

## EMBARGOED UNTIL 0700 HOURS - Thursday 17 February 2011

Kingfisher reports total Q4 sales slightly down 0.1%, up 2.0% in constant currencies (LFL up 0.6%)

Expects adjusted full year pre-tax profit to be up over 20% on the prior year and towards the top end of the range of current analyst estimates.\*

Sales - 13 weeks to 29 January 2011	% Total		% Total		% LFL
	2010/11 £m	Change (Reported)	Change (Constant currency)	Change (Constant currency)	Change
France	896	(2.3)%	3.0%		2.0%
UK & Ireland	954	0.6%	0.7%		Flat
Other International	455	3.1%	2.6%		(1.1)%
<b>Total Group</b>	<b>2,305</b>	<b>(0.1)%</b>	<b>2.0%</b>		<b>0.6%</b>

Note: Joint Venture (Koçtaş JV) and Associate (Hornbach) sales are not consolidated.

### Ian Cheshire, Group Chief Executive, said:

“We have ended another challenging year in robust shape. Our programme of self-help initiatives has continued to deliver profit growth and higher returns whilst strengthening the business for the future.

“Our international businesses delivered strong growth in the final quarter, more than offsetting some weather disruption and a weak market in the UK & Ireland, and so we expect to announce full year profits towards the top end of the range of analyst estimates.\*

“Looking ahead we will continue with self-help activity in 2011 as we complete our successful Delivering Value plan and start to mobilise the next phase of our development.”

\*Analyst consensus of adjusted pre-tax profit £666 million (range being from £661 million to £672 million), see [www.kingfisher.com/investors/analystestimates](http://www.kingfisher.com/investors/analystestimates) for more detail. Adjusted pre-tax profit is before exceptional items, financing fair value remeasurements and amortisation of acquisition intangibles.

The preliminary results for the year ended 29 January 2011 will be announced on 24 March 2011. Alongside the financial results, management will also set out detailed milestones for 2011/12 (the final year of the Delivering Value programme) and provide an initial outline of the key themes that will form the next phase of Kingfisher’s development. A live webcast will be available from 0900 hours.

### **All figures and comments below refer to the quarter ended 29 January 2011 in constant currencies**

#### **FRANCE**

(Includes Castorama and Brico Dépôt)

Total sales in France were £896 million, up 3.0%, (+2.0% LFL). **Castorama** total sales increased by 5.7% to £482 million (+4.7% LFL, +5.1% on a comparable store basis) with sales benefitting from product innovation and the store modernisation programme. **Brico Dépôt** delivered flat sales of £414 million (-1.0% LFL) with customer traffic to out of town stores more impacted by the adverse weather in northern France. Gross margins across the French businesses are expected to be slightly up compared with Q4 last year, driven by increased direct sourcing and continued buying optimisation benefits.

## UK

(Includes B&Q in the UK & Ireland and Screwfix)

Total sales in the UK & Ireland were £954 million, up 0.7%, (flat LFL). **B&Q** total sales increased by 0.1% to £835 million (-0.3% LFL) reflecting adverse weather in December which temporarily disrupted the delivery and installation of kitchens, and a weak market in the UK & Ireland. Gross margins are expected to be slightly up despite strong comparatives (2009/10: +330 basis points) supported by more direct sourcing and further shrinkage reduction. **Screwfix** total sales grew 5.4% to £119 million (+2.6% LFL) boosted by new ranges, the continued roll out of trade counters and the addition of specialist trade desks, exclusive to plumbers and electricians, within existing Screwfix outlets.

## OTHER INTERNATIONAL

(Includes Poland, Spain, Russia and China. However, sales from the Koçtaş Joint Venture and the Hornbach Associate are not consolidated.)

Total sales in Other International were £455 million, up 2.6%, (-1.1% LFL). In Eastern Europe total sales in **Poland** increased by 7.1% to £238 million, up 3.3% LFL, benefitting from easier comparatives (2009/10: -4.7%) and a more stable market. Total sales in **Russia** grew 42.5% to £64 million mainly reflecting new store openings and in **Spain** by 12.1% to £47 million. In **China** total sales declined by 21.5% to £106 million (-16.2% LFL) reflecting two less stores compared with Q4 last year and difficult comparatives (2009/10: +29.2% LFL). In Q4, traditionally the strongest trading quarter of the financial year, China delivered a profit, with the turnaround plan remaining on track.

For the year ended 29 January 2011

Sales	% Total		% Total		% LFL
	2010/11 £m	Change (Reported)	Change (Constant currency)	Change (Constant currency)	Change
France	4,204	(0.9)%	2.9%		1.6%
UK & Ireland	4,333	(2.4)%	(2.4)%		(3.0)%
Other International	1,913	5.2%	1.7%		(1.2)%
<b>Total Group</b>	<b>10,450</b>	<b>(0.5)%</b>	<b>0.5%</b>		<b>(0.9)%</b>

2010/11: £1 = 1.17 euro (2009/10: 1.13 euro)

2010/11: £1 = 4.65 Polish zloty (2009/10: £1 = 4.86 Polish zloty)

2010/11: £1 = 10.41 Chinese renminbi (2009/10: £1 = 10.79 Chinese renminbi)

Note: Joint Venture (Koçtaş JV) and Associate (Hornbach) sales are not consolidated.

## Delivering Value

Progress continues with the seven step **Delivering Value** programme to improve cash returns and deliver a step-change in shareholder value. The key components of the programme, due to conclude in January 2012, are as follows:

1. Driving up B&Q UK & Ireland's profit
2. Exploiting our UK Trade opportunity
3. Expanding our total French business
4. Rolling out in Eastern Europe
5. Turning around B&Q China
6. Growing Group sourcing
7. Reducing working capital

## Forward-looking statements

This press release contains certain statements that are forward-looking and are therefore subject to risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied because they relate to future events. These forward-looking statements include, but are not limited to, statements relating to the Company's expectations around its three key priorities of Management, Capital and Returns and the associated seven steps to Delivering Value objectives.

Forward-looking statements can be identified by the use of relevant terminology including the words: "believes", "estimates", "anticipates", "expects", "intends", "plans", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology and include all matters that are not historical facts. They appear in a number of places throughout this press release and include statements regarding our intentions, beliefs or current expectations and those of our officers and directors concerning, amongst other things, our results of operations, financial condition, changes in tax rates, liquidity, prospects, growth, strategies and the businesses we operate.

Other factors that could cause actual results to differ materially from those estimated by the forward-looking statements include, but are not limited to, global economic business conditions, monetary and interest rate policies, foreign currency exchange rates, equity and property prices, the impact of competition, inflation and deflation, changes to regulations, taxes and legislation, changes to consumer saving and spending habits; and our success in managing these factors.

Consequently, our actual future financial condition, performance and results could differ materially from the plans, goals and expectations set out in our forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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Further copies of this announcement can be downloaded from [www.kingfisher.com](http://www.kingfisher.com) or by application to: The Company Secretary, Kingfisher plc, 3 Sheldon Square, London, W2 6PX.

### Company Profile:

**Kingfisher plc** is Europe's leading home improvement retail group and the third largest in the world, with over 850 stores in eight countries in Europe and Asia. Its main retail brands are B&Q, Castorama, Brico Dépôt and Screwfix. Kingfisher also has a 50% joint venture business in Turkey with the Koç Group, and a 21% interest in, and strategic alliance with Hornbach, Germany's leading large format DIY retailer.