



**Sales at the end of the 3<sup>rd</sup> quarter 2007- 2008**



## **Agenda**

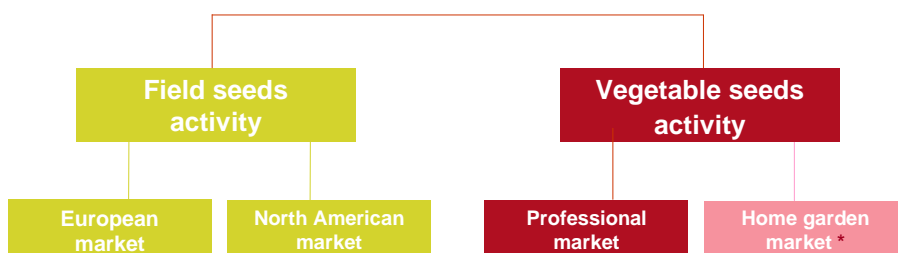
- > **Sales at the end of the 3<sup>rd</sup> quarter 2007-2008 (on March 31<sup>st</sup>, 2008)**
  
- > **News**
  - 2006-2007 annual accounts restated in accordance with IFRS 5
  - North American organization
  - Soygenetics. USA
  
- > **Outlook for 2007-2008**
  
- > **Communication plan**

Sales at the end of the 3<sup>rd</sup> quarter 2007- 2008



Sales at the end of the 3<sup>rd</sup> quarter 2007- 2008

## Operational organization



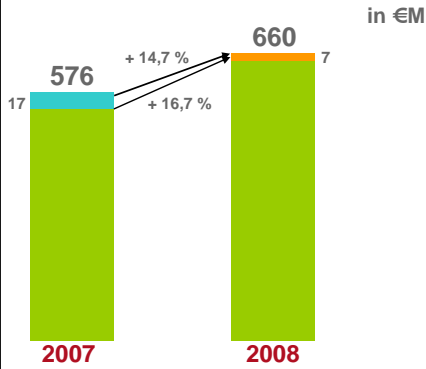
\* Project to divest from all vegetable seed activities for the home garden market (see October, 10th 2007 press release)

## Sales\* at the end of the 3<sup>rd</sup> quarter

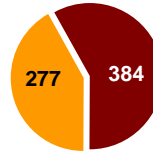


Consolidated (excluding the home garden activity )

### Contribution to sales



Vegetable seeds activity



Field seeds activity

### Method and Scope

- Home garden vegetable seeds activity under IFRS 5
- Consolidation of LPHT (China) : EM
- Participation in Soltis raised to 50 % (EM → PI)
- Full take-over of Anadolu Tohumculuk (EM → GI)

### Currencies

\$ = 1,44    ¥ = 161    £ = 0,72

- Like for like
- Scope effect
- Currencies effect

\* Revenue from ordinary activities

Sales at the end of the 3<sup>rd</sup> quarter 2007- 2008

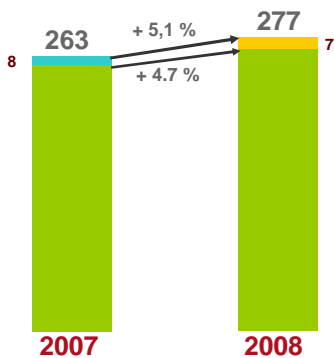
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## Sales\* at the end of the 3<sup>rd</sup> quarter



Sales of the vegetable seeds activity

in €M



Professional vegetable seeds sales excluding the agricultural supplies business of Mikado Kyowa : + 6,8 % like for like

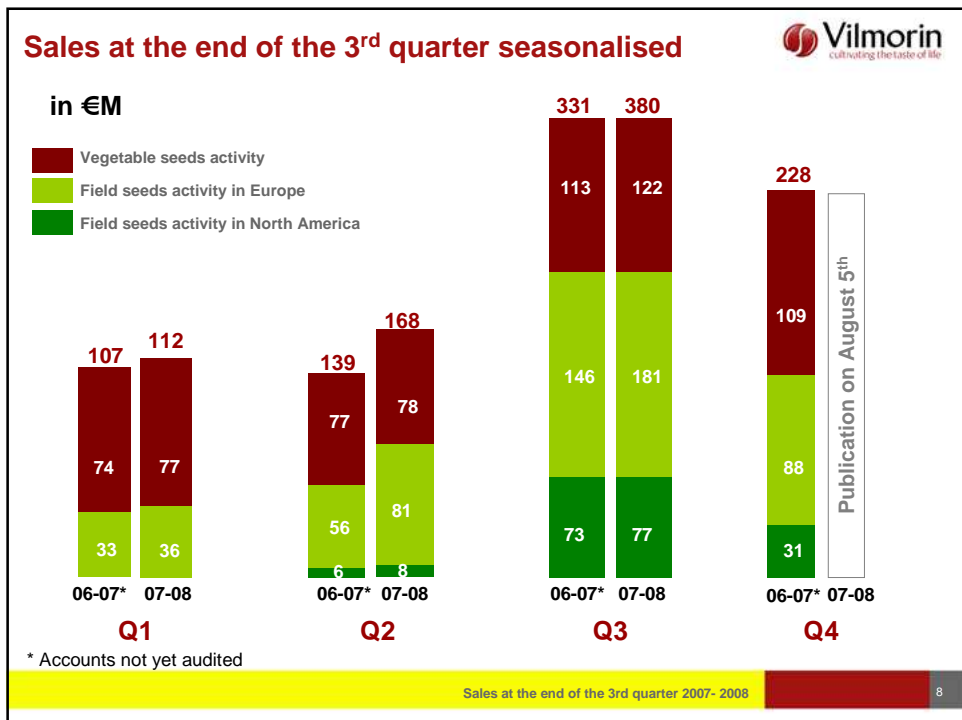
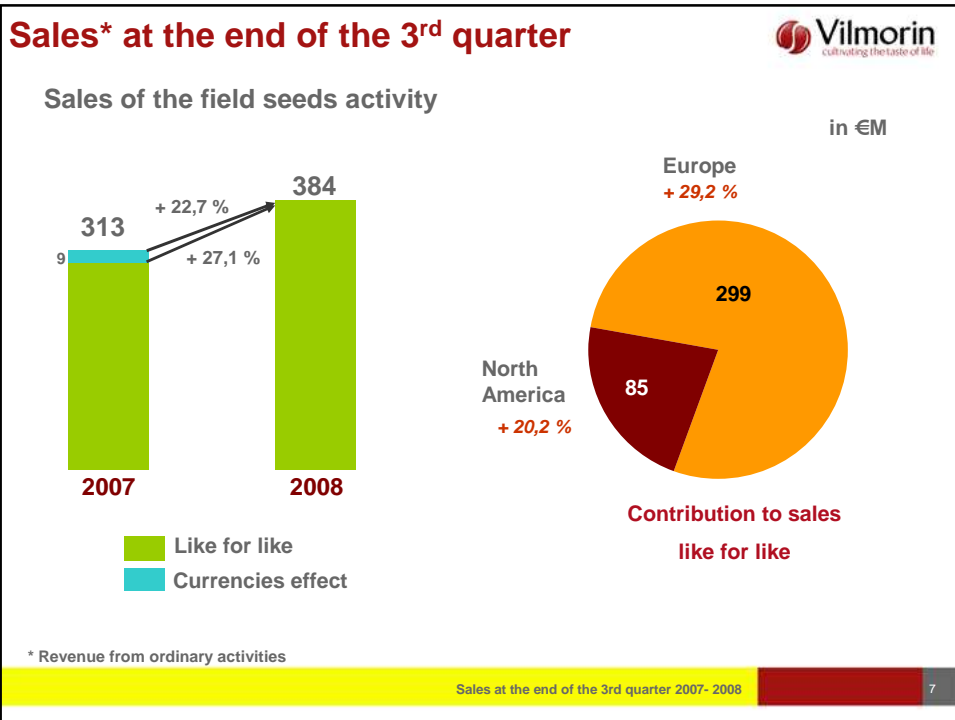
Home garden vegetable seeds sales on 03.31.2008 : €M 102 (- 4 % like for like)

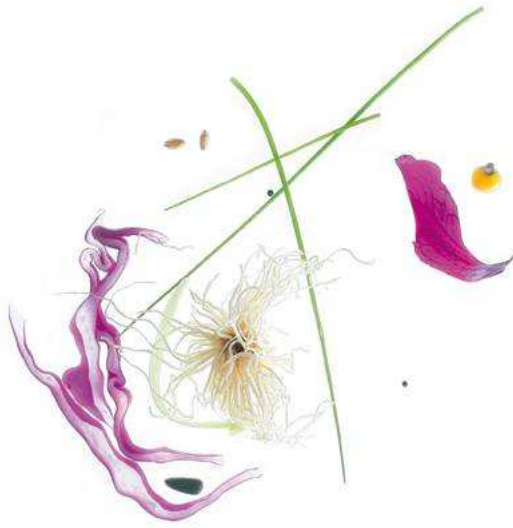
- Like for like
- Scope effect
- Currencies effect

\* Revenue from ordinary activities

Sales at the end of the 3<sup>rd</sup> quarter 2007- 2008

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2006-2007 annual accounts restated in accordance with IFRS 5

2006-2007 annual accounts restated in accordance with IFRS 5

P&L

in €M	2006-2007 published	2006-2007 restated IFRS 5 *
<b>Sales</b> (revenue from ordinary activities)	<b>938.5</b>	<b>804.8</b>
<b>Commercial margin</b>	<b>414.7</b>	<b>359.0</b>
<i>Commercial margin rate</i>	44,2 %	44,6 %
<b>Operating income</b>	<b>95.0</b>	<b>79,8</b>
<i>Operating margin</i>	10,1 %	9,9 %
<b>Financial income</b>	<b>-19.8</b>	<b>-18.2</b>
Equity method	(0,7)	(0,7)
Taxes	(17,2)	(14,2)
Discontinued activities		10,6
<b>Net income</b>	<b>57,3</b>	<b>57,3</b>

NB : Balance sheet → according to IFRS 5 discontinued operations are not being restated

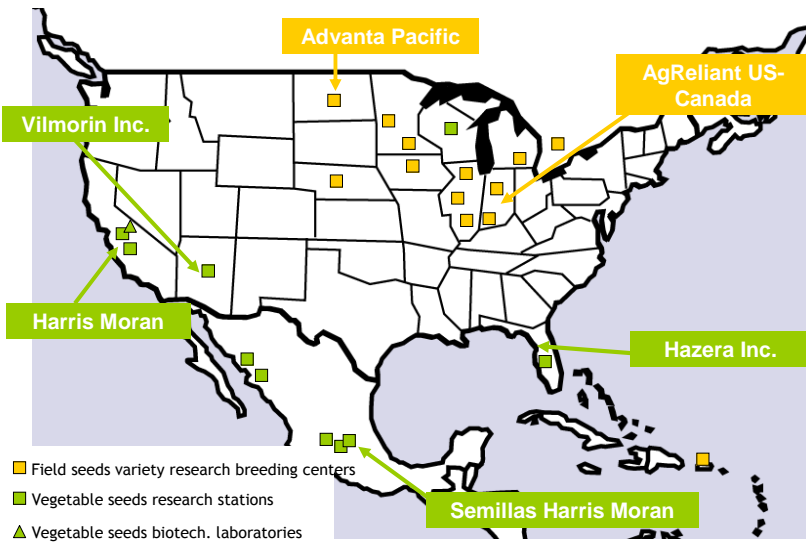
\* Accounts not yet audited



North American organization

North American organization

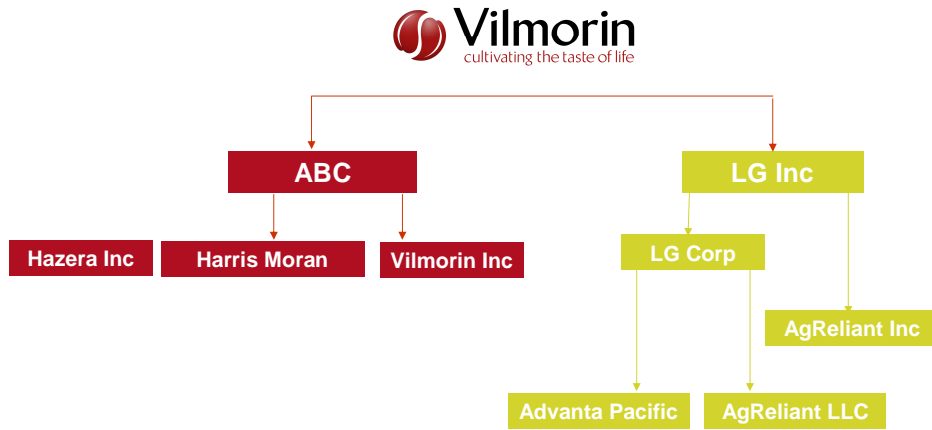
Locations



## North American organization



Before reorganization



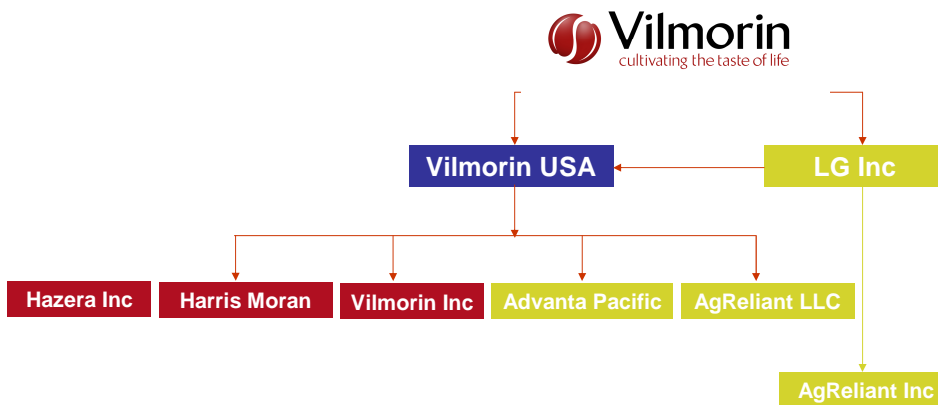
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## North American organization



After reorganization



Sales at the end of the 3rd quarter 2007- 2008

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**Soygenetics. USA**

## **Soygenetics. USA**

### Conditions of transaction

#### > **Reminder**

- Sale of soybean research activities hold within Soygenetics
- Vilmorin stake : 37 %

#### > **Principles**

- Sales of the germplasm (already achieved)
- Sales of seeds treatment activity
- Sales of operating assets
- Redundancies plan for non-integrated teams



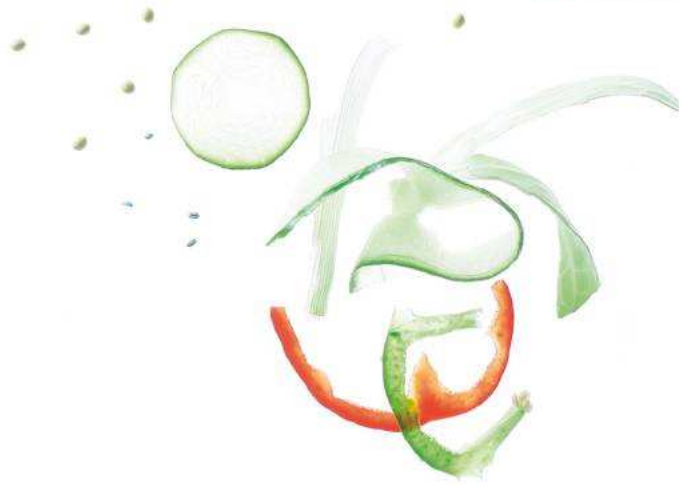
#### > **Financial impacts**

- Research expenses linked to Vilmorin contribution
- Capital gain and costs

#### > **Target for finalization**

- June 2008





## Outlook for 2007-2008

## Outlook for 2007-2008

### Challenges

- > **Manage the divestment of the home garden business**
- > **Optimize organization of the operating units of the vegetable seeds activity**
- > **Integrate Yuanlongping High-Tech Agriculture and the newly acquired structures**
- > **Remain on the look-out for any external growth opportunity**
- > **Pursue investment in research, the development of partnerships and the implementation of skills platforms**

## Outlook for 2007-2008



### > Vegetable seeds activity

- Confirmation of markets growth especially in Asia, North America and in the Mediterranean Basin
- Market shares gain due to the introduction of innovative products

### > Field seeds activity

- Europe
  - Confirmation of the increase of cultivated surfaces
  - Good behaviour of the agricultural raw material prices
  - Gain of market shares for corn and sunflower
- North America
  - Confirmation of the decrease of cultivated surfaces of corn
  - Strong growth of the genetically modified plants market
  - Launch of innovations including GMO varieties

	Revised February 2008	Revised May 2008
<b>Sales</b>		
Vegetable seeds activity	+ 5 %	+ 5 %
Field seeds activity	+ 8 to 10 %	> 15 %
<b>Operating margin</b>	between 10,5 and 11 %	<b>Target = 12 %</b>

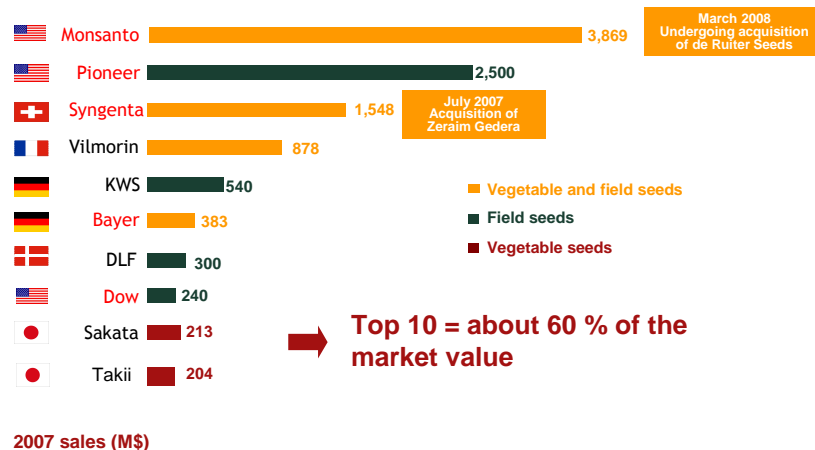
Sales at the end of the 3rd quarter 2007- 2008

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## Competitive environment



Acquisition of De Ruiter by Monsanto : a new era of concentration ?



Sources : companies reports and internal estimates

Sales at the end of the 3rd quarter 2007- 2008

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## Communication plan

### Communication plan

#### > Agenda : next disclosures

- Sales for the year 2007-2008 on Tuesday August 5th 2008 at the end of the day
- Results for the year 2007-2008 on Tuesday October 7th 2008 at the end of the day
- Sales for the 1st quarter 2008-2009 on Wednesday 12th 2008 at the end of the day