

November 5, 2018, at 5:40 pm CET

## SALES ON SEPTEMBER 30, 2018.....

- ❖ SALES FOR THE FIRST QUARTER 2018-2019:  
 207.5 MILLION EUROS (+5.3% ON A LIKE-FOR-LIKE BASIS)
- ❖ CONFIRMATION OF OBJECTIVES FOR 2018-2019
- ❖ VILMORIN & CIE ACQUIRES THE COMPANIES SURSEM AND GENEZE  
 (SOUTH AMERICA) AND CROSSES A NEW THRESHOLD IN THE  
 INTERNATIONALIZATION OF ITS FIELD SEEDS BUSINESS

**Vilmorin & Cie's consolidated sales for the first quarter of 2018-2019, closing on September 30, 2018, corresponding to revenue from ordinary activities, stood at 207.5 million euros, stable with current data and up 5.3% on a like-for-like basis.**

In millions of euros	2017-2018	2018-2019	Variation with current data	Variation on a like-for-like basis
<b>Sales at the end of the first quarter</b>	<b>207.6</b>	<b>207.5</b>	<b>0.0%</b>	<b>+5.3%</b>
Vegetable Seeds	109.3	103.4	-5.4%	+0.7%
Field Seeds	90.4	96.5	+6.7%	+11.4%
Garden Products and Holdings	7.9	7.6	-3.2%	-1.5%

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

The evolution of data for fiscal year 2018-2019 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 2018-2019, and any changes in the scope, are applied to financial data for 2017-2018, for a true comparison with data from fiscal year 2018-2019.

- The change to the consolidation scope comes from the acquisition of the company AdvanSeed (Denmark. Vegetable Seeds) made in July 2018.
- 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, undertaken in fiscal year 2017-2018.

## SIGNIFICANT INCREASE IN SALES OVER THE FIRST QUARTER 2018-2019, WITH DOUBLE DIGIT GROWTH FOR THE FIELD SEEDS ACTIVITY

### ∴ Vegetable Seeds division: measured growth for the first quarter, marked by wide variations in performances according to geographic regions

Sales for the Vegetable Seeds division stood at 103.4 million euros, down 5.4% compared to the same period of the previous fiscal year. Restated on a like-for-like basis, there was an increase of 0.7%.

Over the course of the first quarter, there was a strong increase in sales of several strategic crops, notably hot pepper, carrot, summer squash and bean. In terms of geographic regions, performances varied. Business increased considerably in certain regions, particularly in North America, indicating a progressive return to a healthier situation in distributors' inventory levels. Asia also posted significant business growth – especially in China with a very dynamic progression of sales of carrot seeds – as did Africa. And at last business is also increasing in Europe.

On the other hand, sales dropped considerably in the Middle East, particularly in Iran and Turkey, and also in South America, all the direct result of the unstable geopolitical and monetary context currently affecting sales activities in these regions.

As a result of the fact that these disruptions lessened the positive effect of the general business recovery, the Vegetable Seeds division posted moderate sales growth on September 30, 2018.

At the end of a quarter that is still not very representative of the fiscal year, Vilmorin & Cie confirms its sales growth target for this activity for fiscal year 2018-2019, i.e. an increase of 2% to 3% on a like-for-like basis compared to 2017-2018.

### ∴ Field Seeds division: an excellent start to the fiscal year

Sales for the Field Seeds division for the first quarter reached 96.5 million euros, up 6.7% with current data and 11.4% on a like-for-like basis.

- ∴ In Europe, the start of the commercial campaign for rapeseed this year saw again a high level of growth, both in volume and value. The growth in business, which concerns Central Europe, Germany and with very strong results in France, is the fruit of a portfolio of technically very efficient products. Vilmorin & Cie is thus strengthening its position as a top-rate European player in this crop. However, this high-quality achievement could be partially offset during the second quarter by an end of campaign affected by the consequences of the drought in Western Europe.

Moreover, the first part of the commercial campaign for straw cereals seeds (wheat and barley) showed a drop in sales in a market environment that remains uncertain.

As for forage and amenity grass seeds, which complete the offering in Europe, sales increased considerably compared with the previous fiscal year, particularly in Germany and the Netherlands.

- ∴ In South America, business is increasing very fast, particularly through the sales of soybean seeds. Vilmorin & Cie is thus strengthening its positions for this crop, which is a relevant complement to its corn offering. Sales for the first corn campaign in Brazil (*safrá*) are stable, reflecting the current evolution of cultivated acreage for this crop, but in a more favorable price context. Orders for the second corn campaign (*safrinha*), for which acreage should increase compared with the previous fiscal year, are looking satisfactory. Furthermore, in Argentina, sales of corn seeds are progressing very significantly both in volume and in value, since the market in this country is growing.
- ∴ For sales in the second half of the fiscal year, which represent the bulk of corn sales all regions combined, seed availability is expected to be adequate, with harvests having taken place in satisfactory conditions.

On the basis of the above, Vilmorin & Cie reaffirms its objective to increase its Field Seeds sales for fiscal year 2018-2019, with growth of 2% to 3% on a like-for-like basis compared to the previous fiscal year.

## NEWS

### ✚ VILMORIN & CIE ACQUIRES THE COMPANIES SURSEM AND GENEZE (SOUTH AMERICA) AND CROSSES A NEW THRESHOLD IN THE INTERNATIONALIZATION OF ITS FIELD SEEDS BUSINESS

Vilmorin & Cie announces the acquisition of two independent South American companies, Sursem and Geneze, from the investment fund Pampa Agribusiness\*.

The two companies breed, produce and distribute mainly hybrid corn seeds, but also wheat, sunflower and soybean seeds. Sursem is active in Argentina and Geneze in Brazil.

With four research centers and two production sites, the two companies also have an extensive commercial network. They made total sales of more than 40 million dollars in 2017 and employ more than 160 people.

With this acquisition, Vilmorin & Cie, which has been running a research activity in Argentina since 2010 (corn, wheat and sunflower), has achieved a significant and highly relevant extension of its organization in terms of research, production, and commercial network, gaining immediate access to commercial positions in corn, wheat and sunflower. Argentina, the 4<sup>th</sup> largest world market for field seeds, has a top rate market with temperate corn germplasm that fits well with the genetic resources of Europe, North America and south of Africa. Furthermore, through this operation, Vilmorin & Cie will consolidate its market shares in Brazil.

This acquisition, which fits in perfectly with Vilmorin & Cie's strategy, means a new major threshold has been crossed in the internationalization of its Field Seeds business, with significant reinforcement of its organization and its commercial positions in South America in major crops.

We recall that, in its fiscal year 2017-2018, Vilmorin & Cie made sales of around 55 million euros on the South American market for field seeds, mainly in Brazil.

*\* This acquisition is made through the acquisition of Mars Holding B.V., a Dutch holding entity which owns Sursem and Geneze.*

### ✚ VILMORIN & CIE CONTINUES TO RISE IN THE GAÏA INDEX, THE REFERENCE STOCK EXCHANGE INDEX FOR MEDIUM-SIZED COMPANIES IN TERMS OF SOCIALLY RESPONSIBLE INVESTMENT (SRI)

In 2016, Vilmorin & Cie integrated the Gaïa Index, which brings together the 70 French securities that obtained the best non-financial ratings from a panel of 230 listed companies<sup>(1)</sup>.

Vilmorin & Cie once again rose in the 2018 rating, reaching 36<sup>th</sup> position out of the 230 companies analyzed (as opposed to 45<sup>th</sup> last year), with an overall score of 79/100. The average score of companies stood at 59/100. This rating is a clear sign of the progress Vilmorin & Cie has made in terms of non-financial performance.

(1) The Gaïa panel comprises 230 Small and Midcaps listed on the Paris stock market, that respect two of the three following criteria: sales < 5 billion €, capitalization < 5 billion €, headcount < 5,000, and whose securities are sufficiently liquid.

Created in 2009 and developed by Ethifinance, Gaïa-Index selects Midcaps for their non-financial performances; it is the reference Sustainable Development index for listed French midmarket companies. The rating is based on more than 130 non-financial criteria (societal, social, environmental and governance).

## OUTLOOK FOR 2018-2019: CONFIRMATION OF OBJECTIVES FOR BUSINESS GROWTH OF 2% TO 3% ON A LIKE-FOR-LIKE BASIS, AND A SLIGHT INCREASE IN THE CURRENT OPERATING MARGIN RATE

Consolidated sales for the first quarter in recent years have represented on average around 15% of sales for the year.

Fiscal year 2018-2019 should continue to be affected by the highly volatile markets, with market conditions probably tense in the field seeds sector and still partly lacking in visibility in vegetable seeds.

In this context, and on the basis of business figures at the end of this first quarter, Vilmorin & Cie can confirm its objectives in terms of sales and current operating margin<sup>(1)</sup> for fiscal year 2018-2019. These objectives correspond to an increase in consolidated sales of 2% to 3% on a like-for-like basis, and a current operating margin rate with a slight increase, estimated to be between 0.5 and 1 percentage points compared with 2017-2018, including research investment<sup>(2)</sup> which should be higher than 250 million euros.

Finally, Vilmorin & Cie is aiming for a contribution from its associated companies – mainly AgReliant (North America. Field Seeds), Seed Co (Africa. Field Seeds) and AGT (Australia. Field Seeds) at least equivalent to that of 2017-2018.

*(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 as fixed assets any research costs and research tax relief.*

## PREPARATION OF THE JOINT ANNUAL GENERAL MEETING FOR 2018

The preparatory documents for the Joint Annual General Meeting of Shareholders to be held on December 7, 2018 can be consulted in French on the company's website ([www.vilmorincie.com](http://www.vilmorincie.com), section "Publications", then "Information réglementée", type "Assemblée Générale – documents préparatoires et de suivi 2018") or requested from the Corporate Finance Department.

### COMING DISCLOSURES AND EVENTS

- **Thursday November 22 and Friday November 23, 2018:**  
Actionaria Fair in Paris
- **Friday December 7, 2018:**  
Annual General Meeting of Shareholders in Paris
- **Wednesday December 12, 2018:**  
Detachment of the dividends
- **Friday December 14, 2018:**  
Payment of the dividends
- **Monday March 4, 2019<sup>(1)</sup>:**  
Sales and results for the first semester 2018-2019
- **Thursday April 25, 2019<sup>(1)</sup>:**  
Sales at the end of the third quarter 2018-2019
- **Thursday August 1, 2019<sup>(1)</sup>:**  
Sales for fiscal year 2018-2019
- **Tuesday October 15, 2019<sup>(1)</sup>:**  
Results for fiscal year 2018-2019

### FOR ANY FURTHER INFORMATION

**Vincent SUPIOT**  
Chief Financial Officer  
[vincent.supiot@vilmorincie.com](mailto:vincent.supiot@vilmorincie.com)

**Valérie MONSÉRAT**  
Head of Financial Communication  
and Investor Relations  
[valerie.monserat@vilmorincie.com](mailto:valerie.monserat@vilmorincie.com)

Tel: + 33 (0)4 73 63 44 85  
Website: [www.vilmorincie.com](http://www.vilmorincie.com)

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



Vilmorin & Cie, the 4<sup>th</sup> 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.

- + You can consult the presentation of sales at the end of the first quarter 2018-2019 on the website [www.vilmorincie.com](http://www.vilmorincie.com), on the homepage.