12 November 2019

B&M European Value Retail S.A.

Interim Results Announcement

Strong UK First Half, Strategic Review in Germany

B&M European Value Retail S.A. ("the Group"), the UK's leading variety goods value retailer, today announces its interim results for the 26 weeks to 29 September 2019.

HIGHLIGHTS

- Group revenues (excluding Babou which was acquired after the half year in FY19) increased by +12.4% to £1,759.4m, and +12.3% on a constant currency basis[1]

- B&M UK stores business[2] revenue was up +13.8%, which included like-for-like ("LFL") revenues[3] of +3.7%

- Trading so far in Q3 has seen continued solid LFL[3] sales growth in the B&M UK stores business and it is well placed for the 'golden quarter' trading

- Group adjusted EBITDA[5] increased by 5.7% and on a post IFRS basis by 12.0%.The B&M UK stores business adjusted EBITDA[5] grew by +13.7% to £137.3m (FY19: £120.8m)

- Group adjusted profit before tax[5] decreased by 2.8% to £96.0m (FY19: £98.8m). The Group's profit before tax[4] decreased by 70.5% to £32.2m (FY19: £109.1m), which included an impairment charge of £59.5m relating to Jawoll. Earnings per share were 1.5p (FY19: 8.9p) and adjusted diluted earnings per share[5] were 8.2p (FY19: 8.0p)

- 30 gross new B&M UK store openings of which 4 were relocations (net 25 after 1 closure), and on track to open at least 46 net new B&M UK stores this financial year

- Heron Foods has continued to trade well and opened 10 gross new stores (net 9 after 1 closure), and on track to open at least 20 gross new stores this financial year

- Continued disappointing financial performance in Germany, due to distribution issues and weak sales performance. Strategic review being undertaken to determine the future of the business

- Important progress in evolving the product offer at Babou, with the first 3 B&M branded stores opened in France. After a year of ownership, progress made on the integration of Babou with the clearing of old stock and introduction of a number of directly sourced new product ranges

- Cash flow from operations after Jawoll impairment was £165.9m (FY19: £142.7m) reflecting EBITDA growth offset by working capital increases

- Interim dividend[6] in line with last year 2.7p per share (FY19: 2.7p per share) to be paid on 20 December 2019

- Completion of construction phase of new 1 million sq ft Distribution Centre in Bedford, which is currently in fit-out and initial 'soft opening' phase. Strong investor demand for the sale and leaseback investment

Simon Arora, Chief Executive, said,

"We have delivered a solid overall first half performance driven by our core B&M UK stores business which constitutes 86% of Group sales. Our existing stores performed consistently well through the last two quarters, generating half year LFL[3] of 3.7%. The current crop of new stores also achieved especially strong results. The core business has made a solid start to the second half of the financial year. Heron Foods has continued to grow in the UK and we remain very pleased with the overall progress of that business.

In Europe, we have seen contrasting performances from Babou in France and Jawoll in Germany. Babou has made good progress with the planned changes to its product offer. The performance of Jawoll has continued to be impacted by trading and operational issues and its financial performance remains disappointing. The Board is carrying out a strategic review of Jawoll in order to determine its future."

We are well placed for the golden quarter in our main B&M UK stores business. Despite the continued uncertainty in the economic environment generally, we are very proud to say that each of the top five store opening days in our history have all been in stores we have opened in the last 12 months.

Financial Results (unaudited)

	H1 FY 2020[7]	H1 FY 2019[7]	Change
Total Group revenues	£1,903.4m	£1,565.9m	+21.6%[8]
B&M	£1,456.4m	£1,279.6m	+13.8%
Jawoll	£114.7m	£111.2m	+3.2%
Heron	£188.2m	£175.1m	+7.5%
Babou[8]	£144.1m	-	-
Total Group revenues at constant currency[1]	-	-	+21.5%
Number of stores			
Group	1,132	948	+19.4%
B&M	645	591	+9.1%
Jawoll	98	88	+11.4%
Heron	290	269	+7.8%
Babou[8]	99	-	-
Adjusted EBITDA[5]	£139.2m	£131.8m	+5.7%
B&M	£137.3m	£120.8m	+13.7%
Jawoll	£(12.2)m	£1.1m	-1,172.1%
Heron	£12.3m	£9.9m	+24.8%
Babou[8]	£1.8m	-	-
Adjusted EBITDA[5] margin %	7.3%	8.4%	(110)bps

Profit before tax[4]	£32.2m	£109.1m	-70.5%
Adjusted profit before tax[5]	£96.0m	£98.8m	-2.8%
Adjusted diluted EPS[5]	8.2p	8.0p	+2.5%
EPS[4]	1.5p	8.9p	-83.1%
Ordinary dividends[6]	2.7p	2.7p	0%

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

[2] References in this announcement to the B&M UK stores business includes the B&M fascia stores in the UK except for the 'B&M Express' fascia stores. References in this announcement to the Heron Foods business includes both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.

[3] Like-for-like revenues relates to the B&M estate only and includes 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 used as it excludes the two month halo period which new stores experience following opening.

[4] The figures for the comparable period last year have been restated adopting IFRS16.

[5] The Directors consider adjusted figures to be more reflective of the underlying business performance of the Group and believe that this measure provides additional useful information for investors on the Group's performance. Further details can be found in notes 4 and 6. Adjusted figures exclude the impact of IFRS16.

[6] Dividends are stated as gross amounts before deduction of Luxembourg withholding tax, which is currently 15%.

[7] The H1 FY 2020 figures represent the 26 week performance to 28 September 2019 and the H1 FY2018 figures represent the 26 week performance to 29 September 2018.B&M revenues include £11.5m of wholesale revenues in the half year period (2019: £2.9m)

[8] For the prior period in FY 2019, Babou was not part of the Group. It was acquired by the Group in October 2019.Total Group revenues in the 26 week period to 28 September 2019 excluding Babou were £1,759.4m, being an increase of 12.4% compared with the 26 week period to 29 September 2018. The operating costs of the Group for Babou in the 26 week period to 28 September 2019 were £57.2m, excluding depreciation.

[9] Net capital expenditure includes the purchase of property, plant and equipment, intangible assets and proceeds of sale of any of those items.

[10] Net debt was £696.4m at the period end reflecting £758.4m of gross debt (note 13), and £15.6m of overdraft netted off against £77.6m of cash. These exclude IFRS16 lease liabilities.

[11] Adjusted annualised EBITDA means the last 12 months adjusted EBITDA to 28 September 2019.

This announcement includes inside information which is disclosed in accordance with the Market Abuse Regulation.

Analyst Meeting & Webcast

An Analyst Meeting in relation to the Interim Results will be held today at 8.30 am (UK) by invitation only at:

Bank of America Securities
2 King Edward Street
London
EC1A 1HQ

The meeting can be accessed live via a dial-in facility on:

UK & International: + 44 (0) 203 0095710

US: 19177200178

Participant Pin Code: 3377168

A simultaneous audio webcast and presentation slides will be available via the B&M corporate website at www.bandmretail.com

Enquiries

B&M European Value Retail S.A.
For further information please contact +44 (0) 151 728 5400
Simon Arora, Chief Executive
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
Daniel Yea
bmstores-maitland@maitland.co.uk

Notes to editors

B&M European Value Retail S.A. is a variety retailer with 645 stores in the UK operating under the "B&M" brand, 290 stores under the "Heron Foods" and "B&M Express" brands, 98 stores in Germany primarily operating under the "Jawoll" brand, and 99 stores in France operating under the "Babou" brand as at 30 September 2019. 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

OVERVIEW

The underlying performance of the Group has been pleasing during the first half of the financial year. In the UK, which represents over 86% of Group revenues, both the B&M UK stores business and Heron Foods delivered strong revenue and profit growth driven by a good performance in both new and LFL stores. The B&M UK stores business continues to win new customers and market share across its chosen product categories in a retail industry which is still beset by profound structural challenges and an uncertain consumer environment.

Internationally we are continuing to learn the lessons from operational issues in the Jawoll business and we have applied those learnings to Babou in France, both before and since acquiring that business a year ago. As a result we have made progress in France, where financial performance is stable in the first year of ownership notwithstanding the transition and integration process which is underway.

The Jawoll business in Germany remains challenging with continued poor financial performance. Given the ongoing trading, operational and financial performance issues of Jawoll, the Board has decided to undertake a strategic review of the business to determine its future.

Financial Performance

The condensed consolidated interim accounts below have for the first time been prepared under IFRS16, the new financial reporting standard on lease accounting. The comparative figures in this announcement and the interim accounts below have been restated for IFRS16 as we have adopted the fully retrospective approach. Additional details in relation to this can be found in notes 1, 2 and 11. We have continued to report underlying figures where we believe they are relevant to understanding the performance of the Group and these underlying figures are presented pre the impact of IFRS 16.

Group revenues for the 26 weeks ended 28 September 2019 grew by +21.6% to £1,903.4m and by +21.5% on a constant currency basis[1].

B&M UK

In the B&M UK stores business, revenues grew by +13.8% to £1,456.4m (FY19 H1: £1,279.6m).That growth has been driven by the continued successful execution of our new store opening programme, with 25 net new stores opened in the first half of the financial year and the annualisation of the net 44 new stores opened in FY2019.

LFL sales in the first half of the year were +3.7%, with a pleasing LFL performance of +3.5% in the second quarter.

There were a total of 30 new store openings and 5 store closures in the first half of FY20. The 5 store closures included 4 relocations, where we have continued to take advantage of opportunities presented by the current retail property market to relocate stores to larger and more modern premises with higher levels of store contribution. We are pleased with the performance of the FY20 new stores in the first half of the financial year. There remains good availability of space for B&M and returns continue to be attractive.

Gross margin improved by 2 basis points ("bps") excluding wholesale trading, and although we are continuing to see an increase in the grocery mix this has moderated in the first half of the financial year and it is becoming less of a headwind. We have seen strong growth in some general merchandise categories, most notably in homewares and indoor furniture.

Adjusted operating costs excluding depreciation and amortisation increased by 13.3% to £358.0m, (FY19: £316.1m) and we are continuing to pro-actively manage our cost base. We have seen some operating leverage in the cost base with the impact of the National Living Wage having been mitigated by productivity improvements.

In the B&M UK stores business[2] adjusted EBITDA[5] increased by 13.7% to £137.3m (FY19: £120.8m) and the adjusted EBITDA[5] margin increased by 2 bps to 9.5%.

Heron Foods

Our discount convenience chain, Heron Foods[2], generated revenues of £188.2m (FY19: H1 £175.1m). The business has continued to perform well and it has maintained positive LFL sales momentum, despite annualising +7% LFL growth in the corresponding period in the previous year. There have been 10 new store openings this year, increasing the total number of stores to 290 at the end of the first half of the financial year. We expect to have opened 20 stores in the full year.

Heron Foods adjusted EBITDA[5] was £12.3m (FY19 H1 £9.9m) and the EBITDA margin improved by 90 bps to 6.5%.

Jawoll

In our German business, Jawoll, revenues grew by 3.2% to £114.7m. That was driven by the FY19 new store openings, with LFL sales having been held back by product availability issues and in particular the late arrival at stores of seasonal stock. That resulted in significant additional markdown activity and gross margins were 75 bps lower than last year.

In the first half of the year the business has continued to be held back by significant costs incurred on third party warehouse and logistics, and overall adjusted operating costs excluding depreciation increased by 37.5% to £50.0m.

Given the continued disappointing performance of the Jawoll business, the Group has fully impaired the carrying value of the brand and goodwill and also the value of property, plant and equipment on under-performing stores. That has resulted in a non-cash impairment charge of £59.5m and a £9.8m impairment of the deferred tax asset in the Group's consolidated statement of comprehensive income. As a consequence of the ongoing lack of progress with the business and its financial performance, we have decided to conduct a strategic review of the German business.

Babou

Babou, our French business, achieved revenues of £144.1m in the non-comparable period of ownership, and a gross margin of 40.9%. The EBITDA of the business in the first half of the financial year was £1.8m.

The major programme of change to the product offer, including the planned significant reduction in clothing revenue participation, whilst not yet fully implemented, has progressed according to plan. As expected, the necessary costs of clearing old inventory have had the effect of reducing revenues as well as gross and net margins.

We have now launched 3 trial stores in France under the "B&M" banner'.

Group

For the overall Group adjusted operating costs, excluding adjusted depreciation and amortisation, grew by 28.8% to £512.4m. That was driven by costs in Babou for the non-comparable period of ownership, logistics costs at Jawoll and increases in store numbers of the Group. Adjusted depreciation and amortisation expenses grew by 40.9% to £30.7m, reflecting the investment in new stores and the non-comparable period at Babou.

Overall Group adjusted EBITDA[5] increased by 5.7% to £139.2m (FY19 H1: £131.8m).

Including the impact of IFRS16, operating costs and depreciation increased by 35.1% to £516.2m (FY19 H1: £382.1m).

In relation to finance costs, excluding IFRS 16, the adjusted net interest charge increased to £12.5m (H1 FY19: £11.2m). Including the IFRS 16 leases interest charge, net interest costs increased to £44.2m (H1 FY19: £39.3m).

The Group's adjusted profit before tax[5] decreased by 2.8% to £96.0m.

The Group's profit before tax decreased by 70.5% to £32.2m reflecting the £59.5m impairment charge in relation to Jawoll and also a gain of £17.3m of mark to market fair value movements on foreign exchange hedges last year.

Capital expenditure, excluding IFRS 16 leases right-of-use asset additions, was £78.5m[9], which was principally driven by the Group's new store opening programme of 45 stores, including relocations, across the Group. Capital expenditure included £19.4m incurred on the new Southern Distribution Centre in relation to building and fit-out works.

The cash flow from operations after the impairment of Jawoll was £165.9m (FY19: £142.7m) which was an increase of 16.3% from the comparable period last year, with the Group benefitting from the improvement in the adjusted EBITDA[5] performance, offset by working capital increases.

The net debt[10] to adjusted annualised EBITDA[11] was 2.18 times at the end of September 2019, which compares to 2.0 times at the end of September 2018.This reflects the investment in the new Southern Distribution Centre and the acquisition of Babou.

Capital allocation policy

The Board adopted a long-term capital allocation policy in 2016 to provide a framework to help investors understand how the Group will continue to balance the funding requirements of a growth business like B&M with the desire to return surplus capital to shareholders. The Board will continue to evaluate opportunities to invest and support the growth of the business along with the scope for any incremental return of capital to shareholders in the context of that framework.

Further to the completion of the construction phase of a new 1 million sq ft Southern Distribution Centre, the Group has seen strong investor demand for a sale and leaseback of the investment asset, which could allow for the release of circa £150m surplus cash being returned to shareholders. A further statement will be made when a sale and leaseback transaction has been completed.

Dividend

An interim dividend of 2.7p per Ordinary Share will be paid on 20 December 2019 to shareholders on the register at 22 November 2019 which is in line with the prior year (FY19:2.7p). The dividend payment will be subject to a Luxembourg withholding tax of 15%.

Shareholders and Depository Interest holders can obtain further information on the methods of receiving their dividends on our website www.bandmretail.com or by visiting the website of our Registrar, Capita Asset Services at www.capitashareportal.com.

Strategic Development

B&M is a growth business. Our strategy for driving profitable, high returning growth into the long term has four key elements: delivering great value to our customers, investing in new stores, developing our international business and investing in our people and infrastructure. We have made progress with all four of these priorities in the first half of the financial year.

1. Delivering great value to our customers

   B&M is all about consistently providing great value week-in, week-out on the things customers buy regularly for their homes and families. Our offer spans more than 15 product categories from Confectionery to Stationery and from Pet food to Home textiles. We only sell the best sellers in any category so there is always something we have that our shoppers want or need to buy on their weekly or fortnightly visits to our stores. More often than not they also buy things that were not on their shopping lists because great value with constant newness, with typically 100 new lines per week, means that there's something for everyone.

   Increasingly, customers see B&M as part of their regular shopping routine, whether that's in our heartland regions or in the more affluent South of the country. Everyone likes a bargain and plenty of people need one. For a lot of customers, B&M is also becoming the destination store for important product categories, from Toys and Christmas decorations to Gardening and DIY. This evolving role of our stores is not just about value, it's about selling good quality goods, including many leading brands, at discount prices compared with regular retailers including online operators.

   We have seen consistently good growth across our categories during the first half of the financial year, although some, such as Soft drinks and Alcohol, were affected by last year's hot summer weather boosting sales in the comparative period. A key area of outstanding performance so far this year has been our Homeware ranges. Improved products, presentation and store layouts have helped deliver good growth across this important product group, at a time when industry sales as a whole in those areas has been subdued

2. Investing in new stores

   The B&M UK stores business continues to expand steadily, building its store network, generating excellent investment returns in the process, both in new and existing geographies. Importantly, the flow of attractive, profitable opportunities to open either purpose-built stores or units in existing retail premises remains as strong as ever. Our target of 950 B&M fascia stores across the UK at maturity is looking like an increasingly conservative estimate given the excellent performance of new stores and the supply of suitable sites.

30 B&M UK fascia stores were opened in the first half of the financial year, of which 4 were replacements, principally in locations where we were able to open a larger more modern unit which would be able to provide a better shopping experience for customers and capable of generating a significantly higher quantum of profit. Overall net new store openings totalled 25 in the half of the financial year, consistent with our full financial year objective of 45 net new stores. The future pipeline of new stores is looking strong.

Heron Foods opened 10 new stores in the first half of the financial year and it's on track to achieve its target of 20 net new stores in the financial year as a whole.

There are no planned store openings in Germany currently.

There were 3 new stores openings in France in the first half of the financial year. There has also been one store opening by Babou since the end of that period, and one further store opening is planned at the very end of the financial year.

3. Developing our international business

Our international businesses have experienced mixed fortunes during the first half of the financial year. Babou, in France, which was acquired a little over a year ago, has progressed with the planned transformation of its product offer. The financial performance of the business during this intense period of change has remained stable.

The new team at Babou have moved quickly to launch 3 new B&M branded stores, which will be the basis for how we plan to move forward with the business in France once further testing over the remainder of the year has proved positive.

By contrast, Jawoll's performance remains disappointing. Trading and operational issues persist and these have held back the performance of the business during the first half of the financial year. We are taking steps to minimise ongoing losses whilst we have also decided to undertake a comprehensive strategic review of the German business.

4. Investment in our people and infrastructure

We have now successfully completed the construction of our new c.1 million square feet Southern UK Distribution Centre in Bedford. The fit-out of the building is almost complete and is expected to be on budget. We have commenced deliveries from the warehouse to an initial cohort of circa 50 stores while we ensure that it's operationally bedded-in successfully ahead of the full operational roll-out in January 2020. The extra running costs during this 'soft launch' and training process is necessary in order to minimise the risk of disruption of service to our stores during the crucial golden quarter trading period.

In our other UK Distribution Centres in the North West, our costs are broadly consistent with the prior year now that we are annualising the implementation of a best-in-class Warehouse Management System which we made a significant investment in acquiring in FY17.

At our B&M UK stores business we have begun the roll-out in the stores of our digital technology compatible Workforce Management System, which we will be continuing to implement over the course of the financial year. This investment in solutions for planning colleague work rotas and managing time and attendance effectively, will allow colleagues to use smartphones on-the-go to do those tasks in place of paper-based processes.

We continue to invest in strengthening our senior management to support the continued rapid expansion of the business of the Group. We have recruited a People Director who will be joining the UK business in early 2020, and will principally lead and support the strategic retail operations human resources management side of the business.

Outlook

I believe B&M is well-positioned for the short, medium and long term. The B&M UK stores business and Heron Foods are high returning, cash generative businesses which are well adapted to the profound structural change taking place in the retail industry and attuned to the needs of an increasingly price-conscious consumer. The opportunities to expand those winning formats across the UK remain substantial.

We have seen a solid start to the third quarter trading in our core B&M UK business, but we remain cautious in light of the current political uncertainty and its impact on consumer confidence. We are undertaking a strategic review of our German business to determine its future and we will provide an update on that when the review has been completed. In France stores are ready for the peak golden quarter trading and we look forward to the arrival in February 2020 of its first Spring and Summer seasonal ranges sourced from the B&M supply chain.

Principal Risks and Uncertainties

There are a number of risks and uncertainties which could have a material negative impact on the Group's performance over the remainder of the current financial year. These could cause our actual results to materially differ from historical or expected results. The Board does not believe that these risks and uncertainties are materially different to those published in the annual report for the year ended 31 March 2019.

These risks comprise high levels of competition, the broader economic environment and market conditions, failure to comply with laws and regulations, failure to maintain and invest in key infrastructure, inherent risks in international expansion, disruption to key IT systems, cyber security and business continuity, credit risk and liquidity, fluctuations in commodity prices and cost inflation, regulatory, tax and customs effects generally on the UK's exit from the EU, key management reliance, disruption in supply chain, availability of suitable new stores and failure of stock management controls.

Whilst the uncertainties around Brexit are well documented elsewhere, we are relatively better placed than others as our supply chains do not materially depend on trade flows between the UK and continental Europe. We also have currency hedging policies in place to withstand short-term volatility in the value of Sterling against the US Dollar being the principal currency in which we procure goods from the Far East.

Detailed explanations of these risks are set out on pages 27 to 30of the Annual Report 2019 which is available at www.bandmretail.com

Simon Arora
Chief Executive
12 November 2019

Consolidated statement of Comprehensive Income

	Note	**26 weeks ended 28 September 2019 £'000**	Restated* 26 weeks ended 29 September 2018 £'000	Restated* 52 weeks ended 30 March 2019 £'000
Revenue	3	**1,903,438**	1,565,895	3,486,295
Cost of sales		**(1,251,825)**	(1,036,210)	(2,296,861)
Gross profit		**651,613**	529,685	1,189,434
Administrative expenses - other		**(516,166)**	(382,143)	(880,911)
Operating profit before impairment		**135,447**	147,542	308,523
Administrative expenses - impairment of Jawoll	9	**(59,533)**	-	-
Operating profit after impairment		**75,914**	147,542	308,523
Share of profits of investments in associates		**500**	879	775
Profit on ordinary activities before interest and tax		**76,414**	148,421	309,298
Finance costs relating to right-of-use assets		**(31,888)**	(27,234)	(58,508)
Other finance costs		**(12,441)**	(12,169)	(25,544)
Finance income		**95**	53	369
Gain on revaluation of financial instrument		**-**	-	9,857
Total finance costs		**(44,234)**	39,350	(73,826)
Profit on ordinary activities before tax		**32,180**	109,071	235,472
Income tax expense	7	**(25,761)**	(20,838)	(43,616)
Profit for the period		**6,419**	88,233	191,856
Attributable to non-controlling interests		**(9,043)**	(410)	(2,707)
Attributable to owners of the parent		**15,462**	88,643	194,563
Other comprehensive income for the period				
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on retranslation of subsidiaries and associates		**3,875**	1,914	(2,130)
Fair value movements recorded in the hedging reserve		**11,527**	17,925	19,996
Items that will not be subsequently reclassified to profit or loss:				
Actuarial gain on defined benefit pension scheme		**-**	-	5
Tax effect of other comprehensive income		**(2,010)**	(2,907)	(3,481)
Total comprehensive income for the period		**19,811**	105,165	206,246
Attributable to non-controlling interests		**(8,478)**	(130)	(3,042)
Attributable to owners of the parent		**28,289**	105,295	209,288
Earnings per share				
Basic earnings attributable to ordinary equity holders (pence)	6	**1.5**	8.9	19.4
Diluted earnings attributable to ordinary equity holders (pence)	6	**1.5**	8.9	19.4

All operations are classified as continuing. The accompanying accounting policies and notes form an integral part of these financial statements.

* This statement has been restated in respect of the Group's first time application of IFRS 16 (see notes 1,2 and 11) and September 2018 for the inclusion of UK wholesale sales (see note 1)

Consolidated statement of Financial Position

Assets	Note	**28 September 2019 £'000**	Restated* 29 September 2018 £'000	Restated* 30 March 2019 £'000
Non-current				
Goodwill	5,8,9	**921,678**	930,279	954,757
Intangible assets	8,9	**120,407**	121,378	126,559
Property, plant and equipment	10	**327,524**	317,660	378,581
Right-of-use assets	11	**1,054,758**	900,060	1,037,404
Investments accounted for using the equity method		**6,488**	6,498	6,920
Other receivables		**8,513**	-	7,237
Deferred tax asset		**18,468**	16,225	24,807
		2,457,836	2,292,100	2,536,265
Current				
Cash and cash equivalents		**77,644**	64,523	86,202
Assets held for sale	10	**89,016**	-	-
Inventories		**830,903**	601,741	665,570
Trade and other receivables		**57,790**	30,077	49,505
Other current financial assets		**21,453**	16,466	6,294
Income tax receivable		**6,814**	2,528	3,781
		1,083,620	715,335	811,352
Total assets		**3,541,456**	3,007,435	3,347,617
Equity				
Share capital	12	**(100,056)**	(100,056)	(100,056)
Share premium		**(2,474,249)**	(2,474,249)	(2,474,249)
Retained earnings		**(359,673)**	(313,132)	(392,579)
Hedging reserve		**(11,501)**	(486)	(1,984)
Legal reserve		**(10,010)**	(10,010)	(10,010)
Merger reserve		**1,979,131**	1,979,131	1,979,131
Foreign exchange reserve		**(9,104)**	(9,223)	(5,794)
Put/call option reserve		**13,855**	13,855	13,855
Non-controlling interest		**(1,303)**	(12,693)	(9,781)
		(972,910)	(926,863)	(1,001,467)
Non-current liabilities				
Interest-bearing loans and borrowings	13	**(564,772)**	(557,960)	(562,941)
Lease liabilities	11	**(1,090,391)**	(949,550)	(1,055,401)
Other financial liabilities	15	**(12)**	-	-
Other liabilities		**(628)**	(425)	(577)
Deferred tax liabilities		**(28,712)**	(25,077)	(27,148)
Provisions		**(785)**	(250)	(184)
		(1,685,300)	(1,533,262)	(1,646,251)
Current liabilities				
Interest-bearing loans and borrowings	13	**(193,646)**	(75,212)	(124,272)
Overdrafts		**(15,634)**	(6,934)	(5,646)
Trade and other payables		**(475,368)**	(309,616)	(376,842)
Lease liabilities	11	**(159,973)**	(107,780)	(150,235)
Other financial liabilities	15	**(12,372)**	(20,980)	(13,731)
Income tax payable		**(19,891)**	(21,768)	(23,197)
Provisions		**(6,362)**	(5,020)	(5,976)
		(883,246)	(547,310)	(699,899)
Total liabilities		**(2,568,546)**	(2,080,572)	(2,346,150)
Total equity and liabilities		**(3,541,456)**	(3,007,435)	(3,347,617)

* This statement has been restated in respect of the Group's first time application of IFRS 16, see notes 1,2 and 11, and additional goodwill recognised in respect of the acquisition of Babou, see note 5.

The accompanying accounting policies and notes form an integral part of this financial information. The condensed financial statements were approved by the Board of Directors on 12 November 2019 and signed on their behalf by:

S. Arora, Chief Executive Officer.

Consolidated statement of Changes in Shareholders' Equity

	Share capital £'000	Share premium £'000	Retained earnings £'000	Hedging reserve £'000	Legal reserve £'000	Merger reserve £'000	Foreign exchange reserve £'000	Put/call option reserve £'000	Non-control.. interest £'000	Total Share-holders' equity £'000
Balance at 31 March 2018	100,056	2,474,249	327,073	(14,532)	10,000	(1,979,131)	7,833	(13,855)	13,692	925,385
Effect of restatement due to IFRS 16 b/f	-	-	(54,962)	-	-	-	(244)	-	(869)	(56,075)
Restated balance at 31 March 2018	100,056	2,474,249	272,111	(14,532)	10,000	(1,979,131)	7,589	(13,855)	12,823	869,310
Dividend payments to owners	-	-	(48,027)	-	-	-	-	-	-	(48,027)
Effect of share options	-	-	415	-	-	-	-	-	-	415
Transfer to legal reserve	-	-	(10)	-	10	-	-	-	-	-
Total for transactions with owners	-	-	(47,622)	-	10	-	-	-	-	(47,612)
Profit for the period (restated)	-	-	88,643	-	-	-	-	-	(410)	88,233
Other comprehensive income (restated)	-	-	-	15,018	-	-	1,634	-	280	16,932
Total comprehensive income for the period	-	-	88,643	15,018	-	-	1,634	-	(130)	105,165
Balance at 29 September 2018	100,056	2,474,249	313,132	486	10,010	(1,979,131)	9,223	(13,855)	12,693	926,863
Dividend payments to owners	-	-	(27,015)	-	-	-	-	-	-	(27,015)
Effect of share options	-	-	539	-	-	-	-	-	-	539
Total for transactions with owners	-	-	(26,476)	-	-	-	-	-	-	(26,476)
Profit for the period (restated)	-	-	105,920	-	-	-	-	-	(2,297)	103,623
Other comprehensive income (restated)	-	-	3	1,498	-	-	(3,429)	-	(615)	(2,543)
Total comprehensive income for the period	-	-	105,923	1,498	-	-	(3,429)	-	(2,912)	101,080
Balance at 30 March 2019	**100,056**	**2,474,249**	**392,579**	**1,984**	**10,010**	**(1,979,131)**	**5,794**	**(13,855)**	**9,781**	**1,001,467**
Dividend payment to owners	**-**	**-**	**(49,027)**	**-**	**-**	**-**	**-**	**-**	**-**	**(49,027)**
Effect of share options	**-**	**-**	**659**	**-**	**-**	**-**	**-**	**-**	**-**	**659**
Total for transactions with owners	**-**	**-**	**(48,368)**	**-**	**-**	**-**	**-**	**-**	**-**	**(48,368)**
Profit for the period	**-**	**-**	**15,462**	**-**	**-**	**-**	**-**	**-**	**(9,043)**	**6,419**
Other comprehensive income	**-**	**-**	**-**	**9,517**	**-**	**-**	**3,310**	**-**	**565**	**13,392**
Total comprehensive income for the period	**-**	**-**	**15,462**	**9,517**	**-**	**-**	**3,310**	**-**	**(8,478)**	**19,811**
Balance at 28 September 2019	**100,056**	**2,474,249**	**359,673**	**11,501**	**10,010**	**(1,979,131)**	**9,104**	**(13,855)**	**1,303**	**972,910**

Consolidated statement of Cash Flows

	Note	26 weeks ended 28 September 2019 £'000	Restated* 26 weeks ended 29 September 2018 £'000	Restated* 52 weeks ended 30 March 2019 £'000
Cash flows from operating activities				
Cash generated from operations	14	**106,342**	142,686	427,175
Impairment of German Jawoll business		**59,533**	-	-
Income tax paid		**(28,618)**	(21,548)	(47,271)
Net cash flows from operating activities		**137,257**	121,138	379,904
Cash flows from investing activities				
Purchase of property, plant and equipment		**(79,352)**	(39,104)	(103,315)
Purchase of intangible assets		**(824)**	(1,220)	(2,654)
Business acquisitions net of cash acquired		**-**	-	(75,879)
Acquisition of shares in associate		**-**	-	(1,200)
Proceeds from the sale of property, plant and equipment		**1,871**	210	563
Finance income received		**95**	2	369
Dividends received from associates		**932**	-	570
Net cash flows from investing activities		**(77,278)**	(40,112)	(181,546)
Cash flows from financing activities				
Receipt of bank loans		**-**	-	78,984
Non-cash foreign exchange effect of bank loans		**2,620**	-	-
Net receipt/(repayment) of Group revolving bank loans		**66,000**	28,000	(5,000)
Net repayment of Heron revolving bank loans		**(947)**	(1,191)	(2,298)
Net receipt/(repayment) of Babou facilities		**2,037**	-	(5,742)
Repayment of the principal in relation to right-of-use assets		**(53,867)**	(49,432)	(112,489)
Payment of interest in relation to right-of-use assets		**(31,888)**	(27,234)	(58,508)
Capitalised fees on refinancing		**-**	-	(935)
Other finance costs paid		**(13,453)**	(10,257)	(21,476)
Dividends paid to owners of the parent		**(49,027)**	(48,027)	(75,042)
Net cash flows from financing activities		**(78,525)**	(108,141)	(202,506)
Net decrease in cash and cash equivalents		**(18,546)**	(27,115)	(4,148)
Cash and cash equivalents at the beginning of the period		**80,556**	84,704	84,704
Cash and cash equivalents at the end of the period		**62,010**	57,589	80,556
Cash and cash equivalents comprise:				
Cash at bank and in hand		**77,644**	64,523	86,202
Overdrafts		**(15,634)**	(6,934)	(5,646)
		62,010	57,589	80,556

* This statement has been restated in respect of the Group's first time application of IFRS 16, see notes 1,2 and 11.

Notes to the financial information

1 General information and basis of preparation

The results for the first half of the financial year have not been audited and are prepared on the basis of the accounting policies set out in the Group's last set of consolidated accounts released by the ultimate controlling party, B&M European Value Retail S.A. (the "company"), a company listed on the London Stock Exchange and incorporated in Luxembourg, except as stated below in relation to IFRS 16.

The financial information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority (DTR) and with International Accounting Standard (IAS) 34 'Interim Financial Reporting' as endorsed by the European Union.

The Group's trade is general retail, with trading taking place in the UK, France and Germany.

The principal accounting policies have remained unchanged from the prior financial information for the Group for the period to 30 March 2019, except that at the start of the financial year the Group adopted IFRS 16 'Leases' which has had a significant impact on the Group's financial information. See below, note 2 and note 11 for more information.

The financial statements for B&M European Value Retail S.A. for the period to 30 March 2019 have been reported on by the Group auditor and delivered to the Luxembourg Registrar of Companies. The audit report was unqualified.

The financial information is presented in pounds sterling and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

This consolidated financial information does not constitute statutory financial statements.

Restatement due to the Group's adoption of IFRS 16 'Leases'

The new leasing standard, IFRS 16, was adopted by the Group on 31 March 2019, the start of the current financial year. The Group has adopted the fully retrospective approach and therefore has applied the standard to all leases from the acquisition date of each lease, with the consequence that the prior year financial statements have been restated.

The impact on our statements is significant, see notes 2 and 11 for more details.

The Group has taken advantage of the practical expedient allowed on transition to IFRS 16 to not re-assess which contracts contain or are a lease and which are not. Therefore the Group has applied the standard to those contracts previously identified as leases only.

Our new accounting policy for Leases is as follows:

Leases
The Group applies the leasing standard, IFRS 16, to all contracts identified as leases at their inception, unless they are considered a short-term lease (with a term less than a year) or where the asset is of a low underlying value (under £5k).

The Group has lease contracts in relation to property, equipment, fixtures & fittings and vehicles. A contract is classified as a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a lease contract is recognised, the business assesses the term for which we are reasonably certain to hold that lease, and the lease payments over that term are discounted to give the initial lease liability. The initial right-of-use asset is then recognised at the same value, adjusted for incentives or payments made on the day that the lease was acquired.

The date that the lease is brought into the accounts is the date from which the lease has been agreed by both parties.

The right-of-use asset is subsequently depreciated on a straight-line basis over the term of that lease, with the charge being made to administrative costs. The lease liability attracts interest which is charged to finance costs.

Right-of-use assets may be impaired if, for instance, a lease becomes onerous. Impairment costs are charged to administrative costs.

On a significant event, such as the lease reaching its expiry date or the likely exercise of a previously unrecognised break clause, the lease term is re-assessed by management as to how long we can be reasonably certain to stay in that property, and a new lease agreement is recognised for the re-assessed term.

The discount rate used is individual to each lease. Where a lease contract includes an implicit discount rate, that rate is used. In the majority of leases this is not the case and the discount rate is taken to be the marginal cost of borrowing as related to that specific asset. This is a calculation based upon the external market rate of borrowing for the Group, as well as several factors specific to the asset to be discounted.

Restatement due to UK wholesale revenue

Prior to March 2019 the Group did not recognise the UK wholesale revenue within the Group revenue figure. Due to a significant increase in these sales they were included for the first time in our financial reports to March 2019. In order to provide comparable accounts we have restated the September 2018 revenue figure to include the UK wholesale revenue of £2,935k.

Assets held for sale

This is the first period in which the Group has recognised a significant asset held for sale (see note 10).

Under IFRS 5 'Non current Assets Held for Sale and Discontinued Operations' an asset should be classified as held for sale its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

It should be available for sale immediately and in its present condition, and such a sale must be highly probable, meaning that management is committed to a plan to sell the asset, and that plan has been initiated with the asset marketed at a reasonable price and with a sale expected within a year.

Management consider that these conditions now apply to the new Southern Warehouse which is expected to be subject to a sale and leaseback transaction.

Basis of consolidation

This Group financial information consolidates the financial information of the company and its subsidiary undertakings, together with the Group's share of the net assets and results of associated undertakings, for the period from 31 March 2019 to 28 September 2019. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting. The results of companies acquired are included in the consolidated statement of comprehensive income from the acquisition date.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary, excluding the situations as outlined in the basis of preparation.

Going concern

As a value retailer, the Group is well placed to withstand volatility within the economic environment. The Group's forecasts and projections, taking into account reasonably possible change in trading performance show that the Group will trade within its current banking facilities for the next twelve months.

Included within these forecasts is the proposed sale and leaseback of the new Southern Warehouse and the repayment of the Babou loan facility that falls due in the next 12 months. In the event that the sale and leaseback does not take place the forecasts still show that the Group has a comfortable level of headroom within its existing facilities.

After making enquiries the Directors are confident that the Group has adequate resources to continue its successful growth. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

Critical judgments and key sources of estimation uncertainty

Impairment
The Group's impairment calculation reflect assumptions that are based upon management judgment

Certain of these are reflected in note 9 and relate to whether certain cash flows should be included, whether allowance should be made for growth in the store estate and the level and timing of capital expenditure which should be included.

Management believes that the key element in determining whether an impairment is required is the value in use of the cash generating units themselves, which reflects the return made by those cash generating units.

Lease discount rates
Where a rate implicit to the lease is not available, the selection of a discount rate for a lease is based upon the marginal cost of borrowing to the business in relation to the funding for a similar asset.

Management calculates appropriate discount rates based upon the marginal cost of borrowing currently available to the business as adjusted for several factors including, the term of the lease, the location and type of asset and how often payments are made.

Management consider that these are the key details in determining the appropriate marginal cost of borrowing for each of these assets.

Lease term
The lease term is a key input into calculating the initial lease liability under IFRS 16.

Management consider it appropriate to initially set a lease term equal to the contractual term of that lease. Upon termination of a lease a new 'Holding over' lease is created with a term based upon management's expectations of how long the group is reasonably certain to stay in that property.

Management consider that this is appropriate as it more fairly reflects the Group's intention to continue to occupy and trade from these properties.

Standards and interpretations applied and not yet applied by the Group

Adoption of new and revised standards
The Group continues to monitor the potential impact of other new standards and interpretations which have been or may be endorsed and require adoption by the Group in future reporting periods.

This is the first set of the Group's financial statements in which IFRS 16 has been applied. Changes to significant accounting policies are described earlier in this note.

Other
The Group does not consider that any other standards, amendments or interpretations issued by the IASB, but not yet applicable, will have a significant impact on the financial statements.

2 Statement of profit and loss without the effects of IFRS 16

As referred to in Note 1, the Group has applied IFRS 16 for the first time in these set of results. In order to aid the comparability of our results with those previously issued, we provide the profit and loss statement without the effects of IFRS 16.

	26 weeks ended 28 September 2019 £'000	Restated* 26 weeks ended 29 September 2018 £'000	52 weeks ended 30 March 2019 £'000
Revenue	**1,903,438**	1,565,895	3,486,295
Cost of sales	**(1,251,825)**	(1,036,210)	(2,296,861)
Gross profit	**651,613**	529,685	1,189,434
Administrative expenses - other	**(538,497)**	(403,253)	(925,058)
Operating profit before impairment	**113,116**	126,432	264,376
Administrative expenses – impairment of Jawoll	**(59,533)**	-	-
Operating profit after impairment	**53,583**	126,432	264,376
Share of profits of investments in associates	**500**	879	775
Profit on ordinary activities before interest and tax	**54,083**	127,311	265,151
Finance costs	**(12,634)**	(12,333)	(25,951)
Finance income	**95**	53	369
Gain on revaluation of financial instrument	**-**	-	9,857
Total finance costs	**(12,539)**	(12,280)	(15,725)
Profit on ordinary activities before tax	**41,544**	115,031	249,426
Income tax expense	**(27,864)**	(22,087)	(46,717)
Profit for the period	**13,680**	92,944	202,709
Attributable to non-controlling interests	**(8,911)**	(282)	(2,445)
Attributable to owners of the parent	**22,591**	93,226	205,154
Earnings per share			
Basic earnings attributable to ordinary equity holders (pence)	**2.2**	9.3	20.5
Diluted earnings attributable to ordinary equity holders (pence)	**2.2**	9.3	20.5

* This statement has been restated for the inclusion of UK wholesale revenue in the period to September 2018, see note 1.

The overall effect on profit before tax of the IFRS 16 adjustments was a loss of £9,364k (March 2019: £13,954k, Sept 2018: £5,960k), see note 11 for further details.

3 Segmental information

IFRS 8 ('Operating segments') requires the Group's segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker to assess performance and allocate resources across each reporting segment.

For management purposes, the Group is organised into four reportable segments, being the B&M UK segment, Heron, Jawoll and Babou.

Items that fall into the corporate category include those related to the Luxembourg or associate entities, Group financing, corporate transactions, any tax adjustments and items we consider to be adjusting (see note 4). IFRS 16 adjustments are also recorded in the corporate category since the reports used by management do not include these. The prior year information has been restated to reflect the adoption of IFRS 16.

Expenses incurred on impairment have been recorded in the corporate section, since they are not part of the results which are reviewed by the chief operating decision maker of the business. The impaired assets are included in the appropriate segments share of the Group's assets, consistent with the prior year approach to include acquired intangibles within the segment to which they relate.

The chief operating decision maker has been identified as the executive directors who monitor the operating results of the retail segments for the purpose of making decisions about resource allocation and performance assessment.

The average euro rate for translation purposes was €1.1257 during the period, with the period end rate being €1.1274 (March 2019: €1.1341/£ and €1.1648; September 2018: €1.1310/£ and €1.1228/£ respectively).

26 week period to 28 September 2019	**B&M £'000**	**Heron £'000**	**Jawoll £'000**	**Babou £'000**	**Corporate £'000**	**Total £'000**
Revenue	**1,456,381**	**188,247**	**114,744**	**144,066**	**-**	**1,903,438**
EBITDA	**137,339**	**12,303**	**(12,157)**	**1,754**	**42,558**	**181,797**
Depreciation and amortisation	**(17,778)**	**(5,464)**	**(2,563)**	**(4,905)**	**(74,673)**	**(105,383)**
Net finance income/(costs)	**60**	**(391)**	**(745)**	**(1,167)**	**(41,991)**	**(44,234)**
Income tax (expense)/credit	**(22,728)**	**(1,225)**	**4,872**	**1,425**	**(8,105)**	**(25,761)**
Segment profit/(loss)	**96,893**	**5,224**	**(10,594)**	**(2,893)**	**(82,211)**	**6,419**
Total assets	**1,867,761**	**220,286**	**101,710**	**184,640**	**1,167,059**	**3,541,456**
Total liabilities	**(441,325)**	**(55,982)**	**(54,346)**	**(77,839)**	**(1,939,054)**	**(2,568,546)**
Capital expenditure	**(52,930)**	**(7,412)**	**(2,373)**	**(5,605)**	**(11,856)**	**(80,176)**

26 week period to 29 September 2018 (Restated*)	B&M £'000	Heron £'000	Jawoll £'000	Babou £'000	Corporate £'000	Total £'000
Revenue	1,279,632	175,062	111,201	-	-	1,565,895
EBITDA	122,303	9,894	1,119	-	94,865	228,181
Depreciation and amortisation	(14,629)	(4,866)	(2,302)	-	(57,963)	(79,760)
Net finance income/(costs)	31	(365)	(129)	-	(38,887)	(39,350)
Income tax (expense)/credit	(20,464)	(886)	394	-	118	(20,838)
Segment profit/(loss)	87,241	3,777	(918)	-	(1,867)	88,233
Total assets	1,696,640	215,974	134,781	-	960,040	3,007,435
Total liabilities	(345,722)	(59,761)	(35,397)	-	(1,639,692)	(2,080,572)
Capital expenditure	(31,713)	(5,357)	(1,535)	-	(1,719)	(40,324)

* This statement has been restated to include UK wholesale revenue (in the B&M segment). See note 1.

52 week period to 30 March 2019	B&M £'000	Heron £'000	Jawoll £'000	Babou £'000	Corporate £'000	Total £'000
Revenue	2,789,431	354,057	213,663	129,144	-	3,486,295
EBITDA	296,398	19,923	(10,223)	5,596	177,209	488,903
Depreciation and amortisation	(30,579)	(9,950)	(4,677)	(4,466)	(129,933)	(179,605)
Net finance income/(costs)	136	(765)	(525)	(62)	(72,610)	(73,826)
Income tax (expense)/credit	(50,531)	(1,750)	4,782	(352)	4,235	(43,616)
Segment profit/(loss)	215,424	7,458	(10,643)	716	(21,099)	191,856
Total assets	1,760,772	215,529	156,130	172,700	1,042,486	3,347,617
Total liabilities	(342,511)	(52,830)	(32,977)	(80,251)	(1,837,581)	(2,346,150)
Capital expenditure	(63,394)	(15,432)	(4,927)	(2,963)	(19,253)	(105,969)

4 Reconciliation of non-IFRS measures from the statement of comprehensive income

EBITDA, adjusted EBITDA and adjusted profit are non-IFRS measures and therefore we provide a reconciliation of these amounts to the statement of comprehensive income below.

The foreign exchange difference on our acquisition facility loan has been included for the first time as an adjusting item in these interim accounts. This is because the loan has been specifically drawn to cover costs associated with a Group project. Our March 2019 adjusted EBITDA has been restated to reflect this.

Period to	**26 weeks ended 28 September 2019 £'000**	26 weeks ended 29 September 2018 £'000	52 weeks ended 30 March 2019 £'000
Profit on ordinary activities before interest and tax	**76,414**	148,421	309,298
Add back depreciation and amortisation	**105,383**	79,760	179,605
EBITDA (IFRS 16)	**181,797**	228,181	488,903
Exclude effects of IFRS 16 on administrative expenses	**(97,002)**	(79,071)	(174,078)
EBITDA	**84,795**	149,110	314,825
Reverse the effect of ineffective derivatives	**(4,101)**	(17,322)	(5,707)
Foreign exchange on intercompany balances	**(3,610)**	-	2,799
Foreign exchange on the acquisition facility	**2,620**	-	(2,978)
Reverse the German Jawoll impairment	**59,533**	-	-
Remove costs associated with the acquisition of Babou	**-**	-	425
Adjusted EBITDA	**139,237**	131,788	309,364
Pre IFRS 16 depreciation and amortisation	**(30,712)**	(21,799)	(49,674)
Net adjusted finance costs (see below)	**(12,539)**	(11,207)	(22,899)
Adjusted profit before tax	**95,986**	98,782	236,791
Adjusted tax	**(16,939)**	(18,902)	(45,182)
Adjusted profit for the period	**79,047**	79,880	191,609
Attributable to non-controlling interests	**(2,941)**	(282)	(2,445)
Attributable to owners of the parent	**81,988**	80,162	194,054

Adjusted EBITDA (IFRS 16) can also be calculated as follows;

Period to	**26 weeks ended 28 September 2019 £'000**	26 weeks ended 29 September 2018 £'000	52 weeks ended 30 March 2019 £'000
Adjusted EBITDA (above)	**139,237**	131,788	309,364
Include effects of IFRS 16 on EBITDA	**97,002**	79,071	174,078
Adjusted EBITDA (IFRS 16)	**236,239**	210,859	483,442

Net adjusted finance costs reconcile to finance costs in the statement of comprehensive income as follows;

Period to	**26 weeks ended 28 September 2019 £'000**	26 weeks ended 29 September 2018 £'000	52 weeks ended 30 March 2019 £'000
Other finance costs from the statement of comprehensive income	**(12,441)**	(12,169)	(25,544)
Finance income from the statement of comprehensive income	**95**	53	369
Add back finance lease costs (due to IFRS 16 exclusion)	**(193)**	(164)	(407)
Reverse the effect of unwinding deferred acquisition costs	**-**	1,073	2,683
Net adjusted finance costs	**(12,539)**	(11,207)	(22,899)

Adjusting items are the effects of derivatives, one off refinancing fees, foreign exchange on the translation of intercompany balances and the effects of revaluing or unwinding balances related to the acquisition of subsidiaries, such as the call/put option held over the non-controlling interest of our German operation. Significant project costs may also be included if incurred. Adjusted tax represents the tax charge per the statement of comprehensive income as adjusted only for the effects of the adjusting items detailed above.

All adjusting items relate to the corporate segment. The IFRS 16 adjustments are also considered part of the corporate segment as they are not regularly reported to management when monitoring the performance of the other segments within the Group.

Adjusted EBITDA and related measures are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance or cash flows from operating activities as determined in accordance with IFRS.

5 Business combinations

In the prior year, on 19 October 2018, the Group acquired Paminvest SAS a discount general merchandise retailer group operating under the trading name Babou in France ("Babou"). As part of the same transaction the Group acquired the third party distribution service provider to Babou and these operations were immediately brought into the Paminvest group. The exchange rate on the acquisition date was 1.1346€/£.

A final review of the fair values of the identifiable assets and liabilities has been carried out within the half year, with the result that an additional €6m goodwill has been recognised in relation to a write-down of inventory.

Whilst all other fair values remain unchanged from the provisional figures given in the 2019 Annual Report, we have restated acquisition assets and liabilities to incorporate IFRS 16. This has had no impact on the net assets acquired.

The fair values of the identifiable assets and liabilities acquired have therefore been finalised as:

Assets	**€'000**
Babou brand asset (10 year life)	4,690
Other intangible assets	1,402
Property, plant and equipment	27,591
Right of use assets	166,353
Inventories	77,280
Corporation and deferred tax	2,671
Receivables and other assets	18,087
Cash	4,038
Total assets	**302,112**
Liabilities	
Creditors and accruals	(64,947)
Lease liabilities	(164,537)
Bank loans	(12,488)
Total liabilities	**(241,972)**
Net assets acquired	**60,140**
Fair value of consideration	**90,130**
Goodwill recognised on acquisition	**29,990**

This is an increase from the estimated goodwill of €23.9m recognised at year end.

The effect of the acquisition on the Group can be seen in the segment note (note 3). Further details are disclosed in the Group's 2019 Annual Report.

6 Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at each period end.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during each year plus the weighted average number of ordinary shares that would be issued on conversion of any dilutive potential ordinary shares into ordinary shares.

Adjusted basic and diluted earnings per share are calculated on the same basis except using the adjusted profit or loss attributable to the equity holders of the parent, as defined in note 4.

There are share option schemes in place which have a dilutive effect on all periods presented.

Basic and diluted earnings per share have been restated to reflect the integration of IFRS 16 into the accounts. Adjusted basic and diluted earnings per share are unaffected by this, although the March 2019 figure has been restated to include the impact of the inclusion of foreign exchange on the acquisition loan in the adjusting items.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Period to	**28 September 2019 £'000**	Restated 29 September 2018 £'000	Restated 30 March 2019 £'000
Profit for the period attributable to ordinary equity holders of the Group	**15,462**	88,643	194,563
Adjusted profit for the period attributable to ordinary equity holders of the Group	**81,988**	80,162	194,054
	Thousands	Thousands	Thousands
Weighted average number of ordinary shares for basic loss per share	**1,000,561**	1,000,561	1,000,561
Effect of dilution:			
Employee share options	**674**	401	453
Weighted average number of ordinary shares adjusted for the effect of dilution	**1,001,235**	1,000,962	1,001,014
	Pence	Pence	Pence
Basic earnings per share	**1.5**	8.9	19.4
Diluted earnings per share	**1.5**	8.9	19.4
Adjusted basic earnings per share	**8.2**	8.0	19.4
Adjusted diluted earnings per share	**8.2**	8.0	19.4

7 Taxation

The taxation charge has been increased by £9,778k as a result of the impairment of the German Jawoll business (see note 9).

The remaining charge of £15,983k for the interim period has been calculated on the basis of the corporation tax rate for the full year of 19% (UK) and 30% (Germany, France) and then adjusted for allowances and non-deductibles in line with the prior year.

8 Intangible assets

	Goodwill £'000	Software £'000	Brands £'000	Other £'000	Total £'000
Cost or valuation					
At 31 March 2018	929,718	7,251	116,043	1,514	1,054,526
Additions	-	969	250	1	1,220
Additions due to Heron acquisition	-	(12)	-	-	(12)
Effect of retranslation	561	9	84	24	678
At 29 September 2018	930,279	8,217	116,377	1,539	1,056,412
Additions due to the purchase of Babou	21,144	139	4,134	1,096	26,513
Additions	-	1,435	-	-	1,435
Disposals	-	(39)	-	-	(39)
Effect of retranslation	(1,817)	(37)	(298)	(84)	(2,236)
At 30 March 2019	949,606	9,715	120,213	2,551	1,082,085
Recalculation of acquired goodwill (note 5)	5,151	-	-	-	5,151
Restated 30 March 2019	**954,757**	**9,715**	**120,213**	**2,551**	**1,082,085**
Additions	**-**	**824**	**-**	**-**	**824**
Disposals	**-**	**(1)**	**-**	**-**	**(1)**
Effect of retranslation	**1,980**	**38**	**303**	**84**	**2,405**
At 28 September 2019	**956,737**	**10,576**	**120,516**	**2,635**	**1,090,464**
Accumulated amortisation / impairment					
At 31 March 2018	-	2,575	13	1,258	3,846
Charge for the period	-	823	10	52	885
Disposals	-	(2)	-	-	(2)
Effect of retranslation	-	5	-	21	26
At 29 September 2018	-	3,401	23	1,331	4,755
Charge for the period	-	1,031	217	25	909
Disposals	-	(39)	-	-	(39)
Effect of retranslation	-	(16)	(5)	(48)	(69)
At 30 March 2019	**-**	**4,377**	**235**	**1,308**	**5,920**
Charge for the period	**-**	**1,108**	**159**	**27**	**1,294**
Impairment (note 9)	**35,112**	**611**	**5,286**	**154**	**41,163**
Disposals	**-**	**-**	**-**	**-**	**-**
Effect of retranslation	**(53)**	**14**	**(2)**	**43**	**2**
At 28 September 2019	**35,059**	**6,110**	**5,678**	**1,532**	**48,379**
Net book value at 28 September 2019	**921,678**	**4,466**	**114,838**	**1,103**	**1,042,085**
Restated net book value at 30 March 2019	954,757	5,338	119,978	1,243	1,076,165
Net book value at 29 September 2018	930,279	4,816	116,354	208	1,051,657

9 Impairment review

Our German business Jawoll has continued to underperform against management expectations and has not yet delivered the improvement that was previously expected. As such, it has been necessary to carry out a further impairment review at the half year end date.

The review considered the projected future performance of the business based on a range of inputs, and was carried out in the segments base currency of the Euro. The key assumptions were as follows;

	Sep-19	Mar-19
Discount rate	12.41%	12.41%
Inflation rate for costs	1.44%	1.26%
Like for like sales growth	1.00%	5.00%
Gross margin	37.50%	38.00%
Terminal growth rate	1.44%	3.00%

There was also a key assumption in regards to the abnormal level of logistics costs with some mitigation expected over the period of the projections, but without the logistics costs returning to the original lower level previously experienced by the business.

The results of the impairment exercise have been considered by the Board which concluded that all of the Goodwill and Brand assets should be impaired, as well as other assets within the underperforming stores excluding the assets based at the warehouse which management consider separately supportable.

Associated deferred tax assets and liabilities have been derecognised, and the deferred tax asset carried in relation to the use of future profits has also been derecognised. The right of use assets, previously classified as finance leases, were also provided against.

The total impairment reflects the following adjustments, with the GBP values presented at the rate used to translate the items for the purposes of profit and loss (1.1257€/£, the rate for the statement of financial position was 1.1274€/£).

	€'000	£'000
Goodwill	39,526	35,112
Brands	5,950	5,286
Software and other intangible assets	861	765
Land & buildings (including £4,940k right of use assets)	6,282	5,581
Other fixed assets	14,398	12,789
Impairment recognised in administrative costs	**67,017**	**59,533**
Deferred tax asset	12,717	11,297
Deferred tax liability	(1,710)	(1,519)
Impairment recognised in income tax expense	**11,007**	**9,778**
Total impairment	**78,024**	**69,311**

The impairment has been charged to the statement of comprehensive income and is considered non-recurring in nature and has therefore been treated as an adjusting item (see note 4).

There are no brand assets, goodwill, or other assets with indefinite life remaining in the German Jawoll segment.

Other segments which have goodwill and brand assets carried with an indefinite life did not show signs of impairment over the half year and therefore an additional review has not been undertaken. These segments were last assessed at the prior year end date (30 March 2019) with full details given in the Group's annual report. They will next be tested for impairment at 28 March 2020, the Group's next year end date.

10 Property, plant and equipment

	Land and buildings £'000	Motor Vehicles £'000	Plant, fixtures and equipment £'000	Total £'000
Cost or valuation				
At 31 March 2018 (originally reported)	135,535	12,457	258,696	406,688
Restatement due to IFRS 16	(6,855)	(4,054)	(657)	(11,566)
At 31 March 2018 (restated)	128,680	8,403	258,039	395,122
Additions	11,506	2,653	24,945	39,104
Disposals	(112)	(669)	(828)	(1,609)
Effect of retranslation	277	9	310	596
At 29 September 2018	140,351	10,396	282,466	433,213
Additions due to acquisition of Babou	153	63	24,101	24,317
Additions	23,454	2,975	37,782	64,211
Disposals	(62)	(471)	(1,163)	(1,696)
Effect of retranslation	(629)	(20)	(1,465)	(2,114)
At 30 March 2019	**163,267**	**12,943**	**341,721**	**517,931**
Additions	**30,302**	**2,628**	**46,422**	**79,352**
Disposals	**(1,490)**	**(778)**	**(1,537)**	**(3,805)**
Transfer to "Held for sale"	**(89,016)**	**-**	**-**	**(89,016)**
Effect of retranslation	**559**	**19**	**1,558**	**2,136**
28 September 2019	**103,622**	**14,812**	**388,164**	**506,598**
Accumulated depreciation				
At 31 March 2018 (originally reported)	17,152	2,251	78,632	98,035
Restatement due to IFRS 16	(1,042)	(375)	(77)	(1,494)
At 31 March 2018 (restated)	16,110	1,876	78,555	96,541
Charge for the period	1,972	979	17,121	20,072
Disposals	(103)	(524)	(608)	(1,235)
Effect of retranslation	69	2	104	175
At 29 September 2018	18,048	2,333	95,172	115,553
Charge for the period	2,065	1,120	21,541	24,726
Disposals	90	(144)	(327)	(381)
Effect of retranslation	(166)	(6)	(376)	(548)
At 30 March 2019	**20,037**	**3,303**	**116,010**	**139,350**
Charge for the period	**2,203**	**1,315**	**23,892**	**27,410**
Impairment (note 9)	**1,193**	**32**	**12,759**	**13,984**
Disposals	**(199)**	**(559)**	**(1,414)**	**(2,172)**
Effect of retranslation	**144**	**6**	**352**	**502**
At 28 September 2019	**23,378**	**4,097**	**151,599**	**179,074**
Net book value at 28 September 2019	**80,244**	**10,715**	**236,565**	**327,524**
Net book value at 30 March 2019	143,230	9,640	225,711	378,581
Net book value at 29 September 2018	122,303	8,063	187,294	317,660

The comparative figures have been restated due to the application of IFRS 16, following the removal of finance leases from this caption.

The Group has built a large new warehouse in the south of England that is currently being brought into use. As the intention is to sell this warehouse (and subsequently lease it back) before the end of the financial year, the Group has reclassified the capital associated with this asset to 'Assets held for sale', also see note 1.

11 Transition to IFRS 16

The new lease standard, IFRS 16, applied to the Group from the start of this financial year, 31 March 2019.

The Group has chosen to implement the new standard by adopting the fully retrospective approach, which means that we have fully restated our prior year accounts.

Although the impact of IFRS 16 on the primary statements is significant, IFRS 16 is essentially presentational and does not impact on the underlying cash generation of the business nor how we commercially operate and manage the business and store portfolio.

A full statement of our new policy is included in note 1. A statement of profit and loss based upon the previously applicable standards has been provided in note 2 to aide comparability.

The vast majority of our lease commitment relates to our warehouse and store network, with a smaller impact from other leases which include commercial vehicles, manual handling equipment, company cars and other store equipment.

The previously held rent prepayments, lease premiums, reverse lease premiums, favourable and unfavourable lease balances and the portion of the onerous lease balance that related to rent have all been superseded by the new standard and are therefore incorporated into the IFRS 16 balances.

All assets previously held under finance leases have been transferred to this new categorisation.

The difference in Retained earnings brought forward as at the start of the earliest period presented here (1 April 2018) was £55.0m.

The other key figures for each period presented are

	28 September 2019 £'000	29 September 2018 £'000	30 March 2019 £'000
Period end asset	**1,054,758**	900,060	1,037,404
Period end liability (includes current and non-current)	**(1,250,364)**	(1,057,330)	(1,205,636)
Depreciation charge	**76,679**	58,803	132,649
Interest charge	**31,888**	27,234	58,508
Cashflow	**(85,755)**	(76,666)	(170,997)

Further disclosures will be provided in the March 2020 annual report.

12 Share capital

	Nominal value £'000	Number of shares
Allotted, called up and fully paid		
B&M European Value Retail S.A. Ordinary shares of 10p each;		
As at all period ends	**100,056**	**1,000,561,222**

Ordinary Shares

Each ordinary share ranks pari passu with each other ordinary share and each share carries one vote. The Group parent is authorised to release up to a maximum of 2,971,661,000 (2018: 2,971,661,000) ordinary shares.

The outstanding share options can be summarised as follows;

	28 September 2019	29 September 2018	30 March 2019
Vested, available to exercise	**32,725**	11,049	11,049
Vested, not available to exercise (in holding period)	**322,819**	72,093	72,093
Awarded, not vested (subject to conditions)	**2,029,773**	1,430,597	1,402,656
Total outstanding share options	**2,385,317**	1,513,739	1,485,798

For the dilutive effect of these, see note 6.

13 Financial liabilities - borrowings

	28 September 2019 £'000	29 September 2018 £'000	30 March 2019 £'000
Current			
Revolving facility bank loan	**106,000**	73,000	40,000
Acquisition facility	**81,547**	-	78,461
Babou loan facilities	**3,921**	-	3,599
Heron loan facilities	**2,178**	2,212	2,212
	193,646	75,212	124,272
Non-current			
High yield bond notes	**248,512**	247,876	248,194
Term facility bank loan	**298,508**	297,695	298,102
Babou loan facilities	**7,381**	-	5,362
Heron loan facilities	**10,371**	12,389	11,283
	564,772	557,960	562,941

The Babou loan facilities and the acquisition facility are both held in Euros. All other borrowings are held in sterling.

The term facility bank loan, high yield bonds and acquisition facility have a book value lower than the cash amount that is outstanding due to the allocation of fees to these facilities on their inception. The gross cash values of these facilities can be seen in the table below.

	Interest Rate %	Maturity	**28 September 2019 £'000**	29 September 2018 £'000	30 March 2019 £'000
Revolving facility bank loans	2.00% + LIBOR	Oct-19 (1)	**106,000**	73,000	40,000
Term facility bank loan	2.00% + LIBOR	Jul-2021	**300,000**	300,000	300,000
High yield bond notes	4.125%	Feb-2022	**250,000**	250,000	250,000
Acquisition facility	1.075% (2)	Oct-19 (3)	**81,604**	-	78,984
Babou loan facilities (4)	0.515% to 1.96% + EURIBOR	Jan 2020 – May 2024	**11,303**	-	8,961
Heron loan facilities (5)	2.25% to 2.50% + LIBOR	Dec 202 1- July 2025	**12,548**	14,601	13,496
			761,455	637,601	691,441

(1) The individual revolving facility loans mature in October 2019, but can be rolled within the facility for no penalty. The facility expires in July 2021.
(2) The acquisition facility interest rate varies over the term of the lease. The rate stated in the table above is the average rate over the initial period of holding.
(3) The acquisition facility matures in October 2019 but can be extended without penalty for a further year in six month segments. The rate for Oct 19-Apr-20 would average at around 2.20%, and the rate for Apr-20-Oct 20 would be expected to be around 3.20% with an extension fee of 0.15% at each decision point.
(4) There are 18 (Sept 18: 0, Mar 19: 14) facilities held within Babou, none of which are individually material to the Group.

(5) There are three (Sept 2018, Mar 19: same) facilities held within Heron, the largest of these has a cash value of £4.8m (Sept 18: £5.6m, Mar 19: £5.2m).

14 Reconciliation of profit before tax to cash generated from operations

	26 weeks ended 28 September 2019 £'000	26 weeks ended 29 September 2018 £'000	52 weeks ended 30 March 2019 £'000
Profit before tax	**32,180**	109,071	235,472
Adjustments for:			
Interest expense	**44,234**	39,350	73,826
Depreciation of property, plant and equipment	**27,410**	20,072	44,798
Depreciation of right of use assets	**76,679**	58,803	132,649
Amortisation of intangible assets	**1,294**	885	2,158
(Profit)/loss on disposal of property, plant and equipment	**(244)**	172	644
Charge on share options	**659**	415	954
Change in inventories	**(170,685)**	(42,471)	(40,947)
Change in trade and other receivables	**(4,453)**	(13,428)	(24,773)
Change in trade and other payables	**103,667**	(11,217)	7,014
Change in provisions	**988**	(809)	81
Share of profit from associates	**(500)**	(879)	(775)
Non-cash foreign exchange effect from retranslation of subsidiary cash flows	**(786)**	44	1,781
(Profit)/loss resulting from fair value of financial derivatives	**(4,101)**	(17,322)	(5,707)
Cash generated from operations	**106,342**	142,686	427,175

This statement has been restated due to the first time adoption of IFRS 16, see notes 1,2 and 11.

15 Financial instruments

The fair value of the financial assets and liabilities of the Group are not materially different from their carrying value. Refer to the table below.

As at	**28 September 2019**	29 September 2018	30 March 2019
Financial assets:	**£'000**	£'000	£'000
Fair value through profit and loss			
Fuel price swap	**73**	-	127
Forward foreign exchange contracts	**7,002**	15,583	2,383
Fair value through other comprehensive income			
Forward foreign exchange contracts	**14,378**	883	3,784
Loans and receivables			
Cash and cash equivalents	**77,644**	64,523	86,202
Trade receivables	**10,112**	8,274	23,205
Other receivables	**14,032**	3,291	5,226
Financial liabilities:			
Fair value through profit and loss			
Fuel price swap	**26**	-	-
Forward foreign exchange contracts	**96**	280	535
Put/call options over the non-controlling interest of Jawoll	**-**	8,720	-
Deferred consideration relating to Heron purchase	**12,084**	11,697	12,084
Fair value through other comprehensive income			
Forward foreign exchange contracts	**178**	283	1,112
Amortised cost			

Overdrafts	**15,634**	6,934	5,646
Interest-bearing loans and borrowings	**758,418**	633,172	687,213
Trade payables	**386,951**	254,161	310,150
Other payables	**9,057**	11,849	7,370

Financial instruments at fair value through profit and loss

The put/call options over the non-controlling interest in Jawoll arose as part of the acquisition of the entity. The valuation at year end reflects management's latest projection that the final amount to be exchanged will be €nil.

The deferred consideration relates to the acquisition of Heron. The valuation at the period end reflects management's calculation of the amount expected to be payable later in this financial year.

The other financial assets and liabilities through profit or loss reflect the fair value of those foreign exchange forward contracts, interest rate swaps and fuel swaps that are intended to reduce the level of risk for expected sales and purchases.

The put/call option and the deferred consideration are valued with reference to the respective Sale and Purchase Agreements underpinning the acquisitions, and the key variable in determining the fair values is the EBITDA of those entities as prepared by management.

The other forward foreign exchange and fuel derivative contracts have been valued by the issuing bank, using a mark to market method. The bank has used various inputs to compute the valuations and these include inter alia the relevant maturity date and strike rates, the current exchange rate, fuel prices and LIBOR levels.

The Group's financial instruments are either carried at fair value or have a carrying value which is considered a reasonable approximation of fair value.

16 Related party transactions

There have been no changes in the related-party transactions described in the last annual report of B&M European Value Retail S.A. that have had a material effect on the financial position or performance of the Group in the six months ended 28 September 2019.

The Group has entered into material related party transactions over the current 26-week period with the following parties, Multi-lines International Company Ltd, a supplier, and Centz Retail Holdings Limited, a customer, both of which are associates of the Group.

	26 weeks ended 28 September 2019 £'000	26 weeks ended 27 September 2018 £'000	52 weeks ended 30 March 2018 £'000
Purchases from associates			
Multi-lines International Company Ltd	**124,433**	56,495	141,015
Sales to associates			
Centz Retail Holdings Limited	**10,275**	-	8,858

The following table sets out the total amount of net trading balances with Multi-lines outstanding at the period end.

	28 September 2019 £'000	27 September 2018 £'000	30 March 2018 £'000
Net trade receivables/(payables) with associates			
Multi-lines International Company Ltd	**(17,285)**	1,389	8,958
Centz Retail Holdings Limited	**3,831**	-	2,045

Outstanding trade balances at the balance sheet date are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party trade receivables or payables.

17 Commitments

There are no significant capital commitments as at the half year end.

18 Post balance sheet events

An interim dividend of 2.7 pence per share (£27.0m) has been proposed.

On October 18 2019 the Group extended the €92.0m Acquisition Facility for a further six months. The new termination date is April 20th 2020. On that date the Group also has the option to extend the loan further for a final six month period, see note 13.

There have been no other material events between the balance sheet date and the date of issue of these accounts.

19 Directors

The directors that served during the period were:

Name
P Bamford (Chairman)
S Arora (CEO)
P McDonald (CFO)
T Hübner (Retired 1 May 2019)
R McMillan
K Guion
T Hall
C Bradley
G Petit (Appointed 2 May 2019)

Unless otherwise stated, the directors each served for the whole period.

Responsibility statement of the Directors in respect of the half-yearly financial report
We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU;

• the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the *Disclosure Guidance and Transparency Rules*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the *Disclosure Guidance and Transparency Rules*, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Simon Arora
Chief Executive
12 November 2019

Paul McDonald
Chief Financial Officer

Report of the Réviseurd'Entreprisesagréé on the review of condensed consolidated interim financial information

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of B&M European Value Retail S.A. as at 28 September 2019, the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the 26 week period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted, for Luxembourg, by the Institut des Réviseursd'Entreprises. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurancethat we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 28 September 2019 is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

Luxembourg, November 12, 2019

KPMG Luxembourg Société coopérative
Cabinet de révision agréé

Thierry Ravasio