



12 July 2018

B&M European Value Retail S.A.

Trading Update

Continued Strong, Profitable Growth

B&M European Value Retail S.A. (“the Group”), the UK’s leading general merchandise value retailer, today provides a trading update for the first quarter of its current financial year, relating to the period from 1 April 2018 to 30 June 2018.

Highlights

- Strong start to the new financial year as B&M’s disruptive value model continues to prove highly attractive to customers
- Group revenue growth in the quarter of 21.3%, with B&M UK revenue growth of 8.3% including like-for-like growth of +1.6% and +3.6% on an underlying basis, excluding the non-comparable Easter week in the prior year
- Four new B&M UK stores opened in the quarter (which includes one relocation), reflecting the phasing of the new store opening programme being weighted towards the second half of the financial year. On track for 50 gross new stores in the year as a whole
- Four new stores opened in the quarter by our value convenience store chain, Heron Foods, which continues to trade well on top of good performance in the prior year
- Encouraging progress at Jawoll with good revenue growth of 7.0% in the quarter driven by the Gardening category, with new management driving a fast pace of change in the customer offer ahead of the Autumn/Winter season

Simon Arora, Chief Executive, said:

“The business has performed strongly in the quarter despite demanding comparables of +7% LFL’s in the previous year and a sluggish market environment. Our competitively priced ranges for Garden and Outdoor Leisure have been very well received and they are achieving great rates of sell-through. We have enjoyed record sales in these seasonal product categories, which is a testament to the appeal of our highly disruptive business model. I would like to thank all our colleagues for their hard work and success in delivering B&M’s best ever Q1 early Summer Trading season.”

Revenue

	Q1 2018/19	Q1 2017/18
Total Group Revenues	£796.3m	£656.3m
B&M	£648.3m	£598.4m
Heron	£86.1m	-
Jawoll	£61.9m	£57.9m
Total Group Revenue Growth (constant currency) ¹	+21.4%	+17.2%
UK Like-for-Like Revenue Growth ²	+1.6%	+ 7.3%

¹ Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as used to translate the current year Euro revenues.

² Like-for-like revenues relate to the B&M estate only and include each store's revenue for that part of the current period that falls at least 14 months after it opened; compared with its revenue for the corresponding part of the previous period. This 14 month approach has been taken as it excludes the two month halo period which new stores experience following opening.

Group sales revenue for the quarter increased by 21.4% on a constant currency basis. On an actual currency basis, total sales revenue increased by 21.3% (2017: 18.3%) to £796.3m (2017: £656.3m).

B&M UK sales revenue for the 13 week period increased by 8.3% to £648.3m (2017: £598.4m), with like-for-like sales growth of +1.6% in the quarter. The performance reflects our new store opening programme and continued like-for-like sales growth, despite the strong comparable last year (2017: 7.3%) and Easter falling in Week 53 of FY17/18.

Our convenience store chain, Heron Foods, contributed £86.1m of revenue in the quarter including a strong like-for-like revenue growth, with the improved ambient ranges performing well in particular.

In Germany, trading in the quarter has been positive on a like-for-like basis, with the Gardening and Plant ranges performing well at the beginning of the Quarter. We are continuing to clear older stock as planned ahead of introducing a greater mix of product sourced from B&M's Far East supply chain for Autumn 2018.

Strategy

At the end of the quarter the Group's UK business had 846 trading stores, having opened 8 gross

new stores (5 net of closures and relocations), with the B&M estate now trading from 578 stores and the Heron format from 268 stores.

In this financial year in the B&M UK business we expect to open at least 45 net new stores, with a greater proportion of those opening in the second half of the year. We also expect to open between 15 and 20 Heron Foods stores and 10 Jawoll stores in the financial year. The pipeline of new stores of the Group for the following financial year is also looking healthy.

Outlook

We have had a pleasing start to the financial year, and we remain confident about the Group's outlook as the year progresses.

Conference Call

A conference call to discuss the Trading Update will be held on Thursday 12 July 2018 at 8:30 am (UK).

Dial-in details are:

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Notes to editors

B&M European Value Retail S.A. is a variety retailer with 578 stores in the UK operating under the "B&M" brand and 268 stores under the "Heron Foods" brand, and 87 stores in Germany primarily operating under the "Jawoll" brand as at 30 June 2018. It was admitted to the FTSE 250 index in June 2015.

The B&M group was founded in 1978 and listed on the London Stock Exchange in June 2014. For more information please visit www.bmstores.co.uk