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Deutsche Bank



Investor
briefing

transforming

B&Q

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**Investor
briefing**

KING SHER



castorama
France

**BRICO
DEPOT**
LES PRIX BAS TOUS LES JOURS

B&Q

SCREWFIX

**BRICO
DEPOT**
PRECIOS BAJOS TODOS LOS DIAS

Kogtas

castorama
Russia

castorama
Poland

B&Q
百安居

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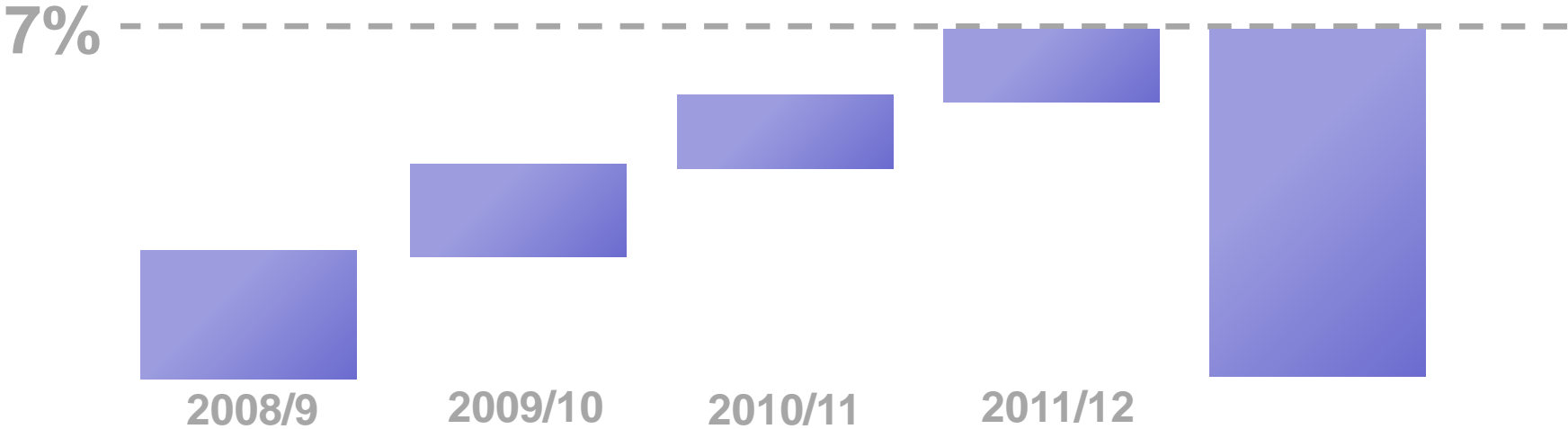
Investor
briefing

‘Delivering Value’ plan

- **Drive up B&Q’s profitability**
- **Exploit our UK Trade opportunity**
- Expand our total French business
- Roll out in Eastern Europe
- Turn around B&Q China
- **Grow group sourcing**
- **Reduce working capital**

We have a clear PLAN...

Improve shareholder returns by growing our business



This is where we are...

| | | | |
|------------------------|------------------------|----------------------------|-----------------------|
| <i>Store Standards</i> | <i>Clean Inventory</i> | <i>Trade</i> | <i>Showroom</i> |
| <i>Cost Control</i> | <i>Better Buying</i> | <i>Intensify Our Space</i> | <i>Project Advice</i> |
| 2008/9 | 2009/10 | 2010/11 | |



Store standards: *Martini*



- *Consistently high standards*
- *Improved availability*
- *Improved customer feedback*
- *Share ownership*
- *Monthly team bonus*

Clean Inventory



- *Legacy stock clearance completed*
- *Top stocks removed*
- *Gradient led ranging introduced*
- *Clear-as-you-go policy introduced*

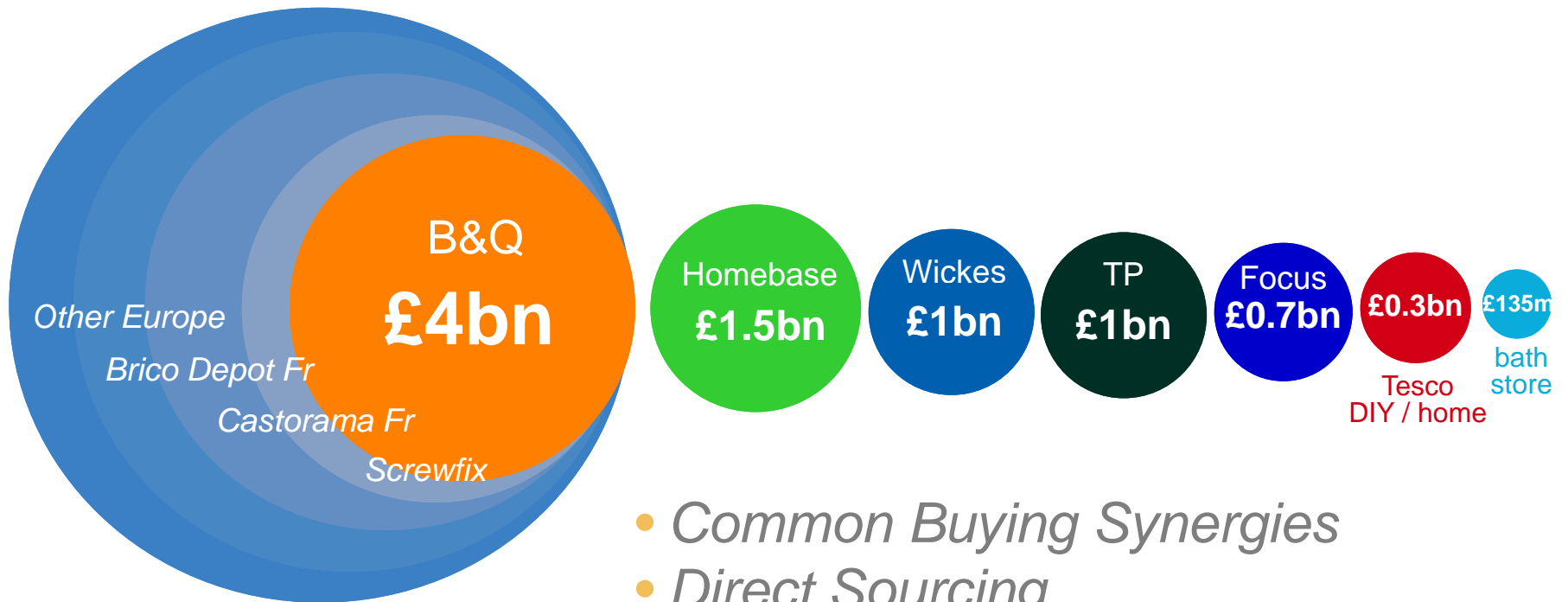
Cost Control



- *Consistent approach to cost control*
- *Productivity improvement measures established*
- *Cross functional leadership*
- *Significant improvement in stockloss*

Retail
Engineering

Buying Better



- *Common Buying Synergies*
- *Direct Sourcing*
- *New Ranges*

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Proposition
Development

Trade



- *Trade Point on trial in 8 stores in 2009*
- *Improved sales density & margin*
- *Low cost / fast return on existing space*

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Proposition
Development

Screwfix



- Specialist propositions driving benefit
- New ranges working well
- Sharing resources to drive Kingfisher Trade

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Proposition
Development

Showroom



- *Investment in 100 stores*
- *Showroom Academy*
- *Installations Network driving ATV*

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Proposition
Development

Intensify Our Space



- *Macro & micro space analysis*
- *Continued range review programme*
- *New ranges on test for rollout 2011*
- *Eco opportunity is significant*

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Proposition
Development

Project Advice: *'Friendly Experts'*



NVQ

*Basic retail skills:
service, availability,
standards*



City & Guilds

*Leading UK
Retailer*



HIKQ

*Expert advice:
Focused product & service
information for each SWAS*

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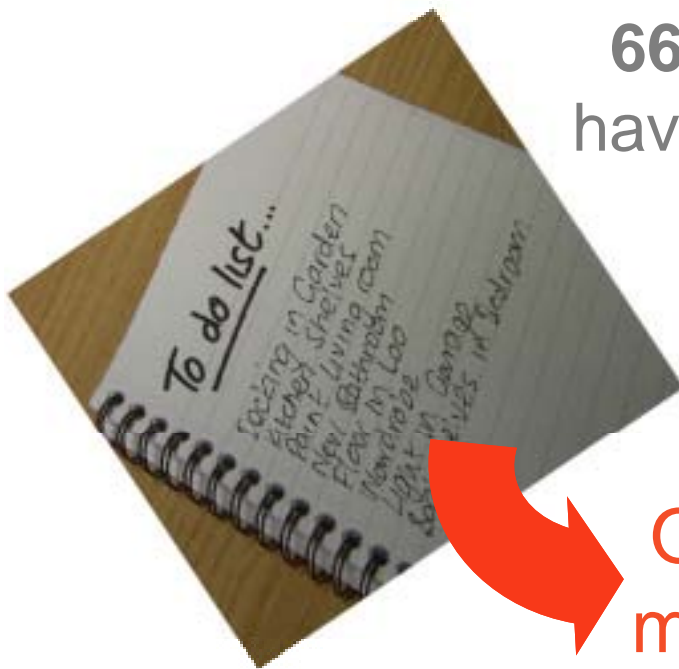


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Grow
Demand

Unlocking latent demand

66% of UK households
have a 'to do' list of home
improvement jobs



Our opportunity is to
make that list do-able

20% of total project spend

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A Strong Leadership Team



Store standards: Martini

- Consistently right standards
- Improved availability
- Improved customer feedback
- Share ownership
- Monthly bank bonus

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Intensify Our Space

- Micro & macro space analysis
- Continued range review programme
- New ranges on test for rollout 2017
- Geo opportunity is significant

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Clean Inventory

- Legacy stock clearance completed
- Top stocks reviewed
- Creative and ongoing introduced
- Clean-hygiene policy introduced

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Trade

- Discontinued on test in 8 stores in 2016
- New Customers
- Improved ATF
- Margin Growth

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Project Advice: Friendly Experts

City Guilds
10,000 signed up by 1 Oct

HIQ
Project advice

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Focus on generating the return

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Investor briefing

How do we see 2010-11?

Planning for a tougher consumer environment...



Election



Tax



Jobs



Interest rates

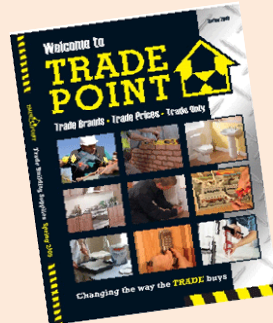


Demand

...with self help initiatives



New Ranges



TradePoint



Cost Control



Showroom



Project Advice

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Summary

- Stronger retail engineering base
- Prioritised programmes for growth in 2010
- Investment in people / service
- Future space intensity: trial this year for benefit 2011
- Strong, committed team



Questions?

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