

SYNGENTA AG  
Form 6-K  
February 08, 2007

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**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16**  
**of the Securities Exchange Act of 1934**

For the month of February 2007

Commission File Number: 001-15152

**SYNGENTA AG**

(Translation of registrant's name into English)

**Schwarzwaldallee 215**  
**4058 Basel**  
**Switzerland**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes

No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes

No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes

No

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If  Yes  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b) N/A

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Re: SYNGENTA AG  
Press  
Release: **□Full Year Results 2006□**

Filed herewith is a press release related to Syngenta AG. The full text of the press release follows:

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AG**

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**Media Release****Full Year Results 2006**

Basel, Switzerland, 8 February 2007

**□ Performance reinforces leadership position □**

- Sales unchanged at constant exchange rates: \$8.05 billion
- Earnings per share<sup>(1)</sup> up 14 percent to \$8.73
- Crop Protection sales up 1 percent<sup>(2)</sup> at \$6.4 billion
- New product sales up 25 percent<sup>(2)</sup> to \$985 million
- Seeds corn traits launches on track: full offer 2008
- Further operational efficiencies: \$350 million annual savings by 2011
- 2007 cash return around \$800 million: increased dividend, share repurchase

**Financial Highlights**

|                      | Excluding Restructuring, Impairment |             |             |             | As reported under IFRS |             |
|----------------------|-------------------------------------|-------------|-------------|-------------|------------------------|-------------|
|                      | 2006<br>\$m                         | 2005<br>\$m | Actual<br>% | CER(2)<br>% | 2006<br>\$m            | 2005<br>\$m |
| <b>Sales</b>         | <b>8046</b>                         | 8104        | - 1         | -           | <b>8046</b>            | 8104        |
| <b>Net Income(3)</b> | <b>872</b>                          | 779         | +12         |             | <b>634</b>             | 622         |

|                           |                |         |     |                |         |
|---------------------------|----------------|---------|-----|----------------|---------|
| <b>Earnings per Share</b> | <b>\$ 8.73</b> | \$ 7.67 | +14 | <b>\$ 6.35</b> | \$ 6.13 |
|---------------------------|----------------|---------|-----|----------------|---------|

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**Michael Pragnell, Chief Executive Officer, said:**

□ In 2006, Syngenta demonstrated resilience in markets that were challenging, notably in the important first half. Crop Protection once again increased sales and gained market share driven by an excellent performance from new products; leadership was reinforced in the USA; Eastern Europe and Asia Pacific delivered strong growth; growth was also achieved in Latin America despite difficult conditions in Brazil. Professional Products accelerated growth, driven primarily by Seed Care. After a difficult first half in US Corn & Soybean, Seeds performed well in the second half with double digit growth in Vegetables and expansion in Diverse Field Crops; further regulatory milestones were achieved including EPA approval of our corn rootworm trait. Our continuing focus on cost and capital efficiency underpinned increased earnings and delivered strong free cash flow. □

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(1) *EPS on a fully-diluted basis, excluding restructuring and impairment.*

(2) *Growth at constant exchange rates, see Appendix A.*

(3) *Net income to shareholders of Syngenta AG.*

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## Highlights for 2006

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**Sales** at constant exchange rates (CER) were unchanged; reported sales were one percent lower at \$8.05 billion. Crop Protection sales\* rose one percent (CER); Seeds sales were two percent lower; in the second half Seeds sales rose six percent.

**EBITDA** improved by one percent (CER) to \$1.54 billion. Growth in high margin businesses and operational efficiency savings more than offset the impact of higher oil price-related costs and enabled additional expenditure in marketing and development. The EBITDA margin was unchanged at 19.1 percent.

**Currency:** The relative weakness of the US dollar in the second half of the year resulted in a \$32 million negative impact on full year EBITDA.

**Earnings per share**, excluding restructuring and impairment rose 14 percent to \$8.73. The increase was driven by higher operating income and a reduction in net financial expense helped by currency exchange gains. After charges for restructuring and impairment, earnings per share were \$6.35 (2005: \$6.13) .

**Crop Protection:** The business outperformed a challenging market due to the strength of its portfolio and the ongoing success of its marketing strategy. New products continued to expand with sales up 25 percent to \$985 million driven by the successful launches of AXIAL® and AVICTA® and by continuing growth in CALLISTO® and ACTARA®/CRUISER®. In NAFTA sales were higher after a strong second half performance. In EAME, growth in Eastern Europe and in Africa and the Middle East offset lower sales in Western Europe. In Latin America growth was achieved despite reduced soybean acreage in Brazil, as the broad product range and effective risk management led to further market share gain. Asia Pacific increased sales in a number of markets, notably China, India and South East Asia. Sales of **Professional Products** were up 18 percent with strong growth in Seed Care supplemented by a good performance in Lawn and Garden. In August the ornamentals business was augmented by the acquisition of Conrad Fafard, Inc.

EBITDA increased by one percent (CER) to \$1509 million, as sales growth and operational savings more than offset the impact of higher oil price-related costs and increased marketing and development expenditure.

**Seeds:** Strong growth in Diverse Field Crops and Vegetables largely offset a decline in Corn and Soybean due to first quarter production-related issues. Diverse Field Crops performed strongly, capitalizing on the increased demand for biofuels. In Vegetables, demand for fresh produce continues to expand and sales increased across all regions, with good growth in the developing markets of Latin America and Asia. The input trait pipeline for corn progressed well, with the launch of the glyphosate tolerance/corn borer double stack and the granting of EPA approval in October for Agrisure™ RW, a proprietary trait for corn rootworm control, and Agrisure™ CB/RW double-stack in January 2007.

EBITDA increased 17 percent (CER) to \$158 million driven by cost savings and growth in high margin businesses.

**R&D pipeline:** In Crop Protection the new vegetable fungicide REVUS® received regulatory approval and first launches are now underway. Product combinations based on the novel insecticide Rynaxypyr™, licensed exclusively on a world-wide basis from DuPont, are making good progress towards a 2008 launch; the two fungicides, 520 and 524 and the corn selective herbicide 449, all passed important milestones and were advanced into late development; two new compounds entered the research optimization stage.

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\* Crop Protection sales include \$77 million of inter-segment sales.



In Seeds, a complete range of input traits in corn is on track, with double-stacks launching this year and the triple stack available for the 2008 growing season. From 2008 onwards the company aims to launch a number of second generation traits including: corn amylase for more efficient bioethanol production; drought tolerant corn; aphid and nematode-resistant soybean.

**Operational efficiency:** Annual cost savings from the program announced in 2004 reached \$350 million, more than offsetting a cumulative oil price-related cost increase of \$230 million. The program will be completed one year ahead of schedule in 2007, with expected total savings meeting the target of \$425 million. The total cost will be \$500 million in cash and \$320 million in non-cash charges.

Further efficiencies are targeted with annualized savings of \$350 million by 2011. Savings will be made in both cost of goods and operating expenses enabling additional investments in technology, marketing and product development to drive future growth. The cost of the new program is estimated at \$700 million in cash and \$250 million in non-cash charges.

**Taxation:** The underlying tax rate for the period was 22 percent (2005: 22 percent). The tax rate is expected to remain in the low twenties over the medium term.

**Cash flow and balance sheet:** Free cash flow, after acquisitions of \$145m, was \$614 million. Fixed capital expenditure of \$217 million (2005: \$174 million) was below depreciation of \$230 million. Average trade working capital as a percentage of sales was 43 percent (2005: 40 percent) with higher year end inventories and receivables. At period end net debt was \$1153 million (2005: \$860 million) representing a gearing ratio of 20 percent (2005: 16 percent).

**Cash return to shareholders:** The Company continued its share repurchase program in 2006, repurchasing 3.3 million shares in May through a put option structure. A total dividend of \$260 million was paid in July in the form of a nominal value reduction. The total returned to shareholders in 2006 was \$889 million, bringing the cumulative return over the three years 2004-2006 to \$1.6 billion.

For 2007 the company aims to return around \$800m to shareholders through a 15 percent increase in the dividend and a share repurchase program. A dividend of CHF 3.80 per share (2005: CHF 3.30), of which CHF 2.20 will be paid by nominal value reduction, will be submitted for shareholder approval at the AGM on 2 May 2007 with a request to cancel the shares repurchased in 2006.

## Outlook

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Michael Pragnell, Chief Executive Officer, said:

□The ongoing strength of the business and delivery of our strategy enable us to reaffirm our target of double-digit growth in earnings per share\* through 2008, whilst making additional investments in technology, marketing and product development. Looking further ahead, our leadership position in Crop Protection will be complemented by the rapid expansion of our biotechnology offer in Seeds. This, coupled with additional operational efficiencies will drive earnings growth through the end of the decade. Furthermore, the strength of our balance sheet enables us to continue to return cash to our shareholders.□

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\* Fully diluted, before restructuring, impairment and share repurchase program.





## Crop Protection

For a definition of constant exchange rates, see Appendix A.

| Product line             | Full Year   |             | Growth      |           | 4th Quarter |             | Growth      |           |
|--------------------------|-------------|-------------|-------------|-----------|-------------|-------------|-------------|-----------|
|                          | 2006<br>\$m | 2005<br>\$m | Actual<br>% | CER<br>%  | 2006<br>\$m | 2005<br>\$m | Actual<br>% | CER<br>%  |
| Selective herbicides     | 1813        | 1889        | - 4         | - 3       | 245         | 249         | - 2         | - 4       |
| Non-selective herbicides | 725         | 688         | +5          | +5        | 124         | 123         | +1          | - 1       |
| Fungicides               | 1716        | 1779        | - 3         | - 2       | 370         | 356         | +4          | +1        |
| Insecticides             | 1093        | 1100        | - 1         | -         | 239         | 224         | +7          | +5        |
| Professional products    | 958         | 807         | +18         | +18       | 249         | 170         | +46         | +44       |
| Others                   | 73          | 67          | +8          | +8        | 31          | 53          | -40         | -42       |
| <b>Total</b>             | <b>6378</b> | <b>6330</b> | <b>+1</b>   | <b>+1</b> | <b>1258</b> | <b>1175</b> | <b>+7</b>   | <b>+5</b> |

**Selective Herbicides:** major brands AXIAL<sup>®</sup>, CALLISTO<sup>®</sup> family, DUAL<sup>®</sup>/BICEP<sup>®</sup> MAGNUM, ENVOKE<sup>®</sup>, FUSILADE<sup>®</sup>MAX, TOPIK<sup>®</sup>

The CALLISTO<sup>®</sup> range for corn continued to expand in both the Americas and in Europe augmented by the roll-out of combination products. In the USA sales of selective herbicides overall were lower due primarily to a reduction in corn acreage. In cereal herbicides, AXIAL<sup>®</sup> was successfully launched in a number of major markets. Sales of TOPIK<sup>®</sup> were lower reflecting unfavorable weather conditions in Europe and the USA.

**Non-selective Herbicides:** major brands GRAMOXONE<sup>®</sup>, TOUCHDOWN<sup>®</sup>

Both GRAMOXONE<sup>®</sup> and TOUCHDOWN<sup>®</sup> demonstrated good growth. TOUCHDOWN<sup>®</sup> grew strongly in the USA, driven by an expanded product range and the further penetration of glyphosate-tolerant technology in corn. GRAMOXONE<sup>®</sup> achieved growth in Latin America and broad-based growth in Asia augmented by the successful launch of GRAMOXONE<sup>®</sup> INTEON<sup>®</sup> in South Korea.

**Fungicides:** major brands AMISTAR<sup>®</sup>, BRAVO<sup>®</sup>, RIDOMIL GOLD<sup>®</sup>, SCORE<sup>®</sup>, TILT<sup>®</sup>, UNIX<sup>®</sup>

After a difficult first half in Europe, due to the severe winter, and in the USA, as a result of drought in the south, fungicide sales recovered in the second half. Sales of AMISTAR<sup>®</sup> increased in Asia and in Latin America, despite difficult market conditions in Brazil. SCORE<sup>®</sup> showed good growth, notably in Asia.

**Insecticides:** major brands ACTARA<sup>®</sup>, FORCE<sup>®</sup>, KARATE<sup>®</sup>, PROCLAIM<sup>®</sup>, VERTIMEC<sup>®</sup>

ACTARA<sup>®</sup> delivered strong growth in all regions, notably in Latin America. This was offset by lower sales of KARATE<sup>®</sup> in the USA in comparison with the previous year which benefited from an exceptional outbreak of soybean aphids. Sales of FORCE<sup>®</sup> grew strongly in Eastern Europe and gained share in the USA. PROCLAIM<sup>®</sup> benefited from strong demand on vegetables.



**Professional Products:** major brands AVICTA®, CRUISER®, DIVIDEND®, HERITAGE®, MAXIM®

All three businesses □ Seed Care, Lawn & Garden, Home Care □ achieved double digit growth. In Seed Care, CRUISER® grew strongly in all regions with new launches and increased market share; AVICTA® was successfully launched on cotton in the USA and is expanding into the vegetables market. In Lawn & Garden the acquisition of Fafard strengthened the company's presence in ornamentals and augmented solid underlying growth.

| Regional                     | Full Year   |             |             |           | 4 <sup>th</sup> Quarter |             |             |           |
|------------------------------|-------------|-------------|-------------|-----------|-------------------------|-------------|-------------|-----------|
|                              | 2006<br>\$m | 2005<br>\$m | Actual<br>% | CER<br>%  | 2006<br>\$m             | 2005<br>\$m | Actual<br>% | CER<br>%  |
| Europe, Africa & Middle East | 2242        | 2283        | - 2         | -         | 408                     | 360         | +14         | +8        |
| NAFTA                        | 2119        | 2081        | +2          | +1        | 237                     | 182         | +30         | +30       |
| Latin America                | 1036        | 1027        | +1          | +1        | 401                     | 422         | - 5         | - 5       |
| Asia Pacific                 | 981         | 939         | +4          | +5        | 212                     | 211         | +1          | -1        |
| <b>Total</b>                 | <b>6378</b> | <b>6330</b> | <b>+1</b>   | <b>+1</b> | <b>1258</b>             | <b>1175</b> | <b>+7</b>   | <b>+5</b> |

Sales in **Europe, Africa and the Middle East** were unchanged. Growth in Eastern Europe, Africa and the Middle East offset lower sales in Western Europe due to the prolonged winter and ongoing structural reform. Syngenta gained share in several key European markets including Germany, Italy and the UK. A good performance in Selective Herbicides, helped by the launch of AXIAL®, and in professional products more than offset a decline in fungicide sales.

Sales in **NAFTA** were slightly higher despite a challenging season in the USA due to a weaker farm economy, lower corn acreage and drought in the south. As a result, sales of selective herbicides and fungicides were lower; insecticides were also lower following exceptionally high 2005 growth. Non-selective herbicides, notably TOUCHDOWN®, capitalized on the further penetration of biotechnology and delivered good growth. New products performed well including CALLISTO®, ACTARA® and the launch of AXIAL® in cereals. Professional Products performed strongly notably Seed Treatment led by CRUISER® and the launch of AVICTA®; growth in Ornamentals was augmented by the acquisition of Fafard in Lawn & Garden.

Sales in **Latin America** were slightly ahead despite difficult market conditions in Brazil. The breadth of the product portfolio and effective risk management led to further market share gains. ACTARA® / CRUISER® delivered a particularly strong performance. Sales were higher in Argentina notably herbicides and insecticides.

Sales growth in **Asia Pacific** was broad-based and double digit growth was achieved in a number of markets including China, India, Vietnam, Thailand and Indonesia. GRAMOXONE®, SCORE®, PROCLAIM® and CRUISER® all delivered particularly strong performances.

## Seeds

For a definition of constant exchange rates, see Appendix A.

| Product line         | Full Year   |             | Growth      |            | 4 <sup>th</sup> Quarter |             | Growth      |            |
|----------------------|-------------|-------------|-------------|------------|-------------------------|-------------|-------------|------------|
|                      | 2006<br>\$m | 2005<br>\$m | Actual<br>% | CER<br>%   | 2006<br>\$m             | 2005<br>\$m | Actual<br>% | CER<br>%   |
| Corn & Soybean       | 785         | 880         | -11         | -10        | 40                      | 26          | +50         | +48        |
| Diverse Field Crops  | 309         | 301         | +3          | +7         | 31                      | 26          | +20         | +14        |
| Vegetables & Flowers | 649         | 616         | +5          | +6         | 130                     | 108         | +20         | +17        |
| <b>Total</b>         | <b>1743</b> | <b>1797</b> | <b>- 3</b>  | <b>- 2</b> | <b>201</b>              | <b>160</b>  | <b>+25</b>  | <b>+21</b> |

**Field Crops:** major brands NK<sup>®</sup>, GARST<sup>®</sup>, GOLDEN HARVEST<sup>®</sup> corn and oilseeds, HILLESHÖG<sup>®</sup> sugar beet

Corn & Soybean sales were affected by first quarter production-related issues in corn and by end of season channel adjustments in soybean. Diverse Field Crops performed well with strong growth in sunflower in Eastern Europe, and oilseed rape in Germany and the UK driven by demand for biodiesel. Sugar beet sales were lower in Western Europe due to reform of sugar subsidies; this was largely offset by growth in Eastern Europe, notably Russia.

**Vegetables and Flowers:** major brands S&G<sup>®</sup> vegetables, ROGERS<sup>®</sup> vegetables, S&G<sup>®</sup> flowers Growth in vegetables accelerated in the second half with a positive contribution from the acquisition of Emergent Genetics Vegetable in Denmark. Sales in the emerging markets of Latin America and Asia Pacific continued to expand rapidly. Sales of branded fresh produce rose by 31 percent with an expansion of the retail network in the USA and successful initial launches in Europe.

Sales of S&G<sup>®</sup> flowers were unchanged with unfavorable spring weather in Europe and the impact of drought in Australia.

| Regional                     | Full Year   |             | Growth      |            | 4 <sup>th</sup> Quarter |             | Growth      |            |
|------------------------------|-------------|-------------|-------------|------------|-------------------------|-------------|-------------|------------|
|                              | 2006<br>\$m | 2005<br>\$m | Actual<br>% | CER<br>%   | 2006<br>\$m             | 2005<br>\$m | Actual<br>% | CER<br>%   |
| Europe, Africa & Middle East | 690         | 699         | - 1         | +3         | 73                      | 61          | +22         | +14        |
| NAFTA                        | 838         | 903         | - 7         | - 7        | 72                      | 54          | +32         | +32        |
| Latin America                | 107         | 107         | - 1         | - 1        | 28                      | 24          | +11         | +11        |
| Asia Pacific                 | 108         | 88          | +23         | +22        | 28                      | 21          | +34         | +28        |
| <b>Total</b>                 | <b>1743</b> | <b>1797</b> | <b>- 3</b>  | <b>- 2</b> | <b>201</b>              | <b>160</b>  | <b>+25</b>  | <b>+21</b> |

**Safe Harbor:** *This document contains forward-looking statements, which can be identified by terminology such as "expect", "would", "will", "potential", "plans", "prospects", "estimated", "aiming", "on track" and similar expressions. Such statements may be subject to risks and uncertainties that could cause the actual results to differ materially from these statements. We refer you to Syngenta's publicly available filings with the U.S. Securities and Exchange Commission for information about these and other risks and uncertainties. Syngenta assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors. This document does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer, to purchase or subscribe for any ordinary shares in Syngenta AG, or Syngenta ADSs, nor shall it form the basis of, or be relied on in connection with, any contract therefore.*

*Syngenta is a world-leading agribusiness committed to sustainable agriculture through innovative research and technology. The company is a leader in crop protection, and ranks third in the high-value commercial seeds market. Sales in 2006 were approximately \$8.1 billion. Syngenta employs around 19,500 people in over 90 countries. Syngenta is listed on the Swiss stock exchange (SYNN) and in New York (SYT). Further information is available at [www.syngenta.com](http://www.syngenta.com).*

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## Financial Summary

|  | Excluding Restructuring and Impairment <sup>(1)</sup> |             | Restructuring and Impairment <sup>(1)</sup> |              | As reported under IFRS |             |
|--|---|-------------|---|--------------|------------------------|-------------|
|  | 2006<br>\$m   | 2005<br>\$m | 2006<br>\$m                                 | 2005<br>\$m  | 2006<br>\$m            | 2005<br>\$m |
| <b>For the year to 31 December</b>               |   |             |   |              |                        |             |
| <b>Sales</b>                                     | <b>8046</b>   | <b>8104</b> | -   | -            | <b>8046</b>            | <b>8104</b> |
| <b>Gross profit</b>                              | <b>4089</b>   | <b>4178</b> | <b>(25)</b>                                 | <b>(24)</b>  | <b>4064</b>            | <b>4154</b> |
| Marketing and distribution                       | (1470)  | (1518)      | -   | -            | (1470)                 | (1518)      |
| Research and development                         | (796)   | (822)       | -   | -            | (796)                  | (822)       |
| General and administrative                       | (668)   | (742)       | -   | -            | (668)                  | (742)       |
| Restructuring and impairment                     | -   | -           | (301)                                       | (212)        | (301)                  | (212)       |
| <b>Operating income</b>                          | <b>1155</b>   | <b>1096</b> | <b>(326)</b>                                | <b>(236)</b> | <b>829</b>             | <b>860</b>  |
| <b>Income before taxes</b>                       | <b>1124</b>   | <b>1002</b> | <b>(326)</b>                                | <b>(236)</b> | <b>798</b>             | <b>766</b>  |
| Income tax expense                               | (249)   | (219)       | 88  | 79           | (161)                  | (140)       |
| <b>Net income</b>                                | <b>875</b>  | <b>783</b>  | <b>(238)</b>                                | <b>(157)</b> | <b>637</b>             | <b>626</b>  |
| Attributable to minority interests               | 3   | 4           | -   | -            | 3                      | 4           |
| <b>Attributable to Syngenta AG shareholders:</b> | <b>872</b>  | <b>779</b>  | <b>(238)</b>                                | <b>(157)</b> | <b>634</b>             | <b>622</b>  |
| <b>Earnings/(loss) per share(3)</b>              |   |             |   |              |                        |             |
| - basic  | \$ 8.88   | \$ 7.78     | \$ (2.42)                                   | \$ (1.56)    | \$ 6.46                | \$ 6.22     |
| - diluted  | \$ 8.73   | \$ 7.67     | \$ (2.38)                                   | \$ (1.54)    | \$ 6.35                | \$ 6.13     |

|  | 2006         | 2005         | 2006 CER <sup>(2)</sup> |
|--|--------------|--------------|-------------------------|
| <b>Gross profit margin(4)</b>            | <b>50.8%</b> | <b>51.6%</b> | <b>50.8%</b>            |
| <b>EBITDA margin(5)</b>                  | <b>19.1%</b> | <b>19.1%</b> | <b>19.3%</b>            |
| <b>EBITDA(5)</b>                         | <b>1535</b>  | <b>1549</b>  |                         |
| <b>Tax rate(6)</b>                       | <b>22%</b>   | <b>22%</b>   |                         |
| <b>Free cash flow(7)</b>                 | <b>614</b>   | <b>356</b>   |                         |
| <b>Trade working capital to sales(8)</b> | <b>35%</b>   | <b>30%</b>   |                         |
| <b>Debt/Equity gearing(9)</b>            | <b>20%</b>   | <b>16%</b>   |                         |



|                    |             |            |
|--------------------|-------------|------------|
| <b>Net debt(9)</b> | <b>1153</b> | <b>860</b> |
|--------------------|-------------|------------|

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- (1) For further analysis of restructuring and impairment charges, see Note 4 on page 20. Net income and earnings per share excluding restructuring and impairment are provided as additional information, and not as an alternative to net income and earnings per share determined in accordance with IFRS.
- (2) For a description of CER see Appendix A on page 25.
- (3) The weighted average number of ordinary shares in issue used to calculate the earnings per share were as follows: for 2006 basic EPS 98,165,298 and diluted EPS 99,876,180; 2005 basic EPS 100,017,271 and diluted EPS 101,464,222.
- (4) Gross profit margin is calculated excluding restructuring and impairment.
- (5) EBITDA is a non-GAAP measure but is in regular use as a measure of operating performance and is defined in Appendix C on page 26.
- (6) Tax rate on results excluding restructuring and impairment.
- (7) Includes restructuring and impairment cash outflows. For a description of free cash flow, see Appendix B on page 25.
- (8) Period end trade working capital as a percentage of twelve-month sales, see Appendix F on page 27.
- (9) For a description of net debt and the calculation of debt/equity gearing, see Appendix E on page 27.

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**Full Year Segmental Results(1)**

| <b>Syngenta</b>                          | <b>Full Year 2006</b><br><b>\$m</b> | <b>Full Year 2005</b><br><b>\$m</b> | <b>CER<sup>(2)</sup></b><br><b>%</b> |
|--|-------------------------------------|-------------------------------------|--------------------------------------|
| <b>Third Party Sales</b>                 | <b>8046</b>                         | <b>8104</b>                         | <b>-</b>                             |
| Gross Profit <sup>(3)</sup>              | 4089                                | 4178                                | - 1                                  |
| Marketing and distribution               | (1470)                              | (1518)                              | +3                                   |
| Research and development                 | (796)                               | (822)                               | +3                                   |
| General and administrative               | (668)                               | (742)                               | +11                                  |
| <b>Operating income</b>                  | <b>1155</b>                         | <b>1096</b>                         | <b>+8</b>                            |
| <b>EBITDA<sup>(4)</sup></b>              | <b>1535</b>                         | <b>1549</b>                         | <b>+1</b>                            |
| <b>EBITDA (%)</b>                        | <b>19.1</b>                         | <b>19.1</b>                         |                                      |
|  |                                     |                                     |                                      |
|  | <b>Full Year 2006</b><br><b>\$m</b> | <b>Full Year 2005</b><br><b>\$m</b> | <b>CER<sup>(2)</sup></b><br><b>%</b> |
| <b>Crop Protection</b>                   |                                     |                                     |                                      |
| <b>Total Sales</b>                       | <b>6378</b>                         | <b>6330</b>                         | <b>+1</b>                            |
| Inter-segment elimination <sup>(5)</sup> | (77)                                | (23)                                | n/a                                  |
| <b>Third Party Sales</b>                 | <b>6301</b>                         | <b>6307</b>                         | <b>+1</b>                            |
| Gross Profit                             | 3260                                | 3297                                | - 1                                  |
| Marketing and distribution               | (1037)                              | (1106)                              | +6                                   |
| Research and development                 | (490)                               | (509)                               | +3                                   |
| General and administrative               | (549)                               | (557)                               | +3                                   |
| <b>Operating income</b>                  | <b>1184</b>                         | <b>1125</b>                         | <b>+7</b>                            |
| <b>EBITDA<sup>(4)</sup></b>              | <b>1509</b>                         | <b>1513</b>                         | <b>+1</b>                            |
| <b>EBITDA (%)</b>                        | <b>23.7</b>                         | <b>23.9</b>                         |                                      |
|  |                                     |                                     |                                      |
|  | <b>Full Year 2006</b><br><b>\$m</b> | <b>Full Year 2005</b><br><b>\$m</b> | <b>CER<sup>(2)</sup></b><br><b>%</b> |
| <b>Seeds</b>                             |                                     |                                     |                                      |
| <b>Third Party Sales</b>                 | <b>1743</b>                         | <b>1797</b>                         | <b>- 2</b>                           |

|                            |            |            |            |
|----------------------------|------------|------------|------------|
| Gross Profit               | 866        | 881        | -          |
| Marketing and distribution | (429)      | (408)      | - 5        |
| Research and development   | (232)      | (213)      | - 8        |
| General and administrative | (106)      | (169)      | +35        |
| <b>Operating income</b>    | <b>99</b>  | <b>91</b>  | <b>+26</b> |
| <b>EBITDA(4)</b>           | <b>158</b> | <b>148</b> | <b>+17</b> |
| <b>EBITDA (%)</b>          | <b>9.1</b> | <b>8.2</b> |            |

|                            | Full Year 2006<br>\$m | Full Year 2005<br>\$m | CER <sup>(2)</sup><br>% |
|----------------------------|-----------------------|-----------------------|-------------------------|
| <b>Plant Science</b>       |                       |                       |                         |
| <b>Third Party Sales</b>   | <b>2</b>              | <b>0</b>              | <b>n/a</b>              |
| Gross Profit               | 0                     | 0                     | n/a                     |
| Marketing and distribution | (4)                   | (4)                   | - 7                     |
| Research and development   | (74)                  | (100)                 | +25                     |
| General and administrative | (13)                  | (16)                  | +19                     |
| <b>Operating loss</b>      | <b>(91)</b>           | <b>(120)</b>          | <b>+23</b>              |
| <b>EBITDA(4)</b>           | <b>(95)</b>           | <b>(112)</b>          | <b>+15</b>              |
| <b>EBITDA (%)</b>          | <b>n/a</b>            | <b>n/a</b>            |                         |

(1) Excluding restructuring and impairment see Note 4 on page 20.

(2) Growth at constant exchange rates, see Appendix A on page 25.

(3) For details of the inter-segment elimination within gross profit, see Appendix H on page 28.

(4) For a reconciliation of segment EBITDA to segment operating income, see Appendix D on page 26.

(5) Crop Protection inter-segment sales to Seeds.

**Unaudited Second Half Segmental Results(1)**

| <b>Syngenta</b>             | <b>2<sup>nd</sup> Half 2006</b> | <b>2<sup>nd</sup> Half 2005</b> | <b>CER<sup>(2)</sup></b> |
|-----------------------------|---------------------------------|---------------------------------|--------------------------|
|                             | <b>\$m</b>                      | <b>\$m</b>                      | <b>%</b>                 |
| <b>Third Party Sales</b>    | <b>2845</b>                     | <b>2718</b>                     | <b>+3</b>                |
| Gross Profit <sup>(3)</sup> | 1283                            | 1307                            | - 2                      |
| Marketing and distribution  | (743)                           | (791)                           | +8                       |
| Research and development    | (409)                           | (416)                           | +5                       |
| General and administrative  | (333)                           | (336)                           | +1                       |
| <b>Operating loss</b>       | <b>(202)</b>                    | <b>(236)</b>                    | <b>+25</b>               |
| <b>EBITDA</b>               | <b>(8)</b>                      | <b>(15)</b>                     | <b>n/a</b>               |
| <b>EBITDA (%)</b>           | <b>-0.3</b>                     | <b>-0.6</b>                     |                          |

| <b>Crop Protection</b>                   | <b>2<sup>nd</sup> Half 2006</b> | <b>2<sup>nd</sup> Half 2005</b> | <b>CER<sup>(2)</sup></b> |
|--|---------------------------------|---------------------------------|--------------------------|
|  | <b>\$m</b>                      | <b>\$m</b>                      | <b>%</b>                 |
| <b>Total Sales</b>                       | <b>2462</b>                     | <b>2343</b>                     | <b>+3</b>                |
| Inter-segment elimination <sup>(4)</sup> | (41)                            | (13)                            | n/a                      |
| <b>Third Party Sales</b>                 | <b>2421</b>                     | <b>2330</b>                     | <b>+2</b>                |
| Gross Profit                             | 1104                            | 1106                            | -                        |
| Marketing and distribution               | (536)                           | (592)                           | +11                      |
| Research and development                 | (253)                           | (259)                           | +7                       |
| General and administrative               | (289)                           | (252)                           | - 16                     |
| <b>Operating income</b>                  | <b>26</b>                       | <b>3</b>                        | <b>n/a</b>               |
| <b>EBITDA</b>                            | <b>189</b>                      | <b>195</b>                      | <b>+5</b>                |
| <b>EBITDA (%)</b>                        | <b>7.7</b>                      | <b>8.3</b>                      |                          |

| <b>Seeds</b>             | <b>2<sup>nd</sup> Half 2006</b> | <b>2<sup>nd</sup> Half 2005</b> | <b>CER<sup>(2)</sup></b> |
|--------------------------|---------------------------------|---------------------------------|--------------------------|
|                          | <b>\$m</b>                      | <b>\$m</b>                      | <b>%</b>                 |
| <b>Third Party Sales</b> | <b>423</b>                      | <b>388</b>                      | <b>+6</b>                |

|                            |              |              |            |
|----------------------------|--------------|--------------|------------|
| Gross Profit               | 212          | 201          | +1         |
| Marketing and distribution | (205)        | (197)        | - 1        |
| Research and development   | (119)        | (109)        | - 6        |
| General and administrative | (37)         | (74)         | +53        |
| <b>Operating loss</b>      | <b>(149)</b> | <b>(179)</b> | <b>+19</b> |
| <b>EBITDA</b>              | <b>(117)</b> | <b>(152)</b> | <b>+25</b> |
| <b>EBITDA (%)</b>          | <b>-27.8</b> | <b>-39.4</b> |            |

|                            | 2 <sup>nd</sup> Half 2006 | 2 <sup>nd</sup> Half 2005 | CER <sup>(2)</sup> |
|----------------------------|---------------------------|---------------------------|--------------------|
| Plant Science              | \$m                       | \$m)                      | %                  |
| <b>Third Party Sales</b>   | <b>1</b>                  | <b>0</b>                  | <b>n/a</b>         |
| Gross Profit               | (1)                       | 0                         | n/a                |
| Marketing and distribution | (2)                       | (2)                       | -                  |
| Research and development   | (37)                      | (48)                      | +23                |
| General and administrative | (7)                       | (10)                      | +26                |
| <b>Operating loss</b>      | <b>(47)</b>               | <b>(60)</b>               | <b>+22</b>         |
| <b>EBITDA</b>              | <b>(48)</b>               | <b>(58)</b>               | <b>+18</b>         |
| <b>EBITDA (%)</b>          | <b>n/a</b>                | <b>n/a</b>                |                    |

(1) Excluding restructuring and impairment see Note 4 on page 20.

(2) Growth at constant exchange rates, see Appendix A on page 25.

(3) For details of the inter-segment elimination within gross profit, see Appendix H on page 28.

(4) Crop Protection inter-segment sales to Seeds.

## Unaudited Full Year Product Line and Regional Sales

| <b>Syngenta</b>                          | <b>Full Year 2006</b> | <b>Full Year 2005</b> | <b>Actual</b> | <b>CER(1)</b> |
|--|-----------------------|-----------------------|---------------|---------------|
|  | <b>\$m</b>            | <b>\$m</b>            | <b>%</b>      | <b>%</b>      |
| Crop Protection                          | 6378                  | 6330                  | +1            | +1            |
| Seeds                                    | 1743                  | 1797                  | -3            | -2            |
| Plant Science                            | 2                     | -                     | -             | -             |
| Inter-segment elimination <sup>(2)</sup> | (77)                  | (23)                  | -             | -             |
| Third Party Sales                        | 8046                  | 8104                  | -1            | -             |
| <b>Crop Protection</b>                   |                       |                       |               |               |
| <b>Product line</b>                      |                       |                       |               |               |
| Selective herbicides                     | 1813                  | 1889                  | -4            | -3            |
| Non-selective herbicides                 | 725                   | 688                   | +5            | +5            |
| Fungicides                               | 1716                  | 1779                  | -3            | -2            |
| Insecticides                             | 1093                  | 1100                  | -1            | -             |
| Professional products                    | 958                   | 807                   | +18           | +18           |
| Others                                   | 73                    | 67                    | +8            | +8            |
| Total                                    | 6378                  | 6330                  | +1            | +1            |
| <b>Regional</b>                          |                       |                       |               |               |
| Europe, Africa and Middle East           | 2242                  | 2283                  | -2            | -             |
| NAFTA                                    | 2119                  | 2081                  | +2            | +1            |
| Latin America                            | 1036                  | 1027                  | +1            | +1            |
| Asia Pacific                             | 981                   | 939                   | +4            | +5            |
| Total                                    | 6378                  | 6330                  | +1            | +1            |
| <b>Seeds</b>                             |                       |                       |               |               |
| <b>Product line</b>                      |                       |                       |               |               |
| Corn & Soybean                           | 785                   | 880                   | -11           | -10           |
| Diverse Field Crops                      | 309                   | 301                   | +3            | +7            |
| Vegetables and Flowers                   | 649                   | 616                   | +5            | +6            |
| Total                                    | 1743                  | 1797                  | -3            | -2            |
| <b>Regional</b>                          |                       |                       |               |               |
| Europe, Africa and Middle East           | 690                   | 699                   | -1            | +3            |
| NAFTA                                    | 838                   | 903                   | -7            | -7            |
| Latin America                            | 107                   | 107                   | -1            | -1            |
| Asia Pacific                             | 108                   | 88                    | +23           | +22           |

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|       |      |      |     |     |
|-------|------|------|-----|-----|
| Total | 1743 | 1797 | - 3 | - 2 |
|-------|------|------|-----|-----|

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- (1) Growth at constant exchange rates, see Appendix A on page 25.  
(2) Crop Protection inter-segment sales to Seeds.

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## Unaudited Second Half Product Line and Regional Sales

| <b>Syngenta</b>                          | <b>2<sup>nd</sup> Half 2006</b> | <b>2<sup>nd</sup> Half 2005</b> | <b>Actual</b> | <b>CER(1)</b> |
|--|---------------------------------|---------------------------------|---------------|---------------|
|  | <b>\$m</b>                      | <b>\$m</b>                      | <b>%</b>      | <b>%</b>      |
| Crop Protection                          | 2462                            | 2343                            | +5            | +3            |
| Seeds                                    | 423                             | 388                             | +9            | +6            |
| Plant Science                            | 1                               | -                               | -             | -             |
| Inter-segment elimination <sup>(2)</sup> | (41)                            | (13)                            | -             | -             |
| Third Party Sales                        | 2845                            | 2718                            | +5            | +3            |
| <b>Crop Protection</b>                   |                                 |                                 |               |               |
| <b>Product line</b>                      |                                 |                                 |               |               |
| Selective herbicides                     | 500                             | 538                             | - 7           | - 9           |
| Non-selective herbicides                 | 303                             | 297                             | +2            | -             |
| Fungicides                               | 651                             | 578                             | +13           | +10           |
| Insecticides                             | 491                             | 499                             | - 2           | - 2           |
| Professional products                    | 468                             | 388                             | +21           | +19           |
| Others                                   | 49                              | 43                              | +14           | +12           |
| Total                                    | 2462                            | 2343                            | +5            | +3            |
| <b>Regional</b>                          |                                 |                                 |               |               |
| Europe, Africa and Middle East           | 790                             | 714                             | +11           | +6            |
| NAFTA                                    | 540                             | 500                             | +8            | +8            |
| Latin America                            | 709                             | 719                             | - 1           | - 1           |
| Asia Pacific                             | 423                             | 410                             | +3            | +2            |
| Total                                    | 2462                            | 2343                            | +5            | +3            |
| <b>Seeds</b>                             |                                 |                                 |               |               |
| <b>Product line</b>                      |                                 |                                 |               |               |
| Corn & Soybean                           | 77                              | 89                              | - 14          | - 15          |
| Diverse Field Crops                      | 67                              | 59                              | +15           | +10           |
| Vegetables and Flowers                   | 279                             | 240                             | +16           | +13           |
| Total                                    | 423                             | 388                             | +9            | +6            |
| <b>Regional</b>                          |                                 |                                 |               |               |
| Europe, Africa and Middle East           | 173                             | 159                             | +10           | +4            |
| NAFTA                                    | 122                             | 111                             | +10           | +10           |
| Latin America                            | 72                              | 74                              | - 4           | - 4           |
| Asia Pacific                             | 56                              | 44                              | +26           | +22           |



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|       |     |     |    |    |
|-------|-----|-----|----|----|
| Total | 423 | 388 | +9 | +6 |
|-------|-----|-----|----|----|

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- (1) Growth at constant exchange rates, see Appendix A on page25.  
(2) Crop Protection inter-segment sales to Seeds.

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## Unaudited Fourth Quarter Product Line and Regional Sales

| <b>Syngenta</b>                          | <b>4<sup>th</sup> Quarter 2006</b> | <b>4<sup>th</sup> Quarter 2005</b> | <b>Actual</b> | <b>CER<sup>(1)</sup></b> |
|--|------------------------------------|------------------------------------|---------------|--------------------------|
|  | <b>\$m</b>                         | <b>\$m</b>                         | <b>%</b>      | <b>%</b>                 |
| Crop Protection                          | 1258                               | 1175                               | +7            | +5                       |
| Seeds                                    | 201                                | 160                                | +25           | +21                      |
| Plant Science                            | 1                                  | 0                                  | -             | -                        |
| Inter-segment elimination <sup>(2)</sup> | (25)                               | (7)                                | -             | -                        |
| <b>Total</b>                             | <b>1435</b>                        | <b>1328</b>                        | <b>+8</b>     | <b>+6</b>                |
| <b>Crop Protection</b>                   |                                    |                                    |               |                          |
| <b>Product line</b>                      |                                    |                                    |               |                          |
| Selective herbicides                     | 245                                | 249                                | - 2           | - 4                      |
| Non-selective herbicides                 | 124                                | 123                                | +1            | - 1                      |
| Fungicides                               | 370                                | 356                                | +4            | +1                       |
| Insecticides                             | 239                                | 224                                | +7            | +5                       |
| Professional products                    | 249                                | 170                                | +46           | +44                      |
| Others                                   | 31                                 | 53                                 | - 40          | - 42                     |
| <b>Total</b>                             | <b>1258</b>                        | <b>1175</b>                        | <b>+7</b>     | <b>+5</b>                |
| <b>Regional</b>                          |                                    |                                    |               |                          |
| Europe, Africa and Middle East           | 408                                | 360                                | +14           | +8                       |
| NAFTA                                    | 237                                | 182                                | +30           | +30                      |
| Latin America                            | 401                                | 422                                | - 5           | - 5                      |
| Asia Pacific                             | 212                                | 211                                | +1            | - 1                      |
| <b>Total</b>                             | <b>1258</b>                        | <b>1175</b>                        | <b>+7</b>     | <b>+5</b>                |
| <b>Seeds</b>                             |                                    |                                    |               |                          |
| <b>Product line</b>                      |                                    |                                    |               |                          |
| Corn & Soybean                           | 40                                 | 26                                 | +50           | +48                      |
| Diverse Field Crops                      | 31                                 | 26                                 | +20           | +14                      |
| Vegetables and Flowers                   | 130                                | 108                                | +20           | +17                      |
| <b>Total</b>                             | <b>201</b>                         | <b>160</b>                         | <b>+25</b>    | <b>+21</b>               |
| <b>Regional</b>                          |                                    |                                    |               |                          |
| Europe, Africa and Middle East           | 73                                 | 61                                 | +22           | +14                      |
| NAFTA                                    | 72                                 | 54                                 | +32           | +32                      |
| Latin America                            | 28                                 | 24                                 | +11           | +11                      |
| Asia Pacific                             | 28                                 | 21                                 | +34           | +28                      |

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|       |     |     |     |     |
|-------|-----|-----|-----|-----|
| Total | 201 | 160 | +25 | +21 |
|-------|-----|-----|-----|-----|

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- (1) Growth at constant exchange rates, see Appendix A on page 25.  
(2) Crop Protection inter-segment sales to Seeds.

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## Condensed Consolidated Financial Statements

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The following condensed consolidated financial statements and notes thereto have been prepared in accordance with International Financial Reporting Standards (IFRS) as per Note 1. A reconciliation to US GAAP has been prepared for US investors.

### Condensed Consolidated Income Statement

| For the year to 31 December                      | 2006<br>\$m    | 2005<br>\$m    |
|--|----------------|----------------|
| <b>Sales</b>                                     | <b>8046</b>    | <b>8104</b>    |
| Cost of goods sold                               | (3982)         | (3950)         |
| <b>Gross profit</b>                              | <b>4064</b>    | <b>4154</b>    |
| Marketing and distribution                       | (1470)         | (1518)         |
| Research and development                         | (796)          | (822)          |
| General and administrative                       | (668)          | (742)          |
| Restructuring and impairment                     | (301)          | (212)          |
| <b>Operating income</b>                          | <b>829</b>     | <b>860</b>     |
| Income/(loss) from associates and joint ventures | (11)           | 2              |
| Financial expenses, net                          | (20)           | (96)           |
| <b>Income before taxes</b>                       | <b>798</b>     | <b>766</b>     |
| Income tax credit/(expense)                      | (161)          | (140)          |
| <b>Net income/(loss)</b>                         | <b>637</b>     | <b>626</b>     |
| <b>Attributable to:</b>                          |                |                |
| - Minority interests                             | 3              | 4              |
| - <b>Syngenta AG shareholders</b>                | <b>634</b>     | <b>622</b>     |
| <b>Earnings/(loss) per share<sup>(1)</sup></b>   |                |                |
| - <b>Basic</b>                                   | <b>\$ 6.46</b> | <b>\$ 6.22</b> |
| - <b>Diluted</b>                                 | <b>\$ 6.35</b> | <b>\$ 6.13</b> |

(1) The weighted average number of ordinary shares in issue used to calculate the earnings per share were as follows: for 2006 basic EPS 98,165,298 and diluted EPS 99,876,180; 2005 basic EPS 100,017,271 and diluted EPS 101,464,222.

## Condensed Consolidated Balance Sheet

|  | 31 December 2006 | 31 December 2005<br>(reclassified) |
|--|------------------|------------------------------------|
|  | \$m              | \$m                                |
| <b>Assets</b>                                |                  |                                    |
| <b>Current assets</b>                        |                  |                                    |
| Cash and cash equivalents                    | 445              | 458                                |
| Trade accounts receivable                    | 2002             | 1865                               |
| Other accounts receivable                    | 365              | 364                                |
| Other current assets                         | 272              | 306                                |
| Marketable securities                        | 81               | 4                                  |
| Inventories                                  | 2381             | 2215                               |
| <b>Total current assets</b>                  | <b>5546</b>      | <b>5212</b>                        |
| <b>Non-current assets</b>                    |                  |                                    |
| Property, plant and equipment                | 1957             | 1887                               |
| Intangible assets                            | 2724             | 2732                               |
| Investments in associates and joint ventures | 89               | 93                                 |
| Deferred tax assets                          | 599              | 763                                |
| Other financial assets                       | 901              | 715                                |
| <b>Total non-current assets</b>              | <b>6270</b>      | <b>6190</b>                        |
| Assets held for sale                         | 36               | 2                                  |
| <b>Total assets</b>                          | <b>11852</b>     | <b>11404</b>                       |
| <b>Liabilities and equity</b>                |                  |                                    |
| <b>Current liabilities</b>                   |                  |                                    |
| Trade accounts payable                       | (1568)           | (1619)                             |
| Current financial debts                      | (143)            | (514)                              |
| Income taxes payable                         | (296)            | (323)                              |
| Other current liabilities                    | (679)            | (810)                              |
| Provisions                                   | (282)            | (199)                              |
| <b>Total current liabilities</b>             | <b>(2968)</b>    | <b>(3465)</b>                      |
| <b>Non-current liabilities</b>               |                  |                                    |
| Non-current financial debts                  | (1569)           | (847)                              |
| Deferred tax liabilities                     | (728)            | (834)                              |
| Provisions                                   | (893)            | (827)                              |
| <b>Total non-current liabilities</b>         | <b>(3190)</b>    | <b>(2508)</b>                      |

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| <b>Total liabilities</b>            | <b>(6158)</b>  | <b>(5973)</b>  |
| Shareholders' equity                | (5666)         | (5403)         |
| Minority interests                  | (28)           | (28)           |
| <b>Total equity</b>                 | <b>(5694)</b>  | <b>(5431)</b>  |
| <b>Total liabilities and equity</b> | <b>(11852)</b> | <b>(11404)</b> |

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## Condensed Consolidated Cash Flow Statement

| For the year to 31 December                                    | 2006<br>\$m  | 2005<br>\$m  |
|--|--------------|--------------|
| <b>Income before taxes</b>                                     | <b>798</b>   | <b>766</b>   |
| <b>Reversal of non-cash items;</b>                             |              |              |
| Depreciation, amortization and impairment on:                  |              |              |
| Property, plant and equipment                                  | 251          | 272          |
| Intangible assets  | 212          | 201          |
| Financial assets   | -            | 19           |
| Loss/(gain) on disposal of fixed assets                        | (31)         | (15)         |
| Charges in respect of share based compensation                 | 42           | 37           |
| Charges in respect of provisions                               | 354          | 297          |
| Net financial expenses   | 20           | 96           |
| Share of net loss from associates                              | 11           | (2)          |
| <b>Cash (paid)/received in respect of;</b>                     |              |              |
| Interest and other financial receipts                          | 214          | 131          |
| Interest and other financial payments                          | (242)        | (256)        |
| Taxation   | (167)        | (133)        |
| Restructuring costs  | (173)        | (150)        |
| Contributions to pension schemes                               | (150)        | (487)        |
| Other provisions   | (75)         | (69)         |
| <b>Cash flow before working capital changes</b>                | <b>1064</b>  | <b>707</b>   |
| Change in net current assets and other operating cash flows    | (136)        | (210)        |
| <b>Cash flow from operating activities</b>                     | <b>928</b>   | <b>497</b>   |
| Additions to property, plant and equipment                     | (217)        | (174)        |
| Proceeds from disposals of property, plant and equipment       | 62           | 33           |
| Purchase of intangibles and other financial assets             | (78)         | (39)         |
| Proceeds from disposals of intangible and financial assets     | 62           | 45           |
| Purchase of marketable securities                              | (102)        | (3)          |
| Proceeds from disposal of marketable securities                | 5            | -            |
| Acquisition and Divestments                                    | (143)        | (6)          |
| <b>Cash flow used for investing activities</b>                 | <b>(411)</b> | <b>(144)</b> |
| Increases in third party interest-bearing debt                 | 656          | 1195         |
| Repayment of third party interest-bearing debt                 | (376)        | (878)        |
| (Purchase)/sale of treasury shares and options over own shares | (557)        | (183)        |
| Dividends paid to group shareholders                           | (260)        | (207)        |
| Dividends paid to minorities                                   | (4)          | (1)          |
| <b>Cash flow from/(used) for financing activities</b>          | <b>(541)</b> | <b>(74)</b>  |

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|   |             |            |
|---|-------------|------------|
| Net effect of currency translation on cash and cash equivalents | 11          | (48)       |
| <hr/>   |             |            |
| <b>Net change in cash and cash equivalents</b>                  | <b>(13)</b> | <b>231</b> |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>458</b>  | <b>227</b> |
| <hr/>   |             |            |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>445</b>  | <b>458</b> |
| <hr/>   |             |            |

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## Condensed Consolidated Statement of Changes in Shareholders' Equity

|  | Shareholders'<br>equity<br>\$m |
|--|--------------------------------|
| <b>31 December 2004</b>  | <b>5658</b>                    |
| Net income attributable to Syngenta AG shareholders  | 622                            |
| Unrealized holding gains/(losses) on available for sale financial assets                   | (10)                           |
| Unrealized gains/(losses) on derivatives designated as cash flow and net investment hedges | (35)                           |
| Income tax current & deferred (charged)/credited to equity                                 | 38                             |
| Dividends payable to group shareholders  | (207)                          |
| Issue of shares under employee purchase plans  | 63                             |
| Share based compensation   | 37                             |
| Share repurchase scheme  | (251)                          |
| Cash impact of share options under share repurchase scheme                                 | 5                              |
| Reclassification of negative minority shareholder equity                                   | (6)                            |
| Foreign currency translation effects   | (511)                          |
| <b>31 December 2005</b>  | <b>5403</b>                    |
| Net income attributable to Syngenta AG shareholders  | 634                            |
| Unrealized holding gains/(losses) on available for sale financial assets                   | 39                             |
| Unrealized gains/(losses) on derivatives designated as cash flow and net investment hedges | (88)                           |
| Income tax current & deferred (charged)/credited to equity                                 | 52                             |
| Dividends payable to group shareholders  | (260)                          |
| Issue of shares under employee purchase plans  | 77                             |
| Share based compensation   | 42                             |
| Share repurchase scheme  | (629)                          |
| Cash impact of share options under share repurchase scheme                                 | (5)                            |
| Reclassification of negative minority shareholder equity                                   | -                              |
| Foreign currency translation effects   | 401                            |
| <b>31 December 2006</b>  | <b>5666</b>                    |

## Notes to the Condensed Consolidated Financial Statements

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### Note 1: Basis of Preparation

**Nature of operations:** Syngenta AG (Syngenta) is a world leading crop protection and seeds business that is engaged in the discovery, development, manufacture and marketing of a range of agricultural products designed to improve crop yields and food quality.

**Basis of presentation and accounting policies:** The condensed consolidated financial statements and notes thereto have been extracted from the consolidated financial statements. The consolidated financial statements for the year ended 31 December 2006 have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee (IASC) that remain in effect. The condensed consolidated financial statements have been prepared in accordance with our policies as set out in the 2005 Financial Report, except as noted below. These principles differ in certain significant respects from generally accepted accounting principles in the United States (US GAAP). Application of US GAAP would have affected shareholders' net income and equity for the year ended 31 December 2005 and 2006 as detailed in Note 6.

The condensed consolidated financial statements are presented in United States dollars (\$) as this is the major trading currency of the company.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

### Note 2: Changes in Accounting Policies - IFRS

Except for the following, no changes to accounting standards had an effect on the 2006 consolidated financial statements, which have otherwise been prepared in accordance with the same accounting policies as in 2005, consistently applied.

IFRIC 4, "Determining whether an Arrangement contains a lease". With effect from 1 January 2006, certain contracts for the supply of goods or services to Syngenta which depend upon the use of a specific asset of the supplier are accounted for partly as a lease of that asset and partly as a supply contract. Under Syngenta's previous policy, these contracts would have been accounted for purely as supply contracts, with all contractual payments charged to Cost of Goods sold in the income statement as the related inventories were sold. Under the new policy, if the lease embedded in the contract is classified as a finance lease, Syngenta capitalizes the supplier's asset as Property, plant and equipment in its own consolidated balance sheet, with a corresponding entry to Financial debt. Contractual payments are allocated between Cost of Goods sold, interest expense and repayment of financial debt. In 2006, the new policy increased Property, plant and equipment by \$9 million, Financial debt by \$6 million, Deferred tax liabilities by \$1 million and Shareholders' equity by \$2 million. In the income statement, Cost of Goods sold was reduced by \$2 million, Net financial expense increased by \$1 million and Net income increased by \$1 million. There was no material effect on prior periods.



IFRIC 5, "Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation funds". Adoption of IFRIC 5 with effect from 1 January 2006 had no effect on the consolidated financial statements.

IFRS 7, "Financial Instruments: Disclosures". Syngenta has adopted IFRS 7 early and has provided the required additional disclosures in Notes 10, 18, 19, 21 and 32 to the consolidated financial statements.

IFRIC 8, "Scope of IFRS 2" requires share based payment expense to be recorded when equity instruments are granted at less than fair value in situations where the goods or services received in exchanged for the grant cannot be specifically identified. Syngenta has adopted IFRIC 8 early, with effect from 1 January 2006. Adoption had no effect on the consolidated financial statements.

IFRIC 9, "Reassessment of Embedded Derivatives". IAS 39 requires a derivative embedded within a financial instrument to be accounted for separately to its host instrument if it is not closely related to the instrument. IFRIC 9 clarified in what circumstances the accounting for such a hybrid instrument should be re-assessed once it has been determined. Syngenta has adopted IFRIC 9 early, with effect from 1 January 2006. Adoption had no effect on the consolidated financial statements.

IFRIC 10, "Interim Financial Reporting and Impairment". Under IFRIC 10, if an impairment of goodwill, an available-for-sale equity instrument, or a financial asset measured at amortized cost is reported in interim financial statements during a year, it may not be reversed in a later interim period or in the annual financial statements at the year end, even if conditions at that later date would support an increased valuation of the asset. Syngenta has adopted IFRIC 10 early, with effect from 1 January 2006. Because Syngenta's previous accounting policy already complied with IFRIC 10, adoption had no effect on the consolidated financial statements.

IFRIC 11, "IFRS 2 - Group and Treasury Share Transactions". IFRIC 11 clarified that share-based payment transactions in which an entity receives services as consideration for its own equity instruments are accounted for as equity-settled, regardless of whether the entity repurchases its equity instruments from a third party in order to settle the transaction. IFRIC 11 also establishes how subsidiaries should account for grants of parent company equity instruments to their employees. Syngenta has adopted IFRIC 11 early, with effect from 1 January 2006. Adoption had no effect on the consolidated financial statements.

In the consolidated balance sheet, deferred tax assets and deferred tax liabilities have been netted against each other within the same taxable entity. Previously, they were netted only where they related to the same balance sheet item as well as the same taxable entity. 2005 comparative figures have been reclassified accordingly. This has no impact on net income or shareholders' equity, but has reduced deferred tax assets and deferred tax liabilities in the consolidated balance sheet, and total assets and total liabilities, by \$269 million, and \$204 million as at 31 December 31 2006, and 2005 respectively.

### **Note 3: Changes in the Scope of Consolidation**

On 1 June 2006, Syngenta purchased 100% of the shares of Emergent Genetics Vegetable A/S ("EGV"), for cash. On 1 August 2006, Conrad Fafard, Inc., ("Fafard") merged with a Syngenta subsidiary so that Syngenta acquired control of Fafard and its subsidiaries, in exchange for cash paid to or for the account of Fafard's former shareholders. In addition, Syngenta settled \$14 million of financial debts and certain other liabilities of Fafard on 2 August 2006. Goodwill arising on the EGV acquisition was \$3 million. Goodwill arising on the Fafard acquisition is provisionally estimated to be \$36 million. The Fafard purchase price allocation will be finalized in 2007. On 16 November 2006, Syngenta acquired the remaining 50% of the shares of Longreach Plant Breeders Pty Ltd ("LRPB") that it did not already own. LRPB has been accounted for as an asset held for resale. The aggregate cash cost of these acquisitions was \$148 million including direct acquisition costs of \$3 million.



On 14 October 2005 Syngenta acquired an additional membership interest in Dulcinea Farms, LLC, increasing its interest from 51% to 100%. On 16 September 2005 Syngenta Bioline Ltd. purchased the Dutch bee breeding business of Bunting Brinkman Bees B.V. It previously held a 49% shareholding in that entity. In February 2005, Syngenta purchased additional shares in Syngenta Nantong Crop Protection Ltd., increasing its shareholding from 98% to 100%. The aggregate purchase price of these acquisitions was \$10 million, paid in cash. The fair value of net assets acquired was \$6 million, principally represented by financial debt extinguished.

## Note 4: Restructuring and Impairment before taxes

| For the year to 31 December                           | 2006  |       | 2005         |              |
|---|-------|-------|--------------|--------------|
|   | \$m   | \$m   | \$m          | \$m          |
| Reversal of inventory step-up (in cost of goods sold) |       |       | (25)         | (24)         |
| Restructuring costs:                                  |       |       |              |              |
| Write-off or impairment                               |       |       |              |              |
| - property, plant & equipment                         | (26)  |       |              | (22)         |
| - intangible assets                                   | (46)  |       |              | -            |
| - inventories   | -     |       |              | (8)          |
| Non-cash pension restructuring charges                | (3)   |       |              | -            |
| Total non-cash restructuring costs:                   |       | (75)  |              | (30)         |
| Cash costs  |       |       |              |              |
| - operational efficiency                              | (199) |       |              | (125)        |
| - Seeds acquisition integration                       | (36)  |       |              | (38)         |
| - other cash costs                                    | 3     |       |              | -            |
| Total cash restructuring costs                        |       | (232) |              | (163)        |
| Other impairment of assets                            |       | -     |              | (19)         |
| Divestment gains                                      |       | 6     |              | -            |
|   |       |       | (301)        | (212)        |
| <b>Total restructuring and impairment charge</b>      |       |       | <b>(326)</b> | <b>(236)</b> |

Restructuring represents the effect on reported performance of initiating business changes which are considered major and which, in the opinion of management, will have a material effect on the nature and focus of Syngenta's operations, and therefore require separate disclosure to provide a more thorough understanding of business performance. Restructuring includes the effects of completing and integrating significant business combinations and divestments. The incidence of these business changes may be periodic and the effect on reported performance of initiating them will vary from period to period. Because each such business change is different in nature and scope, there will be little continuity in the detailed composition and size of the reported amounts which affect performance in successive periods. Separate disclosure of these amounts facilitates the understanding of performance including and excluding items affecting comparability. Reported performance before restructuring and impairment is one of the measures used in Syngenta's short term employee incentive compensation schemes. Syngenta's definition of restructuring and impairment may not be comparable to similarly titled line items in financial statements of other companies.

Restructuring and impairment includes the impairment costs associated with major restructuring and also impairment losses and reversals of impairment losses resulting from major changes in the markets in which a reported segment operates.

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Restructure and impairment recorded in cost of goods sold in 2006 included the final reversal of the inventory step-up recorded as part of the Garst and Golden Harvest acquisitions and the reversal of the inventory step-up on the Fafard and EGV acquisitions.

In 2006, the operational efficiency program announced in 2004 continued with the announcement of a restructuring of the Crop Protection Development area, including the closure of one Crop Protection Development site, consolidation of development activity at another site and closure or downsizing of several Field Stations around the world. The announcement gave rise to cash costs of \$78 million and accelerated amortization charges of \$5 million. Further cash costs of \$60 million were recorded in respect of other announcements of the consolidation of activities in two manufacturing sites in France and the Netherlands and reductions of sales, marketing and administrative resources in France.

Continuing activity related to operational efficiency programs announced prior to 2006 gave rise to cash costs of \$61 million in Crop Protection and \$36 million in Seeds, mainly for the ongoing integration of the Seeds NAFTA corn and soy business. Impairments of \$26 million on property, plant and equipment included accelerated depreciation charges of \$22 million for two sites in NAFTA Crop Protection as well as various other smaller charges. In addition to the accelerated amortization note above, intangible asset impairments relate to a contract termination and the impairment of a supply agreement.

In 2005 the operational efficiency program announced in 2004 continued with the announcement of closure of two Crop Protection production sites and the partial closure of another. The program gave rise to cash costs of \$125 million and asset impairments of \$25 million in the year. Most of this cost related to the Crop Protection segment, with \$3 million in Seeds and \$14 million in Plant Science. The integration of the Garst and Golden Harvest businesses, purchased in 2004, gave rise to cash costs of \$38 million in the year, and cost of goods sold was increased by \$24 million due to the reversal of inventory step-up recorded as part of the acquisition accounting on the purchase of the Garst and Golden Harvest businesses. The inventory acquired with these businesses was valued at its fair value less cost to sell, which was higher than its production cost, hence the reversal of this adjustment on the sale of the inventory increased cost of goods sold.

The \$19 million financial asset impairment in 2005 largely reflected the significant fall in the share price of Diversa Corporation, which at that time fell below the original cost of the shareholding. Subsequent increases in the Diversa share price have been reported as unrealized gains within shareholders' equity.

## Note 5: Principal Currency Translation Rates

As an international business selling in over 100 countries, with major manufacturing and R&D facilities in Switzerland, the UK and the USA, movements in currencies impact business performance. The principal currencies and adopted exchange rates against the US dollar used in preparing the financial statements contained in this communication were as follows:

|                     | <b>Average 2006</b> | <b>Average 2005</b> | <b>Period end<br/>31 December 2006</b> | <b>Period end<br/>31 December 2005</b> |
|---------------------|---------------------|---------------------|--|--|
| Brazilian real. BRL | 2.19                | 2.44                | 2.14                                   | 2.32                                   |
| Swiss franc. CHF    | 1.26                | 1.24                | 1.22                                   | 1.32                                   |
| Euro. EUR           | 0.80                | 0.80                | 0.76                                   | 0.85                                   |
| British pound. GBP  | 0.55                | 0.55                | 0.51                                   | 0.58                                   |
| Japanese yen. JPY   | 116.04              | 109.47              | 118.97                                 | 117.41                                 |

The above average rates are an average of the monthly rates used to prepare the condensed consolidated income and cash flow statements. The period end rates were used for the preparation of the condensed consolidated balance sheet.





## Note 6: New US GAAP accounting pronouncements and reconciliation to US GAAP from the Condensed Consolidated Financial Statements

The condensed consolidated financial statements have been prepared in accordance with IFRS which, as applied by Syngenta, differs in certain significant respects from US GAAP.

In certain markets, sales terms allow customers the option of a one time, non repeatable extension of credit, for a defined additional period which extends into the following growing season, in respect of a defined proportion of purchases they have made during a defined period, if the customers still have the inventories on hand on expiry of the current growing season. Revenue for these sales is recognized on product delivery for IFRS. In prior years, Syngenta also followed this policy for US GAAP. Syngenta now treats these sales as made on a "de facto consignment" basis for US GAAP, which leads to later recognition of revenue. Syngenta has treated this change as a correction and has adjusted 1 January 2006 retained earnings by \$68 million after tax, in accordance with the transition rules on adopting SEC Staff Bulletin (SAB) 108. The effect of this change on 2006 US GAAP net income is to reduce it by \$1 million, as shown in the net income reconciliation table below.

Syngenta has adopted SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans", as at 31 December 2006. In accordance with SFAS No. 158, the funded status of all defined benefit plans - the full value of the benefit obligation valued in accordance with the projected unit credit actuarial method, less the 31 December 2006 market value of plan assets - is recorded on the employer's balance sheet. As part of Syngenta's initial adjustment to adopt SFAS 158, \$706 million of deferred actuarial losses and past service gains, and the associated deferred tax assets of \$223 million, have been recognized in Syngenta's 31 December 2006 US GAAP balance sheet. In accordance with SFAS 158, the change has not been applied retrospectively to prior periods.

The effects of the application of US GAAP to net income and equity are set out in the following tables:

| <b>Net income (for the year ended 31 December)</b>                              | <b>2006<br/>\$m</b> | <b>2005<br/>\$m</b> |
|---|---------------------|---------------------|
| <b>Net income/(loss) under IFRS attributable to Syngenta AG shareholders</b>    | <b>634</b>          | <b>622</b>          |
| US GAAP adjustments:  |                     |                     |
| Purchase accounting:  |                     |                     |
| Zeneca agrochemicals  | 30                  | (7)                 |
| Other acquisitions  | (86)                | (80)                |
| Revenue recognition   | (1)                 | -                   |
| Impairment losses   | 2                   | (7)                 |
| Inventory provisions  | (13)                | -                   |
| Restructuring charges   | (9)                 | (9)                 |
| Pension provisions (including post-retirement benefits)                         | (48)                | (15)                |
| Environmental remediation costs   | (27)                | -                   |
| Deferred taxes on stock-based compensation                                      | -                   | 3                   |
| Deferred taxes on unrealized profit in inventory                                | 26                  | (33)                |
| Other items   | 9                   | 28                  |
| Grant of put option to Syngenta AG shareholders                                 | (60)                | -                   |
| Deferred tax valuation allowances   | -                   | 26                  |
| Income tax on undistributed earnings of subsidiaries                            | 1                   | 1                   |
| Deferred tax effect of US GAAP adjustments                                      | 46                  | 27                  |
| <b>Net income/(loss) under US GAAP attributable to Syngenta AG shareholders</b> | <b>504</b>          | <b>556</b>          |

|   |               |               |
|---|---------------|---------------|
| Weighted average number of ordinary shares in issue (million) □ basic   | 98.165        | 100.017       |
| Weighted average number of ordinary shares in issue (million) □ diluted | 99.434        | 101.245       |
| <b>Earnings/(loss) per share under US GAAP (basic)</b>                  | <b>\$5.13</b> | <b>\$5.56</b> |
| <b>Earnings/(loss) per share under US GAAP (diluted)</b>                | <b>\$5.07</b> | <b>\$5.49</b> |

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For the year ended 31 December 2006, net income under IFRS attributable to Syngenta AG shareholders was \$634 million, compared to a net income of \$504 million under US GAAP.

In the past, different purchase accounting rules, and different subsequent goodwill accounting, were applied in accordance with IFRS compared to those applied in accordance with US GAAP. For intangible assets, this has led to different balance sheet values and amortization charges in each subsequent accounting period, including 2006 and 2005. The \$(86) million reconciling item for other acquisitions mainly arises because the Sandoz and Ciba-Geigy merger was accounted for as a uniting of interests under IFRS. For US GAAP the merger was accounted for as a purchase, including recognition and subsequent amortization of purchased product rights. The \$30 million reconciling item for Zeneca Agrochemicals for 2006 consists principally of the IFRS net book value of the ACANTO® product rights which were sold to DuPont during the period. These product rights were not recognized under US GAAP purchase accounting rules, so that there is no corresponding US GAAP charge to write off the net book value on their disposal.

The \$(13) million reconciling item for inventory provisions represents provisions no longer required due to changes in market conditions, which have been written back to the income statement for IFRS. US GAAP does not permit the reversal of inventory provisions until the related inventories are sold. The \$(9) million reconciling item for restructuring provisions represents employee and third party supplier contract termination costs which were recorded under IFRS in previous periods, but, in accordance with US GAAP, are being recognized in the periods in which the employees complete their remaining service and the contracts are terminated. The main component of the \$(48) million reconciling item for pensions is a \$43 million deferral of the gain resulting from the April 6, 2006 amendment of Syngenta's UK pension plan, which IFRS requires to be recognized immediately but US GAAP requires to be amortized over average future employee service. This compares with a reconciling item of \$(15) million in 2005 which mainly represents the similar timing difference in recognizing the \$10 million gain arising from the 1 January 2005 amendment to the Dutch pension plan.

The \$(27) million reconciling item for environmental remediation costs has been capitalized as part of the cost of the related land for IFRS. Because these costs were incurred in the context of a plan to sell or dispose of the site, they do not qualify for capitalization for US GAAP and have been expensed. Other items of \$28 million in 2005 contain the reversal of a \$25 million cumulative 1 January 2005 difference relating to hedging losses which had been recognized in different periods for IFRS and for US GAAP in accordance with their respective requirements. Syngenta changed its IFRS accounting policy in 2005, aligning it with the US GAAP policy. The \$25 million opening IFRS US GAAP reconciliation difference has been eliminated via the 2005 net income reconciliation table.

The \$(60) million reconciling difference for the put option granted to Syngenta AG shareholders in February 2006 represents the increase in the value of the option between February and its exercise in May 2006. For US GAAP, this increase is accounted for as an expense in the income statement. For IFRS, the option has been accounted for as an equity instrument, and together with the repurchase of shares on exercise, it has been recorded directly within shareholders' equity.

| <b>Shareholders' equity (as at 31 December)</b>         | <b>2006</b> | <b>2005</b> |
|---|-------------|-------------|
|   | <b>\$m</b>  | <b>\$m</b>  |
| <b>Shareholders' equity under IFRS</b>                  | <b>5666</b> | <b>5403</b> |
| US GAAP adjustments:                                    |             |             |
| Purchase accounting:                                    |             |             |
| Zeneca agrochemicals                                    | (449)       | (486)       |
| Other acquisitions                                      | 638         | 724         |
| Revenue recognition                                     | (112)       | -           |
| Impairment losses                                       | 18          | 16          |
| Inventory provisions                                    | (14)        | -           |
| Restructuring charges                                   | 51          | 57          |
| Pension provisions (including post-retirement benefits) | (730)       | 18          |
| Environmental remediation costs                         | (28)        | -           |
| Deferred taxes on stock-based compensation              | (40)        | (26)        |
| Deferred taxes on unrealized profit in inventory        | (94)        | (118)       |
| Other items   | 38          | 34          |
| Deferred tax valuation allowances                       | (4)         | (4)         |
| Tax on undistributed earnings of subsidiaries           | (25)        | (26)        |
| Deferred tax effect on US GAAP adjustments              | 131         | (175)       |
| <b>Shareholders' equity under US GAAP</b>               | <b>5046</b> | <b>5417</b> |

The reconciling item in shareholders' equity for pension provisions changed from \$18 million in 2005 to \$(730) million in 2006, and the deferred tax effect of US GAAP adjustments changed from \$(175) million in 2005 to \$131 million in 2006, principally because of the adoption of SFAS 158. The \$131 million also includes the \$43 million tax effect of the \$112 million revenue deferral adjustment, which is \$69 million after tax at 31 December 2006.

## Supplementary Financial Information

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### Appendix A: Constant Exchange Rates (CER)

In this report results from one period to another period are, where appropriate, compared using constant exchange rates (CER). To present that information, current period results for entities reporting in currencies other than US dollars are converted into US dollars at the prior period's exchange rates, rather than at the exchange rates for the current year. CER margin percentages for gross profit and EBITDA are calculated by the ratio of these measures to sales after restating the measures and sales at prior period exchange rates. The CER presentation indicates the underlying business performance before taking into account currency exchange fluctuations. See Note 5: Principal Currency Translation Rates on page 21 for information on average exchange rates in 2006 and 2005.

### Appendix B: Free Cash Flow

Free cash flow comprises cash flow after operating activities, including taxes and interest and other financial payments and receipts, and investing activities, except investments in and proceeds from marketable securities, prior to discontinued operations and capital financing activities such as drawdown or repayment of debt, dividends paid to Syngenta Group shareholders, share repurchase and other equity movements. Free cash flow is not a measure of financial performance under generally accepted accounting principles and the free cash flow measure used by Syngenta may not be comparable to similarly titled measures of other companies. Free cash flow has been included as it is used by many investors as a useful supplementary measure of cash generation.

| <b>For the year to 31 December</b>      | <b>2006</b> | <b>2005</b>   |
|---|-------------|---------------|
|   | <b>\$m</b>  | <b>\$m</b>    |
| Cash flow from operating activities     | 928         | 497           |
| Cash flow used for investing activities | (411)       | (144)         |
| Cash Flow from marketable securities    | 97          | 3             |
| <b>Free cash flow</b>                   | <b>614</b>  | <b>356(1)</b> |

(1) Excluding the 2005 special pension contribution of \$350m, free cash flow was \$706 million.

## Appendix C: Reconciliation of EBITDA(1) to Net Income

EBITDA is defined as earnings before interest, tax, minority interests, depreciation, amortization and impairment. Information concerning EBITDA has been included as it is used by management and by investors as a supplementary measure of operating performance and is used by Syngenta as the basis of part of its employee incentive schemes. Management focuses on EBITDA excluding restructuring as this excludes items affecting comparability from one period to the next. EBITDA is not a measure of cash liquidity or financial performance under generally accepted accounting principles and the EBITDA measures used by Syngenta may not be comparable to other similarly titled measures of other companies. EBITDA should not be construed as an alternative to operating income or cash flow as determined in accordance with generally accepted accounting principles.

|  | 2006<br>\$m | 2005<br>\$m |
|--|-------------|-------------|
| <b>Net income attributable to Syngenta AG shareholders</b> | <b>634</b>  | <b>622</b>  |
| Minority interests   | 3           | 4           |
| Income tax (credit)/expense                                | 161         | 140         |
| Financial expenses, net                                    | 20          | 96          |
| Pre-tax restructuring and impairment                       | 326         | 236         |
| Depreciation, amortization and other impairment            | 391         | 451         |
| <b>EBITDA excluding restructuring</b>                      | <b>1535</b> | <b>1549</b> |

## Appendix D: Reconciliation of Segment EBITDA to Segment Operating Income(1)

|   | 2006                      |              |                         | 2005                      |              |                         |
|---|---------------------------|--------------|-------------------------|---------------------------|--------------|-------------------------|
|   | Crop<br>Protection<br>\$m | Seeds<br>\$m | Plant<br>Science<br>\$m | Crop<br>Protection<br>\$m | Seeds<br>\$m | Plant<br>Science<br>\$m |
| <b>Operating income(2)</b>                          | <b>1184</b>               | <b>99</b>    | <b>(91)</b>             | <b>1125</b>               | <b>91</b>    | <b>(120)</b>            |
| Income/(loss) from associates<br>and joint ventures | (2)                       | -            | (9)                     | (1)                       | -            | 3                       |
| Depreciation, amortization<br>and other impairment  | 327                       | 59           | 5                       | 389                       | 57           | 5                       |
| <b>EBITDA(2)</b>                                    | <b>1509</b>               | <b>158</b>   | <b>(95)</b>             | <b>1513</b>               | <b>148</b>   | <b>(112)</b>            |

(1) Excluding restructuring and impairment see [Note 4](#) on page 20.

(2) Including inter-segment, for details see [Appendix H](#) on page 28.

## Appendix E: Net Debt Reconciliation

Net debt comprises total debt net of related hedging derivatives, cash and cash equivalents and marketable securities. Net debt is not a measure of financial position under generally accepted accounting principles and the net debt measure used by Syngenta may not be comparable to the similarly titled measure of other companies. Net debt has been included as it is used by many investors as a useful measure of financial position and risk. The following table provides a reconciliation of movements in net debt during the period:

|  | 2006<br>\$m | 2005<br>\$m |
|--|-------------|-------------|
| <b>Opening balance at 1 January</b>      | <b>860</b>  | <b>863</b>  |
| Acquisitions and other non-cash items    | 52          | 10          |
| Foreign exchange effect on net debt      | 34          | (48)        |
| Purchase/(sale) of treasury shares       | 557         | 183         |
| Dividends paid to group shareholders     | 260         | 207         |
| Dividends paid to minorities             | 4           | 1           |
| Discontinued operations                  | -           | -           |
| Free cash flow                           | (614)       | (356)       |
| <b>Closing balance as at 31 December</b> | <b>1153</b> | <b>860</b>  |
| Constituents of closing balance;         |             |             |
| Cash and cash equivalents                | (445)       | (458)       |
| Marketable securities(1)                 | (101)       | (4)         |
| Current financial debts                  | 143         | 514         |
| Non-current financial debts              | 1569        | 847         |
| Financing-related derivatives(2)         | (13)        | (39)        |
| <b>Closing balance as at 31 December</b> | <b>1153</b> | <b>860</b>  |

(1) Long-term marketable securities are included in other financial assets.

(2) Included within other current assets.

The following table presents the derivation of the Debt/Equity gearing ratio:

|                                      | 2006<br>\$m | 2005<br>\$m |
|--------------------------------------|-------------|-------------|
| Net debt                             | 1153        | 860         |
| Shareholders' equity                 | 5666        | 5403        |
| <b>Debt/Equity gearing ratio (%)</b> | <b>20%</b>  | <b>16%</b>  |

## Appendix F: Period End Trade Working Capital

The following table provides detail of trade working capital at the period end as a percentage of twelve-month sales:



|   | <b>2006</b> | <b>2005</b> |
|---|-------------|-------------|
|   | <b>\$m</b>  | <b>\$m</b>  |
| Inventories   | 2381        | 2215        |
| Trade accounts receivable                               | 2002        | 1865        |
| Trade accounts payable                                  | (1568)      | (1619)      |
| Net trade working capital                               | 2815        | 2461        |
| Twelve-month sales                                      | 8046        | 8104        |
| <b>Trade working capital as percentage of sales (%)</b> | <b>35%</b>  | <b>30%</b>  |

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**Appendix G: ROIC calculation**

|   | <b>2006</b>  | <b>2005</b>  |
|---|--------------|--------------|
|   | <b>\$m</b>   | <b>\$m</b>   |
| <b>Return</b>   |              |              |
| Net income attributable to Syngenta AG shareholders, before restructuring, impairment and discontinued operations | 872          | 779          |
| Add back: amortization of pre-merger and merger intangibles, net of tax   | 84           | 105          |
| Add back: Financial expenses, net   | 20           | 96           |
| Tax on Financial expenses, net  | (4)          | (21)         |
| <b>Return</b>   | <b>972</b>   | <b>959</b>   |
| <b>Invested capital</b>   |              |              |
| Net working capital (excluding financing derivatives)   | 2463         | 1962         |
| Property plant and equipment(1)   | 1992         | 1887         |
| Goodwill and intangibles acquired after the formation of Syngenta   | 814          | 648          |
| Investments in associates and joint ventures  | 89           | 93           |
| Provisions, excluding restructuring and pensions  | (791)        | (690)        |
| <b>Invested capital</b>   | <b>4567</b>  | <b>3900</b>  |
| <b>Return on Invested capital</b>   | <b>21.3%</b> | <b>24.6%</b> |

(1) 2006 amount includes \$35m shown as assets held for sales at 31 December 2006.

**Appendix H: Segmental Results(1) and inter-segment elimination**

| <b>Full Year Segmental Results</b> | <b>Sales</b> | <b>Gross Profit</b> | <b>Operating income</b> | <b>EBITDA</b> |
|------------------------------------|--------------|---------------------|-------------------------|---------------|
| Crop Protection                    | 6378         | 3260                | 1184                    | 1509          |
| Seeds                              | 1743         | 866                 | 99                      | 158           |
| Plant Science                      | 2            | -                   | (91)                    | (95)          |
| <b>Total</b>                       | <b>8123</b>  | <b>4126</b>         | <b>1192</b>             | <b>1572</b>   |

|  |              |                     |                         |               |
|--|--------------|---------------------|-------------------------|---------------|
| Inter-segment elimination <sup>(2)</sup> | (77)         | (37)                | (37)                    | (37)          |
| <b>Total 3rd party</b>                   | <b>8046</b>  | <b>4089</b>         | <b>1155</b>             | <b>1535</b>   |
| <hr/>                                    |              |                     |                         |               |
| <b>Second Half Segmental Results</b>     | <b>Sales</b> | <b>Gross Profit</b> | <b>Operating income</b> | <b>EBITDA</b> |
| Crop Protection                          | 2462         | 1104                | 26                      | 189           |
| Seeds                                    | 423          | 212                 | (149)                   | (117)         |
| Plant Science                            | 1            | (1)                 | (47)                    | (48)          |
| <b>Total</b>                             | <b>2886</b>  | <b>1315</b>         | <b>(170)</b>            | <b>24</b>     |
| Inter-segment elimination <sup>(2)</sup> | (41)         | (32)                | (32)                    | (32)          |
| <b>Total 3rd party</b>                   | <b>2845</b>  | <b>1283</b>         | <b>(202)</b>            | <b>(8)</b>    |

(1) Excluding restructuring and impairment, see [Note 4](#) on page 20.

(2) Crop Protection inter-segment sales to Seeds.

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## Appendix I: Segment Sales excluding inter-segment Sales Unaudited Full Year Third Party(1) Product Line and Regional Sales

| Syngenta        | Full Year 2006<br>\$m | Full Year 2005<br>\$m | Actual<br>% | CER(2)<br>% |
|-----------------|-----------------------|-----------------------|-------------|-------------|
| Crop Protection | 6301                  | 6307                  | -           | + 1         |
| Seeds           | 1743                  | 1797                  | - 3         | - 2         |
| Plant Science   | 2                     | -                     | -           | -           |
| <b>Total</b>    | <b>8046</b>           | <b>8104</b>           | <b>- 1</b>  | <b>-</b>    |

### Crop Protection

#### Product line

|                          |             |             |          |            |
|--------------------------|-------------|-------------|----------|------------|
| Selective herbicides     | 1813        | 1889        | - 4      | - 3        |
| Non-selective herbicides | 725         | 688         | + 5      | + 5        |
| Fungicides               | 1716        | 1779        | - 3      | - 2        |
| Insecticides             | 1093        | 1100        | - 1      | -          |
| Professional products    | 881         | 784         | + 13     | + 12       |
| Others                   | 73          | 67          | + 8      | + 8        |
| <b>Total</b>             | <b>6301</b> | <b>6307</b> | <b>-</b> | <b>+ 1</b> |

### Regional

|                                |             |             |          |            |
|--------------------------------|-------------|-------------|----------|------------|
| Europe, Africa and Middle East | 2227        | 2274        | - 2      | -          |
| NAFTA                          | 2061        | 2069        | -        | - 1        |
| Latin America                  | 1033        | 1026        | + 1      | + 1        |
| Asia Pacific                   | 980         | 938         | + 4      | + 5        |
| <b>Total</b>                   | <b>6301</b> | <b>6307</b> | <b>-</b> | <b>+ 1</b> |

### Seeds

#### Product line

|                        |             |             |            |            |
|------------------------|-------------|-------------|------------|------------|
| Corn & Soybean         | 785         | 880         | - 11       | - 10       |
| Diverse Field Crops    | 309         | 301         | + 3        | + 7        |
| Vegetables and Flowers | 649         | 616         | + 5        | + 6        |
| <b>Total</b>           | <b>1743</b> | <b>1797</b> | <b>- 3</b> | <b>- 2</b> |

**Regional**

|                                |             |             |            |            |
|--------------------------------|-------------|-------------|------------|------------|
| Europe, Africa and Middle East | 690         | 699         | - 1        | + 3        |
| NAFTA                          | 838         | 903         | - 7        | - 7        |
| Latin America                  | 107         | 107         | - 1        | - 1        |
| Asia Pacific                   | 108         | 88          | + 23       | + 22       |
| <b>Total</b>                   | <b>1743</b> | <b>1797</b> | <b>- 3</b> | <b>- 2</b> |

(1) Crop Protection sales exclude inter-segment sales to Seeds.

(2) Growth at constant exchange rates, see Appendix A on page 25.

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## Announcements and Meetings

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|  |                 |
|--|-----------------|
| AGM and first quarter trading statement 2007 | 02 May 2007     |
| Announcement of the half year results 2007   | 26 July 2007    |
| Third quarter trading statement 2007         | 18 October 2007 |
| Announcement of 2007 full year results       | 7 February 2008 |

## Glossary and Trademarks

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All product or brand names included in this results statement are trademarks of, or licensed to, a Syngenta group company. For simplicity, sales are reported under the lead brand names, shown below, whereas some compounds are sold under several brand names to address separate market niches.

### Selective Herbicides

|               |   |
|---------------|---|
| APIRO®        | novel grass weed herbicide for rice                             |
| AXIAL®        | new cereal herbicide; first launches 2006                       |
| BICEP® MAGNUM | broad spectrum pre-emergence herbicide for corn and sorghum     |
| CALLISTO®     | novel herbicide for flexible use on broad-leaved weeds for corn |
| DUAL® MAGNUM  | grass weed killer for corn and soybeans                         |
| ENVOKE®       | novel low-dose herbicide for cotton and sugar cane              |
| FUSILADE®     | grass weed killer for broad-leaf crops                          |
| LUMAX®        | unique season-long grass and broad leaf weed control for corn   |
| TOPIK®        | post-emergence grass weed killer for wheat                      |

### Non-selective Herbicides

|            |   |
|------------|---|
| GRAMOXONE® | rapid, non-systemic burn-down of vegetation |
| TOUCHDOWN® | systemic total vegetation control           |

### Fungicides

|               |   |
|---------------|---|
| AMISTAR®      | broad spectrum strobilurin for use on multiple crops            |
| BRAVO®        | broad spectrum fungicide for use on multiple crops              |
| REVUSTM       | for use on potatoes, tomatoes, vines and vegetable crops        |
| RIDOMIL GOLD® | systemic fungicide for use in vines, potatoes and vegetables    |
| SCORE®        | triazole fungicide for use in vegetables, fruits and rice       |
| TILT®         | broad spectrum triazole for use in cereals, bananas and peanuts |
| UNIX®         | cereal and vine fungicide with unique mode of action            |

### Insecticides

|           |   |
|-----------|---|
| ACTARA®   | second-generation neonicotinoid for controlling foliar and soil pests in multiple crops |
| FORCE®    | unique pyrethroid controlling soil pests in corn  |
| KARATE®   | foliar pyrethroid offering broad spectrum insect control                                |
| PROCLAIM® | novel, low-dose insecticide for controlling lepidoptera in vegetables and cotton        |
| VERTIMEC® | acaricide for use in fruits, vegetables and cotton                                      |

### Professional Products

|           |   |
|-----------|---|
| AVICTA®   | breakthrough nematode control seed treatment                    |
| CRUISER®  | novel broad spectrum seed treatment - neonicotinoid insecticide |
| DIVIDEND® | triazole seed treatment fungicide                               |
| HERITAGE® | strobilurin turf fungicide                                      |

|                               |   |
|-------------------------------|---|
| ICON®                         | public health insecticide   |
| IMPASSE®                      | termite barrier   |
| MAXIM®                        | broad spectrum seed treatment fungicide                                       |
| <b>Field Crops</b>            |   |
| NK®                           | global brand for corn, oilseeds and other field crops                         |
| GARST®                        | US brand for corn and soybean   |
| GOLDEN HARVEST®               | brand for corn and soybean in North America and Europe                        |
| HILLESHÖG®                    | global brand for sugar beet   |
| <b>Vegetables and Flowers</b> |   |
| S&G® vegetables               | leading brand in Europe, Africa and Asia                                      |
| S&G® flowers                  | global brand for seeds and young plants                                       |
| ROGERS® vegetables            | leading brand throughout the Americas   |
| DULCINEATM                    | consumer produce brand for value-added fruits and vegetables in North America |
| PUREHEARTTM                   | DULCINEA® brand for "personal size" seedless watermelon                       |

## Addresses for Correspondence

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### Cautionary Statement Regarding Forward-Looking Statements

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This document contains forward-looking statements, which can be identified by terminology such as "expect", "would", "will", "potential", "plans", "prospects", "estimated", "aiming", "on track" and similar expressions. Such statements may be subject to risks and uncertainties that could cause the actual results to differ materially from these statements. We refer you to Syngenta's publicly available filings with the US Securities and Exchange Commission for information about these and other risks and uncertainties. Syngenta assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors. This document does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer, to purchase or subscribe for any ordinary shares in Syngenta AG, or Syngenta ADSs, nor shall it form the basis of, or be relied on in connection with, any contract therefore.



SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SYNGENTA AG

Date: February 8, 2007

By: /s/ Christoph Mäder

\_\_\_\_\_  
Name: Christoph Mäder

Title: Global Head Legal & Taxes

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