



FIRST QUARTER 2019 RESULTS¹

MAINTAINING OR GROWING SHARE IN SOFT MARKETS

BIC-2022 INVENT THE FUTURE PLAN ON TRACK

- **Sales on a comparative basis declined 2.0%**
- **Normalized IFO margin at 13.1%, down 3.6 points**
 - Manufacturing costs negatively impacted by lower sales volumes, unfavorable forex and raw material price increase
 - Targeted Brand Support investments
- **BIC 2022-Invent the Future progress**
 - New Commercial Organization with two new Centers of Expertise “e-Retail and Digital” and “Commercial Strategy & Analytics”
 - Net Sales from e-commerce increased 27% versus prior year
 - Global Strategic Procurement Organization up and running

“After a strong 2018 Fourth Quarter, and while the overall trading environment remains challenging, 2019 started with soft results impacted by Stationery in India and Lighters in the US. However, we maintained or grew market share in our three categories, and regained momentum in Shavers. With the headwinds of the first quarter expected to lessen over the year, I am confident in our ability to achieve our 2019 financial outlook which remains unchanged.

Across the globe, our teams continue to focus on improving day-to-day effectiveness and delivering quality products which meet the needs of our consumers. Our BIC 2022-Invent the Future transformation plan is on track. An important milestone was achieved in the First Quarter with the roll-out of our new Commercial Organization and our Global Strategic Procurement Organization. In the coming months, we expect these and other initiatives to continue to contribute to the delivery of long-term profitable growth as our transformation continues.”

Gonzalve Bich, Chief Executive Officer

Q1 2019 KEY FIGURES²

<i>In million euros</i>	Q1 2019
Group Net Sales	415.4
Change on a comparative basis³	(2.0)%
Normalized Income From Operations	54.6
Normalized IFO margin	13.1%
Net Income Group Share	39.3
EPS Group Share (in euros)	0.87
Normalized EPS Group Share (in euros)	0.89
Net Cash Position	135.0

2019 OUTLOOK

We expect 2019 Group Net Sales **to grow slightly on a comparative basis³** and Normalized Income from Operations margin **to be between 16.5% and 18%**. In a continued challenging trading environment, overall sales performance may be subject to macro-economic uncertainties and continued competitive pressure in Shavers in the U.S. Growth drivers include distribution gains and success with added-value products.

Gross Profit will be impacted by increasing raw material costs, the impact of unfavorable foreign exchange trends and the potential impact of sales volumes on cost of production. Normalized Income from Operations will also be affected by additional Brand Support Investments.

¹ Unaudited figures

² See glossary page 10

³ For 2019 Net Sales, on a comparative basis will exclude Full Year 2018 BIC Sport's Net Sales and 2019 Haco Industries Ltd incremental Net Sales..

KEY FIGURES (in million euros)	Q1 2018	Q1 2019	As reported	FX impact⁴ <i>(in points)</i>	Change in Perimeter⁵ <i>(in points)</i>	Argentina impact⁶ <i>(in points)</i>	Comparative basis
GROUP							
Net Sales	415.4	415.4	0.0%	+2.6	(0.4)	(0.2)	(2.0)%
Gross Profit	223.5	211.3					
Normalized Income From Operations (IFO)	69.6	54.6					
Normalized IFO margin	16.7%	13.1%					
Income From Operations	69.6	54.6					
<i>IFO margin</i>	<i>16.7%</i>	<i>13.1%</i>					
Net Income Group Share	48.6	39.3					
Normalized Earnings Per Share Group Share (in euros)	1.06	0.89					
Earnings Per Share Group Share (in euros)	1.06	0.87					
STATIONERY							
Net Sales	151.8	148.3	(2.3)%	+1.9	+1.9	(0.3)	(5.8)%
Normalized IFO	9.6	1.8					
Normalized IFO margin	6.3%	1.2%					
IFO	9.6	1.8					
<i>IFO margin</i>	<i>6.3%</i>	<i>1.2%</i>					
LIGHTERS							
Net Sales	152.7	149.7	(2.0)%	+3.6	+0.0	(0.1)	(5.5)%
Normalized IFO	54.5	46.6					
Normalized IFO margin	35.7%	31.1%					
IFO	54.5	46.6					
<i>IFO margin</i>	<i>35.7%</i>	<i>31.1%</i>					
SHAVERS							
Net Sales	97.0	109.0	+12.4%	+2.6	+0.2	(0.4)	+10.0%
Normalized IFO	7.7	7.7					
Normalized IFO margin	7.9%	7.1%					
IFO	7.7	7.7					
<i>IFO margin</i>	<i>7.9%</i>	<i>7.1%</i>					
OTHER PRODUCTS							
Net Sales	13.8	8.3	(40.0)%	(0.2)	(34.4)	-	(5.4)%
Normalized IFO	(2.2)	(1.6)					
IFO	(2.2)	(1.6)					

⁴ Forex impact excluding Argentinian Peso (ARS)

⁵ Haco Industries Ltd and BIC Sport

⁶ See glossary page 10

GROUP OPERATIONAL TRENDS

NET SALES

Q1 2019 Net Sales totaled 415.4 million euros, flat as reported and down 2.0% on a comparative basis. The favorable impact of currency fluctuations (+2.6%) was mainly due to the strong U.S. dollar against the euro⁷. On a comparative basis⁸, Europe Net Sales increased by 2.4% while in North America and Developing Markets Net Sales decreased respectively by 2.2% and by 5.8%.

INCOME FROM OPERATIONS AND NORMALIZED INCOME FROM OPERATIONS

Q1 2019 Gross Profit margin was 50.9%, compared to 53.8% in Q1 2018, due to unfavorable foreign exchange impact versus last year (mostly Brazilian Real and Mexican Pesos) and increase in raw material costs.

Q1 2019 Normalized IFO was 54.6 million euros (13.1% margin), compared to 69.6 million euros in Q1 2018 (16.7% margin). The decline in Normalized IFO margin was driven by lower gross profit margin and increase in Brand Support, mainly in Lighters.

KEY COMPONENTS OF THE CHANGE IN NORMALIZED IFO MARGIN (in points)	Q1 2018 vs. Q1 2017	Q1 2019 vs. Q1 2018
○ Change in Gross Profit (Cost of Production)	+1.0	(2.9)
○ Brand Support	+0.4	(1.4)
○ OPEX and other expenses	(1.8)	+0.7
Total change in Normalized IFO margin	(0.4)	(3.6)

NON-RECURRING ITEMS (in million euros)	Q1 2018	Q1 2019
Income From Operations	69.6	54.6
As % of Net Sales	16.7%	13.1%
Normalized IFO	69.6	54.6
As % of Net Sales	16.7%	13.1%

NET INCOME AND EPS

Income before tax decreased to 55.4 million euros, compared to 67.6 million euros in Q1 2018. Net finance revenue was 0.8 million euros compared to a negative 2.0 million euros in Q1 2018. Q1 2019 was positively impacted by fair value adjustments to financial assets denominated in USD when compared to December 2018 whereas it was the opposite in previous year.

Net income Group Share was 39.3 million euros, a 19.0% decrease as reported. The effective tax rate was 29.0%.

EPS Group share was 0.87 euros, compared to 1.06 in Q1 2018. Normalized EPS Group share decreased by 16.0% to 0.89 euros, compared to 1.06 euros in Q1 2018.

⁷ this excludes the Argentinian peso.

⁸ excluding Argentina

NET CASH POSITION

At the end of March 2019, the Group's net cash position stood at 135.0 million euros.

CHANGE IN NET CASH POSITION <i>(in million euros)</i>	2018	2019
NET CASH POSITION (BEGINNING OF THE PERIOD – DECEMBER)	204.9	161.5
• Net cash from operating activities	+37.0	30.2
○ <i>Of which operating cash flow</i>	+75.2	+62.9
○ <i>Of which change in working capital and others</i>	(38.2)	(32.7)
• CAPEX	(27.4)	(20.1)
• Share buy-back program	(21.2)	(33.1)
• Haco Industries Ltd acquisition	-	(1.8)
• Other items ⁹	(8.7)	(1.7)
NET CASH POSITION (END OF THE PERIOD - MARCH)	184.6	135.0

Net cash from operating activities was 30.2 million euros, with 62.9 million euros in operating cash flow. The negative 32.7 million euros change in working capital was mainly driven by inventory increases. Net cash was also impacted by investments in CAPEX as well as share buybacks.

SHAREHOLDERS' REMUNERATION

- Ordinary dividend of 3.45 euros per share proposed at the Annual Shareholders' Meeting on May 22, 2019¹⁰.
- 33.1 million euros in share buy-backs at the end of March 2019 (398,796 shares purchased at an average price of 82.98 euros).

⁹ Including Net cash from the liquidity contract

¹⁰ Dividend payable from June 5, 2019

STATIONERY

Q1 2019 Stationery Net Sales decreased by 2.3% as reported, by 1.8% on a constant currency basis, and by 5.8% on a comparative basis.

- **In Europe**, Net Sales grew slightly. BIC outperformed a declining market and delivered strong e-commerce growth. In France, we gained 1.6 points value share¹¹ thanks to solid performance of our new product the Gelocity Full Grip.
- **In North America**, Net Sales increased low-single digit. In a flat market, our performance was driven by continued growth in the gel segment and in e-commerce.
- **In Latin America**, Net Sales decreased high single-digit. Brazil and Mexico Net Sales grew mid-single digit. In Brazil, we outperformed the declining market during the Back-to-School season, while in Mexico we performed well thanks to growth in Marking and Coloring segments. Net Sales were negatively impacted by Pimaco (our manufacturer and distributor of adhesive labels) as well as by weak performance in Ecuador due to increased competitive environment.
- **In Middle-East and Africa**, we have begun to see the benefits from the transfer of Haco Industries' manufacturing facilities and distribution activities in Kenya, in line with our proximity strategy to grow further in Africa.
- **In India, Cello Pens** Domestic Net Sales decreased double-digit on a comparative basis. Performance was negatively impacted by our initiative in Q1 2019 to reduce shipments to superstockists to support our change in route-to-market.

Q1 2019 Normalized IFO margin for Stationery was 1.2% compared to 6.3% in Q1 2018, mainly driven by Raw Material cost increases and higher Brand Support investments.

LIGHTERS

Q1 2019 Net Sales of Lighters decreased by 2.0% as reported, by 4.7% on a constant currency basis, and by 5.5% on a comparative basis.

- **In Europe**, Net Sales were flat. Following pre-buys from retailers in Q4 last year ahead of the 2019 price increase, Q1 performance was soft.
- **In North America** Net Sales decreased approximately 10%. While Q1 18 benefited from a pre-buy impact prior to the April 2018 price increase, Q1 2019 sell-in was negatively impacted by wholesaler's inventory adjustments in a declining market (down 3.2% in value¹²).
- **In Latin America**, Net Sales increased low-single digit. In Brazil, after a strong fourth quarter sell-out, our sell-in was solid; in addition, volumes increased ahead of the upcoming April price increase.

Q1 2019 Normalized IFO margin for Lighters was 31.1% compared to 35.7% in Q1 2018. The decrease was mainly driven by unfavorable fixed costs absorption, unfavorable FX and by Brand Support investments with the lighter advertising campaign in Europe.

¹¹ GFK – Year to date February 2019, in value

¹² IRI – Year to date March 2019, in value

SHAVERS

Q1 2019 Shavers' Net Sales increased by 12.4% as reported, by 11.3% on a constant currency basis, and by 10.0% on a comparative basis.

- **In Europe**, Net Sales increased about 10% fueled by strong performance in Eastern Europe and notably Russia. We continued to outperform the Russian wet shave market gaining 0.5 points¹³, thanks to the ongoing success of BIC® Flex 3 Hybrid, BIC® Flex 5 Hybrid and to distribution gains in Traditional Trade. In Western Europe, performance was driven by the success of our added-value products as we accelerated growth of BIC® Flex 3 and BIC® Miss Soleil, increased distribution of BIC® Flex 5, and saw the first positive impacts from new products such as BIC® Miss Soleil Sensitive.
- Net Sales increased low double-digit **in North America**. Up against continued competitive pressure, BIC outperformed the declining disposable market (down 6.9% in value), gaining 0.9 points¹⁴. Some highlights include strong performance in the female disposable segment where we gained 1.7 points value share thanks to continued momentum of BIC® Soleil® Balance as well as the first positive signs of the launch of BIC® Soleil® Click 5.
- **In Latin America**, Net Sales increased low-single digit. We grew market share across the entire region. In Mexico, we outperformed the market gaining 0.4 points in value share¹⁵ as we expanded distribution in convenience stores and gained momentum on men Disposable three blade offer (BIC® Comfort 3 and BIC® Flex 3). In Brazil, we outperformed in a recovering market, gaining 0.3 points in value share thanks to further distribution gains and our successful trade-up strategy with strong gains on both male and female Disposable three blade segment.

Q1 2019 Normalized IFO margin for Shavers was 7.1% compared to 7.9% in Q1 2018. The Net Sales increase was offset by higher cost of production including higher Raw Material costs, and unfavorable FX.

OTHER PRODUCTS

Q1 2019 Net Sales of Other Products decreased by 40.0% as reported and by 5.4% on a comparative basis.

Q1 2019 Normalized IFO for Other Products was a negative 1.6 million euros, compared to a negative 2.2 million euros in Q1 2018 including BIC Sport for a negative 0.2 million euros.

¹³ Nielsen – Year-to-date February 2019, in value

¹⁴ IRI – latest 13 Weeks Ending 31-MAR-19, in value

¹⁵ Nielsen – Year-to-date February 2019, in value

During the first quarter, we progressed on our transformation plan as we rolled out several initiatives for each of our four strategic pillars:

- **Effectiveness** - increase efficiency throughout our global manufacturing operations, while maintaining product Safety, Quality, and Affordability:
 - Global Strategic Procurement Organization up and running (Stationery, Lighters and Shavers)
 - Implementation of a centralized solution for HSE (Health, Safety and Environment) processes
- **Innovation** - enhance consumer insights capabilities and increase the pace of innovative New Product launches. Among Q1 key new product launches were:
 - BIC® BodyMark temporary tattoo marker: now on-line on Amazon and progressively available in stores
 - BIC® Intensity Medium: extension of our offering to all consumer needs on Writing Felt Pens segment with both fine point and medium point
 - BIC® Soleil® Click 5: on pace to match BIC® Soleil® Balance's success, last year's #1 innovation in female disposables.
- **Consumer-centric Brands** - connect and engage more effectively with all consumers:
 - Various innovative marketing campaigns were performed across all categories and geographies to drive engagement and consumer preference. To name of few:
 - the restaging of our Men's BIC Flex shaver range in the U.S. with modern and more impactful graphics and claims highlighting our advanced technology
 - the BIC Evolution Coloring contest "Drawing your city" in Latin America.
- **Omnichannel Distribution** - sharpen our commercial operations to become a genuine omnichannel specialist:
 - Roll-out of our new commercial organization, introducing two global centers of expertise: "E-Retail and Digital" focused on BIC's initiatives in e-commerce; data, content and digital marketing; and "Commercial Strategy & Analytics" a dedicated team of experts in Sales Channel, Category Management and Advanced Analytics to support BIC's Revenue Growth Management
 - Solid e-commerce Net Sales growth versus last year of 49% in the US, and 20% in Europe
 - BIC.com Direct-to-Consumers website now introduced in France.

APPENDIX

BIC GROUP CHANGE IN NET SALES BY GEOGRAPHY (in million euros)	Q1 2019 vs Q1 2018			
	Q1 2018	Q1 2019	As reported	Comparative basis
GROUP				
Net Sales	415.4	415.4	-	(2.0)%
EUROPE				
Net Sales	124.3	122.8	(1.2)%	+2.4%
NORTH AMERICA				
Net Sales	154.9	161.8	+4.4%	(2.2)%
DEVELOPING MARKETS				
Net Sales	136.2	130.8	(4.0)%	(5.8)%

IMPACT OF CHANGE IN THE PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES (EXCLUDING ARS) (in %)	Q1 2018	Q1 2019
Perimeter	(1.5)	(0.4)
Currencies	(9.2)	+2.6
<i>Of which USD</i>	(5.0)	+3.0
<i>Of which BRL</i>	(1.3)	(0.5)
<i>Of which INR</i>	(0.4)	-
<i>Of which MXN</i>	(0.4)	+0.3
<i>Of which ZAR</i>	(0.1)	(0.1)
<i>Of which Russia and Ukraine</i>	(0.2)	(0.1)

IFO AND NORMALIZED IFO BY CATEGORY (in million euros)	Q1 2018	Q1 2019
GROUP		
Income From Operations	69.6	54.6
Normalized Income From operations	69.6	54.6
STATIONERY		
Income From Operations	9.6	1.8
Normalized Income From operations	9.6	1.8
LIGHTERS		
Income From Operations	54.5	46.6
Normalized Income From operations	54.5	46.6
SHAVERS		
Income From Operations	7.7	7.7
Normalized Income From operations	7.7	7.7
OTHER PRODUCTS		
Income From Operations	-2.2	-1.6
Normalized Income From operations	-2.2	-1.6

CONDENSED PROFIT AND LOSS ACCOUNT <i>(in million euros)</i>	Q1 2018	Q1 2019	As reported	Comparative basis
Net sales	415.4	415.4	-	(2.0)%
Cost of goods	191.9	204.1		
Gross Profit	223.5	211.3		
Administrative & other operating expenses	153.9	156.7		
Income from operations	69.6	54.6		
Finance revenue/costs	(2.0)	0.8		
Income before tax	67.6	55.4		
Income tax expense	(19.0)	(16.1)		
Net Income Group Share	48.6	39.3		
Earnings per share Group share (in euros)	1.06	0.87		
Average number of shares outstanding net of treasury shares	45,794,745	45,222,669		

CONDENSED BALANCE SHEET <i>(in million euros)</i>	Mar. 31, 2018	January 1, 2019¹⁶	Mar. 31, 2019
ASSETS			
Non-current assets	1,172.4	1,158.0	1,159.9
Current assets	1,195.5	1,209.0	1,242.3
○ <i>Of which cash & cash equivalents</i>	206.8	157.5	160.5
TOTAL ASSETS	2,367.9	2,367.0	2,402.1
LIABILITIES & SHAREHOLDERS' EQUITY			
Shareholders' equity	1,703.2	1,624.7	1,643.0
Non-current liabilities	277.1	295.5	297.0
Current liabilities	387.6	446.7	462.1
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,367.9	2,367.0	2,402.1

NORMALIZED EPS RECONCILIATION	Q1 2018	Q1 2019
EPS	1.06	0.87
Argentina hyperinflationary accounting (IAS29)	-	0.2
Normalized EPS	1.06	0.89

SHARE BUY-BACK PROGRAM	Number of shares acquired	Average weighted price in €	Amount in M€
February 2019	272,388	83.24	22.7
March 2019	126,408	82.41	10.4
Total	398,796	82.98	33.1

CAPITAL AND VOTING RIGHTS, MARCH 31, 2019

As of March 31, 2019, the total number of issued shares of SOCIÉTÉ BIC is 46,010,907 shares, representing:

- 67,361,767 voting rights,
- 66,413,250 voting rights excluding shares without voting rights

Total number of treasury shares held at the end of March 2019: 948,517.

¹⁶ IFRIC 23 first time adoption

GLOSSARY

- **Constant currency basis:** constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **Organic change 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. Organic change excludes Argentina Net Sales for both 2018 and 2019.
- **Gross profit** is the margin that the Group realizes after deducting its manufacturing costs.
- **Normalized IFO:** normalized means excluding non-recurring items.
- **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).

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SOCIETE BIC consolidated and statutory financial statements as of March 31, 2019, were approved by the Board of Directors on April 24, 2019. A presentation related to this announcement is also available on the BIC 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 2018 Registration Document filed with the French financial markets authority (AMF) on March 20, 2019.

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

2019 AGENDA

2019 AGM	22 May 2019	Meeting – BIC Headquarters
First Half 2019 results	31 July 2019	Conference call
Third Quarter 2019 results	23 October 2019	Conference call

ABOUT BIC

BIC is a world leader in stationery, lighters and shavers. For more than 70 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 and is a trademark registered worldwide for identifying BIC products which are sold in more than 160 countries around the world. In 2018, BIC Net Sales were 1,949.8 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 Socially Responsible Investment indexes: CDP A list and CDP "Supplier Engagement rating Leader board", Euronext Vigeo – Eurozone 120, Euronext Vigeo – Europe 120, FTSE4Good indexes, Ethibel Pioneer and Ethibel Excellence Investment Registers, Ethibel Sustainability Index (ESI) Excellence Europe, Stoxx Global ESG Leaders Index.

