



BIC GROUP – FIRST QUARTER 2013 RESULTS

- **NET SALES: 428.6 MILLION EUROS, FLAT ON A COMPARATIVE BASIS^{*} WITH A GOOD RESILIENCE OF OUR CONSUMER BUSINESS DESPITE A CHALLENGING COMPARISON BASE**
- **NORMALIZED* IFO: 66.7 MILLION EUROS – NORMALIZED IFO MARGIN: 15.6 %**
- **GROUP NET INCOME: -20.2% AT 45.2 MILLION EUROS**
- **EPS: DOWN 20.8% AT 0.95 EUROS**

Q1 2013 Key operational figures

	Net sales growth on a comparative basis*	Normalized IFO margin*
Group	+0.0%	15.6%
<i>Consumer Business</i>	+1.8%	18.5%
• Stationery	-2.3%	10.1%
• Lighters	+3.6%	33.8%
• Shavers	+2.1%	14.9%
<i>Advertising & Promotional Products</i>	-11.2%	-5.4%

Commenting on BIC Group results, Mario Guevara, Chief Executive Officer, said:

“Our first quarter 2013 results showed contrasted trends. Despite a challenging comparison base, we managed to grow our consumer business in almost all geographies and notably in Europe and North America. In developing markets the slowdown of Latin America growth was more than offset by the good performance of the Middle-East and Africa regions and by Asia.

In our Consumer business, full year 2013 net sales and profitability goals will be in keeping with our medium-term objectives as we continue to invest in all geographies to enhance future growth.

Despite BIC APP disappointing First Quarter results, we are confident that our new management will be able to turn the business around”.

Full Year 2013 Outlook

Consumer Business

For the full year, we expect net sales on a comparative basis to grow in line with our mid-term objectives of +2% to +4%. Normalized IFO margin should be in the higher end of 15% to 20% mid-term objectives range.

Advertising and Promotional Products

BIC APP full year 2013 net sales could decline low to mid-single digit. Due to the sales decline, we will realize less favorable volume absorption and therefore Normalized IFO margin could decline to mid to low-single digit level.

^{*} see glossary page 10

Key figures

In million euros	FIRST QUARTER				
	2012	2013	Change as reported	Change at constant currencies	Change at comp. Basis
GROUP					
Net sales	445.0	428.6	-3.7%	-0.7%	+0.0%
Gross Profit	233.1	210.4	-9.7%		
Normalized Income From Operations¹	79.9	66.7	-16.5%		
Normalized IFO Margin	18.0%	15.6%			
Income From Operations	81.1	65.2	-19.5%		
IFO Margin	18.2%	15.2%			
Group Net Income	56.7	45.2	-20.2%		
Earnings per share (in euros)	1.20	0.95	-20.8%		
BY CATEGORY					
<i>Stationery</i>					
Net Sales	138.1	129.7	-6.1%	-2.3%	-2.3%
IFO	22.8	13.1			
IFO margin	16.5%	10.1%			
Normalized IFO margin	16.0%	10.1%			
<i>Lighters</i>					
Net Sales	136.7	137.4	+0.5%	+3.6%	+3.6%
IFO	50.6	46.3			
IFO margin	37.0%	33.7%			
Normalized IFO margin	37.1%	33.8%			
<i>Shavers</i>					
Net Sales	92.6	91.4	-1.3%	+2.1%	+2.1%
IFO	14.9	13.6			
IFO margin	16.1%	14.9%			
Normalized IFO margin	16.1%	14.9%			
<i>Other Products</i>					
Net Sales	17.5	17.2	-2.2%	-1.2%	+22.6%
<i>Total Consumer business</i>					
Net Sales	384.9	375.7	-2.4%	+0.9%	+1.8%
IFO	85.6	69.4			
IFO Margin	22.2%	18.5%			
Normalized IFO margin	21.9%	18.5%			
<i>BIC APP</i>					
Net Sales	60.1	53.0	-11.9%	-11.2%	-11.2%
IFO	-4.5	-4.2			
IFO margin	-7.5%	-7.9%			
Normalized IFO margin	-7.1%	-5.4%			

¹ see glossary page 10

Q1 2013 GROUP OPERATIONAL TRENDS

Net Sales

BIC Group Q1 2013 net sales were 428.6 million euros, compared to 445.0 million euros in 2012, down 3.7% as reported, down 0.7% at constant currencies and stable on a comparative basis.

- Total consumer business operations increased 1.8% on a comparative basis. Europe grew 3.5% driven by a strong performance in Eastern Europe and a good resilience of Western countries. North America grew low-single digit despite a challenging comparison base. Developing markets increased low-single digit, with a solid performance in the Middle-East/Africa and Asia. Latin America was flat.
- The Advertising and Promotional Products Business decreased 11.2% at constant currencies as we continued to be negatively impacted from the consequence of the ERP implementation in North America and declining markets in Southern Europe.

Gross Profit

Q1 2013 gross profit margin decreased 3.3 points to 49.1% of sales versus 52.4% in 2012. Production costs were higher year on year due to unfavorable fixed cost absorption (linked to lower manufacturing activity) and the impact of currency fluctuations on purchases, mainly in Latin America. This was partially offset by the non-recurring 2012 Special Premium to employees² (+1.5 pts).

Income From Operations and Normalized Income From Operations

In million euros	Q1 2012	Q1 2013
Income From Operations	81.1	65.2
As % of net sales	18.2%	15.2%
• Non-recurring items	-1.1	+1.4
- Of which restructuring costs	+0.4	+1.4
- Of which goodwill and trademarks impairments and related expenses	-0.8	
- Of which gain on disposal and real estate	-0.7	
Normalized IFO	79.9	66.7
As % of net sales	18.0%	15.6%

The decrease in Normalized IFO margin is due to:

- Decrease in Gross Profit margin (-3.3 points),
- Decrease in brand support (+0.4 points),
- Negative impact of OPEX increase (-1.3 points)
- Favorable impact of foreign currency exchange rate (+0.8 points) which partially offset the negative impact in Gross Profit,
- Positive impact of Q1 2012 accruals relative to the Special Premium to Employees² in OPEX (+1.0 points).

² In Q1 2012, 11.0 million euros accruals were booked following the decision to pay a special premium to all BIC employees who have not been granted performance share plans in 2011. The final expense was 8.8 million euros (fully paid in Q2 2012).

Net Income and EPS

Income before tax decreased 21.4% as reported to 65.0 million euros. Q1 2013 finance revenue was -0.3 million euros compared to +1.7 million in Q1 2012 due to lower interest income combined with less favorable monetary assets revaluation.

Q1 2013 Group net income was 45.2 million euros, a 20.2% decrease as reported. Q1 2013 Group net income included 0.9 million euros from income from associates (Cello Pens). Q1 2013 earnings per share (EPS) reached 0.95 euros, compared to 1.20 euros in 2012, down 20.8%. Normalized EPS was 0.97 euros compared to 1.19 euros in 2012.

Net cash position

At the end of March 2013, the net cash position was 332.0 million euros, compared to 334.5 million euros as of December 31, 2012 and 377.2 million euros at the end of March 2012.

Evolution of Q1 net cash position (in million euros)

	Q1 2012	Q1 2013
Net Cash position (beginning of the period)	329.5	334.5
• Net cash from operating activities	+52.2	+56.9
○ Of which operating cash flow	+79.2	+82.6
○ Of which change in working capital	-40.4	-20.2
• CAPEX	-19.3	-27.9
• Share buy-back	-1.2	-41.3
• Exercise of stock options and liquidity contract	+18.1	+9.4
• Divestitures and real estate gain	+2.6	-
• Others	-4.7	+0.4
Net Cash position (end of the period)	377.2	332.0

Shareholders' remuneration

- 2.56 euros ordinary dividend per share proposed to the 15 May 2013 AGM.
- 41.3 million euros share buy-back at the end of March 2013 (468,044 shares bought at an average price of 88.27 euros).

OPERATIONAL TRENDS BY CATEGORY

Consumer Categories

Stationery

Q1 2013 Stationery net sales decreased 6.1% as reported and -2.3% at constant currencies.

Developed countries

- **In Europe**, BIC continued to gain market shares with net sales up low-single digit as the continuing softness in the Office Supply Channel was more than compensated by a good performance in Retail Mass Market in all regions and in particular in France and Eastern Europe (Poland, Turkey).
- **In North America**, facing a challenging year-on-year comparison base (Q1 2012 net sales grew double-digit due to strong promotional campaigns), sell-in decreased low-double digit. Since the beginning of 2013, the total U.S. Stationery market was down low-single digit with Office Supply Super Stores channel down high-single digit. In this challenging environment, BIC® products performed in line with the market (sell-out).

Developing markets

Q1 2013 net sales were flat.

- In Latin America, we continued to experience a slowdown of stationery market leading to further adjustments of customers' inventories, particularly in the Office Product channel in Mexico and in Brazil. In both countries, we continued to gain market shares (sell-out) in the retail mass market channel. Sales remained solid in the rest of the region and particularly in Argentina, which was notably driven by the success on the BIC® Evolution™ range.
- Growth in the Middle-East and Africa was driven by a solid back-to-school in South Africa and a strong performance in the Middle-East countries.
- Sales grew double digit in Asia.

Q1 2013 Stationery normalized IFO margin was 10.1% compared to 16.0% in Q1 2012. Excluding the positive impact of the Special Premium to employees accrued in Q1 2012 (+2.2 points), the decrease is due to lower sales volumes, unfavorable fixed cost absorption (linked to lower manufacturing activity) and the impact of currency fluctuations on purchases, mainly in Latin America.

Lighters

Q1 2013 lighters' net sales increased 0.5% as reported and +3.6% at constant currencies.

Developed markets

- **In Europe**, net sales increased low-single digit, driven by solid growth in France, Belgium, Germany and the Eastern region. Southern countries remained soft.
- **In North America**, net sales grew high-single digit, reflecting both market share gains and the anticipation of the April announced price increase. In the U.S, BIC® products continued to out-perform the pocket lighter market (up low-single digit year-to-date) as we benefited from our on-going focus on value-added sleeved products, led notably by 40th anniversary BIC pocket lighter "Flicktacular" designs.

Developing markets

Q1 2013 net sales were down low-single digit.

- In Latin America, sales continued to be affected by the anti-tobacco regulation and by increases in cigarette prices that were implemented early in January 2013. We also experienced reductions in inventory from customers in markets such as Mexico and Brazil where the overall economic trends are slowing down.
- Net sales grew strongly in Asia where we have started to build both the BIC® Lighters brand and distribution.

Q1 2013 Lighters normalized IFO was 33.8 % compared to 37.1% in Q1 2012. Excluding the positive impact of the Special Premium to employees accrued in Q1 2012 (+1.4 points), the positive impact of the increase in net sales was offset by an increase in raw materials costs and unfavorable fixed cost absorption.

Shavers

Q1 2013 shavers' net sales decreased 1.3% as reported and increased 2.1% at constant currencies.

Developed markets

- **In Europe**, net sales increased low-single digit as we benefited from the success of value-added triple blade products such as the BIC® Flex 3 with moveable blades. The new BIC® Flex O3 targeted towards young men is well received by the trade and is progressively gaining distribution, notably in France.
- **In North America**, net sales decreased high-single digit as Q1 2012 comparison base was extremely high due to new product pipeline and strong promotional activity. Since the beginning of 2013, we grew our market share by 0.2 points (year-to-date March 30th) in the U.S., despite a continuous aggressive competitive environment with a high level of promotional activity. Our new shaver for women BIC® Shave & Trim has been listed at major customers in both the U.S and Canada and sell-in is meeting expectations.

Developing markets

Net sales in developing markets grew low-double digit, with Latin America up high-single digit. In this region, the performance continued to be driven by our triple blade one-piece products. The new BIC® Flex 4 refillable shaver was launched in March and has been well received by the distribution (sell-in). We also registered a good performance in the Middle-East and Africa, notably in South-Africa thanks to the growth of our 3 and 4 blades shavers.

Q1 2013 shavers normalized IFO was 14.9% compared to 16.1% in Q1 2012. . Excluding the positive impact of the Special Premium to employees accrued in Q1 2012 (+2.4 points), the decrease in Normalized IFO margin is due to unfavorable fixed cost absorption (linked to lower manufacturing activity) and the impact of currency fluctuations.

Other Consumer Products

Other Consumer Products net sales decreased 2.2% as reported, -1.2% at constant currencies and grew 22.6% on a comparative basis. Growth was driven by BIC Sport.

Other Consumer Products Normalized IFO was -3.6 million euros compared to -3.5 million euros in Q1 2012. It includes the expenses related to the portable fuel cell project (-2.5 million euros compared to -2.9 million euros in Q1 2012).

Advertising and Promotional Products

Q1 2013 Advertising and Promotional Products net sales decreased 11.9% as reported and -11.2% at constant currencies.

- In the U.S., BIC APP sales continued to be negatively impacted by consequences of the service level deterioration experienced during the ERP implementation at the end of 2012.
- In Europe, the decrease in net sales was driven by the "hard goods" segment and a significant part of sales loss was due to Southern Europe countries (Spain, Portugal, Greece and Italy). Net sales in France grew slightly despite the challenging business environment.

Q1 2013 BIC APP Income From Operations (IFO) includes 1.4 million euros of restructuring costs. **Q1 2013 BIC APP normalized IFO was -5.4% compared to -7.1% in Q1 2012.** Excluding the positive impact of the Special Premium to employees accrued in Q1 2012 (+6.2 points), the decrease in Normalized IFO margin is mainly due to the decrease in net sales.

MISCELLANEOUS

- On 22 March 2013, the European Union Commission published its decision to extend with retroactive effect the anti-dumping tax on Chinese Flint lighters (expired in Dec 2012) to flint lighters of Vietnamese origin imported in the European Union between 27 June and 13 December 2012, that is to say between the official opening of the anti-circumvention inquiry and the expiration of the anti-dumping tax on Chinese flint lighters. This decision is an official acknowledgement by the European Union Commission that some Chinese flint lighters exporters have circumvented the anti-dumping tax through unjustified declarations of Vietnam origin. BIC has always asserted that the anti-dumping tax was massively circumvented.
- On 12 March 2013, following a complaint based on misleading advertising and unfair competition filed by BIC, Bobigny commercial court has ordered the company Polyflame to cease claiming compliance with ISO 9994 international safety standard (notably on packaging) of 2 out of 8 lighters models targeted in the procedure they market in France. Polyflame has filed an appeal against this judgment.

BIC Group net sales change by geography

<i>In million euros</i>	Q1 2012	Q1 2013	Change
Total Group net sales	445.0	428.6	
<i>As reported</i>			-3.7%
<i>At constant currencies</i>			-0.7%
<i>On a comparative basis</i>			+0.0%
1 – Europe	111.5	109.6	
<i>As reported</i>			-1.7%
<i>At constant currencies</i>			-1.6%
<i>On a comparative basis</i>			+1.5%
2 – North America	179.4	174.6	
<i>As reported</i>			-2.7%
<i>At constant currencies</i>			-2.1%
<i>On a comparative basis</i>			-2.1%
3 – Developing Markets	154.1	144.4	
<i>As reported</i>			-6.3%
<i>At constant currencies</i>			+1.5%
<i>On a comparative basis</i>			+1.5%

Impact of change in perimeter and currency fluctuations

<i>in %</i>	Q1 2012	Q1 2013
Perimeter	-1.9	-0.7
Currencies	+1.5	-3.0
<i>Of which USD</i>	+1.6	-0.2
<i>Of which BRL</i>	-0.2	-1.4
<i>Of which ARS</i>	-0.2	-0.7

IFO and Normalized IFO by category

<i>In million euros</i>	Income From Operations		Normalized Income From Operations	
	Q1 2012	Q1 2013	Q1 2012	Q1 2013
Group	81.1	65.2	79.9	66.7
Consumer	85.6	69.4	84.2	69.6
Stationery	22.8	13.1	22.1	13.1
Lighters	50.6	46.3	50.7	46.4
Shavers	14.9	13.6	14.9	13.6
Other	-2.7	-3.6	-3.5	-3.6
APP	-4.5	-4.2	-4.3	-2.9

Condensed Profit and Loss Account

<i>In million euros</i>	Q1 2012	Q1 2013	Change as reported	Change at constant currencies*	Change on a comp. basis*
NET SALES	445.0	428.6	-3.7%	-0.7%	+0.0%
Cost of Goods	211.9	218.3	+3.0%		
GROSS PROFIT	233.1	210.4	-9.7%		
Administrative & other operating expenses	152.0	145.2	-4.5%		
INCOME FROM OPERATIONS (IFO)	81.1	65.2	-19.5%		
Finance revenue	3.2	1.9			
Finance costs	-1.5	-2.2			
INCOME BEFORE TAX	82.7	65.0	-21.4%		
Income tax	-26.8	-20.7			
Income from associates	0.8	0.9			
GROUP NET INCOME	56.7	45.2	-20.2%		
EARNINGS PER SHARE (EPS) (in euros)	1.20	0.95			
Total weighted number of shares outstanding adjusted for treasury shares	47,171,050	47,441,028			

Condensed Balance Sheet

<i>In million euros</i>	Mar. 2012	Mar. 2013
ASSETS		
Non-current assets	871.7	966.6
Current assets	1,277.4	1,264.7
<i>Of which Cash & Cash Equivalents</i>	349.7	284.5
TOTAL ASSETS	2,149.1	2,231.3
LIABILITIES & SHAREHOLDERS' EQUITY		
Shareholders' equity	1,528.2	1,529.5
Non-current liabilities	284.5	376.0
Current liabilities	336.4	325.8
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,149.1	2,231.3

Share buy-back program

	Number of shares bought	Average weighted price in €	Amount in M€
January 2013	-	-	-
February 2013	341,432	87.89	30.0
March 2013	126,612	89.28	11.3
Total Q1 2013	468,044	88.27	41.3

Capital and voting rights, March 31, 2013

As of March 31, 2013, the total number of issued shares of SOCIÉTÉ BIC is 48,503,512 shares. Total treasury shares at the end March 2013 is 1,246,572.

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 in Q1 2012 gain on disposal of phone cards activity in France and real estate gains.

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SOCIÉTÉ BIC consolidated financial statements, as of March 31, 2013, were closed by the Board of Directors on April 24, 2013

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 2013 Registration Document filed with the French financial markets authority (AMF) on March 27, 2013.

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2013 Agenda (all dates to be confirmed)

2012 AGM	May, 15 2013	BIC Headquarters, Clichy
2 nd Quarter and 1 st Half 2013 results	August 1, 2013	Conference call
3 rd Quarter 2013 results	October 23, 2013	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 2012, BIC recorded net sales of 1,898.7 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: FTSE4Good Europe, ASPI Eurozone, Ethibel Excellence Europe, Gaia Index and Stoxx Global ESG Index.

