

MAKING WATER PERFORM

Third Quarter 2011 Results

11th November 2011



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3Q2011 Results – Summary

	Key magnitudes			
	€M	Sept.2010 YTD	Sept.2011 YTD	Evol.
Sales		481,0	516,8	7,4%
EBITDA		65,0	70,5	8,4%
Net Income		24,1	23,0	-4,6%
Net Working Capital		214,7	213,3	-0,6%
Free Cash Flow (before Aqua acq.)		2,5	17,1	14,5M€
Net Financial Debt		171,5	180,5	5,2%

Note: figures include the consolidation of Aqua Products and Aquatron since March 2011

- **Sales growth:** Good YTD growth despite 3Q decrease. Organic growth of 3.4%.
- **EBITDA:** Expansion driven by Aqua; reduction in bad debt expenses.
- **Net Income:** FX impact and increased financing costs due to the Aqua acquisition.
- **Net Working Capital:** Good evolution due to continued focus on the net working capital management.
- **Free Cash Flow:** Excellent cash generation driven by working capital management.
- **Net Financial Debt:** Good performance with an increase to last year of only €9M despite the €32M payment for Aqua acquisition.

3Q2011 Results – Launch of “Max” & “Pulit Advance”

Launch of new Robotic Cleaners: “Max” & “Pulit Advance”

- In the quarter we have been achieved a key objective of the acquisition of the Aqua Products & Aquatron. Launch of “Max” and “Pulit Advance”
- Good reception at Barcelona Show, proves we are on the right track to ensure all synergies are captured in 2012.



International Pool Show Barcelona

- Successful show : 300 exhibitors; 19,000 visitors; 127 countries.
- Spain is the second largest market in Europe and the third in world, with a total turnover of €1,600 M/year and 1,1 million existing residential pools.



3Q2011 Results – Lean Project

- The company continues to work under the global Lean management program in order to become more efficient in terms of cost and use of cash. Among others:

- ✓ New branch concept
- ✓ Fluidra Direct
- ✓ Productivity improvements manufacturing plants
- ✓ Consolidation of plants due to better usage of space
- ✓ Integrated sales and operation planning

- The number and scope of projects allows the company to fund opex and working capital requirements in growth areas with reductions in mature areas.

- Significant opportunities to be captured in 2012.



3Q2011 Results – Accumulated Profit and Loss Account

	September 2010 YTD		September 2011 YTD		
	€ M	% sales	€ M	% sales	Evol.11/10
Sales	481,0	100,0%	516,8	100,0%	7,4%
Gross Margin	237,9	49,5%	256,3	49,6%	7,7%
Opex before Dep.& Amort.	167,7	34,9%	181,0	35,0%	8,0%
Provisions for bad debt	5,2	1,1%	4,8	0,9%	-7,7%
EBITDA	65,0	13,5%	70,5	13,6%	8,4%
Operating Profit	38,6	8,0%	44,9	8,7%	16,2%
Net Financial Result	-4,0	-0,8%	-11,1	-2,2%	-179,7%
PBT	34,7	7,2%	33,8	6,5%	-2,5%
Net Income	24,1	5,0%	23,0	4,5%	-4,6%

- The Fluidra Group has grown a 7.4%, with organic growth of 3.4%, despite the unfavourable weather conditions in July.
- Operating Profit: Excellent growth of 16,2% due to lower depreciation, margin recovery and lower provisions for bad debt.
- Net Financial Results includes €4M of FX costs, and higher financial expenses due to Aqua acquisition.

3Q2011 Results – Key magnitudes by Division

	Sales (*)			EBITDA		
	2010 YTD	2011 YTD	Evol. %	2010 YTD	2011 YTD	Evol. %
SWE	265,4	272,9	2,8%	19,5	20,1	3,3%
NEEMEA	81,2	90,5	11,5%	9,4	10,7	14,5%
AAP	75,8	84,4	11,3%	7,5	5,9	-21,0%
Industry	238,8	260,9	9,2%	46,4	50,6	8,9%
TOTAL Divisions	661,2	708,7	7,2%	82,8	87,3	5,4%
TOTAL, Consolidated	481,0	516,8	7,4%	65,0	70,5	8,4%

(*) Division sales are aggregated, including intra group sales. Aqua Products and Aquatron sales are included in the Industrial division

- Overall improvement in EBITDA driven by revenue growth and Opex management. AAP Division EBITDA reflects the pressure on prices and rising commodity cost in China operations.
- SWE continues to improve its profitability due to the implementation of Lean Management, as well as the Industrial Division which also includes the impact of Aqua Products and Aquatron.

3Q2011 Results – Sales Evolution by Geographical Area

Fluidra Sales by Geographical Area					
€M	2010 YTD	%	2011 YTD	%	Evolution 11/10
Spain	131,0	27,2%	123,0	23,8%	-6,1%
South Europe - Rest	174,1	36,2%	186,7	36,1%	7,2%
Western & Northern Europe	69,4	14,4%	74,6	14,4%	7,5%
Eastern Europe	19,4	4,0%	22,9	4,4%	18,0%
Asia & Australia	58,8	12,2%	65,9	12,8%	12,0%
Rest of World	28,3	5,9%	43,7	8,5%	54,3%
TOTAL	481,0	100,0%	516,8	100,0%	7,4%

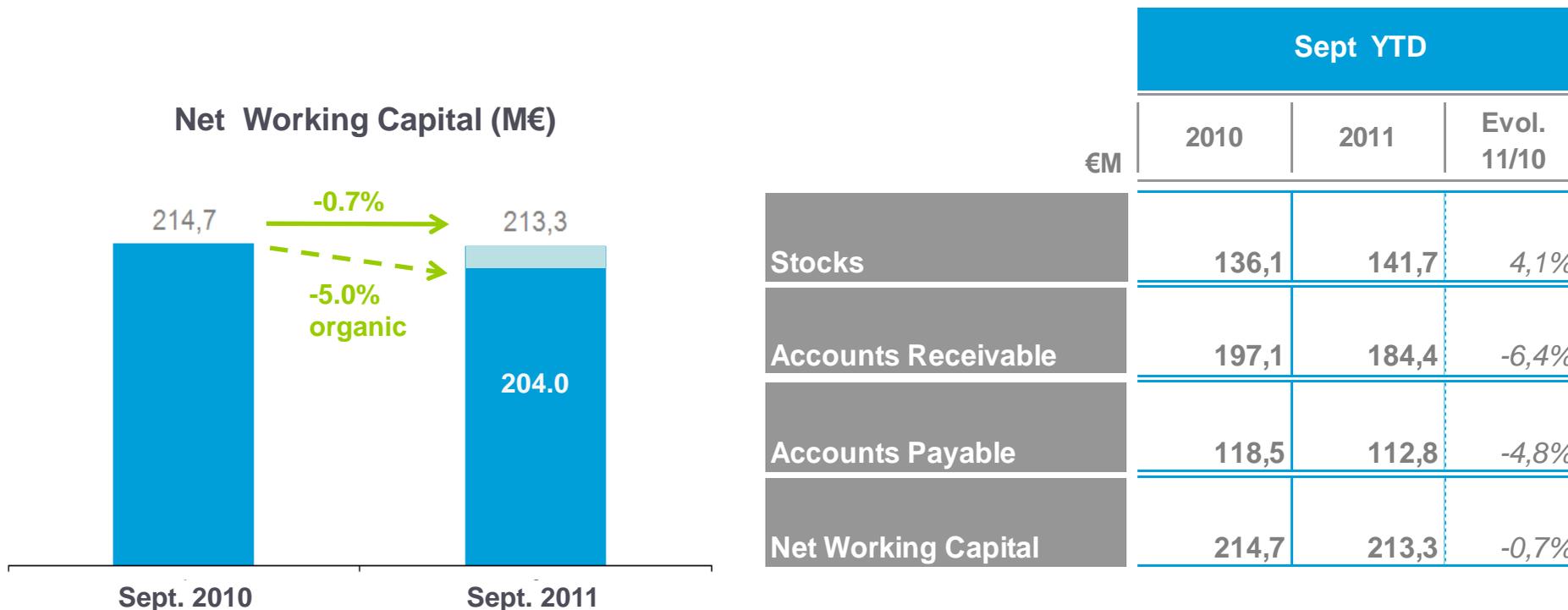
- Europe's weather during July has affected negatively 3Q growth implying less sales in the Pool division.
- The decrease in Spain is affected by the reduction in above ground pool division and in industrial water treatment.
- Asia and Australia continue their positive trend, despite the negative impact of exchange rate (12.9% excluding exchange rate effects)
- The important growth in the Rest of the World is due to Aqua contribution (35%) and organic growth (19%)..

3Q2011 Results – Sales Evolution by Business Unit

€M	2010 YTD	% of Total	2011 YTD	% of Total	Evolution %
Pool	327,7	68,1%	355,0	68,7%	8,3%
- Private	276,9	57,6%	302,6	58,5%	9,3%
- Commercial	50,8	10,6%	52,4	10,1%	3,1%
Water Treatment	90,9	18,9%	92,1	17,8%	1,4%
Irrigation	24,0	5,0%	27,9	5,4%	16,2%
Fluid Handling	38,4	8,0%	41,8	8,1%	8,6%
TOTAL	481,0	100,0%	516,8	100,0%	7,4%

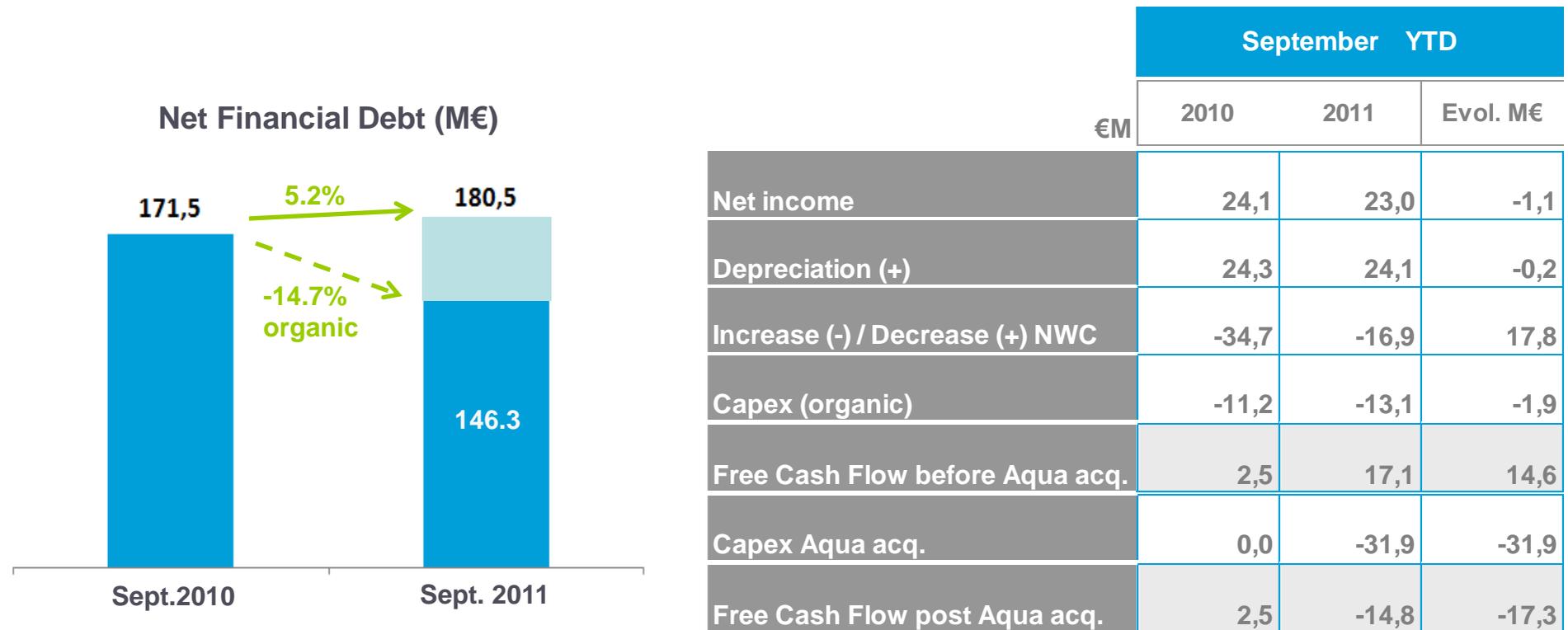
- Pool maintains its growth of 8.3% thanks to the consolidation of Aqua Products and Aquatron in private pool.
- Water Treatment maintains a stable evolution in both the Residential and the Industrial segments.
- Irrigation with a growth of 16.2% and Fluid Handling with 8.6%, show the results of our diversification efforts.

3Q2011 Results – Net Working Capital



- Excellent stock management (figures include the Aqua acquisition), focusing on managing working capital. The slowdown in sales due to the bad weather in July has anticipated FCF generation.

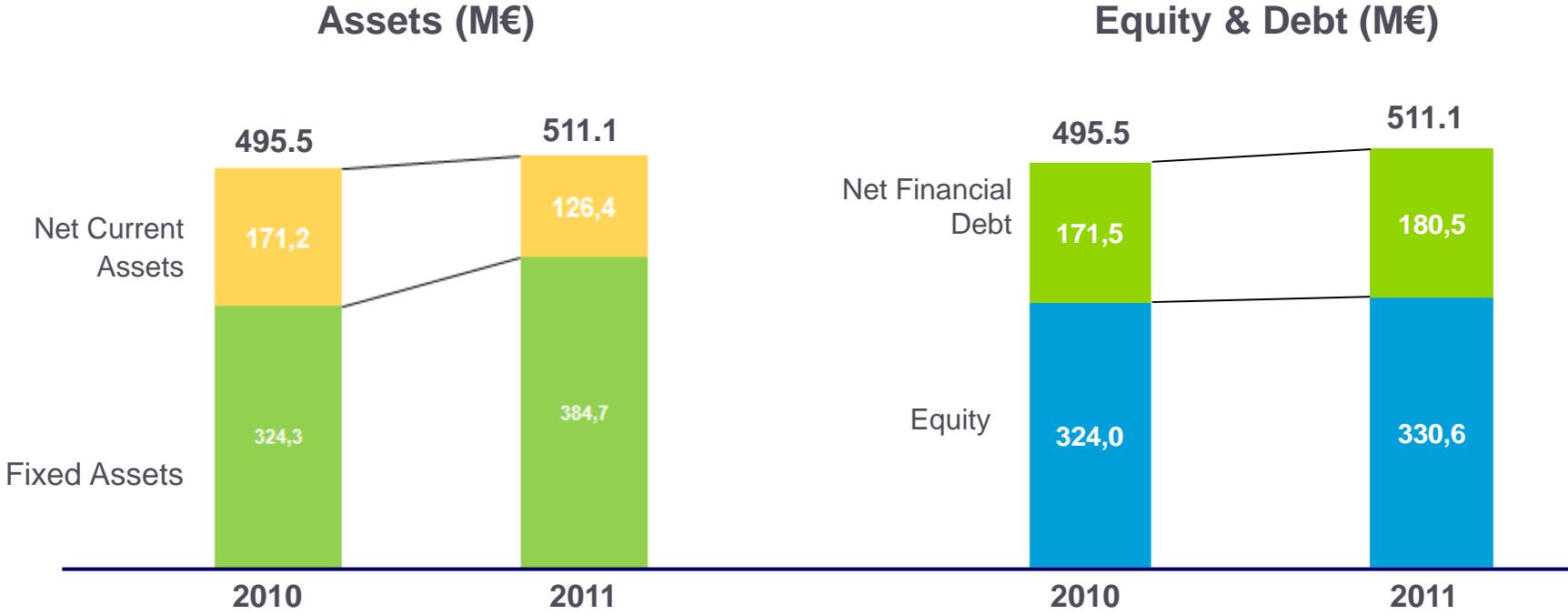
3Q2011 Results – Net Financial Debt and Free Cash Flow



- Net Financial Debt and Free Cash Flow evolution for the year has been marked by the acquisition of Aqua Products and Aquatron. Despite the €32M investment in the acquisition, as of end of 3Q net financial debt is only up by €9M.

3Q2011 Results– Balance Sheet key magnitudes evolution

- YTD Balance Sheet includes the financial purchase price allocation of Aqua Products and Aquatron acquisition that has generated Goodwill of 35M€ and Intangible Assets of 31M€.



	2010	2011
NFD/EQUITY	0,53	0,55
NFD /EBITDA (LTM)	2,67	2,56

3Q2011 Results – Highlights

Brazil

- Fluidra opened a sales subsidiary in Brazil, a country with a fleet of 1.2 million swimming pools, and, after the U.S. and France, is the third largest market in the world along with Spain. There are built over 70,000 swimming pools every year.

Nigeria

- Fluidra has supplied two pools to Nigeria to host the 17th edition of the National Sports Festival in the city of Port Harcourt, the premier sporting event held in the African country.

Colombia

- Fluidra has been involved with the installation of a pool Astralpool in the construction of major business and recreational centers in Colombia. The “Cubo” has recently been inaugurated in Bogotá with the presence of Colombia's president, Jose Manuel Santos.

Chile

- In Chile, Fluidra has recently participated in the construction of the Natura Spa Vitale Wellness supplying all dehumidifiers and filtration systems in spas and pools. The Spa, 1,200 square meters, belongs to the Hotel del Valle, the first five stars in the Valley of the Andes.

Award

- The President and founder of Fluidra, Joan Planes, received the Business Achievement Award of the Chamber of Sabadell, from the President of the Generalitat de Catalunya, Artur Mas, and the chairman of the House, Antoni Maria Brunet.

Appointment

- Paulo Félix, director of Irrigation & Fluid Handling of Fluidra, has been elected President of EIA (European Irrigation Association). The EIA looks for the development of the sector, through the sustainable use of water in agriculture, golf courses, residential gardens, public spaces, sports fields, greenhouses, etc.

3Q2011 Results – Conclusions

- ✓ Third quarter stand alone results were affected by exceptional bad weather. However, the season is closed with good results: cumulative sales growth of 7.4% and profitability improvements reflected by an EBITDA growth of 8.4%.
- ✓ Q3 reinforces our view that the Aqua Products and Aquatron acquisition is an excellent operation. The integration continues smoothly and ahead of plans. In the quarter we have launched key products for the next season, and results continue to be better than our expectations.
- ✓ We will continue to execute our growth strategy (internationalization; expansion of turn-key projects; diversification) and our efficiency strategy through our lean management program, which we have shared with you throughout the year. Several projects are mature enough to accelerate their execution which will ensure savings are captured in 2012.

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