



**Third quarter 2017-2018 revenue**  
**Slight growth over the quarter at constant exchange rates**

|   | 2016-2017    | 2017-2018    | Reported change | Change at constant exchange rates (*) |
|---|--------------|--------------|-----------------|---------------------------------------|
| Third quarter revenue in €m (April to June) | <b>248.1</b> | <b>243.4</b> | <b>-1.9%</b>    | <b>+0.9%</b>                          |
| Agricultural Spraying                       | 117.6        | 116.5        | -0.9%           | +2.8%                                 |
| Sugar Beet Harvesting                       | 32.4         | 30.8         | -4.9%           | -4.2%                                 |
| Garden Spraying and Watering                | 48.4         | 50.0         | +3.3%           | +4.9%                                 |
| Industrial Spraying                         | 49.7         | 46.1         | -7.2%           | -4.1%                                 |

|   | 2016-2017    | 2017-2018    | Reported change | Change at constant exchange rates (*) |
|---|--------------|--------------|-----------------|---------------------------------------|
| Revenue over 9 months in €m (October to June) | <b>600.7</b> | <b>586.4</b> | <b>-2.4%</b>    | <b>+0.6%</b>                          |
| Agricultural Spraying                         | 302.5        | 290.6        | -4.0%           | -0.4%                                 |
| Sugar Beet Harvesting                         | 60.2         | 61.9         | +2.8%           | +4.0%                                 |
| Garden Spraying and Watering                  | 91.8         | 93.2         | +1.5%           | +3.1%                                 |
| Industrial Spraying                           | 146.2        | 140.7        | -3.8%           | -0.2%                                 |

(\*) Amounts at constant exchange rates are calculated by converting the amounts for the current year using the average monthly exchange rate for the previous year

At constant exchange rates, third quarter revenues for the 2017-2018 financial year rose slightly by 0.9%, thanks to the momentum of Garden Spraying and Watering and an upturn in Agricultural Spraying in the USA.

Reported revenues fell by 1.9% due to the depreciation of the USD and AUD.

- **Agricultural Spraying**

During the third quarter, Agricultural Spraying posted growth of 2.8% at constant exchange rates thanks to the recovery of sales in the United States. ET Works achieved growth of 21%, offsetting the weaker performance recorded in the first two quarters.

- **Sugar Beet Harvesting**

Compared against an exceptional performance in 2016-2017, the Sugar Beet Harvester business maintained a strong position. However, as anticipated, fourth quarter sales will be lower than the previous year and will depend on the confirmation of orders in Russia.

- **Garden Spraying and Watering**

Garden Watering benefited from an excellent spring, particularly in England and Scandinavia, good listing with distributors and the success of new products. In France, sales growth was lower due to declining sprayer sales following new regulations on consumer use of phytopharmaceutical products.

The television advertising campaign launched in April had a positive impact on the reputation of the Hozelock brand.

- **Industrial Spraying**

Third-quarter Industrial Spraying sales are down 4.1% at constant exchange rates, due mainly to the drop in project sales in line with the strategy to refocus on standard equipment (a more profitable business). Standard equipment sales were up over the first nine months of the year. However, during the third-quarter demand for spare parts slid due to the phasing out of the Johnstone range at General Motors in the United States. Sales of Rexson pumps and new Airless products rose.

- **Outlook and Strategy**

Mr. Gueric Ballu, CEO of the EXEL Industries group, comments:

"The third quarter of 2017-2018 was driven by strong business in Garden Watering and resumed growth in Agricultural Spraying in the United States.

In Agricultural Spraying, the commercial action plans launched in the USA started to bear fruit. Furthermore, since June, we've seen a slight upturn in orders in France and Australia that has presumably been sparked by the jump in the price of wheat, which is now €185/ton. Harvests were quite good in Western Europe and the USA, but were impacted by excessively dry weather in northern Europe. This should keep wheat prices at a good level, while the prices of soybeans and corn are down, impacted by increasing trade tensions between China and the USA.

Our Sugar Beet Harvester business remained solid. The price of sugar remains low, creating something of a "wait and see" attitude on the market. Russian market continues to show high sales potential for the coming years.

Garden Spraying and Watering posted strong results in the first part of the season, with summer also starting on a positive note. Our growth drivers have been clearly identified: growing the reputation of the Hozelock brand, development of online sales and product innovation.

In Industrial Spraying, although project sales were lower than last year, we are expanding in Asia thanks to the signature of two automotive projects in China via integrators. We are also pleased with the growth in the new Airspray low-pressure and Airless high-pressure spray guns.

As reported in the last press release, annual revenue is expected to be lower than that of last year.

The three pillars of our strategy are innovation, international expansion and profitable, sustainable growth. With regard to innovation, we are teaming up with numerous start-ups in the AgTech sector. Today we are crossing a new threshold by acquiring interests in these innovative start-ups through the Agrinnovation fund, which is managed by Demeter."

**Upcoming events:**

- October 25, 2018 after market closing: 2017-2018 Q4 revenue;
- December 18, 2018 before market opening: 2017-2018 Annual Results.

| <b>EXEL Industries</b>              | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 13 months | 2016/2017 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------|-----------|
| <b>Revenue in millions of euros</b> | 384.4     | 430.1     | 525.3     | 740.2     | 775.4     | 725.2     | 819.3               | 874.2     |

Regarding EXEL Industries:

EXEL Industries' main businesses are agricultural sprayers (world leader) and industrial spraying. The Group is also active in the consumer watering products market and in sugar beet harvesters (world leader). EXEL Industries is continually expanding its markets by means of constant innovation and an international strategy. EXEL Industries employs around 3,745 people in 29 countries across five continents.


NYSE-Euronext Paris, SRD Long, CAC Mid&Small 190  
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The SFAF presentation is available at [www.exel-industries.com](http://www.exel-industries.com)  
This press release is available in French and English.



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