

**Kingfisher reports Q3 sales of £2.7 billion, +2.6% LFL and retail profit of £223 million, up 0.4% in constant currencies  
Softer market in France offsetting results in the UK**

**Q3 financial summary and highlights for the 13 weeks ended 31 October 2015:**

	<b>Sales<sup>1</sup></b>	<b>% Total Change</b>	<b>% Total Change</b>	<b>% LFL*</b>	<b>Retail Profit*</b>	<b>% Total Change</b>	<b>% Total Change</b>
	<b>2015/16</b>	<b>Reported</b>	<b>Constant</b>	<b>Constant</b>	<b>2015/16</b>	<b>Reported</b>	<b>Constant</b>
	<b>£m</b>		<b>currency</b>	<b>currency</b>	<b>£m</b>		<b>currency</b>
<b>France</b>	<b>990</b>	<b>(7.0)%</b>	<b>+1.5%</b>	<b>+0.1%</b>	<b>109</b>	<b>(15.7)%</b>	<b>(7.5)%</b>
- Castorama	539	(7.9)%	+0.5%	(0.2)%			
- Brico Dépôt	451	(5.9)%	+2.8%	+0.4%			
<b>UK &amp; Ireland</b>	<b>1,209</b>	<b>+5.4%</b>	<b>+5.5%</b>	<b>+4.6%</b>	<b>80</b>	<b>+14.2%</b>	<b>+14.1%</b>
- B&Q UK & Ireland	931	+1.0%	+1.2%	+2.4%			
- Screwfix	278	+23.4%	+23.4%	+13.3%			
<b>Other International</b>	<b>452</b>	<b>(11.1)%</b>	<b>+5.4%</b>	<b>+2.8%</b>	<b>34</b>	<b>(13.7)%</b>	<b>(0.6)%</b>
- Poland	267	(5.7)%	+3.4%	+3.5%	34	(9.3)%	(0.1)%
- Russia	85	(29.4)%	+13.7%	+8.0%	1	n/a	n/a
- Spain	67	(10.7)%	(2.8)%	(4.0)%	-	n/a	n/a
- Turkey JV	n/a	n/a	n/a	n/a	3	(2.3)%	+16.1%
- New Country Development*	33	n/a	n/a	n/a	(4)	n/a	n/a
<b>Total<sup>1</sup></b>	<b>2,651</b>	<b>(2.5)%</b>	<b>+4.0%</b>	<b>+2.6%</b>	<b>223</b>	<b>(6.6)%</b>	<b>+0.4%</b>

\*Throughout this release “\*” indicates first instance of a term defined in the glossary of the interim results

- Reported retail profit of £223m impacted by £17m adverse foreign exchange movements on the translation of non-sterling profits and around £5m of additional store development activity in France and Poland compared to last year
- Completion of this year’s £200m share buyback (56m shares)

**Véronique Laury, Chief Executive Officer, said:**

“Q3 trading conditions have followed a similar trend to the first half of the year, reflecting the more encouraging macroeconomic backdrop in the UK offset by a softer market in France.

“In the meantime, we continue to make good progress with our ‘ONE’ Kingfisher plan. The unified IT system, a key enabler of this journey, continues to progress well. In addition we have secured a further five agreements on the B&Q stores already planned for closure, taking the total to 31. I am very encouraged by development work on the first wave of the unified ‘core essential’ ranges, which will land in stores from next year. We now look forward to updating you on the detail of our long term strategy in early 2016.”

### Q3 Trading review by major geography:

All trading commentary is in constant currencies.

Data tables for Q3 2015/16 are available for download in excel format at

<http://www.kingfisher.com/index.asp?pageid=59>

#### **FRANCE**

- Total sales up 1.5% (+0.1% LFL) reflecting a continuing soft market
  - **Castorama** sales up 0.5% (-0.2% LFL). According to Banque de France data\*, sales for the home improvement market were broadly flat
  - **Brico Dépôt** sales up 2.8% (+0.4% LFL) impacted by the on-going slow house building market <sup>2</sup>
  - France gross margins down 30 basis points largely reflecting more price promotional activity. Cost growth reflects increased store development activity compared to last year

#### **UK & IRELAND**

- Total sales up 5.5% (+4.6% LFL) reflecting a stronger economy
  - **B&Q UK & Ireland's** sales up 1.2% (+2.4% LFL). Sales of outdoor seasonal and building products up 6.3%. Sales of indoor products, excluding showroom up 1.8%. Sales of showroom products up 0.4%
  - **Screwfix** sales up 23.4% (+13.3% LFL) driven by its leading omnichannel trade sales capability, new and extended trade ranges and 13 new outlets
- UK gross margins down 120 basis points reflecting mix effects from strong growth in Screwfix and higher sales of seasonal categories in B&Q. This was however offset by on-going cost initiatives at B&Q and the strong overall performance at Screwfix

#### **OTHER INTERNATIONAL**

- Total sales up 5.4% (+2.8% LFL) reflecting LFL growth in Poland and Russia
- Sales in **Poland** were up 3.4% (+3.5% LFL) benefiting mainly from new ranges. Gross margins were flat. Cost growth reflects increased store development activity compared to last year

<sup>1</sup> Excludes China (in current and prior years) due to Wumei Holdings Inc's controlling 70% stake, effected in April 2015

<sup>2</sup> New housing starts down 0.7% and planning applications up 2.3% for the 3 months July-September 2015

This announcement can be downloaded from [www.kingfisher.com](http://www.kingfisher.com) or viewed on the Kingfisher IR iPad App. We can be followed on twitter @kingfisherplc with the Q3 results tag #KGFQ3. Kingfisher American Depository Receipts are traded in the US on the OTCQX platform:(OTCQX: KGFHY) <http://www.otcmarkets.com/stock/KGFHY/quote>

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