



BIC GROUP – FIRST QUARTER 2014 RESULTS

Net Sales: 434.2 million euros, up 1.3% as reported and +4.5% on a comparative basis*

- Consumer Business up 4.9% on a comparative basis
- BIC Graphic up 1.4% on a comparative basis
- **Normalized* IFO: 76.4 million euros, up 14.5%**
 - Normalized IFO Margin: 17.6% (vs. 15.6% for Q1 2013)
- **Net Income Group Share: 52.4 million euros, up 15.9%**
 - EPS Group Share: 1.12 euros, up 17.9%

Q1 2014 Key operational figures

	Net Sales growth on a comparative basis*	Normalized IFO margin*
Group	+4.5%	17.6%
<i>Consumer Business</i>	+4.9%	20.9%
● Stationery	+4.2%	12.2%
● Lighters	+6.4%	37.1%
● Shavers	+5.1%	18.2%
<i>Advertising & Promotional Products (BIC Graphic)</i>	+1.4%	-7.2%

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

“Our Q1 2014 results showed a solid start to the year, reflecting good organic growth and the positive impact of the consolidation of Cello Pens into our Consumer Business, along with the recovery in BIC Graphic Net Sales.

Our Consumer categories revealed different trends by geographies. Stationery performance was driven by Europe while Lighter category benefited from strong growth in Developing Markets (Latin America, Middle-East and Africa) and Shavers from encouraging achievements in North America.

Based on this good performance and on our capability to continue to outperform our markets in developed and developing countries, we are confident in our ability to achieve our full year target for 2014 in both Consumer and Advertising and Promotional activities, despite the ongoing economic uncertainty, notably due to the strong volatility of currencies.”

Full Year 2014 Outlook confirmed

Consumer Business

In 2014, Net Sales should grow mid-single digit on a comparative basis and high-single digit at constant currencies (including Cello Pens). Normalized IFO margin is expected to be close to 2013's level.

Advertising and Promotional Products – BIC Graphic

BIC Graphic 2014 sales should grow low-single digit on a comparative basis and normalized IFO margin should be maintained close to mid-single digit.

Non audited figures

*: see glossary page 11

Key figures

In million euros See glossary page 11	FIRST QUARTER				
	2013	2014	Change as reported	Change as reported without Cello Pens	Change at comp. basis
GROUP					
Net Sales	428.6	434.2	+1.3%	-3.7%	+4.5%
Gross Profit	210.4	215.0	+2.2%		
Normalized Income From Operations	66.7	76.4	+14.5%		
<i>Normalized IFO Margin</i>	15.6%	17.6%			
Income From Operations	65.2	76.3	+17.0%		
<i>IFO Margin</i>	15.2%	17.6%			
Net Income Group Share	45.2	52.4	+15.9%		
Earnings Per Share Group Share (in euros)	0.95	1.12	+17.9%		
BY CATEGORY					
Stationery					
Net Sales	129.7	144.0	+11.0%	-5.4%	+4.2%
IFO	13.1	17.6			
<i>IFO margin</i>	10.1%	12.2%			
<i>Normalized IFO margin</i>	10.1%	12.2%			
Lighters					
Net Sales	137.4	133.6	-2.8%		+6.4%
IFO	46.3	49.5			
<i>IFO margin</i>	33.7%	37.0%			
Normalized IFO margin	33.8%	37.1%			
Shavers					
Net Sales	91.4	88.9	-2.7%		+5.1%
IFO	13.6	16.1			
<i>IFO margin</i>	14.9%	18.2%			
Normalized IFO margin	14.9%	18.2%			
Other Products					
Net Sales	17.2	16.1	-6.0%		-2.6%
Total Consumer Business					
Net Sales	375.7	382.6	+1.8%	-3.8%	+4.9%
IFO	69.4	80.1			
<i>IFO Margin</i>	18.5%	20.9%			
Normalized IFO margin	18.5%	20.9%			
BIC Graphic					
Net Sales	53.0	51.7	-2.5%		+1.4%
IFO	-4.2	-3.8			
<i>IFO margin</i>	-7.9%	-7.3%			
Normalized IFO margin	-5.4%	-7.2%			

GROUP OPERATIONAL TRENDS

Net Sales

For the 1st Quarter 2014, Net Sales were 434.2 million euros up 1.3% as reported (-3.7% excluding Cello Pens) and +4.5% on a comparative basis. The strong impact of currency fluctuations (-8.2%) is mainly due to Latin America.

- **Consumer Business** grew 4.9% on a comparative basis with a good resilience in developed markets and solid performance in developing markets particularly in Latin America and Middle-East and Africa.
- **Advertising and Promotional Products business (BIC Graphic)** Net Sales increased 1.4% on a comparative basis thanks to improvements in all regions and business segments.

Gross Profit

Q1 2014 Gross Profit margin increased 0.4 points to 49.5% of sales versus 49.1% in 2013, benefiting from lower cost of production compared to last year (fixed cost absorption and raw materials), partially offset by the negative impact of the consolidation of Cello Pens on Consumer Gross Profit margin.

Income From Operations and Normalized Income From Operations

Q1 2014 Normalized IFO was 76.4 million euros (17.6% normalized IFO margin). Consumer Business normalized IFO margin was 20.9%, an increase of 2.4 points notably driven by higher Gross Profit. BIC Graphic normalized IFO margin decreased 1.8 points to -7.2%.

The key components of the change in Normalized IFO margin were:

In points	Q1 2013 vs. 2012	Q1 2014 vs. 2013
At Constant Perimeter	-3.4	+1.8
• Change in Gross Profit margin and FX impact	-2.5	+1.5
• Brand support	+0.4	+0.6
• OPEX and other expenses	-1.3	-0.3
Cello Pens consolidation impact on Normalized IFO	-	+0.2
Impact of Q1 2012 accruals relative to the Special Premium to Employees in OPEX	+1.0	-
Total impact	-2.4	+2.0

Non-recurring items

In million euros	Q1 2013	Q1 2014
Income From Operations	65.2	76.3
As % of Net Sales	15.2%	17.6%
Non-recurring items (<i>restructuring costs</i>)	+1.4	+0.1
Normalized IFO	66.7	76.4
As % of Net Sales	15.6%	17.6%

Full Year Net Income and EPS

Income before tax increased 19.7% as reported to 77.8 million euros. Net finance revenue increased to 1.5 million euros compared to -0.3 million euros in 2013 due to favorable settlement of our financial instruments during the quarter.

Net income Group Share was 52.4 million euros, a 15.9% increase as reported. Tax rate was 30.3%.

EPS Group share is 1.12 euros compared to 0.95 euros in Q1 2013, up 17.9%. Normalized EPS Group share increased 15.5% at 1.12 euros compared to 0.97 euros in Q1 2013.

Net cash position

At the end of March 2014, net cash position was 226.1 million euros of which -111.1 million euros of Cello put options valuation.

Evolution of Net Cash Position (in million euros)

	2013	2014
Net Cash position at the beginning of the period (December)	334.5	196.7
• Net cash from operating activities	+56.9	+38.3
○ <i>Of which operating cash flow</i>	+82.6	+81.6
○ <i>Of which change in working capital</i>	-20.2	-43.3
• CAPEX	-27.9	-22.0
• Share buyback program	-41.3	-
• Cash received from the exercise of stock options and liquidity contract	+9.4	+8.8
• Others	+0.4	+4.3
Net Cash position at the end of the period (March)	332.0	226.1

The net cash from operating activities was +38.3 million euros with +81.6 million euros operating cash flow and a change in working capital of -43.3 million euros impacted by the increase in inventories in line with expected sales activity.

Shareholders' remuneration

- 2.60 euros ordinary dividend per share will be proposed at the 14 May 2014 AGM.

OPERATIONAL TRENDS BY CATEGORY

CONSUMER CATEGORIES

Stationery

Q1 2014 Stationery Net Sales decreased 5.4% as reported (excluding the impact of Cello Pens) and increased 4.2% on a comparable basis.

Developed countries

- **Europe**, BIC Net Sales increased high-single digit with growth in most countries, particularly in France, UK, Germany, Spain and Turkey, driven by a good performance in both the Office Product Channel and Retail Mass Market.
- **In North America**, our sales were stable. At the end of February 2014, total U.S. Stationery market was up low-single digit, with the Office Product Channel rebounding offsetting the decline in the Retail Mass Market (including Office Super Stores). In this environment, BIC gained market share, outperforming the market in all major channels of trade.

Developing Markets

Q1 2014 Net Sales increased low-single digit on a comparative basis.

- **Latin America** ended the Quarter with low-single digit growth. We continued to experience tough market conditions and strong competitive pressures in the Mexican Stationery market, where BIC retains a strong position. Back-to-school was good in the Southern Hemisphere, with strong results and market share gains in Brazil.
- The high-single digit growth in the **Middle-East and Africa** was driven by a solid back-to-school in the South-Africa region and the continued Proximity strategy focus.
- **Asia** increased low-single digit.

Q1 2014 Stationery normalized IFO margin was 12.2% compared to 10.1% in 2013. The increase was driven primarily by the consolidation of Cello Pens.

Q1 2014 Cello Pens figures as consolidated in Q1 2014 were:

- Net Sales: 21.3 million euros,
- Income From Operations: 4.9 million euros.

Lighters

Q1 2014 Lighter Net Sales decreased 2.8% as reported and increased 6.4% on a comparative basis.

Developed markets

- **In Europe**, Net Sales decreased low-single digit, impacted by the weakness of the traditional network in France and Italy.
- **In North America**, Net Sales decreased low-single digit, compared to the strong Q1 2013 performance registered ahead of April 2013 price adjustment. We continued to gain market share in a high-single digit growing market, thanks to distribution gains (notably in convenience stores) and value-added sleeve products led by the “Flicktacular” and “fashion” designs. Multipurpose lighter performance was strong.

Developing Markets

Q1 2014 Net Sales increased double digit.

- In **Latin America**, Net Sales grew double digit with a strong performance in all countries especially in Mexico thanks to distribution gains, increased visibility and new Added Value product launches.
- In the **Middle-East and Africa**, the growth was driven by South-Africa thanks to distribution gains and improved visibility.
- In **Asia**, we continued to focus on building the BIC® brand through marketing programs and building a distribution network through convenience stores.

Q1 2014 Lighter normalized IFO was 37.1% compared to 33.8% in 2013, mainly benefiting from the improvement in Gross Profit margin driven by geographical mix (strong sales growth in Latin America), better fixed cost absorption and positive raw material impact.

Shavers

Q1 2014 Shaver Net Sales decreased 2.7% as reported and increased 5.1% on a comparative basis.

Developed Markets

- **In Europe**, Net Sales were up low-single digit thanks to success of our triple-blade core product offerings such as the shaver BIC® 3 for men and BIC® Miss Soleil® for women.
- **In North America**, Net Sales increased high-single digit with a good performance of our added value lines. Our new shaver for women, BIC® Soleil® Glow, has been listed at major customers and has been well received. At the end of March 2014, BIC® products were out-performing the U.S. market in both the men's and women's segments, in this highly competitive environment.

Developing markets

Q1 2014 Net Sales grew low-single digit. Despite the difficult environment in Venezuela, Latin America increased mid-single digit. In this region, the performance was driven by the Comfort® 3 Action range. We also registered a good performance in South-Africa and in Oceania thanks to the growth of our 3 and 4 blade shavers.

Q1 2014 Shaver normalized IFO margin was 18.2% compared to 14.9% in 2013 mainly due to the improvement of Gross Profit margin vs. last year, driven primarily by lower cost of production (better fixed cost absorption).

Other Consumer Products

Q1 2014 Other Consumer Products Net Sales decreased 6.0% as reported and -2.6% on a comparative basis.

The decrease is due to the discontinuation of Flamedisk® in the U.S. BIC Sport sales increased 2.0% on a comparative basis, despite a low Q1 in the U.S. due to adverse weather conditions.

Other consumer products Q1 2014 IFO was -3.1 million euros, including the expenses related to the portable Fuel Cell project: 2.2 million euros compared to 2.5 million euros in 2013.

Other consumer products Q1 2014 Normalized IFO was -3.1 million euros.

BIC GRAPHIC

Q1 2014 BIC Graphic Net Sales decreased 2.5% as reported and increased 1.4% on a comparative basis.

With restored customer service and new brand positioning, BIC Graphic has started to regain customer confidence and Quarterly Sales grew for the first time since the acquisition of Norwood and Antalis in 2009. All regions and business segments showed some improvements thanks notably to a renewed range of products focused on quality, safety compliance and innovation.

In Q1 2014, BIC Graphic reported IFO margin was -7.3% compared to -7.9% in 2013. This includes 0.1 million euros non-recurrent items. **Q1 2014 normalized IFO margin was -7.2%** compared to -5.4% in 2013 due to increased marketing investments in both Europe and North America to support sales growth.

ACQUISITION AND CAPEX

CELLO PENS

- On 31 March 2014, BIC Group announced that Cello Group has exercised its Put Option, allowing them to sell 20% of Cello Pens to BIC Group. Following the closing of this acquisition (expected by the end of H1 2014 for an amount of approximately 4 bn INR - 50 million euros¹), BIC Group will increase its stake in Cello Pens from 55% to 75%.

Cello Pens has been consolidated on equity method from 2009 to Q3 2013 and fully consolidated since Q4 2013.

¹ 82.3 INR = 1 euro

BIC GROUP NET SALES CHANGE BY GEOGRAPHY

<i>In million euros</i>	Q1 2013	Q1 2014	Change
Total Group Net Sales	428.6	434.2	
<i>As reported</i>			+1.3%
<i>On a comparative basis</i>			+4.5%
1 – Europe	109.6	111.4	
<i>As reported</i>			+1.6%
<i>On a comparative basis</i>			+2.6%
2 – North America	174.6	169.4	
<i>As reported</i>			-3.0%
<i>On a comparative basis</i>			+1.4%
3 – Developing Markets	144.4	153.4	
<i>As reported</i>			+6.3%
<i>On a comparative basis</i>			+9.6%

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS

<i>in %</i>	Q1 2013	Q1 2014
Perimeter	-0.7	+5.0
Currencies	-3.0	-8.2
<i>Of which USD</i>	-0.2	-1.5
<i>Of which BRL</i>	-1.4	-2.2
<i>Of which ARS</i>	-0.7	-2.0

IFO AND NORMALIZED IFO BY CATEGORY

<i>In million euros</i>	Income From Operations		Normalized Income From Operations	
	Q1 2013	Q1 2014	Q1 2013	Q1 2014
Group	65.2	76.3	66.7	76.4
Consumer	69.4	80.1	69.6	80.1
Stationery	13.1	17.6	13.1	17.6
Lighters	46.3	49.5	46.4	49.5
Shavers	13.6	16.1	13.6	16.1
Other	-3.6	-3.1	-3.6	-3.1
BIC Graphic	-4.2	-3.8	-2.9	-3.7

CONDENSED PROFIT AND LOSS ACCOUNT

<i>In million euros</i>	Q1 2013	Q1 2014	Change as reported	Change on a comp. basis
NET SALES	428.6	434.2	+1.3%	+4.5%
Cost of Goods	218.3	219.2		
GROSS PROFIT	210.4	215.0	+2.2%	
Administrative & other operating expenses	145.2	138.7		
INCOME FROM OPERATIONS (IFO)	65.2	76.3	+17.0%	
Finance revenue/costs	-0.3	+1.5		
INCOME BEFORE TAX	65.0	77.8	+19.7%	
Income tax	-20.7	-23.6		
Income from associates	0.9	-		
GROUP NET INCOME	45.2	54.2	+19.9%	
Non-controlling interest	-	(1.8)		
Net Income Group Share	45.2	52.4	+15.9%	
EPS Group Share (in euros)	0.95	1.12	+17.9%	
Total weighted number of shares outstanding adjusted for treasury shares	47,441,028	46,940,152		

CONDENSED BALANCE SHEET

In million euros

ASSETS	Mar. 2013	Mar. 2014
Non-current assets	966.6	990.1
Current assets	1,264.7	1,296.9
<i>Of which Cash & Cash Equivalents</i>	284.5	276.3
TOTAL ASSETS	2,231.3	2,287.0
LIABILITIES & SHAREHOLDERS' EQUITY	Mar. 2013	Mar. 2014
Shareholders' equity	1,529.5	1,543.1
Non-current liabilities	376.0	348.4
Current liabilities	325.8	395.6
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,231.3	2,287.0

SHARE BUY-BACK PROGRAM

	Number of shares bought	Average weighted price in €	Amount in M€
January 2014	-	-	-
February 2014	-	-	-
March 2014	-	-	-
Total Q1 2014	-	-	-

CAPITAL AND VOTING RIGHTS, MARCH 31, 2014

As of March 31, 2013, the total number of issued shares of SOCIÉTÉ BIC is 47,804,449 shares, representing:

- 69,085,464 voting rights,
- 68,362,657 voting rights excluding shares without voting rights.

Total treasury shares at the end March 2014: 722,807.

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 on a 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 for BIC Graphic.

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SOCIETE BIC consolidated and statutory financial statements as of March 31, 2014 have been closed by the Board of Directors on April 23, 2014. A presentation related to this announcement is also available on 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 2013 Registration Document filed with the French financial markets authority (AMF) on 26 March 2014.

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2014 Agenda (all dates to be confirmed)

2014 AGM	14 May 2014	Meeting – BIC Headquarters
2 nd Quarter and 1 st Half 2014 results	31 July 2014	Conference call
3 rd Quarter 2014 results	22 October 2014	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 2013, BIC recorded Net Sales of 1,887.8 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 SRI indexes: CDP Climate Performance Leadership Index (CPLI), Carbon Disclosure Leadership Index (CDLI), CDP Supplier Climate Performance Leadership Index (SCPLI), FTSE4Good Europe, Euronext Vigeo Europe 120, Ethibel Excellence, STOXX Global ESG Leaders and Gaia Index.

