



## Ceres Reports That Trial Results 'Exceeded Expectations' for Its Leading Trait

- Biomass trait could significantly increase sorghum seed revenue per acre.
- Company targets commercial launch in 2018.

THOUSAND OAKS, Calif., Feb. 24, 2016 /PRNewswire/ -- [Ceres, Inc.](#) (Nasdaq: CERE), an agricultural biotechnology company focused on forage and feed crops, today announced favorable results from its 2015 sorghum trait evaluations in the United States, where a second year of testing demonstrated significant yield advantages from its leading biomass trait. The company indicated that this was a key milestone for its trait pipeline.

By combining higher yields and quality enhancements with sorghum's natural drought tolerance, Ceres intends to use its trait and breeding advances to increase the value of its sorghum seed and expand sorghum production beyond its historical acreage. Once commercialized, a trait can be introduced to numerous new and existing seed products to significantly increase crop performance.

"The field performance of our lead biomass trait has exceeded our expectations and has increased our optimism regarding our pipeline of yield and quality traits," said Ceres President and CEO Richard Hamilton. "We plan to initiate scale-up of seed for future commercial production and in parallel will continue additional field trials. If we continue to see consistent biomass yield and quality enhancements as we increase the scale of trials, our traits could substantially change dairy and feedlot economics, especially in areas with limited water availability."

As an illustration, at current milk prices, a 30% increase in milk production provided by a combination of higher yields and better quality, could generate approximately \$1,000 more in milk revenue per acre for dairies, and place forage sorghum productivity above that of silage corn. The company estimates that such a combination of its yield and quality traits could increase the seed value of forage sorghum significantly. There are approximately two million acres of forage sorghum planted in the U.S. The company also believes that many of its traits can be added to improve the performance of silage corn, which is planted on nine million acres in the U.S.

Roger Pennell, PhD, Ceres Vice President of Trait Development, said that Ceres' biomass trait has consistently demonstrated yield advantages across multiple crops, and within sorghum across multiple product types and hybrids. In prior trials in commercial-type sorghum hybrids, the company reported that its trait provided more than a 20% increase in harvestable biomass. In larger research-scale trials being reported today, with Ceres' leading commercial hybrids, the trait delivered more than a 30% increase in harvestable biomass. Researchers also reported that Ceres' trait, which is based on a gene originally sourced from a sorghum plant, could expand the harvest window, improve dry down following harvest and increase the palatability of the biomass for cattle.

"We plan to increase the scale of field evaluations in the coming growing season to confirm performance in Ceres' hybrids and better quantify the value of our biomass trait," said Dr. Pennell.

Favorable results from a research setting are not a guarantee of future commercial performance. The next stage of research field trials, which will provide more definitive results, is expected to be completed by the end of 2016.

### About Ceres

[Ceres, Inc.](#) is an agricultural biotechnology company that develops and markets seeds and traits to produce crops for animal feed, sugar and other markets. The company's advanced plant breeding and biotechnology technology platforms, which can increase crop productivity, improve quality, reduce crop inputs and improve cultivation on marginal land, have broad application across multiple crops, including food, feed, fiber and fuel crops. Ceres markets its seed products under its [Blade](#) brand. The company also licenses its biotech traits and technology, including its [Persephone](#) genome visualization software, to other life science companies and organizations.

### Ceres Forward-Looking Statements

*This press release may contain forward-looking statements. All statements, other than statements of historical facts, including statements regarding Ceres' efforts to develop and commercialize its products and technologies, anticipated yields*

*and product performance, status of crop plantings, short-term and long-term business strategies, market and industry expectations, future operating metrics, and future results of operations and financial position, including anticipated cost savings from the company's restructuring plan and projected cash expenditures, are forward-looking statements. You should not place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond Ceres' control. Factors that could materially affect actual results can be found in Ceres' filings with the U.S. Securities and Exchange Commission. Ceres undertakes no obligation to update publicly, except to the extent required by law, any forward-looking statements for any reason after the date the company issues this press release to conform these statements to actual results or to changes in the company's expectations.*

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