



INFORMATIONAL MEETING

FEBRUARY 16, 2017



AGENDA

KEY POINTS

RESULTS FOR THE 1ST SEMESTER 2016-2017

CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

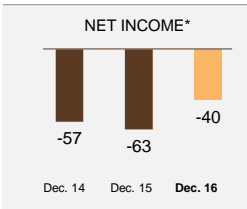
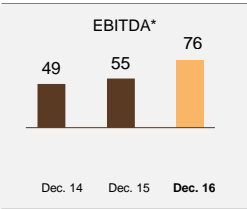
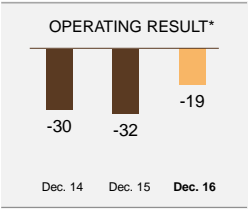
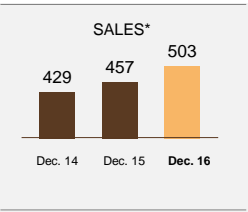
SCHEDULE

APPENDICES

KEY POINTS

Very dynamic growth in sales (+10.8%**) and strong improvement of results for the first semester

→ Showing the efficient deployment of the operating action plan announced in April 2016



* In M€
** On a like-for-like basis

Global confirmation of objectives for 2016-2017

→ In market conditions that remain tense for field seeds and that are characterized by consolidation operations in the agrochemical sector

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RESULTS FOR THE 1ST SEMESTER
2016-2017

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RESULTS FOR THE FIRST SEMESTER 2016-2017

REFERENCES

Accounting reference

- IFRS on December 31, 2016

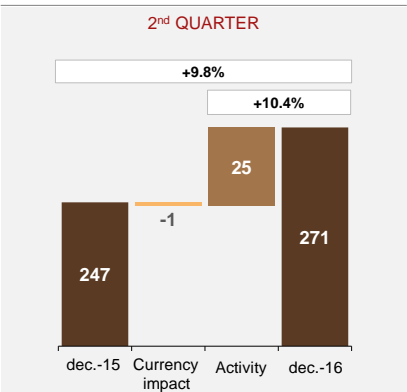
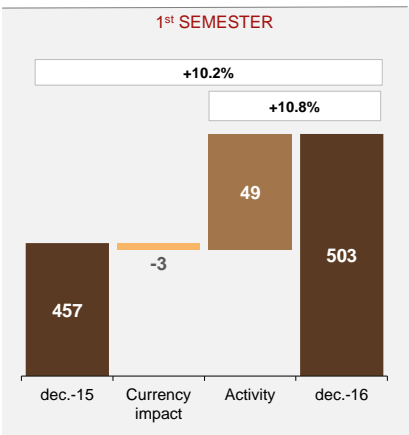
Rates of the main currencies on December 31, 2016 (and 12.31.2015)

	average		close	
	Dec. 15	Dec. 16	Dec. 15	Dec. 16
USD	1.10	1.10	1.09	1.05
JPY	134.44	116.13	131.07	123.40
GBP	0.72	0.86	0.73	0.86
TRY	3.18	3.43	3.18	3.71
ILS	4.26	4.19	4.25	4.05
BRL	4.07	3.59	4.31	3.43
INR	72.24	73.73	72.02	71.59
MXN	18.31	21.15	18.91	21.77
UAH	24.63	28.13	26.10	28.58
RUB	71.34	70.03	80.67	64.30
ARS	10.70	16.67	14.06	16.69

RESULTS FOR THE FIRST SEMESTER 2016-2017

CONSOLIDATED SALES*

In M€

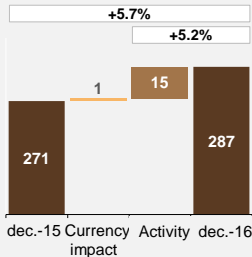


* Revenue from ordinary activities

RESULTS FOR THE FIRST SEMESTER 2016-2017

SALES* FOR VEGETABLE SEEDS

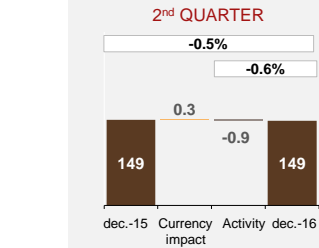
In M€ 1st SEMESTER



- **Business practically stable over the 2nd quarter**, after several quarters of extremely strong progression.
- Slowdown in business:
 - mainly in Europe (particularly Italy and Spain), affected by unfavorable climate conditions for certain vegetable productions;
 - conveying the anticipation and offset of business for certain crops and markets, and the programmed drop in the agricultural supplies activity of the Business Unit Vilmorin-MKS in Japan.

⇒ Performance which does not cast any doubt on Vilmorin & Cie's growth impetus for this activity or its global sales growth objective for 2016-2017.

- **High business growth throughout the semester** in most geographical zones (particularly North America and Latin America) and strategic crops (particularly hot and sweet pepper, carrot, summer squash and cucumber).



* Revenue from ordinary activities

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RESULTS FOR THE FIRST SEMESTER 2016-2017

PERFORMANCE OF VEGETABLE SEEDS

In M€	12.31.14	12.31.15	12.31.16
Sales	240.9	271.4	286.9
Operating income	8.2	11.8	12.8
Operating margin rate	3.4%	4.3%	4.5%

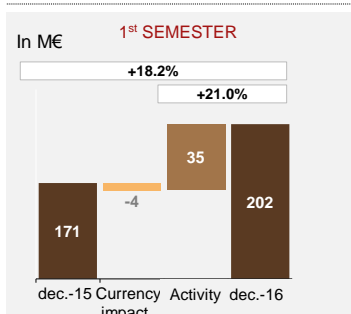
- Slight drop of 0.8 percentage points in the commercial margin,
 - partly due to the product mix,
 - and to a rise over the semester of obsolescence costs.
- Limited increase in operating charges (+3.3% on a like-for-like basis)
 - in spite of sustained investment in R&D (+€4.3 M),
 - and the impact of the integration of Genica Research (United States. Vegetable Seeds).
- Consequently, moderate increase of the operating margin on a semi-annual basis (+0.2 percentage points).

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RESULTS FOR THE FIRST SEMESTER 2016-2017

SALES* FOR FIELD SEEDS



EUROPE:

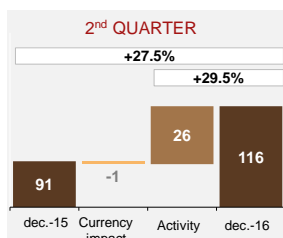
- Rapeseed: **excellent level of growth**, on a market characterized by the continuing adoption of hybrid seeds.
⇒ Market share gains and confirmation of Vilmorin & Cie's position as a top-ranking European player.
- Straw cereals: **marked drop in sales**, in a receding market for commercial seeds, particularly in France.
- Corn: **orders which are lower** particularly in Western Europe, in line with market trends.
- Sunflower: **promising quantity of orders** particularly in Eastern Europe.

SOUTH AMERICA:

- Extremely strong increase for the first corn campaign** in Brazil (*safrá*) - in volume and in value – in line with market trends.
- Very good start to the second corn campaign** (*safrinha*), partly through anticipation of the sales campaign.

NORTH AMERICA:

- Satisfactory start to the commercial campaign (corn and soybean), in the context of a drop predicted for corn acreage, benefitting an increase in soybean acreage.*



* Revenue from ordinary activities

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RESULTS FOR THE FIRST SEMESTER 2016-2017

PERFORMANCE OF FIELD SEEDS

In M€	12.31.14	12.31.15	12.31.16
Sales	172.2	170.5	201.6
Operating income	(23.4)	(29.6)	(20.7)
Operating margin rate	-13.6%	-17.3%	-10.3%

Drop of one percentage point in the consolidated commercial margin due to the big change in the geographical mix over this semester and to a marked increase in obsolescence costs; increase in the commercial margin in Europe due to growth in the rapeseed business.

Excellent control of operating charges (+3.4% on a like-for-like basis) nevertheless including an increase in investment in R&D (+€2 M).

Consequently, strong increase (+7 percentage points) of the operating margin for the semester.

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RESULTS FOR THE FIRST SEMESTER 2016-2017

ASSOCIATED COMPANIES

In M€	12.31.14	12.31.15	12.31.16
Income from associated companies	(21.6)	(24.2)	(24.9)

■ AgReliant

Loss of €21.5 M (base 50%) for the 1st semester practically the same level as December 31, 2015:

- Amortization of the Syngenta licenses for GM corn technology, compensated by an improvement in the commercial margin and the income for the semester of forward cover on commodities.
- Satisfactory start to the commercial campaign for corn and soybean seeds in a context of a drop predicted for corn acreage, benefitting an increase in soybean acreage.

■ Seed Co

Loss for the first semester on September 30, 2016 of €2.6 M (base 30.4%), a slight deterioration compared to 2015-2016:

- Strong increase in sales (white maize) over the first semester, particularly in Zimbabwe and in Tanzania, eroded in income by further provisions on inventory and currency exchange losses.
- Confirmed anticipation of the increase in sales and net profit for the year on March 31, 2017.

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RESULTS FOR THE FIRST SEMESTER 2016-2017

OTHER ITEMS IN THE ANALYSIS OF CONSOLIDATED PERFORMANCES

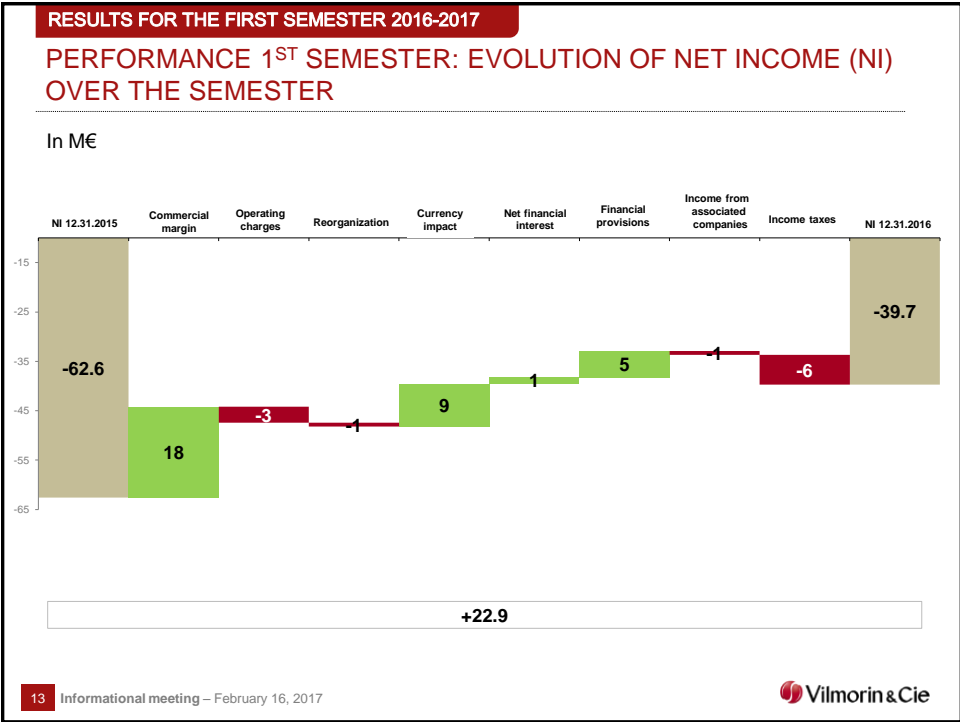
■ Improvement of the operating contribution of Garden products and Holdings, thanks to tight control of operating charges, in a context of stable business and in spite of additional reorganization costs (+€0.8 M).

■ Significant improvement in the financial result (+€16.1 M):

- Reduction of the net interest charge in spite of the increase in the net average debt over the first semester.
- Net foreign exchange profit of €4.1 M compared to a net loss of €5.4 M on December 31, 2015.
- Absence of further provision of the minority stake held in Arcadia Biosciences (United States).

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RESULTS FOR THE FIRST SEMESTER 2016-2017

EVOLUTION OF THE BALANCE SHEET STRUCTURE

A solid balance sheet structure, marked by:

- A strong season effect directly linked to the evolution of business.
- A significant improvement of the net Working Capital Needs (- €31 M) already begun during the second semester of 2015-2016.
- A moderate industrial investment policy.
- The impact, for half-yearly comparison, of the acquisition in February 2016 of the company Genica Research (United States. Vegetable Seeds).

DATA
ON DECEMBER 31, 2016

- Equity: €1,222 M (+€61 M)
- Net financial debt: €989 M (+€38 M)
including cash of €225 M
- Gearing: 81%
(-1 point)

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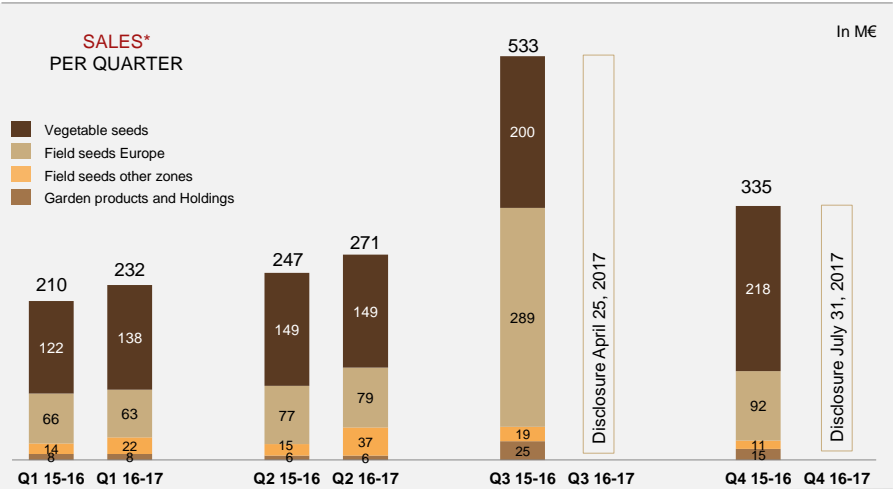


CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

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CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

A DECISIVE 2ND SEMESTER DUE TO THE SEASONAL NATURE OF BUSINESS



* Revenue from ordinary activities

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CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

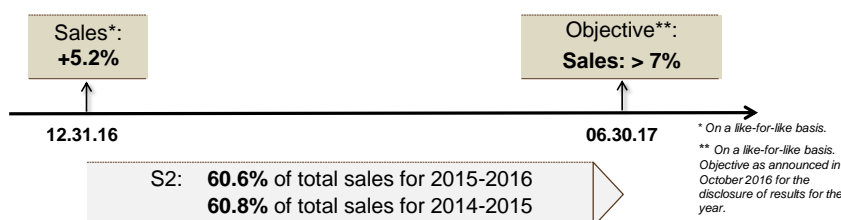
VEGETABLE SEEDS

Challenges for the end of the fiscal year:

- Confirmation of growth potential demonstrated over recent fiscal years, particularly in the Americas and for strategic crops.
- Market share gains, as a result of continuing varietal innovation and very close proximity to markets.

Objective for 2016-2017 confirmed:

- Continuing on from previous fiscal years, **reach average sales growth higher than the estimated market growth** for vegetable seeds



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CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

FIELD SEEDS

Challenges for the end of the fiscal year:

- Definitive evolution of the allocations of cultivated surface areas, particularly for corn, and the prices of agricultural production
- Resistance to persistent pressure on pricing policies
- Confirmation of the potential of Eastern European markets

Objective for 2016-2017 confirmed:

- **Strengthen positions in areas where Vilmorin & Cie does business**, in globally tense market conditions.

Challenges and outlook / Associated companies

- **AgReliant**: Continued consolidation of positions, in a corn market that is probably contracting
- **Seed Co**: Confirmation of the high quality commercial performance achieved for the 1st semester
- **AGT**: Commercial confirmation of the excellent harvest in Australia

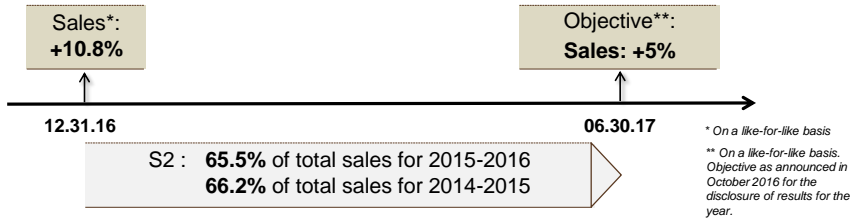


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CHALLENGES AND OUTLOOK FOR END OF FISCAL YEAR 2016-2017

GLOBAL CONFIRMATION OF OBJECTIVES

- **Achieve significant growth in sales**
within the framework of the operational action plan announced in April 2016



- Achieve a current operating margin rate at the same level as 2015-2016 (8.4%), including research investment of more than €240 M
- Aim for a contribution from associated companies, at least equivalent to 2015-2016

While pursuing deployment of the development and innovation strategy, in a long-term vision, and building from the complementarity of the two strategic activities



SCHEDULE

AGENDA

THURSDAY FEBRUARY 23, 2017

- Registration with the AMF of the update of the annual report for 2015-2016

TUESDAY APRIL 25, 2017 AFTER TRADING

- Disclosure of sales at the end of the 3rd quarter 2016-2017
(on March 31, 2017)

MONDAY JULY 31, 2017 AFTER TRADING

- Disclosure of sales for fiscal year 2016-2017
(on June 30, 2017)

WEDNESDAY OCTOBER 18, 2017 AFTER TRADING

- Disclosure of results for fiscal year 2016-2017
(on June 30, 2017)



APPENDICES



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APPENDICES

MARKET CONTEXT

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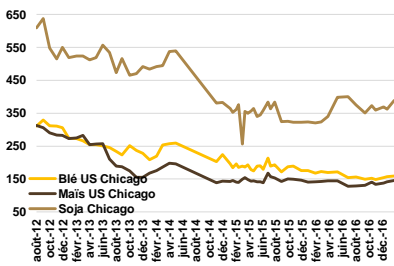
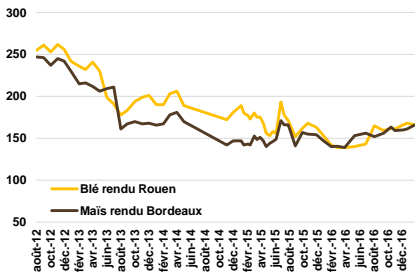
MARKET CONTEXT

FIELD SEEDS TRENDS

Price levels for agricultural raw materials

Price of corn. Bordeaux: **166 €/tn.**
Price of wheat. Rouen: **166 €/tn.**
February 2017

Corn, soybean and wheat prices. Chicago
Corn: 146 \$/t
Soybean: 389 \$/t
Wheat: 159 \$/t
February 2017



Sources: FranceAgriMer, IGC, La dépêche. February 2017

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MARKET CONTEXT

FIELD SEED TRENDS

Market trends for corn

United States

↘ Acreage

Europe 28

↘ Acreage

Greater Europe

↘ Acreage

Brazil

↗ Safra Acreage

↗ Safrinha Acreage

Market trends for sunflower

Europe 28

↗ Acreage

Greater Europe

↗ Acreage

Market trends for wheat

Europe 28

↗ Acreage


Greater Europe

↘ Acreage

Sources: internal estimates

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APPENDICES

KEY FINANCIAL DATA

FOR THE 1st SEMESTER 2016-2017

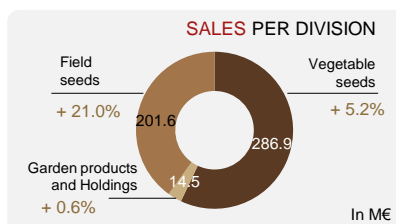
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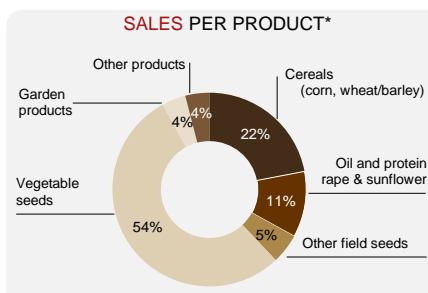
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RESULTS FOR THE FIRST SEMESTER 2016-2017

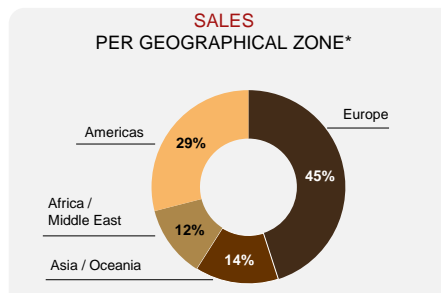
CONSOLIDATED SALES ON DECEMBER 31, 2016



Contribution to consolidated sales
on a like-for-like basis



* Sales of products



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RESULTS FOR THE FIRST SEMESTER 2016-2017

INCOME STATEMENT

In M€	12.31.15	12.31.16	Variation with current data
Sales	456.5	503.0	10.2%
Commercial margin	228.4	246.0	7.7%
Commercial margin rate	50.0%	48.9%	-1.1 pt
Operating income	(31.9)	(18.5)	13.4
Operating margin rate	(7.0)%	(3.7)%	+3.3 pts
Income from associated companies	(24.2)	(24.9)	(0.7)
Financial income	(22.9)	(6.8)	16.1
Income taxes	16.4	10.5	(5.9)
Net income	(62.6)	(39.7)	22.9
Group share of net income	(61.1)	(38.8)	22.3

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RESULTS FOR THE FIRST SEMESTER 2016-2017

INCOME STATEMENT – OPERATING CHARGES

In M€	12.31.15	12.31.16	Variation with current data
Marketing and sales	(89.5)	(91.8)	(2.3)
Research and development	(87.2)	(93.6)	(6.4)
Administration and other charges	(83.6)	(79.6)	4.0
Reorganization	-	(0.8)	(0.8)
Disposals of assets	-	1.3	1.3
Net operating charges	(260.3)	(264.5)	(4.2)

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RESULTS FOR THE FIRST SEMESTER 2016-2017

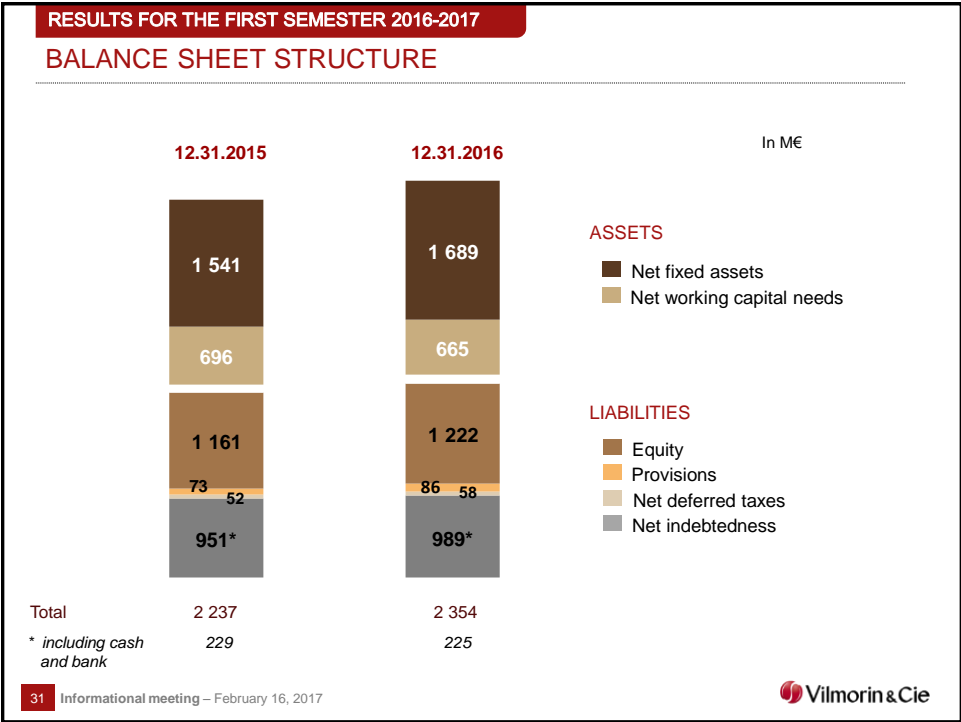
KEY FIGURES PER DIVISION (CONTRIBUTION TO CONSOLIDATED RESULTS)

In M€	Sales*		Operating income		Net income	
	12.31.15	12.31.16	12.31.15	12.31.16	12.31.15	12.31.16
Vegetable seeds	271.4	286.9	11.8	12.8	4.3	7.9
Field seeds	170.5	201.6	(29.6)	(20.7)	(56.8)	(45.3)
Garden products and Holdings	14.6	14.5	(14.1)	(10.6)	(10.1)	(2.3)
Consolidated	456.5	503.0	(31.9)	(18.5)	(62.6)	(39.7)

* Revenue from ordinary activities

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MID-TERM AMBITIONS

REMINDER OF THE STRATEGIC AMBITIONS FOR 2020

- Accelerate development to reach business growth higher than market trends and increase operating margins, both in Vegetable Seeds and Field Seeds
- Consolidate the financial profile, both in terms of leverage (aiming a level of between 1.5 and 2) and indebtedness (with gearing lower than 40%), making sure in particular to increase cash generation
- Materialize the 3 strategic priorities:

VEGETABLE SEEDS

REINFORCE
WORLD
LEADERSHIP



CORN SEEDS

BECOME A
GLOBAL PLAYER



WHEAT SEEDS

ULTIMATELY
BECOME THE
WORLD REFERENCE



MID-TERM AMBITIONS

REMINDER OF AMBITIONS FOR 2020. VEGETABLE SEEDS

2015-2016

2016-2017

2020

Another year of dynamic, profitable business growth, demonstrating the pertinence of the strategy



Pursue the strategy of combining organic and external growth

- > Regular renewal and optimization of the product portfolio
- > Even greater proximity to markets
- > Targeted external growth operations

Continue to increase value in emerging markets

AMBITION FOR 2020

Average sales growth
of more than 5% per year

Reach an annual operating margin level of 18%

MID-TERM AMBITIONS

REMINDER OF AMBITIONS FOR 2020. FIELD SEEDS

2015-2016

2016-2017

2020

> Fine resistance of business in an unfavorable market, particularly in Europe, and structuring of organization in new zones...

...affecting business and operating performance

> Further internationalization of business and progress in the development of a proprietary range of genetically modified varieties

Continue the strategy of innovation and internationalization

- > Quality of the products pipeline
- > International deployment
- > Development of a proprietary range of genetically modified varieties

AMBITION FOR 2020

Reach sales
of around 1 billion euros
and an annual operating margin level of 10%
(including AgReliant at 50%)



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