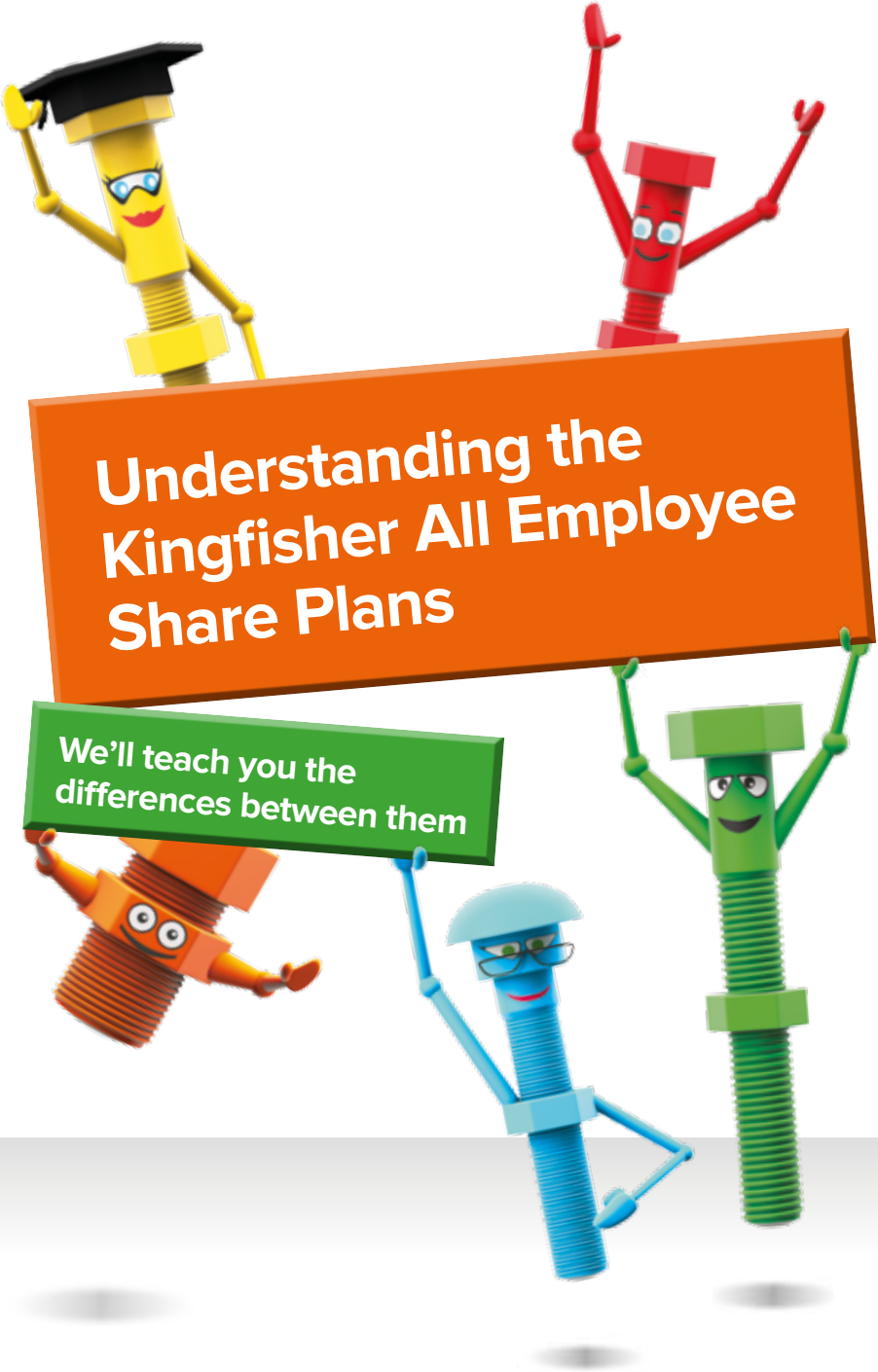

Understanding the Kingfisher All Employee Share Plans

We'll teach you the differences between them

Kingfisher

All employee share plans... what are they?!

When it comes to saving for your future, pensions aren't the only option. You can also invest in share plans at work. But what are they? Well essentially, they are a way to invest in Kingfisher plc and benefit from any growth in the share price.

Kingfisher offers two UK all employee share plans and they're easy to invest in – you just need to know how they work and what the differences are between them.

1. **The Kingfisher ShareSave Plan**
   also known as the Save as You Earn Plan (SAYE)

2. **The Kingfisher ShareBuild Plan**
   also known as the Share Incentive Plan (SIP)

You can invest in both of them if you'd like to. Let's find out more...

Here's a short lesson about the two plans available:

Both plans give you the opportunity to share in any future growth in Kingfisher's share price, but they do have different characteristics.

The benefits and features of ShareSave

- You can choose to enter into a savings contract to save a monthly amount between £5 and £250 for either 3 or 5 years. Your contribution will be taken out of your net pay each month
- You can cancel your savings contract at any time and receive your savings back in full if you need to
- The price you'll pay for the shares at the end of the savings contract (known as the option price) is fixed at the launch date and is discounted by up to 20% of the market value
- At the end of your savings contract, you have six months to decide either to buy the shares at the discounted option price, or you can simply take your savings back.

And something to be aware of

- Once your savings contract has started, your contribution amount can't be changed, so make sure you choose a figure you can comfortably afford each month.

The benefits and features of ShareBuild

- It's designed to promote employee share ownership, in a tax-efficient way
- Contributions are taken out of your gross pay each month and used to purchase Kingfisher shares, saving you Income Tax and National Insurance Contributions
- Each time Kingfisher pays a dividend, you'll receive this as additional shares
- If you hold the shares for at least 5 years and remain employed by the Group, you won't pay any Income Tax or National Insurance Contributions if you choose to sell or transfer your shares. Also, by keeping your shares in the plan until you want to sell them, you won't have to pay Capital Gains Tax on any profit made.

And something to be aware of

- The value of your investment can change as the share price goes up or down
- Receiving dividend payments from the company is not guaranteed
- You may have to pay Income Tax and National Insurance Contributions if you withdraw your shares from the plan early.

You can participate in both the ShareBuild Plan and a ShareSave Plan at the same time, but it's important to understand the differences between the two and what the risks are. So let's see...

A recap on the main differences between the two

ShareSave	ShareBuild
You'll receive an annual invitation as long as you have 3 months' or more continuous service at the invitation date	Join at any time after completion of 3 months' continuous service (excludes Ireland and offshore territories)
Choice to buy shares at the end of the saving period at a fixed discounted price or your savings back	Shares purchased monthly and held in a trust
No dividends payable in the plan	The dividends payable on your purchased shares are reinvested into more shares
Monthly savings from net pay	Monthly contributions from gross pay
Your chosen savings amount is fixed for the savings period	You can stop, start or change your monthly contribution at any time
Usually no Income Tax or National Insurance liability if you exercise your option to buy the shares	To gain the full tax benefits, you must hold the shares for at least 5 years from the date you buy them
May have a Capital Gains Tax liability on any profit when you sell the shares	Shares sold directly from the trust are not subject to Capital Gains Tax

See what's right for you by getting independent financial advice

Before making a decision, it may help to get a fresh point of view on your personal situation from an independent financial adviser. You can find one local to you by visiting **www.unbiased.co.uk**.

And remember...

The sooner you start saving, the better off you could be in years to come.

Would you like more information?

To find out more, please visit
www.kingfisherpensions.com/savingforyourfuture
or call the Kingfisher Plan Administrators, Capita Asset Services on **0871 644 9252**
Or visit **www.kingfisher-shareplans.com**

Please note the price of shares can go down as well as up. Kingfisher cannot provide financial advice. If you are unsure whether to join one or both of the Share Plans you should seek financial advice before proceeding. In the event of any conflict between the Rules of the Plans, any applicable legislation and the explanatory material, the Rules of the Plans and any applicable legislation take precedence.

10/2014

SAVING FOR YOUR FUTURE