PRESS RELEASE

UPDATE ON BUSINESS AND TURNOVER IN 2018

Orléans, 28 February 2019 – Mr.Bricolage SA, which groups together local independent home improvement and gardening stores, is releasing its fourth-quarter and full-year turnover for 2018[1]. The Group has continued rolling out the REBOND plan around three priority areas: developing its network, modernizing its product selection and accelerating the transformation of its organization.

- **At 31 December 2018, the Mr.Bricolage Group comprised a network of 764 stores:**
  - 317 owned by members-entrepreneurs (248 in France and 69 in other countries);
  - 382 Briconautes brand and affiliate stores;
  - 65 directly-owned stores, which are currently subject to a divestment plan, as presented below.

- **Driven by the dynamic transformation process and the efforts made to develop the brand's appeal, the Mr.Bricolage network has resumed its growth: the net balance shows an additional nine stores in 2018**. Excluding the volumes of business for the directly-owned stores, the volume of business for the member and affiliate networks is up +1.3% on a like-for-like store basis *(see Note (c) in paragraph II).*

- The Group's realignment around its longstanding core business for network services is delivering benefits. Total consolidated turnover (€456.7m) is down 6.0%, linked to the resizing of the network and the underperformance by the directly-owned stores, masking the good performances achieved by the network and affiliates. **Consolidated turnover for the Network Services business shows year-on-year growth of 7.7% for 2018,** thanks in particular to the combined impact of the range changes, the development of the own-brand "Inventiv" and the opening up of the warehouses to the Briconautes and affiliate networks.

- **The talks with the financial partners are continuing to move forward, with the ultimate objective to adapt Mr.Bricolage's financing structure in line with the Group's configuration following the implementation of the divestment plan announced on 13 December 2018.** For reference, this plan covers the entire network of directly-owned stores and will enable the Group to realign itself around the development of its member and affiliate network. **For certain stores, buyers have already contacted the executive leadership team, which is looking in priority to find an adapted solution for each point of sale. The first proposed divestments are currently being presented to the employee representative bodies**. Mr.Bricolage will present a more general update on progress with the divestment plan before the end of April 2019, when it will also communicate on the schedule for the close of accounts for 2018.

[1] Turnover reviewed by the Mr.Bricolage Group's Board of Directors on 27 February 2019.

I - BUSINESS AND TURNOVER

In 2018, the Group's realignment around its Network Services business was confirmed and accelerated (+7.7% of turnover in 2018, +1.7% of turnover in 2017), with sustained growth throughout the year. The Group has continued to renew its product selection, modernize its systems and optimize the resources available to the network, in line with the objectives from the REBOND plan.

The development of the Retail business (-14.2% of turnover on a total-store basis and -2.4% of turnover on a like-for-like store basis) reflects the resizing of the network of directly-owned stores (REBOND plan) against a backdrop of continued underperformance by these stores. In view of this, on 13 December 2018, the Group presented a proposal to accelerate the divestment plan for all of its directly-owned stores, carried out in priority with members of its network. With this realignment around its longstanding Network Services business, Mr.Bricolage is reaffirming the relevance of the model that has been the foundation for the brand's success from the outset: the combination of the performance of a network of stores owned by members-entrepreneurs and the strength of a central purchasing unit and competitive services, fully focused on supporting its network's stores.

CONSOLIDATED TURNOVER €m, unaudited	**31 Dec 2018** *(12 months)*	**31 Dec 2017** *(12 months)*	**Change**	**Q4 2018** *(3 months)*	**Change**
Retail turnover	**260.4**	**303.5**	**-14.2%**	**56.9**	**-1.6%**
Directly-owned store sales	252.1	296.2	-14.9%	55.9	-1.0%
Online sales	8.3	7.3	+12.8%	1.0	-25.3%
Network Services turnover	**196.3**	**182.2**	**+7.7%**	**43.4**	**+7.2%**
Sales of goods	133.8	118.1	+13.3%	28.9	+6.2%
Sales of services	62.5	64.1	-2.5%	14.5	+9.2%
Total consolidated turnover	**456.7**	**485.7**	**-6.0%**	**100.3**	**+2.0%**
Net debt	**103.6**	**72.5**	**+42.9%**		

1. Network Services business

At 31 December 2018, *Network Services* turnover is up +7.7% to €196.3m. The €15.7m (+13.3%) increase in sales of goods was driven by the range changes, the development of the own-brand "Inventiv" and the opening up of the warehouses to the Briconautes and affiliate points of sale. The €1.6m (-2.5%) decline in services, linked to the volumes of business and purchases, is attributable to the resizing of the store network.

2. Retail business

In a home improvement superstore market that contracted 0.4% over the year(2), full-year Retail turnover for 2018 came to €260.4m (-2.4% on a like-for-like store basis; -14.2% on a total-store basis), taking into account:

- 15 closures and 10 stores divested in 2017 and two divestments at the start of January 2018 (total impact of -12.8 points);
- The underperformance by the directly-owned stores (-2.4% on a like-for-like store basis over 12 months), despite the gradual improvement of the five new-concept directly-owned stores opened in 2018;
- The "gilets jaunes" movement, which significantly affected several stores (turnover down 7.2% in December for the directly-owned stores on a like-for-like store basis).

[2] Source: Banque de France, 12 months to end-December 2018, on a like-for-like basis.

3. Net debt

At 31 December, the Group's net debt came to €103.6m, taking into account €13.7m of cash (excluding undrawn overdrafts), reflecting the impact of the measures rolled out to adjust working capital requirements and optimize the Group's cash position. The talks with the financial partners are continuing to move forward, looking to adapt Mr.Bricolage's financing structure in line with the Group's configuration following the implementation of the divestment plan announced on 13 December 2018.

II - NETWORKS

In 2018, the volume of business for the networks benefited from the solid performances achieved by members and affiliates and the growth drivers developed on international markets. Excluding the volumes of business for the directly-owned stores, the member and affiliate network recorded +1.3% growth on a like-for-like store basis *(see Note (c) in the section below)*. **Driven by the dynamic transformation process and the efforts made to develop the brand's appeal, the Mr.Bricolage network has resumed its growth: the net balance shows an additional nine stores in 2018.**

Volume of business incl. taxes *€m*	**Number of stores**	**31 Dec 2018**	**Change on total store basis**	**Change on like-for-like store basis[c]**
In-store sales	**764**	**1,981.0**	**-2.4%**	**+0.4%**
France [a]	695	1,732.5	-3.2%	-0.6%
International [b]	69	248.5	+3.4%	+6.4%
In-store sales excl. directly-owned stores	699	1,694.7	-1.0%	+1.3%
Online sales [d]	-	11.3	+22.9%	NA
Total	**764**	**1,992.3**	**-2.3%**	**+0.4%**

(a) With 312 Mr.Bricolage brand stores (including 64 directly-owned stores), 100 Les Briconautes brand stores (including one directly-owned store) and 283 affiliate stores under independent brands.

(b) 69 Mr.Bricolage brand stores in nine countries: Andorra (1), Belgium (45), Bulgaria (11), Cyprus (1), Ivory Coast (1), Macedonia (1), Madagascar (1), Mauritius (2), Morocco (6).

(c) Changes calculated based on all the Mr.Bricolage stores, a panel of 60 Les Briconautes stores and 17 affiliates.

(d) "Online sales" include home delivery sales and sales collected from Mr.Bricolage store collection points.

1. France **(87.5% of volume of business)**

The network in France has 695 stores, compared with 687 at end-2017. In a French home improvement superstore market that contracted 0.4% in 2018, the volume of business for the networks is down 0.6% on a like-for-like store basis. Restated for the volume of business for the directly-owned stores, the volume of business for members and affiliates in France is up +0.3% on a like-for-like store basis *(see Note (c) in the table above).*

2. International **(12.5% of volume of business)**

The international network has 69 stores, compared with 68 at end-2017. Following a phase to optimize the international strategy in 2017, the volume of business for 2018 was €248.5m, reflecting solid performances with 6.4% growth on a like-for-like store basis. Belgium (45 stores, versus 46 at 31 December 2017) represents 56% of the international volume of business, with 4.8% growth on a like-for-like store basis. Bulgaria (24% of the volume of business), which has 11 stores, delivered growth of 9.2%. In Morocco (10% of the volume of business, +12.0% on like-for-like store basis), the master franchisee opened a sixth store (Casablanca), while the partnership with the Yeshi Group recorded its first opening in Abidjan, in Ivory Coast.

About Mr.Bricolage

The Mr.Bricolage Group, which develops the well-known brands Mr.Bricolage and Les Briconautes, is the French specialist for local independent DIY retail, with 695 outlets operating under the brands or through affiliates. Internationally, the Group is present in nine other countries with 69 stores.
Mr.Bricolage SA is listed on Euronext Paris (Compartment C, ISIN FR0004034320 MRB).

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