

Financial highlights

	Sales 2018/19	% Total Change	% Total Change	% LFL ⁽¹⁾ Change
	£m	Reported	Constant currency	Constant currency
UK & Ireland	1,412	+6.0%	+6.0%	+4.2%
- B&Q UK & Ireland	1,005	+3.9%	+3.9%	+3.6%
- Screwfix	407	+11.8%	+11.8%	+5.5%
France	1,193	+0.4%	(0.7)%	(1.0)%
- Castorama	648	(3.1)%	(4.1)%	(3.8)%
- Brico Dépôt	545	+4.8%	+3.7%	+2.6%
Other International	650	+3.6%	+5.6%	+1.4%
- Poland	388	+1.8%	+2.5%	+1.3%
- Iberia ⁽²⁾	102	+0.8%	(0.3)%	(0.3)%
- Russia	99	(10.9)%	(1.1)%	+2.1%
- Romania ⁽³⁾	58	+79.5%	+80.8%	+4.6%
- Screwfix Germany	3	+21.6%	+20.4%	+20.4%
Total Group	3,255	+3.4%	+3.4%	+1.6%

- Q2 Group LFL up 1.6% helped by improved performance of weather-related categories which contributed c.+2% to Group LFL; H1 LFL -1.1% (Q1 LFL -4.0%)
- Good Q2 sales recovery at B&Q and Screwfix versus Q1 within the context of a continuing weak UK consumer backdrop
- Sales and gross margin of unified and unique ranges continued to grow
- H1 Group gross margin after clearance costs expected to be c.-40bps with Q2 ahead of Q1
- Actions in place to improve H2 Group gross margin and therefore still expect to grow the full year Group gross margin after clearance costs
- France performance in H1 reflects:
 - Weaker footfall and impact of transformation-related activity at Castorama
 - Continued sales growth at Brico Dépôt benefitting from new unified ranges
 - Higher costs (c.+3.5% in constant currency) including phasing of marketing investment in Brico Dépôt
- £90m returned (30m shares) year to date via share buyback. Now returned £550m of c.£600m capital return commitment⁽⁴⁾

Véronique Laury, Chief Executive Officer, said:

“We started our transformation two and a half years ago and are on track to deliver our strategic milestones for the third year in a row.

“In Q2, I’m pleased that we grew our sales after the exceptionally harsh weather conditions in Q1. In B&Q, Screwfix and Brico Dépôt France we delivered good sales growth. However, the performance of Castorama France has been more difficult and as a result we have put additional actions in place to support our full year performance in France with the benefits expected to come through in H2.

“We look forward to providing a more detailed update at our H1 results in September.”

Q2 trading highlights by division (in constant currencies)

UK & IRELAND

Total sales +6.0%. LFL +4.2% reflecting improved performances at B&Q and Screwfix within the context of a continuing weak UK consumer backdrop

- **B&Q UK & Ireland** sales +3.9%. LFL +3.6% driven by strong performance of weather-related categories benefiting LFL by c.+7% (impact on LFL in Q1 18/19 c.-6%, H1 18/19 c.+1%)
- **Screwfix** sales +11.8%. LFL +5.5% with 12 new outlets opened during Q2

FRANCE

Total sales -0.7% (LFL -1.0%). Sales for the home improvement market (Banque de France data⁽⁵⁾) were up c.1% in Q2

- **Castorama** sales -4.1%. LFL -3.8% reflecting continued softer footfall and the impact of transformation-related activity. LFL of weather-related categories was flat (impact on LFL in Q1 18/19 c.-4%, H1 18/19 c.-2%)
- **Brico Dépôt** sales +3.7%. LFL +2.6% reflecting good growth from the new unified ranges, which continue to re-energise the Brico Dépôt offer, supported by investment in marketing

OTHER INTERNATIONAL

Total sales in **Poland** +2.5%. LFL +1.3% against a strong comparative (Q2 17/18: +4.0%)

Footnotes

(1) Like-for-like sales growth representing the constant currency, year on year sales growth for stores that have been open for more than a year

(2) Brico Dépôt Spain & Portugal

(3) Includes Praktiker Romania acquired on 30 November 2017

(4) Through to end of FY 2018/19 (over and above the annual ordinary dividend)

(5) Includes relocated and extended stores <http://webstat.banque-france.fr/en/browse.do?node=5384326>

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This announcement can be downloaded from www.kingfisher.com. Data tables for Q2 2018/19 are available for download in excel format at <http://www.kingfisher.com/index.asp?pageid=59>
Our next announcement will be the Half Year results on 19 September 2018.

We can be followed on Twitter @kingfisherplc with the Q2 results tag #KGFQ2. Kingfisher American Depository Receipts are traded in the US on the OTCQX platform:(OTCQX: KGFHY)
<http://www.otcm Markets.com/stock/KGFHY/quote>

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