

SYNGENTA AG
Form 20-F
February 28, 2008

As filed with the Securities and Exchange Commission on February 28, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: December 31, 2007

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Commission file number: 1-15152

SYNGENTA AG
(Exact name of Registrant as specified in its charter)

SWITZERLAND
(Jurisdiction of incorporation or organization)

Schwarzwaldallee 215, 4058 Basel, Switzerland
(Address of principal executive offices)

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CH-4002 Basel, Switzerland

(Name, Telephone, E-mail and/or Facsimile Number and
Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class:

Name of each exchange on which
registered:

**American Depositary Shares, each
representing
one-fifth of a common share of Syngenta
AG,
nominal value CHF 0.10**

New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of
the period covered by the annual report.

100,763,267 Common shares, nominal value CHF 0.10 each

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ **Yes** ☐ **No**

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports
pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ **Yes** ☒ **No**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the
Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was
required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ **Yes** ☐ **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated
filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated
filer ☒ **Accelerated filer** ☐ **Non-accelerated**
filer ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included
in this filing:

U.S. GAAP ☐ **International Financial Reporting Standards as issued by the International Accounting Standards Board** ☒ **Other** ☐

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ **Item 17** ☐ **Item 18**

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ **Yes** ☒ **No**

Introduction

NATURE OF OPERATIONS

Syngenta AG (“Syngenta”, the “Company”, “we” or “us”) is a world-leading agribusiness that is involved in the discovery, development, manufacture and marketing of a range of products designed to improve crop yields and food quality. In addition, Syngenta is a leader in “Professional Products”, through the development of products for markets such as Seed Care, Lawn and Garden, Professional Pest Management, Vector Control and Public Health. Syngenta is headquartered in Basel, Switzerland and was formed by Novartis AG (“Novartis”) and AstraZeneca PLC (“AstraZeneca”) in November 2000 through an agreement to spin off and merge the Novartis crop protection and seeds businesses with the Zeneca agrochemicals business to create a dedicated agribusiness company whose shares were then the subject of a global offering (the “Transactions”).

The Transactions were completed on November 13, 2000 (the “Transaction Date”). In this annual report, for periods prior to November 13, 2000, we refer to the businesses contributed to Syngenta by Novartis as the “Novartis agribusiness” and we refer to the businesses contributed to Syngenta by AstraZeneca as the “Zeneca agrochemicals business”.

FORWARD-LOOKING STATEMENTS

The statements contained in this annual report that are not historical facts, including, without limitation, statements regarding management’s expectations, targets or intentions, including for sales, earnings and earnings per share, constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, and are based on the current expectations and estimates of Syngenta’s management. Investors are cautioned that such forward-looking statements involve risks and uncertainties, and that actual results may differ materially.

We identify the forward-looking statements in this annual report by using the words “will” or “would”, or “anticipates”, “believes”, “expects”, “intends” or similar expressions, or the negative of these expressions. We cannot guarantee that any of the events or trends anticipated by the forward-looking statements will actually occur. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things:

- the risk that research and development will not yield new products that achieve commercial success;
- the risks associated with increasing competition in the industry, especially during downturns in the agricultural economy;
- the risk that Syngenta will not be able to obtain or maintain the necessary regulatory approvals for its business;
 - the risks associated with potential changes in policies of governments and international organizations;
 - the risks associated with exposure to liabilities resulting from environmental and health and safety laws;
 - the risk that important patents and other intellectual property rights may be challenged;
 - the risk of substantial product liability claims;

- the risk that consumer resistance to genetically modified crops and organisms may negatively impact sales;
- the risk that Syngenta's crop protection business may be adversely affected by increased use of products derived from biotechnology;
- the risks associated with climatic variations;
- the risk that customers will be unable to pay their debts to us due to local economic conditions;
- the risks associated with exposure to fluctuations in foreign currency exchange rates;
- the risks associated with entering into single-source supply arrangements;
- the risks associated with conducting operations in certain territories that have been identified by the US government as state sponsors of terrorism;
- the risks associated with an earthquake occurring in a key site;
- other risks and uncertainties that are difficult to predict

Some of these factors are discussed in more detail herein, including under Item 3 “Key Information”, Item 4 “Information on the Company”, and Item 5 “Operating and Financial Review and Prospects”. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Syngenta does not intend or assume any obligation to update these forward-looking statements.

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PART I

**Item 1 — Identity of Directors, Senior Management and
Advisers**

PART I

ITEM 1 — IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2 — OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3 — KEY INFORMATION

Financial Highlights

Syngenta has prepared the consolidated financial statements in US dollars and in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The basis of preparation of the consolidated financial statements and the key accounting policies are discussed in Notes 1 and 2, respectively, of the consolidated financial statements.

The selected financial information set out overleaf has been extracted from the consolidated financial statements of Syngenta. Investors should read the whole document and not rely on the summarized information. The information includes the results of operations and the net assets of Golden Harvest from July 31, 2004, Garst from September 1, 2004, Emergent Genetics Vegetable A/S (EGV) from June 1, 2006, Conrad Fafard, Inc. from August 1, 2006, Fischer group of companies from July 1, 2007 and Zeraim Gedera Ltd. from September 1, 2007. For further information about these and other acquisitions, see Note 3 to the consolidated financial statements.

PART I**Item 3 — Key Information****SELECTED FINANCIAL DATA**

(US\$ million except where stated) Amounts in accordance with IFRS ⁽¹⁾	Year ended December 31,				
	2007	2006	2005	2004	2003
Income statement data					
Sales	9,240	8,046	8,104	7,269	6,525
Cost of goods sold	(4,669)	(3,982)	(3,950)	(3,532)	(3,248)
Gross profit	4,571	4,064	4,154	3,737	3,277
Operating expenses	(3,107)	(3,235)	(3,294)	(3,196)	(2,759)
Operating income	1,464	829	860	541	518
Income/(loss) before taxes	1,419	798	766	466	379
Income/(loss) from continuing operations					