

BIC Group SHAREHOLDERS' LETTER


N° 36
NOVEMBER 2016

EDITORIAL



*Ladies, gentlemen,
dear shareholders...*

In the BIC Group number

36 Shareholders' Letter, you will discover that BIC had a strong presence during the back-to-school season, on television and radio, and on the Internet.

We have published our third quarter and nine months 2016 results on

***26 October 2016.** The strength of our "High Quality and Value" positioning and increased investment in Research and Development, innovation and the brand, supported by the engagement of BIC teams around the world, continued to fuel our growth across all categories and geographies. Year-to-date results reinforce our confidence that we will achieve our 2016 objectives. ”*

Bruno Bich
Chairman and CEO

2016 NINE MONTHS PERFORMANCE

GROUP NET SALES nine months 2016

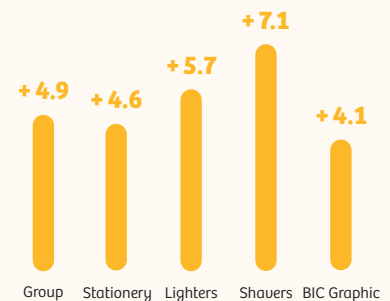
M€ 1,692.9

+4.9%

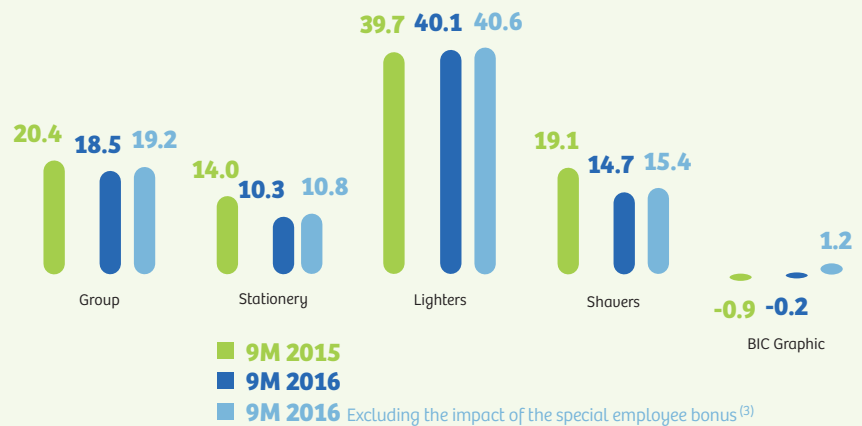
on a constant currency basis ⁽¹⁾

CHANGE IN NET SALES BY CATEGORY

nine months 2016
on a constant currency basis ⁽¹⁾ (in %)



NORMALIZED ⁽²⁾ IFO MARGIN in % of Net Sales



⁽¹⁾ On a constant currency basis: Constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.

⁽²⁾ Normalized : means excluding non-recurring items.

⁽³⁾ Excluding the special bonus awarded to employees who were not granted shares under BIC performance share plan.

[Find the press release here](#)



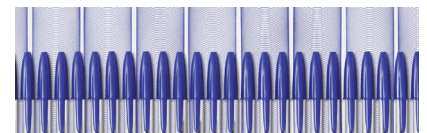
CAMPAIGN: BACK-TO-SCHOOL IN EUROPE

BIC targeted mothers and students through the launch...



DIGITAL CAMPAIGN: BIC® EVOLUTION™ IN MEXICO

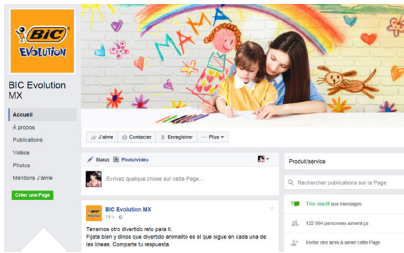
Along with the launch of the "Little Artists" campaign, BIC Mexico...



ART: MOMA'S NOTEBOOK WITH BIC® CRISTAL®

The New York Museum of Modern Art published a notebook...

NEWS



- CAMPAIGN -

BIC® Evolution™ digital campaign in Mexico

Along with the launch of the “Little Artists” campaign, BIC Mexico created a BIC® Evolution™ Facebook page.

The presence on social networks, which have become a strong medium in the country, will allow BIC to build a community of BIC® Evolution™ fans and offer fun and educational content to encourage coloring usage, including coloring tutorials on the YouTube channel. Through a strong presence on social networks, BIC® is showing its commitment to children’s development, and demonstrates to parents that BIC® Evolution™ is a great resource when searching for entertaining and educational ways for their children to learn.

*The Facebook page
The YouTube channel*



- SPONSORSHIP -

BIC® 4 Colours™ by Saâdane Afif for the Galeries Lafayette Foundation

For the new edition, French artist Saâdane Afif choose BIC® 4 Colours™ Classic, with a blue imprint on the blue body, imprinted by BIC Graphic: “faux-semblant 2016” (2016 subterfuge). A surprising pen, as the cartridges were assembled at random during the manufacturing, and their ink color does not correspond to the button that activates them!

Like the two previous editions, this 4 Colours™ pen is distributed as part of a promotion with the Galeries Lafayette (Parisian department store) corporate foundation, which aims to support contemporary artists.

- PRESS -

Back-to-school: BIC in the press

During the back-to-school period, BIC has been the subject of reports in television news and press articles, with interviews and filmed images of its manufacturing plants. These reports were broadcasted at the end of August and beginning of September on various major French channels such as TF1 in the News at 1:00 pm, France 3 Ile de France in the 19/20 News at 7:00 pm, France 5 in La Quotidienne, M6 in the News at 12:45 am and I Télé in its Economic weekly magazine. Two radio broadcasts were also dedicated to BIC®.



- CAMPAIGN -

European TV campaign for back-to-school

For back-to-school during 2016, BIC targeted mothers and students through the launch of new advertising films in several countries in Europe that showcased its writing instruments and coloring products. The film, “Let your creativity shine” was introduced in France to communicate the fact that 80% of BIC® products sold in France are made in France. In the film, 4 Colours™ Shine was highlighted as the product hero, alongside Atlantis® and Velleda® dry wipe markers. In other countries, the main objective was to show the 4 Colours™ Shine range and the modernity of the brand.

The BIC® Kids Kid Colour film demonstrates the product’s ultra-washable ink. Last, “BIC® Kids Evolution™” is an adaptation of the film developed by the Latin America team and highlights the break resistant lead of the Evolution™ colouring pencils.

See the films on the YouTube BIC Corporate channel



- BRAND SUPPORT -

BIC sponsors La Vuelta 2016 edition

For the second year, BIC sponsored the Tour of Spain— a 3,400 km bicycle race that took place from 20 August 2016 to 11 September 2016 - with different activations.

Every morning, cyclists had to sign in to participate in the area that featured the BIC Boy and an animation for all to watch. Each day before the race, the Caravan announced the arrival of the cyclists in each town of the itinerary and distributed BIC® products: 4 Colours™ pens, Flex 3 shavers, Mini lighters. More than 400 people and 30 cyclists have been shaved with BIC® Flex 3 in BIC® barbershop at the starting and finish lines. BIC® also had an area where it personalized 6,000 BIC® Maxi lighters with original photos of the Tour spectators.

The competition has been followed every day by 1.5 million people on television in Spain.



- LIGHTERS -

Japanese culture series

While BIC offers different lighter decors by continent, in Asia one of the most popular lighter editions is the Japanese Culture series. These lighters features traditional elements of the Japanese culture such as the crane, the cat, the Koi and the Noh mask.

There are eight Maxi lighters designs available in this series, which are manufactured in the BIC Chinese factory.

Available in Asia

NEWS



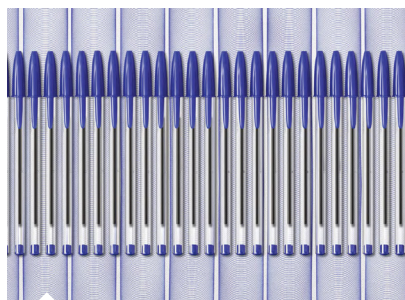
- FASHION -

BIC® lighter showcased by Alexander Wang at the New York Fashion Week

During Alexander Wang's New York Fashion Week runway show in September, BIC® lighters accessorized the young designer's Spring 2017 collection. Wang approached BIC a few weeks before his show and BIC® mini lighters were worn around the neck of dozens of models in leather cases designed by the American designer. During the after party, BIC distributed nearly 3,000 lighters adorned with an exclusive Alexander Wang design.

- LIGHTERS - Polyflame

In the court procedure Société BIC vs Polyflame Europe (a pocket lighter importer), on 22 October 2014 the Paris Court of Appeal had forbidden Polyflame Europe to claim conformity to the ISO 9994 safety standard for the eight lighter models involved in this procedure on the grounds that such a conformity claim constitutes false advertising and consequently unfair competition. On 20 September 2016, the "Cour de Cassation" (French Supreme Civil court) has rejected Polyflame's ultimate legal arguments, making the prohibition final.



- ART -

MoMA's notebook with BIC® Cristal® pen and design

The New York Museum of Modern Art (MoMA) published a notebook, on sale at its Design Store, featuring the BIC® Cristal® pen.

The cardboard cover reproduces the patterns get during writing tests in BIC's factories; BIC® Cristal® pens are lined up on the patterns. A pen is fastened to the notebook with an original metal tie. Since 2001, the Museum features iconic BIC® products in the permanent collection of its Architecture and Design Department

The MoMA store



- CAMPAIGN -

BIC® Soleil® campaign in Europe

"Let's shine with BIC® Soleil®" was inspired by the Latin American BIC® Soleil® campaign and reshot for Europe. This campaign celebrates natural femininity and empowers women to be self-confident and features three different products from the range: BIC® Soleil® Scent, BIC® Soleil® Bella® and BIC® Miss Soleil®. It focuses on the colorful handles of BIC® Soleil®, while delivering positive messaging and lively positioning. All European countries have been involved in the development of the film to make sure the execution fits local market specificities, whether for the United-Kingdom, Russia, or Nordic countries.

See the film on YouTube

- AWARD -

BIC, best 2015 Register Document prize

Upon the seventh annual "French Listed Companies Transparency Grands Prix," BIC was rewarded with "Best 2015 Register Document" prize. Since 2009, the "Grand prix for financial transparency" has recognized French companies of the SBF 120 for the quality of their regulated financial information. The goal of the Grand Prix is to highlight best practices in the publication of regulated financial information and to assess the efforts of listed companies in financial transparency on an annual basis. One hundred forty four qualifying criteria are reviewed on four sources of information: the registration document, the half-year financial report, the company website and the convening note of the Shareholders' Meeting.



FINANCIAL AGENDA

- **15 FEBRUARY 2017**
Full Year 2016 Results
- **26 APRIL 2017**
1st Quarter 2017 Results
- **10 MAY 2017**
2017 Shareholders' Meeting
- **03 AUGUST 2017**
1st Half 2017 Results

COMPANY'S DETAILS

- Limited company Capital: 183,108,384.24 euros
- Divided into 47,934,132 shares of common stock, par value 3.82 euros

LISTED ON: EURONEXT PARIS
ISIN: FRO000120966

Mnemonic: BB

Continuous quotation 552.008.443 registered in Nanterre, France

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