



PRESS RELEASE

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Action achieves sales growth of 32% and accelerates international expansion **Strong growth in operating EBITDA of 36%**

Highlights 2015¹

- Net sales grew to EUR 1,995 million in 2015, an increase of 32% compared to 2014 (2014: EUR 1,506 million).
- Like-for-like² sales growth of 7.6% in 2015 (2014: 7.2%).
- Strong growth in operating EBITDA³ to EUR 226 million in 2015. This is 36% higher than in 2014 (2014: EUR 166 million).
- Cash flow from operations increased by 47% to EUR 225 million (2014: EUR 153 million).
- Net store expansion of 141 new stores. Particularly strong expansion in France, where the number of stores more than doubled. Following the opening of our first stores in Luxembourg and Austria, Action ended 2015 with 655 stores in six countries.
- Average number of store visitors increased to 5 million weekly in Q4. This was achieved by attracting new customers and through an increased store visit frequency of existing customers.
- Voted as Retailer of the Year Europe for the second consecutive year by consumers.
- Sander van der Laan and Frederik Lotz appointed, as CEO and CFO, respectively.

Sander van der Laan, CEO Action, commenting on the 2015 results

“Since the day I joined, I was struck by the energy, pride and enthusiasm of my colleagues, whose drive to grow the business and improve the customer experience has made Action the company it is today.

Last year was another very successful year for Action. We again recorded strong growth in both sales and EBITDA. Including week 53, sales exceeded the EUR 2 billion mark by reaching EUR 2,034 million.

The strong satisfaction and loyalty of our customers is the foundation of our growing success as we expand our presence into new markets. In 2015 we continued to roll out our formula internationally by the opening of many new stores. We created a total of 7,000 new jobs, giving a significant boost to the local communities and economy.

In 2016 we will continue our store roll out in our existing geographies, particularly in Germany and France. With our strong international growth and the number of stores outside the Netherlands increasing, our organisation has developed from a Dutch company into a European multinational discount retailer. Being an international company means we have to strengthen our organisational capabilities whilst staying focused on our unique proposition. Together with geographic expansion, these will be our key priorities for the coming years.”

¹ Based on 52 weeks. Action reports in thirteen periods of 4 weeks. Every 5 to 6 years this leads to a year with 53 trading weeks. This was the case in 2015.

² Calculated on stores open for more than 12 months.

³ Operating result (earnings) before interest, tax, depreciation, amortisation and extraordinary items.



Adrian Bellamy, chairman of Action's Supervisory Board

"The Board would like to thank all employees for their successful contribution to the company's strong performance in 2015. And in particular we would like to record our appreciation for Ronald van der Mark who has made an outstanding contribution leading Action from 2011 to the end of 2015. We are delighted with the recruitment in 2015 of Sander van der Laan as CEO and Frederik Lotz as CFO and the Board is confident it has a strong team in place to ensure the continuing development of the business in the long term."

Sales

Sales growth was excellent throughout the year and the average number of visitors on a weekly basis increased, both through a combination of store openings and like-for-like growth. We saw particularly strong growth in France and Germany where sales more than doubled. In our more established markets, the Netherlands and Belgium, growth was also significant. Our first stores in Luxembourg and Austria were met with an enthusiastic response and recorded solid sales in their first months after opening. Overall like-for-like sales, calculated across stores that have been open for more than 12 months, increased by 7.6%.

EBITDA

Action's operating EBITDA⁴ rose by 36% to EUR 226 million in 2015, compared with EUR 166 million in 2014. This result was driven by growth in sales and margin. The EBITDA margin increased to 11.3% from 11.0%. We have invested more in new stores, supply chain, employees and systems and combined with a strong focus on costs, profitability improved.

International expansion

In 2015 we opened 17 stores in the Netherlands, 23 in Belgium, 31 in Germany, 68 in France, one in Luxembourg and one in Austria. In Germany we have expanded our operating territory towards the north and the south of the country. In France we grew from 52 to 120 stores. We signed an agreement in principle with the French La Halle group for the acquisition of 15 stores. Nine of the stores have already been transformed into Action stores with the remainder to follow over the course of 2016. To support our continued growth in France, we opened a distribution centre in the vicinity of Paris. We started the phased operation in March 2016 and expect it to be fully operational by the end of the year. This is our first distribution centre outside the Netherlands.

Strategic priorities

Our strategy for the future remains largely unchanged. We continue to do what we have always done, all based on our unique culture and values. We remain a 'one brand, one format' company with a very scalable business model. We have defined 3 strategic priorities:

- 1) *Strengthen our unique customer value proposition.* 'Price, surprise and convenience' is what Action is known for. To surprise customers again and again with new products at an extremely competitive price in a pleasant store environment has been the aim of our founders from day one and this is still our main goal. Therefore we will continuously strengthen our assortment and stores. The recent introduction of our improved fashion assortment in every Action store is an example of this.

⁴ Operating result (earnings) before interest, tax, depreciation, amortisation and extraordinary items



- 2) *International geographic expansion.* We will accelerate store roll out in the countries where we currently operate. To support this growth and to optimize our logistics, we will further expand our network of distribution centres into France and Germany.
- 3) *Expanding our cost effective, simple and scalable business model.* To achieve our growth ambitions our scalable business model develops continuously. Amongst other initiatives we will continue to strengthen our senior management. In addition, our IT infrastructure will be reinforced. To secure our assortment and the growing amounts of products, we will increase our direct sourcing facilities and continue to develop our relationship with A-brand suppliers.

Outlook 2016

- Action has started well in 2016 and expects continued strong growth in sales, EBITDA, number of stores and employees.
- Action remains focused on the continued international roll-out of its formula in the countries we are already located in.
- Our ambition is to open more new stores in 2016 than we did in 2015, with the majority of these stores to be opened in France and Germany.
- To facilitate continued growth in Germany, Austria and France, we plan to make a start with the realisation of a fourth and fifth distribution centre this year. These distribution centres will be located in the Mannheim area in Germany and in the Toulouse area in the south of France.

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About Action

Action is a fast-growing international non-food discounter with more than 680 stores in the Netherlands, Belgium, France, Germany, Luxembourg and Austria and over 28,000 employees. In 2015 Action recorded sales of over EUR 2,000 million. Last year, Action opened 141 new stores. More than a third of the more than 6,000 articles Action offers in its stores are part of our standard range. The rest of the range is dynamic and changes rapidly. Our product range includes household products, office supplies, cosmetics, food & drink, toys, textiles, glassware, porcelain and crockery, seasonal items, decorative articles and DIY products. Action introduces more than 150 new articles every week.

Action is able to charge extremely low prices due to its large scale and efficient purchasing, optimal distribution and its cost-conscious company culture. Consumers appreciate these surprisingly low prices and our constantly varying range of products. Many customers visit Action stores more than once a week. They see a visit as fun shopping, because they are constantly surprised with new items. The fact that customers recognise and appreciate this was proven by a survey conducted in 2015 among more than one million consumers in nine countries, in which Action was voted Retailer of the Year Europe 2015-2016.



Appendix: key figures

Because 2015 contained an exceptional 53 weeks trading, the tables below show both 52 and 53 weeks figures. '53 weeks' represents the actual full year numbers. For comparison reasons we have also presented 2015 figures on a 52 weeks basis.

	2015 (53 wks)	2015 (52 wks)	2014	2015 vs 2014 (52 wks)
Sales (EUR million)	2,034	1,995	1,506	32%
LfL sales⁵	-	7.6%	7.2%	0,4pp ⁶
Operating EBITDA⁷ (EUR million)	232	226	166	36%
Cash flow from operations (EUR million)	189	225	153	47%
Number of stores	655	655	514	27%
Number of employees	29,391	29,056	22,077	32%
Number of employees (FTE)	13,310	13,116	10,056	30%

Sales per country (EUR million)	2015 53 wks	2015 52 wks	2014	2015 vs 2014 (52 wks)
The Netherlands	1,166	1,147	1,043	10%
Belgium	409	401	292	37%
Germany	169	165	82	101%
France	289	281	90	212%

Number of stores per country	2015 53 wks	2015 52 wks	2014	2015 vs 2014 (52 wks)
The Netherlands	341	341	324	5%
Belgium	116	116	93	25%
Germany	76	76	45	69%
France	120	120	52	131%
Luxembourg	1	1	-	-
Austria	1	1	-	-

⁵ Calculated on stores open for more than 12 months.

⁶ Percentage points.

⁷ Operating result (earnings) before interest, tax, depreciation, amortisation and extraordinary items.