set out on June 30th 2009 in accordance with the IFRS (International Financial Reporting Standards) reference as adopted by the European Union.

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

Following the announcement in October 2007 of its plan to sell its garden products business, Vilmorin applied IFRS standard 5 "Non-current assets held for sale and discontinued operations".

This standard requires that any flows concerning these assets are to be recorded as specific items on the balance sheet and the income statement.

At the close of accounts on June 30th 2008, only the German company Flora Frey and its subsidiary Sperling had been sold.

Because of the fast deteriorating economic and financial environment, Vilmorin's board decided, during the course of fiscal 2008-2009, to suspend the process to sell the companies Oxadis (France) and Suttons (United Kingdom).

Consequently their financial statements have been integrated again as "continuing operations" and have been restated pro-forma for fiscal 2007-2008 in order to facilitate comparability.

On June 30th 2009 Vilmorin modified the way it records tax relief for research, the impact of which is presented in the notes to the financial statements.

Finally, 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 purchased a stake of 29% in the company; AGT is consolidated using the equity method.

NB: *Variations in relation to fiscal 2007-2008 are expressed in comparison with restated pro-forma data.*

Consolidated sales for the fiscal year 2008-2009, and corresponding to revenue from ordinary activities, stood at 1 001.7 million Euros, down 1.6% compared with the previous fiscal year with current data.

Restated like for like (currency translations, changes in scope, including the sale of Oxadis' pet products activity), sales in fact showed an increase of 1.3% compared with the previous fiscal year.

Restated for inventory write-off and depreciation, gross margin after cost of sales stood at 45.2%, stable compared with 2007-2008, in spite of an increase in obsolescence costs of 8 million Euros.

Net operating charges stood at 345 million Euros, an increase of 11.5 million Euros compared with June 30th 2008.

It should be noted that, respecting its strategic orientations, in 2008-2009 Vilmorin intensified its research programs both in conventional plant breeding and biotechnology. Total research investment stood at 120.6 million Euros as opposed to 105.1 million Euros in 2007-2008, and now represents 14.7% of sales of seeds intended for professional markets.

Tax relief for research, recorded as a deduction from research and development costs, came to 21.9 million Euros as opposed to 20.3 million Euros for the previous fiscal year.

Thus the consolidated operating income stood at 107.9 million Euros, a decrease of 19.7 million Euros compared with the previous year, showing an operating margin of 10.8%.

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The financial result shows a net charge of 26.6 million Euros as opposed to 31 million Euros in 2007-2008 and this fiscal year integrated a net currency exchange loss of 1.1 million Euros. In the context of falling interest rates, cost of funds came to 26.2 million Euros and was marked by an increase in Vilmorin's medium-term indebtedness.

The net charge of income taxes came to 20 million Euros as against 22.9 million Euros the previous year.

The result for discontinued operations was at break-even, whereas the previous year it showed a loss of 24.3 million Euros, taking into account the negative impact of the sale of the company Flora Frey.

Finally, the total net profit came to 60.2 million Euros as opposed to 51.1 million Euros on June 30th 2008, up 9.1 million Euros. The group's share in this profit was 53 million Euros.

Like for like, the balance sheet structure on June 30th 2009 globally showed relative stability in its main components.

Net of cash and bank in hand (251.9 million Euros), total book indebtedness on June 30th 2009 stood at 377.9 million Euros as opposed to 333.6 million Euros on June 30th 2008. The proportion of non-current indebtedness stood at 358.2 million Euros.

The Group's equity stood at 637.5 million Euros and minority interests at 116.3 million Euros.

• Vegetable seeds activity

Sales for the vegetable seeds activity on June 30th 2009 came to 409.7 million Euros, up 5.7% compared to the same period for the previous year.

Like for like they rose by 3.3%.

The fiscal year was marked by overall fine performances of all the business units, particularly on the American continents, but also by a contraction of activity noted up until last spring on certain markets in the Mediterranean basin and in the Middle East.

The priority set for the fiscal year was to increase investment in research and resources devoted to international commercial development. External growth operations concerned highly targeted objectives in order to strengthen Vilmorin's positions in certain crops (tomato, onion, lettuce, etc.) or certain strategic geographical areas (Americas).

Overall the vegetable seeds activity showed an operating margin of 16.8% and a net contribution to the consolidated result of 49.3 million Euros

• Field seeds activity

Sales for the field seeds activity on June 30th 2009 came to 498.9 million Euros, a decrease of 0.7%; like for like this drop was 0.2% compared with fiscal 2007-2008, which was characterized by an exceptional level of activity.

In Europe, fiscal 2008-2009 was particularly affected by the decisions taken with regard to the management of financial risks (client solvency, currency translation, etc) bearing in mind the economic crisis that hit certain Eastern European markets.

In North America, in spite of unfavorable end of campaign conditions, the sales activity grew significantly in value, particularly because of the continued progress in the market for genetically modified plants.

Vilmorin continued to optimize its product portfolio over the fiscal year, and the organization of its sales networks, particularly in Eastern Europe.

Moreover, the resources allocated to research programs on strategic crops (wheat, corn, oilseeds) and to upstream technologies were considerably strengthened.

The overall picture for the field seeds business was a positive contribution to the consolidated income of 31.4 million Euros, an increase compared with the previous fiscal year.

• Garden products activity

Presented once more as "continuing operations", sales for the garden products activity came to 91.7 million Euros on June 30th 2009. Sales were at almost the same level like for like as the previous year, after restatement for the ending of distributing Oxadis' pet products for the consumer market.

Fiscal 2008-2009 was indeed a year of transition, marked by the successive decisions to suspend the sale of Oxadis and Suttons.

The garden products activity for this past fiscal year showed a positive contribution of 2 million Euros to the net consolidated income.

Vilmorin's business in fiscal 2008-2009 covered different sectors of activity both on the professional and consumer

markets, which means that there are various risks caused by the highly seasonal nature of its business, a relative dependence on the whims of the weather, and the importance of the high-tech products and processes used. All the main risks involved in these activities, and the potential financial risks, are specifically analyzed in the Chairman's report with regard to internal control and in the notes appended to the consolidated financial statements.

► Environmental and social information

Vilmorin's strategy and business activities, by their very nature, have been built up in a long-term perspective, since plant breeding and the creation of new varieties can only be achieved over periods of several years.

Consequently the principles involved are those of sustainable development, in environmental, social and economic terms, and these same principles are an integral part of the culture for all the companies in Vilmorin, constituting one of the foundation stones of their general policy.

• Environmental information

The products created or developed by Vilmorin almost exclusively come from a natural milieu, and are intended for food or leisure gardening. Accordingly, they cannot and must not cause any serious or repeated damage to the environment.

Vilmorin has therefore adopted a determined and responsible policy, in particular with regard to:

- the rigorous respect of all regulations concerning biotechnology and genetically modified organisms,
- the implementation of means devoted to monitoring and preventing any environmental risks (technical and regulatory watch, alert procedures and crisis management, certification, internal communication through an inter-company network, etc.),
- the control and processing of effluents and the limitation of industrial pollution.

Thus, as for the previous fiscal year, in 2008-2009 Vilmorin has not had to deal with any environmental accident or answer any procedures involving the payment of damages.

• Social information

On June 30th 2009, the consolidated headcount of Vilmorin stood at 4 520 permanent employees compared with 4 443 on June 30th 2008.

The average annual headcount for fiscal 2008-2009 stood at 5 236 people as opposed to 5 074 the previous year. During the course of the fiscal year, Vilmorin hired 480 new permanent employees (including 102 by converting a temporary to a permanent contract).

Moreover, at certain times the group was required to call upon temporary staff because of the seasonal nature of its business.

During the fiscal year, 4 companies implemented reorganization measures that affected the personnel, either because of a drop in business, or as part of a restructuring program. These measures led to an overall drop in the headcount of 118 employees, including 114 laid off.

Nearly half the companies run scheduled training programs that go beyond basic legal requirements.

In 2008-2009 the expenditure involved came to 1.5 million Euros, and 6 717 hours were devoted to developing the know-how of employees.

With regard to the representative provisions for the personnel working at Vilmorin, these are generally set up throughout Europe, in accordance with applicable legislation, and concern works councils and/or shop stewards.

During fiscal 2008-2009, 27 agreements were signed, dealing principally with salaries, company profit-sharing schemes and working conditions.

Finally, it should be noted that, bearing in mind the geographical dispersion of the different facilities in Vilmorin, the working time in each of the subsidiaries varies, depending on the country, from 35 to 50 hours per week.

► Events closing after the closing of the accounts

Subsequent to the closing of the accounts on June 30th 2009, Vilmorin purchased a further stake in Australian Grain Technologies, taking up its share in the capital to more than 32%.

As part of its drive to consolidate its European field seeds organization, Vilmorin took full control of the Belgian company Clovis Matton, based in Western Flanders, through its subsidiary Limagrains Verneuil Holding (LVH).

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This operation will strengthen LVH's long-term positions on the Belgian silage corn market. Clovis Matton is one of the group's long-standing partners, and has its own straw cereal breeding program.

► Outlook for the future

The fiscal year for 2008-2009 was particularly characterized by a market environment affected by the financial crisis and the continuing volatility of the prices of agricultural raw materials. In this disturbed context, Vilmorin demonstrated its capacity for resistance, and confirmed its strategic orientations, particularly in terms of investment in research and innovation and world development on the professional markets of agriculture and vegetable production.

Fiscal 2009-2010 should confirm Vilmorin's potential for organic growth in spite of the fact that market conditions remain difficult; moreover, Vilmorin will continue to significantly increase its investment in research and development, in particular in upstream technologies.

Vilmorin must continue to build its development based on a certain number of strategic principles defined several years ago:

- intensification of research investment in upstream technologies and conventional plant breeding,
- permanent international development for all our business in the context of market globalization,
- strengthening our companies or taking up new competitive positions through external growth operations,
- accepting or seeking partnerships in sectors where technical expertise or a critical size can boost development in our companies,
- maintaining an original organization and management model that encourages autonomy in each company's decision-making processes, and the fulfillment of synergy between the different business units.

By adhering to this policy, Vilmorin will be able to reinforce its position as fourth largest player in the world, and offer sustainable perspectives for regular growth.

► Acquisitions and sales of shares

NB: a detailed table of subsidiaries and participations is appended to this report

Apart from the stake it acquired in Australian Grain Technologies, Vilmorin sold the stakes it held in the

companies Ceekay and Marco Polo Thailand to one of its subsidiaries. Furthermore, during the course of the fiscal year Vilmorin created a new subsidiary, Gemstar, to develop its research activities in biotechnology.

► Shareholders

Vilmorin's stock comprises 13 391 857 shares with a nominal unit value of 15.25 Euros.

On June 30th 2009, the majority of the stock, 58.14% was held by Groupe Limagrain Holding, 6.66% by Sélia, and 6.66% by Coopérative Agricole Limagrain, all three of these companies belonging to Groupe Limagrain.

Vilmorin's by-laws grant double voting rights to any shares held nominatively for a period of more than four years. On June 30th 2009, 5 408 583 shares benefited from this right. Groupe Limagrain Holding, Coopérative Agricole Limagrain and Sélia were the main shareholders concerned, giving Groupe Limagrain combined voting rights of 79.68%.

On June 30th 2009, Vilmorin held 7 191 treasury shares, corresponding to less than 0.1% of its stock.

In compliance with the provisions of article L.225-102 of the French Commercial Code, we inform you that on June 30th 2009 no employee held a stake in the stock.

► Appropriation of the profits

We propose that the profits of Vilmorin should be applied in the following manner:

Net profits on June 30th 2009	€37 003 564.01
Application to legal reserve	€1 850 178.20
Profits available on June 30th 2009	€35 153 385.81
Brought forward	€1 575 192.58
Dividends to distribute	€23 703 586.89
To carry forward	€13 024 991.50

The net dividend is set at 1.77 Euros per share.

As a proportion of the net profits for the group, the sums distributed amount to 44.7%.

The total amount of dividends (23 703 586.89 Euros), and the final sum to carry forward, do not take into account any possible treasury shares for control on the date the dividends are paid. Any dividends corresponding to these shares will be added to the sum carried forward.

Moreover we wish to inform you that for the last three financial years, dividends were distributed as follows:

	05-06	06-07	07-08
Number of shares	9 566 979	13 391 857	13 391 857
Nominal	€15.25	€15.25	€15.25
Net dividend per share	€1.62	€1.66	€1.66

► Expenses that are not tax deductible

In compliance with the provisions of article 223 quater of the French Tax Code, we ask you to approve the expenses

and charges concerned by article 39-4 of the same code, which came to a total of seventy-five thousand Euros.

In compliance with the provisions of article 223 quinquies of the French Tax Code, we present the global figures concerning the expenses concerned by article 39-5 of the same code.

► Table of the results of the company over the past five years

In compliance with the provisions of article 148 of the decree of March 23rd 1967, the following table shows the results of our company over the past five fiscal years.

RESULTS OF THE COMPANY OVER THE PAST FIVE YEARS

In thousands of Euros	08-09	07-08	06-07	05-06*	04-05
Stock at the end of the year					
Capital stock	204 226	204 226	204 226	145 896	145 896
Number of ordinary shares	13 391 857	13 391 857	13 391 857	9 566 979	3 188 993
Operations and results					
Total sales before tax	33 993	29 963	27 309	9 171	8 100
Profit before tax, profit sharing, amortization, depreciation and provisions	28 878	- 13 051	25 609	19 778	19 614
Income taxes	- 7 476	- 12 256	- 3 697	- 2 074	- 3 371
Profit sharing for the year		-	-	-	-
Profits after tax, profit sharing, amortization, depreciation and provisions	37 004	4 203	25 818	22 507	20 659
Profits distributed	23 704	22 230	22 230	21 694	15 466
Profit per share					
Profit after tax and profit sharing, but before amortization, depreciation and provisions	2.71	-0.06	2.18	2.28	6.86
Profit after tax, profit sharing, amortization, depreciation and provisions	2.76	0.31	1.93	2.35	6.48
Dividend per share	1.77	1.66	1.66	1.62	1.62
Headcount					
Average staff**	87	88	82	14	11
Total payroll	5 511	4 958	4 720	1 142	1 002
Benefits paid out for the fiscal year	3 011	2 847	3 127	1 031	851

* taking into account the division of the nominal value of the share by three

** number of people

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► Information to the Works Council

We inform you that, in compliance with the provisions of article L.2323-8 of the French Labor Code, the results of your company have been presented to the Works Council, which made no special remarks.

► Regulatory agreements

We ask you to approve the regulatory agreements governed by article L.225-38 of the French Commercial Code, and which are regularly authorized by your Board of Directors, for the fiscal year 2008-2009. The Statutory Auditors have been informed of these agreements, and present them in their special report.

► Free agreements

A list of the agreements concerned by article L.225-39 of the French Commercial Code dealing with current operations, and agreed in normal conditions, was made available for your consultation for the legal duration and sent to your Statutory Auditors.

► Corporate management system

Administration of your company is currently entrusted to a Board of Directors comprising nine members.

On June 30th 2009, the Board of Directors and the General management were composed of the following members:

- Chairman: Gérard RENARD
- CEO: Adrian HUIGE
- Members of the Board:
 - Joël ARNAUD
 - Philippe AYMARD
 - Daniel CHERON
 - Jean-Yves FOUCAULT
 - François HEYRAUD
 - Pierre PAGESSE
 - Pascal VIGUIER
 - Didier MIRATON, Independent Member of the Board

A list of terms of office and functions for the members of the Board of Directors is appended to this report.

During the fiscal year for 2008-2009, your Board of Directors met five times.

Moreover, for the purpose of the offices they hold in the subsidiary companies of Vilmorin, the Members of the Board took part in twenty-four meetings.

With reference to the suggestions of the AFEP/MEDEF report of October 2003 and the recommendation of the European Commission of February 15th 2005, the Board of Directors was enlarged in December 2007 to integrate an independent Director.

However, your Board of Directors has not yet adopted a corporate governance code as a reference to define its own practices.

Nevertheless in December 2008 it adopted the recommendations of AFEP/MEDEF concerning the remuneration of corporate officers.

With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors wishes to pursue and further explore adaptation of its organization system during the course of fiscal 2009-2010 in order to conciliate its approach to corporate governance with the guidelines of this code.

► Token payments or allowances paid to corporate representatives

Just as in previous years, your Directors carried out their duties in 2008-2009 without any remuneration.

Nevertheless, bearing in mind the presence of an independent Director on the Board of Directors, it will be proposed to the Annual General Meeting deliberating on the annual accounts closed on June 30th 2009 to fix the Directors' fees for fiscal 2008-2009 at 10 000 Euros.

Each of the Directors holds three Vilmorin shares and no other operation or regulatory agreement has been reached by your company with its corporate representatives.

Mr. Daniel CHÉRON, Director, is also a salaried member of the staff of Groupe Limagrain, the main shareholder of Vilmorin, and we thus declare that the proportion of gross remuneration paid for the function he held specifically for Vilmorin in 2008-2009 was 120 300 Euros, including a variable sum of 17 300 Euros. Total commitments concerning end of career benefits for Mr. Daniel CHÉRON on June 30th 2009 came to 189 400 Euros.

In the same fashion, Mr. Adrian HUIGE, CEO, having been a salaried member of Groupe Limagrain Holding, the gross remuneration paid for the function he held for Vilmorin in fiscal 2008-2009 came to 532 900 Euros, including a variable sum of 400 300 Euros.

Starting in January 2009, Mr. Adrian HUIGE filled his functions through a mandate for which the remuneration for fiscal 2008-2009 was fixed at 102 000 Euros.

▶ Control bodies

Vilmorin's statutory auditors are KPMG Audit, Department of KPMG SA, and Visas 4 Commissariat.

▶ Transactions with related parties

All transactions with related parties, mainly with Groupe Limagrain, are described in note 32 in the notes to the consolidated financial statements on June 30th 2009 and they were pursued during this fiscal year on the same basis as in fiscal 2007-2008.

▶ Program to buy back shares in accordance with article L225-209 of the French Commercial Code

In compliance with the provisions of article L.225-211 of the French Commercial Code, we inform you that in order to stabilize our share value, and as part of the buy-back program approved by the Joint Annual General and Extraordinary Meeting of December 11th 2008, we carried out the following operations over the fiscal year:

Number of shares purchased	136 173
Average purchasing price	84.34 Euros
Number of shares sold	134 386
Average selling price	86.67 Euros

On June 30th 2009, our company held 7 191 treasury shares, corresponding to less than 0.1% of the stock, at a purchasing value of 491 981.77 Euros, which is an average unit price of 68.42 Euros.

On September 30th 2009, our company held 4 369 treasury shares, corresponding to less than 0.1% of the stock.

In order to encourage the liquidity of transactions and a regular quotation for our share value, your Board of Directors proposes that once again you grant authorization, for a maximum duration of 12 months, to manage the company's treasury shares in compliance with the provisions of article L.225-209 and the following articles of the French Commercial Code, in order to:

- insure liquidity and manage the market for shares through a fully independent investment service provider, within the framework of a liquidity contract that complies with regulations as recognized by the Autorité des marchés financiers (AMF: authority governing French markets),

- hand over shares when an investor exercises his or her rights with regard to securities that provide access by whatever means, immediately or when due, to company shares,
- to maintain or hand over shares for purposes of exchange or payment within the context of external growth operations, in compliance with recognized market practices and regulations in force,
- apply any other measures that might be authorized or recognized by law or by the AMF, or set any other objective that complies with regulations in force.

These operations will be conducted in accordance with regulations in force and the following conditions:

- the maximum purchasing price is fixed at 150 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 150 million Euros.

▶ Authorization to make a public issue

During the Joint Annual General and Extraordinary Meeting of December 11th 2008, a number of resolutions were passed authorizing the Board, if appropriate, to issue bonds or other assimilated debt securities, and also to increase the stock by issuing shares, various securities and/or stock purchase warrants with or without pre-emptive rights.

In application of article L.225-100 of the French Commercial Code, we append to this report a summary table of delegations of authority and powers granted by the Annual General Meeting to the Board of Directors.

In order to remain attentive and reactive to the market and any opportunities that may come up with regard to Vilmorin's development projects, we propose to renew all these authorizations in accordance with the provisions set out below.

• Issue of bonds or other assimilated debt securities

We request that you grant full powers to your Board of Directors to take decisions to proceed in one or several operations, whether in France or another country and/or on international markets, in Euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 250 million Euros or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies.

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The Board of Directors may decide that the bonds, or other debt securities, will be of the perpetual floating or limited floating rate type, either for the stock and/or the interest accrued for these securities.

The Board of Directors may proceed with these issues in the limits fixed above, in compliance with legal provisions and with the by-laws, and may also:

- determine the period or periods of issue,
- determine the issue currency and the nominal value of the loan,
- fix the terms and conditions of the bonds and/or debt securities to issue, and in particular their nominal value, their issue price, their fixed and/or variable rates of interest, and the payment dates, their fixed or variable redemption price, with or without premium, and according to market conditions, fix the duration and conditions of amortization for the loan,
- more generally sign any contract documents or agreements with any banks or institutes, make any provisions and fulfill any formalities concerning the issue, the quotation and the financial management of the aforementioned bonds and/or aforementioned debt securities, and constitute the body of bondholders in compliance with legal provisions, and in a general manner, do all that is required.

The Board of Directors will also have full powers to decide, where necessary, to attach a guarantee to the securities issued and, if this is the case, to define and grant this guarantee, and take any measures for this purpose.

• Stock increase through the issue of shares, various securities and/or stock purchase warrants with or without pre-emptive rights

We request that you grant all powers to your Board of Directors to deliberate and then to proceed, in one or several operations, with the issue of shares, various securities and/or stock purchase warrants with or without pre-emptive rights, with any such issue being subject, in particular, to the following conditions and provisions:

- each share issue for the company will bear a maximum nominal value of 250 million Euros, to which will be added, as relevant, the nominal amount of the shares for issue, in order to preserve the rights of the bearers of securities that open up rights to shares, in compliance with the law,
- each issue of securities, other than shares, that provide access to the stock, cannot be higher than 250 million Euros, or than the counter value of this sum in the case of an issue in a foreign currency, or in a monetary value fixed in reference to several currencies,

- in the event of the cancellation of the stock purchase rights, the Board of Directors can grant shareholders a priority duration to subscribe for securities without creating negotiable and transferable rights. For this purpose the Board of Directors will fix the duration and the procedure to follow,
- the issue price for warrants issued alone must, for each share to be created, be such that the sum of this price and the exercise price of each warrant is at least equal to the weighted average of the rate of former shares recorded over the previous three trading sessions before the price is fixed, in certain cases reduced by a maximum discount of 5%.

Moreover, in cases where one of the companies in which your company holds, whether directly or indirectly, more than half the stock, issues securities providing access to your company's stock, the Board of Directors may exercise the authorizations granted to proceed with the issue of these securities.

All the procedures for these delegations are set out in the ordinary and extraordinary draft resolutions (resolutions seven through eleven inclusive) submitted for your approval, and also in the Statutory Auditors' special report.

• Stock increase reserved for employees

We wish to inform you, in compliance with article L.225-129-6 of the French Commercial Code, that when any decision is made to increase the stock, we are obliged to present you with a draft resolution to proceed with a stock increase reserved for employees as part of a company or group savings scheme.

This is the subject of draft resolution twelve as submitted for vote.

Since the provisions laid down by this legislation do not, in our opinion, appear to be suited to the specific situation of our company, on this particular occasion your Board of Directors will not be making any voting recommendations, and each shareholder will freely assess its relevance.

• Delegation of authority with a view to authorizing the issue, by the shareholder who holds more than half the company stock, of securities that provide access to existing shares in the company for a duration of 24 months.

We inform you that we have learned of a project by the company holding more than half the stock of your company, to issue securities for the benefit of one or several investors, giving the right, if exercised, to existing shares in Vilmorin & Cie that the company in question holds.

Clearly, since this shareholder already holds the shares to be granted upon exercise of the securities, neither the issue nor the exercise of these securities would modify the company's capital stock of the company. Consequently, with the exception of this majority shareholder, who may grant certain of its shares to the holders of these securities, and whose stake would therefore decrease proportionately, there would be no dilution effect for Vilmorin's shareholders.

Nevertheless, after exercising all these securities in question, the combined stakes held by this company, and its parent and sister companies, would continue to represent more than half the company's capital stock.

In compliance with article 228-93 of the French Commercial Code, as shareholders in the company whose shares will be sold, you must approve such an issue.

We therefore request that the Annual General Meeting delegate its authority to the Board of Directors for the

duration of 24 months so that it may authorize, when the time for this operation comes round, the issue of these securities. This is the object of the twelfth resolution you will be asked to vote on.

► General provisions

The rules for presentation and the methods of evaluation adopted to set down these documents respect legislation in force on June 30th 2009, and take into account the provisions resulting from the IFRS accounting and evaluation principles as they were adopted by the European Union.

In their reports your Statutory Auditors confirm that they have accomplished their mission.

With the exception of resolution thirteen, your Board of Directors invites you to adopt the ordinary and extraordinary resolutions which it is submitting for your approval.

SUMMARY TABLE OF THE DELEGATIONS OF AUTHORITY AND POWERS GRANTED BY THE ANNUAL GENERAL MEETING OF DECEMBER 11TH 2008 TO THE BOARD OF DIRECTORS WITH REGARD TO CAPITAL STOCK INCREASES

Object of the delegation	Period of validity	Maximum nominal amount	Date and application by the Board of Directors
Delegation of authority with a view to increasing the capital stock immediately or at due date through the issue of ordinary shares and/or securities providing access to the stock or debt securities, with pre-emptive rights maintained	24 months	250 million Euros	Not applied
Delegation of authority with a view to increasing the capital stock immediately or at due date through the issue of ordinary shares and/or securities providing access to the stock or debt securities, pre-emptive rights cancelled	24 months	250 million Euros	Not applied
Approval to use delegations of authority as consented above within the context of a takeover bid or exchanges that concern the securities issued.	12 months	-	Not applied
Global ceiling for all the authorizations above	-	350 million Euros	-
Issue of bonds and other assimilated securities	18 months	250 million Euros	Not applied

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► Mandates of Vilmorin's directors on June 30th 2009

• Chairman of the Board

- Gérard RENARD

- Chairman of the Board:

Clause SA (France), Vilmorin SA (France).

- Chairman of the Board:

Clause Italia Spa (Italy), Clause Spain SA (Spain), Clause Thailand Ltd (Thailand), Harris Moran Seeds Company (USA), Vilmorin Iberica 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 Ré SA (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 KK (Japan), Vilmorin USA Corp (USA).

- Member of the Board Committee:

Sélia SAS (France).

- Member of the Supervisory Board

CNOS Garden Sp. zo. o. (Poland), Vilmorin Luxembourg SA (Luxembourg).

- Member of the Board of Management:

Semillas Limagrain de Chile SARL (Chile).

- Manager:

Vilmorin 1742 SARL.

• CEO

- Adrian HUIGE

- Member du Board of Directors:

Hazera Genetics Ltd (Israel), Limagrain Nederland Holding BV (Netherlands) Vilmorin USA Corp. (USA).

• Members of the Board

- François HEYRAUD

- Chairman of the Board and CEO:

Oxadis SA (France).

- Chairman of the Board of Trustees:

CH Van den Berg BV (Netherlands).

- Chairman of the Supervisory Board:

Cnos Garden (Poland).

- Chairman of the Board:

Suttons Seeds (Holdings) Ltd (United Kingdom).

- Member of the Board:

Clause Italia SPA (Italy), Clause SA (France), Clause Spain SA (Spain), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Harris Moran Seed Company (USA), Maïcentre SCICA (France), Top Green SAS (representative for Vilmorin & Cie) (France), Vilmorin Ibérica SA (Spain), Vilmorin Inc. (USA), 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 SARL (representative for Sélia) (Chile).

- Jean-Yves FOUCAULT

- 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.) (representative for Limagrain) (France), Jacquet Belgium SA (representative for Jacquet S.A) (Belgium), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients SAS (France), Société de Viennoiserie Fine (SDVF) SAS (France).

- Member of the Board:

Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Le Groupement Domagri-Maïcentre GIE (France), Maïcentre SCICA (France), Milcamps SA (representative for Jacquet SA) (Belgium).

- Member of the Board Committee:

Limaclub SAS (France), Sélia SAS (France).

- Member of the Board of Management:

Semillas Limagrain de Chile SARL (Chile).

- Member of the Supervisory Board:

Limagrain Cereales Nederland BV (Netherlands).

- Joël ARNAUD

- Chairman of the Board and CEO:

Limagain Verneuil Holding SA (France).

- Vice-Chairman and Member of the Board:

Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Valgrain (Coopérative Agricole) (representative for Limagrain) (France), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et Val d'Allier (representative for Limagrain) (France).

- Chairman of the Board:

Limagrain Central Europe SE (France), Limagrain Ibérica SA (Spain), Limagrain Italia Spa (Italy).

- Chairman of the Board of Trustees:

Limagrain GmbH (Germany), Limagrain UK (United Kingdom).

- Member of the Board:

Jacquet SA (France), Le Groupement Domagri-Maïcentré GIE (France), Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Maïcentré SCICA (France), Sélia SAS (France), Soltis SA (representative for LVH) (France), Ulice SA (France), Unisigma GIE (France), Vilmorin Luxembourg SA (Luxembourg).

- Member of the Supervisory Board:

Limagrain Nederland Holding BV (Netherlands), Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland BV (Netherlands).

- Member of the Board of Management:

Semillas Limagrain de Chile (representative for GLH) (Chile).

- Philippe AYMARD

- Chairman of the Board and CEO:

Limaclub SAS (France), Maïcentré SCICA (France), Grains Auvergne Innovation (representative for Limagrain) (Union de Coop) (France).

- Chairman of the Board of Management:

Cave Saint Verny SARL (France).

- Chairman of the Supervisory Board:

Eurodur SA (France).

- Member of the Board:

AgReliant Genetics LLC (USA), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Le Groupement Domagri-Maïcentré GIE (France), Limagrain Central Europe SE (France), Limagrain Iberica SA (Spain), Limagrain Italia Spa (Italy), Limagrain Verneuil Holding SA (France), Société Meunière du Centre SA (representative

for Groupe Limagrain Holding) (France), Ulice SA (representative for Limaclub) (France), Limagrain Genetics Inc. (Canada), Vilmorin USA Corp (USA).

- Member of the Board of Trustees:

Limagrain GmbH (Germany), Limagrain UK (United Kingdom).

- Joint Manager and founder:

Dôme 2000 (Civil Partnership) (France).

- Member of the Board Committee:

Limagrain Céréales Ingrédients S.A.S. (France), Sélia SAS (France).

- Member of the Board of Management:

Semillas Limagrain de Chile Ltd (Chile).

- Member of the Supervisory Board:

Limagrain Cereales Nederland BV (Netherlands), LG Nederland Holding BV (Netherlands), Limagrain Nederland BV (Netherlands).

- Pierre PAGESSE

- Chairman of the Board and CEO:

Groupe Limagrain Holding SA (France).

- Chairman:

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

- Chairman of the Board Committee:

Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Sélia (SAS) (France).

- Chairman of the Board:

Cylone Ré SA (Luxembourg), Vilmorin Luxembourg SA (Luxembourg).

- Chairman of the Strategic Committee:

Biogemma SAS.

- Chairman of the Executive Council:

Céréales Vallée (Competitiveness Cluster – non profit-making association) (France).

- Member of the Supervisory Board:

Limagrain Nederland Holding 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 SARL (representative for Limagrain) (Chile).

- Member of the Board Committee:

Limaclub SAS (representative for Limagrain) (France),

- Ex-officio member:

LG Compagnons (Association) (France).

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- Daniel CHÉRON

- General Manager:

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

- CEO:

Groupe Limagrain Holding SA (France).

- Member of the Board:

Cylonie Ré SA (Luxembourg), Genoplante Valor SAS (France).

- Member of the Strategic Committee:

Biogemma SAS (France).

- Chairman delegate:

Céréales Vallée (Competitiveness Cluster – non profit-making association).

- Vice Chairman:

MOMAGRI (non profit-making association).

- Pascal VIGUIER

- 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 (representative for Limagrain) (France).

- Member of the Supervisory Board:

Limagrain Nederland Holding BV (Netherlands), Limagrain Nederland BV (Netherlands).

- Member of the Management Committee:

Sélia SAS (France).

- Member of the Board of Trustees:

Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom).

- Member of the Board of Management:

Semillas Limagrain de Chile SARL (Chile)

- Didier MIRATON

Independent Director

- Non-General Managing Partner of the Michelin group

Consolidated financial statements - Fiscal 2008-2009

► Consolidated income statement

In millions of Euros	Note	08-09	07-08		06-07
			Pro-forma	Disclosure	Disclosure
Revenue from ordinary activities	5	1 001.7	1 018.0	896.8	938.5
Cost of goods sold		- 548.8	- 556.9	- 487.4	- 523.8
Marketing and sales costs		- 155.1	- 152.6	- 126.4	- 150.8
Research and development costs	8	- 83.8	- 75.2	- 75.2	- 76.9
Administrative and general costs		- 108.9	- 94.4	- 89.0	- 106.5
Other income and operating charges	9	2.8	- 11.3	- 3.6	14.5
Operating income		107.9	127.6	115.2	95.0
Interest costs	10	- 26.2	- 24.3	- 23.2	- 21.7
Other financial profits and costs	11	- 0.4	- 6.7	- 6.9	1.9
Profit from associated companies	18	- 1.1	1.7	1.7	- 0.7
Income taxes	12	- 20.0	- 22.9	- 19.2	- 17.2
Profit from continuing operations		60.2	75.4	67.6	57.3
Profit from discontinued operations	3	-	- 24.3	- 16.5	-
Net income for the period		60.2	51.1	51.1	57.3
<i>Of which Group share</i>		53.0	44.3	44.3	54.8
<i>Of which Minority share</i>		7.2	6.8	6.8	2.5
Earnings from continuing operations per share - group share	13	3.96	5.12	4.55	4.1
Earnings from discontinued operations per share - group share	13	-	- 1.81	- 1.24	-
Earnings for the period per share - group share	13	3.96	3.31	3.31	4.1
Diluted earnings from continuing operations per share - group share	13	4.12	4.81	4.28	N/A
Diluted earnings from discontinued operations per share - group share	13	-	- 1.69	- 1.16	N/A
Diluted earnings for the period per share - group share	13	4.12	3.12	3.12	N/A

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► Consolidated balance sheet - Assets

In millions of Euros	Note	06.30.09	06.30.08	06.30.07
Goodwill	14	279.0	271.0	275.9
Other intangible fixed assets	15	420.7	393.6	385.2
Tangible fixed assets	16	160.6	131.9	134.5
Financial fixed assets	17	28.1	32.3	24.5
Equity shares	18	42.3	30.4	9.3
Deferred taxes	25	13.0	9.6	13.9
Total assets less current liabilities		943.7	868.8	843.3
Inventories	19	257.4	198.8	259.0
Trade receivables and other receivables	20	414.8	385.0	379.3
Cash and cash equivalents	21	251.9	259.9	150.6
Total current assets		924.1	843.7	788.9
Assets classified as held for sale	3	-	71.7	-
Total assets		1 867.8	1 784.2	1 632.2

► Consolidated balance sheet – Liabilities

In millions of Euros	Note	06.30.09	06.30.08	06.30.07
Share capital	22	204.2	204.2	204.2
Reserves and income – group share	22	433.3	411.1	404.2
Equity – group share	22	637.5	615.3	608.4
Minority interests	23	116.3	123.8	97.2
Consolidated equity		753.8	739.1	705.6
Provisions for employee benefits	24	18.9	17.5	23.6
Non-current financial debts	27	358.2	348.6	322.6
Deferred income taxes	25	82.6	81.7	84.0
Total non-current liabilities		459.7	447.8	430.2
Other provisions	26	19.3	25.1	19.9
Accounts payable	28	338.9	279.7	296.7
Deferred income	29	24.7	5.1	6.5
Current financial debts	27	271.4	234.6	173.3
Total current liabilities		654.3	544.5	496.4
Liabilities classified as held for sale	3	-	52.8	-
Total liabilities		1 867.8	1 784.2	1 632.2

► Consolidated cash flow statement

In millions of Euros	06.30.09	06.30.08	06.30.07
1 - Trading operations			
Income for the year	60.2	51.1	57.3
Results of companies consolidated under equity method after dividends	1.5	- 1.7	0.7
Depreciation and amortization	98.9	77.9	80.3
Net non-current provisions		9.4	- 15.9
Variation in deferred taxes	3.8	- 6.8	- 3.5
Income from capital operations ⁽¹⁾	- 2.6	30.0	- 10.5
Losses and profits on the disposal of financial assets		- 0.5	- 0.2
Cash flow	151.9	159.4	108.2
<i>Of which cash flow for discontinued operations</i>	-	11.2	-
Dividends received on equity securities	- 0.7	-	-
Variation in working capital needs with comparable scope			
Inventories	- 38.5	31.5	15.9
Trade debts	7.9	- 50.3	- 21.9
Short-term debts	35.5	26.0	8.9
Cash from operating activities	156.1	166.6	111.1
<i>Of which cash flow from discontinued operations</i>	-	10.6	-
2 - Investment operations			
Sale of fixed assets	5.0	4.7	21.5
Acquisition of fixed assets			
Intangible fixed assets	- 105.3	- 83.7	- 75.0
Tangible fixed assets	- 38.9	- 25.9	- 28.5
Financial fixed assets	- 14.8	- 52.6	- 50.1
Variation in other financial fixed assets	3.8	- 10.4	12.4
Cash flow acquired through scope entries ⁽²⁾	-	2.4	77.5
Cash flow conceded through cash exits	-	- 0.4	- 0.2
Variation in financial fixed assets	-	-	21.9
Net increase/decrease in cash and cash equivalents	- 5.4	9.3	0.1
Cash flows from investing activities	- 155.6	- 156.6	- 20.4
<i>Of which investment cash flows used by discontinued operations</i>	-	- 1.4	-
3 - Cash flows from financing activities			
Increase/decrease in equity ⁽³⁾	0.1	11.0	-
Increase/decrease in financial liabilities ⁽⁴⁾	16.5	117.0	- 10.2
Others	-	-	- 0.4
Dividends received on non consolidated participations	0.7	1.4	0.3
Dividends paid out	- 24.2	- 22.8	- 21.7
Cash flows from financing operations	- 6.9	106.6	- 32.0
<i>Of which investment cash flows used by discontinued operations</i>	-	- 10.0	-
4 - Net effect of currency translation	- 3.3	- 5.6	- 0.2
<i>Of which financing cash flows from discontinued operations</i>	-	- 0.1	-
5 - Net increase/decrease in cash and cash equivalents	- 9.7	111.0	58.5
6 - Cash and cash equivalents at beginning of period	261.6	150.6	92.1
<i>Of which investment cash flows used by discontinued operations</i>	-	2.6	-
7 - Cash and cash equivalents at end of period	251.9	261.6	150.6
<i>Of which cash at end of period for discontinued activities</i>	-	1.7	-

⁽¹⁾ On June 30th 2008: restatement of Flora-Frey securities and current accounts.⁽²⁾ On June 30th 2007: integration of the field seeds activity.⁽³⁾ On June 30th 2008: restatement of OCEANE convertible bonds (cf. Note 22).⁽⁴⁾ On June 30th 2009:

Increase in non-current financial debts	47.8
Repayment of non-current financial debts	- 3.6
Net increase/decrease in current financial debts	- 27.7
	16.5

On June 30th 2008: the increase in non-current financial debts is mainly due to the issue of OCEANE convertible bonds.

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► Variation in consolidated equity

In millions of Euros	Group share					Minority interests	Total
	Capital	Premium	Income and other reserves	Currency translation reserves	Total		
06.30.07	204.2	210.9	204.4	- 11.1	608.4	97.2	705.6
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
Total gains and losses for the fiscal year	-	-	44.0	- 15.6	28.4	5.0	33.4
Variation in 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 the share capital of the parent company	-	-	-	-	-	-	-
Variation in the share capital of the subsidiaries	-	-	-	-	-	11.0	11.0
Restatement of the OCEANE convertibles	-	-	-	-	-	11.3	11.3
Others	-	-	0.8	-	0.8	- 0.8	-
06.30.08	204.2	210.9	226.9	- 26.7	615.3	123.8	739.1
Currency translation	-	-	-	4.0	4.0	0.1	4.1
Gains and losses recorded directly in equity	-	-	- 23.1	-	- 23.1	- 1.7	- 24.8
Net income	-	-	53.0	-	53.0	7.2	60.2
Total gains and losses for the fiscal year	-	-	29.9	4.0	33.9	5.6	39.5
Variation in treasury shares	-	-	- 0.3	-	- 0.3	-	- 0.3
Dividends paid out	-	-	- 22.3	-	- 22.3	- 1.9	- 24.2
Variations in scope	-	-	-	-	-	0.1	0.1
Effect of share purchase commitments	-	-	-	-	-	-	-
Variation in the share capital of the parent company	-	-	-	-	-	-	-
Variation in the share capital of the subsidiaries	-	-	-	-	-	-	-
Restatement	-	-	14.7	- 3.4	11.3	- 11.3	-
Others	-	-	- 0.4	-	- 0.4	-	- 0.4
06.30.09	204.2	210.9	248.5	- 26.1	637.5	116.3	753.8

► Details of the gains and losses for the fiscal year

In millions of Euros	08-09	07-08
Currency fluctuations	4.1	- 17.2
Variation in the fair value of assets available for sale	-	-
Variation in the fair value of financial instruments	- 8.4	0.4
Change in method ⁽¹⁾	- 16.6	-
Others	0.2	- 0.9
Net profit recorded directly in equity	- 20.7	- 17.7
Income for the period	60.2	51.1
Total of income and charges for the period	39.5	33.4
<i>Including:</i>		
<i>group share</i>	33.9	28.4
<i>minorities share</i>	5.6	5.0

⁽¹⁾ Mainly concerns tax relief for research (cf. Notes 12 and 29)

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► 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

These financial statements present the consolidated accounts on June 30th 2009 in accordance with the international accounting standards (IFRS standards) published by the International Accounting Standards Board (IASB) and with the interpretations of the IFRS published by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as applied by the European Union (website: <http://ec.europa.eu>) on that date.

The consolidated financial statements were closed by the Board of Directors on October 2nd 2009.

2 - Basis of evaluation used to establish the consolidated financial statements

The consolidated financial statements have been established using the historical cost convention, with the exception of certain categories of assets and liabilities, in compliance with IFRS rules. The categories concerned are mentioned in the following notes.

3 - The use of estimated

In order to establish its financial statements, the Executive Committee of Vilmorin must carry out a number of estimates and hypotheses that affect the book value of the assets and liabilities, the income and the charges, and also the information provided in notes.

The Executive Committee of Vilmorin carries out these estimates and assessments on an ongoing basis, taking into account its experience and various other factors deemed to be reasonable that form the basis of these assessments.

The figures appearing in future financial statements are liable to differ from these estimates, depending on the evolution of these hypotheses or different conditions.

The main significant estimates made by the Executive Committee of Vilmorin in particular concern the evolution of commitments to employees, goodwill, other intangible fixed assets and provisions.

4 - Accounting treatment adopted in the absence of an IFRS standard or IFRIC interpretation with regard to certain operations

In the absence of an IFRS standard or IFRIC interpretation, Vilmorin has chosen to adopt the following accounting treatment, pending any possible standards or interpretations to come.

4.1 - Accounting of put options granted to certain minority shareholders

Vilmorin has granted to the minority shareholders of certain of its subsidiaries consolidated by global integration commitments to buy back their minority stakes. These commitments may take the form of a put option or a firm commitment to buy the stakes at a pre-fixed date.

In IFRS standards, until there is a specific IFRIC interpretation or IFRS standard, the following accounting treatment has provisionally been adopted:

- At initial recording in the accounts, the commitment to buy back a minority stake is recorded as a financial debt at the discounted value of the price of the option or firm commitment to buy back the stake, in return for the minority interests, and for the balance, for the consolidated goodwill.
- Any ultimate variation in the value of the commitment is recorded to adjust for the total consolidated goodwill.
- Where necessary, when the commitment and its subsequent variations are first recorded in the accounts, the anticipated loss on the acquisition cost is recorded in "Variation in commitments to buy back minority stakes".
- When the commitment reaches maturity, if there is no acquisition, previous recordings are cancelled. If the acquisition materializes, the amount recorded as a financial debt is cancelled out by the disbursement for the acquisition of the minority stake.

4.2 - Acquisition of minority interests in companies consolidated by global integration

When minority interests concerning companies controlled by Vilmorin are acquired, any assets, liabilities and potential liabilities of the company are recorded at their fair value within twelve months and retroactively to the acquisition date. Any surplus between the acquisition cost and the proportion of the purchaser in the fair values of the assets, liabilities and potential liabilities is recorded as goodwill. Any negative difference is recognized through the exercise of complementary acquisition.

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4.3 - Security exchange operations

Treatment of security exchange operations is not dealt with by IFRS standards. In the absence of a reference, Vilmorin has treated this type of operation in equity.

4.4 - Application and interpretation of standards and regulations

New standards, interpretations and amendments to existing standards, adopted by the European Union and applicable to accounting periods opening as of July 1st 2008 or subsequently (refer to the details hereafter), have not been adopted in anticipation by Vilmorin:

- IAS 1R: Presentation of financial statements,
- IFRIC 12: Service concession arrangements,
- IFRIC 13: Customer loyalty programs,
- IFRS 8: Operating segments,
- IAS 23 R: Borrowing costs,
- IFRIC 14: The limit on a defined benefit asset, minimum funding requirements and their interaction,
- IFRS 2 amendment: Vesting conditions and cancellations
- IAS 32 and IAS 1 amendment: Puttable financial instruments and obligations arising on liquidation,
- IFRS 1 and IAS 27 amendment: Cost of an investment in a subsidiary, jointly controlled entity or associate,
- IFRS 3 and IAS 27R: Business combinations.

5 - Consolidation methods (IAS 27 - 28 - 31)

The following rules have been applied:

- A subsidiary is an entity controlled by the company. Controlled subsidiaries are consolidated using global integration.

Control is defined as when the company holds the power to govern, whether directly or indirectly, the financial and operating policies of the entity, in order to obtain advantages from its business.

The criteria used to appreciate whether control exists are as follows:

- either direct or indirect holding of the majority of voting rights, including potential voting rights which can currently be exercised or converted,
- or the appointment over two successive fiscal years of the majority of the members of the board of directors or equivalent governing body, the management or supervision,
- or the possibility of exerting dominant influence in the sense of the principles presented by the standard IAS 27 in paragraph 13.

The financial statements of the subsidiaries are included in the consolidated financial statements as from the date when this control is obtained right up until the date when this control ends.

- Companies controlled jointly, as the result of a contractual agreement, with a limited number of partners, are consolidated by proportional integration: the consolidated financial statements include Vilmorin's proportion of the assets, liabilities, income and charges grouped together, line by line, with the similar elements of the financial statements, as of the date when the joint control starts right up until the date when it ends.

Associated companies in which Vilmorin exerts significant influence, which is presumed to be the case when the voting rights are higher than 20%, are consolidated using the equity method. Consolidated financial statements include Vilmorin's proportion in the total amount of profits and losses accounted for by the associated companies (equity method), as of the date when significant influence is first exerted right up until the date it ends. If Vilmorin's proportion in a company's losses is higher than its stake in this company, the book value of the shares integrated using the equity method is recorded as zero, and Vilmorin no longer accounts for its proportion of losses to come, unless Vilmorin has a legal or implicit obligation to participate in the losses or make payments on behalf of the associated company.

- All internal transactions are eliminated in consolidation, particularly:
 - reciprocal transactions and accounts,
 - dividends paid out between consolidated companies,
 - provisions and write-back of amortization on consolidated securities,
 - internal margins on inventory,
 - capital gains or losses on internal transfers or sales.

6 - Business combinations (IFRS 3)

The way business combinations are recorded in accounts depends on the acquisition method. Thus, for the first consolidation of a controlled company, the assets, liabilities and potential liabilities of the acquired company are assessed at their fair value in compliance with the provisions presented in the IFRS standards. Positive or negative goodwill appearing at this time is accounted for in the assets and liabilities concerned, including for minority shares, and not just for the proportion of acquired securities. The difference between acquisition cost and the proportion of net assets evaluated at their fair value is accounted for as positive or negative "goodwill".

Negative goodwill that results from acquisitions is recorded directly as income for the fiscal year when the acquisition was materialized.

7-Segment information

Segment information is presented on the basis of the internal organization of Vilmorin that reflects the risk level for profitability to which it is exposed.

The first level of segment information, as defined by IAS 14, is organized according to business segments.

The breakdown adopted by Vilmorin for the different business segments is as follows:

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

The second level of segment information, as defined by IAS 14, is organized according to geographical area:

- Europe.
- Americas.
- Asia and Oceania (grouped together to fit in with operations monitoring).
- Africa and Middle East (grouped together to fit in with operations monitoring).

8- Converting statements expressed in foreign currencies (IAS 21)

Vilmorin's financial statements are presented in Euros.

Balance sheets of companies whose functional currency is not the euro are converted into Euros at the exchange rate in force at close, and their income statements and cash flows at exchange rates as close as possible to the transaction dates.

Resulting translation differences are recorded in the equity on the line “Currency translations” and on the line “Minority interests” for the minorities share.

Goodwill and adjustments in fair value originating in the acquisition of a foreign entity are considered as the assets and liabilities of the foreign entity. They are therefore expressed in the functional currency of the entity and translated at the closing rate for the year.

9- Translation of transactions expressed in foreign currencies

At the end of the fiscal year, monetary assets and liabilities expressed in foreign currencies are translated at the exchange rate in force at the closing rate for the year. The resulting exchange differences are recorded in the income statement (in “Other income and operating charges”).

Translation differences for financial instruments expressed in foreign currencies and corresponding to net forward investment in a foreign subsidiary are recorded in equity in the line “Currency translation”. They are recorded in the income statement when the activity is taken out of the foreign country.

For a foreign exchange hedge to be eligible for hedge accounting (cash flows or fair value), the hedge relation needs to be defined and documented, and its efficiency demonstrated throughout its lifespan. Fair value hedges can be used for protection against variations in the value of assets, liabilities or firm commitments. Future flow hedges are used for protection against variations in the value of future cash flows (turnover generated by the company's assets for example).

Derivatives are assessed at their fair value. Variations in the fair value of these instruments are dealt with in the follow ways:

- Fair value variations for instruments eligible for cash flow hedges are recorded in two places: directly in the equity for the efficient part of the hedge and in the financial income for the inefficient part.
- Fair value variations for instruments eligible for fair value hedges are recorded in the income where they compensate for variations in the fair value of assets, liabilities or firm covered commitments.

10- Other intangible fixed assets (IAS 38)

Other intangible fixed assets are recorded at acquisition cost, and other intangible fixed assets created internally are recorded at cost value.

When their duration of use is defined, intangible assets are amortized over their expected duration of use by Vilmorin. This duration is determined for each individual case depending on the nature of the items included in this line.

When their duration of use is undefined, intangible fixed assets are not amortized, but they are submitted to systematic annual value loss tests.

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Consequently, intangible fixed assets with a defined duration of use are valued at cost price less amortization and any loss of value, whereas intangible fixed assets with an undefined duration of use are valued at cost price less the aggregate of losses in value.

The main categories of other intangible fixed assets at Vilmorin are as follows:

10.1 - Development costs

Development costs are recorded as intangible fixed assets when the activation conditions meet all five of the following conditions:

- The projects are clearly identified and the costs concerned are treated individually and are evaluated in a reliable manner.
- Technical feasibility of the projects is shown.
- There is both an intention and capacity to see the projects through to the end.
- There is a potential market for the production generated by these projects, or their internal utility has been demonstrated.
- The resources necessary to run the projects right up to their conclusion are available.

Vilmorin considers that it is capable of satisfying these conditions as described above. As a consequence, its development projects are recorded as fixed assets in the following conditions:

Nature and contents of the projects recorded as fixed assets

Projects recorded as fixed assets correspond to work leading to the development of new products, or to industrial processes relative to Vilmorin's business.

The business field concerned is that of Vilmorin's seed activities.

Work taken into account when costing development projects recorded as fixed assets include, in particular:

- Plant improvement as such, and particularly conventional breeding, genome analysis work on species the company does research into, molecular marking and routine laboratory work used by breeders.
- Trials, tests and experiments, the production of seeds at a pilot stage, registration fees, homologation fees or fees to maintain rights on products being launched.
- The development of new technologies that aim to improve the performance of seeds such as: coating, pelleting, priming, etc.

- Intellectual property activities connected to the registration of patents, Soleau envelopes, Proprietary Variety Certificates, freedom to operate studies, etc.
- The development of new processes or industrial pilots for the transformation of plant-based raw materials or more elaborate products, including food and ingredients.

Work done before the above-described process is not taken into account in the definition of development costs (for example: transgenesis, or the search for new genetic resources).

Moreover, only the charges that can be directly allocated to the programs concerned can be included in the calculation of the cost of projects recorded as fixed assets.

Development programs recorded as fixed assets are amortized using the straight-line method over a five-year period as of the first year.

10.2 - Goodwill

Goodwill represents the difference between the acquisition price of consolidated securities (plus any additional costs) and the share of Vilmorin in the fair value of their assets, liabilities and any potential liabilities that can be identified on the date of the purchase of the participation.

This goodwill is not amortized in accordance with IFRS 3 "Business Combinations".

Goodwill is subject to a value loss test at least once every year. The methodology adopted is described hereafter in Note 1.24. Any impairment recorded is irreversible.

Goodwill concerning companies consolidated under the equity method is recorded in "Equity shares". If the criteria for loss of value as defined by IAS 39 come into play, the amount of the loss is determined according to the rules defined by IAS 36.

10.3 - Brands, patents, licenses

The cost of assets corresponds to:

- The purchasing price plus any cost that can be directly shown to be due to the preparation of the asset for its planned use, for assets acquired separately.
- The fair price, at acquisition date, for any assets acquired through business combinations.

Any amortization should be linear.

a. Brands

Their economic life span is considered to be indefinite and consequently brands are not amortized.

The classification of a brand as an asset with an unlimited life results, in particular, from the following indicators:

- Positioning of the brand on its market in terms of volume of business and image.
- Long-term perspectives for profitability.
- Risk factor with regard to one-off accidents.
- Major event occurring in the business sector, likely to leave its mark on the future of the brand.
- Age of the brand.
- Regular expenses on advertising and promotion.

They are regularly assessed and tested using defined Cash Generating Units (CGUs).

b. Patents

The duration of use of patents corresponds to their legal duration of protection.

c. Licenses

The duration of use of licenses corresponds to the period during which they can be used by contract.

d. Software

Depending on the field of application of the software, and taking technological obsolescence into account, the economic life varies from three to seven years.

For certain specific needs, Vilmorin sometimes develops its own software applications. In such cases, the costs considered for recording them as fixed assets include:

- The costs of materials and services used.
- Salaries and other labor costs directly involved in the production of these assets.

10.4 - Germplasm

Germplasm comprises all the plant material used to breed new varieties of seeds. It constitutes a genetic pool used for the identification and use of different genes necessary for plant breeding (e.g. agronomic interest, disease resistance, tolerance to drought, greater yield, improvement of nutritive qualities, etc.). Generally it is acquired through business combinations and is evaluated at fair price on the day of acquisition.

Bearing in mind that it needs to be kept permanently in good condition, regularly maintained and continually used in the process of plant breeding, Vilmorin considers

that its economic life is indefinite. Consequently these assets are not depreciated.

They are regularly assessed and tested using the defined Cash Generating Units (CGUs).

11 - Tangible fixed assets (IAS 16)

Tangible fixed assets are recorded at their acquisition cost or, where appropriate, their production cost less impairment and loss of value.

11.1 - Loan interests

In compliance with standards IAS 16 and IAS 23, interests on loans taken out for purposes of construction and the acquisition of tangible assets are incorporated into the cost of the assets unless they fail to meet the criteria listed in paragraph 12 of ISA standard 23.

11.2 - Components approach

The different components of a tangible fixed asset are recorded separately when their estimated duration of use and therefore their impairment durations are significantly different.

11.3 - Depreciation**a. Basis for depreciation**

Bearing in mind their specific nature, most of Vilmorin's industrial assets, are intended to be used until the end of their life span, and as a general rule, it is not envisaged that they should be sold, which justifies the fact that there is no residual value for these fixed assets.

b. Depreciation method

The depreciation method adopted by Vilmorin is the straight-line method.

c. Duration of depreciation

Depreciation is calculated according to the estimated durations of use for the following assets, reviewed every year:

- Land: not depreciated.
- Landscaping: 10 to 20 years.
- Constructions: 10 to 40 years⁽¹⁾.
- Specialized complex installations: 5 to 10 years.
- Machines, industrial equipment: 3 to 10 years.
- Office equipment: 3 to 10 years.
- Other tangible fixed assets: 3 to 10 years.

⁽¹⁾ 10 to 20 years for light constructions, 20 to 40 years for more robust constructions

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d. Presentation on the income statement

Amortization and depreciation are recorded in the income statement in accordance with the purpose of the fixed asset (cost of sales, commercial expenses, research costs, overheads and administrative costs, etc.).

11.4 - Impairment tests

As part of the Cash Generating Units (CGU), tangible fixed assets are liable to be tested for loss of value if the circumstances so require.

A CGU is the smallest identifiable group of assets that generates cash entries clearly independent of cash entries generated by other assets or groups of assets.

This test has been implemented at Vilmorin, and is carried out in accordance with the rule explained in paragraph 1.24 hereafter.

12 - Lease agreements (IAS 17)

12.1 - Financial lease agreements

Goods acquired through financial lease agreements are recorded as fixed assets when the lease agreement transfers almost all the risks and rewards incident to ownership of these goods. Criteria used to assess these agreements are based, in particular, on:

- the relationship between the lease term for the assets and their life duration,
- the minimum total amount paid in the future compared with the fair value of the fixed asset being funded,
- the existence of transfer of property at the end of the lease agreement,
- the existence of a favorable purchase option,
- the specific nature of the asset being leased.

Assets held by virtue of lease contracts are depreciated over the same duration as similar freehold assets.

Goods acquired through lease agreements are recorded as tangible fixed assets at the lowest amount of the fair value, or the current value of minimum payments at the date of the beginning of the agreement, and the loans are recorded as liabilities.

12.2 - Simple rental agreements

Rental agreements that do not have the characteristics of a financial lease agreement are recorded as operating rental contracts and only the installments paid are recorded in the income statement.

13 - Inventories and production in progress

Inventories and production in progress are evaluated at their lowest cost and their net realizable value.

Costs are generally calculated according to the method of weighted average cost; they include an appropriate proportion of overheads based on the normal production capacity, but excluding financial charges and any costs of a drop in activity.

The net realizable value is the estimated selling price in the normal course of business less the estimated costs necessary to achieve the sale.

Where relevant impairment is recorded, it is generally intended to cover the following risks:

- realizable value lower than market price,
- adjustment according to sales perspectives,
- bad product quality (mainly poor germination and problems of sanitary quality).

14 - Trade receivables

Receivables are valued at their fair value at their initial evaluation, and then at their amortized cost after any later evaluations. Impairment is recorded when the recoverable amount is lower than the book value.

15 - Treasury shares

Treasury shares are recorded at their cost of acquisition less equity. Income from the sale of these shares is recorded directly as equity, and does not contribute to the profit for the fiscal year.

16 - Employee benefits (IAS 19)

In accordance with the laws and practices of each country in which it operates, Vilmorin participates in various pension, early retirement and post-employment benefit schemes.

16.1 - Defined contribution plans

For basic plans and other plans with defined contributions, the contributions payable are recorded as charges for the fiscal year in which they are due, and no provision is made, since Vilmorin is only committed within the limit of the contributions paid.

16.2 - Defined benefit plans

For such plans, Vilmorin records provisions which are determined as follows:

- The method used is that known as "Projected Unit Credits" which stipulates that each period of employment triggers a benefit right unit. Each of these units is assessed separately in order to obtain the final obligation.

Calculations include hypotheses on mortality, staff turnover and a prediction of future salaries.

A readjustment rate based on the average duration of this commitment is applied. These evaluations are made once every year for all the plans.

- Actuarial gains and losses for commitments or the financial assets of the plan are generated by changes in hypotheses or experience differences (differences between what was planned and what actually happened).
- These differences are recorded in the income statement using the "corridor" method. Thus only actuarial gains and losses that exceed 10% of the defined benefit obligation or the fair value of plan assets, whichever is greater, are recorded. They are amortized over the remaining average service period of the employees concerned by the plan.

External funds can be called up to cover pension commitments, including the unrecognized part of the actuarial gains and losses because of their deferment. It may therefore be the case that financial assets exceed the estimated commitments thus generating the recognition of a financial asset in the balance sheet. Recognition of this asset is nevertheless limited to the aggregate:

- of net actuarial losses and the cost of the unrecognized past service period,
- and the adjusted value of the economic value of benefits that come from reimbursements for the plan or an expected reduction in future contributions.

16.3 - Other long-term subsequent benefits

Provisions are made for certain other long-term benefits which are determined using an actuarial calculation that is comparable to that used for pension provisions.

For Vilmorin these benefits mainly correspond to bonuses that accompany "work medals" for long service and lump sums paid at retirement, and concern almost exclusively the French companies.

16.4 - Presentation on the balance sheet and the income statement

The total amount of provisions calculated for employee benefits appears on the balance sheet in the line "Provisions for employee benefits" because of their long-term nature.

In the income statement the charge representing the evolution of these commitments is recorded in the operating result.

17 - Provisions (IAS 37)

17.1 - General principle

IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" defines the rules applicable to provisions.

It is mandatory to record a provision in cases where:

- It is intended to meet a current, legal or implicit obligation.
- This obligation exists at the date of the close of the fiscal year.
- It is probable or certain that settlement will lead to an outflow of resources to a third party.
- A reliable evaluation of the provision can be made.

These provisions are estimated taking into account the most probable hypotheses at the closing date of the accounts.

17.2 - Application to Vilmorin

Within the normal conditions of its business Vilmorin is subject to various risks (commercial litigation, reorganization, fiscal litigation, social litigation, etc.). It applies the following rules:

a. Provisions for reorganization

Provisions for the cost of reorganization programs are made in full during the fiscal year in which an irreversible obligation for Vilmorin arises with regard to third parties. This obligation is the result of a decision taken by the invested management authority and materialized before the end of the closing date by informing the third parties concerned.

The amount of the provision mainly includes the following costs:

- severance pay,
- early retirement benefits,
- unworked period between notice given and termination of contract,
- training of employees laid off.
- other costs linked to the closing of sites.

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Disposal of fixed assets, impairment of inventories and other assets that are the direct result of reorganization costs are also recorded in the reorganization costs.

b. Provisions for litigation (commercial, fiscal, intellectual property, etc.)

These litigations are assessed individually and/or on the basis of a statistical estimate of the litigations observed for similar cases bearing in mind what is known at the end of the fiscal year.

Moreover, in order to ensure better management control of certain specific risks (in particular contractual responsibility, litigation concerning intellectual property and also certain risks with regard to damages), Vilmorin has set up a captive reinsurance company. This company sets out provisions in accordance with the general rules presented above.

c. Presentation in the accounts

Except in particular justified cases, provisions are presented in the balance sheet in the current liabilities.

18 - Government grants (IAS 20)

In compliance with IAS 20, Vilmorin records government grants in the balance sheet on the line "Deferred income" and includes them in the income for the useful life of the assets for which they were received.

Government grants received for fixed assets that cannot be depreciated (land) are directly recorded in income for the fiscal year, when they cannot be linked to an asset that is depreciated. If they can be linked to a depreciated asset, they are depreciated at the same rhythm as this asset.

19 - Deferred taxes (IAS 12)

In compliance with IAS 12, deferred taxes are calculated for all temporary differences (except for goodwill) between the tax base and the book value of the assets and liabilities. The main items taken into account for this purpose concern:

- consolidation restatement showing a divergence between book value and tax base (special tax exemption, lease agreements, margins on inventory, income from sales of inter-group fixed assets, retirement benefits, etc.),
- recognized evaluation differences in the case of business combinations to the extent they concern clearly identified and controlled assets,
- the differences between the book value and the tax base for certain assets based on favorable fiscal systems such as the provisions for mergers in France.

The balance sheet approach to the variable carry forward method is applied and the effects of taxable rate modifications are recorded in the income for the fiscal year during which the change in rate is fixed, as long as these tax modifications have no effect on the deferred taxes that had been recorded directly in equity.

Deferred tax assets are recorded in the balance sheet to the extent that it is probable that they can be recovered in later years. Assessment of the capacity of Vilmorin to recover these assets in particular depends on the following criteria:

- future forecasts of fiscal results,
- the share of exceptional charges must not be renewed in the future and included in past losses,
- the net liabilities position can, in certain circumstances, be reduced in accordance with tax deficits carried forward reasonably recordable in consideration.

With respect to IAS 12, deferred tax assets and liabilities are not readjusted. Depending on the case, they are presented in the balance sheet as non-current assets or liabilities.

20 - Accounts payable

Debts that concern the normal operating cycle are recorded on the line "Accounts payable" for the fair value fixed at the initial evaluation and then adjusted for the cost of depreciation/amortization for subsequent evaluations.

21 - Financial instruments (IAS 32 and IAS 39)

21.1 - Equity securities and other non-current financial assets

In compliance with IAS 39 "Financial instruments", the participation securities in unconsolidated companies are considered to be available for sale and are therefore recorded at their fair value which is determined in the following conditions:

- for listed securities, the fair value corresponds to the stock market value,
- for other securities whose fair value in general cannot be determined reliably, the securities are recorded at cost price less any losses in value.

Variations in fair value are recorded directly in equity. If there is an objective indication of impairment of the financial asset concerned, an irreversible impairment is recorded in income. Write-back of the provision in the income will only come into play when the securities are sold.

Loans are recorded at amortized cost price. They can be amortized if there is an objective indication of any loss in value. Any impairment corresponding to the difference between the book value and the recoverable amount is recorded in the income, and is reversible if evolution is favorable in the future.

In cases where loans, advance payments or other medium- or long-term receivables do not receive interest, or if the interest rate is lower than market rates, the assets are adjusted in accordance with the real interest rate.

At each close, an examination of the portfolio of unconsolidated securities and other financial assets is made in order to assess the objective indications of a loss in value of these assets. Where necessary, any impairment is recorded in the accounts.

21.2 - Accounts receivable

Medium- or long-term receivables that do not receive interest are adjusted in the conditions described above in Note 1 paragraph 21.1 above.

21.3 - Recording financial assets and derivatives

Vilmorin applies the following principles:

a. Derivatives

Vilmorin uses derivatives to cover its exposure to risks in the variation of interest rates, resulting from its current activity and its funding. Derivatives are assessed at their fair value.

In compliance with the provisions of IAS 39, variations in the fair value of these instruments are recorded as follows:

- Variations in the fair value of instruments eligible for the cover of future flows are recorded directly in equity for their efficient part of the cover, and in financial income for their inefficient part.
- Variations in the fair value of instruments eligible for the cover of fair value are recorded in income where they compensate for the variations in fair value of the assets, liabilities or firm commitments covered.

b. Conditional advance payments

Conditional advance payments appear in accordance with IFRS principles on the line "Deferred income". They are included in the income if the funded programs concerned fail.

c. Loan issue costs

Costs incurred by the issue of loans are, in accordance with IAS 39, recorded at the book value of the loans concerned.

These costs are recorded as charges for the full duration of the loan using the effective interest rate method.

21.4 - Financial debts – compound instruments

Certain financial instruments include both a financial debt component and an equity component.

In order to respect IAS 32, the different components of these instruments are recorded in equity and financial debts in respective proportions.

The component classified as financial debts is evaluated on date of issue. It corresponds to the future agreed cash flow value adjusted to the market rate of a similar instrument with the same conditions, but without an option of conversion or redemption as shares.

22 - Accounts payable

In cases of deferred interest-free payment greater than one year, rules for adjustment are applied in compliance with the principles presented above in Note 1 paragraph 21.

23 - Cash and cash equivalents - investment securities

23.1 - Cash and cash equivalents

In accordance with IAS 7 "Cash flow statement", the line "Cash and cash equivalents" appearing in the balance sheet includes:

- cash and bank in hand,
- short term investments that are liquid and easily convertible into a determinable amount of cash with negligible risk and variation in value,
- current accounts recoverable at short notice.

Investments at more than three months without the possibility of an anticipated exit, and bank accounts carrying restrictions (blocked accounts) are excluded from cash flow. Overdrafts assimilated to funding instruments are also excluded from cash flow.

23.2 - Investment securities

In compliance with IAS 39 "Financial instruments", investment securities are evaluated at their fair value. No investment is analyzed as being held until its due date.

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The manner in which investment securities are recorded in accounts depends on the aim of the operations:

- For investments held for purposes of transaction, variations in fair value are systematically recorded in income.
- For investments available for sale, variations in fair value are recorded directly in the equity, or in the income where there is an objective indication of impairment that is greater than the temporary impairment of the security concerned.

24 - Amortization/Depreciation of intangible and tangible assets

The book values of Vilmorin's intangible and tangible assets are examined at the close of each fiscal year in order to assess whether there is any indication that an asset has lost value. If there are any such indications, the recoverable amount of the asset is assessed (using the method described hereafter).

For goodwill, intangible fixed assets with an undefined useful life, or intangible fixed assets which are not yet ready to be put into service, the recoverable amount is assessed at least once per year.

A loss in value is recorded if the book value of an asset or its Cash Generating Unit is higher than its recoverable amount. Losses in value are recorded in the income statement.

A loss in value recorded for a Cash Generating Unit is first of all recorded as a reduction in the book value of all the goodwill allocated to the Cash Generating Unit (or group of units), and then to a reduction in the book value of the other assets of the unit (or group of units) in proportion to the book value of each asset in the unit (or group of units).

24.1 - Calculation of the recoverable amount

The recoverable amount of intangible and tangible assets is the highest amount between their fair value less selling costs and their going concern value. In order to assess the going concern value, estimated future cash flows are adjusted to a pre-tax rate that reflects the market's current appreciation of the time value of money and specific asset risks. For an asset which does not generate independent cash entries, the recoverable amount is determined by the Cash Generating Unit to which the asset belongs.

24.2 - Write-back of the loss in value

Loss of value recorded as goodwill cannot be written back. Loss of value recorded for another asset is written back if there has been a change in the estimates used to determine the recoverable amount. The book value of an asset which has been increased because of the write-back of a loss in value cannot be greater than the book value that would have been determined, net of amortizations, if no loss of value had been recorded.

25 - Breakdown of assets and liabilities into current / non-current

25.1 - General principle

The provisions of IAS 1 state that assets and liabilities must be classified as either "current" or "non-current".

25.2 - Application to Vilmorin

Vilmorin has adopted the following rules to classify the main aggregate amounts of the balance sheet:

- Assets and liabilities that form part of the working capital needs of a normal business operating cycle are classified:
 - as "current" if the realization of the assets or the liquidation of the liabilities is expected to occur within one year following the closing date or if they are held for the purposes of trading.
 - as "non current" in all other cases.
- Fixed assets are classified as "non-current".
- Provisions that are part of the normal operating cycle are classified as "current".
- Provisions for employee benefits are classified as "non-current" bearing in mind the long-term horizon of such commitments.
- Financial debts are classified as "current" and "non-current" depending on whether their due dates fall in less than one year or more than one year after the closing date.
- Deferred taxes are all presented as "non-current" assets or liabilities.

26 - Revenue from ordinary activities

26.1 - General principle

Revenue from ordinary activities is presented in IAS 18. This revenue comprises the sale of products, goods and services produced as part of Vilmorin's main business activities and also income from royalties and operating licenses.

26.2 - Application to Vilmorin

Income is recorded for in the sales when the company has transferred the important risks and advantages inherent in the property of the goods to the purchaser. The transfer date generally corresponds:

- For sold goods and products to the date they are made available to the customers.
- For services this depends on the extent to which the service has been rendered on closing date, and if its income can be considered to be reliable.
- For royalties, income is recorded in accordance with the provisions of the contract which generally stipulate calculation based on sales or quantities sold by the licensor.

These royalties generally correspond to the remuneration of licenses for proprietary plant varieties or parental lines.

- Revenue from ordinary operations includes:
 - the sale of products,
 - the sale of services,
 - royalties received from commercial activities.
- From this revenue a certain number of items are deducted:
 - payments on accounts, discount for early pick-up,
 - returns of goods and products,
 - end of year discount,
 - retrospective discount to distributors, where relevant.

27 - Earnings per share

The basic earnings per share is calculated on the basis of the weighted average number of shares in circulation over the fiscal year.

The average number of shares in circulation is calculated on the basis of the different valuations of the share capital, corrected, where appropriate, for Vilmorin's treasury shares.

The diluted earnings per share is calculated by dividing the group share of the income by the number of ordinary shares in circulation to which is added all the potentially dilutive ordinary shares.

Note 2 : Events occurring during the period

The main operations occurring during the course of the period closing on June 30th 2009 were as follows:

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 purchase a 25% stake in the company stock.

Subsequently Vilmorin acquired part of the shares held by the University of Sydney (3.96%). At the close of the fiscal year, Vilmorin thus held 28.96% of the stock of the company AGT, consolidated using the equity method.

Progress in the sale of the garden products activity

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

Because of the fast deteriorating economic and financial environment, Vilmorin's Board decided, during the course of fiscal 2008-2009, to suspend the process to sell the companies Oxadis and Suttons.

Consequently, the financial statements of the company Oxadis and its subsidiaries, and also the company Suttons, were restated as continuing operations on June 30th 2009, and integrated in the pro-forma figures for the period closing on June 30th 2008 in order to facilitate comparability.

Note 3 : Consolidation scope

1 - Consolidation scope

1.1 - On June 30th 2009, Vilmorin consolidated 95 companies in accordance with the rules set out in Note 1 paragraph 5 of the "Accounting methods and principles in IFRS standards".

	08-09	07-08
By global integration	82	86
By proportional integration	7	7
By the equity method	6	6
Total	95	99

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1.2 - Variations in scope ioccurring during the course of fiscal 2008-2009 were as follows:

a. Entries to the consolidation scope

- Through the creation of companies
 - Clause Polska
 - Gemstar
 - Limagrain Ukraine
 - Limagrain RU
 - Vilmorin Atlas
- Through the purchase of a stake
 - Australian Grain Technologies

b. Exits from the consolidation scope

- Dormant companies no longer consolidated
 - Limagrain (AHUK) Limited
 - Limagrain (AR) Limited
 - Limagrain (AST) Limited
 - Limagrain (ASUK) Limited
 - Sharpes Seeds Limited
- Companies wound up
 - Advanta Pacific
 - Clause Tézier Australia
 - Soygenetics
 - Limagrain Ceska Republica
 - Limagrain Slovensko

c. Changes in name

Former names	New names
Advanta BV	Limagrain Nederland Holding BV
Advanta Holding (UK) Ltd	Limagrain (AHUK) Limited
Advanta Research Ltd	Limagrain (AR) Limited
Advanta Seeds Trustees Ltd	Limagrain (AST) Limited
Advanta Seeds UK Ltd	Limagrain (ASUK) Limited
Marco Polo Seeds Thailand	Clause (Thaïland) Ltd
Nickerson Advanta Ltd	Limagrain UK Ltd

d. Description of significant operations

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 purchase a 25% stake in the company stock.

Subsequently Vilmorin acquired part of the shares held by the University of Sydney (3.96%). At the close of the fiscal year, Vilmorin thus held 28.96 % of the stock of the company AGT, consolidated using the equity method.

The characteristics of this operation are set out in paragraph 2.

2 - Information concerning variations in consolidation scope

In millions of Euros	Australian Grain Technologies
Date of entry in scope	07.01.08
% acquired	
Over the fiscal year	28.96
Previously held	-
Total held	28.96
Consolidation method adopted ⁽¹⁾	EM
Acquisition price of the shares	
Over the fiscal year	7.0
Previously held	-
Total held	7.0
Repercussions on the balance sheet	
Fixed assets	-
Working capital needs	-
Provisions for liabilities and charges	-
Indebtedness net of cash	-
Equity	11.1
Acquired equity	3.2
Acquisition goodwill differential	1.7
Goodwill	2.1

⁽¹⁾ – GI: global integration – PI: proportional integration – EM: equity method

3 - Comparability of the income statements

In order to compare the results with comparable scope, a pro-forma income statement for 2007-2008 has been established in the following conditions:

- All activities for which the sale process has been suspended have been restated as continuing operations.

- In order to neutralize the impact of currency variations, the income statement on June 30th 2008 has been restated by applying the average rate on June 30th 2009.

- Companies exiting the scope during the course of 2008-2009 have been neutralized for the previous fiscal year, namely:

- Advanta Pacific
- Clause Tézier Australia
- Soygenetics
- Limagrain Ceska Republica
- Limagrain Slovensko
- Limagrain (AHUK) Limited
- Limagrain (AR) Limited
- Limagrain (ASUK) Limited
- Limagrain (AST) Limited
- Sharpes Seeds Limited

- Companies entering the scope during the course of fiscal 2008-2009 have been added to the accounts on June 30th 2008, namely:

- Clause Polska
- Gemstar
- Limagrain Ukraine
- Limagrain RU
- Vilmorin Atlas
- Australian Grain Technologies

- Restated information is presented as follows:

In millions of Euros	Variation %	08-09	07-08 pro-forma
Revenue from ordinary activities	- 1.9	1001.7	1021.2
Operating income	- 15.6	107.9	127.9
Income from continuing operations	- 18.6	60.2	74.0
Income from discontinued operations	-	-	- 24.2
Income for the period	+ 20.9	60.2	49.8

4 - The discontinued garden products activity

On October 10th 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 of June 30th 2008 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 24th 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.

The same decision was taken for Suttons at the Vilmorin Board meeting of May 5th 2009.

Consequently, the financial statements of the company Oxadis and its subsidiaries, and also the company Suttons, were restated as continuing operations on June 30th 2009, and integrated in the pro-forma figures for the period closing on June 30th 2008 in order to facilitate comparability.

It should be noted that items for the income statement of the company Flora Frey continue to be presented as discontinued operations.

Note 4 : Segment information

1 - General principles

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

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 very significant.

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2.1 - Information concerning fiscal 2008-2009

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Revenue from ordinary activities	409.7	91.7	498.9	1.4	-	1 001.7
Operating income	68.8	3.2	42.5	- 6.6	-	107.9
Income from continuing operations	49.3	2.0	31.4	- 22.5	-	60.2
Income from discontinued operations	-	-	-	-	-	-
Total consolidated net income	49.3	2.0	31.4	- 22.5		60.2

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Non-current assets	301.0	15.5	547.8	79.4	-	943.7
<i>Including investments for the period ⁽¹⁾</i>	<i>77.8</i>	<i>1.8</i>	<i>58.6</i>	<i>19.4</i>	<i>-</i>	<i>157.6</i>
Current assets	331.3	41.1	367.7	184.0	-	924.1
Assets classified as held for sale	-	-	-	-	-	-
Total assets	632.3	56.6	915.5	263.4		1 867.8
Equity ⁽²⁾	-	-	-	-	753.8	753.8
Non current liabilities	66.8	1.5	48.6	342.8	-	459.7
Current liabilities	182.7	34.3	235.5	201.8	-	654.3
Liabilities classified as held for sale	-	-	-	-	-	-
Total liabilities	249.5	35.8	284.1	544.6	753.8	1 867.8

⁽¹⁾ A breakdown in the total can be consulted in the consolidated cash flow statement

⁽²⁾ The line "Equity" for all Vilmorin's companies is not broken down per business segment

2.2- Information concerning fiscal 2007-2008 (Disclosed)

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Revenue from ordinary activities	394.3	-	502.5	-	-	896.8
Operating income	70.5	-	47.5	- 2.8	-	115.2
Income from continuing operations	50.0	-	28.5	- 10.9	-	67.6
Income from discontinued operations	0.0	- 16.5	-	-	-	- 16.5
Total consolidated net income	50.0	- 16.5	28.5	- 10.9	-	51.1

	Vegetable seeds activity	Garden products activity	Field seeds activity	Holdings and others	Unallocated	Total
Non-current assets	261.9	-	546.5	60.4	-	868.8
<i>Including investments for the period ⁽¹⁾</i>	<i>62.8</i>	<i>1.9</i>	<i>55.6</i>	<i>41.9</i>	<i>-</i>	<i>162.2</i>
Current assets	308.7	-	341.9	193.1	-	843.7
Assets classified as held for sale	-	71.7	-	-	-	71.7
Total assets	570.6	71.7	888.4	253.5	-	1 784.2
Equity ⁽²⁾	-	-	-	-	739.1	739.1
Non current liabilities	47.2	-	47.7	352.9	-	447.8
Current liabilities	153.0	-	196.3	195.2	-	544.5
Liabilities classified as held for sale	-	52.8	-	-	-	52.8
Total liabilities	200.2	52.8	244.0	548.1	739.1	1 784.2

⁽¹⁾ A breakdown in the total can be consulted in the consolidated cash flow statement

⁽²⁾ The line "Equity" for all Vilmorin's companies is not broken down per business segment

3-Information according to geographical area

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

3.1-Information concerning fiscal 2008-2009

In millions of Euros	Europe	Americas	Asia and Oceania ⁽²⁾	Africa and Middle East ⁽²⁾	Total
Assets	1 321.8	283.1	127.2	135.7	1 867.8
Investments for the period ⁽¹⁾	130.4	8.9	7.7	10.6	157.6

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

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

3.2- Information concerning fiscal 2007-2008

In millions of Euros	Europe	Americas	Asia and Oceania ⁽²⁾	Africa and Middle East ⁽²⁾	Total
Assets	1 301.1	247.7	107.7	127.7	1 784.2
Investments for the period ⁽¹⁾	111.2	11.2	31.5	8.3	162.2

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

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

Other information on the revenue from ordinary activities is mentioned in Note 5.2.

Note 5 : Revenue from ordinary activities

1-Analysis by nature

In millions of Euros	Variation (%)	08-09	07-08	
			Pro-forma	Disclosed
Sales of goods and finished products	- 1.6	949.9	965.8	844.5
Sales of services	- 10.0	7.2	8.0	8.1
Royalties received	0.9	44.6	44.2	44.2
Total	- 1.6	1 001.7	1 018.0	896.8

The rules applied for the recording and evaluation of revenue from ordinary activities appear in Note 1 paragraph 26 of the "Accounting methods and principles in IFRS standards".

As part of the restatements regarding the application of IFRS standard 5 "Discontinued operations", the financial statements for the fiscal year closing on June 30th 2008 has a column restating these items and named "disclosed" and also a column named "pro forma" showing the total revenue from ordinary activities (including that of activities for which the sale process has been suspended and which are restated as continuing operations). Figures for the fiscal year closing on June 30th 2009 show the full income for ordinary operations, since there is no longer any company which is now considered as being "discontinued".

2-Analysis by geographical area

La répartition géographique des ventes de produits est la suivante :

In millions of Euros	Variation (%)	08-09	07-08	
			Pro-forma	Disclosed
Europe	- 10.4	553.7	617.7	496.4
Americas	+ 18.4	229.5	193.9	193.9
Asia and Oceania	+ 10.9	80.1	72.2	72.2
Africa and Middle East	+ 5.6	86.6	82.0	82.0
Total	- 1.6	949.9	965.8	844.5

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3- Analysis by product

The analysis of sales of finished goods according to product families is as follows:

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Vegetable and flower seeds	358.7	347.4	352.3
Other field seeds	423.2	419.7	419.7
Forage and lawn seeds	34.4	38.1	38.1
Garden products ⁽¹⁾	93.5	126.2	-
Other products	40.1	34.4	34.4
Total	949.9	965.8	844.5

⁽¹⁾ In application of IFRS 5 concerning the discontinued operation "garden products" (refer to Note 3), the line "garden products" has no entry for disclosed fiscal 2007-2008. Sales achieved in this segment by the other companies, a total of 4.9 million Euros, are shown on the line "Vegetable and flower seeds". In the pro-forma column for 2007-2008, these sales are shown on the line "garden products", with the sales made by the recently discontinued "garden products activity".

4- Revenue from ordinary activities at constant exchange rate

With a constant exchange rate for the period, the revenue for ordinary activities for the previous fiscal year (including discontinued activities) would have come to 1 021.8 million Euros, as opposed to 1 001.7 million Euros for this fiscal year, a drop of 2%.

5- Royalties received

Royalties received mainly concern:

In millions of Euros	Variation (%)	08-09	07-08	
			Pro-forma	Disclosed
Autogamous species	- 0.3	38.7	38.8	38.8
Hybrid species	+ 9.3	5.9	5.4	5.4
Total	+ 0.9	44.6	44.2	44.2

Note 6 : Personnel costs

1-Evolution of personnel costs

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
Gross salaries	186.0	174.2	154.2
Social charges	62.2	58.3	52.2
Profit-sharing schemes	4.5	7.0	5.9
Total	252.7	239.5	212.3

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

2-Further information

Bearing in mind the seasonal nature of its business Vilmorin releases information on its permanent headcount and its average annual headcount.

2.1 - Average annual headcount

a. Analysis France/Non-France

	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
France	2 037	2 060	1 647
Non-France	3 199	3 014	2 766
Total	5 236	5 074	4 413

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

b. Analysis by employee status

	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
Management	1 322	1 280	1 165
Non-Management	3 914	3 794	3 248
Total	5 236	5 074	4 413

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

2.2 - Permanent headcount at the end of the fiscal year

a. Analysis France/Non-France

	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
France	1 682	1 733	1 391
Non-France	2 838	2 710	2 464
Total	4 520	4 443	3 855

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

b. Analysis by employee status

	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
Management	1 304	1 275	1 163
Non-management	3 216	3 168	2 692
Total	4 520	4 443	3 855

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

c. Analysis by function

	08-09	07-08	
		Pro-forma	Disclosed ⁽¹⁾
Administration	658	636	563
Research	1 163	1 155	1 155
Agronomic production and factory	1 203	1 160	934
Sales	1 496	1 492	1 203
Total	4 520	4 443	3 855

⁽¹⁾ Data exclude personnel from the discontinued operation "Garden products".

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Note 7 : Provisions for the depreciation and amortization and loss of value of tangible and intangible fixed assets

1 - Movements on provisions

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Provisions for intangible fixed assets			
Development programs ⁽¹⁾	- 72.3	- 64.8	- 64.8
Other intangible fixed assets	- 6.6	- 9.8	- 9.8
Sub-total	- 78.9	- 74.6	- 74.6
Provisions for tangible fixed assets ⁽²⁾	- 19.3	- 15.3	- 15.3
Total	- 98.2	- 89.9	- 89.9

⁽¹⁾ The increase in provisions concerning development costs is an indication of the intensification of investment in research.

⁽²⁾ The increase in the charge of amortization of tangible fixed assets is mainly due to the recording, for fiscal 2008-2009, of a complementary charge of 2.4 million Euros with regard to amortization that had not been recorded on June 30th 2008, on discontinued operations, in compliance with IFRS 5.

Note 8 : Research and development costs and studies

1 - Evolution of costs

In millions of Euros	08-09	07-08 ⁽¹⁾
Development programs activated during the fiscal year	89.8	79.1
Provisions for the amortization of development programs recorded as fixed assets	- 72.3	- 64.8
Other research costs	- 123.2	- 109.8
Tax relief for research	21.9	20.3
Total	- 83.8	- 75.2

⁽¹⁾ There is no difference between the disclosed income for 2007-2008 and the pro-forma income for 2007-2008, since there are no research and development costs in the discontinued activities.

Vilmorin records the cost of its development programs in the conditions set out in Note 1 paragraph 10 of the "Accounting methods and principles in IFRS standards".

Other research costs are recorded directly as charges for the fiscal year.

2 - Further information

2.1 - The impact of the activation of development programs on the income for the year is as follows:

In millions of Euros	08-09	07-08
Costs identified and recorded as intangible fixed assets (cf. Note 15)	89.8	79.1
Provisions for amortization	- 72.3	- 64.8
Impact on the income of the fiscal year before deferred taxes	17.5	14.3

It is important to note that out of a total investment of 123.2 million Euros, only 89.8 million Euros met the criteria set out in Note 1 paragraph 10 of the "Accounting methods and principles in IFRS standards". Research and development costs increased by 13.4 million Euros.

The increase in activated costs is due to the intensification of development programs.

2.2-Effect of activation on the cash flow statement

In millions of Euros	08-09	07-08
Effect on the income for the period	17.5	14.3
Effect on amortization and depreciation	72.3	64.8
Effect on the cash flow	89.8	79.1
Effect on the investment flows	- 89.8	- 79.1
Total	-	-

Note 9 : Other operating income and charges

1-Evolution of other operating income and charges

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Litigation	- 0.8	- 1.1	- 1.1
Income from the sale of fixed assets	2.7	2.7	2.1
Government subsidies recorded in the income	0.4	0.4	0.4
Reorganization costs	- 0.6	- 8.5	- 2.5
Loss of value on fixed assets	- 1.4	- 3.3	- 1.8
Negative goodwill recorded in the income	-	0.1	0.1
Other charges and income	2.5	- 1.6	- 0.8
Total	2.8	- 11.3	- 3.6

2- Further information

2.1 -On operations for fiscal 2008-2009

In millions of Euros	Amount
Losses of value in fixed assets mainly concern:	
Limagrain Central Europe (list of clients in Eastern Europe)	- 0.7
Oxadis (brand)	- 0.7
Total	- 1.4
Income from the sale of fixed assets concerns:	
Tangible fixed assets: <i>Mainly concerns the sale of a site for 2.2</i>	3.3
Intangible fixed assets	- 0.1
Securities	- 0.5
Total	2.7

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2.2 - On operations for fiscal 2007-2008

In millions of Euros	Pro-forma	Disclosed
Income from the sale of fixed assets concerns:		
Tangible fixed assets	2.5	2.5
Intangible fixed assets	0.2	- 0.4
Total	2.7	2.1
Losses of value in fixed assets concern:		
Patents (Biogemma)	- 1.8	- 1.8
Brands (Oxadis)	- 1.5	-
Total	- 3.3	- 1.8
Reorganization costs concern:		
Companies previously discontinued	- 6.0	-
Other companies in the group	- 2.5	- 2.5
Total	- 8.5	- 2.5

Note 10 : Interest costs

1 - Evolution

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Interest on loans and bank overdrafts ⁽¹⁾	- 29.9	- 28.4	- 27.5
Interest on financial leasing agreements	- 0.1	- 0.1	- 0.1
Losses and gains of fair value on forward cover instruments ⁽²⁾	- 0.8	0.5	0.5
Losses and gains on the sale of forward cover instruments	- 0.9	1.5	1.5
Cash income ⁽³⁾	5.6	2.5	2.4
Miscellaneous	- 0.1	- 0.3	-
Total	- 26.2	- 24.3	- 23.2

⁽¹⁾ The stability of interest is due, on the one hand to a rise in interest charges with regard to the Oceane convertible bonds raised in June 2008, and to a drop in average variable interest rates over the fiscal year.

⁽²⁾ This figure concerns variation in the fair value of derivatives that do not qualify as forward cover as defined by IAS 39.

⁽³⁾ The rise in cash income is mainly due to remuneration from the cash placement received through the issue of Oceane derivative bonds in June 2008.

2 - Further information

The total funding costs can be broken down as follows:

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Interest charges	- 33.0	- 30.5	- 29.4
Interest income	6.8	6.2	6.2
Total	- 26.2	- 24.3	- 23.2

Note 11 : Other financial income and charges

1 - Evolution

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Gains or losses on the sales of securities, dilution profits and winding up of business	- 0.5	0.3	0.3
Interest income ⁽¹⁾	3.5	0.4	0.3
Interest charges ⁽¹⁾	-	- 3.0	- 3.0
Provisions for the impairment of securities and other financial assets ⁽²⁾	- 3.1	- 0.1	- 0.1
Gains or losses on currency translation	- 1.1	- 4.5	- 4.5
Other financial gains and losses	0.8	0.2	0.1
Total	- 0.4	- 6.7	- 6.9

⁽¹⁾ Other interest income and charges in particular include the impact of forward cover of raw materials (cf. Note 30 paragraph 2.2).

⁽²⁾ Including a provision of 3 million Euros on the Avesthagen securities.

2 - Further information

2.1 - On operations for fiscal 2008-2009

In millions of Euros	
Gains or losses on the sales of securities, dilution profits and winding up of business mainly involve a loss on the winding up of the company Soygenetics	- 0.7

2.2 - On operations for fiscal 2007-2008

Dilution profits concern the company Mikado International taken over by Mikado Kyowa Seeds	0.3
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FINANCIAL AND LEGAL INFORMATION

Note 12 : Income taxes

1 - Evolution

In millions of Euros	08-09	07-08	
		Pro-forma	Disclosed
Current income taxes			
Taxes	- 16.4	- 29.8	- 25.6
Tax relief for research	0.2	1.9	1.9
Total current taxes	- 16.2	- 27.9	- 23.7
Total deferred taxes	- 3.8	5.0	4.5
Total	- 20.0	- 22.9	- 19.2

The rules applied for the recording of deferred taxes are described in Note 1 paragraph 19 of the "Accounting methods and principles in IFRS standards".

Sources of deferred taxes are the result both of temporary differences between the tax base and the book value of assets and liabilities, and the recording of deferred tax assets dependent on forecasts of future tax results and on the net liabilities position.

2 - Further information

2.1 - Evolution of income taxes

This evolution of the amount of current income taxes is mainly due to the recording, in fiscal 2007/2008, of taxable capital gains on the sale of intangible fixed assets in the companies Limagrain Nederland BV and Limagrain UK Ltd. These operations, made within the group, will not be reproduced this year.

2.2 - Fiscal integration operations

The following fiscal integration scope was set up in Vilmorin between different French companies.

Integrating company	Member companies	Effective date
Vilmorin	Clause SA	07.01.2000
	Oxadis	07.01.2000
	Vilmorin 1742	07.01.2008
Limagrain Verneuil Holding	Limagrain Central Europe (LCE)	07.01.2004
	Nickerson International	07.01.2008
	Research SNC	

The provision for such fiscal integration programs is described in article 223 A of the French General Taxation Code for parent companies and their French subsidiaries controlled at least 95%.

Moreover, provisions for fiscal integration also exist in certain other countries, as follows.

Integrating company	Member companies	Countries
Vilmorin USA Corp	Vilmorin INC Harris Moran Seeds	United States
Limagrain Nederland Holding BV	Limagrain Nederland BV	Netherlands
Limagrain Verneuil Vilmorin Luxembourg SA	Cylonie Ré	Luxembourg

2.3 - Current taxes

a. The charge of current taxes corresponds to the total taxes on profits owed to the tax authorities for the fiscal year in accordance with the rules and taxation rates in force in different countries.

b. A tax relief system in favor of research exists in certain countries, and in particular in France.

2.4 - Tax rate applicable

a. The basic rate for income (corporation) tax in France is 33.33%.

The tax rate applicable to the group in France is as follows:

- Fiscal 2006 / 2007	33.33%
- Fiscal 2007 / 2008	33.33%
- Fiscal 2008 / 2009	33.33%

The law on the funding of social security n° 99-1140 of December 29th 1998 fixed an additional contribution of 3.3% of the total basic tax due when payable taxes are greater than 763 000 Euros. Thus, for French companies, the legal tax rate is increased by 1.1%.

b.A comparison between the recorded income tax charge and the theoretical income tax charge is as follows:

As a %	08-09	07-08 ⁽¹⁾
Theoretical tax rate	33.33	33.33
Non-deductible charges and other non-taxable profits	- 2.11	4.98
Tax credit and relief	- 3.65	- 5.29
Untaxed income deficits and rate differentials	6.07	- 0.86
True tax rate	33.64	32.16

⁽¹⁾ The true tax rate takes into account savings on taxes made by discontinued operations.

2.5 - Details of tax receivables and debts due

In millions of Euros	08-09	07-08
Tax receivables due	29.3	32.9
Tax debts due	6.6	6.0

2.6 - Information on tax deficits

On June 30th 2009, the situation of tax deficits for Vilmorin was as follows:

In millions of Euros	Total deficits		Of which usable deficits	
	France	Other	France	Other
Deficits with limited carry forward	-	30.7	-	12.8
Deficits with unlimited carry forwards	60.4	6.4	60.4	5.3
Total	60.4	37.1	60.4	18.1

Deferred tax assets corresponding to the usable deficits, and not recorded in the accounts, amount to 12.6 million Euros.

2.7 - Treatment of new French tax relief on research (CIR)

Since the implementation of the new French system for tax relief on research (CIR) only on volume based on a percentage of eligible research expenses made, and applicable as of January 1st 2008, the group has deemed that this CIR can be assimilated to a public subsidy since it is used to fund part of the capitalized development expenses, and that its accounting treatment comes within the scope of IAS 20.

Therefore the CIR should be allocated between the part concerning development costs which, in application of IAS 38, have been recorded as assets, and the part concerning other expenditure, recorded in the income.

In terms of presentation, the CIR, recorded as a subsidy and deducted from the research costs in the income statement, must be recorded, as far as the part recorded as expenses in the charges; the part concerning capitalized expenses must be recorded as deferred income that is to be amortized at the same rhythm as the amortization of the associated assets.

Consequently, the modification in accounting treatment made on June 30th 2009 has been considered as a retrospective change in the accounting method, in compliance with IAS 8.

The impacts on June 30th 2008 are as follows:

In millions of Euros	
Impact on equity	
Equity on June 30 th 2008 as disclosed	739.1
Impact of CIR tax relief on research recorded in deferred income	- 16.6
Equity on June 30 th 2008 as restated	722.5
Impact on the income	
Income on June 30 th 2008 as disclosed	51.1
Impact of CIR tax relief on research recorded in deferred income	- 8.7
Income on June 30 th 2008 as restated	42.4

FINANCIAL AND LEGAL INFORMATION

Note 13 : Earnings per share

- The group share of earnings per share is calculated on the basis of the weighted average number of Vilmorin shares in circulation during the fiscal year.

The evolution of the earnings per share is as follows:

- Earnings per share:

In Euros	08-09	07-08	
		Pro-forma	Disclosed
Group share in continuing operations	53 024 187	68 588 828	60 965 283
Group share in discontinued operations	-	- 24 304 040	- 16 680 495
Group share in the consolidated income	53 024 187	44 284 788	44 284 788
Number of Vilmorin shares	13 391 857	13 391 857	13 391 857
Earnings from continuing operations for one share	3.96	5.12	4.55
Earnings from discontinued operations for one share	-	- 1.81	- 1.24
Earnings per share	3.96	3.31	3.31

- Diluted earnings for one share:

The earnings used for this calculation take into account savings on financial charges net of taxes which would be made by Vilmorin if Oceane bonds and equity notes are converted and the ensuing change in the number of shares.

In Euros	08-09	07-08	
		Pro-forma	Disclosed
Group share in continuing operations	59 168 151	69 026 070	61 402 525
Group share in discontinued operations	-	- 24 304 040	- 16 680 495
Group share in the consolidated income	59 168 151	44 722 030	44 722 030
Number of Vilmorin shares	14 350 436	14 350 436	14 350 436
Earnings from continuing operations for one share	4.12	4.81	4.28
Earnings from discontinued operations for one share	-	- 1.69	- 1.16
Earnings per share	4.12	3.12	3.12

• Dividends paid out per share

	Dividends distributed in December 08	Dividends distributed in December 07
Amount distributed	€22 230 482.62	€22 230 482.62
Details	€1.66 x 13 391 857 shares	€1.66 x 13 391 857 shares

Note 14 : Goodwill

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	
06.30.07	291.4
Acquisitions and increases	0.1
Exits	- 0.2
Losses in value	-
Variations in scope	- 1.5
Reclassifications	- 1.9
Currency translations	- 4.9
Assets classified as held for sale	- 3.3
06.30.08	279.7
Acquisitions and increases	4.7
Exits	-
Losses in value	-
Variations in scope	-
Reclassifications	-
Currency translations	0.9
Assets classified as held for sale	3.3
06.30.09	288.6

1.2 - Amortization and value losses

In millions of Euros	
06.30.07	15.5
Provisions	-
Exits	-
Losses in value	-
Variations in scope	- 5.8
Reclassification	-
Currency translation	- 1.0
06.30.08	8.7
Provisions	0.8
Exits	-
Losses in value	-
Variations in scope	-
Reclassification	-
Currency translation	0.1
06.30.09	9.6

1.3 - Net values

In millions of Euros	
06.30.07	275.9
06.30.08	271.0
06.30.09	279.0

2 - Analysis by business segments

In millions of Euros	06.30.09	06.30.08
Vegetable seeds activity	19.6	19.3
Garden products activity ⁽¹⁾	3.3	-
Field seeds activity	246.5	248.7
Holdings and others	9.6	3.0
Total net of amortization and losses in value	279.0	271.0

⁽¹⁾ Following the reintegration of the "garden products" activity during the course of fiscal 2008-2009

3 - Further information

3.1 - Goodwill value loss

A value loss test has been performed in compliance with the methodology described in Note 1 paragraph 24 of the "Accounting methods and principles in IFRS standards". Evolution was as follows:

In millions of Euros	
06.30.07	15.5
Fiscal 07-08	- 6.8
06.30.08	8.7
Fiscal 08-09	0.9
06.30.09	9.6

- Value loss for fiscal 2008-2009 concerns (in millions of Euros):

- List of clients in Eastern Europe	0.7
- Currency translations	0.2

Total **0.9**

- Value loss for fiscal 2007-2008 concerns:

- The sale of the company Flora Frey	- 5.8
- Currency translations	- 1.0

Total **- 6.8**

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3.2 - Goodwill

In compliance with IFRS standard 3, the assessment of the fair value of the identifiable assets and liabilities acquired as a result of business combinations can be modified for a period of twelve months following the acquisition date.

Consequently, the value of any goodwill recorded following acquisitions made during fiscal 2008-2009 is liable to be adjusted during fiscal 2009-2010.

3.3 - Variations in scope

Variations in scope concern the following operations:

In millions of Euros	Total
Fiscal 08-09 ⁽²⁾	
None	
Total	-
Fiscal 07-08	
Acquisition of Ceekay	1.9
Sale of Flora Frey	- 1.5
Change in the consolidation method for Soltis	1.7
Change in the consolidation method for Vilmorin Anadolu	2.2
Total ⁽¹⁾	4.3

⁽¹⁾ These amounts take into account both changes in the gross values and amortizations.

⁽²⁾ It should be noted that the allocation of goodwill is provisional until the end of a twelve-month period in compliance with IFRS 3.

3.4 - Reclassifications

For the fiscal year closing on June 30th 2008, the goodwill of Mikado Seeds Growers was reduced by 0.7 million Euros and there was a reclassification of 1.2 million Euros between goodwill and germplasm.

3.5 - Goodwill impairment tests

Vilmorin carried out impairment tests on its goodwill on June 30th 2009 for all the Cash Generating Units (CGUs) with which goodwill is associated, with the exception of goodwill from acquisitions made in 2009 for which acquisition cost had not been finalized on June 30th 2009, since the amount of goodwill had not been definitively determined on this date.

As stated in Note 1 paragraph 11.4, these tests consist in comparing the net book value of the assets of the CGUs with their recoverable value as assessed using the method of provisional discounted cash flows (useful value).

With regard to the vegetable seeds activities, the CGUs adopted comprise the legal companies since they run their business activities autonomously.

With regard to the garden products activity, the CGUs adopted comprise both the company Oxadis and its subsidiaries, and also the company Suttons.

With regard to the field seeds activities, the CGUs comprise the European activities on the one hand, and the North American activities on the other.

The following hypotheses have been used to calculate the discounted value of the provisional cash flow for the CGUs:

- Number of years of provisional data: 5 years.
- Rate of growth: between 1.5% and 2.5%.
- Discount rate after taxes: different rates have been adopted for each CGU.

These tests have not resulted in any identified needs for impairment.

Moreover, the sensitivity analyses carried out show that the use of discount rates higher by 1%, or growth rates for the normative year lower by 1%, than those shown above would not have led to any identified need for impairment, since the recoverable value of the CGUs remains in all cases higher than the net book value of their assets.

Note 15 : Other intangible fixed assets

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.07	375.0	196.8	31.1	41.2	39.8	1.7	1.0	686.6
Acquisitions and increases	79.1	1.4	1.0	0.5	0.1	-	1.5	83.6
Exits	-	- 0.7	- 0.1	- 2.9	-	-	-	- 3.7
Variations in scope and others	-	7.0	- 0.4	- 0.1	- 2.0	- 0.7	-	3.8
Currency translations	- 6.8	0.3	- 0.5	- 0.9	- 1.0	-	-	- 8.9
Reclassifications	-	1.2	0.2	-	-	-	- 0.1	1.3
Assets classified as held for sale	-	-	- 2.5	-	- 5.2	-	-	- 7.7
06.30.08	447.3	206.0	28.8	37.8	31.7	1.0	2.4	755.0
Acquisitions and increases	89.8	5.7	0.9	2.1	-	-	2.1	100.6
Exits	-	-	- 0.1	- 0.2	-	-	-	- 0.3
Variations in scope and others	-	-	-	-	-	-	-	-
Currency translations	2.3	0.9	0.4	- 0.4	0.3	-	-	3.5
Reclassifications	- 1.8	- 0.2	0.3	-	-	-	- 0.4	- 2.1
Assets classified as held for sale	-	-	2.5	-	5.2	-	-	7.7
06.30.09	537.6	212.4	32.8	39.3	37.2	1.0	4.1	864.4

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1.2 - Amortization and value losses

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.07	245.6	3.6	21.4	28.8	1.1	0.9	-	301.4
Acquisitions and increases	64.8	-	4.3	1.9	0.1	0.1	-	71.2
Exits	-	- 0.5	- 0.1	- 2.6	-	-	-	- 3.2
Value losses	-	-	-	1.9	1.5	-	-	3.4
Variations in scope and others	-	-	- 0.3	-	- 0.1	- 0.5	-	- 0.9
Currency translations	- 4.9	- 0.2	- 0.4	- 0.6	-	- 0.1	-	- 6.2
Reclassifications	-	-	0.1	-	-	-	-	0.1
Assets classified as held for sale	-	-	- 1.9	-	- 2.5	-	-	- 4.4
06.30.08	305.5	2.9	23.1	29.4	0.1	0.4	-	361.4
Acquisitions and increases	72.3	-	3.8	2.0	0.7	0.1	-	78.9
Exits	-	-	- 0.1	- 0.1	-	-	-	- 0.2
Value losses	-	-	-	-	-	-	-	-
Variations in scope and others	-	-	-	-	-	-	-	-
Currency translations	1.5	0.1	0.3	- 0.4	-	-	-	1.5
Reclassifications	- 1.8	- 0.2	- 1.0	0.7	-	-	-	- 2.3
Assets classified as held for sale	-	-	1.9	-	2.5	-	-	4.4
06.30.09	377.5	2.8	28.0	31.6	3.3	0.5	-	443.7

1.3 - Net values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.07	129.4	193.2	9.7	12.4	38.7	0.8	1.0	385.2
06.30.08	141.8	203.1	5.7	8.4	31.6	0.6	2.4	393.6
06.30.09	160.1	209.6	4.8	7.7	33.9	0.5	4.1	420.7

2 - Further information

2.1 - Internally generated fixed assets

In addition to development programs whose evolution is tracked above and in Note 8, movements concerning internally generated fixed assets are as follows:

In millions of Euros	Patents and licenses	Software	Total
06.30.07 (net value)	2.9	2.6	5.5
New fixed assets	0.1	-	0.1
Value loss	- 1.2	-	- 1.2
Currency translations	-	-	-
Reduction	- 0.4	-	- 0.4
Provisions for amortization	- 0.4	- 1.0	- 1.4
06.30.08 (net value)	1.0	1.6	2.6
New fixed assets	0.1	-	0.1
Value loss	-	-	-
Currency translations	-	0.1	0.1
Reduction	-	-	-
Provisions for amortization	- 0.3	- 0.6	- 0.9
30.06.09 (net value)	0.8	1.1	1.9

2.2 - Value loss test

A value loss test has been conducted in accordance with the methodology described in Note 1 paragraph 24 of "Accounting methods and principles in IFRS standards". The evolution is as follows:

In millions of Euros	Patents and licenses	Germplasm	Brands	Total
06.30.07	-	1.8	1.0	2.8
Fiscal 07-08	1.9	- 0.2	-1.0	0.7
06.30.08	1.9	1.6	-	3.5
Fiscal 08-09	- 0.1	0.2	⁽¹⁾ 3.2	3.3
06.30.09	1.8	1.8	3.2	6.8

⁽¹⁾ This result is mainly due to the reclassification of previous impairments on discontinued operations.

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2.3-Variations in scope

Variations in scope concern the following operations:

In millions of Euros	Total
Fiscal 08-09	
None	-
Total	-
Fiscal 07-08	
Change in the consolidation method for Soltis	7.0
Sale of Flora Frey	- 2.3
Total	4.7

2.4 - Reclassifications

For the fiscal year closing on June 30th 2008, there was a goodwill reclassification for germplasm of 1.2 million Euros.

Note 16 : Tangible fixed assets

1 - Evolution of net book values

1.1 - 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
06.30.07	23.5	125.9	50.1	99.6	12.8	35.6	7.5	355.0
Acquisitions and increases	0.1	3.1	2.1	3.7	0.6	2.7	13.6	25.9
Exits	- 0.1	- 1.2	- 0.3	- 1.7	- 0.9	- 1.3	-	- 5.5
Variations in scope and others	0.4	-	0.2	- 1.5	-	- 0.8	0.2	- 1.5
Currency translations	- 0.4	- 3.8	0.6	- 4.7	- 0.9	- 0.5	- 0.2	- 9.9
Reclassifications	0.9	2.8	0.9	3.4	0.7	0.5	- 9.3	- 0.1
Assets classified as held for sale	- 0.4	- 9.6	0.3	- 9.1	- 1.2	- 3.9	-	- 23.9
06.30.08	24.0	117.2	53.9	89.7	11.1	32.3	11.8	340.0
Acquisitions and increases	0.2	7.4	1.7	6.2	0.5	3.4	19.5	38.9
Exits	- 0.6	- 0.9	-	- 2.7	- 1.2	- 1.2	- 0.3	- 6.9
Variations in scope and others	-	-	-	-	-	-	-	-
Currency translations	2.2	3.0	- 0.4	0.7	0.2	-	0.2	5.9
Reclassifications	0.6	6.9	0.8	6.7	0.5	- 0.1	- 16.4	- 1.0
Assets classified as held for sale	0.4	9.6	- 0.3	9.1	1.2	3.9	-	23.9
06.30.09	26.8	143.2	55.7	109.7	12.3	38.3	14.8	400.8

1.2 - 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
06.30.07	1.4	70.1	35.3	78.2	10.7	24.8	-	220.5
Provisions / value losses	0.1	4.2	2.8	5.0	0.9	2.3	-	15.3
Exits	-	- 0.6	- 0.3	- 1.7	- 0.9	- 1.1	-	- 4.6
Variations in scope and others	-	-	0.1	- 1.3	-	- 0.4	-	- 1.6
Currency translations	-	- 1.1	0.5	- 3.5	- 0.7	- 0.3	-	- 5.1
Reclassifications	-	-	-	0.2	- 0.1	0.2	-	0.3
Assets classified as held for sale	-	- 6.6	0.3	- 6.4	- 0.9	- 3.1	-	- 16.7
06.30.08	1.5	66.0	38.7	70.5	9.0	22.4	-	208.1
Provisions / value losses	0.2	5.5	2.8	6.5	1.1	3.2	-	19.3
Exits	-	- 0.7	- 0.1	- 2.6	- 1.1	- 0.9	-	- 5.4
Variations in scope and others	-	-	-	-	-	-	-	-
Currency translations	0.1	1.5	- 0.3	0.4	0.1	0.2	-	2.0
Reclassifications	-	- 1.9	-	1.8	-	- 0.4	-	- 0.5
Assets classified as held for sale	-	6.6	- 0.3	6.4	0.9	3.1	-	16.7
06.30.09	1.8	77.0	40.8	83.0	10.0	27.6	-	240.2

1.3 - 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
06.30.07	22.1	55.8	14.8	21.4	2.1	10.8	7.5	134.5
06.30.08	22.5	51.2	15.2	19.2	2.1	9.9	11.8	131.9
06.30.09	25.0	66.2	14.9	26.7	2.3	10.7	14.8	160.6

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2-Further information

2.1-Fixed assets acquired by financial leasing

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

In millions of Euros	Constructions and fittings	Complex installations	Other tangible fixed assets	Total
06.30.07	1.7	0.5	-	2.2
06.30.08	1.6	0.3	-	1.9
06.30.09	1.4	0.2	0.2	1.8

2.2-Value loss test

A value loss test has been conducted in accordance with the methodology described in Note 1 paragraph 24 of "Accounting methods and principles in IFRS standards". The evolution is as follows:

In millions of Euros	Installations, equipment and others	Total
06.30.07	0.2	0.2
Fiscal 07-08	- 0.1	- 0.1
06.30.08	0.1	0.1
Fiscal 08-09	- 0.1	- 0.1
06.30.09	-	-

2.3-Variations in scope

Variations in scope concern the following operations (net of amortization):

In millions of Euros	
Fiscal 08-09	
None	-
Total	-
Fiscal 07-08	
Change in the consolidation method for Vilmorin Anadolu	0.7
Change in the consolidation method for Soltis	0.2
Sale of Flora Frey	- 0.8
Total	0.1

2.4-Commitments on leasing contracts

In millions of Euros	Total	< 1 year	1 to 5 years	> 5 years
Direct financing lease	4.9	1.8	3.1	-
Simple lease contracts	24.6	6.8	13.7	4.1

Note 17 : Financial fixed assets

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.07	7.8	6.5	13.2	27.5
Increases	11.2	0.4	1.2	12.8
Exits	- 0.1	- 1.7	- 0.7	- 2.5
Variations in scope and others	0.1	-	-	0.1
Currency translations	- 0.1	-	- 1.4	- 1.5
Reclassifications	-	-	-	-
Assets classified as held for sale	- 0.2	-	- 0.8	- 1.0
06.30.08	18.7	5.2	11.5	35.4
Increases	6.4	0.4	0.6	7.4
Exits	-	- 2.3	- 0.9	- 3.2
Variations in scope and others	-	-	- 7.5	- 7.5
Currency translations	-	-	1.3	1.3
Reclassifications	-	-	-	-
Assets classified as held for sale	0.2	-	0.8	1.0
06.30.09	25.3	3.3	5.8	34.4

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1.2 - Provisions

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.07	0.6	2.1	0.3	3.0
Provisions	-	-	0.1	0.1
Write-back	-	-	-	-
Variations in scope and others	-	-	-	-
Currency translations	-	-	-	-
Reclassifications	0.1	-	-	0.1
Assets classified as held for sale	- 0.1	-	-	- 0.1
06.30.08	0.6	2.1	0.4	3.1
Provisions	3.0	-	-	3.0
Write-back	-	-	- 0.1	- 0.1
Variations in scope and others	-	-	-	-
Currency translations	0.1	-	-	0.1
Reclassifications	0.1	-	-	0.1
Assets classified as held for sale	0.1	-	-	0.1
06.30.09	3.9	2.1	0.3	6.3

1.3 - Net values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.07	7.2	4.4	12.9	24.5
06.30.08	18.1	3.1	11.1	32.3
06.30.09	21.4	1.2	5.5	28.1

2 - Further information

2.1 - Financial assets held for sale

Non-consolidated equity interests appear on this line. They are assessed in compliance with the rules described in Note 1 paragraph 21.1 of the "Accounting methods and principles in IFRS standards".

The contents of this item are set out below:

Companies	06.30.09		06.30.08		Financial data in last known balance sheet	
	% held	Net (in M€)	% held	Net (in M€)	Equity (in M€)	Result (in M€)
Maïcentre	8.78	1.2	20.33	1.2	10.9	- 0.2
Morning	41.71	10.7	41.71	10.8	-	-
Avesthagen	4.60	2.0	4.60	5.0	-	-
Miscellaneous	-	7.5	-	1.1	-	-
Total	-	21.4	-	18.1	-	-

2.2 - Other non-current financial assets

On June 30th 2008, this line mainly comprised a guarantee of 2.3 million Euros deposited by the company Cylonie Ré in the conditions explained in Note 31 "Off balance sheet commitments".

2.3 - Variations in scope

Variations in scope correspond to the following operations (net of provisions):

In millions of Euros	
Fiscal 08-09	
Deconsolidation of Soygenetics	- 7.5
Total	- 7.5
Fiscal 07-08	
Deconsolidation of Clause Harris Moran Tézier	0.1
Total	0.1

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Note 18 : Equity shares

1 - Details of equity shares are as follows

In millions of Euros	06.30.09	06.30.08	06.30.07
Vilmorin Anadolu	-	-	5.0
Australian Grain Technologies	6.1	-	-
Bioseeds	3.3	3.4	3.0
Top Green	1.6	1.7	1.6
Soltis	-	-	4.0
Unisigma	0.3	0.4	0.3
Genoplante Valor	1.8	1.8	1.7
Soygenetics	-	- 5.6	- 6.3
Yuan Longping High-Tech	29.2	28.7	-
Total	42.3	30.4	9.3
Variation for the fiscal year	11.9	21.1	-

2 - Further information

Variation for the fiscal year corresponds to the items below:

En millions d'euros	08-09		07-08	
Proportion of income for the fiscal year		- 1.1	-	1.7
Australian Grain Technologies	- 0.6	-	-	-
Bioseeds	- 0.2	-	0.4	-
Genoplante Valor	-	-	0.1	-
Yuan Longping High-Tech	- 0.4	-	-	-
Soygenetics	-	-	1.0	-
Top Green	-	-	0.1	-
Unisigma	0.1	-	0.1	-
Variation in scope, variation in percentages of interest and others	-	⁽¹⁾ 12.7	-	⁽²⁾ 20.3
Distributions	-	- 0.4	-	- 1.5
Currency translation	-	0.7	-	0.6
Total	-	11.9	-	21.1

⁽¹⁾ For fiscal 2008-2009:

- Entry into the scope of Australian Grain Technologies	7.0
- Deconsolidation of Soygenetics	5.7
	12.7

⁽²⁾ For fiscal 2007-2008:

- Change for Vilmorin Anadolu from the equity method to global integration	- 5.0
- Change for Soltis from the equity method to proportional integration	- 3.9
- Entry of the group Yuan Longping High-Tech into the scope using the equity method	- 29.2
	- 20.3

3- Financial information using the equity method

3.1 - For fiscal 2008-2009

In millions of Euros	Yuan Longping High-Tech	Bioseeds	Top Green	Unisigma	Genoplante Valor ⁽¹⁾	Australian Grain Technologies ⁽²⁾
Sales	104.6	6.9	21.1	0.8	0.7	1.6
Net income	- 1.6	- 0.7	0.1	0.2	-	- 2.4
Assets	183.0	22.3	7.7	2.3	7.7	10.9
Liabilities (excluding net situation)	77.1	6.1	2.9	1.5	4.3	0.7

⁽¹⁾ Accounts closed on December 31st 2008

⁽²⁾ Accounts closed on September 30th 2008

3.2 - For fiscal 2007-2008

In millions of Euros	Yuan Longping High-Tech	Bioseeds	Top Green	Unisigma	Genoplante Valor	Soygenetics
Sales	88.5	8.9	24.1	2.0	0.4	10.5
Net income	1.5	2.1	0.3	0.3	0.2	2.7
Assets	169.1	23.1	10.5	0.9	6.3	3.9
Liabilities (excluding net situation)	69.5	6.0	5.6	0.1	2.9	19.2

Note 19 : Inventories

1 - Evolution of net book values

In millions of Euros	06.30.09			06.30.08			06.30.07		
	Gross value	Provision	Net value	Gross value	Provision	Net value	Gross value	Provision	Net value
Raw materials and other supplies	48.5	- 3.3	45.2	26.5	- 2.7	23.8	43.0	- 3.4	39.6
Production in progress	45.0	- 4.2	40.8	27.8	- 3.6	24.2	33.0	- 3.7	29.3
Goods	65.7	- 5.7	60.0	76.1	- 7.2	68.9	140.5	- 10.1	130.4
Finished products	138.0	- 26.6	111.4	104.4	- 22.5	81.9	91.0	- 31.3	59.7
Total	297.2	- 39.8	257.4	234.8	- 36.0	198.8	307.5	- 48.5	259.0
Variation for the fiscal year			58.6			- 60.2			

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2-Further information

2.1-Variations for the fiscal year correspond to the following items:

In millions of Euros	08-09	07-08
Variations in scope (nets of provisions)	-	- 3.6
Variations in gross values	41.4	- 40.5
Variations in provisions including	- 2.9	9.0
<i>New provisions</i>	- 24.8	- 24.0
<i>Provisions used</i>	21.3	31.6
<i>Provisions written back</i>	0.6	1.4
Currency translations	3.5	- 8.5
Assets classified as held for sale (nets of provisions)	16.6	- 16.6
Total	58.6	- 60.2

2.2-Variations in scope concern:

In millions of Euros	
Fiscal 08-09	
None	-
Total	-
Fiscal 07-08	
Change in the consolidation method of Vilmorin Anadolu	2.6
Sale of Flora Frey	- 6.2
Total	- 3.6

2.3-Provisions are made in accordance with the methods described in Note 1 paragraph 13 of the "Accounting methods and principles in IFRS standards". Their evolution, as a percentage of the gross value of inventory, was as follows:

- June 30th 2007: 15.8%.
- June 30th 2008: 15.3%.
- **June 30th 2009: 13.4%.**

Note 20 : Trade receivables

1 - Evolution of net book values

In millions of Euros	06.30.09	06.30.08	06.30.07
In millions of Euros	315.0	307.2	316.3
Customer receivables	13.9	10.0	4.8
Advance payment to suppliers	1.2	1.2	2.1
Personnel and social security	60.9	59.7	38.4
Tax receivables	22.2	10.0	19.0
Other operating receivables	11.4	6.6	10.1
Prepayments	424.6	394.7	390.7
Gross total	- 9.7	- 9.5	- 11.2
Customer receivables	- 0.1	- 0.2	- 0.2
Other operating receivables	- 9.8	- 9.7	- 11.4
Total provisions	414.8	385.0	379.3
Net book values	29.8	5.7	-

2 - Further information

2.1 - Variations for the fiscal year comprise the following main items:

In millions of Euros	08-09	07-08
Variations in scope (net of provisions)	-	5.6
Variations in provisions including	0.5	0.7
<i>New provisions</i>	- 2.3	- 1.7
<i>Provisions used</i>	0.9	1.5
<i>Provisions written back</i>	1.9	0.9
Other variations	- 8.4	50.3
Currency translations	0.7	- 13.9
Assets classified as held for sale	37.0	- 37.0
Total	29.8	5.7

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2.2-Variations in scope concern:

In millions of Euros	
Fiscal 08-09	
None	-
Total	-
Fiscal 07-08	
Acquisition of Ceekay	0.1
Sale of Flora Frey	- 4.7
Deconsolidation of Clause Harris Moran Tézier	- 0.1
Change in consolidation method for Vilmorin Anadolu	7.2
Change in consolidation method for Soltis	3.1
Total	5.6

2.3-Tax receivables:

The line "tax receivables" comprises:

In millions of Euros	08-09	07-08
State, income taxes	29.2	32.9
Other tax receivables	31.7	26.8
Total	60.9	59.7

Note 21 : Cash and cash equivalents

1 - Evolution of fair values

In millions of Euros	06.30.09	06.30.08	06.30.07
Financial current accounts	2.5	2.6	1.5
Placement securities held for purposes of transaction	172.4	183.5	14.6
Cash and bank in hand	77.0	73.8	134.5
Total	251.9	259.9	150.6
Variation for the fiscal year	- 8.0	109.3	

The evaluation rules applicable for this line are described in Note 1 paragraph 23 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Analysis of the variations for the fiscal year:

In millions of Euros	
Fiscal 08-09	
Variations in scope	0.1
- Deconsolidation of Advanta Pacific	- 0.3
- Deconsolidation of Soygenetics	0.4
Variation of gross values	- 8.2
Currency translations	- 1.6
Assets classified as held for sale	1.7
Total	- 8.0
Fiscal 07-08	
Variations in scope	2.0
- Acquisition of Changsha Xindaxin	0.2
- Change in the consolidation method for Vilmorin Anadolu	2.0
- Sale of Flora Frey	- 0.4
- Merger of Mikado International	0.2
Variation of gross values ⁽¹⁾	115.8
Currency translations	- 6.8
Assets classified as held for sale	- 1.7
Total	109.3

⁽¹⁾ The variation in placement securities is the result of the placement of liquidities from the OCEANE bond operation with a value of 149.5 million Euros obtained by Vilmorin on June 6th 2008 (cf. Note 27).

Note 22 : Shareholders' equity - group share

1 - Composition of the shareholders' equity – group share

In millions of Euros	06.30.09	06.30.08	06.30.07
Parent stock	204.2	204.2	204.2
Issue premium	210.9	210.9	210.9
Parent legal reserve	9.2	9.0	7.7
Other parent reserves	1.6	19.8	17.5
Consolidation reserves and others	184.7	153.8	124.1
Currency translation reserves	- 26.1	- 26.7	- 10.8
Income for the fiscal year	53.0	44.3	54.8
Total	637.5	615.3	608.4
Variation for the fiscal year	22.2	6.9	-

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

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2- Further information

2.1 - Vilmorin's share capital:

Vilmorin's share capital comprises 13 391 857 shares, each with a nominal value of 15.25 Euros.

The company's by-laws stipulate that for the purpose of General Meetings, without prejudice to restrictions resulting from any laws and decrees in force, each member of the General Meetings may cast as many votes as the number of shares he or she owns or represents, without any limits.

Nevertheless, double voting rights compared to other shares, considering the stock quota they represent, are granted to any shares fully paid up for which it can be proven that they have been registered in the name of the same shareholder for a period of at least four years.

This right is also granted in the case of any increase in stock through incorporation of reserves, and as soon as they are issued, for any nominative shares granted without cost to any shareholder who holds former shares that benefit from this right.

2.2 - Characteristics of the Oceane bonds (Bonds convertible into new or existing shares):

On June 6th 2008 Vilmorin issued OCEANE bonds. This financial instrument involves both a financial debt component and an equity component. The accounting principle applied to these instruments is set out in Note 1 paragraph 21.4 of the "Accounting methods and principles in IFRS standards".

• Characteristics of the Oceane convertible bonds issued by Vilmorin

Issuing company	Vilmorin
Date of entitlement	June 6 th 2008
Number of bonds issued	958 579
Issue premium	€155.96
Total income from the issue	M€149.5
Interest rate	4.5% i.e. €7.0182 per bond
Due date	July 1 st 2015 with possibility of early redemption on July 1 st 2013
Normal redemption conditions	1 Vilmorin share for 1 bond

• The impact of the OCEANE convertible bonds on the equity is as follows:

In millions of Euros	Gross income from the OCEANE bonds	Impact on the balance sheet		
		Debt component	Deferred taxes liabilities	Equity component
Issued on 06.06.08	149.5	132.6	5.6	11.3
Restatement of the interest on the debt component in fiscal 2007-2008		0.2	-	- 0.2
06.30.08	149.5	132.8	5.6	11.1
Restatement of the interest on the debt component in fiscal 2008-2009		2.9	- 1.0	- 1.9
06.30.09	149.5	135.7	4.6	9.2

Note 23: Shareholders' equity – minority interests

1 - Composition of the shareholders' equity – Minority interests

In millions of Euros	06.30.09	06.30.08	06.30.07
Consolidation reserve and others	111.6	119.1	95.2
Currency translation reserve	- 2.5	- 2.1	- 0.5
Income for the fiscal year	7.2	6.8	2.5
Total	116.3	123.8	97.2
Variation for the fiscal year	- 7.5	26.6	

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

2 - Further information

• Characteristics of the equity notes issued by Limagrain Verneuil Holding (LVH):

Issuing companies	LVH	LVH
Date of entitlement	June 15 th 2003	June 15 th 2003
Number of securities issued	9 032	9 082
Issue premium	€636.60	€633.19
Total income from the issue	M€5.7	M€5.8
Interest rate	Euribor 6 months + margin	Euribor 6 months + margin
Due date	December 31 st 2010	December 31 st 2011
Normal redemption rate	1 LVH share for 1 equity note	1 LVH share for 1 equity note

• The impact of equity notes on the equity is as follows:

In millions of Euros	Gross total for the equity notes	Impact on the balance sheet		
		Debts component	Deferred taxes assets	Equity components
06.30.07	11.5	1.7	- 0.6	10.4
Restatement of the interest on the debt component in fiscal 2007-2008	-	- 0.5	0.2	0.3
06.30.08	11.5	1.2	- 0.4	10.7
Restatement of the interest on the debt component in fiscal 2008-2009	-	- 0.5	0.2	0.3
06.30.09	11.5	0.7	- 0.2	11.0

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Note 24 : Provisions for employee benefits

Provisions for employee benefits are analyzed as follows:

In millions of Euros	06.30.09	06.30.08
Provisions for lump sums paid at retirement	7.9	6.3
Commitments for "work medal" bonuses and other benefits	0.5	0.5
Pension plans	10.5	10.7
Total	18.9	17.5
Including:		
Provision for employee benefits (non current share)	18.9	17.5
Provision for employee benefits (current share)	-	-
Total	18.9	17.5

The evaluation rules applied to this line are described in Note 1 paragraph 16 of the "Accounting methods and principles in IFRS standards".

- Lump sums paid at retirement mainly concern French companies.

During the course of fiscal 2002-2003, the convention that applies to a certain number of Vilmorin's companies was modified with retroactive effect. The impact of this change on past services is amortized over the average remaining time of activity for the employees concerned, which has been estimated to be nineteen years at the date of the change. Consequently the provision made on June 30th 2009 does not include the extra commitment of 0.6 million Euros.

- Commitments for "work medal" bonuses and other benefits mainly concern French companies.

- There are also multi-employer plans which are accounted for in the same way as defined benefit schemes, since insufficient information is available to account for them otherwise.

- A financial asset of 0.8 million Euros exists and corresponds to provisions for employee benefits.

- The proportion for the companies Oxadis and Suttons recorded as discontinued operations on June 30th 2008 stands at 1.5 million Euros.

1 - Evolution over the course of the fiscal year

The evolution of the current value of obligations with regard to defined contribution plans and other long-term benefits is as follows:

In millions of Euros	06.30.09	06.30.08
Current value of obligations at opening of the fiscal year	(1) 120.7	131.5
Cost of services rendered for the year	2.4	3.0
Financial cost	7.3	6.6
Participants' contributions	0.3	0.4
Net actuarial losses or gains	1.9	- 0.6
Welfare services paid out	- 5.9	- 5.6
Cost of past services recorded	-	0.3
Effect of liquidation / reduction of future services	- 4.0	- 10.7
Currency translations and others	- 2.0	- 13.1
Current value of obligations at close of the fiscal year	120.7	111.8

(1) The difference in the current value of obligations compared with the close of the previous fiscal year, i.e. 111.8 million Euros, corresponds to the reintegration of the companies Oxadis and Suttons.

Evolution of the fair value of the assets of defined contribution plans is as follows:

In millions of Euros	06.30.09	06.30.08
Fair value of forward assets at opening of the fiscal year	(2) 97.2	117.6
Expected returns on forward assets	6.7	7.6
Net actuarial losses or gains	- 15.7	- 12.8
Employers' contributions	3.9	4.4
Participants' contributions	0.3	0.4
Welfare services paid out	- 5.0	- 5.0
Effect of liquidation / reduction of future services	- 3.2	- 8.4
Currency translations and others	- 2.3	- 12.8
Fair value of forward assets at close of the fiscal year	81.9	91.0

(2) The difference in the fair value of forward assets compared with the close of the previous fiscal year, i.e. 91.0 million Euros, corresponds exclusively to the reintegration of the company Suttons.

1.1 - Further information

a. Information on the funding assets

Employee benefit assets do not include land and premises occupied by the companies of Vilmorin or any other assets used by Vilmorin.

The fair value of employee benefit assets does not include any securities issued by Vilmorin.

b. The fair value of employee benefit assets is analyzed as follows:

- Ordinary shares: 45%
- Bonds: 32%.
- Real estate: 4%.
- Others: 19%.

c. The true yield for employee benefit assets in 2009 was 9.1 million Euros as opposed to 5.3 million Euros in 2008.

2-2- Reconciliation of assets and liabilities recorded on the balance sheet

A comparison of balance sheet data with the actuarial obligation concerning defined contribution plans can be analyzed as follows on June 30th 2009:

In millions of Euros	30.06.09	30.06.08
Adjusted value of the commitment	120.7	111.8
Fair value of assets of defined contributions plans	- 81.9	- 91.0
Deficit / (Surplus)	38.8	20.8
Unrecorded actuarial differences	- 20.3	- 2.9
Unrecorded costs of past services	- 0.9	- 0.8
Others	1.3	0.4
Net recorded commitment	18.9	17.5
<i>Including:</i>		
<i>Provisions for pensions and similar schemes</i>	19.7	18.0
<i>Financial assets</i>	- 0.8	- 0.5
Total	18.9	17.5

2.1 - Further information

a. Method used to record actuarial gains and losses (the corridor method)

Actuarial gains and losses that exceed 10% of the commitment or assets are amortized over the estimated remaining time of activity of the participants.

b. General description of the types of schemes

Defined benefit pension schemes are mainly to be found in the United Kingdom and the United States. There is no other scheme that comes into effect after employment of the post retirement health scheme. Other long-term benefits are "work medal" long service bonuses.

Non-financed commitments cover lump sums for retirement paid out mainly in France and "work medal" long service bonuses, and also certain benefits and the pension plan in Japan.

c. The figures for commitments for defined employee benefit schemes have been determined by qualified actuarians.

3 - Recorded charge

The total recorded charge for defined contribution plans and other long-term benefits are analyzed as follows:

In millions of Euros	06.30.09	06.30.08
Cost of services rendered	2.4	2.8
Financial cost	7.3	6.6
Expected return on assets	- 6.7	- 7.6
Other charges	-	- 0.1
Recognized actuarial losses or gains	0.1	- 0.2
Cost of past services recognized	0.1	0.1
Effect of liquidations / reductions	- 0.5	- 0.2
Total	2.7	1.4

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4- Actuarial hypotheses

The main actuarial hypotheses used to estimate Vilmorin's obligations are as follows:

• Europe zone

as a %	Europe zone (except United Kingdom)		United Kingdom zone	
	2009	2008	2009	2008
Adjustment rate	5.00 to 6.00	5.75 to 6.00	6.20	6.70
Expected return on assets	3.40 to 6.00	4.00 to 6.00	6.65 to 6.82	7.51 to 8.00
Salaries progression rate	1.00 to 2.50	1.50 to 3.00	4.00 to 4.30	5.00
Pension fund inflation rate	1.50 to 2.00	1.00 to 2.00	2.50 to 3.30	2.50 to 4.10

• Americas zone

as a %	2009	2008
Adjustment rate	6.48	6.82
Expected return on assets	9.00	9.00
Salaries progression rate	5.00	4.00
Pension fund inflation rate	0.00	0.00

• Middle East and Asia zones

as a %	2009	2008
Adjustment rate	2.00 to 4.30	2.00 to 3.00
Expected return on assets	2.20 to 2.50	2.20 to 2.50
Salaries progression rate	2.50 to 5.40	3.50 to 3.75
Pension fund inflation rate	0.00	0.00

5- Geographical analysis of rights

The geographical breakdown of the adjusted value of rights is as follows:

In millions of Euros	06.30.09	06.30.08
France	8.4	6.8
Europe (except France)	79.3	77.7
Americas	24.4	19.5
Middle East / Asia	8.6	7.8
Adjusted value of rights	120.7	111.8

6-Schemes with defined contributions

In millions of Euros	06.30.09			06.30.08
	Schemes with defined contributions	Multi-employer schemes	Total schemes	Total schemes
Charges recorded in the income statement	1.8	0.6	2.4	2.2
Social contributions	-	-	-	-
Pre-paid charges	-	-	-	-

Note 25 : Deferred taxes

1-Evolution of book values

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities	Impact on the income	Impact on the reserves
06.30.07	13.9	84.0	3.5	5.0
Variations in scope	0.1	- 0.5	-	-
Variations influencing income from continuing operations	- 1.1	- 5.6	4.5	-
Variations influencing income from discontinued operations	0.5	- 1.8	2.3	-
Variations influencing equity	- 0.8	5.9	-	- 6.7
Assets / liabilities classified as held for sale	- 1.7	- 0.1	-	-
Currency translations	- 1.3	- 0.2	-	-
06.30.08	9.6	81.7	6.8	- 6.7
Variations in scope	-	-	-	-
Variations influencing income from continuing operations	3.6	7.4	- 3.8	-
Reclassifications	- 2.4	- 2.5	-	-
Variations influencing equity	-	- 4.3	-	4.3
Assets / liabilities classified as held for sale	1.7	0.1	-	-
Currency translations	0.5	0.2	-	-
06.30.09	13.0	82.6	- 3.8	4.3

The rules applied with regard to deferred taxes are described in Note 1 paragraph 19 of the "Accounting methods and principles in IFRS standards".

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2-Further information

2.1-Variations in scope

Variations in scope concern:

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities
08-09		
None	-	-
Total	-	-
07-08		
Change in the consolidation method for Vilmorin Anadolu	0.1	-
Sale of Flora Frey	-	- 0.5
Total	0.1	- 0.5

2.2-Variations influencing equity

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities
08-09		
Forward cover	-	- 4.1
Others	-	- 0.2
Total		- 4.3
07-08		
Forward cover	-	0.2
Restatement of Oceane convertible bonds	-	5.6
Others	- 0.8	0.1
Total	- 0.8	5.9

Note 26 : Other current provisions

1-Evolution of book values

In millions of Euros	06.30.09	06.30.08	06.30.07
Commercial litigation	2.7	3.4	2.2
Other risks and litigation	10.5	17.5	12.3
Reorganization costs	6.0	4.1	4.6
Employee benefits	0.1	0.1	0.8
Total	19.3	25.1	19.9
Variation for the fiscal year	- 5.8	5.2	

The rules applied with regard to setting up provisions are described in Note 1 paragraph 17 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Variations for the fiscal year include the following items:

In millions of Euros	
08-09	
Variations in scope	- 0.1
Variations in provisions	- 11.8
- Provisions for the fiscal year	5.6
- Write-back used	- 13.5
- Write-back not used	- 3.9
Liabilities classified as held for sale	6.0
Currency fluctuations	0.1
Total	- 5.8
07-08	
Variations in scope	-
Variations in provisions	11.1
- Provisions for the fiscal year	18.6
- Write-back used	- 6.3
- Write-back not used	- 1.2
Reclassifications into provisions for employee benefits	- 0.8
Currency fluctuations	- 0.3
Other reclassifications	1.2
Liabilities classified as held for sale	- 6.0
Total	5.2

2.2 - Variations in scope concern the following operations:

In millions of Euros	Total
08-09	
Miscellaneous	- 0.1
Total	- 0.1
07-08	
None	-
Total	-

2.3 - The variation in other provisions for risks and litigations is due to:

- a drop in provisions made by the captive reinsurance company Cylonic Ré standing at 4.3 million Euros on June 30th as opposed to 6.8 million Euros on June 30th 2008,
- the settlement of tax litigations and litigations on the sale of assets.

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Note 27 : Current and non-current financial debts

1 - Composition of the financial debts

1.1 - Non-current financial debts

In millions of Euros	06.30.09	06.30.08	06.30.07
Bank loans	207.1	212.2	313.0
Debt component of the equity notes ⁽¹⁾	0.2	0.8	1.6
Debt component of the Oceane convertible bonds ⁽²⁾	135.7	132.8	-
Minority redemption commitments	3.2	3.1	3.9
Derivatives ⁽³⁾	9.8	- 4.8	- 2.0
Lease/hire purchase	1.2	1.5	1.9
Other financial debts	1.0	3.0	4.2
Total	358.2	348.6	322.6
Variation for the fiscal year	9.6	26.0	

⁽¹⁾ cf Note 23

⁽²⁾ cf Note 22

⁽³⁾ cf Note 30

1.2 - Current financial debts

In millions of Euros	06.30.09	06.30.08	06.30.07
Bank loans	260.0	230.2	165.9
Debt component of the equity notes ⁽¹⁾	0.5	0.5	-
Lease/hire purchase	0.2	0.2	0.2
Derivatives ⁽²⁾	- 0.8	- 0.8	-
Current accounts	4.3	3.0	2.2
Other financial debts	0.2	0.3	0.1
Interest incurred	7.0	1.2	4.9
Total	271.4	234.6	173.3
Variation for the fiscal year	36.8	61.3	

⁽¹⁾ cf Note 23

⁽²⁾ cf Note 30

1.3 - Net financial indebtedness

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

In millions of Euros	06.30.09	06.30.08	06.30.07
Non-current financial debts	358.2	348.6	322.6
Current financial debts	271.4	234.6	173.3
Cash and bank in hand (cf. Note 21)	- 251.9	- 259.9	- 150.6
Net financial debts	377.7	323.3	345.3
Variation for the fiscal year	54.4	- 22.0	-

The rules applied for recording financial debts are described in Note 1 paragraphs 21.3, 21.4 and 25 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Analysis of the evolution of the financial debt

a. The main variations in financial indebtedness are as follows:

In millions of Euros	Non-current financial debts	Current financial debts	Total
06.30.07	322.6	173.3	495.9
Increase	164.8	47.5	212.3
Decrease	- 95.3	-	- 95.3
Restatement of Oceane convertible bonds ⁽¹⁾	-16.9	-	-16.9
Variations in scope	1.1	3.0	4.1
Restatement of forward cover	- 1.1	-	- 1.1
Commitment to purchase minority shares	- 1.1	-	- 1.1
Reclassifications	- 25.1	25.1	-
Liabilities classified as held for sale	0.1	- 12.1	- 12.0
Currency translations	- 0.5	- 2.2	- 2.7
06.30.08	348.6	234.6	583.2
Increase	47.8	-	47.8
Decrease	- 3.6	- 27.7	- 31.3
Restatement of Oceane convertible bonds ⁽¹⁾	-	-	-
Variations in scope	-	-	-
Restatement of forward cover	13.3	-	13.3
Commitment to purchase minority shares	-	-	-
Reclassifications	- 48.0	48.0	-
Liabilities classified as held for sale	- 0.1	12.1	12.0
Currency translations	0.2	4.4	4.6
06.30.09	358.2	271.4	629.6

⁽¹⁾ Cf Note 23

b. Variations in scope concern:

In millions of Euros	Non-current financial debts	Current financial debts	Total
08-09			
None	-	-	-
Total	-	-	-
07-08			
Acquisition of Ceekay Seeds & Seedlings	-	0.2	0.2
Change in the consolidation method for Soltis	1.1	2.8	3.9
Total	1.1	3.0	4.1

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2.2 - Information on the debenture loan

This loan has the following characteristics:

Issuer	Vilmorin (Oceane)
Date of issue	06.06.08
Amount involved	M€149.5
Due date (bullet amortization)	07.01.15
Possibility of early redemption	07.01.13
Interest rate	4.50%

2.3 - Information on bank loans

The main medium- and long-term bank loans have been granted by a pool of banks to the company Vilmorin for a total of 300 millions Euros.

This loan presented above involves default clauses concerning the respect of certain ratios that, in certain conditions, are liable to lead to their being payable earlier than planned.

The characteristics are as follows:

Original amount of the loans	M€300
Company to which the loan was granted	Vilmorin
Outstanding	
On June 30 th 2008	M€210
On June 30 th 2009	M€195
Rate	Euribor + margin
Collateral granted	No
Existence of "covenants"	Yes

After redemption of the total aggregate of 30 million Euros from the amortizable loan, the authorized and confirmed credit line stood at 270 million Euros, of which 75 million Euros were not used on June 30th 2009.

There are covenants based on ratios from Vilmorin's consolidated financial statements:

- Financial debts over EBITDA.
- EBITDA over financial costs.

The above-mentioned covenants were respected for fiscal 2008-2009.

2.4 - Analysis of loans by nature of rates

Analysis of the financial debts by nature of rates before cover is as follows:

In millions of Euros	Non-current financial debts	Current financial debts	Total
06.30.09			
Financial debts with fixed rate	143.9	11.2	155.1
Financial debts with variable rate	214.3	260.2	474.5
Total	358.2	271.4	629.6
06.30.08			
Financial debts with fixed rate	136.4	12.5	148.9
Financial debts with variable rate	212.2	222.1	434.3
Total	348.6	234.6	583.2

Taking forward cover rates into account, financial debts with variable rate were covered up to 240 million Euros at the end of June 2009

Note 28 : Accounts payable

1 - Evolution of the book values

In millions of Euros	06.30.09	06.30.08	06.30.07
Suppliers and other accounts payable	145.0	107.7	125.3
Debts on the acquisition of fixed assets	10.4	15.4	6.1
Advance payments received from customers	0.7	1.2	2.1
Social security	45.5	39.3	38.0
Taxes	17.8	19.8	17.7
Other operating debts	118.5	95.5	104.5
Other non-operating debts	1.0	0.8	3.0
Total	338.9	279.7	296.7
Variation for the fiscal year	59.2	- 17.0	-

The rules applied for recording accounts payable are described in Note 1 paragraph 20 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Variation for the fiscal year includes the following main items:

In millions of Euros	08-09	07-08
Variations in scope	-	0.6
Other variations	26.6	35.3
Currency translations	1.3	- 21.6
Liabilities classified as held for sale	31.3	- 31.3
Total	59.2	- 17.0

Variations in scope concern:

In millions of Euros	Total
08-09	
None	-
Total	-
07-08	
Acquisition of Ceekay	0.1
Sale of Flora Frey	- 3.7
Change in the consolidation method for Vilmorin Anadolu	2.0
Change in the consolidation method for Soltis	2.2
Total	0.6

2.2 - Almost all the debts for suppliers and accounts payable are due within one year.

2.3 - The other operating debts mainly include balances to pay to customers concerning the close of operations at the end of the campaign (inventory returns, end of year discount).

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Note 29 : Deferred income

1 - Evolution of book values

In millions of Euros	06.30.09	06.30.08	06.30.07
Total	24.7	5.1	6.5
Variation for the fiscal year	19.6	- 1.4	

The rules applicable are described in Note 1 paragraph 18 of the "Accounting methods and principles in IFRS standards".

This line concerns almost exclusively investment and operating subsidies.

2 - Further information

Movements for the fiscal year involve the following items:

In millions of Euros	08-09	07-08
Subsidies written back into the income	- 0.4	- 0.4
Variations in scope	-	-
Restatement of Tax relief for research ⁽¹⁾	16.6	-
Others	3.4	- 1.0
Total	19.6	- 1.4

⁽¹⁾ Refer to Note 12.

Note 30: Financial instruments

1 - Instruments financiers par catégorie

In millions of Euros	06.30.09		Analysis by category of instruments				
	Value on the balance sheet	Fair value	Assets held for sale	Loans and receivables	Debts at amortized cost	Derivatives	Non financial ⁽¹⁾
Financial assets	28.1	28.1	21.4	6.7	-	-	-
Customers and other receivables	414.8	414.8	-	327.4	-	-	87.4
Cash and cash equivalents	251.9	251.9	-	251.9	-	-	-
Financial assets	694.8	694.8	21.4	586.0	-	-	87.4
Non-current financial debts	358.2	358.2	-	-	348.4	9.8	-
Current financial debts	271.4	271.4	-	-	272.2	- 0.8	-
Suppliers and other payables	363.6	363.6	-	-	338.9	-	24.7
Financial liabilities	993.2	993.2	-	-	959.5	9.0	24.7

⁽¹⁾ In the assets, tax and social security receivables, various prepayments and accruals are not included in the above figures since they are not considered to be financial instruments as defined by IAS 39. The same holds in the liabilities for deferred income.

In millions of Euros	06.30.08		Analysis by category of instruments				
	Value on the balance sheet	Fair value	Assets held for sale	Loans and receivables	Debts at amortized cost	Derivatives	Non financial ⁽¹⁾
Financial assets	32.3	32.3	18.1	14.2	-	-	-
Customers and other receivables	385.0	385.0	-	307.5	-	-	77.5
Cash and cash equivalents	259.9	259.9	-	259.9	-	-	-
Financial assets	677.2	677.2	18.1	581.6	-	-	77.5
Non-current financial debts	348.6	348.6	-	-	353.4	- 4.8	-
Current financial debts	234.6	234.6	-	-	235.4	- 0.8	-
Suppliers and other payables	284.8	284.8	-	-	279.7	-	5.1
Financial liabilities	868.0	868.0	-	-	868.5	- 5.6	5.1

⁽¹⁾ In the assets, tax and social security receivables, various prepayments and accruals are not included in the above figures since they are not considered to be financial instruments as defined by IAS 39. The same holds in the liabilities for deferred income.

2 - Management of financial risks

Vilmorin has set up a dedicated organization based on financial risk management policies that have been approved by the Executive Committee, with centralized management of risks to which it is exposed regarding exchange, raw materials, rates and cash.

On June 30th 2009, the derived financial instruments set up by Vilmorin to manage its risks can be analyzed as follows:

2.1 - Information regarding currency exchange risks

a. Objectives

Vilmorin manages its currency positions with the objective of hedging the risks of fluctuation of relative parities, mainly in relation to its industrial and commercial operations. Indeed, Vilmorin sets up forward contracts exclusively in order to hedge currency exchange risks linked to provisional flows. For this purpose, a procedure to manage currency exchange risks collectively has been set up in the group. This position mainly consists in taking out contracts with a fixed term.

b. Assets and liabilities analyzed according to the main foreign currencies

In millions of Euros	Euro Zone	US dollar	Canadian dollar	GBP	Australian dollar	Yen	Shekel	Other currencies	Total
06.30.09									
Assets ⁽¹⁾	862.9	151.9	6.2	24.2	7.6	55.3	60.3	138.6	1 307.0
Liabilities ⁽¹⁾	779.4	88.0	10.2	13.5	1.9	39.2	13.2	23.1	968.5
Differential	83.5	63.9	- 4.0	10.7	5.7	16.1	47.1	115.5	338.5
06.30.08									
Assets ⁽¹⁾	841.0	122.4	12.5	27.2	2.2	43.2	57.2	120.8	1 226.5
Liabilities ⁽¹⁾	694.0	79.0	23.8	7.5	2.3	30.2	11.3	14.8	862.9
Differential	147.0	43.4	- 11.3	19.7	- 0.1	13.0	45.9	106.0	363.6

⁽¹⁾ This concerns all items on the balance sheet that are exposed to foreign currency risks, except goodwill, inventories, deferred taxes, reserves, provisions, and deferred charges and income.

c. - Information on the nominal value of instruments set up to hedge currency exchange

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.09				
Forward exchange contracts	5.9	5.9	-	-
Exchange options	-	-	-	-
Total	5.9	5.9	-	-
30.06.08				
Forward exchange contracts	29.3	29.3	-	-
Exchange options	-	-	-	-
Total	29.3	29.3	-	-

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d. Information on the real value of instruments set up to hedge currency exchange

In millions of Euros	Total
06.30.09	
Contracts on commercial transactions	
- Cash flow hedge ⁽¹⁾	-
Contracts on commercial transactions	
- Fair value hedge	NS
06.30.08	
Contracts on commercial transactions	
- Cash flow hedge ⁽²⁾	-
Contracts on financial operations	
- Fair value hedge	NS

⁽¹⁾ The intrinsic value of contracts on June 30th 2009 is not significant (NS)

⁽²⁾ The intrinsic value of contracts on June 30th 2008 is not significant (NS)

e. Information on risk exposure to instruments set up to hedge currency exchange

Vilmorin's net exposure for notional amounts mainly concerns the following currencies (excluding entities' functional currencies):

In millions for each currency	USD	GBP	Yen	AUD	Others
Net position before management	5.7	- 0.2	- 11.2	0.6	- 0.5
Forward purchasing	-	1.8	-	0.5	0.5
Forward selling	- 4.5	-	-	-	-
Net position after management	1.2	1.6	- 11.2	1.1	-

On June 30th 2009, the exchange rates for one Euro were USD 1.4134, GBP 0.8521, JPY 135.51 and AUD 1.7359,

On June 30th 2009, sensitivity on net positions after management could be analyzed as follows:

In millions of Euros	USD	GBP	Yen	Others
Hypothesis of currency variation (as a %)	10	10	10	10
Impact on income	0.1	0.2	-	-

Variation of $\pm 10\%$ in exchange rates against the euro would not be significant on the financial income.

2.2 - Information concerning raw material risks

Policies of forward cover for risks on raw materials are mainly set up in North America with the aim of limiting the impact of price variations on the consolidated net income, by identifying and neutralizing the risk as early as possible, and in certain cases as early as the seed production phase.

On June 30th 2009, the derived financial instruments set up by Vilmorin to hedge the risk on raw materials concern

future corn contracts showing a gain of about 1.7 million Euros, as opposed to a loss of 2.2 millions Euros for the previous fiscal year, and recorded at fair value in the line financial income.

2.3 - Information concerning interest rate risks

a. Objectives

Interest rate risks are mainly managed by Vilmorin which (apart from specific cases or regulatory constraints) centralizes the current, stable cash flow requirements or surpluses of the subsidiaries, and sets up centralized external funding facilities as necessary.

b. Assets and liabilities subject to interest rate risks

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.09				
Assets	11.6	10.8	-	0.8
Liabilities	629.6	271.4	193.8	164.4
Differential	- 618.0	- 260.6	- 193.8	- 163.6
06.30.08				
Assets	19.3	18.3	0.3	0.7
Liabilities	583.2	234.6	204.3	144.3
Differential	- 563.9	- 216.3	- 204.0	- 143.6

c. Information on the nominal value of instruments to hedge interest rates

In order to manage the interest rate risks of its financial debts, Vilmorin uses derived instruments for which the notional outstanding sums are as follow:

In millions of Euros	Nominal	Due dates					Market value
		2009	2010	2011	2012	> 2012	
Cash flow hedge operations	175.0	55	-	20	100	-	-
Interest rate SWAP	-	-	-	-	-	-	- 7.2
Fair value operations through profit and loss ⁽¹⁾	65.0	5	10	20	30	-	-
Interest rate SWAP	-	-	-	-	-	-	- 3.7
Others	-	-	-	-	-	-	- 0.7
Total	240.0	60	10	40	130	-	- 11.6

⁽¹⁾ Operations ineligible for hedge accounting as determined by IAS 39.

Contractual cash flows associated with interest rate SWAP are paid at the same time as the contractual cash flows for loans with variable rates. The deferred amount in equity concerning hedge instruments is shown in the income statement for the period where the interest cash flow for the debt has an impact on the income.

The inefficient part of hedge instruments was not significant on June 30th 2009.

d. Information on risk exposure to instruments set up to hedge interest rates

On the basis of net financial indebtedness on June 30th 2009, a variation of $\pm 1\%$ in interest rates would represent an extra financial charge or income estimated to be insignificant.

2.4-Information concerning risks for shares and treasury shares

Listed shares held by Vilmorin are subject to the risk of volatility characteristic of financial markets.

Apart from consolidated securities, they can be divided up into three categories:

- Securities in companies consolidated using the equity method; these concern for the most part Yuan Longping High-Tech Agricultural Company Ltd, listed on the Shenzhen stock market in China.
- Shares that are included in the portfolio "Financial assets held for sale" (cf. Note 17).
- Other non-current financial assets.

No specific measures have been taken to protect securities in companies consolidated using the equity method against a drop in rates.

The risk concerning shares included in the portfolio "Financial assets held for sale" mainly involves two lines of unlisted shares.

There is a liquidity contract for Vilmorin treasury shares. On June 30th 2009, Vilmorin held 7 191 securities with a book value of 0.5 million Euros.

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2.5- Information concerning liquidity risks

Vilmorin's treasury department manages liquidity risks by making short or long term funding available to subsidiaries as required.

Optimization of liquidity is based on centralized management of Vilmorin's subsidiaries' cash surpluses and requirements.

These operations are handled by Vilmorin's treasury department using cash-pooling conventions and intra-group loans on condition that this is authorized by local legislation.

External funding is normally set up in a centralized manner by the treasury department in order to optimize the cost of funding and access to the banking market.

Vilmorin uses a confirmed credit line involving syndicated credit originally of 300 million Euros over 7 years. On June 30th 2009, the outstanding amount was 195 million Euros from the 270.0 million Euros authorized, 75 million euros of this credit being unused, constituting a significant reserve of cash.

Moreover on June 30th 2008 the conventions of existing financial commitments were all respected.

The schedule for financial debts was as follows:

In millions of Euros	Due dates			Total
	< 1 year	1 to 5 years	> 5 years	
06.30.09				
Non-current financial debts				
Bank loans	-	191.0	16.1	207.1
Debt components of the equity notes	-	0.2	-	0.2
Debt components of the OCEANE bonds	-	-	135.7	135.7
Commitments to purchase minority shares	-	3.2	-	3.2
Derivatives	-	- 1.8	11.6	9.8
Financial lease/hire purchase	-	1.2	-	1.2
Other financial debts	-	-	1.0	1.0
Total non-current debts	-	193.8	164.4	358.2
Current financial debts	271.4	-	-	271.4
Total	271.4	193.8	164.4	629.6
Future interest on loans and other liabilities	10.8	25.1	0.5	36.4
06.30.08				
Non-current financial debts				
Bank loans	-	198.6	13.6	212.2
Debt components of the equity notes	-	0.8	-	0.8
Debt components of the OCEANE bonds	-	-	132.8	132.8
Commitments to purchase minority shares	-	3.1	-	3.1
Derivatives	-	- 2.5	- 2.3	- 4.8
Financial lease/hire purchase	-	1.5	-	1.5
Other financial debts	-	2.8	0.2	3.0
Total non-current debts	-	204.3	144.3	348.6
Current financial debts	234.6	-	-	234.6
Total	234.6	204.3	144.3	583.2
Future interest on loans and other liabilities	20.6	54.4	1.5	76.5

2.6-Information concerning credit risk

In order to prevent any problems recovering debts from its customers, Vilmorin has set up individual credit limits which are regularly updated depending both on the financial situation of each customer, along with the customer's track record with regard to payment.

Finally, through certain subsidiaries, Vilmorin has taken out an insurance policy with the Coface (French export insurance organization) to cover customer credit risks.

At close the chronological breakdown of customer receivables was as follows:

In millions of Euros	06.30.09	06.30.08
Receivables not yet due	219.3	241.7
Receivables due:		
- delay of zero to three months	37.4	32.3
- delay of three to six months	14.0	14.3
- delay of six to twelve months	3.7	10.4
- delay greater than one year	40.6	8.5
Gross customer and other receivables	315.0	307.2

Note 31 : Off balance sheet commitments

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

1 - Guarantees received

In millions of Euros	06.30.09	06.30.08
Endorsements, sureties, guarantees	2.2	1.2
Other commitments	0.1	0.6
Total	2.3	1.8

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.

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

2 - Guarantees given

In millions of Euros	06.30.09	06.30.08
Endorsements, sureties, guarantees	46.5	29.8
Clause of return to better fortune	7.0	7.0
Other commitments	3.6	0.6
Total	57.1	37.4

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 6.5 million Euros (6.7 million Euros on June 30th 2008) and the site of Solingen (head office of Flora Frey in Germany) for 18.5 million Euros (19.2 million Euros on 30th 2008),
- a commitment of 12.7 million Euros with regard to suppliers in North America.

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.

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3- Reciprocal commitments

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.09				
Lease agreements	3.6	1.6	1.9	0.1
Simple rental agreements	24.6	6.8	13.7	4.1
Forward purchase of currency (cf. Note 30)	5.9	5.9	-	-
Forward interest rate cover (cf. Note 30)	240.0	60.0	180.0	-
Interest to pay on medium and long-term debts Medium- and long-term research contracts	36.4	10.8	25.1	0.5
Other commitments	0.2	0.1	0.1	-
Total	21.6	6.3	15.3	-
06.30.08	332.3	91.5	236.1	4.7
Lease agreements				
Simple rental agreements	2.7	1.0	1.6	0.1
Forward purchase of currency (cf. Note 30)	21.5	7.0	11.6	2.9
Forward interest rate cover (cf. Note 30)	29.3	29.3	-	-
Interest to pay on medium and long-term debts Medium- and long-term research contracts	140.0	40.0	100.0	-
Other commitments	76.5	20.6	54.4	1.5
Total	0.3	0.2	0.1	-
Autres engagements	21.3	7.9	13.4	-
Total	291.6	106.0	181.1	4.5

Forward cover of interest rates concerns the following operations:

3.1 - On June 30th 2009

Medium term bank loans (syndicated credit)	M€200	Fixed and semi-fixed rate over variable rate at 3 months
Equity notes	M€40	Fixed rate over variable rate at 6 months
Short-term loans	-	Fixed and semi-fixed rate over variable rate at 3 months

3.2 - On June 30th 2008

Medium term bank loans (syndicated credit)	M€140	Fixed and semi-fixed rate over variable rate at 3 months
Equity notes	-	Fixed rate over variable rate at 6 months
Short-term loans	-	Fixed and semi-fixed rate over variable rate at 3 months

4- 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
06.30.09	43.5	99.8	99.8

⁽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.

5-Commitments of the company Cylonie RE

As part of a captive set-up, the reinsurance company, Cylonie Ré, gave the following commitments during the course of fiscal 2008-2009 in four reinsurance programs and in a retrocession program:

- Reinsurance programs:
 - Cylonie Ré reinsures the first line of a Property Damage and Operating Losses program ceded by an insurance company with a limit of 1 million Euros per claim and 2.5 million Euros per year. This contract has been renewed for fiscal 2009-2010.
 - Cylonie Ré has reinsured a Professional Third Party Liability program since July 1st 2007 for a duration of two years terminating on July 1st 2009, ceded by another insurance company, with an annual limit and limit per claim of 15 million Euros.
 - Cylonie Ré has insured a Product Responsibility program since July 1st 2007 ceded by an insurance company with the annual limit of 1 million Euros per claim and 3 million Euros per year. This contract has been renewed for fiscal 2009-2010.
 - Finally Cylonie Ré has reinsured a Third Party Liability program since January 1st 2007 ceded by another reinsurance company, with a duration of three years, with an annual limit of 5.7 million US dollars and an aggregate limit of 17 million US dollars.
- Retrocession program:
 - Cylonie Ré retroceded a Third Party Liability program to an insurance company terminating on July 1st 2009. The retrocessionnaire took charge of the commitments exceeding the financial capacity of Cylonie Ré with a contractual intervention limit of 18 million US dollars.

6-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 garden products 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. The remaining sum of this provision on June 30th 2009 stood at 2.6 million Euros.

Note 32 : Transactions between interested parties

1 -Associated companies

These are companies held between 20% and 50 % in which Vilmorin exerts significant influence and which are consolidated using the equity method.

Transactions with associated companies are carried out on the basis of a market price.

The debts and receivables with regard to companies consolidated using the equity method are not significant. The main figures for companies consolidated using the equity method are provided in Note 18.

2-Interested parties with a significant influence on Vilmorin

Vilmorin is held by its majority shareholder Groupe Limagrain. The economic relationships developed with the companies in this Group are summarized in the table below:

2.1 -Receivables and debts on June 30th 2009

In millions of Euros	Assets	Liabilities
Operating debts and receivables	4.2	26.6
Financial debts and receivables	1.2	-
Total	5.4	26.6

2.2-Charges and income for fiscal 2008-2009

In millions of Euros	Charges	Income
Purchases and sales of goods	- 67.0	4.0
Corporate allocations	- 7.9	1.4
Other operating charges and income	- 15.2	1.2
Financial charges and income	-	0.1
Total	- 90.1	6.7

3-Remunerations of the Top Executives

In millions of Euros	06.30.09	06.30.08	06.30.07
Global amount of remunerations and benefits paid to the Executive Committee	1.6	1.3	0.9
Directors' fees paid to the Executive Committee	-	-	-

The Executive Committee comprised five members during fiscal 2008-2009.

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Benefits paid out after employment in favor of members of the Executive Committee

The total amount of benefits funded for severance pay for the Executive Committee stood at 0.8 million Euros on June 30th 2009, including employer's welfare contributions.

This commitment is assessed by actuaries in order to determine the amount for provisions for severance pay.

Provisions for the severance pay of the Executive Committee is included in the provision for severance pay set out in Note 24.

4 - Further information

4.1 - Groupe Limagrain corporate allocations

Corporate allocations are billed by Groupe Limagrain Holding to the subsidiaries of Vilmorin and to the subsidiaries of Groupe Limagrain on a proportional basis of budgeted expenses. The amount billed came to 8.8 million Euros.

The criteria applied homogeneously throughout Groupe Limagrain to calculate these allocations take several items into account:

- the EBITDA,
- margin on the cost of sales,
- research and development costs,
- payroll.

Each of these criteria is weighted 25% in the global calculation.

4.2 - Vilmorin corporate allocations

In the same way, Vilmorin invoices corporate allocations to all its subsidiaries and to the subsidiaries of Groupe Limagrain according to the same criteria as the Groupe Limagrain allocations mentioned above.

The total invoiced came to 15.8 millions Euros.

Moreover, Vilmorin also invoices for services of a scientific nature for the seed companies in the Vilmorin group, namely those that have field seed and professional vegetable seed activities. The criteria applied homogeneously throughout the Vilmorin group to calculate these allocations take several items into account for services of a scientific nature:

- research and development costs,
- the EBITDA.

Each of these criteria is weighted 50% in the global calculations.

4.3 - Cash flow agreements and mutualization of exchange risks

Companies have signed agreements with Vilmorin in order to optimize the management of their cash flow under conditions that provide lenders with a financial margin of 0.18% over the average monthly EONIA rate.

Moreover, Vilmorin centralizes its foreign currency risk hedges for its subsidiaries. The main currencies hedged are the US dollar, the GB pound, the yen and the Australian dollar. (cf. Note 30 paragraph 2.1).

4.4 - Other operations

Other operations correspond to current commercial transactions made on the basis of market prices.

Note 33 : Potential liabilities

As they run their businesses, Vilmorin's operating companies are exposed to claims on the products they have sold, and such claims are generally covered by their insurance policies.

At the time the accounts were closed, there was just one claim for a total of three million Canadian dollars. Since the claimant has no basis for the claim, no provision has been made in the financial statements.

Note 34 : Events occurring after close

• Partnership with AGT. Australia

Vilmorin increased its stake in AGT (Australian Grain Technologies) during the course of July 2009 by purchasing a further 3.72% of the company's shares. This increase strengthens and secures the exclusive research partnership in wheat, which started up in 2008. Now that it holds a stake of more than 32%, Vilmorin is the second largest shareholder in the company.

• Acquisition of Clovis Matton. Belgium

In order to consolidate its commercial positions in Belgium, the company Limagrain Verneuil Holding purchased the company Clovis Matton in July 2009. Clovis Matton is the historical distributor of LG branded corn seeds in Belgium, and has sales of more than M€15 (including M€5 in corn and nearly M€6 in wheat). It has a headcount of 30.

Appendix: Consolidation scope 2009

Name	Country	Head Office	N° siren	% Voting rights	% Interest	Consolidation method
Vilmorin & Cie	France	4 Quai de la Mégisserie Paris (75001)	377 913 728	100.00	100.00	GI
Gemstar	France	5 rue Saint-Germain l'Auxerrois Paris (75001)		99.68	99.68	GI
Vilmorin 1742	France	6 Quai de la Mégisserie Paris (75001)	504 933 953	100.00	100.00	GI
Australian Grain Technologies	Australia	University of Adelaide - Waite campus building 4B - 5064 URRBRAE S.A.		28.96	28.96	EM
Bioseeds	Netherlands	Blaak 31 - 3011GA Rotterdam		20.00	20.00	EM
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
Cylonie 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
VCC Japan	Japan	15-13 Nampeidaicho Shibuya-Ku Tokyo		100.00	100.00	GI
VCC Seeds Ltd	Israel	c/o Schwartz, Duvdevany, Lerner CPA - 76 Herzl Street - Haïfa		100.00	100.00	GI
Vilmorin Luxembourg	Luxembourg	11 avenue Emile Reuter L 2420 Luxembourg		99.99	99.99	GI
Vilmorin Hong-Kong Ltd	China	Level 28, Three Pacific Place, 1 Queen's Road East - Hong-Kong		72.50	72.50	GI
Vilmorin USA Corp.	United States	2711 Centerville Road - Suite 400 Wilmington (19808) Delaware		100.00	100.00	GI
Yuan Longping High-Tech Agricultural Company Ltd	China	Agriculture Hi-Tech Park, Mapoling, Second Yuanda Road, Furong district, Changsha		22.22	7.49	EM

1 - Field seeds activity

Biogemma	France	1, Rue Edouard Colonne Paris (75001)	412 514 366	55.01	55.01	GI
Biogemma UK Ltd	United Kingdom	Science Park - 200 Milton Road Cambridge CB4 0GZ		100.00	55.01	GI
Genoplante Valor SAS	France	523, Place des Terrasses Évry (91034)	439 202 821	33.33	29.33	EM

1.1 - European market

Limagrain Verneuil Holding	France	Ferme de l'Étang, BP3 77390 Verneuil L'Étang	542 009 824	79.96	79.96	GI
Eurodur	France	Loudes Castelnau (11400)	338 982 614	47.45	37.94	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 St Beauzire (63360)	438 205 320	99.99	79.95	GI

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Name	Country	Head Office	N° siren	% Voting rights	% Interest	Consolidation method
Nickerson International Research Snc	France	Rue Limagrain - Chappes (63720)	388 170 938	100.00	79.96	GI
Soltis	France	Domaine de Sandreau Mondonville-Blagnac (31700)	420 327 231	50.00	39.98	PI
Unisigma	France	2, rue Petit Sorri - Froissy (60480)	317 760 668	46.00	36.78	EM
Limagrain Nederland Holding BV	Netherlands	Van der Haveweg 2 4411RB Rilland		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 - 4411RB 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. Beograd	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 Magyarorszag Kft	Hungary	Gyar Ut.2, PF 325 - Budaörs H 2040		100.00	79.95	GI
Limagrain Moldova Srl	Moldavia	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	Ul Botaniczna - Poznan PL 60-586		100.00	79.95	GI
Limagrain Romania Sa	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 street off. 7 - 01054 Kiev		100.00	79.96	GI
Limagrain RU	Russia	Odesskaya street 41/43, room 1 350020 Krasnodar		100.00	79.96	GI
Nickerson Sugar Beet Seed Ltd	United Kingdom	Market Rasen - LN7 6DT Rothwell Lincolnshire		100.00	79.96	GI

1.2 - North American market

Limagrain Genetics Inc	Canada	Centre CDP Capital - 1001 Victoria Square - Bloc E - 8 th Floor - Montreal (H2Z 2B7)		100.00	100.00	GI
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Name	Country	Head Office	N° siren	% Voting rights	% Interest	Consolidation method
Agrelant Genetics Llc	United States	1122 E 169th Street - Westfield, IN 46074		50.00	50.00	PI
Agrelant Genetics Inc	Canada	Concession n° 4 - Dover Township Pain Court - Ontario NOP IZO		50.00	50.00	PI
2 - Vegetable seeds activity						
Clause	France	Rue Louis Saillant Portes-les-Valence (26800)	435 480 546	99.97	99.97	GI
Vilmorin	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 de Argentina	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
Ceekay Seeds & Seedlings Pvt Ltd	India	59/1, 8th Main, Radhakrishna Layout Padmanabha Nagar 560070 Bangalore - Karnataka		100.00	99.97	GI
Clause India Pvt Ltd	India	6-1-20/2, Walker Town - 500025 New Bhoiguda Secunderabad		100.00	99.97	GI
Clause Brasil Comercio De Sementes Ltda	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 Mojenera Almeria (04745)		100.00	99.97	GI
Clause Italia Spa	Italy	Via Emilia 11 - Venaria Real (10078)		100.00	99.97	GI
Clause Maghreb Eurl	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
Clause Polska Sp zo.o. w organizacji	Poland	Al. Jerozolimskie 56c, 00-803 Warszawa		100.00	99.97	GI
Clause (Thailand) Ltd	Thailand	11th Floor, Panjabhum Building 127 South Sathorn Road, Tungmahamek 10120 Sathorn Bangkok		100.00	99.97	GI
Harris Moran Seeds	United States	555, Codoni avenue 95352 Modesto (Californie)		100.00	100.00	GI
Hazera Do Brasil Comercio De Sementes	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 Espana 1990	Spain	c/o Landwell, Paseo de la Castellana 53 Madrid		100.00	100.00	GI

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Name	Country	Head Office	N° siren	% Voting rights	% Interest	Consolidation method
Hazera Genetics Ltd	Israel	Brurim Farm MP - 79837 Shikmim		100.00	100.00	GI
Hazera Holding International BV	Israel	D.N. 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 D7 Antalaya (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
Mikado Kyowa K.K.	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 - 560092 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 SA (PROPRIETARY) Ltd	South Africa	319 Pine Avenue, Ferndale, Randburg (2125)		100.00	99.96	GI
Nickerson Zwaan Ukraine	Ukraine	Professora Pidvysotstskogo Str.6-B non residential premises 3,4,5 (01013) Kiev		100.00	99.95	GI
Plant Development Australia	Australia	165, Templestowe Road Templestowe Lower, VIC 3107		100.00	99.97	GI
Semillas Harris Moran Mexicana	Mexico	Blvd. V. Carranza 2378-A Mexicali, BV Mexico CP		100.00	100.00	GI
Anadolu Tohum Uretim Ve Pazarlama Anonim Sirketi	Turkey	Güzelyali, Bati Sahili, Ciftlik Sok. No.9 - Pendik Istanbul (34903)		100.00	99.95	GI
Vilmorin Atlas	Morocco	158 boulevard Abdellah Ben Yacine 20300 Casablanca		70.00	69.97	GI
Vilmorin Iberica SA	Spain	Calle Joaquim Orozco 17 03006 Alicante		99.90	99.86	GI
Vilmorin Inc	United States	2551 North Dragon (85745) Tucson Arizona		100.00	100.00	GI

Name	Country	Head Office	N° siren	% Voting rights	% Interest	Consolidation method
Vilmorin Italia Srl	Italy	Center Gross CP 97 - Blocco 22 Via dei Notai 123, (40050) Funo		100.00	99.95	GI
Vilmorin do Brasil Comercio 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
Top Green	France	ZA Les Pains - Les Alleuds Brissac Quince (49320)	432 004 679	33.33	33.33	EM
C.H. Van Den Berg B.V.	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
Suttons Seeds Ltd	United Kingdom	Woodview road - Paignton - Devon - TQ4 7NG		100.00	100.00	GI

Consolidation:

GI: global integration

PI: proportional integration

EM: equity method

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Resolutions of the Joint Annual General and Extraordinary Meeting of December 8th 2009

RESOLUTIONS OF AN ORDINARY NATURE

First resolution

Approval of the annual corporate financial statements and full discharge to the Board of Directors

After hearing the reports of the Board of Directors and the Statutory Auditors on the annual financial statements, the Annual General Meeting of shareholders (AGM) approves the corporate financial statements for the fiscal year closing on June 30th 2009 as presented to the meeting, and the general running of the company as described in the above-mentioned financial statements and reports.

As a result they give full discharge to the members of the Board of Directors for their management of the company for fiscal 2008-2009.

Second resolution

Regulatory agreements

After hearing the special report of the Statutory Auditors on operations governed by article L.225-38 of the French Commercial Code, the AGM approves the agreements concerned.

Third resolution

Application of the profits

The AGM, following the proposal of the members of the Board of Directors, decides to apply the profits of 37 003 564.01 Euros in the following manner:

Net profit on June au 30 th 2009	37 003 564.01 Euros
Application to legal reserve	1 850 178.20 Euros
Profit available on June 30 th 2009	35 153 385.81 Euros
Brought forward	1 575 192.58 Euros
Dividends to distribute	23 703 586.89 Euros
To carry forward	13 024 991.50 Euros

The company does not benefit from the distribution of dividends on any treasury shares it holds. Any dividends corresponding to these shares will be added to the sum carried forward.

The dividend is fixed at 1.77 Euros per share.

The AGM decides that the dividends will be paid at the latest on December 15th 2009.

Fourth resolution

Approval of the annual consolidated financial statements and full discharge to the Board of Directors

After hearing the reports of the Board of Directors and the Statutory Auditors on the annual financial statements the AGM approves the consolidated financial statements for the fiscal year closing on June 30th 2009 as presented to the meeting, and the general running of the group of companies as described in the above-mentioned financial statements and reports.

As a result they give full discharge to the members of the Board of Directors for their management for fiscal 2008-2009.

Fifth resolution

Fixing the amount for token payments

After acknowledging the report of the Board of Directors, the AGM, decides, in compliance with article 24 of the by-laws, to fix the token payment for its Directors for fiscal 2008-2009, at 10 000 Euros.

Sixth resolution

Purchase and sale by the company of treasury shares

After acknowledging the report of the Board of Directors, the AGM gives authorization to the Board of Directors, with the faculty of sub-delegation, in compliance with the provisions of article L.225-209 and the following articles of the French Commercial Code, of Title IV, Book II of the General Regulation of the Autorité des marchés financiers (AMF: authority governing French markets) and the implementing directive of Regulation n°2273/2003 of the European Commission dated December 22nd 2003, to purchase or delegate the purchase of the company's shares with the aim of:

- insuring liquidity and managing the market for shares through a fully independent investment provider service, with which Vilmorin has signed a liquidity contract in compliance with applicable legislation;
- handing over shares when rights are exercised with regard to securities that provide access by whatever means, immediately or when due, to company shares;
- holding or handing over shares for the purposes of exchange or payment for external growth operations, in compliance with recognized market practices and regulations in force;

- following any other practice that is authorized or recognized by the Autorité des marchés financiers or any other objective compliant with regulations in force.

The AGM fixes the maximum purchasing price at 150 Euros per share, and fixes the maximum number of shares liable to be purchased at one million shares, representing a maximum potential sum of 150 million Euros, on condition legal limits are also respected.

Shares may be acquired, sold or transferred at any moment, except during periods of public issue of the company's capital stock, and by any means, on the market, outside the market, by private agreement, including through blocks of securities or bids, optional mechanisms, derivatives, call options or securities, respecting applicable regulatory conditions.

This authorization is granted for a period of twelve months commencing as of the date of this AGM, replacing the authorization granted by the AGM of December 11th 2008 regarding the unused proportion on this date.

The AGM grants full powers to the Board of Directors, with the faculty to delegate, to apply the present authorization, place an order on the stock market, sign any agreements, carry out any formalities and declarations with any organizations, and in more general terms, to do all that is required to implement the decisions it has taken with regard to the present authorization.

The Board of Directors shall inform the AGM of any operations carried out, in compliance with applicable regulations.

Seventh resolution

Issue of bonds and other assimilated debt securities

After acknowledging the report of the Board of Directors, the AGM delegates full authority to the Board of Directors, to take decisions to proceed in one or several operations, whether in France or another country and/or on international markets, in Euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 250 million Euros or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies.

The Board of Directors may decide that the bonds, or other debt securities, will be of the perpetual floating or limited floating rate type, either for the stock and/or the interest accrued for these securities.

Full authority is granted to the Board of Directors to proceed with these issues in the limits fixed above, in compliance with legal provisions and with the by-laws, and in particular:

- determine the period or periods of issue,
- determine the issue currency and the nominal value of the loan, within the limits authorized above,
- fix the terms and conditions of the bonds and/or debt securities to issue, and in particular their nominal value, their issue price, their fixed and/or variable rates of interest, and the payment dates, their fixed or variable redemption price, with or without premium, and according to market conditions, fix the duration and conditions of amortization for the loan;
- more generally sign any contract documents or agreements with any banks or institutes, make any provisions and fulfill any formalities concerning the issue, the quotation and the financial management of the aforementioned bonds and/or aforementioned debt securities, and constitute the body of bondholders in compliance with legal provisions, and in a general manner, do all that is required.

The Board of Directors will also have full powers to decide, when necessary, to attach a guarantee to the securities issued and, if this is the case, to define and grant this guarantee, and take any measures for this purpose.

Within the framework of this resolution, the Board of Directors may, in application of article L.228-40 of the French Commercial Code, delegate to its Chairman or one of its members, the powers that it has received for the purpose of the present authorization.

The present authorization is given for a maximum duration of eighteen months. It supersedes the authorization previously granted by the AGM of December 11th 2008.

RESOLUTIONS OF AN EXTRAORDINARY NATURE

Eighth resolution

Issue, with pre-emptive subscription rights, of ordinary shares and/or securities providing access immediately or when due, to company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or debt securities in particular such as bonds with an option of conversion and/or exchange for new or existing shares

After acknowledging the report of the Board of Directors and the special report of the Statutory Auditors and in compliance with the provisions of articles L.225-129

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and the following of the French Commercial Code, and in particular articles L.225-129-2, L.228 91 to L.228-93, the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of shareholders:

- delegates to the Board of Directors, for the duration of twenty-four months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed - whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in Euros or any other currency or unit of account fixed in reference to several currencies, with pre-emptive shareholder subscription rights - with the issue of ordinary shares and/or securities providing access immediately or when due, to company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by capital increase. The present delegation can be used for one or several issues in application of article L.228-93 of the French Commercial Code.

Any preferential share and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation.

- decides that the nominal amount for any increases in the capital stock that are immediate and/or at a due date, and that are liable to result from the present delegation cannot be greater than 250 million Euros, to which may be added, where appropriate, and in compliance with applicable regulatory and legislative provisions, and with any contractual stipulations allowing for other cases of adjustment, the nominal amount of extra shares issued to preserve the rights of the bearers of securities that grant rights to the company's shares, on condition that the global limit fixed in the thirteenth resolution be respected.
- decides that the securities issued providing access to ordinary shares in the company may, in particular consist in debt securities, or be associated to the issue of such securities.

In particular they may take the form of perpetual or non-perpetual floating rate notes, and be issued either in Euros, or any other currency or unit of account fixed in reference to several currencies.

The nominal amount for any such issued debt securities shall not exceed 250 million Euros or the equivalent of this sum if issued in a foreign currency at the date of the decision to issue.

- decides that in the conditions stimulated by law, the shareholders can exercise their pre-emptive right to subscription, without reduction. Moreover the Board of Directors may institute, for the benefit of the shareholders, a pre-emptive subscription right with deduction which may be exercised proportionately to their rights and within the limit of the number requested.

If subscriptions without reduction, or where appropriate with reduction, have not absorbed all the issue of shares or securities providing access to the capital stock as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.

- acknowledges that the present delegation gives full preference to bearers of securities issued that provide access to the company's capital stock, if the shareholders renounce their pre-emptive right to subscribe the ordinary shares to which these securities otherwise give the right.
- decides that stock purchase warrants in the company may be issued either by subscription offers, or by free allotment to those who already hold shares.

Where autonomous stock subscription warrants are allocated free, the Board of Directors will be entitled to stipulate that any odd lots of allotment rights are not negotiable, and that the corresponding securities may be sold.

- grants full powers to the Board of Directors, to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to be paid up, and the conditions in which these securities procure the right to ordinary shares in the company, and to determine how, where relevant, they can be

bought back on the Paris stock market, how they can be cancelled and the possibility of suspending the exercise of rights to allocate ordinary shares associated to securities to be issued, and determine how to protect the interests of the holders of securities that, upon maturity, provide access to the capital stock, in compliance with legislative and regulatory provisions.

- decides, furthermore, that when securities for issue consist in, or are associated to debt securities, the Board of Directors will also have full powers, with the faculty of sub-delegation, to decide whether they are perpetual or not, their remuneration, and, where relevant, mandatory or optional cases of suspension or non-payment of interest, their duration, the possibility of reducing or increasing the nominal value of the securities and other methods of issue and amortization.
- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the legal reserves required, and take all necessary measures, and reach any agreements to insure the successful conclusion of the issues envisaged, and to record any capital increases that result from any issue made through this delegation and modify the by-laws accordingly.
- finally, decides that this delegation supersedes any previous delegation with the same object, for any unused sums.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Annual General Meeting of shareholders on how it has used the authorizations granted in this resolution.

Ninth resolution

Issue, without pre-emptive subscription rights, of ordinary shares and/or securities providing access immediately or when due, to company shares or shares in a company in which it directly or indirectly holds more than half the capital stock, or debt securities in particular such as bonds with an option of conversion and/or exchange for new or existing shares

After acknowledging the report of the Board of Directors and the special report of the Statutory Auditors and in compliance with the provisions of articles L.225-129 and the following of the French Commercial Code, and in particular articles L.225-129-2, L. 225-135, L.225-136, L.228-91 to L.228-93, the AGM, deliberating in compliance

with conditions of quorum and majority required for Extraordinary General Meetings of shareholders:

- delegates to the Board of Directors, for the duration of twenty-four months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed - whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in Euros or any other currency or unit of account fixed in reference to several currencies, without pre-emptive shareholder subscription rights
- with the issue of ordinary shares and securities providing access immediately or when due, to company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by capital increase. The present delegation can be used for one or several issues in application of article L.228-93 of the French Commercial Code.

Any preferential share and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation.

- decides that the nominal amount for any increases in the capital stock that are immediate and/or at a due date and that are liable to result from the present delegation cannot be greater than 250 million Euros, to which may be added, where appropriate, and in compliance with applicable regulatory and legislative provisions, and with any contractual stipulations allowing for other cases of adjustment, the nominal amount of extra shares issued to preserve the rights of the bearers of securities that grant rights to the company's shares, on condition that the global limit fixed in the thirteenth resolution be respected.
- decides that the securities issued providing access to ordinary shares in the company may, in particular, consist in debt securities, or be associated to the issue of such securities. In particular they may take the form of perpetual or non-perpetual floating rate notes, and be issued either in Euros, or any other currency or unit of account fixed in reference to several currencies.

The nominal amount for any such issued debt securities shall not exceed 250 million Euros or the equivalent of this sum if issued in a foreign currency at the date of the decision to issue.

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- acknowledges that the present delegation gives full preference to others if the shareholders renounce their pre-emptive right to subscribe the ordinary shares in the company to which these securities, on the basis of this delegation, otherwise give the right.
- decides to cancel pre-emptive subscription rights of shareholders to securities concerned by this resolution, while granting the Board of Directors the powers to institute, for the benefit of the shareholders, a pre-emptive subscription right with or without deduction which does not grant the right to the creation of negotiable rights.
- decides that the issue price of the new shares issued will at least be equal to the minimum set in regulatory provisions applied on the date of issue, which today is the weighted average of the quoted price of the company's shares for the last three sessions of the Eurolist d'Euronext Paris stock market preceding the date this price is fixed, reduced where necessary by the maximum discount of 5% stipulated by legislation in force.
- decides that the Board of Directors will be responsible, with the faculty of sub-delegation, for fixing the price of issuing ordinary shares or securities granting the right to the company's capital stock.
- decides that if the subscriptions of shareholders and the public have not absorbed all the issue of shares or securities as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.
- grants full powers to the Board of Directors, to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to be paid up, and the conditions in which these securities procure the right to ordinary shares in the company, and to determine how, where relevant, they can be bought back on the Paris stock market, how they can be cancelled and the possibility of suspending the exercise

of rights to allot ordinary shares associated to securities to be issued, and determine how to protect the interests of the holders of securities that, upon maturity, provide access to the capital stock, in compliance with legislative and regulatory provision.

- decides, furthermore, that when securities for issue consist in, or are associated to debt securities, the Board of Directors will have full powers, with the faculty of sub-delegation, to decide whether they are perpetual or not, their remuneration, and, where relevant, mandatory or facultative cases of suspension or non-payment of interest, their duration, the possibility of reducing or increasing the nominal value of the securities and other methods of issue and amortization.

When securities for issue consist in, or are associated to debt securities, the Board of Directors will decide whether they are subordinated or not, will fix their rate of interest and how this interest is to be paid, whether they are perpetual floating or not, their fixed or variable price of redemption, with or without premium, the possibility of reducing or increasing the par value of the securities, and all other methods of issue and amortization according, in particular, to market conditions and the conditions in which these securities grant the right to shares in the company.

Where appropriate, the securities to be issued may be associated with warrants granting the right to the allotment, acquisition or subscription of bonds or other debt securities, or may stipulate that the company may issue debt securities, whether fungible treasury bonds or not, to pay for interest that has been suspended by the company, or take the form of complex bonds as defined by the stock market authorities.

The Board of Directors may decide, during the life cycle of the securities concerned, to modify the provisions presented above, on condition that applicable formalities are respected.

- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the legal reserves required, and take all necessary measures, and reach any agreements to insure the successful conclusion of the issues envisaged and to record any capital increases that result from any issue made through this delegation and modify the by-laws accordingly.

- finally, decides that this delegation supersedes any previous delegation with the same object, for any unused sums.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Annual General Meeting of shareholders on how it has used the authorizations granted in this resolution.

Tenth resolution

Possibility to make use of the eighth and ninth resolutions

After acknowledging the report of the Board of Directors, the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of shareholders, delegates its authority to the Board of Directors, with the faculty of sub-delegation, and within the framework of legal provisions, to use all or part of the various delegations resulting from the eighth and ninth resolutions, if any takeover or security exchange bid were to be made with regard to the securities issued by the company.

The AGM decides that the Board of Directors shall have all powers, with the faculty of sub-delegation, to implement this present delegation in conditions laid down by the law.

This present delegation is granted for a period of twelve months that will expire at the end of the Annual General Meeting called to deliberate on the financial statements closing on June 30th 2010.

Eleventh resolution

Global limit of the total amount to be issued

After acknowledging the report of the Board of Directors, the AGM decides that any capital increases resulting from the use of delegations involving the authorization to issue shares and other securities granted in the eighth, ninth and tenth resolutions above, whether immediate, deferred or potential, and also any issue of securities according to the provisions of the seventh resolution above, shall not globally exceed the total nominal value of 400 million Euros, or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies; to this sum may be added, where relevant for capital increases as described above, the nominal amount of extra shares issued in order to protect the interests of the holders of securities that provide access to the capital stock, in accordance with legal and regulatory provisions.

Twelfth resolution

Delegation of authority in order to authorize the issue by the shareholder holding more than half the company's capital of securities providing access to the company's existing shares for the duration of twenty-four months

After hearing the reports of the Board of Directors and the Statutory Auditors, and in compliance with the article L.228-93 of the French Commercial Code, the AGM delegates its authority, for the duration of twenty-four months, to the Board of Directors in order to authorize the issue, by the shareholder holding either directly or indirectly more than half the company's capital stock, of securities providing access to the company's existing shares on condition that the company shares allocated upon the exercise of these securities are existing shares held by this shareholder.

Consequently, the AGM acknowledges that neither the issue, not the exercise, of these securities will lead to a modification of the company's capital stock.

Thirteenth resolution

Increase in the capital stock reserved for employees

After hearing the reports of the Board of Directors and the Statutory Auditors, the AGM deliberating within the framework of article L.225-129-6 of the French Commercial Code decides to increase the capital stock reserved for employees participating in a company or group savings plan.

The AGM delegates to the Board of Directors the powers necessary to take decisions to proceed with the increase in the capital stock, in one or several operations, in the proportion and at the time it deems most opportune, through the issue of shares in the capital stock or securities providing access to the company's capital stock, with or without pre-emptive rights to the subscription of shares; the capital increase is reserved to the company's employees still under contract, or those with work contracts in companies that are linked according to the definition of L.225-180 of the French Commercial Code, that participate in the company or group savings plan, and that satisfy the any conditions that are laid down by the Board of Directors.

The amount of increase in the capital stock liable to be made through the delegation presented above may not exceed ten million Euros in nominal value; to this sum may be added, where relevant, the nominal amount of extra shares issued in order to protect the interests

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of the holders of securities that provide access to these shares, in accordance with legal provisions in force.

The issue price for new shares, to be fixed by the Board of Directors, cannot be lower by more than 20% than the average rate recorded for the company's shares on the Paris stock market during the legal period and in the conditions laid down by the law in force at the date considered; current legislation states this period to be the twenty days the Paris stock market is open preceding the day of the decision taken by the Board of Directors to fix the date when subscriptions are open.

The Board of Directors is granted full powers, in conditions fixed by the law, to implement this present delegation, now or at a later date, within the limits and methods that it fixes in advance, to:

- determine the companies whose employees may benefit from the issue subscription offer, for the purposes of the present delegation;
- fix the conditions of seniority in particular necessary to benefit from these subscription offers;
- determine the issue dates and methods adopted;
- fix the issue prices and conditions;
- fix the amounts to be issued;
- fix the date of entitlement, albeit retroactive, for the securities to be issued;
- determine how the shares should be paid up and the time granted to the beneficiaries to pay up their subscription;
- decide whether the subscriptions can be made directly and/or indirectly through mutual funds;
- fix, for security issues covered by the present delegation, the methods and conditions of participation in a company or group savings plan, determine their regulations or, for pre-existing plans, modify their regulations.

Finally, the Board of Directors may, where appropriate, deduct any charges from the premium or premiums associated to capital increases, in particular any costs generated by security issues, and more generally to take any useful measures to reach agreements in order to succeed with such issues, record any capital increases resulting from an issue made within the framework of the present delegation, and modify the by-laws accordingly.

The present authorization is granted for the maximum duration of twenty-four months. It supersedes the authorization previously granted by the AGM of December 2008.

RESOLUTION OF AN ORDINARY CHARACTER

Fourteenth resolution

Delegation of powers

The AGM grants full powers to the bearer of a copy or extracts of the minutes recording the present deliberations with the aim of completing all legal and administrative formalities as required.

GLOSSARY

Biological fight:

The fight against crop pathogens using their natural predators.

Biotechnology:

The application of science and engineering to the use of living organisms in their natural or modified forms.

Breeding/Selection:

Choosing the individuals with the best phenotypical characteristics for reproduction from a population of plants earmarked for improvement.

By extension: all the techniques used in plant improvement.

EBITDA:

Earnings before interest, taxes, depreciation and amortizations.

Genetic heritage:

An organism's set of genes.

Genetic resources:

Group of genes from various plant species.

Genetically modified organism (GMO):

Organism (plant, animal or micro-organism) whose genome has been voluntarily modified by man using a technique, transgenesis, combining in vitro culture and genetic engineering.

Genome:

All the genetic material in the chromosomes of a particular organism.

Genomics:

The study of genes, their resulting proteins, and the role played by the proteins in the body's biochemical processes.

Genotyping:

Testing using different techniques, including genomics and molecular marking, to analyze genes in order to reveal the specific alleles or traits inherited by an individual.

Germplasm:

Genetic material or resources.

Hybridization:

Conventional plant breeding method.

This method involves cross-fertilizing plants (parents) of the same species in order to obtain a plant (hybrid) bearing certain characteristics of the two varieties initially chosen. In theory the hybrid is more robust than its two parents.

Molecular marking:

Following the presence or absence of a particular trait in a plant, by studying its genome (without the need to grow the plant to check whether the trait is present or absent).

Organoleptic:

Relating to perception by or the use of a sensory organ.

Pathogen:

Pathogens are infectious or toxin forming micro-organisms causing disease.

Pelleting:

Technique whereby inert materials are added to change seed size and shape for improved planting.

Phenotyping:

Different techniques to observe the outward appearance (structure) or other visible characteristics of an organism as expressed by the DNA of its genotype.

Seed multiplication farmer:

Farmer specialized in large-scale multiplication or production of seed, with a view to selling the seed.

ROCE

Return On Capital Employed. Calculated as profit before interest and tax divided by the difference between total assets and current liabilities. The resulting ratio represents the efficiency with which capital is being utilized to generate revenue.

Sales from proprietary varieties:

Sales made on varieties coming out of the research programs of Vilmorin.

Stacking:

The process of introducing several traits (not necessarily GM) into one plant or plant type by either selective (human) or natural breeding methods.

Traits:

The gene or genes providing the plant with resistance to various aggressions from pests, weed-killers, etc.

Transgenesis:

Integration into a living organism of a gene that confers upon the organism a new property that it will transmit to its descendents.

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Vilmorin & Cie
B.P.1 - 63720 CHAPPES (France)

Tél. +33 (0)4 73 63 41 95
Fax +33 (0)4 73 63 41 80

www.vilmorin.info