
KINGFISHER

Interim results 2007/08

Slides will be available at
www.kingfisher.com



Gerry Murphy

Group Chief Executive



H1 2007/08 - progress

- Strong international (ex-UK) growth
 - 364 stores, 51% of Group sales
 - Sales up 14%, retail profits up 11%
 - Strong French result led by Castorama
 - Strong performance in Poland
 - New Chinese trading regulations
- UK market remains weak
- B&Q renewal making good progress – modernising stores, new products, more service



H1 2007/08 - progress on key priorities

- ***Strengthening*** developed businesses
 - 21 large B&Q and 37 Castorama stores now in new format
 - New decorative ranges and television campaigns
- ***Expanding*** proven growth businesses
 - 42 net new stores, now 319 in 8 countries
- ***Establishing*** new opportunities
 - Three new stores, now 20 in 3 countries
- ***Capitalising*** on buying scale and international diversity
 - 40% more direct sourcing
 - ‘Colours’ brand re-launch



Duncan Tatton-Brown

Group Finance Director



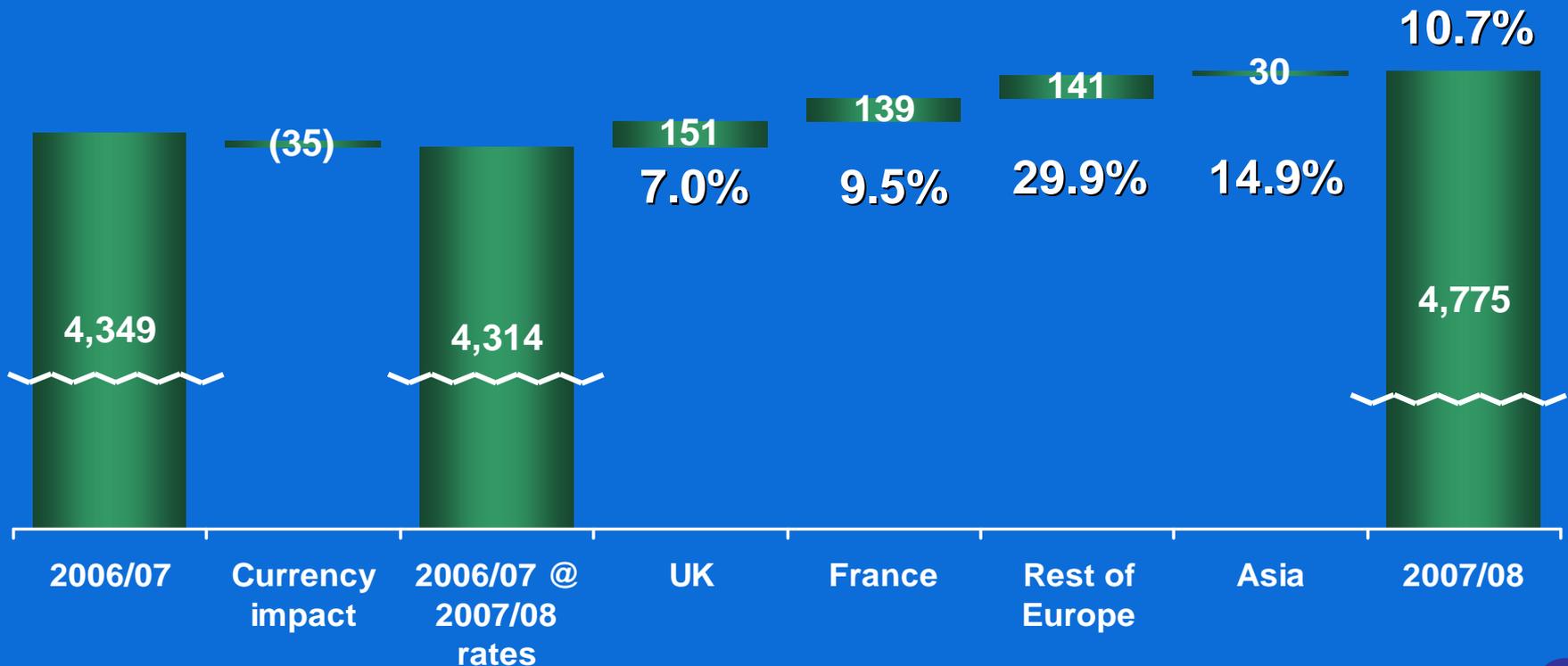
H1 2007/08 - Financial highlights

- Sales up 10.7%, LFL +4.3%
- Adjusted pre-tax profit up 6.2%
- Underlying tax rate 32.0% (last year 34.5%)
- Exceptional profit £37 million, primarily freehold disposals
- Net debt maintained at £1.3 billion
- Net cashflow from operations £437m
- Interim dividend maintained



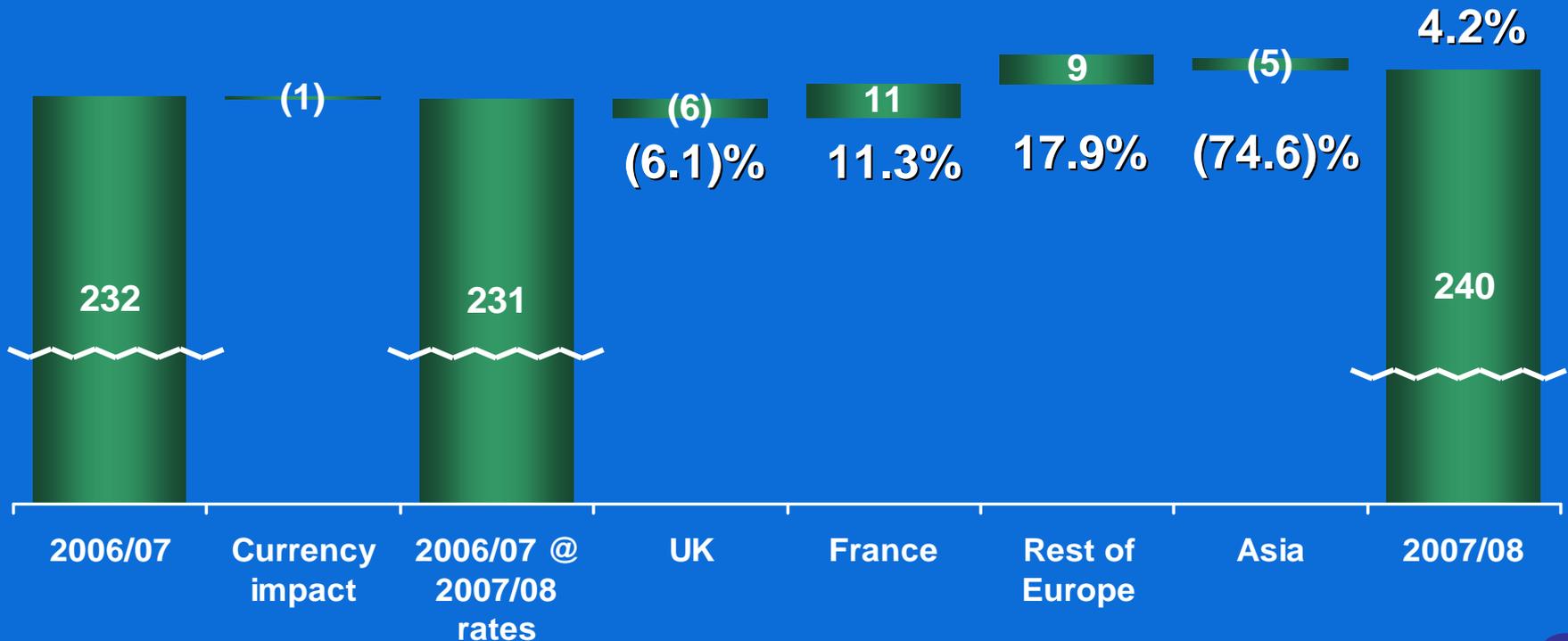
H1 2007/08 - Group sales up 10.7%

Retail Sales £4,775m
Constant Currency YOY growth



H1 2007/08 - Retail Profit up 4.2%

Retail Profit £240m
Constant Currency YOY growth



H1 2007/08 - Adjusted EPS up 12%

	2007/08	2006/07	% Reported Change
Adjusted PBT*	£189.6m	£178.5m	+6.2%
Exceptional gains	£37.2m	£42.0m	n/a
Profit before tax	£229.4m	£223.1m	+2.8%
Headline tax rate	32.0%	34.5%	-2.5%pts
Adjusted EPS*	5.7p	5.1p	+11.8%
Dividends	3.85p	3.85p	-

**Before exceptionals, IAS39 and amortisation of acquisition intangibles*



H1 2007/08 - Exceptionals update

- Net exceptional profit in H1 2007/08 £37m
- B&Q's restructuring programme on track*
 - 19 stores already closed, 3 downsized
 - 48% of idle space now sublet
 - Total programme cash cost £151m; 47% spent by end 2007/08

*exceptional provision of £205m charged in 2005/06



H1 2007/08 - Cashflow

	£m	
	2007/08	2006/07
Operating profit pre exceptionals	220	207
Other non cash*	114	99
Change in working capital, pensions and provisions	103	195
Free cashflow pre capex	<u>437</u>	<u>501</u>
Retail capex	(173)	(126)
Property capex	86	211
Property and retail disposals	<u>(110)</u>	<u>(140)</u>
Capex	197	(55)
Business acquisitions	(1)	(1)
Free Cashflow	239	445

* Includes depreciation and amortisation, share based compensation charge, share of post tax results of JVs and associates, and profit/loss on retail disposals



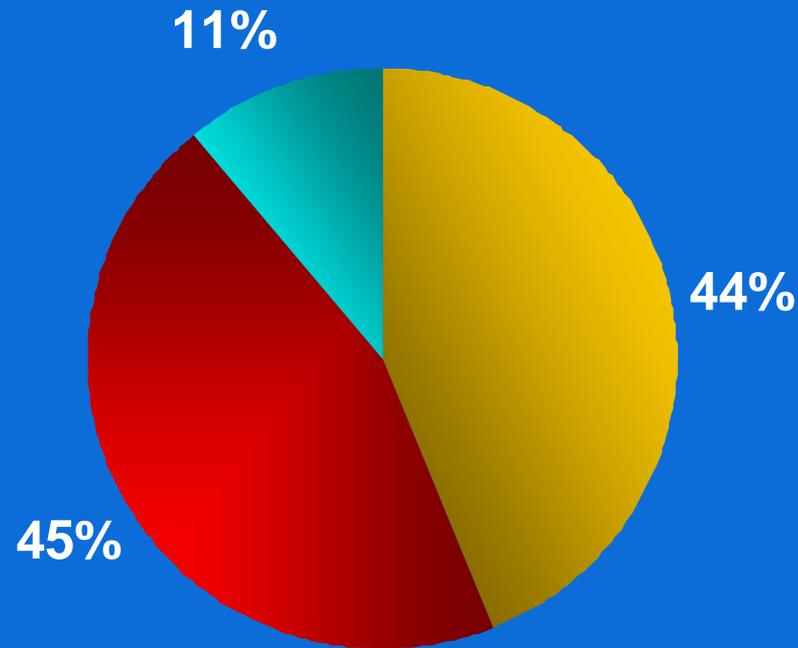
Net debt

	£m	
	2007/08	2006/07
Free cashflow	239	445
B&Q exceptional outflow	(15)	(16)
Interest	(25)	(23)
Tax	(30)	(59)
Dividends	(159)	(159)
Other	1	9
Movement in net debt	11	197
Opening net debt	(1,294)	(1,355)
FX and IAS 39	(7)	(4)
Closing net debt	(1,290)	(1,154)



Investing for future growth

2007/08e - total gross capex around £550m



 Strengthening developed businesses

 Expanding proven growth businesses

 Establishing new opportunities



Duncan Tatton-Brown

Group Finance Director



Gerry Murphy

Group Chief Executive



B&Q - renewal

“First and Only For Home Improvement”

- Product authority
- Newness/style
- Multi-specialist store
- Easy to shop
- Great value



B&Q - product authority

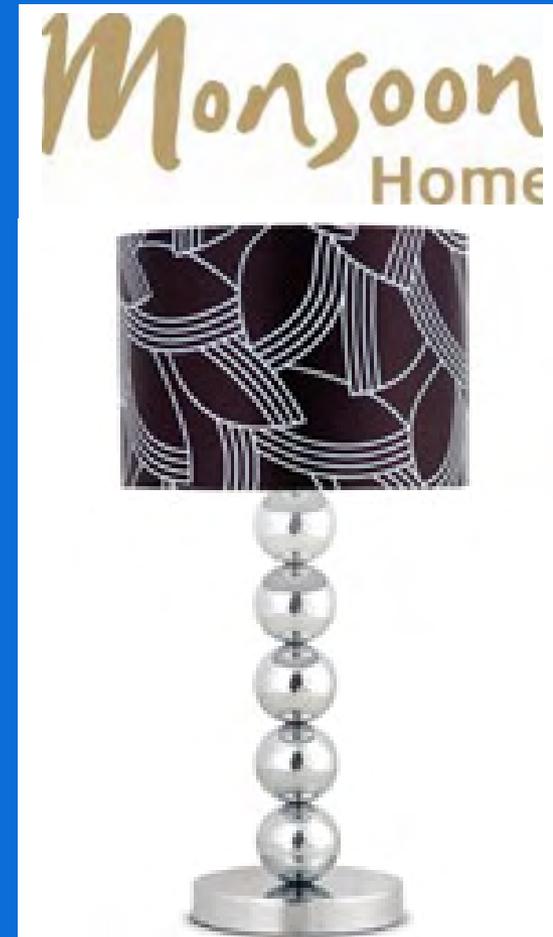
On track for 60% range renewal
by Jan 08



B&Q - product authority



B&Q - product authority, more style



B&Q - multi-specialist store



B&Q - multi-specialist store

3 annualised stores

- Average sales densities > £200/sq.ft.
- 30% higher than older format stores
- Wednesbury LFL almost 20% ahead of control with partial range renewal

16 revamped stores (< 1 year)

- Double-digit sales growth



B&Q - easy to shop

- More staff in key areas
 - Kitchen, bathroom, flooring and power tools
 - Scottish Retail Excellence Award for Customer Initiative of the Year (2006)
 - Now in all revamp stores
- Style training for 800 staff



B&Q - easy to shop

http://www.bq60.kitchen-design.com - B&Q Kitchen Planner - Main Frame - Microsoft Internet Explorer

Pop-ups temporarily allowed. To always allow pop-ups from this site, click here...

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Kitchen Design



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www.diy.com

Internet



B&Q - easy to shop

B&Q Register / Sign in View Shopping List Items 0 Total £ 0.00

HOME DIY ADVICE QUICK ORDER PROJECT CHECKLISTS SERVICES STORE FINDER HELP

Bathrooms & Plumbing Kitchens & Appliances Garden & Leisure Decorating & Lighting Building, Hardware & Tools Heating & Cooling Flooring & Doors Special Offers

Search Entire site

You are here: Home > Heating & Cooling > Fires

Select Your View:

- Full Range (192)
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Refine results:

By category

- Fire Accessories (36)
- Fires (69)
- Suites (14)
- Surrounds (73)

By Brand

- Aurora (12)
- B&Q (5)
- BioRegional Charcoal Company Ltd (2)
- Dimplex (10)
- Focal Point (24)

Products (192) Services (6) DIY Help & Advice (2)

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You have no products selected

Compare

Suncrest Wall Hung Electric Fire Suite With Mirror and Chrome Effect
(EAN:5016724102611)

 Style: Contemporary
Brand: Suncrest

Only £400.00

Availability

- Online**
Delivery usually within 2 weeks
Delivery booking service available
- In Store**
Check range in your local stores



B&Q - broader appeal

Let's do it

B&Q

diy.com



Castorama France - renewal

- Over 40% stores in new format
- New product ranges
- More direct sourcing/own-brand
- National TV advertising

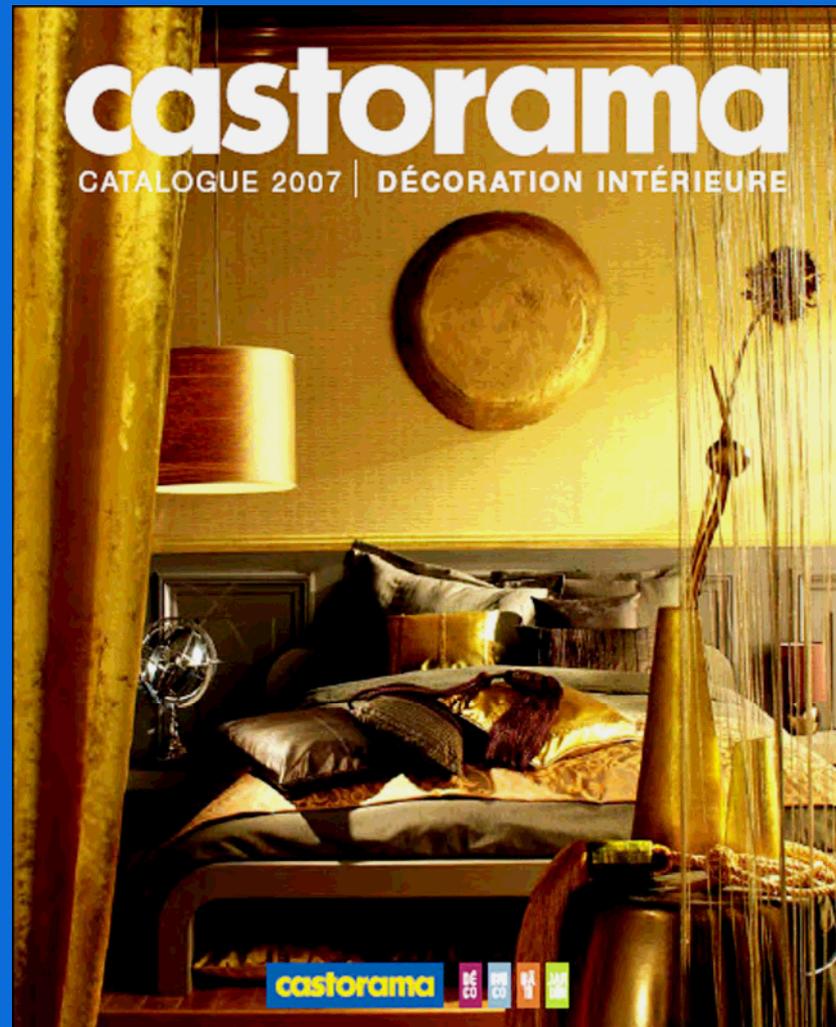


Castorama France - product authority



Castorama France - newness/style

- Lifestyle and inspiration



Castorama France - newness/style

Avec Castorama
de Maison en Maison, imaginez, choisissez...

Maison Contemporaine



Un univers d'une élégance maîtrisée se crée dans des coloris et des matières sobres et raffinées. Une atmosphère épurée ponctué par un mobilier de caractère... L'ambiance se fait minimaliste, l'équilibre régit, l'harmonie est parfaite.

Maison Multicolore



Gourmandise de couleurs éclatantes, frémissement de formes originales... La familiarité et la fraîcheur s'inventent, un monde de gaieté s'installe chez vous. La vie pétille dans cet intérieur qui reflète la joie et vous invite à être de bonne humeur.

Laissez-vous tenter par une escapade au cœur des dernières tendances de la décoration intérieure. De Maison en Maison, des envies flottent à travers quatre styles, quatre façons de voir la vie. La variété et la qualité des ambiances incitent au changement. Regardez, vous êtes déjà chez vous...

Maison de Charme



Emission voluptueuse, doux parfum poudré... Ici, le décor prend forme dans des matières et des couleurs armées de sensualité. Séduction baroque, ambiance théâtrale, une touche de mias en soie et votre intérieur se laisse de volupté.

Maison Authentique



Pieces de tradition, univers classiques... Les matières sont sobres, les lignes épurées, des motifs intimes harmonisent votre décoration. Il se dégage de cet intérieur une idée de sérénité de vivre. Tout comme dans le temps qui passe... La sérénité vous gagne.



Expand proven growth businesses



castorama



Castorama Poland & Italy

Brico Dépôt France & Poland

B&Q China, Taiwan & Ireland



Screwfix

Koçtaş Turkey



Expand proven growth businesses

- Brico Dépôt France, Poland, Italy, China, Taiwan*, Turkey* and Screwfix
 - £1.7bn sales, £105m retail profit in H1
 - Cash generative
- 319 stores
 - 36 stores/trade counters planned for H2

* Joint venture sales not consolidated



Brico Dépôt France



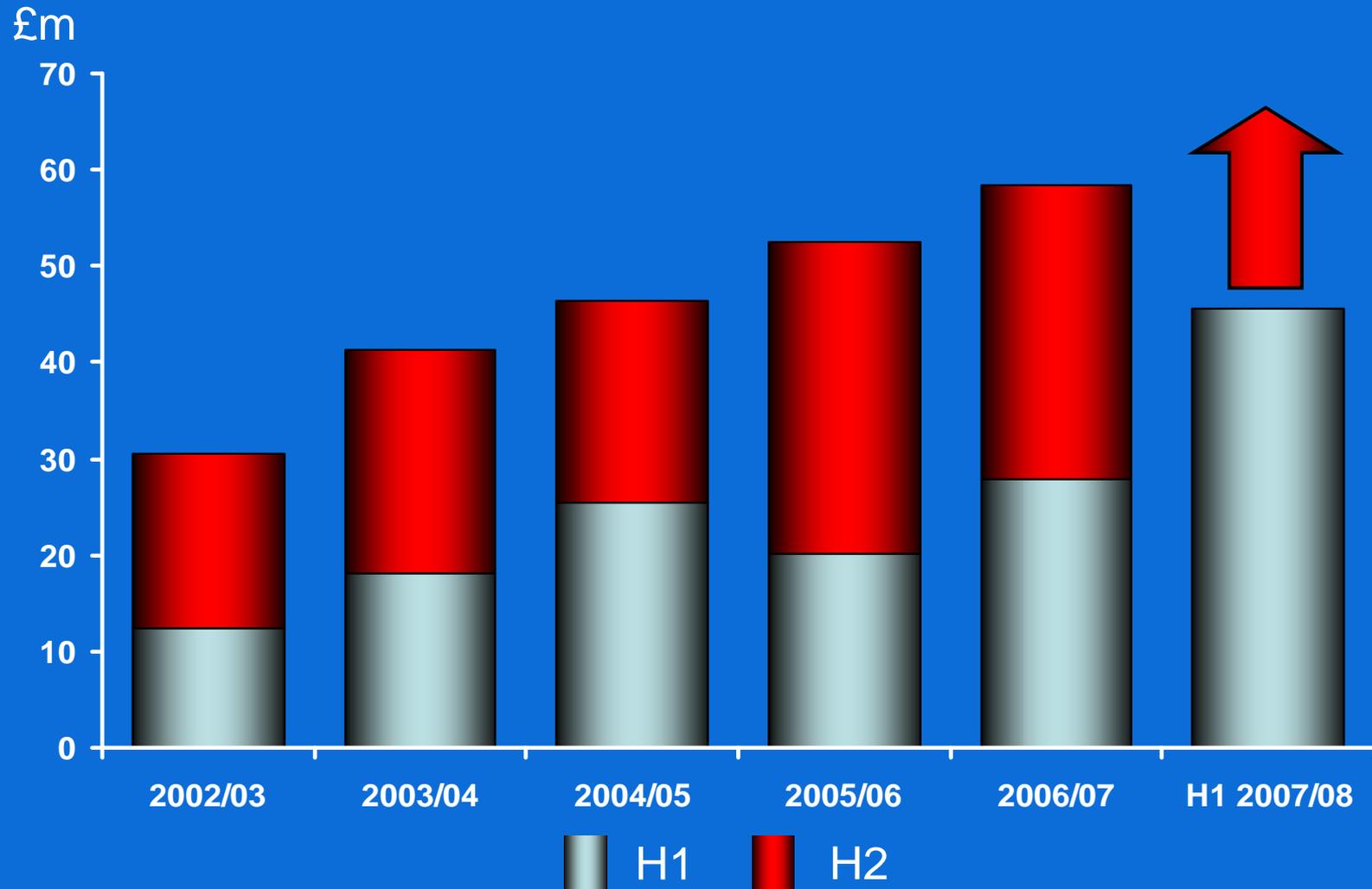
- Sales up 16%
- 88 stores, 7 new
- SAP conversion complete



Castorama Poland - clear market leader (37 stores, 2 new)



Castorama Poland - retail profit growth



Screwfix - true multi-channel

Catalogue, web & counters



- Sales up 30%
- 68 counters, 30 new H1
- Around 20 counters planned for H2



B&Q China - continuing growth



- Sales up 14% (LFL +4%)
- 59 stores, 2 new H1, 5 planned H2
- First store in Hong Kong – June 2007



B&Q China

- New trading regulations
 - Impacts retailers/suppliers trade terms
 - Only recently clarified by authorities
 - Impact:- £4m in H1; £9m in H2
 - Expect satisfactory terms for 2008



Koçtaş Turkey - profitable expansion



- 12 stores, 2 new H1, 4 planned H2
- H1 profits doubled
- Own-brand development
- Medium-term target of 50 stores



Establishing new opportunities

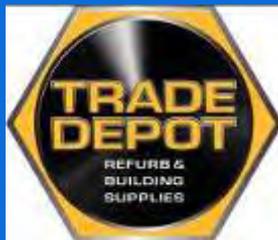


castorama

Castorama Russia



Brico Dépôt Spain



Trade Depot



Castorama Russia

- 4 stores, 1 new H1, 1 planned H2
- First Moscow store opened July 2007
- 50 stores potential



2007/08 - Outlook

- International markets generally positive
- Uncertain outlook for UK consumer demand
- Strong momentum in B&Q UK renewal H2



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