

AGENDA

November 5, 2013 Sales at the end of the 1st quarter 2013-2014*

- December 11, 2013
 Annual General Meeting of the Shareholders in Paris (France)
- February 18, 2014
 Sales and results at the end of the 1st semester 2013-2014*
- April 29, 2014
 Sales at the end of the 3rd quarter (before the beginning of trading on the Paris stock market)
- July 30, 2014
 Sales for the year 2013-2014*
- October 7, 2014

 Results for the year 2013-2014*

*Disclosure after the end of trading on the Paris stock market.

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FROM LEFT TO RIGHT: Didier MIRATON, Joël ARNAUD, Philippe AYMARD, Jean-Yves FOUCAULT, Daniel CHÉRON, François HEYRAUD and Pascal VIGUIER.

We are more than ever convinced that the specific nature of our development model is a true advantage.



FOR ITS 20 YEARS ON THE PARIS STOCK MARKET, VILMORIN & CIE RECORDS EXCELLENT RESULTS AND ACCELERATES ITS GROWTH IMPETUS

To the shareholders,

As we celebrate 20 years on the Paris stock market, Vilmorin & Cie has reached an important stage in its development, with activity and results at historic levels, illustrating the resilience and profitability of its growth model:

- We have achieved double-digit progression in our sales with current data, reaching 1,472 million Euros on June 30, 2013. This performance, repeated over recent years, confirms the global dynamism of the world seed market, but above all the pertinence and efficiency of our development strategy.
- Investment in innovation, the main source of value creation, has been reinforced considerably, with an increase of nearly 35% in 4 years. Today exceeding 180 million Euros, it provides insurance for Vilmorin & Cie's future growth.
- As for the consolidated net income, once again this year it grew very strongly (+23%) reaching 107 million Euros, a new record since the introduction to the stock market.

During the course of 2012-2013, Vilmorin & Cie resolutely pursued the implementation of its strategic orientations, on markets that remained globally favorable.

- On the market for vegetable seeds, the closing of targeted external growth operations Century Seeds in India and Campbells' Seeds in the United States enabled us to consolidate our world leadership, along with the combination of innovation and proximity to markets, the spearhead of our strategic direction.
- On the market for corn seeds, two major points marked the fiscal year:
 - the global scope of our business reached new heights with the full takeover of Bisco Bio Sciences in India, the acquisition of several gene pools in Brazil, and our first site in Africa through the acquisition of the South African seed company Link Seed;
 - the approaching perspective of benefiting from our own genetically modified traits will constitute a major advance, which will enable us to join the select club of world suppliers of such technologies.
- Finally, on the market for wheat seeds, Vilmorin & Cie, No. 1 in Europe, is working on the development of high performance wheat varieties, with the ambition of becoming the world reference for the most widely grown crop in the world.

In order to insure continuity from this past year, the objective we have fixed for the current fiscal year 2013-2014 is to pursue the sustained growth of our strategic activities, while maintaining a dynamic policy of targeted acquisitions, mainly on emerging markets. Our recent purchase of a minority stake in Seed Co, the largest seed company in Africa, is a clear example of this strategy.

20 years after our introduction to the Paris stock market, we are more than ever convinced that the specific nature of our development model is a true advantage: a unique approach to the seed business, a balanced vision of the development of our two business divisions, a long-term strategy combining innovation and internationalization.

The implementation of this strategic vision is only possible through the skills and commitment that our operational teams have demonstrated, the infallible support of our reference shareholder Limagrain and the constant accompaniment of our shareholders. In order to thank them for their faithful support, on top of the dividend of 1.65 Euros per share, at the beginning of 2013, and for the first time, Vilmorin & Cie made an allocation of free shares.

Confident in the perspectives of Vilmorin & Cie, your Board of Directors proposes that you renew this operation in the coming years.

Your Board of Directors







VILMORIN & CIE

develops vegetable and field seeds with high added value to better meet global food requirements.

Accompanied by its reference shareholder, Limagrain, an international agricultural co-operative group, Vilmorin & Cie is currently the fourth largest seed company in the world.

True to its vision of sustainable development, Vilmorin & Cie relies on ongoing investments in research and international growth to strengthen its market shares on international markets that continue to expand.

A STRATEGY FOR GROWTH...

A permanent quest for innovation

that contributes to the launch of more than 400 new seed varieties every year.

A targeted policy of external growth and partnerships.

Continued development of international business

in growing regions with high potential, particularly Brazil, India, China and the United States.

for 2012-2013 made outside Europe

for 2012-2013 re-invested in research

... BASED ON A SPECIFIC **DEVELOPMENT MODEL**

A unique approach to seed production

built up on historical expertise in botany since 1743.

Decentralized organization

ensuring maximum proximity to markets.

A long-term vision of its development,

strengthened by the consistent accompaniment of its reference shareholder, Limagrain, which also provides it with greater proximity to the agricultural world.

Founding values

related to a culture of innovation, sharing knowledge and listening to people and their environment.

VILMORIN & CIE, A WORLD LEADER FOCUSED ON TWO MAIN ACTIVITIES...

VEGETABLE SEEDS

→ World leadership

More than thirty crops among the most widely consumed throughout the world (tomato, melon, carrot, pepper, bean, etc.) for the professional agri-food markets (growers and industrialists).

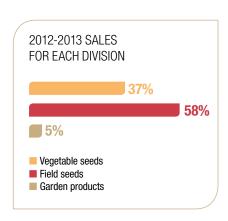
FIELD SEEDS

→ One of the top players in strategic crops

Four strategic crops (corn, wheat, rapeseed, sunflower) for farmers mainly on the European, American and Asian markets.

Garden products: a historical activity

Vegetable and flower seeds, bulbs and products for the protection and health of plants intended for amateur gardeners, on the main European gardening markets.



... AND ACTIVE THROUGHOUT THE SEED VALUE CHAIN



1,472
MILLION EUROS
sales

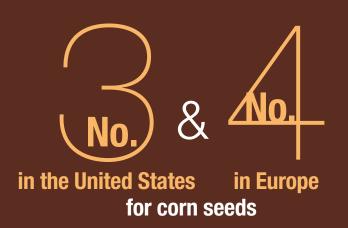
107
MILLION EUROS
net income
with a group share
of 99 million Euros

MORE THAN
6,000
PERMANENT STAFF
throughout the world











1. PRESENTATION OF VILMORIN & CIE

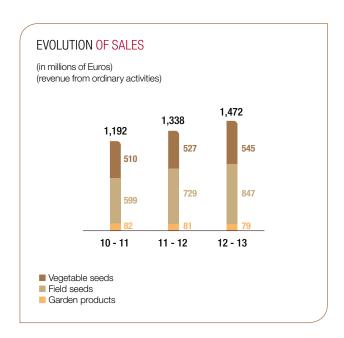
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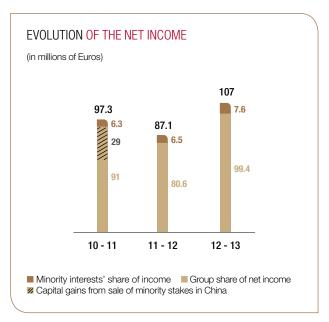
1.1. KEY FIGURES

1.1.1. MAIN INDICATORS DEVELOPED

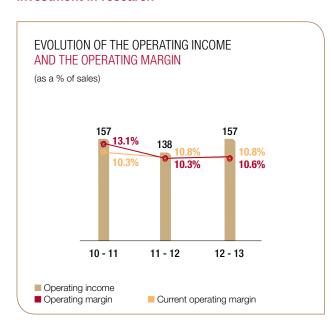
Regular growth in activity



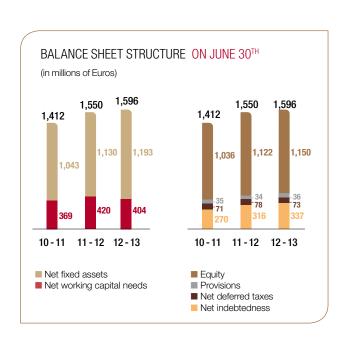
Sustained progression of the net income



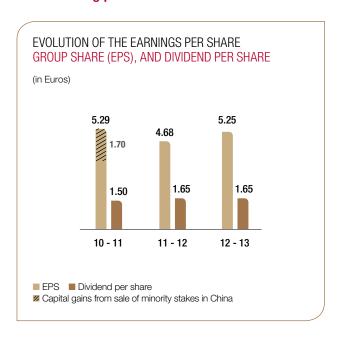
Operating margin partly devoted to intensifying investment in research



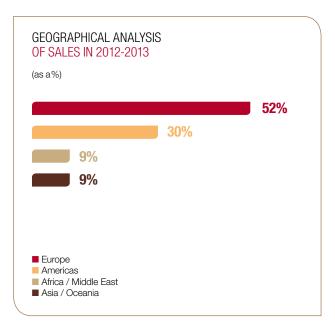
A stable, solid financial structure



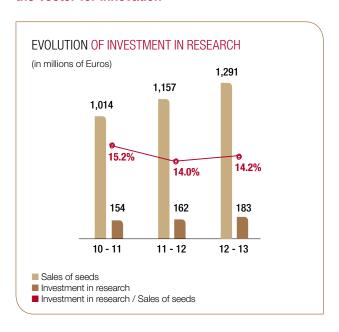
A consistent, attractive policy of distributing profits



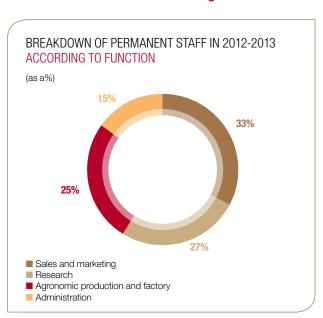
Growing internationalization of business



Intensified investment in research, the vector for innovation



Human resources dedicated as a priority to research and sales / marketing

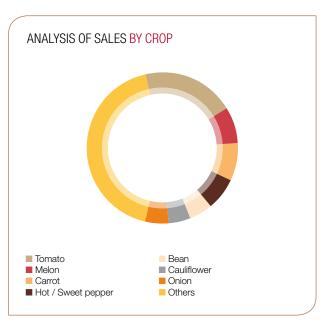


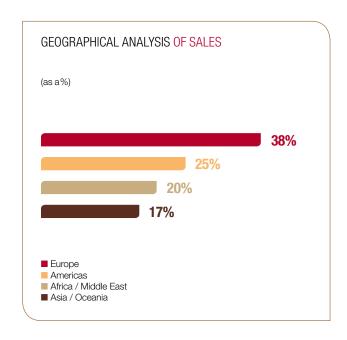
1. PRESENTATION OF VILMORIN & CIE

1.1.2. KEY INDICATORS FOR EACH DIVISION

Vegetable seeds

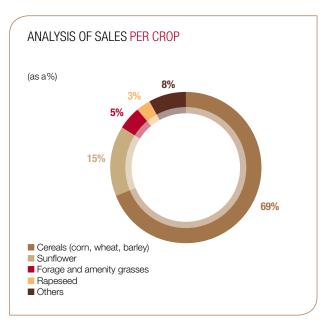


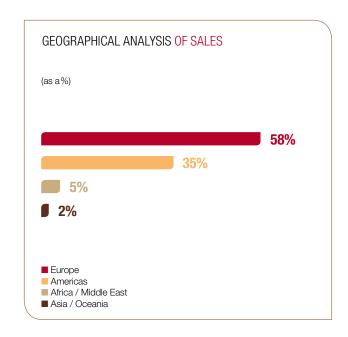




Field seeds



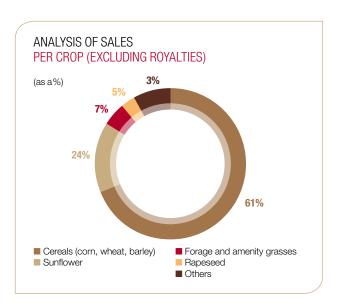


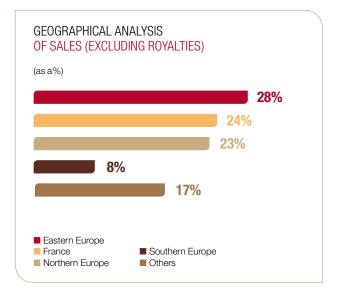


1. PRESENTATION OF VILMORIN & CIE

FIELD SEEDS IN EUROPE

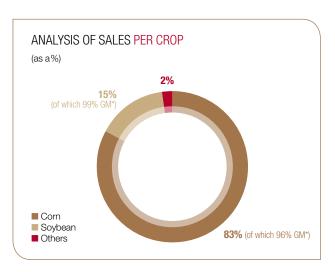






FIELD SEEDS IN NORTH AMERICA



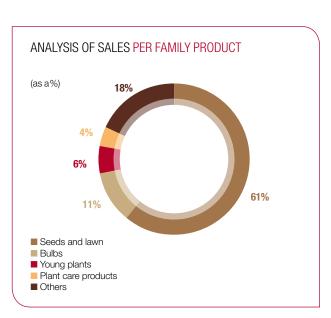


FIELD SEEDS IN NEW DEVELOPMENT ZONES



Garden products





1.2. HISTORY AND EVOLUTION of the company

1.2.1. A HISTORY OF SOLID DEVELOPMENT AROUND A SINGLE CORE BUSINESS

1.2.1.1. Historical expertise in botany

Vilmorin & Cie has been built on the foundations of 270 years of prestigious history. In 1743, Philippe Victoire de Vilmorin and Pierre d'Andrieux joined forces to create the boutique "d'Andrieux et Vilmorin", on the Quai de la Mégisserie in Paris (France). Following in the tracks of these two talented botanists, subsequent generations made major discoveries and decisive technical progress in plant improvement. Strengthened by this exceptional heritage, Vilmorin & Cie today benefits from an incomparable wide and diversified expertise and genetic heritage, a true reference in the seeds sector.

1.2.1.2. Key stages in development

Year	Name of company	Country	Type of operation	Division
1743	Foundation of Vilmorin Andrieux			
1975	Vilmorin joins Limagrain			
1993	Introduction of Vilmorin & Cie to the Paris sto	ock market		
1994	Suttons	United Kingdom	Acquisition	Garden products
1000	Clause	France	Acquisition	Vegetable seeds
1996	Harris Moran	United States	Acquisition	Vegetable seeds
1998	Nickerson Zwaan	Netherlands	Acquisition	Vegetable seeds
	Kyowa	Japan	Acquisition	Vegetable seeds
2000	Keygene	Netherlands	Research partnership and minority stake	Vegetable seeds
2003	Hazera Genetics	Israel	Acquisition	Vegetable seeds
2006	Mikado	Japan	Acquisition	Vegetable seeds
2006	Limagrain field seeds activities	Europe and North America	Acquisition	Field seeds
	Global Genetics	United States	Isolated assets	Vegetable seeds
2008	Australian Grain Technologies	Australia	Research partnership and minority stake	Field seeds
	LSL Plant Science-LSL Biotechnologies	Mexico	Isolated assets	Vegetable seeds
	Genefresh	United States	Isolated assets	Vegetable seeds
2009	K&B Development	United States	Isolated assets	Vegetable seeds
	Gentropic	Guatemala	Isolated assets	Vegetable seeds
	Dahlco	United States	Acquisition	Field seeds
	Su Tarim	Turkey	Acquisition	Vegetable seeds
	Trinity Growers	United Kingdom	Acquisition	Vegetable seeds
	Mesa Maize	United States	Acquisition	Vegetable seeds
	Trio Research	United States	Acquisition	Field seeds
2010	Arcadia Biosciences	United States	Research partnership and minority stake	Field seeds
	BSF Ag Research	United States	Specific assets	Field seeds
	Genesis Seed Research	United States	Specific assets	Field seeds
	Trigen	United States	Specific assets	Field seeds
	Clovis Matton	Belgium	Acquisition	Field seeds
2011	Genective	France	Research partnership	Field seeds
ZUII \	Sementes Guerra	Brazil	Specific assets	Field seeds

Year	Name of company	Country	Type of operation	Division
2011	Brasmilho	Brazil	Specific assets	Field seeds
	Campbell Soup	United States	Isolated assets	Vegetable seeds
	Century Seeds	India	Acquisition	Vegetable seeds
2012	Eurodur	France	Acquisition	Field seeds
2012	Boreal Plant Breeding	Finland	Minority stake and research partnership	Field seeds
	Genetica Agricola	Brazil	Specific assets	Field seeds
	Link Seed	South Africa	Acquisition	Field seeds
	Bisco Bio Sciences	India	Acquisition	Field seeds
2013	Geneseed	Brazil	Specific assets	Field seeds
	KSP	Brazil	Specific assets	Field seeds
	CCGL	Brazil	Specific assets	Field seeds

1.2.1.3.

A single core business – seeds – deployed through the full value chain

From research to distribution, Vilmorin & Cie controls all the stages in its seeds business and proposes high quality products, perfectly adapted to each of its target markets. The process in the development of a seed is as follows:

Analyzing and anticipating needs

Analysis and anticipation of the needs of direct clients – farmers and producers – and indirect targets – distributors and consumers – constitute a fundamental phase in the creation of a seed. This step is all the more complex as it depends on geographical specificities and the expectations expressed for the same crop can be extremely diverse.

Vilmorin & Cie relies on its organization that is decentralized operationally and close to its markets to assess customer requirements and ensure relevant information is passed on to its marketing and research teams.

Collecting, enriching, identifying and maintaining genetic resources*

The development of new seeds is only possible if beforehand there is a collection of plants, called genetic heritage or resources*, as wide and varied as possible. They have to be collected, enriched and characterized, and then maintained regularly so as to preserve their quality and ensure they are available for use by research teams.

Indeed it is from this plant base that the breeders* draw their "raw material", so indispensable for the creation of a new plant.

Vilmorin & Cie has a collection of more than 10,000 varieties that come from the genetic heritage it has built up over a history of 270 years, and supplemented through the acquisitions of seeds companies, breeding* programs and research partnerships.

Creating new seeds through conventional breeding* or transgenesis*

After these phases of needs analysis and access to genetic resources*, the breeding* can begin which is the art of crossing two varieties of the same plant species, with its own distinct properties, in order to create a new plant for which the agronomic profiles will be superior to that of its parents. This plant improvement work, the key to the creation of value and competitiveness for the seed company, is facilitated by the use of plant biotechnology*. These tools can be used to develop new plants more efficiently and rapidly thanks to more extensive knowledge of their genome*.

Vilmorin & Cie develops varieties with a better yield, specific resistances (to diseases, insects, herbicides, etc.), and improved nutritional qualities.

In a context of increasing industrialization of innovation, Vilmorin & Cie can benefit from an international network of internal and external skills, and more than 100 research centers located on the main world markets it is targeting, more than 1,600 researchers and numerous partnerships.



Registering seeds

In compliance with regulations in force in targeted countries, before distributing the created variety, it has to be certified and registered, in particular in order to demonstrate its qualities (innovative traits*, homogeneity, stability, etc.) and to ensure its availability.

Producing seeds in the fields

Seed production must provide flexibility and optimal adaptability to market conditions, with high quality at a competitive price. The careful choice of production zones is therefore a vital factor in determining seed quality and the capacity to satisfy demand.

Vilmorin & Cie entrusts its seed production to an international network of carefully selected seed multiplication farmers* who work to very strict specifications.

Optimizing seed quality in the factory

Seed production also involves an industrial phase. During this stage, the seed is first prepared – i.e. sorted, cleaned and dried – then treated (with applications of phytosanitary products used to protect the plant against certain parasites or diseases or to foster its germination) or pelleted to facilitate sowing. This stage also integrates packaging and storage.

Vilmorin & Cie makes full use of the irreplaceable expertise of its teams, modern industrial equipment, and standardized controls to guarantee the product's high quality.

Distributing seeds internationally to producers and agricultural markets

In order to work in close contact with its customers, almost all Vilmorin & Cie's subsidiaries sell seeds through distributors, co-operatives and sometimes directly to the end users, networks that are selected according to the specific nature of each geographical zone.

Vilmorin & Cie has a portfolio of strong brands, each with specific positioning.

Sales teams represent more than 33% of the company's headcount.

7 TO 10 YEARS ARE REQUIRED TO CREATE A SEED.





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1.3. ACTIVITIES

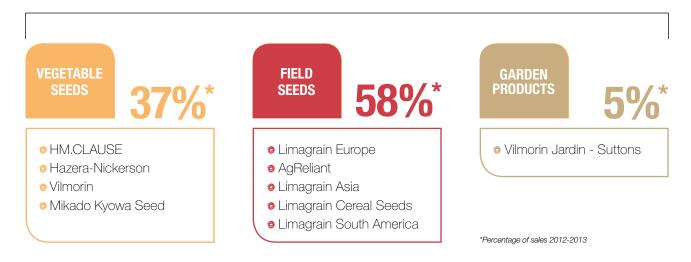
BUSINESS DIVISIONS THAT ARE VERY CLOSE TO THEIR MARKETS

Vilmorin & Cie's operational organization is structured around three business divisions, two of which represent its core business: Vegetable seeds and Field seeds.

Each of them is segmented into different Business Units, which each bear responsibility for a specific development strategy defined in accordance with species category and geographical zones, benefiting from dedicated organization.

This choice of proximity management guarantees excellent knowledge of markets and exemplary reactivity, making Vilmorin & Cie truly special. At the same time corporate services such as scientific strategy, external growth policy and finance are all centralized.

Vilmorin & Cie



1.3.2. LEADING POSITIONS IN ITS CORE BUSINESS

1.3.2.1. Vegetable seeds

No. 2 worldwide for vegetable seeds, Vilmorin & Cie creates, produces and sells novel vegetable seeds for the professional agri-food market. Market gardeners who produce vegetables for fresh markets, and indirectly processors, specialists in canning and deepfreezing, make up its target customers.

A world leader in terms of both market shares and innovation

An extremely diversified product line-up

Vilmorin & Cie's product line-up comprises about thirty different crops, and in particular those that are most widely consumed throughout the world: tomato, onion, cucumber, pepper, carrot, melon, watermelon, sweet corn, bean, cauliflower, lettuce, summer squash, etc. For some of these crops Vilmorin & Cie holds leading world positions: No. 1 in carrot, melon, cauliflower and summer squash, No. 2 in tomato and bean, No. 3 in sweet pepper.

The varieties sold are developed to respect the performance demands of vegetable growers and processors (increase in productivity, resistance to diseases and insects, perfect adaptation to growing and processing conditions, etc.). They must also anticipate and meet the expectations and cultural diversity of consumers (better organoleptic* and nutritional qualities, etc.), taking into account their cultural diversity, while optimizing added value for vegetable producers (conservation, earliness, etc.).

A diversified market approach

In order to cover highly segmented markets efficiently, the Vegetable seeds division is structured around four Business Units: three of them have a global vocation (HM.CLAUSE, Hazera-Nickerson and Vilmorin) whereas Mikado Kyowa Seed has a regional vocation dedicated to the Japanese market.

Organized around international, multi-cultural teams, each of these Business Units has its own strategy. This strategy is defined in accordance with the global guidelines laid down by the management of the Vegetable seeds division, in terms of marketing and research in particular.

With their commercial organization specifically adapted to their zones of influence, the Business Units successfully combine their portfolio of brands, their sales forces and their distribution networks. With its close approach to markets, from research right through to sales, this organization is suited to developing market shares, and covers a large number of highly profitable niche markets, with a better response to the needs of vegetable producers.



Performances in 2012-2013: a return to high growth dynamics

Solid performances on all the markets

The Vegetable seeds division managed to gradually recover its impetus during the course of fiscal year 2012-2013, with a second semester of excellent quality, confirming and amplifying a return to growth.

After fiscal year 2011-2012, marked by the context of a tense market, hit by the consequences of the "Arab Spring", the sanitary crises of 2011 and the economic environment, most markets, particularly in North America and Africa/Middle East, have experienced a revival, reaching significant growth levels. In Europe, the market environment is gradually improving too, particularly in Southern Europe, but nevertheless remains penalized by the consequences of the economic crisis, with the financial situation of vegetable growers remaining fragile in certain countries.

In this context, all the Business Units performed extremely well on all their markets, both in new areas of expansion (South America, India), and on their reference markets, with the exception, nevertheless, of the Japanese market, which remains somewhat sluggish. At the same time, the division is making progress on the different products in its portfolio, in particular on strategic crops such as tomato, carrot and onion.

Sales for the year for the Vegetable seeds division reached 544.9 million Euros on June 30, 2013, an increase of 3.4% with comparable data. Restated like for like this increase is 3.8%, slightly exceeding the objectives fixed and higher than the global growth estimated for the market (*Internal Source*). These results confirm that new market shares have been won, and once again demonstrate the pertinence of Vilmorin & Cie's organization model and its strategy combining innovation and proximity to markets.



Targeted operations to strengthen competitive positions

The acquisitions and implantations achieved in recent years in key areas (Turkey, Algeria, Morocco, India, etc.) and strategic crops (tomato, sweet pepper, onion, etc.) have proven to be wise, and now provide true growth opportunities.

Vilmorin & Cie has thus pursued its policy of targeted acquisitions:

- In September 2012, Vilmorin & Cie acquired the tomato and pepper breeding* and sales business of the Campbell Soup group, based in Davis (California, United States). The assets (genetic resources* and infrastructures) and research teams included in the deal, have enabled Vilmorin & Cie to strengthen its positions, particularly on the strategic tomato and pepper markets intended for North American food processors and other key international markets. Tomato is the most consumed, and pepper the third most consumed vegetable in the world.
- In India, Vilmorin & Cie acquired Century Seeds. This family
 company owns diversified genetic resources* and high quality
 breeding* programs in more than ten species, including
 cauliflower, pepper, cabbage, tomato and several vegetables that
 are specific to Asian markets. Its extensive production and sales
 networks, particularly in the northern part of India, constitute key
 assets.

The virtuous circle of innovation and proximity to markets

In order to keep up growth in coming years, investment in research programs and tools have been intensified, while resources devoted to sales and marketing development have been scaled up as sales have increased.

- With regard to research, the fiscal year was marked by the opening of new cutting edge infrastructures, allowing Vilmorin & Cie to strengthen its capacity for innovation: La Bohalle (France) for HM.CLAUSE, La Costière (France) for Vilmorin and Otaki (Japan) for Mikado Kyowa Seed. At the same time, Hazera-Nickerson is moving its research center to Brurim (Israel), which will be operational during fiscal year 2013-2014.
- In order to extend the cover of its target zones, new subsidiaries have been established in two key countries: HM.CLAUSE inaugurated a site in Guatemala, in an area of high development potential, and Vilmorin has set up business in Russia, with the first year ending on a positive business note.

Objectives for 2013-2014

- Achieve, as in previous years, average growth in sales higher than the estimated trend in growth for the vegetable seeds market.
- Pursue varietal innovation in order to insure regular renewal of the product range.
- Stay on the look out for any external growth opportunities, including targeted operations that strengthen our positions in strategic zones (Asia and North America in particular) and crops.

A constantly progressing market

The value of the world market for vegetable seeds was estimated to be at around 5.4 billion dollars in 2012, corresponding to an average annual growth of 7% since 2007. (Source: Phillips McDougall 2013)

The regularly increasing consumption of vegetables drives the growth of Vilmorin & Cie'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.

Greater use of commercial seeds in developing markets, and of seed technology* in the more mature markets, is also contributing to global growth in the sector.

Many high added value niches

The operators in the 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 counterseason,
- production units with all kinds of infrastructures: open field, cold or heated greenhouses, etc.,
- a vast geographical dispersion of production zones.

Innovation driving market growth

The vegetable seeds market is highly sensitive to the technical performance of seeds.

Indeed the variety the growers choose will determine the quality and added value of their production, while the cost of seeds remains moderate compared to that of other inputs. It is therefore a strategic choice, above all driven by economic considerations, and by the criteria of yield, resistance to disease and suitability to trends in consumption.

Even though the market for vegetable seeds is powered by the global increase in vegetable consumption, it is mainly dependent on the research results of seed company and the development of innovation that can stimulate producers to purchase seeds with greater added value.

A concentrated competitive market

The level of investment required, the ability to stay out in front, the quality of genetic resources* 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 more than half of the world market for sales of vegetable seeds.

Companies	Countries	Sales of Vegetable seeds (in millions of Euros)
Monsanto	United States	655 (1)
Vilmorin & Cie	France	545 ⁽¹⁾
Syngenta	Switzerland	455
Nunhems (Bayer Crop Science)	Germany	304
Rijk Zwaan	Netherlands	252

(1) Sales for 2012-2013

Sources: internal estimates and company disclosures

1.3.2.2. Field seeds in Europe

The field seeds activities in Europe – cereals and oilseed crops – are grouped in a single Business Unit. Through distribution networks that vary according to the countries targeted and the crops sold, their customer target is farmers.

A well-elaborated strategy, that optimizes cover of the European market

• A product range segmented in relation to strategic interests

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

- Strategic crops for which it holds strong competitive positions: corn, straw cereals (wheat and barley), rape and sunflower.
- Support crops which constitute line complements when strategic crops are marketed. Research efforts are limited and production is carried out by sub-contractors through partnerships such as that developed with DLF, the leader for the forage segment.
- Other crops (amenity grasses, cotton, beet, etc.), distributed according to market opportunities, complete the line-up.

The four strategic crops are powerful creators of value depending on short-, medium- and long-term perspectives.

- Rapeseed varieties, because of their agronomic profile, have a short lifespan. The crop is extremely profitable, and will be even more so as its hybrid* form becomes more and more popular.
- Corn is a highly profitable crop too, given high-performance germplasm that is historically well suited to the needs of the forage corn market in Northern Europe. It is liable to develop even further through the launch of new varieties developed for grain corn, the main corn market in Europe, and the eventual emergence of the market for genetically modified plants.

• Sunflower, which is very similar to corn, is developing fast, especially in Eastern Europe. It benefits from very high performance germplasm and a solid European distribution network.

P. 1

• Straw cereals (wheat and barley), sold through two different distribution circuits, have varieties with a life cycle that is longer than average. Their profitability, which is indirectly influenced by the prices of agricultural raw materials, is lower than for other strategic crops, and can vary from one year to the next.

However the long-term outlook for the creation of value is encouraging, with the perspective of developing GMO* and then hybrid* wheat. This is a strategic development that will lead to an improvement of crop yield and the general quality of the plant, for which Vilmorin & Cie is well placed and has the resources to succeed. This strategic priority is presented on page 33.

As far as barley is concerned, Vilmorin & Cie owns efficient germplasm which will enable it to become one of the reference breeders* for this crop.

A distinctive marketing and sales approach

The marketing strategy adopted for field seeds in Europe is also one of the key factors in Vilmorin & Cie's success. In corn for example, the company has fine-tuned the segmentation of its range according to two criteria:

- The market targeted: market for forage corn and industrial applications.
- The qualities targeted: digestibility and starch content for forage corn, and varieties devoted to the production of agrofuels. An umbrella brand policy for the LG line-up embodies this segmentation.

Finally, privileged commercial partnerships with European cooperative distribution networks represent another sizeable advantage.

FIELD SEEDS IN EUROPE MAIN BRANDS

Advanta®: brand registered by

Advanta Netherlands Holdings BV





• High level competitive positions

COMPETITIVE PANORAMA IN THE EUROPEAN UNION 27 Straw cereals Corn Sunflower Rapeseed Vilmorin & Cie Syngenta Monsanto No. 1 Pioneer KWS KWS NPZ Lembke No. 2 Pioneer RAGT Vilmorin & Cie Vilmorin & Cie No. 3 Monsanto No. 4 Vilmorin & Cie Euralis DSV Sources: internal estimates

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Performances in 2012-2013: a record year

In Europe, Vilmorin & Cie recorded the best performance in the history of its business scope, with a very strong increase in its annual sales. They came to 553.7 million Euros, an increase of 13% like for like, above the objectives fixed. These excellent results, both in the west and the east (including Ukraine and Russia), confirm the quality of the product range, the efficient adaptation of the sales organization and the dynamism of the distribution networks.

All the strategic crops in the product line-up made inroads in the context of a favorable agricultural market, marked by high cereal prices, even though prices became volatile once again during the second semester of the financial year.

In order to guarantee its future development, throughout the past fiscal year, Vilmorin & Cie pursued its upstream research programs (molecular marking* and transgenesis*) and breeding* for its strategic crops.

Corn: another year of sustained growth

The Field seeds division in Europe recorded 10% growth of its corn sales, in a market environment characterized by a slight drop in acreage: -1% (Source: Stratégie grains).

Not only did volumes sold increase, but prices were higher too, and market shares were won both in the west (France, Germany)

This progression is due to the performance of the teams working in the field, good procurement control after the 2012 agronomic production campaign deficit, and the quality of the sales networks in place.

Straw cereals: a truly fine campaign

In a favorable agricultural environment with greater use of commercial seeds by farmers, and after a particularly favorable year, sales increased for certified straw cereal seeds (wheat, barley) in the long marketing channel, from the seeds producer to the farmer. Barley, for which germplasm is of the highest quality, is one of the strong points in the straw cereal line-up.

The activity of straw cereals variety delegation from the seeds producer to agricultural co-operatives (known as the short marketing channel) also progressed significantly compared with the previous year, generating more than 33 million Euros in royalties.

Sunflower: an exceptional year

Once again sunflower achieved excellent results, with sales up more than 30% over the year. Prices increased, and there was strong development in Eastern Europe (particularly in Ukraine and Russia) and in Turkey. Sales also benefited form the high quality product range and an extremely efficient germplasm.

Another reason for this recurring successful performance this year was the efficiency of the sales networks and the breeding* program run by Soltis (French joint venture between Vilmorin & Cie and Euralis, specialized in sunflower research).

Rapeseed: dynamic business following on from previous fiscal years

Vilmorin & Cie has continued to win market shares for this high value crop with another increase in sales of almost 7%. These results, achieved in the context of a rise of 5% in cultivated acreage in Europe in 2012 (Source: OilWord), was the result of the technical performance of the products on the hybrid* varieties segment. Nevertheless they were penalized by new, more restrictive regulations regarding seed treatment.

Objectives for 2013-2014

- Ocnsolidate positions in Western Europe (corn, wheat and oilseed crops) while adapting to evolutions in the prices of agricultural raw materials.
- Pursue development in Eastern Europe (particularly in Russia and Ukraine).
- Finalize investment projects encouraging consolidation of the supply chain, in order to provide a quality response to the strong increase in business, particularly for sunflower and corn.

A regularly growing market

Dominated by corn, straw cereals and two fast developing oil crops, rape and sunflower, the European market has experienced constant but moderate growth in recent years with trends varying between the cultivated crops and increased acreage of set-aside.

EVOLUTION OF CULTIVATED ACREAGE IN THE EUROPEAN UNION 27

(in millions of hectares)

	Acreage 12-13	Evolution over the past year
Total corn	15.2	-1%
> Grain corn	9.3	0%
> Forage corn	5.9	-1%
Wheat	23.1	1%
Sunflower	4.5	5%
Rapeseed	6.6	5%

Sources: OilWord, Stratégie grains

Marginal acreage of GM* crops

Growing, selling and importing genetically modified plants are subject to European directives and regulations. To date only two GM* varieties (MON810 corn and Amflora potato) are authorized for growing and selling in the European Union, whereas almost forty types of transgenic corn, soybean, cotton and spring rape, and certain combinations, are authorized for import.

Certain member states have nevertheless suspended authorization to grow GM* crops, triggering the safeguard clause provided in EU law.

This is specifically the case of France, Germany, Italy, Hungary, Austria, Greece and Luxembourg. A procedure for member states to opt to grow GM* crops in their country has been proposed by the European commission but up until now there has been no consensus for its application.

Consequently, GM* varieties were only marginally grown in Europe in 2013 with 150,000 hectares (mainly in Spain, Portugal, and the Czech Republic), up 15% this year, but still representing less than 1% of world acreage (Source: ISAAA 2013, Croplife).



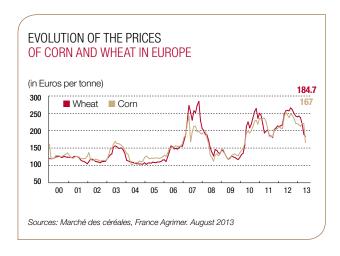
Like its main competitors, this context has no direct impact on Vilmorin & Cie, which does not currently generate many sales from genetically modified varieties in Europe. Nevertheless, convinced that these markets will open up in the medium term, the company is running specific research programs with the aim of selling its own genetically modified seeds, initially integrating insect resistance and herbicide traits* adapted to this European market.

The research program is explained on page 33.

Persistent fluctuating prices of agricultural raw materials

Once again this past year, the prices of agricultural raw materials have experienced strong variations.

This trend can be explained by the lack of coherence between supply and demand that is specific to all agricultural production, fluctuating weather conditions in different geographical areas leading to surpluses or shortfalls, and the fact that there is speculation on markets for agricultural raw materials.



1.3.2.3. Corn seeds in North America

AgReliant, a 50/50 joint venture set up in July 2000 with the German seed group KWS, breeds, produces and sells corn and soybean seeds in the United States and Canada.

The original aim in creating this company was to unite the marketing and research efforts of the two companies and to climb into the rankings of the top local seed companies. The company has achieved recurring dynamic growth since it was first set up, and is now the third largest player on the commarket in the United States. Research, production, distribution and administration are all today fully pooled.

Specific positioning

• 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 the characteristic sought after. These
 resistance genes incorporated into the plant's genome* protect
 it against certain destructive insects (corn-borer and rootworm)
 and herbicides.
- The latest genetically modified varieties now combine several resistance genes, using the stacking* technique, now considered to be a standard offer by the farmers.
- Plant protection products, giving protection to the plant against certain parasites or diseases.

An original sales policy, another key factor in success

By devoting more than half of its staff to a first rate sales team, AgReliant can cover the 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, brand reputation, the real link between the farmer and the seed producer, is 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 North American market, and the Canadian market.



Performances in 2012-2013: extremely vigorous activity

Fiscal year 2012-2013 was once again marked by very difficult weather conditions, with a bad drought in 2012, leading to insufficient production volumes of commercial seeds. The counter-season production run in Chile and Argentina, the most extensive ever launched by AgReliant, nevertheless compensated to a large extent for this shortfall. Successful management and control of procurement and logistics were thus once again key factors for success in the year's commercial campaign.

In spite of these constraints, and the difficult sowing conditions in spring, AgReliant achieved remarkable performances, recording a rise in sales for this fiscal year of almost 16% like for like compared with the previous fiscal year.

These results are due to a combination of the increase in volume and higher prices set to compensate both for technological innovation and the rise in procurement costs. They are the upshot of an increase in the share of GM* products in the sales, the dynamic commercial model and the pertinence of the multibrand model, all of which enabled AgReliant to win market shares, and assert itself as the third largest seeds company on the market for corn.

Objectives for 2013-2014

- Intensify sales of new products with high added value.
- Continue to develop by giving a strong push to investment in upstream research, particularly in molecular marking*.
- Accompany the displacement of corn growing areas in the United States towards the north and the west.

A constantly progressing market

Over the first semester of 2013, the North American seed market was marked by the relative stability of corn acreage at 39.4 million hectares – a record since 1937 – and an increase of 1% in the acreage of soybean at 31.5 million hectares (*Source: USDA 2013*).

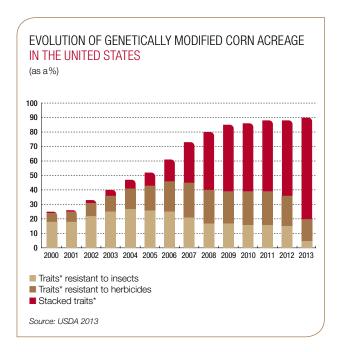
This growth should continue as a result of the extension of cultivated corn acreage to the north and the west of the United States, the development perspectives offered by genetically modified seeds and the regularly increasing agrofuels market.

Genetically modified plants: a virtuous growth circle

With 69.5 million hectares in 2012, which is more than 40% of the world acreage for all crops combined, the United States is by far the biggest producer of genetically modified plants. Their proportion is increasing regularly, and today they cover 90% of corn acreage, 93% of soybean acreage and 95% of sugar beet acreage in the United States.

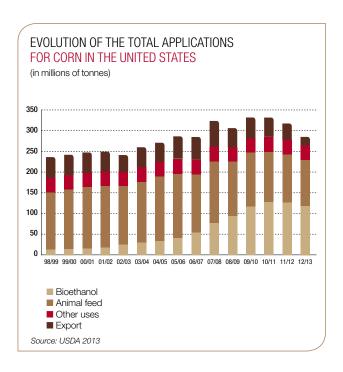
Varieties integrating several resistance traits* are being used more and more, and today represent a significant share of the market estimated to be 71% of GM* corn acreage, compared with 52% in 2012 (Sources: ISAAA and USDA 2013).

Although on average these genetically modified seeds are considerably more expensive than conventional seeds, they enable farmers to reduce their running costs considerably, in particular pesticide and herbicide treatments, guaranteeing a much more abundant harvest.



• Impetus for corn production given by agrofuels

Since 2000 corn acreage in the United States has risen considerably particularly because of demand from bioethanol factories. In 2012-2013, almost 44% of corn was devoted to this market.

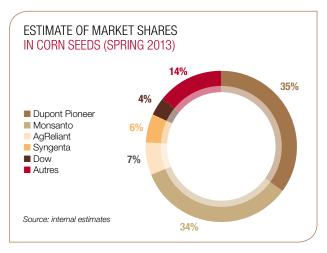


The move towards precision farming

Tomorrow's American farmers will have wide access to new services accompanying them in the management of their farms. Based on the use of technologies, precision farming will make more and more detailed data available to them, updated and personalized to guide them in their decisions: choice of varieties for sowing depending on the characteristics of their plots, sowing density and growing practices, for example.

• A concentrated competitive market

Within a concentrated competitive environment (nearly 80% of the market being held by four players), in recent years AgReliant has managed to strengthen its market shares appreciably in the heart of the Corn Belt, in particular to the detriment of smaller players.



1.3.2.4. New development zones for field seeds

Capitalizing on its expertise in field seeds and on the well-tried robustness of its development model, in 2010 Vilmorin & Cie set as its objective to internationalize its positions rapidly in corn and wheat on new, fast-growing markets. Since then, setting up sustainable business on the corn markets of Brazil and Asia, and on the wheat market of the United States, have been the three priority development orientations within the Field seeds division. As for Africa, this is a new development zone for corn, which Vilmorin & Cie entered during this past fiscal year, and which ultimately offers great potential for growth.

The first steps in this ambitious action plan were to set up new Business Units on these different markets to act as development platforms. Acquisitions and research partnerships have been concluded over recent years in order to establish the conditions and assets that are indispensable to deploy these activities. Sales are still modest, but should increase fast in the years to come, as a result of both organic and external growth. Moreover this development will also contribute to compensating progressively for the extreme seasonality that exists in the division, since business has been concentrated until now in the northern hemisphere.

Corn in Brazil

An ambitious development project

Historically, South America has provided Vilmorin & Cie with the opportunity to reinforce its capacity to produce counter-season seeds in order to extend the periods of product availability in the Northern hemisphere. In this respect, once again this past fiscal year South America played a key role, with historically high procurement plans to compensate for deficits in agronomic production in North America and Europe.

On top of this strategic benefit, this area, and particularly Brazil, now offers high potential for the development of field seeds. Corn is grown here widely, with rapidly increasing use of genetically modified varieties. Brazil is the 4th largest seeds market in the world and the 2nd largest in the world for GM* corn acreage, with an adoption rate of 75% (as opposed to 65% in 2011).

For Vilmorin & Cie, this is a challenge of great importance: the target fixed is a 10% market share in corn by 2020, using a product

line-up comprising innovative conventional and GM* seeds, combining genetic resources* and proprietary technologies. The Business Unit Limagrain South America is the structure in charge of deploying these activities.

• Continued structuring of the BU in 2012-2013

During the two previous fiscal years, Vilmorin & Cie acquired the corn assets of the company Sementes Guerra (state of Parana), and then the assets devoted to corn and sorghum seeds belonging to the company Brasmilho, based in Goianesia (state of Goias) before taking over the research activities of the company Genetica Agricola (state of Mato Grosso).

In 2012-2013, Vilmorin & Cie continued to enrich its portfolio of genetic resources*, with the acquisition of three new gene pools of the highest quality: Geneseed, located in the east of Brazil (state of Minas Gerais), KSP based in the south (state of Parana) and CCGL, located in the state of Rio Grande do Sul, also in the south of Brazil. These genetic resources* complement those already held, and will contribute directly to the creation and development of new products, always better adapted to the expectations of South American farmers.

These different operations, combined with the successful integration of the teams and structures, meant that on June 30, 2013, the sales campaign for corn in South America ended with sustained growth, with sales higher than 26 million Euros, a significant increase (+41% like for like compared with 2011-2012), and exceeding initial objectives.

Vilmorin & Cie has chosen to develop step by step in South America, with the ambition of reinforcing its existing organization in Brazil before envisaging development into neighboring countries.

- Continue to structure research investment by consolidating access to local genetic resources* and the installation of research centers.
- Create industrial infrastructures to accompany growth in business, in particular with the construction of industrial plant in Goianesia (state of Goias).
- Encourage and organize the networking of genetic resources* of tropical corn between the different zones concerned (Brazil, Asia and perhaps Africa).



Corn in India and China

Characterized by a continuous population increase and changes in consumption patterns, the Asian market, the fourth largest seeds market in the world in terms of value, rose considerably. Vilmorin & Cie has defined action zones and priority investment in China and India. Activities are developed through the teams working in the Limagrain Asia Business Unit, based in Hyderabad (India) and Beijing (China).

Vilmorin & Cie's long-term growth in this zone requires the extension of current installations through partnerships or acquisitions. Access to local genetic resources* just like in other development regions, is a prerequisite.

Initially, progression of the field seeds activity in China and India will be achieved through the sales of corn seeds with high added value, and subsequently through the introduction of GM* varieties that can respond even better to the need for improved yields.

Strong strategic ambitions in India

In India, where self-sufficiency in food is a major challenge, the seed market is evolving very fast. It is characterized by strong growth, with a trend towards greater concentration of the numerous local seed company, and a rate of commercial seed use by farmers gradually improving. This market is estimated to be worth nearly two billion dollars if all crops are included. Hybrid* corn represented about 220 million dollars in 2012, which is 95,000 tonnes.

In order to accelerate the deployment of its activities in this country, in March 2013 Vilmorin & Cie took full control of Bisco Bio Sciences, by acquiring the 39% of shares in the stock capital still held by the historical family shareholders of the company. Based in Hyderabad (state of Andhra Pradesh), Bisco Bio Sciences is one of the major Indian players in corn seed. Its product portfolio also covers important local crops such as millet, sorghum and rice.

Atash Seeds, Vilmorin & Cie's initial research and development platform for field seeds on the Indian market, has been integrated into this new organization.

The new set-up can benefit from the conditions required to achieve Vilmorin & Cie's strategic ambitions: well adapted and pooled genetic resources*, a breeding* center and local production units, reinforced by an extensive distribution network.

Now in a strong position, Vilmorin & Cie is already making annual sales of more than 10 million Euros, and growing fast, thus confirming the successful operational integration of Bisco Bio Sciences. Vilmorin & Cie's ambition is to double its market shares by 2020 and cross the threshold of 20% on the corn segment.

• A specific, proactive development policy in China

China is a major producer of cereals, in second place worldwide for rice and corn acreage. Its seeds market is growing fast, both in volume and value, as a result of the modernization of its agriculture, progressive concentration of the local players and the involvement of the Chinese authorities in this sector, which is considered to be highly strategic.

Within this key area, Vilmorin & Cie's 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. Moreover, foreign companies are currently limited to a stake of 49% in Chinese seed company, so access and conditions of use of genetic resources* must be carefully assessed before any investment. Given this context, direct implantations and partnerships with large local seed company remain the two privileged options for Vilmorin & Cie's development policy in this area.

There are four corn research centers able to select seeds that are suited to local agronomic conditions. A first variety is thus already being sold nationally, and several new varieties should be introduced soon, which is a tangible sign of the efficiency of local research programs.

Moreover, at the time of writing in October 2013, Vilmorin & Cie is still waiting for approval from the Chinese authorities concerning a new joint venture for production and distribution of corn seeds, for which it has signed an agreement with the company Anhui Hengji Seeds.

- Finalize integration of the structure Bisco Bio Sciences in India.
- Pursue commercial development in China through the launch of new proprietary corn varieties and preparation for the creation of a new joint venture.
- Continue to invest in the ongoing research within the current organization and broaden access to genetic resources* in tropical corn.

Corn in Africa

First location on this promising market

Eventually destined for considerable development, in 2012 Africa represented 18% of world corn acreage, with 33.5 million hectares. As a prominent representative of this continent, South Africa is a particularly promising market for field seeds, especially for corn. In 2012, more than 3 million hectares of corn were grown in the country, which from a strategic point of view, is located at the crossroads, in terms of genetic resources*, between North and South America, southern Europe and possibly Asia.

Moreover, on this innovation-oriented market, genetically modified seeds are widely used by farmers, with an adoption rate of 86% in 2012.

Pursuing the internationalization of its corn business, Vilmorin & Cie took a first step on the African market, with the acquisition, in January 2013, of the company Link Seed, the fourth largest South African seed company.

Based in Greytown (state of KwaZulu-Natal), Link Seed is a top rate partner offering expertise on the local market and highly specific genetic resources* (corn and soybean). A quality research program and a well-implanted distribution network are also examples of the benefits of this family company with sales which should be close to 10 million Euros in 2013, representing an estimated corn market share of 6%.

This majority stake of 80% of the company's stock capital will enable Vilmorin & Cie to take up a lasting position on this market. In the medium-term, Link Seed will be a key component of the development platform to approach the emerging markets of southern and eastern African markets.

Objectives for 2013-2014

- Pursue the integration of Link Seed.
- Study opportunities for acquisition on developing African markets.

Wheat in North America

Solid organization to ensure future growth

Vilmorin & Cie now has a structure to build up its development as a priority on the North American market for wheat, at the same time as, and independently of its corn business, run by AgReliant. Limagrain Cereal Seeds (LCS), based in Fort Collins (Colorado), is the development platform for these activities. It is a joint venture between Vilmorin & Cie (holding 65% of the capital stock) and Arcadia Biosciences (holding 35%), an American biotechnology* company.

The operation set up in 2009-2010 is still taking shape; it involves scientific co-operation with certain American universities, a portfolio of diversified genetic resources* adapted to local climate conditions, privileged access to Arcadia Biosciences' innovative technologies and a sales network in the main American production areas. The local team is a key factor in the success of the project, and comprises experts in wheat who are highly mobilized to develop this new market that remains undervalued today.

Furthermore, Vilmorin & Cie is carefully following the evolution of Canadian regulations. The possible adoption of the law UPOV 91 by the Canadian parliament would indeed open up a clear opportunity to add value to this market which today is largely dominated by farm seeds. Vilmorin & Cie could then extend its wheat research to Canada, with a dedicated set-up for this market.

- Extend partnerships with American universities.
- Develop the distribution of conventional wheat seeds in the short-term.
- In a long-term horizon, intensify research programs for GM* wheat optimizing the consumption of nitrogen and drought tolerance.
- Examine the implementation of investment in research devoted to the Canadian market, as a response to the evolution of regulations in the country.



1.3.2.5. Garden products

Vilmorin & Cie offers home gardeners a full range of seeds (vegetable, flower and lawn) and associated products: flower bulbs, products for soil and plant nutrition and garden equipment. As the European leader on the seed market for home gardeners, its customers comprise all the garden product distribution networks: garden centers, DIY stores and supermarkets. In the case of the United Kingdom, consumers are also directly targeted through Suttons' own distance sales network.

In order to encourage a global approach to European markets, the Garden Products division is now structured around a single Business Unit: Vilmorin Jardin-Suttons.

Innovating to satisfy new consumer expectations

Vilmorin & Cie permanently develops innovations to anticipate and meet the needs of consumers who are seeking efficient solutions, easy to use, and guaranteeing success for the vegetables, fruit, flowers and decoration in their gardens.

For this purpose, the acquisition of the garden products business of the company Cultisol (France), finalized in February 2012, has reinforced its expertise in all the products associated with seeds (garden accessories such as tunnels, biodegradable mulching film and decorative enclosures).

The strategy to innovate and extend the product line-up is based on a portfolio of strong, prestigious brands, including the emblematic brand name of Vilmorin.

Performances in 2012-2013: a disappointing year in an unfavorable environment

Sales for the garden products division came to 79.3 million Euros on June 30, 2013, down 5.4% like for like compared with the previous financial year. Business was hit strongly both in France and the United Kingdom by extremely unfavorable weather conditions for hobby gardening and by an economic environment that continued to be extremely unfavorable. The division now includes the Garden products business in Turkey previously managed by the Vegetable seeds division.

In this difficult context, and working on market segments that lacked overall dynamism, the Garden products division nevertheless managed to win market shares, and made impressive progress in Poland.



- Pursue an ambitious marketing policy with the Vilmorin brand exploiting the technical expertise of the Vegetable seeds division and the strong brand reputation with home gardeners and consumers, accompanying it on certain specific distribution channels with the Clause brand.
- Strengthen current market positions by regularly providing innovative products with added value, particularly emphasizing practical advantages and wider usage.
- Accompany development of the garden products market, in co-operation with the major distribution groups, particularly in Eastern Europe and Turkey.
- Examine the different consolidation opportunities in Europe.

1.4. CHALLENGES AND STRATEGY

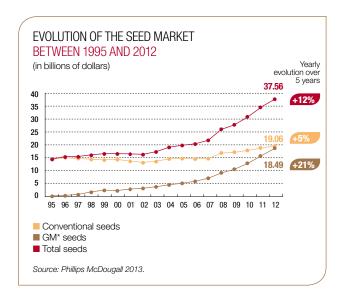
Vilmorin & Cie is above all positioned on the market for agriculture. The company innovates to develop seeds with high added value in order to contribute to meeting the world's food needs better.

True to its vision of sustainable development, Vilmorin & Cie relies on its capacity to innovate and international growth to strengthen its competitive positions sustainably, on a seeds market that is constantly progressing.

1.4.1. MAJOR LEVERS FOR MARKET GROWTH

Representing almost 38 billion dollars in 2012, the world seed market is experiencing regular, solid growth, both in volume and value

This growth is estimated to be 12% every year since 2007 (Source: Phillips McDougall 2013), and is accelerating as a result of several complementary growth relays.



1.4.1.1. Powerful levers for growth

The increase in food needs

The growth in the world population and the evolution of food habits towards increased consumption of vegetables and meat are leading to a significant increase in the need for agricultural raw materials.

By the year 2050, food production will therefore need to be increased by 70% in order to feed more than 9 billion people and thus meet the needs of the world's growing population (Source: United Nations Food and Agriculture Organization / FAO).

Growing use of commercial seeds

Farmers and vegetable producers are using commercial seeds more and more systematically.

They are more efficient technically than farm seeds, and their use can considerably improve crop yields. And indeed, producing more and better, while utilizing less resources, has more than ever become a major stake in a context characterized by:

- slow erosion of arable land on a world scale, because of urbanization, desertification, and the overall deterioration in soil quality,
- more complex growing conditions, because of the greater need to take environmental factors into account, but also because of climate variations and increasingly limited access to water resources.
- moreover commercial seeds provide the guarantee of production perfectly adapted to new industrial requirements: resistance to diseases and insects, shorter production cycles, simultaneous maturity, homogeneity in production.

The potential to substitute farm seeds for commercial seeds remains significant in countries where agriculture is in the process of being modernized for certain crops in particular, such as wheat. For example 50% of the European wheat market is covered by farm seeds, whereas this rate stands at 65% in the United States (*Internal Source*).

The rapid adoption of genetically modified organisms (GMOs*)

⊙ GMOs*, rising to new world challenges

Providing new solutions to facilitate the adaptation of supply to demand, genetically modified seeds can help the profession to rise to new challenges.

With a much higher yield per hectare, they provide greater efficiency to agricultural productions by considerably reducing costs. By reducing agro-chemical treatment, they are more respectful of the environment, and tomorrow they will also make it possible to manage water resources better.

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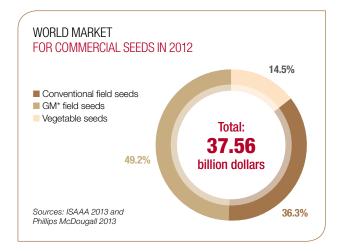
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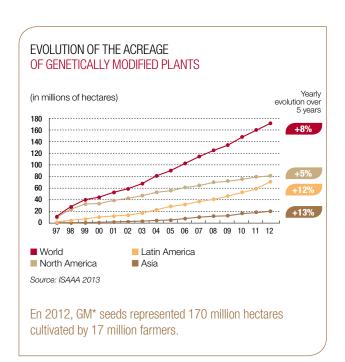
A SEEDS MARKET DRIVEN GLOBALLY BY GENETICALLY MODIFIED SEEDS

P. 35

P. 1

The technology of genetically modified seeds has become indispensable in several areas of the world, with the market expanding fast in volume. Whereas vegetable seeds and conventional field seeds have progressed respectively 7% and 5% per year over the past 5 years, there is no doubt that it is GM^* field seeds that are driving the market: their annual growth was 21% over the same period, four times greater than that of conventional seeds





Genetically modified seeds, accelerating growth

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Totally this market represents more than 10% of arable land, with strong variation between the different regions.

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Some countries are completely won over, such as the United States, a precursor where 90% of corn acreage is GM*, rising to 93% for soybean and 95% for sugar beet. And the example of Brazil really is striking: GM* technology for corn was only adopted in 2007 and today its adoption rate already stands at 75%.

However other markets remain to be convinced, as is the case in Europe. With around 150 000 hectares in 2013, GM* crops remain marginal, even though they represent a major stake for the competitiveness of its agriculture and its food sovereignty.

This is also the case for India, where GM* crops only concern cotton, and for China, which to date represents a mere 2% of cultivated GM* acreage in the world. (Source: ISAAA 2013).

A higher value for GM* seeds

At the same time as their increase in volume, genetically modified seeds have benefitted from sustained growth in terms of value. Representing 18.5 billion dollars in 2012 (+18% compared with 2011), the market for GM* field seeds now exceeds, in terms of value, that of conventional field seeds. This breakthrough is due to the increase in cultivated acreage and the integration of several traits* stacked in the same variety.

As an indication of how well these technologies have been integrated, genetically modified seeds can be sold at a price 50% to 100% above that of conventional seeds, depending on their technical input.

New traits* in the pipeline to optimize growing conditions

Today's GM* varieties mainly propose three traits*, single or stacked: resistance to insects (corn borer and corn root worm) and tolerance to herbicides.

In years to come new traits* will be launched, participating in the valorization of the world market: plants more tolerant to drought and varieties that optimize the use of fertilizers.

The development of non-food needs

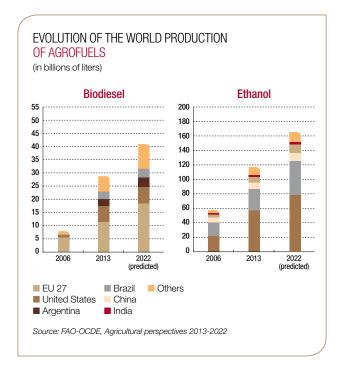
Parallel to the market for food, markets that exploit agricultural production for industrial purposes continue to make headway, strengthening the potential for growth of the seeds market.

This especially concerns:

- plant chemistry, also known as green chemistry, including the market for biodegradable plastics,
- and agro-fuels, particularly ethanol, produced from corn, and representing 44% of corn applications in the United States.

The expansion of these markets, still modest in size, has led to an increase in the surface areas used, with a positive influence on the volume of activity in commercial seeds.

While Vilmorin & Cie has not yet initiated a significant research program devoted to these applications, it remains attentive to the evolution of these markets. It does sell corn and rape varieties whose yield performances are significantly higher specifically in order to meet the expectations of this market.



1.4.1.2. Strong barriers preventing entry into the seeds market

Even if market integration varies according to zone and crop, recent years have been marked by movements of concentration, and therefore by a reinforcement of the power of the main players in the marketplace: the top five seeds companies represent almost 60% of the world for commercial seeds.

Within this particularly concentrated competitive environment, any new protagonist has to benefit from several complementary assets, which all constitute a barrier to the market.

Genetic resources*, expertise and time

In order to create high performance seeds, first of all genetic resources* are required, as diverse as possible; this is fundamental for the continuation of seed production.

What is specific about the creation of seeds is that they inevitably start from existing resources.

Mastering each of the stages in the profession is also indispensable: the expertise of seeds producers involves research, cutting edge technologies in terms of plant breeding*, production, processing and distribution of the seeds, through networks that need to be as close as possible to the markets, to understand and anticipate the needs of producers and farmers better.

And even if it has all these resources and expertise, it still takes seven to ten years for the seeds producer to come out with a new variety for marketing.

Significant investments

The level of investment required also makes it difficult for newcomers to penetrate the seeds market.

These investments concern the funding of the production cycle and working capital needs, setting up distribution networks and marketing plans, and above all innovation, the key to the creation of value. The seeds market is one of the most demanding sectors in terms of investment in research. Every year Vilmorin & Cie spends an average of 14% of its sales of seeds on research.

1.4.2. A STRATEGY TO GAIN MARKET SHARES

1.4.2.1. A solid, specific development model

In a business sector that is characterized by the strong concentration of its players and driven by innovation and internationalization, Vilmorin & Cie focuses its development on a specific economic model, with the following trump cards:

- the single core business of seeds;
- a long-term vision of its development, strengthened by the consistent accompaniment of its reference shareholder, Limagrain, an international agricultural co-operative group that provides close proximity to the agricultural world;
- an ambitious strategy combining a strong capacity for innovation, a policy of targeted external growth and rising internationalization.

Through the solidity of this model, Vilmorin & Cie is in a strong position to accelerate its expansion and sustainably ramp up its world leadership positions.

1.4.2.2.

A constant drive for innovation to achieve organic growth, the source of market share gains and profitability

KEY INDICATORS 2012-2013

14%

of sales reinvested in research.

including about **85%** devoted to conventional breeding* and about **15%** devoted to biotechnology*

250

million Euros invested in research

including funding in the form of partnerships

183

million Euros invested in research

in absolute value, balanced in its spread between Vegetable seeds and Field seeds

91%

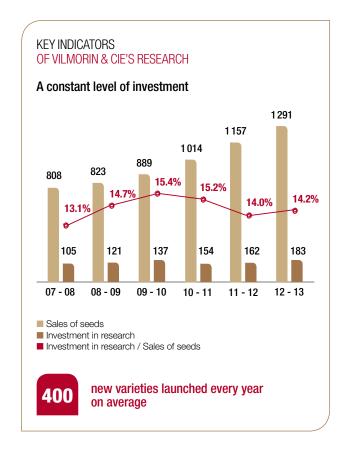
Sales from proprietary varieties*

in vegetable seeds – i.e. made from varieties originating in research at Vilmorin & Cie

70%

Sales from proprietary varieties * in field seeds, a proportion which should continue to increase bearing in mind

a proportion which should continue to increase bearing in mind research investment in GMOs*



Innovating to ensure tomorrow's growth

As the main source of added value, research is at the heart of business development challenges.

Its mission is to find new varieties as quickly as possible to meet the needs of the different players in the sector, and must therefore:

- improve the plant's agronomic characteristics (yield, resistance to diseases and insects, drought tolerance, earliness, etc.) for farmers and growers,
- integrate the technical and logistical constraints of industrialists and distributors (standardization of calibration, food product texture, preservation, earliness, appearance, etc.),
- improve the organoleptic* characteristics of the products depending on the cultural specificities of consumers, and by anticipating evolutions in taste and consumption practices.

By developing new seeds that are perfectly suited to customer requirements, and by reducing the time it takes to make these new varieties available to them, Vilmorin & Cie's research offers decisive commercial advantages, making it possible to maintain organic growth higher than that of the market.

The means to succeed

As a result of its locations worldwide and the expertise of its research teams, particularly in plant biotechnology*, Vilmorin & Cie is able to create new varieties with differentiating advantages, and strengthen its competitiveness through innovation.

Enriching genetic resources*

In order to create new varieties, research is first and foremost dependent on the diversity of plants. Access to genetic resources* is fundamental for prolonged seed production.

Progress in plant breeding* is dependent on the capacity to enrich this heritage and is guaranteed by taking full advantage of breeders' know-how, the opening of new research centers internationally and a steadfast policy in terms of external growth and partnerships.

Accelerating the breeding* process by using plant biotechnology*

Future progress in plant breeding* is largely dependent on mastering a wide range of tools, including plant biotechnology*. These tools are used to describe plants with great precision and predict some of their traits, significantly accelerating the process of plant breeding*. The breeder gains precious time by identifying the plants of interest early and more efficiently, according to the breeding* objectives.

On average two to three years of development are saved, which provides the reassurance of quicker response to the evolution of demand.

Investment in biotechnology* today represents almost 15% of the research budget and has continued to progress significantly during the course of fiscal year 2012-2013. It will also grow in years to come, as the company consolidates its financial profile.

9 Building from a solid internal organizational base

More than 1,600 researchers and technicians - representing 27% of the headcount – spread out over the 100 research sites throughout the world contribute to upstream research and conventional breeding* in vegetable seeds and field seeds.

In terms of organization, Vilmorin & Cie's research combines cross-company resources and sites that are as close as possible to its target markets.

Each Business Unit runs its own plant breeding* programs, ensuring that customer requirements with regard to the product innovation process are taken into account. Their activity is coordinated by a Divisional Research Department ensuring that technological resources are pooled, and genetic databases are circulated between the Business Units, with faster integration of any work concerning the development of biotechnology*. It is also responsible for managing major partnerships.

In the Field seeds division, Research Departments have also been set up for each of the strategic crops, and for each of the major areas of biotechnology*.

The Group's Scientific Affairs focuses on certain strategic projects, science and technology foresight and the pooling of support in expertise. For example, a full project was run on the theme of plant chemistry and the place of a seeds company in such a chain, and changes with regard to the emergence of precision farming.

• Reaching strategic partnerships to enrich upstream research

Strategic partnerships, permanently pursued and strengthened, provide Vilmorin & Cie with access to new skills and technologies, enriching upstream research:

 Genective (France) – a 50/50 joint venture with the German seed company KWS: through this research agreement initiated during the course of fiscal year 2011-2012, Vilmorin & Cie and KWS have pooled investment in order to develop GMO* traits* primarily intended for corn seeds. It concerns the final phase of ongoing development of first generation traits* (tolerance to herbicides and resistance to insects) and the development of other innovative traits*.

In June 2013, Vilmorin & Cie and KWS received approval from the European Commission for the operational implementation of Genective. This is a key milestone, enabling the two companies to intensify this research partnership. First generation proprietary, genetically modified corn seeds integrating these traits* are expected to be first marketed in three years time.



- Arcadia Biosciences (United States) specialized in the development of technologies and products for agriculture that are respectful of the environment and human health. Through agreements it has signed with this company, Vilmorin & Cie has privileged access to the gene optimizing the use of nitrogen for wheat, and holds exclusive world access to a gene for drought tolerance. The combined effect of Arcadia's innovative technologies and Vilmorin & Cie's genetic resources* will be used to develop high yield GM* wheat, providing economic advantages to farmers and contributing to better respect for the environment.
- Keygene (Netherlands) experts in genomics* applied to vegetable plants, and in which Vilmorin & Cie has held a stake of 25% since 2001, in partnership with the Dutch seed companies Enza Zaden and Rijk Zwaan, and the Japanese seed company Takii.
- Biogemma (France) European specialists in field crop plant biotechnology*, held 55% in partnership with the seed companies Euralis and RAGT and the financial institutes for the French oilseed and protein chain (Sofiprotéol) and cereal chain (Unigrains).
- Australian Grain Technologies (Australia) Australian leader for breeding*, developing and distributing novel cereal varieties. Vilmorin & Cie holds a stake of more than 33% in the company's capital stock, with the aim of consolidating its expertise in hybrid* wheat and intensifying its current research programs (genetic resources* and technologies).
- Soltis (France) a 50/50 joint venture between Vilmorin & Cie and Euralis, specialized in sunflower research.

Vilmorin & Cie's researchers also work in association with public and private research institutes: INRA (France), University of Davis (United States), Hebrew University (Israel), CAAS (China), CSIRO (Australia), etc.

1.4.2.3. A targeted policy of external growth

Priority orientations for acquisitions

Vilmorin & Cie is pursuing its external growth strategy, anticipating market evolutions so that it can respond to major strategic opportunities:

- gain access to genetic resources* that are differentiating and/or complementary to strategic crops,
- penetrate and cover areas with high potential to provide new outlets, guarantee that the offer is adapted to local demand, while ensuring there is a better spread of risks (climate, industrial, logistic, etc.),
- optimize its economic model.

Accordingly, the operations achieved in 2012-2013 concerned Vilmorin & Cie's priority markets, in particular Brazil and India.

A progressive integration model that respects existing identities

Vilmorin & Cie's external growth policy is to gradually integrate companies that are taken over, with the purpose of preserving the identity of the acquired company and capitalizing on the existing assets and know-how of the teams already in place.

Product development, local distribution networks and the brand policy are maintained in most cases, whereas the functions that can generate synergies (upstream research, governance, administration) are pooled.

1.4.2.4. Increasing, programmed internationalization

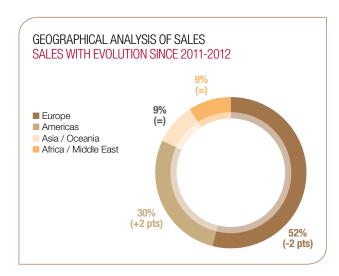
Vilmorin & Cie's internationalization within the world seeds market is the driving force for its development.

Today, all the stages in the development of a seed have acquired an international dimension: research sites are spread out all over the world; seeds are produced and processed in the two hemispheres, while the products themselves are distributed on the main zones where the seeds are used.

Internationalization of business, based on a strategy of strong segmentation, targeted by zone and by crop, combines organic and external growth, and regularly involves acquisitions, strategic alliances and partnerships.

Building from a solid financial structure, regularly reinforced by new diversified resources, Vilmorin & Cie is pursuing its development plan both in vegetable seeds and field seeds.

Business which is already developed outside Europe



The United States: a major market

An area of consistent growth in vegetable and corn seeds

In the United States, Vilmorin & Cie holds strong positions and is in the top four players which share almost 80% of the market for corn seeds and for vegetable seeds. Since it covers the territory efficiently, Vilmorin & Cie holds all the assets it needs to pursue its growth on a market that continues to expand. Indeed, North America is the largest seeds market in the world, with growth of 17% over the past five years (Source: Phillips McDougall 2013).

A long-term growth zone for wheat

Average wheat yields today in the United States stand at 3 tonnes per hectare, while they stand at 5.4 tonnes per hectare in Europe. Largely dominated by low yield farm seeds, the North American market is lacking in any major innovation, whereas in Europe, seed company are very active in wheat breeding*, proposing varieties that perform better and better.

Nevertheless, faced with the inevitable evolution of the North American market towards high yield seeds, and with the increasing adoption of commercial seeds, Vilmorin & Cie has a historic opportunity to exploit its expertise in this crop and contribute to converting the market.

Asia and South America: two priority areas for investment in the short term

Asia and South America have been defined as two priority areas for development, considering the current size of their markets and their growth potential.

Asia: a fast growing market

With the continuous growth in population and the evolution of consumption habits, the Asian market is growing fast: + 7% per year on average for the past 5 years.

Representing 9% of its sales in 2012-2013, Vilmorin & Cie's activity in Asia has gradually expanded, both in vegetable and field seeds. In a longer-term perspective, Vilmorin & Cie's ambition is to make 15% of its consolidated sales on this continent. In order to achieve this objective, Vilmorin & Cie will need to extend its present number of sites in order to gain access to local genetic resources*.



Vilmorin & Cie has defined two target countries in this continent – India and China – where it made major inroads over the course of fiscal year 2012-2013.

- In India, Vilmorin & Cie has acquired Century Seeds. This operation considerably reinforces the presence of the Vegetable seeds division on the Indian market, and opens up new development perspectives on the Asian markets. Furthermore, Vilmorin & Cie has taken full control of Bisco Bio Sciences, one of the leaders for corn seeds in India, following a first majority stake in the company purchased in 2011-2012. Vilmorin & Cie is now in a position to accelerate deployment of its activities in this area with the objective of conquering 20% of the market by 2020.
- In China, at the time of writing in October 2013, Vilmorin & Cie and the company Anhui Hengji Seeds are waiting for approval from the Chinese authorities for the creation of a joint venture in research, production and distribution of corn seeds.

South America: 3rd largest world market for seeds

With average annual growth of 18% over the past 5 years, the South American market represented 18% of the world market for seeds in 2012 for value (Source: Phillips McDougall 2013) and offers very significant potential for development. Vilmorin & Cie made sales of almost 60 million Euros on this continent in fiscal year 2012-2013. Historically, South America has provided Vilmorin & Cie with the opportunity to reinforce its capacity to produce counter-season seeds. Today Vilmorin & Cie has set out to conquer this commercial zone, which primarily concerns field seeds, with one key country: Brazil.

After a phase devoted to setting up its development platform through partnership agreements with local seed company, Vilmorin & Cie's deployment on the Brazilian market truly began two years ago. Vilmorin & Cie's objective is ambitious: to reach a market share of 10% in corn by 2020, from a line-up comprising both conventional and novel genetically modified seeds, combining genetic resources* and proprietary technologies.

Africa: a market with potential

By 2050, Africa will hold almost a quarter of the world's population (Source: FAO). Satisfying these food needs will inevitably involve access to high performing varieties, which farmers do not have today. Indeed, the African market is characterized by a low adoption rate of commercial and hybrid* seeds.

Already present with vegetable seeds, in particular in North Africa, Vilmorin & Cie crossed a major threshold during the course of fiscal year 2012-2013 on the market for corn seeds, the most widely grown crop in Africa, acquiring the company Link Seed, the 4th largest seeds company in South Africa. Link Seed clearly represents a key element in the development whose mission, in the medium term, will be to develop on the emerging markets of Southern and East Africa.

1.4.2.5. Three strategic priorities

Vilmorin & Cie's ambition is to accelerate its development according to three strategic priorities, each at its own rhythm. Maintaining leadership in vegetable seeds is thus an immediate priority; gaining market shares in corn seeds is more a mediumterm target, whereas the internationalization of leadership in wheat is a more long-term perspective.

Vegetable seeds: maintain world leadership

Vilmorin & Cie's development on this mature market, where it is No. 2 worldwide with sales of 544.9 million Euros in 2012-2013, is based on a combination of organic and external growth. This development will be pursued and promoted through its organization in Business Units, with a focus on certain main orientations. Vilmorin & Cie has thus defined a segmentation strategy for its geographical markets and crops, depending on their size and growth potential, to guide its market approach.

Maintain organic growth higher than that of the market

In order to prolong its organic growth and gain market shares, Vilmorin & Cie relies on the virtuous circle of innovation combined with proximity to its markets.

Indeed, development of the vegetable seed market, due to evolutions in the world consumption of vegetables, depends primarily on the development of novel seeds.

For this reason, mastering biotechnology*, particularly molecular marking*, contributes directly to the acceleration of plant breeding* and is now a vital tool for breeders*. Research investment allocated to this technique will therefore continue to be at a high level in the future, along with investments in new research sites to run this work. En 2012-2013, the Business Units Vilmorin, HM.CLAUSE and Mikado Kyowa Seed all inaugurated new research laboratories, while Hazera-Nickerson finalized the creation of a new high level research center both for greenhouses and laboratories, which should be operational in 2014.

Moreover, opening new sites enables Vilmorin & Cie to work closer to its highly segmented markets and contribute to winning them. For this purpose, new subsidiaries were opened during the fiscal year in key countries such as Guatemala and Russia.

At the same time, modernizing and enlarging certain production sites participate directly in the quality of the final product and customer satisfaction. Investments are therefore regularly made at Vilmorin & Cie's different sites spread all over the world. HM.CLAUSE has finalized a large quality control laboratory in France, and at the same time, the investment program launched several years ago has been completed on the French sites of the Business Units Vilmorin and HM.CLAUSE.

Strengthening outsider positions by targeted external growth operations

Operations undertaken to consolidate our current geographical set-up, and solidify the key zones and crops that are less prominent in the line-ups (lettuce, sweet corn, water melon, etc.) in the Business Units will continue in the years to come.

For this purpose, the acquisition of the tomato and pepper breeding* and sales business of the Campbell Soup group (United States) in September 2012 has enabled Vilmorin & Cie to strengthen its positions on the strategic tomato and pepper markets intended for North American and international food processors.

In particular Vilmorin & Cie will strengthen its presence in Asia (south east Asia, South Korea, India, etc.), by purchasing stakes, making acquisitions and developing partnerships.

To illustrate this objective, in October 2012 Vilmorin & Cie acquired Century Seeds.

As for China, with nearly half of the world's vegetable production, this is a country where our presence is indispensable, yet where a gradual and cautious approach is required, given the stakes involved in protecting intellectual property. Vilmorin & Cie's presence and development are materialized through the breeding* stations and distribution networks of all its Vegetable division Business Units. The sales for 2012-2013 of almost ten million Euros remain modest when compared with the group overall, but they are nevertheless considerably higher than in previous years.

Corn seeds: winning market shares

As the largest seeds market in the world in terms of value, corn is quite naturally a strategic crop for Vilmorin & Cie.

Becoming a major player on the European grain market

The world market for corn is divided between grain corn (more than 90% of world acreage) and forage corn, essentially a European particularity. In a context where its competitive positions in corn are becoming more and more international, Vilmorin & Cie needs to strengthen its presence on the first segment.

Research programs have been deployed to launch novel products in existing line-ups specifically developed for this segment, particularly for early grain corn, to better meet the needs of farmers (higher yields, resistances to diseases, etc.). The varieties recently launched in Europe already appear promising.

Internationalizing European and American positions

Historically present on the corn market in Europe and in North America, Vilmorin & Cie can use these solid bases to branch out towards further markets. This internationalization will enable Vilmorin & Cie to aim for a much more significant share of this market for corn: by integrating South America, Asia and Africa, Vilmorin & Cie is now targeting almost all the world acreage for corn, as opposed to about one third, with presence exclusively in Europe and North America. Furthermore, conquering new



frontiers is an opportunity to enrich and valorize its existing corn genetic heritage.

Brazil, India and China offer important growth potential, and therefore represent priority development zones, while Africa is a new zone that opens up fabulous perspectives. During the course of fiscal year 2012-2013, Vilmorin & Cie significantly extended its world cover of the corn market, in particular in these zones:

- On a Brazilian market with sustained growth, Vilmorin & Cie is continuing its deployment phase. As part of the continuing organization of its research, Vilmorin & Cie acquired three new high quality corn gene pools: Geneseed, KSP and CCGL, located in the south of Brazil. Access to these local genetic resources* will contribute to the creation and development of new products, even better adapted to the expectations of South American farmers.
- In India, Vilmorin & Cie took full control of the company Bisco Bio Sciences, one of the main Indian players in corn seed, after purchasing a majority stake during the previous fiscal year. Vilmorin & Cie now has 3 corn breeding* stations in the country, and with the integration of its initial platform for the development of field seeds for the Indian market (Atash Seeds), now holds a market share higher than 10% for field seeds on the subcontinent.

The objective fixed is to reach 20% by 2020.

 Today in China, Vilmorin & Cie has 4 corn research sites located according to different corn types, and also a wheat breeding* station. The fruit of this expanding research is a first hybrid* corn variety registered for all of China, and several new varieties should be introduced shortly.

At the same time, Vilmorin & Cie is waiting for approval from the Chinese authorities concerning the joint venture for the research, production and distribution of corn seeds, for which it has signed an agreement with the company Anhui Hengji Seeds.

• In Africa, Vilmorin & Cie has taken an important step forward in the internationalization of its corn activities, by acquiring the company Link Seed, the 4th largest seed company in South Africa. Vilmorin & Cie has thus taken up a sustainable position on a promising market where genetically modified seeds have been widely adopted by farmers, and is beginning to build up the development platform which, in the medium term, will be used to develop in south-east Africa.

Pursuing innovation and selling proprietary genetically modified varieties

With an adoption rate of 35% of world acreage in 2012, and increasing fast, with a growing number of countries using this technology, the market for genetically modified corn seeds is continuing its development.

In this context, Vilmorin & Cie's ambition is, in the medium term, to develop transgenic corn seed varieties integrating its own technologies:

- so-called first generation: with traits* for tolerance to herbicides and resistance to insects, intended primarily for American markets (North and South America), as a complement to corn GM* traits*, currently licensed out, and for other potential GM* markets (Europe and Asia).
- so-called second generation: improving yield, integrating better tolerance to drought or with an improved utilization of nitrogen fertilizers, intended for the world market.

A major milestone was reached during this past fiscal year, since Vilmorin & Cie and KWS obtained approval from the European Commission for the development of their 50/50 joint venture Genective, set up to develop GM* corn traits*. As a result of this upstream research partnership initiated in 2011, field trials on these first traits* have been conclusive and the homologation procedures have begun. The first products could be sold on markets open to GMOs* within 3 years. They will first concern traits* of tolerance to herbicides, and then traits* of resistance to insects.

Wheat seeds: becoming the world reference for the most widely grown crop in the world

A solid base to maintain: No. 1 in Europe

As the leader in Europe, Vilmorin & Cie is empowered by its historical expertise and high-quality genetic resources* obtained through acquisitions and specialized partnerships. Today it holds more than 16% of the market in Europe, with market shares exceeding 20% in certain countries. Vilmorin & Cie's ambition is to maintain and strengthen its position as No. 1 in Europe. In particular this involves the creation of varieties that meet farmers' needs even better, and the strengthening of its genetic resources* on a case-by-case basis.

1. PRESENTATION OF VILMORIN & CIE

The aim to conquer new frontiers

With this European leadership, Vilmorin & Cie has all the benefits required to stand out as the world reference for this strategic crop.

Targeting the Americas, Australia and Asia as priority wheat production areas, its conquering strategy is aimed at the constitution of genetic resources* perfectly adapted to local conditions, access to innovative technologies and the setting up of new distribution networks.

Widely dominated by farm seeds (65% of the market), with lower yields, the United Stated represented the first major objective for Vilmorin & Cie. Launched in 2009, its wheat seed development plan for this zone means that it now has an efficient platform to distribute high yield seeds.

Australia is also an extremely important market for wheat seeds. Since 2008 Vilmorin & Cie has benefitted from a strategic partnership with the company Australian Grain Technologies (AGT), the Australian leader for the breeding*, development and distribution of innovative wheat varieties. In 2012 it also signed an agreement with the two wheat research leaders in Australia – ACPFG and CSIRO – to develop wheat optimizing the use of nitrogen adapted to local conditions.

Finally Vilmorin & Cie is pursuing its strategy to internationalize its positions on other major markets, and particularly in South America and in Asia, which is the largest market in terms of wheat acreage and production.

A fundamental lever: innovation

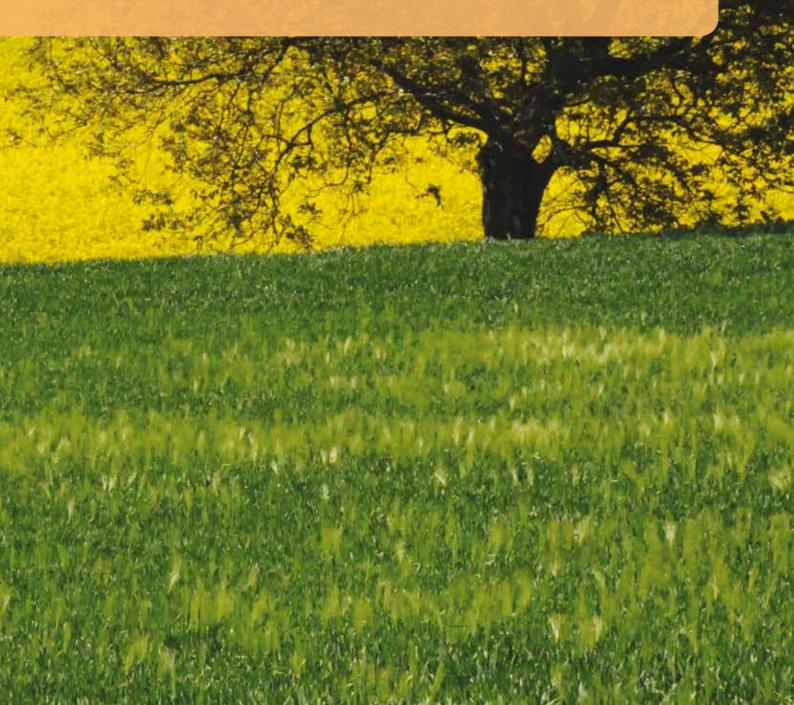
Wheat is the most widely grown cereal in the world with 216 million hectares in 2012 (Source: USDA), and is the staple food for one third of the world's population. In order to satisfy constantly increasing food needs, the world production of wheat needs to increase by 60% before 2050.

Yet wheat is suffering structurally from low world stocks and a drop in its yield. This situation is a serious risk for the world food balance, and can be explained by a lack in any major innovation in this crop and consequently the really low use of commercial seeds. The seeds sector is thus working to come up with more efficient seeds, guaranteeing a better yield.

Vilmorin & Cie is particularly well positioned to contribute to the conversion of this poorly valorized market into a high yield seeds market, with GM* seeds which could be introduced as of 2020 on markets that are open to GMOs*, and then, at a later date, with hybrid* seeds.

2. CORPORATE GOVERNANCE

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2.1. THE BOARD OF DIRECTORS

Vilmorin & Cie attaches the greatest importance to the quality of its governance, which is strongly marked by two particular aspects: the fact it is a seed company with the need for a long-term vision, and its reference shareholder, Limagrain, an international agricultural co-operative group. In 1993, when Vilmorin & Cie was first listed on the French stock market, the Group made a commitment to encourage its development strategy respecting the interests of minority shareholders, another fundamental pillar in the company's development.

2.1.1. COMPOSITION

Vilmorin & Cie's Board comprises seven members, including an independent director.

In accordance with the AFEP/MEDEF code of corporate governance to which the company refers, Didier MIRATON is considered to be an independent Director, since he holds no financial, contractual or family relationship with Vilmorin & Cie liable to impair the independence of his judgment. In particular, Didier MIRATON has no close family bond with any of the corporate representatives. The compliance of Vilmorin & Cie's analysis with the criteria for the qualification of independence and the prevention of any possible risks of conflict of interest was checked during the course of fiscal year 2012-2013.

At the Annual General Meeting deliberating on the financial statements closed on June 30, 2012, Gérard RENARD confirmed to the Shareholders that he would be terminating his mandate as Chairman & CEO as of December 12, 2012, because he would reach the age limit laid down in the by-laws during the course of fiscal year 2012-2013. The Board, which met after the Annual General Meeting, designated Philippe AYMARD, a Director of Vilmorin & Cie since 2006, to succeed him.

For the purpose of their office, all members of the Board can be contacted at the following address: c/o Vilmorin & Cie – BP1 – F-63720 CHAPPES.

New address as from November 25, 2013: CS 20001 – Saint Beauzire – F-63360 GERZAT.

Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Philippe AYMARD (53 years old)	• Chairman and CEO	 Farmer Vice Chairman of Groupe Limagrain 	▶ 2006 © 2011 * 2014	A member of the Groupe Limagrain Board since 1995, and Vice Chairman since 2013, Philippe AYMARD is Chairman of the Vegetable seeds division. He plays an important role in agriculture, and participates in the professional bodies representing cereals in the region of Auvergne (France).

Detailed mandates on June 30, 2013	
> Chairman of the Board and CEO	Vilmorin SA (France), Clause SA (France)
> Member of the Board	Coopérative Agricole Limagrain (France), DLF France SAS (France), Groupe Limagrain Holding SA (France), Harris Moran Seed Company (United States), Hazera Genetics (Israel), Selia SA (France), VCC Japan (Japan), Vilmorin USA Corp (United States)
> Joint Manager	Aigle & Partners SNC (France), Dôme 2000 (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Nickerson Zwaan BV (Netherlands).

2011-2012	
> Chairman of the Board and CEO	Oxadis SA (Franc
> Member of the Board	Clause SA (France), Coopérative Agricole Limagrain (France), DLF France SAS (France Groupe Limagrain Holding SA (France), Harris Moran Seed Company (United States), Hazera Genetics (Israe Selia SA (France), Suttons Seeds (Holding) Ltd (United Kingdom), Vilmorin SA (France Vilmorin USA Corp (United State
> Joint Manager	Aigle & Partners SNC (France), Dôme 2000 (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chil
> Member of the Supervisory Board	CNOS Garden Sp. Zo.o. (Poland), Limagrain Cereales Nederland BV (Netherland Nickerson Zwaan BV (Netherland
2010-2011	
> Chairman of the Board and CEO	Oxadis SA (France), Dom Vert SA (Franc
> Chairman of the Board of Officers	Suttons Seeds (Holding) Ltd (United Kingdor
> Chairman of the Management Board	Cave Saint Verny SARL (Franc
> Chairman of the Supervisory Board	Eurodur SA (Franc
> Member of the Board	Clause SA (France), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding (France), Harris Moran See Company (United States), Hazera Genetics (Israel), Suttons Seeds (Holding) Ltd (United Kingdom), Top Green SA (France), Vilmorin SA (France), Vilmorin USA Corp (United State
> Joint Manager	Dôme 2000 (France), Vilmorin 1742 SARL (Franc
> Member of the Board Committee	Selia SAS (Franc
> Member of the Management Board	Semillas Limagrain de Chile Ltd (Chil
> Member of the Supervisory Board	CNOS Garden Sp. Zo.o. (Poland), Limagrain Cereales Nederland BV (Netherlands), Nickerson Zwaan BV (Netherland

Mandates exercised over the past f	ive fiscal years
2009-2010	
> Chairman and CEO	Dom Vert SA (France), Oxadis SA (Franc
> Chairman of the Board	Grains Auvergne Innovation (France) (Representative of Limagrain) (Union de Coop), Maïcentre SCICA (France)
> Chairman of the Management Board	Cave Saint Verny SARL (Franc
> Chairman of the Supervisory Board	Eurodur SA (Franc
> Member of the Board	AgReliant Genetics LLC (United States), Clause SA (France), Coopérative Agricole Limagrain (France), Group Limagrain Holding SA (France), Harris Moran Seed Company (United States), Hazera Genetics (Israel), Le Groupeme Domagri-Maïcentre GIE (France), Limagrain Central Europe SE (France), Limagrain Europe SA (France), Limagrain Genetics Inc. (Canada), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy), Société Meunière du Centre SA (France) (Representative of Groupe Limagrain Holding SA), Suttons Seeds (Holdings) Ltd (United Kingdom), Top Green SA (France), Ulice SA (France) (Representative of Limaclub), Vilmorin SA (France), Vilmorin USA Corp (United States
> Member of the Board of Trustees	Limagrain GmbH (Germany), Limagrain UK (United Kingdon
> Joint Manager and Founder	Dôme 2000 (Franc
> Member of the Board Committee	Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltd (Chil
> Chairman du Board of Officers	Suttons Seeds (Holdings) Ltd (United Kingdor
> Member of the Management Committee	Limagrain Cereal Seeds LLC (Franc
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland BV (Netherlands), Nickerson Zwaan BV (Netherland
2008-2009	
> Chairman of the Board	Grains Auvergne Innovation (France) (Representative of Limagrain) (Union de Coop Limaclub SAS (France), Maïcentre SCICA (Franc
> Chairman of the Management Board	Cave Saint Verny SARL (Franc
> Chairman of the Supervisory Board	Eurodur SA (Franc
> Member of the Board	AgReliant Genetics LLC (United States), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding S (France), Le Groupement Domagri-Maïcentre GIE (France), Limagrain Central Europe SE (France), Limagra Genetics Inc. (Canada), Limagrain Iberica SA (Spain), Limagrain Italia Spa (Italy), Limagrain Verneuil Holding S (France), Société Meunière du Centre SA (France) (Representative of Groupe Limagrain Holding Ulice SA (Representative of Limaclub) (France), Vilmorin USA Corp (United State
> Member of the Board of Trustees	Limagrain GmbH (Germany), Limagrain UK (United Kingdor
> Joint Manager and Founder	Dôme 2000 (France) (Professional Partnershi
> Member of the Board Committee	Limagrain Céréales Ingrédients S.A.S. (France), Selia SAS (Franc
> Member of the Management Board	Semillas Limagrain de Chile Ltd (Chi
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland BV (Netherland LG Nederland Holding BV (Netherland
2007-2008	
> Chairman of the Board	Grains Auvergne Innovation (France) (Representative of Limagrain) (Union de Coo Limaclub SAS (France), Maïcentre SCICA (Franc
> Chairman of the Management Board	Cave Saint Verny SARL (Franc
> Chairman of the Supervisory Board	Advanta BV (Netherlands), Eurodur SA (Franc
> Member of the Board	AgReliant Genetics LLC (United States), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding S (France), Le Groupement Domagri-Maïcentre GIE (France), Limagrain Central Europe SE (France), Limagra Genetics Inc. (Canada), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy), Limagrain Verneuil Holding S (France), Société Meunière du Centre SA (France) (Representative of Groupe Limagrain Holding), Ulice SA (France) (Representative of Limaclub), Vilmorin USA Corp (United State
> Member of the Board of Trustees	Limagrain GmbH (Germany), Nickerson Advanta Limited (United Kingdor
> Joint Manager and Founder	Dôme 2000 (Franc
> Member of the Board Committee	Limagrain Céréales Ingrédients SAS (France), Selia SAS (France
> Member of the Management Board	Semillas Limagrain de Chile Ltd (Chil

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Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Joël ARNAUD (54 years old)	 Member of the Board and Member of the Audit and Risk Management Committee 	 Farmer Vice Chairman of Groupe Limagrain 	► 2006 C 2011 * 2014	Joël ARNAUD joined the Groupe Limagrain Board in 1990, becoming Vice Chairman in 1992, and is Chairman of the Field seeds division. His national responsibilities in France involve chairing the FNPSMS (Fédération Nationale des Producteurs de Semences de Maïs et de Sorgho) and a position on the Board of the AGPM (Association Générale des Producteurs de Maïs).

Mandates on June 30, 2013	
> Chairman and CEO	Limagrain Central Europe SE (France), Limagrain Europe SA (France)
> Chairman of the Board	Brasmilho SA (Brazil), Limagrain Guerra Do Brasil SA (Brazil), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy)
> Chairman of the Board of Trustees	Limagrain A/S (Denmark), Limagrain Belgium NV (Belgium), Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom)
> Chairman of the Supervisory Board	Limagrain Nederland BV (Netherlands
> Member of the Board	Bisco Bio Sciences Private Ltd (India), Coopérative Agricole Limagrain (Vice-Chairman) (France), Groupe Limagrain Holding SA (France), Limagrain Genetics Inc (Canada), Limagrain Tohum Islah Ve Uretim Sanayi Ticaret As (Turkey) Link Seed Proprietary Limited (South Africa), Selia SA (France), Vilmorin USA Corp. (United States
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Groupe Limagrain Holding
> Member of the Management Committee	AgReliant Genetics LLC (United States

Mandates exercised over the past five	e fiscal years
2011-2012	
> Chairman and CEO	Limagrain Central Europe SE (France), Limagrain Europe SA (France)
> Chairman of the Board	Brasmilho AS (Brazil), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy)
> Chairman of the Board of Trustees	Limagrain A/S (Denmark), Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom)
> Chairman of the Supervisory Board	Limagrain Nederland BV (Netherlands)
> Chairman of the Advisory Board	Limagrain Do Brasil Participações Ltda (Brazil)
> Member of the Board	Coopérative Agricole Limagrain (Vice-Chairman) (France), Genective SA (France), Groupe Limagrain Holding SA (France), Limagrain A/S (Denmark), Limagrain Genetics Inc (Canada), Limagrain Guerra Do Brasil SA (Brazil), Limagrain Tohum Islah Ve Uretim Sanayi Ticaret As (Turkey), Limagrain UK Ltd (United Kingdom), Selia SA (France), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et Val d'Allier (Representative of Limagrain) (France), Vilmorin USA Corp. (United States)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland Holding BV (Netherlands)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Groupe Limagrain Holding)
> Member of the Management Committee	Agreliant Genetics LLC (United States)

Mandates exercised over the past t	five fiscal years
2010-2011	, , , , , , , , , , , , , , , , , , , ,
> Chairman and CEO	Limagrain Central Europe SE (France), Limagrain Europe SA (Franc
> Vice Chairman and Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Limagrain Iberica (Spair Limagrain Italia Spa (Italy), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagna et Val d'Allier (France) (Representative of Limagrai
> Chairman	Limagrain Iberica (Spain), Limagrain Italia Spa (Ital
> Chairman of the Board of Trustees	Limagrain A/S (Denmark), Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdon
> Chairman of the Supervisory Board	Limagrain Nederland BV (Netherland
> Chairman of the Advisory Board	Limagrain Do Brasil Participações Ltda (Braz
> Member of the Board	Ets Tardifs & Fils SA (Representative of Limagrain) (France), Gemstar SA (France), Limagrain Genetics Inc (Canad Limagrain Guerra Do Brasil SA (Brazil), Limagrain Tohum Islah Ve Uretim Sanayi Ticaret As (Turke Limagrain UK Ltd (United Kingdom), Vilmorin Luxembourg SA (Luxembourg), Limagrain A/S (Denma
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland Holding BV (Netherland
> Member of the Board Committee	Limaclub SAS (France), Selia SAS (France), Soltis SAS (France) (Representative of Limagrain Europ
> Member of the Board of Management	Semillas Limagrain de Chile (Chile) (Representative of Groupe Limagrain Holdin
> Member of the Management Committee	Agreliant Genetics LLC (United States), Limagrain Cereal Seeds LLC (United States)
2009-2010	
> Chairman and CEO	Limagrain Central Europe SE (France), Limagrain Europe SA (France
> Vice Chairman and Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (Franc Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et Val d'Allier (Franc (Representative of Groupe Limagrain), Valgrain SCA (France) (Representative of Limagra
> Chairman of the Board	Limagrain Ibérica (Spain), Limagrain Italia Spa (Ita
> Chairman of the Board of Trustees	Limagrain A/S (Denmark), Limagrain GmbH (Germany), Limagrain UK (United Kingdo
> Member of the Board	Ets Tardifs & Fils SA (France) (representative of Limagrain), Gemstar SA (France), Jacquet SA (France), Le Groupement Domaç Maïcentre GIE (France), Limagrain Tohum Islah Ve Uretim Sanayi Ticaret AS (Turkey), Maïcentre SCICA (France), Soltis SA (France), Representative of Limagrain Europe SA), Ulice SA (France), Unisigma GIE (France), Vilmorin Luxembourg SA (Luxembou
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland BV (Netherland Limagrain Nederland Holding BV (Netherland
> Member of the Board Committee	Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (France Soltis SAS (France) (Representative of Limagrain Europ
> Member of the Board of Management	Semillas Limagrain de Chile (Chile) (Representative of Groupe Limagrain Holding SA) (France
> Member of the Management Committee	AgReliant Genetics LLC (United States), Limagrain Cereal Seeds LLC (United States)
2008-2009	
> Chairman and CEO	Limagain Verneuil Holding SA (Fran
> Vice Chairman and Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Syndicat des Producteurs de Semen de Maïs et de Sorgho des Limagnes et Val d'Allier (France) (Representative of Limagrain), Valgrain (France) (Agricultu Co-operative) (Representative of Limagra
> Chairman of the Board	Limagrain Central Europe SE (France), Limagrain Ibérica SA (Spain), Limagrain Italia Spa (Ita
> Chairman of the Board of Trustees	Limagrain GmbH (Germany), Limagrain UK (United Kingdo
> Member of the Board	Jacquet SA (France), Le Groupement Domagri-Maïcentre GIE (France), Maïcentre SCICA (France), Soltis SA (Fran (Representative of LVH), Ulice SA (France), Unisigma GIE (France), Vilmorin Luxembourg SA (Luxembou
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands), Limagrain Nederland BV (Netherland Limagrain Nederland Holding BV (Netherland
> Member of the Board Committee	Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (Fran
> Member of the Board of Management	Semillas Limagrain de Chile (Chile) (Representative of Gi
2007-2008	
> Chairman and CEO	Limagrain Verneuil Holding SA (Fran
> Vice Chairman and Member of the Board	Coopérative Agricole Limagrain (France), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et d'Allier (France) (Representative of Limagrain), Valgrain (France) (Agricultural Co-operative) (Representative of Limagra
> Chairman of the Board	Limagrain Central Europe SE (France), Limagrain Ibérica (Spain), Limagrain Italia Spa (Ita
> Chairman of the Board of Trustees	Limagrain GmbH (Germany), Nickerson Advanta Limited (United Kingdo Jacquet SA (France), Le Groupement Domagri-Maïcentre GIE (France), Maïcentre SCICA (Franc
> Member of the Board	Soltis SA (France) (Representative of LVH), Ulice SA (France), Unisigma GIE (Fran
> Member of the Supervisory Board	Advanta BV (Netherlands), Vilmorin Luxembourg SA (Luxembou
> Member of the Board Committee	Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (Fran
> Member of the Board of Management	Semillas Limagrain de Chile (Chile) (Representative of G

Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Daniel CHÉRON (62 years old)	Member of the Board and Member of the Audit and Risk Management Committee		► 2004 C 2011 * 2014	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 Vegetable and Field seeds divisions, he became Deputy Corporate CEO in 1996, and then Corporate CEO in 2006.

Mandates on June 30, 2013	
> CEO	Agence Momagri SAS (France), Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France)
> General Manager	Groupe Limagrain Holding SA (France)
> Member of the Board	Genoplante Valor SAS (France)
> Member of the Strategic Committee	Biogemma SAS (France)

Mandates exercised over the past five f	iscal years
2011-2012	
> CEO	Agence Momagri SAS (France), Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Selia SA (France)
> General Manager	Céréales Vallée (France) (Competitiveness Cluster – non-profit-making association), Groupe Limagrain Holding SA (France)
> Member of the Board	Genective SA (France), Genoplante Valor SAS (France), Momagri (Non-profit making association) (France)
> Member of the Strategic Committee	Biogemma SAS (France)
> Treasurer	Momagri (Non-profit making association) (France)
2010-2011	
> Vice Chairman	Momagri (Non-profit making association) (France)
> CEO	Agence Momagri SAS (France), Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Selia SAS (France)
> General Manager	Céréales Vallée (France) (Competitiveness Cluster – non-profit-making association), Groupe Limagrain Holding SA (France).
> Member of the Board	Cylonie Ré (Luxembourg), Gemstar SA (France), Genoplante Valor SAS (France)
> Member of the Board Committee	Mouvement pour une Organisation Mondiale de l'Agriculture SAS, Momagri (France) (Non-profit-making association)
> Member of the Strategic Committee	Biogemma SAS (France)

Mandates exercised over the pas	t five fiscal years
2009-2010	
> Vice Chairman	Momagri (France) (Non-profit-making association)
> CEO	Agence Momagri SAS (France), Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Selia SAS (France)
> General Manager	Groupe Limagrain Holding SA (France)
> Chairman Delegate	Céréales Vallée (Competitiveness Cluster – non-profit-making association) (France)
> Member of the Board	Cylonie Ré SA (Luxembourg), Gemstar SA (France), Genoplante Valor SAS (France), Momagri (France) (Non-profit-making association), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France)
> Member of the Strategic Committee	Biogemma SAS (France)
2008-2009	
> CEO	Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Selia SAS (France)
> General Manager	Céréales Vallée (France) (Competitiveness Cluster – non-profit-making association), 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)
> Vice Chairman	Momagri (France) (Non-profit-making association)
2007-2008	
> CEO	Coopérative Agricole Limagrain (France), Mouvement pour une Organisation Mondiale de l'Agriculture SAS (France), Selia SAS (France)
> General Manager	Céréales Vallée (France) (Competitiveness Cluster), Groupe Limagrain Holding SA (France)
> Member of the Board	Cylonie Ré SA (Luxembourg), Génoplante Valor SAS (France)
> Vice Chairman	Momagri (France) (Non-profit-making association)

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Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Jean-Yves FOUCAULT (58 years old)	Member of the Board and Member of the Audit and Risk Management Committee	FarmerGroupe Limagrain Chairman	≥ 2006 © 2010 ≭ 2013	After beginning his professional career in consultancy and agricultural training, Jean-Yves FOUCAULT started and developed his own farm. He joined the Groupe Limagrain Board in 2000, and became Chairman of the Group in December 2011. He is also a member of the board of a local Crédit Agricole bank

Mandates on June 30, 2013	
> Chairman of the Board	Coopérative Agricole Limagrain (France)
> Chairman and CEO	Groupe Limagrain Holding SA (France)
> Chairman of the Board Committee	GLH Participations SAS (France)
> Member of the Board	Etablissements Tardif & Fils SA (France) (Representative of Coopérative Limagrain), Jacquet Belgium SA (Belgium), Jacquet Brossard SA (France), Selia SA (France), Suttons Seeds (Holding) Limited (United Kingdom), Vilmorin Jardin SA (France)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients SAS (France), Pain Jacquet SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Coopérative Limagrain)
> Chairman and Member of the Strategic Committee	Biogemma SAS (France)
> Member of the Supervisory Board Limagrain Cereales Nederland BV (N	

Mandates exercised over the past fi	ve fiscal years
2011-2012	
> Chairman	Céréales Vallée (France) (Competitiveness Cluster – non-profit-making organization), Coopérative Agricole Limagrain (France)
> Chairman and CEO	Genective SA (France), Groupe Limagrain Holding SA (France), Selia SA (France)
> Chairman of the Board Committee	GLH Participations SAS (France), Grain Auvergne Innovation (France) (Representative of Limagrain)
> Vice Chairman and Member of the Board	Momagri (France) (Non-profit-making organization)
> Member of the Board	Association Blé Farine Pain de Qualité (France) (Representative of Coopérative Limagrain), Etablissements Tardif & Fils SA (France) (Representative of Coopérative Limagrain), Jacquet Belgium SA (Belgium), Jacquet Brossard SA (France), Limagrain Europe SA (France), Ulice SA (France)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients SAS (France), Pain Jacquet SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Coopérative Limagrain)
> Chairman and Member of the Strategic Committee	Biogemma SAS (France)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands)
> Manager/Joint Manager	De la Graine au Pain SARL (France), Magasins Généraux du Centre SARL (France)

Mandates exercised over the past	five fiscal years
2010-2011	
> Chairman and CEO	Limagrain Meunerie SA (France)
> Chairman of the Board	Établissement Tardif & Fils SA (France)
> Chairman of the Board Committee	Grain Auvergne Innovation (France) (Union de Coop.) (Representative of Limagrain), Holding Meunerie SAS (France), Limaclub SAS (France), Selia SAS (France)
> Member of the Board	Coopérative Agricole Limagrain (France), Dom Vert SA (France) (Representative of Coopérative Limagrain), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Jacquet SA (France), Pain Jacquet SA (France), Société Coopérative Agricole de la Vallée du Rhône Valgrain (France) (Representative of Coopérative Limagrain), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et du Val d'Allier (France) (Representative of Coopérative Limagrain), Ulice SA (France)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands)
> Chairman of the Management Board	La Gerbe d'Or SARL (France)
> Manager / Joint Manager	De la Graine au Pain SARL (France), Fournil des Vergnes SARL (France), Magasins Généraux du Centre SARL (France), Vertdom SCI (France), Vertimmo SCI (France)
2009-2010	
> Chairman and CEO	Jacquet SA (France), Moulin de Verdonnet SA (France), Pain Jacquet SA (France), Société Meunière du Centre SA (France), Ulice SA (France)
> Chairman of the Board	Jacquet Belgium SA (Belgium) (Representative of Jacquet SA), Tardif SA (France)
> Chairman of the Board Committee	Crêperie Lebreton SAS (France), Grain Auvergne Innovation (France) (Union de Coop.) (Representative of Limagrain), Holding Monier SAS (France), Jacquet Panification SAS (France), Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (France), Société de Viennoiserie Fine (SDVF) SAS (France)
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Jacquet SA (France), Le Groupement Domagri-Maïcentre GIE (France), Maïcentre SCICA (France), Milcamps SA (France) (Representative of Jacquet SA) (Belgium), Pain Jacquet SA (France), Ulice SA (France)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients SAS (France), Société de Viennoiserie Fine SAS (SDVF) (France)
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands)
2008-2009	
> Chairman and CEO	Jacquet SA (France), Pain Jacquet SA (France), Ulice SA (France)
> Chairman of the Board	Jacquet Belgium SA (Belgium) (Representative of Jacquet S.A)
> Chairman	Grain Auvergne Innovation (France) (Union de Coop.) (Representative of Limagrain), 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 (France) (Representative of Jacquet SA) (Belgium)
> Member of the Board Committee	Limaclub SAS (France), Selia SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile)
> Member of the Supervisory Board	Limagrain Cereales Nederland BV (Netherlands)
2007-2008	
> Chairman and CEO	Jacquet SA (France), Pain Jacquet SA (France), Ulice SA (France)
> Chairman of the Board	Jacquet Belgium (Belgium) (Representative of Jacquet SA), Milcamps Food SA (Belgium)
> Chairman	Grain Auvergne Innovation (France) (Union de Coop.) (Representative of Limagrain), Jacquet Panification SAS (France), Limagrain Céréales Ingrédients (France), Milcamps SA (Belgium) (Representative of Jacquet SA), Société de Viennoiserie Fine (SDVF) SAS (France), Stasi SA (Belgium) (Representative of Jacquet SA), Trattoria SA (Belgium) (Representative of Jacquet SA)
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), JN Gaufre SA (Belgium) (Representative of Jacquet SA), Le Groupement Domagri-Maïcentre GIE (France), Maïcentre SCICA (France)
> Member of the Board Committee	Limaclub SAS (France), Selia SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile)

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Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
François HEYRAUD (56 years old)	 Member of the Board and Member of the Consultative Committee for Shareholders 	Farmer	≥ 2000 € 2011 × 2014	After several years on the boards of different companies in the Group, François HEYRAUD was elected to the Groupe Limagrain Board in 1984. More specifically, François HEYRAUD supervises the Bakery Products division of Groupe Limagrain.

Mandates on June 30, 2013	
> Chairman and CEO	Jacquet Brossard SA (France), Savane Brossard SA (France)
> Chairman of the Board Committee	Brossard Distribution SAS (France), Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Pain Jacquet SAS (France)
> Chairman of the Board	Jacquet Belgium SA (Belgium)
> Member of the Board	Coopérative Agricole Limagrain (France), GLH Do Brasil Servicos De Consultoria E Participações Ltda (Brazil), Groupe Limagrain Holding SA (France), Limagrain Meunerie SA (France) (Representative of Groupe Limagrain Holding), Milcamps SA (Belgium) (Representative of Jacquet Brossard), Selia SA (France), Suttons Seeds (Holding) Limited (United Kingdom), Vilmorin Jardin SA (France)
> Member of the Board Committee	Limagrain Céréales Ingrédients SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Selia)
> Member of the Supervisory Board	C.H. Van Den Berg B.V. (Netherlands)

Mandates exercised over the past	ive fiscal years
2011-2012	
> Chairman and CEO	Jacquet Brossard SA (France), Savane Brossard SA (France), Saveurs de France Brossard SA (France)
> Chairman of the Board Committee	Brossard Distribution SAS (France), Crêperie Lebreton SAS (France) Jacquet Panification SAS (France), Pain Jacquet SAS (France)
> Chairman of the Board	Jacquet Belgium SA (Belgium)
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France) Limagrain Meunerie SA (France) (Representative of Groupe Limagrain Holding), Milcamps SA (Belgium) (Representative of Jacquet Brossard), Selia SA (France)
> Member of the Board Committee	Limagrain Céréales Ingrédients SAS (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile) (Representative of Selia)
2010-2011	
> Chairman and CEO	Brossard SA (France), Jacquet SA (France), Pain Jacquet SA (France), Savane Brossard SA (France) Saveurs de France Brossard SA (France)
> Chairman of the Board Committee	Brossard Distribution SAS (France), Crêperie Lebreton SAS (France), Jacquet Panification SAS (France)
> Chairman of the Board	Jacquet Belgium SA (Belgium)
> Member of the Supervisory Board	C.H. Van den Berg BV (Netherlands)
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France) Limagrain Meunerie SA (France) (Representative of Groupe Limagrain Holding) Milcamps SA (Belgium) (Representative of Jacquet), Ulice SA (France) (Representative of Limaclub)
> Member of the Board Committee	Jacquet Panification SAS (France), Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (France)
> Member of the Board of Management	La Gerbe d'Or SARL (France), Semillas Limagrain de Chile SARL (Chile) (Representative of Selia)

Mandates exercised over the past f	ve fiscal years
2009-2010	
> Chairman and CEO	Jacquet SA (France), Oxadis SA (France), Pain Jacquet SA (France
> Chairman of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Société de Viennoiserie Fine SAS (France
> Chairman of the Board	Jacquet Belgium SA (Belgium), Suttons Seeds (Holdings) Ltd (United Kingdom
> Chairman of the Supervisory Board	CH Van den Berg BV (Netherlands), CNOS Garden Sp.zo.o.(Poland
> 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 (United States), Maicentre SCICA (France) Milcamps SA (Belgium) (Representative of Jacquet SA), Société Meunière du Centre (France) (Representative o Groupe Limagrain Holding SA), Top Green SAS (France) (Representative of Vilmorin & Cie SA) Ulice SA (France) (Representative of Limaclub), Vilmorin Ibérica SA (Spain), Vilmorin Inc. (United States) Vilmorin Italia Srl (Italy), Vilmorin SA (France)
> Member of the Board Committee	Limaclub SAS (France), Limagrain Céréales Ingrédients SAS (France), Selia SAS (France
> Manager	La Gerbe d'Or SARL (France), Vilmorin 1742 SARL (France
> Member of the Supervisory Board	Nickerson Zwan BV (Netherlands
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile) (Representative of Selia
2008-2009	
> Chairman 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 (United States), Maicentre SCICA (France) Top Green SAS (France) (representative of Vilmorin & Cie), Vilmorin Ibérica SA (Spain), Vilmorin Inc. (United States) Vilmorin Italia SRL (Italy), Vilmorin SA (France)
> Member of the Board Committee	Selia 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 (Chile) (Representative of Selia
2007-2008	
> Chairman 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
> Chairman of the Consultative Committee	Flora Frey GmbH (Germany
> 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 (United States), Maïcentre SCICA (France Top Green SAS (France) (representative of Vilmorin & Cie), Vilmorin Ibérica SA (Spain), Vilmorin Inc. (United States Vilmorin Italia SRL (Italy), Vilmorin SA (France
> Member of the Board Committee	Selia SAS (France
> Manager	Vilmorin 1742 SARL (France
> Member of the Board of Trustees	Nickerson Zwan BV (Netherlands
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile) (Representative of Selia

Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Didier MIRATON (55 years old)	Independent Member of the Board and Chairman of the Audit and Risk Management Committee	◆ Company Manager	► 2007 C 2010 x 2013	Didier MIRATON, a government civil engineer, held several different management functions in the Michelin Group as of 1982, and was a member of the General Management team for Michelin from 2007 until 2011. He was Corporate CEO of the Pierre Fabre group from October 2012 until July 2013.

Groupe Pierre Fabre

Mandates exercised over the past five fiscal years	
2008-2009	
> Non-General Managing Partner	Groupe Michelin
2007-2008	
> Non-General Managing Partner	Groupe Michelin

Name (age on 06.30.13)	Function	Main activities	Terms of office	Background
Pascal VIGUIER (49 years old)	Member of the Board and Member of the Consultative Committee for Shareholders	● Farmer	▶ 2007 © 2010 × 2013	Pascal VIGUIER became a Groupe Limagrain Board member in 1999, and has exercised mandates in the Vegetable and Field seeds and Cereal ingredients divisions. Today he follows the activities of Limagrain Cereal Seeds and Limagrain South America.

Mandates on June 30, 2013	
> Member of the Board	Bisco Bio Sciences Private Ltd (India), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Limagrain Central Europe SE (France), Limagrain Europe SA (France), Limagrain Guerra Do Brasil SA (Brazil), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy), Limagrain Meunerie SA (France) (Representative of Limagrain), Link Seed Proprietary Limited (South Africa), Selia SA (France), Société Coopérative Agricole de la Vallée du Rhône Valgrain (France) (Representative of Coopérative Limagrain), Soltis SAS (France) (representative of Limagrain Europe), Unisigma GIE (France)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile).
> Member of the Supervisory Board	Limagrain Nederland BV (Netherlands)
> Member of the Board of Trustees	Limagrain A/S (Denmark), Limagrain Belgium NV (Belgium), Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom)
> Member of the Management Committee	Limagrain Cereal Seeds LLC (United States)

Mandates exercised over the past	five fiscal years
2011-2012	
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Limagrain Central Europe SE (France), Limagrain Europe SA (France), Limagrain Iberica (Spain), Limagrain Italia Spa (Italy), Limagrain Meunerie SA (France) (Representative of Limagrain), Selia SA (France), Société Coopérative Agricole de la Vallée du Rhône Valgrain (France) (Representative of Coopérative Limagrain), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et du Val d'Allier (France) (Representative of Coopérative Limagrain)
> Member of the Board of Management	Semillas Limagrain de Chile Ltda (Chile)
> Member of the Supervisory Board	Limagrain Nederland BV (Netherlands), Limagrain Nederland Holding BV (Netherlands)
> Member of the Board of Trustees	Limagrain A/S (Denmark), Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom)
> Member of the Management Committee	Limagrain Cereal Seeds LLC (United States)
2010-2011	
> Chairman and CEO	Ulice SA (France)
> Chairman of the Board	Limagrain Céréales Ingrédients SAS (France)
> Member of the Board	Brossard SA (France), Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Jacquet SA (France), Limagrain Meunerie SA (France) (Representative of Limagrain), Pain Jacquet SA(France), Savane Brossard SA (France), Saveurs de France Brossard (France)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Selia SAS (France), Limaclub SAS (France)
> Member of the Board of Management	La Gerbe d'Or SARL (France), Semillas Limagrain de Chile SARL (Chile)

Mandates exercised over the past fi	ve fiscal years
2009-2010	
> Chairman and CEO	Ulice SA (France)
> Chairman	Limagrain Céréales Ingrédients SAS (France)
> Member of the Board	Coopérative Agricole Limagrain (France), Groupe Limagrain Holding SA (France), Jacquet Belgium SA (Belgium), Jacquet SA (France), Limagrain Central Europe SE (France), Limagrain Europe SA (France), Limagrain Ibérica SA (Spain), Limagrain Italia Spa (Italy), Moulin de Verdonnet SA (France), Pain Jacquet SA (France), Société Meunière du Centre SA (France) (Representative of Limagrain), Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et du Val d'Allier (France) (Representative of Limagrain)
> Member of the Supervisory Board	Limagrain Nederland BV (Netherlands), Limagrain Nederland Holding BV (Netherlands)
> Member of the Board Committee	Crêperie Lebreton SAS (France), Jacquet Panification SAS (France), Limaclub SAS(France), Selia SAS (France), Société de Viennoiserie Fine SAS (SDVF) (France)
> Member of the Board of Trustees	Limagrain GmbH (Germany), Limagrain UK Ltd (United Kingdom)
> Member of the Board of Management	La Gerbe d'Or SARL (France), Semillas Limagrain de Chile SARL (Chile)
2008-2009	
> 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 (France) (Representative of Limagrain)
> Member of the Supervisory Board	Limagrain Nederland BV (Netherlands), Limagrain Nederland Holding BV (Netherlands)
> Member of the Board Committee	Selia 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)
2007-2008	
> 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 (France) (Representative of Limagrain)
> Member of the Supervisory Board	Advanta BV (Netherlands)
> Member of the Board Committee	Selia SAS (France)
> Member of the Board of Trustees	Limagrain GmbH (Germany), Nickerson Advanta Limited (United Kingdom)
> Member of the Board of Management	Semillas Limagrain de Chile SARL (Chile)

2.1.2. TRAINING ORGANIZED FOR THE MEMBERS OF THE BOARD

Apart from individual, customized training followed regularly by Vilmorin & Cie's Board Members, the Board also devotes a week to an annual seminar during which several topics are examined in relation to the group's strategy and development; this training sequence is regularly assessed.

During the course of fiscal year 2012-2013, exchanges focused on social relations in the French companies, and on instruments of financial disintermediation.

2.1.3. LIMAGRAIN, REFERENCE SHAREHOLDER

The majority of the directors on the Board of Vilmorin & Cie are also members of the Board of 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 always encouraged Vilmorin & Cie's development by providing regular and consistent investment support.

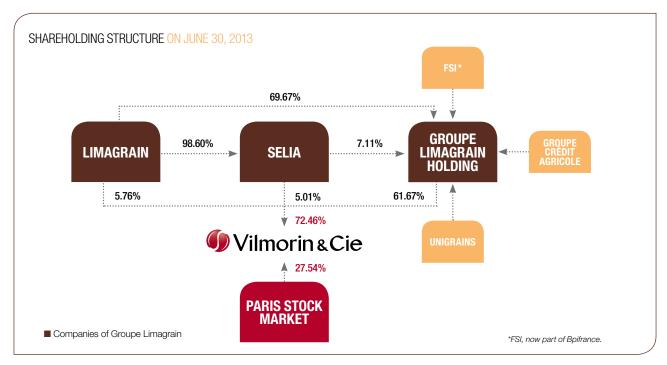
As an international agricultural cooperative group specialized in seeds and cereal products, it conducts its business in a global, sustainable vision of agriculture and agri-food, based on innovation and regulation of agricultural markets. It guarantees Vilmorin & Cie's long-term development strategy.

Limagrain is structured around a holding company, Groupe Limagrain Holding (GLH), a joint stock company in which the Société Coopérative Limagrain is the majority shareholder, with approximately 3,500 co-operative farmer members on June 30, 2013, including 2,000 farmers working under contract.

Reflecting its culture of open-mindedness and an unprecedented approach to its governance, in 2010 Groupe Limagrain opened up its capital stock and the governance of its holding GLH to the Fonds Stratégique d'Investissement (FSI), now part of Bpifrance, in order to contribute to its development. With the same objective, the Crédit Agricole bank was invited to hold a stake in the capital stock of GLH in June 2013.

Limagrain held 72.46% of Vilmorin & Cie's capital stock on June 30, 2013⁽¹⁾. Limagrain is willing to consider lowering this rate depending on market opportunities and with the objective of encouraging the development of Vilmorin & Cie. Vilmorin & Cie'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.

With majority representation on the Board of Vilmorin & Cie, through different decision-making processes required for its organization, management and governance, Limagrain is careful not to exert abusive control on strategic orientations and their operational applications.



(1) With the exception of shares that benefit from the provisions laid down in the by-laws for double voting rights (registered and held for more than four years), Groupe Limagrain does not benefit from any special rights.

2.1.4. HOW THE BOARD OF DIRECTORS OPERATES

Vilmorin & Cie's 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 fiscal year 2012-2013, the Board of Directors for Vilmorin & Cie met five times; the attendance rate for the Board of Directors was 92%.

Vilmorin & Cie's directors are always given responsibilities on the Board or equivalent bodies in its main subsidiaries.

The work of the Board of Directors is structured through its missions of evocation, orientation and monitoring. It thus defines the strategic orientations, checks the coherence of policies implemented, and ensures that the main risks are properly identified and controlled.

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,
- confirmation of the strategy and the orientations of the Vegetable and Field seeds divisions both in terms of international development and research investments,
- implementation of the group development plan, in particular on South-American and Asian markets,
- the development of partnerships, particularly in upstream technologies with Genective,
- closing of the corporate and consolidated financial statements for the first semester and fiscal year of 2012-2013,
- approval of the budget for fiscal year 2013-2014,
- definition and operational launch of a group policy with regard to Corporate Social Responsibility.

2.2. SPECIALIZED COMMITTEES

The Board of Directors consolidates its work through two specialized committees: the Audit and Risk Management Committee and the Strategic Committee.

2.2.1. THE AUDIT AND RISK MANAGEMENT COMMITTEE

At the beginning of 2010, the Board of Directors of Vilmorin & Cie set up an Audit and Risk Management Committee chaired by Didier MIRATON, its independent Director, and under the exclusive and collective responsibility of the members of the Board. Joël ARNAUD, Daniel CHÉRON and Jean-Yves FOLICAULT are also members of this committee.

The Audit and Risk Management Committee is responsible in particular for:

- monitoring the preparation of financial information,
- the efficiency of all internal control and risk management systems,
- monitoring legal control of the financial statements by the statutory and external auditors,
- proposing the designation of its statutory auditors, their remuneration, insuring their independence and safeguarding that their missions are carried out correctly.

During fiscal year 2012-2013, its work mainly concerned a review of the financial statements for the first semester, familiarization and analysis of the potential impacts of the new IFRS standards, the ongoing review of risk mapping for the group and internal control of payment systems.

2.2.2. THE STRATEGIC COMMITTEE

Set up in 2010, the Strategic Committee is composed of four Board Members. Its mission is to:

- review strategic orientations the prospective analysis of markets and the competitive environment,
- ø designate new Board Members,
- define and control policies of compensation and benefits.

Since the amount paid out for attendance fees to the Board of Directors is negligeable, and because of the specific organization of its General Management, Vilmorin & Cie does not currently have a Remunerations Committee.

2.3. MANAGEMENT AND CONTROL bodies

2.3.1. THE GENERAL MANAGEMENT

Vilmorin & Cie's General Management is the responsibility of the Chairman of the Board, Philippe AYMARD.

He is assisted in his mission by Emmanuel ROUGIER, CEO Delegate. The Chief Operations Officer for Vilmorin & Cie since 2009 and with 20 years experience in the group's main activities, Emmanuel ROUGIER, 61 years old, has held functions in particular as Divisional VP and VP for Strategy and Development.

2.3.2. THE EXECUTIVE COMMITTEE

Vilmorin & Cie's Executive Committee, chaired by Emmanuel ROUGIER, is composed of:

- Emmanuel ROUGIER, Chief Executive Officer Delegate,
- 9 Bruno CARETTE, VP for the Field seeds division,
- Jean-Christophe GOUACHE, VP for the Vegetable seeds division,
- Jean-Christophe JUILLIARD, VP for the Garden products division.
- Opaniel JACQUEMOND, Chief Financial Officer.

Jean-Christophe JUILLIARD joined Vilmorin & Cie's Executive Committee during the course of fiscal year 2012-2013 as VP for the Garden products division. He had previously acquired a great deal of experience in the Agri-food industry, having held different responsibilities of functional, operational and general management, in France and internationally.

The Executive Committee meets twice every month. Its vocation is:

- to propose strategic orientations to the Board and then to ensure their implementations,
- 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 & Cie,
- to establish projects to close the half-yearly and annual consolidated and corporate accounts.



FROM THE LEFT TO THE RIGHT: (standing) Jean-Christophe JUILLIARD, Jean-Christophe GOUACHE, (seated) Daniel JACQUEMOND, Emmanuel ROUGIER, Bruno CARETTE.

2.4. AGREEMENTS with corporate officers and economic interests of the management bodies

2.4.1.STOCK OPTIONS, STOCK PURCHASING, VOTING RIGHTS, AGREEMENTS WITH CORPORATE OFFICERS

The members of the Board of Directors each hold three nominatively registered Vilmorin & Cie shares.

No operation or agreement has been agreed by the company with its corporate officers. No loan or guarantee has been granted or signed in their favor by the Group's banks.

2.4.2. FEES OR ALLOWANCES PAID TO CORPORATE OFFICERS

The Directors from Groupe Limagrain exercise their mandate without charge and do not receive any fees; moreover they do not receive any corporate compensation with a direct or indirect legal link to Vilmorin & Cie, in compliance with the normal practices of Groupe Limagrain.

Following the resolution approved by the Annual General Meeting held on December 12, 2012, the Board of Directors has decided to allocate all the attendance fees (21,200 Euros) to Didier MIRATON, the independent Director. It will propose to the Annual General Meeting deliberating on the financial statements closed on June 30, 2013 to fix the attendance fees for fiscal year 2012-2013 at 22,000 Euros.

Compensation for corporate officers who have a work contract comprises a fixed salary that is reviewed every year, a variable part defined in relation to the financial performance of each fiscal year, and expressed per thousand of the consolidated net income. The formulation of this rule is reviewed at the beginning of each fiscal year and is thus applied as such once the consolidated financial statements have been approved. Thus for Daniel CHÉRON, member of the Board and also a salaried member of Groupe Limagrain, the reference shareholder of Vilmorin & Cie, it should be noted that the proportion of gross remuneration paid for the functions he held specifically for Vilmorin & Cie in 2012-2013 amounted to 160,500 Euros, including a variable part of 45,500 Euros. The total commitments concerning end of career allowances for Daniel CHÉRON on June 30, 2013 came to 202,000 Euros.

2.4.3.REMUNERATION OF MEMBERS OF THE MANAGEMENT BODIES

In 2012-2013, the sum of remunerations and income in kind made to members of the Executive Committee came to 1.7 million Euros. Moreover, the total amount funded to retirement benefits of members of the Executive Committee came to 0.7 million Euros on June 30, 2013.

2.4.4. CONFLICTS OF INTEREST

To the knowledge of the company:

- no member of the Board or the management has been convicted of fraud over the past five years,
- no member of the Board or the management has been subject to bankruptcy, has gone into receivership or liquidation as a member of an administrative, management or supervisory body over the past five years,
- no member of the Board or the management has received an official public penalty or sanction pronounced by the statutory or regulatory authorities (including designated professional bodies) over the past five years,
- no member of the Board or the management has been prevented by a court of justice from acting as a member of an administrative, management or supervisory corporate body, or from intervening in a management or executive capacity over the past five years,
- there is no current or potential conflict of interest between the duties held by the members of the Board or the management with regard to the company and their private or personal interests.

2.5. GOVERNANCE CODE

The Board of Directors has decided to adopt the AFEP/MEDEF code of corporate governance as its reference. It has gradually implemented this code in recent years, while respecting the specific nature of Vilmorin & Cie.

Accordingly, the Board of Directors has fixed the objective of implementing all the recommendations formulated by this code, while adapting it to specific cases, owing to the particular structure and organization of the governance of its reference shareholder, Limagrain.

As a result, and in accordance with the suggestions of the AFEP/MEDEF governance code, the current point of divergence or the points that require further explanations, in relation to the twenty-five recommendations presented in the version of this code revised in June 2013, are as follows:

- Vilmorin & Cie's Board of Directors has chosen the combined function of Chairman and CEO; the Chairman is assisted in his missions by a CEO Delegate.
- In terms of male and female representation, Vilmorin & Cie's Board of Directors, largely based on the governance structure of its reference shareholder, has not yet reached the objective of 20% female members; nevertheless a mixed gender board is proposed as of fiscal year 2013-2014 by the appointment of an independent lady Member of the Board.
 - The Board of Directors has planned for compliance of this recommendation over the next three fiscal years.
- No Director represents the group's employees, and their participation in Vilmorin & Cie's capital stock is not significant, being below the threshold of 3% mentioned in the code.

- In December 2007, Vilmorin & Cie opened its Board of Directors to an independent Director. Taking into account above all the company's shareholding structure and dimension, Vilmorin & Cie's Board of Directors has not until now considered inviting other independent directors as appropriate. Consequently, the recommendations of the AFEP/MEDEF code of governance concerning the minimum proportion of independent directors being present on the Board of Directors and its specialized committees is not applied.
- Vilmorin & Cie's Board of Directors regularly assesses its operating mode, the organization of its work and its composition. This assessment has not yet been conducted by external consultants.
- Vilmorin & Cie's Board of Directors has not yet established a selection or appointments committee, nor a compensation committee, as it considers that the subjects can be dealt with directly in a plenary board meeting.
- Finally, with regard to fixing the compensation of the corporate representatives, Vilmorin & Cie is compliant with the recommendations of the code.
 - In principle, Philippe AYMARD, Chairman and CEO, and Emmanuel ROUGIER, CEO Delegate, are concerned by this point in respect of the specific missions that they have been given on behalf of Vilmorin & Cie.

The information appearing in the following tables have been completed in reference to the appendix of the AFEP/MEDEF governance code:

TABLE 1 SUMMARIZED STATEMENT OF COMPENSATION PAYABLE, STOCK OPTIONS AND SHARES ALLOCATED TO EACH EXECUTIVE CORPORATE REPRESENTATIVE

In thousands of Euros	06.30.12	06.30.13
Emmanuel ROUGIER, CEO Delegate		
Compensation due for the fiscal year (set out in Table 2)	317.0	324.5
Value of the stock options allocated during the fiscal year (set out in Table 4)	n/a	n/a
Value of the performance allocated during the fiscal year (set out in Table 6)	n/a	n/a
Total	317.0	324.5

n/a = not applicable.

These provisions do not concern Philippe AYMARD, who exercises his mandate without any compensation for his functions as Chairman and CEO.

TABLE 2 SUMMARY OF COMPENSATION FOR EACH EXECUTIVE CORPORATE REPRESENTATIVE

In thousands of Euros	06.	30.12	06.30.13		
Emmanuel ROUGIER, CEO Delegate	Total due	Total paid	Total due	Total paid	
Fixed compensation	219.2	219.2	230.1	230.1	
Variable compensation	95.4	95.4	91.9	91.9	
Exceptional compensation	-	-	-	-	
Attendance fees	-	-	-	-	
Benefits in kind	2.4	2.4	2.5	2.5	
Total	317.0	317.0	324.5	324.5	

These provisions do not concern Philippe AYMARD, who exercises his mandate without any compensation.

TABLE 3
ATTENDANCE FEES AND OTHER COMPENSATION
RECEIVED BY NON-EXECUTIVE CORPORATE REPRESENTATIVES

In thousands of Euros	06.30.12	06.30.13	
Didier MIRATON, independent Director	Amounts paid out	Amounts paid out	
Attendance fees	20.6	21.2	
Other compensation	-	-	
Total	20.6	21.2	
Daniel CHÉRON, Director	Amounts paid out	Amounts paid out	
Attendance fees	-	-	
Other compensation	159.2	160.5	
Total	159.2	160.5	

These provisions do not concern the other directors, who exercise their mandates without any compensation.

It should be noted that only the independent Director benefits from the allocation of attendance fees; these are equally allocated on the one hand for his mandate as Director, including his participation in Committees, and on the other hand as Chairman of the Audit and Risk Management Committee.

With regard to the other compensation paid to Daniel CHÉRON, the composition is set out in detail in paragraph 2.4.2.

TABLE 4
SUBSCRIPTION OR PURCHASE OPTIONS FOR
SHARES ALLOCATED TO EACH CORPORATE
REPRESENTATIVE BY THE ISSUER AND
BY ANY COMPANY IN THE GROUP DURING
THE FISCAL YEAR

TABLE 5
SUBSCRIPTION AND PURCHASE OPTIONS
FOR SHARES EXERCISED BY EACH
EXECUTIVE CORPORATE REPRESENTATIVE
DURING THE FISCAL YEAR

TABLE 6
PERFORMANCE SHARES ALLOCATED
TO EACH EXECUTIVE CORPORATE
REPRESENTATIVE BY THE ISSUER AND
BY ANY COMPANY IN THE GROUP DURING
THE FISCAL YEAR

TABLE 7
PERFORMANCE SHARES THAT BECAME
AVAILABLE FOR EACH EXECUTIVE
CORPORATE REPRESENTATIVE DURING
THE FISCAL YEAR

TABLE 8
HISTORY OF THE ALLOCATION OF
SUBSCRIPTION OR PURCHASE OPTIONS
FOR SHARES

TABLE 9 HISTORY OF THE ALLOCATION OF PERFORMANCE SHARES

Information required by the appendix to the AFEP/MEDEF governance code (tables 4 through 9) concerning the allocation of subscription or purchase options and the allocation of performance shares are not applicable to Vilmorin & Cie's corporate representatives.

TABLE 10

Executive corporate representatives	Work contract		Supplementary pension scheme		Allowances or benefits due or liable to be due because of the termination or change of function		Allowances with regard to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Philippe AYMARD Chairman and CEO		х		Х		х		
Commencement of term of office: 2006 Expiry of term of office: 2014								Х
Emmanuel ROUGIER CEO Delegate								
Commencement of term of office: 2011 Expiry of term of office: 2014	Х		Х	Х	Х		Х	

As part of the organization of the general management functions of Groupe Limagrain, Vilmorin & Cie's CEO Delegate holds a work contract with unlimited duration, established with Groupe Limagrain Holding.

In particular it defines the different components of compensation, the details of the non-competition clause and the provisions for terminating the contract.

Concerning the components of compensation:

- The fixed part is reviewed annually.
- The variable part is defined each fiscal year, exclusively in relation to the group's financial performance, expressed "per thousand" of Vilmorin & Cie's consolidated net income.

This quota calculation is reformulated at the beginning of each fiscal year and is then applied at the end of the fiscal year after final approval of the consolidated financial statements. It is not capped.

Contractual allowances paid in the event of the termination of the mandate correspond to two years of total remuneration, fixed and variable.

The formula used to calculate the ceiling takes the gross annual fixed compensation into account, excluding benefits in kind. A complementary allowance is added that corresponds to the yearly average of the variable compensation for the previous three fiscal years closed.

This allowance is only due if the work contract is terminated by the company.

At the close of fiscal year 2012-2013 the potential impact of the termination of the mandate as CEO Delegate of Vilmorin & Cie can be assessed at 0.7 million Euros.

In order to compensate for a non-competition clause, the CEO delegate can benefit from an allowance corresponding to one year's gross fixed compensation, excluding benefits in kind. A complementary allowance is added that corresponds to the yearly average of the variable compensation for the previous three fiscal years closed.

This compensatory allowance cannot be combined with the allowances or benefits due or likely to be due because of the termination or change of function.

At the close of fiscal year 2012-2013 this allowance can be assessed at 0.33 million Euros.

Finally, it should be noted that the CEO delegate does not benefit from any compensation for his corporate mandate, his compensation being exclusively linked to his work contract.

2.6. CHAIRMAN'S REPORT

on the functioning of the Board of Directors and 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 L225-37 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.
- procedures for internal control and risk management implemented by the company,
- and where relevant, the limitations that the Board of Directors applies to the powers granted to the Chairman and the CEO.

2.6.1.CONDITIONS FOR PREPARING AND ORGANIZING THE WORK OF THE BOARD OF DIRECTORS

Vilmorin & Cie 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 & Cie, 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 & Cie 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 seven members.

Respecting the suggestions of the AFEP/MEDEF report of October 2003 and the recommendation of the European Commission of February 15, 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.

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 by AFEP/MEDEF, was once again checked during the course of this fiscal year.

Your Board of Directors has decided to maintain its corporate governance code as its reference to define its own practices, adapting it progressively to specific cases, owing to the particular structure and organization of the governance of its reference shareholder.

For example, in December 2008 it adopted the recommendations of AFEP/MEDEF concerning the remuneration of corporate representatives.

Moreover, during the course of 2010, the Board of Directors set up an Audit and Risk Management Committee chaired by its independent Director. This specialized committee is, in particular, responsible for ensuring the process of elaborating financial information, the efficiency of all the risk management systems, and the legal control of the financial statements by the statutory Auditors and other external auditors.

With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors has fixed the objective of gradually implementing all the recommendations formulated to date by this code, while respecting the specific nature of Vilmorin & Cie. For this purpose, a Strategic Committee was established during fiscal year 2010-2011; feminization of the Board of Directors will begin as of fiscal year 2013-2014 by the appointment of a female independent Director.

During the course of the fiscal year 2012-2013 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 92%.

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 & Cie and the associated reports during its meeting of October 7, 2013.

2.6.2.PROCEDURES FOR INTERNAL CONTROL AND RISK MANAGEMENT SET UP BY THE COMPANY

2.6.2.1. General provisions for internal control

Vilmorin & Cie is in full 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 implemented to insure:

- o 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,
- o the reliability of financial information,
- and more generally, contribute to maintaining control of its activities, and ensure 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, in particular within its Corporate Finance Department it has an internal audit service, a financial control service and a risk management department.

An internal auditing charter has been implemented, based on the definitions, the "Code of Ethics" and the "statements of professional practice of internal auditing" of the IIA (Institute of Internal Auditors). Moreover, reporting standards have been defined in accordance with a standard format integrating different levels of analysis and a summary of how to follow different recommendations.

During the course of fiscal year 2012-2013, audits were conducted in direct association with the group's global risks mapped, and included an inspection of internal control. These missions resulted in follow-up on recommendations.

The subsidiaries define and implement 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 rules for internal control.

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

2.6.3.DEVELOPMENT OF A RISK MANAGEMENT SYSTEM

2.6.3.1. General principles for the management of risks

During fiscal year 2008-2009, Vilmorin & Cie set up a risk management committee. Since that time, the global approach to risk management in Vilmorin & Cie has been based on:

- a specialized steering committee for global risk management, responsible for determining orientations in risk management, validating methodologies, work plans and control schedules, and also reporting back to the Executive Committee and the Audit and Risk Management Committee, instigated by the Board of Directors,
- an operational co-ordination committee responsible for implementing a practical approach to risk management with controls, and defining minimum standards to respect for each identified topic, checking that they are properly applied.

In October 2012, global risk management became the direct responsibility of the Corporate Finance Department, and its organizations was somewhat modified, with these two committees being replaced by a single risk management committee.

This change corresponds to the end of the period when the system was elaborated, functioning in project mode: Vilmorin & Cie has now entered a more operational phase of risk management, with the progressive adoption of eleven risk domains. They include all the identified risks, i.e. those that might occur in the company and therefore need dealing with.

These eleven risk domains are:

- o safety and security of people and property,
- intellectual property (IP),
- quality (including GMO* issues),
- o the environment,
- o the information systems security policy (ISSP),
- legal risks,
- o human resource related risks,
- o financial risks,
- scientific risks,
- o communication,
- g strategy.

2.6.3.2. Identification of the main risks

Risk identification implies that risks should be mapped. Risk mapping was initiated during the course of fiscal year 2008-2009 involving the Executive Committee and the main managers of each of the sectors of activity.

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, leading to the creation of a sheet for each risk using a single model with the same parameters, whatever the sector of activity. The objective is to facilitate the assessment and comparison of risks, to highlight areas for progress and mobilize teams on a certain number of action plans. The risks mapped are regularly passed on to the Audit and Risk Management Committee.

This mapping is currently undergoing detailed review by all those involved in the system, namely:

- those responsible for each risk domain: these eleven people form the risk management committee,
- the risk owners: each risk sheet has an owner responsible for analyzing and tracking it with a view to recommending preventive measures, and where possible eliminating the risk,
- The CFOs of each "Business Unit" who are responsible for implementing the system in each structure,

• the risk managers, those who work in the field and are confronted in situ with the ever-present possibility of a risk occurring.

Almost all the risks should be integrated into the reference document during the course of fiscal year 2013-2014, paving the way for self-assessment campaigns and field audits in targeted domains and scopes.

As mentioned above, this risk mapping was used to program the internal audit. Missions were thus conducted during the course of fiscal year 2012-2013 on control of the working capital needs, procedures for operating cash flow and the risk of laundering. Moreover studies have been presented to the Audit and Risk Management Committee on specific risks such as those concerning information systems and certain legal procedures.

At the same time as this process to identify and manage risks, the reference document was updated during the course of fiscal year 2012-2013, to take into account new standards concerning the Information Systems Security Policy (ISSP), the environment and GMOs*. The ISSP has already been audited and assessed on different occasions.

2.6.4. A CONTINUOUS PROGRESS APPROACH

The reference document

Preventive measures appearing in the risk sheets are converted into rules to be respected on all the group's sites throughout the world; these rules are standards and procedures grouped according to each risk domain in a Group risk management reference document, the first version of which was disseminated at the beginning of 2012.

An updated version of this reference document was prepared during fiscal year 2012-2013; it will be validated and disseminated to all the companies in the group during the first semester of fiscal year 2013-2014. It will include a new mandatory domain (legal risks), will take into account the standard ETS ("Excellence Through Stewardship") in the risk domain "Quality" (GMO*) and will partially be updated in the domain "IP".

Audits

In order to check that all the standards defined above are applied efficiently, audit campaigns were and will be conducted per risk domain and site: these involve either field audits or self-assessments on a dedicated computer server. Summarized audit reports analyze any non-conformities, measure gaps and include proposals for improvement.

Reporting

The audit results are examined in conjunction with the operational managers in order to analyze the causes of the non-conformities and, wherever possible, to adopt measures to eliminate them, or at least improve the situation. Furthermore, feedback from these experiences, together with the audit results, are used to develop and improve preventive measures, thus reducing risk criticality and the number of non-conformities, and ultimately raising the standards.

Other rules (standards and procedures) will be progressively added to enrich the reference document. Accordingly, this approach can be seen as a tool for permanent progress and continuous improvement.

Progress reports are made at risk management committee meetings and regular information is provided to the Audit and Risk Management Committee.

2.6.5.PROCEDURES USED TO PRODUCE FINANCIAL AND ACCOUNTING INFORMATION

Vilmorin & Cie'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 adopted by the European Union on June 30, 2013.

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.

2.6.5.1. 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 ("Business Units") in conjunction with the management of its division. It is updated every year, confirmed at the level of Vilmorin & Cie, 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 "Business Unit" during the first semester with detailed operations. This is also confirmed by Vilmorin & Cie 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. 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. Detailed, non-audited quarterly financial statements complete this organization.

The half-yearly and annual financial statements

Preparation of the half-yearly and annual 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 & Cie.

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 & Cie's accounting principles:

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

2.6.5.2. 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. Information is prepared under the responsibility of the subsidiaries.

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

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 & Cie'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 and the Audit and Risk Management Committee before they are approved by the Board of Directors.

2.6.5.3. Assessment of internal control

Within Vilmorin & Cie, and in accordance with the AMF model, the internal auditing department deployed internal control questionnaires with regard to the accounting and financial information. These questionnaires were reviewed in conjunction with the Statutory Auditors, in order to adapt them more closely to Vilmorin & Cie's activities and the environment.

The questionnaires were used in the subsidiaries (other than the holdings) in the form of self-assessment. As for the holding companies, they were interviewed directly by the Statutory Auditors.

For fiscal year 2012-2013, no major anomaly has been highlighted.

2.6.6.LIMITS TO THE POWERS GRANTED TO THE CHAIRMAN AND CEO

The General Management of Vilmorin & Cie is the responsibility of the Chairman of the Board of Directors. During the course of the fiscal year 2012-2013 he was assisted by a CEO Delegate, Emmanuel ROUGIER.

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

For purposes of the company's internal organization, the powers of the CEO and the CEO Delegate have been partially limited by the Board of Directors, but these limits are not available against third parties.

2.6.7.COMPENSATION AND BENEFITS PAID TO CORPORATE REPRESENTATIVES

As in previous fiscal years, bearing in mind the presence of an independent Director on the Board of Directors, it is proposed to the Annual General Meeting deliberating on the financial statements closed on June 30, 2013 to set the attendance fees for fiscal year 2012-2013 at 22,000 Euros.

The remuneration of corporate representatives that have a work contract comprises:

- o 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.

2.6.8.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 & Cie's by-laws, with clauses concerning the attendance and representation of shareholders appearing in articles 29 and 30.

2.6.9. 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 by the Board of Directors.

2. CORPORATE GOVERNANCE



Report of the Board of Directors to the Joint Annual Meeting (ordinary and extraordinary) of December 11, 2013 66



REPORT OF THE BOARD OF DIRECTORS to the Joint Annual Meeting (ordinary and extraordinary) of December 11, 2013

To the Shareholders.

The present Joint Annual Meeting (Ordinary and Extraordinary) was convened in accordance with the law and the by-laws of your company:

- to submit for your approval the annual financial statements for the fiscal year closing on June 30, 2012,
- 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
- to proceed with the renewal of the terms of office of certain Directors and to propose to the meeting the appointment of a new lady Director.

Notice to attend has been sent to all of you in accordance with the by-laws, 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 have been set out in accordance with French regulations.

Within the framework of its development strategy, over fiscal year 2012-2013 Vilmorin & Cie pursued its policy of external growth internationally, and furthered its partnerships in research and the development of new technologies.

Vilmorin & Cie's sales reached 50.3 million Euros in 2012-2013 as opposed to 40.8 millions Euros the previous fiscal year.

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

These services are invoiced as corporate allocations according to real expenditure and shared out proportionately between the subsidiaries of Vilmorin & Cie according to keys based on objective economic criteria (margin on the cost of sales, EBITDA, payroll and research costs).

Total operating charges came to 65.1 million Euros, up 15.1 million Euros compared with 2011-2012.

The operating income showed a loss of 2.7 million Euros, an improvement of 2.2 million Euros in relation to the previous fiscal year.

The financial result showed a net income of 14.2 million Euros compared to 49.5 million Euros in 2011-2012.

This figure takes into account the dividends received from the subsidiaries, with the total amount this year standing at 37.2 million Euros, compared with 66 million Euros for the previous fiscal year, during which a non-recurring operation was recorded regarding the Canadian company Limagrain Genetics Inc.

It also includes net financial provisions of 18.4 million Euros and a net currency exchange gain of 5.2 million Euros.

Finally, this financial result also includes 10.5 million Euros of net interest charges, stable compared with the previous fiscal year.

The extraordinary result showed a net income of 2.6 million Euros, as opposed to a net loss of 16.8 million Euros in 2011-2012; in particular it contains capital gains on the disposal of a participation.

Income tax takes into account the impact of the fiscal integration system adopted on July 1, 2000 for a group of companies comprising Vilmorin & Cie, Vilmorin SA, Clause SA, Vilmorin Jardin SA and, for the first time this fiscal year, Limagrain Europe SA and Limagrain Central Europe SE; for fiscal year 2012-2013 a net income of 12.6 million Euros was recorded, including tax relief for research of 1.7 million Euros.

As a result of the above-mentioned considerations, the net corporate income came to 22.3 million Euros on June 30, 2013.

The capital stock stood at 288,833,642.75 Euros on June 30, 2013, corresponding to 18,939,911 shares with a nominal value of 15.25 Euros each; during the course of the fiscal year Vilmorin & Cie increased its capital stock through the incorporation of reserves on the basis of the free allocation of one new share for ten old shares.

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On June 30, 2013 loans and financial debts showed a gross value of 551.3 million Furos

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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 148.1 million Euros. In October 2010, Vilmorin & Cie set up a new syndicated credit for an initial sum of 300 million Euros for the duration of 5 years, in partnership with several banks. On June 30, 2013, 180 million Euros of this credit was used.

It is accompanied by a commitment to respect two consolidated financial ratios (net financial debt/EBITDA, EBITDA/net financial costs); on June 30, 2013, Vilmorin & Cie was totally on line with these commitments.

Finally, Vilmorin & Cie decided to consolidate and diversify its financial resources by completing a private placement of the "Schuldschein" type in March 2013 for a total of 130 million Euros.

Consolidated financial statements

At the close of fiscal year 2012-2013, Vilmorin & Cie's consolidated financial statements were set out in accordance with the IFRS (International Financial Reporting Standards) reference as adopted by the European Union on June 30, 2013. 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).

The main changes in consolidation scope come from the acquisition of the company Century Seeds (India. Vegetable seeds) in October 2012 and the integration of Link Seed (South Africa. Field seeds) concluded in January 2013.

Consolidated sales for fiscal 2012-2013, and corresponding to revenue from ordinary activities, stood at 1,472 million Euros, up 10% with current data.

Restated like for like (currency translations, and changes in scope), sales progressed by 9.4% compared with the previous fiscal year.

Restated for inventory write-off and depreciation, gross margin after cost of sales stood at 43.3%, down 0.4 percentage points compared with 2011-2012.

Net operating charges stood at 480.8 million euros, as opposed to 446.4 million Euros on June 30, 2012.

Respecting its strategic orientations, in 2012-2013 Vilmorin & Cie continued to intensify its research programs both in conventional plant breeding* and biotechnology*. Total research investment stood at 180.9 million Euros as opposed to 161.6 million Euros in 2011-2012 and now represents 14.2% of sales of seeds intended for professional markets.

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Tax relief for research, recorded as a deduction from research and development costs, came to 23.2 million Euros compared with 25.6 million Euros for the previous fiscal year.

Net operating charges take into account impairment, industrial reorganization costs and items of an extraordinary nature concerning the disposal of assets, which combined came to 1.7 million Furos.

Thus the consolidated operating income stood at 156.5 million Euros, up 18.8 million Euros compared with the previous year, showing an operating margin of 10.6%.

The financial result showed a net charge of 27.9 million Euros as opposed to 26.3 million Euros in 2011-2012, and this fiscal year integrated currency exchange losses of 0.9 million Euros compared with 9 million Euros on June 30, 2012.

In a context of low interest rates, cost of funding came to 20.4 million Euros, an improvement of 0.9 million Euros compared with the previous fiscal year.

The net charge of income taxes came to 23.3 million Euros as opposed to 26.1 million Euros the previous fiscal year.

Finally, the total net income came to 107 million Euros, a significant increase (+19.9 million Euros), when compared with the previous fiscal year; the group share ("attributable to the controlling company") came to 99.4 million Euros.

In comparison with the previous fiscal year, the balance sheet structure on June 30, remained globally stable.

Net of cash and bank in hand (360.1 million Euros), total book indebtedness on June 30, 2013 came to 337 million Euros as opposed to 315.7 million Euros on June 30, 2012. The proportion of non-current indebtedness stood at 516.7 million Euros.

The group's share of equity ("attributable to the controlling company") came to 1,025.8 million Euros while that of minority interests ("attributable to non-controlling minorities") came to 124.5 million Euros.

Vegetable seeds division

Sales for the Vegetable seeds division for the year ending on June 30, 2013 came to 544.9 million Euros, up 3.4% compared to the previous fiscal year.

Restated like for like they rose by 3.8%, higher than global market growth estimated for the year.

This excellent result, confirmation of the return to sustained growth and a clear indication of new market shares, was achieved in an environment that was improving noticeably, but still occasionally hit by the consequences of the economic crisis, with situations that varied according to the country.

Over fiscal year, Vilmorin & Cie thus achieved solid performances on all its markets, with the exception of the Japanese market, which remains somewhat sluggish. These performances once again demonstrated the pertinence of its strategy, combining innovation and proximity to markets.

Overall, the Vegetable seeds division showed an operating margin of 15.1% with a net contribution to the consolidated result of 53.4 million Euros compared with 51.3 million Euros in 2011-2012.

Field seeds division

Sales for the Field seeds division on June 30, 2013 came to 846.8 million Euros, up 16.2% in comparison to fiscal year 2011-2012; like for like this increase was 15.1%, clearly above the objective.

Activity for the fiscal year was favorably influenced by a positive agricultural context. In spite of delicate sowing conditions caused by the bad weather of the 2013 spring both in Europe and the United States, the corn and sunflower campaigns both benefited from particularly sustained activity.

- In Europe, Vilmorin & Cie recorded a very strong increase in its annual sales (553.7 million Euros), of 13% like for like.
 - All the strategic crops (corn, wheat, oilseed) experienced strong growth.
 - For corn, sales increased in volume and prices too, with market share gains.

Once again sunflower recorded excellent results, marked by an increase in sales integrating price increases and market share gains, particularly in Eastern Europe (Ukraine and Russia) and in Turkey.

With regard to straw cereals, the fiscal year was marked by fine growth in the royalties generated, which altogether completed a favorable year for sales of seed.

These excellent results confirm the quality of the product range, the efficient adaptation of the sales organization and the dynamism of the distribution networks.

- In North America, sales (256.4 million Euros) rose by more than 16.1% like for like, compared with the previous fiscal year.
 - This dynamism is the result of a combination of the increase in volume and higher prices set to compensate both for technological innovation and also this year the rise in procurement costs.
 - The technical performances of the seeds and the specific nature of the commercial model confirm the positioning of AgReliant, a joint venture held 50/50 with KWS, as the third largest seeds company in the American Corn Belt.
- In South America, the commercial campaigns for corn in fiscal year 2012-2013 (26.1 million Euros) registered excellent performances confirming initial plans and demonstrating the dynamism of the Brazilian market combined with the successful integration of the companies acquired over the past two years, now working together in the Limagrain South America Business Unit.
- In Asia, Bisco Bio Sciences, an Indian company fully acquired during the course of the fiscal year, reached its objective overall, making a contribution to consolidated sales of 10.6 million Euros in 2012-2013. It is therefore progressively confirming its successful operational integration.

As a result, the Field seeds division achieved an operating margin of 9.9% and a positive contribution to the consolidated income of 69.6 million Euros, a very significant increase (+14.1 million Euros) compared with the previous fiscal year.

Garden products division

Sales for the Garden products division on June 30, 2013 came to 79.3 million Euros, down 5.4% like for like. Business was hit hard both in France and the United Kingdom by spring weather conditions extremely unfavorable to home gardening and by an economic environment that remained very difficult.

For this past fiscal year the Garden products division made a negative contribution of 2.9 million Euros to the consolidated net income, still brought down by the reorganization costs of the British company Suttons.

Vilmorin & Cie's activity in fiscal year 2012-2013 once again 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 the functioning of the Board of Directors and internal control, and in the notes appended to the consolidated financial statements.

INFORMATION ON PAYMENT TERMS

In application of the provisions of article L.441-6-1 of the French Commercial Code, a breakdown of outstanding debts by due dates with regard to suppliers at the end of the fiscal year is as follows (in Euros):

On June 30, 2013 In Euros	Not yet due	Debts due for between 1 and 30 days	Debts due for between 31 and 60 days	Debts due for between 61 and 90 days	Debts due for + 90 days	TOTAL
Accounts payable	11,903,506	133,322	28,024	-	-	12,064,852

SOCIAL, ENVIRONMENTAL AND CORPORATE INFORMATION

Article 225 of the French Grenelle II law and its implementing decree of April 24, 2012 have generated new obligations with regard to Vilmorin & Cie's disclosure and verification of social, environmental and corporate information. This information is presented by your Board of Directors in a separate report.

EVENTS OCCURRING AFTER THE CLOSING OF THE ACCOUNTS

Since October 2013, Vilmorin & Cie has finalized several acquisition operations:

Full integration of the company Shamrock, based in Salinas in California. Specialized in vegetable seeds, this company has a diversified product portfolio (in particular lettuce and greens, melon, watermelon and pepper), with a high quality research team. Its direct distribution to producers model is also an important operational asset.

 Signature of an agreement with the African seed company Seed Co and AICO Africa Limited (AICO), its reference shareholder.

According to the terms of this agreement, Vilmorin & Cie will acquire a block of shares in Seed Co from AlCO and will also participate in a reserved capital increase, holding a stake of around 15% of Seed Co's stock.

This agreement also grants Vilmorin & Cie the option of a second reserved capital increase, meaning that by the end of 2014, it will hold 25% of Seed Co's stock.

This operation is subject to prior approval of the Zimbabwe authorities, and that of a General Meeting of the Shareholders of Seed Co.

OUTLOOK FOR THE FUTURE

The fiscal year 2012-2013 was characterized by a favorable market environment, in spite of the persistent price volatility of agricultural raw materials. In this context, Vilmorin & Cie demonstrated its potential for development 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 year 2013-2014 should confirm Vilmorin & Cie's potential for organic growth in market conditions now offering better visibility; moreover, Vilmorin & Cie will continue to increase its measured investment in research and development, in particular in upstream technologies.

Vilmorin & Cie must continue to build its development based on a certain number of fundamental 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 Business Unit and the fulfillment of synergy between them.

By adhering to this policy, Vilmorin & Cie 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 acquisition in October 2012 of the Indian company Century Seeds, specialized in vegetable seeds, and the integration, as of January 2013, of the South African company Link Seed, dedicated to field seeds, during the course of the fiscal year Vilmorin & Cie acquired minority family interests in the Indian company Bisco Bio Sciences, which it already controlled. Finally, it conducted a number of internal participation reclassification operations in order to optimize its legal and financial organization.

SHAREHOLDERS

Following the allocation of free shares in January 2013, Vilmorin & Cie's capital stock now comprises 18,939,911 shares each with a nominal unit value of 15.25 Euros.

On June 30, 2013, the majority of the capital stock, 61.7% was held by Groupe Limagrain Holding, 5.8% by Coopérative Agricole Limagrain and 5% by Selia, all three of these companies belonging to Groupe Limagrain.

Following its introduction into the equity in fiscal year 2009-2010, the Caisse des Dépôts and Consignations (CDC) declared that it had, indirectly, crossed the threshold through the Strategic Investment Fund (SIF – now part of BPI France) and CDC Entreprises Valeurs Moyennes.

Following the constitution of the Banque Publique d'Investissement, BPI Groupe, a public investment bank for the industrial and commercial sectors (ex EPIC OSEO) declared that on July 12, 2013, it had indirectly gone above the thresholds of 5% of Vilmorin & Cie's capital stock and voting rights, through Bpifrance Participations SA, a company which it holds indirectly through the company BPI Groupe SA, and that on this same date, it held 1,467,858 shares of Vilmorin & Cie representing the same number of voting rights, i.e. 7.75% of the company's capital stock and 5.05% of its voting rights.

The Caisse des Dépôts et Consignations declared that it held directly and indirectly, through CDC Entreprises Valeurs Moyennes and Bpifrance Participations SA, 1,882,834 shares and voting rights, i.e. 9.94% of the company's capital stock and 6.48% of its voting rights.

Vilmorin & Cie's by-laws grant double voting rights to any shares held nominatively for a period of more than four years. On June 30, 2013, 10,130,059 shares benefited from this right. Groupe Limagrain Holding, Coopérative Agricole Limagrain and Selia were the main shareholders concerned, giving Groupe Limagrain combined voting rights of 81.9%.

On June 30, 2013, Vilmorin & Cie held 3,784 treasury shares corresponding to less than 0.1% of its capital stock.

In compliance with the provisions of article L.225-102 of the French Commercial Code, we inform you that on June 30, 2013 no employee held a stake in the capital stock.

APPROPRIATION OF THE PROFIT

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

Net profits on June 30, 2013	22,299,631.06 Euros
Application to legal reserve	1,114,984.55 Euros
Profits available on June 30, 2013	21,184,646.51 Euros
Brought forward after capital stock increase	32,942,476.08 Euros
Dividends to distribute	31,250,853.15 Euros
	22,876,269.44 Euros

The net dividend is set at 1.65 Euros per share. As a proportion of the net profits for the group, the sums distributed amount to 31.5%. The total amount of dividends (31,250,853.15 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:

	09-10	10-11	11-12	
Number of shares	17,218,101	17,218,101	17,218,101	
Nominal	€15.25	€15.25	€15.25	
Net dividend per share	€1.41	€1.50	€1.65	

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 79,624 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 R.225-102 of the French Commercial Code, the following table shows the results of our company over the past five fiscal years.

n thousands of Euros	08-09	09-10	10-11	11-12	12-13
Stock at the end of the year					
> Capital stock	204,226	262,576	262,576	262,576	288,833
> Number of ordinary shares	13,391,857	17,218,101	17,218,101	17,218,101	18,939,911
Operations and results					
> Total sales before tax	33,993	37,327	37,801	40,795	50,308
> Profit before tax, profit sharing, amortization, depreciation and provisions	28,878	29,723	65,818	24,430	29,594
> Income taxes	-7,476	-5,687	-4,011	-11,119	-12,630
> Profit sharing for the year	-	-	-	-	-
> Profit after tax, profit sharing, amortization, depreciation and provisions	37,004	32,647	63,395	35,190	22,300
> Profits distributed	23,704	24,278	25,827	28,410	31,251
Profit per share					
> Profit after tax and profit sharing, but before amortization, depreciation and provisions	2.71	2.06	4.05	2.06	2.23
> Profit after tax, profit sharing, amortization, depreciation and provisions	2.76	1.90	3.68	2.04	1.17
> Dividend per share	1.77	1.41	1.50	1.65	1.65
Headcount					
> Average staff*	87	89	105	133	183
> Total payroll	5,511	6,027	6,726	8,602	10,725
> Benefits paid out for the fiscal year	3,011	3,173	3,386	4,518	6,381

^{*} Number of people

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 inform you that new agreements subject to the procedure for regulatory agreements governed by article L.225-38 of the French Commercial Code were presented to the Board of Directors during the course of the fiscal year from July 1, 2012 to June 30, 2013. They concern transactions with Groupe Limagrain Holding.

The Statutory Auditors have been informed of these agreements, and present them in their special report.

CORPORATE MANAGEMENT SYSTEM

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

On June 30, 2013, the Board of Directors was composed of the following members:

Chairman:

Philippe AYMARD.

Board of Directors:

- 9 Joël ARNAUD,
- O Daniel CHÉRON,
- Jean-Yves FOUCAULT,
- François HEYRAUD,
- Pascal VIGUIER,
- ODIDIER MIRATON, independent Director.

During the course of fiscal year 2012-2013, Philippe AYMARD was assisted in his mission by a CEO Delagate, Emmanuel ROUGIER.

Since their terms of office will be expiring, your Board of Directors proposes that you renew, for a duration of three years, the terms of office of Mr. Jean-Yves FOUCAULT and Mr. Pascal VIGUIER. Furthermore, in order to replace Mr. Didier MIRATON whose term of office will also be expiring, your Board proposes to appoint Ms. Miriam MAES as Member of the Board, for a duration of three years, expiring at the end of the Annual General Meeting of shareholders called to deliberate on the financial statements closing on June 30, 2016.

During fiscal year 2012-2013, your Board of Directors met five times.

Vilmorin & Cie's Board Members remain committed to their responsibilities in the Boards or other equivalent bodies of governance in the main subsidiaries.

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. Your Board of Directors has decided to maintain its corporate

governance code as its reference, adapting it to specific cases to define its own practices, owing to the particular structure and organization of the governance of its reference shareholder.

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

Moreover, in 2010 the Board of Directors formally set up an Audit and Risk Management Committee chaired by its independent Director. This specialized committee is, in particular, responsible for ensuring the process of elaborating financial information, the efficiency of all the risk management systems, and the legal control of the financial statements by the Statutory Auditors and other external auditors.

With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors is gradually implementing the recommendations formulated to date by this code, while respecting the specific nature of Vilmorin & Cie. For this purpose, a Strategic Committee was established during fiscal year 2010-2011; feminization of the Board of Directors is proposed as of fiscal year 2013-2014 by the appointment of an independent lady Member of the Board.

TOKEN PAYMENTS OR ALLOWANCES PAID TO CORPORATE REPRESENTATIVES

Just as in previous years, bearing in mind the presence of an independent Director on the Board of Directors, it is proposed to the Annual General Meeting deliberating on the annual financial statements closed on June 30, 2013 to fix the directors' fees for fiscal year 2012-2013 at 22,000 Euros.

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

Daniel CHÉRON, Director, is also a salaried member of the staff of Groupe Limagrain, the reference shareholder of Vilmorin & Cie, and we thus declare that the proportion of gross remuneration paid for the function he held specifically for Vilmorin & Cie in 2012-2013 was 160,500 Euros, including a variable sum of 45,500 Euros. Total commitments concerning end of career benefits for Daniel CHÉRON on June 30, 2013 came to 202,000 Euros.

CONTROL BODIES

Vilmorin & Cie's Statutory Auditors are KPMG Audit, Département de 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 30, 2013, and they were pursued during this fiscal year on the same basis as in fiscal 2011-2012.

PROGRAM TO BUY BACK SHARES IN ACCORDANCE WITH ARTICLE L.225-209 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 12, 2012, we carried out the following operations over the fiscal year:

Number of shares purchased	109,843
Average purchasing price	93.23 Euros
Number of shares sold	107,080
Average selling price	93.21 Euros

On June 30, 2013, our company held 3,784 treasury shares, corresponding to less than 0.1% of the capital stock, at a purchasing value of 336,000 Euros which is an average unit price of 88.76 Euros.

On September 30, 2013, our company held 5,985 treasury shares, corresponding to less than 0.1% of the capital 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 18 months, to buy or sell 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 (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,
- 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 Autorité des marchés financiers, 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 130 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 130 million Euros.

AUTHORIZATION TO MAKE A PUBLIC ISSUE

During the Joint Annual General and Extraordinary Meeting of December 12, 2012, a number of resolutions were passed authorizing the Board, if appropriate, to issue bonds or other assimilated debt securities, and also to increase the capital 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 & Cie'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

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P. 1

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 350 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 capital 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 bylaws, and may also:

- determine the period or periods of issue,
- odetermine 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.

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

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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 350 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 greater than 350 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 may 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 capital stock, issues securities providing access to your company's capital 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 (tenth through fourteenth resolutions) 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 capital stock, we are obliged to present you with a draft resolution to proceed with a capital increase reserved for employees as part of a company or group savings scheme. This is the subject of the fifteenth resolution 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 and our group, on this particular occasion your Board of Directors will not be making any voting recommendations, and each shareholder will freely assess its relevance.

GENERAL PROVISIONS

The rules for presentation and the methods of evaluation adopted to set down these documents respect legislation in force, and take into account the provisions resulting from the IFRS accounting and evaluation principles as they were adopted by the European Union on June 30, 2013.

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

With the exception of the fifteenth resolution, 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 12, 2012 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 preemptive rights maintained	24 months	300 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, with preemptive rights cancelled	24 months	300 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	-	450 million Euros	Not applied
Issue of bonds and other assimilated securities	18 months	300 million Euros	Not applied
Delegation of authority with a view to increasing the capital stock through the incorporation of issue premiums, reserves, profits or any other items with a view to allocating free shares to shareholders	26 months	75 million Euros	The Board Meeting of December 12, 2012 decided to increase the capital stock by a total of €26,257,602.50 through the issue of 1,721,810 new shares each with a nominal value of €15.25



4.1. REPORT OF THE BOARD

of Directors concerning social, environmental and corporate information

4.1.1.VILMORIN & CIE'S APPROACH TO SOCIAL, ENVIRONMENTAL AND CORPORATE ISSUES

Vilmorin & Cie's strategy remains true to its responsible and long-term vision of its development. Faced with the challenges of food security and the responsible management of resources, during fiscal year 2011-2012 Vilmorin & Cie initiated a structured approach to Corporate Social Responsibility (CSR), in conjunction with its reference shareholder, Limagrain.

This approach, piloted by a dedicated department, has already laid the foundation for all the Group that highlights the benefits of the group's singularity, leaving enough margin for the Business Units to adjust it to their specificities in terms of organization, local area and challenges. After a period of diagnosis, with the support of consultancies working in accordance with ISO 26000 and Global Reporting Initiative, the first action plans were set out in response to the priority stakes in terms of responsibility and performance, and are gradually being deployed.

At the same time, more exhaustive extra-financial reporting has been set up to pilot the approach and initiate an efficient program for continuous improvement.

The following CSR section is an account of detailed indicators and information concerning social, environmental and corporate aspects that meet the requirements of the decree of April 24, 2012 implementing article 225 of the French Grenelle II law.

4.1.2.METHODOLOGY NOTE FOR SOCIAL AND ENVIRONMENTAL REPORTING

Vilmorin & Cie's social and environmental reporting approach is based on:

- new regulatory provisions resulting from article R. 225-105 of the French Commercial Code,
- the principles and recommendations of the standard ISO 26000 which have enabled the group to define its main challenges with regard to corporate social responsibility in order to meet both its economic, environmental, social and corporate objectives, and the expectations of its stakeholders.

Within this framework, a materiality analysis has been carried out, taking into account the importance of 71 priority CSR challenges with regard to its stakeholders and their pertinence to global strategy, through a series of internal interviews, production site visits, consultations with stakeholders, a benchmark of best practices in international groups working in the same sector and other sectors, and the analysis of external questionnaires from extra-financial rating companies, customers, etc.

The main challenges adopted were those with a significant impact on the group's activities, whatever their performance, and those which the stakeholders interviewed considered to be vital.

A concordance table with the reference guidelines (Global Reporting Initiative, Grenelle 2 and ISO 26000) has been created.

The reporting period coincides with the fiscal year (from July 1 to June 30) except for:

- social data: in particular indicators concerning training and measures taken in favor of the employment and integration of disabled persons (from January 1 until December 31), in order to correspond to French legislation, and the social audits of French companies, for the same reason,
- environmental data, since certain companies report a number of indicators over a civil rather than fiscal year, without any significant impact on reporting.

4.1.2.1. Scope

The objective of the reporting scope is to be representative of Vilmorin & Cie's business activities. For fiscal year 2012-2013:

- the social audit covers all the consolidated sales in 2012-2013 for Vilmorin & Cie;
- the environmental audit covers 96% of consolidated sales in 2012-2013 for Vilmorin & Cie concerning water and energy, and 73% of sales for 2012-2013 concerning waste generated.

Nevertheless, concerning data provided and the methodological limitations explained below, the reporting scope may vary depending on the indicators. For each indicator given for a limited scope, this limited scope is stipulated.

For the above-mentioned scopes, extra-financial consolidation rules are the same as those for financial consolidation.

Variations in scope

Variations in scope are taken into account on the date they are put into effect. However, acquisitions, sales, or new businesses created could be taken into account only after a full year of operation according to the activity undertaken.

When the data is considered pertinent, consolidation can be carried out according to the new scope for previous years in order to facilitate comparisons (pro-forma). These principles are in effect beginning in fiscal year 2012-2013, the first year of the extra-financial reporting structuring for the group.

4.1.2.2. Methodological procedures

Group procedures include:

For social indicators:

- a glossary defining the social indicators in two languages (French and English);
- a methodological guide for the group's social reporting, which integrates the user manual for the computing tool in two languages (French and English);
- a consistency control test with the social data from the financial consolidation reporting system and listed in the Access reporting tool.

For environmental indicators:

- a list of definitions of the environmental indicators adopted, based on the GRI in English;
- a conversion table on the different units used.

4.1.2.3.

Pertinence and choice of indicators

Indicators are chosen based on the social and environmental impact of the group companies' activity and on the risks associated with the challenges of the business functions conducted.

The common core of social indicators is based on four levels of indicators:

- the indicators of articles R. 225-104 and R. 225-105 of the French Commercial Code;
- the indicators of the social audit as provided for under French law
- the specific indicators of the group's Human Resources policy;
- the indicators adopted within the framework of the CSR strategy based on the ISO 26000 method.

The complementary nature of these four indicator levels makes it possible to measure the results of the Human Resources policy and the group's commitments in social issues.

The common core of environmental indicators is consistent with the themes of article R. 225-105-1 of the French Commercial Code and includes five groups:

- oresource consumption indicators: energy/CO2 and water;
- opollution and waste management;
- biodiversity protection;
- environmental training and awareness;
- expenses to prevent the effects of operations on the environment.

Indicators were chosen based on a relevant approach to enable the comparability and understanding of the group's real challenges in terms of the environment, and by taking into account its specific operations, especially in the areas of water, greenhouse gases, biodiversity protection, and soil preservation.

4.1.2.4. Methodological details and limitations

The methodologies used for certain social and environmental indicators may be limited, based on:

- differences between definitions used in France and internationally. A harmonization process will take place beginning in fiscal year 2013-2014;
- the specificities of social laws in certain countries;
- how representative certain estimations are, the limited availability of certain external data need for calculations, especially for environmental indicators, where a structured and methodological approach is being considered;
- changes in definitions that might affect their comparability;
- the scope of operations' variation from one year to the next;
- the difficulty in obtaining information from subcontractors and/or from companies involved with external partners;
- 9 the modalities of information collection and input.

Details regarding social data

Full time is defined in relation to the number of legal work hours in the country of operation and/or the company.

The definition of «disabled worker» is based on local laws.

The definition of «manager» in the group is as follows: any employee having a Master's Degree or the equivalent work experience. Vilmorin & Cie top executives and executive managers are included.

When an employee is on sick leave, he/she is included in the headcount; if he/she is replaced, however, the replacement is not included in the permanent headcount.

A workplace accident is an accident that occurs during work hours, regardless of the reason. Commuter accidents are not counted.

Absences are days not worked because of illness, maternity leave, exceptional circumstances, or workplace accident. Paid vacations, training days, staff performance or recovery days are not counted as absences. All absences are counted in working days, particularly for calculating the severity rate.

The number of hours absence is calculated on the basis of the number of days absence reported multiplied by 8.5 hours.

Calculations of the absenteeism rate, the frequency rate, and the severity rate of work accidents are based on the group's average of hours worked, that is, for 2012-2013, 1,850 hours, and based on the calculation formulas of the GRI LA7. Therefore, the absenteeism rate is calculated based on the following formula: number of absence hours / number of theoretical work hours.

The proportion of employees who had an individual interview during fiscal year 2012-2013 is calculated according to the following formula: number of 2011-2012 individual interviews / 2012-2013 permanent headcount.

The types of training courses taken into account in the reporting can vary.

Details regarding environmental data

The group's water and energy consumption is calculated on a reduced scope, since the consolidation system is under development. The following companies are included in this calculation: Anadolu Tohum Uretim Ve Pazarlama Anonim Sirketi, Vilmorin Atlas SARL, Vilmorin Iberica SA, Vilmorin SA, Mikado Kyowa Seed Co Ltd, Hazera do Brasil Comercio de Sementes Ltda, Hazera Genetics Ltd, Hazera Seeds Inc, Hazera tohumculuk Ve Ticaret AS, Nickerson Zwaan BV, Limagrain Guerra do Brasil SA, Bisco Bio Sciences Private Ltd, Limagrain UK Ltd, Limagrain Europe SA, Limagrain Clovis Matton Belgium, Limagrain Nederland BV, Limagrain Iberica, Limagrain GmbH, Suttons Seeds Ltd, C.H Van Den Berg BV, Vilmorin Garden Sp Zo.o, Vilmorin Jardin SA, Vilmorin Bahce Urunleri Anonim Sirketi, Clause SA, Claude India Private Ltd, Clause Italia SPA, Clause Polska Sp.zo.o., Clause Spain SA, and Harris Moran Seed Company. These companies represent 96% of Vilmorin & Cie's 2012-2013 consolidated sales.

Because of the particular nature of Vilmorin & Cie's activities – greenhouse and field production – with regard to water consumption at its sites, the water indicator adopted only takes into account city water consumption invoiced. Any water consumed through drilling, wells, and/or related to rain water is not counted due to the reliability and comparability of results.

Total energy consumption is expressed in kWh. Conversion data and factors adopted are:

- natural gas density: 0.8 kg/m3 according to "Natural Gas" by Richard Tilagone, Editions Techniques de l'Ingénieur
- natural gas: 11.06 kWh/m3 according to an average calculated via http://www.gdfsuez-dolcevita.fr/portailClients/ShowBinary/BEA%20Repository/Racine%20Gaz%20de%20France/medias/flash/facture_prix/conversion
- and the following equivalences: 1 dm³ = 1 liter, 1kWh = 3,600,000 J taken from the reference site: www.unitjuggler.com.

Waste at Vilmorin & Cie is primarily made up of organic matter (plant matter, waste from sorting, soil...), unused agro-chemical products, empty packaging, and pallets. The total volume of waste generated by the group's activities is calculated according to a reduced scope, since the consolidation system is under development. The following companies are included in this calculation: Vilmorin SA, Vilmorin Iberica SA, Hazera Genetics Ltd, Nickerson Zwaan BV, Limagrain Guerra do Brasil SA, Bisco Bio Sciences Private Ltd, Limagrain UK Ltd, Limagrain Europe SA, Limagrain Clovis Matton Belgium, Limagrain Nederland BV, Suttons Seeds Ltd, C.H Van Den Berg BV, Vilmorin Garden Sp Zo.o, Vilmorin Jardin SA, Clause SA, Clause India Private Ltd, Clause Spain SA, Clause Polska Sp.z.o.o., Harris Moran Seed Company. These companies represent 73% of Vilmorin & Cie's 2012-2013 consolidated sales.

The number of varieties released, which illustrates the biodiversity indicator, is calculated on the basis of varieties that generate sales.

4.1.2.5. Consolidation and internal verification

Each organization and each Business Unit is responsible for the data they provide, as is the manager responsible for consolidating the indicator disclosed.

Social data are collected by Human Resources Management. The main source is the Human Resources Information System, powered by a dedicated management application in Access, together with the Provisional Competencies Management (SMART) software, and payroll software programs. The verification and consolidation of this data is carried out in two stages:

- First stage: each organization (Vilmorin & Cie and its subsidiaries) consolidates the data within its scope. During consolidation, data consistency verifications are carried out. Consolidated and verified data at the organization level are then made available to Corporate Human Resources Management,
- Second stage: Corporate Human Resources Management consolidates the data for the entire scope and verifies its consistency, especially through cross-checks with the financial consolidation reporting system.
- Environmental data is collected, verified, consolidated, and validated by each Finance Department, directly by a member of the Finance Department, or by the environmental manager, CSR manager, or operations manager, depending on the size and organization of the subsidiary. The data is then consolidated at the group level by the CSR department of the Corporate VP for Public Affairs and CSR. During consolidation, data consistency is verified.

Any company that introduces more than two inconsistencies into the environmental reporting system is excluded from the consolidation scope for the fiscal year under review, on condition the total number of a Business Unit's excluded sites does not represent more than 20% of sales for the year under review of that same Business Unit; except for the total volume of waste calculated on a reduced scope, since the consolidation system is under development.

In future years, social and environmental data will be compared with results from previous years, in a spirit of ongoing improvement and operational excellence. Any indicator that represents a difference greater than 5% between the previous year and the year under review will undergo an analysis and extensive review in order to understand and move forward the following year.

Any null value will undergo a special consistency check and, where appropriate, be clearly explained.

4.1.2.6. External verifications

For fiscal year 2012-2013, reporting procedures for extrafinancial indicators underwent an external verification by KPMG Audit, one of two incumbent statutory auditors. At the same time, site audits were carried out, based on a selection of social and environmental indicators, at three companies that are representative of the group's activities: Hazera Genetics (Israel - Vegetable seeds division), Limagrain Europe (France - Field seeds division), and Vilmorin Jardin (France - Garden products division), in order to validate the global quality and credibility of the reporting system.

The nature of the work accomplished and the related conclusions are presented in a specific report.

4.1.3. SOCIAL INFORMATION

Vilmorin & Cie's development depends on the commitment and expertise of its employees. Human resources management must accompany growth, anticipate changes, and strengthen existing teams, especially in developing their competencies, while also enabling them to express their diversity.

These major guiding principles of human resources management are defined by the Executive Committee. They integrate the proposals and work of human resource managers on the main structures, grouped within the Corporate Human Resources Committee.

Each operational company then applies all of these guidelines, while respecting their particular legal and cultural context, as well as Vilmorin & Cie's values, which include: a sense of innovation, solidarity, mobility, and team spirit.

4.1.3.1. A proactive employment policy

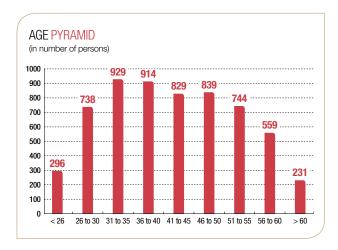
Headcount

With a permanent headcount of more than 6,000, Vilmorin & Cie enjoys a wealth of 57 different nationalities.

CHANGES IN PERMANENT HEADCOUNT: KEY FIGURES

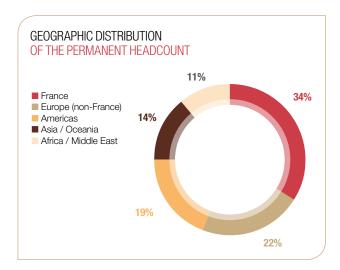
OFFICIAL CONTROL OF THE ADOCUMENT TO THE OFFICE OF THE OFFICE OF THE OFFICE OF THE OFFICE OFF		\
In number of persons	12-13	11-12
DIVISION		
> Vegetable seeds	2,986	2,805
> Field seeds	2,437	2,252
> Garden products	471	456
> Holding	185	127
GEOGRAPHIC AREA		
> France	2,075	1,859
> Non-France	4,004	3,781
GENDER		
> Men	3,938	3,667
> Women	2,141	1,973
CATEGORY		
> Managers	1,650	1,736
> Non-managers	4,429	3,904
Total	6,079	5,640
		1

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Staff movements

Recruiting and integration

776 permanent employees joined Vilmorin & Cie during fiscal year 2012-2013, 126 of whom were on fixed-term contracts.

In order to support Vilmorin & Cie's internationalization, our recruitment policy has been gradually intensifying at the international level.

In the areas where Vilmorin & Cie is located, it has sought to promote local recruitment, and with this goal in mind, it has formed partnerships with higher education. These are led by the main subsidiaries in the countries where they are located.

This recruitment policy is also managed by the group's Corporate Human Resources Department, which develops a list of contacts in charge of the relationship with international schools and universities and targets some in order to work more closely with them, particularly through active participation in different pedagogical programs.

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The implementation of this plan has been ongoing and, during fiscal year 2012-2013, young talent has been specifically identified, both in France and in other countries, together with partner schools and universities.

In addition, in order to help new managers adjust to their positions, since 2010 2011, induction sessions have been run. Geared towards managers who have recently joined the group, they are organized for employees with experience in their position and with up to five years seniority in the company, and who have more than five years of further education, or who have equivalent experience. During the sessions, they meet members of the Executive Committee and directors, exchange with employees who have mobility experience, and they visit some of the group's sites.

The aim is to encourage the integration of these new managers in the group, in terms of how they understand both its activities and strategy, and the resources they have available in each Business Unit (human resources development policy, communication tools, etc.). Three sessions with more than sixty people, including people of different nationalities, were organized in 2012 2013.

At the same time, we are currently developing induction sessions for non-managers to give them a greater understanding of Vilmorin & Cie's activities and organization.

Finally, a policy to follow up with young talent (a career nursery) is already in place. Concerning employees who joined the group through an internship or an International Volunteer Program, this policy involves, in a first stage, monitoring their development more closely, with a view to their eventual employment. Then, once these young potential employees are hired, they take part in development programs over three years, in order to facilitate their integration. This program will soon include a tutoring system, enabling employees in the nursery to be mentored by a «senior» employee, a true resource person to encourage their understanding of Vilmorin & Cie.

Turnover

431 employees left Vilmorin & Cie during fiscal year 2012-2013, representing a turnover rate of 7%, which was stable in relation to 2011-2012.

In number of persons	12-13	11-12
Retired	61	70
Resigned	182	157
Discharged (individual and collective)	119	122
Others	69	48
Total	431	397
)

Mobility

As a result of Vilmorin & Cie's increasing international dimension, international mobility is of major importance. Therefore, to encourage mobility, conditions for expatriation take into account the specific needs of expatriates and include, in particular, measures to encourage integration and the return of colleagues to their home country.

The different measures of accompaniment include intercultural and language training for the employee and his or her family, tax assistance, a commitment to reintegrate the employee at the end of the expatriation period, and a mobility bonus.

In 2012 2013, 147 Vilmorin & Cie employees were transferred to another site and the company had a total of 69 expatriates. In addition, in order to complete mobility opportunities abroad and allow a greater number of employees to enjoy this experience, short foreign assignments (of less than six months), will soon be developed, first through a pilot program with the Business Unit HM.CLAUSE.

Organization of work time

On account of the different geographic locations of Vilmorin & Cie, the effective work time in its subsidiaries can, depending on the country, range from 35 to 50 hours per week.

Telecommuting is among the new forms of work organization. For example, during the first quarter of 2013, Vilmorin Jardin experimented with part-time telecommuting, that is, it was limited to a few days a month. This new way to organize work, enabling employees to carry out their duties outside of the workplace thanks to information and communication technology, aims to encourage a balance between private

and professional life. The test phase ended with very positive responses from managers and colleagues involved. As a result, since July 1, 2013, telecommuting now plays an integral role in the organization methods at Vilmorin Jardin.

Compensation policy

Compensation

In 2012-2013, the total amount of gross compensation paid by Vilmorin & Cie stood at 254 million Euros.

This compensation includes a benefits package, as well as profit-sharing, and an attractive system for employee savings.

Benefits

Profit-sharing

Originally a French system, profit-sharing is offered to most non-French companies and at all employee levels.

The group's profit-sharing agreement thus involves all of Vilmorin & Cie's subsidiaries, including those that have recently joined the scope and for which Vilmorin & Cie holds more than 50% of their capital stock. It is composed of a company proportion calculated on the basis of the subsidiary's performance and a group proportion. The calculation is mainly based on the operating result, which is considered to be the best indicator of performance. After the agreement was renegotiated, the proportion linked to the group's results, in its calculation method beginning in fiscal year 2013-2014, will increase: +20%.

In 2012 2013, almost 2% of the payroll was dedicated to this program.

Evolution of collective profit-sharing

	Profit-sharing (in thousands of Euros)
10-11	9,250
11-12	7,339
12-13	6,972

• Employee savings

A Group Savings Plan (GSP), the operating costs of which are fully borne by Vilmorin & Cie, is available to all French employees. It is made up of three funds that are exclusively reserved for them and that involve investment profiles that combine security and performance, with the common goal of offering a return higher than that of the market. Among these funds is a solidarity fund, labeled socially responsible, that benefits in part the Association for the Development of Economic Initiatives (ADIE). ADIE is a state-approved public utility to help people who are unable to find a job or have a bank account to set up their own company and thus create their own job through microcredit.

A collective pensions savings plan (PERCO), involving an employers' contribution to accompany employees in their efforts to save for retirement, was implemented in 2011-2012. The entry rights and management fees for this plan, which is interesting from a tax standpoint, are also covered by Vilmorin & Cie in France.

32% of French employees paid into this plan during the fiscal year, investing a total of 512,286 Euros, with a group contribution of more than 115,746 Euros.

Distribution of benefits

Vilmorin & Cie seeks to make a benefits plan available to all of its employees, in all regions of the world.

Towards this goal, in 2013-2014, a full analysis will be carried out to identify and evaluate all existing plans related to health, insurance, retirement, or employee savings, and to serve as the basis for the creation of minimum standards available to all employees.

4.1.3.2. Encouraging social dialogue and communication

The organization of social dialogue and report on collective agreements

Promoting quality social dialogue with all of its social partners is a priority for Vilmorin & Cie, and a guarantee of ongoing improvement in working conditions.

A European Works Council representing the group's different companies meets twice a year to encourage communication with employees and to establish constructive dialogue with employee representatives from European companies.

During fiscal year 2012-2013, 69 agreements were thus negotiated and signed at the company level. They dealt primarily with salaries, employee profit-sharing, and working conditions.

Today, the plan with regard to social dialogue, essentially focused on information, is under revision together with the social partners, in order to open up certain European subjects for consultation.

Tools and actions for internal communication

Internal magazines and dedicated information letters contribute to creating communication channels with employees, wherever they are located.

At the same time, several seminars and conventions are organized every year for top executives, executive managers, sales teams, and researchers. They provide the opportunity to exchange experiences, with direct, privileged contact with the general management of Vilmorin & Cie, and can allow certain employees to stand out.

Intranet networks have also been developed in recent years, particularly in certain companies whose teams are scattered over several sites.

For example, one has been set up for Vilmorin & Cie's international community of researchers, representing more than 1,600 employees. This system involves areas such as information exchange, best practices, and project work.

Vilmorin & Cie depends on these tools and events to strengthen connections between the teams and encourage a sense of belonging.

4.1.3.3. Health and safety: prevention as the main guideline

Workplace health and safety conditions

In 2012-2013, the workplace accident rate was 9.6 and the severity rate was 0.3. Included in the objectives of the risk management policy is the implementation of standards related to workers' health and safety, to be applied at all of Vilmorin & Cie's sites.

Most companies also have internal committees or managers responsible for protecting the health and safety of employees while at work.

They set out reports and analyses of work accidents, and propose and implement corrective actions.

Psycho-social risks require community involvement, so these are managed locally in each Business Unit. For example, in 2012 Vilmorin Jardin surveyed 300 employees, which enabled them to draw up an analysis and select priority working areas (communication of changes, the role of managers, etc.) in order to establish, during a second stage, an action plan for psychosocial risks.

Guidance is also managed at the group level, based particularly on a managerial excellence program.

Vilmorin & Cie is also considering the global adoption, throughout the group, of the OHSAS 18001 international standard, which establishes a program to implement workplace health and safety management.

Report on agreements signed with union organizations or staff representatives on the issue of workplace health and safety

All of Vilmorin & Cie's French companies instituted, during the fiscal year, a policy for the prevention of physical or mental stress at work, and thus worked to identify risks related to this issue, as a response to a French legal obligation.

This regulation requires the implementation of action plans or agreements once more than half of employees are exposed to workplace risks. Analyses showed that all companies remain below this threshold. Companies nevertheless volunteered to develop action plans or agreements for the prevention of physical and mental stress at work, together with their Health and Safety Committee (CHCST).

Absenteeism

Absenteeism is defined as being all the working days where staff are absent for reasons other than paid holidays, time in lieu, training courses, and union representation. In 2012-2013, the absenteeism rate was 3.1%.

4.1.3.4.An ambitious skills management and development policy

Skills development

Talent management

Vilmorin & Cie has a structured talent management system. It consists in anticipating human resource needs and identifying the competencies required to implement corporate strategy and rise to the economic challenges of tomorrow.

To date, this approach has been deployed within a population comprising executives, managers, and experts. Their competencies, potential, and profession orientation were all assessed and analyzed with the aim of setting up individual or collective development plans, in relation to the desires of these colleagues and Vilmorin & Cie's objectives.

This global approach is gradually being introduced to all of Vilmorin & Cie's companies.

Individualized accompaniment

In 2012-2013, 58% of employees had an annual performance review with their line manager. Using guidelines set out by the Human Resources department of each subsidiary, this review involves drawing up an assessment of the previous year, assessing skills, defining training needs, deciding on individual objectives for the following year, and discussing the possible mobility (functional and geographical) of the employee.

A copy of the report of this interview is submitted to the company's Human Resource manager who may continue with the review directly if the employee so requests.

Executive Managers and Top Executives meet the Corporate Human Resources Manager on average once every two years.

At the same time, in order to support career development and optimize skills management, a database was set up in 2012, bringing together information on employee profiles and experience. In its first stage, only managers were involved, but beginning in 2013, it will include all Vilmorin & Cie employees.

Skills development through training

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

In 2012-2013, there were a total of 50,251 hours of training in 52 of the group's companies, representing almost 74% of Vilmorin & Cie's permanent staff.

Training mainly involves adaptation to the workstation, the evolution or consolidation of the function held, developing knowledge of corporate activities, as well as, for managers, dealing with change management and management.

For example, further training was conducted for employees on mediation, an indication of the company's willingness to encourage this method of conflict resolution.

Eleven employees participated in this training in this fiscal year.

In 2013-2014, new training will be deployed aimed at increasing awareness of several of Vilmorin & Cie's business functions, including plant breeding* and agronomic production. The creation of e-learning modules is also under reflection.

All of this training takes place today in a corporate university, open to all employees. It represents not only a key tool for skills development, but also a true vector for integration, for sharing internal expertise, and for adhering to corporate values.

EVOLUTION OF TOTAL NUMBER OF TRAINING HOURS

	Hours of training
10-11	39,047
11-12	50,595
12-13	50,251

4.1.3.5. Committing to diversity

Measures taken to support gender equality

Professional equality represents a primary focus in human resource management in the company. In this context, an agreement was signed in 2012-2013, which was also in response to a new legal obligation in France. Resulting from constructive dialogue with social partners, this agreement, which involves French companies, concerns objectives and measures in favor of equality between women and men throughout their professional careers.

Recruitment, professional promotion, compensation, balance between professional and personal life: these four areas for action have been adopted, with concrete commitments and measures to promote diversity and professional equality.

These objectives and measures are accompanied by indicators calculated in each subsidiary, and then consolidated and tracked at group level.

Measures taken towards employing and inserting disabled workers

Different actions have been taken to encourage the employment and insertion of disabled workers. To this end, during fiscal year 2012-2013, a partnership was formed in France with an ESAT (a center providing care through employment, enabling disabled persons to work in a protected environment) based in Clermont-Ferrand. In this program, disabled persons receive regular temporary assignments to assist Vilmorin & Cie's support services in several business functions: filing, inputting administrative files, and sorting image collections, for example.

Measures taken to support intergenerational balance

39% of Vilmorin & Cie employees are over 45 years old. In order to guarantee better employability for employees in the second half of their career, and taking into account the fact that careers are getting longer, Vilmorin & Cie has for several years had in place a specific agreement regarding employees working in the group's French companies. The object is to accompany all employees more actively in the second half of their professional lives, and encourage the transmission of their know-how and experience to the following generation as they approach retirement.

The first report on this program is positive: thus, the rate of keeping "seniors" in their jobs has steadily increased. Also, tutoring has become a general practice to ensure that skills are transmitted when "junior" employees are hired or move into a new position.

The agreement, which is in place in France, has, at Vilmorin & Cie's initiative, also been communicated to non-French subsidiaries with the aim of encouraging them to adopt a certain number of these measures over time.

This agreement, renegotiated in 2012-2013, will be extended, beginning in 2014, with a generation contract. Like the previous agreement, its aim is to encourage the support of seniors in their jobs, to anticipate changes in professional careers, to ensure the transmission of know-how and skills, to develop tutoring, to improve working conditions, to prevent situations of physical or mental stress, and to adapt the final years of a career and accompany the transition from work to retirement.

It also includes a section aimed at encouraging the sustained integration of young people into the workplace.

4.1.4. ENVIRONMENTAL INFORMATION

Due to the nature of its activities, environmental concerns are of central importance to Vilmorin & Cie. The company is constantly developing new varieties to meet the needs of farmers and growers all around the world. Accounting for environmental issues is an integral part of the work done by breeders*.

In the interest of protecting its environment, Vilmorin & Cie has fully integrated environmental risk prevention into its risk management policies, and has applied coherent standards to all of its sites worldwide.

This level of commitment involves controlling (by measuring, optimizing and innovating) the use of natural resources and pollution levels and taking great care in the way waste is managed.

4.1.4.1. Overall environmental policy

Most of the products created and developed by Vilmorin & Cie originate in the natural world. As a priority, they are ultimately intended to be used for nutritional purposes or for amateur gardening activities. This means that they cannot and must not cause serious and repeated damage to the environment. Vilmorin & Cie has voluntarily adopted a responsible policy, particularly in relation to the following:

- strict compliance with regulations relating to biotechnologies* and genetically modified organisms*,
- the implementation of dedicated resources for environmental risk monitoring and prevention (technical and regulatory checks, alert and crisis management procedures, certifications, internal communications based on an inter-company network, etc.),
- control and treatment of effluents and restrictions on industrial pollutants.

Organizing the company in a way that addresses environmental concerns

Vilmorin & Cie ensures it complies with local, community and international regulations in relation to the environment on all of its industrial sites, both in France and all other countries. As part of the implementation of ISO 26000 audits, an environmental expert is systematically included in the working group. Separately, an energy committee is responsible for optimizing the company's energy consumption, in particular on its French sites. Hazera Genetics has also initiated the first ISO 14001 certification.

Finally, the risk management system put in place includes an environmental dimension. In each Vilmorin & Cie Business Unit, an environmental risk sponsor and manager are currently being appointed in order to achieve operational excellence.

Steps to train and inform employees about environmental protection

Several companies within the group regularly organize training sessions to increase awareness among employees of environmental issues. On the Harris Moran site in the United States, for example, 180 hours were spent addressing environmental concerns, and in particular themes relating to the use of agrochemical products and water management.

Provisions and guarantees for environmental risks

Given the group's activities, Vilmorin & Cie has not identified any environmental risks and did not therefore register any provisions or guarantees for environmental risks for the year 2012-2013.

4.1.4.2. Pollution and waste management

Because the surface areas used Vilmorin & Cie are limited, the pollution levels generated are relatively low. Most production sites are owned by Vilmorin & Cie and are subject to constant monitoring and upkeep.

Measures to prevent, reduce or remedy any discharges into the air, water or soil that have an impact on the environment

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

Water: research activities are organized to limit as much as possible any discharge into water. The group's Risk Management manual stipulates that rainwater and wastewater (used for manufacturing, sanitation or to extinguish fires) must be collected and transported separately. It also states that before any discharges are made, water that could be polluted must be analyzed and treated as necessary. Finally, the most recent research centers 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.

First of all, Vilmorin & Cie's companies have initiated biological fight* methods in the greenhouses in order to reduce the level of treatments required.

Secondly, with the development of seed varieties resistant to insects and viruses, and with fewer needs for fertilizer for growing, fewer chemical products are required.

Finally, by pelleting commercial seeds agrochemical treatments can be minimized throughout the life of each plant.

Measures to prevent, recycle and eliminate waste

The quantity of waste generated by Vilmorin & Cie is estimated to be around 15,216 tons in 2012-2013. The precise scope is detailed in Section 4.1.2.4 (Notes on environmental data) in the methodological note. This waste mainly concerns plant matter, treated seeds or non-hazardous industrial waste. More than three quarters of this waste is recycled or reused. Just 509 tons of waste are incinerated and 2,971 go to landfill, which equates to a recycling rate of 77%.

As far as possible, plant waste is used as compost or animal feed. With regard to other forms of waste (packing materials, paper, cardboard, plastics), they are selectively sorted in most cases.

On several of Vilmorin & Cie's sites, this sorting is accompanied by specific communication (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 re-usable waste.

Accounting for noise pollution and any other form of business-specific pollution

Most of Vilmorin & Cie's sites do not present particularly high noise levels and in any case are not located in urban areas. Nonetheless, monitoring measures are regularly implemented on all of our sites. Vilmorin & Cie recommends to all of its subsidiaries that where noise levels exceed 85 decibels, they should adjust their machinery to ensure a reduction and make it mandatory for individuals to wear protective equipment.

4.1.4.3. Sustainable use of resources

Water consumption

Vilmorin & Cie's consumption of municipal water reserves is estimated at 1.5 million m³ for 2012-2013. The precise scope is detailed in Section 4.1.2.4 (Notes on environmental data) in the methodological note. Water is primarily used for domestic purposes (sanitation) and to irrigate the greenhouses.

The group's companies, given the specific nature of their activities, use water from the urban distribution network, but also well water and rainwater, in order to reduce consumption levels. The quantity of well water and/or rainwater used by the group is difficult to ascertain. An indication of the vigilance applied is that most companies have set up specific, more economical irrigation systems, such as drip irrigation, in order to control and limit the quantity of water used.

For example, on Hazera's site in Israel, an area with very high levels of hydric stress, the company has introduced several initiatives designed to reduce water consumption. Almost 25% of the water used for irrigation comes from recycled water. And in its greenhouses, the drip irrigation system used is computer-controlled. Finally, this water is then reused in sprinklers in parks.

Furthermore, Vilmorin & Cie is committed to developing varieties that help reduce the impact of agricultural production on the environment and facilitate a reduction in water consumption levels, as in the case of corn by developing varieties with improved tolerance of drought.

Consumption of raw materials

This indicator is not relevant for Vilmorin & Cie since, as a seed producer, it is primarily involved in creating renewable raw materials.

Nonetheless, where technology allows (oxygen and water barrier properties primarily used to guarantee seed quality), the group's companies strive to optimize their packaging, in particular by reducing the thickness of protective films and by using recycled or biodegradable materials.

Energy consumption

Vilmorin & Cie's energy consumption stands at 68 GWh (electricity) and 35 GWh (gas). Vilmorin & Cie's companies regularly invest in measures to optimize their energy efficiency. In particular, several of them consider energy performance and energy economy criteria when replacing or purchasing equipment for use in greenhouses (lighting, heating, etc.).

2012-2013 saw the introduction of energy audits on our French industrial sites through a new partnership with ERDF. The objective of this move is to ensure our sites are energy efficient, to measure and evaluate our performance so as to be able to implement effective and progressive action plans, and to develop an overall energy policy in the long term for the Vilmorin & Cie structure as a whole.

Soil usage

This indicator is of particular importance for Vilmorin & Cie, given that the soil is our primary production tool. Efforts to respect and preserve the soil are central to all of the company's actions.

For example, as part of its agronomic strategy, Vilmorin SA is conducting research into the improvement of agronomic soil management in order to strengthen plants and optimize the use of inputs, in particular by improved management of organic matter, the use of ecological fertilizers such as grape cake, and the development of specific techniques for working with soil. The objective is multi-faceted: concentrate and increase the amount of organic matter in the first few centimeters beneath the surface; stimulate organic activity; preserve nutritional elements; drain the soil using the mechanical action of roots; and use soil cover that limits erosion.

4.1.4.4. Climate change

Greenhouse gas emissions

Vilmorin & Cie believes that the mechanism of photosynthesis should be taken into account when calculating greenhouse gas emissions. By capturing carbon dioxide and releasing oxygen, plants make a natural contribution to efforts to reduce the greenhouse effect. For example, one hectare of corn absorbs twenty to thirty tons of carbon dioxide and provides two to four times as much oxygen as one hectare of forestry. This means that by creating innovative seeds that are both more economical and more productive, Vilmorin & Cie helps reduce the greenhouse gas emissions produced by its activities.

In accordance with current French regulations, two of the group's companies have also evaluated their carbon footprint: Vilmorin Jardin and Clause.

Adapting to the consequences of climate change

Some twenty agricultural basins located all over the world, in both the northern and southern hemispheres, are used for the production of seeds; research is being carried out in more than 100 sites in close proximity to the world's markets. The international locations of our production and research sites allow the company to spread out and limit the risks associated with climate change and meteorological uncertainty.

4.1.4.5. Protecting and enriching biodiversity

With more than 400 varieties launched in 2012-2013, 6,000 varieties available for purchase and a rich genetic heritage* that includes more than 10,000 plant varieties collected over the last 270 years, Vilmorin & Cie is an active contributor to the conservation and development of the world's biodiversity.

Protecting, maintaining and developing this heritage is one of the cornerstones of the seed business generally and of Vilmorin & Cie's long-term success.

Furthermore, having access to as wide a genetic variety as possible is a pre-requisite to ensuring overall progress in the development of new varieties.

In order to protect their innovations and ensure a return on investment, seed producers use the following tools to protect their intellectual property:

The Proprietary Variety Protection Certificate (PVPC)

The PVPC is a title of intellectual property created at the convention of the International Union for the Protection of New Varieties of Plants (UPOV). It applies specifically to plant breeding*, and its objective is to encourage breeders* to create new varieties while leaving access to genetic variability open. In particular it protects the ownership, production and sale of the commercial variety for a duration of 25 years. However it integrates two fundamental elements:

- The breeder's* exemption: a commercial variety protected by a PVPC 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 (payment of royalties to compensate the breeder's* research investment, etc.) and for certain crops (wheat, barley, oats, rye, rapeseed, etc.), the PVPC authorizes the farmer to use a part of his harvest to re-sow in his own plots the following year.

Patents

Patents grant the seed 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 scope of protection offered by patents can cover inventions subsequently contained within plant varieties. So any seed producer wishing to use the patented variety must request authorization and pay for the right of use.

Vilmorin & Cie believes that these two systems of intellectual protection must co-exist, provided that:

- the fundamental principle of exemption for research and breeding* is included in patent law,
- and that the patent cannot be applied to the variety as a whole but is instead limited to the technological invention.

4.1.5. CORPORATE INFORMATION

Vilmorin & Cie's primary vocation is to help improve how the world's nutritional needs are met. This is a significant challenge: by 2050, in order to feed more than 9 billion people, food production will have to increase by 70%. In order to meet these ever-increasing needs, Vilmorin & Cie is developing vegetable and field seeds with high added value.

4.1.5.1. The regional, economic and social impact of business

Vilmorin & Cie has chosen local management structures based on a decentralized model, making it closely involved in the regions in which it operates. A structure divided into ten Business Units is a way of combining coherence with the strategic choices made by the company and the ability to account for the culture and specific features of each local area. This very specific structure, which underpins the company's performance, allows it to work very closely with the relevant people and markets and to listen carefully to its clients regardless of their geographic location, thereby ensuring an excellent knowledge and understanding of these markets.

By building on its capacity for innovation and its ability to listen to its clients on an ongoing basis, Vilmorin & Cie is in a position to provide the farmers and growers all around the world that make up its client base with seeds that are adapted to the different regions and changes in soil and climate.

At the same time, throughout its development and operations aimed at external growth, Vilmorin & Cie has adopted a progressive integration model that respects existing cultures, and understands the importance of preserving the identity of companies acquired and building on the know-how of staff teams already in place.

Furthermore, the human and cultural references associated with the farming world, accessible through its key shareholder, Limagrain, an international cooperative agricultural group, form part of Vilmorin & Cie's values and allow it to develop close ties within the various regions in which it operates. This results in an active policy of nurturing research partnerships which have provided many exciting scientific collaborative projects over the years.

4.1.5.2. Relations with individuals and organizations interested in the company's activities

Momagri, movement for a world organization of agriculture

As agricultural markets become more and more global, ever greater economic and social pressure is being put on farmers. This pressure is being accompagnied today by an important volatility of the prices of agricultural raw materials which penalizes farmers, destabilizes the agri-food chains and potentially poses a threat to the planet's food security. In order to guarantee food security for a world population that will grow by two billion inhabitants by the year 2050, more than ever true regulation of this strategic sector is indispensable.

It is within this context that for several years Vilmorin & Cie has been actively supporting the initiatives of momagri, movement for a world organization of agriculture.

Founded in 2005 at the initiative of the French agricultural world, momagri is a think tank* whose mission is to promote a regulated liberalization of agricultural markets by creating new evaluation tools and by drawing up proposals for an international agricultural and food policy. Bringing together figures from agriculture, humanitarian bodies, health, defense and business, momagri co-operates with a variety of international bodies, think tanks* and agricultural organizations in different countries. It is a lobbying group that determines its actions and proposals mainly on the basis of a novel economic model. This model, for the first time, describes the specific nature of the agricultural sector and

the close correlation between the unregulated liberalization of agricultural exchanges and the increased volatility of prices. It is now fully recognized by academics internationally, by politicians, for example the European Parliament, and within international organizations such as the IMF and the FAO.

Involvement at an interprofessional level and with professional representative bodies

Vilmorin & Cie is involved interprofessionally and with professional representative bodies at a national level – with the GNIS (national interprofessional group on seeds and seedlings) and the UFS (French seed growers union) – and at European level – through the ESA (European Seed Association) – as well as internationally through the ISF (International Seed Federation).

In this capacity, it actively participates in agricultural debates generally and particularly in relation to seed production: protecting living organisms and the use of plant biotechnologies* particularly in the field of scientific research.

Partnerships and corporate patronage

Vilmorin & Cie aims to contribute to the development of its environment, and to this end, through its subsidiaries, is actively involved in various social and humanitarian projects, several of which took place in 2012-2013.

In Israel, for example, Hazera Genetics has always played an active role in the surrounding communities and decided to build on its know-how and the biological and farming expertise of its staff in order to develop educational initiatives.

Among the projects implemented by Hazera Genetics is its contribution to the creation of an organic vegetable and fruit garden in Kedma. The aim of this project was to encourage local youths, many of whom are underprivileged, to engage in manual work and learn something not only about botany but also about how to manage a structure, a skill that will be useful in their future careers.

In 2012, with the help of three volunteers, 23 students actively and regularly contributed to the various tasks involved as well as the decision-making processes needed to manage the garden. This project, which encourages the autonomy of young students through farming and manual work, proved an enormous success.

4.1.5.3. Relations with sub-contractors and suppliers

Following the ISO 26000 audit carried out at group level, relations with sub-contractors and suppliers were identified as a priority for the next three years. A broad process of reflection on optimizing the supply chain and making it more reliable is ongoing, with a view to developing a responsible purchasing policy.

For this purpose, Vilmorin Jardin has already drawn up an initial questionnaire in order to better understand the CSR practices of suppliers and produce a map of key suppliers.

In November 2012, Vilmorin & Cie also signed the mediation charter of the CMAP (center for mediation and arbitration in Paris), thereby committing to the prevention of litigation and the amicable resolution of legal disputes through the use of mediation wherever appropriate.

Vilmorin & Cie aims to privilege the amicable resolution of disputes wherever possible in a way that serves the long-term interests of all parties.

4.1.5.4. Measures taken in favor of consumer health and safety

Vilmorin & Cie's core business – seed production – ensures that the company is permanently aware of the many and diverse nutritional needs of consumers worldwide. Food safety and security are fundamental aspects of the company's activities, and the products of these activities provide a source of goodness in terms of health and nutrition.

For this reason, most subsidiaries have put in place quality assurance systems which are adapted to their specific activities

and comply with the highest European and international standards. Vilmorin SA, Clause and Hazera Genetics, for example, have each received GSPP accreditation (Good Seed and Plant Practices). The Marketing and Development section of the Limagrain Europe Business Unit carries out several experiments on the ground prior to launching products on the market – either internally or in partnership with their clients – and after product launches to ensure varieties have the best possible traits*. Dedicated tools are also used such as CARDS, which facilitates the management of the technical data associated with each variety.

4.1.5.5.Loyal practices and other commitments in favor of human rights

The development of a framework for the implementation of business ethics is one of Vilmorin & Cie's priorities now that the ISO 26000 audit has been completed. A code of conduct for business is currently being drafted and work on its deployment is ongoing. It will include a range of operational scenarios that will take account of human rights and relations with Vilmorin & Cie's suppliers, with specific training provided.

Furthermore, several Business Units such as Hazera-Nickerson and HM.CLAUSE have already developed codes of ethics.

Clause, which is committed to carrying out its activities in compliance with current legislation and the most demanding ethics, has produced a professional Ethics Charter which it has distributed to all staff members. This formalizes its commitments in terms of health and safety regulations, respect for individuals and the environment, as well as the integrity and responsibility of managers and relations with clients and suppliers. Each Clause employee agrees to respect all aspects of this Charter.

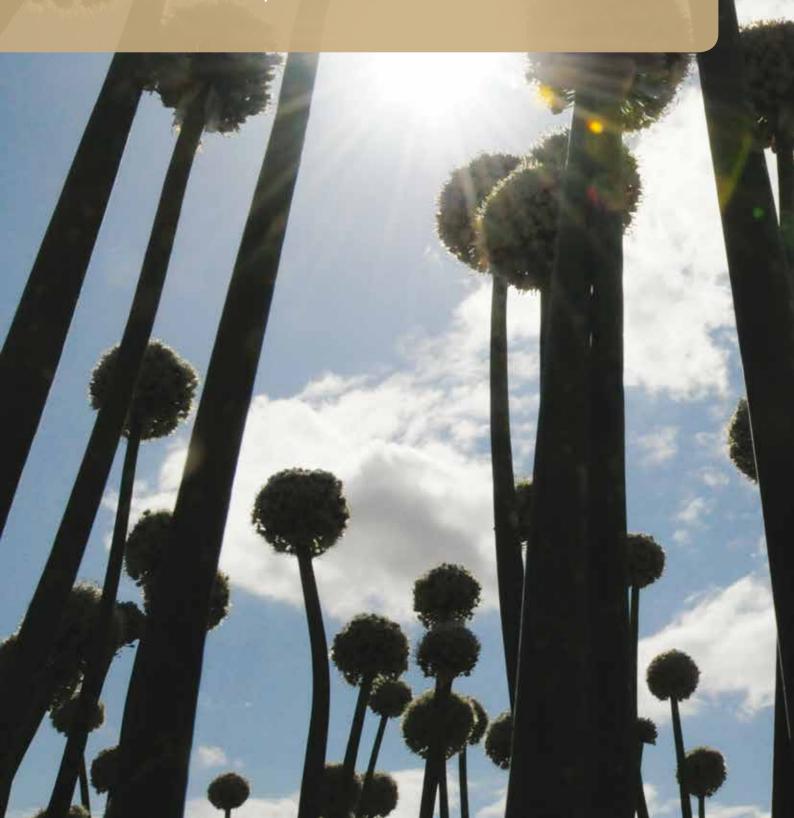
4. CSR REPORT



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5.1. CONSOLIDATED FINANCIAL STATEMENTS

5.1.1. CONSOLIDATED INCOME STATEMENT

n millions of Euros	Note	12-13	11-12
REVENUE FROM ORDINARY ACTIVITIES	5	1,472.0	1,338.0
Cost of goods sold		-834.7	-753.9
Marketing and sales costs		-206.4	-194.2
Research and development costs	8	-136.9	-117.7
Administrative and general costs		-143.3	-128.2
Other income and operating charges	9	5.8	-6.3
DPERATING INCOME		156.5	137.7
nterest costs	10	-20.4	-21.3
Other financial profits and costs	11	-7.5	-5.0
Profit from associated companies	18	1.7	1.8
ncome taxes	12	-23.3	-26.1
PROFIT FROM CONTINUING OPERATIONS		107.0	87.1
PROFIT FROM DISCONTINUED OPERATIONS		-	-
NET INCOME FOR THE PERIOD		107.0	87.1
> Attributable to controlling company		99.4	80.6
> Attributable to non-controlling minority		7.6	6.5
Earnings from continuing operations per share attributable to controlling company	13	5.25	4.68
Earnings from discontinued operations per share attributable to controlling company	13	-	-
arnings for the period per share attributable to controlling company	13	5.25	4.68
Diluted earnings from continuing operations per share attributable to controlling company	13	5.02	4.60
Diluted earnings from discontinued operations per share attributable to controlling company	13	-	-
Diluted earnings for the period per share attributable to controlling company	13	5.02	4.60

5.1.2. DETAILS OF THE GAINS AND LOSSES FOR THE FISCAL YEAR

In millions of Euros	12-13	11-12
INCOME FOR THE PERIOD	107.0	87.1
Variation in currency translations	-34.6	31.8
Variation in the fair value of assets available for sale	-	-
Variation in the fair value of forward cover instruments	-3.9	-0.1
Change in method	-	-
Impact of taxes	6.1	-0.1
Items that might be reclassified to profit or loss	-32.4	31.6
Items not to be reclassified to profit or loss	-	-
OTHER ITEMS IN THE TOTAL GAINS AND LOSSES FOR THE PERIOD NET OF TAXES	-32.4	31.6
Total gains and losses for the period	74.6	118.7
> Including attributable to controlling company	71.4	109.1
> Including attributable to non-controlling minority	3.2	9.6

5.1.3. FINANCIAL PROGRESS REPORT

In million of Euros	Note	06.30.13	06.30.12
Goodwill	14	343.5	333.0
Other intangible fixed assets	15	544.0	517.4
Tangible fixed assets	16	257.0	230.7
Financial fixed assets	17	30.5	30.7
Equity shares	18	17.9	17.6
Deferred taxes	25	27.9	16.6
Total non-current assets		1,220.8	1,146.0
Inventories	19	352.4	311.0
Trade receivables and other receivables	20	556.9	550.2
Cash and cash equivalents	21	360.1	311.0
Total current assets		1,269.4	1,172.2
Total assets		2,490.2	2,318.2

abilities	/		
In million of Euros	Note	06.30.13	06.30.12
Share capital	22	288.8	262.6
Reserves and income	22	737.0	744.3
Equity – controlling company	22	1,025.8	1,006.9
Equity – non-controlling minority	23	124.5	115.0
Consolidated equity		1,150.3	1,121.9
Provisions for employee benefits	24	22.1	23.6
Non-current financial debts	27	516.7	414.8
Deferred income taxes	25	101.2	94.2
Total non-current liabilities		640.0	532.6
Other provisions	26	14.1	10.8
Accounts payable	28	471.1	406.1
Deferred income	29	34.3	34.9
Current financial debts	27	180.4	211.9
Total current liabilities		699.9	663.7
Total liabilities		2,490.2	2,318.2

5.1.4. CONSOLIDATED CASH FLOW STATEMENT

n millions of Euros	06.30.13	06.30.12
1 - TRADING OPERATIONS		
Income for the year	107.0	87.1
Results of companies consolidated under equity method after dividends	-1.5	-1.6
Depreciation, amortization and impairments	146.0	131.4
Net non-current provisions	-99.7	-5.6
Variation in deferred taxes	-5.4	6.3
Income from capital operations	120.0	27.3
Surplus of the share in interest of the acquirer in the fair value of the assets and liabilities acquired on the cost, directly recorded in the income (negative goodwill)	-	-
Non-cash financial charges	-	4.3
Fair value losses and gains for financial fixed assets available for sale	-1.6	-0.6
Cash flow	264.8	248.6
Dividends received on equity securities	-20.9	-30.7
Variation in working capital needs with comparable scope		
> Inventories	-54.2	-7.2
> Trade debts	-23.5	-69.6
> Short-term debts	81.3	18.7
Cash from operating activities	247.5	159.8
2 - INVESTMENT OPERATIONS		
Disposal of fixed assets	8.6	3.0
Acquisition of fixed assets		
> Intangible fixed assets	-147.5	-128.4
> Tangible fixed assets	-58.1	-45.7
> Financial fixed assets	-1.1	-2.0
Variation in other financial fixed assets	0.9	1.7
Cash flow acquired through scope entries	-17.9	-17.1
Cash flow conceded through cash exits	-	-24.2
Variation in financial fixed assets	-	-
Net increase/decrease in cash and cash equivalents	-18.9	23.2
Cash flows from investing activities	-234.0	-189.5
3 - CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/decrease in equity ⁽¹⁾	1.0	55.7
Transactions with non-controlling interests (2)	-27.2	-69.7
Increase/decrease in financial liabilities (3)	83.0	-26.8
Dividends received on non-consolidated participations	20.9	30.7
Dividends paid out	-31.5	-30.2
Cash flows from financing operations	46.2	-40.3
4 - NET EFFECT OF CURRENCY TRANSLATION	-10.6	9.7
5 - NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	49.1	-60.3
6 - CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	311.0	371.3
7 - CASH AND CASH EQUIVALENTS AT END OF PERIOD	360.1	311.0

(1) Including the equity component of the ORA bonds redeemable as shares

(2) Application of the amended standard IFRS 27: restatement of "Transactions with non-controlling interests". This line includes acquisition of the following securities:

	06.30.13	06.30.12
Brasmilho	1.4	-
Bisco Bio Sciences	19.4	-
Eurodur	-	3.6
Limagrain Europe	-	57.5
Mikado Kyowa Seed	6.0	4.0
Mikado Seed Holding	0.4	0.7
HM.CLAUSE Tohumculuk	-	3.9
Transactions with non-controlling participations	27.2	69.7

(3) Increase/decrease in financial liabilities:

		\
	06.30.13	06.30.12
Increase in non-current financial debts	165.6	17.2
Repayment of non-current financial debts	-13.3	-1.0
Net increase/decrease in current financial debts	-69.3	-43.0
Variation in financial liabilities	83.0	-26.8

5.1.5. VARIATION IN CONSOLIDATED EQUITY

In millions of Euros		Attributa	ble to controlling	j company		— Attributable to	
	Capital	Premium	Income and other reserves	Currency translation reserves	Total	non-controlling minorities	Total
06.30.11	262.6	350.5	338.0	-23.1	928.0	107.9	1 035.9
Currency translation	-	-	-	28.7	28.7	3.1	31.8
Gains and losses recorded directly in equity	-	-	-0.2	-	-0.2	-	-0.2
Net income	-	-	80.6	-	80.6	6.5	87.1
Total gains and losses for the fiscal year	-	-	80.4	28.7	109.1	9.6	118.7
Variation in treasury shares	-	-	-	-	-	-	-
Dividends paid out	-	-	-26.4	-	-26.4	-3.8	-30.2
Variations in scope	-	-	-3.8	-	-3.8	-52.0	-55.8
Effect of share purchase commitments	-	-	-	-	-	-	-
Variation in the capital stock of the parent company	-	-	-	-	-	-	-
Variation in the capital stock of the subsidiaries	-	-	-	-	-	-	-
Bonds redeemable as shares (1)	-	-	-	-	-	53.3	53.3
Restatement	-	-	-0.2	0.2	-	-	-
Others	-	-	-	-	-	-	-
06.30.12	262.6	350.5	388.0	5.8	1 006.9	115.0	1,121.9
Currency translation	-	-	-	-30.2	-30.2	-4.4	-34.6
Gains and losses recorded directly in equity	-	-	2.2	-	2.2	-	2.2
Net income	-	-	99.4	-	99.4	7.6	107.0
Total gains and losses for the fiscal year	-	-	101.6	-30.2	71.4	3.2	74.6
Variation in treasury shares	-	-	-0.2	-	-0.2	-	-0.2
Dividends paid out	-	-	-28.4	-	-28.4	-3.1	-31.5
Variations in scope	-	-	-24.7	-	-24.7	7.2	-17.5
Effect of share purchase commitments	-	-	-	-	-	2.0	2.0
Variation in the share capital of the parent company	26.2	-	-26.2	-	-	-	-
Variation in the share capital of the subsidiaries	-	-	0.8	-	0.8	0.2	1.0
Bonds redeemable as shares (1)	-	-	-	-	-	-	-
Restatement	-	-	-0.6	0.6	-	-	-
Others	-	-	-	-	_	-	-
06.30.13	288.8	350.5	410.3	-23.8	1,025.8	124.5	1 150.3

(1) cf. Note 23

5.2. 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 30, 2013 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 approved by the Board of Directors on October 7, 2013 and will be submitted for approval to the Annual General Meeting of December 11, 2013.

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 estimates

In order to establish its financial statements, the Executive Committee of Vilmorin & Cie 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 & Cie 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 & Cie 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 & Cie 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 & Cie 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 an IFRIC interpretation or specific 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 goodwill.
- Any ultimate variation in the value of the commitment is recorded in the income statement for any transactions occurring after the application of the revised standard IFRS 3.
- 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 - Application and interpretation of standards and regulations

The following standards, interpretations and amendments to existing standards adopted by the European Union became mandatory for application on July 1, 2012:

Amendment to IAS 1 "Presentation of items of other comprehensive income".

Implementation of this amendment has led to a new presentations of the statement of comprehensive income with a grouping of the items that might be reclassified later in profit or loss, and another grouping of the items not to be reclassified later in profit or loss.

The new standards, interpretations and amendments to existing standards, adopted by the European Union, and applicable to fiscal periods as of July 1, 2013 or later (refer to details below) have not been adopted in advance by Vilmorin & Cie:

- amendments to IAS 19 "Retirement benefits",
- IFRS 13 "Fair Value Measurement",
- amendments to IFRS 7 "Disclosures: offsetting financial assets and financial liabilities",
- IFRS 10 "Consolidated financial statements",
- IFRS 11 "Joint arrangements",
- IFRS 12 "Disclosure of interests in other entities",
- o consequential amendments to IFRS 10, IFRS 11, IFRS 12 on IAS 27 "Separate financial statements" and IAS 28 "Investments in associates and joint ventures",
- o transition amendments to IFRS 10.

Amendments to the standard IAS 19 "Retirement benefits" must be applied as of the fiscal year commencing July 1, 2013. Note 24 sets out the consequences of the application of this standard to the financial statements of Vilmorin & Cie.

5 - Consolidation methods (IAS 27 - 28 - 31)

Control means the power to direct the financial and operating policies of an entity in order to gain advantages from its activities. In order to assess control, the Group takes into account potential voting rights that may currently be exercised. The acquisition date is the date upon which control is transferred to the acquirer. Determining the acquisition date and determining whether control has been transferred from one party to another requires the exercise of judgment.

The financial statements of subsidiaries are included in the consolidated financial statements as of the date on which control is obtained right up until the date when control ceases.

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 possibility of exerting dominant influence in the sense of the principles presented by the standard IAS 27 in paragraph 13.
- Ompanies 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 & Cie'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 & Cie 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 & Cie'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 & Cie'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 & Cie no longer accounts for its proportion of losses to come, unless Vilmorin & Cie 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 disposals.

6 - Business combinations (revised IFRS 3)

Business combinations are recorded by applying the acquisition method on the acquisition date, which is the date on which control is transferred to Vilmorin & Cie.

The revised standard IFRS 3 is applicable to all take-overs as of July $1^{\rm st}$ 2009.

Vilmorin & Cie values goodwill:

- at the fair value of the consideration transferred,
- plus the recognized amount of any non-controlling interest rate in the acquiree,
- plus, if the business combination is carried out in stages, the fair value of any participation previously held in the acquiree,
- minus the net recognized amount (usually the fair value) of the identifiable assets acquired and liabilities assumed on the acquisition date.

If the difference above is negative, the resulting gain is recognized as a bargain purchase in profit or loss.

The consideration transferred includes the fair value of the transferred assets, Vilmorin & Cie's liabilities to the previous owners of the acquiree, and the participating interests issued by Vilmorin & Cie. The consideration transferred also includes the fair value of any consideration and payment rights based on the shares of the acquired company which must be replaced in the business combination (see below). If pre-existing relationships between the Vilmorin & Cie and the acquiree are terminated as a result of the business combination, the termination value (cited in the contract) and the value of the non-marketable portion are deducted from the consideration transferred and are recognized as other costs.

When rights to share-based payments that are replaced by rights (replacement rights) owned by employees at the acquiree (the acquiree's rights) relate to past services, part of the market-based assessment of the replacement right is included in the consideration transferred. Insofar as services are also necessary in the future, the difference between the amount included in the consideration transferred and the market-based assessment of the value of the replacement right is treated as a replacement cost after the business combination.

A contingent liability of the acquiree is taken into consideration in the business combination when the liability represents a current commitment and derives from past events, and if its fair value can be reliably measured. Vilmorin & Cie values non-controlling interests pro rata according to their interests in the acquiree's identifiable assets.

Transaction costs arising in connection with a business combination (brokerage costs, judicial costs, due diligence costs, costs of consultants and experts, etc.) are recognized immediately as they occur.

Acquisitions of participations which do not transfer control are recorded as transactions with the owners and consequently no goodwill results from such transactions. Adjustments of the non-controlling interests for transactions which do not lead to losses of control are determined on the basis of the share of the subsidiary's net assets.

7 - Operating segments

IFRS standard 8 "Operating segments" defines an operating segment as the component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses,
- whose operating results are reviewed regularly by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance and,
- ofor which discrete financial information is available.

8 - Converting statements expressed in foreign currencies (IAS 21)

Vilmorin & Cie'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" for the share of the controlling company, 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.

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 financial profits and costs").

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.

9 - 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 & Cie. 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.

Consequently, intangible fixed assets with a defined duration of use are valued at cost price less amortization and any value loss, whereas intangible fixed assets with an undefined duration of use are valued at cost price less the aggregate of value losses.

The main categories of other intangible fixed assets at Vilmorin & Cie are as follows:

9.1 - Development costs

Development costs, net of any associated tax relief on research, 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, and use or sell any products that result from these projects.
- 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 & Cie 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:

Projects recorded as fixed assets correspond to work leading to the development of new products, or to industrial processes relative to Vilmorin & Cie's business.

The business field concerned is that of Vilmorin & Cie's seed activities.

Work taken into account when costing development projects recorded as fixed assets includes, 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.

9.2 - Goodwill

Goodwill represents the difference between the acquisition price of consolidated securities and the share of Vilmorin & Cie 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.

Goodwill is subject to a value loss test at least once every year. The methodology adopted is described hereafter in Note 1 paragraph 23. Any impairment recorded is irreversible.

Goodwill concerning companies consolidated under the equity method is recorded in "Equity shares". If the criteria for value loss as defined by IAS 39 come into play, the amount of the loss is determined according to the rules defined by IAS 36.

9.3 - 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 over their estimated duration of use.

9.3.1 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).

9.3.2 Patents

The duration of use of patents corresponds to their legal duration of protection.

9.3.3 Licenses

The duration of use of licenses corresponds to the period during which they can be used by contract.

9.3.4 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 & Cie 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.

9.4 - Germplasm

Germplasm comprises all the plant material used to breed new varieties of seeds, the prerequisite of which is a collection of plants that is as wide and diversified as possible.

Generally acquired by Vilmorin & Cie at a fair price and through business combinations, it is systematically worked on with a view to enriching, characterizing and maintaining it to preserve its quality and ensure it is available to the different research teams.

These research teams constantly sift through this plant library to make use of the primary resources that are required for the creation of new products.

Built up over the years, this genetic material has been improved as seed companies and breeding* programs* have been acquired, and research partnerships have been set up.

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 & Cie considers that its economic life is indefinite. Consequently these assets are not amortized.

They are regularly assessed and tested using the defined Cash Generating Units (CGUs).

10 - Tangible fixed assets (IAS 16)

Tangible fixed assets are recorded at their acquisition cost or, where appropriate, their production cost less depreciation and losses of value.

10.1 - Loan interests

In compliance with standards IAS 16 and IAS 23R, 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 IAS standard 23R.

10.2 - 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.

10.3 - Depreciation

10.3.1 Basis for depreciation

Bearing in mind their specific nature, most of Vilmorin & Cie'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.

10.3.2 Depreciation method

Tangible fixed assets are depreciated using the straight-line method in the income statement over the estimated duration of use for each component.

10.3.3 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.

10.3.4 Presentation in the income statement

Amortization, depreciation and impairment 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.).

10.4 - Impairment tests

As part of the Cash Generating Units (CGU), tangible fixed assets are liable to be tested for impairment as soon as any indication of impairment has been identified.

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 & Cie, and is carried out in accordance with the rule explained in Note 1 paragraph 23 hereafter.

10.5 - Reassessment

During the transition period to IFRS standards, Vilmorin & Cie decided to apply the fair value principle as the presumed cost to certain specific assets. The fixed assets to which this procedure was applied are generally land and factory buildings valued historically without representing economic reality.

The assessments adopted are the result of independent expert assessors.

11 - Impairment of intangible and tangible assets

The book values of Vilmorin & Cie'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.

Impairment is recorded if the book value of an asset or its Cash Generating Unit is higher than its recoverable amount. Impairments are recorded in the income statement.

Impairment 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).

11.1 - Calculation of the recoverable amount

The recoverable amount of intangible and tangible fixed 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.

11.2 - Write-back of impairments

Impairments recorded as goodwill cannot be written back. Impairments 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 impairment cannot be greater than the book value that would have been determined, net of amortizations, if no impairment had been recorded.

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
- 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,
- o 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 & Cie participates in various pension, early retirement and post-employment benefit schemes.

16.1 - Defined contribution plans

A defined contribution plan is a scheme involving benefits paid out after termination of the work contract, for which an entity pays defined contributions to a distinct entity and has no legal or implicit obligation to pay any further contributions.

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 & Cie is only committed within the limit of the contributions paid.

16.2 - Defined benefit plans

A defined benefit plan is any scheme involving benefits paid out after termination of the work contract other than a defined contribution plan.

For such plans, Vilmorin & Cie 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 & Cie 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.

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 & Cie

Within the normal conditions of its business Vilmorin & Cie is subject to various risks (commercial litigation, reorganization, fiscal litigation, social litigation, etc.). It applies the following rules:

17.2.1 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 & Cie 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,
- o early retirement benefits,
- training of employees laid off,
- other costs linked to the closing of sites.

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.

17.2.2 Provisions for litigation

Litigations (commercial, fiscal, intellectual property, etc.) 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.

17.2.3 Presentation in the financial statements

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 & Cie 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 a fixed asset that is depreciated. If they can be linked to a depreciated fixed 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 temporal differences between the tax base and the book value of the assets and liabilities. The main items taken into account for this purpose concern:

- oconsolidation restatement showing a divergence between book value and tax base (special tax exemption, lease agreements, margins on inventory, income from sales of intra-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.

Assets and liabilities of deferred taxes are assessed at the tax rate expected for the period during which the asset is recovered and the liability is settled, using the tax rates that have been enacted by the balance sheet date.

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 & Cie to recover these assets in particular depends on the following criteria:

- o 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, on the basis of an amortization table.

In compliance with 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 their fair value fixed at the initial assessment, and then adjusted for the cost of depreciation/ amortization for subsequent evaluations.

21 - Financial instruments (IAS 32 and IAS 39)

Financial instruments at fair value are classified according to the following level of hierarchy:

- level 1 (listed markets): financial instruments listed in an active market
- level 2 (observable data): financial instruments where the assessment makes use of valuation techniques based on observable parameters.
- level 3 (internal model): financial instruments where the assessment makes use of valuation techniques based fully or partially on non observable parameters.

21.1 - Non-consolidated equity securities and other non-current financial assets

In compliance with IAS 39 "Financial instruments", 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 impairments.

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 impairment. 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 impairment 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 & Cie applies the following principles:

21.3.1 Derivatives

Vilmorin & Cie uses derivatives to cover its exposure to risks in the variation of interest rates, currency exchange rates and in the prices of raw materials, resulting from its current activity and its funding. Derivatives are assessed at their fair value.

For a derivative to be eligible for hedge accounting (cash flow or fair value), the hedging relationship must be formally designated and documented, and its life-long effectiveness must be demonstrated. A fair value hedge is a hedge of the exposure to changes in fair value of assets, liabilities or firm commitments. A cash flow hedge is a hedge of the exposure to variability in cash flows (sales generated by the company's assets, for example).

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 cash flow hedging are recognized directly in equity for their effective part of the cover, and in financial profit and loss for their ineffective part.
- Variations in the fair value of instruments eligible for fair value hedging are recorded in profit and loss where they compensate for the variations in fair value of the assets, liabilities or firm commitments covered.

Forward cover of the prices of the raw materials used by Vilmorin & Cie mainly concerns futures negotiated on an organized market. Vilmorin & Cie also implements strategies that combine futures with options which are also negotiated on an organized market.

21.3.2 Conditional advanced 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.

21.3.3 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.

21.5 - 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.

22 - Cash and cash equivalents

- investment securities

22.1 - 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.
- o 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.

22.2 - 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. 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.

23 - Breakdown of assets and liabilities into current / non-current

23.1 - General principle

The provisions of IAS 1 state that assets and liabilities must be classified as either "current" or "non-current".

23.2 - Application to Vilmorin & Cie

Vilmorin & Cie 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.

24 - Revenue from ordinary activities (IAS 18)

24.1 - General principle

Revenue from ordinary activities comprises the sale of products, goods and services produced as part of Vilmorin & Cie's main business activities, and also income from royalties and operating licenses.

24.2 - Application to Vilmorin & Cie

Income is recorded 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:

- sales of products,
- sales of services,
- o royalties received from commercial activities.

From this revenue a certain number of items are deducted:

- payments on account, discount for early pick-up,
- o returns of goods and products,
- end of year discount,
- retrospective discount to distributors, where relevant.

25 - Earnings per share

The basic earnings per share are 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 & Cie's treasury shares.

The diluted earnings per share is calculated by dividing Vilmorin & Cie's share of the income by the number of ordinary shares in circulation to which are added all the potentially dilutive ordinary shares.

Note 2: Events occurring during the fiscal year

The main operations occurring during the course of the fiscal year were as follows:

Genective (France)

At the end of June 2013, Vilmorin & Cie and KWS received authorization from the European Commission for the operational implementation of Genective, their 50/50 joint venture.

In 2011 the two partners decided to combine efforts, within Genective, to develop GM* traits* for corn seed. This authorization is a key step that will enable the two companies to intensify their research collaboration.

Continuing consolidation and disintermediation of financial resources

Vilmorin & Cie successfully completed an inaugural private placement of the "Schuldschein" type, for a total 130 million Euros. This placement comprises maturities at 5, 7 and 10 years, combining fixed and variable rates.

This private placement, which is part of its disintermediation strategy, will enable Vilmorin & Cie to reinforce the architecture of its financial resources, with the possibility of extending the average maturity of its debt and internationalizing its funding sources.

Full takeover of Bisco Bio Sciences (India)

During the course of fiscal year 2012-2013 Vilmorin & Cie acquired the remaining 39% of the capital stock still held by the historic family shareholders of Bisco Bio Sciences. This transaction thus enabled Vilmorin & Cie to take full control of the company.

Free allotment of shares

At the beginning of 2013 Vilmorin & Cie decided the free allotment of shares at a rate of one new share for ten old shares held.

Attribution operations concerned all shares held at the close of trading in Paris on Friday January 18, 2013. Any shareholder having acquired shares before this date benefited from this allotment of shares. The 1,721,810 new shares were assimilated to old shares as of January 21, 2013.

Consequently, Vilmorin & Cie's new share capital stands at 288,833,642.75 Euros, divided up into 18,939,911 shares with a nominal value of 15.25 Euros.

Acquisition of Link Seed (South Africa)

At the beginning of 2013, Vilmorin & Cie passed a new milestone in the internationalization of its corn activities by acquiring the company Link Seed, based in Greytown (State of KwaZulu-Natal).

This majority stake of 80% of the company's capital stock has enabled Vilmorin & Cie to take up a lasting position on a promising future market where genetically modified seeds have already been very widely adopted by farmers.

Acquisition of Century Seeds (India)

Through its subsidiary Clause India in October 2012, Vilmorin & Cie acquired the company Century Seeds, based in Delhi.

This family company, specialized in vegetable seeds, owns diversified genetic resources* and high quality breeding programs* in more than ten species, including vegetables that are specific to Asian markets. Its extensive production and sales networks in India, particularly in the north, constitute strategic assets.

Acquisition of the vegetable seeds activities of the Campbell Soup group (United States)

Through its subsidiary Harris Moran, in August 2012 Vilmorin & Cie acquired the tomato and pepper breeding* and sales business of the Campbell Soup group, based in Davis (California).

All the assets (genetic resources* and infrastructures) and the full research team were part of the deal, enabling Vilmorin & Cie to strengthen its positions, particularly on the strategic tomato and pepper markets intended for North American food processors, and on other key international markets.

Note 3: Consolidation scope

1 - Evolution of the consolidation scope

1.1 - On June 30, 2013, Vilmorin & Cie consolidated 96 companies in accordance with the rules set out in Note 1 paragraph 5 of the Accounting methods and principles in IFRS standards.

		\
	12-13	11-12
By global integration	86	85
By proportional integration	5	4
By the equity method	5	5
Total	96	94

1.2 - Variations in scope occurring during the course of fiscal 2012-2013 were as follows:

1.2.1 Entries to the consolidation scope

- Through the purchase of a stake
 - Century Seeds
 - Link Seed
- Through the creation of companies
 - HM.Clause Guatemala
 - Vilmorin Russia
 - Vilmorin Garden Türkiye
- Through integration into the consolidation scope
 - Shanxi Limagrain

1.2.2 Exits from the consolidation scope

- Companies wound up
 - Limagrain Nederland Holding
- Following re-organization, several companies were merged

	Absorbing companies	Absorbed companies	
	Limagrain Guerra do Brasil	Brasmilho	
	Limagrain Guerra do Brasil	Limagrain do Brasil Participações	
ļ	Limagrain Clovis Matton Belgium	Dewulf & Co	

1.2.3 Changes in name

No changes in name occurred during the fiscal year.

1.2.4 Change in consolidation method

The company Genective, previously consolidated by global integration, is now consolidated by proportional consolidation.

2 - Information concerning variations in consolidation scope

In millions of Euros	Century Seeds	Link Seed	Shanxi Limagrain
Date of entry in scope	10.23.2012	01.07.2013	07.01.2012
% ACQUIRED			
Over the fiscal year	100.00%	80.00%	-
Previously held	-	-	77.50%
Total held	100.00%	80.00%	77.50%
Consolidation method adopted (1)	IG	IG	IG
ACQUISITION PRICE OF THE SHARES			
Agreed during the fiscal year	10.6	12.4	-
Previously agreed	-	-	0.2
Total	10.6	12.4	0.2
FAIR VALUE OF ASSETS AND LIABILITIES ACQUIRED			
Fixed assets	1.1	1.1	0.4
Working capital needs	1.1	1.3	-0.5
Provisions for liabilities and charges	-	-	-
Indebtedness net of cash	0.7	-6.7	-0.2
Deferred taxes	-	-	-
Equity	0.9	9.1	0.1
Acquired equity	0.9	7.3	0.1
Goodwill	9.1	5.1	-

⁽¹⁾ GI: global integration – PI: proportional integration – EM: equity method

3 - Comparability of the income statements

In order to analyze the results with comparable scope, a proforma income statement for 2011-2012 has been established in the following conditions:

- In order to neutralize the impact of currency variations, the income statement on June 30, 2012 has been restated by applying the average rate on June 30, 2013.
- The company exiting the scope during fiscal year 2012-2013 has been neutralized for the previous fiscal year, namely:
 - Limagrain Nederland Holding
- Companies entering the scope during fiscal year 2012-2013 have been added to the accounts on June 30, 2012, namely:
 - Century Seeds
 - Link Seed
 - Shanxi Limagrain

- The company Genective, consolidated by global integration for fiscal year 2011-2012, has been restated using proportional integration in order to correspond to the consolidation method used for fiscal year 2012-2013.
- Restated information is presented as follows:

In millions of Euros	Variation %	12-13	11-12 restated
Revenue from ordinary activities	+9.4%	1,472.0	1,345.9
Operating income	+14.5%	156.5	136.7
Income from continuing operations	+22.1%	107.0	87.6
Income from discontinued operations	-	-	-
Income for the period	+22.1%	107.0	87.6

Note 4: Operating segments

1 - General principles

The rules applicable to the presentation of operating segments are defined in Note 1 paragraph 7 of the Accounting methods and principles in IFRS standards.

2 - Information according to business segment

The internal information made available to Vilmorin & Cie's Executive Committee, the "Chief Operating Decision-Maker", corresponds to the managerial organization of the company which is based on segmentation according to activity.

Consequently, the operating segments, as defined by the standard IFRS 8, are the business segments on which Vilmorin & Cie operates.

Existing operating segments on June 30, 2013 were as follows:

- Vegetable seeds
- Field seeds
- Garden products

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 & Cie which implicitly ignore inter-segment operations since they are not considered to be very significant.

2.1 - Information concerning fiscal year 2012-2013

	Vegetable seeds	Field seeds	Garden products	Holdings	Unallocated	Total
Revenue from ordinary activities	544.9	846.8	79.3	1.0	-	1,472.0
Operating income	82.3	83.5	-2.8	-6.5	-	156.5
Income from continuing operations	53.4	69.6	-3.0	-13.0	-	107.0
Income from discontinued operations	-	-	-	-	-	-
Total consolidated net income	53.4	69.6	-3.0	-13.0	-	107.0
Non-current assets	432.4	722.1	15.5	50.8	-	1,220.8
> Including investments for the period	99.9	109.7	2.0	43.9	-	255.5
Current assets	458.8	506.4	40.7	263.5	-	1,269.4
Total assets	891.2	1,228.5	56.2	314.3	-	2,490.2
Equity (1)	-	-	-	-	1,150.3	1,150.3
Non current liabilities	84.4	75.0	2.2	478.4	-	640.0
Current liabilities	208.5	319.3	42.0	130.1	-	699.9
Total liabilities	292.9	394.3	44.2	608.5	1,150.3	2,490.2

2.2 - Informations concerning fiscal year 2011-2012

	Vegetable seeds	Field seeds	Garden products	Holdings	Unallocated	Total
Revenue from ordinary activities	527.2	728.7	80.8	1.3	-	1,338.0
Operating income	76.8	73.9	-1.6	-11.4	-	137.7
Income from continuing operations	51.3	55.5	-1.9	-17.8	-	87.1
Income from discontinued operations	-	-	-	-	-	-
Total consolidated net income	51.3	55.5	-1.9	-17.8	-	87.1
Non-current assets	408.4	682.3	15.9	39.4	-	1,146.0
> Including investments for the period	85.0	97.4	3.1	78.5	-	264.0
Current assets	438.2	491.9	38.1	204.0	-	1,172.2
Total assets	846.6	1,174.2	54.0	243.4	-	2,318.2
Equity (1)	-	-	-	-	1,121.9	1,121.9
Non current liabilities	95.0	73.6	2.5	361.5	-	532.6
Current liabilities	231.7	259.5	37.8	134.7	-	663.7
Total liabilities	326.7	333.1	40.3	496.2	1,121.9	2,318.2

⁽¹⁾ The line "Equity" for all Vilmorin & Cie's companies is not broken down per business segment.

Note 5: Revenue from ordinary activities

1 - Analysis by nature

In millions of Euros	Variation (%)	12-13	11-12
Sales of goods	+9.9%	1,415.4	1,287.9
Sales of services	+19.0%	6.9	5.8
Royalties received	+12.2%	49.7	44.3
Total	+10.0%	1,472.0	1,338.0

The rules applied for the recording and evaluation of revenue from ordinary activities appear in Note 1 paragraph 24 of the "Accounting methods and principles in IFRS standards".

2 - Analysis by geographical area

The geographical analysis of sales of goods and finished products is as follows:

In millions of Euros	Variation (%)	12-13	11-12
Europe	+8.1%	744.0	688.3
Americas	+16.0%	417.3	359.6
Asia and Oceania	+0.9%	121.8	120.7
Africa and Middle East	+10.9%	132.3	119.3
Total	+9.9%	1,415.4	1,287.9

3 - Analysis by product

Analysis according to product families is as follows:

In millions of Euros	Variation (%)	12-13	11-12
Vegetable and flower seeds	+5.5%	472.5	448.0
Other field seeds	+17.8%	766.1	650.1
Forage and lawn seeds	-9.5%	37.3	41.2
Garden products	-6.1%	88.0	93.7
Other products	-6.2%	51.5	54.9
Total	+9.9%	1,415.4	1,287.9

4 - Revenue from ordinary activities at constant exchange rates

With constant exchange rates for the period, the revenue for ordinary activities for the previous fiscal year would have come to 1,343.3 million Euros as opposed to 1,472 million Euros for this fiscal year, an increase of 9.6%.

Note 6: Personnel costs

1 - Evolution of personnel costs

Total	351.2	320.3
Profit-sharing schemes	7.0	7.4
Social charges	90.2	82.0
Gross salaries	254.0	230.9
In millions of Euros	12-13	11-12

2 - Further information

Bearing in mind the seasonal nature of its business, Vilmorin & Cie discloses information on its permanent headcount and its average annual headcount.

2.1 - Average annual headcount

2.1.1 Analysis by geographical area

	12-13	11-12
France	2,288	2,178
Non-France	4,400	4,211
Total	6,688	6,389

2.1.2 Analysis by employee status

)
Total	6,688	6,389
Non-management	5,015	4,834
Management	1,673	1,555
	12-13	11-12
		\

2.2 - Permanent headcount at the end of the fiscal year

2.2.1 Analysis by geographical area

	12-13	11-12	
France	1,953	1,859	
Non-France	4,126	3,781	
Total	6,079	5,640	
)	

2.2.2 Analysis by employee status

		\
	12-13	11-12
Management	1,650	1,525
Non-management	4,429	4,115
Total	6,079	5,640

2.2.3 Analysis by function

	12-13	11-12
Administration	901	828
Research	1,657	1,461
Agronomic production and factory	1,533	1,419
Sales and marketing	1,988	1,932
Total	6,079	5,640

Note 7: Provisions for the depreciation and amortization and impairment of tangible and intangible fixed assets

Movements on provisions

		1
In millions of Euros	12-13	11-12
Provisions for intangible fixed assets		
> Development programs(1)	-110.6	-100.8
> Other intangible fixed assets	-8.8	-6.9
Sub-total	-119.4	-107.7
Provisions for tangible fixed assets	-26.2	-23.7
Total	-145.6	-131.4

⁽¹⁾ The increase in provisions concerning development costs is an indication of the intensification of investment in research.

Note 8: Research and development costs

1 - Evolution of costs

		1
In millions of Euros	12-13	11-12
Development programs activated during the period	131.4	119.0
Provisions for the amortization of development programs recorded as fixed assets	-110.6	-100.8
Total research and development costs	-180.9	-161.5
Tax relief for research	23.2	25.6
Net costs for the year	-136.9	-117.7

Vilmorin & Cie records the cost of its development programs in the conditions set out in Note 1 paragraph 9 of the "Accounting methods and principles in IFRS standards".

Research and development costs which fail to meet these conditions are recorded directly as charges for the fiscal year.

2 - Further information

2.1 - Net increase in activated research and development costs:

In millions of Euros	12-13	11-12
Costs identified and recorded as intangible fixed assets (cf. Note 15)	131.4	119.0
Provisions for amortization	-110.6	-100.8
Net increase in activated research and development costs	20.8	18.2

It is important to note that out of a total investment in research and development of 180.9 million Euros, only 131.4 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 19.4 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	12-13	11-12
Effect on the income for the period	20.8	18.2
Effect on amortization and depreciation	110.6	100.8
Effect on the cash flow	131.4	119.0
Effect on the investment flows	-131.4	-119.0
Total	-	<u> </u>
	\	1

3 - Treatment of French tax relief on research

Since the implementation of the new French system for tax relief on research (CIR) based only on a volume percentage of eligible research expenses made, this tax relief is 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 this tax relief 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 statement.

In terms of presentation, this tax relief on research, recorded as a subsidy and deducted from the research costs in the income statement, must be recorded as immediate income, as far as the part concerning expenses recorded in the charges is concerned; 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.

Note 9: Other operating income and charges

1 - Evolution

12-13	11-12
-1.2	-4.5
0.1	-0.2
4.8	0.8
0.8	0.2
-1.9	-2.8
-4.5	-1.9
7.7	2.1
5.8	-6.3
	-1.2 0.1 4.8 0.8 -1.9 -4.5 7.7

2 - Further information

2.1 - On operations for fiscal year 2012-2013

2.1.1 Impairment of fixed assets

These mainly concern:

In millions of Euros	Company	Amount
Avesthagen licenses	Atash Seeds	-3.0
Vita brand	Clause SA	-0.6
Axapta software	Vilmorin & Cie	-0.5
Goodwill	Vilmorin SA	-0.4
Total		-4.5

2.1.2 Income from the sale of consolidated securities

This concerns 4.8 million Euros of capital gains made on the sale of Genective securities, with a change in the consolidation method.

2.1.3 Other charges and income

In particular, these concern the 4.9 million Euros increase in value of the Genective securities retained, and insurance claims.

2.2 - On operations for fiscal year 2011-2012

2.2.1 Litigation

This mainly concerns who pays for the deductible with regard to the Vilmorin & Cie's insurance franchise:

In millions of Euros	Amount
Harris Moran Seed	-1.6
Limagrain Cereal Seeds	-0.9
Vilmorin SA	-0.3
Clause India	-0.3
Vilmorin Jardin	-0.3
Various other companies	-1.1
Total	-4.5

2.2.2 Reorganization costs

These mainly concern:

In millions of Euros	Amount
Clause SA	-1.1
Limagrain Europe SA	-1.2
Various other companies	-0.5
Total	-2.8

Note 10: Interest costs

1 - Evolution

In millions of Euros	12-13	11-12
Interest on loans and bank overdrafts	-20.6	-22.2
Interest on financial leasing agreements	-	- 0.1
Losses and gains of fair value on hedging instruments ⁽¹⁾	0.5	0.7
Losses and gains on the disposal of hedging instruments (2)	-4.1	-3.6
Cash income	4.1	4.1
Miscellaneous	-0.3	-0.2
Total	-20.4	-21.3
·		

⁽¹⁾ This figure concerns variation in the fair value of derivatives that do not qualify for hedging as defined by IAS 39.

2 - Further information

The total funding costs can be broken down as follows:

		\
In millions of Euros	12-13	11-12
Interest charges	-28.5	-26.4
Interest income	8.1	5.1
Total	-20.4	-21.3
)

Note 11: Other financial income and charges

1 - Evolution

In millions of Euros	12-13	11-12
Gains or losses on the sales of unconsolidated securities, profits and losses from winding up business, income from consolidation exits	-	2.7
Interest income	2.2	0.1
Interest charges	-1.4	-1.5
Provisions for the impairment of securities and other financial assets (1)	-2.4	3.3
Provisions for risks and other financial charges (2)	-4.2	-
Gains or losses on currency translation	-0.9	-9.0
Other financial gains and losses	-0.8	-0.6
Total	-7.5	-5.0

⁽¹⁾ A provision of 2.3 million Euros on Arcadia Biosciences securities has been recorded.
(2) A provision for a risk on a financial guarantee, previously declared as an off balance sheet commitment has been recorded since it has been noted that the subsidiary concerned is in deficit.

2 - Further information

On operations for fiscal year 2011-2012

In millions of Euros	
Gains or losses on the sales of unconsolidated securities, profits and I mergers, income from consolidation exits mainly concern:	osses from
Winding up of LCE SRL	-2.3
Winding up of Flora Geissler	-0.3
Consolidation exit of Limagrain Romania	-0.3
Consolidation exit of Limagrain Genetics Inc (1)	5.3
Miscellaneous	0.3
Total	2.7

⁽¹⁾ Income from the consolidation exit is largely offset by a currency translation loss of 5.1 million Euros.

Note 12: Income taxes

1 - Evolution

lotai	-23.3	-20.1
Total	-23.3	-26.1
Deferred taxes	5.4	-6.3
Current taxes	-28.7	-19.8
In millions of Euros	12-13	11-12

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

The increase in current taxes is mainly due to the increase in business activity and therefore the tax bases, particularly in Europe and in the United States.

⁽²⁾ Impact of the drop in interest rates on the portfolio of hedging instruments.

2.2 - Fiscal integration operations (tax pooling)

Since the company Limagrain Europe has been held more than 95% by the company Vilmorin & Cie as of July 1, 2012, the Limagrain Europe fiscal integration group has ceased to function.

In order to avoid any failure in the application of the fiscal integration system, it was decided that as of July 1, 2012, the member companies of the group wound up, namely Limagrain

Europe and Limagrain Central Europe, should be included in the fiscal integration for which Vilmorin & Cie is the integrating parent company.

This fiscal integration system is described in article 223 A of the French tax code for French parent companies and their French subsidiaries controlled by at least 95%.

Integrating company	Member companies	Effective date
	Clause SA	July 1, 2000
	Vilmorin Jardin SA	July 1, 2000
Vilmorin & Cie	Vilmorin SA	July 1, 2010
	Limagrain Europe SA	July 1, 2012
	Limagrain Central Europe SE	July 1, 2012

Moreover, provisions for fiscal integration also exist in the United States:

Integrating company	Member companies	Countries
Vilna avim LICA	Vilmorin Inc	Haitad Chataa
Vilmorin USA	Harris Moran Seeds	United States

2.3 - Current taxes

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.

2.4 - Tax rate applicable

The basic rate for income (corporation) tax in France is $33^{1/3}\%$ to which an additional contribution of 1.1% must be added (article 235 ter ZC of the French General Taxation Code).

A comparison between the recorded income tax charge and the theoretical income tax charge is as follows:

		\
As a %	12-13	11-12
Theoretical tax rate	34.43	34.43
Non-deductible charges and other non-taxable profits	-2.52	-1.63
Tax credit and relief	-0.77	-0.51
Untaxed income deficits and taxation rate differentials	-13.05	-8.82
True tax rate	18.09	23.47

2.5 - Details of tax receivables and debts due

		\
In millions of Euros	12-13	11-12
Tax receivables due	50.4	51.0
Tax debts due	-19.6	-7.4
Net total	30.8	43.6

2.6 - Information on tax deficits

On June 30, 2013, the situation of tax deficits for Vilmorin & Cie was as follows:

la millione of Famo	Total (Total deficits		Of which usable deficits	
In millions of Euros	France	Other	France	Other	
Deficits with limited carry forward	-	10.3	-	0.8	
Deficits with unlimited carry forward	78.3	8.7	71.5	3.1	
Total	78.3	19.0	71.5	3.9	

Deferred tax assets corresponding to the usable deficits, and not recorded in the accounts, amount to 13.6 million Euros.

Note 13: Earning per share

• Earning per share attributable to the controlling company is calculated on the basis of the weighted average number of Vilmorin & Cie shares in circulation during the fiscal year.

The evolution of the earning per share is as follows:

• Earning per share:

In Euros	12-13	11-12
Attributable to the controlling company in continuing operations	99,370,839	80,603,026
Attributable to the controlling company in discontinued operations	-	-
Attributable to the controlling company in the consolidated income	99,370,839	80,606,026
Number of Vilmorin & Cie shares excluding treasury shares	18,936,127	17,217,020
Earnings from continuing operations for one share	5.25	4.68
Earnings from discontinued operations for one share	-	-
Earnings per share	5.25	4.68

• Diluted earnings per share:

The earnings used for this calculation take into account savings on financial charges net of taxes which would be made by Vilmorin & Cie if OCEANE bonds and equity notes were converted and the ensuing change in the number of shares.

		\
In Euros	12-13	11-12
Attributable to the controlling company in continuing operations before conversion	99,370,839	80,603,026
Impact on the income attributable to the controlling company of the conversion of OCEANE bonds	6,915,238	6,859,824
Impact on the income attributable to the controlling company of the conversion of ORA bonds	-5,515,074	-3,903,375
Income attributable to the controlling company in continuing operations after conversion	100,771,003	83,559,475
Income attributable to the controlling company in discontinued operations after conversion	-	-
Income attributable to the controlling company in the consolidated income after conversion	100,771,003	83,559,475
Number of shares held by Vilmorin & Cie excluding treasury shares	18,936,127	17,217,020
Creation of new shares after conversion of OCEANE bonds	1,140,556	958,558
Number of shares held by Vilmorin & Cie after conversion of OCEANE bonds excluding treasury shares	20,076,683	18,175,578
Earnings from continuing operations for one share	5.02	4.60
Earnings from discontinued operations for one share	-	-
Diluted earnings per share	5.02	4.60

Dividends paid out per share

	Dividends distributed in December 2012	Dividends distributed in December 2011
Amount distributed	€28,409,866.65	€25,819,218.00
Details	€1.65 x 17,218,101 shares	€1.50 x 17,212,812 shares

Note 14: Goodwill

1 - Principles of evaluation and impairment of goodwill

1.1 - Evaluation of 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 year 2012-2013 is provisional in nature, and is liable to be adjusted during fiscal year 2013-2014.

1.2 - Goodwill impairment tests

Vilmorin & Cie carried out impairment tests on its goodwill on June 30, 2013 for all the Cash Generating Units (CGUs) with which goodwill is associated, with the exception of goodwill from acquisitions made in 2013 for which acquisition cost had not been finalized on June 30, 2013 and therefore 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).

CGUs comprise groups of legal entities forming units with centralized management. Each Operating Segment thus comprises one or several CGUs running their business autonomously with regard to each other.

The following hypotheses, considered to be key, have been used to calculate the discounted value of the provisional cash flow for the CGUs:

- O Number of years of provisional data: 5 years
- Rate of growth: 2%.
- Discount rate after taxes: different rates have been adopted for each CGU. They vary from 5.5% to 14.8% depending on zones.

Rate of growth is fixed according to Vilmorin & Cie's past experience, along with an analysis of the data used by companies from the same business sector. Discount rates are based on market data

These tests have not resulted in any identified needs for impairment.

For one of the CGUs within the Operating Sectors for Field seeds, the recoverable value stood at a lower value that that of the assets. However it would appear to be premature to record an impairment on this CGU in start-up phase, particularly in view of investments made, market perspectives and ongoing synergies.

For the other CGUs, the sensitivity analyses carried out show that the use of discount rates higher by one percentage point, or growth rates for the normative year lower by one percentage point, 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.

2 - Evolution of net book values

2.1 - Gross values

In millions of Euros	
06.30.11	322.1
Acquisitions and increases	2.1
Impact of minority redemption commitments	1.1
Exits	-
Allocation of goodwill	-0.8
Variations in scope	20.2
Reclassifications	-0.5
Currency translations	0.4
06.30.12	344.6
Acquisitions and increases	1.3
Impact of minority redemption commitments	3.8
Exits	-0.9
Allocation of goodwill	-
Variations in scope	16.1
Reclassifications	0.1
Currency translations	-9.9
06.30.13	355.1

2.2 - Impairments

In millions of Euros	
06.30.11	10.5
Exits	-
Impairments	0.1
Variations in scope	-
Reclassifications	-0.1
Currency translation	1.1
06.30.12	11.6
Exits	-
Impairments	0.4
Variations in scope	-
Reclassifications	-
Currency translation	-0.4
06.30.13	11.6

2.3 - Net values

In millions of Euros	
06.30.11	311.6
06.30.12	333.0
06.30.13	343.5

3 - Further information

3.1 - Analysis by business segments

		1
In millions of Euros	12-13	11-12
Vegetable seeds	36.4	28.6
Field seeds	294.1	291.0
Garden products	5.3	5.3
Holdings	7.7	8.1
Total net of impairments	343.5	333.0

3.2 - Variations in scope

Variations in scope concern the following operations:

In millions of Euros	Total
FISCAL YEAR 12-13(1)	
Century Seeds	9.1
Link Seed	5.3
Genective	1.7
Total	16.1
FISCAL YEAR 11-12	
Bisco Bio Sciences	17.4
Brasmilho	3.0
Investigacion Trigo	-0.2
Total	20.2

⁽¹⁾ It should be noted that the allocation of goodwill is provisional until the end of a twelve-month period in compliance with IFRS 3.

3.3 - Impact of minority redemption commitments

These concern the companies:

In millions of Euros	TOTAL
FISCAL YEAR 12-13	
Link Seed	3.8
Total	3.8
FISCAL YEAR 11-12	
Brasmilho	0.9
Mikado Seed Holding	0.2
Total	1.1

Note 15: Other intangible fixed assets

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	Research costs	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.11	-	751.0	230.8	40.7	44.5	37.2	5.4	3.9	1,113.5
Acquisitions and increases	-	119.0	1.1	0.7	1.1	0.1	-	4.3	126.3
Exits	-	-	-	-0.1	-2.0	-0.1	-	-	-2.2
Variations in scope	-	-	3.0	-	-	-	-	-	3.0
Currency translations	-	14.4	3.4	0.8	-0.1	0.9	0.2	-	19.6
Reclassifications	-	-	-	2.6	0.3	-	-	-2.7	0.2
06.30.12	-	884.4	238.3	44.7	43.8	38.1	5.6	5.5	1,260.4
Acquisitions and increases	-	131.4	6.9	0.4	1.8	-	0.2	5.5	146.2
Exits	-	-	-	-	-0.4	-	-	-	-0.4
Variations in scope	4.9	-	0.9	-	-1.0	-	0.2	-	5.0
Currency translations	-	-6.9	-2.7	-0.2	-0.6	-0.3	-0.1	-	-10.8
Reclassifications	-	-0.8	2.4	1.2	0.3	-	-0.8	-4.0	-1.7
06.30.13	4.9	1,008.1	245.8	46.1	43.9	37.8	5.1	7.0	1,398.7

1.2 - Amortization and impairments

In millions of Euros	Research costs	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.11	-	550.3	2.5	32.4	32.7	5.4	3.1	-	626.4
Provisions / Impairments	-	100.8	-	3.1	2.7	0.1	1.0	-	107.7
Exits	-	-	-	-0.1	-1.6	-	-	-	-1.7
Variations in scope	-	-	-0.6	-	-	-	-	-	-0.6
Currency translations	-	10.8	-	0.7	0.2	-	-	-	11.7
Reclassifications	-	-	-	-0.5	-	-	-	-	-0.5
06.30.12	-	661.9	1.9	35.6	34.0	5.5	4.1	-	743.0
Provisions / Impairments	-	110.6	-	3.1	3.6	0.6	1.0	0.5	119.4
Exits	-	-	-	-0.1	-0.3	-	-	-	-0.4
Variations in scope and others	-	-	-	-	-	-	0.2	-	0.2
Currency translations	-	-5.0	-	-0.1	-0.5	-	-	-	-5.6
Reclassifications	-	-0.5	-	-	-	-	-0.9	-0.5	-1.9
30.06.13	-	767.0	1.9	38.5	36.8	6.1	4.4	-	854.7

1.3 - Net values

In millions of Euros	Research costs	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.11	-	200.7	228.3	8.3	11.8	31.8	2.3	3.9	487.1
06.30.12	-	222.5	236.4	9.1	9.8	32.6	1.5	5.5	517.4
06.30.13	4.9	241.1	243.9	7.6	7.1	31.7	0.7	7.0	544.0

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
06.30.11 (net value)	1.1	2.4	3.5
New fixed assets	0.1	-	0.1
Fixed assets taken out	-0.1	-	-0.1
Currency translations	-	-	-
Reclassifications	-	0.1	0.1
Provisions for amortization	-0.3	-0.8	-1.1
06.30.12 (net value)	0.8	1.7	2.5
New fixed assets	0.1	-	0.1
Fixed assets taken out	-0.1	-	-0.1
Currency translations	-	-	-
Reclassifications	-	-	-
Provisions for amortization	-0.1	-0.7	-0.8
06.30.13 (net value)	0.7	1.0	1.7

2.2 - Impairment

An impairment test has been conducted in accordance with the methodology described in Note 1 paragraph 11 of "Accounting methods and principles in IFRS standards". The evolution is as follows:

In millions of Euros	Software	Patents and licenses	Germplasm	Brands	Other intangible fixed assets	Total
06.30.11	0.1	1.7	0.9	5.2	-	7.9
Fiscal year 11-12	-	1.7	-0.5	-	-	1.2
06.30.12	0.1	3.4	0.4	5.2	-	9.1
Fiscal year 12-13	0.1	2.4	-0.1	0.6	-	3.0
06.30.13	0.2	5.8	0.3	5.8	-	12.1

2.3 - Variations in scope

Variations in scope concern the following operations (net of amortization):

In millions of Euros	Total
FISCAL YEAR 12-13	
Genective	3.9
Century Seeds	0.9
Total	4.8

In millions of Euros	Total
FISCAL YEAR 11-12	
Brasmilho	1.6
Eurodur	1.2
Investigacion Trigo	-0.4
Total	2.4

2.4 - Analysis of germplasm by business segment

		\
In millions of Euros	12-13	11-12
Vegetable seeds	70.2	68.7
Field seeds	 173.7	167.7
Garden products	-	-
Holdings	-	-
Total net impairment	243.9	236.4

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
06.30.11	26.0	178.7	70.4	122.7	12.2	43.6	10.4	464.0
Acquisitions and increases	0.6	3.2	2.6	8.3	0.7	4.9	25.5	45.8
Exits	-	-0.6	-0.9	-2.8	-0.7	-1.6	-	-6.6
Variations in scope	-	0.8	-0.1	1.2	0.1	0.4	-	2.4
Currency translations	1.3	8.0	-	5.5	0.8	1.1	0.2	16.9
Reclassifications	1.6	7.1	1.0	8.0	0.5	-0.2	-13.4	4.6
06.30.12	29.5	197.2	73.0	142.9	13.6	48.2	22.7	527.1
Acquisitions and increases	2.9	11.1	8.1	7.3	0.7	4.5	23.5	58.1
Exits	-0.1	-0.2	-1.1	-0.8	-0.2	-2.0	-	-4.4
Variations in scope	0.2	0.3	-	0.6	-	1.3	-	2.4
Currency translations	-2.3	-6.0	0.4	-4.9	-0.5	-1.3	-0.7	-15.3
Reclassifications	0.8	9.5	8.8	1.7	0.3	7.1	-27.6	0.6
06.30.13	31.0	211.9	89.2	146.8	13.9	57.8	17.9	568.5

1.2 - Depreciation and impairments

In millions of Euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
06.30.11	2.1	84.6	48.8	90.6	9.9	29.5	-	265.5
Provisions / Impairments	0.2	7.2	3.7	7.7	1.0	3.9	-	23.7
Exits	-	-0.5	-0.8	-2.5	-0.7	-1.4	-	-5.9
Variations in scope	-	0.3	-	0.5	-	0.3	-	1.1
Currency translations	0.1	3.0	-0.1	3.7	0.6	0.9	-	8.2
Reclassifications	-	0.5	-0.1	3.5	0.1	-0.2	-	3.8
06.30.12	2.4	95.1	51.5	103.5	10.9	33.0	-	296.4
Provisions / Impairments	0.2	7.9	4.0	8.5	1.1	4.5	-	26.2
Exits	-	-0.2	-1.0	-0.7	-0.2	-1.4	-	-3.5
Variations in scope	-	-	-	0.1	-	0.9	-	1.0
Currency translations	-	-1.8	0.3	-2.9	-0.3	-0.9	-	-5.6
Reclassifications	-	-1.0	-0.4	-2.9	-0.2	1.5	-	-3.0
06.30.13	2.6	100.0	54.4	105.6	11.3	37.6	-	311.5

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
06.30.11	23.9	94.1	21.6	32.1	2.3	14.1	10.4	198.5
06.30.12	27.1	102.1	21.5	39.4	2.7	15.2	22.7	230.7
06.30.13	28.4	111.9	34.8	41.2	2.6	20.2	17.9	257.0

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	Office equipment	Other tangible fixed assets	Total
06.30.11	-	-	0.1	0.1
06.30.12	-	0.5	0.4	0.9
06.30.13	-	0.2	0.3	0.5

2.2 - Impairment

An impairment test has been conducted in accordance with the methodology described in Note 1 paragraph 11 of "Accounting methods and principles in IFRS standards". The evolution is as follows:

In millions of Euros	Installations, equipment and others	Constructions	Total
06.30.11	-	0.3	0.3
Fiscal year 11-12	-	-	-
06.30.12	-	0.3	0.3
Fiscal year 12-13	-	-	-
06.30.13	-	0.3	0.3

2.3 - Variations in scope

Variations in scope concern the following operations (net of amortization):

In millions of Euros	Total
FISCAL YEAR 12-13	
Century Seeds	0.2
Link Seed	0.9
Shanxi Limagrain	0.3
Total	1.4

In millions of Euros	Total
FISCAL YEAR 11-12	
Eurodur	-0.1
Bisco Bio Sciences	1.0
Brasmilho	0.4
Total	1.3

2.4 - Commitments on leasing contracts

In millions of Euros	Total	< 1 year	1 to 5 years	> 5 years
Direct financing lease	6.7	2.7	3.7	0.3
Simple lease contracts	35.9	9.8	20.2	5.9

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
06.30.11	27.1	3.5	7.1	37.7
Increases	0.6	-	1.3	1.9
Decreases	-0.1	-	-1.6	-1.7
Variations in scope	-	-	-	-
Currency translations	-	0.1	0.4	0.5
Reclassifications	-0.7	-1.5	0.1	-2.1
06.30.12	26.9	2.1	7.3	36.3
Increases	-	-	1.1	1.1
Decreases	-	-	-0.9	-0.9
Variations in scope	-	-	-	-
Currency translations	-0.1	-0.1	-0.2	-0.4
Reclassifications	-0.2	2.5	-	2.3
06.30.13	26.6	4.5	7.3	38.4

1.2 - Provisions

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.11	6.1	2.1	0.2	8.4
Provisions	-	-	-	-
Write-back	-0.9	-2.1	-	-3.0
Variations in scope	0.3	-	-	0.3
Currency translations	-	-	-	-
Reclassifications	-0.1	-	-	-0.1
06.30.12	5.4	-	0.2	5.6
Provisions	2.3	-	-	2.3
Write-back	-	-	-	-
Variations in scope	-	-	-	-
Currency translations	-	-	-	-
Reclassifications	-	-	-	-
06.30.13	7.7	-	0.2	7.9

1.3 - Net values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.11	21.0	1.4	6.9	29.3
06.30.12	21.5	2.1	7.1	30.7
06.30.13	18.9	4.5	7.1	30.5

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	06.30.13 Financial data in last known balance sheet		06.30.12		
Companies	% held	Net (in M€)	% held	Net (in M €)	Equity (in M€)	Result (in M€)
Boreal Finland	6.54	0.6	6.54	0.6	7.4	0.4
Avesthagen	4.60	0.0	4.60	0.0	Not available	Not available
Arcadia Biosciences	7.56	16.6	7.25	18.9	Not available	Not available
Miscellaneous		1.7		2.0	-	-
Total		18.9		21.5		

2.2 - Variations in scope

Variations in scope correspond to the following operations (net of provisions):

In millions of Euros	Total
FISCAL YEAR 12-13	
None	-
Total	-)

In millions of Euros	Total
FISCAL YEAR 11-12	
Limagrain Romania	-0.3
Total	-0.3

Note 18: Equity shares

1 - Details of equity shares

In millions of Euros	06.30.13	06.30.12	06.30.11
Australian Grain Technologies	11.4	10.8	8.2
Bio Seeds	3.1	3.4	3.8
DLF France	1.7	1.7	1.7
Unisigma	0.3	0.3	0.4
Genoplante Valor	1.4	1.4	1.8
Total	17.9	17.6	15.9
Variation for the fiscal year	0.3	1.7	

2 - Further information

Variation for the fiscal year corresponds to the items below:

In millions of Euros	12	-13	11-12	
Proportion of income for the fiscal year		1.7		1.8
> Australian Grain Technologies	1.9		2.0	
> Bioseeds	-0.3		-0.4	
> Genoplante Valor	-		0.1	
> DLF France	0.1		0.1	
> Unisigma	-		-	
Variation in scope, variation in percentages of interest and others		-		-0.5 (1)
Distributions		-0.2		-0.2
Currency translation		-1.2		0.6
Total		0.3		1.7

(1) For fiscal year 2011-2012:

3 - Financial information of the main equity shares

3.1 - For fiscal year 2012-2013

In millions of Euros	Bio Seeds ⁽¹⁾	DLF France	Unisigma	Genoplante Valor (1)	Australian Grain Technologies ⁽²⁾
Sales	17.8	21.7	2.8	0.5	15.6
Net income	-1.2	0.2	0.1	0.1	6.0
Assets	17.5	8.0	2.3	6.0	19.2
Liabilities (excluding equity)	3.7	2.9	1.7	2.4	4.5

[•] Reduction of our percentage in Genoplante Valor: - 0,5

⁽¹⁾ Accounts closed on December 31, 2012 (2) Accounts closed on September 30, 2012

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3.2 - For fiscal year 2011-2012

In millions of Euros	Bio Seeds ⁽¹⁾	DLF France	Unisigma	Genoplante Valor (1)	Australian Grain Technologies ⁽²⁾
Sales	12.8	22.2	3.0	0.5	10.1
Net income	-1.9	0.3	0.2	0.1	2.2
Assets	18.5	7.3	2.5	6.9	13.6
Liabilities (excluding equity)	3.5	2.3	1.8	3.4	2.8

(1) Accounts closed on December 31, 2011 (2) Accounts closed on September 30, 2011

Note 19: Inventories

1 - Evolution of net book values

In millions of Euros		06.30.13		06.30.12			06.30.11		
III IIIIIIIOIIS OI EUIOS	Gross value	Provision	Net value	Gross value	Provision	Net value	Gross value	Provision	Net value
Raw materials and other supplies	90.7	-5.7	85.0	77.8	-3.8	74.0	88.1	-3.5	84.6
Production in progress	117.8	-12.4	105.4	99.7	-10.7	89.0	84.8	-11.2	73.6
Goods	64.4	-7.0	57.4	64.2	-6.1	58.1	58.6	-6.2	52.4
Finished products	131.8	-27.2	104.6	113.9	-24.0	89.9	102.4	-23.0	79.4
Total	404.7	-52.3	352.4	355.6	-44.6	311.0	333.9	-43.9	290.0
Variation for the fiscal year			41.4			21.0			
	\								

2 - Further information

2.1 - Variations for the fiscal year correspond to the following items:

In millions of Euros	12-	13		11-12
Variations in scope (net of provisions)		2.1		1.8
Variations in gross values		61.1		6.7
Variations in provisions including:		-6.9		0.5
> New provisions	-36.8		-28.9	
> Provisions used	28.8		28.5	
> Provisions written back	1.1		0.9	
Reclassifications		-3.6		-
Currency translations		-11.3		12.0
Total		41.4		21.0

2.2 - Variations in scope concern:

In millions of Euros	Total
FISCAL YEAR 12-13	
Century Seeds	1.5
Link Seed	0.3
Shanxi Limagrain	0.3
Total	2.1
FISCAL YEAR 11-12	
Bisco Bio Sciences	1.0
Brasmilho	0.8
Total	1.8

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:

o On June 30, 2011: 13.1% o On June 30, 2012: 12.5% o On June 30, 2013: 12.9%

Note 20: Trade receivables

1 - Evolution of net book values

In millions of Euros	06.30.13	06.30.12	06.30.11
Customer receivables	418.4	411.0	360.5
Advance payment to suppliers	31.3	20.4	16.1
Personnel and social security	0.6	1.0	1.6
State, income taxes	50.4	51.0	33.1
Other tax receivables	39.1	47.9	33.5
Other operating receivables	17.2	18.7	38.5
Prepayments	14.6	13.5	11.2
Gross total	571.6	563.5	494.5
Customer receivables	-14.7	-13.3	-11.0
Advance payment to suppliers	-	-	-
Other operating receivables	-	-	-0.1
Total provisions	-14.7	-13.3	-11.1
Net book values	556.9	550.2	483.4
Variation for the fiscal year	6.7	66.8	

2 - Further information

2.1 - Variations for the fiscal year comprise the following main items:

In millions of Euros	12-13		11-12	
Variations in scope (net of provisions)		6.6		2.3
Variations in provisions including:		-1.7		-2.0
> New provisions	-6.2		-5.8	
> Provisions used	1.7		1.4	
> Provisions written back	2.8		2.4	
Other variations		23.5		48.7
Reclassifications		-		2.6
Currency translations		-21.7		15.2
Total		6.7		66.8

2.2 - Variations in scope concern:

In millions of Euros	Total
FISCAL YEAR 12-13	
Century Seeds	1.2
Link Seed	3.2
Shanxi Limagrain	0.9
Genective	1.3
Total	6.6

In millions of Euros	Total
FISCAL YEAR 11-12	
Bisco Bio Sciences	2.2
Investigacion Trigo	0.1
Total	2.3

Note 21: Cash and cash equivalents

1 - Evolution of fair values

In millions of Euros	06.30.13	06.30.12	06.30.11
Financial current accounts	2.1	1.8	2.8
Placement securities held for purposes of transaction	163.1	151.1	248.1
Cash and bank in hand	194.9	158.1	120.4
Total	360.1	311.0	371.3
Variation for the fiscal year	49.1	-60.3	
		,	

The evaluation rules applicable for this line are described in Note 1 paragraph 22 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Analysis of the variations for the fiscal year:

Total	-60.3
Reclassifications	0.4
Currency translations	9.8
Variation in gross values	-82.9
Variations in scope	12.4
FISCAL YEAR 11-12	
Total	49.1
Reclassifications	0.1
Currency translations	-9.1
Variation in gross values	53.2
Variations in scope	4.9
FISCAL YEAR 12-13	
In millions of Euros	Total

2.2 - Variations in scope concern:

In millions of Euros	Total
FISCAL YEAR 12-13	
Century Seeds	0.1
Link Seed	6.7
Shanxi Limagrain	0.2
Genective	-2.1
Total	4.9
FISCAL YEAR 11-12	
Bisco Bio Sciences	9.7
Brasmilho	2.0
Belgian Seed Company	0.2
Eurodur	0.8
Limagrain Genetics Inc	-0.6
Total	12.4

Note 22: Shareholders' equity - attributable to controlling company

1 - Composition of the shareholders' equity

In millions of Euros	06.30.13	06.30.12	06.30.11
Parent capital stock	288.8	262.6	262.6
Issue premium	350.5	350.5	350.5
Parent legal reserve	17.6	15.8	12.7
Other parent reserves	30.3	51.5	17.1
Consolidation reserves and others	263.0	240.1	217.2
Currency translation reserves	-23.8	5.8	-23.1
Income for the fiscal year	99.4	80.6	91.0
Total	1,025.8	1,006.9	928.0
Variation for the fiscal year	18.9	78.9	

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

2 - Further information

2.1 - Vilmorin & Cie's capital stock:

Vilmorin & Cie's capital stock comprises 18,939,911 shares, each with a nominal value of 15.25 euros. During the course of this past fiscal year it was increased by 26,257,602.50 Euros following the free allocation of 1,721,810 shares, through the incorporation of reserves, at the rate of one new share for every ten old shares held.

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 share capital 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 capital 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 6, 2008 Vilmorin & Cie 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 & Cie

Issuing company	Vilmorin & Cie
Date of entitlement	06.06.08
Number of bonds issued	958,579
Number of bonds in circulation	958,450 ⁽¹⁾
Issue premium	€155.96
Total income from the issue	€149.5 million
Interest rate	4.5% i.e. €7.0182 per bond
Due date	07.01.15 with possibility of early redemption on 07.01.13
Normal redemption conditions	1.19 Vilmorin & Cie share for 1 bond

⁽¹⁾ Since the issue date of the OCEANE bonds, a number of requests for conversion have been accepted, representing 21 OCEANE bonds in July 2010 and 108 in March 2013. Therefore on June 30, 2013, a total of 958,540 OCEANE bonds remain in circulation.

The impact of the OCEANE convertible bonds on the equity is as follows:

	Gross total of	Impact on the balance sheet		
In millions of Euros	OCEANE bonds	Debt component	Deferred taxes liabilities	Equity component
06.30.11	149.5	142.1	2.5	4.9
Restatement of the interest on the debt component in 2011-2012	-	3.6	-1.2	-2.4
06.30.12	149.5	145.7	1.3	2.5
Restatement of the interest on the debt component in 2012-2013	-	3.8	-1.3	-2.5
06.30.13	149.5	149.5	-	-

Note 23: Shareholders' equity—attributable to non-controlling minorities

1 - Composition of the shareholders' equity - attributable to non-controlling minorities

In millions of Euros	06.30.13	06.30.12	06.30.11
Consolidation reserve and others	122.2	107.9	104.5
Currency translation reserve	-5.3	0.6	-2.9
Income for the fiscal year	7.6	6.5	6.3
Total	124.5	115.0	107.9
Variation for the fiscal year	9.5	7.1)
		/	

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

2 - Further information

OCharacteristics of the bonds redeemable as shares (ORA) issued by Limagrain Europe:

Issuing company	Limagrain Europe
Date of entitlement	06.28.12
Number of ORA bonds issued	86 128
Issue premium	€647
Total income from the issue	€55.7 million
Interest rate	1.0%(1)
Due date	06.28.20
Normal redemption conditions	1 Limagrain Europe share for 1 bond

(1) The exact remuneration is 1.00% plus the amount of any dividend paid out per Limagrain Europe share for the last closed fiscal year.

The impact on the bonds redeemable as shares (ORA) is as follows:

	Gross total	Impact on the balance sheet		
In millions of Euros	of ORA bonds	Debts component	Deferred taxes liabilities	Equity component
06.30.11	-	-	-	-
Initialization of new Limagrain Europe ORA bonds	55.7	3.7	-1.3	53.3
06.30.12	55.7	3.7	-1.3	53.3
Restatement of the interest on the debt component	-	-0.4	0.1	0.3
06.30.13	55.7	3.3	-1.2	53.6

Note 24: Provisions for employee benefits

Provisions for employee benefits are analyzed as follows:

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06.30.13	06.30.12
10.1	9.5
0.7	0.6
11.2	13.5
22.1	23.6
22.1	23.6
0.0	0.0
22.1	23.6
-4.2	-1.7
17.9	21.9
	10.1 0.7 11.2 22.1 22.1 0.0 22.1 -4.2

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 year 2002-2003, the convention that applies to a certain number of Vilmorin & Cie'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 30, 2013 does not include the extra commitment of 0.4 million Euros.

© Commitments for "work medal" bonuses and other benefits mainly concern French companies.

- There are also multi-employer schemes which are accounted for in the same way as defined benefit schemes.
- A financial asset of 4.2 million Euros exists, and corresponds to provisions for employee benefits, mainly due to a pension scheme change in the United States, leading to the recording of an asset of 2.5 million Euros.

Vilmorin & Cie applies the "corridor" method (Cf. Note 1 paragraphe 16). Because of amendments to the standard IAS 19, for the next fiscal year Vilmorin & Cie will retroactively record a further provision of 27 million Euros, as well as the related deferred asset. This provision corresponds to the as yet unrecorded balance of past actuarial gains and losses and service costs, and will be recorded to offset equity. The impact on the previous income statement is being analyzed and should not be significant.

1 - Evolution over the course of the fiscal year

The evolution of the current value of obligations with regard to defined contribution schemes and other long-term benefits is as follows:

In millions of Euros	06.30.13	06.30.12
Current value of obligations at opening of the fiscal year	157.0	125.2
Cost of services rendered for the year (net of contributions)	3.2	3.1
Financial cost	6.5	7.1
Participants' contributions	0.3	0.3
Net actuarial losses or gains	5.3	16.2
Welfare services paid out	-6.9	-7.9
Cost of past services recorded	-3.9	-
Effect of liquidation / reduction of future services	0.2	-0.7
Currency translations and others	-6.9	13.7
Current value of obligations at close of the fiscal year	154.8	157.0

Evolution of the fair value of the assets of defined contribution schemes is as follows:

In millions of Euros	06.30.13	06.30.12
Fair value of forward assets at opening of the fiscal year	103.5	92.9
Expected returns on forward assets	6.1	6.3
Net actuarial losses or gains	6.5	-3.2
Employers' contributions	5.6	3.6
Participants' contributions	0.3	0.3
Welfare services paid out	-6.1	-6.5
Effect of liquidation / reduction of future services	-1.0	0.0
Currency translations and others	-4.9	10.1
Fair value of forward assets at close of the fiscal year	110.0	103.5
		/

1.1 - Further information

1.1.1 Information on the funding assets

Employee benefit assets do not include land and premises occupied by the companies of Vilmorin & Cie or any other assets used by Vilmorin & Cie.

The fair value of employee benefit assets does not include any securities issued by Vilmorin & Cie.

1.1.2 Information on the fair value of the assets

The fair value of employee benefit schemes is analyzed as follows:

Ordinary shares	46%
9 Bonds	44%
Real Estate	3%
Others	7%

1.1.3 Information on the true yield of the assets

The true yield of assets of benefit schemes was +12.6 million Euros in 2013 as opposed to +3.1 million Euros in 2012 excluding any currency translation impact.

2 - Reconciliation of assets and liabilities recorded on the balance sheet

Reconciliation of balance sheet data with the actuarial obligation concerning defined contribution schemes and other long-term benefits can be analyzed as follows on June 30, 2013:

		\
In millions of Euros	06.30.13	06.30.12
Adjusted value of the commitment	154.8	157.0
Fair value of assets of defined contributions plans	-110.0	-103.5
Deficit / (Surplus)	44.9	53.5
Unrecorded actuarial differences	-26.8	-31.0
Unrecorded costs of past services	- 0.2	-0.6
Others	0.0	0.0
Provisions for employee benefits	17.9	21.9
		/

2.1 - Further information

2.1.1 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.

2.1.2 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 post retirement health scheme that comes into effect after employment.

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.

2.1.3 Actuarians

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 schemes and other long-term benefits are analyzed as follows:

In millions of Euros	06.30.13	06.30.12
Cost of services rendered	3.5	3.4
Financial cost	6.5	7.0
Expected return on assets	-6.1	-6.4
Other charges	0.0	-
Recognized actuarial losses or gains	1.7	0.7
Cost of past services recognized	-3.5	0.1
Effect of liquidations / reductions	-0.3	-0.8
Total	1.8	4.0

4 - Actuarial hypotheses

The main actuarial hypotheses used to estimate the group's obligations are as follows:

Europe

As a %	Europe (except United Kingdom)		United Kingdom	
A5 d 70	2013	2012	2013	2012
Adjustment rate	0.45 to 3.60	3.30 to 4.10	4.50 to 4.55	4.70 to 5.30
Expected return on assets	0.45 to 3.60	4.00 to 5.00	4.50 to 4.55	5.46 to 5.90
Salaries progression rate	1.00 to 2.50	1.00 to 2.50	3.05	2.60
Pension fund inflation rate	1.50 to 2.00	1.50 to 2.00	2.30 to 3.35	1.90 to 2.90

Americas

As a %	2013	2012
Adjustment rate	4.70 to 8.00	4.20 to 7.00
Expected return on assets	7.50	7.50
Salaries progression rate	3.00 to 4.50	3.00 to 4.50
Pension fund inflation rate	0.00	0.00

Middle East and Asia

As a %	2013	2012
Adjustment rate	1.50 to 8.50	1.50 to 8.00
Expected return on assets	3.60 to 9.15	5.6
Salaries progression rate	3.50 to 10.00	0.00 to 6.09
Pension fund inflation rate	0.00	0.00

5 - Geographical analysis of rights

The geographical analysis of the adjusted value of rights is as follows:

		\
In millions of Euros	06.30.13	06.30.12
France	13.3	11.8
Europe (except France)	93.6	90.3
Americas	36.1	43.9
Middle East / Asia	11.8	11.0
Adjusted value of rights at the end of the fiscal year	154.8	157.0

6 - Schemes with defined contributions

	06.30.13			06.30.12
In millions of Euros	Schemes with defined contributions	Multi-employer schemes	Total schemes	Total schemes
Charges recorded in the income statement	3.1	1.0	4.1	3.7
Social contributions	-	-	-	-
Pre-paid charges	-	-	-	-
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
06.30.11	16.9	88.3	-2.9	-1.4
Variations in scope	-0.2	-0.1		
Variations influencing income	2.5	8.8	-6.3	
Reclassifications	-2.9	-3.0		
Variations influencing reserves	-0.3	-1.2		0.9
Currency translations	0.6	1.4		
06.30.12	16.6	94.2	-6.3	0.9
Variations in scope	-	-		
Variations influencing income	12.9	7.5	5.4	
Reclassifications	0.2	0.1		
Variations influencing reserves	-1.0	0.8		-1.8
Currency translations	-0.8	-1.4		
06.30.13	27.9	101.2	5.4	-1.8

The rules applied with regard to deferred taxes are described in Note 1 paragraph 19 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Variations in scope

Variations in scope concern:

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities
FISCAL YEAR 12-13		
None	-	-
Total	-	-
FISCAL YEAR 11-12		
Eurodur	-0.2	-
Investigacion Trigo	-	-0.1
Total	-0.2	-0.1

2.2 - Variations influencing reserves

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities	Net deferred taxes
FISCAL YEAR 12-13			
Hedges	-1.0	-	-1.0
Restatement of ORA bonds and OCEANE bonds	-	-	-
Change in tax rate on valuation gap	-	-0.9	0.9
Research costs	-	1.7	-1.7
Total	-1.0	0.8	-1.8
FISCAL YEAR 11-12			
Hedges	-0.2	-0.1	-0.1
Restatement of ORA bonds and OCEANE bonds	-	-1.3	1.3
Change in tax rate on valuation gap	-0.1	-0.2	0.1
Allocation of goodwill ⁽¹⁾	-	0.4	-0.4
Total des provisions	-0.3	-1.2	0.9

(1) Cf. Note 14 - 3.4

Note 26: Other current provisions

1 - Evolution of book values

		\	
In millions of Euros	06.30.13	06.30.12	06.30.11
Commercial litigation	1.6	2.0	1.7
Other risks and litigation	10.2	4.8	5.3
Reorganization costs	2.3	4.0	4.7
Employee benefits	-	-	0.1
Total	14.1	10.8	11.8
Variation for the fiscal year	3.3	-1.0	
		/	

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".

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2 - Further information

2.1 - Variations for the fiscal year include the following items:

In millions of Euros		
FISCAL YFAR 12-13		
Variations in scope		_
Variations in provisions		3.5
> Provisions for the fiscal year	7.9	0.0
> Write-back used	-3.2	
> Write-back not used	-1.2	
Reclassifications		-0.1
Currency fluctuations		-0.1
Total		3.3
FISCAL YEAR 11-12		
Variations in scope		0.2
Variations in provisions		-1.2
> Provisions for the fiscal year	4.2	
> Write-back used	-3.1	
> Write-back not used	-2.3	
Reclassifications		-0.1
Currency fluctuations		0.1
Total		-1.0

2.2 - Variations in scope concern the following operations:

In millions of Euros	Total
FISCAL YEAR 12-13	
None	-
Total	-
FISCAL YEAR 11-12	
Limagrain Romania	0.2
Total	0.2

Note 27: Current and non-current financial debts

1 - Composition of the financial debts

1.1 - Non-current financial debts

In millions of Euros	06.30.13	06.30.12	06.30.11
Bank loans	229.0	249.5	279.6
Debt component of the bonds redeemable as shares (ORA) (1)	2.9	3.3	-
Debt component of the OCEANE convertible bonds (2)	149.5	145.7	142.1
Minority redemption commitments	4.9	12.0	16.3
Derivatives (3)	-0.7	2.9	2.8
Lease/hire purchase	0.5	0.7	0.1
Other financial debts	130.6	0.7	1.0
Total	516.7	414.8	441.9
Variation for the fiscal year	101.9	-27.1	

(1) cf. Note 23 (2) cf. Note 22 (3) cf. Note 30

1.2 - Current financial debts

In millions of Euros	06.30.13	06.30.12	06.30.11
Bank loans	163.1	201.7	154.6
Debt component of the bonds redeemable as shares (ORA) (1)	0.4	0.4	-
Lease/hire purchase	0.2	0.2	0.1
Derivatives (2)	-0.6	-0.8	-0.8
Current accounts	2.8	3.1	37.0
Other financial debts	6.3	0.3	1.5
Interest incurred	8.2	7.0	7.2
Total	180.4	211.9	199.6
Variation for the fiscal year	-31.5	12.3	

(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	06.30.13	06.30.12	06.30.11
Non-current financial debts	516.7	414.8	441.9
Current financial debts	180.4	211.9	199.6
Cash and bank in hand (cf. Note 21)	-360.1	-311.0	-371.3
Net financial debts	337.0	315.7	270.2
Variation for the fiscal year	21.3	45.5	

The rules applied for recording financial debts are described in Note 1 paragraphs 21.3, 21.4 and 23 of the "Accounting methods and principles in IFRS standards".

2 - Further information

2.1 - Analysis of the evolution of the financial debt

2.1.1 The main variations in financial indebtedness are as follows:

In millions of Euros	Non-current financial debts	Current financial debts	Total
06.30.11	441.9	199.6	641.5
Increase	17.2	-	17.2
Decrease	-1.0	-43.0	-44.0
Variations in scope	-	3.0	3.0
Currency translations	1.6	4.3	5.9
Reclassifications	-47.6	47.6	-
Restatement of the OCEANE convertible bonds (1)	3.6	-	3.6
Restatement of the shares redeemable as shares (ORA) (2)	3.3	0.4	3.7
Restatement of derivatives	0.1	-	0.1
Minority redemption commitment	-4.3	-	-4.3
06.30.12	414.8	211.9	626.7

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In millions of Euros	Non-current financial debts	Current financial debts	Total
Increase	165.6	-	165.6
Decrease	-13.3	-69.3	-82.6
Variations in scope	-	1.2	1.2
Currency translations	-0.6	-6.1	-6.7
Reclassifications	-42.5	42.5	-
Restatement of the OCEANE convertible bonds (1)	3.8	-	3.8
Restatement of the shares redeemable as shares (ORA) (2)	-0.4	-	-0.4
Restatement of derivatives	-3.6	0.2	-3.4
Minority redemption commitment	-7.1	-	-7.1
06.30.13	516.7	180.4	697.1

(1) Cf. Note 22 / (2) Cf. Note 23

2.1.2 Variations in scope concern:

In millions of Euros	Non-current financial debts	Current financial debts	Total
FISCAL YEAR 12-13			
Century Seeds	-	0.7	0.7
Limagrain Nederland Holding	-	0.5	0.5
Total	-	1.2	1.2
FISCAL YEAR 11-12			
Eurodur	-	0.8	0.8
Bisco Bio Sciences	-	2.2	2.2
Total	-	3.0	3.0

2.2 - Information on the debenture loan

This loan has the following characteristics:

Issuer	Vilmorin & Cie (OCEANE) (1)
Date of issue	06.06.08
Amount involved	€149.5 million
Due date (bullet amortization)	07.01.15
Possibility of early redemption	07.01.13
Interest rate	4.50%

(1) Cf. Note 22

2.3 - Information on bank loans

The main medium- and long-term bank loans have been granted, in the form of syndicated loan agreements, by a banking syndicate. In March 2013 Vilmorin & Cie set up medium-term credit known as "Schuldschein" with a value of 130 million Euros.

The different loans involve default clauses concerning the respect of certain ratios tested every year that, in certain conditions, are liable to lead to their being payable earlier than planned.

The characteristics are as follows:

Original amount of the loan	€300 million	€130 million
Ompany to which the loan was granted	Vilmorin & Cie (1)	Vilmorin & Cie (2)
Outstanding		
• 06.30.12	€202.5 million	-
• 06.30.13	€180 million	€130 million
	Euribor + margin	Fixed and variable
Collateral granted	No	No
	Yes	Yes

⁽¹⁾ Vilmorin & Cie: no collateral has been granted. Following the implementation of a new syndicated credit in October 2010, the authorized and confirmed credit line stood at 255 million Euros, of which 75 million Euros were not used on June 30, 2013. There are covenants based on Vilmorin & Cie's consolidated financial statements.

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
06.30.13			
Financial debts with fixed rate	233.8	60.5	294.3
Financial debts with variable rate	282.9	119.9	402.8
Total	516.7	180.4	697.1
06.30.12			
Financial debts with fixed rate	191.9	73.3	265.2
Financial debts with variable rate	222.9	138.6	361.5
Total	414.8	211.9	626.7

Taking hedge rates into account, financial debts with variable rate were covered up to 30 million Euros at the end of June 2013.

⁻ Financial debts over EBITDA

⁻ EBITDA over financial costs (2) Vilmorin & Cie: no collateral has been granted. The covenants are identical to those of the above syndicated loan agreement.

⁽³⁾ The above-mentioned covenants were respected for fiscal year 2012-2013.

Note 28: Accounts payable

1 - Evolution of the book values

In millions of Euros	06.30.13	06.30.12	06.30.11
Suppliers and other accounts payable	204.7	180.8	172.7
Debts on the acquisition of fixed assets	12.8	12.5	12.3
Advance payments received from customers	3.2	2.1	1.7
Social security	62.0	56.9	56.0
Taxes	29.4	20.0	27.6
Other operating debts	156.5	132.2	106.7
Other non-operating debts	2.5	1.6	1.1
Total	471.1	406.1	378.1
Variation for the fiscal year	65.0	28.0	

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

Variation for the fiscal year includes the following main items:

	`	\
In millions of Euros	12-13	11-12
Variations in scope	26.7	2.7
Other variations	60.8	10.0
Currency translations	-22.5	15.3
Total	65.0	28.0
)

Variations in scope concern:

In millions of Euros	Total
FISCAL YEAR 12-13	
Century Seeds	1.6
Link Seed	2.1
Shanxi Limagrain	1.7
Genective	0.4
Limagrain Nederland Holding	20.9
Total	26.7

In millions of Euros	Total
FISCAL YEAR 11-12	
Bisco Bio Sciences	2.2
Brasmilho	0.5
Limagrain Genetics Inc	0.2
Investigacion Trigo	-0.1
VCC Seeds Israël	-0.1
Total	2.7

Almost all the debts for suppliers and accounts payable are due within one year.

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).

Note 29: Deferred income

1 - Evolution of book values

		1	
In millions of Euros	06.30.13	06.30.12	06.30.11
Total	34.3	34.9	25.6
Variation for the fiscal year	-0.6	9.3	

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:

12-13	11-12
-0.8	-0.2
-2.4	-
0.6	-0.2
-	8.1
2.0	1.6
-0.6	9.3
	-0.8 -2.4 0.6 -

Note 30: Financial instruments

1 - Financial instruments by category

	06.30).13	Analysis by category of instruments					
In millions of Euros	Value on the balance sheet	Fair value	Assets held for sale	Loans and receivables	Debts at amortized cost	Derivatives	Non financial (1	
Financial assets	30.5	30.5	18.9	11.6				
Customers and other receivables	556.9	556.9		420.9			136.0	
Cash and cash equivalents	360.1	360.1		360.1				
Financial assets	947.5	947.5	18.9	792.6			136.0	
Non-current financial debts	516.7	516.7			517.3	-0.6		
Current financial debts	180.4	180.4			181.0	-0.6		
Suppliers and other payables	505.4	505.4			471.1		34.3	
Financial liabilities	1,202.5	1,202.5			1,169.4	-1.2	34.3	

ir value 30.7 550.2	Assets held for sale 21.5	Analysis Loans and receivables 9.2 416.4	by category of instr Debts at amortized cost	numents Derivatives	Non financial (1)
30.7	for sale	receivables 9.2		Derivatives	Non financial (1)
	21.5				
550.2		116.1			
		410.4			133.8
311.0		311.0			
891.9	21.5	736.6			133.8
414.8			411.9	2.9	
211.9			212.7	-0.8	
441.0			406.1		34.9
007.7			1,030.7	2.1	34.9
	211.9	211.9 441.0	211.9	211.9 212.7 441.0 406.1	211.9

⁽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 & Cie 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 30, 2013, the derived financial instruments set up by Vilmorin & Cie to manage its risks can be analyzed as follows:

2.1 - Information regarding currency exchange risks

2.1.1 Objectives

Vilmorin & Cie 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 & Cie 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 Vilmorin & Cie. This position mainly consists in taking out contracts with a fixed term.

2.1.2 Assets and liabilities analyzed according to the main foreign currencies

In millions of Euros	Euro Zone	US dollar	Canadian dollar	GB pound	Australian dollar	Yen	Shekel	Turkish Iira	Other currencies	Total
06.30.13										
Assets (1)	1,114.6	257.8	12.1	30.3	14.1	62.1	67.9	51.5	141.3	1,751.8
Liabilities (1)	880.1	158.2	9.5	13.0	1.8	35.1	17.6	0.4	52.5	1,168.2
Differential	234.5	99.6	2.6	17.3	12.4	27.0	50.3	51.1	88.8	583.6
06.30.12										
Assets (1)	1,026.9	229.0	11.6	33.2	13.0	78.1	61.2	45.4	145.7	1,644.1
Liabilities (1)	792.0	110.2	8.6	10.2	2.7	47.3	15.8	10.3	35.7	1,032.8
Differential	234.9	118.8	3.0	23.0	10.3	30.8	45.4	35.1	110.0	611.3

⁽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.

2.1.3 Information on the nominal value of instruments set up to hedge currency exchange

In millions of Euros	Nominal		Due dates		
III IIIIIIIOIIS OI EUIOS	NUITIIIIai	< 1 year	1 to 5 years	> 5 years	
06.30.13					
Forward exchange contracts	21.9	21.9	-	-	
Exchange options	-	-	-	-	
Total	-	-	-	-	
06.30.12					
Forward exchange contracts	18.8	18.8	-	-	
Exchange options	-	-	-	-	
Total	18.8	18.8	-	-	

2.1.4 Information on the value of instruments set up to hedge currency exchange

In millions of Euros	Total
06.30.13	
Contracts on commercial transactions > Cash flow hedge (1)	-
Contracts on financial transactions > Fair value hedge	NS

06.30.12		
Contracts on commercial transactions > Cash flow hedge (2)	-	
Contracts on financial transactions > Fair value hedge	NS	

2.1.5 Information on risk exposure to instruments set up to hedge currency exchange

Vilmorin & Cie's net exposure for notional amounts mainly concerns the following currencies (excluding entities' functional currencies):

In millions for each currency	US dollar	GB pound	Yen	Australian dollar	Canadian dollar	New Zealand dollar
Net position before management	15.9	5.3	-0.7	2.2	0.1	0.1
Forward purchasing		2.9				
Forward selling	-14.5					
Net position after management	1.4	8.2	-0.7	2.2	0.1	0.1

On June 30, 2013, the exchange rates for one Euro were: 1.3080 US dollar, 0.8572 GB pound, 129.3900 yen and 1.4171 Australian dollar.

On June 30, 2013, sensitivity on net positions after management could be analyzed as follows:

Impact on income (absolute value)	0.1	1.0	0.0	0.1	0.0	0.0
Hypothesis of currency variation (as a %)	10%	10%	10%	10%	10%	10%
In millions of Euros	USD	GBP	JPY	AUD	CAD	NZD

Variation of ±10% in exchange rates against the Euro would have a limited impact of 1.2 million Euros on the financial income.

2.2 - Information concerning raw material risks

Hedging policies 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 30, 2013, the derived financial instruments set up by Vilmorin & Cie to hedge the risk on raw materials for future corn contracts showed a loss of 2.3 million Euros, as opposed to a loss of 0.4 million Euros for the previous fiscal year, and recorded at fair value in the operating income.

The impact of a variation of \pm 1% of the prices of raw materials would be less than 0.2 million Euros on the operating income.

2.3 - Information concerning interest rate risks

2.3.1 Objectives

Interest rate risks are mainly managed by Vilmorin & Cie 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.

⁽¹⁾ The intrinsic value of contracts on June 30, 2013 is not significant (NS).

⁽²⁾ The intrinsic value of contracts on June 30, 2012 is not significant (NS).

2.3.2 Assets and liabilities subject to interest rate risks

In millions of Fures	Naminal	Due dates			
In millions of Euros	Nominal	< 1 year	1 to 5 years	> 5 years	
06.30.13					
Assets	13.9	12.5	0.3	1.1	
Liabilities	697.1	180.4	445.3	71.4	
Differential	-683.2	-167.9	-445.0	-70.3	
06.30.12					
Assets	9.6	8.6	0.3	0.7	
Liabilities	626.7	213.2	395.1	18.4	
Differential	-617.1	-204.6	-394.8	-17.7	

2.3.3 Information on the nominal value of instruments to hedge interest rates

In order to manage the interest rate risks of its financial debts, Vilmorin & Cie uses derived instruments for which the notional outstanding sums are as follows:

In millions of Euros	Nominal			Due dates			Market value
III IIIIIIIIII UI LUIUS	Ivoiiiiiai	2014	2015	2016	2017	> 2017	Market value
Cash flow hedge operations	30.0	6.0	6.0	6.0	6.0	6.0	
Interest rate SWAP							-0.5
Fair value operations through profit and loss (1)	-	-	-	-	-	-	-
Interest rate SWAP							-
Total	30.0	6.0	6.0	6.0	6.0	6.0	-0.5

⁽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 30, 2013.

2.3.4 Information on risk exposure to instruments set up to hedge interest rates

On the basis of net financial indebtedness on June 30, 2013, a variation of $\pm 1\%$ in interest rates after forward cover instruments would represent an extra financial charge or income limited to 0.7 million Euros.

2.4 - Information concerning risks for shares and treasury shares

Listed shares held by Vilmorin & Cie 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 Australian Grain Technologies (Australia) and the company Bio Seeds (Netherlands) (cf. Note 18).
- Shares that are included in the portfolio "Financial assets held for sale" (cf. Note 17).
- Other non-current financial assets.

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 & Cie treasury shares. On June 30, 2013, Vilmorin & Cie held 3,784 securities with a book value of 0.3 million Euros.

2.5 - Information concerning liquidity risks

Vilmorin & Cie'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 & Cie's subsidiaries' cash surpluses and requirements.

These operations are handled by Vilmorin & Cie'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.

In 2013, Vilmorin & Cie used two confirmed credit lines:

- A syndicated loan agreement over 7 years originally of 300 million Euros. On June 30, 2013, the outstanding amount was 180 million Euros, from authorization of 255 million Euros, 75 million Euros of this credit being unused.
- A medium-term Schuldschein loan of 130 million Euros, set up in March 2013, with maturities from five to ten years.

Moreover on June 30, 2013 the conventions of existing financial commitments were all respected.

The schedule for financial debts was as follows:

In millions of Euros -		Due dates		- Total
III IIIIIIIOIIS OI EUIOS -	< 1 year 1 to 5 years		> 5 years	- Iotai
06.30.13				
Non-current financial debts				
> Bank loans		228.7	0.3	229.0
> Debt components of the bonds redeemable as shares (ORA)		1.8	1.1	2.9
> Debt components of the OCEANE convertible bonds		149.5	-	149.5
> Commitments to purchase minority shares		-	4.9	4.9
> Derivatives		-0.7	-	-0.7
> Financial lease/hire purchase		0.5	-	0.5
> Other financial debts		65.5	65.1	130.6
Total non-current debts		445.3	71.4	516.7
Current financial debts	180.4	-	-	180.4
Total	180.4	445.3	71.4	697.1
Future interest on loans and other liabilities	12.7	23.6	5.4	41.7

In williams of France	Due dates			
In millions of Euros —	< 1 year	1 to 5 years	> 5 years	· Total
06.30.12				
Non-current financial debts				
> Bank loans	-	243.4	6.1	249.5
> Debt components of the bonds redeemable as shares (ORA)	-	1.8	1.5	3.3
> Debt components of the OCEANE convertible bonds	-	145.7	-	145.7
> Commitments to purchase minority shares	1.4	-	10.6	12.0
> Derivatives	-	2.9	-	2.9
> Financial lease/hire purchase	-	0.6	0.1	0.7
> Other financial debts	-	0.6	0.1	0.7
Total non-current debts	1.4	395.0	18.4	414.8
Current financial debts	211.8	0.1	-	211.9
Total	213.2	395.1	18.4	626.7
Future interest on loans and other liabilities	10.9	14.9	0.1	25.9

2.6 - Information concerning credit risk

In order to prevent any problems recovering debts from its customers, Vilmorin & Cie 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 & Cie has taken out an insurance policy to cover customer credit risks. On June 30, 2013, Vilmorin & Cie had not identified any significant risk.

At close the chronological breakdown of customer receivables was as follows:

		\
In millions of Euros	06.30.13	06.30.12
Receivables not yet due	337.2	309.1
Receivables due:		
> delay of zero to three months	47.2	44.5
> delay of three to six months	11.5	38.5
> delay of six to twelve months	11.9	9.0
> delay greater than one year	10.6	9.9
Gross customer and other receivables	418.4	411.0

Note 31: Off balance sheet commitments

For its current operations, Vilmorin & Cie made commitments at the close of the fiscal period for the following amounts:

1 - Guarantees received

In millions of Euros	06.30.13	06.30.12
Endorsements, sureties, guarantees	7.0	6.1
Other commitments	7.5	4.8
Total	14.5	10.9

The company Groupe Limagrain Holding granted a tax guarantee to Vilmorin & Cie for the companies Limagrain Genetics Inc. and Limagrain Europe, at the time of the sale/contribution of these companies within the context of the contribution of the field seed activity on July 3, 2006.

There have been no overdue payments recorded to date involving these guarantees.

2 - Guarantees given

In millions of Euros	06.30.13	06.30.12
Endorsements, sureties, guarantees	17.8	39.3
Clause of return to better fortune	-	7.7
Other commitments	3.4	2.9
Total	21.2	49.9

Endorsements, sureties, and guarantees given involve a letter of intent for the annual payment of rent covering the remaining duration of the commercial lease of the site of Solingen (former head office of Flora Frey in Germany) for 13 million Euros (14.3 million Euros on June 30, 2012).

3 - Reciprocal commitments

In millions of Euros	Nominal		Due dates	
III IIIIIIIOIIS OI EUros	Nominal	< 1 year	1 to 5 years	> 5 years
06.30.13				
Lease agreements	6.0	2.5	3.2	0.3
Simple rental agreements	35.9	9.8	20.2	5.9
Forward purchase of currency (cf. Note 30)	21.9	21.9	-	-
Forward interest rate cover (cf. Note 30)	30.0	6.0	24.0	-
Interest to pay on medium and long-term debts	41.7	12.7	23.6	5.4
Medium- and long-term research contracts	0.5	0.2	0.2	0.1
Other commitments	26.0	12.3	13.7	-
Total	162.0	65.4	84.9	11.7
06.30.12				
Lease agreements	5.7	2.6	3.1	-
Simple rental agreements	29.1	8.6	18.4	2.1
Forward purchase of currency (cf. Note 30)	18.8	18.8	-	-
Forward interest rate cover (cf. Note 30)	163.0	133.0	24.0	6.0
Interest to pay on medium and long-term debts	25.9	10.9	14.9	0.1
Medium- and long-term research contracts	0.6	0.3	0.2	0.1
Other commitments	24.3	9.5	14.8	-
Total	267.4	183.7	75.4	8.3

Forward cover of interest rates concerns the following operations:

3.1 - On June 30, 2013

Medium-term bank loans (and other amounts)	€30 million	Fixed and semi-fixed rate over variable rate at 3 months
Bonds redeemable as shares (ORA)	-	Fixed rate over variable rate at 6 months
Short-term loan	-	Fixed and semi-fixed rate over variable rate at 3 months

3.2 - On June 30, 2012

Medium-term bank loans (and other amounts)	€160 million	Fixed and semi-fixed rate over variable rate at 3 months
Bonds redeemable as shares (ORA)	-	Fixed rate over variable rate at 6 months
Short-term loan	€3 million	Fixed and semi-fixed rate over variable rate at 3 months

4 - Debts with real sureties

In millions of Euros	Debts guaranteed	Total amount of sureties granted	Book value of the assets provided as a guarantee
06.30.12 ⁽¹⁾	36.9	103.4	103.4
06.30.13 ⁽²⁾	13.6	83.5	83.5

⁽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.
(2) This concerns collateral on the securities of a subsidiary for the benefit of a bank.

5 - Other commitments

As part of the agreement signed with Danish group DLF, Vilmorin & Cie has given a guarantee on the purchasing values until 2016 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 & Cie makes commitments to buy certain quantities of seeds from growers.

Within the context of its operations to dispose of the companies Flora Frey and Carl Sperling, sold on June 30, 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 30, 2013 stood at 3.3 million Euros.

Note 32: Transactions between interested parties

1 - Associated companies

These are companies in which Vilmorin & Cie 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 & Cie

Vilmorin & Cie 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 30, 2013

In millions of Euros	Assets	Liabilities
Operating debts and receivables	2.7	26.6
Financial debts and receivables	-	-
Total	2.7	26.6

2.2 - Charges and income for fiscal year 2012-2013

In millions of Euros	Charges	Income
Purchases and sales of goods	-84.5	5.1
Corporate allocations	-11.9	3.7
Other operating charges and income	-20.5	1.5
Financial charges and income	-0.1	0.3
Total	-117.0	10.6

3 - Remuneration of the Top Executives

In millions of Euros	06.30.13	06.30.12	06.30.11
Global amount of remunerations and benefits paid to the Executive Committee:			
> Short-term benefits	1.7	1.6	1.7
> Benefits paid out after employment	-	-	-
> Other long-term benefits	-	-	-
> Severance pay	1.0	1.1	1.0
> Payment through shares	-	-	-
> Directors' fees paid to the Executive Committee	-	-	
		,	

The Executive Committee comprised six members during fiscal year 2012-2013, as opposed to five in 2011-2012.

On average, the contractual benefits due when a Top Executive's contract is terminated correspond to two years of total remuneration.

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 1 million Euros on June 30, 2013, 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 & Cie and to the subsidiaries of Groupe Limagrain on a proportional basis of budgeted expenses. The amount billed came to 14.1 million Euros.

The criteria applied homogeneously throughout Groupe Limagrain to calculate these allocations take several items into account for management services:

- o the EBITDA,
- margin on the cost of sales,
- o research and development costs,
- payroll.

Each of these criteria is weighted 25% in the global calculation.

4.2 - Vilmorin & Cie corporate allocations

In the same way, Vilmorin & Cie 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 28.3 million Furos.

Moreover, Vilmorin & Cie also invoices for services of a scientific nature for the seed companies in the Vilmorin & Cie group (Field seed and Vegetable seed divisions) that work on the professional market. The aggregate amount invoiced to the subsidiaries

1. PRESENTATION OF VILMORIN & CIE	2. CORPORATE GOVERNANCE	3. MANAGEMENT REPORT	4. CSR REPORT	5. CONSOLIDATED FINANCIAL STATEMENTS	6. FURTHER INFORMATION	7. RESOLUTIONS
D 1	D 35	P 65	D 77	D 05	D 161	D 183

came to 12.7 million Euros. The criteria applied homogeneously throughout Vilmorin & Cie to calculate these allocations take two items into account for services of a scientific nature:

- o research and development costs,
- the EBITDA.

Each of these criteria is weighted 50% in the global calculations.

4.3 - Cash flow agreements and pooling of exchange risks

Companies have signed agreements with Vilmorin & Cie 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& Cie 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 & Cie'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 around 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

At the beginning of October 2013, through its subsidiary Vilmorin Inc, Vilmorin & Cie took over the company Shamrock, based in Salinas in California, and specialized in vegetable seeds.

In October 2013, Vilmorin & Cie signed an agreement with the African seed company Seed Co and its reference shareholder, AICO Africa Limited (AICO). According to the terms of this agreement, Vilmorin & Cie will acquire a block of Seed Co's shares from AICO, and at the same time will subscribe to a reserved stock capital increase, thus holding a stake of approximately 15% of Seed Co's stock capital.

5.3. CONSOLIDATION SCOPE

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
HOLDINGS & BIOTECHNOLOGIE	S					
Genective SA	France	5 rue Saint-Germain l'Auxerrois – 75001 Paris	513 533 612	50.00	40.00	PI
Mikado Seed Holding K.K.	Japan	1-4-11 Ohnodai. Midori-ku - 267-0056 Chiba-shi		85.45	85.45	GI
VCC Japan KK	Japan	15-13 Nampeidaicho - Shibuya-Ku Tokyo		100.00	100.00	GI
VCO Participations SAS	France	Rue Limagrain – 63720 Chappes	523 301 976	80.00	80.00	Gl
Vilmorin & Cie SA	France	4 Quai de la Mégisserie – 75001 Paris	377 913 728	100.00	100.00	GI
Vilmorin Hong-Kong Ltd	China	Level 28. Three Pacific Place. 1 Queen's Road East – Hong-Kong		100.00	100.00	GI
Vilmorin USA Corp	United States	2711 Centerville Road. Suite 400 – County of Newcastle - Wilmington 19808 - Delaware		100.00	100.00	Gl
FIELD SEEDS						
Biogemma SAS	France	1 rue Edouard Colonne – 75001 Paris	412 514 366	55.01	55.01	Gl
Biogemma UK Ltd	United Kingdom	Science Park - 200 Milton Road - Cambridge CB4 0GZ		100.00	55.01	GI
Biogemma USA Corp	United States	Corporation service Company – 2711 Centerville Road. Suite 400 - Wilmington 19808 - Delaware		100.00	55.01	Gl
Genoplante-Valor SAS	France	523 Place des Terrasses – 91034 Évry	439 202 821	25.00	22.00	EM
1 - LIMAGRAIN EUROPE						
GIE Semences de Brie	France	RD 402 – 77390 Chaumes-en-Brie	388 147 845	50.00	47.60	PI
Limagrain DK	Denmark	Marsalle 111 - 87000 Horsens		100.00	95.20	GI
Limagrain Central Europe Cereals Sro	Czech Republic	Praha 9 – Podedvorska 755/5 – 19800 - Kyje		100.00	95.20	GI
Limagrain Central Europe SE	France	Biopôle Clermont-Limagne – 63360 Saint-Beauzire	438 205 320	99.99	95.19	GI
Limagrain Clovis Matton Belgium	Belgium	5 rue du Quai – 8581 Avelgem-Kerkhove		100.00	95.20	GI
Limagrain d.o.o Beograd	Serbia	Bulevar Oslobodenia 127 - Novia Sad 21000		100.00	95.20	GI
Limagrain Europe SA	France	Ferme de l'Étang – BP 3 – 77390 Verneuil l'Étang	542 009 824	95.20	95.20	GI
Limagrain GmbH	Germany	2 Am Griewenkamp - Edemissen - D 31234		100.00	95.20	GI
Limagrain Iberica SA	Spain	Ctra Pamplona - Huesca Km 12 - Elorz Navarra 31470		100.00	95.20	GI
Limagrain Italia SPA	Italy	Via Caduti sul Lavoro n°5 43011 Busseto (Pr)		100.00	95.20	GI
Limagrain Moldova srl	Moldova	Bd. Stefan Cel Mare 162 – MD – Chisinau 2004		100.00	95.20	GI
Limagrain Nederland BV	Netherlands	Van der Haveweg 2 - 4411 RB Rilland		100.00	95.20	GI
Limagrain RU LLC	Russia	266 Kommunarov str 350020 Krasnodar		100.00	95.20	GI
Limagrain Tohum Islah ve Üretim Sanayi Ticaret AS	Turkey	Bayar Cad. Gülbahar Sokak N° 17/136 Kozyatagi-Erenkoy Istanbul 34742		67.00	63.79	GI
Limagrain UK Ltd	United Kingdom	Market Rasen - LN7 6DT Rothwell Lincolnshire		100.00	95.20	GI
Limagrain Ukraine LLC	Ukraine	Pavlivska 10 Street Off. 7 01054 Kiev		100.00	95.20	GI
Limagrain okraine LLG		Market Rasen - LN7 6DT Rothwell		100.00	95.20	GI
Nickerson Sugar Beet Seed Ltd	United Kingdom	Lincolnshire				
	Belgium	Lincolnshire 5 rue du Quai – 8581 Avelgem-Kerkhove		100.00	95.20	GI
Nickerson Sugar Beet Seed Ltd			420 327 231	100.00	95.20 47.60	GI PI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
2 - AGRELIANT GENETICS						
AgReliant Genetics LLC	United States	1122 East 169th Street Westfield, IN 46074		50.00	50.00	PI
AgReliant Genetics Inc	Canada	6836 Pain Court Line RR1 – Ontario NOP 1IZO		50.00	50.00	PI
3 - LIMAGRAIN ASIA						
Atash Seeds Private Ltd	India	Ashoka My Home chambers # 1-8-201 to 203 - Plot no 208, 209 SP Road – Secunderabad Hyderabad, 500 003		99.99	99.98	Gl
Bisco Bio Sciences Private Ltd	India	Ashoka My Home chambers # 1-8-201 to 203 - Plot no 208, 209 SP Road – Secunderabad Hyderabad, 500 003		99.99	99.99	Gl
Shanxi Limagrain Special Crops R&D Company Limited	China	NongkeBeiLu n° 64 030031 Taiyuan – Shanxi		77.50	77.50	GI
4 - LIMAGRAIN CEREAL SEEDS						
Australian Grain Technologies Pty Ltd	Australia	University of Adelaide – Waite campus building 4B – 5064 Urrbrae S.A.		32.77	32.77	EM
Limagrain Cereal Seeds LLC	United States	Corporation service Company 2711 Centerville Road, Suite 400 - Wilmington 19808 – Delaware		65.00	65.00	Gl
5 - LIMAGRAIN SOUTH AMERIC	A					
Limagrain Argentina SA	Argentina	Calle Esmeralda 130 4to piso – Buenos Aires		90.00	90.00	Gl
Limagrain Guerra do Brasil SA	Brazil	PR, na Rod. PR280, KM 140 - n° 8801 - Bairro Cristo Rei - CEP 85508-280 Pato Branco		70.00	70.00	Gl
Link Seed Proprietary Limited	South Africa	Suite A Regal House – 7 Montrose Park Boulevard 3201 Victoria Country Club Estate		80.00	80.00	Gl
VEGETABLE SEEDS						
Bio Seeds	Netherlands	Agro Business Park 90 – 3808 PW Wageningen		24.95	24.95	EM
6 - HM.CLAUSE						
Alliance Semillas de Argentina	Argentina	Pavon 1478 - Capital Federal CP 1151 Buenos Aires		100.00	100.00	GI
Alliance Semillas SA	Chile	Casa Matriz – Hendaya 27 – Oficina 201 Las Condas Santiago		100.00	100.00	GI
Ceekay Seeds & Seedlings Pvt. Ltd	India	6-1-20/2, Walker New Bhoiguda 500 025 - Secunderabad		100.00	99.97	Gl
Century Seeds Private Limited	India	BA-22-24, Phase-II, Mangolpuri Industrial Area, New Delhi-110034		100.00	99.97	GI
Clause SA	France	Rue Louis Saillant – 26800 Portes-les-Valence	435 480 546	99.97	99.97	GI
Clause (Thailand) Ltd	Thailand	11 th Floor, Panjabhum Building 127 South Sathorn Road, Tungmahamek 10120 Sathorn Bangkok		100.00	99.97	GI
Clause Brasil Comercio de Sementes Ltda	Brazil	Rua Miguel Penteado n°1038 Jardim Chapado CEP 13070118 Campesinas SP		100.00	99.97	GI
Clause India Private Ltd	India	6-1-20/2 New Bhoiguda — Segunderabad Hyderabad — 500025 - Andhra Pradesh		100.00	99.97	GI
Clause Italia SPA	Italy	Via Emilia 11 – 10078 Venaria Real		100.00	99.97	Gl
Clause Maghreb EURL	Algeria	Villa n° 192 Quartier Amara 2 - Lotissement Alioua Fodhil – Chéraga – 16002 – Alger		100.00	99.97	GI
Clause Deleka Cn 70 o	Poland	ul. Kbicka 32A - Krzeczowice		100.00	99.97	Gl
Clause Polska Sp.zo.o.						

Name	Country	Head Office	% Voting rights	% Interest	Consolidatior method
Harris Moran Seed Company	United States	555, Codoni avenue 95352 Modesto (California)	100.00	100.00	GI
Henderson Seed Group Trading AS Clause Pacific Pty Ltd	Australia	165, Templestowe Road Lower Templestowe 3105 Bulleen Victoria	100.00	99.97	Gl
HM.Clause Tohumculuk Tarým Sanayi ve Ticaret Anonim Sirketi	Turkey	Ali Cetinkaya Caddesi No : 125/7 07300 Antalya	99.99	99.97	GI
HM.Clause Guatemala, Sociedad Anónima	Guatemala	Condominio Empresarial Cortijo III Bodega, 20 Calle 25-55 Zona 12, Guatemala City	100.00	99.97	GI
Ica Seeds S.A.C.	Peru	Fundo la Viña S/N Caserio La Poruma Ica	100.00	100.00	GI
Leafyco LLC	United States	21866 Rosehart Way – 93908-9726 Salinas Californie	100.00	100.00	GI
Plant Development Australia	Australia	165, Templestowe Road Templestowe Lower – VIC 3107	100.00	99.97	GI
PT Clause Indonesia	Indonesia	Ruko Bumi Prayadan Permai Block B-6 Mertoyudan 56172 Magelang Jawa Tengah	100.00	99.97	GI
Semillas Harris Moran Mexicana	Mexico	Blvd. V. Carranza 2378-A Parque industrial R.A.S.A. Mexicali, BC Mexico CP	100.00	100.00	GI
7 - HAZERA-NICKERSON					
Asamia Cold Storage	Israel	DN Shikmim - Brurim	100.00	100.00	GI
Hazera Agriculture Technology & Services (Beijing) Co Ltd	China	Room 601-602, Tower D, Java Millenium Place No. 18 Jianguomenwai Dajie, Chaoyang District 100022 - Beijing	100.00	100.00	Gl
Hazera do Brasil Comercio de Sementes Ltda	Brazil	Rua Iris, 75 Holambra 13825-000 Sao Paulo	100.00	100.00	Gl
Hazera España 90 SA	Spain	C/Torrelaguna 75 – 2/8 Madrid	100.00	100.00	GI
Hazera Genetics Ltd	Israel	Brurim Farm MP - 79837 Shikmim	100.00	100.00	GI
Hazera Hellas Seeds & Plant Material SA	Greece	Agamemnonos str. 51-53 Kallithea 17675 Athens	100.00	100.00	GI
Hazera Holding International BV	Israel	DN Shikmim - 79837 Brurim	100.00	100.00	GI
Hazera Mexico Services SA DECV	Mexico	Calle Trapani No 4732 Local A Edificio Plaza Palermo - Palermo Residencial 80104 - Culiacan- Sinaloa	100.00	100.00	GI
Hazera Seeds Inc	United States	32 Loockerman Sq, Suite L 100 – Dover - Delaware	100.00	100.00	GI
Hazera Tohumculuk Ve Ticaret AS	Turkey	Necatibey St. Bascerrah N. 6/27 - Karakoy	100.00	100.00	GI
Nickerson Zwaan BV	Netherlands	Schanseind 27 BP28 - 4921 Pm Made	100.00	100.00	GI
Nickerson Zwaan GmbH	Germany	2 Am Griewenkamp D31234 Edemissen	100.00	100.00	GI
Nickerson Zwaan Ltd	United Kingdom	Joseph Nickerson Research Centre Market Rasen LN7 6DT Rothwell	100.00	100.00	GI
Nickerson Zwaan Seeds Private Ltd	India	c/o Ajoy Ghosh & Associates, Chartered Accountants - F202, Brigade Nest, 1/9, Airport Road, Kodihalli – 560017 Bangalore	100.00	100.00	Gl
Nickerson Zwaan SA (Proprietary) Ltd	South Africa	121 Boshoff Street – 0181 - New Muckleneuk	100.00	100.00	GI
Nickerson Zwaan Sp. zo.o.	Poland	ul. Marywilska 34 I - 03-228 - Warszawa	100.00	100.00	GI
Nickerson Zwaan Ukraine LLC	Ukraine	Office # 101 - Strategichne shose 16 Str 03680 - Kiev	100.00	100.00	GI

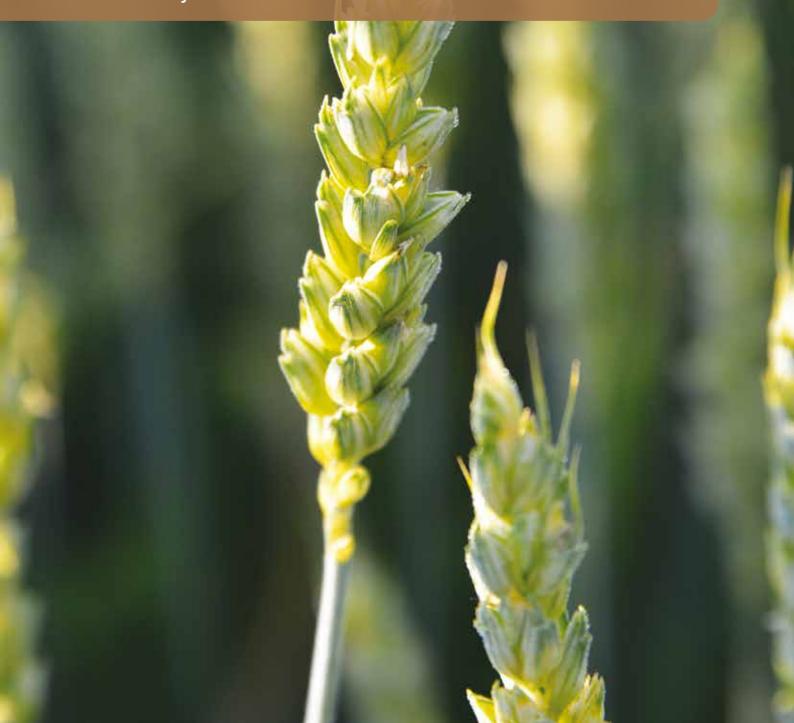
Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
8 - VILMORIN						
Anadolu Tohum Uretim Ve Pazarlama Anonim Sirketi	Turkey	Güzelyali, Bati Sahili, Ciftlik Sok. No.9 Pendik Istanbul 34903		100.00	99.95	GI
Vilmorin Atlas SARL	Morocco	158 boulevard Abdellah Ben Yacine 20300 Casablanca		70.00	69.97	GI
Vilmorin do Brasil Comercio de Sementes Ltda	Brazil	Rua Maria Monteiro, 830, 2 nd andar, sala 21 Campinas, Estado de Sao Paulo 13025-151 Cambui 151 Campinas/SP		100.00	99.95	GI
Vilmorin Iberica SA	Spain	Calle Joaquim Orozco 17 - 03006 Alicante		99.91	99.86	GI
Vilmorin Inc	United States	2551 North Dragon - 85745 Tucson Arizona		100.00	100.00	GI
Vilmorin Italia SRL	Italy	Center Gross CP 97 - Blocco 22 Via dei Notai 123 - 40050 Funo		100.00	99.95	Gl
Vilmorin 000	Russia	Gruzinskiy val ulitsa 11, building 3, office 21 - 123056, Moscow Russian Federation		100.00	99.95	GI
Vilmorin SA	France	Route du Manoir – 49250 La Ménitré	562 050 864	99.95	99.95	Gl
9 - MIKADO KYOWA SEED						
Dalian Mikado International Seed Co Ltd	China	Room 2702 – Liangiju International Building Dalian - 116011		80.00	77.09	GI
Mikado Kyowa Seed Co Ltd	Japan	15-13 Nanpeidai-cho-Shibuya-Ku 150-0036 Tokyo		100.00	96.36	GI
GARDEN PRODUCTS						
DLF France SAS	France	ZA Les Pains - Les Alleuds 49320 Brissac Quince	432 004 679	33.33	33.33	EM
10 - VILMORIN JARDIN - SUTTO	ONS					
C.H. Van Den Berg BV	Netherlands	Nijverheidsweg 1 (1693) Am Wervershoof		100.00	99.98	GI
Vilmorin Bahce Urunleri Anonim Sirketi	Turkey	Guzelyali Bati Sahili, Çiftlik Sok n°9, 34903 Pendik Istanbul		100.00	99.98	Gl
Vilmorin Garden Sp. zo.o.	Poland	ul. Ks.P. Wawrzyniaka 2-62-052 - Komorniki		100.00	99.98	GI
Vilmorin Jardin SA	France	65, rue de Luzais - BP 37 38291 St Quentin Fallavier	959 503 111	99.98	99.98	Gl
Suttons Seeds (Holding) Ltd	United Kingdom	Woodview road – Paignton Devon - TQ4 7NG		100.00	100.00	GI

Consolidation method: GI: global integration PI: proportional integration EM: equity method

5. CONSOLIDATED FINANCIAL STATEMENTS

6. FURTHER INFORMATION

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6.1. LEGAL INFORMATION

6.1.1.NAME, HEAD OFFICE AND ADMINISTRATIVE OFFICES

- Name: Vilmorin & Cie.
- 9 Head Office: 4 quai de la Mégisserie 75001 Paris France.
- Administrative offices: CS 20001 Saint Beauzire 63360 Gerzat (France).
- Jurisdiction: French jurisdiction.

6.1.2. 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.

6.1.3.DATE OF CREATION AND DURATION OF THE COMPANY

The Company was created on March 2, 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 27, 1990).
- Modification of name to Vilmorin & Cie (EGM June 29, 1993).
- Modification of name to Vilmorin Clause & Cie (EGM December 9, 1997).
- Modification of management system (EGM March 16, 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 15, 2001 governing new economic regulations (EGM December 3, 2002).
- Modification of name to Vilmorin & Cie (EGM July 3, 2006).
- Opdate of the by-laws (EGM December 11, 2008).

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

6.1.4. 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 may:

- 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, 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.

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 county, and in whatever form.

6.1.5. COMPANY TRADE REGISTER

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

No SIRET: 377 913 728 00020. No SIREN: 377 913 728.

No APE: 7010 Z (Activity of head offices).

6.1.6. FISCAL YEAR

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

6.1.7.CONSULTATION OF LEGAL DOCUMENTS

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. Moreover, this information and certain historical financial information concerning regulatory information is available on the Vilmorin & Cie website (www.vilmorin.info) in the section Publications.

6.1.8. TRIBUNALS FOR REFERRAL OF LITIGATION

Tribunal de Commerce de Paris.

6.1.9. FURTHER INFORMATION

6.1.9.1.

Investment policy and ownership of fixed assets

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

Thus for fiscal year 2012-2013, tangible investments stood at 58.1 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 & Cie's investment policy favors holding assets that are directly linked to the business activity; consequently Vilmorin & Cie does not own any significant fixed assets that are not directly linked to its business operations. Finally, it is to be stressed that currently Vilmorin & Cie has not embarked on any pluriannual investment program significantly different to investments made in previous fiscal years.

6.1.9.2. Important contracts outside normal business arrangements

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

For its Field seeds activities in North America, Vilmorin & Cie 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 & Cie 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.

6.2. OTHER COMPLEMENTARY information

The following information is presented as a complement to the notes appended to the consolidated financial statements.

6.2.1. FINANCIAL INSTRUMENTS GIVING ACCESS TO THE CAPITAL STOCK

As a complement to Note 13, in particular concerning the diluted earnings per share, it is stipulated that the OCEANE bonds issued in June 2008, and giving potential access to Vilmorin & Cie SA's capital stock (cf. Note 22), may generate a dilution of assets which stood at 5.7% on June 30, 2013, leading, after conversion, to an ownership ratio of 94.3%.

6.2.2. IAS 36 – IMPAIRMENT OF ASSETS

As a complement to Note 14 in particular concerning goodwill impairment tests, it is stipulated that the recoverable value of the assets is assessed using the method of discounted cash flows. These are established on the basis of business plans that take into account the record of the previous two fiscal years, the latest forecasts for the ongoing fiscal year and a projection for the next five years. This projection includes budgetary data for the coming fiscal year and figures from the medium-term plans over three years, extended coherently with the trends of the last years of these plans.

The growth rate presented as the key assumption is the perpetual growth rate.

Concerning sensitivity analyses, it is stipulated that because of the very nature of the business and the strong segmentation of the different markets on which Vilmorin & Cie operates, both for field seeds and for vegetable seeds, it is highly unlikely that there could be a simultaneous and significant increase or decrease in volumes and/or sales prices or commercial margin rates for all the activities.

For the main CGUs, representing an aggregate of more than 90% of Vilmorin & Cie's consolidated sales and more than 85% of the goodwill to be tested, and thus directly liable to cause the variation of such operating parameters to be significant, it would appears that a decrease of more than 10% of the cash flows would be necessary for the recoverable value of a CGU to be equal to its book value. The other CGUs would only be sensitive on average to a decrease higher than 50% of their cash flows.

6.2.3. IAS 24 — RELATED PARTY DISCLOSURES

As indicated in Note 32, the contractual benefits due when a Top Executive's contract is terminated correspond to two years of total fixed and variable remuneration.

These benefits take into account the gross fixed remuneration, excluding any benefits in kind, to which a complementary allowance is added corresponding to the yearly average of the variable remuneration for the past three closed fiscal years.

6.3. RISK FACTORS

6.3.1. GLOBAL RISK MANAGEMENT ORGANIZATION

Over the past five years, Vilmorin & Cie has developed a global risk management program, setting two objectives: harmonization of the minimum safety and risk prevention procedures applicable to all sites throughout the world and continuous strengthening of the existing organization. With vigilance and rigor at all times, Vilmorin & Cie assesses as accurately as possible all the risks that might affect its business, and takes suitable measures to control them.

The organization set up is described in detail in the Chairman's report on the functioning of the Board of Directors and on internal control.

6.3.1.1. The starting point: mapping the risks

With the support of a consultant, in order to guarantee a methodical approach and independent analysis, Vilmorin & Cie mapped all the risks in 2009 to set down an exhaustive list of potential risks. These risks were then weighted and ordered according to frequency of occurrence and degree of impact, then grouped into risk areas; five risk domains are presented today in the manual (Group risk management manual), as indicated hereafter.

During the course of fiscal year 2012-2013, it became apparent that two domains needed to be adapted:

- the "GMO"* domain has been renamed "Quality", a wider domain that incudes all non conformities and other sources of non quality, including the topic of GMOs*;
- a new domain "Strategy" has been created because of the need to combine a number of risks such as breakdowns in procurement, difficulties met in external growth operations, dependence on third parties, etc.

6.3.1.2. A vital tool: crisis management

In 2012-2013, the Risk Management Committee paid particular attention to how Vilmorin & Cie would react when confronted with crisis situations resulting from the occurrence of high risk criticality. Management of such potentially dangerous

circumstances must be anticipated, particularly with regard to aspects of communication.

Work has begun to identify and assess current procedures, making sure that, where necessary, this approach is extended to the most sensitive sectors of the Business Units.

6.3.2. RISK DOMAIN "SAFETY OF PERSONS AND SECURITY OF PROPERTY"

6.3.2.1. Guaranteeing the same level of personal safety and security everywhere in the world

The standards developed concern both the protection and health of personnel and rules of ethics and hygiene.

Among the standards adopted, a policy has been implemented to fight against any form of discrimination in the workplace.

6.3.2.2. Preserving production plant and assets

For example, to guarantee that the production plant and the assets are preserved, strategic sites must be equipped with anti-intrusion alarms, access controls and presence detection.

6.3.3. RISK DOMAIN "INTELLECTUAL PROPERTY"

Vilmorin & Cie's international activities and the challenges with regard to access to germplasm and brand reputation mean there is a real risk of counterfeit varieties appearing on the market. The objective of the standards is to ensure that systematic protection of plant creations is scrupulously enforced and that all the intellectual property created by Vilmorin & Cie is respected, and also to ensure that of third parties is preserved internally.

Among the standards adopted, each company has to set up an "Intellectual Property Committee" in order to validate the coherence of its intellectual property practices with those defined by Vilmorin & Cie.

Vilmorin & Cie also makes use of the legal, technical and regulatory means at its disposal:

- legal means: the Proprietary Variety Protection Certificate, in particular the breeder's* exemption, is a way of limiting counterfeit
- technical means: using molecular marking* to search in the genome* for similarities in a competing variety with a variety from the research of Vilmorin & Cie,
- regulatory means: through the registration of varieties in official French and European catalogs and the European Seed Association (ESA) in which the European seeds companies have opted to promote a professional approach to establish a guide of best practices limiting the abusive use of genetic heritage*, brands, packaging and logos.

6.3.4. RISK DOMAIN "QUALITY"

Products sold by the subsidiaries of Vilmorin & Cie are intended either for a professional clientele or the general public for garden products, but all customers are demanding with regard to product characteristics and their capacity to meet their needs. Any product non-conformity can have really unwelcome financial consequences, going far beyond the sales prices of the products. They may well be amplified because of the multiplying effect that characterizes any agricultural production or the wide dissemination of consumer products, along with the complexity of regulations applicable to different domains (products, environment, etc.).

6.3.4.1. Strict procedures to preserve varietal purity

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

The standards adopted by Vilmorin & Cie include, in particular, traceability for all the seeds throughout the process, from research to production in the fields, factory processing and shipment.

6.3.4.2. Risks regarding suppliers: aiming for lasting relations

To produce its seeds, Vilmorin & Cie 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 & Cie 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, the standard of inputs to be used, etc. The agronomic department in each company checks that these specifications are properly applied. Through the contract system set up, Vilmorin & Cie retains control over the quality of its seeds.

6.3.4.3. Risks involved in processing

Being able to guarantee the quality of seeds from the reception of the product until its distribution is crucial, since any claims could have far-reaching commercial and financial consequences. This is why Vilmorin & Cie carries out ongoing monitoring of seed quality throughout processing.

6.3.5. RISK DOMAIN "ENVIRONMENT"

As it develops, Vilmorin & Cie is committed to limiting the impact of its activities on the environment. Therefore all the company's sites rigorously respect regulations concerning their classified installations (for example in France: ICPE).

In order to ensure the fulfillment of this commitment, the company has defined standards that apply to all its sites in the world in order to prevent environmental risks. For example, significant environmental aspects at sites (environmental issues that may have a serious impact on the functioning, the assets or the image of the company, such as the quality of the water or waste management) are identified and are subject to a targeted policy in order to fight against their effects and follow their evolution.

6.3.6.RISK DOMAIN "SECURITY OF INFORMATION SYSTEMS"

Within this domain of requirements, standards are defined in particular for the organization of information security: the security of workstations, networks and operations, continuity plans for information technology activities and relations with the company's partners.

Workstations that are taken out of service must undergo a strict procedure to delete all data, or destroy the disk, in order to be sure that no confidential information becomes accessible to an external person.

6.3.7. RISK DOMAIN "LEGAL"

6.3.7.1. Legal risks

As they run their business, Vilmorin & Cie and its subsidiaries are sometimes required to find solutions to various kinds of litigation. These situations are immediately examined in detail, with the risks and the responsibilities analyzed, resulting in the appropriate course of action to be taken in the subsidiaries, in liaison with Vilmorin & Cie's legal services. With the exception of litigation for which provisions have already been made, on June 30, 2013 the company had identified no other litigation that might affect its financial situation significantly.

To the knowledge of the company, there is no other governmental, judiciary or arbitration procedure in progress, or threatening to arise, concerning the past twelve months that is liable to have, or indeed has had, any significant effects on the company's financial situation or profitability.

6.3.7.2. Insurance

Vilmorin & Cie has a policy of global cover concerning different operating risks and makes use of different insurance schemes available on the world market, depending on their availability and local regulations.

Insurance programs are negotiated and managed by Vilmorin & Cie for its subsidiaries with leading international or national insurance companies. These programs concern, in particular, risks of damage to property and operating losses, civil liability, damage to goods in transit and insurance for the automobile fleet.

For risks of damage to property and operating losses and civil liability, the cover is "all risks except" on the basis of the widest guarantees that exist on the market, combined with retention that varies according to activity. Compensation limits, fixed on the basis of worst-case scenarios and of capacities proposed by the insurance markets, stand at 200 million Euros per claim for consequential and operating loss, and at 40 million Euros per claim for general public liability and product liability. There is also an annual ceiling of 40 million Euros for product liability.

Insurance programs for special risks which are potentially significant and require centralized management, such as the responsibility of corporate officers and environmental risks, are negotiated according to capacities available on the markets.

Management of these programs is entrusted to brokers and professional insurers under the supervision of Vilmorin & Cie.

These programs were renewed on July 1, 2013 for the duration of one year.

Vilmorin & Cie is gradually standardizing its cover policy for all the companies for which it holds operational control. During fiscal year 2012-2013, Vilmorin & Cie pursued this commitment to guarantee a common approach to set up adequate insurance policies, and as far as possible in co-ordination with international programs, deployed at all levels of the subsidiaries and in all countries.

6.3.8. RISK DOMAIN "HUMAN RESOURCES"

Several Human Resource Committees have been formed, comprising the human resource managers of the main groups in Vilmorin & Cie. Their main mission is to ensure the co-ordination and harmonization of the human resource policies adopted.

6.3.9. RISK DOMAIN "FINANCE"

6.3.9.1. Risks regarding clientele

Vilmorin & Cie is not globally confronted with excessive concentration of customers that might lead to a sudden drop in business, particularly due to the relative drop in the proportion of the Garden products division in overall business. Moreover the risks of failing to recover customer debts are moderate. Vilmorin & Cie's subsidiaries provide suitable solutions according to their particular business.

Furthermore the company has a wide portfolio of customers:

EVOLUTION OF THE WEIGHT OF THE MAIN CUSTOMERS IN SALES

(as a % of consolidated sales)

	12-13	11-12	10-11
Weight of the top 5 customers	5.4	4.9	5.7
Weight of the top 10 customers	7.7	7.1	8.1
		i	

6.3.9.2. Risks regarding suppliers: a predefined pricing system

The network of seed production farmers* to which Vilmorin & Cie entrusts production of its seeds has to meet very strict specifications. These define the purchasing price of the seed with fixed or variable components which are not structurally indexed on the evolution of the prices of agricultural raw materials. Through the contract system set up, Vilmorin & Cie remains totally independent economically.

6.3.9.3. Risks regarding exchange rates, interest rates, cash and markets

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

For this reason the Corporate Finance Department more particularly manages both for Vilmorin & Cie 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 30, 2013, Vilmorin & Cie's consolidated bank debt mainly involved funding at variable rates; outstanding forward exchange cover stood at 30 million Euros. In order to reinforce the structure of its bank debt, in October 2010 Vilmorin & Cie set up a new syndicated credit of an initial sum of 300 million Euros for the duration of five years, in partnership with ten 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 30, 2013, Vilmorin & Cie was totally on line with these commitments.

At the end of fiscal year 2007-2008 Vilmorin & Cie diversified the nature of its financial resources by issuing convertible bonds (for conversion or exchange to new or existing shares) for a total value of 150 million Euros.

Finally, Vilmorin & Cie decided to consolidate and diversify its financial resources by completing a private placement of the "Schuldschein" type in March 2013 for a total of 130 million Euros, with due dates of between five and ten years, including 79 million Euros at a fixed rate.

Furthermore, Vilmorin & Cie 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.

6.3.10. RISK DOMAIN "R&D"

Maintaining and developing original, quality research programs are Vilmorin & Cie's best guarantee for its sustainability. Vilmorin & Cie must permanently insure there is a good chance these programs will achieve success, and this involves managing the risks linked to research, in particular:

- physical security of the specialized installations and germplasm: anti-intrusion alarms, access controls, presence detection, stock duplication, etc.,
- protection of secrets and know-how: implementation of a new policy for managing information and strong data,
- a rigorous and adapted policy of access to genetic resources* and the protection of intellectual property,
- bodies that reflect on the relevance of orientations adopted with regard to the competition, market expectations and scientific evolution.

6.3.11. RISK DOMAIN "COMMUNICATION"

With regard to communication, Vilmorin & Cie is organized to ensure its communication is coherent and well-co-ordinated; exchange committees involving communication managers from the Group and the different Business Units meet several times per year. Moreover there is a department dedicated to crisis communication with structured procedures to prevent and, where necessary, handle communication if there is a crisis.

6.3.12. RISK DOMAIN "STRATEGY"

During fiscal year 2012-2013, Vilmorin & Cie's business covered different sectors, 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.

6.3.12.1. Risks with regard to procurement: the key role of the production plan

The production plan is a vital aspect in the appropriate supply of markets and also control over inventory levels, and is prepared taking different factors into account: market needs, figures concerning the previous harvest, the life span and keeping quality of each variety, and also production zones (fluctuations in yield, agriculture equipment, etc.). The production plan involves several different players. It is coordinated by the production managers, and confirmed by the General Management in each company.

6.3.12.2. 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 all continents, both in the Northern and Southern hemispheres, to ensure seed production.

6.3.12.3. Political risks: caution in the choice of locations

Any possible political risks are also taken into account in investment decisions and in the location of industrial, technological and commercial assets: facility of exchanges, political stability, etc.

In spite of the context of international tension in recent years, particularly in the Middle East, Vilmorin & Cie has not been affected economically in its international business.

6.4. CAPITAL STOCK

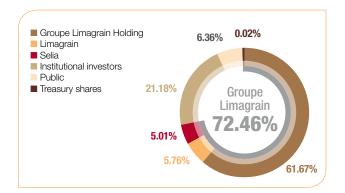
and shareholders

6.4.1. CAPITAL STOCK

The capital stock, on June 30, 2013, stood at 288,833,642.75 Euros divided up into 18,939,911 shares each with a nominal value of 15.25 Euros, fully paid up. Vilmorin & Cie's reference shareholder, Groupe Limagrain (cf. page 50) directly or indirectly holds 72.46% of its capital stock.

6.4.1.2. Analysis of the capital stock and voting rights on June 30, 2013

6.4.1.1. Analysis of capital stock on June 30, 2013



	Single vote shares	Double vote shares	% of capital stock	Total number of votes	% of total number of votes
Groupe Limagrain Holding	3,491,255	8,189,383	61.67%	19,870,021	68.36%
Limagrain	110,565	980,763	5.76%	2,072,091	7.13%
Selia	-	948,753	5.01%	1,897,506	6.53%
Treasury	3,784	-	0.02%	-	-
Directors	-	21	-	42	-
Public	5,204,248	11,139	27.54%	5,226,526	17.98%
Total	8,809,852	10,130,059	100.00%	29,066,186	100.00%

- 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 transactions entered into by executives: in compliance with article L.621-18-2 of the French Monetary and Financial Code, Groupe Limagrain Holding (GLH), Vilmorin & Cie's reference shareholder, has declared it acquired 3,503 shares of a total value of 339,671.75 Euros during the course of fiscal year 2012-2013.
- Declaration of a shareholders' agreement: within the framework of the intervention of the Fonds Stratégique d'Investissement (FSI) in the equity of Groupe Limagrain Holding (GLH) and Coopérative Limagrain, the FSI and GLH came to a shareholders' agreement concerning their participations in the capital stock of GLH and Vilmorin & Cie. Within the framework of a reserved capital stock increase, the FSI subscribed to 1,074,498 new GLH shares, representing 13.93% of the capital stock and voting rights of GLH and 1,071,429 GLH bonds redeemable as Vilmorin & Cie shares. This agreement has been disclosed to the AMF (authority governing the French stock markets)⁽¹⁾.
- Collective commitments to preserve shares: two collective commitments to preserve shares were recorded on October 15 and 22, 2009 in compliance with article 885 I bis of the French Tax Code. These two commitments were signed for an initial duration of two years and are renewable by tacit agreement for an indefinite duration. On the date they were signed, the commitments concerned 2,715,003 shares, representing 20.3% of the financial rights and 28.7% of the voting rights. Two riders to these commitments were written on October 22, 2010, and duly registered, in order to take account of the increase in the capital stock made on April 15, 2010.
- Potential capital stock: Vilmorin & Cie diversified the nature of its resources by issuing a debenture loan at the end of fiscal year 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 capital stock: none, as no commitment to raise the stock had been made.
- Shares non-representative of the capital stock: none.
- 9 Stock options: none.

⁽¹⁾ This agreement can be consulted on www.amf-france.org

6.4.1.3. 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 the 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	Conversion 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
From November 96 to 06.30.97	177 warrants exchanged corresponding to 59 shares	FRF 300 + Premium of FRF 180	FRF 890,332,200	2,967,774
From July 97 to 06.30.98	93 warrants exchanged corresponding to 31 shares	FRF 300 + Premium of FRF 180	FRF 890,341,500	2,967,805
From July 98 to 06.30.99	927 warrants exchanged corresponding to 309 shares	FRF 300 + Premium of FRF 180	FRF 890,434,200	2,968,114
From July 99 to 06.30.00	336 warrants exchanged corresponding to 112 shares	FRF 300 + Premium of FRF 180	FRF 890,467,800	2,968,226
From July 00	662,301 warrants exchanged corresponding to 220,767 shares	FRF 300	FRF 956,697,900	3,188,993
to 06.30.01	Conversion of the nominal unit value to €45.75 using part of the legal reserves of FRF 319,944	+ Premium of FRF 180	€145,896,429.75	3,188,993
01.18.06	Division by 3 of the nominal value of the share from \in 45.75 \in to \in 15.25	€15.25	No modification	9,566,979
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
04.13.10	Issue of 3,826,244 new shares with pre-emptive shareholder subscription rights	€15.25	€262,576,040.25	17,218,101
01.21.13	Creation of 1,721,810 shares by the allocation of free shares	€15.25	€288,833,642.75	18,939,911

6.4.1.4. Modifications occurring in the breakdown of the capital stock over the course of the last three fiscal years

		06.30.11			06.30.12			06.30.13	
	Number of shares	% of capital stock	% of the total number of voting rights	Number of shares	% of capital stock	% of the total number of voting rights	Number of shares	% of capital stock	% of the total number of voting rights
Groupe Limagrain Holding	10,585,684	61.48	68.16	10,617,211	61.66	68.35	11,680,638	61.67	68.36
Limagrain	992,117	5.76	7.12	992,117	5.76	7.13	1,091,328	5.76	7.13
Selia	892,503	5.18	6.75	862,503	5.01	6.53	948,753	5.01	6.53
Treasury shares	1,317	0.01	-	1,081	0.01	-	3,784	0.02	-
Public and various	4,746,480	27.57	17.97	4,745,189	27.56	17.99	5,215,408	27.54	17.98
Total	17,218,101	100.00	100.00	17,218,101	100.00	100.00	18,939,911	100.00	100.00

6.4.2. 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 22, 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% or more 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.

Following the constitution of the Banque Publique d'Investissement, BPI Groupe, a public investment bank for the industrial and commercial sectors (ex EPIC OSEO) declared that on July 12, 2013, it had indirectly gone above the thresholds of 5% of Vilmorin & Cie's capital stock and voting rights, through Bpifrance Participations SA, a company which it holds indirectly through the company BPI Groupe SA, and that on this same date, it held 1,467,858 shares of Vilmorin & Cie representing the same number of voting rights, i.e. 7.75% of the company's capital stock and 5.05% of its voting rights.

The Caisse des Dépôts et Consignations declared that it held directly and indirectly, through CDC Entreprises Valeurs Moyennes and Bpifrance Participations SA, 1,882,834 shares and voting rights, i.e. 9.94 % of the company's capital stock and 6.48% of its voting rights.

6.4.3. FINANCIAL AUTHORIZATIONS GRANTED BY THE ANNUAL GENERAL MEETING OF DECEMBER 12, 2012

In order to provide Vilmorin & Cie with the necessary means to ensure its future development, particularly internationally, the Annual General Meeting of December 12, 2012 authorized the Board of Directors:

- to issue bonds or other assimilated debt securities (seventh resolution),
- to issue, with or without pre-emptive subscription rights, shares and/or securities providing access immediately and/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 (ninth and tenth resolutions).

The eleventh resolution grants the Board of Directors the possibility to make use of the ninth and tenth resolutions, for a period of twelve months.

The total nominal amount of these issues may not exceed 450 million Euros, as presented in the twelfth resolution.

6.5. VILMORIN & CIE'S SHARES

6.5.1. SHARE DATA SHEET

- Date of introduction to the second market of the Paris stock exchange: November 3, 1993.
- Place of quotation: NYSE Euronext Paris. Compartment A.
- Eligible for SRD (Deferred Settlement Order) since February 26, 2008.
- NYSE Euronext indices: SBF 120, Cac Mid 60, Cac Mid & Small, Cac All-Tradable, Cac All Shares.
- 9 ISIN code: FR 0000052516 (RIN).
- O Eligible for PEA (share savings plan).
- O ICB nomenclature sector: Farming & Fishing.
- Number of shares: 18,939,911.
- Olose of the fiscal year on June 30.

6.5.2.MANAGEMENT AND LIQUIDITY OF THE SHARES

Natixis Securities is responsible for running Vilmorin & Cie's liquidity contract. This company complies with the AMAFI deontology charter of September 20, 2008, approved by the AMF (authority governing the French stock markets) on October 1, 2008.

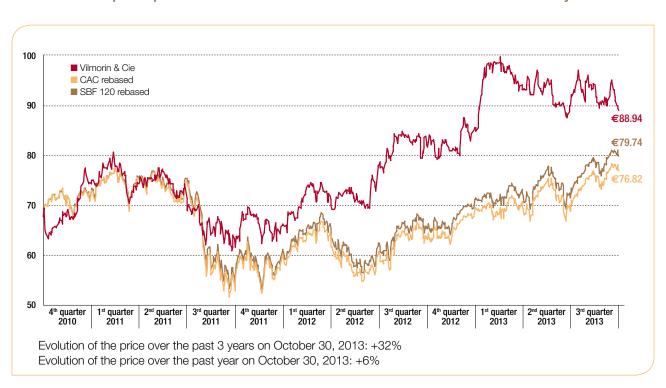
Assets that appear on the liquidity account:

- At the beginning of the contract:
 - number of shares: 7,989in cash: 68,037.90 Euros
- 9 On June 30, 2013:
 - number of shares: 3,784in cash: 354,711.95 Euros

6.5.3. PERFORMANCE OF THE CAPITAL STOCK

As a defensive, long-term security investment, Vilmorin & Cie's stock has shown solid resistance to market fluctuations since it was first introduced to the Paris stock market in 1993, with outperformance compared to the reference price index, SBF 120. Such performances reflect the low sensitivity of the sector to the economic environment, but also the relevance of the company's long-term strategy.

6.5.3.1. Evolution of the quoted price of Vilmorin & Cie's shares vs CAC 40 / SBF 120 rebased over 3 years



6.5.3.2. **Share scorecard report**

	10-11	11-12	12-13
DAILY AVERAGE OF TRANSACTIONS			
> Number of shares	8,450	6,505	6,227
> Thousands of Euros	681.29	502.75	552.56
MAXIMA AND MINIMA			
> Highest rate	93.00	85.96	100.25
> Lowest rate	66.75	68.80	74.09
Closing rate of the fiscal year in Euros	85.00	83.63	89.55
Net yield per share % (1)	2.07%	1.76%	2.17%

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

Quantities exchanged and evolution of values over the last 18 months

Date	Number of shares exchanged	Capital stock exchanged (M€)	Highest recorded rate (€)	Lowest recorded rate (€)
2012				
April	89,398	6.501	74.27	70.46
May	143,030	10.486	75.45	71.38
June	114,272	8.499	78.15	70.37
July	151,332	12.196	83.26	76.48
August	138,745	11.849	89.09	82.82
September	150,912	12.538	85.84	74.09
October	116,142	9.673	85.45	80.48
November	75,602	6.294	84.55	81.82
December	129,472	11.150	89.82	81.09
2013				
January	187,376	17.532	99.00	84.55
February	121,099	11.848	100.25	94.56
March	88,287	8.435	98.00	92.51
April	140,587	13.158	98.48	91.02
May	113,949	10.625	97.50	90.10
June	168,177	15.095	91.01	87.51
July	108,980	10.027	96.90	88.01
August	142,175	13.210	96.00	89.51
September	125,041	11.501	95.50	89.56

6.5.3.4. Interventions of the company with regard to its own shares (treasury shares)

The Annual General Meeting of December 12, 2012, in compliance with the provisions of articles L.225-209 and the following articles of the French Commercial Code, of title IV of Book II of the General Regulations of the Autorité des Marchés Financiers and the application instructions of regulation No. 2273/2003 of the European Commission of December 22, 2003, granted the Board of Directors, in the sixth resolution, the powers to intervene by purchasing or selling its own shares on the stock market at a maximum price of 120 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 120 million Euros. This purchasing program is authorized for a maximum period of 18 months.*

During fiscal year ending June 30, 2013, the company conducted, either directly or indirectly, the following operations:

- o number of shares purchased = 109,843
- o average purchasing price = 93.23 Euros
- onumber of shares sold = 107,080
- average selling price = 93.21 Euros
- number of treasury shares held on June 30, 2013: 3,784 corresponding to less than 0.1% of the capital stock, at a purchasing value of 335,863.01 Euros, which is an average unit price of 88.76 Euros.

It is proposed to the Annual General Meeting of December 11, 2013 to authorize the Board of Directors, for a maximum period of 12 months, to buy or to sell treasury shares in compliance with the 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,
- 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 130 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 130 million Euros.

6.5.4. DIVIDENDS AND PROFIT DISTRIBUTION POLICY

6.5.4.1. Dividends over the last five fiscal years and distribution policy

The net dividend per share proposed to the Annual General Meeting of December 11, 2013 is 1.65 Euros, stable in nominal value compared with the previous fiscal year. During the course of fiscal year 2012-2013, Vilmorin & Cie allocated free shares on the basis of one new share for ten old shares.

12-13	11-12	10-11	09-10	08-09	
18,939,911 ⁽¹⁾	17,216,087	17,212,812	17,217,817	13,387,796	Number of shares receiving dividend
1.65	1.65	1.50	1.41	1.77	Net dividend (in Euros)
31.5%	35.3%	28.4%	44.8%	44.8%	Distribution rate
					, ,

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

6.5.4.2. Tax regulations (on August 28, 2013)

Dividends claim limit

The legal limit is five years from the date the holder of the right to the payment of dividends is informed, or should be informed, of his or her right to exercise this right. After this date, unclaimed dividends are paid to the State by the company.

French residents

The French finance law of 2013 (article 9) has considerably modified the tax conditions for dividends received by physical persons domiciled in France for tax purposes. The deduction at source option has been stopped so that all beneficiaries (unless exempt) of dividends now pay tax according to a progressive income tax rate. This tax is calculated after a 40% allowance (the fixed annual allowance of 1,525 Euros or 3,050 Euros for a couple has been stopped).

This same finance law has adopted à non-definitive 21% prepayment of income tax deducted at source which can be offset against the taxes of the following year and, in case of a tax surplus, can be refunded. Nevertheless physical persons belonging to fiscal households for which the reference fiscal income for the year before last is less than 50,000 Euros (single) or 75,000 Euros (couple) may request exemption from this prepayment.

Whatever their fiscal status (common law or option), the dividends are also subject to a welfare tax contribution at the global rate of 15.5%. This welfare tax contribution is deducted at source by the paying establishment.

Non residents

Dividends received by non-French residents have tax withheld at source, the rate of which varies according to local tax conventions signed by France. The maximum internal rate is 30% (75% in the case of dividends paid into a state or territory which has not signed a convention of co-operation). 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.

6.5.4.3. Allotment of free shares

Vilmorin & Cie's Board of Directors, acting by delegation of the Joint Annual General Meeting of Shareholders on December 12, 2012, decided the free allotment of shares at a rate of one new share for ten old shares held. This operation, resulting from a project run with the Consultative Committee for Shareholders, is another step in the policy to issue shares for individual shareholders. It underlines Vilmorin & Cie's desire to pursue privileged relations with its long-term, faithful shareholders. Attribution operations began on Monday January 21, 2013 and concerned all shares held at the close of trading at the Paris stock market on Friday January 18, 2013. Any shareholder having acquired shares before this date benefited from this allotment of shares. This operation may be renewed regularly.

6.5.5. SERVICING OF THE SHARES

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

BNP Paribas Securities Services Les Grands Moulins de Pantin 9, rue du Débarcadère F-93761 Pantin Cedex

- Tel:
 - For French shareholders: 0 826 109 119For other shareholders: +33 (0)1 55 77 40 57
- 9 Fax: +33 (0)1 55 77 34 17
- www.securities.bnpparibas.com

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

6.6. INFORMATION POLICY

6.6.1. KEEPING IN TOUCH

Since its introduction to the stock market in 1993, Vilmorin & Cie 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 into consideration.

6.6.1.1. Publications available to all the financial community

Every year Vilmorin & Cie 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 partially in English on Vilmorin & Cie's website, and in printed form in French. It is updated at the time of the disclosure of the half-yearly financial statements.

The website

All the information published by Vilmorin & Cie is accessible on its website: **www.vilmorin.info**. The site was revamped during the course of fiscal year 2012-2013. The aim of this new website is to inform all the financial community on the financial performances of Vilmorin & Cie, but also on its activities and perspectives through graphics that are closer to its business as a seed company, with easier access to information and more regularly updated news. Apart from all the regulatory financial information, there are areas of interest for journalists, analysts/investors and individual shareholders so they can find the information that is of interest to them in particular.

This information concerns, for example, presentations of the company, regulatory information, financial analyses, evolution of the share value, financial presentations, press files, letters to the shareholders, etc. Presentations of the sales figures are also published on the website after meetings, and also interviews with executives when results are disclosed. The site can be consulted in English or in French.

6.6.1.2.

Relations with analysts, institutional investors and the press

In 2012-2013, eight financial analyst companies followed the share price: CM-CIC Securities, Kepler Cheuvreux, Exane BNP Paribas, Gilbert Dupont, Natixis, Oddo Midcap, Portzamparc and Société Générale.

Informational meetings and site visits

Six informational meetings held for investors, analysts and journalists were organized in 2012-2013 concurrently with the disclosure of the results for the fiscal year and the first semester.

Telephone conferences

Vilmorin & Cie organized four telephone conferences in 2012-2013 at the same time as the disclosure of its quarterly sales. Commented presentations can be consulted in French on the Vilmorin & Cie website.

Meetings with investors

During the course of fiscal year 2012-2013, Vilmorin & Cie participated in twelve meetings with investors and analysts in the form of conferences or roadshows, including several outside France (New York, London, Geneva).

Press file

The press file for journalists is regularly updated for the company's main financial disclosures.

6.6.1.3. Relations with individual shareholders

Vilmorin & Cie 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 30, 2013, the total of individual shareholders of either nominative or bearer shares stood at nearly 12,200.

Publications

Letters to the shareholders

The letter to the shareholders is printed in several thousand copies, in French. During the course of fiscal year 2012-2013, the structure of the letter was redesigned in order to meet the expectations of individual shareholders with greater pertinence, with articles from experts. Three letters were published during the year, providing specific information on the financial results, the group's strategy, news files and information on the stock market. During the Actionaria fair, a letter with a more pedagogical vocation, on the subject of Vilmorin & Cie's development model, was handed out to shareholders who visited the stand.

The shareholder's guide

Every year Vilmorin & Cie publishes a shareholder's guide with a format and summarized content better adapted to the expectations of individual shareholders. It is handed out at the Annual General Meeting and sent out by mail to almost 1,000 individual shareholders. It is also available on request from the company's finance department.

@ "L'Essentiel"

This summary document provides a brief overview of Vilmorin & Cie's business activity, its development model and track record on the Paris stock market. It is handed out at the Actionaria Fair and shareholders' meetings, and can be consulted on Vilmorin & Cie's website.

Meetings

Shareholders' meetings

In 2012-2013, Vilmorin & Cie met more than 500 shareholders who participated in three meetings organized in Nice, Lille and Strasbourg (France). The company will continue to organize these privileged moments of exchange with its shareholders during the course of 2013-2014. They provide an opportunity to present the company, its activity and business, and its strategy, while answering numerous questions.

Actionaria Fair

Vilmorin & Cie, a faithful participant in the Actionaria Fair in Paris, was present for the eighth consecutive year at this event in November 2012, 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 strategy with regard to individual shareholders, and Vilmorin & Cie's management and the members of the Consultative Committee for Shareholders were all present. Last year's Actionaria was marked by Vilmorin & Cie's presence at the Chairmen's Agora and a Mid-Cap conference on the theme of "Shareholders of medium-sized companies, a socially responsible investment". The company will be present once again for the 2013 Fair.

General Meetings

Vilmorin & Cie's Annual General Meeting, a highlight in its relations with its Shareholders, is a time of listening and exchanging, shared with the Board of Directors. The Shareholders can thus participate actively in the group's important decisions by voting, whatever the number of shares held. The Annual General Meeting deliberating on the annual financial statements for 2012-2013 will take place on December 11, 2013 in Paris.

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 General Meetings, 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 an ownership certificate issued thereby, in accordance with regulations in force, attached to a posted ballot, a voting proxy form or a request for admittance card prepared in the name of the shareholder or the shareholder's nominee. 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 General Meeting of July 22, 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.

Rules for representation and placing items or draft resolutions on the agenda

• Rules for representation

Shareholders may be represented not only by another shareholder, spouse or "PACS" (civil) partner, but also by any other person (physical person or legal entity) of his or her choice (Article L.225-106, I-al 2).

This freedom to choose one's representative is accompanied by the need for the representative to obtain all necessary information to avoid any conflict of interest that might arise between the representative and his or her mandator. Including items or draft resolutions on the agenda of the general meeting by shareholders

The possibility of shareholders to include draft resolutions or any item not linked to a draft resolution is subject to their possession of a certain percentage of the capital stock.

The shareholder must accompany his or her request with justification of possession of the percentage of capital stock required, along with a certificate of registration for the corresponding shares, either in the nominative share accounts kept by the company or in the bearer share accounts held by the authorized intermediary.

Moreover, any examination of the item or the resolution by the Annual General Meeting is conditional on the transmission by the relevant party of another certificate of securities registration for the same accounts on the 3rd working day (midnight, Paris time) prior to the meeting.

The request for the inclusion of any agenda items or draft resolutions must be sent to the head office by registered letter with acknowledgement of receipt or by e-mail, and must reach the company at least 25 days before the date of the meeting, but no later than 20 days after the date of the notice to attend the meeting.

All requests to include draft resolutions must be accompanied by:

- the text of the draft resolutions,
- where relevant, a brief presentation of the motives,
- a certificate of registered shares justifying that the required capital stock is held.

Any request for the inclusion of an agenda must be accompanied by the motives and a certificate of registered shares justifying that the required capital stock is held.

The Chairman of the Board must acknowledge receipt of the request for agenda items or draft resolutions, by registered letter or by e-mail, within five days of receiving this request.

If draft resolutions are submitted by shareholders, the Members of the Board must meet in order to determine if they should recommend to the AGM that these draft resolutions should be adopted or rejected.

The Consultative Committee for Shareholders

The Consultative Committee for Shareholders (CCS) was formed in the spring of 2010 with the objective of contributing to the development strategy for individual shareholders, understanding shareholder expectations better and improving on financial communication.

The mandates of the first members of the Consultative Committee for Shareholders have reached the end of their term, and Vilmorin & Cie expressed the desire to extend the number of individual shareholder members to six. The duration of the representatives' mandate is for two years and they may be re-elected twice. One third of the Committee is renewed every year. Since one member did not renew her mandate, Vilmorin & Cie recruited 2 new members during the course of the fiscal year. Recruitment was made on the basis of candidates' files, and then a selection by the Members of the Board and the Financial Communication team.

Furthermore, since the Members of the Board appointed Philippe AYMARD to be the Chairman & CEO of Vilmorin & Cie following the Annual General Meeting of December 12, 2012, Pascal VIGUIER, a Director of Vilmorin & Cie, succeeded him on the CCS.

The CCS now comprises:

- o six individual shareholders representing the shareholders:
 - Jean-Claude BONHOMME (Auvergne France),
 - Arnaud BUNEL (Ile-de-France France),
 - Michel CHIRON (Pays de la Loire France),
 - Caroline MEIGNEN (Picardie France),
 - Louis REYNAL DE SAINT MICHEL (Ile-de-France France),
 - Francine SAUCIER (Ile-de-France France).
- two Directors from Vilmorin & Cie:
 - Francois HEYRAUD,
 - Pascal VIGUIER.

It is managed by:

- ◊ Vilmorin & Cie's Chief Financial Officer: Daniel JACQUEMOND,
- the financial communication team: Valérie MONSERAT, Head of Financial Communication and Investor Relations, and Claire-Marie SONNIER, Financial Communication Officer and Individual Shareholder Relations.

The Committee met three times during fiscal year 2012-2013 at different sites of the group. Its work has helped to make recommendations on communications devoted to individual shareholders (letters to the shareholders, free allocation of shares, etc.) and exchange on topics concerning the group's strategy (Corporate Social responsibility for example).

Membership of the Individual Investors' Federation and Investment Clubs (F2IC)

Vilmorin & Cie has been an active member of the Individual Investors' Federation and Investment Clubs (F2IC) since 2005. It participates in shareholder meetings organized by the Federation, and also distributes its letters to shareholder investment clubs.

6.6.2. SCHEDULED AGENDA FOR 2013-2014

The dates are provided as an indication and are subject to

- ONOvember 5, 2013: Disclosure of sales at the end of the 1st quarter*
- November 14, 2013: Meeting of shareholders in Paris (France) (F2IC)
- November 22 and 23, 2013: Actionaria Fair at the Palais des Congrès in Paris (France)
- December 11, 2013: Annual General Meeting of the Shareholders in Paris (France)
- Obecember 16, 2013: Detachment of the dividend
- December 19, 2013: Payment of the dividend
- February 18, 2014: Disclosure of sales and results at the end of the 1st semester*
- April 29, 2014: Disclosure of sales at the end of the 3rd quarter (before the beginning of trading on the Paris stock market)
- July 30, 2014: Disclosure of the sales for the year*
- October 7, 2014: Disclosure of the results for the year*

*Disclosure after the end of trading on the Paris stock market

6.6.3. CONTACTS

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6.7. STATUTORY AUDITORS

6.7.1. CONTROL BODIES

6.7.1.1. Incumbent Statutory Auditors

KPMG AUDIT, Département de KPMG SA

1, cours Valmy – F-92923 Paris la Défense Cedex Represented by M. Laurent GENIN

Date of renewal: 2008

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

VISAS 4 Commissariat

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

Represented by M. Claude AUBERT

Date of renewal: 2011

Date of expiry of term of office: 2017 (AGM for the accounts of

the fiscal year closing on June 30, 2017)

6.7.1.2. Substitute Statutory Auditors

M. Denis MARANGE

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

Date of appointment: 2008

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

M. Olivier DELARUE

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

Date of renewal: 2011

Date of expiry of term of office: 2017 (AGM for the accounts of

the fiscal year closing on June 30, 2017)

7. RESOLUTIONS OF THE COMBINED ANNUAL GENERAL EXTRAORDINARY MEETING of December 11, 2013

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7.3. Resolution of an ordinary nature



7.1. 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 30, 2013 as presented to the meeting, and the general running of the company as described in the above-mentioned financial statements and reports, and also approves the non deductible expenses governed by article 39-4 of the French Tax Code.

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 conclusions of the above-mentioned report.

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 22,299,631.06 Euros in the following manner:

• Net profit on June 30, 2013	22,299,631.06 Euros
Application to legal reserve	1,114,984.55 Euros
Profit available on June 30, 2013	21,184,646.51 Euros
Brought forward	32,942,476.08 Euros
Dividends to distribute	31,250,853.15 Euros
② To carry forward	22,876,269.44 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 1.65 Euros per share.

The AGM decides that the dividends will be detached on December 16, 2013 and will be paid on December 19, 2013.

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 consolidated financial statements, the AGM approves the consolidated financial statements for the fiscal year closing on June 30, 2013 as presented to the meeting, and the general running of the group of consolidated 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 year 2012-2013.

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 year 2012-2013, at 22,000 Euros.

SIXTH RESOLUTION

Renewal of the term of office of a Director

The AGM acknowledges that Mr. Jean-Yves FOUCAULT's term of office as Director expires on this day, and approves the renewal of his term of office for a duration of three years, expiring at the end of the Annual General Meeting of Shareholders called to deliberate on the financial statements closing on June 30, 2016

SEVENTH RESOLUTION

Renewal of the term of office of a Director

The AGM acknowledges that Mr. Pascal VIGUIER's term of office as Director expires on this day, and approves the renewal of his term of office for a duration of three years, expiring at the end of the Annual General Meeting of Shareholders called to deliberate on the financial statements closing on June 30, 2016.

EIGHTH RESOLUTION

Appointment of a new Director

The AGM acknowledges that Mr. Didier MIRATON's term of office as Director expires on this day, and decides to appoint Ms. Miriam MAES for a duration of three years, expiring at the end of the Annual General Meeting of Shareholders called to deliberate on the financial statements closing on June 30, 2016.

NINTH 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* (authority governing French markets) and the implementing directive of Regulation n°2273/2003 of the European Commission dated December 22, 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 whom a liquidity contract has been signed 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 130 Euros per share, and fixes the maximum number of shares liable to be purchased at one million shares, representing a maximum potential sum of 130 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 eighteen months commencing as of the date of this AGM, replacing the authorization granted by the AGM of December 12, 2012 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.

TENTH 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 350 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.

- fix, according to market conditions, 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.

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 12, 2012.

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7. RESOLUTIONS

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7.2. RESOLUTIONS

of an extraordinary nature

ELEVENTH RESOLUTION

P. 1

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 and the following articles 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:

e delegates to the Board of Directors, for the duration of twentyfour 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 300 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 fourteenth 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 300 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 stipulated 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 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 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.

TWELFTH 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 article L.225-129 and the following articles 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 twentyfour 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 and/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 compensation of receivables.

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 shares 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 300 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 fourteenth 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 300 million Euros or the equivalent of this sum if issued in a foreign currency at the date of the decision to issue.

- 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 of 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 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 provisions.
- 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.

THIRTEENTH RESOLUTION

Possibility to make use of the eleventh and twelfth 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 eleventh and twelfth 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 30, 2014.

FOURTEENTH 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 eleventh, twelfth and thirteenth resolutions above, whether immediate, deferred or potential, and also any issue of securities according to the provisions of the tenth resolution above, shall not globally exceed the total nominal value of 500 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.

FIFTEENTH 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, 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 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 stock 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 12, 2012.

7.3. RESOLUTION of an ordinary nature

SIXTEENTH 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.

BREEDERS:

Companies and professionals who create new varieties.

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.

CRITICALITY:

Cumulative effect of the probability of a risk occurring and the gravity of the damage it would cause.

GENETIC RESOURCES:

Group of genes from various plant species.

GENETICALLY MODIFIED ORGANISM (GMO):

Organism (plant 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.

HYBRID:

Heterozygous offspring of two genetically different parents. This conventional breeding 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 the use of a sensory organ (for example taste and smell).

SALES FROM PROPRIETARY VARIETIES:

Sales made on varieties coming out of the research programs of Vilmorin & Cie.

SEED MULTIPLICATION FARMER:

Farmer specialized in large-scale multiplication or production of seed, with a view to selling the seed.

STACKING:

The process of introducing several traits (not necessarily GM) into one plant or plant type by either selective (human) or natural breeding methods.

THINK TANK:

A group or an institution organized for intensive research and solving of problems, especially in the areas of technology, and social or political strategy.

TRAIT:

Item of the description of the phenotype of a living organism or a species.

TRAITS:

The expression of a gene or genes providing the plant with resistance to various aggressions from pests, weed-killers, etc. The phenotype is a description of one or more traits.

TRANSGENESIS:

Integration into a living organism of a gene that confers upon the organism a new property that it will transmit to its descendants.

Sources

- > www.gnis-pedagogie.org
- > www.larousse.fr
- > Wikipedia
- > Internal. Vilmorin & Cie.

