

August 6, 2018, at 5:40 pm CET

SALES FOR THE FISCAL YEAR ON JUNE 30, 2018

- ❖ STRONG BUSINESS GROWTH FOR THE FOURTH QUARTER: +10.9%*
- ❖ SLIGHT INCREASE IN SALES FOR THE YEAR: +0.7%, IN LINE WITH THE OBJECTIVE
- ❖ OUTLOOK FOR 2017-2018: CONFIRMATION OF A LOWER CURRENT OPERATING MARGIN RATE

* On a like-for-like basis

Closing on June 30, 2018, sales for the fourth quarter, corresponding to revenue from ordinary activities, came to 357.7 million euros, up 4.1% with current data compared to the previous fiscal year. Restated on a like-for-like basis (currency and business scope), they grew by 10.9% compared with 2016-2017.

Consequently, consolidated sales for fiscal year 2017-2018 came to 1,346 million euros, a decrease of 4.8% with current data compared to the previous fiscal year; on a like-for-like basis, they increased by 0.7%, in line with the latest objective fixed (i.e. slight growth in sales on a like-for-like basis).

In millions of euros	2016-2017	2017-2018	Variation with current data	Variation like-for-like
Sales for the fourth quarter	343.7	357.7	+4.1%	+10.9%
Vegetable Seeds	236.8	233.6	-1.4%	+6.1%
Field Seeds	94.5	111.1	+17.6%	+23.3%
Garden Products and Holdings	12.4	13.0	+4.7%	+6.8%
Sales for the fiscal year	1,414.0	1,346.0	-4.8%	+0.7%
Vegetable Seeds	735.8	673.1	-8.5%	-0.4%
Field Seeds	626.0	623.3	-0.4%	+2.3%
Garden Products and Holdings	52.2	49.6	-4.9%	-4.3%

NB: on page 5 of this press release you will find sales split up per quarter and per division.

Consolidated financial information is established in compliance with the IFRS reference (International Financial Reporting Standards), as applied by the European Union on June 30, 2018.

The evolution of data for fiscal year 2017-2018 is analyzed both with current data and on a like-for-like basis. Like-for-like data concern data that are restated for constant scope and currency exchange rates. Accordingly the average exchange rate for fiscal year 2017-2018, and any changes in the scope, are applied to financial data for 2016-2017, in order to be comparable with data from fiscal year 2017-2018.

- The only change to the consolidation scope is the stake of 49% in the capital stock of Prime Seed Co (Zimbabwe. Vegetable Seeds) purchased in April 2017.
- The change in the scope of activity relates to the withdrawal by the Business Unit Vilmorin-Mikado (Vegetable Seeds) from the distribution of agricultural supplies in Japan.

STRONG BUSINESS INCREASE FOR THE FOURTH QUARTER 2017-2018: +10.9% ON A LIKE-FOR-LIKE BASIS

• Vegetable Seeds Division

A quality fourth quarter, reflecting a rebound in business

Over the fourth quarter, the Vegetable Seeds division recorded sales of 233.6 million euros, a decrease of 1.4% with current data and up significantly on a like-for-like basis: +6.1%.

With a determining role in the overall performance of Vegetable Seeds, this quarter is confirmation of a very high level of commercial activity, particularly compared with the fourth quarter of 2016-2017, which posted very strong growth. The rebound in business is shown, for example, by sales of carrot seeds, moreover confirming Vilmorin & Cie's operational agility in dealing with ever more complex phytosanitary regulations. Vilmorin & Cie also posted fine performances for several regional crops, such as witloof chicory and corn salad, for which it has managed to develop top-rate positions.

Moreover, Vilmorin & Cie was particularly careful with the timing of sales made at the end of this fiscal year, bearing in mind the situation of surplus inventories in the distribution networks which had begun during the last quarter of 2016-2017. The activity was also affected temporarily by the transient contraction of several markets, in particular onion.

Nevertheless, the business growth recorded over the fourth quarter was not sufficient to reach the annual objective. Vegetable Seeds sales for fiscal year 2017-2018 came to 673.1 million euros, down by 8.5% with current data compared with the previous year. Restated on a like-for-like basis, they were down 0.4 %, below the objective announced last April (which was +2% on a like-for-like basis).

This more difficult fiscal year is the direct result of more contrasting markets this year, due to several one-off difficulties: high inventory levels among distributors, particularly in North America, logistical problems linked to phytosanitary regulations, a one-off drop in certain market segments.

It should also be emphasized that the programmed withdrawal of the agricultural supplies distribution activity of the Business Unit Vilmorin-Mikado in Japan was deployed swiftly and represents a total impact higher than 22 million euros for the full fiscal year. For fiscal year 2018-2019, the residual impact will be around 7 million euros.

Moreover, Vilmorin & Cie managed to win new market shares over the fiscal year on vegetable seed markets whose fundamentals remained intact. The increase in business was particularly marked in certain regions with high potential, particularly Asia (China and India) and South America (Brazil and Argentina). As a result, Vilmorin & Cie can confirm its world leadership on vegetable seed markets and reaffirm its confidence in a continuing growth dynamic over the coming years.

• Field Seeds Division

An excellent performance for the 4th quarter

Over the fourth quarter, the Field Seeds division made sales of 111.1 million euros, growth with current data of 17.6% compared to the same period of the previous fiscal year. On a like-for-like basis, activity progressed by 23.3%.

- In Europe, Vilmorin & Cie achieved an excellent end to the commercial campaign, posting a very strong increase in sales for the fourth quarter (100.4 million euros): +23.8% on a like-for-like basis.

This performance can be explained in particular by a late spring campaign, due to weather conditions in Western Europe, and by the strong increase in sales in Eastern Europe, especially in Ukraine and Russia. At the same time, Vilmorin & Cie recorded a slight drop in cereal seed royalties (wheat, barley), due to the decline in the commercial seed market, particularly in France.

Over the full fiscal year, activity in Europe (542 million euros, i.e. +3.6% on a like-for-like basis) posted fine growth. In a market context which remains difficult, characterized by the low level of prices for agricultural production, this increase is a clear indication that market shares were gained in corn and sunflower.

- In its other development zones (South America, Asia and Africa), Vilmorin & Cie recorded, over a fourth quarter of little significance, sales of 10.7 million euros, up by 18.6% on a like-for-like basis compared with fiscal year 2016-2017.

On June 30, 2018, sales for the year stood at 81.4 million euros, down by 5.7% on a like-for-like basis compared with the previous fiscal year.

In South America, business fell back by 4% on a like-for-like basis, in a particularly difficult market context this year in Brazil, with a marked drop in corn acreage and strong pressure on prices. In this context, Vilmorin & Cie nevertheless managed to stabilize volumes marketed and thus win market shares.

In Asia, performances varied according to the country, in particular with business on the increase in India, and a disappointing campaign in South-East Asia.

Consequently, sales for Field Seeds for the fiscal year ending on June 30, 2018 came to 623.3 million euros, down by 0.4% compared with fiscal year 2016-2017. On a like-for-like basis, there was an increase of 2.3%, above the objective set last April (corresponding to stability in business on a like-for-like basis), demonstrating very solid business performance in a tense market context.

Finally, with regard to associated companies:

- On the North American market, the sales of AgReliant fell back over the fourth quarter (122.1 million euros⁽¹⁾, which represents -2.5% on a like-for-like basis compared with the previous fiscal year). Over the full year, sales came to 536.7 million euros⁽¹⁾, a drop of 2.8% on a like-for-like basis. Volumes of marketed corn seeds decreased in an environment marked by a slight drop in cultivated acreage for this crop, and by persistent pressure on prices.
At the same time, there was a significant increase in soybean seeds volumes, even though the acreage devoted to this crop fell slightly.
- On the African market, Seed Co achieved a high quality fiscal year, superior to the objectives initially set, in spite of the drop in sales (129 M\$⁽²⁾, i.e. -4.4%), due to a very strong end of previous fiscal year.

⁽¹⁾ Sales at 100%. Bearing in mind application of the standard IFRS 11, AgReliant (50/50 joint venture with the German seed group KWS) has been recorded in the accounts using the equity method since fiscal year 2014-2015.

⁽²⁾ Data at 100% for the fiscal year closing on March 31, 2018. Vilmorin & Cie held 29.4% of Seed Co's capital stock at the end of June 2018.

NEWS: ACQUISITION OF THE COMPANY ADVANSEED (DENMARK. VEGETABLE SEEDS) SPECIALIZED IN SPINACH SEEDS

Vilmorin & Cie has just finalized the acquisition of the Danish company AdvanSeed, specialized in the breeding, production and distribution of seeds for hybrid spinach and leafy vegetables.

Founded in 2005, for the past few years AdvanSeed has been developing its business very fast. Present commercially in 23 countries (mainly in Asia, the Middle East, South America and Europe), the company made sales in 2017-2018 of around 3 million euros.

Through this acquisition, Vilmorin & Cie has complemented its product portfolio, with a new business position for spinach, a crop which it has not worked on until now, and has thus strengthened its global presence in leafy vegetables. Moreover, this targeted external growth operation will allow Vilmorin & Cie to capitalize on the genetic resources of AdvanSeed, exploiting them in the main commercial basins, particularly in California, Europe, China and Japan.

The company AdvanSeed will be operationally integrated into the Vegetable Seeds Business Unit Vilmorin-Mikado.

OUTLOOK FOR 2017-2018

The corporate accounts of the companies in Vilmorin & Cie's consolidation scope are in the final stages of being audited; furthermore, the other operations involved in the consolidation of the financial statements (excluding sales) are still at the validation phase.

On the basis of estimates made to date, Vilmorin & Cie can confirm a marked decrease in its current operating margin rate⁽¹⁾ for fiscal year 2017-2018, after accounting for research investment⁽²⁾ which will stand at under 255 million euros. In 2016-2017, the current operating margin rate stood at 9.2%.

With regard to the contribution of its associated companies, Vilmorin & Cie states that it will be below the contribution of 2016-2017, as a result of the drop in the profitability of AgReliant (North America. Field Seeds) and in spite of the excellent operating performance of Seed Co (Africa. Field Seeds).

Consequently, the net income for the fiscal year will be lower than that of 2016-2017, in spite of the positive fiscal impact due in particular to the lowering of tax rates in France and the United States. In 2016-2017, the net income for the fiscal year stood at 90.1 million euros, including a Group share of 86.9 million euros.

(1) *The current operating margin is defined as the accounting operating margin restated for any impairment and reorganization costs.*

(2) *Research investment refers to gross research expenditure before recording any research costs and tax relief for research as fixed assets.*

COMING DISCLOSURES

- Wednesday October 17, 2018⁽¹⁾:
Results for fiscal year 2017-2018
- Monday November 5, 2018⁽¹⁾:
Sales for the 1st quarter 2018-2019

(1) Dates provided as an indication only, and liable to be changed. Disclosure after trading on the Paris stock market.

FOR ANY FURTHER INFORMATION

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Vilmorin & Cie, the 4th largest seed company in the world, develops vegetable and field seeds with high added value, contributing to meeting global food requirements.



Accompanied by its reference shareholder Limagrain, an international agricultural cooperative group, Vilmorin & Cie's strategy for growth relies on sustained investments in research and international development to durably strengthen its market shares on promising world markets.

True to its vision of sustainable development, Vilmorin & Cie ensures its achievements fully respect its three founding values: progress, at the heart of its beliefs and its mission, perseverance, inherent to farming and the seeds business, and cooperation, in the fields of science, industry and commerce.

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- You can consult a presentation of sales at the end of fiscal year 2017-2018 on the homepage of the website www.vilmorincie.com.

APPENDIX:

SALES FOR FISCAL YEAR 2017-2018 AND EVOLUTION PER QUARTER AND PER DIVISION

In millions of euros	2016-2017	2017-2018	Variation with current data	Variation like-for-like
First quarter	232.0	207.6	-10.5%	-6.5%*
Vegetable Seeds	138.2	109.3	-20.9%	-15.4%*
Field Seeds	85.4	90.4	+5.9%	+7.0%
Garden Products and Holdings	8.3	7.9	-5.5%	-4.9%
Second quarter	271.0	252.5	-6.8%	-1.0%
Vegetable Seeds	148.7	139.4	-6.2%	+2.9%
Field Seeds	116.2	107.5	-7.4%	-5.2%
Garden Products and Holdings	6.2	5.6	-10.0%	-9.6%
Third quarter	567.2	528.2	-6.9%	-1.7%
Vegetable Seeds	212.0	190.8	-10.0%	-0.1%
Field Seeds	330.0	314.3	-4.8%	-2.1%
Garden Products and Holdings	25.2	23.1	-8.2%	-8.2%
Fourth quarter	343.7	357.7	+4.1%	+10.9%
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Field Seeds	626.0	623.3	-0.4%	+2.3%
Garden Products and Holdings	52.2	49.6	-4.9%	-4.3%

* NB: Variations on a like-for-like basis disclosed on November 6, 2017 concerning the first quarter of 2017-2018 did not include the impact of the withdrawal from distribution of agricultural supplies in Japan.