



Group of 794 stores in 12 countries (volume of business of €2.14 billion in 2016)

2016 business⁽¹⁾

Financial year focused on the launch and first step of the REBOND strategic plan

Orléans (France), 15 February 2017

- **Consolidated turnover: €523.6 million (-1.1%)**
- **Debt reduction continues: -€12.2 million over the year**
- **Outperformance by Mr. Bricolage brand stores in France⁽²⁾**

Mr. Bricolage SA, which groups local independent home improvement, decoration and gardening stores, is reporting consolidated turnover of €523.6 million for 2016.

“Over the past year, we focused primarily on putting in place the REBOND strategic plan. It will be decisive for our future together and will establish new dynamics within the Group and its network of members-entrepreneurs. Since it was launched on 16 November last year, all our teams were committed, with support from our members, to the going back to basics phase before deploying our strategic plan from June 2017. We have already successfully completed our first steps to prepare for the renewal of our offering, while accelerating our digital transformation and optimizing our organization”, explains Christophe Mistou, Mr. Bricolage's CEO.

First step of the REBOND plan: going back to basics

With its REBOND strategic plan, Mr. Bricolage is returning to the business model that has been the foundation for its success since 1964, refocusing on its Network services business in order to drive new dynamics within the Group and its network of members-entrepreneurs.

In the second half of 2016, Mr. Bricolage launched the first step of REBOND: going back to basics. This step to prepare for the plan's deployment from June 2017 is focused on:

- Rationalizing the offering,
- Going back to e-commerce basics and strengthening the customer experience team,
- Rolling out the standardization of information systems,
- Resizing the network of directly-owned stores.

(1) Based on unaudited figures.

(2) Outperformance by 0.9 points for the Mr. Bricolage brand on a like-for-like store basis in France compared with the Banque de France index for DIY superstores market, which was down 0.3% year-on-year at end-December 2016.

To support the REBOND strategic plan's implementation, **Christophe Mistou**, CEO, has further strengthened the Management Committee by recruiting three executives:

Philippe Cibois has been appointed Director Concept and Development. Previously Director Group Merchandising at Kingfisher, he brings extensive experience of both merchandising and commercial concepts, which he will capitalize on to further strengthen Mr. Bricolage's performance potential over the short term, while accelerating the network development plan in France and internationally.

Chantal Guilmain has been appointed Director Digital and Customer Experience. Previously Director Product Development at Kingfisher, her track record also includes a successful spell as Director Customer Marketing at Castorama France, launching its cross-channel customer marketing strategy and creating a centralized customer service team. She is in charge of Mr. Bricolage's digital transformation, targeting an outstanding customer experience.

Jean-François Lacour, previously Director Commercial Development with the Lapeyre Group, in charge of 136 stores, has been appointed Director Networks. He will be responsible for overseeing both the networks of directly-owned and member stores, establishing a dynamic and coherent regional approach that will capitalize on the core values that have guided Mr. Bricolage from the outset: entrepreneurial spirit, local connections and customer proximity.

2016 consolidated turnover

<i>in € million</i>	31 Dec 2016	31 Dec 2015	Annual change	H2 2016	H2 change
Retail turnover	344.4	343.4	+ 0.3%	172.0	+ 2.8%
Sales in directly-owned stores	331.7	332.7	- 0.3%	166.9	+ 2.5%
Online sales ^(a)	12.6	10.7	+ 18.4%	5.1	+ 14.2%
Network services turnover	179.2	186.1	- 3.7%	81.3	- 7.8%
Sales of goods	115.8	117.7	- 1.6%	51.7	- 5.5%
Sales of services	63.4	68.4	- 7.3%	29.5	- 11.7%
Consolidated turnover	523.6	529.5	- 1.1%	253.3	- 0.9%

In € million

Net financial debt	66.6^(b)	78.7	- 12.2
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(a) The "online sales" item includes home delivery sales only. Online sales with 2-hour collection through the 252 local sites are included in the turnover of the stores concerned.

(b) The net financial debt at 31 December 2016 takes account of the payments of the acquisition of the Thouars and Arles stores for €6.7 million and the reclassification of net financial debt under operations held for sale for €0.7 million concerning the Laroque-des-Albères store.

Retail business

– Directly-owned stores

At 31 December 2016, the directly owned-stores network has a total of 87 shops in France, with 83 Mr. Bricolage brand stores (4,400 sq.m on average) and 4 Les Briconautes brand stores (2,400 sq.m on average).

The plan to resize the network, announced on 16 November 2016, aims to accelerate the divestment of directly-owned stores to members-entrepreneurs. There are plans for:

- Around 30 stores to be divested in "as is" condition by the end of 2018;

- Around 30 stores to be divested subsequently requiring business revitalization investments (including €13 million for 2017);
- Proposed closure of 17 stores in critical situations by the end of 2017.

In addition to stock clearance in the 17 stores proposed for closure, Mr. Bricolage has launched a massive stock clearance action plan at all its directly-owned stores targeting products with very slow turnover rates⁽³⁾ in order to welcome the new product range.

Launched at the end of 2016, the selection of potential members for acquiring directly-owned stores has started to make concrete progress, with the divest on 10 January 2017 of the Laroque-des-Albères Les Briconautes store (Pyrénées-Orientales), which will switch to the Mr. Bricolage brand in March 2017.

The acquisitions of two stores conducted during the first half of the year and the stock clearance operations contributed to consolidated turnover for directly-owned stores over the second half of 2016. For the financial year, it came to €331.7 million (-0.3% on a total-store basis and -2.7% on a like-for-like store basis).

– E-commerce

In the second half of 2016, Mr. Bricolage launched its initiative to go back to e-commerce basics, with a stronger customer experience team, preparations to overhaul mr-bricolage.fr and the repositioning of the le-jardin-de-catherine.com range.

Over the year, the national websites (mr-bricolage.fr, le-jardin-de-catherine.com, la-maison-de-catherine.com) increased their visitor levels from 2.6 to 2.8 million unique visitors per month on average, with their home delivery sales up 18.4% to €12.6 million.

Network services business

The Network services business recorded €179.2 million in turnover for financial year 2016. This 3.7% contraction reflects the lower volume of business and purchases linked in particular to affiliate stores departure in the second half of 2016, as well as the specific non-recurring billings recorded in connection with Mr. Bricolage's 35th anniversary, celebrated in the first half of 2015.

The stronger integration of members-entrepreneurs within the Group's decision-making process through specialized commissions and committees has notably made it possible to explore the first possibilities to redefine the offering in terms of product ranges and pricing, regardless of the channel, promotional strategy or store format.

Debt reduction continues

Thanks to more efficient management of purchasing and a strong stock clearance policy targeting products with very slow turnover rates, stock levels for directly-owned stores were able to be reduced by nearly 9%. This change helped to reduce working capital requirement by €12.5 million over the financial year 2016. The Group's net debt was down €12.2 million to €66.6 million⁽⁴⁾ at 31 December 2016. Over the last three years, the Group has reduced its debt by a total of €51.7 million.

(3) Products with very slow turnover rates are products selling less than two units in the year.

(4) Net financial debt at 31 December 2016 takes into account payments made for the acquisition of the Thouars and Arles stores for €6.7 million and the reclassification of net financial debt under operations held for sale for €0.7 million concerning the Laroque-des-Albères store.

REBOND plan's impact on 2016 results

As announced, the provisions, net of tax, linked to the redefinition of the commercial offering and the resizing of the directly-owned store network, are estimated at around €65 million. They will impact consolidated results for 2016.

Networks business

<i>Tax-inclusive volume of business in € million</i>	H2 2016 Change (like-for-like store basis) vs H2 2015	31 Dec 2016	Change (total store basis)	Change (like-for-like store basis) ^(c)	Number of stores
In-store sales	+ 0.6%	2,125.3	- 1.0%	+ 0.1%	794
France ^(a)	+ 0.7%	1,889.6	- 0.7%	+ 0.4%	723
International ^(b)	- 0.1%	235.7	- 2.8%	- 2.1%	71
Online sales^(d)	+ 21.6%	16.8	+ 23.4%	+ 23.4%	-
Total	+ 0.7%	2,142.1	- 0.8%	+ 0.3%	794

(a) With 342 Mr. Bricolage brand stores, 116 Les Briconautes brand stores and 265 affiliate stores under independent brands

(b) 71 Mr. Bricolage brand stores operating in 11 countries: Andorra (1), Belgium (46), Bulgaria (11), Cyprus (1), Colombia (1), Macedonia (1), Madagascar (1), Morocco (4), Mauritius (2), Romania (1) and Uruguay (2).

(c) Changes calculated on the basis of all the Mr. Bricolage stores, a panel comprising 57 Les Briconautes stores and 19 affiliates.

(d) The "online sales" item includes home delivery sales and sales collected from Mr. Bricolage store collection points.

Networks: 794 stores in France and internationally (Mr. Bricolage brand, Les Briconautes brand and affiliate stores)

– France

In a home improvement superstores market that contracted 0.3% in 2016⁽⁵⁾, the total volume of business for the brands and affiliate store networks is up 0.4%. On a like-for-like store basis, Mr. Bricolage members are continuing to outperform the market, with 1.1% growth in their turnover.

In 2016, Mr. Bricolage brand opened five stores and extended a further five, while Les Briconautes brand completed three openings.

The online sales business (home delivery sales and sales collected from Mr. Bricolage network collection points) is benefiting from the first actions rolled out to optimize the customer experience and enhance the offering. It is up 23.4% to €16.8 million for 2016.

– International

At 31 December 2016, the international network had 71 Mr. Bricolage brand stores in 11 countries.

In Belgium, the leading country with 46 stores generating 55% of the total business volume, the brand returned to growth in the second half of the year, limiting the full-year drop to 1.9%. In 2016, the network performed one opening and three extensions.

(5) On a like-for-like store basis, Banque de France DIY superstores market index down 0.3% year-on-year at end-December 2016.

In Bulgaria, the second-ranked country with 11 stores generating 12% of the total business volume, the brand closed out the year with 0.4% growth in business.

Following the closure of two stores in Romania and Madagascar in the fourth quarter, the international business volume came to €235.7 million at 31 December 2016.

The Group will publish its annual results on 15 March 2017 after the stock market closes.

About the Mr. Bricolage Group *(figures as at 31 December 2016)*

The Mr. Bricolage Group, which develops the well-known brands Mr. Bricolage and Les Briconautes, is a French specialist in DIY local independent retail with 723 outlets operating under the brands or through affiliates. Internationally, the Group is present in 11 other countries with 71 stores.

Mr. Bricolage SA (MRB FR0004034320) is listed in compartment C of Euronext Paris and is part of the Euronext PEA-PME 150 and CAC All Shares indices.

Mr. Bricolage SA is eligible for French PEA-PME savings plans.



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