



BIC GROUP – PRESS RELEASE CLICHY – 21 OCTOBER 2015

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BIC GROUP – THIRD QUARTER AND 9 MONTHS 2015 RESULTS

- **9 month 2015 Net Sales: 1,682.3 million euros, up 14.8% as reported and +5.8% on a comparative basis***
 - Consumer business up 6.6% on a comparative basis
 - BIC Graphic stable on a comparative basis
- **9 month 2015 Normalized* IFO: 343.4 million euros, up 22.9%**
 - Normalized* IFO margin: 20.4% (vs. 19.1% in 2014)
- **9 month 2015 Net Income Group share: 252.9 million euros, up 25.0%**
 - EPS Group share: 5.36 euros, up 24.7%
- **September 2015 Net Cash position: 360.3 million euros**

Q3 and 9M 2015 Key operational figures

	Net Sales growth on a comparative basis*		Normalized IFO margin*	
	Q3	9M	Q3	9M
Group	+4.8%	+5.8%	19.0%	20.4%
<i>Consumer business</i>	+6.2%	+6.6%	21.2%	23.5%
• Stationery	+6.1%	+3.5%	10.4%	14.0%
• Lighters	+5.2%	+8.1%	39.8%	39.7%
• Shavers	+10.3%	+11.4%	17.0%	19.1%
<i>BIC Graphic</i>	-3.4%	0.0%	5.6%	-0.9%

Commenting on BIC Group results, Mario Guevara, Chief Executive Officer, said: “Year-to-date results were good, with solid growth in all Consumer categories, reinforcing our confidence that we will achieve our 2015 objectives.

Net Sales growth was well balanced across geographies, with mid-single digit increases in both developed and developing markets, including a good performance in Latin America. In Stationery, the back-to-school season sell-out was good in Europe, North America and Mexico while performance in Lighters and Shavers continued to be strong.”

Full Year 2015 Outlook

Group Net Sales should grow between 4% and 5% on a comparative basis.
The **Group Normalized IFO margin** is expected to increase slightly compared to last year.

* See glossary page 11

KEY FIGURES

<i>In million euros</i> <i>See glossary page 11</i>	THIRD QUARTER					9 MONTHS				
	2014*	2015	Change as reported	Change at constant currencies	Change on a comp. basis	2014*	2015	Change as reported	Change at constant currencies	Change on a comp. basis
GROUP										
Net Sales	496.8	548.3	+10.4%	+4.1%	+4.8%	1,465.3	1,682.3	+14.8%	+5.1%	+5.8%
Gross Profit	247.0	272.8	+10.5%			723.9	842.6	+16.4%		
Normalized Income From Operations	94.7	104.2	+10.0%			279.4	343.4	+22.9%		
<i>Normalized IFO Margin</i>	19.1%	19.0%				19.1%	20.4%			
Income From Operations	94.7	104.2	+10.0%			291.4	345.7	+18.6%		
<i>IFO Margin</i>	19.1%	19.0%				19.9%	20.5%			
Net Income Group Share	66.6	76.3	+14.6%			202.3	252.9	+25.0%		
Earnings Per Share Group Share (in euros)	1.42	1.62	+14.1%			4.30	5.36	+24.7%		
BY CATEGORY										
<i>Stationery</i>										
Net Sales	169.2	184.3	+8.9%	+4.0%	+6.1%	525.2	574.6	+9.4%	+1.7%	+3.5%
IFO	18.4	19.2	+4.5%			74.0	79.7	+7.7%		
<i>IFO margin</i>	10.8%	10.4%				14.1%	13.9%			
Normalized IFO margin	10.8%	10.4%				13.4%	14.0%			
<i>Lighters</i>										
Net Sales	143.6	158.8	+10.6%	+5.2%	+5.2%	423.0	500.7	+18.4%	+8.1%	+8.1%
IFO	54.4	63.2	+16.2%			170.7	199.8	+17.0%		
<i>IFO margin</i>	37.9%	39.8%				40.4%	39.9%			
Normalized IFO margin	37.9%	39.8%				38.6%	39.7%			
<i>Shavers</i>										
Net Sales	97.9	113.0	+15.4%	+10.3%	+10.3%	284.9	343.2	+20.4%	+11.4%	+11.4%
IFO	19.2	19.2	-0.1%			53.6	64.0	+19.3%		
<i>IFO margin</i>	19.6%	17.0%				18.8%	18.6%			
Normalized IFO margin	19.6%	17.0%				18.4%	19.1%			
<i>Other Products</i>										
Net Sales	15.3	13.9	-8.9%	-10.9%	-10.9%	50.5	53.0	+4.9%	-0.6%	-0.6%
<i>Total Consumer business</i>										
Net Sales	426.0	470.0	+10.3%	+5.3%	+6.2%	1,283.6	1,471.5	+14.6%	+5.8%	+6.6%
IFO	91.2	99.8	+9.5%			292.6	346.1	+18.3%		
<i>IFO Margin</i>	21.4%	21.2%				22.8%	23.5%			
Normalized IFO margin	21.4%	21.2%				21.8%	23.5%			
<i>BIC Graphic</i>										
Net Sales	70.8	78.3	+10.7%	-3.4%	-3.4%	181.7	210.8	+16.0%	0.0%	0.0%
IFO	3.6	4.3	+22.1%			-1.3	-0.4	+68.5%		
<i>IFO margin</i>	5.0%	5.6%				-0.7%	-0.2%			
Normalized IFO margin	5.0%	5.6%				-0.6%	-0.9%			

*: restated from IFRIC 21

9 MONTHS GROUP OPERATIONAL TRENDS

Net Sales

For the first 9 months 2015, Net Sales were 1,682.3 million euros, up 14.8% as reported, +5.1% at constant currencies, and +5.8% on a comparative basis. The positive impact of currency fluctuations (+9.7%) was due to the increase of the USD against the EUR.

- **Consumer business** grew 6.6% on a comparative basis with a solid performance across all geographies (Europe +5.4%, North America +7.2%, Developing Markets +6.9%).
- **BIC Graphic** Net Sales were stable on a comparative basis.

Gross Profit margin

9 months 2015 Gross Profit margin increased 0.7 point to 50.1% of sales versus 49.4% in 2014, benefiting from better costs of production including cost efficiencies, favorable raw material and FX impacts.

Income From Operations and Normalized Income From Operations

9 months 2015 Normalized IFO was 343.4 million euros (20.4% normalized IFO margin). Consumer business normalized IFO margin was 23.5%, an increase of 1.7 points, driven notably by a decrease in expenses related to the portable Fuel Cell project (sold in early April 2015). BIC Graphic normalized IFO margin decreased 0.3 point to -0.9%.

The key components of the change in normalized IFO margin were:

In points	Q3 2014 vs. 2013	Q3 2015 vs. 2014	9M 2014 vs. 2013	9M 2015 vs. 2014
• Change in Gross Profit margin	-0.5	+0.1	+0.7	+0.7
• Brand support	-0.2	-0.3	-	+0.1
• OPEX and other expenses	-0.4	+0.1	-0.4	+0.5
• Cello Pens consolidation impact on normalized IFO	-0.2	-	-0.1	-
Total impact	+1.6	-0.1	+0.2	+1.3

Non-recurring items

In million euros	H1 2014	H1 2015	Q3 2014	Q3 2015	9M 2014	9M 2015
Income From Operations	196.6	241.5	94.7	104.2	291.4	345.7
As % of Net Sales	20.3%	21.3%	19.1%	19.0%	19.9%	20.5%
• Restructuring costs (including those related to distribution reorganization in the Middle East and Africa regions)	+0.2	+4.5	-	-	+0.2	+4.5
• Retiree medical adjustments in the U.S.	-12.2	-	-	-	-12.2	-
• Fuel Cell divestiture net of restructuring costs	-	-2.2	-	-	-	-2.2
• Impact of lump sum election for terminated vested pension participants	-	-4.6	-	-	-	-4.6
Normalized IFO	184.6	239.2	94.7	104.2	279.4	343.4
As % of Net Sales	19.1%	21.1%	19.1%	19.0%	19.1%	20.4%

Net Income and EPS

Income before tax increased 23.5% as reported to 363.6 million euros. Net finance revenue increased to 17.9 million euros compared to 2.9 million euros in 2014 due to the favorable revaluation of financial assets denominated in USD.

Net Income Group share was 252.9 million euros, a 25.0% increase as reported. The tax rate was 30.0%.

EPS Group share was 5.36 euros compared to 4.30 euros in 2014, up 24.7%. Normalized EPS Group share increased 29.4% to 5.33 euros compared to 4.12 euros in 2014.

Net cash position

At the end of September 2015, the net cash position was 360.3 million euros of which -80.7 million euros from the Cello Pens put option valuation.

Evolution of Net Cash Position (in million euros)

	9M 2014	9M 2015
Net Cash position at the beginning of the period (December)	196.7	320.2
• Net cash from operating activities	+245.7	+265.1
○ <i>Of which operating cash flow</i>	+272.0	+345.7
○ <i>Of which change in working capital and others</i>	-26.3	-80.6
• CAPEX	-75.6	-76.1
• Dividend payment	-122.4	-134.8
• Share buy-back program	-	-26.3
• Cash received from the exercise of stock options and liquidity contract	+13.6	+8.9
• Total Fuel Cell divestiture ¹	-	+14.0
• Others	-6.2	-10.7
Net Cash position at the end of the period (September)	251.8	360.3

Net cash from operating activities was +265.1 million euros, with +345.7 million euros in operating cash flow from operations and a change in working capital of -80.6 million euros, notably impacted by the increase in inventories in line with the expected sales activity for the end of the year and by an increase in payables linked to strong promotional activity during the Third Quarter.

Shareholders' remuneration

- Dividend: 134.8 million euros (2.85 euros ordinary dividend per share paid in May 2015)
- Share buy-back: 26.3 million euros (180,213 shares bought in May 2015)

¹ See page 7

OPERATIONAL TRENDS BY CATEGORY

CONSUMER CATEGORIES

Stationery

9 months 2015 Stationery Net Sales increased 9.4% as reported and +3.5% on a comparative basis. Third quarter 2015 Net Sales were up 8.9% as reported and up +6.1% on a comparative basis.

Developed markets

- **In Europe**, Net Sales grew high-single digit with positive results in all regions. The 2015 back-to-school sell-out was good, recording market share highs in most countries, notably in France where we gained market share for the 11th year in a row.
- **In North America**, 9 months BIC Net Sales increased low-single digit. Q3 double digit net sales growth was driven by the timing of the back-to-school sell-in (2014 early back-to-school shipments registered in June, while this year they were registered in July). In an intensely competitive environment, back-to-school sell-out increased mid-single digit driven by the execution of our champion brand strategy and our new product introductions (e.g.: the BIC[®] Atlantis range and BIC[®] X-tra fun graphite pencils).

Developing Markets

9 months 2015 Net Sales grew low-single digit.

- **In Latin America**, Net Sales grew high-single digit. In Brazil, we continued to outperform the market with strong gains in ball pen, marking and coloring segments in which BIC gained leadership in Modern Trade. In Mexico, the back-to-school season sell-out was good and we regained market shares.
- **In the Middle East and Africa** region, we continued to expand our distribution and to increase the visibility of the BIC[®] brand and products.
- **In India**, Cello Pens 9 months Net Sales declined low-single digit. Domestic sales were flat, with Q3 up low-single digit thanks to a good performance in ball pens, sustained by good work by the teams on distribution and strong trade promotions.

9 months 2015 Stationery normalized IFO margin was 14.0% compared to 13.4% in 2014, benefiting from more favorable costs of production and operating expenses. Q3 2015 normalized IFO margin was 10.4% compared to 10.8% in Q3 2014.

Lighters

9 months 2015 Lighters Net Sales increased 18.4% as reported and +8.1% on a comparative basis. Third quarter Net Sales were up 10.6% as reported and +5.2% on a comparative basis.

Developed markets

- **In Europe**, Net Sales increased mid-single digit with market share gains mainly in Eastern Europe.
- **In North America**, Net Sales increased high-single digit, driven by further distribution gains, the continued success of our added-value sleeved lighters, the growth of utility lighters and the impact of Q2 2015 price adjustment in the United States.

Developing Markets

9 months 2015 Net Sales increased double digit notably driven by distribution gains in Latin America (mainly in Mexico) and Asia. Growth continued to be strong in Middle-East and Africa thanks to improved distribution and visibility.

9 months 2015 Lighters Normalized IFO was 39.7% compared to 38.6% in 2014. This improvement is due to the impact of Q2 2015 price increase in the U.S., combined with favorable mix impact, positive raw material impact and favorable fixed costs absorption. Q3 2015 Normalized IFO margin was 39.8% compared to 37.9% in Q3 2014.

Shavers

9 months 2015 Shavers Net Sales increased 20.4% as reported and +11.4% on a comparative basis. Third quarter Net Sales were up 15.4% as reported and +10.3% on a comparative basis.

Developed markets

- **In Europe**, Net Sales grew high-single digit, driven by good performances in both Western and Eastern Europe.
- **In North America**, Net Sales increased double digit as we continued to benefit from a strong new product pipeline supported by the on-going success of our high quality shave at a fair price positioning. At the end of September 2015, the BIC® Flex 5 confirmed its Number 2 position in volume for the 5 blade one-piece shavers in the U.S.

Developing Markets

9 months 2015 Net Sales increased double digit. **Latin America** was driven by a strong performance in Mexico (market share gains) and continued growth in Brazil thanks to the success of added value shavers, notably the BIC® Soleil®.

9 months 2015 Shavers normalized IFO margin was 19.1% compared to 18.4% in 2014. The increase in margin was driven by Net Sales growth, positive FX impact on Gross Profit which more than offset the increase in brand support compared to last year. Third quarter Shaver Normalized IFO margin was 17.0% compared to 19.6% as of Q3 2014, impacted by less favorable Gross Profit compared to first half 2015 and, as expected, an increase in brand support.

Other Consumer Products

9 months 2015 Other Consumer Products Net Sales increased 4.9% as reported and down 0.6% on a comparative basis. Third quarter Net Sales were down 8.9% as reported and -10.9% on a comparative basis.

9 months 2015 BIC Sport Net Sales grew mid-single digit on a comparative basis.

Other Consumer Products 9 months 2015 Normalized IFO was 0.4 million euros, compared to -5.7 million euros in 9 months 2014, which included expenses related to the portable Fuel Cell project (sold in early April 2015).

BIC GRAPHIC

9 months 2015 BIC Graphic Net Sales increased 16.0% as reported and were stable on a comparative basis. Third quarter 2015 Net Sales were up 10.7% as reported and down 3.4% on a comparative basis.

- In **Europe**, 9 months Net Sales increased low-single digit driven by the good performance in both Stationery and Hard Goods. BIC Graphic confirmed its sales recovery with positive growth for the 5th consecutive quarter.
- In **North America**, 9 months Net Sales were impacted by a timing impact in Calendars (shipments shifted from September to October). The Hard Goods segment continued to perform well, thanks to the “good value” proposition, new product launches and BritePix imprinted technology.
- In **Developing Markets**, 9 months Net Sales increased double digit thanks to the strong performance in Latin America and Asia.

Excluding the negative timing impact in Calendars, BIC Graphic Net Sales at the end of September 2015 would have increased low-single digit, in line with our expectations.

9 months 2015 Normalized IFO margin was -0.9% compared to -0.6% in 2014. Q3 2015 BIC Graphic Normalized IFO margin improved to 5.6% compared to 5.0% in Q3 2014.

ACQUISITION - CAPEX - MISCELLANEOUS

FUEL CELL

On 7 April 2015, BIC Group announced that, following the binding agreement signed on 27 February 2015, BIC's Portable Fuel Cell Technology had been sold to Intelligent Energy for 14 million euros. The transaction included all assets (patents and related technology and know-how). The agreement includes a potential earn out of up to 7 million U.S. dollars (approx. 6.5 million euros¹).

Industrial facilities modernization

On 2 October 2015, the BIC Group presented an investment project to the works council of its subsidiary Conté (Stationery Category) intended to modernize its industrial facilities in the North of France (Pas-de-Calais). The project includes the transfer of the majority of production lines currently in Boulogne-sur-Mer to another existing site in Samer, in the same region.

This industrial project would

- Consolidate the production of high growth, mass-produced products at a modern, integrated and competitive site,
- Strengthen the region of Boulogne-sur-Mer, BIC's historical center of expertise in mechanical pencils, graphite pencils and coloring products.

Planned over a 5 year period, the project includes an investment of 12 million euros to extend the production facility at Samer, the site at which employees would be offered a position as the project is completed.

¹ 1.0830 USD = 1 EUR ECB reference rate at 02-APR-2015

BIC GROUP NET SALES CHANGE BY GEOGRAPHY

<i>In million euros</i>	Q3 2014	Q3 2015	Change	9M 2014	9M 2015	Change
Total Group Net Sales	496.8	548.3		1,465.3	1,682.3	
<i>As reported</i>			+10.4%			+14.8%
<i>On a comparative basis</i>			+4.8%			+5.8%
1 – Europe	130.2	131.4		395.3	408.9	
<i>As reported</i>			+0.9%			+3.5%
<i>On a comparative basis</i>			+3.5%			+5.1%
2 – North America	220.7	268.7		615.2	780.2	
<i>As reported</i>			+21.7%			+26.8%
<i>On a comparative basis</i>			+2.9%			+5.0%
3 – Developing Markets	145.9	148.3		454.8	493.2	
<i>As reported</i>			+1.6%			+8.5%
<i>On a comparative basis</i>			+9.0%			+7.4%

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS

<i>in %</i>	Q3 2014	Q3 2015	9M 2014	9M 2015
Perimeter	+4.2	-0.7	+4.2	-0.7
Currencies	-1.2	+6.3	-5.1	+9.7
<i>Of which USD</i>	-0.1	+8.8	-1.3	+9.5
<i>Of which BRL</i>	+0.1	-2.3	-1.1	-1.1
<i>Of which ARS</i>	-0.7	+0.1	-1.2	+0.2
<i>Of which INR</i>	-	+0.4	-	+0.6
<i>Of which MXN</i>	-0.1	-0.2	-0.4	+0.2
<i>Of which Russia and Ukraine</i>	-0.3	-0.6	-0.2	-0.5

IFO AND NORMALIZED IFO BY CATEGORY

<i>In million euros</i>	Income From Operations				Normalized Income From Operations			
	Q3 2014	Q3 2015	9M 2014	9M 2015	Q3 2014	Q3 2015	9M 2014	9M 2015
Group	94.7	104.2	291.4	345.7	94.7	104.2	279.4	343.4
Consumer	91.2	99.8	292.6	346.1	91.2	99.8	280.4	345.3
Stationery	18.4	19.2	74.0	79.7	18.4	19.2	70.4	80.4
Lighters	54.4	63.2	170.7	199.8	54.4	63.2	163.4	198.8
Shavers	19.2	19.2	53.6	64.0	19.2	19.2	52.3	65.6
Others	-0.8	-1.8	-5.7	2.6	-0.8	-1.8	-5.7	0.4
BIC Graphic	3.6	4.3	-1.3	-0.4	3.6	4.3	-1.1	-1.9

CONDENSED PROFIT AND LOSS ACCOUNT

<i>In million euros</i>	Q3 2014 ¹	Q3 2015	Change as reported	Change on a comp. basis	9M 2014 ¹	9M 2015	Change as reported	Change on a comp. basis
NET SALES	496.8	548.3	+10.4%	+4.8%	1,465.3	1,682.3	+14.8%	+5.8%
Cost of Goods	-249.8	-275.5			-741.4	-839.7		
GROSS PROFIT	247.0	272.8	+10.5%		723.9	842.6	+16.4%	
Administrative & other operating expenses	-152.3	-168.6			-432.5	-496.9		
INCOME FROM OPERATIONS (IFO)	94.7	104.2	+10.0%		291.4	345.7	+18.6%	
Finance revenue/costs	+1.4	+6.1			+2.9	+17.9		
INCOME BEFORE TAX	96.2	110.3	+14.7%		294.3	363.6	+23.5%	
Income tax	-28.9	-33.1			-88.3	-109.2		
GROUP NET INCOME	67.3	77.2	+14.7%		206.0	254.4	+23.5%	
Non-controlling interest	-0.7	-0.9			-3.7	-1.5		
Net Income Group Share	66.6	76.3	+14.6%		202.3	252.9	+25.0%	
EPS Group Share (in euros)	1.42	1.62	+14.1%		4.30	5.36	+24.7%	
Total weighted number of shares outstanding adjusted for treasury shares	47,051,064	47,180,102			47,051,064	47,180,102		

¹ Restated from IFRIC 21

CONDENSED BALANCE SHEET

In million euros

ASSETS	Sept. 2014¹	Sept. 2015
Non-current assets	1,060.3	1,080.8
Current assets	1,275.1	1,448.9
<i>Of which cash & cash equivalents</i>	285.2	378.4
TOTAL ASSETS	2,335.4	2,529.7
LIABILITIES & SHAREHOLDERS' EQUITY	Sept. 2014¹	Sept. 2015
Shareholders' equity	1,598.8	1,757.5
Non-current liabilities	390.3	292.3
Current liabilities	346.3	479.9
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,335.4	2,529.7

SHARE BUY-BACK PROGRAM

	Number of shares bought	Average weighted price in euros	Amount in million euros
May 2015	180,213	146.00	26.3

CAPITAL AND VOTING RIGHTS, SEPTEMBER 30, 2015

As of September 30, 2015, the total number of issued shares of SOCIÉTÉ BIC was 48,102,255 shares, representing:

- 69,619,700 voting rights,
- 68,661,998 voting rights excluding shares without voting rights.

Total number of treasury shares held at the end of September 2015: 957,702.

¹ Restated in accordance with IFRIC 21 and the Cello Pens goodwill finalization

GLOSSARY

- **At constant currencies:** Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **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. All Net Sales category comments are made on a comparative basis.
- **Normalized IFO:** normalized means excluding non-recurring items.

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SOCIÉTÉ BIC consolidated and statutory financial statements as of September 30, 2015 have been closed by the Board of Directors on October 20, 2015. A presentation related to this announcement is also available on BIC's website (www.bicworld.com).

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 2014 registration document filed with the French financial markets authority (AMF) on 20 March 2015.

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

2015-2016 Agenda (all dates to be confirmed)

FY 2015 results	17 February 2016	Meeting – BIC Headquarters
1 st Quarter 2016 results	27 April 2016	Conference call
2016 AGM	18 May 2016	Meeting – BIC Headquarters
2 nd Quarter and 1 st Half 2016 results	4 August 2016	Conference call
3 rd Quarter 2016 results	26 October 2016	Conference call

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 2014, BIC recorded Net Sales of 1,979.1 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: Carbon Disclosure Leadership Index (CDLI), FTSE4Good Europe, Euronext Vigeo Europe 120, Ethibel Sustainability Excellence Europe, STOXX ESG Leaders and Gaia Index.

