



Limagrain  
**essentials**  
in 2016



# CONTENTS



Our PROFILE  
Pages **02-03**



Our BUSINESS  
Pages **04-05**



Our ACTIVITIES  
Pages **06-07**



Our GOVERNANCE  
Pages **08-09**



Our LOCAL AND  
INTERNATIONAL  
DEPLOYMENT  
Pages **10-11**



Our MISSION  
Pages **12-13**

**No. 4** seed company  
worldwide



**2.5** billion Euros in sales



**10,000** employees in  
the world



**77%** of sales achieved  
outside France



**14.6%** of professional  
sales invested in research

# Limagrain essentials in 2016

An  
**INTERNATIONAL  
AGRICULTURAL  
COOPERATIVE** group



Founded and managed by  
**FRENCH  
FARMERS**



**6** ACTIVITIES

- Limagrain Coop
- Field Seeds
- Vegetable Seeds
- Garden Products
- Cereal Ingredients
- Bakery Products

**DESIGNED AND WRITTEN BY:**

Limagrain Corporate Communication  
and Public Affairs Department

**DESIGNED, CREATED AND PRODUCED BY:**

**1989** / All Contents – R.C.S 495 289 399  
Clermont-Ferrand – +33 (0)4 73 28 20 20

**TRANSLATED BY:**

MÉTAFORM LANGUES – Clermont-Ferrand  
+33 (0)4 73 28 00 72

**PRINTED BY:**



**PHOTO CREDITS:**

Getty Images, Vincent Bouchet, Denis Pourcher, Limagrain  
photo library and its subsidiaries.

More than **50** YEARS  
OF EXPERTISE IN SEEDS



**46** million Euros  
in **NET PROFITS**



**2,000**  
FARMER MEMBERS  
of the Cooperative



LOCATIONS  
in **55** COUNTRIES



**300** NEW  
VARIETIES\*  
**created  
and marketed  
every year**

All the figures presented in this document are for the overall  
scope of activity, taking into account data from the companies  
AgReliant, AGT, Genective, Seed Co, Soltis, Canterra Seeds and  
Hengji Limagrain Seeds, unless otherwise indicated.

\* Figures IFRS 11



**Jean-Yves FOUCAULT**  
Chairman

**Emmanuel ROUGIER**  
CEO

## 2015/2016: an atypical fiscal year, strongly affected by external factors

Bolstered by solid fundamentals supported by a long-term strategic vision and proximity with markets, we pursued our development in every place we operate, in spite of several unfavorable external factors. This situation is reflected by a significant increase in our sales, as well as a contraction in our net income, affected by one-off events. Its current level, below our objectives, requires that we measure our development in order to stimulate our capacity to generate cash and our profitability level, both of which guarantee our independence and capacity for growth.

The Field Seeds activity, as well as those related to our original region – the Limagne plain, in the center of France – experienced several simultaneous external factors, which masked excellent performances on the markets. The conjunction of a depression in worldwide agricultural markets, a heat wave during the corn flowering stage in Limagne and increased pressure by major retailers on their suppliers in France significantly impacted Limagrain Coop, Limagrain Europe, Limagrain Céréales Ingrédients and Jacquet Brossard. This unprecedented situation demonstrated the strong resilience that the backing of the Cooperative provides to a strong group. But this situation must absolutely be the exception.

Faced with these difficulties, the integrated chain expertise acquired in Limagne must remain a development lever that gives value to our capacity to differentiate ourselves through genetics and our mastery of its interaction with industrial processes.

The international development of the Cereal Ingredients and Bakery Products activities must take advantage of our know-how, such as Clean Label\*, and our image as French baker.

The Vegetable Seeds activity had the best fiscal year in its history and strengthened its position as No. 2 worldwide by its growth in strategic crops while conquering new territories. This consolidation by successive steps – such as the acquisition of Genica in 2016 – demonstrated, once again, the relevance of its strategy.

In our competitive environment, planned megamergers are primarily motivated by the consolidation of the agro-chemistry industry. In seeds, these will significantly increase the size of the two leaders, without upsetting the rankings. We remain solidly at No. 4 worldwide. Of course, we need to reevaluate our position in relation to these new operators, but we remain at the top worldwide in vegetable seeds and wheat and are on our way to quickly becoming a worldwide player in corn seeds. Our access to a large diversity of proprietary genetics, the diversification of our portfolio in biotechnology, made possible especially through licensing agreements with Syngenta, as well as our locations on all significant markets on the planet allow us to look to the future with confidence.

\* Development of improvers without additives for bakery products



## Our PROFILE

# An international agricultural cooperative group

*Founded and managed by French farmers, Limagrain is the 4<sup>th</sup> largest seed company worldwide. We breed, produce and distribute field seeds, vegetable seeds and cereal products with the support of a portfolio of reference brands.*

## VEGETABLE SEEDS

Tomato, carrot, melon, cauliflower, pepper seeds, etc.

- For growers and canners



## GARDEN PRODUCTS

Vegetable and flower seeds, amenity grass seeds and flower bulbs

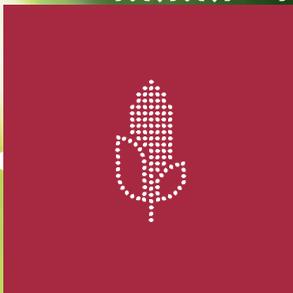
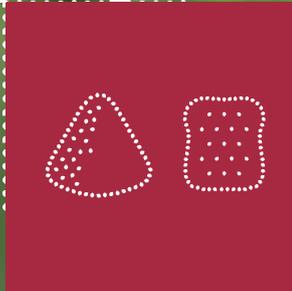
- For distribution and consumers



## LIMAGRAIN COOP

Plant production, advice and distribution

- For farmers, the agri-food industry and consumers



## FIELD SEEDS

Corn, wheat, sunflower, rapeseed, etc.

- For farmers



## CEREAL INGREDIENTS

Wheat and corn semolinas and flours, cereal texturing agents, functional flours, food fibers

- For the agri-food industry



## BAKERY PRODUCTS

Sandwich loaves, specialty breads, crisp breads, pastries

- For large retailers, consumers and the agri-food industry





Our **BUSINESS**

## A group specialized in seeds and cereal products

*For more than 50 years,  
we have been developing  
innovative and responsible  
solutions that have made it  
possible to improve plant  
production and bring added  
value, whenever possible,  
through integrated chains.*

Beginning with the first steps in research, we integrate our customers' expectations to offer them products that meet their requirements: yield, resistance to diseases and insects, preservation, appearance, taste... Thanks to the expertise of our teams in plant breeding, every year we create and bring to market more than 300 new varieties. By giving farmers access to seeds that continue to match their needs, we are contributing to improving the profitability of their farms.

We are located in the fertile plain of Limagne-Val d'Allier, the original region of our parent company, la Coopérative Limagrain, which brings together 2,000 farmers. From our core business, seeds, we have created added-value integrated chains in this region for the wheat and corn production of our farmer members. In this way, the cereals grown by our farmers are processed and distributed in a short industrial circuit. This know-how in genetics and in adapting varieties for industrial processes represents a strength in our international development.



**MULTIPLE EXPECTATIONS**



**Farmers / Growers**  
 Better yield  
 Improved qualities  
 Resistance to viruses, diseases, insects  
 Adaptation to climates, soils, etc.



**Industrialists / Distributors**  
 Preservation  
 Calibration  
 Adaptation to industrial processes  
 Aptitude for baking bread and pastries, etc.



**Consumers**  
 Appearance  
 Taste and flavor  
 Nutritional value  
 Quality/cost ratio  
 Food safety, etc.



## Good resilience in spite of an unfavorable economic context

*Within a globally disrupted market context, we have experienced an atypical fiscal year whose results are affected by extraordinary items.*

*The increase in our sales and the consolidation of our positions demonstrate however the relevance of our strategy and our organization model in close proximity with markets.*



### **LIMAGRAIN COOP**

Limagrain Coop made consolidated sales of 183 million Euros\*, a decrease of 15.5%. This drop in activity is in line with a sluggish market context, due especially to particularly high levels of worldwide cereal stocks and the depression in prices of agricultural raw materials.

For the 2<sup>nd</sup> year in a row, climatic conditions have greatly impacted harvests, causing decreases in yield especially in seed corn and semolina corn. The integrated chain strategy developed between Limagrain Coop and the Group's Business Units has made it possible to absorb in part the additional costs related to this poor harvest.

To better valorize the production of farmer members, secure their opportunities and ensure the sustainable performance of their farms, Limagrain Coop is undertaking a transformation of its activities and evolving the services it offers.



## FIELD SEEDS

Field Seeds recorded sales of 1,310 million Euros, or an increase of 2.9% compared to the previous fiscal year. The activity demonstrated excellent resilience in a market environment that continues to be very tense with prices particularly low for agricultural production. Indeed, Field Seeds experienced a slight decrease in Europe. Otherwise, the activity performed well in North America and had encouraging results in new development areas.



## VEGETABLE SEEDS

Vegetable Seeds made sales of close to 690 million Euros, or an increase of more than 12% compared to the previous year. With an increase greater than estimated market growth, the activity continues to gain market shares and thus bolster Limagrain's No. 2 position worldwide. An excellent performance that involves all Business Units, especially in their key territories (United States, Mexico, India, the Mediterranean Basin, the Near and Middle East, etc.). In terms of species, the increase is particularly significant for major strategic crops: tomato, onion, carrot, bell pepper and cauliflower, as well as by specialty crops, such as, for example, fennel and witloof chicory, in which Vegetable Seeds was able to develop top-rate positions.



## GARDEN PRODUCTS

Garden Products made sales of 54 million Euros, a drop of 7.4% compared to the previous fiscal year. In a market context in strong decline, Vilmorin Jardin was down in its core business: seed packets. Impacted by poor climatic conditions this year, the activity must deal with structural challenges in a quickly evolving market. It did however retain its position as European leader in seeds for home gardeners. Internationally, especially in Poland and Turkey, Vilmorin Jardin has successfully maintained its market share and had encouraging results.



## CEREAL INGREDIENTS

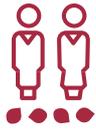
In this fiscal year, Cereal Ingredients made sales of 98 million Euros\* and saw its net income rise by more than 12%. This performance comes within a difficult context. The Limagrain Céréales Ingrédients Business Unit suffered from the repercussions of the tensions experienced by its customers, under pressure from major retailers, and has had to deal with additional costs related to procurement problems. However, it has compensated for a slight decrease in activity with good management of its industrial tools enabling a marked improvement in its yields. Limagrain Céréales Ingrédients continues to count on the work of integrated chains and investment in research, key factors for its successful long-term development.



## BAKERY PRODUCTS

Bakery Products ended the fiscal year with sales of 308 million Euros in a delicate economic environment. While players in mass distribution are now waging a merciless price war, putting increased pressure on their suppliers, Jacquet Brossard has shown great strength and confirmed its position No. 2 industrial baker and No. 3 French pastry maker. The great involvement of the teams and the launches of successful products, such as the new Savane Jungle line-up, have allowed it to preserve its market share and remain the undisputed leader in specialty breads (hamburger buns, sandwich loaves, ethnic and precooked breads), a segment in which the Business Unit continues to grow.

\* with the integration of activities conducted with the Group's companies.



## Our GOVERNANCE

# A cooperative model that gives meaning to our actions

*Within the wide range of worldwide leaders in seeds dominated by large agro-chemical groups, we offer an unprecedented form of governance, drawing from our cooperative roots.*

The Limagrain Cooperative is our parent company. Its 2,000 farmer-members of the Cooperative, represent the shareholders of our Group.

Thanks to this stable and solidarity-based system of shareholding, which bears a long-term vision, we are assured of long-lasting successful economic performance.

The strong involvement and detailed knowledge of the realities on the ground of our board members, who are themselves farmers, provide legitimacy and encourage trust among all of our stakeholders.

With the tandem of elected farmer Chairman and salaried CEO, our Group encourages a range of perspectives among board members and top executives and allows for a better understanding of the issues. This tandem of elected farmer / salaried top executive is reproduced within every activity.



*Our values match those found in the agricultural world: progress, perseverance, cooperation.*

**Progress**

Progress is at the heart of our mission. Believing in progress is reflected in a continuously supported ability to innovate. Our vision involves responsible progress.

**Perseverance**

We are a seed company and this business requires tenacity and patience: it takes seven to ten years to develop a variety. This perseverance can also be found in our long-term vision and consistency related to our strategic orientations.

**Cooperation**

Cooperation is part of our DNA. We are a company of Men and Women, not of capital, and we favor diversity over a global approach to development. Our spirit of cooperation extends to our scientific, industrial and commercial collaborations throughout the world.



Our LOCAL  
AND INTERNATIONAL  
DEPLOYMENT

## A French group open to the world

*Our development model is based on an equal balance between the anchorage of our farmer shareholders in Auvergne and our international dimension. We are both a strong local player involved in our region and an influential international player. From our original region, we have expanded our activities to all continents. Today we are present in 55 countries and bring together 10,000 employees in the world.*



With more than 2,000 employees, today we are one of the economic leaders in the Auvergne-Rhône-Alpes region where we contribute to supporting its vitality. We are involved alongside local players in the development of our region. Our ambition is to make Limagne-Val d'Allier a region of agricultural excellence.

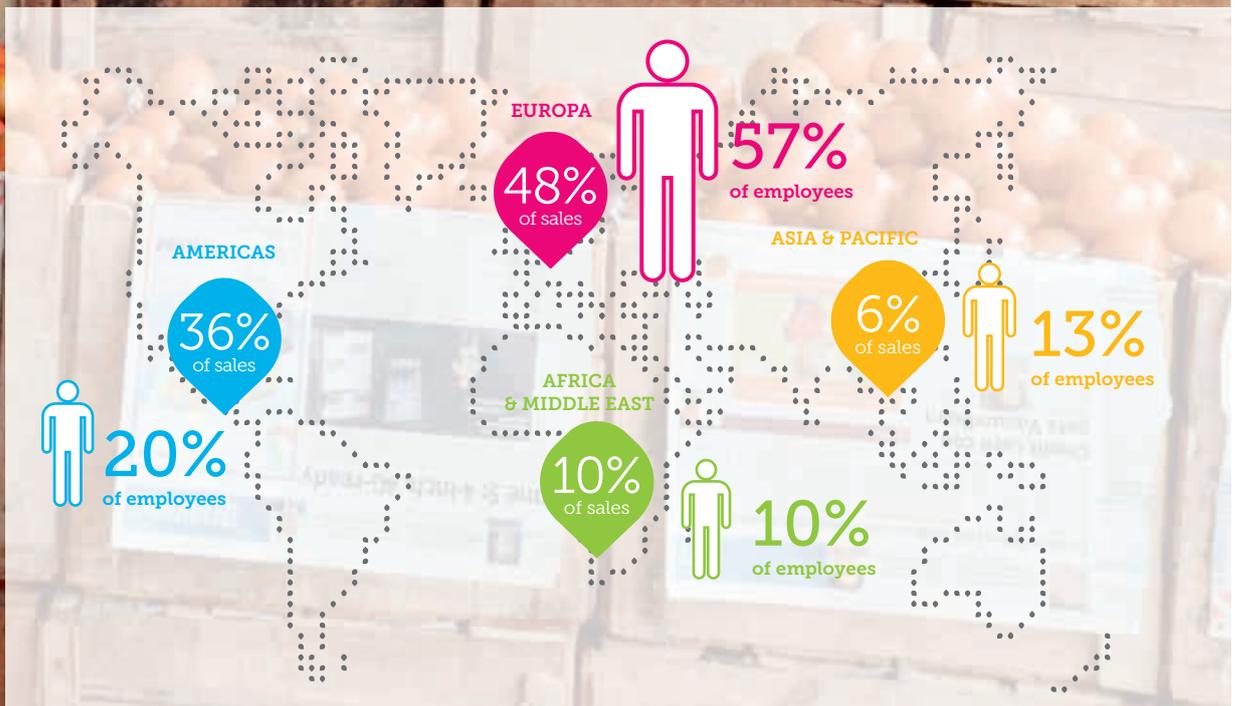
Our development strategy is based on strong internationalization. We make 77% of our sales outside of France.

We occupy high-profile positions in historic agricultural production areas: Europe and North America.

Every year, we strengthen our geographic coverage, especially in new development areas with high potential such as South America, Asia and Africa.

Our development, whether it depends on direct operations, partnerships or distribution agreements, thus allows us to offer new opportunities and ensure that we adapt our line-up to local demands.

This deployment is only possible with the support of the men and women who provide their know-how to the Group: 10,000 people representing more than 70 nationalities collaborate within our teams.





Our MISSION

## A group committed to moving agriculture forward

*To feed almost 10 billion people in 2050 will require producing more and producing better. Conscious of these major challenges, we seek to encourage sustainable development by taking into account climate and demographic changes, as well as the evolution of natural resources and the standard of living.*

Plant breeding is one of the main levers for increasing the yield necessary for meeting the needs of an ever-growing world population. Through scientific progress applied to the plant world, we offer varieties that are more productive and better adapted to the climates and particularities of different regions, and more resistant to diseases.

We have made research a priority by investing 14.6% of our professional sales and more than 20% of our workforce in it. Our teams are working on more than 60 crops in total, contributing to the enrichment of the plant world.

To develop new varieties, research is based first and foremost on plant diversity. Access to genetic resources is thus a fundamental element of our business. For us, it is essential to protect plant breeding and access to genetic progress.

Innovation also involves taking account of technological evolutions in agricultural production systems, for example, precision farming; and by responding to consumer trends in our manufacturing of cereal products.

To ensure the future of agriculture, we also have to ensure the future of farmers and their incomes. It is urgent that real tools to manage price volatility be set up in order to better regulate agricultural markets. This is the reason behind our involvement with the think tank momagri in order to change the way decisions are made in the agricultural and agri-food world, at the national, European, and international levels.  
[www.momagri.org](http://www.momagri.org)

Aware of our responsibility with regard to all of our stakeholders, we have, since 2012, adopted a Corporate Social Responsibility policy. Through this approach, we want to encourage access, for as many people as possible, to quality agriculture and nutrition through our expertise in the area of scientific progress applied to plants and cereal enhancement, while respecting the environment and human rights. Since 2013, we have adhered to the ten principles in the Global Compact put forth by the United Nations, the main global initiative for corporate citizens, acting with regard to human and labor rights as well as on the environment and the fight against corruption.



**HEAD OFFICE:**  
Biopôle Clermont-Limagne  
rue Henri Mondor  
63 360 Saint-Beuzire  
France

**MAILING ADDRESS:**  
CS 20 001  
63 360 Gerzat  
France

Tel. +33 (0)4 73 63 40 00

Fax +33 (0)4 73 63 40 44



[limagrains@limagrains.com](mailto:limagrains@limagrains.com)

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

#Limagrains