FIRST-HALF 2018 SALES AND RESULTS
Paris | July 25, 2018

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NOTE

This presentation 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.
FIRST-HALF 2018 SALES AND RESULTS

1. General Group environment and market
2. WMF update
3. H1 2018 sales and results
4. Outlook
General environment
Market environment – H1 2018

ENVIRONMENT

- Contrasted growth in SDA
  - China, EMEA growing
  - Complicated in LATAM region
- Increased volatility in currencies and raw materials
- Fast-changing retail market
- Development in global coffee market

IMPLICATIONS AND SEB PERFORMANCE

- Sustained organic growth despite demanding comparatives
- Market share gains
- Targeted price increases initiated
- Online sales dynamic
- Difficulties with some traditional retailers
- New client wins
## Key figures at end-June 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Change</th>
<th>Change LFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€3,025m</td>
<td>+2.9%</td>
<td>+7.4%</td>
</tr>
<tr>
<td>ORfA</td>
<td>€208m</td>
<td>-2.8%</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>€91m</td>
<td>+9.5%</td>
<td></td>
</tr>
<tr>
<td>Net debt</td>
<td>€2,015m</td>
<td></td>
<td>+€110m vs. 12/31/2017</td>
</tr>
</tbody>
</table>

*And excl. One-off WMA PPA*
WMF Consumer update: mixed trends

Germany
• Tense German market in cookware
• Sales decline in some retail channels
• Market shares gains in Pots & Pans

Internationally
• Other EMEA countries growing
• Fewer loyalty programs vs. 2017 (Taiwan)
• Distribution transition still undergoing in some countries (esp. South Korea)
WMF Consumer update: concrete progress

Product dynamic
- Enhanced offering in WMF and Home & Cook stores
- Innovation: Fusiontec and Lono ranges…

Growth in e-commerce sales: + 20%

Spain: + 21% sales
- Expanded distribution: department stores, e-commerce, WMF store opening in Majorca

Turkey: Upturn in business
- Extended distribution ➔ 45 outlets
- WMF store opening in Istanbul
WMF Professional: €290m, +2.4% lfl

High 2017 comparatives in Professional Coffee

Continued growth in Germany
- Focus on innovation, digitalization and services
- Many tenders in progress

Accelerated development internationally
- New accounts won in Western / Central Europe, China, Thailand, Malaysia, India…
- Roll-out stepped up at existing clients: Burger King, 7 Eleven, McDonald’s…

New, large-scale projects: delivery from Q2

Total order backlog at end-June x 2 vs. 2017
⇒ Delivered by mid-2019

Hotel equipment sales slightly growing
Convenience stores / local service stations
450 outlets in 4 states

3-4 machines delivered by outlet
Founded in Nov. 2017: now #2 coffee shops chain in China
525 outlets in 13 cities and an ambitious expansion plan
> 1,000 machines delivered at end June
FIRST-HALF 2018 SALES AND RESULTS
Satisfactory performance

1 Sales

2 Results
Change in sales
H1 2017 → H1 2018

In €m

H1 2017: 2,941

Organic growth: +217 (+7.4%)

Currency impact: -140 (-4.7%)

Other: +7 (+0.2%)

H1 2018: 3,025

Total change: +2.9%
Currency impact on sales in H1 2018

-€140m
Q1: -€86m
Q2: -€54m
### Quarterly organic growth in sales

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>+6.1%</td>
<td>+10.1%</td>
<td>+7.4%</td>
</tr>
</tbody>
</table>

**Graph:**
- **2016**
- **2017**
- **2018**

**Axes:**
- X-axis: Q1, Q2, Q4
- Y-axis: In %

**Values:**
- Q1: 11.5%
- Q2: 8.6%
- Q2: 7.3%
- Q4: 8.4%

**Legend:**
- Blue line: 2016
- Red line: 2017
- Orange line: 2018
## H1 sales

<table>
<thead>
<tr>
<th>Region</th>
<th>2017</th>
<th>2018</th>
<th>As reported</th>
<th>LFL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMEA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western Europe</td>
<td>988</td>
<td>997</td>
<td>+0.9%</td>
<td>+1.3%</td>
</tr>
<tr>
<td>Other countries</td>
<td>328</td>
<td>340</td>
<td>+4.1%</td>
<td>+12.9%</td>
</tr>
<tr>
<td><strong>AMERICAS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>249</td>
<td>204</td>
<td>-17.9%</td>
<td>-11.5%</td>
</tr>
<tr>
<td>South America</td>
<td>158</td>
<td>134</td>
<td>-15.5%</td>
<td>-0.7%</td>
</tr>
<tr>
<td><strong>ASIA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>680</td>
<td>825</td>
<td>+21.4%</td>
<td>+26.6%</td>
</tr>
<tr>
<td>Other Asian countries</td>
<td>245</td>
<td>235</td>
<td>-4.8%</td>
<td>+1.5%</td>
</tr>
<tr>
<td><strong>TOTAL Consumer</strong></td>
<td>2,648</td>
<td>2,735</td>
<td>+3.3%</td>
<td>+7.9%</td>
</tr>
<tr>
<td><strong>Professional business</strong></td>
<td>293</td>
<td>290</td>
<td>-1.1%</td>
<td>+2.4%</td>
</tr>
<tr>
<td><strong>Groupe SEB</strong></td>
<td>2,941</td>
<td>3,025</td>
<td>+2.9%</td>
<td>+7.4%</td>
</tr>
</tbody>
</table>

In €m

% based on non-rounded figures
## Q2 sales

<table>
<thead>
<tr>
<th>Region</th>
<th>Q2 2017</th>
<th>Q2 2018</th>
<th>As reported</th>
<th>LFL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMEA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western Europe</td>
<td>494</td>
<td>494</td>
<td>+0.1%</td>
<td>+0.4%</td>
</tr>
<tr>
<td>Other countries</td>
<td>163</td>
<td>158</td>
<td>-2.7%</td>
<td>+7.4%</td>
</tr>
<tr>
<td><strong>AMERICAS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>123</td>
<td>112</td>
<td>-9.0%</td>
<td>-2.7%</td>
</tr>
<tr>
<td>South America</td>
<td>80</td>
<td>65</td>
<td>-18.8%</td>
<td>-5.6%</td>
</tr>
<tr>
<td><strong>ASIA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>277</td>
<td>357</td>
<td>+28.9%</td>
<td>+30.4%</td>
</tr>
<tr>
<td>Other Asian countries</td>
<td>129</td>
<td>124</td>
<td>-4.0%</td>
<td>+0.6%</td>
</tr>
<tr>
<td><strong>TOTAL Consumer</strong></td>
<td>1,266</td>
<td>1,310</td>
<td>+3.5%</td>
<td>+7.2%</td>
</tr>
<tr>
<td><strong>Professional business</strong></td>
<td>148</td>
<td>156</td>
<td>+4.9%</td>
<td>+8.5%</td>
</tr>
<tr>
<td><strong>Groupe SEB</strong></td>
<td>1,414</td>
<td>1,466</td>
<td>+3.7%</td>
<td>+7.3%</td>
</tr>
</tbody>
</table>

% based on non-rounded figures
Sales breakdown by region in H1

- Western Europe: 39%
- Other EMEA countries: 12%
- North America: 8%
- South America: 4%
- China: 28%
- Other countries Asia-Pacific: 9%

Sales: €3,025m

Mature countries 53 %   Emerging countries 47 %
Top-20 countries’ performance – H1

TOP 10 COUNTRIES

- CHINA
- Belgium
- JAPAN
- Poland
- GERMANY
- SPAIN
- Colombia
- ITALY
- Switzerland
- RUSSIA
- Turkey
- Mexico
- FRANCE
- SOUTH KOREA
- UNITED STATES
- Netherlands
- BRAZIL

Austria

United Kingdom

Canada

LFL, excl. Professional business
Country news

Turkey
Poland
Ukraine
Spain
Colombia
Brazil
United States
China
Turkey

H1 2018 sales: +35% lfl

• No. 2 in SDA, Market Share gains +0.2 pt
• Growth driven by volumes and prices
• Strong dynamic for locally manufactured products
• Excellent sell-out from Group retail
• WMF integration well under way
Poland

**H1 2018: +29% lfl**

- Overall robust dynamic
- Market share gains in SDA: +2.1 pts
- Investment stepped up in outlets
- Doubled sales in full auto machines
H1 2018 sales: +66% lfl
- Overall growth in SDA
- Market share gains: +4.6 pts
- Groupe SEB no. 2 in SDA, leader in cookware
Spain

H1 2018 sales: +2% / +5% excl. B2B and LPs
- Market share gains in SDA: +0.4 pt
  ➔ Consolidated leadership in SDA, Rowenta no.1 brand
- Excellent start-up in robot vacuum cleaners
- Very satisfactory initial results from WMF integration
H1 2018 sales: +7% lfl

- Market share gains in SDA: +1,5 pt
- Good dynamic in fans and blenders
- Strong improvement in operating margin in cookware
H1 2018: -5% lfl

- Strong performance in fans, leadership confirmed
- Industrial transition in cookware
- Truck-driver strike impact
- Fragility of some retailers
**H1 2018 sales:** -12% lfl

- Half-year impacted by unfavorable 2017 base effect (KRUPS electrical appliances)
- Good Q2 in cookware and linen care
- Challenges persist in retail
- Online sales development
H1 2018 sales: +27% lfl

- Excellent performance in SDA, +30%
  ➔ Market share: +2.2 pts vs. end-2017
- Strong growth in cookware
- Continued development in online sales
- Ramp-up in new categories
Supor: new growth drivers

New categories

**Kitchenware**

**H1 sales +35%**

**Home and personal care**

**H1 sales +54%**

**Extractor hoods and cooking**

**H1 sales +68%**
Product news

Product line performance
Cookware
Fusiontec range
Home and linen care
Kitchen electrics
Lono range
Development of digital apps
Product line performance

Growth in sales, lfl

Home comfort
Linen care
Cookware
Personal care
Food preparation
Beverage preparation
Electrical cooking
Home care

Half-year 2018 Sales and Results
Cookware

Tefal Ever Cook
For the love of transmission.

Pro INOX

Clipso Minut’ Duo

T-FAL Stackables
FUSIONTEC range
Home and linen care

Access Steam Care

Silence Force Arno

IXEO

XTP Cyclonic 4A+

Air Force 460
Kitchen electrics

- Companion range
- Arno Powermax 1000
- Cake Factory
- Cook4me+ Krups
- Roma / Pisa
LONO range
Development of digital apps

- **11 apps to date** incl. 2 launches in H1 2018 (Pure Air and My Smart Force)
- **2.5 million** downloads of Food apps
- **400,000** active users per month
- **800,000 accounts created**, incl. 350,000 in 2017
- **1,250 recipes created** by the Cookeo & Companion communities in France
Satisfactory performance

1 Sales

2 Results
## Operating Result from Activity (ORfA)

### In €m

<table>
<thead>
<tr>
<th>Description</th>
<th>H1 2017</th>
<th>H1 2018</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2,941</td>
<td>3,025</td>
<td>+2.9%</td>
</tr>
<tr>
<td>Operating expense</td>
<td>2,711</td>
<td>2,817</td>
<td>+3.9%</td>
</tr>
<tr>
<td>ORfA before one-off PPA</td>
<td>230</td>
<td>208</td>
<td>-9.9%</td>
</tr>
<tr>
<td>Op. margin before one-off PPA</td>
<td>7.8%</td>
<td>6.9%</td>
<td>-0.9pt</td>
</tr>
<tr>
<td>One-off PPA</td>
<td>17</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>ORfA</strong></td>
<td><strong>213</strong></td>
<td><strong>208</strong></td>
<td><strong>-2.8%</strong></td>
</tr>
</tbody>
</table>

### Notes:
- **Δ** represents the change from H1 2017 to H1 2018.
- Sales increased by 2.9%.
- Operating expenses increased by 3.9%.
- ORfA before one-off PPA decreased by 9.9%.
- Operating margin decreased by 0.9 percentage points.
- One-off PPA decreased from 17 €m to 0 €m.

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Half-year 2018 Sales and Results
ORfA construction
H1 2017 ➔ H1 2018

In €m

H1 2017

213

Volumes: +39
Price Mix: +14
COGS: -13
Growth drivers: -26
Admin. & comm. expenses: -20
One-off PPA: +17

H1 2018

224

LFL

Currencies: -16

H1 2018

208

Half-year 2018 Sales and Results
## Operating profit

<table>
<thead>
<tr>
<th>In €m</th>
<th>H1 2017</th>
<th>H1 2018</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Result from Activity (ORfA)</td>
<td>213</td>
<td>208</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Discretionary and non-discretionary profit sharing</td>
<td>(11)</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td>Other operating income and expense</td>
<td>(24)</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>178</strong></td>
<td><strong>186</strong></td>
<td><strong>+4.2%</strong></td>
</tr>
</tbody>
</table>
## Net profit

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>178</td>
<td>186</td>
<td>+4.2%</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(17)</td>
<td>(16)</td>
<td></td>
</tr>
<tr>
<td>Other financial expense</td>
<td>(27)</td>
<td>(20)</td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>(31)</td>
<td>(36)</td>
<td></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(19)</td>
<td>(23)</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td><strong>83</strong></td>
<td><strong>91</strong></td>
<td><strong>+9.5%</strong></td>
</tr>
</tbody>
</table>
# Simplified Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>06/30/2017*</th>
<th>06/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tangible fixed assets</strong></td>
<td>3,524</td>
<td>3,540</td>
</tr>
<tr>
<td><strong>Operating WCR</strong></td>
<td>1,122</td>
<td>1,219</td>
</tr>
<tr>
<td><strong>Total assets to be financed</strong></td>
<td><strong>4,646</strong></td>
<td><strong>4,759</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>1,739</td>
<td>1,984</td>
</tr>
<tr>
<td><strong>Provisions</strong></td>
<td>445</td>
<td>385</td>
</tr>
<tr>
<td><strong>Other current assets and liabilities</strong></td>
<td>397</td>
<td>375</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>2,065</td>
<td>2,015</td>
</tr>
<tr>
<td><strong>Total financing</strong></td>
<td><strong>4,646</strong></td>
<td><strong>4,759</strong></td>
</tr>
</tbody>
</table>

*After finalization of WMF purchase price allocation (PPA)*
Change in WCR

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (€m)</th>
<th>% of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/30/2016</td>
<td>923</td>
<td>19.0%</td>
</tr>
<tr>
<td>06/30/2017</td>
<td>1,122</td>
<td>17.6%*</td>
</tr>
<tr>
<td>06/30/2018</td>
<td>1,219</td>
<td>18.4%</td>
</tr>
</tbody>
</table>

* WMF proforma
Change in net debt

Operating cashflow: €62m (€91m in H1 2017)

Debt end-2017: €1,905
- Cashflow: -€259
  - Tax and financial expense: +€71
  - Invest.: +€73
  - WCR: +€32
  - Other operations: +€21
  - Dividends: +€118
  - Currencies: -€9
  - Other, non-operating: +€63

Debt June 2018: €2,015
Debt ratios at June 30

**Net debt-to-equity**

- 2009: 0.5
- 2010: 0.1
- 2011: 0.2
- 2012: 0.5
- 2013: 0.4
- 2014: 0.4
- 2015: 0.3
- 2016: 0.4
- 2017: 1.2
- 2018: 1.0

**Net debt/adjusted EBITDA***

- 2009: 1.3
- 2010: 0.4
- 2011: 0.5
- 2012: 1.3
- 2013: 1.1
- 2014: 1.2
- 2015: 0.9
- 2016: 1.1
- 2017: 2.7
- 2018: 2.6

*12 rolling months
2018: a two-fold objective

Continue Groupe SEB’s profitable growth, former consolidation scope

• Strong EMEA dynamic
• Buoyant growth in China
• Stable sales in the US in H2
• Leveraging new set-up in Brazil
• Fewer loyalty programs vs. 2017

Continue WMF integration and accelerate

• Improved consumer business in H2
• Accelerate in Professional Coffee
• Cost control, roll-out of operating synergies and stock reductions

High comparatives
More tense environment (currencies, raw materials, retail...)
2018 guidance

- Organic growth in sales > 7%, revised upwards

- On the basis of current, more challenging exchange rates: confirmation of a growth > 5% in ORfA before WMF one-off PPA

- Debt reduction: confirmation of a net debt/adjusted EBITDA ratio < 2 at 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 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).

**Product Cost Optimization (PCO)**
Group program regrouping and formalizing productivity and value-accretive initiatives.

**Opération Performance SEB (OPS)**
Group program targeting improvement in overall performance, striving for excellence.
Upcoming events

**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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