



## *2007 Results*



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## 🔗 2007 Objectives reached for all key dimensions of the Group Strategy

- International expansion: robust organic growth in all of our main markets: West and Southern Europe, Eastern Europe, Asia and Australia
- Strengthening of Value Added products as growth drivers and as a solid base for future evolution
- Consolidation of WATER in Southern Europe through 2007 acquisitions

## 🔗 High growth rate both for business volume and profitability

- Sales growth above 25%
- Profitability indicators evolution above sales growth rate

## 🔗 2007 Achievements have been made compatible with the IPO thanks to the strength and skills of Fluidra's human resources team

## 🔗 Through 2007 results, Fluidra becomes a more diversified and international company, in excellent position to continue developing our value creation strategy in 2008

# Highlights from 2007 Results



1

• Sales of **657,2** million Euros, representing an increase of **25,9%** over last year, driven by strong organic growth in Fluidra major markets and, to a lesser extent, by acquisitions and the inclusion of the full year for the WATER division.

2

• EBITDA of **94,6** million Euros representing an increase of **31,4%** over last year and **Normalized Net Income** <sup>(1)</sup> of **36,1** million Euros representing a **31,3%** growth; Net Income of **32,6** million Euros representing a **18,6%** growth.

3

• Growth in the **POOL** division reaching **Sales** of **523,0** million Euros (+15,7%) and **EBITDA** of **71,4** million Euros (+16,1%) reflecting strong performance of strategic products and of strengthened commercial and distribution structures in Europe, Asia and Australia.

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• Growth in the **WATER** division reaching **Sales** of **193,1** million Euros (+75,2%) and **EBITDA** of **23,6** million Euros (+75,6%) reflecting, among other growth factors, the inclusion of the full 2007 year compared to 9 months in 2006. In Pro-forma terms <sup>(2)</sup> WATER division 2007 Sales and EBITDA growth are, respectively, 30,7% and 34,0%.

5

• Strengthening of the WATER division position in Southern Europe: in irrigation, through the acquisitions of Irrigaronne (France) and Master Riego (Spain), and in water treatment, through the acquisition of ATH (Spain).

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• **Net Financial Debt** of **194,4** million Euros equivalent to 2,05 x EBITDA at the low end of the target multiple range (2,0 – 2,5 x EBITDA at year end).

<sup>(1)</sup> Normalized Net Income: Net Income deducting the extraordinary expenses related to the IPO

<sup>(2)</sup> Including full year 2006 WATER division figures

# Consolidated P&L Statement



(€M)	IFRS		
	2006	2007	Growth
<b>Sales</b>	<b>521,9</b>	<b>657,2</b>	<b>25,9%</b>
Gross Margin	258,1	325,1	26,0%
<b>EBITDA</b>	<b>72,0</b>	<b>94,6</b>	<b>31,4%</b>
EBITDA Margin	13,8%	14,4%	-
<b>EBIT</b>	<b>48,9</b>	<b>63,1</b>	<b>29,2%</b>
EBIT Margin	9,4%	9,6%	-
<b>PBT</b>	<b>39,7</b>	<b>48,5</b>	<b>22,1%</b>
Margin PBT	7,6%	7,4%	-
<b>Net Income of parent company</b>	<b>27,5</b>	<b>32,6</b>	<b>18,6%</b>
Net Income Margin	5,3%	5,0%	-
<b>Normalized Net Income <sup>(1)</sup></b>	<b>27,5</b>	<b>36,1</b>	<b>31,3%</b>
Normalized Net Income Margin	5,3%	5,5%	-

(1) Deducting the extraordinary expenses related to the IPO.

(2) Including 2006 full year WATER division figures

## • Sales: +25,9%

- In Proforma terms <sup>(2)</sup> sales growth is 20,3%
- 13,9% from organic growth (Spain growth 7,1%, Southern Europe 12,4%, Rest of Europe 21,6%)
- 6,4% contribution from 2007 acquisitions

## • EBITDA: +31,4%

- Slight improvement in Gross Margin and in Operating Expenses over Sales.
- In Proforma terms <sup>(2)</sup> EBITDA growth is 20.1%

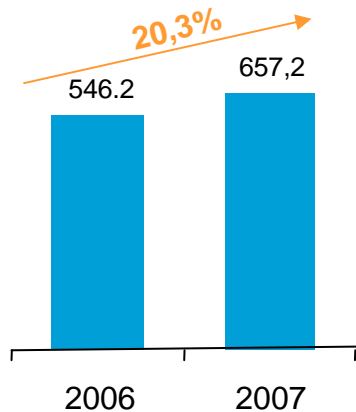
## • Normalized Net Income: +31,3% <sup>(1)</sup>

- Driven by sales growth and Spanish tax rate improvement.

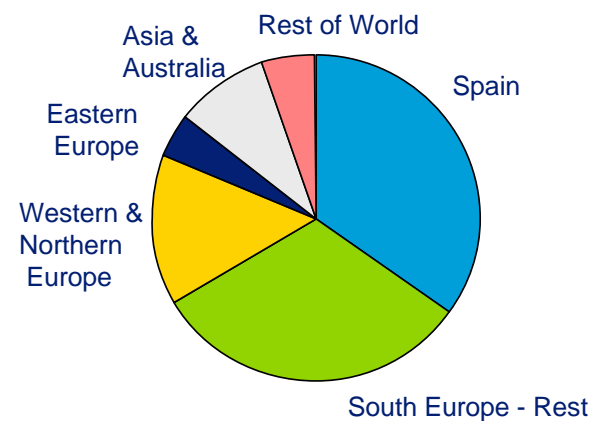
# 2007 Pro-forma P&L



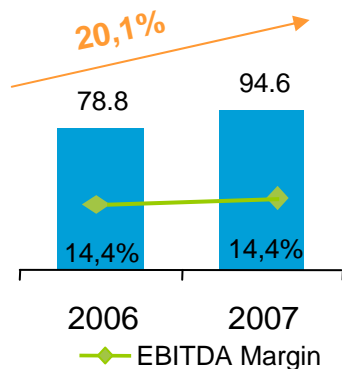
## Revenues (€M)



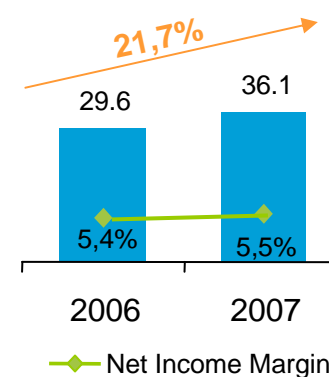
## 2007 Revenues Geographical Distribution



## EBITDA (€M)



## Normalized Net Income <sup>(1)</sup> (€M)



(1) 2007 Net Income Normalized deducting IPO directly related expenses.

(2) Figures for 2006 are pro-forma. 2006 Pro-forma figures include full year WATER division figures and a normalization effect for EBITDA (2,8 M €) and Net income (1,8 M €) to eliminate a one-off effect and make the figures comparable to future exercises.

# 2007 Fluidra Sales Evolution per Geographical Area



(€M)	Fluidra Sales by Geographical Area, M €				
	2006 <sup>(1)</sup>	%	2007	%	Evolution %
<b>Spain</b>	198,3	36,3%	227,4	34,6%	14,7%
<b>South Europe - Rest</b>	168,2	30,8%	208,6	31,7%	24,0%
<b>Western &amp; Northern Europe</b>	82,5	15,1%	96,6	14,7%	17,1%
<b>Eastern Europe</b>	21,3	3,9%	29,6	4,5%	38,8%
<b>Asia &amp; Australia</b>	43,7	8,0%	59,6	9,1%	36,3%
<b>Rest of World</b>	32,2	5,9%	35,4	5,4%	9,9%
<b>TOTAL</b>	546,2	100,0%	657,2	100,0%	20,3%

(1) Proforma, including 2006 full year WATER division figures



## 2007 – Sales and EBITDA by quarter

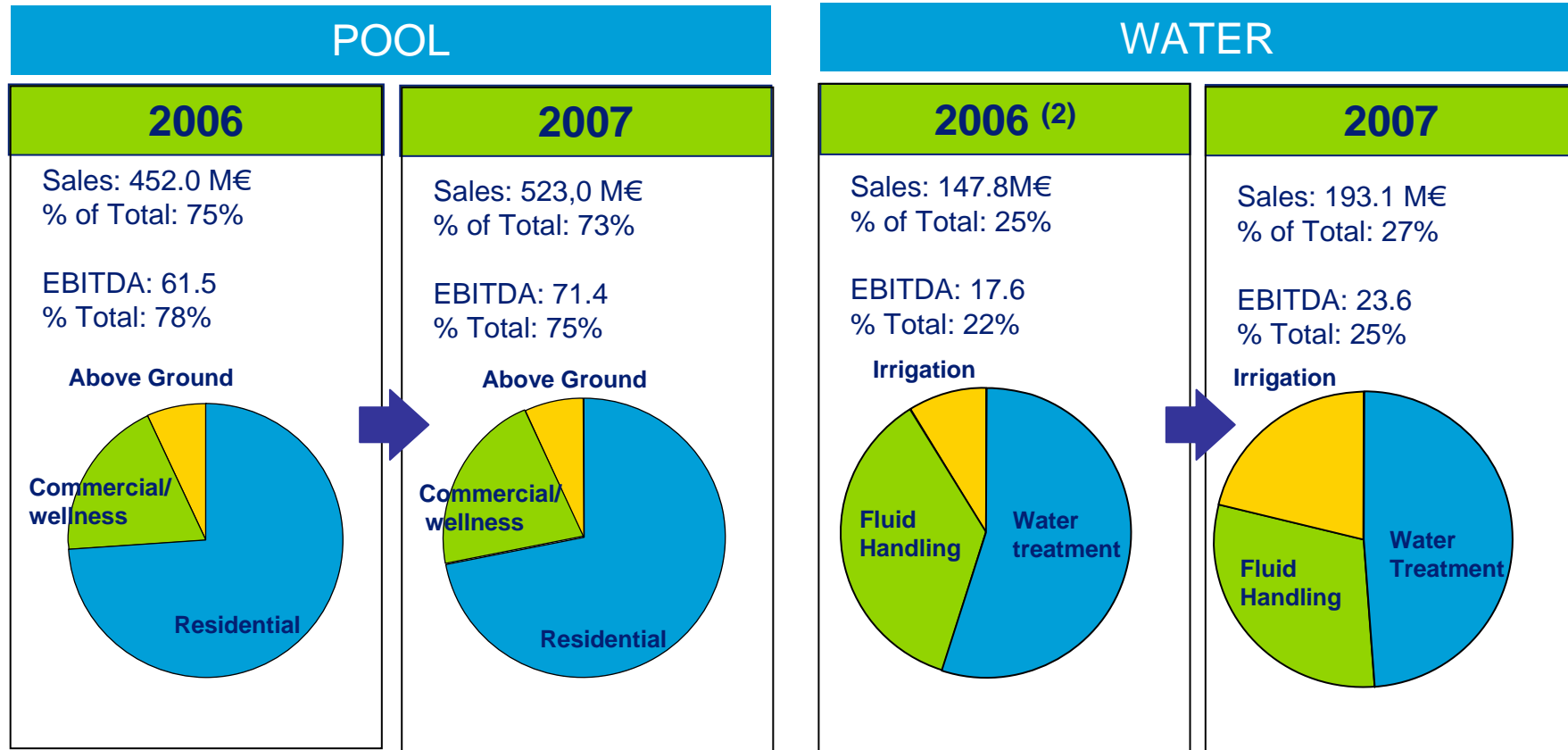


(€M)	Sales Evolution			EBITDA Evolution			
	2006 <sup>(1)</sup>	2007	Evolution %	2006 <sup>(1)</sup>	% Sales	2007	% Sales
Quarter							
January to March	125,3	150,2	19,9%	16,8	13,4%	20,2	13,5%
April to June	200,0	240,3	20,1%	43,2	21,6%	51,6	21,5%
July to September	130,2	154,3	18,5%	13,6	10,4%	14,7	9,5%
October to December	90,7	112,5	24,0%	5,2	5,8%	8,2	7,3%
<b>TOTAL</b>	<b>546,2</b>	<b>657,2</b>	<b>20,3%</b>	<b>78,8</b>	<b>14,4%</b>	<b>94,6</b>	<b>14,4%</b>

<sup>(1)</sup> Proforma, including 2006 full year WATER division figures



# 2007 – Sales by Business Segment



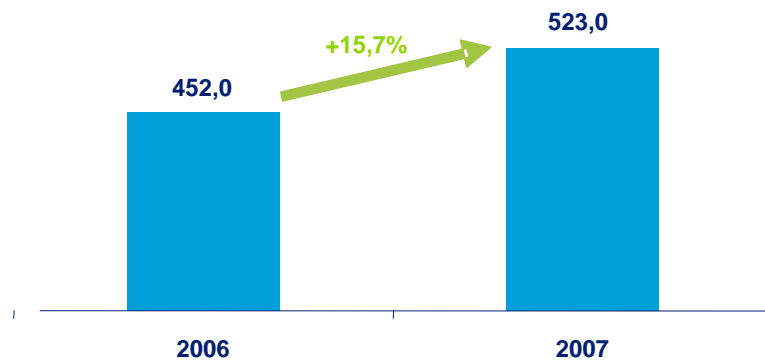
(1) Percentage of Sales and EBITDA are based on aggregated figures which include intercompany flows.

(2) Proforma, including 2006 full year WATER division figures

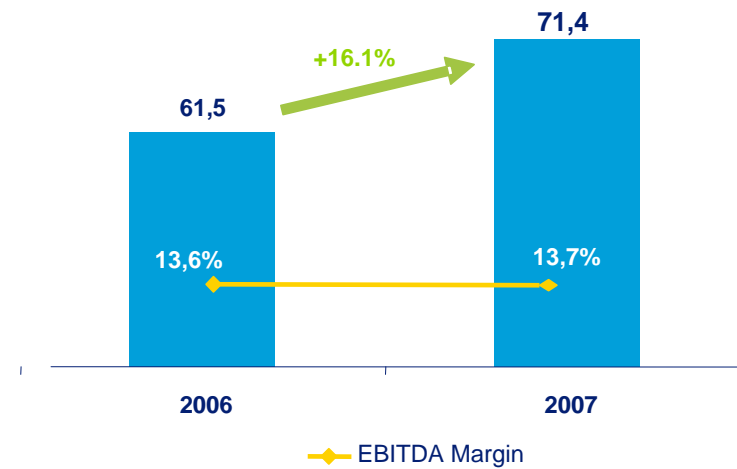
# 2007 POOL Results Evolution



## SALES (€M)



## EBITDA (€M)



- Strong growth of upgrading strategic products (above 24%) including electronic cleaners, heat pumps and LEDs, and of Commercial/Wellness segment (above 23%)
- Very positive sales progression in all European Regions as the result of a stronger commercial and distribution structure
- Increasing contribution from Eastern Europe, Asia and Australia

- EBITDA Margin kept stable, similarly to evolution of Gross Margin and operating cost over Sales

## 2007 POOL Division - Evolution per Geographical Area

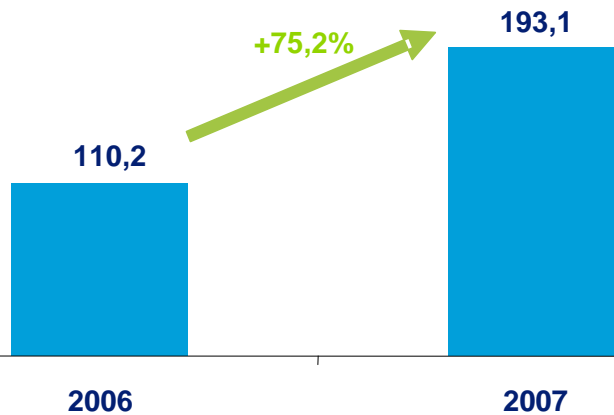


(€M)	POOL Sales by Geographical Area, M €				
	2006	%	2007	%	Evolution %
<b>Spain</b>	162,3	35,9%	174,0	33,3%	7,2%
<b>South Europe - Rest</b>	123,8	27,4%	142,7	27,3%	15,2%
<b>Western &amp; Northern Europe</b>	79,1	17,5%	92,0	17,6%	16,3%
<b>Eastern Europe</b>	20,3	4,5%	27,8	5,3%	36,9%
<b>Asia &amp; Australia</b>	42,9	9,5%	57,5	11,0%	33,8%
<b>Rest of World</b>	23,5	5,2%	29,1	5,6%	24,1%
<b>TOTAL</b>	452,0	100,0%	523,0	100,0%	15,7%

# 2007 WATER Results Evolution

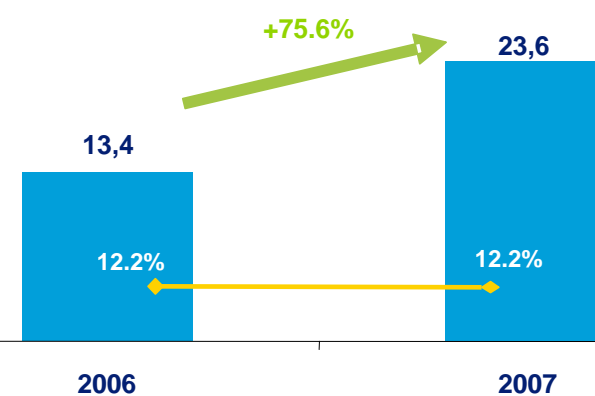


## SALES (€M)



- Growth in the WATER division incorporates the effect of:
  - Full Integration of the WATER division in 2007
  - Contribution from ATH, Irrigaronne and Master Riego acquisitions.
- In pro-forma terms <sup>(1)</sup>, Sales growth in 2007 is 30.7%.

## EBITDA (€M)



- In pro-forma terms <sup>(1)</sup>, EBITDA/Sales margin has improved from 11,9% in 2006 to 12,2% in 2007
  - Operating expenses containment has offset the lower margin of the acquired distribution companies.
- In pro-forma terms <sup>(1)</sup>, EBITDA growth in 2007 is 34,0%.

(1) Proforma, including full year 2006 WATER Division figures

## 2007 WATER Division – Evolution per Geographical Area



(€M)	WATER Sales by Geographical Area, M €				
	2006 <sup>(1)</sup>	%	2007	%	Evolution %
<b>Spain</b>	56,2	38,0%	92,2	47,7%	64,1%
<b>South Europe - Rest</b>	68,4	46,3%	77,9	40,4%	13,9%
<b>Western &amp; Northern Europe</b>	6,2	4,2%	6,5	3,4%	5,1%
<b>Eastern Europe</b>	1,5	1,0%	4,0	2,1%	172,1%
<b>Asia &amp; Australia</b>	1,2	0,8%	4,5	2,3%	281,9%
<b>Rest of World</b>	14,3	9,7%	7,9	4,1%	-44,6%
<b>TOTAL</b>	147,8	100,0%	193,1	100,0%	30,7%

<sup>(1)</sup> Including 2006 full year WATER division figures

# Consolidated Balance Sheet



## ASSETS

(€M)	IFRS	
	2006	2007
Property plant and equipment	147,4	145,4
Goodwill	128,8	149,8
Intangible Assets	29,2	40,4
Non Current Financial Assets	5,4	5,8
Other	12,6	6,9
<b>Total non current Assets</b>	<b>323,4</b>	<b>348,3</b>
Inventories	136,4	165,0
Trade and other receivables	143,8	167,4
Other current financial Assets	3,1	0,9
Cash and Cash equivalents	54,3	53,0
<b>Total current Assets</b>	<b>337,6</b>	<b>386,3</b>
<b>Total Assets</b>	<b>661,0</b>	<b>734,6</b>

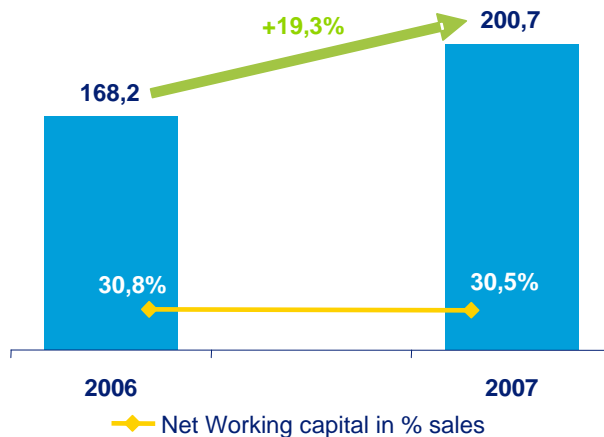
## EQUITY AND LIABILITIES

(€M)	IFRS	
	2006	2007
<b>Equity attributable to equity holders</b>	<b>283,0</b>	<b>302,3</b>
<b>Minority Interest</b>	<b>6,0</b>	<b>7,1</b>
Non current loans and borrowings	101,8	110,9
Other non current Liabilities	37,5	45,2
<b>Total non current Liabilities</b>	<b>139,3</b>	<b>156,1</b>
Current loans and borrowings	117,6	131,9
Trade and other payables	114,3	135,5
Other current liabilities	0,8	1,7
<b>Total current liabilities</b>	<b>232,7</b>	<b>269,1</b>
<b>Total Shareholders Equity and Liabilities</b>	<b>661,0</b>	<b>734,6</b>

# 2007 Net Working Capital and Net Financial Debt

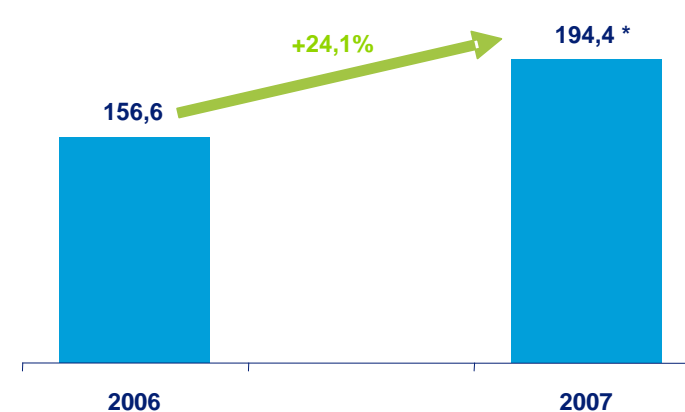


## Net Working Capital (€M)



- Slight Reduction in Net Working Capital over Sales
  - Reduction of Accounts Receivable over Sales
  - This reduction compensates the effect of acquisitions

## Net Financial Debt (€M)



- Increase in Net Financial Debt derived from the increase in business volume and the effect of the acquisitions carried out in the last 12 months
- Net Financial Debt is 2,05 x EBITDA at the end of 2007, in the low end of the targeted range (2 – 2,5 times EBITDA)

(1) Added debt with Shareholders of 6M €

(2) Pro-forma over sales 2006



# 2007 Organic and Inorganic Capex



(€M)	IFRS	
	2006	2007
Capex Orgánico	25,9	29,4 (*)
Capex Inorgánico	22,1	39,2 (**)

● (\*) Includes investments in machinery, industrial installations, moulds for new products and the adaptation of the commercial branches, among others.

● (\*\*) Refers to ATH, Irrigaronne, Master Riego, and Pacific acquisitions.

# 2008 Guidance to the Market



(€M)	2007 Pro-forma <sup>(2)</sup>	2008 Guidance
<b>Sales Growth</b>		
- Organic	13,9%	7- 8%
- Including Acquisitions	20,3%	10 - 13%
<b>EBITDA Margin</b>	14,4%	14,5%
<b>Net Income Margin</b>	5,5% <sup>(1)</sup>	5,5%

(1) Normalized Net Income growth

(2) Including full year 2006 WATER division figures

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