Mr.Bricolage sa

PRESS RELEASE

1 September 2010

Strong earnings growth in first-half 2010

› **Turnover: €286.8 million (+6.4%)**
› **Operating profit: €17.8 million (+37.8%)**
› **Net profit, Group share: €7.7 million (+12.1%)**

In its meeting of 1 September 2010 the Board of Directors of Mr Bricolage SA approved the Group's audited interim statement of accounts.

In € millions (audited figures) **At current scope**	**30.06.10**	**30.06.09**	**Change**
Turnover	**286.8**	**269.5**	**+6.4%**
Operating profit (loss) [1]	**17.8**	**13.0**	**+37.8%**
Directly-owned stores	*(5.0)*	*(5.2)*	*+3.9%*
Network services	*23.4*	*18.7*	*+25.3%*
Ordinary operating profit (loss) [1/2]	**18.2**	**12.8**	**+42.9%**
Directly-owned stores	*(4.8)*	*(5.0)*	*+4.3%*
Network services	*23.6*	*18.3*	*+28.8%*
Profit before tax [1/3]	**15.6**	**10.8**	**+44.7%**
Share of profit (loss) of associates	(1.0)	0	NS
Net profit, Group share from continuing operations *as % of turnover*	**8.1** *2.8%*	**6.9** *2.6%*	**+17.5%**
Net profit (loss) from assets held for sale	(0.4)	0	NS
Net profit, Group share	**7.7**	**6.9**	**+12.1%**

(1) CVAE (a corporate tax based on the company's added value) is recorded in income tax: this had a positive impact of €1.1 million on operating profit, ordinary operating profit and profit before tax and no impact on net profit
(2) Operating profit excluding gains (losses) on disposals and non-recurring items
(3) Before share of profit (loss) of associates and income from assets held for sale

Sharp rise in operating profit: +37.8%
(+29.2% before reclassification of CVAE to income tax)

The strong growth in operating profit is primarily linked to the successful integration of the Briconautes group. Reclassification of CVAE (1) to tax contributed €1.1 million to operating profit for the half-year.

Operating profit from Directly-owned stores

The initial effects of initiatives implemented by the Group can be seen in the operating profit of Directly-owned stores, with an increase of 0.4 percentage points in the gross margin. The integration of five Briconautes stores had a negative impact of €0.5 million on operating profit, partially distorting the rise in operating profit.

At end-June 2010, there were 86 directly-owned stores in France: 81 operating under the Mr Bricolage name, with surface area of 347,890 m², and 5 operating under the Briconautes name, with surface area of 20,900 m².

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Surge in operating profit from Network services

Despite an 8.5% decline in turnover over the period, operating profit from Network services grew €4.7 million to €23.4 million. This 25.3% increase is mainly attributable to the €4.4 million contribution made by Le Club (Briconautes central unit). Operating profitability for this business accounted for 17.3% of turnover in the first half of 2010, compared with 13.4% in the first half of 2009.

Net profit, Group share up 12.1%

Net profit, Group share from continuing operations included a €1-million loss from the associates due to the severe slowdown in sales experienced in Bulgaria and pre-opening expenses in Serbia.
This item totalled €8.1 million (2.8% of turnover) compared with €6.9 million in the first half of 2009 (2.6% of turnover), an increase of 17.5% year on year.

Net profit, Group share amounted to €7.7 million compared with €6.9 million, after deduction of the net loss from assets held for sale.

Healthy financial structure

With equity of €213.8 million and Group net debt at 30 June 2010 totalling €197 million, the Group's financial structure is healthy. This situation does not take into account the property to be sold in the fourth quarter of 2010, proceeds from which will contribute to reducing debt.

2010 outlook: priority given to profitability

The Group anticipates a significant improvement in operating profit:

- In the second half Directly-owned stores should feel the full benefits of the initiatives underway, with an increase in turnover (on a like-for-like store basis) in line with that of the market;
- The synergies resulting from the acquisition of the Briconautes group, estimated at between €3.5 million and €4 million, make it possible to confirm the operating profitability target of 15% at least, for Network services.

The Mr Bricolage Group therefore confirms its positive outlook. The networks and brands will also be enhanced by:

- The transfer of 40 Catena stores to the Mr Bricolage brand at end-2010;
- The creation of a fitting/installation service which will be gradually rolled out across France (80 stores planned by end-2010);
- The launch in October 2010 of the "Design by Mr Bricolage" concept which will combine in-store displays and an internet site for the sale of design products.

ABOUT THE MR BRICOLAGE GROUP

The Mr Bricolage Group is the third largest DIY retailer (around 600 stores) in France, following its acquisition of the Briconautes Group, and is present in 10 other countries (51 stores). Operating over 1,600,000 m² under the Mr. Bricolage, Catena, Les Briconautes and Les Jardinautes brands, the Group also has 250 affiliates. With almost 12,000 employees, together the Group’s networks represent annual turnover, including tax, of €2.1 billion.

Next press release: Q3 2010 turnover
9 November, after market close

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