

MATALAN

9 January 2017

Matalan results for the 13 weeks ended 26 November 2016

Matalan, a leading out of town fashion and homeware retailer, announces its results for the 13 weeks ended 26 November 2016.

Financial highlights

- Full price sales increase of 12.9%
- Total revenue of £299.4m (2015: £302.5m)
- EBITDA of £35.1m (2015: £32.2m)
- Closing cash position of £95.6m (2015: £60.5m)

Peak trading for the 5 weeks to 31 December 2016

- Full price sales increase of 29.1%
- Total revenue of £132.6m (2015: £136.5m)
- EBITDA of £19.3m (2015: £18.5m)
- Closing cash position of £99.5m (2015: £78.5m)

Performance overview & Outlook

Commenting on performance Jason Hargreaves, Managing Director of Matalan, said:

“The results reflect our steady progress in what continues to be turbulent market conditions with sustained economic uncertainty. Our measured and cautious approach, with a focus on full price sales, improved profitability. However, as the market became increasingly distressed into and throughout December the impact of these efforts were softened. Despite this, our online channel maintained its strong growth rate of over 69% in the quarter.

As a result of the Q3 and December performance our full year EBITDA guidance is £75m–£77m (2015: £56.2m), with cash flow positive on last year. Due to our tighter stock position the entry volume into the Boxing Day Sale remained healthy and will deliver a clean exit position from the year.

The disciplined approach we took this year will remain during 2017. In addition, we are clear on the opportunities for sustainable growth and will begin to execute against these in the coming twelve months. I'd like to thank all of our colleagues for their work throughout the year.”

Ends

Enquiries:

FTI Consulting **020 3727 1000**
Jonathon Brill
Josephine Corbett
Eleanor Purdon

About Matalan Retail Limited

Matalan, a leading out of town fashion and homeware retailer, operates through 227 stores in the UK, an e-commerce platform and 24 overseas franchise stores. Matalan Retail Limited was taken private in December 2006 by the acquisition of its parent company, Matalan Plc (now delisted and known as Matalan Limited), by Missouri Bidco Limited, subsequently renamed Matalan Finance Limited. Matalan Finance Limited has subsequently become a public limited company and is ultimately controlled by the Hargreaves family.

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