



BIC GROUP – FIRST QUARTER 2011 RESULTS

NET SALES AT 409.9 MILLION EUROS, UP 6.6% ON A COMPARATIVE BASIS*

NORMALIZED IFO AT 83.1 MILLION EUROS, UP 54.7% - NORMALIZED* IFO MARGIN: 20.3%

GROUP NET INCOME UP 52.3% AT 53.9 MILLION EUROS – EPS UP 53.4% AT 1.12 EUROS

• **Consumer Business: 351.0 million euros net sales (+9.8% on a comparative basis)**

Continued strong performance, with double-digit growth in developing markets and mid-single digit increase in Europe and North America.

Stationery	127.7 M€	+ 9.4% (comparative basis)	Very good back-to-school in South America
Lighters	122.9 M€	+ 10.3% (comparative basis)	Continued strong growth in developing markets
Shavers	76.7 M€	+ 11.9% (comparative basis)	Broad-based growth coming from all product segments across all regions

• **Advertising and Promotional Products: 58.9 million euros net sales (-8.8% on a comparative basis)**

The execution of the integration plan is more challenging than anticipated, with a negative impact on net sales performance, although the market is growing low-single digit.

2011 Outlook

Consumer Business

For the full year 2011, given the strong performance of Q1, we expect a mid-single digit net sales growth on a comparative basis. The Normalized IFO margin should remain stable compared to the full year 2010 level.

Advertising and Promotional Products

Following Q1's underperformance, we now expect full year 2011 net sales to decrease by mid-single digit on a comparative basis. The Normalized IFO margin is planned to trend close to the full year 2010 level.

Mario Guevara, Chief Executive Officer, said: "Our first Quarter results were good, with continued strong performance of developing markets. In all geographies, our Consumer business activities leveraged 2010 distribution and market share gains. Q1 was challenging for BIC APP sales performance but we are beginning to see benefits from the integration plan savings and are confident that sales growth will resume in 2012. For the full year, Group performance could be influenced by currency volatility and raw material price increases. Although we will continue to focus on protecting gross margin through improved manufacturing efficiency and targeted price adjustments, we anticipate full year normalized Income From Operations margin to be lower than Q1 2011 level."

Unaudited figures

* See glossary page 9

Key figures

In million euros	FIRST QUARTER				
	2010	2011	Change as reported	Change at constant currencies	Change at comp. basis ¹
GROUP					
Net sales	378.3	409.9	+8.4%	+4.9%	+6.6%
Gross Profit	179.4	211.2	+17.7%		
Normalized Income From Operations²	53.7	83.1	+54.7%		
Normalized IFO Margin	14.2%	20.3%			
Income From Operations	47.8	82.0	+71.4%		
IFO Margin	12.6%	20.0%			
Group Net Income	35.4	53.9			
Earnings per share (in euros)	0.73	1.12			
BY CATEGORY					
Stationery					
Net Sales	112.6	127.7	+13.4%	+9.4%	+9.4%
IFO	7.7	22.1			
IFO margin	6.9%	17.3%			
Normalized IFO margin	7.4%	17.3%			
Lighters					
Net Sales	107.0	122.9	+14.9%	+10.3%	+10.3%
IFO	40.9	50.2			
IFO margin	38.2%	40.8%			
Normalized IFO margin	38.0%	40.8%			
Shavers					
Net Sales	66.4	76.7	+15.6%	+11.9%	+11.9%
IFO	10.5	15.5			
IFO margin	15.8%	20.3%			
Normalized IFO margin	15.7%	20.3%			
Other Products					
Net Sales	22.6	23.7	+4.9%	+3.3%	+3.3%
Total Consumer business					
Net Sales	308.6	351.0	+13.8%	+9.8%	+9.8%
IFO	56.4	85.9			
IFO Margin	18.3%	24.5%			
Normalized IFO margin	18.4%	24.5%			
BIC APP					
Net Sales	69.7	58.9	-15.5%	-16.6%	-8.8%
IFO	-8.6	-3.9			
IFO margin	-12.3%	-6.7%			
Normalized IFO margin	-4.2%	-4.9%			

^{*} See glossary page 9

1 : Figures at comparative basis exclude, for Q1 2010, net sales from BIC APP funeral products business, disposed in June 2010 and net sales of BIC APP Italy direct business, disposed in January 2011.

2 : In 2011, normalized IFO excludes expenses related to BIC APP integration plan. In 2010, normalized IFO excludes expenses related to BIC APP integration plan, restructuring expenses, including the roll-over of the 2009 cost reduction plan and real estate gains.

BIC Group Q1 2011 net sales were 409.9 million euros, compared to 378.3 million euros in 2010, up 8.4% as reported, up 4.9% at constant currencies and up 6.6% on a comparative basis.

Total Consumer business operations increased 9.8% at constant currencies in Q1 2011, while the Advertising and Promotional Products Business decreased 8.8% on a comparative basis.

Q1 2011 foreign currency fluctuations had a positive impact of 3.5%, of which +1.8% was due to Latin American currencies (+1.4% for the Brazilian Real) and +0.4% to the increase of the U.S. dollar.

Q1 2011 gross profit margin increased 4.1 points to 51.5% of sales versus 47.4% in 2010. The main drivers of gross profit margin improvement were strong sales increases in the consumer business, better fixed cost absorption due to volume growth and continuing manufacturing productivity, including the benefits of restructuring and integration plans.

Q1 2011 Income From Operations increased 71.4% as reported to 82.0 million euros. The reported IFO margin was 20.0% compared to 12.6% in 2010.

Q1 2011 IFO included a total of -1.1 million euros of non recurring items mainly related to the reorganization of the BIC APP business in Italy.

Excluding these impacts, Q1 2011 normalized IFO was 83.1 million euros compared to 53.7 million euros in 2010. The Q1 2011 normalized IFO margin was 20.3% compared to 14.2% for the same period last year, as a result of gross profit margin improvement, controlled OPEX, savings related to 2009 restructuring program and BIC APP integration plan, while still increasing brand support compared to Q1 2010. Q1 2011 Consumer business normalized IFO margin was 24.5% and included increased brand support compared to the same period last year, notably in Stationery and Shavers. BIC APP normalized IFO margin decreased 0.7 points to -4.9%.

Income before tax increased 54.2% as reported to 78.3 million euros. Q1 2011 finance revenue was -3.7 million euros, primarily due to a -4.7 million euros of unfavourable impact of monetary assets revaluation (USD vs. EUR). The tax rate was 33.1% vs. 32.4% in Q1 2010, consistent with the full year 2010 level.

Q1 2011 Group net income was 53.9 million euros, a 52.3% increase as reported. Q1 2011 Group net income included 1.6 million euros from income from associates (Cello Pens). Q1 2011 earnings per share (EPS) reached 1.12 euros, compared to 0.73 euros in 2010, up 53.4%. Normalized EPS grew 37.8% at 1.13 euros compared to 0.82 euros in 2010.

At the end of March 2011, the net cash position was 377.1 million euros, compared to 397.1 million euros as of December 31, 2010 and 347.6 million euros at the end of March 2010. Compared to the end of December 2010, Q1 2011 cash generation benefited from the improvement of profitability more than offset by CAPEX investment (15 million euros) and share buy-back program, net of stock options exercised (18 million euros).

BIC signed 3 agreements to dispose small non-core assets:

- PIMACO business to business divisions in Brazil;
- REVA peg business in Australia.

These activities are consolidated in "other products - consumer." The closings are expected to be completed in Q2 2011. These disposals are expected to generate approximately 7 million euros non-recurrent negative impact on Q2 2011 Group Income From Operations (related to impairment of goodwill and trademarks) which will be normalized.



Stationery Consumer

Q1 2011 Stationery net sales increased 13.4% as reported to 127.7 million euros and grew 9.4% at constant currencies.

Developed Markets

Developed Markets generated a good performance.

Net sales grew mid-single digit in Europe. The 2010 slow recovery of the Stationery market in Europe continued into the 1st Quarter of 2011, with the total market showing low-single digit growth during the first months of 2011.

In the U.S., market recovery is coming a bit slower, with the total market stable compared to last year. However BIC was able to generate **mid-single digit growth in North America** in the 1st Quarter despite the flat market.

Developing Markets

Developing markets continue to lead the sales growth of our Stationery business, registering **double-digit gains in the 1st Quarter**.

Leading the sales gains were the regions of Middle East and Africa. Though not yet a large part of our business, the sales growth contributed to our global 1st Quarter gains. More important to our portfolio was the continued double-digit growth of South America, a large and fast growth region, where we have generated positive back-to-school results, particularly in Brazil.

The Stationery normalized IFO margin was 17.3% in Q1 2011 compared to 7.4% in 2010, benefiting from strong sales growth (mainly in developing markets), improved fixed cost absorption and enhanced productivity.

Lighters

Q1 2011 net sales increased 14.9% as reported to 122.9 million euros and grew 10.3% at constant currencies. Volumes grew in all key geographies.

Developed markets

In Europe, where the major challenge remained Asian low-cost and low-quality imports, **net sales grew low single digit**. Following the complaint filed by BIC in September 2010, the European Commission decided at the end of January to give the Food and Consumer Product Safety Authority (VWA) in the Netherlands 10 weeks to explain its position on surveillance of potentially dangerous lighters.

In North America, Q1 2011 net sales **increased high-single digit** as a result of further distribution and market share gains.

Developing markets

Q1 2011 net sales performance continued to be strong with notably **double-digit growth in Latin America** due to distribution gains.

The Lighter normalized Q1 2011 IFO margin reached 40.8% compared to 38.0% in 2010, benefiting from the increase in sales (notably in developing markets), higher production volumes and improved productivity.

Shavers

Q1 2011 Shaver net sales reached 76.7 million euros, up 15.6% as reported and 11.9% at constant currencies.

The positive trend of 2010 has carried forward into 2011, with strong sales and profit growth realized in the 1st Quarter. The positive results were broad-based, as sales growth was realized across all product segments and across most regions of the world.

Developed Markets

Net sales increased mid-single digit in both Europe and North America. The growth was broad-based, with most countries contributing to the Q1 sales gains, and all product segments contributing as well (Single, Twin, Triple and Quad).

In Europe, our growth comes not only from our newer value-added entries, but also from our legacy products which offer great value in markets where consumers continue to be challenged by difficult economic conditions.



In North America, the BIC® brand continued to gain market share in the one-piece segment compared to last year. The value-added portion of our portfolio is driving the growth on this Continent, with products such as BIC® Hybrid Advance™, BIC® Soleil® Bella™ and BIC® Flex4™ all registering double-digit sales improvements versus the prior year.

Developing Markets

Net sales grew strongly, registering **double-digit gains** across the entire region.

Particularly strong growth was generated in the Middle East and Africa, with Double Edge blades, Single and Twin blade products all contributing to the gains.

In Latin America the steady double-digit growth continued again in Q1 2011. This result was broad-based as well, with almost all countries and all product segments contributing.

The Shaver normalized IFO margin grew to 20.3% in Q1 2011 compared to 15.7% in 2010. This improvement was driven by net sales growth, better fixed cost absorption and manufacturing productivity.

Advertising and Promotional Products

Q1 2011 Advertising and Promotional Products net sales decreased 15.5% as reported, 16.6% at constant currencies and 8.8% on a comparative basis.

The integration plan execution is more challenging than anticipated with a negative impact on net sales performance. This resulted in customer service issues (notably delayed shipments).

BIC APP Income From Operations was -3.9 million euros (-6.7% margin) and included -1.1 million euros of non-recurring items mainly related to the reorganization of our business in Italy, following the disposal of the Antalis Promotional Products direct-sales business.

BIC APP Q1 2011 normalized IFO margin was -4.9% compared to -4.2% in Q1 2010. The sharp decrease in net sales was partially offset by the savings related to the integration plan.



BIC Group net sales change by geography

<i>In million euros</i>	Q1 2010	Q1 2011	Change
Total Group net sales	378.3	409.9	
<i>As reported</i>			+8.4%
<i>At constant currencies</i>			+4.9%
<i>On a comparative basis</i>			+6.6%
1 – Europe	110.9	112.3	
<i>As reported</i>			+1.3%
<i>At constant currencies</i>			+0.5%
<i>On a comparative basis</i>			+2.0%
2 – North America	148.8	149.8	
<i>As reported</i>			+0.6%
<i>At constant currencies</i>			-1.0%
<i>On a comparative basis</i>			+1.9%
3 – Developing Markets	118.5	147.8	
<i>As reported</i>			+24.7%
<i>At constant currencies</i>			+16.6%

Impact of change in perimeter and currency fluctuations

<i>in %</i>	Q1 2010	Q1 2011
Perimeter	+12.8	-1.3
Currencies	+1.1	+3.5
<i>Of which USD</i>	-2.8	+0.4
<i>Of which BRL</i>		+1.4

IFO and Normalized IFO by category

<i>In million euros</i>	Income From Operations		Normalized Income From Operations	
	Q1 2010	Q1 2011	Q1 2010	Q1 2011
Group	47.8	82.0	53.7	83.1
Consumer	56.4	85.9	56.7	85.9
Stationery	7.7	22.1	8.3	22.1
Lighters	40.9	50.2	40.7	50.2
Shavers	10.5	15.5	10.4	15.5
Other	-2.6	-1.9	-2.7	-1.9
APP	-8.6	-3.9	-2.9	-2.9



Condensed Profit and Loss Account

<i>In million euros</i>	Q1 2010	Q1 2011	Change as reported	Change at constant currencies [*]	Change on a comp. basis [*]
NET SALES	378.3	409.9	+8.4%	+4.9%	+6.6%
Cost of Goods	198.9	198.7			
GROSS PROFIT	179.4	211.2	+17.7%		
Administrative & other operating expenses	131.6	129.2			
INCOME FROM OPERATIONS (IFO)	47.8	82.0	+71.4%		
Finance revenue/costs	2.9	-3.7			
INCOME BEFORE TAX	50.7	78.3			
Income tax	-16.4	-26.0			
Income from associates	1.1	1.6			
GROUP NET INCOME	35.4	53.9			
EARNINGS PER SHARE (EPS) (in euros)	0.73	1.12			
Total weighted number of shares outstanding adjusted for treasury shares	48,283,563	48,181,386			

* See glossary page 9



Condensed Balance Sheet

<i>In million euros</i>		
ASSETS	Mar. 2010	Mar. 2011
Non-current assets	839.0	820.2
Current assets	1,233.2	1,228.6
<i>Of which Cash & Cash Equivalents</i>	461.5	355.3
TOTAL ASSETS	2,072.2	2,048.8
LIABILITIES & SHAREHOLDERS' EQUITY	Mar. 2010	Mar. 2011
Shareholders' equity	1,377.8	1,446.9
Non-current liabilities	326.7	237.3
Current liabilities	367.7	364.6
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,072.2	2,048.8

Share buy-back program

	Number of shares bought	Average weighted price in €	Amount in M€
January 2011	-	-	-
February 2011	108,841	61.66	6.7
March 2011	341,038	62.41	21.3
Total Q1 2011	449,879		28.0



Glossary

- **At constant currencies:** Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates. All net sales category comments are made at constant currencies or comparative basis.
- **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.
- **Normalized IFO:** normalized means excluding restructuring, BIC APP integration plan expenses and real estate gains.

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SOCIETE BIC consolidated and statutory financial statements, as of March 31, 2011, were closed by the Board of Directors on April 19, 2011. 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, "Risks and Opportunities," in BIC's 2010 Registration Document filed with the French financial markets authority (AMF) on March 31, 2011.

2011 Agenda

2010 Shareholders' Meeting	May 11, 2011	Meeting (BIC headquarters)
2 nd Quarter & 1 st Half 2011 Results	August 3, 2011	Conference call
3 rd Quarter & 9 Months 2011 Results	October 19, 2011	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 2010, BIC recorded net sales of 1,831.5 million euros. The Company is listed on "Euronext Paris" and is part of the SBF120 and CAC Mid 100 indexes. BIC is also part of the following SRI indexes: FTSE4Good Europe, ASPI Eurozone, Ethibel Excellence Europe and Carbon Disclosure French Leadership index 2010 (CDLI).



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

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