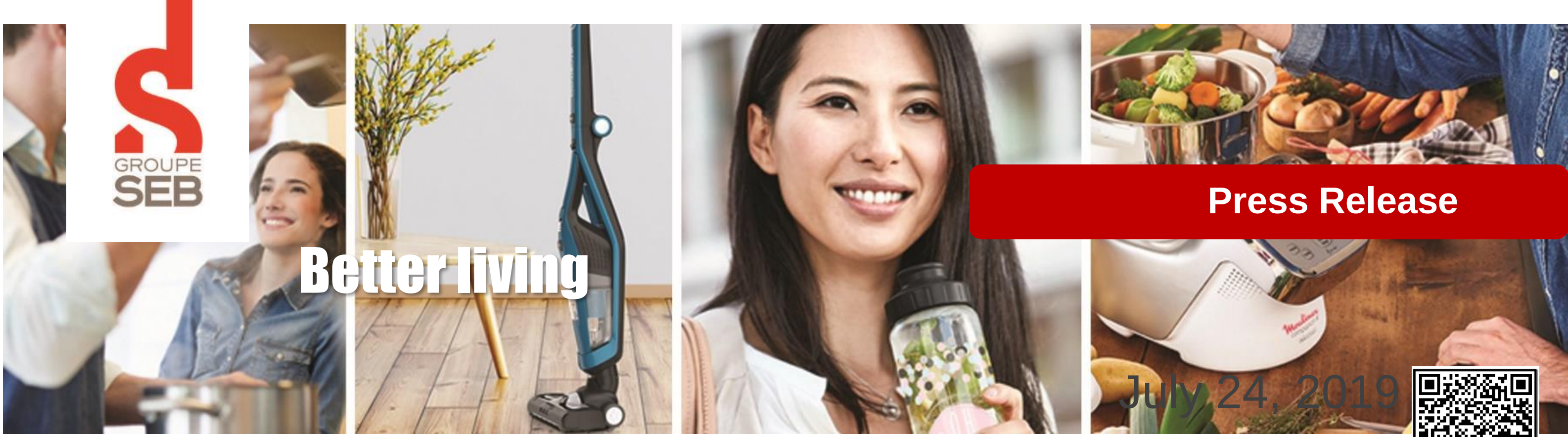


**Press Release**

July 24, 2019

# 2019 Half-year Sales and Results

## A VERY DYNAMIC FIRST-HALF PERFORMANCE

- **Sales: €3,337m, +10.3% and +8.4% LFL***
- **Operating Result from Activity (ORfA): €230m, +10.7%, +8.1% LFL***
- **Net profit: €100m, +9.8%**
- **Net financial debt: €2,428m, o/w €346m from IFRS 16**

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

### Statement of Thierry de La Tour d'Artaise, Chairman and Chief Executive Officer of Groupe SEB:

*"Our organic growth in sales and Operating Result from Activity, which exceeded 8% in first-half 2019, once again demonstrates the strong momentum of our business model.*

*This performance, supported by solid fundamentals, was achieved in a complex and volatile environment, marked by competition and promotion-driven pressures linked to the profound changes in the retail industry.*

*Building on this momentum and all ongoing initiatives, Groupe SEB targets for 2019 an organic sales growth above 7% and, based on current exchange rates, an increase of around 6% in reported Operating Result from Activity."*

## GENERAL COMMENTS ON GROUP PERFORMANCE

In a market environment that remains complicated worldwide, Groupe SEB delivered a very good first-half performance. Revenue at June 30 amounted to €3,337 million, up 10.3%, including organic growth of +8.4%, a currency effect of +0.5% and a scope effect of +1.4%. The latter reflects the consolidation since February 8 of Wilbur Curtis, an American company specialized in professional filter coffee machines, in addition to that of our joint-venture (JV) in Egypt in its new configuration. This solid like-for-like momentum can be broken down as follows:

- **Consumer business**, **+7.2%,** growth driven by all geographies (the main drivers being Eurasia, Brazil and China) and by almost all product categories, except linen care, where the global market is declining. It reflects both a solid core business and a significant increase in loyalty programs (LPs) compared with first-half 2018, particularly in cookware.
- **Professional** (WMF coffee machines and hotel equipment), **+20.1%** thanks to Professional Coffee, which benefited in particular from the roll-out of major contracts signed with key accounts in the United States and Asia.

This 18th consecutive quarter of organic growth above 5% confirms our continued robust sales momentum.

Operating Result from Activity (ORfA) in the first half came out at **€230 million, up 10.7%.** It includes a **currency effect of -€5 million** and a **scope** (mainly Wilbur Curtis) **and method (IFRS 16) effect of +€11 million. At constant structure and exchange rates, ORfA was up 8.1% at June 30,** reflecting the vigorous Consumer business and the excellent momentum in Professional Coffee.

At June 30, 2019, net financial debt ended at **€2,428 million,** compared with €2,015 million at the end of first-half 2018 (on the same seasonal basis). It includes both the recognition of IFRS 16 debt (€346 million) and the acquisition of Wilbur Curtis in February 2019.

## RESULTS

| Consolidated financial results (€m) | H1 2018 | H1 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like |
|---|---|---|---|---|
| Revenue | 3,025 | **3,337** | **+10.3%** | **+8.4%** |
| Operating Result from Activity (ORfA) | 208 | **230** | **+10.7%** | **+8.1%** |
| Operating profit | 186 | **213** | **+14.5%** | |
| Profit attributable to owners of the parent | 91 | **100** | **+9.8%** | |
| Net debt (at June 30) | 2,015 | **2,428** | **+€413m** | |

*Rounded figures in €m* ***% calculated in non-rounded figures***

## DETAIL OF REVENUE BY REGION



| Revenue in €M | H1 2018 | H1 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like* | Q2 2019 Like-for-like |
|---|---|---|---|---|---|
| **EMEA** | **1,337** | **1,401** | **+4.7%** | **+5.0%** | **+5.9%** |
| Western Europe | 997 | 1,033 | +3.6% | +3.6% | +4.1% |
| Other countries | 340 | 368 | +8.0% | +9.1% | +11.4% |
| **AMERICAS** | **338** | **362** | **+7.3%** | **+6.6%** | **+8.8%** |
| North America | 204 | 224 | +9.5% | +3.0% | +2.3% |
| South America | 134 | 138 | +3.9% | +12.1% | +19.8% |
| **ASIA** | **1,060** | **1,182** | **+11.6%** | **+10.1%** | **+8.6%** |
| China | 825 | 938 | +13.7% | +12.8% | +11.9% |
| Other countries | 235 | 244 | +4.3% | +0.7% | -0.9% |
| **TOTAL Consumer** | **2,735** | **2,946** | **+7.7%** | **+7.2%** | **+7.3%** |
| **Professional business** | **290** | **391** | **+34.9%** | **+20.1%** | **+16.3%** |
| **GROUPE SEB** | **3,025** | **3,337** | **+10.3%** | **+8.4%** | **+8.2%** |

** Like-for-like: at constant exchange rates and scope* *Rounded figures in €m* *% calculated in non-rounded figures*

## SALES BY REGION

EMEA

| Revenue in €M | H1 2018 | H1 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like | Q2 2019 Like-for-like |
|---|---|---|---|---|---|
| **Total region** | **1,337** | **1,401** | **+4.7%** | **+5.0%** | **+5.9%** |
| Western Europe | 997 | 1,033 | +3.6% | +3.6% | +4.1% |
| Other EMEA countries | 340 | 368 | +8.0% | +9.1% | +11.4% |

### WESTERN EUROPE

In a well-oriented market, the Group's sales growth in Western Europe over the first six months was firm, slightly accelerating in the second quarter. It was fueled by strong core business and major loyalty programs (LPs).

In France, half-yearly sales were almost stable on 2018, but the second quarter saw a return to slight growth. However, the latter is composed of mixed performances: in cookware, in a declining market, activity benefited from the success of a special commercial offer focused on the Tefal Resource range, made out of recycled aluminium. In small electric appliances, in a promising market, it remained driven by versatile vacuum cleaners, automatic espresso machines, brunch ranges, Cake Factory, Cookeo, Steampod and fans, favored by weather conditions. Conversely, sales of irons, BeerTender (football World Cup base effect) and canister vacuum cleaners have declined in recent months.

Outside France, the increase in revenue included the vast majority of countries.

In Germany, against a more difficult backdrop, growth in sales continued to be boosted by our flagship products.

In the Netherlands, the vigorous growth of the first quarter continued and we largely outperformed the market, bolstered in particular by the successful launch of our range of vacuum cleaners and by major LPs. Belgium was also a solid growth driver, propelled by cookware and almost all small electrical appliance families, as well as by the good performance delivered by the Group's stores. Moreover, early year sales momentum strengthened in the second quarter in Italy. In Spain, in a market driven by new categories (robot and versatile vacuum cleaners, garment steamers, etc.), our sales saw further growth despite destocking by some retailers.

Finally, in the United Kingdom, our activity declined over the first half of the year in a declining market.

### OTHER EMEA COUNTRIES

Our half-yearly sales in the region rose by 9.1% like-for-like, with a marked acceleration between April and June. This robust traction was achieved in a buoyant market environment and was driven by both core business and loyalty programs. It has resulted in market share gains, both in physical distribution and e-commerce.

Among the countries that contribute most to growth are Central Europe (Poland, Hungary, Bulgaria, etc.) and Ukraine, whose excellent performances are owing to most product categories and expanded distribution. In Russia, we pursued our development at a brisk pace. In Turkey, the overall complicated market environment weighed on consumption and the small electric appliance market; declining in volume, our sales increased in value (local currency) particularly thanks to the impact of price hikes in 2018. In Egypt, the launch of our JV with Zahran, extended to cookware, resulted in strong growth in business from the second quarter onwards.

In Eurasia, we should also highlight the successful integration of WMF's Consumer business and the vigorous development (nearly 20%) of sales in our own retail store network.

AMERICAS

| Revenue in €M | H1 2018 | H1 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like | Q2 2019 Like-for-like |
|---|---|---|---|---|---|
| Total region | 338 | 362 | +7.3% | +6.6% | +8.8% |
| North America | 204 | 224 | +9.5% | +3.0% | +2.3% |
| South America | 134 | 138 | +3.9% | +12.1% | +19.8% |

## NORTH AMERICA

Beyond the favorable currency effect, resulting from the appreciation of the US dollar against the euro, our sales at end-June were up 3% like-for-like.

The Group continued to operate in a tense retail environment in the United States and Canada: difficulties for offline retailers facing the growing importance of e-commerce, resulting in destocking, a permanent promotion-driven environment, reorganizations and store closures.

In the United States, in a still declining cookware market, All-Clad confirmed in the second quarter its strong momentum of the start of the year, thanks in particular to distribution gains in the premium and e-commerce channels. Sales under the T-fal brand were fueled by an enhanced offering, by new listings and the renewal of a major commercial operation with a customer. Imusa, for its part, continued its positive trajectory. In linen care, activity proved to be complicated, as the decline in demand was combined with the reorganization of the shelves of some of our retailers.

In Canada, the Group achieved stable half-year sales after a slight decline in the second quarter at constant exchange rate and scope. As in the first quarter, business grew in cookware but was more difficult in small electrical appliances, particularly in ironing.

In Mexico, in a well-oriented market, the favorable momentum accelerated in the second quarter due to excellent performances in cookware and electrical cooking (notably the brunch range).

## SOUTH AMERICA

The significant difference between growth in euros and at constant exchange rates and scope is due to the continued depreciation of currencies (notably the Brazilian real and the Colombian and Argentinian pesos). On a like-for-like basis, our revenue at June 30 rose sharply, bolstered by an accelerated pace in the second quarter (nearly 20%). Brazil remained the major driver of sales momentum.

In Brazil, the economic situation is gradually improving. Although promising, the Small Domestic Equipment market remains highly competitive and promotion-driven, making price increases complicated. Against this background, the ramp-up of the Itatiaia site continues and the solid sales dynamics of the first quarter accelerated between April and June (+25%, with admittedly low 2018 comparatives). Growth is driven by several product categories (fans, blenders - particularly the Powermax model -, oil-free deep fryers, cookware, etc.) as well as by retail gains, particularly new regional customers.

In Colombia, as in the first quarter, our sales in peso at end-June were virtually stable, yet featuring contrasted performances depending on the retail channels: difficult environment for traditional points of sale and for B2B activity; robust momentum for modern channels and our retail network. While second quarter activity remained soft for blenders, it continued to be favorable for cookware and utensils, fans and irons. The launch of the oil-free fryers also showed encouraging signs.

| ASIA<br>Revenue in €M | H1 2018 | H1 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like | Q2 2019 Like-for-like |
|---|---|---|---|---|---|
| **Total region** | **1,060** | **1,182** | **+11.6%** | **+10.1%** | **+8.6%** |
| China | 825 | 938 | +13.7% | +12.8% | +11.9% |
| Other Asian countries | 235 | 244 | +4.3% | +0.7% | -0.9% |



## CHINA

In line with the first quarter, Supor achieved organic growth of 12% between April and June, representing a solid momentum compared with the exceptional performance of the second quarter of 2018 (+30%). In a competitive and promotion-focused market, still driven by e-commerce, all product families made a positive contribution to business, with the new categories as a whole (kitchen utensils and mugs, home and linen care, large kitchen appliances) strengthening the core business (cookware and small kitchen electrics).

In cookware and kitchenware, growth remained sustained and diversified, with a special mention in the second quarter for historical families: woks, pots & pans and pressure cookers.

Small kitchen electrics has remained robust in recent months, with blenders (classic and high-speed), “health pots” kettles and grills (baking pans). At the same time, the rise in Home Care continues, with good progress in linen care (particularly for the latest launches in garment steamers) and vacuum cleaners.

Finally, the large kitchen appliance business is still buoyant, propelled by extractor hoods and water purifiers, recently launched on the market.

## OTHER ASIAN COUNTRIES

Excluding China, the Group's half-yearly sales were broadly stable after a very slight organic decline in the second quarter. However, the situation varies from country to country.

In Japan, sales growth remained firm, fueled by both flagship products (cookware, kettles, etc.) and more recent categories (in particular the Cook4me multi-cooker). Our retail network continues to develop with two new store openings during the quarter (4 over the semester) that brings the number of our stores in the country to 33.

In South Korea, in a fragile environment marked by heightened tensions at the end of the first half (trade dispute with Japan), end-June sales fell significantly. The solid momentum in garment steamers or vacuum cleaners did not offset the decline in sales of other product families, particularly cookware.

As expected, in Australia, the gain in new customer listings led to a return to growth in the second quarter.

Thailand pursued its expansion, boosted by recently launched products (high-speed blenders, vacuum cleaners).

Except for Vietnam and Singapore, where sales dropped, all other Asian markets (Malaysia, Hong Kong, Taiwan, etc.) grew.

## COMMENTS ON PROFESSIONAL BUSINESS

| Revenue in €M | H1 2018 | H1 2019 | Change 2019/2018 | | Q2 2019 Like-for-like |
|---|---|---|---|---|---|
| | | | As reported | Like-for-like | |
| Professional business | 290 | 391 | +34.9% | +20.1% | +16.3% |



In the first half of 2019, revenue from the Professional business (Coffee machines and hotel equipment) amounted to €391 million, up by nearly 35%. These sales include a €34 million contribution from Wilbur Curtis, an American company specializing in professional filter coffee, acquired in early February and consolidated since February 8, 2019. On a like-for-like basis, growth for the first six months stood at 20.1% and at 16.3% in the second quarter. It was nurtured by the robust momentum of WMF-Schaerer's Professional Coffee business, largely driven by major contracts signed with key accounts in the United States and Asia (restaurant or fast food chains, convenience stores, etc.). One should be reminded that this extremely healthy dynamics in the first half of the year must be seen in the context of modest 2018 comparatives (very low level of major deals over the period, particularly in the first quarter). It therefore should not be extrapolated to the second half of the year due to a much more demanding basis of comparison. As for Wilbur Curtis, the integration process is making good progress, and sales growth is strong and in line with our expectations.

In addition, the Hotel Equipment business delivered a good second quarter performance thanks to a few significant projects and ended the half-year with a sustained increase in revenue.

## OPERATING RESULT FROM ACTIVITY

At **€230 million,** operating result from activity (ORfA) for first-half 2019 was up **10.7%** vs. first-half 2018. It includes a -€5 million currency effect and a +€11 million scope and method effect (Egyptian JV in its new configuration, Wilbur Curtis since February 8 and IFRS 16). On a like-for-like basis, ORfA for came out at **€224 million, up 8.1%.** In highly competitive and promotion-driven markets, this change in operating income represents a highly satisfactory performance.

The building blocks of the 8.1% organic growth in ORfA at end-June 2019 are as follows:
• A volume effect of **+€56 million**, reflecting the business' solid momentum;
• A **+€25 million** price-mix effect**,** mainly composed of an improved mix, with price hikes in some countries being offset by promotional pressure in others;
• A **€18 million** increase in the cost of sales, linked mainly to inflation and industrial under-absorption in some European sites. Conversely, raw materials' purchases were neutral;
• Higher growth drivers (innovation, operational marketing and advertising), by **€23 million**;
• A **€24 million** increase in sales and administrative expenses, in line with the growth of the business, both in Consumer and Professional.

## OPERATING PROFIT AND NET PROFIT

At end-June 2019, the Group's operating profit amounted to **€213 million,** compared with €186 million at June 30, 2018. This result includes an estimated employee profit-sharing expense of €9 million (€10 million in 2018) and other income and expenses of -€8 million, versus -€12 million in the first half of last year. These expenses include various modest items, including costs related to the acquisition of Wilbur Curtis. They do not include provisions relating to WMF's competitiveness recovery program, announced after the balance sheet closing date.

Net financial expense for the first-half was -€46m, up €10m from end-June 2018. This is mainly due to two significant items: an additional financial expense of €7 million under IFRS 16 and a charge related to the change in fair value of the ORNAEs and calls on treasury shares of €8 million (vs. an income of €2 million at end-June 2018).

At **€100 million** from €91 million in the first six months of 2018**,** profit attributable to owners of the parent rose by **9.8%**. This comes after a tax charge of €40 million - based on an estimated effective tax rate of 24% - and after minority interests of €27 million (€23 million in first-half 2018), up due to the increase in Supor's results in China.

## FINANCIAL STRUCTURE AT JUNE 30, 2019

Shareholders' equity at June 30, 2019, was **€2,323 million**, up slightly from December 31, 2018, and up €339 million from June 30, 2018.



At the same date, the Group's net debt stood at **€2,428 million** (including €346 million of IFRS 16 debt), up €413 million vs. June 30, 2018, on a comparable seasonal basis. The amount of net debt at end-June 2019 includes both the recognition of IFRS 16 debt for €346 million and the acquisition of Wilbur Curtis at the very start of the year. In addition, as announced, the change in debt also reflects higher investments than in 2018, (in France, China, at WMF Professional), and a temporary deterioration in operating working capital requirement (19.1% of sales), partly due to the seasonal nature of the business and partly to an increase in trade receivables.

The Group's debt ratio at June 30, 2019 stood at **1,0** (0.9 excluding IFRS 16 debt) and the net debt/adjusted EBITDA ratio ended at **2.7** (2.4 excluding IFRS 16 debt).

## 2019 OUTLOOK

Due to the seasonal nature in the Consumer business, one should be reminded that the first half of the year is not representative of the entire year. In addition, growth in the Professional business is by nature volatile due to the timing of execution of certain major contracts.

For the second half of the year, the Group should continue to benefit from a more favorable than expected raw material context. However, the environment remains complex, with in particular the ongoing transformation of the retail industry, putting pressure on margins.

For the months ahead, the Group expects to maintain solid organic growth, driven notably by continued momentum in the Consumer business in Western Europe, Eurasia and China.

In the Professional segment, the Coffee business will remain well-oriented, nevertheless on very high comparatives.

As such, Groupe SEB targets for 2019 an organic sales growth above 7%. Based on current exchange rates, and considering the highly demanding second-half 2018, the Group aims at achieving an increase of around 6% in its reported ORfA.

## POST-BALANCE SHEET EVENTS



**WMF's program to strengthen its competitiveness**

Two and a half years into WMF's integration, outstanding progress has been achieved in the Professional Coffee Machine business (PCM), over-delivering against initial ambitions and with highly promising growth prospects. Conversely, the Consumer business has been underperforming despite further investments and its return to sustainable profitability levels needs to be accelerated.

To this end, on July 10, 2019, WMF launched a program aimed at rapidly improving the company's competitiveness and overall performance. The action plan is based on:

• The continued acceleration of growth in the PCM business, via increased investments in R&D, the launch of new products as well as production capacity expansion and logistic investments in Geislingen, Germany.

• A corrective action plan in the Consumer business:

- resuming growth: initiatives have already been launched in Germany, leveraging WMF's outstanding brand image. Growth will be fueled by faster international expansion and higher investment in innovation to optimize product portfolio;

- regaining industrial competitiveness: Geislingen loss-making stainless-steel cookware production is planned to be transferred to other Groupe SEB sites in Europe by end-2020, driving significant competitiveness improvements;

- consolidating logistics operations in Germany in the Dornstadt warehouse.

• The implementation of more efficient processes and in-depth review of organizations, leading to a reduction of central costs.

The reorganization may impact up to 400 out of globally 6,200 jobs. WMF will offer a wide range of options to employees: voluntary departure programs, early retirement and the access to newly created positions stemming from the expansion of its coffee machine production in Geislingen and the increased warehousing capacity in nearby Dornstadt.

*Groupe SEB's company and consolidated financial statements at June 30, 2019, were approved by the Board of Directors' meeting held on July 23, 2019.*



## CONSOLIDATED INCOME STATEMENT

| *(in € millions)* | 6.30.2019 6 months | 6.30.2018 6 months | 12.31.2018 12 months |
|---|---|---|---|
| Revenue | 3,336.6 | 3,025.1 | 6,812.2 |
| Operating expenses | (3,106.8) | (2,817.5) | (6,117.4) |
| **OPERATING RESULT FROM ACTIVITY** | **229.8** | **207.6** | **694.8** |
| Statutory and discretionary employee profit-sharing | (9.0) | (10.0) | (33.6) |
| **RECURRING OPERATING PROFIT** | **220.8** | **197.6** | **661.2** |
| Other operating income and expense | (8.2) | (11.8) | (35.6) |
| **OPERATING PROFIT** | **212.6** | **185.8** | **625.6** |
| Finance costs | (20.9) | (15.6) | –(32.8) |
| Other financial income and expense | (24.9) | (20.4) | 0.9 |
| Share of profits of associates | 0.0 | 0.0 | 0.0 |
| **PROFIT BEFORE TAX** | **166.8** | **149.7** | **593.7** |
| Income tax expense | (40.2) | (36.0) | (131.2) |
| **PROFIT FOR THE PERIOD** | **126.6** | **113.7** | **462.5** |
| Non-controlling interests | (26.6) | (22.6) | (43.5) |
| **PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT** | **100.0** | **91.1** | **419.0** |
| | | | |
| Basic earnings per share (in €) | 2.01 | 1.83 | 8.44 |
| Diluted earnings per share (in €) | 2.00 | 1.82 | 8.38 |

## BALANCE SHEET

| ASSETS *(in € millions)* | 6.30.2019 | 6.30.2018 | 12.31.2018 |
|---|---|---|---|
| Goodwill | 1,614.9 | 1,481.9 | 1,484.9 |
| Other intangible assets | 1,249.1 | 1,174.9 | 1,183.2 |
| Property, plant and equipment | 1,225.8 | 804.8 | 839.5 |
| Investments in associates | | | |
| Other investments | 54.3 | 53.3 | 51.0 |
| Other non-current financial assets | 14.7 | 23.3 | 16.9 |
| Deferred tax | 108.9 | 86.4 | 79.2 |
| Other non-current assets | 50.7 | 2.0 | 57.1 |
| Long-term derivative instruments - assets | 6.2 | 11.9 | 2.5 |
| **NON-CURRENT ASSETS** | **4,324.6** | **3,638.5** | **3,714.3** |
| Inventories | 1,308.0 | 1,215.3 | 1,180.5 |
| Trade receivables | 984.3 | 780.8 | 1,087.2 |
| Other receivables | 146.6 | 111.8 | 144.7 |
| Current tax assets | 42.9 | 56.0 | 36.3 |
| Short-term derivative instruments - assets | 31.9 | 41.9 | 40.1 |
| Other financial investments | 74.7 | 228.8 | 260.7 |
| Cash and cash equivalents | 588.2 | 341.4 | 612.7 |
| **CURRENT ASSETS** | **3,176.6** | **2,776.0** | **3,362.2** |
| **TOTAL ASSETS** | **7,501.2** | **6,414.5** | **7,076.5** |

| EQUITY & LIABILITIES *(in € millions)* | 6.30.2019 | 6.30.2018 | 12.31.2018 |
|---|---|---|---|
| Share capital | 50.2 | 50.2 | 50.2 |
| Reserves and retained earnings | 2,110.7 | 1,819.2 | 2,130.2 |
| Treasury stock | (53.9) | (73.8) | (82.4) |
| **Equity attributable to owners of the parent** | 2,107.0 | 1,795.6 | 2,098.0 |
| Non-controlling interests | 216.4 | 188.1 | 208.6 |
| **CONSOLIDATED SHAREHOLDERS' EQUITY** | **2,323.4** | **1,983.7** | **2,306.6** |
| Deferred tax liabilities | 227.2 | 220.1 | 235.8 |
| Long-term provisions | 356.9 | 331.7 | 334.1 |
| Long-term borrowings | 2,337.6 | 2,062.4 | 1,857.9 |
| Other non-current liabilities | 59.6 | 47.9 | 45.8 |
| Long-term derivative instruments – liabilities | 26.2 | 19.4 | 7.9 |
| **NON-CURRENT LIABILITIES** | **3,007.5** | **2,681.5** | **2,481.5** |
| Short-term provisions | 78.1 | 89.3 | 73.9 |
| Trade payables | 932.1 | 777.1 | 1,029.9 |
| Other current liabilities | 371.8 | 317.9 | 519.3 |
| Current tax liabilities | 33.4 | 37.5 | 52.6 |
| Short-term derivative instruments - liabilities | 30.7 | 19.4 | 25.7 |
| Short-term borrowings | 724.2 | 508.1 | 587.0 |
| **CURRENT LIABILITIES** | **2,170.3** | **1,749.3** | **2,288.4** |
| **TOTAL EQUITY AND LIABILITIES** | **7,501.2** | **6,414.5** | **7,076.5** |

# APPENDICE

## REVENUE BY REGION – 2ND QUARTER

| Revenue in €M | Q2 2018 | Q2 2019 | Change 2019/2018 As reported | Change 2019/2018 Like-for-like |
|---|---|---|---|---|
| **EMEA** | **652** | **690** | **+5.9%** | **+5.9%** |
| Western Europe | 494 | 515 | +4.2% | +4.1% |
| Other countries | 158 | 175 | +11.1% | +11.4% |
| **AMERICAS** | **177** | **194** | **+9.5%** | **+8.8%** |
| North America | 112 | 121 | +8.3% | +2.3% |
| South America | 65 | 73 | +11.5% | +19.8% |
| **ASIA** | **481** | **523** | **+8.7%** | **+8.6%** |
| China | 357 | 396 | +11.2% | +11.9% |
| Other countries | 124 | 127 | +1.6% | -0.9% |
| **TOTAL Consumer** | **1,310** | **1,407** | **+7.4%** | **+7.3%** |
| **Professionnal Business** | **156** | **208** | **+33.3%** | **+16.3%** |
| **GROUPE SEB** | **1,466** | **1,615** | **+10.1%** | **+8.2%** |

** Like-for-like: at constant exchange rates and scope* *Rounded figures in €m* *% calculated on non-rounded figures*

***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.

***Loyalty program (LP)***

These programs, led by the distribution retailers, consist in offering promotional offers on a product category to loyal consumers who have made a series of purchases within a short period of time. These promotional programs allow distributors to boost footfall in their stores and our consumers to access our products at preferential prices.

***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).

***Product Cost Optimization (PCO)***

Group program regrouping and formalizing productivity and value-accretive initiatives.

***Operation Performance SEB (OPS)***

Group program targeting improvement in overall performance, striving for excellence

Watch the webcast and presentation at 2.30 pm CET
on our website: **www.groupeseb.com** or click here

## Next key date

**October 29 |** 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 04**

**Media Relations**

**Groupe SEB**
**Corporate Communication Dept**
**Cathy Pianon**

**com@groupeseb.com**

**Phone: . + 33 (0) 6 33 13 02 00**

**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**


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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.*

**SEB SA**
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