

BIC in touch

26

JUNE 2014

BIC Group Shareholders' letter

EDITORIAL

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*Ladies, gentlemen,
dear shareholders...*

Our Q1 2014 results showed a solid start to the year, reflecting good organic growth and the positive impact of the consolidation of Cello Pens into our consumer business, along with the recovery in BIC Graphic Net Sales.

Our consumer categories revealed different trends by geographies. Stationery performance was driven by Europe, while the Lighter category benefited from strong growth in developing markets (Latin America, Middle East and Africa) and Shavers from encouraging achievements in North America.

With restored customer service and new brand positioning, BIC Graphic has started to regain customer confidence and Quarterly Sales grew for the first time since the acquisition of Norwood and Antalis in 2009. All regions and business segments showed some improvements thanks notably to a renewed range of products focused on quality, safety compliance and innovation.

During the Annual Shareholders' meeting of BIC Group, which was held on May 14, we discussed 2013 performance and first quarter 2014 results. We have presented new products including the learning range of writing instruments BIC® Kids, the shaver for women BIC® Soleil® Glow™ and BIC Flex4 refillable for men, as well as our promotional product: the Super Clip ball pen.

Mario Guevara
Chief Executive Officer

2014 first quarter performance

NET SALES AS REPORTED

in million euros

428.6

434.2

+4.5%
on a comparative
basis⁽¹⁾

Q1 2013

Q1 2014

CHANGE IN NET SALES

on a comparative basis⁽¹⁾ by category
in %

+4.2

+6.4

+5.1

+1.4

Stationery

Lighters

Shavers

BIC Graphic

NORMALIZED IFO MARGIN⁽²⁾

in %

Q1 2013
Q1 2014

15.6

17.6

Group

10.1

12.2

Stationery

33.8

37.1

Lighters

14.9

18.2

Shavers

-5.4

-7.2

BIC Graphic

⁽¹⁾ 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.

⁽²⁾ Normalized IFO: normalized means excluding restructuring for BIC Graphic.



Annual shareholders' meeting 2014

/ ANNUAL SHAREHOLDERS' MEETING

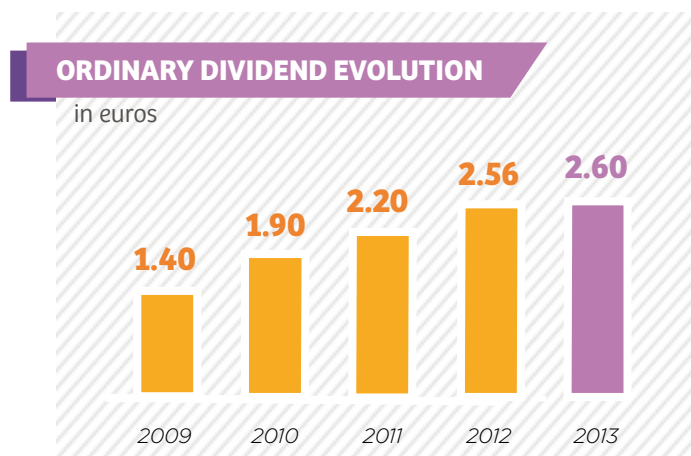
Annual shareholders' meeting - May 14, 2014



The Société BIC Joint Extraordinary and Ordinary Annual Shareholders' Meeting was held on Wednesday, May 14, 2014 in Clichy, France and was chaired by Mr. Bruno Bich, Chairman of the Board. The meeting gathered 199 people and the participation rate was 74.74% of the voting rights. 721 shareholders present, represented or having voted by correspondence approved all of the tabled resolutions and notably the payment of an ordinary dividend amount of 2.60 euros per share, up 1.6% compared to the last year dividend, and all the proposed resolutions. Among the other approved resolutions:

- Financial statements for the full year 2013;
- Authorizations given to the Board of Directors to undertake operations with regards to shares of the Company (share buy backs and cancellations);
- The reappointment of Mr. François Bich, Mrs. Marie-Pauline Chandon-Moët and Mr. Frédéric Rostand as Directors of the Board;
- The compensation elements for the fiscal year 2013 of Officers;
- The renewal of the delegations given to the Board of Directors to increase the share capital;
- Modification of article 8 bis "crossing thresholds" of the articles of incorporation.

Find the results of the votes on www.bicworld.com/en/finance/meetings



During the meeting, Bruno Bich, Mario Guevara (Chief Executive Officer) and Jim DiPietro (Chief Financial Officer) presented the 2013 results and operational trends, as well as Group's 2014 projects for each categories. BIC Group's environmental, social and societal responsibility has been reviewed as well as the governance.

Bruno Bich illustrated the Group's roadmap for the coming years through past and present successes on diverse continents, demonstrating BIC Group's capacity to get used to change, local habits and to anticipate new markets. On mature markets, the Group will continue to innovate to better meet consumers' needs and desires and to resist to economic uncertainties. On fast growing markets, situations are different depending on the regions but the BIC Group has great ambitions there. Some examples presented at the meeting (stationery in Spain, lighters in the United States, development in Ukraine, Asia and Africa...) showed the Group's capacity to grow and adapt to specific economic, political and cultural environments.

Question answer session

Directors, Corporate Officers and Operations Directors answered shareholders' questions on the following subjects:

- BIC Group's projects of external growth;
- The impact of digital technology on the Stationery category;
- Representation of women in the Board of Directors;
- The fuel cell device project;
- BIC[®] Education digital solution extension.



Homage to the founder

2014 represents the 100th anniversary of the birth of Marcel Bich, Société BIC's founder.

During the Shareholders' Meeting, Bruno Bich read excerpts of the Letter to Shareholders that was written in 1973 when BIC was listed on the Stock Exchange. In this letter, Marcel Bich expresses his vision for the company and responsibility. He also addressed the challenges that companies face when trying to grow on a global basis, he wrote in particular: "In order for a business to truly prosper it must operate on a worldwide scale. This requires financial, industrial and commercial strength."

However, these two notions of necessary strength and equally necessary trust in people are diametrically opposed. To reconcile them is a difficult task. BIC looks for the solution in its day-to-day operations. 'It is the function which creates the institution.'

Those words were emphasized by Bruno Bich, to summarize what BIC works at: build global economy and structure.

Translated into many languages and posted in all offices and factories of the Group across the world, this letter provides useful lessons for the present and the future, not only for the BIC Group, but also for those who, throughout the world, have chosen to be entrepreneurs.

Listen to the audio of Marcel Bich reading his Letter to Shareholders at the 1973 General Meeting:

www.bicworld.com/annual-meeting1973/

News

/ BIC GRAPHIC

BIC Graphic: new products have been well received



BIC Graphic's innovative new products and britePix® technology have started to show positive results for the hard good lines in the first quarter 2014. Customer confidence has been restored and is demonstrated by order counts and value increases, particularly in our hard goods collection.

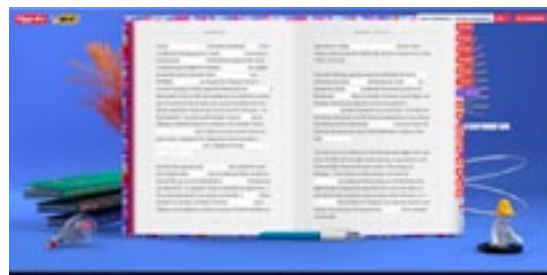


/ CAMPAIGN

Tipp-Ex® and BIC®: a Hunter, a bear and Pharrell Williams

The hunter and the bear, heroes of one of the most acclaimed digital campaigns of the last decade, are back for a third interactive campaign with the American singer, Pharrell Williams, who wrote on this occasion the first participatory book, instantly translated into five languages. In this game, internet users have to find the thousands of words within the book, which have been covered by mistake with Tipp-Ex® Mini Pocket Mouse correction tape. A real technological feat that was a world first and created by Buzzman agency!

Once completed, the "Social Book" will be printed and published. Profits will be donated to an organization supporting disadvantaged children. Discover the experience: www.tippex-socialbook.com



/ INTERVIEW

Bruno Bich interviewed on the theme of anticipation

Bruno Bich, Chairman of the Board, was interviewed in March by the CIC Banque Privée, one of the main French Private banks, about the way of anticipating the key moments of a company story. The six-page interview is included in the annual magazine of the bank, "Les Cahiers d'un monde qui bouge"⁽¹⁾, sent to their clients and printed in 20,000 copies.

Discover the article (in French) on <https://www.cic.fr/banqueprivée/fr/du-dirigeant-d-entreprise/publications/cahiers/n9/Didier-Simondet-et-Francois-Duhen/index.html>

⁽¹⁾The magazine of a moving world.

/ CELLO PENS

Cello Group exercises its put option on 20% of Cello Pens

BIC Group today announces that Cello Group has exercised its put option, allowing them to sell 20% of Cello Pens to BIC Group. Following the closing of this acquisition (expected by the end of H1 2014 for an amount of approximately 4 bn INR - 50 million euros⁽¹⁾), BIC Group will hold 75% of Cello Pens.

Cello Pens has been fully consolidated since October 2013 within the BIC Group and contributed 18.1 million euros in BIC full year 2013 net sales. If Cello Pens had been fully consolidated for the entire year 2013, contribution of Cello Pens would have been around 81 million euros in net sales with a Normalized IFO margin of 23%.

⁽¹⁾82.3 INR = 1 euro.



Actualités

/ CAMPAIGN

BIC[®] Cristal[®] Fine in Brazil

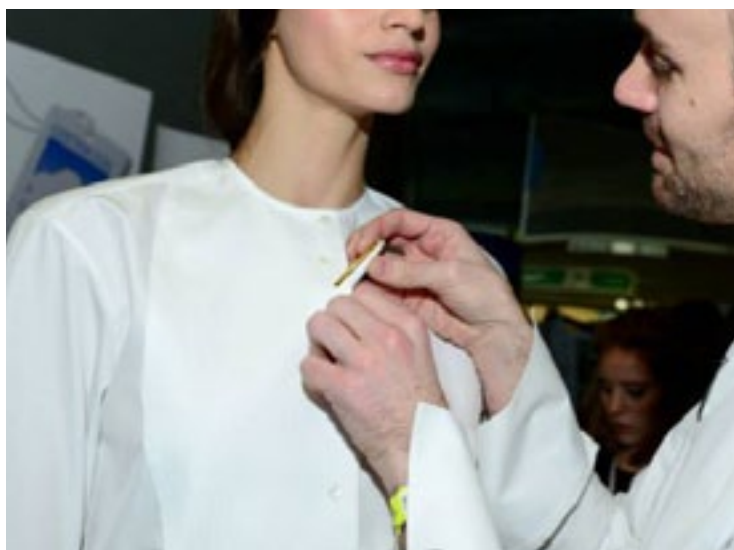
BIC Brazil pursues its educational platform aimed at promoting the brand awareness and strengthening its images as a socially responsible organization in this country. Recently, the BIC[®] "Gente Fina" Cristal[®] Fine campaign was organized in 21 schools in the North East region of Brazil, impacting 80,000 people. Several actions were implemented with 31,000 BIC[®] Cristal[®] Fine ball pens sampled.



/ FASHION

Sheaffer[®] takes to the catwalk at London Fashion Week

Sheaffer[®] Taranis™ stylish and design-led pens were incorporated into the AW14 shirt collection created by palmer//harding—the British brand known best for the directional design and high quality of their shirting—at London Fashion Week last February. The writing instruments were incorporated into the mood and aesthetic of the show, which presented a collection inspired by the linear forms and flat planes of paper.



/ LIGHTERS

Donation with the series "Support the troops"

BIC Consumer Products USA has made a 1 million dollar donation to the USO through its charitable giving and community care program, "BIC HONORS." This contribution is being applied towards the grilling center at the Bethesda, MD-based USO Warrior and Family Center, and is the result of a 0.09 dollar donation from the sale of each of its Special Edition[®] "Support the troops" series lighters. This series has been sold in the United-States since 2011 and manufactured at BIC's lighter manufacturing facility in Milford, Connecticut.



/ STATIONERY

BIC[®] Magic Marker[®] Window Marker

In 2014, BIC[®] has launched BIC[®] Magic Marker[®] Window Marker in North America, an innovative and high-quality marking and drawing tool that serves special writing occasion such as showing your support for your favorite sports team or advertising your business. A creative and "buzzworthy" crafting product.



/ SHAVERS

BIC[®] Flexi Lady shaver: Flex technology for women

BIC[®] Flexi Lady⁽¹⁾ is a triple-blade shaver equipped with Flex technology, which provides a close and comfortable shave, safe and without irritation. Its pivoting head adjusts to sensitive areas and the lubricating strip with aloe vera and vitamin E ensures great smoothness⁽²⁾.

Thanks to excellent technical performance, BIC[®] Flexi Lady⁽¹⁾ is an essential daily accessory for the many women who use non refillable shavers because they are easily found at retail, are affordable and deliver a hygienic way to remove hair. The shaver is distributed in several countries in Europe.

⁽¹⁾ Shaver with moveable blade technology.

⁽²⁾ Vs. BIC[®] non moveable three blades.



What's new?

/ 2013 PUBLICATIONS



The 2013 BIC Group Annual report is available on the bicworld website. This is the fourth edition of BIC Tween us, an innovative document that reads like a magazine with various sections including distribution, strategy, buzz, presence in a new market and Artist corner. The Registration document and the Sustainable development report are also available. Discover these interactive documents at www.bicworld.com/en/finance/publications/

/ BIC[®] CRISTAL[®] STYLUS VOTED PRODUCT OF THE YEAR 2014

The 2-in-1 stylus and pen, BIC[®] Cristal[®] Stylus, has been voted Product of the Year in Stationery in the United Kingdom. Product of the Year is the world's largest consumer-voted award for product innovation. The seal is backed by the votes of more than 12,000 households, serving as a shortcut for shoppers in the supermarket.



COMPANY'S DETAILS

- Limited company Capital: 181,833,103.98 euros
- Divided into 47,600,289 shares of common stock, per value 3.82 euros

Listed on: Euronext Paris
Isin: FR0000120966
Mnemonic: BB
Continuous quotation 552.008.443 registered in Nanterre, France

FINANCIAL AGENDA

- **July 31, 2014**
1st Half 2014 Results
- **October 22, 2014**
3rd Quarter 2014 Results

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