



# SALES FOR FISCAL YEAR 2018-2019 (ON JUNE 30, 2019)

AUGUST 5, 2019





# AGENDA .....

- ❖ KEY POINTS
- ❖ SALES FOR FISCAL YEAR 2018-2019
- ❖ OUTLOOK FOR THE END OF FISCAL YEAR 2018-2019
- ❖ SCHEDULE AND CONTACTS
- ❖ *GLOSSARY*



## KEY POINTS

- ❖ Solid business increase over the fourth quarter: +7.0%\*
  - ❖ Vegetable Seeds: a very high-level performance over the 4<sup>th</sup> quarter: +6.2%\*
  - ❖ Field Seeds: a quarter with strong growth: +6.9%\*
- ❖ Marked growth in sales for the fiscal year: +4.5%\*, above the objective set
- ❖ Outlook for 2018-2019: clear confirmation of the increase in the current operating margin rate

*\* On a like-for-like basis*



The background of the slide is a close-up photograph of numerous young seedlings growing out of dark, rich soil. The seedlings have white stems and blueish-yellow cotyledons. The top half of the image is partially obscured by a semi-transparent dark grey box containing the title text.

# SALES FOR FISCAL YEAR 2018-2019 (ON JUNE 30, 2019)



## REFERENCES

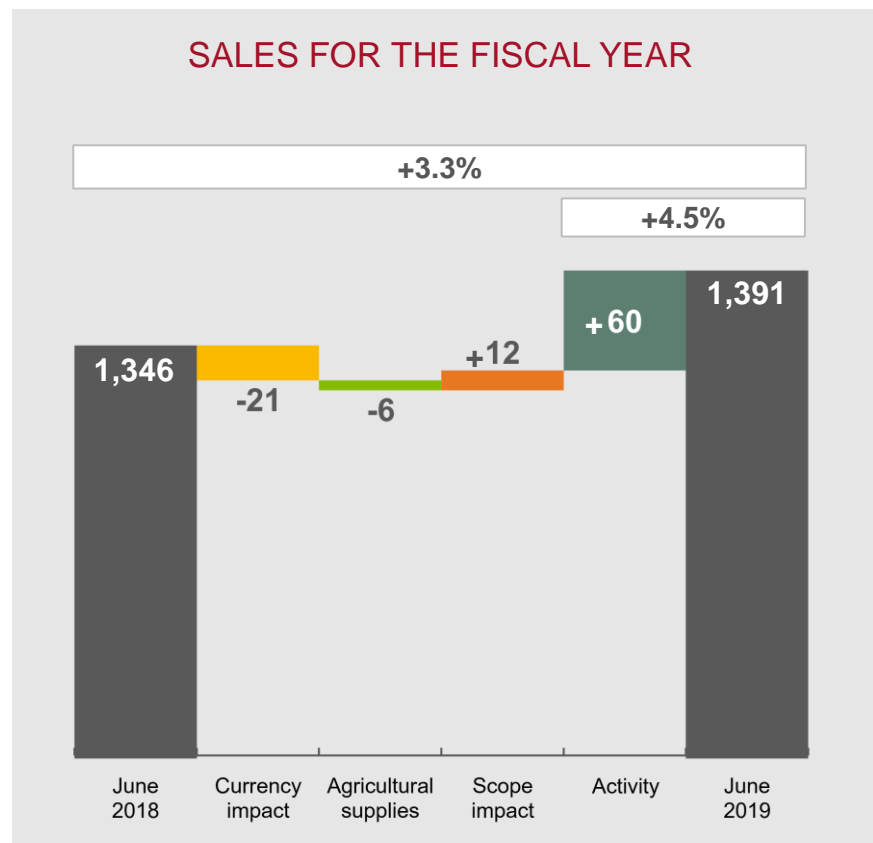
- ❖ Accounting reference
  - ❖ IFRS on June 30, 2019
- ❖ Scope
  - ❖ Consolidation scope: acquisition of the company AdvanSeed (Denmark. Vegetable Seeds), concluded in July 2018; acquisition of the companies Sursem and Geneze (South America. Field Seeds), finalized in December 2018
  - ❖ Activity scope: withdrawal from the distribution of agricultural supplies by the Business Unit Vilmorin-Mikado (Vegetable Seeds) in Japan, initiated during fiscal year 2017-2018
- ❖ Rates of the main currencies on June 30, 2019 (and June 30, 2018)

	average		close	
	June 2018	June 2019	June 2018	June 2019
\$	1.19	1.14	1.17	1.14
¥	132	127	129	123
£	0.89	0.88	0.89	0.90
TRY	4.63	6.40	5.34	6.57
ILS	4.21	4.16	4.26	4.06
BRL	3.96	4.41	4.49	4.35
INR	77.69	80.53	79.81	78.52
MXN	22.35	22.00	22.88	21.82
UAH	31.73	31.13	30.74	29.79
RUB	70.51	74.93	73.16	71.60
ARS	23.27	48.27	33.68	48.27

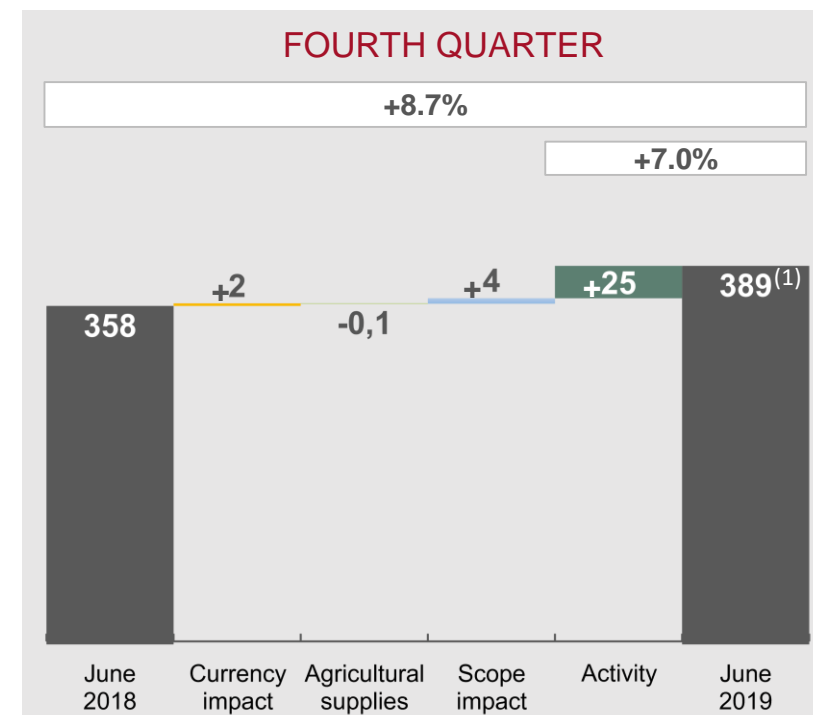


# CONSOLIDATED SALES\*

In M€



\* Revenue from ordinary activities

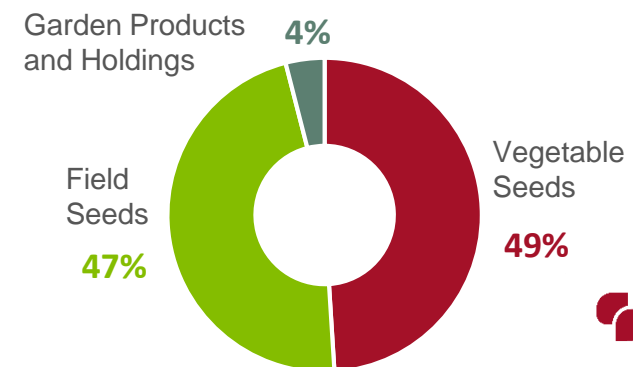


<sup>(1)</sup> of which:

Vegetable Seeds: 250

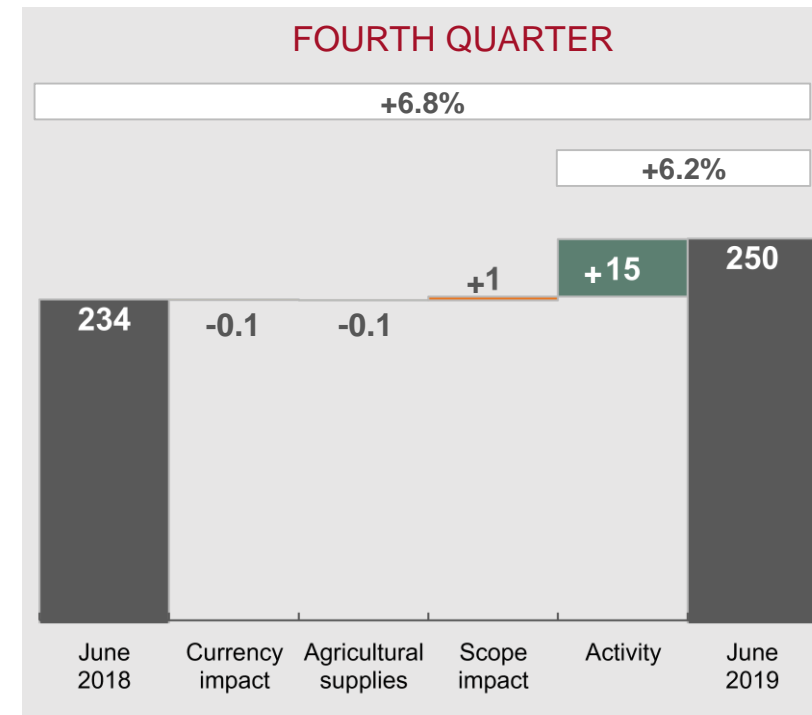
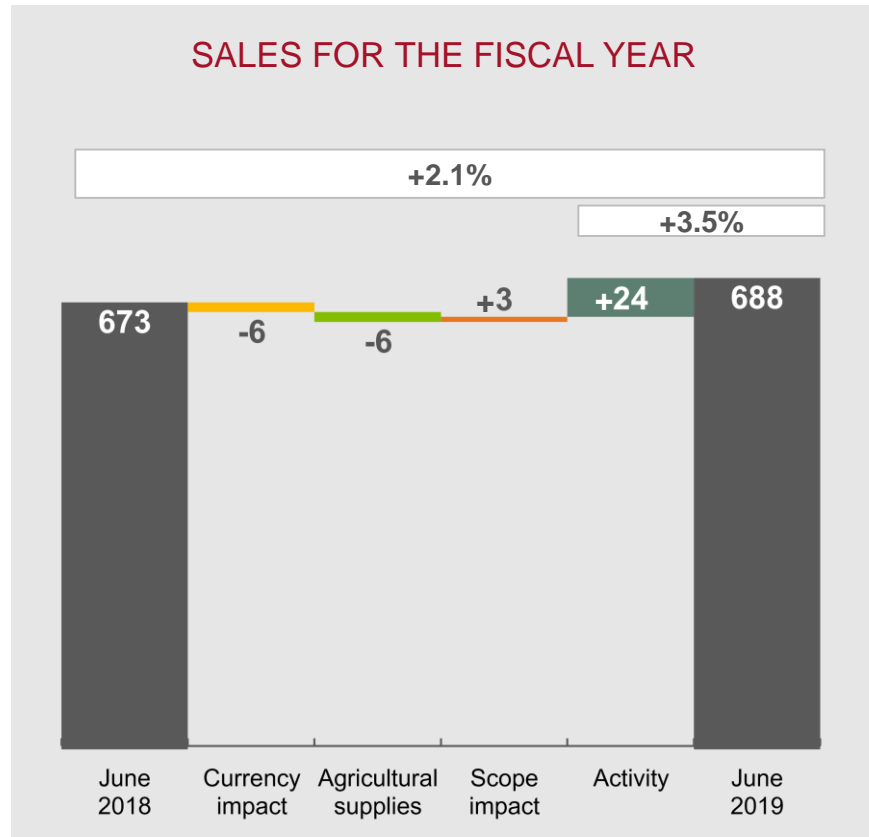
Field Seeds: 124

## SALES\* FOR FISCAL YEAR 2018-2019 BY DIVISION



## SALES\* OF VEGETABLE SEEDS

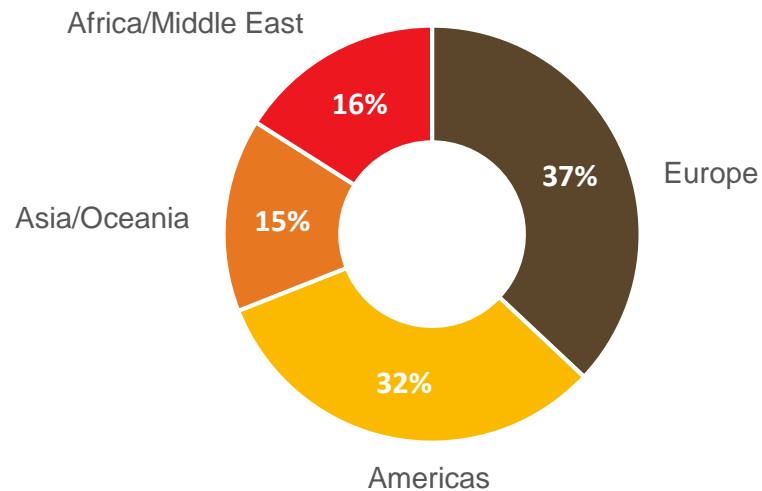
In M€



\* Revenue from ordinary activities

## SALES OF VEGETABLE SEEDS

### ANALYSIS OF VEGETABLE SEEDS SALES\* PER GEOGRAPHICAL ZONE



\* Sales of products



- ❖ Very high-level commercial performance over the 4<sup>th</sup> quarter in spite of a geopolitical and currency rate context that remains tense in several geographical zones.
  - ❖ Increase of business in all regions, with the exception of the Maghreb, penalized by unfavorable market conditions (mainly Morocco).
  - ❖ In South America and the Middle East, significant growth in sales with a particularly dynamic 4<sup>th</sup> quarter, especially in Turkey, in spite of an unstable currency situation.
  - ❖ Clear growth in sales in Europe and Asia (particularly in China).
  - ❖ In North America, confirmation of the return to growth, in part because of the third-party brand business.
  - ❖ Fine performances for several strategic crops (carrot, sweet pepper, melon, cucumber and summer squash) and headway in local crops (kabocha squash in Japan).
- ⇒ Growth in business above the objective set for the year, within contrasting vegetable seeds markets that basically remain promising.

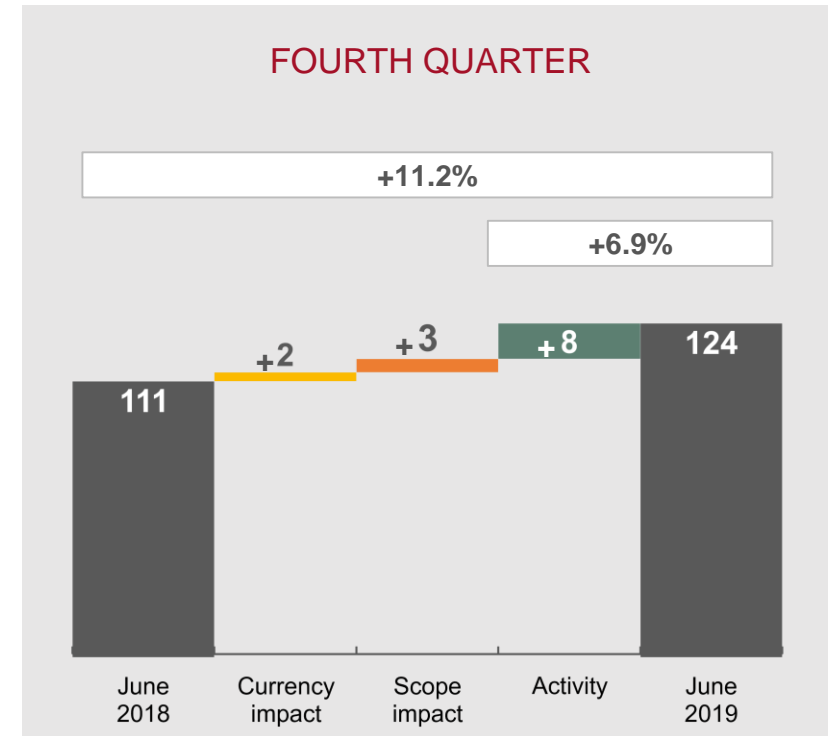
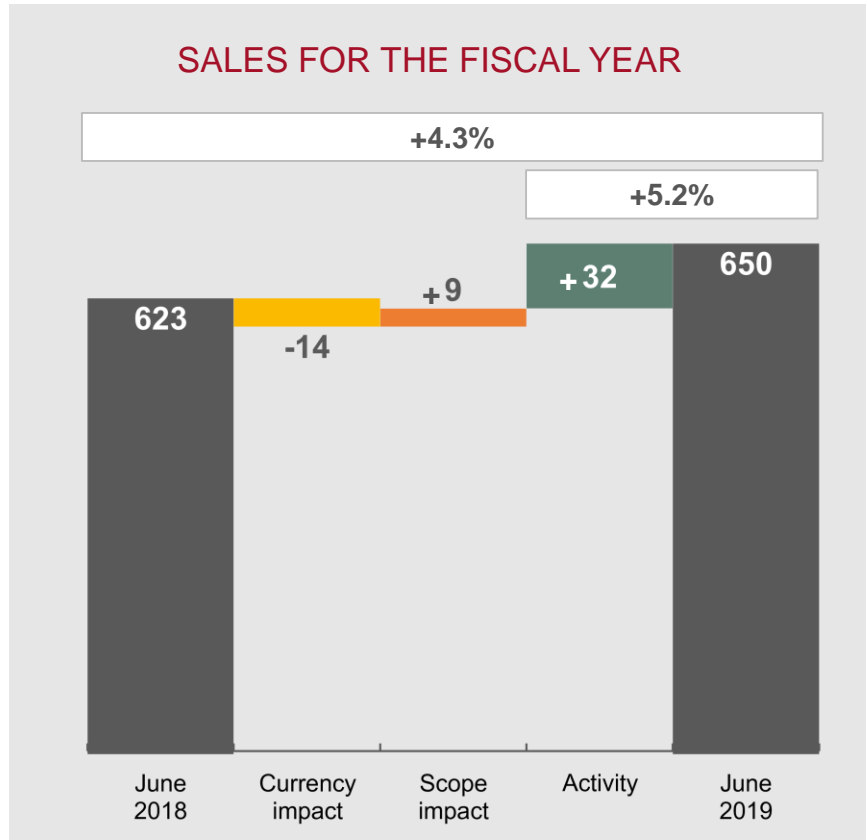


Vilmorin & Cie is now positioned as  
No. 1 worldwide for vegetable seeds,  
demonstrating the pertinence of its strategy



## SALES\* OF FIELD SEEDS

In M€



\* Revenue from ordinary activities,  
after application of IFRS 11 (i.e. excluding AgReliant)

## TRENDS FOR THE FIELD SEEDS MARKETS

- ◆ Corn acreage on the increase on the main markets

**United States**

↗ Acreage

**Europe 28**

↗ Acreage

**Greater Europe**

↗ Acreage

**Brazil**

↗ *Safrá acreage*

↗ *Safrinha acreage*

- ◆ A downward trend for sunflower acreage

**Greater Europe**

↘ Acreage

In an unstable agricultural market environment

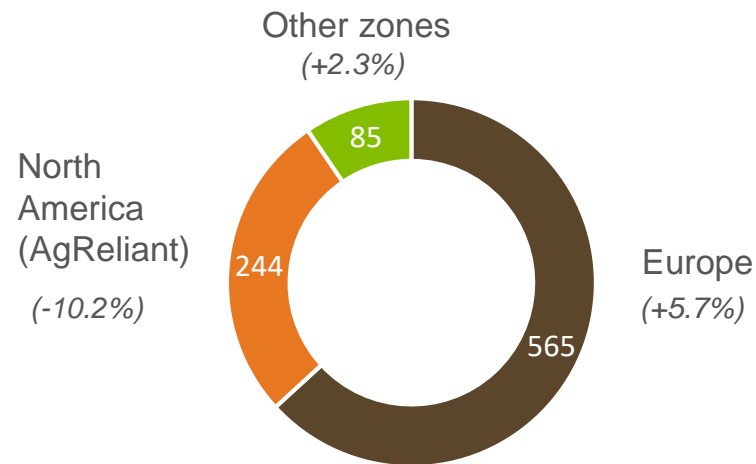




## SALES OF FIELD SEEDS

### TOTAL SALES

(including AgReliant): 894 M€



### ANALYSIS PER GEOGRAPHICAL ZONE

(evolution on a like-for-like basis,  
before application of IFRS 11)

In M€

### Europe

#### ❖ A satisfactory 4<sup>th</sup> quarter:

- ❖ For corn, increase in commercial volumes in most countries, particularly Western and Central Europe.
- ❖ For sunflower, growth in activity mainly in Russia and Turkey, in spite of a reduction in acreage for this crop.
- ❖ Stability of royalties received for straw cereal seeds (wheat and barley).

⇒ Marked growth in activity over the full fiscal year, with increased sales for all the crops, and market share gains particularly for rapeseed.

### Other zones (South America, Asia)

#### ❖ Increase in activity in South America over the 4<sup>th</sup> quarter and the full fiscal year:

- ❖ In Brazil, almost the same level of sales thanks to a successful end to the fiscal year and in spite of the much lower volumes of *safrinha* corn.
- ❖ In Argentina, very strong growth in sales as a result of the increased volumes and reflecting the fact that level of margins held up well.

❖ Integration of the companies Sursem (Argentina) and Geneze (Brazil) going well and almost finalized.

❖ In Asia, contrasting performances depending on the country, with an increase in activity in South East Asia and a difficult campaign in India (late monsoon).

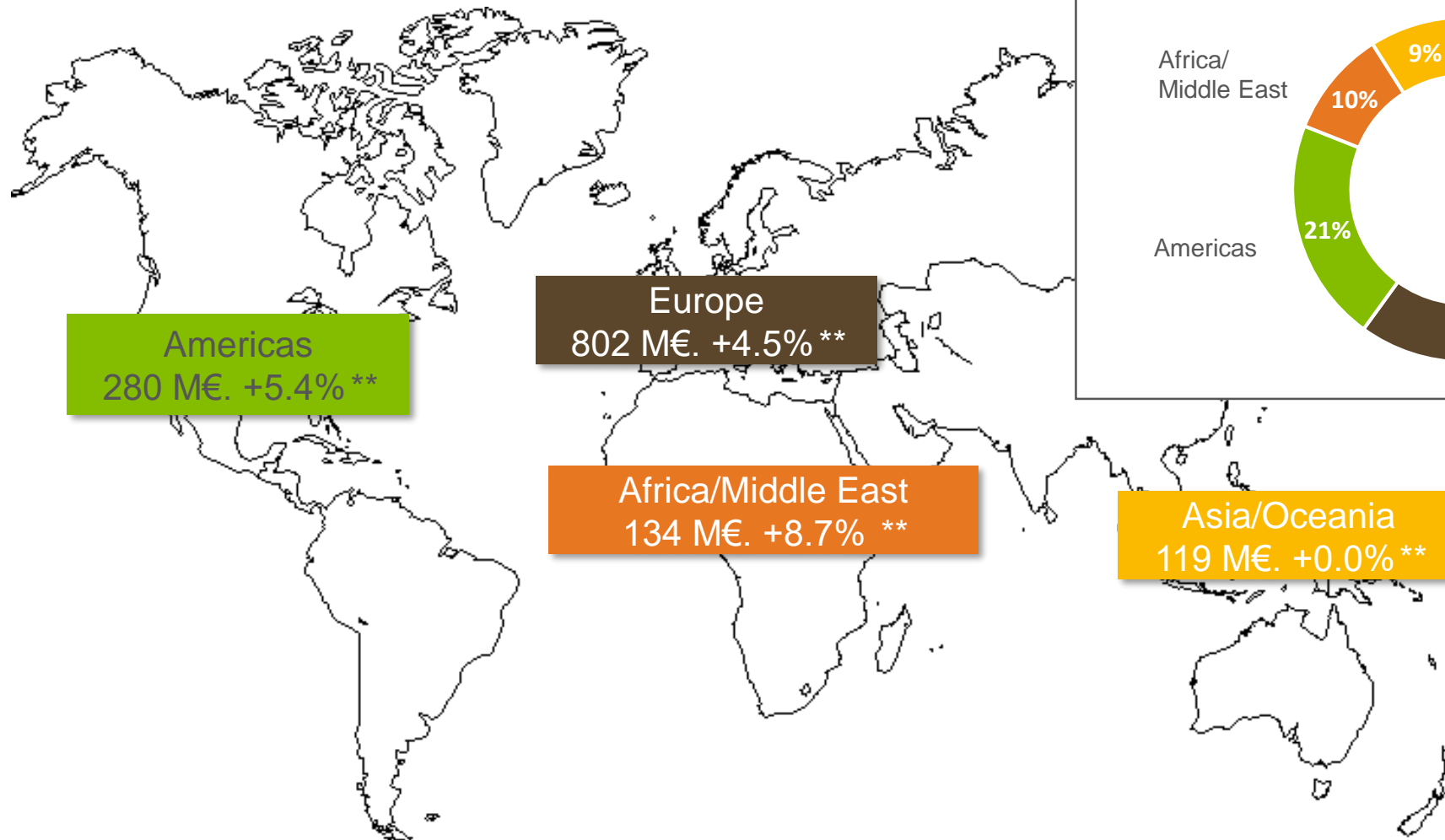


Marked increase in business, well above the objective set for the fiscal year, demonstrating a very good end to the commercial campaign

### Associated companies

- ❖ *North America (AgReliant): Sales down considerably, with sales volumes for corn seeds impacted by the deployment of the new commercial strategy and exceptionally humid weather conditions in May-June.*
- ❖ *Africa (Seed Co): High-quality fiscal year, marked by a strong increase in sales.*

## CONSOLIDATED SALES\* PER GEOGRAPHICAL ZONE

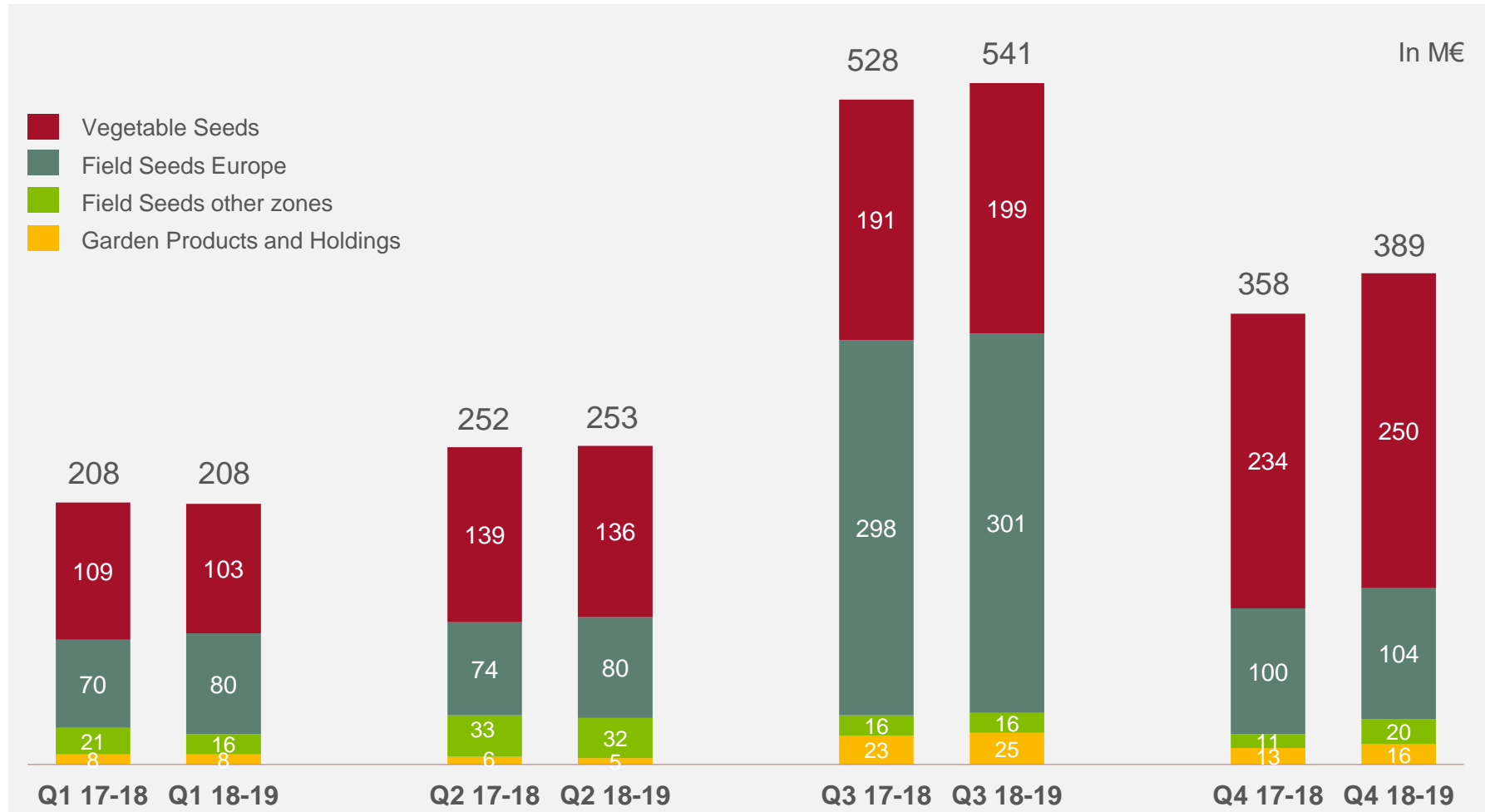


\* Sales of products

\*\* On a like-for-like basis compared with 2017-2018



# CONSOLIDATED SALES\* PER QUARTER



\* Revenue from ordinary activities

# OUTLOOK FOR THE END OF FISCAL YEAR 2018-2019

.....



# ESTIMATED TRENDS

- ❖ Confirmation of the increase in the current operating margin rate which should be close to 1 point, after accounting for research investment of around 240 million euros
- ❖ Global contribution of associated companies below that of 2017-2018
  - After excluding the revaluation profit resulting from the reorganization of Seed Co's international activities (Africa. Field Seeds)
  - As a result of the drop in the profitability of AgReliant (North America. Field Seeds) due to the evolution of its commercial activity as well as extremely unfavorable weather conditions at the end of the fiscal year
  - And in spite of the fine operational performance of Seed Co
- ❖ Slight increase in net income compared to the previous fiscal year

	17-18	18-19 (Trend)
Sales	1,346.0 M€	1,390.7 M€
Current operating margin	7.2%	↗
Total net income	76.9 M€	↗

# SCHEDULE AND CONTACTS





TUESDAY OCTOBER 15, 2019<sup>(1)</sup>

- Disclosure of results for fiscal year 2018-2019

MONDAY NOVEMBER 4, 2019<sup>(1)</sup>

- Disclosure of sales for the 1<sup>st</sup> quarter 2019-2020

FRIDAY DECEMBER 6, 2019

- Annual General Meeting of Shareholders in Paris

*<sup>(1)</sup> Disclosure after trading on the Paris Stock Market  
Dates provided as an indication only and liable to be changed.*

For any further information:

Vincent SUPIOT  
Chief Financial Officer  
vincent.supiot@vilmorincie.com

Valérie MONSERAT  
Head of Financial Communication and Investor Relations  
valerie.monserat@vilmorincie.com

Vilmorin & Cie  
Head office: 4 quai de la Mégisserie – F-75001 PARIS  
Postal address: CS 20001 Saint-Beauzire – F-63360 GERZAT  
Tel: +33 473 634 485 - Fax : +33 473 634 180

You can consult all our financial information on the website:  
**[www.vilmorincie.com](http://www.vilmorincie.com)**

# GLOSSARY





- ❖ **Like-for-like data:** like-for-like data is data that is restated for constant scope and currency translation. Therefore, financial data for 2017-2018 is restated with the average rate for fiscal year 2018-2019, and any other changes to the scope, in order to be comparable with data for fiscal year 2018-2019.
  - The change in the consolidation scope comes from the acquisition of the company AdvanSeed (Denmark. Vegetable Seeds) made in July 2018, and from that of the companies Sursem and Geneze (South America. Field Seeds) finalized in December 2018.
  - The change in the scope of activity is due to the withdrawal by the Business Unit Vilmorin-Mikado (Vegetable Seeds) from the distribution of agricultural supplies in Japan begun in fiscal year 2017-2018.
- ❖ **Current data:** current data is data expressed at the historical currency exchange rate for the period, and without adjustment for any changes in scope.
- ❖ **Research investment:** research investment refers to gross research expenditure before recording as fixed assets any research costs and research tax relief.
- ❖ **Current operating margin:** the current operating margin is defined as the accounting operating margin restated for any impairment and reorganization costs.





# THANK YOU

VILMORIN & CIE

Head office: 4 quai de la Mégisserie – F-75001 PARIS

Postal address: CS 20001 Saint-Beauzire – F-63360 GERZAT

Tel: +33 473 634 485

[www.vilmorincie.com](http://www.vilmorincie.com)



**Vilmorin & Cie**  
The **Limagrain** seed business