Press Release

April 25, 2019

First-quarter 2019 Sales and financial data

An excellent quarter

- **Sales: €1,722m, +10.4% and +8.5% LFL****
- **Operating Result from Activity: €138m, +12%**
- **Net financial debt (including IFRS 16 debt): €2,214m, vs. €1,578m at 12/31/2018**

* Like-for-like: at constant exchange rates and scope of consolidation.

GENERAL COMMENTS ON GROUP PERFORMANCE

Groupe SEB reported **sales of €1,722 million in first quarter 2019, up 10.4%, including organic growth of 8.5%**, a limited positive currency effect of 0.8% (€13 million) and a scope effect of +1.1% (+€17 million). The latter notably comprises the consolidation for a two-month period of the recently acquired US company, Wilbur Curtis, specialized in professional filter coffee, which contributed €12 million to sales.

Relative to the high comparatives, organic growth of 8.5% stands as a very robust performance, which can be broken down as follows:

- **Consumer business, +7.0%:** growth fueled by all geographies, by all product lines (excluding linen care), and by a higher volume of loyalty programs than in first-quarter 2018;
- **Professional (coffee machines and hotel equipment), +24.4%:** growth driven by Professional coffee, with firm momentum in "day-to-day" business and a strong boost from major deals in the United States and China.

Operating Result from Activity (ORfA) totaled €138 million in the first quarter, up 12% on first-quarter 2018. The total includes a currency effect of -€7 million as well as scope (Wilbur Curtis) and method (IFRS 16) effects of +€5 million. ORfA was bolstered by brisk business activity despite the environment of intense competition and promotional activity. At this point, it does not include the accounting entries for the initial consolidation of Wilbur Curtis (purchase price allocation).

Net financial debt stood at €2,214 million at March 31, 2019, compared with €1,578 million at end-2018. The increase mainly stems from the recognition of IFRS 16 debt (€351 million) and the acquisition of Wilbur Curtis in February.

SALES BRIDGE BETWEEN Q1 2018 AND 2019

REVENUE BY REGION

	Revenue (€m)	First-quarter 2018	First-quarter 2019	Change 2019/2018	
				As reported	Like-for-like*
EMEA	**EMEA**	**686**	**711**	**+3.7%**	**+4.1%**
	Western Europe	503	519	+3.1%	+3.0%
	Other countries	183	192	+5.4%	+6.9%
AMERICAS	**AMERICAS**	**161**	**169**	**+4.9%**	**+4.2%**
	North America	92	103	+11.1%	+3.8%
	South America	69	66	-3.4%	+4.8%
ASIA	**ASIA**	**578**	**659**	**+14.0%**	**+11.3%**
	China	469	541	+15.5%	+13.4%
	Other countries	109	118	+7.3%	+2.5%
	TOTAL Consumer	**1,425**	**1,539**	**+8.0%**	**+7.0%**
	Professional	**134**	**183**	**+36.6%**	**+24.4%**
	GROUPE SEB	**1,559**	**1,722**	**+10.4%**	**+8.5%**

**Like-for-like: at constant exchange rates and scope of consolidation*

Rounded figures in € million

Percentages based on non-rounded figures

COMMENTS ON CONSUMER BUSINESS BY GEOGRAPHY

EMEA

WESTERN EUROPE

In a generally positive market in the region, the Group achieved organic sales growth of 3%. Growth was driven by robust core business and includes a higher number of loyalty programs (LPs) than in first-quarter 2018. But it was negatively impacted by the end of Nespresso machine sales in Nespresso stores (the last quarter of negative impact) and by the WMF Consumer business which also weighed on performance in the region: the situation remained difficult in Germany, but activity trended positively in other countries, including Spain, Belgium and Scandinavia. E-commerce, several electrical specialist partners, and our proprietary stores (Group Retail) all stood as powerful growth drivers in Western Europe.

In France, the Group posted a satisfying first quarter, down slightly against high comparatives, but positive when excluding the penalizing impacts of a loyalty program of end-2018. This in particular led to a decline in our cookware sales in a contracting market, but our small electrical appliance business grew, in a buoyant market. Sales were driven in particular by vacuum cleaners (versatile, Clean&Steam, etc.), automatic espresso machines, the “brunch” ranges (fostered by a recycling campaign with a retailer), Cookeo, Dolce Gusto, and the Cake Factory cake maker launched in September 2018. Revenue of irons and steam generators decreased slightly in a context of bearish demand.

Performance was contrasted in other Western European countries. In Germany, excluding WMF (for which business remained difficult), the robust momentum in 2018 continued, fueled by the vast majority of product categories, including cookware, vacuum cleaners, electrical cooking, automatic espresso machines and food preparation. The performance led to further market share gains. In parallel, the Group confirmed its strong development in the Netherlands, with solid core business and large-scale LPs. The Group enjoyed the same dynamic in Spain, where cookware and new listings in personal care bolstered growth. Day-to-day activity continued to trend favorably in Belgium and Italy alike. In the UK, the sharp drop in revenue can be attributed to a complicated economic environment and lackluster demand.

OTHER EMEA COUNTRIES

The solid organic growth in other EMEA countries in the first quarter should be measured in the light of high comparatives in 2018 (+18.5%). It was fueled by the continued strong development of core business and heightened by a higher number of LPs than in 2018. As in 2018, most countries contributed to the sales rise and, overall, the Group continued to reinforce its positions in the region. Activity continued to trend positively in Central Europe, supported by almost all countries and product families, as well as LPs. Despite a fiercely competitive environment, the Group also pursued its strong momentum in Russia, thanks to flagship products such as cookware, meat mincers, kettles and blenders, with a further reinforcement of its positions, and also thanks to major loyalty programs. In parallel, the Group continued to expand in Ukraine, substantially outperforming the market.

In Turkey, in a complicated economic environment, consumer purchasing power, and, hence, demand, are under pressure, which is exacerbating competition and promotional activity. Following the major price increases made in 2018 to offset the collapse of the Turkish lira, our sales dipped slightly on a like-for-like basis and were contrasted according to product category.

In Egypt, our cookware-expanded joint venture has made a highly promising start, whereas we confirmed our headway in small electrical appliances, especially in food preparation devices (notably blenders).

AMERICAS

NORTH AMERICA

The Group achieved first-quarter sales growth of 3.8% like-for-like, driven by a positive contribution from 3 region countries. However, the retail environment remained tense, with physical retailers continuing to suffer from the sharp rise of e-commerce. The latter has resulted in destocking, a highly promotion-focused environment, reorganization and the closure of stores. These structural challenges are particularly prevalent in the United States and Canada, where they have weighed on performance.

In the United States, first-quarter activity was mixed between our two main product categories. In cookware, our robust sales were fueled by All-Clad's solid dynamic (premium retail and e-commerce), favorable momentum from T-fal – accelerated by the renewal of a major deal with a client – in addition to ongoing steady development from Imusa, particularly through expanded retail. Business was more difficult in linen care, against a background of a bear market and of retailers downsizing their shelf space for irons in particular.

The situation was very similar in Canada at the start of this year, with revenue growth driven by cookware (All-Clad et T-fal) whereas small electrical appliances (ironing, electrical cooking) lagged behind in a sluggish market.

In Mexico, our sales were up slightly on the back of a high first-quarter 2018 base. Nevertheless, performance varied by product line, with a decline in ironing but solid growth in cookware and kitchen utensils, as well as fans, thanks to highly favorable weather conditions.

SOUTH AMERICA

Down softly on a reported basis owing to currency depreciations, our turnover in South America increased in the first three months of the year on a like-for-like basis, by nearly 5%. This organic growth was driven largely by Brazil.

The economic environment in the country was slightly more positive in the first quarter, though still fragile pending the implementation of reform. As in 2018, the Group's business environment was extremely competitive and marked by strong promotional activity, stemming from both the small electrical appliance market and the retail industry, where heterogeneous situations prevail. Nevertheless, our sales for the period rose 8.3% like-for-like, thanks in particular to an excellent high season for fans, a strong pick-up in Dolce Gusto coffee machine sales and a good start to the year in electrical cooking (grills and Easy Fry "oil-less" fryer). Business was more difficult in linen care and food preparation. The positive momentum in small electrical appliances was supplemented by signs of a recovery in cookware, with an improvement in industrial performance at the Itatiaia site.

In Colombia, our sales dipped slightly in the first quarter. Performances were mixed according to retail channel (traditional circuits being under pressure but modern distribution and Group Retail proving successful). Business was stable in fans and trended extremely positively in cookware (recently launched ranges off to a good start), while blender sales occasionally decreased.

ASIA

CHINA

As expected, growth in Supor sales normalized over the first three months of 2019, amounting to +13.4%, consistent with the trend in fourth-quarter 2018. All product lines contributed to continued solid development, largely exceeding market performance, and e-commerce was the main driver of this momentum.

In cookware and kitchen utensils, growth was healthy and across the categories, with special mention for the flagship product families, where Supor continued to significantly outperform the market: woks, frying and saucepans, sets (all products), thermal mugs and bottles.

In small electrical appliances, Supor's ongoing and fast breakthroughs were driven by both kitchen electrics and by the Home and Personal Care (HPC) segment. In kitchen electrics, innovation continued to play its full part as a catalyst for most of the product families, which benefitted from a good start for new models: rice cookers, electric pressure cookers, mobile induction hobs, health pot kettles, classic and high-speed blenders. At the same time, momentum remained robust for HPC activity, particularly owing to linen care (especially garment steamers where Supor has forged strong positions in China) and vacuum cleaners, for which the Group has significantly strengthened its market share. The latter is complemented by good performances in Large Kitchen Appliances (LKA) including extractor hoods.

OTHER ASIAN COUNTRIES

Excluding China, Group sales increased 2.5% in the first quarter on a like-for-like basis, with great performances in several countries as well as more difficult situations in others, for example in Vietnam.

In Japan, as in 2018, business momentum remained vigorous, fueled by our champion products (Ingenio cookware, kettles…) and the development of new categories, particularly the Cook4me multicooker. Our proprietary stores also proved powerful growth drivers, and the network continues to expand, with the opening of two new points of sale at the start of the year.

In South Korea, in a tenser overall environment, Group sales fell slightly like-for-like, as they remained negatively impacted by overstocks of WMF products at a distributor's. Excluding this effect, business rose, yet was contrasted, holding firm in cookware (mainly frying and sauce pans) while posting brisk growth in vacuum cleaners (Air Force 360) and ironing (Freemove model and garment steamers) and slowing down in food and beverage preparation.

The trend failed to change in Australia in the first quarter, with sales remaining in negative territory, though new listings bode well for the coming months. Growth was rapid in Thailand, mainly due to the success of our flagship products (cookware and steam generators) and the expansion of our product offering, notably with high-speed blenders and vacuum cleaners. Activity was also robust in other markets, including Malaysia, Hong Kong, Taiwan and Singapore, but remained difficult in Vietnam.

COMMENTS ON PROFESSIONAL BUSINESS

In first-quarter 2019, revenue of the Professional business (coffee machines and hotel equipment) totaled €183 million, including a €12 million contribution from Wilbur Curtis, a US company specialized in professional filter coffee acquired in early February and consolidated for two months. On a like-for-like basis, sales grew 24.4%, driven by particularly powerful momentum in Professional Coffee (WMF and Schaerer brands). This impressive trend, consistent with that in second-half 2018, reflects solid growth in ordinary activity (where international development continues) and the extremely favorable effect of the delivery of major deals in China and the United States. This remarkable performance should nevertheless be put into perspective with a modest first quarter in 2018 owing to an absence of significant contracts over the period. Comparatives will become more demanding starting in the second half of the year.

Regarding hotel equipment, sales at end-March were up slightly on last year.

OPERATING RESULT FROM ACTIVITY

Operating Result from Activity (ORfA) totaled €138 million in the first quarter, up 12% on first-quarter 2018. The total includes a currency effect of -€7 million as well as scope (Wilbur Curtis) and method (IFRS 16) effects of +€5 million. ORfA was bolstered by brisk business activity despite an overall market environment of intense competition and promotional activity. At this point, it does not include the accounting entries for the initial consolidation of Wilbur Curtis (purchase price allocation).

DEBT AT MARCH 31, 2019

Net financial debt amounted to €2,214 million at March 31, 2019, compared with €1,578 million at end-December 2018. The increase can be attributed to the recognition of IFRS 16 debt (€351 million), the acquisition of assets in Wilbur Curtis and an increase in the working capital requirement stemming from a high-performing March (customer receivables) and anticipation for a dynamic second quarter (stocks).

OUTLOOK

As a reminder, for Groupe SEB, the first quarter is not representative of the full fiscal year. However, the strong traction in sales growth, against demanding comparatives, and the increase in Operating Result from Activity reflect an excellent start to the year.

These performances were achieved in a market environment that remained difficult and volatile overall, with specific challenges in some markets, requiring our agility and responsiveness. The Group nevertheless remains confident in its ability to maintain sustained development of its small domestic equipment business and to pursue its progress in Professional Coffee Machines (PCM), including notably the integration of Wilbur Curtis in the United States. However, the excellent organic PCM sales growth achieved in first-quarter 2019 should be put into perspective with the modest comparatives and should not be extrapolated to the second half of the year.

Against this backdrop, Groupe SEB is confirming its guidance for 2019, targeting further organic sales growth and an increase in its Operating Result from Activity.

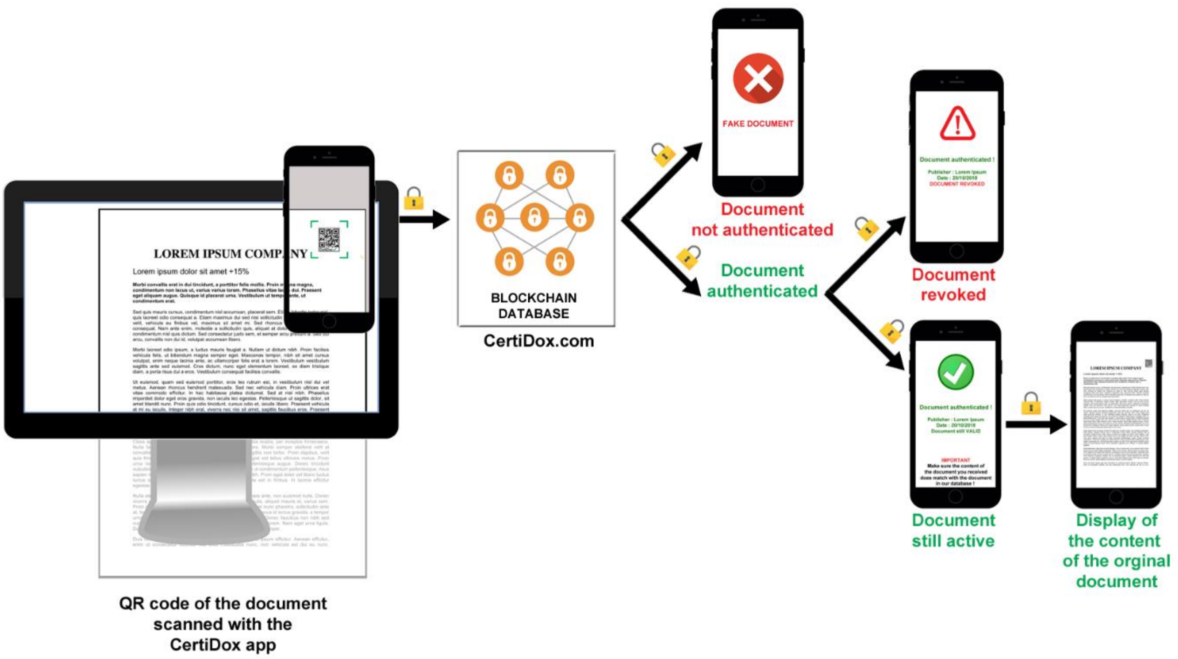
Groupe SEB strengthens the security of its regulated information

Groupe SEB is adopting the CertiDox solution developed by the Symex Electronics group to strengthen the security of its press releases. The new solution ensures readers of the authenticity of press releases in terms of the following:

- the releases have indeed been published by the company,
- their content is compliant with what the company has written.

To that end, readers simply download the CertiDox app at App Store (Apple) or Google Play (Android) free of charge via their smartphone or tablet and scan the "CertiDox" QR code displayed in the press release.

The CertiDox app indicates whether the press release is included in the database and, if such is the case, enables readers to compare the content with the content displayed on their smartphone or tablet.



GLOSSARY

On a like-for-like basis (LFL) – Organic

The amounts and growth rates at constant exchange rates and consolidation scope in a given year compared with the previous year are calculated:

- using the average exchange rates of the previous year for the period in consideration (year, half-year, quarter);
- on the basis of the scope of consolidation of the previous year.

This calculation is made primarily for sales and Operating Result from Activity.

Operating Result from Activity (ORfA)

Operating Result from Activity (ORfA) is Groupe SEB's main performance indicator. It corresponds to sales minus operating costs, i.e. the cost of sales, innovation expenditure (R&D, strategic marketing and design), advertising, operational marketing as well as commercial and administrative costs. ORfA does not include discretionary and non-discretionary profit-sharing or other non-recurring operating income and expense.

Adjusted EBITDA

Adjusted EBITDA is equal to Operating Result from Activity minus discretionary and non-discretionary profit-sharing, to which are added operating depreciation and amortization.

Net debt – Net indebtedness

This term refers to all recurring and non-recurring financial debt minus cash and cash equivalents as well as derivative instruments linked to Group financing having a maturity of under one year and easily disposed of. Net debt may also include short-term investments with no risk of a substantial change in value but with maturities of over three months.

Operating cash flow

Operating cash flow corresponds to the "net cash from operating activities / net cash used by operating activities" item in the consolidated cash flow table, restated from non-recurring transactions with an impact on the Group's net debt (for example, cash outflows related to restructuring) and after taking account of recurring investments (CAPEX).

This press release may contain certain forward-looking statements regarding Groupe SEB's activity, results and financial situation. These forecasts are based on assumptions which seem reasonable at this stage, but which depend on external factors including trends in commodity prices, exchange rates, the economic environment, demand in the Group's large markets and the impact of new product launches by competitors.

As a result of these uncertainties, Groupe SEB cannot be held liable for potential variance on its current forecasts, which result from unexpected events or unforeseeable developments.

The factors which could considerably influence Groupe SEB's economic and financial result are presented in the Annual Financial Report and Registration Document filed with the Autorité des Marchés Financiers*, the French financial markets authority.*

Better living

Listen to the recorded audiocast of the presentation on our website on April 25, from 9:00 PM CET onwards: **www.groupeseb.com** or click here

Reminder: Change of date

Please note that, following a change in the Board of Directors' schedule, the publication date of the 9-month sales and financial information has been modified. Initially set for October 24th, it has been postponed to October 29th, 2019.

Below you will find the updated schedule.

Next key dates in 2019

May 22 | 2:30 pm (Paris time)	Annual General Meeting
July 24 | before market opens	H1 2019 sales and results
October 29 | after market closes	9-month 2019 sales and financial data

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World reference in small domestic equipment, Groupe SEB operates with a unique portfolio of 30 top brands including Tefal, Seb, Rowenta, Moulinex, Krups, Lagostina, All-Clad, WMF, Emsa, Supor, marketed through multi-format retailing. Selling more than 350 million products a year, it deploys a long-term strategy focused on innovation, international development, competitiveness and service to clients. With products being present in over 150 countries, Groupe SEB generated sales of approximately €6,8 billion in 2018 and had more than 34,000 employees worldwide.