

8<sup>th</sup> May, 2013

# MAKING WATER PERFORM



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# 1Q2013 Results - Summary

## Key magnitudes

	€M	Key magnitudes		Evol.
		March 12 YTD	March 13 YTD	
Sales		144,4	140,1	-3,0%
EBITDA		13,8	10,0	-27,5%
Net Income		1,3	-2,2	n/a
Net Working Capital		242,9	245,1	0,9%
Free Cash Flow post acquisitions		-36,0	-38,1	-2,1
Net Financial Debt		211,1	227,8	7,9%

- Sales: adverse weather conditions in Europe, the impact of which could not be fully compensated by international growth.
- EBITDA and Net Income: drop of sales in a quarter in which profits were close to the break-even point, had a substantial effect on income.
- Net Working Capital: evolution in line with forecasts for the season.
- Free Cash Flow: as usual, investments are made in the first quarter. Performance is in line with previous financial year.
- Net Financial Debt: increase due to the payments for the acquisitions of Fluidra Youli and Veico

# 1Q2013 Results – Highlights

## Veico - Brasil

- Fluidra acquired **VEICO**, a company that manufactures pool accessories in the Brazilian state of Santa Catarina.
- Veico reported in 2012, **sales figures of over Euro 3M** and has industrial facilities of 1,500 m<sup>2</sup>.
- **Veico's** contribution to Fluidra is its production capacity in a country with an estimated park of pools of **1.4 million units**, similar to France's and larger than Spain's. What's more, the construction of new pools in the country has increased by around 10% in recent years.
- The estimated size of the Brazilian pool market is **200 M euros**.
- The **total investment** is **4x 2012 EBITDA**.



# 1Q2013 Results – Highlights

## AstralPool MAC

- AstralPool MAC is the only compact, modular device in the market that has all the components needed for the physical and chemical control of pool water in the most efficient way possible.
- Its smart software enables all settings to be adjusted from a touchscreen and users thus have **total control over their pools**.
- AstralPool MAC is **an innovative product and a new concept** in understanding the way pools are managed.
- AstralPool MAC can make savings of up to **50% on energy (electricity and water)** in comparison with conventional pools systems.
- As a result, AstralPool MAC received an honourable mention at the prestigious **Red Dot Design Awards**.
- Success at its presentation in international fairs: **Lyon and Peking**



  
reddot design award  
honourable mention 2013

# 1Q2013 Results – Consolidated Profit and Loss Account

	March 2012 YTD		March 2013 YTD		Evol.13/12
	€ M	% sales	€ M	% sales	
Sales	144,4	100,0%	140,1	100,0%	-3,0%
Gross Margin	75,4	52,2%	71,4	51,0%	-5,2%
Opex before Dep.& Amort.	60,3	41,7%	60,1	42,9%	-0,2%
Provisions for bad debt	1,3	0,9%	1,3	0,9%	-2,4%
EBITDA	13,8	9,6%	10,0	7,1%	-27,5%
EBIT	5,6	3,9%	1,5	1,1%	-73,3%
Net Financial Result	-2,6	-1,8%	-3,9	-2,8%	54,2%
PBT	2,1	1,5%	-3,4	-2,4%	n/a
Net Income	1,3	0,9%	-2,2	-1,6%	n/a

- An exceptional cold and snowy March in Europe saw a drop in business that could not be made up by the growth in other areas of the world. This weather had an impact on the **Fluidra Group's** figures in the first quarter of the year.
- The **EBITDA** was affected by the drop in sales volume and the narrower margins resulting from fewer sales in Europe, but was slightly compensated by the reduction in OPEX.

# 1Q2013 2012 Results - Sales by Geographical Area

Fluidra Sales by Geographical Area					
€M	2012 YTD	%	2013 YTD	%	Evolution 12/11
Spain	30,6	21,2%	26,8	19,1%	-12,4%
South Europe - Rest	49,3	34,1%	43,7	31,2%	-11,2%
Central & Northern Europe	19,7	13,6%	16,6	11,9%	-15,7%
Eastern Europe	5,1	3,5%	5,3	3,8%	4,5%
Asia & Australia	22,8	15,8%	29,2	20,8%	27,8%
Rest of World	16,9	11,7%	18,4	13,1%	9,0%
<b>TOTAL</b>	<b>144,4</b>	<b>100,0%</b>	<b>140,1</b>	<b>100,0%</b>	<b>-3,0%</b>

- Clear different performance over the quarter in regions of the World:
  - Double-digit decline in sales in **Southern, Central and Northern Europe** strongly influenced by the weather, with a greater fall in Central and Northern Europe than in Southern Europe.
  - Good performance in **Asia & Australia** (with organic growth at 17,1% and growth of 10,7% thanks to Youli), the Rest of the World and Eastern Europe.



# 1Q2013 Results – Sales by Business Unit

Sales by business units					
€ M	2012 YTD	% of Total	2013 YTD	% of Total	Evolution %
<b>Pool</b>	<b>97,7</b>	<b>67,6%</b>	<b>95,7</b>	<b>68,3%</b>	<b>-2,0%</b>
- Private	81,8	56,7%	80,7	57,6%	-1,3%
- Commercial	15,8	11,0%	15,0	10,7%	-5,4%
<b>Water Treatment</b>	<b>20,3</b>	<b>14,0%</b>	<b>18,4</b>	<b>13,1%</b>	<b>-9,1%</b>
<b>Irrigation</b>	<b>8,7</b>	<b>6,0%</b>	<b>7,7</b>	<b>5,5%</b>	<b>-11,2%</b>
<b>Fluid Handling</b>	<b>14,1</b>	<b>9,7%</b>	<b>14,7</b>	<b>10,5%</b>	<b>4,9%</b>
<b>Projects</b>	<b>3,7</b>	<b>2,6%</b>	<b>3,5</b>	<b>2,5%</b>	<b>-7,0%</b>
<b>TOTAL</b>	<b>144,4</b>	<b>100,0%</b>	<b>140,1</b>	<b>100,0%</b>	<b>-3,0%</b>

- The **Pool Unit**, thanks to the good performance in other geographical areas, has reported a 2% drop due to the fall in consumption and the bad weather during the period in Europe.
- **Water Treatment and Irrigation** were affected by the macroeconomic climate as main activity is concentrated in Southern Europe.
- Good performance of **Fluid Handling** helped by Fluidra Youli. This business unit accounted for 10.5% of all consolidated sales, thanks to the work done on diversification and internationalisation.



# 1Q2013 Results – Net Working Capital

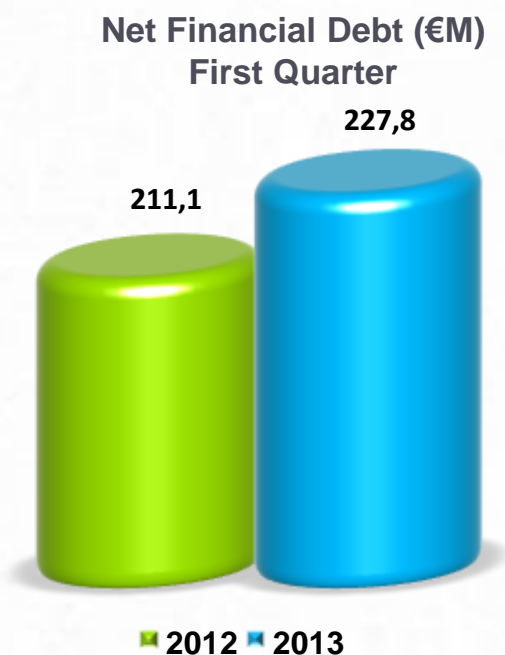
Net Working Capital (€M)  
First Quarter



	March YTD		
	2012	2013	Evol. 13/12
Inventory	165,9	167,6	1,0%
Accounts Receivable	200,1	201,9	0,9%
Accounts Payable	123,0	124,4	1,1%
<b>Net Working Capital</b>	<b>242,9</b>	<b>245,1</b>	<b>0,9%</b>

- The evolution of **Net Working Capital** reflects the preparation for the season. Higher stock levels are the result of the impact of bad weather in March.

# 1Q2013 Results – Net Financial Debt and Free Cash Flow



	March YTD		
	2012	2013	Evol. 13/12
Net income	1,3	-2,2	-3,5
Depreciation (+)	8,2	8,5	0,3
Increase (-) / Decrease (+) NWC	-40,5	-33,4	7,1
Capex (organic)	-4,2	-5,8	-1,6
Free Cash Flow pre-acquisitions	<b>-35,3</b>	<b>-32,9</b>	<b>2,4</b>
Acquisitions	-0,6	-5,1	-4,5
Free Cash Flow post acquisitions	<b>-36,0</b>	<b>-38,1</b>	<b>-2,1</b>

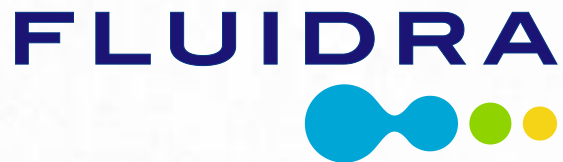
- Q1 **Free Cash Flow** reflects the investment preparing for the season. In general terms, is in line with the evolution in the previous year.
- **Acquisitions** include investment payments for Veico (Brazil) and Fluidra Youli (China)

# 1Q2013 Results – Highlights

- Annual General Shareholders Meeting – 5<sup>th</sup> of June: main points on the Agenda
  - Examination and approval of the **financial statements**; application of profit
  - The Board of Directors has proposed to maintain a dividend payout of Euro 8M.
  - Re-election of the auditor
  - Amendment of art.37 of the Bylaws (“Term of office. Director’s rules”) to reduce the maximum term in office of directors from 6 to 4, in line with Corporate Governance recommendations.
  - **Delisting** from the **Bilbao and Valencia** Stocks Exchanges

# 1Q2013 Results – Conclusions

- After a start of the year affected by cold weather in Europe, the outlook for the coming quarters is to recover the gap
- Our forecast for the full year continues to be based on a couple of initiatives:
  - **Efficiency:** Europe is a mature market with depressed consumption
  - **Internationalization:** outside Europe growth is expected in all our activities
- **Develop** our recent strategic acquisitions to compensate the seasonality of our figures.



Contact: Avda. Francesc Macià, 60, planta 20  
08208 Sabadell (Barcelona)  
Tel: +34 937 243 900

e-mail: [investor\\_relations@fluidra.com](mailto:investor_relations@fluidra.com)