



14 July 2016

B&M European Value Retail S.A.

Trading Update

Continued organic growth in both the UK and Germany

B&M European Value Retail S.A. (“the Group”), the UK’s leading multi-price value retailer, today provides a trading update for the first quarter of its current financial year, relating to the 13 week period from 27 March to 25 June 2016.

Highlights

- Continued strong growth in the quarter despite challenging trading conditions
- Total Group revenue increased by +21.5% to £554.8m (2015: £456.6m)
- 12 new UK stores opened in the quarter and 5 in Germany from the pipeline of 50 new stores planned for the UK and 19 for Germany for this financial year
- On course to achieve market consensus profit expectations for the full year

Revenue

	13 weeks to 25 June 2016	13 weeks to 27 June 2015
Total Group Sales Revenue	£554.8m	£456.6m
B&M	£508.1m	£418.8m
Jawoll	£46.7m	£37.8m
Total Group Sales Growth (actual rates)	+21.5%	+24.4%
B&M	+21.3%	+22.8%
Jawoll	+23.5%	+47.3%
Total Group Sales Growth (constant currency)	+20.6%	+25.3%
UK Like-for-Like Sales Growth ¹	0.0%	+1.6%
Underlying UK Like-for-Like ²	+1.7%	+2.4%

Group sales revenue for the 13 weeks ending 25 June 2016 increased by +20.6% (2015: 25.3%) on a constant currency basis. On an actual currency basis, total sales revenue increased by +21.5% (2015: 24.4%) to £554.8m (2015: £456.6m)

The UK business' sales revenue for the 13 week period increased by +21.3% to £508.1m (2015: £418.8m).

UK Like-for-like sales¹ were 0.0% but on an underlying basis² they were +1.7% for the 13 week period.

¹ Like-for-like sales includes only those stores which have traded for at least 14 months (as opposed to 12 months previously).

² Underlying like-for-like excludes stores that are within a three mile radius of a new B&M store opening for the first 12 months following the opening of that new store.

Strategy

At the end of the quarter the Group's UK business had 511 stores trading, having opened 12 net new stores over the last 13 weeks, against the context of its UK store target of 850 stores. This financial year the UK business expects to open 50 net new stores. We also have a healthy pipeline of new stores for the following financial year.

Our German business started the year with 56 stores trading and is on target to reach 75 stores by the year end.

The quarter had a slow start to like-for-like sales due to unseasonal weather and the timing of Easter compared to last year, but rebounded sharply in May. Current trading is stable, albeit our key seasonal category of Outdoor and Garden products fluctuates from week to week in line with weather conditions.

The Group has satisfactory currency hedging in place through to the end of the important Christmas 2017 period. Ongoing exchange rate volatility may affect gross margin in FY2018 until we return to more stable general economic conditions.

Financial Position and Outlook

The Group's financial position remains sound and we are confident of meeting full year market consensus profit expectations.

Simon Arora, Chief Executive, said,

"Against a highly competitive backdrop, our robust and compelling retail business model delivered 21% growth over this first quarter. We have a well-defined and clear strategy for further growth and for B&M it remains 'business as usual' despite broader general economic uncertainty. Our outstanding value for money proposition to customers leaves us well-placed to continue to win market share."

Conference Call

A conference call to discuss the Trading Update will be held on Thursday 14 July 2016 at 10:30 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 511 stores in the UK operating under the “B&M” brand and 61 stores in Germany primarily operating under the “Jawoll” brand as at 25 June 2016. 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