



Kingfisher AGM

17 June 2010



Daniel Bernard

Chairman



Agenda

Introduction

Daniel Bernard

Business review

Ian Cheshire

Questions and answers

Resolutions



Daniel Bernard

Chairman



Introduction: excellent progress in 2009/10

- Strong growth in profit and cash returns
- 'Delivering Value' programme on track
- Work also underway to drive profitable future growth
 - Broadening the business
 - Building Group capability, especially common sourcing
- Confident in our prospects
 - Dividend growth
 - Accelerating capital investment where strong payback proven
- Cautious outlook, self-help in place



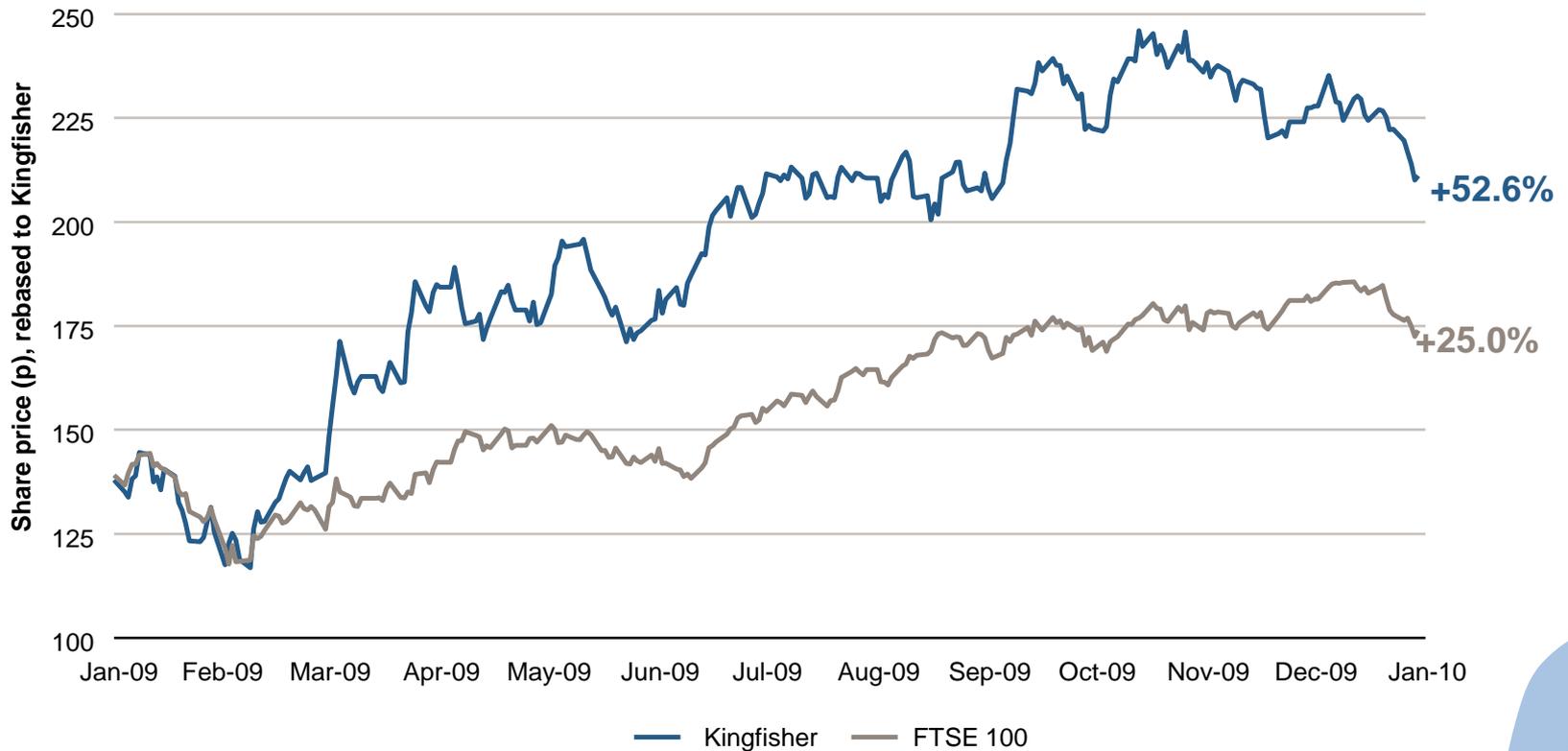
Financial highlights

- Sales up 4.8% to £10.5bn
- Adjusted pre-tax profit £547m, up 48.6%
- Free cashflow £761m (2008/09: £387m)
- Financial net debt down from £1bn to £250m, down 75%
- Final dividend increased 5% to 3.575p, first increase for five years



Kingfisher share price +50%

Kingfisher share price performance vs. FTSE 100



Source: Datastream.

Kingfisher significantly outperformed the UK market during the 2009/10 financial year



2010/11 – First Quarter highlights

- Sales flat, despite cool weather across Europe
- Retail profit up 12% to £146m
- Cautious on the economic outlook, self-help in place



Ian Cheshire

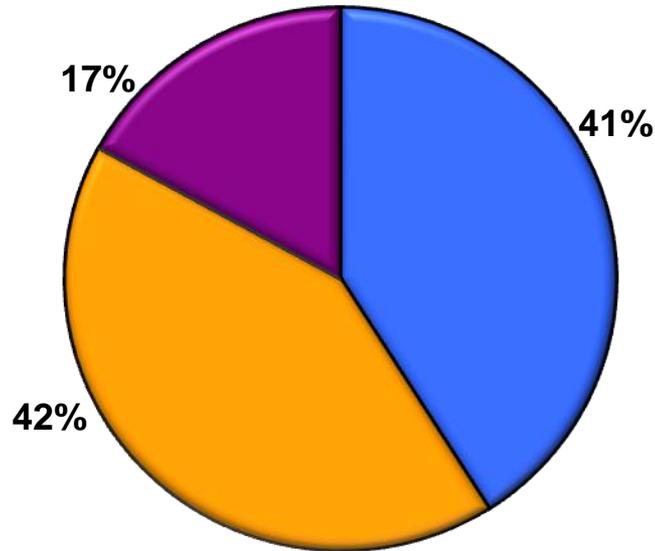
Group Chief Executive

Review of 2009/10

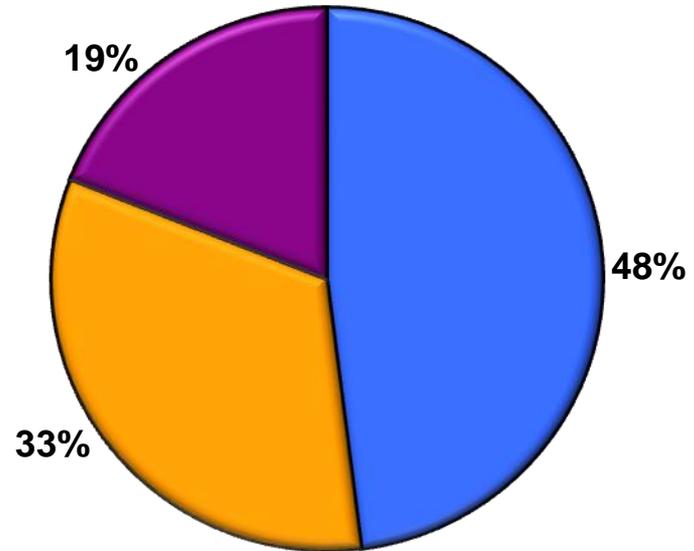


2009/10 Results – a summary

Group Sales
£10.5bn **+4.8%**



Group Retail Profit
£664m **+32.1%**



 France

 UK & Ireland

 Other International



Delivering value – on track

1. Driving up B&Q UK & Ireland's profit

- Profit up 80%
- Retail margin now 4.9%, up 210 basis points

2. Exploiting our UK Trade opportunity

- Screwfix offer broadened
- B&Q in-store trade format developed (TradePoint)

3. Expanding our total French business

- Both businesses outperforming their markets
- Buying optimisation supported profit growth



Delivering value – on track

4. Rolling out in Eastern Europe

- 20% new space

5. Turning around B&Q China

- “Fix it” phase well executed, losses halved
- New range work underway, but will take time

6. Growing Group sourcing

- Shipments up 14%

7. Reducing working capital

- Total working capital reduced by over £300 million



Kingfisher UK

Sales £4.4 billion, 477 stores, 13% market share



- 33,000 products in large and medium stores
- Mostly retail consumer focused



- 15,000 products via multi channels
- Mostly trade focused

As at 30 January 2010



Driving innovation at B&Q



Kingfisher France

Sales £4.2 billion, 201 stores, 21% market share

castorama

- 50,000 products in large stores (15,000 sqm)
- Mostly retail consumer focused

BRICO DEPÔT

- 13,000 products in smaller stores (5,000 sqm)
- Mostly trade focused

As at 30 January 2010

BRICO
DEPÔT

castorama

2010 2011 2012 2013

2 MARQUES
DU GROUPE
KINGFISHER

Driving innovation at Castorama



Eastern Europe – large and profitable markets

		Population (m)	Market (£bn)	Stores	Sales (£m)
Poland		38	7	56	£1,000
Turkey		73	5	26	£265
Russia		142	12	12	£160

As at 30 January 2010

Eastern Europe – sales up 11%*, retail profits up 12%*, 20% new space

2009/10

2010/11

Poland

- 5 new stores
- Profits +11%
- New CEO

- 6 new stores
- Central DC for direct sourcing (H2)

Turkey

- 5 new stores
- Profits +39%

- 5 new stores

Russia

- 5 new stores
- Profitable at store level

- 4 new stores
- City format Moscow test (H2)

**constant currencies, sales include 100% Turkey JV*



China – excellent progress with turnaround

- Store optimisation nearly complete
 - 63 stores down to 43
 - 20 leases successfully exited
- Cost and margin plans progressing well
 - 30% reduction in central costs
- Rationalised offer
 - 12 stores in new format



Group sourcing

2009/10

- Shipped volumes increased by 14%

2010/11

- Increase shipped volumes by 26% to \$1bn



Staff training

B&Q UK

- 15,500 B&Q staff achieved NVQ and City & Guilds qualifications
- 4,000 staff graduated from Showroom Academy

Castorama France

- 9,000 staff through customer service courses

B&Q China

- 2,000 staff through customer training courses



Further progress with 'Green' initiatives

For our customers

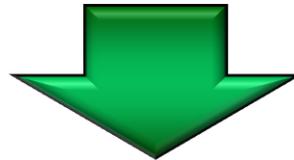
- £1bn sales of eco products
- First 'eco shops' launched in B&Q (New Malden and Sutton)
 - 1,700 eco advisers by Sept 2010
- Working on Group-wide range of energy efficient products



Good progress with green initiatives

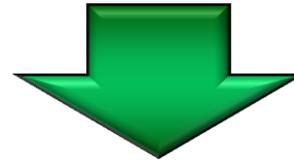
Within our business

CO₂ from store energy



9%

Store waste



5%

Timber from
well-managed sources

77% (2008/09: 72%)



Summary – excellent progress in 2009/10

- Robust growth in profit and cash returns
- ‘Delivering Value’ programme on track
- Work also underway to drive profitable future growth
 - Broadening the business
 - Building Group capability, especially common sourcing
 - Accelerating capital investment
- Dividend growth, first for 5 years
- Self-help in place



Daniel Bernard

Chairman



Questions and answers



Resolutions



Casting your vote



Insert the smartcard up to the red line

When invited to vote:

Press button “1” to vote “for”

Press button “2” to vote “against”

Press button “3” to withhold your vote

If you make a mistake or change your mind, simply enter your new choice – this will overwrite your previous choice





Annual General Meeting 2010

