



2015-2106 first-half results
Increased income and Strategic Acquisition in the USA

- Revenue of €309.5 million, up €11 million from February 2015.
- Current Operating Income (EBIT) up to €8.3 million from -€6.1 million.
- Net profit in the first half of the year.
- Acquisitions in agricultural precision spraying solutions in the USA with ET Works's Apache brand.
- Sale of Herriau.

Consolidated data in m€	H1 2014-2015	H1 2015-2016, Constant consolidation scope	Scope Effect	H1 2015-2016, Current consolidation scope	Variation in m€
Revenue	290.2	303.4	6.1	309.5	19.3
COI (EBIT)	-6.1	10.0	-1.7	8.3	14.4
EBIT in % of revenue	-2.1%	3.3%		2.7%	
Net financial income	-0.5			-2.6	-2.1
Pre-tax income	-10.3			4.6	14.9
Net income	-8.1			2.5	10.6
Net income, Group share (99.3%)	-8.2			2.4	10.6
Permanent workforce	3,536			3,614	

- **Analysis of 2015-2016 first-half results**

Increased income thanks to Agricultural Spraying and Industrial Spraying.

Net financial income was up compared to the first half of last year. Revenue increased thanks to Agricultural Spraying in Europe, CIS and Australia and especially in France thanks to the effects of the Macron Law.

Current operating income (current EBIT) was €8.3 million at current consolidation scope and €10.2 million at constant consolidation scope, (excluding the sale of Herriau and the acquisition of ET Works in the USA). EBIT was -€6.1 million during the same period the previous year.

The improved EBIT comes from an increase in Agricultural Spraying, even though the crisis in this activity is not yet over, and a decrease in fixed costs related to the restructuring plans carried out during the previous year, and from Industrial Spraying, which is growing in its markets.

As in previous years, the Spraying and Watering for Garden and Sugar Beet Harvesting activities were negative in the first half of the year, but bear in mind that this does not represent overall trends and that peak activity is between May and September.

Net profit of €2.5 million

In non-recurring items in the first half of the year, there are no restructuring costs, only the transactional costs associated with the acquisition of ET Works in the US.

Net financial income was negatively impacted by a currency effect from the GBP of €1.8 million. Financial expenses were in line with the average debt for the period.

A healthy, disciplined financial position

The restructuring carried out last year helped to improve the Group's profitability in the first half of the year.

The highly seasonal nature of activities, except in Industrial Spraying, once again caused a net working capital increase between August and February. At February 29, 2016, net working capital increased by €31 million, ET Works included.

Investments totaled €15 million and included acquisitions of land in Germany and the Netherlands. Factoring in the effects from ET Works, NFI amounted to €181.3 million at the end of February.

Audit Process

The Group Internal Audit Committee met on the afternoon of April 18, 2016.

The Group Statutory Auditors reported to the Internal Audit Committee regarding their limited reviews of the financial statements of the major subsidiaries and the Group and had no reserve or comments with respect to the parent company and consolidated financial statements as at February 29, 2016.

On these bases on April 19, 2016, the Board of Directors approved the EXEL Industries Group half year consolidated financial statements.

Change of fiscal year-end date.

The EXEL Extraordinary Shareholders' Meeting of January 12, 2016 approved a resolution that the company's fiscal year begins on October 1 of each year and ends on September 30 of the following year. As a result, this year, the company's fiscal year will be 13 months starting on September 1, 2015 and ending on September 30, 2016, with a final quarter of four months.

• Upcoming events

- Thursday, June 23, 2016 after market closing: Revenue for 3rd Quarter 2015-2016.
- Thursday, October 27, 2016 after market closing: Revenue for 4th Quarter 2015-2016.
- Tuesday, December 20, 2016, before the market opens: 2015-2016 annual results.

- **Outlook and Strategy**

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

"Our group has demonstrated its ability to withstand crises while maintaining its profitability. In the first half of 2015-2016, we generated EBIT of €10.2 million at constant consolidation scope, compared to -€6.1 million the previous year, thanks to the restructuring carried out in Agricultural Spraying and the good dynamics in Industrial Spraying. Our net income was positive at the end of February 2016. This has happened only once since 2010.

Agricultural Spraying has increased thanks in particular to the Macron Law in France. Even if that law should be extended until April 2017, we do not expect a complete recovery in this activity before the end of the year because wheat prices continue to be around €140 per ton and distributors have a large inventory of used machinery.

Industrial Spraying and Garden Spraying and Watering will have activity levels comparable to previous years.

Following the abolition of quotas, Sugar Beet Harvesting experienced a low point due to the outcome of negotiations between farmers and sugar manufacturers, which should lead to a decrease in the price of beets and an increase in planted areas. We are working on tenders for export, which should allow us to secure our sales for the year.

The start of the year was marked by the sale of Herriau and the strategic acquisition in January 2016 of ET Works in the USA. ET Works, through the Apache brand, is a major actor in the agricultural precision spraying solutions market in the USA and Canada, with its range of self-propelled sprayers. Even though the North American market is still in crisis, we expect to expand there and gain market share. With this acquisition in North America, our group continues its internationalization strategy and will benefit from the commercial synergies between ET Works and other brands in our Group.

Our improved profitability and the steps we have taken to optimize cash generation will allow us to grow in line with our strategy while keeping debt under control.

Also, on April 14, 2016, EXEL Industries received the 2016 silver trophy for leaders in finance."

EXEL Industries	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Sales in M€	384.4	430.1	525.3	740.2	775.4	725.2

About EXEL Industries : www.exel-industries.com,  facebook\exelindustries,  @EXEL_Industries

The main business line of EXEL Industries is spraying, for agriculture (world leader) and industry. The Group also competes in the retail water supply solutions market (European leader) and the sugar beet harvesters market (world leader). EXEL Industries' goal is to develop in its markets and through constant innovation and an international strategy. EXEL Industries employs approximately 3,650 people in 29 countries on 5 continents.

NYSE-Euronext Paris, SRD Long, CAC Mid&Small 190

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This press release is available in French and in English on the company website, as well as on its facebook and twitter accounts.

SFAF's presentation is available at www.exel-industries.com.



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