

2018 FIRST-QUARTER SALES AND FINANCIAL DATA

26 April 2018



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DISCLAIMER

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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2018 FIRST-QUARTER SALES AND FINANCIAL DATA

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FIGURES



Key figures – Q1 2018

Revenue

€1,559m

+2.1% in €

+7.4% LFL

Operating Result from Activity

€123m

as reported
-6% in €

€138m

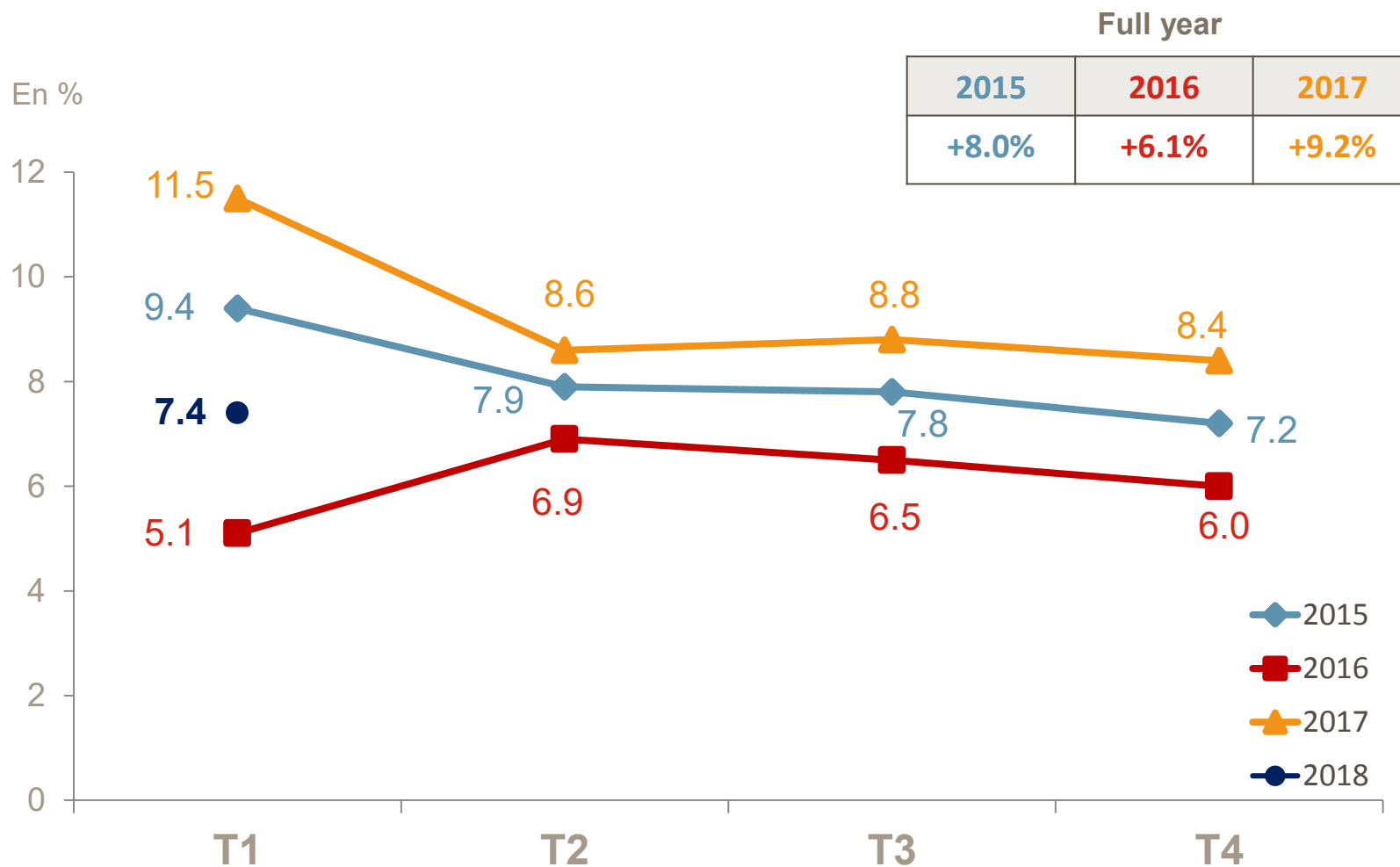
LFL and excl. 2017 PPA one-off
Stable

Net debt at 31/03

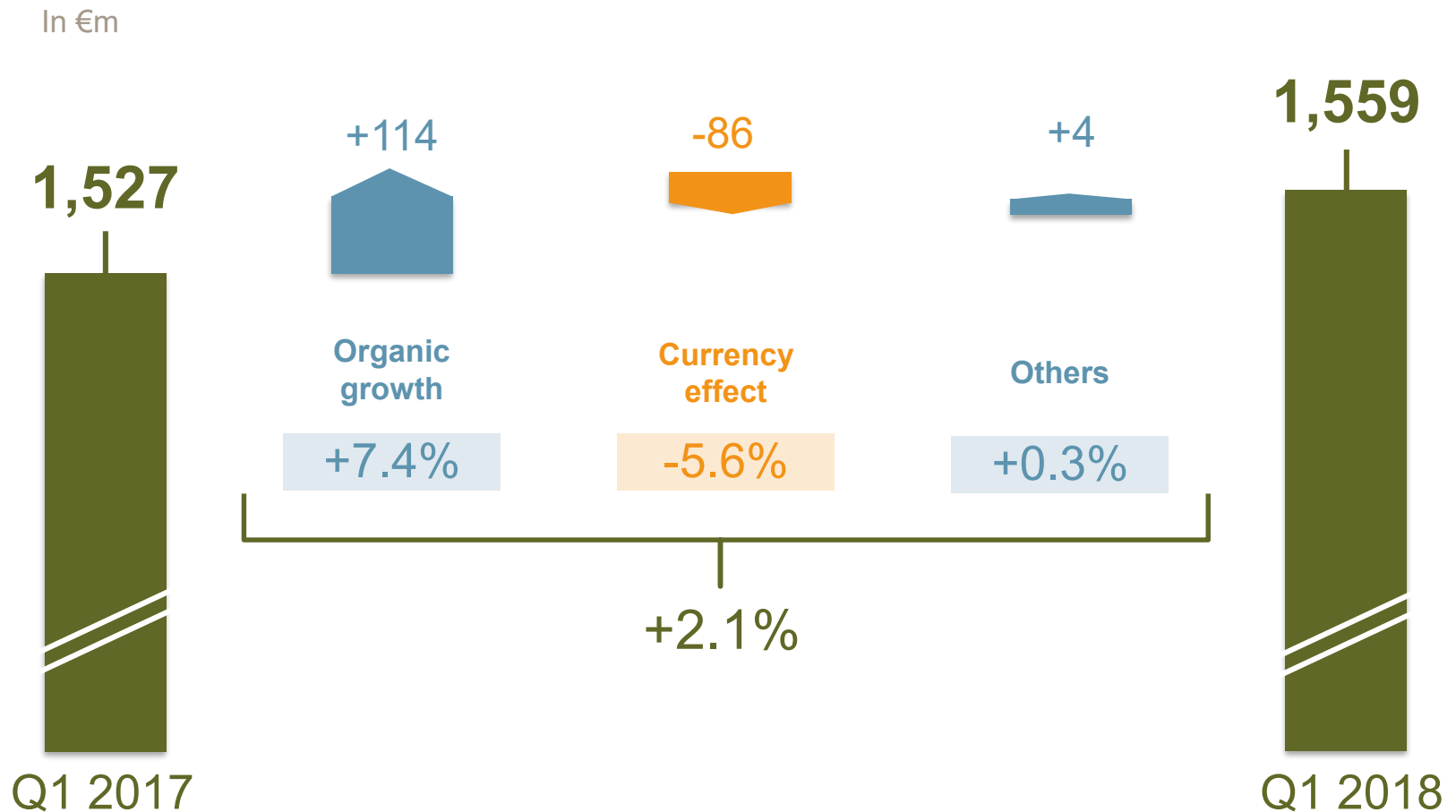
€1,725m

-€180m vs 31/12/2017

Organic growth in sales by quarter



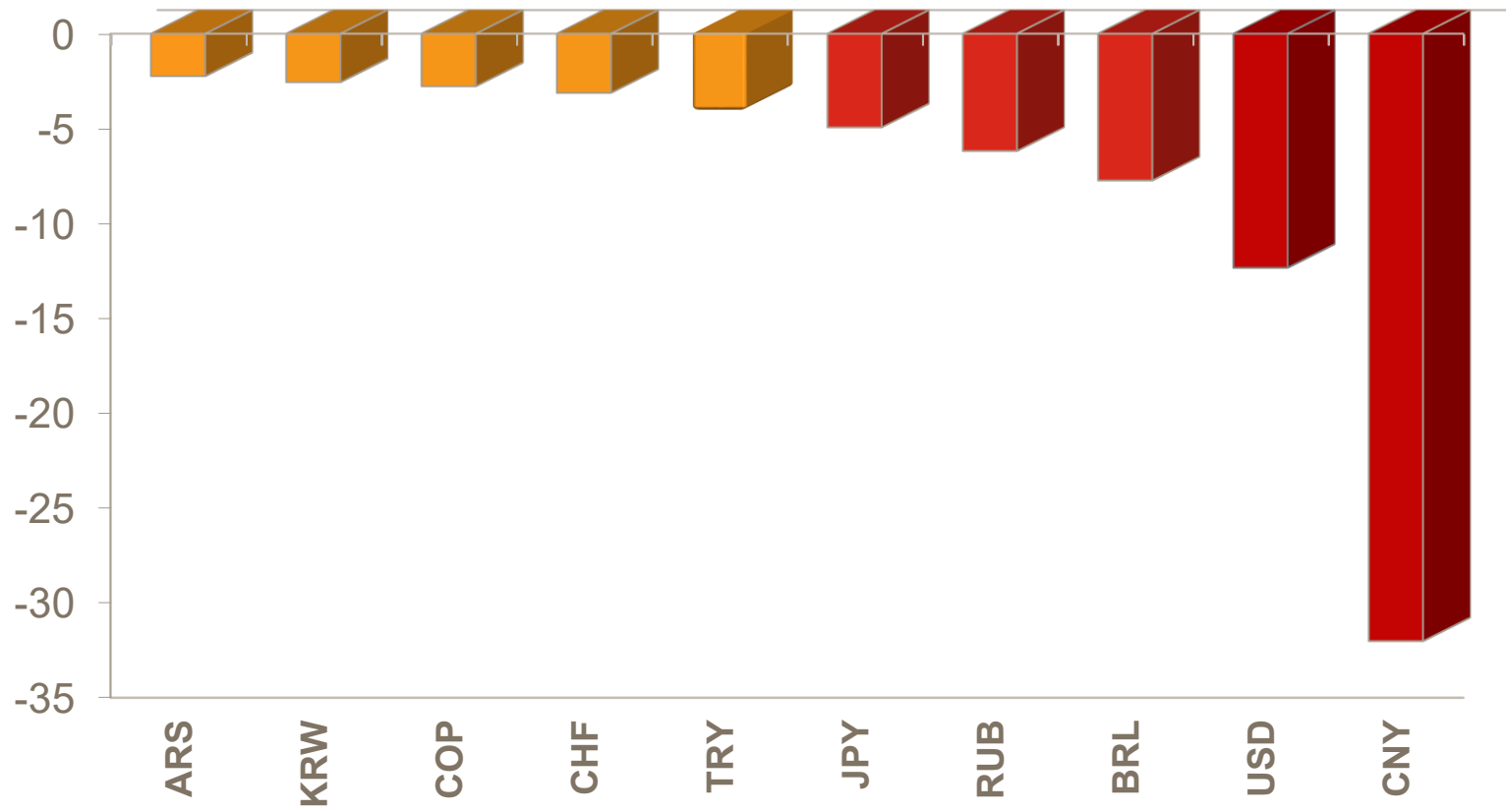
Analysis of Q1 2018 sales growth



Currency impact on Q1 2018 sales

Groupe SEB : Q1 - 86 M€

In €m



Q1 2018 revenue by region

In €m



EMEA

Western Europe

Other countries



AMERICAS

North America

South America



ASIA

China

Other Asian countries

TOTAL incl. WMF Consumer

WMF Professional

Groupe SEB

	Q1 2017	Q1 2018	As reported	LFL
EMEA	659	686	+4.1%	+6.3%
Western Europe	494	503	+1.8%	+2.2%
Other countries	165	183	+10.9%	+18.5%
AMERICAS	204	161	-21.1%	-11.0%
North America	126	92	-26.7%	-19.8%
South America	78	69	-12.2%	+4.3%
ASIA	519	578	+11.3%	+19.2%
China	403	469	+16.3%	+24.1%
Other Asian countries	116	109	-5.8%	+2.5%
TOTAL incl. WMF Consumer	1,382	1,425	+3.1%	+8.6%
WMF Professional	145	134	-7.4%	-3.8%
Groupe SEB	1,527	1,559	+2.1%	+7.4%

Q1 sales / €m	2017	2018	LFL
Professional	145	134	-3,8%
Consumer	129	124	-2,5%
WMF	274	258	-3,2%

- **Consumer sales**

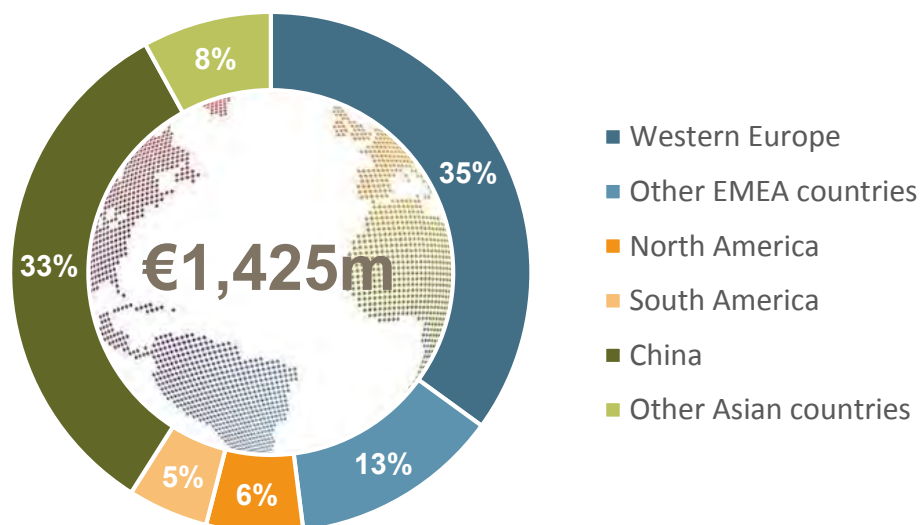
- ➔ Now **largely integrated** in the business activity of Groupe SEB market subsidiaries

- **Professional business:**

- ➔ As announced, sales **downturn on high comps**: two major contracts in Canada and Japan, delivered through third-quarter 2017.
 - ➔ Excluding these specific deals, **core business growing solidly**
 - ➔ **Recent signing of new large contracts**, in the US and China - delivery starting in Q2 2018: very strong momentum again in PCM (Professional Coffee Machines) in the coming months.

Q1 2018 sales by region

Consumer



Mature / Emerging countries

	Mature	Emerging
Consumer	47%	53%
WMF Pro.	84%	16%
GROUPE	50%	50%

BUSINESS REVIEW BY GEOGRAPHY



Western Europe



Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
Western Europe	494	503	+1.8%	+2.2%	+4.3%

- **Mixed picture on the Small Electrical Appliance market in Q1**
 - ➔ Remains driven by vacuum cleaners and electrical cooking
- **Groupe SEB: still growing at a firm pace**
 - ➔ Growth limited by the Consumer business of **WMF**, slightly decreasing (but stable in Germany)
 - ➔ **France**: good first quarter, bolstered by a widespread momentum in electrical products and a strong recovery in cookware after a complicated year.
 - ➔ **Germany**: ongoing brisk growth, propelled by vacuum cleaners, full-automatic espresso machines and electrical cooking.
 - ➔ **Spain**: e-commerce / vacuum cleaners driving sales on a buoyant market.
 - ➔ **Italy**: revenue up excl. LPs on a declining market
 - ➔ **UK**: still resilient in a difficult environment

Other EMEA countries



Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
Other EMEA countries	165	183	+10.9%	+18.5%	+7.4%

- **An ongoing overall positive backdrop despite higher FX volatility**
 - ➔ Growing demand in Central Europe, Russia, Turkey...
 - ➔ Sharp / continued depreciation of certain currencies: RUB, TRY, UAH, EGP...
- **Group strong performance leading to additional market share gains**
 - ➔ Continued robust dynamic in **Central Europe** based on flagship products and new launches
 - ➔ **Russia:** stepped-up organic sales expansion bolstered by strong investments in growth drivers. Champion products: cookware, multicookers, meat-mincers, vacuum cleaners...
 - ➔ **Turkey:** tense environment yet confirmed solid and broad-based momentum for the Group fueled by volumes and price-mix. Increasing contribution of local-for-local products in Group sales.
 - ➔ Sales down in **Saudi Arabia + UAE** and in India; growing in **Egypt**.

North America



Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
North America	126	92	-26.7%	-19.8%	-12.4%

■ As announced, a difficult first quarter

USA

- High comps in 2017: launch of a range of Krups kitchen electrics in mass retail
- General business activity still impacted by structural difficulties in US retail
- Turnover dipping in our two key categories cookware and linen care (garment steamers not offsetting the decline in irons)

Canada

- Sharp downturn in sales vs high Q1 2017 comps, in a tougher retail environment.

Mexico

- Double-digit growth fed by mainstays (cookware + irons), strong impetus in blenders and large-scaled launch of fans

South America



Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
South America	78	69	-12.2%	+4.3%	+4.3%

- **Continued depreciation of the real, the Colombian and Argentine pesos**
- **Confirmed improvement of the overall business trend**

Brazil

- ➔ In a mixed economic environment, slight growth in real, with contrasted trend by products
- ➔ Return to growth in SDA: Itatiaia site ramping-up through positive momentum in fans, a robust recovery in food preparation and a very strong development in all ironing families
- ➔ Not yet the case for cookware: on a downward trend in Q1, with full ramp-up effects expected for the second part of the year

Colombia

- ➔ Organic sales growth fueled by vigorous gains in fans, thanks to more favorable weather

Argentina

- ➔ Dynamic in the first quarter, following on from the trend observed throughout 2017

Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
China	403	469	+16.3%	+24.1%	+12.5%

- **Demand for small domestic equipment on the rise, essentially driven by e-commerce development**
- **Ongoing very robust momentum for Supor, on multi-year high comps**
 - ➔ Growth drivers: innovation / product dynamic, expansion in new categories, distribution gains including e-commerce,...
 - ➔ Supor outperforming market in both cookware and small electrical appliances
 - ➔ Supor contributing to market upgrade and premiumization
- **Champion products**
 - ➔ Cookware: pressure cookers, pots and pans, thermal mugs...
 - ➔ SDA: kitchen electrics (electrical pressure cookers, mobile induction hobs, kettles, high-speed blenders...), HPC (vacuum cleaners, garment steamers...), LKA (extractor hoods, gas stoves)

Other asian countries



Q1 sales / €m	2017	2018	REPORTED	LFL	Reminder LFL 2017
Other asian countries	116	109	-5.8%	+2.5%	+3.1%

- **Currency volatility in the region**
- **Revenue up in almost all countries**
 - ➔ **Japan:** moderate LFL growth nurtured by cookware; business softer in SDA (kettles and ironing)
 - ➔ **South Korea:** continued good dynamic (LFL) in a buoyant and very competitive market. Best sellers: vacuum cleaners, grills, food preparation
 - ➔ Continued development in **Australia**
 - ➔ Solid momentum in South-East Asia
 - Substantial organic growth in Thailand and Malaysia
 - Brisk expansion in Vietnam: Supor cookware and rice cookers, AsiaVina fans and launch of a Tefal SDA range

OUTLOOK



Outlook

- Q1 not representative of the full year
- However, high-quality 1st quarter 2018 vs high comps
- **Guidance 2018**
 - ➔ Organic sales growth should exceed 5%
 - ➔ At present FOREX rates, the Operating Result from Activity should increase by more than 5% versus the 2017 ORfA excluding one-off impacts of WMF PPA
 - ➔ Ongoing debt reduction should lead to a net debt / adjusted EBITDA below 2 at year-end 2018

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).



Upcoming events

May 16	2018 Annual General Meeting
July 25 before market opens	2018 first-half sales and results
October 25 after market close	2018 9 month sales and financial data

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