



1st Quarter 2015-2016

+€10 M in Agricultural Spraying business

Consolidated data in m€	1st quarter			FY
	2014-2015	2015-2016	Variance	2014-2015
Sales 1st quarter (september to november)	135.5	137.1	1.2%	725.2
<i>Agricultural Spraying</i>	50.4	60.7	20.4%	291.0
<i>Beets Harvesters</i>	33.1	20.0	-39.5%	137.0
<i>Spraying and Watering for garden</i>	9.4	9.6	1.8%	104.9
<i>Industrial Spraying</i>	42.6	46.8	9.9%	192.3

Group revenue has increased slightly over the 1st quarter, compared to the same period last year.

- **Agricultural Spraying**

Sales in Agricultural Spraying increased by €10 M in comparison with first quarter 2014. This growth is mainly concentrated in France and Australia, attributed to our new lines. In France, farmers are deciding to invest in advance in large sprayers to take advantage of the 40% of additional depreciation from the "loi Macron" that ends in April of 2016. In Australia, revenue rose in the first quarter, but it could be negatively impacted by significant climate changes brought about by El Niño in 2016.

- **Sugar beet harvesters**

Unlike the previous year 2015, sales of sugar beet harvesters were mostly focused on the last quarter of the exercise, and much less on September-October 2015 corresponding to the first quarter 2016. With this base effect, revenue is under €13 M. To avoid this seasonal effect, a new date of closing of accounts at end-September will be submitted to the General Meeting of Shareholders on January 12, 2016.

- **Spraying and Watering**

In general, the first quarter is not significant, as it only represents about 17.1% of total annual revenue. This period is generally devoted to negotiations with retail distributors and referencing for new products such as the smartphone-controlled programmable watering system, the Hozelock® Cloud Controller, and the revolutionary Easy Drip® drip irrigation system.

- **Industrial spraying**

Industrial precision spraying solutions continues its development across all geographical areas, and its revenue for the first quarter is up by €4 M. Sales are expanding in distribution and installation of Sames and Kremlin-Rexson equipment, such as in the Renault plant in Córdoba, Argentina.

• Outlook and Strategy

Guerric Ballu, CEO of EXEL Industries Group, says:

"Our revenue was stable for the first quarter. We are still in a period of global crisis in agriculture, which was hidden by tax incentives in France in the first quarter. As for the other businesses, they are in line with expectations for the first quarter.

Given these conditions, we continue to prepare the EXEL Industries Group's future. Over the last twelve months, we have designed four strategic medium- to long-term plans for each of our businesses.

We have a multi-brand strategy for Agricultural Spraying. With growing demand for food and a more competitive environment for sprayers, we affirm our position as market leader and a global specialist in protecting all types of plants. We are focusing our international development on Europe, Russia, Ukraine, the United States and China.

Under our Holmer brand, we are the world leader in Sugar Beet Harvesters, both in terms of market share and in terms of technology. We are already present on the main markets, and we are opening our development to the United States, China, and most recently Turkey, with the creation of a new subsidiary. The TerraVariant heavy-duty tractor is an additional development focus, expanding into open-field logistics.

In Europe and Australia, our Watering and Consumer Spraying activities continue to grow. The key to our development strategy is bringing one major innovation per year to the market. For example, in connected products, we launched the Hozelock® Cloud Controller this year.

Our Industrial Spraying strategy is founded on our expertise in painting, powder, fillers and adhesive application, improving finish quality and productivity for our clients. Our numerous subsidiaries give us close contact with our clients in all countries. Our focus for future development will be in the United States and Asia.

We have a healthy and solid financial position, and were able to de-leverage by €20 M last year. This allows us to invest in internal growth, as well as making acquisitions in strategic areas."

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 is also the European leader in consumer watering products, and the world leader in sugar beet harvesters. 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

EnterNext© PEA-PME 150 index (Mnemo EXE / ISIN FR0004527638)

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



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