

February 24<sup>th</sup> 2010

Public limited company with Board of Directors, with a capital of 204 225 819.25 Euros.  
Head Office: 4, Quai de la Mégisserie – F-75001 PARIS  
SIREN Paris 377 913 728  
Fiscal year from July 1<sup>st</sup> to June 30<sup>th</sup>

▶ **Results for the first semester on December 31<sup>st</sup> 2009: increase of the Group share net income with restated data.**

▶ **Project to increase the capital with pre-emptive rights.**

## CONSOLIDATED HALF-YEARLY STATEMENTS FOR 2009-2010

The consolidated financial statements for the first semester 2009-2010, closed on December 31<sup>st</sup> 2009 were approved at the Vilmorin Board meeting of February 23<sup>rd</sup> 2010. The Statutory Auditors have carried out a limited audit of this financial information for the first semester; in their conclusions they have not indicated any significant anomaly or observation.

**It should be remembered that the consolidated financial statements for the first semester traditionally show negative income because of the seasonal nature of the business; on average, sales for the first semester represent less than one third of Vilmorin's annual sales.**

In millions of Euros	2008-2009 12.31.08 disclosed	2008-2009 12.31.08 restated <sup>1</sup>	2009-2010 12.31.09
<b>Sales</b>	299.5	305.8	<b>314.2</b>
<b>Sales margin</b>	44.6%	44.7%	<b>46.9%</b>
<b>Operating income</b>	-20.2	- 22.4	<b>- 26.5</b>
<b>Financial income</b>	-10.5	- 10.5	<b>- 1</b>
<b>Income taxes</b>	-3	3.3	<b>- 2.6</b>
<b>Profit from discontinued operations</b>	-1.1	- 0.4	<b>1</b>
<b>Net income</b>	-29.2	- 30.4	<b>- 29,3</b>
<b>Group share of net income<sup>2</sup></b>	-27.4	- 28.5	<b>- 25.9</b>

1. Consolidated data restated on December 31<sup>st</sup> 2008 take into account reintegration of the British company Suttons into continuing operations, and also modification of the method used to record tax relief on research in the accounts as implemented on June 30<sup>th</sup> 2009.

2. Allocation of ownership interest

### Accounting reference and consolidation scope

Consolidated financial information is established in compliance with the IFRS standards (International Financial Reporting Standards) as adopted by the European Union on December 31<sup>st</sup> 2009.

The main change in the consolidation scope comes from the acquisition of the company Clovis Matton (Belgium) in August 2009 and now integrated globally in the financial statements for 2009-2010.

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## Activity and results for the semester

*NB: all variations in relation to fiscal 2008-2009 are expressed in comparison with data restated on December 31<sup>st</sup> 2008.*

Consolidated sales corresponding to the income from ordinary activities for the first semester of 2009-2010, closed on December 31<sup>st</sup> 2009, came to 314.2 million Euros, an increase of 2.7% with current data and 2.5% like for like.

- Sales for the vegetable seeds activity for the first semester came to 173.8 million Euros, an increase of 7.8% compared with the first semester 2008-2009. Restated like for like (consolidation scope and currency translations) this increase was 8%.  
All the business units in the vegetable seeds activity performed very well over the course of the first semester. In the context of a difficult market for vegetable growers, this progression is the result of gains in market shares, particularly in the Americas and the Mediterranean basin.
- Sales for the field seeds activity for the first semester came to 116.1 million Euros, down 3.4% compared with the first semester for 2008-2009; this decrease was 4.7% like for like.
  - In Europe, the autumn campaign ended with contrasting performances. Sales of rapeseed and forage seeds achieved highly satisfactory increases. But in a context of agricultural markets that remain volatile, leading to greater use of farm seeds, sales of straw cereals (wheat, barley), finished the period well below the level of the previous year.
  - On the North American market, the order book with its reservations for the coming spring season has also progressed in accordance with objectives.
- Sales for the garden products activity came to 23.7 million Euros on December 31<sup>st</sup> 2009, down 0.8 % with current data. Restated like for like, growth was 2.4%

After taking into account the cost of destruction and depreciation of inventory, margins on the cost of goods sold came to 147.5 million Euros, representing 46.9% of total sales, an increase of 2.2 percentage points compared with December 31<sup>st</sup> 2008.

Operating income for the semester shows a loss of 26.5 million Euros on December 31<sup>st</sup> 2009, down 4.1 million Euros compared with December 31<sup>st</sup> 2008.

Net operating costs came to 174 million Euros, an increase of 15 million Euros.

Nevertheless it should be noted that this drop includes the negative impact of non-recurring events:

- a net income of 2.6 million Euros was recorded on December 31<sup>st</sup> 2008 on the sale of fixed assets,
- a provision set up to cover estimated costs for an optimization plan for industrial and research locations was recorded on December 31<sup>st</sup> 2009, with a value of 4.3 million Euros.

**Restated for these items, the operating margin shows an increase of 1.1 percentage point.**

The financial result shows a net charge of 1 million Euros, an improvement of 9.5 million Euros compared to December 31<sup>st</sup> 2008; in this first semester, in particular, capital gains were recorded from the sale of a minority stake in a biotechnology company, and with gains in currency translation and benefits from the drop in interest rates. The funding cost came to 9.4 million Euros on December 31<sup>st</sup> 2009 compared to 14.5 million Euros on December 31<sup>st</sup> 2008.

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Income from discontinued activities came to 1 million Euros compared with a net loss of 1.1 million Euros on December 31st 2008, corresponding to an increase in the price obtained for the sale of Flora Frey.

**Net income for the semester shows a loss of 29.3 million Euros, including a Group share loss (“allocation of ownership interest”) of 25.9 million Euros, an improvement of 2.6 million Euros compared with December 31<sup>st</sup> 2008.**

At the end of 2009, the balance sheet structure is of course influenced to a large extent by the seasonal nature of the annual business cycle.

Net of cash and cash equivalents, indebtedness came to 538.2 million Euros, including a non-recurring sum of 311.7 million Euros.

The Group share of equity (“allocation of ownership interest”) stood at 587.1 million Euros and minority interests (“non-controlling interests”) at 113 million Euros.

## **Outlook for 2009-2010**

In view of the results obtained in the first semester, as described above, and on the basis of information currently available, Vilmorin can confirm, for fiscal 2009-2010, its global objectives for growth at the overall average level achieved in previous years.

For the second semester, achievement of these objectives will nevertheless be, to some extent, dependent on the evolution of production acreage for corn both on the European and North American markets, and also on potential fluctuations on markets for agricultural raw materials.

## **PROJECT TO INCREASE THE CAPITAL WITH PRE-EMPTIVE RIGHTS**

Vilmorin is considering launching in the near future a capital increase with pre-emptive rights, depending on market conditions and pending approval from the AMF (French Stock Exchange Authority).

With a value of approximately 200 millions Euros, the aim of this operation would be to strengthen Vilmorin's equity in order to accelerate its development both on the vegetable seeds and field seeds markets, by helping to fund :

- its organic growth (new seeds varieties and new technologies),
- and its strategy for internationally targeted acquisitions.

**“In a business sector where internationalization and innovation are key factors for success, Vilmorin intends to accelerate its development and strengthen its position on the high added value vegetable seeds and field seeds markets. If this project to increase the capital is a success, it will enable us to take on a new dimension and meet the challenges involved in satisfying tomorrow's food needs”, as Adrian HUIGE, Vilmorin's CEO underlined.**

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## CHANGE IN CAPITALIZATION COMPARTMENT

Following the decision of the NYSE Euronext of February 19<sup>th</sup> 2010, Vilmorin's shares, previously listed on compartment B, are now listed on compartment A of NYSE Euronext.

## UPDATE OF THE REFERENCE DOCUMENT FOR FISCAL 2008-2009

The update of the French Vilmorin reference document for fiscal 2008-2009 was registered with the AMF (French Stock Exchange Authority) on February 24<sup>th</sup> 2010. This update includes the financial statements closed on December 31<sup>st</sup> 2009, the management report and certification by the statutory auditors.

## COMING DISCLOSURES FOR 2009-2010

**Monday May 3<sup>rd</sup> 2010 at the end of the day:** sales at the end of the 3<sup>rd</sup> quarter.

**Tuesday August 3<sup>rd</sup> 2010 at the end of the day:** sales for the fiscal year.

**Wednesday October 6<sup>th</sup> 2010 at the end of the day:** results for the fiscal year.



Vilmorin is the fourth largest seed company in the world, and creates vegetable and field crops with high added value, thus helping to meet food needs more efficiently. Based on a responsible vision of its development, Vilmorin's strategy is a successful combination of its research capacity and constant international growth that strengthens its position as a world player. This ambition is founded on sharing knowledge, quality of life and respect for the needs of mankind, all expressed through its philosophy « **Cultivating the taste of life** ».

*Listed on NYSE Euronext Paris (compartment A), Vilmorin's quotation is included in the Next 150, CAC Mid 100 and SBF 120 indices, and is eligible for SRD (Deferred Settlement Order).  
ISIN code: FR0000052516 (RIN).*



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More comprehensive information about Vilmorin & Cie (“Vilmorin”) may be obtained on its Internet website ([www.vilmorin.info](http://www.vilmorin.info)), including its reference document filed under n°D.09-0742 on November 6, 2009 with the Autorité des marchés financiers and its update of the reference document filed under n°D.09-0742-A01 (also available on the Internet website of the Autorité des marchés financiers, [www.amf-france.org](http://www.amf-france.org)). Vilmorin draws the attention of investors to the risk factors section in the reference document.

*This press release contains forward-looking statements. These statements are by their nature subject to risks and uncertainties as described in Vilmorin’s reference document and in its update of the reference document. These statements do not necessarily reflect future performance of Vilmorin, which may materially differ.*

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