

# Mr.Bricolage SA

## H1 2013 Turnover

- **An exceptionally difficult start to the year for the DIY market**
  - › French market: -4.5%, cumulative value at end-June 2013 (source: Banque de France)
  - › Heavy impact of inclement weather on store-visit and projects
  - › Improvement in Q2 2013 business activity compared to Q1 2013
- **Resilience of networks: turnover of €1.1bn (incl. tax), as at 30<sup>th</sup> June 2013**
  - › Turnover (incl. tax) generated by Mr.Bricolage French networks: down 3.5% (on a like-for-like store basis)
  - › Turnover (incl. tax) generated by international networks: down 0.9% (on a like-for-like store basis)
- **Consolidated turnover as at 30<sup>th</sup> June 2013: €276.9m**
  - › Retail: reorganisation of Directly-owned stores business and development of e-commerce
  - › Network services: business level comparable to networks'

“The adverse weather conditions in France, the decline in consumer purchasing power and a negative comparison effect with early 2012 resulted, as we had anticipated, in a challenging first half. Nevertheless, we remain confident regarding the resilience of our networks, underpinned by the strategic projects undertaken (revamping of product selection, development of own-brand products, customer services, etc.). Against this background, while pushing forward with our overall cost-savings plan, we are entirely focused on our 2013 priorities: restructuring of Directly-owned Stores and the roll-out of web-to-store,” says Jean-François Boucher, Chairman and Managing Director of Mr. Bricolage SA.

## Change in consolidated turnover for H1 2013

Turnover (excl. tax) in €m	Q2 2013	% Change	30.06.2013	30.06.2012	% Change H1 2013/H1 2012
<b>Retail</b>	<b>101.6</b>	<b>+2.8 %</b>	<b>182.7</b>	<b>187.6</b>	<b>-2.6 %</b>
Directly owned store sales	95.5	-3.3 %	174.0	187.6	-7.3 %
Online sales <sup>(1)</sup>	6.1	-	8.7	-	-
<b>Network services</b>	<b>47.5</b>	<b>-2.3 %</b>	<b>94.2</b>	<b>100.2 <sup>(2)</sup></b>	<b>-6.0 %</b>
<b>Total consolidated turnover</b>	<b>149.1</b>	<b>+1.1 %</b>	<b>276.9</b>	<b>287.8 <sup>(2)</sup></b>	<b>-3.8 %</b>

(1) Le Jardin de Catherine, which operates the e-commerce websites le-jardin-de-catherine.com, la-maison-de-catherine.com and mr-bricolage.fr, was consolidated as of 1<sup>st</sup> September 2012.

(2) Adjusted 2012 consolidated turnover (see 'Network Services Business for details).

As at 30th June 2013, Mr Bricolage SA posted consolidated turnover of €276.9m compared with €287.8m <sup>(2)</sup> for H1 2012. Business was adversely affected by the declining market, mainly attributable to the inclement weather experienced during that period. Q2 consolidated turnover rose 1.1% to €149.1m and was driven by the development of online sales.

**'Retail' business: €182.7m in turnover as at 30<sup>th</sup> June 2013****Change in turnover of Directly owned stores**

<i>Turnover (excl. tax) in €m</i>	<b>30.06.13</b>	<b>Change (total-store basis)</b>	<b>Change (like-for-like store basis)</b>	<b>Number of stores as at 30/06/2013</b>
Q2 2013 turnover	95.5	- 3.3%	- 2.5%	
<b>Total H1 turnover</b>	<b>174.0</b>	<b>-7.3%</b>	<b>-6.0%</b>	<b>84</b>

Business was down in this half by 6.0% for Directly owned stores on a like-for-like store basis and by 7.3% on a total store basis due to changes in the scope of consolidation.

In Q2, the decline in turnover on a like-for-like store basis was only 2.5% (against 9.7% for Q1).

In keeping with plans to streamline operations, the Group began restructuring Directly owned stores, which resulted in the following in H1:

- The disposal of the Saumur store in Q1, for its relaunch under the *L'Entrepôt Du Bricolage* brand, and the closure of the Querqueville store on 16<sup>th</sup> May 2013 for disposal in 2014;
- The permanent closure of the Eu store following a fire at end-2012;
- Approval of a program of store closures scheduled for end-August 2013 featuring a job protection plan for the Verdun, Quimper and Tollevast stores, as well as a partial job protection plan for the Perpignan store.

All these restructuring measures generated a non-recurring cost of €4.0m in H1 and should produce a full-year operational gain of around €1.5m.

**€8.7m in turnover generated by Online sales**

E-commerce developed significantly in H1. As at 30<sup>th</sup> June 2013, 263 local online sites were rolled out (for a total target of 275 units), actualizing the Group's commercial and technological investments.

As at 30<sup>th</sup> June 2013, sales generated by *Le Jardin de Catherine*, *La Maison de Catherine* and the national *mr-bricolage.fr* websites stood at €8.7m, of which, €6.1m was posted in Q2.

**'Network services' business: €94.2m in turnover posted as at 30<sup>th</sup> June 2013****Changes in turnover generated by Networks services business**

<i>Turnover (excl. tax) in €m</i>	<b>Q2 2013</b>	<b>% Change</b>	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>% Change H1 2013/H1 2012</b>
Sale of goods	28.6	-3.1%	58.0	62.5	-7.2%
Sale of services	18.9	-1.1%	36.2	37.7 <sup>(2)</sup>	-4.0%
<b>Total turnover for Network services</b>	<b>47.5</b>	<b>-2.3 %</b>	<b>94.2</b>	<b>100.2 <sup>(2)</sup></b>	<b>-6.0%</b>

The 'Network services' business fell 6.0% in H1 reflecting the principal changes experienced by the networks:

- **Sales of goods to member stores: €58.0m**, representing a 7.2% decline. This is due mainly to the sale of outdoor products, which were impacted by the weather.
- **Sales of services to referenced suppliers and member stores: €36.2m**, down 4.0%<sup>(2)</sup> compared to H1 2012<sup>(2)</sup>, reflecting the changes in turnover and in volumes purchased by the networks.

(2) Consolidated turnover generated by the sales of services by the Network Services business in 2012 adjusted for changes in turnover estimates for inter-sector suppliers on 31.12.2012 (with no impact on results):

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Total 2012
Adjusted turnover	17.3	19.1	17.8	15.9	71.5
Variance vs reported	0.0	-0.9	-0.6	1.5	0.0

### Acceleration of net debt reduction : down €30m

At 30<sup>th</sup> June 2013, the Group's net debt stood at €126.0m compared to €156.6m for 30<sup>th</sup> June 2012 (based on unaudited figures), representing a reduction in debt of approximately €30m.

### Resilience of networks: 890 stores and €1.1bn in turnover (incl. tax) as at 30th June 2013

#### Changes in network turnover

Turnover (incl. tax) in €m	30.06.2013	Change (total-store basis)	Change (like-for-like store basis) <sup>(5)</sup>	Number of stores
<b>In-store sales</b>	<b>1 090.0</b>	<b>-3.5 %</b>	<b>-3.4 %</b>	<b>890</b>
Of which France <sup>(3)</sup>	990.1	-4.1%	-3.6 %	825
Of which International <sup>(4)</sup>	99.9	+2.5%	- 0.9%	65
<b>E-commerce</b>	<b>11.3</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total turnover (incl. tax) of networks</b>	<b>1 101.3</b>	<b>-2.5 %</b>	<b>-3.4 %</b>	<b>890</b>

In **France**, the Mr.Bricolage branded network held up well, with turnover only down 3.5% on a like-for-like store basis, whereas the Les Briconautes branded network saw a decline of 10.5%<sup>(6)</sup> on a like-for-like store basis.

Business in France benefited from the development of the Group's new offerings. **L'Entrepôt Du Bricolage** (€8.0m in turnover in H1 2013) now operates 4 stores, with the fourth opened on 20<sup>th</sup> June in Saumur. Meanwhile, **e-commerce** ramped up: online sales generated by the national website mr-bricolage.fr amounted 0.5% of total turnover (incl. tax), realised by Mr.Bricolage's French network in Q2 (compared to 0.2% in Q1).

**International operations** grew by 2.5% on a total-store basis and were stable (-0.9%) on a like-for-like store basis. This positive change is attributable mainly to higher sales in Belgium on a total store basis (3.9%) resulting from store openings (3 in 2012 and 1 in 2013). However, business in Eastern European countries fell 3.7% on a total store basis, taking into account closures in Serbia and Bulgaria.

(3) Of which, 387 Mr.Bricolage stores, 4 L'Entrepôt Du Bricolage stores, 142 Les Briconautes stores and 292 unbranded affiliated stores

(4) 10 countries: Andorra (1 store), Belgium (39), Eastern Europe (15), Morocco (4), Mauritius (2), Madagascar (2) and Uruguay (2)

(5) Changes calculated on the basis of all Mr.Bricolage stores, a set of 78 Les Briconautes stores and 24 affiliates

(6) Changes calculated on the basis of a set of 78 Les Briconautes stores

## Outlook

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Given these recent changes, the Mr Bricolage Group forecasts EBIT of around €9m for H1 2013. And, in light of trends observed over the first weeks of July, the Group remains confident and determined to implement its strategy during H2.

The Group will present its half yearly results in detail and comment on its outlook in its next press release on 10<sup>th</sup> September 2013 at market close.

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## About Mr Bricolage Group (as at 30 June 2013)

Mr Bricolage is France's no. 1 local DIY retailer (825 branded or affiliated stores) and has 65 stores in ten other countries. The group operates under the Mr.Bricolage, Les Briconautes and L'Entrepôt Du Bricolage brands and also through some 300 affiliates.

With nearly 12,000 employees, the Group's networks represent total annual turnover including tax of over €2.3 billion. In July 2012, the Group acquired Le Jardin de Catherine, the company that runs the le-jardin-de-catherine.com and la-maison-de-catherine.com websites. The Group is currently also rolling out a cross-channel strategy via its e-commerce website, [www.mr-bricolage.fr](http://www.mr-bricolage.fr), launched at end-2012.

## Contacts

- **Head of Financial Communications:**
  - › Eve Jondeau - + 33 (0)2 38 43 21 88 - [eve.jondeau@mrbricolage.fr](mailto:eve.jondeau@mrbricolage.fr)
  
- **Financial Communications – Actifin:**
  - › Nicolas Meunier - +33 (0)1 56 88 11 11 - [nmeunier@actifin.fr](mailto:nmeunier@actifin.fr)
  - › Charlène Masson - +33 (0)1 56 88 11 11 - [cmasson@actifin.fr](mailto:cmasson@actifin.fr)

**For all of the Group's financial information please visit  
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