



## **CHANGE IN GOVERNANCE AND 2017 CONSOLIDATED RESULTS APPROVAL**

The Board of Directors of SOCIETE BIC, chaired by Bruno BICH, met on 13 February 2018. It approved the Full Year 2017 results, which were published unaudited on 31 January 2018, and will propose the payment of a 3.45 euros ordinary dividend<sup>1</sup> per share to the shareholders.

The Board acknowledged Bruno BICH's decision to resign as Chairman and Chief Executive Officer due to the age limit defined in the Articles of Incorporation, as well as Board Member, effective as of the 16 May 2018 Annual Shareholders' Meeting. The Board will consequently propose the nomination of Gonzalve BICH as Board Member.

The Board of Directors following the Shareholders' Meeting intends to:

- separate the functions of Chairman and Chief Executive Officer
- nominate the current Vice-President of the Board and Lead Director, Pierre VAREILLE, as Chairman of the Board<sup>2</sup>
- nominate the current Executive Vice-President and Chief Operating Officer, Gonzalve BICH, as Chief Executive Officer.

**Bruno Bich, Chairman and Chief Executive Officer, said:** *“Our vision is to offer high-quality products, at the right price, for everyone, everywhere. We have strong values, and our people are the cornerstone of our philosophy “Honor the Past, Invent the Future.” We have built a unique company, and I am confident that Gonzalve and his teams will invent the BIC of the future.*

*Gonzalve embodies the BIC values, our passion for products and our consumers. For the last 15 years, he has proven his commitment in various positions at BIC, demonstrating his strategic vision and operational skills. Pierre Vareille is an experienced and respected professional who shares our values and long-term view. He has a profound understanding of our company. With the Board, he will provide a solid base in support of Gonzalve and his teams.”*

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<sup>1</sup> Payable from May 30, 2018 subject to approval at the Annual General Meeting of May 16, 2018.

<sup>2</sup> Subject to the the renewal of his mandate by the Annual General Meeting.

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**PIERRE VAREILLE**

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Pierre Vareille has been an Independent Director for SOCIETE BIC since 2009 and Vice-President and Lead Director since 2016. He is a member of the Audit Committee.

Pierre Vareille started his career in 1982 with Vallourec, holding various positions in manufacturing, financial control, sales and strategy. After having held general management positions at GFI Aerospace, Faurecia and P echiney, he was from 2004 to 2008 Chief Executive of the English automotive equipment manufacturer Wagon PLC. From 2008 to 2011 he served as Chairman and CEO of FCI, and from 2012 to 2016 as Chief Executive Officer of Constellium.

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**GONZALVE BICH**

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Gonzalve Bich is Chief Operating Officer (COO) since January 2017. He is Executive Vice-President of SOCIETE BIC.

Gonzalve joined BIC Asia in 2003, where he developed the regional business for four years. He moved on to serve as Group People Development Director before joining Group Shaver as Marketing Director. From 2008 to 2012, he led the Northern European BIC's business. In 2012, he was named Deputy General Manager, responsible for Middle East, Africa, Oceania, and Asia Pacific. He was promoted to General Manager, Developing Markets by mid-2013 and took the responsibility for BIC Consumer Business Categories & Latin America operations in spring 2016.

## FULL YEAR 2017 CONSOLIDATED RESULTS

(AS PUBLISHED UNAUDITED ON 31-JAN-2018)

### GROUP OPERATIONAL TRENDS

#### NET SALES

FY 2017 Net Sales were 2,020.3 million euros, down 0.3% as reported but up 0.5% at constant currency and up 1.4% on a comparative basis. The unfavorable impact of currency fluctuations (-0.8 points) was mainly due to the depreciation of the U.S. dollar against the euro. Europe and Developing Markets grew by 4.9% and 2.2%, respectively, while North America declined by 1.7% on a comparative basis.

#### INCOME FROM OPERATIONS AND NORMALIZED INCOME FROM OPERATIONS

FY 2017 Gross Profit margin came in at 51.9%, compared to 52.6% for 2016.

FY 2017 Normalized IFO was 400.9 million euros (i.e., a Normalized IFO margin of 19.8%). Q4 2017 Normalized IFO was 98.0 million euros (i.e., a Normalized IFO margin of 19.9%).

KEY COMPONENTS OF THE CHANGE IN NORMALIZED IFO MARGIN (in % points)	Q4 2016 vs. Q4 2015	Q4 2017 vs. Q4 2016	FY 2016 vs. FY 2015	FY 2017 vs. FY 2016
• Change in cost of production <sup>3</sup>	+2.5	+0.2	+1.2	-0.3
• Total Brand Support <sup>4</sup>	+0.5	-	-0.7	-0.2
○ Of which, promotions and investments related to consumer and business development support accounted for in Gross Profit Margin	+0.2	-1.1	-0.1	-0.7
○ Of which, advertising, consumer and trade support	+0.3	+1.1	-0.6	+0.5
• OPEX and other expenses	-0.5	+0.2	-0.9	-0.3
<b>Total change in Normalized IFO margin excluding the special employee bonus</b>	<b>+2.5</b>	<b>+0.4</b>	<b>-0.4</b>	<b>-0.8</b>
<b>Special employee bonus</b>	-	-	<b>-0.4</b>	<b>+0.4</b>
• Of which impact on Gross Profit	-	-	-0.3	+0.3
• Of which impact on OPEX	-	-	-0.1	+0.1
<b>Total change in Normalized IFO margin</b>	<b>+2.5</b>	<b>+0.4</b>	<b>-0.8</b>	<b>-0.4</b>

NON-RECURRING ITEMS (in million euros)	9M		Q4		FY	
	2016	2017	2016	2017	2016	2017
<b>Income From Operations</b>	<b>305.5</b>	<b>278.2</b>	<b>97.8</b>	<b>98.0</b>	<b>403.4</b>	<b>376.2</b>
<b>IFO margin</b>	<b>20.1%</b>	<b>18.2%</b>	<b>19.4%</b>	<b>19.9%</b>	<b>19.9%</b>	<b>18.6%</b>
<i>Restructuring costs (related primarily to BIC Graphic Europe and Developing Markets operations in 2017)</i>	+5.5	+24.7	+1.1	-	+6.6	+24.7
<i>Retiree Medical Adjustment in the U.S.</i>	-	-	-0.9	-	-0.9	-
<b>Normalized IFO</b>	<b>311.0</b>	<b>302.9</b>	<b>98.1</b>	<b>98.0</b>	<b>409.1</b>	<b>400.9</b>
<b>Normalized IFO margin</b>	<b>20.4%</b>	<b>19.8%</b>	<b>19.5%</b>	<b>19.9%</b>	<b>20.2%</b>	<b>19.8%</b>
<i>Special employee bonus</i>	+8.8	-	-	-	+8.8	-
<b>Normalized IFO excluding the special employee bonus</b>	<b>319.7</b>	<b>302.9</b>	<b>98.1</b>	<b>98.0</b>	<b>417.9</b>	<b>400.9</b>
<b>Normalized IFO margin excluding the special employee bonus</b>	<b>21.0%</b>	<b>19.8%</b>	<b>19.5%</b>	<b>19.9%</b>	<b>20.6%</b>	<b>19.8%</b>

<sup>3</sup> Gross Profit margin excluding promotions and investments related to consumer and business development support.

<sup>4</sup> Total Brand Support: consumer and business development support + advertising, consumer and trade support.

## NET INCOME AND EPS

**Income before tax** for 2017 was 398.1 million euros, compared to 408.2 million euros in 2016. **Net income Group Share** was 288.3 million euros, up 15.5% as reported.

The 2017 effective tax rate for continuing operations was 25.9% compared to 30.0% in 2016. The 2017 effective tax rate includes the favorable income related to the invalidation of 3% additional French Corporate Income Tax on dividends, net of the French exceptional Corporate Income Tax contribution.

- Net Income From Continuing Operations was 295.1 million euros;
- Net Income From Discontinued Operations was a negative 6.7 million euros and included the net loss related to the disposal of BIC Graphic North America and Asian Sourcing.

**FY 2017 EPS Group share** was 6.20 euros, compared to 5.32 euros for the same period last year, up 16.5%. Normalized EPS Group share increased to 6.28 euros, compared to 6.24 euros. EPS Group Share in Q4 2017 was 2.17 euros, compared to 0.77 euros in Q4 2016.

## NET CASH POSITION

At the end of December 2017, the Group's net cash position stood at 204.9 million euros.

<b>CHANGE IN NET CASH POSITION</b> <i>(in million euros)</i>	<b>2016</b>	<b>2017</b>
<b>NET CASH POSITION (BEGINNING OF THE PERIOD – DECEMBER)</b>	<b>448.0</b>	<b>222.2</b>
• Net cash from operating activities	+298.7	+380.6
○ <i>Of which operating cash flow</i>	+417.2	+411.3
○ <i>Of which change in working capital and others</i>	-118.5	-30.7
• CAPEX	-180.8	-185.8
• Dividend payment	-277.0	-161.0
• Share buy-back program	-81.6	-97.1
• Net cash from the exercise of stock options and the liquidity contract	+2.5	+2.9
• Proceeds from disposal of BIC Graphic North America and Asian Sourcing <sup>5</sup>	-	+55.7
• Other items	+12.4	-12.6
<b>NET CASH POSITION (END OF THE PERIOD - DECEMBER)</b>	<b>222.2</b>	<b>204.9</b>

Net Cash from operating activities was +380.6 million euros, including +411.3 million euros in Operating Cash Flow. The Net Cash Position was also impacted by investments in CAPEX, dividend payments and share buy-backs as well as the proceeds from the sale of BIC Graphic North America and Sourcing Asia.

## SHAREHOLDERS' REMUNERATION

In 2017, Shareholders' Remuneration totaled 258.1 million euros:

- 161.0 million euros related to the payment of dividends (for the 2016 fiscal year): ordinary dividend of 3.45 euros per share paid in May 2017.
- 97.1 million euros in share buy-backs at the end of December 2017 (995,854 shares purchased at an average price of 97.54 euros per share).

<sup>5</sup> Excluding 8.3 million euros of subordinated loan.

**STATIONERY**

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**Full Year 2017**

**Stationery full-year 2017 Net Sales increased by 1.5% (up 3.4% on a comparative basis). Full year 2017 volumes grew by 2.4%.**

**Developed Markets**

- Net Sales grew mid-single digit in **Europe**, fueled by a good Back-to-School season in both Western and Eastern Europe, the success of new products (the BIC® Gelocity Illusion erasable pen, BIC® 4-color 3+1 pen and the BIC® Intensity Writing felt pen) and targeted Brand Support, notably on the 4 Colors and BIC® Kids ranges.
- In a slightly declining market, **North America's** Net Sales were slightly up, driven by a strong Back-to-School season. Key growth drivers included successful new added-value product launches including BIC® Gelocity® Quick Dry gel and the BIC® Velocity® Max Mechanical Pencil.

**Developing Markets** posted low-single digit growth.

- In **Latin America**, Net Sales increased low-single digit. We continued to support our growth across the region with impactful advertising campaigns, notably in the ball pen segment. During the Back-to-School season, we gained market share in Mexico across the entire range, thanks mostly to our core products.
- The **Middle-East and Africa region** delivered solid growth along with an outstanding performance in South Africa thanks to strong in-store visibility.
- In **India**, Cello Pens' Domestic Net Sales increased high-single digit driven by the increased focus on Champion brands (especially Butterflow™), New Product launches (Gel Tech range) and continued development of our visibility strategy ("Cello® seen, Cello® sold").

**Full Year 2017 Stationery normalized IFO margin was 8.4%** compared to 9.0% in 2016 (9.4% excluding the impact of the special employee bonus) due to higher brand support investment.

**Fourth Quarter 2017**

**Fourth quarter 2017 Net Sales were up 4.6% on a comparative basis, fueled by a strong performance in Europe.** In North America, Net Sales slightly increased with positive momentum across multiple trade channels, especially eCommerce. In Developing Markets, the combined solid performance of the Middle-East and Africa (strong Back-to-School sell-in in South Africa) and Cello's domestic sales, more than offset softness in Latin American markets. Brazilian sales were flat as Back-to-School sell-in was affected by continuous customer inventory reductions.

**Q4 2017 Normalized IFO margin was 6.6%** compared to 5.8% in Q4 2016 as a result of lower cost of production and operating expenses partly offset by increase in brand support.

**LIGHTERS**

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**Full Year 2017**

**Full-year 2017 Net Sales of Lighters grew by 1.1% (up 2.2% on a comparative basis). Full year 2017 volumes were up by 0.8%.**

**Developed Markets**

- In **Europe**, Net Sales increased mid-single digit, driven by both Western Europe and Eastern Europe (distribution gains).
- In **North America**, 2017 Net Sales grew low single digit in a slightly growing market. We continued to gain market share as a result of the constant development of our added value sleeve designs, increased distribution depth, and continuing consumer trust in our leading standards of product safety and quality.

## Developing Markets

Full-year 2017 Net Sales declined slightly. Latin America posted low-single digit growth driven by distribution gains in Mexico and despite customer inventory reductions in Brazil.

**Full-year 2017 Normalized IFO margin for Lighters was 39.5%** compared to 39.8% in 2016 (40.2% excluding the impact of the special employee bonus) due to lower Gross Profit, lower brand support and higher operating expenses.

### Fourth Quarter 2017

**Fourth quarter 2017 Net Sales were up 8.2% on a comparative basis.** Following a weak Q3 affected by several customers reducing their inventories, Sales regained momentum in North America. Developing Markets' performance was driven by Latin America.

**Q4 2017 Normalized IFO margin was 38.2%** compared to 39.1% in Q4 2016.

## SHAVERS

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### Full Year 2017

**Full-year 2017 Net Sales of Shavers decreased by 2.7% (down 2.2% on a constant currency basis). Full-year 2017 volumes were up by 3.0%.**

### Developed Markets

- **Europe's** Net sales increased high-single digit, driven by Eastern Europe's performance (success of the BIC® Flex 3 Hybrid and Miss Soleil shavers). Available in France since March 2017 and in the UK since November 2017, the BIC® Shave Club (i.e., BIC's online subscription offer for refillable shavers) performed well, supported by high levels of customer loyalty.
- **In North America,** Net Sales declined double-digit. At the end of December 2017<sup>6</sup>, the total U.S. Wet Shave market decreased by 8.2%. With a 3.2% decline, the one-piece segment continued to be heavily disrupted with increased competitive activity, unprecedented levels of promotion, pricing pressure from major competitors and increased activity from Private labels. BIC's year-end one-piece segment market share was 26.7%<sup>6</sup>, declining by 1.3 points when compared to December 2016. Following the BIC® Flex 5 Hybrid launch, we continued to gain market share in the high added-value one-piece 5-blade segment and consolidated our n°1 position with a 36.8% share of the Men's 5 blade one-piece market segment (up 8.7 points compared to last year).

### Developing Markets

FY 2017 Net Sales increased mid-single-digit.

- Despite increased competitive pressure in Mexico and Brazil, **Latin America** delivered mid-single-digit growth, supported by an enlarged distribution network across the whole region.
- In the **Middle-East and Africa,** Net Sales grew high-single digit, benefiting from the success of our single-blade and twin-blade products.

**Full-year 2017 Normalized IFO margin for Shavers was 13.3%** compared to 14.9% in 2016 (15.4% excluding the impact of the special employee bonus) due to the decline of North American Net Sales and higher operating costs.

### Fourth Quarter 2017

**Fourth quarter 2017 Net Sales were up 4.8% on a constant currency basis,** driven by continuous positive momentum in Europe and developing markets. In the U.S., the total wet shave market showed a slight improvement, with the one-piece segment down by 1.3% (last 13 weeks of 2017). Q4 2017 North America Net Sales were stable, driven by more efficient promotional activities and advance shipments for the launch of BIC® Soleil® Balance, our new women's one-piece shaver offering BIC's best 5-blade technology surrounded by moisture bars at an affordable price.

**Q4 2017 Normalized IFO margin was 12.8%** compared to 15.5% in Q4 2016.

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<sup>6</sup> Source: IRI total market YTD ending 31-DEC-2017 – in value terms.

## OTHER PRODUCTS

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**Full-year 2017 Net Sales of Other Products decreased by 14.5% (down 5.5% on a comparative basis). Fourth quarter 2017 Net Sales were down 26.3% (down 0.6% on a comparative basis).**

BIC Sport registered a mid-single digit decline in its full-year Net Sales on a constant currency basis notably due to an increasingly competitive environment in the U.S.

**Full-year 2017 Normalized IFO for Other Products was a negative 4.4 million euros**, compared to a negative 7.8 million euros in 2016. **Q4 2017 Normalized IFO** for Other Products was a negative 0.4 million euros, compared to a negative 3.9 million euros in Q4 2016.

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## 2018 OUTLOOK<sup>7</sup>

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We expect 2018 Group Net Sales to increase between +1 and +3% on a comparative basis, with all categories contributing to the growth. Major factors affecting sales performance could include continued competitive pressures in Shaver, further inventory reductions from retailers, and continued softness in the Brazilian economy.

Gross Profit will be impacted by an increase in raw material costs, higher depreciation, while we will continue to invest in targeted Brand Support and Operating Expenses.

2018 Normalized Income from Operations will also be impacted by sales performance. Based on these factors we expect Normalized Income from Operations margin to be between 17% and 18%.

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<sup>7</sup> excluding IFRS 15 and 16 implementation impact

**BIC GRAPHIC**

Following the Asset and Share Purchase Agreement signed on June 6, 2017, BIC Graphic North America and Asian Sourcing operations were sold to H.I.G. Capital on June 30, 2017.

Assets and Liabilities of BIC Graphic North America and Asian Sourcing have been accounted for in “Non-Current Assets Held For Sale” and “Discontinued Operations” since 31 December 2016, in accordance with IFRS 5<sup>8</sup>.

**BIC TO INVEST APPROXIMATELY 28 MILLION EUROS IN A NEW WRITING INSTRUMENTS FACILITY IN INDIA**

BIC’s Indian subsidiary BIC Cello (India), has acquired land and building for the construction of a new writing instrument facility in Vapi (Gujarat state).

Total investment in this project is estimated at around 28 million euros (i.e. INR 210 crore) through December 2018 including the purchase of land and building for approximately 18 million euros in 2017. This investment will enhance the Group’s manufacturing footprint in India and enable it to meet consumer demand more effectively in this rapidly-growing market. This new facility is expected to be operational by the end of 2018.

**DEVELOPING MARKETS’ ORGANIZATION**

In order to drive commercial synergies and strengthen our business within the Asian markets, notably in China, we reorganized our operations in Asia Pacific and closed our Singapore office. In Latin America, BIC direct operations in Nicaragua were closed.

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<sup>8</sup> Please refer to BIC Q1 2017 press release issued on April 26, 2017.



KEY FIGURES (in million euros)	Q4 2017 vs. Q4 2016					FY 2017 vs. FY 2016				
	Q4 2016	Q4 2017	As reported	Constant currency basis	Comparative basis	FY 2016	FY 2017	As reported	Constant currency basis	Comparative basis
<b>GROUP</b>										
Net Sales	503.8	491.6	-2.4%	+3.9%	+5.9%	2,025.8	2,020.3	-0.3%	+0.5%	+1.4%
Gross Profit	272.9	262.2				1,065.3	1,047.6			
Income From Operations	97.8	98.0				403.4	376.2			
IFO margin	19.4%	19.9%				19.9%	18.6%			
Normalized Income From Operations	98.1	98.0				409.1	400.9			
Normalized IFO margin	19.5%	19.9%				20.2%	19.8%			
<b>Normalized IFO margin excluding the special employee bonus</b>	<b>19.5%</b>	<b>19.9%</b>				<b>20.6%</b>	<b>19.8%</b>			
Net Income Group Share	36.0	101.0				249.7	288.3			
Earnings Per Share Group Share (in euros)	0.77	2.17				5.32	6.20			
<b>STATIONERY</b>										
Net Sales	178.2	172.4	-3.3%	+2.4%	+4.6%	780.3	791.8	+1.5%	+2.3%	+3.4%
IFO	10.1	11.4				67.9	54.9			
IFO margin	5.7%	6.6%				8.7%	6.9%			
Normalized IFO	10.4	11.4				70.1	66.5			
Normalized IFO margin	5.8%	6.6%				9.0%	8.4%			
<b>Normalized IFO margin excluding the special employee bonus</b>	<b>5.8%</b>	<b>6.6%</b>				<b>9.4%</b>	<b>8.4%</b>			
<b>LIGHTERS</b>										
Net Sales	187.9	189.1	+0.6%	+7.9%	+8.2%	696.4	703.9	+1.1%	+2.0%	+2.2%
IFO	73.7	72.3				275.3	278.0			
IFO margin	39.2%	38.2%				39.5%	39.5%			
Normalized IFO	73.5	72.3				277.3	278.3			
Normalized IFO margin	39.1%	38.2%				39.8%	39.5%			
<b>Normalized IFO margin excluding the special employee bonus</b>	<b>39.1%</b>	<b>38.2%</b>				<b>40.2%</b>	<b>39.5%</b>			
<b>SHAVERS</b>										
Net Sales	117.3	115.1	-1.9%	+4.8%	+4.8%	467.0	454.4	-2.7%	-2.2%	-2.2%
IFO	18.4	14.7				68.6	60.4			
IFO margin	15.7%	12.8%				14.7%	13.3%			
Normalized IFO	18.2	14.7				69.6	60.6			
Normalized IFO margin	15.5%	12.8%				14.9%	13.3%			
<b>Normalized IFO margin excluding the special employee bonus</b>	<b>15.5%</b>	<b>12.8%</b>				<b>15.4%</b>	<b>13.3%</b>			
<b>OTHER PRODUCTS</b>										
Net Sales	20.3	15.0	-26.3%	-25.4%	-0.6%	82.1	70.2	-14.5%	-14.6%	-5.5%
IFO	-4.4	-0.4				-8.4	-17.0			
Normalized IFO	-3.9	-0.4				-7.8	-4.4			
Normalized IFO excluding the special employee bonus	-3.9	-0.4				-7.6	-4.4			

## APPENDIX

BIC GROUP NET SALES BY GEOGRAPHY <i>(in million euros)</i>	Q4 2017 vs. Q4 2016				FY 2017 vs. FY 2016			
	Q4 2016	Q4 2017	As reported	Comparative basis	FY 2016	FY 2017	As reported	Comparative basis
<b>GROUP</b>								
Net Sales	503.8	491.6	-2.4%	+5.9%	2,025.8	2,020.3	-0.3%	+1.4%
<b>EUROPE</b>								
Net Sales	116.8	116.9	+0.1%	+6.5%	544.8	559.3	+2.7%	+4.9%
<b>NORTH AMERICA</b>								
Net Sales	185.7	179.9	-3.1%	+5.8%	812.0	783.5	-3.5%	-1.7%
<b>DEVELOPING MARKETS</b>								
Net Sales	201.3	194.7	-3.2%	+5.6%	668.9	677.4	+1.3%	+2.2%

VOLUME <i>(billions of units per year)</i>	2016	2017
<b>Stationery (including Cello Pens)</b>	7.1	7.3
<b>Lighters</b>	1.6	1.6
<b>Shavers</b>	2.6	2.7

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES <i>(in %)</i>	Q4 2016	Q4 2017	FY 2016	FY 2017
<b>Perimeter</b>	-	-2.0	-	-0.9
<b>Currencies</b>	+1.3	-6.3	-3.3	-0.8
<i>Of which USD</i>	+0.6	-3.3	+0.1	-0.7
<i>Of which BRL</i>	+2.5	-1.1	-0.2	+0.4
<i>Of which ARS</i>	-1.0	-0.4	-1.0	-0.2
<i>Of which MXN</i>	-0.8	-0.2	-0.9	-0.1
<i>Of which GBP</i>	-0.4	-0.1	-0.3	-0.2
<i>Of which ZAR</i>	+0.1	-0.2	-0.2	+0.1
<i>Of which RUB and UAH</i>	0.0	-0.1	-0.2	+0.1
<i>Of which INR</i>	0.0	-0.2	-0.2	-

SENSITIVITY OF NET SALES TO KEY CURRENCY CHANGES <i>(in %)</i>	2016	2017
<b>+/- 5% change in USD</b>	+/-1.9	+/-1.8
<b>+/- 5% change in BRL</b>	+/-0.5	+/-0.5
<b>+/- 5% change in MXN</b>	+/-0.3	+/-0.3

CONDENSED PROFIT AND LOSS ACCOUNT (in million euros)	Q4 2017 vs. Q4 2016				FY 2017 vs. FY 2016			
	Q4 2016	Q4 2017	As reported	Comparative basis	FY 2016	FY 2017	As reported	Comparative basis
<b>Net sales</b>	503.8	491.6	-2.4%	+5.9%	2,025.8	2,020.3	-0.3%	+1.4%
Cost of goods	230.8	229.4			960.5	972.7		
<b>Gross Profit</b>	<b>272.9</b>	<b>262.2</b>			<b>1,065.3</b>	<b>1,047.6</b>		
Administrative & other operating expenses	175.1	164.2			661.9	671.4		
<b>Income from operations</b>	<b>97.8</b>	<b>98.0</b>			<b>403.4</b>	<b>376.2</b>		
Finance revenue/costs	3.1	22.7			4.8	21.8		
<b>Income before tax</b>	<b>100.9</b>	<b>120.7</b>			<b>408.2</b>	<b>398.1</b>		
Income tax expense	-30.3	-19.7			-122.7	-103.0		
Net Income From Continuing Operations	70.6	101.0			285.5	295.1		
Net Income From Discontinued Operations	-34.6	-			-35.8	-6.7		
<b>NET INCOME GROUP SHARE</b>	<b>36.0</b>	<b>101.0</b>			<b>249.7</b>	<b>288.3</b>		
Earnings Per Share From Continuing Operations (in euros)	1.50	2.17			6.09	6.35		
Earnings Per Share From Discontinued Operations (in euros)	-0.73	-			-0.77	-0.15		
<b>Earnings per share Group share (in euros)</b>	<b>0.77</b>	<b>2.17</b>			<b>5.32</b>	<b>6.20</b>		
Average number of shares outstanding (net of treasury shares)	46,898,827	46,475,249			46,898,827	46,475,249		

<b>CONDENSED BALANCE SHEET</b> <i>(in million euros)</i>	<b>December 31, 2016</b>	<b>December 31, 2017</b>
<b>ASSETS</b>		
Property, plant & equipment	564.4	631.1
Investment properties	2.1	1.8
Goodwill and intangible assets	372.7	350.6
Other non-current assets	204.2	185.5
<b>Non-current assets</b>	<b>1,143.4</b>	<b>1,169.0</b>
Inventories	468.1	429.0
Trade and other receivables	483.1	476.7
Other current assets	51.5	44.2
Other current financial assets and derivative instruments	31.1	45.0
Cash and cash equivalents	243.8	188.6
<b>Current assets</b>	<b>1,277.6</b>	<b>1,183.6</b>
<b>Assets Held For Sale</b>	<b>152.7</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>2,573.7</b>	<b>2,352.6</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
<b>Shareholders' equity</b>	<b>1,792.6</b>	<b>1,703.9</b>
Non-current borrowings	1.4	0.2
Other non-current liabilities	297.8	266.1
<b>Non-current liabilities</b>	<b>299.2</b>	<b>266.3</b>
Trade and other payables	118.7	125.5
Current borrowings	49.6	4.9
Other current liabilities	261.3	251.9
<b>Current liabilities</b>	<b>429.6</b>	<b>382.3</b>
<b>Liabilities Held For Sale</b>	<b>52.3</b>	<b>-</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>2,573.7</b>	<b>2,352.6</b>

<b>WORKING CAPITAL</b> <i>(in million euros) - unaudited</i>	<b>December 31, 2016</b>	<b>December 31, 2017</b>
<b>Total Working Capital</b>	<b>642.2</b>	<b>582.1</b>
<i>Of which, inventories</i>	<i>468.1</i>	<i>429.0</i>
<i>Of which, Trade and other receivables</i>	<i>483.1</i>	<i>476.7</i>
<i>Of which, Trade and other payables</i>	<i>-118.7</i>	<i>-125.5</i>

<b>CASH FLOW STATEMENT</b> <i>(in million euros)</i>	<b>FY 2016</b>	<b>FY 2017</b>
Group Net income	249.7	288.3
<i>Net income from discontinued operations</i>	-35.8	-6.7
<i>Net income from continuing operations</i>	285.5	295.1
Amortization and provisions	165.4	120.3
(Gain)/Loss from disposal of fixed assets	-0.2	9.0
Others	2.3	-6.3
<b>CASH FLOW FROM OPERATIONS</b>	<b>417.2</b>	<b>411.3</b>
(Increase) / decrease in net current working capital	-62.8	-9.5
Others	-55.7	-21.2
<i>Net Cash from operating activities from continuing operations</i>	276.2	374.5
<i>Net Cash from operating activities from discontinued operations</i>	22.5	6.1
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>298.7</b>	<b>380.6</b>
Capital expenditure	-178.9	-185.8
(Purchase)/Sale of other current financial assets	46.1	7.1
Divestiture of BIC Graphic North America and Asian Sourcing	0	55.7
Others	0.3	11.2
<i>Net Cash from investing activities from continuing operations</i>	-127.2	-108.4
<i>Net Cash from investing activities from discontinued operations</i>	-5.3	-3.4
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>-132.5</b>	<b>-111.8</b>
Dividends paid	-277.0	-161.0
Borrowings/(Repayments)/(loans)	19.8	-18.5
Share buy-back program net of stock-options exercised	-79.1	-94.2
Others	-3.2	-1.7
<i>Net Cash from financing activities from continuing operations</i>	-291,5	-273.1
<i>Net Cash from financing activities from discontinued operations</i>	-48,0	-2.3
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>-339.5</b>	<b>-275.4</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS NET OF BANK OVERDRAFTS (A+B+C)</b>	<b>-173.2</b>	<b>-6.6</b>
<b>OPENING CASH AND CASH EQUIVALENTS NET OF BANK OVERDRAFTS</b>	<b>380.6</b>	<b>217.4</b>
Net increase / decrease in cash and cash equivalents net of bank overdrafts (A+B+C)	-173.2	-6.6
Exchange difference	10.0	-23.8
<b>CLOSING CASH AND CASH EQUIVALENTS NET OF BANK OVERDRAFTS</b>	<b>217.4</b>	<b>187.0</b>

## RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

### NORMALIZED IFO RECONCILIATION

<i>(in million euros)</i>	2016	2017
<b>Income From Operations</b>	<b>403.4</b>	<b>376.2</b>
<i>Restructuring costs</i>	+6.6	+24.7
<i>Retiree Medical Adjustment in the U.S.</i>	-0.9	-
<b>Normalized IFO</b>	<b>409.1</b>	<b>400.9</b>
<i>Special employee bonus</i>	8.8	-
<b>Normalized IFO excluding the special employee bonus</b>	<b>417.9</b>	<b>400.9</b>

### NORMALIZED EPS RECONCILIATION

<i>(in euros)</i>	2016	2017
<b>EPS</b>	<b>5.32</b>	<b>6.20</b>
<i>Impairment recognized for BIC Graphic North America and Asia sourcing</i>	+0.78	-
<i>Net loss from divestiture of BIC Graphic North America and Asian Sourcing</i>		+0.09
<b>Normalized EPS excluding impairment recognized for BIC Graphic North America and Asia sourcing</b>	<b>6.10</b>	<b>6.29</b>
<i>Restructuring costs</i>	+0.15	+0.38
<i>Retiree Medical Adjustment in the U.S.</i>	-0.01	-
<i>French Corporate Income Tax (Invalidation of 3% additional French Corporate Income Tax on dividends, net of the French exceptional Corporate Income Tax contribution)</i>	-	-0.39
<b>Normalized EPS</b>	<b>6.24</b>	<b>6.28</b>

### NET CASH RECONCILIATION

<i>(in million euros – rounded figures)</i>	December 31, 2016	December 31, 2017
Cash and cash equivalents (1)	243.8	188.6
Other current financial assets (2) <sup>9</sup>	29.4	21.4
Current borrowings (3)	-49.6	-4.9
Non-current borrowings (4)	-1.4	-0.2
<b>NET CASH POSITION (1) + (2) - (3) - (4)</b>	<b>222.2</b>	<b>204.9</b>

<sup>9</sup> In the balance sheet at December 31, 2017 and 2016, the line "Other current financial assets and derivative instruments" also includes respectively 23.6M€ and 1.7M€ worth of derivative instruments.

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**SHARE BUY-BACK PROGRAM**

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	<b>Number of shares acquired</b>	<b>Weighted average price in €</b>	<b>Amount in M€</b>
January 2017	-	-	-
February 2017	38,433	117.49	4.5
March 2017	42,144	115.05	4.9
April 2017	-	-	-
May 2017	40,000	106.28	4.2
June 2017	40,000	109.14	4.4
July 2017	-	-	-
August 2017	102,322	100.80	10.3
September 2017	262,421	101.92	26.7
October 2017	262,586	89.21	23.4
November 2017	207,948	89.79	18.7
December 2017	-	-	-
<b>Total</b>	<b>995,854</b>	<b>97.54</b>	<b>97.1</b>

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**CAPITAL AND VOTING RIGHTS, DECEMBER 31, 2017**

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As of December 31, 2017, the total number of issued shares of SOCIÉTÉ BIC was 46,629,907 shares, representing:

- 68,081,160 voting rights,
- 67,299,665 voting rights excluding shares without voting rights.

Total number of treasury shares held at the end of December 2017: 781,495.

## GLOSSARY

- **Constant currency basis:** constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **Organic growth 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.
- **Normalized IFO:** normalized means excluding non-recurring items as detailed on page 3.
- **Normalized IFO margin:** Normalized IFO divided by net sales.
- **Gross profit** is the margin that the Group achieves after deducting its manufacturing costs.
- **Free cash flow before acquisitions and disposals:** Net cash from operating activities - net capital expenditures +/- other investments.
- **Free cash flow after acquisitions and disposals:** Net cash from operating activities - net capital expenditures +/- other investments - acquisitions/disposals of equity investments / subsidiaries / business lines.
- **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.

*SOCIETE BIC consolidated and statutory financial statements as of December 31, 2017, were approved by the Board of Directors on February 13, 2018. The Group's Auditors have performed their audit procedures on the consolidated financial statements and the audit reports relating to the certification of the consolidated and statutory financial statements are in the process of being issued. A presentation related to this announcement is also available on the BIC website ([www.bicworld.com](http://www.bicworld.com)). This document contains forward-looking statements. Although BIC believes its estimates 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 "Risk factors" section of BIC's 2016 Registration Document filed with the French financial markets authority (AMF) on March 22, 2017.*

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For more information, please consult the corporate website: [www.bicworld.com](http://www.bicworld.com)

## 2018 AGENDA (ALL DATES TO BE CONFIRMED)

First Quarter 2018 results	25 April 2018	Conference call
2018 AGM	16 May 2018	Meeting – BIC Headquarters
First Half 2018 results	1 <sup>st</sup> August 2018	Conference call
Third Quarter 2018 results	24 October 2018	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 and thanks to everyday efforts and investments, 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 2017, BIC recorded Net Sales of 2,020.3 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's Climate A List, CDP's Supplier Climate A List, 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.*

