



Press Release

FIRST-HALF 2010 SALES

15 July 2010

Sustained Growth Momentum

- More favourable economic and currency environment than in first-half 2009
- Group growth momentum confirmed

Revenue in €m	H1 2009	H1 2010	% Change (based on non-rounded figures)	
			Current exchange rates	Constant exchange rates
France	284	297	4.7%	4.7%
Other Western European countries	304	322	6.0%	5.5%
North America	151	167	10.4%	7.5%
South America	111	148	33.6%	10.6%
Asia-Pacific	278	356	28.0%	26.1%
Central Europe, Russia and other countries	246	263	7.0%	1.3%
TOTAL	1,374	1,553	13.1%	9.4%

First-half 2010 sales benefited from a much more favourable economic environment than in the year-earlier period:

- Demand held firm or started to recover in most markets, reflecting both a certain upturn in consumer spending and improved conditions in the retail sector.
- Most of the Group's functional currencies (dollar, ruble, Brazilian real, Turkish lira, Korean won, etc.) rose against the euro from the unusual and particularly unfavourable rates prevailing in first-half 2009.

The small household equipment sector once again demonstrated its vitality in a large number of markets.

In this environment, Groupe SEB's revenue for the first six months of 2010 rose by 13.1% as reported and by 9.4% at constant exchange rates. The organic growth was primarily driven by sales volumes, which were much stronger than in first-half 2009. It was almost in line with first-quarter organic gain, with the second quarter registering a 7.9% increase at constant exchange rates.

The currency effect was highly positive, at €50 million, and was primarily felt in the second quarter.

Sales by region

In France, demand trended upwards throughout the period, both in small electrical appliances (across all product categories) and in cookware, even as retailers continued to tightly manage inventories. In this favourable environment, Groupe SEB enjoyed a very satisfactory performance, thanks to both new retail slots and by major advertising initiatives. Growth was driven primarily by the strong sales of our cookware and new steam generator and iron models, as well as by the successful deployment of the vacuum cleaner lines, which led to market share gains.

In the rest of Western Europe, sales saw sustained growth in the first-half, reflecting rising demand for small household equipment in the region and the Group's own dynamic, despite the still aggressively competitive environment. Excepting Greece, which is mired in an economic crisis, and Portugal, where sales were slightly down for the period, Groupe SEB reported robust gains in almost all of the other countries, and notably in Austria, Spain, the Netherlands, Germany and Belgium. Thanks to a good second quarter, sales returned to growth in Italy, while in the United Kingdom, the trendline turned upwards at period-end after an extremely difficult 2009.

First-half performance **in North America** was lifted by an economic environment that was more buoyant than the year before, albeit without any major upsurge in consumer spending. In the United States in particular, the recovery has been weak. Despite the high prior-year comparatives, T-fal reported sustained cookware sales and continued to expand in new retail chains. Mirro WearEver maintained its early-year dynamic in the second quarter. After a slow start, Rowenta found some drive in the second quarter with the launch of new irons and garment steamers. In the premium segment, Krups is still struggling while All-Clad is recovering, thanks in particular to the introduction of a highly popular new cookware line. Performance remained contrasted between Canada, where sales declined despite a more encouraging trend at period-end, and Mexico, where the return to growth gained much faster momentum in the second quarter, primarily as a result of customer loyalty campaigns.

In South America, favourable economic indicators helped to drive fast growth in consumer spending in the first half of the year. Groupe SEB had a good first half in Brazil, where the business environment was shaped by retail industry consolidation and lively competition. Growth in Arno's small electrical appliance sales was driven by successful launches, product line refreshments in blenders, irons and personal care, very favourable weather for fan sales and the development of alternative retailing channels. Panex strengthened and repositioned its cookware line-up to respond more effectively to the competition and win back market share. Sales were also up in the other countries, except Venezuela. This was especially the case in Colombia, where business saw very robust growth over the period.

In the Asia-Pacific region, the first-quarter's very brisk demand continued unabated in the second quarter. Despite the already high prior-year comparatives, the Group ended the first half with growth in Japan, led by successful pressure cooker and kettle sales and the additional revenue brought in from our proprietary stores. In South Korea, the upturn in sales that began in late 2009 gained further momentum in the first half of 2010. In China, based on low prior-year comparatives, robust consumer spending drove very strong growth in Supor's sales, in i) small electrical appliances with, in particular, a return to growth in induction hobs and an improvement in soymilk makers; and ii) cookware, led by woks. At the same time, the sustained geographic deployment of the Supor Lifestores also contributed to the revenue gains. On the other hand, sales declined in Australia, where our business is taking longer to recover.

In Central Europe, Russia and other countries (Turkey and Middle Eastern countries, Africa, etc.), the Group is very carefully managing its business at a time when credit insurance is restricted or sometimes unavailable. Sales in the region were slightly growing at constant exchange rates, but performance varied widely by country. In Central Europe, where demand was still expanding in first-half 2009, the difficult economic conditions, particularly in Poland, are weighing on consumer spending and dragging down the market, with an adverse impact on our business. The situation is gradually improving. In Russia and Ukraine, with signs of an upturn in consumer spending late in the period helping to drive a slight return to growth in Group sales. In Turkey, after a weak start to the year due to falling demand, the Group enjoyed a more energetic performance in the second quarter.

Acquisition Project in South America

Groupe SEB has confirmed that it is in talks with the main shareholders of Colombia-based Imusa, with a view to acquiring a majority interest in the company.

Founded in 1934, Imusa is specialised in small household equipment. It manufactures and markets cookware, which accounts for two thirds of its sales, as well as plastic food containers and household items. A leader in the Colombian market, Imusa has developed a strong position in all of the national retail chains and has opened several proprietary outlets. At the same time, the company has given its business a more international reach, with products currently exported to the United States – where they are mainly marketed to the Hispanic population – and to other Latin American countries such as Ecuador, Peru, Venezuela, Panama, Puerto Rico and El Salvador, etc. Its catchment area covers a consumer base of around 120 million people.

In 2009, Imusa reported nearly \$90 million in revenue, of which 57% from domestic operations and 43% from exports. The business is enjoying steady growth.

Imusa operates two production facilities and employs around 800 people.

The company is listed on the Bogotá Stock Exchange, where its free float, representing roughly 7% of outstanding shares, trades in a very narrow market.

Depending on how the talks proceed and subject to approval by Colombian authorities, the transaction could be completed by the end of 2010.

The world leader in small domestic equipment, Groupe SEB operates in nearly 150 countries with a unique portfolio of top brands marketed through multi-format retailing. Selling some 200 million products a year, it deploys a long-term strategy focused on innovation, international development, competitiveness and service to clients. Groupe SEB has 20,500 employees worldwide.