

2017 FIRST-QUARTER SALES AND FINANCIAL DATA

27 April 2017





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Some of the statements contained in this document may be forward-looking statements concerning Groupe SEB's financial position, results, businesses, strategy or projects. Groupe SEB considers that such statements are based on reasonable assumptions but cannot and does not give any assurance that the Group's future performance will be consistent with those statements. Actual results could differ from those currently anticipated in such statements due to a certain number of inherent risks and uncertainties, most of which are beyond Groupe SEB's control, such as those described in the documents filed or to be filed by Groupe SEB with the French securities regulator (Autorité des Marchés Financiers) and made available for downloading from the Company's website

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1. Figures



Key figures Q1 2017

Revenue

€1,527m

+37.0% in €

+11.5% LFL

Operating Result from Activity

as reported*

€131m

+40%

LFL

€125m

+34%

Net debt at 31/03

€1,902m - €117m vs year-end 2016

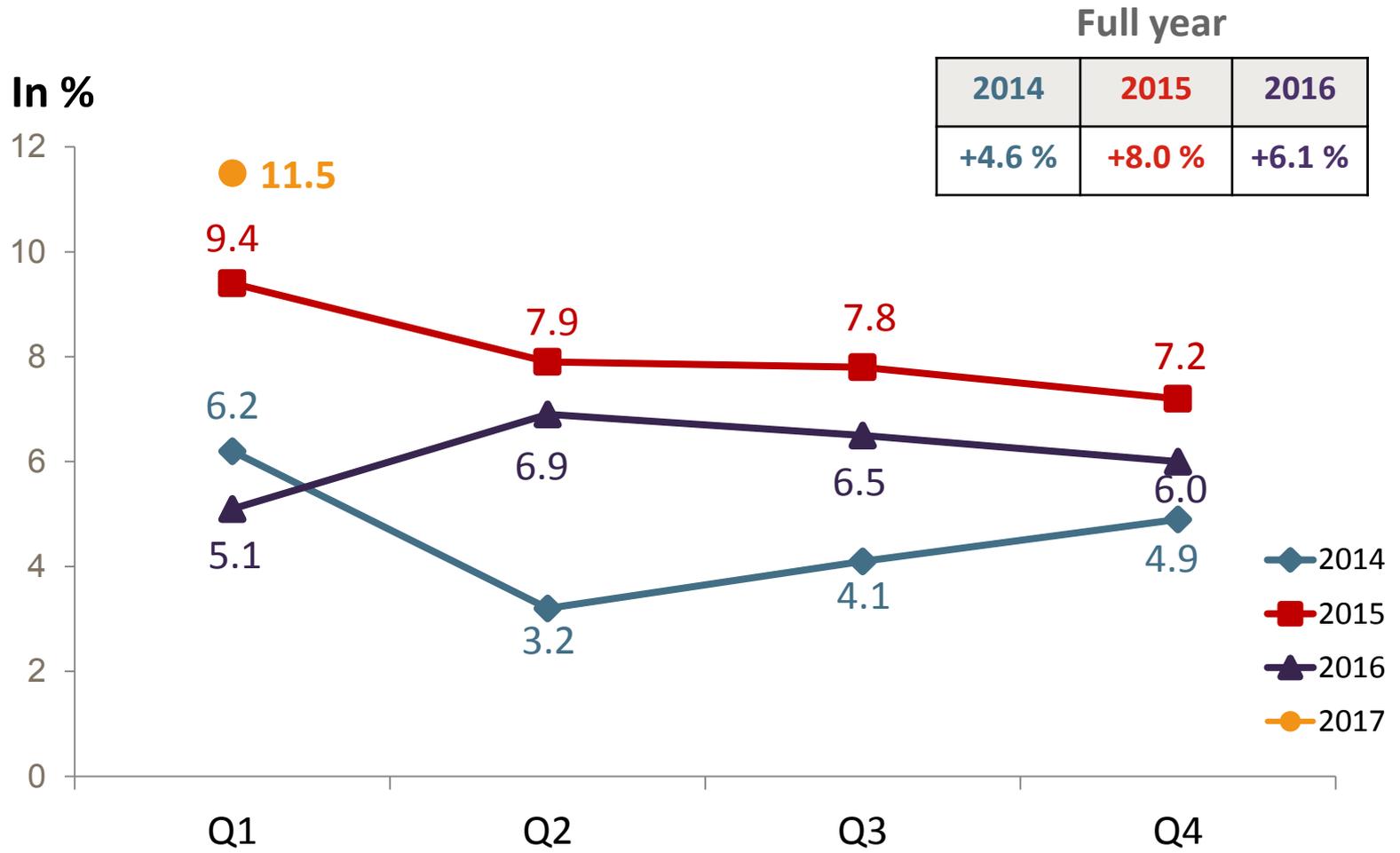
*Including -€10m of first consolidation entries for WMF (ppa)

Q1 2017 revenue by region

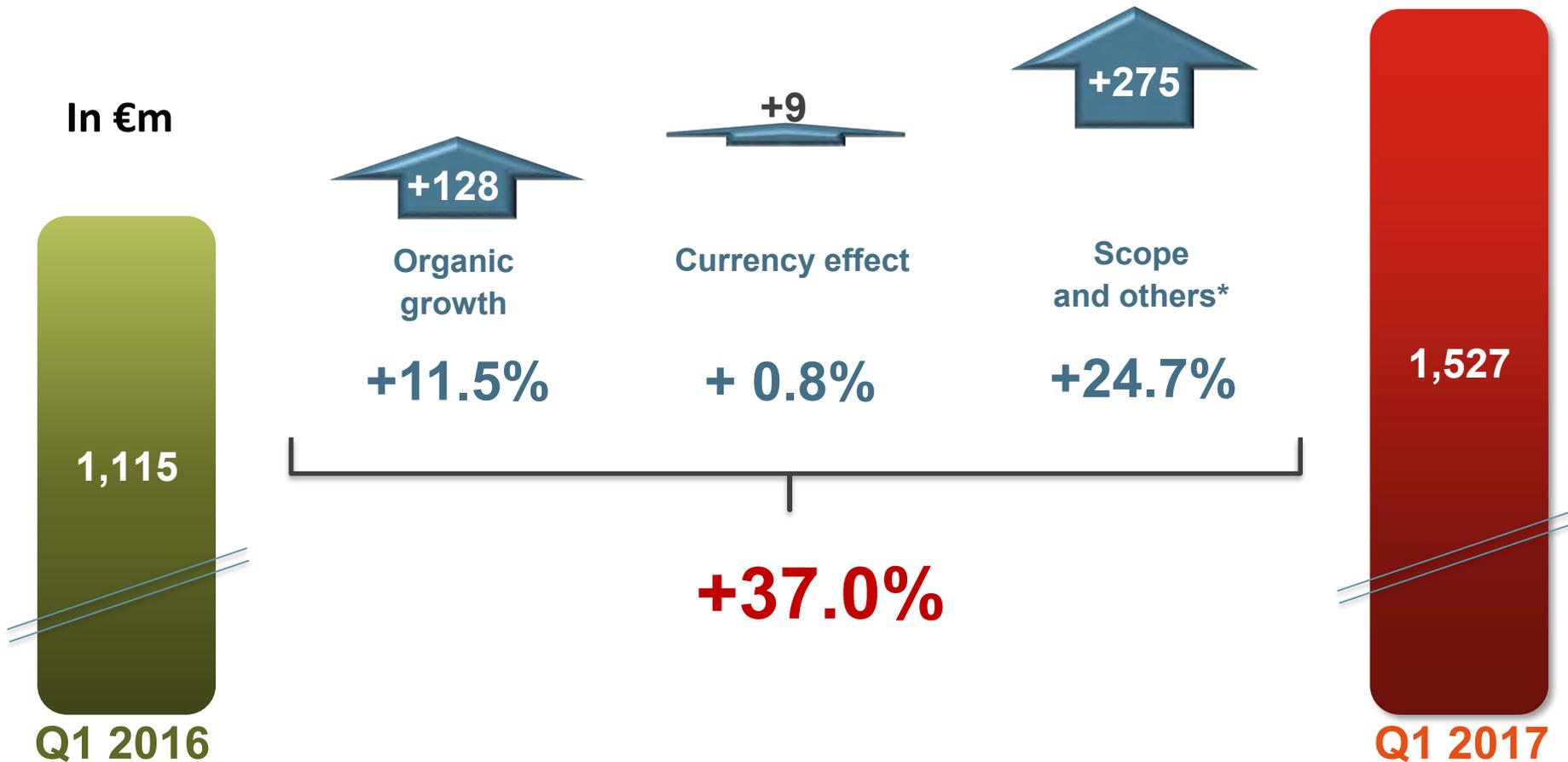
		Q1 2016	Q1 2017	As reported	LFL
 EMEA	EMEA	508	551	+8.5%	+4.8%
	Western Europe	359	390	+8.5%	+3.5%
	Other countries	149	161	+8.6%	+7.9%
 AMERICAS	AMERICAS	165	201	+22.0%	+12.1%
	North America	100	123	+23.6%	+20.5%
	South America	65	78	+19.5%	-0.9%
 ASIA	ASIA	442	501	+13.5%	+18.9%
	China	336	393	+17.2%	+26.1%*
	Other Asian countries	106	108	+1.7%	-3.6%
 SCOPE	TOTAL excl. WMF	1,115	1,253	+12,5 %	+11,5 %
	WMF		274		
	Groupe SEB		1,527	+37.0%	+11.5%

*Reclassification in China of €23m from marketing spend to sales deduction neutralized in the LFL growth calculation

Organic growth in sales, by quarter



Analysis of Q1 2017 sales growth



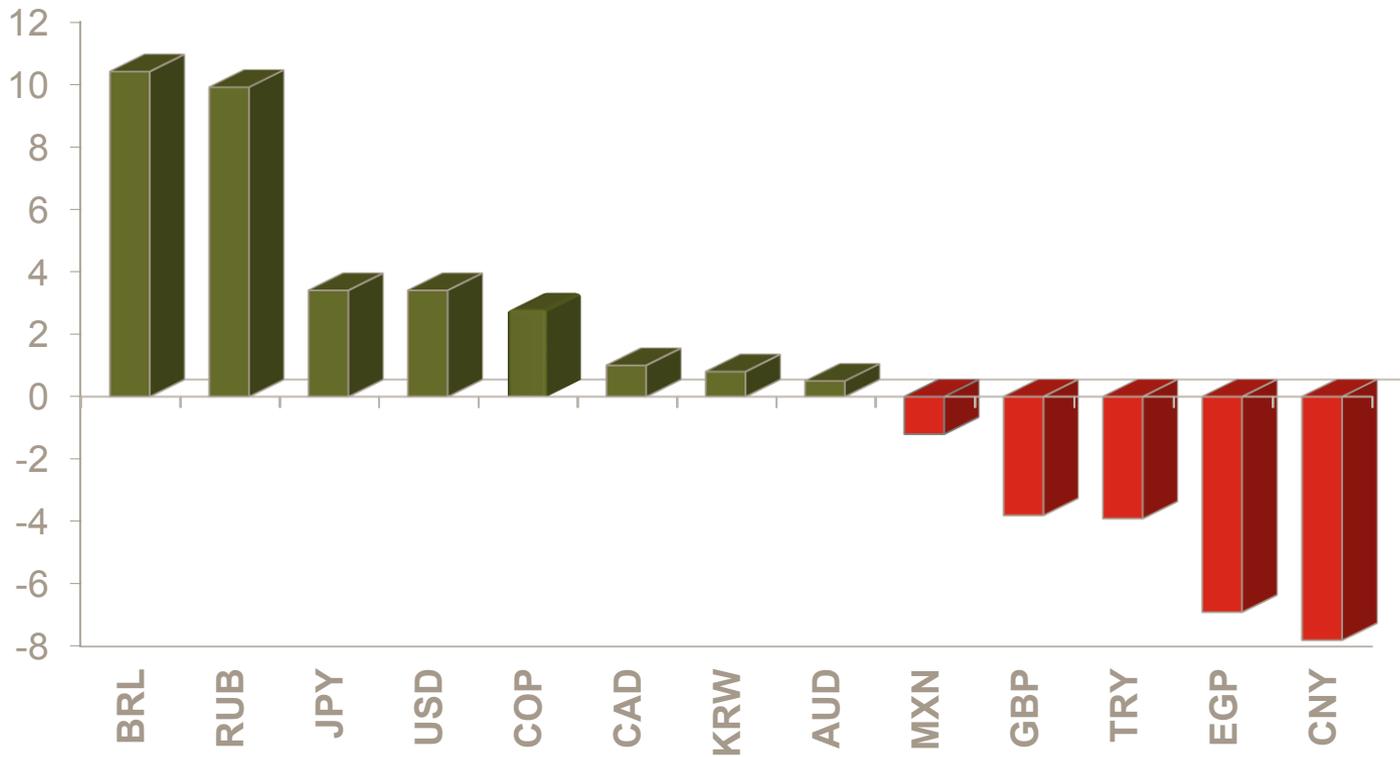
* Includes reclassification in China of €23m from marketing spend to sales deduction

Currency impact on Q1 2017 sales

Groupe SEB excl. WMF: +€9m

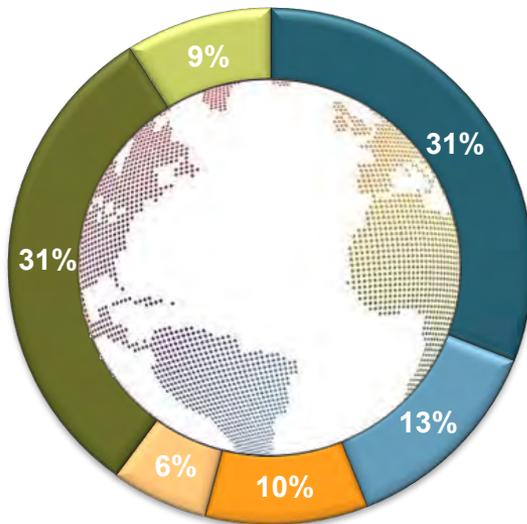
In €m

WMF adds another +€2m currency impact on sales in Q1



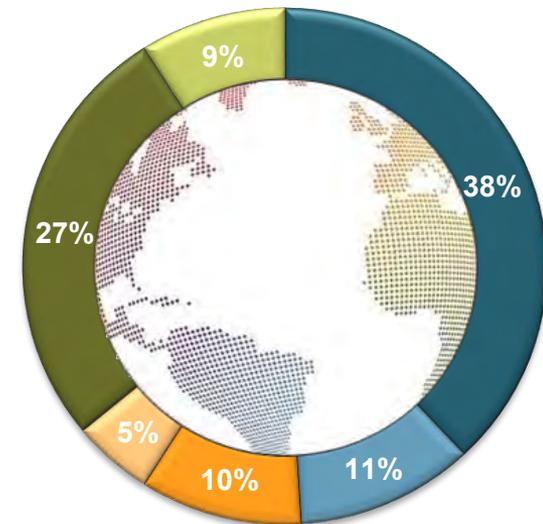
Q1 2017 sales by region

Excluding WMF



Mature countries: 47%
Emerging countries: 53%

With WMF



Mature countries: 54%
Emerging countries: 46%

- Western Europe
- Other EMEA countries
- North America
- South America
- China
- Other Asian countries

WMF sales, Q1 2017

Revenue: €274m, + 7%

Professional Business

€146m, + 26 %

- **Strong momentum in PCM**
 - New 2016 contracts (Canada, Japan...)
 - Core business: ongoing solid growth in Germany, Europe and Asia-Pacific
- **Revenue down in Hotel Equipment**

Consumer Business

€128m, - 8 %

- **Cookware business in Germany still negative after 2016 supply chain reorganization**
 - Under control
- **Cookware sales strongly up in Asia Pacific**
- **Strong dynamic in kitchen electrics**

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2. Business review by geography

Groupe SEB, 2016 scope



Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
Western Europe	359	390	+8.5%	+3.5%	+4.3%

- **Small Electrical Appliance market up in Q1**
 - Brisk momentum in vacuum cleaners and electrical cooking
- **Groupe SEB: overall ongoing positive momentum**
 - **France:** almost stable sales, up excluding cookware LP impacts. Buoyant business in small electrical appliances, nurtured by many product categories
 - **Germany:** double-digit growth, fuelled by strong impetus in vacuum cleaner, full-automatic coffee machines. Fast online development.
 - **Spain:** strong dynamic, especially in vacuum cleaning and single-serve coffee making.
 - More difficult in **Italy**, but revenue up excl. LPs
 - Return to growth in the **UK** despite price increases

Other EMEA countries



Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
Other EMEA countries	149	161	+8.6%	+7.9%	+7.4%

- **An overall positive backdrop**
 - Growing demand in Central Europe, Russia, Turkey...
- **Strong Group dynamic leading to market share gains**
 - Sharp rise in revenue in **Central Europe** with ongoing advances in **the Czech Republic, Romania, Bulgaria...**
 - **Russia:** outstanding performance in a large number of product families and promising relaunch of vacuum cleaners
 - Continued steep growth in **Turkey** relying increasingly on local-for-local products: hand blenders, grills, sandwich makers, compact vacuum cleaners...
 - More complicated business in the **Middle-East and India**. Good growth in **Egypt**.

Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
North America	100	123	+23.6%	+20.5%	-12.4%

- **Sharp rebound after a dull 2016**

USA

- ➔ Still tense retail context
- ➔ Launch of a range of Krups kitchen electrics in mass retail: strong sell-in
- ➔ Double-digit growth (LFL) for All-Clad in premium cookware and for Imusa; T-fal sales lagging behind in a highly competitive and promotional market
- ➔ Rowenta revenue moderately up

Canada

- ➔ Strong LFL rise in sales after 2 gloomy years, based on Actifry, Optigrill and cookware

Mexico

- ➔ High-single digit growth fuelled by strong performances in cookware and blenders

Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
South America	65	78	+19.5%	-0.9%	+4.3%

- **Sharp rise in the BRL and COP vs Q1 2016 → Reported sales strongly up, yet flattish LFL revenue representing business reality in the field**
- **Mixed picture depending on markets**

Brazil

- Business slightly down with buoyant sales in fans and recovery for Dolce Gusto almost offsetting drops in food preparation and ironing segments
- Industrial reorganization (São Paulo → Itatiaia) tracking on plan

Colombia

- Sales decrease mainly due to weather conditions penalizing fan business

Argentina

- Strong dynamic in an uncertain political environment

Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
China	336	415	+17.2%*	+26.1%**	+12.5%

- **Well-oriented small domestic equipment market, driven by e-commerce brisk development**
- **Supor outperforming the market thanks to innovation and product dynamic**
 - ➔ Best-sellers in cookware: pans & saucepans, cookware sets and kitchen tools
 - ➔ Continued great success in Small electrical appliances: rice cookers, kettles, high speed blenders... New advances in air purifiers and garment steamers
 - ➔ Gains of market shares, offline and online
- **To be noted**
 - ➔ *Reclassification of €23m of marketing spend ➔ Sales deductions as from Q1
 - ➔ **Reclassification effect neutralized in +26.1% LFL growth calculation



Q1 sales / €m	2016	2017	REPORTED	LFL	Reminder LFL 2016
Other Asian countries	106	108	+1.7%	-3.6%	+3.1%

- **Growing revenue in large mature markets...**

- **Japan + South Korea** = 2/3 of sales
- **Japan**: small electrical appliances driving growth → Kettles, garment steamers, launch of the Cook4me pressure multicooker
- **South Korea**: continued strong impetus in cookware, blenders and hair care
- Good momentum in **Australia**

- **... Not offsetting significant sales drops in smaller markets**

- Subdued consumption in Thailand
- Streamlining of operations in Vietnam penalizing business temporarily
- Non-repeat of large 2016 LPs in Hong-Kong and Singapore

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3. 2017 Outlook



2017 objectives confirmed

- Q1 not representative of the full year
- Encouraging start to the year

- **Guidance for 2017 confirmed:**
 - ➔ Organic sales growth
 - ➔ Increase in Operating Result from Activity
 - ➔ WMF accretive by > 20% on 2017 EPS

- *Before the impact of purchase price allocation (in particular, revaluation of inventories – which will exceptionally reduce by €14m the results reported in 2017 – and possible amortization of intangible assets)*

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3. Appendix



2015-16 quarterly sales

	2015					2016				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	483	483	520	858	2 344	508	508	570	910	2 495
-f-I growth vs. n-1 (%)	+ 7,9%	+ 5,2%	+ 5,7%	+ 7,5%	+ 6,7%	+ 5,3%	+ 6,0%	+ 6,9%	+ 4,8%	+ 5,6%
Reported growth vs. n-1 (%)	+ 4,5%	+ 5,4%	+ 4,2%	+ 9,5%	+ 6,4%	+ 5,2%	+ 5,0%	+ 9,6%	+ 6,0%	+ 6,4%
o/w EMEA - Western	336	348	383	669	1 736	359	372	416	687	1 834
-f-I growth vs. n-1 (%)	+ 5,2%	+ 7,6%	+ 7,6%	+ 9,1%	+ 7,7%	+ 4,3%	+ 5,0%	+ 4,6%	+ 0,7%	+ 3,1%
Reported growth vs. n-1 (%)	+ 6,5%	+ 8,9%	+ 10,5%	+ 13,6%	+ 10,5%	+ 6,9%	+ 6,7%	+ 8,6%	+ 2,7%	+ 5,6%
o/w EMEA - Others	147	135	137	189	608	149	136	154	223	661
-f-I growth vs. n-1 (%)	+ 13,9%	- 0,2%	+ 1,4%	+ 2,4%	+ 4,2%	+ 7,4%	+ 8,5%	+ 13,1%	+ 19,5%	+ 12,7%
Reported growth vs. n-1 (%)	+ 0,2%	- 2,7%	- 10,4%	- 2,9%	- 4,0%	+ 1,2%	+ 0,6%	+ 12,6%	+ 17,7%	+ 8,7%
Americas	199	221	261	291	973	165	187	265	301	919
-f-I growth vs. n-1 (%)	+ 3,4%	+ 8,6%	+ 8,0%	+ 1,6%	+ 5,1%	- 5,5%	- 5,3%	+ 2,0%	+ 0,1%	- 1,8%
Reported growth vs. n-1 (%)	+ 13,9%	+ 15,7%	+ 3,8%	- 2,7%	+ 6,1%	- 17,3%	- 15,1%	+ 1,5%	+ 3,4%	- 5,5%
o/w North America	117	129	160	192	599	100	114	160	189	564
-f-I growth vs. n-1 (%)	+ 6,4%	+ 10,3%	+ 8,3%	+ 3,4%	+ 6,7%	- 12,4%	- 6,9%	+ 1,4%	- 1,5%	- 4,0%
Reported growth vs. n-1 (%)	+ 25,1%	+ 30,4%	+ 21,4%	+ 12,3%	+ 20,7%	- 14,2 %	- 11,4%	- 0,3%	- 1,9%	- 5,9%
o/w South America	82	92	101	99	374	65	73	105	112	355
-f-I growth vs. n-1 (%)	- 0,1%	+ 6,7%	+ 7,7%	- 0,9%	+ 3,3%	+ 4,3%	- 3,0%	+ 3,0%	+ 3,1%	+ 1,8%
Reported growth vs. n-1 (%)	+ 1,2%	- 0,3%	- 15,7%	- 22,6%	- 11,2%	- 21,6%	- 20,4%	+ 4,4%	+ 13,8%	- 5,0%
Asia-Pacific	407	320	346	380	1 453	442	354	369	421	1 586
-f-I growth vs. n-1 (%)	+ 15,1%	+ 12,7%	+ 11,5%	+ 11,8%	+ 12,8%	+ 10,1%	+ 16,8%	+ 9,5%	+ 13,3%	+ 12,3%
Reported growth vs. n-1 (%)	+ 34,1%	+ 35,3%	+ 24,9%	+ 20,5%	+ 28,3%	+ 8,6%	+ 10,8%	+ 6,5%	+10,8%	+ 9,2%
o/w China	304	218	248	251	1 020	336	250	259	278	1 122
-f-I growth vs. n-1 (%)	+ 17,5%	+ 16,2%	+ 14,9%	+ 17,4%	+ 16,6%	+12,5%	+ 23,5%	+ 10,2%	+ 17,1%	+ 15,4%
Reported growth vs. n-1 (%)	+ 38,8%	+ 45,1%	+ 32,4%	+ 28,8%	+ 35,9%	+ 10,5%	+ 14,7%	+ 4,4%	+ 10,9%	+ 10,0%
o/w Rest of Asia	103	102	98	129	433	106	104	110	143	464
-f-I growth vs. n-1 (%)	+ 8,7%	+ 6,6%	+ 4,3%	+ 2,7%	+ 5,3%	+ 3,1%	+ 2,4%	+ 7,6%	+ 6,0%	+ 4,8%
Reported growth vs. n-1 (%)	+ 21,8%	+ 18,1%	+ 9,3%	+ 7,1%	+ 13,4%	+ 3,2%	+ 2,3%	+ 11,6%	+ 10,5%	+ 7,1%
Total	1 089	1 024	1 127	1 529	4 770	1 115	1 049	1 204	1 632	5 000
-f-I growth vs. n-1 (%)	+ 9,4%	+ 7,9%	+ 7,8%	+ 7,2%	+ 8,0%	+ 5,1%	+ 6,9%	+ 6,5%	+ 6,0%	+ 6,1%
Reported growth vs. n-1 (%)	+ 15,8%	+ 15,6%	+ 9,7%	+ 9,4%	+ 12,1%	+ 2,3%	+ 2,5%	+ 6,8%	+ 6,7%	+ 4,8%

Rounded figures in €m // % based on non-rounded figures



- 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 nor 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).

Schedule for **upcoming events**



27/04/2017 5:40 pm	2017 first-quarter sales and financial data
11/05/2017 2:30 pm	2017 Annual General Meeting
26/07/2017 6:30 am	2017 first-half sales and results
23/10/2017 5:40 pm	2017 9 months sales and financial data

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