

19 April 2005



**Text of resolutions**

**Joint Extraordinary and Ordinary  
Annual Shareholders' Meeting**

**SOCIÉTÉ BIC**  
**Thursday, May 19, 2005**

SOCIÉTÉ BIC  
14, rue Jeanne d'Asnières  
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[www.bicworld.com](http://www.bicworld.com)

This translation is given for information only.  
Only the French version shall be deemed authentic.

## **ANNUAL SHAREHOLDERS' MEETING OF SOCIÉTÉ BIC**

Thursday, May 19, 2005

### **TEXT OF RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS**

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#### **I. Resolutions of the competence of the Ordinary Meeting of Shareholders**

##### Resolution One (Approval of the Statutory Accounts for Fiscal Year 2004)

The Shareholders' Meeting, after having been advised by the management report of the Board of Directors and the statutory Auditors' report and having heard the additional explanations given at the General Meeting, approves the annual financial statements for fiscal year ending December 31, 2004. It also approves all the operations reflected in the accounts or summarized in the documents provided.

##### Resolution Two (Approval of the Consolidated Financial Statements for Fiscal Year 2004)

The Shareholders' Meeting, after having been advised by the management report of the Board of Directors and the statutory Auditors' report and having heard the additional explanations given at the General Meeting, approves the consolidated financial statements for fiscal year ending December 31, 2004. It also approves all the operations reflected in the accounts or summarized in the documents provided.

##### Resolution Three (Appropriation of Earnings – Dividends)

The Shareholders' Meeting sets total net income after tax for the financial year ending December 31, 2004 at 171,105,342.80 euro and decides to allocate this amount in the following manner :

Net Income after Tax 2004	171,105,342.80 euro
<u>To add :</u>	
- Retained earnings before appropriation of earnings	140,760,280.43 euro
<i>Total of distributable on income</i>	<i>311,865,623.23 euro</i>
<u>Appropriation of earnings :</u>	
- Dividends paid to shareholders (except the shares held by the Company)	97,569,226.40 euro
- Retained earnings after appropriation of earnings	214,296,396.83 euro
<i>Total equal to distributable profits</i>	<i>311,865,623.23 euro.</i>

The amount of dividends for the financial year ending December 31, 2004 will be 97,569,226.40 euro corresponding to a dividend per share of 1.90 euro.

Considering the interim dividend of 0,40 euro decided by the Board of Directors of September 8, 2004 and paid as from November 3, 2004, the remaining dividend of 1.50 euro will be paid as from May 27, 2005. The total amount of the distribution and the retained earnings will be possibly adjusted according to the number of the BIC shares held by the Company at the time of the payment of the dividend.

It is hereby specified that :

- only the interim dividend paid in 2004 benefit from the French tax credit («avoir fiscal»): this tax credit can be used by individuals and also by the legal entities if the latter have used it before December 31<sup>st</sup> 2004 (Article 158bis of the French Tax Code),
- concerning the dividend balance to be paid as from May 27<sup>th</sup> 2005, the French tax residents will be entitled to a 50% tax allowance (article 158-3 of the French Tax Code).

In accordance with the law, the following is a table showing dividends distributed during the last three years :

Fiscal Year	Number of shares	Dividend per share	Tax credit* per share	Total earnings per share
2001	54,699,577	0.65 €	0.325 €	0.975 €
2002	54,069,617	0.80 €	0.40 €	1.20 €
2003	53,223,520	0.80 €	0.40 €	1.20 €

\*On the basis of a tax credit calculated at the rate of 50 %

#### Resolution Four (Approval of Agreements involving directors of the Company)

The Shareholders' Meeting, after having been advised about the Auditors' special report concerning the agreements pursuant to Articles L. 225-38 and following of the French Commercial Code, approves the contents of the said report.

#### Resolution Five (Determination of the Directors' Fees)

The Shareholders' Meeting decides to fix the annual amount of the directors' fees to be paid to the Board of Directors at 124,000 euro, for the financial year 2005.

#### Resolution Six (Authorization given to the Board of Directors to undertake operations with regards to the shares of the Company)

The Shareholders' Meeting, after having been advised about the report of the Board of Directors, and in accordance with the provisions of Article L 225-209 of the French Commercial Code, authorizes the Board of Directors to purchase the shares of the Company.

The acquisition, sale, transfer or exchange of the shares may be executed through all legal means, including the use of derivated financial instruments – particularly options, in accordance with the terms and conditions authorized by the competent market authority and when the Board of Directors or the person acting on the Board of Directors' authority decides.

The maximum purchase price is fixed at 55 euro, exclusive of costs, and the minimum sale price at 25 euro, exclusive of costs.

In the case of capitalization of reserves and the attribution of shares at zero price or a split or consolidation of shares, the prices indicated above shall be adjusted using a multiplier equal to the number of shares composing the capital stock before the transaction divided by the number of such shares after the transaction.

The maximum percentage of the share capital that can be repurchased by the Company in this operation cannot at any time exceed 10% of the total share capital.

Acquisition of shares by whatever means can serve to:

- optimize the capital management of SOCIÉTÉ BIC and increase value for its equity shareholders through share buyback and cancellation programs, as authorized by legislation,
- grant shares to employees and officers of the Company within the BIC Group, in accordance with current legal regulations, for use in the stock option plan, employee savings plan, or long-term incentive plan
- ensure buy/sell liquidity of BIC shares through a liquidity agreement with an investment service supplier in accordance with A.M.F. Autorité des Marchés Financiers (Paris Stock Exchange Authorities)

- hold shares for their future use in payment, or exchange, in case of acquisition and/or investment.

The shares so acquired may be held, sold or transferred. They may also be cancelled, on condition that this cancellation does not exceed 10 % of the total share capital by 24 months periods and is authorized by a resolution to that effect adopted by a special resolution of the Extraordinary Shareholders' Meeting.

This authorization expires at the conclusion of the Shareholders' Meeting called to approve the accounts of the fiscal year ending December 31, 2005.

It cancels and replaces the unused portion of the authorization given in the Sixth Resolution approved by the Shareholders' Meeting of June 3, 2004.

The Board is given all necessary power, including the possibility of delegating the same, to ensure the execution of this authorization.

#### Resolution Seven (Reappointment of the company DELOITTE & ASSOCIES as Statutory Auditors)

The Shareholders' Meeting decides to renew, for a period of six fiscal years, the mandate of Statutory Auditors of the company DELOITTE & ASSOCIES, previously DELOITTE TOUCHE TOHMATSU.

The term of DELOITTE & ASSOCIES will thus expire at the end of the Shareholders' Meeting called to vote in 2011 upon the approval of the accounts for the financial year ending December 31, 2010.

#### Resolution Eight (Reappointment of the company BEAS as Substitute Auditor)

The Shareholders' Meeting decides to renew, for a period of six fiscal years, the mandate of Substitute Auditor of the company BEAS, substitute auditor of the company DELOITTE & ASSOCIES.

The term of the company BEAS will thus expire at the end of the Shareholders' Meeting called to vote in 2011 upon the approval of the accounts for the financial year ending December 31, 2010.

#### Resolution Nine (Appointment of a second Statutory Auditor)

The Shareholders' Meeting decides to appoint, for a period of six fiscal years, the company BDO Marque et Gendrot, located at 25 quai Carnot 922210 SAINT-CLOUD, as second Statutory Auditor, in replacement of Mr. Alain LAINE.

The term of the company BDO Marque et Gendrot will thus expire at the end of the Shareholders' Meeting called to vote in 2011 upon the approval of the accounts for the financial year ending December 31, 2010.

Resolution Ten (Appointment of a second Substitute Auditor)

The Shareholders' Meeting decides to appoint, for a period of six fiscal years, M. Patrick GIFFAUX, located at 25 quai Carnot 922210 SAINT-CLOUD, as substitute auditor of the company BDO Marque et Gendrot, in replacement of the company PROXIMA.

The term of , M. Patrick GIFFAUX will thus expire at the end of the Shareholders' Meeting called to vote in 2011 upon the approval of the accounts for the financial year ending December 31, 2010.

<b>II. Resolutions of the competence of the Extraordinary Shareholders' Meeting</b>
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Resolution Eleven (Authorization given to the Board of Directors to cancel Shares acquired by the Company and to reduce the Capital)

The Extraordinary Shareholders' Meeting, having taken note of the report of the Board of Directors and the Auditors' special report, authorizes the Board of Directors, in accordance with the Article L. 225-209 of the French Commercial Code, to cancel, either in one or several operations, by means of a correlative reduction of the share capital all or a part of the shares held by the Company, by virtue of the authorizations. Such cancellation of shares is limited to 10% of the capital by 24 months periods. This authorization is valid until the date of the Shareholders' Meeting called to vote upon the approval of the accounts for the financial year closed at December 31, 2005.

The Shareholders' Meeting gives the Board of Directors all power and authority to proceed with this/these cancellation(s) of shares, to establish the correlative reduction(s) of the share capital, to settle any and all disagreements or to charge the difference between the share purchase price of the shares cancelled and their nominal value to the reserve or paid-in capital of their choice, to proceed with the correlating modifications to the Company's Articles of Association, to carry out all formalities, to make all statements to all organizations.

Resolution Twelve (Authorization given to the Board of Directors to proceed to the allocation of free shares)

The Extraordinary Shareholders' meeting, after having been advised by the management report of the Board of Directors and the statutory Auditors' special report, in accordance with the articles L.225-197-1 and following of the French Commercial Code :

- authorizes the Board of Directors to proceed in one or more occasions, with allocation of free shares to emit or existing shares of SOCIÉTÉ BIC ;
- decides that the recipients of the free shares are employees, or only certain categories of them, and officers, of SOCIÉTÉ BIC and of companies which are bound to it, directly or indirectly, in accordance with Article L.225-197-2 of the French Commercial Code ;
- decides that the Board of Directors will determine the identity of the recipients of the free shares, the conditions and, if necessary, the criteria of allocation of the shares ;
- decides that the total number of the free shares granted increased by the number of shares increased coming from the subscription / purchase of shares plan currently in force and still which can be allotted will not exceed 10 % of the capital of SOCIÉTÉ BIC determined at this date ;
- decides that the allocation of the shares to their recipients will be definitive only at the end of a minimal period of acquisition of two years as from their allocation by the Board of Directors ;
- fixes the minimal duration of retaining of the shares by their recipients at two years as from their final allocation ;
- takes note that the present decision includes the issue of new shares by incorporation of reserves or premiums to the sole profit of the recipients referred to above ;
- fixes to thirty-eight months, as from this date, the period of validity of the present authorization.

The Extraordinary Shareholders' meeting delegates all powers to the Board of Directors, with faculty of delegation within the legal limits, to implement the present authorization, to carry out all acts, formalities and declarations, to proceed, if necessary, with the adjustments related to the possible operations on the capital of the company, to carry out any levy on the reserves and/or premiums of the company for the purpose of carrying out capital increase(s), consecutive of the definitive allocations of shares to emit, to take note of capital increase(s) carried out pursuant to the present authorization, to amend consequently the Articles of Association and, generally, to do all that will be necessary.

#### Resolution Thirteen (Proxies for carrying out legal formalities)

The Shareholders' Meeting gives proxy to the bearer of a copy or relevant portion of the present document to carry out any and all required legal formalities.

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