B&M European Value Retail SA
Interim Results Presentation
26 weeks to 26th September 2015

FY16 H1 Group Highlights

GROUP HIGHLIGHTS

- Group revenues increased by 25.8% to £930.3m
- 47 net new stores opened in the UK, on track for 80 this financial year
- German business, Jawoll opened 2 new stores, with 3 more openings before Christmas
- UK LFL revenues +1.2%
- Group adjusted EBITDA increased by 18.6% to £86.6m
- Group adjusted Profit before Tax increased by 25.4% to £66.4m
- Two new distribution centres, totalling 800,000 sq ft, opened in the UK
- Interim Dividend of 1.6p per share, an increase of 77.8%



Paul McDonald

Chief Financial Officer

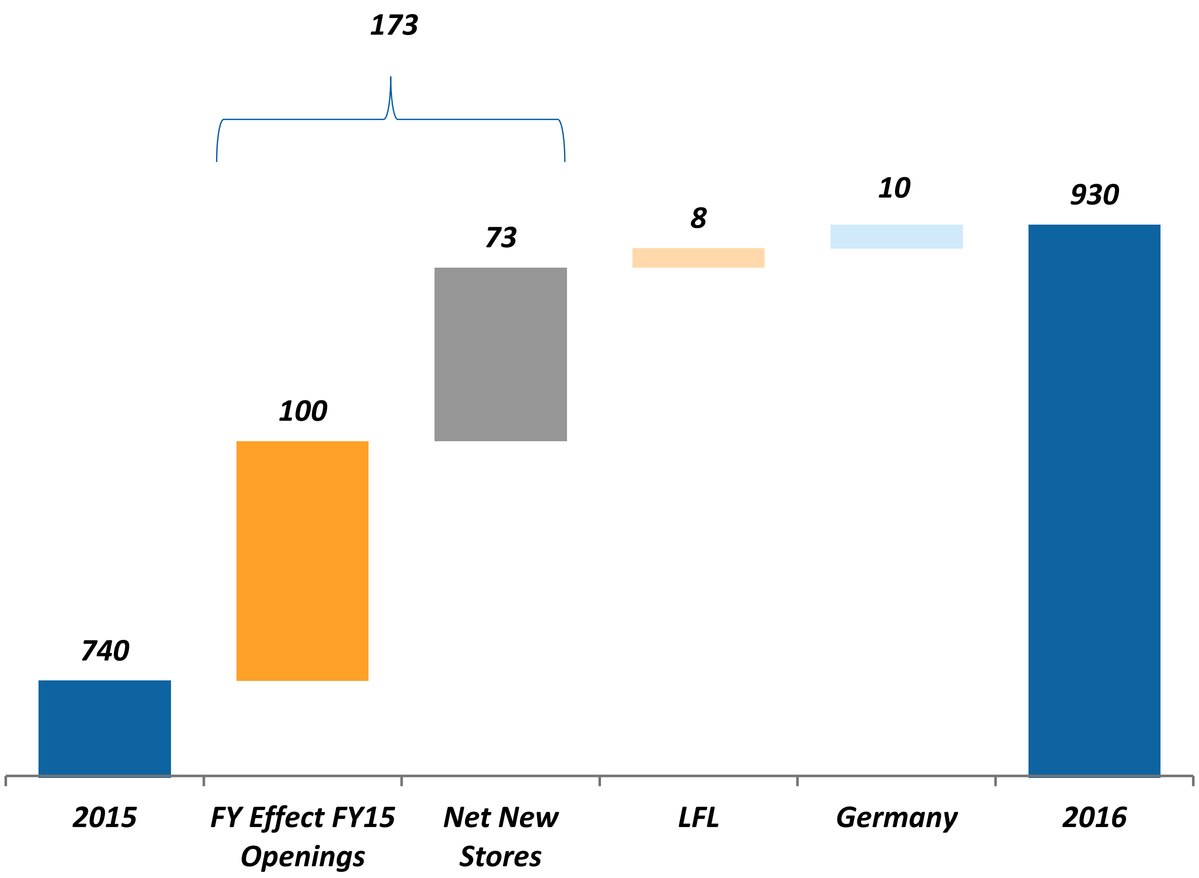
Summary Profit Before Tax

£ millions,	*H1 2015A*	*H1 2016A*	*%*
Group Stores	442	524	
Revenues	739.8	930.3	25.8%
Gross Profit	256.4	320.6	25.0%
%	34.7%	34.5%	(20)bps
Operating Costs	(183.4)	(234.0)	27.6%
Adjusted EBITDA	**73.0**	**86.6**	**18.6%**
%	9.9%	9.3%	(55)bps
Depreciation and Amortisation	(7.2)	(9.5)	31.4%
Interest	(12.8)	(10.7)	-16.7%
Adjusted Profit Before Tax	**53.0**	**66.4**	**25.4%**
Exceptional Costs	(24.0)	0.7	n/a
Exceptional Interest Costs	(45.4)	(0.4)	n/a
Profit / (Loss) Before Tax	**(16.5)**	**66.7**	**n/a**
Adjusted Earnings / (Loss) per Share (p)	4.0p	5.2p	30.0%
Statutory Earnings / (Loss) per Share (p)	(2.1)p	5.2p	-
Interim Dividend per Share (p)	0.9p	1.6p	77.8%

Group Revenue Bridge

£ millions,

REVENUE H1 2015A-2016A



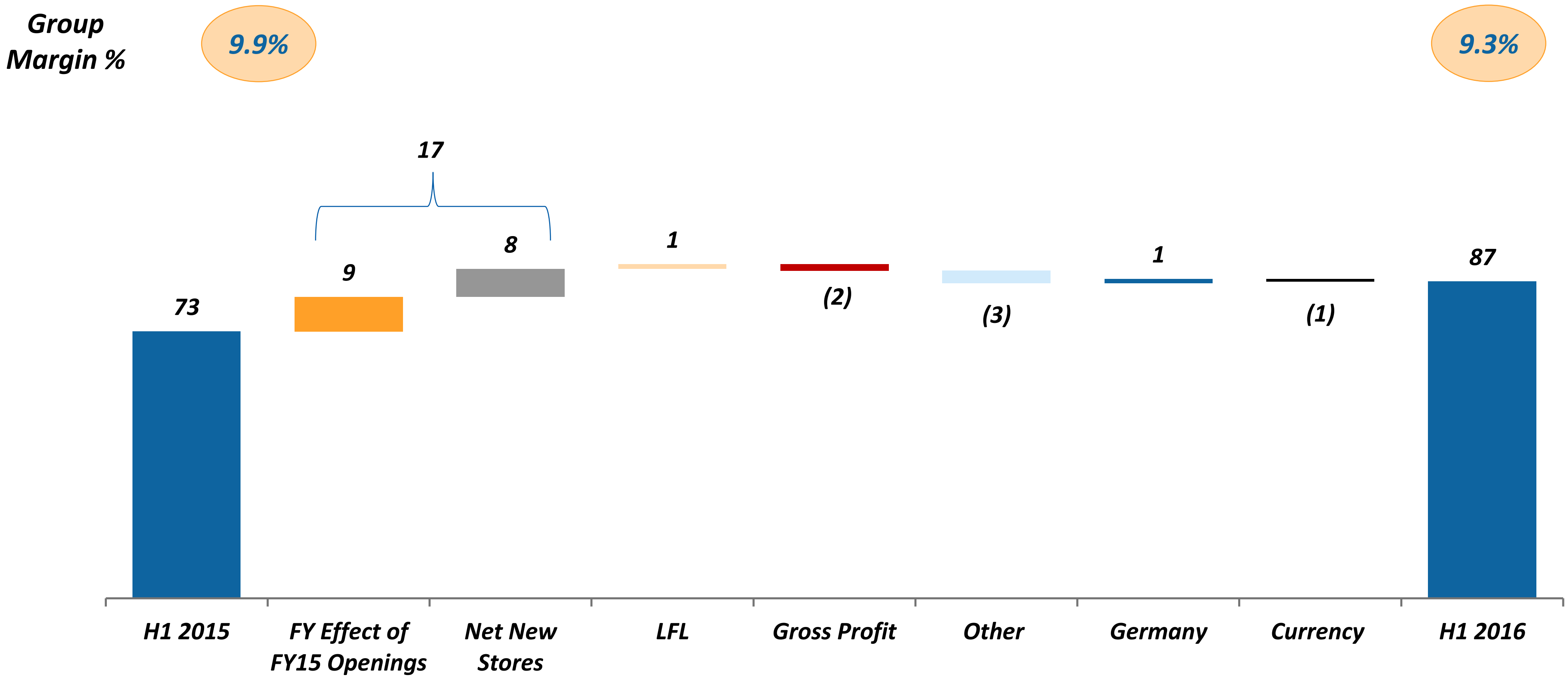
KEY HIGHLIGHTS

- +26.8% revenue growth at constant currency
- Annualisation of net 52 stores in FY2015
- 47 net new stores opened in the UK in H1 FY2016
- UK New Store revenue growth £173m (+25.4%)
- UK LFL revenue growth £8m (+1.2%)
- £10m of revenue from Jawoll, additional month trading and new store / LFL sales growth

Strong EBITDA Growth

£ millions,

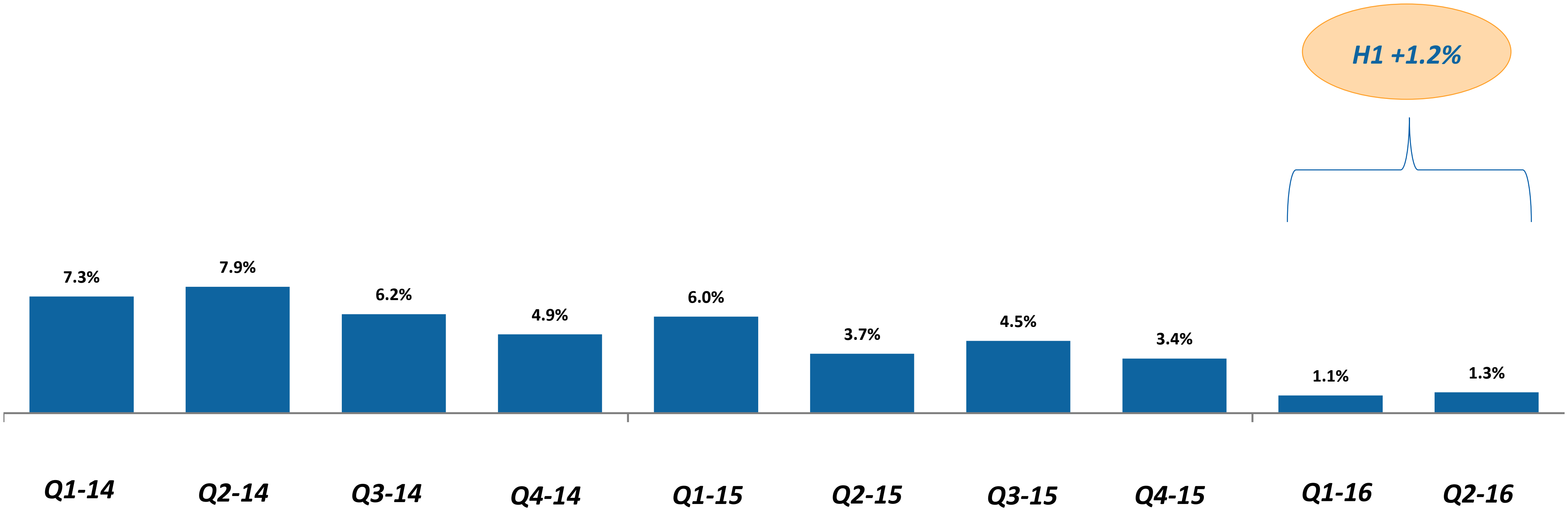
ADJUSTED EBITDA BRIDGE H1 2015A-2016A



Note 1: Other is largely central overheads
Note 2: Currency reflects the translational difference on Jawoll

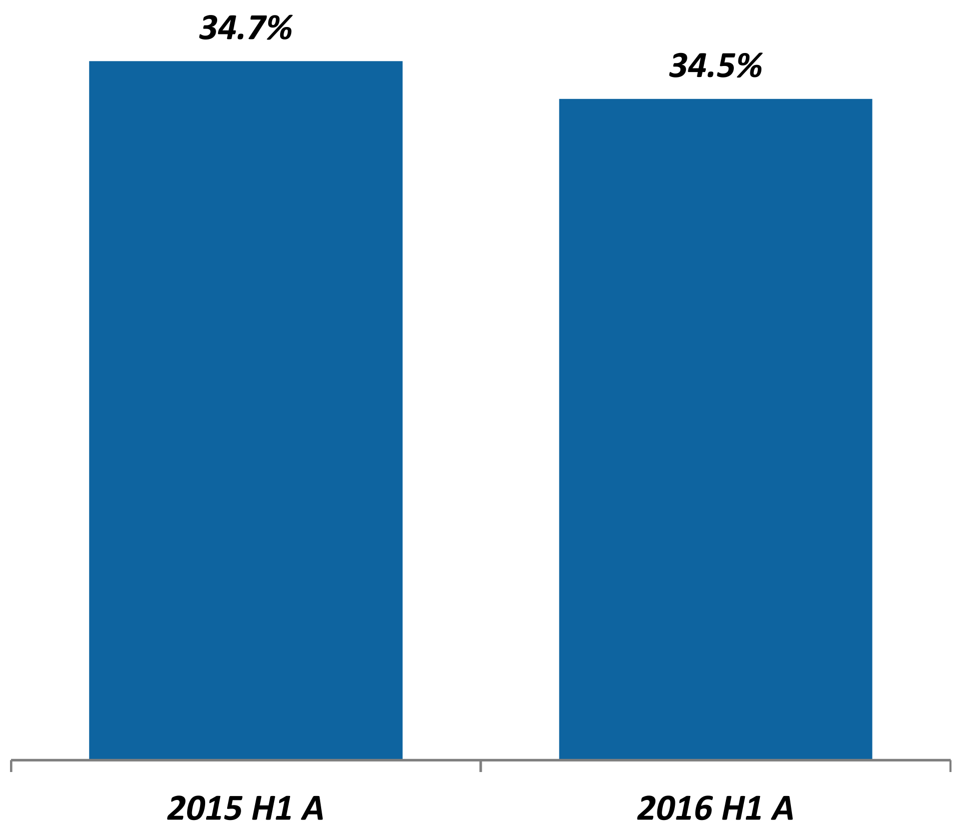
Positive LFL Sales Growth

UK QUARTERLY LFL SALES GROWTH



Gross Margin Trend

GROSS MARGIN (%)



KEY HIGHLIGHTS

- 20 bps reduction in gross margin to 34.5% and in line with guidance
- UK margins have reduced by 11 bps, impact of adverse US$ rates, helped in part by favourable sales mix
- Jawoll margins have reduced by 116 bps, largely due to €/$
- Our strategy continues to focus on re-investing in price leadership to drive growth and resist further gross margin expansion
- Maintained price competiveness versus UK grocery sector

Operating Costs

£ millions,

	H1 2015A	H1 2016A
Total UK	**168.2**	**216.4**
Germany	*15.2*	*17.6*
% of Revenue		
Total UK %	**24.7%**	**25.1%**
Germany %	*25.9%*	*25.7%*

KEY HIGHLIGHTS

- UK Operating Costs increased to support store growth
- As previously guided, additional central costs have been incurred as result of the 800,000 sq ft increase in Distribution Centre capacity, which became fully operational only in Sept / Oct 2015
- Costs within Jawoll remain broadly in line with last year as a % of revenue and carefully controlled

Exceptional Items

£ millions,

	H1 2015A	H1 2016A
IPO Costs / Restructuring Fees	*21.3*	*-*
Jawoll Acquisition Fees	*0.8*	*-*
Fair Value Movements	*0.2*	*(5.5)*
Pre-Opening Costs	*2.0*	*4.5*
Other	*(0.3)*	*0.3*
Total	***24.0***	***(0.7)***

KEY HIGHLIGHTS

- New store pre-opening costs have grown in line with activity
  - UK store openings 49 (47 net of closures) versus 22 last year (20 net of closures)
- Fair value movement on FX is a non-cash item

Interest Expenses

£ millions,

	H1 2015A	H1 2016A
Interest	11.6	10.0
FRS4 Fees	1.2	0.7
Total	**12.8**	**10.7**
Put/Call Option	-	0.5
Fees Write Off	28.8	-
Preferred Equity Certificates	16.2	-
Fair Value	0.4	(0.1)
Total	**58.2**	**11.1**

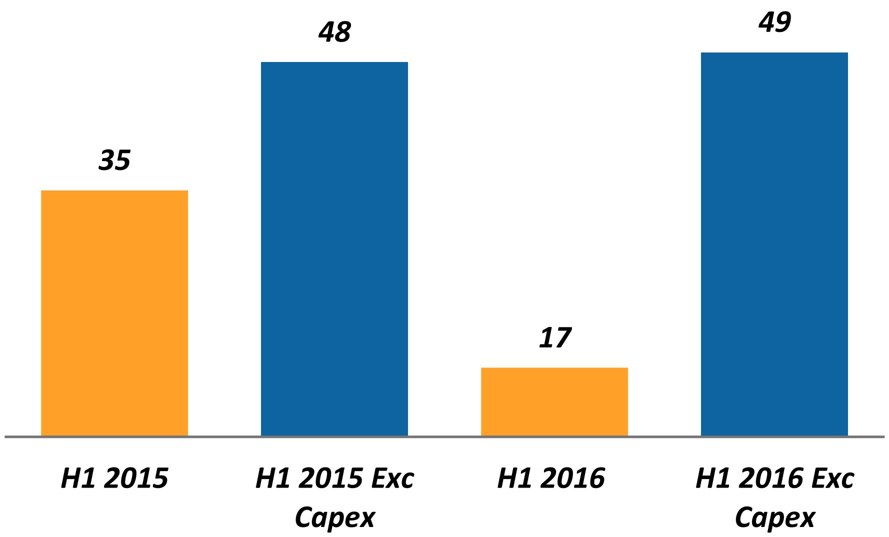
KEY HIGHLIGHTS

- Interest and FRS4 fees relating to the bank debt
- Non-cash impact, £0.5m of IFRS accounting for Jawoll put / call option over managements 20% stake
- Fair value; (£0.1m) mark to market of interest rate hedging

Strong Cash Flow Conversion and De-leveraging

£ millions,

OPERATING CASH FLOW



Positive cash generation despite investment in new store capex and working capital

CASH FLOW STATEMENT

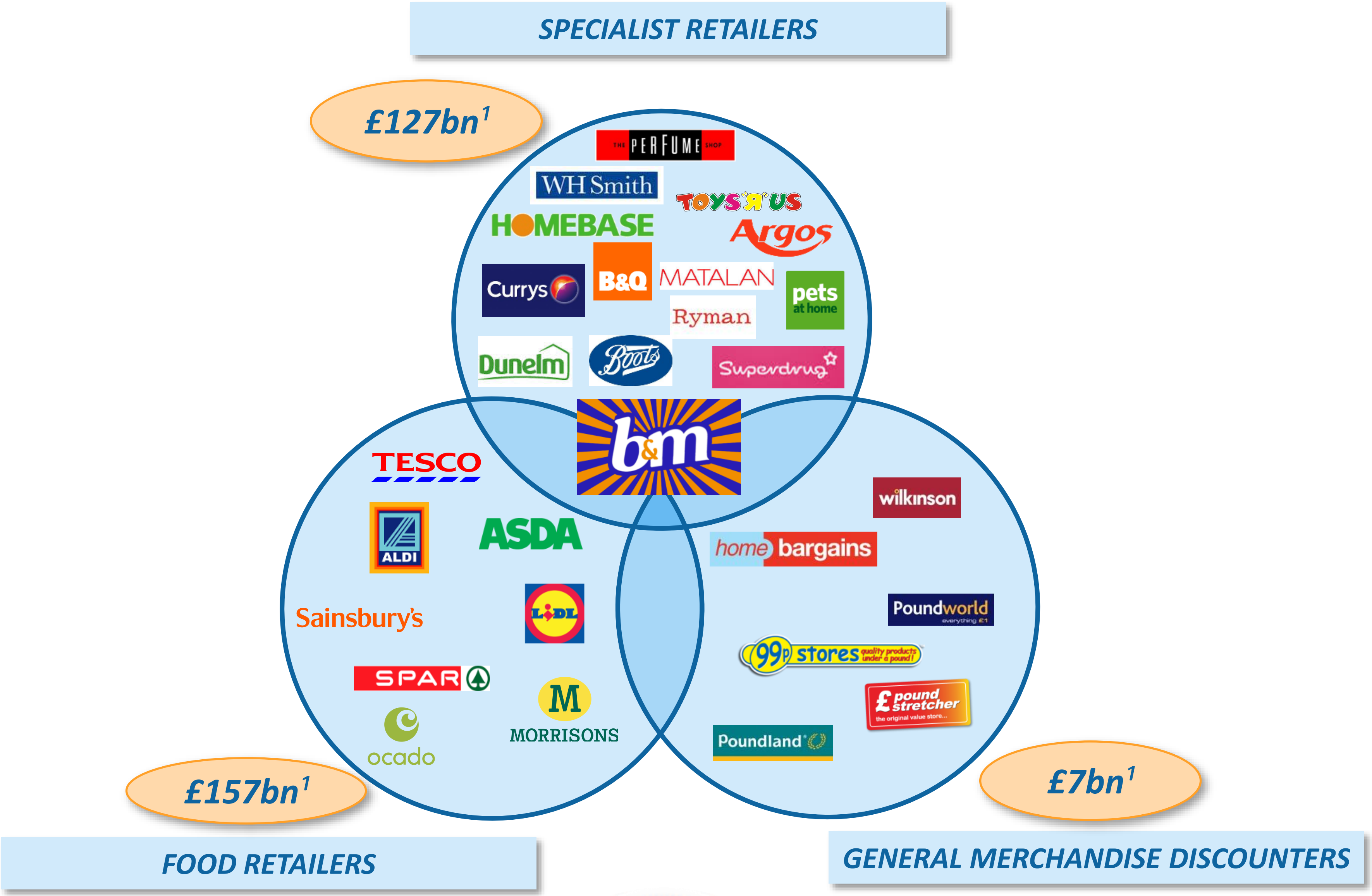
£m	H1 2015A	H1 2016A
Adjusted EBITDA	**73.0**	**86.6**
Change in Working Capital	*(25.3)*	*(37.9)*
New Store Capex	(6.5)	(24.9)
Infrastructure Capex	(2.1)	(4.8)
Maintenance Capex	(3.9)	(2.4)
Capex	*(12.4)*	*(32.1)*
Operating Cash Flow	**35.3**	**16.6**
Cash Exceptionals[2]	*(24.0)*	*(4.7)*
Tax	*(2.1)*	*(8.9)*
Jawoll Acquisition[3]	*(60.2)*	-
Operating and Investing Cash Flow	**(50.9)**	**3.1**
Net Debt / Adjusted EBITDA[4]	**2.8**	**2.2**

Note: 1. Cash Conversion is defined as Operating Cash Flow as a percentage of Adjusted EBITDA.
Note: 2 The cash exceptionals relate to IPO / restructuring fees / financing fees, Jawoll acquisition fees, pre-opening costs, other.
Note: 3 Jawoll acquisition cost net of cash acquired and PLTA liability
Note: 4 Includes pro-forma adjusted EBITDA for Jawoll

Simon Arora

Chief Executive Officer

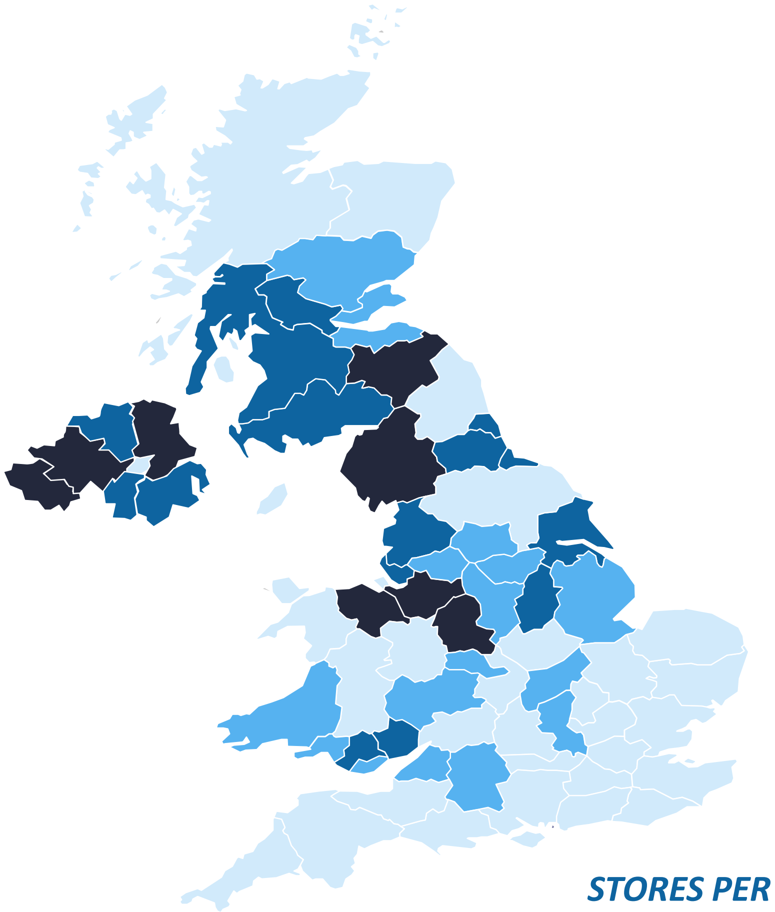
A Very Large Addressable Market



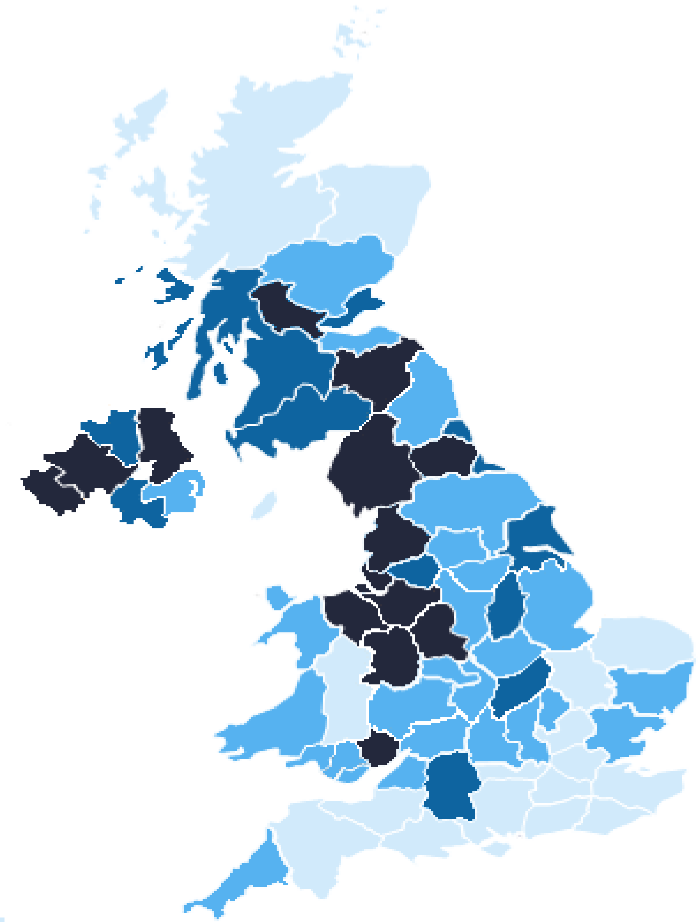
[1] Source: Euromonitor; refers to 2013 UK store-based retail value sales (RSP) excluding sales tax.

B&M Still Regional and not National

373 STORES AS AT MARCH 2014



472 STORES AS AT SEPTEMBER 2015



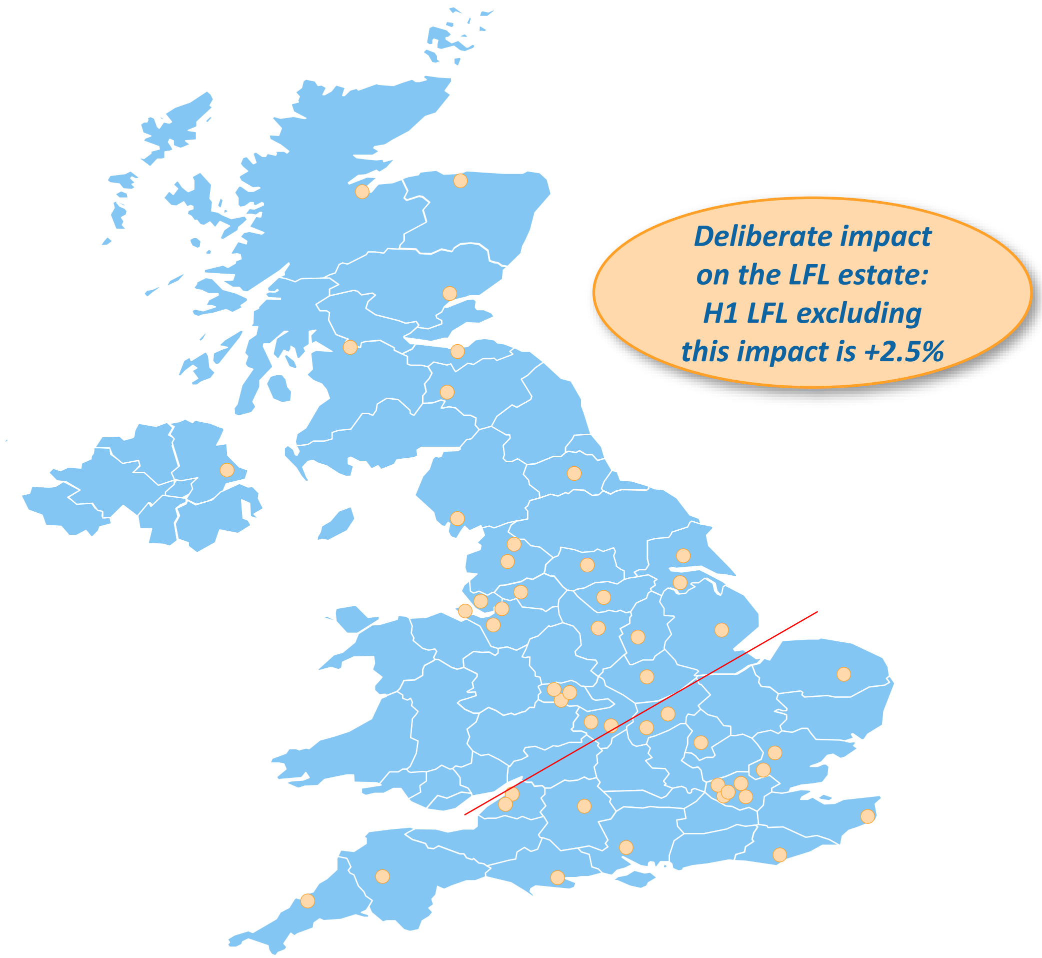
STORES PER 100,000 POPULATION

1.5 to 2.0 | 1.0 to 1.5 | 0.5 to 1.0 | 0 to 0.5

Source: Management information.

Expansion in both Infill and New Regions

YTD FY2016 OPENINGS



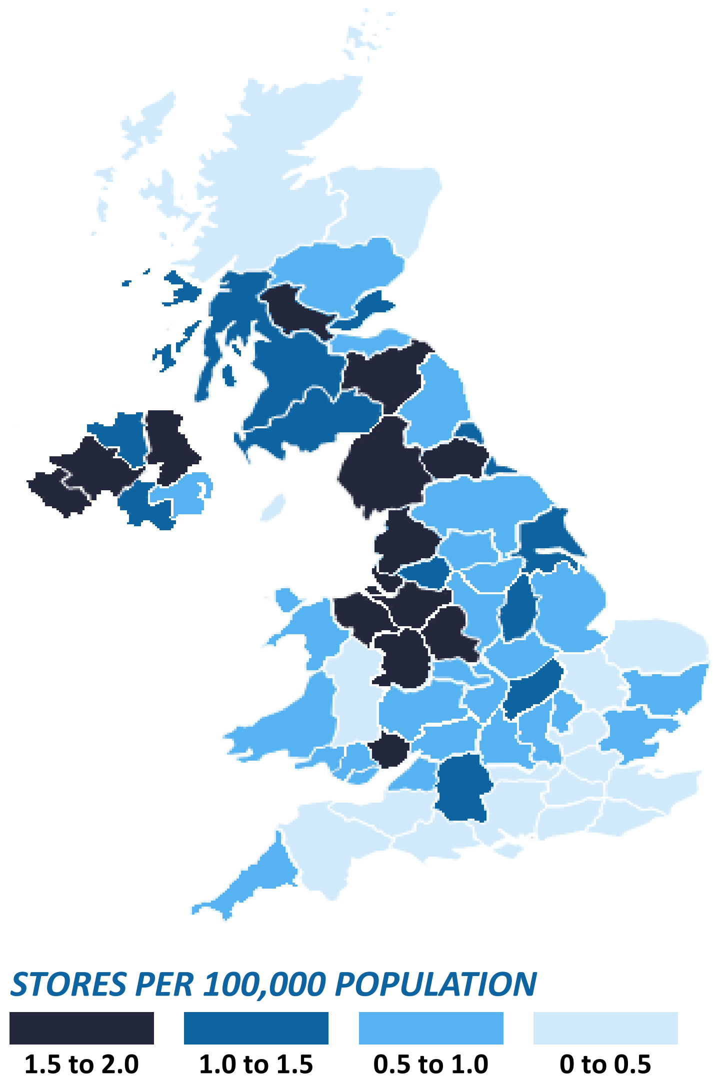
HIGHLIGHTS

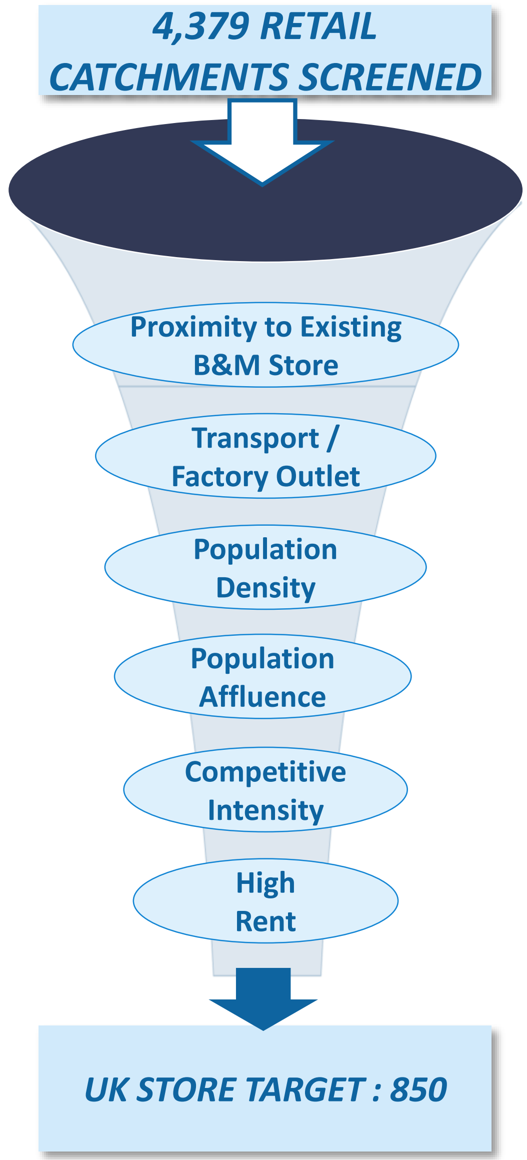
- *We have opened 47 net new stores, of which only 20 were in the South*
- *Stores coming equally from 'Retailers Rightsizing', Lease expiries and Newbuild development*
- *We are on target to open at least 80 new stores in FY2016*
- *The pipeline is healthy for FY2017 and we target at least 50 new stores*

Note 1: There were 49 new stores openings and 2 closures
Note 2: Excludes those existing LFL stores from the LFL definition which have clearly been impacted by the opening of a new store

B&M UK Store Target is 850 Stores

UK COVERAGE - 472 STORES AS AT 26 SEPTEMBER 2015





Source: Management information.

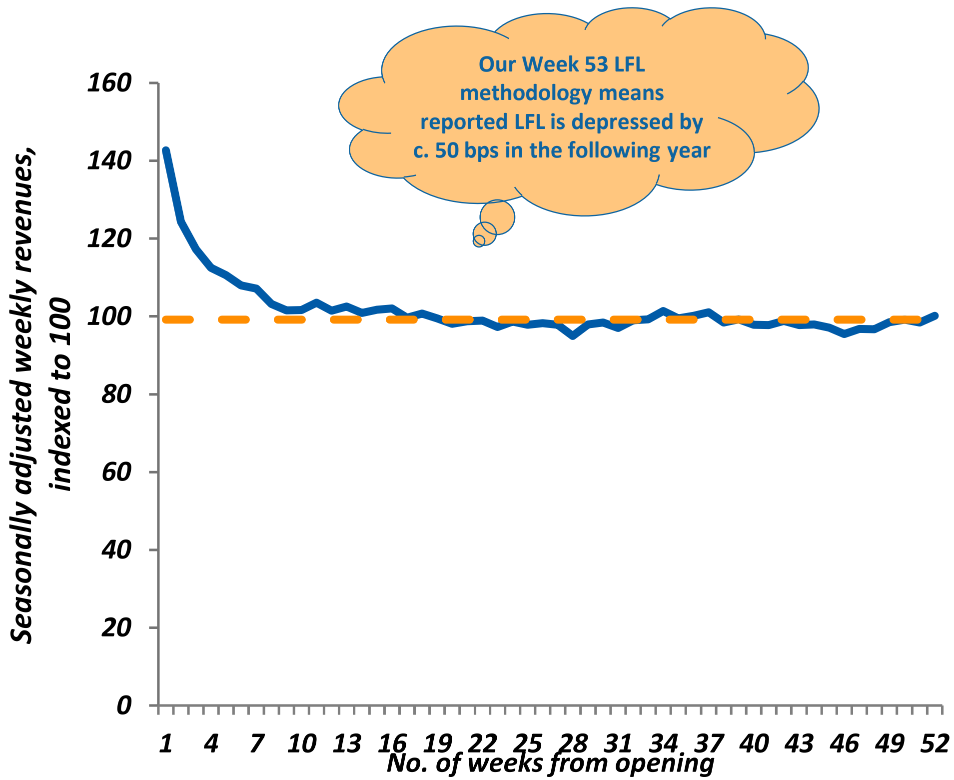
New Store Returns

£ millions,

FY2013 AND FY2014 STORE OPENINGS[1]

	Average
Revenue per Store	**£4.4m**
Store EBITDA[2]	**£0.7m**
Net Investment	**£0.4m**
Payback Period	**7 months**
Payback Period Incl. Working Capital	**14 months**

RAPID MATURITY PROFILE - 52 WEEK REVENUE FOR NEW STORES



Note 1: Management information for FY2013 and FY2014 store openings (67 stores) that had traded 12 months at Aug-15
Note 2: First year cash contribution including variable operating costs

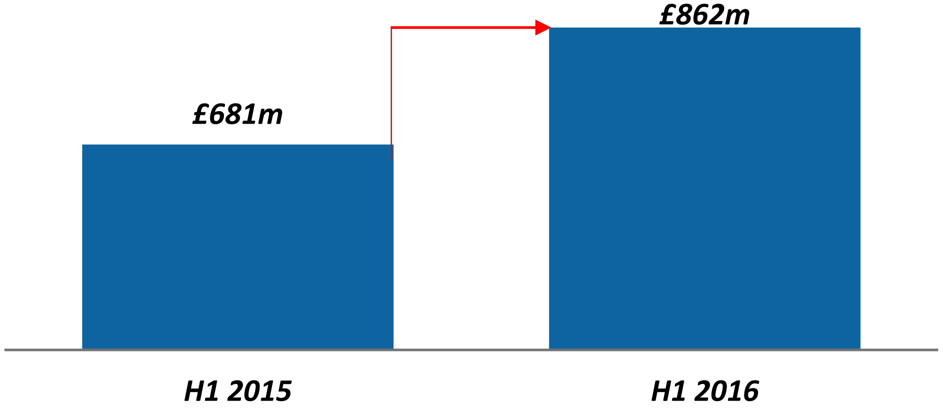
Product Highlights

- *Grocery / FMCG remains positive LFL, although the environment remains deflationary*
- *We continue to maintain the price advantage on grocery / FMCG products*
- *Indoor furniture ranges in the new larger stores performing well*
- *Continued product innovation on grocery and general merchandise e.g.*
    - *American Candy*
    - *Home Improvement*
    - *Greetings Cards*

Investment in Infrastructure

UK REVENUE GROWTH

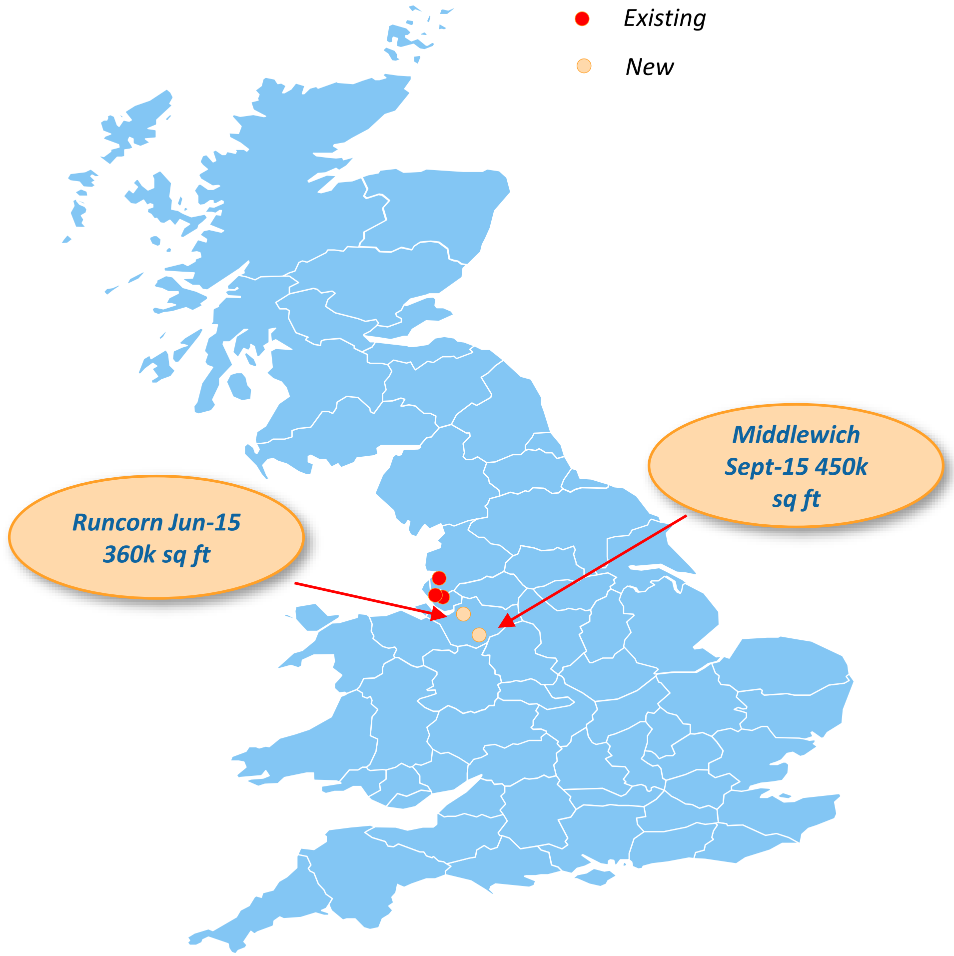
UK revenue growth
+27%



UK COLLEAGUE GROWTH

- Strengthened our pool of store managers in training with over 60 new starters
- Moved from 3 to 4 regions
- Over 1,200 Distribution colleagues recruited for AW2015 peak

H1 WAREHOUSE EXPANSION



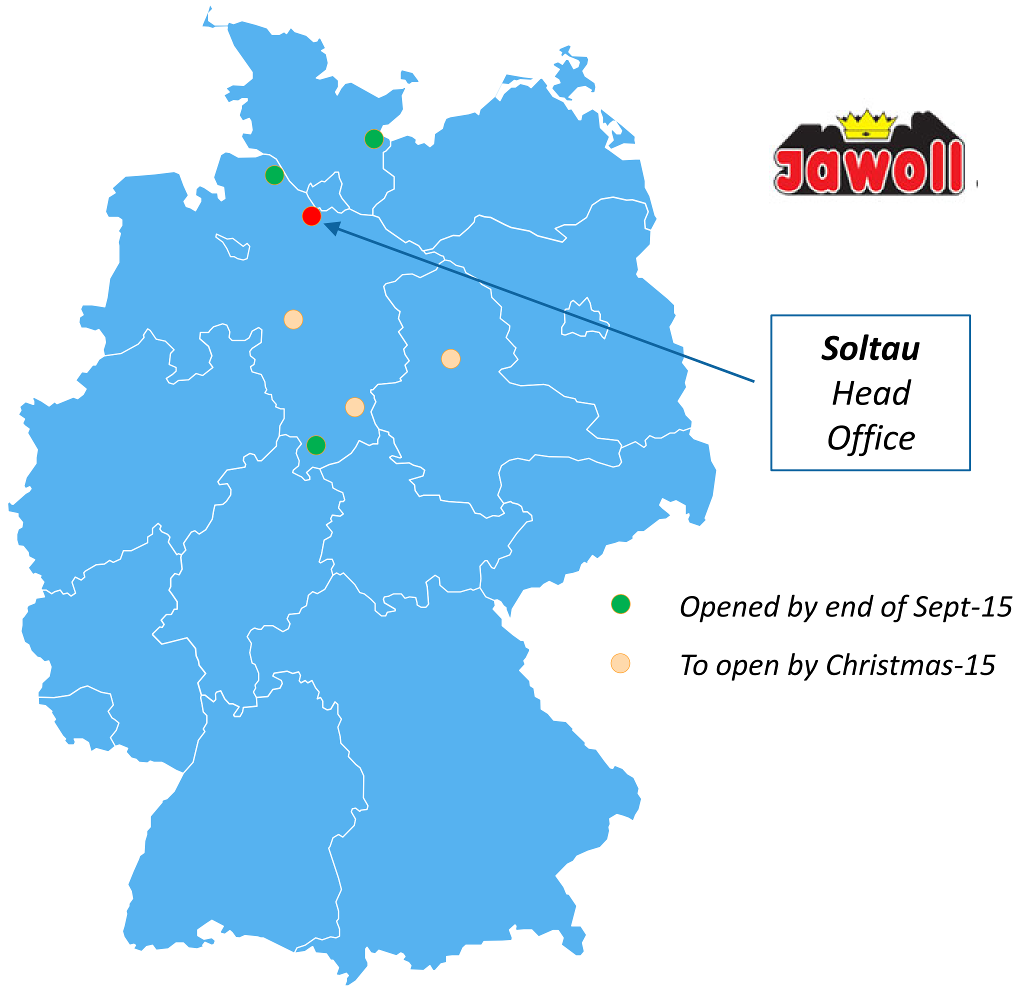
Additional DC capacity will cause disruption in the short term, but represents confidence in the future

International Expansion - Jawoll

KEY HIGHLIGHTS

- *Stable trading performance, with some gross margin impact from weaker €*
- *6 new stores to open this calendar year*
- *Increased penetration of direct sourced products for the Autumn / Winter season*
- *Warehouse expansion underway in readiness for future store growth, approx. €4.5m capex, to be commissioned in April 2016*
- *Recruitment of Store Acquisition Managers on-going*
- *Continued discussions for infill acquisition of packages of stores from Owner-Managed vendors*

NEW STORE OPENINGS SINCE ACQUISITION



Outlook for 2016

- Group grew revenues by 25.8%, with a record 47 UK net new stores opened. Some deliberate impact on LFL sales metric but strong financial returns from these new stores
- Two additional UK DC's, totalling 800,000 sq ft, operational from Q2 with some short term disruption to store service levels and impact on overhead costs
- Market conditions across categories remain competitive. Unusually mild temperatures have led to a slow start to seasonal ranges.
- German business still opening trial stores and increased distribution capacity on track
- Confident of meeting full year earnings expectations with healthy cashflows, albeit somewhat dependent on the forthcoming Christmas period.
- In the coming months, we will consider the most appropriate and efficient capital structure in the context of the growth strategy and the cash generation profile