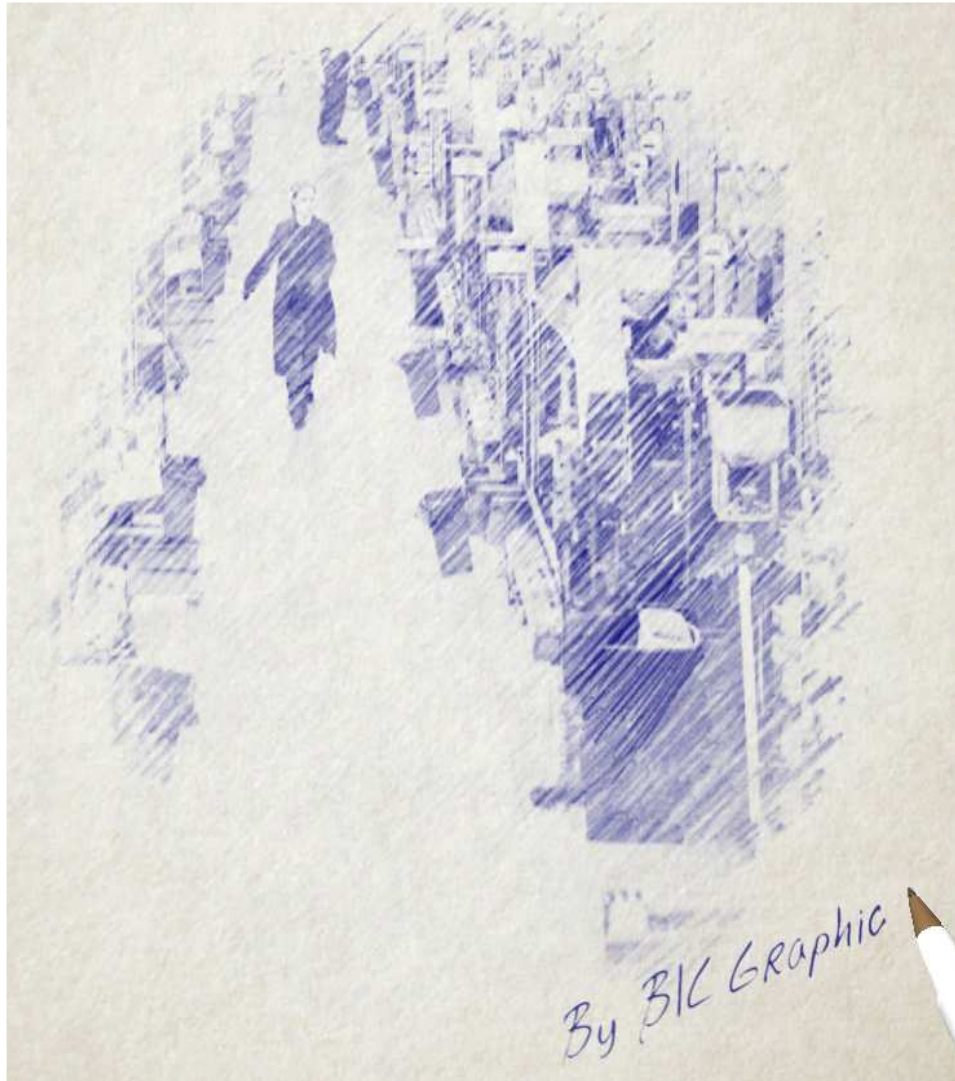




# Annual Shareholders' meeting

6 May 2015





*« Honor the past...  
invent the futur.*

*People are  
the cornerstone of  
our philosophy »*





**Sustained Profitable growth in Consumer categories, well balanced across geographies**



**Back to positive sales momentum for BIC Graphic**



**Strong cash generation**



## BIC IN 2014



**Net Sales\***

Consumer Business  
+5.3%



**+4.9%**



**18.7%**

**Normalized IFO  
margin**

**EPS Group Share**



**5.57 €**



**320 M€**

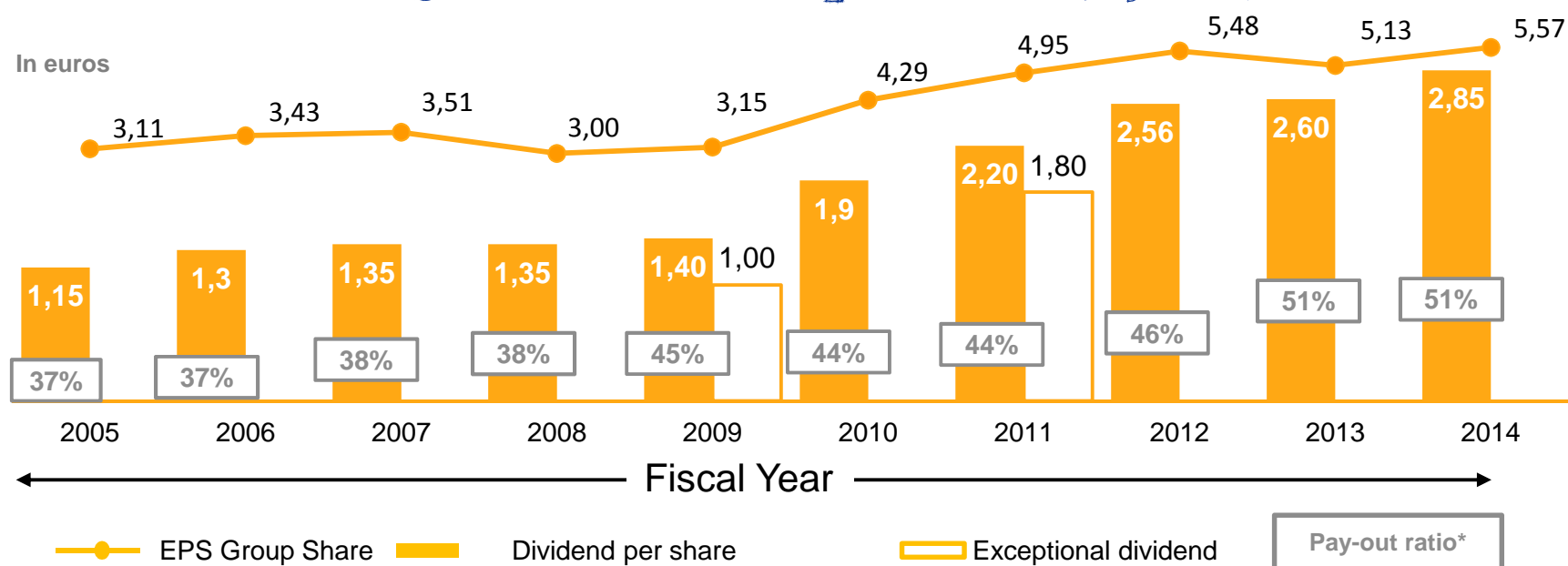
**Net Cash Position**

\*Growth on a comparative basis

## BIC IN 2014



### Proposal to the AGM: 2.85 euros dividend per share (+9.6%)



\* On ordinary dividend  
Payment May 20, 2015 subject to the approval the AGM of May 6, 2015

## USE OF CASH



Invest  
to prepare  
the future

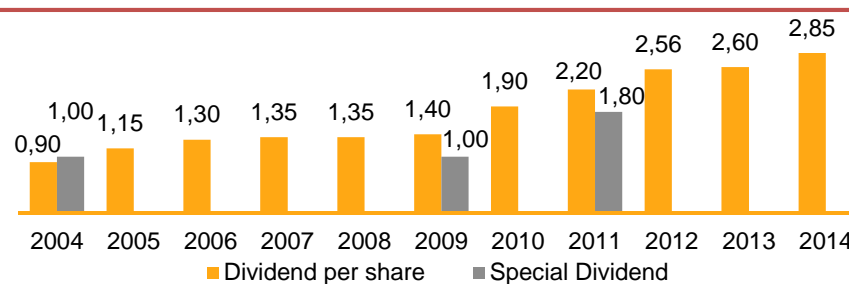
CAPEX

112 million euros in 2014

Bolt-on strategic acquisitions

53 million euros in 2014

Ensure a steady  
growth of the  
ordinary dividend



2014 Pay-out ratio  
51%

Special dividend

Share buy-back



# Consolidated results

2014  
Q1 2015

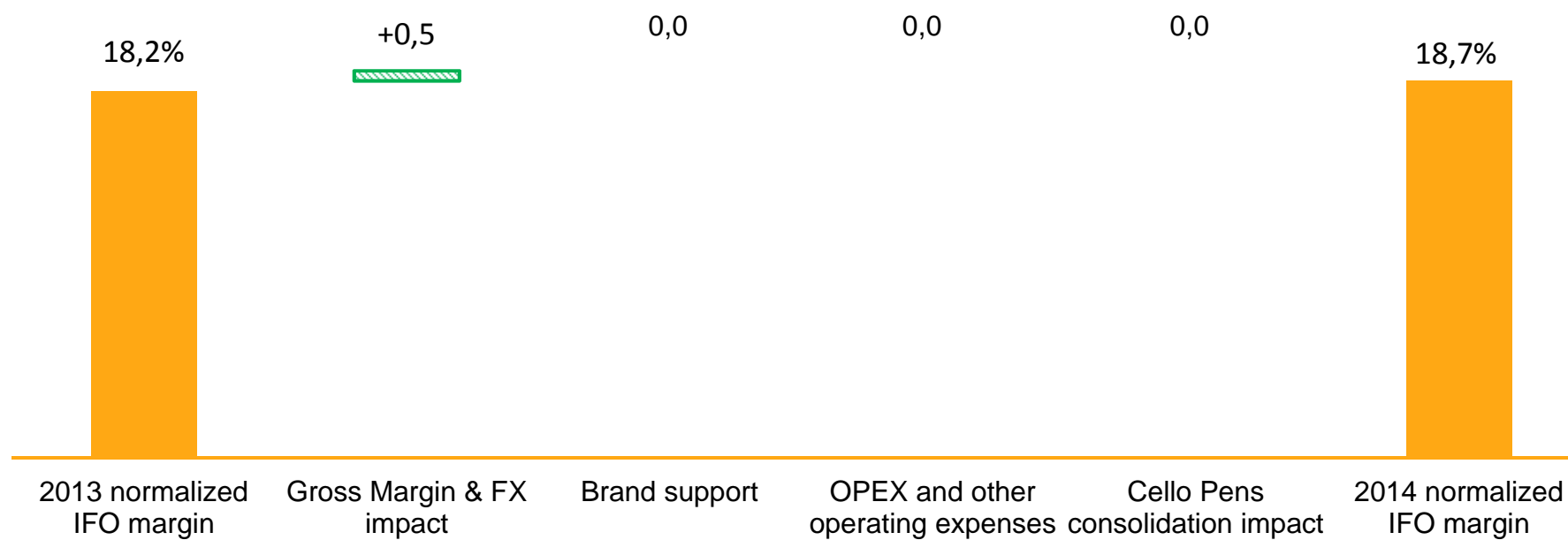
## 2014: FROM NET SALES TO EPS



<i>BIC Group</i> In million euros	2013	2014	Change	Change on a comparative basis*
<b>Net Sales</b>	1,887.8	1,979.1	+4.8%	+4.9%
<b>Gross Profit</b>	929.5	971.1	+4.5%	
<b>Normalized* IFO</b>	344.2	370.0	+7.5%	
<b>Income from Operations</b>	339.2	369.3	+8.9%	
<b>Tax rate</b>	30.6%	30.0%		
<b>Net Income Group Share</b>	241.5	262.1	+8.5%	
<b>EPS Group Share</b>	5.13	5.57	+8.6%	



## 2014 NORMALIZED INCOME FROM OPERATIONS MARGIN



## 2014: Key figures by category



Net Sales	<b>676.9 M€</b> <b>+4.2%</b> <i>(on a comparative basis)</i>
NIFO* Margin	<b>12.5%</b>
CAPEX	<b>23 M€</b>



Net Sales	<b>380.0 M€</b> <b>+4.1%</b> <i>(on a comparative basis)</i>
NIFO* Margin	<b>17.8%</b>
CAPEX	<b>35 M€</b>



Net Sales	<b>581.6 M€</b> <b>+8.3%</b> <i>(on a comparative basis)</i>
NIFO* Margin	<b>37.7%</b>
CAPEX	<b>33 M€</b>



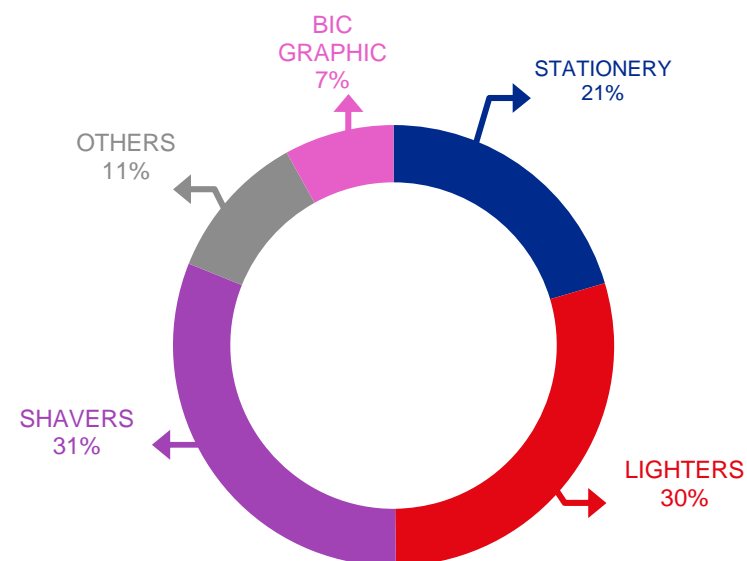
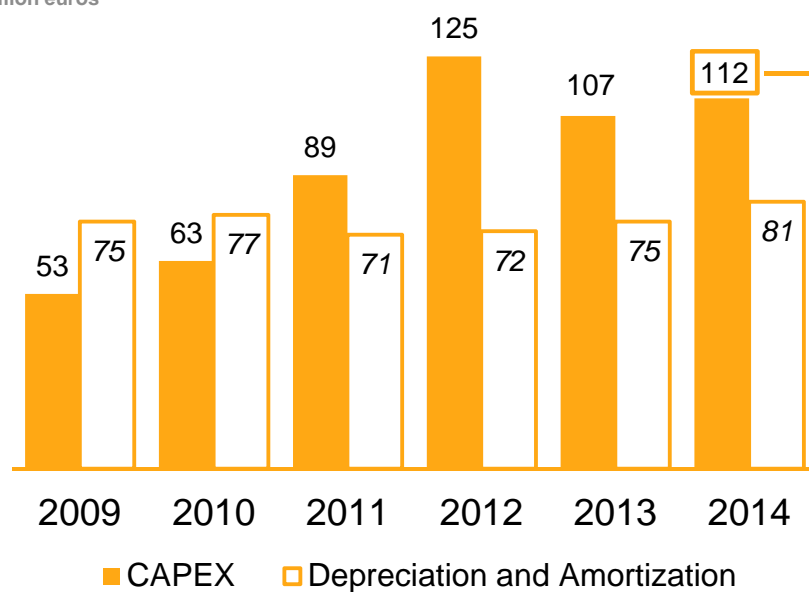
Net Sales	<b>275.6 M€</b> <b>+2.5%</b> <i>(on a comparative basis)</i>
NIFO* Margin	<b>3.5%</b>
CAPEX	<b>8 M€</b>

Net Sales growth are on a comparative basis  
NIFO: Normalized Income From Operations

## 2014: CAPEX – DEPRECIATION & AMORTIZATION



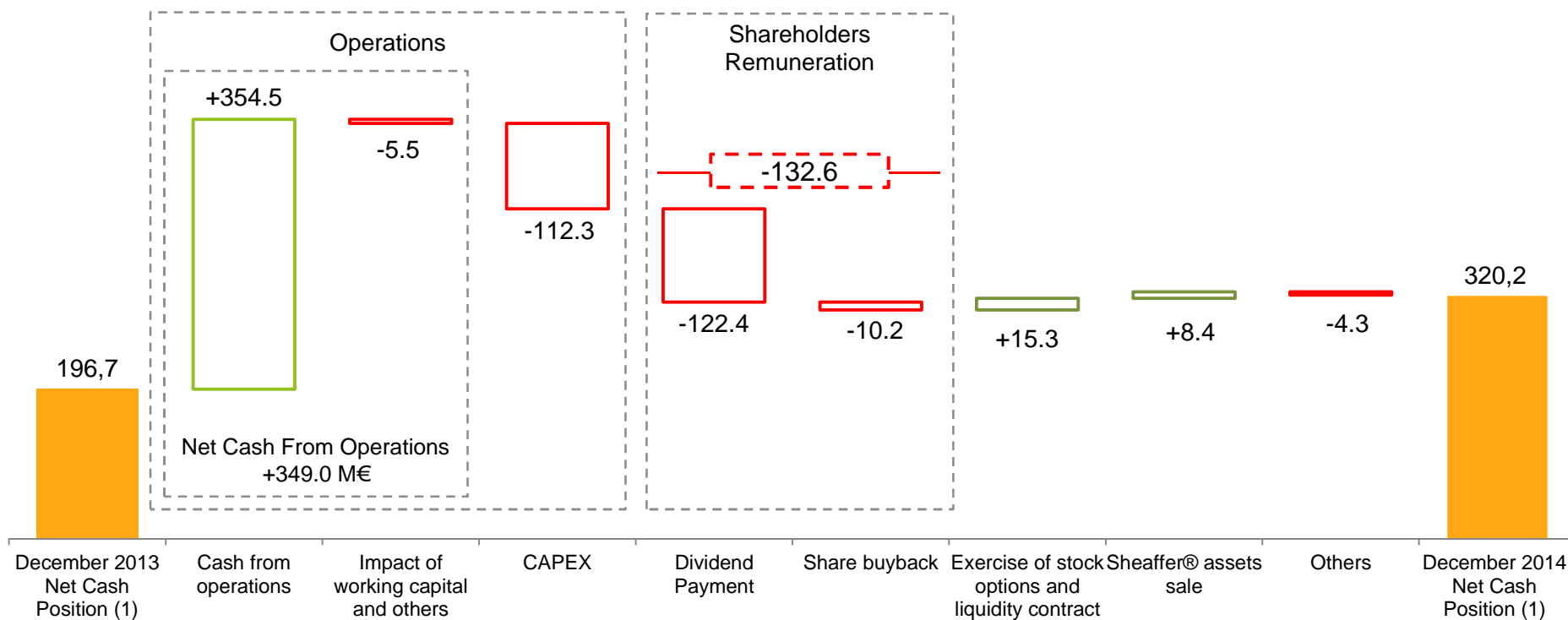
In million euros



# 2014 NET CASH POSITION



In million euros



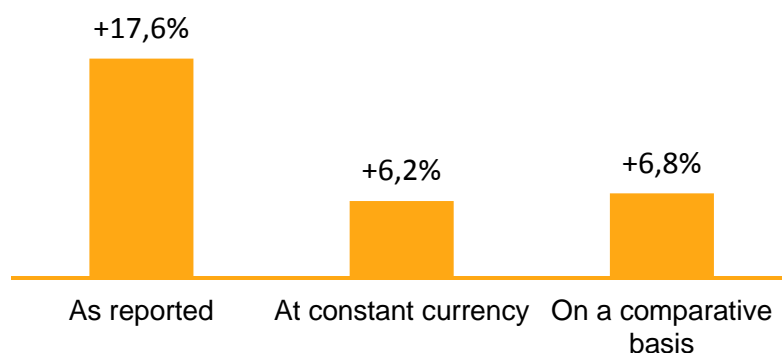
(1) Net cash position includes Cello Pens put options valuation (107.2 million euros as of Dec. 2013 and 77.1 million euros as of Dec. 2014)



# GROUP Q1 2015 KEY FIGURES



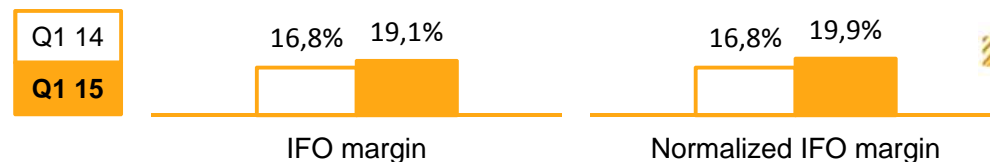
## Net Sales: 510.8 million euros



<b>Consumer Business**</b> (88% of total sales)	<b>+7.4%</b>
→ Developed markets	<b>+9.7%</b>
→ Developing markets	<b>+3.9%</b>

<b>BIC Graphic**</b> (12% of total Sales)	<b>+2.4%</b>
--	--------------

## Normalized Income from Operations : 101.8 million euros



<b>Normalized IFO margin</b>	
Consumer Business	<b>23.6%</b>
BIC Graphic	<b>-6.7%</b>

\*\* on a comparative basis

# GROUP 2015 OUTLOOK

---



In 2015, we expect **Group Net Sales** to grow between 4% and 5% on a comparative basis

Excluding major currency fluctuations, **Consumer Business Normalized IFO margin** is expected to be consistent with 2014's and **BIC graphic Normalized IFO margin** to improve



# Our business model

# A SIMPLE, RESPONSIBLE, SUSTAINABLE AND VALUE CREATOR BUSINESS MODEL



We offer simple, inventive and reliable choices  
for Everyone, Everywhere, Every time





# HUMAN CAPITAL



## Employability, Employee Engagement, Motivating remuneration Policy



**20,293** training  
days in 2014

**65%** of internal promotion  
for managers



**90%** of our employees are  
proud to work for BIC

## PRODUCTION

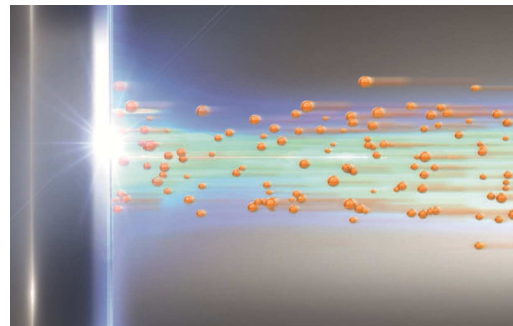


➤ **Quality of Raw materials, Responsible Use of resources, Machine Design, Automatization, Security and Quality, Cost control...**



**85%** of Net Sales  
manufactured in the 23 BIC  
factories

**50** automatic control  
points by lighter



**-10%** of water consumption  
in 2014

## MARKETING



➡ Strong brands, Wide and Diversified Product line, Low environmental impact



**19%** of 2014 Net Sales realized  
with New Products

**90%** of average  
awareness rate for BIC® brand



**2** km of writing for **15** cts €  
with a **BIC® Cristal** pen

# SALES



International presence and Wide distribution network

Convenient stores

E-commerce

Stationery shops

Mass market



160 countries

1,741 employees in direct contact with customers



More than 4 million points of sales



## VALUE CREATION 2005-2014

---



Average annual organic growth

**+4%**

Average annual cash generation

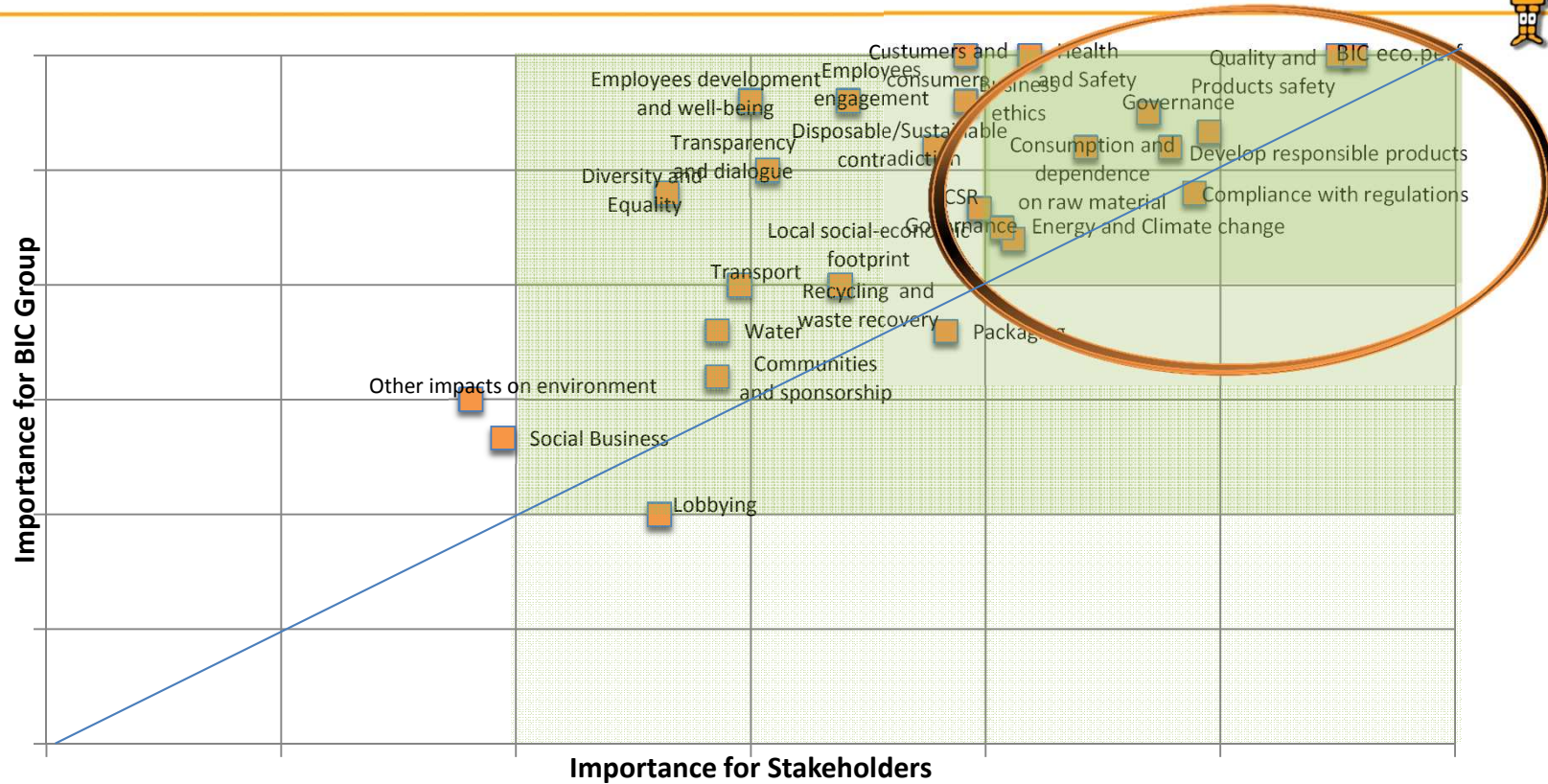
**150 M€**



**18%**

of average normalized IFO margin

# VALUES AND VISION ALIGNED WITH STAKEHOLDERS' EXPECTATIONS

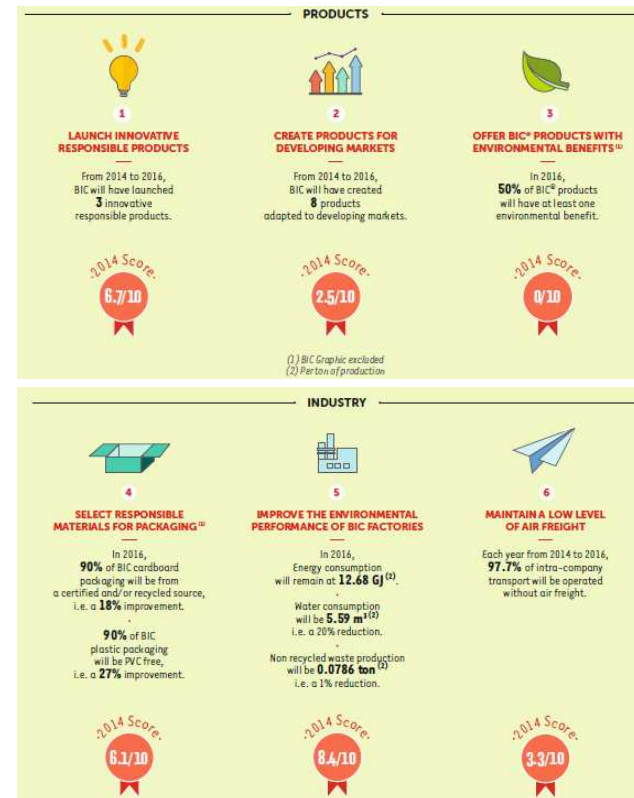
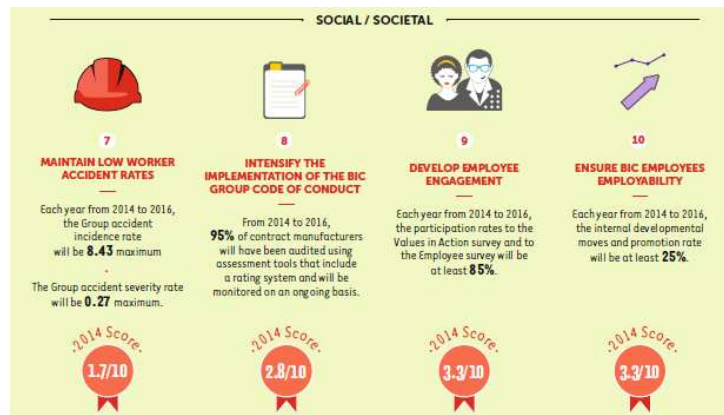


# FORMALISED AND MEASURED ENVIRONMENTAL, SOCIAL AND SOCIETAL COMMITMENT

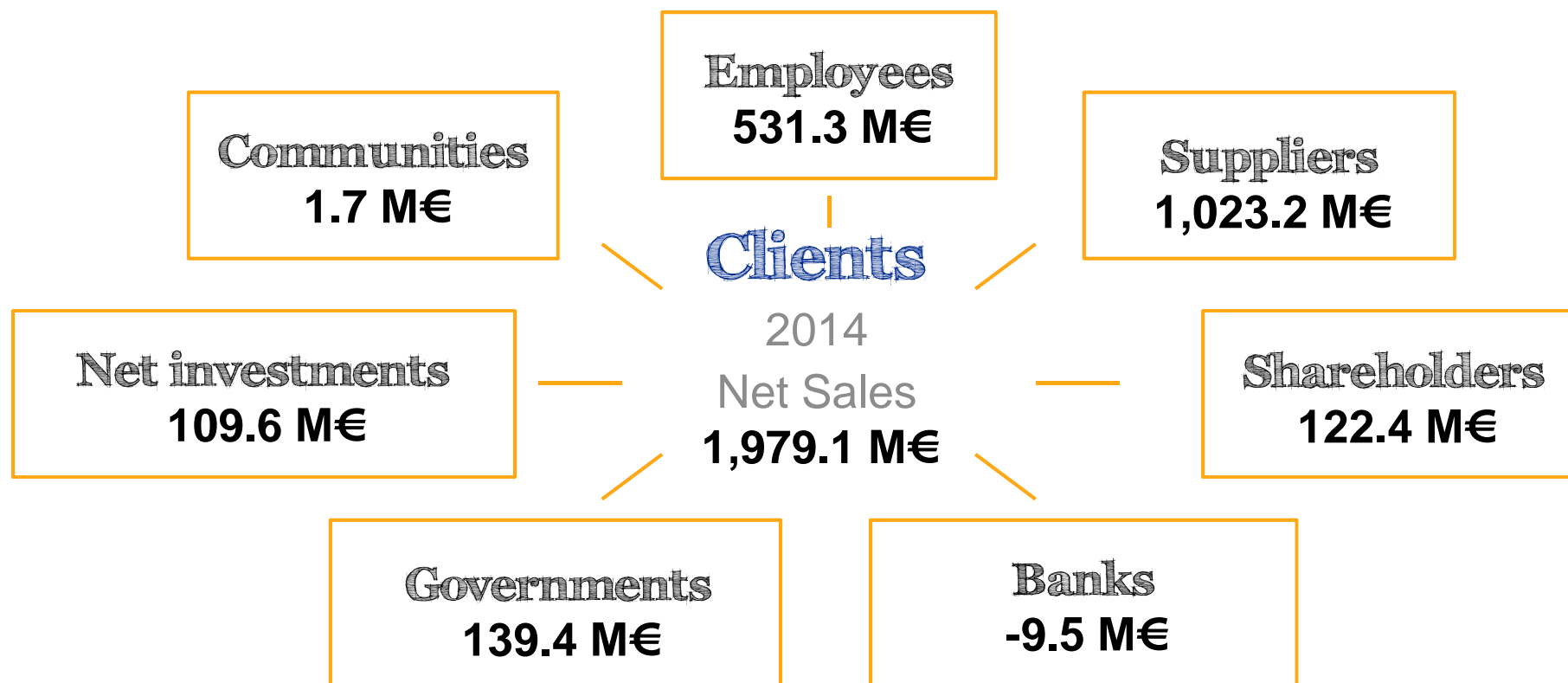


## SUSTAINABLE DEVELOPMENT BAROMETER

In 2014 - 2016,  
10 objectives  
of which 7 new



## DISTRIBUTION TO STAKEHOLDERS IN 2014





# Long-term Strategic Priorities



# GROUP STRATEGIC PRIORITIES



## Investments

- ▶ Invest in human capital, industrial tools, brand support and research and development of quality products

## Growth

- ▶ Maintain an organic growth of 3% to 5% per year thanks to more added-value products on developed markets, an enlarged consumer base in developing markets and expanded distribution networks

## Profitability

- ▶ Grow Normalized Income from Operations through increased productivity

## Remuneration

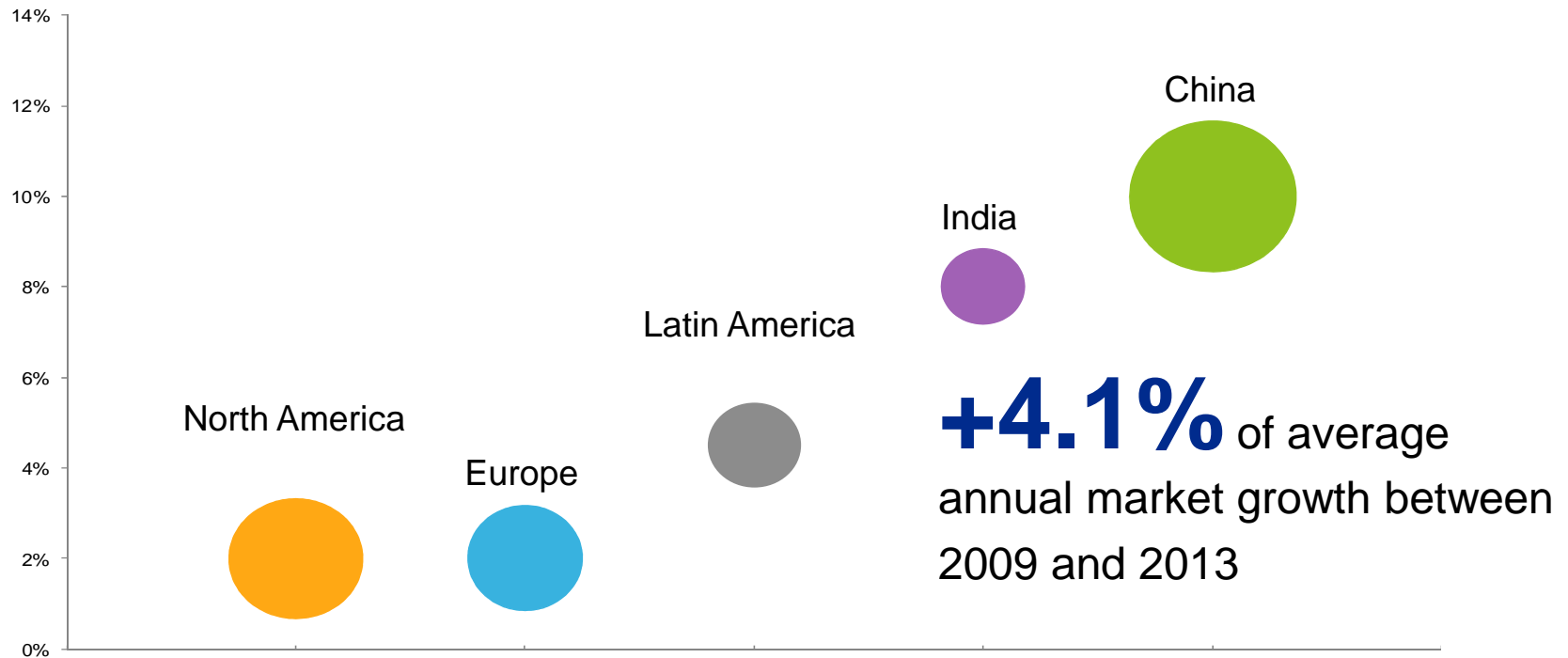
- ▶ Maintain a solid cash generation to finance external growth and sustain Shareholders' remuneration regularity



Stationery:  
accelerate Sales growth



## STATIONERY: A GROWING MARKET





## AN EVOLVING MARKET



### DEVELOPED MARKETS



TECHNOLOGY  
REDUCING  
WRITING

USAGE  
EVOLUTION



GROWTH  
IN VALUE

46%  
of worldwide  
market

### DEVELOPING MARKETS



LITERACY RISING

INVESTMENT IN  
EDUCATION

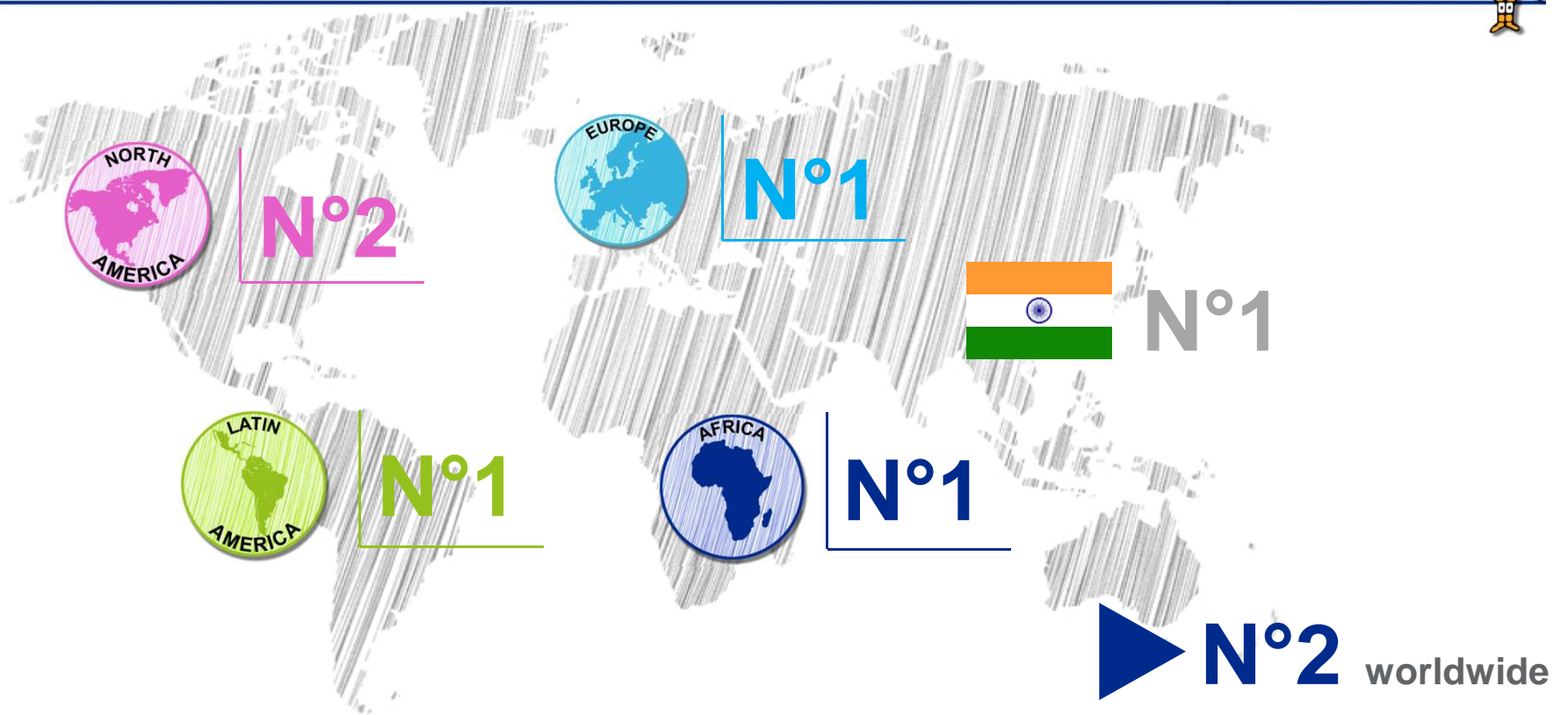


GROWTH  
IN VOLUME AND  
VALUE

54%  
of worldwide  
market



## BIC: LEADER POSITIONS







## LONG-TERM PRIORITIES

Developed markets



Anticipate and accompany the new consumer needs  
and desires

**Cristal®**



**4 Colours™**



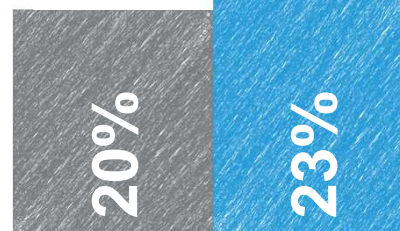
**EVOLUTION™**



**ATLANTIS®**



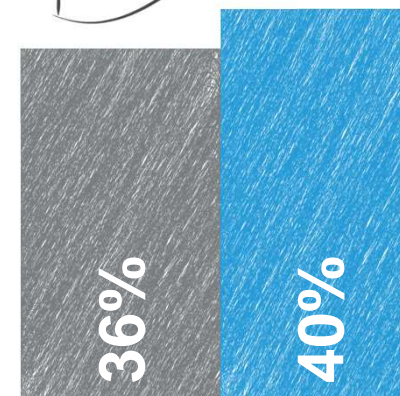
NEW  
PRODUCTS\*



2011

2014

CHAMPION  
BRANDS\*



2011

2014

\* in % of Net Sales



## LONG-TERM PRIORITIES

### Developing markets



Invest to support population growth and investments  
in education





## STATIONERY IN 2015

### Developed markets



Grow with our Champion brands

ATLANTIS®



EVOLUTION™



Cristal®



4 Colours™







## STATIONERY IN 2015

### Developing markets



Continue to extend our offer to local needs

#### Latin America

**Cristal<sup>®</sup>  
Clic**



**BIC<sup>®</sup> Markers**



#### Middle-East and Africa

**BIC<sup>®</sup> Cristal Extra-Fine**



#### Asia



**BiC**

**Xtra EZ**





Lighters:  
Safety & Quality for everyone,  
everywhere in the world

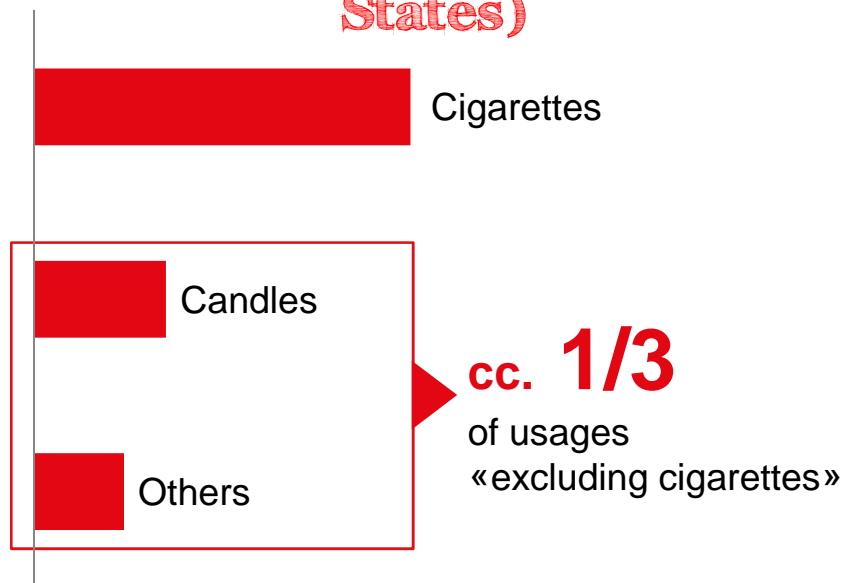




## USAGE DIVERSIFICATION AND INCREASE IN THE NUMBER OF SMOKERS

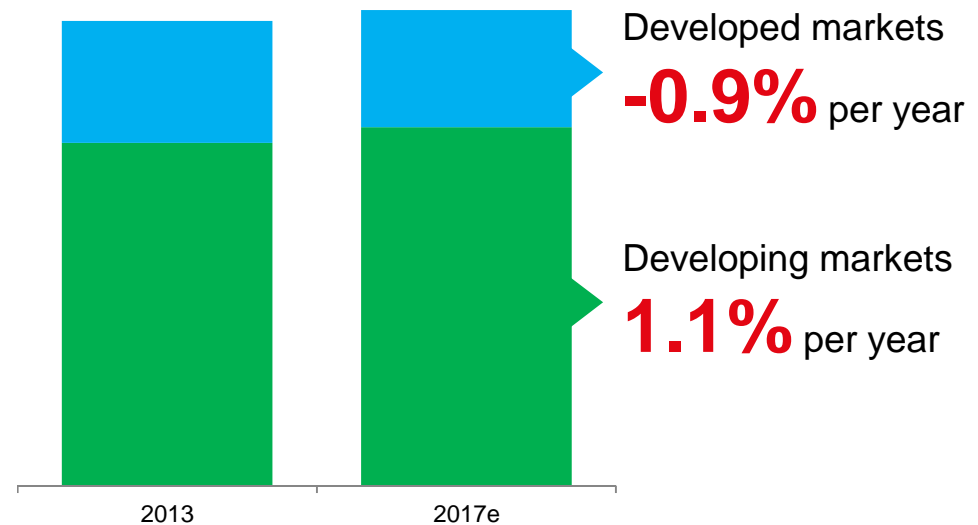


### Usages (United States)



Source : Disposable Pocket Lighters Awareness and Usage Study  
January 2014 – United States

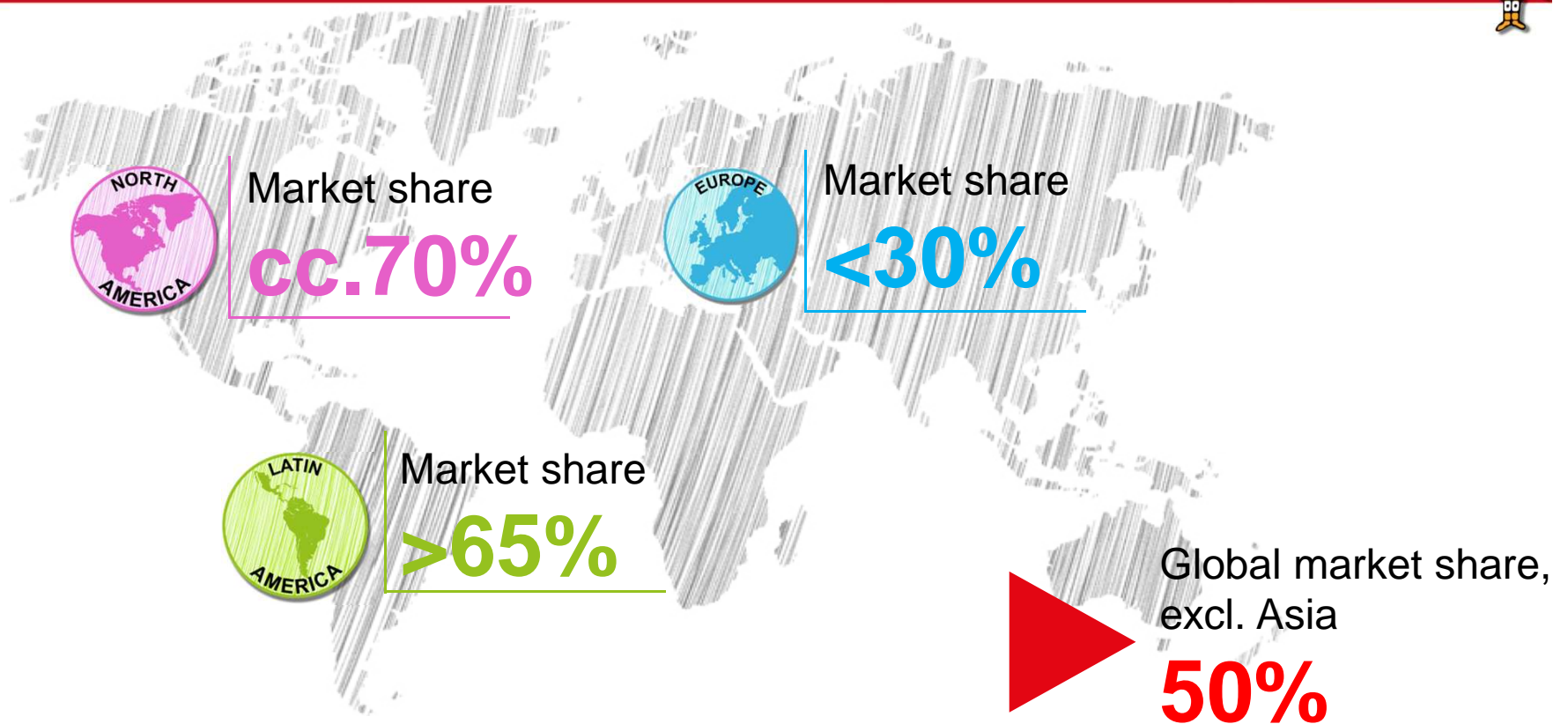
### Number of smokers



Source : Euromonitor – in thousand – 80 countries



## BIC: N°1 IN BRANDED LIGHTERS



In value



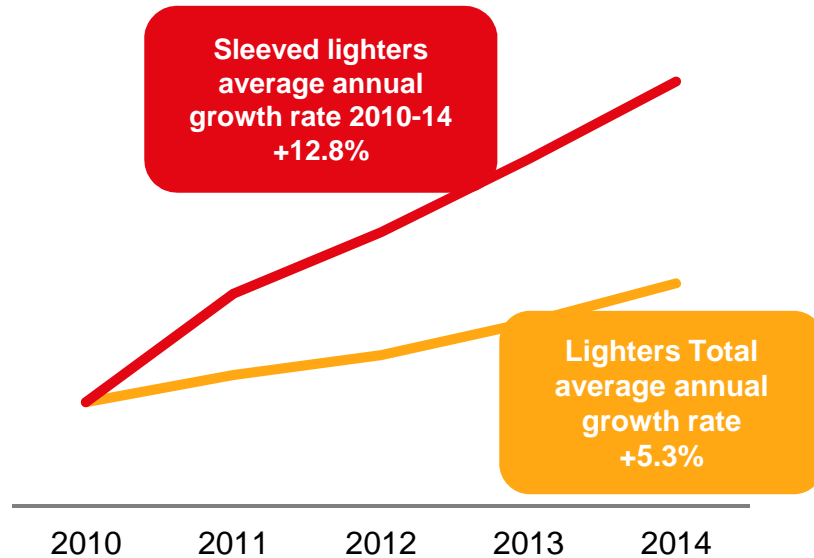
## LONG-TERM PRIORITIES

### Developed markets



“My” BIC® Lighter

➤ Sleeved/Decorated lighters



Safety and Quality

Reinforcement of regulations and controls

Distribution Gains

Sleeved Lighters

Multi-purpose Lighters

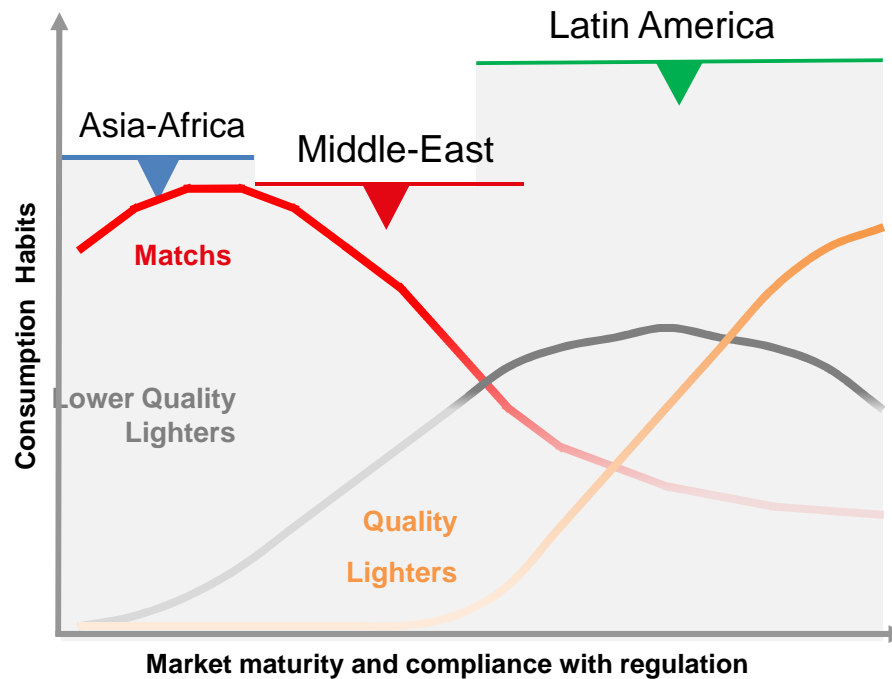


## LONG-TERM PRIORITIES

### Developing markets



### Quality and Safety for everyone



### Safety and Quality

Enforcement of **regulations**  
and **controls**

**Purchasing power** improvement

**Distribution** Gains



## BIC® LIGHTERS IN 2015



### Europe



### North America



### Latin America



### Middle-East - Africa - Asia







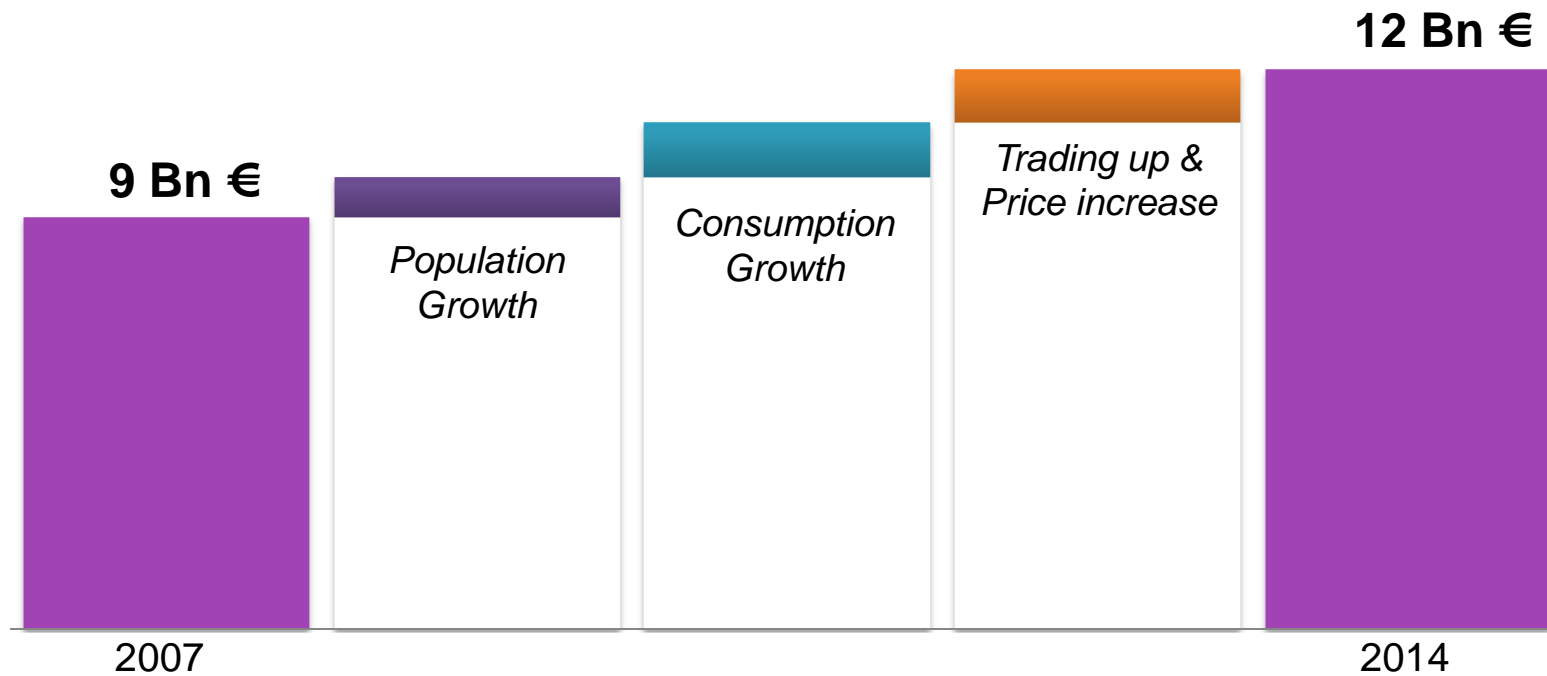
Shavers:  
An ever increasing performance,  
at a fair price



## A GROWING MARKET



Average Annual Growth: +3.7%



Source: Euromonitor 2014 + Industry publications



## STRONG POSITIONS IN NON-REFILLABLE SHAVERS



**N°1** in volume  
**N°2** in value



**N°2** in volume  
**N°3** in value



**N°2** in volume  
and value



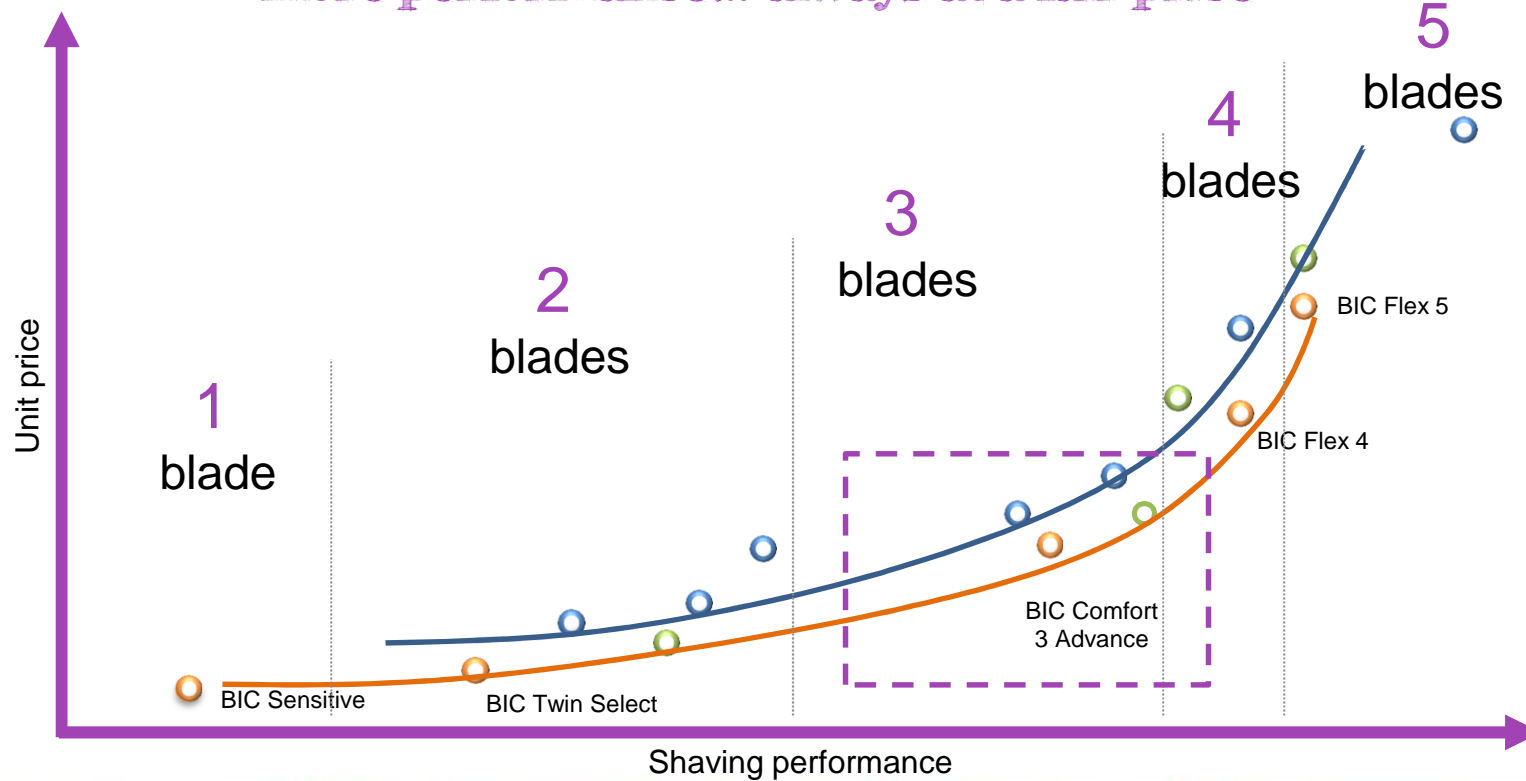
**N°2** worldwide



## LONG-TERM PRIORITIES



More performance... always at a fair price





## LONG-TERM PRIORITIES

### Developed markets



Trading up



Developed  
markets





## LONG-TERM PRIORITIES

### Developing markets



Adapting our offer





## BIC® SHAVERS IN 2015

### Developed countries



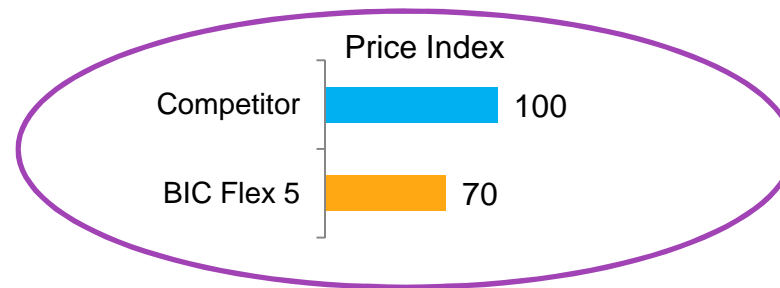
Continue to improve product performance  
and to sell at an affordable price

### BIC® Flex 5™

BIC's *best technology* to continue *trading up* disposable users



- ▶ 5 flexible blades for a comfortable and close shave
- ▶ Balancing sphere for better shave control
- ▶ Precision edging blade



Source: Price Ladder | IRI 10-NOV-14 Ending period



## BIC® SHAVERS IN 2015

### Developing countries



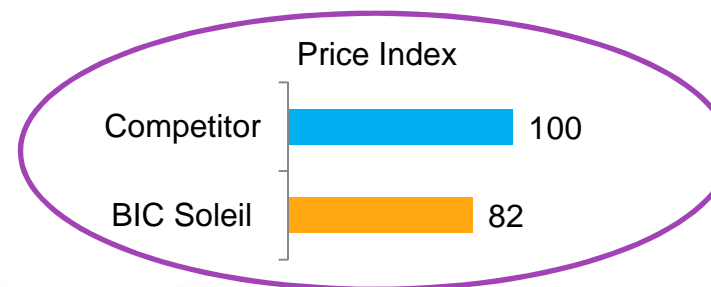
Continue to improve product performance  
and to sell at a fair price



### BIC® Soleil®

A female shaver **pecially adapted to Latin America**  
where half of women use male shavers

- ▶ A shaver handle ergonomically designed for women
- ▶ 3 blades, pivoting head and lubra strip for a premium shaving performance
- ▶ Colorful and vibrant colors





BIC GRAPHIC:  
Progressive return  
to a profitable growth



## AN EVER CHANGING INDUSTRY



cc. **24** Bn\* € in 2014

United States

➔ **52%**  
of global market

➔ **1.8%** of average  
annual growth between  
2009 and 2014

\*: manufacturers and distributors

Suppliers and distributors  
**consolidation**  
move

Requirement of **compliance**  
and Product safety

Progression of **e-commerce**





## BIC GRAPHIC 2009-2014



Acquisition  
of Antalis and Norwood

Integration phase  
more challenging  
than expected

Sales growth:  
+2.5%

Gradual return to a  
solid and profitable  
growth



## 2015: A TURNING POINT FOR BIC GRAPHIC



Maintain the positive sales momentum and improve profitability

### Reinforced Brand strategy



### Comprehensive marketing & Communication Plans

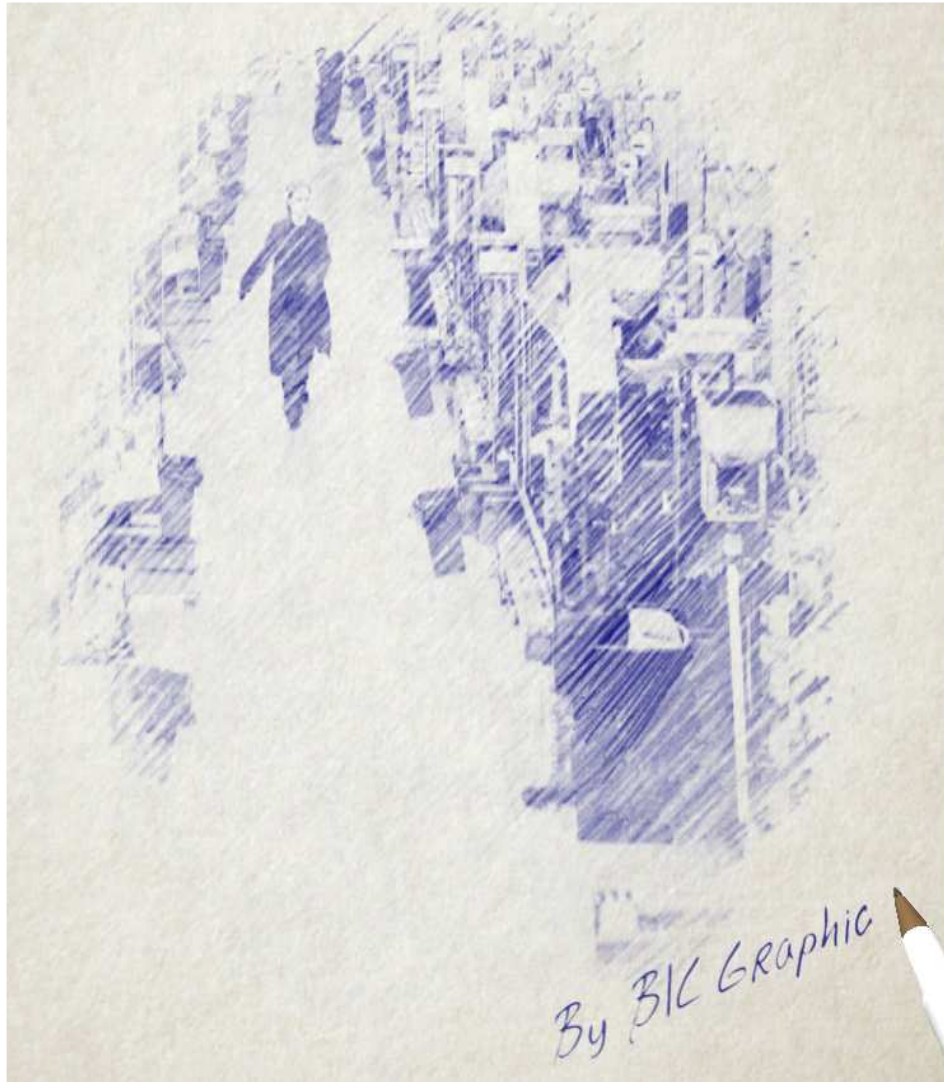


### Innovative Products



### Focus on Compliance





Governance



## BOARD OF DIRECTORS COMPOSITION IN 2014

**John Glen**  
*CEO of Buccleuch Group*

**François Bich**  
*Executive Vice-President*

**Pierre Vareille**  
*CEO of Constellium*

**Frédéric Rostand**  
*CEO of SODIAAL*

**Edouard Bich**  
*Representative of MBD*

**Marie-Pauline Chandon-Moët**  
*President of Ferrand SAS*



Mandate  
to be renewed

Independent  
directors

**Elizabeth Bastoni**  
*BGI Human resources Director*

**Bruno Bich**  
*Chairman*

**Mario Guevara**  
*Officer and Director*

**Marie-Henriette Poinot**



# BOARD OF DIRECTORS



**10** directors

**4** Independents

**4** Nationalities

**3** Women

**8** meetings in 2014

**95%** rate of attendance

## Accounts and Budget

- ▶ Settlement of full year and half year financial statements and review of quarterly results and 2015 budget

## Corporate governance

- ▶ Compensation of Corporate Officers and Directors
- ▶ Succession plan of the Corporate Officers
- ▶ Allocation of free shares

## Strategy

- ▶ Analysis of the Group strategy
- ▶ Review of strategic directions of Cello Pens and BIC Education
- ▶ Sustainable Development Program
- ▶ Reduction of investments in the Fuel cell technology

**January 2015:** meeting of **non-executive Directors**



# COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER



## Principles

Compensation and  
Nomination Committee

*(3 members  
of which 2  
independent Directors)*



Reviews **Comparable companies** Directors' compensation evolution



Reviews **individual performances** and of the company



Reflects **Group's priorities** in variable remuneration both **short and long-term**



Reviews **total reward** including all benefits

# COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

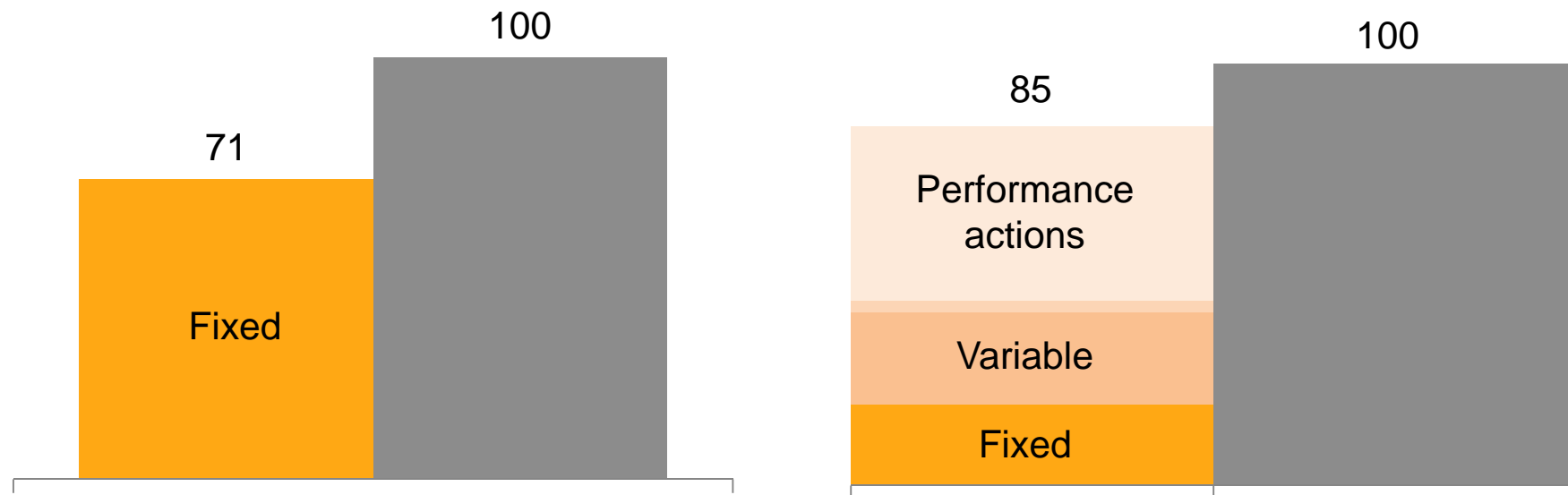


## Total remuneration

Index100 on  
comparative basis

Chairman

Chief Executive Officer



Total remuneration = Fixed + Variable + Performance Actions

Market: SBF 120 companies of approx. Same size – Towers Watson / HayGroup







# Annual Shareholders' meeting

6 May 2015

