



Bau- und Heimwerkermärkte Holding AG



## H1 2010 – Presentation of results

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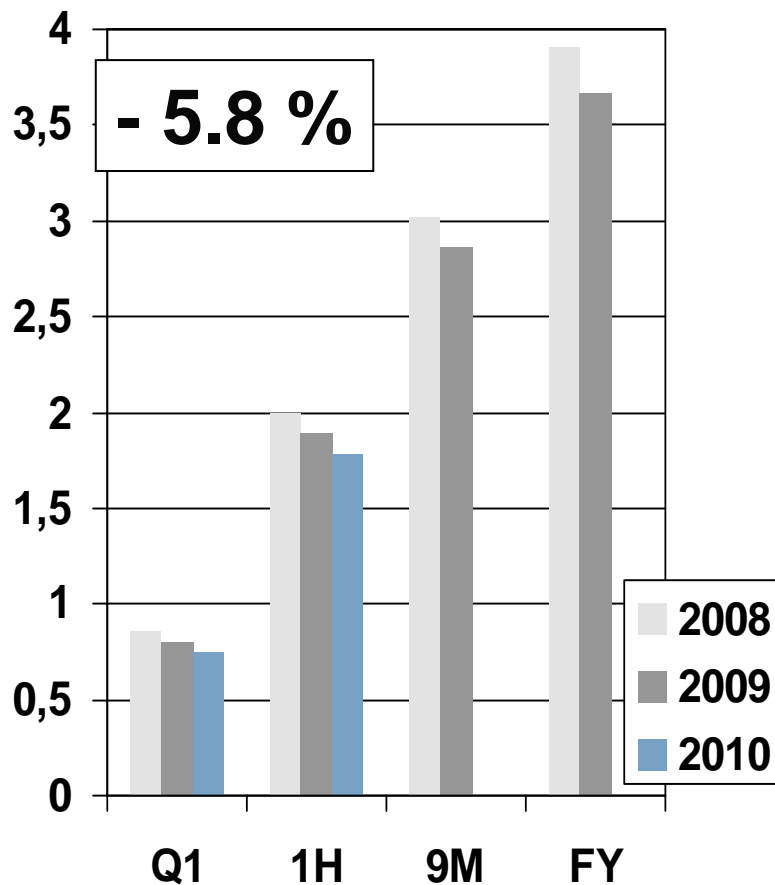
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# Group sales impacted by economic weakness in Eastern Europe and adverse weather in spring

Net sales group, cumulative, € bn



## First half 2010:

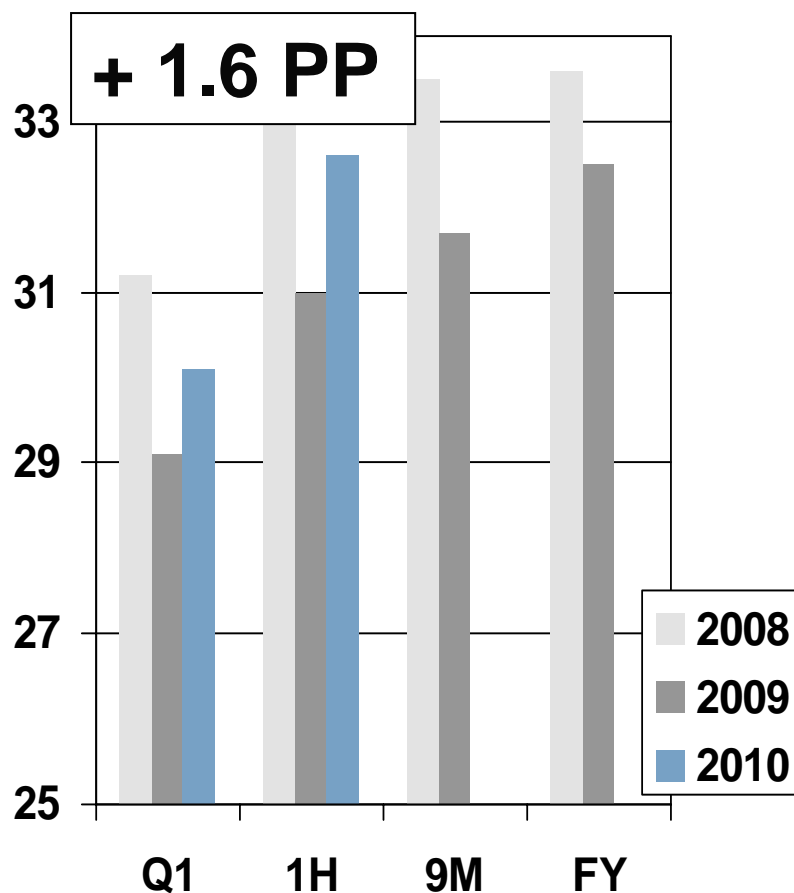
- Sales growth: - 5.8 % (€ 1,787 m)
- Sales growth l-f-l: - 7.6 %
  
- Germany: - 6.6 % (€ 1,312 m)
- like-for-like: - 7.7 %
  
- Praktiker Germany: - 7.5 % (€ 914 m)
- like-for-like: - 8.0 %
- Max Bahr: - 4.4 % (€ 352 m)
- like-for-like: - 7.0 %
  
- International: - 3.5 % (€ 475 m)
- like-for-like: - 7.3 %

# Gross profit margin continues to rise



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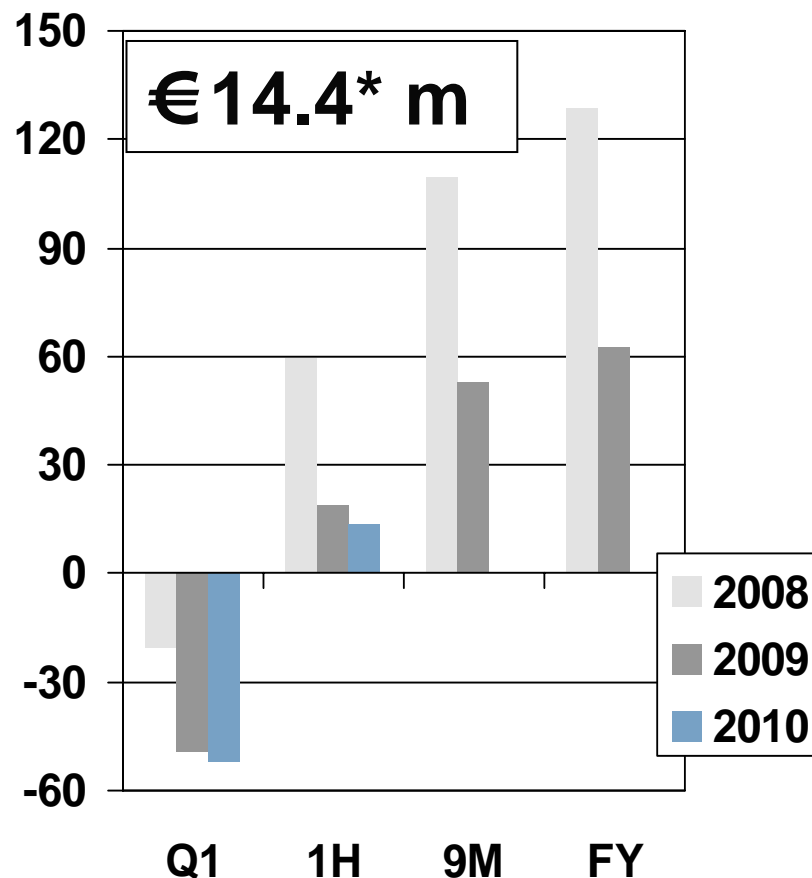
Gross profit margin, cumulative, %



- H1 gross profit: down 1.1 % to €582 m
- H1 gross profit margin: Increase of 1.6 PP to 32.6 %
- 20 percent off days at Praktiker Germany from 43 days in H1 2009 to 25 days in H1 2010
- Increase in Q2 at 2.0 PP - higher than in Q1 (1.0 PP)

## EBITA comparatively stable, but impacted by one-offs

EBITA, cumulative, € m



- EBITA H1: € 14.4\* m (H1 2009 € 18.9 m)
- Improvement in gross profit margin and cost-cutting not sufficient to fully compensate declining sales
- Extraordinary effects impact result
  - € 9.5 m provisions in Poland
  - € 4.8 m for programme “Praktiker 2013”
- Modest relief from exchange rate effects (€ 1.7 m)

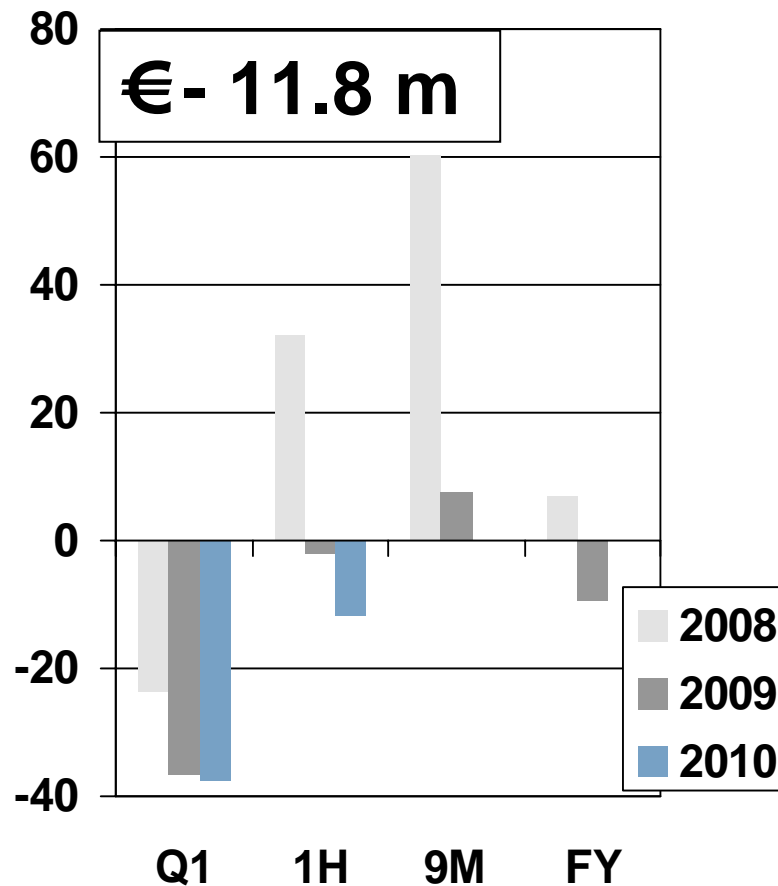
\* before extraordinary effects

# Net result: Currency losses in Q2 offset gains in Q1 – increase in tax rate due to one-offs



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Net result, cumulative, € m



- H1 net result: € - 11.8 m (H1 2009 € - 2.2 m)
- Net financial result: € - 25.8 m (H1 09 € - 24.5 m)
  - Negative currency effects in H1 (€4.6 m)
  - Interest result declined by € 1.6 m
- €2.1 m of financial expenses non-cash: increase of financial liability resulting from increase in the fair value of debt component of convertible bonds
- €4.6 m of financial result non-cash: net currency losses
- Tax rate of 54 % applied in H1 (Q1 2010: 33 %)
  - Provision in Poland
  - Special tax in Greece (€ 2.5 m)

## All financial indicators improved – financial position further strengthened



- Inventories reduced further to € 860 m (H1 2009 € 933 m)
- Net working capital improved to € 337 m (H1 2009 € 382 m)
- Cash and cash equivalents increased to € 293 (H1 2009 € 271 m)
- Net debt position improved to € 163 m (H1 2009 € 195 m)
- Capex up to € 31.4 m from € 29.5 m

### **Group:**

- Sales and earnings not up to expectations
- Gross profit margin improved further, but extraordinary effects impact results
- Improvement in cash position, working capital and net debt

### **Germany:**

- Sales down, earnings stable
- Praktiker: Reduction of marketing activities ongoing
- Max Bahr: Changes in assortments pay out

### **International:**

- First signs of recovery in Eastern Europe
- Profits in Greece only moderately down
- Limited positive currency effects

- Moderate decline in sales
- Considerable increase in EBITA – before extraordinary effects
- Cash capex at level of 2009 to be financed from operating cash flow
- Comfortable financial position to be maintained
- Underlying tax rate at 34 percent, but extraordinary effects to be considered





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