2017 BUSINESS

Mr.Bricolage moves forward with the implementation of its REBOND strategic plan

***La Chapelle-Saint-Mesmin, 15 February 2018* – Launched 16 months ago, the REBOND plan notably aimed to (i) reorganize the network of directly-owned stores, (ii) accelerate digital capabilities, and (iii) improve Network Services. In 2017, in line with this roadmap:**

- **15 directly-owned stores were closed and six sold,**
- **The new Mr.Bricolage website was launched,**
- **Network Services were further strengthened (€182.2 million, +1.7%).**

With a resized operational scope (2017 consolidated turnover of €485.7 million, -7.2%), these measures were accompanied, as planned, by a return to moderate growth in current operating profit in 2017. The REBOND plan's deployment will continue to move forward in 2018 and make it possible to embark on a new phase of growth, while improving results and competitiveness.

2017 consolidated business

€M	31 Dec 2017	31 Dec 2016	Year-on-year change	H2 2017	H2 change
Retail turnover	**303.5**	**344.4**	**- 11.9%**	**132.5**	**- 23.0%**
Network Services turnover	**182.2**	**179.2**	**+ 1.7%**	**83.6**	**+ 2.8%**
Sales of goods	118.1	115.8	+ 2.0%	54.9	+ 6.1%
Sales of services	64.1	63.4	+ 1.2%	28.7	- 2.8%
Total consolidated turnover	**485.7**	**523.6**	**- 7.2%**	**216.0**	**- 14.7%**

€M			
Net financial debt	**72.5**	**66.6**	**+ 5.9**

1. RETAIL BUSINESS

In connection with the REBOND plan and Mr.Bricolage SA's realignment around its Network Services business, the network of directly-owned stores at 31 December 2017 comprised 66 points of sale in France, with 65 under the Mr.Bricolage brand (average of 4,300 sq.m) and one under the Les Briconautes brand (versus 87 at 31 December 2016, with 83 Mr.Bricolage brand and four Les Briconautes brand stores).

15 stores were closed during the year, out of the 17 initially planned: one store was bought out by a member-entrepreneur and one store is still trading with a reduced sales area. One non-operational real estate asset and five stores were also sold, including four under the Mr.Bricolage brand and one Les Briconautes brand unit. A further two divestments were completed at the start of 2018.

In addition to clearing stock from the closed stores, Mr.Bricolage has launched a massive stock clearance program at all its directly-owned stores targeting products with very low turnover[(1)] in order to prepare to deploy the new product ranges rolled out in 2017. At end-2017, 12% of the product selection was renewed and Mr.Bricolage will be ramping up its deployment and rationalization in 2018.

(1) Products with very low turnover are products selling less than two units in the year.

The measures adopted for the directly-owned stores and the overhauling of the e-commerce business, in line with the objectives from the REBOND plan, are reflected in a contraction in turnover for 2017, down to €303.5 million (-11.9% on a current basis and -5.2% on a like-for-like store basis).

- Network Services business

The Network Services business generated €182.2 million in turnover for 2017, up 1.7%. Driven by growth in the volumes passing through the Group's logistics unit, sales of goods to the members-entrepreneurs (+4%) are in line with the new offer strategy and Mr.Bricolage SA's realignment around this business sector.

- Net debt

Under the impact of the REBOND plan, and particularly the store closure costs and the deferred divestments carried out at the start of 2018, the Group's debt increased temporarily in 2017 by €5.9 million to €72.5 million at 31 December 2017, versus €66.6 million at 31 December 2016. Over the last four years, the Group has reduced its debt by a total of €19.1 million (20.9%).

Lastly, in connection with the refinancing of its debt, the Group signed a new syndicated credit agreement on 20 December 2017 for €120 million, with three tranches: (i) a first medium-term tranche for €55 million, repayable over five years, (ii) a €40 million revolving credit line, repayable at maturity in five years, and (iii) a €25 million investment credit, repayable at maturity in five years.

This financing enabled the existing financing line to be repaid ahead of schedule and in full for €55 million on 20 December 2017, while supporting the Group with its implementation of the REBOND plan, paving the way for a further reduction in the Group's debt in 2018.

2. NETWORKS

€2,039.1 million volume of business in 2017

755 stores in France and around the world under the Mr.Bricolage, Les Briconautes and independent brands (affiliates).

Networks volume of business

Volume of business incl. taxes *€M*	**H2 2017** Change on like-for-like store basis vs H2 2016	**31 Dec 2017**	**Change on total store basis**	**Change on like-for-like store basis[c]**	**Number of stores**
In-store sales	**-2.0%**	**2,029.9**	**-4.5%**	**-0.9%**	**755**
France [a]	-2.3%	1,789.5	-5.3%	-1.4%	687
International [b]	+0.2%	240.4	+2.0%	+2.2%	68
Online sales [d]	-65.4%	9.2	-45.4%	-	-
Total	**-2.5%**	**2,039.1**	**-4.8%**	**-1.3%**	**755**

(a) With 322 Mr.Bricolage brand stores, 103 Les Briconautes brand stores and 262 affiliate stores under independent brands.

(b) 68 Mr.Bricolage brand stores operating in eight countries: Andorra (1), Belgium (46), Bulgaria (11), Cyprus (1), Macedonia (1), Madagascar (1), Morocco (5), Mauritius (2).

(c) Changes calculated based on all the Mr.Bricolage stores, a panel of 55 Les Briconautes stores and 21 affiliates.

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

- France

In France, the network had 687 stores at the end of 2017.

In a French home improvement superstore market that grew 0.2%[2] on a like-for-like store basis in 2017, the volume of business on a like-for-like store basis for the brand and affiliate networks represents €1.8 billion (-1.4%). This change primarily reflects the resizing of the directly-owned store network, one of the priorities from the REBOND plan. Alongside this, the Mr.Bricolage members-entrepreneurs are ramping up the network's development and making significant investments in new projects. In 2017, five stores were opened, seven transferred, remodeled or expanded, and eight acquired.

- International

The international network had 68 points of sale in eight countries at the end of 2017, compared with 71 stores in 11 countries at end-2016.

Its realignment around the most buoyant countries (Belgium, 46 stores, and Bulgaria, 11 stores) enabled the Group's international business to grow 2% in 2017 to €240.4 million.

- The Belgian network, which represents 55.9% of the volume of business for the international networks, confirmed its return to growth (+4.3%) following a year marked by a sluggish economic environment in 2016;
- The Bulgarian network, which represents 27.8% of the volume of business for the international networks, is up +1.9%.

In addition, a fifth store was opened in Morocco (Casablanca) in June 2017. The two Uruguayan stores, the Colombian store and the brand's final point of sale in Romania were closed during the year.

At the start of 2018, the Group further strengthened its partnership with the Yeshi Group, adding five new countries (Benin, Burkina Faso, Mali, Niger, Togo) to the four countries already signed up in 2014 (Ivory Coast, Gabon, Senegal, Congo). The first opening is planned for the first half of 2018 in Ivory Coast.

The Group will be releasing its full-year earnings for 2017 and outlook for 2018 on 14 March 2018 (after close of trading).

About Mr.Bricolage (figures as of end of 2017)

The Mr. Bricolage Group, which develops well-known brands Mr.Bricolage and Les Briconautes, is a French specialist in DIY local independent retail with 687 outlets operating under the brands or through affiliates. Internationally, the Group is present in 8 others countries with 68 stores.

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

Mr. Bricolage SA is eligible for the PEA-PME savings plan.

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[2] *Source: Banque de France index for the home improvement superstore market on a like-for-like store basis*