



## Half year results 2012-2013

### Seasonality of results and integration of acquisitions

- Revenue of €301.2 million, +26% compared to previous year, due to acquisitions.
- Current Operating Income (EBIT): €5.5 million, representing 1.8% of revenue. Excluding the effects of the Agrifac and Hozelock acquisitions, EBIT is 2.8% of revenue, identical to the previous year.
- Net Financial Debt of €92.8 million after acquisitions.
- Solid financial structure: equity = 36% of balance sheet.

Consolidated data in € million	H1 2010- 2011	H1 2011- 2012	H1 2012-2013 constant	Change in € million	H1 2012-2013 current	Change in € million
Revenue	174.9	239.2	250.4	11.2	301.2	62.0
Operating cash flow	1.7	13.5	11.4	(2.1)	11.7	(1.8)
EBITDA as % of revenue	1.0%	5.6%	4.6%		3.9%	
ROC (EBIT)	(3.4)	7.0	7.0	0.0	5.5	(1.5)
EBIT as % of revenue	(1.9%)	2.9%	2.8%		1.8%	
Financial income (expense)	(2.2)	2.6	(1.8)	(4.4)	(6.5)	(9.1)
Profit before tax	(6.4)	9.6	2.7	(6.9)	(3.8)	(13.4)
Profit (loss) for the period	(4.7)	5.7	2.6	(3.1)	(4.6)	(10.3)
Head count (no. of people)	2,649	2,752	2,804	52	3,371	619

- **Analysis of results for the first half year 2012-2013**

Income statement:

During the first half year of 2012-2013, consolidated revenue for EXEL Industries increased by 26%, mainly due to the acquisitions of Agrifac and Hozelock. At constant scope, revenue increased by 4.7%: +15% for the Materials activity and revenue unchanged for the Plant activity. International growth was 32%, due to our acquisitions in Europe.

Current operating income (current EBIT) of €5.5 million, represents 1.8% of revenue, including Agrifac and Hozelock.

At constant scope, EBIT is in line with the previous year at 2.8% of revenue, with a contrasting performance from Plants, linked to the beet activity, the implementation of a new ERP and a reduction in sales in Australia and North Europe, compensated by the finalization of the automobile projects in Materials.

The net loss of €4.6 million was impacted by the cost of reorganization of the beet harvester range and unfavorable exchange rates on Hozelock's pound sterling liabilities due to the strengthening of the euro compared to the British pound.

*Plant seasonality*

Historically low temperatures in Europe in 2013 delayed the start of the season, in the Farming and Consumer markets.

Our acquisition in the Consumer market will increase the seasonality of our Plant activities over the second half year as the peak in Consumer activity is between March and June.

Consolidated statement of financial position:

The consolidated statement of financial position takes into account the acquisition of Hozelock and its working capital requirements due to its important seasonality.

The working capital requirement at end February is identical to the previous year, at 105 days of revenue.

At constant scope, the net financial debt (NFD) of the Group should have been €19.6 million. The financing of the activities of Agrifac and Hozelock and their acquisition increased the NFD of the Group to €92.8 million.

The gearing of the EXEL Industries Group is 46% and its equity represents 36% of the consolidated statement of financial position.

- **Outlook and Strategy**

Mr. Guerric Ballu, Director General of EXEL Industries Group comments:

“We are continuing our growth strategy, and this year will be characterized by our acquisitions - Agrifac, from July of the previous financial year, Hozelock in October 2012 and Holmer from April 2013. As a result, our revenue has increased by 26%.

In our original markets, we are pursuing our international strategy of improved margins and innovation. In Plants, we are improving our supply chain management, with the installation of a new ERP, and are looking to develop our activities in the USA and Russia. In February 2013, our innovations won awards at the International Trade Fair for Agricultural Equipment. In Materials, in order to compensate the reduction in orders in the automobile sector, we are developing new applications and expanding in the BRIC, as well as offering new innovations to customers. At constant scope, our operating income is the same as last year, given that the first half year 2011/2012 had benefited from a deferment of revenue and margin from the previous year.

At constant scope, EXEL Industries group revenue has increased due to acquisitions. The loss of €4.6 million was principally due to foreign exchange effects between the euro and pound sterling, the reorganization of the beet range and the integration of Agrifac and Hozelock.

In the Consumer market, the season was delayed due to the poor weather in Europe. Despite this, we are implementing a new synergetic, operational organization at Hozelock, and we will launch a new garden irrigation product - the Flexi Spray.

With the acquisition of Holmer, we intend to make the Beet activity profitable, with the most comprehensive range of machinery in the market, and achieve synergies between our current subsidiaries and Holmer.

In a difficult economic situation, EXEL Industries has the ambition of reinforcing our world leadership in our markets, further improving our financial results, and accompanying our customers through continuous innovation and a reinforced international presence.”

**Next date: Revenue for 3<sup>rd</sup> quarter 2012-13, on June 25, 2013.**

*About EXEL Industries:* [www.exel-industries.com](http://www.exel-industries.com)

*World specialist in precision spraying techniques for agriculture (world leader) and industry (world No.3), EXEL Industries employs around 3,600 people in 28 countries, over 5 continents.  
NYSE-Euronext Paris, Compartiment B, CAC Mid&Small, CAC Small*



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