



12 July 2017

B&M European Value Retail S.A.

Trading Update

Continued strong, profitable growth

B&M European Value Retail S.A. (“the Group”), the UK’s leading multi-price value retailer, today provides a trading update for the first quarter of its current financial year, relating to the period for the UK from 26 March 2017 to 24 June 2017 and for Germany from 1 April 2017 to 30 June 2017.

Highlights

- Further strong growth during the quarter despite challenging trading conditions and economic uncertainty generally
- Group revenue growth in the quarter of 18.3%, including excellent UK like-for-like growth of 7.3%, buoyed by strong grocery sales
- 9 new UK stores opened in the quarter and 4 in Germany from the strong pipeline of new stores planned for the current year
- The second quarter has started well and while it’s still early in the financial year, we are on course to achieve market consensus profit expectations for the full year

Simon Arora, Chief Executive, said:

“This quarter’s like-for like growth represents B&M’s strongest First Quarter for 3 years. It’s driven by customers, wherever they live throughout the regions, becoming ever more receptive to the outstanding value delivered by B&M’s unique business model in relation to the things they buy regularly for their homes and families. In these uncertain times, and with inflation returning to the UK market, more and more shoppers are actively seeking out value in our stores and that means our business is strongly positioned to do well and continue its rapid growth.”

Revenue

	Q1 2017/18	Q1 2016/17
Total Group Sales Revenues	£656.3m	£554.8m
B&M	£598.4m	£508.1m
Jawoll	£57.9m	£46.7m
Total Group Sales Growth (actual rates)	+18.3%	+21.5%
B&M	+17.8%	+21.3%
Jawoll	+23.9%	+23.5%
Total Group Sales Growth (constant currency)	+17.2%	+20.6%
UK Like-for-Like Sales Growth ¹	+ 7.3%	0.0%

¹ Like-for-like revenues includes each store's revenue for that part of the current period that falls at least 14 months after it opened; and it is compared with its revenue for the corresponding part of the previous period. This 14 month approach has been taken as it excludes the two month halo period which new stores experience following opening.

Group sales revenue for the quarter increased by 17.2% on a constant currency basis. On an actual currency basis, total sales revenue increased by 18.3% (2016: 21.5%) to £656.3m (2016: £554.8m).

UK sales revenue for the 13-week period increased by 17.8% to £598.4m (2016: £508.1m), with like-for-like sales growth of 7.3% in the quarter although the UK business benefitted from the timing of Easter trading which fell in the quarter this year, and added approximately 1.0% to the headline like-for-like total.

Strategy

At the end of the quarter the Group's UK business had 543 stores trading, having opened 6 net

new stores over the last 13 weeks, in the context of its upwardly revised UK store target of at least 950 stores. This financial year the UK business expects to open between 40 and 50 new stores with a greater proportion of these opening during the second half of the period because of the number of new-build stores in the programme this year. We also have a healthy pipeline of new stores for the following financial year.

Our German business started the year with 75 trading stores, and it's on course to reach 90 stores by the financial year end.

The quarter had an exceptionally strong start in UK like-for-like sales due to favourable seasonal weather and the timing of Easter compared to last year. Although as expected, growth did moderate towards the end of the quarter as the Easter timing effect waned, B&M maintained a very pleasing trading momentum throughout the period. This performance was helped by excellent sales in seasonal categories, particularly garden and outdoor living, and by strong grocery sales.

Although it's early yet in the FY18 financial year, we are nevertheless confident of meeting full year market consensus profit expectations.

Conference Call

A conference call to discuss the Trading Update will be held on Wednesday 12 July 2017 at 8:00 am (UK).

Dial-in details are:

UK & International: 08003589473

US: +18558570686

Participant Pin Code: 71088549#

Enquiries

B&M European Value Retail S.A.

For further information please contact +44 (0) 151 728 5400

Simon Arora, Chief Executive Officer

Paul McDonald, Chief Financial Officer

Steve Webb, Investor Relations Director

Investor.relations@bandmretail.com

Media

For media please contact +44 (0) 207 379 5151

Maitland

Tom Eckersley

Robbie Hynes

bmstores-maitland@maitland.co.uk

Notes to editors

B&M European Value Retail S.A. is a variety retailer with 543 stores in the UK operating under the “B&M” brand and 79 stores in Germany primarily operating under the “Jawoll” brand as at 24 June 2017. It was admitted to the FTSE 250 index in June 2015.

The B&M group was founded in 1978 and listed on the London Stock Exchange in June 2014. For more information please visit www.bmstores.co.uk