



THIRD QUARTER & NINE MONTHS 2020 RESULTS

Clichy, France, October 28th, 2020

- **Improved performance in the Third Quarter**, fueled by Europe and North America with robust mid-single-digit Net Sales growth
 - **Strong growth in U.S. Lighters** driven by replenishments orders
- **Continued resilience in Shavers** with market share gains in key markets such as U.S. and Brazil
- **Soft Back-to-School season** affecting our Stationery business
- **Latin America, Middle East and Africa and India heavily impacted** by mobility restrictions and lower consumption spending
- **Rigorous control of Operating Expenses**, on track to achieve the actions announced in May
- **Strong Operating Cash Flow Generation**
- **Djeep integration process on track** to deliver the expected synergies

Key figures in million euros	Q3 2019	Q3 2020	9M 2019	9M 2020
Group Net Sales	488.0	441.9	1,448.2	1,217.8
Change as reported	+1.8%	(9.4)%	+0.7%	(15.9)%
Change on a comparative basis	(0.5)%	(3.5)%	(1.2)%	(13.2)%
Normalized Income From Operations ¹	88.0	83.3	241.1	176.2
Normalized IFO margin	18.0%	18.9%	16.6%	14.5%
Income From Operations	83.1	108.3	209.2	132.3
IFO margin	17.0%	24.5%	14.4%	10.9%
Net Income Group Share	63.0	68.0	152.6	90.1
EPS (in euros)	1.40	1.51	3.39	2.00
Normalized EPS (in euros)	1.48	1.05	3.93	2.92
Net Cash from Operating activities	150.1	145.6	229.7	231.3
Net Cash Position	118.7	128.1	118.7	128.1

"The results of the past nine months reflect our collective determination to focus on what we can control, versus what we cannot in an ever-changing and challenging environment. I am grateful for what our team members have achieved and their ability to adapt while maintaining our business continuity. Despite market headwinds, we grew market share, or maintained, in our key markets such as France, the U.S., and Brazil. Our results and actions demonstrate that we are capable of weathering the current conditions. As our transformation journey continues, we are making solid progress in becoming a fitter, more agile, and innovative company by leveraging our core assets: the BIC brand, our manufacturing excellence and the strength of our distribution in our top five markets, notably North America. I remain confident that we will emerge stronger and bolder from this crisis, as we move towards an integrated and inclusive company."

Gonzalve Bich, Chief Executive Officer

¹ See glossary

OPERATIONAL TRENDS AND UPDATE ON COVID-19 PANDEMIC IMPACT

9M 2020 Net Sales totaled 1,217.8 million euros, down 13.2% on a comparative basis. The total impact of the COVID-19 pandemic on the 9M Net Sales was between 10.0 and 11.0 pts on a comparative basis. Q3 2020 Net Sales decreased by 3.5% on a comparative basis.

- **Third Quarter performance** was driven by an improvement in **Europe and North America**, where Net Sales grew mid-single digit, fueled by solid growth in Lighters and resilience in Shavers. In developing countries, the extended lockdown periods continued to affect consumer spending. Third Quarter Net Sales declined **double-digits in Latin America and the Middle East and Africa**, impacted by a poor performance in Stationery, as Back-to-School sell-in orders were either delayed or canceled. **In India**, performance continued to be significantly negatively impacted by the school and office closures and restrictions from selling non-essential products.
- Overall, market trends remained challenging, weakened by changes in consumption shopping habits. Nevertheless, **we continued to outperform, maintaining, or gaining share across our three categories**, fueled by strong commercial execution in all geographies. Year on year, we maintained or increased share in eight tenths of our business globally.
- **Q3 North America Lighter Net Sales grew double-digit**, driven by replenishing orders from Convenience Stores as in-store traffic increased during the summer, and the positive impact of the June price adjustment. The U.S. Pocket Lighter market saw continued positive momentum, increasing +2.4% in value in the last 13 weeks while we gained 1.3 pts in market share in value. We outpaced the U.S. Utility Lighter market, growing value share by 3.8 pts, approaching 60% of total market share in value year-to-date.
- **The Back-to-school season in the Northern Hemisphere showed mixed results** across geographies. **In Europe**, where the school year resumed early September, Back-to-School sell-out held relatively well. Capitalizing on core products, we maintained our leading positions in France and Spain and became N°1 manufacturer in the U.K. **In North America**, the Back-to-School season was soft and shifted towards the second half of September due to late school returns. We maintained our market share in value thanks to a solid performance in e-commerce and our classic products' on-going success. **In Mexico**, schools started exclusively online or on TV at the end of August, with a significant negative impact on both sell-out and sell-in, as customers canceled their orders in light of poor consumer demand.
- **BIC E-Commerce Net Sales increased by 15% year-to-date.** Pure players, Market-places, and Direct to Consumer channels remained strong, boosted by Lighters and Shavers. This was partially offset by a soft performance in Stationery, affected by the decline of the Office Channels and B2B business, and a negative phasing impact due to the postponement of Amazon Prime Day from the Third (July) to the Fourth Quarter (October).
- **We are focusing on Operational Cash Flow Generation** through rigorous management of Operating Expenses and Working Capital. We are on track to achieve the Operating Expenses reduction announced in May² and we improved Working Capital by 71 million euros at the end of September. CAPEX totaled 58 million euros, a 10% reduction compared to the same period last year.

² See page 9

- At the end of September 2020, **the Net Cash position stood at 128 million euros**. We strengthened our financing capabilities during the Third Quarter by establishing credit lines, including a revolving credit facility (200 million euros), and commercial paper program (NEU CP) (200 million euros). This will enable the Group to secure access to liquidity and allow for more flexibility in managing our Cash inflows and outflows' seasonality.
- **We continue to adapt our Operating Model and reinforce our organization to sustain long-term growth**. We closed direct commercial operations and moved to an indirect model in five Latin America Markets (Guatemala, Chile, Uruguay, Costa Rica, and Honduras) to gain selling and cost efficiencies. We also created a new center of excellence gathering all countries where we operate with partners, which will allow to gain scale by increasing our organizational efficiency. Djeep Lighter's integration process started in early July and is on track to deliver the expected synergies.

FULL-YEAR 2020 OUTLOOK

For the balance of the year, overall performance will continue to be subject to macro-economic uncertainties and consumption trends, affecting our three categories. **Risks associated with the pandemic persist, with Latin America and India amongst the most disrupted regions**. Back-to-School is delayed by several weeks in many Southern Hemisphere countries, which will affect Q4 Stationery Net Sales in Latin America and the Middle East and Africa.

In this context, **we will continue to prioritize operating cash flow generation**. The disciplined management of Operation Expenses will partially offset the impact of Net Sales decline on Normalized Income From Operations. Based on the challenging market, we are now targeting more than 20 million euros of Operating Expenses reduction in 2020, with **Full-Year Normalized Income From Operations Margin expected to be above 13.5%**.

INCOME FROM OPERATIONS AND NORMALIZED INCOME FROM OPERATIONS

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	488.0	441.9	1,448.2	1,217.8
Gross Profit	250.4	214.0	728.9	585.2
Gross Profit margin	51.3%	48.4%	50.3%	48.1%
Income From Operations	83.1	108.3	209.2	132.3
<i>IFO margin</i>	17.0%	24.5%	14.4%	10.9%
Non-recurring items	4.9	(25.0)	31.9	43.9
Normalized IFO	88.0	83.3	241.1	176.2
Normalized IFO margin	18.0%	18.9%	16.6%	14.5%

9M 2020 – Gross Profit margin decreased by 2.2 pts at 48.1% compared to 50.3% in 9M 2019. Excluding under absorption of fixed costs due to the COVID-19 pandemic, the Gross Profit margin increased by 0.2 pts. The slight increase is driven by favorable Forex, and a decrease in Raw Materials costs partly offset by unfavorable manufacturing cost absorption (non-COVID-19 related) and an increase in promotions.

9M 2020 Normalized IFO margin was impacted by the increase in Operating Expenses and other expenses (as a percentage of Net Sales) resulting from the sharp decline in Net Sales and the costs of the implementation of the new organization. **Q3 2020 Normalized IFO margin** was favorably impacted by lower **Brand Support investments** and lower **OPEX and other expenses**, partly offset by the impact of the decline in Net Sales and the costs of the implementation of the new organization.

KEY COMPONENTS OF THE CHANGE IN NORMALIZED IFO MARGIN <i>in pts</i>	Q1 2020 vs. Q1 2019	Q2 2020 vs. Q2 2019	Q3 2020 vs. Q3 2019	9M 2020 vs. 9M 2019
• Change in Gross Profit ³	+0.2	+0.1	(0.1)	+0.2
• Brand Support	(0.2)	+1.1	+0.4	+0.5
• OPEX and other expenses ³	(6.0)	(3.2)	+0.6	(2.8)
Total change in Normalized IFO margin	(6.0)	(2.0)	+0.9	(2.1)

9M 2020 – non-recurring items included:

- 29.5 million euros in Cost of Goods (24.9 million euros unfavorable manufacturing cost absorption resulting from plant closures and lower product demand due to the COVID-19, and 4.6 million euros direct expenses related to additional employees protection implemented to fight against the spread of the coronavirus (cleaning, masks, sanitizers)),
- 13.9 million euros of restructuring costs (of which transformation plan, BIC Ecuador factory closure and Latin America commercial operations restructuring are among the main drivers),
- 2.8 million euros in Operating Expenses and other expenses, mostly sales force under-activity, due to the COVID-19,
- 41.7 million euros related to Cello impairment on property, plant & equipment, and trademark, due to the lower than anticipated sales resulting from lockdown, and to lower volumes than initially expected, impacting the planned cost efficiencies,
- 44.1 million euros of favorable Pensions adjustment in the U.S.⁴

³ Excluding under absorption of fixed costs due to Covid-19 pandemic for the Gross Profit and excluding restructuring costs, Cello impairment, Pensions adjustment in the U.S. and non-recurring items mostly commercial force underactivity for the OPEX and other expenses

⁴ Change of medical and pension plan in the United States

NET INCOME AND EPS

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
IFO	83.1	108.3	209.2	132.3
Finance revenue/costs	4.4	-2.8	2.8	7.1
Income before Tax	87.5	105.5	212.0	139.3
Net Income Group share	63.0	68.0	152.6	90.1
EPS Group Share (in euros)	1.40	1.51	3.39	2.00
Normalized Net Income Group Share⁵	66.9	47.3	177.3	131.2
Normalized EPS Group Share (in euros)	1.48	1.05	3.93	2.92

9M 2020 Finance revenue increase is due to the higher favorable impact of the fair value adjustments to financial assets denominated in USD compared to December 2019 (versus BRL and MXN).

The effective tax rate was 35.3%. The 2020 effective tax rate excluding Cello impairment was 28.8%.

NET CASH POSITION

CHANGE IN NET CASH POSITION <i>in million euros</i>	2019	2020
Net Cash position (beginning of period – December)	161.5	146.9
Net cash from operating activities	+229.7	+231.3
- Of which operating cash flow	+250.3	+160.0
- Of which change in working capital and others	(20.6)	+71.3
CAPEX	(67.9)	(58.2)
Dividend payment	(155.2)	(110.2)
Share buyback program	(39.2)	(7.4)
Net Cash from the liquidity contract	(0.7)	(0.1)
Acquisitions ⁶	(2.4)	(37.4)
Other items	(7.1)	(36.8) ⁷
Net Cash position (end of period – September)	118.7	128.1

At the end of September, the Group's Net Cash position stood at 128.1 million euros. Net Cash from operating activities was +231.3 million euros, of which +160.0 million euros in operating cash flow. The positive +71.3 million euros change in working capital, and others vs. last year was notably driven by tight inventory management and improved cash collection.

SHAREHOLDERS' REMUNERATION

- 110.2 million euros of Ordinary Dividend was paid in June 2020 (2.45 euros per share).
- 7.4 million euros in share buy-backs by Société BIC at the end of September 2020 (136,383 shares purchased at an average price of 53.90 euros). The Group has suspended its share buy-back program since April 2020.

⁵ Excluding non-recurring items & Argentina hyperinflationary accounting for 2019 and 2020

⁶ Haco Industries Ltd in 2019 and Djeep in 2020

⁷ Mainly Forex

OPERATIONAL TRENDS BY CATEGORY (WITH 2019 FIGURES RESTATED FOR UNALLOCATED COSTS)

STATIONERY

Stationery 9M Net Sales totaled 455.1 million euros, down 23.6% on a comparative basis. Q3 2020 Net Sales declined 17.8% on a comparative basis.

9M 2020 Stationery Normalized IFO margin was 7.4% compared to 10.4% in 2019, impacted by the sharp decline in Net Sales and unfavorable fixed costs absorption. This was partially offset by favorable Forex, lower Raw Material costs, and lower Brand support investments.

Q3 2020 Stationery Normalized IFO margin was flat compared to 2019, as sharp declines in Net Sales was offset by lower operating expenses.

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	204.3	161.3	605.1	455.1
<i>Change as reported vs. prior year</i>	+2.0%	(21.1)%	+0.6%	(24.8)%
<i>Change on a comparative basis vs. prior year</i>	(1.7%)	(17.8)%	(3.0)%	(23.6)%
Normalized Income From Operations	18.7	14.8	62.7	33.8
Normalized IFO margin	9.2%	9.2%	10.4%	7.4%
Income From Operations	18.7	18.4	62.7	(16.4)
Income From Operations Margin	9.2%	11.4%	10.4%	(3.6)%

Stationery continued to be deeply affected by the COVID-19 pandemic. Although mobility and commercial restrictions were gradually lifted in some countries during the summer, consumer habits fundamentally changed due to the lockdown measures.

The most affected channels were Superstores and Office Suppliers in Europe and North America. In Latin America, India, and Africa, traditional trade remained highly exposed to lockdowns and supply chain disruption.

In most **European countries** the school year resumed in early September. The overall stationery market was down mid-single-digit in value during Back-to-School season. We gained share in France and Spain, strengthening our leadership positions, and we became N°1 manufacturer in the U.K, during the Back-to-School season (up +1.9 pts market share value).

In North America, the Back-to-School season shifted to the second half of September due to late school returns, and we were able to maintain market share in value driven by solid online performance and our classic products' on-going success. In this context, Third Quarter Net Sales were negatively impacted by lower post-Back-to-School replenishment orders and the decline in the Office products channel. New products such as BIC Kids Coloring, BodyMark Fine and Gelocity Stic continued to perform well.

In Mexico, the total Stationery market was down 50.8% in value during the Back-to-School season. Schools did not reopen physically, which dramatically impacted sell-out, prompting retailers to cancel sell-in orders and prioritize their own brands and Private Labels, at the expense of brands like BIC. **In Brazil**, key customers are faced with inventory management issues due to nearly six months of reduced activity, which will alter the upcoming 2020 Back-to-School sell-in.

In India, the overall trading environment remained highly critical. With mobility restrictions and social distancing rules reviewed every week, consumer confidence has plunged to an all-time low in July. Cello Nine Months Domestic Sales have been reduced to a third year-on-year, with both Modern Trade and Traditional channels impacted by school and office closures, and restrictions from selling non-essential products.

LIGHTERS

Lighters 9M 2020 Net Sales were 439.3 million euros down 5.4% on a comparative basis. Q3 2020 Net Sales were up 13.1% on a comparative basis.

9M 2020 Normalized IFO margin for Lighters was 34.8% compared to 35.4% in 2019, impacted by the decline in Net Sales, partially offset by lower Brand Support compared to the same period last year.

Q3 2020 Lighters Normalized IFO margin increased to 38.4% versus 35.6% in 2019 mostly explained by Net Sales double-digit growth and lower brand support investments compared to prior year.

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	161.9	171.1	481.6	439.3
<i>Change as reported vs. prior year</i>	(1.1)%	+5.7%	0.0%	(8.8)%
<i>Change on a comparative basis vs. prior year</i>	(4.2)%	+13.1%	(3.2)%	(5.4)%
Normalized Income From Operations	57.6	65.6	170.6	152.9
Normalized IFO margin	35.6%	38.4%	35.4%	34.8%
Income From Operations	57.6	80.6	170.6	164.6
<i>Income From Operations Margin</i>	35.6%	47.1%	35.4%	37.5%

Despite low in-store traffic and the closure of Tobacco chains and Convenience Stores during the lockdown period, **Lighter Net Sales recovered in major markets during the Third Quarter, driven by robust commercial execution and on-going distribution gains in Modern Mass Market.**

Europe's Third Quarter performance was boosted by new listings in Germany and Russia, and good performance in France following the end of the total lockdown period.

North America Lighter Net Sales for the third Quarter grew double-digit, driven by replenishment orders from both the measured and non-measured channels, complemented by the June price adjustment. **The U.S.** Pocket Lighter market confirmed positive momentum in the last three months in both the Modern Mass Market and Convenience channels, driven by the return of in-store traffic during the summer. The Utility Lighter market continued to be boosted by increased at-home cooking and grilling and grew 27.4% year-to-date September in value and 31.1% during the third Quarter, with BIC Utility Lighters gaining +3.8 pts market share.

In Latin America, growth in the Third Quarter was driven by Brazil's solid performance following the price adjustment implemented across all channels. This was partially offset by Mexico softness, where the convenience channel continued to suffer, impacted by the overall disrupted macro-environment.

SHAVERS

Shavers 9M 2020 Net Sales totaled 303.6 million euros and decreased by 6.2% on a comparative basis. Q3 2020 Net Sales decreased by 1.2% on a comparative basis.

9M 2020 Normalized IFO margin for Shavers was 13.0% compared to 13.2% in 2019 mainly impacted by Net Sales decline partly offset by favorable Brand Support compared to last year.

Q3 2020 Shavers Normalized IFO margin decreased 3.2 pts mostly due to lower Gross Profit margin partly offset by lower operating expenses.

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	114.9	102.9	339.4	303.6
Change as reported vs. prior year	+10.1%	(10.4)%	+7.8%	(10.6)%
Change on a comparative basis vs. prior year	+7.0%	(1.2)%	+5.1%	(6.2)%
Normalized Income From Operations	23.2	17.5	44.7	39.4
Normalized IFO margin	20.2%	17.0%	13.2%	13.0%
Income From Operations	23.2	25.6	44.7	42.9
Income From Operations Margin	20.2%	24.8%	13.2%	14.1%

While the Shaver category continued to be impacted by evolving consumer habits, **we outperformed our markets in all regions**, boosted by our value proposition, and the success of new products, in both male and female segments.

In a declining market, **Europe** performance was driven by the U.K., where we gained 0.7 pts in value as a result of distribution gains. While **the U.S.** one-piece market declined by -6.7% in value year-to-date⁸, we gained 1.1 pts share, reaching 29.2% market share in value, thanks to the success of BIC's core range products, notably in the Men's segment and the launch of new products, such as the BIC Soleil Sensitive Advanced. Us, our gender-neutral refillable shaver confirmed its initial good results. **In Latin America**, we reached a historical record of 22.7% market share in value in Brazil, driven by our three-blade offering. We also increased distribution in Argentina.

OTHER PRODUCTS

9M 2020 Net Sales of Other Products totaled 19.7 million euros and decreased by 9.9% on a comparative basis. Q3 2020 Net Sales decreased by 2.1% on a comparative basis.

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	6.9	6.6	22.2	19.7
Change as reported	(37.8)%	(3.8)%	(45.8)%	(10.9)%
Change on a comparative basis	+11.4%	(2.1)%	(0.4)%	(9.9)%
Normalized Income From Operations	(1.5)	(1.4)	(3.6)	(2.5)
Income From Operations	(1.5)	(1.8)	(3.6)	(5.3)

UNALLOCATED COSTS

9M 2020 unallocated costs relate to Corporate headquarters costs and restructuring costs. The decrease in Normalized Income From Operations is due to the costs of the new organization.

<i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Normalized Income From Operations	(10.0)	(13.2)	(33.2)	(47.4)
Income From Operations	(14.9)	(14.5)	(65.2)	(53.4)

⁸ IRI - Period ending year-to-date September - in value

9 MONTHS MISCELLANEOUS EVENTS

On May 20th, BIC announced **five actions to improve the Group's short-term resilience** in the context of the COVID-19 crisis and to strengthen its "*BIC 2022 - Invent the Future*" transformation plan to accelerate long-term growth:

- **Managing OPEX** by investing at the right levels and in the right places:
 - In 2020, the negative impact of Net Sales decrease on Normalized Income From Operations margin will be partially offset by more than 20 million euros of OPEX reduction.
- **Protecting Cash Flow** by managing CAPEX and reducing inventory levels:
 - 2020 inventories are expected to decrease by approximately 15 to 30 million euros vs. the end of 2019.
 - 2020 CAPEX will be reduced to around 80 million euros
- **Launching innovation** with several new product introductions with the new multipurpose pocket lighter BIC® EZ-Reach in the U.S. in the second half of the year, and the refillable BIC® Cristal® with a metal barrel by the end of the year.
- **Scaling Operations** by reducing complexity and driving process efficiency and speed:
 - "BIC 2022 - Invent the Future" plan will be strengthened with a total of 50 million euros in annualized savings by the end of 2022.
- **Driving growth** by leveraging new commercial capabilities and reinforcing existing businesses through targeted acquisitions:
 - E-commerce Net Sales are expected to grow by approximately 20% in 2020.

On June 8th, BIC shut down its **Writing Instrument factory in Ecuador**, while maintaining commercial, distribution, and packaging activities. This strategic business decision aimed at consolidating BIC's global manufacturing footprint.

On June 16th, BIC announced the acquisition of **quality lighters' manufacturer Djeeep** for 40 million euros and a deferred consideration based on Djeeep's future sales growth. Djeeep's strong positioning on the decorated and personalized lighter market segment will strengthen BIC's position in the pocket lighters market and will offer substantial growth opportunities in Europe and North America. The closing was signed on 1st July 2020.

On July 1st, BIC obtained from the U.S. International Trade Commission a General Exclusion Order that prevents the importation into the USA of all lighters imitating BIC lighters' iconic appearance. This decision is an important milestone to halt the importation of non-compliant, knock-off lighters into the U.S. market.

On July 24th, BIC announced it received notification of the closure by the European Commission of the infringement procedure it initiated in 2012 against the Netherlands, and the complaints filed in 2018 against France and Germany for failing to perform effective surveillance of the safety lighter. These proceedings aimed at remedying the fact that two-thirds of lighter models in Europe, a large proportion of which are imported, did not comply with the safety standards, resulting in tens of thousands of severe accidents every year. Product Quality and safety are an absolute priority for BIC. The Group is disappointed by the European Commission's decision, but we nonetheless remain a demanding and vigilant partner of European and national institutions to ensure the safety of consumers in Europe.

APPENDIX (WITH 2019 FIGURES RESTATED FOR UNALLOCATED COSTS)

NET SALES BY GEOGRAPHY in million euros	Q3 2019	Q3 2020	% As reported	% On a Comparative basis	9M 2019	9M 2020	% As reported	% On a Comparative basis
Group	488.0	441.9	(9.4)%	(3.5)%	1,448.2	1,217.8	(15.9)%	(13.2)%
Europe	143.5	147.2	+2.6%	+3.1%	434.3	404.9	(6.8)%	(6.3)%
North America	196.9	196.3	(0.3)%	+4.6%	586.1	539.5	(8.0)%	(7.5)%
Latin America	87.8	56.9	(35.2)%	(17.5)%	253.6	151.0	(40.5)%	(30.1)%
Middle East and Africa	26.5	19.5	(26.2)%	(23.3)%	73.6	58.5	(20.5)%	(20.2)%
Asia and Oceania (including India)	33.3	21.9	(34.2)%	(29.0)%	100.7	63.9	(36.5)%	(32.4)%

THIRD QUARTER NET SALES BY CATEGORY in million euros	Q3 2019	Q3 2020	Change as reported	F.X. impact ⁹ (in pts)	Change in Perimeter ¹⁰ (in pts)	Argentina impact ¹¹ (in pts)	Change on a Comparative basis
Group	488.0	441.9	(9.4)%	(6.4)	0.5	0.0	(3.5)%
Stationery	204.3	161.3	(21.1)%	(3.4)	0.1	0.0	(17.8)%
Lighters	161.9	171.1	5.7%	(8.6)	1.2	0.0	13.1%
Shavers	114.9	102.9	(10.4)%	(9.0)	(0.2)	0.0	(1.2)%
Other Products	6.9	6.6	(3.8)%	(1.6)	(0.1)	0.0	(2.1)%

NINE MONTH NET SALES BY CATEGORY in million euros	9M 2019	9M 2020	Change as reported	F.X. impact ⁹ (in pts)	Change in Perimeter ¹⁰ (in pts)	Argentina impact ¹¹ (in pts)	Change on a Comparative basis
Group	1,448.2	1,217.8	(15.9)%	(2.8)	0.1	0.0	(13.2)%
Stationery	605.1	455.1	(24.8)%	(1.6)	0.2	0.0	(23.6)%
Lighters	481.6	439.3	(8.8)%	(3.6)	0.3	(0.1)	(5.4)%
Shavers	339.4	303.6	(10.6)%	(4.3)	(0.2)	0.1	(6.2)%
Other Products	22.2	19.7	(10.9)%	(0.9)	(0.1)	0.0	(9.9)%

IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES (EXCLUDES ARS) (in %)	Q3 2019	Q3 2020	9M 2019	9M 2020
Perimeter	(0.2)	0.5	(0.7)	0.1
Currencies	+2.7	(6.4)	+2.7	(2.8)
Of which USD	+1.7	(1.8)	+2.3	(0.1)
Of which BRL	+0.4	(2.5)	(0.1)	(1.6)
Of which MXN	+0.1	(0.6)	+0.3	(0.4)
Of which CAD	+0.1	(0.2)	+0.1	(0.1)
Of which ZAR	-	(0.2)	-0.1	(0.1)
Of which RUB and UAH	+0.2	(0.4)	+0.1	(0.2)

⁹ Forex impact excluding Argentinian Peso (ARS)

¹⁰ Acquisition of Djeep, Lucky Stationary Ltd acquisition in Nigeria, closure of Shaver and Stationery offices in China, closure of BIC Graphic Oceania

¹¹ See glossary

INCOME FROM OPERATIONS BY CATEGORY <i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Group	83.1	108.3	209.2	132.3
Margin	17.0%	24.5%	14.4%	10.9%
Stationery	18.7	18.4	62.7	(16.4)
Margin	9.2%	11.4%	10.4%	(3.6)%
Lighters	57.6	80.6	170.6	164.6
Margin	35.6%	47.1%	35.4%	37.5%
Shavers	23.2	25.6	44.7	42.9
Margin	20.2%	24.8%	13.2%	14.1%
Other Products	(1.5)	(1.8)	(3.6)	(5.3)
Unallocated costs	(14.9)	(14.5)	(65.2)	(53.4)

NORMALIZED INCOME FROM OPERATIONS BY CATEGORY <i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Group	88.0	83.3	241.1	176.2
Margin	18.0%	18.9%	16.6%	14.5%
Stationery	18.7	14.8	62.7	33.8
Margin	9.2%	9.2%	10.4%	7.4%
Lighters	57.6	65.6	170.6	152.9
Margin	35.6%	38.4%	35.4%	34.8%
Shavers	23.2	17.5	44.7	39.4
Margin	20.2%	17.0%	13.2%	13.0%
Other Products	(1.5)	(1.4)	(3.6)	(2.5)
Unallocated costs	(10.0)	(13.2)	(33.2)	(47.4)

CONDENSED PROFIT AND LOSS <i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Net Sales	488.0	441.9	1,448.2	1,217.8
Cost of goods	(237.6)	(227.9)	(719.3)	(632.6)
Gross profit	250.4	214.0	728.9	585.2
Administrative & other operating expenses	(167.3)	(105.7)	(519.7)	(452.9)
Income from Operations	83.1	108.3	209.2	132.3
Finance revenue/(costs)	4.4	(2.8)	2.8	7.1
Income before tax	87.5	105.5	212.0	139.3
Income tax expense	(24.5)	(37.4)	(59.4)	(49.2)
Net Income Group Share	63.0	68.0	152.6	90.1
Earnings per Share Group Share (in euros)	1.40	1.51	3.39	2.00
Average number of shares outstanding (net of treasury shares)	45,076,557	44,973,055	45,076,557	44,973,055

CONDENSED BALANCE SHEET <i>in million euros</i>	September 30, 2019	September 30, 2020
ASSETS		
Non-current assets	1,169.3	1,059.9
Current assets	1,279.3	1,140.4
TOTAL ASSETS	2,448.6	2,200.3
LIABILITIES & SHAREHOLDERS' EQUITY		
Shareholders' equity	1,599.0	1,434.5
Non-current liabilities	314.0	266.7
Current liabilities	535.6	499.1
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,448.6	2,200.3

RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

NORMALIZED IFO RECONCILIATION <i>in million euros</i>	Q3 2019	Q3 2020	9M 2019	9M 2020
Income from Operations	83.1	108.3	209.2	132.3
<i>Restructuring costs of which Transformation plan in 2019 and 2020, Ecuador factory closure on Q2 2020 & LAM commercial operations restructuring in Q3 2020</i>	+4.9	+6.1	+31.9	+13.9
<i>Cello impairment</i>	-	-	-	+41.7
<i>Some Expenses related to the COVID-19 pandemic mainly under absorption of fixed costs</i>	-	+13.0	-	+32.4
<i>Favorable Pensions adjustment in the U.S.</i>		-44.1		-44.1
Normalized IFO	88.0	83.3	241.1	176.2

NORMALIZED EPS RECONCILIATION in euros	Q3 2019	Q3 2020	9M 2019	9M 2020
EPS	1.40	1.51	3.39	2.00
<i>Restructuring costs of which transformation plan, Ecuador factory closure & LAM commercial operations restructuring</i>	+0.07	+0.10	+0.49	+0.22
<i>Cello impairment</i>	-	-	-	+0.93
<i>Some Expenses related to the COVID-19 pandemic mainly under absorption of fixed costs</i>	-	+0.20	-	+0.51
<i>Argentina hyperinflationary accounting (IAS29)</i>	+0.01	+0.01	+0.05	+0.03
<i>Favorable Pensions adjustment in the U.S.</i>		-0.77		-0.77
Normalized EPS	1.48	1.05	3.93	2.92

SHARE BUYBACK PROGRAM

SHARE BUY-BACK PROGRAM – SOCIETE BIC	Number of shares acquired	Average weighted price (in €)	Amount (in M€)
February 2020	48,818	56.53	2.8
March 2020	87,565	52.44	4.6
April 2020	-	-	-
May 2020	-	-	-
June 2020	-	-	-
July 2020	-	-	-
August 2020	-	-	-
September 2020	-	-	-
Total	136,383	53.90	7.4

CAPITAL AND VOTING RIGHTS

As of September 30, 2020, the total number of issued shares of SOCIÉTÉ BIC was 45,532,240 shares, representing:

- 66,933,684 voting rights,
- 66,383,107 voting rights, excluding shares without voting rights.

Total number of treasury shares at the end of September 2020: 550,577.

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 2019 and 2020.
- **Gross profit:** 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:** Cash generated from principal 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).
- **Unallocated costs:**
 - net costs [balance of income and expenses] of Corporate headquarters including I.T., finance, legal and H.R. costs, and of future shared services center.
 - other net costs that can't be allocated to Categories, notably restructuring costs, gains or losses on assets' divestiture, etc. Major unallocated items will be separately identified and disclosed.

SOCIETE BIC consolidated financial statements as of September 30, 2020 were approved by the Board of Directors on October 27, 2020. A presentation related to this announcement is also available on the BIC website (at 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 2019 Universal Registration Document filed with the French financial markets authority (AMF) on March 31, 2020.

ABOUT BIC

BIC is a world leader in stationery, lighters, and shavers. For more than 75 years, the Company 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. Today, BIC products are sold in more than 160 countries around the world and feature iconic brands such as Cello®, Conté®, BIC Flex™, Lucky Stationery, Made For YOU™, Soleil®, Tipp-Ex®, Wite-Out® and more. In 2019, BIC Net Sales were 1,949.4 million euros. The Company is listed on "Euronext Paris," is part of the SBF120 and CAC Mid 60 indexes and is recognized for its commitment to sustainable development and education. It received an A- Leadership score from CDP. For more, visit www.bicworld.com or follow us on [LinkedIn](#), [Instagram](#), [Twitter](#), or [YouTube](#).

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AGENDA - ALL DATES TO BE CONFIRMED

Capital Markets Day	November 10, 2020	Virtual event
Full Year 2020 Results	17 February 2021	Conference call and webcast
First Quarter 2021 results	28 April 2021	Conference call and webcast