



## First-quarter sales 2017-2018 A quarter of slight growth

	2016-2017	2017-2018	Published change	Organic change (*)
First-quarter revenue in €m (October to December)	<b>134.5</b>	<b>137.5</b>	<b>+2.2%</b>	<b>+5.0%</b>
Agricultural Spraying	62.9	61.8	-1.7%	+1.1%
Sugar Beet Harvesting	15.3	17.4	+13.8%	+15.9%
Garden Spraying and Watering	9.2	9.5	+2.5%	+3.7%
Industrial Spraying	47.1	48.8	+3.7%	+6.9%

*\*on the basis of constant foreign exchange rates*

First quarter sales for the fiscal year 2017-2018 (October to December 2017) stood at €137.5 million, an increase of +2.2% compared with the first quarter of 2016-2017.

Compared to the Euro, several currencies have depreciated, mainly the USD by 8.5% and the AUD by 5.9%, generating a negative currency effect of €2 million against the USD and €0.5 million against the AUD. All currencies combined, and on the basis of constant foreign exchange rates, growth stood at 5.0%.

- **Agricultural Spraying**

Agricultural spraying had a slow start to the year, up +1.1% on a comparable exchange rate basis. France, which is still affected by low cereal prices, is slightly up vs. first quarter of 2016-2017. Spain is undergoing a crisis with the drought causing poor harvests. Order intakes are high for Russia and Ukraine and growing in the United Kingdom, Netherlands, Germany and Poland.

The French entities Matrot Equipements and Hardi-Evrard effectively merged on October 1, 2017 to become "Groupe Hardi France". The Evrard and Matrot brands have been kept and their logo was redesigned.

- **Sugar Beet Harvesters**

Activity remained strong, particularly in Europe. The quarter records a growth of 15,9% on a comparable exchange rate basis. It was slightly enhanced by deliveries being delayed from September to October.

- **Garden Spraying and Watering**

The quarter was in line with the same quarter of 2016-2017. It is slightly growing due to the extension of the distribution network. The first quarter for this activity is not particularly high and generally represents less than 10% of annual sales. Negotiations with the mass retail market are difficult in a context of higher raw material costs.

- **Industrial Spraying**

On a constant foreign exchange rate basis, industrial spraying grew by +6.9% with good growth in standard sales of equipment in accordance with the strategy. The first quarter also benefited from the invoicing of Renault Vigo project in Spain and a phase of the significant Nissan Sunderland project in the United Kingdom. Sales in Asia were healthy with growth picking up in the Sames-Kremlin business in China.

- **Outlook and Strategy**

Mr. Guerric Ballu, Chief Executive Officer, EXEL Industries Group commented:

"The first quarter of 2017-2018 was only slightly up compared to the previous year.

In France, the wait-and-see attitude of farmers has continued. CAP negotiations have started in December-January but will effectively take place only in 2019 after the European elections. Cereal prices continue to be the main driver of any potential recovery, but the price of "Rouen delivered" soft wheat has just gone under €150 per tonne. International order intakes are high, especially in Ukraine and Russia.

Our Sugar Beet Harvester activity is doing well and has not been affected by this period of gloom.

In Industrial Spraying, we are continuing our growth strategy by developing partnerships in distribution and consolidators, strengthening our Sames-Kremlin brand and bringing outstanding innovations to the market.

EXEL Industries is pursuing its innovation strategy in all areas of its business.

In industrial spraying, we have launched the FPro, a new Airspray and Vortex effect technology spray gun, the PPH Zero, an electrostatic sprayer which allows colors to be changed without wasting paint, and the ISOCUBE, an electric isolation system which makes the electrostatic spraying of solvent-free, water-based paints possible.

In agricultural spraying, our main area of research and innovation remains precision-spraying "the right dose in the right place" in order to support the agricultural trend of an ever-increasing respect for the environment. We have also launched the Bruin in the USA, a hydrostatic transmission sprayer of French origin. But also an environmental innovation, the recovery panels for Caruelle-Nicolas and Hardi sprayers, which allow accurate spraying around vines. They were presented at the SITEVI in Montpellier at the end of November.

The three pillars of EXEL Industries strategy are innovation, international development and sustainable and profitable growth."

**Next events:**

- February 7, 2018: Annual General Meeting of Shareholders;
- April 19, 2018 after market closing: second-quarter sales 2017-2018;
- May 31, 2018: first half 2017-2018 results.

<b>EXEL Industries</b>	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016 13 months	2016-2017
<b>Sales in €m</b>	384.4	430.1	525.3	740.2	775.4	725.2	819.3	874.2

About EXEL Industries:

EXEL Industries' core business is agricultural (world leader) and industrial spraying. The Group also competes in the consumer watering products market and in sugar beet harvesters (world leader). The goal of EXEL Industries is to expand in its markets through a policy of constant innovation and an international growth strategy. EXEL Industries employs approximately 3,745 people spread over 29 countries and on five continents.

NYSE-Euronext Paris, SRD Long, CAC Mid&Small 190  
EnterNext® PEA-PME 150 index (Mnemo EXE / ISIN FR0004527638)

The SFAF presentation is available at [www.exel-industries.com](http://www.exel-industries.com).  
This press release is available in French and in English.



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