



9 January 2025

**Increased volume momentum driving profit and cash generation
£151m special dividend declared**

B&M European Value Retail S.A. ("the Group"), the UK's leading variety goods value retailer, today provides a trading update for the third quarter ("Q3") of its current financial year ("FY25"), relating to the 13 week period from 29 September 2024 to 28 December 2024.

Highlights

Revenue performance	Q3 FY25		YTD	
	£m	YoY% ¹	£m	YoY% ¹
B&M UK ²	1,387m	2.8%	3,508m	3.3%
B&M France	164m	12.5%	412m	10.2%
Heron Foods	136m	(5.6)%	411m	(1.2)%

- Group revenue growth YTD on a constant currency³ basis was 3.5% (3.3% as reported). Group Q3 constant currency³ revenue growth was 2.8% year-on-year (2.6% as reported)
- B&M UK Q3 total revenue growth of 2.8%, like-for-like⁴ (LFL) revenue growth of (2.8)% with positive LFL growth in December. January entry run-rate has continued a positive LFL trend, on the back of a strong customer response to our newly launched ranges
- Both FMCG and general merchandise saw excellent seasonal range sell-through, with Seasonal Confectionery, Toys, Seasonal Christmas Home ranges all delivering positive volume growth and positive LFL⁴ performance in December
- B&M UK gross margin and profit performance was strong in the quarter, with a clean inventory exit position. January seasonal transition is well on track and availability is very strong
- B&M France traded well in the quarter, with total revenue growth¹ of 12.5% and LFL⁴ revenue growth of 3.8%
- On track to open approximately 73 gross new stores across the Group in FY25 (45 in B&M UK, 11 in B&M France and 17 in Heron Foods). FY26 opening programme is on track with 45 planned openings in B&M UK
- Our work to relocate the parent company's domicile continues, with two possible destinations under review. Jersey and Ireland. We are commencing enquiries with regulators and relevant authorities to progress our consideration of location and timing. The company intends to retain its London listing in the event that any change is ultimately implemented
- The Group's industry-leading return on capital⁵ (in excess of 30%) drives a strong cash generation every year. The Board is declaring a special dividend⁶ of 15.0p per Ordinary Share (equivalent to £151m) to be paid on 14 February 2025 to shareholders on the register at 17 January 2025. The ex-dividend date will be 16 January 2025. Further excess capital returns in the new financial year will be finalised once the redomicile process has been completed

Alex Russo, Chief Executive, said,

"Our performance across the Golden Quarter reflects disciplined operational execution across our businesses, driving volume and in turn profit growth. The business remains undistracted by the current economic headlines. Our operating model is well set up to give customers exceptional value when they need it most. Pricing, availability, store standards and a disciplined opening programme will underpin positive volume growth across our ranges. Our DC logistics network capacity upgrades are on-track in both the UK and France to support long-term growth.

With three quarters of the financial year now complete, we narrow our previously disclosed profit growth guidance range. FY25 Group adjusted EBITDA (pre-IFRS 16) is now expected to be in the range of £620m to £650m (FY24 52

range. FY25 Group adjusted EBITDA (pre-FY25) is now expected to be in the range of £625m to £630m (FY24 52 weeks: £616m / FY24 53 weeks: £629m). This is equivalent to Group adjusted operating profit of between £590m to £620m.

Our strategy is clear - we are an everyday low-price discounter with a laser-focus in keeping excellence in retail standards and our costs the lowest. This allows us to drive volumes by offering our best-selling products at exceptional value to every customer. Through this volume growth, and with our leading return on capital business model, we continue to generate profit and cash returns for our shareholders."

Notes:

1. B&M France Q3 and Q3 YTD year-on-year total revenue growth % are calculated in local currency.
2. References in this announcement to the B&M business include 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 include both the Heron Foods fascia and B&M Express fascia convenience stores in the UK.
3. Constant currency comparison involves restating the prior year Euro revenues using the same exchange rate as that used to translate the current year Euro revenues.
4. One-year like-for-like revenues exclude wholesale revenues 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 FY24. This 14-month approach has been adopted as it excludes the 2-month halo period which new stores experience following opening.
5. Return on capital is a pre-tax measure calculated using the mid-point of the range for FY25 Group adjusted operating profit divided by brought forward FPE, right-of-use assets, software plus working capital.
6. Dividends are stated as gross amounts before a deduction of Luxembourg withholding tax which is currently 15%.

Conference call

A call for investors and analysts will be held today at 09:00 (GMT). Investors and analysts should register for the call using the following link:

<https://register.vevent.com/register/BI557707e5935c404897bca18fde8f093c>

A further call for North American investors only is scheduled today at 16:00 (GMT). To register please contact Dave McCarthy via email at dave.mccarthy@bmstores.co.uk

Supplemental Information

We report sales on a 13-week and 52-week retail calendar - which uses 364 days in a year. A 53rd week was added to our reporting calendar in FY24. As already disclosed in the first quarter trading update, this additional week affects the comparability of performance of reported revenues. Additionally, the third quarter statutory reporting period has one fewer trading day than the prior year.

(Period end dates)	FY25 statutory reporting periods (13-weeks unless indicated)			
	Q1	Q2	Q3	Q4
FY25	29/06/2024	28/09/2024	28/12/2024	29/03/2025
FY24	24/06/2023	23/09/2023	23/12/2023	30/03/2024*

FY25 LFL reporting periods (13-weeks)				
	Q1	Q2	Q3	Q4
FY25	29/06/2024	28/09/2024	28/12/2024	29/03/2025
FY24	01/07/2023	30/09/2023	30/12/2023	30/03/2024

*Q4 in FY24 was a 14-week period.

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About B&M European Value Retail S.A.

B&M European Value Retail S.A. is a variety retailer with 772 stores in the UK operating under the "B&M" brand, 340 stores under the "Heron Foods" and "B&M Express" brands, and 134 stores in France also operating under the "B&M" brand as at 28 December 2024.

The B&M Group was founded in 1978 and listed on the London Stock Exchange in June 2014. For more information, please visit www.bandmretail.com

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