

Chappes (Puy-de-Dôme, France), Tuesday 21st December 2010

## ■ Limagrain presents its annual results, up on last year

In the period from July 1<sup>st</sup> 2009 until June 30<sup>th</sup> 2010, Limagrain achieved sales up more than 9% and a net income on line with expectations. The environment of the fiscal year was again characterized by the economic and financial crisis, and difficulties with the prices of agricultural raw materials. All the divisions achieved positive economic results.

Consolidated sales came to €1,349 million, as opposed to €1,233 million in 2009, an increase of 9.4%. Net income stood at €69 million, as opposed to €58 million for the previous fiscal year. The operating result fell to €108 million from €117 million in 2009, with the impact of exceptional items.

Equity rose from €618 million in 2009 to €927 million. This strong increase can be explained by the entry of the Strategic Investment Fund (SIF) into the capital stock of Groupe Limagrain Holding (GLH), and the capital stock increase of Vilmorin & Cie<sup>1</sup>. Net financial indebtedness represents €539 million in 2010. It is down compared with 2009, when it stood at €633 million.

Investment in research was intensified considerably reaching €141 million as opposed to €124 million, representing 14% of “professional” sales. During the fiscal year, the group had 6,700 permanent employees spread over 38 countries.

Division	Sales* (contribution to consolidated sales)	% of the Group's sales	Evolution 2010/2009
Field seeds	€516 M	39%	+4,5%
Vegetable seeds	€454 M	33%	+10%
Garden products	€88 M	7%	- 4%
Bakery products	€173 M	13%	+8%
Cereal ingredients	€59 M	4%	-2%
Limagrain Ag-Productions	€57 M	4%	Not comparable
Others	€2 M		

<sup>1</sup> Groupe Limagrain Holding is the majority shareholder of Vilmorin & Cie (listed on Euronext Paris), which has held all the seeds activities since 2006

**Pierre PAGESSE, Limagrain's chairman** stated: "We have increased our investment in research, which now exceeds €140 million. We are reinforcing our investments in biotechnologies, including GMO. We are accelerating our research partnership strategy with, in particular, **Arcadia**<sup>1</sup> for nitrogen use efficiency and **Evogène**<sup>2</sup> for drought tolerance." The highlight of the fiscal year was when "the Limagrain Cooperative strengthened its territorial anchorage with its **merger with Domagri and Maïcentre**. It rose from 600 farms with contract agreements to more than 2,000 in the county of Puy-de-Dôme and the surrounding villages. The Cooperative now covers more than 50% of plant production in the county of Puy-de-Dôme." And he added that, "on March 1<sup>st</sup>, the Strategic Investment Fund entered Groupe Limagrain Holding's capital. This enabled us to considerably reinforce our equity through the €200 million capital increase of Vilmorin & Cie. These supplementary resources will be used as leverage to meet the major agricultural challenges of the 21<sup>st</sup> century. This participation is testimony to the fact that agriculture is being reinstated at the heart of government priorities."

**Daniel Chéron, Limagrain's CEO**, commented on the Group's results: "Limagrain is pursuing its progression with sales up by 9.4%. This progression is the fruit of **sustained internal growth**, higher than 5%, stimulated by a flow of novel products and considerable investment in marketing. It is also the result of a **dynamic international external growth policy with targeted acquisitions**. In seeds this was the case with distributors such as Clovis Matton, for field seeds in Belgium, and Su Tarim, for vegetable seeds in Turkey. Our **research programs** were strengthened for wheat in the United States with Trigen, Genesis Seed Research, BSF Ag-Research, and Trio Research; and in Argentina, with DonMario. We also acquired research programs in vegetable seeds, in tomatoes with PHRO, in Poland; in cauliflower with Trinity Growers, in the United Kingdom; and in sweet corn with Mesa Maize, in the United States. In France, we also consolidated our cereal products activity through the acquisition of Crêperie Lebreton and the Moulin de Verdonnet."

*Limagrain is an international co-operative group, **specialized in field seeds, vegetable seeds and cereal products**. It conducts its business within the framework of a global, sustainable vision of agriculture and agri-food based on innovation and regulation of agricultural markets. It is the 4<sup>th</sup> largest seed company in the world through its subsidiary **Vilmorin & Cie**, European leader for functional flours through **Limagrain Céréales Ingrédients** and 2<sup>nd</sup> largest French industrial baker through **Jacquet**. The Group makes annual sales of more than 1.3 billion Euros and has a headcount of 6,700, spread out over 40 countries, including 1,300 researchers.  
For further information: [www.limagrain.com](http://www.limagrain.com)*

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<sup>1</sup> Arcadia Biosciences, a biotechnology company based in Davis in California (optimized use of nitrogen, reduced water consumption and tolerance to salt).

<sup>2</sup> Evogène, a biotechnology company based in Israel, working on the identification of the genes involved in certain agronomic traits.