



2014-2015 First-half results

Negative impact of the Agricultural Sprayer business

- Revenue of €290.2 million vs €333.1 million for the first half of 2013-2014.
- Current Operating Income (EBIT) of -€6.1 million vs €6.3 million.
- Net financial debt: €142.3 million vs €86.6 million before the effect of the fixed asset acquisition in the UK.
- Financial structure still sound.

Consolidated data in € million	2013-2014	2014-2015	Variation in € million	Variation in %
<i>Agricultural Sprayer</i>	166.6	126.7	(39.9)	-23.9%
<i>Beets Harvesters</i>	52.1	43.6	(8.3)	-15.9%
<i>Spraying and Watering for Garden</i>	30.9	32.5	1.8	5.8%
<i>Industrial Spraying</i>	83.5	87.4	3.9	4.7%
Revenue	333.1	290.2	(42.9)	-12.9%
Current EBIT	6.3	(6.1)	(12.4)	NA
Net financial income/(expense)	(1.7)	(0.5)	1.2	NA
Profit before tax	5.6	(10.3)	(15.9)	NA
Net income	(1.0)	(8.1)	(7.1)	NA

- **Analysis of results for the first half of 2014-2015**

Income Statement:

In the first half of 2014-2015, EXEL Industries' consolidated revenue dropped by €42.5 million compared with the first half of the previous financial year. This drop mainly stems from the Agricultural Sprayer business (€40 million). The Group's other activities – Sugar Beet Harvesters, Garden Spraying & Watering, Industrial Spraying – are in line with the previous year, with slight growth expected for the year.

Current Operating Income (Current EBIT) stands at -€6.1 million for the first half-year, due to the drop in Agricultural Sprayer activity.

The Group's annual results are usually concentrated on the second half-year. Industrial painting lines are installed and billed during the customer's key shutdown periods, i.e. in July and August, while agricultural and gardening operations generate their revenue in the second half-year, i.e. between March and August.

In the agricultural sprayer business, measures were taken in the first half-year to reduce the manpower and costs.

The net financial expense amounts to €0.5 million. It includes the cost of the financial debt (€2.2 million) and foreign exchange gains of €1.7 million due to the increase in the value of the pound sterling and US dollar against the euro.

The result is a net loss of €8.1 million for the period.

Balance Sheet:

At the end of February, the working capital requirement (WCR) was equivalent to 115 days of revenue, versus 96 days for the same period last year. Inventories of finished products increased in the Sugar Beet Harvesters and Garden activities, in anticipation of an earlier start to the season. Against the background of an agricultural spraying crisis, precautions were taken in the inventories to avoid losing any possible sales.

The Group's net financial debt (NFD) amounts to €142.3 million versus €86.6 million for the same period last year. The change in the NFD mainly stems from the drop in net income, the financing of the WCR for this portion of the year, and the €32 million acquisition of fixed assets made during the second half of the previous year for the production site of the Hozelock plant in Birmingham.

Historically, the first half-year is the year's low point. Consequently, the financial soundness of the EXEL Industries Group is still intact, with equity of €236 million.

- **Outlook and Strategy**

Guerric Ballu, Chief Executive Officer of the EXEL Industries Group made the following statement:

"The EXEL Industries Group operates in four business lines: Agricultural Sprayer, Sugar Beet Harvesters, Consumer Products and Industrial Products.

This portfolio diversification strategy mitigates the slump in the agricultural sprayer business, through the other three activities in different markets. The drop in Agricultural Sprayer is the sharpest recorded since 1991. In France, across Europe, and in the USA, it is due to the drop in farmers' income. In Russia and Ukraine, our business is affected by the conflict.

The effects on orders started to be felt in March 2014, and could last another 12 to 18 months. However, the farmers' needs still exist, and they are postponing their investments.

Our second half-year results will be slightly lower than in the previous year due to the drop in agricultural spraying.

In a globally difficult context, EXEL Industries is taking all required measures to secure and continue its development and reinforce its global leadership. To this effect, our actions are primarily aimed at securing the required resources to finance our innovation and development."

Next event: Revenue for the 3rd quarter 2014-15, on June 25, 2015.

About EXEL Industries: www.exel-industries.com

The main business line of EXEL Industries is spraying, for agriculture (No. 1 worldwide) and industry (No. 3 worldwide). The Group also operates in the consumer watering products market (European leader) and in sugar beet harvesters (world leader). EXEL Industries' goal is to expand in its markets, through constant innovation and an international strategy. EXEL Industries employs around 3,600 people in 27 countries across five continents.

EXEL Industries	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Sales in € million	384.4	430.1	525.3	740.2	775.4

NYSE-Euronext Paris, SRD Long, Compartment B, CAC Mid&Small190
(Ticker symbol EXE/ISIN FR0004527638)



CONTACT PERSONS



Guerric Ballu
Group CEO
EXEL Industries
52 rue de la Victoire
75009 PARIS - FRANCE

Sylvain Rousseau
Group CFO
Investor Relations
Sylvain.Rousseau@exel-industries.com
Tel: + 33 1 71 70 49 50