



2016 focused on the REBOND plan's launch
and first phase



2016 earnings presentation
15 March 2017



Financial year focused on the REBOND plan's launch and first phase

Objective: create new dynamics for growth within the Group and its network of members-entrepreneurs

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A woman with long brown hair, wearing a red long-sleeved top, is shown in profile, focused on painting a landscape on a canvas. She is holding a paintbrush. The canvas is on an easel, and another framed painting is visible in the background. The scene is brightly lit, suggesting a window nearby.

Mr. Bricolage Group

Mr. Bricolage Group in brief

Mr. Bricolage groups local independent home improvement, decoration and gardening stores

At the heart of a network of 794 stores in 12 countries with a volume of business of €2.14bn in 2016

Mr. Bricolage Brand with strong proximity: 88% awareness⁽¹⁾
Les Briconautes Hyper-proximity brand



Core business, Network services

Organization supporting store development:
Mr. Bricolage, Les Briconautes and affiliates stores under their own brand



Network of 87 directly-owned stores in France



Members, majority historical shareholders

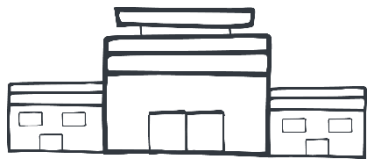
65.6% of the capital and 74.3% of the voting rights of Mr. Bricolage SA at 31 Dec 2016 following the reorganization of the majority shareholding structure in July 2016

(1) Unprompted and prompted brand awareness, source: Ifop Mr. Bricolage brand awareness survey for consumer targets (April 2016)

Store networks

794 stores in 12 countries with a gross volume of business of €2.14 bn (1)

Mr.Bricolage



France

259 member stores

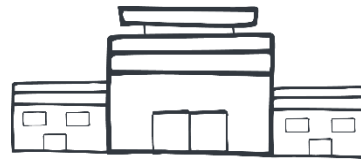
83 directly-owned stores

International (11 countries)

71 member stores

Of which:
46 in Belgium
11 in Bulgaria

Les Briconautes

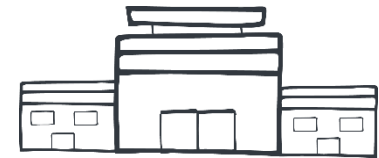


France

112 member stores

4 directly-owned stores

Affiliates
under their own brand



France

265 affiliate stores

Strong network throughout France and international development



Market in France

DIY market: €25 bn⁽¹⁾

#1 home improvement market

Key market drivers



Collective housing building 



New individual housing sales 



Existing housing sales

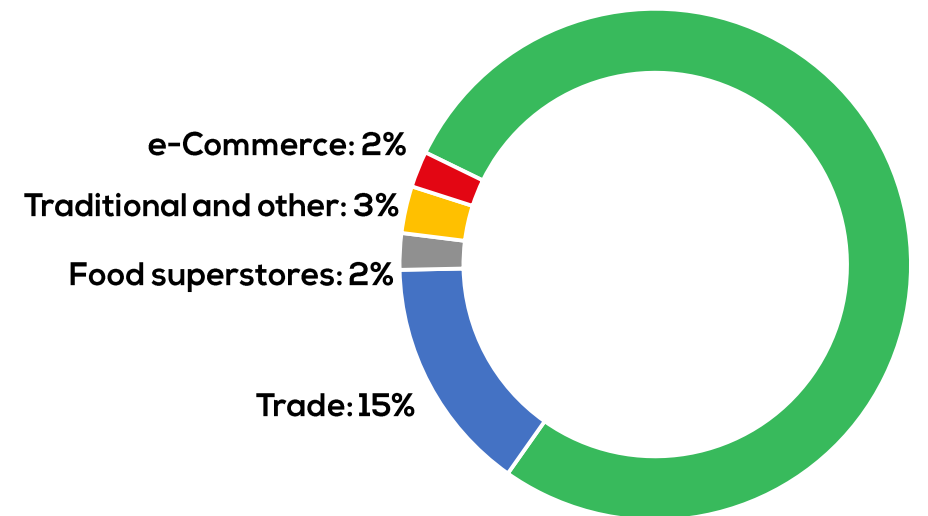


Consumer confidence



Consumption

The various distribution channels⁽¹⁾



DIY superstores: 78% (€19.4 bn)

**DIY superstore business, market leader,
driven exclusively by the network effect⁽²⁾**

(1) 2015 Unibal research, latest research available

(2) +1.9% for the DIY superstore market in 2015, +2.1% for like-for-like sales area compared with 2014 (2015 Unibal research)



Delay effect

DIY superstore market

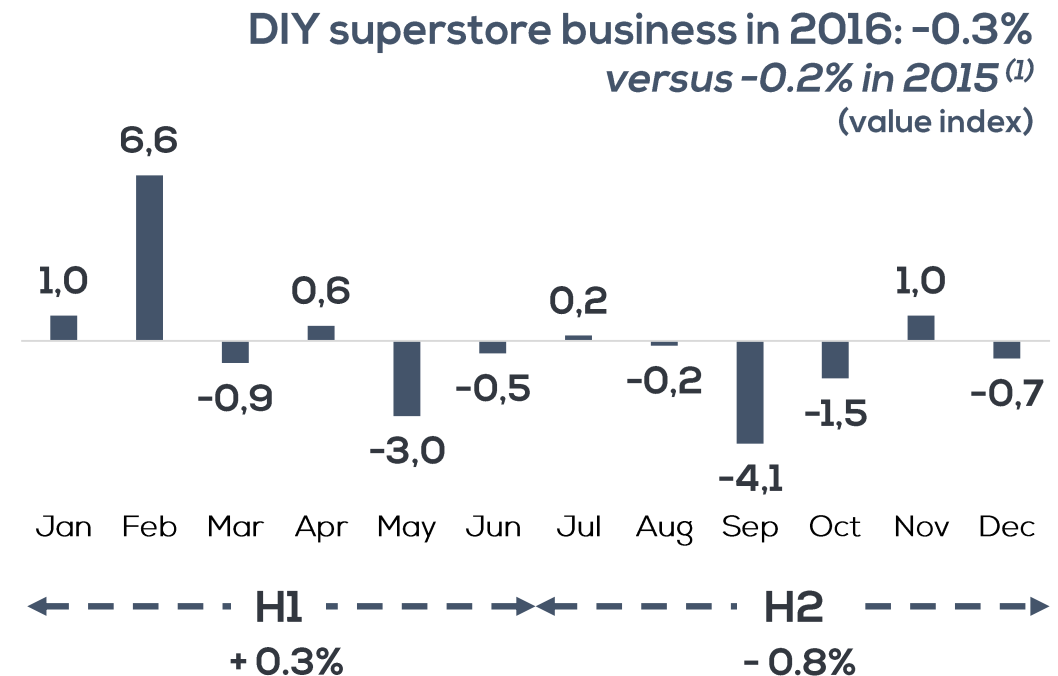
Further market contraction on a like-for-like store basis⁽¹⁾

Increased competition

Discount
General e-commerce leaders and specialists

Transformation of consumer habits

Widespread adoption of digital technologies
Economy of use



Continued outperformance by Mr. Bricolage member stores: + 1.4 point in 2016⁽²⁾

(1) Source: Banque de France index for DIY superstore market in France on a like-for-like store basis

(2) +1.1% average annual outperformance for aggregate revenues of Mr. Bricolage members on a like-for-like store basis (source: Mr. Bricolage), with a market down -0.3% (Banque de France index)

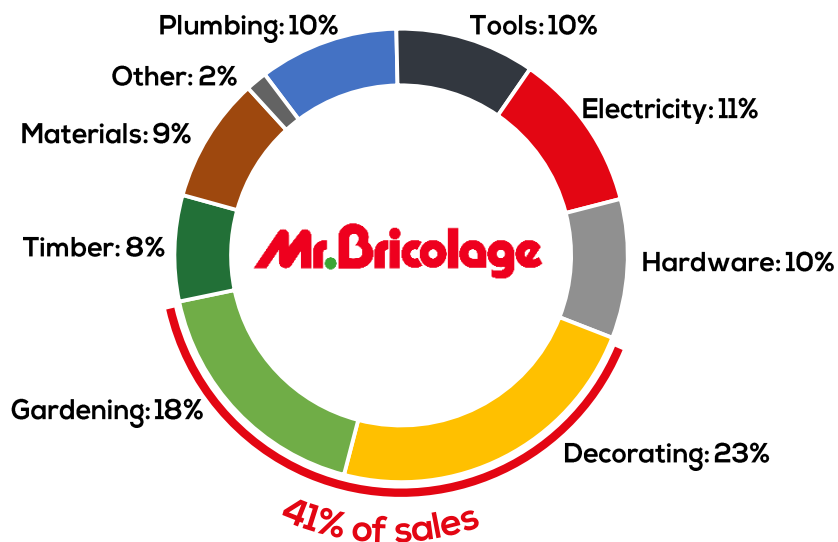
The Group on its market

Mr. Bricolage Group, no. 3 for DIY superstores with 9.9% market share (in 2015)

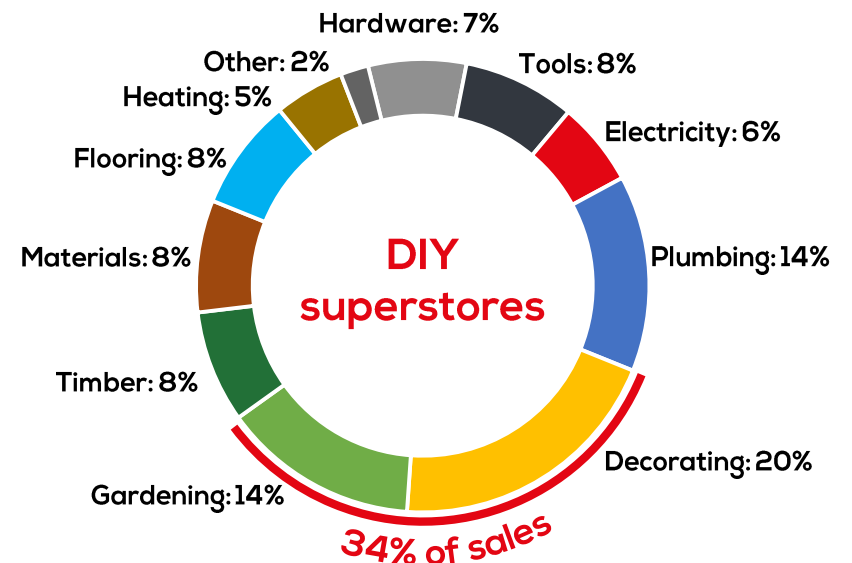
Decorating and gardening: Mr. Bricolage's strengths

Inherent features with the brand's positioning

- Proximity
- Mid-size towns and rural areas : strong density of individual homes



Main DIY superstore market segments ⁽¹⁾



(1) Source: 2015 Unibal research, latest research available – Restatement of decorating = decorating + painting



Networks business in 2016

Networks volume of business



Networks business stable

Volume of business including taxes In € million	31 Dec 2016	Change (total-store basis)	Change (like-for-like store basis) ⁽¹⁾
In-store sales	2,125.3	-1.0%	+0.1%
<i>France</i>	1,889.6	-0.7%	+0.4%
Mr. Bricolage	1,401.5	+0.7%	+0.6%
Les Briconautes	233.7	-1.1%	-1.5%
Affiliates	254.4	-7.4%	+0.7%
<i>International</i>	235.7	-2.8%	-2.1%
e-Commerce	16.8	+23.4%	+23.4%
Total	2,142.1	-0.8%	+0.3%

France

Business driven by Mr. Bricolage brand stores

- Continued outperformance by members:
+1.1% on a like-for-like store basis

International

Contraction in business

- Return to growth for Belgium (55% of volume of business)
in H2: -1.9% over the year
- 2 stores closed in Q4: Romania, Madagascar

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

A man and a woman are smiling and measuring a light blue wall. The man is holding a yellow pencil and the woman is holding a yellow ruler. They are both looking at the wall with a sense of accomplishment.

**Financial year focused
on REBOND's launch**

REBOND plan: Mr. Bricolage SA's historical business is moving back to the heart of its business model

Network services, the foundation for Mr. Bricolage's success since 1964



Listing central unit

Selection of products / suppliers

Negotiation of purchasing conditions



Logistics services

Weekly retail deliveries

(directly-owned platforms)

Delivery of large volumes

(outsourced platforms)



Support services

Information systems

Communication

Digital and customer experience

Development support



Network coordination

3 pillars for the REBOND plan

Challenge: further strengthening the brand's appeal
in order to relaunch growth

New vision looking ahead to 2020
A "vision lab" to build it together

Offering

+

Digital

+

Organization

Launch of REBOND's first phase in H2 2016

Going back to basics,
preparatory phase to deploy REBOND from June 2017



Management Committee further strengthened: operational for the REBOND plan's deployment

Renewed team of experts with complementary talents



Paul Cassignol
Chairman



Christophe Mistou
Chief Executive Officer



Eric Bilhaut
CFO and IT



Richard Letourmy
Secretary General



Hervé Onfray
Director Sales



Françoise Devoucoux
Director Human
Resources



Chantal Guilmain
Director Digital and
Customer Experience



Philippe Cibois
Director Concept and
Development



Jean-François Lacour
Director Networks

Going back to basics

4 initiatives launched simultaneously in H2 2016



Preparing to accelerate the digital transformation



Rolling out the standardization of information systems



Resizing the network of directly-owned stores

- Proposed closure of stores in critical positions
- Around 60 directly-owned stores to be divested over two timeframes



Rationalizing the offering

Preparing to accelerate the digital transformation

252 connected stores by 31 Dec 2016
e-commerce turnover incl. tax: + 23.4% in 2016

Digital: going back to e-commerce basics



Development of mr-bricolage.fr

December 2016: from one national site to one local site for each store

- Compulsory geolocation for customers (choosing a local site)
- Expansion of the local offering thanks to the national offering at national prices (national stock)



Repositioning of the le-jardin-de-catherine.com range

Site overhauled in March 2016 to start up for the peak season

Offering rolled out focused on gardening expertise

- Differentiating to stand out from Mr. Bricolage offers and the market

Customer experience: team further strengthened



Recruitment of experts

- Full reorganization
- More fluid processes introduced for handling customer requests
- New IT tools

€1.0 M of transfer costs in 2016

Rolling out the plan to standardize information systems

Target: 330 stores equipped with the same solutions by the end of 2018

- Commercial management
- Order proposal
- Payment collection



Project launched 46 stores equipped by end-2016

Migration schedule: 1 store/week in H1 2017, then acceleration in H2 2017



3 components for information systems

- Optimizing and ensuring the reliability of management of purchases, inventory, shortages for stores and Group
- Deploying a scalable payment collection solution
- Standardizing omnichannel management solutions across the 3 warehouses

Resizing the directly-owned stores network (1/2)



Proposed closure of stores in critical situations in 2017 Review of the situation confirmed in 2016

Turnover excl. tax = €33.1 M (10% of turnover for directly-owned stores, 1.8% of volume of business for networks)
Current operating profit = - €6.0 M (41% current operating loss for directly-owned stores)

Proposed timeline for closures

April: 5 stores
August: 11 stores
December: 1 store

Proposal to cut 235 positions out of the 2,501⁽¹⁾ Group employees

In-depth social dialogue with employee representatives
Solutions supporting the individualized professional repositioning of employees

Massive stock clearance

€34.7 M of gross provisions⁽²⁾ in 2016

(1) At 31 December 2016

(2) €25.6 M of provisions net of tax

Resizing the directly-owned stores network (2/2)

Plan to divest directly-owned stores to members

Around 30 stores to be divested in "as is" condition by 2019

without any prior investment

Around 30 stores to be divested subsequently

€13 M of business revitalization investments planned this year

FY 2016, unit value of the stores to be divested vs CGU by concept of stores value approach

€27.2 M of gross⁽¹⁾ provisions⁽²⁾ in 2016

(1) €26.8 M of provisions net of tax

(2) Primarily including goodwill impairments

Rationalizing the offering

Inventory optimization preparing for the redefinition of the offering:
renewal of 25% of the ranges / year from 2018

2015



Inventory

40% products with very low inventory turnover levels



Inventory adjusted to realizable value

if realizable value lower than its cost price

H2 2016

Massive
stock clearance
- €10,4 M

31 Dec 2016

Realizable value
adjusted downwards to
facilitate rapid stock
clearance ⁽³⁾

€23.5 M of gross provisions⁽¹⁾ in 2016

(1) €15.5 M of provisions net of tax

A photograph of a middle-aged man with grey hair and a beard, wearing a blue polo shirt and a grey apron. He is holding a green garden hose with a spray nozzle, spraying water towards the right. He is standing in a garden with various green plants, including corn stalks on the left and leafy plants on the right. The background shows a clear blue sky with some light clouds and a hint of a house on the right.

Mr. Bricolage SA consolidated accounts for 2016

Consolidated turnover



in € million	31 Dec 2016	31 Dec 2015	Annual change
Network services turnover	179.2	186.1	- 3.7%
Sales of goods	115.8	117.7	- 1.6%
Sales of services	63.4	68.4	- 7.3%
Retail turnover	344.4	343.4	+ 0.3%
Sales in directly-owned stores	331.7	332.7	- 0.3%
E-commerce ⁽¹⁾	12.6	10.7	+ 18.4%
Consolidated turnover	523.6	529.5	- 1.1%

Network services

Reduction in the volume of business and purchases of networks

- Exit for affiliate stores in H2 2016
- Non-recurring specific billings for the 35th anniversary celebrated in H1 2015

Retail

H2 directly-owned stores turnover:
+2.5% on a total-store basis

- Stores proposed for closure turnover: -10.8%
- Major stock clearance operations in H2
- 2 stores acquired in H1

E-commerce turnover increase

- 2.8 M unique visitors / month in 2016
vs 2.6 M in 2015

(1) The "e-commerce" item includes home delivery sales only. Digital sales with 2-hour collection through the 252 local sites are included in the turnover of the stores concerned.

Condensed consolidated financial statements (1/3)

Current operating profit

In € million	31 Dec 2016	31 Dec 2015	% change
Consolidated turnover	523.6	529.5	- 1.1%
EBITDA	27.2	36.3	- 25.1%
Current operating profit	13.6	21.0	- 35.0%
of which Network services	30.8	32.9	- 6.3%
of which Retail	(17.2)	(12.0)	- 43.8%

Network services

Limiting the impact of the contraction in turnover

- Improvement of margins on products sourced in dollars

Retail

Directly-owned stores

- Deterioration in the commercial margin linked to the massive stock clearance for products with very low turnover rates
- Increased competition
- Worsening difficulties for stores proposed for closure

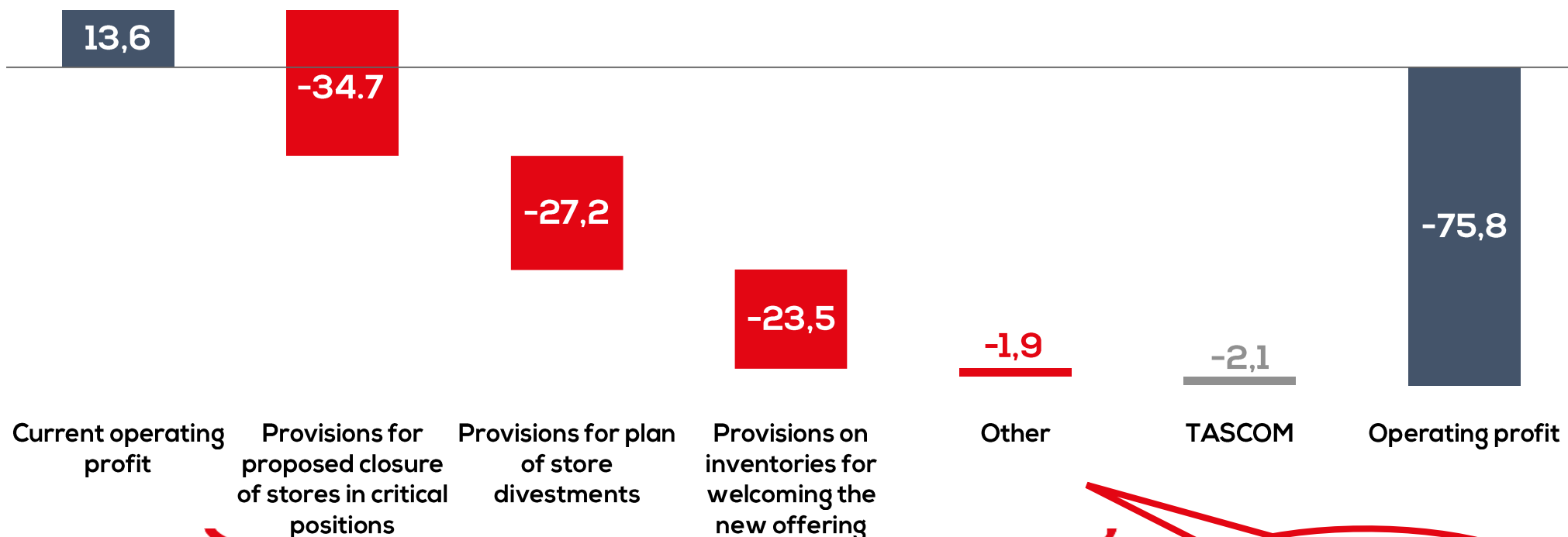
e-Commerce: priority to return to growth in business

- Strengthening of the team
- Preparation for site developments

Condensed consolidated financial statements (2/3)

Strong impact linked to putting in place the REBOND plan

€M



e-Commerce transfer: -€1.0 M
REBOND fees: -€0.9 M

Impact of the REBOND plan:
€87.3 M of provisions,
with €69.2 M net of tax

Condensed consolidated financial statements (3/3)

In € million	31 Dec 2016	31 Dec 2015	% change
Specific provisions		-	-
REBOND	(87.3) ⁽¹⁾		
TASCOM	(2.1)		
Operating profit	(75.8)	21.0	-
Financial result	(2.7)	(4.1)	+ 33.7%
Profit before tax	(78.5)	16.8	-
Affiliates' contribution	1.0	0.8	+ 17.1%
Tax	12.2	(8.1)	-
Net earnings from discontinued operations	(0.2)	0	-
Net profit, Group share	(65.2)	9.6	-

Financial result

Lower level of financial expenses

- Reduction of net financial debt

Net profit

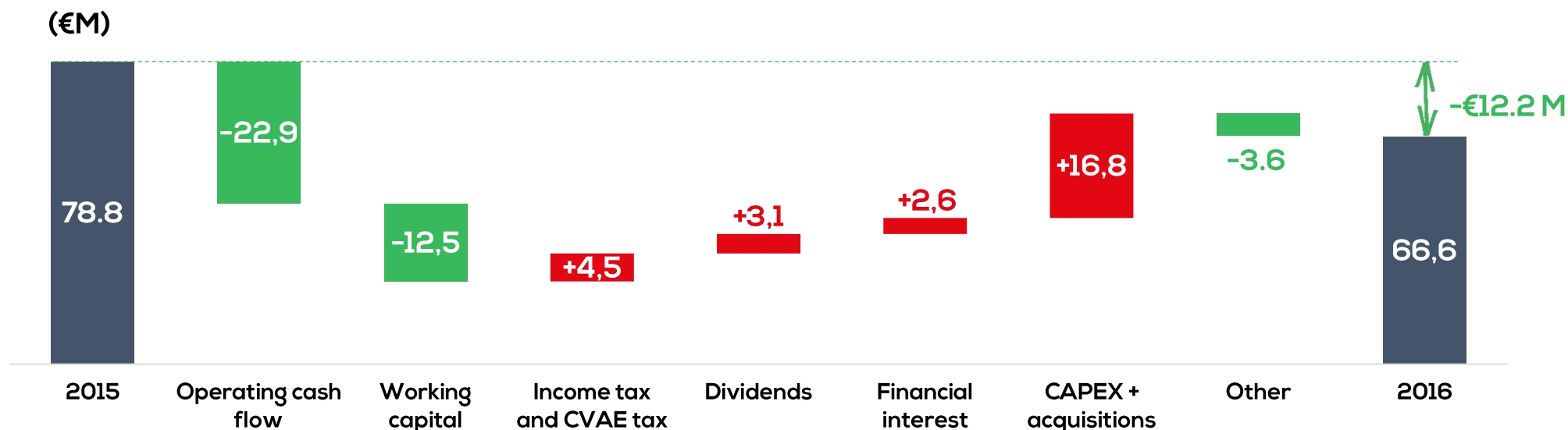
Corporate income tax savings limiting the REBOND plan's impact

- With €18.2 M of tax savings linked to the REBOND plan

(1) €69.2 M net of tax

Net financial debt

Net financial debt reduced by €12.2 M in 2016



With €10.4 M for reduction in inventory

Net financial debt: €66.6 M



Reduced by €51.7 M
over 3 years

Gearing = 34%



Improved by 14 points
over 3 years

2016 condensed balance sheet

In € million

Assets	2016	2015	Change	Liabilities	2016	2015	Change
Non-current assets	285.5	306.5	- 20.9	Group shareholders' equity	195.0	263.1	- 68.1
o/w goodwill	182.5	209.4	- 26.9	Minority interests	- 0.4	0.0	- 0.3
o/w property	42.5	42.8	- 0.2	Total equity	194.6	263.1	- 68.4
o/w other financial instruments ⁽¹⁾	6.6	3.8	2.8				
Current assets	206.8	243.5	- 36.7	Financial debt ⁽¹⁾	79.3	96.4	- 17.1
o/w inventories ⁽²⁾	106.7	143.8	- 37.1	Other liabilities	231.2	206.3	24.9
o/w trade receivables	69.8	70.0	- 0.2	o/w trade payables	85.1	84.2	0.8
Cash and equivalents ⁽¹⁾	6.2	13.9	- 7.7	Liabilities held for sale	0.7	3.2	- 2.5
Assets held for sale	7.4	5.1	2.3				
o/w real estate	2.4	5.1	- 2.7				
TOTAL ASSETS	505.9	569.0	- 63.1	TOTAL LIABILITIES	505.9	569.0	- 63.1

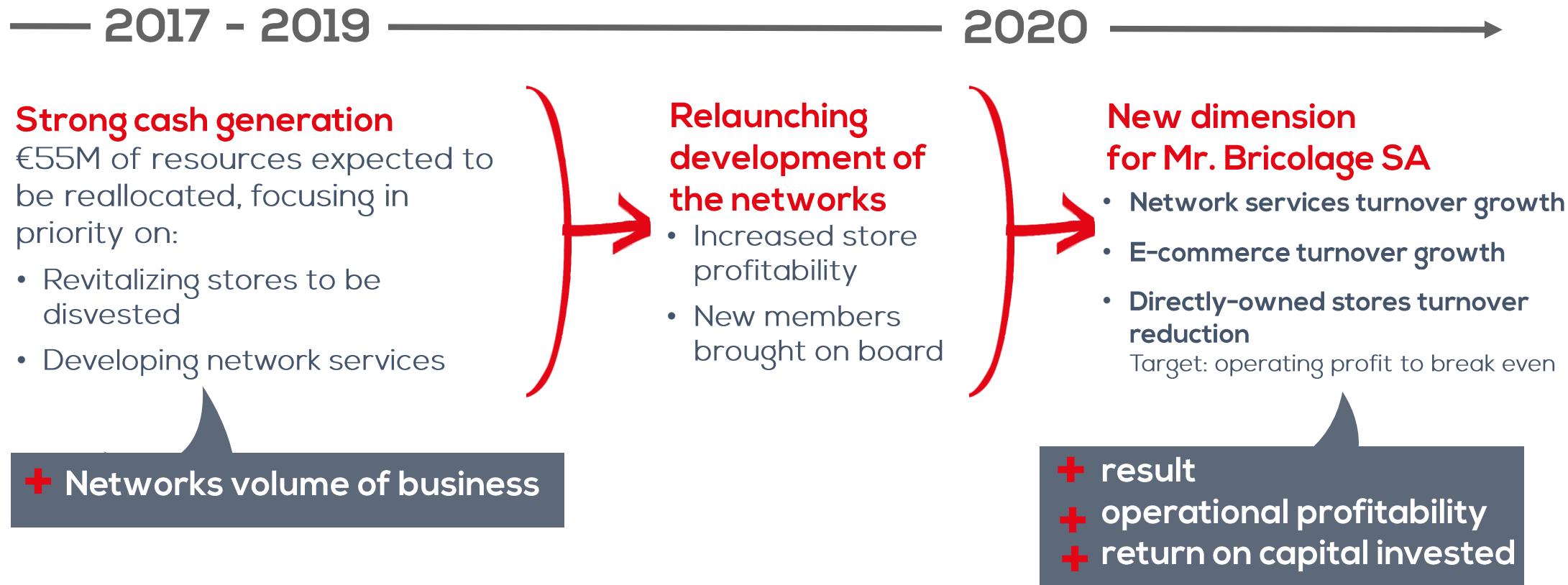
(1) Net financial debt came to €66.6 M at end-2016, representing the difference between financial debt under liabilities on the one hand, and on the other hand, cash, cash equivalents, investments and other financial instruments on the asset side

(2) With €30.2 M of inventory for Network services and €76.5 M of Retail inventory in 2016



Outlook

REBOND plan outlook looking ahead to 2020



REBOND plan outlook for 2017



REBOND plan schedule confirmed

Digital transformation

- The overhauling of mr-bricolage.fr + online visibility for 100% of the stores
- The repositioning of le-jardin-de-catherine.com+ networks as relays

Standardizing the information systems

Resizing the directly-owned store network

Proposed closure of stores in critical positions

Good progress with the plan to divest around 30 stores by 2019

- Laroque-des-Albères Les Briconautes (Pyrénées-Orientales) store sold in January 2017
- Several stores sales to be completed over the coming weeks

Rationalizing the offering

- Improvement in purchasing conditions



Resized operational scope

Return to current operating profit growth

Ongoing deleveraging program

Conclusion

**A first phase putting in place
the resources to support
Mr. Bricolage's new vision**

Date set for end-July 2017 when we present our half-year earnings

**Our goal:
creating value for the Group**



Stock market

Share on the stock market

Share data

ISIN: FR0004034320

Ticker: MRB

Number of shares: 10,387,755

Share price at 14 March 2017: €11.95

Market capitalization: €124 M

Eligible for SME share-based savings schemes
(PEA-PME)

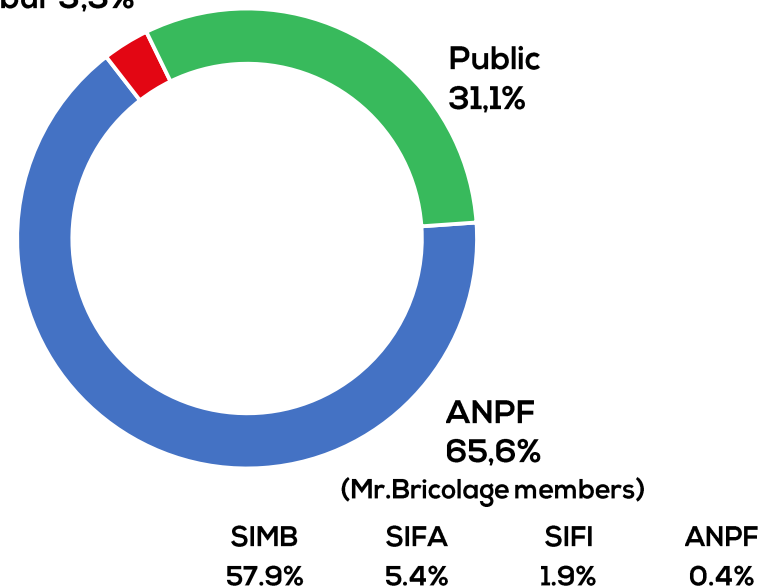
Indices

Enternext PEA-PME 150

CAC All Shares

Shareholding structure (at 31 Dec 2016)

Michel Tabur 3,3%



For the Mr. Bricolage Group's financial information, visit:
www.mr-bricolage.com



Appendices

Cash flow statement

In € million	31 Dec 2016	31 Dec 2015
Operating cash flow	22.9	33.0
Change in working capital	12.5	7.8
– Inventories	10.4	-0.6
– Trade receivables	0.3	11.6
– Trade payables	0.5	-5.3
– Other	1.3	2.0
Current tax expense paid	-4.5	-6.3
Net investments	-16.8	-11.3
Free cash flow	14.1	23.2
Dividends	-3.1	-4.1
Acquisition of treasury stock, net of sales	-0.1	-0.1
Change in debt	-17.2	-20.7
Change in other financial liabilities	0.4	-0.6
Interest expense paid, net of income	-2.6	-2.9
Change in cash position	-7.8	-5.2
Opening cash position	13.9	19.1
Closing cash position	6.2	13.9

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