



## **PRESS RELEASE**

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# **Action continues accelerated international growth and realizes sales of over EUR 1.5bn**

## **Highlights 2014 results**

- Sales came in at EUR 1,506 million in 2014. This was a 30% increase compared to 2013 (2013: EUR 1,155 million).
- The operating EBITDA<sup>1</sup> rose to EUR 165 million in 2014, 29% higher than in 2013 (2013: EUR 128 million).
- Investments in new stores, supply chain, employees and systems amounted to EUR 55 million in 2014 (2013: EUR 45 million).
- Net growth of 108 stores: 21 in the Netherlands, 25 in Belgium, 23 in Germany and 39 in France (2013: 85 stores). This takes the total number of Action stores to more than 500.
- At year-end 2014 the total number of Action employees, including temporary employees, increased by 5,580 to 22,077, from 16,497 in 2013 (FTEs to 10,056 from 7,972).

## **Outlook 2015**

- Action expects to realize growth in sales, result, number of stores and number of employees once again in 2015.
- Action is focusing on continued international expansion and has the ambition to open more new stores in 2015 than in 2014.
- To facilitate this growth, Action will start with the development of a third distribution centre this year. This distribution centre will be near Paris, France.
- On 24 August of this year Frederik Lotz will join Action as CFO. Currently Lotz is CFO at Arla.

## **Ronald van der Mark, CEO Action, on the 2014 results**

“Together, we once again managed to achieve strong growth in sales and profit in 2014. In 2013, we broke through the magical barrier of EUR 1 billion in sales and we continued that rising line in 2014. Sales came in at more than EUR 1.5 billion. We grew with 108 new stores in the Netherlands, Germany, Belgium and France. Thanks to this and the opening of our new distribution centre in Echt, we created over 5,000 new jobs. And in the meantime, we have continued to do what we have always done: make our customers happy with very affordable and surprising products.

<sup>1</sup> Operating result (earnings) before interest, tax, depreciation, amortisation and extraordinary items



Our customers recognise this: In a 2014 survey among one million consumers in nine countries, Action was voted Retailer of the Year Europe 2014-2015. We are very proud of this title. We are a relatively young retailer, especially in France and Germany, and it is wonderful to see that our customers recognise and appreciate our format and its advantages.

We remain focused on continued expansion. In 2015, we will once again open a large number of new stores in France, Germany, Belgium and the Netherlands. This means that we will also welcome many new and enthusiastic colleagues. Together with them, we will make sure that customers continue to visit our stores. Our employees are the foundation of Action's success and I would like express my gratitude to them all for that."

### ACTION KEY FIGURES

	2014	2013	Growth 2014 vs. 2013		2012	Growth 2013 vs. 2012		2011	Growth 2012 vs. 2011	
<b>Sales (EUR million)</b>	1,506	1,155	351	30%	873	282	32%	718	155	22%
<b>Operating EBITDA (EUR million)</b>	165	128	37	29%	99	29	29%	86	13	15%
<b>Investments (EUR million)</b>	55	45	11	22%	21	24	114%	13	8	62%
<b>Number of stores</b>	514	406	108	27%	321	85	26%	269	52	19%
<b>Number of employees</b>	22,077	16,497	5,580	34%	11,657	4,840	42%	9,623	2,034	21%
<b>Number of employees (FTEs)</b>	10,056	7,972	2,084	26%	6,043	1,929	32%	5,220	823	16%



	2014	2013	Growth 2014 vs. 2013		2012	Growth 2013 vs. 2012		2011	Growth 2012 vs. 2011		
<b>Sales per country (EUR million)</b>											
Netherlands	1,043	904	139	15%	736	168	23%	634	102	16%	
Belgium	292	200	91	46%	128	72	56%	79	49	62%	
Germany	82	30	52	171%	9	21	244%	5	4	87%	
France	90	21	69	331%	0	21					
<b>Number of stores per country</b>											
Netherlands	324	303	21	7%	262	41	16%	235	27	11%	
Belgium	93	68	25	37%	51	17	33%	31	20	65%	
Germany	45	22	23	105%	7	15	214%	3	4	133%	
France	52	13	39	300%	1	12	1200%	0	1		

Total sales were up by 30% at EUR 1,506 million. In 2014 sales increased in every country in which Action operates. In the Netherlands, Action recorded sales of more than EUR 1 billion (EUR 1,043 million). In Belgium, this was EUR 292 million, while in Germany the company reported EUR 82 million in sales and in France EUR 90 million. This growth was achieved through both growth in sales from existing stores (like-for-like growth<sup>2</sup> 2014: 7%) and the opening of new stores. In 2014, Action opened 21 new stores in the Netherlands, 25 in Belgium, 23 in Germany and 39 in France.

Action's Operating EBITDA rose by 29% in 2014, to EUR 165 million, compared with EUR 128 million in 2013. As in previous years, this result was positively impacted by growth in sales and margin, but negatively impacted by increased costs. The rise in costs was due to the growth of the organisation. In 2014, Action made total investments in new stores, supply chain, employees and systems of EUR 55 million.

### New CFO

Action is pleased to announce that on 24 August of this year, Frederik Lotz will join the company as CFO. Frederik is 46 years old and is from Denmark. In the past five years he was CFO at Arla. Thanks to his career as a CFO at companies as Danfoss, Ferrosan and Arla, he has a great deal of financial experience. In addition, he is an expert in numerous other fields that belong to the focus area of a CFO.

<sup>2</sup> Calculated on stores open for more than 12 months



### **New distribution centre in Paris**

Action's ambition is to open even more new stores in Europe. The format has been received enthusiastically in all the countries in which the company has opened stores. That offers favourable prospects for continued expansion. To facilitate this international growth, Action will open a third distribution centre (DC) in France in the first half of 2016. The new DC will be located some 50 kilometres from Paris. From here both existing and new stores in France will be supplied.

### **Outlook 2015**

Action started 2015 well and expects further growth in sales and result, the number of stores and the number of employees this year. For this reason, Action recently increased the capacity of its distribution centre in Echt from 58,000 m<sup>2</sup> to 73,000 m<sup>2</sup>. In the first four months of this year, Action opened 15 new stores. Action expects to accelerate the opening of new stores even further in the course of this year. Because Action already has a relatively large number of stores in the Netherlands and Belgium, most of the newly-opened stores will be in France and Germany.

### **Note for editors:** (not for publication)

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### **About Action**

Action is a fast-growing international non-food discounter with more than 500 stores in the Netherlands, Belgium, Germany and France and more than 22,000 employees.

More than a third of the more than 5,000 articles Action offers in its stores are parts of our standard range. The rest of the range is variable 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 business 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 2014 among one million consumers in nine countries, in which Action was voted Retailer of the Year Europe 2014-2015.