

Thursday 17 August 2017: Q2 to 31 July 2017
Kingfisher reports sales of £3.1 billion, LFL⁽¹⁾ down 1.9%

	Sales 2017/18 £m	% Total Change Reported	% Total Change Constant currency	% LFL Change Constant currency
UK & Ireland	1,332	(2.0)%	(2.1)%	(1.0)%
- B&Q UK & Ireland	967	(7.7)%	(7.8)%	(4.7)%
- Screwfix	365	+17.2%	+17.2%	+10.8%
France	1,188	+5.2%	(3.3)%	(3.8)%
- Castorama	668	+6.3%	(2.3)%	(2.8)%
- Brico Dépôt	520	+3.8%	(4.5)%	(5.1)%
Other International	628	+16.6%	+2.3%	-
- Poland	381	+19.7%	+5.7%	+4.0%
- Russia	110	+17.4%	(5.0)%	(10.1)%
- Spain	92	+1.7%	(6.5)%	(4.8)%
- New Country Development ⁽²⁾	45	n/a	n/a	n/a
Total Group	3,148	+4.0%	(1.7)%	(1.9)%

- Q2 LFL down 1.9% reflecting:
 - B&Q seasonal performance down 11% given weather boosted Q2 last year (+10%) and Q1 this year (+17%) (H1 2017/18: -1%)
 - continued weaker sales in France; and
 - continued business disruption from our ONE Kingfisher plan albeit with an overall improving trend
- Remain comfortable with Year 2 consensus underlying EPS expectations⁽³⁾: self-help cost initiatives already in place including c.£5m more of GNFR⁽⁴⁾ benefits than previously guided (now c.£25m)
- Remain on track to deliver Year 2 strategic milestones
- Entered into binding acquisition agreement in August to significantly strengthen our position in Romania, subject to regulatory approval
- Returned a further £168m (53m shares) year to date via share buyback of previously announced c.£600m capital return⁽⁵⁾

Véronique Laury, Chief Executive Officer, said:

"Q2 has broadly followed a similar course to Q1 although B&Q's performance was impacted by seasonal swings across Q1 and Q2. We have also continued to experience some disruption across the businesses, although on an improving trend. Availability of this year's unified and unique product is now approaching normal levels. We continue to adapt new processes as our transformation progresses, which will support the significant amount of change planned for H2.

"Having been very aware that this year would be challenging given the step up in transformation activity, we already have self-help plans in place to support our overall Year 2 performance, though we remain cautious on the H2 outlook for the UK and France as previously guided. We remain on track to deliver our Year 2 strategic milestones, and look forward to updating you on our wider progress in more detail at our H1 results."

Q2 trading highlights by division (in constant currencies):

UK & IRELAND

- Total sales -2.1%. LFL -1.0% reflecting continued strong Screwfix performance and modest price inflation offset by a softer B&Q performance
 - **B&Q UK & Ireland** sales -7.8% reflecting annualisation of completed store closure programme. LFL -4.7% including benefit from sales transference associated with store closures⁽⁶⁾. LFL of seasonal -10.7% reflecting strong comparative (Q2 16/17: +9.6%) and the positive impact of weather on this year's Q1. LFL of non-seasonal, including showroom -1.6%
 - **Screwfix** sales up +17.2%. LFL +10.8% driven by its leading digital capability, new and extended specialist ranges and new outlets

FRANCE

- Total sales -3.3% (LFL -3.8%). Sales for the home improvement market (Banque de France data⁽⁷⁾) +0.4% in Q2
 - **Castorama** sales -2.3% (LFL -2.8%). LFL of seasonal -6.0%. LFL of non-seasonal, including showroom -1.3%
 - **Brico Dépôt** sales -4.5% (LFL -5.1%)

OTHER INTERNATIONAL

- Sales in **Poland** +5.7% (LFL +4.0%) reflecting a continued good performance in a supportive market. LFL of seasonal +1.4%. LFL of non-seasonal, including showroom +4.6%

Footnotes

(1) Like-for-like sales growth representing the constant currency, year on year sales growth for stores that have been open for more than a year

(2) Brico Dépôt Romania, Brico Dépôt Portugal and Screwfix Germany

(3) Analyst consensus of underlying earnings per share of 26p for FY 2017/18, see <http://www.kingfisher.com/index.asp?pageid=79> for more detail. Underlying earnings per share is used to report the performance of the underlying business at a Group level, including the sustainable benefits of our transformation programme. This is stated before the short-term costs associated with our transformation programme, exceptional items and FFVR, related tax items and prior year tax items

(4) GNFR (Goods Not For Resale) covers the procurement of all goods and services that Kingfisher consumes

(5) Through to end of FY 2018/19 (over and above the annual ordinary dividend); now returned £368m of the c.£600m

(6) c.1% LFL sales transference benefit from B&Q store closures remains full year guidance

(7) Includes relocated and extended stores <http://webstat.banque-france.fr/en/browse.do?node=5384326>

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This announcement can be downloaded from www.kingfisher.com. Data tables for Q2 and H1 sales 2017/18 are available for download in excel format at <http://www.kingfisher.com/index.asp?pageid=59>



We can be followed on Twitter @kingfisherplc with the Q2 results tag #KGFQ2. Kingfisher American Depository Receipts are traded in the US on the OTCQX platform:(OTCQX: KGFHY)
<http://www.otcmartets.com/stock/KGFHY/quote>

Our next announcement will be our Half Year Results on 20 September 2017. The results will be presented as an audio webcast followed by a live Q&A.

Forward-looking statements

You are not to construe the content of this announcement as investment, legal or tax advice and you should make your own evaluation of the Company and the market. If you are in any doubt about the contents of this announcement or the action you should take, you should consult a person authorised under the Financial Services and Markets Act 2000 (as amended) (or if you are a person outside the UK, otherwise duly qualified in your jurisdiction).

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