



BIC GROUP – 9 MONTHS 2011 RESULTS

NET SALES AT 1,354.3 MILLION EUROS, UP 3.8% ON A COMPARATIVE BASIS¹

NORMALIZED¹ IFO MARGIN: 20.4 %

GROUP NET INCOME UP 14.3% AT 183.9 MILLION EUROS – EPS UP 16.0% AT 3.85 EUROS

- **Consumer Business: 1,150.4 million euros net sales (+ 6.8% on a comparative basis), 23.5% Normalized IFO margin**
 - **Developed regions grew despite difficult market conditions.**
 - **Developing regions had strong year-on-year growth.**

9 months	Net sales	Normalized IFO margin	
Stationery	458.8 M€	16.2%	Good back-to-school in Europe, but modest in North-America
Lighters	372.0 M€	40.4%	Strong performance in all geographies
Shavers	246.4 M€	19.9%	

- **Advertising and Promotional Products: 203.9 million euros net sales (-10.1% on a comparative basis), 2.8% normalized IFO margin**
 - **Increasingly challenging competitive environment.**
 - **Declining net sales partially offset by the planned savings related to the integration plans.**

2011 Outlook confirmed

Consumer Business

For the full year, we expect net sales to exceed mid-single digit growth on a comparative basis. Full year Normalized IFO margin will improve compared to the 2010 level as manufacturing efficiencies and targeted price adjustments will offset raw material price increases and higher investment in brand support.

Advertising and Promotional Products

We expect full year 2011 net sales to decrease high single digit on a comparative basis. Normalized IFO margin should trend close to the full year 2010 level as negative volume impact will be offset by the benefit of the integration plan.

Mario Guevara, Chief Executive Officer, said: *“BIC’s nine months results were solid. Our consumer business trend stayed positive despite the challenging economic environment; and importantly the Group’s profitability levels were above the historical average.*

The positive momentum continued into the 3rd quarter, though not at the accelerated rate that we achieved in the First Half. Product innovation, sales execution, increased and targeted brand support and our “More for your money” proposition continued to generate positive results in our Consumer business.

In contrast to our Consumer Business, BIC APP’s sales decline continued into the 3rd quarter. The ongoing economic slowdown and integration challenges have delayed the APP business recovery longer than we had originally anticipated. We remain committed to the BIC APP long-term business plan while making all the necessary adjustments.

Unaudited figures

¹ See glossary page 9.



Key figures

In million euros See glossary page 9	THIRD QUARTER					9 MONTHS				
	2010	2011	Change as reported	Change at constant currencies	Change at comp. basis	2010	2011	Change as reported	Change at constant currencies	Change at comp. basis
GROUP										
Net sales	492.6	468.2	-5.0%	+0.2%	+0.8%	1,358.2	1,354.3	-0.3%	+2.7%	+3.8%
Gross Profit	234.1	221.5	-5.4%			642.2	665.0	+3.5%		
Normalized Income From Operations	92.2	91.0	-1.3%			234.6	276.3	+17.7%		
Normalized IFO Margin	18.7%	19.4%				17.3%	20.4%			
Income From Operations	90.1	89.8	-0.4%			232.9	264.6	+13.6%		
IFO Margin	18.3%	19.2%				17.1%	19.5%			
Group Net Income	61.1	65.4	+7.0%			160.9	183.9	+14.3%		
Earnings per share (in euros)	1.26	1.37	+8.7%			3.32	3.85	+16.0%		
BY CATEGORY										
<i>Stationery</i>										
Net Sales	166.8	160.8	-3.6%	+1.5%	+1.5%	452.8	458.8	+1.3%	+4.2%	+4.2%
IFO	27.6	21.3	-22.7%			64.1	74.2	+15.7%		
IFO margin	16.5%	13.3%				14.2%	16.2%			
Normalized IFO margin	16.6%	13.3%				14.4%	16.2%			
<i>Lighters</i>										
Net Sales	123.5	124.0	+0.4%	+5.7%	+5.7%	349.7	372.0	+6.4%	+9.3%	+9.3%
IFO	45.3	48.1	+6.1%			131.6	150.4	+14.2%		
IFO margin	36.7%	38.8%				37.6%	40.4%			
Normalized IFO margin	36.7%	38.8%				37.6%	40.4%			
<i>Shavers</i>										
Net Sales	84.3	84.4	+0.1%	+5.1%	+5.1%	229.9	246.4	+7.2%	+10.0%	+10.0%
IFO	11.2	16.7	+49.1%			34.0	49.0	+44.2%		
IFO margin	13.3%	19.8%				14.8%	19.9%			
Normalized IFO margin	13.4%	19.8%				14.8%	19.9%			
<i>Other Products</i>										
Net Sales	25.3	22.4	-11.6%	-10.8%	-2.5%	74.2	73.3	-1.2%	-1.1%	+1.8%
<i>Total Consumer business</i>										
Net Sales	399.9	391.6	-2.1%	+2.8%	+3.3%	1,106.7	1,150.4	+4.0%	+6.6%	+6.8%
IFO	81.3	83.6	+2.8%			222.5	262.0	+17.7%		
IFO Margin	20.3%	21.4%				20.1%	22.8%			
Normalized IFO margin	20.4%	21.4%				20.2%	23.5%			
<i>BIC APP</i>										
Net Sales	92.7	76.6	-17.4%	-10.9%	-10.0%	251.5	203.9	-18.9%	-14.5%	-10.1%
IFO	8.8	6.1	-30.1%			10.3	2.6	-74.5%		
IFO margin	9.5%	8.0%				4.1%	1.3%			
Normalized IFO margin	11.4%	9.7%				4.4%	2.8%			



BIC Group 9 months 2011 net sales were 1,354.3 million euros, compared to 1,358.2 million euros in the first 9 months 2010, down 0.3% as reported, up 2.7% at constant currencies and up 3.8% on a comparative basis. For the 3rd Quarter, net sales were 468.2 million euros, down 5.0% as reported, +0.2% at constant currencies and +0.8% on a comparative basis.

9 months 2011 foreign currency fluctuations had a negative impact of 3.0% on net sales, of which +0.3% was due to the Brazilian Real and -3.1% to the decrease of the U.S. dollar.

Despite a demanding comparison base impacting all three categories in the third quarter, total consumer business operations increased 6.6% at constant currencies and +6.8% on a comparative basis during the 9M 2011 (+2.8% and +3.3% respectively in Q3). The Advertising and Promotional Products business decreased 14.5% at constant currencies and decreased 10.1% on a comparative basis (-10.9% and -10.0% respectively in Q3).

Developed markets (Europe and North America) continued to show resilience despite the deterioration of the economic environment. In developing markets, the strong pace of growth recorded during the First Half decelerated in Q3 with a +4.6% growth on a comparative basis. In Latin America, the stationery category's strong First Half 2011 growth rates have slowed and Q3 lighter net sales were negatively impacted by customers' inventory adjustments. Shaver's performance remained strong. In Middle-East and Africa, the unstable environment resulting from political upheavals, is impacting short term visibility and affecting net sales performance.

9 months 2011 gross profit margin increased +1.8 pts at 49.1% of net sales. Gross profit margin improvement was driven by sales increases in the consumer business, better fixed cost absorption due to volume growth and manufacturing productivity, including the benefits of restructuring and integration plans.

9 months 2011 Income From Operations increased 13.6% as reported to 264.6 million euros. The reported IFO margin was 19.5% compared to 17.1% in 2010.

9 months 2011 IFO included -11.6 million euros of non-recurring items related to:

- the reorganization of the BIC APP business (-3.1 million euros);
- the impairment of goodwill and trademarks related to the disposals of the PIMACO business-to-business divisions in Brazil (-9.1 million euros) and related restructuring expenses (-0.3 million euros);
- the gain related to the disposal of the REVA peg business in Australia (+1.0 million euros).

Excluding these impacts, 9 months normalized IFO was 276.3 million euros compared to 234.6 million euros in 2010 and normalized IFO margin was 20.4% compared to 17.3% for the same period last year. Key components of Normalized IFO evolution were:

- the increase in gross profit margin (+1.8 points);
- controlled OPEX and cost savings related to the 2009 restructuring program and BIC APP integration plan (+1.7 points);
- an increase in brand support compared to 9M 2010, mainly in stationery and lighters (-0.4 points).

Income before tax increased 15.6% as reported to 268.9 million euros. Finance revenues increased 4.6 million euros compared to 9M 2010. This includes lower interest expenses related to the early repayment in 2010 of Cello Pens and Norwood Promotional Products loans. Q3 2011 finance costs were positively impacted by favorable revaluation of monetary assets (USD vs. Euro). Tax rate was 33.1% in 9M 2011 compared to 32.4% in 9M 2010.

9M 2011 Group net income was 183.9 million euros, a 14.3% increase as reported. 9M 2011 Group net income included 4.1 million euros from income from associate (Cello Pens). Earnings per share (EPS) were 3.85 euros in 9M 2011, compared to 3.32 euros in 9M 2010, up 16.0%. 9M 2011 Normalized EPS grew 19.7% at 4.01 euros compared to 3.35 euros in 9M 2010.

At the end of September 2011, the net cash position was 321.0 million euros, compared to 326.3 million euros as of September 30, 2010 and 397.1 million euros as of December 31, 2010. 9M 2011 cash generation continued to benefit from the increase of profitability. 9 months 2011 CAPEX was 57.9 million euros vs. 35.4 million in 9M 2010. 9M 2011 cash generation includes the dividend payment for 90.6 million euros and 66.3 million euros of cash paid on share buy-back net of cash received from stock-options exercised.



Stationery Consumer

9 months 2011 Stationery net sales increased 1.3% as reported and +4.2% at constant currencies. Q3 2011 net sales were down 3.6% as reported and up 1.5% at constant currencies.

Developed markets

Net sales grew low single digit in Europe and were flat in North America.

In Europe, back-to-school sell-through (distributors' sales to consumers) was good, notably in France and Spain (our 2 largest countries for stationery in Europe), where we gained market shares.

Back-to school was more mitigated in North America, with modest results due notably to the increased competitive environment.

Developing markets

Net sales increased high single digit.

Following a double digit increase in First Half, growth rates have slowed down in some countries while performance remained strong in others.

The Stationery normalized 9M 2011 IFO margin was 16.2%, compared to 14.4% in 9M 2010, benefiting from sales growth, better fixed cost absorption due to higher production volumes and productivity improvements. Q3 2011 normalized IFO margin decrease is due to less favorable volume absorption and higher advertising expenses compared to Q3 2010.

Lighters

9M 2011 Lighter net sales increased 6.4% as reported and +9.3% at constant currencies. Q3 2011 net sales were up 0.4% as reported and +5.7% at constant currencies.

Lighter volumes increased in all key geographies.

Developed markets

In Europe, net sales grew low-single digit, with the weak performance of southern Europe countries offset by distribution gains in northern European countries.

In North America, 9 months net sales increased high-single digit. As expected, after a very strong first half, net sales performance slowed in Q3.

Developing markets

Net sales grew double-digit. Growth continued to be strong in Middle-East, Africa and Asia, notably in Japan where we have been able to leverage the implementation of safety regulations. In Latin America, following H1 2011 very strong performance, due notably to distribution gains, Q3 net sales growth was softer as some customers adjusted the level of their inventories, particularly in Brazil.

The Lighter 9M 2011 normalized IFO margin increased by 2.8 points to 40.4% benefiting from the increase in sales and higher production volumes.

Shavers

9M 2011 Shaver net sales increased 7.2% as reported and +10.0% at constant currencies. Q3 2011 net sales were up 0.1% as reported and +5.1% at constant currencies.

Developed markets

Net sales increased high single digit in Europe and in North America. In both regions, we continue to take profit from the success of new added value products (4-blade BIC® Comfort 4 and BIC® Flex 4 for men; BIC® Soleil® Bella™ for women). In Europe, the demand for our classic 3-blade shavers (notably the BIC 3 and Pure 3 range) continues to be strong, as well as for the new BIC® Flex 3. In the US, where BIC® is the only brand to gain market shares, growth was also driven by the demand for our core 3-blade shavers (such as the BIC® Soleil® range for women) and the innovative BIC® Hybrid Advance™.



Developing markets

Net sales grew double digit. In Latin America the performance continues to be driven by all BIC® products (single, twin-blade and especially triple-blade).

The Shaver normalized 9M 2011 IFO margin was 19.9% compared to 14.8% in 9M 2010, benefiting from solid net sales performance, better fixed cost absorption and improved manufacturing productivity, which helped offset the negative raw material impact.

Advertising and Promotional Products

9M 2011 Advertising and Promotional Products net sales decreased 18.9% as reported, -14.5% at constant currencies and -10.1% on a comparative basis. Q3 2011 net sales were down 17.4% as reported, -10.9% at constant currencies and -10.0% on a comparative basis.

Overall Advertising and Promotional Products markets remained weak, with an increasingly competitive environment impacting BIC APP net sales performance. Customer service has returned to normal levels.

BIC APP 9 months 2011 Income From Operations included -3.1 million euros of non-recurring items related to the reorganization of our business in Italy, following the disposal of the Antalis Promotional Products direct-sales business as well as restructuring in both Europe and North America to reduce the business cost base.

BIC APP 9 months 2011 normalized IFO margin was 2.8% compared to 4.4% in the first 9 months of 2010. The sharp decrease in net sales was partially offset by the planned savings related to the integration plan. Third Quarter 2011 normalized IFO margin was 9.7% compared to 11.4% in 2010.



BIC Group net sales change by geography

<i>In million euros</i>	Q3 2010	Q3 2011	Change	9M 2010	9M 2011	Change
Total net sales	492.6	468.2		1,358.2	1,354.3	
<i>As reported</i>			-5.0%			-0.3%
<i>At constant currencies</i>			+0.2%			+2.7%
<i>On a comparative basis</i>			+0.8%			+3.8%
1 – Europe	134.3	133.9		397.4	398.6	
<i>As reported</i>			-0.3%			+0.3%
<i>At constant currencies</i>			+0.2%			+0.3%
<i>On a comparative basis</i>			+1.0%			+1.2%
2 – North America	225.4	201.9		585.1	538.3	
<i>As reported</i>			-10.4%			-8.0%
<i>At constant currencies</i>			-1.4%			-0.9%
<i>On a comparative basis</i>			-1.4%			+0.6%
3 – Developing Markets	132.9	132.3		375.8	417.5	
<i>As reported</i>			-0.4%			+11.1%
<i>At constant currencies</i>			+2.9%			+10.9%
<i>On a comparative basis</i>			+4.6%			+11.5%

Impact of change in perimeter and currencies fluctuations

<i>in %</i>	Q3 2010	Q3 2011	9M 2010	9M 2011
Perimeter	-0.9	-0.6	+6.2	-1.1
Currencies	+10.0	-5.2	+7.0	-3.0
<i>Of which USD</i>	+5.0	-4.1	+2.3	-3.1
<i>Of which BRL</i>	+2.1	-0.3	+2.2	+0.3



IFO and Normalized IFO by category

<i>In million euros</i>	Income From Operations				Normalized Income From Operations			
	Q3 2010	Q3 2011	9M 2010	9M 2011	Q3 2010	Q3 2011	9M 2010	9M 2011
Group	90.1	89.7	232.9	264.6	92.2	91.0	234.6	276.3
Consumer	81.3	83.6	222.5	262.0	81.6	83.6	223.6	270.5
Stationery	27.6	21.3	64.1	74.2	27.7	21.3	65.2	74.2
Lighters	45.3	48.1	131.6	150.4	45.4	48.1	131.5	150.4
Shavers	11.2	16.7	34.0	49.0	11.3	16.7	34.0	49.0
Other	-2.8	-2.5	-7.2	-11.5	-2.8	-2.5	-7.0	-3.0
APP	8.8	6.1	10.3	2.6	10.6	7.4	11.0	5.8

Condensed Profit and Loss Account

<i>In million euros</i>	Q3 2010	Q3 2011	Change as reported	Change at constant currencies ¹	Change on a comp. basis ¹	9M 2010	9M 2011	Change as reported	Change at constant currencies ¹	Change on a comp. basis ¹
NET SALES	492.6	468.2	-5.0%	+0.2%	+0.8%	1,358.2	1,354.3	-0.3%	+2.7%	+3.8%
Cost of Goods	258.5	246.7				716.0	689.3			
GROSS PROFIT	234.1	221.5				642.2	665.0			
Administrative & other operating expenses	144.0	131.7				409.3	400.4			
INCOME FROM OPERATIONS (IFO)	90.1	89.8				232.9	264.6			
Finance revenue/costs	-1.5	6.3				-0.3	4.3			
INCOME BEFORE TAX	88.6	96.0				232.6	268.9			
Income tax	28.6	31.8				75.3	89.2			
Income from associates	1.2	1.2				3.6	4.1			
GROUP NET INCOME	61.1	65.4				160.9	183.9			
EARNINGS PER SHARE (EPS) (in euros)	1.26	1.37	+8.7%			3.32	3.85	+16.0%		
Total weighted number of shares outstanding adjusted for treasury shares	48,403,786	47,761,438				48,403,786	47,761,438			

¹ See glossary page 9.

Condensed Balance Sheet

<i>In million euros</i>		
ASSETS	Sept. 2010	Sept. 2011
Non-current assets	851.8	831.7
Current assets	1,116.5	1,178.0
<i>Of which Cash & Cash Equivalents</i>	302.4	303.0
TOTAL ASSETS	1,968.3	2,009.7
LIABILITIES & SHAREHOLDERS' EQUITY	Sept. 2010	Sept. 2011
Shareholders' equity	1,366.2	1,432.0
Non-current liabilities	264.1	224.6
Current liabilities	338.0	353.1
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	1,968.3	2,009.7

Share buy-back program

<i>2011</i>	Number of shares bought	Average weighted price in €	Amount in M€
January	-	-	-
February	108,841	61.66	6.7
March	341,038	62.41	21.3
April	69,898	64.87	4.5
May	189,537	65.29	12.4
June	99,634	63.53	6.3
August	409,170	61.96	25.4
September	86,718	63.30	5.5
Total 9M 2011	1,304,836	62.90	82.1



Glossary

- **At constant currencies:** Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates. All net sales category comments are made at constant currencies or comparative basis.
- **Comparative basis:** at constant currencies and constant perimeter. Figures at constant perimeter exclude the impacts of acquisitions and/or disposals that occurred during the current year and/or during the previous year, until their anniversary date. Figures at comparative basis exclude, for 9M 2010, net sales from BIC APP funeral products business, disposed in June 2010, net sales of BIC APP Italy direct business, disposed in January 2011, net sales of PIMACO BtoB activities in Brazil and REVA Australian peg business disposed in Q2 2011.
- **Normalized IFO:** normalized means excluding restructuring, BIC APP integration plan expenses, real estate gains and divestiture results of the REVA pegs business in Australia and PIMACO business-to-business divisions in Brazil.

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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 the section, "Risk factors" in BIC's 2010 Registration Document filed with the French financial markets authority (AMF) on March 31, 2011.

A presentation related to this announcement is available on BIC's web site: www.bicworld.com, headline Finance.

2011-2012 Agenda (all dates to be confirmed)

FY 2011 results	February 15, 2012	Meeting (BIC headquarters)
1 st Quarter 2011 results	April 25, 2012	Conference call
2011 AGM	May 10, 2012	BIC headquarters

About BIC

BIC is a world leader in stationery, lighters, shavers and promotional products. For more than 60 years, BIC has honored the tradition of providing high-quality, affordable products to consumers everywhere. Through this unwavering dedication, BIC has become one of the most recognized brands in the world. BIC products are sold in more than 160 countries around the world. In 2010, BIC recorded net sales of 1,831.5 million euros. The Company is listed on "Euronext Paris" and is part of the SBF120 and CAC Mid 60 indexes. BIC is also part of the following SRI indexes: FTSE4Good Europe, ASPI Eurozone, Ethibel Excellence Europe and Carbon Disclosure French Leadership index 2010 (CDLI).



For more information, please consult the corporate web site: www.bicworld.com

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