

BIC in touch

29

MARCH 2015

BIC Group Shareholders' letter

EDITORIAL

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KEY FIGURES

+4.9%

/ 2014 net sales growth
on a comparative
basis*

18.7%

/ normalized* IFO margin

5.57€

/ euros earning per share
Group Share

2.85€

/ euros dividend
per share**

* See page 4

** Payable on May 20, 2015 subject to approval
at the AGM of May 6, 2015

Ladies, gentlemen, dear shareholders...

2014 was another good year for BIC. In a volatile environment and with evolving consumption patterns, we published solid results, well balanced

among geographies, achieving our objectives. 2014 Net Sales reached 1,979.1 million euros up 4.9% on a comparative basis. Our Consumer business increased 5.3%. Developed markets showed a solid performance, with Net Sales up +5.0% in Europe and +4.4% in North America. In developing markets, total Net Sales grew +6.6%, driven by Latin America and the Middle East and Africa. BIC Graphic Net Sales increased 2.5% on a comparative basis and recovered positive momentum. Normalized Income From Operations (excluding non-recurring items) was 370.0 million euros, up 7.5%. Normalized Income From Operations margin was 18.7%, compared to 18.2% in 2013. EPS Group Share amounted to 5.57 euros, compared to 5.13 euros in 2013, up 8.6%. At the end of December 2014, our net cash position was 320.2 million euros.

Confident in the Group's financial situation, the Board of Directors has decided to propose the payment of 2.85 euros dividend per share at the May 6, 2015 Annual General Shareholders meeting, an increase of 9.6% with 51% pay-out ratio.

Our 2014 solid results have reinforced our confidence and optimism about the short and long-term prospects for our Group. In 2015, our goal is to continue to gain market share on all continents and in all consumer categories. In developed markets, in order to better address consumer expectations, the focus will be on value-added products at a fair price. In developing markets, we will continue to leverage increasing consumer purchasing power to broaden our footprint. The priority for BIC Graphic will be to deliver profitable growth.

For more than 60 years, our business model has relied on unchanged values and strong assets: the ubiquitous BIC® brand; quality, reliable, affordable and innovative products; an extensive distribution network and the exemplary commitment of BIC teams around the world.

For the long term, thanks to these assets, we will continue to grow and to improve our performance while investing in our people and in Research and Development with a focus on quality and innovative new products.

Mario Guevara
BIC Chief Executive Officer

Full Year 2015 Outlook

In 2015, we expect Group Net Sales to grow between 4% and 5% on a comparative basis and, excluding major currency fluctuations, Consumer Business Normalized IFO margin to be consistent with 2014. BIC Graphic Normalized IFO margin is expected to improve.

/ DIGITAL

BIC reinforces its digital communication

In 2014, the BIC Group reinforced its corporate digital communication to actively relay its information and to better control its presence on tablets and mobile phones. BIC makes a solid statement throughout the major social media platforms:



- The Twitter account @BICGroup, launched at the end of 2014, enabling followers to learn about the Group's corporate topics, major marketing operations, employees and social engagement and financial results.



- The BIC Group App, downloadable on smartphones and tablets, gives quick access to the Group's essential information.



- The BIC YouTube Channel, launched in 2010, has been revamped and presents BIC corporate videos and recent advertisings.



- LinkedIn, the world's largest professional social network, on which BIC is present since 2012, enables to share information about the company and promote careers at BIC.



/ TECHNOLOGY

Portable Fuel Cell Technology

BIC announced on February 2015 the signing of a binding agreement related to the disposal of its Portable Fuel Cell Technology to Intelligent Energy for 15 million USD⁽¹⁾. Closing is expected by the end of March 2015.

BIC had started to work on portable Fuel Cell research and development in 2003, partnering with CEA-LITEN since 2004. In 2011, BIC Group had acquired the assets of Angstrom Power Incorporated; a Canadian company specialized in the development of portable fuel cell technology to complement R&D on cartridges.

⁽¹⁾ 15 million USD = 13.3 million euros

/ BIC GRAPHIC

Jeff Koons imprinted pens

Upon the European retrospective of Jeff Koons' work currently at the Musée National d'Art Moderne - Centre Pompidou in Paris, France, we can find in the museum's store a limited edition of BIC® 4 Colours™ Shine ball pens imprinted with the name of the American artist. The shiny metallic blue barrel of the BIC® 4 Colours™ Shine pen reminds of the material used in the artist's giant balloon animals in stainless steel with mirror-finish surfaces.

The exhibition occurs through 27 April 2015. More information on <https://www.centrepompidou.fr/cpv/resource/cABRrbG/r4ydaM6>

/ FAIR

BIC Sport at the 2014 Nautic Paris Boat Show

BIC Sport was on show at the recent Paris international Boat Show to present its newest products at its stand situated in the space dedicated to sailing dinghies and board sports. BIC Sport showcased the Stand Up Paddle BIC SUP range, sought both by the public and by yacht owners who are interested in doing Stand-Up Paddling during their cruise stop-overs. In the Kayak category, the Java kayak joins the Borneo kayak to complete the new generation of sit-on-top kayaks from BIC Sport.



During the show, BIC sport also introduced the new collection of ecological SUP boards, Earth by BIC Sport. This new product, which features an eye-catching natural look was previewed at the show and created a lot of excitement.

/ BIC GROUP

1944-2014: 70th anniversary of the BIC Group

On 25 October 1944, the PPA Company (Penholder, Mechanical pencils and Accessories) started to manufacture writing instrument parts in a workshop in Clichy. Marcel Bich became Manager and Edouard Buffard, Manufacturing Director. At PPA, the very first of all the BIC Group companies to be created, the two associates established a true teamwork spirit and a high level of industrial requirements.

They became interested in the ballpoint pen, which showed an enormous potential and used machines of extreme precision from Swiss clock making to find the perfect fit between ball and ink. In December 1950, they launched their own ball pen based on the unassailable philosophy of offering the consumer the highest quality at the best price. The BIC® Cristal® was an immediate success.

Today, 70 years after the creation of PPA in Clichy (France), BIC® products are found in more than 160 countries around the globe and occupy worldwide leading positions.

Find the full press release here:

<http://www.bicworld.com/en/press/press-detail/272/1944-2014-70th-anniversary-of-the-bic-group>



/ INDIA

Cello Daman Plant opens its doors to young students

In line with BIC's focus on education and local communities, Cello Pens, the leading manufacturer of writing instruments in India, opened its doors end of 2014 to the Vapi public school located a few kilometers from the manufacturing site in Daman, on the western coast of India. 185 young students accompanied by 10 teachers visited one of the plants and engaged in many fun and active discussions with the staff and workers.



2015 News products

/ STATIONERY

BIC[®] 4 Colours[™] Stylus, for touch screen and paper

The BIC[®] 4 Colours[™] Stylus stylus & pen is designed for tablets and smartphones. The pen features the four classic colors: black, blue, red and green, in a retractable medium point. The other end of the instrument is equipped with a rubber pad stylus for touch screens. It has a large, round conductive barrel with a comfortable soft grip. BIC[®] 4 Colours[™] Stylus is the newest addition to the BIC[®] Stylus range composed of Cristal[®] Stylus and retractable Clic Stylus.

Available in Europe and Latin America.



/ STATIONERY

BIC[®] Atlantis[®] Exact Fun, needle point

The BIC[®] Atlantis[®] Exact Fun retractable pen is equipped with an innovative needle point system, which combines precision and highly smooth writing. It is available in Europe and is offered in four colored barrels with a comfortable grip and four trendy ink colors: turquoise, purple, pink and lime green. The 0.7mm metallic point writes a 0.3mm line width.

Available in Europe.



/ LIGHTERS

BIC[®] decor lighters, license 2015

BIC offers different lighter decors by continent. Beginning in 2015, BIC signed a license with Fox[®] to launch a lighter series featuring Marilyn Monroe, in Maxi and Mini lighter sizes.



/ SHAVERS

BIC[®] Flex 5[™] shaver, a five-blade shaver for North America

New Flex 5[™] shaver from BIC[®] is radically new, radically efficient.

- The pivoting head is equipped with five flexible blades and a lubricating strip, plus a precision edging blade at the back to reach tricky spots, trim sideburns and sculpt facial hair.
- A metal balancing sphere, placed at the top of the handle, adds weight and provides extra control as you shave.
- The two-pack offers an additional particularity: two different handles with a modern and masculine shape, one black and white, the other white and black...

BIC[®] Flex 5[™] is available in the United-States and Canada.



/ STATIONERY

BIC[®] Xtra EZ[®], smooth writing and precision

BIC has developed a complete range of fine point and extra-fine point ball pens that meet the specific needs of Asian consumers. This new ink system, which combines low viscosity ink and a needle point, provides the writing smoothness of a gel pen and is available in eight colors! BIC[®] Xtra EZ[®] ballpoint pens can be found in stick version with a cap and in retractable version; BIC[®] Xtra EZ[®] + is a retractable version featuring a grip.

Available in Asia.

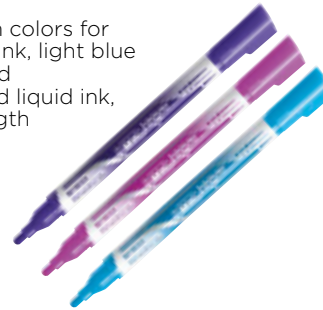


/ STATIONERY

Fun inks for BIC[®] Velleda[®] markers

For 2015, BIC is launching new fun colors for BIC[®] Velleda[®] dry wipe markers: pink, light blue and purple. This marker is equipped with a low-odor and alcohol-based liquid ink, particularly reliable on writing length and erasability. Medium bullet nib.

Available in Europe, as well as in the United-States and Canada under the Magic Marker[®] brand.



/ LIGHTERS

BIC[®] Multi-purpose lighters

The BIC[®] Multi-purpose lighter is the ideal tool for inside and outside, and offers a new color for 2015. Easy-to-use, easy-to-hold, easy-to-store.

Available in Europe.



What's new?



/ GRAND PRIX FOR FINANCIAL TRANSPARENCY 2014 AND GRAND PRIX FOR SOCIETAL RESPONSIBILITY



Upon the 5th annual "French Listed Companies Transparency Grands Prix," organized by Labrador on 7 October 2014, BIC was awarded two prizes out of 120 French companies of the SBF 120: First prize in the consumer goods and health category and the Grand Prix du Jury 2010-2014, a special prize awarded for the consistency of its financial communication for more than five years.

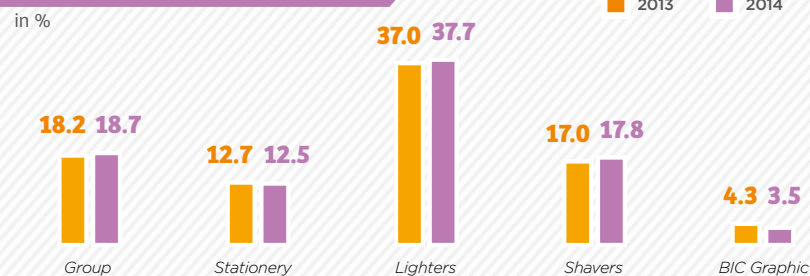
During the 2014 edition of the Agefi Corporate Governance Grand Prix, BIC was awarded the 2nd prize for "Societal Responsibility." The prize recognizes French companies for best practices in Human Resources, integration of Sustainable Development within the Company's strategy, stakeholder satisfaction and employee shareholding.



2014 Performance

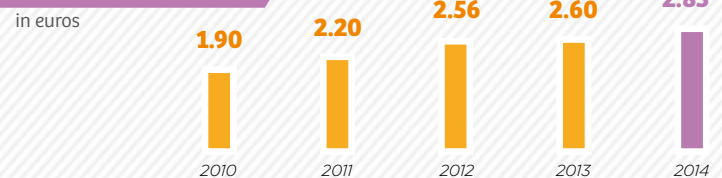
Find the full press release here:
http://www.bicworld.com/img/pdf/BIC_FY2014Results_PressRelease_11FEB2015.pdf

NORMALIZED IFO MARGIN ⁽¹⁾



(1) Normalized means excluding non-recurring items (for more information, please refer to Full Year 2014 Results Press Release).

DIVIDEND EVOLUTION

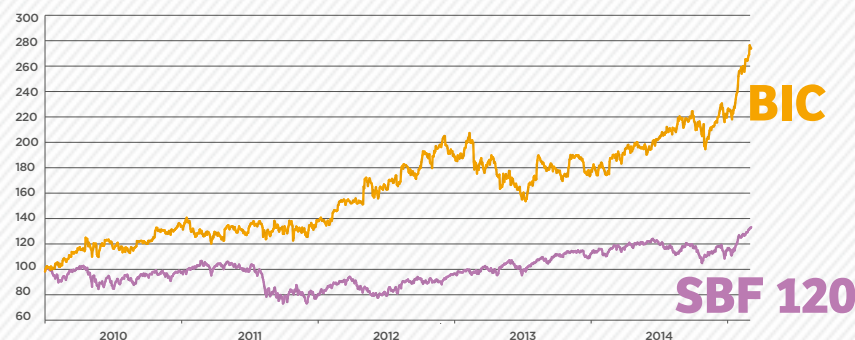


* Ordinary dividend proposed at the Shareholders' Meeting on May 6, 2015.
 For the fiscal year 2011, the Company paid a special dividend of 1.80 euro.

BIC SHARE PRICE VS. SBF 120

(On Euronext Paris) in %

Base 100 as of December 31, 2009 - Financial data as of February 26, 2015



BIC SHARE PRICE

(On Euronext Paris) in euros

Financial data as of February 26, 2015



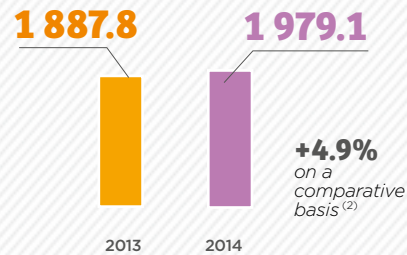
ISF SHARE PRICE

At December 31, 2014: 109.85 euros

Average of the 30 last 2014 market days: 108.08 euros

NET SALES AS REPORTED

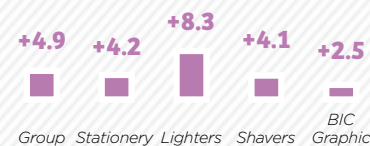
in million euros



(2) 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.

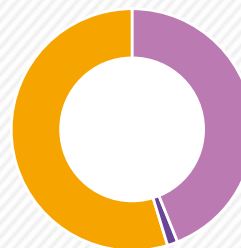
CHANGE IN NET SALES

on a comparative basis by category in %



CAPITAL OWNERSHIP

(as of December 31, 2014)
 % of capital



(3) Treasury shares temporarily without voting rights.

COMPANY'S DETAILS

_ Limited company Capital:
 183,115,806.50 euros

_ Divided into 47,936,075 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

_ 22 April 2015

1st Quarter 2015 Results

_ 6 May 2015

2015 Shareholders' Meeting

_ 30 Juillet 2015

2nd Quarter and 1st Half 2015
 results

_ 21 October 2015

3rd Quarter 2015 results

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