



## THIRD QUARTER AND NINE MONTHS 2019 RESULTS

- CONTINUED CHALLENGING TRADING ENVIRONMENT
- Q3 2019 IMPACTED BY THE DETERIORATION OF U.S. LIGHTERS MARKET AND SOFT STATIONERY PERFORMANCE
- EXECUTION OF “BIC 2022 - INVENT THE FUTURE” TRANSFORMATION PLAN ON TRACK

“Performance was softer than expected during the Third Quarter 2019 as our markets remain volatile and challenging. In Lighters, the deterioration of the U.S. Pocket Lighters’ market accelerated. In Stationery, our Back-to-School sell-out was soft in the U.S. and Mexico, while in India, the recovery is slower than anticipated. Performance remained robust in other areas. In Shavers, our teams delivered solid results reflected by further market share gains. We also continued to grow e-commerce Net Sales, up 17% year-to-date.

The Third Quarter results, coupled with our Year-to-Go projections, led us to adjust our Full Year 2019 Outlook on 11<sup>th</sup> October. We now expect Net Sales evolution to be between flat and -2.0% on a comparative basis and Normalized Income from Operations margin in the lower end of the 16.5% to 18% initial range.

We continue to execute on our “BIC-2022 Invent the Future” transformation plan and I remain convinced that our solid business foundations, combined with a more consumer-centric organization, will enable BIC to resume long-term growth momentum, drive cash flow generation, creating sustainable value for all our stakeholders.”

**Gonzalve Bich, Chief Executive Officer**

### Q3 & 9M 2019 KEY GROUP FIGURES

<i>in million euros</i>	<b>Q3 2018</b> <i>(restated from IAS 29)</i>	<b>Q3 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>Group Net Sales</b>	479.5	<b>488.0</b>	1,438.8	<b>1,448.2</b>
<i>Change as reported</i>	+1.6%	<b>+1.8%</b>	-6.8%	<b>+0.7%</b>
<b>Change on a comparative basis</b>	+5.2%	<b>(0.5)%</b>	+0.3%	<b>(1.2)%</b>
Normalized Income From Operations <sup>1</sup>	77.0	<b>88.0</b>	265.3	<b>241.1</b>
<b>Normalized IFO margin</b>	16.1%	<b>18.0%</b>	18.4%	<b>16.6%</b>
Net Income Group Share	52.7	<b>63.0</b>	123.5	<b>152.6</b>
Normalized Net Income Group Share <sup>2</sup>	56.9	<b>66.9</b>	196.4	<b>177.3</b>
EPS (in euros)	1.15	<b>1.40</b>	2.70	<b>3.39</b>
<b>Normalized EPS (in euros)</b>	1.25	<b>1.48</b>	4.30	<b>3.93</b>
<b>Net Cash Position</b>	144.8	<b>118.7</b>	144.8	<b>118.7</b>

### 2019 OUTLOOK<sup>3</sup> AS ADJUSTED ON OCTOBER 11<sup>TH</sup>

<i>In million euros</i>	<b>Outlook 2019</b>	
<b>Net Sales on a comparative basis</b>	Flat to -2.0%	In a continued challenging trading environment, overall Full Year Net Sales performance will continue to be subject to macro-economic uncertainties and continued competitive pressure.
<b>Normalized IFO margin</b>	Expected to be in the lower end of the 16.5% to 18% initial range	Despite lower volumes than anticipated and continued unfavorable Foreign exchange trends, the NIFO margin for the balance of the year should benefit from lower Costs of Production and lower Brand Support Investments compared to the first Half 2019

<sup>1</sup> See glossary page 12

<sup>2</sup> Excluding 2018 Cello Goodwill Impairment & 2019 restructuring cost & 2018 Argentina hyperinflationary accounting

<sup>3</sup> See 11-OCT-2019 Press Release on [www.bicworld.com](http://www.bicworld.com)

## GROUP OPERATIONAL TRENDS

### NET SALES

<i>in million euros</i>	<b>3Q 2018</b> <i>(restated from IAS 29)</i>	<b>3Q 2019</b>	<i>As reported</i>	<i>On a Comparative basis</i>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>	<i>As reported</i>	<i>On a Comparative basis</i>
Group	479.5	<b>488.0</b>	+1.8%	(0.5)%	1,438.8	<b>1,448.2</b>	+0.7%	(1.2)%
Europe	138.0	<b>143.5</b>	+4.0%	+6.2%	438.3	<b>434.3</b>	(0.9)%	+2.1%
North America	196.3	<b>196.9</b>	+0.3%	(3.4)%	576.1	<b>586.1</b>	+1.7%	(2.7)%
Developing Markets	145.2	<b>147.6</b>	+1.7%	(2.9)%	424.4	<b>427.9</b>	+0.8%	(2.7)%

The favorable impact of currency fluctuations of +2.7% was mainly due to the strong U.S. dollar against the euro<sup>4</sup>.

### INCOME FROM OPERATIONS AND NORMALIZED INCOME FROM OPERATIONS

<i>in million euros</i>	<b>3Q 2018</b> <i>(restated from IAS 29)</i>	<b>3Q 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>Net Sales</b>	479.5	<b>488.0</b>	1,438.8	<b>1,448.2</b>
Gross Profit	246.7	<b>250.4</b>	754.1	<b>728.9</b>
Gross Profit margin	51.4%	<b>51.3%</b>	52.4%	<b>50.3%</b>
<b>Income From Operations</b>	76.7	<b>83.1</b>	196.3	<b>209.2</b>
<i>IFO margin</i>	16.0%	<b>17.0%</b>	13.6%	<b>14.4%</b>
<ul style="list-style-type: none"> <li>Restructuring costs (transformation plan)</li> </ul>	-	<b>4.9</b>	-	<b>31.9</b>
<ul style="list-style-type: none"> <li>Cello goodwill impairment in 2018</li> </ul>	-	-	68.7	-
<ul style="list-style-type: none"> <li>Argentina hyperinflationary accounting (IAS29)</li> </ul>	0.3	-	0.3	-
<b>Normalized IFO</b>	77.0	<b>88.0</b>	265.3	<b>241.1</b>
<b>Normalized IFO margin</b>	16.1%	<b>18.0%</b>	18.4%	<b>16.6%</b>

**9M 2019 restructuring costs** amounted to 31.9 million euros and are associated with the transformation plan “BIC-2022 Invent The Future”.

**9M 2019 Normalized IFO** decline was impacted by lower Gross Profit margin and increase in Brand Support, mainly in Lighters, partially offset by a decrease in OPEX.

<b>KEY NORMALIZED COMPONENTS OF THE CHANGE IN NORMALIZED IFO MARGIN</b> <i>(in points)</i>	<b>H1 2019 vs H1 2018</b>	<b>Q3 2019 vs. Q3 2018</b>	<b>9M 2019 vs. 9M 2018</b>
<ul style="list-style-type: none"> <li>Change in Gross Profit (Cost of Production)</li> </ul>	(3.1)	+0.1	(2.0)
<ul style="list-style-type: none"> <li>Brand Support</li> </ul>	(1.2)	+0.8	(0.6)
<ul style="list-style-type: none"> <li>OPEX and other expenses</li> </ul>	+0.6	+1.0	+0.8
<b>Total change in Normalized IFO margin</b>	<b>(3.7)</b>	<b>1.9</b>	<b>(1.8)</b>

<sup>4</sup> this excludes the Argentinian peso.

## NET INCOME AND EPS

<i>in million euros</i>	<b>3Q 2018</b> <i>(restated from IAS 29)</i>	<b>3Q 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>IFO</b>	76.7	<b>83.1</b>	196.3	<b>209.2</b>
Finance revenue/costs	(0.7)	<b>4.4</b>	5.1	<b>2.8</b>
Income before Tax	76.1	<b>87.5</b>	201.4	<b>212.0</b>
Effective tax rate	28.1%	<b>28.0%</b>	28.1%	<b>28.0%</b>
Net Income Group share	52.7	<b>63.0</b>	123.5	<b>152.6</b>
<b>Adjusted Net Income Group Share<sup>5</sup></b>	56.9	<b>66.9</b>	196.4	<b>177.3</b>
Normalized EPS Group Share (in euros)	1.25	<b>1.48</b>	4.30	<b>3.93</b>
EPS Group Share (in euros)	1.15	<b>1.40</b>	2.70	<b>3.39</b>

**9M 2019 finance revenue** decrease is explained by 2018 higher favorable impact of the fair value adjustments to financial assets denominated in USD (versus BRL).

## NET CASH POSITION

<b>CHANGE IN NET CASH POSITION</b> <i>in million euros</i>	<b>2018</b>	<b>2019</b>
<b>Net Cash position (beginning of period – December)</b>	<b>204.9</b>	<b>161.5</b>
Net cash from operating activities	+237.5	<b>+229.7</b>
• <i>Of which operating cash flow</i>	+284.1	<b>+250.3</b>
• <i>Of which change in working capital and others</i>	(46.6)	<b>(20.6)</b>
CAPEX	(82.6)	<b>(67.9)</b>
Dividend payment	(157.8)	<b>(155.2)</b>
Share buyback program	(54.1)	<b>(39.2)</b>
Net cash from the exercise of stock options and the liquidity contract	+1.6	<b>(0.7)</b>
Haco Industries Ltd acquisition	-	<b>(2.4)</b>
Proceeds from the sale of BIC Graphic North America and Asian Sourcing	+9.2	-
Others	(13.9)	<b>(7.1)</b>
<b>Net Cash position (end of period – September)</b>	<b>144.8</b>	<b>118.7</b>

**At the end of September 2019**, the Group's net cash position stood at 118.7 million euros. The negative change in working capital and others was mainly driven by accounts receivables and inventories increase, when compared to December 2018. Net cash was also negatively impacted by CAPEX, as well as the dividend payments and share buybacks.

## SHAREHOLDERS' REMUNERATION

- Ordinary dividend of 3.45 euros per share paid in June 2019.
- 39.2 million euros in share buy-backs by Société BIC at the end of September 2019 (478,667 shares purchased at an average price of 81.83 euros).

<sup>5</sup> Excluding 2018 Cello Goodwill Impairment & 2019 restructuring cost & 2018 Argentina hyperinflationary accounting

## OPERATIONAL TRENDS BY CATEGORY

### STATIONERY

<i>in million euros</i>	<b>Q3 2018</b> <i>(restated from IAS 29)</i>	<b>Q3 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>Net Sales</b>	200.2	<b>204.3</b>	601.5	<b>605.1</b>
<i>Change as reported</i>	+2.9%	<b>+2.0%</b>	-4.2%	<b>+0.6%</b>
<b>Change on a comparative basis</b>	+6.8%	<b>(1.7)%</b>	+2.0%	<b>(3.0)%</b>
Normalized Income From Operations	10.4	<b>14.5</b>	57.3	<b>48.7</b>
<b>Normalized IFO margin</b>	5.2%	<b>7.1%</b>	9.5%	<b>8.0%</b>
Income From Operations	10.3	<b>12.6</b>	(11.5)	<b>36.3</b>
<i>Income From Operations Margin</i>	5.1%	<b>6.2%</b>	(1.9%)	<b>6.0%</b>

**In Stationery**, while markets continued to be challenging and competitive, BIC pursued its growth in e-commerce and invested in innovative products such as BIC® BodyMark tattoo pen and the BIC® Gelocity range. BIC is now the #1 in Stationery with 9% global value market share<sup>6</sup> thanks to our historical leadership in Ball Pen, Mechanical Pencils and Correction.

**9M 2019 Normalized IFO margin** decline is explained by higher Raw Materials and unfavorable forex trends. **3M 2019 NIFO margin** increased thanks to lower Brand Support Investments and lower OPEX.

<b>By Geography</b>	<b>9M 2019 Net Sales evolution (on a comparative basis)</b>
<b>EUROPE</b>	flat
<b>NORTH AMERICA</b>	Increased low single digit
<b>DEVELOPING MARKETS</b>	Decreased low double-digit

- **In France**, BIC gained share in a declining market (down 4.5% in value<sup>7</sup>) during Back-to-School for the 16th consecutive year in a row, gaining 1.4 points in value market share. BIC sell-in performance was solid in Southern Europe, notably Iberia during Back-to-School season.
- **In the U.S.**, the total Stationery market grew +3.0% in value<sup>8</sup> during the Back-to-School season. The Ball Pen segment declined by 5.0% in value, while the Gel/Roller Segment grew by 6.0%. Overall, BIC lost 0.5 points market share in value, underperforming in Ball Pen, and outperforming in the added-value Gel Pen segment. BIC continued to grow in e-commerce, gaining 1.0 point year-to-date, reaching 13.4% market share in value<sup>9</sup> driven by Gel and Mechanical Pencil. BIC also grew in Permanent Marker thanks to the success of Bodymark tattoo pen.
- **In Latin America**, 9M Net Sales decreased high single-digit due to a soft Back-to-School season in Mexico, where BIC lost 2.6 points in value<sup>10</sup> due to the poor performance of Ball Pen and Graphite segments in a highly competitive environment.
- **Cello Pens** 9M Domestic Sales decreased double-digit on a comparative basis impacted by the level of superstockists' inventories, as well as our on-going strategy of portfolio streamlining.

<sup>6</sup> Euromonitor 2019 edition: Stationery excl. Pen/Pencil Refills – 2018 Retail Value – 2019 Fixed Exchange Rates – Current Prices

<sup>7</sup> IRI – period from 01-JUL to 15-SEP-2019 – Hypermarket + Supermarket – Total Stationery segment only - in value

<sup>8</sup> NPD - BTS through 28-SEP-2019 (W12) – Brick & Mortar, Food & Drug & Ecommerce – in value

<sup>9</sup> NPD – YTD AUG 2019 – in value

<sup>10</sup> Nielsen – YTD AUG 2019

## LIGHTERS

<i>in million euros</i>	<b>Q3 2018</b> <i>(restated from IAS 29)</i>	<b>Q3 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>Net Sales</b>	163.8	<b>161.9</b>	481.5	<b>481.6</b>
<i>Change as reported</i>	+2.8%	<b>(1.1)%</b>	(7.0)%	<b>0.0%</b>
<b>Change on a comparative basis</b>	+5.8%	<b>(4.2)%</b>	0.0%	<b>(3.2)%</b>
Normalized Income From Operations	58.3	<b>54.3</b>	176.1	<b>159.6</b>
<b>Normalized IFO margin</b>	35.6%	<b>33.5%</b>	36.6%	<b>33.1%</b>
Income From Operations	58.3	<b>52.6</b>	176.1	<b>148.5</b>
<i>Income From Operations Margin</i>	35.6%	<b>32.5%</b>	36.6%	<b>30.8%</b>

The **Lighter category** continued to be challenged by the declining US Pocket Lighters market, down -8.5% in volume, and -6.0% in value year-to-date<sup>11</sup> and affecting BIC's sell-in performance. In Europe, BIC benefited from the positive impact of the price adjustment implementation.

**9M 2019 Normalized IFO margin** decrease is explained by unfavorable forex trend and higher Brand Support investments, in particular, with the Lighter advertising campaign in Europe during the First Half of 2019.

<b>By Geography</b>	<b>9M 2019 Net Sales evolution (on a comparative basis)</b>
<b>EUROPE</b>	Increased mid single digit
<b>NORTH AMERICA</b>	Decreased high single digit
<b>DEVELOPING MARKETS</b>	Increased low single digit

- **In Europe**, the implementation of the price adjustment across the region showed positive results during the third quarter. Our advertising campaign, to address our consumers directly, continued to show positive results reinforcing BIC's brand image of quality and safety.
- **In North America**, while the U.S. pocket Lighter market saw further deterioration in the third quarter (down -9.5% in volume and -8.1% in value<sup>11</sup>), BIC maintained market share in both volume and value. The Utility market in the U.S. continued to grow, and BIC outperformed the market, gaining 3.3 points in value share<sup>11</sup> driven by new distribution in the Modern Mass channel.
- **In Latin America**, 9M Net Sales increased low single digit driven by Brazil, wherein a flat market, BIC was in line with the market thanks to promotional activities across the country.

## SHAVERS

<i>in million euros</i>	<b>Q3 2018</b> <i>(restated from IAS 29)</i>	<b>Q3 2019</b>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>
<b>Net Sales</b>	104.4	<b>114.9</b>	314.9	<b>339.4</b>
<i>Change as reported</i>	+0.2%	<b>+10.1%</b>	-8.2%	<b>+7.8%</b>
<b>Change on a comparative basis</b>	+4.1%	<b>+7.0%</b>	-0.9%	<b>+5.1%</b>
Normalized Income From Operations	10.5	<b>20.8</b>	35.1	<b>37.0</b>
<b>Normalized IFO margin</b>	10.1%	<b>18.1%</b>	11.1%	<b>10.9%</b>
Income From Operations	10.4	<b>19.6</b>	34.9	<b>28.9</b>
<i>Income From Operations Margin</i>	9.9%	<b>17.0%</b>	11.1%	<b>8.5%</b>

**In Shavers**, the performance was robust as we gained market share in most of our markets and grew Net Sales from mid to high single digits throughout our main geographies, fueled by the success of both added-value and new products.

**9M 2019 Normalized IFO margin** slight decrease is due to unfavorable foreign exchange trends and higher Raw Material costs offsetting Net Sales increase. **3Q 2019 Normalized IFO margin** increase was driven by lower OPEX as % of Net Sales, higher Gross Profit margin, as well as lower Brand Support investments.

<sup>11</sup> IRI – YTD period ending 29-SEPT-2019 – in value

By Geography	9M 2019 Net Sales evolution (on a comparative basis)
EUROPE	Increased mid single digit
NORTH AMERICA	Increased mid single digit
DEVELOPING MARKETS	Increased mid single digit

- **In Western Europe**, performance was fueled by both added-value products such as BIC® Flex 3, BIC® Miss Soleil and BIC® Flex 5, as well as by recent launches with BIC® Miss Soleil Sensitive. In Russia, we continued to outperform a flat market, gaining 0.8 points in share value<sup>12</sup> driven by further distribution gains, the on-going success of BIC® Flex 3 Hybrid, and the effective launch of BIC® Flex 5 Hybrid.
- **While the U.S.** one-piece market continues to be highly competitive and declined 4.7% in value<sup>13</sup>, BIC showed robust results gaining 1.9 points in value to reach 28.1% in market share value, fueled by the outperformance in the Women one-piece segment (+3.3 points of value share gains). This was driven by the expanded distribution of BIC® Silky Touch, the success of the BIC® Soleil franchise, coupled with our new product BIC® Soleil Click 5.
- **In Latin America**, 9M Net Sales increased mid single digit driven by Mexico wherein a highly competitive market, BIC outperformed gaining 1.1 points in share value<sup>14</sup>, driven by the performance of premium products such as BIC® Comfort 3, BIC® Miss Soleil Sensitive and BIC® Flex 3. In Brazil, BIC outperformed the market and reached a historical record in market share with 27.8% in volume and 21.5% in value share<sup>14</sup>. The success of BIC's trade-up strategy boosted the performances of our three-blade offering.

#### OTHER PRODUCTS

<i>in million euros</i>	Q3 2018 <i>(restated from IAS 29)</i>	Q3 2019	9M 2018 <i>(restated from IAS 29)</i>	9M 2019
Other Products Net Sales	11.1	6.9	40.9	22.2
<i>Change as reported</i>	<i>(19.2)%</i>	<i>(37.8)%</i>	<i>(26.2)%</i>	<i>(45.8)%</i>
<b><i>Change on a comparative basis</i></b>	<b><i>(14.7)%</i></b>	<b><i>+11.4%</i></b>	<b><i>(11.6)%</i></b>	<b><i>(0.4)%</i></b>
Normalized Income From Operations	(2.2)	(1.6)	(3.2)	(4.1)
<i>Of which BIC Sport</i>	-0.6	-	+0.4	-
Income From Operations	(2.2)	(1.7)	(3.2)	(4.6)

<sup>12</sup> Nielsen – YTD AUG 2019 – total wet shave market - in value

<sup>13</sup> IRI – Period ending 29-Sep-19 – in value

<sup>14</sup> Nielsen – Shaver Disposable – YTD AUG 2019 in value

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## UPDATE ON “BIC 2022- INVENT THE FUTURE” PLAN PROGRESS

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For the First Nine Months of this year, we have started to execute our transformation plan and put in place several initiatives to support our four strategic pillars. We now expect a total of 45 million euros of annualized savings by 2022 to be re-invested in growth and to help protect margin sustainability during the plan.

- **Effectiveness** – that increases efficiency throughout our global manufacturing operations, while maintaining product Safety, Quality, and Affordability with:
  - A new **Procurement** organization with global scale to build a more flexible and cost-effective production model while maintaining high-Quality Standards.
  - The implementation of **End-to-End planning** and integrated Sales & Operating Planning processes across the Group will enable the optimization of SKUs, logistics and working capital.
- **Innovation** – to enhance our consumer insights capabilities and increase the pace of innovative New Product launches with:
  - The creation of a **Global Market and Consumer Insights Team** responsible for leveraging Market and Consumer Intelligence that will enable us to design new products and services in line with our consumers’ expectations.
  - The recruitment of **dedicated new skills and capabilities**, such as Data Analysts and Digital Marketing Specialists focusing on the development of consumer-driven innovation.
- **Consumer-centric brands** – to connect and engage more effectively with all consumers with:
  - The implementation of a **Global Customer Relationship Management (CRM)** platform aimed at enhancing direct relationships with BIC consumers (over 1 million consumers already engaged) to accelerate growth.
- **Omnichannel Distribution** – to sharpen our commercial operations to become a genuine omnichannel specialist with:
  - The creation of **two Centers of Expertise (Commercial Strategy & Analytics, E-Retail & Digital)** to strengthen our day-to-day commercial performance, go-to-market strategies, and bring new skills and capabilities to the organization, such as Advanced Analytics, Revenue Growth Management, and E-Commerce expertise.
  - Accelerated progress in e-commerce with +17% Net Sales growth Year-to-Date, across all channels. **BIC products are now available on [wish.com](https://www.wish.com)**, an innovative 15 million daily active users’ marketplace platform.

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## UPDATE ON “WRITING THE FUTURE TOGETHER” 2025 SUSTAINABLE DEVELOPMENT PLAN

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### Improved BIC® products environmental and/or societal footprint:

- **2025 Goal:** deploy a comprehensive eco-design process within each of our categories through a rating tool integrating criteria such as the use of alternative materials or low plastic consumption
- **9 Months 2019 update:** the scoring methodology aligned across all categories is now being supported by a dedicated Group IT solution and will support our current portfolio and any future product development.

### 80% of renewable electricity :

- **2025 Goal:** reduce the Group’s greenhouse gas emissions by purchasing renewable energy, studying the potential production of renewable electricity on-site and improving energy efficiency in our operations
- **9 Months 2019 update:** all our Lighters’ plants are using 100% renewable electricity since the beginning of 2019.

### **Zero accidents across all operations:**

- **2025 Goal:** integrate the dimensions of safety, health, and well-being at work, at every level.
- **Q3-2019 update:** Training and communication actions being deployed across the Group.

### **Work responsibly with BIC's strategic suppliers to ensure we have the most secure, innovative, and efficient sourcing:**

- **2025 Goal:** identify "strategic suppliers" and implement action plans to control and mitigate any major risk while strengthening supplier relationships.
- **9 Months 2019 update:** our new Strategic Procurement organization designed at global, regional, and local level is assessing top 100 strategic suppliers.

### **Improve learning conditions for 250 million children globally:**

- **2025 Goal:** help children succeed in their education by providing improved learning conditions and promoting the developmental benefits of handwriting.
- **9 Months 2019 update:** BIC led education actions in 26 countries, including the opening of its very 1<sup>st</sup> vocational training center in Karembeli, India, on January 2019.

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## **MISCELLANEOUS**

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**On 30 July 2019**, SOCIETE BIC filed a complaint with the European Ombudsman claiming maladministration by the European Commission of the infringement procedure initiated in 2010 against the Netherlands due to their lack of actions to impose lighter safety standards compliance (CHAP(2010)02783 - NETHERLANDS). The infringement procedure led to formal notices being sent by the Commission to the Netherlands in 2012 and 2014 but has since neither developed nor reached an outcome. In its complaint of 30 July to the Ombudsman, SOCIETE BIC notably pointed out the unreasonable delay in processing the file by the European Commission.



## APPENDIX

NET SALES PER CATEGORY	Q3 2018 (restated from IAS 29)	Q3 2019	Change as reported	FX impact <sup>15</sup> (in pts)	Change in Perimeter <sup>16</sup> (in pts)	Argentina impact <sup>17</sup> (in pts)	Change on a Comparative basis
<i>in million euros</i>							
Group	479.5	488.0	+1.8%	+2.7	(0.2)	(0.2)	(0.5)%
Stationery	200.2	204.3	+2.0%	+2.2	+1.9	(0.4)	(1.7)%
Lighters	163.8	161.9	(1.1)%	+3.1	(0.1)	-	(4.2)%
Shavers	104.4	114.9	+10.1%	+3.4	+0.2	(0.5)	+7.0%
Other Products	11.1	6.9	(37.8)%	-	(49.2)	-	+11.4%

NET SALES PER CATEGORY	9M 2018 (restated from IAS 29)	9M 2019	Change as reported	FX impact <sup>15</sup> (in pts)	Change in Perimeter <sup>16</sup> (in pts)	Argentina impact <sup>17</sup> (in pts)	Change on a Comparative basis
<i>in million euros</i>							
Group	1,438.8	1,448.2	+0.7%	+2.7	(0.7)	(0.1)	(1.2)%
Stationery	601.5	605.1	+0.6%	+2.2	+1.6	(0.2)	(3.0)%
Lighters	481.5	481.6	0.0%	+3.2	-	-	(3.2)%
Shavers	314.9	339.4	+7.8%	+2.7	+0.2	(0.2)	+5.1%
Other Products	40.9	22.2	(45.8)%	(0.1)	(45.3)	-	(0.4)%

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES (EXCLUDES ARS)	Q3 2018	Q3 2019	9M 2018	9M 2019
<i>(in %)</i>				
Perimeter	(0.1)	(0.2)	(0.9)	(0.7)
Currencies	(3.9)	+2.7	(6.3)	+2.7
Of which USD	+0.4	+1.7	(2.4)	+2.3
Of which BRL	(2.0)	+0.4	(1.5)	(0.1)
Of which INR	(0.3)	+0.1	(0.4)	+0.1
Of which MXN	(0.4)	+0.1	(0.5)	+0.3
Of which RUB and UAH	(0.2)	+0.2	(0.2)	+0.1

<sup>15</sup> Forex impact excluding Argentinian Peso (ARS)

<sup>16</sup> Haco Industries Ltd and BIC Sport

<sup>17</sup> See glossary page 12

<b>CONDENSED PROFIT AND LOSS ACCOUNT</b> <i>in million euros</i>	<b>3Q 2018</b> <i>(restated from IAS 29)</i>	<b>3Q 2019</b>	<i>As reported</i>	<i>Comparative basis</i>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>9M 2019</b>	<i>As reported</i>	<i>Comparative basis</i>
<b>Net Sales</b>	<b>479.5</b>	<b>488.0</b>	<b>+1.8%</b>	<b>(0.5)%</b>	<b>1,438.8</b>	<b>1,448.2</b>	<b>+0.7%</b>	<b>(1.2)%</b>
Cost of goods	(232.8)	<b>(237.6)</b>			(684.7)	<b>(719.3)</b>		
<b>Gross profit</b>	<b>246.7</b>	<b>250.4</b>			<b>754.1</b>	<b>728.9</b>		
Administrative & other operating expenses (incl. Cello goodwill impairment in 2018)	(170.0)	<b>(167.3)</b>			(557.8)	<b>(519.7)</b>		
<b>Income from Operations</b>	<b>76.7</b>	<b>83.1</b>			<b>196.3</b>	<b>209.2</b>		
Finance revenue/costs	(0.7)	<b>4.4</b>			5.1	<b>2.8</b>		
<b>Income before tax</b>	<b>76.1</b>	<b>87.5</b>			<b>201.4</b>	<b>212.0</b>		
Income tax expense	(23.4)	<b>(24.5)</b>			(77.9)	<b>(59.4)</b>		
<b>NET INCOME GROUP SHARE</b>	<b>52.7</b>	<b>63.0</b>			<b>123.5</b>	<b>152.6</b>		
<b>Earnings per share Group share (in euros)</b>	<b>1.15</b>	<b>1.40</b>			<b>2.70</b>	<b>3.39</b>		
Average number of shares outstanding (net of treasury shares)	45,684,562	45,076,557			45,684,562	45,076,557		

<b>CONDENSED BALANCE SHEET</b> <i>in million euros</i>	<b>September 30, 2018</b>	<b>January 1, 2019</b> <i>(restated from IFRIC 23)</i>	<b>September 30, 2019</b>
<b>ASSETS</b>			
• Non-current assets	1,116.4	1,158.0	<b>1,169.3</b>
• Current Assets	1,177.3	1,209.0	<b>1,279.3</b>
<b>TOTAL ASSETS</b>	<b>2,293.7</b>	<b>2,367.0</b>	<b>2,448.6</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>			
• Shareholders' equity	1,581.3	1,624.7	<b>1,599.0</b>
• Non-current liabilities	257.4	295.5	<b>314.0</b>
• Current liabilities	455.0	446.7	<b>535.6</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>2,293.7</b>	<b>2,367.0</b>	<b>2,448.6</b>

## RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

<b>NORMALIZED IFO RECONCILIATION</b> <i>in million euros</i>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>FY 2018</b>	<b>9M 2019</b>
<b>Income from Operations</b>	<b>196.3</b>	<b>258.8</b>	<b>209.2</b>
Cello and Pimaco goodwill impairment	+68.7	+74.2	-
Restructuring costs (Stationery and Lighters manufacturing reorganization, transformation plan, Haco Industries acquisition related costs, transformation plan)	-	+15.4	+31.9
BIC Sport Divestiture	-	+4.9	-
Argentina hyperinflationary accounting (IAS29)	+0.3	(0.9)	-
<b>Normalized IFO</b>	<b>265.3</b>	<b>352.4</b>	<b>241.1</b>

<b>NORMALIZED EPS RECONCILIATION</b> <i>in million euros</i>	<b>9M 2018</b> <i>(restated from IAS 29)</i>	<b>FY 2018</b>	<b>9M 2019</b>
<b>EPS</b>	<b>2.70</b>	<b>3.80</b>	<b>3.39</b>
Cello and Pimaco goodwill impairment	+1.50	+1.62	-
Restructuring costs (Stationery and Lighters manufacturing reorganization, transformation plan, Haco Industries acquisition related costs, transformation plan)	-	+0.23	+0.49
BIC Sport Divestiture	-	+0.10	-
Argentina hyperinflationary accounting (IAS29)	+0.10	+0.12	+0.05
<b>Normalized EPS</b>	<b>4.30</b>	<b>5.87</b>	<b>3.93</b>

## SHARE REPURCHASE PROGRAM

<b>SHARE BUY-BACK PROGRAM – SOCIETE BIC</b>	<b>Number of shares acquired</b>	<b>Average weighted price (in €)</b>	<b>Amount (in M€)</b>
February 2019	272,388	83.24	22.7
March 2019	126,408	82.41	10.4
April 2019	44,871	76.63	3.4
May 2019	35,000	75.42	2.6
June 2019	31,923	79.74	2.6
July 2019	-	-	-
August 2019	-	-	-
September 2019	-	-	-
<b>Total</b>	<b>478,667</b>	<b>81.83</b>	<b>39.2</b>

## CAPITAL AND VOTING RIGHTS

As of September 30, 2019, the total number of issued shares of SOCIÉTÉ BIC was 46,010,907 shares, representing:

- 67,594,876 voting rights,
- 66,584,956 voting rights excluding shares without voting rights.

Total number of treasury shares held at the end of September 2019: 1,009,920.

## 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)

SOCIETE BIC consolidated financial statements as of September 30, 2019 were approved by the Board of Directors on October 22, 2019. A presentation related to this announcement is also available on the BIC website (at [www.bicworld.com](http://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" 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](http://www.bicworld.com)

## 2019/2020 AGENDA - ALL DATES TO BE CONFIRMED

Full Year 2019 results	12 February 2020	Meeting and Webcast
First Quarter 2020 results	23 April 2020	Conference call and Webcast
2020 AGM	20 May 2020	Meeting
First Half 2020 results	29 July 2020	Conference call and Webcast

## 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.

