



A group of 833 stores in 12 countries (annual volume of business of €2.1 billion)

2016 first-half earnings Net profit, Group share: + 46.8%

- **Operating profit growth despite the contraction in turnover**
- **Strong increase in net profit**
- **Management Committee further strengthened**
- **Reorganization of shareholding structure finalized**

Mr Bricolage SA, which groups independent DIY retailers (833 stores in 12 countries with an annual volume of business of €2.1 billion), is releasing its condensed consolidated financial statements for the first half of 2016, which were approved by the Board of Directors on 22 July 2016.

"In a still challenging market environment, and while we have focused primarily on analyzing and assessing the Group's strengths and weaknesses, we are delighted with the effectiveness of the first savings measures rolled out. However, despite the progress made with our half-year results, we still face various difficulties. Building on the current drive to further strengthen our skill levels, we will be presenting the Mr.Bricolage brand's regeneration plan before the end of the year", explains Christophe Mistou, Chief Executive Officer of Mr Bricolage SA.

Condensed consolidated financial statements

Accounts subject to a limited review by the statutory auditors

In € million	30 Jun 2016	30 Jun 2015	% change
Consolidated turnover	270.3	273.9	-1.3%
Retail	172.4	176.1	-2.1%
- <i>Sales in Directly Owned Stores</i>	164.8	169.8	-3.0%
- <i>Online sales</i> ^(a)	7.5	6.2	+21.3%
Network Services	97.9	97.9	0.0%
- <i>Sales of goods</i>	64.1	63.0	+1.8%
- <i>Sales of services</i>	33.8	34.9	-3.1%
EBITDA	18.0	15.6	+15.5%
Current operating profit	11.1	8.0	+38.6%
Non-current income and expenses ^(b)	(2.9)	-	
Operating profit	8.2	8.0	+2.0%
Retail	(11.0)	(7.3)	-51.0%
Network Services	19.2	15.3	+25.3%
Financial income (expense)	(1.5)	(2.3)	-36.2%
Profit before tax	6.7	5.7	+17.9%
Share of profit (loss) of associates	0.3	0.1	+484.4%
Tax	(2.7)	(2.9)	-4.4%
Net profit, Group share	4.3	3.0	+46.8%
Net financial debt / EBITDA year-on-year	2.57 x	2.85 x	
Gearing	36.8%	40.6%	

(a) The "online sales" item includes home delivery sales only. Online sales with 2-hour collection through the 250 local sites are included in the turnover of the stores concerned.

(b) The "non-current expenses" item can be broken down as follows:

- €0.9 million of transfer costs for the dedicated e-commerce subsidiary MB 3.0;
- €2.0 million of "TASCOM" (retail property tax) on 2015 turnover, resulting from the application of the French finance act from 29 December 2015 amending the due date for this tax.

1. Networks: €1,064.5 million volume of business including taxes for H1 2016

833 Mr.Bricolage brand, Les Briconautes brand and affiliate stores in France and internationally

Volume of business including taxes In € million	30 Jun 2016	Change (total-store basis)	Change (like-for-like store basis) (c)	Number of stores
In-store sales	1,054.5	-0.8%	-0.4%	833
France ^(a)	941.9	-0.5%	+0.1%	761
International ^(b)	112.7	-2.8%	-4.0%	72
Online sales	10.0	+24.8%	-	-
Total	1,064.5	-0.6%	-0.4%	833

(a) Of which 347 stores under the Mr.Bricolage brand, 123 stores under the Les Briconautes brand and 291 affiliates.

(b) 72 Mr.Bricolage stores operating in 11 countries: Andorra (1), Belgium (45), Bulgaria (11), Cyprus (1), Colombia (1), Macedonia (1), Madagascar (2), Mauritius (2), Morocco (4), Romania (2) and Uruguay (2).

(c) Changes calculated on the basis of all the Mr.Bricolage stores, a panel comprising 69 Les Briconautes stores and 21 affiliates.

- France

In a still complex economic environment, the home improvement superstore market showed year-on-year growth of 0.3% at end-June 2016 (source: Banque de France). On a like-for-like store basis, the total volume of business for the brand and affiliate store networks is stable (+0.1%) thanks to the +0.3% increase in business for Mr.Bricolage outlets, while Les Briconautes stores are down -1.4%.

Over the first half of 2016, these two brands benefited from 4 openings and 7 extensions.

Online sales (exclusively home delivery sales and collection points within Mr.Bricolage network delivery sales) are up 24.8% for the first half of 2016 compared with the first half of 2015. They have benefited from the launch of the new version of the le-jardin-de-catherine.com web site in early March, as well as work to optimize the customer experience and enhance the range of products offered across the 3 national web sites (mr-bricolage.fr, le-jardin-de-catherine.com, la-maison-de-catherine.com).

- International

The sharp contraction in the volume of business recorded internationally (-2.8% on a total-store basis) reflects the market downturn in Belgium. Despite the 3 store extensions finalized during the first half of the year, sales in this country are down 7.1% on a total-store basis.

In Bulgaria, business has continued to grow (+3.8% on a total-store basis), driven by the third Sofia store which was reopened in March 2015.

2. Mr Bricolage SA

Highlights

- Management Committee further strengthened

Christophe Mistou was appointed as Chief Executive Officer of Mr Bricolage SA on 29 February.

As agreed with Paul Cassignol, Chairman of the Board of Directors, he has recruited two new Management Committee members:

Hervé Onfray has been appointed Commercial Director. An Expert in supply, procurement and development for international brands, he was previously Layout Product Director for Castorama. Hervé Onfray's mission is to accelerate the development of a modern and competitive range across all the networks. In line with this approach, the Procurement, Sourcing, Supply Chain and Marketing Departments have been grouped together under his leadership.

Françoise Devoucoux, previously Group and International Human Resources Director for the Krys GROUP, has been appointed to head up the Human Resources Department. She will be responsible for adapting the Group's organization with a focus on building proximity, further strengthening skill levels, promoting independence and establishing trust-based relationships in order to support commercial development and customer proximity.

- Reorganization of shareholding structure finalized

In the past few weeks, Mr Bricolage SA's majority shareholding structure has been reorganized to ensure the continued stability of its shareholding structure and enable its leadership team to focus exclusively on the Group's operational development.

The proposal to further strengthen ANPF's interest in Mr Bricolage SA's capital announced on 2 June 2016 has been effective since 8 July 2016. After acquiring 2,350,000 Mr Bricolage SA shares, ANPF, through SIMB, its fully-owned subsidiary, is now its leading shareholder with 65.20% of the capital and 73.23% of voting rights.

This acquisition, based on a price per share of €14.70 for a total of €34.5 million, was partly financed through equity for €5.7 million, alongside a €28.8 million bank loan taken out by SIMB to cover the balance.

Consolidated turnover

While business for Directly Owned Stores has been affected by increased competition, Mr Bricolage SA has limited the decline in its consolidated turnover (-1.3%), which came to €270.3 million.

Retail turnover: €172.4 million for the first half of 2016

- Directly Owned Stores

Directly Owned Stores, which traditionally benefit from a strong performance by the Outdoor department of Mr.Bricolage brand¹ during the first half of the year, have seen their business affected by unfavorable weather conditions. They have supported their sales by ramping up local promotional operations. In this context, turnover for Directly Owned Stores dropped 3.7% over the first half of the year on a like-for-like store basis and 3.0% on a total-store basis to €172.4 million.

The current scope includes the acquisition on 30 March of Mr.Bricolage store in Thouars (Deux-Sèvres, 5,800 sq.m), contributing €1.3 million to consolidated turnover for the period.

¹ For reference, Outdoor department represented 18% of the Mr.Bricolage network's gross sales for 2015 in mainland France, compared with 14% in 2015 for the French home improvement superstore market (source: Unibal 2015 research).

In connection with the modernization of the Directly Owned Stores network, Mr Bricolage SA has completed, as planned, the transfer and extension of the Hagetmau Mr.Bricolage store, including the creation of a 1,200 sq.m building materials drive-through (Landes, total of +1,600 sq.m, 22 June), in addition to remodeling the Albi (Tarn) and Avranches (Manche) stores.

At 30 June 2016, the Directly Owned Stores network was made up of 86 stores, with 82 Mr.Bricolage brand stores (4,300 sq.m per store on average) and 4 Les Briconautes brand stores (2,500 sq.m per store on average).

On 1 July, Mr Bricolage SA acquired Mr.Bricolage DIY store and garden center in Arles (Bouches-du-Rhône, 7,400 sq.m).

- **Online sales**

The actions taken have made it possible to increase the transformation rate by nearly 20% for the 3 national web sites (mr-bricolage.fr, le-jardin-de-catherine.com, la-maison-de-catherine.com) and boost the Group-owned e-commerce business (home delivery sales).

With a monthly average of 3 million unique visitors for the first half of 2016 (2.8 million for the first half of 2015) across its national web sites, Mr Bricolage SA's online home delivery sales are up 21.3% to €7.5 million.

Network Services turnover: €97.9 million for the first half of 2016

Network Services turnover is stable compared with the first half of 2015:

- The increase (+1.8%) in goods sold reflects the growing loyalty of member stores to the Group's logistics unit thanks to the development of specific ranges and sourced product selections.
- The contraction (-3.1%) in sales of services factors in the non-recurring invoicing linked to Mr.Bricolage's 35th anniversary, celebrated during the first half of 2015.

Operating profit

Operating profit is up 2%, illustrating the effective savings measures rolled out since September 2015 with a view to improving profitability, despite the contraction in turnover.

Excluding €2.9 million of non-current expenses, the current operating profit shows 38.6% growth for the first half of the year.

These non-current expenses include:

- €0.9 million of transfer costs for the e-commerce business, which employs 24 staff based in Reims;
- €2.0 million of costs for "TASCOM" (retail property tax) charges on 2015 turnover, following the application of the French finance act from 29 December 2015 amending the due date for this tax.

- **Retail**

The Retail business' current operating loss comes to -€8.9 million after a deterioration of €1.6 million. It includes the losses for Directly Owned Stores and online home delivery sales, which represented -€8.5 million and -€0.4 million respectively.

The €1.5 million drop in current operating profit for Directly Owned Stores is linked primarily to the downturn in business impacting the margin (-€2.1 million), the consequences of the application of the French finance act from 29 December 2015 (+€1.0 million corresponding to the treatment of "TASCOM") and the increase in external expenses and staff costs.

- **Network Services**

The current operating profit for the Network Services business is up €4.7 million to €20.1 million. This increase primarily reflects the non-recurrence of invoicing in 2015 for €2.6 million (Mr.Bricolage's 35th anniversary and support for stores to change brand sign), the upturn in the sourcing margin linked to the dollar (+€1.6 million) and the savings plan rolled out (+€0.5 million).

Financial income and expenses

Financial income and expenses for the first half of 2016 came to -€1.5 million, compared with -€2.3 million for the first half of 2015, which included €0.7 million of impairment of investment in associates related to the Moroccan company Brico Invest.

Net profit, Group share

After factoring in share of profit of associates and corporate income tax, the net profit, Group share is up 46.8% to €4.3 million.

Net debt

At 30 June 2016, net debt represented €97.0 million, following the equity-based acquisition of the Thouars store for €4.3 million. The Group has continued to deleverage, with its debt levels down €7.1 million year-on-year thanks to the continued improvement in collection and the measures to reduce stock levels in Directly Owned Stores.

With €263.9 million of shareholders' equity at 30 June 2016, gearing came to 36.8%, versus 40.6% at 30 June 2015.

Outlook

Further appointments are planned in order to continue strengthening the Management Committee, which will be preparing for the Group to enter a new phase in its growth, while confirming its realignment around its core business.

The Group will publish its full-year turnover on 15 February 2017 after the stock market closes

About the Mr Bricolage Group (figures as at 30 June 2016)

The Mr Bricolage Group, which owns well-known brands Mr Bricolage and Les Briconautes, is a French specialist in DIY retail with 761 outlets operating under the brands or through affiliates. It also brings together partner groups as part of its strategy to generate economies of scale in purchasing. Internationally, the Group is present in 11 countries with 72 stores. To serve its networks, it implements an active digital strategy designed to enhance the appeal of the outlets.

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 the PEA-PME savings plan.



Mr Bricolage

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