

# BIC Group SHAREHOLDERS' LETTER



N° 38  
JUNE 2017

## EDITORIAL

“ Dear shareholders...

On April 27, BIC published its First Quarter 2017 results. Net Sales declined by 4.1% on a constant currency basis, weakened by both Stationery and Shavers in North America. With the launch of BIC® Gel-ocity Quick Dry Gel Pen in the U.S., additional distribution gains in Developing Markets and the continued solid performance of our shaver business in Eastern Europe and Latin America, **Full Year 2017 organic Net Sales should grow mid-single digit\***, in line with our objectives. As planned, we will continue to invest in Research & Development, CAPEX and Brand Support to fuel medium and long term profitable growth. The total impact of these investments on 2017 Normalized Income From Operations margin will be approximately -100 basis points compared to 2016, excluding major currency fluctuations.

**The Shareholders' Meeting, held on May 10, approved the payment of an ordinary dividend amount of 3.45 euros per share**, up 1.5% compared to the last year ordinary dividend, and all the proposed resolutions.”

**Bruno Bich**  
Chairman and CEO

\*between +4% and +6%

## 2017 FIRST QUARTER PERFORMANCE

### GROUP NET SALES 1st Quarter 2017

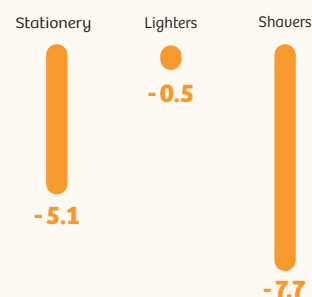
**M€469.2**

**-4.1%**

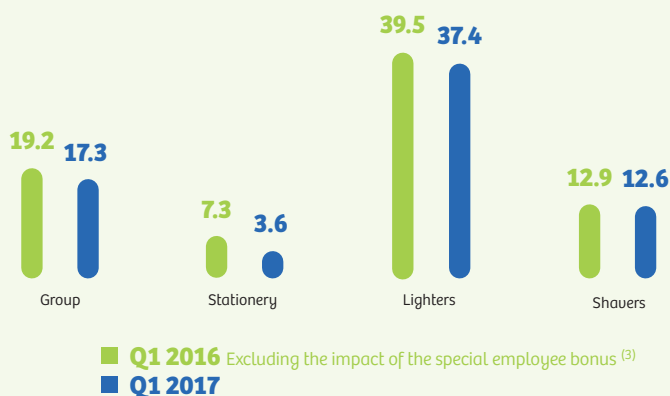
on a constant currency basis <sup>(1)</sup>

### CHANGE IN NET SALES BY CATEGORY 1st Quarter 2017

on a constant currency basis <sup>(1)</sup> (in %)



### NORMALIZED <sup>(2)</sup> IFO MARGIN in % of Net Sales

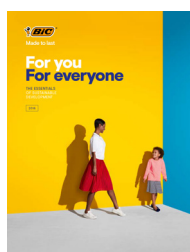


<sup>(1)</sup> **Constant currency basis:** constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.

<sup>(2)</sup> **Normalized:** means excluding non-recurring items (for more information, please refer to the First Quarter 2017 Results press release.)

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

Find the full press release here.



## - GROUP - 2017 publications are available

Find all BIC Group publications on our website:

- The 2016 Annual Report, entitled "For you, for everyone,"
- The 2016 Registration Document (including the Sustainable Development Report),
- The Essentials of Sustainable Development in 2016.

Review these publications by visiting: <https://www.bicworld.com/en/investors/publications>

# ANNUAL SHAREHOLDERS' MEETING 2017

## - EVENT -

### Annual Shareholders' Meeting – May 10, 2017

The Annual Combined Extraordinary and Ordinary Shareholders' Meeting was held on Wednesday, May 10, 2017 in Clichy (92, France) under the chairmanship of Mr. Bruno Bich, Chairman of the Board and Chief Executive Officer.



The Shareholders' Meeting approved the payment, from May 24, 2017, of an ordinary dividend amount of 3.45 euros per share, up 1.5% compared to last year's ordinary dividend, and all the proposed resolutions, among them:

- the financial statements for the full year 2016;
- the authorizations given to the Board of Directors to undertake operations with regards to the shares of the Company (share buyback and cancellations);
- the renewal of Mr. François Bich and Mrs. Marie-Pauline Chandon-Moët as Directors;
- the appointment of Mrs. Candace Matthews as a new Director;
- the renewal of the mandate of the Statutory and Alternate Auditors;
- the compensation elements for the fiscal year 2016 of Mr. Bruno Bich, Mr. Mario Guevara, Mr. François Bich, Mr. Gonzalve Bich, Mr. James DiPietro and Mrs. Marie-Aimée Bich-Dufour;
- the compensation policy of the Chairman, Chief Executive Officer and Executive Vice- Presidents;
- the insertion in the Articles of Incorporation of an Article 10 bis "Director(s) representing the employees."

During the meeting, Bruno Bich (Chairman and Chief Executive Officer), Gonzalve Bich (Chief Operating Officer) and Jim DiPietro (Chief Financial Officer) presented the 2016 results and operational trends, and the 2017 outlook.

Gonzalve Bich, accompanied with the three category managers (Benoît Marotte for Stationery, François Clément-Grandcourt for Lighters and Thomas Brette for Shavers), presented how, across the world, BIC works with its different distribution networks: mass retail, convenience stores (ubiquitous in developing markets) and e-commerce.

Bruno Bich and Marie-Aimée Bich-Dufour presented BIC's strategic approach in social, societal and environmental responsibility, which is structured around four pillars: continuous improvement of environmental performance in factories, product and packaging innovation aimed at reducing the environmental footprint, employee commitment and, finally, the responsibility that BIC fulfills through its suppliers in terms of respect of human rights, environmental and social practices.

During the Shareholders' Meeting, new director, Mrs. Candace Matthews was introduced by Bruno Bich. Mrs. Matthews is American and Region President, Americas, of Amway, one of the world's largest direct sellers. The Board will benefit from her in-depth experience in consumer products.

Find the results of the votes on:  
<https://www.bicworld.com/en/investors/shareholders>



## Broadcast of the shareholders' meeting

You can access a recording of the Shareholders' meeting on the corporate website.

Broadcast

## Composition of the Board of Directors following the Annual General Meeting of May 10, 2017

- **Bruno Bich**, Chairman and Chief Executive Officer
- **Pierre Vareille**, Vice President and Lead Director, Member of the Audit Committee (Independent)
- **John Glen**, Director, Chairman of the Audit Committee (Independent)
- **Elizabete Bastoni**, Director, Chairman of the Compensation and Nomination Committee (Independent)
- **François Bich**, Director
- **Marie-Pauline Chandon-Moët**, Director
- **Mario Guevara**, Director
- **Candace Matthews**, Director, Member of the Compensation and Nomination Committee (Independent)
- **Marie-Henriette Poinot**, Director, Member of the Compensation and Nomination Committee
- **Société MBD**, Director, represented by Édouard Bich, Member of the Audit Committee.

## DIVIDEND

€3.45

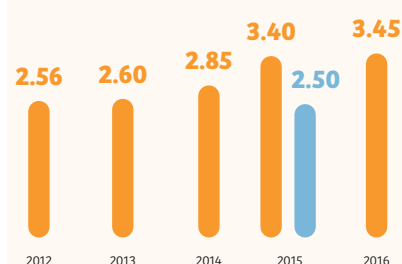
ORDINARY DIVIDEND

up 1.5%

The payment of the dividend has been approved at the 2017 Shareholders' Meeting

## ORDINARY DIVIDEND EVOLUTION

and exceptional dividend evolution in euros



■ Ordinary dividend  
■ Exceptional dividend

## NEWS



## - CAMPAIGN -

## BIC® Cristal® Fashion: 360° campaign "The power of colors"

BIC Latin America has developed a new 360° campaign, focused on BIC® Cristal® Fashion ball pen. The campaign is named "The power of colors" and takes place in a school classroom, and goes to show how each color of the range can deliver a more fun and exciting writing experience, literally transforming your day.

The campaign accounts with a TVC film, a media key visual, as well as a digital version. It has been launched in Brazil, South Region and Mexico.

[See the film](#)



## - EDUCATION -

## BIC Cello and IIMPACT are committed to girls' education in India

In 2015, BIC Cello initiated a partnership with IIMPACT, a nonprofit organization providing access to education to underprivileged girls in India. On 2 May, 15 new learning centers have been opened across the Uttarakhand region, bringing the total number of centers supported by Cello Pens to 55.

It is one of the largest community programs imparting primary education and has already impacted the lives of more than 1,600 girls.



©Packshot for BIC

## - ART &amp; TECHNOLOGY -

## 12,843 BIC® pens suspended in a Paris train station

From 29 March to 15 May, passerbys could admire the BIC Pavilion, an artwork made out of BIC® pens, that was designed and built by the architects and engineers Yousef and Elias Anastas, Yann Santerre and Landolf Rhode-Barbarigos. Originally created as a submission for an engineering contest, the interconnected pens were suspended in the main hall of the Paris Saint-Lazare train station, where more than 450,000 travelers pass through daily.



## - FACTORIES -

## BIC Conté and BIC Technologies join forces to promote manufacturing jobs

As part of Industry Week in France, a yearly nationwide initiative, three actions were put in place by BIC to attract talents into industrial professions. At BIC Conté in Samer, France, the Executive Manager of Professional and Technology Training from a neighbor highschool visited the site and during two days, stepped into the company's culture in order to bring the experience to life with her students. An on-site visit was also arranged with 15 career advisors from the French Ministry of National Education to help them gain a more precise understanding of industrial professions to better advise students. At BIC Technologies in Clichy, France, a factory visit with 25 highschool students in Micro-Engineering was organized, as part of establishing an apprenticeship program with the school.



## - SHAVERS -

## "You've Come So Far... and So has BIC!"

In North America, BIC has launched the new BIC® Flex5 Hybrid™ shaver, which combines high-quality, refillable cartridges with the convenience of a disposable shaver. With five flexible blades that individually adjust to the contours of your skin, a lubricating strip and an ergonomic design, the BIC® Flex5 Hybrid™ shaver delivers a controlled, ultra-close shave. Each package includes one handle and four replaceable cartridges, providing high performance and convenience at an affordable price. With the introduction of this new shaver, BIC has also developed online advertising that reminds the millennial consumer how far BIC's shaver portfolio has come!

[Take a look at the video](#)



## - SHAVERS -

## The BIC Shave Club®: a creative social media strategy

The BIC Shave Club® has been launched on 28 March. This direct-to-consumer online subscription service with a BIC® refillable shaver enables consumers to have a high-performing 3- or 5-blade shaver sent to their home and then, on a regular basis, receive refillable cartridges. The introduction of this service was accompanied by the launch of a social media strategy on Facebook, Instagram and Twitter.

To reach the largest number of users, the BIC Shave Club® identified four male archetypes, which were humorously brought to life by an actor. Videos and pictures illustrate the brand's three main benefits: saving time, saving money and promoting a convenient lifestyle.

[Follow on the social networks and on bicshaveclub.com](#)

## NEWS



### - AWARD -

#### **BIC Russia wins three "Golden Clips" with BIC® stationery products**

The annual "Golden Clip" Awards, which are the National Awards of the Russian Stationery and Office Industry, were held in Moscow on 14 March. BIC Russia won three "Golden Clips" in three categories:

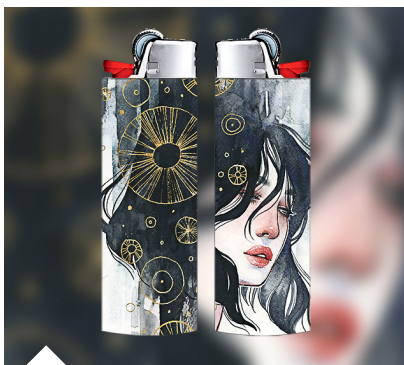
- Product of the year for office equipment with BIC® Round Stic® family ball pens,
- Product of the year for schools with BIC® Evolution® graphite pencils, and
- Product design of the year with BIC® Kids™ Beginners Twist.



### - FASHION -

#### **Exhibition "Heard at the Bon Marché"**

Loïc Prigent, a French fashion journalist and director, collected sassy phrases from the very chic Parisian department store, le Bon Marché and brought the phrases into an exhibition. Thus, BIC® 4 Colors™ pens imprinted with the question, "What colors of red do you have?" and BIC® lighters imprinted with the question, "Where is the second floor please?" were created and sold during the exhibition.



### - CAMPAIGN -

#### **BIC® Design on Fire launches in Australia and New Zealand**

BIC® launched the "Design on Fire" campaign in more than 3,000 retailers across Australia and New Zealand. The campaign's primary purpose is to heighten consumer awareness of BIC® lighters' décor range.

Supported by an impactful social and digital platform, consumers were asked to create their own lighter sleeve and upload it to the promotional website for their chance to win up to \$10,000 and have their design printed nationally.

[Check out the video](#)



### - LIGHTERS -

#### **BIC® "Passion for Football" Lighters in Brazil**

BIC has partnered with 11 of the best Brazilian football teams to launch the "BIC Passion for Football" series of licensed lighters. Among the teams are Fluminense, Corinthians, Cruzeiro, São Paulo, Atlético-MG... Each club will have eight different decors that can be collected by Brazilian fans.

[Available in Brazil](#)

### - GROUP -

#### **BIC, 4<sup>th</sup> most reputable company in France**

For the second consecutive year, BIC ranked among the top five companies in the 2017 Reputation Institute Survey in France, with a score of 80.9 out of 100.

This annual survey tracks the reputation of companies' among the general public and covers seven dimensions: Products and Services, Innovation, Workplace, Governance, Citizenship, Leadership and Financial Performance.



### FINANCIAL AGENDA

- **6 JUNE 2017**  
Shareholders' Meeting in Paris
- **3 AUGUST 2017**  
1st Half 2017 Results
- **25 SEPTEMBER 2017**  
Shareholders' Meeting in Strasbourg
- **25 OCTOBER 2017**  
3rd Quarter and 9 months 2017 Results

### COMPANY'S DETAILS

- Limited company Capital: de 181,542,184.24 euros
- Divided into 47,524,132 shares of common stock, par value 3.82 euros

**LISTED ON: Euronext Paris**  
**ISIN: FR0000120966**

Mnemonic: BB

Continuous quotation 552.008.443 registered in Nanterre, France

### **SOCIÉTÉ BIC – SHAREHOLDER RELATIONS**

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