



Spraying is our business

**FY 2010-2011 growth of 11.5% on gains in exports**

Consolidated data in € millions	2009-2010	2010-2011	Change
<b>Fourth-quarter revenue</b> (June to August)	<b>100.1</b>	<b>107.6</b>	<b>7.5%</b>
<i>Of which Plant Protection</i>	65.7	69.3	5.5%
<i>Of which Materials Protection</i>	34.4	38.3	11.3%
<b>Annual revenue</b> (September to August)	<b>385.3</b>	<b>429.7</b>	<b>11.5%</b>
<i>Of which Plant Protection</i>	284.4	304.1	6.9%
<i>Of which Materials Protection</i>	100.9	125.6	24.5%

Consolidated data in € millions	2009-2010	2010-2011	Change
1 <sup>st</sup> quarter (September to November)	77.6	73.8	-4.9%
2 <sup>nd</sup> quarter (December to February)	88.2	102.1	15.8%
3 <sup>rd</sup> quarter (March to May)	119.4	146.2	22.4%
4 <sup>th</sup> quarter (June to August)	100.1	107.6	7.5%
<b>12 month revenue (September to August)</b>	<b>385.3</b>	<b>429.7</b>	<b>11.5%</b>

For FY 10-11 (September to August), EXEL Industries' consolidated annual revenue rose 11.5% to €429.7 million. Growth in revenue of €44 million was driven entirely by export sales (+21%) while activity in France remained sluggish.

□ **Plant protection (71% of consolidated revenue)**

For the FY 10-11 full year (September to August), Plant Protection had revenue of €304.1 million, gaining 6.9% year-on-year. Revenue in the fourth quarter (June to August) grew 5.5% from the same period last year. Billings would have been higher without the adverse effects from difficulties on supply and manufacturing. As a consequence, some shipments originally planned in fourth quarter will be invoiced in the first quarter of FY 11-12.

Sales in France remained at the same levels as the previous year. In contrast, export sales grew 16% to account for more than 51% of Plant Protection's revenue. All export markets showed positive momentum with the strongest gains in Eastern Europe and particularly CIS countries where restrictions on access to credit were lifted.

The current volume of orders offers visibility for several months. This situation reflects the combined impact of deliveries postponed from fourth quarter to the first quarter of the next fiscal year in addition to a steady inflow of new orders. To meet this backlog, inventory at the end of FY 10-11 will be higher than normal.

The Group's sprayer brands have thus been successful in meeting market demand in an environment of sustained agricultural commodity prices.

□ **Materials protection (29% of consolidated revenue)**

For FY 10-11 (September to August) revenue for Materials Protection rose 24.5% to €125.6 million, driven entirely by exports that grew 30% for the full year compared with steady sales for France. However, margins for this division in FY 2010-2011 will be impacted by a product mix with a larger share for projects as well as cost overruns on a North American project.

Fourth quarter revenue rose 11.3% to €38.3 million following very strong sales in the same quarter a year earlier. We are producing large-scale painting systems for automobile manufacturers throughout the world, including notably Subaru USA, Tesla (electric vehicles, US), General Motors, PSA in Brazil, Russia and France, Renault in Morocco (Tangier), Renault-Dacia in Romania, Kia in South Korea, Hyundai in Russia and Nissan and Luxgen in China. Some of these installations involve deliveries over two years with an additional amount invoiced in FY 11-12.

Despite the media reports of a macro-economic slowdown, order intake has remained sustained over the last three months. As a result, the Group ended the year with a backlog of orders higher than the last three years.

□ **Outlook and strategy**

Guerric Ballu, CEO of EXEL Industries, commented:

"Group revenue grew 11.5% in the year. Growth in export sales allowed us to return to levels preceding the FY 09-10 slowdown though still not back to the higher levels of FY 08-09.

For Plant Protection, as we expected there were pressures on supplies and manufacturing at year-end resulting in billings carried forward to the first quarter of FY 11-12. We were also required to take measures to secure strategic supplies, notably motors, to meet demand for new orders that remained at good levels in Q4. The cash position at year-end will not represent the optimum level that might have been attained.

For Materials Protection, adapting our products and innovations to the needs of local markets has contributed to positive trends for orders and billings. The challenge for the period was to achieve organisational improvements and strengthen project management for international subsidiaries taking on major orders.

Rapid execution of an ambitious strategy allowed us to expand growth in export markets that represents the highlight of this period. EXEL Industries has emerged as a Group of international stature with export markets today accounting for more than 60% of revenue"

***Upcoming press release: FY 11-12 first-quarter revenue and FY 10-11 full-year results, Wednesday, December 14, 2011.***

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

*A world leader in precision spraying technologies for agriculture (No. 1 worldwide) and manufacturing (No. 3 worldwide), EXEL Industries employs approximately 2,600 people in 23 countries on all five continents.*

*NYSE-Euronext Paris, Compartment B, CAC Mid&Small, CAC Small  
(Ticker EXE / ISIN FR0004527638)*



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