

30 January 2009

Kingfisher plc completes sale of Castorama Italy for €615 million

Kingfisher plc, Europe's leading home improvement retailer, today announces that it has completed the sale of its Castorama Italy business to Leroy Merlin Italy for total cash proceeds of €615 million (£559¹ million), including an adjustment for profit generated between 1 July 2008 and completion. The funds have been received. As announced on 1 August, the proceeds will be used to reduce Kingfisher's net debt.

Commenting on the completion of the sale, Ian Cheshire, Kingfisher's Group Chief Executive, said: "I am delighted that we have completed this transaction, which enables us to reduce net debt by more than €600 million at a time when a strong balance sheet is so important. The sale is consistent with Kingfisher's aim of delivering value for shareholders."

"I would like to thank all our colleagues at Castorama Italy for their hard work and commitment over the years and wish the business continued success under its new owners."

¹ Using an exchange rate of £1 = 1.11 euro.

Notes to editors

Kingfisher plc is Europe's leading home improvement retail group and the third largest in the world, with over 800 stores in eight 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 large format DIY retailer.

Leroy Merlin Italy is part of Groupe Adeo, the privately owned French home improvement retailer with operations in nine countries. Its main brands include Leroy Merlin, BricoCenter and Bricoman.

Kingfisher has a seven point strategy for driving a step-change in shareholder value. These are:

1. Driving up B&Q's profit
2. Exploiting our UK Trade opportunity
3. Expanding our total French business
4. Rolling out in Eastern Europe
5. Turning around B&Q China
6. Growing Group sourcing

7. Reducing working capital

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