



BIC Group

Q2/H1 2008 Results

August 6, 2008



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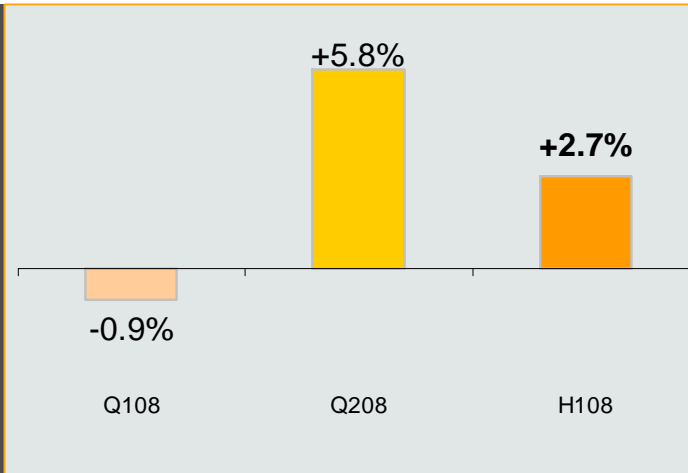
Q2/H1 2008 Results Presentation - Agenda

- **Key figures, highlights and key messages** **Mario Guevara**
- Consolidated financial figures Jim DiPietro
- Category highlights Mario Guevara
- H2 trends and full year 2008 outlook Mario Guevara

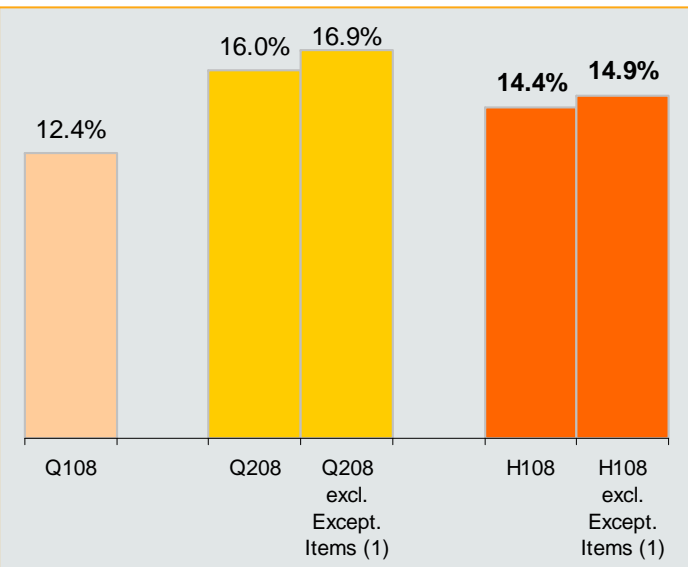


Highlights and key messages

Net Sales growth at constant currencies*



IFO margin



Strong 2nd Quarter net sales due to the good performance of Europe and Latin America

- 1st Half net sales: +2.7% at constant currencies

Improvement of 2nd Quarter IFO margin (+3.6 pts vs. 1st Quarter)

- 1st Half IFO margin: 14.4%
→ 1st Half IFO margin without Stypen costs: 14.9%

*: see glossary

(1): 3.7M€ related to closing of Stypen fountain pen factory in France booked in Q208



Key figures

<i>BIC Group</i> <i>In million euros</i>	Q108	Q208	H108
Net Sales	308.1	392.4	700.5
<i>YoY Change</i>	<i>-6.7%</i>	<i>-1.6%</i>	<i>-3.9%</i>
<i>YoY Change @CC</i>	<i>-0.9%</i>	<i>+5.8%</i>	<i>+2.7%</i>
Income from Operations*	38.2	62.9	101.1
<i>YoY Change</i>	<i>-34.3%</i>	<i>-6.9%</i>	<i>-19.6%</i>
<i>YoY Change @CC</i>	<i>-33.9%</i>	<i>+1.2%</i>	<i>-13.4%</i>
Group net income	25.1	45.5	70.6
<i>YoY Change</i>	<i>-39.0%</i>	<i>+0.0%</i>	<i>-18.5%</i>
EPS	0.52	0.94	1.45
<i>YoY Change</i>	<i>-37.3%</i>	<i>+2.2%</i>	<i>-17.6%</i>

* without Stypen cost, IFO would have been 66.6 million euros in Q2 and 104.8 million euros in H1

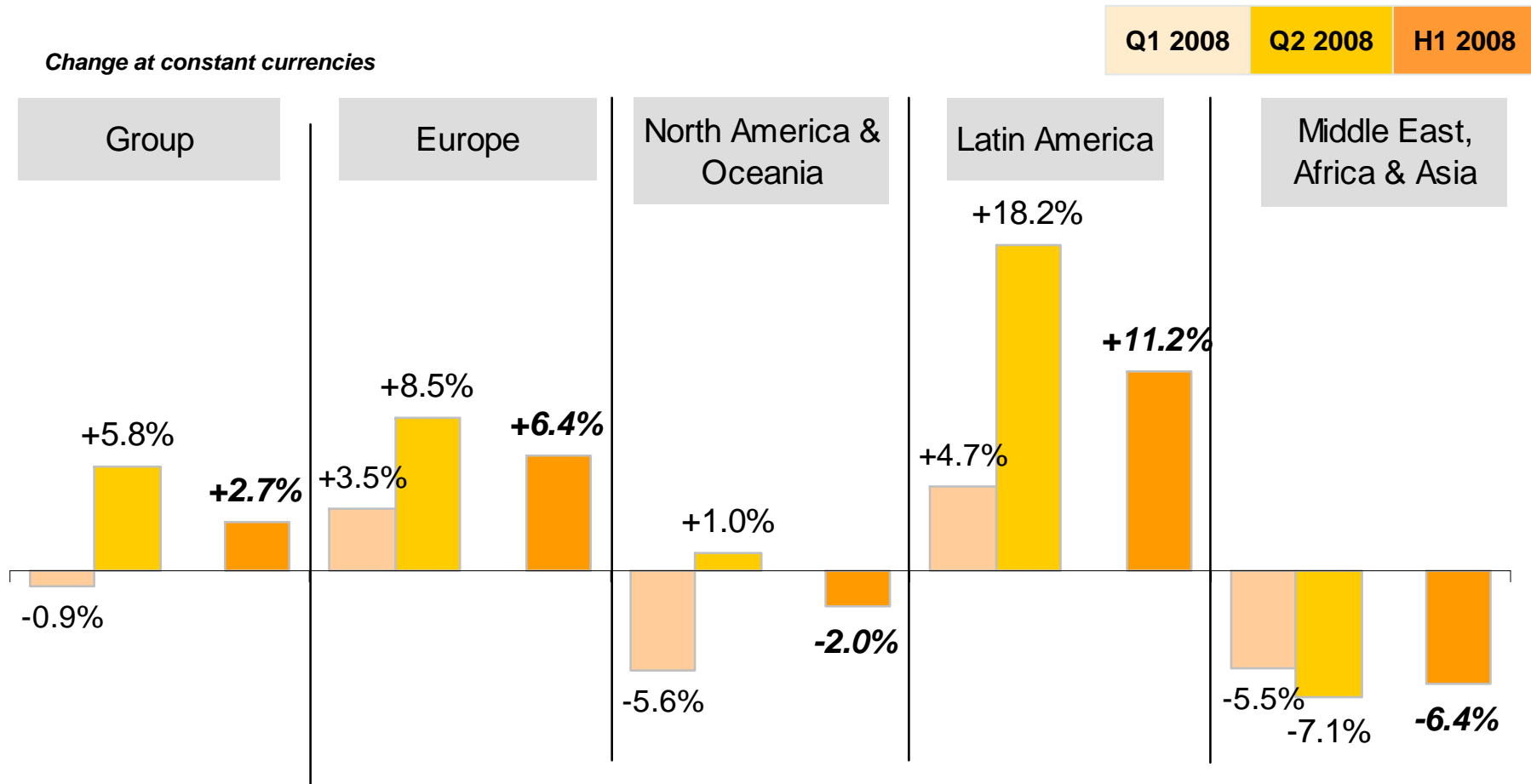


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H1 2008 net sales evolution by geographies



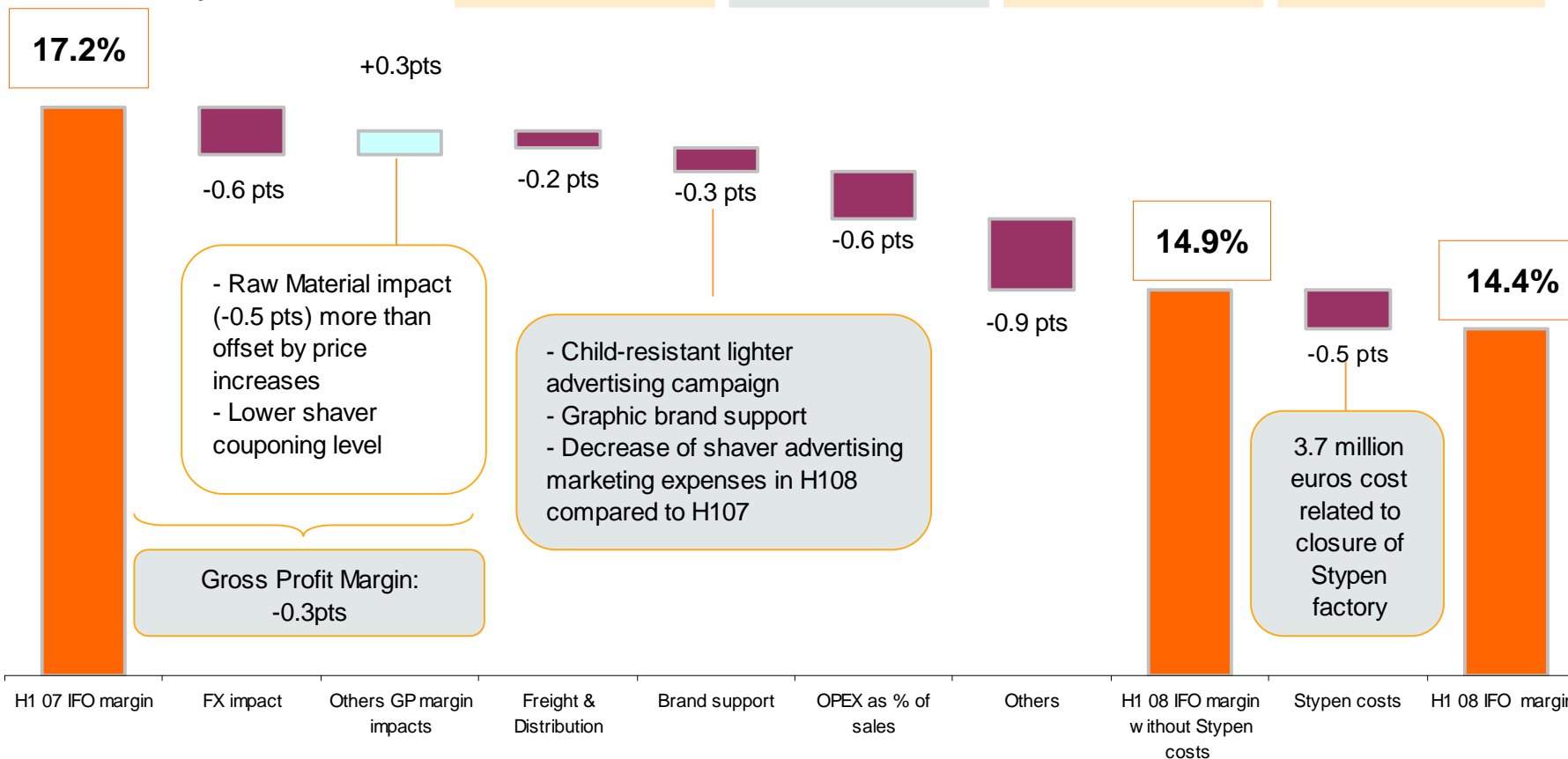
- Europe and Latin America 1st Quarter good performance confirmed in the 2nd Quarter
- Recovery in North America in Q2
- Middle-East, Africa and Asia still weak



H1 2008 Income From Operations margin

BIC Group
In million euros

	H107	H108	Change	Change at constant currencies*
Net Sales	729.0	700.5	-3.9%	+2.7%
Gross Profit	359.5	342.9	-4.6%	+1.2%
Income from Operations	125.7	101.1	-19.6%	-13.4%



*: see glossary

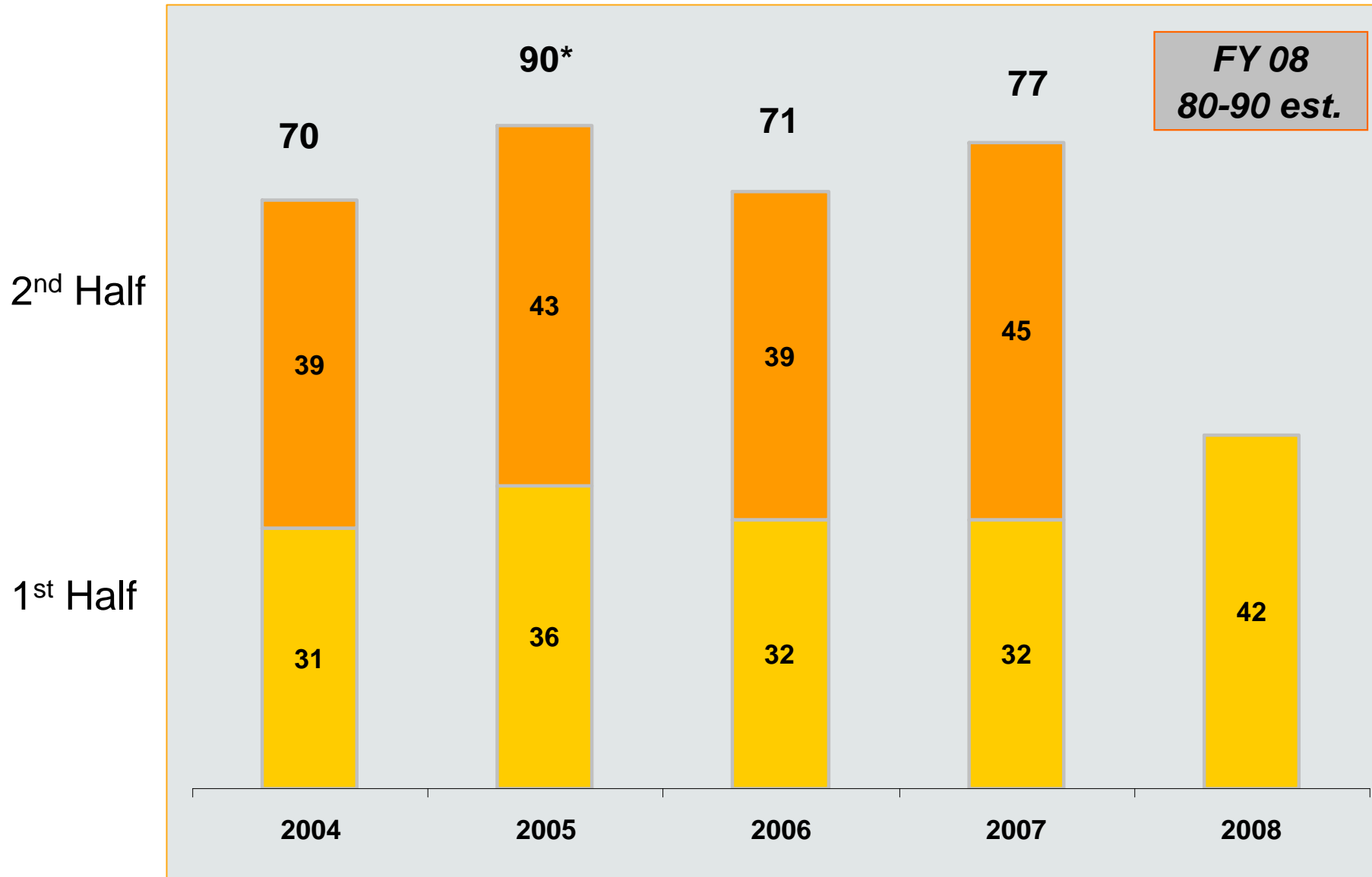


From IFO to Group Net Income

BIC Group <i>In million euros</i>	Q2 07	Q2 08	H1 07	H1 08	
IFO	67.5	62.9	125.7	101.1	1 Closing of Stypen factory
<i>Stypen cost</i>		-3.7		-3.7	
IFO excluding exceptional charges	67.5	66.6	125.7	104.8	2 Lower interest expenses in 08 coupled with 07 having more favorable FX hedge benefit
<i>Finance revenues / (costs)</i>	0.9	5.5	5.6	5.2	
Income before Tax	68.4	68.4	131.3	106.3	
<i>Income tax</i>	-23.0	-23.0	-44.1	-35.7	
<i>Tax rate</i>	33.6%	33.6%	33.6%	33.6%	
Group Net Income	45.4	45.5	86.6	70.6	
<i>Net of shares outstanding net of treasury shares</i>	49,323,127	48,531,424	49,323,127	48,531,424	3 1,184,723 shares repurchased since June 2007
EPS	0.92	0.94	1.76	1.45	



CAPEX



*Shelton real estate acquisition (€ 11m)



Balance sheet

BIC Group
In million euros

	December 2006	June 2007	December 2007	June 2008
Working Capital	413	499	450	543
<i>Inventories</i>	294	337	333	355
<i>Trade and other receivables</i>	348	400	346	408
<i>Trade and other payables</i>	-104	- 104	- 92	-99
Cash and cash equivalent	167	124	199	79



Cash Flow

<i>BIC Group</i> <i>In million euros</i>	H12007	H12008	Change	
Net Cash From Operating Activities	49	12	- 37	<ul style="list-style-type: none">• Decrease in cash flow from operations• Increase in income tax paid (France)
Net Cash from Investing Activities	-32	- 40	-8	
Net Cash From Financing Activities	- 61	- 91	- 30	<ul style="list-style-type: none">• Repayment of PIMACO loan• Increase in treasury shares
Decrease in Cash and Cash Equivalents	-44	- 119	-75	



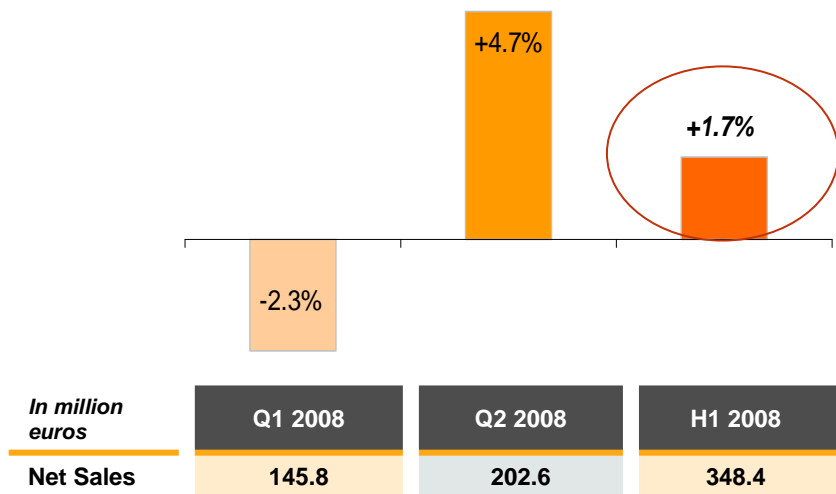
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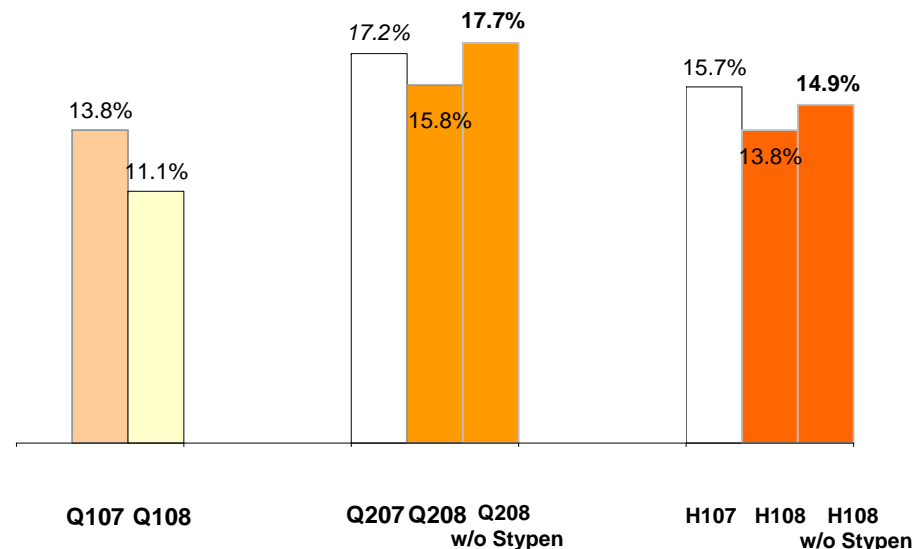


Stationery

Change in net sales at constant currencies



IFO margin



1st HALF 2008 NET SALES

→ Mid-single digit growth in Consumer business, due to 2nd Quarter recovery

- Good back-to-school shipments in Europe with growth in all distribution channels (success of new products such as the Easy Clic fountain pen and Cristal Clic) and continued growth in Latin America
- Despite a slight improvement during the 2nd Quarter, North America trends remain uncertain
 - Deterioration of overall economic environment
 - Slowdown of the office superstore retail channel

→ High-single digit decrease of the Graphic business

- Continued decline of the US writing instrument segment
- US promotional products industry strongly impacted by the slowdown of the economy, with many customers putting promotional expenses on hold / Promotional product segment starting to decline in Europe

1st HALF 2008 INCOME FROM OPERATIONS MARGIN

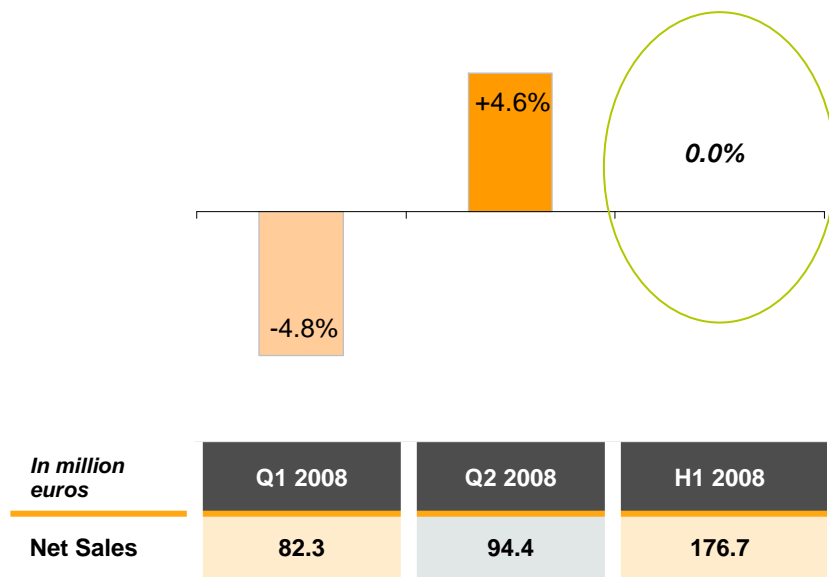
→ Good performance of the Consumer business margin excluding exceptional charges in the 2nd Quarter related to the closing of Stypen factory in France

→ Impact of Graphic business decline

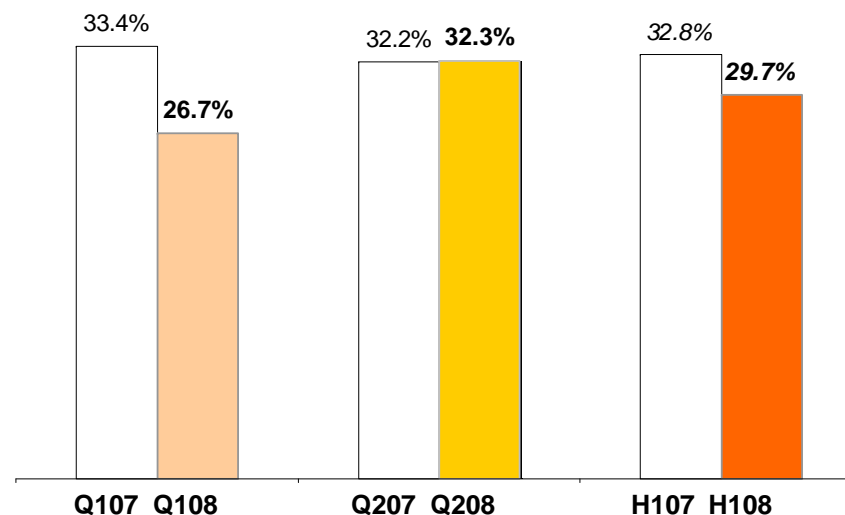


Lighters

Change in net sales at constant currencies



IFO margin



1st HALF 2008 NET SALES

➔ Improvement in the 2nd Quarter vs. a weak 1st Quarter

- Good performance in Europe as H1 08 benefited from positive price adjustments and continued growth in Latin America, driven by distribution gains
- In Q2, sales continued to decrease in North America but at a slower pace
 - Store traffic slowdown (high level of gasoline discouraging in-store visits) and inventory reduction within the convenience stores
 - Acceleration of cigarette retail sales decline in the US

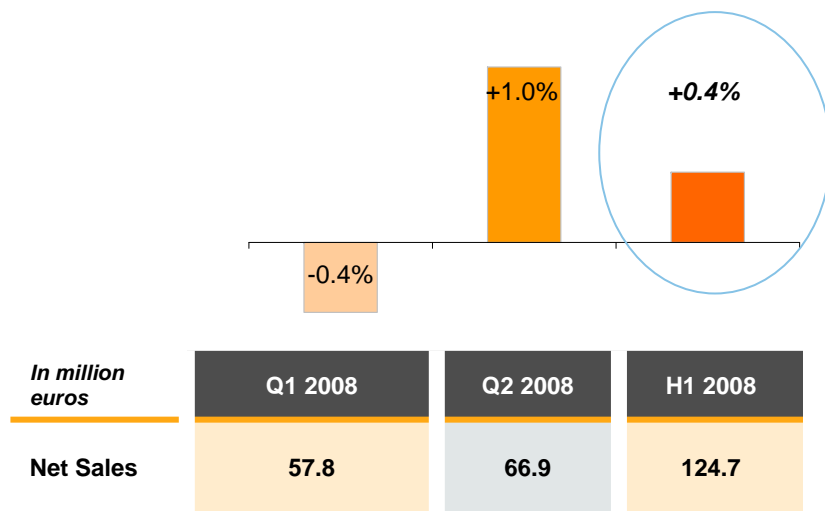
1st HALF 2008 INCOME FROM OPERATIONS MARGIN

➔ The 3.1 point decrease is mainly due to the increase of brand support (European child-resistant regulation advertising campaign in Q108) and manufacturing costs.

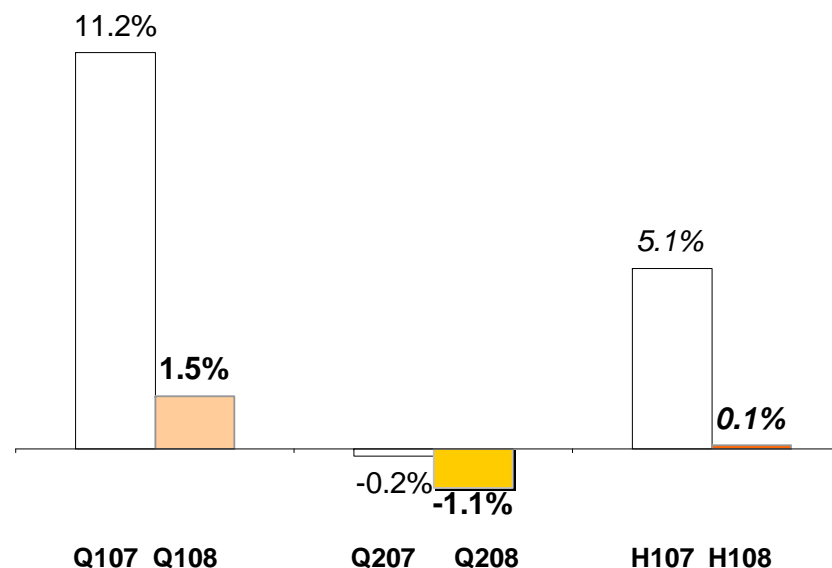


Shavers

Change in net sales at constant currencies



IFO margin



1st HALF 2008 NET SALES

→ Market trends:

- Wet Shave market overall flat in the US and key European countries
- Acceleration of new product launches, in both One-Piece and Refillable segments.

→ Net Sales up +0.4% at constant currencies, compared to a strong 1st Half in 2007 which was up +13%

- Slight improvement in the 2nd Quarter 08 vs. the 1st Quarter 08.
- Continued success of triple-blade one-piece shaver (43% of total one-piece sales in H108 vs. 41% in H107)
- Sales to the trade of BIC[®] Soleil[®] System in Europe & BIC[®] Soleil[®] Shimmer in the US & UK have proceeded according to plan for this year.
- Although in the low-end of the target, BIC[®] Soleil[®] System market share in the US continues to be within initial objectives (5% to 10% 24 months after March 2007 launch) and despite continued high level of competition notably in refills

1st HALF 2008 INCOME FROM OPERATIONS MARGIN

- Support of BIC[®] Soleil[®] brand in North America and launch of BIC Comfort 3 Action in Latin America
- Negative impact of USD/EUR exchange rate on IFO Margin and competitive pressure



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H2 2008 key operational initiatives

Ongoing initiatives to improve manufacturing efficiency, customer service and to reduce inventory level

- ➔ **Stypen fountain pen factory closed in July**
- ➔ **New packaging facility for our shaver business to be opened in Mexico in November 2008:**
 - Improved customer service
 - Inventory reduction
 - Cost savings as more products from our Greek factory will be shipped in bulk (reducing ocean freight volume & transportation costs)
 - Improvement of natural Forex hedging

Continue to leverage our brand

Brand licensing agreement with Orange, the leading French mobile operator, to sell the BIC® Phone in France





Full year 2008 operational trends

Stationery

Consumer business

- Overall good full year performance expected in Europe and Latin America
- Uncertainty linked to overall economic environment in North America

Graphic business

- Continuous slowdown of the writing instrument segment and decrease of the US promotional industry

Lighters

- Europe: less price adjustments expected in H2 compared to H1
- Marketing initiatives in the US to sustain sales but cautious 2nd Half outlook (expected continued decline in cigarette consumption and reduced consumer disposable income)
- Confirmed overall full year good performance in Latin America

Shavers

- Full 2008 net sales growth likely to be in the low single-digits
- Income from operations margin will improve slightly compared to 1st Half level, despite the challenging competitive environment and continuous foreign exchange pressure and brand support.
- Despite difficult competitive environment, we remain committed to succeed in the shaver business



Full year 2008 outlook confirmed

Slight increase in net sales at constant currencies

Full year IFO margin to improve compared to Q1 2008 level



Appendix





Consolidated P&L

<i>BIC Group</i> In million euros	Q107	Q207	Q307	Q407	FY07	Q108	Q208
Net Sales	330.4	398.6	365.9	361.2	1,456.1	308.1	392.4
Gross Profit	169.5	190.0	179.9	175.7	715.0	154.7	188.3
Income from Operations	58.2	67.5	67.5	62.6	255.8	38.2	62.9
Normalized IFO *	58.2	67.5	67.5	60.3	253.5	38.2	62.9
Income before Tax	62.9	68.4	62.4	67.6	261.2	37.8	68.4
Group net income	41.2	45.4	41.4	44.9	172.9	25.1	45.5
EPS	0.83	0.92	0.84	0.91	3.51	0.52	0.94
<i>Number of shares</i> ⁽¹⁾	49,302,989	49,323,127	49,300,858	49,244,579	49,244,579	48,620,706	48,531,424

* see glossary

(1) Weighted average number of shares net of treasury shares



Stationery Quarterly figures

BIC Group <i>In million euros</i>	Q107	Q207	Q307	Q407	FY07	Q108	Q208
Net Sales	159.5	208.6	183.7	163.0	714.9	145.8	202.6
<i>YoY actual changes</i>	- 8.3%	- 0.3%	+ 1.9%	- 6.4%	- 3.1%	- 8.6%	- 2.9%
<i>YoY changes at constant currencies*</i>	- 2.4%	+ 3.0%	+ 5.2%	- 2.5%	+ 1.0%	- 2.3%	+ 4.7%
<i>YoY changes on a comparative basis*</i>	- 4.6%	+ 1.3%	+ 3.0%	- 2.5%	- 0.6%	- 2.3%	+4.7%
IFO	22.0	36.0	31.5	18.5	108.0	16.2	32.1
IFO margin	13.8%	17.2%	17.2%	11.3%	15.1%	11.1%	15.8%

* see glossary



Lighters Quarterly figures

BIC Group <i>In million euros</i>	Q107	Q207	Q307	Q407	FY07	Q108	Q208
Net Sales	91.6	97.2	96.6	104.8	390.3	82.3	94.4
<i>YoY actual changes</i>	- 6.4%	+ 7.6%	- 2.5%	- 2.3%	- 1.1%	- 10.2%	- 2.9%
<i>YoY changes at constant currencies*</i>	+ 0.4%	+ 11.8%	+ 0.9%	+ 2.6%	+ 3.7%	- 4.8%	+ 4.6%
<i>YoY changes on a comparative basis*</i>	+ 0.4%	+ 11.8%	+ 0.9%	+ 2.6%	+ 3.7%	- 4.8%	+ 4.6%
IFO	30.6	31.3	30.4	33.1	125.3	22.0	30.4
<i>IFO margin</i>	33.4%	32.2%	31.4%	31.6%	32.1%	26.7%	32.3%

* see glossary



Shavers Quarterly figures

BIC Group <i>In million euros</i>	Q107	Q207	Q307	Q407	FY07	Q108	Q208
Net Sales	61.7	71.2	66.4	67.5	266.7	57.8	66.9
<i>YoY actual changes</i>	+ 9.2%	+ 10.2%	- 4.2%	+ 6.3%	+ 5.1%	- 6.3%	- 6.0%
<i>YoY changes at constant currencies*</i>	+ 15.7%	+ 13.2%	- 1.5%	+ 11.1%	+ 9.2%	- 0.4%	+ 1.0%
<i>YoY changes on a comparative basis*</i>	+ 15.7%	+ 13.2%	- 1.5%	+ 11.1%	+ 9.2%	- 0.4%	+ 1.0%
IFO	6.9	-0.1	6.9	8.2	22.0	0.9	-0.8
IFO margin	11.2%	-0.2%	10.5%	12.2%	8.2%	1.5%	-1.1%

* see glossary



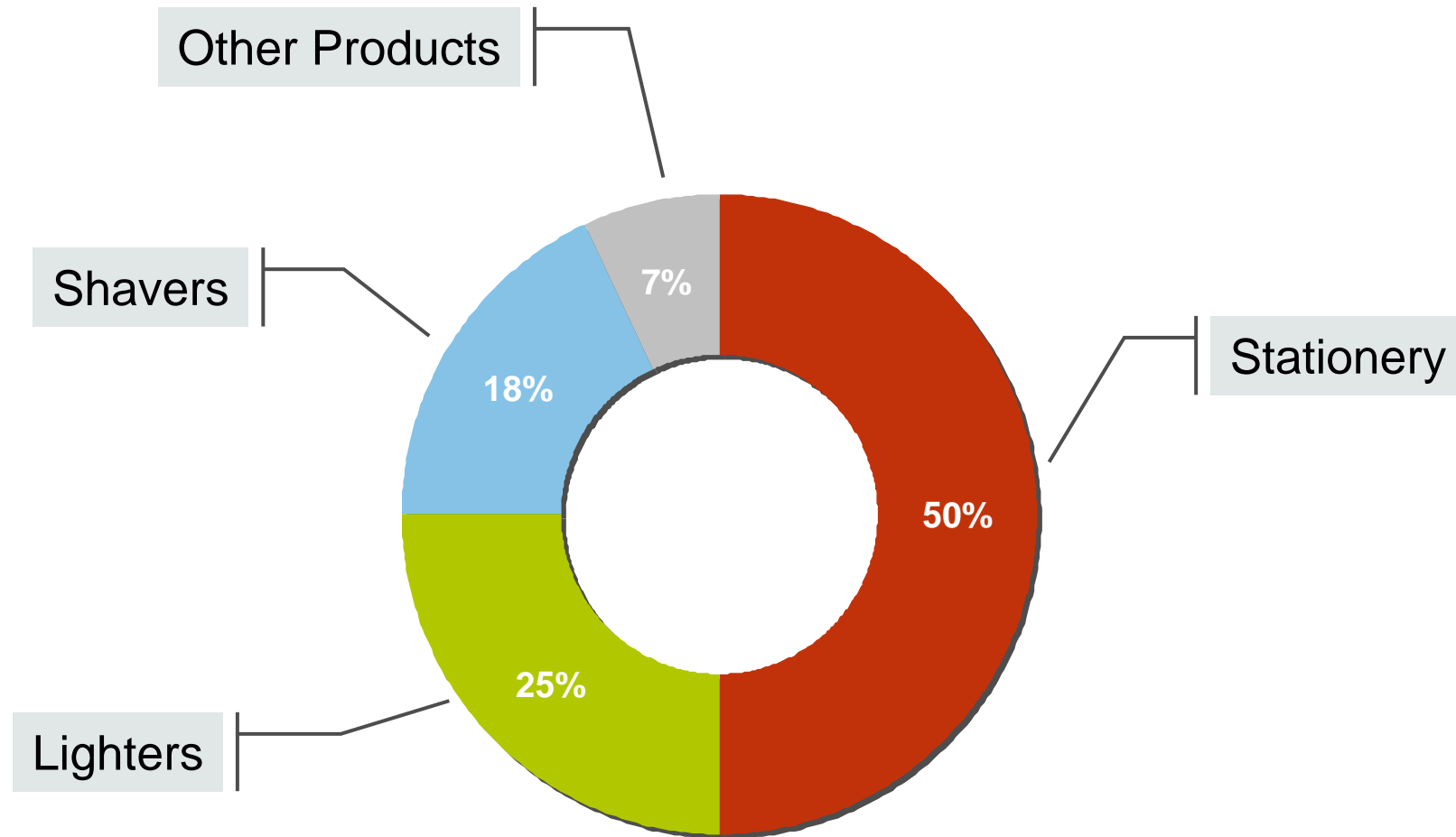
Other Products Quarterly figures

BIC Group <i>In million euros</i>	Q107	Q207	Q307	Q407	FY07	Q108	Q208
Net Sales	17.5	21.6	19.2	25.9	84.2	22.2	28.5
<i>YoY actual changes</i>	+ 37.5%	+ 49.7%	+ 24.4%	+ 32.5%	+ 35.5%	+ 27.1%	+ 31.5%
<i>YoY changes at constant currencies*</i>	+ 40.1%	+ 51.3%	+ 24.8%	+ 35.8%	+ 37.6%	+ 30.5%	+ 36.6%
<i>YoY changes on a comparative basis*</i>	+ 27.4%	+ 40.5%	+ 14.3%	+ 11.1%	+ 22.1%	+ 13.2%	+ 13.6%

* see glossary



H1 08 Net Sales breakdown by category





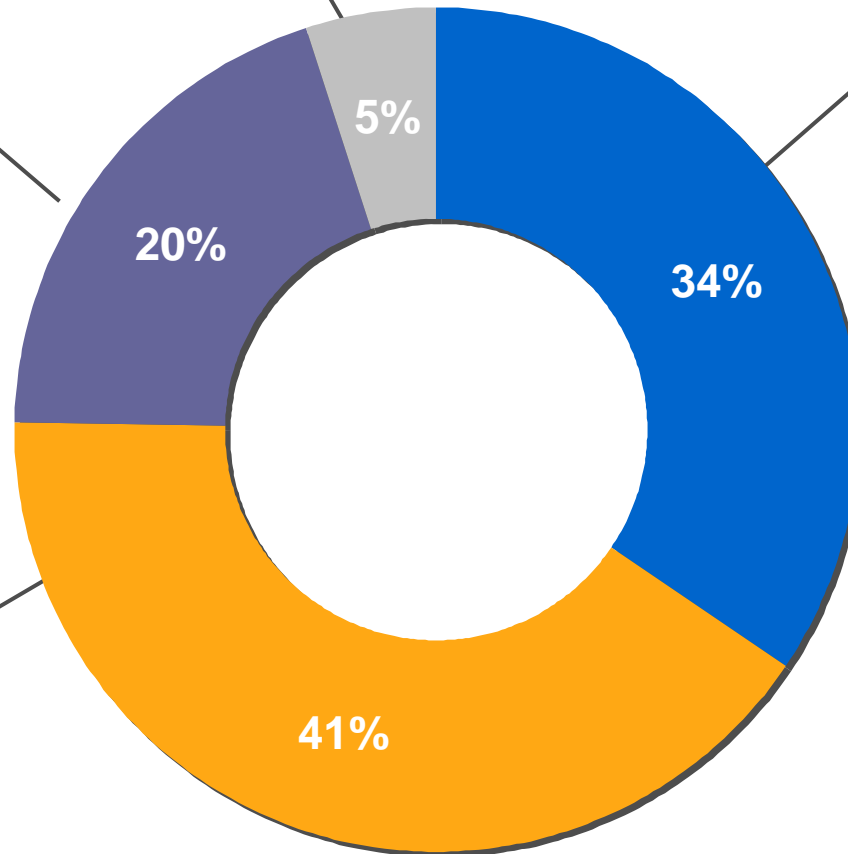
H1 08 Net Sales breakdown by geography

MEAA: -6.4%*

Latin America:
+11.2%*

North America
& Oceania:
-2.0%*

Europe:
+6.4%*

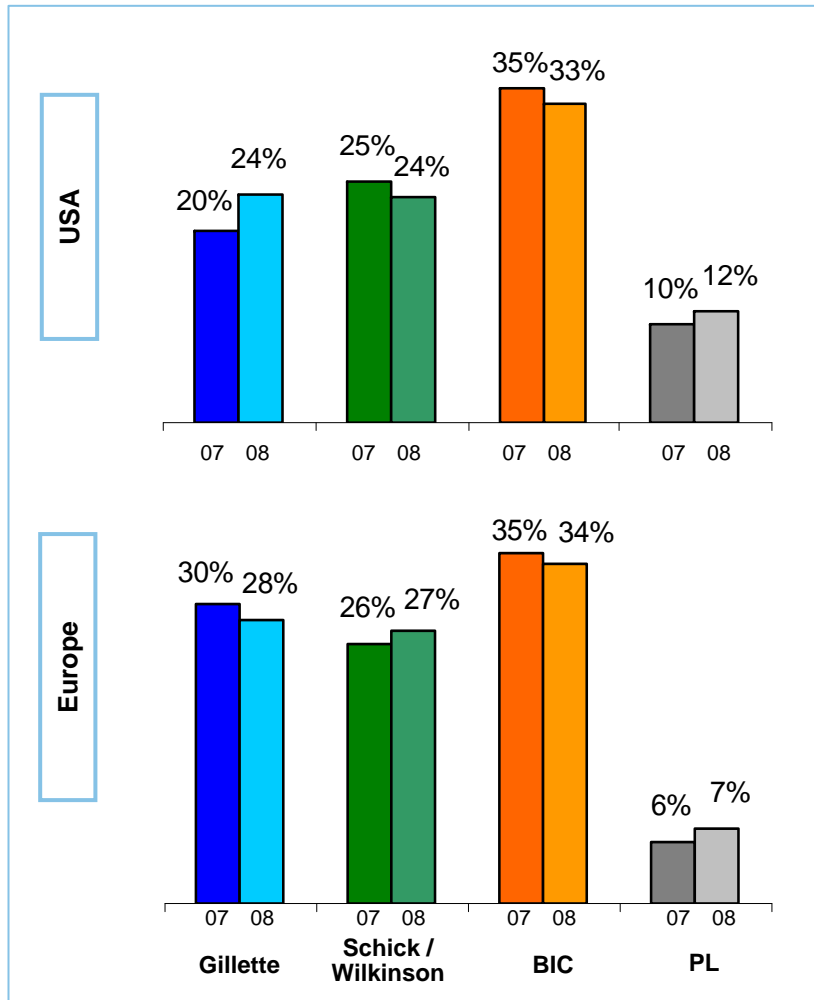


*: at constant currencies

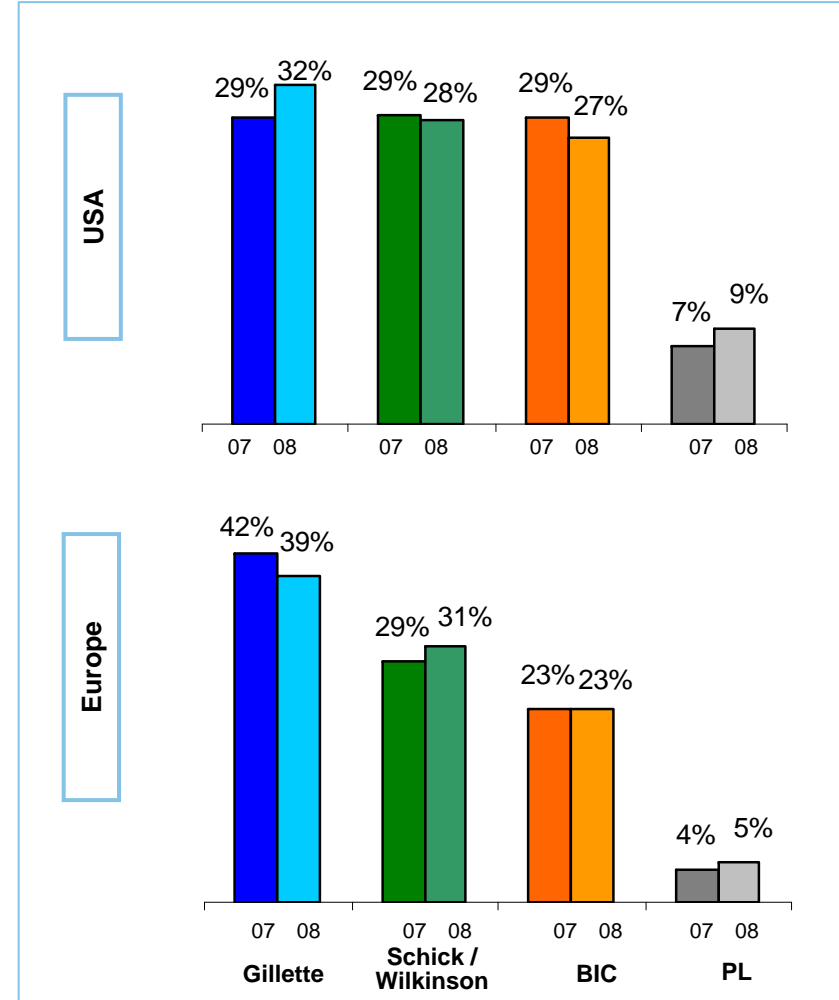


Triple-Blade Market Shavers' shares

Volume market share



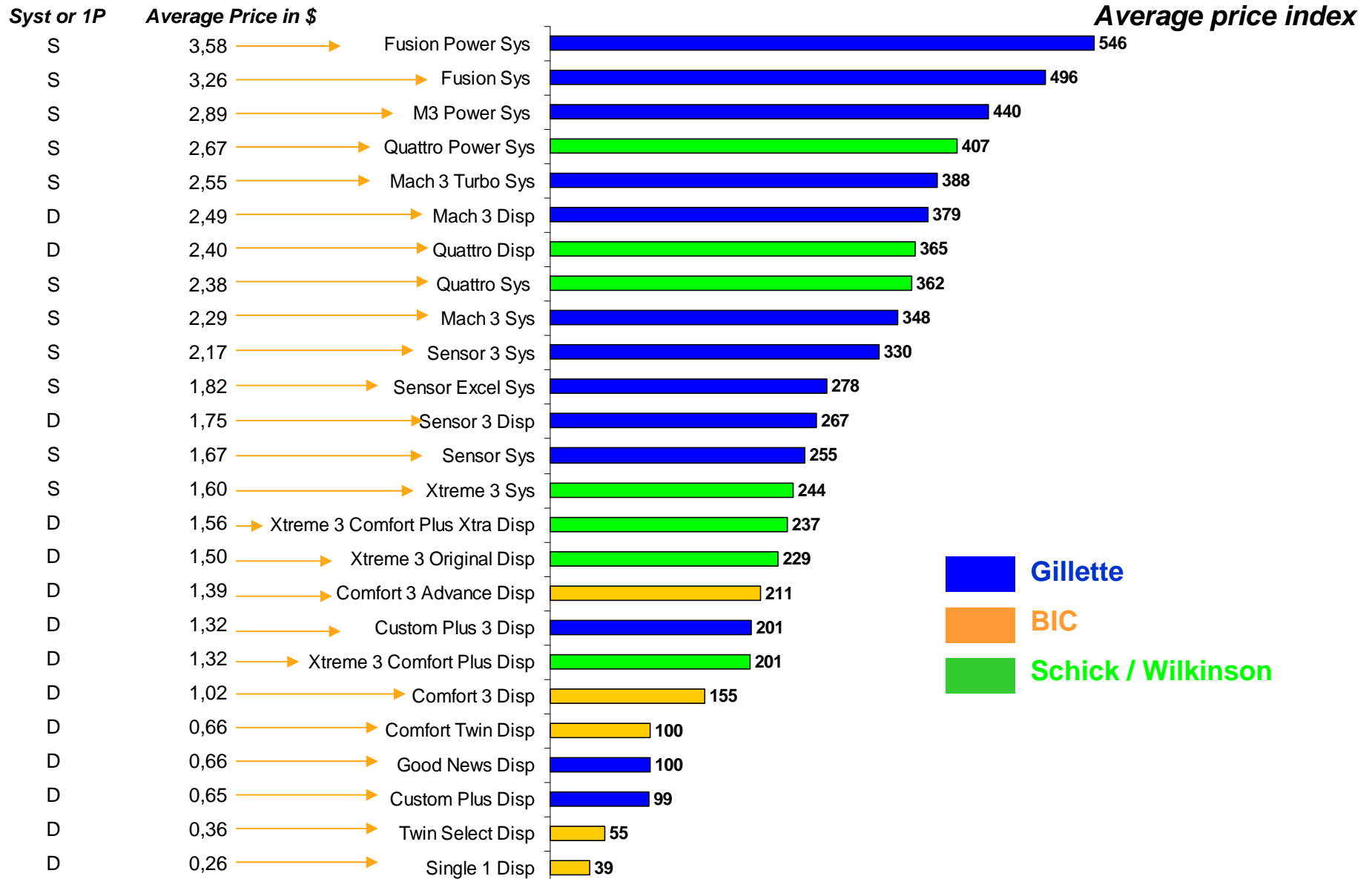
Value market share



Source: IRI USA Last 52 w ending Jun, 2008 / IRI UK last 52 w ending Apr 2008
AC NIELSEN Last 52 w ending Apr 2008 / France, Italy, Greece, Spain



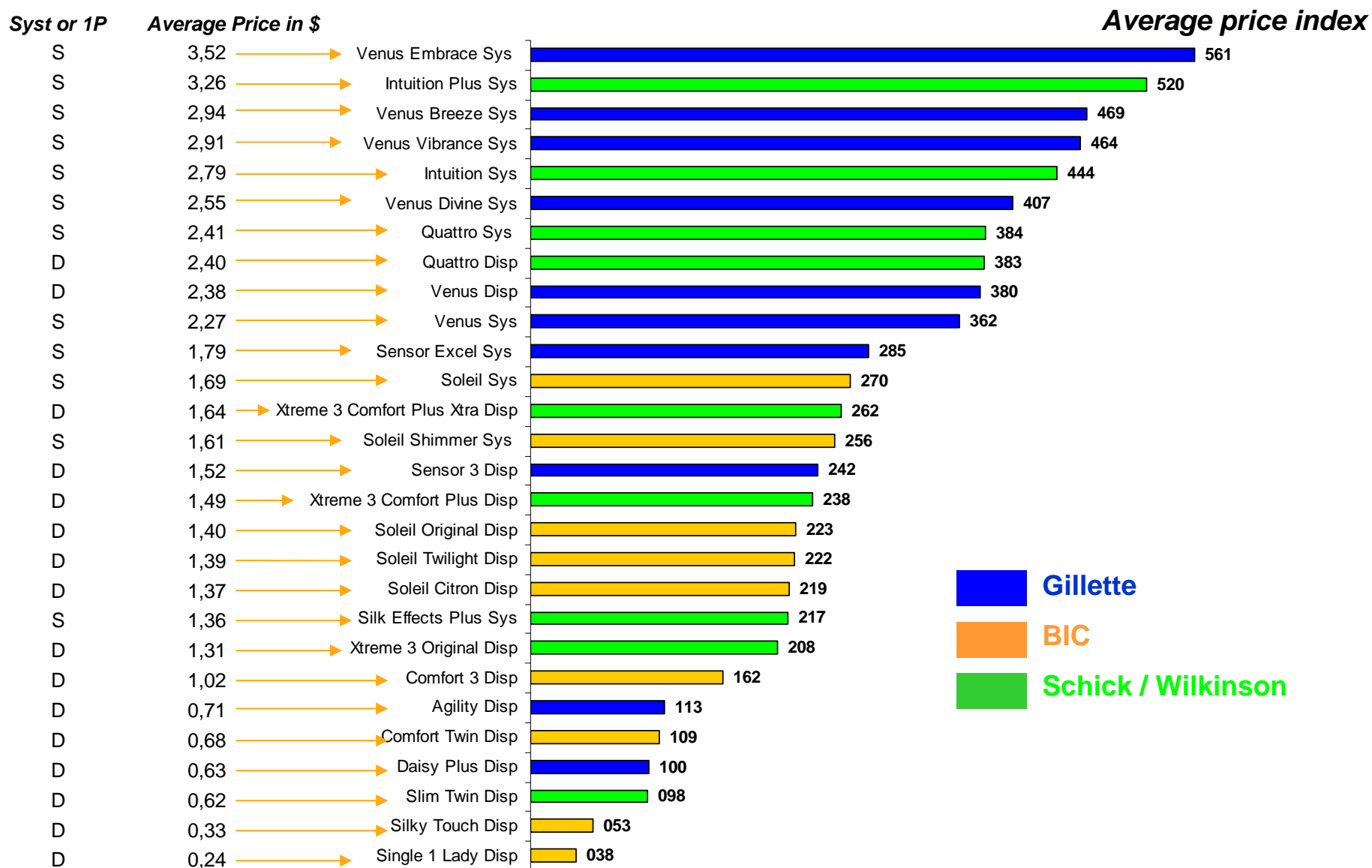
Shaver Retail Pricing - US Men's market



Source: IRI - U.S. FDMX – Latest 52 wks Period Ending – June 29, 2008 / Non Promoted Price per shaver (1P) or per refill blade (S)



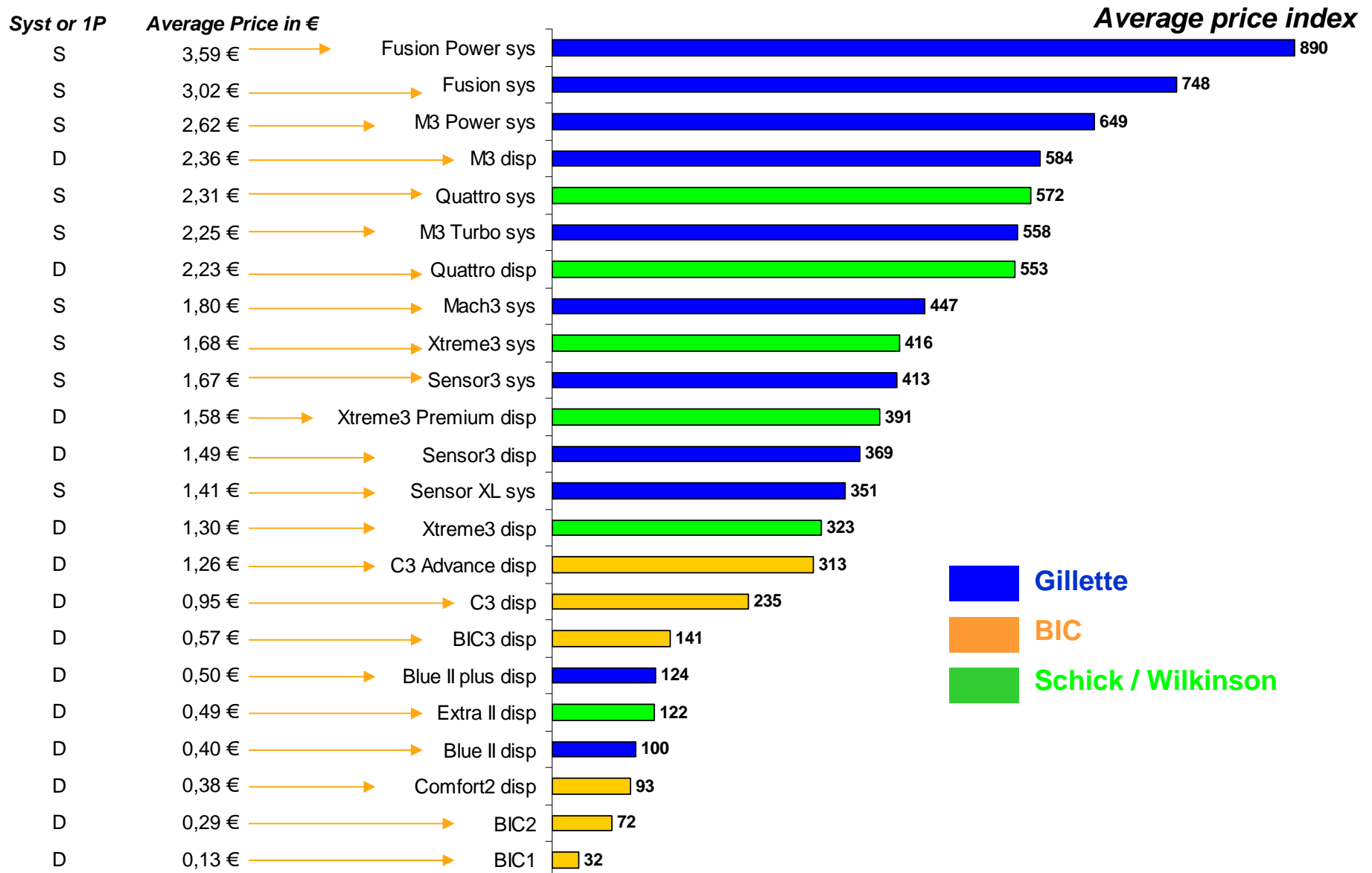
Shaver Retail Pricing - US Women's market



Source: IRI - U.S. FDMX – Latest 52 wks Period Ending – June 29, 2008 / Non Promoted Price per shaver (1P) or per refill blade (S)



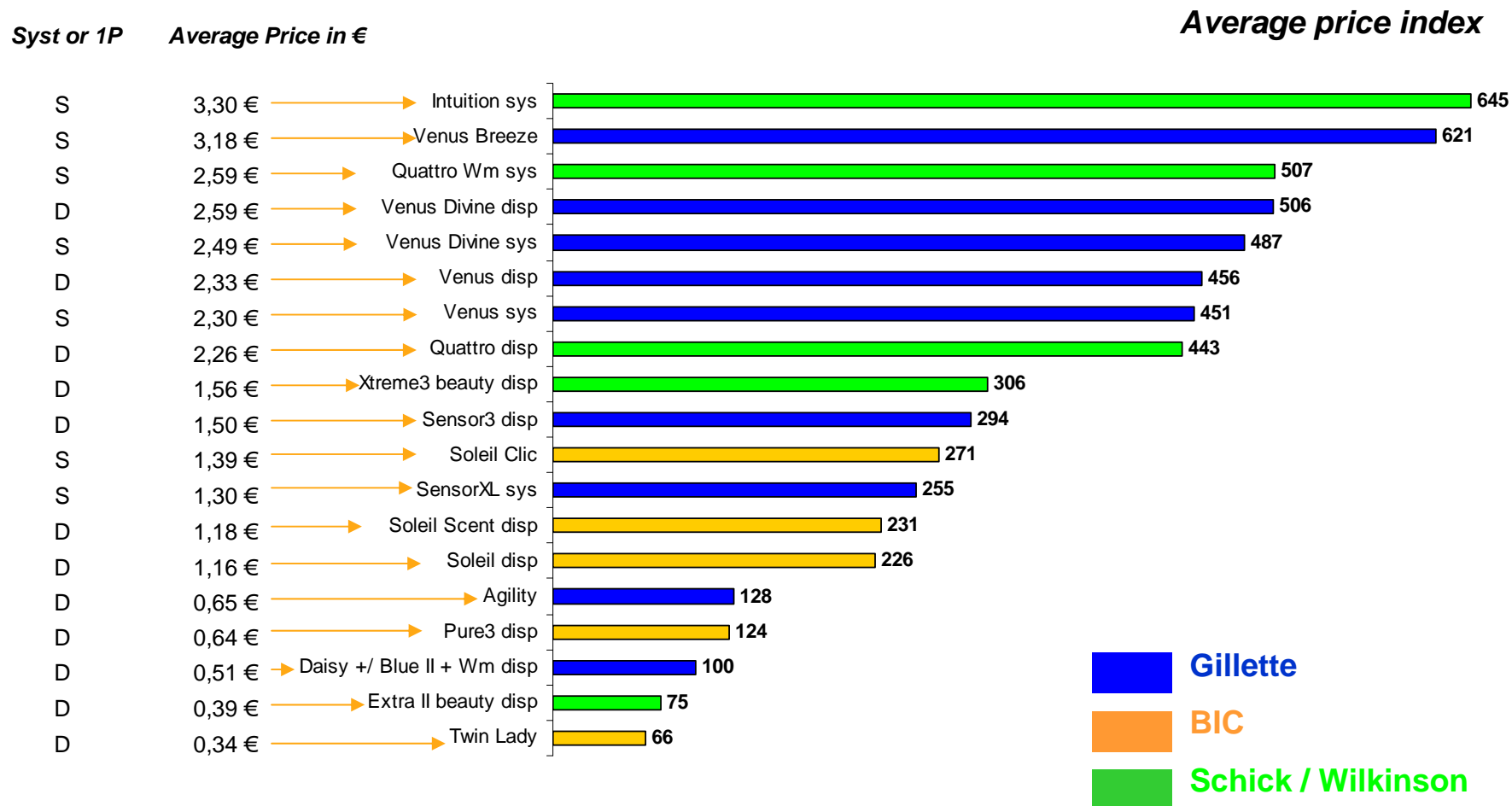
Shaver Retail Pricing - France Men's market



Source: Nielsen – Latest 52 wks Period Ending 22-June-08 / Non Promoted Price per shaver (1P) or per refill blade (System)



Shaver Retail Pricing - France Women's market





Miscellaneous

- 2008 Share buyback program:

- ➔ End of June 2008

- Number of shares bought: 458,381
 - Total amount in euros: 17.3 million euros

- ➔ August 6, 2008

- Number of shares bought: 607,272
 - Total amount in euros: 22 million euros

- Capital evolution:

- Authorized share capital on June 30, 2008: 48,792,055 shares



Glossary

- **At constant currencies:** Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **Normalized IFO:** normalized means excluding real estate gains
- **On a comparative basis:** comparative basis means at constant currencies and at comparable perimeter.



2008 Agenda

3rd Quarter 2008 results

October, 22nd

Conference Call



Disclaimer

This document contains forward-looking statements. Although BIC believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties.

A description of the risks borne by BIC appears in section "Risks and Opportunities" of BIC "Reference Document" filed with the French financial markets authority (AMF) on April 3rd, 2008