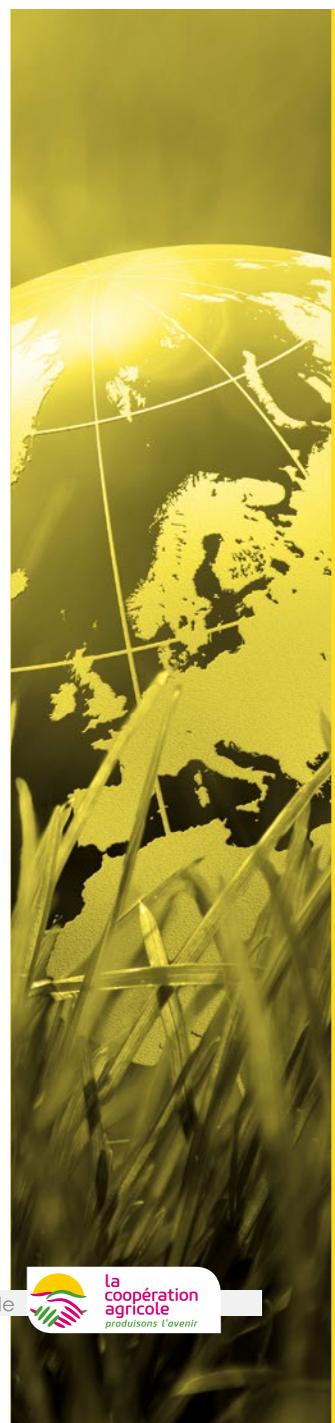
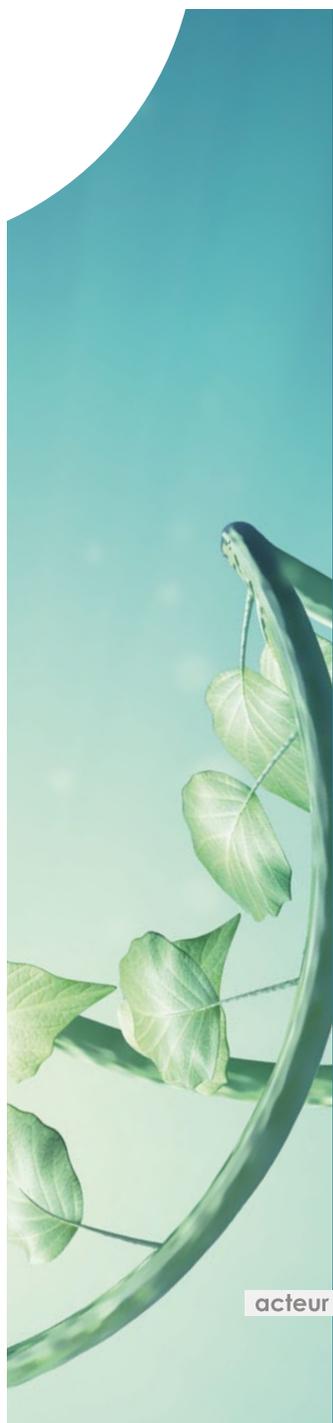


Summary  
Activity report  
2013-2014

groupe coopératif  
**MAÏSADOUR**



# Human resources

 **5,700**  
employees

 **383**  
employees abroad

 **31%**  
of staff under 35 years of age

As of 30 June 2014, there were 5,700 Group employees, a 12% increase due to international growth and the integration of the fish activity.

There is a considerable difference in changes in company staff numbers (fewer staff in artificial incubation, at Fermiers du Sud-Ouest and in the Fine Food Division). Each employee affected by these changes was given personalised guidance and offered reassignment within the Group.

In the Group's HR department, there were union elections via electronic voting, the intranet site was deployed, the Generation Contract agreement was signed and the unique database was put online for elected members of the works council and the Hygiene, Safety and Working Conditions Committee (CHS-CT).

3% of the wage bill was devoted to training employees. 37% of employees received some form of training.

In terms of prevention, the ergonomics expert at the Poultry Division is continuing to work in abattoirs to reduce workplace accidents. In terms of monitoring work arduousness, garden centre cashiers were given training and information on preventive measures by an osteopath. Emphasis was also placed on the "quality of life at work" to support the teams as part of an "opening-up approach".

The aim is to make working relationships smooth, via an organisation that considers everyone's position.

The HR department continues to be committed to ISO 9001 certification and the Group's CER approach.



## Staff as of 30 June 2014

5,700 employees

41.1%	Fine Food
14.9%	Fermiers du Sud-Ouest
11.1%	Seeds
7.2%	Animal feed
5.5%	Cereals - Agricultural Supplies
4.5%	Garden centres
4%	Vegetables
3.1%	Artificial Incubation
3.1%	Comtesse du Barry
2.8%	Head Office
2.1%	Animal Production
0.6%	JMSO Soumo

# Communication



## KEY EVENTS 2013-2014

- Nearly 3,700 mentions in the media
- The Group joined Twitter
- New website: [www.maisadour.com](http://www.maisadour.com)
- New film and brochure presenting the Group
- Deployment of the Agricultural Cooperative's visual identity

Our communication actions target various audiences: members, farmers, employees, the general public, students, partners, the media, etc.

In the last financial year, significant work was carried out to develop the Group's corporate communication materials.

We also have an increased presence on social networking sites (Twitter, Viadéo, LinkedIn, Youtube)

in order to boost our visibility and promote our employer brand. All are actions are approved by the Group and the Agricultural Cooperative to show our commitment in this national, collective approach.

More than ever, the Communications department is a support entity for subsidiaries and business segments. Our Group again took part in technical events recognised in our professions (such as Sommet de l'Élevage [Breeding Summit] in Cournon, Space in Rennes, etc.), general public events (Bordeaux International Fair, etc.) or sponsorship operations (Lascaux, etc.). Finally, Maisadour is continuing its partnerships with regional associations and sports clubs. These partnerships illustrate shared values and a firm standing in the Aquitaine region.





### July 2013

- Garden centres: Espelette garden centre sold to Lur Berri. Gamm vert in Hagetmau bought back.
- Vineyard agricultural supplies: buy-out of Inovitis, 100% Agralia subsidiary.

### August 2013

- Animal nutrition: Évialis business in Gourdon purchased.
- Artificial incubation: partnership with Hendrix Genetics for artificial poultry incubation.
- Fine Food: purchase of Ledun Pêcheurs d'Islande's smoked salmon and crustacean activities, based in Cany-Barville.

### November 2013

- Seeds: ISO 9001 certification for the Mogilev production site (Ukraine).
- Seeds: new R&D site in Belciugatele (Romania).

### December 2013

- Fine Food: buy-out of Viviers de France in Castets and Viviers Marins in Boulogne-sur-Mer, processing and distribution of Aquitaine trout, salmon and white fish.

### February 2014

- Élevage Service: 1st company in this segment with ISO 9001 certification.

### March 2014

- Motorised gardening: Soumo shop in Peyrehorade inaugurated.

### April 2014

- Garden Centres: Gamm vert shop in Bourg-sur-Gironde closed.
- Fine food: Delpeyrat wine exports begin.

### May 2014

Fine Food: approval to export Delpeyrat Bayonne ham to China obtained.

### July 2014

- Fine Food: approval to export Delpeyrat Bayonne ham to USA obtained.
- Sud-Ouest Aliment: certificate for fish food factory project in Arue-Roquefort obtained (first project certificate issued in France).

### August 2014

- Seeds: second dryer on the Mogilev production site in Ukraine begins operation.

# Plant-based productions



## KEY EVENTS 2013-2014

- **2013 was a disastrous year in terms of production volume, except asparagus**
- **Development of external grain purchases to honour customers' cereal contracts**
- **Strong increase in contractualised quantities of special maize**
- **An active agricultural supplies campaign, smooth running of Axso and Convergence (central purchasing facilities for fertiliser and phytosanitary products)**
- **Purchase of Inovitis, a vineyard services company**



**€117 M**  
in turnover - agricultural supplies up 7.6%



**948,000 t**  
of cereals marketed



**590,000 t**  
collected down 30%



**95%**  
of the collection is grain maize of which 30% is special maize

Since spring 2013, weather issues have been severely affecting the crop calendar and cycles. Significant losses in yield are disappointing, both in cereal maize and sweetcorn, as well as in field vegetables and vineyards.

In keeping with our customer-market strategy and facing low collection volumes, we purchased cereal externally in record amounts, thereby contributing to strengthening and structuring the sale of South-West maize.

To secure members' revenue, Maisadour developed the harvest insurance which it offered on cereal production via an improved "climatic risks" contract. As for specialised productions, compensation funds for the producers' organisation and sweetcorn producers were used heavily.

In terms of Decision Making Tools, alongside Phytènes and Epiclès (two tools used in agricultural supply consulting), Arvalis-Institut du Végétal's Irré-LIS® irrigation management DMT was launched, pre-tested and developed in 2013 and 2014.

As for organic vegetable production, Maisadour is strengthening its development strategy in organic agriculture by joining Agri Bio Union, a union of specialised cooperatives.

Meanwhile, the agricultural supplies campaign in spring 2014 started early and was completed in the financial year. In order to reduce distribution costs, direct delivery to farmers is now a major part of the marketing policy. Turnover achieved in the vineyard activity continues to recover, agricultural equipment in particular. Our organisation was strengthened following the August 2013 purchase of Sarl Inovitis, a vineyard services micro-business with formally-accredited good environmental practices (BPE).

The very late and humid collection of maize, which took place from mid-October to January 2014, was poor due to an exceptionally high average humidity (34.5%). The overall quality was much lower than our usual standards.

The surface area used to grow special maize greatly increased for the 2013 seeds and bonuses offered to farmers were revised.

Production of sweetcorn and beans was 25-30% lower than forecast. Contractualisation in 2014 was marked by a drop in prices and covered nearly 4,300 ha of sweetcorn and 1,000 ha of peas and beans.

952 tonnes of asparagus (category C1+C2) were produced in 2014, with a high level of quality. Our surface area with Agriculture Biologique [Organic Agriculture] certification is increasing, as is the surface area under the "Sables des Landes" protected geographical indication. The Priméale brand continues to perform well, and the value of PGI certification and developing packaged portions is confirmed.

# Seeds



## KEY EVENTS 2013-2014

- **Increase in sunflower sales: +30% in France and abroad**
- **Capacity of the Ukraine factory doubled**
- **Surface area used for growing seeds across the cooperative's network at record high**
- **New research station in Romania inaugurated**
- **Strategic international partnership with Jouffray-Drillaud developed**



**€135 M**  
in turnover



**736**  
employees in full-time equivalent, of which 53% abroad



**15%**  
of turnover invested in research



**1,500,000**  
packs of maize, sunflower and rapeseed for the brand

The exceptionally bad weather in spring 2013 had a significant impact on production, but the network's joint management was able to reduce its financial impact on producers. The 2014 production plan has, of course, been increased in order to replenish stocks.

Despite the low volumes available due to the unfavourable conditions in 2013, Maisadour Semences was still able to maintain its market share in maize. As for sunflowers, a large step forward was achieved, with an increase of over 30%.

The company's international development continues. In Ukraine, the second phase of the extension to the factory was completed, despite the geopolitical events taking place there. A new research station was also inaugurated in Romania and new locations are being considered, particularly in areas of rapid growth such as Africa. Continued investment in R&D has enabled us to remain very competitive with the world's leading companies, registering more than 35 new varieties of maize, sunflower and rapeseed.



## Animal Feed

### KEY EVENTS 2013-2014

- **Évalis business in Gourdon purchased: 28,000 tonnes**
- **Animal feed business and Lannemezan shop purchased from Mournet**
- **Repurchase of Laborari shares (Basque Country)**
- **Stake acquired in Évalis' site in Gourdon, in partnership with InVivo and Capel**



€221 M  
in turnover



€5.07 M  
in gross cash flow



€1.9 M  
invested



752,000 t  
of feed marketed



32%  
market share



405  
employees

With more than 750,000 tonnes of feed made and marketed in the South-West of France, 2.3% growth on its original activities and 17% growth when the purchases of businesses are included, Sud-Ouest Aliment is continuing to expand and stands out as the leader in animal feed in the region. Its main aims of making animal-based segments more competitive and processing local materials (more than 500,000 tonnes) are constantly being renewed. Recurring investments in our production sites maintain a high level of technical expertise for the products we make.

## Animal Productions

### KEY EVENTS 2013-2014

- **Development of the 400 m<sup>2</sup> Liberté building**
- **Development of mobile buildings of 60 m<sup>2</sup>**
- **Force-feeding workshops adopted latest standards**



€62 M  
in turnover



415 M  
producers  
of poultry



358 M  
producers  
of palmipeds



18.5 M  
of poultry



5.3 M  
of palmipeds

The real highlight of the financial year is the increase in production volumes of Label chickens (+6%) which were produced for the St Sever brand. To meet Fermiers du Sud-Ouest's requirements, a development plan (400 m<sup>2</sup> buildings and 60m<sup>2</sup> mobile buildings) was launched. This increased production capacity will carry on into 2014-2015.

Sud-Ouest Agri Service, which specialises in poultry capture, continues to provide reassurance for new investors.

The volume of palmipeds produced is experiencing a slight decline (-3%). A similar patterns is found for Provif.

The trade slogan "Nés, élevés, gavés, transformés dans le Sud-Ouest" [born, raised, fattened and processed in the South-West of France] is used by Delpyrat and promotes the region's hatcheries.

More than half of our members' force-feeding workshops comply with the European regulations which come into force on 1 January 2016.

Maisadour's production organisation has made a commitment to deploy the "PalmiGconfiance" charter amongst its members. This charter was launched by CIFOG and its aims are to ensure the European foie gras charter is correctly applied and to support producers in a progress approach whilst maintaining business ethics.

It is a voluntary approach aimed at all livestock breeders.

## Artificial Incubation

### KEY EVENTS 2013-2014

- **Creation of Caringa Sud-Ouest**
- **Transformation of the Carrère site**
- **Creation of a laying farm in Carrère**



€10.5 M  
in turnover



33 M  
in chicks



8,126 M  
ducklings



2 M  
young guinea fowl

The creation of a new site in Carrère in which moult duck eggs are produced enables the two artificial incubation companies within the Group to produce all the ducklings from breeding stock that was farmed in the South-West of France. With more than 8 million ducklings produced, the hatcheries provide more than 70% of the ducklings required by the Maisadour Cooperative Group. The creation of Caringa Sud-Ouest, in partnership with Hendrix Genetics, enabled us to structure the regional production of chicks and supply farms, in close contact with both hatcheries belonging to the new group.

With more than 30 million chicks produced, Caringa Sud-Ouest is becoming the leading producer in the region and exports to nearby countries (Spain, Portugal).

# Élevage Service

## KEY EVENTS 2013-2014

- 1st company in the segment with ISO 9001 certification
- +20% increase in turnover



€12.5 M  
in turnover



21 M  
employees

Élevage Service is the first company in its segment to hold ISO 9001 certification. The ISO approach is part and parcel of how the company is managed on a daily basis. It is a guarantee of Élevage Service's reliability and sustainability. Élevage Service's turnover grew by 20% and the company has confirmed its position as market leader in the South of France. The company is developing sales of collective housing units for foie gras palmipeds across the country. It is continuing to innovate and recently marketed a new, mobile building of 60m<sup>2</sup>, named "Liberté" [Freedom].

# Garden Centres & Motorised Gardening

## KEY EVENTS 2013-2014

### Garden centres

- A new loyalty programme: turnover up 10% from loyalty card holders
- 60% of the turnover achieved through loyalty card holders
- Development of a "terroir" offer

### Motorised gardening

- First Soumo "shop in shop" opened in Peyrehorade
- Pro-motorised gardening shop network restructured
- With the support of Verdis, Agralys and Cap Seine, Soumo has taken on a national scope



€41.6 M  
in turnover from garden centres



€10.5 M  
in turnover from motorised gardening points of sale



€10 M  
for the central purchasing facility



300  
employees



26  
Jardineries Maisadour  
6 Gamm vert



6  
Soumo shops



140,000  
fidelity card holders

The Maisadour and Gamm vert garden centres, as well as the Soumo shops, show the Group's values and commitments to the general public: sustainable development, local roots, sense of the earth.

The success of our new loyalty programme and the development of our loyalty card are clear indications of these local roots. This year, the Soumo central purchasing facility took on a national scope and is now the benchmark partner for motorised gardening, for Gamm vert.

At the same time, the network of shops continues to be restructured with the closing of shops in Saint-Paul-lès-Dax and Bourg-sur-Gironde and the opening of the Soumo "shop in shop" in Peyrehorade.

# Fine Food

## KEY EVENTS 2013-2014

- Ledun Pêcheurs d'Islande purchased
- Delmas created, with sites in Castets and Boulogne-sur-Mer purchased
- Excel sales and marketing activity integrated in Sarrade
- New positioning of Comtesse du Barry



44,000 t  
produced by MWH



€521 M  
in turnover



2,490  
employees





## The Fine Food Division has 5 segments:

- Delpeyrat, a fine food company and leading brand, both in France and worldwide,
- Comtesse du Barry, a company and high-end brand in specialised distribution channels,
- Sarrade, a confederation of companies and brands promoting regional production and skilled craftsmanship,
- Delmas, a fresh fish specialist whose stand-out product is Aquitaine trout,
- Traiteur, ready meals prepared using all types of technology

## Its aims:

- to promote and sustain shareholders' production via recognised brands,
- to meet consumers' requirements for innovation and differentiation,
- to be the benchmark for fine food products and French taste around the world.

The organisation is in line with distribution channels. Given a situation in which consumption of certain products is stable or even in decline, along with ever-increasing economic pressure due to prices, the structuring and pooling actions carried out with the aim of increasing our competitiveness are more relevant now than ever before.

2013 saw a decline and an impact for the first time due to the economic crisis. Delpeyrat maintained its position as No. 2 in foie gras. In the 2013 season, Delpeyrat developed innovations focussing on product excellence (e.g. "LE foie gras") and promoting its segments through its guaranteed origin Périgord and Sud-Ouest ranges. In the same context, the dry-cured ham market remained quite stable. Thanks to its strategy of promoting products from select origins, mainly Bayonne but also Serrano and Italy since April 2014, Delpeyrat has recorded significant growth.

The numbers achieved by Delpeyrat's long-standing foie gras and Bayonne ham activities were in line with targets. On a very tight smoked salmon market, Delpeyrat has established itself as No.2 in just 18 months. The high-quality smoked salmon range has been snapped up by consumers and the product was chosen as "Saveur de l'année 2014" [flavour of the year 2014].

In the first few months of the financial year, the Fine Food Division continued to develop in seafood with the purchase of Ledun Pêcheurs d'Islande's smoked salmon activities and the creation of Delmas.

For Comtesse du Barry, this year saw the definition and implementation of a new business model. The brand is focussing on products made in Gimont as well as in other Group workshops with skilled craftsmanship.

## Fermiers du Sud-Ouest

### KEY EVENTS 2013-2014

- **Improved profitability**
- **Ramp up of the St Sever brand**
- **Partners and teams working around a common project**



**€218 M**  
in turnover



**838**  
employees



**46,104 t**  
of poultry marketed

Driven on by encouraging results, Fermiers du Sud-Ouest anticipates growth of 5.5%, relying on momentum from all its Divisions and a ramp up of its brands.

## The challenges

Pursue its conquest strategy, boosted by rapidly growing supermarket and export channels and its increasingly efficient butcher, pork butcher and caterer (BCT) activity.

- Each Division will be able to do its bit:
- Fermiers Landais, by keeping up its momentum on both the supermarket and BCT activities.
- Fermiers du Gers, by continuing regional development and boosting volumes across the country in association with Gastronomie.
- Fermiers du Périgord, by improving its profitability.

## Means

- Developing new buildings to support commercial growth.
- Strengthening and organising sales and marketing teams.
- Nurture Export ambitions by strengthening our current positions and exploring new conquest targets.
- Working on the positioning of our brands and suitable communication plans.
- Strengthening our leading position in the BCT channel.

# The figures for 2013-2014



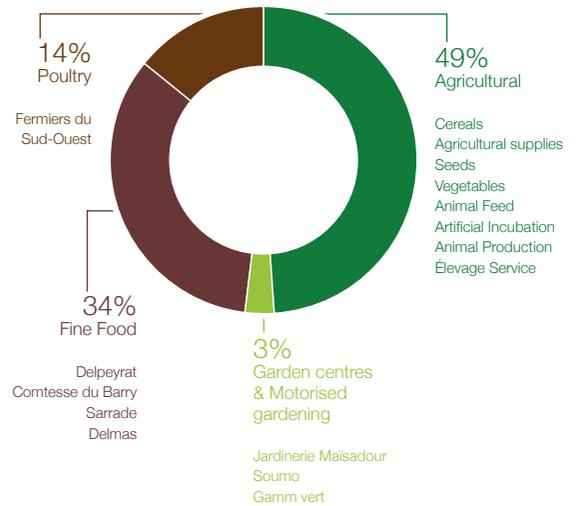
**Cooperative  
of 8,000 farmers**



**Board of Directors  
&  
The Executive Committee**

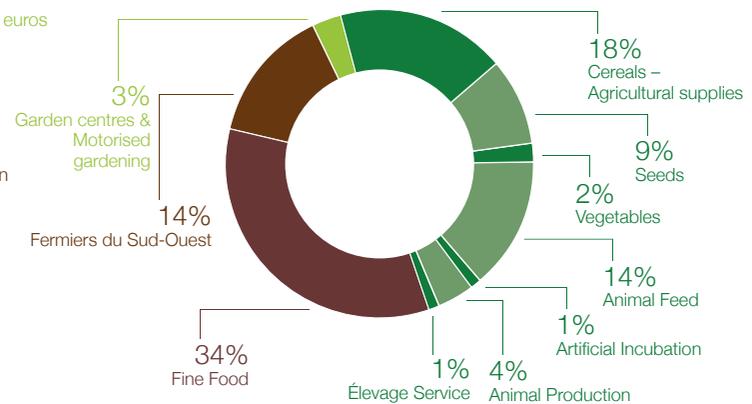
## Breakdown of turnover by Division

Turnover of 1.55 billion euros



## Breakdown of turnover by segment

Turnover of 1.55 billion euros



**Agricultural Division**  
Turnover of 758 million euros  
2,019 employees  
149 sites



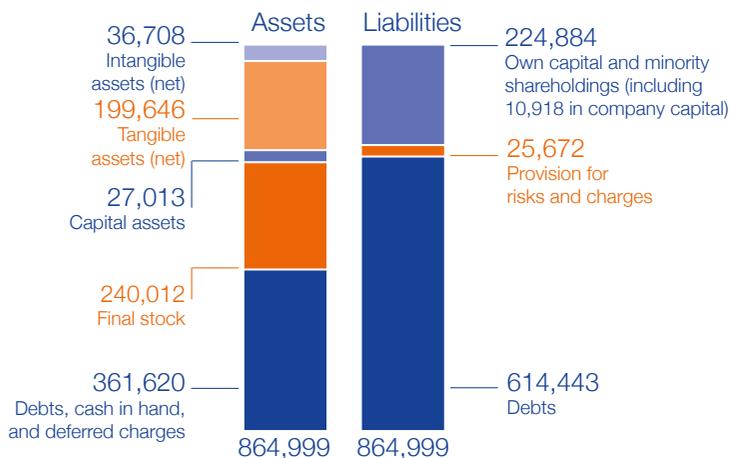
**Garden Centre Division**  
Turnover of 52 million euros  
289 employees  
38 sites

**Fine food Division**  
Turnover of 521 million euros  
2,490 employees  
28 sites

**Poultry Division**  
Turnover of 218 million euros  
838 employees  
5 sites

## Simplified balance sheet

Thousands of euros



## Changes in gross operating surplus of the group

In millions of euros

