

August 3, 2020, at 5:40 pm CET

## SALES FOR THE FISCAL YEAR ON JUNE 30, 2020 .....

**VILMORIN & CIE CONTINUES ITS GROWTH AFTER A FISCAL YEAR THAT REVEALED THE STRATEGIC NATURE OF ITS BUSINESS, THE FIRST LINK IN THE FOOD CHAIN**

- ✦ **SIGNIFICANT GROWTH IN SALES FOR THE FISCAL YEAR: +3.2%\*, IN SPITE OF A FOURTH QUARTER DOWN MODERATELY**
- ✦ **OUTLOOK FOR THE END OF FISCAL YEAR 2019-2020: GOOD RESISTANCE OF THE CURRENT OPERATING MARGIN RATE AND FORECAST OF A HIGHER NET INCOME COMPARED TO 2018-2019, EXCLUDING NON-RECURRING ITEMS**

\* With current data

In millions of euros	2018-2019	2019-2020	Variation with current data	Variation on a like-for-like basis
<b>Sales for the fourth quarter</b>	<b>388.9</b>	<b>373.0</b>	<b>-4.1%</b>	<b>-1.4%</b>
Vegetable Seeds	249.5	241.3	-3.3%	-1.6%
Field Seeds	123.5	115.0	-6.9%	-2.7%
Garden Products and Holdings	15.8	16.8	+5.9%	+10.8%
<b>Sales for the fiscal year</b>	<b>1,390.7</b>	<b>1,435.2</b>	<b>+3.2%</b>	<b>+2.7%</b>
Vegetable Seeds	687.5	705.5	+2.6%	+2.5%
Field Seeds	649.9	677.0	+4.2%	+2.9%
Garden Products and Holdings	53.4	52.7	-1.3%	+1.7%

NB: on page 6 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, 2020.

## CONFIRMATION OF THE RESILIENCE OF BUSINESS IN THE CONTEXT OF THE COVID-19 HEALTH CRISIS

**Closing on June 30, 2020, consolidated sales for fiscal year 2019-2020, corresponding to revenue from ordinary activities, came to 1,435.2 million euros, up 3.2% with current data compared to the previous fiscal year, and up 2.7% on a like-for-like basis.**

At the same time, sales for the fourth quarter came to 373 million euros, down 4.1% with current data compared to the previous fiscal year. Restated on a like-for-like basis (currency and business scope), they fell moderately by 1.4% compared to 2018-2019.

It should be remembered that the third quarter, particularly the month of March, was marked by very strong business growth, partly due to the anticipated orders of certain farmers and growers who were concerned to secure their supplies as the context of the health crisis emerged. Consequently, sales temporarily fell back at the beginning of the fourth quarter, before growing again towards the end of this period, confirming the resilience of business, both in Vegetable Seeds and Field Seeds.

## ✧ Vegetable Seeds Division

### A fiscal year with marked growth, confirming the position of No. 1 worldwide

Sales for Vegetable Seeds for fiscal year 2019-2020 came to 705.5 million euros, up by 2.6% with current data compared to the previous year. Restated on a like-for-like basis, this increase was 2.5%.

Over the fourth quarter, the Vegetable Seeds division recorded sales of 241.3 million euros, a decrease of 3.3% with current data and 1.6% on a like-for-like basis, after very strong growth over the third quarter.

At the end of the fiscal year, Vilmorin & Cie recorded truly fine performances for several strategic global crops: tomato, for which Vilmorin & Cie gained market shares in several regions, particularly Europe and North America, sweet pepper, hot pepper, cauliflower and carrot, for which business progressed in all parts of the world. Furthermore, this growth was also marked for several crops grown for canning and freezing, such as sweet corn, bean and pea.

With regard to geographical areas, business was particularly dynamic in North America, both in Mexico and the United States, and in Turkey too. In Asia, the situation varied depending on the country, with significant progress in India, in an upbeat market, but the fiscal year was more difficult in China, where the market was under pressure as of January because of the health crisis, and in spite of a good quality fourth quarter.

In spite of a context made uncertain by the health crisis, the Vegetable Seeds business was not in fact significantly affected taking the fiscal year as a whole, thus showing its resilience. Moreover, Vilmorin & Cie managed to post marked business growth, and was therefore able to confirm, at the end of the fiscal year, its position as No. 1 worldwide for vegetable seeds.

## ✧ Field Seeds Division

### Solid performance over the fiscal year

On June 30, 2020, sales for the fiscal year for Field Seeds reached 677 million euros, an increase of 4.2% compared with fiscal year 2018-2019. On a like-for-like basis, growth stood at 2.9%, culminating in a solid performance over the fiscal year.

As a result of the strong business increase posted for the third quarter, the Field Seeds Division made sales of 115 million euros over the fourth quarter, down by 6.9% with current data compared to the same period for the previous fiscal year. On a like-for-like basis, business decreased by 2.7%.

- In Europe, Vilmorin & Cie achieved a satisfactory commercial campaign, posting an increase of 1% with current data and 0.9% on a like-for-like basis of its sales for the fiscal year (571.1 million euros).
  - For corn, Vilmorin & Cie posted a fine performance, with growth achieved in commercial volumes in particular in Russia, France, Germany and Turkey.
  - For sunflower, sales fell back because of a drop in business in Ukraine and in spite of a good increase in volumes sold in Russia. It should be noted that together Ukraine and Russia today represent more than half of the world's acreage for this crop.
  - For rapeseed, the fiscal year was of very high quality. In a market temporarily experiencing a very sharp decrease, Vilmorin & Cie managed, thanks to an extremely efficient product portfolio, to post strong growth in volumes sold, reflecting significant gains in market share. Moreover, the new rapeseed campaign that started at the end of the fourth quarter posted sales at an excellent level.
  - Finally, with regard to cereal seeds (wheat, barley), the campaign ended with an increase in the royalties received.

- In its development zones (South America, Asia and Africa), Vilmorin & Cie achieved sales of 105.9 million euros at the end of the fiscal year, with very marked growth: +25.2% with current data and +15.5% on a like-for-like basis compared with the previous fiscal year.  
For the fourth quarter, the level of activity is of very little significance: sales came to 12.2 million euros (-23.2% on a like-for-like basis compared with 2018-2019).
  - Over the fiscal year, South America posted a strong increase in activity (+24.6% with current data and +12.1% on a like-for-like basis), with solid performances both in corn and soybean. Vilmorin & Cie is thus continuing to strengthen its commercial positions, both in Brazil and Argentina.
  - In Asia, growth was good, especially in India, with overall confirmation of a quality fiscal year, even though business was impacted by drought in certain countries.

Finally, with regard to associated companies:

- On the North American market, AgReliant's sales for the full fiscal year came to 484.6 million euros<sup>(1)</sup>, posting a slight decline of -0.6% with current data (-3.6% on a like-for-like basis). Over the fourth quarter, sales of 86.9 million euros<sup>(1)</sup> were made, a decrease of 2.9% with current data and 4% like-for-like compared to 2018-2019. The last part of the commercial campaign turned out to be disappointing in terms of volumes sold and was also marked by higher returns of seeds than anticipated.
- On the African market, Seed Co posted strong business growth outside Zimbabwe, demonstrating the relevance of its strategy to internationalize its positions. At the same time, in Zimbabwe, Seed Co controlled the impacts of the local economic crisis. At the end of fiscal year 2019-2020, Seed Co, with total sales of 114 million US dollars<sup>(2)</sup>, confirmed its position as the No. 1 seed company in Africa.

## NEWS:

### VILMORIN & CIE REACHES A NEW STAGE IN ITS DEVELOPMENT IN AFRICA, WITH THE CREATION OF A JOINT VENTURE IN SOUTH AFRICA DEDICATED TO FIELD SEEDS

Vilmorin & Cie has announced the creation of a joint venture in South Africa dedicated to field seeds, particularly corn. Operational as of July 2020, this structure groups together all the field seeds activities in South Africa of the companies Vilmorin & Cie<sup>(3)</sup>, Klein Karoo Seed Marketing and Seed Co. Called Limagrain Zaad South Africa, it is controlled by Vilmorin & Cie.

Klein Karoo Seed Marketing is a South African seed company which has been firmly established in the country since its creation in 2002; it is a subsidiary of the South African group Zaad, which in turn belongs to the Zeder Investment group, an investment company specializing in the agricultural sector and listed on the Johannesburg Stock Exchange. As for Seed Co, it is the leading African seed company, of which Vilmorin & Cie is the reference shareholder<sup>(4)</sup>.

This joint venture will constitute a major player in South Africa, proposing a specific multi-crop approach and benefiting from critical mass in an already highly consolidated field seed market. It has a combined headcount of around 300 and sales of over 20 million euros. It covers South Africa, as well as Lesotho, Eswatini and Namibia, which also require temperate genetics for corn. The joint venture combines the strengths of the three companies and will be able to capitalize on a high level of synergies, in terms of research, production, product portfolio, sales organization and marketing, with in particular three well-known brands.

<sup>(1)</sup> 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.

<sup>(2)</sup> Annual data at 100% for the fiscal year closing on March 31, 2020.

<sup>(3)</sup> Activities carried out through the company Link Seed, acquired in January 2013. On June 30, 2020, Link Seed had sales of 4.1 million euros and a headcount of approximately 70.

<sup>(4)</sup> On June 30, 2020, Vilmorin & Cie held 29.2% of the capital stock of Seed Co Limited and 30.9% of the capital stock of Seed Co International.

The joint venture is primarily dedicated to corn seeds (white and yellow), an essential crop in South Africa: with nearly 3 million hectares cultivated for a value of approximately 220 million euros, it is the largest African market in terms of value. Moreover, the joint venture stands out on the market by offering a wide product range, including soybean, sunflower, wheat, sorghum and forage, as a complement to corn. Fully integrated into Vilmorin & Cie's worldwide field seeds research organization, it will also be able to benefit from genetic resources from the Americas and Europe to increase the efficiency of its research work.

On the strength of these assets, the joint venture has set itself the ambition of reaching a 10% share of the corn market in the country within three years.

The creation of this joint venture is perfectly in line with Vilmorin & Cie's field seeds strategy. It is a concrete demonstration of the strengthening of its collaboration with Seed Co, and more globally, its capacity to develop solid partnerships internationally, as well as its desire to resolutely pursue its development in Africa, which has considerable growth potential.

## OUTLOOK FOR THE END OF FISCAL YEAR 2019-2020

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 state that its current operating margin rate for fiscal year 2019-2020 should be close to 8%, after accounting for research investment of around 260 million euros.** In 2018-2019, the current operating margin rate came to 8.4%, accounting for several non-recurring operating items<sup>(1)</sup> for a net total estimated at 7 million euros, i.e. +0.5 percentage points.

With regard to the contribution of its associated companies, Vilmorin & Cie can announce that it will stand at a little less than 20 million euros. In 2018-2019, the contribution of its associated companies came to 26 million euros; it included a revaluation profit of 11 million euros, resulting from the financial and legal reorganization of the international activities of Seed Co (Africa. Field Seeds).

As far as Vilmorin & Cie's net income for the fiscal year is concerned, it will be lower than that of the previous fiscal year. Excluding non-recurring operating items for fiscal year 2018-2019 and the above-mentioned revaluation profit, it should nevertheless show a marked increase. In 2018-2019, total net income for the fiscal year came to 77.9 million euros, of which a group share of 73.9 million euros.

In spite of this unprecedented health crisis, Vilmorin & Cie should manage to preserve its level of profitability and post solid financial performances on a seed market that is relatively unaffected by the health crisis because of its strategic nature, even though there remain a number of uncertainties for the coming fiscal year.

Thanks to the full mobilization of its teams, Vilmorin & Cie has been able to ensure the continuity of its activities, contributing to the security of food production.

These performances are also the fruit of the measures taken by Vilmorin & Cie to control operating expenses and industrial investments in order to cushion the additional costs linked to the crisis.

More generally, it demonstrates the robustness of Vilmorin & Cie's development model and the relevance of its strategic foundations combining research and international development, with a long-term vision.

<sup>(1)</sup> Cf. Vilmorin & Cie's press release of October 15, 2019. Non-recurring operating items for fiscal year 2018-2019 mainly concerned capital gains from the reorganization of the biotechnology research company Biogemma, and profit from the disposal of an industrial plant devoted to the production of corn seeds in Hungary.

## VILMORIN & CIE ANNOUNCES THE APPOINTMENT OF OLIVIER FALUT AS CHIEF FINANCIAL OFFICER, FOLLOWING THE FORTHCOMING DEPARTURE OF VINCENT SUPIOT

Vilmorin & Cie has announced the appointment, as of September 1, 2020, of Olivier FALUT as Vilmorin & Cie's Chief Financial Officer. In this capacity he will also join the Executive Committee.

With combined higher education in finance and business law, Olivier FALUT has built up solid experience in all areas of finance. He has held such positions at the highest level in various French companies of international dimension, particularly in agri-food companies such as Bel and Lactalis, as well as in the Sodiaal cooperative group. Before joining Vilmorin & Cie, Olivier FALUT was Corporate CFO at Segula Technologies.

This appointment is the consequence of the forthcoming departure of Vincent SUPIOT, CFO of Vilmorin & Cie since September 2017. Vincent SUPIOT has expressed the desire to pursue another professional project, after more than 20 years of a fully successful career within the Group. He will leave his position mid-September 2020, at the end of a transition period with his successor. Vilmorin & Cie wishes him great success in his new activities.

### COMING DISCLOSURES AND EVENTS

- **Wednesday October 14, 2020<sup>(1)</sup>**  
Disclosure of results for fiscal year 2019-2020
- **Monday November 2, 2020<sup>(1)</sup>**  
Disclosure of sales at the end of the 1<sup>st</sup> quarter 2020-2021
- **Friday December 11, 2020**  
Annual General Meeting of Shareholders in Paris

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

### FOR ANY FURTHER INFORMATION

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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, both an agricultural cooperative owned by French farmers and an international seed group, Vilmorin & Cie's strategy for growth relies on strong, 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 a presentation of sales at the end of fiscal year 2019-2020 on the homepage of the website [www.vilmorincie.com](http://www.vilmorincie.com).

## APPENDIX 1:

### SALES FOR FISCAL YEAR 2019-2020 AND EVOLUTION PER QUARTER AND PER DIVISION

In millions of euros	2018-2019	2019-2020	Variation with current data	Variation on a like-for- like basis	Incl: Currency impact	Scope impact
<b>First quarter</b>	<b>207.5</b>	<b>231.9</b>	<b>+11.8%</b>	<b>+5.2%</b>	+1.8	+11.2
Vegetable Seeds	103.4	108.6	+5.0%	+2.8%	+2.2	0.0
Field Seeds	96.5	116.1	+20.3%	+7.9%	-0.4	+11.6
Garden Products and Holdings	7.6	7.3	-4.9%	+0.1%	0.0	-0.4
<b>Second quarter</b>	<b>252.9</b>	<b>258.9</b>	<b>+2.3%</b>	<b>+0.2%</b>	+1.8	+3.7
Vegetable Seeds	135.8	139.8	+3.0%	+1.2%	+2.4	0.0
Field Seeds	112.6	112.8	+0.2%	-2.6%	-0.6	+3.8
Garden Products and Holdings	4.6	6.2	+35.6%	+37.7%	0.0	-0.1
<b>Third quarter</b>	<b>541.4</b>	<b>571.4</b>	<b>+5.5%</b>	<b>+5.6%</b>	+0.6	-1.4
Vegetable Seeds	198.7	215.8	+8.6%	+8.2%	+0.7	0.0
Field Seeds	317.4	333.2	+5.0%	+5.3%	-0.1	-1.0
Garden Products and Holdings	25.3	22.4	-11.4%	-9.9%	0.0	-0.4
<b>Fourth quarter</b>	<b>388.9</b>	<b>373.0</b>	<b>-4.1%</b>	<b>-1.4%</b>	-10.7	+0.3
Vegetable Seeds	249.5	241.3	-3.3%	-1.6%	-4.4	0.0
Field Seeds	123.5	115.0	-6.9%	-2.7%	-6.2	+0.8
Garden Products and Holdings	15.8	16.8	+5.9%	+10.8%	-0.1	-0.5
<b>Sales for the year</b>	<b>1 390.7</b>	<b>1 435.2</b>	<b>+3.2%</b>	<b>+2.7%</b>	-6.5	+13.8
Vegetable Seeds	687.5	705.5	+2.6%	+2.5%	+1.0	0.0
Field Seeds	649.9	677.0	+4.2%	+2.9%	-7.3	+15.2
Garden Products and Holdings	53.4	52.7	-1.3%	+1.7%	-0.2	-1.4

## APPENDIX 2: GLOSSARY

### ❖ **Like-for-like data**

Like-for-like data is data that is restated for constant scope and currency translation. Therefore, financial data for 2018-2019 is restated with the average rate for fiscal year 2019-2020, and any other changes to the scope, in order to be comparable with data for fiscal year 2019-2020.

Variations in the consolidation scope come from the acquisition of the companies Sursem and Geneze (South America. Field Seeds) finalized in December 2018, and from the sale of the company Van Den Berg (Netherlands. Garden Products) in June 2019.

### ❖ **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.