



12 January 2018

B&M European Value Retail S.A.

Trading Update

A Strong Third Quarter with Record Christmas Trading

B&M European Value Retail S.A. (“the Group”), the UK’s leading general merchandise value retailer, today provides a trading update for the third quarter of its current financial year, relating to the 13 week period from 24 September 2017 to 23 December 2017¹.

Highlights

- Group sales revenue growth in the quarter of 22.7 % at constant currency, including a 3.9% increase in B&M UK like-for-like revenues
- Continued strong sales and operational performance through the peak trading period
- Management is confident that the Group will meet market expectations for EBITDA for the current financial year

Revenue

	Q3 2017/18	Q3 2016/17	YTD at Q3 period end 2017/18	YTD at Q3 period end 2016/17
Total Group Revenues	£969.8m	£789.1m	£2,316.2m	£1,895.0m
B&M	£837.3m	£741.4m	£2,029.3m	£1,758.4m
Heron	£79.8m	-	£127.4m	-
Jawoll	£52.7m	£47.7m	£159.5m	£136.6m
Total Group Revenue Growth (constant currency) ²	+22.7%	+20.5%	+21.7%	+18.9%
UK Like-for-Like Revenue Growth ³	+3.9%	+7.2%	+6.0%	+3.1%

¹ The 13 week period for Heron Foods ended 30 December 2017 and for Jawoll 31 December 2017.

² Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as used to translate the current year Euro revenues.

³ Like-for-like revenues relate to the B&M estate only and include each store’s revenue for that part of the current period that falls at least 14 months after it opened; 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 22.7% on a constant currency basis. On an actual currency basis, total sales revenue increased by 22.9% (2016: 21.8%) to £969.8m (2016: £789.1m).

UK sales revenue for the B&M store estate in the 13 week period increased by 12.9% to £837.3m (2016: £741.4m) with like-for-like sales up by +3.9% in the quarter. This performance reflects the continuation of our successful new store opening programme, as well as continued strong like-for-like sales growth despite the demanding prior year Q3 comparative (2016/17: +7.2%).

The strong like-for-like performance in the quarter reflects the continued robust performance of our grocery and FMCG ranges, further operational improvements to store standards for customers and the recognition of our value offer by consumers generally.

The Heron store estate contributed £79.8m of revenues in the quarter, including strong positive like-for-like revenue growth with the business benefitting from selective extension to product ranges whilst retaining its limited assortment SKU discipline.

Jawoll's sales revenue increased by 8.2% on a Euro basis, which equates to an increase of 10.4% in Sterling to £52.7m in the quarter versus the same period in the financial year 2016/17. This reflected a stronger trading performance than in the first half of the financial year, with the Christmas range, sourced through the Group's far-eastern supply chain, performing particularly well.

Strategy

At the end of the quarter the UK business of the Group was trading from 569 B&M stores, having opened 19 stores in the last 13 weeks and a net 32 in total during the financial year to date, and, from 263 Heron stores, with 4 new store openings in the quarter.

In Germany Jawoll was trading from 84 stores following 2 openings in the quarter.

Outlook

Management is confident that the Group will meet market expectations for EBITDA in the financial year to March 2018.

Simon Arora, Chief Executive, said,

"B&M continues to go from strength to strength. Despite the demanding comparatives from the very strong Christmas in 2016, our buying, supply chain and retail teams achieved another outstanding performance this year by doing what we do best, which is delivering great value for customers week-in, week-out. With Heron also performing well and Jawoll having a solid quarter, I'm delighted with our progress and on behalf of the Board I would like to thank all of our colleagues for their hard work and commitment."

Conference Call

A conference call to discuss the Trading Update will be held on Friday 12 January 2018 at 9:00 am (UK).

Dial-in details are:

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Notes to editors

B&M European Value Retail S.A. is a variety retailer with 569 stores in the UK operating under the “B&M” brand and 263 stores under the “Heron Foods” brand, and 84 stores in Germany primarily operating under the “Jawoll” brand as at 23 December 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