

# Results First Quarter 2010

---



May 14th, 2010

# Disclaimer

---

El presente documento tiene carácter puramente informativo y no constituye una oferta de venta, de canje o de adquisición, ni una invitación a formular ofertas de compra, sobre valores emitidos por ninguna de las sociedades mencionadas. La presente información financiera ha sido elaborada de acuerdo con las Normas Internacionales de Información Financiera (NIIF), sin embargo, al no tratarse de información auditada, no es una información definitiva y podría verse modificada en un futuro.

La información recogida en el presente documento puede contener manifestaciones sobre intenciones, expectativas o previsiones futuras. Todas aquellas manifestaciones, a excepción de aquellas basadas en datos históricos, son manifestaciones de futuro, incluyendo, entre otras, las relativas a nuestra posición financiera, estrategia de negocio, planes de gestión y objetivos para operaciones futuras. Dichas intenciones, expectativas o previsiones están afectadas, en cuanto tales, por riesgos e incertidumbres que podrían determinar que lo que ocurra en realidad no se corresponda con ellas.

Entre estos riesgos se incluyen, entre otros, las fluctuaciones estacionales que puedan modificar la demanda, la competencia del sector, las condiciones económicas y legales, las restricciones al libre comercio y/o la inestabilidad política en los distintos mercados donde está presente el Grupo Fluidra o en aquellos países donde los productos del Grupo son fabricados o distribuidos. El Grupo Fluidra no se compromete a emitir actualizaciones o revisiones relativas a las previsiones a futuro incluidas en esta Información Financiera, en las expectativas o en los hechos, condiciones o circunstancias en los que se fundamentan estas previsiones a futuro.

En cualquier caso, el Grupo Fluidra, facilita información sobre estos y otros factores que podrían afectar las manifestaciones de futuro, el negocio y los resultados financieros de la Compañía, en los documentos que presenta ante la Comisión Nacional del Mercado de Valores de España. Se invita a todas aquellas personas interesadas a consultar dichos documentos.

These materials do not constitute an offer of securities for sale or a solicitation of an offer to purchase securities in the United States, Spain or any other jurisdiction. Shares of Fluidra, S.A. may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Neither Fluidra, S.A nor any selling shareholder intends to register any portion of the offering in the United States or to conduct a public offering of shares of Fluidra, S.A. in the United States.

# Results 1Q2010 – Highlights

	Key magnitudes			
	€M	March 09 YTD	March 10 YTD	Evol.
Sales		123,4	123,7	0,3%
EBITDA		6,0	9,8	63,6%
Net Income		-6,2	0,1	n.a
Net Income Normalized		-4,2	0,9	n.a
Net Working Capital		252,3	193,6	-23,2%
Free Cash Flow		-27,2	-9,4	17,8 M€
Net Financial Debt		257,3	179,8	-30,1%

- **Sales** maintain the recovery trend achieving slight positive growth, thus aligned with expectations for the year
- **EBITDA** experiences strong growth leveraging positive Gross Margin evolution and Opex reduction
- **Net Income Normalized** becomes positive resulting from the combined effect of enhanced operational result and lower financial expenses
- **Net Working Capital** maintains its decreasing trend based on continued stocks reduction and improved customer collection ratios
- **Net Financial Debt** reduction reflects sustained improvement in **Free Cash Flow** generation

Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – P&L

	1Q 2009 YTD		1Q 2010 YTD		
	€ M	% sales	€ M	% sales	Evol.10/09
Sales	123,4	100,0%	123,7	100,0%	0,3%
Gross Margin	62,9	51,0%	63,9	51,7%	1,7%
Opex before Dep.& Amort.	54,3	44,0%	52,7	42,6%	-3,0%
Provisions for bad Debt	2,6	2,1%	1,4	1,2%	-45,3%
EBITDA	6,0	4,9%	9,8	7,9%	63,6%
EBIT	-1,7	-1,4%	2,4	2,0%	n.a
Net Financial Result	-3,7	-3,0%	-0,7	-0,5%	81,6%
PBT	-8,4	-6,8%	0,6	0,5%	n.a
PBT Normalized	-5,5	-4,5%	1,7	1,4%	n.a
Net Income to Parent Co.	-6,2	-5,0%	0,1	0,1%	n.a
Net Income to Parent Co.Normalized	-4,2	-3,4%	0,9	0,7%	n.a

Note: Profit normalized is calculated before extraordinary items.

- Sales have been gradually improving over the quarter reaching positive growth after seven quarters of declining revenues
- Gross Margin keeps a stable evolution despite some increases in the cost of raw materials
- Opex evolution reflects the impact of cost reduction actions implemented over 2009
- Net Financial Result strong improvement derives from the combined effect of Net Financial Debt decrease, lower cost of debt and positive exchange rate effect.

Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – Key Magnitudes by Division YTD

	Sales (*)			Ebitda		
	2009 YTD	2010 YTD	Evol. %	2009 YTD	2010 YTD	Evol. %
South West Europe	67,0	64,7	-3,4%	-0,6	0,4	n/a
NEEMEA	17,2	20,8	21,3%	0,9	1,3	51,4%
AAP	20,8	23,1	10,9%	2,2	2,5	18,3%
Industry	65,6	72,0	9,7%	8,1	13,3	63,6%
<b>TOTAL, Consolidated</b>	<b>123,4</b>	<b>123,7</b>	<b>0,3%</b>	<b>6,0</b>	<b>9,8</b>	<b>63,6%</b>

(\*) Division sales are aggregate, including intra group sales

(\*) Restatement of figures in 1Q2009 in accordance to actual business segments

# Results 1Q2010 - Sales Evolution by Geographical Area

Fluidra Sales by Geographical Area					
€M	2009 YTD	%	2010 YTD	%	Evolution 10/09
Spain	31,5	25,5%	31,4	25,4%	-0,2%
South Europe - Rest	46,6	37,8%	45,6	36,9%	-2,2%
Western & Northern Europe	17,3	14,0%	16,7	13,5%	-3,7%
Eastern Europe	3,6	2,9%	4,1	3,3%	13,2%
Asia & Australia	14,6	11,8%	17,4	14,1%	19,5%
Rest of World	9,8	7,9%	8,5	6,9%	-13,2%
<b>TOTAL</b>	<b>123,4</b>	<b>100,0%</b>	<b>123,7</b>	<b>100,0%</b>	<b>0,3%</b>

- Spain shows flat sales confirming the progressive improvement since the second quarter of 2009 based on solidness of recurrent business
- South Western Europe evolution is driven by positive growth in France (7.8%) whereas Italy and Portugal show negative performance versus 2009
- Eastern Europe is growing strongly after a weak 2009 driven by recoveries in key countries such as Czech Republic and Russia
- Asia and Australia maintain a positive trend accentuated by positive exchange rate effect

Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – Sales by Business Unit

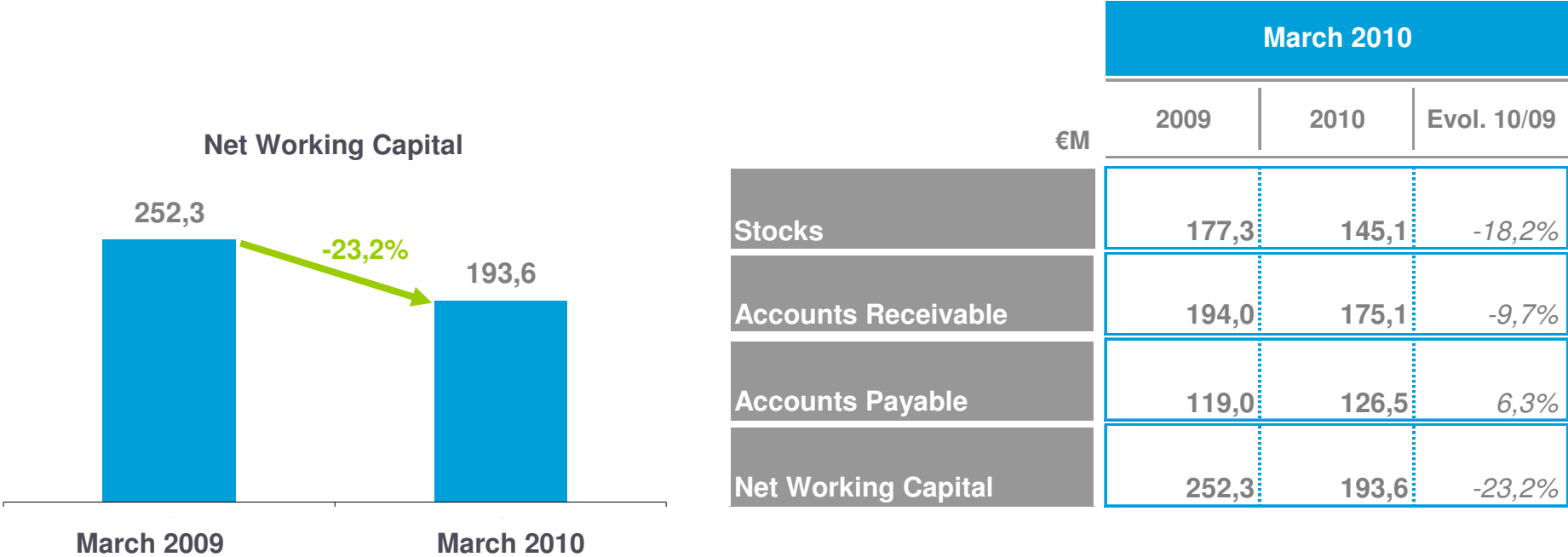
€ M	2009 YTD	% of Total	2010 YTD	% of Total	Evolution %
<b>Pool (1)</b>	<b>84,1</b>	<b>68,1%</b>	<b>85,2</b>	<b>68,9%</b>	<b>1,4%</b>
- Private	70,7	57,3%	70,5	57,0%	-0,3%
- Commercial	13,3	10,8%	14,7	11,9%	10,3%
<b>Water Treatment</b>	<b>21,3</b>	<b>17,3%</b>	<b>21,5</b>	<b>17,4%</b>	<b>1,2%</b>
<b>Irrigation</b>	<b>6,3</b>	<b>5,1%</b>	<b>5,7</b>	<b>4,6%</b>	<b>-9,7%</b>
<b>Fluid Handling</b>	<b>11,7</b>	<b>9,5%</b>	<b>11,3</b>	<b>9,1%</b>	<b>-4,2%</b>
<b>TOTAL</b>	<b>123,4</b>	<b>100,0%</b>	<b>123,7</b>	<b>100,0%</b>	<b>0,3%</b>

(1) Excludes pool Water Treatment

- Pool achieves positive growth driven by the strong performance in the Commercial segment and flat Residential sales
- Water Treatment has also returned to growth leveraging higher penetration of Industrial markets and progressive recovery of Residential sales
- In Irrigation, Agriculture has been affected by adverse weather conditions in Southern Europe while Landscape maintains a stable evolution
- Fluid Handling shows a progressive recovery from weak 2009 demand helped by a enhanced presence in Industrial segments and a reinforced product portfolio

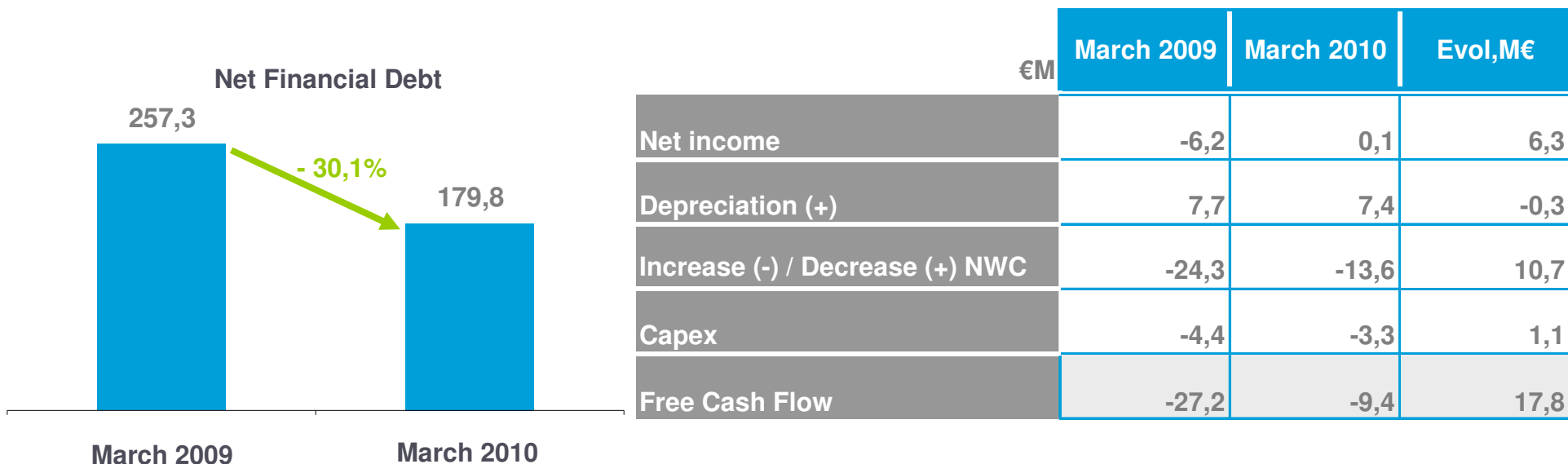
Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – Net Working Capital



- Net Working Capital maintains its declining path versus previous year in spite of the slight growth in Sales
- A steady reduction in Stocks and the continued improvement in the Customer Receivables turnover ratio are the key levers behind the sustained improvement of Net Working Capital

# Results 1Q2010 – Free Cash Flow and Net Financial Debt



- Net Financial Debt reaches a 30% decline (-77,5 M€) based on better Free Cash Flow performance compared to first quarter of 2009
- Fluidra continues strengthening its Balance Sheet:
  - Total Debt/Shareholder's Equity ratio stands at 1.4 compared to 1.70 in March 2009
  - Non Current Financial Debt represents 76% of Total Financial Debt compared to 38% in March 2009
- Free Cash Flow improvement is due both to enhanced cash flow from operations and lower Net Working Capital requirements

Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – Outstanding news

## 1Q2010:

- Fluidra opens its first delegation in Egypt near El Cairo ring road with good communications to the country's major cities.
- The company takes part at The First Spanish Ecological and Sustainable Swimming Pool Forum in presenting its ideas for attaining fully ecological pools (the Ten-step Guide to the sustainable pool).
- Wayfit, a division of Fluidra specialised in turnkey solutions for wellness facilities, and Life Fitness, a US world leader in the design and marketing of high-quality fitness equipment, signed a strategic collaboration agreement. Customers are now able to contract a turnkey project for wellness and fitness facilities, thus bringing together the effective management and quality implementation.
- Fluidra's CEO Eloi Planes was awarded the title of Entrepreneur of the Year 2009 by Ernst & Young, in partnership with IESE, BNP Paribas Fortis, Repsol and Negocio, a business newspaper. The title is a prestigious award that recognizes the drive and passion behind innovative entrepreneurs and businesses.

Results first quarter 2010 – May 14th, 2010

# Results 1Q2010 – Summary

---

- Fluidra is returning to growth in countries with improved market conditions underlying the strength of the company and its readiness to benefit from post recession opportunities.
- Positive Net Income and continued increase of Free Cash Flow arise from the enhancement of cost structure and working capital, allowing to leverage the gradual sales improvement.
- In 2010 Fluidra is prioritizing its business opportunities based on customer focus and product innovation, and the enhancement of Efficiency through its Lean Management Program.

Results first quarter 2010 – May 14th, 2010

FTSE4Good IBEX



 FLUIDRA

The Fluidra logo consists of three overlapping circles in blue, green, and yellow, followed by the word 'FLUIDRA' in a blue, sans-serif font.