



# 2014 Full-year Results

February 12, 2015

# AGENDA

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HIGHLIGHTS

## HIGHLIGHTS

- **2014 results in line with targets; robust free cash flow generation**
  - +0.5% organic<sup>(1)</sup> growth in sales vs 0% to 3% objective: target met
  - 19.8% adjusted EBIT margin before acquisitions<sup>(2)</sup> vs 19.8% to 20.2% objective: target met
  - 13.5% normalized<sup>(3)</sup> free cash flow to sales ratio
  - €1.10 proposed dividend, up +4.8% and corresponding to a 55% payout
  
- **Development initiatives actively pursued to create value over the long term**
  - New industrial back office organization to support growth and enhance industrial performance
  - Shared technology roadmap to boost innovation
  - Front office initiatives to enhance growth profile
  - 2014-2018 new CSR roadmap supporting strategy

1. *Organic: at constant scope of consolidation and exchange rates*

2. *At 2013 scope of consolidation*

3. *Normalized free cash flow is based on a constant 10% ratio of total working capital requirement to sales, at constant scope of consolidation and exchange rates*

2

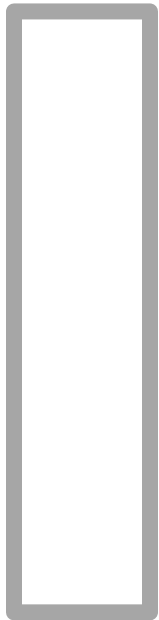
## 2014 RESULTS

2014 RESULTS

## 2014 CHANGE IN NET SALES

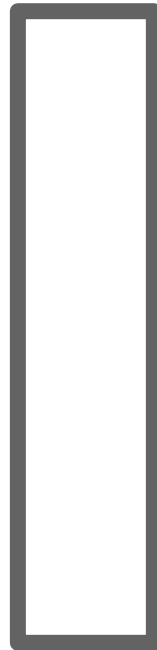
€ millions

4,460



2013

4,499



2014

- **External growth: +2.7%**
  - **Organic<sup>(1)</sup> growth: +0.5%**
    - USA/Canada: +2.2%
    - New economies: +2.2%
    - Other mature countries: -1.7%
- } +3.2%
- **Exchange rates: -2.4%**  
Q4 2014 exchange-rate effect: +1.4%
  - **Total growth: +0.9% (+2.9% in Q4 alone)**

## 2014 ORGANIC<sup>(1)</sup> CHANGE IN NET SALES<sup>(2)</sup> BY GEOGRAPHICAL REGION (1/2)

### France

- -3.3% organic<sup>(1)</sup> change in sales
- Resilience of renovation market overall and continued retreat of new construction market
- Good performances in lighting control, Voice-Data-Image solutions and assisted living
- In particular, sales in Q4 alone, down -5.7%, are in reality close to the yearly trend due to:
  - an unfavorable intra-annual basis for comparison effect as already announced, now estimated at around -7 points<sup>(3)</sup>
  - a favorable impact of strong demand from distributors at the very end of the year of +5 points<sup>(4)</sup> that will in turn have the reverse unfavorable effect in Q1 2015

### Italy

- -4.1% organic<sup>(1)</sup> change in sales
- 8-point improvement vs -11.6% in 2013 generated as follows:
  - around 4 points from a slower decline in sell-out: -3%<sup>(4)</sup> in 2014 vs -7%<sup>(4)</sup> in 2013
  - around 4 points from a reduction in distributor destocking effect: 1point<sup>(4)</sup> in 2014 vs 5 points<sup>(4)</sup> in 2013

1. Organic: at constant scope of consolidation and exchange rates  
 2. All organic growth figures are full-year unless mentioned specifically  
 3. Organic growth was +1.7% in Q4 2013, compared with -5.1% at the end of the first nine months of 2013  
 4. Estimate

## 2014 ORGANIC<sup>(1)</sup> CHANGE IN NET SALES<sup>(2)</sup> BY GEOGRAPHICAL REGION (2/2)

### Rest of Europe

- +3.2% organic<sup>(1)</sup> growth
- Healthy growth in
  - several mature countries such as Germany, the Netherlands and Spain
  - many new economies including Hungary, Romania, the Czech Republic, Slovakia and Turkey
- Sales in Russia edged down slightly over the year

### USA/Canada

- +2.2% organic<sup>(1)</sup> growth
- +7.0% organic<sup>(1)</sup> growth vs 2012: expansion of group positions over two years
- Good performances in wiring devices, Voice-Data-Image solutions and building systems
- Residential activity continues to do well  
Positive performance of Legrand in the commercial market
- In 2015, the US should become the group's #1 country by sales<sup>(3)</sup>

### Rest of the World

- +2.0% organic<sup>(1)</sup> growth
- Healthy growth in new economies
  - in Asia, such as in India and Malaysia
  - in Africa / Middle East, such as in Egypt and South Africa
- Sales in Latin America overall edged down slightly

1. Organic: at constant scope of consolidation and exchange rates

2. All organic growth figures are full-year unless mentioned specifically

3. On the basis of USA 2014 sales valued with the EUR/USD exchange rate as at February 11, 2015



## ADJUSTED<sup>(1)</sup> OPERATING MARGIN

<b>2013</b>	<b>adjusted operating margin</b>	<b>19.8%</b>
	<ul style="list-style-type: none"> <li>✓ Ongoing efforts to improve productivity</li> <li>✓ Active and differentiated country management <ul style="list-style-type: none"> <li>▪ Ongoing cost adaptation where needed</li> <li>▪ Investment in growth initiatives</li> </ul> </li> <li>✓ Reduction in inventory of manufactured goods</li> </ul>	<p style="text-align: center;">} <b>Balanced management and control of margin</b></p>
<b>2014</b>	<b>adjusted operating margin before acquisitions<sup>(2)</sup></b>	<b>19.8%</b>
	Impact of acquisitions	-0.2pt
<b>2014</b>	<b>adjusted operating margin</b>	<b>19.6%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income relating to acquisitions (€32.9 million in 2013 and 2014) and, where applicable, for impairment of goodwill (€0 in 2013 and 2014)

2. At 2013 scope of consolidation

## PERFORMANCE IN LINE WITH 2014 TARGETS

Metrics	February 2014 Targets announced	November 2014 Targets maintained Lower end targeted	2014 Achievements	
Organic <sup>(1)</sup> growth	<b>0% to +3%</b>	low end of the range	<b>+0.5%</b>	✓
Adjusted EBIT margin before acquisitions <sup>(2)</sup>	between <b>19.8%</b> and <b>20.2%</b> of sales	low end of the range	<b>19.8%</b>	✓

1. Organic: at constant scope of consolidation and exchange rates
2. At 2013 scope of consolidation

## 2014 NET INCOME EXCLUDING MINORITIES

- Robust operating performance
- Financing costs under control (<2% of sales)
- Tax rate ~ 31%



## 2014 FREE CASH FLOW GENERATION

- Robust cash flow from operations
  - ✓ 16.2% of sales (vs 16.1% in 2013)
  - ✓ Good conversion of operating performance
  
- Tight management of working capital requirement
  - ✓ 8.2% of sales (better than the 10% threshold)
  - ✓ In particular, reduction in manufactured goods inventory
  
- Capex under control
  - ✓ 2.8% of sales
  - ✓ Close to 50% of capex dedicated to new products

### Strong normalized<sup>(1)</sup> free cash flow:

- 13.5% of sales
- +3.2% vs 2013
- 114% conversion<sup>(2)</sup> of net income

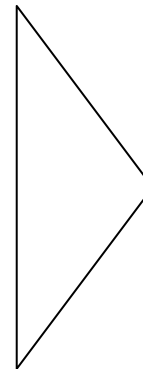
1. Normalized free cash flow is based on a constant 10% ratio of total working capital requirement to sales, at constant scope of consolidation and exchange rates

2. Conversion of net income = normalized free cash flow divided by net income excluding minorities

## ROBUST BALANCE SHEET

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- **6-year gross debt maturity**
- **Single A credit rating<sup>(1)</sup> in line with other leading electrical players**



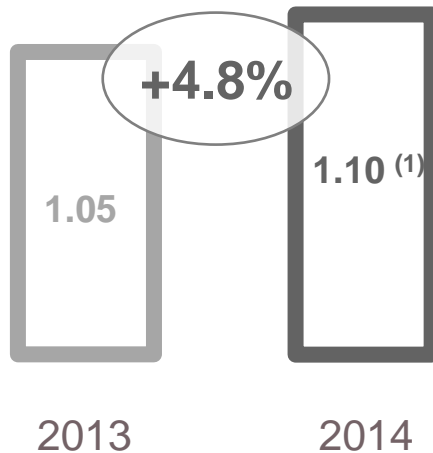
**Resources available  
for investment in  
growth and  
dividend**

1. S&P rating: A-, stable outlook

## 2014 DIVIDEND PROPOSAL

Dividend per share in €

% yield  
Based on January 30, 2015 closing price

Pay-out<sup>(2)</sup>

2.3%

55%

1. Subject to the approval of shareholders at the General Meeting on May 29, 2015 and payable on June 4, 2015
2. Corresponds to proposed dividend per share divided by 2014 earnings per share calculated on the basis of the average number of ordinary shares excluding shares held in treasury on December 31, 2014

## “VALUE CREATION” SINCE IPO<sup>(1)</sup>

### Dividend per share

**+10%<sup>(2)</sup>**  
(2006-2014 CAGR)

### Earnings per share

**+9%**  
(2006-2014 CAGR)

### TSR<sup>(3)</sup>

**+14% per year**  
(from April 6, 2006 to Jan 30, 2015)

1. April 2006

2. Including a 2014 dividend of €1.10 per share subject to the approval of shareholders at the General Meeting on May 29, 2015 payable on June 4, 2015

3. Total Shareholder Return, dividend being reinvested in shares

3

**GROUP DEVELOPMENT  
INITIATIVES  
ACTIVELY PURSUED**



**2003-2008****2009-2013****From 2014**

Reshaping Legrand

Pursue growth profile and performance enhancement during crisis

**Next steps**

## GROUP DEVELOPMENT INITIATIVES ACTIVELY PURSUED

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- **Industrial back-office activities under a single management**
- **Boosting innovation through a shared technology roadmap**
- **Enhancing Legrand's growth profile**
- **New CSR 2014-2018 roadmap**

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## INDUSTRIAL BACK-OFFICE ACTIVITIES UNDER A SINGLE MANAGEMENT (1/3)

### 3 priorities

- Strengthen focus on strategic businesses to drive growth
  - ↳ Implementation of 7 Strategic Business Units in charge of R&D and production
  
- Enhance productivity
  - ↳ Set up of a Group Operations Performance department
  
- Improve supply-chain and purchasing efficiency
  - ↳ Supply chain and purchasing brought under the industrial back-office management

## INDUSTRIAL BACK-OFFICE ACTIVITIES UNDER A SINGLE MANAGEMENT (2/3)

### Main achievements in 2014 – Product platform

- Wiring devices: sample of product ranges added to platforms in 2014



Valena life



Valena Allure



WS 120



E Refresh



Synergy

- Other product families



VDI cabinet



Emergency lighting



Trunking

## INDUSTRIAL BACK-OFFICE ACTIVITIES UNDER A SINGLE MANAGEMENT (3/3)

Main achievements in 2014 – Deployment of industrial best practices



Indirect labor / Direct labor			
2009	2013	2014	2016-2020
0.46	0.34	0.33 <sup>(1)</sup>	~0.30 <sup>(1)</sup>



Group inventory to sales			
2006-2008	2010-2013	2014	2016-2020
~15%	~14%	13.7% <sup>(1)</sup>	~12% <sup>(1)</sup>

1. At comparable structure

## GROUP DEVELOPMENT INITIATIVES ACTIVELY PURSUED

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- Industrial back-office activities under a single management
  
- **Boosting innovation through a shared technology roadmap**
  
- Enhancing Legrand's growth profile
  
- New CSR 2014-2018 roadmap

## BOOSTING INNOVATION THROUGH A SHARED TECHNOLOGY ROADMAP (1/3)

### SOCIAL MEGATRENDS

- Data communication
- Energy saving
- Security
- Aging
- Eco friendly
- Other



### TECHNOLOGY MEGATRENDS

- Big data
- Fiber optics
- Wireless
- Internet of things
- Apps
- Measurement
- Sensors

## 2 consequences for Legrand

- More and enriched infrastructures in building, both existing and new
- Infrastructures become smarter and connected



## BOOSTING INNOVATION THROUGH A SHARED TECHNOLOGY ROADMAP (2/3)

### Legrand's objective

Organize infrastructures, products, functions through interoperability

#### ■ Simple

- ✓ Easy for installer
- ✓ Ready to service
- ✓ Friendly for end users

#### ■ Open

- ✓ Wired and wireless solutions
- ✓ Able to communicate with different protocols: KNX, BACNET, ZIGBEE, SCS, etc.

#### ■ Competitive

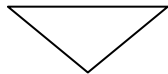
- ✓ Modular approach
- ✓ Productivity for installers, facility managers, end users and Legrand

## BOOSTING INNOVATION THROUGH A SHARED TECHNOLOGY ROADMAP (3/3)

Case study: sample of connected objects recently launched



RGB light control command<sup>(1)</sup>



Color control of light  
bulbs



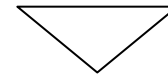
Scenario control command<sup>(1)</sup>



Home systems



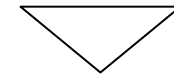
Smart Eco-meter



Energy consumption  
management



Drivia home cabinet



IP-enabled  
intelligent cabinet

➡ Many functions can already be performed by Legrand's connected devices

1. Successfully presented at the 2015 Las Vegas Consumer Electronics Show

## GROUP DEVELOPMENT INITIATIVES ACTIVELY PURSUED

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- Industrial back-office activities under a single management
- Boosting innovation through a shared technology roadmap
- **Enhancing Legrand's growth profile**
- New CSR 2014-2018 roadmap

## ENHANCING LEGRAND'S GROWTH PROFILE (1/4)

### 2014 main achievements

- Expanding positions
  - ✓ +7% organic<sup>(1)</sup> growth in the USA/Canada zone over 2 years
  - ✓ Increasing positions in new activities, for example in Audio-video or IT through the acquisition of Lastar
  - ✓ Opening of new offices in 2014
- Increasing product coverage and growing faster in new business segments
  - ✓ 81 product families in 2014 (vs 78 in 2013)
  - ✓ 29% of group sales recorded in new business segments in 2014 (vs 26% in 2013)
- Leveraging web and end-user intimacy
  - ✓ 18% of digital in marketing expenses in 2014
  - ✓ 74% of sales covered with CRM

1. Organic: at constant scope of consolidation and exchange rates

## ENHANCING LEGRAND'S GROWTH PROFILE (2/4)

### Focus on North America

#### Performance over 10 years

2014 sales

**\$1.1bn**

**x1.7** vs 2004

2014 Adj. EBIT  
margin

**16.7%**

**X1.9** vs 2004

#### Leadership positions

- #1 Cable management
- #1 Audio-video (A/V) enclosures
- #1 Energy-efficient lighting control
- #1 Pre-terminated solutions for VDI and A/V networks
- #1 Structured cabling for residential buildings

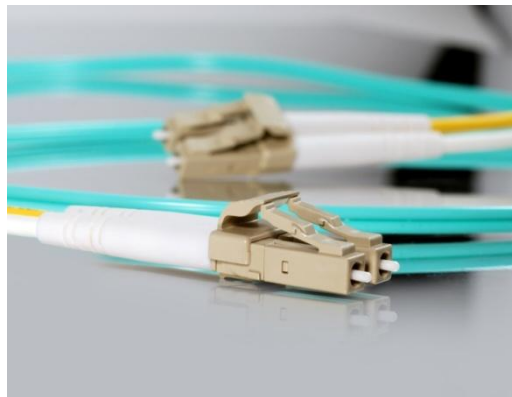
**USA #1 country<sup>(1)</sup>  
in terms of sales in 2015**

## ENHANCING LEGRAND'S GROWTH PROFILE (3/4)

Acquisitions: 3 deals closed in 2014

**LASTAR** Inc.

US frontrunner in pre-terminated solutions for Voice-Data-Image and Audio/Video networks



Spain's leader in assisted living and a major player in this market Europe-wide



Singaporean frontrunner in racks, Voice-Data-Image cabinets and related products for data centers



## ENHANCING LEGRAND'S GROWTH PROFILE (4/4)

### Acquisitions: sample of recent value creative achievements

- Leveraging Megapower's leading position in Malaysia to support wiring devices and energy distribution deployment
- Mutualization of purchasing and technology development among the 3 assisted-living businesses recently acquired
- Leveraging Daneva's leading position in the Brazilian retail market to support the deployment of eco-modular circuit breakers
- Leveraging Adlec's position in India to tackle infrastructure projects
- Leveraging datacom in North America by pooling businesses together



aspire.ascertain.accomplish.



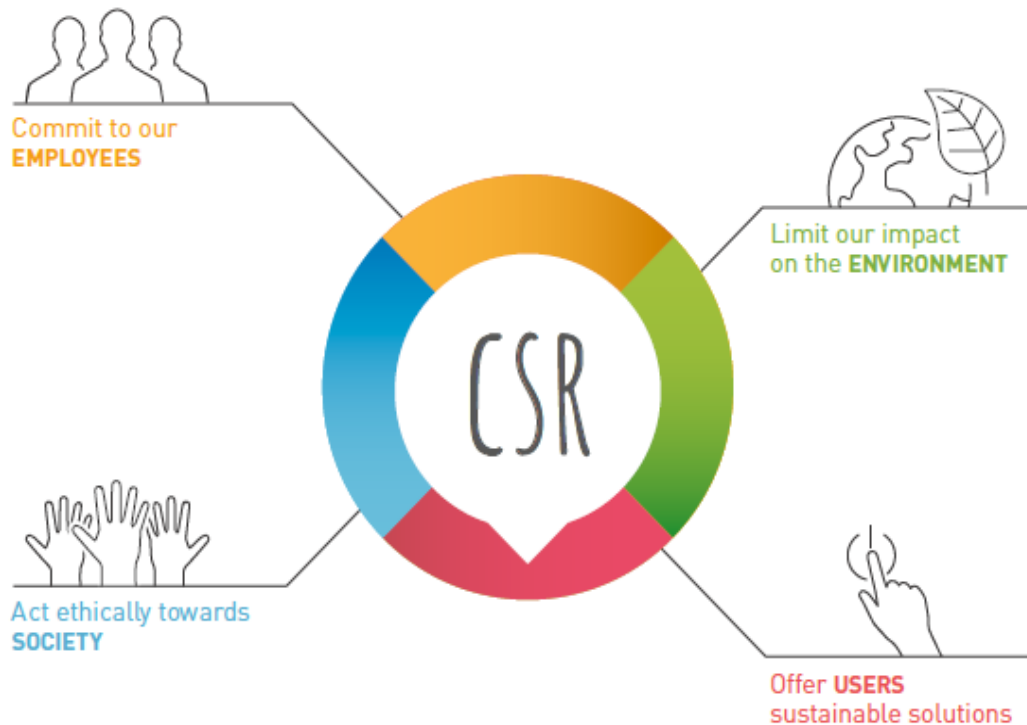
## GROUP DEVELOPMENT INITIATIVES ACTIVELY PURSUED

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- Industrial back-office activities under a single management
- Boosting innovation through a shared technology roadmap
- Enhancing Legrand's growth profile
- **New CSR 2014-2018 roadmap**



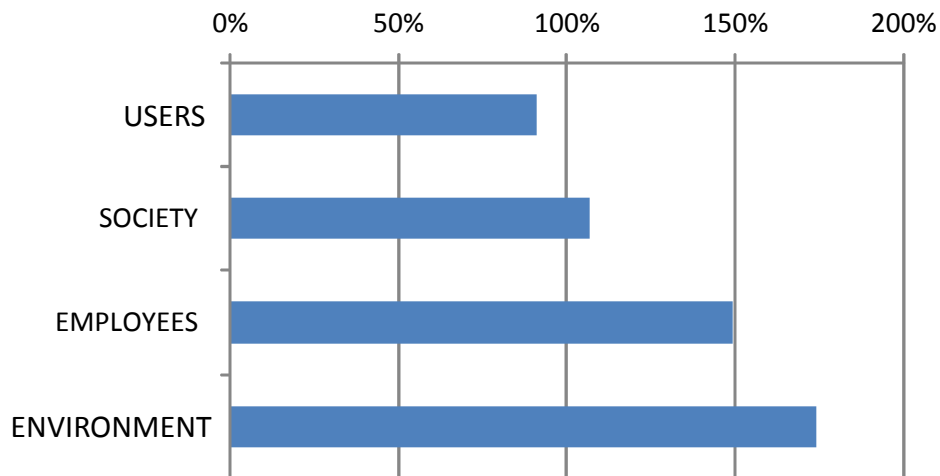
## NEW 2014-2018 CSR ROADMAP (1/2)



- **4 Axes – 21 priorities over 5 years**
- **More staff involved**
- **Stronger commitment of managers**

## NEW 2014-2018 CSR ROADMAP (2/2)

### 2014 objectives achievement rate



**123%**  
average achievement  
rate vs end of 2014  
objectives

4

**LASTING  
ROBUST FUNDAMENTALS**

## BALANCED GEOGRAPHICAL EXPOSURE

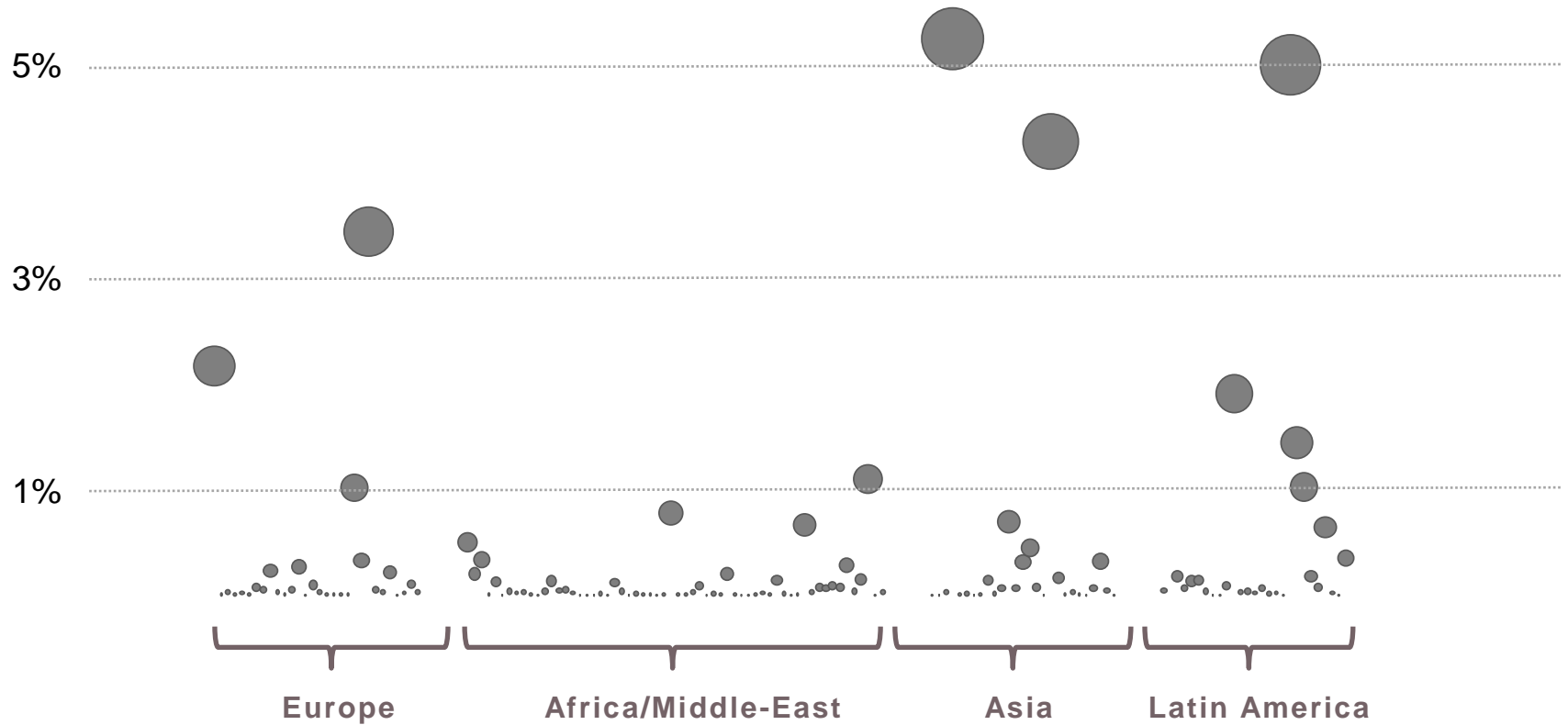
% of group sales in	<u>From</u> <u>2009</u>	<u>To</u> <u>2014</u>	
<b>New economies</b>	28%	38% <sup>(1)</sup>	In line with weight of new economies in world GDP
<b>USA/Canada</b>	14%	19%	+2pts from 2013
<b>Other mature countries</b>	58%	43%	-15pts over 5 years

1. Close to 40% excluding FX impact

## DIVERSIFIED AND FRAGMENTED GEOGRAPHICAL PRESENCE IN NEW ECONOMIES

### Sales in more than 120 new economies

% of group sales



## BALANCED END MARKET EXPOSURE

## Breakdown of sales by end markets



Non residential<sup>(1)</sup> 49%



Residential<sup>(2)</sup> 44%



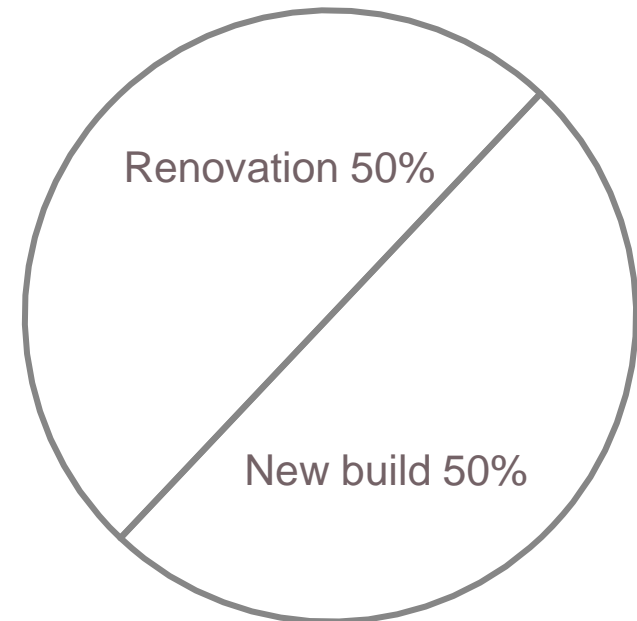
Industrial<sup>(3)</sup> 7%

- (1) Non residential
- Commercial
  - Administration
  - Education
  - Healthcare
  - Hospitality
  - Office
  - Other

- (2) Residential
- Single-family home
  - Multi-family home

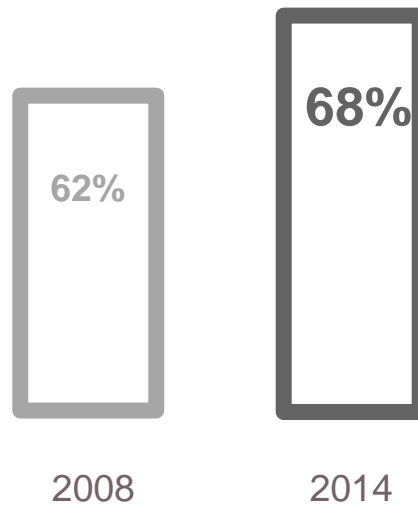
- (3) Industry
- Automobile
  - Food processing
  - Other<sup>(1)</sup>

1. Of which Oil and Gas < 1%

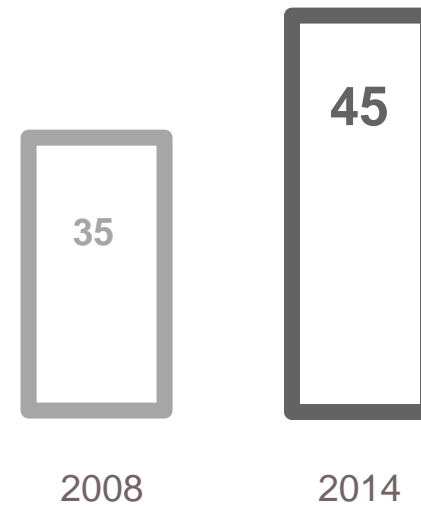


## STRONG LEADERSHIPS

% of sales with  
products #1 or #2 on their markets



# of countries with  
at least a #1 or a #2 position



5

## 2015 TARGETS



## 2015 TARGETS

- Macroeconomic projections currently call for:
  - a continued supportive environment in the United States;
  - attractive prospects in new economies, which nonetheless present short-term uncertainties, particularly in Russia;
  - and conditions on our markets in mature Europe which should remain difficult overall in 2015.
  
- Against this backdrop and in an industry with no order book, Legrand, whose sales face a demanding basis for comparison in the first quarter of 2015, is targeting 2015 **organic growth in sales of between -3% and +2%<sup>(1)</sup>**.

The group has also set a 2015 target for **adjusted operating margin before acquisitions<sup>(2)</sup> at between 18.8% and 20.1%** of sales, which is consistent with its target for organic growth and the ongoing effects of its productivity efforts.

- Legrand will also pursue its strategy of value-creating acquisitions.

1. The low-end of the target includes a marked drop in sales in Russia. Excluding Russia, the 2015 target of organic growth in sales for the group is between -2% and +2%  
2. At 2014 scope of consolidation

## KEY TAKE AWAYS

- **2014 results in line with targets; robust free cash flow generation**
  - +0.5% organic<sup>(1)</sup> growth in sales vs 0% to 3% objective: target met
  - 19.8% adjusted EBIT margin before acquisitions<sup>(2)</sup> vs 19.8% to 20.2% objective: target met
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- **2015 targets**

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2. *At 2013 scope of consolidation*

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## APPENDICES

## FRANCE – ANALYSIS OF Q4 2014 SALES TRENDS AND OF CARRY OVER EFFECT IN Q1 2015

Organic growth	<u>Q4 2014</u>	<u>Q1 2015</u>
<b>Reported</b>	<b>-5.7%</b>	
<b>of which :</b>		
Basis for comparison	~ -7 pts <sup>(1)</sup>	
Over sell-in in Q4 2014 <sup>(2)</sup>	~ +5 pts	 <b>~-5 pts</b>
Organic growth adjusted for basis for comparison and over sell-in	~ -3.7%	

1. Q4 2013 at +1.7% vs 9M 2013 at -5.1%

2. Driven by higher demand from distributors at the very end of the year. Estimate

## IFRIC 21<sup>(1)</sup> APPLIED IN 2015

- No impact on operating profit on a full year-basis
- Impact on year-on-year analysis of quarterly operating profit of France only and thus same impact at group level
- Main unfavorable impact in Q1 2015 fading progressively over the course of 2015:

### Quarterly impact on operating profit in €M (estimated figures)

<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>	<u>Q4 2015</u>
-6.8	+2.3	+2.3	+2.2

### Year-to-date impact on operating profit in €M (estimated figures)

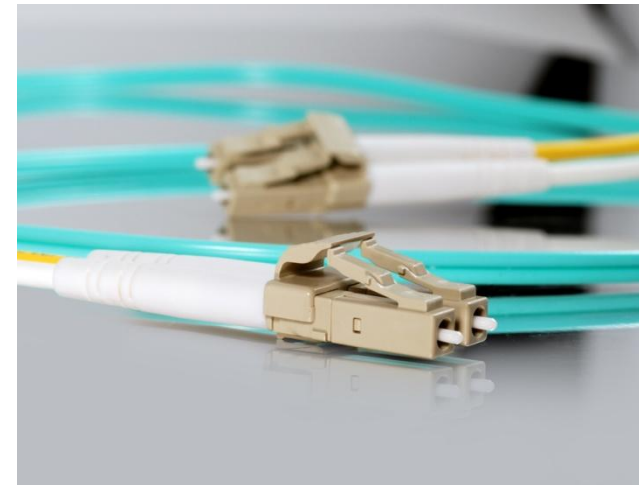
<u>Q1 2015</u>	<u>H1 2015</u>	<u>9M 2015</u>	<u>FY 2015</u>
-6.8	-4.5	-2.2	0

1. Please refer to note 2.1.4 of 2014 consolidated financial statements

## ACQUISITIONS LASTAR INC.



- US frontrunner in pre-terminated solutions for Voice-Data-Image and Audio/Video networks
- Around \$130m annual sales, of which 95% in the US
- Strong brand awareness and access to specialized distribution in the US (VDI, IT, web)
- Around 1,000 employees in total



- Ideal fit with Legrand's US offering in structured VDI cabling with its Ortronics brand
- Strengthens Legrand's positions in VDI and A/V markets in the US and in growing verticals such as data centers



## ACQUISITIONS NEAT<sup>(1)</sup>



- Spain's leader in assisted living and a major player in this market Europe-wide
- Annual revenues of over €15 million
- 90 employees

- Ideal complement to Legrand's existing offer in assisted living
- Makes Legrand Europe's #2 in this field

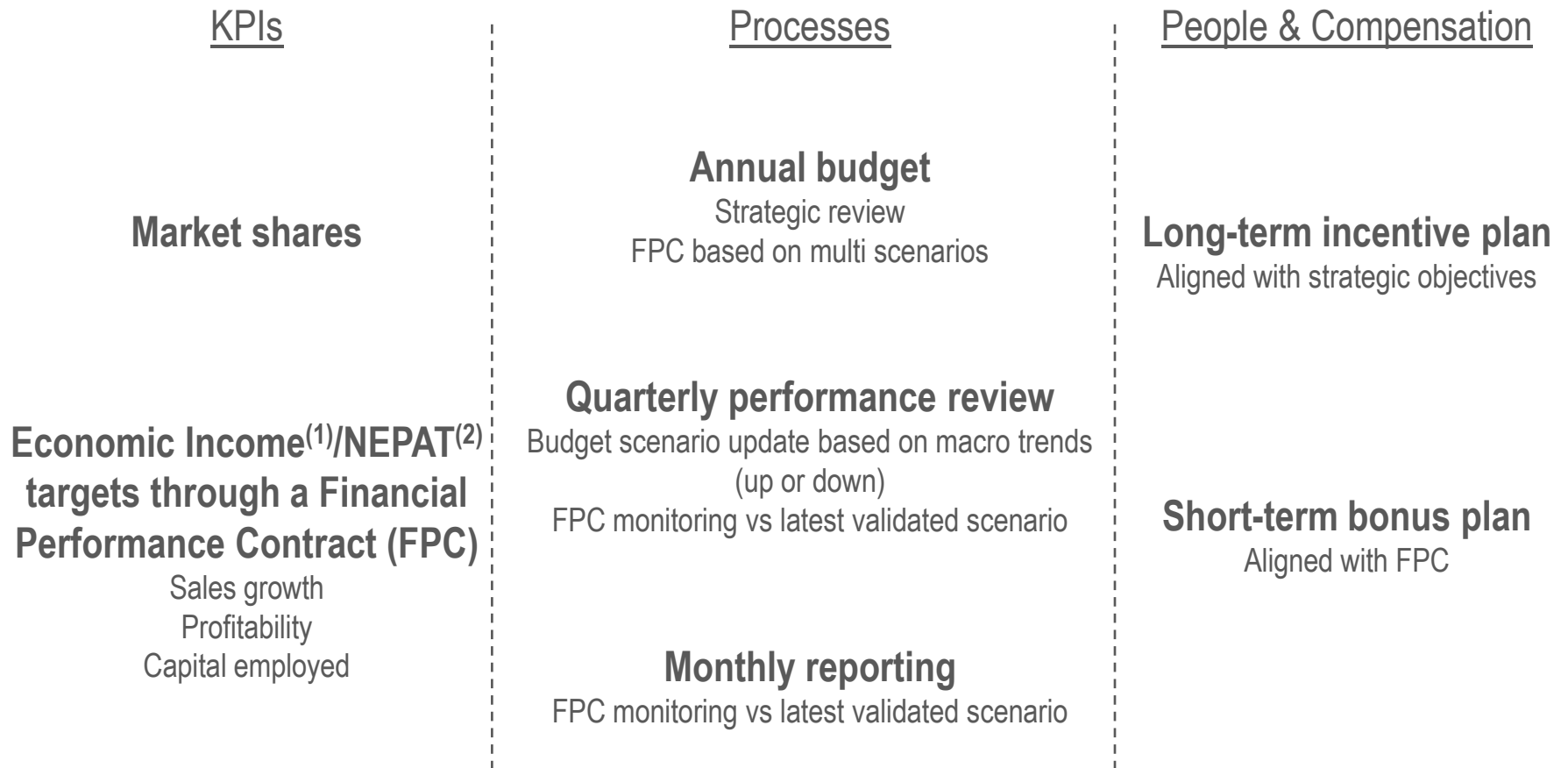
## ACQUISITIONS SJ MANUFACTURING



- Singaporean frontrunner in racks, Voice-Data-Image cabinets and related products for data centers
  - Annual revenues of nearly €10 million
  - 130 employees
- 
- Ideal complement in South-East Asia to Legrand's existing offer for data centers
  - Strengthens Legrand's positions in digital infrastructures



## PERFORMANCES DRIVEN BY ROBUST PROCESSES LINKING COUNTRIES AND GROUP



Ongoing responsiveness and adaptation

1. *Economic Income = adjusted operating profit less cost of capital employed*  
 2. *Net Economic Profit After Tax = Economic Income after tax*

## FINANCIAL PERFORMANCE MANAGEMENT ACHIEVEMENTS

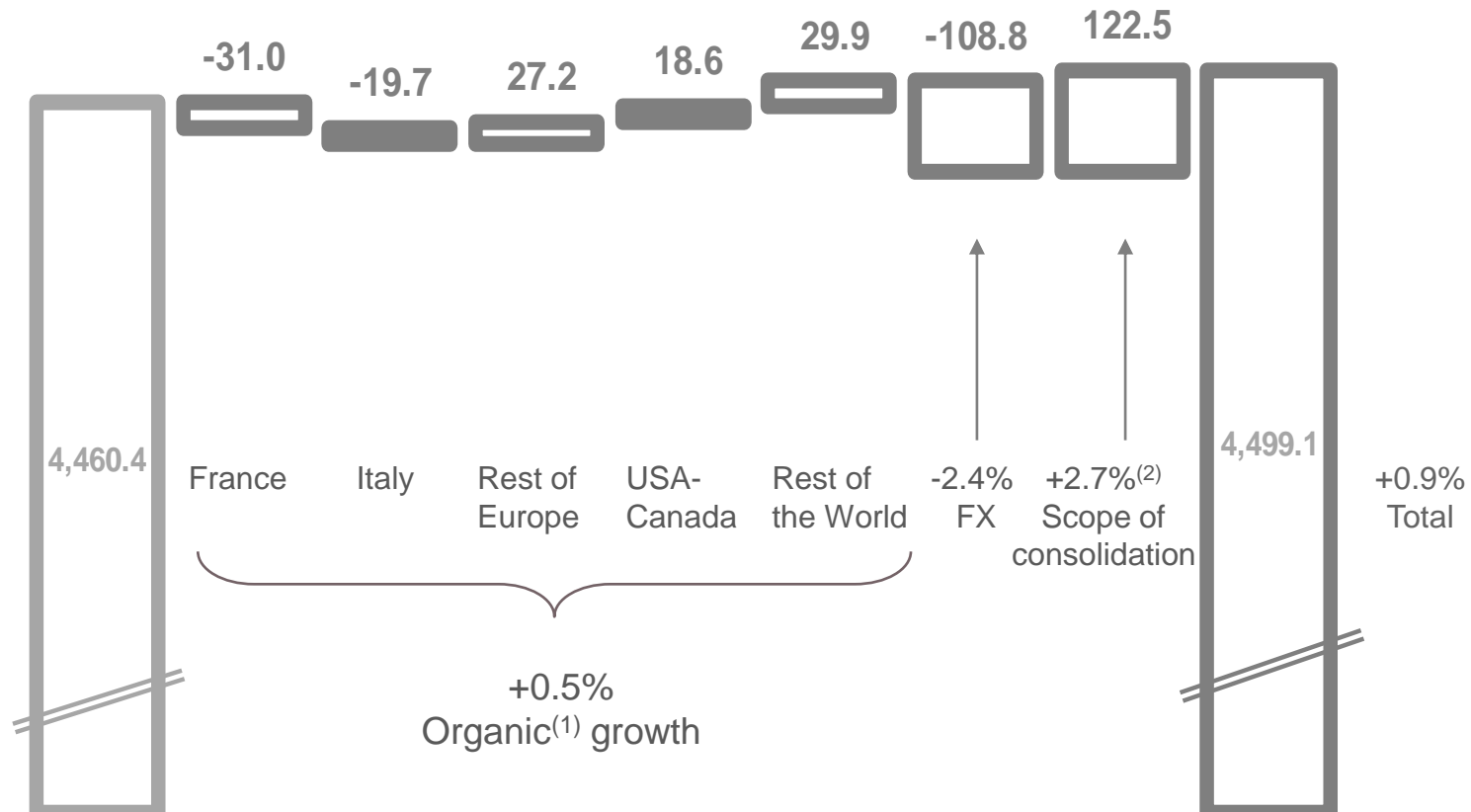
As % of sales (rounded figures)	<u>1992-2002</u> <u>average</u>	<u>2003-2008</u> <u>average</u>	<u>2009-2013</u> <u>average</u>	<u>2014</u>
<b>Adjusted operating margin</b>	14%	16%	19%	19.6%
<b>Capex</b>	8%	4%	3%	2.8% <sup>(1)</sup>
<b>Working capital requirement</b>	21%	13%	≤10%	8.2%
<b>Free cash flow</b>	6%	11%	13% <sup>(2)</sup>	13.5% <sup>(2)</sup>

1. Expected to fluctuate between 3% to 3.5%

2. On a normalized basis with working capital requirement representing 10% of the last 12 months' sales, and whose change is at constant scope of consolidation and exchange rates

## CHANGE IN NET SALES

Breakdown of change in 2014 net sales by destination (€m)



1. Organic: at constant scope of consolidation and exchange rates

2. Due to the consolidation of Seico, S2S, Adlec, Tynetec, Lastar, Neat and SJ Manufacturing

## 2014 – NET SALES BY DESTINATION<sup>(1)</sup>

In € millions	2013	2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	935.2	911.3	<b>-2.6%</b>	0.8%	<b>-3.3%</b>	0.0%
Italy	482.2	462.5	<b>-4.1%</b>	0.0%	<b>-4.1%</b>	0.0%
Rest of Europe	818.3	825.4	<b>0.9%</b>	3.1%	<b>3.2%</b>	-5.2%
USA/Canada	758.6	853.1	<b>12.5%</b>	9.9%	<b>2.2%</b>	0.1%
Rest of the World	1,466.1	1,446.8	<b>-1.3%</b>	1.0%	<b>2.0%</b>	-4.3%
<b>Total</b>	<b>4,460.4</b>	<b>4,499.1</b>	<b>0.9%</b>	<b>2.7%</b>	<b>0.5%</b>	<b>-2.4%</b>

## 2014 FIRST QUARTER – NET SALES BY DESTINATION<sup>(1)</sup>

In € millions	Q1 2013	Q1 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	241.7	242.4	<b>0.3%</b>	2.3%	<b>-1.9%</b>	0.0%
Italy	142.0	132.6	<b>-6.6%</b>	0.0%	<b>-6.6%</b>	0.0%
Rest of Europe	191.7	203.3	<b>6.1%</b>	2.4%	<b>11.1%</b>	-6.8%
USA/Canada	181.6	178.7	<b>-1.6%</b>	0.2%	<b>1.9%</b>	-3.7%
Rest of the World	335.9	327.3	<b>-2.6%</b>	5.8%	<b>3.0%</b>	-10.6%
<b>Total</b>	<b>1,092.9</b>	<b>1,084.3</b>	<b>-0.8%</b>	<b>2.7%</b>	<b>2.0%</b>	<b>-5.3%</b>

1. Market where sales are recorded

## 2014 SECOND QUARTER – NET SALES BY DESTINATION<sup>(1)</sup>

In € millions	Q2 2013	Q2 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	240.1	239.2	<b>-0.4%</b>	1.8%	<b>-2.1%</b>	0.0%
Italy	128.4	122.6	<b>-4.5%</b>	-0.1%	<b>-4.5%</b>	0.0%
Rest of Europe	202.5	198.2	<b>-2.1%</b>	2.2%	<b>1.3%</b>	-5.4%
USA/Canada	203.9	219.7	<b>7.7%</b>	12.9%	<b>0.2%</b>	-4.7%
Rest of the World	386.2	360.6	<b>-6.6%</b>	-1.9%	<b>4.2%</b>	-8.7%
<b>Total</b>	<b>1,161.1</b>	<b>1,140.3</b>	<b>-1.8%</b>	<b>2.4%</b>	<b>0.7%</b>	<b>-4.7%</b>

## 2014 THIRD QUARTER – NET SALES BY DESTINATION<sup>(1)</sup>

In € millions	Q3 2013	Q3 2014	<b>Total Change</b>	Scope of Consolidation	<b>Like-for-Like Growth</b>	Currency Effect
France	204.1	201.1	<b>-1.5%</b>	2.1%	<b>-3.5%</b>	0.0%
Italy	104.1	101.0	<b>-3.0%</b>	0.0%	<b>-3.0%</b>	0.0%
Rest of Europe	202.5	209.1	<b>3.3%</b>	6.5%	<b>-0.2%</b>	-2.8%
USA/Canada	198.2	228.6	<b>15.3%</b>	13.4%	<b>2.0%</b>	-0.2%
Rest of the World	355.7	359.5	<b>1.1%</b>	0.8%	<b>0.7%</b>	-0.4%
<b>Total</b>	<b>1,064.6</b>	<b>1,099.3</b>	<b>3.3%</b>	<b>4.4%</b>	<b>-0.3%</b>	<b>-0.7%</b>

1. Market where sales are recorded

## 2014 FOURTH QUARTER – NET SALES BY DESTINATION<sup>(1)</sup>

In € millions	Q4 2013	Q4 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	249.4	228.6	<b>-8.3%</b>	-2.8%	<b>-5.7%</b>	0.0%
Italy	107.8	106.3	<b>-1.4%</b>	0.0%	<b>-1.4%</b>	0.0%
Rest of Europe	221.5	214.8	<b>-3.0%</b>	1.4%	<b>1.4%</b>	-5.7%
USA/Canada	174.9	226.1	<b>29.3%</b>	12.7%	<b>5.2%</b>	9.0%
Rest of the World	388.2	399.4	<b>2.9%</b>	0.1%	<b>0.2%</b>	2.6%
<b>Total</b>	<b>1,141.8</b>	<b>1,175.2</b>	<b>2.9%</b>	<b>1.6%</b>	<b>-0.1%</b>	<b>1.4%</b>



## 2014 – NET SALES BY ORIGIN<sup>(1)</sup>

In € millions	2013	2014	<b>Total Change</b>	Scope of Consolidation	<b>Like-for-Like Growth</b>	Currency Effect
France	1,053.9	1,033.0	<b>-2.0%</b>	0.7%	<b>-2.7%</b>	0.0%
Italy	522.5	499.6	<b>-4.4%</b>	0.0%	<b>-4.4%</b>	0.0%
Rest of Europe	800.1	809.5	<b>1.2%</b>	2.8%	<b>4.1%</b>	-5.4%
USA/Canada	773.3	874.5	<b>13.1%</b>	10.1%	<b>2.6%</b>	0.1%
Rest of the World	1,310.6	1,282.5	<b>-2.1%</b>	1.1%	<b>1.6%</b>	-4.7%
<b>Total</b>	<b>4,460.4</b>	<b>4,499.1</b>	<b>0.9%</b>	<b>2.7%</b>	<b>0.5%</b>	<b>-2.4%</b>

## 2014 FIRST QUARTER – NET SALES BY ORIGIN<sup>(1)</sup>

In € millions	Q1 2013	Q1 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	268.7	270.7	<b>0.7%</b>	2.3%	<b>-1.5%</b>	0.0%
Italy	151.7	143.4	<b>-5.5%</b>	0.0%	<b>-5.5%</b>	0.0%
Rest of Europe	187.5	199.1	<b>6.2%</b>	2.7%	<b>11.4%</b>	-7.2%
USA/Canada	185.0	181.9	<b>-1.7%</b>	0.0%	<b>2.0%</b>	-3.7%
Rest of the World	300.0	289.2	<b>-3.6%</b>	6.3%	<b>2.7%</b>	-11.7%
<b>Total</b>	<b>1,092.9</b>	<b>1,084.3</b>	<b>-0.8%</b>	<b>2.7%</b>	<b>2.0%</b>	<b>-5.3%</b>

## 2014 SECOND QUARTER – NET SALES BY ORIGIN<sup>(1)</sup>

In € millions	Q2 2013	Q2 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	271.2	268.7	<b>-0.9%</b>	1.7%	<b>-2.6%</b>	0.0%
Italy	137.4	133.1	<b>-3.1%</b>	0.0%	<b>-3.1%</b>	0.0%
Rest of Europe	197.3	193.9	<b>-1.7%</b>	1.7%	<b>2.4%</b>	-5.6%
USA/Canada	207.5	225.7	<b>8.8%</b>	13.1%	<b>0.9%</b>	-4.7%
Rest of the World	347.7	318.9	<b>-8.3%</b>	-2.3%	<b>3.7%</b>	-9.5%
<b>Total</b>	<b>1,161.1</b>	<b>1,140.3</b>	<b>-1.8%</b>	<b>2.4%</b>	<b>0.7%</b>	<b>-4.7%</b>

## 2014 THIRD QUARTER – NET SALES BY ORIGIN<sup>(1)</sup>

In € millions	Q3 2013	Q3 2014	<b>Total Change</b>	Scope of Consolidation	<b>Like-for-Like Growth</b>	Currency Effect
France	231.5	227.9	<b>-1.6%</b>	1.9%	<b>-3.4%</b>	0.0%
Italy	114.2	109.3	<b>-4.3%</b>	0.0%	<b>-4.3%</b>	0.0%
Rest of Europe	197.6	205.6	<b>4.0%</b>	6.3%	<b>0.8%</b>	-2.9%
USA/Canada	202.6	235.2	<b>16.1%</b>	13.5%	<b>2.5%</b>	-0.3%
Rest of the World	318.7	321.3	<b>0.8%</b>	0.7%	<b>0.5%</b>	-0.4%
<b>Total</b>	<b>1,064.6</b>	<b>1,099.3</b>	<b>3.3%</b>	<b>4.4%</b>	<b>-0.3%</b>	<b>-0.7%</b>

## 2014 FOURTH QUARTER – NET SALES BY ORIGIN<sup>(1)</sup>

In € millions	Q4 2013	Q4 2014	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	282.5	265.7	<b>-5.9%</b>	-2.5%	<b>-3.5%</b>	0.0%
Italy	119.2	113.8	<b>-4.5%</b>	0.1%	<b>-4.6%</b>	0.0%
Rest of Europe	217.7	210.9	<b>-3.1%</b>	0.7%	<b>2.3%</b>	-5.9%
USA/Canada	178.2	231.7	<b>30.0%</b>	13.3%	<b>5.2%</b>	9.1%
Rest of the World	344.2	353.1	<b>2.6%</b>	0.2%	<b>-0.5%</b>	2.9%
<b>Total</b>	<b>1,141.8</b>	<b>1,175.2</b>	<b>2.9%</b>	<b>1.6%</b>	<b>-0.1%</b>	<b>1.4%</b>

1. Zone of origin of the product sold

## 2014 – P&amp;L

In € millions	2013	2014	% change
<b>Net sales</b>	<b>4,460.4</b>	<b>4,499.1</b>	<b>+0.9%</b>
Gross profit	2,303.8	2,301.9	-0.1%
<i>as % of sales</i>	51.7%	51.2%	
<b>Adjusted<sup>(1)</sup> operating profit</b>	<b>882.3</b>	<b>880.4</b>	<b>-0.2%</b>
<b><i>as % of sales</i></b>	<b>19.8%</b>	<b>19.6%</b> <sup>(2)</sup>	
Amortization and expense/income related to acquisitions	(32.9)	(32.9)	
Operating profit	849.4	847.5	-0.2%
<i>as % of sales</i>	19.0%	18.8%	
Financial income (costs)	(80.8)	(77.3)	
Exchange gains (losses)	(1.8)	1.5	
Income-tax expense	(233.5)	(238.4)	
Profit	533.3	533.3	
<b>Profit excluding minority interests</b>	<b>530.5</b>	<b>531.7</b>	<b>+0.2%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income, relating to acquisitions (€32.9 million in 2013 and 2014) and, where applicable, for impairment of goodwill (€0 in 2013 and 2014)

2. 19.8% excluding acquisitions (at 2013 scope of consolidation)

## 2014 FIRST QUARTER – P&amp;L

In € millions	Q1 2013	Q1 2014	% change
<b>Net sales</b>	<b>1,092.9</b>	<b>1,084.3</b>	<b>-0.8%</b>
Gross profit	567.4	566.7	-0.1%
<i>as % of sales</i>	51.9%	52.3%	
<b>Adjusted<sup>(1)</sup> operating profit</b>	<b>216.1</b>	<b>218.9</b>	<b>+1.3%</b>
<b><i>as % of sales</i></b>	<b>19.8%</b>	<b>20.2%</b> <sup>(2)</sup>	
Amortization and expense/income related to acquisitions	(7.5)	(8.0)	
Operating profit	208.6	210.9	+1.1%
<i>as % of sales</i>	19.1%	19.5%	
Financial income (costs)	(19.8)	(18.7)	
Exchange gains (losses)	(3.9)	(0.5)	
Income-tax expense	(60.1)	(61.5)	
Profit	124.8	130.2	+4.3%
<b>Profit excluding minority interests</b>	<b>124.5</b>	<b>129.5</b>	<b>+4.0%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income, relating to acquisitions (€7.5 million in Q1 2013 and €8.0 million in Q1 2014) and, where applicable, for impairment of goodwill (€0 in Q1 2013 and Q1 2014)

2. 20.4% excluding acquisitions (at 2013 scope of consolidation)

## 2014 SECOND QUARTER – P&L

In € millions	Q2 2013	Q2 2014	% change
<b>Net sales</b>	<b>1,161.1</b>	<b>1,140.3</b>	<b>-1.8%</b>
Gross profit	608.1	587.4	-3.4%
<i>as % of sales</i>	52.4%	51.5%	
<b>Adjusted<sup>(1)</sup> operating profit</b>	<b>241.4</b>	<b>234.4</b>	<b>-2.9%</b>
<b><i>as % of sales</i></b>	<b>20.8%</b>	<b>20.6%</b> <sup>(2)</sup>	
Amortization and expense/income related to acquisitions	(7.9)	(8.9)	
Operating profit	233.5	225.5	-3.4%
<i>as % of sales</i>	20.1%	19.8%	
Financial income (costs)	(19.8)	(19.4)	
Exchange gains (losses)	(2.2)	0.4	
Income-tax expense	(65.1)	(64.1)	
Profit	146.4	142.4	-2.7%
<b>Profit excluding minority interests</b>	<b>145.3</b>	<b>142.0</b>	<b>-2.3%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income, relating to acquisitions (€7.9 million in Q2 2013 and €8.9 million in Q2 2014) and, where applicable, for impairment of goodwill (€0 in Q2 2013 and Q2 2014)

2. 20.9% excluding acquisitions (at 2013 scope of consolidation)



## 2014 THIRD QUARTER – P&amp;L

In € millions	Q3 2013	Q3 2014	% change
<b>Net sales</b>	<b>1,064.6</b>	<b>1,099.3</b>	<b>+3.3%</b>
Gross profit	546.7	558.5	+2.2%
<i>as % of sales</i>	51.4%	50.8%	
<b>Adjusted<sup>(1)</sup> operating profit</b>	<b>212.5</b>	<b>209.9</b>	<b>-1.2%</b>
<b><i>as % of sales</i></b>	<b>20.0%</b>	<b>19.1%</b> <sup>(2)</sup>	
Amortization and expense/income related to acquisitions	(7.6)	(8.3)	
Operating profit	204.9	201.6	-1.6%
<i>as % of sales</i>	19.2%	18.3%	
Financial income (costs)	(19.7)	(19.6)	
Exchange gains (losses)	4.0	1.5	
Income-tax expense	(56.3)	(56.7)	
Profit	132.9	126.8	-4.6%
<b>Profit excluding minority interests</b>	<b>132.3</b>	<b>126.8</b>	<b>-4.2%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income, relating to acquisitions (€7.6 million in Q3 2013 and €8.3 million in Q3 2014) and, where applicable, for impairment of goodwill (€0 in Q3 2013 and Q3 2014)

2. 19.4% excluding acquisitions (at 2013 scope of consolidation)

## 2014 FOURTH QUARTER – P&L

In € millions	Q4 2013	Q4 2014	% change
<b>Net sales</b>	<b>1,141.8</b>	<b>1,175.2</b>	<b>+2.9%</b>
Gross profit	581.6	589.3	+1.3%
<i>as % of sales</i>	50.9%	50.1%	
<b>Adjusted<sup>(1)</sup> operating profit</b>	<b>212.3</b>	<b>217.2</b>	<b>+2.3%</b>
<b><i>as % of sales</i></b>	<b>18.6%</b>	<b>18.5%</b> <sup>(2)</sup>	
Amortization and expense/income related to acquisitions	(9.9)	(7.7)	
Operating profit	202.4	209.5	+3.5%
<i>as % of sales</i>	17.7%	17.8%	
Financial income (costs)	(21.5)	(19.6)	
Exchange gains (losses)	0.3	0.1	
Income-tax expense	(52.0)	(56.1)	
Profit	129.2	133.9	+3.6%
<b>Profit excluding minority interests</b>	<b>128.4</b>	<b>133.4</b>	<b>+3.9%</b>

1. Operating income adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income, relating to acquisitions (€9.9 million in Q4 2013 and €7.7million in Q4 2014) and, where applicable, for impairment of goodwill (€0 in Q4 2013 and Q4 2014)

2. 18.6% excluding acquisitions (at 2013 scope of consolidation)

## 2014 – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

2014 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>1,033.0</b>	<b>499.6</b>	<b>809.5</b>	<b>874.5</b>	<b>1,282.5</b>	<b>4,499.1</b>
Cost of sales	(385.7)	(182.8)	(458.7)	(434.9)	(735.1)	(2,197.2)
Administrative and selling expenses, R&D costs	(398.3)	(160.3)	(205.9)	(298.8)	(344.3)	(1,407.6)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(3.7)	0.0	(2.8)	(12.1)	(14.3)	(32.9)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>252.7</b>	<b>156.5</b>	<b>147.7</b>	<b>152.9</b>	<b>217.4</b>	<b>927.2</b>
<b>as % of sales</b>	<b>24.5%</b>	<b>31.3%</b>	<b>18.2%</b>	<b>17.5%</b>	<b>17.0%</b>	<b>20.6%</b>
Other operating income (expense)	(3.4)	(0.4)	(12.6)	(6.6)	(23.8)	(46.8) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>249.3</b>	<b>156.1</b>	<b>135.1</b>	<b>146.3</b>	<b>193.6</b>	<b>880.4</b>
<b>as % of sales</b>	<b>24.1%</b>	<b>31.2%</b>	<b>16.7%</b>	<b>16.7%</b>	<b>15.1%</b>	<b>19.6%</b>

1. Restructuring (€21.7m) and other miscellaneous items (€25.1m)

## 2013 – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

2013 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>1,053.9</b>	<b>522.5</b>	<b>800.1</b>	<b>773.3</b>	<b>1,310.6</b>	<b>4,460.4</b>
Cost of sales	(391.2)	(184.0)	(465.7)	(378.8)	(736.9)	(2,156.6)
Administrative and selling expenses, R&D costs	(403.2)	(163.8)	(200.2)	(269.2)	(345.8)	(1,382.2)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(6.0)	0.0	(2.6)	(10.7)	(13.6)	(32.9)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>265.5</b>	<b>174.7</b>	<b>136.8</b>	<b>136.0</b>	<b>241.5</b>	<b>954.5</b>
<b>as % of sales</b>	<b>25.2%</b>	<b>33.4%</b>	<b>17.1%</b>	<b>17.6%</b>	<b>18.4%</b>	<b>21.4%</b>
Other operating income (expense)	(14.3)	(5.6)	(4.4)	(13.6)	(34.3)	(72.2) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>251.2</b>	<b>169.1</b>	<b>132.4</b>	<b>122.4</b>	<b>207.2</b>	<b>882.3</b>
<b>as % of sales</b>	<b>23.8%</b>	<b>32.4%</b>	<b>16.5%</b>	<b>15.8%</b>	<b>15.8%</b>	<b>19.8%</b>

1. Restructuring (€29.3m) and other miscellaneous items (€42.9m)

## 2014 FIRST QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q1 2014 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>270.7</b>	<b>143.4</b>	<b>199.1</b>	<b>181.9</b>	<b>289.2</b>	<b>1,084.3</b>
Cost of sales	(96.8)	(50.4)	(111.9)	(92.1)	(166.4)	(517.6)
Administrative and selling expenses, R&D costs	(106.8)	(42.1)	(48.9)	(64.5)	(80.6)	(342.9)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.7)	0.0	(0.6)	(2.6)	(3.1)	(8.0)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>68.8</b>	<b>50.9</b>	<b>38.9</b>	<b>27.9</b>	<b>45.3</b>	<b>231.8</b>
<b>as % of sales</b>	<b>25.4%</b>	<b>35.5%</b>	<b>19.5%</b>	<b>15.3%</b>	<b>15.7%</b>	<b>21.4%</b>
Other operating income (expense)	(5.0)	0.5	(2.3)	(0.9)	(5.2)	(12.9) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>63.8</b>	<b>51.4</b>	<b>36.6</b>	<b>27.0</b>	<b>40.1</b>	<b>218.9</b>
<b>as % of sales</b>	<b>23.6%</b>	<b>35.8%</b>	<b>18.4%</b>	<b>14.8%</b>	<b>13.9%</b>	<b>20.2%</b>

1. Restructuring (€4.0m) and other miscellaneous items (€8.9m)

## 2013 FIRST QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q1 2013 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>268.7</b>	<b>151.7</b>	<b>187.5</b>	<b>185.0</b>	<b>300.0</b>	<b>1,092.9</b>
Cost of sales	(97.8)	(54.3)	(108.9)	(93.3)	(171.2)	(525.5)
Administrative and selling expenses, R&D costs	(104.4)	(44.6)	(50.7)	(65.6)	(83.2)	(348.5)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(0.9)	0.0	(0.9)	(2.4)	(3.3)	(7.5)
<b>Adjusted operating profit before other operating income (expense) as % of sales</b>	<b>67.4</b> <b>25.1%</b>	<b>52.8</b> <b>34.8%</b>	<b>28.8</b> <b>15.4%</b>	<b>28.5</b> <b>15.4%</b>	<b>48.9</b> <b>16.3%</b>	<b>226.4</b> <b>20.7%</b>
Other operating income (expense)	(4.5)	0.2	(1.6)	(0.4)	(4.0)	(10.3) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit as % of sales</b>	<b>62.9</b> <b>23.4%</b>	<b>53.0</b> <b>34.9%</b>	<b>27.2</b> <b>14.5%</b>	<b>28.1</b> <b>15.2%</b>	<b>44.9</b> <b>15.0%</b>	<b>216.1</b> <b>19.8%</b>

1. Restructuring (€3.9m) and other miscellaneous items (€6.4m)

## 2014 SECOND QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q2 2014 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>268.7</b>	<b>133.1</b>	<b>193.9</b>	<b>225.7</b>	<b>318.9</b>	<b>1,140.3</b>
Cost of sales	(97.3)	(49.5)	(111.3)	(110.7)	(184.1)	(552.9)
Administrative and selling expenses, R&D costs	(101.0)	(41.0)	(50.8)	(75.5)	(86.6)	(354.9)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.5)	0.0	(0.7)	(2.8)	(3.9)	(8.9)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>71.9</b>	<b>42.6</b>	<b>32.5</b>	<b>42.3</b>	<b>52.1</b>	<b>241.4</b>
<b>as % of sales</b>	<b>26.8%</b>	<b>32.0%</b>	<b>16.8%</b>	<b>18.7%</b>	<b>16.3%</b>	<b>21.2%</b>
Other operating income (expense)	3.0	(0.8)	(2.6)	(3.1)	(3.5)	(7.0) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>74.9</b>	<b>41.8</b>	<b>29.9</b>	<b>39.2</b>	<b>48.6</b>	<b>234.4</b>
<b>as % of sales</b>	<b>27.9%</b>	<b>31.4%</b>	<b>15.4%</b>	<b>17.4%</b>	<b>15.2%</b>	<b>20.6%</b>

1. Restructuring (€6.9m) and other miscellaneous items (€0.1m)

## 2013 SECOND QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q2 2013 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>271.2</b>	<b>137.4</b>	<b>197.3</b>	<b>207.5</b>	<b>347.7</b>	<b>1,161.1</b>
Cost of sales	(97.4)	(46.2)	(114.0)	(101.7)	(193.7)	(553.0)
Administrative and selling expenses, R&D costs	(101.1)	(42.0)	(49.8)	(69.1)	(91.0)	(353.0)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.4)	0.0	(0.5)	(2.6)	(3.4)	(7.9)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>74.1</b>	<b>49.2</b>	<b>34.0</b>	<b>39.3</b>	<b>66.4</b>	<b>263.0</b>
<b>as % of sales</b>	<b>27.3%</b>	<b>35.8%</b>	<b>17.2%</b>	<b>18.9%</b>	<b>19.1%</b>	<b>22.7%</b>
Other operating income (expense)	(3.8)	(3.0)	(1.7)	(6.3)	(6.8)	(21.6) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>70.3</b>	<b>46.2</b>	<b>32.3</b>	<b>33.0</b>	<b>59.6</b>	<b>241.4</b>
<b>as % of sales</b>	<b>25.9%</b>	<b>33.6%</b>	<b>16.4%</b>	<b>15.9%</b>	<b>17.1%</b>	<b>20.8%</b>

1. Restructuring (€5.0m) and other miscellaneous items (€16.6m)



## 2014 THIRD QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q3 2014 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>227.9</b>	<b>109.3</b>	<b>205.6</b>	<b>235.2</b>	<b>321.3</b>	<b>1,099.3</b>
Cost of sales	(85.3)	(41.2)	(115.3)	(117.4)	(181.6)	(540.8)
Administrative and selling expenses, R&D costs	(88.4)	(37.3)	(54.0)	(77.8)	(88.2)	(345.7)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.4)	0.0	(0.7)	(2.5)	(3.7)	(8.3)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>55.6</b>	<b>30.8</b>	<b>37.0</b>	<b>42.5</b>	<b>55.2</b>	<b>221.1</b>
<b>as % of sales</b>	<b>24.4%</b>	<b>28.2%</b>	<b>18.0%</b>	<b>18.1%</b>	<b>17.2%</b>	<b>20.1%</b>
Other operating income (expense)	(2.5)	0.8	(1.0)	(2.3)	(6.2)	(11.2) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>53.1</b>	<b>31.6</b>	<b>36.0</b>	<b>40.2</b>	<b>49.0</b>	<b>209.9</b>
<b>as % of sales</b>	<b>23.3%</b>	<b>28.9%</b>	<b>17.5%</b>	<b>17.1%</b>	<b>15.3%</b>	<b>19.1%</b>

1. Restructuring (€5.2m) and other miscellaneous items (€6.0m)

## 2013 THIRD QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q3 2013 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>231.5</b>	<b>114.2</b>	<b>197.6</b>	<b>202.6</b>	<b>318.7</b>	<b>1,064.6</b>
Cost of sales	(85.4)	(40.0)	(115.5)	(100.2)	(176.8)	(517.9)
Administrative and selling expenses, R&D costs	(90.4)	(37.4)	(48.6)	(68.8)	(83.5)	(328.7)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.1)	0.0	(0.7)	(2.6)	(3.2)	(7.6)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>56.8</b>	<b>36.8</b>	<b>34.2</b>	<b>36.2</b>	<b>61.6</b>	<b>225.6</b>
<b>as % of sales</b>	<b>24.5%</b>	<b>32.2%</b>	<b>17.3%</b>	<b>17.9%</b>	<b>19.3%</b>	<b>21.2%</b>
Other operating income (expense)	4.8	(0.1)	(1.7)	(3.0)	(13.1)	(13.1) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>61.6</b>	<b>36.7</b>	<b>32.5</b>	<b>33.2</b>	<b>48.5</b>	<b>212.5</b>
<b>as % of sales</b>	<b>26.6%</b>	<b>32.1%</b>	<b>16.4%</b>	<b>16.4%</b>	<b>15.2%</b>	<b>20.0%</b>

1. Restructuring (€8.3m) and other miscellaneous items (€4.8m)

## 2014 FOURTH QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q4 2014 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>265.7</b>	<b>113.8</b>	<b>210.9</b>	<b>231.7</b>	<b>353.1</b>	<b>1,175.2</b>
Cost of sales	(106.3)	(41.7)	(120.2)	(114.7)	(203.0)	(585.9)
Administrative and selling expenses, R&D costs	(102.1)	(39.9)	(52.2)	(81.0)	(88.9)	(364.1)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	0.9	0.0	(0.8)	(4.2)	(3.6)	(7.7)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>56.4</b>	<b>32.2</b>	<b>39.3</b>	<b>40.2</b>	<b>64.8</b>	<b>232.9</b>
<b>as % of sales</b>	<b>21.2%</b>	<b>28.3%</b>	<b>18.6%</b>	<b>17.4%</b>	<b>18.4%</b>	<b>19.8%</b>
Other operating income (expense)	1.1	(0.9)	(6.7)	(0.3)	(8.9)	(15.7) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>57.5</b>	<b>31.3</b>	<b>32.6</b>	<b>39.9</b>	<b>55.9</b>	<b>217.2</b>
<b>as % of sales</b>	<b>21.6%</b>	<b>27.5%</b>	<b>15.5%</b>	<b>17.2%</b>	<b>15.8%</b>	<b>18.5%</b>

1. Restructuring (€5.6m) and other miscellaneous items (€10.1m)

## 2013 FOURTH QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

APPENDICES

Q4 2013 (in € millions)	France	Italy	Rest of Europe	USA/ Canada	Rest of the World	Total
<b>Net sales</b>	<b>282.5</b>	<b>119.2</b>	<b>217.7</b>	<b>178.2</b>	<b>344.2</b>	<b>1,141.8</b>
Cost of sales	(110.6)	(43.5)	(127.3)	(83.6)	(195.2)	(560.2)
Administrative and selling expenses, R&D costs	(107.3)	(39.8)	(51.1)	(65.7)	(88.1)	(352.0)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(2.6)	0.0	(0.5)	(3.1)	(3.7)	(9.9)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>67.2</b>	<b>35.9</b>	<b>39.8</b>	<b>32.0</b>	<b>64.6</b>	<b>239.5</b>
<b>as % of sales</b>	<b>23.8%</b>	<b>30.1%</b>	<b>18.3%</b>	<b>18.0%</b>	<b>18.8%</b>	<b>21.0%</b>
Other operating income (expense)	(10.8)	(2.7)	0.6	(3.9)	(10.4)	(27.2) <sup>(1)</sup>
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>56.4</b>	<b>33.2</b>	<b>40.4</b>	<b>28.1</b>	<b>54.2</b>	<b>212.3</b>
<b>as % of sales</b>	<b>20.0%</b>	<b>27.9%</b>	<b>18.6%</b>	<b>15.8%</b>	<b>15.7%</b>	<b>18.6%</b>

1. Restructuring (€12.1m) and other miscellaneous items (€15.1m)

## 2014 – RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT

In € millions	2013	2014
<b>Profit</b>	<b>533.3</b>	<b>533.3</b>
Depreciation & amortization	170.3	167.6
Change in other non-current assets and liabilities and deferred tax	21.2	15.4
Exchange (gains)/losses net	(4.9)	11.9
(Gains)/losses on sales of assets, net	(0.5)	0.0
Other Adjustments	0.4	0.5
<b>Cash flow from operations</b>	<b>719.8</b>	<b>728.7</b>

## 2014 – RECONCILIATION OF FREE CASH FLOW AND NORMALIZED FREE CASH FLOW WITH CASH FLOW FROM OPERATIONS

In € millions	2013	2014	% change
<b>Cash flow from operations<sup>(1)</sup></b>	<b>719.8</b>	<b>728.7</b>	<b>1.2%</b>
<b>as % of sales</b>	<b>16.1%</b>	<b>16.2%</b>	
Change in working capital requirement	(27.9)	(2.3)	
Net cash provided by operating activities	691.9	726.4	5.0%
as % of sales	15.5%	16.1%	
Capital expenditures (including capitalized R&D)	(133.0)	(125.3)	
Net proceeds of sales of fixed assets	4.3	6.3	
<b>Free cash flow</b>	<b>563.2</b>	<b>607.4</b>	<b>7.8%</b>
<b>as % of sales</b>	<b>12.6%</b>	<b>13.5%</b>	
Change in working capital requirement	(27.9)	(2.3)	
Change in normalized working capital requirement	(2.3)	(2.2)	
<b>Normalized<sup>(2)</sup> free cash flow</b>	<b>588.8</b>	<b>607.5</b>	
<b>as % of sales</b>	<b>13.2%</b>	<b>13.5%</b>	

1. Cash flow from operations is defined as the sum of net cash from operating activities and change in working capital requirement.
2. Based on a constant 10% ratio of total working capital requirement to sales, at constant scope of consolidation and exchange rates

## SCOPE OF CONSOLIDATION

2013	Q1	H1	9M	FY
Daneva	Balance sheet only	6 months	9 months	12 months
Seico	Balance sheet only	5 months	8 months	11 months
S2S		Balance sheet only	Balance sheet only	8 months
Adlec			Balance sheet only	5 months
Tynetec			Balance sheet only	5 months

2014	Q1	H1	9M	FY
Daneva	3 months	6 months	9 months	12 months
Seico	3 months	6 months	9 months	12 months
S2S	3 months	6 months	9 months	12 months
Adlec	3 months	6 months	9 months	12 months
Tynetec	3 months	6 months	9 months	12 months
Lastar	Balance sheet only	3 months	6 months	9 months
Neat	Balance sheet only	Balance sheet only	7 months	10 months
SJ Manufacturing		Balance sheet only	Balance sheet only	7 months

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