

EMBARGOED UNTIL 0700 HOURS
Thursday 21 February 2008

Kingfisher plc
Trading update for the fourth quarter ended 2 February 2008

Group Financial Summary

	2007/08 £m	2006/07 £m	% Total Change (Reported) (1)	% Total Change (Constant currency)	% LFL Change
Retail Sales (1)					
UK (2)	989 13 weeks	1,043 14 weeks	(5.1)% 13 vs 14 weeks	2.5% 13 vs 13 weeks	(1.9)%
France (3)	754	660	14.1%	4.3%	1.1%
Rest of Europe (4)	315	248	27.0%	14.3%	4.4%
Asia (5)	122	132	(7.5)%	(6.4)%	(7.5)%
International	1,191	1,040	14.4%	5.4%	0.9%
Total	2,180	2,083	4.6%	4.0%	(0.5)%

1) For the UK businesses, the fourth quarter reported total sales figures for the 13 weeks ended 2 February 2008 (2006/07: 14 weeks ended 3 February 2007). Outside the UK, figures are on a calendar month basis.

2) B&Q, Screwfix and Trade Depot.

3) Castorama and Brico Dépôt.

4) Rest of Europe includes sales for Poland, Italy, Spain, Ireland and Russia. Sales from Turkey JV and Hornbach in Germany are not consolidated.

5) China only as Taiwan JV sales are not consolidated. South Korea included in comparatives only.

Q4 Highlights (all figures in constant currency)

- Group total sales up 4.0% (13 week basis), like for like sales (LFL) down 0.5%.
- B&Q UK total sales up 0.2% (13 week basis), down 1.7% LFL with underlying gross margin rate slightly up before range review clearance activity. A further eight large stores were revamped and new power tool, shelving and storage ranges successfully launched;
- French sales up 4.3% (+1.1% LFL), gross margins benefiting from continued own-brand penetration and strong sales;
- Rest of Europe sales up 14.3% (+4.4% LFL), boosted by a strong end to the year in Poland (+12.1% LFL) against tough comparatives;
- Asia sales down 6.4% (-7.5% LFL) reflecting the continued impact of the slowdown of new apartment sales in the major Chinese markets and changing supplier regulations.

Full Year

- Kingfisher expects to announce on 27 March 2008 full year adjusted profit before tax in line with the current consensus of analyst expectations;
- Reported net debt is expected to be £1.6 billion, slightly higher than previous guidance due to the effect of exchange rates on around 1.1 billion of euro issued debt.

Ian Cheshire, Group Chief Executive, said:

“Kingfisher’s international businesses, which account for more than half of Group sales, continued to grow, with Castorama in France and Poland performing particularly strongly. Continuing this momentum will be our key international priority next year, along with addressing our performance in China.

“In the UK, we made good progress in a challenging market and B&Q finished the year in better shape after the biggest year of change in its history. By focusing on improving product choice, store environment and service for customers, B&Q now has a stronger platform to face what is expected to be a tougher consumer environment.

“Kingfisher has leading retail brands in attractive markets around the world. I believe that, with the right management team clearly focused on driving higher earnings and better capital efficiency, we can improve returns and deliver a real step-change in shareholder value.”

UK

Q4 Retail Sales £m	2007/08	2006/07	Reported % Change (13 vs 14 weeks)	Reported % Change (13 vs 13 weeks)	% LFL Change
	13 weeks	14 weeks			
UK	989	1,043	(5.1)%	2.5%	(1.9)%

UK includes B&Q in the UK, Screwfix and Trade Depot.

Due to the 53rd week in UK reporting for 2006/07, the 13 week Reported Change % above compares 13 weeks ended 2 February 2008 with 13 weeks ended 27 January 2007. On this basis B&Q LFL was -1.4%. However, for better alignment, the actual reported change in LFL sales of -1.7% compares 13 weeks ended 2 February 2008 to 13 weeks ended 3 February 2007.

B&Q total reported sales were £874 million, up 0.2% on a 13 week basis (-1.7% LFL), reflecting a tougher retail environment, offset by good sales growth from revamped large stores, with new decorative, bedroom and flooring ranges performing particularly well. Before the Q4 impact of range review clearance activity of £4 million, the underlying gross margin rate slightly improved, reflecting less promotional activity in the quarter than the previous year and stronger sales of new ranges within higher margin categories.

Results from the new format large stores continued to be encouraging. A further eight revamps were completed in the quarter, taking the total number of new format stores trading to 39, with the next phase of six revamps already underway.

Screwfix total reported sales were £110 million, up 24.0% on a 13 week basis, driven by an expanded catalogue and the continued roll-out of the new trade counters, providing customers with immediate product availability. An additional 13 outlets opened during the quarter, taking the total to 93.

FRANCE

Q4 Retail sales £m	2007/08	2006/07	% Change (Reported)	% Change (Constant)	% LFL Change
France	754	660	14.1%	4.3%	1.1%

*France includes Castorama and Brico Dépôt.
All percentage increases below are in constant currencies.*

In France, Kingfisher's total sales grew 4.3% to £754 million (+1.1% LFL). Banque de France data shows that comparable DIY store sales* declined by around 0.5%, however on the same basis Kingfisher's businesses delivered comparable sales growth of +1.5%. Gross margins are expected to have improved during the quarter due to higher own-brand sales penetration and an improved sales mix across both businesses.

**Banque de France data including relocated and extended stores*

Castorama total sales grew by 2.7% to £395 million (+3.0% LFL, +3.8% on a comparable store basis) with bathroom, flooring, lighting and paint ranges performing well. Stores in the modern format (representing 42% of store space) continued to outperform. In 2008/09 the Castorama store development programme will accelerate, with eight revamps and two relocations scheduled for the first half of the year.

Brico Dépôt sales grew 6.1% to £359 million (-1.1% LFL against a strong comparative of 8.5%) with eight more stores compared with the same quarter last year, impacted by internal cannibalisation of 1.4%.

REST OF EUROPE

Q4 Retail sales £m	2007/08	2006/07	% Change (Reported)	% Change (Constant)	% LFL Change
Rest of Europe	315	248	27.0%	14.3%	4.4%

*Rest of Europe includes Poland, Italy, Spain, Ireland, Russia, Turkey JV and Hornbach in Germany.
Joint Venture and Associate sales are not consolidated.
All percentage increases below are in constant currencies.*

Rest of Europe sales increased 14.3% to £315 million (+4.4% LFL against a very strong two year comparative in Poland of 12.5%), with 12 more stores trading compared with the same period last year.

Sales for Castorama and Brico Dépôt in **Poland** grew 19.5% to £178 million (+12.1% LFL), boosted by strong consumer spending in a buoyant construction market and favourable weather. Castorama **Italy** sales declined 5.9% to £71 million (-9.1% LFL) in a continuing weak retail market.

Underlying trading at Brico Dépôt **Spain** and Castorama **Russia** continued to be encouraging and Koçtaş in **Turkey**, a 50% joint venture, continued to perform well. Although sales are not consolidated from Hornbach (21% economic interest), the contribution to retail profit for the full year is expected to be weaker than last year in a difficult German market.

During Q4, eight stores opened: three in Poland, three in Turkey, and one each in Russia and Spain.

ASIA

Q4 Retail sales £m	2007/08	2006/07	% Change (Reported)	% Change (Constant)	% LFL Change
Asia	122	132	(7.5)%	(6.4)%	(7.5)%

Asia includes China only. B&Q Taiwan JV sales are not consolidated. South Korea included in comparatives only. All percentage increases below are in constant currencies.

B&Q China sales declined 3.4% to £122 million (-7.5% LFL), impacted by the new regulations covering trading terms between retailers and suppliers and a continuing slowdown of new apartment sales in the major Chinese markets. These have declined by around 10% compared to the same period last year. Four more stores were trading compared with the same quarter last year. Two new stores opened during the quarter, taking the total to 62.

As previously announced, **B&Q Taiwan** was sold to its 50% joint venture partner on 4 January 2008.

For the year ended 2 February 2008

Retail Sales £m (1)	2007/08	2006/07	% Change (Reported) (1)	% Change (Constant currency)	% LFL Change
UK (2)	4,395 52 weeks	4,262 53 weeks	3.1% 52 vs 53 weeks	5.1% 52 vs 52 weeks	0.4%
France (3)	3,224	2,955	9.1%	7.2%	2.6%
Rest of Europe (4)	1,273	1,002	27.0%	22.8%	12.2%
Asia (5)	472	457	3.4%	7.0%	(0.1)%
International	4,969	4,414	12.5%	10.8%	4.6%
Total	9,364	8,676	7.9%	8.0%	2.6%

2007/08 £1 = 1.4472 euro 2006/07 £1 = 1.4720 euro

- 1) For the UK businesses, reported total sales figures are for the 52 weeks ended 2 February 2008 (2006/07: 53 weeks ended 3 February 2007). Outside the UK, figures are on a calendar month basis.
- 2) B&Q, Screwfix and Trade Depot.
- 3) Castorama and Brico Dépôt.
- 4) Rest of Europe includes sales for Poland, Italy, Spain, Ireland and Russia. Sales from Turkey JV and Hornbach in Germany are not consolidated.
- 5) China and South Korea. Taiwan JV sales not consolidated.

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Copies of this announcement are available at www.kingfisher.com, or from: The Company Secretary, Kingfisher plc, 3 Sheldon Square, London, W2 6PX.

Kingfisher plc is Europe's leading home improvement retail group and the third largest in the world, with 780 stores in nine countries in Europe and Asia. Its main retail brands are B&Q, Castorama, Brico Dépôt and Screwfix. Kingfisher also has a 21% interest in, and strategic alliance with, Hornbach, Germany's leading DIY Warehouse retailer, with over 120 stores in Germany and eight other European countries.