



Kingfisher plc Full Year Results

12 months to 31 January 2024

25 March 2024

Welcome & agenda

Thierry Garnier (CEO)

Key messages and financial highlights

Bernard Bot (CFO)

FY 23/24 results

Outlook & guidance for FY 24/25

Thierry Garnier (CEO)

Strategy update

A clear plan to take France to the next level



Key messages

FY financial performance in line with guidance

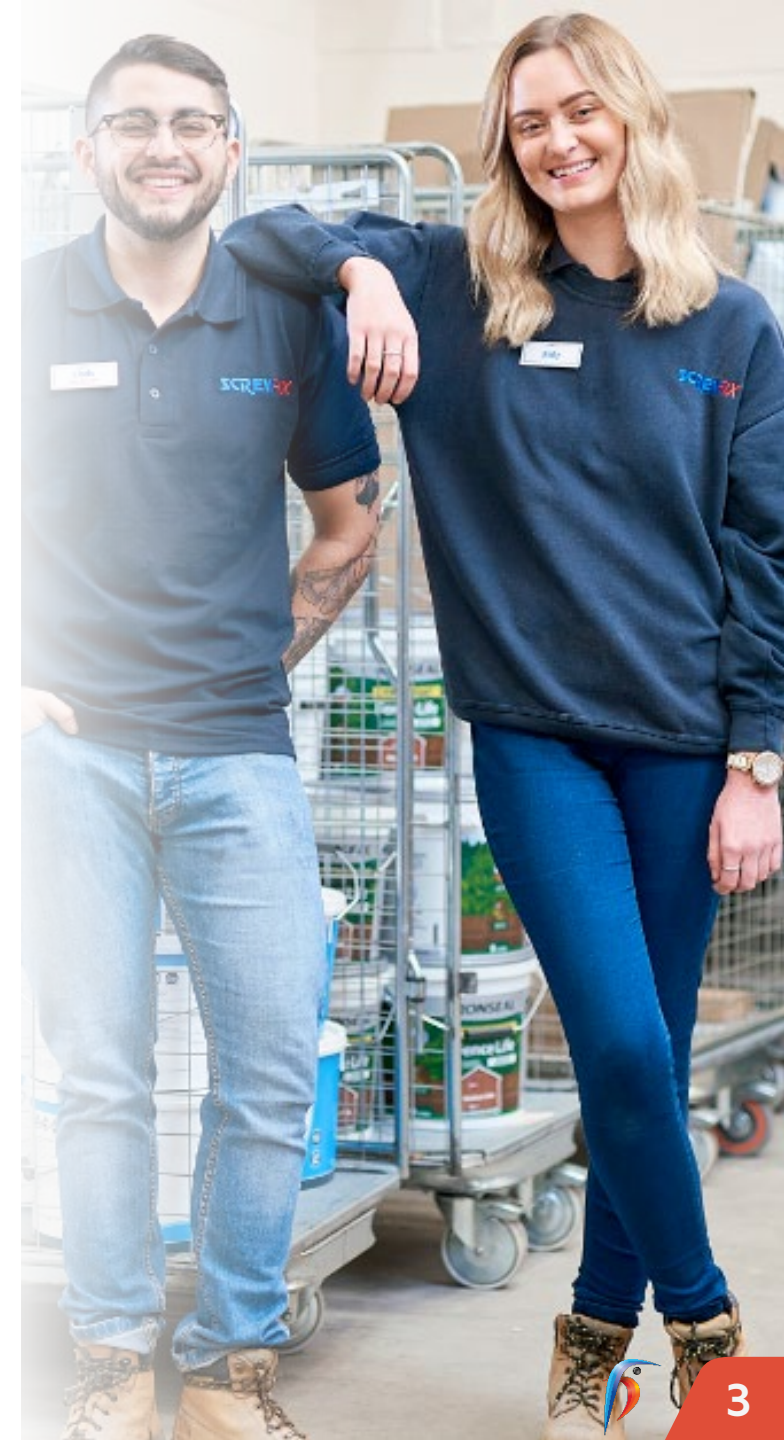
Executing against our strategic priorities at pace

A clear plan to take France to the next level

Cautious on the overall market outlook in 2024

Focused on market share, and managing costs & cash in the year ahead

Strongly positioned for growth in 2025 and beyond



FY financial highlights

Resilient sales driven by positive UK & Ireland performance

*Total sales -1.8%⁽¹⁾
LFL -3.1%*

Sequential improvement in 'core' volumes as price growth tapers

Core LFL -2.1%

E-commerce sales +6.4% YoY, supported by strong marketplace sales growth

*17.4% penetration
Marketplace 31% diy.com sales*

Adjusted PBT -25.1% YoY

Adjusted PBT £568m

Strong free cash flow supported by working capital unwind

Free cash flow £514m

c.£400m returned to shareholders through dividends and buybacks

*Proposed total dividend
12.40p (flat vs FY 22/23)*



(1) In constant currency



FY 23/24 results

Bernard Bot
Chief Financial Officer

Key financials

Sales £12,980m <i>Total sales -1.8%⁽¹⁾</i> <i>LFL -3.1%</i>	Gross profit / margin % £4,776m 36.8% <i>-1.6%⁽¹⁾ +10bps⁽¹⁾</i>	Retail profit / margin % £749m 5.8% <i>-19.5%⁽¹⁾ -130bps⁽¹⁾</i>	Adjusted PBT⁽²⁾ / margin % £568m 4.4% <i>-25.1% -140bps</i>
Statutory profit Pre-tax Post-tax £475m £345m <i>-22.3% -26.7%</i>	Free cash flow £514m <i>FY 22/23: £(40)m</i>	Net debt £(2,116)m⁽³⁾ <i>FY 22/23: £(2,274)m</i>	Net leverage 1.6x <i>Net debt⁽³⁾ / EBITDA</i>

(1) Variance in constant currency

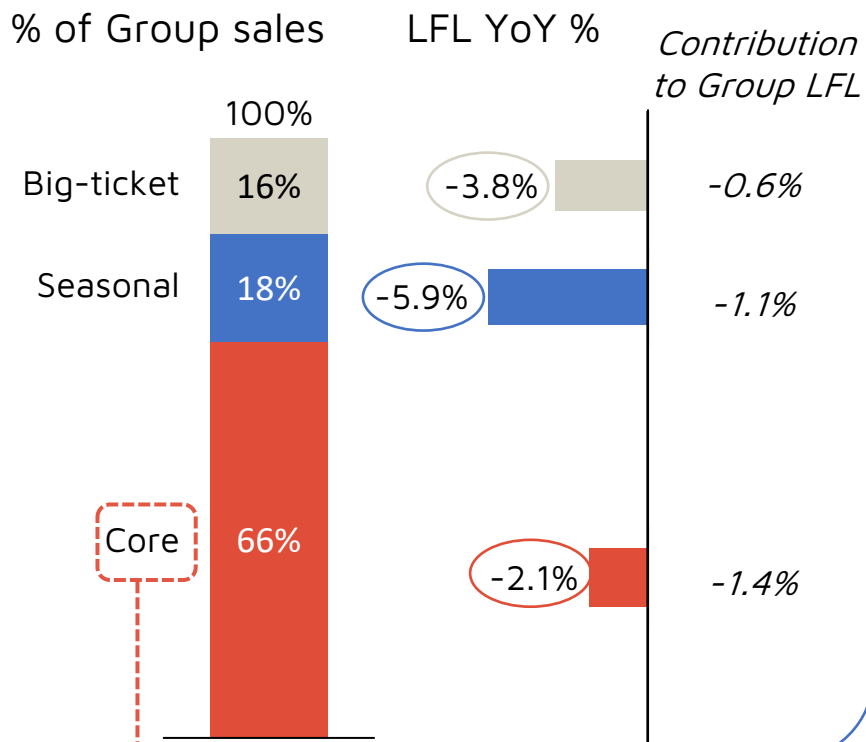
(2) Before adjusting items (pre-tax)

(3) Includes £2,367m lease liabilities under IFRS 16 (FY 22/23: £2,444m)



Resilient 'core' trading

Sales affected by unseasonal weather during the year

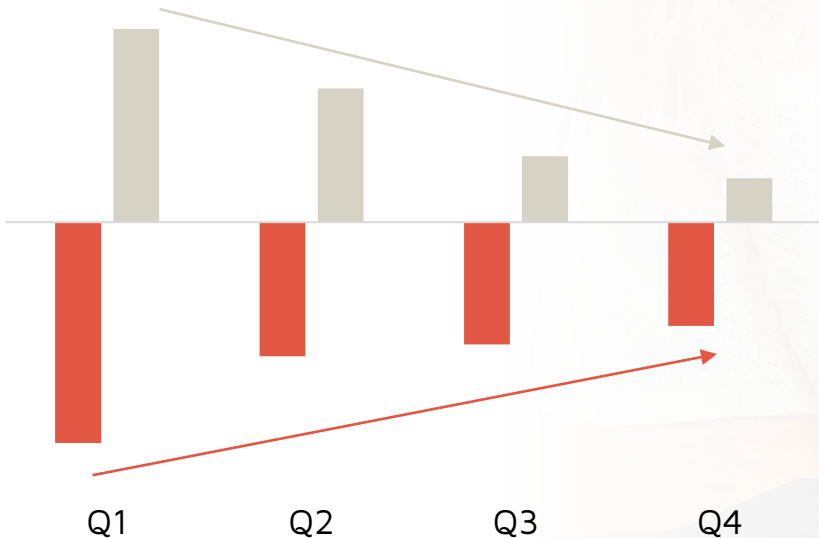


77% of Group volumes

Improving 'core' volume trends as price growth tapers

Group 'core' LFL YoY change (%)

■ Volume (%) ■ Average selling price inflation (%)



UK & Ireland: resilience supported by e-commerce & trade



Sales **£6,387m**

YoY chg (%)⁽¹⁾ +3.0%

LFL (%)⁽¹⁾ +0.8%

Gross margin⁽¹⁾ **+40bps**

Operating costs⁽¹⁾ +8.0%

Retail profit **£555m**

RP margin (%)⁽¹⁾ 8.7% (-100bps)

UK & Ireland LFL +0.8%

- B&Q LFL +0.4%, driven by positive 'core' sales, trade and marketplace
- Screwfix LFL +1.4%, with robust trade demand

Market share⁽²⁾

- Market share gains at B&Q, TradePoint and Screwfix

Category performance

- Good performance and volume improvement in 'core' categories
- Lag between housing demand and DIY sales impacting 'big-ticket' sales in Q4

- Effective management of inflation and positive marketplace contribution

- Staff and energy cost inflation, and higher technology spend
- Higher costs associated with 45 net new store openings (YoY)
- Partially offset through reductions achieved by our strategic cost reduction programme

(1) Variance in constant currency

(2) According to GfK, BRC and Barclaycard

France: market impacted by low consumer confidence



Sales **£4,246m**

YoY chg (%)⁽¹⁾ (5.8)%

LFL (%)⁽¹⁾ (5.9)%

Gross margin⁽¹⁾ **(10)bps**

Operating costs⁽¹⁾ (2.9)%

Retail profit **£139m**

RP margin (%)⁽¹⁾ 3.3% (-110bps)

France LFL (5.9)%

- Castorama LFL (4.8)%, against weak backdrop
- Brico Dépôt LFL (7.1)%; strikes, adverse category exposure, unsuccessful temporary reallocation of marketing spend

Market share⁽²⁾

- Castorama broadly in line with market
- Brico Dépôt weaker than market. Much improved trend in Q4, broadly in line with the market

Category performance

- Market weakness reflected broadly across categories
- Unseasonable weather & strong comparatives impacting outdoor and EPHC categories

- Higher weighting of sales towards special promotions ('arrivages') at Brico Dépôt
- H2 gross margin +20bps - effective supplier negotiations and lower shrinkage

- Strengthened actions around structural cost reduction initiatives and variable costs (staffing levels, discretionary spend) - H2 operating costs down 4.4%
- Partly offset by cost inflation (including YoY increases in pay rates and energy costs, and higher technology spend)

(1) Variance in constant currency

(2) According to internal view of French market growth given inconsistencies in Banque de France data for our FY 23/24

Poland: difficult trading environment; improved recent trends

castorama



Sales **£1,694m**

YoY chg (%)⁽¹⁾ (7.4)%

LFL (%)⁽¹⁾ (9.5)%

Gross margin⁽¹⁾ **(20)bps**

Operating costs⁽¹⁾ +5.6%

Retail profit **£82m**

RP margin (%)⁽¹⁾ 4.8% (-370bps)

Poland LFL (9.5)%

- Sales impacted by weak consumer sentiment
- Strong comparatives (FY 22/23 LFL +13.8%)
- Signs of recovery in H2; volume trend improving

Market share⁽²⁾

- Market share remains up versus FY 21/22
- YoY market share gains in Q4

Category performance

- Market weakness reflected broadly across categories
- EPHC category lapping strong comparatives

- H1 gross margin -170bps - higher customer participation in promotional activity, higher clearance, and sales mix
- H2 gross margin +150bps - effective management of inflation and supplier negotiations

- Cost inflation - YoY increases in pay rates and energy costs, and higher technology spend
- Partly offset through flexing staffing levels, lowering discretionary spend and rephasing investments - H2 operating costs up 1.7% YoY

(1) Variance in constant currency
(2) According to GfK



Geographic summary

	FY 23/24 sales			Retail operating profit		ROP margin %	
	£m	% chg ⁽¹⁾	% LFL	£m	% chg ⁽¹⁾	%	bps chg ⁽¹⁾
UK & Ireland	6,387	<i>3.0%</i>	<i>0.8%</i>	555	<i>(8.0)%</i>	8.7%	<i>(100)bps</i>
B&Q	3,849	<i>0.3%</i>	<i>0.4%</i>				
Screwfix	2,538	<i>7.3%</i>	<i>1.4%</i>				
France	4,246	<i>(5.8)%</i>	<i>(5.9)%</i>	139	<i>(29.7)%</i>	3.3%	<i>(110)bps</i>
Castorama	2,219	<i>(4.8)%</i>	<i>(4.8)%</i>				
Brico Dépôt	2,027	<i>(6.9)%</i>	<i>(7.1)%</i>				
Poland	1,694	<i>(7.4)%</i>	<i>(9.5)%</i>	82	<i>(47.4)%</i>	4.8%	<i>(370)bps</i>
Iberia	371	<i>(1.8)%</i>	<i>(1.8)%</i>	6	<i>(35.5)%</i>	1.6%	<i>(80)bps</i>
Romania	269	<i>(6.4)%</i>	<i>(3.3)%</i>	(18)	<i>n/a</i>	n/a	<i>n/a</i>
Other⁽²⁾	13	<i>n/a</i>	<i>n/a</i>	(30)	<i>n/a</i>	n/a	<i>n/a</i>
Turkey⁽³⁾	n/a	<i>n/a</i>	<i>n/a</i>	15	<i>n/a</i>	n/a	<i>n/a</i>
Total	12,980	<i>(1.8)%</i>	<i>(3.1)%</i>	749	<i>(19.5)%</i>	5.8%	<i>(130)bps</i>

(1) Variance in constant currency

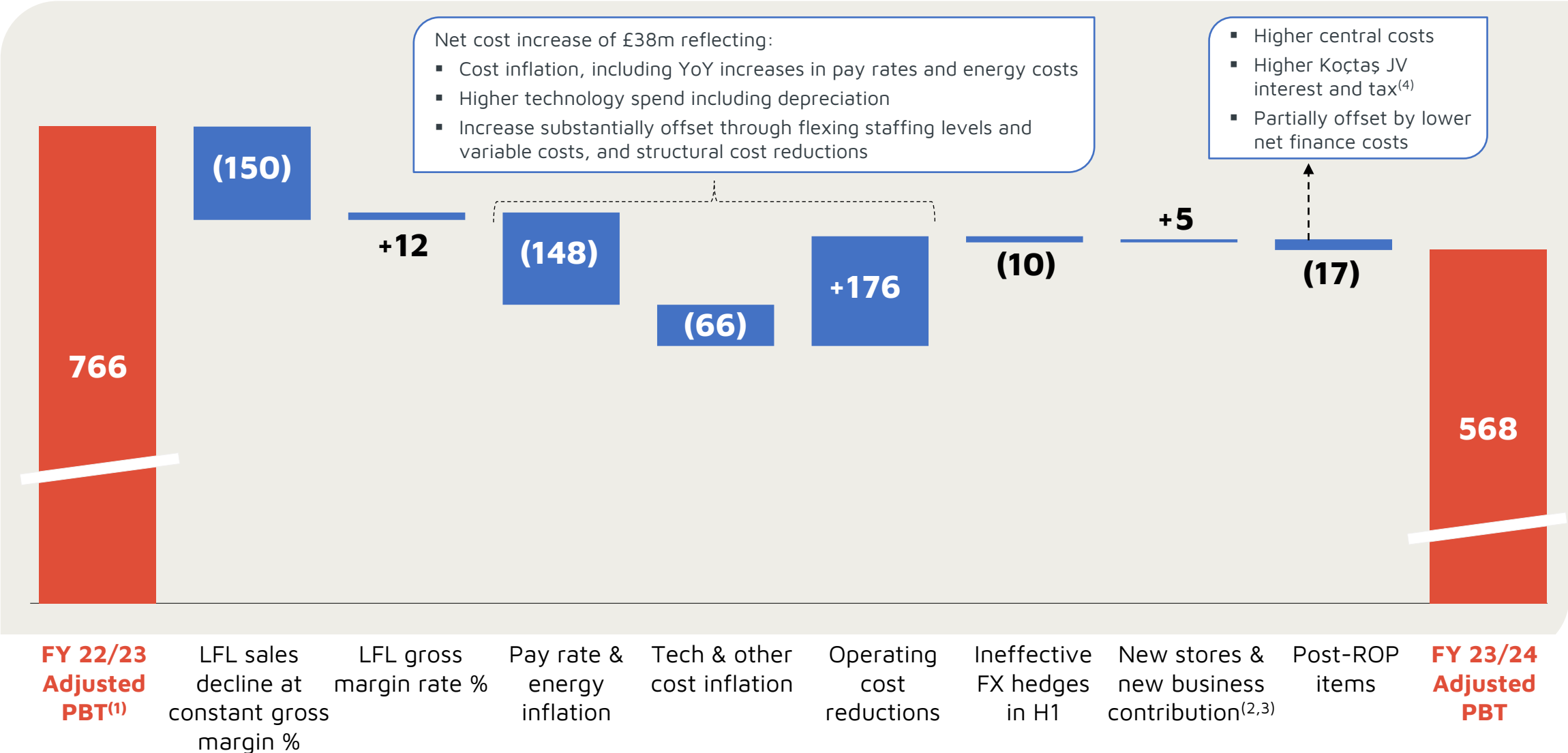
(2) 'Other' consists of the consolidated results of Screwfix International, NeedHelp, and results from franchise and wholesale agreements

(3) Retail profit includes the equity-accounted operating profit of Koçtaş (Kingfisher's 50% JV in Turkey); excludes share of JV interest & tax of £16m



Group profit bridge (FY)

£m

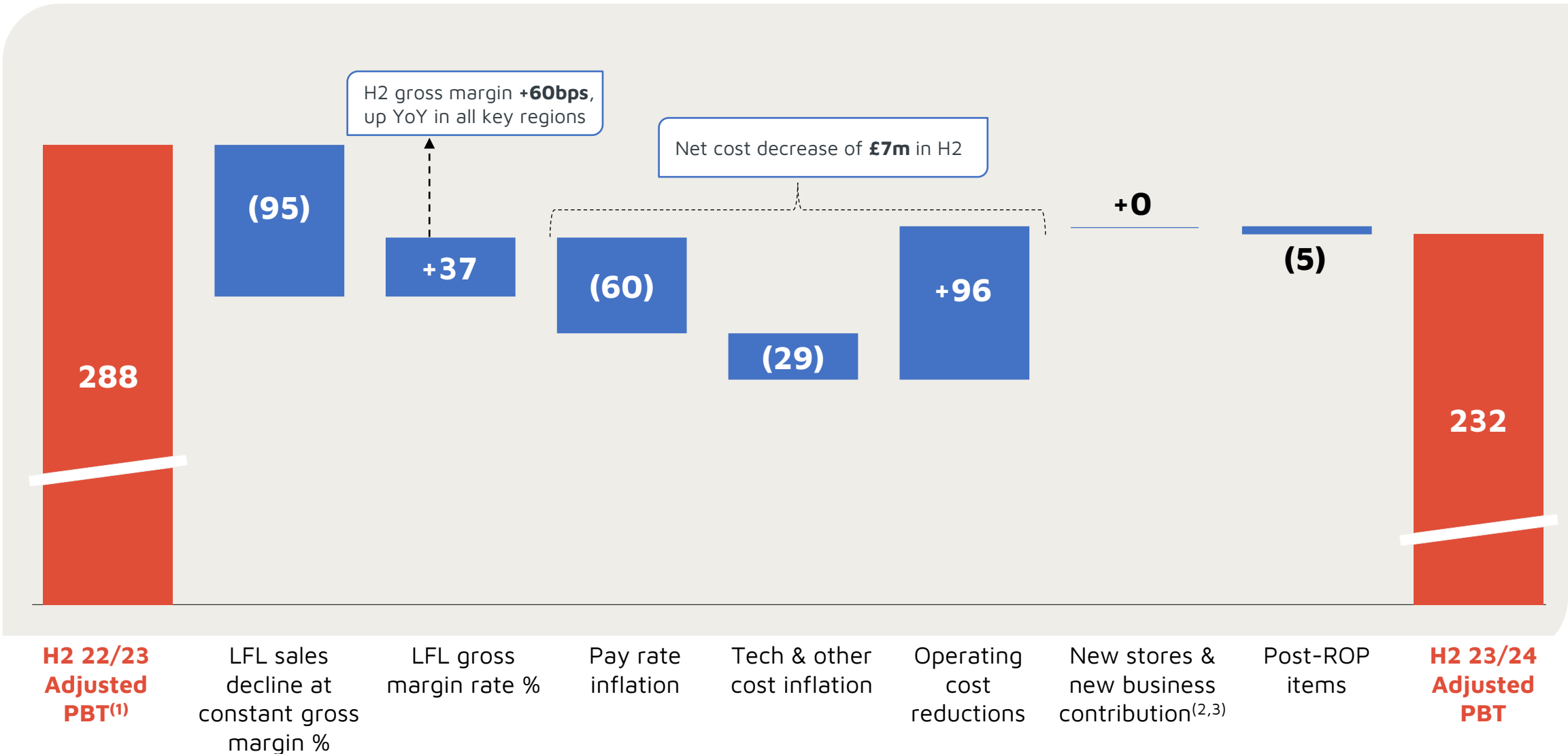


(1) In constant currency
(2) Profit contribution of new stores before allocation of IT and overhead costs
(3) New businesses represent Screwfix International, Screwfix Spares, NeedHelp and franchise and wholesale agreements
(4) Reflecting accounting under high inflation and interest rates



Group profit bridge (H2)

£m



(1) In constant currency
 (2) Profit contribution before allocation of IT and overhead costs
 (3) New businesses represent Screwfix International, Screwfix Spares, NeedHelp and franchise and wholesale agreements



Strong track record of delivering cost reductions; expect c.£120m of additional cost reductions in FY 24/25

Multi-year programmes with continuous monitoring and development...

Labour productivity – FTEs c.2,600 lower YoY across stores and head offices

Store productivity – process & organisation improvements; more automation

Property – lease renegotiations and 'rightsizing' benefits, lower energy usage, facilities management savings

Overheads – outsourcing & expansion of shared services; head office reductions

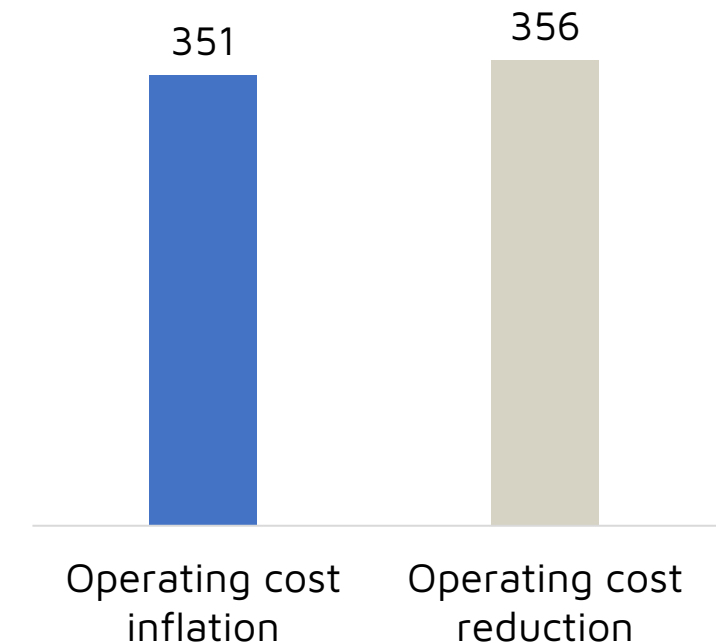
Technology – insourcing to lower cost engineering centres in Poland and Romania; decommissioning of legacy systems

GNFR optimisation – of c.£2.5bn of spend through c.230 projects per year

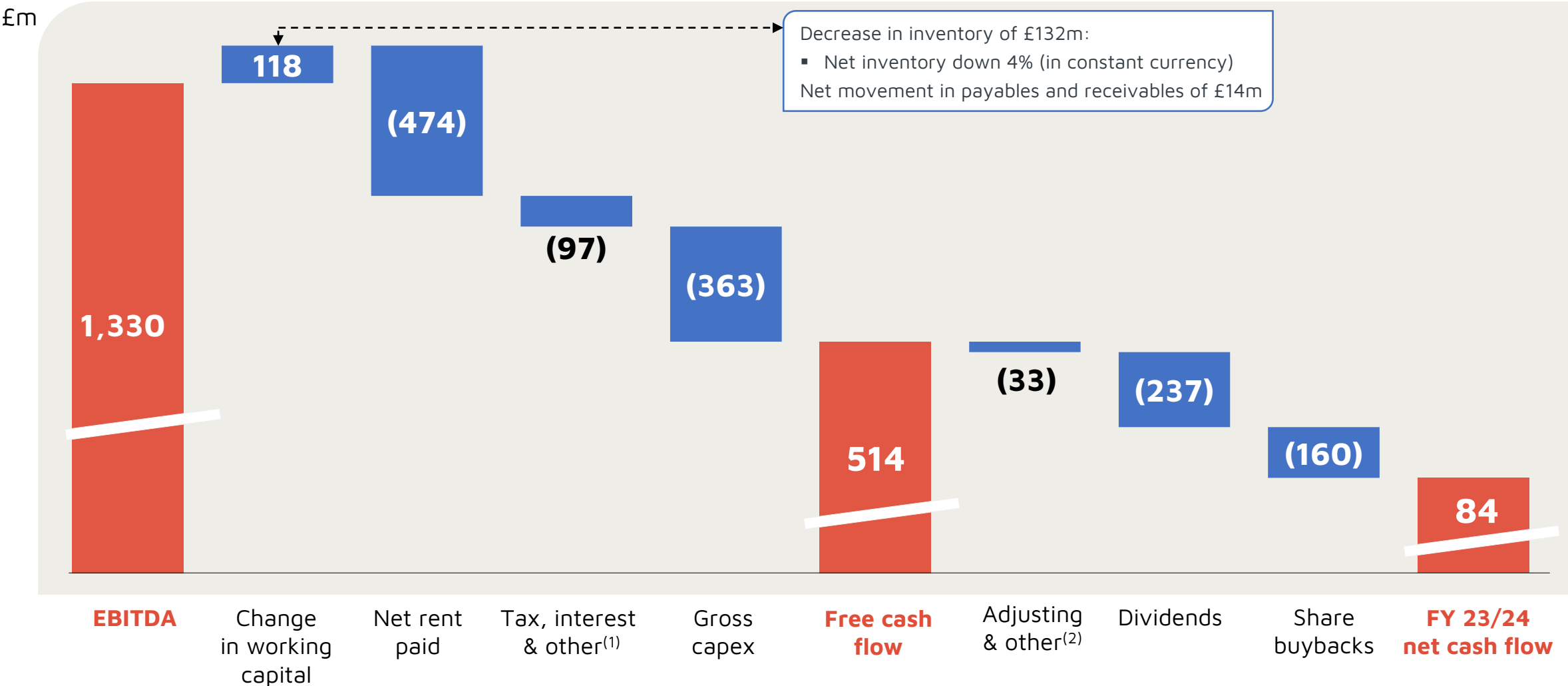
Supply and logistics (in COGS) – DC space reduction and network optimisation

...delivering significant cost reductions, offsetting inflation

Total last 3 years, £m



Summary cash flows



(1) 'Other' principally includes share-based payment compensation charge and movement in pensions

(2) 'Adjusting & other' includes share purchases for employee incentive schemes, adjusting cash flow items (principally comprising restructuring costs) and the acquisition of assets of Connect Distribution Services Limited, partially offset by proceeds on the disposal of Crealfi S.A. and proceeds from the issue of new shares

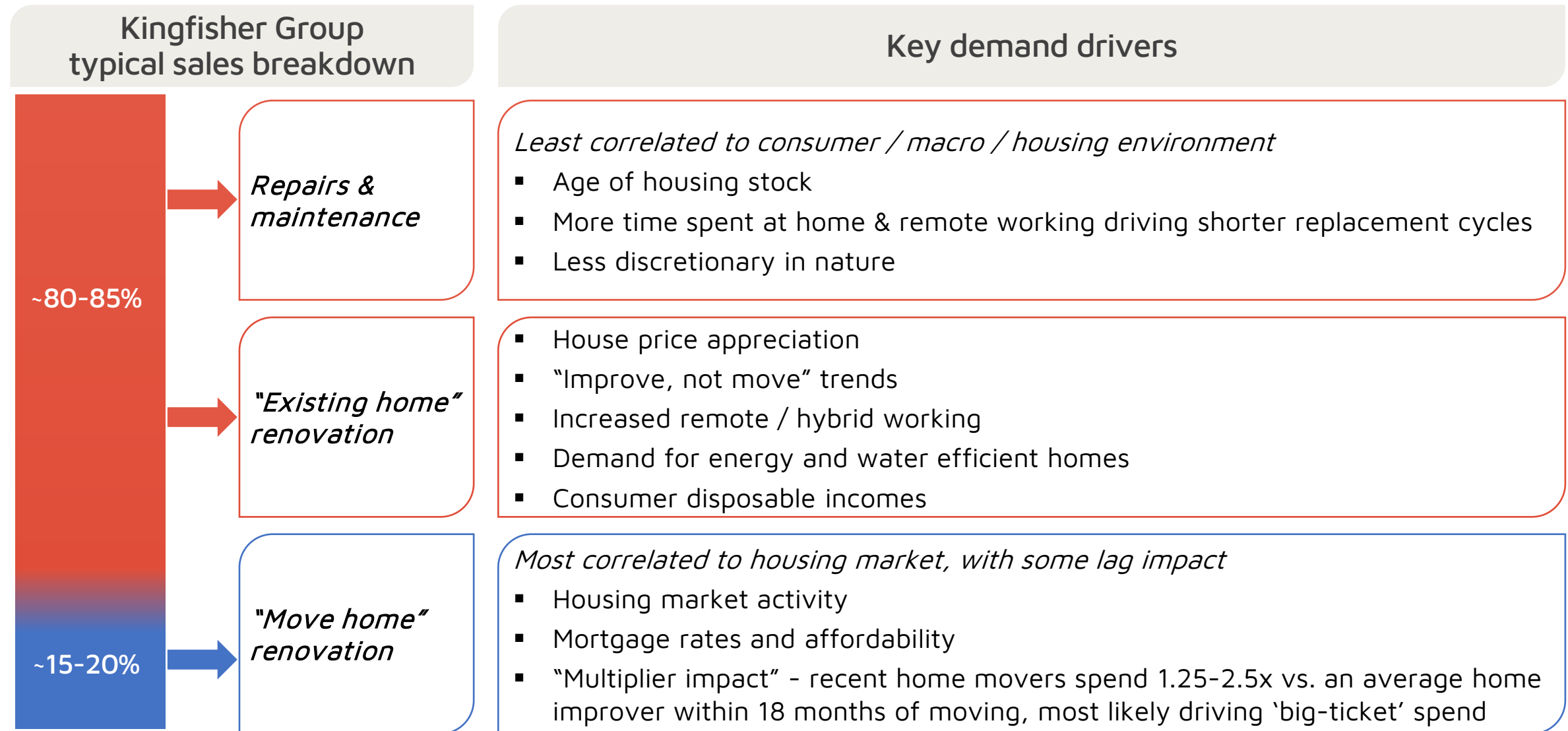




Outlook and guidance for FY 24/25

Bernard Bot
Chief Financial Officer

Majority of our sales from improvements in existing homes



Cautious on the overall market outlook in 2024

		Our expectation of total home improvement market – 2024 (YoY % change) ⁽¹⁾	
		Low case	High case
UK & Ireland	<ul style="list-style-type: none">▪ Resilient consumer but some caution in spending▪ Improving housing market indicators, but lag expected to home improvement spend realisation	Low-single digit decline	Flat
France	<ul style="list-style-type: none">▪ Consumer confidence slowly improving from lows, although remains subdued▪ Housing market remains weak driven by elevated mortgage rates	Mid-single digit decline	Low-single digit decline
Poland	<ul style="list-style-type: none">▪ Inflation normalising; interest rates lower versus peak▪ Consumer confidence still low, but improving▪ Households experiencing real wage growth and unemployment remains near record lows	Flat	Low-single digit growth

(1) Based on our internal assessment of total addressable home improvement market growth in the UK & Ireland, France and Poland in 2024, versus 2023. In constant currency and including expected space growth



FY 24/25 outlook & guidance

	<i>Low case</i>	<i>High case</i>
Cautious on overall market outlook for FY 24/25	<ul style="list-style-type: none">▪ UK: low-single digit decline▪ France: mid-single digit decline▪ Poland: flat	<ul style="list-style-type: none">▪ UK: flat▪ France: low-single digit decline▪ Poland: low-single digit growth
Expectations for FY 24/25 ⁽¹⁾	<ul style="list-style-type: none">▪ Continued focus on market share gains▪ Continued effective management of product costs and retail prices▪ Focus on productivity measures to help offset pay rate inflation and technology investments – expect c.£120m of additional cost reductions	
Adjusted PBT	c.£490m - £550m	
Free cash flow	c.£350m - £410m	

(1) Further technical guidance on slide 47





Strategy update

Thierry Garnier
Chief Executive Officer

Our investment thesis

Attractive and growing home improvement market

Large, fragmented and growing industry – c.£160bn in our markets

—
Ageing housing stock

—
Demand for greener homes

—
Supportive socio-economic trends:

- High home ownership
- More working from home
- Younger generations doing DIY

Kingfisher has distinct competitive advantages

#1 and #2 leadership positions

—
Diversity of banners, formats, geographies and customers

—
Own exclusive brands (c.50% of sales) and group scale

—
Leading digital propositions combined with store network

—
Retail industry ESG leader

Compelling shareholder returns opportunity

Multiple growth drivers

—
Highly cash generative business

—
Robust balance sheet

—
Track record of dividends and returning surplus capital

Delivering against our strategic priorities

Our strategy aims to maximise the benefits to our customers by combining our distinct retail banners with the scale, strength and expertise of the Kingfisher Group

Grow by building on our different banners

Accelerate e-commerce through speed and choice

Build a data-led customer experience

Differentiate and win through own exclusive brands (OEB)

Develop our trade business
















Roll out compact store formats

Lead the industry in Responsible Business and energy efficiency

Human, agile and lean









Leveraging the strength, scale and expertise of Kingfisher

	UK & Ireland		France		Poland	Other	
	 						 Iberia & Romania
Key value driver	LFL growth	Expansion	Margin strengthening	LFL growth	Expansion	Expansion	Margin strengthening
Positioning	Market leader (#1)	Market leader (#1)	Competitive challenger (#2)	Discount leader (#1)	Market leader (#1)	Early growth	Competitive challengers
# stores⁽¹⁾	311	922	95	125	102	20	63
Key strategic levers over medium-term	<ul style="list-style-type: none"> ▪ Store network ▪ Marketplace ▪ Retail media ▪ Trade 	<ul style="list-style-type: none"> ▪ Store expansion ▪ Trade 	<ul style="list-style-type: none"> ▪ Store network ▪ Marketplace ▪ Retail media ▪ Trade 	<ul style="list-style-type: none"> ▪ Compact stores ▪ Trade 	<ul style="list-style-type: none"> ▪ Store expansion ▪ Marketplace ▪ Retail media ▪ Trade 	<ul style="list-style-type: none"> ▪ Store expansion ▪ Trade 	<ul style="list-style-type: none"> ▪ Marketplace ▪ Trade
Relative capital allocation priority							

(1) As of 31 January 2024

Significant space opportunity, driven by Screwfix and Poland

  	 	 	 
<p><i>FY 23/24 highlights</i></p> <p>'B&Q Local' sub-branding roll out to high street stores</p> <hr/> <p>TradePoint expansion of 21 new counters; presence in 209 B&Q stores</p>	<p><i>FY 23/24 highlights</i></p> <p>51 new stores opened in the UK & Ireland; 15 in France</p> <hr/> <p>Launched online in six European countries</p>	<p><i>FY 23/24 highlights</i></p> <p>5 new stores</p> <hr/> <p>Dedicated trade concept 'CastoPro' tests launched in 5 stores</p>	<p><i>FY 23/24 highlights</i></p> <p>First two compact stores (1,000 sqm formats) opened in France</p>
<p><i>Future potential</i></p> <p>c.50 'white spaces' in the UK</p> <hr/> <p>TradePoint tests for smaller stores</p>	<p><i>Future potential</i></p> <p>1,000+ stores in UK & Ireland</p> <hr/> <p>Potential for 600+ stores in France</p> <hr/> <p>Expansion into new markets</p>	<p><i>Future potential</i></p> <p>Targeting up to 75 new medium-box and compact stores</p>	<p><i>Future potential</i></p> <p>Penetrate more 'white spaces' in France with compact format</p>
c.+1.5% to +2.5% sales impact from annual net space growth over the medium term			

Screwfix International: building on our industry-leading model in the UK

Good progress in the French market

FY 23/24 highlights

15 new stores; **20** in total

c.14k SKUs

Strong and increasing NPS scores from **70,000** customers

5-minute click and collect and **one hour Sprint** delivery in all stores

c.50% of sales to trade customers

Leveraging our competitive advantages

Brand awareness on par with closest peer within c.18 months of operations

Sales densities higher than closest peer

Leveraging Kingfisher's OEB, scale and presence in France

Clear roadmap to profitability with measured approach to pace of store openings

Exciting long-term potential

Future potential

600+ stores in France

20 EU countries online

Store launches in new markets

Screwfix International: clear roadmap to profitability in France

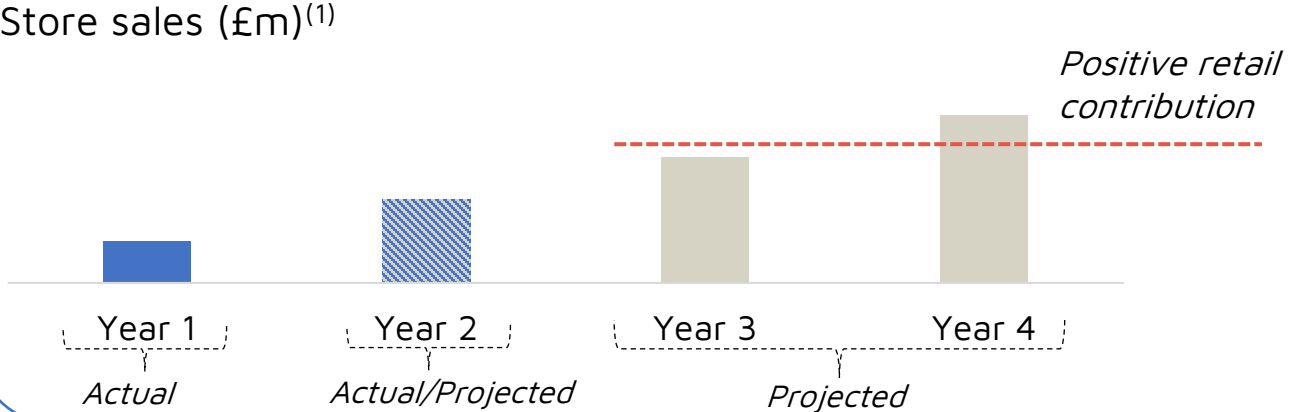
Economics in the UK are different, where the brand is well known

Year 1 store sales in France start slower than UK stores, where brand is better known

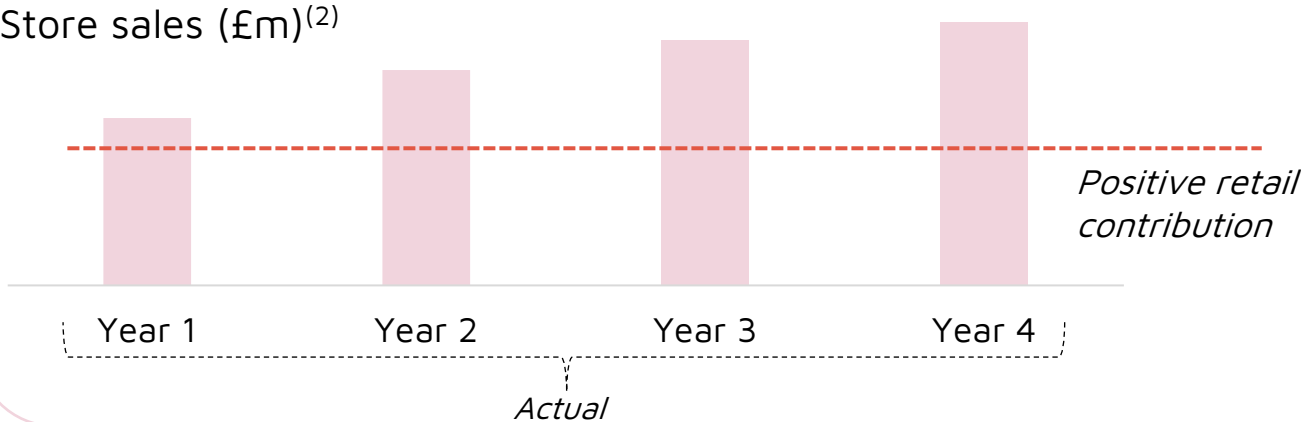
Expect strong customer recruitment in France to support a steeper maturity curve

Confident in achieving positive retail contribution in year 4

France – approaching positive contribution in year 3



UK – positive contribution in year 1



(1) Based on first 5 stores opened in FY 22/23

(2) Based on all stores (292) opened between 2014 and 2018. Each year is the full year of sales for each store

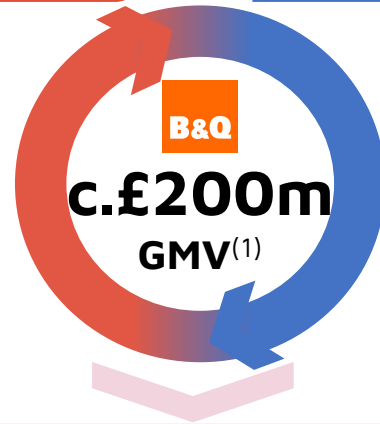


Marketplace: more choice driving more customers

Winning proposition for customers

1.2+ million SKUs from
c.1,100 selected merchants
on diy.com

Omnichannel proposition
leveraging our store estate



Attractive opportunity for merchants

Top visited sites

Trusted retail brand

Sophisticated back-end
leveraging *Mirakl* and
Salesforce capabilities

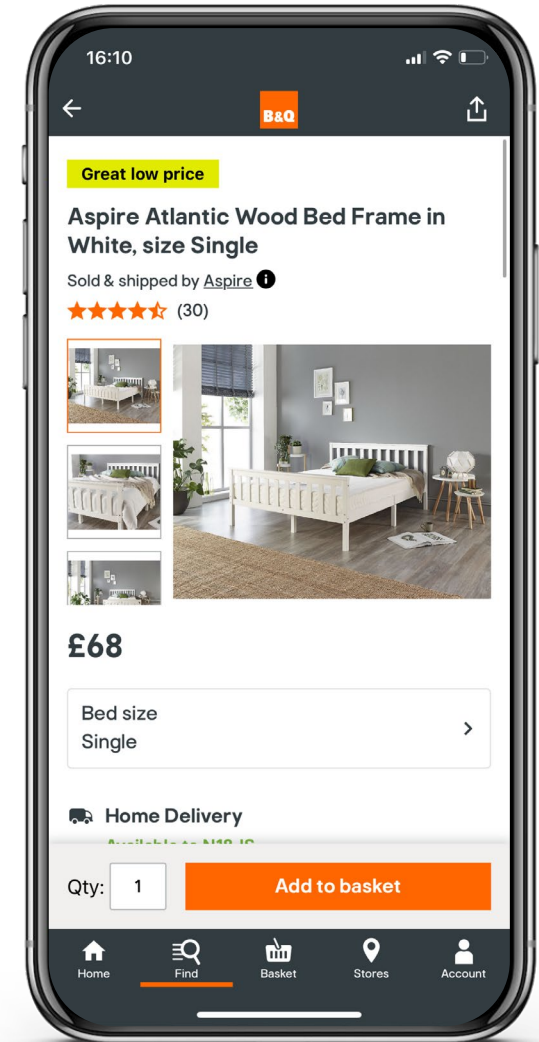
Compelling returns for us

Double-digit increase in traffic

New customers and incremental sales – **50%** of marketplace customers are new;
c.10% subsequently make a first-party purchase

38% marketplace participation⁽²⁾

10-15% take rate and minimal cost drives highly profitable model



(1) Marketplace GMV is the total transaction value (including VAT) from the sale of products supplied by third-party e-commerce marketplace merchants

(2) Represents marketplace participation on diy.com – i.e., B&Q's marketplace gross sales divided by B&Q's total e-commerce sales. Participation of 38% achieved in January 2024



Big ambitions for e-commerce and marketplace

Continued scaling of marketplaces across banners

FY 24/25 plan

Reach **2 million** SKUs on diy.com, opening to non-UK merchants

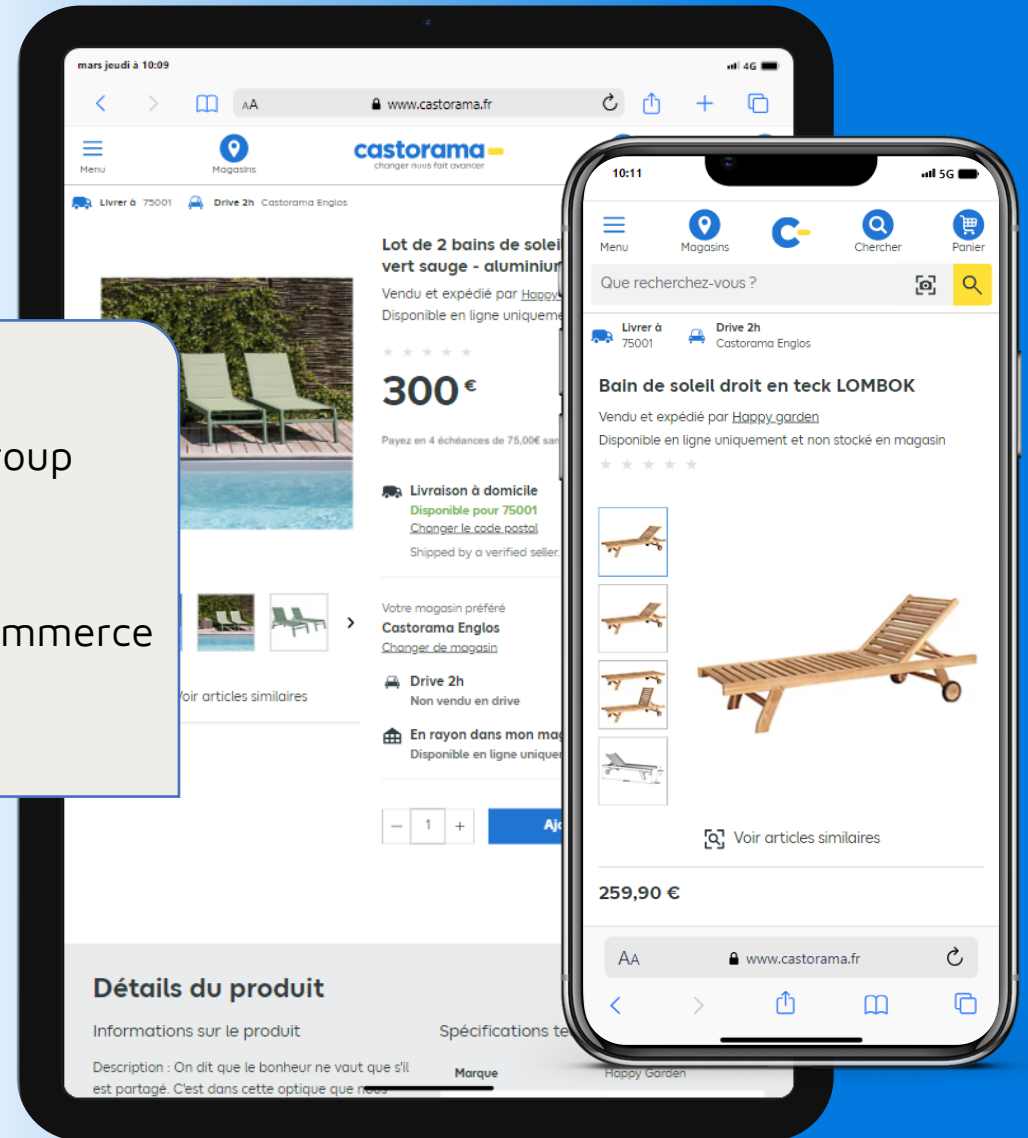
Launch and scale in **France** and **Poland** leveraging newly signed aggregator partnerships

Test additional B2B services for merchants including fulfilment options

Future potential

30% e-commerce Group sales penetration

One third of e-commerce sales from marketplace



Retail media: a new and exciting income stream

Building the foundations

FY 23/24 highlights

Launched in both banners in France and B&Q

Group partnerships with *CitrusAd* and *Unlimitail*

Created dedicated retail media team

Improving capabilities

FY 24/25 plan

Launch at Screwfix, Castorama Poland, Iberia and Romania

Scale ad requests and enhance vendor platform

Launch with third-party marketplace merchants

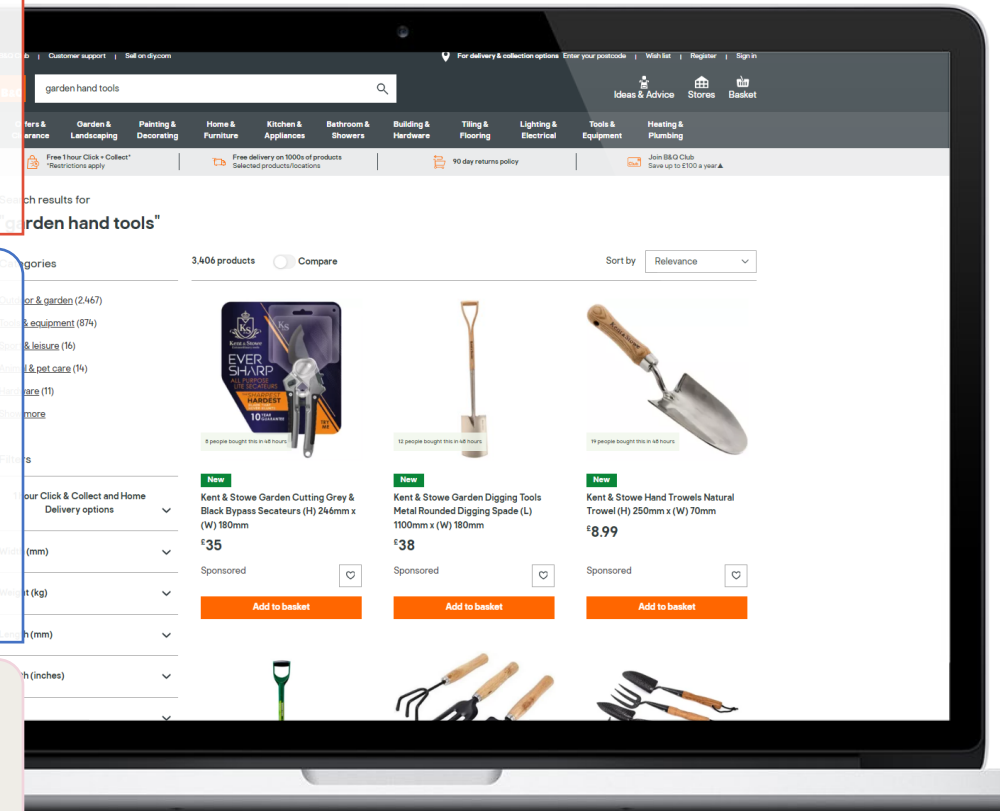
Monetisation

Future potential

Reach up to **3%** of e-commerce sales

Minimal cost drives high drop-through

Explore in-store solutions



Trade strategy showing proven success

Extending trade proposition to France and Poland...



21 new trade counters

c.40 new dedicated sales partners



Tests in 24 stores with dedicated trade zones and colleagues

Cash-back loyalty scheme trials



5 stores with dedicated trade 'store-in-store'

Loyalty scheme in c.20 stores

Sales partner pilots

...with strong early results

Presence in **67%** of B&Q estate

Active members **+6%** YoY

H2 LFL **+3.6%**, outperforming B&Q retail

Doubled trade sales penetration in pilot stores

Nationwide roll-out of loyalty programme following national marketing campaign

Pilot stores trade penetration higher than banner average; significantly better YoY sales

Average basket for CastoPro members **2.4x** non-members; frequency **3x** monthly

Expansion of pilots planned in FY 24/25

Growing trade penetration

Future potential

>£1bn TradePoint sales

Aiming to **double** trade penetration in France and Poland





A clear plan to take France to the next level

Thierry Garnier
Chief Executive Officer

Strong foundations established over the last 4 years

2019

Phase 1: Fixing the basics

Range correction and extension, with more local and international brands

—
Successfully reintroduced trading events and promotional offers

—
Filled critical roles including leadership and supply chain

—
Fundamental reorganisation of logistics network

—
Addressed IT 'pain points'; SAP implementation across both banners

2020

Phase 2: Implementing "Powered by Kingfisher"

Rebalanced local/Group for greater autonomy and speed

—
Brico Dépôt optimized and introduced more 'discount' OEB

—
Strengthened price positioning

—
Tests adaptations to store estate

—
Development of e-commerce, marketplace and retail media

—
>£150m of cost structurally removed

2024

Phase 3: Taking France to the next level

Simplifying the 'France' organisation

—
A clear and actionable plan for Castorama

—
Building on the exciting potential of Brico Dépôt



Now taking France to the next level – a new plan focused on simplicity, performance and profitability

Simplifying the France organisation

Simplifying 'France' structure

— All strategic and operational activities moving to banners, increasing autonomy and agility, and streamlining head offices

— Some limited cross-banner functions and co-ordination of synergies

— Leadership – Pascal Gil will become CEO of Castorama France at the end of April 2024; Laurent Vittoz will continue to lead Brico Dépôt

A clear and actionable plan for Castorama

Restructuring and modernising the store network

— Improving operating margin efficiency

— Growing sales densities

Building on the exciting potential of Brico Dépôt

Driving LFL sales by strengthening our discounter DNA

— Capturing trade demand and developing new compact formats

— Improving productivity

France medium-term retail profit margin target of

c.5–7%

Driven by self-help

Supported by operating leverage

A clear and actionable plan for Castorama

Restructuring and modernising the store network

Focused on c.1/3 of Castorama's 95 stores that are lowest performing

—
4 main pathways:

1. Rightsizing
2. Modernising
3. Brico Dépôt transfers
4. Franchising

—
13 stores to be addressed in FY 24/25

Improving operating margin efficiency

Strengthening cost reduction plan

—
Leveraging our promo and markdown tools to optimise revenue and margin

—
Attractive income streams by scaling retail media and marketplace

Growing sales densities

Enhancing and growing the offer with wider ranges and marketplace

—
Growing trade penetration

—
Capture demand for green renovation

No 'big bang' of capex required

Spread over next 3-5 years

—
Within the Group's 3% of sales capex guidance

—
No release from freehold value assumed

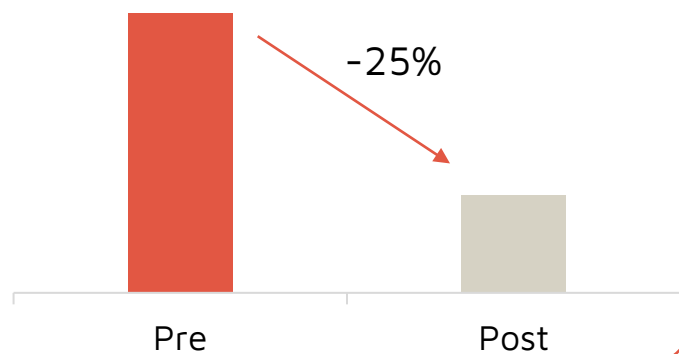
—
IRR of >25% and payback within 3-4 years



Rightsizing: encouraging initial results

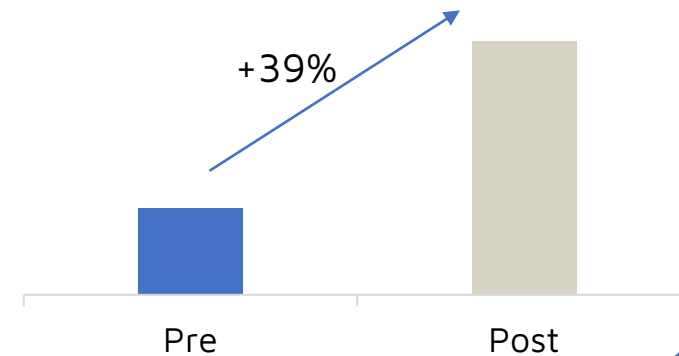
Space reductions of c.25%

Total selling area⁽¹⁾



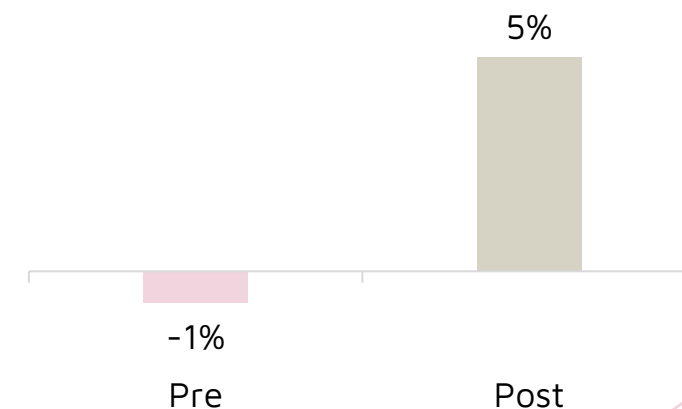
Driving material uplift in sales densities

Sales densities⁽¹⁾



Contribution margin improvement

Retail contribution margin⁽¹⁾



Commencing rightsizing of 3 low-performing stores in FY 24/25

(1) Average of two Castorama rightsizings completed at Gonesse and La Rochelle. FY22/23 compared to FY21/22

New concept driving material uplift in performance at Castorama Englos

Reorganised sales area without increasing store size

Simplified customer journey - 130 aisles to 6 areas, focused on inspiration and projects

c.6 months to complete, with store remaining open

High IRR - capex payback expected in <4 years

Strong customer feedback and uplift in performance

NPS improvement

Double-digit increase in customer traffic

Improvement in sales densities with double-digit growth in 'big-ticket' sales

Now a top 10 performing Castorama France store

Pervasive refit at 1 additional Castorama store in FY 24/25, plus 6 additional store refreshes



Simplifying the customer journey

“Catalogue”: fast & simple



“Boutique”: inspiration & projects

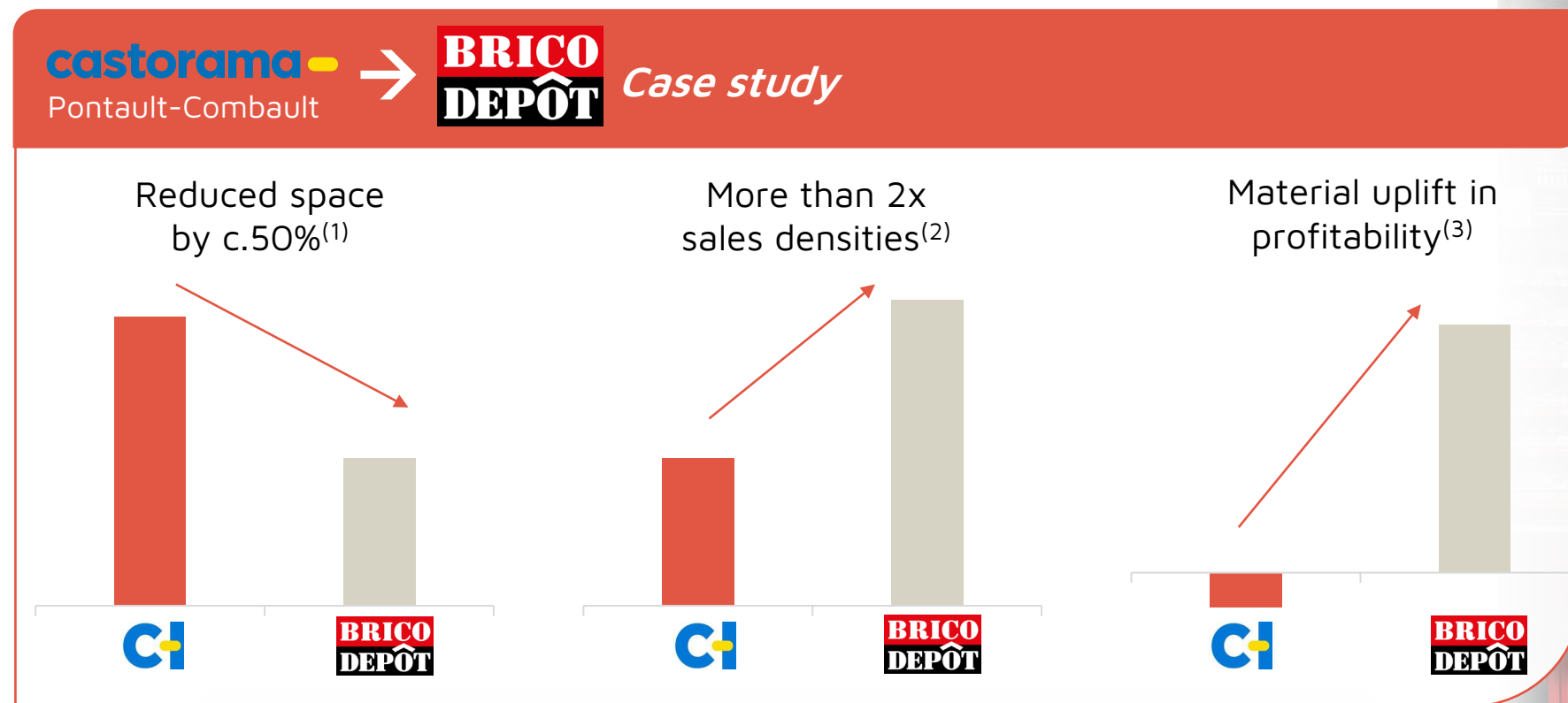


Come join us to
tour Castorama
Englos!

9-11 July 2024: store
tours in Poland & France

Contact the IR team

Transfer Castorama stores to Brico Dépôt: creating more value for the Group



Transferring 1 low-performing Castorama store to
Brico Dépôt in FY 24/25

(1) Change in total selling area FY 22/23 vs FY 19/20 (Pontault-Combault)
(2) Change in store sales densities FY 22/23 vs FY 19/20 (Pontault-Combault)
(3) Change in store retail contribution margin FY 22/23 vs FY 19/20 (Pontault-Combault)



Franchising: a strategic option with significant upside

Common practise in French retailing

Operating of store by franchisee partner with right of use of Castorama brand in exchange for a royalty fee

Franchisee leverages Kingfisher's "powers": technology, OEB (via wholesale) and buying scale

Attractive income streams for Kingfisher

Convert stores and improve profitability

All store operating costs transfer to the franchisee

Franchisee focuses on store sales, lower shrinkage and improving operating efficiencies

Franchise model improves store profitability

Opportunity for footprint expansion

Leverage franchise model for expansion, including for compact stores

Capex-light

Planning to test franchise model in 2 Castorama stores in the next 12 months



Building on the exciting potential of Brico Dépôt

Driving LFL sales

Established “discounter” credentials through offer and price

—
Strengthening ranges, brand awareness and positioning

—
Leverage omnichannel and data

—
Demand for green renovation

Capturing trade opportunity and developing new formats

Nationwide roll-out of trade proposition (including customer service experts and attractive loyalty scheme)

—
Expanding 1,000 sqm compact store format

—
Optionality for expansion via franchising

Improving productivity

Head office optimisation and benefits from France structure simplification

—
Store productivity

—
Supply chain and network optimisation

—
Use of data and leveraging Group tools and IT powers





Summary

Thierry Garnier
Chief Executive Officer

Summary

FY financial performance in line with guidance

Executing against our strategic priorities at pace

A clear plan to take France to the next level

Cautious on the overall market outlook in 2024

Focused on market share, and managing costs & cash in the year ahead

Strongly positioned for growth in 2025 and beyond



Strongly positioned for growth in 2025 and beyond

Significant structural changes in last 4 years

Rebalanced: Clear responsibilities for each banner, supported by Group “powers”

Operating model: Leveraging store estate to drive e-commerce

Technology: Transformed technology infrastructure and in-house data and AI expertise

Culture: Agility and ‘test and learn’; highly engaged colleagues

Lean: Significant cost taken out across the Group

Much enhanced offer for our customers

More convenience: New stores and formats

More choice: Marketplace, more brands, and new OEB ranges supporting innovation & affordability

More speed: Step-change in e-commerce proposition

More value: Invested in price and trading events

More focus on trade/‘pro’: New ranges, loyalty, dedicated customer-facing experts

Investments in key areas to drive growth

Screwfix & Castorama Poland: Sales impact of c.+1.5% to +2.5% from net space growth

E-commerce & marketplace: Aiming for 30% sales penetration; one third from marketplace

Retail media: Opportunity of up to 3% of e-commerce sales

Trade sales: >£1bn at TradePoint and doubling trade penetration in France/Poland



Strongly positioned for growth in 2025 and beyond

Significant structural changes in last 4 years

Much enhanced offer for our customers

Investments in key areas to drive growth

Strong cash generation

Free cash flow in FY 25/26 of c.£450m and >£500m per annum from FY 26/27

Disciplined and clear capital allocation with increasing capital efficiency

Annual gross capex c.3.0% of sales (previous guidance c.3.0%-3.5%)

Delivering attractive cash returns to shareholders

>£1.6bn returned to shareholders in last 5 years via dividends and buybacks





Q&A

Sortie ↓ RETRAIT MATÉRIAUX ↓ Entrée

SÉCURITÉ

Chers clients,
Cet espace est une zone de chargement.
Pour tout achat supplémentaire, merci de vous rendre au magasin.

MATÉRIAUX

- 1) Réglez l'emplacement de vos produits sur votre ticket de caisse
- 2) Soulevez vos produits grâce au zonage
- 3) Chargez les dans votre coffre
- 4) Dirigez-vous vers la zone de contrôle

+ D'INFORMATION

BRICO DÉPÔT

279€

579€

castorama

DEKORACJE
URZĄDZANIE

ODBIĆ
TOWAR

castorama

Appendices



FY 24/25 technical guidance⁽¹⁾

Space	<ul style="list-style-type: none"> Sales impact of c.+1.5% from net space growth, largely from Screwfix and Castorama Poland
New businesses	<ul style="list-style-type: none"> 'Other'⁽²⁾ retail losses of c.£30m (FY 23/24: £30m)
Depreciation and amortisation	<ul style="list-style-type: none"> Anticipate c.£680m (FY 23/24: £641m)
Central costs	<ul style="list-style-type: none"> Anticipate c.£65m (FY 23/24: £60m)
Share of JV interest and tax	<ul style="list-style-type: none"> Anticipate c.£20m (FY 23/24: £16m)
Net finance costs	<ul style="list-style-type: none"> Anticipate c.£115m (FY 23/24: £105m)
Adjusted PBT	<ul style="list-style-type: none"> Full year adjusted PBT of c.£490m - £550m⁽³⁾
Tax rate	<ul style="list-style-type: none"> Group adjusted effective tax rate of c.27%⁽⁴⁾ (FY 23/24: 27%)
Cash flow	<ul style="list-style-type: none"> Capital expenditure – targeting gross capex of c.£360m (FY 23/24: £363m; c.2.8% of total sales) Free cash flow – anticipate c.£350m - £410m for the year (FY 23/24: £514m) Share buybacks – continuation of current £300m share buyback programme (c.£50m completed to date) Dividends – target cover range of 2.25 to 2.75 times, based on adjusted basic EPS. We may move outside of this target range, temporarily, from time to time

(1) Please refer to slide 54 for further details regarding forward-looking statements

(2) 'Other' consists of the consolidated results of Screwfix International, NeedHelp, and results from franchise and wholesale agreements. This is reported within the 'Other International' division

(3) Guidance assumes current exchange rates

(4) Subject to the blend of profit within the Group's various jurisdictions

Confident in medium-term growth and cash generation opportunity

Sales to grow ahead of our markets

LFL sales growth driven by our strategic focus areas including e-commerce and marketplace, OEB, trade

Sales impact of c.+1.5% to +2.5% from annual net space growth over the medium term, primarily driven by Screwfix and Castorama Poland

Adjusted PBT to grow faster than sales

Driving ongoing scale benefits

Higher margin initiatives

Operating cost leverage and multi-year operating cost reduction opportunities

Strong cash generation to drive growth investment and shareholder returns

Free cash flow of c.£450m in FY 25/26 and >£500m per annum from FY 26/27, supported by profit growth and ongoing inventory self-help measures



Disciplined approach to capital allocation

Invest in attractive growth opportunities

Prioritise growth opportunities that accelerate our strategy

—
Annual gross capex
c.3.0% of sales

Sustainable dividend growth

Progressive growth of dividends

—
Target cover range 2.25x to 2.75x

Returns to shareholders

Surplus capital to be returned via share buybacks or special dividends

Maintain financial resilience and an efficient balance sheet

Solid investment grade credit rating

Maximum net leverage over medium term of 2.0x

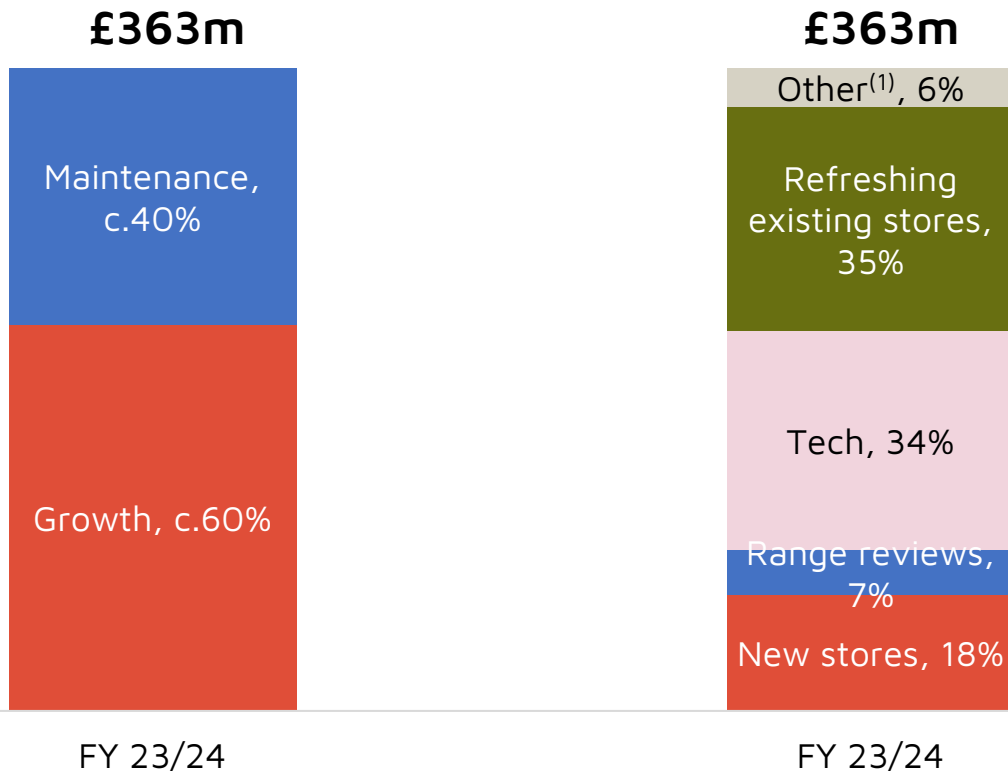
Maintain strong liquidity headroom



Disciplined approach to capital allocation

Majority of our capex spend is “growth”, driven by two key priorities: our store estate and technology

£m



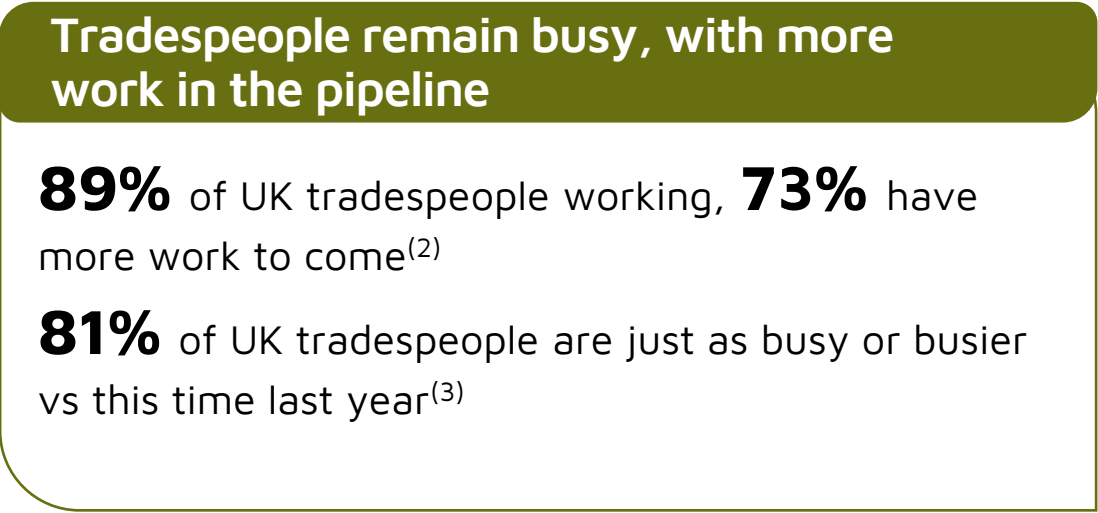
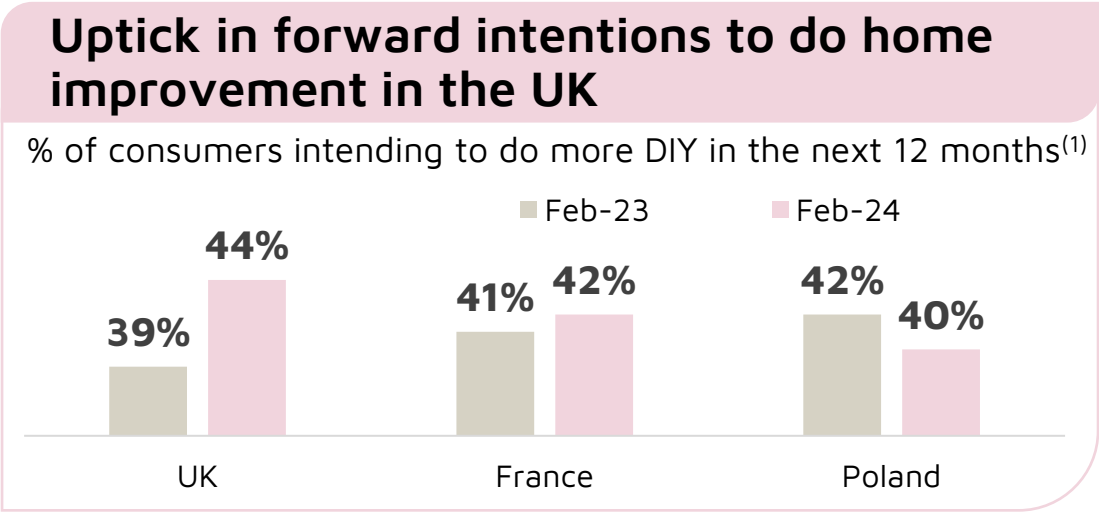
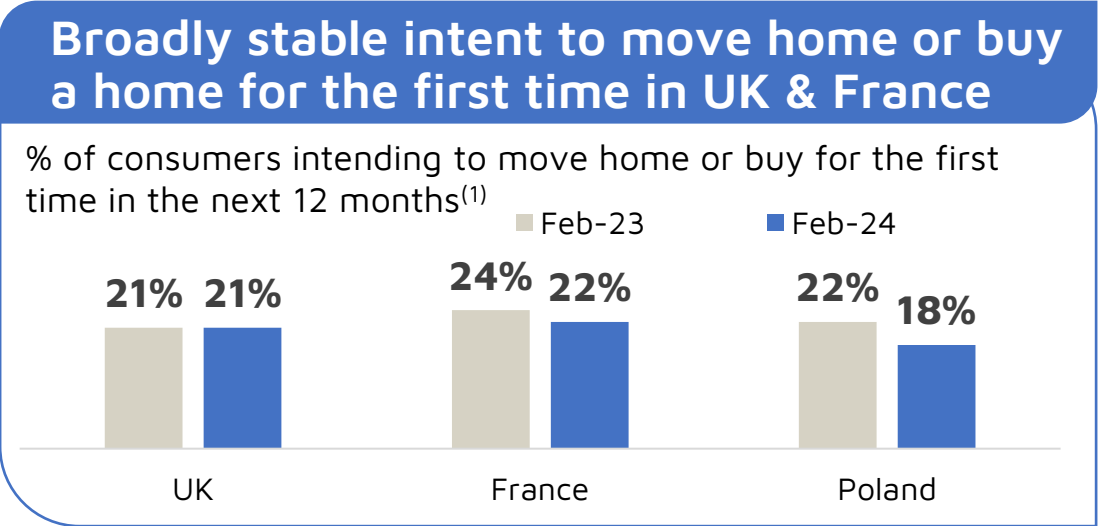
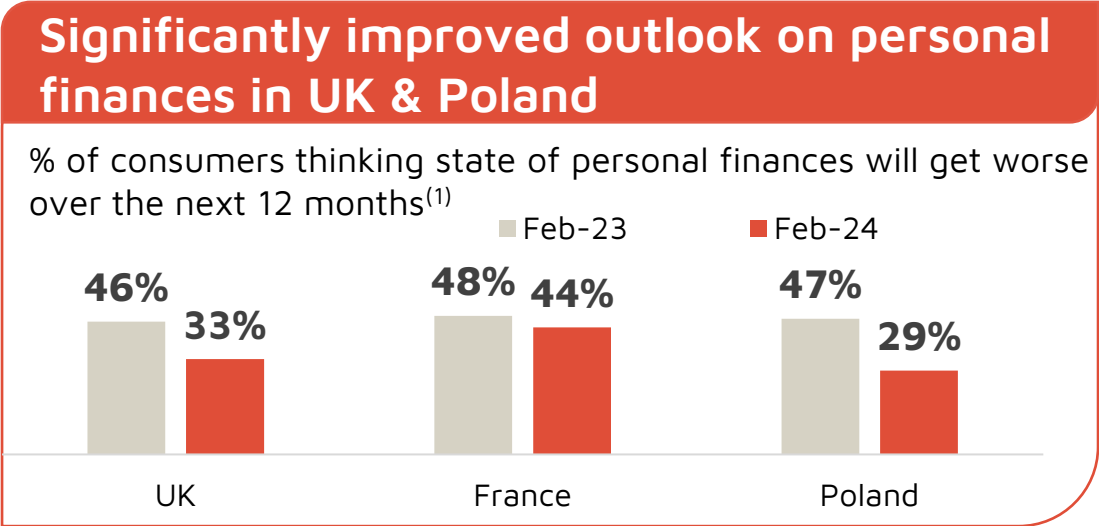
We appraise returns on a range of metrics

NPV, **payback** period vs hurdle and **ROCE** >15% considered most important

(1) 'Other' includes rightsizing and supply chain investments



Surveys highlight improvement in sentiment, but mixed intentions to move home and undertake home improvement



(1) Source: Kingfisher Home Improvement Pulse Survey, February 2024 (UK, France, Poland)
(2) Source: Screwfix Trade Pulse Survey, February 2024
(3) Source: On The Tools 2023 Q4 'Trade Brain' pulse report



ADR programme

Kingfisher ADRs trade on OTCQX – the premier tier of the U.S. over-the-counter market under the following information:

Symbol	KGFBHY
CUSIP	495724403
Ratio	1 ADR : 2 ORDs
Country	United Kingdom
Effective Date	1 January 1986
Underlying SEDOL	3319521
Underlying ISIN	GB0033195214
Depository	Citi

Benefits of ADRs to U.S. investors:



Clear and settle according to normal U.S. standards



Offer the convenience of stock quotes and dividend payments in U.S. dollars



Can be purchased/sold in the same way as other U.S. stocks via a U.S. broker



Provide a cost-effective means of international portfolio diversification



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Thank you