

**Strong H1 performance.**  
**Upgrading full year profit & free cash flow guidance**

Financial summary			% Total Change	% Total Change	% LFL* Change
	2025/26	2024/25	Reported	Constant currency*	Constant currency
Sales	£6,811m	£6,756m	+0.8%	+0.9%	+1.3%
Gross profit	£2,569m	£2,480m	+3.6%	+3.6%	
Gross margin %*	37.7%	36.7%	+100bps	+100bps	
Operating profit	£383m	£374m	+2.1%		
Statutory pre-tax profit (PBT)	£338m	£324m	+4.1%		
Statutory basic EPS	13.4p	12.8p	+4.1%		
Net cash flows from operating activities	£928m	£810m	+14.6%		
Interim dividend per share	3.80p	3.80p	-		
<b>Adjusted metrics</b>					
Retail profit*	£452m	£420m	7.5%	+7.1%	
Retail profit margin %*	6.6%	6.2%	+40bps	+40bps	
Adjusted pre-tax profit (PBT)*	£368m	£334m	+10.2%		
Adjusted basic EPS*	15.3p	13.2p	+16.5%		
Free cash flow*	£478m	£421m	+13.5%		
Net debt*(1)	£(1,726)m	£(1,952)m	n/a		

\* See page 4 for further details on non-GAAP measures and other terms

### Highlights

- **Underlying<sup>‡</sup> like-for-like sales of +1.9% (Q2: +1.4%) driven by volume & transaction growth.**  
Underlying total sales growth of +1.5% (total sales +0.9% at constant currency and a (0.6%) calendar impact<sup>(2)</sup>)
- **Strong UK performance across both B&Q and Screwfix** with LFL +4.4% and 3.0% respectively with improving sequential trends in France and Poland
- **Market share gains<sup>(3)</sup>** in the UK, France and Spain. Poland broadly in line with the market
- **Continued strategic delivery** with strong sales growth in trade (+11.9%) and e-commerce<sup>(4)</sup> (+11.1%)
- **Improved quarter-on-quarter growth trends in core and a third consecutive quarter of big-ticket underlying growth**, with strong weather-related seasonal performance led by the UK
- **Retail profit margin growth of +40bps to 6.6%** driven by gross margin and operating cost initiatives, leading to +10.2% growth in adjusted PBT to £368m and +16.5% growth in adjusted EPS to 15.3p
- **Statutory pre-tax profit growth of +4.1%** to £338m
- **Free cash flow of £478m** (+13.5%) from earnings growth and inventory management
- **Upgrading full year guidance<sup>(5)</sup>** now targeting the “upper end” of FY 25/26 adjusted PBT of c.£480m to £540m, and free cash flow of c.£480m to £520m (previously £420m to £480m)
- **Accelerating SBB** with current £300m programme to complete by March 2026

### Thierry Garnier, Chief Executive Officer, said:

"We delivered a strong first half with high quality underlying like-for-like sales growth of 1.9%, driven by increased volumes and transactions. Our teams continue to execute at a high level, delivering double-digit growth in our strategic initiatives, trade and e-commerce, which supported our market share gains. We were encouraged by underlying quarter-on-quarter growth in our core categories, and a third consecutive quarter of growth in big ticket sales.

"In a higher cost environment, we remain disciplined on managing costs and cash. Our margin and operating cost initiatives combined with the positive impact of our strategic drivers enabled us to deliver 10.2% growth in adjusted PBT and 16.5% growth in adjusted EPS. Free cash flow rose by 13.5%.

"Our expectations for our markets for the year remain consistent with what we outlined in March, whilst mindful of mixed consumer sentiment and political uncertainty. Combined with our H1 performance, this gives us the confidence to upgrade our full year profit and free cash flow guidance and to accelerate our share buyback programme. We remain focused on executing our strategic priorities, maintaining cost discipline and driving shareholder returns."

<sup>‡</sup>Underlying sales growth refers to sales excluding calendar and leap year impact (LFL sales +1.3% + 0.6% = underlying LFL of +1.9%)<sup>(2)</sup>.

*Note: All commentary below is in constant currency unless otherwise stated.*

### Financial highlights

Solid operational execution and progress on our strategic initiatives enabled us to deliver +1.9% underlying LFL **sales** growth in H1, outperforming our markets. We saw sequential improvement in underlying trends in core and big-ticket categories, and robust sales growth in seasonal products due to good weather in the UK. B&Q and Screwfix both delivered a strong H1 driven by trade and e-commerce initiatives, product innovation, and transference from the closure of Homebase stores. Our France and Poland banners delivered a sequential improvement in sales from Q1 to Q2 in a subdued but improving market backdrop.

**Gross margin** increased by 100 basis points to 37.7%, driven by leveraging Kingfisher's buying and sourcing scale, by margin accretive initiatives including growth from e-commerce marketplaces and retail media, improved returns on promotional activity through the use of our AI solutions, and improved inventory management and clearance activity.

We entered the year with significant cost headwinds (c.£145m) consisting of wage inflation, higher UK employer national insurance contributions, increased social taxes in France and the new packaging fees in the UK (impacting our banners at the gross margin level). We expect to fully mitigate these costs through gross margin and cost initiatives. In addition, we also received a £33m prior year benefit (H1 24/25: £24m) of one-off business rates refund in the UK. We have made good progress mitigating these headwinds in H1, and combined with H2 weighted marketing and tech spend, this resulted in **retail profit** growth of +7.1% to £452m, representing a 6.6% profit margin (+40bps vs H1 2024/25). At reported rates, **adjusted pre-tax profit** of £368m, was up 10.2% reflecting higher retail profit and lower net finance costs, partially offset by higher central costs. Statutory PBT of £338m, was up +4.1% (H1 24/25: £324m), reflecting higher operating profit and lower net finance costs. Our strong profit performance and our ongoing share buyback programme drove a 16.5% increase in **adjusted EPS** to 15.3p. Statutory basic EPS was up +4.1% YoY to 13.4p.

**Free cashflow** in H1 increased 13.5% to £478m driven by earnings growth, receipts of tax settlements relating to prior years and H2 weighted capex investment. Leverage reduced to 1.3x adjusted EBITDA (FY 24/25: 1.6x), reflecting stronger free cash flow, further supported by £94m net one-off cash inflows, primarily comprising a £64m EU state aid tax refund and £33m in net proceeds from the sale of Romania.

*Please refer to Section 1 and 3 of this statement for a detailed review of our financial performance.*

### Strategic highlights

We have made excellent progress across all pillars of our Powered by Kingfisher strategy in H1.

**Group trade** sales grew +11.9% YoY to £1.9bn now representing 28.0% of Group sales as we continue to develop our trade proposition across our banners, leveraging our existing store estate. These Group initiatives involve bespoke loyalty programmes, enhanced trade specific product ranges, further roll out of trade counters, increased investment in dedicated trade colleagues and an enhanced omni-channel customer experience. We have also upgraded our trade service offerings, including customer financing, tool rental and improved fulfilment capabilities.

We continued to execute our Group strategy at pace across our banners in the half. In the UK, we onboarded 33 additional trade sales partners at B&Q, and our recently launched Tradepoint app has driven a 24.4% increase in click & collect trade sales, generating increased footfall to store. At Screwfix, we have enhanced the *Sprint* proposition, with delivery now available in as little as 20 minutes. In France, we have successfully rolled out our trade proposition across the Castorama estate in the past 6 months. Brico Dépôt grew trade sales by +23.8% through a combination of initiatives including recruitment of trade sales partners, membership recruitment and targeting campaigns. In Poland the new loyalty programme, launched last year, continued to resonate with trade customers with a 36% increase in membership since year end and we more than doubled the number of dedicated trade colleagues in store.

**Group e-commerce** sales grew by +11.1% YoY to £1.4bn with penetration<sup>(6)</sup> reaching 20.0% as we continue to evolve our digital proposition through marketplace, retail media, apps, data and fulfilment capabilities. This supports a connected digital ecosystem with the store at its core.

Across our banners, we have delivered significant enhancements to our **apps**, including the rollout of exclusive app-only features and personalised, targeted promotions, which are strengthening customer engagement and drive conversion. Group app sales now account for 34.3% of total group e-commerce sales, +1.4pts YoY (H1 24/25: 32.9%).

**Marketplaces** are now live across the UK, France, Poland, Iberia, and Turkey, with strong growth in both vendors and product offering. In H1, Group GMV<sup>(7)</sup> growth was up +62.0% to £262m (H1 24/25: £162m). We have unlocked cross-border vendor onboarding and are piloting a UK-first marketplace click & collect service at B&Q, targeting 300 stores by the end of October. B&Q marketplace GMV increased by +45.4% YoY to £228m leading to a retail profit contribution<sup>(8)</sup> of c.£7m.

Our marketplaces are driving incremental traffic that directly benefits our 1P proposition – for example, c.50% of B&Q's marketplace customers are new to DIY.com, and subsequently, c.15% of these go on to purchase a B&Q 1P product.

**Retail media** continues to rapidly scale, with successful launches in Screwfix and Castorama Poland, alongside expanded offerings in B&Q, Castorama France, and Brico Dépôt France.

We continue to build a **data-led** customer experience, using AI and advanced technology to enhance personalisation, product recommendations, pricing, and supply chain efficiency. As part of this, we have launched Core IQ – our new data monetisation platform – in Castorama France, offering vendors deeper trading and digital performance insights.

We are **building on our different banners** with the opening of eight newly converted B&Q stores from former Homebase sites and the continued expansion of Screwfix stores across the UK and Ireland. In H2 we have plans to open up to 25 Screwfix UK & ROI stores.

We are pleased with progress in Screwfix France, with +52% store LFL in H1, and have plans to open up to a further 5 stores in H2.

*Please refer to Section 2 of this statement for a detailed update on all our strategic priorities.*

#### Path to medium-term profit target in France

In 2024 we announced a plan for Castorama and Brico Dépôt France to drive the next level of our performance and profitability. The plan targets a retail profit margin for France of c.5% to 7% over the medium term, driven by a combination of self-help measures, including the restructuring and modernisation of approximately one-third of Castorama's store network, and operating leverage from an improved market environment. Our retail profit margin in H1 improved by 20bps to 3.5%.

While we are pleased with the delivery of our plan, the French market has declined by c.10% (per GfK), since the announcement in March 2024 of our medium-term margin target of c.5-7%. We remain confident in delivering this target of c.5-7%, with the timing and trajectory of reaching this target is dependent on the pace of the market recovery. Despite current headwinds, we remain optimistic on our outlook for the market in the medium-term.

*Please refer to page 7 of this statement for a review of our performance in France, including progress in the restructuring and modernisation of Castorama's lowest-performing stores.*

#### Guidance for FY 25/26 – upgraded.

Our expectations for our markets for the year remain consistent with what we outlined in March, whilst mindful of mixed consumer sentiment and political uncertainty. Combined with our strong H1 performance, this gives us the confidence to upgrade both our full year profit and free cash flow guidance and accelerate our recurring share buyback programme.

We now expect to deliver **FY 25/26 adjusted PBT at the upper end of the previously guided range of approximately £480m to £540m**. This reflects our strong profit performance in the first half, alongside second half weighted investment in marketing and technology to support our strategic growth initiatives.

We have also raised our **FY 25/26 free cash flow guidance range to c.£480m to £520m**, up from the previous range of £420m to £480m. This upgrade is driven by the uplift in adjusted PBT expectation, continued progress in reducing net inventory, and a second half weighted capital expenditure profile as we invest in enhancing the customer experience across both in-store and online channels to support long-term growth.

A review of our market backdrop and guidance can be found in the Section 5 to this statement.

#### **Share buyback programme – accelerated.**

In line with our capital allocation policy (*details of the policy are available [here](#)*), in March 2025 the Board determined that a further £300m of surplus capital was available to return to shareholders via a share buyback programme. As of 31 July, we had repurchased £93m worth of shares under this programme. The third tranche of the programme will commence imminently.

Reflecting stronger free cashflow, as outlined above, and additionally supported by £94m of one-off exceptional cash inflows, **we will accelerate the current share buyback programme**, with completion expected by the end of March 2026.

#### **The remainder of this release consists of six sections:**

- 1) Trading review by division
- 2) Strategy update
- 3) Financial review
- 4) Forward-looking statements
- 5) Market update and technical guidance
- 6) Interim condensed financial statements (unaudited)
- 7) Glossary

#### **Footnotes**

<sup>(1)</sup> Includes £2,255m of lease liabilities (H1 24/25: £2,324m), including £2m of lease liabilities held for sale (H1 24/25: £nil).

<sup>(2)</sup> Underlying growth refers to LFL sales excluding calendar and leap year impact:

Leap year impact reflects the impact of an extra day of trading on Thursday 29 February 2024. The estimated impact of the leap year on Q1 25/26 LFL sales was -1.1%, carrying through to an impact on H1 25/26 LFL sales of -0.5%. Calendar impact represents the impact of the annual calendar shift on LFL sales growth due to different days of the week falling into or out of the current period compared to the prior period. For example, historically, higher trading is seen on a Friday and Saturday as compared to a Sunday. This includes the impact of national public holidays falling on different days of the week compared to the prior period. The estimated impact of the annual calendar shift on Q1 25/26 LFL sales was +0.2%, and for Q2 25/26 LFL sales was -0.5%, carrying through to an overall impact on H1 25/26 LFL sales of -0.1%.

<sup>(3)</sup> Market data used for assessing market share: for the UK according to GfK, BRC (British Retail Consortium) and Barclays for the period of February 2025 to July 2025, France and Poland market data according to GfK for the period of February 2025 to July 2025. For Spain according to AECOC panel.

<sup>(4)</sup> Total e-commerce sales are first-party e-commerce sales plus marketplace gross sales. References to digital or e-commerce sales growth relates to growth in constant currency and covers the total Group.

<sup>(5)</sup> Guidance assumes current exchange rates.

<sup>(6)</sup> **E-commerce sales penetration %** represents total e-commerce sales as a percentage of sales. For the purpose of this calculation only, sales are adjusted to replace marketplace net sales with marketplace gross sales. It is used to track the success of our e-commerce strategy. Please refer to the glossary for full definitions of e-commerce metrics.

<sup>(7)</sup> Marketplace GMV is the total transaction value (including VAT) from the sale of products supplied by third-party e-commerce marketplace vendors. What is recorded in revenue is the commission “take rate” which is c.10-15% of GMV.

<sup>(8)</sup> Marketplace retail contribution includes only directly attributable run costs.

#### **Non-GAAP measures and other terms**

Throughout this release ‘\*’ indicates the first instance of a term defined and explained in the Glossary (Section 7). Not all the figures and ratios used are readily available from the unaudited half year condensed financial statements included in Section 6 of this announcement. Management believes that these non-GAAP measures (or ‘Alternative Performance Measures’), including adjusted profit measures, constant currency and like-for-like (LFL) sales growth, are useful and necessary to assist the understanding of the Group’s results. Where required, a reconciliation to statutory amounts is set out in the Financial Review (Section 3).

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## **Half year results announcement and data tables**

This announcement and data tables for H1 25/26 can be downloaded from the Investors section of our website at [www.kingfisher.com/investors](http://www.kingfisher.com/investors).

## **Results presentation and Q&A**

A pre-recorded analyst and investor presentation will be broadcast via the Investors section of our website at [www.kingfisher.com](http://www.kingfisher.com) at 08.30 (UK time), which will be immediately followed by a live virtual Q&A session with management.

For enquiries, please email [investorenquiries@kingfisher.com](mailto:investorenquiries@kingfisher.com).

## **Financial calendar**

Q3 25/26 trading update                      25 November 2025

<sup>±</sup> *Dates are provisional and may be subject to change*

## **American Depositary Receipts**

Kingfisher American Depositary Receipts are traded in the US on the OTCQX platform: (OTCQX: KGFHY)  
[www.otcm Markets.com/stock/KGFHY/quote](http://www.otcm Markets.com/stock/KGFHY/quote)



**Section 1: Trading review by division**

Note: all commentary below is in constant currency.

**UK & IRELAND**

£m	2025/26	2024/25	% Reported Change	% Constant Currency Change	% LFL Change
<b>H1</b>					
B&Q	2,170	2,075	+4.6%	+4.6%	+4.4%
Screwfix	1,358	1,301	+4.4%	+4.4%	+3.0%
<b>Total sales</b>	<b>3,528</b>	<b>3,376</b>	<b>+4.5%</b>	<b>+4.5%</b>	<b>+3.9%</b>
<b>Q2</b>					
B&Q	1,114	1,092	+2.1%	+2.1%	+1.3%
Screwfix	683	653	+4.7%	+4.6%	+3.1%
<b>Total sales</b>	<b>1,797</b>	<b>1,745</b>	<b>+3.1%</b>	<b>+3.0%</b>	<b>+2.0%</b>

<b>H1</b>					
<b>Retail profit</b>	<b>344</b>	<b>325</b>	<b>+5.7%</b>	<b>+5.7%</b>	
<b>Retail profit margin %</b>	<b>9.7%</b>	<b>9.6%</b>	<b>+10bps</b>	<b>+10bps</b>	

**Market**

- Low single digit market growth.
- The UK consumer has remained resilient with improving mortgage affordability, real wage growth, and stable housing transactions in H1. The home improvement market has also been supported by favourable weather conditions in Q1, driving strong demand for seasonal products.
- We remain mindful of early signs of softness in the labour market, uncertainty ahead of the Autumn Budget, and rising inflation.

**B&Q**

- **Total sales +4.6% (LFL +4.4%)** to £2,170m, with growth driven by our initiatives in trade, e-commerce and innovation in big ticket categories. This was further supported by customer transference from the closure of Homebase stores and seasonal products due to favourable weather.
- Core LFL growth was led by painting and tools & hardware categories.
- Big-ticket LFL growth was underpinned by our successful range reviews. The introduction of our tiered kitchen offering – Essential, Select, and Signature – has broadened customer appeal and contributed meaningfully to performance.
- Strong seasonal LFL growth was due to our outdoor categories, which also benefitted from recent Homebase store closures.
- **Market share gains** (as measured by BRC, Barclays, and GfK), driven by progress in our strategic initiatives of trade and e-commerce and benefit from Homebase stores closures in 2024.
- **TradePoint**, B&Q's trade focused banner delivered +6.9% LFL growth and now represents 22.4% of B&Q total sales (H1 24/25: 22.0%). A clear focus on product, price, and customer engagement, supported by further investment in dedicated trade sales partners – now present in 77 stores (up from 44 as at 31 January 2025) helped drive H1 performance. TradePoint is now present in 222 B&Q stores, representing 70% of the total estate.
- We have improved brand visibility, with TradePoint now integrated into B&Q advertising campaigns during the half. TradePoint saw strong growth in e-commerce, particularly in click & collect, supported by high app engagement that continues to drive store footfall. Our TradePoint app supports the trade loyalty programme and helps customers track spend thresholds. Active app membership grew 9% YoY to 1.4 million, with app sales now accounting for 25% of TradePoint's online sales.
- **E-commerce** sales rose +23.8% YoY, with penetration of 16.4% at H1 (H1 24/25: 14.1%). Strong growth in marketplace with GMV<sup>(1)</sup> up +45.4% to £228m leading to a retail profit contribution<sup>(2)</sup> of c.£7m, supported by progress in onboarding cross-border vendors with 69 onboarded as at 31 July.
- **B&Q opened nine stores** – including eight converted Homebase sites – and closed two. As of 31 July, it operated 317 stores across the UK and Ireland. Space growth contributed +0.2% to total B&Q sales.

**Screwfix**

- **Total sales +4.4% (LFL +3.0%)** to £1,358m, with strong growth across all categories reflecting the benefit of our strategic initiatives and healthy demand from trade customers.
- **Market share gains** (as measured by BRC, Barclays, and GfK), driven by progress in our strategic initiatives.
- **E-commerce** sales increased by 4.3% YoY and e-commerce sales penetration reached 59.2% (H1 24/25: 59.3%). H1 performance was supported by continued growth in the Screwfix app, with app sales up +9.2% YoY.
- The app now accounts for over 23% (H1 24/25: 22%) of total sales. Screwfix app remains the most convenient way to shop, offering personalised rewards, a visual search engine via “*Lens*”, streamlined collection via “*Check-In*”, and rapid delivery through “*Screwfix Sprint*” (now delivering in as little as 20 minutes).
- **Space** growth contributed c.1.4% to total Screwfix sales. Screwfix opened 9 new stores (including 4 ‘Screwfix City’ ultra-compact format stores) in the UK along with 3 closures bringing its total to 958 as of 31 July. We are targeting up to 35 new store openings in the UK & Ireland in FY 25/26 and remain on track to reach the medium-term goal of over 1,000 stores.
- The results for Screwfix France are captured in ‘Screwfix France and Other’ – see Other International below for further information.

**UK Retail Profit**

- **Gross margin increased 90 basis points** supported by the margin-accretive impact of B&Q’s expanding marketplace, effective management of product costs and pricing and supplier negotiations. These drivers more than offset headwinds from new packaging taxes in the half and the adverse category sales mix within B&Q.
- **Operating costs increased by 7.5%** driven by higher staff costs (reflecting wage inflation and flexing to support increased volumes – alongside increased UK employer NI contributions), costs from 28 net new store openings since H1 24/25, and the annualisation of last year’s £24m one-off business rates refund at B&Q in H1. Cost increases were partially offset by savings achieved through our structural cost reduction programme.
- **Retail profit increased 5.7%** to £344m (H1 24/25: £325m, at reported rates). Retail profit margin % increased by 10 basis points to 9.7% (H1 24/25: 9.6%, at reported rates).

**FRANCE**

£m	2025/26	2024/25	% Reported Change	% Constant Currency Change	% LFL Change
<b>H1</b>					
Castorama	1,074	1,094	(1.9)%	(1.3)%	(1.4)%
Brico Dépôt	974	1,005	(3.0)%	(2.5)%	(2.9)%
<b>Total sales</b>	<b>2,048</b>	<b>2,099</b>	<b>(2.4)%</b>	<b>(1.9)%</b>	<b>(2.1)%</b>
<b>Q2</b>					
Castorama	572	565	+1.1%	+0.7%	0.0%
Brico Dépôt	500	508	(1.5)%	(2.0)%	(2.4)%
<b>Total sales</b>	<b>1,072</b>	<b>1,073</b>	<b>(0.1)%</b>	<b>(0.6)%</b>	<b>(1.2)%</b>

<b>H1</b>				
<b>Retail profit</b>	<b>72</b>	<b>69</b>	<b>+4.0%</b>	<b>+4.6%</b>
<b>Retail profit margin %</b>	<b>3.5%</b>	<b>3.3%</b>	<b>+20bps</b>	<b>+20bps</b>

**Market**

- *Market decline of low to mid single digits.*
- *Subdued French consumer in H1, despite lower interest rates, higher mortgage lending and increased housing starts.*
- *Consumer sentiment remains subdued amidst an uncertain political environment.*

## Castorama

- **Total sales -1.3% (LFL -1.4%)** to £1,074m with improving sequential trends by quarter (Q1 LFL -3.0%, Q2 LFL flat).
- Underlying LFL sales performance (excluding calendar and leap year impacts) across core and 'big-ticket' categories reflected the subdued but improving housing and market backdrop, while seasonal sales were positive for the half, supported by favourable weather.
- **Market share gains** (as measured by GfK), as Castorama remained focused on delivering strategic priorities.
- Castorama has successfully rolled out its '*CastoPro*' trade proposition across the Castorama France estate in the past 6 months. Trade penetration reached 3.1% at the end of H1 (end of H1 24/25: 0.3%).
- **E-commerce** sales increased by +32.7% YoY to £98m, with e-commerce sales penetration increasing to 9.0% (H1 24/25: 6.8%). E-commerce growth was driven by the rapid expansion of Castorama's marketplace – reaching online penetration of 19.1% – and continued success of Hello Casto, the in-house developed AI virtual assistant, which enhances customer experience and supports conversion.
- **Castorama also successfully opened its first two franchise stores** in June 2025, following the transfer from the existing estate. As of 31 July, Castorama had a total of 94 stores in France (including 2 Franchise stores).

## Update on Castorama's store restructuring and modernisation plan

Castorama is making rapid progress in the restructuring and modernisation of its lowest-performing stores, as part of the France plan. The programme continues to focus on four areas: rightsizing, comprehensive refits/modernisations, transfers to Brico Dépôt, and franchising. In the prior year, 13 stores were addressed under these initiatives, delivering encouraging early results:

- **Four rightsized stores**, following their reopening, delivered significant double-digit percentage improvements in sales density compared to the Castorama France average.
- A **comprehensive refit** of the Toulon La Seyne store was completed in H1 and has resulted in a LFL sales ahead of the Castorama France average.
- **Five modernisations**, following their reopening, delivered improvements in sales density compared to the Castorama France average.
- One store, **transferred to Brico Dépôt** in the prior year, was successfully reopened under the Brico Dépôt banner in H1 and is currently performing in line with expectations.
- The first **two franchises** were opened in June are also trading in line with expectations.

Building on this momentum, Castorama has initiated work on a further 11 stores across the same four areas. Full details of these developments will be shared as part of our FY 25/26 results announcement.

## Brico Dépôt

- **Total sales -2.5% (LFL -2.9%)** to £974m, with improving sequential trends by quarter (Q1 LFL -3.3%, Q2 LFL -2.4%) and performance **in line with the market** (as measured by GfK).
- Core sales were softer, particularly in building and joinery, as the heatwave impacted larger building projects. Seasonal categories performed well, benefiting from increased demand during the warmer period. Big-ticket LFL sales were positive, supported by recent range reviews.
- Brico Dépôt's lower exposure to seasonal and outdoor categories meant it benefited less from favourable Q2 weather conditions than Castorama, while its greater weighting in building and joinery was more exposed to the impact on building projects.
- Continued development of trade proposition, with service desks, dedicated colleagues and an enhanced loyalty programme. Trade penetration reached 12.1% at H1 (H1 24/25: 9.5%).
- **Brico Dépôt successfully opened the Castorama store in Q1** that was transferred to its banner in the prior year. As of 31 July, Brico Dépôt had a total of 127 stores in France.

## France Retail profit

- **Gross margin increased by 110 basis points**, reflecting the effective management of product costs, supplier negotiations, lower stock provisions driven by better inventory management, and lower logistics costs from the reduction in DC space.
- **Operating costs increased by 0.8%**, with increases in staff pay, social taxes, partially offset by savings from our structural cost reduction programme.
- **Retail profit increased +4.6%** to £72m (H1 24/25: £69m, at reported rates). Retail profit margin % increased by 20 basis points to 3.5% (H1 24/25: 3.3%, at reported rates).



## Poland

£m	2025/26	2024/25	% Reported Change	% Constant Currency Change	% LFL Change
<b>H1</b>					
<b>Total sales</b>	<b>946</b>	<b>941</b>	<b>+0.5%</b>	<b>(0.5)%</b>	<b>(2.1)%</b>
<b>Q2</b>					
<b>Total sales</b>	<b>503</b>	<b>496</b>	<b>+1.4%</b>	<b>0.0%</b>	<b>(1.2)%</b>

<b>H1</b>					
<b>Retail profit</b>	<b>51</b>	<b>50</b>	<b>+2.5%</b>	<b>+1.4%</b>	
<b>Retail profit margin %</b>	<b>5.4%</b>	<b>5.3%</b>	<b>+10bps</b>	<b>+10bps</b>	

## Market

- Market broadly flat, with political factors, elevated inflation and interest rates weighing on consumer demand in H1.
- Signs of recovery with falling inflation, real wage growth, interest rate cuts and improvement in consumer confidence.

## Poland sales

- **Total sales -0.5% (LFL -2.1%)** to £946m, reflecting a challenging market backdrop with performance **broadly in line with the market** (as measured by GfK).
- The decline was driven primarily by volume, partially offset by a favourable mix impact.
- Underlying core category sales returned to growth in Q2, following a soft performance in Q1 due to market weakness. Underlying 'big-ticket' sales were positive for the half driven by strong customer demand for new kitchen ranges. Seasonal category LFL sales were impacted by unfavourable weather during the half, as Poland experienced an unusually cold spring and summer.
- Q2 saw a sequential improvement versus Q1 broadly reflecting overall market trends.
- **E-commerce** sales increased by 18.9% YoY to £41m, benefiting from positive early results from its marketplace (launched in Jan 25) with marketplace e-commerce penetration reaching 11.4% at H1.
- The business continues to focus on expanding its **trade** customer proposition through further rollout of 'CastoPro' zones within its stores, specialised sales partners and the development of a dedicated mobile app for trade. The trade app has seen 170k downloads since launch. This has helped trade penetration reach 25.2% at H1 (H1 24/25: 15.6%).
- **Space** growth contributed c.1.6% to total Poland sales from store openings in the prior year. Castorama has a total 107 stores in Poland as of 31 July.

## Poland Retail profit

- **Gross margin increased by 10 basis points**, reflecting the effective management of product costs, supplier negotiations and lower stock provisions driven by better inventory management. This is partially offset by increased promotional activity and mix (category and channel).
- **Operating costs decreased by 0.5%** with increases in staff pay offset by our structural cost reduction programme, and the flexing of staff levels and discretionary spend.
- **Retail profit increased by 1.4%** to £51m (H1 24/25: £50m, at reported rates). Retail profit margin % increased by 10 basis points to 5.4% (H1 24/25: 5.3%, at reported rates).

## OTHER INTERNATIONAL

The 'Other International' segment consists of businesses and operating segments that do not meet the quantitative thresholds to be separate reportable segments under IFRS 8.

	2025/26	2024/25	% Reported Change	% Constant Currency Change	% LFL Change
<b>Sales (£m)</b>					
<b>H1</b>					
Iberia	219	200	+9.6%	+10.2%	+10.2%
Romania**	60	132	n/a	n/a	n/a
Screwfix France & Other <sup>±</sup>	10	8	+15.3%	+15.9%	n/a
<b>Other International</b>	<b>289</b>	<b>340</b>	<b>(15.2)%</b>	<b>(14.4)%</b>	<b>+8.1%</b>
<i>Other International (excl. Romania)</i>	229	208	+9.8%	+10.4%	+10.7%
<b>Q2</b>					
Iberia	120	107	+11.7%	+11.3%	+11.3%
Romania	-	69	n/a	n/a	n/a
Screwfix France & Other <sup>±</sup>	5	4	+23.2%	+22.8%	n/a
<b>Other International</b>	<b>125</b>	<b>180</b>	<b>(30.8)%</b>	<b>(30.8)%</b>	<b>+12.0%</b>
<i>Other International (excl. Romania)</i>	125	111	+12.2%	+11.8%	+12.0%

<b>H1</b>				
<b>Retail profit (£m)</b>				
Iberia	11	6	+82.4%	+83.5%
Romania**	(3)	(6)	n/a	n/a
Screwfix France & Other <sup>±</sup>	(17)	(18)	+5.3%	+4.8%
Turkey (50% JV)	(6)	(6)	n/a	n/a
<b>Other International</b>	<b>(15)</b>	<b>(24)</b>	<b>+38.1%</b>	<b>+34.3%</b>
<i>Other International (excl. Romania)</i>	(12)	(18)	(33.3)%	(28.1)%

<sup>±</sup> 'Screwfix France & Other' consists of the consolidated results of Screwfix International, and results from franchise and wholesale agreements. The prior year comparator includes NeedHelp – we divested our c.80% equity interest on 18 July 2024.

<sup>\*\*</sup>On 2 May 2025 the Group completed the divestment of its 100% equity interest in Brico Dépôt Romania. The Group recognised a £31m loss on disposal (included in adjusting items) as at H1. Please see note 5 and 17 of the condensed financial statements in Section 6 for more details.

## Iberia

- **Sales increased by +10.2% (LFL +10.2%)** to £219m, with positive LFL sales in core, 'big-ticket' and seasonal categories, driven by an improved customer offering, enhanced ranges and leading price positioning in key categories. Growth was also supported by strong demand in Valencia following last year's flood damage.
- **Market share gains** in Spain as per AECOC panel.
- Progress in trade with penetration rising to 17.6% (H1 24/25: 15.8%), while the e-commerce marketplace continued to scale, reaching 27.6% of online sales in H1.
- **Retail profit increased to £11m** (H1 24/25: £6m, at reported rates), reflecting higher gross profit, and improved operating cost leverage.

## Screwfix France &amp; Other

- 'Screwfix France & Other' includes Screwfix France, and results from franchise and wholesale agreements.
- Screwfix remains focused on building brand awareness in northern France (25% at H1, +7pts YoY) and enhancing its customer proposition through Screwfix *Sprint*, trade brands and trade-focused campaigns. **Store LFL sales grew +52%**<sup>(3)</sup>.
- Screwfix had a total of 30 stores in operation in France as of 31 July 2025 (H1 2024/25: 25). Targeting up to 5 store openings in FY 25/26.

- We currently have seven partners operating in EMEA which are buying selected Own Exclusive Brand (OEB) products, including Altex in Romania following their purchase of Brico Dépôt Romania.
- **Combined retail loss of £17m** in line with expectations (H1 24/25: £18m reported retail loss).

### Turkey

- **Total contribution to Group adjusted PBT was a net loss of £9m** (H1 24/25: £13m).
- LFL sales were negative in H1, but improved over the period.
- Improvement in net loss was driven by gross margin and cost efficiency initiatives, as well as a reduced impact from hyperinflation accounting.
- Koçtaş's comprehensive restructuring programme – including significant headcount reductions, closure of loss-making stores, and rightsizing – has also begun to contribute to operational performance. As of 30 June 2025, the store count stood at 205, down from 369 in H1 24/25.

### Romania

- On 2 May 2025 the Group completed the divestment of its 100% equity interest in Brico Dépôt Romania for proceeds of £53m. The Group recognised a £31m loss on disposal (included in adjusting items) as at H1. Please see note 5 and 17 of the condensed financial statements in Section 6 for more details.

### Footnotes to trading review by division:

<sup>(1)</sup> Marketplace GMV is the total transaction value (including VAT) from the sale of products supplied by third-party e-commerce marketplace vendors. What is recorded in revenue is the commission "take rate" which is c.10-15% of GMV.

<sup>(2)</sup> Marketplace retail contribution includes only directly attributable run costs.

<sup>(3)</sup> Store LFL sales excludes online sales (Screwfix France launched as an online-only proposition in April 2021, with the first store opening in October 2022).

LFL sales by categoryH1

	% LFL Change <sup>(1)</sup>			
	Core <sup>(11)</sup>	'Big-ticket' <sup>(12)</sup>	Seasonal <sup>(13)</sup>	H1 25/26
<b>UK &amp; Ireland</b>	<b>+1.8%</b>	<b>+5.9%</b>	<b>+9.7%</b>	<b>+3.9%</b>
- B&Q	+1.3%	+8.0%	+9.6%	+4.4%
- Screwfix	+2.4%	+1.2%	+10.7%	+3.0%
<b>France</b>	<b>(3.8)%</b>	<b>(2.4)%</b>	<b>+1.9%</b>	<b>(2.1)%</b>
- Castorama	(2.4)%	(4.8)%	+2.6%	(1.4)%
- Brico Dépôt	(5.1)%	(0.1)%	+0.8%	(2.9)%
<b>Poland</b>	<b>(2.5)%</b>	<b>+0.5%</b>	<b>(2.5)%</b>	<b>(2.1)%</b>
<b>Other International*</b>	<b>+9.2%</b>	<b>+6.9%</b>	<b>+5.9%</b>	<b>+8.1%</b>
- Iberia	+12.5%	+5.8%	+7.9%	+10.2%
- Romania	(4.1)%	+8.7%	+1.7%	n/a
<b>Group LFL</b>	<b>(0.1)%</b>	<b>+1.8%</b>	<b>+5.1%</b>	<b>+1.3%</b>
<i>Excluding calendar impact</i>	+0.5%	+2.4%	+5.7%	+1.9%

Q2

	% LFL Change <sup>(1)</sup>			
	Core <sup>(11)</sup>	'Big-ticket' <sup>(12)</sup>	Seasonal <sup>(13)</sup>	Q2 25/26
<b>UK &amp; Ireland</b>	<b>+2.2%</b>	<b>+9.7%</b>	<b>(1.6)%</b>	<b>+2.0%</b>
- B&Q	+1.2%	+12.6%	(2.4)%	+1.3%
- Screwfix	+3.1%	+3.5%	+3.1%	+3.1%
<b>France</b>	<b>(2.6)%</b>	<b>(1.5)%</b>	<b>+2.1%</b>	<b>(1.2)%</b>
- Castorama	(0.7)%	(5.3)%	+4.0%	0.0%
- Brico Dépôt	(4.4)%	+1.9%	(1.0)%	(2.4)%
<b>Poland</b>	<b>(0.9)%</b>	<b>+3.1%</b>	<b>(4.2)%</b>	<b>(1.2)%</b>
<b>Other International*</b>	<b>+12.0%</b>	<b>+6.6%</b>	<b>+16.9%</b>	<b>+12.0%</b>
- Iberia	+11.1%	+5.7%	+16.9%	+11.3%
- Romania	n/a	n/a	n/a	n/a
<b>Group LFL</b>	<b>+0.7%</b>	<b>+4.0%</b>	<b>(0.2)%</b>	<b>+0.9%</b>
<i>Excluding calendar impact<sup>(2)</sup></i>	+1.2%	+4.5%	+0.3%	+1.4%

\*Includes Screwfix France and other

- **Core (63% of sales):** Geographic performance was in line with consumer trends – resilient in the UK and Iberia, softer in France and Poland. Tools and paint subcategories delivered strong growth, led by Screwfix and B&Q respectively.
- **'Big-ticket' (14% of sales):** Underlying growth was led by kitchen and bathroom & storage category sales at B&Q, supported by recent range reviews and soft prior-year comparatives. Brico Dépôt France and Poland also delivered solid performances in kitchen categories. The Group's order book at the end of H1 was up by double digits versus prior year.
- **Seasonal (23% of sales):** High single-digit growth across our UK banners, largely due to favourable weather conditions in Q1. B&Q saw particularly strong performance in garden structures & leisure, greens, and outdoor paint subcategories.

## Section 2: Strategy update

**Better Homes. Better Lives. For Everyone. At Kingfisher, we believe a better world starts with better homes and we strive to help make that happen.**

Our strategic plan – ‘**Powered by Kingfisher**’ – aims to maximise the benefits of combining our **distinct retail banners** (which serve a range of different customer needs) with the **scale, strength and expertise of Kingfisher**. We are continuing to invest for growth in multiple areas of the business, underscoring our confidence in the medium to longer-term outlook for home improvement growth in our markets. The following section covers the progress made in H1 against our strategic plan.

### a) Develop our trade business

*Trade customers tend to visit our stores more frequently and spend more than the average retail customer. We are focused on developing our trade customer proposition across our banners through the further roll-out of trade counters, dedicated colleagues, specialised product ranges, new services and loyalty programmes, and an enhanced omni-channel customer experience.*

#### Progress in H1

We made significant progress in developing our trade business, leveraging our existing store estate. Our ambition remains for more than £1bn of sales at TradePoint in the UK & Ireland, double trade sales penetration in France (vs our FY 24/25 level of c.5%) in the medium term and achieve trade sales penetration of over 30% in Poland in the medium term. Total trade sales grew by 11.9% year-on-year to £1.9 billion, representing 28.0% of Group sales including Screwfix (H1 24/25: 25.3%). TradePoint sales rose 6.9% to £487 million, accounting for 22.4% of B&Q sales. In France, trade penetration grew to 6.6% in H1 (H1 24/25: 4.7%). Castorama Poland grew trade penetration to 25.2% in H1 (H1 24/25: 15.6%). Brico Dépôt Iberia drove trade penetration to 17.6% (H1 24/25: 15.8%).

#### Stores

Our stores are central to our trade strategy as we leverage our existing store estate. TradePoint expanded its physical presence to 222 stores, from 209 stores as at 31 January 2025 as it extends its reach into smaller stores, targeting trade customers working in dense urban areas. Castorama France has successfully rolled out its ‘*CastoPro*’ trade proposition across their estate over the past 6 months. Castorama Poland launched two additional ‘*CastoPro*’ zones in H1, bringing the total to 14 stores. These zones can include dedicated parking, entrances and/or payment tills to better serve Trade customers, with ongoing testing of the right products and services to meet their needs.

#### Range and price

During the period, we expanded our trade-focused assortment with the addition of new OEB and branded products. Erbauer power tools have landed well with customers at TradePoint and Castorama Poland, while Flomasta plumbing ranges continue to perform strongly at Screwfix. TradePoint also expanded its ‘Direct-to-Site’ offer to supply trade customers with the products they need beyond our stocked range in-store, enabling it to convert more inbound sales enquiries to orders. Brico Dépôt France now offers volume discounts on key building materials, plumbing and electrical product ranges, increasing their competitiveness with Builders merchants. Castorama Poland has added c.700 unique trade-specific SKUs. Brico Dépôt Iberia introduced new trade-specific product ranges which has helped drive trade penetration.

#### People

We are dedicating more resources to trade across our banners. Dedicated TradePoint sales partners have been recruited in 77 B&Q stores to date, aiming to build more direct and personalised relationships with trade customers. Results to date have been strong. B&Q stores with a trade sales partner saw a c.4% increase in trade sales vs a control group. Castorama France has grown dedicated trade colleagues to 80 with four trade sales partners added in H1. Brico Dépôt France now has 131 dedicated trade colleagues, including sales partners in 44 stores. Castorama Poland has increased its focus on larger B2B customers with the addition of dedicated B2B managers. Brico Dépôt Iberia added 22 trade sales partners (from nil last year).



## Services

We continue to test and implement value-add services for our trade customers, including tool rental, waste management and trade finance. In tool rentals, our partnership with SpeedyHire at B&Q, provides trade customers with heavy machinery and tooling, delivered both instore and nationwide via our digital platforms. Castorama Poland's CastoRent tool rental service provides low-cost access and increases customer exposure to our Erbauer and MacAllister OEBs. In financing solutions, Brico Dépôt France is now offering deferred payment to the tradespeople.

## Loyalty

We have grown our loyalty program offering in all markets. TradePoint saw loyalty membership increase +13% YoY. Castorama France has rolled out its loyalty offering across their estate over the past 6 months. Brico Dépôt France has more than doubled its loyalty membership base YoY through targeted marketing efforts and bulk purchase discounting. Castorama Poland launched cashback solutions for loyalty members in H1, with the programme attracting c.100k new sign-ups.

## Digital

B&Q's TradePoint app has seen c.250k downloads since launch, enabling trade customers to track spend and see their discount tier easily. The Screwfix app offers personalised rewards, a visual search engine via "Lens", streamlined collection via "Check-In," and rapid delivery through *Screwfix Sprint*. The Castorama Poland trade app has seen c.170k downloads since launch. Castorama Poland also added the full trade product range online making shopping easier and faster for trade customers.

### **b) Accelerate e-commerce through speed and choice**

*We are committed to offering our customers 'speed' – faster fulfilment of orders through leveraging our store estate – and 'choice' – broader product choice, including via our e-commerce marketplace propositions. With over 1bn customer visits each year across our e-commerce touchpoints, we are also offering suppliers and vendors the opportunity to merchandise their products through retail media.*

## Progress in H1

We have an ambition for e-commerce to reach 30% sales penetration, one third of which comes from marketplace. Our e-commerce strategy delivered strong results in the half. Total e-commerce sales grew 11.1% in constant currency to £1.4 billion, representing 20% of Group sales (H1 24/25: 19%).

## Leveraging our store estate to offer customers speed and convenience

We continue to evolve our digital proposition through marketplace, retail media, apps, data and fulfilment capabilities. This supports a connected digital ecosystem with the store at its core. The use of digital hubs within our existing store estate enhances availability, speed and convenience for customers. Click & collect (C&C) sales are up +6.4% YoY, accounting for 62% of total e-commerce sales (H1 24/25: 64%) and 88% of 1P e-commerce orders (H1 24/25: 87%). Home delivery sales were up 20% YoY, driven by the growth of our marketplaces and the continued enhancement of our fulfilment capabilities.

We strengthened our 1P offer through continued progress with the decomposition of our legacy technology system, enabling more agile changes to be made to our e-commerce platforms. This contributes to improved website speed and search functionality. Our rapidly scaling marketplaces are driving traffic that directly benefits our 1P proposition – for example, c.50% of B&Q's marketplace customers are new to DIY.com, and subsequently, c.15% of these go on to purchase a B&Q 1P product. Altogether these actions have driven Group 1P e-commerce sales up +5.4%.

We've also prioritised app adoption, with analysis showing that app users spend approximately 15% more and shop around 15% more frequently than non-app customers. App sales now account for 34% of total e-commerce sales, supported by the rollout of exclusive app-only features (such as Lens and SFX Sprint), the scaling of the new TradePoint app, and personalised, targeted promotions.

*Screwfix Sprint* sales grew by over 50%, with the service now available in 489 Screwfix stores nationwide, covering around 60% of the UK population. B&Q is now committed to 15-minute Click & Collect, enhancing speed and convenience for customers. Screwfix and B&Q expanded their partnership with Deliveroo to offer home delivery services on an increasing number of products from selected stores.

**Offering our customers more choice on what they shop and how they shop**

Marketplace GMV\* increased 62% to £262m with marketplace participation\* of 14.8% (H1 24/25: 10.1%). Marketplaces are now live in the UK, France, Poland, Iberia and Turkey, with strong growth in vendors and SKUs. B&Q marketplace penetration of e-commerce sales reached 46.8% (H1 24/25: 39.8%), Castorama France reached 19.1% (H1 24/25: 1.2%), and Poland achieved 11.4% penetration since launching at the start of the year. We have successfully unlocked the on-boarding of cross-border merchants, with 69 cross-border merchants selling on B&Q's marketplace. B&Q's marketplace accounted for 46.8% of its e-commerce sales in H1 with the business piloting a UK first marketplace click & collect service which aims to be in 300 stores by the end of October, while Brico Dépôt Iberia reached 27.6% and Castorama France 19.1%. Castorama Poland launched its marketplace in January this year and has already reached 11.4% e-commerce penetration.

**Retail media**

Our ambition is for retail media income to reach up to 3% of the Group's e-commerce sales. We have continued to grow our retail media offering with successful launches in Screwfix (both in-store and online) and Castorama Poland and scaled our offerings in B&Q, Castorama France and Brico Dépôt France. We successfully enabled more space for retail media campaigns on our websites and our apps. We have also started to sell additional services to our vendors. In H1 we developed and launched Core IQ, our Data Monetisation platform, providing vendors with extra trading and digital performance insights, launching first in Castorama France.

**c) Grow by building on our different banners**

*Our retail banners occupy number one and two positions in our key markets, each operating different models with clear positionings and plans to address a diverse range of customer needs.*

**Progress in H1**

B&Q opened nine stores in the half, eight of which were comprised of the recently acquired Homebase stores. Newly opened stores are performing ahead of expectations, driven by B&Q concept and ranges. B&Q closed two stores, bringing the total stores in operation to 317 stores.

Screwfix extended its footprint by opening a net six stores in the UK & Ireland, bringing the total to 958, including four new ultra-compact 'City' stores that increase convenience for customers with their location in high density areas.

Screwfix France is targeting up to five store openings in H2 with a primary focus on building brand awareness in northern France and strengthening the customer proposition through *Screwfix Sprint*, trade brands and trade-focused campaigns. Current stores are performing in line with expectations.

Castorama France successfully opened its first two franchise stores in June 2025 and completed the transfer of one store to Brico Dépôt France.

Castorama Poland is targeting one store opening in H2, following five openings last year. These openings form part of our longer-term ambition of up to 75 stores.

We exited Romania on the 2 May 2025, through disposal of our 100% interest in the business.

Total sales were impacted by (0.4)% decline due to space changes, reflecting a (1.1)% impact from the disposal of Romania and a +0.7% contribution from net space growth in H1.

**d) Build a data-led customer experience**

*Powered by Kingfisher's enhanced technology platforms and agile operating model, our banners are leveraging data and artificial intelligence (AI) to build customer-centric tools and solutions, thereby supporting better commercial decision-making and higher productivity, and unlocking significant new sources of sales, profit and cash.*

## Progress in H1

### Top-line growth

Our AI-driven product recommendation and personalisation engines delivered c.£80m of Group sales in H1 25/26, up 37%YoY. Castorama France extended the use of Hello Casto, its AI chatbot. The Hello Casto virtual assistant aided c.350k customers with their DIY related questions, helping more customers complete their DIY project journeys. Our new visual search technology, Lens, has been used to perform c.100k visual searches to help customers find replacement parts faster, making shopping more convenient.

### Strengthening margin

B&Q continues to leverage our AI-driven promotions, markdowns and clearance solutions, with c.1k promotional events planned or delivered during H1, resulting in improved sales, gross margin % and sell-through of stock. Our AI-driven markdown tool has been rolled out to Castorama France in H1, with first tests showing a c.15% reduction in markdown costs. The markdown tool is planned to launch in H2 in Castorama Poland.

### Streamlining operations

Our in-house developed supply chain visibility tool is now implemented in B&Q, France and Poland, supporting reduced inventory levels and faster replenishment cycles. We are also sharing comprehensive data with 45 OEB vendors (representing c.16% of OEB sales) to allow collaborative planning, resulting in substantial reductions in average lead-times and minimum order quantities. We also implemented and scaled our AI-powered marketplace content moderation services, automating the manual checking of marketplace product listings which has accelerated the onboarding of new vendors.

## e) Differentiate and win through own exclusive brands

*We aim to grow our OEB sales further as we continue to provide simple and innovative solutions to our customers at affordable prices, while also focusing on reducing environmental impacts. A key priority is to improve the visibility of our OEB, making them more prominent in-store and online to drive customer awareness and support growth.*

## Progress in H1

OEB remained a key source of differentiation, accounting for £2.9 billion of sales, representing 44% of Group sales (H1 24/25: 44%).

### Innovation

Innovation remains at the core of our OEB strategy, and our product development process is centred around making the completion of home improvement tasks easier. In Q2, we launched the new Erbauer Gen 2 battery-powered power tool platform in B&Q and Castorama Poland. Featuring enhanced functionality and greater flexibility, the platform allows customers to mix and match tools and batteries to suit their needs.

### Affordability

Our aim is to provide more affordable products for our customers with a target of being 15-30% cheaper, on average, than branded alternatives. We achieve this through strengthening our product ranges at the 'opening price points' and lowest retail price quartiles and leveraging our scale in supplier negotiations and sourcing. For example, in H1 we successfully launched our OPP brand, Forge Steel hand tools range in Brico Depot France. Following the successful launch in Brico Dépôt France, our entry-price kitchen range, Pragma, is now available in Castorama Poland, Brico Dépôt Iberia and Screwfix.

We launched the Ashmead kitchen range at B&Q, Castorama France and Poland providing customers an additional style option in the first price quartile. Since its launch in H2 24/25, Ashmead has led performance, with c.660K units sold. The range is set to roll out to Brico Dépôt France in 2026.

### Sustainability

We remain committed to helping our customers reduce their impact on the environment by embedding environmental considerations at the core of our OEB proposition. We are on-track to deliver 70% of OEB sales from SHP with over 20,000 SKUs labelled with our "green star" marker, making it easier for customers to navigate and shop for products with a lower impact on the environment.

**f) Roll out compact store formats**

*Compact stores play a crucial role in addressing the consumer need for convenience, and enable us to further meet demand for fast fulfilment, whether through C&C or delivery.*

**Progress in H1**

We have continued our testing of compact store formats, which allow us to serve customers in more convenient locations and support fast fulfilment. We have tests across the UK, France and Poland, including high-street stores under the 'B&Q Local', 'Casto' and 'Express' banners, and retail park stores such as Castorama Smart, and Brico Dépôt compact formats.

These formats are generating valuable learnings in sales densities, click & collect participation, range and services adaptation for local market, attracting new customer types and understanding what makes a successful location.

Our Screwfix City stores continue to trade ahead of our expectations as our convenient locations better target repairs and maintenance professionals servicing high density residential areas. We now have 30 Screwfix City stores open across the UK.

**g) Lead the industry in Responsible Business and energy efficiency**

*We are committed to leading our industry in responsible business practices and energy efficiency. Our 'Powered by Kingfisher' strategy sets out four priority areas for Responsible Business where we can maximise our positive impact on the lives of our **customers, colleagues, communities, and the planet.***

**Progress in H1**

We continue to progress against delivering our Responsible Business priorities.

**Planet**

We have further reduced Scope 1 and 2 emissions (vs FY 16/17), through increased use of alternative fuels highlighted by B&Q's transition to alternative low carbon fuels for 100% of its logistics fleets, EV adoption, and energy efficiency measures deployed in our stores.

We reduced Scope 3 emissions intensity (vs FY 17/18), supported by sustainable product innovation and supplier engagement. We will continue to support industry-wide initiatives, such as the EDRA/GHIN Make it Zero Initiative, to drive collective progress. We have set ambitious new decarbonisation targets with our suppliers.

**Customers**

We have introduced new ranges, including recycled plastic plant pots and home furnishings, expanding supplier engagement in adopting SHP criteria, and advanced lower-carbon material sourcing. SHPs now represent 56% of Group sales and 68% of OEB sales as we embed sustainability into all aspects of product design to meet customer demands for greener products.

Circularity remains a key focus as we continue to integrate features that enhance durability and extend the lifecycle of our products. Screwfix has expanded its product refurbishment operation, in partnership with iForce, to cover appliances, higher value non-electrical products and water-using products. Castorama Poland expanded its tool rental service 'CastoRent' contributing to lower-carbon emissions, reduced electronic waste and builds customer awareness of our OEB ranges.

**Colleagues**

Employee engagement remained high as we continue to work to create a fair and inclusive culture. We maintained our rank in the Top 5 percentile of Peakon's all industry benchmark. We are working to improve gender diversity in our workforce with targeted development programmes at the Group and banner levels. Currently, there are 31.8% women in senior leadership and 40.3% in management roles.

**Communities**

We continue to strive for better homes for everyone in our communities. We exceeded our FY 25/26 target of reaching two million people whose housing needs are greatest, through our charitable partnerships and banner Foundations. Since FY 16/17 we have reached over four million people and charitably supported more than 1,000 organisations through our seven banner Foundations.

For more information on our Responsible Business strategy, performance and priorities, please read our FY 24/25 Responsible Business Report available [here](#)

#### **h) Agile and lean**

*We have adopted a culture of speed and agility, given the rapidly changing environment in which we do business. We continue to focus on becoming a leaner and more productive business, while aiming to structurally reduce our cost base and lower our same-store net inventory\*.*

##### **Progress in H1**

We communicated at the start of the year that we expect to face c.£145m of additional costs relating to operating cost inflation (including higher pay rates), higher UK employer national insurance contributions, similar taxes in France and the impact of the new packaging fees in the UK. We continue to expect to fully mitigate these additional costs through a combination of gross margin and cost initiatives.

##### **Agile**

We continue to enhance our technology capability through both strategic partnerships with leading cloud providers, including Google, Amazon Web Services and Microsoft Azure, and our own in-house expertise in engineering & data science. This multi-cloud approach allows us to implement the most appropriate and best-in-class solutions across our operations, to enhance speed, performance and resilience of our technology systems.

##### **Lean – cost reduction and productivity**

We continue to make strong progress in lowering our structural cost base across multiple areas of the business. We unlocked additional logistics costs savings through our continuous efforts to optimise transport and warehouse operations, benefiting from a c.5% YoY reduction of distribution centre space in France. Where feasible, we flexed our store operating hours, resulting in additional store staff cost savings. We continue to drive in-store productivity through investment in self-checkouts. We also continue to optimise our c.£2.3bn GNFR\* spend through 300+ cost reduction and productivity projects. The Group completed 96 lease renewals and renegotiations, with an average net rent reduction of c.11%, alongside improved lease terms.

##### **Lean – inventories**

Structurally reducing our inventory levels and improving inventory turn is a key priority over the medium term. We are doing this by leveraging real time data to improve our planning and forecasting, optimising our replenishment systems (e.g., re-adjusting for shorter supplier lead-times), and developing stronger ranging principles. We reduced net inventory (excluding Romania) by £60m YoY to £2,854m, equivalent to a net inventory days reduction of 6 days YoY driven by strategic reduction initiatives including leveraging our data to improve our planning, forecasting and buying cycles, a reduction in seasonal stock, product cost price deflation and improved stock health. Our supply chain visibility tool (SVT) enabled better data sharing for select vendors to drive improved forecasting. We improved core product availability despite strong seasonal demand.



**Section 3: Financial review**

A summary of the reported financial results for the six months ended 31 July 2025 is set out below. To be read in conjunction with the condensed financial statements included in Section 6 of this announcement.

Financial summary	2025/26	2024/25	% Total Change	% Total Change	% LFL Change
			Reported	Constant currency	Constant currency
Sales	£6,811m	£6,756m	+0.8%	+0.9%	+1.3%
Gross profit	£2,569m	£2,480m	+3.6%	+3.6%	
Gross margin %	37.7%	36.7%	+100bps	+100bps	
Operating profit	£383m	£374m	+2.1%		
Statutory pre-tax profit (PBT)	£338m	£324m	+4.1%		
Statutory post-tax profit	£237m	£237m	(0.3)%		
Statutory basic EPS	13.4p	12.8p	+4.1%		
Net cash flows from operating activities	£928m	£810m	+14.6%		
Interim dividend per share	3.80p	3.80p	-		
<b>Adjusted metrics</b>					
Retail profit	£452m	£420m	+7.5%	+7.1%	
Retail profit margin %	6.6%	6.2%	+40bps	+40bps	
Adjusted pre-tax profit (PBT)	£368m	£334m	+10.2%	+9.2%	
Adjusted pre-tax profit margin %*	5.4%	4.9%	+50bps		
Adjusted post-tax profit*	£271m	£243m	+11.5%		
Adjusted basic EPS	15.3p	13.2p	+16.5%		
Free cash flow	£478m	£421m	+13.5%		
Net debt <sup>(1)</sup>	£(1,726)m	£(1,952)m	n/a		

<sup>(1)</sup> Includes £2,255m of lease liabilities (H1 24/25: £2,324m), including £2m of lease liabilities held for sale (H1 24/25: £nil).

**Total sales** increased by +0.9% on a constant currency basis, to £6,811m. Excluding Romania the Group's total sales increased by +2.0%. Underlying core category sales (excluding calendar and leap year impacts) have shown sequential improvement, supported by ongoing repairs, maintenance, and existing home renovation activity. There was continued momentum in 'big-ticket' categories, marking the third consecutive quarter of underlying growth, with new kitchen ranges resonating well with customers. Strong performance in seasonal categories, particularly in the UK, which benefited from favourable weather conditions. On a constant currency basis, UK & Ireland and Iberia achieved YoY sales growth. Sales in France and Poland declined against a subdued consumer backdrop but have shown sequential improvement each quarter. On a reported basis, which includes the impact of exchange rates, total sales increased by +0.8%.

**LFL sales** of +1.3% excludes a (1.1)% impact from the disposal of Romania and a +0.7% contribution from net space growth. Underlying LFL sales performance (excluding calendar and leap year impacts) was +1.9%.

**Space growth** was driven by the conversion of acquired Homebase stores at B&Q, new Screwfix openings in the UK, and prior year expansion at Castorama Poland. During H1, 18 new stores were opened – nine at Screwfix in the UK and nine at B&Q (six in the UK and three in Ireland). Five UK stores were closed (two B&Q and three Screwfix), and two Castorama France stores were transferred to franchise operations. Additionally, the Castorama store transferred to Brico Dépôt last year was successfully reopened under Brico Dépôt in H1.

A reconciliation from LFL sales to total sales is set out below:

	2025/26 £m	2024/25 £m	Increase/ (decrease)
<b>LFL sales (constant currency)</b>	<b>6,709</b>	6,622	+1.3%
Non-LFL sales	102	128	n/a
<b>Total sales (constant currency)</b>	<b>6,811</b>	6,750	+0.9%
Impact of exchange rates	-	6	n/a
<b>Total sales (reported rates)</b>	<b>6,811</b>	6,756	+0.8%

**Gross margin %** increased by 100 basis points to 37.7%, driven by multiple levers, including leveraging Kingfisher's buying and sourcing scale, margin accretive growth from marketplaces and retail media, improved inventory management and reduced write downs, and improved returns on promotional activity through the use of AI solutions. Group **gross profit** was up by +3.6% in constant currency.

**Operating costs** increased by 2.9% on a constant currency basis. Excluding prior year business rates refunds at B&Q, operating costs increased by 1.7%, primarily due to new store openings, higher staff pay rates, and increased employer national insurance contributions in the UK and similar taxes in France. These increases were partly offset by structural savings delivered through our cost reduction programme along with targeted actions in France and Poland to flex staffing and discretionary spend in response to lower sales.

In constant currency, **retail profit** increased by 7.1% to £452m, reflecting higher profits/reduced losses in all regions – this is despite the prior half year benefitting from a £24m business rates refunds in B&Q. On a reported basis, retail profit increased by 7.5%. The Group's **retail profit margin** increased by 40 basis points on a constant currency basis to 6.6% (H1 24/25: 6.2%, at reported rates).

**Adjusted pre-tax profit** increased by +10.2% to £368m on a reported rate basis (H1 24/25: £334m), reflecting higher retail profit and lower net finance costs, partially offset by higher central costs. **Adjusted pre-tax profit margin** was up by 50bps to 5.4% (H1 24/25: 4.9%).

**Statutory pre-tax profit** increased by +4.1% to £338m (H1 24/25: £324m). This reflects higher operating profit, partially offset by higher adjusting items YoY (see adjusting items below).

A reconciliation from the adjusted basis to the statutory basis for pre-tax profit is set out below:

	2025/26 £m	2024/25 £m	Increase/ (decrease)
<b>Retail profit (constant currency)</b>	<b>452</b>	421	+7.1%
Impact of exchange rates	-	(1)	n/a
<b>Retail profit (reported)</b>	<b>452</b>	420	+7.5%
Central costs	(36)	(29)	(23.4)%
Share of interest and tax of joint ventures & associates	(3)	(7)	n/a
Net finance costs	(45)	(50)	+10.9%
<b>Adjusted pre-tax profit</b>	<b>368</b>	334	+10.2%
Adjusting items before tax	(30)	(10)	n/a
<b>Statutory pre-tax profit</b>	<b>338</b>	324	+4.1%

**Net finance costs** of £45m (H1 24/25: £50m) consist principally of interest on lease liabilities.

**Adjusting items before tax** were a total charge of £30m (H1 24/25: charge of £10m), primarily driven by the disposal of Romania. Please see note 5 in the condensed financial statements included in Section 6.

## Taxation

The Group's adjusted effective tax rate (ETR) is sensitive to the blend of tax rates and profits in the Group's various jurisdictions. It is higher than the UK statutory rate because of the amount of Group profit that is earned in higher tax jurisdictions, and because no future benefit is assumed for losses incurred in certain overseas territories. The adjusted ETR, calculated on profit before adjusting items, prior year tax adjustments, one-off items, and the impact of future rate changes, is 26% (H1 24/25: 27%). The adjusted

ETR is lower than the prior year rate primarily due to limited losses recorded in Brico Dépôt Romania, following the Group's divestment of the business on 2 May 2025.

The statutory effective tax rate includes the impact of adjusting items (including prior year tax items). The impact of this result is a statutory effective tax rate of 30%.

	Pre-tax profit £m	Tax £m	2025/26 %	Pre-tax profit £m	Tax £m	2024/25 %
<b>Adjusted effective tax rate</b>	<b>368</b>	<b>(97)</b>	<b>26%</b>	334	(91)	27%
Adjusting items	(30)	(4)		(10)	4	
<b>Statutory effective tax rate</b>	<b>338</b>	<b>(101)</b>	<b>30%</b>	324	(87)	27%

In FY 21/22, Kingfisher paid £64m (including interest) to HM Revenue & Customs (HMRC) in relation to the European Commission's 2019 state aid decision concerning the UK's controlled foreign company tax rules. In September 2024, the European Court of Justice annulled this decision, and, in March 2025, HMRC repaid the £64m tax and interest previously assessed, plus an additional £5m of repayment interest. The £64m has been reflected in "other tax authority receipt" in the cashflow statement and does not form part of free cash flow.

**Adjusted basic earnings per share** increased by 16.5% to 15.3p (H1 24/25: 13.2p), which excludes the impact of adjusting items. **Basic earnings per share** increased by 4.1% to 13.4p (H1 24/25: 12.8p). Please refer to note 8 of the condensed financial statements in Section 6 for more detail.

## Dividends

The Board has declared an interim dividend per share of 3.80p (FY 24/25 interim dividend: 3.80p). The interim dividend will be paid on 14 November 2025 to shareholders on the register at close of business on 10 October 2025. A dividend reinvestment plan (DRIP) is available to shareholders who would prefer to invest their dividends in the Company's shares. The shares will go ex-dividend on 9 October 2025. The last date for receipt of DRIP elections is 24 October 2025. For further details on our dividend please refer to our FY 24/25 results release found [here](#).

## Management of balance sheet and liquidity risk and financing

### Management of cash and debt facilities

Kingfisher regularly reviews the level of cash and debt facilities required to fund its activities. This involves preparing a prudent cash flow forecast for the medium term, determining the level of debt facilities required to fund the business, planning for repayment or refinancing of debt, and identifying an appropriate amount of headroom to provide a reserve against unexpected outflows and/or impacts to cash inflows. To retain financial flexibility, we aim to maintain strong liquidity headroom (including cash and cash equivalents, short term deposits and committed debt facilities), which is currently set at a minimum of £800m.

### Net debt to adjusted EBITDA

As of 31 July 2025, the Group had £1,726m (FY 24/25: £2,015m) of net debt on its balance sheet. Net debt includes £2,255m (FY 24/25: £2,253m) of total lease liabilities, including £2m of lease liabilities held for sale (FY 24/25: £42m).

The ratio of the Group's net debt to adjusted EBITDA (on a last twelve months' basis) was 1.3 times as of 31 July 2025 (1.6 times as of 31 January 2025). At this level, the Group has financial flexibility while retaining an efficient cost of capital. The Group's maximum net debt to adjusted EBITDA is 2.0 times over the medium term. Please refer to 'Key strategic priorities and medium-term financial and capital allocation priorities' in Section 2 of our FY 24/25 results release found [here](#) for more details.

Net debt to adjusted EBITDA is set out below:

	2025/26 Moving annual total £m	2024/25 Year-end £m
Retail profit	728	696
Central costs	(69)	(62)
Depreciation and amortisation	654	656
<b>Adjusted EBITDA</b>	<b>1,313</b>	<b>1,290</b>
<b>Net debt</b>	<b>1,726</b>	<b>2,015</b>
<b>Net debt to adjusted EBITDA</b>	<b>1.3</b>	<b>1.6</b>

#### [Credit ratings](#)

Kingfisher holds a BBB credit rating with Fitch and a BBB rating with Standard and Poor's. The Outlook is Stable across both agencies.

#### [Revolving credit facility](#)

In May 2024 the Group entered into a new £650m Revolving Credit Facility (RCF) agreement with a group of its relationship banks, linked to sustainability targets. In May 2025 the credit facility was extended by one year and now expires in May 2028. As of 31 July 2025, this RCF was undrawn.

#### [Term loans](#)

The Group's two term loans were refinanced in H1 25/26 with £50m now maturing in June 2027 and £50m now maturing in January 2028, with the latter linked to the Group's sustainability targets.

#### [Covenants](#)

The terms of the committed RCF and both term loans require that the ratio of Group operating profit (excluding adjusting items) to net interest payable (excluding interest on lease liabilities) must be no less than 3:1 for the preceding 12 months as at the half and full year-ends. As of 31 July 2025, Kingfisher was compliant with this requirement.

#### [Total liquidity](#)

As of 31 July 2025, the Group had access to c.£1.3bn in total liquidity, including cash and cash equivalents of £399m (net of bank overdrafts), short term deposits of £227m and access to an undrawn £650m revolving credit facility (RCF), due to expire in May 2028.

**Free cash flow**

A reconciliation of free cash flow is set out below:

	2025/26 £m	2024/25 £m
<b>Operating profit</b>	<b>383</b>	374
Adjusting items	30	10
<b>Operating profit (before adjusting items)</b>	<b>413</b>	384
Other non-cash items <sup>(1)</sup>	355	363
Change in working capital	100	128
Pensions and provisions	(1)	(1)
Net rent paid	(261)	(260)
Net interest received	15	8
Tax received/(paid)	2	(48)
Gross capital expenditure	(145)	(153)
<b>Free cash flow</b>	<b>478</b>	421
Ordinary dividends paid	(152)	(159)
Share buybacks	(119)	(92)
Share purchase for employee incentive schemes	(25)	(26)
Disposal of NeedHelp	-	(3)
Disposal of Romania	33	-
Other tax authority receipt <sup>(2)</sup>	64	-
Disposal of assets and other <sup>(3)</sup>	(2)	(15)
<b>Net cash flow*</b>	<b>277</b>	126
Opening net debt	(2,015)	(2,116)
Lease liabilities disposed	38	-
Movements in lease liabilities	(23)	37
Other movement including foreign exchange	(3)	1
<b>Closing net debt</b>	<b>(1,726)</b>	(1,952)

<sup>(1)</sup> Includes depreciation and amortisation, share-based compensation charge and pension operating cost.

<sup>(2)</sup> Refund received in relation to the EC state aid challenge (refer to Taxation section above for further details).

<sup>(3)</sup> Includes adjusting cash flow items (principally comprising restructuring costs), partially offset by proceeds from the issue of new shares and the disposal of assets.

Operating profit (before adjusting items) was £29m higher than last year, reflecting higher retail profit partially offset by higher central costs. The working capital inflow of £100m was largely driven by an increase in payables of £263m, reflecting normal buying seasonality. Net inventory increased by £96m, largely reflecting the seasonality of stock levels at half year versus year-end. Receivables increased by £67m, driven in part by increase in trade credit sales, supplier rebates and prepayments related to tech contracts.

Net tax paid was £50m lower than last year, predominantly reflecting receipts of refunds relating to settlements of prior years.

Gross capital expenditure was £145m, decreasing by £8m (H1 24/25: £153m). Of this expenditure, 30% was invested in refreshing, maintaining and adapting existing stores (including renewable energy initiatives), 13% on new stores, 40% on technology and digital development, 4% on range reviews and 13% on other areas including supply chain investment.

Overall, free cash flow for H1 was £478m (H1 24/25: £421m). Net debt as of 31 July 2025 (including lease liabilities) was £1,726m (H1 24/25: £1,952m).



A reconciliation of net cash flows from operating activities to free cash flow and net cash flow, and to the statutory net movement in cash and cash equivalents and bank overdrafts, is set out below:

	2025/26 £m	2024/25 £m
<b>Net cash flows from operating activities</b>	<b>928</b>	<b>810</b>
Net lease rent paid	(261)	(260)
Net interest received	15	8
Gross capital expenditure	(145)	(153)
Other tax authority receipt <sup>(1)</sup>	(64)	-
Operating cash flows relating to adjusting items <sup>(2)</sup>	5	16
<b>Free cash flow</b>	<b>478</b>	<b>421</b>
Ordinary dividends paid	(152)	(159)
Share buybacks	(119)	(92)
Share purchase for employee incentive schemes	(25)	(26)
Other tax authority receipt <sup>(1)</sup>	64	-
Disposal of Romania	33	-
Disposal of NeedHelp	-	(3)
Disposal of assets and other <sup>(3)</sup>	(2)	(15)
<b>Net cash flow</b>	<b>277</b>	<b>126</b>
Increase in short-term deposits	(227)	-
Arrangement fees paid	(1)	(2)
<b>Net increase in cash and cash equivalents and bank overdrafts</b>	<b>49</b>	<b>124</b>

<sup>(1)</sup> Refund received in relation to the EC state aid challenge (refer to Taxation section above for further details).

<sup>(2)</sup> Includes cash flows relating to adjusting items, principally comprising restructuring costs.

<sup>(3)</sup> Includes adjusting cash flow items (principally comprising restructuring costs), partially offset by proceeds from the issue of new shares and the disposal of assets.

## Pensions

As of 31 July 2025, the Group had a net surplus of £83m (H1 24/25: £100m net surplus, FY 24/25: £101m net surplus) in relation to defined benefit pension arrangements, of which a £192m surplus (£202m surplus as of 31 January 2025) was in relation to the UK scheme. The net surplus has reduced by £18m in the period, principally due to asset losses, partially offset by reduced liabilities due to a higher discount rate. As part of the funding valuation exercise completed in FY 22/23, the Trustee and Kingfisher agreed to cease annual employer contributions from August 2022 to July 2025. The Company monitors the scheme funding level on a regular basis and will reassess with the scheme Trustee the appropriate level of contributions at future valuations. Please refer to note 11 of the condensed financial statements in Section 6.

## Risks

The Group's principal risks and uncertainties have been reviewed as part of our half year procedures. There are no additions or removals since the FY 24/25 year-end.

Further details of the Group risks and risk management process can be found on pages 60 to 65 of the 2024/25 Annual Report and Accounts.

## Section 4: Forward-looking statements

You are not to construe the content of this announcement as investment, legal or tax advice and you should make your own evaluation of the Company and the market. If you are in any doubt about the contents of this announcement or the action you should take, you should consult a person authorised under the Financial Services and Markets Act 2000 (as amended) (or if you are a person outside the UK, otherwise duly qualified in your jurisdiction).

This announcement has been prepared in relation to the financial results for the six months ended 31 July 2025. The financial information referenced in this announcement is not audited and does not contain sufficient detail to allow a full understanding of the results of the Group. Nothing in this announcement should be construed as either an offer or invitation to sell or any offering of securities or any invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in any company within the Group or an invitation or inducement to engage in investment activity under Section 21 of the Financial Services and Markets Act 2000 (as amended) (or, otherwise under any other law, regulation or exchange rules in any other applicable jurisdiction).

Certain information contained in this announcement may constitute "forward-looking statements" (including within the meaning of the safe harbour provisions of the United States Private Securities Litigation Reform Act of 1995), which can be identified by the use of terms such as "may", "will", "would", "could", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "target", "plan", "goal", "aim", forecast, or "believe" (or the negatives thereof) or other variations thereon or comparable terminology. These forward-looking statements are based on currently available information and our current assumptions, expectations and projections about future events. These forward-looking statements include all matters that are not historical facts and include statements which look forward in time or statements regarding the Company's intentions, beliefs or current expectations and those of our Officers, Directors and employees concerning, amongst other things, the Company's results of operations, financial condition, changes in global or regional trade conditions (including a downturn in the retail or financial services industries), competitive influences, changes in tax rates, exchange rates or interest rates, changes to customer preferences, the state of the housing and home improvement markets, share repurchases and dividends, capital expenditure and capital allocation, liquidity, prospects, growth and strategies, litigation or other proceedings to which we are subject, acts of war or terrorism worldwide, work stoppages, slowdowns or strikes, public health crises, outbreaks of contagious disease, environmental disruption or political volatility. By their nature, forward-looking statements are not guarantees of future performance and are subject to future events, risks and uncertainties – many of which are beyond our control, dependent on actions of third-parties, or currently unknown to us – as well as potentially inaccurate assumptions that could cause actual events or results or actual performance of the Group to differ materially from those reflected or contemplated in such forward-looking statements. For further information regarding risks to Kingfisher's business, please consult the risk management section of the Company's Annual Report (as published). No representation, warranty or other assurance is made as to the achievement or reasonableness of, and no reliance should be placed on, such forward-looking statements.

This interim management report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. It should not be relied upon by any other party or for any other purpose. The forward-looking statements contained in this announcement are made in good faith based on information available to the Directors at the time of approval. However, such statements should be treated with caution due to the inherent uncertainties – both economic and business-related – underlying any forward-looking information. This report has been prepared for the Group as a whole and therefore places greater emphasis on matters significant to Kingfisher plc and its subsidiary undertakings when viewed on a consolidated basis.

The forward-looking statements contained in this announcement speak only as of the date of this announcement and the Company does not undertake any obligation to update or revise any forward-looking statement to reflect any new information, change in circumstances, or change in the Company's expectations to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events.

## Section 5: Market update and technical guidance

**Update and progress against market outlook for FY 25/26**

At the start of this year, to support our planning for FY 25/26, we assessed various scenarios for the growth of our **total addressable home improvement markets** in the UK & Ireland, France and Poland in 2025, compared to 2024. The “high case” and “low case” scenarios were as noted below, in constant currency and including expected market space growth:

	Our expectation of total addressable home improvement market % change in 2025 (YoY)	
	<i>Low case</i>	<i>High case</i>
UK & Ireland	Flat	Low single digit growth
France	Low-to-mid-single digit decline	Flat
Poland	Low single digit decline	Low single digit growth

The spread between the high and low cases in each of the markets above is c.3 to 4%pts.

In the **UK & Ireland**, our outlook for the home improvement market in 2025 was flat to low-single digit % growth YoY. So far this year, we have observed a resilient consumer, with improving mortgage affordability, real wage growth, and stable housing transactions in H1. The home improvement market has also been supported by favourable weather conditions. Overall, we believe the UK & Ireland home improvement market in 2025 is **currently towards the middle of** our scenarios. We remain mindful of early signs of softness in the labour market, uncertainty surrounding the Autumn Budget, and rising inflation.

In **France**, our outlook for the home improvement market in 2025 was low-to-mid-single digit decline to flat YoY. We saw continued subdued consumer sentiment, despite lower interest rates, higher mortgage lending and increased housing starts in H1. This supports our view that the market is **currently tracking between the lower end and middle** of the range of our scenarios. French consumer sentiment remains subdued amidst an uncertain political environment.

In **Poland**, our outlook for the home improvement market in 2025 was low-single digit % decline to low-single digit % growth YoY. As expected, political factors, and elevated inflation and interest rates weighed on consumer demand in H1 with the **market tracking towards the middle** of our scenarios. There are signs of recovery, with falling inflation, real wage growth, interest rate cuts and improvement in consumer confidence.

**Guidance for FY 25/26**

Against the backdrop described above, our focus remains on growing ahead of our markets by leveraging our key strategic priorities. We continue to be strongly focused on effectively managing our product costs and retail prices, as demonstrated in H1.

In line with our guidance, we are fully on track to offset the c.£145m of additional costs (relating to operating cost inflation, higher UK employer national insurance contributions and similar taxes in France and new packaging fees regulations in the UK) through gross margin and operating cost initiatives.

Our expectations for our markets for the year remain consistent with what we outlined in March, whilst mindful of mixed consumer sentiment and political uncertainty. Combined with our strong H1 performance, this gives us the confidence to upgrade both our full year profit and free cash flow guidance.

We now expect to deliver **FY 25/26 adjusted PBT at the upper end of the previously guided range of approximately £480m to £540m**. This reflects our strong profit performance in the first half, alongside second half weighted investment in marketing and technology to support our strategic growth initiatives.

We have also raised our **FY 25/26 free cash flow guidance range to c.£480m to £520m**, up from the previous range of £420m to £480m. This upgrade is driven by the uplift in adjusted PBT expectation, continued progress in reducing net inventory, and a second half weighted capital expenditure profile as we invest in enhancing the customer experience across both in-store and online channels to support long-term growth.

**Technical Guidance****FY 25/26 income statement**

- **Space:**
  - Sales impact of c.+1% from net space growth excluding Romania, mainly from Screwfix UK & Ireland and Castorama Poland (FY 24/25: +0.9%)
  - Sales impact of c.-2% from the sale of Romania (previously c.-1%) which was completed ahead of our expectations.
- **B&Q business rates:** Reminder of one-off benefit in FY 24/25 of £33m related to business rates refunds at B&Q (H1 £24m)
- **Sale of Romania:** YoY benefit of c.£10m to Group retail profit
- **Higher wages, taxes and inflation:** c.£145m<sup>(2)</sup>, which we expect to fully offset through gross margin and operating cost mitigations
- **Net finance costs:** Anticipate c.£100m (FY 24/25: £100m)
- **Group adjusted effective tax rate\*:** c.26% (FY 24/25: 28%)<sup>(4)</sup>

**FY 25/26 cash flow**

- **Capital expenditure:** c.£350m (FY 24/25: £317m)
- **Share buybacks:** The £300m share buyback programme announced in March 2025 to be complete by end of March 2026, plus c.£26m repurchased in FY 25/26 related to the previous £300m programme

<sup>(1)</sup> **Leap year comparative impact** reflects the impact of an extra day of trading on Thursday 29 February 2024. The estimated impact of the leap year on Q1 24/25 LFL sales was +1.1%. **Calendar impact** represents the impact of the annual calendar shift on LFL sales growth due to different days of the week falling into or out of the current period compared to the prior period. For example, historically, higher trading is seen on a Friday and Saturday as compared to a Sunday. It also includes the impact of national public holidays falling on different days of the week compared to the prior period.

<sup>(2)</sup> Includes: (i) operating cost inflation of c.£90m, including higher pay rates across the Group, (ii) higher employers' National Insurance Contributions (NICs) in the UK, and social taxes in France (equivalent to NICs in the UK), of c.£45m, and (iii) the impact of the UK government's packaging fees regulations (the Extended Producer Responsibility (EPR) scheme) of c.£10m.

<sup>(3)</sup> Guidance assumes current exchange rates.

<sup>(4)</sup> Subject to the blend of profit within the Group's various jurisdictions.

The Group's medium-term financial priorities and capital allocation priorities are unchanged. *Please refer to our FY 24/25 results release found [here](#) for more details*

**Section 6: 2025/26 interim condensed financial statements (unaudited)****Kingfisher plc****2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)****CONSOLIDATED INCOME STATEMENT**

£ millions	Notes	Half year ended 31 July 2025			Half year ended 31 July 2024		
		Before adjusting items	Adjusting items (note 5)	Total	Before adjusting items	Adjusting items (note 5)	Total
<b>Sales</b>	4	<b>6,811</b>	–	<b>6,811</b>	6,756	–	6,756
Cost of sales		<b>(4,242)</b>	–	<b>(4,242)</b>	(4,276)	–	(4,276)
<b>Gross profit</b>		<b>2,569</b>	–	<b>2,569</b>	2,480	–	2,480
Selling and distribution expenses		<b>(1,620)</b>	–	<b>(1,620)</b>	(1,583)	(9)	(1,592)
Administrative expenses		<b>(538)</b>	–	<b>(538)</b>	(510)	2	(508)
Other income		<b>11</b>	–	<b>11</b>	10	–	10
Other expense		–	<b>(30)</b>	<b>(30)</b>	–	(3)	(3)
Share of post-tax results of joint ventures and associates		<b>(9)</b>	–	<b>(9)</b>	(13)	–	(13)
<b>Operating profit</b>	4	<b>413</b>	<b>(30)</b>	<b>383</b>	384	(10)	374
Finance costs		<b>(62)</b>	–	<b>(62)</b>	(67)	–	(67)
Finance income		<b>17</b>	–	<b>17</b>	17	–	17
Net finance costs	6	<b>(45)</b>	–	<b>(45)</b>	(50)	–	(50)
<b>Profit before taxation</b>		<b>368</b>	<b>(30)</b>	<b>338</b>	334	(10)	324
Income tax expense	7	<b>(97)</b>	<b>(4)</b>	<b>(101)</b>	(91)	4	(87)
<b>Profit for the period</b>		<b>271</b>	<b>(34)</b>	<b>237</b>	243	(6)	237
<b>Earnings per share</b>	8						
Basic				<b>13.4</b>			12.8p
Diluted				<b>13.2</b>			12.6p
Adjusted basic				<b>15.3</b>			13.2p
Adjusted diluted				<b>15.1</b>			13.0p

The proposed interim ordinary dividend for the period ended 31 July 2025 is 3.80p per share (2024/25: 3.80p per share).



## Kingfisher plc

2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

£ millions	Notes	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Profit for the period</b>		<b>237</b>	237
Remeasurements of post-employment benefits	11	(11)	1
Inventory cash flow hedges – fair value losses		(48)	(6)
Tax on items that will not be reclassified	7	16	34
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>(43)</b>	29
Currency translation differences			
Subsidiaries		74	(28)
Joint ventures and associates		(1)	2
Transferred to income statement	17	14	–
<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>87</b>	(26)
<b>Other comprehensive income for the period</b>		<b>44</b>	3
<b>Total comprehensive income for the period</b>		<b>281</b>	240

## Kingfisher plc

## 2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£ millions	Half year ended 31 July 2025						Total equity
	Share capital (note 13)	Share premium	Own shares held	Retained earnings	Capital redemption reserve	Other reserves (note 14)	
<b>At 1 February 2025</b>	<b>282</b>	<b>2,228</b>	<b>(34)</b>	<b>3,475</b>	<b>94</b>	<b>299</b>	<b>6,344</b>
Profit for the period	–	–	–	237	–	–	237
Other comprehensive (expense)/income for the period	–	–	–	(7)	–	51	44
<b>Total comprehensive income for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>230</b>	<b>–</b>	<b>51</b>	<b>281</b>
Inventory cash flow hedges – losses transferred to inventories	–	–	–	–	–	17	17
Share-based compensation	–	–	–	12	–	–	12
New shares issued under share schemes	–	–	–	1	–	–	1
Own shares issued under share schemes	–	–	13	(13)	–	–	–
Purchase of own shares for cancellation	(7)	–	–	(100)	7	–	(100)
Purchase of own shares for ESOP trust	–	–	(25)	–	–	–	(25)
Dividends	–	–	–	(152)	–	–	(152)
Tax on equity items	–	–	–	–	–	(6)	(6)
<b>At 31 July 2025</b>	<b>275</b>	<b>2,228</b>	<b>(46)</b>	<b>3,453</b>	<b>101</b>	<b>361</b>	<b>6,372</b>

£ millions	Half year ended 31 July 2024						Total equity
	Share capital (note 13)	Share premium	Own shares held	Retained earnings	Capital redemption reserve	Other reserves (note 14)	
<b>At 1 February 2024</b>	<b>294</b>	<b>2,228</b>	<b>(31)</b>	<b>3,741</b>	<b>82</b>	<b>290</b>	<b>6,604</b>
Profit for the period	–	–	–	237	–	–	237
Other comprehensive income/(expense) for the period	–	–	–	34	–	(31)	3
<b>Total comprehensive income/(expense) for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>271</b>	<b>–</b>	<b>(31)</b>	<b>240</b>
Inventory cash flow hedges – losses transferred to inventories	–	–	–	–	–	15	15
Share-based compensation	–	–	–	12	–	–	12
New shares issued under share schemes	–	–	–	1	–	–	1
Own shares issued under share schemes	–	–	11	(11)	–	–	–
Purchase of own shares for cancellation	(5)	–	–	(100)	5	–	(100)
Purchase of own shares for ESOP trust	–	–	(26)	–	–	–	(26)
Dividends	–	–	–	(159)	–	–	(159)
Tax on equity items	–	–	–	–	–	(3)	(3)
<b>At 31 July 2024</b>	<b>289</b>	<b>2,228</b>	<b>(46)</b>	<b>3,755</b>	<b>87</b>	<b>271</b>	<b>6,584</b>

## Kingfisher plc

## 2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

## CONSOLIDATED BALANCE SHEET

£ millions	Notes	At 31 July 2025	At 31 July 2024	At 31 January 2025
<b>Non-current assets</b>				
Goodwill		2,312	2,397	2,312
Other intangible assets	10	287	338	312
Property, plant and equipment	10	3,137	3,171	3,105
Investment property	10	33	30	34
Right-of-use assets		1,848	1,871	1,771
Investments in joint ventures and associates		19	8	29
Post-employment benefits	11	192	216	202
Deferred tax assets		13	8	7
Other tax authority asset	18	–	70	–
Derivative assets	12	1	–	2
Other receivables		10	15	11
		7,852	8,124	7,785
<b>Current assets</b>				
Inventories		2,854	2,979	2,719
Trade and other receivables		346	385	276
Derivative assets	12	10	3	22
Current tax assets		13	54	78
Other tax authority asset	18	–	–	69
Short-term deposits		227	–	–
Cash and cash equivalents		413	485	336
Assets held for sale		6	–	158
		3,869	3,906	3,658
<b>Total assets</b>		<b>11,721</b>	<b>12,030</b>	<b>11,443</b>
<b>Current liabilities</b>				
Trade and other payables		(2,595)	(2,653)	(2,355)
Borrowings	12	(14)	(63)	(108)
Lease liabilities		(360)	(356)	(345)
Derivative liabilities	12	(21)	(15)	(5)
Current tax liabilities		(29)	(16)	(6)
Provisions		(13)	(8)	(16)
Liabilities directly associated with assets held for sale		(2)	–	(92)
		(3,034)	(3,111)	(2,927)
<b>Non-current liabilities</b>				
Other payables		(2)	(4)	(2)
Borrowings	12	(100)	(50)	(1)
Lease liabilities		(1,893)	(1,968)	(1,866)
Derivative liabilities	12	(1)	(1)	–
Deferred tax liabilities		(204)	(190)	(193)
Provisions		(6)	(6)	(9)
Post-employment benefits	11	(109)	(116)	(101)
		(2,315)	(2,335)	(2,172)
<b>Total liabilities</b>		<b>(5,349)</b>	<b>(5,446)</b>	<b>(5,099)</b>
<b>Net assets</b>		<b>6,372</b>	<b>6,584</b>	<b>6,344</b>

**Kingfisher plc**  
**2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**  
**CONSOLIDATED BALANCE SHEET (CONTINUED)**

£ millions	Notes	At 31 July 2025	At 31 July 2024	At 31 January 2025
<b>Equity</b>				
Share capital	13	<b>275</b>	289	282
Share premium		<b>2,228</b>	2,228	2,228
Own shares held in ESOP trust		<b>(46)</b>	(46)	(34)
Retained earnings		<b>3,453</b>	3,755	3,475
Capital redemption reserve		<b>101</b>	87	94
Other reserves	14	<b>361</b>	271	299
<b>Total equity</b>		<b>6,372</b>	6,584	6,344

The interim financial report was approved by the Board of Directors on 22 September 2025 and signed on its behalf by:

**Thierry Garnier**, Chief Executive Officer

**Bhavesh Mistry**, Chief Financial Officer

## Kingfisher plc

## 2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

## CONSOLIDATED CASH FLOW STATEMENT

£ millions	Notes	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Operating activities</b>			
Cash generated by operations	15	862	858
Income tax received/(paid)		2	(48)
Other tax authority receipt	18	64	–
<b>Net cash flows from operating activities</b>		<b>928</b>	<b>810</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(145)	(153)
Proceeds from disposals of property, plant and equipment, intangible assets and property assets held for sale		2	–
Disposal of subsidiaries and associates, net of cash disposed	17	33	(3)
Increase in short term deposits		(227)	–
Interest received		18	12
Principal element of lease rental receipts		1	2
Advance payments on right-of-use assets		(9)	(2)
<b>Net cash flows used in investing activities</b>		<b>(327)</b>	<b>(144)</b>
<b>Financing activities</b>			
Interest paid		(3)	(4)
Interest element of lease rental payments		(59)	(62)
Principal element of lease rental payments		(194)	(198)
Arrangement fees paid		(1)	(2)
New shares issued under share schemes		1	1
Purchase of own shares for cancellation		(119)	(92)
Purchase of own shares for ESOP trust		(25)	(26)
Ordinary dividends paid to equity shareholders of the Company	9	(152)	(159)
<b>Net cash flows used in financing activities</b>		<b>(552)</b>	<b>(542)</b>
<b>Net increase in cash and cash equivalents and bank overdrafts</b>		<b>49</b>	<b>124</b>
Cash and cash equivalents and bank overdrafts at beginning of period		336	353
Exchange differences		14	(5)
<b>Cash and cash equivalents and bank overdrafts at end of period</b>		<b>399</b>	<b>472</b>

Cash and cash equivalents and bank overdrafts at the end of the period include £nil of cash included within assets held for sale on the balance sheet (2024/25: £nil).



## Kingfisher plc

## 2025/26 INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**1. General information**

Kingfisher plc ('the Company'), its subsidiaries, joint ventures and associates (together 'the Group') supply home improvement products and services through a network of retail stores and other channels, located mainly in the United Kingdom and continental Europe.

The Company is incorporated in England and Wales, United Kingdom, and is listed on the London Stock Exchange. The address of its registered office is One Paddington Square, London, W2 1GG.

The interim financial report does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Audited statutory accounts for the year ended 31 January 2025 were approved by the Board of Directors on 24 March 2025 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under sections 498(2) or (3) of the Companies Act 2006. The interim financial report has been reviewed, not audited, and was approved by the Board of Directors on 22 September 2025.

**2. Basis of preparation**

The interim financial report for the six months ended 31 July 2025 ('the half year') has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim Financial Reporting', as adopted by the United Kingdom. It should be read in conjunction with the annual financial statements for the year ended 31 January 2025, which have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRS) as issued by the IASB. The consolidated income statement and related notes represent results from continuing operations, there being no discontinued operations in the periods presented. Where comparatives are given, '2024/25' refers to the six months ended 31 July 2024.

**Going concern**

Based on the Group's liquidity position and cash flow projections, including a forward-looking remote downside scenario, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, a period not less than 12 months from the date of this report, and they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements for the period ended 31 July 2025.

Considering whether the Group's condensed consolidated financial statements can be prepared on a going concern basis, the Directors have reviewed the Group's business activities together with factors likely to affect its performance, financial position and access to liquidity (including consideration of financial covenants). As of 31 July 2025, the Group had access to c.£1.3bn in total liquidity, including cash and cash equivalents of £399m (net of bank overdrafts), short term deposits of £227m and access to an undrawn £650m revolving credit facility (RCF), due to expire in May 2028.

In forming their outlook on the future financial performance, the Directors considered the risk of higher business volatility and the potential negative impact of the general economic environment on household and trade spend.

The Directors' review also included consideration of a remote scenario that models the impact of a significant demand or supply shock preventing the Group from realising a large part of its sales over the period of a month followed by subdued demand for the following 11 months. The total loss of sales in this scenario is c.£1.5bn (8% over the impacted period). The scenario assumes the impact of lost sales is partially offset by a limited set of mitigating actions on variable and discretionary costs, capital expenditure and the suspension of capital returns to shareholders. Even under this remote scenario, which requires drawing on the RCF for a few months, the Group retains sufficient liquidity and remains in compliance with financial covenants on credit facilities. Should a more extreme scenario occur than currently forecast by the Directors under this remote scenario, the Group would need to implement additional operational or financial measures.

**New and amended accounting standards**

New standards, amendments and interpretations are in issue and effective for the Group's financial year ended 31 January 2026, but they do not have a material impact on the interim financial report.

**Principal rates of exchange against Sterling**

	Half year ended 31 July 2025		Half year ended 31 July 2024		Year ended 31 January 2025	
	Average Rate	Period end rate	Average Rate	Period end rate	Average rate	Year end rate
Euro	1.18	1.16	1.17	1.19	1.18	1.20
US Dollar	1.32	1.32	1.27	1.28	1.28	1.24
Polish Zloty	5.00	4.95	5.05	5.09	5.08	5.04
Romanian Leu	5.93	5.88	5.84	5.91	5.89	5.95
Turkish Lira*	53.75	53.75	42.54	42.54	44.38	44.38

\* Turkish Lira average exchange rates represent the closing rates for the periods presented due to the application of hyperinflation accounting in Turkey.

## Risks and uncertainties

The principal risks and uncertainties to which the Group is exposed are set out on pages 60-65 of the Kingfisher plc Annual Report and Accounts for the year ended 31 January 2025. These have been reviewed as part of the Group's half year procedures. There are no additions or removals since the FY 24/25 year-end.

## Use of non-GAAP measures

In the reporting of financial information, the Group uses certain measures that are not required under IFRS, the generally accepted accounting principles ('GAAP') under which the Group reports. The Group believes that retail profit, adjusted pre-tax profit, adjusted effective tax rate, and adjusted earnings per share provide additional useful information on performance and trends to shareholders. These and other non-GAAP measures (also known as 'Alternative Performance Measures'), such as net debt, are used by the Group for internal performance analysis and incentive compensation arrangements for employees. The terms 'retail profit', 'adjusting items', 'adjusted', 'adjusted effective tax rate', 'net cashflow' and 'net debt' are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, GAAP measures.

Retail profit is defined as continuing profit before tax before central costs, the Group's share of interest and tax of joint ventures and associates and adjusting items and net finance costs. Central costs principally comprise the costs of the Group's head office before adjusting items.

Adjusting items, which are presented separately within their relevant income statement category, include items which by virtue of their size and/or nature, do not reflect the Group's ongoing trading performance. Adjusting items may include, but are not limited to:

- non-trading items included in operating profit such as profits and losses on the disposal, closure, exit or impairment of subsidiaries, joint ventures, associates and investments which do not form part of the Group's ongoing trading activities;
- the costs of significant restructuring and incremental acquisition integration costs;
- profits and losses on the disposal/exit of properties<sup>1</sup>, impairments of goodwill and significant impairments (or impairment reversals) of other non-current assets, which the Group identifies as adjusting due to volatility which can arise year on year based on future forecasts and assumptions;
- prior year tax items (including the impact of changes in tax rates on deferred tax), significant one-off tax settlements and provision charges/releases and the tax effects of other adjusting items;
- financing fair value remeasurements i.e. changes in the fair value of financing derivatives, excluding interest accruals, offset by fair value adjustments to the carrying amount of borrowings and other hedged items under fair value (or non-designated) hedge relationships. Financing derivatives are those that relate to hedged items of a financing nature.

<sup>(1)</sup> The Group does not routinely dispose of or exit properties (i.e. other than on expiry of a lease) and does not consider property disposals to form part of its trading operations as a result. This includes profits or losses on disposals of freehold properties, or lease gains or losses arising from the exit of leased properties before the lease expiry date.

The term 'adjusted' refers to the relevant measure being reported for continuing operations excluding adjusting items.

The adjusted effective tax rate is calculated as continuing income tax expense excluding prior year tax items (including the impact of changes in tax rates on deferred tax), significant one-off tax settlements and provision charges/releases and the tax effects of other adjusting items, divided by continuing profit before taxation excluding adjusting items. Prior year tax items represent income statement tax relating to underlying items originally arising in prior years, including the impact of changes in tax rates on deferred tax. The exclusion of items relating to prior years, and those not in the ordinary course of business, helps provide an indication of the Group's ongoing rate of tax.

Net debt comprises lease liabilities, borrowings and financing derivatives (excluding accrued interest) less cash and cash equivalents and short-term deposits, including such balances classified as held for sale.

Refer to the Glossary for definitions of all of the Group's Alternative Performance Measures, including further information on why they are used and details of where reconciliations to statutory measures can be found where applicable.

## 3. Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 January 2025, as described in note 2 of those financial statements, except where set out below in relation to taxes on income for interim periods. The critical accounting judgements and key sources of estimation uncertainty and are set out in note 3 of the annual financial statements for the year ended 31 January 2025 and remain unchanged.

Taxes on income for interim periods are accrued using the best estimate of the effective tax rate that would be applicable to expected total annual earnings.

#### 4. Segmental analysis

##### Income statement

Half year ended 31 July 2025					
	UK & Ireland	France	Poland	Other International	Total
<b>Sales</b>	<b>3,528</b>	<b>2,048</b>	<b>946</b>	<b>289</b>	<b>6,811</b>
<b>Retail profit/(loss)</b>	<b>344</b>	<b>72</b>	<b>51</b>	<b>(15)</b>	<b>452</b>
Central costs					(36)
Share of interest and tax of joint ventures and associates					(3)
Adjusting items					(30)
<b>Operating profit</b>					<b>383</b>
Net finance costs					(45)
<b>Profit before taxation</b>					<b>338</b>

  

Half year ended 31 July 2024 (re-presented <sup>(1)</sup> )					
	UK & Ireland	France	Poland	Other International	Total
<b>Sales</b>	<b>3,376</b>	<b>2,099</b>	<b>941</b>	<b>340</b>	<b>6,756</b>
<b>Retail profit/(loss)</b>	<b>325</b>	<b>69</b>	<b>50</b>	<b>(24)</b>	<b>420</b>
Central costs					(29)
Share of interest and tax of joint ventures and associates					(7)
Adjusting items					(10)
<b>Operating profit</b>					<b>374</b>
Net finance costs					(50)
<b>Profit before taxation</b>					<b>324</b>

##### Balance sheet

At 31 July 2025					
£ millions	UK & Ireland	France	Poland	Other International	Total
<b>Segment assets</b>	<b>2,827</b>	<b>1,670</b>	<b>1,104</b>	<b>195</b>	<b>5,796</b>
Central liabilities					(10)
Goodwill					2,312
Net debt					(1,726)
<b>Net assets</b>					<b>6,372</b>

  

At 31 July 2024 (re-presented <sup>(1)</sup> )					
£ millions	UK & Ireland	France	Poland	Other International	Total
<b>Segment assets</b>	<b>2,915</b>	<b>1,688</b>	<b>1,123</b>	<b>321</b>	<b>6,047</b>
Central assets					92
Goodwill					2,397
Net debt					(1,952)
<b>Net assets</b>					<b>6,584</b>

At 31 January 2025

£ millions	UK & Ireland	France	Poland	Other International	Total
<b>Segment assets</b>	2,833	1,660	1,168	319	5,980
Central assets					67
Goodwill					2,312
Net debt					(2,015)
<b>Net assets</b>					<b>6,344</b>

<sup>(1)</sup>The Group reassessed its determination of operating and reportable segments at the prior year-end. Following this reassessment, Poland was determined to be a separate reportable segment and was separated from the 'Other International' combination of operating segments. Other operating segments, which do not individually meet the definition of a reportable segment, continued to be combined and are presented as 'Other International'. As a result, the 31 July 2024 segmental disclosure presented above has been re-presented to reflect this revised determination of reportable segments. There were no changes to the Group's reportable segments in the UK & Ireland and France.

The Group's operating segments are based on the information reported internally to the Board of Directors and Group Executive, and are generally determined to be the retail banners operating in each geographical area (i.e. B&Q and Screwfix in the UK & Ireland; Castorama, Brico Dépôt and Screwfix in France; Castorama in Poland; Brico Dépôt in Iberia; Brico Dépôt in Romania and Koçtaş, the Group's joint venture in Turkey). NeedHelp, an online services marketplace, and the Group's franchising and wholesaling operation are also determined to be operating segments. On 18 July 2024, the Group completed the divestment of its c.80% equity interest in NeedHelp. On 2 May 2025 the Group completed the divestment of its 100% interest in Brico Dépôt Romania.

The reportable segments disclosed above are based on the geographical areas in which the Group operates. Within both the UK & Ireland and France reportable segments, operating segments determined at the retail banner level have been aggregated to form reportable segments (i.e. B&Q and Screwfix in the UK & Ireland and Castorama and Brico Dépôt in France). Other operating segments, which do not individually meet the definition of a reportable segment, are combined and presented as 'Other International', consisting of Brico Dépôt Iberia, Brico Dépôt Romania, Screwfix France, Koçtaş, NeedHelp and results from franchising and wholesaling operations. Screwfix France has not been aggregated as part of the France reportable segment due to its level of maturity relative to Castorama and Brico Dépôt France.

Central costs principally comprise the costs of the Group's head office before adjusting items. Central assets and liabilities comprise unallocated head office and other central items, principally relating to central tax assets, central creditors and accruals, including insurance and payroll.

The majority of the sales in each segment are derived from in-store and online sales of products. The Group's sales, although generally not highly seasonal on a half yearly basis, do increase over the Easter period and during the summer months leading to slightly higher sales usually being recognised in the first half of the year. However, due to the continued uncertainty around the current macro-economic environment, the phasing of sales is less predictable.

**5. Adjusting items**

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Included within selling and distribution expenses</b>		
Net store asset impairment losses	–	(6)
Operating model restructuring	–	(3)
	–	(9)
<b>Included within administrative expenses</b>		
UK guaranteed minimum pension credit	–	2
	–	2
<b>Included within other income/expenses</b>		
Loss on disposal of Brico Dépôt Romania	(31)	–
Loss on disposal of NeedHelp	–	(3)
Profit on disposal of properties	1	–
	(30)	(3)
<b>Adjusting items before tax</b>	<b>(30)</b>	<b>(10)</b>
Prior year and other adjusting tax items	(4)	4
<b>Adjusting items</b>	<b>(34)</b>	<b>(6)</b>

The disposal of the Brico Dépôt Romania business was completed in May 2025, resulting in a loss on disposal of £31m. See note 17 for further details.

A profit of £1m has been recorded on the exit of one property in France.

Prior year and other adjusting tax items relate principally to tax accrued in respect of a French corporate income tax surcharge, being a temporary one-year surcharge applicable for the 2025/26 year, in addition to movements in prior year provisions to reflect a reassessment of expected outcomes.

Refer to note 5 of the 2024/25 interim accounts for further details on adjusting items for the half year ended 31 July 2024.

**6. Net finance costs**

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
Fixed term debt	(3)	(4)
Lease liabilities	(59)	(62)
Other interest expense	–	(1)
<b>Finance costs</b>	<b>(62)</b>	<b>(67)</b>
Cash and cash equivalents and short-term deposits	11	12
Net interest income on defined benefit pension schemes	3	3
Other interest income	3	2
<b>Finance income</b>	<b>17</b>	<b>17</b>
<b>Net finance costs</b>	<b>(45)</b>	<b>(50)</b>



**7. Income tax expense**

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>UK corporation tax</b>		
Current tax on profits for the period	(56)	(52)
	(56)	(52)
<b>Overseas tax</b>		
Current tax on profits for the period	(30)	(20)
Adjustments in respect of prior years	(1)	3
	(31)	(17)
<b>Current tax</b>	<b>(87)</b>	<b>(69)</b>
<b>Deferred tax</b>		
Current period	(14)	(17)
Adjustments in respect of prior years	–	(1)
	(14)	(18)
<b>Income tax expense</b>	<b>(101)</b>	<b>(87)</b>

The adjusted effective tax rate on profit before adjusting items is 26% (2024/25: 27%), representing the best estimate of the effective rate for the full financial year. The adjusted effective tax rate calculation is set out in Section 3 of this announcement.

An accounting surplus is recognised for the UK defined benefit pension scheme – refer to note 11. The surplus has been recognised on the basis that the future economic benefits are unconditionally available to the Group, which is assumed to be via a refund assuming the full settlement of plan liabilities in the event of a plan wind-up. On 22 November 2023, the UK government announced that the authorised surplus payments charge would be reduced from 35% to 25% from 6 April 2024. In the prior year, following the enactment of this legislation on 11 March 2024, the deferred tax liability has been reduced by £32m with a corresponding credit to other comprehensive income.

## 8. Earnings per share

Pence	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Basic earnings per share</b>	<b>13.4</b>	12.8
Effect of dilutive share options	(0.2)	(0.2)
<b>Diluted earnings per share</b>	<b>13.2</b>	12.6
<b>Basic earnings per share</b>	<b>13.4</b>	12.8
Adjusting items before tax	1.7	0.5
Prior year and other adjusting tax items	0.2	(0.1)
<b>Adjusted basic earnings per share</b>	<b>15.3</b>	13.2
<b>Diluted earnings per share</b>	<b>13.2</b>	12.6
Adjusting items before tax	1.7	0.5
Prior year and other adjusting tax items	0.2	(0.1)
<b>Adjusted diluted earnings per share</b>	<b>15.1</b>	13.0

Basic earnings per share is calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of shares in issue during the year, including vested but contingently issuable shares and deferred shares but excluding those held in the Employee Share Ownership Plan trust ('ESOP trust') which for the purpose of this calculation are treated as cancelled.

For diluted earnings per share, the weighted average number of shares is adjusted to assume conversion of all dilutive potential ordinary shares. These represent share options granted in connection with employee share-based payment plans that are yet to vest.

The calculation of basic and diluted earnings per share is based on the profit for the year attributable to equity shareholders of the Company. A reconciliation of statutory earnings to adjusted earnings is set out below:

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Earnings</b>	<b>237</b>	237
Adjusting items before tax	30	10
Prior year and other adjusting tax items	4	(4)
<b>Adjusted earnings</b>	<b>271</b>	243

The weighted average number of shares in issue during the period, excluding those held in the ESOP trust, is set out below:

Weighted average number of shares (millions)	Half year ended 31 July 2025	Half year ended 31 July 2024
Basic	1,770	1,850
Effect of dilutive potential ordinary shares	26	28
<b>Diluted</b>	<b>1,796</b>	1,878

## 9. Dividends

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Dividends to equity shareholders of the Company</b>		
Ordinary final dividend for the year ended 31 January 2025 of 8.60p per share	152	–
Ordinary final dividend for the year ended 31 January 2024 of 8.60p per share	–	159
	<b>152</b>	159

The proposed interim ordinary dividend for the period ended 31 July 2025 is 3.80p per share (2024/25: 3.80p per share).

**10. Property, plant and equipment, investment property, property assets held for sale and other intangible assets**

Additions to the cost of property, plant and equipment, investment property and other intangible assets are £119m (2024/25: £126m). Disposals, excluding the divestment of Brico Dépôt Romania, in net book value of property, plant and equipment, investment property, property assets held for sale and other intangible assets are £nil (2024/25: nil).

Capital commitments contracted but not provided for at the end of the period are £27m (2024/25: £49m) and at 31 January 2025 were £14m.

**11. Post-employment benefits**

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024	
<b>Net surplus in schemes at beginning of period</b>	<b>101</b>		99
Current service cost	(6)		(6)
Past service credit	–		2
Administration costs	(2)		(2)
Net interest income	3		3
Net remeasurement (losses)/gains	(11)		1
Contributions paid by employer	1		2
Exchange differences	(3)		1
<b>Net surplus in schemes at end of period</b>	<b>83</b>		100

  

	Half year ended 31 July 2025	Half year ended 31 July 2024	Year ended 31 January 2025
UK	192	216	202
Overseas	(109)	(116)	(101)
<b>Net surplus in schemes at end of period</b>	<b>83</b>	<b>100</b>	<b>101</b>

  

Present value of defined benefit obligations	(1,763)	(1,944)	(1,832)
Fair value of scheme assets	1,846	2,044	1,933
<b>Net surplus in schemes at end of period</b>	<b>83</b>	<b>100</b>	<b>101</b>

The assumptions used in calculating the costs and obligations of the Group's defined benefit pension schemes are set by the Directors after consultation with independent professionally qualified actuaries. The assumptions are based on the conditions at the time and changes in these assumptions can lead to significant movements in the estimated obligations, as illustrated in the sensitivity analysis provided in note 28 of the annual financial statements for the year ended 31 January 2025.

A full actuarial valuation of the scheme is carried out every three years by an independent actuary for the Trustee and the last full valuation was carried out as at 31 March 2022 with the next valuation currently ongoing. Following the 2022 valuation and in accordance with the scheme's Statement of Funding Principles, the Trustee and Kingfisher agreed to cease annual employer contributions during the period from August 2022 to July 2025. This agreement was reached with reference to a funding objective that targets a longer-term, low risk funding position in excess of the minimum statutory funding requirements. This longer-term objective is based on the principles of the scheme reaching a point where it can provide benefits to members with a high level of security, thereby limiting its reliance on the employer for future support. The Company monitors the scheme funding level on a regular basis and will reassess with the scheme Trustee the appropriate level of contributions at future valuations.

A key assumption in valuing the pension obligation is the discount rate. Accounting standards require this to be set based on market yields on high-quality corporate bonds at the balance sheet date. The UK scheme discount rate is derived using a single equivalent discount rate approach, based on the yields available on a portfolio of high-quality Sterling corporate bonds with the same duration as that of the scheme liabilities.

The principal financial assumptions for the UK scheme, being the Group's principal defined benefit scheme, are set out below:

	At 31 July 2025	At 31 July 2024	At 31 January 2025
Annual % rate			
Discount rate	5.65	5.00	5.40
Rate of pension increases	2.95	3.05	3.05

The Court of Appeal's decision on 25 July 2024, in the case Virgin Media v NTL Pension Trustees II Limited (and others), confirmed that certain rules of a contracted-out defined benefit scheme cannot be altered without the statutory actuarial confirmation having been obtained and that non-compliant alterations are void. On 5 June 2025, the Department for Work and Pensions announced plans to legislate to allow retrospective actuarial confirmation of such amendments. The pension trustees continue to monitor developments closely and will assess any implications on the UK defined benefit scheme once further legislative detail is available.

**12. Financial instruments**

The Group holds the following derivative financial instruments at fair value:

£ millions	At 31 July 2025	At 31 July 2024	At 31 January 2025
Foreign exchange contracts	11	3	24
<b>Derivative assets</b>	<b>11</b>	<b>3</b>	<b>24</b>

£ millions	At 31 July 2025	At 31 July 2024	At 31 January 2025
Foreign exchange contracts	(22)	(16)	(5)
<b>Derivative liabilities</b>	<b>(22)</b>	<b>(16)</b>	<b>(5)</b>

The fair values are calculated by discounting future cash flows arising from the instruments and adjusted for credit risk. These fair value measurements are all made using observable market rates of interest, foreign exchange and credit risk. All the derivatives held by the Group at fair value are considered to have fair values determined by level 2 inputs as defined by the fair value hierarchy of IFRS 13, 'Fair value measurement', representing significant observable inputs other than quoted prices in active markets for identical assets or liabilities. There are no non-recurring fair value measurements, nor have there been any transfers of assets or liabilities between levels of the fair value hierarchy.

Except as detailed in the following table of borrowings, the carrying amounts of financial instruments (excluding lease liabilities) recorded at amortised cost in the financial statements are approximately equal to their fair values. Where available, market values are used to determine the fair values of borrowings. Where market values are not available or are not reliable, fair values have been calculated by discounting cash flows at prevailing interest and foreign exchange rates. This has resulted in level 2 inputs for borrowings as defined by the IFRS 13 fair value hierarchy.

£ millions	Carrying amount		
	At 31 July 2025	At 31 July 2024	At 31 January 2025
Bank overdrafts	14	13	9
Bank loans	1	–	1
Fixed term debt	99	100	99
<b>Borrowings</b>	<b>114</b>	<b>113</b>	<b>109</b>

£ millions	Fair value		
	At 31 July 2025	At 31 July 2024	At 31 January 2025
Bank overdrafts	14	13	9
Bank loans	2	–	2
Fixed term debt	100	107	102
<b>Borrowings</b>	<b>116</b>	<b>120</b>	<b>113</b>

Fixed term debt comprises a £50m term loan maturing in June 2027 and a £50m term loan maturing in January 2028, both of which were refinanced in the current period.

In May 2024 the Group entered into a new £650m Revolving Credit Facility (RCF) agreement with a group of its relationship banks, linked to sustainability targets. In May 2025 the credit facility was extended by one year and now expires in May 2028. As of 31 July 2025, this RCF was undrawn.

### 13. Share capital

	Number of ordinary shares millions	Ordinary share capital £ millions
Allotted, called up and fully paid:		
At 1 February 2025	1,793	282
New shares issued under share schemes	1	–
Purchase of own shares for cancellation	(43)	(7)
<b>At 31 July 2025</b>	<b>1,751</b>	<b>275</b>
At 1 February 2024	1,875	294
New shares issued under share schemes	1	–
Purchase of own shares for cancellation	(36)	(5)
<b>At 31 July 2024</b>	<b>1,840</b>	<b>289</b>

Ordinary shares have a par value of 15<sup>5</sup>/<sub>7</sub> pence per share and carry full voting, dividend and capital distribution rights.

During the period the Group purchased 43 million (2024/25: 36 million) of the Company's own shares for cancellation at a cost of £119m (2024/25: £92m) as part of its capital returns programme.

### 14. Other reserves

£ millions	Half year ended 31 July 2025			
	Translation reserve	Cash flow hedge reserve	Other	Total
<b>At 1 February 2025</b>	<b>124</b>	<b>16</b>	<b>159</b>	<b>299</b>
Inventory cash flow hedges - fair value losses	–	(48)	–	(48)
Tax on items that will not be reclassified subsequently to profit or loss	–	12	–	12
Currency translation differences				
Subsidiaries	74	–	–	74
Joint ventures and associates	(1)	–	–	(1)
Transferred to income statement	14	–	–	14
<b>Other comprehensive income/(expense) for the period</b>	<b>87</b>	<b>(36)</b>	<b>–</b>	<b>51</b>
Inventory cash flow hedges - losses transferred to inventories	–	17	–	17
Tax on equity items	(1)	(5)	–	(6)
<b>At 31 July 2025</b>	<b>210</b>	<b>(8)</b>	<b>159</b>	<b>361</b>

£ millions	Half year ended 31 July 2024			
	Translation reserve	Cash flow hedge reserve	Other	Total
<b>At 1 February 2024</b>	<b>144</b>	<b>(13)</b>	<b>159</b>	<b>290</b>
Inventory cash flow hedges - fair value losses	–	(6)	–	(6)
Tax on items that will not be reclassified subsequently to profit or loss	–	1	–	1
Currency translation differences				
Subsidiaries	(28)	–	–	(28)
Joint ventures and associates	2	–	–	2
<b>Other comprehensive expense for the period</b>	<b>(26)</b>	<b>(5)</b>	<b>–</b>	<b>(31)</b>
Inventory cash flow hedges - losses transferred to inventories	–	15	–	15
Tax on equity items	–	(3)	–	(3)
<b>At 31 July 2024</b>	<b>118</b>	<b>(6)</b>	<b>159</b>	<b>271</b>



## 15. Cash generated by operations

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Operating profit</b>	<b>383</b>	374
Share of post-tax results of joint ventures and associates	9	13
Depreciation and amortisation	328	330
Net impairment losses	–	6
Gain on disposal of property, plant and equipment, investment property and property assets held for sale	(2)	–
Loss on disposals of subsidiaries and associates	31	3
Share-based compensation charge	12	12
Increase in inventories	(96)	(82)
Increase in trade and other receivables	(67)	(44)
Increase in trade and other payables	263	244
Movement in provisions	(6)	(2)
Movement in post-employment benefits	7	4
<b>Cash generated by operations</b>	<b>862</b>	858

## 16. Net debt

£ millions	At 31 July 2025	At 31 July 2024	At 31 January 2025
Cash and cash equivalents	413	485	336
Cash and cash equivalents included within assets held for sale	–	–	9
Bank overdrafts	(14)	(13)	(9)
<b>Cash and cash equivalents and bank overdrafts</b>	<b>399</b>	472	336
Short-term deposits	227	–	–
Bank loans	(1)	–	(1)
Fixed term debt	(99)	(100)	(99)
Lease liabilities	(2,253)	(2,324)	(2,211)
Lease Liabilities directly associated with assets held for sale	(2)	–	(42)
Net financing derivatives	3	–	2
<b>Net debt</b>	<b>(1,726)</b>	(1,952)	(2,015)

£ millions	Half year ended 31 July 2025	Half year ended 31 July 2024
<b>Net debt at beginning of period</b>	<b>(2,015)</b>	(2,116)
Net increase in cash and cash equivalents and bank overdrafts	49	124
Increase in short-term deposits	227	–
Arrangement fees paid	1	2
<b>Net cash flow<sup>(1)</sup></b>	<b>277</b>	126
Lease liabilities disposed	38	–
Movements in lease liabilities	(23)	37
Exchange differences and other non-cash movements	(3)	1
<b>Net debt at end of period</b>	<b>(1,726)</b>	(1,952)

(1) Refer to the glossary for the definition of net cash flow in Section 7 of this announcement.

**17. Disposals**

In the prior year, following the announcement that the Group had reached an agreement to dispose of its interest in Brico Dépôt Romania, the business was classified as held for sale. On 2 May 2025, the Group disposed of its 100% interest in the Brico Dépôt Romania business to Altex Romania for a gross consideration of £53m. Brico Dépôt Romania has not been classified as a discontinued operation as it does not represent a major operation for the Group.

Brico Dépôt Romania was included within the Other International aggregation of operating segments.

The loss on disposal of £31m, which arises due to the transfer of cumulative foreign exchange losses previously recorded in the translation reserve on consolidation, as well as adjustments to the final proceeds received and net assets disposed compared with the estimated values at 31 January 2025, is analysed as follows:

£ millions	
Proceeds	53
Net assets disposed (see below)	(68)
Transaction costs and warranties	(2)
<b>Loss on disposal before cumulative exchange losses</b>	<b>(17)</b>
Cumulative exchange losses transferred from translation reserve	(14)
<b>Loss on disposal</b>	<b>(31)</b>

The current year net cashflow effect of the disposal is analysed as follows:

£ millions	
Cash proceeds	53
Cash disposed	(17)
Disposal & other costs	(3)
<b>Net disposal proceeds received</b>	<b>33</b>

The major classes of assets and liabilities disposed are as follows:

£ millions	
Other intangible assets	2
Property, plant & equipment	38
Right-of-use assets	15
Inventories	94
Trade and other receivables	4
Cash and cash equivalents	17
Trade and other payables	(61)
Lease liabilities	(38)
Other liabilities	(3)
<b>Net assets disposed</b>	<b>68</b>

**18. Contingent liabilities**

The Group is subject to claims and litigation arising in the ordinary course of business and provision is made where liabilities are considered likely to arise on the basis of current information and legal advice.

The Group files tax returns in many jurisdictions around the world and at any one time is subject to periodic tax audits in the ordinary course of its business. Applicable tax laws and regulations are subject to differing interpretations and the resolution of a final tax position can take several years to complete. Where it is considered that future tax liabilities are more likely than not to arise, an appropriate provision is recognised in the financial statements.

Whilst the procedures that must be followed to resolve these types of tax issues make it likely that it will be some years before the eventual outcome is known, the Group does not currently consider the likelihood of adverse outcomes in relation to these matters (other than those matters for which liabilities have already been recorded) to be probable.

In October 2017, the European Commission opened a state aid investigation into the Group Financing Exemption section of the UK Controlled Foreign Company rules. While the Group had complied with the requirements of UK tax law in force at the time, in April 2019 the European Commission concluded that aspects of the UK Controlled Foreign Company regime partially constituted illegal state aid. In September 2024, the European Court of Justice annulled this decision, and, in March 2025, HMRC repaid the £64m tax and interest previously assessed, plus an additional £5m payment of repayment interest.

**19. Related party transactions**

The Group's significant related parties are its joint venture and pension schemes as disclosed in note 37 of the annual financial statements for the year ended 31 January 2025. There have been no significant changes in related parties or related party transactions in the period.

**20. Post balance sheet events**

During the period since the balance sheet date, the Group purchased 3 million of the Company's own shares for cancellation at a cost of £7m. This amount was deducted from equity in the half year to 31 July 2025 as a result of an irrevocable buyback agreement which was in place at 31 July 2025.

In September 2025, collective consultation commenced regarding proposals to implement a new simplified retail leadership structure across all B&Q stores in the UK and Ireland, following a successful year-long test of the proposed structure. Total operating model restructuring costs of c.£20m are expected to be incurred relating to this programme, which will be recorded within adjusting items. The programme is expected to be completed in H1 2026/27.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that the condensed interim financial statements have been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting", and that the Interim Results includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the period and their impact on the interim condensed financial statements, and a description of the principal risks and uncertainties for the remainder of the financial year; and
- material related party transactions in the period and any material changes in the related party transactions described in the last annual report.

The Directors of Kingfisher plc were listed in the Group's 2024/25 Annual Report and Accounts. A list of current Directors is maintained on the Kingfisher plc website which can be found at [www.kingfisher.com](http://www.kingfisher.com).

By order of the Board

Thierry Garnier  
Chief Executive Officer  
22 September 2025

Bhavesh Mistry  
Chief Financial Officer  
22 September 2025

**INDEPENDENT REVIEW REPORT TO KINGFISHER PLC****Conclusion**

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 July 2025 which comprises the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and related notes 1 to 20.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 July 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

**Basis for Conclusion**

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards as issued by the IASB. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

**Conclusion Relating to Going Concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

**Responsibilities of the directors**

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the review of the financial information**

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

**Use of our report**

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

**Deloitte LLP**  
Statutory Auditor  
London, United Kingdom  
22 September 2025

**Section 7: Glossary****Alternative Performance Measures (APMs)**

In the reporting of financial information, the Directors have adopted various Alternative Performance Measures (APMs), also known as non-GAAP measures, of historical or future financial performance, position or cash flows other than those defined or specified under International Financial Reporting Standards (IFRS). These measures are not defined by IFRS and therefore may not be directly comparable with other companies' APMs, including those used by other retailers. APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements.

<b>APM</b>	<b>Closest equivalent IFRS measure</b>	<b>Reconciling items to IFRS measure</b>	<b>Definition and purpose</b>
Adjusted basic earnings per share (EPS)	Basic earnings per share	A reconciliation of adjusted basic earnings per share is included in note 8 of the condensed financial statements (Section 6)	Adjusted basic earnings per share represents profit after tax attributable to the owners of the parent, before the impact of adjusting items (see definition below), divided by the weighted average number of shares in issue during the period. The exclusion of adjusting items helps provide an indication of the Group's ongoing business performance.
Adjusted EBITDA	Profit before taxation	A reconciliation of Adjusted EBITDA is set out in the Financial Review (Section 3)	Adjusted EBITDA (earnings before adjusting items, interest, tax, depreciation and amortisation) is calculated as retail profit less central costs and before depreciation and amortisation. This measure is widely used in calculating the ratio of net debt to Adjusted EBITDA, and is used to reflect the Group's leverage.
Adjusted effective tax rate	Effective tax rate	A reconciliation to the statutory effective tax rate is set out in the Financial Review (Section 3)	The adjusted effective tax rate is calculated as continuing income tax expense excluding tax adjustments in respect of prior years (including the impact of changes in tax rates on deferred tax), significant one-off tax settlements and provision charges/releases and the tax effects of adjusting items, divided by continuing profit before taxation excluding adjusting items. Prior year tax items represent income statement tax relating to underlying items originally arising in prior years, including the impact of changes in tax rates on deferred tax. The exclusion of items relating to prior years, and those not in the ordinary course of business, helps provide an indication of the Group's ongoing rate of tax.
Adjusted pre-tax profit (PBT)	Profit before taxation	A reconciliation of adjusted PBT is set out in the Financial Review (Section 3)	Adjusted pre-tax profit is used to report the performance of the business at a Group level. This is stated before adjusting items. The exclusion of adjusting items helps provide an indication of the Group's ongoing business performance.
Adjusted post-tax profit	Profit after tax	A reconciliation of adjusted post-tax profit is set out in the Financial Review (Section 3) and note 8 of the condensed financial statements (Section 6)	Adjusted post-tax profit is used to report the after-tax performance of the business at a Group level. This is stated before adjusting items. The exclusion of adjusting items helps provide an indication of the Group's ongoing after-tax business performance.
Adjusting items	No direct equivalent	Not applicable	Adjusting items, which are presented separately within their relevant income statement category, include items which by virtue of their size and/or nature, do not reflect the Group's ongoing trading performance. Adjusting items may include, but are not limited to: non-trading items included in operating profit such as profits and losses on the disposal, closure, exit or impairment of subsidiaries, joint ventures, associates and investments which do not form part of the Group's ongoing trading activities; the costs of significant restructuring and incremental acquisition integration costs; profits and losses on the exit of properties,



APM	Closest equivalent IFRS measure	Reconciling items to IFRS measure	Definition and purpose
			impairments of goodwill and significant impairments (or impairment reversals) of other non-current assets; prior year tax items (including the impact of changes in tax rates on deferred tax), significant one-off tax settlements and provision charges/releases and the tax effects of other adjusting items; financing fair value remeasurements i.e., changes in the fair value of financing derivatives, excluding interest accruals, offset by fair value adjustments to the carrying amount of borrowings and other hedged items under fair value (or non-designated) hedge relationships. Financing derivatives are those that relate to hedged items of a financing nature.
'Big-ticket' category sales	No direct equivalent	Not applicable	'Big-ticket' category sales comprise the sales from our kitchen, bathroom & storage products. It is used as a measure of performance of our relatively higher-value products.
Central costs	No direct equivalent	Not applicable	Central costs principally comprise the costs of the Group's head office before adjusting items. This helps provide an indication of the Group's ongoing head office costs.
Constant currency	No direct equivalent	Not applicable	Constant currency changes in total sales, LFL sales, gross profit, gross margin %, retail profit, retail profit margin % and operating costs reflect the year-on-year movements after translating the prior year comparatives at the current year's average exchange rates. These are presented to eliminate the effects of exchange rate fluctuations on the reported results.
Core category sales	No direct equivalent	Not applicable	Core sales include the sales from non-seasonal products across all our categories, other than 'big ticket' sales (i.e., kitchen, bathroom & storage). It is used as a measure of our non-seasonal related performance, which is the majority of Group sales.
Dividend cover	No direct equivalent	Not applicable	Dividend cover represents the ratio of earnings to dividends. It is calculated as adjusted basic earnings per share divided by the total (full year) dividend per share. It is used as an indication of how sustainable dividend payments are.
E-commerce sales penetration %	No direct equivalent	Refer to definition	E-commerce sales penetration % represent total e-commerce sales as a percentage of sales. For the purpose of this calculation only, sales are adjusted to replace marketplace net sales with marketplace gross sales. It is used to track the success of our e-commerce strategy.
First-party e-commerce sales or 1P	No direct equivalent	Refer to definition	First-party e-commerce sales are total first-party sales (excluding VAT) derived from online transactions, including click & collect (C&C). This includes sales transacted on any device, however not sales through a call centre. Sales (and related commissions/fees) from products supplied by third-party e-commerce marketplace vendors are excluded. It is used to measure the performance of our first-party e-commerce business across the Group.
Total e-commerce sales	No direct equivalent	Refer to definition	Total e-commerce sales are first-party e-commerce sales plus marketplace gross sales. References to digital or e-commerce sales growth relates to growth in constant currency. It is used to measure the performance of all e-commerce business (first-party and third-party) across the Group.

<b>APM</b>	<b>Closest equivalent IFRS measure</b>	<b>Reconciling items to IFRS measure</b>	<b>Definition and purpose</b>
Free cash flow	Net cash flows from operating activities	A reconciliation of free cash flow is set out in the Financial Review (Section 3)	Free cash flow represents the cash generated from operations (excluding adjusting items) less the amount spent on interest, tax and capital expenditure during the year (excluding asset disposals). This provides a measure of how much cash the business generates that can be used for expansion, capital returns and other purposes.
Gross margin %	No direct equivalent	Refer to definition	Gross profit represents sales from the supply of home improvement products and services (excluding VAT), less the associated cost of those sales. Gross margin % represents gross profit as a percentage of sales. It is a measure of operating performance.
LFL sales	Sales	Refer to definition	LFL (like-for-like) sales growth represents the constant currency, year-on-year sales growth for stores that have been open for more than one year, as well as other revenue streams which have more than one year of comparative sales (e.g., marketplace net sales). It is a measure to reflect the Group's performance on a comparable basis. Non-LFL sales represent the difference between total sales and LFL sales, principally comprising sales for stores open for less than one year.
Marketplace gross merchandise value (GMV)	No direct equivalent	Refer to definition	Marketplace GMV is the total transaction value (including VAT) from the sale of products supplied by third-party e-commerce marketplace vendors. It is used to measure the performance of our e-commerce marketplace, and is the basis on which our commissions from third-party vendors are determined.
Marketplace gross sales	No direct equivalent	Refer to definition	Marketplace gross sales is the transaction value (excluding VAT) from the sale of products supplied by third-party e-commerce marketplace vendors. Returned and cancelled orders are excluded. It is used to measure the performance of our e-commerce marketplace.
Marketplace net sales	No direct equivalent	Refer to definition	Marketplace net sales are commissions (excluding VAT) earned on e-commerce marketplace transactions, together with other service fees. This is included within sales. Commissions are determined based on GMV. It is used to measure the performance of our e-commerce marketplace.
Marketplace participation %	No direct equivalent	Refer to definition	Marketplace participation % represents marketplace gross sales as a percentage of total e-commerce sales. It is used to track the success of our marketplace strategy and performance.
Net debt	No direct equivalent	A reconciliation of this measure is provided in note 16 of the condensed financial statements (Section 6)	Net debt comprises lease liabilities, borrowings and financing derivatives (excluding accrued interest), less cash and cash equivalents and short-term deposits, including such balances classified as held for sale.
Net cash flow	Net (decrease) / increase in cash and cash equivalents and bank overdrafts	A reconciliation of net cash flow is set out in the Financial Review (Section 3) and in note 16 of the condensed financial statements (Section 6)	Net cash flow is a measure to reflect the total movement in the net debt balance during the year excluding the movement in lease liabilities, exchange differences and other non-cash movements.
Operating costs	No direct equivalent	Not applicable	Operating costs represent gross profit less retail profit. This is the Group's operating cost measure used to report the performance of our retail businesses.

APM	Closest equivalent IFRS measure	Reconciling items to IFRS measure	Definition and purpose
Own exclusive brands (OEB) sales	No direct equivalent	Refer to definition	OEB refers to our portfolio of own exclusive brands across seven core categories – surfaces & décor, tools & hardware, bathroom & storage, kitchen, EPHC (electricals, plumbing, heating & cooling), building & joinery, and outdoor.  OEB sales are sales of own exclusive brand products. It is used to measure the performance of OEB across the Group.
Retail profit	Profit before taxation	A reconciliation of Group retail profit to profit before taxation is set out in the Financial Review (Section 3) and note 4 of the condensed financial statements (Section 6). There is no statutory equivalent to retail profit at a retail banner level	Retail profit is defined as continuing profit before tax before central costs, the Group's share of interest and tax of JVs and associates, adjusting items and net finance costs. This is the Group's operating profit measure used to report the performance of our retail businesses.
Retail profit margin %	No direct equivalent	Refer to definition	Retail profit is the Group's operating profit measure used to report the performance of our retail businesses and is separately defined above. Retail profit margin % represents retail profit as a percentage of sales. It is a measure of operating performance.
ROCE	No direct equivalent	Refer to definition	ROCE (return on capital employed) is the post-tax retail profit less central costs, excluding adjusting items, divided by capital employed excluding historic goodwill, net debt and adjusting restructuring provision. The measure provides an indication of the ongoing returns from the capital invested in the business. Capital employed is calculated as a two-point average. The calculation excludes disposed businesses.
Same-store net inventory	Inventory	Refer to definition	Same-store net inventory movement represents the constant currency, year-on-year change in net inventory before the impact of store openings and closures. It is a measure to reflect the Group's inventory management on a comparable basis.
Seasonal category sales	No direct equivalent	Refer to definition	Seasonal category sales include the sales from certain products within our outdoor, electricals, plumbing, heating & cooling (EPHC) and surfaces & décor categories. It is used as a measure of the performance of our sales that are subject to the season we are in, or prevailing weather conditions.
Trade sales	No direct equivalent	Refer to definition	All sales made against a trade loyalty card or account (Including B2B) or by trade customers per Screwfix' customer database. Sales are inclusive of adjustments for refunds, discounts, vouchers, and cashback.
Trade sales penetration	No direct equivalent	Refer to definition	It represents total trade sales as a percentage of total sales. It is used to track the success of our trade strategy.

### Other Definitions

**B2B customer** is a trade customer engaged in constructing, improving, or maintaining properties specifically for commercial purposes related to the properties themselves - such as sale, rental, or ongoing maintenance to support business continuity (e.g., facilities management). These activities typically occur at a regional or national level.

**B2B manager** is a role dedicated to supporting B2B customers engage with our trade proposition.

**France** consists of Castorama France and Brico Dépôt France.

**GNFR** (Goods Not For Resale) covers the procurement of all goods and services a retailer consumes (including ocean freight, energy, media buying, cleaning, and security).

**Iberia** consists of Brico Dépôt Spain and Brico Dépôt Portugal.

**Other International** consists of Iberia, Romania, 'Screwfix France & Other', and Turkey (Koçtaş JV). 'Screwfix France & Other' consists of the consolidated results of Screwfix France, NeedHelp, and results from franchise and wholesale agreements. On 18 July 2024, we completed a divestment of our c.80% equity interest in NeedHelp. On 2 May 2025 the Group completed the divestment of its 100% equity interest in Brico Dépôt Romania for proceeds of £53m. The Group recognised a £31m loss on disposal (included in adjusting items) as at H1. Please see note 5 and 17 of the condensed financial statements for more details (Section 6).

**SKU** (Stock Keeping Unit) is defined as the number of individual variants of products sold or remaining in stock. It is a distinct type of item for sale, such as a product and all attributes associated with the item type that distinguish it from others. These attributes could include, but are not limited to, manufacturer, description, material, size, colour, packaging and warranty terms.

**Trade colleague** refers to in-store customer advisor dedicated to supporting all professional customers in-store, often signposted as such (e.g. distinctive uniform, stationed in trade area).

**Trade customer** refers to someone who regularly purchases our products or services to improve physical spaces used or owned by others – unlike Home Improvers, who buy for the purpose of improving spaces they personally use.

**Trade sales partner** is a customer facing role dedicated to building strong, 1:1 relationships with a small number of high value / high potential value customers where there is a mutually beneficial opportunity to grow their engagement with our propositions. Typically at a local or regional level.

**UK & Ireland** consists of B&Q in the UK & Ireland and Screwfix in the UK & Ireland.