



Q3 & 9M 2018 Results Presentation

October 24th, 2018





Q3 & 9M HIGHLIGHTS & CATEGORY SPOTLIGHTS

Gonzalve BICH

9 Months 2018 Key Messages

Continued
challenging trading
environment

Solid Q3
performance in
line with our
expectations

Continued
investments in
growth
opportunities
and operational
effectiveness

2018 Outlook
unchanged

Q3 & 9M 2018 Financial Performance



Net Sales
*Change on a
comparative basis*



Normalized IFO
Margin



Normalized EPS



Net Cash
Position



Category Spotlights

Stationery

Net Sales

Q3	199.1 M€	+ 6.8 %*
9M	600.4 M€	+ 2.0 %*

NIFO

Margin

Q3	10.3 M€	5.2 %
9M	57.3 M€	9.5 %

- Robust Back-to-School season in the Northern Hemisphere
- Strong e-commerce growth in both Europe and North America
- Launch of Cello One in India

Lighters

Net Sales

Q3	163.3 M€	+ 5.8 %*
9M	481.1 M€	0.0 %*

NIFO

Margin

Q3	58.3 M€	35.7 %
9M	176.0 M€	36.6 %

- Continued Distribution Gains in Eastern Europe
- Positive impact from April price increase in Q3 in the US
- Robust Q3 performance in Mexico driven by expansion in Convenience Stores

Shavers

Net Sales

Q3	103.9 M€	+ 4.1%*
9M	314.4 M€	- 0.9 %*

NIFO

Margin

Q3	10.4 M€	10.0 %
9M	35.0 M€	11.1 %

- On-going momentum in Russia
- Continued competitive environment in the US
- Distribution expansion and product trade-up in Brazil



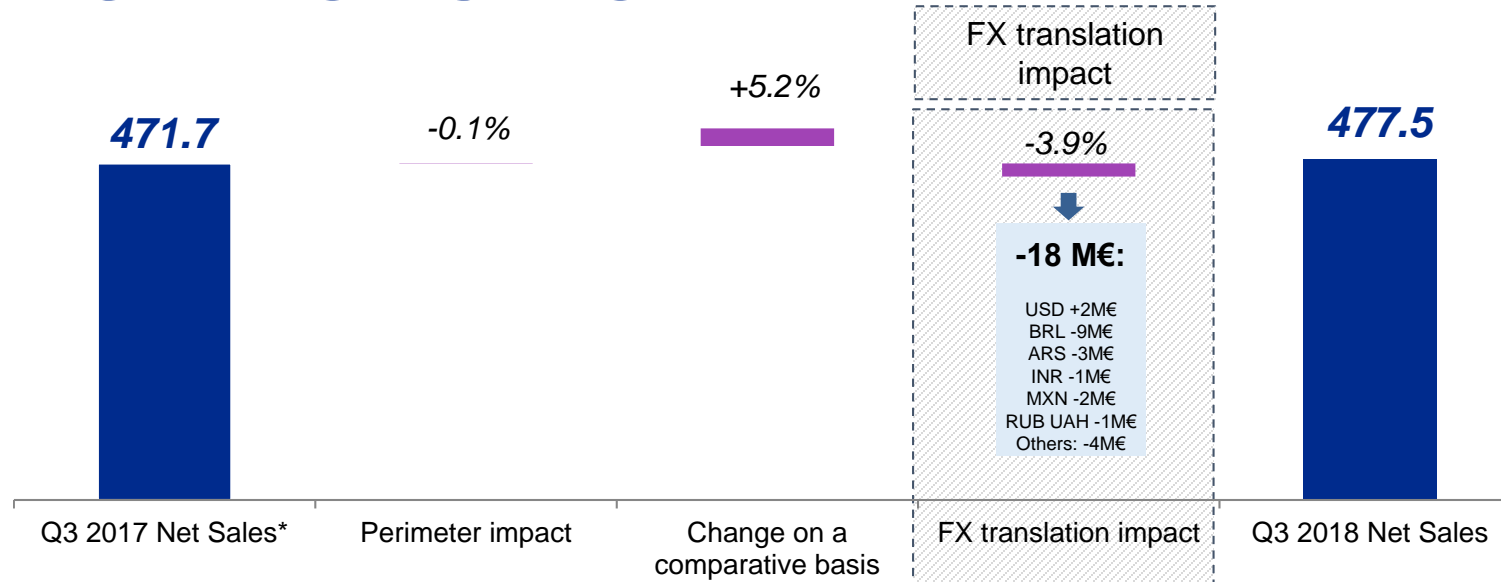
CONSOLIDATED RESULTS

Jim DiPietro

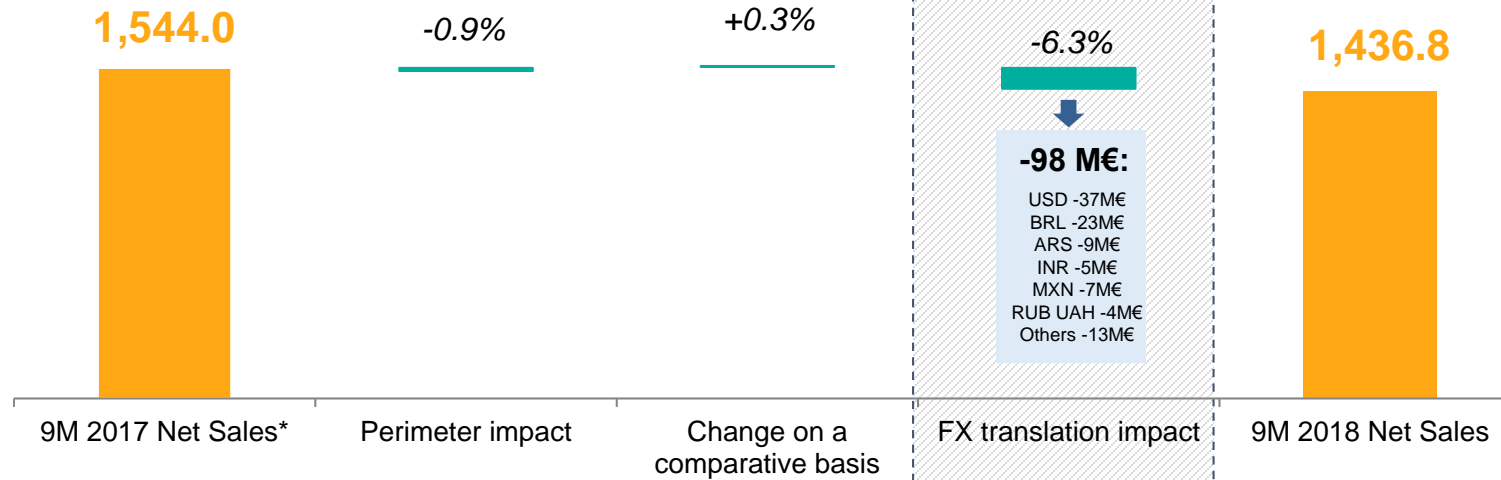
Q3 and 9M 2018

NET SALES EVOLUTION

**Q3
2018**



**9M
2018**



* 2017 figures restated from IFRS15

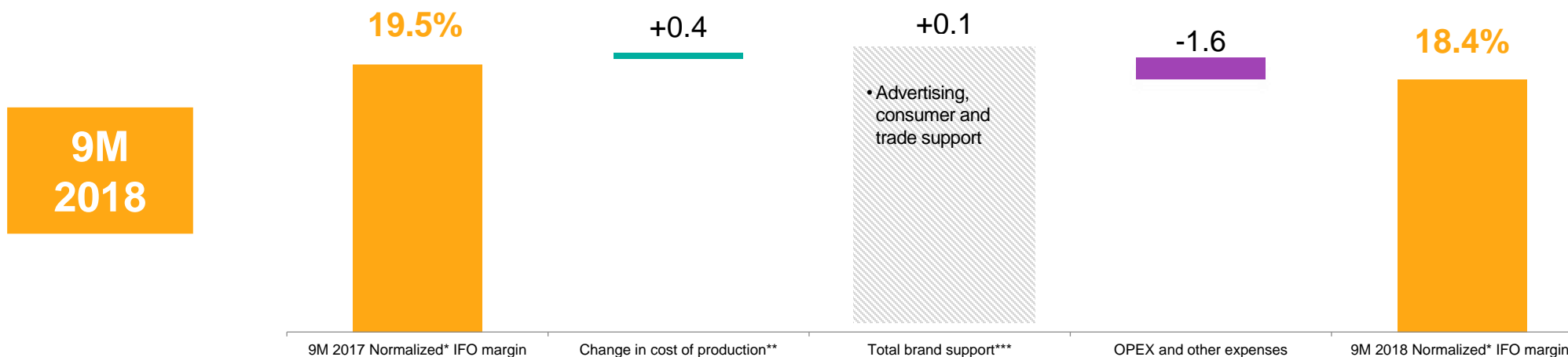
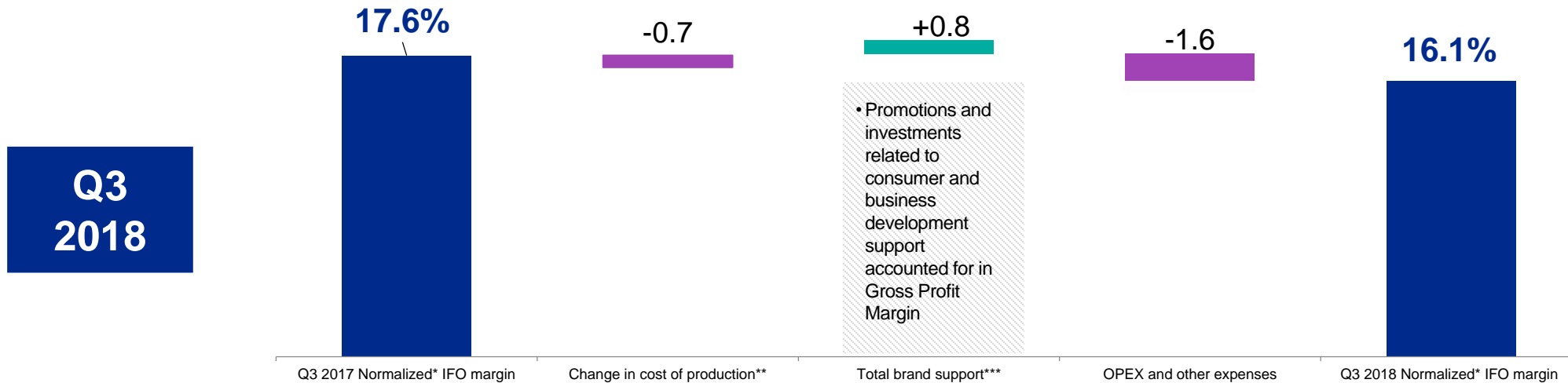
9M 2018

FROM NET SALES TO IFO

<i>BIC Group</i> In million euros	9M 17*	9M 18	Change as reported	Change on a constant currency basis*	Change on a comparative basis*
Net Sales	1,544.0	1,436.8	-6.9%	-0.6%	+0.3%
Gross Profit	801.8	751.9	-6.2%		
Normalized Income from Operations	301.4	265.0	-12.1%		
Income from Operations	276.7	196.3	-29.0%		

* 2017 figures restated from IFRS15

KEY COMPONENTS OF NORMALIZED* INCOME FROM OPERATIONS MARGIN



*See glossary

**Gross Profit margin excluding promotions and investments related to consumer and business development support.

***Total Brand Support: consumer and business development Support + advertising, consumer and trade support.

9M 2018

FROM NIFO TO GROUP NET INCOME

BIC Group

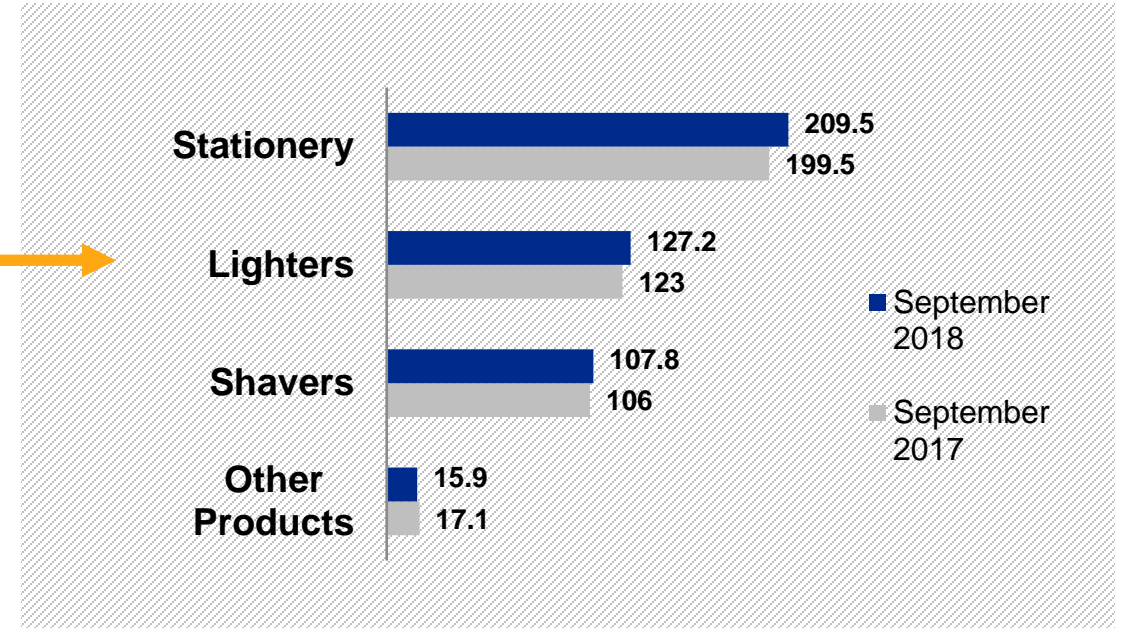
In million euros

	9M 2017*	9M 2018
Normalized IFO	301.4	265.0
<i>Restructuring costs related primarily to BIC Graphic</i>	(24.7)	-
<i>Cello Goodwill Impairment</i>	-	(68.7)
IFO	276.7	196.3
Finance revenue/costs	(0.8)	8.0
Income before Tax	275.9	204.3
Income tax	(82.8)	(76.7)
<i>Effective tax rate</i>	30.0%	37.5%
<i>Effective tax rate excluding Cello Goodwill Impairment</i>	30.0%	28.1%
Net Income Group share	186.3	127.6
Net Income Group share excluding Cello Goodwill Impairment	186.3	196.3
Normalized EPS Group Share	4.45	4.30
EPS Group Share	3.99	2.79

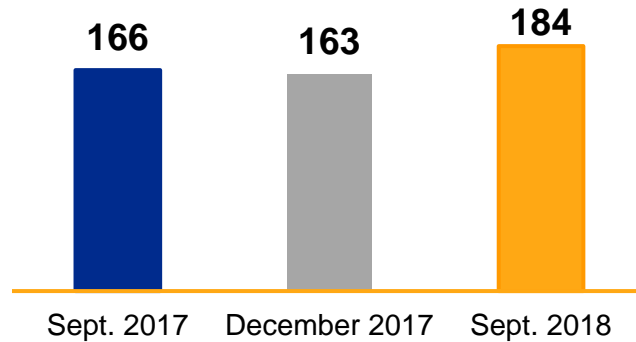
* 2017 figures restated from IFRS15

WORKING CAPITAL

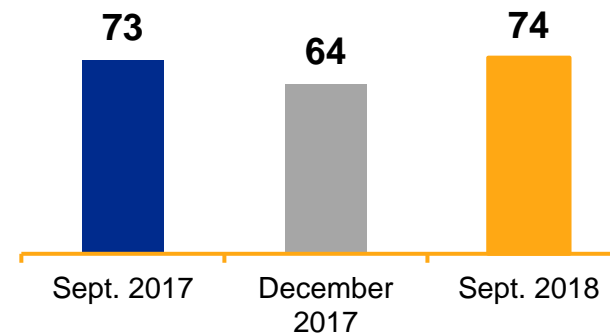
BIC Group In million euros	December 2017 ⁽¹⁾	September 2018
Total Working Capital	580.0	617.0
<i>Of which inventories</i>	429.0	460.4
<i>Of which Trade and other receivables</i>	477.1	498.1
<i>Of which Trade and other payables</i>	125.5	123.8



Inventories in days ⁽¹⁾

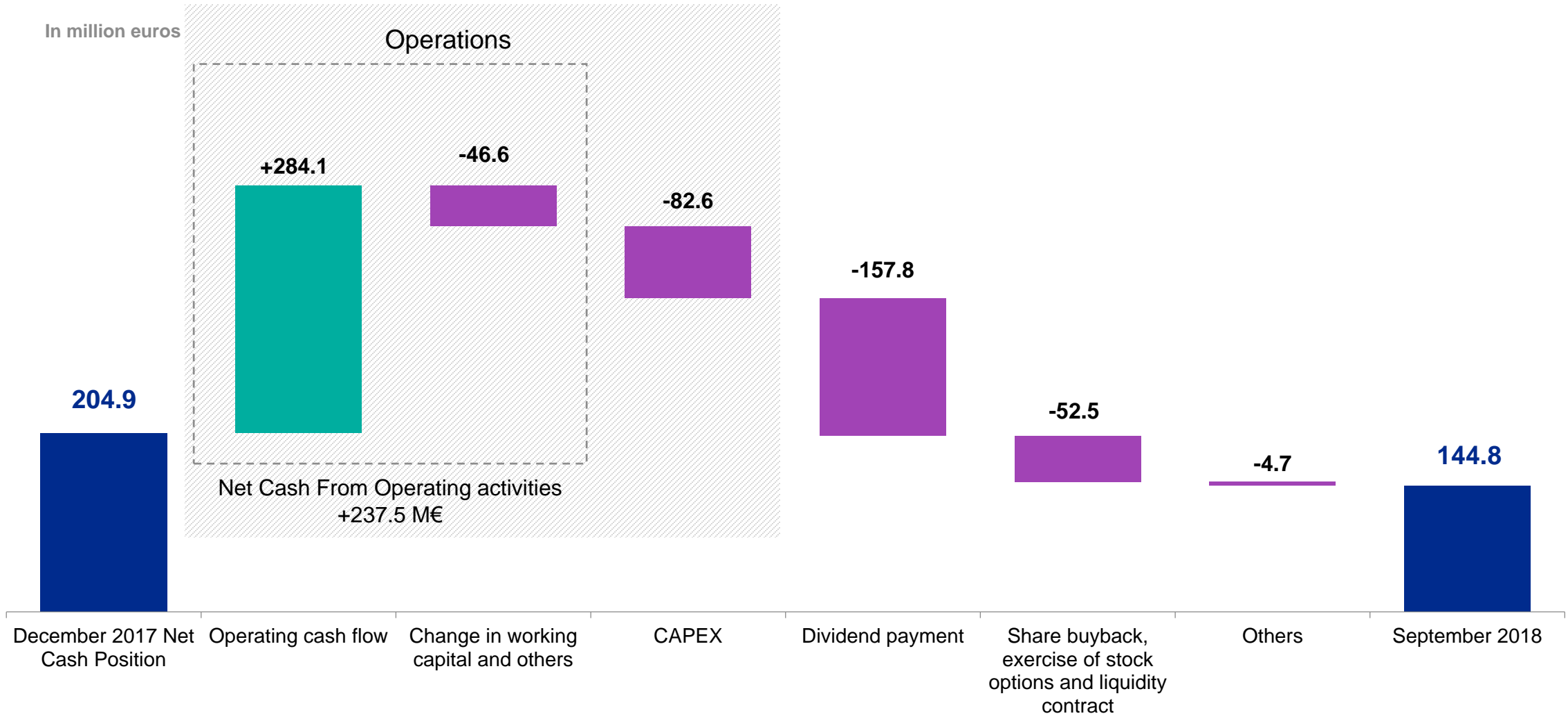


Receivables in days ⁽¹⁾



(1) Restated from IFRS15

NET CASH POSITION





LOOKING AHEAD

Gonzalve BICH

2018 OBJECTIVES



NET SALES

We expect Group Net Sales to increase **between +1 and +3% on a comparative basis**, with all categories contributing to the growth



NORMALIZED IFO MARGIN

We expect Normalized IFO margins to be **between 17% and 18%**

Q3 & 9M 2018 Results





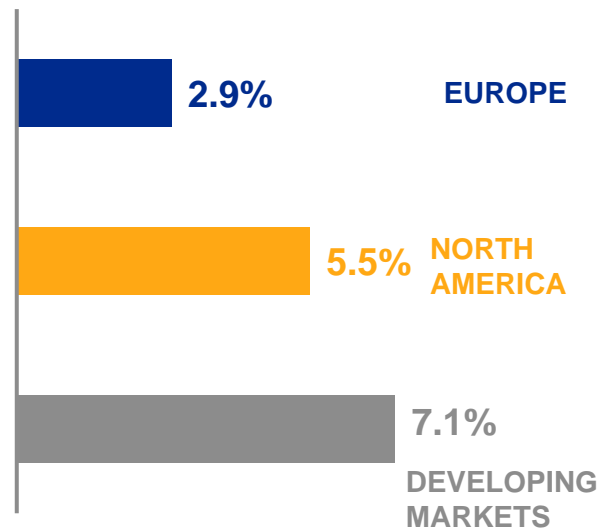
APPENDIX

NET SALES BY GEOGRAPHY



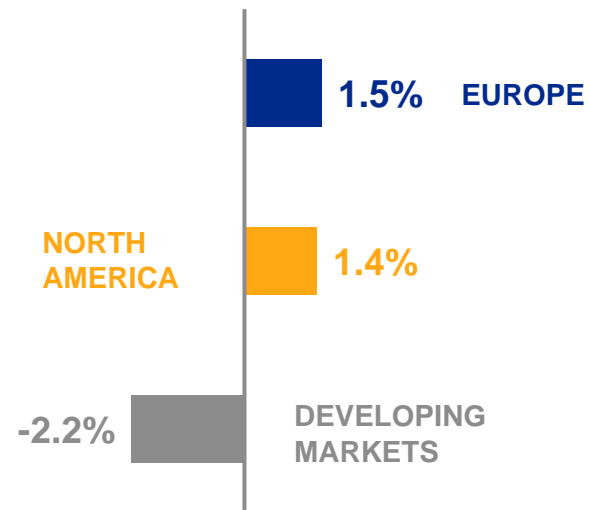
Q3 NET SALES

+5.2% on a comparative basis



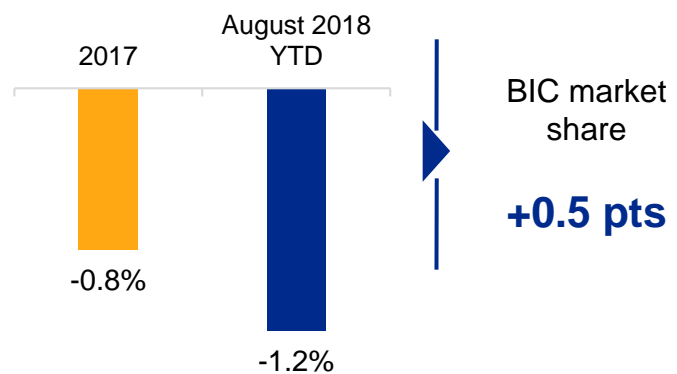
9M NET SALES

+0.3% on a comparative basis

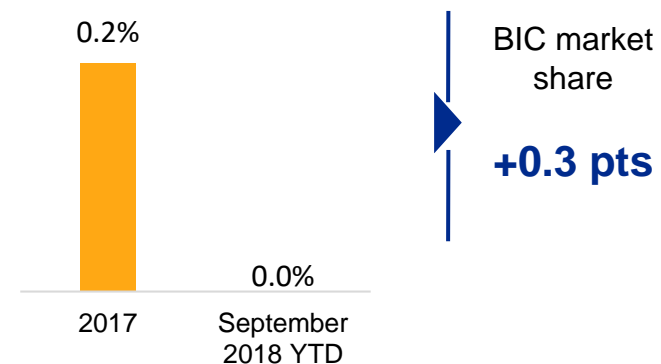


STATIONERY MARKET PERFORMANCES AND BIC'S MARKET SHARE

Europe



U.S.



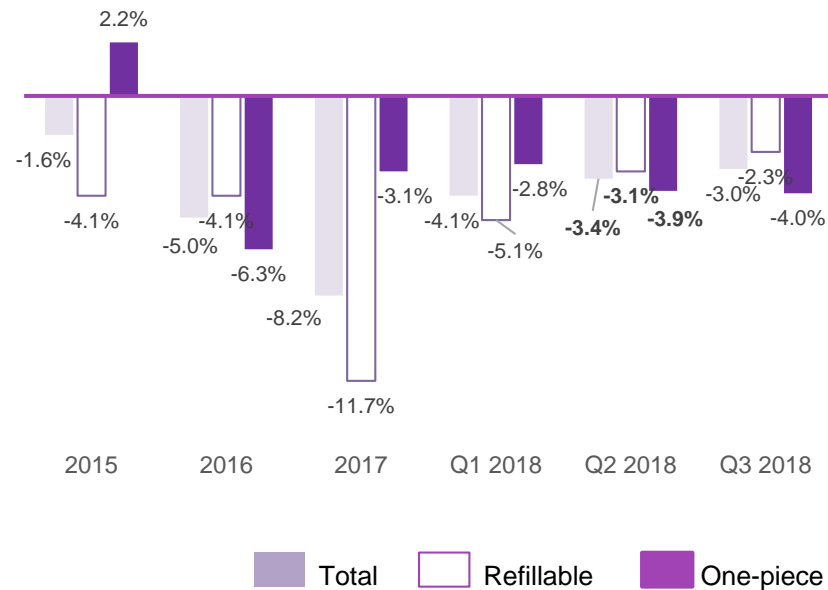
In Value

Source: EU7 GFK AUG-2018 - 60% coverage (France, UK, Germany, Italy, Spain, Belgium, Greece/ US NPD YTD SEPT-18 -95% coverage

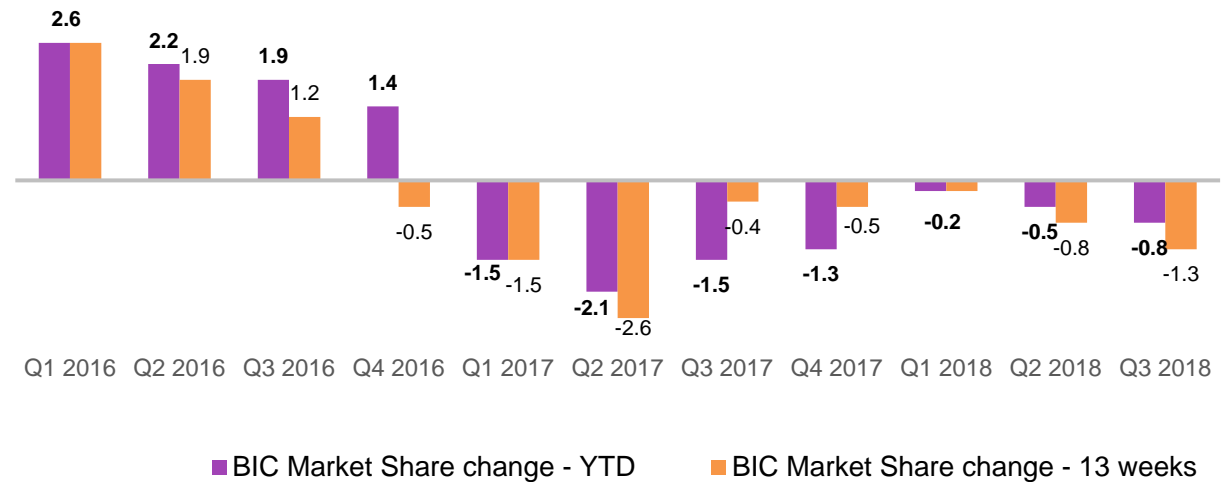
SHIVERS

US Market Performances and BIC's Market Share

Off-line Market Sales Q3 2018 (YTD in value)



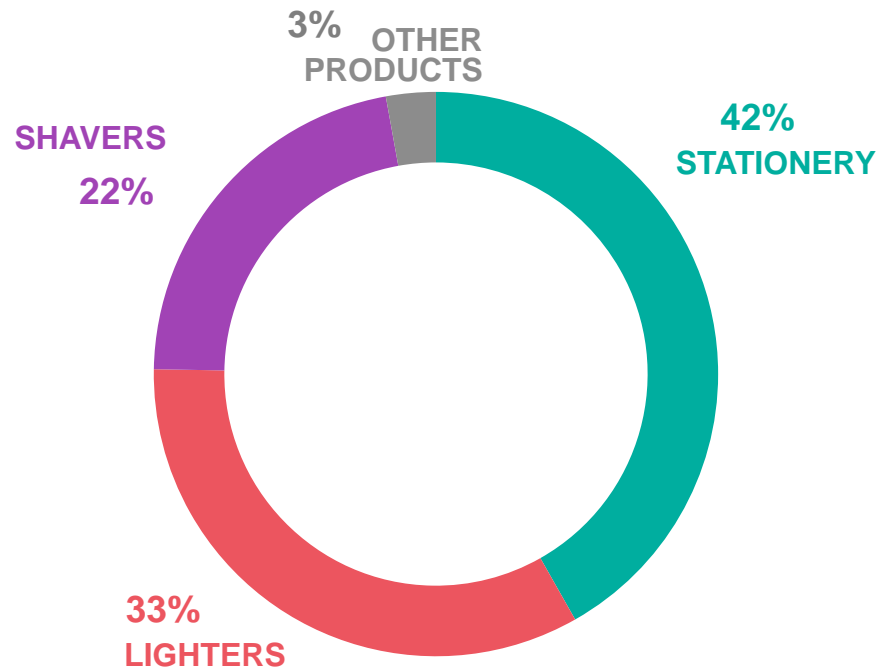
BIC's Market Share Change - One Piece Segment (YTD in value)



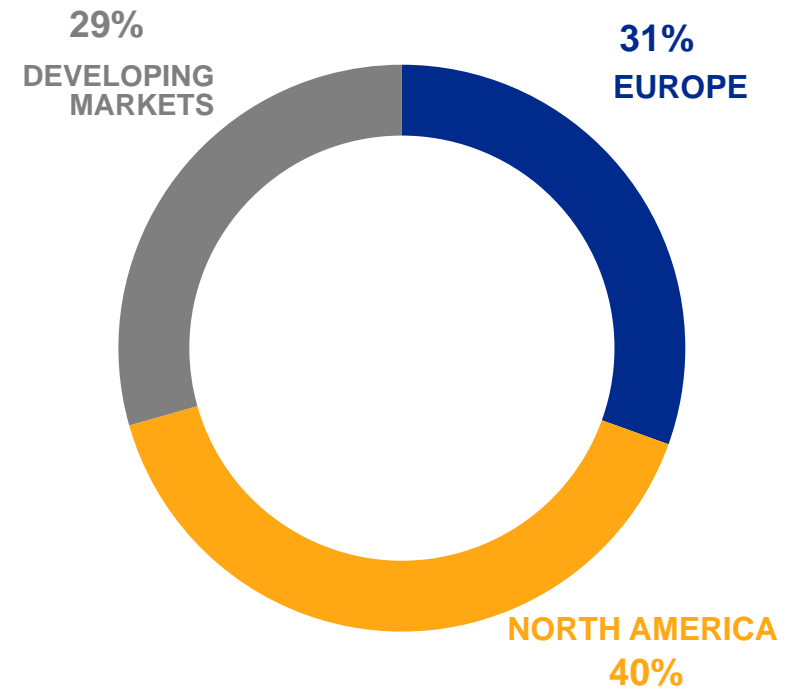
Source: IRI total market YTD ending 30 September 2018 – coverage 87%

9M 2018 NET SALES BREAKDOWN

BY CATEGORY



BY GEOGRAPHY



Q3 and 9M 2018 NET SALES

Main exchange rate evolution vs. euro

	% of sales	Average rate Q3 2017	Average rate Q3 2018	% of change
US Dollar	40%	1.17	1.16	+0.9%
Brazilian Real	8%	3.71	4.60	-19.3%
Mexican Peso	6%	20.93	22.08	-5.2%
Argentina Peso	1%	20.30	37.44	-45.8%
Canadian dollar	3%	1.47	1.52	-3.3%
Australian dollar	2%	1.49	1.59	-6.3%
South African Zar	1%	15.48	16.38	-5.5%
Indian Rupee	4%	75.51	81.64	-7.5%
Non Euro European countries	9%			
Sweden		9.56	10.40	-8.1%
Russia		69.20	76.23	-9.2%
Poland		4.26	4.31	-1.2%
British Pound		0.90	0.89	+1.1%

	% of sales	Average rate 9M 2017	Average rate 9M 2018	% of change
US Dollar	39%	1.11	1.19	-6.7%
Brazilian Real	7%	3.54	4.30	-17.6%
Mexican Peso	6%	20.97	22.76	-7.9%
Argentina Peso	1%	18.14	29.99	-39.5%
Canadian dollar	3%	1.46	1.54	-5.2%
Australian dollar	2%	1.45	1.58	-8.2%
South African Zar	2%	14.69	15.38	-4.5%
Indian Rupee	4%	72.61	80.23	-9.5%
Non Euro European countries	8%			
Sweden		9.59	10.24	-6.3%
Russia		64.94	73.38	-11.5%
Poland		4.26	4.25	+0.2%
British Pound		0.87	0.88	-1.1%

GROUP QUARTERLY FIGURES

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Net Sales	469.3	562.2	490.5	503.8	2,025.8	469.2	593.7	465.8	491.6	2,020.3	473.2	599.0	471.7	497.4	2,041.4	415.4	543.9	477.5
<i>YoY actual changes</i>	+0.3%	-1.1%	+1.1%	+6.7%	+1.6%	+0.0%	+5.6%	-5.0%	-2.4%	-0.3%						-12.2%	-9.2%	1.2%
<i>YoY changes on a constant currencies basis*</i>	+6.7%	+4.6%	+3.0%	+5.4%	+4.9%	-4.1%	+3.6%	-2.2%	+3.9%	+0.5%						-3.0%	-3.1%	5.1%
<i>YoY changes on a comparative basis*</i>							+3.9%	-0.9%	+5.9%	+1.4%						-1.5%	-2.3%	5.2%
IFO	81.4	127.9	96.2	97.8	403.4	74.3	120.6	83.3	98.0	376.2	74.1	119.6	83.1	98.1	374.9	69.6	50.0	76.8
Normalized IFO*	81.4	132.1	97.4	98.1	409.1	81.3	138.2	83.5	98.0	400.9	81.1	137.1	83.2	98.1	399.6	69.6	118.7	76.8
<i>IFO margin</i>	17.3%	22.7%	19.6%	19.4%	19.9%	15.8%	20.3%	17.9%	19.9%	18.6%	15.7%	20.0%	17.6%	19.7%	18.4%	16.7%	9.2%	16.1%
<i>Normalized IFO margin*</i>	17.3%	23.5%	19.9%	19.5%	20.2%	17.3%	23.3%	17.9%	19.9%	19.8%	17.1%	22.9%	17.6%	19.7%	19.6%	16.7%	21.8%	16.1%
Net Income Group Share	51.0	89.1	73.6	36.0	249.7	49.7	79.9	57.8	101.0	288.3	49.5	79.2	57.6	101.1	287.3	48.6	22.2	56.8
EPS Group Share	1.08	1.89	1.57	0.77	5.32	1.06	1.71	1.24	2.17	6.20	1.06	1.70	1.23	2.17	6.18	1.06	0.49	1.24

* see glossary

GROUP QUARTERLY FIGURES BY GEOGRAPHY

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Europe																		
Net Sales	126.6	170.0	131.4	116.8	544.8	129.5	177.5	135.3	116.9	559.3	131.5	181.2	137.7	119.6	570.0	124.3	176.1	138.0
<i>YoY actual changes</i>	+7.6%	+6.3%	+0.0%	-1.7%	+3.2%	+2.3%	+4.4%	+2.9%	+0.1%	+2.7%						-5.5%	-2.8%	0.2%
<i>YoY changes on a comparative basis*</i>	+9.2%	+8.6%	+2.5%	-0.1%	+5.3%	+2.3%	+4.8%	+6.4%	+6.5%	+4.9%						-0.4%	1.7%	2.9%
North America																		
Net Sales	188.0	236.4	201.9	185.7	812.0	177.5	242.1	184.0	179.9	783.5	178.5	241.9	184.9	181.3	786.7	154.9	224.9	196.3
<i>YoY actual changes</i>	+5.6%	+0.3%	-1.7%	+7.5%	+2.5%	-5.6%	+2.4%	-8.9%	-3.1%	-3.5%						-13.2%	-7.0%	6.2%
<i>YoY changes on a comparative basis*</i>	+4.1%	+2.8%	-1.3%	+5.8%	+2.7%	-9.2%	+0.7%	-4.5%	5.8%	-1.7%						-0.1%	-0.7%	5.5%
Developing markets																		
Net Sales	154.8	155.7	157.2	201.3	668.9	162.1	174.0	146.5	194.7	677.4	163.2	175.9	149.1	196.5	684.7	136.2	142.9	143.2
<i>YoY actual changes</i>	-10.2%	-9.8%	+6.0%	+11.5%	-0.7%	+4.7%	+11.7%	-6.7%	-3.2%	+1.3%						-16.5%	-18.7%	-4.0%
<i>YoY changes on a comparative basis*</i>	+7.6%	+3.3%	+9.2%	+8.6%	+7.1%	-3.2%	+7.9%	-2.2%	+5.6%	+2.2%						-3.8%	-8.5%	7.1%

* see glossary

STATIONERY

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Net Sales	167.1	241.1	193.9	178.2	780.3	163.4	264.7	191.3	172.4	791.8	165.5	267.8	194.6	176.3	804.2	151.8	249.5	199.1
<i>YoY actual changes</i>	-0.4%	-1.2%	-0.2%	+7.0%	+1.0%	-2.2%	+9.8%	-1.3%	-3.3%	+1.5%						-8.3%	-6.8%	2.3%
<i>YoY changes on a constant currencies basis*</i>	+8.0%	+4.0%	+2.2%	+6.3%	+4.9%	-5.1%	+8.3%	+1.2%	+2.4%	+2.3%						0.0%	-1.7%	6.7%
<i>YoY changes on a comparative basis*</i>							+9.1%	+2.6%	+4.6%	+3.4%						+2.0%	-1.4%	6.8%
IFO	8.6	41.6	7.6	10.1	67.9	0.4	36.2	6.9	11.4	54.9	0.6	35.4	6.7	12.0	54.7	9.6	-31.3	10.3
Normalized IFO*	8.6	43.4	7.7	10.4	70.1	5.9	42.3	6.9	11.4	66.5	6.0	41.6	6.7	12.0	66.3	9.6	37.4	10.3
<i>IFO margin</i>	5.2%	17.3%	3.9%	5.7%	8.7%	0.3%	13.7%	3.6%	6.6%	6.9%	0.3%	13.2%	3.4%	6.8%	6.8%	6.3%	-12.6%	5.2%
<i>Normalized IFO margin*</i>	5.2%	18.0%	4.0%	5.8%	9.0%	3.6%	16.0%	3.6%	6.6%	8.4%	3.6%	15.5%	3.5%	6.8%	8.3%	6.3%	15.0%	5.2%

* see glossary

LIGHTERS

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Net Sales	163.6	177.2	167.6	187.9	696.4	171.3	185.5	157.9	189.1	703.9	172.2	186.4	159.2	189.6	707.4	152.7	165.0	163.3
<i>YoY actual changes</i>	+0.1%	-0.7%	+5.6%	+7.4%	+3.1%	+4.7%	+4.7%	-5.8%	+0.6%	+1.1%						-11.3%	-11.5%	2.6%
<i>YoY changes on a constant currency basis*</i>	+5.4%	+5.4%	+6.5%	+5.2%	+5.6%	-0.5%	+2.0%	-2.3%	+7.9%	+2.0%						-0.7%	-4.5%	5.8%
<i>YoY changes on a comparative basis*</i>								-1.7%	+8.2%	+2.2%						-0.5%	-4.5%	5.8%
IFO	62.1	70.6	68.9	73.7	275.3	63.9	77.3	64.5	72.3	278.0	63.8	77.0	64.7	71.8	277.3	54.5	63.3	58.3
Normalized IFO*	62.1	71.7	70.0	73.5	277.3	64.1	77.3	64.6	72.3	278.3	64.0	77.0	64.7	71.8	277.6	54.5	63.3	58.3
<i>IFO margin</i>	38.0%	39.8%	41.1%	39.2%	39.5%	37.3%	41.7%	40.8%	38.2%	39.5%	37.0%	41.3%	40.6%	37.9%	39.2%	35.7%	38.4%	35.7%
<i>Normalized IFO margin*</i>	38.0%	40.5%	41.7%	39.1%	39.8%	37.4%	41.7%	40.9%	38.2%	39.5%	37.2%	41.3%	40.7%	37.9%	39.2%	35.7%	38.4%	35.7%

SHAVERS

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Net Sales	117.8	120.1	111.8	117.3	467.0	114.4	122.0	102.9	115.1	454.4	115.3	123.4	104.2	116.5	459.4	97.0	113.5	103.9
<i>YoY actual changes</i>	+4.8%	+2.0%	-1.1%	+7.8%	+3.3%	-2.9%	+1.6%	-7.9%	-1.9%	-2.7%						-15.9%	-8.0%	-0.3%
<i>YoY changes on a constant currency basis*</i>	+10.9%	+9.0%	+1.4%	+6.6%	+7.0%	-7.7%	-0.9%	-5.1%	+4.8%	-2.2%						-6.0%	-0.3%	4.1%
IFO	12.6	15.4	22.2	18.4	68.6	14.3	17.2	14.1	14.7	60.4	14.0	17.2	13.9	14.7	59.8	7.7	16.9	10.4
Normalized IFO*	12.6	16.6	22.2	18.2	69.6	14.4	17.2	14.2	14.7	60.6	14.1	17.2	14.0	14.7	60.0	7.7	16.9	10.4
<i>IFO margin</i>	10.7%	12.8%	19.8%	15.7%	14.7%	12.5%	14.1%	13.7%	12.8%	13.3%	12.2%	13.9%	13.3%	12.6%	13.0%	7.9%	14.9%	10.0%
<i>Normalized IFO margin*</i>	10.7%	13.8%	19.8%	15.5%	14.9%	12.6%	14.1%	13.8%	12.8%	13.3%	12.3%	14.0%	13.4%	12.6%	13.1%	7.9%	14.9%	10.0%

* see glossary

OTHER PRODUCTS

<i>In million euros</i>	Q1 16	Q2 16	Q3 16	Q4 16	FY 16	Q1 17	Q2 17	Q3 17	Q4 17	FY 17	Restated for IFRS 15					Q1 18	Q2 18	Q3 18
											Q1 17	Q2 17	Q3 17	Q4 17	FY 17			
Net Sales	20.8	23.8	17.2	20.3	82.1	20.1	21.4	13.7	15.0	70.2	20.2	21.5	13.7	15.0	70.4	13.8	15.9	11.1
<i>YoY actual changes</i>	-14.0%	-14.8%	-9.5%	-6.8%	-11.6%	-3.2%	-10.2%	-20.4%	-26.3%	-14.5%	-	-	-	-	-	-31.4%	-25.8%	-19.2%
<i>YoY changes on a constant currency basis*</i>	-13.0%	-13.4%	-8.9%	-6.8%	-10.8%	-4.2%	-10.7%	-19.8%	-25.4%	-14.6%	-	-	-	-	-	-29.5%	-24.2%	-18.5%
<i>YoY changes on a comparative basis*</i>							-10.0%	-5.0%	-0.6%	-5.5%	-	-	-	-	-	-14.0%	-6.9%	-14.7%
											-	-	-	-	-	-	-	-
IFO*	-1.9	0.3	-2.4	-4.4	-8.4	-4.3	-10.1	-2.2	-0.4	-17.0	-4.3	-10.1	-2.2	-0.4	-17.0	-2.2	1.2	-2.2
Normalized IFO*	-1.9	0.4	-2.4	-3.9	-7.8	-3.0	1.3	-2.2	-0.4	-4.4	-3.0	1.2	-2.2	-0.4	-4.4	-2.2	1.2	-2.2

* see glossary

CAPITAL AND VOTING RIGHTS

As of September 30, 2018, the total number of issued shares of SOCIÉTÉ BIC was 46,650,783 shares, representing:

- 67,994,195 voting rights,
- 66,652,584 voting rights excluding shares without voting rights.

Total number of treasury shares held at the end of September 2018: 1,341,611.

GLOSSARY

- **Constant currency basis:** constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **Organic growth or 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.
- **Gross profit** is the margin that the Group realizes after deducting its manufacturing costs.
- **Normalized IFO:** normalized means excluding non-recurring items as detailed on page 3.
- **Normalized IFO margin:** Normalized IFO as a percentage of Net Sales.
- **Net cash from operating activities:** principal revenue-generating activities of the entity and other activities that are not investing or financing activities.
- **Net cash position:** Cash and cash equivalents + Other current financial assets - Current borrowings - Non-current borrowings (except financial liabilities following IFRS 16 implementation).

AGENDA

(dates to be confirmed)

Full year 2018 Results	13 February 2019	Meeting at BIC Headquarters
First Quarter 2019 Results	25 April 2019	Conference call
2019 AGM	22 May 2019	Meeting

DISCLAIMER

This document contains forward-looking statements. Although BIC believes its estimates 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 “Registration Document” filed with the French financial markets authority (AMF) on March 21, 2018.

Q3 & 9M 2018 Results

