January 23, 2019

Provisional 2018 sales

Another great year of growth

- **Annual sales: €6,812m, +5.1% and +7.8% LFL****
  o/w Consumer +7.2% and Professional +14.3% LFL*
- **Fourth-quarter sales: €2,184m, +7.8% and +8.4% LFL****
  o/w Consumer +7.0% and Professional +27.4% LFL*

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

Thierry de La Tour d'Artaise, Chairman and CEO of Groupe SEB, stated:

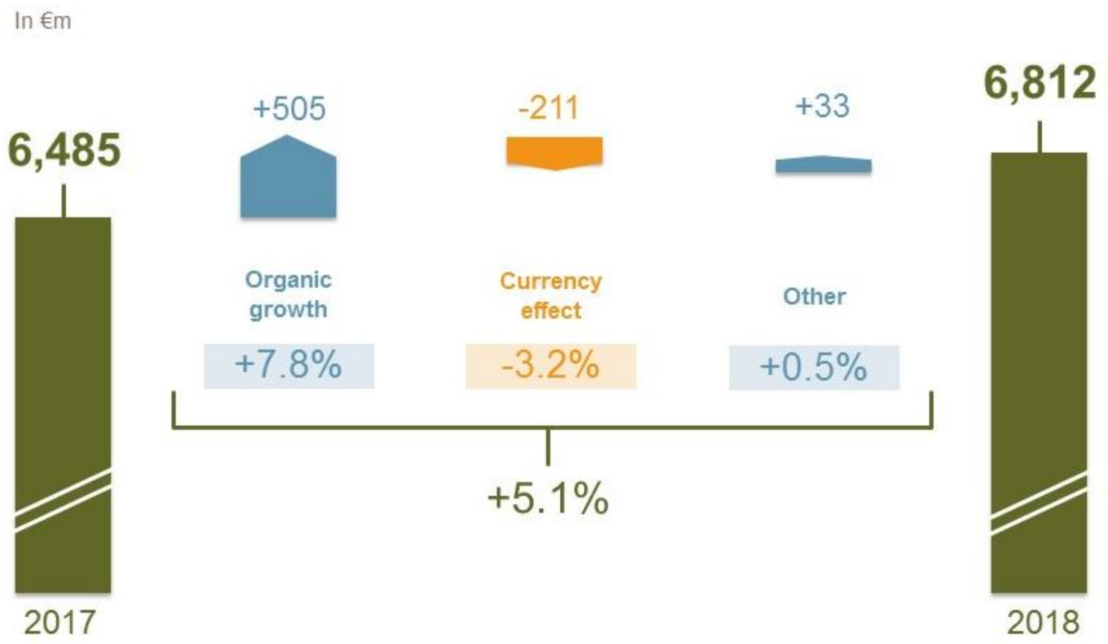
"*Despite a macroeconomic environment that grew more difficult month by month, organic growth continued at a strong pace and, for the fourth consecutive year, ended above 6%. This demonstrates the favorable trends in business in most of our markets, and reflects our diverse offer and the strength in our brand portfolio."*

GENERAL COMMENTS ON GROUP PERFORMANCE

For the year as a whole, Group sales came out at €6,812 million, up 5.1%, of which organic growth of 7.8% (+€505 million) and a -3.2% currency effect (-€211 million, resulting primarily from the Chinese yuan, Brazilian real, Turkish lira, Russian rouble and US dollar). Fourth-quarter sales amounted to €2,184 million, up 7.8%, including organic growth at 8.4% and a currency effect at -1.6% (mainly due to the Brazilian real, Turkish lira, Russian rouble and Chinese yuan).

Organic growth factors in non-recurring events and items in Brazil and France, which impacted the regions concerned but whose net effect on Group sales was not material.

CHANGE IN FULL-YEAR SALES BETWEEN 2018 AND 2019



REVENUE BY REGION

Revenue (€m)	2017	2018	Change 2018/2017 As reported	Change 2018/2017 Like-for-like*
EMEA	**3,170**	**3,223**	**+1.7%**	**+3.3%**
Western Europe	2,424	2,430	+0.2%	+0.4%
Other countries	746	793	+6.4%	+12.5%
AMERICAS	**946**	**887**	**-6.3%**	**+0.4%**
North America	579	547	-5.5%	-4.4%
South America	367	340	-7.4%	+8.2%
ASIA	**1,806**	**2,067**	**+14.5%**	**+17.6%**
China	1,286	1,554	+20.9%	+24.3%
Other countries	520	513	-1.2%	+0.9%
TOTAL Consumer	**5,922**	**6,177**	**+4.3%**	**+7.2%**
WMF Professional	**563**	**635**	**+12.8%**	**+14.3%**
GROUPE SEB	**6,485**	**6,812**	**+5.1%**	**+7.8%**

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

Rounded figures in € million

Percentages based on non-rounded figures

	Revenue (€m)	Fourth quarter 2017	Fourth quarter 2018	Change 2018/2017	
				As reported	Like-for-like*
EMEA	**EMEA**	**1,137**	**1,171**	**+3.0%**	**+3.0%**
	Western Europe	901	894	-0.8%	-0.7%
	Other countries	236	277	+17.3%	+17.2%
AMERICAS	**AMERICAS**	**292**	**314**	**+7.8%**	**+12.1%**
	North America	184	190	+3.7%	+0.1%
	South America	108	124	+14.8%	+32.4%
ASIA	**ASIA**	**461**	**523**	**+13.5%**	**+13.9%**
	China	313	362	+15.6%	+17.1%
	Other countries	148	161	+9.1%	+7.0%
	TOTAL Consumer	**1,990**	**2,008**	**+6.3%**	**+7.0%**
	WMF Professional	**136**	**176**	**+29.6%**	**+27.4%**
	GROUPE SEB	**2,026**	**2,184**	**+7.8%**	**+8.4%**

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

Rounded figures in € million

Percentages based on non-rounded figures

SALES BY REGION

EMEA

WESTERN EUROPE

In 2018, the European small electrical appliance market grew more modestly on the whole than in previous years. Following a 0.7% downturn like-for-like in the fourth quarter, the Group posted a slight positive organic growth for the full year. This performance is notably owing to a decline in loyalty programs (LPs) and business activity in France.

Performances were contrasted from one country to the next.

In France, Group sales were down 3.4% for the year, with a 7.3% decline in the fourth quarter in the context of demanding 2017 comparatives (+4.7%). On top of a sluggish environment and difficulties in the offline retail industry, the fourth quarter was impacted by the yellow-vest demonstrations. The latter affected the Group's core activity (including cookware, ironing, deep fryers and breakfast ranges) and penalized a loyalty program. Nevertheless, it should be highlighted that our recent innovations remain our main commercial successes, particularly Cuisine Companion, versatile "all-in-one" vacuum cleaners and the Cake Factory cake maker.

Performance outside France was more positive. In the German market, less buoyant, our core business excluding loyalty programs remained brisk, fueled by our flagship products (vacuum cleaners, full-automatic espresso machines, Optigrill) and by continued growth in online sales. Momentum also remained solid in Spain -thanks to vacuum cleaners (particularly versatile and robot models), full-automatic espresso machines, cookware, and WMF products- and in Portugal and Italy, where it was also boosted by loyalty programs. The Group achieved an excellent performance in the Netherlands, combining growth in core activity, bolstered by new launches (vacuum cleaners) and a major end-of-year loyalty program. Lastly, our sales were down in the UK owing to a complicated and lacklustre market ahead of Brexit.

Against this backdrop, the Group strengthened its positions in most Western European countries.

OTHER EMEA COUNTRIES

In the other EMEA countries, organic sales growth came out at +12.5% for the year and +17.2% in the fourth quarter. This solid performance was driven by practically all the major countries in the region and reflected in the overall strengthening of our market positions. The negative currency effect, which was substantial for the year as a whole and more limited in the fourth quarter, led to offsetting price increases in several countries.

Central Europe played a key role in sales development in 2018. Poland was a strong and steady growth driver throughout the year (approximately up 30% like-for-like), while Romania and Slovakia posted a very good year, bolstered by a sharp acceleration in the fourth quarter. The Group also continued its rapid expansion in Ukraine, with considerable market share gains. Brisk sales growth was also confirmed in Russia, against demanding 2017 comparatives. The main growth contributors were our usual mainstays, notably cookware, vacuum cleaners, full-automatic espresso machines, and kettles. WMF products also made encouraging headway thanks to extended distribution. Hence, the Group once again consolidated its positions in Russia both in small electrical appliances and cookware.

In Turkey, in an economic environment that has deteriorated since the summer, the Group succeeded in maintaining a solid level of business activity while setting price increases to offset the weakening of the currency. We continued to outperform a downwards trending market (in volume) in the fourth quarter thanks to the implementation of our growth drivers, including: a well-balanced product offering combining innovations and a tactical line-up of core-range locally-produced products at attractive prices, as well as a multi-channel distribution policy and gradual, profitable development of WMF business in premium store networks.

While sales fell sharply in the Middle East in a context of severe recession, the Group achieved an excellent year in Egypt

AMERICAS

NORTH AMERICA

Group sales were down 4.4% on a like-for-like basis. After a stable fourth quarter, the second half of the year was positive, but failed to offset the shortfall posted at the end of June (-11.5% in organic terms) that stemmed from high 2017 comparatives in the United States and difficult business activity in Canada. Generally speaking, 2018 was a year of highly contrasted performances in terms of countries and quarters.

Our business activity in the United States in 2018 was disrupted by difficulties in the retail industry, resulting from the continued rise of online sales, with its attendant effects on brick-and-mortar retail outlets: an increase in promotional deals, stock reductions, store closures and bankruptcies. In this context, annual sales remained down, following a fourth quarter that ended to be less penalizing. The decrease resulted mainly from small electrical appliances (despite very good performances in Rowenta garment steamers), with cookware sales (T-Fal, Imusa, All-Clad) practically stable.

The retail sector is also massively transforming in Canada, where the strong trend in consolidation is ultimately reflected in heightened competitive and promotional pressure. Against this background, the Group ended the year with a substantial fall in sales despite strong performances in cookware.

In the buoyant Mexican market, the robust growth achieved in the quarter and for the full year was fueled by flagship products (cookware, blenders, the confirmed strong debut of recently launched fans) and the introduction of new filter coffee and espresso machine product listings with major customers. These performances helped the Group to increase its market share.

SOUTH AMERICA

Currencies continued to play an unfavorable role in sales in South America, particularly owing to the continued depreciation of the Brazilian real and the Colombian and Argentine pesos. The sharp increase in sales in the fourth quarter results primarily from the recognition of a tax receivable in Brazil amounting to €32 million. Excluding this non-recurring item, sales would be down 2.8% in the quarter on a like-for-like basis. Over the year, the impact of all non-recurring items in Brazil (tax receivable, impact of a defaulting customer, truck drivers' strikes, formatting of cookware production chain at Itatiaia) was marginal on sales' development in South America.

In Brazil, after a period of uncertainty relating to the presidential election, the macro-economic environment is showing signs of improvement. Yet, for the year as a whole, the environment was volatile, one of our customers defaulted and the competitive environment in small household equipment proved particularly harsh. In cookware, the slower-than-expected ramp-up at the new Itatiaia plant weighed significantly on our performance. In small electrical appliances, business was practically stable in 2018 but contrasted based on product category. Business activity increased slightly in fans (in a market that fell sharply) on the success of new, silent and compact models, as well as in food preparation (notably thanks to the PowerMax blenders), but decreased for beverage preparation devices (Dolce Gusto) and in linen care.

In Colombia, the Group ended the year on a positive trend, with a sustained sales dynamic (against demanding fourth-quarter 2017 comparatives) and strengthened its leadership in cookware and small electrical appliances. For the year as a whole, we achieved solid and high-quality growth, driven in particular by fans, blenders, frying pans, saucepans and pressure cookers. In Argentina, in an environment that has worsened, the downturn in our sales continued in the fourth quarter.

ASIA

CHINA

In 2018, the Group achieved an excellent performance, posting vigorous organic growth quarter after quarter and constantly outperforming the market. The remarkable vitality of Supor's sales must be attributed to innovation, an expanded product offering, significant marketing and advertising investment as well as an effective "on the ground" execution, in stores and online.

Cookware business' growth remained well-oriented, with, as in the first 9 months, a strong contribution from flagship product families - pressure cookers, pots, pans, and woks, supplemented by the rapid growth of kitchen utensils and accessories (thermal mugs in particular).

In small electrical appliances, activity remained highly favorable, with revenue growth in Yuan of approximately 30% over the year, driven by almost all categories in small kitchen electrics (rice cookers, electric pressure cookers, mobile induction hobs, kettles, and high-speed blenders) and boosted by new models. In addition, Supor has made rapid and continuous progress in non-kitchen electrics, with a threefold increase in sales in the fourth quarter in garment steamers and confirmed strong momentum in vacuum cleaners, notably the versatile models.

Large kitchen appliance business (extractor hoods and gas stoves) has also accelerated. Moreover, the market welcomed Supor's launch of a range of water purifiers.

E-commerce, whose growth is normalizing somewhat, based on very high historical comparatives, remained the main growth driver.

OTHER ASIAN COUNTRIES

Excluding China, revenue was up 7% on a like-for-like basis in the fourth quarter, fueled by the success of our mainstays, the continued expansion of our product offering and the opening of new proprietary stores (Japan, Malaysia, Taiwan and Hong Kong). The more modest growth over the year (+0.9%) relates, in particular, to the non-repeat of a WMF loyalty program in Taiwan in 2017.

In Japan, the solid sales momentum continued in the fourth quarter, propelled by the confirmed success of our pillars -cookware, kettles, and garment steamers- but also by the more recently launched categories, such as Cook4me multi-cookers. In South Korea, our performance was also quite positive, thanks in particular to further progress in home cleaning (rapid increase in sales of the all-in-one Air Force 360 vacuum cleaner) and in ironing (Freemove range of irons and Access Steam garment steamers), which benefited from strong marketing activation. Conversely, activity over the last three months continued to trend downwards in Australia. There was robust growth in Thailand and Malaysia, driven by cookware and kitchen tools, high-speed blenders and steam generators. Simultaneously, sales declined in Vietnam, as in the third quarter, due to retail inventory reductions, mainly of fans.

Professional sales (coffee machines and hotel equipment) totaled €635 million for the year, up 14.3% like-for-like, following an extremely strong fourth quarter, with growth of 27.4%, very similar to that in the third quarter. In addition to the very good performance in our core business -in Germanic countries and internationally- the strong acceleration in the second half of the year stemmed from the delivery of major coffee-machine contracts signed at the start of the year in the United States and China. A further large contract was signed with another American customer. Deliveries started in the fourth quarter and will be stepped up in 2019.

In the Hotel Equipment business, sales for the year were slightly down.

OUTLOOK

The solid sales momentum in 2018 and less unfavorable currencies' effects than expected allow us to generally confirm the Group's Operating Result from Activity (ORfA) growth guidance of around 3% versus 2017, in spite of tougher market conditions than forecast.

The Group also confirms its target of a net debt/adjusted EBITDA ratio below 2 at end-December 2018.

POST-BALANCE SHEET EVENTS

On January 8, 2019, Groupe SEB announced the acquisition of 100% of Wilbur Curtis' business activities. Wilbur Curtis is the second largest American manufacturer of professional coffee equipment. The transaction is subject to customary regulatory clearances and is expected to be finalized in February 2019.

Founded in 1941, Wilbur Curtis manufactures and markets equipment for the preparation of hot and cold beverages, mainly filter coffee and cappuccino machines. Sustained investment and a continuous commitment to innovation have enabled Wilbur Curtis to offer many of the US market's best-in-class product offerings.

Wilbur Curtis' sales have been increasing steadily, amounting to more than $90M, primarily in the US. Major customers include coffee roasters, specialty coffee retailers, convenience stores, fast-food chains, hotels and restaurants. Wilbur Curtis has built and maintains a long-term relationship with its customers, leveraging its professional salesforce and ensuring extensive national coverage. Its high-performance production facility located in Montebello, California, employs 300 people.

As with past acquisitions, the transaction will be debt-financed, and the Group will use existing credit lines.

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.*

Listen to the audiocast of the presentation on our website on January 23rd from 9 pm:
www.groupeseb.com or click here

Next key dates

February 28 | before market opens	2018 sales and results
April 25 | after market closes	Q1 2019 sales and financial data
May 22 | 2:30 pm (Paris time)	Annual General Meeting
July 24 | before market opens	H1 2019 sales and results
October 24 | after market closes	9-month 2019 sales and financial data

Investor/Analyst Relations

Groupe SEB
Financial Communication
and Investor Relations
Isabelle Posth and Raphaël Hoffstetter
Campus SEB – 112 chemin du Moulin Carron
69130 Ecully

comfin@groupeseb.com

Phone:+33 (0) 4 72 18 16 40

Media Relations

Groupe SEB
Corporate Communication Dept
Cathy Pianon and Anissa Djaadi

com@groupeseb.com

Phone: . + 33 (0) 6 33 13 02 00
+33 (0) 6 88 20 90 88

Image Sept
Caroline Simon
Claire Doligez
Isabelle Dunoyer de Segonzac

caroline.simon@image7.fr
cdoligez@image7.fr
isegonzac@image7.fr

Phone:+33 (0) 1 53 70 74 70

Find us on… www.groupeseb.com

World reference in small domestic equipment, Groupe SEB operates with a unique portfolio of 29 top brands including Tefal, Seb, Rowenta, Moulinex, Krups, Lagostina, All-Clad, WMF, Emsa, Supor, marketed through multi-format retailing. Selling some 300 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 €6,5 billion in 2017 and had around 33,000 employees worldwide.