Vilmorin

2011-2012 ANNUAL Report

Agenda

- **November 6th, 2012**
  Disclosure of sales at the end of the first quarter 2012-2013
- **February 5th, 2013**
  Disclosure of sales at the end of the first semester 2012-2013
- **February 19th, 2013**
  Disclosure of results at the end of the first semester 2012-2013
- **April 29th, 2013**
  Disclosure of sales at the end of the third quarter 2012-2013
- **July 31st, 2013**
  Disclosure of sales for the year 2012-2013
- **October 8th, 2013**
  Disclosure of results for the year 2012-2013

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Contents

Words defined in the glossary are indicated by *

No 1
in Europe
for wheat seeds

No 2
worldwide
for vegetable
seeds

No 3
in Europe and
North America
for corn seeds

As the world's fourth largest seed company, Vilmorin develops vegetable and field seeds with high added value, to better meet global food requirements. True to its vision of sustainable development, Vilmorin relies on its innovative capacity and sustained international growth to strengthen its competitive positions sustainably on regularly progressing international markets.

1,338 million Euros sales in 2011-2012.

5,640 permanent colleagues throughout the world.

Leading positions in its core 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.

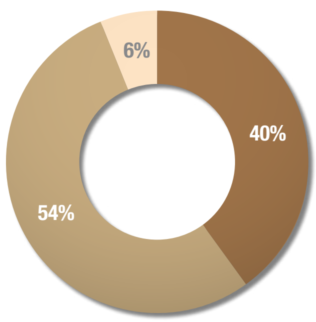
A strategy based on winning market shares

- A constant drive for innovation (14% of sales of seeds invested in research in 2011-2012), contributing to the launch of 600 new seed varieties every year.
- A reasoned policy of external growth and partnerships.
- Growing internationalization of business (46% of sales made outside Europe in 2011-2012) in regions characterized by growth and with high potential: China, India, Brazil and the United States.

A solid, specific development model

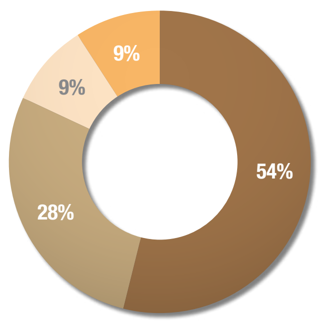
- A unique approach to seed production built up on historical expertise in botany and on the basis of real proximity with the agricultural world.
- A long-term vision of its development, strengthened by the consistent accompaniment of its reference shareholder, Limagrain, an international agricultural co-operative group.
- Founding values related to a culture of innovation, sharing knowledge and listening to people and their environment.

2011-2012 Sales for each division



- Vegetable seeds
- Field seeds
- Garden products

2011-2012 sales for each geographical zone



- Europe
- Americas
- Asia / Oceania
- Africa / Middle East

From the left to the right:

Joël ARNAUD, Didier MIRATON, Philippe AYMARD, Daniel CHÉRON, Pascal VIGUIER, Jean-Yves FOUCAULT, Gérard RENARD and François HEYRAUD.

> "This dynamic growth in our business is confirmation of the pertinence of our development model and our strategic orientations."

ANOTHER YEAR OF GREAT PROGRESS IN OUR PERFORMANCES

Vilmorin has had another really fine year, achieving solid growth in terms of sales, income and operating margin.
In spite of performances which appear to be heterogeneous, Vilmorin has nevertheless confirmed its vocation to develop its different business activities profitably.

At the end of fiscal year 2011-2012, the Field seeds division achieved a record progression of 20% in business. Encouraged by a favorable market environment marked by a growth in cultivated acreage and the fact that cereal prices held up well, this performance is exceptional and clearly justifies our past strategic choices.
The Vegetable seeds division achieved growth of 3%, higher than that of our main competitors, reflecting a strengthening of our competitive positions in a market environment which is still under pressure, yet which seems to be picking up at the beginning of fiscal year 2012-2013.

Based on these results, we will propose to the Annual General Meeting a dividend of 1.65 Euros per share, an increase of 10% compared with the previous year.

DEPLOYMENT OF STRATEGIC ORIENTATIONS IN NEW TERRITORIES

This dynamic growth impetus is confirmation of the efficiency of our organization and development, and the pertinence of our strategic orientations, which we have resolutely pursued over the course of this fiscal year.

Our presence on corn markets continues to develop internationally, particularly in promising new areas for the development of growth such as Brazil, India and China. A highlight of the fiscal year was the creation of the joint venture Genective, the fruit of the research agreement signed with KWS, illustrating our capacity to strengthen and broaden our partnerships. This venture should soon result in the sales of genetically modified corn developed from proprietary technologies, indispensable to our international deployment for this crop.
As far as wheat is concerned, we are continuing to implement our upstream programs on line with the initial schedule, with the ambition of becoming the reference in the world market.
Finally, our segmentation policy according to geographical markets considered to be strategic, such as Asia, and a limited number of key crops, we are persevering in our efforts to strengthen our already extremely solid positions on the vegetable seeds markets.

PERSPECTIVES FOR SUSTAINED GROWTH IN 2012-2013

A new year of growth is opening up ahead of us, borne by the positive outlook on agricultural markets and better visibility of vegetable production markets.
If we can approach this fiscal year with serenity and confidence, it is also thanks to the commitment and competence of our teams, and the accompaniment of our Shareholders, whose loyalty never fails in spite of a continuing volatile financial environment still characterized by heavy uncertainties. In such a fragile context, we believe close relations and regular, transparent communication are even more necessary than ever. Our efforts in this respect were crowned by the award of the Grand Prize for Shareholder Relations for 2011, a great honor for us; we will continue along this path.

Governance

Stable Governance guaranteeing long-term strategy

PRESENTATION OF THE BOARD AND HOW IT FUNCTIONS

Vilmorin 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. In 1993, when Vilmorin 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.

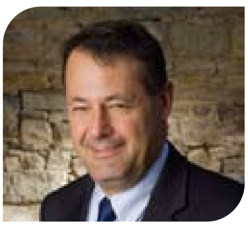
PRESENTATION OF THE BOARD

Composition

Vilmorin's Board comprises 8 members, including an independent director.
For the purpose of their office, all members of the Board can be contacted at the following address: c/o Vilmorin – BP1 – F-63720 Chappes.
Details on the Directors' terms of office appear in the annex of the Board's Report to the Annual General Meeting (page 107).

Name (age on 06.30.2012)	Function	Main activities	Term of office	Background
 Gérard RENARD (64)	Chairman	Farmer Vice-Chairman of Groupe Limagrain	▶ 1998 ↻ 2011 ✖ 2014	Educated in agronomic science and agricultural economics, Gérard RENARD, as well as his duties at Vilmorin, is also President of the Puy-de-Dôme Chamber of Agriculture and a member of the Auvergne Regional Chamber of Agriculture committee.
 Joël ARNAUD (53)	Member of the Board	Farmer Vice-Chairman of Groupe Limagrain	▶ 2006 ↻ 2011 ✖ 2014	Joël ARNAUD joined the Groupe Limagrain Board in 1990, becoming Vice-Chairman in 1992, and is Chairman of the Field seeds division. Furthermore his national responsibilities in France involve chairing the FNPSMS (National Federation of Corn and Sorghum Seed Producers) and a position on the Board of the AGPM (General Association of Corn Producers).
 Philippe AYMARD (52)	Member of the Board Member of the Consultative Committee for Shareholders	Farmer	▶ 2006 ↻ 2011 ✖ 2014	As a member of the Groupe Limagrain Board since 1995, Philippe AYMARD is Chairman of the Garden products division. He plays an important role in the cereals sector, and participates in organizing the defense of the interests of farmers.
 Daniel CHÉRON (61)	Member of the Board Member of the Audit and Risk Management Committee	Corporate CEO of Groupe Limagrain	▶ 2004 ↻ 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 Vegetables and Field seeds divisions, he became Deputy Corporate CEO in 1996, and then Corporate CEO in 2006.

▶ Commencement ↻ Renewal ✖ Expiry

Name (age on 06.30.2012)	Function	Main activities	Term of office	Background
 Jean-Yves FOUCAULT (57)	• Member of the Board • Member of the Audit and Risk Management Committee	• Farmer • Chairman of Groupe Limagrain	▶ 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.
 François HEYRAUD (55)	• Member of the Board • 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.
 Didier MIRATON (54)	• Independent Member of the Board • Chairman of the Audit and Risk Management Committee	• Corporate CEO of Groupe Fabre	▶ 2007 ↻ 2010 ✖ 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. On October 24th, 2012, he was appointed Corporate CEO of the Pierre Fabre Group.
 Pascal VIGUIER (48)	• Member of the Board	• Farmer	▶ 2007 ↻ 2010 ✖ 2013	Pascal VIGUIER became a Groupe Limagrain Board member in 1999, and has held terms of office in the Vegetable and Field seeds and Cereal ingredients divisions. Today he follows the activities of Limagrain Cereal Seeds and Limagrain South America.

Training organized for the Members of the Board

Apart from individual, customized training followed regularly every year by Vilmorin'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.

During the course of 2011-2012, exchanges focused on global risk management, international monetary policies, financial strategy and the techniques used for financial operations and also on biotechnology*.

Limagrain, reference shareholder

The majority of the directors on the Board of Vilmorin 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.

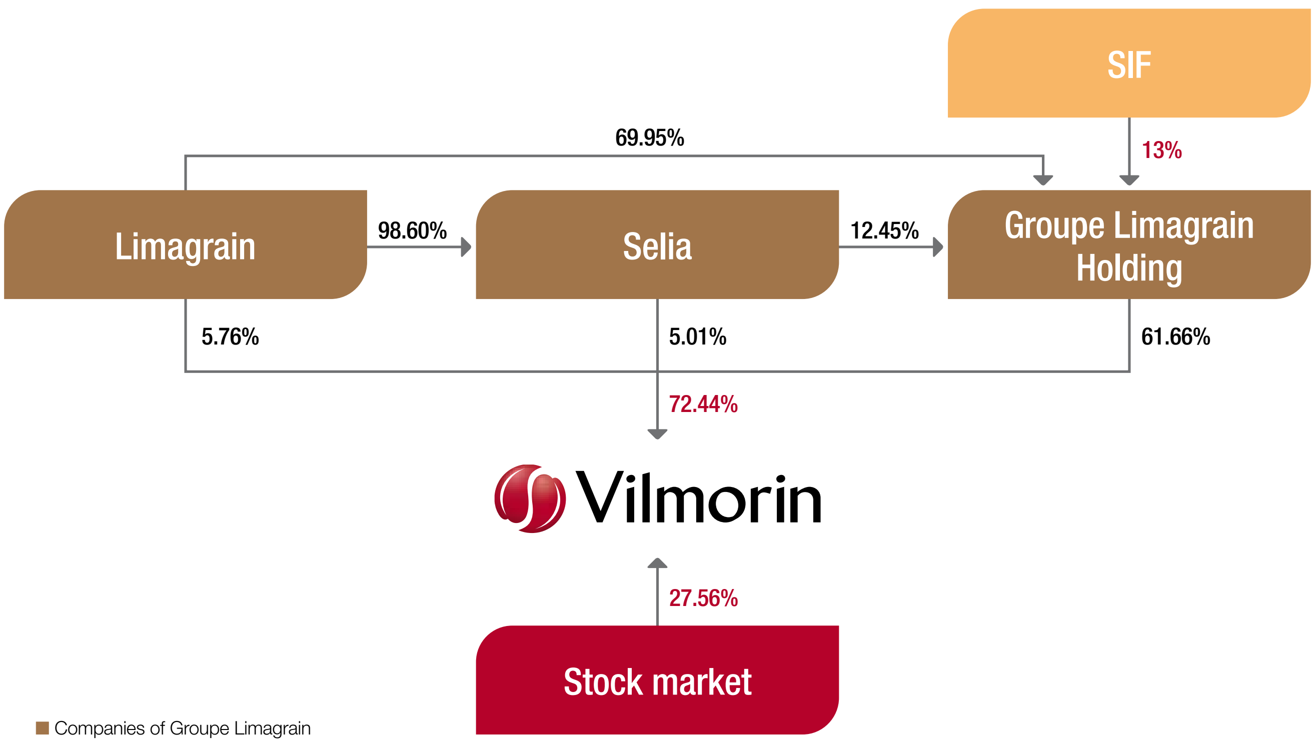
As the reference shareholder for the company, Limagrain has always encouraged Vilmorin's development by providing regular and consistent investment support. As an international cooperative group, and specialist in seeds and cereal products, it conducts its business in a global, sustainable vision of agriculture and agri-food, based on innovation and regulation of agricultural markets. It guarantees Vilmorin'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 4,500 co-operative farm members on June 30th 2012. 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 Strategic Investment Fund (SIF) in order to contribute to its development.

Limagrain held 72.44% of Vilmorin's capital stock on June 30th 2012. The Group is willing to consider lowering this rate depending on market opportunities and with the objective of encouraging the development of Vilmorin.

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

Shareholding structure on June 30th, 2012



Governance code

Respecting the recommendation of the European Commission of February 15th 2005, Vilmorin opened up its Board of Directors in December 2007 to integrate an independent director. The 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. Some of the AFEP/MEDEF recommendations have been directly applied such as the remuneration of the corporate representatives and the implementation of an Audit and Risk Management Committee, and a Strategic Committee whose main mission is to designate new Board Members, prepare for diversity of governance, and to define and control policies of compensation and benefits.
With regard to the other sections of the AFEP/MEDEF Code of corporate governance, the Board of Directors has fixed the medium-term objective of analyzing whether and how to gradually implement all the recommendations formulated to date by this code, while respecting the specific nature of Vilmorin.

HOW THE BOARD OF DIRECTORS OPERATES

The Board of Directors meets regularly. Meetings are convened by written notice to attend from the Chairman, and are held at the head office or any other place fixed in the notice. During fiscal year 2011-2012, the Board of Directors for Vilmorin met five times; the attendance rate for the Board of Directors was 82.5 %. Vilmorin'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 objectives 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, including Genective,
- closing of the corporate and consolidated financial statements for the first semester and fiscal year of 2011-2012,
- approval of the budget for the fiscal year 2012-2013,
- taking into account aspects of Corporate Social Responsibility.

THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Board of Directors has consolidated its work by setting up an Audit and Risk Management Committee at the beginning of 2010, chaired by Didier MIRATON, its independent Director, and under the exclusive and collective responsibility of the members of the Board. Daniel CHÉRON, Philippe AYMARD and Jean-Yves FOUCAULT 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 2011-2012, its work mainly concerned a review of the financial statements for the first semester, the risk of technological dependence, an analysis of financial and legal risks, the information systems security policy, transfer prices and purchasing policies.

The work of the Audit and Risk Management Committee is presented on page 93.

MANAGEMENT AND CONTROL BODIES

THE GENERAL MANAGEMENT

Vilmorin's General Management is the responsibility of the Chairman of the Board, Gérard RENARD.
He is assisted in this mission by Emmanuel ROUGIER, CEO.

Emmanuel ROUGIER, 60 years old, has been Chief Operations Officer for Vilmorin since 2009 with more than 15 years' experience in the group's main activities, in particular as Divisional VP and VP for Strategy and Development.

THE EXECUTIVE COMMITTEE

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

Emmanuel ROUGIER,
CEO,
in charge of the Garden products division

Bruno CARETTE,
VP for the Field seeds division

Jean-Christophe GOUACHE,
VP for the Vegetable seeds division

Daniel JACQUEMOND,
Chief Financial Officer

Bruno CARETTE joined Vilmorin's Executive Committee during the course of fiscal year 2011-2012 as VP for the Field seeds division. He joined the group more than 20 years ago and has previously held positions of Operational General Management in the Vegetable seeds and Field seeds divisions, both in France and the United States.

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,
- to establish projects to close the half-yearly and annual consolidated and corporate accounts.

AGREEMENTS WITH CORPORATE OFFICERS AND ECONOMIC INTERESTS OF THE MANAGEMENT BODIES

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

The members of the Board of Directors each hold three Vilmorin 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.

FEES OR ALLOWANCES PAID TO CORPORATE OFFICERS

The Directors from Groupe Limagrain do not receive any fees.

Following the resolution approved by the Annual General Meeting held on December 14th 2011, the Board of Directors has decided to allocate all the attendance fees (20,600 Euros) to Didier MIRATON, the independent Director. It will propose to the Annual General Meeting of December 12th 2012 to increase the attendance fees by 3% for the fiscal year 2011-2012.

Daniel CHÉRON, member of the Board, is also a salaried member of Groupe Limagrain, the reference shareholder of Vilmorin, and thus it should be noted that the proportion of gross remuneration paid for the functions he held specifically for Vilmorin in 2011-2012 amounted to 159,200 Euros, including a variable part of 48,400 Euros. The total commitments concerning end of career allowances for Daniel CHÉRON on June 30th 2012 came to 214,200 Euros.

REMUNERATION OF MEMBERS OF THE MANAGEMENT BODIES

In 2011-2012, the sum of remunerations and income in kind made to members of the Executive Committee came to 1.8 million Euros. Moreover, the total amount funded to retirement benefits of members of the Executive Committee came to 1.1 million Euros on June 30th 2012.

Conflicts of interest

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

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

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

Finally, no judgment has been pronounced with regard to any of the company's corporate officers which might have, or has had recently, any significant effect on its financial situation.

STATUTORY AUDITORS

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 30th 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 30th 2017)

Substitute Statutory Auditors

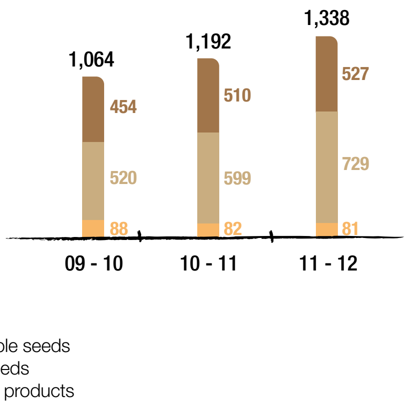
- **M. Denis MARANGE**
  1, cours Valmy – F-92923 Paris la Défense Cedex
  Date of appointment: 2008
  Date of expiry of term of office: 2014 (AGM for the accounts of the fiscal year closing on June 30th 2014)

- **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 30th 2017)

Key figures

Evolution of sales

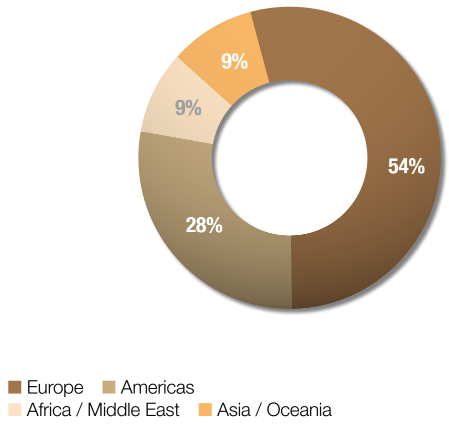
(in million of Euros) (Revenue from ordinary activities)



In a favorable agricultural environment, Vilmorin is pursuing its growth thanks to the fine performances of field seeds and the solid resistance of vegetable seeds. It achieved growth in sales of 11% like for like compared with 2010-2011.

Geographical analysis of sales in 2011-2012

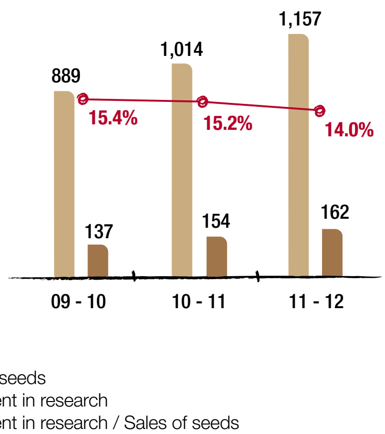
(as a%)



In 2011-2012 Vilmorin achieved a growing proportion of its sales on markets outside Europe, fixing South America and Asia as priority zones for development.

Evolution of investment in research

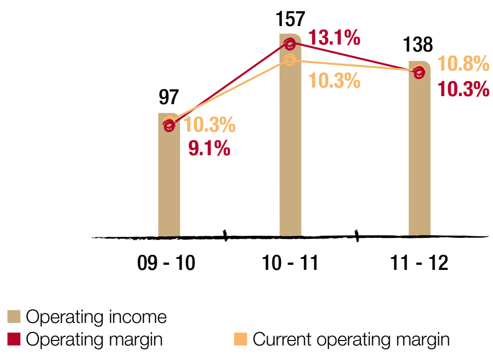
(in million of Euros)



In compliance with its strategic orientations, in 2011-2012 Vilmorin continued to intensify its global investment in research programs both in conventional plant breeding* and biotechnology*.

Evolution of the operating income and the operating margin

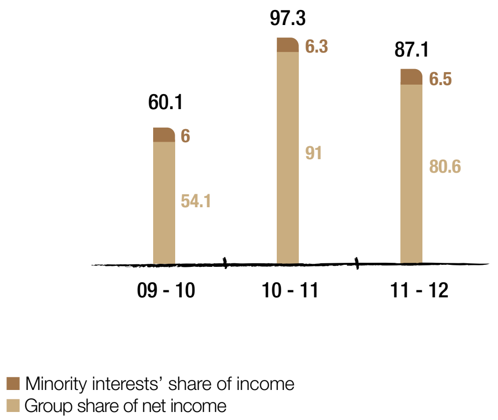
(as a % of sales)



The consolidated operating income came to 138 million Euros, down 19 million Euros compared with the previous fiscal year, showing an operating margin of 10.3%. Restated for the capital gains from the disposal of the minority stake in LPHT in 2010-2011, Vilmorin's current operating margin on June 30th, 2012 came to 10.8% of sales, an increase of 0.5 percentage points.

Evolution of net income

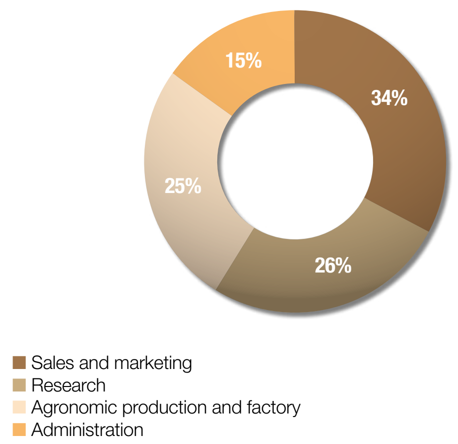
(in million of Euros)



Net income on June 30th, 2012 came to 87.1 million Euros, a significant increase compared to the previous fiscal year, after restatement of the net capital gains from the disposal of the minority stake in LPHT (29.3 million Euros).

Breakdown of permanent staff in 2011-2012 according to function

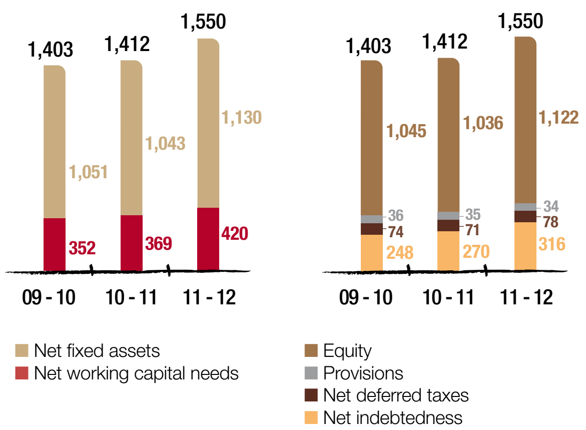
(as a %)



On June 30th, 2012, Vilmorin employed a permanent headcount of 5,640, mainly working in research and sales.

Balance sheet structure on June 30th

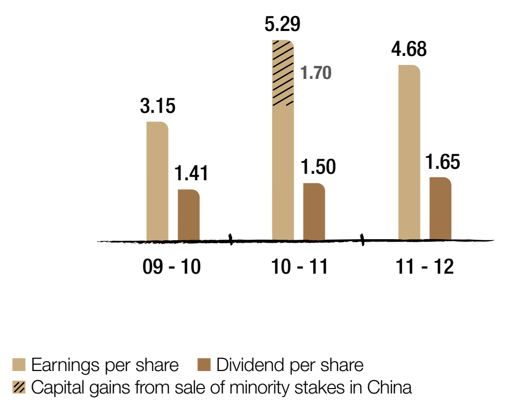
(in millions of Euros)



Compared with June 30th, 2011, Vilmorin's financial situation on June 30th, 2012 remained globally stable and solid, retaining potential to pursue targeted external growth operations.

Evolution of the earnings per share, group share (EPS) and dividend per share

(in Euros)



For its results for fiscal year 2011-2012 Vilmorin will distribute a dividend of 1.65 Euros per share, a rise of 10%, and corresponding to a distribution rate of 35% of its group share net income.

Activities

Vilmorin, leading positions in its core businesses

A SINGLE CORE BUSINESS – SEEDS – DEPLOYED THROUGH THE FULL VALUE CHAIN AND WITHIN A DECENTRALIZED ORGANIZATION

HISTORICAL EXPERTISE IN BOTANY

From research to distribution, Vilmorin controls all the stages in its seeds business and proposes high quality products, perfectly adapted to each of its target markets. Almost three hundred years old, Vilmorin can benefit from its expertise and wide, diversified genetic heritage, a true reference in the seeds sector.

Process in the development of a seed

1 year

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 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 in order to maintain them 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.

This is why Vilmorin has a collection of more than 10,000 varieties that come from the genetic heritage it has built up over a history of more than 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*.

In a context of increasing industrialization of innovation, Vilmorin 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.

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

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 character, 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 entrusts its 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 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 to international production and agricultural markets

In order to work in close contact with its customers, almost all Vilmorin'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 has a portfolio of strong brands, each with specific positioning.
Sales teams represent more than 34% of the company's headcount.

10 years

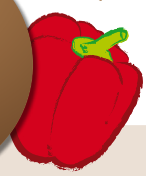
It takes seven to ten years to create a seed

OPERATIONAL ORGANIZATION THAT ENSURES EXCELLENT PROXIMITY TO ITS MARKETS

Vilmorin's operational organization is structured around three 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 truly special. At the same time corporate services such as the scientific strategy, the external growth policy and finance are all centralized.

VEGETABLE SEEDS — 40%*



- HM.CLAUSE
- Hazera-Nickerson
- Vilmorin SA
- Mikado Kyowa Seed

527.2 million Euros sales.

2,805 permanent staff.

26 countries with locations.

FIELD SEEDS — 54%*

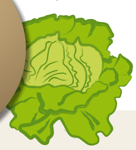
- Limagrain Europe
- AgReliant Genetics
- Limagrain Asia
- Limagrain Cereal Seeds
- Limagrain South America

728.7 million Euros sales.

2,252 permanent staff.

19 countries with locations.

GARDEN PRODUCTS — 6%*



- Vilmorin Jardin*
- Suttons

*Formerly named Oxadis

80.8 million Euros sales.

456 permanent staff.

4 countries with locations.

* Rate of sales 2011-2012.

VEGETABLE SEEDS

Vilmorin 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 deep-freezing, make up its target customers.

KEY INDICATORS 2011-2012

No2 worldwide for vegetable seeds.

527.2 million Euros contributed to consolidated sales (+2.9% like for like).

91% Sales from proprietary varieties*.

26 countries (with a location sales subsidiary).

1,805 permanent staff.

AN EXTREMELY DIVERSIFIED PRODUCT LINE-UP

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

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

ORGANIZATION IN BUSINESS UNITS TO COVER HIGHLY SEGMENTED MARKETS EFFICIENTLY

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

With their commercial organization specifically adapted to their zones of influence, the BUs 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.

Main Vegetable seed brands

Hazera Genetics
Nickerson-Zwaan
Harris Moran Seed Company
Clause Vegetable Seeds
Vilmorin
Mikado Kyowa Seed

2011-2012: GROWTH HIGHER THAN THAT OF THE MARKET

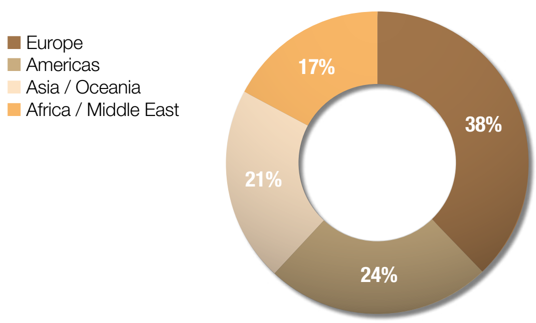
Satisfactory organic growth, in spite of difficult market conditions

After two years of very strong growth in sales, the Vegetable seeds division pursued its operations in a very difficult world environment in fiscal year 2011-2012, due to several current factors. After several months latency, production channels eventually suffered from the consequences of the “Arab Spring” particularly in zones (Egypt, Tunisia, Middle East, etc.) with large markets. At the same time, the sanitary crisis occurring in the spring of 2011 severely disturbed the vegetable seed market in Europe, particularly in Spain, leading to a drop in cultivated acreage, delayed orders and fragile financial situations for the producers. Finally the impact of the economic crisis hit certain markets, pulling down the economic activity of vegetable producers.

In such a context, Vilmorin was able to demonstrate the solidity of its organization model, and its strategy combining innovation and proximity to markets. All the Business Units performed with satisfaction, maintaining a high level of development in their expansion into new zones and holding up well in their reference markets.

Sales for the fiscal year for the Vegetable seeds division on June 30th 2012 came to 527.2 million Euros, an increase of 3.3% compared with the previous fiscal year. Restated like for like, this increase was 2.9%, higher than the global growth estimated in recent months for this market.

Vegetable seeds
Geographical analysis of sales



The fruit of a targeted external growth policy

The acquisitions and implantations achieved in recent years in key areas (Turkey, Algeria, Morocco, India, etc.) and strategic crops (tomato, sweet pepper, onion, lettuce, etc.) have proven to be wise and now provide true growth opportunities. Vilmorin has made considerable inroads in these new markets in recent years because of the greater use of commercial seeds, the efficient sales organizations set in place and the high quality of the product line-up. In order to keep up these trends in coming years, Vilmorin has intensified research programs while scaling up resources devoted to sales and marketing development as turnover has increased, in order to improve the cover of target zones.

Thus in September 2012, Vilmorin acquired the tomato and sweet pepper breeding* and sales business of the Campbell’s Group, based in Davis (California, United States). The assets (genetic resources and infrastructures) and the research teams that are part of the deal, will enable Vilmorin to strengthen its positions, particularly on the strategic tomato and sweet pepper markets intended for North American processors and other key international markets. The combined acquired activities should achieve sales of more than 5 million dollars for the year 2012. In 2012-2013, HM.CLAUSE will be setting up a new subsidiary in Guatemala, a zone with high development potential, while Vilmorin SA will be extending business to the Russian market.

OBJECTIVES FOR 2012-2013

- Achieve, as we have in previous years, average growth in sales higher than the estimated trend in growth for the vegetable seeds market.
- Accompany clients even more closely on markets made fragile by recent political and financial crises.
- Pursue plant 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 in particular) and crops.
- Use the new Business Units organization to reinforce synergy between the companies, and particularly between the research programs.

A CONSTANTLY PROGRESSING MARKET

The value of the world market for vegetable seeds was estimated to be at around 5.2 billion dollars in 2011, corresponding to an average annual growth of 6% since 2007 *(Source: Phillips McDougall 2012).*

The regularly increasing consumption of vegetables drives the growth of Vilmorin's target markets. It is a consequence of the rising world population, and the evolution of the food habits of consumers who have become more aware of a well-balanced, healthy lifestyle.
Greater use of commercial seeds in developing markets, and of seed technology* in the more mature markets, are 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 counter season.
- 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 seeds companies and the development of innovation that can stimulate producers to purchase seeds with greater added value.

A concentrated competitive environment

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 six operators represent more than half of the world market for sales of vegetable seeds.

Companies	Countries	Sales of Vegetable seeds (in M€)
Monsanto	United States	655 (1)
Vilmorin	**France**	**527 (1)**
Syngenta	Switzerland	468
Nunhems (Bayer Crop Science)	Germany	299
Rijk Zwaan	Netherlands	229
Sakata	Japan	220

(1) Sales 2012.
Sources: internal estimates and company disclosures

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 country and crop sold, their customer target is farmers.

KEY INDICATORS 2011-2012

No1 in Europe for straw cereal seeds.

No3 in Europe for corn, sunflower and rapeseed.

488.2 million Euros contributed to consolidated sales (Limagrain Europe and its subsidiaries) (+15.8% like for like).

14 countries (with a location sales subsidiary).

1,379 permanent staff.

A WELL-ELABORATED STRATEGY THAT OPTIMIZES COVER OF THE EUROPEAN MARKET

A balanced product range segmented in relation to strategic interests

To optimize its research and marketing efforts, Vilmorin 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 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.
- 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 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 is well placed and has the resources to succeed. This strategic priority is presented on page 47.

A distinctive marketing and sales approach

The marketing strategy adopted for field seeds in Europe is also one of the key factors in Vilmorin'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 ethanol or gas for the agrofuels segment. An umbrella brand policy for the LG line-up embodies this segmentation.

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

Main Field seeds brands
in Europe

ADVANTA®

Advanta® : brand registered by Advanta Netherlands Holdings BV

LG

PERFORMANCES IN 2011-2012 OF VERY HIGH QUALITY

In Europe, Vilmorin recorded a very strong increase in its sales for the fiscal year, particularly in Eastern Europe (including Ukraine and Russia) and in Northern Europe. They reached 488.2 million Euros, representing like for like growth of 16%, above the objectives fixed. These excellent results confirm the quality of the product range, with 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 an increase in the cultivated acreage of corn and rising prices of agricultural raw materials, particularly during the first semester of 2012.

Corn: truly fine performances

The Field seeds division in Europe increased corn sales by nearly 15% in a favorable market environment, characterized by a rise of 3% in acreage *(Source: Stratégie grains)*. Not only did the volumes sold increase, particularly in Northern and Eastern Europe, but prices were higher too.

Sunflower: record growth

Sales for sunflower rose again by almost 30% during this past fiscal year, as a consequence of the strong development in Eastern Europe and the very high quality of the product line-up. 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 and Euralis, specialized in sunflower research).

Rapeseed: a dynamic campaign following on from previous fiscal years

Vilmorin has continued to win market shares for this high value crop with another increase in sales of almost 15%. This performance, all the more remarkable since cultivated acreage of rapeseed fell by 10% in Europe in 2011 *(Source: OilWord)*, was the result of the technical performance of the products on the hybrid* varieties segment.

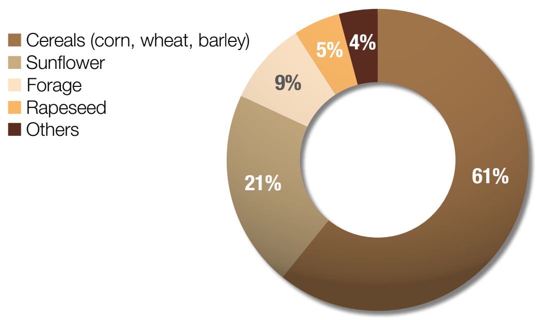
Straw cereals: a fast growing activity

In a favorable agricultural environment with greater use of commercial seeds by farmers, sales increased for certified straw cereal seeds (wheat, barley) in the long marketing channel, from the seeds producer to the farmer.

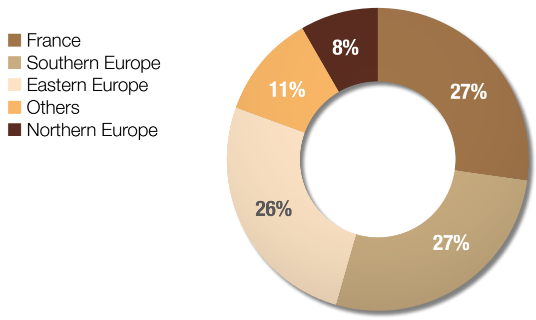
The activity of straw cereals variety delegation to agricultural co-operatives (known as the short marketing channel) was stable compared with the previous year, generating nearly 32 million Euros in royalties.

In order to guarantee its future development, throughout the past fiscal year, Vilmorin pursued its upstream research programs (molecular marking* and transgenesis*) and breeding* for its strategic crops. The molecular marking* laboratory based in Auvergne has been relocated into new premises in order to further its deployment and modernization, forming the company's largest research center in the world.

Field seeds in Europe
Analysis of sales per crop (excluding royalties)



Field seeds in Europe
Geographical analysis of sales (excluding royalties)



OBJECTIVES FOR 2012-2013

- Continue to gain market shares in rapeseed and sunflower.
- Pursue deployment in Eastern Europe Europe and continue to set up new sites in this strategic area.
- Accelerate the implementation of new Business Units in field seeds internationally.
- Finalize deployment of the new field seeds research organization.
- Reinforce the development program for grain 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 11-12	Evolution over the past year
Total corn	15.1	+3%
> Grain corn	9.2	+3%
> Forage corn	5.9	+4%
Wheat	22.8	-2%
Sunflower	4.2	-1%
Rapeseed	6.1	-10%

Sources: OilWord, Strategie grains

Marginal acreage of GM* crops

Growing, selling and importing genetically modified plants are subject to European directives and regulations. To date only three GM* varieties (MON810 and T25 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 2011 with 115,000 hectares (mainly in Spain, Portugal, the Czech Republic, Poland and Slovakia), up 24% this year but still less than 1% of world acreage *(Source: ISAAA 2012)*.

Like its main competitors, this context has no direct impact on Vilmorin, which does not currently generate many sales from genetically modified varieties in Europe. Nevertheless, convinced that these markets will open up in the medium term, Vilmorin is running specific research programs with the aim of selling its own genetically modified seeds, integrating insect resistance and herbicide traits* adapted to the European market. The research program is explained on page 47.

The competitive panorama in the European Union 27

	Straw cereals	Corn	Sunflower	Rapeseed
No1	**Vilmorin**	Pioneer	Syngenta	Monsanto
No2	KWS	KWS	Pioneer	NPZ Lembke
No3	RAGT	**Vilmorin** Monsanto	**Vilmorin**	**Vilmorin**
No4	-	-	Euralis	DSV

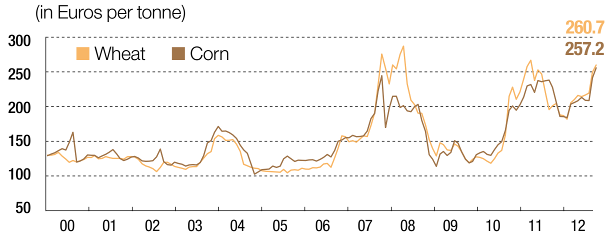
Sources: Internal estimates

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 greater financial speculation on markets for agricultural raw materials.

Evolution of the prices of corn and wheat in Europe

(in Euros per tonne)



Sources: Cereals market, France Agrimer. August 2012

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 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 today research, production, distribution and administration are fully pooled.

KEY INDICATORS 2011-2012

No3 on the United States corn market.

425.8 million Euros contributed to consolidated sales (at 100%) (+22.1% like for like).

772 permanent staff consolidated (at 100%).

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.

Main Field seeds brands in North America

AgriGold | Great Lakes Hybrids | LG Seeds | P | Producers Hybrids | Wensman

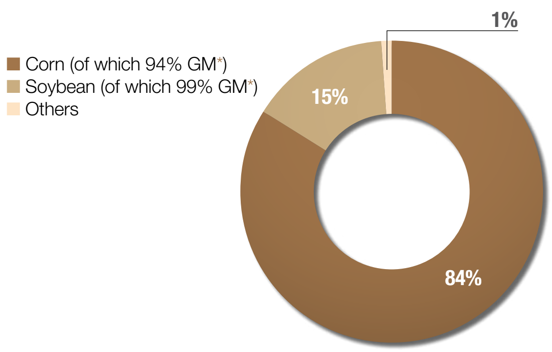
EXTREMELY VIGOROUS ACTIVITY IN 2011-2012

Fiscal year 2011-2012 was once again marked by very difficult, contrasting weather conditions (drought, floods, etc.) resulting in a shortfall of production volumes of commercial seeds. The counter-season production run in Chile and Argentina nevertheless compensated to a large extent for this shortfall. Successful management and control of procurement and logistics were thus undoubtedly key factors for success in this commercial campaign.

In spite of these constraints, AgReliant achieved remarkable performances, recording a rise in sales for this fiscal year of more than 20% like for like compared with the previous fiscal year.

This increase is the result of a progression in the share of GM* products in the sales, and also of the dynamic commercial model, both of which enabled AgReliant to win market shares, and assert itself as the third largest seeds company in the Corn Belt.

Field seeds in North America
Analysis of sales per crop



OBJECTIVES FOR 2012-2013

- 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, with the construction of a new seed factory in the state of Iowa.
- Adapt demand to corn seed supply lower than production plan objectives.

A SIGNIFICANTLY PROGRESSING MARKET

Over the first semester of 2012, the North American seed market was marked by a rise in corn acreage (39 million hectares) estimated to be 5% and a rise in soybean acreage (30.8 million hectares) of 1% *(Source: USDA 2012)*.

This growth should continue as a result of the development perspectives offered by genetically modified seeds and the increasing agrofuels market.

Genetically modified plants: a virtuous growth circle

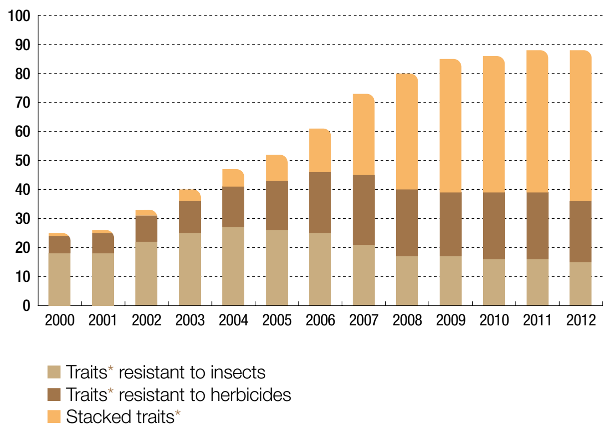
With an acreage of 69 million hectares in 2011, which is almost half the acreage in the world for all crops combined, the United States is by far the biggest producer of genetically modified plants. Their proportion is increasing regularly, and today they cover 88% of corn acreage, 94% of soybean acreage, 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 52% of GM* corn acreage *(Sources: ISAAA and USDA 2012)*.

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

Evolution of genetically modified corn acreage in the United States

(as a %)



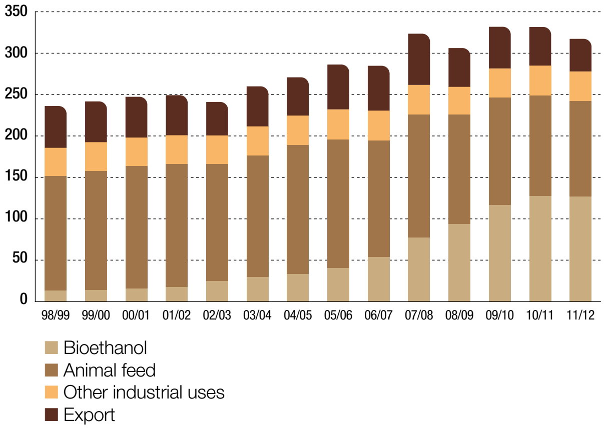
Source: USDA 2012

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 2011-2012, almost 46% of corn has been devoted to this market.

Evolution of the total applications for corn in the United States

(in millions of tonnes)



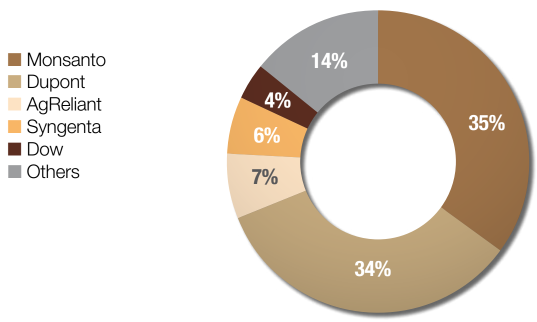
Source: USDA 2012

A highly concentrated competitive market

Within a concentrated competitive environment (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.

The company crossed a significant threshold in 2012, by becoming the third largest player in this zone.

Estimate of market shares in corn seeds (Spring 2011)



Source: internal estimates

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 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.

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 the past three 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.

KEY INDICATORS 2011-2012

27.6 million Euros sales.

477 permanent staff.

5 countries.

CORN IN BRAZIL

An ambitious development objective

Historically, South America has provided Vilmorin 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. 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 65%.

For Vilmorin, this is a challenge of great importance: the target fixed is a 10% market share in corn within a five year time frame, using a product line-up comprising innovative conventional and GM* seeds, combining genetic resources* and proprietary technologies. Limagrain South America, a new Business Unit for field seeds, is the structure in charge of deploying these activities.

Significant headway in 2011-2012

During the course of fiscal year 2010-2011, Vilmorin acquired the corn assets of the company Sementes Guerra, transferring them to Limagrain Guerra do Brasil, in which Vilmorin holds 70% of the capital stock. A family group founded in 1979 and based in Pato Branco (state of Parana), Sementes Guerra made corn sales of around 10 million Euros in 2010.

The main assets of the company comprise breeding* programs, genetic resources*, production plant and a distribution network.

Vilmorin extended its cover of Brazil in fiscal year 2011-2012, by purchasing the assets devoted to corn and sorghum seeds belonging to the company Brasmilho. Based in Goianesia (state of Goias), Brasmilho owns high quality genetic resources*, a production and seed treatment factory and a sales network covering the country's central area. In 2010 these activities represented sales of almost 10 million Euros. Vilmorin holds a stake of 85% in the company's capital stock, and in compliance with the agreements signed, plans to purchase the remaining 15% before the end of 2012.

Finally, in order to enrich its portfolio of genetic resources*, Vilmorin took over the research activities of the company Genetica Agricola, located in the state of Mato Grosso, the second largest corn producing state in Brazil, with regularly progressing acreage. This breeding program has genetic material of a quality that is well suited to the specific growing conditions of these new territories.

These different operations, combined with the successful integration of the teams and structures, meant that on June 30th 2012, sales of 20.4 million Euros were made, beyond initial objectives.

Vilmorin 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. Deployment begun in Argentina in 2010, through a co-operation agreement with Don Mario, did not meet initial objectives. The joint venture was thus wound up in 2012 with development in this country on hold until the right conditions can be found.

Objective for 2012-2013

- Extend access to local genetic resources* through the installation of a research center and industrial equipment through partnerships or acquisitions.

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 for value, rose considerably. Vilmorin 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'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.

India

A dynamic market

In a country where self-sufficiency in food is a major challenge, the Indian seed market is evolving very fast. It is characterized by average annual growth estimated to be greater than 10% over the past 5 years, with a trend towards greater concentration of the numerous local seeds companies, and a rate of commercial seed use by farmers gradually improving. This market is estimated to be worth nearly two billion dollars, of which Vilmorin considers that approximately 100 million dollars are accessible.

Keen strategic ambitions

During the course of fiscal year 2012, Vilmorin signed a strategic agreement with the family shareholders to acquire a majority stake in Bisco Bio Sciences. Based in Hyderabad, in the 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'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's strategic ambitions: well-adapted genetic resources*, local breeding* center and production unit, reinforced by an extensive distribution network. Now in a strong position, with annual sales of nearly 15 million Euros, Vilmorin's ambition is to double its market shares by 2020 and cross the threshold of 20% on the corn segment.

China

A key territory

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.

A specific, proactive development policy

Within this area, Vilmorin'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 seeds companies, 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 seeds companies remain the two privileged options for Vilmorin'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 has thus recently been registered nationally, which is a tangible sign of the efficiency of local research programs.

Wishing to position its cooperation with the company Longping High-Tech on a more operational level, and adapt its current organization to changes that have occurred in the Chinese agricultural sector, in 2010-2011 Vilmorin sold the indirect stake it held in this company. At the same time, a new agreement aiming to set up a joint venture in research, production and distribution for corn seeds in China has also been signed with the company Anhui Hengji Seeds. According to the terms of this agreement, Vilmorin would hold 45% of the shares in the new joint venture, Gansu Hengji Seeds, through its subsidiary Vilmorin Hong-Kong. Nevertheless, at the time of writing in October 2012, this participation remains subject to approval from the Chinese authorities.

Objectives for 2012-2013

- Pursue integration of the structure Bisco Bio Sciences in India.
- Set up the new joint venture Gansu Hengji Seeds in China.
- Pursue corn research work already undertaken in the present organization.

WHEAT IN NORTH AMERICA

Solid organization to ensure future growth

Vilmorin now has a structure to build up its development as a priority on the North American market for wheat, at the same time and independently as its corn business, run by AgReliant.

Limagrain Cereal Seeds, based in Fort Collins (Colorado), is the development platform for these activities. It is a joint venture between Vilmorin (holding 65% of the capital stock) and Arcadia Biosciences (holding 35%), an American biotechnology* company. The operation set up in 2009-2010 involves scientific co-operation with certain American universities, a portfolio of diversified genetic resources* adapted to local climate conditions, privileged access to Arcadia's 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.

Objectives 2012-2013

- Set up new partnerships with American universities.
- Develop the distribution of conventional seeds in the short-term.
- In a longer term horizon, intensify research programs for GM* wheat optimizing the consumption of nitrogen and that are drought tolerant.

GARDEN PRODUCTS

Vilmorin offers home gardeners a range of garden products mainly comprising vegetable and flower seeds, bulbs and plant care products. Represented on the main European gardening markets, its direct customers comprise garden centers, DIY stores and supermarkets, along with amateur gardeners who buy directly by mail order.

The Garden products division is structured around two companies: Vilmorin Jardin* in France and Suttons in the United Kingdom.

**Formerly named Oxadis*

KEY INDICATORS 2011-2012

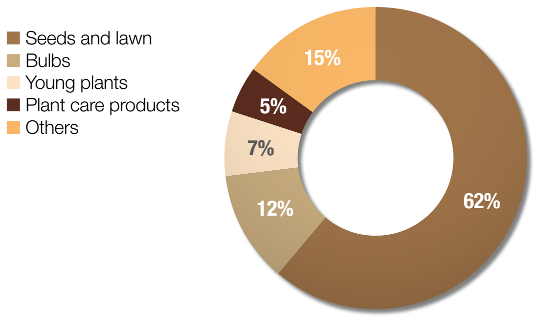
80.8 **million Euros contribution to consolidated sales** (-1.3% like for like).

456 **permanent staff**.

A WEAK FISCAL YEAR 2011-2012

Sales for the Garden products division came to 80.8 million Euros on June 30th 2012, down by 1.3% compared with the previous fiscal year. Business was hit both in France and the United Kingdom by adverse weather conditions for hobby gardening and by an extremely unfavorable economic context.

Garden products
Analysis of sales per family product



A NEW ASSET TO HELP WITH REDEPLOYMENT OF SALES AND MARKETING

Through its French subsidiary Vilmorin Jardin, in February 2012 Vilmorin acquired the home garden activities of the company Cultisol (France). The purchase of this commercial activity will extend the quality offer of Vilmorin Jardin's products with a range of accessories for the garden (biodegradable mulching film, decorative screening solution products, etc.). The aim of this operation is to strengthen the company's expertise and reinforce the legitimacy of its emblematic brand Vilmorin.

Main Garden products brands

Vilmorin depuis 1743 | Suttons Sowing & Growing Since 1806 | Clause | Tézier | Vita

OBJECTIVES FOR 2012-2013

- As a priority, promote the Vilmorin brand with support from the technical expertise of the professional division and the strong brand reputation with home gardeners and consumers.
- Strengthen positioning on current markets through line-up complements and partnerships.
- Accompany the development of the home garden market in Europe from existing locations, in co-operation with distribution groups.
- Study opportunities to consolidate the Garden products division.

Strategy

Conquering market shares to prolong growth

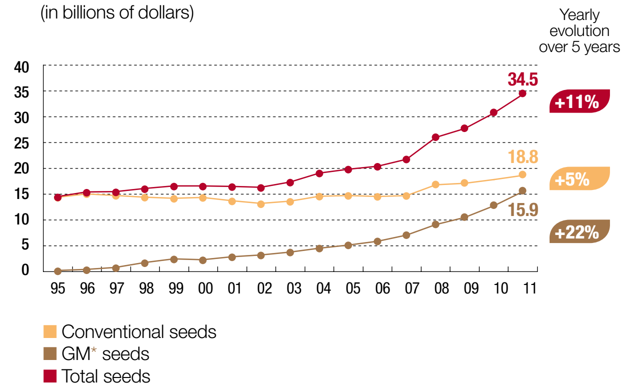
Vilmorin is above all positioned on the market for agriculture. The company innovates to develop seeds with high added value in order to contribute to meeting the world's food needs better. True to its vision of sustainable development, Vilmorin relies on its capacity to innovate and international growth to strengthen its competitive positions sustainably.

MAJOR OPPORTUNITIES FOR GROWTH

Representing 35 billion dollars in 2011, the world seed market is experiencing regular, solid growth, both in volume and value. This growth is estimated to be 11% every year since 2007 *(Source: Phillips McDougall 2012)*, and is accelerating as a result of several complementary factors.

Evolution of the seed market between 1995 and 2011

(in billions of dollars)



Source: Phillips McDougall 2012

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 ever greater climate variations and increasingly limited access to water resources.

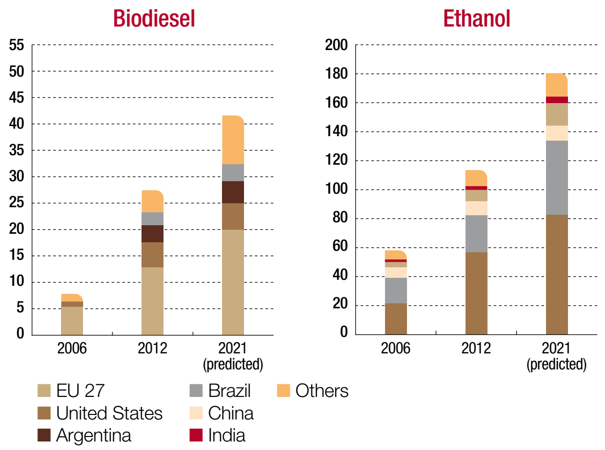
Moreover commercial seeds provide the guarantee of production perfectly adapted to new industrial requirements: resistance to diseases and insects, shorter production cycles, simultaneous maturity, homogeneity in production.
The potential to substitute farm seeds for commercial seeds remains significant 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 76% in the United States *(Source: USDA 2011)*.

The development of non-food needs

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

Evolution of the world production of agrofuels

(in billions of liters)



Source: FAO, Agricultural perspectives 2011-2020

This especially concerns:
- agrofuels, including ethanol (produced from corn, already representing 46% of corn applications in the United States) and biodiesel (obtained from oilseed rape, mainly in Europe),
- and plant chemistry, also known as "green chemistry", including the market for biodegradable plastics.

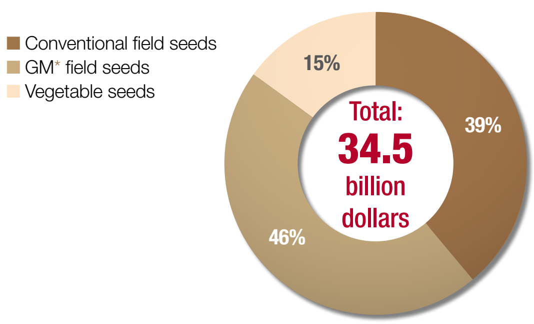
The expansion of these markets, still modest in size, has led to an increase in the surface areas used, with a positive influence on the volume of activity in commercial seeds.

While Vilmorin 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.

A world market driven by the strong growth in GMOs*

Whereas vegetable seeds (5.2 billion dollars) and conventional field seeds (13.5 billion dollars) have progressed by 5% per year over the past five years, there is no doubt that it is GM* field seeds (15.9 billion dollars) that is driving the market up. Their annual growth was 22% over the same period, four times greater that that of conventional seeds.

World market for commercial seeds in 2011

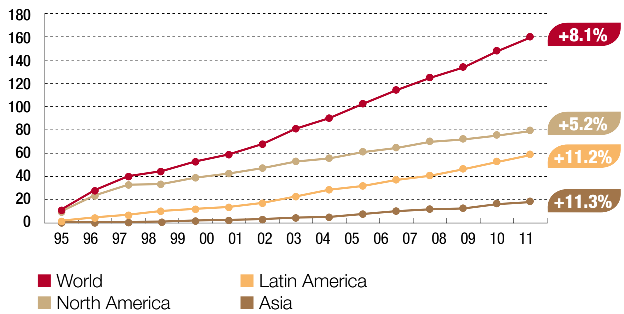


In 2011, GM* field seeds greater than conventional field seeds for the first time

Sources: ISAAA 2012 and Phillips McDougall 2012

Evolution of the acreage of genetically modified plants

(in millions of hectares)



Source: ISAAA 2012

In 2011, GM* seeds represented 160 million hectares cultivated by 16.7 million farmers, and 15.9 billion dollars (+13% compared with 2010).

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 market for seeds.

Within this particularly concentrated competitive environment, any new protagonist has to benefit from several complementary assets.

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.

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 you have 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 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. Every year Vilmorin spends on average 15% of its sales of seeds on research.

ACCELERATING GROWTH THROUGH THE ADDED VALUE OF GENETICALLY MODIFIED SEEDS

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.

The rapid adoption of genetically modified seeds

The technology of genetically modified seeds has become indispensable in several areas of the world, with the market expanding fast both in volume and value. In 2011, for the first time the market for GM* field seeds exceeded that of conventional field seeds in terms of value. 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.

Totally this market represents almost 10% of arable land, with strong variation between the different regions.
Some countries are completely won over, such as the United States, a precursor where 88% of corn acreage is GMO*, rising to 94% 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 65%.

However other markets remain to be convinced, as is the case in Europe. With around 114,000 hectares in 2011, 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 2012

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.

CONQUERING MARKET SHARES TO PROLONG GROWTH

A SOLID DEVELOPMENT MODEL THAT COMBINES INNOVATION AND EXTERNAL GROWTH

In a business sector that is characterized by the strong concentration of its players and driven by innovation and internationalization, Vilmorin 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 is in a strong position to accelerate its expansion and sustainably ramp up its world leadership positions.

KEY INDICATORS 2011-2012

14% **of seed sales invested in research,** including almost 80% devoted to conventional breeding*.

240 **million Euros invested in research** including funding in the form of partnerships.

162 **million Euros invested in research** in absolute value, balanced in its spread between Vegetable seeds and Field seeds.

600 **new varieties created every year.**

91% **Sales from proprietary varieties* in vegetable seeds.**

69% **Sales from proprietary varieties* in field seeds,** this proportion should continue to increase for field seeds bearing in mind research investment in GMOs*.

A constant drive for innovation to achieve organic growth higher than that of the market

Innovating to gain market shares and strengthen profitability

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, canning, 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's research offers decisive commercial advantages.

It has developed several highly successful varieties, including Apache, one of the top milling wheat varieties in France since 2001, the Agrigold Giant A 6533 corn variety in the United States with more than 600,000 hectares sown, and the Victoria squash, very early and highly productive, sold by Clause mainly in Spain.

The means to succeed

As a result of its locations worldwide and the expertise of its research teams, particularly in plant biotechnology*, Vilmorin 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 20% of the research budget and has continued to progress significantly during the course of fiscal year 2011- 2012. It will also grow in years to come, as the company consolidates its financial profile.

Continuous progress in plant breeding

1950	Cellular biology: in vitro culture*, etc.
1975	Molecular biology: molecular marking*, genomics*, transgenesis*
2000	Information technologies: statistical analysis tools
2005	Sensors and imaging: phenotyping*, description of environmental parameters

Building from a solid internal organizational base

More than 100 research centers and over 1,400 researchers and technicians all over the world - representing 26% of the headcount – contribute to upstream research and conventional breeding* in vegetable seeds and field seeds.

In terms of organization, Vilmorin'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 co-ordinated 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 biotechnologies*. 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.

Reaching strategic partnerships to enrich upstream research

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

- Genective (France): a joint venture with the German seed company KWS: through this research agreement initiated during the course of fiscal year 2011-2012, Vilmorin 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* (resistance to herbicide and insects), and the development of other innovative traits*. Vilmorin aims at marketing first generation proprietary, genetically modified corn seeds integrating these traits, at the earliest in four 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 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'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 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 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 and Euralis, specialized in sunflower research.

Vilmorin's researchers also work in association with public and private research institutes:
CIRAD (France), GIS Biotechnologies Vertes (France), INRA (France), Cellectis (France), John Innes Centre (United Kingdom), HRI (United Kingdom), Max Planck Institute (Germany), PRI (Netherlands), University of California, University of Davis (United States), CRC (Canada), Hebrew University (Israel), Aro-Volcani Centre (Israel), Evogene (Israel), Yissum, subsidiary of the University of Jerusalem (Israel), CAAS (China), CSIRO and ACPFG (Australia), Crop and Food Research (New Zealand), etc.

A reasoned policy of external growth

Priority orientations for acquisitions

In spite of the increased costs of mergers and acquisitions over recent years, Vilmorin is pursuing its external growth policy, 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,
- cover and penetrate 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.

Solid historical development

Vegetable seeds:

- Europe
  - Acquisitions: 1996 Clause (France); 1998 Nickerson Zwaan (Netherlands); 2010 Su Tarim (Turkey); Trinity Growers (United Kingdom),
  - Research partnership and minority stake: 2000 Keygene (Netherlands).
- Americas
  - Acquisitions: 1996 Harris Moran (United States); 2010 Mesa Maize (United States),
  - Isolated assets: 2008 Global Genetics (United States); 2009 LSL Plant Science - LSL Biotechnologies (Mexico); Genefresh (United States); K&B Development (United States); Gentropic (Guatemala); 2012 Campbell Soup (United States).
- Asia / Oceania
  - Acquisitions: 2000 Kyowa (Japan); 2006 Mikado (Japan).
- Africa / Middle East
  - Acquisition: 2003 Hazera Genetics (Israel).

Field seeds: wheat

- Europe
  - Acquisitions: 2006 Limagrain's field seeds activities in Europe; 2010 Eurodur (France),
  - Minority participations or research partnerships: 2012 Boreal Plant Breeding (Finland).
- United States
  - Acquisition: 2010 Trio Research,
  - Research partnership and minority stake: 2010 Arcadia Biosciences,
  - Specific assets: 2010 BSF Ag Research; Genesis Seed Research; Trigen.
- Asia / Oceania
  - Research partnership and minority stake: 2008 Australian Grain Technologies (Australia).

Field seeds: corn

- Europe
  - Acquisitions: 2006 Limagrain's field seeds activities in North Amercia; 2010 Clovis Matton (Belgium).
- Americas
  - Acquisitions: 2006 Limagrain's field seeds activities in North America; 2010 Dahlco (United States),
  - Specific assets: 2011 Sementes Guerra (Brazil); Brasmilho (Brazil); Genetica Agricola's research activities (Brazil).
- Asia / Oceania
  - Acquisition: 2012 Bisco Bio Sciences (India),
  - Minority stakes: 2012 Gansu Hengji Seeds (China– at the time of writing in October 2012, approval pending),
  - Specific assets: 2010 Avesthagen's field seeds assets (India).

Garden products

- Europe
  - Acquisitions: 1994 Suttons (United Kingdom),
  - Specific assets: 2012 Garden products activity of Cultisol (France).

A progressive integration model that respects existing identities

Vilmorin'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.

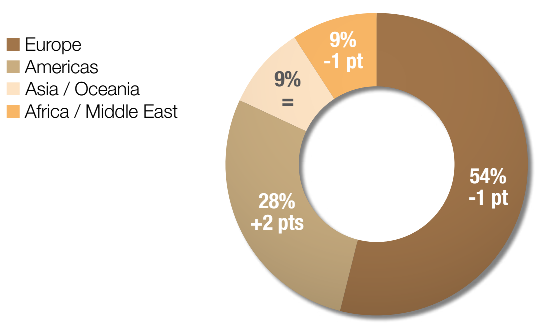
INCREASING, PROGRAMMED INTERNATIONALIZATION

Vilmorin's internationalization within the world market is the driving force for its development. It is based on a strategy of strong segmentation, targeted by zone and crop, and combines organic and external growth, regularly involving acquisitions, strategic alliances and partnerships.

Building from a solid financial structure, reinforced in 2010 by a stock capital increase of 200 million Euros, and then by the closing of a syndicated loan deal of 300 million Euros, Vilmorin is pursuing its development plan both in vegetable seeds and field seeds.

Activity which is already well developed outside Europe

Geographical analysis of sales with evolution compared with 2010-2011



The United States: a major market

An unbroken area for growth in vegetable and corn seeds

In the United States, Vilmorin 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 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 2012)*.

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 5.3 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, seeds companies 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 has a historic opportunity to exploit its expertise in this crop and contribute to converting the market.

Two priority continents for investment in the short term

Asia and South America have been defined as two priority continents 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: + 5% per year on average for the past 5 years.
Representing 9% of its sales in 2011-2012, Vilmorin's activity in Asia has gradually expanded, both in vegetable and field seeds. In a longer-term perspective, Vilmorin's ambition is to make 15% of its consolidated sales on this continent. In order to achieve this objective, Vilmorin will need to extend its present number of sites in order to gain access to local genetic resources*.

Vilmorin has defined two target countries in this continent – India and China – where it made major inroads over the course of fiscal year 2011-2012.

- In India, Vilmorin signed an agreement with the family shareholder of Bisco Bio Sciences, one of the Indian leaders in corn seeds, for a 61% stake in the capital stock. As a consequence Vilmorin will be able to set up a solid presence on the corn market in India and benefit from a sizeable asset to reach its objective: conquer 20% of the market by 2020.

- In China, Vilmorin and the company Anhui Hengji Seeds signed an agreement (still subject to approval from the Chinese authorities at the time of writing in October 2012) to set up a joint venture in the research, production and distribution of corn seeds. Under the terms of this agreement, Vilmorin will hold 45% of the shares in this new joint venture, named Gansu Hengji Seeds.

South America: 3rd largest world market for seeds

With average annual growth of 18% over the past 5 years, the South American market represents 17% of the world market for seeds *(Source: Phillips McDougall 2012)*, and offers very significant potential for development. Vilmorin made sales of 60 million Euros on this continent in fiscal year 2011-2012. Historically, South America has provided Vilmorin with the opportunity to reinforce its capacity to produce counter-season seeds. Today Vilmorin has set out to conquer this zone, which primarily concerns field seeds, with one key country: Brazil.

Vilmorin's deployment phase on the Brazilian market truly began in 2011-2012, with the previous year devoted to setting up its development platform through partnership agreements with local seeds companies. Vilmorin's objective is ambitious: to reach a market share of 10% for corn by 2015, from a line-up comprising both conventional and novel genetically modified seeds, combining genetic resources* and proprietary technologies.

STRATEGIC PRIORITIES CLEARLY REAFFIRMED CURRENTLY BEING DEPLOYED

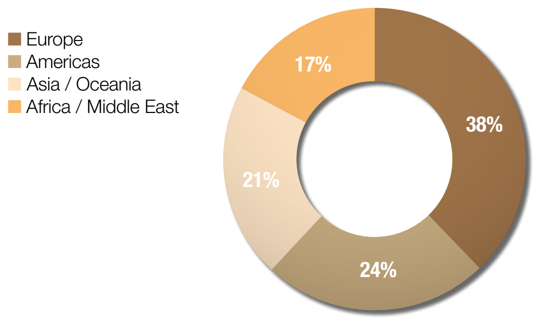
Vilmorin's ambition is to accelerate its development according to three strategic priorities, each at its own rhythm.

Maintaining leadership in vegetable seeds is thus a short-term priority; gaining market shares in corn seeds is more a medium-term target, whereas the internationalization of leadership in wheat is a more long-term perspective.

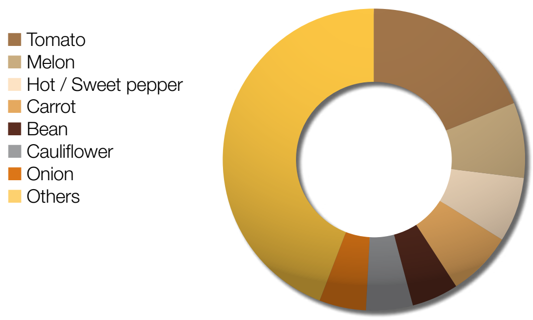
Vegetable seeds: maintain world leadership

Vilmorin's development on this mature market, where it is No. 2 worldwide with sales of 527.2 million Euros in 2011-2012, 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 has thus defined its Vegetable seed strategy by segmenting its geographical markets and crops, depending on their size and growth potential.

Vegetable seeds
Geographical analysis of sales



Vegetable seeds
Analysis of sales by crop



Maintain organic growth higher than that of the market

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

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.

Moreover, opening new sites enables Vilmorin to work closer to its highly segmented markets and contribute to winning them. For this purpose, HM. CLAUSE will soon be opening a new subsidiary in Guatemala.
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's different sites spread all over the world. In particular an investment program run over several fiscal years is being finalized at the French sites of the Business Units Vilmorin SA 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.
In particular Vilmorin will strengthen its presence in Asia (South East Asia, South Korea, India, etc.), by purchasing stakes, making acquisitions and developing partnerships.
Moreover, with nearly half of the world's vegetable production, Vilmorin needs to be present in China, which nevertheless requires a gradual and cautious approach, given the stakes involved in protecting intellectual property. Vilmorin's presence and development are materialized through the breeding* stations and distribution networks of all its Vegetable division Business Units. The sales for 2011-2012 of ten million Euros remain modest when compared with the group overall, but they were 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.

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 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, 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 can use these solid bases to branch out towards further markets. This internationalization will enable Vilmorin to aim for a much more significant share of this market for corn: by integrating South America and Asia, Vilmorin is now targeting 77% of world acreage, as opposed to 33% with an exclusively European and North American presence. 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. During the course of fiscal year 2011-2012, Vilmorin significantly extended its world cover of the corn market, in particular in these zones:

- On a Brazilian market with annual growth of 12%, Vilmorin has resolutely entered its deployment phase from its development platform. Moreover Vilmorin has acquired new corn germplasm. The purchase of the research activities of the company Genetica Agricola (Mato Grosso) will strengthen the innovation flow for this zone and more widely for countries with tropical and sub-tropical climates such as India and central and southern China.

- In India, Vilmorin took control of the company Bisco Bio Sciences, one of the main Indian players in corn seed. Vilmorin 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 in the sub-continent. The objective fixed is to reach 20% by 2020.

- In China, Vilmorin has signed an agreement to create a joint venture for research, production and distribution of corn seeds with the company Anhui Hengji Seeds. Today in China, Vilmorin has 4 research stations located according to different corn types, and also a wheat breeding* station. The first fruit of this expanding research is a hybrid* corn variety registered for all of China and already being sold.

Pursuing innovation and selling proprietary genetically modified varieties

With an adoption rate of 32% of world acreage in 2011, and increasing fast, with an increasing number of countries using this technology, the market for genetically modified corn seeds is continuing its development.
In this context, Vilmorin's ambition is, in the medium term, to develop transgenic corn seed varieties integrating its own technologies:

- So-called first generation: with insect and herbicide resistance traits* intended primarily for potential GMO* markets (Europe and Asia) as a complement to GMO* traits* for corn currently licensed in on other markets (North and South America).
- So-called second generation: improving yield, integrating better tolerance to drought and resistance to mycotoxins*, intended for the world market.

The upstream research partnership agreement signed with KWS – with the creation of the joint venture Genective – will lead to the development of GM* corn traits* in the medium term. Field trials have been conclusive and the deregulation process is underway, with the first sales expected within 4 years at the earliest.

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, empowered by its historical expertise and high-quality genetic resources* associated with specialized partners, Vilmorin'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. It is with this objective in mind that this past fiscal year Vilmorin signed a partnership agreement with Boreal Plant Breeding (a Finnish company specialized in the breeding* of field seeds for Northern Europe) and took full control of Eurodur (France), a research and distribution company for durum wheat seeds for markets in France and Southern Europe.

The aim to conquer new frontiers

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

Targeting the Americas, Asia and Australia as priority continents, 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.

Dominated by farm seeds (76% of the market), the United States represented the first major objective for Vilmorin. Launched in 2009, its wheat seed development plan for this zone means that it now has an efficient platform to distribute high yield seeds.

Vilmorin is now working on another major market: Australia. Vilmorin, which already benefits from a privileged partnership with Australian Grain Technologies, one of the Australian leaders in wheat breeding*, signed an agreement in April 2012 with the two leaders in wheat research in Australia – ACPFG and CSIRO – to develop wheat optimizing the use of nitrogen adapted to local conditions.

A fundamental lever: innovation

Although it is the most widely grown cereal in the world with 219 million hectares in 2012 *(Source: USDA)*, wheat is structurally suffering from low world stocks and a drop in its yield. A lack in any major innovation in this crop, and the really low use of commercial seeds are the reasons for this situation, which is leading to a serious risk for the world food balance. The seeds sector is thus working to come up with more efficient seeds, guaranteeing a better yield.

Vilmorin is particularly well positioned to contribute to the conversion of this poorly valorized market into a high yield seeds market (GMO* and then hybrids*).

Development and responsibility

Strategy conducted with respect to 5 major responsibilities

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

At the same time, faced with the challenges linked to food security and the responsible management of resources, Vilmorin has initiated a more structured approach through Corporate Social Responsibility, in collaboration with its reference shareholder Limagrain.
Launched during fiscal year 2011-2012 through a dedicated organization, this approach will soon formalize a common base emphasizing the group's singularity, while leaving the Business Units the possibility of adjusting it to their specific organization, territory and challenges. After a period of diagnosis, run with the support of a number of consultants in compliance with the standards ISO 26000 and Global Reporting Initiative, the first action plans are now being elaborated.

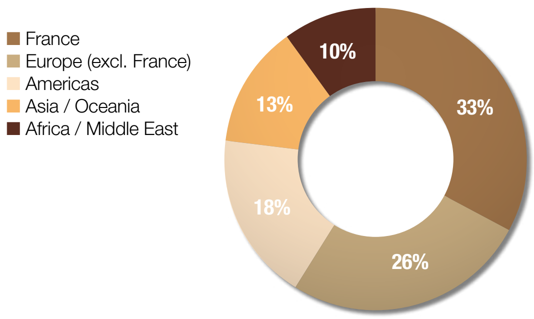
PROMOTING EMPLOYEE INVOLVEMENT

Vilmorin's development is reliant on the involvement and expertise of its employees. Human resource management must accompany growth, anticipate change and strengthen existing teams, particularly by developing their skills, while encouraging diversity.

The main guiding principles of human resource management are defined by the Executive Committee after examining the proposals and projects of the human resource managers in the main companies in the group, who form the Corporate Human Resources Committee.
With a headcount of more than 5,600, Vilmorin has more than fifty-seven different nationalities. So each operating company applies these orientations while respecting its own legal and cultural specificities and corporate values including spirit of innovation, solidarity, mobility and team spirit.

KEY INDICATORS 2011-2012

Geographical analysis of permanent employees



Evolution of the permanent headcount: key figures

	10-11	11-12
Division		
> Vegetable seeds	2,699	2,805
> Field seeds	1,812	2,252
> Garden products	471	456
> Holding	124	127
Geographical zone		
> France	1,805	1,859
> Non-France	3,301	3,781
Gender		
> Men	3,231	3,667
> Women	1,875	1,973
Category		
> Managers[1]	1,450	1,736
> Non-managers	3,656	3,904
TOTAL	**5,106**	**5,640**

(1) A manager is considered to be any employee with a minimum of 5 years' studies.

Staff Turnover

397 employees left Vilmorin during fiscal year 2011-2012, representing a turnover rate of 7%, down 0.5% compared with 2010-2011.

	10-11	11-12
Retired	56	70
Resigned	184	157
Discharged	81	122
Others	62	48
TOTAL	**383**	**397**

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. This rate was 6.9 days per employee in 2011-2012.

	10-11	11-12
Sick leave	25,155	25,916
Work accidents	1,758	1,963
Maternity leave	9,046	8,650
Exceptional leave	722	1,255
Others	3,476	943
Number of days per employee	**7.9**	**6.9**
Total number of days of absenteeism	**40,277**	**38,727**

The main guidelines adopted for the health and security of employees is prevention. Thus among its objectives, the risk management policy (cf. page 93) includes the implementation of standards for the health and security of people, applicable to all Vilmorin's sites.

Most companies also have internal committees or managers responsible for protecting the health and security of employees while at work. They set out reports and analyses of work accidents, and propose and implement corrective actions.

COMMITTING TO DIVERSITY

Promoting diversity and professional equality

Professional equality is a priority human resources management orientation in the company. In this context an agreement was negotiated during the course of the year 2011-2012, which was also in response to a new French legal obligation. Resulting from constructive dialogue with social partners, this agreement will be applied in each French company during the course of fiscal year 2012-2013.

This agreement concerns objectives and measures in favor of equality between women and men throughout their professional career. Four areas for action have been adopted:

- **Recruitment:**
  The objective is to harmonize and balance the recruitment of women and men. For this purpose, each company, for example, will commit to promoting women and men with equivalent competencies and experience in professions where they are under-represented.
- **Professional promotion:**
  This area concerns balancing the number of women and men promoted and their representation at the different hierarchical levels. Among the measures adopted, each company firmly guarantees that maternity leave, adoption leave and part time positions will not hold back professional promotion.
- **Compensation and benefits:**
  In order to ensure a fair and coherent compensation and benefits policy between employees, each company in particular will commit to following in detail the evolution of the compensation of the women and men, and to identifying any non-objective differences, and to correcting them.
- **Balance between professional and personal life:**
  It has been agreed to help employees find the right balance between their professional life and their personal life. For this purpose, companies will do all they can to take the personal and family constraints of employees into account in the organization of working times, and in particular to pay attention to meeting times.

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

Encouraging the insertion of disabled workers

In 2011-2012, there were forty-nine disabled workers in the company's headcount, up 23% compared with 2010-2011.

PURSUING PRO-ACTIVE AND INTERNATIONAL CAREER MANAGEMENT

Anticipating Human Resource Needs

Vilmorin has had a structured talent management system for several years now. It consists in anticipating human resource needs and identifying the competencies required to implement corporate strategy and rise to the economic challenges of tomorrow.
Deployment of this approach was pursued over fiscal year 2011-2012 with a target population comprising executives, managers and experts. Their competences, potential and professional 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's objectives.
This global approach is gradually being introduced to all Vilmorin's companies.

Intensifying the international recruitment policy

In all the zones where it has locations, Vilmorin strives to promote local recruitment, and for this purpose it develops partnership relations with higher education.

These relationships are handled by the main companies in each country. Recruitment is also managed at Corporate Human Resources level which keeps a list of correspondents in charge of relations with international schools and universities, implements communication tools and works in close co-operation by participating actively in certain educational programs. This organization is gradually becoming more structured. For example, during the course of fiscal year 2011-2012, several European universities have been targeted in particular and met, in order to present Vilmorin and the different career opportunities offered in the group, in terms of salaried employment, work placements and international volunteer programs*.

At the same time a recruitment process has been initiated for "young sprouts" who join the company for a work placement or on an international volunteer program. This involves following their evolution more attentively with a view to recruiting them at a later stage.

Encouraging international mobility

As a result of the increasing international dimension of Vilmorin, international mobility is of major importance for the company. Therefore in order to encourage this mobility, conditions for expatriation take into account the specific needs of expatriates and in particular they include measures to encourage integration and the return of colleagues to their country of origin.
The different measures of accompaniment include intercultural and language training for the employee and his or her family, covering removal expenses, return trips and accommodation rent, tax assistance, a commitment to reintegrate the employee at the end of the expatriation period, and a mobility bonus.

In 2011-2012, 179 Vilmorin employees were transferred to another site and the company had a total of 65 expatriates.

PURSUING A DYNAMIC SOCIAL POLICY

Continuous skills development through training

Nearly half the companies run training programs that go beyond legal requirements.
1.8 million Euros were spent on training in fiscal year 2011-2012, corresponding to 50,595 hours, up significatively in comparison with the previous fiscal year. The training schemes mainly involve adaptation to the workstation, and the evolution or consolidation of the function held.

Further training courses in management and dealing with risks were also run for the managers. In 2012-2013, new training courses were deployed, particularly on social management (relations with social partners, prevention and handling of social crises, etc.).

Evolution of training expenditure and hours

	Training expenditure (in M€)	Training hours
09-10	1.3	42,348
10-11	1.7	39,047
11-12	**1.8**	**50,595**

Profit-sharing: a proactive approach

Profit-sharing schemes of French origin have been extended beyond legal obligations to most of the non-French companies, and to all levels of skills.

They comprise a group proportion calculated on the basis of the performances of the employee and a company proportion calculated on the basis of the performances of the subsidiary. Their calculation is mainly based on the operating result, which is considered to be the best indicator of performance.
Almost 2.3 % of the payroll was thus devoted to profit-sharing in 2011-2012.

The group's profit-sharing agreement was renegotiated during fiscal year 2010-2011, and is now extended to all Vilmorin's subsidiaries, including those that recently joined the scope and for which Vilmorin holds more than 50% of their capital stock.

Evolution of collective profit-sharing

	Collective profit-sharing (in K€)
09-10	6,889
10-11	9,250
11-12	**7,339**

An attractive employee savings scheme

A corporate savings scheme, the operating costs of which are fully borne by the company, 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. Among these funds there is a solidarity savings fund, labeled socially responsible, to the benefit of 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 though microcredit.

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

One year after it was set up, the results are encouraging: 20% of French employees paid into this plan during the fiscal year, investing a total of 550,000 Euros, with a group contribution of 100,000 Euros.
In order to encourage employee participation in this plan, an informative brochure has been produced and disseminated to all the employees in the French companies.

Better employability for senior colleagues

The average age of employees at Vilmorin is 42 and 36% of them are over 45.

During the course of 2011-2012, Vilmorin continued to deploy the agreement on the employment of senior employees working in the group's French companies.

Acknowledging the fact that professional careers will be getting longer, this agreement involves accompanying all employees more actively during the second half of their professional lives, and encouraging the transmission of their know-how and experience to the following generation as they approach retirement.

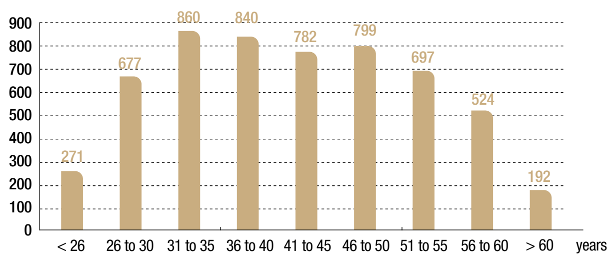
The object of this signed agreement is:

- to facilitate keeping senior employees in their jobs,
- to anticipate the evolution of professional careers,
- to ensure the transmission of know-how and competences, and to develop tutoring,
- to improve working conditions and prevent situations of physical or mental stress,
- to adapt the final years in a career and accompany the transition from work to retirement.

Several measures have been defined, including a mid-career interview to discuss employment perspectives and support training initiatives, an optional preventive medical examination and action plans in each company in order to improve the working conditions of senior employees.

Age pyramid

(number of people)



In 2011-2012, Human Resource Managers in French companies were trained on this mid-career interview, and a specific tool kit was also made available to them.

At Vilmorin's initiative, this agreement, which is applied throughout France, has also been sent out to non-French subsidiaries based abroad with the aim of encouraging them to adopt a certain number of these measures. It will be renegotiated in 2012-2013.

ENCOURAGING SOCIAL DIALOGUE AND COMMUNICATION

Individualized accompaniment

In 2011-2012, 64% of employees had an annual individual interview with their line manager. Using guidelines set down by the HR manager in each company, this interview 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 given to the company's Human Resources Manager, who will continue with the interview directly if the employee so requests.

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

Facilitating the integration of new managers

Set up during the course of fiscal year 2010-2011, induction sessions for managers who have recently joined the group continued in 2011-2012, much to the satisfaction of those concerned.
These sessions 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 further education, or who have equivalent experience. During the sessions, they meet members of the Executive Committee, exchange with employees who have experience of mobility, and they visit some of the group's sites.

The aim is to encourage their integration 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 induction sessions, each with almost 25 staff, were organized in 2011-2012.

An active European Works Council

A European works council representing the different companies in the group meets twice a year to promote information for the employees, and dialogue with employee representatives for the group's European companies. During fiscal year 2011-2012, 46 company agreements were negotiated, with 45 being signed, dealing mainly with salaries, profit sharing and working conditions.

Tools and events to encourage internal communication

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

One of the publications is a brochure devoted to the corporate savings scheme and the collective pensions savings plan distributed in 2011-2012 to employees in the French companies. Its vocation is to explain how these two schemes function and how they are managed.

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

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

For example, one of them has been set up for Vilmorin's international community of researchers, representing more than 1,400 employees. This system involves areas such as information exchange, best practices and project work.

MASTERING INNOVATION AND SHARING ACCESS TO KNOWLEDGE

BENEFITING FROM PLANT BIOTECHNOLOGY* WITHIN THE FRAMEWORK OF THE MOST STRINGENT LEGISLATION

Defined as a combination of sciences and techniques applied to living matter, including molecular marking* and transgenesis*, plant biotechnology* is above all used to gain time and therefore improve the response of research programs to demand. As part of its innovation process, Vilmorin therefore uses biotechnology* to support work in breeding*, devoting a more and more significant share of its research budget to it.
Transgenesis*, a technique used to create genetically modified plants, introduces new traits* into a plant that were not possible to integrate using the conventional possibilities offered by plant improvement. It is part of the continual progress being made in plant breeding* techniques, and is used to develop more and more sophisticated plants, as close as possible to market expectations.

All this research work, performed in a laboratory and then in an open field, is governed by European and international legislation and regulations.

Thus in the European Union, which has some of the strictest legislation in the world, authorization is only granted case by case after deliberation by independent expert committees certifying that the use of technologies are without risk for health or the environment. Once these authorizations have been granted, the crops are subject to strict environmental and sanitary monitoring.

SHARING ACCESS TO KNOWLEDGE FOR GREATER BIODIVERSITY

Genetic heritage* is one of the founding concepts in seed improvement and the lasting success of a company. Access to the widest possible genetic variability is vital for insuring globally that plant breeding* can continue to progress.

In order to protect this heritage and ensure a return on investment, seeds companies have opted for a protection system for their varieties from two possibilities:

- **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 the duration of twenty-five 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 seeds producer authorization for exclusive use of the invention for a limited number of years and on a defined geographical territory.

  In return, all information concerning this invention is made available to the general public.

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

Two protection systems existing side by side

These two systems of intellectual protection are obliged to co-exist in practice since a plant variety can only be protected by a PVPC and a plant can be patented. This interaction creates difficulties and constitutes a fundamental question which is still under debate in international organizations such as the ESA (European Seed Association) and the ISF (International Seed Federation).

Vilmorin is represented in the professional seed federations and plays an active role in current exchanges, particularly those concerning access to patented material for use in plant breeding*.

It shares its view with other European seed companies through the position recently adopted by the ESA. This position is to defend the widest possible access to all existing genetic resources* and advocates clarification of the limits of patentability in order to correct abuse of the use of patents, which do not tolerate the principle of the breeder's exemption, except in a few rare countries to date.

In July 2012, members of the ISF adopted another position in principle, recognizing the need for the breeder's exemption to maximize the potential for innovation and the possibility to introduce the breeder's exemption in national legislation.

At the same time as its convictions in favor of sharing genetic resources*, the source of greater biodiversity, Vilmorin makes a concrete contribution to enriching biodiversity by creating more than 600 new varieties every year.

Vilmorin also participates actively in discussions on the use of plant biotechnology* for scientific research. It is involved in consultation committees that work with all those linked to the world of agriculture to investigate the impact on society of the development of biotechnology*.

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

DEVELOPING BUSINESS WHILE LIMITING ITS IMPACT ON THE ENVIRONMENT

DEVELOPING BUSINESS WHILE RESPECTING THE ENVIRONMENT

Vilmorin is concerned to insure it respects its environment, integrating the prevention of environmental risks into its risk management policy (cf. page 63), with the definition of standards applicable to all its sites throughout the world.

This commitment also involves controlling the use of natural resources, limiting pollution emissions and paying special attention to waste management.

Low consumption of resources

- **Water:** by nature, Vilmorin's activity does not require large cultivated acreage. Thus 3,000 hectares are devoted to research and 90,000 hectares to seed production throughout the world. Consequently, water consumption, estimated to be 1.4 million m^3 in 2011-2012, was relatively modest. Water is mainly used for sanitary purposes and irrigation.

  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.

- **Energy:** even though they consume relatively little electric energy (around 43 Gwh in 2011-2012) and natural gas (around 35 Gwh in 2011-2012), Vilmorin's companies regularly invest in measures to limit their consumption. Several of them have integrated the criterion of energy performance or energy savings when they purchase greenhouse equipment (lighting, heating, etc.).

- **Fuel:** Vilmorin's consumption is very low and represents a minor environmental impact.

Limited pollution

Since the surface areas used by Vilmorin are limited, pollution levels generated are relatively low.

Most of the production sites are owned by Vilmorin, and they are carefully monitored and serviced.

- **Air:** dust generated during seed processing is the main source of any possible pollution. To limit such releases into the air, most of Vilmorin'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. In the greenhouses, for example, all the fertilizer-based solutions are recycled and flow through a closed circuit.

  All the more recent research stations recycle their wastewater, using wastewater recovery stations.

- **Soil:** the spreading of fertilizers on commercial seed crops, and the agrochemical treatments used, can be a source of soil pollution. Different preventive and corrective actions are taken, including the strict respect of certified products and recommended dosages.

  Moreover, several of Vilmorin's companies have initiated biological fight* methods in the greenhouses, leading to a spectacular reduction in the number of sprays.

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

An advanced approach to recycling waste

The quantity of waste generated by Vilmorin is estimated to be around 12,000 tonnes in 2011-2012. This waste mainly concerns plant matter, treated seeds or non-hazardous industrial waste. Vilmorin's activity generates very little hazardous waste. The majority of Vilmorin's companies are careful to recycle as much of their waste as possible. 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'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.

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

CREATING VARIETIES THAT PRESERVE THE ENVIRONMENT

Developing seeds that guarantee greater respect for the environment is an integral part of the breeder's work.

Therefore creating varieties that resist different forms of pathogens* enables the farmer to significantly reduce the consumption of fertilizers and agrochemicals in the field.

Pelleting* commercial seeds with production products also contributes to minimizing treatment throughout the lifespan of the plant.

Furthermore, genetically modified plants contribute significantly to diminishing the impact of agricultural production on the environment. Their use means that there is less spraying of chemical products, growing practices become friendlier, and water consumption is limited by developing corn seed varieties that are tolerant to drought.

In this context, Vilmorin signed a partnership agreement in 2009 with Arcadia Biosciences (a company specialized in the development of technologies and products for agriculture that are more respectful of the environment and human health), in order to develop GM* wheat seeds guaranteeing a higher yield and lower consumption of water and nitrogen-based fertilizers.

CONTRIBUTING TO ENRICHING BIODIVERSITY

With nearly 600 varieties launched in 2011-2012, a rich genetic heritage* of more than 10,000 plant varieties collected over the past 270 years, and 8,000 varieties proposed in its commercial line-ups, Vilmorin makes an active contribution to the protection and development of biodiversity.

CONTRIBUTING TO THE DEVELOPMENT OF THE SOCIAL AND ECONOMIC ENVIRONMENT

RESTORING THE STRATEGIC POSITION OF AGRICULTURE AND ESTABLISHING EFFICIENT WORLD REGULATION OF THE AGRICULTURAL SECTOR

As agricultural markets become more and more global, ever-greater economic and social pressure is being put on farmers. This pressure is being exacerbated today by the excessive volatility of the prices of agricultural raw materials which penalizes farmers, destabilizes the agri-food chains and poses a serious threat to the planet's food security. In order to guarantee food security for a world population that will grow by 2 billion inhabitants by the year 2050, more than ever true regulation of this sector is indispensable. Its fundamental objective will be to prevent the crises generated by the deregulation of the markets and excessive speculation.

In its conclusion in November 2011, the G20 confirmed the need to place food security back at the heart of the world's socio-economic challenges. Strong commitments were made to expand agricultural production through greater investment in research in order to increase productivity, but also to provide more information and political co-ordination to fight the volatility of agricultural markets.

It is within this context that for several years Vilmorin 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 agricultural and international 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.

Once again, the year 2012 was particularly marked by the volatility of the prices of agricultural raw materials.

Last spring in particular, the announcement of the acreage adopted for corn and wheat led to a rapid erosion of prices. On the contrary, during the summer, markets amplified the consequences of the drought in the United States and Eastern Europe, resulting in an excessive rise in the prices of agricultural raw materials.

Owing to the lack of sufficient safety stocks and a true regulation policy, cover of the planet's food needs is once again potentially under threat and the agri-food chains seriously destabilized.

Contributing actively to reflections on the crucial stakes involved, in May 2012 momagri published the document – "Another CAP is possible" – providing a draft of an agricultural policy that could be deployed over all the major zones of the planet.

PROMOTING THE ECOLOGY OF PROGRESS AND GROWTH

At a time of major ecological challenges, the Fondation Écologie d'Avenir (Foundation for Future Ecology) has been founded with the ambition of reconciling science, economics and protection of the environment in order to promote sustainable development and so-called green growth.

A true forum for analyses, debates and proposals, it brings together scientists, economists, but also players from the world of business and technological innovation. Exchanges between these high profile members from very different backgrounds favor the emergence of practical responses to issues of ecology, and the imagination and encouragement of initiatives to develop innovations within the framework of green growth.

The Fondation Écologie d'Avenir takes action through educational and awareness missions, but also works in the field. In particular this involves disseminating scientific, economic and societal expertise with concrete analyses and proposals, and the organization of conferences intended for the general public to take stock of knowledge, and to confront the viewpoints of the best specialists, helping everyone form their own opinion.

In its concern to promote progressive ecology particularly based on innovation and plant improvement, Vilmorin supports the Fondation Écologie d'Avenir. It therefore participated in the conference organized in the conference organized in December 2011, on the theme: "Plant biotechnologies* that shape cultivated plants".

TARGETED INITIATIVES TO SUPPORT SOCIAL AND HUMANITARIAN PROJECTS

Vilmorin's subsidiaries regularly participate in different social and humanitarian projects, playing a positive role in the development of their social environment. Several projects were run in 2011-2012.

As an illustration, Vilmorin Jardin has chosen to support a Non-Governmental Organization whose main mission is to fight against hunger in the world by donating part of the profits made on high rotation bean seed products sold under two different brands: Vilmorin (varieties Oxinel, Skipper and Delinel) and Vita (varieties Cordon Bleu, Nickel and Novirea). For every box of beans sold, Vilmorin Jardin will donate 0.30 Euros to the association to fund its food security program in more than 50 countries.

Nickerson Zwaan supports the Roseland Foundation. Founded in 2005, in the village of Holeta in Ethiopia, Roseland is a school committed to providing quality education to disadvantaged children in the village in particular through language classes and artistic activities.

The foundation also pays particular attention to the living conditions in the village. For this reason it has acquired land to grow vegetables, with the objective of developing self-sufficiency for the village inhabitants and creating local jobs. Nickerson Zwaan provides practical support to the project by sending vegetable seeds to the foundation.

ANTICIPATING BY ASSESSING AND LIMITING RISKS

With vigilance and rigor at all times, Vilmorin assesses as accurately as possible all the risks that might affect its business, and takes suitable measures to control them.

GRADUALLY REINFORCING INTERNAL CONTROL OF RISK MANAGEMENT

Over the past five years Vilmorin has developed a global risk management program, setting two objectives: continuous strengthening of the existing provisions, and harmonization of the minimum safety and risk prevention standards, which are applied to all sites throughout the world.

Working through a dedicated team

Placed under the direct responsibility of Vilmorin's CFO, also a member of the Executive Committee, and steered across the different departments and subsidiaries, the global risk management policy is implemented through a dedicated organization with:

- a global risk management steering committee, in charge of determining risk management orientations.

  It validates methodologies and work and control plans, and reports to the Executive Committee, and the Audit and Risk Management Committee which is the specialized committee of Vilmorin's Board of Directors.

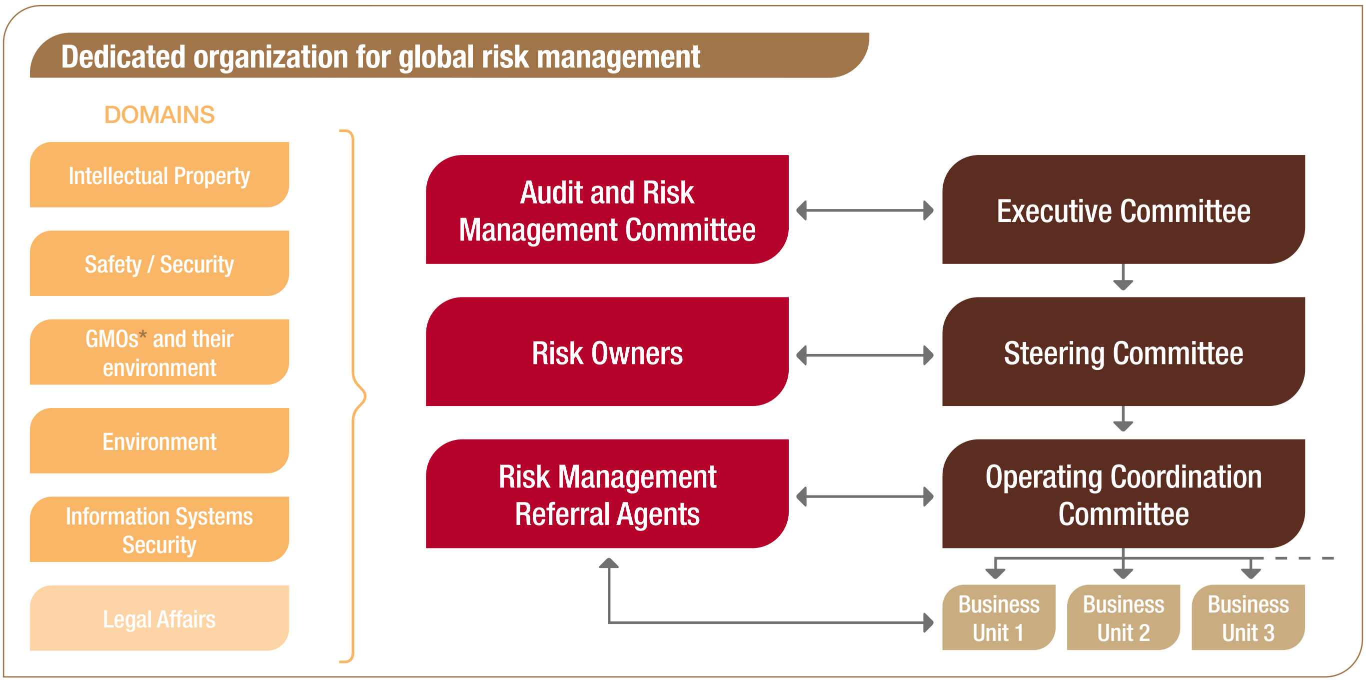
  Its consideration of risks is inspired by "risk owners", who are true experts in their respective domains (Research and Development, safety, etc.) and whose mission is to set out a risk diagnosis in the company, alerting the reference authorities in the hierarchy when necessary, and advising them on the measures that need to be taken to reduce criticality*.

- an operating coordination committee in charge of deploying a risk policy, defining minimum standards to be respected for each theme identified, and making sure they are applied.

  There is a Risk Manager responsible for this Committee, which meets once every two months, and comprises twelve people representing Vilmorin's different professions and activities.

  This committee works through a network of referral agents who pass on information to ensure that the standards are applied, and who help prepare audits in the entities concerned. The objective is to complete this set-up so that by the end of fiscal year 2012-2013, there will be referral agents for each risk domain and for each Business Unit.

At the same time, the Finance Managers or the Quality, Safety and Environment Managers steer risk management in each of Vilmorin's Business Units.



Listing all the risks

With the support of a consultant, in order to guarantee a methodical approach and independent analysis, Vilmorin mapped all the risks in 2010 to set down an exhaustive list of potential risks in order of importance.

These risks were then weighted using criteria of frequency, occurrence and impact.

Enriching the risk management manual

The first areas adopted as being strategic, following the analysis of the risk mapping, were safety of persons and property, the GMO* environment and the protection of intellectual property. In 2010-2011 the information systems security policy and environmental risks were added to the list.

These five areas for application have been defined and presented in a risk management reference manual, with the following minimum standards set for each one of them.

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

The standards laid down concern both the safety and health of the personnel, rules on ethics and hygiene, and also industrial safety at the different sites and the protection of property.

Examples of standards:

- It is forbidden to employ children under sixteen.
- All the germplasm held by companies is backed up for protection in case of damage (duplication on different sites for example).
- One person at each site is responsible for safety issues.
- A policy has been adopted to fight against any discrimination in terms of employment and facilitating access to the workstations.

Strict procedures to preserve varietal purity

Vilmorin 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 the coexistence of different crops. These procedures specifically concern the minimum distance for isolation between plots, technical operations in the field and in the factory, and traceability procedures.

Examples of standards:

- There is traceability for all the seeds throughout the process, from research to production in the fields, factory processing and shipment.
- All the bags containing genetically modified seeds for distribution are labeled clearly and precisely, respecting contractual and regulatory obligations.
- Production contracts with partners are written taking into account specific internal conditions with the aim of guaranteeing the required quality for the production.

Reinforced protection of intellectual property

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

Examples of standards:

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

Securing information systems

Within this domain of requirements, standards are defined in particular for the organization of security: the security of workstations, networks and operations, continuity plans for information technology activities and relations with the company's partners.

Examples of standards:

- Any person employed by Vilmorin, as soon as he or she arrives, must receive, read and validate the "Users Handbook for IT Resources".
- 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.
- The Group's systems and data are backed up on a daily basis.
- The IT departments must have an IT continuity plan.

Prevention of environmental risks

As it develops, Vilmorin is committed to limiting the impact of its activities on the environment (cf. page 57). In order to ensure the fulfillment of this commitment, the company has defined standards that apply to all its sites in the world.

Examples of standards:

- 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.
- At each site, a referral agent is appointed to deal with environmental questions, and in particular to monitor significant environmental aspects, local initiatives and possible improvements, etc.
- Any budget request, particularly for maintenance operations, building improvements or site extensions, must take into account any environmental impacts.
- Measurements are taken regularly to control noise levels.
- On each site, the consumption of water, energy, fuel, raw materials and consumables is measured; they are regularly checked and monitored for optimization.
- The site must enquire about what happens to any waste generated by its activities. Any waste must be collected selectively, sorted and as far as possible, recycled or valorized.

Continuous progress approach

An updated version of the risk management reference manual will be disseminated to all the companies in the group over the course of fiscal year 2012-2013. It will integrate a new required domain –legal risks– and will also take into account the standard ETS* ("Excellence Through Stewardship[1]") in the risk domain "GMO* environment".

Other rules will progressively be added to the reference manual, and then at a later stage it is planned to raise the standards. This approach will thus represent a tool for continuous progress.

Moreover, in order to check that the standards defined in the risk management manual are applied, audit campaigns are conducted per domain and geographical area including assessment in the field, analysis of discrepancies and written reports with proposals for improvement.

In 2011-2012, 4 required domains were audited in the Business Unit Vilmorin SA (safety of persons and property, the GMO* environment, protection of intellectual property and information systems security), through self-assessment programs.

(1) Excellence Through Stewardship is the first coordinated international initiative from those working in biotechnology to adopt international stewardship programs and quality management systems throughout the life cycle of plant production originating in biotechnology*. Source: excellencethroughstewardship.org*

ASSESSING RISKS AND TAKING SUITABLE MEASURES TO CONTROL THEM

At the same time as this fundamental approach, Vilmorin has identified and implemented measures to reduce risks that could affect its activity.

All the risks are presented in detail in the Chairman's report on the functioning of the Board of Directors and on internal control, on page 92 of this document.

Risks with regard to research

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

The means adopted to protect these assets consist in particular in developing:

- physical security of the installations, the genetic material, and the know-how (fencing, access restriction, duplication of sources, etc.),
- protection of secrets and know-how,
- suitable intellectual protection policy,
- bodies that reflect on the relevance of orientations adopted with regard to the competition, market expectations and scientific evolution.

If, even in spite of the implementation of these means, property infringement is noted, Vilmorin has three ways available to defend itself, depending on the circumstances:

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

Risks with regard to seed production

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

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

The production plan involves several different players. It is coordinated by the production managers, and confirmed by the General Management in each company.

Climate and weather risks: diversifying production zones

The varied international locations of production areas and research locations make it possible to share out and limit the inherent risks of meteorological uncertainty. In terms of production, this diversification of sites throughout the world is also a prerequisite because of the highly seasonal nature of the business, and the specific needs of the different species and variations in demand.

There are about twenty production basins spread out over all continents, both in the Northern and Southern hemispheres, to ensure seed production.

Risks regarding suppliers: lasting relations based on predefined pricing systems

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

Monitoring and control of the application of the specifications are run by the agronomic department in each company.

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

Risks involved in processing

Processing: continuous control

Being able to guarantee the quality of seeds is crucial since any claims could have really unwelcome financial consequences. Indeed, the claims lodged by the professional clientele would involve not so much a reimbursement of the value of the seeds, but more the global value of the expected harvest.

In order to avoid such a scenario, the seed quality is controlled throughout the processing stages, from the time the product arrives until it is distributed.

Approved installations: strict respect for regulations

With regard to approved installations, all Vilmorin's businesses, wherever they are located in the world, rigorously respect regulations.

Distribution risks

Risks regarding clientele: a wide portfolio of customers

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

Evolution of the weight of the main customers in the sales

(as a % of consolidated sales)

	09-10	10-11	11-12
Weight of the top 5 customers	3.3	5.7	4.9
Weight of the top 10 customers	5.7	8.1	7.1

Political risks: caution in the choice of locations

Any possible political risks are taken into account in investment decisions and in the location of industrial, technological and commercial assets.

In spite of the context of international tension in recent years, particularly in the Middle East, Vilmorin has not been affected economically in its international business.

Being a Vilmorin shareholder

VILMORIN ON THE STOCK MARKET

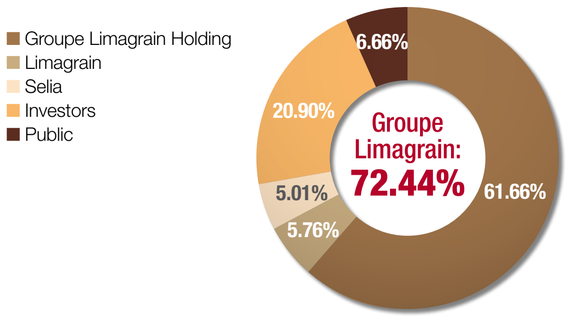
THE CAPITAL STOCK AND THE SHAREHOLDERS

Capital stock

On June 30th, 2012, the capital stock was 262,576,040.25 Euros, divided into 17,218,101 nominally fully paid up shares of 15.25 Euros.

Limagrain is Vilmorin's reference shareholder (cf. page 10) and directly or indirectly holds 72.44% of its capital stock.

Analysis of the capital stock on June 30th, 2012



Analysis of the capital stock and voting rights on June 30th, 2012

	Single vote shares	Double vote shares	% of stock	Total number of votes	% of the total number of votes
Groupe Limagrain Holding	3,172,317	7,444,894	61.66%	18,062,105	68.35%
Limagrain	100,514	891,603	5.76%	1,883,720	7.13%
Selia	-	862,503	5.01%	1,725,006	6.53%
Treasury	1,081	-	0.01%	-	-
Directors	-	24	-	48	-
Public	4,735,958	9,207	27.56%	4,754,372	17.99%
TOTAL	**8,009,870**	**9,208,231**	**100.00%**	**26,425,251**	**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's reference shareholder, has declared it acquired 31,527 shares of a total value of 2,344,679.73 Euros during the course of fiscal year 2011-2012.
- **Declaration of shareholder agreements:** within the framework of the intervention of the Strategic Investment Fund (SIF) in the equity of Groupe Limagrain Holding (GLH), in March 2010, Coopérative Limagrain, the SIF and GLH came to a shareholder's agreement in the capital of the companies GLH and Vilmorin.
  This agreement has been disclosed to the AMF (authority governing the French stock markets).
- **Collective commitment to preserve shares :** two collective commitments to preserve shares were recorded on October 15th and 22nd, 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, 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 22nd, 2010, and duly registered, in order to take account of the increase in the capital stock made on April 15th, 2010. They concern 3,505,003 shares, representing 20.3% of the financial rights and 26.5% of the voting rights.

- **Potential capital stock:** Vilmorin 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 stock:** none, as no commitment to raise the stock had been made.

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

- **Stock options:** none.

Notification of crossing the threshold

Any physical or moral person, acting alone or with others, who goes above, or back under, the threshold of 3% of the capital stock or voting rights or any multiple of this percentage, is required to inform the company (decision of the General Meeting of July 22nd, 1993). The conditions under which the Company should be informed are laid down in article 12 of the by-laws.
If such conditions are not respected, any shares above this threshold and which should have been declared, are deprived of voting rights under conditions laid down by the law, if one or several holders of shares to the value of 5% 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.
At the time of the intervention of the Strategic Investment Fund (SIF) in the equity of Groupe Limagrain Holding (GLH) during the course of fiscal year 2009-2010, the Caisse des Dépôts et Consignations (CDC) informed Vilmorin of the crossing of the threshold, both above and then below, indirectly through the SIF and CDC Entreprises Valeurs Moyennes (CDC EVM) over which it has control according to the terms of article L.233-3 of the French Commercial Code.

VILMORIN'S SHARES

Share data sheet

- Date of introduction to the second market of the Paris stock exchange: November 3rd, 1993
- Place of quotation: Euronext Paris. Compartment A
- Eligible for Deferred Settlement Order since February 26th, 2008
- Euronext indices: SBF 120 (since September 24th, 2012), Cac Mid 60, Cac Mid & Small, Cac All-Tradable, Cac All Share
- ISIN code: FR 0000052516 (RIN)
- Eligible for PEA
- ICB nomenclature sector: "Farming & Fishing"
- Number of shares: 17,218,101
- Close of the fiscal year on June 30th

Servicing of the shares

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

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère - F-93761 Pantin Cedex
Tel.:
- For French shareholders: 0 826 109 119
- For other shareholders: +33 (0)1 55 77 40 57

Fax: +33 (0)1 55 77 34 17
This service is available every working day from 8.45 am until 6 pm.

Management and liquidity of the shares

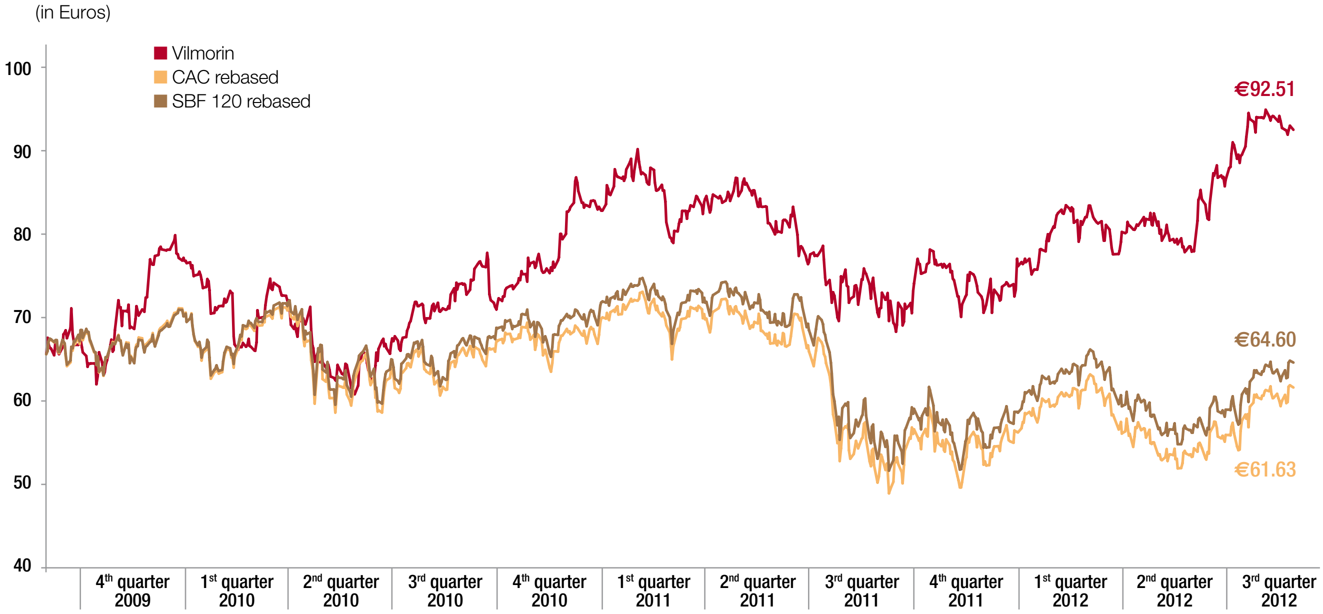
Natixis Securities is responsible for running Vilmorin's liquidity contract. This company complies with the AMAFI deontology charter of September 20th, 2008, approved by the AMF (authority governing the French stock markets) on October 1st, 2008.

Assets that appear on the liquidity account:
- At the beginning of the contract:
  - number of shares: 7,989
  - in cash: 68,037.90 Euros
- On June 30th, 2012:
  - number of shares: 1,081
  - in cash: 573,827.31 Euros

Performance of the stock

As a defensive, long-term security investment, Vilmorin's stock has shown solid resistance to market fluctuations since it was first introduced to the Paris stock market in 1993, with superior performance compared to the reference price index, SBF 120, since 2010. Such performances reflect the low sensitivity of the sector to the economic environment, but also the relevance of the company's long-term strategy.

Evolution of the quoted price of Vilmorin's shares vs CAC/SBF 120 rebased over 3 years



Evolution of the price over the past 3 years (on September 10th, 2012): +49%
Evolution of the price over the past year (on September 10th, 2012): +26%

Dividends over the last five fiscal years and distribution policy

The net dividend per share proposed to the Annual General Meeting of December 12th, 2012 is 1.65 Euros, and has progressed constantly over the past two years. Since the previous fiscal year, the dividend has increased by 10%.

Evolution of the dividend over the past 5 years

	07-08	08-09	09-10	10-11	11-12
Number of shares receiving dividend	13,384,191	13,387,796	17,217,817	17,212,812	17,218,101 (1)
Net dividend (Euros)	1.66	1.77	1.41	1.50	1.65
Distribution rate	50.2%	44.8%	44.8%	28.4%	35.3%

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

Dividends claim limit

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

Tax regulations (on September 1st, 2012)

- **French residents:** dividends received are liable to income tax in the category of capital stock revenue. Taxation is applied as follows:
  - general allowance of 40% on the amount of dividends received,
  - annual fixed and overall allowance of between 1,525 Euros (single) and 3,050 Euros (couple),
  - taxation in accordance with the progressive rate of income tax.

It is now possible to opt for a reduced levy of 21% at source as of January 1st, 2012 (19% in 2011) on total gross dividends (this option is only of interest to those receiving a high dividend).

Dividends are also subject, whatever their fiscal status (default or option), to a welfare tax contribution of 15.5% as of July 1st, 2012 (as opposed to 13.5% in 2011) on their gross value, deducted at source by the paying establishment.

- **Non French residents:** dividends received by non-resident shareholders have tax withheld at source, the rate of which varies according to local tax conventions signed by France. The maximum internal rate is 30% as of January 1st, 2012 (as opposed to 25% in 2011). Generally speaking, the taxes are deducted by the financial intermediaries. Taxes are withheld in France and usable in principle for a tax credit in the country of residence.

INFORMING AND EXCHANGING

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

VILMORIN AWARDED THE PRIZE FOR SHAREHOLDER RELATIONS FOR 2011

Vilmorin was awarded the Grand Prize for Shareholder Relations for 2011, in the Mid-Cap category. This prize, organized by Les Echos / Investir-Le Journal des Finances in association with Mazars, is an award to listed companies for the quality of their financial communication practices (financial documents, general meetings, website, financial disclosures, investor relations, etc.).

PUBLICATIONS AVAILABLE TO ALL THE FINANCIAL COMMUNITY

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

Annual report

The annual report is available both in French and in English on Vilmorin's website, 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 is accessible on its website: **www.vilmorin.info**. Apart from all the regulatory financial information, there are three areas of interest respectively for analysts/investors, journalists 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 also be consulted in English.

RELATIONS WITH ANALYSTS, INSTITUTIONAL INVESTORS AND THE PRESS

In 2011-2012, nine financial analyst companies followed the share price: CM-CIC Securities, Crédit Agricole Cheuvreux, Exane BNP Paribas, Gilbert Dupont, Natixis, Oddo Midcap, Portzamparc, Société Générale and Goldman Sachs.

Informational meetings and site visits

Six informational meetings held for investors, analysts and journalists were organized in 2011-2012 concurrently with the disclosure of the results for the fiscal year and the first semester.

Vilmorin also organized an informational seminar for analysts who follow the shares, with the objective of re-explaining the fundamentals of Vilmorin's business. The program for the two days included a presentation of research with a visit to the new research center in Chappes (France), an explanation of the production of a seed, a factory visit, etc.

Finally, as in previous years (trips organized to China and Turkey in particular), in May 2012, 16 journalists and analysts had the opportunity to visit the vegetable seeds facilities of the Business Unit HM.CLAUSE in California, the main vegetable production zone in the United States.

Telephone conferences

Vilmorin organized four telephone conferences in 2011-2012 at the same time as the disclosure of its quarterly sales. Deferred recordings of these conferences can be consulted in French on the Vilmorin website.

Meetings with investors

During the course of fiscal year 2011-2012 Vilmorin participated in fourteen meetings with investors and analysts in the form of conferences or roadshows, including many outside France (New York, London, Geneva, Frankfurt, Rome, etc.).

There were also two meetings organized in Lyon and Bordeaux, where around thirty wealth managers were able to find out more about Vilmorin's activities and strategy, and exchange on its growth perspectives.

Press file

The press file for journalists is regularly updated for the company's main financial disclosures.

RELATIONS WITH INDIVIDUAL SHAREHOLDERS

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

For this purpose the company takes specific action in favor of individual shareholders. On June 30th, 2012, the total of individual shareholders of either nominative or bearer shares stood at nearly 12,000.

Publications

Letters to the shareholders

The letter to the shareholders is printed in several thousand copies, in French. During the course of fiscal year 2011-2012, three letters were published, providing specific information on the financial results, the group's strategy, news files and information on performance on the stock market. During the Actionaria fair, a letter with a more pedagogical vocation, on the subject of strategy and innovation, was handed out to shareholders who visited the stand.

The shareholder's guide

Every year Vilmorin 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'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's website.

Meetings

Shareholders' meetings

In 2011-2012, Vilmorin met more than 800 shareholders who participated in three meeting held in Lyon, Annecy and Bordeaux. The company will continue to organize these privileged moments of exchange with its shareholders during the course of 2012-2013. They provide an opportunity to present the company, its activity and business, and its strategy, while answering numerous questions.

Actionaria Fair

Vilmorin, a faithful participant in the Actionaria Fair in Paris, was present for the seventh consecutive year at this event in November 2011, 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's management and financial communication team were all present. The round table devoted to Midcaps companies, and the different meetings in which Vilmorin's Management participated, were all opportunities for rich exchanges with the visitors.
The company will be present once again for the 2012 Fair.

The Consultative Committee for Shareholders (CCS)

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.

During the course of fiscal year 2011-2012, the CCS comprised:

- five individual shareholders representing the shareholders:
  Arnaud BUNEL (Ile de France – 75),
  Michel CHIRON (Pays de la Loire – 49),
  Caroline MEIGNEN (Picardie – 60),
  Viviane NEITER (Lorraine – 54),
  Louis REYNAL DE SAINT MICHEL (Ile de France – 75).

- two Directors from Vilmorin:
  Philippe AYMARD,
  François HEYRAUD.

It is managed by:

- Vilmorin's Chief Financial Officer: Daniel JACQUEMOND,
- the financial communications team:
  Claire PLANCHE, Financial Communication Officer and Investor Relations, and
  Claire-Marie SONNIER, Financial Communication Assistant and Individual Shareholder Relations.

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. Consequently the first mandate has reached the end of its term, and following the departure of one of the members, the Committee will be renewed in 2012 with the recruitment of two new members, bringing the number of shareholders on the committee up to six.

The CCS met three times during fiscal year 2011-2012 at different sites of the group. Its work has helped improve the presentation of the shareholders meetings, and make recommendations concerning the shareholder's guide and the Annual General Meeting of Shareholders, and to exchange views on topics specific to individual shareholders (allocating free shares, share splits, etc.).

A member of the CCS, presented the Committee, its work and how it functions to all the shareholders present at the Annual General Meeting on December 14th, 2011.

Summary reports on CCS meetings and its charter are available on the company website in the section Individual shareholders.

Visit to an HM.CLAUSE vegetable seed research center. Saint Rémy de Provence. May 2012

To write to the Consultative Committee for Shareholders

Vilmorin & Cie
Consultative Committee for Shareholders
BP 1
F-63720 Chappes
E-mail : cca@vilmorin.info

Membership of the Fédération des Investisseurs Individuels et des Clubs d'investissement (F2IC)

Vilmorin has been an active member of the F2IC (formerly "Fédération Française des Clubs d'investissement"), a federation of individual investors and investment clubs, since 2005. It participates in shareholder meetings organized by the Federation, and also distributes its letters to shareholder investment clubs through the Federation.

SCHEDULED AGENDA FOR 2012-2013

The dates are provided as an indication and are subject to modification

- November 6th, 2012: Disclosure of sales at the end of the first quarter*
- November 23rd and 24th, 2012: Actionaria Fair at the Palais des Congrès in Paris
- December 4th, 2012: F2IC shareholders' meeting in Nice
- December 12th, 2012: Annual General Meeting of the Shareholders in Paris (Maison des Arts et Métiers)
- December 17th, 2012: Detachment of the dividend
- December 20th, 2012: Payment of the dividend
- February 5th, 2013: Disclosure of sales at the end of the first semester*
- February 19th, 2013: Disclosure of results at the end of the first semester*
- April 29th, 2013: Disclosure of sales at the end of the third quarter*
- July 31st, 2013: Disclosure of sales for the year*
- October 8th, 2013: Disclosure of results for the year*

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

CONTACTS

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E-mail : daniel.jacquemond@vilmorin.info

Claire PLANCHE, Financial Communication Officer and Investor Relations
E-mail : claire.planche@vilmorin.info

Claire-Marie SONNIER, Financial Communication Assistant and Individual Shareholder Relations
E-mail: claire-marie.sonnier@vilmorin.info

Tel.: +33 (0)4 73 63 44 85
Fax: +33 (0)4 73 63 41 80

www.vilmorin.info

PARTICIPATING IN GENERAL MEETINGS

Vilmorin'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 is held in December in Paris, where the company's head office is located.

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 the certificate of the authorized intermediary, at one of the places indicated in the invitation to attend, in accordance with regulations in force, stating that the bearer shares registered up until the date of the Meeting are not available to be shown. The period during which these formalities must be accomplished expires on the third working day before the date of the General Meeting at midnight, Paris time.

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

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

VOTING RIGHTS ACCOMPANYING THE SHARES

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

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

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

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.

Financial and legal information

LEGAL INFORMATION

INFORMATION OF A GENERAL NATUREL

Name, head office and administrative offices

Name:
Vilmorin & Cie.

Head Office:
4 quai de la Mégisserie – 75001 Paris – France.

Administrative offices:
BP 1 – 63720 Chappes – France.

Jurisdiction:
French jurisdiction.

Legal status

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

Date of creation and duration of the company

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

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

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

Object of the company

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

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

In order to attain these corporate objectives, the company 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.

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).

Fiscal year

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

Place where documents concerning the company may be consulted

The legal documents concerning Vilmorin & Cie (by-laws, minutes of Annual General Meetings, Statutory Auditors' reports and any documents available to shareholders) can be consulted at the head office of the company, 4, quai de la Mégisserie - F-75001 Paris. Moreover, this information and certain historical financial information concerning regulatory information is available on the Vilmorin website **(www.vilmorin.info)** in the section Publications.

Tribunal for referral of litigation

Tribunal de Commerce de Paris.

INFORMATION CONCERNING THE CAPITAL STOCK

Evolution of the capital stock

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

Modifications occurring in the breakdown of the capital stock over the course of the last three fiscal years

	On 06.30.10			On 06.30.11			On 06.30.12		
	Number of shares	% of stock	Voting rights	Number of shares	% of stock	% of total voting rights	Number of shares	% of stock	% of total voting rights
Groupe Limagrain Holding	10,567,211	61.37	62.70	10,585,684	61.48	68.16	10,617,211	61.66	68.35
Limagrain	992,117	5.76	8.33	992,117	5.76	7.12	992,117	5.76	7.13
Selia	892,503	5.18	7.89	892,503	5.18	6.75	862,503	5.01	6.53
Treasury shares	219	-	-	1,317	0.01	-	1,081	0.01	-
Public and various	4,766,051	27.69	21.09	4,746,480	27.57	17.97	4,745,189	27.56	17.99
Total	**17,218,101**	**100.00**	**100.00**	**17,218,101**	**100.00**	**100.00**	**17,218,101**	**100.00**	**100.00**

Financial authorizations granted by the Annual General Meeting of December 14th 2011

In order to provide Vilmorin with the necessary means to ensure its future development, particularly internationally, the Annual General Meeting of December 14th 2011 authorized the Board of Directors to issue, with a maximum nominal value of 250 million Euros:

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

During fiscal year 2011-2012, neither of these delegations was applied.

The Board of Directors will request new financial delegations at the Annual General Meeting of December 12th 2012.

INFORMATION CONCERNING THE RATE ON THE PARIS STOCK MARKET AND MANAGEMENT OF THE SHARES

Interventions of the company with regard to its own shares (treasury shares)

The Annual General Meeting of December 14th 2011, deliberating on the provisions of articles 241-1 to 241-8 of the General Regulations of the Autorité des Marchés Financiers and the European Regulations n° 2273/2003, which came into force on December 22nd 2003, granted the Board of Directors the powers to intervene by purchasing or selling its own shares on the stock market at a maximum price of 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 12 months.*

* Prospectus of December 9th 2009 registered with the AMF (authority governing the French stock markets).

During the fiscal year ending June 30th 2012, the company conducted, either directly or indirectly, the following operations:

- number of shares purchased = 114,768;
- average purchasing price = 76.92 Euros;
- number of shares sold = 115,004;
- average selling price = 76.94 Euros;
- number of treasury shares held on June 30th 2012: 1,081 corresponding to less than 0.1% of the capital stock, at a purchasing value of 90,404.03 Euros, which is an average unit price of 83.63 Euros.

It is proposed to the Annual General Meeting of December 12th 2012 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 120 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 120 million Euros.

Share scorecard report

	09-10	10-11	11-12
Daily average of transactions			
> Number of shares	15,600	8,450	6,505
> Thousands of Euros	1,141.90	681.29	502.75
Maxima and minima			
> Highest rate	88.60	93.00	85.96
> Lowest rate	63.00	66.75	68.80
Closing rate of the fiscal year in Euros			
Net yield per share % (1)	**2.54%**	**2.07%**	**1.76%**

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

Quantities exchanged and evolution of values over the last 18 months

Year	Month	Number of shares exchanged	Stock exchanged (M€)	Highest recorded rate (€)	Lowest recorded rate (€)
2011	April	71,732	6.143	87.49	84.01
	May	137,656	11.958	88.75	85.00
	June	122,422	10.182	86.35	81.09
	July	176,505	14.056	85.40	75.28
	August	206,310	15.330	77.78	68.80
	September	146,769	10.664	77.49	69.15
	October	166,573	11.935	79.80	69.50
	November	112,180	8.523	78.75	71.50
	December	146,127	10.784	77.00	70.52
2012	January	134,799	10.150	77.50	72.10
	February	137,459	11.031	83.49	76.02
	March	138,276	11.250	83.50	77.60
	April	81,272	6.501	81.70	77.51
	May	130,027	10.486	82.99	78.52
	June	103,885	8.499	85.96	77.41
	July	137,574	12.196	91.59	84.13
	August	126,132	11.849	98.00	91.10
	September	137,191	12.538	94.42	81.50

FURTHER INFORMATION

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 fixes its investment expenditure shared out between the different operating business units.
Thus for fiscal year 2011-2012, tangible investments stood at 45.7 million Euros. Depending on each case, and the operating business unit involved, these investments are funded either by bank loans or by cash.

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

Reference shareholder

Groupe Limagrain, through the companies Limagrain and its subsidiaries Groupe Limagrain Holding and Selia, is Vilmorin's reference shareholder, holding 72.4% of the capital stock (refer to the chapter "How the Board of Directors operates", page 11).

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

Important contracts outside normal business arrangements

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

For its field seeds activities in North America, Vilmorin takes out pluri-annual licenses for the use of technologies included in the sale of genetically modified seeds. With the exception of these pluri-annual contractual relations, for which Vilmorin has alternative solutions if necessary, no contract outside normal business arrangements has been identified as being so important that it is liable to have a significant and recurring impact on its financial profile.

Functioning of the Administration and Management bodies

Corporate governance

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

Information on the Audit Committees and the Remuneration Committees

During the first semester of 2010, the Board of Directors set up an Audit and Risk Management Committee chaired by its independent director.

This specialized committee is responsible in particular for insuring that financial information respects the elaboration process, that the risk management systems are efficient and that the Statutory Auditors and other external auditors control the financial statements in compliance with the law. During the course of the fiscal year 2011-2012, it specifically conducted a review of the half-yearly financial statements, the risk of technological dependence, an analysis of financial and legal risks, the information systems security policy, transfer prices and purchasing policies.

Vilmorin does not currently have a Remuneration Committee.

INFORMATION ON THE SUBSIDIARIES

Name	Country	Head Office	Corporate Registration Number
HOLDINGS			
Genective SA	France	5 rue Saint-Germain l'Auxerrois - 75001 Paris	513 533 612
Mikado Seed Holding K.K.	Japan	1-4-11 Ohnodai, Midori-ku - 267-0056 Chiba-shi	
VCC Japan KK	Japan	15-13 Nampeidaicho - Shibuya-Ku Tokyo	
VCO Participations SAS	France	Rue Limagrain – 63720 Chappes	523 301 976
Vilmorin & Cie SA	France	4 Quai de la Mégisserie – 75001 Paris	377 913 728
Vilmorin Hong-Kong Ltd	China	Level 28, Three Pacific Place, 1Queen's Road East – Hong-Kong	
Vilmorin USA Corp	United States	2711 Centerville Road, Suite 400 - County of New Castle - Wilmington 19808 - Delaware	
FIELD SEEDS			
Biogemma SAS	France	1 rue Edouard Colonne – 75001 Paris	412 514 366
Biogemma UK Ltd	United Kingdom	Science Park - 200 Milton Road - Cambridge CB4 0GZ	
Biogemma USA Corp	United States	Corporation service Company – 2711 Centerville Road, Suite 400 - Wilmington 19808 - Delaware	
Genoplante-Valor SAS	France	523 Place des Terrasses – 91034 Évry	439 202 821
Limagrain Europe			
Limagrain Clovis Matton Belgium	Belgium	5 rue du Quai – 8581 Avelgem-Kerkhove	
De Wulf & Co	Belgium	58 rue de la Gare – 7780 Comines Warneton	
GIE Semences de Brie	France	RD 402 – 77390 Chaumes-en-Brie	388 147 845
Limagrain DK	Denmark	Marsalle III - 8700 Horsens	
Limagrain Central Europe SE	France	Biopôle Clermont-Limagne – 63360 Saint-Beauzire	438 205 320
Limagrain Central Europe Cereals S.r.o.	Czech Republic	Praha 9 - Podedvorska 755/5 – 19800 - Kyje	
Limagrain d.o.o Beograd	Serbia	Bulevar Oslobodenia 127 - Novia Sad 21000	
Limagrain Europe SA	France	Ferme de l'Etang – BP 3 – 77390 Verneuil l'Etang	542 009 824
Limagrain GmbH	Germany	2 Am Griewenkamp - Edemissen – D 31234	
Limagrain Iberica SA	Spain	Ctra Pamplona - Huesca Km 12 - Elorz - Navarra 31470	
Limagrain Italia SPA	Italy	Via Frescarolo 115 - Busseto PR 43011	
Limagrain Moldova srl	Moldova	Bd. Stefan Cel Mare 162 – MD – Chisinau 2004	
Limagrain Nederland BV	Netherlands	Van der Haveweg 2 - 4411 RB Rilland	
Limagrain Nederland Holding BV	Netherlands	Van der Haveweg 2 - 4411 RB Rilland	
Limagrain RU LLC	Russia	Odesskaya street 41/43, 3rd Floor – Office 1 -350020 Krasnodar	
Limagrain Tohum Islah Ve Üretim Sanayi Ticaret AS	Turkey	Bayar Cad. Gülbahar Sokak - N° 17/136 Kozyatagi-Erenkoy - Istanbul 34742	
Limagrain UK Ltd	United Kingdom	Market Rasen - LN7 6DT Rothwell - Lincolnshire	
Limagrain Ukraine LLC	Ukraine	Pavlivska 10 street off.7 - 01054 Kiev	
Nickerson Sugar Beet Seed Ltd	United Kingdom	Market Rasen - LN7 6DT Rothwell - Lincolnshire	
Seedline	Belgium	5 rue du Quai – 8581 Avelgem-Kerkhove	
Soltis SAS	France	Domaine de Sandreau - 31700 Mondonville-Blagnac	420 327 231
Unisigma GIE	France	2 rue Petit Sorri – 60480 Froissy	317 760 668
AgReliant Genetics			
AgReliant Genetics LLC	United States	1122 East 169th Street - Westfield, IN 46074	
AgReliant Genetics Inc	Canada	6836 Pain Court Line RR1 - Ontario N0P1Z0	

% Voting rights	% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.12	Sales of goods in K€	Net income for the fiscal year in K€	Book value of shares on 06.30.12 in K€	
							Gross	Net
74.88	74.88	GI	-4,712	0		4,270	37	37
79.78	79.78	GI	254,555			233	5,452	5,452
100.00	100.00	GI	-56,175			-114	424	424
100.00	100.00	GI	-1			-5	1	1
100.00	100.00	GI	679,389	127	1,205	37,108		
100.00	100.00	GI	2,014	0		-368	2,000	2,000
100.00	100.00	GI	120,111			2,636	162,431	162,431
55.01	55.01	GI	48,150	80		225	30,800	30,800
100.00	55.01	GI	1,055			-17	16,892	1,776
100.00	55.01	GI	18			46	1	1
25.00	22.00	EM	3,429			39	1,524	1,248
100.00	95.20	GI	2,988	47	22,288	533	7,500	7,500
100.00	95.20	GI	224		992	65	122	122
50.00	47.60	PI	639	14		-15	191	191
100.00	95.20	GI	13,601	4	13,939	608	4,600	4,600
99.99	95.19	GI	6,179	115	58,207	-1,067	6,500	5,112
100.00	95.20	GI	47,647	39	2,159	1,917	2,399	2,399
100.00	95.20	GI	45,803	9	3,974	67	341	341
95.20	95.20	GI	289,704	461	286,270	28,535	310,609	310,609
100.00	95.20	GI	7,855	116	45,950	1,541	12,049	12,049
100.00	95.20	GI	11,403	82	25,750	2,270	10,651	10,651
100.00	95.20	GI	1,144	29	10,933	-368	12,063	776
100.00	95.20	GI	-410	7	3,355	264	349	349
100.00	95.20	GI	11,863	102	19,986	936	20,931	20,931
100.00	95.20	GI	20,439			1,005	126,015	21,444
100.00	95.20	GI	4,014	18	2,638	70	7	7
67.00	63.79	GI	50,925	50	32,318	10,908	7,900	7,900
100.00	95.20	GI	15,635	176	37,588	2,009	22,776	22,776
100.00	95.20	GI	-2,121	26	5,708	207	8	8
100.00	95.20	GI	1				1	1
100.00	95.20	GI	94	4		32	225	225
50.00	47.60	PI	31,833	14		3,732	6,995	6,995
46.00	43.79	EM	502			80	379	379
50.00	50.00	PI	218,229	748	404,234	35,963		
50.00	50.00	PI	33,151	43	26,302	1,830	6,619	6,619

Name	Country	Head Office	Corporate Registration Number
Limagrain Asia			
Atash Seeds Private Limited	India	Ashoka My Home chambers # 1-8-201 to 203 - Plot no 208, 209 SP Road – Secunderabad Hyderabad, 500 003	
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	
Limagrain Cereal Seeds			
Australian Grain Technologies Pty Ltd	Australia	University of Adelaide – Waite campus building 4B – 5064 URRBRAE S.A.	
Limagrain Cereal Seeds LLC	United States	Corporation service Company – 2711 Centerville Road, Suite 400 - Wilmington 19808 – Delaware	
Limagrain South America			
Limagrain Argentina SA	Argentina	Calle Esmeralda 130 4to piso – Buenos Aires	
Limagrain do Brasil Participações Ltda	Brazil	Avenida Pedroso de Moraes - 2101, 4° andar, sala 13 - CEP 05419-001 - Sao Paulo	
Limagrain Guerra do Brasil SA	Brazil	PR, na Rod. PR280, KM 140 - numero 8801 - Bairro Cristo Rei - CEP 85508-280 Pato Branco	
Brasmilho SA	Brazil	Rod GO 080 Margem Direita A 150 Metros - KM60 - 76.380.000 Zona rural - Goianesia	
VEGETABLE SEEDS			
Bio Seeds	Netherlands	Agro Business Park 90 – 3808 PW Wageningen	
Mikado Kyowa Seed			
Mikado Kyowa Seeds Co Ltd	Japan	15-13 Nanpeidai-cho-Shibuya-Ku - 150-0036 Tokyo	
Dalian Mikado International Seed Co Ltd	China	Room 2702 – Liangiju International Building – Dalian - 116011	
Vilmorin SA			
Anadolu Tohum Uretim Ve Pazarlama Anonim Sirketi	Turkey	Güzelyali, Bati Sahili, Ciftlik Sok. No.9 - Pendik Istanbul 34903	
Vilmorin Atlas SARL	Morocco	158 boulevard Abdellah Ben Yacine - 20300 Casablanca	
Vilmorin do Brasil Comércio de Sementes Ltda	Brazil	Rua Maria Monteiro, 830, 2nd andar, sala 21 - Campinas, Estado de Sao Paulo - 13025-151 Cambui 151 Campinas/SP	
Vilmorin Iberica SA	Spain	Calle Joaquim Orozco 17 - 03006 Alicante	
Vilmorin Inc	United States	2551 North Dragon - 85745 Tucson Arizona	
Vilmorin Italia SRL	Italy	Center Gross CP 97 - Blocco 22 - Via dei Notai 123 - 40050 Funo	
Vilmorin SA	France	Route du Manoir – 49250 La Ménitré	562 050 864
HM.CLAUSE			
Alliance Semillas de Argentina	Argentina	Pavon 1478 - Capital Federal – CP 1151 - Buenos Aires	
Alliance Semillas SA	Chile	Casa Matriz – Hendaya 27 – Oficina 201 - Las Condas Santiago	
Ceekay Seeds & Seedlings Pvt. Ltd	India	6-1-20/2, Walker New Bhoiguda 500 025 - Secunderabad	
Clause SA	France	Rue Louis Saillant – 26800 Portes-les-Valence	435 480 546
Clause (Thailand) Ltd	Thailand	11th Floor, Panjabhum Building - 127 South Sathorn Road, Tungmahamek - 10120 Sathorn Bangkok	
Clause Brasil Comercio de Sementes Ltda	Brazil	Rua Miguel Penteado n°1038 Jardim Chapado CEP 13070118 Campesinas SP	
Clause India Private Ltd	India	6-1-20/2 New Bhoiguda – Segunderabad Hyderabad – 500025 - ANDHRA PRADESH	
Clause Italia SPA	Italy	Via Emilia 11 – 10078 Venaria Real	

% Voting rights	% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.12	Sales of goods in K€	Net income for the fiscal year in K€	Book value of shares on 06.30.12 in K€	
							Gross	Net
99.99	61.01	GI	349,933	67	1,146	-2,466	5,134	5,134
61.02	61.02	GI	654,453		5,414	2,106	22,475	22,475
32.77	32.77	EM	13,382			1,984	8,021	8,021
65.00	65.00	GI	17,398	16	66	-3 697	10,218	10,218
90.00	90.00	GI	31,931	22	951	-958	9,318	9,318
100.00	100.00	GI	56,291	4		-977	25,671	25,671
70.00	70.00	GI	10,020	43	14,411	2,041	15,899	15,899
85.00	85.00	GI	9,956	29	5,782	467	5,933	5,933
24.95	24.95	EM	15,268			-389	1,092	1,092
85.73	80.68	GI	3,278,191	138	86,313	5,394	17,229	17,229
80.00	64.54	GI	5,961	16	2,098	-64	249	249
100.00	99.95	GI	22,839	75	17,768	2,020	7,683	7,683
70.00	69.97	GI	2,181	13	2,893	114	128	128
100.00	99.95	GI	912	14	2,390	-34	18	18
99.91	99.86	GI	1,151	33	8,027	432	714	714
100.00	100.00	GI	3,369	35	7,267	319	2,806	2,806
100.00	99.96	GI	67	26	13,042	244	64	64
99.95	99.95	GI	54,932	410	78,816	12,699	55,696	55,696
100.00	100.00	GI	5,242	14	4,530	-3	818	818
100.00	100.00	GI	1,233,764	16	3,646	-282	1,450	1,450
100.00	99.97	GI	-7,326			-4	1,791	0
99.97	99.97	GI	60,480	534	136,309	32,026	50,194	50,194
100.00	99.97	GI	1,766	52	304	-500	1,300	0
100.00	99.97	GI	8,070	21	7,610	291	36	36
100.00	99.97	GI	73,316	108	4,014	-170	691	691
100.00	99.97	GI	1,686	36	27,278	615	1,438	1,438

Name	Country	Head Office	Corporate Registration Number
Clause Maghreb EURL	Algeria	Villa n°192 Quartier Amara 2 - Lotissement Alioua Fodhil – Chéraga - 16002 - Alger	
Clause Polska Sp.z.o.o.	Poland	ul. Kbicka 32A - KRZECZOWICE	
Clause Spain SA	Spain	Paraje La Reserva s/n Apdo Correos n°17 - La Mojonera Almeria 04745	
Harris Moran Seed Company	United States	555, Codoni avenue - 95352 Modesto (Californie)	
Henderson Seed Group Trading AS Clause Pacific Pty Ltd	Australia	165, Templestowe - Road Lower Templestowe - 3105 Bulleen Victoria	
Ica Seeds S.A.C	Peru	Fundo la Viña S/N Caserio La Poruma Ica	
Leafyco LLC	United States	21866 Rosehart Way – 93908-9726 Salinas - Californie	
Plant Development Australia	Australia	165, Templestowe Road - Templestowe - Lower – VIC 3107	
PT Clause Indonesia	Indonesia	Ruko Bumi Prayadan Permai Block B-6 - Mertoyudan 56172 - Magelang Jawa Tengah	
Semillas Harris Moran Mexicana	Mexico	Blvd. V. Carranza 2378-A - Parque Industrial R.A.S.A. - Mexicali, BC Mexico CP	
HM.CLAUSE Tohumculuk Tarym Sanayi Ve Ticaret Anonim Sirketi	Turkey	Ali Cetinkaya Caddesi No : 125/7 - 07300 Antalya	
Hazera-Nickerson			
Asamia Cold Storage	Israel	DN Shikmim - Brurim	
Hazera Agriculture Technology and Services (Beijing) Co	China	Room 601-602, Tower D, Java Millenium Place - No. 18 Jianguomenwai Dajie, Chaoyang District – 100022 - Beijing	
Hazera Do Brasil Comercio de Sementes Ltda	Brazil	Rua Iris, 75 Holambra - 13825-000 Sao Paulo	
Hazera España 90 SA	Spain	C/Torrelaguna 75 – 2/8 Madrid	
Hazera Genetics Ltd	Israel	Brurim Farm MP - 79837 Shikmim	
Hazera Mexico Services SA DECV	Mexico	Calle Trapani No 4732 Local A - Edificio Plaza Palermo - Palermo Residencial - 80104 - CULIACAN - SINALOA	
Hazera Hellas Seeds & Plant Material SA	Greece	Agamemnonos str. 51-53 Kallithea – 17675 Athens	
Hazera Holding International BV	Israel	DN Shikmim - 79837 Brurim	
Hazera Seeds Inc	United States	32 Loockerman Sq, Suite L 100 – Dover - Delaware	
Hazera Tohumculuk Ve Ticaret AS	Turkey	Necatibey St. Bascerrah N. 6/27 - Karakoy	
Nickerson Zwaan BV	Netherlands	Schanseind 27 BP28 - 4921 Pm Made	
Nickerson Zwaan GmbH	Germany	2 Am Griewenkamp - Edemissen – D 31234	
Nickerson Zwaan Seeds Private Ltd	India	c/o Ajoy Ghosh & Associates, Chartered Accountants - F202, Brigade Nest, 1/9, Airport Road, Kodihalli – 560017 Bangalore	
Nickerson Zwaan Ltd	United Kingdom	Joseph Nickerson Research Centre - Market Rasen LN7 6DT Rothwell	
Nickerson Zwaan SA (Proprietary) Ltd	South Africa	121 Boshoff Street – 0181 - NEW MUCKLENEUK	
Nickerson Zwaan Sp. zo.o.	Poland	ul. Marywilska 34 I - 03-228 - Warszawa	
Nickerson Zwaan Ukraine LLC	Ukraine	Office # 101 - Strategichne shose 16 Str – 03680 - Kiev	
GARDEN PRODUCTS			
DLF France SAS	France	ZA Les Pains - Les Alleuds - 49320 Brissac Quince	432 004 679
Vilmorin Jardin			
C.H. Van Den Berg B.V.	Netherlands	Nijverheidsweg 1 - (1693) Am Wervershoof	
Cnos Garden Sp. zo.o.	Poland	ul. Ks.P. Wawrzyniaka 2 62-052 - 62-052	
Vilmorin Jardin SA	France	65, rue de Luzais - BP 37 - 38291 St Quentin Fallavier	959 503 111
Suttons			
Suttons Seeds (Holding) Ltd	United Kingdom	Woodview road – Paignton - Devon - TQ4 7NG	

% Voting rights	% Interest	Consolidation method	Equity before results in K€	Permanent headcount on 06.30.12	Sales of goods in K€	Net income for the fiscal year in K€	Book value of shares on 06.30.12 in K€	
							Gross	Net
100.00	99.97	GI	63,631	11	3,061	51	97	97
100.00	99.97	GI	9,675	21	1,530	141	2,659	2,659
100.00	99.97	GI	3,824	78	28,079	1,452	1,532	1,532
100.00	100.00	GI	76,639	294	80,254	5,617	29,524	29,524
100.00	99.97	GI	3,363	23	8,847	277	5,426	5,426
100.00	100.00	GI	984	30	1,362	-13	204	204
100.00	100.00	GI	-524	11	2,939	-829	2,780	0
100.00	99.97	GI	4,703		0	-84	2,276	2,276
100.00	99.97	GI	1,747,520	22	422	18	299	299
100.00	100.00	GI	51,176	45	27,838	1,223	0	0
99.99	99.96	GI	1,562	30	4,216	-114	8,781	8,781
100.00	100.00	GI	41			1	1	1
100.00	100.00	GI	4,444	24		14	452	452
100.00	100.00	GI	-372	9	1,083	20	405	405
100.00	100.00	GI	1,058	18	4,825	435	788	634
100.00	100.00	GI	476,012	345	58,831	859	83,523	83,523
100.00	100.00	GI	2,929	11		6	151	151
100.00	100.00	GI	197	12	3,468	-65	168	168
100.00	100.00	GI	14,957			12	18	18
100.00	100.00	GI	1,242	16	14,070	200	0	0
100.00	100.00	GI	723	9	1,936	240	588	588
100.00	100.00	GI	21,828	159	46,736	1,213	19,621	19,621
100.00	100.00	GI	919	20	6,456	89	127	127
100.00	100.00	GI	259	0		-3	4	4
100.00	100.00	GI	2,461	19	8,565	175	243	243
100.00	100.00	GI	9,959	16	4,142	185	715	715
100.00	100.00	GI	2,750	15	3,259	71	64	64
100.00	100.00	GI	2,055	13	2,254	265	8	8
33.33	33.33	EM	4,793			90	1,000	1,000
100.00	99.99	GI	-113	20	6,102	39	243	0
100.00	99.99	GI	9,358	57	5,498	477	1,719	1,719
99.99	99.99	GI	9,612	236	54,159	447	7,775	7,775
100.00	100.00	GI	2,979	143	19,280	-3,067	5,445	5,445

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.

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

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

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

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

The Board of Directors comprises eight members.

Respecting the suggestions of the AFEP/MEDEF report of October 2003 and the recommendation of the European Commission of February 15th 2005, the Board of Directors was extended in December 2007 to integrate an independent Director.
The Board adopted the criteria defined in these recommendations to examine to what extent such a Director could truly be qualified as independent, and prevent any possible risks of conflict of interest.

Taking these criteria into account, the Board of Directors appointed Didier MIRATON as independent Director.

Compliance of our previous analysis with criteria to qualify for independence and for the prevention of any risks of conflict of interest set out in the code of corporate governance for listed companies, published in December 2008 by AFEP/MEDEF, was 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 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 officers.
Moreover, during the course of the first semester 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. For this purpose, a Strategic Committee was established during fiscal year 2010-2011; feminization of the Board of Directors is one of the topics currently being studied.

During the course of the fiscal year 2011-2012 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 82.5%.

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

Your Board of Directors closed the corporate accounts and the consolidated accounts of Vilmorin and the associated reports during its meeting of October 8th 2012.

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

General provisions for internal control

Vilmorin 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:
- compliance with laws and regulations,
- application of the instructions and orientations fixed by the General Management,
- efficient functioning of internal corporate processes, particularly those that have been implemented to protect its assets,
- the reliability of financial information,

and more generally, contributes to maintaining control of its activities, and ensuring the efficiency of its operations and use of its resources.
As with any control system, it can only provide an absolute guarantee if these risks are totally eliminated and can only provide reasonable assurance with regard to the successful achievement of its objectives.

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

As a holding structure, the company Vilmorin & Cie plays a central role in steering internal control. Besides insuring the coherence of general policies, its role is to co-ordinate, advise and control its subsidiaries. In order to do so, 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 new standard format integrating different levels of analysis and a summary of how to follow different recommendations.
During the course of fiscal year 2011-2012, 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.

Development of a risk management system

General principles for the management of risks

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

Identification of the main risks

Risk identification implies that risks should be mapped. Risk mapping was initiated during the course of fiscal 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, the short-term objective being to see how progress can be made by mobilizing teams on a certain number of action plans. The risks mapped are regularly passed on to the Audit and Risk Management Committee.

This mapping process is currently being re-assessed in conjunction with the risk managers, who are in charge of the final review of the risk analysis data sheets. The full reference manual is due for exhaustive self-assessment during the course of fiscal 2012-2013.

As mentioned above this mapping is used to program the internal audit. Missions have thus been conducted 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 has been updated to take into account new standards concerning the Information Systems Security Policy (ISSP) and the environment. The ISSP has already been audited and assessed on different occasions.

Analysis of the main risks

During fiscal year 2011-2012 Vilmorin's business covered different sectors of activity, both on professional and consumer markets, entailing various risks caused by the highly seasonal nature of its business, a relative dependence on the whims of the weather, and the importance of the high-tech products and processes used. Suitable solutions are implemented to insure that these risks are reasonably controlled.

Risks with regard to production

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

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

Risks with regard to the climate

Meteorological uncertainty may have an effect on activities intended for professional markets.

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

Risks with regard to products and processes

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

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

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

- scrupulous respect for any applicable regulations,
- rigorous quality control procedures,
- the introduction of specialized teams to deal with crisis situations,
- the development of a prevention policy to provide greater safety for persons and equipment.

Risks inherent in research

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

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

The means adopted to reach these objectives primarily involve:

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

Risks regarding clientele

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

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

Legal risks

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

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

With the exception of provisions already made for disputes on June 30th 2012, Vilmorin had not identified any dispute that might affect its financial situation significantly.

Risks regarding exchange rates, interest rates, cash and markets
Bearing in mind the size of Vilmorin and its international dimension, procedures have been set up in order to better identify these risks and control them.

For this reason the Corporate Finance Department more particularly manages both for Vilmorin and its subsidiaries:

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

On June 30th 2012, Vilmorin's consolidated bank debt of 451.2 million Euros, mainly involved funding at variable rates. Outstanding forward exchange cover stood at 163 million Euros.

In order to reinforce the structure of its bank debt, in October 2010, Vilmorin set up a new syndicated credit of an initial sum of 300 million Euros for the duration of 5 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 30th 2012, Vilmorin was totally on line with these commitments.

At the end of fiscal year 2007-2008 Vilmorin 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.

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

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

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

General public liability and product liability
This policy is intended to cover liability both before and after delivery, with a 25 million Euro compensation limit per claim, and a fixed annual ceiling of 25 million Euros for liability after delivery.

Third party liability for the corporate representatives
This policy covers the third party liability of managers resulting from a claim that calls into question the personal public liability or joint and several liability attributable to professional misconduct committed in the exercise of their functions. It concerns the de jure or actual managers of the company and all the subsidiaries in France or any other company in which it has a stake.
The compensation limit is 25 million Euros per year of insurance, and includes any benefits and legal defense expenses laid out.

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

PROCEDURES USED TO PRODUCE FINANCIAL AND ACCOUNTING INFORMATION

Vilmorin's consolidated financial statements are set out in accordance with the international accounting standards (IFRS standards) published by the International Accounting Standards Board (IASB) and with the interpretations of the IFRS published by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as adopted by the European Union on June 30th 2012.

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

Financial organization

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

The medium-term plan
A medium-term plan is the working reference that describes the main strategic orientations, and is set out in each of the operating structures ("business units") in conjunction with the management of its division. It is updated every year, confirmed at the level of Vilmorin, and consolidated in accordance with a formal process.

The short-term financial budget

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

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

Monthly reporting

Each company produces monthly performance indicators adapted to its business activity. These are compared to the budget, and any differences are analyzed to detect any significant discrepancies. Data from reporting is also compared with the general accounts. Detailed, non-audited quarterly financial statements complete this organization.

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

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

The half-yearly and 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.

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

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

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

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

Control

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

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

Assessment of internal control

Within Vilmorin, 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'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 2011-2012, no major anomaly has been highlighted.

LIMITS TO THE POWERS GRANTED TO THE CHAIRMAN AND CEO

The General Management of Vilmorin is the responsibility of the Chairman of the Board of Directors. During the course of the fiscal year 2011-2012 he was assisted by a CEO, Emmanuel ROUGIER.

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

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

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

TOKEN PAYMENTS AND BENEFITS PAID TO CORPORATE REPRESENTATIVES

As in previous fiscal years, the Directors carried out their duties in 2011-2012 without any remuneration or allowances.

Nevertheless, bearing in mind the presence of an independent Director on the Board of Directors, it will be proposed to the Annual General Meeting deliberating on the annual accounts closed on June 30th 2012 to fix the directors' fees for fiscal 2011-2012 at 21,200 Euros.

The remuneration of corporate representatives who have a work contract (Daniel CHÉRON, Director) comprises:

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

PARTICIPATION OF THE SHAREHOLDERS IN THE ANNUAL GENERAL MEETINGS

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

INFORMATION LIABLE TO HAVE AN IMPACT IN THE CASE OF A TAKE-OVER BID

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

This full report was discussed and approved by the Board of Directors at their meeting held on October 8th 2012.

REPORT OF THE BOARD OF DIRECTORS TO THE JOINT ANNUAL MEETING (ORDINARY AND EXTRAORDINARY) OF DECEMBER 12TH 2012

To the Shareholders,

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

- to submit for your approval the annual financial statements for the fiscal year closing on June 30th 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 delegate to your Board of Directors the necessary powers to proceed with one or several increases in capital stock through the incorporation of issue premiums, reserves, profits or any other items in order to allocate free shares to the shareholders.

Notice to attend has been sent to all of you in accordance with the bylaws, and all the documents and relevant information have been made available under the conditions and deadlines stipulated according to the law.

ACTIVITY FOR THE FISCAL YEAR

Corporate financial statements

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

Within the framework of its development strategy, over fiscal year 2011-2012 Vilmorin pursued its policy of external growth, particularly internationally, and furthered its partnerships in research and the development of new technologies.

Vilmorin's sales reached 40.8 million Euros in 2011-2012 as opposed to 37.8 million Euros the previous fiscal year.
These sales mainly correspond to services rendered by Vilmorin to its subsidiaries in the areas of general administration, human resource management and pooled upstream research programs.

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

Total operating expenses came to 50 million Euros, up 5.1 million Euros compared with 2010-2011.
The operating income showed a loss of 4.9 million Euros.

The financial result showed a net income of 49.5 million Euros, down by 6.4 million Euros compared with the previous fiscal year.

This figure takes into account the dividends received from the subsidiaries, with the total amount this fiscal year standing at 66 million Euros, compared with 70.5 million Euros for the previous fiscal year.

It also includes a net write-back of financial provisions of 0.3 million Euros and a currency exchange loss of 6.6 million Euros, mainly due to the repayment of Vilmorin's current account with its Canadian subsidiary Limagrain Genetics Inc.
Finally, this financial result also includes 10.4 million Euros of net interest charges, down 1.6 million Euros compared with the previous fiscal year.

The extraordinary result showed a net loss of 16.8 million Euros, as opposed to a profit of 2.6 million Euros in 2010-2011; in particular it contains impairment losses on the sale of participations and on capital stock reduction.

Income tax takes into account the impact of the fiscal integration system adopted on July 1st 2000 for a group of companies comprising Vilmorin, Vilmorin SA, Clause SA, Vilmorin Jardin SA and VCO Participations; for fiscal year 2011-2012 a net income of 11.1 million Euros was recorded, including tax relief for research of 1.8 million Euros.

As a result of the above-mentioned considerations, the net corporate income came to 35.2 million Euros on June 30th 2012.

The capital stock stood at 262,576,040.25 Euros on June 30th 2012 corresponding to 17,218,101 shares with a nominal value of 15.25 Euros each.

On June 30th 2012 loans and financial debts showed a gross value of 498.8 million Euros.
Net of cash and investment securities, and also current accounts granted to subsidiaries as part of the group's cash flow management system, financial debts stood at 141.4 million Euros.

In order to strengthen the structure of its bank debts, in October 2010, Vilmorin set up a syndicated credit for an initial sum of 300 million Euros for the duration of 5 years, in partnership with several banks.

On June 30th 2012, 202.5 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 30th 2012, Vilmorin was totally on line with these commitments.

Consolidated financial statements

At the close of fiscal year 2011-2012, Vilmorin'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 30th 2012.
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 corn seeds activity of the company Brasmilho (Brazil), which was made in August 2011, and the majority takeover of Bisco Bio Sciences (India), achieved in March 2012.

Consolidated sales for fiscal year 2011-2012, and corresponding to revenue from ordinary activities, stood at 1,338 million Euros, up 12.2% with current data.
Restated like for like (currency translations, and changes in scope), sales progressed by 11.1% compared with the previous fiscal year.

Restated for inventory write-off and depreciation, gross margin after cost of sales stood at 43.7%, down 1.2 percentage points compared with 2010-2011.

Net operating charges stood at 446.4 million Euros, as opposed to 378.4 million Euros on June 30th 2011.

Respecting its strategic orientations, in 2011-2012 Vilmorin continued to intensify its research programs both in conventional plant breeding and biotechnology. Total research investment stood at 161.6 million Euros as opposed to 154 million Euros in 2010-2011 and now represents 14% of sales of seeds intended for professional markets.
Tax relief for research, recorded as a deduction from research and development costs, came to 25.6 million Euros as opposed to 24.4 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 4.1 million Euros.

Thus the consolidated operating income stood at 137.7 million Euros down 19 million Euros compared with the previous year, showing an operating margin of 10.3%; it should be remembered that on June 30th 2011, the operating income included the gross capital gains (31.1 million Euros) made through the sale of a minority stake in the Chinese company LPHT.

The financial result shows a net charge of 26.3 million Euros as opposed to 21.3 million Euros in 2010-2011, and this fiscal year integrated currency exchange losses of 9 million Euros compared with a balanced currency exchange result on June 30th 2011.
In the context of falling interest rates, cost of funding came to 21.3 million Euros and the year was marked by a rise in Vilmorin's medium-term indebtedness.

The net charge of income taxes came to 26.1 million Euros as against 38.7 million Euros the previous year.

Finally, the total net profit came to 87.1 million Euros, up considerably compared to the previous fiscal year, after restatement of the net capital gains from the sale of the minority stake in LPHT. The Group share ("attributable to the controlling company") came to 80.6 million Euros.

In comparison with June 30th 2011, the balance sheet structure on June 30th, 2012 remained globally stable.
Net of cash and bank in hand (311 million Euros), total book indebtedness on June 30th 2012 came to 315.7 million Euros as opposed to 270.2 million Euros on June 30th 2011. The proportion of non-current indebtedness stood at 414.8 million Euros.
The Group's share of equity ("attributable to the controlling company") came to 1,006.9 million Euros while that of the minority interests ("attributable to non-controlling minorities") came to 115 million Euros.

Vegetable seeds division

Sales for the Vegetable seeds division on June 30th 2012 came to 527.2 million Euros, up 3.3% compared to the previous fiscal year.
Restated like for like they rose by 2.9%, on line with objectives, and higher than global market growth estimated in recent months.
In a very difficult world market due to several current factors (sanitary, political and economic crises), Vilmorin was able to demonstrate the solidity of its organization model, and its strategy combining innovation and proximity to markets. All the Business Units performed with satisfaction, maintaining a high level of development in their expansion into new zones and holding up well in their reference markets.

Overall, the professional vegetables business showed an operating margin of 14.6% with a net contribution to the consolidated result of 51.3 million Euros.

Field seeds division

Sales for the Field seeds division on June 30th 2012 came to 728.7 million Euros, up 21.7% compared to fiscal year 2010-2011; like for like this increase was 19.7%, and above the objective set. Activity for the fiscal year was favorably influenced by an encouraging agricultural context, both in Europe and in the Americas.

- In Europe, Vilmorin recorded a very strong increase in its annual sales (488.2 million Euros) of almost 16% like for like, particularly in Eastern Europe (including Ukraine and Russia) and in Northern Europe. All the strategic crops (corn, wheat and oilseed crops) experienced strong growth, particularly sunflower, with an increase in sales of almost 50%. These excellent results confirm the quality of the product range, with the efficient adaptation of the sales organization and the dynamism of the distribution networks.
- In North America, sales (212.9 million Euros) rose by more than 20% like for like, compared with the previous fiscal year. The technical performances of the seeds and the specific nature of the commercial model both enabled AgReliant to assert itself as the third largest seeds company in the Corn Belt.
- In South America, the development operations achieved over recent months, combined with the successful integration of the teams and structures, resulted in sales of 20.4 million Euros, beyond initial objectives.
- In Asia, Bisco Bio Sciences, an Indian company acquired during the course of the fiscal year, is now being integrated operationally, and made a contribution to consolidated sales for 2011-2012 of 5.4 million Euros.

As a result, the Field seeds division achieved an operating margin of 10.1% and a positive contribution to the consolidated income of 55.5 million Euros, a very significant increase compared with the previous fiscal year.

Garden products division

Sales for the Garden products division on June 30th 2012 came to 80.8 million Euros, down 1.3%. Business was affected both in France and the United Kingdom by weather conditions unfavorable to home gardening, and by an extremely unfavorable economic environment.

For this past fiscal year the Garden products division made a negative contribution of 1.9 million Euros to the net consolidated income, the result being brought down by reorganization and streamlining costs in the British company Suttons.

Vilmorin's activity in fiscal year 2011-2012 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 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):

06.30.12 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	11,740,153	655,929	829,198		541,128	13,766,408

ENVIRONMENTAL AND SOCIAL INFORMATION

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

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

Faced with the challenges linked to food security and the responsible management of resources, Vilmorin has initiated a more structured approach to Corporate Social Responsibility, in collaboration with its reference shareholder Limagrain. Launched during fiscal year 2011-2012 through a dedicated organization, this approach will soon formalize a common base emphasizing the group's singularity, while leaving the Business Units the possibility of adjusting it to their specific organization, territory and challenges. After a period of diagnosis, run with the support of a number of consultants in compliance with the standards ISO 26000 and Global Reporting Initiative, the first action plans are already being elaborated.

Environmental information

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

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

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

Thus, as for the previous fiscal year, in 2011-2012 Vilmorin has not had to deal with any environmental accident or answer any procedures involving the payment of damages.

Social information

On June 30th 2012, the consolidated headcount of Vilmorin stood at 5,640 permanent employees compared with 5,106 on June 30th 2011.
The average annual headcount for fiscal year 2011-2012 stood at 6,389 employees as opposed to 5,797 the previous year.
During the course of the fiscal year Vilmorin hired 596 new permanent employees (including 116 by converting a temporary to a permanent contract).
Moreover, at certain times the group was required to call upon temporary staff because of the seasonal nature of its activities.

During the fiscal year, 7 companies implemented reorganization measures that affected the personnel, either because of a drop in business, or as part of a restructuring program. These measure led to an overall drop in the headcount of 172 employees, including 27 laid off.

Nearly half the companies run scheduled training programs that go beyond basic legal requirements. In 2011-2012 the expenditure involved came to 1.8 million Euros. During the fiscal year, 13,469 hours were devoted to developing the skills of employees.

With regard to the representative provisions for the personnel working at Vilmorin, these are generally set up throughout Europe in accordance with applicable legislation, and concern works councils and/or shop stewards.
During fiscal year 2011-2012, forty-five accords agreements were signed, dealing principally with salaries, company profit-sharing schemes and working conditions.

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

EVENTS CLOSING AFTER THE CLOSING OF THE ACCOUNTS

After the closing of the accounts on June 30th 2012, through its Business Unit HM. CLAUSE, Vilmorin acquired the breeding and distribution activity of tomato and sweet pepper seeds from the group Campbell Soup, based in Davis (California, United States).

OUTLOOK FOR THE FUTURE

The fiscal year 2011-2012 was characterized by a favorable market environment, in spite of the persistent price volatility of agricultural raw materials. In this context, Vilmorin 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 2012-2013 should confirm Vilmorin's potential for organic growth in market conditions offering better visibility; moreover, Vilmorin will continue to increase its measured investment in research and development, in particular in upstream technologies.

Vilmorin 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 is 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 of a minority stake in the Finnish company Boreal Plant Breeding and the exclusive takeover of Eurodur (France), Vilmorin also acquired the seeds business of the Brazilian company Brasmilho and acquired a majority stake in the Indian company Bisco Bio Sciences.
Finally, it conducted a number of internal participation reclassification operations in order to optimize its legal and financial organization, the main ones being the reorganization of the shareholding of Limagrain Europe and the first stage in the dissolution of its Canadian holding Limagrain Genetics Inc.

SHAREHOLDERS

Following the capital increase made in April 2010, Vilmorin's capital stock now comprises 17,218,101 shares each with a nominal unit value of 15.25 Euros.
On June 30th 2012, the majority of the capital stock, 61.7% was held by Groupe Limagrain Holding, 5% by Selia and 5.8% by Coopérative Agricole Limagrain, 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) and CDC Entreprises Valeurs Moyennes (CDCEVM).
Vilmorin's bylaws grant double voting rights to any shares held nominatively for a period of more than four years. On June 30th 2012, 9,208,231 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 82%.
On June 30th 2012, Vilmorin held 1,081 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 30th 2012 no employee held a stake in the capital stock.

APPROPRIATION OF THE PROFIT

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

Net profits on June 30th 2012	35,189,797.73 Euros
Application to legal reserve	1,759,489.89 Euros
Profits available on June 30th 2012	33,430,307.84 Euros
Brought forward	54,176,314.29 Euros
Dividends to distribute	28,409,866.65 Euros
To carry forward	59,196,755.48 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 35.3%. The total amount of dividends (28,409,866.65 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:

	08-09	09-10	10-11
Number of shares	13,391,857	17,218,101	17,218,101
Nominal	€15.25	€15.25	€15.25
Net dividend per share	€1.77	€1.41	€1.50

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 106,487 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.

Results of the company over the past five years

In thousands of Euros	07-08	08-09	09-10	10-11	11-12
Stock at the end of the year					
> Capital stock	204,226	204,226	262,576	262,576	262,576
> Number of ordinary shares	13,391,857	13,391,857	17,218,101	17,218,101	17,218,101
Operations and results					
> Total sales before tax	29,963	33,993	37,327	37,801	40,795
> Profit before tax, profit sharing, amortization, depreciation and provisions	-13,051	28,878	29,723	65,818	24,430
> Income taxes	-12,256	-7,476	-5,687	-4,011	-11,119
> Profit sharing for the year	-	-	-	-	-
> Profit after tax, profit sharing, amortization, depreciation and provisions	4,203	37,004	32,647	63,395	35,190
> Profits distributed	22,230	23,704	24,278	25,827	-
Profit per share					
> Profit after tax and profit sharing, but before amortization, depreciation and provisions	-0.06	2.71	2.06	4.05	2.06
> Profit after tax, profit sharing, amortization, depreciation and provisions	0.31	2.76	1.90	3.68	2.04
> Dividend per share	1.66	1.77	1.41	1.50	-
Headcount					
> Average staff*	88	87	89	105	133
> Total payroll	4,958	5,511	6,027	6,726	8,602
> Benefits paid out for the fiscal year	2,847	3,011	3,173	3,386	4,518

** 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 no agreement subject to the procedure for agreements governed by article L.225-38 of the French Commercial Code has been presented to the Board of Directors for the fiscal year running from July 1st 2011 to June 30th 2012.

CORPORATE MANAGEMENT SYSTEM

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

On June 30th 2012, the Board of Directors was composed of the following members:
- Chairman: Gérard RENARD
- Board of Directors:
  - Joël ARNAUD
  - Philippe AYMARD
  - Daniel CHERON
  - Jean-Yves FOUCAULT
  - François HEYRAUD
  - Pascal VIGUIER
  - Didier MIRATON, Independent Director.

During the course of the fiscal year 2011-2012, Gérard RENARD was assisted in his mission by a CEO, Emmanuel ROUGIER.

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

Your Board of Directors proposes that you do not replace the mandate of Gérard RENARD, who, during the course of fiscal year 2012-2013, will reach the age limit laid down in the by-laws.

During the fiscal year 2011-2012, your Board of Directors met five times.
Vilmorin'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, during the course of the first semester of 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 has fixed the medium-term objective of gradually implementing all the recommendations formulated to date by this code, while respecting the specific nature of Vilmorin.

For this purpose, a Strategic Committee was established during fiscal year 2010-2011; diversity of the Board of Directors is one of the topics currently being studied.

TOKEN PAYMENTS OR ALLOWANCES PAID TO CORPORATE REPRESENTATIVES

Just as in previous years, your Directors carried out their duties in 2011-2012 without any remuneration.
Nevertheless, bearing in mind the presence of an Independent Director on the Board of Directors, it will be proposed to the Annual General Meeting deliberating on the annual accounts closed on June 30th 2012 to fix the directors' fees for fiscal year 2011-2012 at 21,200 Euros.

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

Daniel CHÉRON, Director, is also a salaried member of the staff of Groupe Limagrain, the reference shareholder of Vilmorin, and we thus declare that the proportion of gross remuneration paid for the function he held specifically for Vilmorin in 2011-2012 was 159,200 Euros, including a variable sum of 48,400 Euros.
Total commitments concerning end of career benefits for Daniel CHÉRON on June 30th 2012 came to 214,200 Euros.

CONTROL BODIES

Vilmorin's Statutory Auditors are KPMG Audit, Department of KPMG SA, and Visas 4 Commissariat.

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties, mainly with Groupe Limagrain, are described in note 32 in the notes to the consolidated financial statements on June 30th 2012, and they were pursued during this fiscal year on the same basis as in fiscal 2010-2011.

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 14th 2011, we carried out the following operations over the fiscal year:

Number of shares purchased	114,768
Average purchasing price	76.91 Euros
Number of shares sold	115,004
Average selling price	76.94 Euros

On June 30th 2012, our company held 1,081 treasury shares, corresponding to less than 0.1% of the capital stock, at a purchasing value of 88,500 Euros which is an average unit price of 81.83 Euros.

On September 30th 2012, our company held 1,077 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 120 Euros per share,
- the maximum quantity of shares liable to be purchased is fixed at one million shares representing a maximum potential commitment of 120 million Euros.

AUTHORIZATION TO INCREASE THE CAPITAL STOCK THROUGH THE INCORPORATION OF ISSUE PREMIUMS, RESERVES, PROFITS OR ANY OTHER ITEMS WITH A VIEW TO ALLOCATING FREE SHARES TO SHAREHOLDERS

In order to reinforce its shareholding policy and encourage the liquidity of its shares, we propose that you delegate to your Board of Directors, for the duration of twenty-six months, the necessary powers to proceed with one or several increases in capital stock through the incorporation of issue premiums, reserves, profits or any other items, with a view to allocating free shares to the shareholders.

All the provisions of this delegation are developed in the draft eighth resolution.

AUTHORIZATION TO MAKE A PUBLIC ISSUE

During the Joint Annual General and Extraordinary Meeting of December 14th 2011, 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's development projects, we propose to renew all these authorizations in accordance with the provisions set out below.

Issue of bonds or other assimilated debt securities

We request that you grant full powers to your Board of Directors to take decisions to proceed in one or several operations, whether in France or another country and/or on international markets, in Euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 300 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,
- determine the issue currency and the nominal value of the loan,
- fix the terms and conditions of the bonds and/or debt securities to issue, and in particular their nominal value, their issue price, their fixed and/or variable rates of interest, and the payment dates, their fixed or variable redemption price, with or without premium, and according to market conditions, fix the duration and conditions of amortization for the loan,
- more generally sign any contract documents or agreements with any banks or institutes, make any provisions and fulfill any formalities concerning the issue, the quotation and the financial management of the aforementioned bonds and/or aforementioned debt securities, and constitute the body of bondholders in compliance with legal provisions, and in a general manner, do all that is required.

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

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

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

- each share issue for the company will bear a maximum nominal value of 300 million Euros, to which will be added, as relevant, the nominal amount of the shares for issue, in order to preserve the rights of the bearers of securities that open up rights to shares, in compliance with the law,

- each issue of securities, other than shares, that provide access to the stock, cannot be higher than 300 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 (seventh and ninth through twelfth 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 thirteenth 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, 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 30th, 2012.

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

With the exception of the thirteenth 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 14TH 2011 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	250 M€	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, preemptive rights cancelled	24 months	250 M€	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	-	400 M€	-
Issue of bonds and other assimilated securities	18 months	250 M€	Not applied

MANDATES OF VILMORIN'S BOARD MEMBERS ON JUNE 30TH 2012

On June 30th 2012, Vilmorin's Board of Directors comprised:

CHAIRMAN OF THE BOARD AND CEO

Gérard RENARD

- **Chairman of the Board and CEO:**
  - Clause SA (France),
  - Vilmorin SA (France),
  - VCO Participations SAS (France).
- **Chairman of the Board of Directors & Board of Officers:**
  - Harris Moran Seed Company (United States),
  - Vilmorin Inc (United States).
- **Chairman of the Board of Trustees:**
  - Nickerson Zwaan GmbH (Germany).
- **Member of the Board:**
  - Coopérative Agricole Limagrain (Vice-Chairman) (France),
  - Groupe Limagrain Holding SA (France),
  - Hazera Genetics Ltd (Israel),
  - Mikado Kyowa K.K. (Japan),
  - Oxadis SA (France),
  - Selia SA (France),
  - Suttons Seeds (Holding) Ltd (United Kingdom),
  - VCC Japan K.K. (Japan),
  - Vilmorin USA Corp (United States).
- **Member of the Supervisory Board:**
  - Nickerson Zwaan BV (Netherlands).
- **Member of the Board of Management:**
  - Semillas Limagrain de Chile Ltda (Chile).

MEMBERS OF THE BOARD

François HEYRAUD

- **Chairman of the Board 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),
  - Milcamps SA (Belgium) (representative for Jacquet Brossard),
  - Limagrain Meunerie SA (France) (representative for Groupe Limagrain Holding),
  - 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 for Selia).
- **Member of the Consultative Committee for Shareholders:**
  - Vilmorin & Cie SA (France).

Jean-Yves FOUCAULT

- **Chairman of the Board:**
  - Céréales Vallée (France),
  - (Competitiveness Cluster – non-profit making association) Coopérative Agricole Limagrain (France).
- **Chairman of the Board 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 for Limagrain).
- **Vice-Chairman and Member of the Board:**
  - Momagri (non profit-making association).
- **Member of the Board:**
  - Association Blé Farine Pain de Qualité (representative for Coopérative Limagrain),
  - Etablissements Tardif & Fils SA (France) (representative for 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 for 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).
- **Member of the Audit and Risk Management Committee:**
  - Vilmorin & Cie SA (France).

Joël ARNAUD

- **Chairman of the Board 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 Advisory Board:**
  - Limagrain Do Brasil Participações Ltda (Brazil),
  - Limagrain Nederland BV (Netherlands).
- **Member of the Board:**
  - Coopérative Agricole Limagrain (Vice-Chairman),
  - 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 (France) (representative for Limagrain),
  - 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 for Groupe Limagrain Holding).
- **Member of the Management Committee:**
  - Agreliant Genetics LLC (United States).

Philippe AYMARD

- **Chairman of the Board and CEO:**
  - Oxadis SA (France).
- **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 (Israel),
  - Selia SA (France),
  - Suttons Seeds (Holding) Ltd (United Kingdom),
  - Vilmorin SA (France),
  - 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:**
  - CNOS Garden Sp. Zo.o. (Poland),
  - Limagrain Cereales Nederland BV (Netherlands),
  - Nickerson Zwaan BV (Netherlands).
- **Member of the Consultative Committee for Shareholders:**
  - Vilmorin & Cie SA (France).
- **Member of the Audit and Risk Management Committee:**
  - Vilmorin & Cie SA (France).

Daniel CHERON

- **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 (France) (non-profit making association).
- **Member of the Strategic Committee:**
  - Biogemma SAS (France).
- **Member of the Audit and Risk Management Committee:**
  - Vilmorin & Cie SA (France).
- **Treasurer:**
  - Momagri (France) (non-profit making association).

Pascal VIGUIER

- **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 for Limagrain),
  - Selia SA (France),
  - Société Coopérative Agricole de la Vallée du Rhône Valgrain (France) (representative for Coopérative Limagrain),
  - Syndicat des Producteurs de Semences de Maïs et de Sorgho des Limagnes et du Val d'Allier (France) (representative for 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).

Didier MIRATON

Independent Director

- **Chairman of the Audit and Risk Management Committee:**
  - Vilmorin & Cie SA (France).

CEO

Emmanuel ROUGIER

- **President & CEO:**
  - Vilmorin USA Corp (United States).
- **Chairman of the Board of Directors:**
  - Atash Seeds Private Limited (India),
  - Bisco Bio Sciences Private Ltd (India),
  - Limagrain (Beijing) Business Consulting CO Ltd (China),
  - Limagrain Genetics Inc (Canada).
- **General Manager:**
  - Limagrain Genetics Inc (Canada).
- **Member of the Board of Directors**
  - Genective SA (France),
  - Limagrain Guerra Do Brasil Ltda (Brazil),
  - Vilmorin Hong Kong Limited (Hong Kong).
- **Member of the Management Committee:**
  - Limagrain Cereal Seeds LLC (United States).
- **Member of the Committee:**
  - AgReliant Genetics LLC (United States).
- **Advisor:**
  - Limagrain Do Brasil Participacóes Ltda (Brazil).
- **Member of the Supervisory Board:**
  - CNOS-GARDEN SP.zo.o (Poland).

CONSOLIDATED FINANCIAL STATEMENTS FISCAL YEAR 2011-2012

Consolidated income statement

In millions of Euros	Note	11-12	10-11
Revenue from ordinary activities	**5**	**1,338.0**	**1,192.1**
Cost of goods sold		-753.9	-657.0
Marketing and sales costs		-194.2	-184.8
Research and development costs	8	-117.7	-107.5
Administrative and general costs		-128.2	-119.6
Other income and operating charges	9	-6.3	33.5
Operating income		**137.7**	**156.7**
Interest costs	10	-21.3	-21.1
Other financial profits and costs	11	-5.0	-0.2
Profit from associated companies	18	1.8	0.6
Income taxes	12	-26.1	-38.7
Profit from continuing operations		**87.1**	**97.3**
Profit from discontinued operations		**-**	**-**
Net income for the period		**87.1**	**97.3**
Attributable to controlling company		80.6	91.0
Attributable to non-controlling minority		6.5	6.3
Earnings from continuing operations per share - attributable to controlling company	13	4.68	5.29
Earnings from discontinued operations per share - attributable to controlling company	13	-	-
Earnings for the period per share - attributable to controlling company	13	4.68	5.29
Diluted earnings from continuing operations per share - attributable to controlling company	13	4.60	5.37
Diluted earnings from discontinued operations per share - attributable to controlling company	13	-	-
Diluted earnings for the period per share - attributable to controlling company	13	4.60	5.37

Details of the gains and losses for the fiscal year

In millions of Euros	11-12	10-11
Income for the period	**87.1**	**97.3**
Variation in currency translations	31.8	-48.6
Variation in the fair value of assets available for sale	-	-
Variation in the fair value of forward cover instruments	-0.1	4.1
Change in method	-	-
Impact of taxes	-0.1	-1.3
Others	-	-
Other items in the total gains and losses for the period net of taxes	**31.6**	**-45.8**
Total gains and losses for the period	**118.7**	**51.5**
Including attributable to controlling company	109.1	51.1
Including attributable to non-controlling minority	9.6	0.4

Financial progress report

Assets

In millions of Euros	Note	06.30.12	06.30.11
Goodwill	14	333.0	311.6
Other intangible fixed assets	15	517.4	487.1
Tangible fixed assets	16	230.7	198.5
Financial fixed assets	17	30.7	29.3
Equity shares	18	17.6	15.9
Deferred taxes	25	16.6	16.9
Total non-current assets		**1,146.0**	**1,059.3**
Inventories	19	311.0	290.0
Trade receivables and other receivables	20	550.2	483.4
Cash and cash equivalents	21	311.0	371.3
Total current assets		**1,172.2**	**1,144.7**
Total assets		**2,318.2**	**2,204.0**

Liabilities

In millions of Euros	Note	06.30.12	06.30.11
Share capital	22	262.6	262.6
Reserves and income	22	744.3	665.4
Equity – controlling company	**22**	**1,006.9**	**928.0**
Equity – non-controlling minority	**23**	**115.0**	**107.9**
Consolidated equity		**1,121.9**	**1,035.9**
Provisions for employee benefits	24	23.6	22.8
Non-current financial debts	27	414.8	441.9
Deferred income taxes	25	94.2	88.3
Total non-current liabilities		**532.6**	**553.0**
Other provisions	26	10.8	11.8
Accounts payable	28	406.1	378.1
Deferred income	29	34.9	25.6
Current financial debts	27	211.9	199.6
Total current liabilities		**663.7**	**615.1**
Total liabilities		**2,318.2**	**2,204.0**

Consolidated cash flow statement

In millions of Euros	06.30.12	06.30.11
1 - Trading operations		
Income for the year	87.1	97.3
Results of companies consolidated under equity method after dividends	-1.6	-0.7
Depreciation, amortization and impairments	131.4	117.5
Net non-current provisions	-5.6	2.9
Variation in deferred taxes	6.3	2.9
Income from capital operations	27.3	-41.8
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	2.7
Fair value losses and gains for financial fixed assets available for sale	-0.6	-2.2
Cash flow	**248.6**	**178.6**
Dividends received on equity securities	-30.7	-0.4
Variation in working capital needs with comparable scope		
> Inventories	-7.2	15.9
> Trade debts	-69.6	-48.9
> Short-term debts	18.7	21.1
Cash from operating activities	**159.8**	**166.3**
2 - Investment operations		
Disposal of fixed assets	3.0	24.2
Acquisition of fixed assets		
> Intangible fixed assets	-128.4	-120.9
> Tangible fixed assets	-45.7	-39.3
> Financial fixed assets	-2.0	-12.8
Variation in other financial fixed assets	1.7	12.1
Cash flow acquired through scope entries	-17.1	-14.4
Cash flow conceded through cash exits	-24.2	58.2
Variation in financial fixed assets	-	-
Net increase/decrease in cash and cash equivalents	23.2	-23.6
Cash flows from investing activities	**-189.5**	**-116.5**
3 - Cash flows from financing activities		
Increase/decrease in equity (1)	55.7	-11.5
Transactions with non-controlling interests (2)	-69.7	-15.9
Increase/decrease in financial liabilities (3)	-26.8	21.3
Dividends received on non-consolidated participations	30.7	0.4
Dividends paid out	-30.2	-35.0
Cash flows from financing operations	**-40.3**	**-40.7**
4 - Net effect of currency translation	**9.7**	**-11.4**
5 - Net increase/decrease in cash and cash equivalents	**-60.3**	**-2.3**
6 - Cash and cash equivalents at beginning of period	**371.3**	**373.6**
7 - Cash and cash equivalents at end of period	**311.0**	**371.3**

(1) On June 30th, capital stock increase of Vilmorin & Cie.
(2) Application of the amended standard IFRS 27: restatement of "Transactions with non-controlling interests". This line includes acquisition of the following securities:

	06.30.12	06.30.11
Alliance Semillas de Chile		0.8
Atash Seeds		3.5
Eurodur	3.6	-
Limagrain Europe	57.5	-
Mikado Kyowa Seed	4.0	-
Mikado Seed Holding	0.7	-
HM.CLAUSE Tohumculuk	3.9	-
Vilmorin Hong-Kong		11.0
Miscellaneous	-	0.6
Transactions with non-controlling minorities	**69.7**	**15.9**

(3) Increase/decrease in financial liabilities:

Increase in non-current financial debts	17.2
Repayment of non-current financial debts	-1.0
Net increase/decrease in current financial debts	-43.0
Total	**-26.8**

Variation in consolidated equity

In millions of Euros	Attributable to controlling company					Attributable to non-controlling minorities	Total
	Capital	Premium	Income and other reserves	Currency translation reserves	Total		
06.30.10	**262.6**	**350.5**	**278.8**	**21.1**	**913.0**	**132.2**	**1,045.2**
Currency translation	-	-	-	-42.7	-42.7	-5.9	-48.6
Gains and losses recorded directly in equity	-	-	2.8	-	2.8	-	2.8
Net income	-	-	91.0	-	91.0	6.3	97.3
Total gains and losses for the fiscal year	**-**	**-**	**93.8**	**-42.7**	**51.1**	**0.4**	**51.5**
Variation in treasury shares	-	-	-0.1	-	-0.1	-	-0.1
Dividends paid out	-	-	-24.2	-	-24.2	-10.8	-35.0
Variations in scope	-	-	-9.3	-	-9.3	-4.9	-14.2
Effect of share purchase commitments	-	-	-	-	-	-	-
Variation in the capital stock of the parent company	-	-	-	-	-	-	-
Variation in the capital stock of the subsidiaries	-	-	-	-	-	-	-
Equity notes(1)	-	-	-2.5		-2.5	-9.0	-11.5
Restatement	-	-	1.5	-1.5	-	-	-
Others	-	-	-	-	-	-	-
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 share capital of the parent company	-	-	-	-	-	-	-
Variation in the share capital of the subsidiaries	-	-	-	-	-	-	
Equity notes (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**

(1) cf. Note 23

Notes to the consolidated financial statements

Note 1 - Accounting methods and principles in IFRS standards

1 - General context and declaration of compliance

These financial statements present the consolidated accounts on June 30th 2012 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 8th 2012 and will be submitted for approval to the Annual General Meeting of December 12th 2012.

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 must carry out a number of estimates and hypotheses that affect the book value of the assets and liabilities, the income and the charges, and also the information provided in Notes.

The Executive Committee of Vilmorin carries out these estimates and assessments on an ongoing basis, taking into account its experience and various other factors deemed to be reasonable that form the basis of these assessments.

The figures appearing in future financial statements are liable to differ from these estimates, depending on the evolution of these hypotheses or different conditions.

The main significant estimates made by the Executive Committee of Vilmorin in particular concern the evolution of commitments to employees, goodwill, other intangible fixed assets and provisions.

4 - Accounting treatment adopted in the absence of an IFRS standard or IFRIC interpretation with regard to certain operations

In the absence of an IFRS standard or IFRIC interpretation, Vilmorin has chosen to adopt the following accounting treatment, pending any possible standards or interpretations to come.

4.1 - Accounting of put options granted to certain minority shareholders

Vilmorin has granted to the minority shareholders of certain of its subsidiaries consolidated by global integration commitments to buy back their minority stakes. These commitments may take the form of a put option or a firm commitment to buy the stakes at a pre-fixed date.

In IFRS standards, until there is a specific IFRIC interpretation or IFRS standard, the following accounting treatment has provisionally been adopted:

- At initial recording in the accounts, the commitment to buy back a minority stake is recorded as a financial debt at the discounted value of the price of the option or firm commitment to buy back the stake, in return for the minority interests, and for the balance, for the 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 - Exchanges of securities

The treatment of operations concerning exchanges of securities is not covered by IFRS standards. Since there is no specific referential, Vilmorin has treated this type of operation in equity.

4.3 - 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 1st 2011:

- the revised standard IAS 24 “Related party disclosures”,
- IFRIC 19 interpretation “Extinguishing Financial Liabilities with Equity Instruments”,
- amendment to IAS 32 “Classification of rights issues”,
- amendments to IFRS 1 “Limited Exemption from Comparative IFRS 7 Disclosures for First-Time Adopters”,
- amendments to IFRIC 14 “Prepayments of a minimum funding requirement”,
- amendments to IFRS 7 “Disclosures about Transfers of Financial Assets”,
- annual improvements 2008-2010.

Implementation of these standards, interpretations and amendments has had no significant impact on Vilmorin’s consolidated financial statements.

New standards, interpretations and amendments to existing standards, adopted by the European Union and applicable to accounting periods opening as of July 1st 2011 or subsequently

(refer to the details hereafter), have not been adopted in anticipation by Vilmorin:
- IAS 1 amended "Presentation of financial statements",
- IAS 19 amended "Employee benefits".

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 appointment over two successive fiscal years of the majority of the members of the board of directors or equivalent governing body, the management or supervision,
  - or the possibility of exerting dominant influence in the sense of the principles presented by the standard IAS 27 in paragraph 13.
- Companies controlled jointly, as the result of a contractual agreement, with a limited number of partners, are consolidated by proportional integration: the consolidated financial statements include Vilmorin's proportion of the assets, liabilities, income and charges grouped together, line by line, with the similar elements of the financial statements, as of the date when the joint control starts right up until the date when it ends.
- Associated companies in which Vilmorin exerts significant influence, which is presumed to be the case when the voting rights are higher than 20%, are consolidated using the equity method. Consolidated financial statements include Vilmorin's proportion in the total amount of profits and losses accounted for by the associated companies (equity method), as of the date when significant influence is first exerted right up until the date it ends. If Vilmorin's proportion in a company's losses is higher than its stake in this company, the book value of the shares integrated using the equity method is recorded as zero, and Vilmorin no longer accounts for its proportion of losses to come, unless Vilmorin has a legal or implicit obligation to participate in the losses or make payments on behalf of the associated company.
- All internal transactions are eliminated in consolidation, particularly:
  - reciprocal transactions and accounts,
  - dividends paid out between consolidated companies,
  - provisions and write-back of amortization on consolidated securities,
  - internal margins on inventory,
  - capital gains or losses on internal 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.

The revised standard IFRS 3 is applicable to all take-overs as of July 1st 2009.

The Group 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 recognised as a bargain purchase in profit or loss.

The consideration transferred includes the fair value of the transferred assets, the Group's liabilities to the previous owners of the acquiree, and the participating interests issued by the Group. 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 Group 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.

The Group 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,
- for which discrete financial information is available.

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

Vilmorin's financial statements are presented in Euros.

Balance sheets of companies whose functional currency is not the Euro are converted into Euros at the exchange rate in force at close, and their income statements and cash flows at exchange rates as close as possible to the transaction dates.

Resulting translation differences are recorded in the equity on the line "Currency translations" 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. 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 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 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's business.
The business field concerned is that of Vilmorin's seed activities.

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

Where relevant, 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 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. It constitutes a genetic pool used for the identification and use of different genes necessary for plant breeding (e.g. agronomic interest, disease resistance, tolerance to drought, greater yield, improvement of nutritive qualities, etc.). Generally it is acquired through business combinations and is evaluated at fair price on the day of acquisition.
Bearing in mind that it needs to be kept permanently in good condition, regularly maintained and continually used in the process of plant breeding, Vilmorin considers that its economic life is indefinite. Consequently these assets are not 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'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, and is carried out in accordance with the rule explained in paragraph 1.23 hereafter.

10.5 - Reassessment

During the transition period to IFRS standards, Vilmorin 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'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 duration,
- the minimum total amount paid in the future compared with the fair value of the fixed asset being funded,

- the existence of transfer of property at the end of the lease agreement,
- the existence of a favorable purchase option,
- the specific nature of the asset being leased.

Assets held by virtue of lease contracts are depreciated over the same duration as similar freehold assets.

Goods acquired through lease agreements are recorded as tangible fixed assets at the lowest amount of the fair value or the current value of minimum payments at the date of the beginning of the agreement, and the loans are recorded as liabilities.

12.2 - Simple rental agreements

Rental agreements that do not have the characteristics of a financial lease agreement are recorded as operating rental contracts and only the installments paid are recorded in the income statement.

13 - Inventories and production in progress

Inventories and production in progress are evaluated at their lowest cost and their net realizable value.

Costs are generally calculated according to the method of weighted average cost; they include an appropriate proportion of overheads based on the normal production capacity, but excluding financial charges and any costs of a drop in activity.

The net realizable value is the estimated selling price in the normal course of business less the estimated costs necessary to achieve the sale.

Where relevant impairment is recorded; it is generally intended to cover the following risks:
- realizable value lower than market price,
- adjustment according to sales perspectives,
- bad product quality (mainly poor germination and problems of sanitary quality).

14 - Trade receivables

Receivables are valued at their fair value at their initial evaluation, and then at their amortized cost after any later evaluations. Impairment is recorded when the recoverable amount is lower than the book value.

15 - Treasury shares

Treasury shares are recorded at their cost of acquisition less equity. Income from the sale of these shares is recorded directly as equity, and does not contribute to the profit for the fiscal year.

16 - Employee benefits (IAS 19)

In accordance with the laws and practices of each country in which it operates, Vilmorin participates in various pension, early retirement and post-employment benefit schemes.

16.1 - Defined contribution plans

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 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 records provisions which are determined as follows:
- The method used is that known as "Projected Unit Credits" which stipulates that each period of employment triggers a benefit right unit. Each of these units is assessed separately in order to obtain the final obligation.
  Calculations include hypotheses on mortality, staff turnover and a prediction of future salaries.
  A readjustment rate based on the average duration of this commitment is applied. These evaluations are made once every year for all the plans.

- Actuarial gains and losses for commitments or the financial assets of the plan are generated by changes in hypotheses or experience differences (differences between what was planned and what actually happened).

- These differences are recorded in the income statement using the "corridor" method. Thus only actuarial gains and losses that exceed 10% of the defined benefit obligation or the fair value of plan assets, whichever is greater, are recorded. They are amortized over the remaining average service period of the employees concerned by the plan.
  External funds can be called up to cover pension commitments, including the unrecognized part of the actuarial gains and losses because of their deferment. It may therefore be the case that financial assets exceed the estimated commitments thus generating the recognition of a financial asset in the balance sheet. Recognition of this asset is nevertheless limited to the aggregate:
  - of net actuarial losses and the cost of the unrecognized past service period,
  - and the adjusted value of the economic value of benefits that come from reimbursements for the plan or an expected reduction in future contributions.

16.3 - Other long-term subsequent benefits

Provisions are made for certain other long-term benefits which are determined using an actuarial calculation that is comparable to that used for pension provisions.

For Vilmorin these benefits mainly correspond to bonuses that accompany "work medals" for long service and lump sums paid at retirement, and concern almost exclusively the French companies.

17 - Provisions (IAS 37)

17.1 - General principle

IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" defines the rules applicable to provisions.

It is mandatory to record a provision in cases where:
- it is intended to meet a current, legal or implicit obligation,
- this obligation exists at the date of the close of the fiscal year,
- it is probable or certain that settlement will lead to an outflow of resources to a third party,
- a reliable evaluation of the provision can be made.

These provisions are estimated taking into account the most probable hypotheses at the closing date of the accounts.

17.2 - Application to Vilmorin

Within the normal conditions of its business Vilmorin is subject to various risks (commercial litigation, reorganization, fiscal litigation, social litigation, etc.). It applies the following rules:

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 arises with regard to third parties. This obligation is the result of a decision taken by the invested management authority and materialized before the end of the closing date by informing the third parties concerned.

The amount of the provision mainly includes the following costs:
- severance pay,
- early retirement benefits,
- 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 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:
- consolidation 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 to recover these assets in particular depends on the following criteria:
- future forecasts of fiscal results,
- the share of exceptional charges must not be renewed in the future and included in past losses,
- the net liabilities position can, in certain circumstances, be reduced in accordance with tax deficits carried forward reasonably recordable in consideration, on the basis of an amortization table.

With respect to IAS 12, deferred tax assets and liabilities are not readjusted. Depending on the case, they are presented in the balance sheet as non-current assets or liabilities.

20 - Accounts payable

Debts that concern the normal operating cycle are recorded on the line "Accounts payable" for 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 (quoted markets): financial instruments quoted 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 applies the following principles:

21.3.1 Derivatives

Vilmorin 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 mainly concerns futures negotiated on an organized market. Vilmorin 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,
- 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

Vilmorin has adopted the following rules to classify the main aggregate amounts of the balance sheet:

- Assets and liabilities that form part of the working capital needs of a normal business operating cycle are classified:
  - as “current” if the realization of the assets or the liquidation of the liabilities is expected to occur within one year following the closing date or if they are held for the purposes of trading,
  - as “non-current” in all other cases.
- Fixed assets are classified as “non-current”.
- Provisions that are part of the normal operating cycle are classified as “current”.
- Provisions for employee benefits are classified as “non-current” bearing in mind the long-term horizon of such commitments.
- Financial debts are classified as “current” and “non-current” depending on whether their due dates fall in less than one year or more than one year after the closing date.
- Deferred taxes are all presented as “non-current” assets or liabilities.

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’s main business activities, and also income from royalties and operating licenses.

24.2 - Application to Vilmorin

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,
- royalties received from commercial activities.

From this revenue a certain number of items are deducted:

- payments on account, discount for early pick-up,
- 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’s treasury shares.

The diluted earnings per share is calculated by dividing the group share of the income by the number of ordinary shares in circulation to which 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:

Majority takeover of Bisco Bio Sciences (India)

As part of the plan to further develop its corn seed activities internationally, Vilmorin has signed a strategic agreement with the family shareholders of Bisco Bio Sciences. Based in Hyderabad, in the state of Andhra Pradesh, Bisco is one of the top Indian players in corn seed. Its product portfolio also covers major local species such as millet, sorghum and rice.

This structuring partnership has been materialized by a 61% takeover of the company's capital stock.

Acquisition of the corn activities of Brasmilho (Brazil)

Pursuing its implantation on the corn market in Brazil, Vilmorin finalized the acquisition of the corn and sorghum seed assets of the company Brasmilho.
Based in Goianésia, (in the state of Goiás), Brasmilho owns quality genetic resources, a production and seed treatment factory and a sales network covering the central area of the country. In 2010 these activities represented sales of almost 10 million Euros.

For this first stage Vilmorin has purchased a majority stake of 85% in Brasmilho; in accordance with the agreements signed, Vilmorin is planning to purchase all the remaining shares.

New partnership in wheat seeds wtih Boreal Plant Breeding (Finland)

As part of its wheat seeds development plan, Vilmorin signed a partnership agreement with Boreal Plant Breeding, a company specialized in the breeding of field seeds for Northern Europe. With the agreement of the company's shareholders, this partnership is accompanied by the purchase of a stake of almost 7% in Boreal's capital stock.

Purchase of a minority stake in Mikado Kyowa Seed (Japan)

In July 2011, through its subsidiary VCC Japan, Vilmorin purchased 48,000 shares representing 16.46% of the share capital of Mikado Kyowa Seed from a minority shareholder.

Purchase of Limagrain Europe shares from Verneuil Agro-Financement and the issue of Equity Notes

During the course of the fiscal year, Vilmorin purchased Limagrain Europe shares from Verneuil Agro Financement, and now holds 95% of the company Limagrain Europe.

The long-term partnership established between Vilmorin and Verneuil Agro-Financement has been pursued and strengthened since Limagrain Europe also issued equity notes for the benefit of Verneuil Agro Financement.

OSEO grants

Vilmorin benefited from the financial support of OSEO for its investment in research on the basis of grants and repayable advance payments.

Note 3 - Consolidation scope

1 - Evolution of the consolidation scope

1.1 - On June 30th 2012, Vilmorin consolidated 94 companies in accordance with the rules set out in Note 1 paragraph 5 of the "Accounting methods and principles in IFRS standards".

	11-12	10-11
By global integration	85	91
By proportional integration	4	7
By the equity method	5	5
Total	**94**	**103**

1.2 – Variations in scope occurring during the course of fiscal 2011-2012 were as follows:

1.2.1 Entries to the consolidation scope

- Through the purchase of a stake
  - Brasmilho
  - Bisco Bio Sciences

1.2.2 Exits from the consolidation scope

- Companies wound up
  - Limagrain Belgium
  - Limagrain Romania
  - Limagrain Genetics Inc
  - Belgian Seeds Company
  - VCC Seeds Israël
  - Biotech Mah Management
  - Hazera Mauritius
- Companies sold
  - Investigacion Trigo

1.2.3 Following re-organization, several companies were merged

Absorbing companies	Absorbed companies
Limagrain Europe	Nickerson International Research
Limagrain Europe	Eurodur
Vilmorin & Cie	Vilmorin 1742

1.2.4 Changes in name

Former names	New names
Gemstar	Genective
Oxadis	Vilmorin Jardin
Limagrain South America	Limagrain Argentina
Top Green	DLF France
Su-Tarim	HM-CLAUSE Tohumculuk
Limagrain AS	Limagrain Danmark

1.2.5 Change in consolidation method

Following the purchase of shares from minority shareholders, the company Eurodur, previously consolidated by proportional integration is now consolidated by global integration.

2 - Information concerning variations in consolidation scope

In millions of Euros	Bisco Bio Sciences	Brasmilho
Date of entry in scope	**01.04.12**	**07.01.11**
% acquired		
Over the fiscal year	61.02%	85.00%
Previously held	-	-
Total held	61.02%	85.00%
Consolidation method adopted (1)	**GI**	**GI**
Acquisition price of the shares		
Agreed during the fiscal year	22.5	5.9
Previously agreed	-	-
Total	**22.5**	**5.9**
Fair value of assets and liabilities acquired		
Fixed assets	1.1	2.1
Working capital needs	1.1	0.3
Provisions for liabilities and charges	-	-
Indebtedness net of cash	-7.9	-2.0
Deferred taxes	-	-
Equity	10.1	4.4
Acquired equity	**6.2**	**3.7**
Goodwill	**17.4**	**3.0**

(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 pro-forma income statement for 2010-2011 has been established in the following conditions:

- In order to neutralize the impact of currency variations, the income statement on June 30th 2011 has been restated by applying the average rate on June 30th 2012.
- Companies exiting the scope during fiscal year 2011-2012 have been neutralized for the previous fiscal year, namely:
  - Limagrain Belgium
  - Limagrain Romania
  - Limagrain Genetics Inc
  - Belgian Seeds Company
  - VCC Seeds Israël
  - Biotech Mah Management
  - Hazera Mauritius
  - Investigacion Trigo
- Companies entering the scope during fiscal year 2011-2012 have been added to the accounts on June 30th 2011, namely:
  - Brasmilho
  - Bisco Bio Sciences
- Restated information is presented as follows:

In millions of Euros	Variation %	11-12	10-11 restated
Revenue from ordinary activities	+11.1%	1,338.0	1,204.3
Operating income	-12.6%	137.7	157.6
Income from continuing operations	-10.9%	87.1	97.8
Income from discontinued operations	-	-	-
Income for the period	-10.9%	87.1	97.8

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'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 operates.

Existing operating segments on June 30th 2012 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 which implicitly ignore inter-segment operations since they are not considered to be very significant.

2.1 - Information concerning fiscal year 2011-2012

	Vegetable seeds	Field seeds	Garden products	Holdings and others	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's companies is not broken down per business segment.

2.2 - Information concerning fiscal year 2010-2011

	Vegetable seeds	Field seeds	Garden products	Holdings and others	Unallocated	Total
Revenue from ordinary activities	510.3	598.6	81.9	1.3	-	1,192.1
Operating income	80.2	39.8	6.5	30.2	-	156.7
Income from continuing operations	54.2	26.4	4.3	12.4	-	97.3
Income from discontinued operations	-	-	-	-	-	-
Total consolidated net income	**54.2**	**26.4**	**4.3**	**12.4**	**-**	**97.3**
Non-current assets	372.9	589.3	13.8	83.3	-	1,059.3
> Including investments for the period	80.8	79.6	1.1	45.8	-	207.3
Current assets	383.5	415.9	40.0	303.5	-	1,144.7
Total assets	**758.2**	**1,005.2**	**53.8**	**386.8**	**-**	**2,204.0**
Equity (1)	-	-	-	-	1,035.9	1,035.9
Non-current liabilities	116.1	67.3	2.3	367.3	-	553.0
Current liabilities	198.8	231.0	33.2	152.1	-	615.1
Total liabilities	**314.9**	**298.3**	**35.5**	**519.4**	**1,035.9**	**2,204.0**

(1) The line "Equity" for all Vilmorin's companies is not broken down per business segment.

Note 5 - Revenue from ordinary activities

1 - Analysis by nature

In millions of Euros	Variation (%)	11-12	10-11
Sales of goods	+12.6%	1,287.9	1,144.2
Sales of services	-9.4%	5.8	6.4
Royalties received	+6.8%	44.3	41.5
Total	**+12.2%**	**1,338.0**	**1,192.1**

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 (%)	11-12	10-11
Europe	+10.2%	688.3	624.8
Americas	+21.5%	359.6	296.0
Asia and Oceania	+13.6%	120.7	106.3
Africa and Middle East	+1.9%	119.3	117.1
Total	**+12.6%**	**1,287.9**	**1,144.2**

3 - Analysis by product

Analysis according to product families is as follows:

In millions of Euros	11-12	10-11
Vegetable and flower seeds	448.0	443.8
Field seeds	650.1	517.2
Forage and lawn seeds	41.2	45.2
Garden products	93.7	87.0
Other products	54.9	51.0
Total	**1,287.9**	**1,144.2**

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 1,193.1 million Euros as opposed to 1,338 million Euros for this fiscal year, an increase of 12.1%.

5 - Royalties received

Royalties received mainly concern:

In millions of Euros	Variation (%)	11-12	10-11
Autogamous species	+1.4%	35.2	34.7
Hybrid species	+33.8%	9.1	6.8
Total	**+6.8%**	**44.3**	**41.5**

Note 6 - Personnel costs

1 - Evolution of personnel costs

In millions of Euros	11-12	10-11
Gross salaries	230.9	216.9
Social charges	82.0	73.4
Profit-sharing schemes	7.4	9.2
Total	**320.3**	**299.5**

2 - Further information

Bearing in mind the seasonal nature of its business, Vilmorin discloses information on its permanent headcount and its average annual headcount.

2.1 – Average annual headcount

2.1.1 Analysis France/Non-France

	11-12	10-11
France	2,178	2,090
Non-France	4,211	3,707
Total	**6,389**	**5,797**

2.1.2 Analysis by employee status

	11-12	10-11
Management	1,555	1,455
Non-management	4,834	4,342
Total	**6,389**	**5,797**

2.2 - Permanent headcount at the end of the fiscal year

2.2.1 Analysis France/Non-France

	11-12	10-11
France	1,859	1,805
Non-France	3,781	3,301
Total	**5,640**	**5,106**

2.2.2 Analysis by employee status

	11-12	10-11
Management	1,525	1,450
Non-management	4,115	3,656
Total	**5,640**	**5,106**

2.2.3 Analysis by function

	11-12	10-11
Administration	828	754
Research	1,461	1,336
Agronomic production and factory	1,419	1,334
Sales and marketing	1,932	1,682
Total	**5,640**	**5,106**

Note 7 - Provisions for the depreciation and amortization and impairment of tangible and intangible fixed assets

Movements on provisions

In millions of Euros	11-12	10-11
Provisions for intangible fixed assets		
> Development programs (1)	-100.8	-90.9
> Other intangible fixed assets	-6.9	-5.3
Sub-total	**-107.7**	**-96.2**
Provisions for tangible fixed assets	-23.7	-21.3
Total	**-131.4**	**-117.5**

(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

In millions of Euros	11-12	10-11
Development programs activated during the fiscal year	119.0	111.4
Provisions for the amortization of development programs recorded as fixed assets	-100.8	-90.9
Other research and development costs	-161.5	-152.4
Tax relief for research	25.6	24.4
Net costs for the year	**-117.7**	**-107.5**

Vilmorin 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	11-12	10-11
Costs identified and recorded as intangible fixed assets (cf. Note 15)	119.0	111.4
Provisions for amortization	-100.8	-90.9
Net increase in activated research and development costs	**18.2**	**20.5**

It is important to note that out of a total investment in research and development of 161.5 million Euros, only 119 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 9.1 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	11-12	10-11
Effect on the income for the period	18.2	20.5
Effect on amortization and depreciation	100.8	90.9
Effect on the cash flow	119.0	111.4
Effect on the investment flows	-119.0	-111.4
Total	**-**	**-**

3 - Treatment of French tax relief on research

Since the implementation of the new French system for tax relief on research (CIR) only on volume based on a percentage of eligible research expenses made, the group has deemed that this CIR can be assimilated to a public subsidy since it is used to fund part of the capitalized development expenses, and that its accounting treatment comes within the scope of IAS 20.

Therefore the CIR should be allocated between the part concerning development costs which, in application of IAS 38, have been recorded as assets, and the part concerning other expenditure, recorded in the income statement.

In terms of presentation, the CIR, 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

In millions of Euros	11-12	10-11
Litigation	-4.5	-1.1
Income from the sale of fixed assets	-0.2	5.0
Income from the sale of consolidated securities	0.8	32.5
Government subsidies	0.2	0.5
Reorganization costs	-2.8	-2.3
Impairment on fixed assets	-1.9	-0.5
Other charges and income	2.1	-0.6
Total	**-6.3**	**33.5**

2 - Further information

2.1 - On operations for fiscal year 2011-2012

2.1.1 Litigation

This mainly concerns who pays for the deductible with regard to the Vilmorin 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**

2.1.2 Reorganization costs

These mainly concern:

In millions of Euros	Amount
Clause	-1.1
Limagrain Europe	-1.2
Various other companies	-0.5
Total	**-2.8**

2.2 - On operations for fiscal year 2010-2011

2.2.1 Income from the sale of consolidated securities

These mainly concern:

In millions of Euros	Amount
The sale of shares in Chinese companies	31.1
The disposal of the company Vilmorin Luxembourg	1.4
Total	**32.5**

2.2.2 Income from the disposal of fixed assets

These mainly concern:

In millions of Euros	Amount
The disposal of a site by the company Vilmorin Jardin	5.9
End of a leasing agreement for the company Biogemma	-1.0
Various other disposals	0.1
Total	**5.0**

Note 10 - Interest costs

1- Evolution

In millions of Euros	11-12	10-11
Interest on loans and bank overdrafts	-22.2	-19.6
Interest on financial leasing agreements	-0.1	-0.1
Losses and gains of fair value on hedging instruments (1)	0.7	2.2
Losses and gains on the disposal of hedging instruments (2)	-3.6	-5.1
Cash income	4.1	2.9
Miscellaneous	-0.2	-1.4
Total	**-21.3**	**-21.1**

(1) This figure concerns variation in the fair value of derivatives that do not qualify for hedging as defined by IAS 39. .

(2) Impact of the drop in interest rates on the portfolio of hedging instruments.

2 - Further information

The total funding costs can be broken down as follows:

In millions of Euros	11-12	10-11
Interest charges	-26.4	-26.1
Interest income	5.1	5.0
Total	**-21.3**	**-21.1**

Note 11 - Other financial income and charges

1 - Evolution

In millions of Euros	11-12	10-11
Gains or losses on the sales of unconsolidated securities, profits and losses from winding up business, income from consolidation exits	2.7	3.9
Interest income	0.1	0.1
Interest charges	-1.5	-2.4
Provisions for the impairment of securities and other financial assets	3.3	-2.1
Gains or losses on currency translation	-9.0	-0.1
Other financial gains and losses	-0.6	0.4
Total	**-5.0**	**-0.2**

2 - Further information

2.1 - On operations for fiscal year 2011 / 2012

In millions of Euros	
Gains or losses on the sales of unconsolidated securities, profits and losses from mergers, income from consolidation exits mainly concern:	
> Winding up of LCE SRL	-2.3
> Winding up of Flora Geissler	-0.3
> Impact of the consolidation exit of Limagrain Romania	-0.3
> Impact of the 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.

2.2 - On operations for fiscal year 2010-2011

In millions of Euros	
Gains or losses on the sales of unconsolidated securities concern:	
> Mornring	1.5
> A biotechnology company	2.3
> Various companies	0.1
Total	**3.9**

Note 12 - Income taxes

1 - Evolution

In millions of Euros	11-12	10-11
Current taxes	-19.8	-35.8
Deferred taxes	-6.3	-2.9
Total	**-26.1**	**-38.7**

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 evolution of the amount of current income taxes is mainly due to the proportionate increase of taxable bases in areas or countries with medium taxation levels, using tax deficits carried forward, and then recording significant taxable external capital gains for the previous fiscal year (securities, fixed assets).

2.2 - Fiscal integration operations

The following fiscal integration scopes set up by Vilmorin (article 223 A et seq. of the French General Taxation Code) between different French companies were as follows on June 30th 2012:

Integrating company	Member companies	Effective date
Vilmorin	Clause	07.01.00
	Vilmorin Jardin	07.01.00
	Vilmorin SA	07.01.10
	VCO Participations	07.01.10
Limagrain Europe	Limagrain Central Europe	07.01.04

Moreover, provisions for fiscal integration also exist in certain other countries, as follows:

Integrating company	Member companies	Countries
Vilmorin USA	Vilmorin INC	United States
	Harris Moran Seeds	
Limagrain Nederland Holding	Limagrain Nederland	Netherlands

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 33.33% 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 %	11-12	10-11
Theoretical tax rate	**34.43**	**33.33**
Non-deductible charges and other non-taxable profits	-1.63	0.63
Tax credit and relief	-0.51	-0.46
Untaxed income deficits and taxation rate differentials	-8.82	-4.92
True tax rate	**23.47**	**28.58**

2.5 - Details of tax receivables and debts due

In millions of Euros	11-12	10-11
Tax receivables due	51.0	33.1
Tax debts due	-7.4	-11.9
Net total	**43.6**	**21.2**

2.6 - Information on tax deficits

On June 30th 2011, the situation of tax deficits for Vilmorin was as follows:

In millions of Euros	Total deficits		Of which usable deficits	
	France	Other	France	Other
Deficits with limited carry forward	1.2	7.7	0.4	-
Deficits with unlimited carry forward	92.8	9.2	88.8	3.1
Total	**94.0**	**16.9**	**89.2**	**3.1**

Deferred tax assets corresponding to the usable deficits, and not recorded in the accounts, amount to 19.2 million Euros.

Note 13 - Earnings per share

- Earning per share attributable to the controlling company is calculated on the basis of the weighted average number of Vilmorin shares in circulation during the fiscal year.

The evolution of the earnings per share is as follows:

- Earnings per share:

In Euros	11-12	10-11
Attributable to the controlling company in continuing operations	80,603,026	91,030,183
Attributable to the controlling company in discontinued operations	-	-
Attributable to the controlling company in the consolidated income	**80,606,026**	**91,030,183**
Number of Vilmorin shares	17,217,020	17,216,784
Earnings from continuing operations for one share	4.68	5.29
Earnings from discontinued operations for one share	-	-
Earnings per share	**4.68**	**5.29**

- 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 if Oceane bonds and equity notes were converted and the ensuing change in the number of shares.

In Euros	11-12	10-11
Attributable to the controlling company in continuing operations	83,559,475	97,519,650
Attributable to the controlling company in discontinued operations	-	-
Attributable to the controlling company in the consolidated income	**83,559,475**	**97,519,650**
Number of Vilmorin shares	18,175,578	18,175,342
Earnings from continuing operations for one share	4.60	5.37
Earnings from discontinued operations for one share	-	-
Diluted earnings per share	**4.60**	**5.37**

- Dividends paid out per share

	Dividends distributed in December 11	Dividends distributed in December 10
Amount distributed	€ 25,819,218.00	€ 24,277,121.97
Details	€ 1.50 x 17,212,812 shares	€ 1.41 x 17,217,817 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 2011-2012 is provisional in nature, and is liable to be adjusted during fiscal year 2012-2013.

1.2 - Goodwill impairment tests

Vilmorin carried out impairment tests on its goodwill on June 30th 2012 for all the Cash Generating Units (CGUs) with which goodwill is associated, with the exception of goodwill from acquisitions made in fiscal year 2011-2012 for which acquisition cost had not been finalized on June 30th 2012 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).
With regard to the Vegetable seeds activities, the CGUs adopted comprise the legal companies since they run their business activities autonomously.
With regard to the Garden products activity, the CGUs adopted comprise both the company Vilmorin Jardin and its subsidiaries, and also the company Suttons.
With regard to the Field seeds activities, the CGUs comprise the European activities on the one hand, and the North American activities on the other.
The following hypotheses have been used to calculate the discounted value of the provisional cash flow for the CGUs:

- Number of years of provisional data: 5 years
- Rate of growth: 2%
- Discount rate after taxes: different rates have been adopted for each CGU. They vary from 4.7% to 15.1% depending on zones.

These tests have not resulted in any identified needs for impairment.

For one CGU, the recoverable value stood at a lower value that that of the assets. However, after integrating the acquisitions of the fiscal year, which complete and finalize the strategic organization of this CGU, the recoverable value comes out much higher than that of the assets for this CGU.

Moreover, 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, with the exception of one CGU which is more sensitive to the variation of hypotheses. Nevertheless, for this particular CGU, current synergies should make it less sensitive to variations on coming fiscal years.

2 - Evolution of net book values

2.1 - Gross values

In millions of Euros	
06.30.10	**309.5**
Acquisitions and increases	-
Impact of minority redemption commitments	7.5
Exits	-0.8
Variations in scope	12.3
Reclassifications	0.9
Currency translations	-7.3
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**

2.2 - Impairments

In millions of Euros	
06.30.10	**9.8**
Exits	-
Impairments	0.8
Variations in scope	-
Reclassifications	0.9
Currency translation	-1.0
06.30.11	**10.5**
Exits	-
Impairments	0.1
Variations in scope	-
Reclassifications	-0.1
Currency translation	1.1
06.30.12	**11.6**

2.3 - Net values

In millions of Euros	
06.30.10	299.7
06.30.11	311.6
06.30.12	**333.0**

3 - Further information

3.1 - Analysis by business segments

In millions of Euros	11-12	10-11
Vegetable seeds activity	28.6	27.9
Field seeds activity	291.0	229.5
Garden products	5.3	3.2
Holdings and others	8.1	51.0
Total net of impairments	**333.0**	**311.6**

3.2 - Variations in scope

Variations in scope concern the following operations:

In millions of Euros	Total
Fiscal year 11-12 (1)	
Bisco Bio Sciences	17.4
Brasmilho	3.0
Investigaction Trigo	-0.2
Total	**20.2**
Fiscal year 10-11	
Limagrain Guerra do Brasil	15.2
Cylonie Ré	-1.8
Vilmorin Luxembourg	-1.1
Total	**12.3**

(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 11-12	
Brasmilho	0.9
Mikado Seed Holding	0.2
Total	**1.1**
Fiscal year 10-11	
Limagrain Guerra do Brasil	7.4
Mikado Seed Holding	0.1
Total	**7.5**

3.4 - Allocations of goodwill on acquisitions made during fiscal year 2010-2011

These concern the companies:

In millions of Euros	Reduction of goodwill	Allocation	Deferred tax liability
Fiscal year 11-12			
Limagrain Guerra do Brasil	-0.8	1.2	-0.4
06.30.12	**-0.8**	**1.2**	**-0.4**

Note 15 - Other intangible fixed assets

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.10	**653.6**	**233.2**	**38.1**	**46.2**	**38.1**	**6.1**	**3.7**	**1,019.0**
Acquisitions and increases	111.4	3.1	1.6	1.9	0.1	-	2.8	120.9
Exits	-	-	-0.7	-2.5	-	-0.4	-0.1	-3.7
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	-14.0	-4.5	-1.0	-1.2	-1.0	-0.3	-	-22.0
Reclassifications	-	-1.0	2.7	0.1	-	-	-2.5	-0.7
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**

1.2 - Amortization and impairments

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.10	**469.9**	**3.6**	**31.1**	**33.4**	**5.4**	**2.4**	**-**	**545.8**
Provisions / Impairments	90.9	-	3.1	1.4	-	0.8	-	96.2
Exits	-	-	-0.7	-1.7	-	-	-	-2.4
Write back / Impairments	-	-	-	-	-	-	-	-
Variations in scope and others	-	-	-	-	-	-	-	-
Currency translations	-10.5	-0.2	-0.8	-0.4	-	-0.1	-	-12.0
Reclassifications	-	-0.9	-0.3	-	-	-	-	-1.2
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
Write back / Impairments	-	-	-	-	-	-	-	-
Variations in scope and others	-	-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**

1.3 - Net values

In millions of Euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.10	183.7	229.6	7.0	12.8	32.7	3.7	3.7	473.2
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**

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
06.30.10 (net value)	**1.4**	**3.1**	**4.5**
New fixed assets	0.1	-	0.1
Fixed assets taken out	-0.2	-	-0.2
Currency translations	-	-	-
Reclassifications	-	0.6	0.6
Provisions for amortization	-0.2	-1.3	-1.5
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**

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
06.30.10	**-**	**1.8**	**2.0**	**5.2**	**0.2**	**9.2**
Fiscal year 10-11	0.1	-0.1	-1.1	-	-0.2	-1.3
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**

2.3 - Variations in scope

Variations in scope concern the following operations (net of amortization):

In millions of Euros	Total
Fiscal year 11-12	
Brasmilho	1.6
Eurodur	1.2
Investigacion Trigo	-0.4
Total	**2.4**
Fiscal year 10-11	
None	-
Total	**-**

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
06.30.10	**26.8**	**177.7**	**66.1**	**119.2**	**12.9**	**43.8**	**10.6**	**457.1**
Acquisitions and increases	0.3	11.2	3.7	6.1	0.5	3.3	14.2	39.3
Exits	-0.5	-9.3	-0.5	-3.1	-1.1	-2.7	-0.2	-17.4
Variations in scope	0.1	1.2	0.5	1.5	0.2	-	-	3.5
Currency translations	-1.1	-8.3	-0.5	-5.3	-0.9	-1.3	-0.2	-17.6
Reclassifications	0.4	6.2	1.1	4.3	0.6	0.5	-14.0	-0.9
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**

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
06.30.10	**2.0**	**88.5**	**46.7**	**88.3**	**10.5**	**30.1**	**-**	**266.1**
Provisions / Impairments	0.2	6.3	3.4	7.1	0.9	3.4	-	21.3
Exits	-	-7.2	-0.4	-2.9	-1.1	-2.4	-	-14.0
Variations in scope	-	0.4	0.2	0.4	0.1	-	-	1.1
Currency translations	-0.1	-3.4	-0.2	-3.6	-0.6	-0.9	-	-8.8
Reclassifications		-	-0.9	1.3	0.1	-0.7	-	-0.2
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**

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
06.30.10	24.8	89.2	19.4	30.9	2.4	13.7	10.6	191.0
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**

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
06.30.10	1.3	-	0.2	1.5
06.30.11	-	-	0.1	0.1
06.30.12	**-**	**0.5**	**0.4**	**0.9**

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
06.30.10	**-**	**0.3**	**0.3**
Fiscal year 10-11	-	-	-
06.30.11	**-**	**0.3**	**0.3**
Fiscal year 11-12	-	-	-
06.30.12	**-**	**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 11-12	
Eurodur	- 0.1
Bisco Bio Sciences	1.0
Brasmilho	0.4
Total	**1.3**
Fiscal year 10-11	
Limagrain Guerra do Brasil	2.4
Total	**2.4**

2.4 - Commitments on leasing contracts

In millions of Euros	Total	< 1 year	1 to 5 years	> 5 years
Direct financing lease	6.6	2.8	3.7	0.1
Simple lease contracts	29.1	8.6	18.4	2.1

Note 17 - Financial fixed assets

1 - Evolution of net book values

1.1 - Gross values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.10	**37.5**	**3.6**	**6.9**	**48.0**
Increases	-	-	12.7	12.7
Decreases	-10.8	-	-12.1	-22.9
Variations in scope	0.3	-	-	0.3
Currency translations	-	-	- 0.4	-0.4
Reclassifications	0.1	-0.1	-	-
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**

1.2 - Provisions

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.10	**3.8**	**2.1**	**0.3**	**6.2**
Provisions	2.0	-	-	2.0
Write-back	-	-	-0.1	-0.1
Variations in scope	0.3	-	-	0.3
Currency translations	-	-	-	-
Reclassifications	-	-	-	-
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**

1.3 - Net values

In millions of Euros	Financial assets available for sale	Other non-current financial assets	Loans and other receivables	Total
06.30.10	33.7	1.5	6.6	41.8
06.30.11	21.0	1.4	6.9	29.3
06.30.12	**21.5**	**2.1**	**7.1**	**30.7**

2 - Further information

2.1 - Financial assets held for sale

Non-consolidated equity interests appear on this line. They are assessed in compliance with the rules described in Note 1 paragraph 21.1 of the "Accounting methods and principles in IFRS standards".

The contents of this item are set out below:

Companies	06.30.12		06.30.11		Financial data in last known balance sheet	
	% held	Net (in M€)	% held	Net (in M€)	Equity (in M€)	Résult (in M€)
Boreal Finland	6.54	0.6	-	-	6.9	0.7
Avesthagen	4.60	0.0	4.60	0.0	Not available	Not available
Arcadia	7.25	18.9	7.25	18.9	Not available	Not available
Miscellaneous		2.0		2.1		
Total		**21.5**		**21.0**		

2.2 - Variations in scope

Variations in scope correspond to the following operations (net of provisions):

In millions of Euros	Total
Fiscal year 11-12	
Limagrain Romania	-0.3
Total	**-0.3**
Fiscal year 10-11	
None	-
Total	**-**

Note 18 - Equity shares

1 - Details of equity shares are as follows

In millions of Euros	06.30.12	06.30.11	06.30.10
Australian Grain Technologies	10.8	8.2	7.5
Bioseeds	3.4	3.8	3.8
DLF France	1.7	1.7	1.6
Unisigma	0.3	0.4	0.2
Genoplante Valor	1.4	1.8	1.8
Yuan Longping High-Tech	-	-	30.1
Total	**17.6**	**15.9**	**45.0**
Variation for the fiscal year	**1.7**	**-29.1**	

2 - Further information

Variation for the fiscal year corresponds to the items below:

In millions of Euros	11-12		10-11	
Proportion of income for the fiscal year		**1.8**		**0.6**
> Australian Grain Technologies	2.0		0.4	
> Bioseeds	-0.4		-	
> Genoplante Valor	0.1		-	
> DLF France	0.1		0.1	
> Unisigma	-		0.1	
Variation in scope, variation in percentages of interest and others		-0.5 (1)		-30.1 (2)
Distributions		-0.2		0.1
Currency translation		0.6		0.3
Total		**1.7**		**-29.1**

(1) For fiscal year 2011-2012:
- *Reduction of Vilmorin's percentage in Genoplante Valor: -0.5*

(2) For fiscal year 2010-2011:
- *Disposal of all the shares held in Yuan Longping High-Tech: -30.1*

3 - Financial information of the main equity shares

3.1 - 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 31st 2011
(2) Accounts closed on September 30th 2011

3.2 - For fiscal year 2010-2011

In millions of Euros	Bio Seeds (1)	DLF France	Unisigma	Genoplante Valor (1)	Australian Grain Technologies (2)
Sales	17.2	21.0	2.8	0.4	0.2
Net income	1.7	0.3	0.3	-	-1.8
Assets	21.3	7.1	2.2	7.1	9.7
Liabilities (excluding equity)	4.4	2.0	1.3	3.8	1.9

(1) Accounts closed on December 31st 2010
(2) Accounts closed on September 30th 2010

Note 19 - Inventories

1 - Evolution of net book values

In millions of Euros	06.30.12			06.30.11			06.30.10		
	Gross value	Provision	Net value	Gross value	Provision	Net value	Gross value	Provision	Net value
Raw materials and other supplies	77.8	-3.8	74.0	88.1	-3.5	84.6	92.0	-3.5	88.5
Production in progress	99.7	-10.7	89.0	84.8	-11.2	73.6	54.7	-4.3	50.4
Goods	64.2	-6.1	58.1	58.6	-6.2	52.4	68.6	-6.3	62.3
Finished products	113.9	-24.0	89.9	102.4	-23.0	79.4	145.2	-25.7	119.5
Total	**355.6**	**-44.6**	**311.0**	**333.9**	**-43.9**	**290.0**	**360.5**	**-39.8**	**320.7**
Variation for the fiscal year			**21.0**			**-30.7**			

2 - Further information

2.1 - Variations for the fiscal year correspond to the following items:

In millions of Euros	11-12		10-11	
Variations in scope (net of provisions)		1.8		-0.1
Variations in gross values		6.7		-10.6
Variations in provisions including		0.5		-5.3
> New provisions	-28.9		-28.6	
> Provisions used	28.5		13.1	
> Provisions written back	0.9		10.2	
Reclassifications		-		-
Currency translations		12.0		-14.7
Total		**21.0**		**-30.7**

2.2 - Variations in scope concern:

In millions of Euros	Total
Fiscal year 11-12	
Bisco Bio Sciences	1.0
Brasmilho	0.8
Total	**1.8**
Fiscal year 10-11	
Flora Geissler GmbH	-0.1
Total	**-0.1**

2.3 - Provisions

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:

- on June 30th 2010: 11.0%,
- on June 30th 2011: 13.1%,
- on June 30th 2012: 12.5%.

Note 20 - Trade receivables

1 - Evolution of net book values

In millions of Euros	06.30.12	06.30.11	06.30.10
Customer receivables	411.0	360.5	352.0
Advance payment to suppliers	20.4	16.1	13.9
Personnel and social security	1.0	1.6	1.8
State, income taxes	51.0	33.1	9.8
Other tax receivables	47.9	33.5	38.0
Other operating receivables	18.7	38.5	17.5
Prepayments	13.5	11.2	12.1
Gross total	**563.5**	**494.5**	**445.1**
Customer receivables	-13.3	-11.0	-10.6
Advance payment to suppliers	-	-	-0.1
Other operating receivables	-	-0.1	-0.1
Total provisions	**-13.3**	**-11.1**	**-10.8**
Net book values	**550.2**	**483.4**	**434.3**
Variation for the fiscal year	**66.8**	**49.1**	

2 - Further information

2.1 - Variations for the fiscal year comprise the following main items:

In millions of Euros	11-12	10-11
Variations in scope (net of provisions)	2.3	-0.8
Variations in provisions including	-2.0	-0.8
> New provisions	-5.8	-6.1
> Provisions used	1.4	2.5
> Provisions written back	2.4	2.8
Other variations	48.7	73.3
Reclassifications	2.6	0.6
Currency translations	15.2	-23.2
Total	**66.8**	**49.1**

2.2 - Variations in scope concern:

In millions of Euros	Total
Fiscal year 11-12	
Bisco Bio Sciences	2.2
Investigacion Trigo	0.1
Total	**2.3**
Fiscal year 10-11	
Cylonie Ré	-0.5
Hazera Genetics Mexico (2000) Ltd	-0.1
Flora Geissler GmbH	-0.2
Total	**-0.8**

Note 21 - Cash and cash equivalents

1 - Evolution of fair values

In millions of Euros	06.30.12	06.30.11	06.30.10
Financial current accounts	1.8	2.8	2.5
Placement securities held for purposes of transaction	151.1	248.1	265.8
Cash and bank in hand	158.1	120.4	105.3
Total	**311.0**	**371.3**	**373.6**
Variation for the fiscal year	**-60.3**	**-2.3**	

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:

In millions of Euros	Total
Fiscal year 11-12	
Variations in scope	12.4
Variation in gross values	-82.9
Currency translations	9.8
Reclassifications	0.4
Total	**-60.3**
Fiscal year 10-11	
Variations in scope	-23.5
Variation in gross values	32.4
Currency translations	-11.4
Reclassifications	0.2
Total	**-2.3**

2.2 – Variations in scope concern:

In millions of Euros	Total
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**
Fiscal year 10-11	
Limagrain Guerra do Brasil	4.1
Limagrain Magyarorszag	-0.7
Cyclonie Ré	-26.4
Vilmorin Luxembourg	-0.1
Changsa Xindaxin Vilmorin Agri-Business Co. Ltd	-0.3
Flora Geissler GmbH	-0.1
Total	**-23.5**

Note 22 - Shareholders' equity - attributable to controlling company

1 - Composition of the shareholders' equity

In millions of Euros	06.30.12	06.30.11	06.30.10
Parent capital stock	262.6	262.6	262.6
Issue premium	350.5	350.5	350.5
Parent legal reserve	15.8	12.7	11.0
Other parent reserves	51.5	17.1	10.4
Consolidation reserves and others	240.1	217.2	203.3
Currency translation reserves	5.8	-23.1	21.1
Income for the fiscal year	80.6	91.0	54.1
Total	**1,006.9**	**928.0**	**913.0**
Variation for the fiscal year	**78.9**	**15.0**	

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

2 - Further information

2.1 - Vilmorin's capital stock:
Vilmorin's capital stock comprises 17,218,101 shares, each with a nominal value of 15.25 Euros.
The company's by-laws stipulate that for the purpose of General Meetings, without prejudice to restrictions resulting from any laws and decrees in force, each member of the General Meetings may cast as many votes as the number of shares he or she owns or represents, without any limits.
Nevertheless, double voting rights compared to other shares, considering the 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 6th 2008 Vilmorin issued Oceane bonds. This financial instrument involves both a financial debt component and an equity component. The accounting principle applied to these instruments is set out in Note 1 paragraph 21.4 of the "Accounting methods and principles in IFRS standards".

- Characteristics of the Oceane convertible bonds issued by Vilmorin

Issuing company	Vilmorin
Date of entitlement	06.06.08
Number of bonds issued	958,579
Number of bonds in circulation	958,558 (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 Vilmorin share for 1 bond

(1) In July 2010, a private investor requested conversion of 21 Oceane bonds. Therefore, on June 30th 2012, the total of Ocean bonds in circulation was 958,558.

- The impact of the Oceane convertible bonds on the equity is as follows:

In millions of Euros	Gross total of Oceane bonds	Impact on the balance sheet		
		Debt component	Deferred taxes liabilities	Equity component
06.30.10	**149.5**	**138.8**	**3.6**	**7.1**
Restatement of the interest on the debt component in 2010-2011	-	3.3	-1.1	-2.2
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**

Note 23 - Shareholders' equity– attributable to non-controlling minorities

1 - Composition of the shareholders' equity – attributable to non-controlling minorities

In millions of Euros	06.30.12	06.30.11	06.30.10
Consolidation reserve and others	107.9	104.5	123.2
Currency translation reserve	0.6	-2.9	3.0
Income for the fiscal year	6.5	6.3	6.0
Total	**115.0**	**107.9**	**132.2**
Variation for the fiscal year	**7.1**	**-24.3**	

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

2 - Further information

- Characteristics of the equity notes issued by Limagrain Europe :

Issuing company	Limagrain Europe
Date of entitlement	06.28.12
Number of bonds issued	86,128
Issue premium	€647
Total income from the issue	€55.7 million
Interest rate	1% (1)
Due date	06.28.20
Normal redemption conditions	1 Limagrain Europe share for 1 bond

(1) The exact remuneration is 1% plus the amount of any dividend paid out per Limagrain Europe share for the last closed fiscal year.

- The impact of equity notes on the equity is as follows:

In millions of Euros	Gross total of equity notes	Impact on the balance sheet		
		Debts component	Deferred taxes liabilities	Equity component
06.30.10	**11.5**	**0.3**	**-0.1**	**11.3**
Conversion of Limagrain Europe equity notes	-11.5		-	-11.5
Restatement of the interest on the debt component	-	-0.3	0.1	0.2
06.30.11	**-**	**-**	**-**	**-**
Initialization of new Limagrain Europe equity notes	55.7	3.7	-1.3	53.3
06.30.12	**55.7**	**3.7**	**-1.3**	**53.3**

Note 24 - Provisions for employee benefits

Provisions for employee benefits are analyzed as follows:

In millions of Euros	06.30.12	06.30.11
Provisions for lump sums paid at retirement	9.5	9.2
Commitments for "work medal" bonuses and other benefits	0.6	0.6
Pension plans	13.5	13.2
Provisions for employee benefits	**23.6**	**23.0**
> Including provision for employee benefits (non-current share)	23.6	22.8
> Including provision for employee benefits (current share)	0.0	0.2
Provisions for employee benefits	**23.6**	**23.0**
Financial assets	-1.7	-1.0
Net recorded commitment	**21.9**	**22.0**

The evaluation rules applied to this line are described in Note 1 paragraph 16 of the "Accounting methods and principles in IFRS standards".

- Lump sums paid at retirement mainly concern French companies.

During the course of fiscal 2002-2003, the convention that applies to a certain number of Vilmorin's companies was modified with retroactive effect. The impact of this change on past services is amortized over the average remaining time of activity for the employees concerned, which has been estimated to be nineteen years at the date of the change. Consequently the provision made on June 30th 2012 does not include the extra commitment of 0.5 million Euros.

- Commitments for "work medal" bonuses and other benefits mainly concern French companies.
- There are also multi-employer plans which are accounted for in the same way as defined benefit schemes.
- A financial asset of 1.7 million Euros exists and corresponds to provisions for employee benefits.

1 - Evolution over the course of the fiscal year

The evolution of the current value of obligations with regard to defined contribution plans and other long-term benefits is as follows:

In millions of Euros	06.30.12	06.30.11
Current value of obligations at opening of the fiscal year	**125.2**	**142.5**
Cost of services rendered for the year (net of contributions)	3.1	3.2
Financial cost	7.1	7.0
Participants' contributions	0.3	0.3
Net actuarial losses or gains	16.2	-6.3
Welfare services paid out	-7.9	-8.2
Cost of past services recorded	-	-
Effect of liquidation / reduction of future services	-0.7	-0.9
Currency translations and others	13.7	-12.4
Current value of obligations at close of the fiscal year	**157.0**	**125.2**

Evolution of the fair value of the assets of defined contribution plans is as follows:

In millions of Euros	06.30.12	06.30.11
Fair value of forward assets at opening of the fiscal year	**92.9**	**96.0**
Expected returns on forward assets	6.3	5.7
Net actuarial losses or gains	-3.2	6.8
Employers' contributions	3.6	3.0
Participants' contributions	0.3	0.3
Welfare services paid out	-6.5	-7.2
Effect of liquidation / reduction of future services	0.0	-0.9
Currency translations and others	10.1	-10.8
Fair value of forward assets at close of the fiscal year	**103.5**	**92.9**

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 or any other assets used by Vilmorin.

The fair value of employee benefit assets does not include any securities issued by Vilmorin.

1.1.2 Information on the fair value of the assets

The fair value of employee benefit schemes is analyzed as follows:

- Ordinary shares 47%
- Bonds 39%
- Real estate 6%
- Others 8%

1.1.3 Information on the true yield of the assets

The true yield of assets of benefit schemes was 3.1 million Euros in 2012 as opposed to 12.5 million Euros in 2011 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 plans and other long-term benefits can be analyzed as follows on June 30th 2012:

In millions of Euros	06.30.12	06.30.11
Adjusted value of the commitment	157.0	125.2
Fair value of assets of defined contributions plans	-103.5	-92.9
Deficit / (Surplus)	**53.5**	**32.3**
Unrecorded actuarial differences	-31.0	-9.7
Unrecorded costs of past services	- 0.6	-0.6
Others	0.0	0.0
Provisions for employee benefits	**21.9**	**22.0**

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 plans and other long-term benefits are analyzed as follows:

In millions of Euros	06.30.12	06.30.11
Cost of services rendered	3.4	3.4
Financial cost	7.0	7.0
Expected return on assets	-6.4	-5.7
Other charges	-	-
Recognized actuarial losses or gains	0.7	1.5
Cost of past services recognized	0.1	0.1
Effect of liquidations / reductions	-0.8	-
Total	**4.0**	**6.3**

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	
	2012	2011	2012	2011
Adjustment rate	3.30 to 4.10	5.25 to 5.50	4.70 to 5.30	5.50 to 5.60
Expected return on assets	4.00 to 5.00	1.70 to 5.00	5.46 to 5.90	6.40 to 6.87
Salaries progression rate	1.00 to 1.50	1.00 to 2.50	2.60	4.00 to 4.50
Pension fund inflation rate	1.50 to 2.00	1.50 to 2.00	1.90 to 2.90	2.50 to 3.50

- Americas

As a %	2012	2011
Adjustment rate	4.20	5.58
Expected return on assets	7.50	7.50
Salaries progression rate	3.00	5.00
Pension fund inflation rate	0.00	0.00

- Middle East and Asia

As a %	2012	2011
Adjustment rate	1.50 to 8.00	2.00 to 2.50
Expected return on assets	5.60	2.20 to 2.50
Salaries progression rate	0.00 to 6.09	2.50 to 6.17
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 million of Euros	06.30.12	06.30.11
France	11.8	9.6
Europe (except France)	90.3	75.2
Americas	43.9	29.9
Middle East / Asia	11.0	10.5
Adjusted value of rights at the end of the fiscal year	**157.0**	**125.2**

6 - Schemes with defined contributions

In millions of Euros	06.30.12			06.30.11
	Schemes with defined contributions	Multi-employer schemes	Total schemes	Total schemes
Charges recorded in the income statement	2.6	1.1	3.7	2.9
Social contributions				
Pre-paid charges				

Note 25 - Deferred taxes

1 - Evolution of book values

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities	Impact on the income	Impact on the reserves
06.30.10	**14.3**	**88.4**	**-1.6**	**0.2**
Variations in scope	-	-6.5		
Variations influencing income from continuing operations	3.6	6.5	-2.9	
Reclassifications	1.3	1.3		
Variations influencing reserves	-1.4			-1.4
Currency translations	-0.9	-1.4		
06.30.11	**16.9**	**88.3**	**-2.9**	**-1.4**
Variations in scope	-0.2	-0.1		
Variations influencing income from continuing operations	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**

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
11-12		
Eurodur	-0.2	-
Investigacion Trigo	-	-0.1
Total	**-0.2**	**-0.1**
10-11		
Cylonie Ré	-	-6.5
Total	**-**	**-6.5**

2.2 - Variations influencing reserves

In millions of Euros	Deferred taxes assets	Deferred taxes liabilities	Net deferred taxes
11-12			
Hedges	-0.2	-0.1	-0.1
Restatement of equity notes and convertibles	-	- 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	**-0.3**	**- 1.2**	**0.9**
10-11			
Hedges	-1.4	-	-1.4
Others	-	-	-
Total	**-1.4**	**-**	**-1.4**

(1) cf. Note 14 - 3.4

Note 26 - Other current provisions

1 - Evolution of book values

In millions of Euros	06.30.12	06.30.11	06.30.10
Commercial litigation	2.0	1.7	2.2
Other risks and litigation	4.8	5.3	4.8
Reorganization costs	4.0	4.7	7.4
Employee benefits	-	0.1	0.1
Total	**10.8**	**11.8**	**14.5**
Variation for the fiscal year	**-1.0**	**-2.7**	

The rules applied with regard to setting up provisions are described in Note 1 paragraph 17 of the “Accounting methods and principles in IFRS standards”.

2 - Further information

2.1 - Variations for the fiscal year include the following items:

In millions of Euros		
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**
10-11		
Variations in scope		-0.6
Variations in provisions		-2.0
> Provisions for the fiscal year	4.0	
> Write-back used	-3.5	
> Write-back not used	-2.5	
Reclassifications		0.1
Currency fluctuations		-0.2
Total		**-2.7**

2.2 - Variations in scope concern the following operations:

In millions of Euros	Total
11-12	
Limagrain Romania	0.2
Total	**0.2**
10-11	
Cylonie Ré	-0.6
Total	**-0.6**

Note 27 - Current and non-current financial debts

1 - Composition of the financial debts

1.1 - Non-current financial debts

In millions of Euros	06.30.12	06.30.11	06.30.10
Bank loans	249.5	279.6	203.9
Debt component of the equity notes (1)	3.3	-	-
Debt component of the Oceane convertible bonds (2)	145.7	142.1	138.8
Minority redemption commitments	12.0	16.3	8.6
Derivatives (3)	2.9	2.8	10.0
Lease/hire purchase	0.7	0.1	1.1
Other financial debts	0.7	1.0	0.8
Total	**414.8**	**441.9**	**363.2**
Variation for the fiscal year	**-27.1**	**78.7**	

(1) cf. Note 23
(2) cf. Note 22
(3) cf. Note 30

1.2 - Current financial debts

In millions of Euros	06.30.12	06.30.11	06.30.10
Bank loans	201.7	154.6	241.2
Debt component of the equity notes (1)	0.4	-	0.3
Lease/hire purchase	0.2	0.1	0.2
Derivatives (2)	-0.8	-0.8	-0.8
Current accounts	3.1	37.0	4.2
Other financial debts	0.3	1.5	6.2
Interest incurred	7.0	7.2	6.9
Total	**211.9**	**199.6**	**258.2**
Variation for the fiscal year	**12.3**	**-58.6**	

(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	06.30.12	06.30.11	06.30.10
Non-current financial debts	414.8	441.9	363.2
Current financial debts	211.9	199.6	258.2
Cash and bank in hand (cf. Note 21)	-311.0	-371.3	-373.6
Net financial debts	**315.7**	**270.2**	**247.8**
Variation for the fiscal year	**45.5**	**22.4**	

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
06.30.10	**363.2**	**258.2**	**621.4**
Increase	355.6	-	355.6
Decrease	-248.0	-86.3	-334.3
Restatement of Oceane convertible bonds (1)	3.3	-	3.3
Variations in scope	-	-	-
Restatement of hedges	-7.2	-	-7.2
Minority redemption commitments	7.7	-	7.7
Reclassifications	-29.8	29.8	-
Restatement of equity notes (2)	-	-0.3	-0.3
Currency translations	-2.9	-1.8	-4.7
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 Oceane convertible bonds (1	3.6	-	3.6
Restatement of equity notes (2)	3.3	0.4	3.7
Restatement of derivatives	0.1	-	0.1
Minority redemption commitments	-4.3	-	-4.3
06.30.12	**414.8**	**211.9**	**626.7**

(1) cf. Note 22
(2) cf. Note 23

2.1.2 Variations in scope concern:

En millions d'euros	Non-current financial debts	Current financial debts	Total
11-12			
Eurodur	-	0.8	0.8
Bisco Bio Sciences	-	2.2	2.2
Total	**-**	**3.0**	**3.0**
10-11			
None	-	-	-
Total	**-**	**-**	**-**

2.2 - Information on the debenture loan

This loan has the following characteristics:

Issuer	Vilmorin (Océane) [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

This loan presented above involves default clauses concerning the respect of certain ratios that, in certain conditions, are liable to lead to its being payable earlier than planned. The characteristics are as follows:

Original amount of the loan	€300 million
Company to which the loan was granted	Vilmorin
Outstanding	
> On June 30, 2011	€225 million
> On June 30, 2012	€202.5 million
Rate	Euribor + margin
Collateral granted	No
Existence of "covenants"	Yes

Following the implementation of a new syndicated credit in October 2010, the authorized and confirmed credit line stood at 277.5 million Euros, of which 75 million Euros were not used on June 30th 2012.

There are covenants based on ratios from Vilmorin's consolidated financial statements:

- Financial debts over EBITDA
- EBITDA over financial costs

The above-mentioned covenants were respected for fiscal year 2011-2012.

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
06.30.12			
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**
06.30.11			
Financial debts with fixed rate	176.9	58.4	235.3
Financial debts with variable rate	265.0	141.2	406.2
Total	**441.9**	**199.6**	**641.5**

Taking hedge rates into account, financial debts with variable rate were covered up to 163 million Euros at the end of June 2012.

Note 28 - Accounts payable

1 - Evolution of the book values

In millions of Euros	06.30.12	06.30.11	06.30.10
Suppliers and other accounts payable	180.8	172.7	160.4
Debts on the acquisition of fixed assets	12.5	12.3	10.6
Advance payments received from customers	2.1	1.7	2.0
Social security	56.9	56.0	49.3
Taxes	20.0	27.6	27.7
Other operating debts	132.2	106.7	126.0
Other non-operating debts	1.6	1.1	1.1
Total	**406.1**	**378.1**	**377.1**
Variation for the fiscal year	**28.0**	**1.0**	

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	11-12	10-11
Variations in scope	2.7	0.7
Other variations	10.0	20.7
Currency translations	15.3	-20.4
Total	**28.0**	**1.0**

Variations in scope concern:

In millions of Euros	Total
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**
10-11	
Limagrain Guerra do Brasil	1.9
Cylonie Ré	- 0.5
Vilmorin Luxembourg	- 0.1
Flora Geissler GmbH	- 0.6
Total	**0.7**

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

In millions of Euros	06.30.12	06.30.11	06.30.10
Total	34.9	25.6	25.7
Variation for the fiscal year	9.3	-0.1	

The rules applicable are described in Note 1 paragraph 18 of the "Accounting methods and principles in IFRS standards".

This line concerns almost exclusively investment and operating subsidies.

2 - Further information

Movements for the fiscal year involve the following items:

In millions of Euros	11-12	10-11
Subsidies written back into the income	-0.2	-0.5
Variations in scope	-	-
Restatement of tax relief for research for the fiscal year	-0.2	0.7
Others	8.1	-
Subsidies written back into the income	1.6	-0.3
Total	9.3	-0.1

Note 30 - Financial instruments

1 - Financial instruments by category

In millions of Euros	06.30.12		Analysis by category of instruments				
	Value on the balance sheet	Fair value	Assets held for sale	Loans and receivables	Debts at amortized cost	Derivatives	Non financial [(1)]
Financial assets	30.7	30.7	21.5	9.2			
Customers and other receivables	550.2	550.2		416.4			133.8
Cash and cash equivalents	311.0	311.0		311.0			
Financial assets	**891.9**	**891.9**	**21.5**	**736.6**			**133.8**
Non-current financial debts	414.8	414.8			411.9	2.9	
Current financial debts	211.9	211.9			212.7	-0.8	
Suppliers and other payables	441.0	441.0			406.1		34.9
Financial liabilities	**1,067.7**	**1,067.7**			**1,030.7**	**2.1**	**34.9**

In millions of Euros	06.30.11		Analysis by category of instruments				
	Value on the balance sheet	Fair value	Assets held for sale	Loans and receivables	Debts at amortized cost	Derivatives	Non financial [(1)]
Financial assets	29.3	29.3	21.0	8.3			
Customers and other receivables	483.4	483.4		387.9			95.5
Cash and cash equivalents	371.3	371.3		371.3			
Financial assets	**884.0**	**884.0**	**21.0**	**767.5**			**95.5**
Non-current financial debts	441.9	441.9			439.1	2.8	
Current financial debts	199.6	199.6			200.4	-0.8	
Suppliers and other payables	403.7	403.7			378.1		25.6
Financial liabilities	**1,045.2**	**1,045.2**			**1,017.6**	**2.0**	**25.6**

(1) In the assets, tax and social security receivables, various prepayments and accruals are not included in the above figures since they are not considered to be financial instruments as defined by IAS 39. The same holds in the liabilities for deferred income.

2 - Management of financial risks

Vilmorin has set up a dedicated organization based on financial risk management policies that have been approved by the Executive Committee, with centralized management of risks to which it is exposed regarding exchange, raw materials, rates and cash.

On June 30th 2012, the derived financial instruments set up by Vilmorin to manage its risks can be analyzed as follows:

2.1 - Information regarding currency exchange risks

2.1.1 Objectives

Vilmorin manages its currency positions with the objective of hedging the risks of fluctuation of relative parities, mainly in relation to its industrial and commercial operations. Indeed, Vilmorin sets up forward contracts exclusively in order to hedge currency exchange risks linked to provisional flows.

For this purpose, a procedure to manage currency exchange risks collectively has been set up in the group. This position mainly consists in taking out contracts with a fixed term.

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 lira	Other currencies	Total
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**
06.30.11										
Assets (1)	1,059.9	203.4	10.5	31.4	10.9	64.5	57.0	33.1	103.6	1,574.3
Liabilities (1)	784.3	95.5	21.3	11.4	2.3	40.7	14.8	12.5	36.8	1,019.6
Differential	**275.6**	**107.9**	**-10.8**	**20.0**	**8.6**	**23.8**	**42.2**	**20.6**	**66.8**	**554.7**

(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		
		< 1 year	1 to 5 years	> 5 years
06.30.12				
Forward exchange contracts	18.8	18.8	-	-
Exchange options	-	-	-	-
Total	**18.8**	**18.8**	**-**	**-**
06.30.11				
Forward exchange contracts	5.8	5.8	-	-
Exchange options	-	-	-	-
Total	**5.8**	**5.8**	**-**	**-**

2.1.4 Information on the value of instruments set up to hedge currency exchange

In millions of Euros	Total
06.30.12	
Contracts on commercial transactions > Cash flow hedge (1)	-
Contracts on financial transactions > Fair value hedge	NS
06.30.11	
Contracts on commercial transactions > Cash flow hedge (2)	-
Contracts on financial transactions > Fair value hedge	NS

(1) The intrinsic value of contracts on June 30th 2012 is not significant (NS).
(2) The intrinsic value of contracts on June 30th 2011 is not significant (NS).

2.1.5 Information on risk exposure to instruments set up to hedge currency exchange

Vilmorin's net exposure for notional amounts mainly concerns the following currencies (excluding entities' functional currencies):

In millions for each currency	US dollar	GB pound	Yen	Australian dollar	Canadian dollar	New Zealand dollar
Net position before management	**15.5**	**5.2**	**-**	**0.1**	**-0.2**	**1.9**
Forward purchasing	-	-	-	-	-	-
Forward selling	-18.8	-2.6	-	-	-	-0.5
Net position after management	**-3.3**	**2.6**	**-**	**0.1**	**-0.2**	**1.4**

On June 30th 2012, the exchange rates for one Euro were 1.259 US dollar, 0.8068 GB pound, 100.13 yen and 1.2339 Australian dollar.

On June 30th 2012, sensitivity on net positions after management could be analyzed as follows:

In millions of Euros	US dollar	GB pound	Australian dollar
Hypothesis of currency variation (as a %)	10%	10%	10%
Impact on income (absolute value)	**0.3**	**0.3**	**0.2**

Variation of ±10% in exchange rates against the Euro would not be significant 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 30th 2012, the derived financial instruments set up by Vilmorin to hedge the risk on raw materials for future corn contracts showed a loss of 0.8 million Euros, as opposed to a gain of 4.8 million Euros for the previous fiscal year, and recorded at fair value in the operating income.

2.3 - Information concerning interest rate risks

2.3.1 Objectives

Interest rate risks are mainly managed by Vilmorin which (apart from specific cases or regulatory constraints) centralizes the current, stable cash flow requirements or surpluses of the subsidiaries, and sets up centralized external funding facilities as necessary.

2.3.2 Assets and liabilities subject to interest rate risks

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.12				
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**
06.30.11				
Assets	13.7	10.0	2.6	1.1
Liabilities	641.5	208.4	412.7	20.4
Differential	**-627.8**	**-198.4**	**-410.1**	**-19.3**

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 uses derived instruments for which the notional outstanding sums are as follows:

In millions of Euros	Nominal	Due dates					Market value
		2012	2013	2014	2015	> 2015	
Cash flow hedge operations	**133.0**	**103.0**	**6.0**	**6.0**	**6.0**	**12.0**	
Interest rate SWAP							-3.8
Fair value operations through profit and loss (1)	**30.0**	**30.0**					
Interest rate SWAP							-0.7
Total	**163.0**	**133.0**	**6.0**	**6.0**	**6.0**	**12.0**	**-4.5**

(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 30th 2012.

2.3.4 Information on risk exposure to instruments set up to hedge interest rates

On the basis of net financial indebtedness on June 30th 2012, a variation of ±1% in interest rates after forward cover instruments would represent an extra financial charge or income limited to 0.1 million Euros.

2.4 - Information concerning risks for shares and treasury shares

Listed shares held by Vilmorin are subject to the risk of volatility characteristic of financial markets.

Apart from consolidated securities, they can be divided up into three categories:

- securities in companies consolidated using the equity method: these concern for the most part 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.

No specific measures have been taken to protect securities in companies consolidated using the equity method against a drop in rates.

The risk concerning shares included in the portfolio “Financial assets held for sale” mainly involves two lines of unlisted shares.

There is a liquidity contract for Vilmorin treasury shares. On June 30th 2012, Vilmorin held 1,081 securities with a book value of 0.1 million Euros.

2.5 - Information concerning liquidity risks

Vilmorin's treasury department manages liquidity risks by making short or long term funding available to subsidiaries as required.

Optimization of liquidity is based on centralized management of Vilmorin's subsidiaries' cash surpluses and requirements.

These operations are handled by Vilmorin's treasury department using cash-pooling conventions and intra-group loans on condition that this is authorized by local legislation.

External funding is normally set up in a centralized manner by the treasury department in order to optimize the cost of funding and access to the banking market.

Vilmorin uses a confirmed credit line involving syndicated credit originally of 300 million Euros over 7 years. On June 30th 2012, the outstanding amount was 202.5 million Euros from authorization of 277.5 million Euros, 75 million Euros of this credit being unused, constituting a significant reserve of cash.

Moreover on June 30th 2012 the conventions of existing financial commitments were all respected.

The schedule for financial debts was as follows:

In millions of Euros	Due dates			Total
	< 1 year	1 to 5 years	> 5 years	
06.30.12				
Non-current financial debts				
> Bank loans	-	243.4	6.1	249.5
> Debt components of the equity notes	-	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				
06.30.11				
Non-current financial debts				
> Bank loans	-	267.6	12.0	279.6
> Debt components of the equity notes	-	-	-	-
> Debt components of the Oceane Convertible bonds	-	142.1	-	142.1
> Commitments to purchase minority shares	-	4.4	11.9	16.3
> Derivatives	-	-2.2	5.0	2.8
> Financial lease/hire purchase	-	0.1	-	0.1
> Other financial debts	-	0.7	0.3	1.0
Total non-current debts	-	412.7	29.2	441.9
Current financial debts	199.6	-	-	199.6
Total	**199.6**	**412.7**	**29.2**	**641.5**
Future interest on loans and other liabilities	**15.3**	**28.6**	**1.2**	**45.1**

2.6 - Information concerning credit risk

In order to prevent any problems recovering debts from its customers, Vilmorin has set up individual credit limits which are regularly updated depending both on the financial situation of each customer, along with the customer's track record with regard to payment.

Finally, through certain subsidiaries, Vilmorin has taken out an insurance policy with the Coface (French export insurance organization) to cover customer credit risks. On June 30th 2012, Vilmorin had not identified any significant risk.

At close the chronological breakdown of customer receivables was as follows:

In millions of Euros	06.30.12	06.30.11
Receivables not yet due	309.1	263.7
Receivables due:		
> delay of zero to three months	44.5	56.1
> delay of three to six months	38.5	23.3
> delay of six to twelve months	9.0	9.5
> delay greater than one year	9.9	7.9
Gross customer and other receivables	**411.0**	**360.5**

Note 31 - Off balance sheet commitments

For its current operations, the group made commitments at the close of the fiscal period for the following amounts:

1 - Guarantees received

In millions of Euros	06.30.12	06.30.11
Endorsements, sureties, guarantees	6.1	2.8
Other commitments	4.8	5.9
Total	**10.9**	**8.7**

The company Groupe Limagrain Holding granted a tax guarantee to Vilmorin 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 seeds activity on July 3rd 2006.

There have been no overdue payments recorded to date involving these guarantees.

2 - Guarantees given

In millions of Euros	06.30.12	06.30.11
Endorsements, sureties, guarantees	39.3	32.2
Clause of return to better fortune	7.7	7.7
Other commitments	2.9	0.8
Total	**49.9**	**40.7**

Endorsements, sureties, and guarantees given involve:
- a letter of intent for the annual payment of rent covering the remaining duration of the long-term commercial lease (25 years) of the company Suttons for 5.4 million Euros (5.3 million Euros on June 30th 2011) and the site of Solingen (former head office of Flora Frey in Germany) for 14.3 million Euros (15.5 million Euros on June 30th 2011),
- a commitment of 14.3 million Euros with regard to suppliers in North America, compared with 9.9 million Euros on June 30th 2011.

The clause of return to better fortune involves a commitment of Limagrain Europe towards Groupe Limagrain Holding following the integration of the field seeds business (for a total of 7 million Euros) and the commitments of an American company towards Groupe Limagrain Holding (for a total of 0.7 million Euros).

3 - Reciprocal commitments

In millions of Euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
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**
06.30.11				
Lease agreements	3.0	1.4	1.5	0.1
Simple rental agreements	26.5	7.8	16.1	2.6
Forward purchase of currency (cf. Note 30)	5.8	5.8	-	-
Forward interest rate cover (cf. Note 30)	175.0	42.0	133.0	-
Interest to pay on medium and long-term debts	45.1	15.3	28.6	1.2
Medium- and long-term research contracts	0.3	0.2	0.1	-
Other commitments	22.8	9.8	13.0	-
Total	**278.5**	**82.3**	**192.3**	**3.9**

Forward cover of interest rates concerns the following operations:

3.1 - On June 30th 2012

Medium term bank loans (syndicated credit)	€160 million	Fixed and semi-fixed rate over variable rate at 3 months
Equity notes	-	Fixed rate over variable rate at 6 months
Short-term loans	€3 million	Fixed and semi-fixed rate over variable rate at 3 months

3.2 - On June 30th 2011

Medium term bank loans (syndicated credit)	€170 million	Fixed and semi-fixed rate over variable rate at 3 months
Equity notes	-	Fixed rate over variable rate at 6 months
Short-term loans	€5 million	Fixed and semi-fixed rate over variable rate at 3 months

4 - Debts with real sureties

In millions of Euros	Debts guaranteed (1)	Total amount of sureties granted	Book value of the assets provided as a guarantee
06.30.11	38.0	101.1	101.1
06.30.12	**36.9**	**103.4**	**103.4**

(1)These debts mainly concern two guarantees granted on moving assets and collateral on the securities of a subsidiary respectively to a banking pool and a bank.

5 - Other commitments

As part of the agreement signed with DLF, Vilmorin gave 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 makes commitments to buy certain quantities of seeds from growers.

Within the context of its operations to sell the garden products activities, in particular the companies Flora Frey and Carl Sperling sold on June 30th 2008, a provision of 5.4 million Euros was set up as a result of the commitments made for the sale. The remaining sum of this provision on June 30th 2012 stood at 3.3 million Euros.

Note 32 - Transactions between interested parties

1 - Associated companies

These are companies in which Vilmorin exerts significant influence and which are consolidated using the equity method.

Transactions with associated companies are carried out on the basis of a market price.

The debts and receivables with regard to companies consolidated using the equity method are not significant. The main figures for companies consolidated using the equity method are provided in Note 18.

2 - Interested parties with a significant influence on Vilmorin

Vilmorin is held by its majority shareholder Groupe Limagrain. The economic relationships developed with the companies in this Group are summarized in the table below:

2.1 - Receivables and debts on June 30th 2012

In millions of Euros	Assets	Liabilities
Operating debts and receivables	3.7	22.9
Financial debts and receivables	-	-
Total	**3.7**	**22.9**

2.2 - Charges and income for fiscal year 2011-2012

In millions of Euros	Charges	Income
Purchases and sales of goods	-69.2	5.0
Corporate allocations	-10.8	2.3
Other operating charges and income	-22.0	2.2
Financial charges and income	-0.1	0.3
Total	**-102.1**	**9.8**

3 - Remuneration of the Top Executives

In millions of Euros	06.30.12	06.30.11	06.30.10
Global amount of remunerations and benefits paid to the Executive Committee:			
> Short-term benefits	1.6	1.7	1.3
> Benefits paid out after employment	-	-	-
> Other long-term benefits	-	-	-
> Severance pay	1.1	1.0	0.8
> Payment through shares	-	-	-
> Directors' fees paid to the Executive Committee	-	-	-

The Executive Committee comprised five members during fiscal year 2011-2012, as opposed to six in 2010-2011.

On average, the contractual benefits due when a Top Executive's contract is terminated correspond to two years of total remuneration.

3.1 - 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 1.1 million Euros on June 30th 2012, including employer's welfare contributions.

This commitment is assessed by actuaries in order to determine the amount for provisions for severance pay.

Provisions for the severance pay of the Executive Committee is included in the provision for severance pay set out in Note 24.

4 - Further information

4.1 - Groupe Limagrain corporate allocations

Corporate allocations are billed by Groupe Limagrain Holding to the subsidiaries of Vilmorin and to the subsidiaries of Groupe Limagrain on a proportional basis of budgeted expenses. The amount billed came to 12.3 million Euros.

The criteria applied homogeneously throughout Groupe Limagrain to calculate these allocations take several items into account:

- the EBITDA,
- margin on the cost of sales,
- research and development costs,
- payroll.

Each of these criteria is weighted 25% in the global calculation.

4.2 - Vilmorin corporate allocations

In the same way, Vilmorin invoices corporate allocations to all its subsidiaries and to the subsidiaries of Groupe Limagrain according to the same criteria as the Groupe Limagrain allocations mentioned above. The total invoiced came to 21.3 million Euros.

Moreover, Vilmorin also invoices for services of a scientific nature for the seed companies in the Vilmorin group, namely the Field seed and Vegetable seed divisions that work on the professional market. The aggregate amount invoiced to the subsidiaries came to 11.5 million Euros. The criteria applied homogeneously throughout the Vilmorin group to calculate these allocations take two items into account for services of a scientific nature:

- research and development costs,
- the EBITDA.

Each of these criteria is weighted 50% in the global calculations.

4.3 - Cash flow agreements and pooling of exchange risks
Companies have signed agreements with Vilmorin in order to optimize the management of their cash flow under conditions that provide lenders with a financial margin of 0.18% over the average monthly EONIA rate.

Moreover, Vilmorin centralizes its foreign currency risk hedges for its subsidiaries. The main currencies hedged are the US dollar, the GB pound, the yen and the Australian dollar (cf. Note 30 paragraph 2.1).

4.4 - Other operations
Other operations correspond to current commercial transactions made on the basis of market prices.

Note 33 - Potential liabilities

As they run their businesses, Vilmorin's operating companies are exposed to claims on the products they have sold, and such claims are generally covered by their insurance policies.

At the time the accounts were closed, there was just one claim for a total of three million Canadian dollars. Since the claimant has no basis for the claim, no provision has been made in the financial statements.

Note 34 - Events occurring after close

Through its subsidiary Harris Moran, Vilmorin acquired the breeding and distribution activity of tomato and sweet pepper seeds from the group Campbell Soup.

APPENDIX - CONSOLIDATION SCOPE 2012

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
FIELD SEEDS						
Biogemma SAS	France	1 rue Edouard Colonne – 75001 Paris	412 514 366	55.01	55.01	GI
Biogemma UK Ltd	United Kingdom	Science Park - 200 Milton Road - Cambridge CB4 0GZ		100.00	55.01	GI
Biogemma USA Corp	United States	Corporation service Company – 2711 Centerville Road, Suite 400 - Wilmington 19808 - Delaware		100.00	55.01	GI
Genoplante-Valor SAS	France	523 Place des Terrasses – 91034 Évry	439 202 821	25.00	22.00	EM
1 - Limagrain Europe						
Limagrain Clovis Matton Belgium	Belgium	5 rue du Quai – 8581 Avelgem-Kerkhove		100.00	95.20	GI
De Wulf & Co	Belgium	58 rue de la Gare – 7780 Comines Warneton		100.00	95.20	GI
GIE Semences de Brie	France	RD 402 – 77390 Chaumes-en-Brie	388 147 845	50.00	47.60	PI
Limagrain DK	Denmark	Marsalle III - 8700 Horsens		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 Central Europe Cereals Sro	Czech Republic	Praha 9 – Podedvorska 755/5 – 19800 - Kyje		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'Etang – BP 3 – 77390 Verneuil l'Etang	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 Frescarolo 115 - Busseto PR 43011		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 Nederland Holding BV	Netherlands	Van der Haveweg 2 - 4411 RB Rilland		100.00	95.20	GI
Limagrain RU LLC	Russia	Odesskaya street 41/43, 3rd floor – Office 1 – 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
Nickerson Sugar Beet Seed Ltd	United Kingdom	Market Rasen - LN7 6DT Rothwell – Lincolnshire		100.00	95.20	GI
Seedline	Belgium	5 rue du Quai – 8581 Avelgem-Kerkhove		100.00	95.20	GI
Soltis SAS	France	Domaine de Sandreau 31700 Mondonville-Blagnac	420 327 231	50.00	47.60	PI
Unisigma GIE	France	2 rue Petit Sorri – 60480 Froissy	317 760 668	46.00	43.79	EM
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 N0P 1Z0		50.00	50.00	PI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
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	61.01	GI
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		61.02	61.02	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	GI
5 - Limagrain South America						
Limagrain Argentina SA	Argentina	Calle Esmeralda 130 4to piso – Buenos Aires		90.00	90.00	GI
Limagrain do Brasil Participações Ltda	Brazil	Avenida Pedroso de Moraes - 2101, 4° andar, sala 13-CEP 05419-001-Sao Paulo		100.00	100.00	GI
Limagrain Guerra do Brasil SA	Brazil	PR, na Rod. PR280, KM 140 - numero 8801 - Bairro Cristo Rei - CEP 85508-280 Pato Branco		70.00	70.00	GI
Brasmilho SA	Brazil	Rod GO 080 Margem Direita A 150 Metros - KM60 - 76.380.000 Zona rural - Goianesia		85.00	85.00	GI
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	GI
Clause SA	France	Rue Louis Saillant – 26800 Portes-les-Valence	435 480 546	99.97	99.97	GI
Clause (Thailand) Ltd	Thailand	11th 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	GI
Clause Maghreb EURL	Algeria	Villa n°192 Quartier Amara 2 - Lotissement Alioua Fodhil – Chéraga – 16002 - Alger		100.00	99.97	GI
Clause Polska Sp.zo.o.	Poland	ul. Kbicka 32A - KRZECZOWICE		100.00	99.97	GI
Clause Spain SA	Spain	Paraje La Reserva s/n Apdo Correos n°17 La Mojonera Almeria 04745		100.00	99.97	GI

Name	Country	Head Office	% Voting rights	% Interest	Consolidation 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	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
HM-CLAUSE Tohumculuk Tarým Sanayi ve Ticaret Anonim Sirketi	Turkey	Ali Cetinkaya Caddesi No : 125/7 07300 Antalya	99.99	99.96	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	GI
Hazera do Brasil Comercio de Sementes Ltda	Brazil	Rua Iris, 75 Holambra 13825-000 Sao Paulo	100.00	100.00	GI
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 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 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 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 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	GI
Nickerson Zwaan Ltd	United Kingdom	Joseph Nickerson Research Centre Market Rasen LN7 6DT Rothwell	100.00	100.00	GI
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 SA						
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, 2nd 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	99.96	GI
Vilmorin SA	France	Route du Manoir – 49250 La Ménitré	562 050 864	99.95	99.95	GI
9 - Mikado Kyowa Seed						
Mikado Kyowa Seeds Co Ltd	Japan	15-13 Nanpeidai-cho-Shibuya-Ku 150-0036 Tokyo		85.73	80.68	GI
Dalian Mikado International Seed Co Ltd	China	Room 2702 – Liangiju International Building – Dalian - 116011		80.00	64.54	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						
C.H. Van Den Berg BV	Netherlands	Nijverheidsweg 1 (1693) Am Wervershoof		100.00	99.99	GI
Cnos Garden Sp. zo.o.	Poland	ul. Ks.P. Wawrzyniaka 2 62-052 - 62-052		100.00	99.99	GI
Vilmorin Jardin SA	France	65, rue de Luzais - BP 37 38291 St Quentin Fallavier	959 503 111	99.99	99.99	GI
11 - Suttons						
Suttons Seeds (Holding) Ltd	United Kingdom	Woodview road – Paignton Devon - TQ4 7NG		100.00	100.00	GI
Holdings & Biotechnologies						
> Genective SA	France	5 rue Saint-Germain l'Auxerrois – 75001 Paris	513 533 612	74.88	74.88	GI
> Mikado Seed Holding K.K.	Japan	1-4-11 Ohnodai, Midori-ku - 267-0056 Chiba-shi		79.78	79.78	GI
> VCC Japan KK	Japan	15-13 Nampeidaicho - Shibuya-Ku Tokyo		100.00	100.00	GI
> Vilmorin & Cie SA	France	4 Quai de la Mégisserie – 75001 Paris	377 913 728	100.00	100.00	GI
> VCO Participations SAS	France	Rue Limagrain – 63720 Chappes	523 301 976	100.00	100.00	GI
> Vilmorin Hong-Kong Ltd	China	Level 28, Three Pacific Place, 1Queen'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	GI

Consolidation method: GI: global integration PI: proportional integration EM: equity method

RESOLUTIONS OF THE JOINT ANNUAL GENERAL AND EXTRAORDINARY MEETING OF DECEMBER 12TH 2012

RESOLUTIONS OF AN ORDINARY NATURE

First resolution

Approval of the annual corporate financial statements and full discharge to the Board of Directors

After hearing the reports of the Board of Directors and the Statutory Auditors on the annual financial statements, the Annual General Meeting of shareholders (AGM) approves the corporate financial statements for the fiscal year closing on June 30th 2012 as presented to the meeting, and the general running of the company as described in the above-mentioned financial statements and reports.

As a result the AGM gives full discharge to the members of the Board of Directors for their management of the company for fiscal year 2011-2012.

Second resolution

Regulatory agreements

After hearing the special report of the Statutory Auditors on operations governed by article L.225-38 of the French Commercial Code, the AGM approves the agreements concerned.

Third resolution

Application of the profits

The AGM, following the proposal of the members of the Board of Directors, decides to apply the profits of 35,189,797.73 Euros in the following manner:

Net profit on June 30th 2012	35,189,797.73 Euros
Application to legal reserve	1,759,489.89 Euros
Profit available on June 30th 2012	33,430,307.84 Euros
Brought forward	54,176,314.29 Euros
Dividends to distribute	28,409,866.65 Euros
To carry forward	59,196,755.48 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 Euro per share.

The AGM decides that the dividends will be detached on December 17th 2012 and will be paid on December 20th 2012.

Fourth resolution

Approval of the annual consolidated financial statements and full discharge to the Board of Directors

After hearing the reports of the Board of Directors and the Statutory Auditors on the annual financial statements, the AGM approves the consolidated financial statements for the fiscal year closing on June 30th 2012 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 2011-2012.

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 2011-2012, at 21,200 Euros.

Sixth resolution

Purchase and sale by the company of treasury shares

After acknowledging the report of the Board of Directors, the AGM gives authorization to the Board of Directors, with the faculty of sub-delegation, in compliance with the provisions of article L.225-209 et seq. 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 22nd 2003, to purchase or delegate the purchase of the company's shares with the aim of:

- insuring liquidity and managing the market for shares through a fully independent investment provider service, with which Vilmorin has signed a liquidity contract in compliance with applicable legislation,
- handing over shares when rights are exercised with regard to securities that provide access by whatever means, immediately or when due, to company shares,
- holding or handing over shares for the purposes of exchange or payment for external growth operations, in compliance with recognized market practices and regulations in force,
- following any other practice that is authorized or recognized by the Autorité des marchés financiers or any other objective compliant with regulations in force.

The AGM fixes the maximum purchasing price at 120 Euros per share, and fixes the maximum number of shares liable to be purchased at one million shares, representing a maximum potential sum of 120 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 14th 2011 regarding the unused proportion on this date.

The AGM grants full powers to the Board of Directors, with the faculty to delegate, to apply the present authorization, place an order on the stock market, sign any agreements, carry out any formalities and declarations with any organizations, and in more general terms, to do all that is required to implement the decisions it has taken with regard to the present authorization.

The Board of Directors shall inform the AGM of any operations carried out, in compliance with applicable regulations.

Seventh resolution

Issue of bonds and other assimilated debt securities

After acknowledging the report of the Board of Directors, the AGM delegates full authority to the Board of Directors to take decisions to proceed in one or several operations, whether in France or another country and/or on international markets, in Euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 300 million Euros or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies.

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

Full authority is granted to the Board of Directors to proceed with these issues in the limits fixed above, in compliance with legal provisions and with the by-laws, and in particular:

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

The Board of Directors will also have full powers to decide, 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 14th 2011.

RESOLUTIONS OF AN EXTRAORDINARY NATURE

Eighth resolution

Increase of the capital stock through the incorporation of issue premiums, reserves, profits or any other items with a view to allocating free shares to shareholders

After acknowledging the report of the Board of Directors, and in particular articles L.225-129-2 and L. 225-130 of the French Commercial Code, the AGM, deliberating in compliance with the conditions of quorum and majority required for Extraordinary General Meetings of shareholders:

- delegates to the Board of Directors, for the duration of twenty-six months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed with one or several increases in capital stock, in the proportion and at the time it deems most opportune, through the incorporation in the capital stock, issue premiums, reserves, profits or any other items for which capitalization complies with legislation and the by-laws in the form of allocating free shares to the shareholders.

- decides that the total amount for any increases in the capital stock liable to be made must not exceed 75 million Euros. This ceiling shall remain distinct and autonomous with regard to the ceiling fixed in the twelfth resolution or any other resolution that replaces it, and may not in any circumstances exceed the total amount of above-mentioned issue premiums, reserves, profits or other items that exist before the increase in capital stock, exclusively of any extra shares issued, in compliance with applicable regulatory and legislative provisions, and where appropriate, with any contractual stipulations allowing for other cases of adjustment, to preserve the rights of bearers of securities or other rights providing access to the capital stock.
- decides that, in the case where the Board of Directors exercises this delegation, in compliance with the provisions of article L. 225-130 of the French Commercial Code, the rights of allotment forming odd lots shall not be negotiable, and that the corresponding securities shall be sold; the amounts deriving from the sale shall be allocated to the holders of the rights according to the conditions established by the regulations.
- grants full powers to the Board of Directors, with the option of sub-delegation under the conditions set by law, to implement this delegation and notably determine the issuance terms and conditions, deduct from one or more available reserve accounts the costs relating to the corresponding capital stock increase and if deemed appropriate, deduct all sums necessary to bring the legal reserve up to at least ten per cent of the new capital stock after each issuance, take due note of the completion of all increases in capital stock resulting therefrom and perform all necessary formalities to complete any increases in capital stock.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Annual General Meeting of shareholders on how it has used the authorizations granted in this resolution.

Ninth resolution

Issue, 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 of the French Commercial Code, and in particular articles L.225-129-2, L.228-91 to L.228-93, the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of shareholders:

- delegates to the Board of Directors, for the duration of twenty-four months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed - whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in Euros or any other currency or unit of account fixed in reference to several currencies, with pre-emptive shareholder subscription rights - with the issue of ordinary shares and/or securities providing access immediately or when due, to company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by capital increase.

  The present delegation can be used for one or several issues in application of article L.228-93 of the French Commercial Code.

  Any preferential share and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation.

- decides that the nominal amount for any increases in the capital stock that are immediate and/or at a due date, and that are liable to result from the present delegation cannot be greater than 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 twelfth 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 stimulated by law, the shareholders can exercise their pre-emptive right to subscription, without reduction. Moreover the Board of Directors may institute, for the benefit of the shareholders, a pre-emptive subscription right with deduction which may be exercised proportionately to their rights and within the limit of the number requested.

  If subscriptions without reduction, or where appropriate with reduction, have not absorbed all the issue of shares or securities providing access to the capital stock as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.

- acknowledges that the present delegation gives full preference to bearers of securities issued that provide access to the company's capital stock, if the shareholders renounce their pre-emptive right to subscribe the ordinary shares to which these securities otherwise give the right.

- decides that stock purchase warrants in the company may be issued either by subscription offers, or by free allotment to those who already hold shares.

  Where autonomous stock subscription warrants are allocated free, the Board of Directors will be entitled to stipulate that any odd lots of allotment rights are not negotiable, and that the corresponding securities may be sold.

- grants full powers to the Board of Directors to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to 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.

Tenth 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 twenty-four months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed, whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in Euros or any other currency or unit of account fixed in reference to several currencies, without pre-emptive shareholder subscription rights - with the issue of ordinary shares and securities providing access immediately or when due, to company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by 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 twelfth 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 d'Euronext Paris stock market preceding the date this price is fixed, reduced where necessary by the maximum discount of 5% stipulated by legislation in force.

- decides that the Board of Directors will be responsible, with the faculty of sub-delegation, for fixing the price of issuing ordinary shares or securities granting the right to the company's capital stock.

- decides that if the subscriptions of shareholders and the public have not absorbed all the issue of shares or securities as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.

- grants full powers to the Board of Directors, to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to paid up, and the conditions in which these securities procure the right to ordinary shares in the company, and to determine how, where relevant, they can be bought back on the Paris stock market, how they can be cancelled and the possibility of suspending the exercise of rights to allot ordinary shares associated to securities to be issued, and determine how to protect the interests of the holders of securities that, upon maturity, provide access to the capital stock, in compliance with legislative and regulatory provision.

- decides, furthermore, that when securities for issue consist in, or are associated to debt securities, the Board of Directors will have full powers, with the faculty of sub-delegation, to decide whether they are perpetual or not, their remuneration, and, where relevant, mandatory or facultative cases of suspension or non-payment of interest, their duration, the possibility of reducing or increasing the nominal value of the securities and other methods of issue and amortization.

  When securities for issue consist in, or are associated to debt securities, the Board of Directors will decide whether they are subordinated or not, will fix their rate of interest and how this interest is to be paid, whether they are perpetual floating or not, their fixed or variable price of redemption, with or without premium, the possibility of reducing or increasing the par value of the securities, and all other methods of issue and amortization according, in particular, to market conditions and the conditions in which these securities grant the right to shares in the company.

  Where appropriate, the securities to be issued may be associated with warrants granting the right to the allotment, acquisition or subscription of bonds or other debt securities, or may stipulate that the company may issue debt securities, whether fungible treasury bonds or not, to pay for interest that has been suspended by the company, or take the form of complex bonds as defined by the stock market authorities.

  The Board of Directors may decide, during the life cycle of the securities concerned, to modify the provisions presented above, on condition that applicable formalities are respected.

- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the legal reserves required, and take all necessary measures, and reach any agreements to insure the successful conclusion of the issues envisaged and to record any capital increases that result from any issue made through this delegation and modify the by-laws accordingly.

- finally, decides that this delegation supersedes any previous delegation with the same object, for any unused sums.

  If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Annual General Meeting of shareholders on how it has used the authorizations granted in this resolution.

Eleventh resolution

Possibility to make use of the ninth and tenth 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 ninth and tenth resolutions, if any takeover or security exchange bid were to be made with regard to the securities issued by the company.

The AGM decides that the Board of Directors shall have all powers, with the faculty of sub-delegation, to implement this present delegation in conditions laid down by the law.

This present delegation is granted for a period of twelve months that will expire at the end of the Annual General Meeting called to deliberate on the financial statements closing on June 30th 2013.

Twelfth 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 ninth, tenth and eleventh resolutions above, whether immediate, deferred or potential, and also any issue of securities according to the provisions of the seventh resolution above, shall not globally exceed the total nominal value of 450 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.

Thirteenth resolution

Increase in the capital stock reserved for employees

After hearing the reports of the Board of Directors and the Statutory Auditors, the AGM, deliberating within the framework of article L.225-129-6 of the French Commercial Code, decides to increase the capital stock reserved for employees participating in a company or group savings plan.

The AGM delegates to the Board of Directors the powers necessary to take decisions to proceed with the increase in the capital stock, in one or several operations, in the proportion and at the time it deems most opportune, through the issue of shares in the capital stock or securities providing access to the company's capital stock, with 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 14th 2011.

RESOLUTION OF AN ORDINARY CHARACTER

Fourteenth resolution

Delegation of powers

The AGM grants full powers to the bearer of a copy or extracts of the minutes recording the present deliberations with the aim of completing all legal and administrative formalities as required.

GLOSSARY

BIOLOGICAL FIGHT:
The fight against crop pathogens using their natural predators.

BIOTECHNOLOGY:
The application of science and engineering to the use of living organisms in their natural or modified forms.

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.

IN VITRO CULTURE:
Propagation of cells in an experimental situation outside the organism. Biological or chemical work done in the test tube (in vitro is Latin for "in glass") rather than in living systems.

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).

MYCOTOXIN:
Toxic substance produced by fungi or molds on agricultural crops that may cause sickness in animals or humans that eat feed or food made from contaminated crops.

ORGANOLEPTIC:
Relating to perception by the use of a sensory organ (for example taste and smell).

PATHOGEN:
Pathogens are infectious or toxin forming micro-organisms causing disease.

PHENOTYPING:
Different techniques to observe the outward appearance (structure) or other visible characteristics of an organism as expressed by the DNA of its genotype.

SALES FROM PROPRIETARY VARIETIES:
Sales made on varieties coming out of the research programs of Vilmorin.

SEED MULTIPLICATION FARMER:
Farmer specialized in large-scale multiplication or production of seed, with a view to selling the seed.

SEED TECHNOLOGY:
The science dealing with the methods of improving physical and genetic characteristics of 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.

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:
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