



Fluidra

RESULTS

Q1 2017

28 April 2017

Disclaimer

This document is for information purposes only and does not constitute an offer to sell, exchange or buy, or an invitation to make offers to buy, securities issued by any of the companies mentioned. This financial information has been prepared in accordance with International Financial Reporting Standards (IFRS). However, as it has not been audited, the information is not definitive and may be modified in the future.

The assumptions, information and forecasts contained herein do not guarantee future results and are exposed to risks and uncertainties; actual results may differ significantly from those used in the assumptions and forecasts for various reasons.

The information contained in this document may contain statements regarding future intentions, expectations or projections. All statements, other than those based on historical facts, are forward-looking statements, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations. Such forward-looking statements are affected, as such, by risks and uncertainties, which could mean that what actually happens does not correspond to them.

These risks include, amongst others, seasonal fluctuations that may change demand, industry competition, economic and legal conditions, and restrictions on free trade and/or political instability in the markets where the Fluidra Group operates or in those countries where the Group's products are manufactured or distributed. The Fluidra Group makes no commitment to issue updates or revisions concerning the forward-looking statements included in this financial information or concerning the expectations, events, conditions or circumstances on which these forward-looking statements are based.

In any event, the Fluidra Group provides information on these and other factors that may affect the Company's forward-looking statements, business and financial results in documents filed with the Spanish National Securities Market Commission. We invite all interested persons or entities to consult these documents.

Summary

Q1 2017 RESULTS

Main figures

€M	2016	2017	Evol.
Sales	156.5	183.2	17.1%
EBITDA	13.1	19.6	48.9%
EBITA	6.7	13.0	92.9%
Net profit	0.4	4.5	n/a
Net financial debt	220.9	212.6	-3.7%
Net Working Capital	224.9	251.7	11.9%
Free Cash Flow	-52.7	-53,6	-0,9



- Excellent Sales performance, with 15.9% growth on a like-for-like basis, with a noteworthy growth in Europe, Australia and the US.
- Extraordinary EBITDA performance on the back of increased volume and operating leverage improvement. EBITA, as an indicator of recurrent EBIT growth, reaching € 13M.
- Remarkable Net Profit evolution, on the back of the operational improvement of the Group and on increased volumes of activity.
- Good performance of Net Debt.
- Working Capital and Free Cash Flow evolve in the preparation for the start of the campaign.

Highlights

Q1 2017 RESULTS



FOCUS ON POOL & WELLNESS

- Following the strategy of divesting non-strategic activities, Fluidra has disinvested ATH (domestic water treatment). Sales impact amount of € 12M. This operation was closed at c. € 10M, of which around € 2.9M are outstanding.



INVESTING IN GROWTH

- Cash&Carry: opening of 4 new cash & carry in La Puglia (Italy), Aix le Milles (France), Leiria (Portugal) and Hermosilla (Mexico) to be closer to the professional installers in those areas.
- Operations: Consolidating and extending Sacopa facilities (thermoplastic injection), to meet the growth demand and improve efficiency.



COMMERCIAL POOL

- Marina Bay Resort, Philippines: contract for the construction of 3 commercial swimming pools, 5 individual pools for villas, different units of spas and water games: € 5.6M to execute during 2017

Profit & Loss Account

Q1 2017 RESULTS

	2016		2017		
	€M	% sales	€M	% sales	Evol. 17/16
Sales	156.5	100.0%	183.2	100.0%	17.1%
Gross margin	83.2	53.2%	94.6	51.7%	13.7%
Opex before Dep.& Amort.	68.1	43.5%	74.1	40.4%	8.9%
Provisions for bad debt	2.0	1.3%	1.0	0.5%	-51.4%
EBITDA	13.1	8.4%	19.6	10.7%	48.9%
EBIT	3.9	2.5%	10.0	5.5%	153.2%
Net Financial Result	-1.4	-0.9%	-2.8	-1.5%	-95.3%
Profit Before Taxes (PFT)	2.5	1.6%	7.2	3.9%	186.1%
Net profit	0.4	0.3%	4.5	2.5%	n/a



- Sales evolve favourably in all geographies; on a like-for-like basis, sales increase 15.9% and adjusted for FX effect, sales increase 13.5%.
- Gross margin decrease includes timing effects that will be corrected in next quarters (-90 bps), acquisitions (-30 bps) and increased costs (-30 bps)
- Opex, on a like-for-like basis, increases 8.5%, adjusted for exchange rates is 6.3%. Good EBITDA performance due to increase in volume and positive operating leverage.
- Net Profit has an extraordinarily positive performance, due to the expansion of the operating result and increased volumes of activity.

Evolution of sales by geographical area

Q1 2017 RESULTS

	2016		2017		Evol. 17/16
	€M	% sales	€M	% sales	
Spain	33.8	21.6%	36.6	20.0%	8.6%
South Europe - Rest	39.1	25,0%	44.0	24.0%	12.5%
Central & Northern Europe	23,7	15.2%	27.0	14.7%	13.6%
Eastern Europe	6.2	4.0%	7.4	4.0%	19.5%
Asia and Australia	30.1	19.2%	35.3	19.3%	17,3%
Rest of the World	23.6	15,1%	32.9	18.0%	39,4%
TOTAL	156.5	100.0%	183.2	100.0%	17.1%



- Very positive performance of Southern Europe, driven by the Spanish, French and Italian markets, both in the professional channel and in mass market.
- Central and Northern Europe evolve very positively driven by Germany and the Netherlands, thanks to the contribution of SIBO.
- Asia and Australia show solid growth in the Asian region associated with Commercial Pool (Olympic swimming pools, hotels and fountains).
- The Rest of the World segment presents an excellent performance driven by the Americas, thanks to the US, Brazil and Mexico.

Evolution of sales by business unit

Q1 2017 RESULTS

	2016		2017		
	€M	% sales	€M	% sales	Evol. 17/16
Pool & Wellness	141,3	90,3%	168,3	91,9%	19,1%
Residential	87,3	55,8%	104,1	56,8%	19,2%
Commercial	17,6	11,3%	20,2	11,0%	14,7%
Pool Water Treatment	23,2	14,8%	28,2	15,4%	21,4%
Fluid Handling	13,1	8,4%	15,8	8,6%	20,2%
Irrigation and Domestic Water Treatment	9,7	6,2%	7,7	4,2%	-20,0%
Industrial and other	5,5	3,5%	7,1	3,9%	29,9%
TOTAL	156,5	100,0%	183,2	100,0%	17,1%

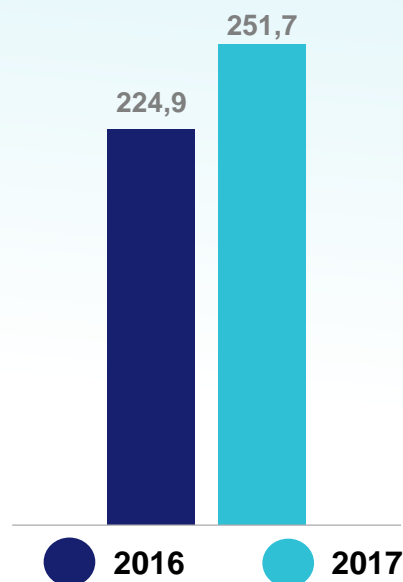


- Excellent evolution in Residential Pool in all categories in general, specially in pumps, filters and pool cleaning products.
- Commercial Pool includes the execution of new facilities in the Asian region.
- Pool Water Treatment posted a double-digit growth, with a very good performance of disinfection equipment (salt chlorinators).
- Good performance of Fluid Handling in Europe, accelerated by the SIBO acquisition.

Net working capital

RESULTS
Q1 2017

Net Working Capital (€m)



January - March

	€M	2016	2017	Evol. 17/16
Inventory		182.7	200.5	9.8%
Accounts receivable		190.5	215.8	13.2%
Accounts payable		148.3	164.6	11.0%
Net working capital		224.9	251.7	11.9%
Adjusted net working capital		241.0	256,2	6,3%

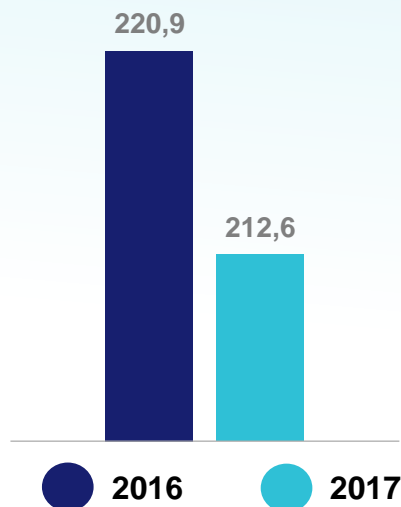


- Good performance of Adjusted Net Working Capital, which posts a 6,3% growth, well below sales growth in the period of preparation of the campaign in the Northern hemisphere.
- Our estimated NWC/Sales ratio for the whole year will exceed, as in 2016, our objectives in the 2018 Strategic Plan.

Net financial debt and free cash flow

RESULTS
Q1 2017

Net financial debt (€m)



January - March

	€M	2016	2017	Evol. 17/16
Net profit		0.4	4.5	4.1
Depreciation (+)		9.2	9.6	0.4
Increase (-) / Decrease (+) adjusted NWC		-54.9	-61,5	-6,6
Capex (organic)		-7.4	-6.2	1.2
Free Cash Flow pre-acquisitions		-52.7	-53.6	-0,9
Acquisitions		-3.4	-1.9	1.5
Free Cash Flow post-acquisitions		-56.1	-55,5	0,6



- Q1 is a quarter of investments to prepare for the campaign in the Northern hemisphere, therefore FCF is negative. The Acquisitions heading mainly covers Aqua's earn-out partial payment and the proceeds for ATH's sale.
- Good development of Net Financial Debt, which coupled with the improved results, leads to a significant improvement in the debt ratio.

Conclusions

Q1 2017 RESULTS

- **Excellent performance in the first quarter of 2017, exceeding our expectations for this period:**
 - Strong sales growth in virtually all markets, based on the preparation of the campaign in the northern hemisphere.
 - Very good results thanks to good operating leverage in the pre-season quarter.
- **The consistent implementation of our strategy is worth noting:**
 - Focus on Pool & Wellness: divestitures in ATH and Calplas.
 - Penetration in all markets and implementation of "Best Practices": opening of new cash & carry centers.
 - Improvement in efficiency and profitability ratios: investment in a new Sacopa plant.
- **With the results of this first quarter, we reiterate our estimates for the whole 2017, despite the divestments already executed: Sales between € 745 - € 765 M; EBITDA between € 94- € 100 M; and ROCE (EBIT) levels at around 11%. These figures mean reaching our Strategic Plan targets one year before our initial Plan.**

THANK YOU

Enjoying
Water

FLUIDRA



 (+34) (0)93 724 39 00

 Investors_relations@fluidra.com

 www.fluidra.com

 Av. Francesc Macià 60, 20th floor - 08208 Sabadell (Barcelona)